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Congressional Record

PROCEEDINGS AND DEBATES OF THE 101st CONGRESS, FIRST SESSION

SENATE—*Friday, August 4, 1989*

(Legislative day of Tuesday, January 3, 1989)

The Senate met at 9:15 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

He that dwelleth in the secret place of the most High shall abide under the shadow of the Almighty. I will say of the Lord, He is my refuge and my fortress: my God; in him will I trust.—Psalm 91:1, 2.

Mighty Lord, may the cover of Thy blessing rest upon all in the Senate family and their loved ones during the August recess. Grant to those who travel, a safe journey—to families, time for resolving difficulties and renewal in love—to those who have work commitments, the grace to fulfill—to those staff who have labored tirelessly these past days and must continue such work, refreshing in their labors—to all, some time of rest and recreation—to those ill in hospital or home, encouragement and rapid, total recovery.

The Lord bless thee, and keep thee: The Lord make his face shine upon thee, and be gracious unto thee: The Lord lift up his countenance upon thee, and given thee peace.—Numbers 6:24-26.

Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

NOTICE

An interim issue of the daily Congressional Record will be published during the adjournment for the August recess, in order to permit Members to revise and extend remarks.

All material for insertion must be signed by the Member and delivered to the respective offices of the Official Reporters of Debates (Room HT-60 or S-220 of the Capitol), Monday through Friday, between the hours of 10:00 a.m. and 3:00 p.m., through August 15. The interim issue will be dated August 15, 1989 and will be delivered on August 16.

None of the material printed in the interim issue of the Congressional Record may contain subject matter, or relate to any event, that occurred after the adjournment date.

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By order of the Joint Committee on Printing.

WENDELL H. FORD, *Chairman.*

THE JOURNAL

Mr. GRAHAM. Mr. President, I ask unanimous consent that the Journal of proceedings be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. GRAHAM. Mr. President, this morning the time reserved for the two leaders has been reduced to 7½ minutes each. At 9:30 a.m., the Senate will resume consideration of S. 686, the oilspill liability bill, and upon disposition of that legislation, the Senate will consider the Treasury, Postal Service appropriations bill.

Mr. President, the majority leader asked that I indicate to our colleagues that rollcall votes are likely early today on or in relation to the oilspill legislation, as well as other legislation which might come before the Senate.

RESERVATION OF LEADERSHIP TIME

Mr. GRAHAM. Mr. President, I ask unanimous consent that the time for the majority leader be reserved.

The PRESIDENT pro tempore. Without objection, the remaining time for the majority leader will be reserved.

Mr. STEVENS. Mr. President, I ask unanimous consent that the time for the Republican leader be reserved.

The PRESIDENT pro tempore. Without objection, the time for the Republican leader is reserved.

Mr. GRAHAM. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

● This "bullet" symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

The PRESIDENT pro tempore. The senior Senator from Delaware is recognized.

Mr. ROTH. I thank the Chair.

(The remarks of Mr. ROTH pertaining to the introduction of S. 1531 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

OIL POLLUTION LIABILITY AND COMPENSATION ACT

The Senate resumed consideration of the bill.

The PRESIDENT pro tempore. Under the order, the Senate will now resume consideration of S. 686, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 686) to consolidate and improve Federal laws providing compensation and establishing liability for oilspills.

Mr. D'AMATO. Mr. President, I ask unanimous consent that I might be able to proceed as if in morning business for no longer than 5 minutes.

The PRESIDENT pro tempore. Without objection, the junior Senator from New York [Mr. D'AMATO] will proceed out of order not to exceed 5 minutes.

Mr. D'AMATO. I thank the Chair.

HOSTAGE RELEASE

Mr. D'AMATO. Mr. President, events that have taken place in the Middle East in this past week have been tumultuous. Charges and countercharges have been made whether or not it was appropriate for Israel to take the action that it did. I believe they were proper.

I hope that in the fullness of time, given the concentration of the world community at large, the diplomatic efforts that are now being undertaken will result in the release of all those being held captive in Lebanon.

Mr. President, I think we have to make it abundantly clear, both in our diplomatic relations and in the manner in which we, and others, conduct negotiations, that we seek the return of all of the captives, and that the United States does have the will and the resolve to do what is right during these difficult times. If, however, our diplomatic efforts are not successful, and we hope they are and we pray that they are, I know that all of us stand behind our President in his determination to bring about a resolution of this situation. If we do not obtain the release of all who are held unjustly, we must be prepared to pursue all the legal courses available to us and seek extradition of those who have planned or carried out terrorist attacks against our citizens. That, Mr. President, is a principle which we should not put aside.

I believe we should pursue our negotiations with steadfast purpose but certainly let those with whom we are working know that if we cannot resolve these matters, we will seek extradition. I am talking particularly about Sheik Abdul Karim Obeid, who is held in Israel at this time. If all those being held in Lebanon are not freed, we should bring him to justice to face those charges under the laws and statutes of this country relating to the murder of Colonel Higgins and to other terrorist activities with which he may have been connected. It is important that we not flinch from the principles of law, that we let terrorists know there is no secure haven from the long arm of American justice.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll, the absence of a quorum having been suggested.

The legislative clerk proceeded to call the roll.

Mr. BREAUX. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

OIL POLLUTION LIABILITY AND COMPENSATION ACT

The Senate continued with the consideration of the bill.

The PRESIDENT pro tempore. The Chair wishes to advise Senators, if I may have order, that time is running under the agreement. Twenty minutes were allotted for debate. There has been no request that the time not run. Time is being charged against both sides equally.

Mr. STEVENS. Parliamentary inquiry. Did the Chair say the time is running on the time for debate on the bill?

Mr. BAUCUS addressed the Chair.

The PRESIDENT pro tempore. The Senator from Montana.

Mr. BAUCUS. Mr. President, I thank the Chair for making that observation. Accordingly, Mr. President, I ask unanimous consent that during the quorum calls, that time not run against the bill.

The PRESIDENT pro tempore. Without objection, it is so ordered. The time consumed on quorum calls will not be charged.

The Chair would inquire as to what about the other time which has passed?

Mr. BAUCUS. Will the Chair repeat that request?

The PRESIDENT pro tempore. The Chair calls attention to the fact that 20 minutes are allotted for debate on this bill. The bill was laid down at 20 minutes after 9 o'clock a.m. So the time is rapidly being consumed.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the original 20 minutes to be equally divided on each side on the bill be reinstated.

The PRESIDENT pro tempore. Beginning now?

Mr. BAUCUS. Beginning this moment.

The PRESIDENT pro tempore. Without objection, the 20 minutes allotted for debate on the bill will begin running now.

AMENDMENT NO. 686 TO AMENDMENT NO. 666

(Purpose: Perfecting amendment to amendment No. 666)

The PRESIDENT pro tempore. The Senator from Alaska.

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 686 to the amendment numbered 666.

Mr. STEVENS. Mr. President, I ask that reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

Amendment No. 666, to make certain perfecting amendments to S. 686, is amended on page 41 by inserting after line 20 the following new paragraph:

"(3) for any claims against the Trans-Alaska Pipeline Liability Fund, the term "damages" shall include but not be limited to the loss of taxes, fees, royalties, rents, or other revenues incurred by a political subdivision of a state due to the injury, destruction, or loss of real property, personal property, or natural resources, or diminished economic activity due to the discharge. This definition shall be deemed to be effective as of January 1, 1989."

Mr. STEVENS. Mr. President, I allocate myself as much time as I might use.

The PRESIDENT pro tempore. The time on this amendment is 20 minutes equally divided.

Mr. STEVENS. I made a specific request last evening that there be time for this Senator on the general debate on the bill. I was unaware that there was any limitation on the bill itself. I inquired twice. But I shall use part of the time on one of my amendments to make a statement that I wish to make on the bill.

Mr. BAUCUS addressed the Chair.

The PRESIDENT pro tempore. The Senator from Alaska has the floor. Does he yield to the Senator from Montana.

Mr. STEVENS. Yes.

Mr. BAUCUS. I do not have a copy of this amendment. May we please have a copy?

Mr. STEVENS. I would say my good friend has a copy, given to your staff.

Mr. BAUCUS. Which amendment?

Mr. STEVENS. Dealing with damages and the Trans-Alaska Pipeline Liability Fund.

Mr. President, this bill now takes the Alaskan pipeline fund and makes it

the basis for the new national fund that is created by the bill. After conferences with the distinguished majority leader and in an agreement that we reached concerning the accountability of that transfer, we have supported the bill.

One of the things this bill does is it preserves the claims against the Trans-Alaska Pipeline Liability Fund and transfers them over to the new fund created by this bill.

This is a very limited amendment. It covers only those claims that might be presented against the national fund because of potential claims against the liability fund. There is obviously only one incident that could give rise to such claims, and that is the *Exxon Valdez.*

In the past year, the managers of the Alaska pipeline liability fund changed their regulations and provided that no longer would damages include the taxes, fees, royalties, rents, and other revenues of a political subdivision that have been lost as a result of a claim that would give rise against the fund. That change made in the regulations of the liability fund was not conveyed to Alaska, was not conveyed to the communities affected.

What this amendment does is it reinstates, effective January 1 of this year, the potential claim of these communities against the Alaska fund, and those claims would be transferred to the national fund. I might say that it is a very remote possibility that there will ever be claims of this kind because, as we know, Exxon has acknowledged liability for the *Exxon Valdez* disaster, and is in fact now already compensating some of the cities, to a certain extent, for their losses. But there is a question as to whether there is a court decision that somehow or other might hold Exxon not responsible for the losses which would give rise for some people to present claims against the Trans-Alaska Pipeline Liability Fund.

The communities involved asked that we take action to reverse the decision of the managers of the Trans-Alaska Pipeline Liability Fund.

The Commerce Committee bill that was reported on the floor contained this provision. In presenting the amendment now that is before the Senate, we have a compromise between the Commerce Committee and the Public Works Committee. This provision, which was in the Alaska portion of the Commerce Committee bill, has been omitted.

I ask the Senate to restore it. It is something that the mayors and the people in the local political subdivisions that have suffered loss—and I might tell the Senate that one has to go through one of these disasters to realize what kind of losses people have, but they have lost revenues. They have lost rent on slips in their marinas. They have lost taxes that would have been paid to them from the people who would have been living in their community and bought goods and paid sales taxes. Those people are now living on troop ships rented from the Federal Government by Exxon. They are not buying in the cities. There has been a decline, overall, in the revenues of communities.

Now, again, I say to the Senate, this really is not a general provision. This is a very subjective Alaska provision. It is a safeguard against the possibility that these communities might have to present a claim against the liability fund. I ask this provision be restored.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island [Mr. CHAFEE].

Mr. CHAFEE. Mr. President, let me see if I understand this correctly. The claim would only be against the TAP's fund, am I correct in that? In other words, it would not be against the general fund that is being setup here?

Mr. STEVENS. No. The general fund is in fact the TAP's fund. You all have collected no money. We collected $248 million, and this bill transfers that money to the national fund. In doing so, it carries with it the claims that could be presented against the Trans-Alaska Liability Fund. So this preserves this type of claim against that fund, the new national fund, to which the moneys are now in the Trans-Alaska Pipeline Fund will be transferred.

Mr. CHAFEE. What I am trying to understand is that this fund is going to presumably reach a billion dollars, $500 million, with $500 million capacity to borrow. The TAP's fund is going over to some amount. Whether it is $200 million plus I am not sure.

These claims would go against that fund that comes over, not against the newly established fund; am I correct?

Mr. STEVENS. I might state the limits of liability under this amendment are the amounts that are in the existing Trans-Alaska Pipeline Liability Fund. It is not written to be a claim against the new national fund.

Mr. CHAFEE. That is good enough.

Mr. STEVENS. The claims of the existing Trans-Alaska Pipeline Liability Fund are transferred to the new fund, but they are limited by the amounts that are in the existing Trans-Alaska Pipeline Liability Fund.

Mr. CHAFEE. I thank the Senator very much for that.

The PRESIDENT pro tempore. Who yields time?

Mr. BAUCUS. Mr. President, I yield myself 1 minute.

The PRESIDENT pro tempore. The Senator from Montana [Mr. BAUCUS] is recognized for 1 minute.

Mr. BAUCUS. Mr. President, I think this amendment makes eminent sense that damages also include taxes, fees, royalties, and so forth.

We accept the amendment

Mr. CHAFEE. We likewise accept the amendment on this side.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Alaska.

The amendment (No. 686), to amendment No. 666, was agreed to.

AMENDMENT NO. 687

Mr. STEVENS. Mr. President, I have another amendment that is reserved, and I send the amendment to the desk.

The PRESIDENT pro tempore. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 687.

On page 30, line 17, after the period, insert the following new sentence:

"Such agreements shall provide for political subdivisions of the State to receive payments for reasonable costs and may authorize advance payments from such account to facilitate such efforts."

The PRESIDENT pro tempore. Who yields time?

Mr. STEVENS. I yield myself such time as I may need.

The PRESIDENT pro tempore. The Senator from Alaska.

Mr. STEVENS. Mr. President, this is another concept that was in the Commerce Committee bill reported to the floor and in the revision of the Commerce Committee amendment that this Senator thought would be offered intact to this bill. This provision has been left out.

This bill now provides that the President will make agreements with Governors covering contingencies such as oil spills.

The Commerce Committee bill required that of the amounts that would be made available to the on-scene commander in the event of any oil spill there be amounts advanced to States and local political subdivisions to meet the costs that they have incurred in attempting to meet the problems of any oil spill disaster that might affect them. Mr. President, I emphasize "that might affect them."

When you have the oil going down a coastline that is hundreds of miles long, it is the tides and wind conditions which determine which beach gets hit, communities are going to go out and build barriers against that oil. Even though nature may not bring oil to their beach in the end, they must prepare for oil to hit their beach. Nobody knows which beach will be hit until it happens by the act of God.

One of the problems we have had right now is Exxon is saying: "Wait a minute. Oil never hit that beach. Why should we pay those people for trying to keep oil from hitting the beach?"

It is the kind of thing that says you have to be hit by a truck before you have any recovery, but if you see a truck coming and you incur some li-

ability by getting out of the way, that you cannot recover for that.

This is a massive amount of oil that may impact any area that is affected by the tide, drift conditions, wind, and sea, literally. If there is anything that is the act of God, it is the selectivity of where does the oil hit.

These people, the mayors and councils of the small communities believe they are entitled to recover the costs that they incur to protect their beaches and resources.

The Commerce Committee bill said, yes, they can recover under conditions to be established by the onscene commander; what is more, that they could get advances to help prepare. This bill before us now does not.

What my amendment seeks to do is say that in the agreements that the bill now mandates the President, to make with these communities; those agreements shall provide that the political subdivisions of a State will receive payments for reasonable costs and that they may receive advance payments to facilitate such efforts.

I tell the Senate this is the absolute, in my opinion, essence of the problem that we have had in Alaska, how to help local people who deal with the problems that come from disaster finance their efforts to respond to a spill, and remember, Mr. President, the other amendment took into account the fact that their revenues go down and their costs go up a staggering amount. They should be included in these agreements; they should not be dependent upon the whim of a Governor who might say at the last minute, "I've got people I would like to send out on this. We are going to take control of that. Nobody asked you to take that action to protect your area."

They should be included from the beginning and the relationship should be determined by the agreement with the President and the Governor.

Again, this does not mandate the payments. It authorizes advanced payments to facilitate effective local response to a spill.

Mr. BREAUX. Mr. President, will the Senator yield?

Mr. STEVENS. Yes; I am happy to yield.

Mr. BREAUX. I would like to ask the Senator some questions because I am confused about what we did in committee.

Were these amendments offered in committee and accepted and somehow got dropped in the print?

The reason I am asking the question is if the Senator would look at page 30 of the bill, we are talking about beginning around line 3 that the Governor of each State is authorized to obligate the fund for the payment of removal costs in an amount not to exceed $250,000. That is what the bill says on page 30.

The question I have is, Is this changing that cap of $250,000, or is it still within the cap? And No. 2, the question is, Are we talking about the trans-Alaska pipeline fund because the bill does away with the trans-Alaska pipeline fund? It creates the new fund.

Mr. STEVENS. This is the new fund; and it does not do the same thing as our bill. Our bill would have had payments from the fund, and the Senator will see that it is on page 30 of our bill. This new bill now mandates the President to make an agreement with the Governor and that agreement will determine who is entitled to advances and to repayments from this new fund.

Mr. BREAUX. If the Senator will yield further, the Senator's amendment does not seem to have a limit on how much will be reimbursable. The bill talks about a cap of $250,000 on page 30 and then the amendment seems to say that the local subdivision is authorized to receive payments for all reasonably incurred costs. It does not speak to any cap.

The question is, Are we still within the cap or not?

Mr. STEVENS. This has nothing to do with Alaska now in particular. This is a general requirement for the agreements between the President and the Governor.

If you look back at our bill, this is what it says:

When a State or political subdivision thereof has commenced containment or cleanup efforts it may submit a request to the secretary of the department to which the Coast Guard is operating for advance payments from such amounts to facilitate such efforts. Such advances in aggregate shall not exceed $50 million.

That concept is not carried over in the bill that is before us now, and I seek to ensure that the agreement between the State and the President will include the rights of the local political subdivisions and, further, that they may receive moneys from the fund.

The PRESIDENT pro tempore. Who controls time in opposition to the amendment?

Mr. BAUCUS. Mr. President, I am not sure who controls time in opposition to the amendment.

The PRESIDENT pro tempore. If no Senator opposes the amendment——

Mr. BAUCUS. Mr. President, I do have a question.

Mr. STEVENS. Mr. President, my staff tells me I failed to answer completely the question of the Senator from Louisiana.

The answer is, in terms of the limitation it may come from the original advance, but there may be additional moneys because the bill authorizes the President to receive requests for additional moneys in addition to the $250,000. The $250,000 is automatically available to the Governor once a spill occurs. This bill directs the President to make arrangements with interested States to allow the transfer of additional funds. This amendment includes communities in those agreements.

Does that answer the Senator's question?

Mr. BREAUX. I think it does. I am not sure. I think it does.

The PRESIDENT pro tempore. Who controls the time in opposition?

Mr. BAUCUS. Mr. President, I ask unanimous consent that I may control time in opposition to this amendment.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, may I ask a question of the Senator from Alaska?

The original version of this amendment, in the third line—I will read from the amendment:

Such agreements shall provide for political subdivisions of the State to receive payments for reasonable costs.

Should not the phrase be "receive payments for reasonable removal costs"?

Mr. STEVENS. The original version of the amendment, as I submitted it, was that:

Such agreements shall provide for political subdivisions of the State which have commenced containment or cleanup efforts to receive payment for costs reasonably incurred and allow them to receive upon request advance payments from such account to facilitate such efforts.

In the redraft of it that has been done by staff this morning, the reference that the Senator has indicated is no longer in it.

If the Senator wishes to put "reasonable cleanup costs" back in, I have no problem.

Mr. BAUCUS. I urge the Senator to put in not cleanup costs but removal costs, because removal costs are defined in the bill and cleanup costs are not. We are going to get into a big interpretive question.

Mr. STEVENS. I am willing to amend the amendment in any way to satisfy the Senator with regard to that limitation. Does he wish to insert "removal costs"?

Mr. BAUCUS. Right.

Mr. STEVENS. Mr. President, I would like to modify my amendment to insert the word "removal" before the word "costs"—"reasonable removal costs."

The PRESIDING OFFICER. Is there objection to the Senator being allowed to modify his amendment? The Chair hears none.

Would the Senator send his modification to the desk?

The amendment is so modified.

The amendment, as modified, is as follows:

On page 30, line 17, after the period, insert the following new sentence: "Such agreements shall provide for political subdivisions of the State to receive payments for

reasonable removal costs and may authorize advance payments from such account to facilitate such efforts."

The PRESIDENT pro tempore. Who yields time.

Mr. BAUCUS. Mr. President, I yield myself 15 seconds.

With that change, I am prepared to accept the amendment.

Mr. CHAFEE. Likewise, Mr. President.

The PRESIDENT pro tempore. The question is on agreeing to the amendment, as modified.

The amendment (No. 687), as modified, was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Senator from West Virginia be able to address the Senate for 3 minutes and that the time not be charged to either the bill or any amendments that may pertain to this bill that are contained in the unanimous-consent agreement.

The PRESIDENT pro tempore. Does the Senator from West Virginia intend to speak on the subject matter before the Senate?

Mr. ROCKEFELLER. The Senator does not.

The PRESIDENT pro tempore. Without objection, the Senator from West Virginia may speak out of order for not to exceed 3 minutes and the time will not be charged under the agreement.

Mr. ROCKEFELLER. I thank the Presiding Officer very much and I thank the manager of the bill.

(The remarks of Mr. ROCKEFELLER pertaining to the introduction of S. 1529 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. The Chair hears no objection.

Without objection, it is so ordered.

The Senator from Alaska is recognized.

AMENDMENT NO. 688

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 688.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

On page 34, after line 4, insert:

S. 686 is amended by adding the following new subsection to section 103:

"(k) In the expenditure of Federal funds for removal of oil, including, but not limited to, distribution of supplies, construction and other reasonable and appropriate activities, which may be carried out by contract or agreement with private persons, preference shall be given, to the extent feasible and practicable, to those private persons residing or doing business primarily in the area affected by the discharge of oil. This section shall not be considered to restrict the use of the Department of Defense resources.".

Mr. STEVENS. Mr. President, this is another complication because we are taking a Commerce Committee bill and putting portions of it by amendment into an Environmental Public Works Committee bill.

The Commerce Committee at my request included an amendment which would have enabled an oilspill to be deemed, under the Disaster Act, a national disaster. Not a natural disaster but a national disaster.

When we first had the Exxon spill, I sought a declaration of a national disaster. Had that been granted, all of the capability of the emergency powers of the President would have been immediately available to deal with the disaster in Prince William Sound.

But we found the National Disaster Act does not include oil spills as being eligible for a declaration of national disaster.

In the redrafting of this bill that change in the Disaster Act has been left out. I leave it to others to explain why. And I make this prediction, Mr. President. Any Senators here who go through what we have gone through in terms of this disaster will wish to God the Senate had listened to this Senator and made oilspills eligible for a declaration of a national disaster.

The managers of the bill now indicate that they are not going to accept that. This provision is a portion of what would come about if an oilspill was declared a national disaster. The Stafford Act, which would be triggered by such a declaration, includes a provision that in the cleanup of the effects of a disaster, be it an earthquake, a major fire, a flood, an oilspill—if the Act was amended to include one—the local people would be given preference to the extent feasible and practicable, in the expenditure of funds as far as employment is concerned.

This Senator now has lived through the great earthquake—it was the largest earthquake on the northern continent since the Richter scale was adopted—this disaster, and a series of major floods. I do not know anyone on this floor who has lived through the kind of disasters that I have seen in my lifetime in our State.

And I tell the Senate: This is one of the great tragedies of the expenditures of Federal funds. When those funds come into the State after an event like this, they are under normal Federal procedures. There is competition. There are bids. There are contractors who win those contracts and they proceed to bring in their crews. All the people who have been affected by the disaster are out of work.

There is no economy going on.

After the disaster the major work that is involved in the area affected by the disaster is the cleanup, the removal of the effects of the disaster.

This is a simple request from this Senator and that is if we are not going to make oilspills a national disaster, at least provide that those people who live in the area will, to the extent that it is practicable and feasible, be hired for the jobs that are created in removal.

I know my friend is going to raise the question, Are they going to be qualified?

I will say this to my friend and I will be happy to have a dialog with the Senator from Rhode Island about this, I have not found a job description for someone who is qualified to remove oil from rocks. We have been looking for qualified people to tell us how to get the oil off those beaches. As far as the qualifications are concerned, the qualifications mean they have to be willing to live on a troop ship, they have to be willing to spend 12 hours a day in their job but only be on the beach maybe 6 hours, and be ridiculed by the rest of the country for trying to get oil off rocks, in the first place. "Saturday Night Live" had a parody of them. It was funny to watch. Unless you had been there.

One of my friends said, "What are you so mad about?" I am mad because we have a syndrome in the aftermath of this disaster. There is no question about it. You have not lived through it, so you look at it in a different way than I do. This bill ought to prepare you for some of the problems we have had. I do not expect another disaster in my lifetime, God forbid, like this, but I say the people of the area affected by one ought to be given the jobs when you start spending Federal money, Mr. President. They have no income other than this for a period after a disaster. The removal of the effects of the oilspill, to the extent payments are made from Federal funds, ought to be done in a way that gives preference, to the extent it is practical and feasible, to the people who live in the area. That is all this does.

The PRESIDENT pro tempore. Who yields time in opposition?

Mr. BAUCUS. Mr. President, I ask unanimous consent that I be designated the person to manage the time in opposition to the amendment.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I yield 2 minutes to the Senator from Rhode Island.

Mr. CHAFEE. Mr President, first I want to say the amendment of the Senator from Alaska makes a lot of sense. I do not know who can argue with it. I am surprised to hear he has lived, as he said, through two disasters. I did not know about the flood, so several disasters were in his State. He knows what he is talking about.

I have discussed this with him. I wished to have inserted in there the word "qualified" and his response was that indeed the people would be qualified. All these disasters do not involve washing oil off rocks. They involve, as, I presume, in the earthquake disaster of several years ago, construction of rebuilding of harbors, streets, infrastructure, and I can only assume that those who are going to be hired with preference under this, to the extent he says feasible and practicable, also would be to hire those private persons residing and doing business primarily in the area of those qualified private persons. Nobody can argue with that.

Mr. STEVENS. Mr. President, if the Senator will yield, I do not argue with that, but I just would not like to have a standard in this act be different than the Disaster Act. The Disaster Act tracks precisely this language, "* * * preference shall be given," and I am quoting from section 5150 of title 42 of the United States Code, "* * * preference shall be given, to the extent feasible and practicable, to those organizations, firms, and individuals residing or doing business primarily in the area affected by such major disaster or emergency."

I agree with the Senator. We do not want people unqualified doing it. The only question is who is qualified on some of these? I believe we should track the Disaster Act. We would like to trigger the Disaster Act, but at the very least we should incorporate this portion of that act. I agree they have to be qualified.

Mr. CHAFEE. I thank the Senator.

The PRESIDENT pro tempore. The Senator from Montana.

Mr. BAUCUS. Mr. President, I think the Senator from Alaska makes a good point. I think it is always preferable that local personnel be involved in disaster cleanups. I commend the Senator for offering this amendment. I also tend to think the person who will be hired will be qualified. It just makes sense to me if someone is going to hire someone, he is more likely than not going to hire somebody who is qualified. I think this amendment helps improve the bill. I am prepared to accept the amendment.

Mr. CHAFEE. Likewise, Mr. President.

The PRESIDENT pro tempore. Is all time yielded back?

Mr. BAUCUS. I yield back the remainder of my time.

The PRESIDENT pro tempore. Does the Senator from Alaska yield back his remaining time?

Mr. STEVENS. Mr. President, how much time do I have?

The PRESIDENT pro tempore. The Senator has 4 minutes and 21 seconds.

Mr. STEVENS. May I use that time, Mr. President, to make an inquiry of the managers?

The PRESIDENT pro tempore. The Senator is recognized.

Mr. STEVENS. I thank the Senator. I have had some comments about the impact of this bill on a spill similar to the *Exxon Valdez.* I have a statement that I would like to make to point out that these statements I have been hearing are wrong. There are people saying that if the *Exxon Valdez* disaster occurred, once this bill becomes law, that all kinds of things would be changed and it would be to the disadvantage of the people in the area affected by such a disaster, which is not true. I would need about 5 or 6 minutes on that. I have another amendment coming up. I could take the time off that but I think we are going to be debating that amendment. As I understant it, there are only 20 minutes on general time under the bill.

The PRESIDENT pro tempore. Under the bill, the Chair will state, the debate is controlled by Mr. BAUCUS and Mr. CHAFEE.

Mr. STEVENS. May I make a parliamentary inquiry? According to the agreement, how many more amendments does the Senator from Alaska have the privilege of proposing?

The PRESIDENT pro tempore. This amendment and one more.

Mr. STEVENS. Mr. President, let me use the time now then, if I may, and just say this.

The PRESIDENT pro tempore. What time does the Senator yield?

Mr. STEVENS. Whatever is available.

The PRESIDENT pro tempore. The Senator has 2½ minutes on this amendment.

Mr. STEVENS. Does the Senator from Montana have any time left?

The PRESIDENT pro tempore. The Senator from Montana has 6½ minutes.

Mr. STEVENS. Maybe I might indulge him. Let me make this statement, Mr. President. As I indicated, I have heard statements of what might have been the situation had this legislation been in effect at the time the *Exxon Valdez* went aground on Bligh Reef almost 4½ months ago. Some people misread the concept of strict liability. Exxon's strict liability, meaning liability without fault, under this bill would be $106 million. Under the existing law, it would have been $46 million. There would have been $14 million under TAPS and $32 million under the Clean Water Act.

The fund created by this bill would provide up to $1 billion to pay for the cleanup and damages, instead of the $86 million that would have been available from the existing TAPS fund.

This bill removes the requirement in the existing Clean Water Act that the owner have privity and knowledge before that owner can be held liable for gross negligence or willful misconduct. Under this bill there would be no limit on Exxon's liability because of the fact that, in this Senator's opinion the crew did violate applicable operating and safety standards, and, in addition, there is the allegation of gross negligence on the part of the captain.

This bill does nothing to preempt the State, including my State of Alaska, from imposing unlimited liability for accidents in State waters or unlimited liability for damage in State waters from accidents that occur outside of those waters.

The national fund put into effect by this bill would make $1 billion available for each incident. These funds would be immediately available for use by the Government in responding to a spill. Under existing law, the Government had only $6 million available under the 311(k) account of the Clean Water Act. The Governor would have immediate access to $250,000 from this national fund for use by the State and political subdivisions under the bill. The remaining $999,750,000 in the fund would be available for use by Federal officals to reimburse State, local, and Federal costs, as well as to pay damages.

This bill would put in place a regional team trained to direct and control the response and cleanup. Even if the spill had been an absolute worse case condition, such as the entire cargo of the *Exxon Valdez,* which was 60 million gallons, this bill would provide the capability to deal with it.

The Government's ability to respond properly and promptly to a spill is further enhanced by this bill because of the contingency plans required by this bill will now have the force and effect of law. The contingency plan must be approved by the Government in order for a ship to even operate, and a court could order Exxon or any other tanker operator to comply with the plan if they would not voluntarily do so. The plan, in order to be approved, must discuss in detail how a tanker operator would handle a spill of the entire cargo. In the past we just had an assumed amount. One of the questions in 1987 that Exxon was asked to answer was what would they do with a spill of 200,000 barrels. The *Exxon Valdez* spill was 240,000 barrels. This bill says you must have a plan to handle a spill that is as large as the

full amount of the cargo, with trained people in place.

Finally, let me point out that the No. 1 defect we found in the old contingency plans is that complacency is the greatest enemy of the environment in the United States. When we first started operating the pipeline we had a plan, we had people in place, we had equipment there and they were subject to drills time after time after time; the tankers went in and out of the Sound without an incident; 5,000 tankers, 6,000 tankers, 7,000, 8,000, almost 9,000 tankers by the time we had an incident. We had not exercised the plans.

I say to anyone who looks at this bill, which is the result of a large amount of hard work—and I compliment the managers of the bill as well as the people who have worked on it from the Commerce Committee—this provides response terms in all areas of this country who will go out and task the operators of these tankers to prove that they can do what their plan says they can do. It will task the operators of the ports to prove that they can respond. It will task the planners to make sure that they have used state-of-the-art technology and that they upgrade these plans periodically. This bill, to me, is the enemy, complacency.

This bill puts into place a mechanism to require that people are capable of doing what these plans say they can do. If the Exxon disaster happened under this plan, we would have had a better opportunity to control that oil when it was in the water, to try to get it out of the water, and a great amount of it would never have hit the beaches of Alaska, Mr. President.

I thank the Senator from Montana for his courtesy.

The PRESIDENT pro tempore. The Senator from Montana.

Mr. BAUCUS. Mr. President, I yield myself the remainder of my time.

Mr. President, the Senator from Alaska is absolutely correct. Had this legislation been in effect on March 24, it is clear to this Senator, as the Senator from Alaska stated, that we would not be facing near the dimensions of the disaster that we are, unfortunately, up in Alaska, for several reasons. No. 1, it is less likely that the disaster would have occurred. Because of the dramatic, and I mean dramatic, increases in this bill and because privity is no longer a defense, it is much less likely that the *Exxon Valdez* and Exxon Co. would have been as negligent as they were, which makes it less likely that the incident would have occurred.

No. 2, even if the incident had occurred, because of the billion dollars in the compensation fund that is available and also because we very clearly designate the President's ability to decide very quickly whether he wants to take over or not take over, and because of the response teams and because they have to go through drills as the Senator from Alaska has stated, it is clear to this Senator that the response would have been much more immediate and much more effective. We would not face nearly the disaster that we now have.

I agree with the Senator. He has very clearly and articulately gone down the reasons why had this legislation been in effect on March 24 we would probably be in a much better situation than we now are and would not have had near the same disaster. The Senator is absolutely correct.

Mr. STEVENS. If the Senator will yield, I think those of us who live on coastlines should thank those who do not for the time they have put into consideration of this bill. I cannot imagine an *Exxon Valdez* arriving in Bozeman or Missoula.

I thank the Senator for the work he has done. I agree with him 100 percent. My only regret is that we, too, are part of the complacent past.

Mr. BAUCUS. I might say to the Senator from Alaska, coincidentally early this week the Burlington Northern derailed and several tank cars fell into Whitefish Lake, MT. We now have an oil spill in Whitefish Lake, MT. As a matter of fact, more than half the lake is covered with slick. This bill too, will help prevent those occurrences and also help with better cleanup. So we have the same problem inland as well as in coastal waters.

The PRESIDENT pro tempore. All time has expired on the amendment. The question is on agreeing to the amendment.

The amendment (No. 688) was agreed to.

Mr. STEVENS. I move to reconsider the vote by which the amendment was agreed to.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDENT pro tempore. Who yields time.

Mr. BAUCUS. Mr. President, I suggest the absence of a quorum and ask that the time not be charged to either side.

The PRESIDENT pro tempore. Without objection the time of the ensuing quorum call will not be charged to either side.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT NO. 689

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of myself and the Senator from Massachusetts [Mr. KERRY], and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for himself and Mr. KERRY, proposes an amendment numbered 689.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendent is as fcllows:

At the appropriate place insert:

SCIENTIFIC SUPPORT FOR MAJOR COASTAL AND MARINE OIL SPILLS

SEC. 20X. (a) REQUIREMENT FOR SCIENTIFIC SUPPORT.—The Secretary of Commerce shall maintain a staff of experts trained in oceanography, marine biology, chemistry, computer and environmental sciences to respond to major oil spills in coastal and marine waters. Selected members of this staff shall be co-located with Coast Guard District offices and available to assist Federal On-Scene Coordinators in the discharge of their duties.

(b) FUNCTIONS OF THE SCIENTIFIC SUPPORT TEAM.—The functions of the scientific support team referred to subsection (a) shall be as follows:

(1) Provide for coordination of scientific activity and serve as a clear point of contact between the scientific community and the Federal On-Scene Coordinator during major oil spills;

(2) Forecast the movement and spreading of oil spills in the marine environment;

(3) Develop a computerized atlas of the environmental sensitivity of the coastline of the United States to oil pollution, indicating priorities for the protection of especially sensitive or vulnerable sections of the coast in the event of spill impacts;

(4) Develop a state-of-the-art mobile chemical laboratory for rapid deployment to the scene of major spills for the purpose of determining the composition and degradation of spilled oil and its effects on fisheries and other natural resources;

(5) Conduct systematic analyses of the environmental consequences of various cleanup techniques for the purpose of improving future responses;

(6) Develop computerized methods for managing scientific and operational information during major spills.

(7) Assist in the training of state and local government personnel in the scientific aspect of spill response.

(c) AUTHORIZATION OF FUNDING.—For the purposes of this section, there are authorized to be made available to the Department of Commerce, $5,000,000 for each of fiscal years 1989 through 1999. Any such funds shall be provided from the Trans-Alaska Pipeline Liability Fund in accordance with the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1651 et seq.).

Mr. STEVENS. Mr. President, I yield myself such time as I may use out of my time.

The PRESIDENT pro tempore. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, this amendment would create a scientific

support group in the Department of Commerce and direct the Secretary of Commerce to maintain the staff of experts trained in oceanography, marine biology, computer science, and other fields related to the response to oilspills.

Again, I hope one of these days, I will be able to bring to the Senate, and ask the Commerce and other committees that are interested in this subject to listen to, the NOAA scientists that have been at work in the Prince William Sound. I can tell the Senate I know of no more dedicated people in the Federal Government than the people involved in this pursuit of trying to acquire knowledge of how to prevent these disasters, but further, of how to measure the effects of an oilspill, to mitigate those effects, and to generally determine on a scientific basis the impact of an oil spill on marine life of all types.

This bill provides for a regional response team, as I mentioned previously, in each region of the country, including my State. The core of that group presently exists in the National Oceanic and Atmospheric Administration's Hazardous Materials Response Branch. It is that group that played such a vital role in the response to the *Exxon Valdez,* and as I have just pointed out to the managers of the bill, at one time in the past few weeks they were in Alaska, almost all of them, working on the aftermath of the *Exxon Valdez* disaster.

Then, on that weekend, we had a disaster in Rhode Island, in Delaware, and in Texas. Our scientific capability is so thin that the people from the team in the Prince William Sound and the Gulf of Alaska dealing with this spill that we had were flown to Rhode Island, some of them to Delaware, and some of them to Texas.

My point is we do not have today the depth that we must have in trained people in these fields to respond to future spills that may occur.

This amendment would enable us to do throughout the country what, thank God, we have already done in Alaska through grants that have gone to the University of Alaska in the past, by using in satellite technology, and buoys that placed in the Alaska current. We had knowledge of where the current was going to go, and were able to predict where the oil would eventually go by virtue of the continued and inexorable drift of the waters out of the Prince William Sound. We knew the oil would drift southwest down the Alaska peninsula, and then, as most people do not realize, that drift turns north, and goes up into the Bering Sea, the Chukchi Sea and the Arctic Ocean. The studies that have been done in my area prove that the Prince William Sound delivers to the Pacific 20 percent more fresh water annually than the Mississippi delivers to the Gulf of Mexico.

These are the kind of studies that we ought to have as part of the response team. I claim no pride in authorship in this amendment because it was drafted by the people who are the scientific people in the National Oceanic and Atmospheric Administration to emphasize the fact that this group needs support. And we need the support of such a scientific group in the event of any disaster of this type in the future.

This group would provide the capability for onsite determination of the chemical composition of the oil, and what is even more important, it would be part of the group that would determine whether or not dispersants could be used on the oil, what type of dispersants, under what conditions, and what safety measures would have to be involved in order to protect the environment, no matter what substance would be used to deal with an oil spill.

That, I might say to the Senate, is probably the key problem coming out of our oil spill as everyone knows. There was an argument for about 24 hours as to what dispersants to use, whether to use dispersants, and the control of the spill from the *Exxon Valdez* was lost while that argument was going on.

Mr. President, last I mention this: I was sitting in my office one night when I received a call that indicated the oil from the *Exxon Valdez* was found in Chignik Bay.

Now, that is down the Alaska peninsula; it would be about 1,000 miles from where the *Exxon Valdez* went aground on Bligh Reef. It would have meant that the oil was moving about five times as fast as we had computed it would. I could not believe it. We called NOAA, and NOAA chartered a floatplane and took some people down and made a test of the oil down in Chignik Bay, and I regret to tell the Senate that their conclusion was that someone had taken advantage of the situation and decided they did not have to go into port to empty their bilge since there was so much oil in the water. The oil team proved the oil was from the bilges of a very large vessel, but it did not come from the *Exxon Valdez.*

All I say to the Senate is that the scientific capability of this group is vital to any consideration in the future of oil spills, that the Senate Commerce Committee believes that NOAA should be the center of the team that is envisioned by the bill before us, and this amendment is here to reflect that goal.

The PRESIDENT pro tempore. Who yields time?

Mr. BAUCUS addressed the Chair.

The PRESIDENT pro tempore. The Senator from Montana is recognized.

Mr. BAUCUS. I yield myself 5 minutes.

The PRESIDENT pro tempore. May we have order in the Senate.

The Senator from Montana is recognized for 5 minutes.

Mr. BAUCUS. Mr. President, the Senator from Alaska very correctly points out that NOAA is a premier agency in the U.S. Government. I, for many years, although I am not directly involved with NOAA, have always been impressed by NOAA. I do not have a strong basis for that. It has just been my sense that NOAA has been one of the better agencies and knows what it is doing and provides very valuable scientific evidence to this country.

The bill before us, Mr. President, provides for $25 million in the fund to be used for research and development to look into spill prevention, response, and spill containment, recovery of oil. It is a very necessary R&D effort that we have to undertake, if we are going to minimize damages of another *Exxon Valdez.*

We very much need this effort. Twenty-five million dollars in the bill is dedicated annually for this effort. The bill also provides that the President shall decide how to conduct that research and development effort, which agencies to use, et cetera. It is clear to this Senator, and mostly for the reasons outlined by the Senator from Alaska, that the President, in many cases, will utilize NOAA, because it will be necessary. NOAA has expertise in many areas. It is probably true that other agencies also have expertise.

The bill is drafted in a way to give the President discretion to call upon different agencies, depending upon the need; that is, whether more emphasis should be dedicated to recovery, prevention, to materials. One could conjure up all kinds of different possibilities.

So I ask the Senator if he will reconsider pushing this amendment, because it just seems to the manager of the bill that it makes more sense to give the President this discretion, including NOAA, so that we can have an R&D effort that is coordinated, an R&D effort that is not duplicative.

Mr. STEVENS. Will the Senator yield?

Mr. BAUCUS. I will be happy to yield.

Mr. STEVENS. Mr. President, may I ask the Senator from Montana, the manager of the bill, this question: Is it not the intention of both the Environment and Public Works Committee and the Commerce Committee—I think the Senate as a whole—that we not establish any new kind of entity in terms of the exercise of the power that is granted to the President to put

together the research and development capability under this bill?

Mr. BAUCUS. Well, essentially, I do not think it is helpful to categorize this as either a new power or additional power. But it is clear we need additional effort, because the *Exxon Valdez* did occur. It is also very clear that it is something in the magnitude of $25 million which is necessary for more R&D in this general area.

Mr. STEVENS. May I ask another question, Mr. President, of the Senator from Montana?

The PRESIDENT pro tempore. Does the Senator yield?

Mr. BAUCUS. I yield.

Mr. STEVENS. The bill says, The President shall establish a research and development program on scientific and operational aspects of spill prevention, response, containment and recovery which shall, at a minimum, give priority to on-water oil recovery and treatment; prevention of loss from and away from vessels, et cetera.

I support that entirely. But it could be interpreted as saying that such powers would give the President the authority to create a new kind of entity, a national response entity, being entirely independent from the existing agencies such as NOAA, EPA, et cetera. That is not the intention of the committee, is it?

Mr. BAUCUS. The Senator is correct. That is not the intention of the committee.

Mr. STEVENS. My friends in NOAA should know that it is the intention of the Senate, and that the discretion is with the President, of course, but that in carrying out this research and development program to the maximum extent possible, the President should utilize the existing expertise of the agencies we have already created and funded and not duplicate them by creating a new scientific entity or to take powers away from them to transfer to some entity like, for instance, the National Science Foundation.

Mr. BAUCUS. That is correct. That is not the intention here.

Mr. STEVENS. Mr. President, I will speak when the Senator is finished.

Mr. CHAFEE addressed the Chair.

The PRESIDENT pro tempore. Who yields time?

Mr. BAUCUS. Mr. President, I yield 2 minutes to the Senator from Rhode Island.

The PRESIDENT pro tempore. The Senator from Rhode Island is recognized for 2 minutes.

Mr. CHAFEE. I just want to say to the distinguished Senator from Alaska that I share his high regard for the National Oceanic and Atmospheric Administration, NOAA. As I mentioned previously, as perhaps he remembers, a close friend of mine has been just named—a fellow Rhode Islander, Dr. John Kanows. So no one has higher esteem for that organization than I have.

As the Senator from Alaska pointed out, the President, for sure, will turn to NOAA and other existing agencies. The idea is not to set up a new one, but to turn to the existing agencies to carry out the provisions of section 205 and section 311 on page 63 of the bill, S. 686.

I also point out that we have set up, as the Senator from Alaska has noted, seven response teams across the Nation.

They will have to draw on the scientific expertise of those existing agencies. So I think we have covered the concerns of the Senator, and I hope that he will follow the suggestion of the majority manager of this legislation by withdrawing his amendment.

Mr. STEVENS addressed the Chair.

The PRESIDENT pro tempore. The Senator from Alaska.

Mr. STEVENS. Mr. President, I understand what the Senators from Montana and Rhode Island are saying. I personally would like to assure that NOAA has the lead role in this scientific endeavor by naming them the scientific support group and requiring the Senator to put together that capability within Commerce. It is true, I assume the President could follow that course, should he choose to do so. I will attempt to have him do so. I do not know whether he will or not, but I intend to make that recommendation.

It is my belief that if we would listen to the people who know the oceans, if we would listen to them, not only in terms of what happens after there is a disaster, but even before, we would reduce the size of these tankers.

We would change the means of transportation of some of the oil. We are going to have the oil. Those of us from Alaska are accused often of trying to be prodevelopment. We are just realists. My State has 80 percent of the Outer Continental Shelf of the United States. It has probably 80 percent of the potential future discoverable and producible oil in the United States. We are going to be affected by oil and gas development no matter what we do.

We believe that we ought to have the best minds available and the best trained people available to deal with oilspill prevention and containment. In my judgment, that group is NOAA.

But at the urging of the managers of the bill, and on the basis of the statement that they have made concerning the intent of the bill, Mr. President, I desire to withdraw the amendment.

The PRESIDENT pro tempore. Without objection, the Senator may withdraw the amendment.

The Chair hears no objection. The amendment is withdrawn.

The amendment was withdrawn.

Who yields time?

Mr. BAUCUS. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time not be charged against either side.

The PRESIDENT pro tempore. Without objection, the time consumed in the quorum call will not be charged.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT NO. 690

(Purpose: To increase the liability for certain oilspills)

Mr. METZENBAUM. Mr. President, on behalf of myself, Senator DOLE, and Senator GORTON, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM], for himself, Mr. DOLE, and Mr. GORTON, proposes an amendment numbered 690.

Mr. METZENBAUM. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

On page 14, line 23, and page 15, line 11 strike "$500" and insert in lieu thereof "$1,000."

On page 15, line 3, strike "$300" and insert in lieu thereof "$600".

On page 15, lines 8, 11, and 13, and page 16, line 23, strike "$100,000,000" and insert in lieu thereof "$350,000,000".

The PRESIDENT pro tempore. Which of the two amendments under the order is the Senator now proposing?

Mr. METZENBAUM. The one without a time limit.

The PRESIDENT pro tempore. The Chair thanks the Senator.

Mr. METZENBAUM. Mr. President, the limits in this bill, while an improvement over the current situation, are woefully inadequate.

But let me preface that by saying that I want to commend those who have provided the leadership in bringing this bill to the floor. It was not an easy task. It was a task that indicated that they were prepared to shoulder a burden, to meet some challenges, to meet some opposition, and to recognize the need to provide some further financial responsibility than we presently have under the law.

I want to say that Senator MITCHELL, Senator BAUCUS, and Senator CHAFEE are to be commended for their efforts and for their leadership. I think all of us in this body and the

country as a whole owe them a great debt of gratitude.

Having said that, I still make the point that though they have improved this greatly, I think that the limts are still inadequate. And that is the reason for my amendment.

Let us look at the limits with the example of the *Exxon Valdez* accident. The way the bill is currently written, a huge tanker like the *Exxon Valdez* would have capped its liability at about $55 million.

Now, $55 million is obviously totally inadequate. This one tanker lost one-fiftieth of the oil it was carrying that day and still managed to do enough damage to the environment to require a billion dollar-plus cleanup. That is 20 times what its liability cap would be under this bill at $50 million. We raise that cap to $350 million.

It needs to be raised. We need higher caps because it is too difficult to prove negligence in these cases. There are some rights to go beyond the caps in the bill if you can prove gross negligence or willful misconduct, but we would be in court for years resolving the issue of liability and trying to prove those two elements which are a matter of law.

The companies would prefer to postpone paying and be in the courts so the cases are likely to drag on and on and meanwhile the spill would not be cleaned up. It is too long to wait for the cleanup. The only way to get the cases resolved quickly is to impose liability with caps and get the cleanups started. Imposing strict liability will reinstill corporate discipline and help deter future spills.

As my colleagues, Senators CHAFEE, LIEBERMAN, GRAHAM, and DURENBERGER, point out in the report on this bill, cleanup is no substitute for the prevention that is encouraged by the presence of liability. The proponents of the current liability provisions will make several arguments—or they could have but I believe that they are now prepared to accept this amendment. I am not going to address myself to what those arguments might have been because I am certain that we have resolved the issue.

I feel, Mr. President, that the provisions that we are proposing today are much more in line with the world of reality in which we live. I am pleased that the managers are prepared to accept the amendment, it is my understanding.

Just to bring to the attention of all of our colleagues, the amendment will raise from $500 per gross ton to $1,000 per gross ton for oil tankers. It will raise the amounts from $300 per ton to $600 per ton for other vessels, and will raise the amount for facilities from $100 million to $350 million.

I hope the amendment can be adopted promptly.

Mr. BREAUX. Mr. President, I am a little disappointed that the Senator from Ohio has amended his original amendment, which was talking in terms of vessels and tankers that import oil. His original amendment would have raised the limits from $500 a ton in the bill—it is currently $150—it would raise it just a little bit to $2,500 a ton.

I have fought for an oil import fee in this Congress, in both the House and the Senate, since 1973 when the first oil crisis occurred. We are getting close to getting an oil import fee with what we are doing to these liability limitations on tankers. It is gradually going to raise the price of oil where it is going to get to the point where we are not going to import any oil.

I am happy with that. I would like the price of oil at $50 a barrel. It would really help my State of Louisiana.

Who do we think is going to pay these insurance costs? Do you think Exxon or the owners of other oil tankers? Of course not. It is going to be the consumer who will pay for the oil, the consumer who imports heating oil for the Northeast and imports crude oil from the refinery.

So I am a little disappointed that they decided to remove the limits on liability from $2,500 a ton in the first amendment down to, I think, $1,000 a ton. But, boy, we are getting a little bit closer to raising the price of imported oil. And I am certainly strongly supportive of that. I would like to raise the price of imported oil to $80 a barrel. We would not be doing any importing.

Guess what that would do to the price of domestic oil? I would like to have that. Louisiana, Texas, and Oklahoma would like to have that.

We are coming real close to putting a lot of tankers and vessels out of business, and that is fine with me, because if we do that, we are not going to be able to import oil anymore. We import 45 percent of what we use in this country. If we gouge them just a little more, they are not going to do it anymore.

Half of the oil trade that is done by tanker is done by private companies, not by the Exxons and Texacos and Shells, but by private carriers, companies with two or three ships.

Could you imagine the financial responsibility for a company that has two ships, what they are going to have to do when we get the limits up so high that they cannot afford insurance? They are not going to be in business. If they could get insurance at these levels, they are going to pass the cost of the product on to the consumer. Instead of paying $20 a barrel, they may be paying $30 a barrel. I have no problem with that, because I think it would help the domestic oil industry. So as high as we can raise these limits, the more difficult it is for companies to get insurance, the better off my constituents are going to be.

Are you going to tell the companies that have one ship or two ships that they are going to have to have, on a 100,000 ton tanker—let us see, at $1,000 a ton, that is $100 million of liability on that ship.

If they can get it, they are going to pass it on to the consumer. It will raise the price of oil.

If they cannot get it, they will not be in business and we will not be importing oil.

What that does to the domestic price of oil I am very happy with. I am delighted. Because it helps our State, which is literally on its knees because of the oil prices.

So bear in mind the current limitation on vessels, which is working, is $150 a ton. The first amendment of the Senator from Ohio was $2,500 a ton: slight increase.

Now it is $1,000 a ton.

The House of Representatives' measure is at $500 a ton. So, as high as we can get these limits and make it more difficult for foreign crude oil to come into this country, more difficult for importers to import crude oil into this country, I am delighted. This is as close to an oil import fee as I think we will ever get. So I support it.

The PRESIDENT pro tempore. The senior Senator from Alaska.

Mr. STEVENS. Mr. President, is there a time limitation on this amendment?

The PRESIDENT pro tempore. There is none.

Mr. STEVENS. I think we ought to get this in focus so it is not misunderstood back in my State. We have unlimited liability. This is talking about limitations on liability under Federal law.

For instance, the *Exxon Valdez*, Exxon is going to pay as I said yesterday in my judgment, over $2 billion. Two billion dollars as a result of that incident.

It is not affected by the limitations under any of these laws and would not be, as I said earlier today, because of the negligence and the violations of the Federal regulations.

The Senator from Ohio is raising the amounts under the bill, as before the Senate, which already raised the amounts under existing law. But I must tell my good friend, the Senator from Louisiana, my good friend, I think this is sort of tilting with a windmill in some fashion except for the insurance requirement.

When a person has unlimited liability, as I understand it, when he goes to get insurance to try to cover the potential liability, there is an attempt to define the risk. They insure against the possible exposure and probably

have a maximum under the insurance policy.

This says that there is a limitation of liability on operators of tankers and, as I understand it, it would be $1,000 a ton.

Mr. BREAUX. Would the Senator yield on that point.

Mr. STEVENS. Yes.

Mr. BREAUX. The point I am making is, one, with unlimited liability the company could go bankrupt and get out of the liability. With limitations as much as $1,000 a ton, they have to show financial liability. That means we are going to have to show an insurance policy in effect, a letter of credit for $100 million, money in the bank that has been set aside or taken out of operations for $100 million on a 100,000 ton tanker. That is the difference.

With unlimited liability they can go bankrupt and avoid it. This requires these ships to have responsibility proved. They have to put the money up front. And one-half of the tankers that are from individual, small companies, I doubt they are going to be able to do that, which means they will not be able to operate, which means they will not be able to bring in imported oil, which means we will have a higher price for domestic oil and I agree with that.

Mr. STEVENS. Mr. President, my point is, if we look at the bill, the Senator from Ohio would change $500 per gross ton or $10 million, whichever is greater, for the tanker. The Senator from Ohio can correct me, but I do not think he has changed that figure of $10 million? On page 15 of the bill he changes $300 and inserts $600. And it remains a $500,000 limit under the bill.

Is the Senator from Ohio listening? I am trying to understand what the Senator is doing with this amendment. Does the Senator change the figure $10 million, on page 14, or $500,000 on page 15, line 3?

Mr. METZENBAUM. The answer is "no."

Mr. STEVENS. Pardon?

Mr. METZENBAUM. No. The only changes we make have to do with $300 to $600—the $500 to $1,000, and the $100 million to $350 million.

Mr. STEVENS. And this amendment does not change the $100 million limitation on line 15, page 6? It does change the $100 million limitation on 8 and 11 and 13, on page 16, to $350 million; is that correct?

Mr. METZENBAUM. It is my understanding the Wilson amendment changed those figures.

Mr. STEVENS. The Wilson amendment changed the other figures, but did not change the per tonnage limitation. The Senator is raising the per tonnage limitation; is that right?

Mr. METZENBAUM. That is correct.

Mr. STEVENS. I am trying to make the point it is still sort of tilting with a windmill because I do not know of any State law that would have limitations of liability. We have unlimited liability. Would the Senator from Louisiana inform this Senator, Mr. President, is Louisiana law unlimited liability under State law, also?

Mr. BREAUX. That is correct. Also, there was no financial liability required to be shown by the investor. Under this legislation they would have to show an insurance policy, letter of credit, or money in the bank.

Mr. STEVENS. That is where I am going. The impact of this, as far as ultimate recovery, is in terms of the ability of the entity involved to show that it would be capable of meeting the strict liability concept. I have nothing against insurance companies but I think my advice to people who are involved in risk underwriting is to get ready. This is going to increase insurance costs. It will not increase the ultimate protection for the environment or for the land areas that will be affected by this.

I do not disagree with the Senator from Ohio from the point of view of consistency, but I have had long talks with him, Mr. President, off the floor and here during quorum calls. We will address the other matter later.

I think if we look at the rest of the terms of this bill in terms of financial responsibility, we do not have a capability of dealing with foreign operators. This is going to put on the domestic fleet and on the domestic operators an insurance requirement under the financial responsibility section which will be to the boon of insurance carriers.

I say to my good friend, as long as he has unlimited liability under State law, and as long as this is only going to hit domestic carriers and domestic entities, why should we increase the insurance costs that are ultimately paid by the consumers of the United States?

The PRESIDENT pro tempore. Does the Senator from Alaska yield?

Mr. STEVENS. I have addressed a question to my good friend. I am happy to yield to my friend for the purpose of responding to a question.

The PRESIDENT pro tempore. The Senator from Alaska has the floor and yields to the Senator from Ohio for response to a question.

Mr. METZENBAUM. I have to take issue with my colleague about whether or not it adds protection for the environment. Certainly, when we increase the financial obligation we also increase the concern of that party which would be liable and, therefore, hope they will take more preventive measures than have been taken to date in order to see to it that there be no claims asserted. Because it is not a question of seeing how many dollars can be obtained, it is a question of protecting the environment.

When my colleague says "I do not see how this is going to help protect the environment" I would have to differ with him on that point.

With respect to the question of increasing the insurance costs, there is not much question about the fact that when we increase liability, if somebody wants to buy insurance, it is going to cost them more. I believe that the American people are not going to be that panicky about that extremely incidental item. Whether it comes out of profits or whether it comes out of increased costs, I do not know.

I do know this. I know that when the *Valdez* occurrence became a reality, I know it was not a question of how much insurance they had. But I know that Exxon and the other oil companies participating there raised their prices immediately. And not by the incidental amount that insurance might cost, but they raised their prices 25 and 30 cents a gallon. And they have stayed there.

So the American people were forced to pay for the cleanup, notwithstanding the fact that they had no responsibility, notwithstanding the fact the American people had no problem with it. They had not participated.

So what we are here saying is that those affected by destruction of the environment are entitled to financial protection, and if it costs them something additional to buy insurance for that purpose, so be it. But I think the ultimate question is what we are doing to see to it that the companies accept their responsibility to protect those areas in which they are dealing with oil?

Mr. STEVENS. Mr. President, I thank the Senator for his response. My mind goes back to 1973 when I stood here on the floor and argued for the Alaska pipeline liability fund. We had complaints from many people that if the Alaska pipeline was built and oil was transported by tankers out of Valdez—at the time, we were talking about 40,000 to 60,000 barrel tankers; we are talking a lot bigger now—the question of insurance came up. We determined that it would cost the users of oil less money to establish a fund. Congress mandated the creation of the fund which was to meet the cost of any contingency related to the transportation of Alaskan oil from the North Slope, but we specifically did not put any limitation on liability of a party at fault. This bill has no limitation of liability, either in terms of gross negligence or violation of regulations of the Federal Government.

The point I am trying to make to the Senator is, unlimited liability exists, so what good does it do to say that there is a limitation of liability and to have the people who are carry-

ing this oil be required under the financial responsibility sections of the bill to prove that they can meet that expanded liability area. They only do it through insurance, and that insurance is going to be paid for by the users. If you have unlimited liability, as we do under State law and under the bills that came out of the committee, the insurance costs are less to meet the strict liability problems, and the insurance costs, in terms of the unlimited liability provisions, are a matter of proof to the insurance company of what is the exposure of the risk. I have to tell the Senator, I think the committee's approach was the better one.

While I am on this, Mr. President, the Alaska pipeline liability fund was a good idea. I am amazed that it has taken so long—16 years—for the rest of the country to catch up with them. We now are taking our fund that was mandated by the Alaska Pipeline Act and transferring that money to the national fund so the national fund has money in it to start with.

Incidentally, as I said before, and I want to emphasize so the RECORD shows it, we have not objected to it, I have not, others might, because the conversations I had with the distinguished majority leader, Senator MITCHELL, and the agreements we reached to be carried out by this bill that Alaska's future production gets a credit for that payment into the fund. I think everybody should understand that. There is a fee imposed on every barrel of oil produced or utilized in the United States under this bill to create this new fund, but our producers have created a fund that has not been needed. There is almost $250 million in there. It will be transferred to this fund, and the compromise we have reached is that there is a prepayment, in effect, for future production until the amount of the deposit is actually made is reached in terms of the production of Alaskan oil.

I assume my friends, the managers of the bill, agree with my interpretation of it. That is the intent of it. The point is this: We paid for our insurance in terms of strict liability through the fund in the past. It is inadequate now. Costs have increased. The *Exxon Valdez* shows we were too conservative in estimating the cost of recovery of oil.

The Senator from Ohio says do not be too conservative in stating the upper limits of strict liability. I do not disagree with that, but I urge him to understand there is no insurance for that here. What we are talking about is we are not providing insurance. The fund itself does not come into play in terms of this, as I understand it and the managers and the Senator from Ohio can correct me, his amendment does not affect the payments from the fund in the event that the fund is called on to respond to any liability for removal of costs.

I hope, I say to the Senator from Montana, I have learned the verbiage of the bill, the removal of the costs of this bill are not affected by the requirement. The only thing this affects is, in fact, the proof of financial responsibility that is required by someone that comes under the act and is involved in transportation, et cetera. It does not affect the amount of money that is going to come out of the fund. It does not affect the ultimate liability of a carrier, or producer of oil. It only affects strict liability limits, which, in my State, do not exist. I am not going to object to the amendment.

Mr. CHAFEE addressed the Chair.

The PRESIDENT pro tempore. The Senator from Rhode Island.

Mr. CHAFEE. We are prepared to accept the amendment. I would just as soon move along here if we can.

Mr. BAUCUS addressed the Chair.

The PRESIDENT pro tempore. The Senator from Montana.

Mr. BAUCUS. Mr. President, the bill on the floor today reported out of the Environment and Public Works Committee dramatically increases liability. It dramatically increases the responsibility placed upon tankers, upon oil companies to minimize the occurrence of another *Exxon Valdez.* But the bill out of this committee can always be improved upon. The Senator from Ohio I think has done just that.

The original committee bill I think had liability limits somewhat lowered because the committee was also looking at the other body, the House of Representatives. The Senator from Maine, the majority leader, for 8 years has attempted to pass an oilspill bill. He has had a difficult time in large respect because the other body has a very different view on what should be contained in that bill. The basic difference between this body and that body has been preemption of State law. The other body has been opposed to Senate efforts which would prohibit preemption. The other body would like preemption. The other body would like to make it difficult for the States to have their own separate liability laws. It has been a very difficult issue in dealing with the other body.

Liability limits, too, in this bill are significantly higher than the liability limits in the bill in the other body. Nevertheless, I think proper public policy is to place the liability limits about the level posed by the Senator from Ohio. All things in the perfect world, if the United States were writing this legislation only, I think those are the limits we should have in the law. It is my hope that when we pass this legislation, and I think we will very shortly, and when we go to conference on this bill that the bill we will face on the other side will be a bill that is probably closer to this bill than has been the case in previous years. It is my hope and expectation, and I may be wrong, it will not be the first time that I am wrong, but it is my judgement that the bill that finally passes the House of Representatives will be a bill that is much closer to this bill than have earlier bills been that passed that body.

I see the distinguished Senator from Louisiana here who knows this legislation very well. He served in the other body. He may have a different view. He is cognizant of the differences we have yet to work out when we go to conference.

Having said all that, I support the amendment of the Senator from Ohio. I think it is an improvement upon the bill. I do not think the additional insurance costs will be that great, and I do think additional liability will increase the probability that the oil companies, the vessels, the tanker companies will go the extra mile, as it were, to take extra precautions to minimize the occurrance of another incident like the *Exxon Valdez.* I urge the adoption of the amendment.

The PRESIDENT pro tempore. Is there further debate on the amendment?

The amendment (No. 690), as was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHAFEE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM addressed the Chair.

The PRESIDENT pro tempore. The Senator from Ohio.

Mr. METZENBAUM. I have another amendment, but before offering it I would like to discuss the matter a few minutes with the Senator from Alaska. Under those circumstances, Mr. President, I ask unanimous consent that we go into recess, unless the managers have some other business, and it not be charged against the time of the bill.

The PRESIDENT pro tempore. Will the Senator suspend.

Mr. METZENBAUM. I am sorry. I said "recess." I meant quorum call.

President pro tempore. Without objection, the time consumed for the call of the quorum will not be charged. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without ojection, it is so ordered.

AMENDMENT NO. 691

(Purpose: To increase the liability for certain oilspills)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 691.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . INCREASE IN LIABILITY FOR CERTAIN OILSPILLS, EXTENSION OF LIABILITY WITHOUT FAULT TO AREAS OF THE ARCTIC.—At the appropriate place in the liability provision of this bill, insert the following:

"The owner or operator of any facility, the holder of any lease, right-of-way or permit for oil exploration, development, or transportation shall be liable, under this Act, for all damages, and removal costs, sustained by any person, that arise out of or directly result from the discharge or substantial threat of discharge of oil from—

"(A) the Trans-Alaska Pipeline;

"(B) fields or reservoirs supplying oil to the Trans-Alaska Pipeline; and

"(C) onshore or offshore oil and gas exploration, development or transportation activities in areas on Alaska's North Slope, including State submerged lands and the Outer Continental Shelf of the Beaufort Sea and the Chukchi Sea.

"Notwithstanding Section 204(a)(2) of the Trans-Alaska Oil Pipeline Act of 1973 (Public Law 93-153), liability under this Section shall be limited to $350,000,000 for any one incident. The unpaid portion of any claim that exceeds $350,000,000 may be asserted and adjudicated under other applicable Federal or State law. Liability for such damages shall be in accord with the ordinary rules of negligence.".

Mr. METZENBAUM. Mr. President, this amendment follows the previous amendment. It provides for a $350 million limit with respect to liability in connection with the Alaska pipeline.

The Senator from Alaska previously pointed out that it is unlimited liability in Alaska now as far as the pipeline is concerned, but the fact is that in order to maintain that liability you must prove negligence. This law contemplates liability without negligence and so the $350 million would increase the obligation and responsibility of the corporation.

Furthermore, it should be pointed out that there is a $1 billion fund, but that $1 billion fund is usable, as I understand it, in the event the corporation is not called upon directly to pay sums due. So that under these circumstances the $350 million would place the responsibility where it belongs, and that is on the corporation.

The argument is made that it will cost more to buy this much insurance. I recognize that, but the fact is I think those who are owners of the Alyeska pipeline are very much in a position to cover the cost of that insurance.

The argument is made it will come directly out of the pockets of the consumers. I am not prepared to accept that because even though the oil industry is not very competitive, there is still an element of competition that exists in the industry and you just cannot pass on costs that one company incurs as compared to what other companies incur.

It is my understanding the managers of the bill are prepared to accept this amendment. I think it conforms with the earlier one that was accepted, and I think it makes a good bill a better one.

Mr. STEVENS. Mr. President, will the Senator yield me some time?

Mr. BAUCUS. Mr. President, I yield 5 minutes to the Senator from Alaska.

The PRESIDENT pro tempore. The Senator from Alaska is recognized for 5 minutes.

Mr. STEVENS. Mr. President, this is a different kind of amendment. I am not going to oppose it. I really do not support it. I do not have any objection to the committee taking it but I think people ought to understand what it does.

The Alaska pipeline probably has been overengineered, overstudied more than any pipeline in the country. It is the only pipeline in the country that has the capability of having a massive spill. I am informed that with the 10 pumping stations along this pipeline, 150 to 160 separate shutoff valves, the maximum exposure at any time—we are talking about strict liability now, an act-of-God kind of liability—would be 50,000 barrels. That is a lot of oil; do not misunderstand me. Under our law, if there is any negligence at all, it is unlimited liability. If there is no negligence, it is strictly an act of God. The question comes down to what is this fund for.

I want to make sure the Senator from Ohio understands my position. The producers in my State will have contributed $250 million to this liability fund. As I mentioned before, in lieu of requiring insurance, we created the fund at the time the pipeline was created. The strict liability under the Pipeline Act is $50 million. Because of the fact that the producers had contributed the money to build up the fund, the Pipeline Act said you pay the first $50 million and after that, in the event of strict liability, the fund pays the damages.

With the throughput of this pipeline, 2 million barrels a day, there is no question about the financial responsibility of the people involved. The pipeline itself is worth over $1 billion. The question comes down again to insurance.

As I understand the Senator's amendment, it has no impact whatsoever on the removal of the oil in the event of a spill. That will be removed one way or the other. We have a $1 billion fund, and we have the Alaska pipeline. Under State law, the Alyeska pipeline would be responsible for removal. The difficulty is this: The Senator's amendment moves strict liability from $50 million to $350 million, a sevenfold increase in the amount of insurance that will be required by the Alyeska pipeline consortium created by Federal law, mandated that it exist for the owner companies producing oil on the North Slope to maintain this pipeline.

This will prevent anyone from owning it. So it is a separate company. It is not a corporate veil. It is a veil created by Congress and that pipeline company has expenditures for running the pipeline and complying with Federal instructions concerning the contingencies that might occur, and revenues from the individual companies as they put their oil in and ship it through.

It has the pipeline. So it has an investment that almost is paid off now. It has financial responsibility. This says carry insurance of $350 million, seven times the amount you are now carrying. I say on this one, again, why should I represent and object on the basis of the people in the south 48 that are going to burn all of this gasoline and oil? This is not going to affect my State. My State, I am assured, has protection under this act. It has protection under State law. In the event there is any disruption that leads to a spill, whether it is an act of God or negligence, I am convinced my people in Alaska are protected under Federal and State law, that the removal will take place, all of the oil will be picked up, and it will be paid for.

The question here is what is the threshold for getting to the national fund that is created by this act by the Alyeska Pipeline Co. In the case of an act-of-God spill? This raises it to $350 million from $50 million. That $350 million is going to be paid for by the users of the oil. It is not going to be impacted by Alaskans. It is not in any way going to be impacted by a failure to react and bring about a recovery of my State in the event a catastrophe occurs.

I again raise the questions as I did before. Why do we insist on fueling insurance company profits? That is what this is. The insurance company is going to be paying annually for the moneys involved in this. It is not going to affect liability. It is not going to affect cleanup. It is not going to affect the State of Alaska.

The PRESIDENT pro tempore. The Senator's time has expired.

Mr. METZENBAUM addressed the Chair.

The PRESIDENT pro tempore. The Senator from Ohio, Mr. METZENBAUM.

Mr. METZENBAUM. Mr. President, I want to respond and say it certainly is going to affect liability because under the bill as presently drafted, the absolute liability is limited to $50 million. What we are doing here is we are saying that you do not have to prove fault if the damages are in excess of that. I believe that to be a very, very relevant factor.

Mr. STEVENS. Will the Senator yield for a question?

Mr. METZENBAUM. Certainly.

Mr. STEVENS. Let us assume it is an act of God. A lightning bolt comes down and strikes the pipeline in my State. Fifty thousand barrels spill and it is going to cost $200 million to clean it up. Under this bill as it is presently written, the first $100 million is the responsibility of the pipeline company. The second $100 million is the responsibility of the fund as I understand it. That is strict liability now. Am I correct?

I ask the manager of the bill. Is there a $100 million limitation on the facility now?

Mr. BAUCUS. I might answer the Senator's question. The last amendment was $350 million.

Mr. STEVENS. That is this amendment.

Mr. BAUCUS. No. The last amendment we agreed to offered by the Senator from Ohio increased the ceiling of limit to $350 million.

Mr. STEVENS. So does this. Why do we not need this one then? That is the question.

Mr. CHAFEE. That is the good question.

Mr. STEVENS. I thought the last amendment did not touch the pipeline, and that is why we are touching it now.

Mr. METZENBAUM. The Senator from Alaska is stating a very valid point. It is my understanding that the managers of the bill think there is presently a $350 million limit by reason of my previous amendment. The Senator from Ohio is not certain of that point, but is not prepared to challenge it, and feels in order to make certain there is the $350 million limit or the $350 million obligation this amendment should be adopted.

Mr. STEVENS. Mr. President, I ask unanimous consent we have 5 more minutes on this amendment.

The PRESIDENT pro tempore. Is there objection?

The Chair hears none.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. METZENBAUM. Yes.

The PRESIDENT pro tempore. Who yields time?

Mr. BAUCUS. Mr. President, I yield 2 minutes to the Senator from Alaska.

Mr. STEVENS. I thank the Chair.

It is not my understanding the Alaska amendment touched the Alaska pipeline. If it does, this is redundant. If it did not, I still will not oppose the Senator, if he wants to proceed. And I do not oppose the Alaska amendment.

I just again say why do you want to raise the increased cost, raise the cost of Alaskan oil to your consumers? We are trying to keep the price of oil down I thought. This only raises the price of oil. It does not affect the cleanup, and with due respect, Mr. President, the $50 million under the current law is a limit that was set in recognition of the fact that the producers of the oil created the $250 million fund.

We said you pay the first $50 million, then you go to the fund. Now this is a national bill, and in the law, the bill that came out of committee said you pay the first $100 million; then you go to the fund.

The Senator has raised that level of strict liability for the operator, and I have to tell you, if it is struck by lightning that is not your fault.

The question is, should the operator pay redundant costs? It is not Alaskans who are paying it. It is the consumers of Alaskan oil.

Mr. METZENBAUM. Mr. President, if that bolt of lightning strikes, the question is who pays for the damages? Do the people of Alaska pay for the damage? Do we come to the Congress and ask them to provide a special piece of legislation asking the American people to pay for it? The fact is that this pipeline is a very, very profitable enterprise. And, therefore, some of us feel—and I am sure the Senator from Alaska agrees—that if there are to be losses, the losses ought to be borne by those people who are doing business.

If there were no pipeline, there would not be any risk to those who live somewhere near the pipeline. But if there is a bolt of lightning that strikes, then it is a fact that the pipeline owners ought to be responsible.

That is all we are saying. If we are making them responsible for the facilities generally in this country, and I recognize the point made by the manager of the bill, that they think it is already covered. But I just think there is not any question that those who own the pipeline ought to pay the costs. The argument keeps coming back about whether or not the consumers are going to wind up paying for it. Well, they may or they may not.

If Alyeska and its ownership companies are in a position to pass on the costs, they will do it; just as they raise prices generally, they will not have any reservation to raise those cost prices. If there are competitive forces that do not make that possible out there, then the costs will not be passed on, and it will come out of the profits of the corporation.

I am not particularly concerned at this moment whether or not it comes from the profits of the corporation, although I do believe they are very able to pay those costs. Therefore, my feeling is that we ought to see to it for those who may be damaged. Certainly the Senator from Alaska understands, as it is his constituents about whom we are speaking.

Therefore, I am very pleased that he is not prepared to oppose the amendment, but only raises a question with respect to what costs may be passed on to the consumers of this country who are represented in the main by those of use who do not come from Alaska.

Mr. STEVENS. Will the Senator yield me 1 minute?

Mr. METZENBAUM. I yield 1 minute on my time.

Mr. STEVENS. I thank the Senator from Ohio for thinking about it, but I do not want the record to indicate that the amendment of the Senator from Ohio provides my constituents with 1 penny more protection than the bill already presents. It will not increase anything to my people or to the land of Alaska. That is there in this bill.

The question is, what is the threshold in the event of that lightning striking? There is $1 billion fund, a $1 billion pipeline. I can assure you we can clean up any oilspill that happens from a pipeline that has the potential risk of spilling 50,000 barrels with $2 billion.

The amendment of the Senator from Ohio does not change that fact. It says that the pipeline company's threshold liability is $350 million. That will be met; it is a proof requirement that they can meet it. I know they can meet it. They have a billion-dollar pipeline. Our law will go to that pipeline itself for the cost of repair, if we have to do it.

This does not add to the availability of funds to clean up and remove the oil. It says, prove that you have the capability to meet that threshold of $350 million. Again, I say the insurance company is going to get rich.

The PRESIDENT pro tempore. The Senator from Ohio.

Mr. METZENBAUM. How much time does the Senator from Ohio have left?

The PRESIDENT pro tempore. Four minutes, fifty seconds.

Mr. BAUCUS. I yield 1 minute to the Senator from Louisiana.

Mr. BREAUX. I want to point out that the amendment of the Senator from Ohio at the bottom of line 14 includes, apparently, offshore facilities—including offshore facilities in the Outer Continental Shelf up in Alaska. The rest of the bill says unlimited li-

ability on Outer Continental Shelf activities.

The amendment of the Senator from Ohio puts a cap on OCS activities up in Alaska. Is that consistent? We debated removal costs under OCS. This amendment puts a cap on removal costs in OCS in Alaska of $350 million. Treat Alaska one way and the rest of the country another way? That is what this amendment does.

The PRESIDENT pro tempore. Who yields time?

Mr. METZENBAUM addressed the Chair.

The PRESIDENT pro tempore. The Senator from Ohio [Mr. METZENBAUM].

AMENDMENT NO. 691, AS MODIFIED

Mr. METZENBAUM. One point. The Senator from Louisiana is 100 percent on target. I send a modified amendment to the desk. I appreciate his pointing out that fact.

The PRESIDENT pro tempore. Is there objection to the Senator's modifying his own amendment?

Action has not been taken on the amendment by virtue of the time limitation. The Chair hears no objection.

Has the Senator stated his modification? What is the modification?

Mr. METZENBAUM. The modification provision for the deletion of the last paragraph of the amendment, which does indeed deal with the very subject that Senator WILSON addressed yesterday.

The PRESIDENT pro tempore. Does the Senator mean the last paragraph on page 1, designated (C)?

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. Does the Senator ask that the time for the quorum not be charged?

Mr. METZENBAUM. I ask unanimous consent that the time not be charged to any of the parties.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I am prepared to vote, although we have not heard from manager.

Mr. BAUCUS addressed the Chair.

The PRESIDENT pro tempore. The Senator will state his modification, or if he prefers, the clerk will state the modification.

The legislative clerk read as follows:

Metzenbaum amendment (No. 691) is modified by striking on line 14 the words "or offshore," and on line 16 beginning with "and," and strike "and the Outer Continental Shelf the Beaufort Sea and the Chukchi Sea."

The amendment (No. 691), as modified, is as follows:

SEC. . INCREASE IN LIABILITY FOR CERTAIN OILSPILLS, EXTENSION OF LIABILITY WITHOUT FAULT TO AREAS OF THE ARCTIC.—At the appropriate place in the liability provision of this bill, insert the following:

"The owner or operator of any facility, the holder of any lease, right-of-way or permit of oil exploration, development, or transportation shall be liable, under this Act, for all damages, and removal costs, sustained by any person, that arise out of or directly result from the discharge or substantial threat of discharge of oil from—

"(A) the Trans-Alaska Pipeline;

"(B) fields or reservoirs supplying oil to the Trans-Alaska Pipeline; and

"(C) onshore oil and gas exploration, development or transportation activities in areas on Alaska's North Slope, including State submerged lands.

"Notwithstanding section 204(a)(2) of the Trans-Alaska Oil Pipeline Act of 1973 (Public Law 93-153), liability under this Section shall be limited to $350,000,000 for any one incident. The unpaid portion of any claim that exceeds $350,000,000 may be asserted and adjudicated under other applicable Federal or State law. Liability for such damages shall be in accord with the ordinary rules of negligence.".

The PRESIDENT pro tempore. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I yield myself 2 minutes.

Mr. President, I am prepared to accept the amendment with the understanding—if the Senator from Ohio would please respond to my question—that the intent of the amendment offered by the Senator from Ohio is to make it clear that the Trans-Alaska Pipeline System is included with and part of the liability provisions that we are enacting; that is, the Senator does not intend to set a separate system or separate standard of liability or separate limit of liability or treat the Trans-Alaska Pipeline System differently from other facilities and other provisions.

Mr. METZENBAUM. The Senator from Montana is correct.

Mr. BAUCUS. Mr. President, I am prepared to accept the amendment. I do believe the amendment is redundant, but it clarifies the point made by the Senator from Ohio.

The PRESIDENT pro tempore. Who yields time?

Mr. MURKOWSKI. Mr. President, is there any time left to speak against the amendment?

Mr. BAUCUS. Mr. President, I yield 2 minutes to the Senator from Alaska.

The PRESIDENT pro tempore. Mr. MURKOWSKI is recognized for 2 minutes.

Mr. MURKOWSKI. I thank the Chair, and I would like to speak as one who has gone through the realities associated with a number of incidents on the trans-Alaska pipeline, including the explosion of one of our pipeline pumping stations, a reality that we have had it dynamited, shot at, and so forth.

The justification for this legislation, Mr. President, is pretty hard to come by. There is basically no need for the amendment. This bill, as it stands before the Senate, has created a uniform liability scheme for the Nation. Now, the Senator from Ohio is selecting Alaska for different treatment.

Furthermore, when this thing is finally resolved, the status of the Trans-Alaska Pipeline Liability Fund as it exists now may be pulled. So I do not understand the purpose for the amendment, other than to penalize Alaska producers, because the Senator from Ohio is selecting them specifically as opposed to a piece of legislation we have before us that creates uniform liability.

I recognize this as a reaction as a consequence of a marine disaster, but I would point out to the Senator from Ohio that there is a difference here. We are talking about much less risk associated with moving oil by pipeline 800 miles, which we have done for some nearly 20 years, as opposed to the substantial risk there is, as proven by the number of instances of late, with the movement by maritime means.

So it is the contention of the Senator from Alaska there is little need for the amendment, and the implication of selecting Alaska from the rest of the Nation for the pipeline movement when we have pipelines all over the Nation is something that the Senator from Alaska just fails to feel is justified.

The PRESIDENT pro tempore. Mr. Metzenbaum is recognized.

Mr. METZENBAUM. Mr. President, I point out to the Senator from Alaska he just heard the managers of the bill indicate that they think there is no need for the amendment because the Alaska pipeline is already covered by the other provisions in this bill. So when the Senator from Alaska indicates that there is some effort to penalize Alaska, quite the opposite is the case.

I think the amendment's thrust is to protect the people of Alaska in the event there is an oilspill, in the event there is some problem which occurs by reason of the pipeline that is in Alaska.

I think the Senator from Alaska would certainly agree with me that there is a major difference in the pipeline in Alaska and any other pipelines located anywhere else throughout the country.

Be that as it may, the fact that there is a difference does not really affect this amendment because we are treating all pipelines the same according to the managers of the bill by the amendment that was previously adopted.

I reserve the remainder of my time.

The PRESIDENT pro tempore. Who yields time?

Mr. MURKOWSKI. If I may respond to my friend, I ask for 30 seconds.

Mr. BAUCUS. I yield 30 seconds only to the Senator from Alaska.

Mr. MURKOWSKI. I thank the floor leader.

My answer to the Senator from Ohio is the very point that if there is no need, why do it? And our pipeline is a pipeline. It does the same thing other pipelines do. It happens to be in northern latitudes. It has been in existence and has been successful in spite of the dire predictions of those who claimed because it went through permafrost it would sink to China or the animals, the caribou and the moose would not cross it. It is a pipeline. It is well engineered and does its job. It should be treated the same as any other.

The PRESIDENT pro tempore. The time has expired.

The Senator from Montana.

Mr. BAUCUS. Mr. President, it has been brought to my attention there are a couple of ambiguities to say the least with respect to this amendment that I think have to be cleared up.

Essentially the last paragraph of this amendment states that unpaid claims may be asserted and adjudicated under other applicable Federal and State laws. It is the intention of the legislation before us with the compensation fund to kick in after this. This is not clear on this. It is something that has to be cleared.

Therefore, I suggest the absence of a quorum and ask unanimous consent that it not be charged against either side.

The PRESIDENT pro tempore. Without objection, the time consumed under the quorum call will not be charged against either side, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PRESSLER. Mr. President, I ask unanimous consent to proceed for 2 minutes as if in morning business.

The PRESIDENT pro tempore. The Senate will be in order.

Is there objection to the Senator's request that he be permitted to speak for 2 minutes without the 2 minutes being charged and that he be permitted to speak out of order and that the Senator be permitted to speak for the purpose of introducing a bill as in morning business?

There is no objection. Without objection, it is so ordered.

The Senator from South Dakota is recognized.

Mr. PRESSLER. I thank the Chair.

(The remarks of Mr. PRESSLER pertaining to the introduction of S. 1546 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BAUCUS. Mr. President, I suggest the absence of a quorum and ask unanimous consent the time not be charged against either side.

Mr. METZENBAUM. Mr. President, if the Senator from Montana will withhold that a minute?

The PRESIDENT pro tempore. Does the Senator withhold?

Mr. BAUCUS. I withhold.

Mr. METZENBAUM. Mr. President, my understanding is that staff has indicated they feel additional modification would be appropriate. I am prepared to send that modification to the desk.

Mr. BAUCUS. I am informed we are not yet ready to make that modification.

I renew my request.

Mr. CHAFEE addressed the Chair.

Mr. BAUCUS. I withhold my request.

The PRESIDENT pro tempore. Who yields time?

Mr. CHAFEE. Mr. President, I ask unanimous consent that I be permitted to send an amendment to the desk and ask for its immediate consideration and speak not in excess of 2 minutes.

The PRESIDENT pro tempore. Is there objection?

Mr. METZENBAUM. Mr. President, reserving the right to object.

The PRESIDENT pro tempore. The amendments are to be confined to those on the list.

Mr. METZENBAUM. Reserving the right to object, and I hope I will not have to, would the Senator from Rhode Island be good enough to explain what the amendment is.

Mr. CHAFEE. This is to clarify an amendment that the Senator from Wyoming sent to the desk and had approved last night regarding the acquisition of lands to offset the loss of natural resources, and as the Senator will recall they tried to straighten that out last night and it was not done in a technically correct fashion.

So with his approval I am sending forward an amendment to clear up that confusion that existed.

Mr. METZENBAUM. I have no objection.

The PRESIDENT pro tempore. The amendment is not on the list.

Mr. CHAFEE. Mr. President, I ask unanimous consent that I be able to proceed despite the fact that it is not on the list.

The PRESIDENT pro tempore. Is there objection to setting the pending amendment aside?

Mr. STEVENS. Mr. President, reserving the right to object, as I just came back on the floor, I am wondering what the amendment is.

Mr. CHAFEE. It straightens out the Wallop amendment of last night dealing with the money could not be used for acquisition of land that the Senator from Wyoming sought to clarify last night, but it was not done correctly, so he is asking me to submit a new amendment.

Mr. STEVENS. Mr. President, is the Senator from Rhode Island proceeding at the request of the Senator from Wyoming?

Mr. CHAFEE. I am.

Mr. STEVENS. I have no objection.

Mr. CHAFEE. I renew my request.

The PRESIDENT pro tempore. The Chair objects for the moment in his capacity as a Senator from the State of West Virginia.

Who yields time?

Mr. BAUCUS. Mr. President, what is the pending business?

The PRESIDENT pro tempore. The pending business is S. 686 and the pending question before the Senate is the amendment by Mr. Metzenbaum.

AMENDMENT NO. 691, AS FURTHER MODIFIED

Mr. BAUCUS. Mr. President, I understand that the Senator from Ohio is going to send a modification of his amendment to the desk.

Mr. METZENBAUM. I am prepared to do that, Mr. President.

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

The Senator will send his modification to the desk.

Mr. METZENBAUM. Mr. President, the thrust of this amendment is to delete the next to the last sentence in the last paragraph of the amendment. It was pointed out by the managers of the bill that they feel that clarification is needed. The Senator from Ohio has no objection to making that modification. Therefore, I have sent the amendment to the desk being so modified.

Mr. STEVENS. Mr. President, reserving the right to object, and I do not think I will object, I ask the Chair if we may have a copy of this amendment now as it will read if it is adopted.

The PRESIDENT pro tempore. The clerk will report the entire amendment, as modified.

The assistant legislative clerk read as follows:

"SEC. . INCREASE IN LIABILITY FOR CERTAIN OILSPILLS, EXTENSION OF LIABILITY WITHOUT FAULT TO AREAS OF THE ARCTIC.—The owner or operator of any facility, the holder of any lease, right-of-way or permit for oil exploration, development, or transportation shall be liable, under this Act, for all damages, and removal costs, sustained by any person, that arise out of or directly result from the discharge or substantial threat of discharge of oil from—

At the appropriate place in the liability provision of this bill, insert the following:

"(A) the Trans-Alaska Pipeline;

"(B) fields or reservoirs supplying oil to the Trans-Alaska Pipeline; and

"(C) onshore oil and gas exploration, development or transportation activities in areas on Alaska's North Slope, including State submerged lands.

"Notwithstanding section 204(a)(2) of the Trans-Alaska Oil Pipeline Act of 1973 (Public Law 93-153), liability under this section shall be limited to 352,000,000 for any one incident. Liability for such damages shall be in accord with the ordinary rules of negligence.".

Mr. STEVENS. Mr. President, is there any time left on this amendment?

The PRESIDENT pro tempore. Mr. METZENBAUM has 1½ minutes remaining. There is some time remaining on the bill.

Mr. STEVENS. Mr. President, I do not seek time on the bill because I know other Senators have asked for that time.

This has changed the scope of this amendment, though, and I would ask unanimous consent that I have 3 minutes to address this modification.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I would urge the Senator from Ohio to respond if he has time, and I hope that we can get time for him. It is still by understanding that this amendment does not, in any way, affect State law. It now includes State submerged lands, but it does not in any way affect the State of Alaska's law which provided for unlimited liability.

I am concerned about this clause that I have not seen before, which says: "Liability for such damages shall be in accord with the ordinary rules of negligence."

Again, I say to the Senate, suppose a terrorist comes to our State and blows up one of these facilities. The question is: Where does the money come from to remove the oil and the damage? Under existing law, the operator of the Trans-Alaska Pipeline would pay the first $50 million and the fund would pay the balance of the cost. Under this bill now, the operator of the Trans-Alaska Pipeline would pay $350 million and the fund would pay the balance of the cost.

But that is only under Federal law. Under State law, it could provide an unlimited liability basis under Alaskan State law.

Now, is there any intent here to change in any way the right of the State of Alaska to control, under normal negligence concepts, actions, to recover for the cost of removal or any other damage caused by such incident?

The real problem is you have to remember this is liability without fault. We are talking about the terrorist incident, we are talking about the bolt of lightning, we are talking about an earthquake, we are talking about some damage that comes not through any fault.

Now, suddenly, we are talking about "liability for such damages shall be in accord with the ordinary rules of negligence." That is not the case of this section. This section deals with strict liability, not with negligence.

I do not like that last sentence being in there. I do think it changes this concept. It also refers to the Trans-Alaska Pipeline Act of 1973, which, under this bill, is repealed. So what is that doing in there?

Mr. President, I have to tell the Chair that I never saw the second page before. I was only given the first page. Had I seen the second page, I would have opposed the amendment to begin with. I do not believe we should invade the negligence area under State law in a section that deals only with strict liability and the strict liability threshold. If the Congress wants to set it at $350 million and charge the users of Alaska oil all over the country, if they want to get involved in a strict liability section and talk about putting limitations on liability on the Trans-Alaska Pipeline under the ordinary rules of negligence, I am compelled to object. If that stays in there, Mr. President, I will ask for a rollcall vote and oppose the amendment.

The PRESIDENT pro tempore. Who yields time?

Mr. BAUCUS. Mr. President, is there any time remaining on the amendment?

The PRESIDENT pro tempore. The Senator from Ohio [Mr. METZENBAUM] has 1½ minutes remaining on the amendment. There is time remaining on the bill.

Mr. METZENBAUM. Mr. President, I want to say that this amendment that I just put in was put in at the suggestion of the managers of the bill. The Senator from Alaska raises a very valid point. I believe that we need to discuss it and have adequate time to discuss it. I, therefore, ask that the Senate go into a quorum call and that the time not be charged against any of the parties.

Mr. BREAUX. Will the Senate withhold that request? I would just like to have 1 minute for an observation on the amendment which may also be addressed during that quorum call.

Is there an opportunity for me to get a minute from someone?

The PRESIDENT pro tempore. Who yields time to the Senator from Louisiana?

Mr. METZENBAUM. Mr. President, I have no right to do so, but I ask unanimous consent——

Mr. BAUCUS. Mr. President, this amendment is taking longer than all of us thought, so I ask unanimous consent that each side be granted an additional 3 minutes on the amendment.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I yield 1 minute to the Senator from Louisiana.

Mr. BREAUX. Mr. President, I just want to draw attention to another concern that I have on line 12 of the amendment of the Senator. Perhaps staff could take a look at what I am suggesting.

On line 12 of the amendment of the Senator from Ohio, it says that fields or reservoirs supplying oil to the trans-Alaska pipeline would be covered and would be subject to the $350 million limitation on liability.

My question would be: If that field or reservoir is in the Outer Continental Shelf, are we not now once again establishing a limitation of liability on OCS activity? I think that is what the language would do.

The PRESIDENT pro tempore. Who yields time?

The time will run equally.

Mr. BAUCUS. Mr. President, I suggest the absence of a quorum and I ask that the time not be charged to either side.

Mr. CHAFEE. Mr. President, before we go into that, may I ask the Senator that he withhold that?

The PRESIDENT pro tempore. Does the Senator withhold the suggestion of an absence of a quorum?

Mr. BAUCUS. I withhold.

Mr. CHAFEE. Mr. President, I ask unanimous consent that I might take up an unlisted amendment and be granted 2 minutes on it.

The PRESIDENT pro tempore. Is there objection?

The Chair understands that this is a technical amendment and it is not one of the two technical amendments listed under the unanimous-consent agreement.

Is there objection?

Mr. DOMENICI. Mr. President, reserving the right to object, and I will not object, I have a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state his inquiry.

Mr. DOMENICI. Is there a time limit on the pending amendment and, if so, how much time remains?

The PRESIDENT pro tempore. The Senator from Ohio [Mr. METZENBAUM] has 3 minutes and 40 seconds, and the Senator from Montana has 2 minutes and 8 seconds.

Mr. DOMENICI. Parliamentary inquiry, Mr. President.

The PRESIDENT pro tempore. The Senator will state it.

Mr. DOMENICI. Is there a remainder of the time prior to final disposition of this matter? Is there any open time that is not subject to a time limitation?

The PRESIDENT pro tempore. There is some time remaining for debate on the bill. The Senator from Montana has 9 minutes.

Mr. DOMENICI. Are there any other amendments with time limitations on them?

The PRESIDENT pro tempore. The Chair begs the Senator's pardon?

Mr. DOMENICI. Are there any other amendments that have been agreed to by unanimous consent that have time limitations on them?

The PRESIDENT pro tempore. There are no amendments remaining other than the pending amendment. One amendment by Mr. STEVENS remains and two committee technical amendments.

Mr. DOMENICI. I thank the Chair.

I have no objection to the consent agreement that Senator CHAFEE propounded to the Chair.

The PRESIDENT pro tempore. Without objection, the pending amendment will be set aside temporarily. And the Senator will be recognized to propound his technical amendment.

AMENDMENT NO. 692

Mr. CHAFEE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator form Rhode Island [Mr. CHAFEE] proposes an amendment numbered 692.

Mr. CHAFEE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

(1) Amend the third sentence of section 102(d)(1) to read a follows:

"Sums recovered by the United States Government as trustee under this subsection shall be retained by the trustee, without further appropriation, for use only to restore, replace, or acquire the equivalent of such natural resources, except that the use of such sums to acquire land or interests therein shall be subject to further appropriation and used as specifically provided in appropriation Acts.".

(2) Section 103(a)(6) is amended to read as follows:

"(6) the costs of Federal or State efforts to restore, rehabilitate, replace or acquire the equivalent of any natural resources injured, destroyed, or lost as a result of any discharge of oil, except that Federal efforts to acquire land or interests therein shall be subject to such amounts as are specifically provided in appropriation Acts;".

Mr. CHAFEE. Mr. President, last evening we adopted an amendment by the Senator from Wyoming [Mr. WALLOP] regarding acquisition of land to offset loss of natural resources. We had an excellent discussion on that matter and reached an understanding as to the intent of his amendment and it was redrafted, but unfortunately did not come out to meet the objectives of the intent that was expressed.

This amendment that I have sent to the desk will make technical and conforming changes to the affected portions of this bill and has been cleared by the Senator from Wyoming and the managers of the bill.

This amendment makes it clear that the previous amendment only affected the authority to acquire land and interest therein. It was not intended to affect the authority to acquire other natural resources.

So, Mr. President, I urge the adoption of the amendment.

The PRESIDENT pro tempore. The Chair removed his objection which he interposed in his capacity as a Senator from West Virginia.

Mr. CHAFEE. I thank the Chair.

The PRESIDENT pro tempore. If there be no further debate, the question is on agreeing to the amendment of the Senator from Rhode Island.

The amendment (No. 692) was agreed to.

Mr. CHAFEE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

MR. BAUCUS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDENT pro tempore. The question recurs on the amendment by Mr. METZENBAUM.

Mr. BAUCUS. Mr. President, I yield myself 2 minutes.

Mr. President, the Senator from Ohio is very diligent in pointing out to the Senate the need to be sure that the trans-Alaska pipeline system and the Liability Act are fully covered for purposes of legislation before us.

It is clear to this Senator and I think also to the Senator from Rhode Island that, with the amendments we have now passed to this bill, and with the liability limits raised, the matter intended to be covered by the Senator from Ohio is already covered.

As I stated earlier today, it is my opinion that the Senator's pending amendment is redundant, that the matters are already covered, that section 311 of the Clean Water Act combined with various provisions of the bill make it clear that the liability limits that pertain to the country generally, vessels and offshore facilities, et cetera, also pertain in equal weight to the State of Alaska and to the trans-Alaska pipeline system. That was my understanding then. It is very much my belief now.

With that understanding, Mr. President, I am wondering if the Senator from Ohio would be so kind as to withdraw his amendment because he is adding something that is redundant. Almost by definition it is creating some ambiguities and some complexities that need not be created.

Because the matter is already covered, I was wondering if he could possibly withdraw his amendment.

The PRESIDENT pro tempore. Who yields time, the Senator from Rhode Island?

Mr. CHAFEE. Mr. President, I want to echo that thought. On this amendment, on which I think there was a 20-minute time limit equally divided, we must have spent certainly 50 minutes or an hour.

In the opinion of both the managers it is redundant anyway. I do not know why we are dealing with the amendment. I know the Senator was anxious to reinforce his views that the Alaska pipeline was covered. The view is that it is covered. As an onshore facility.

So I hope the Senator would withdraw his amendment as modified twice, I believe, so we can get on with this bill.

The PRESIDENT pro tempore. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, the managers have been extremely cooperative in connection with the previous amendment. It is their representation that the matter is presently covered. Senators from Alaska have been somewhat concerned that in some way either we were picking on the Alaska pipeline or that we may be changing the whole question of preemption of State law, which nobody had any intention of doing. Certainly I did not.

Under those circumstances, in order to permit the Senate to proceed with the balance of its business, and with the assurances from both managers that the subject is already covered, I withdraw the amendment.

The PRESIDENT pro tempore. Without objection, the amendment as modified is withdrawn.

The Senator from Alaska.

Mr. STEVENS. I wish to publicly thank the Senator from Ohio. I think we sometimes see ghosts and we see shadows. Courts find them, too. I appreciate his courtesy because I think it is covered by the prior amendment.

The PRESIDENT pro tempore. The Senator from Alaska is recognized.

Mr. MURKOWSKI. Mr. President, I would join Senator STEVENS in thanking the Senator from Ohio for his response and withdrawal.

The PRESIDENT pro tempore. Who yields time? What is the will of the Senate?

Mr. BAUCUS. Mr. President, we are practically finished. The fact is, we have one minor matter that has to be cleared up. It is a jurisdictional matter with the Finance Committee and the matter has to be worked out with the senior Senator from Idaho. It is my expectation we will have worked out very quickly. After that is completed, we will go to final passage.

Mr. President, therefore, I suggest the absence of a quorum, and I ask the time not be charged to either side.

The PRESIDENT pro tempore. Without objection, the time of the quorum call will not be charged and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I wonder if the manager of the bill will yield me 1 minute for my last comment on the bill.

The PRESIDENT pro tempore. The Senator is recognized for 1 minute.

Mr. STEVENS. Mr. President, my mind goes back to 1973 when the distinguished Senator from Washington, Senator Scoop Jackson, and I tried to work out a lot of the problems concerning what the risks would be associated with the transportation of the oil from Alaska.

We ship about half the oil we produce in the country, and half of that oil comes from my State transported by water. I think that this bill changes the direction now and enters on to the national scene, which where some of the hopes that Scoop Jackson had at the time when we worked on that bill.

It is an activist fund, that is the point I want to make. That fund has sat for 16 years. It never paid out a dime, and it earned a lot of interest but it was not involved. This fund will be involved. The fund will finance science; it will finance research: it will finance response teams; it will challenge the country to be prepared. I am proud to be here today to be able to do that.

The PRESIDENT pro tempore. Who yields time? The Senator from Montana.

Mr. BAUCUS. Mr. President, I yield myself 3 minutes.

Mr. President, we are about to pass, and I do not make this statement likely, an historic piece of legislation. This is very significant. It is a bill which will very significantly, very dramatically place strict responsibilities on oil companies, transportation companies, in order to help prevent the reoccurrence of catastrophies like the *Exxon Valdez* and also to be more sure that there is much better response to cleanup than has been the case in the past.

Mr. President, I also want at this point to praise our majority leader, Senator MITCHELL, who has worked for so many years to work for the passage of this legislation. He has mentioned to me many times he has been working 8 years to get oilspill liability legislation passed.

It is probably true the *Exxon Valdez* incident helped crystallize American public opinion to make that happen. We are not thankful at all for *Exxon Valdez.* It is unfortunate in life that sometimes it takes a catastrophe such as this to help mobilize, help crystallize public opinion into action and, therefore, encourage the U.S. Senate and House of Representatives into action.

This is not just a coastal waterway problem, Mr. President. Oilspills occur inland as well as coastal waterways. Just on Monday of this week in probably one of the most beautiful lakes in our country, White Fish Lake, in northwestern Montana, we had an oilspill. Tanker cars on the Burlington Northern Railroad skipped the track, jumped the track and fell into White Fish Lake. Two 25,000 gallon diesel fuel cars plunged into the lake. Access is extremely difficult. High winds have made it difficult to clean up. Close to the shore, a thick mustard colored slick covers White Fish Lake, MT.

It is a personal tragedy to me, Mr. President, because one of my very earliest childhood memories as a 4-year-old boy is going to White Fish Lake during our 2-week August vacations our family took. We would take a long drive to White Fish Lake. It took almost all day in those days. We spent 2 weeks there. Stayed at a little cabin on the lake. It was the highlight of my life as a little kid to go to White Fish Lake. Now White Fish Lake is the subject of an oilspill. There is a slick covering White Fish Lake.

I must say, Mr. President, this legislation would help also prevent White Fish Lake catastrophes from occurring because it will place additional responsibility, preparation and response responsibility also on the Burlington Northern Railroad. I say to my colleagues in the Senate that this is a piece of legislation, and it is a very much needed piece of legislation. I commend the Senate for passing this legislation, as it is about to do.

The PRESIDENT pro tempore. Three minutes has expired.

Mr. BAUCUS. Mr. President, how much time do I have remaining?

The PRESIDENT pro tempore. The Senator has 3 minutes and 40 seconds.

Mr. BAUCUS. Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDENT pro tempore. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I yield 5 minutes to the Senator from New Mexico on the bill.

Mr. DOMENICI. Mr. President, I would like to make two points. One has to do with this bill, and one has to do with a matter I believe should be on the floor now right alongside of this bill.

First let me say for those who remember the disaster that occurred at the Sioux City, IA, airport and who listened to the medical doctor who led the emergency preparedness team for that community that we should have learned something from that accident. We should know that to have preparedness plans without actually carrying them out on a trial basis in a regular manner is calculated to cause preparedness plans to be nothing more than plans. In Sioux City, they had trial runs because they were aware there could be an accident. And, because they did the trial runs over and over, they were ready when an accident did occur. I am pleased that this legislation will force the oilspill emergency response teams to conduct practice drills. It requires a lot of patience to prepare for accidents when they do not occur. It is like the military doing their training in peacetime expecting a war. It is boring; it requires some real top down encouragement and some real discipline. I hope this commitment, encouragement, and discipline begins at the top with our oilspill response teams.

Mr. President, on my second point, while oilspills and the consequences are of grave importance to the American people, the Senator from New Mexico is concerned that we are not talking about ways to reduce our dependence on foreign oil. Quite to the contrary, it seems that our dependence on foreign oil is not an important issue to many people in our country. I can predict for the Senate, we can pass this oilspill legislation and then if it is not good enough, pass some more, but you are going to have more oilspills, not less, in the next decade from tankers because America has to import 40 percent of her oil, and that figure is growing dramatically.

That means thousands and thousands of tankers will have to come to American shores to feed our petroleum needs. And, accidents are a function, regardless of what people say, of the number of times and number of movements by tankers.

Mr. President, our dependence now is 40 percent and growing. We ought to be on the floor discussing a real way to minimize spills, and that is to increase America's energy independence. That is how you will minimize oilspills. We ought to be talking real policy on Outer Continental Shelf drilling. We ought to be talking real policy about increasing our domestic production. There are at least three or four ways for us to do this. Yet, the emergency occurs and we limit ourselves to addressing the immediate problem. The attrition which is occurring to the American economy because $40 billion a year in our trade imbalance is from petroleum products is put somewhere in the back of the room. We are leaving 70 percent of America's oil in the ground when we drill oil wells because we have to have new techniques to get it all out of the ground. Yet, no one is seriously discussing on the floor of the Senate small incentives that might permit us to bring that oil to the surface. For every additional 100 million barrels that we could bring up from American oil reserves, we could elimi-

nate 1 or 10 or more tankers. To the extent that we do not develop our reserves, we add 1 or 2 or 10 or 20 or 50 or more tankers per year, to our waters, and we increase the number of accidents. Certainly we hope we will minimize the damage of the accidents that are going to occur, but accidents will occur.

But, I think it is really time for us to say, how do we minimize the tanker movements rather than just take care of the accidents which are going to occur? We have to have a policy on offshore drilling, Mr. President. We cannot run around saying it is there available to us and do nothing about it.

Mr. President, I support the prevention and cleanup provisions of the legislation now pending before the Senate. The bill would deal in a comprehensive manner with the question of how to prevent oilspills and, in the event that they do occur, how to clean them up quickly and efficiently in order to minimize their economic and environmental damage.

The recent oilspills in Prince William Sound, the Delaware River, the Houston ship channel, and off the coast of Rhode Island demonstrate the urgent need for oilspill preparedness.

Regarding the spill in Prince William Sound, Exxon has made a very serious mistake that could have been avoided. They must be held completely responsible for their actions and, specifically, for their poor response in the cleanup process.

I am pleased that the legislation that the Senate is now considering would address the oilspill issue in a comprehensive manner, and not just addressing it port by port, or region by region. As we have seen from recent events, oilspills can occur anywhere and at anytime—with those occurring in coastal waters being particularly disastrous.

I am also very pleased that the pending legislation would establish a comprehensive and coordinated emergency planning system to prepare for oilspills. An important, and I believe essential, ingredient in emergency preparedness is practice. This bill requires that the emergency response teams conduct training and periodic drills without prior notice, at least two per year.

Mr. President, this legislation will help ensure that in the future our coastlines and wildlife will not be subjected to the degradation that we saw earlier this year.

Mr. President, I think we urgently need to enact the oilspill prevention and cleanup provisions of the legislation now before the Senate. I hope that in the near future we will take additional steps that will allow us to produce more oil from our domestic reserves in an environmentally sound manner.

I thank the Chair and yield the floor.

Mr. BAUCUS. Mr. President, how much time do I have remaining?

The PRESIDENT pro tempore. The Senator has 3 minutes and 20 seconds.

Mr. BAUCUS. Mr. President, I yield the remainder of the time to the majority leader.

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I commend the distinguished manager of the bill, Senator BAUCUS, and the ranking member, Senator CHAFEE, for their effort, patience, and leadership on this important issue. I commend, as well, Senator STEVENS who has a specific, a very deep concern on this issue, and Senator BREAUX, who has been extremely helpful in working on this legislation.

Mr. President, this is a gratifying day for me personally, having been involved in attempting to gain enactment of such legislation for 8 years. It is my hope as well an important day for the Nation, one which on enactment of this legislation into law will deter oilspills in the future, thereby reducing the potential of damage to our Nation's resources, and when in the unfortunate instance as will inevitably occur spills do happen, they will be cleaned up and contained much more readily than would otherwise have been the case.

We hope very much that the House will act soon on companion legislation. There remain deep differences as to the best approach, but if we come to the conference in good faith and with open hearts and minds, prepared to subordinate individual preference to the national interest, then I believe that this measure will become law soon and the Nation will be the better for it.

I thank all my colleagues for their participation in this effort. I look forward to working with them to make this into a law.

This has been a most unusual circumstance and one in which we have had occasionally trying times and sharp words, but overall I think we can be pleased with the result and I look forward to bringing this to completion in the near future.

Mr. President, I yield the floor.

The PRESIDENT pro tempore. The Senator from Montana has 47 seconds.

Mr. BAUCUS. Mr. President, I think we have no further business, no further amendments.

Mr. CHAFEE. Mr. President, we are waiting for a colloquy.

The PRESIDENT pro tempore. The committee has authority under the order to use one additional amendment. Does the committee wish to execute that authority?

Mr. BAUCUS. Mr. President, I thank the Chair for that observation. The committee does not wish to execute that authority.

The PRESIDENT pro tempore. The Chair thanks the Senator.

OILSPILL PROTOCOLS

Mr. MITCHELL. Mr. President, one of the issues we have not debated during consideration of this legislation has been the value of the oilspill protocols.

Those protocols are currently pending before the Foreign Relations Committee. The House has included language in its bill to implement the protocols. I am reminded by the chairman of the Foreign Relations Committee that only the Senate can ratify the protocols. Thus the question of the protocols is not a matter to be debated during the conference on S. 686.

I ask unanimous consent that a letter from Senator PELL on this issue be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC, August 3, 1989.

Hon. GEORGE J. MITCHELL,
Majority Leader, U.S. Senate, Washington, DC.

DEAR MR. LEADER: I am writing to you with respect to S. 686, the Oil Pollution Liability and Compensation Act of 1989.

As you know, various House counterpart bills attempt to incorporate by reference the 1984 Protocols Amending the Civil Liability and Fund Conventions. I urge you to instruct the Senate conferees on S. 686 not to adopt any provision which would undermine the constitutional role and responsibility of the Senate.

I would appreciate your assistance on this matter.

With every good wish.

Ever sincerely,

CLAIBORNE PELL,
Chairman.

Mr. BAUCUS. I understand that the Internal Revenue Code contains a tax that is to be collected when authorizing legislation that qualifies as comprehensive oilspill legislation is enacted. This legislation was developed in contemplation that the proceeds of that tax would be available to fund the oilspill liability and compensation fund.

Mr. BENTSEN. I support this legislation, and I agree that the spending programs it contains should be adequately funded. When the Finance Committee considers the reconciliation bill after the August recess, I will recommend that the committee propose an amendment to section 4611(f)(2)(B) of the Internal Revenue Code to specify that the pending legislation qualifies as comprehensive oilspill legislation under that section.

Mr. BAUCUS. I thank the chairman of the Finance Committee.

Mr. McCLURE. Mr. President, if I may, let me add a few additional thoughts to those made by my friend

from Montana. The reason it is so important for this legislation to qualify as comprehensive oilspill legislation under 4611(f)(2)(B) of the Internal Revenue Code is twofold: First, it raises additional funds for use under this bill. Second, it assures that all oil delivered to this country, both foreign and domestic, be treated equally with respect to funds being collected for oilspill liability and compensation purposes. Without this tax already in the law but not triggered by this legislation, our domestic companies carry a disproportionate share of this liability burden, even though foreign oil tanker traffic remains a considerable portion of this country's total oil tanker traffic. I thank the Senator from Montana for his concern and I appreciate the commitment of my friend from Texas, the chairman of the Finance Committee, to recommend that his committee add such qualifying legislation on the reconciliation bill this fall.

OIL POLLUTION LIABILITY AND COMPENSATION

Mr. DOLE. Mr. President, the proposed legislation suggests seven potential regional centers capable of responding to catastrophic oilspills and operated by the Coast Guard. The industry is currently setting up a very similar network through its newly formed Petroleum Industry Response Organization [PIRO]. Will there be duplication, or is it intended that the Federal role will be to complement the initiative of the private sector?

Mr. MITCHELL. It is my hope that this legislation will generate appropriate coordination of Federal, State, local and industry resources to prevent and clean up future oilspills.

Preventing pollution and minimizing damage from future catastrophic oilspills is best achieved with the maximum cooperation and effort provided by Government agencies, a full commitment from the petroleum industry, shippers of petroleum products, concerned citizens groups, and indeed, from the world of science and technology.

The legislation requires industry to be able to remove oil and minimize damage to the environment without the active participation of the Federal Government. Industry initiatives, as set forth in the recent API Oilspill Task Force Report, which calls for the formation of an industry response organization with regional response centers and supporting staging areas, could provide much of this required capability.

The sections of the legislation requiring the President to expand the National Contingency Plan and establish regional response teams are intended to ensure that the Federal Government has sufficient capability to promptly and properly remove spills and minimize damage to the environment in cases where industry and other efforts are not adequate to provide prompt and proper response. The legislation envisions cooperative efforts between the oil industry and the Government in such cases.

I am encouraged by the progress that the oil industry has made toward providing oilspill removal capability, and I am hopeful that the entire oil industry participates in this organization.

Successful implementation by industry of the goals set forth in the API Task Force Report would be a significant step toward meeting the requirements of this legislation and would, therefore, contribute to providing the Nation with the safeguards needed to prevent and better handle damage caused by oilspills.

Mr. DOLE. Mr. President, I thank the distinguished majority leader, both for his response and for his long and difficult work on this legislation. We don't want to be in a position where we are creating a separate, Federal response team if the response team established by the industry is determined to be sufficient.

Mr. THURMOND. Mr. President, I am pleased to rise in support of this important and timely legislation which established a comprehensive and unified plan for the cleanup of oilspills affecting our Nation.

Under existing Federal law, at least five statutes deal with the issue of oilspill liability and compensation. Each of these statutes is different and each provides for varying and uneven liability standards, as well as differences on the scope of coverage for cleanup costs and damages. The legislation being considered today addresses a variety of the complications associated with these different provisions by establishing a single oilspill compensation fund, improving preparedness and response to oilspills, setting liability caps on tankers and barges, and by expanding requirements of the national contingency plan for the cleanup of oilspills.

First, Mr. President, this legislation establishes a single oilspill compensation fund that would provide up to $1 billion per spill for cleanup costs and damages. A fee of 1.3 cents on each barrel of oil delivered to U.S. ports would finance the fund. This fee was provided for in the 1986 budget reconciliation bill, and would be triggered upon enactment of oilspill legislation.

Pursuant to the bill before us today, the fund will provide a source of money for immediate cleanup activities or damage compensation in the event those responsible do not act promptly. The fund would be used for oil removal costs and would be available for prompt damage compensation. After money is paid out, the fund would then be subrogated to all rights against the party responsible. The responsible party would, however, be able to assert any defenses that may apply and claim any limitations on liability that may apply.

Second, this bill raises liability limits for both oil removal costs and compensation for damages. For tankers, the limit would increase to $500 per gross ton or $10 million, whichever is greater. For any other vessel, the limit would increase to $300 per gross ton or $500,000, whichever is greater.

Third, it should be noted that this legislation does not preempt State laws and programs. States may continue their own well-established State oilspill program if they have them.

Fourth, the Federal Government would have control of cleanup under this bill—in my opinion, a proper role for the Federal Government. Under this legislation, the President would be required to conduct cleanup or arrange for cleanup, unless the cleanup is being conducted properly and promptly by the responsible party. I am pleased that the present administration has already demonstrated its commitment to Federal involvement through the *Exxon Valdez* cleanup efforts.

Fifth, this legislation expands the requirements of the national contingency plan for oil cleanup. It requires the President to establish regional oilspill response teams, and also requires owners and operators of oil-carrying vessels and facilities to submit contingency plans for the prevention, containment, and cleanup of oilspills.

Mr. President, I have historically looked upon the granting of additional power and authority to the Federal Government with close scrutiny. I have also done so with this bill. However, I believe the additional authority encompassed in this bill is appropriate, given the nature of oil spill issues.

Last, this bill includes the substance of S. 1461, which will enhance oil tanker safety. This language includes two important safety provisions aimed at the persons involved in the operation of vessels on the waterways of our Nation. Specifically, the first provision, which is similar to a bill that I cosponsored this Congress, allows the Coast Guard access to the National Driver Registry in order to identify people with drunk driving violations, so that their merchant marine licenses can be denied, suspended or revoked. The second provision requires random alcohol testing for all merchant marine personnel in safety sensitive positions. Just as we have taken steps to control alcohol use on our highways and in our airways, we must take the necessary steps to protect our waterways from persons under the influence of alcohol. These provisions should help achieve that objective.

I am pleased to offer my support for this legislation.

Mr. DOLE. Mr. President, I want to commend the Committee on Environ-

ment and Public Works, as well as the Commerce and Energy Committee for their work in bringing the Oil Pollution Liability and Compensation Act of 1989 to the floor.

Fortunately, the tragic consequences for not passing this type of legislation in 1984 when President Reagan first asked us too was not realized. Like so many other issues, the Senate has been playing Russian roulette with this bill. This time we were lucky—the loaded cylinder never made it to the chamber.

PROVISIONS

Mr. President, the bill would finally establish a single fund and combine it with a single strategy for attacking oil spilled from tankers, barges, and OCS facilities.

In addition it would increase the amount of liability for the owners of vessels, facilities, and royalties.

Further, it requires a national contingency plan—in advance—to ensure a quicker and more effective first strike and follow through in future spills.

OILSPILL RESPONSE TEAMS

One concern I have with the legislation is a requirement for regional oilspill response teams. Right now, the industry is in the process of creating the Petroleum Industry Response Organization [PIRO] consisting of five regional response teams. The language contained in S. 686 appears to allow the private sector to continue with this effort. It is my hope that, once these teams are in place, the apparent requirement for additional, Federal personnel will not be required for operational positions. There will certainly be a need for Federal supervisory personnel, but the idea of competing response teams rushing to a spill leaves me with the feeling that the work would be inefficient and insufficient, since the teams might never get coordinated. If the spirit of this bill is to bring a single response in funding, liability, and planning, it should continue through the response teams.

LIABILITY

Mr. President, much has been said on the issue of liability. We have heard that this legislation will release guilty parties from paying for their wrongs. This is simply not true. Liability limits are in existence today. This bill increases those limits, which will force those guilty of oilspills to pay more than they can be forced to pay today.

MAKE INDUSTRY PAY

Probably the most important part of this bill is that we will ensure that industry pays for oilspills. It is almost inconceivable to me that we have, by failing to act in previous years, been putting the taxpayer at risk, not industry. Under existing law, section 311 funds can be used to clean up the spills. The problem is that the section 311 fund is now funded through appropriate money—taxpayer dollars. The bill will finally implement a funding scheme which has been automatically available to us since 1986. No longer should we hold the taxpayers hostage to political agendas of the Congress.

ACQUIRING EQUIVALENT RESOURCES

Finally, Mr. President, the provision allowing trustees of the fund to act on behalf of the public to acquire equivalent resources when damages from spills cannot be corrected is of serious concern to me. I do not question the need to acquire and protect environmentally sensitive areas when it can be afforded. But the process should include a review by Congress. I am concerned that the system currently in the bill strips the Congress of it's constitutional authority to appropriate funds for this and every other purpose. I would urge that Senate conferees on this measure take a second look at this provision to continue some oversight by the Congress in land and resource acquisition.

SUMMARY

While I do have several concerns with this measure, the legislation is long overdue. I will support the bill, but hope that improvements are made in conference with the House.

Mr. BREAUX. Mr. President, on page 55 of S. 686, under section 204 operators of all tank vessels which carry oil in bulk as cargo in or upon the navigable waters of the United States are required to prepare a contingency plan to respond to oilspills.

Oftentimes, vessels lighten their cargo within the exclusive economic zone to smaller vessels. These tankers are as susceptible to discharges of oil as other tankers.

QUESTION. Is it your opinion this contingency planning requirement applies to vessels that lighten the oil to smaller vessels in the executive economic zone?

Mr. BAUCUS. Yes, those vessels that lighten oil in the exclusive economic zone are subject to the contingency planning just as they are subject to financial responsibility requirements under 104(a)(1).

Mr. BREAUX. Thank you for clarifying that point.

APPLICATION OF STATES' LIABILITY LAWS

Mr. GRAHAM. Senator BAUCUS, is it your understanding that the intent of this bill is to allow the States with greater liability requirements than those covered by Federal law, to further assess costs for damages in State waters resulting from a spill in Federal waters?

Mr. BAUCUS. Yes, Senator. In recognizing that States have different requirements, the intent of the bill is that the States not—and I emphasize not—be preempted relative to their liability requirements, when State resources are adversely affected by an oilspill.

Mr. GRAHAM. Does this mean then, Senator, that if by example, a spill occurs 20 miles offshore and drifts within State boundaries, causing damages to State resources, that the State could then seek to recover additional costs for damages to those State resources?

Mr. BAUCUS. That is correct, Senator.

Mr. GRAHAM. Senator CHAFEE, is this also your understanding?

Mr. CHAFEE. Yes; it is.

Mr. GRAHAM. I thank my good friends from Montana and Rhode Island, respectively. Thank you, Mr. President.

Mr. LIEBERMAN. I congratulate the managers of this bill, Senators BAUCUS and CHAFEE, members of the Environment and Public Works and other committees, for their outstanding work in ensuring that this bill passed the Senate in an extremely rapid timeframe. Most of all, I congratulate the majority leader who has worked tirelessly for the last 8 years to enact oilspill legislation. Without his leadership and inspiration, today's bill would not have been possible.

I am especially pleased that the bill contains strong liability, penalties and enforcement provisions and closes the loopholes which now exist in the law. The Exxon disaster left us not with one mess to clean up but two—the one in the water and the one in the books, in the laws and contingency plans that failed us and that may prevent us from adequately protecting Alaska's environment and exacting the kind of justice the American public demands. This law goes a long way toward cleaning up the mess in our books.

After the Exxon spill, I compared the liability provisions of the Clean Water Act for oilspills with the very strong provisions of the Superfund law concerning the disposal of hazardous substances on land and found some very important differences. I introduced legislation (S. 1223) to establish the same strong scheme of liability for the cleanup of oil dumped into the water as the Superfund law provides for the cleanup of hazardous substances on land and I am pleased that S. 686 adopts many of these provisions.

Importantly, S. 686 provides clear authority to the Government to order the polluter to clean up a spill. If the polluter fails to comply with the order, the Government can collect triple the costs of cleanup. Under these provisions, I believe a company like Exxon will think carefully in the future before it threatens to leave the scene of a spill if the Government is not satisfied that a cleanup has been completed. The decision about wheth-

er further cleanup is necessary will no longer be in the hands of the spiller.

I am also pleased with the tough civil and criminal penalty provisions of S. 686. In examining the old law, I became extremely concerned with the ambiguous penalty provisions which under one plausible interpretation, could have let Exxon off the hook for $5,000. My legislation raised civil penalties to an amount up to $25,000 per day of violation or $1,000 per barrel of oil discharged, whichever is greater. It also provided for a range of criminal penalties, including in certain circumstances, imprisonment of up to 15 years. S. 686 adopted these provisions.

The American people have been frustrated and angry throughout this Exxon disaster. They don't like it when they hear that our laws do not compel companies to prepare for environmental disaster or to clean up after it happens. In this legislation, the Senate has effectively addressed the concerns of the American people.

EQUIVALENT RESOURCES

Mr. WALLOP. Mr. President, I proposed an amendment to the S. 686, the oilspill legislation. Among other provisions, that bill allows the Federal Government to acquire resources equivalent to those damaged by an oilspill.

My amendment limits acquisition of equivalent resources to acquisition of lands or interests therein for which appropriations have been provided in advance.

Mr. ARMSTRONG. I would like to clarify a point. In the West, a generic reference to land or property may include not only land specifically, but the property interest of water. When the Senator states "land or interests therein," does he include water rights?

Mr. WALLOP. Yes. Under the Western appropriative rights system of water law, a water right is a property right. Equivalent resources include not only land, but water. The Federal Government acknowledges the property right in water ownership. In the West, like any other water rights holder, the Federal Government files within a Western States's water court to establish the Federal Government's specific ownership in water where needed.

Mr. ARMSTRONG. In addition, the Federal Government purchases water rights. I can give an example. For a cooperative project by the Federal Government with the States of Wyoming, Utah, and Colorado, Congress appropriated funds for water purchases to protect endangered species of fish in the Colorado River. Those water rights within Colorado are then administered by the Colorado Water Conservation Board.

An understanding of the property rights in the West is vital to understanding the interests protected by Mr. WALLOP's amendment.

Mr. WALLOP. I thank the Senator for helping me make this point. My amendment limits acquisition of any property—land and water—until appropriations have been approved by Congress.

The PRESIDENT pro tempore. Who yields time?

Mr. BAUCUS. Mr. President, I yield back the remainder of my time.

Mr. CHAFEE. Mr. President, I think I still have 5 minutes, do I not?

The PRESIDENT pro tempore. The Senator still has 5 minutes.

The Senator's time will run.

Mr. CHAFEE. Mr. President, I suggest the absence of a quorum and have it charged against my time.

The PRESIDENT pro tempore. There is not sufficient time remaining for a quorum call.

Mr. CHAFEE. I think I have some time do I not?

The PRESIDENT pro tempore. The Senator has less than 5 minutes.

Mr. CHAFEE. Is that enough for a quorum call?

The PRESIDENT pro tempore. It may not be. The Senator may ask unanimous consent that the time not be charged.

Mr. CHAFEE. I ask that the time not be charged.

The PRESIDENT pro tempore. Or the Senator may yield back his time.

Without objection, the time will not be charged. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CHAFEE. I yield back the remainder of my time.

The PRESIDENT pro tempore. All time has expired or been yielded back under the order.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDENT pro tempore. Under the order, the vote will now occur on S. 686.

Mr. BAUCUS. Mr. President, I ask for the yeas and nays.

The PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall it pass? Will the clerk please repeat the responses.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. DURENBERGER] is necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota [Mr. DURENBERGER] would vote "Yea."

The PRESIDENT pro tempore. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 168 Leg.]

YEAS—99

Adams	Garn	McClure
Armstrong	Glenn	McConnell
Baucus	Gore	Metzenbaum
Bentsen	Gorton	Mikulski
Biden	Graham	Mitchell
Bingaman	Gramm	Moynihan
Bond	Grassley	Murkowski
Boren	Harkin	Nickles
Boschwitz	Hatch	Nunn
Bradley	Hatfield	Packwood
Breaux	Heflin	Pell
Bryan	Heinz	Pressler
Bumpers	Helms	Pryor
Burdick	Hollings	Reid
Burns	Humphrey	Riegle
Byrd	Inouye	Robb
Chafee	Jeffords	Rockefeller
Coats	Johnston	Roth
Cochran	Kassebaum	Rudman
Cohen	Kasten	Sanford
Conrad	Kennedy	Sarbanes
Cranston	Kerrey	Sasser
D'Amato	Kerry	Shelby
Danforth	Kohl	Simon
Daschle	Lautenberg	Simpson
DeConcini	Leahy	Specter
Dixon	Levin	Stevens
Dodd	Lieberman	Symms
Dole	Lott	Thurmond
Domenici	Lugar	Wallop
Exon	Mack	Warner
Ford	Matsunaga	Wilson
Fowler	McCain	Wirth

NAYS—0

NOT VOTING—1

Durenberger

So the bill (S. 686), as amended, was passed, as follows:

The text of S. 686, as passed by the Senate on August 4, 1989, is as follows:

S. 686

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.—This Act may be cited as the "Oil Pollution Liability and Compensation Act of 1989".

SEC. 2. TABLE OF CONTENTS.—

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. Findings.

TITLE I—OIL POLLUTION LIABILITY AND COMPENSATION

Sec. 101. Definitions.
Sec. 102. Liability.
Sec. 103. Uses of fund.
Sec. 104. Financial responsibility.
Sec. 105. Litigation, jurisdiction, and venue.
Sec. 106. State laws and programs.

TITLE II—OIL POLLUTION PREVENTION AND RESPONSE

Sec. 201. Federal responsibility.
Sec. 202. National contingency plan.
Sec. 203. Regional oil spill response teams.
Sec. 204. Oil spill contingency plan development and approval.
Sec. 205. Oil spill research and development program.
Sec. 206. Penalties.
Sec. 207. User fees.

TITLE III—OIL TANKER NAVIGATION SAFETY

SUBTITLE A—PROVISIONS APPLICABLE NATIONALLY

Sec. 301. Definitions.
Sec. 302. Licensed personnel.
Sec. 303. Motor vehicle driving records of vessel personnel.
Sec. 304. Alcohol testing; alcohol rehabilitation information.
Sec. 305. Prohibition on service.
Sec. 306. Vessel traffic services.
Sec. 307. Position-reporting and identification equipment.
Sec. 308. Oil tanker construction and size.
Sec. 309. National Council on Oil Spill Technology Research and Development.
Sec. 310. Impact on other law.
Sec. 311. Authority of Secretary in United States waters.
Sec. 312. Penalties.
Sec. 313. Report on user fees.

SUBTITLE B—PROVISIONS APPLICABLE WITH RESPECT TO STATES OR REGIONS

Sec. 351. Pilotage at port of Valdez.
Sec. 352. Bligh reef light.
Sec. 353. Prince William Sound VTS.
Sec. 354. Oil Spill Recovery Institute.
Sec. 355. Radio communications on Mississippi River.
Sec. 356. Funding of Alaska projects and Oil Spill Recovery Institute.

TITLE IV—CONFORMING AMENDMENTS

Sec. 401. Trans-Alaska pipeline fund.
Sec. 402. Intervention on the High Seas Act.
Sec. 403. Clean Water Act.
Sec. 404. Deep Water Port Act.
Sec. 405. Outer Continental Shelf Lands Act.

TITLE V—OVERSIGHT AND MONITORING

Sec. 501. Short title.
Sec. 502. Findings.
Sec. 503. Demonstration projects of oil terminal environmental oversight and monitoring programs.
Sec. 504. Oil terminal facilities operations associations.
Sec. 505. Oil terminal environmental advisory council.
Sec. 506. Scientific committee for environmental monitoring.
Sec. 507. Technical committee for oil spill planning and preparedness.
Sec. 508. Agency cooperation.
Sec. 509. Recommendations of the council.
Sec. 510. Administrative actions.
Sec. 511. Location; expenses.
Sec. 512. Funding.
Sec. 513. Donations.
Sec. 514. Reports.
Sec. 515. Definitions.
Sec. 516. Savings clause.

TITLE VI—GENERAL PROVISIONS

Sec. 601. Civil penalties.
Sec. 602. Cooperative development of common hydrocarbon-bearing areas.
Sec. 603. Report on agreements between the United States and Canada governing liability for potential oil spills in the Great Lakes and the Saint Lawrence Seaway and international contingency plans.
Sec. 604. Agreement between the United States and Canada governing liability for potential oil spills in the Arctic.

SEC. 3. FINDINGS.—The Congress finds that—

(1) oil spills in coastal and inland waters that are not contained and removed promptly and completely can cause serious environmental damage, including contamination of water, fouling of shorelines, and injury to fish, shellfish, and wildlife;

(2) oil spills in coastal and inland waters that are not contained and removed promptly and completely can cause significant economic impacts including damage to commercial and recreational fisheries, loss of recreational opportunities, and declines in tourism and related activities;

(3) oil spills occur on a regular basis in United States coastal and inland waters, with over ten thousand oil spills reported each year between 1973 and 1985;

(4) in March of this year, the largest oil spill in United States history occurred when the tanker Exxon Valdez ran aground in Prince William Sound, Alaska, spilling eleven million gallons of crude oil to the surrounding waters;

(5) the Exxon Valdez spill caused widespread and significant adverse impacts to the marine environment, to fish, birds, marine mammals, and other wildlife, to the commercial fishery of Southcentral Alaska and to Native villages and subsistence users, and the cleanup of the spill will cost millions of dollars;

(6) in the several months since the wreck of the Exxon Valdez, three additional major oil spills occurred within a twenty-four hour period in waters off Rhode Island, in the Delaware River, and in the Houston Ship Channel;

(7) there is a need to establish an adequate system of liability and compensation to assure prompt and complete cleanup of spilled oil and to compensate those damaged by such pollution;

(8) it is essential that State oil pollution liability and compensation statutes not be preempted in any manner by Federal law or international protocols;

(9) there is a need to provide clear direction to the President to ensure prompt and proper response to oil spills unless the President specifically determines that a private party is providing such a response;

(10) there is a need to establish minimum Federal standards and requirements for Federal approval in contingency planning to assure the prompt and effective response to oil spills from facilities and vessels;

(11) there is a need to establish an adequate and effective system of response centers storing necessary vessels, equipment, and supplies and housing necessary personnel to assure the prompt and effective response to oil spills from facilities and vessels;

(12) there is a need to provide for full and sustained involvement of local citizens and interested groups including fishing, business, and environmental interests, in the development of oil spill contingency plans and the oversight of operations at major oil facilities and terminals;

(13) there is a need to establish a clear and sufficient structure of penalties to effectively deter those who would discharge oil to the waters of the United States or to punish those who cause such discharges;

(14) there is a need to establish an adequate program of research to develop technologies and practices to clean up oil spills, to understand the environmental impacts of such spills, or to develop the necessary baseline information on the marine environment to understand the long-term effects of such spills; and

(15) it is essential that measures to address the problems associated with prevention, response, cleanup, and compensation relating to oil spills be enacted into law at the earliest possible date.

TITLE I—OIL POLLUTION LIABILITY AND COMPENSATION

DEFINITIONS

SEC. 101. For the purposes of this Act—

(1) the terms "vessel", "public vessel", "owner or operator", "remove" or "removal", "contiguous zone", "onshore facility", "offshore facility", and "barrel" shall have the meaning provided in section 311(a) of the Clean Water Act;

(2) the terms "person", "navigable waters", and "territorial seas" shall have the meaning provided in section 502 of the Clean Water Act;

(3) the term "act of God" means an unanticipated grave natural disaster or other natural phenomenon of an exceptional, inevitable, and irresistible character the effects of which could not have been prevented or avoided by the exercise of due care or foresight;

(4) the term "claim" means a request, made in writing for a sum certain, for compensation for damages or removal costs resulting from a discharge of oil;

(5) the term "claimant" means any person who presents a claim for compensation under this Act;

(6) the term "damages" means damages for economic loss or the loss of or injury to natural resources as specified in section 102(a) of this Act;

(7) the term "deepwater port facility" means an offshore facility which is or was licensed under the Deepwater Port Act of 1974;

(8) the term "discharge" means any emission other than natural seepage, intentional or unintentional, into the environment, and includes, but is not limited to, spilling, leaking, pumping, pouring, emitting, emptying, or dumping;

(9) the term "environment" means the navigable waters, the waters of the contiguous zone, the ocean waters of which the natural resources are under the exclusive management authority of the United States under the Magnuson Fishery Conservation and Management Act, adjoining shorelines, and the ambient air above such waters and shorelines;

(10) the term "foreign offshore unit" means a structure or group of structures which is located, in whole or in part, in the territorial sea or on the continental shelf of a foreign country and is or was used for one or more of the following purposes: exploring for, drilling for, producing, storing, handling, transferring, processing, or transporting oil produced from the seabed beneath the foreign country's territorial sea or from the foreign country's continental shelf;

(11) the term "Fund" means the Oil Spill Compensation Fund, hereby established under this Act;

(12) the term "guarantor" means any person, other than the owner or operator, who provides evidence of financial responsibility for an owner or operator under this Act or section 311(p) of the Clean Water Act;

(13) the term "lessee" means a person holding a leasehold interest in an oil or gas lease on submerged lands of the Outer Continental Shelf, granted or maintained under the Outer Continental Shelf Lands Act;

(14) the term "liable" or "liability" under this Act shall be construed to be the stand-

ard of liability which obtains under section 311 of the Clean Water Act;

(15) the term "mobile offshore drilling unit" means a vessel capable of use as an Outer Continental Shelf facility to drill for oil;

(16) the term "natural resources" includes land, fish, wildlife, biota, air, water, ground water, drinking water supplies, and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States (including the resources of the exclusive economic zone established by Presidential Proclamation Numbered 5030, dated March 10, 1983), any State or local government, or any foreign government;

(17) the term "oil" means oil of any kind or in any form, including, but not limited to, petroleum, fuel oil, sludge, oil refuse, and oil mixed with wastes other than dredged spoil;

(18) the term "Outer Continental Shelf facility" means an offshore facility which is located, in whole or in part, on the Outer Continental Shelf and is or was used for one or more of the following purposes: exploring for, drilling for, producing, storing, handling, transferring, processing, or transporting oil produced from the Outer Continental Shelf;

(19) the term "owner or operator" means—

(A) with respect to an Outer Continental Shelf facility other than a pipeline or mobile offshore drilling unit, the lessee or permittee of the area in which the facility is located, or the holder of a right of use and easement granted under the Outer Continental Shelf Lands Act for the area in which the facility is located (where the holder is a different person than the lessee or permittee);

(B) with respect to a mobile offshore drilling unit being used as an Outer Continental Shelf facility, from which oil is discharged on or above the surface of the water (or which posed a substantial threat of such a discharge), the owner or operator of the unit, and such unit shall be deemed to be a tanker;

(C) with respect to a mobile offshore drilling unit being used as an Outer Continental Shelf facility—

(i) from which oil is discharged on or above the surface of the water (or which posed a substantial threat of such a discharge), to the extent removal costs or damages exceed the limitation specified in section 102(c)(1)(A), or

(ii) from which oil is discharged below the surface of the water (or which posed a substantial threat of such a discharge),

the lessee or permittee of the area in which the unit is located, or the holder of a right of use and easement granted under the Outer Continental Shelf Lands Act for the area in which the unit is located (where the holder is a different person than the lessee or permittee);

(20) the term "permittee" means a person holding an authorization, license, or permit for geological exploration issued under section 11 of the Outer Continental Shelf Lands Act;

(21) the term "removal costs" means the costs of removal taken after a discharge of oil has occurred or where there was a substantial threat of a discharge of oil, to prevent, minimize, or mitigate oil pollution from that incident, including all costs of completing removal as determined under section 106(d). Such removal costs are (A) actual costs incurred by the United States, a State or an Indian tribe, not inconsistent with the National Contingency Plan, and (B) any other costs of response incurred by any other person consistent with the National Contingency Plan;

(22) the term "tanker" means a vessel constructed or adapted for the carriage of oil in bulk or in commercial quantities as cargo; and

(23) the terms "United States" and "State" mean the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Marianas, and any other territory or possession over which the United States has jurisdiction.

LIABILITY

SEC. 102. (a) Notwithstanding any other provision or rule of law, and subject only to the defenses set forth in subsection (b) of this section, the owner or operator of a vessel or an onshore or offshore facility from which oil is discharged, or which posed the threat of a discharge which causes the incurrence of removal costs, shall be liable for—

(1)(A) all removal costs incurred by the United States Government or a State under subsection (c), (d), (e), (f)(4), or (l) of section 311 of the Clean Water Act or under the Intervention on the High Seas or section 18 of the Deepwater Port Act of 1974; and

(B) any removal costs incurred by any person, including, but not limited to, any State; and

(2) all damages for economic loss or loss of natural resources resulting from such a discharge, including—

(A) any injury to, destruction of, or loss of any real or personal property;

(B) any loss of use of real or personal property;

(C) any injury to, destruction, mitigation, or loss of natural resources, including the reasonable costs of assessing such injury, destruction, or loss;

(D) any loss of use, including loss of subsistence use, of any natural resources, without regard to the ownership or management of such resources;

(E) any loss of income or profits or impairment of earning capacity resulting from injury to or destruction of real or personal property or natural resources, without regard to the ownership of such property or resources; and

(F) any direct or indirect loss of tax, royalty, rental, or net profits share revenue by the Federal Government or any State or political subdivision thereof, for a period of not to exceed one year.

(b)(1) There shall be no liability under subsection (a) of this section for a person otherwise liable who can establish by a preponderance of the evidence that the discharge or threat of discharge of oil and the damages resulting therefrom were caused solely by—

(A) an act of God;

(B) an act of war;

(C) an act or omission of a third party other than an employee or agent of the defendant, or than one whose act or omission occurs in connection with a contractual relationship, existing directly or indirectly, with the defendant (except where the sole contractual arrangement arises from a published tariff and acceptance for carriage by a common carrier by rail), if the defendant establishes by a preponderance of the evidence that (i) the defendant exercised due care with respect to the oil concerned, taking into consideration the characteristics of such oil, in light of all relevant facts and circumstances, and (ii) the defendant took precautions against foreseeable acts or omissions of any such third party and the consequences that could foreseeably result from such acts or omissions; or

(D) any combination of the foregoing paragraphs.

(2) In any case where the owner or operator of a vessel or an onshore or offshore facility can establish by a preponderance of the evidence that a discharge and the damages resulting therefrom were caused solely by an act or omission of a third party in accordance with paragraph (1)(C) (or solely by such an act or omission in combination with an act of God or an act of war), such third party shall be liable under this section as if such third party were the owner or operator of a vessel or onshore or offshore facility from which the discharge actually occurred. Where the owner or operator of a tanker or an onshore or offshore facility which handles or stores oil in bulk or commercial quantities, from which oil is discharged, alleges that such discharge was caused solely by an act or omission of a third party, such owner or operator shall promptly pay to the United States Government, and any other claimant, the costs of removal or damages claimed and shall be entitled by subrogation to all rights of the United States Government or other claimant to recover such costs of removal or damages from such third party under this sub-section.

(c)(1) The liability of an owner or operator of a vessel or an onshore or offshore facility for damages and removal costs under this section for each discharge or incident shall not exceed—

(A) $1,000 per gross ton or $10,000,000, whichever is greater, of any tanker carrying oil in bulk or in commercial quantities as cargo, including any such barge operating in the navigable waters;

(B) $600 per gross ton or $500,000, whichever is greater, of any other vessel;

(C) the total of all removal costs under subsection (a)(1) of this section plus $75,000,000 for any Outer Continental Shelf facility;

(D) $350,000,000 for any deepwater port facility (including the liability of the licensee for a discharge from any vessel moored at such port, in any case where $350,000,000 exceeds $1,000 per gross ton of such vessel); or

(E) $350,000,000 for any other onshore or offshore facility.

The liability of an owner or operator under this section for interest (including prejudgment interest) shall not be subject to the limitations of this paragraph.

(2) Notwithstanding the limitations of paragraph (1) of this subsection, the liability of the owner or operator of a vessel or an onshore or offshore facility under subsection (a) of this section shall be the full and total damages and removal costs not offset by any removal costs incurred on behalf of such owner or operator, if (A) the discharge of oil was the result of willful misconduct or gross negligence or of a violation of applicable safety, construction, or operating standards or regulations; or (B) the owner or operator fails or refuses to report the discharge where required by law or to provide all reasonable cooperation and assistance requested by a responsible official in connection with removal activities or to provide removal action upon order of a responsible official. For the purpose of this paragraph, applicable standards or regula-

tions with respect to a vessel shall be those adopted or promulgated by a Federal agency.

(3) Notwithstanding the limitations of paragraph (1) of this subsection or the defenses of subsection (b) of this section, all removal costs incurred by the United States Government or any State or local official or agency in connection with a discharge of oil from any Outer Continental Shelf facility or a vessel carrying oil as cargo from such a facility shall be borne by the owner or operator of such facility or vessel.

(4)(A) The President is authorized to establish by regulation, with respect to any class or category of onshore or offshore facility subject to paragraph (1) (D) or (E) of this subsection, a maximum limit of liability under this section of less than $350,000,000, but not less than $8,000,000, taking into account the size, storage capacity, oil throughput, proximity to sensitive areas, type of oil handled, history of discharges, and other factors relevant to risks posed by the class or category of facility.

(B) The President shall, by regulation, not less often than every three years, adjust the limits of liability specified in paragraph (1) of this subsection to reflect significant increases in the Consumer Price Index.

(5) If any person who is liable for a discharge or threat of discharge of oil from a vessel or onshore or offshore facility fails without sufficient cause to properly provide removal action upon order of the President pursuant to section 311 of the Federal Water Pollution Control Act, such person may be liable to the United States for punitive damages in an amount at least equal to three times the amount of any costs incurred by the Fund as a result of such failure to take proper action. The President is authorized to commence a civil action against any such person to recover the punitive damages. Any moneys received by the United States pursuant to this subsection shall be deposited in the Fund.

(6)(A) Any person who receives and complies with the terms of any order issued under paragraph (1) may, within 60 days after completion of the required action, petition the President for reimbursement from the Fund established under this section for the reasonable costs of such action, plus interest. Any interest payable under this subparagraph shall accrue on the amounts expended from the date of expenditure at the same rate as specified for interest on investments of the Fund.

(B) If the President refuses to grant all or part of a petition made under this paragraph, the petitioner may within 30 days of receipt of such refusal file an action against the President in the appropriate United States district court seeking reimbursement from the Fund established under this section.

(C) Except as provided in clause (D), to obtain reimbursement, the petitioner shall establish by a preponderance of the evidence that it is not liable for removal costs and damages under subsection (f) of this section and that costs for which it seeks reimbursement are reasonable in light of the action required by the relevant order.

(D) A petitioner who is liable for removal costs and damages under this section may also recover its reasonable costs of response to the extent that it can demonstrate, on the administrative record, that the President's decision in selecting the removal action ordered was arbitrary and capricious or was otherwise not in accordance with law. Reimbursement awarded under this subparagraph shall include all reasonable removal costs incurred by the petitioner pursuant to the portions of the order found to be arbitrary and capricious or otherwise not in accordance with law.

(E) Reimbursement awarded by a court under clause (C) or (D) may include appropriate costs, fees, and other expenses in accordance with subsections (a) and (d) of section 2412 of title 28, United States Code.

(d)(1) In the case of an injury to, destruction of, or loss of natural resources under subsection (a)(2)(C) of this section, liability shall be (A) to the United States Government for natural resources belonging to, managed by, controlled by, or appertaining to the United States, and (B) to any State for natural resources within the State or belonging to, managed by, controlled by, or appertaining to such State, and (C) where subsection (e) of this section applies, to the government of a foreign country for natural resources belonging to, managed by, controlled by, or appertaining to such government. The President, or the authorized representative of any State or of the foreign government, shall act on behalf of the public as trustee of such natural resources to recover for such damages. Sums recovered by the United States Government as trustee under this subsection shall be retained by the trustee, without further appropriation, for use only to restore, replace, or acquire the equivalent of such natural resources, except that the use of such sums to acquire land or interests therein shall be subject to further appropriation and used as specifically provided in appropriation Acts. Sums recovered by a State as trustee under this subsection shall be available for use only to restore, replace, or acquire the equivalent of such natural resources by the State. The measure of damages in any action under subsection (a)(2)(C) shall not be limited by the sums which can be used to restore or replace such resources. There shall be no double recovery under this Act by the same claimant for natural resource damages, including the costs of damage assessment or restoration, rehabilitation, or acquisition for the same discharge and natural resource.

(2)(A) The President shall designate the Federal officials who shall act on behalf of the public as trustees for natural resources under this Act. Such officials shall assess damages for injury to, destruction of, or loss of natural resources for purposes of this Act for those resources under their trusteeship and may, upon request of and reimbursement from a State and at the Federal officials discretion, assess damages for those natural resources under the State's trusteeship.

(B) The Governor of each State shall designate State officials who may act on behalf of the public as trustee for natural resources under this Act and shall notify the President of such designations. Such State officials shall assess damages to natural resources for the purposes of this Act for those natural resources under their trusteeship.

(C) Any determination or assessment of damages to natural resources for the purposes of this Act made by a Federal or State trustee in accordance with the regulations promulgated under paragraph (3) of this subsection shall have the force and effect of a rebuttable presumption on behalf of the trustee in any administrative or judicial proceeding under this Act.

(3)(A) The President, acting through the Administrator of the National Oceanic and Atmospheric Administration, in consultation with the Administrator of the Environmental Protection Agency, the Director of the Fish and Wildlife Service, and the heads of other affected agencies, not later than two years after the enactment of this Act, shall promulgate regulations for the assessment of damages for injury to, destruction of, or loss of natural resources resulting from a discharge of oil for the purpose of this Act.

(B) Such regulations shall specify: standard procedures for simplified assessments requiring minimal field observation, including establishing measures of damages based on units of discharge or units of affected areas, where damages equal the costs of restoration, replacement, or acquisition of equivalent resources, the diminutions in value of those resources pending restoration; and the need for individual assessments. Such regulations shall identify the best available procedures to determine such damages.

(C) Such regulations shall be reviewed and revised as appropriate every two years.

(e)(1) The recovery of removal costs and damages by (A) persons residing in a foreign country, (B) the government of a foreign country, or (C) any agency or political subdivision of a foreign country, under this Act, shall be exclusively in accordance with this subsection.

(2) A claimant under this subsection must demonstrate that the claimant has not been otherwise compensated for incurred removal costs or damages. Except with respect to paragraph (3)(D) of this subsection, a claimant under this subsection must demonstrate (A) that recovery is authorized by a treaty or executive agreement between the United States and the claimant's country, or (B) that the Secretary of State, in consultation with the Attorney General and other appropriate officials, has certified that the claimant's country provides a comparable remedy for United States claimants.

(3) Where a discharge, or substantial threat of a discharge of oil in or on the territorial sea, internal waters, or adjacent shoreline of a foreign country occurs, claims for removal costs and damages may be made under this subsection if the removal costs or damages resulted from a discharge of, or substantial threat of a discharge, of oil from—

(A) an Outer Continental Shelf facility or a deepwater port facility,

(B) a vessel occurring in the navigable waters of the United States,

(C) a vessel carrying oil as cargo between two ports subject to the jurisdiction of the United States; or

(D) a tanker that received oil at the terminal of the pipeline constructed under the Trans-Alaska Pipeline Authorization Act for transportation to a port in the United States, the discharge or threat having occurred prior to delivery to that port.

(4) This subsection shall apply only in the case of discharges of oil occurring after the enactment of this Act.

(f)(1) No indemnification, hold harmless, or similar agreement or conveyance shall be effective to transfer from the owner or operator of any vessel or onshore or offshore facility or from any person who may be liable for a discharge or threat of discharge under this section, to any other person the liability imposed under this section. Nothing in this subsection shall bar any agreement to insure, hold harmless, or indemnify a party to such agreement for any liability under this section.

(2) Nothing in this Act, including the provisions of paragraph (1) of this subsection, shall bar a cause of action that an owner or operator subject to liability under this section, or a guarantor, has or would have, by reason of subrogation or otherwise against any person.

(g) The owner or operator of a vessel shall be liable in accordance with this section and section 311 of the Clean Water Act, under maritime tort law, and as provided in section 106 of this Act, notwithstanding any provision of the Act of March 3, 1851 (46 U.S.C. 183), or the absence of any physical damage to the proprietary interest of the claimant.

(h) Solely for the purpose of bringing claims that arise from the discharge of oil, the United States hereby confirms that all right, title, and interest of the United States in and to the lands validly selected but not yet conveyed pursuant to the Alaska Native Claims Settlement Act as amended (43 U.S.C. 1601, et seq.), or the Alaska National Interest Lands Conservation Act (Public Law 96-487), to Alaska Native corporations, are deemed to have vested in the respective corporations as of March 23, 1989.

USES OF FUND

SEC. 103. (a) The President shall use the money in the Fund for the following purposes:

(1) all removal costs or other costs of carrying out the purposes of subsections (c), (d), (i), and (l) of section 311 of the Clean Water Act, sections 5 and 7 of the Intervention on the High Seas Act, and section 18 of the Deepwater Port Act, with respect to discharges, or substantial threats of discharges, of oil (as the term "oil" is defined in each respective Act);

(2) payment of any claim for removal costs or damages—

(A) in excess of the amount for which the owner or operator of the vessel or onshore or offshore facility from which oil is discharged is liable under section 102 of this Act;

(B) where the source of the discharge of oil is not known or cannot be identified; or

(C) in any case where the claim has not been satisfied in accordance with subsection (c) of this section;

(3) payment of any claim for removal costs and damages that have resulted from the discharge, or substantial threat of a discharge, of oil from a foreign offshore unit;

(4)(A) payment of costs incurred by any State in responding to a discharge, or substantial threat of a discharge, of oil into the navigable waters or adjoining shorelines from a vessel, an onshore facility, an offshore facility, or a foreign offshore unit, as provided in subsection (d) of this section;

(B) reimbursement to any State for the payment of any claims for removal costs or damages payable under this Act which such State has paid with funds under the control of such State, including payment pursuant to a delegation under subsection (c) of this section;

(5) the costs of assessing both short-term and long-term injury to, destruction of, or loss of any natural resources resulting from a discharge of oil;

(6) the costs of Federal or State efforts to restore, rehabilitate, replace or acquire the equivalent of any natural resources injured, destroyed, or lost as a result of any discharge of oil, except that Federal efforts to acquire land or interests therein shall be subject to such amounts as are specifically provided in appropriation Acts;

(7) the costs, not to exceed $50,000,000, of establishing the regional oil spill response teams required under section 311(s) of the Clean Water Act, of providing other equipment, personnel, and similar overhead related to the purposes of this Act and section 311 of the Clean Water Act, and of establishing damage assessment capability for any Federal agency involved in regional oil spill response teams, strike forces, emergency task forces, or other response teams;

(8) subject to such amounts as are provided in appropriation Acts, the costs of operating and maintaining the regional oil spill response teams required under section 311(s) of the Clean Water Act; of maintaining the damage assessment capability for any Federal agency involved in regional oil spill response teams, strike forces, emergency task forces, or other response teams; and of establishing and maintaining the oil spill research and development program required under section 311(u) of the Clean Water Act;

(9) the costs of a program to identify, investigate, and take enforcement and abatement action against discharges of oil, including the provisions of sections 311(j)(1) (C) and (D) of the Clean Water Act; and

(10) all administrative and personnel costs of administering the Fund and this Act.

(b) The maximum amount which may be paid from the Fund with respect to any single discharge or incident shall not exceed $1,000,000,000.

(c)(1) The President is authorized to promulgate regulations designating one or more Federal officials who may obligate money in the Fund in accordance with subsection (a) of this section or portions thereof. The President is also authorized to delegate authority to obligate money in the Fund or to settle claims to officials of a State with an adequate program operating under a cooperative agreement with the Federal Government.

(2) The President is authorized to delegate the administration of his duties and authorities under this Act to the heads of those Federal departments, agencies, and instrumentalities which the President determines appropriate.

(3)(A) Notwithstanding section 9509(d) of the Internal Revenue Code of 1986, the Secretary of the Treasury shall, at the request of the Secretary, advance such sums to the Fund in such amount and at such times as are necessary to pay removal costs or damages associated with a discharge or substantial threat of discharge: *Provided,* That amounts advanced shall not be greater than $1,000,000,000 per incident: *Provided further,* That the aggregate amount of repayable advances to the Fund which is outstanding at any one time shall not exceed $1,000,000,000 per incident.

(B) Advances made pursuant to this paragraph shall be repaid, and interest on such advances shall be paid, to the general fund of the Treasury. Such interest shall be calculated at the average of the highest rate for commercial and finance company paper of maturities of one hundred and eighty days or less obtaining on each of the days included within the period for which the interest must be paid to the claimant, as published in the Federal Reserve bulletin.

(4)(A) The President shall promulgate, and may from time to time amend, regulations for the presentation, filing, processing, settlement, and adjudication of claims for removal costs or damages resulting from the discharge, or substantial threat of a discharge, of oil under this Act.

(B) Whenever the President receives information from any person alleging that a person has incurred removal costs or damages resulting from the discharge, or substantial threat of a discharge, of oil respecting which the owner or operator of a vessel or onshore or offshore facility is or may be liable under section 102 of this Act, the President shall notify the owner, operator, or guarantor of such vessel or facility of that allegation. Such owner or operator or guarantor may, within five days after receiving the notification or presentation of any claim by a claimant, deny the allegation, or deny liability for removal costs and damages for any of the reasons set forth in subsection (b) of section 102 of this Act.

(C) The owner or operator of any vessel or onshore or offshore facility from which oil has been discharged shall provide notice to all potentially injured parties.

(D) No claims may be asserted against the Fund pursuant to subsection (a) unless such claim is presented in the first instance to the owner or operator or guarantor of the vessel or onshore or offshore facility from which oil has been discharged, if known to the claimant, and to any other person known to the claimant who may be liable under section 102. In any case where the claim has not been satisfied within one hundred eighty days of presentation in accordance with this subsection, the claimant may present the claim to the Fund for payment. No claim against the Fund may be approved or certified during the pendency of an action by the claimant in court to recover costs which are the subject of the claim.

(d) The Governor of each State, or any appropriate State official designated by the Governor, is authorized to obligate the Fund for the payment of removal costs in an amount not to exceed $250,000 per discharge or substantial threat of discharge of oil, for the purpose of immediate response, subject only to the requirement that the President be notified within twenty-four hours of any such obligation under the authority of this sentence. In addition, the President shall enter into an agreement with the Governor of any interested State to provide a procedure by which the Governor or designated State official may undertake additional removal action or obligate the Fund for the additional payment of removal costs for response to a particular discharge or substantial threat of discharge, subject to such terms and conditions as may be agreed upon. Such agreements shall provide for political subdivisions of the State to receive payments for reasonable removal costs and may authorize advance payments from such account to facilitate such efforts. Payments under subsection (a)(4)(A) of this section, other than as authorized by the first sentence of this subsection, shall be made in accordance with such agreements. The President shall, not later than six months after the enactment of this Act, publish proposed regulations further establishing how the authority of this subsection to obligate the Fund or enter into agreements is to be exercised, and, not later than three months after the close of the comment period on such proposed regulations, shall promulgate such regulations.

(e)(1) Payment of any claim by the Fund under this section shall be subject to the United States Government acquiring by subrogation all rights of the claimant to recover the removal costs or damages from the responsible party.

(2) Any person, including the Fund, who pays compensation pursuant to this Act to

any claimant for costs or damages shall be subrogated to all rights, claims, and causes of action for those costs and damages that the claimant has under this Act or under any other law.

(3) Upon request of the President, the Attorney General shall commence an action on behalf of the Fund to recover any compensation paid by the Fund to any claimant pursuant to this Act, and, without regard to any limitation of liability with respect to an owner or operator under section 102(c), all costs incurred by the Fund by reason of the claim, including interest (including prejudgment interest), administrative and adjudicative costs, and attorney's fees. Such an action may be commenced against any owner or operator or (subject to section 104(e)) guarantor, or against any other person who is liable, pursuant to any law, to the compensated claimant or to the Fund, for the cost or damages for which the compensation was paid. Such an action shall be commenced against the responsible foreign government or other responsible party to recover any removal costs or damages paid from the Fund as the result of the discharge, or substantial threat of discharge, of oil from a foreign offshore unit.

(f) The Fund shall not be available to pay any claim for costs or damages to the extent the discharge or the damages had been caused by the gross negligence or willful misconduct of that particular claimant.

(g) The Comptroller General shall provide an audit review team to audit all payments, obligations, reimbursements, or other uses of the Fund, to assure that the Fund is being properly administered and that claims are being appropriately and expeditiously considered. The Comptroller General shall submit to the Congress an interim report one year after the establishment of the Fund. The Comptroller General shall thereafter provide such auditing of the Fund as is appropriate. Each Federal agency shall cooperate with the Comptroller General in carrying out this subsection.

(h)(1) No claim may be presented under this section for recovery of removal costs after the date six years after the date of completion of all removal action.

(2) No claim may be presented under this section for recovery of damages unless the claim is presented within three years after the date of the discovery of the loss and its connection with the release in question, or in the case of damages under section 102(a)(2)(C), if later, the date on which final regulations are promulgated under section 102(d)(3) of this Act.

(3) The time limitations contained herein shall not begin to run—

(A) against a minor until the earlier of the date when such minor reaches eighteen years of age or the date on which a legal representative is duly appointed for the minor, or

(B) against an incompetent person until the earlier of the date on which such incompetent's incompetency ends or the date on which a legal representative is duly appointed for such incompetent.

(i) Where the President has paid out of the Fund for any removal costs or any costs specified under subsection (a) (5) or (6), no other claim may be paid out of the Fund for the same costs.

(j) Except in a situation requiring action to avoid an irreversible loss of natural resources or to prevent or reduce any continuing danger to natural resources or similar need for emergency action, funds may not be used under this Act for the restoration, rehabilitation, or replacement or acquisition of the equivalent of any natural resources until a plan for the use of such funds for such purposes has been developed and adopted by affected Federal agencies and the Governor or Governors of any State having sustained damage to natural resources within its borders, belonging to, managed by or appertaining to such State, after adequate public notice and opportunity for hearing and consideration of all public comment.

(k) In the expenditure of Federal funds for removal of oil, including, but not limited to, distribution of supplies, construction and other reasonable and appropriate activities, which may be carried out by contract or agreement with private persons, preference shall be given, to the extent feasible and practicable, to those private persons residing or doing business primarily in the area affected by the discharge of oil. This section shall not be considered to restrict the use of the Department of Defense resources.

FINANCIAL RESPONSIBILITY

SEC. 104. (a)(1) The owner or operator of any vessel over three hundred gross tons (except a non-self-propelled barge that does not carry oil as cargo or fuel), using any port or place in the United States or the navigable waters or any outer continental shelf facility or deepwater port facility or the water of the exclusive economic zone to transship or lighter oil destined for a port or place subject to the jurisdiction of the United States, shall establish and maintain, in accordance with regulations promulgated by the President, evidence of financial responsibility sufficient to meet the maximum amount of liability to which, in the case of a tanker, the owner or operator could be subjected under section 102(c)(1)(A) of this Act, or to which, in the case of any other vessel, the owner or operator could be subjected under section 102(c)(1)(B) of this Act, in a case where the owner or operator would be entitled to limit liability under that section. If the owner or operator owns or operates more than one vessel, evidence of financial responsibility need be established only to meet the maximum liability applicable to the largest of such vessels.

(2) The Secretary of the Treasury shall withhold or revoke the clearance required by section 4197 of the Revised Statutes of the United States of any vessel subject to this subsection that does not have the certification required under this subsection or the regulations issued hereunder.

(3) The Secretary of the department in which the Coast Guard is operating may (A) deny entry to any outer continental shelf facility, and deepwater port facility, or any port or place in the United States, or (B) detain at such a facility or port or place, any vessel that, upon request, does not produce the certification required under this subsection or the regulations issued hereunder.

(4) Any vessel subject to the requirements of this subsection which is found in the navigable waters without the necessary evidence of financial responsibility shall be subject to seizure by the United States of any oil carried as cargo.

(b) Each owner or operator with respect to an outer continental shelf facility, deepwater port facility, or other offshore facility, shall establish and maintain evidence of financial responsibility sufficient to meet the maximum amount of liability to which the owner or operator could be subjected under section 102 of this Act in a case where the owner or operator would be entitled to limit liability under that section, or, in the case of an Outer Continental Shelf facility, in the amount of $100,000,000. Such evidence of financial responsibility shall be established according to regulations prescribed by the President.

(c) Financial responsibility under this section may be established by any one, or by any combination, of the following methods, which the President determines to be acceptable: evidence of insurance, surety bond, guarantee, letter of credit, qualification as a self-insurer, or other evidence of financial responsibility. Any bond filed shall be issued by a bonding company authorized to do business in the United States. In promulgating requirements under this section, the President is authorized to specify policy or other contractual terms, conditions, or defenses which are necessary, or which are unacceptable, in establishing such evidence of financial responsibility in order to effectuate the purposes of this Act.

(d) Any claim for which liability may be established under section 102 of this Act may be asserted directly against any guarantor providing evidence of financial responsibility for an owner or operator liable under that section for costs and damages to which the claim pertains. In defending against such a claim, the guarantor may invoke all rights and defenses which would be available to the responsible party under section 102. The guarantor may also invoke the defense that the discharge was caused by the willful misconduct of the owner or operator, but the guarantor may not invoke any other defense that might be available in proceedings brought by the owner or operator against the guarantor.

(e) The total liability of any guarantor in a suit brought under this section shall be limited to the aggregate amount of the monetary limits of the policy of insurance, guarantee, surety bond, letter of credit, or similar instrument obtained from the guarantor by the person subject to liability under section 102 for the purpose of satisfying the requirement for evidence of financial responsibility. Nothing in this subsection shall be construed to limit any other State or Federal statutory, contractual, or common law liability of a guarantor, including, but not limited to, the liability of such guarantor for bad faith either in negotiation or in failing to negotiate the settlement of any claim. Nothing in this subsection shall be construed, interpreted, or applied to diminish the liability of any person under section 102 of this Act or other applicable law.

(f)(1) Any person who, after notice and an opportunity for a hearing, is found to have failed to comply with the requirements of this section or the regulations issued thereunder, or with a denial or detention order issued under subsection (a)(3) of this section, shall be liable to the United States for a civil penalty, not to exceed $25,000 per day of violation. The amount of the civil penalty shall be assessed by the President by written notice. In determining the amount of the penalty, the President shall take into account the nature, circumstances, extent, and gravity of the violation, the degree of culpability, any history of prior violation, ability to pay, and such other matters as justice may require. The President may compromise, modify, or remit, with or without conditions, any civil penalty which is subject to imposition or which has been imposed under this paragraph. If any person fails to pay an assessed civil penalty after it has become final, the President may refer

the matter to the Attorney General for collection.

(2) In addition to, or in lieu of, assessing a penalty under paragraph (1) of this subsection, the President may request the Attorney General to secure such relief as necessary to compel compliance with this section, including, but not limited to, a judicial order terminating operations. The district courts of the United States shall have jurisdiction to grant such relief as the public interest and the equities of the case may require.

(g) Any regulation respecting financial responsibility, which has been issued pursuant to any provision of law repealed or superseded by this Act, and which is in effect on the date immediately preceding the effective date of this Act, shall be deemed and construed to be a regulation issued pursuant to this section. Such a regulation shall remain in full force and effect unless and until superseded by new regulations issued under this section.

LITIGATION, JURISDICTION AND VENUE

SEC. 105. (a) Review of any regulation promulgated under this Act may be had upon application by any interested person only in the Circuit Court of Appeals of the United States for the District of Columbia. Any such application shall be made within ninety days from the date of promulgation of such regulations. Any matter with respect to which review could have been obtained under this subsection shall not be subject to judicial review in any civil or criminal proceeding for enforcement or to obtain damages or recovery of response costs.

(b) Except as provided in subsections (a) and (c) of this section, the United States district courts shall have exclusive original jurisdiction over all controversies arising under this Act, without regard to the citizenship of the parties or the amount in controversy. Venue shall lie in any district in which the discharge or injury or damages occurred, or in which the defendant resides, may be found, has its principal office, or has appointed an agent for service of process. For the purposes of this section, the Fund shall reside in the District of Columbia.

(c) A State trial court of competent jurisdiction over similar claims may consider claims under section 102 of State law and any final judgment of such court (when no longer subject to ordinary forms of review) shall be recognized, valid, and enforceable for all purposes of section 102 and section 103 of this Act.

(d) The provisions of subsections (a), (b), and (c) of this section shall not apply to any controversy or other matter resulting from the assessment or collection of any tax, or to the review of any regulation promulgated under the Internal Revenue Code of 1986.

(e) The President may prescribe the necessary regulations to carry out this Act.

(f) No provision of this Act shall be deemed or held to moot any litigation concerning any discharge of oil, or any damages associated therewith, commenced prior to enactment of this Act.

(g)(1) Except as provided in paragraphs (3) and (4), no action may be commenced for damages (as defined in section 101(6)) under this Act, unless that action is commenced within three years after the date of the discovery of the loss and its connection with the release in question, or in the case of damages under section 102(a)(2)(C), if later, the date on which regulations are promulgated under section 102(d)(3) of this Act.

(2) An action for recovery of removal costs referred to in section 102(a)(1) must be commenced within three years after completion of the removal action. In any such action described in this subsection, the court shall enter a declaratory judgment on liability for removal costs or damages that will be binding on any subsequent action or actions to recover further removal costs or damages. Except as otherwise provided in this paragraph, an action may be commenced under section 102 for recovery of removal costs at any time after such costs have been incurred.

(3) No action for contribution for any removal costs or damages may be commenced more than three years after—

(A) the date of judgment in any action under this Act for recovery of such costs or damages, or

(B) the date of entry of a judicially approved settlement with respect to such costs or damages.

(4) No action based on rights subrogated pursuant to this Act by reason of payment of a claim may be commenced under this Act more than three years after the date of payment of such claim.

(5) The time limitations contained herein shall not begin to run—

(A) against a minor until the earlier of the date when such minor reaches eighteen years of age or the date on which a legal representative is duly appointed for such minor, or

(B) against an incompetent person until the earlier of the date on which such incompetent's incompetency ends or the date on which a legal representative is duly appointed for such incompetent.

STATE LAWS AND PROGRAMS

SEC. 106. (a) Nothing in this Act shall be construed or interpreted as preempting any State from imposing any additional liability or requirements with respect to the discharge of oil or other pollution by oil within such State. Nothing in this Act shall affect or modify in any way the obligations or liabilities of any person under other Federal or State law, including common law, with respect to discharges of oil.

(b) Nothing in this Act or in section 9507 of the Internal Revenue Code of 1986 shall in any way affect, or be construed to affect, the authority of any State—

(1) to establish, or to continue in effect, a fund any purpose of which is to pay for costs or damages arising out of, or directly resulting from, oil pollution or the substantial threat of oil pollution; or

(2) to require any person to contribute to such a fund.

(c) A State may enforce, on the navigable waters of such State, the requirements for evidence of financial responsibility applicable under section 104 of this Act.

(d) The President shall consult with the affected State or States on the appropriate removal action to be taken. Removal with respect to any discharge or incident shall be considered completed when so determined by the President and the Governor or Governors of the affected State or States.

(e) Nothing in this Act, the Act of March 3, 1851, as amended (46 U.S.C. 183 et seq.), or section 9507 of the Internal Revenue Code of 1986, shall in any way affect, or be construed to affect, the authority of the United States or any State or political subdivision thereof—

(1) to impose additional liability or additional requirements, or

(2) to impose, or to determine the amount of, any fine or penalty (whether criminal or civil in nature) for any violation of law, relating to the discharge, or substantial threat of a discharge, of oil.

TITLE II—OIL POLLUTION PREVENTION AND RESPONSE

FEDERAL RESPONSIBILITY

SEC. 201. (a) Section 311(c)(1) of the Federal Water Pollution Control Act is amended by striking all that follows after "1976)", and inserting the following in lieu thereof: "the President shall remove or arrange for the removal of such oil or substance at any time, unless the President determines such removal will be done properly and promptly by a State or by the owner or operator of the vessel, onshore facility, or offshore facility, from which the discharge occurs. Such owner or operator must demonstrate to the satisfaction of the President that such owner or operator has the financial resources and technical capability necessary to effectively remove the oil or hazardous substance. The President is authorized to order such owner or operator to remove or arrange to remove the oil or hazardous substance and to continue such removal actions until the President determines that such actions are no longer necessary to minimize or mitigate damage to the public health or welfare, including, but not limited to, fish, shellfish, wildlife, and public and private property, shorelines, and beaches."

(b) Section 311(d) of the Federal Water Pollution Control Act (33 U.S.C. 1321(d)) is amended by striking out that section and inserting in lieu thereof the following:

"(d) SUBSTANTIAL THREAT OF POLLUTION HAZARD.—Whenever a marine disaster in or upon the waters subject to the jurisdiction of the United States has created a substantial threat of a pollution hazard to the public health or welfare of the United States, including, but not limited to, fish, shellfish, wildlife, and the public and private shorelines and beaches of the United States, because of a discharge, or an imminent discharge, of oil, or of a hazardous substance, from a vessel or a facility—

"(1) the President shall, acting through the person designated under subsection (c)(2)(L) of this section, coordinate and direct all public and private efforts directed at the removal or elimination of such threat, including direction of the activities of the strike force established by subsection (c)(2)(C) of this section and the regional oil spill response teams established by subsection (s) of this section;

"(2) the coordination and direction of all public and private efforts under paragraph (1) shall include such steps as may be necessary to ensure compliance with and performance of approved contingency plans and shall not affect the determination of the costs of containment and cleanup or damages associated with or resulting from the discharge;

"(3) the President may summarily remove, and, if necessary, destroy such vessel by whatever means are available;

"(4) the President may, if necessary to ensure prompt and proper removal or elimination of such threat, or removal or destruction of such vessel, take any action to achieve such ends without regard to any provisions of law governing competitive bidding, the employment of personnel or the expenditure of appropriate funds;

"(5) each Federal agency, State, owner or operator of a vessel or a facility, or other person shall participate in any efforts under this subsection as required under the National Contingency Plan and as directed by the person designated under subsection

(c)(2)(L) of this section, and may be reimbursed for the costs incurred from the Fund established under the Oil Pollution Liability and Compensation Act of 1989 to the extent authorized by that Act and the National Contingency Plan;

"(6) any costs incurred by the United States under this subsection or under the Intervention on the High Seas Act or the convention defined in section 2(3) thereof shall be a cost incurred by the United States Government for the purposes of subsection (f) in the removal of oil or hazardous substance; and

"(7) the person designated under subsection (c)(2)(L) of this section shall consult with the trustees for natural resources designated under the Oil Pollution Liability and Compensation Act of 1989 concerning actions taken pursuant to this subsection.".

NATIONAL CONTINGENCY PLAN

SEC. 202. Section 311(c)(2) of the Federal Water Pollution Control Act (33 U.S.C. 1321(c)(2)) is amended—

(1) by inserting at the end of the first sentence thereof "and subsection (d) of this section" immediately after "pursuant to this subsection" and before the period;

(2) in subparagraph (A) by inserting "and trusteeship of natural resources" immediately after "conservation";

(3) in subparagraph (C)—

(A) by inserting "for hazardous substances and establishment of regional oil spill response teams under subsection (s) of this section" immediately after "strike force"; and

(B) by inserting ", including measures to protect and restore fisheries and wildlife" immediately after "removal plan";

(4) in subparagraph (G)(i) by striking "and other chemicals" and inserting in lieu thereof ", other chemicals and other spill mitigating devices and substances";

(5) in subparagraph (G)(ii) by striking "and chemicals" and inserting in lieu thereof ", other chemicals and other spill mitigating devices and substances";

(6) in subparagraph (G)(iii);

(A) by striking "or chemical" and inserting in lieu thereof ", other chemical or other spill mitigating device or substance";

(B) by inserting "spill mitigating device or substance", immediately after "chemical,";

(C) by striking "and other chemicals" and inserting in lieu thereof ", other chemicals and other spill mitigating devices and substances"; and

(D) by striking "and" at the end;

(7) in subparagraph (H) by striking "from the fund established under subsection (k) of this section for the reasonable costs incurred in such removal." and inserting in lieu thereof "in the case of any discharges of oil from a vessel or facility, for the reasonable costs incurred in such removal from the Fund established under the Oil Spill Liability and Compensation Act of 1989;"; and

(8) by adding at the end the following new subparagraphs:

"(I) procedures to provide equipment that is adequate to minimize damage resulting from a discharge of oil or a hazardous substance and that is appropriate for the environmental features of the area for which it is provided, and to require that all such equipment be certified at least once each year by the President as adequate and operational;

"(J) provisions to assure that the person designated under subparagraph (L) of this paragraph takes steps within a minimum amount of time to ensure a prompt and proper response to a spill or discharge, resolve State and local concerns, and implement approved procedures promptly;

"(K) development and maintenance of a periodically updated international inventory of equipment and personnel to remove discharges of oil and hazardous substances, which shall be available to the public;

"(L) designation of a person who shall be primarily responsible for carrying out the President's authority under this subsection, and who shall direct or coordinate all Federal, State and private efforts under subsection (d) of this section to prepare for and respond to a substantial threat of a pollution hazard to the public health or welfare, including any such efforts of a strike force for hazardous substances established under subparagraph (C) of this paragraph or of the regional oil spill response teams established under subsection (s) of this section;

"(M) establishment of criteria and procedures to ensure prompt and proper identification of, and response to, marine disasters that create a substantial threat of a pollution hazard to the public health or welfare of the United States, as required under subsection (d) of this section; and

"(N) establishment of standards and procedures which comply with the provisions of the Oil Pollution Liability and Compensation Act of 1989 for reimbursement from the Fund established under that Act of removal costs incurred under this subsection and subsection (d) of this section by the United States or other persons."; and

(9) by inserting the following new sentence immediately before the final sentence of paragraph (2): "The President shall revise the National Contingency Plan within six months after the date of enactment of the Oil Pollution Liability and Compensation Act of 1989 in accordance with the changes made to this paragraph by that Act.".

REGIONAL OIL SPILL RESPONSE TEAMS

SEC. 203. Section 311 of the Federal Water Pollution Control Act (33 U.S.C. 1321) is amended by adding at the end thereof the following new subsection:

"(s)(1) REGIONAL OIL SPILL RESPONSE TEAMS.—The President shall establish within six months after the date of enactment of this subsection, operate, and maintain an oil spill response team for each region of the United States, including, but not limited to, Alaska, the Pacific Northwest, California, the Gulf of Mexico and the south Atlantic coast, New England, the mid-Atlantic coast, and for inland waters, for the purpose of ensuring the prompt and proper containment and removal of oil from a worst case discharge, which is defined as the discharge, in adverse weather conditions, of the entire cargo of the largest vessel which is known to transit a particular team's given region. Such response teams shall—

"(A) consist of such trained personnel and operational equipment from the various Federal agencies as are needed to ensure that an adequate capability exists within each team's geographic area of responsibility to respond promptly and properly with private and public personnel and equipment to a worst case discharge, and to meet the requirements of subsection (d) of this section. Each team shall, through arrangements with private contractors, individual owners and operators of facilities or affected vessels, industry oil spill response organizations, and other such parties within the team's geographic region, ensure that the team is familiar with, and able to exercise immediate direction of, the personnel and equipment available from these sources. To the extent that the private resources necessary to satisfy the requirements of subsection (t) of this section are not sufficient to respond promptly and properly to a worst case discharge, each team shall maintain the capability to obtain immediately such additional trained personnel and operational equipment as are needed for prompt and proper containment, recovery, dispersal, shoreline protection and cleanup, and the protection of fisheries and wildlife in the event of such a discharge;

"(B) review those contingency plans required under subsection (t) of this section that affect each team's particular area of geographic responsibility, and recommend to the President any such changes or modifications that may be needed to ensure a prompt and proper response prior to approval of such contingency plans;

"(C) supervise and review, in conjunction with the States and without prior notice, the practice drills required by subsection (t)(9) of this section, and conduct such additional training and drills as are necessary to demonstrate their continued effectiveness and readiness;

"(D) work with State and local officials to enhance the contingency planning of such officials and assure pre-planning of joint response efforts, including appropriate procedures for mechanical recovery, dispersal, shoreline cleanup, and protection and rescue of fisheries and wildlife. Response teams also shall work with State and local officials to obtain agreements for use of dispersants and other mitigating devices as part of regional contingency plans;

"(E) establish and maintain an inventory of personnel and equipment, in coordination with the international inventory developed under the National Contingency Plan, to support spill response activities, consisting at a minimum of locations, status, and availability of spill response resources and related information;

"(F) conduct regular inspections of the vessels, equipment, facilities, and personnel listed by public and private operators in all contingency plans approved by the President for use in their geographic region of responsibility;

"(G) keep on file and readily accessible all approved contingency plans for their geographic region of responsibility; and

"(H) except where provided otherwise by the President, be under the command of a person designated by the President under subsection (c)(2)(L) of this section.

"(2) FUNDING.—Amounts in the Fund established under the Oil Pollution Liability and Compensation Act of 1989 shall be available, without fiscal year limitation, to establish and maintain the regional response teams required under this paragraph.".

OIL SPILL CONTINGENCY PLAN DEVELOPMENT AND APPROVAL

SEC. 204. Section 311 of the Federal Water Pollution Control Act (33 U.S.C. 1321) is amended by adding at the end thereof the following new subsection:

"(t)(1) IN GENERAL.—This subsection applies to (1) owners and operators of all tank vessels (other than public vessels) which carry oil in bulk as cargo or cargo residue operating in waters subject to the jurisdiction of the United States for purposes of transferring oil in bulk at ports or terminals of the United States and (2) operators of oil producing, refining, or transportation facilities that due to their location, reasonably could be expected to spill oil into or upon

navigable waters of the United States, adjoining shorelines or the waters of the exclusive economic zone.

"(2) OIL SPILL CONTINGENCY PLAN DEVELOPMENT.—The President shall, within one year after enactment of the Oil Pollution Liability and Compensation Act of 1989, issue a final rule requiring owners and operators of vessels and facilities subject to this paragraph to prepare and submit a contingency plan for the prevention, containment and cleanup of oil spills from their vessels or facilities and for the protection of fisheries and wildlife from such spills. Contingency plans required under this subsection shall—

"(A) provide full details of the method of response to a worst case oil spill, defined as a discharge, in adverse weather conditions, of the entire cargo of any vessel which is covered by the plan;

"(B) if implemented, be capable, in terms of personnel, materials, and equipment, of promptly and properly—

"(i) entirely without the active participation of any Federal personnel or equipment, removing oil and minimizing any damage to the environment resulting from a maximum probable spill, which shall be defined by the President as no less than the largest historic spill from an oil tanker of the same class as that to which the contingency plan applies, and

"(ii) to the maximum extent practicable, as defined by the President, without the active participation of any Federal personnel or equipment, removing oil and minimizing any damage to the environment resulting from a worst case discharge of the vessel to which the contingency plan applies;

"(C) provide a clear and precise, detailed description of how the plan relates to and is integrated into other approved contingency plans prepared by cooperatives, ports, regional entities and States, and regional oil spill response teams, strike forces and Federal agencies under the National Contingency Plan prepared and published pursuant to subsection (c)(2) of this section;

"(D) provide procedures for early detection of oil spills and timely notification of such spills to the Federal On Scene Coordinator, regional oil spill response teams and strike forces under the National Contingency Plan, prepared and published pursuant to subsection (c)(2) of this section, and other authorities;

"(E) state the number, types, operational capacity and availability of the oil spill containment equipment to be provided to implement the plan;

"(F) state the number, training preparedness and fitness of all full-time, dedicated, pre-positioned personnel assigned to direct and implement the plan;

"(G) incorporate periodic training and drill programs to assure that personnel and equipment to be provided under the plan are in a state of operational readiness at all times;

"(H) state the means of protecting and mitigating effects on the environment, including fish, marine mammals and other wildlife, and ensure that implementation of the plan does not pose unacceptable risks to the public or the environment;

"(I) provide a detailed description of equipment and procedures to be used by the crew of each vessel concerned to minimize damage, stop any spilling from the vessel, contain and cleanup the spilled oil promptly and properly, and determine if and when additional equipment and personnel are needed;

"(J) provide arrangements for the pre-positioning of oil spill containment and cleanup equipment and trained personnel at strategic locations from which they can be deployed to the spill site to promptly and properly remove spilled oil;

"(K) provide arrangements for enlisting the use of additional personnel to implement the plan;

"(L) provide for disposal of recovered spilled oil in accordance with Federal, State, and local laws; and

"(M) describe how implementation of the plan will be coordinated with removal efforts by regional oil spill response teams, including the extent to which dedicated and trained personnel, fully operational vessels, and equipment will be made available to such teams.

"(3) INSPECTION.—Subsequent to issuance of the final rule described in paragraph (2) of this subsection, the President shall provide, through the regional response teams established in subsection (s) of this section and other designated agencies, for regular inspection of vessels, equipment, and facilities to ensure compliance with the requirements of the final rule.

"(4) CONTINGENCY PLAN APPROVAL.—In approving the contingency plans required by this subsection, the President shall consider—

"(A) the adequacy of containment and cleanup equipment, personnel, communications equipment, response time and logistical arrangements for coordination and implementation of response efforts to promptly and properly remove oil spills and protect the environment;

"(B) the nature and amount of vessel traffic within the area covered by the plan;

"(C) the volume and type of oil being transported within the area covered by the plan;

"(D) the existence of navigational hazards within the area covered by the plan;

"(E) any history of prior discharges of oil within the area covered by the plan;

"(F) the value and sensitivity of fisheries and wildlife and other natural resources within the area covered by the plan;

"(G) the comments of potentially affected third parties; and

"(H) relevant information on previous discharges contained in On Scene Coordinator reports prepared by the Coast Guard.

No plan shall be approved unless the President determines that such plan meets the requirements of this subsection and subsection (s) of this section and that such plan, if implemented, is capable, in terms of personnel, materials and equipment, of promptly and properly removing any oil spill and minimizing any damage to the environment as required by paragraph (2)(B) of this subsection.

"(5) NOTIFICATION OF CHANGES.—An owner or operator of a vessel or facility shall immediately notify the President, in writing, of any significant change in any factor set forth under paragraph (5) of this subsection, in order for the President to require changes, if needed, in the plan submitted by such owner or operator.

"(6) STATE APPROVAL OF PLANS.—The President may enter into a cooperative agreement with the chief executive officer of any State to delegate to that State the authority to approve contingency plans consistent with the requirements of this subsection and subsection (t) of this section.

"(7) PROHIBITION.—It shall be unlawful to operate a vessel in or upon the navigable waters of the United States and the exclusive economic zone or to operate a facility that is not in compliance with a contingency plan submitted and approved under this subsection.

"(8) LEGAL EFFECT OF CONTINGENCY PLANS.—The provisions of contingency plans submitted to and approved by the President pursuant to this subsection shall be deemed to be legally binding upon those persons submitting them to the President. The district courts of the United States shall have jurisdiction to restrain a violation of, compel specific performance of, or otherwise enforce such plans upon application by the President or by any State to which the President has delegated authority for approval of contingency plans under paragraph (7) of this subsection. The President, or any State to which the President has delegated authority for approval of contingency plans under paragraph (6) of this subsection, may issue an order requiring compliance with any contingency plan.

"(9) PUBLIC AWARENESS AND PRACTICE DRILLS.—The President shall publish annually a notice of availability of an up-to-date description of the contingency plans for oil spills submitted and approved pursuant to this subsection and an inventory of equipment available for responding to such spills. The President shall require, without prior notice, practice drills under the contingency plans approved pursuant to this subsection not less than twice each year. The President shall review and publish a report on such drills, including an assessment of actual response time and available equipment and personnel compared to those listed in the contingency plans, and requirements, if any, for changes in the plans or their implementation. The President shall require such additional drills and changes in arrangements for implementing approved plans as are necessary to ensure their effective implementation.

"(10) Each contingency plan submitted and approved pursuant to this subsection shall be kept on file and readily accessible by the oil spill response teams and other officials designated under the National Contingency Plan, relevant State and local officials, affected vessels or facilities and the owner or operator involved.

"(11) Any owner or operator of a vessel or an onshore facility or an offshore facility and any other person subject to any regulation or any order of the President issued under this subsection who fails or refuses to comply with the provisions of this subsection, or any regulations issued thereunder, shall be liable to a civil penalty of not more than $25,000 for each such violation. Each violation shall be a separate offense. The President may assess and compromise such penalty. No penalty shall be assessed until the owner, operator, or other person charged shall have been given notice and an opportunity for a hearing on such charge. In determining the amount of the penalty, or the amount agreed upon in compromise, the gravity of the violation, and the demonstrated good faith of the owner, operator, of other person charged in attempting to achieve rapid compliance after notification of a violation, shall be considered by the President.".

OIL SPILL RESEARCH AND DEVELOPMENT PROGRAM

SEC. 205. Section 311 of the Federal Water Pollution Control Act (33 U.S.C. 1321) is amended by adding at the end thereof the following new subsection:

"(u)(1) ESTABLISHMENT OF PROGRAM.—The President shall establish a research and development program on scientific and operational aspects of spill prevention, response, containment and recovery which shall, at a minimum, give priority to on-water oil recovery and treatment; prevention of loss from and away from vessels, including the use of values for such purposes and onshore and offshore facilities; prevention and mitigation of shoreline impacts; fisheries and wildlife protection, mitigation and recovery; and protection of public health and safety.

"(2) In undertaking such a program, the President shall coordinate research and development efforts with other nations, industry, academia, and private research and development groups.

"(3) FUNDING.—Amounts in the Fund established under the Oil Pollution Liability and Compensation Act of 1989 shall be available, without fiscal year limitation, to establish and maintain the research and development program required under this paragraph not to exceed $25,000,000 annually.".

PENALTIES

SEC. 206. (a) INSPECTION AND ENTRY.—Section 308 of the Federal Water Pollution Control Act is amended as follows:

(1) Subsection (a) is amended by—

(A) adding a new clause (4) providing:

"(4) obtaining information regarding the identification, nature and quantity of materials on a vessel or at a facility,";

(B) adding a new clause (5) providing:

"(5) obtaining information regarding the source or nature or extent of a discharge or threatened discharge of oil or other pollutants from a vessel or a facility,";

(C) adding a new clause (6) providing:

"(6) obtaining information relating to the ability of a person to pay for or to perform cleanup or other remedial action,";

(D) renumbering existing clause (4) as clause (7);

(E) in clause (A), inserting ", vessel, or facility" after the words "point source";

(F) in clause (B)—

(i) replacing subclause (i) with the following:

"(i) shall have a right of entry to, upon, or through any premises, vessel, or facility in which an effluent source is located or from which there is a discharge or threat of discharge of oil or other pollutants into waters of the United States, or in which any records required to be maintained under clause (A) of this subsection are located,";

(ii) in subclause (ii), striking the words "which the owner or operator of such source is required to sample under such clause" and insert in lieu thereof the words "or discharge or threatened discharges of oil or other pollutants,"; and

(iii) adding a new subclause (iii) providing:

"(iii) may at reasonable times enter any premises, vessel, or facility where oil or other pollutants are stored to determine the need for response action, to effectuate response action, or to obtain samples of oil or other pollutants.".

(b) CRIMINAL PENALTIES.—(1) Section 309(c) of the Clean Water Act (33 U.S.C. 1319(c)) is amended by inserting immediately after "308," each time it appears therein the following: "311,".

(2) Section 309(c)(4) of the Federal Water Pollution Control Act is amended by inserting the words "omits material information or" after the word "knowingly".

(c) ADMINISTRATIVE PENALTIES.—(1) Subparagraph (A) of paragraph (1) of subsection (g) of the Clean Water Act (33 U.S.C. 1319(g)(1)(A)) is amended by inserting immediately after "the Administrator" the first time it appears therein the following: "the Secretary of the Department in which the Coast Guard is operating".

(2) Subparagraph (A) of paragraph (1) of subsection (g) of the Clean Water Act (33 U.S.C. 1319(g)(1)(A)) is amended by inserting immediately after "308" the following: "311".

(3) Paragraph (1) of subsection (g) of the Clean Water Act (33 U.S.C. 1319(g)(1)(A)) is amended by inserting immediately after "the Administrator" the third time it appears therein the following: ", the Secretary of the Department in which the Coast Guard is operating, or the".

(4) Subparagraph (A) of paragraph (6) of subsection (g) of section 309 of the Clean Water Act (33 U.S.C. 1319(g)(6)(A)) is amended by inserting a comma immediately before the period at the end thereof, and the following: "except that any action under a State law shall not affect or limit the authority of the Administrator or the Secretary of the Department under which the Coast Guard is operating with respect to discharges of oil or hazardous substances under this subsection or section 311 of this Act".

(d) CIVIL PENALTIES.—(1) Subparagraphs (A) and (B) of paragraph (6) of subsection (b) of section 311 of the Clean Water Act (33 U.S.C. 1321(b)(6) (A) and (B) are deleted and the following inserted in lieu thereof—

"(A) Any owner, operator, or person in charge of any onshore facility, offshore facility, or vessel from which oil or a hazardous substance is discharged in violation of paragraph (3) (i) or (ii) of this subsection shall be subject to a civil penalty in an amount up to $25,000 per day of violation or up to $1,000 per barrel of oil or hazardous substances discharged in violation of paragraph (3) of this subsection, whichever is greater.

"(B) In determining the amount of the civil penalty under this paragraph and paragraph (5), the court shall consider the seriousness of the violation or violations, the economic benefit to the violator, if any, resulting from the violation, any history of prior violations, the nature, extent, and degree of success of any efforts to minimize or mitigate the effects of such discharge, the economic impact of the penalty on the violator, and any other matters as justice may require.

"(C) Where the United States can show that a discharge in violation of paragraph (3) (i) or (ii) of this subsection was the result of willful negligence, willful misconduct or a violation of applicable safety, construction, or operating regulations, the penalty pursuant to paragraph (A) of this subsection shall be no less than $250,000.00.

(D) The Secretary of the Department in which the Coast Guard is operating or the Administrator of the Environmental Protection Agency may request the Attorney General to commence a civil action to recover civil penalties against any person in the district court in the district in which such person is located, resides, or is doing business, and any such court shall have jurisdiction to assess such civil penalty.".

(2) Subparagraph (C) of paragraph (6) of subsection (b) of section 311 is redesignated as subparagraph "(E)".

(3) Subparagraph (D) of paragraph (6) of subsection (b) of section 311 is redesignated as subparagraph (F).

(4) Subparagraph (E) of paragraph (6) of subsection (b) of section 311 of the Clean Water Act (33 U.S.C. 1321(b)(6)(E)) is repealed.

(e) ENVIRONMENTAL EFFECTS.—Paragraph (4) of subsection (b) of section 311 of the Clean Water Act (33 U.S.C. 1321(b)(4)) is amended by inserting immediately after "public health or welfare" the following: "or the environment".

(f) REPORTING.—Paragraph (5) of subsection (b) of section 311 of the Clean Water Act (33 U.S.C. 1321(b)(5)) is amended by deleting all after the first sentence and inserting the following in lieu thereof: "any such person (A) in charge of a vessel from which oil or a hazardous substance is discharged, in violation of paragraph (3)(i) of this subsection or (B) in charge of a vessel from which oil or a hazardous substance is discharged in violation of paragraph (3)(ii) of this subsection and who is otherwise subject to the jurisdiction of the United States at the time of the discharge, or (C) in charge of an onshore facility or an offshore facility, who fails to notify immediately such agency of such discharge shall, upon conviction, be fined in accordance with the applicable provisions of title 18 or imprisoned for not more than three years (or not more than five years in the case of a second or subsequent conviction), or both. Notification received pursuant to this paragraph or information that could not have been obtained but for the exploitation of such notification shall not be used against any natural person who gives such notification in any criminal case, except a prosecution for perjury or for giving a false statement. In addition, any such person who knowingly fails to provide the notice required by this subsection shall not be entitled to any of the defenses to liability set out in the Oil Pollution Liability and Compensation Act of 1989.".

(g) USE OF PENALTIES.—Notwithstanding any other provision of law, penalties paid pursuant to section 309(c) or 309(g) of the Federal Water Pollution Control Act as a result of violations of section 311(b) and penalties paid pursuant to section 311(b)(6) of the Federal Water Pollution Control Act shall be deposited in Fund established under the Oil Pollution Liability and Compensation Act of 1989.

USER FEES

SEC. 207. (a) The President shall, within six months after the date of enactment of this Act, prescribe regulations for the assessment and collection of user fees from owners or operators of tankers and facilities subject to the provisions of this title. The President shall assess and collect such fees for services provided to such owners or operators relating to such matters as review and approval of contingency plans, inspection and evaluation of required equipment and personnel, and practice drills.

(b) Such fees shall be established in accordance with the provisions of section 9701 of title 31, United States Code. Payments of such fees shall be deposited in the general fund of the Treasury as offsetting receipts of the agencies performing such services and ascribed to activities of such agencies under this title.

(c) Nothing in this section shall alter or expand the duties and liability of the United States under existing law for the performance of functions for which fees or payments are collected. The collection of such fees or payments shall not constitute an express or implied undertaking by the United States to perform any service or activity in a certain manner or to provide any service at a particular time or place.

TITLE III—OIL TANKER NAVIGATION SAFETY

Subtitle A—Provisions Applicable Nationally

DEFINITIONS

SEC. 301. As used in this title, the term—

(1) "affected oil tanker" means an oil tanker operating in waters subject to the jurisdiction of the United States that transfers oil in bulk at ports or terminals of the United States;

(2) "Commandant" means the Commandant of the Coast Guard;

(3) "oil tanker" means a self-propelled vessel constructed, converted, or adapted to carry oil in bulk in its cargo spaces;

(4) "pilotage waters" means waters subject to the jurisdiction of the United States in which affected oil tankers are required to be under the direction and control of an individual licensed as a First Class Pilot, except as otherwise determined by the Secretary;

(5) "Prince William Sound" means all navigable waters within the jurisdiction of the State of Alaska and the United States north of Hinchinbrook Entrance to the Port of Valdez, Alaska; and

(6) "Secretary" means the Secretary of the department in which the Coast Guard is operating.

LICENSED PERSONNEL

SEC. 302. (a) INITIATION OF RULEMAKING PROCEEDING.—Within 60 days after the date of enactment of this Act, the Secretary shall initiate a rulemaking proceeding to require for each affected oil tanker transiting pilotage waters that, except when pilotage of any such tanker is provided by a qualified pilot who is also licensed by a State—

(1) there be one deck officer and one lookout on the navigation bridge in addition to the mate and helmsman on watch, to assist in navigation, communications, and lookout responsibilities;

(2) no less than two individuals on board hold Frist Class Pilot licenses with endorsements for the waters being transited, as issued by the Secretary under section 7101 of title 46, United States Code; and

(3) no less than one of the personnel required by paragraph (1) to be on the navigation bridge fix and record the position of the tanker on a nautical chart of the area at least once every six minutes and, during a period determined by the Secretary of no more than 60 days, retain and make available the annotated chart for inspection by the Secretary.

(b) EFFECTIVE DATE OF FINAL RULE; WAIVER OR MODIFICATION.—A final rule under the proceeding referred to in subsection (a) shall be in effect within 180 days after the date of the enactment of this Act. The final rule may waive or modify any of the requirements specified in subsection (a), to the extent that the Secretary determines such requirement will not substantially enhance oil tanker navigation safety, including protection of the environment.

(c) PILOTAGE REVIEW.—(1) Within 180 days after the date of enactment of this Act, the Secretary shall complete and submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives a review of the adequacy of current pilotage regulations in minimizing the risk of oil spills, and shall make a determination as to which, if any, additional areas of the navigable waters of the United States, including the waters of Block Island Sound and Narragansett Bay, shall be considered pilotage waters, as defined in this title, the transit of which warrants additional pilotage or other requirements. This determination shall, at a minimum, include consideration of regions adjacent to vessel traffic lanes that present risks of grounding, accident, or collisions, the type of cargo transported, the volume and nature of vessel traffic, and the sensitivity of the environment.

(2) In completing the review required by paragraph (1), the Secretary shall consider—

(A) the history of oil tanker incidents in pilotage waters, including those which have occurred in the waters of Block Island Sound and Narragansett Bay; and

(B) the relationship, if any, between those incidents and possible deficiencies in the current system of pilotage regulation.

(3) The review shall include such recommendations as the Secretary considers appropriate for modifications in the current system of pilotage regulation to enhance the safety of oil tanker navigation in pilotage waters.

MOTOR VEHICLE DRIVING RECORDS OF VESSEL PERSONNEL

SEC. 303. (a) ACCESS TO REGISTER.—Section 206(b) of the National Driver Register Act of 1982 (23 U.S.C. 401 note) is amended—

(1) by redesignating paragraph (5) (as so designated by section 4(b)(1) of the Rail Safety Improvement Act of 1988) as paragraph (6); and

(2) by adding at the end the following new paragraph:

"(7) Any individual who has applied for or received a merchant mariner's document under section 7302 of title 46, United States Code, a license or certificate of registry under section 7101 of title 46, United States Code, or a renewal of such merchant mariner's document, license, or certificate of registry to serve on or operate a commercial vessel may request the chief driver licensing official of a State to transmit information regarding the individual under subsection (a) of this section to the Commandant of the Coast Guard. The Commandant may receive such information and shall, prior to using such information in any adverse action regarding the merchant mariner's document, license, or certificate of registry of the individual, make such information available to the individual for review and written comment. The Commandant shall not otherwise divulge or use such information, except to verify information required to be reported to the Commandant by an individual applying for such a merchant mariner's document, license, certificate of registry, or renewal and to evaluate whether the individual meets the minimum standards required in order to receive such a merchant mariner's document, license, certificate, or renewal. There shall be no access to information in the Register under this paragraph if such information was entered in the Register more than 5 years before the date of such request, unless such information relates to revocations or suspensions which are still in effect on the date of the request. Information submitted to the Register by States under the Act of July 14, 1960 (74 Stat. 526), or under this title shall be subject to access for the purpose of this paragraph during the transition to the Register described under section 203(c) of this title.".

(b) SUSPENSION AND REVOCATION AUTHORITY.—(1) Section 7704 of title 46, United States Code, is amended by adding at the end the following new subsection:

"(d) If it is shown at a hearing under this chapter that a holder has been convicted of a serious criminal offense, has been convicted within the previous 5 years of an offense described in section 205(a)(3) (A) or (B) of the National Driver Register Act of 1982 (23 U.S.C. 401 note), has had a license to operate a motor vehicle denied, cancelled, revoked, or suspended in any jurisdiction of the United States for cause, where that cause would reflect adversely on the holder's fitness to serve, or fails in any way to meet the standards for issuance prescribed in sections 7101 and 7302 of this title, the license, certificate of registry, or merchant mariner's document may be revoked or suspended.".

(2) Section 7704(a) of title 46, United States Code, is amended by inserting, immediately before the period at the end, the following: "and 'serious criminal offense' means a crime so heinous in nature that the commission of such offense would reflect adversely on the offender's character and on the offender's fitness to serve consistent with the interest of safety at sea".

(c) RULEMAKING PROCEEDING.—Not later than 90 days after the date of enactment of this Act, the Commandant shall initiate a rulemaking proceeding to require that each individual who has applied for or received a merchant mariner's document under section 7302 of title 46, United States Code, a license or certificate of registry under section 7101 of title 46, United States Code, or a renewal of such merchant mariner's document, license, or certificate of registry to serve on or operate a commercial vessel shall—

(1) request the chief driver licensing official of each State in which such individual has within five years applied for or held a motor vehicle operator's license to provide to the Commandant such information as the Commandant may determine appropriate with respect to such individual's driving record; and

(2) make the request authorized in section 206(b)(7) of the National Driver Register Act of 1982 (23 U.S.C. 401 note) for the transmittal to the Commandant of such information as the Commandant may determine appropriate.

The rulemaking proceeding shall be completed not later than 180 days after the date of enactment of this Act.

(d) CONFORMING AMENDMENTS.—(1) The catchline to section 7704 of title 46, United States Code, is amended to read as follows:

"§ 7704. Dangerous drugs and other grounds for suspension or revocation".

(2) The item relating to section 7704 in the analysis to chapter 77 of title 46, United States Code, is amended to read as follows:

"7704. Dangerous drugs and other grounds for suspension or revocation.".

ALCOHOL TESTING; ALCOHOL REHABILITATION INFORMATION

SEC. 304. (a) TESTING REQUIREMENT.—The Secretary shall issue a final rule to require the periodic, random, and reasonable cause, as well as post-accident, testing for use of alcohol by those individuals who, pursuant to licenses or merchant mariner's documents issued by the Commandant, perform safety sensitive functions (as determined by the Secretary) on affected oil tankers. The final rule shall—

(1) be designed to identify those persons who perform such safety sensitive functions on such an oil tanker while impaired by or under the influence of alcohol;

(2) include provisions, procedures, and safeguards analogous to those set forth in the Final Rule published on November 21, 1988, at pages 47064 through 47082 of the Federal Register; and

(3) be published as a final rule within 90 days after enactment of this Act.

(b) INFORMATION ON INDIVIDUAL'S ALCOHOL REHABILITATION.—The Secretary shall conduct a rulemaking proceeding to determine whether to require that the Coast Guard be informed, on a confidential basis, whenever an individual who has applied for or received a license or merchant mariner's document to perform such safety sensitive functions on a commercial vessel is undergoing treatment in an alcohol rehabilitation program. The proceeding shall consider, among other matters—

(1) which categories of individuals shall be subject to such information on their treatment in an alcohol rehabilitation program; and

(2) which persons, including such individuals, the owners and operators of vessels, and organizations representing masters, pilots, and others licensed or documented to perform such safety sensitive functions, shall provide such information.

PROHIBITION ON SERVICE

SEC. 305. The Secretary shall temporarily suspend and take possession of the merchant mariner's document or license of an individual performing safety sensitive functions (as determined by the Secretary) on an affected oil tanker, pending completion of an expedited hearing under chapter 77 of title 46, United States Code, which shall be commenced within 15 days after such temporary suspension, if there is probable cause to believe that the individual—

(1) has served in such capacity while impaired by or under the influence of alcohol;

(2) has been denied a motor vehicle license by a State for cause within the previous five years;

(3) has had any cancellation, revocation, or suspension of a motor vehicle operator's license by a State for cause within the previous five years; or

(4) has been convicted within the previous five years of an offense described under section 205(a)(3) (A) or (B) of the National Driver Register Act of 1982.

VESSEL TRAFFIC SERVICES

SEC. 306. (a) LIST OF PORTS REQUIRING VTS ASSISTANCE.—The Secretary shall, within one year after the date of enactment of this Act, submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives setting forth a list of ports of the United States that are in need of new, expanded, or improved Vessel Traffic Service (VTS) systems. The ports shall be ranked in order of the priority of that need and the Secretary shall detemine that priority on the basis of such factors as the Secretary considers appropriate, including the nature, volume, and frequency of vessel traffic into and out of such ports, and the risks of collisions, spills, and damages associated with such traffic that could be reduced or eliminated by installation, expansion, or improvement of a VTS system.

(b) USER FEE SYSTEM.—(1) The Secretary may establish and implement a system for the collection of payments by users of VTS systems in ports of the United States.

(2) Any final rule issued by the Secretary to establish and implement such a system shall include a schedule of fees established in accordance with the provisions of section 9701 of title 31, United States Code.

(3) Any receipts collected by the Secretary from payments by users of VTS systems shall be credited and available to the Secretary without fiscal year limitation to meet the costs of construction, installation, improvement, and operation of the VTS system for which the payments were made.

(4) Nothing in this subsection shall alter or expand the duties and liability of the United States under existing law for the performance of functions or services for which fees or payments are collected. The collection of such fees or payments shall not constitute an express or implied undertaking by the United States to perform any service or activity in a certain manner or to provide any service at a particular time or place.

(c) LIMITATION.—Notwithstanding any other law, except as provided in section 353, the Secretary shall not construct, improve, expand, or operate any new VTS system, unless funds for such construction, improvement, expansion, or operation of the new VTS system were obligated on or before the date of enactment of this Act, until the Secretary has complied with subsection (a).

POSITION-REPORTING AND IDENTIFICATION EQUIPMENT

SEC. 307. The Secretary shall, within one year after the date of enactment of this Act, complete a rulemaking proceeding to determine whether to require that electronic means of vessel position-reporting and identification be carried on board affected oil tankers. Among other matters, the proceeding shall—

(1) evaluate whether such electronic means shall be required only for tankers above a specific size; and

(2) consider the minimum standards suitable for such equipment.

OIL TANKER CONSTRUCTION AND SIZE

SEC. 308. (a) REQUIREMENT FOR DOUBLE HULLS OR DOUBLE BOTTOMS.—(1) The Secretary shall within one year after the date of enactment of this Act complete a rulemaking proceeding to require that all affected oil tankers which are newly constructed be equipped with double hulls and double bottoms, except to the extent the Secretary determines that either or both of such requirements will not enhance oil tanker navigation safety, including protection of the environment, or that an equal or greater benefit to such oil tanker navigation safety will be achieved by other structural requirements.

(2) The Secretary may require other structural or navigational features that the Secretary determines will enhance such oil tanker navigation safety.

(b) REPORT ON TANKER SIZE.—The Secretary shall, within one year after the date of enactment of this Act, submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives a report describing the size, cargo capacity, and flag-nation of affected oil tankers, specifying changes in such size and cargo capacity over the past 20 years, evaluating the extent to which the risks or difficulties associated with oil tanker navigation, vessel traffic control, accidents, oil spills, and the containment and cleanup of such spills are influenced by or related to an increase in such size and cargo capacity, and containing a specific recommendation as to whether limitations on such size or cargo capacity should be imposed to minimize such risks and difficulties. The report shall also contain a recommendation for such legislation as the Secretary determines necessary.

NATIONAL COUNCIL ON OIL SPILL TECHNOLOGY RESEARCH AND DEVELOPMENT

SEC. 309. (a) ESTABLISHMENT OF COUNCIL.—The Secretary shall establish a National Council on Oil Spill Technology Research and Development (hereafter in this section referred to as the "Council").

(b) MEMBERSHIP OF COUNCIL.—(1) The Council shall consist of 15 members, comprised of—

(A) one representative each from the Coast Guard, the Environmental Protection Agency, the National Oceanic and Atmospheric Administration, the Fish and Wildlife Service, the Minerals Management Service, the Federal Emergency Management Agency, the Corps of Engineers, the Department of the Navy, and the Department of Energy; and

(B) six individuals appointed by the Secretary from the private sector, including one each from the following: the oil and gas production industry, the oil shipping industry, maritime labor, nonprofit organizations with an active involvement in marine environmental issues, the scientific research community, and the oil and hazardous materials cleanup and response industry.

(2) The members of the Council shall be knowledgeable in the containment and cleanup of oil spills in the marine environment.

(3) The representative of the Coast Guard shall serve as chairman of the Council.

(4) Appointed members of the Council shall serve until the Council is terminated pursuant to subsection (f).

(c) COUNCIL FUNCTIONS.—(1) The Council shall conduct a comprehensive study of governmental and nongovernmental research on oil spill containment and cleanup. Among other matters, the study shall—

(A) evaluate whether there should be developed in the United States a fleet of large capacity oil skimming vessels;

(B) determine the feasibility of developing new technologies for dispersing or burning spilled oil; and

(C) assess experience from the 1989 marine oil spill at Valdez, Alaska, in terms of modifications of current technology and techniques that may be necessary.

(2) On the basis of the study conducted under paragraph (1), the Council shall, not later than twelve months after its establishment, submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives—

(A) a bibliography of all existing foreign and domestic research on oil spill containment and cleanup;

(B) a report describing the research and development activities of Federal agencies, State and local governmental entities, foreign governments and corporations, the academic research community, and industry with respect to oil spill containment and cleanup; and

(C) recommendations concerning additional Federal action with respect to such research and development activities.

(d)(1) COMPENSATION AND EXPENSES.—A member of the Council who is not an officer or employee of the United States or a member of the Armed Forces, when attending meetings of the Council or when other-

wise engaged in the business of the Council, is entitled to receive—

(A) compensation at a rate fixed by the Secretary, not exceeding the daily equivalent of the current rate of basic pay in effect for GS-18 of the General Schedule under section 5332 of title 5, United States Code, including travel time; and

(B) travel or transportation expenses under section 5703 of title 5, United States Code.

(2) A member of the Council who is an officer or employee of the United States or a member of the Armed Forces shall not receive additional pay based on the member's service to the Council.

(3) The provisions of this section relating to an officer or employee of the United States or a member of the Armed Forces do not apply to a member of a reserve component of the Armed Forces unless that member is in an active status.

(e) STAFFING.—The Secretary shall provide such staffing and other assistance as the Secretary, after consultation with the chairman of the Council, considers necessary for the Council to accomplish its duties.

(f) TERMINATION.—The Council shall cease to exist on the date that is 30 days after the date on which the bibliography, report, and recommendations referred to in subsection (c) are due.

IMPACT ON OTHER LAW

SEC. 310. Nothing in this title shall be construed or interpreted as changing, diminishing, or preempting in any way the authority of a State, or any political subdivision thereof, to regulate oil tankers in State waters.

AUTHORITY OF SECRETARY IN UNITED STATES WATERS

SEC. 311. The Secretary may deny the right to enter, exit, or transit waters subject to the jurisdiction of the United States to any affected oil tanker that is operated in violation of this title or a regulation prescribed under this title.

PENALTIES

SEC. 312. (a) CIVIL PENALTIES.—A person violating this title or a regulation issued under this title is liable to the United States for a civil penalty of not more than $25,000. Each day of a continuing violation is a separate violation.

(b) LIABILITY IN REM.—Each vessel that is operated in violation of this title or a regulation issued under this title is liable in rem for a civil penalty as prescribed in subsection (a) of this section.

(c) CRIMINAL PENALTIES.—A person willfully and knowingly violating this title or a regulation issued under this title shall be fined not more than $50,000, imprisoned for not more than five years, or both.

(d) JURISDICTION.—The district courts of the United States have jurisdiction to restrain a violation of this title or a regulation issued under this title.

REPORT ON USER FEES

SEC. 313. The Secretary shall, within 180 days after the date of enactment of this Act, submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives a report on the need, if any, to impose fees upon owners or operators of affected oil tankers or other persons in amounts sufficient to offset the additional costs of implementing this title. The Secretary shall include in the report an evaluation of the desirability and feasibility of assessing and collecting such fees, the adequacy of existing authority for doing so, and recommendations for such additional legislation as the Secretary considers necessary.

Subtitle B—Provisions Applicable with respect to States or Regions

PILOTAGE AT PORT OF VALDEZ

SEC. 351. The Secretary shall initiate a rulemaking proceeding within 60 days after the date of enactment of this Act to require that all affected oil tankers entering and departing the Port of Valdez, Alaska, embark and disembark a qualified pilot who also is a pilot licensed by the State of Alaska at locations that will ensure that pilotage of all such oil tankers in waters adjacent to and north of Bligh Reef is provided by such pilots. A rule under such proceeding shall be final and in effect within 90 days after the date of enactment of this Act.

BLIGH REEF LIGHT

SEC. 352. The Secretary shall, within one year after the date of enactment of this Act, install and ensure operation of an automated navigation light on or adjacent to Bligh Reef in Prince William Sound, Alaska, of sufficient power and height to provide effective long-range warning of the location of Bligh Reef.

PRINCE WILLIAM SOUND VTS

SEC. 353. The Secretary shall within 180 days after the date of enactment of this Act—

(1) acquire, install, and operate such additional equipment (which may consist of radar, closed circuit television, or shipboard dependent surveillance), train and locate such personnel, and issue such final regulations as are necessary to increase the range of the existing VTS system in the Port of Valdez, Alaska, sufficiently to track the locations and movements of affected oil tankers transiting Prince William Sound, and sound an audible alarm when such tankers depart from designated navigation routes; and

(2) submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives a report on the feasibility and desirability of instituting positive control by the Coast Guard on movements of affected oil tankers in Prince William Sound with the use of the VTS system, radar, radio telecommunications, and satellite-linked transmitters aboard such tankers.

OIL SPILL RECOVERY INSTITUTE

SEC. 354. (a) ESTABLISHMENT OF INSTITUTE.—The Secretary of Commerce shall provide for the establishment of a Prince William Sound Oil Spill Recovery Institute (hereafter in this section referred to as the "Institute") to be administered by the Secretary of Commerce through the Prince William Sound Science and Technology Institute and located in Cordova, Alaska.

(b) FUNCTIONS.—The Institute shall conduct research and carry out educational and demonstration projects designed to—

(1) identify and develop the best available techniques, equipment, and materials for dealing with oil spills in the arctic and subarctic marine environment; and

(2) complement Federal and State damage assessment efforts and determine, document, assess, and understand the long-term effects of the EXXON VALDEZ oil spill on the natural resources of Prince William Sound and its adjacent waters, the environment, the economy, and the lifestyle and well-being of the people who are dependent upon them.

(c) ADVISORY BOARD.—(1) The policies of the Institute shall be determined by an Advisory Board composed of—

(A) one representative appointed by each of the Commissioners of Fish and Game, Environmental Conservation, Natural Resources, and Commerce and Economic Development of the State of Alaska;

(B) one representative appointed by each of the Secretaries of Commerce, the Interior, Agriculture, Transportation, and the Navy, and the Administrator of the Environmental Protection Agency, all of whom shall be Federal employees; and

(C) three residents from communities in Alaska that were affected by the EXXON VALDEZ oil spill who are knowledgeable about fisheries, other local industries, the marine environment, wildlife, public health, safety, or education appointed by the Secretary to serve terms of two years each from a list of nine qualified individuals submitted by the Governor of the State of Alaska.

(2) The representative of the Secretary of Commerce shall serve as Chairman of the Advisory Board.

(3) Such policies shall include the conduct and support, through contracts and grants, on a nationally competitive basis, of the research, projects, and studies to be supported by the Institute in accordance with the purposes of this section.

(d) SCIENTIFIC AND TECHNICAL COMMITTEE.—(1) The Advisory Board shall establish a Scientific and Technical Committee, composed of specialists in matters relating to oil spill containment and cleanup technology, arctic and sub-arctic marine ecology, and the living resources and socio-economics of Prince William Sound and its adjacent waters, from the University of Alaska and elsewhere in the academic community.

(2) The Scientific and Technical Committee shall provide such advice to the Advisory Board as the Board shall request, including recommendations regarding the conduct and support of research, projects, and studies in accordance with the purposes of this section.

(e) DIRECTOR.—The Institute shall be administered by a Director who shall be appointed by the Secretary of Commerce. The Director may hire such staff and incur such expenses on behalf of the Institute as are authorized by the Advisory Board.

(f) EVALUATION.—The Secretary of Commerce is authorized to conduct an ongoing evaluation of the activities of the Institute to ensure that funds received by the Institute are used in a manner consistent with the provisions of this section.

(g) AUDIT.—The Comptroller General of the United States, and any of his or her duly authorized representatives, shall have access, for purposes of audit and examination, to any books, documents, papers, and records of the Institute that are pertinent to the funds received and expended by the Institute.

(h) STATUS OF EMPLOYEES.—Employees of the Institute shall not, by reason of such employment, be considered to be employees of the Federal Government for any purpose.

(i) TERMINATION.—The authority for establishment, operation, and funding of the Institute shall terminate ten years after the date of enactment of this Act.

RADIO COMMUNICATIONS ON MISSISSIPPI RIVER

SEC. 355. The Secretary shall, not later than one year after the date of enactment of this Act, issue such regulations as are necessary to ensure that vessels transiting the Mississippi River shall have such capa-

bility as the Secretary considers necessary to—

(1) receive marine navigation safety warnings; and

(2) engage in radio communications on designated frequencies with the Coast Guard, other vessels on the Mississippi River, and such stations as may be specified by the Secretary.

FUNDING OF ALASKA PROJECTS AND OIL SPILL RECOVERY INSTITUTE

SEC. 356. Amounts in the Fund established under this Act shall be available, without fiscal year limitation, to carry out the requirements of sections 352 and 353 of this Act. Of amounts in the Fund, $5,000,000 shall be available upon the date of enactment of this Act, and $2,000,000 for each of the nine fiscal years following the fiscal year in which this Act is enacted, to establish and maintain the Prince William Sound Oil Spill Recovery Institute required under section 354 of this Act.

TITLE IV—CONFORMING AMENDMENTS

TRANS-ALASKA PIPELINE FUND

SEC. 401. (a) Section 204(b) of the Trans-Alaska Pipeline Authorization Act is amended, in the first sentence—

(1) by inserting after the words "any area" the words "in the State of Alaska";

(2) by inserting after the words "any activities" the words "related to the Trans-Alaska Oil Pipeline"; and

(3) by inserting at the end of the subsection the following new sentence: "This subsection shall not apply to removal costs covered by the Oil Spill Liability and Compensation Act of 1989.".

(b)(1) Subsection (c) of section 204 of the Trans-Alaska Pipeline Authorization Act is repealed. This repeal shall have no effect on claims against the Trans-Alaska Pipeline Liability Fund that arise from discharges subject to section 204(c) of such Act prior to the date of enactment of this Act. Such claims shall be enforceable against the Oil Spill Compensation Fund in accordance with the terms of such section 204(c), as in effect immediately prior to the date of enactment of this Act. The Oil Spill Compensation Fund shall assume all rights and liabilities of the Trans-Alaska Pipeline Liability Fund. All assets of the Trans-Alaska Pipeline Liability Fund shall be transferred to the Fund established under this Act upon the date of enactment of this Act.

(2) The owners of the oil at the time it is loaded on vessels from the Trans-Alaska Pipeline System shall receive credit against amounts due under section 4611 of the Internal Revenue Code of 1986 (26 U.S.C. 4611). Credit shall be allowed only against that portion of amounts due that is attributable to the Oil Spill Liability Trust Fund rate established by section 4611(c) of that Code. The total of all credits under this paragraph shall be equal to the amount transferred from the Trans-Alaska Pipeline Liability Fund to the Oil Spill Compensation Fund, less any amounts paid in settlement of claims against the Trans-Alaska Pipeline Liability Fund by the Oil Spill Compensation Fund that are not recovered by the Oil Spill Compensation Fund from other parties. Each owner of oil shall receive a pro-rated share of the credit established by this paragraph. Such share shall be determined by dividing the amount contributed by that owner to the Trans-Alaska Pipeline Liability Fund by the total amount contributed by all such owners to that Fund and applying the resulting percentage to the total credit available under this paragraph.

(3) For any claims against the Trans-Alaska Pipeline Liability Fund, the term "damages" shall include but not be limited to the loss of taxes, fees, royalties, rents, or other revenues incurred by a political subdivision of a State due to the injury, destruction, or loss of real property, personal property, or natural resources, or diminished economic activity due to the discharge. This definition shall be deemed to be effective as of January 1, 1989.

(c) Trustees and former trustees of the Trans-Alaska Pipeline Liability Fund shall not be subject to any liability incurred by that Fund or by the present and past officers and trustees of that Fund, other than liability for gross negligence or willful misconduct.

INTERVENTION ON THE HIGH SEAS ACT

SEC. 402. Section 17 of the Intervention on the High Seas Act is amended to read as follows:

"SEC. 17. The Fund established under the Oil Spill Liability and Compensation Act of 1989 shall be available to the Secretary for actions taken under sections 5 and 7 of this Act.".

CLEAN WATER ACT

SEC. 403. Section 311 of the Clean Water Act is amended as follows:

(a) Subsection (d) is amended by striking out the last sentence.

(b)(1) Subsections (f), (g), and (i) of section 311 of the Clean Water Act shall not apply with respect to any discharge of oil resulting in removal costs for which liability is established under section 102 of this Act, except that natural resource damage assessment regulations, promulgated under section 311(f) of the Clean Water Act shall apply to any such discharges pending the entry into force of such regulations promulgated under section 102 of this Act.

(2) Paragraphs (2) and (3) of subsection (f) are amended by striking out "under subsection (c) for the removal of such oil or substance by the United States Government" each place it appears and inserting in lieu thereof "under subsection (c) for the removal of such oil or substance by the United States Government and for payments made pursuant to section 103(a)(4)(A) of the Oil Pollution Liability and Compensation Act of 1989".

(c) Subsection (i) is amended by striking out "(1)" after "(i)" and striking out paragraphs (2) and (3).

(d) Subsection (k) is repealed. Any amounts remaining in the revolving fund established under that subsection shall be deposited in the Fund established under this Act. The Oil Spill Compensation Fund shall assume all liability incurred by the revolving fund established under section 311(k) of the Clean Water Act.

(e) Subsection (l) is amended by striking out the second sentence.

(f) Subsection (p) is repealed.

(g) Section 311 is amended by adding at the end thereof the following new subsection:

"(s) The Oil Spill Compensation Fund, established under the Oil Pollution Liability and Compensation Act of 1989, shall be available to carry out subsections (c), (d), (i), and (l) as those subsections apply to discharges, or substantial threats of discharges, of oil. Any amounts received by the United States under this section shall be deposited in such Oil Spill Compensation Fund.".

DEEPWATER PORT ACT

SEC. 404. The Deepwater Port Act of 1974 is amended as follows:

(a) In section 4(c)(1) strike "section 18(l) of this Act;" and insert in lieu thereof "section 104 of the Oil Spill Liability and Compensation Act of 1989,".

(b) Subsections (b), (d), (e), (f), (g), (h), (i), (j), (l), (n), and paragraph (1) of subsection (m) of section 18 are deleted.

(c) Paragraph (3) of subsection (c) of section 18 is amended by striking "Deepwater Port Liability Fund established pursuant to subsection (f) of this section", and inserting in lieu thereof "fund established under the Oil Spill Liability and Compensation Act of 1989".

(d) Subsections (c), (k), and (m) of section 18 are redesignated (b), (c), and (d) respectively, and paragraphs (2), (3), and (4) of subsection (m) are redesignated (1), (2), and (3), respectively.

(e) Any amounts remaining in the Deepwater Port Liability Fund, established under section 18(f) of the Deepwater Port Act of 1974, shall be deposited in the Fund established under this Act. The Oil Spill Compensation Fund shall assume all liability incurred by the Deepwater Port Liability Fund.

OUTER CONTINENTAL SHELF LANDS ACT AMENDMENTS

SEC. 405. Title III of the Outer Continental Shelf Lands Act Amendments of 1978 is hereby repealed. Any amounts remaining in the Offshore Oil Pollution Compensation Fund established under section 302 of that title shall be deposited in the Fund established under this Act. The Oil Spill Compensation Fund shall assume all liability incurred by the Offshore Oil Pollution Compensation Fund.

TITLE V—OVERSIGHT AND MONITORING

SHORT TITLE

SEC. 501. This title may be cited as the "Oil Terminal Environmental Oversight and Monitoring Act of 1989".

FINDINGS

SEC. 502. The Congress finds that—

(1) the March 24, 1989, grounding and rupture of the fully loaded oil tanker, the Exxon Valdez, spilled eleven million gallons of crude oil in Prince William Sound, an environmentally sensitive area;

(2) many people believe that complacency on the part of the industry and government personnel responsible for monitoring the operation of the Valdez terminal and vessel traffic in Prince William Sound was one of the contributing factors to the Exxon Valdez oil spill;

(3) one way to combat this complacency is to involve local citizens in the process of preparing, adopting, and revising oil spill contingency plans;

(4) a mechanism should be established which fosters the long-term partnership of industry, government, and local communities in overseeing compliance with environmental concerns in the operation of crude oil terminals;

(5) such a mechanism presently exists at the Sullom Voe terminal in the Shetland Islands and this terminal should serve as a model for others;

(6) because of the effective partnership that has developed at Sullom Voe, Sullom Voe is considered the safest terminal in Europe;

(7) the present system of regulation and oversight of crude oil terminals in the

United States has degenerated into a process of continual mistrust and confrontation;

(8) only when local citizens are involved in the process will the trust develop that is necessary to change the present system from confrontation to consensus;

(9) a pilot program patterned after Sullom Voe should be established in Alaska to further refine the concepts and relationships involved; and

(10) similar programs should eventually be established in other major crude oil terminals in the United States because the recent oil spills in Texas, Delaware, and Rhode Island indicate that the safe transportation of crude oil is a national problem.

DEMONSTRATION PROJECTS OF OIL TERMINAL ENVIRONMENTAL OVERSIGHT AND MONITORING PROGRAMS

SEC. 503. There are established two Oil Terminal Environmental Oversight and Monitoring Demonstration Programs (hereinafter referred to as the "Program") in Alaska. One Program shall be responsible for environmental oversight and monitoring of the Alyeska terminal facilities at Valdez in Prince William Sound. The other Program shall be responsible for environmental oversight and monitoring of the terminal facilities on the Kenai Peninsula in Cook Inlet.

OIL TERMINAL FACILITIES OPERATIONS ASSOCIATION

SEC. 504. (a) There is established an Oil Terminal Facilities Operations Association (hereinafter referred to as the "Association") for each of the Programs established in section 503. Each Association shall be comprised of four individuals. Two individuals shall be designated by the industrial users, owners, and operators of the terminal facilities and shall represent those users, owners, and operators. One individual shall be an employee of the State of Alaska, shall be designated by the Governor of the State of Alaska, and shall represent the State government. One individual shall be an employee of the Federal Government, shall be designated by the President of the United States, and shall represent the Federal Government.

(b) The Association shall be responsible for establishing and reviewing all policies relating to the operation and maintenance of the oil terminal facilities which affect or may affect the environment in the vicinity of the terminal. The Association shall provide a forum between the industrial users, owners, and operators of the terminal facilities and the United States and State of Alaska governments for the discussion and resolution of all permits, plans, and site specific regulations governing the activities and actions of the terminal facilities which affect or may affect the environment in the vicinity of the terminal facilities.

OIL TERMINAL ENVIRONMENTAL ADVISORY COUNCIL

SEC. 505. (a) There is established an Oil Terminal Environmental Advisory Council (hereinafter referred to as the "Council") for each of the Programs established by section 503.

(b) Each Council shall be composed of 16 members as follows:

(1) one cochairman appointed by the President;

(2) one cochairman appointed by the Governor of the State of Alaska;

(3) two representatives selected by the industrial users, owners, and operators of the terminal facilities;

(4) two representatives selected by the fishing industry which depends and relies upon the fisheries resources of the waters in vicinity of the terminal facilities;

(5) one representative from each of the following—

(A) Environmental Protection Agency;

(B) Coast Guard; and

(C) Department of the Interior;

(6) one representative from each of the following State agencies or departments of the State of Alaska—

(A) Department of Environmental Conservation;

(B) Department of Fish and Game; and

(C) Department of Natural Resources or Department of Commerce and Economic Development;

(7) one representative selected by the Alaska Native Corporations and other Alaska Native organizations the members of which reside in the vicinity of the terminal facilities;

(8) one representative selected by the environmental organizations the members of which reside in the vicinity of the terminal facilities;

(9) one representative selected by the mayors of the boroughs and municipalities in the vicinity of the terminal facilities; and

(10) one representative selected by the Alaska State Chamber of Commerce.

(c) In appointing cochairman of the Council, the President and the Governor of Alaska shall seek individuals who have had a long-term relationship with the State of Alaska, a background in the areas of natural resources and environmental sciences, and recognized leadership capabilities.

(d) No individual selected as a member of the Council shall serve on the Association.

(e) The Council shall advise and make recommendations to the Association on all policies, permits, and site specific regulations relating to the operation and maintenance of terminal facilities which affect or may affect the environment in the vicinity of the terminal facilities. In particular, the Council shall—

(1) monitor, through the Monitoring Committee established pursuant to section 506, the environmental impacts of the operation of the terminal facilities;

(2) oversee those aspects of terminal facilities operations and maintenance which affect or may affect the environment in the vicinity of the terminal facilities;

(3) review, through the Oil Spill Committee established pursuant to section 507, the adequacy of oil spill contingency plans for the terminal facilities; and

(4) recommend to the Association—

(A) standards for permits and site specific regulations intended to minimize the impact of terminal facilities operations on the environment in the vicinity of the terminal facilities;

(B) modifications in terminal facilities operations and maintenance intended to minimize the impact of terminal facilities operations on the environment in the vicinity of the terminal facilities;

(C) modifications in terminal facilities operations and maintenance intended to minimize the risk of oil spills; and

(D) modifications to the oil spill contingency plan for the terminal facilities intended to enhance the ability to respond to an oil spill.

SCIENTIFIC COMMITTEE FOR ENVIRONMENTAL MONITORING

SEC. 506. (a) Each Council shall establish a standing scientific committee (hereinafter referred to as the "Monitoring Committee") to devise and manage a comprehensive program of monitoring of the environmental impacts of terminal facilities operations. The membership of the Monitoring Committee shall be made up of recognized scientific experts selected by the Council.

(b) In fulfilling its responsibilities, the Monitoring Committee shall—

(1) advise the Council on a monitoring strategy that will permit early detection of environmental impacts of terminal facilities operations;

(2) define the requirements of monitoring programs and making recommendations to the Council on the implementation of those programs;

(3) select and contract with universities and other scientific institutions to carry out specific monitoring projects authorized by the Council pursuant to an approved monitoring strategy; and

(4) provide written reports to the Council which interpret and assess the results of all monitoring programs.

TECHNICAL COMMITTEE FOR OIL SPILL PLANNING AND PREPAREDNESS

SEC. 507. (a) The Council shall establish a standing technical committee (hereinafter referred to as the "Oil Spill Committee") to review and assess the planning and preparation for responding to, containing, and cleaning up oil spills. The membership of the Oil Spill Committee shall be made up of recognized technical experts selected by the Council.

(b) In fulfilling its responsibilities, the Oil Spill Committee shall—

(1) periodically review the oil spill contingency plans for the terminal facilities in light of new technological developments and changed circumstances;

(2) participate in periodic drills and testing of the oil spill contingency plans for the terminal facilities;

(3) study wind and water currents and other environmental factors in the vicinity of the terminal facilities which may affect the ability to respond to, contain, and clean-up an oil spill;

(4) identify highly sensitive areas in the vicinity of the terminal facilities which may require specific protective measures in the event of an oil spill;

(5) monitor developments in oil spill containment, response and cleanup technology; and

(6) provide written reports to the Council outlining its findings and recommendations.

AGENCY COOPERATION

SEC. 508. On and after the expiration of the 180-day period following the date of enactment of this title, each Federal department, agency, or other instrumentality shall, with respect to all permits, site specific regulations, and other matters governing the activities and actions of the terminal facilities which affect or may affect the environment in the vicinity of the terminal facilities, consult with the appropriate Council prior to taking substantive action with respect to such permit, site specific regulation, or other matter. Such consultation shall be carried out with a view to enabling the appropriate Association and Council to review such permit, site specific regulation, or other matter and make recommendations with respect thereto.

RECOMMENDATIONS OF THE COUNCIL

SEC. 509. In the event that the Association does not adopt or significantly modifies before adoption any recommendation of the Council made pursuant to the authority

granted to the Council in subsection (e) of section 505, the Association shall provide, in writing within 5 days of its decision, to the cochairmen of the Council notice of its decision and a written statement of reasons for its rejection or significant modification of the recommendation.

ADMINISTRATIVE ACTIONS

SEC. 510. Appointments, designations, and selections of individuals to serve as members of the Associations and Councils under this title shall be submitted to the Administrator of the Environmental Protection Agency prior to the expiration of the 120-day period following the date of the enactment of this title. On or before the expiration of the 180-day period following such date of enactment, the Administrator shall call an initial meeting of each Association and Council for organizational purposes.

LOCATION; EXPENSES

SEC. 511. (a) Each Association and Council established by this title shall be located in the State of Alaska.

(b) No member of an Association or Council shall be compensated for his or her services as a member of such Association or Council, as such, but shall be allowed travel expenses, including per diem in lieu of subsistence, at a rate established by such Association or Council not to exceed the rates authorized for employees of agencies under sections 5702 and 5703 of title 5, United States Code.

FUNDING

SEC. 512. (a) Not to exceed $3,000,000 the Fund established under the Oil Production Liability and Compensation Act of 1989 shall be available, without fiscal year limitation, to establish the environmental oversight and monitoring programs established by this title, subject to section 103(a)(7) of this Act, and not to exceed $3,000,000 annually to carry out such program, subject to section 103(a)(8) of this Act.

(b) Moneys made available pursuant to subsection (a) shall be used by the Administrator of the Environmental Protection Agency to make grants to the Associations and Councils established by this title to enable them to carry out their functions under this title. Such grants shall be made in such amounts and subject to such conditions as the Administrator shall determine.

DONATIONS

SEC. 513. Notwithstanding any other provision of law, each Association or Council established by this title is authorized to accept donations and contributions to be used by it in carrying out its functions under this title.

REPORTS

SEC. 514. (a) Prior to the expiration of the 36-month period following the date of the enactment of this title, each Association and Council established by this title shall report to the President and the Congress concerning its activities pursuant to this title, together with its recommendations.

(b) Prior to the expiration of the 36-month period following the date of the enactment of this title, the General Accounting Office shall report to the President and the Congress as to the effectiveness of the demonstration programs carried out pursuant to this title, together with its recommendations.

DEFINITIONS

SEC. 515. As used in this title—

(1) "terminal facilities" means the entire oil terminal complex including all buildings, docks, pipes, piping, roads, ponds, tanks, vessels, vehicles, and other facilities associated with and necessary for the movement of crude oil or petroleum products into and out of the oil terminal complex; and

(2) "vicinity of the terminal" means that geographical area surrounding the terminal facilities the environment of which is directly affected or may be directly affected by the operation of the terminal facilities.

SAVINGS CLAUSE

SEC. 516. The rights and responsibilities of the United States or of the State of Alaska to preserve and protect the environment through such means as regulation of land, air, and water uses, of safety, and of related development and activity shall not be superseded by anything in this title.

GENERAL PROVISIONS

PENALTIES

SEC. 601. Section 24(b) of the Outer Continental Shelf Lands Act (43 U.S.C. 1350(b)) is amended—

(1) by striking "If any" and inserting in lieu thereof "(1) Except as provided in paragraph (2), if any";

(2) by striking "$10,000" and inserting in lieu thereof "$20,000";

(3) by adding at the end of paragraph (1) the following new sentence: "The Secretary shall, by regulation, not less often than every 3 years, adjust the penalty specified in this paragraph to reflect increases in the Consumer Price Index."; and

(4) by adding at the end the following new paragraph:

"(2) If a failure described in paragraph (1) constitutes a threat of serious, irreparable, or immediate harm or damage to life (including fish and other aquatic life), property, any mineral deposit, or the marine, coastal, or human environment, a civil penalty may be assessed without regard to the requirement of the expiration of a period allowed for corrective action.".

COOPERATIVE DEVELOPMENT OF COMMON HYDROCARBON-BEARING AREAS

SEC. 602. (a) AMENDMENT TO THE OUTER CONTINENTAL SHELF LANDS ACT.—Section 5 of the Outer Continental Shelf Lands Act, as amended (42 U.S.C. Sec. 1334), is amended by adding a new subsection (j) as follows:

"(j) COOPERATIVE DEVELOPMENT OF COMMON HYDROCARBON-BEARING AREAS.—

"(1) FINDINGS.—

"(A) The Congress of the United States finds that the unrestrained competitive production of hydrocarbons from a common hydrocarbon-bearing geological area underlying the Federal and State boundary may result in a number of harmful national effects, including—

"(I) the drilling of unnecessary wells, the installation of unnecessary facilities and other imprudent operating practices that result in economic waste, environmental damage and damage to life and property;

"(II) the physical waste of hydrocarbons and an unnecessary reduction in the amounts of hydrocarbons that can be produced from certain hydrocarbon-bearing areas; and

"(III) the loss of correlative rights which can result in the reduced value of national hydrocarbon resources and disorders in the leasing of Federal and State resources.

"(2) The Secretary shall prevent, through the cooperative development of an area, the harmful effects of unrestrained competitive production of hydrocarbons from a common hydrocarbon-bearing area underlying the Federal and State boundary.".

(b) EXCEPTION FOR WEST DELTA FIELD.—Section 5(j) of the Outer Continental Shelf Lands Act, as added by this section, shall not be applicable with respect to Blocks 17 and 18 of the West Delta Field offshore Louisiana.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated such sums as may be necessary to provide compensation, including interest, to the State of Louisiana and its lessees, for net drainage of oil and gas resources as determined in the Third Party Factfinder Louisiana Boundary Study dated March 21, 1989. For purposes of this section, such lessees shall include those persons with an ownership interest in State of Louisiana leases SL10087, SL10088 or SL10187, or ownership interests in the production or proceeds therefrom, as established by assignment, contract or otherwise. Interest shall be computed for the period March 21, 1989 until the date of payment.

REPORT ON AGREEMENTS BETWEEN THE UNITED STATES AND CANADA GOVERNING LIABILITY FOR POTENTIAL OIL SPILLS IN THE GREAT LAKES AND THE ST. LAWRENCE SEAWAY AND INTERNATIONAL CONTINGENCY PLANS

SEC. 603. (a) FINDINGS.—The Congress finds that—

(1) the Great Lakes contain 95 percent of the United States' and 20 percent of the world's fresh surface water, providing drinking water for approximately twenty-five million Americans, supporting 20 percent of all United States manufacturing, providing habitat for thousands of wildlife species, and providing invaluable recreational opportunities and businesses for millions of people;

(2) last year four United States and twenty-two Canadian tanker vessels carried eighty-one million barrels of petroleum and hazardous materials through the Great Lakes;

(3) the Great Lakes are particularly vulnerable to oil spills, because they contain fresh water and are a closed system, without a larger sea to help disperse contaminants and reduce retention time;

(4) the potential for a disastrous oil spill on the Great Lakes was recently demonstrated in March 1989, when the Canadian tank barge Scurry narrowly avoided the release of one million four hundred thousand gallons of carbon black feedstock when it ran aground twice on the Detroit River, near the drinking water intakes which serve nearly three million people;

(5) the near miss in March of 1989 was not an isolated incident, and hundreds of smaller spills have actually occurred in recent years on the Great Lakes; and

(6) concerns have been raised about inadequate requirements by the United States and Canada on the prevention and remediation of oil spills in the Great Lakes, including questions about measures on double-hulled tankers, double-skinned barges, vessel inspections, pilotage rules, spill notifications, spill contingency plans, containment equipment, wildlife rehabilitation facilities, clean-up procedures and the allocation of liability.

(b) REPORT.—The Secretary of State shall review the international agreements and treaties with the Republic of Canada, including relevant provisions in the Great Lakes Water Quality Agreement of 1978, as amended by the Protocol of 1987, and the Canada-United States Marine Pollution substances, in order to determine whether amendments or additional international

agreements are necessary to resolve complex questions of recovery of damages in the event of an oil spill in the Great Lakes and to ensure the adequacy of measures to prevent and remediate such spills. To the extent possible, the Secretary of State shall consult with the United States Coast Guard, the Environmental Protection Agency, and States surrounding the Great Lakes during this review.

(c) REPORT.—The Secretary of State shall report to the Congress on the results of this review within thirty days of the date of enactment.

AGREEMENT BETWEEN THE UNITED STATES AND CANADA GOVERNING LIABILITY FOR POTENTIAL OIL SPILLS IN THE ARCTIC OCEAN AND INTERNATIONAL CONTINGENCY PLANS

SEC. 604. (a) FINDINGS.—The Congress finds that—

(1) Canada has discovered commercial quantities of oil and gas in the Amalagak region of the Northwest Territory;

(2) Canada is currently exploring alternatives for transporting the oil from the Amalagak field to markets in Asia and the Far East;

(3) one of the options the Canadian government is exploring involves transshipment of oil from the Amalagak field across the Beaufort Sea to tankers which would transport the oil overseas;

(4) the tankers would traverse the American Exclusive Economic Zone through the Beaufort Sea into the Chukchi Sea and then through the Bering Straits;

(5) these waters serve as the kitchen table for Alaska's native people providing them with sustenance in the form of walrus, seals, fish, and whales;

(6) the Beaufort and Chukchi Seas provide important habitat for the bowhead whale, the lifeblood of the Eskimo people of Alaska;

(7) an oil spill in the Arctic Ocean, if not properly dealt with, could have significant impacts on the indigenous people of Alaska's North Slope;

(8) The Canadian Arctic Waters Pollution Act limits recovery of damages incurred as a result of offshore exploration or development to $C40 million and does not apply west of 141 degrees latitude;

(9) the Canadian government has entered into an agreement with all companies licensed to drill in the Canadian Beaufort mandating liability to United States; claimants for damages suffered west of 141 degrees latitude, but that liability is limited to $C20 million.

(10) there is no international agreement in effect between the United States and Canada outlining legal liability in the event of an oil spill; and

(11) there are no international contingency plans involving our two governments governing containment and cleanup of an oil spill in the Arctic Ocean.

(b) NEGOTIATIONS.—The Congress calls upon the Secretary of State of the United States of America and the Foreign Minister of the Republic of Canada to begin negotiations on a treaty dealing with the complex questions of recovery of damages, contingency plans, and coordinated actions in the event of an oil spill in the Arctic Ocean or a tanker accident during the shipment of oil by sea.

(c) REPORT.—The Secretary of State shall report to the Congress on his efforts toward this end no later than January 1, 1990.

Mr. BAUCUS. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAUCUS. Mr. President, I ask unanimous consent to make a short statement before proceeding to the next matter.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I am very grateful and very much thank the Senator from Rhode Island.

Mr. President, I want to publicly thank the Senator from Rhode Island for his very hard work and very cooperative work in passage of this legislation. It has been very good to work with the Senator from Rhode Island.

I also thank the chairman of the committee, Senator BURDICK from North Dakota. Senator BURDICK helped make this bill possible and in fact was largely responsible for the passage of this bill and he should be commended.

I also want to particularly thank the senior members of the Commerce Committee. This legislation has been a joint effort. The Environment and Public Works Committee has been working with the Commerce Committee. Senator HOLLINGS, the chairman of the committee, was very helpful, and I particularly want to thank the Senator from Alaska [Mr. STEVENS] who has been very diligent, spent a good part of the last 24 hours on the floor helping coordinate the Commerce Committee course on the bill with the Environment and Public Works Committee.

Lastly, and probably most importantly, Mr. President, I thank the Environment and Public Works Committee staff, who worked even harder than we by far, which includes Katharine Kimball, Jeff Peterson, Robert Davison, and Bill Bonvillian. I think they should be commended again for their diligence and valiant efforts. They are really the ones who made this possible.

With that, Mr. President, I yield the floor.

Mr. CHAFEE. Mr. President, I want to take this opportunity to thank the distinguished Senator from Montana for the excellent work he did in this legislation. As has been pointed out many times, Montana has no coastline and for the Senator to take the intense interest he did in this piece of legislation which was primarily of concern for those who lived on the coasts was remarkable, and I send my deep gratitude to him for his patience and perseverance, and consideration of everyone involved.

And I extend my thanks also, of course, to the majority leader, Senator MITCHELL, who has been deeply interested in this legislation for many years, and this is in many ways a triumph for him to have it pass 99 to nothing.

I also want to thank the chairman of the committee, Senator BURDICK, for his support throughout our deliberations.

As for the staff, I echo what the distinguished manager of the bill, Senator BAUCUS, said. On this side, Rich Innes, Bob Hurley, Steve Shimberg, Janet Coit, and on that side we worked most closely with Ms. Kate Kimball, who has been extraordinary on details and mastery of all the facts of this.

I want to thank everybody involved and also, Mr. President, to say something about the Senators from Alaska, both the senior Senator and the junior Senator, because they are very, very involved with this type of legislation.

As a result of all this, it came out successfully and I look forward to a successful, although I am sure it might be a tedious and perhaps long, conference with the House on this.

I thank the Chair.

TREASURY, POST OFFICE, EXECUTIVE OFFICE OF THE PRESIDENT, AND INDEPENDENT AGENCIES APPROPRIATIONS, FISCAL YEAR 1990

The PRESIDENT pro tempore. Under the order, the Senate will now proceed to the consideration of H.R. 2989. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 2989) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1990, and for other purposes.

The Senate proceeded to the consideration of the bill which had been reported from the Committee on Appropriations, with amendments as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

H.R. 2989

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1990, and for other purposes, namely:

TITLE I

DEPARTMENT OF THE TREASURY

[OFFICE OF THE SECRETARY

[Salaries and Expenses

[For necessary expenses of the Office of the Secretary including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; not to exceed $22,000 for official reception and representation expenses; not to exceed $200,000 for unforeseen emergencies of a confidential nature, to be allocated and ex-

pended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate; not to exceed $1,649,000, to remain available until expended, for systems modernization requirements; not to exceed $573,000, to remain available until expended, for repairs and improvements to the Main Treasury Building and Annex; $58,081,000.

[INTERNATIONAL AFFAIRS

[For necessary expenses of the international affairs function of the Office of the Secretary; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed $2,000,000 for official travel expenses; and not to exceed $73,000 for official reception and representation expenses; $25,010,000.]

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

For necessary expenses of the Departmental Offices, including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed $95,000 for official reception and representation expenses; not to exceed $200,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate; not less than $2,000,000 and 40 full time-equivalent positions for the Office of Foreign Assets Control; not to exceed $2,000,000 for official travel expenses; not to exceed $1,649,000, to remain available until expended, for systems modernization requirements; not to exceed $573,000, to remain available until expended, for repairs and improvements to the Main Treasury Building and Annex; $83,091,000.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $13,605,000.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including purchase (not to exceed thirty for police-type use) and hire of passenger motor vehicles; for expenses for student athletic and related activities; uniforms without regard to the general purchase price limitation for the current fiscal year; the conducting of and participating in firearms matches and presentation of awards; for public awareness and enhancing community support of law enforcement training; not to exceed $5,000 for official reception and representation expenses; room and board for student interns; and services as authorized by 5 U.S.C. 3109: *Provided,* That the Center is authorized to accept gifts: *Provided further,* That notwithstanding any other provision of law, students attending training at any Federal Law Enforcement Training Center site shall reside in on-Center or Center-provided housing, insofar as available and in accordance with Center policy: *Provided further,* That funds appropriated in this account shall be available for State and local government law enforcement training on a space-available basis; training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation; training of private sector security officials on a space available basis with reimbursement of actual costs to this appropriation; travel expenses of non-Federal personnel to attend State and local course development meetings at the Center: *Provided further,* That the Director of the Federal Law Enforcement Training Center shall annually present an award to be accompanied by a gift of intrinsic value to the outstanding student who graduated from a basic training program at the Center during the previous fiscal year, to be funded by donations received through the Center's gift authority: *Provided further,* That the Federal Law Enforcement Training Center shall hire up to and maintain an average of not less than 425 direct full-time equivalent positions for fiscal year 1990; [$34,664,000] *$36,277,000*: *Provided further,* That none of the funds appropriated under this heading shall be used to reduce the level of advanced training or other training activities of the Federal Law Enforcement Training Center at Marana, Arizona.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

[For expansion of the Federal Law Enforcement Training Center and for on-going maintenance, facility improvements, and related expenses, $9,880,000, to remain available until expended.]

For expansion of the Federal Law Enforcement Training Center, for acquisition of necessary additional real property and facilities, and for on-going maintenance, facility improvements and related expenses, $20,783,000, to remain available until expended.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, $289,695,000, of which not to exceed [$14,864,000,] *$14,864,000* shall remain available until expended for systems modernization initiatives.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, including purchase of not to exceed [five hundred] *six hundred and fifty* vehicles for police-type use for replacement only and hire of passenger motor vehicles; hire of aircraft; and services of expert witnesses at such rates as may be determined by the Director; not to exceed [$5,000] *$7,500* for official reception and representation expenses; for training of State and local law enforcement agencies with or without reimbursement; provision of laboratory assistance to State and local agencies, with or without reimbursement; [$245,933,000] *$257,565,000,* of which [$15,000,000] *$24,000,000* shall be available solely for the enforcement of the Federal Alcohol Administration Act during fiscal year 1990, and of which not to exceed $1,000,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(d)(2): *Provided,* That no funds appropriated herein shall be available for administrative expenses in connection with consolidating or centralizing within the Department of the Treasury the records of receipts and disposition of firearms maintained by Federal firearms licensees or for issuing or carrying out any provisions of the proposed rules of the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms, on Firearms Regulations, as published in the Federal Register, volume 43, number 55, of March 21, 1978: *Provided further,* That none of the funds appropriated herein shall be available for explosive identification or detection tagging research, development, or implementation: *Provided further,* That not to exceed $300,000 shall be available for research and development of an explosive identification and detection device: *Provided further,* That funds made available under this Act shall be used to [maintain a base level of 3,701] *achieve a minimum level of 3,850* full-time equivalent positions for fiscal year 1990, of which no fewer than [543] *692* full-time equivalent positions shall be allocated for the Armed Career Criminal Apprehension Program.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase of up to one thousand motor vehicles for replacement only, including nine hundred and ninety for police-type use and commercial operations; hire of passenger motor vehicles; not to exceed [$10,000] *$15,000* for official reception and representation expenses; and awards of compensation to informers, as authorized by any Act enforced by the United States Customs Service; [$1,041,490,000] *$1,059,634,000,* of which such sums as become available in the Customs User Fee Account, except sums subject to section 13031(f)(3) of the Consolidated Omnibus *Budget* Reconciliation Act of 1985, as amended (19 U.S.C. 58c(f)(3)), shall be derived from that Account; of the total, not to exceed $150,000 shall be available for payment for rental space in connection with preclearance operations, and not to exceed $4,000,000, to remain available until expended, for research: *Provided,* That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further,* That none of the funds made available by this Act shall be available for administrative expenses to pay any employee overtime pay in an amount in excess of $25,000: *Provided further,* That the Commissioner or his designee may waive this limitation in individual cases in order to prevent excessive costs or to meet emergency requirements of the Service[: *Provided further,* That none of the funds made available by this Act may be used for administrative expenses in connection with the proposed redirection of the Equal Employment Opportunity Program: *Provided further,* That none of the funds made available by this Act shall be available for administrative expenses to reduce the number of Customs Service regions below seven during fiscal year 1990]: *Provided further,* That the United States Customs Service shall hire and maintain an average of not less than [16,600] *17,006* full-time equivalent positions in fiscal year [1990] *1990, of which a minimum level of 10,385 full-time equivalent positions shall be allocated to commercial operations activities, and of which a minimum level of 960 full-time equivalent positions shall be allocated to air interdiction activities of the United States Customs Service*[: *Provided further,* That none of the funds made available in this or any other Act may be used to fund more than nine hundred positions in the Headquarters staff of the United States

Customs Service in the fiscal year ending September 30, 1990]: *Provided further,* That no funds appropriated by this Act may be used to reduce to single eight hour shifts at airports and that all current services as provided by the Customs Service shall continue through September 30, 1990: *Provided further,* That not less than $500,000 shall be expended for additional part-time and temporary positions in the Honolulu Customs District.

OPERATION AND MAINTENANCE, AIR INTERDICTION PROGRAM

For expenses, not otherwise provided for, necessary for the hire, lease, acquisition (transfer or acquisition from any other agency), operation and maintenance of aircraft, and other related equipment of the Air [Interdiction] Program; [$125,128,000] *$231,728,000,* to remain available until expended[: *Provided,* That, of this amount, $7,020,000 shall be available for the machine-readable document border security program]*: Provided, That no aircraft or other related equipment shall be transferred to any Federal agency, Department, or office outside of the Department of the Treasury during fiscal year 1990.*

CUSTOMS FORFEITURE FUND

(LIMITATION ON AVAILABILITY OF DEPOSITS)

For necessary expenses of the Customs Forfeiture Fund, not to exceed [$10,000,000] *$20,000,000,* as authorized by Public Law 100-690; to be derived from deposits in the Fund.

CUSTOMS SERVICES AT SMALL AIRPORTS

(TO BE DERIVED FROM FEES COLLECTED)

Such sums as may be necessary, not to exceed [$1,588,000] *$2,175,000,* for expenses for the provision of Customs services at certain small airports *or other facilities* designated by the Secretary of the Treasury, including expenditures for the salaries and expenses of individuals employed to provide such services, to be derived from fees collected by the Secretary of the Treasury pursuant to section 236 of Public Law 98-573 for each of these airports *or other facilities,* and to remain available until expended.

UNITED STATES MINT

SALARIES AND EXPENSES

For necessary expenses of the United States Mint; $50,735,000, including amounts for purchase and maintenance of uniforms not to exceed $275 multiplied by the number of employees of the agency who are required by regulation or statute to wear a prescribed uniform in the performance of official duties.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States; [$219,430,000] *$244,316,000.*

INTERNAL REVENUE SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Internal Revenue Service, not otherwise provided; for executive direction and management services, and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; $72,382,000, of which not to exceed $25,000 for official reception and representation expenses and of which not to exceed $500,000 shall remain available until [expended, for research] *expended for research, and of which $128,000 shall remain available until expended only for tax systems modernization initiatives.*

PROCESSING TAX RETURNS

For necessary expenses of the Internal Revenue Service not otherwise provided for; including processing tax returns; revenue accounting; computer services; and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; [$1,953,446,000] *$1,946,003,000* of which [not to exceed $80,000,000] *$156,419,000* shall remain available until expended *only* for systems modernization initiatives.

EXAMINATION AND APPEALS

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; employee plans and exempt organizations; tax litigation; hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; [$1,911,301,000] *$1,911,301,000, of which $1,674,000 shall remain available until expended only for tax systems modernization initiatives.*

INVESTIGATION, COLLECTION, AND TAXPAYER SERVICE

For necessary expenses of the Internal Revenue Service for investigation and enforcement activities; including purchase (not to exceed four hundred and fifty-one for replacement only, for police-type use) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); securing unfiled tax returns; collecting unpaid accounts; examining selected employment and excise tax returns; technical rulings; enforcement litigation; providing assistance to taxpayers; and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner: *Provided,* That notwithstanding any other provision of the Act, none of the funds made available by this Act shall be used to reduce the number of positions allocated to taxpayer service activities below fiscal year 1984 levels, or to reduce the number of positions allocated to any other direct taxpayer assistance functions below fiscal year 1984 levels, including, but not limited to Internal Revenue Service toll-free telephone tax law assistance and walk-in assistance available at Internal Revenue Service field offices: *Provided further,* That the Internal Revenue Service shall fund the Tax Counseling for the Elderly Program at [$2,800,000] *$3,000,000.* The Internal Revenue Service shall absorb within existing funds the administrative costs of the program in order that the full [$2,800,000] *$3,000,000* can be devoted to program requirements; [$1,620,252,000] *$1,612,809,000, of which $1,431,000 shall remain available until expended only for tax systems modernization initiatives.*

ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE SERVICE

SECTION 1. Not to exceed 4 per centum of any appropriation made available to the Internal Revenue Service for the current fiscal year by this Act may be transferred to any other Internal Revenue Service appropriation *upon the advance approval of the House and Senate Committees on Appropriations.*

SEC. 2. Not to exceed 15 per centum, or $15,000,000, whichever is greater, of any appropriation made available to the Internal Revenue Service for document matching for the current fiscal year by this Act may be transferred to any other Internal Revenue Service appropriation for document matching.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase (not to exceed three hundred and forty-three vehicles for police-type use for replacement only) *without regard to the general purchase price limitation for the current fiscal year* and hire of passenger motor vehicles; hire of aircraft; training and assistance requested by State and local governments, which may be provided without reimbursement; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; the conducting of and participating in firearms matches and presentation of awards; and for travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act: *Provided,* That approval is obtained in advance from the House and Senate Committees on Appropriations; for repairs, alterations, and minor construction at the James J. Rowley Secret Service Training Center; for research and development; for making grants to conduct behavioral research in support of protective research and operations; not to exceed $12,500 for official reception and representation expenses; for payment in advance for commercial accommodations as may be necessary to perform protective functions; and for uniforms without regard to the general purchase price limitation for the current fiscal year; [$371,401,000] *$360,785,000,* of which $2,100,000 shall remain available until expended for construction at the Vice President's Temporary Official [Residence] *Residence, and of which not to exceed $160,000 shall be made available for the protection of the permanent residence of the President of the United States under the provisions of section 12 of the Presidential Protection Assistance Act of 1976 (18 U.S.C. 3056 note).*

DEPARTMENT OF THE TREASURY—GENERAL PROVISIONS

SECTION 101. Appropriations to the Treasury Department in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services as authorized by 5 U.S.C. 3109.

SEC. 102. None of the funds appropriated by this title shall be used in connection with the collection of any underpayment of any tax imposed by the Internal Revenue Code of 1954 unless the conduct of officers and employees of the Internal Revenue Service in connection with such collection complies with subsection (a) of section 805 (relating to communications in connection with debt collection), and section 806 (relating to harassment or abuse), of the Fair Debt Collection Practices Act (15 U.S.C. 1692).

SEC. 103. Not to exceed 2 per centum of any appropriations in this Act for the Department of the Treasury may be transferred between such appropriations. However, no such appropriation shall be increased or decreased by more than 2 per centum and any such proposed transfers shall be ap-

proved in advance by the Committees on Appropriations of the House and Senate.

[SEC. 104. None of the funds made available by this Act may be used to place the United States Secret Service, the United States Customs Service, or the Bureau of Alcohol, Tobacco and Firearms under the operation of the Inspector General of the Department of the Treasury. As used in this section, operation means "the authority to direct the activities and operations of such organizations other than as provided by the Inspector General Act of 1978, as amended."]

SEC. 104. Notwithstanding any other provision of law, beginning October 1, 1990, and thereafter, the Financial Management Service shall be fully and directly reimbursed from the Social Security Trust Funds for the costs it incurs in processing Social Security Trust Funds benefit payments, including but not limited to, payment preparation, postage, and account reconciliation. Such direct reimbursement shall also be made for all other trust and special funds which are the recipients of services performed by the Financial Management Service and which prior to enactment of this provision reimburse the General Fund of the Treasury for such services.

SEC. 105. The Secretary of the Treasury shall transfer to the Arizona Health Sciences Center, Tucson, Arizona, for medical and emergency transportation purposes, an air worthy turboprop aircraft that—

(1) was forfeited to the United States under the customs laws;

(2) is not transferred to any Federal agency or State or local law enforcement agency under section 616 of the Tariff Act of 1930; and

(3) would, but for the purpose of this section, be sold at public auction under section 609 of the Tariff Act of 1930. Section 616(d) of the Tariff Act of 1930 applies to the aircraft transferred under this section.

SEC. 106. (a) Not more than $22,640,000 of the funds appropriated by this Act may be obligated or expended for the procurement of advisory or assistance services by the Department of the Treasury.

(b)(1) Not later than 20 days after the end of each fiscal quarter, the Secretary of the Treasury shall (A) submit to Congress a report on the amounts obligated and expended by the department during that quarter for the procurement of advisory and assistance services, and (B) transmit a copy of such report to the Comptroller General of the United States.

(2) Each report submitted under paragraph (1) shall include a list with the following information:

(A) All contracts awarded for the procurement of advisory and assistance services during the quarter and the amount of each contract.

(B) The purpose of each contract.

(C) The justification of the award of each contract and the reason the work cannot be performed by civil servants.

(c) The Comptroller General of the United States shall review the reports submitted under subsection (b) and transmit to Congress any comments and recommendations the Comptroller General considers appropriate regarding the matter contained in such reports.

This title may be cited as the "Treasury Department Appropriations Act, 1990".

TITLE II

POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to subsection (c) of section 2401 of title 39, United States Code; [$459,755,000] *$429,755,000: Provided,* That mail for overseas voting and mail for the blind shall continue to be free: *Provided further,* That six-day delivery and rural delivery of mail shall continue at not less than the 1983 level: *Provided further,* That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: *Provided further,* That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in the fiscal year ending on September 30, 1990.

PAYMENT TO THE POSTAL SERVICE FUND FOR NONFUNDED LIABILITIES

For payment to the Postal Service Fund for meeting the liabilities of the former Post Office Department to the Employees' Compensation Fund pursuant to 39 U.S.C. 2004, $36,942,000.

UNITED STATES POSTAL SERVICE—[ADMINISTRATIVE] *GENERAL* PROVISIONS

SECTION 1. That none of the funds in this Act or made available by 39 U.S.C. 2401(a) may be used to enter into any new contracts relating to the Westchester County, New York, General Mail Facility or construction thereof for a period of ninety days. During this ninety-day period, the Postal Service shall pursue alternative site locations for the Westchester GMF and at the end of that period shall report back to the Appropriations Committee with recommended alternatives.

[SEC. 2. Funds made available to the United States Postal Service pursuant to section 2401(a) of title 39, United States Code, shall be used hereafter to continue full postal service to the people of Holly Springs proper, including upgrading, remodeling, and improving the United States Post Office building located at 110 North Memphis Street, Holly Springs, Mississippi.]

SEC. 2. Notwithstanding any other provision of law, the rates established under section 3626 of title 39, United States Code, for third-class nonprofit bulk mail under former section 4452 (b) and (c) of such title, shall not apply to any matter which advertises an article or product, travel, financial, insurance, or any other service, unless such article, product, travel, financial, insurance or other service relates directly to the primary purpose of the mailing organization which qualifies it for reduced rates under section 3626 or is provided by members of the mailing organization or by persons for whose benefit the mailing organization was established.

This title may be cited as the "Postal Service Appropriations Act, 1990".

TITLE III

EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT

[COMPENSATION OF THE PRESIDENT]

For compensation of the President, including an expense allowance at the rate of $50,000 per annum as authorized by 3 U.S.C. 102; $250,000: *Provided,* That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 1552 of title 31 of the United States Code: *Provided further,* That none of the funds made available for official expenses shall be considered as taxable to the President.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Administration; [$18,325,000] *$18,825,000,* including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles *and of which not less than $500,000 shall be made available to the White House Conference on Indian Education.*

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

For necessary expenses for the White House as authorized by law, including not to exceed $3,850,000 for services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105; including subsistence expenses as authorized by 3 U.S.C. 105, which shall be expended and accounted for as provided in that section; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed $100,000 to be expended and accounted for as provided by 3 U.S.C. 103); not to exceed $20,000 for official entertainment expenses, to be available for allocation within the Executive Office of the President; $30,639,000.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Residence at the White House and official entertainment expenses of the President; [$6,773,000] *$6,898,000,* of which $800,000 for the replacement of exterior windows of the Executive Residence shall remain available until expended, to be expended and accounted for as provided by 3 U.S.C. 105, 109-110, 112-114 *and of which $125,000 shall remain available until expended for refurbishment of furniture.*

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the official residence of the Vice President, the hire of passenger motor vehicles, and not to exceed $75,000 for official entertainment expenses of the Vice President, to be accounted for solely on his certificate; $578,000: *Provided,* That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities.

SPECIAL ASSISTANCE TO THE PRESIDENT

SALARIES AND EXPENSES

For necessary expenses to enable the Vice President to provide assistance to the President in connection with specially assigned functions, services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, including subsistence expenses as authorized by 3 U.S.C. 106, which shall be expended and accounted for

as provided in that section; and hire of passenger motor vehicles; $2,335,000.

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021); $2,906,000.

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

For necessary expenses of the Office of Policy Development, including services as authorized by 5 U.S.C. 3109, and 3 U.S.C. 107; $3,079,000.

NATIONAL CRITICAL MATERIALS COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the National Critical Materials Council, including activities as authorized by Public Law 98-373; [$225,000] *$550,000: Provided, That a minimum level of 5 permanent full-time equivalent positions shall be hired and maintained by the National Critical Materials Council in fiscal year 1990: Provided further, That none of the funds made available to the Council under this Act shall be used to pay other Federal agencies for reimbursable detailees in fiscal year 1990 without the advance approval of the House and Senate Committees on Appropriations.*

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109; $5,409,000.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

For necessary expenses of the Office of Management and Budget, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109; $44,894,000, of which not to exceed $4,500,000 shall be available to carry out the provisions of 44 U.S.C., chapter 35: *Provided*, That, as provided in 31 U.S.C. 1301(a), appropriations shall be applied only to the objects for which appropriations were made except as otherwise provided by law: *Provided further*, That none of the funds appropriated in this Act for the Office of Management and Budget may be used for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.): *Provided further*, That none of the funds made available for the Office of Management and Budget by this Act may be expended for the [review] *altering* of the transcript of actual testimony of witnesses, except for testimony of officials of the Office of Management and Budget, before the Committee on Appropriations or the Committee on Veterans' Affairs or their subcommittees: *Provided further*, That this proviso shall not apply to printed hearings released by the Committee on Appropriations or the Committee on Veterans' Affairs: *Provided further*, That none of the funds made available by this Act or any other Act shall be used to reduce the scope or publication frequency of statistical data relative to the operations and production of the alcoholic beverage and tobacco industries below fiscal year 1985 levels: *Provided further*, That none of the funds appropriated by this Act shall be available to the Office of Management and Budget for revising, curtailing or otherwise amending the administrative and/or regulatory methodology employed by the Bureau of Alcohol, Tobacco and Firearms to assure compliance with section [205] *105*, title 27 of the United States Code (Federal Alcohol Administration Act) or with regulations, rulings or forms promulgated thereunder[: *Provided further*, That none of the funds made available by this Act shall be available to fund the Office of Information and Regulatory Affairs until authorized by law].

[INVESTMENT IN MANAGEMENT IMPROVEMENT

[For expenses necessary to improve the management and productivity of Executive agencies, such as the development of systems to integrate budget, accounting, administrative, and program management information, and pilot projects to use credit card technology to disburse benefit payments, $1,000,000, to remain available until expended.]

OFFICE OF FEDERAL PROCUREMENT POLICY

SALARIES AND EXPENSES

For expenses of the Office of Federal Procurement Policy, including services as authorized by 5 U.S.C. 3109; $2,660,000.

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

For necessary expenses of the Office of National Drug Control [Policy, $12,000,000] *Policy; for research activities pursuant to title I of Public Law 100-690; not to exceed $7,500 for official reception and representation expenses; for participation in joint projects or in the provision of services on matters of mutual interest with nonprofit, research, or public organizations or agencies, with or without reimbursement; $12,000,000: Provided, That the Office is authorized to accept, hold, administer, and utilize gifts, both real and personal, for the purpose of aiding or facilitating the work of the Office.*

[SPECIAL FORFEITURE FUND

[For expenses authorized by section 6073 of the Anti-Drug Abuse Act of 1988, not to exceed $136,000,000, to be derived from the Department of Justice Assets Forfeiture Fund and to remain available until expended.]

FUNDS APPROPRIATED TO THE PRESIDENT

UNANTICIPATED NEEDS

For expenses necessary to enable the President to meet unanticipated needs, in furtherance of the national interest, security, or defense which may arise at home or abroad during the current fiscal year; $1,000,000.

This title may be cited as the "Executive Office Appropriations Act, 1990".

TITLE IV

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

SALARIES AND EXPENSES

For necessary expenses of the Administrative Conference of the United States, established by the Administrative Conference Act, as amended (5 U.S.C. 571 et seq.), including not to exceed $1,000 for official reception and representation expenses; $1,865,000.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Advisory Commission on Intergovernmental Relations Act of 1959, as amended (42 U.S.C. 4271-79); $1,300,000, and additional amounts not to exceed $200,000, collected from the sale of publications shall be credited to and used for the purposes of this appropriation.

ADVISORY COMMITTEE ON FEDERAL PAY

SALARIES AND EXPENSES

For necessary expenses of the Advisory Committee on Federal Pay, established by 5 U.S.C. 5306; $205,000[: *Provided*, That the annual report of the Advisory Committee on Federal Pay shall be submitted to the Appropriations Committees of the House and Senate and other appropriate Committees of the Congress at the same time the report is submitted to the President].

COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

SALARIES AND EXPENSES

For necessary expenses of the Committee for Purchase From the Blind and Other Severely Handicapped established by the Act of June 23, 1971, Public Law 92-28, $1,062,000.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, as amended; [$14,257,000] *$15,570,000.*

GENERAL SERVICES ADMINISTRATION

REAL PROPERTY ACTIVITIES

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

For additional expenses necessary to carry out the purposes of the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), [$3,000,000] *$17,000,000* to be deposited into said fund. The revenues and collections deposited into said fund shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving Governmental agencies (including space adjustments) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings and moving; repair and alteration of federally owned buildings, including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, taxes, and any other obligations for public buildings acquired by purchase contract, in the aggregate amount of [$3,161,753,000,] *$3,156,271,320,* of which (1) not to exceed [$123,253,000] *$41,739,000* shall remain available until expended for construction of additional projects at locations and at maximum construction improvement costs (including funds for sites and expenses) as follows:

New Construction:

Alaska:
Skagway, Border Station, $4,110,000
Iowa:
Ames, a grant to establish a midwest Supercomputer Access Center at Iowa State University, $5,000,000
[California:
[Long Beach, Grant to County of Los Angeles, additional deck to a parking facility, $3,000,000
[Colorado:
[Boulder, NOAA, $31,814,000]
Kansas:
Kansas City, Federal Building, Courthouse, Site, $200,000
Maryland:
Prince George's County Federal Courthouse, Site and Design, $4,700,000
Massachusetts:
Boston, Federal Building, Claim, $2,930,000
Woods Hole, a grant for the development of the Marine Biomedical Institute for Advanced Studies, $2,000,000
Minnesota:
International Falls, Border Station, $1,472,000
[*New Jersey:*
[Paterson, Federal Building, $1,200,000
Nebraska: Lincoln, a grant for expansion of the Eppley Institute for Research in Cancer and Allied Diseases, $5,000,000
New Mexico:
Alamogordo, Grant to the New Mexico State University, Primate / Research Institute, Site and Facilities, to be constructed on a site leased from the United States Air Force at Holloman Air Force Base, $5,000,000
[North Carolina:
[Asheville, Federal Building, Site and Design, $4,000,000
[Pennsylvania:
[Philadelphia, Veterans Administration, $54,000,000]
Virgin Islands:
St. Croix, Federal Building, Courthouse, $8,827,000
Construction Projects, less than $1,500,000, [$2,000,000:] *$2,000,000*
Other selected purchases including options to purchase, $500,000:

Provided, That each of the immediately foregoing limits of costs on new construction projects may be exceeded to the extent that savings are effected in other such projects, but by not to exceed 10 per centum: *Provided further,* That all funds for direct construction projects shall expire on September 30, 1991, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further,* That claims against the Government of less than $100,000 arising from direct construction projects, acquisitions of buildings and purchase contract projects pursuant to Public Law 92-313, be liquidated with prior notification to the Committees on Appropriations of the House and Senate to the extent savings are effected in other such projects; (2) not to exceed [$541,505,000] *$478,443,320* which shall remain available until expended, for repairs and alterations: *Provided further,* That funds in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount by project as follows, except each project may be increased by an amount not to exceed 10 per centum unless advance approval is obtained from the Committees on Appropriations of the House and Senate for a greater amount:

Repairs and Alterations:
Alabama:
Mobile, Federal Building, $1,581,000
Alaska:
Juneau, Federal Building, Courthouse, Post Office, $12,258,000
California:
Los Angeles, Federal Building, Post Office, 11000 Wilshire Blvd., $7,700,000
Los Angeles, Courthouse, 312 Spring Street, $5,302,000
San Francisco, Federal Building, Courthouse, 450 Golden Gate Avenue, [$55,851,000] *$13,450,000*
Colorado:
Denver, *Byron G.* Rogers Federal Building, Courthouse, $8,614,000
Lakewood, Denver Federal Center, Building 810, $7,841,000
District of Columbia:
[GSA] *General Services Administration* Headquarters, $19,000,000
J. Edgar Hoover Federal Building, $9,800,000
Housing and Urban Development, $9,500,000
Old Executive Office Building, $18,000,000
Florida:
St. Petersburg, Federal Building, $3,637,000
Georgia:
Macon, Federal Building, Courthouse, $1,765,000
Illinois:
Chicago, Customhouse, $9,596,000
Chicago, *Everett M.* Dirksen Federal Building, Courthouse, $2,833,000
Chicago, Federal Building, 536 S. Clark Street, [$35,328,000] *$11,102,000*
Danville, Federal Building, Courthouse, $2,627,000
Massachusetts:
Boston, John F. Kennedy Federal Building, $9,700,000
Michigan:
Detroit, Federal Building, Courthouse, $2,580,000
Minnesota:
Fort Snelling, *Bishop Henry* Whipple Federal Building, $4,728,000
Missouri:
Overland, Adjutant General Personnel Center, $1,940,000
Overland, Federal Records Center, $7,691,000
New Mexico:
Santa Fe, Federal Building, Cathedral Place at Palace, $2,130,000
New York:
Brooklyn, [Cellar Federal Building] *Emmanuel Cellar Federal Building, Cadman Plaza,* $5,100,000
North Carolina:
Asheville, Grove Arcade Federal Building, $3,016,000
Pennsylvania:
Philadelphia, James A. Byrne Courthouse, $7,801,000
Philadelphia, William J. Greene, Jr., Federal Building, $6,774,000
Philadelphia, [Nix Federal Building] *Robert N.C. Nix, Sr., Federal Building,* [$19,268,000] *$2,630,000*
Pittsburgh, *William S.* Moorhead Federal Building, $7,850,000
Tennessee:
Chattanooga, Joel W. Solomon Federal Building, Courthouse, $3,033,000
Jackson, Post Office, Courthouse, $2,433,000
Texas:
Fort Worth, Fritz G. Lanham Federal Building, $4,834,000
Virginia:
Charlottesville, Federal Executive Institute, $2,100,000
Wisconsin:
Milwaukee, Federal Building, Courthouse, $3,548,000
Capital Improvements of United States-Mexico Border Facilities, [$39,624,000] *$54,681,320* as follows:
Arizona:
Douglas, New Border Station, $4,000,000
Nogales, Mariposa Border Station, $4,289,000
Nogales, Grand Ave./Morley Gate Border Station, $12,427,000
California:
Calexico, Border Station, [$3,095,000] *$4,000,320*
Otay Mesa, Border Station, $4,302,000
Otay Mesa, New facility, $2,000,000
San Ysidro, Border Station, $3,366,000
[San Ysidro, Otay Mesa, New facility, $2,000,000]
New Mexcio:
Santa Teresa, New Border Station, $6,152,000
Texas:
Brownsville, Los Indios Border Station, $1,535,000
Columbia, New Border Station, $4,000,000
Eagle Pass, Border Station, $1,402,000
El Paso, Bridge of the Americas, Border Station, $7,208,000.
Minor Repairs and Alterations, $201,268,000[, including funds for the reconstruction of the first U.S. Customs House west of the Rockies in Astoria, Oregon, on a site to be donated]*: Provided, That by no later than July 30, 1990, the Administrator of General Services shall assess the level of unobligated balances, if any, in the Federal Buildings Fund and request reprogramming of such balances, not to exceed $10,000,000, to provide additional funding for United States-Mexico Border Facility projects: Provided,* That additional projects for which prospectuses have been fully approved may be funded under this category only if advance approval is obtained from the Committees on Appropriations of the House and Senate: *Provided further,* That all funds for repairs and alterations prospectus projects shall expire on September 30, 1991, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date; (3) not to exceed [$126,752,000] *$128,752,000* for payment on purchase contracts entered into prior to July 1, 1975; (4) not to exceed [$1,351,500,000] *$1,341,736,000* for rental of space; (5) not to exceed [$951,253,000] *$948,000,000* for real property operations; (6) not to exceed [$68,020,000] *$65,520,000* for program direction and centralized services; and (7) not to exceed [$146,302,000] *$152,081,000* for design and construction services which shall remain available until expended: *Provided further,* That for the purposes of this authorization, buildings constructed pursuant to the purchase contract authority of the Public Buildings Amendments of 1972 (40 U.S.C. 602a), and buildings under the control of another department or agency where alterations of such buildings are required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of the General Services Administration shall be considered to be federally owned buildings: [*Provided further,* That the Administrator of General Services is hereby directed to enter into a lease to ownership agreement, pursuant to a

competitive selection process, for the lease purchase of a building of approximately 541,000 occupiable square feet, in Chamblee, Georgia. The contract shall provide, by lease or installment payments over a period of not to exceed thirty years, for the payment of the purchase price and reasonable interest thereon, and shall provide for title to the building to vest in the United States on or before the expiration of the contract term upon fulfillment of the terms and conditions of the agreement. Obligations of funds for the lease or installment payments shall be limited to the current fiscal year for which payments are due without regard to section 1341(a)(1)(B) of title 31, United States Code:] *Provided further, That, notwithstanding any other provision of law, the Administrator of General Services is hereby directed to enter into a lease to ownership agreement, pursuant to a competitive selection process, for the lease purchase of such buildings as required to provide not to exceed 1,400,000 occupiable square feet and necessary parking for the Environmental Protection Agency, on a site in the District of Columbia. The contract shall provide, by lease or installment payment over a period not to exceed thirty years, from funds available in the Federal Buildings Fund for the payment of the purchase price and reasonable interest thereon, and shall provide for title to the building(s) to vest in the United States on or before the expiration of the contract term upon fulfillment of the terms and conditions of the agreement. Obligation of funds for the lease or installment payments shall be limited to the current fiscal year for which payments are due without regard to section 1341(a)(1)(B) of title 31, United States Code: Provided further,* That the Administrator of General Services is hereby directed to enter into a lease to ownership agreement, pursuant to a competitive selection process, for the lease purchase of a building of approximately 664,100 occupiable square feet, on a site to be donated or otherwise acquired, in the City of Baltimore, Maryland, or the City of Woodlawn, Maryland. The contract shall provide, by lease or installment payments over a period of not to exceed thirty years, for the payment of the purchase price and reasonable interest thereon, and shall provide for title to the building to vest in the United States on or before the expiration of the contract term upon fullfillment of the terms and conditions of the agreement. Obligations of funds for the lease or installment payments shall be limited to the current fiscal year for which payments are due without regard to section 1341(a)(1)(B) of title 31, United States Code*: Provided further, That the limitation on purchase price for the Oakland, California building authorized under this heading in Public Law 100-202 may be increased by an amount not to exceed 10 per centum unless advance approval is obtained from the Committees on Appropriations of the House and Senate for a greater amount: Provided further,* That none of the funds available to the General Services Administration with the exception of those for the Prince George's County, Maryland, Federal [Courthouse] *Courthouse; Capital Improvements for United States-Mexico Border Facilities; and the Santa Fe New Mexico Federal Building* shall be available for expenses in connection with any construction, repair, alteration, and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses in connection with the development of a proposed prospectus: *Provided further,* That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance approval is obtained from the Committees on Appropriations of the House and Senate: *Provided further,* That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, as amended, shall be available from such revenues and collections: *Provided further,* That revenues and collections and any other sums accruing to this Fund during fiscal year 1990 excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)) in excess of [$3,308,585,000] *$3,156,271,320* shall remain in the Fund and shall not be available for expenditure except as authorized in [appropriation] *appropriations* Acts.

FEDERAL SUPPLY SERVICE

OPERATING EXPENSES

For expenses authorized by law, not otherwise provided for, necessary for property management activities, utilization of excess and disposal of surplus personal property, rehabilitation of personal property, transportation management activities, transportation audits by in-house personnel, procurement, and other related supply management activities, including services as authorized by 5 U.S.C. 3109; $47,644,000.

FEDERAL PROPERTY RESOURCES SERVICE

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for carrying out the functions of the Administrator with respect to utilization of excess real property; the disposal of surplus real property, the utilization survey, deed compliance inspection, appraisal, environmental and cultural analysis, and land use planning functions pertaining to excess and surplus real property, including services as authorized by 5 U.S.C. 3109; $12,174,000, to be derived from proceeds from transfers of excess real property and disposal of surplus real property and related personal property, subject to the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-5).

REAL PROPERTY RELOCATION

For expenses not otherwise provided for, $8,000,000 to remain available until expended, necessary for carrying out the functions of the Administrator with respect to relocation of Federal agencies from property which has been determined by the Administrator to be other than optimally utilized under the provisions of section 210(e) of the Federal Property and Administrative Services Act of 1949, as amended: *Provided,* That such relocations shall only be undertaken when the estimated proceeds from the disposition of the original facilities approximate the appraised fair market value of such new facilities and exceed the estimated costs of relocation. Relocation costs include expenses for and associated with acquisition of sites and facilities, and expenses of moving or repurchasing equipment and personal property. These funds may be used for payments to other Federal entities to accomplish the relocation functions: *Provided further,* That nothing in this paragraph shall be construed as relieving the Administrator of General Services or the head of any other Federal agency from any obligation or restriction under the Public Buildings Act of 1959 (including any obligation concerning submission and approval of a prospectus), the Federal Property and Administrative Services Act of 1949, as amended, or any other Federal law, or as authorizing the Administrator of General Services or the head of any other Federal agency to take actions inconsistent with statutory obligations or restrictions placed upon the Administrator of General Services or such agency head with respect to authority to acquire or dispose of real property.

GENERAL MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of agency management of activities under the control of the General Services Administration, and general administrative and staff support services not otherwise provided for; for providing accounting, records management, and other support incident to adjudication of Indian Tribal Claims by the United States Court of Claims, and services authorized by 5 U.S.C. 3109; $124,297,000, of which $800,000 shall be available only for, and is hereby specifically earmarked for personnel and associated costs in support of Congressional District and Senate State offices: *Provided,* That this appropriation shall be available, subject to reimbursement by the applicable agency, for services performed for other agencies pursuant to subsections (a) and (b) of section 1535 of title 31, United States Code: *Provided further,* That not to exceed $5,000 shall be available for official reception and representation expenses[: *Provided further,* That for the fiscal year ending September 30, 1990, in addition to funds previously appropriated to General Management and Administration, there is hereby appropriated $16,152,000 to remain available until expended, to be allocated as grants for the following projects:

[a. Rochester Institute of Technology, Rochester, New York, to establish a strategic materials research center, $3,000,000;

[b. Michigan Technological University, Houghton, Michigan, for construction of a center for applied metallurgical, minerals, and materials research, $5,000,000;

[c. University of Maryland, College Park, Maryland, to establish a center for strategic man-made materials, $3,000,000;

[d. University of Hawaii, Manoa, Hawaii, for a strategic materials research facility, $1,000,000; and

[e. University of Texas, El Paso, Texas, for a grant to study and facilitate the development and transfer and installation of strategic materials technologies among American industries, $4,152,000].

INFORMATION RESOURCES MANAGEMENT SERVICE

OPERATING EXPENSES

For expenses authorized by law, not otherwise provided for, necessary for carrying out Government-wide and internal responsibilities relating to automated data management, telecommunications, information resources management, and related activities, including services as authorized by 5 U.S.C.

3109; and for the Information Security Oversight Office established pursuant to Executive Order 12356; $32,480,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General; $26,500,000 of which $1,000,000 is available until expended for procurement and installment of an automation program in support of audits and investigations: *Provided,* That not to exceed $10,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: *Provided further,* That not to exceed $2,500 shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95-138; $1,823,000: *Provided,* That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts.

GENERAL SERVICES ADMINISTRATION—GENERAL PROVISIONS

SECTION 1. The appropriate appropriation or fund available to the General Services Administration shall be credited with the cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129).

SEC. 2. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

SEC. 3. Not to exceed 1 per centum of funds made available in appropriations for operating expenses and salaries and expenses, during the current fiscal year, may be transferred between such appropriations for mandatory program requirements. Any transfers proposed shall be submitted promptly to the Committees on Appropriations of the House and Senate for approval.

SEC. 4. Funds in the Federal Buildings Fund made available for fiscal year 1990 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary for mandatory program requirements. Any transfers proposed shall be submitted promptly to the Committees on Appropriations of the House and Senate for approval.

[SEC. 5. Funds hereafter made available to the General Services Administration for the payment of rent shall be available for the purpose of leasing, for periods not to exceed thirty years, space in buildings erected on land owned by the United States.

[SEC. 6. Notwithstanding any provisions of this Act or any other Act in any fiscal year, the Administrator of General Services is authorized and directed to charge the Department of the Interior for design and alterations to the Avondale, Maryland, property at rates so as to recover the approximate applicable cost incurred by General Services Administration in providing such alterations, and the Department of the Interior is authorized to repay such charges out of any appropriation available to the department and the payments shall be deposited in the fund established by 40 U.S.C. 490(f).]

SEC. [7] *5.* Notwithstanding any other provision of law, the Administrator of General Services is hereafter authorized to transfer from the resources of the Federal Buildings Fund, in accordance with such rules and procedures as may be established by the Office of Management and Budget and the Department of the Treasury, such amounts as are necessary to repay the principal amount of General Services Administration borrowings from the Federal Financing Bank when such borrowings are legal obligations of the Fund.

SEC. [8] *6.* The General Services Administration shall take immediate action to secure corrections to health and safety problems at the IRS Manhattan District Office [and is directed, if unable to correct such problems within ninety days of enactment of this Act, to terminate the lease and relocate the employees to quality working space].

SEC. [9] *7.* OBLIGATIONS FOR MULTIYEAR AGREEMENTS FOR LEASE OR OTHER ACQUISITION OF MOTOR VEHICLES ENTERED INTO BY ADMINISTRATOR OF GENERAL SERVICES.—(a) IN GENERAL.—Subject to subsection (b), obligations of funds for multiyear agreements for the lease or other acquisition of motor vehicles entered into by the Administrator of General Services for the purposes of section 211 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 491) shall be limited to the current fiscal year for which payments are due, without regard to any termination or cancellation costs, and without regard to section 1341(a)(1)(B) of title 31, United States Code.

(b) AFFECTED AGREEMENTS.—This section shall apply to multiyear agreements which—

(1) are entered into by the Administrator during the 4-year period beginning on the date of the enactment of this Act; and

(2) provide for the lease of motor vehicles for a period of not more than four years.

SEC. [10] *8.* The general provision (section 8) in Public Law 100-440 is amended as follows: In subsection (b)(1) delete "600,000" and insert "900,000". Delete subsection (b)(2).

[SEC. 11. (a) Notwithstanding any other provisions of law, the Administrator of General Services, with the concurrence of the Director of the U.S. Fish and Wildlife Service, is authorized and directed to acquire, by means of a lease of up to twenty years duration, a new facility to house the offices of Region Five of the U.S. Fish and Wildlife Service in Hampshire County or Holyoke, Massachusetts.

[(b) There is hereby made available until expended, out of the Federal Buildings Fund, not to exceed $100,000 for telecommunication system expenses associated with the relocation of Region Five of the U.S. Fish and Wildlife Service to the facility authorized to be leased by this Act.

[SEC. 12. The Administrator of GSA is directed to lease approximately one hundred thousand occupiable square feet of office and special purpose space to provide for relocation and consolidation of the outpatient clinic functions in Boston, Massachusetts, currently located in an outdated Federal building at 17 Court Street.

[SEC. 13. Notwithstanding any other provision of law, the Secretary of Commerce shall transfer to the General Services Administration at no cost approximately fifteen acres of the site at 325 Broadway in Boulder, Colorado, for the construction of a new Federal Building to house the National Oceanic and Atmospheric Administration. In selecting the land to be transferred, the Secretary shall give due consideration to access from Broadway and the availability of utilities.

[SEC. 14. Before acquiring any space over one hundred thousand square feet in the Washington Metropolitan Region, the Administrator of General Services shall solicit bids for such space through a region-wide advertisement in the National Capital Region, including Maryland, Virginia, and the District of Columbia. The Administrator, subject to authorization, shall competitively acquire such space and select quality space at the lowest possible cost in such Metropolitan Region. This shall occur in all cases except where an agency has an authorized expansion requirement that must be contiguous to an existing location and which is not in excess of 10 percent of the agency's existing space at that location or continued occupancy must be provided at an existing location as an interim step to a competitive action if such occupancy is for a period not in excess of twelve months.]

SEC. 9. The Administrator of General Services after consultation with the Internal Revenue Service, Department of the Treasury and the Department of Defense shall submit a prospectus for the Internal Revenue Service and a prospectus for the Department of the Navy to the House Committee on Public Works, the Senate Committee on Environment and Public Works, and the House and Senate Committees on Appropriations within 90 days of enactment of this Act.

One prospectus shall provide for the consolidation of existing leased space for activities of the National Office of the Internal Revenue Service and additional space which may be required by such activities in the National Capital Region, into one consolidated suburban Maryland location in the National Capital Region.

A second prospectus shall provide for the consolidation of existing leased space in northern Virginia and additional space required by the Department of the Navy in the northern Virginia area into one consolidated location in the northern Virginia area.

The prospectuses shall outline how such space shall operate in a coordinated fashion with existing Government controlled space that will continue to be occupied by such agency or department and shall provide that the Administrator of General Services shall competitively acquire and select quality space representing the best value for the Government at the lowest possible cost within each respective area.

[SEC. 15. Notwithstanding any other provision of law, the General Services Administration is hereby authorized to sell to the city of Asheville or political subdivision at fair market value, the Grove Arcade Federal Building and site, in whole or in part, in Asheville, North Carolina, and to deposit such proceeds into the Federal Buildings Fund.

[SEC. 16. Notwithstanding any other provision of law, the County of Los Angeles in the State of California shall provide to the General Services Administration, without cost, 250 parking spaces for a period of ninety-nine years, in the Parking Facility at Long Beach, California, for which a Grant is provided from revenues and collections deposited into the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)).]

SEC. 10. (a) CONVEYANCE.—Subject to subsection (c), notwithstanding any other pro-

vision of law, the Administrator of General Services (Administrator) shall convey, subject to existing easements, without consideration, to the State of Hawaii, all right title and interest of the United States in and to approximately 89.274 acres more specifically described in subsection (b), together with any improvements, structures and fixtures located thereon and related personal property in Waianae, Oahu, State of Hawaii at the former U.S. Coast Guard transmitter site.

(b) LEGAL DESCRIPTION.—This land is a portion of Grant 4751 to H.M. Von Holt and a portion of Lot A-4-A of Land Court Application 130 situated about 2,000 feet Northeasterly from Farrington Highway at Lualualei, Waianae, Oahu, State of Hawaii; beginning at the Northwest corner of this piece of land and on the easterly boundary of Grant 7859 to Ralph E. Turner, the true azimuth and distance from Government Survey Triangulation Station "Puu-O-Hulu (Makai)" being 167°33' 5556.27 feet and running by true azimuths measured clockwise from South: (1) 261°44' 1940.00 feet along 50' road easement; (2) 360°00' 2551.34 feet; (3) 89°06' 1413.41 feet; (4) 167°33' 2349.87 feet along Grant 8422 to Lizzie Gilliland and Grant 7859 to Ralph E. Turner to the point of beginning; total acreage 93.575.

Excluding from said 93.575 acre parcel, Parcel A of WAIANAENUI WATERSHED PROJECT, MAILI CHANNEL IMPROVEMENT, LINES M-5 and M-6, Being Lot 202-A, area 1.440 acres, as shown on Map 53, and filed in the Office of the Assistant Registrar of the Land Court of State of Hawaii with Land Court Application No. 130 of Alexander C. Dowsett et als, and being a portion of the land described in Transfer Certificate of Title No. 86,019 issued to said grantor, situated at Lualualei, Waianae, Oahu, Hawaii, and also excluding therefrom, Parcel "B" of WAIANAENUI WATERSHED PROJECT, MAILI CHANNEL IMPROVEMENT, LINES M-5 and M-6: All of that certain parcel of land being a portion of Grant 4751 to H.M. Von Holt (Portion of U.S. Civil No. 868), situated at Lualualei, Waianae, Oahu, Hawaii, approximately 2.861 acres.

(c) CONDITIONS OF CONVEYANCES.—(1) The Administrator shall convey the approximately 89.274 acres described in subsection (b) to the State of Hawaii on the condition that the State of Hawaii, within 3 years of date of conveyance, exchange such property for one or more of Hawaiian home lands on the islands of Hawaii, Oahu and Molokai—consisting of: (1) approximately 6.00 acres of real property located in Keaukaha (Tract 1), Waiakea, Hilo, Hawaii, being the present site of Keaukaha School; (2) approximately 26.207 acres of real property filed in the Office of the Department of Land and Natural Resources in C.S.F. No. 20282 and a separate parcel, being the present site of Molokai High School and Athletic Field; and (3) approximately 13.675 acres, filed in the Office of the Department of Land and Natural Resources in C.S.F. Nos. 12325, 10414, and 6342, being the present site of Nanaikapono Elementary School.

In the event the exchange of the property is not completed within the time period as specified herein, all right, title and interest to such property shall revert to the United States and the United States shall have the immediate right of entry thereon.

(2) Prior to the conveyance by the Administrator of approximately 89.274 acres described in subsection (b), as a condition of the conveyance, the State of Hawaii shall agree that the Hawaiian Home Land properties to be acquired by the State of Hawaii in the exchange described in subsection (c)(1) shall only be used for governmental purposes in perpetuity, and in the event the properties cease to be so used, all or any portion of such properties, shall, in its existing condition, revert to the United States.

SEC. 11. (a) Notwithstanding Sec. 203(k) of the Federal Property and Administrative Services Act of 1949, any implementing regulations, and the conveyance of Deed Without Warranty of June 5, 1968 recorded in Book 250 pages 183 through 196 of the Deed Records of Chaves County, New Mexico, on June 5, 1968, and Correction Deed of January 6, 1969, to the Deed Without Warranty of June 5, 1968, recorded in Book 252 pages 100 through 115 of the Deed Records of Chaves County, New Mexico, from the United States of America to the Board of Regents, Eastern New Mexico University (ENMU), the Secretary of Education shall, as to the property described in subsection (b), grant a release to ENMU from all terms, conditions, reservations, and restrictions required by the Federal Property and Administrative Services Act, implementing regulations or contained in the above mentioned deeds, to permit at no cost to ENMU, a lease by ENMU for unrestricted use of such property to the city of Roswell, Chaves County, New Mexico upon such terms, conditions and for such periods (not to exceed 99 years) which in the sole discretion of ENMU, may be prescribed. To the extent that the leased property continues to be used for any educational or training purpose (not limited to the purposes in the application) by the city of Roswell or any other party, such use shall be considered as being in compliance with the terms of the deeds for purposes of compliance by ENMU with the 30 year educational use requirement and the earning of the public benefit allowance by ENMU. The Secretary of Education shall issue such modifications to the deeds as may be required.

(b) The property referred to in this section is described as a tract of land lying and being situated in Section 33, Township 11 South, Range 24 East, NMPM, Chaves County, New Mexico and being more particularly described as follows: Beginning at a point on the South boundary of the PECOS VALLEY VILLAGE SUBDIVISION from which the Northwest corner of said Section 33 bears N 6°16'28" W a distance of 2382.64 feet, said point being the intersection of said South boundary and the centerline of Gail Harris Street; thence S 89°37'30" E along the south boundary of the PECOS VALLEY VILLAGE SUBDIVISION, a distance of 753.38 feet; thence S 0°00'43" E a distance of 2382.10 feet; thence S 89°58'24" W a distance of 771.18 feet to the centerline of Gail Harris Street; thence N 0°24'51" E along said centerline, a distance of 2387.43 feet to the point of beginning. Containing 41.7245 acres, more or less.

(c) Notwithstanding the conditions subsequent, or the provisions concerning abrogation contained in the above mentioned deeds, the Secretary of Education shall, if requested by ENMU, consent to a sale, of the property described in subsection (b), to the city of Roswell, if ENMU pays to the United States an amount computed by deducting, from the estimated fair market value of the property described in subsection (b), as of the date of the original conveyance from the United States to ENMU, a credit at the rate of 3⅓% of the estimated fair market value for each 12 months during which the property has been utilized for educational or training purposes, in accordance with the purpose specified in the application referred to in the deeds.

SEC. 12. Notwithstanding any other provision of law, the Administrator of General Services—

(a) shall convey, without consideration, jurisdiction (custody, accountability and control) to the Institute of American Indian and Alaska Native Culture and Arts Development Institute, over approximately 31,006 square feet of real property, together with any improvements, structures, and fixtures located thereon and related personal property, located at Cathedral Place at Palace, in Ward Number 4 of the City of Santa Fe and Precinct Number 18 of the County of Santa Fe, New Mexico, and

(b) shall transfer to the Institute, from revenues and collections in the fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 United States Code 490(f)), the sum of $2,130,000 for the purpose of repairs and alterations to the facility transferred by this section.

SEC. 13. (a) Notwithstanding any other provision of law, the Secretary of Education shall convey, without consideration, to the School District of Charleston County, South Carolina, a deed releasing the reversionary interest held by the United States to the property identified in paragraph (b).

(b) All that lot, piece or parcel of land, situate, lying and being on the west side of Chisolm Street, in Ward 2, in the City of Charleston, County of Charleston, and State of South Carolina.

Measuring and containing in front on Chisolm Street 100 feet, and the same on the west or back line, and in depth on the northernmost line from east to west 150 feet and ½ inch, and the same on the southern most line—be all the said dimensions a little more or less.

Butting and bounding to the north on lands now of Anderson Lumber Company, formerly of Mrs. E.C. Rennecker; east on Chisolm Street aforesaid; south on part of the original tract of land owned by the said A.B. Murray and West Point Mills Company, now reserved by the said grantors, and west on another part of the said original tract, formerly belonging to the said A.B. Murray and West Point Mills Company, and conveyed by them to the United States of America.

The said lot of land hereby conveyed being the northernmost portion of that portion of the Chisolm's Mills Property, reserved by the A.B. Murray and West Point Mills Company after conveyance of the greater part of the said Chisolm's Mills property to the United States of America, by Deeds which are recorded and may be seen in Book U-24, Page 582 and Page 585 in the R.M.C. Office for Charleston County, and all of which is more fully shown and delineated on a Plat of the said Chisolm's Mills Property, dated April 23, 1914, and made and certified to by H.D. King, Inspector, United States Light House Department, which said Plat is on record in Plat Book C, Page 97, in the R.M.C. Office for Charleston County.

Being the same premises which were conveyed to the United States of America by deed of Andrew B. Murray dated October 23, 1916, and recorded in the Office of the R.M.C. for Charleston County in Book U-24, Page 587, and by deed of West Point Mill Company, dated November 20, 1916, and recorded in said office in Book U-24, Page 589.

SEC. 14. (a) Notwithstanding any other provision of law, agencies are authorized to

make rent payments to the General Services Administration for lease space relating to expansion needs of the agency and General Services Administration is authorized to use such funds, in addition to the amount received as New Obligational Authority in the Rental of Space activity of the Federal Buildings Fund. Such payments are to be at the commercial equivalent rates specified by Section 201(j) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(j)) and are to be deposited into the Fund established pursuant to Section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)).

(b) There are hereby appropriated, out of the Federal Buildings Fund, such sums as may be necessary to carry out the purpose of subsection (a).

SEC. 15. Notwithstanding any provisions of this Act or any other Act in any fiscal year, obligations of funds for lease, entered into in accordance with section 210(h)(1) of the Federal Property and Administrative Services Act of 1949, as amended, 40 U.S.C. 490, shall be limited to the current fiscal year for which payments are due without regard to section 1341(a)(1)(b) of title 31, United States Code.

SEC. 16. None of the funds appropriated by this Act may be obligated or expended in any way for the purpose of the sale, excessing, surplusing, or disposal of lands in the vicinity of Norfolk Lake, Arkansas, administered by the Corps of Engineers, Department of the Army, without the specific approval of the Congress.

SEC. 17. None of the funds appropriated by this Act may be obligated or expended in any way for the purpose of the sale, excessing, surplusing, or disposal of lands in the vicinity of Bull Shoals Lake, Arkansas, administered by the Corps of Engineers, Department of the Army, without the specific approval of the Congress.

SEC. 18. Section 110 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 757) establishing the Information Technology Fund is amended by adding a sentence at the end of paragraph (a)(2): These plans fulfill the requirements of 31 U.S.C. 1512 and 1513.

[MARTIN LUTHER KING, JR. FEDERAL HOLIDAY COMMISSION

[SALARIES AND EXPENSES

[For necessary expenses of the Martin Luther King, Jr. Federal Holiday Commission, as authorized by Public Law 98-399, as amended, $300,000.]

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For necessary expenses in connection with National Archives and Records Administration and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor vehicles, $126,612,000 of which [$4,000,000] *$6,000,000* for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, as amended, shall remain available until expended.

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Government Ethics pursuant to the Ethics in Government Act of 1978, as amended by Public Law 100-598, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and not to exceed $1,500 for official receptions and representation expenses: $3,414,000.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, medical examinations performed for veterans by private physicians on a fee basis, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, not to exceed $2,500 for official receptions and representation expenses, and advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order 10422 of January 9, 1953, as amended; [$113,668,000 of which no less than $250,000 shall be made available to establish a program to facilitate the use of job-sharing arrangements in agencies as authorized in section 3402 of title 5, United States Code] *$111,192,000, of which not to exceed $1,000,000 shall be made available for establishment of Federal health promotion and disease prevention programs for Federal employees*; in addition to $81,907,000 for administrative expenses, including direct procurement of health benefits printing, for the retirement and insurance programs of which $11,800,000 shall remain available until expended for costs incurred in implementing the recordkeeping system of the Federal Employees Retirement System, to be transferred from the appropriate trust funds of the Office of Personnel Management in the amounts determined by the Office of Personnel Management without regard to other statutes: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by section 8348(a)(1)(B) of title 5, U.S.C.: *Provided further*, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order 9358 of July 1, 1943, or any successor unit of like purpose: *Provided further*, That the President's Commission on White House Fellows, established by Executive Order 11183 of October 3, 1964, may, during the fiscal year ending September 30, 1990, accept donations of money, property, and personal services in connection with the development of a publicity brochure to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act, as amended, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles: $2,918,000; and in addition, not to exceed $2,193,000 for administrative expenses to audit the Office of Personnel Management's insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management in amounts sufficient to cover such administrative expenses, as determined by the Inspector General without regard to other statutes.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, $3,780,169,000, to remain available until expended.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

For payment of Government contributions with respect to employees retiring after December 31, 1989, as required by chapter 87 of title 5, United States Code, $2,700,000, to remain available until expended.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, $5,211,732,000: *Provided*, That annuities authorized by the Act of May 29, 1944, as amended (22 U.S.C. 3682(e)), August 19, 1950, as amended (33 U.S.C. 771-75), may hereafter be paid out of the Civil Service Retirement and Disability Fund.

REVOLVING FUND

Pursuant to section 4109(d)(1) of title 5, United States Code, costs for entertainment expenses of the President's Commission on Executive Exchange shall not exceed $12,000.

OFFICE OF PERSONNEL MANAGEMENT

GENERAL PROVISION

SEC. 1. Section 8902(k)(1) of title 5, United States Code, is amended—

(1) by striking out "performed by a clinical psychologist or optometrist" and inserting in lieu thereof "performed by a clinical psychologist, optometrist, nurse midwife, or nurse practitioner/clinical specialist"; and

(2) by striking out "qualified clinical social worker or optometrist" and inserting in lieu thereof "qualified clinical social worker, optometrist, nurse midwife, or nurse practioner/nurse clinical specialist".

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles; $20,987,000, together with not to exceed $1,450,000 for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection Board.

[OFFICE OF SPECIAL COUNSEL]

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of the Special Counsel pursuant to Reorganization Plan Numbered

2 of 1978 and the Civil Service Reform Act of 1978 (Public Law 95-454), including services as authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles; $5,142,000.

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, including hire of experts and consultants, hire of passenger motor vehicles, rental of conference rooms in the District of Columbia and elsewhere; [$17,500,000] *$17,680,000: Provided,* That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government service, and compensation as authorized by 5 U.S.C. 3109.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109; $28,120,000: *Provided,* That travel expenses of the judges shall be paid upon the written certificate of the judge.

This title may be cited as the "Independent Agencies Appropriations Act, 1990".

TITLE V—GENERAL PROVISIONS

THIS ACT

[SECTION 501. Where appropriations in this Act are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amount set forth therefor in the budget estimates submitted for the appropriations: *Provided,* That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Veterans' Administration; to travel of the Office of Personnel Management in carrying out its observation responsibilities of the Voting Rights Act; or to payments to interagency motor pools where separately set forth in the budget schedules.]

SEC. [502] *501.* No part of any appropriation contained in this Act shall be available to pay the salary of any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Office of Personnel Management as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. [503] *502.* No part of any appropriation made available in this Act shall be used for the purchase or sale of real estate or for the purpose of establishing new offices inside or outside the District of Columbia: *Provided,* That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor.

SEC. [504] *503.* No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. [505] *504.* The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 505. No part of any appropriation contained in this Act shall be available for the procurement of, or for the payment of, the salary of any person engaged in the procurement of any hand or measuring tool(s) not produced in the United States or its possessions except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of hand or measuring tools produced in the United States or its possessions cannot be procured as and when needed from sources in the United States and its possessions, or except in accordance with procedures prescribed by section 6-104.4(b) of Armed Services Procurement Regulation dated January 1, 1969, as such regulation existed on June 15, 1970: Provided, That a factor of 75 per centum in lieu of 50 per centum shall be used for evaluating foreign source end products against a domestic source end product. This section shall be applicable to all solicitations for bids opened after its enactment.

SEC. 506. None of the funds made available to the General Services Administration pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949 shall be obligated or expended after the date of enactment of this Act for the procurement by contract of any service which, before such date, was performed by individuals in their capacity as employees of the General Services Administration in any position of guards, elevator operators, messengers, and custodians *if said employees would be terminated by procurement of such services,* except that such funds may be obligated or expended for the procurement by contract of the covered services with sheltered workshops employing the severely handicapped under Public Law 92-28.

SEC. 507. No funds appropriated in this Act shall be available for administrative expenses in connection with implementing or enforcing any provisions of the rule TD ATF-66 issued June 13, 1980, by the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms on labeling and advertising of wine, distilled spirits and malt beverages, except if the expenditure of such funds, is necessary to comply with a final order of the Federal court system.

[SEC. 508. None of the funds appropriated or made available by this Act shall be used to competitively procure electric utility service, except where such procurement is expressly authorized by the Federal Power Act or by State law or regulation.

[SEC. 509. None of the funds appropriated in this Act may be used for administrative expenses to close the Federal Information Center of the General Services Administration located in Sacramento, California.]

SEC. [510] *508.* None of the funds made available by this Act for the Department of the Treasury may be used for the purpose of eliminating any existing requirement for sureties on customs bonds.

SEC. [511] *509.* None of the funds made available by this Act shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would prohibit the enforcement of section 307 of the 1930 Tariff Act.

SEC. [512] *510.* None of the funds made available by this Act shall be available for the purpose of transferring control over the Federal Law Enforcement Training Center located at Glynco, Georgia, Marana, Arizona, and Artesia, New Mexico, out of the Treasury Department.

SEC. [513] *511.* No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

SEC. [514] *512.* No part of any appropriation contained in this Act shall be available for the payment of the salary of any officer or employee of the United States Postal Service, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any officer or employee of the United States Postal Service from having any direct oral or written communication or contact with any Member or committee of Congress in connection with any matter pertaining to the employment of such officer or employee or pertaining to the United States Postal Service in any way, irrespective of whether such communication or contact is at the initiative of such officer or employee or in response to the request or inquiry of such Member or committee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance of efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any officer or employee of the United States Postal Service, or attempts or threatens to commit any of the foregoing actions with respect to such officer or employee, by reason of any communication or contact of such officer or employee with any Member or committee of Congress as described in paragraph (1) of this subsection.

[SEC. 515. Except for vehicles provided to the President, Vice President and their families, or to the United States Secret Service, none of the funds provided in this Act to any Department or Agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than twenty-two miles per gallon. The requirements of this section may be waived by the Administrator of the General Services Administration for special purposes or special mission automobiles.]

SEC. [516] *513.* No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

SEC. [517] *514.* The provision of section 516 *513* shall not apply where the life of the mother would be endangered if the fetus were carried to term.

SEC. [518] *515.* None of the funds appropriated by this Act may be used to solicit

bids, lease space, or enter into any contract to close or consolidate executive seminar centers for the Office of Personnel Management.

SEC. [519] *516.* The Administrator of General Services, under section 210(h) of the Federal Property and Administrative Services Act of 1949, as amended, may acquire, by means of a lease of up to thirty years duration, space for the United States Courts in Tacoma, Washington, at the site of Union Station, Tacoma, Washington.

SEC. [520] *517.* Funds under this Act shall be available as authorized by sections 4501-4506 of title 5, United States Code, when the achievement involved is certified, or when an award for such achievement is otherwise payable, in accordance with such sections. Such funds may not be used for any purpose with respect to which the preceding sentence relates beyond fiscal year 1990.

SEC. [521] *518.* (a) Notwithstanding any other provision of law, during fiscal year 1990, the authority to establish higher rates of pay under section 5303 of title 5, United States Code, may—

(1) in addition to positions paid under any of the pay systems referred to in subsection (a) of section 5303 of title 5, United States Code, be exercised with respect to positions paid under any other pay system established by or under Federal statute for positions within the executive branch of the Government; and

(2) in addition to the circumstance described in the first sentence of subsection (a) of section 5303 of title 5, United States Code, be exercised based on—

(A) pay rates for the positions involved being generally less than the rates payable for similar positions held—

(i) by individuals outside the Government; or

(ii) by other individuals within the executive branch of the Government;

(B) the remoteness of the area or location involved;

(C) the undesirability of the working conditions or the nature of the work involved, including exposure to toxic substances or other occupational hazards; or

(D) any other circumstances which the President (or an agency duly authorized or designated by the President in accordance with the last sentence of section 5303(a) of title 5, United States Code, for purposes of this subparagraph) may identify.

Nothing in paragraph (2) shall be considered to permit the exercise of any authority based on any of the circumstances under such paragraph without an appropriate finding that such circumstances are significantly handicapping the Government's recruitment or retention efforts.

(b)(1) A rate of pay established during fiscal year 1990 through the exercise of any additional authority under subsection (a) of section 5303 of title 5, United States Code—

(A) shall be subject to revision or adjustment,

(B) shall be subject to reduction or termination (including pay retention), and

(C) shall otherwise be treated,

in the manner as generally applies with respect to any rate otherwise established under section 5303 of title 5, United States Code.

(2) The President (or an agency duly authorized or designated by the President in accordance with the last sentence of section 5303(a) of title 5, United States Code, for purposes of this subsection) may prescribe any regulations necessary to carry out this subsection.

(C) Any additional authority under this section may, during fiscal year 1990, be exercised only to the extent that amounts otherwise appropriated under this Act for purposes of section 5303 of title 5, United States Code, are available.

SEC. [522] *519.* None of the funds available in this Act may be used to contract out positions or downgrade the position classification of the Bureau of Engraving and Printing Police Force.

SEC. [523] *520.* The Office of Personnel Management may, during the fiscal year ending September 30, 1990, accept donations of supplies and equipment for the Federal Executive Institute for the enhancement of the morale and educational experience of attendees at the Institute.

[SEC. 524 None of the funds in this Act may be used to abolish, close or relocate the Office of Fiscal Operations and the Resources Systems Development Division of the Detroit Data Center.

[SEC. 525. For the purposes of subchapter IV of chapter 53 of title 5, United States Code, prevailing rate employees employed in Broome and Tioga counties, New York, shall be considered to be employed in the Syracuse/Utica/Rome New York wage area.]

SEC. [526] *521.* The Director of the Office of Management and Budget shall take appropriate action to provide that the official title of the metropolitan statistical area which includes Allentown, Bethlehem, and Easton, Pennsylvania, shall be the "Allentown-Bethlehem-Easton Metropolitan Statistical Area".

[SEC. 527. Section 631 of the "Treasury, Postal Service and General Government Appropriations Act, 1989" (Public Law 100-440) is amended by striking "December 22, 1987" and inserting in lieu thereof "October 1, 1983". The amendment made by this section shall be effective as if it had been included in Public Law 100-440.]

SEC. 522. Notwithstanding any other provision of law, the Bureau of Alcohol, Tobacco and Firearms is authorized, beginning October 1, 1989 and thereafter, to pay bonuses up to twenty-five percent of base pay to employees who possess and make substantial use of one or more languages, other than English, in the performance of their official duties, upon the advance approval of the House and Senate Committee on Appropriations: Provided, That the Director of the Bureau of Alcohol, Tobacco and Firearms shall develop such policies as necessary to implement the payment of the bonuses.

SEC. 523. The Presidential Protection Assistance Act of 1976 (18 U.S.C. 3056 note) is amended by adding at the end thereof:

"SEC. 12. Expenditures by the Secret Service for services to secure the non-governmental property of the permanent residence of the President of the United States are authorized not to exceed an additional amount of $160,000 in each fiscal year to be made available to the local municipality or applicable political subdivision of any State in which such residence is located: Provided, That the permanent residence is located in a municipality or political subdivision of any State where the permanent resident population is 7,000 or less and where the absence of such Federal assistance would place an undue economic burden on the municipality or political subdivision.

SEC. [528.] *524.* [No monies appropriated by this Act may be used to implement or enforce section 1151 of the Tax Reform Act of 1986 or the amendments made by such section.] *No monies appropriated by this Act may be used to enforce, or to issue any regulations binding on the taxpayer with respect to the following provisions of section 1151 of the Tax Reform Act of 1986, or the amendments made by such provisions—*

(1) Subsections 1151(a) and (b);

(2) Subsection 1151(c), insofar as such subsection incorporates by reference provisions included in subsection 1151(a);

(3) Paragraph 1 of subsection 1151(d), insofar as such paragraph incorporates by reference provisions included in subsection 1151(a), which prescribed qualifications requirements for employee benefit plans; and

(4) Subsection 1151(k), insofar as such subsection applies to the preceding provisions of section 1151 of the Tax Reform Act of 1986: Provided, That nothing in this section shall affect the ability of any employee of the Department of the Treasury or Internal Revenue Service to respond to any request for taxpayer assistance, or to receive training relating to any provision in section 1151 of the Tax Reform Act of 1986.

SEC. 525 No part of any appropriation contained in this Act shall be available for the procurement of, or for the payment of, the salary of any person engaged in the procurement of stainless steel flatware not produced in the United States or its possessions, except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of stainless steel flatware produced in the United States or its possessions, cannot be procured as and when needed from sources in the United States or its possessions or except in accordance with procedures provided by section 6-104.4(b) of Armed Services Procurement Regulations, dated January 1, 1969. This section shall be applicable to all solicitations for bids issued after its enactment.

SEC. 526. Section 613A, subsection (a)(3)(F), of the Tariff Act of 1930 (19 U.S.C. 1613b) is amended to read as follows: "payment of overtime, salaries, travel, fuel, training, equipment, and other similar costs of State and local law enforcement officers that are incurred in assisting the United States Customs Service in law enforcement activities.".

SEC. 527. Such sums as may be necessary for fiscal year 1990 pay raises for programs funded by this Act shall be absorbed within the levels appropriated by this Act.

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

SECTION 601. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses and ambulances), is hereby fixed at [$6,600] *$7,100* except station wagons for which the maximum shall be [$7,600] *$8,100*: *Provided*, That these limits may be exceeded by not to exceed $3,700 for police-type vehicles, and by not to exceed $4,000 for special heavy-duty vehicles: *Provided further*, That the limits set forth in this section may be exceeded by not more than five percent for electric or hybrid vehicles purchased for demonstration under the provisions of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976.

SEC. 602. Appropriations of the executive departments and independent establishments for the current fiscal year available for expenses of travel or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-

of-living allowances, in accordance with 5 U.S.C. 5922-24.

SEC. 603. Unless otherwise specified during the current fiscal year no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act, who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States, (3) is a person who owes allegiance to the United States, (4) is an alien from Cuba, Poland, South Vietnam, or the Baltic countries lawfully admitted to the United States for permanent residence, or (5) South Vietnamese, Cambodian, and Laotian refugees paroled in the United States after January 1, 1975: *Provided,* That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further,* That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined no more than $4,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penal clause shall be in addition to, and not in substitution for any other provisions of existing law: *Provided further,* That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of Ireland, Israel, the Republic of the Philippines or to nationals of those countries allied with the United States in the current defense effort, or to temporary employment of translators, or to temporary employment in the field service (not to exceed sixty days) as a result of emergencies.

SEC. 604. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (86 Stat. 216), or other applicable law.

[SEC. 605. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to chapter 91 of title 31, United States Code, shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided,* That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.]

SEC. [606] *605.* No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

SEC. [607] *606.* Pursuant to section 1415 of the Act of July 15, 1952 (66 Stat. 662), foreign credits (including currencies) owed to or owned by the United States may be used by Federal agencies for any purpose for which appropriations are made for the current fiscal year (including the carrying out of Acts requiring or authorizing the use of such credits), only when reimbursement therefor is made to the Treasury from applicable appropriations of the agency concerned: *Provided,* That such credits received as exchanged allowances or proceeds of sales of personal property may be used in whole or part payment for acquisition of similar items, to the extent and in the manner authorized by law, without reimbursement to the Treasury.

SEC. [608] *607.* No part of any appropriation contained in this or any other Act shall be available for interagency financing of boards, commissions, councils, committees, or similar groups (whether or not they are interagency entities) which do not have a prior and specific statutory approval to receive financial support from more than one agency or instrumentality.

[SEC. 609. Funds made available by this or any other Act to (1) the General Services Administration, including the fund created by the Public Building Amendments of 1972 (86 Stat. 216), and (2) the "Postal Service Fund" (39 U.S.C. 2003), shall be available for employment of guards for all buildings and areas owned or occupied by the United States or the Postal Service and under the charge and control of the General Services Administration or the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318), but shall not be restricted to certain Federal property as otherwise required by the proviso contained in said section and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318a, 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318c): *Provided,* That when the Administrator of General Services delegates responsibility to protect property under this charge and control to the head of another Federal agency, that agency may employ guards to protect the property who shall have the same powers of special policemen in same manner as the foregoing.]

SEC. 608. Funds made available by this or any other Act to the "Postal Service Fund" (39 U.S.C. 2003) shall be available for employment of guards for all buildings and areas owned or occupied by the Postal Service and under the charge and control of the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318), and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318a, 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318c).

SEC. [610] *609.* None of the funds made available pursuant to the provisions of this Act shall be used to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

SEC. [611] *610.* No part of any appropriation contained in, or funds made available by, this or any other Act, shall be available for any agency to pay to the Administrator of the General Services Administration a higher rate per square foot for rental of space and services (established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended) than the rate per square foot established for the space and services by the General Services Administration for the fiscal year for which appropriations were granted: *Provided, That the amount of space and service levels provided will be commensurate with the amounts appropriated, or otherwise made available therefore in Appropriations Acts.*

SEC. [612] *611.* (a) Notwithstanding any other provision of law, and except as otherwise provided in this section, no part of any of the funds appropriated for the fiscal years ending September 30, 1990, or September 30, 1991, by this Act or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code, or any employee covered by section 5348 of that title—

(1) during the period from the date of expiration of the limitation imposed by section 612 of the Treasury, Postal Service, and General Government Appropriations Act, 1989, until the first day of the first applicable pay period that begins not less than ninety days after that date, in an amount that exceeds the rate payable for the applicable grade and step of the applicable wage schedule in accordance with such section 612; and

(2) during the period consisting of the remainder, if any, of fiscal year 1990, and that portion of fiscal year 1991, that precedes the normal effective date of the applicable wage survey adjustment that is to be effective in fiscal year 1991, in an amount that exceeds, as a result of a wage survey adjustment, the rate payable under paragraph (1) of this subsection by more than the overall average percentage adjustment in the General Schedule during fiscal year 1990.

(b) Notwithstanding any other provision of law, no prevailing rate employee described in subparagraph (B) or (C) of section 5342(a)(2) of title 5, United States Code, may be paid during the periods for which subsection (a) of this section is in effect at a rate that exceeds the rates that would be payable under subsection (a) were subsection (a) applicable to such employee.

(c) For the purpose of this section, the rates payable to an employee who is covered by this section and who is paid from a schedule that was not in existence on September 30, 1989, shall be determined under regulations prescribed by the Office of Personnel Management.

(d) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section may not be changed from the rates in effect on September 30, 1989, except to the extent determined by

the Office of Personnel Management to be consistent with the purpose of this section.

(e) The provisions of this section shall apply with respect to pay for services performed by any affected employee on or after October 1, 1989.

(f) For the purpose of administering any provision of law, including section 8431 of title 5, United States Code, or any rule or regulation that provides premium pay, retirement, life insurance, or any other employee benefit, that requires any deduction or contribution, or that imposes any requirement or limitation, on the basis of a rate of salary or basic pay, the rate of salary or basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

(g) Nothing in this section may be construed to permit or require the payment to any employee covered by this section at a rate in excess of the rate that would be payable were this section not in effect.

(h) The Office of Personnel Management may provide for exceptions to the limitations imposed by this section if the Office determines that such exceptions are necessary to ensure the recruitment or retention of qualified employees.

SEC. [613] *612.* None of the funds made available in this Act may be used to plan, implement, or administer (1) any reduction in the number of regions, districts or entry processing locations of the United States Customs Service; or (2) any consolidation or centralization of duty assessment or appraisement functions of any offices in the United States Customs Service.

[SEC. 614. During the period in which the head of any department or agency, or any other officer or civilian employee of the Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of $5,000 to renovate, remodel, furnish, or redecorate the office of such department head, agency head, officer, or employee, or to purchase furniture or make improvements for any such office, unless advance notice of such renovation, remodeling, furnishing, or redecoration is expressly approved by the Committees on Appropriations of the House and Senate.]

SEC. [615] *613.* Funds appropriated in this or any other Act may be used to pay travel to the United States for the immediate family of employees serving abroad in cases of death or life threatening illness of said employee.

SEC. [616] *614.* (a) Notwithstanding the provisions of sections 112 and 113 of title 3, United States Code, each Executive agency detailing any personnel shall submit a report on an annual basis in each fiscal year to the Senate and House Committees on Appropriations on all employees or members of the armed services detailed to Executive agencies, listing the grade, position, and offices of each person detailed and the agency to which each such person is detailed.

(b) The provisions of this section shall not apply to Federal employees or members of the armed services detailed to or from—

(1) the Central Intelligence Agency;

(2) the National Security Agency;

(3) the Defense Intelligence Agency;

(4) the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;

(5) the Bureau of Intelligence and Research of the Department of State;

(6) any agency, office, or unit of the Army, Navy, Air Force, and Marine Corps, the Federal Bureau of Investigation and the Drug Enforcement Administration of the Department of Justice, the Department of the Treasury, and the Department of Energy performing intelligence functions; and

(7) the Director of Central Intelligence.

(c) The exemptions in part (b) of this section are not intended to apply to information on the use of personnel detailed to or from the intelligence agencies which is currently being supplied to the Senate and House Intelligence and Appropriations Committees by the executive branch through budget justification materials and other reports.

(d) For the purposes of this section, the term "Executive agency" has the same meaning as defined under section 105 of title 5, United States Code (except that the provisions of section 104(2) of title 5, United States Code shall not apply) and includes the White House Office, the Executive Residence, and any office, council, or organizational unit of the Executive Office of the President.

[SEC. 617. (a) None of the funds made available by this or any other Act with respect to any fiscal year may be used to make a contract for the manufacture of distinctive paper for United States currency and securities pursuant to section 5114 of title 31, United States Code, with any corporation or other entity owned or controlled by persons not citizens of the United States, or for the manufacture of such distinctive paper outside of the United States or its possessions. This subsection shall not apply if the Secretary of the Treasury determines that no domestic manufacturer of distinctive paper for United States currency or securities exists with which to make a contract and if the Secretary of the Treasury publishes in the Federal Register a written finding stating the basis for the determination.

[(b) None of the funds made available by this or any other Act with respect to any fiscal year may be used to procure paper for passports granted or issued pursuant to the first section of the Act entitled "An Act to regulate the issue and validity of passports, and for other purposes", approved July 3, 1926 (22 U.S.C. 211a), if such paper is manufactured outside of the United States or its possessions or is procured from any corporation or other entity owned or controlled by persons not citizens of the United States. This subsection shall not apply if no domestic manufacturer for passport paper exists.

[SEC. 618. TEMPORARY AUTHORITY TO TRANSFER LEAVE.—In order to ensure that the experimental use of voluntary leave transfers established under Public Laws 99-500, 99-591, and 100-202 may continue and may cover additional employees in fiscal year 1990, the Office of Personnel Management may continue to operate by regulation, notwithstanding chapter 63 of title 5, United States Code, a program under which the unused accrued annual leave of officers or employees of the Federal Government may be transferred for use by other officers or employees who need such leave due to a personal emergency as defined in the regulations. The Office may provide by regulation for such exceptions from the provisions of section 7351 of title 5 as the Office may determine appropriate for the transfer of leave under this section. The Veterans' Administration may operate a similar program for employees subject to section 4108 of title 38, United States Code. The programs operated under this section shall expire at the end of fiscal year 1990, but any leave that has been transferred to an officer or employee under the programs shall remain available for use until the personal emergency has ended, and any remaining unused transferred leave shall, to the extent administratively feasible, be restored to the leave accounts of the officers or employees from whose accounts it was originally transferred.]

SEC. [619] *615.* No funds appropriated in this or any other Act for fiscal year 1990 may be used to implement or enforce the agreements in Standard Forms 312 and 4355 of the Government or any other nondisclosure policy, form or agreement if such policy, form or agreement:

(1) concerns information other than that specifically marked as classified; or, unmarked but known by the employee to be classified; or, unclassified but known by the employee to be in the process of a classification determination;

(2) contains the term classifiable;

(3) directly or indirectly obstructs, by requirement of prior written authorization, limitation of authorized disclosure, or otherwise, the right of any individual to petition or communicate with Members of Congress in a secure manner as provided by the rules and procedures of the Congress;

(4) interferes with the right of the Congress to obtain executive branch information in a secure manner as provided by the rules and procedures of the Congress;

(5) imposes any obligations or invokes any remedies inconsistent with statutory law:

Provided, That nothing in this section shall affect the enforcement of those aspects of such nondisclosure policy, form or agreement that do not fall within subsection (1)-(5) of this section.

SEC. [620] *616.* (a)(1) Notwithstanding any other provision of law, in the case of fiscal year 1990, the overall average percentage of the adjustment under section 5305 of title 5, United States Code, in the rates of pay under the General Schedule, and in the rates of pay under the other statutory pay systems (as defined by section 5301(c) of such title), shall be an increase of 3.6 percent.

(2) Each increase in a pay rate or schedule which takes effect pursuant to paragraph (1) shall, to the maximum extent practicable, be of the same percentage, and shall take effect as of the first day of the first applicable pay period commencing on or after January 1, 1990.

(b)(1) Notwithstanding any other provision of this Act or any other law, no adjustment in rates of pay under section 5305 of title 5, United States Code, which becomes effective on or after October 1, 1989, and before October 1, 1990, shall have the effect of increasing the rate of salary or basic pay for any office or position in the legislative, executive, or judicial branch or in the government of the District of Columbia—

(A) if the rate of salary or basic pay payable for that office or position as of September 30, 1989, was equal to or greater than the rate of basic pay described in paragraph (3); or

(B) to a rate exceeding the rate of basic pay described in paragraph (3) if, as of September 30, 1989, the rate of salary or basic pay payable for that office or position was less than the rate described in such paragraph.

(2) For purposes of paragraph (1), the rate of salary or basic pay payable as of September 30, 1989, for any office or position which

was not in existence on such date shall be deemed to be the rate of salary or basic pay payable to individuals in comparable offices or positions on such date, as determined under regulations prescribed—

(A) by the President, in the case of any office or position within the executive branch or in the government of the District of Columbia;

(B) jointly by the Speaker of the House of Representatives and the President pro tempore of the Senate, in the case of any office or position within the legislative branch; or

(C) by the Chief Justice of the United States, in the case of any office or position within the judicial branch.

(3) The rate of basic pay described in this paragraph is the rate equal to the rate of basic pay payable for level III of the Executive Schedule under section 5314 of title 5, United States Code, as of September 30, 1989, increased by 3.6 percent.

[(c) It is the sense of the Congress that funding for any pay increase under this section should not be provided in a way that would be disruptive to the Federal workforce (such as if it would result in any involuntary separations or other adverse personnel actions) or compromise the quality or diminish the range of services provided by the Government.]

SEC. [621] *617.* Notwithstanding any other provision of law, no executive branch agency shall purchase, construct, and/or lease any additional facilities, except within or contiguous to existing locations to be used for the purpose of conducting Federal law enforcement training without the advance approval of the House and Senate Committees on Appropriations.

SEC. [622] *618.* None of the funds appropriated by this or any other Act may be expended by any Federal agency to procure any product or service that is subject to the provisions of Public Law 89-306 and that will be available under the procurement by the Administrator of General Services known as "FTS2000" unless—

(1) such product or service is procured by the Administrator of General Services as part of the procurement known as "FTS2000"; or

(2) that agency establishes to the satisfaction of the Administrator of General Services that—

(A) the agency's requirements for such procurement are unique and cannot be satisfied by property and service procured by the Administrator of General Services as part of the procurement known as "FTS2000"; and

(B) the agency procurement, pursuant to such delegation, would be cost-effective and would not adversely affect the cost-effectiveness of the FTS2000 procurement.

SEC. [623] *619.* (a) No department, agency, or instrumentality of the United States receiving appropriated funds under this Act for fiscal year 1990, or under any other Act appropriating funds for fiscal year 1990, shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such department, agency, or instrumentality.

(b) No funds so appropriated to any such department, agency, or instrumentality shall be available for payment in connection with any grant, contract, or other agreement, unless the recipient of such grant, contract or party to such agreement, as the case may be, has in place and will continue to administer in good faith a written policy, adopted by such recipient, contractor, or party's board of directors or other governing authority, satisfactory to the head of the department, agency, or instrumentality making such payments, designed to ensure that all of the workplaces of such recipient, contractor, or party are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such recipient, contractor, or party.

SEC. 620. When issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing projects or progams funded in whole or in part with Federal money, all grantees receiving Federal funds, including but not limited to State and local governments, shall clearly state (1) the percentage of the total cost of the program or project which will be financed with Federal money, and (2) the dollar amount of Federal funds for the project or program.

SEC. 621. Notwithstanding section 1346 of title 31, United States Code, or section 608 of Public Law 100-440, funds made available for fiscal year 1990 by this or any other Act shall be available for the interagency funding of national security and emergency preparedness telecommunications initiatives which benefit multiple Federal departments, agencies, or entities, as provided by Executive Order Numbered 12472 (April 3, 1984).

SEC. 622. (a) Section 3392 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(e)(1) The Senior Executive Service shall be a service in which rank and rate of pay are based on the performance of an individual and not on the position in which such individual is employed.

"(2) The Office of Personnel Management, or any department or agency may not prescribe or enforce any regulation that—

"(A) sets qualification or classification standards for admission or service in the Senior Executive Service which is not based on the requirement of paragraph (1); or

"(B) violates the requirement of paragraph (1) relating to the status of any career appointee in the Senior Executive Service.".

(b) Section 5383 of title 5, United States Code, is amended by adding at the end thereof the following new subsections:

"(e)(1) If a career appointee in the Senior Executive Service is reassigned or transferred under section 3395, or accepts an assignment under sections 3372 and 3373, such appointee shall retain his rank and rate of pay regardless of the designation of rate of pay and rank of the position to which the appointee is transferred or assigned.

"(2) If any agency coerces or requires a career appointee to accept a position described under paragraph (1) at a lower rate of pay or rank, such employee may file a complaint with the Merit Systems Protection Board, Office of Special Counsel as a prohibited personnel practice.

"(f) The rate of pay of a career appointee in the Senior Executive Service may not be reduced, unless such reduction is based on the poor performance or misconduct of such appointee.".

(c) Section 5384(c) of title 5, United States Code, is amended by adding at the end thereof the following: "In the case of performance awards paid by any agency under this section to career appointees, any such award shall be based on recommendations by a performance review board with a membership that consists of more than one-half career appointees.".

(d)(1) Chapter 57 of title 5, United States Code, is amended by inserting after section 5724c the following new section:

"§ 5724d. Relocation bonuses for career appointees

"Subject to regulation to the Office of Personnel Management, an agency may pay a relocation bonus of an amount no less than 15 percent and no greater than 25 percent of the annual compensation based on the basic rate of pay of a career appointee in the Senior Executive Service to such an appointee, if the agency determines that a bonus is appropriate to attract highly qualified career appointees for a position located in an area which is geographically undesirable because of local cost-of-living factors.".

(2) The table of sections for chapter 57 of title 5, United States Code, is amended by inserting after the item relating to section 5724c the following:

"5724d. Relocation bonuses for career appointees.".

This Act may be cited as the "Treasury, Postal Service and General Government Appropriations Act, 1990".

Mr. BAUCUS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested by the Senator from Montana. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I ask unanimous consent that I may speak for 1 minute out of order.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator is recognized for 1 minute.

CONFIRMATION OF GILBERT CARMICHAEL TO BE ADMINISTRATOR OF THE FEDERAL RAILROAD ADMINISTRATION

Mr. COCHRAN. Mr. President, the Senate has expressed its consent to the confirmation of Gilbert Carmichael of Mississippi to be Administrator of the Federal Railroad Administration.

I was really delighted that the Senate expressed its consent in a timely fashion to this nomination because he is one of the finest citizens of the State of Mississippi. He has had a career of over 30 years that has been very much a positive influence in the economic, political and civic life of the State of Mississippi. He has been a leader in his community and throughout our State.

An article that I inserted in the RECORD during consideration of his confirmation clearly indicated that he has a unique place in the history of the political life of our State. He is very well qualified for this particular

job because of his many assignments in transportation areas of responsibility both at the State and the national level.

I predict he is going to serve with great distinction as our new Administrator of the Federal Railroad Administration.

I thank the Chair for the time.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SANFORD). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SYMMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. Mr. President, I ask unanimous consent that I might speak as though in morning business for 30 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

BRIG. GEN. HARRY W. JENKINS, JR.

Mr. SYMMS. Mr. President, one of the finest pleasures all of us have in serving this body is the opportunity to publicly acknowledge some of the outstanding patriots of our Nation. I wish to say goodbye to Brig. Gen. Harry W. Jenkins, Jr., who served as the legislative assistant to the Commandant of the Marine Corps since September 1987. Harry has been a vital link between the Marine Corps, the Department of the Navy, and the U.S. Senate. It has been my privilege to work with him on numerous occasions, covering a variety of military issues. In August, Harry is returning to the Fleet Marine Force to command the Fouth Marine Expeditionary Brigade located in Norfolk, VA. Although his departure is going to be a great loss to us, the officers and marines of the brigade will gain a superb leader and a proven tactician, reflecting on his past successes while commanding forces along NATO's northern flank.

Over the past 2 years, Harry has earned the respect, gratitude and friendship of my distinguished colleagues. He has performed his duties in a loyal, professional manner at all times, whether it was accompanying Senator's on fact-finding missions or providing information on critical issues of the day relating to the Marine Corps. I believe I speak for this entire body when I say that I will miss the conscientious approach that Harry brings to all his duties. I worked with him on all kinds of issues from troop strength, procurement, even Idaho seed potato certification which is done at Camp Pendleton, CA.

It has truly been an honor and a privilege for me to know and work with this outstanding marine. I thank him for his tremendous dedication, and I want him to know that his contributions have made a significant difference for the Armed Forces of the United States, and good relations between the U.S. Marine Corps and Congress.

So I bid farewell to our friend Harry Jenkins as he takes his new command. The country could not have a greater patriot and the Marines a better officer. Semper Fi.

TREASURY, POST OFFICE, EXECUTIVE OFFICE OF THE PRESIDENT, AND INDEPENDENT AGENCIES APPROPRIATIONS, FISCAL YEAR 1990

The Senate continued with the consideration of the bill.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the Senate turn to the consideration of H.R. 2989 a bill making appropriations for the Department of Treasury, U.S. Postal Service, the Executive Office of the President and certain Independent Agencies for fiscal year 1990 and for other purposes.

I further ask unanimous consent that the committee amendments to H.R. 2989 be considered and agreed to en bloc provided that no point of order be waived thereon and that the measure as amended be considered as original text for the purpose of further amendments.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, along with my distinguished Ranking Member, the Senator from New Mexico [Mr. DOMENICI] I am pleased to bring before the Senate, H.R. 2989, the Treasury Department Appropriations Act for Fiscal Year 1990. The bill, as reported by the Committee on Appropriations, is within the 302(b) allocations for budget authority and outlays. It contains $18,411,603,000 in new budget authority and $17,932,329,000 in budget outlays. This amount is $6,512 million below the President's request and $11,209 million under the House allowance.

Mr. President, the Department of Treasury appropriations bill funds all of the Treasury law enforcement agencies like the U.S. Customs Service, which has primary responsibility over the protection of our Nation's borders from the illegal entry of narcotics and other contraband; the Bureau of Alcohol, Tobacco and Firearms, which carries out all law enforcement investigations related to firearms violations; the Federal Law Enforcement Training Center, which provides consolidated law enforcement training for the majority of our Federal as well as State and local law enforcement agencies; and last, but not least, the newly established Office of National Drug Control Policy, which has primary executive branch responsibility for the formulation of national drug policy and oversight. The bill also provides funding for our Nation's largest revenue producer, the Internal Revenue Service, and many other Federal agencies whose responsibility it is to carry out general governmental functions. The bill also contains funding for the Executive Office of the President agencies as well as a number of independent agencies like the General Services Administration and the Office of Personnel Management. In fiscal year 1990, the committee bill recommends a funding level of $5,211,732,000 for the payment to the civil service retirement and disability fund; and $3,780,169,000 for the Government payment for annuitants and employee health benefits. These levels of funding represent an increase of $570,988,000 over the fiscal year 1989 enacted level.

Mr. DOMENICI. Will the Senator yield?

The Senate is not in order.

The PRESIDING OFFICER (Mr. WIRTH). The Senate will be in order.

The Senator from Arizona may continue.

Mr. DECONCINI. Mr. President, this year it was particularly difficult to formulate a bill which provided the minimum funding levels necessary to carry out the enormous responsibilities of the many and varied programs funded under this bill. While the bipartisan budget agreement assumed current service levels for most Federal programs, it did not assume the increases required to maintain current levels or fund the enhancements contained in the President's budget request. The Treasury/Postal Service Subcommittee's 302(b) allocation for fiscal year 1990 was $22,000,000 less than the President's budget request and $25,000,000 less than CBO's current services estimate for budget outlays. In addition, due to statutory requirements, the subcommittee had to fund three new accounts which include the Office of the Inspector General, Department of Treasury; Office of the Inspector General, Office of Personnel Management; and the Office of Government Ethics. As in past years, the administration has once again proposed a major funding increase of $348,000,000 for the Internal Revenue Service to achieve, among other things, an additional $450 million in revenues for deficit reduction purposes assumed in the bipartisan budget agreement. This $348 million increase is also needed to provide improved service to taxpayers who call or write the IRS for information concerning their tax returns. In fiscal year 1990, the IRS proposes to maintain an 85-percent level of service to taxpayers and improve the accuracy of the infor-

mation being passed on to the taxpayers through the conversion of temporary and seasonal employees to permanent positions. Perhaps the most important increase contained in the IRS budget for fiscal year 1990 is an additional $80 million for the redesign of our tax system. Mr. President, without a major overhaul of the IRS automated data processing systems, the IRS will reach peak capacity by as early as 1994. If this should occur without a backup system, this Nation would be faced with a major revenue loss. This is the first time in many years, Mr. President, that the Committee on Appropriations has been able to provide the full amount requested by the President for the Internal Revenue Service.

For the general government agencies like the Financial Management Service, which processes all of the checks issued by the Federal Government; the U.S. Mint, which plans to produce 19.5 billion coins in fiscal year 1990, and the Bureau of the Public Debt, which is responsible for administering all of the laws and regulations pertaining to public debt financing, the bill contains modest increases to permit these agencies to cover the costs of increased workloads in fiscal year 1990. The people who work in these agencies our unsung heros—the work they do is part of the nuts and bolts which holds the Federal Government together.

Having said that, Mr. Chairman, I believe the bill that we are recommending to the Senate is fair and balanced. The ranking member, Mr. DOMENICI and I have shaped a bill which provides the full amounts requested by the President for the Treasury departmental offices, the Financial Management Service, the Bureau of the Public Debt and the mint. It also contains the requested level of funding for most of the independent agencies contained in the bill.

Mr. President, turning to the drug issue, our cities and towns all cross this country are choking from the grip of drug-related violence. Certainly that is the case here in our Nation's Capital as well as in cities in the Southwest, Northeast, and all across the Midwest. I believe the Federal Government has a responsibility to provide the Federal resources needed to allow our law enforcement agencies to truly wage an all out war on drugs. The bill before this body, contains increased levels of funding for critical drug interdiction and law enforcement activities of the U.S. Customs Service. It also contains increased funding over and above the President's request for the Bureau of Alcohol, Tobacco and Firearm's Armed Career Criminal Program; and additional funding for the expanded construction of facilities for the Federal Law Enforcement Training Center to meet the growing demands of the law enforcement community.

For our Federal employees, the bill contains a provision which authorizes the full 3.6-percent cost-of-living adjustment for general schedule Federal employees starting January 1, 1990. This COLA does not apply to Members of Congress, judges, or executive branch personnel above executive level III. Unfortunately, while the bipartisan budget agreement assumed 22 percent absorption for the 1990 COLA, we just did not have the estimated $150 million in additional funding it would cost for that level of absorption. As a result, we have had no choice but to take the same approach as we did in fiscal year 1989 which is to include a provision which applies only to the agencies under our jurisdiction, which calls for full absorption of the pay raise. I understand the burden this places on all Federal agencies, however, until and unless the administration recognizes the need to fully fund the pay raise in its regular budget submissions or through a supplemental, I see no way we can come up with the additional funding required to cover the costs of the pay raise.

For the General Services Administration, we have included sufficient funding in the construction and repairs and alterations accounts to fund those priority projects authorized by the Senate Environment and Public Works Committee. These accounts include $54.6 million for new and improved border stations along the United States-Mexico border to facilitate vehicular entry and commercial trade along the border from Texas to California. This is the third year in a row we have provided additional funds for the United States-Mexico Border Improvement Program and we are adding these funds to the $88 plus million that has already been provided to date.

Finally, Mr. President, the bill contains a provision which relates to section 89. We have amended the provision included in the House-passed bill which would have prohibited the implementation or enforcement of section 89. The new section 524 of the bill will indeed eliminate the ability of the Internal Revenue Service to enforce what nearly every Member of Congress knows to be an overly confusing and counterproductive provision of the Tax Code, section 89.

The Senate version of this provision prohibits spending by Treasury or IRS to enforce, or issue regulations binding on the taxpayer with respect to section 89 of the Internal Revenue Code. The House version had inadvertently precluded implementation and enforcement of non-section 89 provisions included in section 1151 of the Tax Reform Act of 1986. Had the Senate not caught this mistake, many employee benefit programs, including cafeteria plans and educational assistance programs, would been very adversely affected. Further, there may have been a great loss of revenues to the Federal Government as IRS would also have been precluded from enforcing those other non-section 89 provisions passed along with section 89 in the section of the Tax Reform Act of 1986.

The Senate version also improves upon the intent of the House language by providing limited authorizations to the Treasury and IRS to provide taxpayer assistance and also training to their own personnel. I believe this change is the most important item in this Senate provision.

Before I yield to my friend from New Mexico, and I want to pay particular thanks to the Senator from New Mexico and other Members of the committee, it has been a pleasure to work on the bill with them, although I would guess we are going to have some difficult issues in the conference.

I want to take this opportunity to express my thanks and appreciation to the staff, my staff, Patty Lynch, Ursula Maurer, and Karen Robb, along with Becky Davies of the minority staff. This would not have been able to be brought to the floor today if these dedicated people had not worked literally all night and all week last week in order to be prepared today.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER (Mr. DASCHLE). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, last year we produced the first regular Treasury, Postal Service, and General Government Appropriations Act for the first time in 8 years. We had been acting on continuing resolutions the previous 8 years. Funding for the important day-to-day operations of Government covered in this bill in each of the fiscal years from 1981 through 1988 was covered, as I indicated, by a series of continuing appropriations resolutions. The signing into law last year of the fiscal year 1989 Treasury, Postal Service, and General Government Appropriations Act was historic in that sense. I hope we can repeat that achievement. When we come out of conference, we will be ready to pass again a freestanding bill as contemplated by our appropriations process. Perhaps if we do it 2 years in a row, it will become ordinary and regular as it should be.

Before I give my comments on the substance of this appropriations act, I would like to commend my good friend from Arizona, the chairman of the Treasury appropriations subcommittee, for his hard work and leadership on this bill. He has already thanked the other members of the committee who so generously gave of their time

and helped us expedite this matter, and to the staff. I second his commendation which he has indicated to the Senate in the RECORD.

Mr. President, obviously, it is a pleasure to bring before the Senate H.R. 2989, the Treasury, Postal Service, and General Appropriations Act for fiscal year 1990. This bill, as reported by the committee, provides a total of $18.4 billion in appropriations for activities of the U.S. Treasury Department, the U.S. Postal Service, the Executive Office of the President and a number of very important independent agencies, including the General Services Administration and the National Archives and Records Administration.

Of the total funding provided for appropriated programs under the fiscal year 1990 budget resolution, the Appropriations Committee allocated $18.5 billion in budget authority and $18 billion in outlays to the Treasury Subcommittee for the purposes contained in this appropriations bill. The total level of budget authority and outlays associated with this bill is under these 302(b) allocations, both for mandatory and discretionary spending.

The total of $18.5 billion recommended in this bill is also about $6.5 million below the level of the President's request and about $11.2 million below the funding level recommended in the House-passed bill.

It has not been easy to meet these targets and, obviously, we have some different views and different policies that show up in the funding between this bill and the House bill. Thus, we will have to go to conference, and it may be a difficult conference.

For the first time, as the chairman indicated, the committee has been able, following the lead of the budget summit conference, the executive bicameral, bilateral summit, to recommend the total amount of funding requested by the administration for the Internal Revenue Service. This was not easy because this is fast spendout money, and we had to have an additional $348 million in increased funding in order to meet the requirements and requests of the President of the United States to appropriately operate the Internal Revenue Service and collect from those who owe taxes to the United States.

We recognize that need, and we recognize that it was a commitment that the summit imposed upon us, and we are living up to it. It is also critical that IRS sustain and improve services to the American taxpayers and that we move forward on a tax system redesign. We already have that effort underway and it is necessary that we continue it to assure the adequacy of our Nation's tax filing and processing system in the near future. Funding is recommended for these vital IRS reforms and modernization activities.

The bill also places a very high funding priority on those matters that pertain to law enforcement activities and antidrug activities. It recommends nearly $13 million above the level requested by the President for the Law Enforcement Training Center in order to meet the ongoing training requirements of Federal law enforcement agencies.

An increase of $11.6 million is provided above the President's request for the Bureau of Alcohol, Tobacco and Firearms. This level of funding provides a total of $50,700,000 for the Armed Career Criminal Program, $14.4 million above the current fiscal year funding level. This program is aimed at armed repeat offenders most often involved in illegal narcotics-related activities. This bill also recommends for the Bureau of Alcohol, Tobacco, and Firearms to form five additional task forces to be located in high-crime cities where there is a growing incidence of firearm violations relating to narcotics trafficking. This increase in funding is provided along with adequate funding for the Bureau to continue its important alcohol enforcement and compliance activities.

The committee also has recommended additional funding for the U.S. Customs Service for fiscal year 1990. The committee has provided the $28 million requested by the President for cargo container examination, an initiative aimed at the detection of narcotics and other contraband hidden in commercial shipments entering U.S. ports. This initiative is essential given the increasing trend we have witnessed in the last few years in the use of containers as a cocaine smuggling method. The funding recommended for Customs also includes the additional $3 million requested by the President for enhanced money laundering investigations in fiscal year 1990. We differ with the President in one respect. That is, the increased funding recommended for these antidrug initiatives will not come at the expense of Customs commercial operations activities which facilitates the flow of legitimate cargo across our Nation's borders. As a matter of fact, this subcommittee is very proud of the improvements that have been made to border operations between the United States and Mexico. In 3 or 4 more years, we will have these improvements reach a level of development that will do America proud and enhance and encourage maximum trade between the Republic of Mexico and the United States.

The bill also recommends increased funding for Customs air interdiction which we think is critical in sustaining and improving our continued battle against drug-smuggling aircraft. The surveillance, tracking, and apprehension capabilities which will be funded by the committee's recommendations will allow Customs to carry out its ongoing air interdiction responsiblities and its role under DOD's new plan for the detection and monitoring of the transit of illegal narcotics into the United States.

In addition, the committee recommends an increase of $10 million in the limitation on the availability of deposits in the Customs forfeiture fund in order to provide additional support to State and local law enforcement personnel involved in joint operations with Federal law enforcement people.

For the National Office of Drug Control Policy, the so-called drug czar's office, the committee has recommended the requested $8.5 million increase above the office's current funding level. That was requested by the drug czar, although we have not granted the requested authority for the expenditure of special forfeiture fund balances becoming available at the close of fiscal year 1990. The committee took such action without prejudice. It will consider requests for release of these moneys once the conditions for the expenditure of these funds as required by the Anti-Drug Abuse Act of 1988 are met.

The funding level recommended by the committee for the Secret Service is roughly $7 million below the level recommended by the President. I would like to point out to my colleagues that this reduction is equal to the amount requested by the President for the consolidation of the Secret Service headquarters building in Washington, DC. Given the pressing funding needs this year and the fact that the committee learned this consolidation would not occur in fiscal year 1990, we have deferred the funding until next year. Thus, when you remove that, we are funding the operation level at the request of the President.

An appropriation of $430 million is recommended for the revenue for foregone payment to the Postal Service in fiscal year 1990, $30 million below the estimate required to maintain all authorized reduced-rate categories of mail at their current subsidized levels.

This savings results from a provision in the bill restricting the use of third-class nonprofit rates for the sole purpose of advertising for-profit goods and services unrelated to the primary purpose of the mailing organization or provided by the members of such organization for whose benefit such mailing privilege was established.

I believe this is justified and if there are any who would like to debate that issue, we think we can supply you with ample evidence that we are closing a significant abuse of the subsidized third-class mail privilege, and those who are using this provision for char-

ity and other purposes need not worry; they are still covered.

Travel packages, insurance, credit cards, and personal computers are a few examples of advertising being subsidized through preferred rates. The result of this is that taxpayers are unintentionally subsidizing commercial enterprises rather than the educational and nonprofit organizations for whose direct benefit the preferred mailing rates were authorized. Nonprofit organizations will continue to receive subsidies for mail essential to their mission. Other mail eligible for reduced or free postage rates—including political advocacy, library, rural newspapers, and other periodicals, and blind and overseas voter mail—will be unaffected by this action.

Funding recommended in the bill for other treasury department activities, for the executive office of the President, and for various independent agencies are consistent with the levels requested by the administration for fiscal year 1990.

I would like to highlight just a few of the general provisions and other recommendations included in this bill. The bill provides for a 3.6-percent increase for all civilian Federal employees effective January 1, 1990. Excluded from this pay increase are Members of Congress and legislative, executive, and judicial branch employees above level III.

AlCl included in the bill is a provision preventing the use of any moneys provided to enforce or issue any regulations binding on the taxpayer concerning any of the provisions of section 1151 of the tax reform act of 1986 which relate to section 89, regarding the application of antidiscrimination rules to various types of employer benefit plans. While this action does not repeal section 89, it provides a one-year moratorium on enforcement of section 89 by the Department of the Treasury and the Internal Revenue Service.

As has been indicated, we found a way in this appropriations bill to send one more strong message about section 89. I see the distinguished Senator from Wisconsin, Senator KASTEN, on the floor. He has been the leader in the Senate trying to make some sense out of this provision called section 89. In fact, he has led the Senate to the brink of repealing it. We cannot repeal it here. It is not within our jurisdiction. But we have regularly, under his leadership and with the support of many Senators, including the Senator from New Mexico, requested that the appropriate committees of jurisdiction either repeal the measure or substantially modify it. So in this bill, as the distinguished chairman indicated, we have as carefully as we could removed all enforcement money from the IRS as it pertains to section 89.

I think we did a good job on that because they can still answer questions; they can still adopt guidelines so long as they are not binding, but they cannot enforce that section. It seems to me that the committees of jurisdiction, with the adoption of this amendment and the other activity on the floor, and what is now becoming more and more evident to everyone, say that section 89, while it purports to be a nondiscrimination provision of the IRS, is indeed a major discriminator against many businesses in this country.

For those who say section 89 was intended to prohibit discrimination, there are many who believe it is going to discriminate against those who need health care because companies will not buy it, and for small businesses that cannot afford it, it would seem to this Senator it is a discrimination of the type we do not want to continue.

There are many other facts that the distinguished Senator from Wisconsin is far more familiar with than I, but I do believe it is time once again to send one more strong signal about section 89, that the people of this country who know about it almost overwhelmingly support either its repeal or that it be subjected to major surgery.

With that, I yield the floor and again thank the distinguished Senator from Arizona for his hard work and his cooperation. I hope Senators who have amendments will come to the floor as soon as possible because we would certainly like to, once again, as I indicated in my opening remarks, get a freestanding bill to the President of the United States for this very vital part of the operations of our Government.

Mr. BYRD. Mr. President, H.R. 2989, the Treasury, Postal Service, and general Government appropriations bill for fiscal year 1990 provides funding for the programs of the Department of the Treasury, including the Customs Service, the Secret Service, the IRS, and the Bureau of Alcohol, Tobacco, and Firearms.

In addition, the bill provides funding for the payment to the Postal Service fund, the various offices within the Executive Office of the President, and certain independent agencies including the General Services Administration, the Office of Personnel Management, and the National Archives.

The bill as recommended by the Committee on Appropriations provides total obligational authority of $18,411,603,000. This represents a decrease of $6,512,000 from the President's request and a decrease of $11,209,000 from the House-passed bill. With respect to the subcommittee 302(b) allocation, the bill as recommended is within both the budget authority and outlay ceilings.

I wish to commend and to thank Mr. DECONCINI, the chairman of the subcommittee and Mr. DOMENICI, the ranking member, for their excellent work in accommodating the priorities of the Senate within the constraints of the budget agreement. Their work has been hard, it has been arduous, and they have performed it well. I also want to thank their colleagues on the subcommittee on both sides of the aisle and the full committee for the cooperation which has been given to Mr. DECONCINI and to Mr. DOMENICI and to me as chairman of the full committee.

The managers have explained in much greater detail the contents of the measures recommended to the Senate. The bill as reported by the Appropriations Committee deserves the support of the Senate.

I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I am only going to take 1 minute, I say to my friend from Wisconsin.

I failed to recognize the leadership that has been provided both on the floor and in the Appropriations Committee by the distinguished junior Senator from Pennsylvania. I do not know if he is on the floor now, but he has been regularly telling the Senate that the armed career criminal program is a very effective program and that it even might be called an anti-drug program because of the close relationship between armed criminality and drugs.

We have this year found money to accommodate his request that we continue to enhance support for it. We went $14.4 million over last year for a total of $50.7 million for the armed career criminal program, which certainly will dramatically increase the scope in the major cities in which it can operate and probably is as effective a $14.4 million increase as we could make anywhere within the drug program of the United States.

I am very pleased to acknowledge his leadership and to have been part of increasing this program's effectiveness in the United States.

I yield the floor.

Mr. KASTEN. Mr. President, I would like to focus the attention of my colleagues for a moment on the section 89 provisions of the bill, and begin with thanking and commending the chairman and ranking member, the Senator from Arizona and the Senator from New Mexico, for their help, their support and their leadership in our efforts at repealing section 89.

Over the past 4 months I have repeatedly brought this issue, the issue of section 89, to the floor.

I believe, and I now know, a majority of my colleagues believe section 89

must be repealed. It should not be reformed. It should not be simplified, it should be repealed, and it must be repealed. Section 89 is unwise, section 89 is unworkable, and section 89 is just plain unfair. As the Senator from New Mexico very ably pointed out, it is particularly unfair to small and medium-sized growing businesses. Today the Senate is now poised to take a giant step closer to the outright repeal of section 89.

As was mentioned by both the ranking member and the chairman, included in this appropriations bill is language which effectively bans section 89 during fiscal year 1990. Specifically the language would ban the use of public funds to enforce section 89 or to issue any new regulations which are binding on the taxpayers.

Mr. President, this is a great victory for the advocates of repeal, and a great victory in the fight for Federal policies which truly make affordable health care a reality for America's workers.

It is clearer today than ever before the section 89 should be and will be repealed. This week, I joined with representatives of the Institute for Research on the Economics of Taxation [IRET] in announcing the results of a new study on the impact of section 89 on our Nation's economy. Simply put, the impact is devastating.

The businesses of this Nation will pay more than $4 billion to comply with section 89 this year. Gross national product will fall by $2.6 billion. This reduced level of economic activity will lead to the loss of nearly 90,000 jobs next year alone. And Federal revenues will fall by $800 million next year because of section 89.

Mr. President, this is outrageous. Statistics like these, combined with the frightening stories that are pouring in from the small businesses of America, make the repeal of section 89 an absolute necessity.

We will not repeal section 89 today—but we can take a giant step closer by approving this appropriations bill. This will put a 1-year ban in place, and give us the opportunity to repeal section 89 outright later this year.

We have improved upon similar language which was overwhelmingly adopted by the House of Representatives. We have cleared many hurdles to making this amendment the law of the land, and we have only one hurdle left to jump.

I hope this provision, and the bill, will receive the strong support of the Senate. The small businesses of this Nation deserve no less.

I would like to take just a moment to congratulate and commend the Senator from Arizona [Mr. DECONCINI] for his fine work in bringing the section 89 amendment through the subcommittee. The Senator is a strong supporter of repealing section 89. He has cosponsored S. 350, the section 89 repeal bill, and voted in favor of repeal on the Senate floor.

Mr. DECONCINI. I did vote in favor of repeal, and that vote came on an amendment offered by the Senator from Wisconsin. He has been a real leader in the fight to repeal section 89.

Mr. KASTEN. I thank my colleague, and I wonder whether we might spell out right here what exactly the amendment would or wouldn't do. It is my understanding that this amendment's language is not exactly the same as the language passed by the House of Representatives. Is that correct?

Mr. DECONCINI. The Senator is correct. Two very valid concerns were raised about the implications of the House language. The first was that the House amendment was too broad. Instead of simply addressing section 89, the amendment inadvertently reached into other areas of the Tax Code. The second concern was that under the House language, IRS assistance to taxpayers seeking information on section 89 was prohibited. This is something no one wants to happen, and the amendment addresses that.

Mr. KASTEN. I appreciate my colleague's attention to detail in this matter. I agree that these two consequences are ones we do not want and can ill afford. So, other than these two changes, both the House bill and the Senate bill would have exactly the same impact?

Mr. DECONCINI. The only other area that is singled out is section 89—related training activities by IRS employees, which are specifically allowed.

Mr. KASTEN. I can agree with that exception. What would happen to IRS enforcement under this language?

Mr. DECONCINI. It would cease. The IRS could not audit, penalize, or monitor any business during fiscal year 1990.

Mr. KASTEN. And what would happen to the IRS regulations?

Mr. DECONCINI. The IRS could not issue any proposed regulations or final regulations, or any other type of document which would serve the purpose of regulations. In addition, the current regulations would continue to not be binding on the taxpayer during fiscal year 1990.

Mr. KASTEN. So this provision effectively bans regulatory requirements and enforcement authority for fiscal year 1990?

Mr. DECONCINI. The Senator is correct.

Mr. KASTEN. What about other IRS activities, short of responding to individual inquiries on section 89 or training IRS employees about the provision?

Mr. DECONCINI. They are restricted. The IRS can assist and advise individuals. But the IRS cannot develop or issue any final, temporary or proposed regulations implementing section 89. The IRS cannot enforce section 89. The IRS cannot issue any new notice, announcement, or ruling which is binding on the taxpayer. We have come very close to completely stopping section 89 in its tracks for the next year.

Mr. KASTEN. So what my friend and colleague is saying is that the language before us prohibits the use of public funds by the Department of the Treasury for any purpose pertaining to section 89 which serves to enforce, advance, or further regulate this provision.

Mr. DECONCINI. The Senator is correct. That is exactly what this language does.

Mr. KASTEN. I thank my friend.

Mr. President, I ask unanimous consent that a copy of the IRET study on section 89 and a list of the groups which have worked for and support this language all be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

IRET BRIEFING ON SECTION 89: BAD FOR BUSINESS, BAD FOR WORKERS, AND BAD FOR THE ECONOMY

(By Roy E. Cordato)

Due to its complexities Section 89 will impose compliance costs of over $4 billion in 1990.

It is estimated that Section 89 will add $4 billion to the cost of labor in 1990 and consequently reduce the level of employment by 89,000 jobs.

By increasing the cost of production throughout the economy, Section 89 will result in a loss of $2.6 million in GNP in 1990.

As a result of the losses in employment and output Section 89 will lose $800 million in tax revenues in 1990.

Because salaries cannot be lowered to compensate for any increases in health insurance benefits, low income workers whose wages approach the minimum wage will be the most vulnerable to layoffs as a result of Section 89.

The underlying principle of Section 89, that health insurance benefits should be uniform among employees, ignores differences in people's needs and the realities of labor markets.

Section 89 is the enemy of free choice. The more health insurance options an employer offers his employees, the more he is penalized.

Section 89 amounts to a tax on the provision of health insurance in compensation packages. As a result it may well reduce the availability of health insurance as a component of the compensation package.

IRET ECONOMIC REPORT ON SECTION 89: BAD FOR BUSINESS, BAD FOR WORKERS, AND BAD FOR THE ECONOMY

(By Roy E. Cordato)

Section 89 of the IRS tax code was instituted as part of the Tax Reform Act of 1986. Its stated purpose is to discourage discrimination based on the worker's salary in the provision of employer provided fringe benefits. Virtually all tax deductible fringe benefits will have to go through five quali-

fying tests. An additional set of tests is applied to health and group term life insurance plans. These compliance requirements intrude heavily into the employer/employee bargaining process and have the potential of being very damaging to economic growth and prosperity. In addition, Section 89 will have the effect of raising the cost to employers of providing health insurance to employees. This may well reduce the amount of employer provided health insurance that is made available, at the very time when there is significant political concern about the number of individuals that are without health insurance coverage.

The direct effects of Section 89 will be felt most strongly with respect to the provision of health insurance. Over the last decade, workers have come to benefit from an invigorating dose of competition and choice with respect to health insurance plans. While most companies once offered their employees one health insurance policy, take it or leave it, now most workers have the opportunity to choose among dozens of options. Workers can now make tradeoffs between higher or lower wages and more or less extensive health care insurance coverage. To a substantial extent they can tailor their compensation packages to their own needs. If they are young and single and at low risk they have the opportunity to take more of their compensation in the form of wages and less in the form of extensive health care insurance coverage. Conversely, if they have a family or are older workers who may be at higher risk, they can make other tradeoffs. Clearly, these kinds of options have helped the average wage earner.

Section 89 threatens to take a good deal of that freedom away by penalizing both employers and employees in workplaces where these kinds of options are available. In order to reduce "employee-benefit discrimination" employers who are found not to be in compliance with Section 89 will have to reduce disparities between lower and higher paid workers with respect to health care coverage that they freely chose. In other words, simply offering insurance plans in a non-discriminatory way is not good enough. If these disparities are not removed, those higher paid workers with more extensive plans will have to pay a tax penalty on a portion of the value of their insurance benefits.

Currently the fate of Section 89 is up in the air. There are several proposals being considered to address the issue. The most drastic is a proposal by Representative John La Falce (D-New York), with over 300 cosigners, to repeal Section 89 entirely. House Ways and Means Committee Chairman Dan Rostenkowski, who until recently has opposed any changes to Section 89, has changed his mind and is proposing changes that would make it easier to comply with, but that do not challenge any of its underlying principles. In the Senate, Finance Committee Chairman Lloyd Bentson (D-Texas) is also proposing a simplification measure. At the present time businesses have to deal with Section 89 as it was originally conceived, and it is not clear which, if any, of these changes will be implemented.

COMPLYING WITH SECTION 89 [1]

The rules and regulations that must be adhered to in complying with Section 89 are extremely complex. This has meant that compliance will be over $4 billion in 1990.[2]

The first test that a company has to pass is to be sure that the benefit plans that are offered qualify as legitimate plans for the purposes of Section 89. The qualification tests are the easiest to pass but carry the stiffest penalties if they are failed. These tests require that: (1) the benefit plan is in writing, (2) benefit plans are legally enforceable, (3) employees are notified of the benefits, (4) the plan is for the benefit of the employees only, (5) the plan is permanent. If any of these tests are failed the value of the benefits actually received under the plan by any employee, regardless of salary, becomes part of the employee's gross taxable income. For example, if any employee has a serious illness and his health insurance policy makes $50,000 in benefit payments during a year when his insurance plan fails one or more of the qualifications tests, $50,000 will be added to his taxable income. Most nontaxable fringe benefits must pass the qualification tests. These include (but are not limited to) accident and health insurance, group term life insurance, educational assistance programs, dependent care assistance programs, employee discounts, and employer-operated eating facilities.

Health and group term life insurance plans have to meet a series of additional tests designed to determine if they are discriminatory. Three of the tests examine the extent to which all employees are eligible for the plan under consideration (the eligibility tests) and a fourth part pertains to the benefits actually received by the employees (benefits test).

Two of the eligibility tests look at the extent to which higher and lower paid employees are eligible for different plans while the third is meant to discover if the terms of a particular plan is discriminatory. The first two tests are referred to as the 50 percent eligibility test and the 90 percent/50 percent eligibility test. The 50 percent test requires that a minimum of 50 percent of the employees eligible to participate in any given plan must be non-highly compensated. (In most situations a highly compensated employee is someone earning at least $75,000 (indexed) annually.[3]) The 90 percent/50 percent test requires that 90 percent of all non-highly-compensated employees be eligible for benefits that are at least 50 percent as valuable as the most valuable benefit that is available to highly compensated employees. For example, if the most valuable health insurance benefits available to highly compensated employees are worth $4000, then 90 percent of all non-highly compensated employees must be eligible for plans worth at least $2000. The third eligibility test is nonquantitative and is referred to as the "nondiscriminatory terms eligibility test." It is meant to insure that specific benefits in a plan are not offered with only highly compensated employees or some subset of that group in mind. As one report has described it "this requirement is intended to treat as discriminatory a plan that, for example, covers a rare disease that only affects the owner of the business." [4]

The benefits test looks at the distribution of benefits that actually occur within a company. This test requires that the health insurance plans actually chosen by non-highly compensated employees have, on average, a dollar value of at least 75 percent of the average value of the plans chosen by highly compensated employees.[5]

In order to comply with these tests the data base and administrative requirements will be extensive. For larger organizations that have several operations or units under the banner of one company (corporation, partnership, etc.) the first task is to identify the "controlled group." This is the group of business units that must be considered as one for the purposes of Section 89 testing. Not only is a controlled group likely to include subsidiaries of a parent company that are otherwise unrelated to each other in terms of product lines or the labor markets that they must draw from, it can also include companies that are not considered part of the same parent company at all. The formulas for determining controlled groups are based on a percentage of the value of one company's stock that another company might hold.[6] One discussion of these follows:

"Corporation A owns 90 percent of corporation B and 40 percent of corporation C. Corporation B also owns 55 percent of corporation C. [All three corporations] are members of a controlled group." [7]

Once the appropriate controlled group is determined, data must then be collected on all the employees of the group. This includes part time employees working more than 17.5 hours per week, who must be considered in all of the tests described above. In addition to some relatively routine information such as social security number, salary, date hired, etc., this data base must also include sworn statements from employees verifying the coverage that has been selected, whether or not they have dependent family members, and whether the employee or his dependents has health insurance coverage by another employer. Also the precise nature of each employee's insurance benefits must be identified and its dollar value must be determined.[8] After gathering the necessary information on the entire population of employees, all highly compensated employees must be identified and separated out.

The point is that data gathering will be a costly and complicated process for large and small businesses alike. Large and structurally complex business organizations will suffer because of complications that are inherently created by having a large and diverse work force (part time, full time, and leased employees), and a greater number of insurance options. While small businesses' informational requirements will probably be less complex they are likely to have little of the necessary data readily available. The administrative burden of having to hire expensive outside consultants could be substantial and possibly unbearable for many small businesses.

SECTION 89 CURTAILS EMPLOYEES' FREEDOM OF CHOICE

The fundamental question that arises is, do the ends justify the means? The underlying value judgment behind Section 89 is that all workers within a work-place should both be offered and receive the same level of benefits, regardless of their income. In order to achieve this end, both freedom of contract and free choice is sacrificed. Why this sacrifice of freedom is considered worthwhile is not made explicit by the supporters of Section 89.[9]

There is no attempt made at justifying any of the battery of tests outlined above. With respect to the eligibility tests the question that arises is why should similarly valued benefits necessarily be made available to all employees? While differentials in availability are unusual, typically all plans are offered to all full-time employees, there is no reason to view differentials that do arise as being unfair or unjustified. Within a company different employees performing different duties compete in different labor markets. A manufacturing firm that has both management personnel and welders

must go searching in separate labor markets for these different employees. In order to attract workers in these markets they need to provide the kinds of compensation packages that the workers in these markets have come to expect and demand as remuneration for their services. If the market requires that different benefits be made available to different workers then this is what will occur. So long as labor markets are free, all labor contracts are voluntary and therefore mutually beneficial to both the employer and the employee. In this setting, it is not apparent why any differentials that arise among benefits that are available to different employees should be considered morally reprehensible.

There is even less justification, moral or otherwise, for the benefits test. The fact is that when free choice is allowed it is unlikely that equality of result will ever be achieved. People make choices based on their own needs and preferences which always differ from one person to another. Policies that force equality of result at the expense of free choice cannot make people better off.

Even it one starts from the perspective of a purely egalitarian ethic, and is generally unconcerned about individual liberties, Section 89 still doesn't make much sense. Its intent is not to ensure that everyone's level of compensation is the same but to equalize one component of everyones compensation package in a given workplace.

In fact, however, the after-tax value of compensation packages to the workers is likely to be unchanged after this "equalizing" process takes place. If lower paid workers are required to take more extensive health insurance coverage, it will be at the expense of money, wages or some other benefits. The issue for the employers is how much it costs them to compensate labor, not what form that compensation takes. It is the worker who is most concerned about the particular composition of the compensation package. The overall value of a worker's services to his employer is determined by how much the worker contributes to the production process. Without an increase in the worker's productivity there is no reason to expect that the total value of his compensation package would be increased. The reverse would be true if higher paid workers had to take less extensive coverage. Their wages or other benefits would have to be increased in order for employers to retain their services. This provision in the tax code neither makes compensation among workers more equitable nor makes workers better off.

Does Section 89 actually help to correct a problem caused by "benefit discrimination?" Lower-paid workers are generally not discriminated against with respect to the health or life insurance plans that they are offered. Employers do not typically only offer higher valued plans to higher-paid workers. If this were the case it could be easily remedied by simply making all plans available to all workers. Under these conditions the ultimate distribution of benefits is primarily the result of free choice. The most menacing aspect of the Section 89 requirements, the benefits test, has little to do with employer discrimination. With respect to benefit packages actually chosen by workers the only discrimination appears to be by the employees themselves, who, in making their free choices, discriminate among insurance plans. But certainly this could not be construed as harmful to anyone. This is the kind of discrimination that is inherent in free choice and that consumers exercise in the market place everyday. If this is the kind of discrimination that Section 89 is attempting to eliminate, then public policy should also be concerned about the fact that lower income people tend to buy more hamburger while wealthier people tend to buy more filet mignon.

IS THERE A HIDDEN AGENDA?

Section 89 does not address either a discrimination problem or an equality problem. The question arises then, what is really behind this section of the tax code? First, Section 89 has officially been scored as a revenue raiser for the government. Our own estimates suggest a revenue loss. Because of large compliance costs, which are all deductible, and a reduction in GNP, which is estimated to be 2.6 billion in 1990, it is estimated that in 1990 the government will lose $800 million as a result of Section 89.

The Joint Tax Committee has estimated that the federal government would gain up to $150 million annually in additional revenues as a result of this provision. This is because many employers are expected to take what might best be called the "non-compliance option." If it is determined ex post by the IRS that a company is not in compliance with Section 89's eligibility and benefits tests, the company's higher paid employees who have higher-valued plans will be taxed on the portion of those benefits that is considered to be above average. Even though it is likely that employers, in order to retain these workers, would have to increase salaries to compensate for the added tax burden it may be less expensive for an employer to do this than to bear the administrative costs associated with strict compliance. Interestingly enough, even if Section 89 really would raise revenue, it would only do so to the extent that it is not complied with.

The fact is that the tax penalty that would fall on some upper income workers as a result of this provision is simply a tax increase disguised as social policy. Section 89 is a back door approach to expanding the tax base. Those individuals whose taxable incomes are increased simply because their personal circumstances require more extensive health insurance benefits will be the unfortunate victims of this tax grab.

Section 89 might also be a less than straight forward attempt at implementing a mandated health insurance program similar to that proposed by Sen. Edward Kennedy and endorsed by former Democratic presidential candidate Michael Dukakis. To the extent that Section 89 achieves this goal it would have the same adverse consequences for workers and the economy.

As stated above, part time employees working more than 17.5 hours per week are included in the work force for purposes of Section 89 testing. This means that many part-time employees, who typically are not covered by health insurance, may have to be enrolled in the same plans as full-time workers. This could impose real hardships on these workers. First, it would create an incentive for employers to offer part time employment that entails less than 17.5 hours of work per week. Workers who desire less than full time employment but more than just a few hours a week may have to piece together their incomes from several different sources. Those workers who remain working part time but more than 17.5 hours per week will probably have to trade off lower cash wages in exchange for the health insurance benefits. Since most people who work at part time jobs do so for the extra cash, not for the benefits, this kind of trade off would clearly make them worse off.

What is ironic though is that Section 89 could actually lead to results that are at odds with the goals of those who are attempting to extend health care coverage to a greater number of people. Section 89 makes the provision of health care insurance by employers more costly. In other words it penalizes employers who provide health care insurance as part of their compensation packages. This means that some small employers that are currently providing health insurance may decide, after factoring in Section 89 compliance costs, that it is simply too costly to continue the policy. In addition, new businesses starting up that otherwise would have provided health insurance to their employees, may decide not to. Section 89 could actually lead to an increase in the number of Americans without health insurance. What is fortunate is that this result could give greater impetus to the legislative drive for mandated health insurance, ultimately burdening employers, employees, and the economy with both the costs of Section 89 and a mandated health insurance program.[10]

CONSEQUENCES FOR THE ECONOMY

Most directly, Section 89 will increase the cost of labor in the economy. Our estimates are that it will increase compensation costs in the year 1990 by $4 billion. Workers whose pay package composition is changed in order to pass the benefits test will need to have the dollar value of their total compensation package increased simply to keep them as well off as they were before the change. This is because the new mix of health insurance benefits, cash wages, and other benefits will not be the one that is most preferred from the point of view of the employee. If it were, he would have freely chosen it in the absence of Section 89. This means that from the employee's point of view the total compensation package is made less valuable if its overall dollar value remains unchanged. For the employer, then, the total cost of the affected compensation packages will have to increase in order to keep the employees as satisfied as they would be in the absence of the Section 89 requirements.

The additional administrative costs of this provision will be associated strictly with labor inputs into the production process, and the larger the work force the more burdensome the administrative costs will be. Survey results indicate that Section 89 compliance requirements will raise private sector labor costs by about .2 percent, on the average. This is equivalent to hiking payroll taxes by nearly $3⅗ billion in 1990. For this reason Section 89 will create new biases against the use of labor in general and will discourage the expansion of existing work forces. Our study estimates that Section 89 will lead to a loss of 89,000 jobs in 1990.

As with any increase in labor costs, Section 89 will reduce labor inputs relative to capital in the production process, leading to a decrease in capital's productivity. This, in turn, will cause a rise in its cost. The end result will be an overall increase in the cost of production economy-wide. So while the estimated tax drain on the economy is relatively low, the actual cost to the economy in terms of lost output could be much greater than this amount. For workers it will mean slower job creation rates and higher unemployment rates.

Ironically the employment effects of section 89 will have their greatest impact on lower-paid workers, with the most vulnerable being those working at or near the minimum wage. Most of these workers are part time employees and those just starting out in entry level positions. The reason for this is that there exists little or no downward flexility in their wages.

Those lower paid workers who are forced to take a greater proportion of their compensation in the form of health insurance will probably have to have some other part of their compensation package reduced. With minimum wage workers or those working for wages that are close to the minimum, a reduction in wages is ruled out. If they do not have other non-pecuniary forms of compensation that are more flexible, the chances that they will lose their jobs completely are increased. For those very low wage workers, the effects of Section 89 would be comparable to an increase in the minimum wage. There would be no incentive for the employer to retain any workers whose productivity does not justify the increase in the value of the compensation package that Section 89 would require. In this sense it is Section 89 itself and not any action on the part of the employers that discriminates against lower paid workers.

Section 89 should not be viewed in isolation. It is one of a number of straws that, collectively, could have a disastrous impact on the camel's back. In this case the camel is the U.S. economy in general and its workers in particular. Public policy makers seem to be going out of their way to make the use labor as costly as possible. Social Security taxes are scheduled to increase to 15.3 percent in 1990. Congress recently passed a plant closing notification law that could significantly increase labor costs.[11] Proposals are also being considered that would require employers to provide health insurance and parental leave benefits to all employees.[12] In addition it is possible that an increase in the minimum wage could also be passed this year. The point is that while all of this legislation is perceived to be pro-labor, it would add billions of dollars to labor costs and the cost of production in general. Section 89 is part of a total package that could significantly raise unemployment rates in this country.

In addition to its effects on labor and capital costs, Section 89 could also have an effect on the competitive process among firms and therefore on the overall efficiency of productive activity. It is likely that Section 89 will intrude into the competitive process in an industry by impinging disproportionately on different businesses. It will penalize companies that offer their employees greater choice with respect to health insurance options. It will also penalize companies who, by no fault of their own, have employees that happen to choose health insurance benefits in such a way that the Section 89 benefit tests are not met. These effects will raise the costs of production disproportionately for different businesses within an industry, which will give an undeserved competitive advantage to some and reduce competition overall. Any reduction in competition translates into a reduction in economic efficiency and productivity, and higher prices for consumers.

The negative economic consequences of Section 89 could be severe. AS mentioned above, it could mean a reduction in GNP of over $2.6 billion in 1990. It will cause increases in the cost of both labor and capital; in 1990 it will result in 89,000 fewer jobs than would otherwise have been filled. Its combined effects will be to retard overall economic growth which will make all segments of the economy—businesses, workers and consumers—worse off.

CONCLUSION

As social policy, Section 89 of the IRS Code is misguided. It presumably is meant to improve living standards for lower paid workers, while its likely effects are exactly the opposite. Its stated purpose is to eliminate so-called "benefit discrimination," when in reality is is difficult to see where or why such discrimination is a serious problem.

Section 89 will make workers in all income categories worse off by increasing the cost of labor and production in general, and by restricting workers's freedom to choose the compensation package that best fits their needs. Unfortunately, as is very often the case with such policies, the hardships will be born most heavily by those that the policy is supposed to help. Section 89 is a mistaken solution to a nonproblem. It calls for repeal. It is to be hoped that Congress will hear that call.

FOOTNOTES

[1] Information concerning Section 89 compliance requirements has been obtained from *A Section 89 Compliance Manual,* Ellen A. Fredel and William L. Sollee, Jr. (Washington, D.C.: Shaw, Pittman, Potts, and Trowbridge). All page numbers refer to reprint in *Tax Notes,* January 2, 1989.

[2] These estimates are based on a survey of a large number of businesses conducted by IRET in conjunction with The National Federation of Independent Business, The U.S. Chamber of Commerce, and The Association of Private Pension and Welfare Plans. Estimates and simulation were produced by Fiscal Associates, Washington, D.C. Unless otherwise specified, all estimates of the effects of Section 89 mentioned in this paper have been derived from these survey results.

[3] Others considered highly compensated would include those owning more than 5% of the company and those who are officers in the company and earn at least $45,000 (indexed).

[4] Fredel and Sollee, *op. cit.,* p. 111.

[5] There is a fourth test and that could substitute for the eligibility and benefits test outlined here. This is referred to as the 80% alternative test. If a plan actually benefits 80% of the non-highly compensated employees then it will be in compliance with Section 89. This would only benefit small companies with few or no insurance benefit options. "[I]f your company provides 'free' individual and family Blue Cross/Blue Shield health insurance coverage for every full- and part-time employee, you do not offer an HMO option, no employee is permitted to waive coverage, and there are no discriminatory plan terms, your company's health insurance would satisfy the alternative 80% coverage test . . ." Fredel and Sollee, *op.cit.,* p. 111.

[6] For a more detailed definition of a "controlled group" see Fredel and Sollee, *op.cit.,* p. 112.

[7] *Ibid.*

[8] For purposes of Section 89 every permutation of a health insurance option must be evaluated as a separate plan. For example if a company has one plan that offers a zero deductible and a positive deductible option and that also offers a single and family plan, it must be viewed as four separate plans.

[9] See Harry Conway and Carolyn E. Smith, "Policy Background: Section 89 Nondiscrimination Rules," *Tax Notes,* January 2, 1989.

[10] It has been estimated that mandated health insurance proposal that has been introduced by Sen. Edward Kennedy would reduce employment by 1 million jobs and cost the economy $100 billion. See Aldona and Gary Robbins, "Mandated Health Insurance," *Economic Policy Bulletin,* No. 39, (Washington, D.C.: Institute for Research on the Economics of Taxation), July 8, 1987.

[11] It has been estimated that if the mandatory plant closing notification law had been in effect between 1982 and 1986, 460,000 fewer jobs would have been created in the economy. See Robert R. Nathan, "The Private and Public Sector Costs of Proposed Mandatory Advance Notification Legislation," (Washington, D.C.: National Foundation for the Study of Employment Policy), January, 1988.

[12] For a discussion of the effects of parental leave legislation on the economy see Deborah Walker, "Mandatory Family-Leave Legislation: The Hidden Costs," *Policy Analysis,* No. 108, (Washington, D.C.: Cato Institute, June 8, 1988).

GROUPS THAT SUPPORT THE KASTEN/DECONCINI AMENDMENT

American Association of Advertising Agencies,
American Farm Bureau,
American Society for Personnel Administration,
Associated Builders and Contractors,
Associated General Contractors of America,
Food Marketing Institute,
Independent Bankers Association,
International Mass Retail Association,
National Association of Manufacturers,
National Club Association,
National Council of Agricultural Employers,
National Federation of Independent Businesses,
National Food Brokers Association,
National Grocers Association,
National Restaurant Association,
National Retail Merchants Association,
North American Equipment Dealers Association,
Printing Industries of America,
U.S. Chamber of Commerce.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. I thank the Chair.

Mr. President, I have just a few remarks to make on the pending bill. I wish to compliment the distinguished Senator from Arizona, Senator DECONCINI and the distinguished Senator from New Mexico, Senator DOMENICI on an outstanding bill. In addition, I want to compliment the distinguished chairman of the Appropriations Committee for bringing these bills to the floor so promptly.

We all know of the problems of the past years of having continuing resolutions and their detrimental effects on the operation of the Government. We remember vividly President Reagan's State of the Union speech in 1988 where he held the continuing resolution on the desk, had it poised delicately, and perhaps haphazardly. It appeared it was going to fall from the desk. I was sitting a few feet from him, and was very worried, but I think he had some underpinning to make sure it did not fall.

But that enormous continuing resolution was a very dramatic display about the importance of passing appropriations bills one at a time and on time.

He talked about the line-item veto, a measure that I think is important. Hopefully, we will have it perhaps in the form where a simple majority of the Congress—that is just a 51-percent majority of the Congress, which is never simple—could override a veto on these legislative matters. But until that comes, it is very important that

we pass the appropriations bills one at a time, and pass them early. To do that the activities of the committee, the chairman, and the subcommittee chairman and ranking member are very important, as exemplified here today as we proceed on that goal. My own efforts on the Appropriations Committee are directed toward the same line.

Mr. President, I wanted to comment specifically, to thank and compliment the chairman and the ranking member for the allocations provided in this bill for the Bureau of Alcohol, Tobacco, and Firearms who enforce my armed career criminal bill.

Mr. President, let me state very briefly what has been accomplished under the armed career criminal bill, and compliment the chairman and the ranking committee members for their efforts to have unique task forces created in a number of cities, including the city of Philadelphia.

There presently is an ongoing task force in the city of Philadelphia created in the Commerce, State, Justice appropriations bill and the necessary appropriations bill in 1986. That task force began its operations in 1988.

The Department of Justice delayed implementing this congressional directive until last year. The Department of Justice thought better of the importance of having the task force during the recent confirmation process for the Deputy Attorney General. But as a result of the political process that task force is now in operation. The task force has extra FBI agents, extra agents from the DEA, from the Immigration Service, BATF and extra U.S. attorneys.

It is proceeding very, very successfully in rounding up the major drug sellers and the major drug dealers in Philadelphia. These new BATF task forces however, provide a different emphasis—to put the violent armed career criminal behind bars using the mandatory sentencing provision of my Armed Career Criminal Act. The experimental task force recently concluded in the District of Columbia has proven enormously successful. I, therefore, look forward to its implementation in Philadelphia's working in conjunction with violent traffickers project mentioned previously.

Philadelphia, as a major city, has enormous problems with drug traffickers and violent criminals, candidly as do all of America's major cities, smaller towns, and the rural areas.

I have had intimate familiarity with the issue, having been district attorney in Philadelphia. I am glad to see the bill today again emphasizing the importance of the task force concept for Philadelphia and other cities.

I again thank and compliment the managers of the bill for their allocations and support of the armed career criminal bill.

Mr. President, the armed career criminal bill is a measure which this Senator first introduced in 1981. It was passed in 1982 but it was the subject of a veto on the larger crime package by President Reagan in January 1983. But it was brought back into law in the Omnibus Crime Control Act of 1984.

That bill provides that where some one is a career criminal, is found as having committed three or more major offenses, and that individual is found in the possession of a firearm, that individual is subject to prosecution in the Federal court as a career criminal, and subject to a mandatory sentence of 15 years to life.

This is a very important substantive measure, Mr. President, being directed against a critical criminal in our society, the career criminal. The statistics show that these career criminals commit up to 700 crimes a year, one or two or three a day. The estimates are that as many as 70 percent of the serious crimes in this country are committed by the career criminals.

This bill is directed right at the heart of the critical aspect of the violent crime problem in this country, and the drug sellers. The National Commission on Criminal Justice standards and goals estimated in 1972—a Commission on which I serve—that if we could put 200,000 career criminals in jail, we could reduce violent crime in this country by 50 percent. That is an objective that I think we ought to work toward.

My own estimate today is that we have perhaps as many as 400,000 career criminals at work in this country, some 17 years later. I think a very important goal is to add 200,000 jailcells in this country to house these career criminals.

But in today's bill, Mr. President, there has been a significant increase in the funding in the Bureau of Alcohol, Tobacco, and Firearms—an increase of some $13½ million to fund additional positions.

This funding, Mr. President, has gone from $2.5 million in 1987 to $17.8 million in 1988, to $36.3 million in 1989, to $50.8 million for fiscal year 1990.

I am pleased to say that I have worked closely with the chairman, Senator DECONCINI, and the ranking member, Senator DOMENICI, in working these figures through in collaboration with the Treasury Department.

These agents go right after the people who are in possession of firearms, and target the armed career criminals.

As stated earlier, there is a task force at work right now in Washingtom, DC, a special task force, which is having excellent results. The statistics show a high degree of prosecutions and a very high conviction rate. With unanimous consent, Mr. President, I will have those statistics in at the conclusion of my statement. I will not take the time of the Senate to recite them now.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SPECTER. I point out, Mr. President, that the Armed Career Criminal Act provides substantial additional leverage for local prosecutors. One of the original ideas in the legislation involves the problem that I had as district attorney of Philadelphia, when I had some 500 career criminals to prosecute. These criminals would dance their way through criminal courts in Philadelphia, getting continuances, and when ultimately convicted—if the witnesses lived long enough and could remember what happened—they would receive light sentences.

The thought on my mind was, if we can take this group of 500, for example, in Philadelphia, and take five of them into the Federal courts where they would be subject to immediate trial, within 90 days, and in some appropriate cases preventive detention, and where they have the benefit of the individual judge calendar, they could not make the same excuse repetitively for continuances. There they would receive sentences of 15 years to life. As for the other 495 on the DA's books, the prosecutor for the city and county of Philadelphia, those other 495 would know who was next. As a result, there would be a great many guilty pleas induced. While there would not be sentences of 15 years to life in the State courts, they would be 5 to 10 years, perhaps 6 to 12 or perhaps 4 to 8. There also would be a very substantial leveraging factor to get those cases concluded and get serious criminals off the street.

I am pleased to see that in the 5 years that the bill has been in operation, that it has been very successful, and I am just delighted with the increased funding which is being given to this Federal agency to carry this work forward, especially in light of the fact that the drug problem is so intimately connected with these armed career criminals. The more support along this line with the additional jail space, the better off we are on a very significant step against violent crime and drug-related crime in this country.

In addition, Mr. President, I wish to thank the members of the subcommittee for their assistance in including language in the bill restoring equity to the city of Easton, PA.

Due to geo-political boundaries, the city of Easton has not been in a position to include in its population count the metropolitan area which the city serves, giving the city a limited population for statistical purposes. The Office of Management and Budget

[OMB] ruled that only cities with one-third the population of the largest city in a certain area be included in that area's metropolitan statistical area [MSA] title. The OMB ruled in 1983 that the title of the Lehigh Valley's MSA was inaccurate and found it necessary to remove the "E" from the title "A-B-C". While the move seemed, at the time, a natural adjustment under the rules of OMB, it was not seen and is not seen by residents of Easton as a fair evaluation of their metropolitan area. The city of Easton always has been recognized as a significant part of the Lehigh Valley and, therefore, should be included in the MSA title, contrary to Federal regulations.

While the the city of Easton has not and will not suffer direct losses due to the inaccurate title of its MSA, the city fears that the omission of its name in the MSA will diminish its visibility to businesses and other economic development projects. In addition, the local resident's deep desire to be recognized in this way is testament to the enormous pride they have in their community and their desire to be recognized as an equal partner in the Lehigh Valley.

In response to this situation, I joined Senator HEINZ on January 31, 1989, in sponsoring S. 291, a bill to require the Director of Office of Management and Budget to include a reference to Easton in the official title of the MSA of which it is a part. In addition, Congressman DON RITTER also reintroduced legislation (H.R. 1211) to address this matter. The language contained in these bills is the thrust of the provision contained in this bill today. I understand that the House of Representatives also included this language in its Treasury appropriations bill.

Mr. President, I commend my colleagues for recognition of these important provisions, and urge them to join in support of passage of this bill.

I thank the Chair and the managers and yield the floor.

EXHIBIT 1

ARMED CRIMINAL ENFORCEMENT STUDY [ACES], WASHINGTON, DC

Reporting period: March 1, 1989, to May 1, 1989.—

119 criminal investigations initiated involving firearms and narcotics traffickers.

103 individuals arrested for firearms and narcotics violations.

7 922(g) cases recommended for prosecution (felon in possession of firearm).

15 924(c) cases recommended for prosecution (use of firearm during commission of drug trafficking crime).

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. I want to thank the Senator from Pennsylvania for his comments and leadership in this armed career criminal effort that he has been at for a long time. I joined with him early in supporting this effort, and having been also a prosecutor, I understand the importance of this program.

I want the Record to also show my compliments to the Senator from Wisconsin [Mr. KASTEN] for his remarks on section 89. He brought this amendment to the Senator from New Mexico and myself. We reviewed it and worked carefully with him to construct something that would achieve something we all want—that no funds can be used for the enforcement of the section of the Tax Code in fiscal year 1990. So, I am most grateful to him.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, I will be brief because I do not want to delay final consideration of this bill or any opportunity to get to the other bills so that we can complete action today. I also want to express my appreciation to the Senator from Arizona for the language he has in the bill on section 89.

There has been no issue, other than catastrophic health insurance perhaps, that I have heard more about from my constituents in Mississippi this year—particularly small business men and women—than section 89.

I have felt very strongly since the beginning of the year when I started looking at the ramifications of section 89 that it should be repealed. And I introduce my own legislation, S. 350, to accomplish that goal.

This provision, which did not take effect until January 1989, was intended to ensure that businesses did not discriminate in favor of highly compensated employees. Unfortunately, it is accomplishing the opposite.

From what the small business community in my State has relayed to me, many employers have taken action to drop employee health insurance in order to avoid costly compliance with section 89.

I support the intent of Congress in discouraging discrimination in employer-sponsored benefit plans. However, as small businesses became aware of the complex specifics of section 89, most are saying that it is simply too much trouble and too expensive, and are terminating all health benefit coverage. This law established to prevent discrimination is proving to be a law that could destroy most small employee medical plans, and leave many low-salaried employees with absolutely no medical insurance.

Implementation of section 89 is a significant problem for employers. Small employers are receiving quotes of a minimum of $1,000 for initial evaluations; larger firms are spending $50,000 and up to make a best guess at what section 89 compliance will require.

Section 89 does not protect or increase employee health coverage. Section 89 puts employee health plans at risk. This law will decrease the number of employees covered by employer-sponsored health insurance, and will likely decrease the extent of coverage for employees.

Even with some of the minor changes made to section 89 in the Technical and Miscellaneous Revenue Act of 1988, the provision remains a complex nightmare, especially for small businesses.

So I think the language in this legislation that prohibits enforcement, while we decide what to so with section 89, was the right thing to do.

I thank the distinguished chairman of the subcommittee and the ranking member, and I commend them for what they did on section 89.

I would like to make a couple points.

Mr. DOMENICI. Might I say to my good friend from Mississippi that I personally appreciate his remarks, but I do want to comment about his activity with reference to section 89. Obviously, in my remarks I indicated that the distinguished Senator from Wisconsin had taken the lead, but I also alluded to many Senators who have been actively seeking either repeal or substantial surgery on that statute, and now that you have come to the floor, I want to include your name as one specifically who has been active in trying to fix that very, very unfair and counterproductive statute.

Mr. LOTT. I thank the Senator from New Mexico. Just a couple of questions—maybe I can direct them to the chairman—about the bill itself.

I believe your indications have been that this bill is actually under the President's budget request. Is that right? How does it relate to the President's budget request for the Treasury, Postal Service and general Government appropriation bill?

Mr. DECONCINI. Just a minute, and I will get the exact figure for the Senator from Mississippi; $151 million below the President's request.

Mr. LOTT. And just one other question about——

Mr. DECONCINI. I stand corrected. It is not $151 million; $6.5 million, I believe.

Mr. DOMENICI. $6.5 million.

Mr. DECONCINI. It is $6,512,000; the Senator from New Mexico points that out; it is below the President's level.

Mr. LOTT. As I understand it, it is over last year's expenditure level by perhaps as much as a couple of billion dollars; is that correct? What is the explanation for that?

Mr. DECONCINI. Would you repeat the question?

Mr. LOTT. How much is it over last year's expenditures? While there are certainly some very worthwhile departments and agencies in this legislation, there are a lot of them that I

have a great deal concern about, particularly the IRS. I can appreciate the customs and drug enforcement activities, but I have problems when we have bills year after year that increase expenditures over the previous year.

Mr. DECONCINI. It is $2.365 billion over last year's level and $348 million of that alone is for the Internal Revenue Service, that we were asked to provide under the terms of the bipartisan budget agreement, to raise additional revenues to meet the Gramm-Rudman targets. And I have had difficulty with that for years, I can assure the Senator from Mississippi, adding money to IRS to collect money.

Mr. LOTT. I do not believe that works.

Mr. DECONCINI. I do not think it works either, but some others here made that agreement. It also has enhancements for the cost of living pay raise of 3.9 percent for all Federal employees here—that is the budget and the civil service retirement—mandatory programs, increases such as the civil service retirement.

Mr. LOTT. Well, I will not prolong this, but I want to make note of the fact that it is approximately $2 billion over last year's expenditure level. I would like to encourage the chairman of this subcommittee to see if we cannot keep these bills from increasing every year. And I particularly want to express my frustration at the ever-increasing fund for the Internal Revenue Service. Some of the antics and actions of that agency in recent times, I think, are not every commendable.

I do not believe that every time we give them more funds, we necessarily get more revenue. I do not know that I want to encourage that anyway. I will not prolong this discussion. But I did want to make note of the fact that the bill is over last year's level. I do not think it should be. I know the Senators are doing the best they can.

Mr. SYMMS. Mr. President, will the Senator yield for a question?

Mr. LOTT. Yes.

Mr. SYMMS. I just want to say to the Senator that I, too, want to ask him a question. When was it that we first voted this year, early in the year—and compliment the committee—but we had a vote, and the Senator from Mississippi and myself had an amendment here on the floor where we had set up a tree that could not be amended to address section 89. It was earlier this year. I think it might have been on the first budget resolution. Is that correct?

The Senator from New Mexico was nodding his head. I think that is right. I say to the Senator that I join with him and others to thank this committee for continuing to keep pushing these spikes in section 89, and eventually we hope to get a good enough chop to cut the head off that rattlesnake, and return that back to the way the law was previously or, if not returned to the way it was previously, to a major overhaul of section 89 that will not be so obnoxious and will cause some of our constitutents to lose some of their insurance coverage.

That is really what the goal of the committee is, I believe. I appreciate the efforts of the chairman and ranking member to see that is in this bill because it has carried through on the original votes. The first vote here in the Senate I believe was on my amendment on a sense-of-the-Senate resolution and now we actually have teeth in it, and I appreciate it.

Mr. LOTT. I thank the Senator from Idaho, and I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, while the Senator from Mississippi is still on the floor, let me just make two observations with reference to his comments made to the committee and to the Senate.

First, I want the Senator to know that while the number is correct, that this bill is $6.5 million less than the President's request, the Senator should know that that does not mean that in a number of items we may not have cut the President's request, and in a number of items we may have increased the President's request.

We are only giving the Senator the sum total, in the budget sense. That is where the $6.5 million under comes from.

Second, I know the distinguished Senator from Mississippi wants the budget of the United States to be reduced and the deficit to be eliminated. And I do not want to talk budget talk. But I would like the Senator to know that if he wants this appropriations bill significantly reduced then he and/or others must change the entitlement programs that we have to fund.

In other words, we get an allocation of money and a certain portion of it we just have to fund because it is the law of the land. And nearly $2 billion of the increase in this bill is that: Payments that the Government owes to cover its share of Federal employees retirement, life insurance, and health benefit costs. If you take that out of this I believe this is one of the smallest increases for the discretionary appropriated accounts that we have had in years and in any of the appropriations bills. I will just give you the numbers quickly: $8.812 billion versus $9.379 billion.

Of that, to live up to the budget summit, we had to put nearly $200 million in IRS to comply with the summit's requirement that we fully fund their enforcement mechanism to raise an additional $468 million in revenues in fiscal year 1990.

So those are the more comparable numbers from the standpoint of us being able to do something to achieve what I think is our mutual goal of reducing the expenditures of the Government and at the bare minimum, keeping their increase to significantly less than the history over the past 15 or 20 years.

I thank him for the questions and his observations.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I wonder while my friend is on the floor if I may address him.

First, I want to compliment Senator DECONCINI and Senator DOMENICI on their work on this bill, particularly funding for law enforcement and Customs. They have provided significant increases in those areas. I also compliment my friend from Mississippi. I think he makes some very good points.

I believe the total amount of money—and maybe my friend from New Mexico will answer this question—but I think the total amount of money in the bill increases from $16 billion to $18 billion? It is almost a $2 billion increase; is that correct?

Mr. DOMENICI. $2.3 billion; is that not right, Mr. President?

Mr. NICKLES. $2.3 billion, so my colleague is talking about a 15- or 16-percent increase overall. It is a pretty significant increase.

But I also think we are funding a lot of areas that a lot of us think are quite important, Customs and drug enforcement and some other areas. So I compliment you for that.

I also wish to compliment both the chairman and ranking member and also Senator KASTEN for the work they have done on section 89. I personally would like to go further. I would like to repeal section 89 and have been tempted to offer an amendment to do so. But certainly there are restrictions on section 89. I believe the Senator from Wisconsin [Senator KASTEN] has mentioned those as well as the chairman of the committee and the ranking member.

I think that is very important because there are a lot of businesses today that are very, very concerned about complying with section 89. It is such a very intrusive, very expensive provision that a lot of businesses are even contemplating reducing if not eliminating some of their fringe packages, whether it be health and accident or pensions or others.

So I compliment them for their work on it and for the work on the committee.

AMENDMENT NO. 693

Mr. NICKLES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES] proposes an amendment numbered 693.

Mr. NICKLES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 50, line 25, strike the word "approval," and insert in lien thereof the following: "approval; *Provided*, That this section shall take effect one day after enactment; *Provided further*, That the Senate backs the Constitutional power of the President to make foreign policy.".

Mr. DECONCINI. Mr. President, may I ask the Senator, may we see the amendment? I was going to object to not reading the amendment but the Chair already had ruled. I have not seen a copy of the amendment.

Mr. NICKLES. I will get a copy.

The PRESIDING OFFICER. The Senator from Oklahoma retains the floor.

Mr. NICKLES. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

AMENDMENT NO. 694 TO AMENDMENT NO. 693

Mr. HELMS. Mr. President, I send a second-degree amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 694 to amendment numbered 693.

Strike all after the word "that" in line 5 of the amendment, and insert the following:

"Notwithstanding any other provision of law, no person who is a retired regular officer of the military service, who was graduated from the U.S. Naval Academy, who has served in Vietnam, and who has been awarded the Silver Star, the Bronze Star, and two Purple Hearts, shall be considered as holding an office of the United States for purposes of section 2071(b) of title 18 of the United States Code. Upon enactment, this provision will become effective as of May 1, 1989."

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, Col. Oliver North was recently convicted for violating section 2071(b) of title 18 of the United States Code. That provision reads:

Whoever, having the custody of any [government] record, proceeding, map, book, document, paper, or other thing, willfully and unlawfully conceals, destroys the same, shall be fined not more than $2,000 or imprisoned not more than three years, or both; and shall forfeit his office and be disqualified from holding any office under the United States.

Mr. President, because this statute requires that the person forfeit his office, the General Accounting Office has determined that Colonel North must forfeit his full retirement pay. In a letter dated July 31, 1989, the General Counsel concluded that after Colonel North's pay is withheld, he can sue in Federal court for a "conclusive determination of whether he is entitled to continue to be paid as a retired regular officer of the Marine Corps."

Mr. President, there is question as to whether Colonel North's pension should be forfeited by the provisions of 2071(b). In fact, the Judge Advocate General of the Navy concluded that Colonel North does not hold an office within the meaning of subsection 2071(b) and therefore should not forfeit his retirement pension. He made two arguments to back up his conclusion.

First, he argued that the purpose of forfeiture provisions, like the one in section 2071(b), is not punitive. It is to protect the public from any further official misconduct. Since retired officers have no official duties, there is no reason to include them within the scope of the forfeiture provisions.

Second, neither reserve military officers nor civilian officials are considered as holding an office of the United States after they retire. Consequently, they would not forfeit their retirement pay as a result of a conviction of section 2071(b). To read section 2071(b) such that a retired regular officer must forefeit his or her retired pay creates an anomaly that is unfair and obviously not intended by Congress.

Mr. President, I am sure that the distinguished majority leader, in opposing this amendment, will argue that the we have already taken action on this issue when we adopted his second degree amendment to the DOD Authorization bill. I do not agree that that is the case. And the record will show that I advised my friend that I intended to pursue this matter; I feel that Ollie North deserves it.

The majority leader's amendment directed the Judiciary Committee to consider various questions regarding when a retired regular officer of a military service is considered as holding an office of the United States after he retires. This is a question that we should probably resolve; however, I believe that the Senate should have an opportunity to vote on the limited question of whether Colonel North should receive his pension.

Furthermore, as the distinguished majority leader knows, his amendment has no effect unless and until the DOD Authorization bill is enacted into law. So it is perfectly appropriate to give the Senate an opportunity to vote on the specific question of whether Colonel North should receive his pension.

Mr. President, I do not believe it is necessary to leave this issue to the Federal courts to decide. We should make it clear today that Colonel North will receive his pension.

The amendment I will offer provides that Colonel North does not hold an office for the purposes of section 2071(c). Consequently, he will not forfeit his retirement pay as a result of his conviction under that provision.

Colonel North served honorably and admirably during the Vietnam War; he was awarded the Bronze Star, the Silver Star, and two Purple Hearts for his service. There is no question in my mind that he is entitled to his military pension, and I think the Senate should have an opportunity to vote on that question.

In summary, Ollie North was recently convicted for violating section 2071(b) of title 18 of the United States Code. The Chair will recall that Colonel North was convicted on three counts, all of which he had acknowledged at the outset of the Iran-Contra hearings. So, $40 million of the taxpayers' money has been spent to convict Ollie North of charges, including one that he accepted a security fence at a time that terrorists were threatening to kill his family.

I do not know about the distinguished Presiding Officer, but if terrorists were threatening my family, I would take a security fence any way I could get it, from anybody I could get it, if I thought it would help protect my family.

Forty million dollars spent to not only prosecute but also persecute Ollie North. I have not taken a poll, but I think the vast majority of the American people resent it. Certainly, I do.

The statute referred to in the amendment requires that the person forfeit his office. According to the General Accounting Office, that means Colonel North must forfeit his full retirement pay.

Where did he earn that retirement pay? By fighting for his country, by leading troops into combat in Vietnam, where he was awarded a Bronze Star, a Silver Star, and two Purple Hearts.

In any case, in a letter dated July 31 of this year the General Counsel concluded that after Colonel North's pay is withheld, he can do what? He can sue in Federal court for a conclusive determination of whether he is entitled to continue to be paid as a retired regular officer of the Marine Corps.

So what are they going to do? They take away this lieutenant colonel's pay—retirement pay—and say: "You can go ahead and raise money and spend your own money fighting it in the Federal courts."

I reiterate for the purposes of emphasis, $40 million of the taxpayer's money has been used thus far to per-

secute Ollie North, and I think enough is enough. If ever a man earned his retirement pay, he did.

But there is some dispute as to whether Colonel North's pension should be forefeited by the provisions of 2071(b). In fact, the Judge Advocate General of the Navy concluded that Colonel North does not hold an office within the meaning of subsection 2071(b) and therefore should not forfeit his retirement pension.

The Judge Advocate General made two arguments in support of his position, and I think he is right on both of them.

Let me read them.

First, he argued that the purpose of forefeiture provisions, such as the one in section 2071(b), is not punitive. It is to protect the public from any further official misconduct.

Well, Mr. President, since retired Marine officers, Army officers, or any other military officers who are retired have no official duties, there is no reason to include them within the scope of the forfeiture provisions.

Second, the Judge Advocate General points out that neither reserve military officers nor civilian officials are considered as holding an office of the United States after they retire. Of course they are not. No more so than the president of General Motors when he retires. He is not active with General Motors. Consequently, neither a reserve military officer nor a civilian official would be required to forefeit their retirement pay as a result of a conviction under section 2071(b).

To read 2071(b) to interpret that a retired regular officer must forfeit his or her retired pay creates an anomaly that is unfair and obviously not intended by Congress.

But what do we have? Ollie North is told, "You are not going to get your money, and you can go to Federal court and plead your case and you may get it."

So here we go again with the persecution of Ollie North.

The other night we adopted a second-degree amendment, offered by the distinguished majority leader [Mr. MITCHELL], to the DOD authorization bill.

Let us go back and recall why that amendment in the second-degree was offered. It was offered to head off precisely this amendment. The majority leader was fully within his rights. He did not violate the rules. He did not bend the rules. He simply did not want Senators to have to vote on the question of whether Ollie North will be denied the pension that he earned in Vietnam and throughout his career in the Marine Corps.

Senators do not want to touch a hot subject like that. They do not want the people back home asking, "Why didn't you support Ollie?" So we put it off by requiring another one of those studies. Sometime in the fall, the Judiciary Committee, on top of everything else it is supposed to do, is directed to hold hearings and come back and say yea or nay as to whether there ought to be legislation regarding Colonel North's pension.

I say, let us do it now, let us do it clean, let us vote it up or down.

Mr. President, more specifically, the majority leader's amendment directed the Judiciary Committee to consider various questions regarding when a retired regular officer of a military service is considered as holding an office of the United States after he retires.

Oh, what a momentous question.

This is a question we ought to resolve and resolve right now without further delay, without further persecuting Colonel North. I believe that the Senate should have an opportunity to vote on the limited question offered by my pending second-degree amendment. That question is whether Colonel North and his family, a delightful family, should receive his pension.

Furthermore, as the distinguished majority leader knows, his amendment, adopted the other night to circumvent the offering of the amendment that I just sent to the desk, has no effect whatsoever until the DOD authorization bill is enacted into law, and that may never happen. There is a lot of question about that bill.

So I say that it is absolutely appropriate to give the Senate this opportunity to vote on the specific question of whether Colonel North should receive his pension.

I certainly do not believe that this Congress ought to put its thumbs in its ears and say, "Let the Federal courts decide." Lord only knows how long that would take.

We should take a position. So the amendment that I have at the desk provides that Colonel North does not hold an office, which he does not, for the purpose of section 2071(b) of title 18, United States Code. Consequently, this amendment provides that Colonel North will not forfeit his retirement pay as a result of the persecution that has gone on for a year or more.

Mr. NICKLES. Mr. President, will the Senator yield?

Mr. HELMS. I will say this and I will finish, and I thank the Senator.

Ollie North, regardless of what you think about this whole Iran-Contra thing, and it was loaded with political implications from the very beginning, Colonel North served his country honorably. He served admirably in Vietnam. He was awarded the Bronze Star, the Silver Star, two Purple Hearts for his service. A lot of the pygmies who criticize Ollie North never saw a day when they were willing to lay down their lives for their country.

There is no question in this Senator's mind that Ollie North and his family are entitled to the military pension which he earned and earned honorably. I think the Senate should have an opportunity to vote on it.

I yield to the distinguished Senator from Oklahoma.

Mr. NICKLES. First, I wish to compliment the Senator on his amendment and ask him a question.

So the effect of his amendment will basically be to restore immediately, or upon passage and enactment of this act, Ollie North's pension.

Mr. HELMS. Absolutely, the Senator is correct. I thank him.

Mr. NICKLES. If we waited on the amendment that was added to the DOD bill, we would wait. That did not restore it. It said basically that the committee would report it out at some future date and maybe at that time Congress would get around to enacting or maybe Congress would be out of session, so he might not have his pension restored.

Mr. HELMS. That is correct. The Senator is correct.

Mr. NICKLES. I compliment the Senator, my friend from North Carolina on the amendment and I would hope that it would be passed today. I thank him.

Mr. HELMS. I thank the Senator.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. Mr. President, let me say to my friend from North Carolina I think Oliver North was a hero and once a hero, I suspect you are always a hero. He was a hero because he served in Vietnam, and as I understand served this country exceptionally well. He was decorated, served in combat, and was literally willing to die for his Nation, I do not know what more you can ask of any citizen or any man or women. That is where Oliver North made his heroism known to the world.

When Lieutenant Colonel North was assigned to the National Security Council's staff, he went there as a military detailee and he went there as an advisor and an operative to do whatever he was told to do.

Now, we know from history and from the court decision in the Iran-Contra hearings here that this man violated the law. Many disagree with that decision as many may disagree with other public officials who have been convicted or have been the subject of oversight by congressional committees. But in this case, a jury, a jury of his peers, before a district court here in Washington, DC, found him guilty. As I recollect, he was found guilty of three felony counts.

Yes, we can argue there were 12 to 13 counts and only 3 came back guilty. Nevertheless, Colonel North is no different than any other citizen. If you are found guilty, you have the right to

appeal. If you are found guilty, you lose certain benefits, and that is what has happened here to Colonel North. It is too bad, and I do not say that with any glee, that he has lost his pension. It would not bother me so much if his pension continued, but the law is clear, in my judgment, and a person who disagrees with that ruling that he has lost his pension can take that to court. That is what Oliver North, I understand, is in the process of doing and that is what he should do. But in my opinion, it is not for us to be the court here. To me the Senator's amendment is ill-conceived at this time. I understand the politics of it. Who does not want to vote on a controversial amendment dealing with Oliver North's pension. I can tell my colleagues I do not have any qualms at all in voting in opposition to this amendment because, in my judgment, it is not an issue that we ought to decide here.

The public, through the judicial system, has ruled he is guilty of felonies. Those are subject to appeal, but that is the verdict. The law is very clear that he loses his benefits. Should we change the law for Oliver North because he was a hero in Vietnam? I do not think we should, any more than we should change the law for anybody else, who has elected of his own free will to take some action that ends up in a criminal indictment, a jury trial and results in criminal felonies. It was a case where charges were being lodged against him, but a verdict came in holding him guilty of those charges.

Mr. President, I have no problem with this amendment. If we want to vote on it, it is up to the leadership to decide how they want to proceed today. It seems to me if we really want to take care of the business of the Government, we ought to pass this bill. We ought to pass this bill because it deals with the Customs Service; it deals with the IRS; it deals with a number of agencies that affect the Federal retirement system. We ought to move on. The Senator from North Carolina, or the Senator from Idaho, already has a commitment that the Judiciary Committee is going to look at this matter. I believe the date was October 1—I cannot remember. I was not here that evening—that they would report back legislation or a resolution to be voted on. The Senator has every right to offer amendments, but it seems to me it is very counterproductive.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I have no better friend in the Senate than Senator DECONCINI. He knows of my affection for him and my admiration. We have worked together on so many things, and he did the best he could with the argument against the amendment. He almost persuaded me, except the law is not clear. That is the point. It is not clear about Ollie North's entitlement to his pension. As a matter of fact, common sense, I believe, will tell us that a retired official, whether it be the Marine Corps or General Motors or Jones drugstore, is retired. He holds no official position. That is the point. I believe the General Accounting Office, or whoever it was, almost got a hernia straining on the decision.

But, in any case, let me point out one thing. Maybe the Senator from Arizona can correct me if I am not right, but the 1988 Anti-Drug Abuse Amendments Act contains a provision prohibiting convicted drug dealers from receiving Federal benefits; however, and get this, "Federal benefits" is defined to exclude, I quote, "any retirement, welfare, social security, health, disability, veterans benefit, public housing, or other similar benefit." In other words, a convicted drug dealer can receive all of those benefits.

So what we are saying is that an exemption is being given to convicted drug dealers so they can keep their Federal benefits, whatever they may be. But in the case of Ollie North, lieutenant colonel retired, we say, "Oh, no, you cannot have it." His lovely wife, Betsy, and the children cannot have the retirement pay that Ollie North literally bled for while he earned it in Vietnam. I say that is a travesty. Mr. President, I rest the case. If there is no further comment, I suggest we go to a vote.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. Mr. President, I understand the argument of the Senator from North Carolina. The facts are simply this. The GAO issued a ruling. In a statute of 1982, it says that if a person shreds documents who is an officer of the U.S. Government that they lose that office. Now here we have the technical point the Senator from North Carolina wants to hang his hat on, and that is that he is now retired and he is no longer an officeholder, so to speak, because he is a retired officeholder. Well, I think the argument is very clear that the acts which Mr. North was convicted of occurred while he was on active duty and while he was an officer in the Marines. There is no question about that.

The Senator makes a good point. Let us have somebody decide this. He wants us to rule on this point of law. It seems to me what the leadership arranged here with the Senator from Idaho was most proper, and that is to refer to the Judiciary Committee and have the Judiciary Committee review it and report out their findings subject to amendment.

If somebody does not agree then, at least we have had the chance to see, but in the meantime to attempt to force this on the bill, to me the argument is clear that shredding documents under the 1982 statute subjects you to losing your office.

Mr. North was convicted of shredding those documents while he was in office, vis-a-vis the ruling that his retirement is tied to his office-holding position. He does not come from General Motors or the private sector; he comes from the U.S. Government. A retired person in the U.S. Government obviously stems that retirement from the service of the Government and the fact that he was convicted during the time that he was on active duty for shredding documents and violations of the statute.

I will be glad to yield to the Senator from Oklahoma.

Mr. NICKLES. If the Senator will yield for a second, I wonder, and I do not know this answer, but were the Members of Congress who were convicted in regard to the Abscam scandal lose their pensions? We had one Senator and a few Congressmen.

Mr. DECONCINI. I do not know, but had they been convicted of shredding Government documents, they would have lost their pension, in my opinion. I do not know if they did.

Mr. NICKLES. I wonder if staff is aware whether or not they lost their pension.

Mr. DECONCINI. I can find out. I do not recall any of those individuals being convicted of shredding documents which, in my judgment, would have made the 1982 statute applicable. That is why Oliver North is in the situation he is in; it is because of that statute.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Might I ask Chairman DECONCINI a question? I heard your answer to Senator NICKLES' question. Might the Senator enlighten me, knowing his expertise in this area, is it the shredding of documents or is it the felony conviction that does this to a Federal official?

Mr. DECONCINI. I have to tell my friend from New Mexico, I do not consider myself an expert in this area. I have been advised that there is a 1982 statute that shredding documents is the crime that would take away your retirement benefits or the office that you hold. Oliver North was convicted of that. One of the three felony counts was shredding documents in violation of that statute, vis-a-vis the GAO ruling that this was applicable to his retirement.

I am sorry I cannot give the Senator a real expert opinion. I can only tell him the little bit that I know, and I know a little bit of knowledge is dangerous, sometimes so are little amendments.

Mr. SYMMS. Will the Senator yield to the Senator from Idaho?

Mr. DECONCINI. I will yield.

Mr. SYMMS. There is a question asked, I understood. I happened to talk to a former Member of Congress who was convicted and actually had to spend some time in prison, and he informed me yesterday that not only he but all of the Members that he knows of that were Members of Congress that have actually served time in prison have received their pensions during the time that they were in prison, during and since.

Mr. DECONCINI. Will the Senator yield?

Mr. SYMMS. The Senator from New Mexico has the floor.

Mr. DOMENICI. I assume that those to whom the Senator is referring were convicted of felonies, is that correct, in the typical American definition of felony, more than 1 year imprisonment?

Mr. SYMMS. That is correct. I do not want to name names but former Members of this body and several from the other body, that has happened in the last 10 years in relation to the Abscam case.

Mr. DECONCINI. Will the Senator yield in that case?

Mr. DOMENICI. I yield the floor.

Mr. DECONCINI. I remember those cases. Does the Senator from Idaho recall any of them were for shredding Government documents, any of the felony convictions?

Mr. SYMMS. I do not believe they were. I believe they were in relationship to Abscam.

Mr. DECONCINI. I thank the Senator.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I would point out that the forfeiture provision in section 2071(b) of the United States Code is not punitive. It is there like so many other forfeiture provisions, so the person involved cannot commit the same offense again while he holds office. You have a divided opinion on whether Colonel North continues to hold office after his retirement. In fact, the Judge Advocate General, chief legal officer of the Navy, has made the point that the Attorney General formally has expressed the opinion that the purpose of forfeiture provisions such as the one in subsection 2071(b) is not punishment, which is otherwise provided for, but protection of the public from any further official misconduct.

Now, arguably retired officers have no official duties. Of course they do not. Therefore, there is no reason to include them within the scope of the forfeiture provisions of section 2071(b) and similar statutes.

That is not Jesse Helms talking. That is the Judge Advocate General of the Navy. I think he is right. I think common sense says he is right. Furthermore, the Judge Advocate General pointed out that neither reserve military officers nor civilian officials are considered as still holding an office under the United States after they retire. A reading of subsection 2071(b) that requires retired regular officers who violated it to forfeit their retirement pay but impose no such requirement on retired reservists of civilians is sufficiently anomalous to raise doubt as to whether Congress intended that result.

I go back to my original premise. Enough is enough. Is this Senate seriously going to stand by and say to Ollie North and his lovely wife Betsy and their children, it does not matter that Ollie served in Vietnam and shed blood for this country, received two Purple Hearts, a Bronze Star and a Silver Star? We are not going to let you have the pension that Ollie earned. I just cannot believe that the Senate of the United States will take that position.

Mr. SYMMS. Mr. President, will the Senator yield for a question?

Mr. HELMS. I will be delighted to yield to my friend.

Mr. SYMMS. Mr. President, I ask the Senator this question. Is not the issue before us today not whether or not he was convicted of whatever crime and however the court ruled—that is a separate issue——

Mr. HELMS. That is right.

Mr. SYMMS. The question is whether or not the Senate of the United States believes that Oliver North should get his pension?

Mr. HELMS. Correct.

Mr. SYMMS. That is the issue.

Mr. HELMS. That is the issue.

Mr. SYMMS. Really there is not much else to discuss. Either you want him to get his pension or you do not.

Mr. HELMS. One way or another, whether it is an up or down vote, tabling motion or whatever, the Senators under the parliamentary situation are going to take a stand.

Mr. SYMMS. Mr. President, if I could just ask further, does the Senator from North Carolina believe that sooner or later the American people will view this as an outrage, that somehow our Government has become so insensitive that we could allow something like this to go on, that sooner or later he will get that pension?

Mr. HELMS. Let me put it this way, Mr. President. I confess and acknowledge that Ollie North is my friend. About 4 weeks ago I took him to North Carolina with me to appear before the Veterans of Foreign Wars convention in Greensboro, NC. I will tell you that if I were a Senator who had voted to deny Ollie North his pension, I would have to take a bodyguard before I went before the VFW in North Carolina. I cannot speak for all of the people of the United States, I do not speak for anybody except myself, but I am convinced, based on my travel around the country and certainly around my State, that the people feel very strongly that officials of the U.S. Congress can go home after various deeds and they still get their thousands upon thousands of dollars in pensions every year. What is more outrageous is that convicted drug dealers, under the Anti-Drug Abuse Amendment Act of 1988, have a special exemption so that they will not forfeit Federal benefits. But this Senate is not willing to even vote on the question of whether Colonel North deserves his pension. That is the question, I say to the Senator from Idaho. I guess, to use a North Carolina expression, it is time to put up or shut up.

I yield the floor.

Mr. DECONCINI. Mr. President, the exchange gets better and better as we have some time to discuss this. I think it is important for the public to know who Oliver North is. I do not know much about him, but I know he came to Congress and stood up and admitted that he had told lies to the Congress of the United States. He stood up—I saw him—and said he would do anything, he would go stand on his head in the corner if the President of the United States told him to do it.

I think it is important to know both sides of this fine man that we are talking about because he has served our country well, and I give him the credit for it. But he is also a convicted felon as of today and we want to try to sugar-coat this a little bit on the basis that this is just kind of a technical situation we are talking about as to his retirement.

We are talking about a convicted felon. We are talking about whether or not he is going to be able to continue to receive taxpayers' retirement funds. I think the public is really interested to know. That is why I do not object to having a vote. But somebody else is going to make this decision here today, I can see, but I know where I am going to come down.

I am not going to vote to give taxpayers' money and a pension retirement that is paid by the individual as well as the Government to a convicted felon. We have a process in this coun-

try. That process is to go through the appeals court. If Oliver North's conviction is appealed and reversed, well and good. That is not what we have before us today. We have more than just a technical sugar coating of a retirement decision. We have before us a man who has been convicted of three felonies, I believe, if I am correct. And he faces that for a good part of his life.

Oliver North has been out in Arizona. He had some people come out there and see him. He charges a lot of money for speaking engagements. But the time he came out prior to the November election, or was going to come out—he could not get anybody to pay his fee out there. They just refused to do it because he was coming out there for somebody, who I knew quite well, who happened to be running for the same office I was running for. So North was out there to campaign, not to exonerate himself or to plead his case. He was out there to campaign to make money for himself.

I think it is important that we know who Oliver North is, and if we are going to get into a debate here for several days, that may be the case. A lot of things are going to come out about Oliver North, and this Senator is going to tell some of them.

I suggest the absence of a quorum, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Th Senator from Nebraska.

Mr. KERREY. Mr. President, I rise because I have some questions for the Senator from North Carolina about this particular amendment. Will the Senator from North Carolina answer some questions that I have about this particular amendment, what it is?

Mr. HELMS. I'll be glad to answer any questions of my distinguished friend from Nebraska.

Mr. KERREY. I picked up in part over the television set your discussion of this amendment. I do not understand exactly what it is that you are trying to accomplish. Can you explain it to me? I assume in the language, you have drawn it as to benefit one individual in this case, Oliver North. You are upset with the administrative judgment at this point and would like to accelerate this in order to benefit one individual.

Mr. HELMS. That is essentially it. There are other aspects to it. I am not asking any more for Ollie North than what this Senate already approved with respect to convicted drug dealers. I do not think Ollie North ought to be treated more harshly than drug dealers. Did I answer the Senator's question?

Mr. KERREY. Not exactly. You have gone into an argument for it. I am trying to figure out exactly what you are trying to accomplish. If I am correct, this specifically directs that Oliver North's pension will be immediately restored and no further administrative action will be taken, and no review given up—to just have an act of Congress to declare that it be restored; is that essentially what the Senator is saying?

Mr. HELMS. That is essentially it. The Secretary of the Navy said that Ollie North is not an official of the United States Government.

Mr. KERREY. The Senator from North Carolina has raised, it seems to me, a principle. I am sure I am not an exception.

I have received requests from individuals to intervene between them and their Government on many instances, individuals who have been denied SSI benefits, for example, who feel as if they have been treated unfairly, who, if they do not receive the SSI benefit, will have to go on welfare and will find themselves in a perilous position with life. I have been asked to intervene for a good friend of mine who lost both arms as a consequence of being in Vietnam. VA is saying to him, "We are going to deny you benefits that are afforded a double leg amputee, because the rules say that you must have lost both limbs below and not above." I have been asked to intervene on behalf of that individual. Am I now to bring before the Congress an exception for him? Is that what this action is doing, Senator?

When I get a request where an individual has been unjustly treated, particularly when their life is in greater danger—which is more than I suspect Lieutenant Colonel North's is—am I now to come on the floor of the Senate and ask for a narrow law change?

Mr. HELMS. Sure.

Mr. KERREY. Just to protect that individual?

Mr. HELMS. Sure, if you feel strongly about it.

Mr. KERREY. No, Senator, I disagree with the Senator from North Carolina. I do not think that would be in fact what we should be doing here, attempting to come and intervene in every administrative case, making narrow exceptions for individuals, making narrow changes in the law for individuals. We know what is at stake here. "Are you for or are you against," is the story, "the pension for Oliver North." I am against it.

Just so there can be no doubt, just so there can be no doubt, in case this does not come to a vote and the Senator from North Carolina wonders where I stand on this issue, I am against it.

I am also against the principle of coming to the floor of the U.S. Senate when we have an individual who has been, we think, unfairly treated, and passing a law to take care of them. I will ask every single Senator, what is the Senator's answer going to be for that individual who has been denied workman's compensation benefits, and you believe unfairly; SSI benefits, you believe unfairly; veterans compensation, and you believe unfairly; any other kind of compensation, and you believe unfairly; will he bring an amendment and try to describe their military history, maybe some of their bodily features, without naming them, and draw it narrow enough so only they will qualify? I suspect you will not.

I suspect there will not be a single Senator upon that principle who would come to the floor of the U.S. Senate and do the same thing. I object to it on principle. I would not vote for it anyway, even if I accepted the principle, which I do not. I would vote against it anyway.

Mr. President, I yield the floor.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS Let me say to my friend from Nebraska that I respect him, because he does not pussyfoot on issues. He stated his case unequivocally, and I admire him for that. It is this business of avoiding votes, avoiding taking a position, that I can't understand. I admire the Senator from Nebraska for his willingness to state a position. I respect him for it.

Now, Mr. President, let me read into the RECORD a letter signed by the chairman and vice chairman of the Select Committee on Ethics of the U.S. Senate, dated May 23, 1989. I am going to omit the name of the recipient Senator.

DEAR SENATOR: This is in response to your May 2, 1989, letter. You are correct in believing that former Members who have been convicted of felonies or ethical misconduct remain eligible to receive full pensions. You ask for an explanation of the current policy and whether or not a revision in the policies regulating Members' pensions might be in order.

The applicable statute (5 USC 8311, et. seq.) was originally enacted in 1954 in an attempt to remove the pension of Alger Hiss and is known as the "Hiss Act". As enacted, PL 83-769 prohibits the payment of government pensions to Members of Congress and others who are convicted of federal or District of Columbia felony charges, perjury, or who plead the Fifth Amendment against self-incrimination in response to questions about their services as employees or officers of the federal government, any previous or current relationships with any foreign government, or past or present memberships in the Communist Party.

In 1961, Congress amended the Act restricting denial of pensions to persons charged with violations of national security, largely because it concluded that the Hiss

Act had caused a hardship on many for acts that Congress deemed to be relatively minor offenses. Today, the statute provides for denial of federal pensions for persons charged with espionage, sabotage, and national security-related crimes.

Attached you will find a copy of H.R. 1703, which is pending in the House. If enacted, this bill would deny annuity benefits to Members who are convicted of any felonies under state or federal law. We have also attached additional material from the Congressional Research Service that deals with this issue. We hope you might find it of interest.

With Best Wishes,
Cordially,

HOWELL HEFLIN,
Chairman.
WARREN B. RUDMAN,
Vice Chairman.

I have read the letter into the RECORD. So it is there.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I have not intended to speak on this issue. I feel that it is a very personal judgment that needs to be made by each and every Senator. My reluctance to discuss this issue on the floor of the Senate is directly related to the fact that I have had my own service during the Vietnam war, I have had my own experience, none of which I have ever referred to in any way on the floor of this Senate, nor do I intend to because my job is as a United States Senator from the State of Arizona, not as a Vietnam veteran.

I feel somewhat compelled to come over here because of the statements that were just made by the Senator from Nebraska.

First of all, I would like to say that if the Senator from Nebraska has a constituent who has been deprived of his benefits because of the fact of a technicality in rules and regulations of the Veterans Administration which disallows him disability payments, because he is missing both arms, and the Senator from Nebraska is unwilling to take up his case, I will take up the case. I will take it to the floor of the Senate. I will take it to the President of the United States. I will take it anywhere because it is my obligation as it is the obligation of every Senator here to make sure that our disabled veterans receive benefits that they deserve and, Mr. President, it is our obligation to overcome any technicalities in the law which may deprive these men and women who have served our country with dedication and sacrifice.

So, I reject the argument that we are making an exception in this or in any other case, if a Member of this body believes that a person has earned benefits serving this Nation in defense of its freedom or someone else's.

Mr. President, I happen to be of the personal view that Oliver North served with distinction, with courage in combat and I believe that the recognition that was bestowed on him by the President of the United States in the form of various awards and medals are ample testimony to that.

I also happen to believe that because of these facts that Oliver North, therefore, deserves a pension for his service in combat for the United States Marine Corps for this Nation.

But I also wish to say I do not intend to impose my views on any other Member of this body because it is a personal decision that needs to be made with each individual Senator, evaluating the facts as they see it.

Mr. President, I do not think it is fair for us to invoke the memories of the Vietnam war or the Iran-Contra situation in isolation one from the other.

I urge Members of this body to judge Oliver North's service to this country and judge what is taking place to him in his case before the courts of this country.

I happen to come down in the belief that his service to this country has earned him his penison from the American people, but I also urge my colleagues who differ on this issue to view the issue in the context of his entire service and all of the events that took place and let us not go around excoriating people's reputation and tearing each other's character down or motivations on this issue.

Let us make it in as objective a way as we possibly can and certainly let us not use any of our service or lack of service to our country as a factor in this debate, because I happen to believe that every one of the 100 Members of this body has served his or her country and served with honor and distinction, and there are many ways of serving their country.

Let us not use our service or lack of service in any war or any combat or any conflict as a basis for making this decision.

I urge my colleagues to raise the level of this debate on an individual judgment as to the merits of Oliver North's service to this country or as to how they feel that his involvement in the Iran-Contra affair detracted from that overall record of service to this country.

I happen to be of the view that he deserves his pension, but I urge my colleagues to judge this on an objective basis and not on any basis of whether I or any other individual has served this country in any way, shape, or form.

I thank the President, and I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

ON DISASTER ASSISTANCE LEGISLATION (S. 1429)

Mr. LEAHY. Mr. President, late last night, Senate and House negotiators reached agreement on disaster relief legislation.

This morning, the House approved the package. Now it is our turn to give this bill final approval and send it to the President for his signature.

This is a fair, fiscally sound bill. It includes three critical elements which I have insisted on from the time the Agriculture Committee first began working on disaster relief legislation.

First, it treats all farmers fairly and equitably. Drought and disaster do not discriminate among farmers. Neither does this bill. It provides relief to all farmers who have suffered significant losses due to bad weather.

All farmers who show a demonstrated loss will receive the same payment rate—65 percent of the applicable target price, loan rate or average market price.

When the Agriculture Committee first considered disaster relief, some argued that we should only help those who farm program crops and participate in Federal commodities programs.

The committee and the Senate have rejected that view. And the bill before the Senate today rejects that view. Both program and nonprogram crop growers are eligible for assistance at the same payment rate.

We cannot pit the interests of farmers in one State against those of other States. We cannot pit the interests of those who farm one type of crop against those who grow other types of crops.

The surest way for rural America to lose is for us to pit one part of rural America against another. Rural America can only win when we work together.

Second, this package is fiscally sound and budget neutral. It provides assistance only to the extent of the funds available.

Third, we have completed action in record time. The bill will be on the President's desk before we adjourn for the August recess. We have administration support and a commitment that the relief will be on its way to farmers before the fall planting season.

I would like to take a moment and thank all the members of the Agriculture Committee for their support and willingness to work long hours to put this package together. I would also like to thank Senator LUGAR for his bipartisan efforts in working to develop a package that is fair to all farmers.

Farming is part of the basic fabric of American life.

When our farmers suffer catastrophic loss—whether it is due to drought, flood or other disastrous weather—we must keep our pact with those who work the land. We must help our neighbors in their hour of need.

That is what we will be doing today when we pass this bill and send it to the President.

Mr. President, I want to thank Senators on both sides of the aisle, especially the members of the Senate Agriculture Committee. The Hastings trial continued all week and five of us on the Agriculture Committee, myself included, are jurors on the Hastings trial. Because we were in the Hastings trial all day long, much of our committee work had to be completed during the very early morning or at night.

Look what we did. We passed the disaster relief bill, then brought it back from the other body and passed the conference report. We passed a rural development bill, the first time in 9 years the U.S. Senate has passed a major rural development bill. Yesterday, we passed major legislation on child nutrition and WIC reauthorization.

All three of these things are important legislation.

CHILD NUTRITION AND WIC REAUTHORIZATION ACT OF 1989

Mr. LEAHY. Mr. President, the child nutrition and WIC Reauthorization Act passed yesterday by the Senate tells our Nation's children—the 24 million students who receive school lunches and the 1.8 million infants and children who participate in the Women, Infants, and Children Program—that we care about their future.

We face a tragedy and a shame in this country—the wealthiest, most powerful Nation in the world—when one out of five children live in poverty and one out of five children are hungry.

Mr. President, each day thousands of American infants are born underweight and malnourished. Many are put in intensive hospital care. For too many babies this is a difficult beginning of a hard life, a life defined by poor diet, illness and learning difficulties. From the very first day these children are robbed of a healthy start in life.

Despite the economic gains of the 1980's we have an ever-increasing number of children who live in poverty; one out of every five children in this country is born in poverty. This bill is designed to help those children.

In my own State of Vermont, a large number of our schools close down during the summer. With no lunch program, many low-income children end up going hungry. When the summer recess bell sounds it does not just say to them "school is out." It says, "Now you go hungry."

Less than one percent of these children in Vermont have been reached by the summer feeding program in the past. Now that will change. If this bill is enacted by the other body, it will allow private, nonprofit groups—churches, community action groups and others—to participate in a summer food program.

This bill fulfills a commitment I made last year. Last year, the House of Representatives removed a provision allowing nonprofit groups to run a lunch program in the summer. I said then we would again try to enact this provision. Mr. President, this Senate bill has now put it back again. The House has agreed to do the same.

Another provision of the bill extends a successful Vermont idea to the rest of the Nation. The bill provides a competitive bidding requirement, allowing the national WIC program to work as well as the Vermont model.

In my State, our children are our future. I am proud to have passed a bill that will give many of them the food and nutrition they need to get a good start in life. A good breakfast to help our students learn better at school and grow into healthier adults. With the summer program, they will have good nutrition all year round. The United States is blessed. We have a chance to do for our own people what many other nations do not. Many nations around the globe are unable to feed their people. Around the globe, we see images of starving children and starving adults.

Then we look at the United States—the only major power in the world able to grow and produce enough food to feed itself and still feed many other countries. And we have to ask ourselves: Why, when we are able to spend billions of dollars to store the surplus food, children go hungry?

Mr. President, one out of every five children in this country faces that hunger because they face poverty. One out of every five children in this country is born into poverty. We have to ask: What do we give them, what kind of heritage?

The bill strengthens WIC. WIC gives poor youngsters a chance. It helps feed poor mothers, infants and children and teaches them about nutrition and health care.

It offers supplemental food, nutrition education and health-care assessments to those who need it.

In short, WIC works, It is widely praised as one of the Nation's most effective social programs. Study after study shows that WIC helps ensure larger, healthier babies from birth on through the first vulnerable years.

Study after study shows each WIC dollar saving multiple dollars in health-care and hospitalization costs.

Unfortunately, WIC reaches only half of all eligible poor women and children. The other half—over three million nutritionally at-risk women and children—remain vulnerable because WIC is not fully funded. This underfunding does not make social or economic sense.

Republicans and Democrats alike have called for expanding the reach of WIC. Last fall, former presidents Gerald Ford and Jimmy Carter both recommended full funding for WIC over the next several years.

President Bush has also praised WIC, calling for increased spending "so that women, infants and children in need receive the care they need."

I am proud that this bill not only extends WIC, but includes an important provision that will allow WIC to serve up to 80,000 more children each year at no additional cost to the taxpayer.

This provision is but one of the many important advances incorporated in this bill.

Mr. President, the legislation is bipartisan. It passed without objection on the Senate floor.

It keeps with my own conviction that hunger is not a partisan issue, but is rather a moral challenge.

This bill reflects the hard work and commitment of both Republicans and Democrats on the Agriculture, Nutrition and Forestry Committee.

In addition to expanding the Summer Food Program, the bill also expands the School Breakfast Program.

Almost 90 percent of school lunch participants are children from low-income families. However, over 50,000 schools that participate in the School Lunch Program do not participate in the Breakfast Program. The school participation rates are especially low in rural areas.

The bill will provide incentives—financial assistance—to cover expenses in starting a Breakfast Program.

The costs of expanding both of these programs is $13 million next year and about $50 million over the next 3 years. However, spending this money on needy poor children is money well spent.

The legislation also mandates that the Department shall conduct Summer Food Service Programs for homeless children under the age of 6 in emergency shelters.

These are children who are too young to go to school and receive school lunches. This pilot project to feed these homeless children is an excellent idea, and was recommended to us by the U.S. Catholic Conference. I thank them for their great idea.

There are many other important provisions in this 80-page bill that improve our child nutrition programs. I have touched on the major provisions.

On behalf of America's children, I thank the Senate for its swift and decisive action.

COMMENDING THE STAFF OF THE COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LEAHY. Mr. President, I wish to commend the staff of the Senate Committee on Agriculture, Nutrition, and Forestry.

Over the past several months the Agriculture Committee staff has put in thousands of hours of work which culminated the passage of three pieces of major legislation this week: disaster assistance; rural development; and the reauthorization of Child Nutrition and WIC programs.

The Disaster Assistance Act of 1989 was the result of extremely hard work and negotiation. I would particularly like to commend our chief economist Bob Young and senior counsel Bill Gillon for their outstanding efforts. Bob's professionalism and mathematical genius helped us to construct cost estimates that facilitated difficult negotiations and allowed us to move forward. Bill's legal expertise and creative talents were put to work as he drafted the legislation and amendments under extreme time pressure, enabling us to finish the bill in both the Senate and House today.

Many other staff members worked on the disaster assistance legislation that I would like to mention. Margaret Huessy, our new professional staff member, originally with the House Agriculture Committee, professional staff member Kathleen Merrigan, economist Tom Hebert, and legislative staff assistant Patricia Coates spent many hours working on key legislative issues in the bill. Their dedication and ability to work under time constraints made the passage of this important legislation possible.

The Rural Partnerships Act passed on Wednesday was the first major piece of rural development legislation passed in the Senate in nearly a decade. It would not have been possible without the diligent and professional effort of many staff members.

I would particularly like to mention deputy chief counsel Ed Barron and senior counsel Carolyn Brickey who spent endless hours developing consensus on difficult policy issues and writing this important legislation that made up the Rural Partnerships Act. Legislative staff assistant Laura Madden's continuing research and writing efforts greatly contributed to the final product. Our rural communities can thank the team effort of these staffers for the legislation intended to reverse economic decline in rural communities.

The Child Nutrition and WIC Program reauthorization also passed last night. Janet Breslin, our deputy staff director coordinated staff efforts that led to the development of a bill cosponsored by every member of the Agriculture Committee. Janet Breslin, Ed Barron, and Laura Madden spent many long hours working on this legislation in addition to other pending legislation. Their outstanding efforts will mean that the nutritional needs of America's needy children will continue to be met.

Our new communications director Jon Haber and deputy press secretary Patrick Collins also did a magnificent job under pressure. Racing against deadlines, they drafted statements and kept the press and public informed about legislation as it moved through the committee and Congress.

Chief clerk Chris Sarcone, Betsy Paul, and Cynthia Neuwalder were outstanding as they managed a busy schedule of hearings and markups at the full committee and subcommittee levels. Their superb organizational skills have kept the committee on track on all of our legislation.

Administrative clerk Bob Sturm coordinated the support staff efforts of Shannon Shinn, Patrick Rita, Mary Kinzer, Marc Carrel, and Valerie Callands who worked long hours cheerfully and diligently. Special thanks to Don Finch, the committee printer for keeping the paperwork of the committee activity in order. I am sure that without the truly outstanding efforts of the support staff, it would have been impossible for the Senate to complete the committee's legislation before our recess.

In addition to the legislation passed this week, the committee continues to develop legislation and maintain oversight on a range of significant issues. Special counsel Ken Ackerman has been invaluable in our ongoing investigation of futures markets as the committee works on reauthorization of the Commodity Futures Trading Commission. Rich Guldin, from the Forest Service, professional staff member Tom Tuchman, and legislative fellow Jim Phippard have been instrumental in moving the environmental and forestry agenda of the committee forward. I am confident that their superb efforts will result in significant legislation for the Senate to consider later this year.

I wish to mention the minority staff director, Chuck Conner, who was appointed by the distinguished Senator from Indiana, Mr. LUGAR. He, along with the entire minority staff have worked with us on all aspects of legislation passed this week and deserve equal recognition. The Agriculture Committee continues to operate in a bipartisan fashion in large part because of the professionalism and cooperation of the minority staff.

Finally, I would like to commend staff director Chuck Riemenschneider and chief counsel Jim Cubie. Both Chuck and Jim are close personal friends of mine and are outstanding professional colleagues. People like Chuck and Jim embody the best of what we have here in the Senate. They are models of expertise, professionalism and selflessness.

Chuck has helped many members understand often confusing and technical legislation. His broad understanding of agricultural policy and leadership of the committee staff have directly contributed to the success of the committee's legislation.

Many times, even at 2 o'clock in the morning when he was still at his desk, I was impressed over and over again by his tireless professionalism.

Jim's legal experience with a wide range of Government programs was instrumental in developing landmark rural development legislation. His expertise in legal matters and Senate procedure helped produce high quality legislation that moved quickly through the Senate.

In summary, Mr. President, in the past several weeks the staff of the Senate Agriculture Committee has done an outstanding job. They have worked endless hours, often into the wee hours of the morning and into the weekends. Their professionalism and dedication to the committee have resulted in major legislation that will ultimately benefit all Americans. Farmers whose crops were devastated due to adverse weather conditions will receive aid. Deteriorating rural communities can look forward to improved education, health, water quality, and business. We have also reinstated and streamlined nutrition legislation so that it reaches more children.

I am proud to enter into the RECORD today the names of those who have served the Committee on Agriculture, Nutrition, and Forestry and the entire Senate so well.

The PRESIDING OFFICER. The junor Senator from North Dakota.

Mr. CONRAD. Mr. President, the chairman of the Senate Agriculture Committee is far too modest.

The fact is, we have just accomplished the equivalent of two grand slams because of the extremely strong leadership of the chairman of the Senate Agriculture Committee.

Back in January, I asked the majority leader to create a rural development task froce so that we could create legislation to enhance development in the rural areas of this country, the very parts of the country that are suffering the most.

At that time I urged the majority leader to make the chairman of the Agriculture Committee the chairman of that task force, so that we would have an opportunity to have rural development legislation come to this floor and pass.

The majority leader follwoed that course and the chairman of the Agriculture Committee provided extraordinary leadership.

I do not think may people in this Chamber would have believed it was possible to get rural development legislation passed by the August break. But it was done and it was done because of the exceptional work of Chairman LEAHY and his staff.

Like Chairman LEAHY, I want to salute the staff who did an extraordinary job and put in an exceptional effort.

Mr. President, it was not only the rural development bill that came out of the leadership of the chairman of the Agriculture Committee. It was also a drought bill that went a long way from where we started out 5 weeks ago.

Some will recall that some of the membership wanted to limit assistance to the winter crops. The administration wanted to limit assistance to nonprogram crops.

The chairman of the Senate Agriculture Committee stood firm and he said: Absolutely not. We are going to have a bill that treats the need. We are going to have a bill that recognizes Mother Nature has hurt all of those who are in the productive sector of American agriculture. It has hurt the program crops and the nonprogram crops. And week after week, in session after session, the chairman held firm.

I, for one, want to salute his leadership. Because we would not have a package as comprehensive and as generous as we have without his leadership.

Mr. President, I also want to add my words of praise to the staff. Night after night, in late night sessions after late night sessions, they labored to make a rural development package that was good for this country and a drought package that was good for this county.

So, with that, Mr. President, I want to yield the floor and say how proud I am to have participated in what I think are the development of two pieces of legislation that will make a dramatic difference to rural America.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I ask unanimous consent to speak out of order for 4 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. Mr. President, I join, first of all, in commending Senator LEAHY, but I also express my gratitude to Senator CONRAD and others who have played a role in protecting America's rural communities and farms.

PROHIBITION ON SATELLITE SALES

Mr. SIMON. Mr. President, the recent crackdown in the People's Republic of China merited widespread condemnation, both here and throughout most of the world. Both Houses of Congress passed legislation suspending a variety of bilateral economic activities. But one sale in particular is being allowed to proceed, and others may follow in the near future.

Licenses have been issued for the Hughes Corp. to do service work on the Asiasat consortium communications satellite, which will be launched into space by the Government of China. The Hughes Corp. is also selling two communications satellites to Australia, the Aussat group, which will also be launched by the Government of China, but additional licenses have not been issued for these sales. There is some speculation that these licenses will eventually be issued as well.

The Government of China intends to launch these satellites for these consortia for a fee. We do not know exactly how much China will net in hard currency, but the going rate for this kind of thing has been estimated at roughly $30 million a launch. The House foreign aid bill includes a strict prohibition on these particular satellite sales; in the Senate, the State Department authorization bill suspends the export of satellites for launch on rockets owned by the Government of China, but allows a Presidential waiver if the President finds it is in the national interest.

The Bush administration is holding up the Aussat sale, but has allowed some technical data to be forwarded for the Asiasat deal since the June 3–4 massacre in Beijing and the subsequent executions of prodemocracy students and workers. I oppose moving ahead with any additional licensing for these satellite launches, particularly because the message it sends to the Japanese and other nations is that it is alright to back away from their sanctions commitments. Japanese firms and commercial banks, for example, could then make the argument that the United States is seeking to protect its businesses, so why should not the Japanese Government do the same?

Mr. President, I urge my colleagues to speak out against any further commercial licensing for critical industrial export items to China. Until prisoners are released, executions are stopped, and a new climate of political liberalization sweeps China, we ought not proceed with these or any other technology transfers to China's ruling clique.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I ask unanimous consent to speak out of order.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from New Mexico is recognized.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. I thank the Chair.

(The remarks of Mr. DOMENICI pertaining to the submission of Senate Resolution 168 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

Mr. MOYNIHAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

PUERTO RICO STATUS REFERENDUM ACT

Mr. MOYNIHAN. Mr. President, the Senate Committee on Energy and Natural Resources has now ordered reported the Puerto Rico Status Referendum Act which referred to the Finance Committee for consideration of the taxation and social welfare aspects of the three options set forth which are, of course, independence, and statehood, "enhanced commonwealth."

In anticipation of this consideration by the Finance Committee and the Senate's fuller debate on the whole matter, I asked the Congressional Research Service to analyze the effect on selected programs of each status option and also to assess how the Federal tax relationship with Puerto Rico would change under these various options. The first of these analyses was completed earlier this week, and the other a month ago.

I am placing them in the RECORD today in order that the discussion of this hugely important matter may go forward on the basis of relevant facts, which is to say that we might, to some extent at least, know what we are talking about and ultimately voting about.

I would call attention to the important findings concerning social welfare programs under the statehood option. I now cite the CRS study.

Under statehood, extension of the earned income tax credit to Puerto Rico where it is not currently available inasmuch as the Federal income tax does not apply in Puerto Rico, could be a significant new program expenditure and a new social welfare benefit, it having had its origin for that precise purpose.

The Congressional Research Service estimates that the earned income tax credit could cover up to 65 percent of

all families with children in Puerto Rico, two-thirds of the population which are families with children. That is a cash return, and as we expect it will be at the end of this Congress, a refundable tax credit.

Mr. President, under statehood, the second finding, replacing the nutrition assistance block grant with the food stamp program, including open-ended funding, would greatly reduce Puerto Rico's program design flexibility and could expand the caseload and program costs by one-third or more.

The third finding, Mr. President, under statehood, replacing the program of aid to the aged, blind, or disabled with the supplemental security income program, and open-ended funding which is the case, would significantly expand the eligibility of the population in Puerto Rico for increased benefits to recipients by as much as tenfold, and consequently greatly increase Federal costs, but also greatly increase social welfare benefits.

I might add that the supplementary security income is the one provision of the family assistance plan that was sent to Congress in 1969 to be extended to the four income-determined, noncontributory, programs under the Social Security Act: Aid to Families with Dependent Children, aid to the blind, aid to the permanently and totally disabled, and old-age assistance.

It was the intention of that proposal that the benefits be nationwide and openended. So the great disparities, for example, in the program and benefits to AFDC would not continue. Well, the only group for whom that provision was not adopted were the children. But the other three programs were incorporated into SSI and now would make their way to the commonwealth under statehood.

Last of the findings, Mr. President, under statehood, the cap on Medicaid funds that currently applies to Puerto Rico would be removed, and a more generous Federal matching formula would be used. As a result, Federal spending for Medicaid in Puerto Rico would more than double. In addition, Puerto Rico would become subject to new requirements for furnishing more extensive coverage to some classes of individuals, while cutting off coverage to others, and Puerto Rico would no longer be able to restrict Medicaid providers to public facilities.

Mr. President, the analysis of the tax relationship that I shall include in the RECORD this afternoon is not as extensive as that concerning social welfare programs, inasmuch as a further study from the staff of the Joint Committee on Taxation is now in preparation. It should be available in little more than a week's time, and I would inform Senators that my office will have copies, should any of them wish to obtain them.

However, on the basis of what we already have, and indeed what we have for some time known, I call attention at this time to a major central fact. The tax benefits associated with section 936 of the Internal Revenue Code now account for about one-third of the total employment in the Commonwealth of Puerto Rico. I should make explicit, Mr. President, that this is direct and indirect employment, but a third of the jobs there come from 936 industries—the multiplier effect, as economists call the further benefits from wages earned and then spent.

The legislation ordered reported by the Energy and Natural Resources Committee provides for a phaseout of section 936 benefits under statehood ending in 1998. Obviously something such would be required under the uniformity clause of the Constitution.

I emphasize that by present reckoning, the majority of Puerto Rican families have incomes below the Federal poverty line. In our 1986 tax legislation, we went to great lengths to see that no such family pays Federal income taxes. Hence, the majority of Puerto Rican families would, for the immediate future at least, be free of Federal income tax, while they would have available a very considerable range of Federal social welfare programs.

It would thus appear that statehood offers Puerto Ricans the prospect of immediate social welfare benefits, but long-term economic losses, the losses being those to be associated with the disappearance, at least as much as we know, the inevitable disappearance of section 936 benefits, and the assumed decline in those economic activities.

By contrast, Commonwealth promises long-term economic gains, and the continued availability of the very considerable tax incentives associated with 936, such that a third of the island's employment comes from that section, a section originally designed to promote economic investment by American firms in the Philippines, if I may say.

By contrast, Commonwealth status promises long-term economic gains, I say again, but with no immediate social welfare enhancements, or none in the legislation we have before us, and which we will take up in an open-minded manner in the Finance Committee.

These are serious matters and will be seriously debated. A minimum responsibility here in Washington is to ensure that, as much as possible, the facts be made available to those who wish to make informed choices. Imagine our consternation when the Treasury Department testified before the Energy Committee on July 13, stating that it saw no reason why the referendum bill should be "encumbered at this stage" by any speculation concerning the tax and economic consequences of the three options. It cannot be that they would wish the people of Puerto Rico to make their decision in the dark, but certainly they had not shed any light on those decisions. The people of the Commonwealth want, and should have, the facts necessary to make an informed choice.

Mr. President, earlier this year, the distinguished chairman of the Committee on Energy and Natural Resources, and the distinguished ranking member, held hearings in San Juan on this subject. I was asked to join as an observer from the Finance Committee, which I did, and I think it was probably the case that during our 3 days of hearings, something like half the adult population of Puerto Rico was watching us on television. It was an extraordinary event in the evenings to walk about the old city and be recognized not just by the occasional viewer of the evening news, but by everyone. This is central to the lives of the people of the Commonwealth, as it ought to be.

Of course, it is very much in the mind of President Bush, who proposed this referendum to us in his State of the Union message and stated that his preference—very clear, and it has been well understood—was statehood. I am sure if President Bush were aware of the Treasury Department's view that there is no need to encumber this decision with facts, "do not trouble me with the facts" point of view, that he would be of a different view, and perhaps Treasury would respond.

In any event, Mr. President, the reports I now place in the RECORD are a beginning—I believe a good one. I would like most especially to express my appreciation to Carolyn Merck of the Congressional Research Service who headed the study on the welfare effects of the proposal for a referendum on the status of Puerto Rico. I express my appreciation also to David Brumbaugh, of the CRS, who did the analysis of Federal taxes and Puerto Rico under the statehood, independence, and commonwealth options.

Mr. President, may I say that I am aware that I place a large document in the RECORD on this concluding day, as we hope or expect, of this portion of the first session of the 101st Congress, but I do so because we are at exactly the point where the issue of the consequences in terms of social welfare benefits and taxation of the three options to be considered by Puerto Rico comes before us.

The Senate Finance Committee will hold hearings, I am sure, in the autumn. Before we do, it is well that the public should have available the analysis of what the choices before us entail.

Mr. President, I ask unanimous consent to have two memoranda prepared

by CRS printed in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MEMORANDUM

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, July 6, 1989.

To: Hon. Daniel P. Moynihan. Attention: Ted Zukoski.

From: David L. Brumbaugh, Analyst in Public Finance, Economics Division.

Subject: Federal Taxes and Puerto Rico under the Statehood, Independence, and Commonwealth Options of S. 712, 101st Congress.

This memorandum responds to your request for an explanation of how the Federal tax relationship with Puerto Rico would change under each of the options that S. 712 would present to the people of Puerto Rico for referendum. The discussion that follows begins by explaining how current Federal tax laws apply to Puerto Rico. Under S. 712's Commonwealth option, these laws would generally remain in place. The memorandum continues by looking at the changes the particular statehood and independence options contained in S. 712 would bring.

CURRENT LAW

Pueto Rico's current tax relationship with the Federal Government is best understood by looking at how the United States defines its jurisdiction to tax and how Puerto Rico fits into that jurisdiction. In general, the United States asserts its tax jurisdiction on the basis of both the source of income and the identity of the person or firm earning the income. If income has its source in the United States, the United States generally taxes that income, regardless of who earns it. Thus, all individuals and corporations are generally subject to U.S. taxes on income earned in the United States, regardless of their nationality. On the other hand, if an individual is a U.S. citizen, the U.S. taxes the person's income regardless of the country in which it is earned; U.S. citizens are taxed on their foreign as well as domestic income. To alleviate double-taxation, however, the U.S. permits foreign taxes to be credited against U.S. taxes on foreign-source income.

As with U.S. citizens, the United States taxes corporations that are chartered in the United States on their worldwide income but permits the crediting of foreign taxes. Thus, if a firm conducts its foreign operations through a foreign branch of the U.S. parent corporation, its foreign income is subject to U.S. taxes on a current basis. At the same time, however, foreign-source income of foreign corporations is beyond the U.S. tax jurisdiction. Thus, if a U.S. firm conducts it foreign operations through a subsidiary corporation chartered in a foreign country, income the subsidiary earns is exempt from U.S. taxes until it is remitted to the U.S. parent corporation as intra-firm dividends. U.S taxes on foreign-source income can thus be postponed indefinitely. This characteristic of the U.S. tax code is usually referred to as the "deferral principle."

Puerto Rico fits into this structure much like a foreign country but with some very important differences. U.S. corporations and firms, for example, are generally permitted to claim Puerto Rican taxes as foreign tax credits.[1] Also, Puerto Rico is not considered part of the United States for tax purposes.[2] For firms, the result is that corporations chartered in Puerto Rico are treated like foreign corporations and are not subject to U.S. taxes on income earned outside the mainland United States. As in foreign countries, then, the deferral principle is generally available in Puerto Rico for U.S. firms that wish to use it.

Instead of deferral, however, most firms that invest in Puerto Rico use the possessions tax credit: an alternative tax benefit that is not available in foreign countries. The credit, provided by section 936 of the Federal tax code, provides a full exemption from Federal taxes rather than mere postponement and is widely used by U.S firms with operations in Puerto Rico. Under its terms, qualifying U.S. corporations can receive a tax credit equal to the Federal income taxes they would otherwise owe on income from active business operations and certain financial investments in Puerto Rico. Thus, while section 936 technically provides a tax credit, the credit is, in effect, a tax exemption for income earned in Puerto Rico. To qualify for the credit, a firm must be incorporated in the United States (a subsidiary corporation cannot therefore qualify for both deferral and the possessions tax credit), must earn at least 80 percent of its income in the possessions, and must derive at least 75 percent of its income from the active conduct of a business in the possessions. Firms with extensive operations in the mainland United States and elsewhere ordinarily meet these requirement by setting up separate subsidiary corporations for their Puerto Rican operations.[3]

Section 936 generally provides a more generous tax benefit than the deferral principle. Under deferral, U.S. firms can invest in Puerto Rico through corporations chartered in Puerto Rico, and, as long as the subsidiaries' earnings are not repatriated to the U.S. parent corporations, they are exempt from Federal taxes. When the earnings are repatriated, however, they are subject to Federal taxes in the hands of the U.S. parent corporation. Under section 936, possession-source business income of qualifying U.S. corporations is exempt from Federal taxes. Further, since parents can deduct from taxable income dividends received from subsidiary U.S. (but not foreign) corporations, the possessions-source income is also not taxed upon repatriation to the parent corporation.

Turning now to individuals, Puerto Rico are citizens of the United States and, as noted above, U.S. citizens are subject to U.S. taxes on their worldwide income. Normally, then, Puerto Ricon citizens would be subject to Federal taxes on their worldwide income just like other U.S. citizens. Special provision is made for Puerto Rico, however, by section 933 of the Internal Revenue Code. Under its terms, year-long residents of Puerto Rico are exempt from Federal taxes on income from Puerto Rican sources. Puerto Rican residents, however, are subject to Federal taxes on income from any other geographic source, including the mainland United States. Also Puerto Rico levies its own individual income tax on residents of Puerto Rico.

The tax code also makes special provision for Puerto Rico with regard to excise taxes. Under section 7652 of the Internal Revenue Code, revenues from Federal excise taxes on good manufactured in Puerto Rico generally are rebated or "covered over" to the treasury of Puerto Rico. Since 1984, however, certain limitations have been imposed on the rebates. With respct to distilled spirits, rebated taxes are limited to those imposed on rum. Rebate of taxes on other items is prohibited unless more than 50 percent of the value of the taxed item is actually added in Puerto Rico.[4]

STATEHOOD

The statehood option specified by S. 712 generally provides that Puerto Rico will ultimately be treated like the fifty States for purposes of Federal income taxes. Individuals residing in Puerto Rico would be subject to Federal taxes on their worldwide income. And at least in the long run, corporations would be subjected to full Federal taxation on income earned in Puerto Rico; neither the possessions tax credit nor deferral would apply. But while the bill provides that "Provisions of the Internal Revenue Code concerning Federal Income Taxes shall immediately apply to Puerto Rico" (section 16 of the bill), S. 712's statehood language also contains important transition provisions designed to "expedite the adjustment of the Commonwealth of Puerto Rico from the tax structure of the territory to the fiscal and economic system of the State" (section 16(a)).

Among the transition provisions is a general statement that "Provision shall be made by Congress so that economic and fiscal exceptions of the Internal Revenue Code, already granted" would temporarily remain in effect. The possessions tax code is explicitly listed by the bill as one of the tax code's "exceptions." The bill would continue the full application of section 936 for an unspecified period of time before gradually phasing the credit out, also over an unspecified time period.

Section 993's tax exemption for individuals residing in Puerto Rico could certainly be construed as an "exception" to normally applicable tax treatment in the case of Puerto Rico. The nature of the deferral of taxes on income earned by corporations chartered in Puerto Rico is less certain, but could also be considered an exception. Still, neither of these tax provisions are explicitly listed as exceptions by S. 712. Whether they would be temporarily continued is thus uncertain.

Another transition provision relates to tax revenue. The statehood language of S. 712 provides that the existing income tax laws of Puerto Rico would stand repealed upon admisssion of Puerto Rico as a State, a measure that would deprive the State government of an important source of revenues. Under the statehood provisions, however, proceeds from the application of Federal income taxes to Puerto Rico are to be transferred into Puerto Rico's treasury in gradually diminishing amounts for an unspecified number of years.

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[1] U.S. Internal Revenue Code. Section 901(b).

[2] U.S. Internal Revenue Code. Section 7701(a).

[3] For further information of the possession tax credit, see: U.S. Library of Congress. Congressional Research Service. *The Possessons Tax Credit (IRC Section 936): Background and Issues.* Report No. 88-200 E, by David L. Brumbaugh. Washington, 1988. p. 9.

[4] For additional information on the cover-over of excise taxes, see: Hoff, Karla. U.S. Federal Tax Policy Toward the Territories: Past, Present, and Future. *Tax Law Review.* v. 37. Fall, 1981. p. 56-7. For informatoin on the 1984 limitations, see: U.S. Congress. Joint Committee on Taxation. *General Explanation of the Revenue Provisions of the Deficit Reduction Act of 1984.* Joint Committee Print, 98th Cong., 2d Sess. Washington, U.S. Govt. Print. Off. 1984. p. 1222, 1226.

Finally, the statehood language provides that an "omnibus act" will be enacted by Congress "to ensure that the people of Puerto Rico attain equal social and economic opportunities with the residents of the several States" (section 16(c)). Included in the act would be "measures necessary to assure appropriate continuity" for Puerto Rico in the treatment of alcohol excise taxes. Thus, the omnibus bill would apparently continue the coverover of taxes to Puerto Rico, at least in the case of taxes on rum.

INDEPENDENCE

For firms, S. 712's independence provisions are clear. As noted above, Puerto Rico is currently treated much like a foreign country in that foreign tax credits and deferral of U.S. Federal taxes are available. More appealing for most firms, however, is section 936, whose tax exemption surpasses deferral in its generosity. If S. 712 made no special provision, section 936 would no longer be available. As with other foreign countries, deferral would continue to apply.

As with its statehood provisions, however, the independence provisions of S. 712 contain language that would retain the possessions tax credit at least temporarily. Under the bill, section 936 would remain in full effect for 15 years following independence. In the tenth year after independence, the bill provides for a "Joint Commission on Taxation" to be appointed by the United States and Puerto Rico whose purpose would be to study and recommend changes (if any) to be made in the Possessions Tax Credit at the end of the fifteen-year period. Thus, the independence provisions leave the future of the possessions tax credit undetermined and in the hands of the Joint Commission.[5]

For individuals, the results of S. 712's independence provisions are uncertain. Normally, the United States taxes individuals who are neither U.S. residents nor U.S. citizens only on income they earn in the United States. Thus, if post-independence Puerto Rico were to be like other foreign countries, Puerto Ricans would be taxed by the United States only on income they earn in the United States. The independence provisions of S. 712 are, however, ambiguous. To begin, the bill provides that after independence, U.S. laws that apply to Puerto Rico will no longer be in force. This provision implies that the U.S. tax code's section 933 tax exemption for individuals will no longer apply after independence. Normally, however, residents of foreign countries are beyond U.S. tax jurisdiction, and the removal of section 933's exemption would not matter.

S. 712's citizenship provisions, however, complicate matters. As noted above, part of the United States tax jurisdiction is based on the nationality of the taxpayer: the United States taxes U.S. citizens on their worldwide income. Under the independence provisions of S. 712, Puerto Ricans will automatically retain their United States citizenship unless they elect to relinquish it. At first glance, then, it appears that the United States will tax at least some Puerto Ricans (those who do not actively relinquish their U.S. citizenship) on their worldwide income after independence.

However, several other provisions of S. 712 make this outcome uncertain. In the first place, the independence alternative states that U.S. citizenship will be retained provided that the person in question will not be subject to any "obligation contrary to the sovereignty of the Republic of Puerto Rico." (Section 5.1(g); the only obligation the bill mentions explicitly is military registration.) Second, the bill provides that each nation (i.e., the United States and Puerto Rico) will have taxing jurisdiction over income from sources within its territory (section 5.4(d)). Even this second provision, however, does not rule out continued U.S. taxation of Puerto Ricans on income earned outside Puerto Rico. Further, the existence of taxing jurisdiction on the part of one nation does not preclude the existence of a taxing jurisdiction over the same income on the part of another nation. Indeed, overlapping tax jurisdictions are normal in international taxation and are the reason most countries grant their taxpayers foreign tax credits.

Because U.S. laws that apply to Puerto Rico would no longer be in force after independence, Federal excise taxes would not be collected on items produced in Puerto Rico. Accordingly, there would be no coverover of excise tax revenues to the Treasury of Puerto Rico after independence.

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, August 1, 1989.

To: Honorable Daniel P. Moynihan. Attention: Ed Lopez.

From: Carolyn L. Merck, Coordinator, Carmen D. Solomon, Joe Richardson, Geoffrey Kollmann, Mark L. Merlis, James R. Storey, Edward Klebe, Sharon D. Stephan, Specialists in Social Legislation, Education and Public Welfare Division.

Subject: Effects of the Proposal for a Referendum on the Status of Puerto Rico.

In response to your request, this memorandum presents an analysis of the effect on selected social welfare programs of alternative outcomes of a referendum on the status of Puerto Rico. The alternatives are (1) statehood, (2) independence, or (3) "enhanced" commonwealth status. Our analysis is based on Senator Johnston's and Senator McClure's amendment in the nature of a substitute to S. 712 as of July 27, 1989.

The important findings of our review of how social welfare programs would be affected by a change in Puerto Rico's status are:

Under statehood, extension of the earned income tax credit to Puerto Rico, where it is not currently available, could be a significant new program expenditure, potentially covering up to 65 percent of all families with children in Puerto Rico;

Under statehood, replacing the nutrition assistance block grant with the food stamp program, including open-ended funding, (a) would greatly reduce Puerto Rico's program design flexibility, and (b) could expand the caseload and program costs by one-third or more;

Under statehood, replacing the program of aid to the aged, blind, or disabled with the supplemental security income program and open-ended funding would significantly expand the eligible population in Puerto Rico, increase benefits to recipients by as much as 10-fold and, consequently, greatly increase Federal costs;

Under statehood, the cap on medicaid funds that currently applies to Puerto Rico would be removed and a more generous Federal matching formula would be used. As a result, Federal spending for medicaid in Puerto Rico could more than double. In addition, Puerto Rico would become subject to new requirements for furnishing more extensive coverage to some classes of individuals while cutting off coverage to others, and Puerto Rico would no longer be able to restrict medicaid providers to public facilities.

Under independence the following issues would arise concerning the social security system: (1) if social security beneficiaries in Puerto Rico continued to receive payments from the U.S. system, but the contributions of workers that formerly went to the U.S. system instead were credited to the new Puerto Rican system, Puerto Rico would benefit at the expense of the U.S. social security system; (2) eventually, the new Puerto Rican system probably would have to provide lower benefits or have a higher rate of taxation than under the current arrangement (Puerto Rico now receives approximately 50 percent more in benefits than it pays in social security taxes).

This memo is organized as follows: First is a brief description of our understanding of each of the alternatives for the status of Puerto Rico as included in substitute S. 712, with specific reference to the operation of various social welfare programs; second are data on the demographic and economic characteristics of the population of Puerto Rico and relevant comparisons with data for the States; third is a description of how selected programs operate in the 50 States, how those programs currently operate in Puerto Rico, what the effect of a change in the status of Puerto Rico would be on each program, and important program policy issues that would arise from a change in status.

As agreed in discussions with your staff, the programs covered in our analysis are:

Aid to families with dependent children (AFDC) (p. 9-12).

Supplemental security income (SSI) and the Puerto Rico counterpart, aid to the aged, blind, or disabled (AABD) (p. 13-18).

Food stamps and the Puerto Rico counterpart, the nutrition assistance block grant (p. 19-31).

Social security retirement, disability, and survivor benefits (p. 32-34).

Medicaid (p. 35-41).

Medicare (p. 42-47).

Unemployment compensation (UC) (p. 48-50).

Earned income tax credit (EITC) (p. 51-52).

Maternal and child health (MCH) block grant (p. 53-55).

Title IV-B child welfare services (p. 56-57).

Title IV-E foster care and adoption assistance (p. 58-59).

Title XX social services (p. 60-61).

Please note that we do not attempt definitive cost or budget estimates, although we discuss issues concerning the general implications of the alternatives for cost and coverage of the population.

[5] The bill provides that if the Joint Commission fails to reach agreement on the future of section 936, repatriations of Puerto Rico-source income will gradually become subject to U.S. taxes in 10 percent increments. Note, however, that it is not repatriations that would be newly subject to full taxation if Puerto Rico were to be treated in exactly the same manner as other foreign countries. Since Possessions Corporations are necessarily incorporated in the United States, the Corporations themselves would, in effect, move from tax exempt to taxable status. The treatment of repatriations, in contrast, would not change and parent corporations could continue to claim dividends-received deductions for them. Thus, when the independence provisions gradually subject repatriations to U.S. taxation, they are not actually phasing in Puerto Rico's full treatment as a foreign country.

Alternatives for the Status of Puerto Rico, as Proposed in Substitute S. 712

Statehood

Puerto Rico would become a State equal in standing with the 50 States. All laws and programs operating in the 50 States would operate in Puerto Rico on the same terms and according to the same rules and regulations that apply in the other States. Where there is precedent for variation in program operations in individual States, such as eligibility and benefit criteria for certain programs in Alaska and Hawaii, those precedents might be considered in establishing such a program in Puerto Rico. One exception is made that would allow, until October 1, 1997, the continuation of the nutrition assistance block grant instead of the food stamp program.

Independence

Puerto Rico would become a separate and sovereign nation, although any person with U.S. citizenship would retain that citizenship. Presumably, the final legislation will provide for a transition period during which Federal spending in Puerto Rico would be replaced with a consolidated aid package that would be paid for several years after the proclamation of independence. Once Puerto Rico is fully independent, no program available to U.S. citizens who reside in the States or territories would be available to residents of Puerto Rico, whether or not U.S. citizens. A special task force would be appointed to deal with transition issues for the old-age, survivors, and disability insurance program (social security) and medicare.

Enhanced Commonwealth Status

Puerto Rico's commonwealth status would be somewhat altered. Federal grant-in-aid programs, with specific exceptions for programs that provide payments to individuals, could be consolidated and subjected to reduced application and reporting requirements. The funds could be used for the purposes of any of the programs included in the consolidation, and matching fund requirements could be waived by the Federal administering agency.

Income and Demographic Characteristics in Puerto Rico

Tables 1 and 2 illustrate how the income and household characteristics of the population in Puerto Rico compare to the U.S. population as a whole and to a State. (Mississippi is used in this comparison.) The data were tabulated from the 1980 decennial census. Even though the data are 10 years old, the characteristics of the populations in the different jurisdictions probably have not changed substantially in relation to each other.[1]

The data show that the average family is significantly larger in Puerto Rico than in the States (4.01 persons per family compared with 3.27 persons), and the median age in Puerto Rico is 4.5 years younger than in the States, reflecting a greater number of children per family. A slightly higher proportion of children in Puerto Rico live in single, female-headed families than do those in the United States, but a higher proportion live in two-parent families than do in Mississippi. The elderly in Puerto Rico are more likely to live in a family unit than are the elderly in the United States, which also increases the average family size.

Income in Puerto Rico is significantly lower than in any of the 50 States, which is an important consideration for evaluating the potential effects of extending open-ended, means-tested transfer programs there. Measured against the poverty threshold that applies in the States, in 1979 the incidence of poverty was six times greater in Puerto Rico than in the United States as a whole; 58.1 percent of families in Puerto Rico fell below the poverty threshold compared with 18.9 percent in Mississippi and 9.6 percent in the United States as a whole. The median family income in Puerto Rico in 1979 was less than 30 percent of the U.S. median and was 40 percent of that in Mississippi, which had the lowest income of the 50 States. The median annual earnings of men in Puerto Rico who worked at any time during 1979 were 54 percent of the median earnings of men in Mississippi, and 41 percent of the earnings of men in the total United States. The poverty rate among the elderly is substantially higher in Puerto Rico than in the States. Only 8.1 percent of elderly persons in the States live in families with incomes below poverty, but in Puerto Rico nearly 60 percent of the elderly live in poor families.

TABLE 1.—SELECTED DATA ON THE INCOME AND DEMOGRAPHIC CHARACTERISTICS OF THE POPULATIONS OF PUERTO RICO, MISSISSIPPI, AND THE UNITED STATES—1980

	Puerto Rico	Mississippi	United States
Households	904,151	861,418	86,573,717
Families	757,645	645,453	59,190,133
Unrelated individuals	146,506	215,965	27,383,584
Persons	3,176,743	2,455,065	220,845,766
Persons in families	3,035,777	2,239,100	193,462,182
Percent of persons in families	95.6	91.2	87.6
Percent of family households	83.8	74.9	68.4
Average household size	3.65	2.97	2.74
Average family size	4.01	3.47	3.27
Age distribution (percent):			
Persons under 16	33.9	28.7	24.8
Persons age 16 to 64	58.2	60.0	64.3
Persons age 65 plus	7.9	11.3	10.9
Median age (years)	25.5	29.2	30.0
Family status: children (percent):			
In male-present families	82.1	77.8	82.9
In single female-headed families	17.9	22.2	17.1
Family status: persons 65 plus (percent):			
In families	80.8	69.1	68.0
Unrelated individuals	19.2	30.9	32.0
Family income:			
Median income	$5,923	$14,591	$19,917
Mean income	8,271	17,645	23,092
Families with children:			
Median income	6,080	15,812	20,375
Mean income	8,553	18,225	23,551
Married-couple families with children:			
Median income	6,743	18,210	22,816
Mean income	9,153	20,474	25,735
Single household with children:			
Median income	3,210	7,117	8,819
Mean income	4,436	8,715	10,943
Families with householder 65 plus:			
Median income	4,294	8,138	12,295
Mean income	6,349	11,797	16,831
Income of unrelated individuals:			
Median	1,853	3,961	6,695
Mean	3,417	6,386	9,282
Unrelated individuals 65 plus:			
Median income	1,840	3,200	4,752
Mean income	2,495	5,000	7,142
Median annual earnings:			
Males 15 plus	5,394	9,943	13,172
Females 15 plus	5,082	5,487	6,285
Poverty status:			
Families below poverty (percent)	58.1	18.9	9.6
Persons below poverty (percent)	62.4	12.4	23.9
Children below poverty	69.5	30.4	16.0
In male-present families	66.2	20.9	9.4
In single female-headed families	84.1	63.7	47.8
Persons 65 plus below poverty	63.8	34.3	14.8
In families	59.1	24.7	8.1
Unrelated individuals	83.6	55.7	29.2
Median poverty income deficit for:			
Families below poverty	$3,887	$2,610	$2,574
Unrelated individuals below poverty	2,481	1,332	1,538
Persons 65 plus	1,806	921	843

Note: Income and poverty data are for 1979.

Source: Table prepared by the Congressional Research Service (CRS). Data derived from the U.S. Bureau of the Census. 1980 Decennial Census. Detailed Population Characteristics, v. 1, chapter D.

TABLE 2.—DISTRIBUTION OF GROSS ANNUAL FAMILY INCOME: UNITED STATES, MISSISSIPPI, AND PUERTO RICO—1980

	No. of families	Percent of families by income				
		Less than $5,000	$5,000–9,999	$10,000–14,999	$15,000–24,999	$25,000 plus
United States	59,190,133	7.3	13.1	14.7	29.4	35.4
Mississippi	645,453	13.5	19.9	17.9	27.5	21.3
Puerto Rico	757,145	43.4	28.4	13.3	10.3	4.6

Source: CRS tabulations from the 1980 Decennial Census.

TABLE 3.—LABOR FORCE PARTICIPATION IN THE UNITED STATES AND PUERTO RICO—1987

[In percent]

	United States	Puerto Rico
Total civilian labor force participation rate (persons 16 plus)	65.6	44.1
Males	76.2	59.7
Females	56.0	30.4
Unemployment rate	6.2	16.8

Source: Statistical Abstract, 1989, tables 622, 623, and 1389.

Table 3 shows that in 1987 the labor force participation rate in Puerto Rico was lower than in the United States as a whole: 44.1 percent of the population age 16 and over was in the labor force in Puerto Rico, compared with 65.6 percent in the United States. During that year the unemployment rate in Puerto Rico was well above that in the United States, 16.8 percent compared with 6.2 percent respectively.

Altogether, the data for Puerto Rico portray a population that is very different from that of the States. The major differences in the income distribution indicate that, should Puerto Rico become a State, applying the welfare program eligibility and benefit criteria that pertain in the 50 States could extend those benefits to a very large portion of the Island's population. The programs that would have the greatest impact if extended to Puerto Rico are food stamps, SSI, and the EITC, for which benefits are nationally uniform and are not set by the States. Although a detailed economic analysis of the effects of Puerto Rican statehood or enhancement of its commonwealth status on the distribution of personal income there is not undertaken in this memo, the data indicate that the introduction of welfare benefits at levels equal to those in the States could have important consequences for the Island's economy.

[1] The definition of a family is two or more persons related by blood, marriage, or adoption living together; "unrelated individuals" are single persons living alone or with others to whom they are not related by blood, marriage, or adoption. The term "household" includes families, single individuals living alone, and two or more unrelated individuals living together as one household unit.

The Effects of the Referendum Alternatives on Social Welfare Programs

Following is a description of the implications of statehood, independence, and enhanced commonwealth status on various social welfare programs. Each program discussion includes a description of how the program operates now in the 50 States, how it operates in Puerto Rico, and the implications for program operations and scope under the alternatives proposed for referendum.

AID TO FAMILIES WITH DEPENDENT CHILDREN (AFDC)

The current program in the States

Eligibility and Benefits in the 50 States and the District of Columbia

Aid to families with dependent children (AFDC) is the major cash welfare program for needy children and their families. The AFDC program offers Federal funds to help pay State costs of providing cash payments to needy children (and their needy parents or other caretakers) who are under age 18 (or at State option, 19, if the child is still in high school or training); living in the home of a parent or specified relative; and deprived of parental support or care because of the death, continued absence from the home, or physical or mental incapacity of a a parent, or, at State option, until FY 1991 (FY 1993 for the outlying areas), when it becomes a mandatory component of AFDC, the unemployment of the principal wage earner.

In FY 1987, 98 percent of AFDC children had two living parents (almost half of whom were unwed) but 87 percent lived with one parent, usually the mother. Only 11.4 percent of the children were in two-parent families (7.9 percent in families with an unemployed parent, 3.5 percent with an incapacitated parent).

States define "need," set their own benefit levels, establish (within Federal limitations) income and resource limits, and administer the program or supervise its administration. All States, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands operate an AFDC program. American Samoa, effective October 1, 1988, has the authority to operate an AFDC program, but as of spring 1989 had not chosen to do so. To qualify for AFDC, a family must have a dependent child, countable income below the State's payment standard and countable resources below the State's resource limit; if able-bodied and without a preschool child, the parent must register for work or training. (Under the Family Support Act, all States must adopt a new job opportunities and basic skills (JOBS) training program by October 1, 1990; States generally are required to enroll all parents with children under age 3 in their education, work, or training activities if resources permit.) Benefits vary by family size; in January 1989, monthly AFDC payments to a three-person family with no countable income ranged in the 48 contiguous States from $118 in Alabama to $665 in Suffolk County, New York. The Federal countable resource limit is $1,000 per family. Some major resources, however, such as the home in which the family is living and up to $1,500 in equity value of a car (less in two States), are not counted as resources. The average monthly benefit paid in FY 1988 was $370 per family.

Participation

In FY 1988, 10.9 million persons in 3.7 million families were enrolled in the AFDC program in the 50 States, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands. AFDC children totaled 7.3 million, 11.5 percent of the U.S. child population.

Funding and Expenditures

In the 50 States and the District of Columbia, the Federal Government pays at least 50 percent of each States' AFDC benefit payments, and 50 percent for most administrative costs in all States. Federal matching for AFDC benefits varies among States and, within limits, is inversely related to State per capita income. The Federal share of a State's AFDC payments is determined by the matching formula specified for medicaid in TItle XIX of the Social Security Act. The share of AFDC benefits paid by Federal funds ranges in FY 1989 from 50 percent to 79.8 percent (Mississippi), and unlimited matching funds are authorized. For the outlying areas, Guam, Puerto Rico, and the Virgin Islands, 75 percent Federal matching is provided, but the law imposes a ceiling on Federal funds.

In FY 1988, total AFDC program costs for the 50 States, the District of Columbia, and the outlying areas amounted to almost $19 billion, of which 88 percent, $16.6 billion, was spent on benefit payments and the rest on administrative costs. The Federal Government paid nearly 55 percent, $9.1 billion, of AFDC benefit expenditures.

The current program in Puerto Rico

Eligibility and Benefits in Puerto Rico

Under the AFDC program, the Commonwealth of Puerto Rico is considered a "State." Thus, generally the categorical, income, and resource eligibility criteria described above apply. However, the new law requiring all States to offer AFDC (for at least part of the year) to two-parent families in which the principal earner is unemployed does not take effect in Puerto Rico until October 1, 1992, 2 years later than in the 50 States and the District of Columbia.

In FY 1987, 98 percent of AFDC children in Puerto Rico had two living parents (about 40 percent of whom were unwed), but 75 percent lived with only one parent, usually the mother. More than one-fifth of the children were in two-parent families with an incapacitated parent. Puerto Rico did not offer AFDC for unemployed parents.

Puerto Rico's maximum AFDC benefit varies by family size, and for a three-person family is $90 per month (this amount assumes an average rent payment of $20 per month). This is $28 below the lowest maximum payment in the 50 States (Alabama). The average payment among families of all sizes in FY 1988 was $101 per month, compared with $370 among the States.

Participation

In FY 1988, 177,360 persons in nearly 55,000 families in Puerto Rico received AFDC benefits. In 1980, a total of 117,669 Puerto Rican children received AFDC, 9.6 percent of the Island's child population (more recent percentage data are unavailable).

Funding and Expenditures

The major differences between Puerto Rico and the other "States" is the way its AFDC program is funded. The 50 States and the District of Columbia receive open-ended funding, with a minimum Federal matching rate for benefits of 50 percent and a maximum Federal match of 83 percent. In contrast, as noted before, Puerto Rico and the other outlying areas are subject to a "cap" on Federal funding for several programs grouped together. The Federal Government pays 75 percent of Puerto Rico's AFDC benefit payments and several other social welfare benefits up to a specified limit. Section 1108 of the Social Security Act places an annual limit of $82 million ($72 million before FY 1989) on the sum available to Puerto Rico for matching funds to help fund AFDC, emergency assistance, aid to the aged, blind, or disabled, and foster care and adoption assistance. The Act provides that Puerto Rico may use funds not expended within the section 1108 cap for its Title XX social services program. (In effect, this Title XX provision generally allows Puerto Rico to always receive the amount of the Federal cap.)

In FY 1988, total AFDC benefit payments in Puerto Rico amounted to $66.7 million (qualifying Puerto Rico for $50 million in 75 percent Federal matching funds).

Implications of Statehood

If Puerto Rico were to be treated like the 50 States and the District of Columbia in terms of its AFDC funding, the cap on Federal funding would be removed, and its Federal matching rate would be raised from the 75 percent rate to the maximum permitted in law, 83 percent. This is because Puerto Rico's 1987 per capita income ($4,997) was less than one-third that of the United States ($15,481). These relationships, under the existing formula, would qualify Puerto Rico for the maximum matching rate.

According to data from the Department of Health and Human Services, total FY 1987 benefit payments in Puerto Rico for AFDC ($66.4 million), emergency assistance ($207,000), and aid to the aged, blind, or disabled ($17.2 million) totaled $83.8 million, qualifying Puerto Rico for maximum matching funds (at a 75 percent rate) of $62.86 million. In addition, administrative costs for AFDC totaled $14.1 million, qualifying Puerto Rico (at a 50 percent rate) for matching funds of $7.05 million. Data are not available on expenditures in Puerto Rico on foster care and adoption assistance, but the Administration has indicated that Puerto Rico does not receive funding under tht Title IV-E foster care and adoption assistance programs. It appears that Puerto Rico in FY 1987 did not use the full $72 million available in that year for the programs listed above, in which case it could apply the rest to its Title XX social services program. It is unclear how Puerto Rico would respond to open-ended benefit funding for AFDC at an 83 percent matching rate. By spending somewhat less money Puerto Rico could maintain existing program levels.

Implications of independence

Puerto Rico as an independent nation would not be eligible to participate in the AFDC program. Presumably, Federal AFDC funds would be included in the consolidated aid package that would be paid to Puerto Rico for several years after the proclamation of independence.

The Family Support Administration estimated that in FY 1988 the Federal Government reimbursed Puerto Rico $52.3 million for AFDC benefit payments, $92,561 for emergency assistance payments (also part of Title IV-A of the Social Security Act), and about $7.2 million for administration and training costs, for a total of approximately $59.6 million related to families and children. These figures reflect adjustments for previous claims. (An additional amount was reimbursed in FY 1988 for cash aid to the aged, blind, or disabled. See next section.)

Implications of enhanced commonwealth status

Section 407 of the substitute S. 712 provides for the consolidation of certain "grant-in-aid" programs. Because the law referred to in section 407 excludes "direct payments to classes of individuals," the provision presumably would not apply to the AFDC program, which makes grants to States for payments to classes of individuals. If commonwealth status prevailed, the existing AFDC program would continue (unchanged) in Puerto Rico.

SUPPLEMENTAL SECURITY INCOME (SSI)

The current program in the States

Eligibility and Benefits in the 50 States, the District of Columbia, and the Northern Mariana Islands

The supplemental security income (SSI) program is a Federal program administered by the Social Security Administration that guarantees a minimum level of cash income to needy aged, blind, and disabled persons. To qualify for SSI payments, a person must satisfy the program criteria for age, blindness, or disability. The aged are defined as persons 65 years and older. Blind individuals are those with 20/200 vision or less with the use of a correcting lens in the person's better eye, or those with tunnel vision of 20 degrees or less. Disabled individuals are those unable to engage in any substantial gainful activity (SGA) by reason of a medically determined physical or mental impairment expected to result in death or that has lasted or can be expected to last, for a continuous period of at least 12 months. In addition, to be considered "disabled," a child under age 18 must have an impairment of "comparable severity" with that of an adult. SSI law is contained in (the second) Title XVI of the Social Security Act.

In 1989, individuals and couples are determined to be eligible for a Federal SSI payment if their countable income does not exceed $368 per month for an individual living independently or $553 for a couple living independently. Benefit levels are adjusted for price inflation at the same time and by the same percentage as social security benefits. Countable income is subtracted from the Federal SSI guarantee (and State supplementary payment, if available) to determine SSI eligibility and benefit amount.

Under the SSI program, $20 of monthly income from virtually any source (such as social security benefits, but not need-tested income such as veterans' pensions) is disregarded in determining eligibility and benefit amount. In addition, the first $65 of monthly earned income plus one-half of remaining earnings are disregarded. Thus, the income level at which Federal SSI eligibility ends for an individual (i.e., the "breakeven" amount) is $338 if the person has only unearned income, and $821 per month if the person has only earned income. (The corresponding figures for a couple are $573 and $1,191.) In effect, this means that the marginal benefit-reduction rate is 50 percent for earned income and 100 percent for unearned income.

About 42 percent of SSI recipients receive a State supplement. Currently, 26 States and the District of Columbia supplement the Federal guarantee for individuals living independently, by monthly amounts ranging from $2 to $384 (Connecticut). Most States provide supplements for recipients in group living arrangements.

To determine eligibility and benefits the SSI program generally takes into account all types of income, including earned, unearned, and support and maintenance furnished in cash or in kind. However, Congress recognized that many aged, blind, or disabled individuals live with relatives or friends, making it difficult to determine the exact value of the support and maintenance furnished in kind. Thus, if an SSI applicant or recipient is "living in another person's household and receiving support and maintenance in-kind from such person," the value of such in-kind assistance is presumed to equal one-third of the Federal SSI benefit standard. The maximum Federal SSI benefit payable to such individual or couple is two-thirds of the Federal SSI guarantee level.

Eligibility for SSI is restricted to qualified persons who have countable assets of not more than $2,000, or not more than $3,000 in the case of qualified couples. In determining assets, a number of items are excluded. Totally disregarded is the individual's home; and, within "reasonable" limits set by the Secretary of the Department of Health and Human Services these assets are disregarded: household goods, personal effects, an automobile, and a brial space for the individual, spouse, and members of the immediate family.

The income of an ineligible spouse who lives with an adult SSI applicant or recipient is considered in determining the eligibility and amount of payment to the individual. Similarly, part of the income of the parents of a disabled or blind child under the age of 18 is counted as available to the child and used in determining his SSI benefit amount, if any. Further, an individual's resources are deemed to include those of his ineligible spouse (with whom he lives) or in the case of a child under the age of 18, those of his parents with whom he lives. In 1987, there were 41,200 spouse-to-spouse and 22,500 parent-to-child cases in which deeming reduced the benefit; these figures do not include the cases in which individuals were made ineligible because of the deeming provisions.

In addition to the categorical requirements and income and resources rules, to receive SSI a person must be a citizen of the United States or an alien who is lawfully admitted to the United States; live in the United States or the Northern Mariana Islands; apply for all other benefits to which he is entitled; and if he is disabled, accept vocational rehabilitation services if they are offered.

The Commonwealth of Northern Mariana Islands is the only outlying U.S. area with the SSI program. The Northern Marianas Covenant (P.L. 94-241) was signed into law in March 1976. It changed the status of the Northern Mariana Islands from a part of the United Nations Trust Territory of the Pacific administered by the United States to that of a full U.S. Commonwealth. Terms of the covenant extended SSI to the new Commonwealth on the same terms as in the 50 States and the District of Columbia, effective in 1978. Congress has never passed proposals to extend the SSI program to the other U.S. Commonwealth (Puerto Rico) or the other U.S. outlying areas of Guam, American Samoa, and the Virgin Islands.

The SSI program, which began operations in 1974, replaced the matching-grant programs of old-age assistance, aid to the blind, and aid to the permanently and totally disabled in the 50 States and the District of Columbia.

Participation

It is estimated that nearly 4.5 million persons will receive SSI benefits in FY 1989; 2.0 million persons aged 65 or older (almost 7 percent of the U.S. aged population) and 2.5 million blind or disabled persons, approximately 290,000 of whom are estimated to be children. In September 1988, the average monthly SSI payment was $259; the average monthly Federal SSI payment was $226, and the average amount of State supplementation was $122.

Funding and Expenditures

Federal SSI benefits and the cost of administering the program are financed from general funds from the Treasury. The Social Security Administration also administers the payment of State-financed State supplementary SSI payments for 26 States and the District of Columbia. These administrative costs are paid by general funds from the Treasury.

In FY 1989 it is estimated that the Federal Government will pay 77 percent of total SSI program costs ($14.7 billion) and the States, 23 percent. IN FY 1988, the SSI program cost the Federal Government $11.4 billion. Ninety-two percent of this amount was spent on Federal SSI benefit payments and the rest was spent on administrative costs, beneficiary services, and demonstration projects.

The current program in Puerto Rico

Eligibility and Benefits of Aid to the Aged, Blind, or Disabled in Puerto Rico

The SSI program is not available in Puerto Rico. Instead, Puerto Rico operates an assistance program of aid to the aged, blind, or disabled (AABD) under Title XVI of the Social Security Act. As with AFDC, the Commonwealth of Puerto Rico sets eligibility requirements (within Federal guidelines) and benefit levels. The Federal Government provides a grant to the Commonwealth to meet a share of the program's cost.

Aged persons are defined as those age 65 and older. The definition for blindness is virtually the same as that used for the SSI program; there is no age requirement for blind persons (i.e., blind children always have been eligible for benefits under both programs). Disability is defined by Puerto Rico, but is restricted to those age 18 or older.

To qualify for assistance in Puerto Rico, an aged, blind, or disabled person must have countable resources of no more than $2,000 and countable income of less than the maximum benefit, which equals $32 per month plus 50 percent of actual shelter costs. If shelter costs are assumed to be $20 monthly (reported by Administration officials as the average amount paid for rent by welfare recipients), the income level at which an individual with no other income would no longer qualify for adult assistance payments is $42 per month. In FY 1987, the average monthly benefit was approximately $36.

Under the AABD program not all earned income is counted. In the case of an aged or disabled person the law says that of the first $80 per month of earned income, the State agency *may* disregard not more than $20 plus one-half of the remainder. Thus, the breakeven level for an aged or disabled AABD recipient who has only earned income is $92 per month (assumes shelter costs of $20 per month). In the case of a blind AABD recipient, the State agency *must* disregard the first $85 per month of earned income plus one-half of remaining earnings. Thus, the breakeven level for a blind AABD recipient who has only earned income is $169 per month (assumes shelter

costs of $20 per month). In effect, this means that (1) 100 percent of unearned income is counted in determining the AABD benefit amount, (2) the marginal benefit-reduction rate is 100 percent for the income of aged or disabled persons, and (3) the marginal benefit-reduction rate is 50 percent for the earned income of blind persons.

Participation

In FY 1987, 40,323 persons in Puerto Rico received AABD assistance payments: 16,297 aged persons, 278 blind persons, and 23,748 disabled persons. (In 1980, the most recent year with age data, about 8 percent of aged Puerto Ricans received AABD payments.)

Funding and Expenditures

Puerto Rico and the other outlying areas are subject to a "cap" on Federal funding. The Federal Government pays 75 percent of Puerto Rico's assistance payments to aged, blind, or disabled persons up to a specified limit (which must also cover the Federal share of costs of various other social welfare programs.) The Social Security Act places an annual limit of $82 million in FY 1989 and years thereafter on the sum available to Puerto Rico for matching payments to help fund programs of aid to families with dependent children, emergency assistance, aid to the aged, blind, or disabled, and foster care and adoption assistance.

In FY 1987, total AABD assistance payments in Puerto Rico amounted to $17.2 million (qualifying Puerto Rico for a maximum of $12.9 million in Federal matching funds).

Implications of Statehood

If Puerto Rico were treated like the 50 States, the District of Columbia, and the Northern Mariana Islands, the Social Security Administration would extend the Federal SSI program to it, at 100 percent Federal expense. SSI then would replace AABD, providing much larger benefits, and much higher eligibility limits. Furthermore, the SSI program would cover disabled children, excluded from the AABD program.

The Federal SSI guarantee to an individual currently is $368 per month. In Puerto Rico the maximum money payment to a needy aged, blind, or disabled person in 1987 under the adult assistance programs was $32 per month plus 50 percent of actual shelter costs. A jump of this magnitude in benefit amounts undoubtedly would vastly expand the eligible population. The exact scope is unknown. However, when SSI replaced the cash welfare programs to aged, blind, or disabled persons in the States, the number of recipients rose nationwide by more than one-third. From 1973, the last year of the old cash welfare programs for aged, blind, or disabled persons, to 1975, the second year of the SSI program, 19 States had increases of more than 50 percent in the number of cash recipients (numbers more than doubled in 5 States).

Puerto Rico no longer would have to pay the 25 percent matching rate required under the AABD program. It is unknown how Puerto Rico would use such released funds. But, because the Federal SSI guarantee is relatively high (equal to 88 percent of per capita income in Puerto Rico), it is virtually certain that these funds would not be used to supplement the Federal SSI guarantee. Because statehood would require Puerto Rico to give automatic eligibility for medicaid to SSI recipients, funds would be needed for the expanded population eligible for medicaid (although many might already have medicaid coverage as medically needy persons).

Implications of Independence

Puerto Rico as an independent nation would not be eligible for Federal funds under the AABD or the SSI program. Presumably, Federal funds used for AABD would be included in the consolidated aid package that would be paid to Puerto Rico for several years after the proclamation of independence. Based on data from the Family Support Administration, it is estimated that in FY 1988 the Federal Government reimbursed Puerto Rico $13.2 million for the cost of its program for needy aged, blind, or disabled persons.

Implications of Enhanced Commonwealth Status

Section 407 of the substitute S. 712 provides for the consolidation of certain "grant-in-aid" programs. Because the law referred to in section 407 excludes "direct payments to classes of individuals," the provision would not apply to the AABD program. If commonwealth status prevailed, the existing program for needy aged, blind, or disabled persons would continue (unchanged) in Puerto Rico.

NUTRITION ASSISTANCE UNDER THE FOOD STAMP ACT

The current program in the States

The Food Stamp Program

Overview

The Food Stamp Act authorizes a food stamp program to increase the food purchasing power of needy households by granting them monthly allotments of food stamp coupons. With limited variations for Alaska and Hawaii, it operates under nationally uniform Federal rules.[2] Federal funds pay for the full cost of benefits and a bit more than half of total costs for administration, with no effective limit.[3]

Administration

Virtually all rules governing program operations are established by the Federal Government, and program operations and participation by food concerns accepting food stamp coupons are subject to extensive oversight by the U.S. Department of Agriculture's Food and Nutrition Service. Day-to-day administration (determination of eligibility and issuance of benefits) is the responsibility of State welfare agencies, following Federal rules.

Funding

Federal funding covers: (1) Federal administrative expenses for personnel, printing food stamp coupons, and oversight of welfare agency and food store operations, (2) the full cost of benefits, (3) half of day-to-day administrative expenses incurred by State agencies, (4) 75 percent of State agencies' costs for developing expanded computer capability, (5) 75 percent of costs incurred by States for fraud investigation and prosecution,[4] and (6) the full cost of implementing the systematic alien verification for entitlements (SAVE) program (procedures for using the Immigration and Naturalization Service to verify the immigration status of alien welfare applicants). In addition, the Federal Government pays the major portion of the cost of carrying out employment and training programs for food stamp recipients: each State receives a formula share of $75 million a year for basic operating costs, plus half of any operating expenses above those covered by the basic grant and half the cost of support services to participants (e.g., transportation and child care).

States are responsible for their share of food stamp adminstrative expenses (50 or 25 percent, depending on the type of expense) and, under the food stamp "quality control" system, are liable for fiscal sanctions if they have very high rates of erroneous eligibility and benefit determinations.

In FY 1989, Federal food stamp spending for the States is expected to total $12.9 billion. State costs are anticipated to be about $1.1 billion.

Eligibility for Assistance

In the food stamp program, households are determined eligible for aid under generally uniform provisions established in the Food Stamp Act.

Income. Most eligible households must have basic (gross) monthly income at or below 130 percent of the Federal poverty levels.[5] At present, the gross income limit for a four-person household is $1,263 a month. Almost all cash income received by a household is included when judging gross income eligibility.

Assets. Liquid assets of eligible households are limited to $2,000, or $3,000 for households with elderly members. Counted liquid assets do not include the value of the household's residence, business assets, a portion of the fair market value of any vehicle, and a number of other items.

Employment and training requirements. Nonworking able-bodied adults not caring for young children or enrolled in another program's work initiative must participate in State-designed employment and training programs in order to maintain their food stamp eligibility.

Categorical rules. Two classes of households are automatically eligible for food stamp assistance: those composed entirely of AFDC or SSI recipients. In certain other cases, households or individuals are automatically ineligible: households with members on strike, households where the head of household has voluntarily quit a job, postsecondary students (unless they are working or caring for a young child), illegal

[2] The regular food stamp program also operates in the District of Columbia, Guam, and the Virgin Islands, although more liberal benefit rules apply in Guam and the Virgin Islands.

Under the terms of the 1976 Covenant with the Commonwealth of the Northern Mariana Islands and implementing legislation, a variant of the food stamp program was negotiated with the Commonwealth and began operations in 1982. The Northern Marianas' program differs from the regular food stamp program primarily in that: (1) it is funded entirely by Federal money (benefits and administration), up to maximum annual grant of $3.7 million; (2) a portion of each household's food stamp allotment (25 percent) must be used to purchase locally produced food (coupons for local food items are differentiated by color); (3) maximum monthly benefits are about 20 percent higher than those in the regular food stamp program; and (4) income eligibility limits are about half those in the regular program.

[3] Although specific annual appropriation levels are authorized by the Food Stamp Act, they have never operated to actually limit necessary appropriations.

[4] States also may retain a portion of improperly issued benefits they recover (other than those caused by welfare agency errror).

[5] The "poverty levels" used for food stamp eligibility determinations in Alaska and Hawaii are higher than those used for other jurisdictions, by 25 and 15 percent, respectively. Although the requirement for gross income at or below 130 percent of Federal poverty levels is the basic income test, households with elderly or disabled members are subject to a more liberal test based on their counted (net) income (after reduction for various household expenses).

or temporarily resident aliens, persons living in institutional settings (except for specifically approved group living arrangements such as drug addiction programs and shelters for the homeless or battered women and children), and boarders (unless they apply together with the household providing board).

Between 18 and 19 million persons a month now participate in the food stamp program in the States, about 8 percent of the U.S. population.

Benefits

Eligible households receive monthly food stamp coupon allotments. These coupons are normally used to purchase food in participating stores and redeemed for dollars through banks and the Federal Reserve System, although they may be used to obtain prepared meals in some cases (e.g., in elderly nutrition projects, in shelters for the homeless) and nonfood items in other instances (e.g., hunting and fishing equipment in remote areas of Alaska). Allotments depend on a household's size, its counted (net) monthly income, and the program's maximum monthly benefit levels.

Food stamp maximum benefits are equal to an amount slightly higher than the cost of the U.S. Department of Agriculture's lowest estimate of the cost of an adequate diet, the "Thrifty Food Plan," adjusted for household size and indexed annually for food price inflation. They are standard for the 48 contiguous States, but significantly higher in Alaska and Hawaii (reflecting special surveys indicating substantially higher food prices). At present, the maximum monthly allotment for a four-person household is $300 in the 48 contiguous States, $382–$592 in Alaska (varying among urban and remote rural areas), and $457 in Hawaii.

Recipients' actual monthly benefits are calculated by subtracting 30 percent of their *counted (net)* monthly income from the maximum benefit for their household size. Food stamps then make up the difference between their expected contribution to food expenses (30 percent of counted income) and the amount judged sufficient to buy an adequate low-cost diet (the maximum benefit). Monthly food stamp benefits in the States now average $52 per person.

An important part of determining a household's benefits is the calculation of its counted income. When determining counted monthly income, basic (gross) income is *reduced* by applying a series of "deductions," including a "standard" deduction, specific deductions for certain living expenses (e.g., excessively high shelter costs), and a deduction for taxes and work expenses (20 percent of any earnings). These deductions average a bit over $200 a month, making the average household's counted income for food stamp benefit purposes about half its gross income.

Program Options

While the Food Stamp Act varies some eligibility and benefit rules for Alaska and Hawaii (higher income eligibility limits, maximum benefits, and allowable deductions), it allows States to make very few departures from Federal rules. States are permitted to operate "outreach" programs, vary specifically listed administrative rules (e.g., how changes in household circumstances are to be reported), and disregard a portion of child support payments in counting income (at their own cost). They also make most decisions as to the design of employment and training programs. Other variations can be achieved only as demonstration projects.

The current program in Puerto Rico

Nutrition Assistance in Puerto Rico [6]

Overview

The Food Stamp Act provides money for nutrition assistance in Puerto Rico under rules very different from those applied to the States. From early 1975 through June 1982, the regular food stamp program operated in the Commonwealth, albeit with some variations from standard rules.[7] Puerto Rico's food stamp program offered lower maximum benefits (about 5 percent less than in the 48 contiguous States, based on a special survey of food costs) and more limited income deductions (about half those in the regular program); however, income eligibility was based on the same Federal poverty levels used in the 48 States. At its peak, it assisted over 1.8 million persons each month, nearly 60 percent of the Commonwealth's population at the time, at an annual Federal cost of some $900 million. However, 1981 amendments to the Food Stamp Act directed that traditional food stamp assistance in the Commonwealth be ended and replaced with an annual "block grant" of Federal funds provided under the authority of the Food Stamp Act, effective July 1982. Today, the Food Stamp Act block grant to Puerto Rico represents about one-fifth of all Federal transfers to individuals in the Commonwealth and between 5 and 6 percent of personal income.[8]

Section 19 of the Food Stamp Act requires that the Federal Government pay Puerto Rico an annual grant, out of appropriations under the Act, to support the costs of nutrition assistance in the Commonwealth. Puerto Rico is given rein to design its own initiatives for nutrition assistance to needy persons, without reference to the Federal rules of the food stamp program. It has chosen to use this flexibility to establish a Nutrition Assistance Program (NAP) that differs significantly from the food stamp program. There are virtually no "strings" attached to the grant, other than a requirement that Puerto Rico share in the cost of administration, and the Commonwealth uses funds provided under the block grant both for its NAP and other activities (a cattle tick eradication project and wage subsidies to employers hiring NAP recipients).

Authorization of Federal funding for Puerto Rico under the Food Stamp Act expires September 30, 1990. Continuation of aid and the terms of that aid will be before Congress next year.

Administration

All rules governing operations using block grant funds are established by the Commonwealth. Although it must submit annual plans to the U.S. Department of Agriculture for approval, there are, for all practical purposes, no specific provisions of law that the Department can use to disapprove a plan. The Federal role is limited to approval of the Commonwealth's plan and the provision of funds.

Funding

Federal funds cover costs for carrying out any program(s) of nutrition assistance designed by the Commonwealth. However, to qualify for Federal money Puerto Rico must pay half of any administrative expenses it incurs, and total Federal support is limited to amounts specified in the Food Stamp Act (the annual block grants).

When originally enacted, the annual block grant was set at $825 million, with no provision for adjustment; this was a substantial reduction from the previous level of Federal support under the food stamp program and prevailed through FY 1986. In 1985 legislation, the annual grant amount was increased to: $852.75 million for FY 1987, $879.75 million for 1988, $908.25 million for 1989, and $936.75 million for 1990.[9]

Puerto Rico receives no special Federal cost-sharing for development of computer capability, fraud investigation and prosecution, employment and training activities, or carrying out a SAVE program. The Commonwealth is not liable for fiscal sanctions under the food stamp quality control system.

TABLE 4.—FOOD STAMP ACT EXPENDITURES IN PUERTO RICO: CURRENT DOLLARS

[In millions of dollars]

Fiscal year	Benefits [2]	Administration [1]		Total
		Federal	Commonwealth	
1979	$748	$26	$26	$800
1980	825	25	25	875
1981	879	27	27	933
1982 [3]	870	27	27	924
1983	801	23	23	847
1984	803	22	22	847
1985	804	21	21	846
1986 [4]	795	25	25	845
1987	827	26	26	879
1988 (estimated) [4]	853	26	26	905

[1] Administrative costs shared equally between the Federal Government and the Commonwealth, both under the terms of the regular food stamp program (through June 1982) and under the Commonwealth's limited nutrition assistance block grant (from July 1982 onward).

[2] Benefits federally funded under the terms of the regular food stamp program (through June 1982), and under the limited nutrition assistance block grant (from July 1982 onward). Benefit figures inlcude spending (e.g., $8.6 million in fiscal year 1988) on special agriculture projects allowed under the terms of the block grant.

[3] In July 1982, the regular food stamp program was replaced with the Commonwealth's nutrition assistance program, funded by a Federal block grant and the Commonwealth's share of administrative costs.

[4] In fiscal year 1986, the normal $825 million nutrition assistance block grant was subject to a $5 million reduction in available funding under the terms of the "Gramm-Rudman-Hollings" law. In fiscal year 1988, $0.5 million less than the earmarked block grant amount was actually appropriated.

Note.—The Food Stamp Act earmarks specific amounts for Puerto Rico: $205.6 million in fiscal year 1982, $825 million a year in fiscal year 1983–1986, $852.75 million in fiscal year 1987, $879.75 million in fiscal year 1988, $908.25 million in fiscal year 1989, and $936.75 million in fiscal year 1990.

Source: Budget documents prepared by the U.S. Department of Agriculture, Food and Nutrition Service.

TABLE 5.—FOOD STAMP ACT EXPENDITURES IN PUERTO RICO: CONSTANT DOLLARS

[In millions of dollars]

Fiscal year	Benefits	Administration [1]		Total
		Federal	Commonwealth	
1979	$1,029	$36	$36	$1,101
1980	1,030	31	31	1,092

[6] With the exception of the food stamp program, all federally supported nutrition assistance (e.g., the school lunch program, the special supplemental food stamp for women, infants, and children) are available to Puerto Rico as with any State.

[7] Although 1071 legislation allowed the Commonwealth to operate the food stamp program in virtually the same manner as any State, Puerto Rico (along with other areas of the country) chose instead to distribute surplus Federal agricultural commodities to the needy until that option was removed.

[8] Commonwealth of Puerto Rico. Junta De Planificacion De Puerto Rico. Informe Economico Al Gobernador 1987 and Informe Preliminar De La Economia De Puerto Rico 1988.

[9] With the exception of FY 1986 (when the grant was subject to a $5 million reduction under the terms of the "Gramm-Rudman-Hollings" law) and FY 1988 (when $.5 million less than the earmarked amount was made available), the full amount established in the Act has been appropriated.

TABLE 5.—FOOD STAMP ACT EXPENDITURES IN PUERTO RICO: CONSTANT DOLLARS—Continued

[In millions of dollars]

Fiscal year	Benefits	Administration [1]		Total
		Federal	Commonwealth	
1981	998	31	31	1,060
1982	958	29	29	1,016
1983	879	25	215	929
1984	856	23	23	902
1985	854	22	22	898
1986	837	26	26	889
1987	854	27	27	908
1988 (estimated)	853	26	26	905

[1] Benefit spending has been adjusted for inflation, to constant fiscal year 1988 dollars, by using the "food at home" component of the Consumer Price Index for All Families in Puerto Rico, as compiled by the Commonwealth's Department of Labor and Human Resources in its monthly Informe Estadistico. Administrative spending has been adjusted for inflation, to constant fiscal year 1988 dollars, by using the overall Consumer Price Index for All Families in Puerto Rico. For adjustments prior to January 1980, the Consumer Price Index for All Families in Puerto Rico was used.

Note: See notes for table 4.

Eligibility for Assistance

Under Puerto Rico's NAP, eligiblity rules are simpler and significantly more restrictive than in the food stamp program. Income eligibility is based solely on basic (gross) monthly income, and limits are set at levels approximately half those now applied under the food stamp program in the 48 contiguous States (e.g., $667 vs. $1,263 a month for a four-person household). The liquid assest eligibility standard also is set well below the food stamp standard: $1,000 for all households. Income and asset eligibility standards have not changed since the advent of the NAP, while food stamp income limits are indexed for inflation and asset standards have been raised by legislation. Categorical elibility rules are generally not used.

Approximately 1.4 million persons a month receive benefits under the NAP, representing some 43 percent of the Commonwealth's population.

Benefits

Benefits in the NAP are issued monthly and calculated in much the same manner as in the food stamp program. However, they are issued in cash (checks), are slightly lower than average food stamp allotments, and can vary significantly from month to month even when household circumstances do not change.

To keep NAP costs within the annual block grant amount without adjusting eligibility criteria, Puerto Rico has chosen to vary maximum benefit levels monthly if necessary, and, as a result, the benefits participating households receive can differ from month to month. For example, in FY 1988, maximum monthly benefits for a four-person household varied from a high of $277 to a low of $233.[10] The expenditure of all block grant funds each year is ensured through the issuance of a 13th "bonus" benefit check in September.

Although maximum benefit levels are changeable and noticeably below those in the food stamp program, benefit determinations are similar in other respects. Households' benefits are calculated by subtracting 30 percent of counted monthly income from the applicable maximum benefit level. And, the counted income used to establish benefits is substantially less than each household's gross income: i.e., it is reduced by applying a series of deductions comparable to, although somewhat smaller than, those used in the food stamp program.

Because of substantially lower incomes in the Commonwealth (recipients are more likely to receive something close to the maximum benefit), NAP monthly average benefits are only slightly below the U.S. average food stamp benefit: in FY 1988, $49 vs. $50 per person. In effect, the Commonwealth has chosen to live within the amounts provided by the block grant primarily by freezing eligibility standards thereby reducing participation, rather than substantially reducing benefits. In 1988, the NAP provided $844 million in benefits; this represented an amount equal to approximately 20 percent of all personal consumption food expenditures in the Commonwealth.[11]

Program Options

Under the law governing Puerto Rico's block grant, virtually unlimited program design options are available. At present, the Commonwealth is exercising this flexibility primarily by providing NAP benefits, in cash, and using approximately $10 million a year to fund a cattle tick eradication project. It has also recently begun a pilot project using $15 million of its block grant funds to provide wage subsidies to certain employers hiring NAP recipients.

Implications of statehood

Overview

Section 213 of the substitute S. 712 requires that, on admission, the food stamp program apply to Puerto Rico as with any State. It also allows the Secretary of Agriculture, with the consent and agreement of the Governor of Puerto Rico, to "continue to obligate the amount of funds for which Puerto Rico becomes eligible under the food stamp program as a block grant rather than as coupons as a pilot program until October 1, 1997 unless otherwise provided by Congress."

With its admission, Puerto Rico would become a State under the food stamp program (see below for a specific discussion of the likely implications). Or, *presumably*, it could continue to receive a block grant of Federal funds, through September 1997, based on the likely cost of a food stamp program in Puerto Rico.[12] Continuation of the block grant form of aid would hinge on agreement by both the Secretary of Agriculture and the Governor of Puerto Rico. As such, it is not clear what the *terms* of the grant would be (i.e., whether Puerto Rico would continue to have the program design flexibility it now has and to what extent it might be required to share costs). The *size* of such a demonstration project grant would appear to depend on annual *estimates* of the Federal cost-share of running a full-fledged food stamp program in the Commonwealth. But, given the substantial differences between Puerto Rico's NAP and the food stamp program, this estimating procedure would be very difficult and, at least initially, costly.

Puerto Rico's inclusion as a State under the Food Stamp Act is not simply a matter of added Federal costs. While it would bring on a large increase in Federal moneys to the Commonwealth, it also would require that Puerto Rico operate its nutrition assistance program under the full panoply of Federal food stamp rules, thereby removing the important program design options it now enjoys. Moreover, because benefits would be issued in food stamp coupons, a sizable portion of Puerto Ricans' personal income would be *required* to be spent on food purchases, with uncertain effects on the Commonwealth's economy.

Administration

With extension of the food stamp program to Puerto Rico, substantial administrative changes would be in store both for the Commonwealth and the Federal Government. Puerto Rico would be subject to a wide range of Federal administrative rules and some new administrative costs. Puerto Rico's NAP generally operates under procedures for determining eligibility and issuing benefits that are simpler, and less costly, than would be the case under the food stamp program. At the least, new rules for processing applications, verifying eligibility factors, issuing benefits as coupon allotments rather than checks, operating employment and training programs, and quality control surveys would add significantly to administrative costs.[13] Puerto Rico's administration of the program might also come under much closer scrutiny than other States because of a provision in the Food Stamp Act requiring special audits by the U.S. Department of Agriculture's Inspector General whenever a State's food stamp caseload exceeds 60 percent of its population; this provision was almost triggered under Puerto Rico's pre-1982 food stamp program.

From the Federal perspective, statehood would bring on new administrative involvement related to printing and redeeming coupons and oversight of food stores and welfare agency operations.

Funding

Treating Puerto Rico as a State in the food stamp program would remove the current block grant limit on Federal financial support for nutrition assistance, and Federal funding would increase to cover whatever benefits were issued, a little over half of the Commonwealth's administrative costs, and new Federal expenses. Using experience under the pre-1982 food stamp program in Puerto Rico as a guide, annual Federal spending could increase by $300 million, or more, because of increased participation, higher benefits, and larger administrative costs. On the other hand, Puerto Rico would become liable to the Federal Government for quality control sanctions if its rate of erroneous eligibility and benefit determinations exceeded food stamp program "tolerance" levels.

Eligibility for Assistance

Possibly the most important change would be a substantial increase in the number of people eligible for, and presumably choosing to participate in, the new food stamp program. It is not unlikely that participation would grow by almost one-third to pre-1982 levels, adding some 400,000 persons to the caseload. Financial eligibility limits would be double those under the NAP, rising to 130 percent of the standard Federal poverty levels and approaching average family income in the Commonwealth. In the alter-

[10] Maximum monthly food stamp benefits in the 48 contiguous States were $290 in FY 1988.

[11] See footnote 8.

[12] The language of section 213 is a bit unclear in this respect since Puerto Rico (or any State) does not become "eligible" for any funds under the food stamp program, other than an entitlement to administrative cost-sharing amounts. *Recipients* become eligible.

[13] The U.S. Department of Agriculture's evaluation of the conversion to the NAP found an 18 percent reduction in administrative expenses. A portion of this reduction was due to a reduced caseload.

native, a separate set of food stamp income eligibility limits *could* be established for Puerto Rico, on the theory that the income poverty levels (on which food stamp eligibility standards are based) should reflect any *substantial* differences in living costs, as is now done for Alaska and Hawaii. These limits would probably be lower than those applied in the 48 contiguous States, but developing a separate set of poverty levels for Puerto Rico would not be a simple task and would raise a host of serious issues as to equity and whether the standard poverty levels used in the 48 States should be recalibrated and varied within 48 States.

Imposition of those food stamp eligibility rules that are more restrictive than under the NAP (e.g., some categorical rules) probably would have little effect, and the availability of new cash welfare assistance (e.g., the SSI program) if Puerto Rico becomes a State would only increase food stamp participation because of rules making most cash welfare recipients automatically eligible for food stamps.

Benefits

All benefits under Puerto Rico's food stamp program would have to be issued in coupons rather than cash. However, it is not clear what benefit *levels* would be, although they would be noticeably higher than under the NAP.

Under the most probable scenario, the standard maximum benefit and income deduction levels established for the 48 contiguous States would become those used in Puerto Rico. Maximum benefits in the NAP are, on average, roughly 15 percent lower than in the 48 States; income deduction levels are similarly smaller.

In a second scenario, special lower benefit and deduction levels, closer to those under the NAP, *could* be set for Puerto Rico, just as higher benefit and deduction levels are set for Alaska and Hawaii and as was the case when the food stamp program operated in Puerto Rico prior to the NAP. Pre-1982 maximum food stamp benefits in the Commonwealth were about 5 percent smaller than in the 48 States and deduction levels were about half.

In either case, average benefits would rise sharply, surpassing benefit levels in the rest of the country.

Other Considerations

Under the Food Stamp Act, States are not allowed to collect sales taxes on food stamp purchases if they wish to operate the food stamp program. To the extent Puerto Rico collects sales taxes on purchases now made with cash provided under the NAP, it would lose revenues.

Food stamps in Puerto Rico would both affect and be affected by other welfare program consequences of statehood. To some degree the new infusion of food stamp assistance might encourage Puerto Rico to hold down, or not embark on, expansion of its AFDC program, despite new Federal cost-sharing offered it as a State. Extension of the SSI program to Puerto Rico would limit additional food stamp costs because this new income to likely food stamp recipients would reduce their food stamp benefits.

Conversion to the NAP cash grants brought on an estimated 1-8 percent reduction in aggregate food expenditures.[14] And it would appear that conversion back to food stamp coupons usable only for food would increase food spending noticeably, might tie up an unacceptably high proportion of the Commonwealth's income in food purchases, and could have distorting effects on Puerto Rico's economy.

Implications of independence

Puerto Rico as an independent nation would not be eligible for Federal funds under the nutrition assistance block grant or the food stamp program. Presumably, Federal funds used for the block grant would be included in the consolidated aid package that would be paid to Puerto Rico for several years after the proclamation of independence.

Implications of enhanced commonwealth status

Section 407 of the substitute S. 712 provides that certain Federal grant-in-aid programs may be consolidated with others. The Food Stamp Act block grant to Puerto Rico would not be covered by this provision. It is among those excluded because they are used to make "direct payments to classes of individuals." Instead, the Food Stamp Act's treatment of Puerto Rico would be left to future decisions by Congress, whether they be to continue the block grant approach or bring Puerto Rico back into the food stamp program.

SOCIAL SECURITY

The current program in the States

Program Description

Social security—the old-age, survivors, and disability insurance (OASDI) program—provides monthly benefits to retired and disabled workers and to their dependents and survivors. A worker gains eligibility for OASDI benefits through employment that is covered by the social security system. Employees of State and local governments are covered on a voluntary group basis.

Social security taxes are levied on covered employment and the revenues are credited to special trust funds. These trust funds are debited for payment of monthly benefits and administrative expenses of the program. Benefits are paid as a "earned right"—free from any test of need—and are loosely based of the level of career earnings covered by social security.

Cost and Recipients

Benefit payments in 1989 are expected to total $231 billion. There are approximately 38 million current social security beneficiaries.

The current program in Puerto Rico

Program Description

Basically, social security coverage and eligibility rules apply to Puerto Rico as they do to the United States generally. The Social Security Act generally defines a "State" and the "United States" to include Puerto Rico, as well as the Virgin Islands, Guam, the District of Columbia, and American Samoa. Employees of the Government of the Commonwealth of Puerto Rico, who are treated the same as "State" employees, participate in social security.

An exception to the general applicability of benefits is what are called "special age-72 benefits," sometimes called "Prouty" benefits. These are special benefits, paid out of general revenues, for individuals (men who attained age 72 before 1972 and women who attained age 72 before 1970) who have worked in covered employment for less than the amount of time otherwise required. The law restricts these benefits to residents "of the 50 States," the Northern Mariana Islands, and the District of Columbia.

Cost and Participants

In 1987, the last year for which there are data, Puerto Rico had 553,000 social security beneficiaries. Their average monthly benefit was $303.80, compared to a national average of $488.10. In the aggregate, residents of Puerto Rico received $1.775 billion in social security benefit payments. The last year for which we have data on workers is 1985. In that year, 1,135,000 workers and their employers paid $1.1 billion in social security taxes (in the same year Puerto Rican residents recieved $1.64 billion in benefits).

Implications of statehood

Basically, statehood would bring no change from current law. However, special age-72 benefits might be extended to the few individuals who would be eligible if "the 50 States" were interpreted to include *all* States.

Implications of independence

Clearly, establishing a new social security system and designing a transition from the current arrangement would be a major and fundamental undertaking. We know of no precedent that would pertain to this proposal. The nature of social security, as an "earned right" program that bases both the eligibility for benefits and their level on career earnings, would complicate the switch-over to a replacement system.

The substitute S. 712 requires the Joint Transition Commission to establish a Task Force on Social Security to negotiate agreements necessary for the coordination of the U.S. social security system with a similar system to be established in Puerto Rico. In the meantime, the bill stipulates that provisions of the U.S. social security program would continue to apply for 5 years after this referendum is certified. Similarly, "rights" of workers who are fully insured under the U.S. social security program as of 5 years after the certification are to be "protected."

The meaning of these provisions is unclear. For example, the nature of the "rights" to be retained by fully insured workers is uncertain. Are these rights to receive the same type and level of benefits as had already been earned under the U.S. social security programs, or to receive what they would have if they had remained in the U.S. program? Conceivably they could be simply the earnings credits earned under the U.S. system, transferred to the new Puerto Rican system. More important, it is unclear which system will pay these benefits. The task force apparently will have the discretion and bear the onus to resolve these and many other issues.

The wording that the Puerto Rican system should be "similar" to that of the U.S. may be a contraint, however. If it were construed that the new system must be virtually identical to the U.S. social security system, transition problems might be minimized, but there is a serious question whether an identical design would be suitable for Puerto Rico. For example, copying the current U.S. system's financing arrangements and benefit levels would probably be impractical. As shown above, Puerto Rico now receives approximately 50 percent more in benefits than it pays in social security taxes. This "subsidy" from the rest of the country presumably is caused by the redistributive features of social security, primarily its progressive benefit formula that replaces a higher proportion of earnings for

[14] The evaluation from which this estimate is drawn indicates that the "true" effect is probably closer to the lower end of this range.

low-income workers. Evenutally, the new Puerto Rican system probably would have to provide lower benefits or have a higher rate of taxation than under the current arrangement.

Financing implications make the method of transition from one system to another very sensitive. One scenario could be to continue payments from the U.S. social security program to all *beneficiaries* residing in Puerto Rico who were enrolled before independence. For workers, their credit for social security-covered employment might be transferred to a new Puerto Rican social security system, but from which system their payment of benefits would come is problematic. The Puerto Rican system could pay entirely for their benefits, or for only the proportion of the earnings career covered by it. Under either scenario, Puerto Rico would receive the advantage that social insurance systems usually have at their beginning—many workers contributing to support few beneficiaries, resulting in either low tax rates or surpluses in the initial years. This advantage would occur at the expense of the U.S. social security system, as it would lose all the tax revenue from Puerto Rico while continuing to pay benefits. Over time, however, this advantage would fade away as more and more benefit payments would be made by the Puerto Rican system. Eventually, when nearly all benefits would be paid out of the Puerto Rican program, the level of benefits would either have to be curtailed or taxes raised (assuming a pay-as-you-go system and rough balance between income and outgo).

An alternative approach could be similar to the way "totalization" agreements work with other countries. Under this scenario, benefits would be paid by the social security system under which most of an individual's work occurred.

Although Puerto Rico may receive a windfall from such approaches, eventually it would have to confront the structural imbalance its social security system would have if its financing arrangements and benefits levels were similar to the current U.S. program. As mentioned above, whatever the design of the new Puerto Rican system, eventually it probably would have to provide lower benefits or cost more than under the current arrangement.

Implications of enhanced commonwealth status

Enhanced commonwealth status for Puerto Rico would bring no apparent change from current law.

MEDICAID

The current program in the States

Medicaid, authorized by Title XIX of the Social Security Act, is a Federal-State matching program providing medical assistance to low-income persons. Each State designs and administers its own medicaid program, setting eligibility and coverage standards within broad Federal guidelines. Thus, there is considerable variation among the States in terms of eligibility requirements, range of services offered, limitations placed on those services, and reimbursement policies.

Program Description

Financing

The Federal share of expenditures for medicaid services in the States is tied to a formula inversely related to the square of a State's per capita income. For FY 1989, the Federal matching percentages range from 50 percent to 79.8 percent; no State may receive more than 83 percent. The matching rate for administrative costs is generally 50 percent for all States, with higher matching available for certain management and control activities. The remaining costs of the program are paid by the State; in some States local governments also contribute.

Eligibility

All States must cover the categorically needy. These include all persons receiving AFDC and, in most States, persons receiving SSI. Thirty-nine States and other jurisdictions also provide medicaid to the medically needy. These are persons whose income or resources exceed the standards for the cash assistance programs but who meet a separate medically needy financial standard established by the State and also meet the nonfinancial standards for categorical eligibility (such as age, disability, or being a member of a family with dependent children). Finally, Congress has recently extended medicaid coverage to certain target populations, using eligibility standards that are not directly linked to those used in the cash assistance programs. The Medicare Catastrophic Coverage Act of 1988 (P.L. 100-360) requires States to phase in coverage of pregnant women, infants under 1 year old, and aged and disabled persons eligible for medicare with family incomes below 100 percent of the Federal poverty income guidelines. (Required coverage for the aged and disabled is restricted to medicare premiums and cost-sharing amounts and prescription drugs up to the new medicare drug deductible.)

Services

All States must cover a minimum set of services under medicaid and may offer additional services. For the categorically needy, the State must provide inpatient and outpatient hospital services, physican services, laboratory and X-ray, family planning, skilled nursing facility (SNF) services for those over age 21, and home health care for persons entitled to SNF care. The State must also provide early and periodic screening, diagnosis, and treatment (EPSDT), a preventive health program for persons under 21. Optional services include care in intermediate care facilities (ICFs), as well as such ancillary services as prescription drugs, dental care, and eyeglasses. Beneficiaries generally must be allowed to obtain services from any qualified provider.

Administration

Although each State administers its own medicaid program, there are some basic administrative standards with which States must comply. States are required to maintain a medicaid quality control (QC) system, which reviews the accuracy of eligibility determinations. Federal funding may be reduced if the State makes excessive errors in determining medicaid eligibility. Most States are also required to operate a medicaid management information system (MMIS), a standard claims processing and reporting system.

Cost and Participation

Medicaid will serve a projected 25 million low-income persons in FY 1989. Estimated total expenditures for medicaid during FY 1989 are $61 billion, of which the Federal share is $34 billion.

The current program in Puerto Rico

Program Description

The medicaid program in Puerto Rico operates under special Federal funding rules and is exempt from certain requirements relating to eligibility, service coverage, and program administration.

Financing

The Federal share in medicaid expenditures in Puerto Rico and other territories is fixed at 50 percent. Total Federal funding is subject to a cap: $76.2 million in FY 1989, and $79 million in FY 1990 and later years. As a result of the cap, Federal funds made up only 40 percent of program costs in FY 1986.

Eligibility

Puerto Rico is exempt from the new requirement that States phase in coverage of pregnant woman and infants. On the other hand, Puerto Rico has been permitted to establish medically needy income standards above the maximum ordinarily allowed. A State's medically needy standard may not exceed 133⅓ percent of the State's maximum AFDC payment amount for a family of the same size. In Puerto Rico, with a maximum AFDC payment of $90 per month, this would mean a medically needy income standard of $1,440 per year for a family of three. Instead, Puerto Rico's standard for a family of three in 1986 was $5,700. (There does not appear to be any statutory authority for this exception.) The medically needy accounted for 48 percent of Puerto Rico's medicaid beneficiaries in FY 1987, as opposed to 14 percent in the rest of the Nation.

Puerto Rico is also exempt from the requirement that it phase in coverage of medicare premiums and cost-sharing amounts for aged and disabled persons with incomes up to 100 percent of poverty. Puerto Rico could, at its option, pay premiums and cost-sharing for medicare beneficiaries who meet its current medicaid income and resource standards. However, it has opted not to do so. Possibly as a result, 35 percent of medicare Part A enrollees did not have Part B coverage in 1987.

Services

Puerto Rico is exempt from the requirement that beneficiaries be allowed to obtain services from any qualified provider. All services are provided through public hospitals and clinics. Medicare in Puerto Rico thus does not operate as a conventional insurance program, paying claims for specific services furnished to particular eligible individuals. Payment amounts to the participating public facilities are based on the facilities' budgets, with the medicaid share determined by comparing a sample of provider treatment records to medicaid eligibility listings.

Puerto Rico does not claim Federal financial participation for SNF, family planning, or home health services. These are mandatory services and are nominally included in Puerto Rico's State plan for medical assistance. Health Care Financing Administration (HCFA) officials are not certain they are actually being furnished.

Administration

Puerto Rico is exempt by statute from several rules relating to program administration. It is not subject to financial penalties under the medicaid QC system, nor is it required to operate an MMIS. As a result of these waivers, Puerto Rico is not subject to two of the basic control mechanisms used by the Federal Government in overseeing State medicaid programs. The absence of QC penalties has meant that there is no Federal review of the accuracy of eligibility determinations. (Puerto Rico does operate its own internal QC system, which has found eligi-

bility errors in 20 to 30 percent of the cases reviewed.) The absence of an MMIS has meant that reliable information about program operations is unavailable.

Cost and Participation

In FY 1987, 1.7 million persons in Puerto Rico, or about half the population, were estimated to have received medicaid benefits. Total expenditures were an estimated $160 million, of which $63.4 million was covered by Federal payments. These figures may include expenditures for persons who do not qualify for medicaid under Federal rules.

Implications of Statehood

Medicaid in Puerto Rico would change dramatically in the event of statehood. Federal funding could more than double. At the same time, Puerto Rico would become subject to the minimum requirements, restrictions, and program control mechanisms applicable to the States. The current system under which medicaid amounts to a transfer of funds to public facilities, would be replaced by a system in which public and private providers would file claims for specific services to specific beneficiaries.

The following program changes would occur if Puerto Rico were treated like other States for medicaid purposes.

Financing

The cap on medicaid matching funds for Puerto Rico would be removed, and the Federal funding percentage would be computed under the current formula, which increases funding for States with lower per capita incomes. Puerto Rico's percentage would almost certainly be the maximum 83 percent permitted by law, as its median income is half that of the poorest State.[15] As a result of open-ended funding at a much higher matching rate, Federal funding would more than double from its FY 1987 level of 39.6 percent.

Eligibility

Puerto Rico would be subject to the new requirement that States phase in coverage of pregnant women and infants with incomes up to 100 percent of poverty. In addition, if its SSI payment levels were raised to the national standard, it would be required to furnish medicaid to any newly eligible SSI beneficiaries (many of these persons may already be covered as medically needy). On the other hand, Puerto Rico could no longer use a medically needy income standard in excess of 133⅓ percent of maximum AFDC payments. Unless its AFDC standards were increased significantly, many families with children could lose coverage. (The potential trade-offs here might change if Congress were to enact current proposals permitting or mandating coverage of children with higher family income levels.)

For all aged and disabled persons below poverty currently eligible for medicare, Puerto Rico would be required to pay the medicare Part B premium, deductibles, and coinsurance, as well as provide prescription drugs up to the catastrophic deductible limit. Puerto Rico also would be required to pay the Part a premium for any persons who are over age 65, have incomes below the poverty level, and are not automatically eligible for Part A because they are not insured under the social security system.

[15] If there were no 83 percent maximum, a State whose per capita income was half the national average would receive 88.75 percent matching. A State whose per capita income was one-third the national average (the situation of Puerto Rico) would receive 95 percent matching.

Services

Puerto Rico would be subject to the requirement that beneficiaries be allowed to obtain services from any qualified provider. Unlike the other associated territories, Puerto Rico has a substantial private medical care sector. For example, 30 percent of community hospital beds in 1987 were in private nonprofit facilities; another 34 percent were in proprietary hospitals. This is a higher proportion of privately owned beds than prevails in some States, such as Louisiana, Mississippi, or Oklahoma. Statehood could, then, mean a substantial shift in funds towards the private sector. One consequence might be that the public facilities would be less able to subsidize care of those low-income populations that would continue to be excluded from the medcaid program.

Medicaid law does permit waivers of the "freedom-of-choice" requirement to allow States to establish selective contacting systems. California and Illinois currently have such waivers, under which nonemergency hospital services are available only through specified contract providers. However, these providers are selected on the basis of price competition. It is not clear that current law would permit a system in which only public providers could participate.

Puerto Rico also would be required to make available the mandatory services that, while nominally covered under its current State plan, may not actually be available. These include SNF services, home health care, and family planning.

Administration

Puerto Rico would be subject to penalties under the medicaid QC system and would be required to operate an MMIS. These changes could result in a more rigorous eligibility application process and would also require the State to screen claims from providers, to insure that payment was made only for covered services to eligible individuals.

Implications for Scope and Cost of Program

In summary, statehood would bring an influx of new dollars to Puerto Rico's medicaid program. This benefit would be offset by requirements that Puerto Rico furnish more extensive coverage to some classes of individuals while cutting off coverage to some others. Medicaid funds might be shifted from public to private providers. Finally, stricter bureaucratic requirements could create barriers to access for many eligible persons.

Implications of independence

Puerto Rico as an independent nation would not be eligible for Federal funds under the medicaid program. Presumably, Federal medicaid funds would be included in the consolidated aid package that would be provided to Puerto Rico for several years after the proclamation of independence.

Puerto Ricans who were U.S. citizens at the time of independence would retain U.S. citizenship in addition to Puerto Rican citizenship and have all the rights of U.S. citizens. This raises the question of whether Puerto Ricans might enter the United States in order to obtain medicaid coverage for health care services.

A dual citizen residing in the United States could qualify for medicaid if he or she met all the requirements for medicaid in the State in which he or she resided. A State may not require that applicants reside in the State for any minimum period before receiving medicaid. A person who enters the State with the intention of making it his or her permanent residence may receive medicaid benefits from that State at once. On the other hand, a person who enters the State expressly to obtain medical care is not eligible in that State. Thus, a resident of Puerto Rico who moved permanently to New York, or who declared the intention of remaining permanently, could qualify for New York medicaid. A person who went directly from Puerto Rico to a New York nursing home or hospital would not be eligible.

Implications of enhanced commonwealth status

Under enhanced commonwealth status, Puerto Rico would be eligible for the grant consolidation option provided by section 501 of P.L. 95-134, which permits any department or agency to use simplified application and reporting procedures and waive matching funds requirements for assistance to "Insular Areas." Medicaid would be eligible for this treatment. It is a grant-in-aid program and does not make direct payments to classes of individuals. (A program which makes direct payments to individuals is not eligible for the simplified treatment.)

Implications for Scope and Cost of Program

Medicaid in Puerto Rico is already operating under simplified administrative procedures. Because of the cap on Federal funding, the Commonwealth is providing matching funds well in excess of the amount required by law. It is not clear that use of the section 501 option would make any real difference in medicaid operations or costs.

MEDICARE

The current program in the States

Program Description

Medicare provides health insurance protection for aged and disabled individuals. The program covers hospital services, physician services, and other medical services for all of those eligible, regardless of income. Medicare has two parts: hospital insurance (Part A) and supplementary medical insurance (SMI) (Part B).

Part A of medicare covers inpatient hospital care. In some cases, it also covers short-term skilled nursing facility care after a hospital stay, home health agency visits, and hospice care. Part A is financed chiefly from hospital insurance payroll taxes. A small number of persons over age 65 are not entitled to medicare because they are not eligible for social security or railroad retirement benefits; these persons may enroll under Part A by paying a monthly premium.

Medicare pays for inpatient hospital services according to a prospective payment system (PPS). Under this system, each medicare patient is classified according to his or her medical condition into diagnosis-related groups (DRGs). Hospitals are paid a predetermined rate for each patient treated within a given DRG. Hospitals with costs below the payment rate are allowed to keep the surplus, while hospitals with costs above the payment rates must absorb the loss.

Part B is a voluntary program; individuals must enroll and pay a premium to receive benefits. All persons entitled to Part A and all persons over age 65 are eligible to enroll. The program covers the services of physicians, outpatient hospital care, laboratory and X-ray services, and other related medical services and supplies. The program is financed by beneficiary premiums and general revenues. The monthly premium ($27.90 plus $4 for catastrophic coverage in 1989) accounts for about 25 percent of program costs. Medicare generally pays 80 percent of the reasonable charges for covered services,

after the beneficiary has met the $75 annual deductible. The beneficiary is liable for 20 percent of the reasonable charge, an amount known as coinsurance. Beneficiaries with sufficient taxable income are also subject to a supplementary premium collected through the Federal income tax system.

Cost and Participation

Medicare outlays for FY 1989 are estimated to be $86.9 billion ($98.6 billion in outlays, offset by $11.7 billion in premiums and collections).

The current program in Puerto Rico

Program Description

For medicare purposes, Puerto Rico is treated like any State, with two exceptions.

First, hospitals in Puerto Rico are reimbursed for inpatient services under a special prospective payment system (PPS) distinct from the PPS used for hospitals in the States. The standard medicare PPS establishes three basic national hospital payment rates, for hospitals in large urban areas, other urban areas, and rural areas. These basic rates are adjusted through a wage index to reflect relative labor costs in different areas. For each case, the applicable adjusted rate is multiplied by a weighting factor reflecting the classification of the case into one of 477 DRGs. The product represents the basic DRG payment for the case.[16]

Puerto Rico's system works essentially the same way, except that separate large urban, other urban, and rural rates are established for Puerto Rico hospitals. These represent a blend of an average national rate (25 percent) and rates based on historical costs for Puerto Rico hospitals alone (75 percent). The FY 1989 blended rate for hospitals in San Juan is 29 percent lower than the rate that would apply in a mainland city of the same size with the same relative wage levels.[17]

Second, because Puerto Ricans do not pay Federal income tax, they do not pay the supplemental income-related premium established by the Medicare Catastrophic Coverage Act of 1988 (P.L. 100-360). They do pay the flat rate catastrophic premiums established by the Act, but at lower rates than citizens of the States.

Cost and Participation

In 1987, 406,000 Puerto Ricans were enrolled in medicare Part A, and 263,000 were enrolled in Part B. Data on medicare expenditures by residence of the beneficiary are not available.

Implications of statehood

Inpatient Hospital Reimbursement

The substitute version of S. 712 provides that, after statehood, medicare would operate the same way in Puerto Rico as in other States.

Under statehood, Puerto Rico hospitals would be paid under the national PPS. Revenues would rise by something less than the current 29 percent differential, because the inclusion of Puerto Rico in the averages on which the national rates are based would reduce those rates for all hospitals. Still, Puerto Rico hospitals would be paid considerably more, relative to their costs, than hospitals in the States. However, the substitute version of S. 712 also provides that "reimbursements under medicare shall not exceed the actual cost of providing equivalent health care to the levels of care provided in the several contiguous States." This provision is ambiguous. It is not clear whether the restriction is on individual payments to providers for each patient treated or on the aggregate amount of payments to all providers in Puerto Rico. If the restriction applied to individual payments, the effect would be a system under which a hospital would receive the lesser of its actual costs for a given case or the national PPS rate for that case. This would probably result in financial losses for hospitals.[18] If the restriction applied to aggregate payments, the effect would be to maintain the current system of separate rates based on historic Puerto Rico costs. (An alternative way of achieving the same goal would be to provide that the provisions of section 1886(d)(9) of the Social Security Act would continue in effect after statehood.)

Part B Enrollment

One feature of Puerto Rico's medicaid program has an indirect effect on eligibility for medicare benefits. Other States' medicaid programs pay medicare premiums and cost-sharing for low-income aged and disabled persons; Puerto Rico's does not. This may have contributed to the fact that in Puerto Rico enrollment under Part B is 35 percent lower than Under Part A. If Puerto Rico were a State, it would be required to pay Part B premiums for all medicare beneficiaries with incomes below 100 percent of poverty. This could mean Part B eligibility for most of the 140,000 Part A eligibles not currently enrolled under Part B.

Catastrophic Premiums

As statehood would mean imposition of standard U.S. income tax rules, medicare beneficiaries who had Federal tax liability would be liable for the income-based catastrophic supplemental premium.[19] Relatively few beneficiaries would be affected. However, the flat rate catastrophic premiums would also be charged at the rates prevailing in the States, rather than at the special lower rates established for Puerto Rico. This would have an impact on the medicaid program, which probably would be paying the premiums for most beneficiaries.

Implications for Scope and Cost of Program

The major impact of statehood would be a significant increase in the number of Part B enrollees, resulting in added costs for both the Federal and Puerto Rican governments. Depending on the interpretation of the restriction on hospital payments, Part A costs could be reduced or remain the same.

Implications of independence

The substitute version of S. 712 provides that, in the event of independence, the Joint Transition Commission will establish a task force to negotiate the coordination of medicare and a similar system to be established by Puerto Rico. At the same time, the bill includes medicare among the programs for which Federal funding would be replaced by a categorical grant to Puerto Rico for 9 years after the referendum. The grant amount would be based on an estimate of "the total amount of grants, programs, and services, including Medicare, provided by the Federal Government in Puerto Rico."

The amount "provided" by the Federal Government for medicare could be defined broadly to mean the total annual outlays for covered services, including outlays from the medicare trust funds. More narrowly, the amount "provided" could mean the Federal general fund contribution to Part B costs (approximately 75 percent). The first meaning is difficult to reconcile with the provision for ongoing coordination between medicare and a similar system to be established by the new nation. This coordination is presumably required in order to protect the vested rights of Puerto Ricans who have contributed to the Part A trust fund. Replacement of total medicare expenditures by a short-term categorical grant would not address this issue. For the purpose of the following discussion, it will be assumed that the second, narrower meaning is intended: that only the Federal general fund contribution to Part B would be replaced by a temporary grant. In this scheme, Part B (the pay-as-you-go component of medicare) would be wholly replaced by a Puerto Rican system immediately after independence, with temporary continuation of U.S. support. The transition between Part A (the vested social insurance component of medicare) and a Puerto Rican system would be more gradual.

The Part A transition would present some of the same issues raised elsewhere in this memorandum with respect to social security. As with social security, there appear to be at least three basic transition options:

The portion of the Part A trust fund attributable to Puerto Rican contributions would be turned over to the new system, which would provide benefits to both current medicare beneficiaries and to insured persons not yet receiving benefits.

Current beneficiaries would continue to be covered by medicare, while contributions for those not yet covered would be transferred to the new Puerto Rico program.

Current beneficiaries would continue to be covered by medicare, while responsibility for those not yet covered would be established under a "totalization" approach. That is, an individual would be enrolled in either the U.S. or the Puerto Rico system, depending on which system the individual had contributed to for the greater part of his or her working life.

The first approach could create an immediate financial problem for the new Puerto Rican system if this system provided a level of benefits comparable to those available under medicare. As with social security, medicare benefits paid in Puerto Rico are probably in excess of the contributions made by lower-income Puerto Rican workers. The benefits for current enrollees are subsidized from the contributions made by higher-paid workers in the States. This subsidy would be lost after independence.

The second two approaches both involve continued direct entitlement to medicare for current beneficiaries. These approaches are complicated by the fact that medicare provides health benefits instead of simple cash payments.

Under current law, medicare does not pay for services outside the United States and its possessions. This rule could be changed

[16] This payment may be further adjusted for cases with very high costs or long stays (outliers); additional payments are made to teaching hospitals and those treating a disproportionate share of low-income patients.

[17] This estimate applies the San Juan wage index of .5369 to the labor-related components of the blended and national rates respectively. Before the wage adjustment, the Puerto Rico and national rates are $2,641.64 and $3,215.17, 21 percent apart. The gap widens after the wage adjustment because a higher proportion of the Puerto Rico rate is considered to be labor-related.

[18] The effect would be similar to that of the Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982 payment limitations in effect before the adoption of PPS, under which hospitals could suffer a loss but never realize a profit.

[19] These payments, like other income tax receipts, would be returned to Puerto Rico in the form of a transitional statehood grant through 1995.

to allow continued coverage for current beneficiaries in Puerto Rico. The effect, however, would be that Puerto Rican hospitals, physicians, and other providers would be subject to extensive regulation by an agency of a foreign country. Strictly speaking, medicare does not regulate providers; it sets forth conditions under which it will purchase services rendered to its enrollees. In this sense, HCFA rules affecting Puerto Rico providers would be no different from the specifications any other agency might impose in buying goods or services from a foreign supplier. Still, medicare regulations (specially certification requirements) can have such a pervasive impact on their providers that their continued imposition could be perceived as compromising Puerto Rican independence.

An alternative is to pay Puerto Rico to furnish continued coverage to current medicare beneficaries, presumably under the same system it would develop for vested future beneficiaries. Although the structure of this system cannot be predicted, it is not certain that Puerto Rico would choose to operate one health care system for medicare beneficaries and another for the rest of its citizens. It might instead choose to treat its medicare payments as one funding source for a general national health care system. This might have two consequences. First, the vested "right" to medicare might be replaced by access to a health care system of public hospitals and clinics comparable to that currently available to Puerto Rico's medicaid population. Second, the entire Puerto Rican national system might be disproportionately dependent on the U.S. contribution for a small sector of its enrolled population. As the current medicare population died off, other funding sources would have to be found.

Implcations of enhanced commonwealth status

Enhanced commonwealth status would bring no apparent change from current law.

UNEMPLOYMENT COMPENSATION

The current program in the States

The unemployment compensation (UC) system provides short-term income assistance to unemployed workers through a State-operated system created by Federal tax incentives. The Federal Unemployment Tax Act (FUTA) and Titles III, IX, and XII of the Social Security Act provide the framework for the system. Its major objectives are to: (1) provide temporary relief through partial wage replacement for unemployed workers who demonstrate a strong labor force attachment; and (2) help stabilize the national economy automatically by increasing net public spending during recessions and increasing taxation during periods of economic growth.

The Federal-State structure of UC places responsibility on the States for program details based on broad Federal guidelines. State laws determine individual eligibility, benefit amount, benefit duration, and disqualification provisions. Federal law requires State programs to cover certain types of employment.

Benefits are funded by State payroll taxes on employers. State tax revenue funds the payment of regular UC benefits and half of the extended benefits (EB) program. State UC laws determine the tax structure of the program, and States collect the revenue from employers. This revenue is deposited with the U.S. Treasury and credited to individual State accounts within the Unemployment Trust Fund. It is counted as Federal revenue in the budget. Funds are made available to States as needed for benefit payments, and the State accounts are charged for this Federal reimbursement of their benefit expenditures.

The FUTA imposes a 6.2-percent gross Federal tax rate on employers for the first $7,000 in wages paid to each covered employee. In States with federally approved programs and no outstanding Federal loans for the program, employers are given a tax credit reduction of up to 5.4 percentage points against the 6.2-percent tax liability. Thus, employers pay a net FUTA tax rate of 0.8 percent. FUTA tax revenue is used to fund the administrative costs of UC, the Federal half of EB, and loans to State programs that become insolvent.

The system covers about 85 percent of all employed persons in 53 "State" programs (the 50 States plus the District of Columbia, Puerto Rico, and the Virgin Islands). During FY 1989, the U.S. Department of Labor estimates that $13.6 billion will be paid to 6.9 million beneficiaries and that benefits will average $148 weekly.

The current program in Puerto Rico

The UC program in Puerto Rico operates on the same legal basis as the programs in the States. Puerto Rico's UC program has several unusual characteristics. For example, while the regular benefit period can last up to 26 weeks in most States, Puerto Rico has a 20-week period. Most States set an employer's tax rate based on the firm's experience with unemployment, but Puerto Rico does not use this "experience-rating" approach to taxation. Puerto Rico's maximum weekly benefit amount of $110 is the lowest in the system.

During the first calendar quarter of 1989, Puerto Rico had an unemployment rate of 14.7 percent, higher than that of any State. There were 31,000 UC beneficiaries in Puerto Rico during the quarter, and the cost of their benefits during the 3 months was $23.4 million.

Implications of statehood

Since Puerto Rico already operates a UC program on the same basis as the States, no change in the existing program would be needed should Puerto Rico become a State.

Implications of independence

If Puerto Rico should become independent, the UC program would no longer exist as a component of the Federal-State system. However, there would be several issues to resolve with respect to a transfer of program assets to Puerto Rico and the rights of current beneficiaries and covered employees. The pending legislation as drafted is silent on these transitional issues.

First, Puerto Rico has credits in its Unemployment Trust Fund account for revenues collected from Puerto Rico employers against which charges for benefit payments have not been levied. As of March 31, 1989, Puerto Rico's account balance was $448.4 million. An independent Puerto Rico would probably ask that this balance, reduced by any further benefit payments that might be made after independence for entitlements earned before independence, be paid by the United States to the Republic of Puerto Rico.

Second, FUTA revenues are held in reserve in three Federal trust fund accounts to pay future administrative costs, EB payments, and loans to State programs. An independent Puerto Rico could argue that it should receive its share of these reserves since it would have no future claim against these accounts. Puerto Rico's share would presumably be determined by the proportion of national FUTA revenues that were collected from Puerto Rican employers over the months prior to independence. As of March 31, 1989, FUTA reserves totaled $8.2 billion. Puerto Rico's share of FUTA revenue collections was 0.6 percent during FY 1987.

A final independence issue concerns entitlement of the Puerto Rican unemployed to benefits. Benefits could be continued after independence for the unemployed already in beneficiary status. Also, new benefit claims could be allowed for persons who became unemployed after independence, but only for job loss associated with a base period of employment that occurred before independence. Puerto Rico's base period is the first four of the last five completed calendar quarters before the claim filing date. Benefits paid after independence would be charged against Puerto Rico's trust fund account.

Implications of enhanced commonwealth status

The proposed referendum does not call for any change in the status of the US system in Puerto Rico under commonwealth status. Presumably, UC could not be included in a consolidated block grant since it provides direct payments to individuals.

EARNED INCOME TAX CREDIT

The current program in the States

The earned income tax credit (EITC) is a refundable tax credit authorized under the U.S. Internal Revenue Code as a part of the individual income tax. Eligible tax filers may use these credits to reduce their Federal income tax liability. If a filer's credit entitlement exceeds tax liability, the balance of the credit amount is "refunded," or paid directly, to the filer by means of a check from the U.S. Treasury. An individual who anticipates being eligible for EITC can have the employer take it into account in determining tax withholding from wages. Anticipated eligibility for an EITC refund can result in an increased pay check (i.e., negative tax withholding) for employees who take advantage of the withholding process.

To be eligible for EITC, a filing unit must have earned income and a dependent child residing in the household. The credit is currently worth 14 percent of the first $6,500 of yearly family earnings. The $910 maximum credit is reduced by 10 cents for each dollar of adjusted gross income (AGI) over $10,240. Thus, the credit phases out for families with AGI of $19,340 or more.

The EITC first took effect in 1975. The credit amount and phaseout income level have been increased several times since the original enactment and are now adjusted annually for price inflation. Credits earned in 1989, and generally paid in 1990, are projected to total $5.4 billion. They will go to 9.8 million families, or about one-third of all U.S. families with children.

Legislation to expand EITC is pending before Congress. The Senate has passed legislation (S. 5), and the House Ways and Means Committee is marking up a bill. Since President Bush is supporting this type of legislation, it is possible that EITC will be expanded by the 101st Congress.

The current program in Puerto Rico

The EITC generally is not available to families in Puerto Rico. Persons living in Puerto Rico year-round are exempt from Federal income taxes and pay only the Puerto Rican income tax. They are ineligible for EITC because their income is

exempt from the U.S. tax system. Puerto Ricans with U.S. earnings who reside part-time in the States and file U.S. tax returns also are ineligible for EITC because EITC is available only for persons whose tax returns cover a 12-month period. (However, U.S. Government employees residing in Puerto Rico are subject to the U.S. income tax, and some are eligible for EITC.)

Puerto Rico has begun a demonstration of a wage subsidy using funds from the nutrition assistance program. This subsidy, intended to encourage low-income family heads to work, will pay 25 percent of the Federal minimum wage for up to 40 hours of work per week. While similar to the EITC, this demonstration project will spend only $14 million in FY 1989, a small fraction of the potential cost of EITC in Puerto Rico.

Implications of statehood

Puerto Rican statehood would bring its residents under the U.S. income tax. Thus, eligibility for EITC would be available to all working Puerto Ricans parents with dependent children who meet the income test.

The impact of this eligibility extension on the cost of EITC to the Federal Government and on the Puerto Rican economy could be substantial. The most recent individual income data for Puerto Rico are from the last decennial census and thus are dated. However, a conservative estimate of how many Puerto Rican families would have been covered in 1979 had today's EITC been available to them at the same real dollar levels shows that about 295,000 families would have been eligible. This group would have amounted to 65 percent of all Puerto Rican families with children in that year. If Puerto Rican families would have had an average credit similar to that for the United States as a whole ($552), the cost of these benefits would have been $163 million in today's dollars, which would raise the total cost of EITC for 1989 by 3 percent. These additional cash payments would not be taken into account in determining AFDC benefit amounts for families under that program under a law that takes effect October 1, 1989. EITC payments would also be ignored in most cases in the determination of benefit amounts under Puerto Rico's nutrition assistance program.

Implications for independence

The EITC would not be available in Puerto Rico under independence. Although Puerto Rican residents could elect U.S. citizenship at the time of independence, the denial of EITC eligibility to Federal tax filers who exclude income earned in a U.S. possession or a foreign country would continue to apply, thereby eliminating Puerto Rican residents from EITC.

Implications of enhanced commonwealth status

The proposed enhancement of commonwealth status would not affect the U.S. tax code. Thus, EITC would continue to be unavailable to Puerto Ricans.

MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT

The current program in the States

Program Description

The maternal and child health (MCH) services block grant, authorized under Title V of the Social Security Act, provides grants to each State and insular area to meet a broad range of health services, including preventive, primary care, and habilitative services, to mothers and children. Funds are allocated among the States on a percentage formula based on the FY 1981 funding levels for the programs that were combined into the block grant when it was created in FY 1982. In addition, 15 percent of the funds appropriated for the block grant each year are set-aside for special projects of regional and national significance (SPRANS) in the categories of research, training, hemophilia, genetic diseases, and maternal and child health improvement, including infant mortality and efforts relating to children with special health care needs.

States determine eligibility criteria for MCH services. The law provides that block grant funds are to be used to assure access of mothers and children, "particularly those with low income or limited access to health services," to quality health services. Low-income mothers and children are those with family income below 100 percent of Federal poverty guidelines. States determine the level of services provided under the block grant, including prenatal care, well-child care, dental care, immunization, family planning, and vision and hearing screening services. Services may also include inpatient services for children with special health care needs, screening services for lead-based paint poisoning, and counseling for parents of sudden infant death syndrome victims. In order to receive their MCH block grant allocations, States are required to match each $4 in Federal funds with $3 of their own.

Program Operation

In FY 1989, a total of $554,268,000 was appropriated for the MCH block grant. Of this amount, $465,293,000 was allocated in grants to the States, and $88,975,000 was distributed in SPRANS project grants to 490 grantees. The MCH program does not have the authority to collect uniform data from the States on the number of program recipients, although some States do submit such information in annual reports on program operation.

The current program in Puerto Rico

Program Description

For the purposes of the MCH block grant, Puerto Rico is treated as a State, and the program operates as in the 50 States. The program is administered by Puerto Rico's Department of Health.

Program Operation

In FY 1987, the most recent year for which such data are available, Puerto Rico received an MCH allocation of $11.5 million. For this, it was required to spend $8.6 million in matching funds, but it actually spent $14.4 million of its own funds on its MCH program.[20] In FY 1987, the Puerto Rico MCH program served 40,717 prenatal patients through 237,756 clinic visits. That year the program also served 8,881 postpartum patients. A total of 46,127 infants, 39,876 preschool children, and 57,586 school-age children and adolescents received comprehensive health services. Neonatal intensive care was provided for 499 infants, and 18,867 children with special health care needs received services through 123,000 health visits. In addition, 42,676 women received family planning services.[21]

[20] FY 1987 program expenditure data are from: Public Health Foundation. *Public Health Agencies 1989: An Inventory of Programs and Block Grant Expenditures.* Washington, 1989.

[21] Information on clients served obtained in telephone conversation July 24, 1989, with spokesman of Division of Maternal and Child Health, Health Resources and Services Administration, U.S. Department of Health and Human Services.

Implications of statehood

Since Puerto Rico is treated as a State for purposes of the MCH block grant, a change in the Commonwealth's status to a State apparently would have no effect on this program.

Implications of independence

Puerto Rico as an independent nation would not be eligible for a share of the MCH block grant as currently authorized. Presumably, Federal MCH funds would be included in the aid package that would be provided to Puerto Rico to replace Federal funds for several years after the proclamation of independence.

Implications of enhanced commonwealth status

Section 407 of the substitute S. 712 provides, under enhanced commonwealth status, for the consolidation in any fiscal year or years of certain Federal grant-in-aid programs available to Puerto Rico, with certain exceptions. The consolidated grant would be at least equal to the sum of grants to which the Commonwealth would otherwise be entitled under the separate programs. The consolidated grant would be for the programs and purposes authorized under any of the grants consolidated, but the Commonwealth would determine how the funds should be allocated. Regulations would be published covering the application and reporting process, and the Federal administering authority would be required to waive any requirements for matching funds.

Enhanced commonwealth status and the resulting of grants-in-aid could have implications for the MCH block grant. This provision does not specifically exclude the MCH block grant, so, presumably, Puerto Rico could (but would not be required to) request the funds under this program be included in a consolidated grant. In such a case, Puerto Rico would receive the same amount of funds it would otherwise be eligible to receive under the MCH block grant, but could use these funds for other purposes. The possible elimination of separate application and report requirements could reduce administrative costs to the Commonwealth and make more funds available for program services. The elimination of requirements for matching funds could allow the Commonwealth to reduce its own spending for maternal and child health services activities. As seen above, Puerto Rico currently spends more of its own funds for such activities than is required by the matching provisions of the MCH block grant authorizing legislation.

TITLE IV-B CHILD WELFARE SERVICES

The current program in the States

The child welfare services program provides 75 percent Federal matching grants to States for a variety of services intended to protect the welfare of children. The services are to address problems that could result in neglect, abuse, exploitation or delinquency of children; prevent the unnecessary separation of children from their families and restore them to their families when possible; place children in adoptive homes if restoration is not possible; and assure adequate foster care when children cannot be returned home or placed for adoption.

The FY 1989 appropriation for child welfare services is $246.7 million. These funds are allotted to States according to a formula that takes into account the size of the State's population that is under age 21 and the ratio of per capita income in the State to per capita income in all the States and

territories. States with lower per capita incomes have higher per capita allotment percentages than States with higher per capita incomes, although a minimum is set for higher income States and a maximum applies to low-income States. States (including Puerto Rico) receive their share of funds appropriated in excess of $141 million only if they have implemented specified protections for children in foster care. There are minimal reporting requirements under the program and there are no reliable national or State data on the use of funds, including services provided or persons served.

The current program in Puerto Rico

Puerto Rico is considered a State for the purposes of this program. Funding is allocated on the basis of the population under age 21, but the allotment percentage for Puerto Rico is set at the maximum allotment level rather than on the basis of actual per capita income. In addition, Puerto Rico is not eligible for a share of funds appropriated in excess of $141 million because it has not implemented the specified protections for children in foster care. In FY 1989, Puerto Rico received $6.5 million under this program.[22] Information on the use of funds under this program is not available.

Implications of statehood

Puerto Rico would receive funds on the same basis as other States under this option. This would mean that Pureto Rico's allotment percentage would be based on actual per capita income rather than being assumed to be at the cap. However, Puerto Rico's allotment percentage (and funding under the Title IV-B program) would remain the same based on its current per capita income. Per capita annual income in Puerto Rico is estimated to be less than one-third the U.S. per capita income.[23] The allotment for Puerto Rico could not increase on the basis of statehood, because its allotment percentage already is the highest permitted under the law.

Implications of Independence

Puerto Rico as an independent nation would not be eligible for Federal funds under Title IV-B. Presumably, funding for the Title IV-B program would be included in the aid package to replace Federal programs provided to Puerto Rico for several years after the proclamation of independence.

Implications of enhanced commonwealth status

The substitute S. 712 would allow Federal agencies to consolidate grants made to Puerto Rico (other than those used for direct payments to classes of individuals) to minimize application and reporting requirements. The consolidated grant could be used for the purposes authorized under any of the consolidated programs. The grant amount would be at least equal to the sum of grants to which the Commonwealth would otherwise be entitled. Presumably, the administering authority would waive the requirements for matching funds. The Title IV-B program is not specifically treated as an exception under the bill. Hence, Puerto Rico presumably could (but would not be required to) request that the funds under this program be included in a consolidated grant. In this case, Puerto Rico would receive the same amount of funds it received under Title IV-B (e.g., $6.5 million) but could use these funds for other purposes. (It could also use other funds for child welfare.) Incentive to consolidate the child welfare services program with others would include reductions in paperwork requirements (the elimination of multiple applications and reporting) and the possibility that the matching funds requirements would be lifted. If the consolidation of Title IV-B were not requested, Puerto Rico presumably would continue to receive funds as outlined under current law.

TITLE IV-E FOSTER CARE AND ADOPTION ASSISTANCE

The current program in the States

The Title IV-E foster care program provides open-ended Federal matching funds to States for maintenance payments made for AFDC-eligible children in foster care. The program is required of all States participating in AFDC (all States do). The Federal matching rate for a given State is that State's medicaid matching rate, which averages about 53 percent nationally. States may also claim open-ended Federal matching (50 percent) for their administrative costs and (75 percent) for training costs. States have up to 2 years to make claims for expenditures under the IV-E foster care program; thus, the actual funding for FY 1988 and FY 1989 is still in flux. The FY 1989 appropriation for foster care is $1.023 billion (which includes funds for prior years' expenses). The Administration estimates the FY 1989 costs for the IV-E foster care program to be $1.03 billion. It is estimated that 123,000 children participated in the program on an average monthly basis in FY 1988.

The Title IV-E adoption assistance program provides Federal matching payments to States for adoption assistance payments made to parents who adopt AFCD- or SSI-eligible children with special needs; and for the one-time adoption expenses of parents of special needs children whether or not they are AFDC- or SSI-eligible. The Federal matching rate for the open-ended adoption assistance payments for a given State is that State's medicaid matching rate. States may also claim open-ended Federal matching for their administrative costs (50 percent) and for their training costs (75 percent). States may claim up to 50 percent Federal matching for the one-time adoption expenses, up to a maximum of $2,000 total for each placement. As in the Title IV-E foster care program, States have up to 2 years to make claims for expenditures under the adoption assistance program; thus, the actual funding for FY 1988 and FY 1989 is still in flux. The FY 1989 appropriation for the adoption assistance program is $111.7 million (which includes money for prior years' expenditures). The Department of Health and Human Service estimates the FY 1989 costs for the IV-E adoption assistance payments to be $111.7 million. It is estimated that the average monthly number of children participating in the program in FY 1989 was 38,000.

The current program in Puerto Rico

The Administration indicates that Puerto Rico does not currently receive funding under the Title IV-E programs, although it is included in the definition of State and would presumably be eligible for funds within the section 1108 cap as described in this memo under the Title IV-A AFDC program. As noted in that description, Puerto Rico is eligible for up to $82 million in FY 1989 for total expenditures under several programs including Titles IV-A and IV-E.

Implications of statehood

Effective on the date of admission to statehood, Puerto Rico would receive funds on the same basis as other States. If, like the other States, Puerto Rico were not subject to the cap on expenditures for programs specified under section 1108, it would be more likely to claim reimbursement for its foster care and adoption expenses under Title IV-E. As noted above, these are generally open-ended reimbursements for the costs of serving eligible children, based on the States' medicaid matching rate.

Implications of Independence

Puerto Rico as an independent nation would not be eligible for Federal funds under the Title IV-E program. Presumably, all Title IV-E funds would be included in the consolidated aid package provided to Puerto Rico for several years after the proclamation of independence.

Implications of enhanced commonwealth status

This option would allow Federal agencies to consolidate grants made to Puerto Rico, *other than those for direct payments to classes of individuals.* Because the Title IV-E foster care and adoption assistance programs provide funding for direct payments to classes of individuals, they probably could not be consolidated under this option. However, this could be subject to legal interpretation. Currently, Puerto Rico does not receive funds under these programs.

TITLE XX SOCIAL SERVICES BLOCK GRANTS

The current program in the States

Title XX is an appropriated entitlement that provides Federal funds as block grants to States to support a variety of social services, with no State matching required. Funds are allotted to States on the basis of their share of total population in the 50 States and the District of Columbia. There are minimal reporting requirements under the program and there are no reliable national or State data on how funds are spent, including services provided or persons served. However, annual preliminary plans submitted by the States indicate the range of services provided. In FY 1987, the service category provided by the largest number of States was home-based services (including homemaker and home health services), followed by day care for children; protective or emergency services for children; employment, education and training services and protective and emergency services for adults. A variety of other services were also provided. The FY 1989 appropriation for the Title XX program is $2.7 billion.

The current program in Puerto Rico

Puerto Rico's annual allotment of Title XX funds is based on the ratio of the funds Puerto Rico received in FY 1981 to total Title XX funds. In addition, Puerto Rico may use funds for the Title XX program that are not expended within the cap specified under section 1108 (described in the section of this memo on Title IV-A AFDC). The FY 1989 allotment under Title XX for Puerto Rico is $14 million. Puerto Rico reported that it planned to use its Title XX funds in FY 1987 for case management; counseling; day care for children and adults; disabled services; employment, education and training services; home-based services; residential care and treatment; and social support services.

[22] U.S. Department of Health and Human Services, Office of Human Development Services, Administration on Children, Youth and Families.

[23] Estimated by the Bureau of Economic Analysis, U.S. Department of Commerce.

Implications of statehood

The substitute S. 712 provides that Title XX would operate in Puerto Rico as it currently does in the 50 States. If Puerto Rico received Title XX funds under the same formula that applies to other States—on the basis of population—its Title XX funding would be likely to increase substantially. For example, the State of Connecticut, which has a population roughly equivalent in size to Puerto Rico, receives $36 million in Title XX funds in FY 1989, compared with Puerto Rico's allotment of $14 million. Presumably, the additional funds that might be available for Title XX under the cap specified in section 1108 would not be available under this option.

Implications of independence

Puerto Rico as an independent nation would not be eligible for Federal funds under Title XX. Presumably, Federal Title XX funds would be included in the consolidated aid package that would be provided to Puerto Rico for several years after the proclamation of independence.

Implications of enhanced commonwealth status

The substitute S. 712 would apply the provisions of P.L. 95-134, relating to consolidation of Federal grant programs, to Pueto Rico. These provisions currently apply to the Virgin Islands, Guam, American Samoa, the Trust Territories of the Pacific Islands, and the Northern Marianas. P.L. 95-134 allows Federal agencies to consolidate grants available to these insular areas in response to a single application. If Puerto Rico were brought under this legislation, it could receive consolidated grants from Federal agencies equal to the sum of grants to which it would otherwise be entitled for that agency. The consolidated grant would be for the programs and purposes authorized under any of the grants being consolidated, but the Commonwealth would determine how the funds should be allocated. Regulations would be published covering the application and reporting processes. Presumably, the administering authority would waive the requirements for matching funds. The Title XX program is not treated as an exception under the bill. Hence, Puerto Rico presumably *could* (but would not be required to) request that funds under this program be included in a consolidated grant from the Department of Health and Human Services. In this case, Puerto Rico would receive the same amount of funds it would otherwise be eligible to receive under Title XX, but could use these funds for other purposes. One possible incentive to consolidate the program with others would be the reduction in paperwork required in the application and reporting processes, although the paperwork burden of Title XX currently is minimal. It is uncertain how the additional funds that might be available for Title XX under the section 1108 cap would be affected by this option.

DEATH OF MICHAEL HARRINGTON

Mr. MOYNIHAN. Mr. President, I rise with sadness to relay to my colleagues what many already know, which is that Michael Harrington, one of the world's leading socialists, theorists, an activists, died this week.

Michael Harrington was a friend for 40 years. I recall standing in line on the occasion of the signing of the Economic Opportunity Act in 1964 which established the Office of Economic Opportunity—the principal Federal agency in the war on poverty. I actually stood in line two times that day in order to receive two commemorative pens: one of which I delivered to him at the League for Industrial Democracy where he was serving as chairman.

Michael Harrington was a socialist of international stature and an organizer and worker of tireless energy. Illness did not thwart him. Only last month, he was named honorary president of Socialist International during the celebration of its centennial in Stockholm.

Michael Harrington stated that he desired to be "on the left wing of the possible." In an affectionate editorial, the New York Post writes: "The American left is poorer for his passing, as is American political life in general." agree.

Mr. President, I ask unanimous consent that this editorial and an excellent obituary written by Herbert Mitgang of the New York Times be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Aug. 2, 1989]

MICHAEL HARRINGTON, SOCIALIST AND AUTHOR, IS DEAD

(By Herbert MItgang)

Michael Harrington, co-chairman of the Democratic Socialists of America and author of "The Other America," which helped to encourage the Federal Government's War on Poverty, died of cancer of the esophagus Monday at his home in Larchmont, N.Y. He was 61 years old.

Except for Norman Thomas, the Socialist Party's leader and longtime candidate for President, Mr. Harrington was probably the most visible spokesman for Socialist ideals in the United States. He often served as the American representative at international Democratic Socialist meetings.

As a political leader, lecturer and teacher and the author of 16 books, Mr. Harrington was active in organizational work most of his life. He was also a Distinguished Professor of Political Science at Queens College in Flushing.

Although surgery for cancer disfigured his face in recent years, Mr. Harrington continued to maintain a youthful attitude and the bonhomie of an inspiring political organizer. Illness did not stop him from writing and continuing his involvement in domestic politics and international socialism. Despite his poor health, he continued to work out of the offices of the Democratic Socialists in a former factory building in Lower Manhattan.

600 GATHER FOR TRIBUTE

Mr. Harrington succeeded in completing a seminal work, "Socialism: Past and Future," that was published last month by Arcade Publishers. In the book, he outlined a socialist future that could create a new, progressive society. He said that it must be international; that tax policies should redistribute wealth and increase growth without "takeover games"; that real control must come from below, and that "the inexorable socialization of the entire planet" can become "the tool, rather than the oppressor, of free women and men."

In June 1988, more than 600 friends and colleagues, including Senator Edward M. Kennedy, Democrat of Massachusetts, and Cesar Chavez, president of the United Farm Workers, held a celebration in the Roseland Ballroom in New York to honor Mr. Harrington.

Mr. Harrington, looking gaunt from the effects of chemotherapy, vowed to continue to campaign for his socialist beliefs as long as his health permitted. He described himself as "the long-distance runner," the title of one of his two autobiographical works, published in 1988.

"I see Michael Harrington as delivering the Sermon on the Mount to America." Mr. Kennedy said at that event. "Among veterans in the War on Poverty, no one has been a more loyal ally when the night was darkest."

The Democratic socialists of America, whose roots are in the Socialist Party, formed in 1983 in a merger of the Democratic Socialist Organizing Committee and the New American Movement. Unlike the Socialist Party, which runs its own candidates for public office, the Democratic Socialists group simply endorses candidates.

LEFT WING "THE POSSIBLE"

Asked in an interview how his brand of socialism differed from the system that had evolved in the Soviet Union and Eastern Europe, Mr. Harrington said:

"Put it this way. Marx was a democrat with a small d. The Democratic Socialists envision a humaine social order based on popular control of resources and production, economic planning, equitable distribution, feminism and racial equality. I share an immediate program with liberals in this country because the best liberalism leads toward socialism. I'm a radical, but as I tell my students at Queens, I try not to soapbox. I want to be on the left wing of the possible."

His political views earned him a place on President Nixon's "enemies' list." Asked if this troubled him, Mr. Harrington said, "I was in good company. It would have been terrible to be left off it."

Mr. Harrington's best-known work, "The Other America: Poverty in the United States," was published by Macmillan Publishing Inc. in 1962. In the book he argued that there was an underclass of the poor in America, which included tens of millions of Americans who, though employed, lived below the poverty line and were neglected by both the Government and the rest of society.

On the surface, he contended, some of these people seemed to be ignored by official measurements of poverty because they own items like an automobile or a television set, yet they could not enjoy the nation's resources and opportunities.

Mr. Harrington won the George Polk Award and the Sidney Hillman Award for "The Other America." Writing in The New York Times Book Review, A.H. Rasking, senior labor columnist of The Times, described the book as "a scream of rage and a call to conscience." While contending that Mr. Harrington had exaggerated both the size and intractability of the poverty problem, Mr. Raskin went on to say: "The chroniclers and celebrants of America's upward movement are plentiful. It is good to be reminded that we are still a long way from the stars."

In The New Yorker, Dwight Macdonald called the book "excellent and important"

and said it analyzed the reasons for the persistence at vast poverty in the midst of general prosperity.

After seeing reviews of "The Other America," President Kennedy read the work himself, according to his aides. Kennedy subsequently supported Federal initiatives to help the poor. What later became known as the War on Poverty was largely carried out by President Johnson after Kennedy's death. It included the expansion of existing programs like Social Security, Aid to Families With Dependent Children and food stamps, as well as new programs for housing and medical care.

In addition to writing many newspaper and magazine articles about the philosophy of democratic socialism, Mr. Harrington was also the author of books on contemporary politics, including "The Next America," "The Next Left," "the Politics at God's Funeral," "Twilight of Capitalism," "Toward a Democratic Left" and "The Accidental Century." He was a member of the editorial board of Dissent.

In his autobiographical "Long-Distance Runner," Mr. Harrington wrote, "If the best values of humanity are to survive, then we will have to go down the road upon which I have been running.

"I am, in my own way, as militant as I was when I first became an active radical in 1951 and infinitely more radical than when I encountered a slum house in St. Louis in 1949. I have been enriched beyond belief in the struggle."

Mr. Harrington, who was born Feb. 24, 1928, in St. Louis, started out as a welfare worker, there after attending the College of the Holy Cross in Worcester, Mass., and the University of Chicago, where he earned a master's degree in 1949. He also attended Yale Law School for a year.

Afterward, he became associate editor of The Catholic Worker magazine, organization secretary of the Workers Defense League, a researcher, and later consultant for the Fund for the Republic and editor of New American magazine. In the Korean War, he declared that he was a conscientious objector.

In 1972, Mr. Harrington was appointed as a professor of political science at Queens College and was named a Distinguished Professor in 1988.

He served as chairman of the League for Industrial Democracy in 1964 and was a member of the national executive board of the Socialist Party from 1960 to 1968. He became chairman of the Democratic Socialists of America in 1982 and later was co-chairman of the party.

Mr. Harrington is survived by his wife, Stephanie, and two sons, Alexander Gervis, of Manhattan, and Edward Michael 3d, of Larchmont. Plans for a memorial service will be announced later.

[From the New York Post, Aug. 3, 1989]

MICHAEL HARRINGTON: 1928–1989

Michael Harrington, who died on Tuesday, was a leading exponent of a cause that has never gotten very far in the United States—democratic socialism.

He was a prolific writer, and—a powerful speaker and tireless organizer.

In "The Other America," the best known of his many books and essays, Harrington focused on the plight of all those who had failed to realize the American Dream. He wanted this country to remember those who hadn't made it—to be aware of their circumstances and to struggle to improve their lot.

Yet, unlike many on the American left, Harrington—for most of his career—was a staunch anti-communist with little tolerance for the anti-Americanism that long informed left-wing politics in the U.S.

He paid a price for his unwillingness to take part in ritualistic America-bashing, particularly during the 1960s: New Left admirers of Castro and Mao Tse-tung shunned him in those years, deeming his vision of socialism much too tame. And they were the dominant voices on the left for a very long time.

Actually, Michael Harrington was anything but tame. He was always a radical, and—as it happens—it was rare indeed that he took stances with which we would find ourselves in agreement.

But even his ideological adversaries could not fail to recognize his fundamental decency. This was an honorable man, someone with genuine character. The American left is poorer for his passing, as is American political life in general.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, the appropriation bill is before the Senate. I am wondering if we might get back on the matter at hand shortly.

I see the distinguished majority leader on the floor. If he wishes me to yield, I will be glad to and I will yield to the distinguished Senator from Massachusetts [Mr. KERRY].

ORDER OF PROCEDURE

Mr. President, I ask unanimous consent that I may yield to the distinguished majority leader without losing my rights to the floor, and when they conclude I may reclaim the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The majority leader is recognized.

PRESIDENTIAL COMMISSION TO INVESTIGATE AVIATION SECURITY AND THE BOMBING OF PAN AM FLIGHT 103

Mr. MITCHELL. Mr. President, in recent days, discussions have occurred between myself and Senator DOLE and the White House, concerning the December 21, 1988, bombing of Pan American World Airways flight 103 and related issues of aviation security and terrorism.

The White House will today announce that the President soon intends to issue an Executive order to investigate issues arising out of the Pan Am tragedy.

Over 7 months have passed since the bombing of flight 103. In one tragic moment, 3 days before Christmas Eve, the aircraft fell upon the town of Lockerbie, Scotland, and 270 lives were lost.

Every American has grieved for the victims of flight 103, and shared the grief of their families.

Although the headlines of the tragedy have faded, questions still linger. They involve basic factual questions, such as what kind of warnings were received in advance; what actions were or were not taken in response to such warnings; and how security procedures that were in use might have failed.

The Pan Am flight 103 tragedy also involves broader policy questions: such as what kind of aviation security measures may be necessary under what conditions; what kind of warnings should be given to the traveling public; and where exactly responsibility should lie between airports, airlines, the Federal Government, and foreign governments, in seeking to protect the security of Americans traveling abroad.

These are important questions. They do not necessarily have simple answers. In a democracy, they deserve open public discussion—especially now, when the United States is threatened by acts of violence and terrorism which are abhorrent to our democratic values and institutions.

Various congressional committees already have held several hearings into events and issues surrounding the Pan Am 103 bombing. In the Senate, they included the Commerce Committee's Aviation Subcommittee; the Foreign Relations Committee's Subcommittee on Terrorism, Narcotics and International Operations; and the Appropriations Subcommittee on Transportation.

The results of these hearings have been inconclusive. They served primarily to demonstrate the need for additional detailed investigation. Hearing testimony failed to dispel doubts concerning aviation security, and in some instances raised only new questions.

The Department of Justice currently is conducting a criminal investigation into the bombing, and the Federal Aviation Administration is conducting its own internal investigation. However, the President has recognized that there are broad policy issues of immediate public concern which require independent, comprehensive investigation.

The creation of an independent Presidential Commission offers the most effective, appropriate means of addressing such issue.

The Commission's mandate shall be to review and evaluate policy options in connection with aviation security, with particular reference to the bombing of Pan Am flight 103.

The President intends to appoint a seven-person commission, including four Members of Congress: two appointed from the Senate and two from the House of Representatives, after consultation with congressional leaders. It is my understanding that the Executive order will be issued as soon as members have been selected.

The Commission also is not intended to duplicate, nor interfere with ongoing criminal or counterterrorism investigations into the Pan Am 103 bombing. The emphasis should be on pro-

spectively addressing aviation security and related issues.

The Pan Am bombing serves as a focal point for such an inquiry. The Commission also may want to consider other cases or incidents with direct relevance to the issues with its mandate.

The Commission's report to the President will be made within 6 months of the date of the Executive order. To the extent that the report contains any classified information, a nonclassified version shall be prepared for public distribution.

It is possible that the Commission report and its recommendations may serve as the basis for additional congressional oversight hearings—or as a basis for consideration of legislation by the appropriate committees of jurisdiction.

The President's intended order directs the cooperation of all executive agencies in assisting the Commission's work. I also point out that congressional committees, to the extent that any future oversight of the Commission's work might be required, themselves wield subpoena powers.

My understanding of the President's intention is that a thorough investigation is desired and expected. It also is my understanding that any testimony and submissions made to the Commission, in the course of its investigation, if false or misleading, will be subject to criminal prosecution under 18 U.S.C. 1001.

I welcome the President's action. And I am pleased that issues arising out of the bombing will be addressed.

I commend Senator FORD, chairman of the Aviation Subcommittee and Senator LAUTENBERG, chairman of the Appropriations Transportation Subcommittee, who along with other Senators first brought this issue to my attention.

For their roles also in conferring with Senator DOLE and myself on the issue, I commend Mr. Bert Ammerman, of New Jersey, president of the Families of the Victims of Pan Am Flight 103; Mr. Paul Hudson, of New York, chairman of the group's Legislative Committee; and the other committee members; Mrs. Rosemary Wolfe, of Virginia; Mr. George Williams, of Maryland; and Mrs. Victoria Cummock, of Florida.

The efforts of all the families in support of a Commission has been an indication of their devotion to the memories of those whom they have lost—and their devotion as American citizens in asking for greater aviation security for us all. I hope the work of the Commission will help us reach that important goal.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that I may yield to the distinguished Republican leader under the same terms and restrictions as before.

The PRESIDING OFFICER. Without objection, it is so ordered. The Republican leader is recognized.

Mr. DOLE. I thank the distinguished President pro tempore.

COMMISSION ON PAN AM FLIGHT 103

Mr. DOLE. Mr. President, I am pleased to join with the distinguished majority leader to announce that President Bush has signed an Executive order to create a Commission to investigate the security failure which led to the bombing of Pan Am flight 103 on December 21, 1988, as well the safety from terrorism of commercial air travel.

The majority leader has outlined the makeup of the Commission, when that Commission would report, and what the duties of that Commission would be.

The Commission will be composed of seven members, with one Republican and one Democrat from both the Senate and the House, in addition to three other members appointed by the President.

It will, within 6 months, report to the President and to the American people on what happened to the flight of Pan Am 103, as well as review past and current security procedures and recommend additonal steps which might be taken to reduce the risk of a similar bombing from ever occurring again.

I commend President Bush for this initiative. The majority leader and I have been working with the administration and members of the families of the victims of flight 103 for several months to reach this point.

Mr. President, I want to make clear that we have no intention of jeopardizing the ongoing criminal investigation or to compromise any intelligence sources or methods. I can assure my colleagues, however, that the investigation is moving forward, and the administration does expect to find those responsible for this deplorable action.

The flying public should be assured of their safety from terrorism, and I believe this Commission will go a long way toward meeting that assurance.

It is important to note again that in addition to trying to determine what happened on Pan Am flight 103, in reviewing past and current security procedures, there will also be recommendations on additional steps which might be taken to reduce the risk of a similar bombing from ever occurring again. I commend President Bush for this initiative.

I know that some family members who suffered this tragic loss have been frustrated from time to time trying to determine which kind of a forum would be the best, the best to serve not only their interests but the interests of those who may travel by air in the future.

I believe this is a good resolution. I believe the Rogers Commission that was convened and did a splendid job in hearing the concerns and determining the facts in the *Challenger* disaster has set an example and I would hope that this Commission would pattern themselves after the Rogers Commission.

But in any event, this is a good initiative. The majority leader and I, as he has stated, have been working with members of the families of the victims of flight 103 for several months to reach this point.

Mr. President, I want to make it clear that we have no intention of jeopardizing the ongoing criminal investigation or to compromise any intelligence sources or methods. And that becomes a big, big concern of some in the administration and certainly a concern of family members and a concern of Members of the U.S. Senate and the House of Representatives.

I can assure my colleagues, however, that the investigation is moving forward and the administration does expect to find those responsible for this deplorable action. The flying public should be assured of their safety from terrorism, and I believe this Commission will go a long way toward meeting that assurance.

Mr. President, I will include in the RECORD a number of the steps taken by the administration since the bombing of Pan Am 103. It has instituted a number of new procedures, all of which, I believe, have contributed to air safety. In addition, it talks about the Department of State and the Department of Transportation.

I must say—and I think it has been agreed to by the present officials in the State Department—that much of the concern of family members was the way they were treated by the State Department following the crash. It seems to me, when you look back, that some things that happened should not have happened. How they were treated by the State Department officials certainly properly give rise to the frustration and anger that some of the members of the families of the victims felt.

In any event, the commission will be announced today by the President.

I want to thank the majority leader for his work. I also want to thank Al Lehn, on my staff, and Bob Carolla, on the majority leader's staff, who spent many, many weeks to put this together.

I ask unanimous consent that the list of initiatives be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AVIATION SECURITY MEASURES

Since the bombing of Pan Am 103, the administration has instituted the following aviation security measures:

I. THE DEPARTMENT OF TRANSPORTATION AND THE FEDERAL AVIATION ADMINISTRATION

1. On December 29, 1988 the FAA instituted heightened security requirements in Western Europe and the Middle East:

Airlines must complete a 100% x-ray or physical inspection of all checked baggage.

Passengers may not access the contents of their checked baggage following the security inspection.

Airlines must perform a positive match of passenger and baggage to ensure unaccompanied bags are not loaded onto the aircraft.

Airlines must take additional measures to preclude unauthorized access to baggage from check-in to loading on board the aircraft.

An increased number of passengers will be randomly selected for enhanced screening. Checked baggage of the persons identified for enhanced screening must be physically inspected.

Small packages and parcels that are shipped through passenger ticket counters must be x-rayed or physically examined prior to shipment.

2. On January 15, 1988 the FAA Administrator wired a request through the State Department to all major aviation partners urging them to raise security levels for all carriers.

3. On January 24, 1988 the U.S. and the United Kingdom called for a special session of the International Civil Aviation Organization (ICAO), the aviation arm of the United Nations, to address security measures. On February 15, as one of his first official acts, Secretary Skinner traveled to Montreal for the ICAO special session. He led the U.S. delegation and worked successfully for unanimous adoption of a resolution that should lead to strengthened security procedures throughout the world. ICAO currently is reviewing existing standards to determine what changes are needed, and is considering development of a set of extraordinary measures for use when increased threat levels exist. ICAO also agreed to expedite research and development on detecting explosives and to explore the possibility of establishing an international protocol for the marking of explosives.

Secretary Skinner recently wrote ICAO, emphasizing the importance of their mission and encouraging them to take swift action.

4. On March 16, 1989, the FAA issued a final regulation which requires foreign air carriers serving the United States to adopt and use security programs that are acceptable to the FAA.

5. On March 19, 1989, Secretary Skinner dispatched a team of personal representatives to Europe to review current security procedures and coordination with foreign governments in the wake of Pan Am 103. Upon their return, they provided their recommendations for further improving the system.

6. On April 3, 1989, as a first installment of the Administration's commitment to the families, Secretary Skinner announced a sweeping series of security initiatives. Among the proposed changes were the following:

The FAA will initiate a rulemaking to require airlines to install and utilize explosive detection systems, such as thermal neutron analysis (TNA) units, at the earliest feasible date. The Department of Transportation and the State Department currently are negotiating with airport authorities to permit installation of TNA units at the world's busiest airports.

Additional FAA security specialists will be deployed to selected locations. Further security specialists will be added and funded in the FY 1990 budget, bringing the FAA security force to approximately 700 personnel. Deployment of these personnel will provide continuing oversight of carrier compliance with FAA security requirements, and provide consistent FAA support for and contact with U.S. airlines and foreign government officials.

The security bulletin system has been improved to ensure that countermeasures to be taken by U.S. airlines in response to threats are clearly specified; that airlines acknowledge receipt of bulletins; and that airlines notify the FAA of responsive actions taken within a strictly limited time. Airline compliance with security bulletins will be mandatory. The Administration is also discussing with foreign governments new procedures for more effective coordination and dissemination of security information.

The FAA has proposed changes to airline security programs to (1) require the use of state-of-the-art x-ray and metal detection equipment, and (2) ensure that appropriate security threat information is distributed to pilots in command of airline flights.

A National Aviation Security Advisory Committee, chaired by the FAA's director of Civil Aviation Security, and composed of members of the aviation and intelligence community, is being formed to provide a forum for the exchange and coordination of security programs and research and development information.

7. The FAA is continuing an aggressive program of foreign airport assessments in accordance with the Internal Security and Development Cooperation Act. Since the inception of this program in 1986, it has conducted over 800 visits to over 200 foreign airports in 107 countries. This program has helped in improving safety at many foreign airports.

8. On April 21, 1989, Secretary Skinner traveled to Europe to discuss implementation of security initiatives abroad, to convey the strong wishes of the President that additional measures be implemented, and generally to ensure that the global threat of terrorism be seen as such and put to a halt by the world community.

9. Finally, the Administrator has established a task force of DOT and FAA policy and security experts to; follow up on the recommendations of Secretary Skinner's representatives, and to explore new and innovative security actions that can be taken over the long term.

II. DEPARTMENT OF STATE

1. The Consular Affairs Bureau of the Department and the Embassy in London have undertaken a serious review of procedures for managing disasters abroad, which encompasses the following issues:

The Department will take a leadership role in notifying next-of-kin. They have talked to Pan Am already and expect to talk to all other U.S. international carriers to define their role. Early release to the Department of their airlines passenger manifest list is a priority issue.

Complete recognition that providing timely and accurate information to the families of victims is critical. They are studying ways to better do this in the future both from Washington and at the scene of any disaster.

The Department will prepare condolence cables signed by an appropriate high-level official. These will supplement telephone contacts with the families.

The Department will set up a case worker system at an early stage.

The Department is looking carefully at new automated systems for more efficient response in a crisis. During this review they are studying the feasibility of an 800 telephone for next-of-kin to call in disaster situations.

The Department is consulting closely with its Medical Bureau about sensitivity techniques for dealing with bereaved people who lose loved ones in disasters.

The Department is looking at ways to do more training of consular personnel to be better prepared both in Washington and in the field.

The Department is considering establishing a pool of consular officers with crisis experience to staff the Department task forces and assist on site overseas.

The Department is looking at additional portable equipment that their consular officers can transport to the disaster site, i.e., lap top computers, tape recorder, etc. to help in the management of the crisis.

2. The State Department conducted a top-to-bottom review of its threat notification system and, with the unanimous agreement of the Department of Transportation and the intelligence community, enunciated the following clear U.S. policy:

If there is a specific and credible threat to civil aviation security which cannot be countered, the Department of Transportation will strongly recommend to the air carrier that it cancel the threatened flight. If it is a U.S. carrier, the FAA will order the flight to be cancelled if the airline will not.

If necessary, the Department of State will issue a public travel advisory to alert the American travelling public to this threat. This notice will be widely disseminated in cooperation with U.S. and foreign media, our Embassies abroad and the travel industry itself.

3. The State Department clarified to our Embassies and Consulates abroad that FAA Aviation Security Bulletins are not threat advisories to U.S. government personnel and that they are subject to a very limited distribution. Secretary Baker stated these procedures in the clearest possible language to ensure that all government personnel understand the purpose and limited dissemination of FAA Aviation Security Bulletins.

The State Department stated publicly and repeatedly that there is not, and cannot be, a double standard between the travel security information available to official personnel overseas and to the American public.

4. The State Department undertook diplomatic initiatives to prevent a repetition of Pan Am 103, including:

A special meeting of the Terrorism Experts Group of the Summit 7 was called on January 19-20 in response to the Pan Am 103 bombing, where our allies agreed to bring this issue to an international forum.

The State Department's initiative and participation during the Special Session of ICAO in Montreal were instrumental in reaching the unanimous resolution adopted by ICAO to combat terrorism.

To advance the exchange of information on "tagging" plastic explosives, the U.S. hosted in Washington on 2-3 March a meeting of explosives experts from a number of allied states. At the meeting a workplan was

established for further research into the basic issues involved in detecting plastic explosives. The U.S. also participated in similar meetings held earlier this month under ICAO auspices in Montreal.

5. While not initiated in the immediate aftermath of Pan Am 103, the other noteworthy initiatives are:

The national, interagency counterterrorism R&D program, which is coordinated with twenty-five federal agencies and funded through the State Department, which funds research to develop less expensive and more widely applicable detectors to identify plastic explosives.

The Anti-Terrorism Assistance Program (ATA) which offers training to help ensure that participating foreign governments have an effective aviation security program, including well-trained staff, supplemented by a variety of technical aids.

III. NATIONAL SECURITY COUNCIL

Following the meeting of the families with the President, the President directed National Security Advisor Scowcroft to review the procedures with respect to terrorist threat notification for civil aviation. Secretary Skinner and General Scowcroft have met, and senior staff of the Department of Transportation, the National Security Council, the Central Intelligence Agency, the Defense Intelligence Agency, the Department of State, the Department of Justice and the Federal Bureau of Investigation have also been meeting.

Although it is not prudent to discuss the substance of communications with the intelligence community, the Administration is now confident that the already good coordination that existed with these groups has been significantly enhanced.

PAN AM 103 COMMISSION

Mr. KENNEDY. Mr. President, I join in commending the President for his decision to issue the Executive order creating a Commission to investigate the terrorist bombing of Pan Am flight 103 last December. I commend the majority leader and the minority leader as well for their skillful role in the negotiations that led to the President's order.

The appointment of the Commission also represents the successful culmination of a long and dedicated effort and a labor of love for the families of the victims of that tragedy. They deserve this measure of justice in the name of their loved ones who perished in the bombing.

I have met with many members of the families of the victims from Massachusetts, and I join them in hoping that this Commission will provide answers to the many questions that have been raised about that terrorist atrocity. I commend the families for refusing to take no for an answer, and for insisting that these difficult questions must be thoroughly investigated and answered to the best of our ability. The families of the victims deserve no less, and the American traveling public deserves no less.

PAN AM FLIGHT 103

Mr. MACK. I thank the Senator for yielding.

Mr. President, I rise on behalf of my constituent Victoria Cummock and her three small children, and other victims who were murdered in the bombing of Pan Am flight 103.

I applaud the Senate leadership for the commitment to act and spearhead this badly needed investigation which inspired our President to make the announcement today about the formation of a Commission.

It was through the tenacious efforts of Senators LAUTENBERG, D'AMATO, METZENBAUM, Majority Leader MITCHELL, and Minority Leader DOLE that these issues will be properly addressed and, hopefully, that no longer will it be "easy to kill Americans" as stated by terrorist sponsors such as Iran's Rafsanjani.

A renewed commitment of safety to all Americans by tighter aviation security measures will ensure that the murders of the passengers on Pan Am 103 will not have been in vain.

I thank the Chair.

I thank the Senator for yielding.

INDEPENDENT COMMISSION ON AVIATION SECURITY AND TERRITORY

Mr. LAUTENBERG. Mr. President, I just want to make a statement to acknowledge the work that the majority leader did resulting in the announcement that was made just a short while ago about the Independent Commission on Aviation Security and Terrorism.

It is in great part due to his efforts over the last few weeks that this has finally come about.

I would also like to commend the distinguished Republican leader for his efforts.

I also would like to thank my colleagues, Senator FORD and Senator HOLLINGS, for their support of this Commission. I also want to thank and compliment President Bush and Secretary Skinner for joining together with us in the Congress on this important issue and with the families of those who lost their lives on Pan Am 103.

Mr. President, it has been 7½ long months since the bombing of Pan Am 103. Two hundred seventy-six innocent people lost their lives to cowardly terrorism.

In that time we have searched for the full truth about what happened then. Unfortunately, until now the answers have eluded us, but we must continue our search.

We owe it to the victims, to the families, to all Americans who travel and indeed, as I said, to the memory of those who died.

As we have seen in recent days brutal terrorism is not going away, and this Nation cannot be allowed to be brought to its knees by these madmen. We need to find out where our counterterrorism efforts are lacking and to correct those problems.

The Aviation Security Commission can help us move ahead in that effort. It will. As I understand, its mission addresses the nagging question surrounding the destruction of Pan Am 103, and it must address the major policy issues we face in these areas as to who was notified, when, and what information did we have available to us.

Mr. President, I sought to have an independent commission appointed back in March of this year. At that time I ran into opposition on the floor of the U.S. Senate. I am pleased to see, however, that perseverance pays off. The families have refused to take no as an answer. Today, they know that they will have a real chance of finding out what took place.

I thank the President pro tempore, and I yield the floor.

TREASURY, POST OFFICE, EXECUTIVE OFFICE OF THE PRESIDENT, AND INDEPENDENT AGENCIES APPROPRIATIONS, FISCAL YEAR 1990

The Senate continued with the consideration of the bill.

Mr. BYRD. Mr. President, I understand that the distinguished Senator from Massachusetts wishes me to yield to him briefly and I shall.

While the distinguished majority leader is on the floor, and the distinguished Republican leader, may I point out that the business before the Senate at this time is the Senate appropriations bill, a bill making appropriations for the Treasury and Postal Service and other agencies. There is a pending first- and second-degree amendment at this point, with the first-degree amendment of course being the stalking horse used as a vehicle for the second-degree amendment.

I had hoped that we might get the offerer of the second-degree amendment to withdraw the amendment because this appropriations bill is the fourth of 13 appropriations bills, 3 having already passed the Senate, with 9 more regular appropriations bills, after this appropriations bill is passed, if and when it is passed. That is to say nothing of any additional supplemental appropriations bill that might come along. I do not know of any such at the moment.

I have not talked to the distinguished Republican leader about this. I would like to express the hope that he would use his good offices—and I am not sure that he can do any more than I can do in this particular instance—that he would use his good offices in trying to persuade the offerer of the amendment in the second degree, who is the distinguished Senator from North Carolina, my friend, JESSE HELMS, to persuade him from pursuing this amendment on this bill.

Now, I personally have no compunctions about voting on the amendment. I am 100 percent against it. I am

against a pension for Ollie North and I have no apologies to make in any quarter, any city, or any county in my State or anywhere else in the country for taking that position.

I am not in favor of a pension for someone who has obstructed the carrying out of justice in this country; someone who has violated the laws, knowingly and willfully; someone who has lied to the Congress. So I have no problem. He took the same oath under the Constitution that we took. The verbiage may have been a little different. But we all took an oath—he and I and every Member of this body, to uphold and support the Constitution and the laws. And the laws emanate from the organic power given to the legislative branch by that Constitution. So we all know what we are doing when we violate the laws.

So, I have no problem with voting against the amendment. I say that for the record. I am not looking for a rock to hide under or a bush to hide behind. That is where I stand.

I was not brought up to believe that one should knowingly violate the Constitution of the United States, violate the laws of the land, or that one should willfully avoid telling the truth to the Congress or committees thereof.

I appointed part of the so-called Iran-Contra Committee. Had I been chairman of that committee, I am sure there would have been more than one confrontation between Oliver North's "potted plant" lawyer and this Senator. But that was not the case.

I think it was with contempt toward Congress what happened. I am not hesitant at any point to cast my vote against Ollie North. He has had his due process, he has had his justice in court, and gotten off rather lightly, may I add.

So that is my position on the amendment. I am sorry to see the appropriations bills used as vehicles for very controversial amendments that constitute legislation on appropriations bills. Every appropriations bill that comes before the Senate probably has some legislation in it, often because the other body has already opened the door. That is usually the case.

So, the doors having been opened by the other body, the Senate has a right to offer its amendments. But in this case, this is a very controversial amendment. It has nothing to do with the appropriations process. There was an agreement reached, I believe just very recently, which provided that the Judiciary Committee of the Senate would have an opportunity to look at the Oliver North matter and report back to the Senate thereon. And the Senate could then take whatever actions it wished to take accordingly.

I just want to say to the distinguished Republican leader, I hope in the light of that kind of an understanding and agreement, we can persuade Members not to offer this amendment to this bill.

The Senator from North Carolina has a perfect right to offer it. My friend has a perfect right to offer his amendment. I do not question that right. But it is holding up the bill. The Appropriations Committee has worked hard. The subcommittee chairman and ranking member, members of both sides of the subcommittee and the full committee, have worked hard to bring this bill to the floor. It has to go to conference.

We are making right good progress on appropriation bills. Customarily the Senate has to await the action by the House.

The committees have worked hard and we are trying to beat the fiscal year deadline. I can see in this kind of amendment here, a serious obstacle, however.

FSX VETO

I beg the majority leader's pardon. I wanted to ask the minority leader a question while the majority leader is on the floor.

What is the likelihood of the FSX veto message being brought up today? On the floor? Could we get a time agreement on it?

I understand the majority leader has made efforts to get a time agreement on that veto message. I understood that my equally good friend, the Republican leader, has said that he would look into the matter. I am just wondering what the latest information is.

I yield for the answer.

Mr. DOLE. The latest is some of my Members are in flight, about three of them, whom I need very desperately to sustain the President's veto.

It may be that if we wait long enough, three might be in flight on your side so we could even that out.

I would say to the distinguished President pro tempore that we have been working on it throughout the day. In fact, I guess we were near agreement on a 2-hour time agreement. The question is whether we bring it up or not, when we bring it up. Obviously, as Republican leader, I want to cooperate with the majority, but we would also like to prevail.

The President has made a few phone calls during the day. He had some good response; some mixed; some unmixed.

But I would just say to the Senator from West Virginia, it is probably not going to be possible to get a time agreement. Because I think, as he understands, it is not an unwillingness on my part; it is just a fact of life that within the last hour and a half, three Members who would have voted to sustain the veto have now departed.

Mr. BYRD. Mr. President, the Constitution does not require that all Members who have been elected and sworn vote on the veto measure. It requires it be overridden by two-thirds who are present and voting.

I would be very willing to take my chances. It was my amendment that the President vetoed, and I would like to see it voted.

I can understand and appreciate the President's desire to have a veto sustained. I can understand the Republican leader's desire to uphold the President's veto. But I think we ought to have a vote. Let the chips fall where they may. Let those three who are in the air land safely and maybe they can come back by midnight tonight or Monday, or we could move to table the veto message, or whatever. I do not see why we should hold up the business of the Senate when people's jobs, millions of jobs in this country, are affected by what may happen.

I realize what the stakes are, but I have to think of the stakes that mean something to our people in this country who have been losing their jobs. I have a desire to help the President in his efforts to reach the second memorandum of understanding with the Japanese. The amendment is crafted to that end, in support of everything that the administration wants. Forty percent of the production of spare parts, no transfer of engine technology, no transfer of the FSX, or any component thereof. It is everything the administration wants. I would like to help the President by overriding his veto so that we give the President and the administration additional leverage in dealing with the Japanese.

I think the administration needs some additional leverage. I think this amendment would give it to him.

Yes, I yield to the distinguished majority leader.

Mr. MITCHELL. Mr. President, if the Senator would yield just for a comment in response to his question, I have discussed the matter on several occasions with the distinguished Republican leader for the reasons stated. He is understandably unwilling to agree to a time agreement and, under the circumstances, of course, we understand that.

I have indicated to him that I have reserved the right to move to that, which is an alternative that remains in the event we are unable to reach an agreement. We have discussed that.

So I think the best thing we can do is to continue such discussions. I hope very much we are going to be able to act on the S&L legislation in the near future, in the immediate future. I am awaiting such legislation from the House, the papers. As soon as that does occur, why, then I suggest we continue these discussions that we have had over the past several days.

Mr. BYRD. Very well. I thank the distinguished majority leader.

Back on appropriations matters, Mr. President, I know that the President wants 13 appropriations bills on his desk before the fiscal calendar year deadline.

I am doing everything I can to help him get those 13 bills. I helped last year, and we were able to do it, and we will do it again. We will find it difficult to do if Members seek to use appropriations bills as vehicles for the kinds of very, very controversial amendments as the one that has now been offered in the second degree. I hope that reason will prevail and that my good friend from North Carolina would discuss this matter and would withdraw the amendment. Otherwise, I guess we will just have to carry the bill over until after the recess.

Mr. HELMS. Will the Senator yield?

Mr. BYRD. Yes.

Mr. HELMS. Mr. President, I want to express my affection and respect for the distinguished President pro tempore of the Senate. He is saying that the Senate ought to vote on the FSX, and I am with him on that. But I have been sitting here 2½ hours now with the yeas and nays on my amendment. Why do we not let the Senate work its will on that?

Mr. BYRD. Under the Constitution, the President certainly has his right to exercise a veto. He, under the Constitution, is to return that veto message to the House in which the legislation originated. In this case, that is the Senate. It came back to the Senate and, under the Constitution, the Senate should vote on it.

That is the difference; that is the distinction. We are talking about a veto message here and the Senate's obligation under the Constitution to vote one way or the other at some point. I confess that there have been veto messages that never were voted on again by the body in which they originated, but that is the distinction.

As to the amendment the distinguished Senator offered, the Senate is under no obligation to vote on it now or ever. I already said what I said insofar as the amendment. That answers, I hope, the Senator's question. Does he have another?

Mr. HELMS. In the first place, and I say this most respectfully, sir, it does not answer my question. I am simply saying we have wasted 2½ hours while means are being devised to try to avoid a vote on my amendment. If it is a bad amendment, let the Senate pass judgment on it. The Senator has one view on it, and I have another.

Mr. BYRD. I think I have already answered that question. Earlier I spoke about the agreement, I believe it was on the Defense authorization bill. The Senator offered the same amendment. The Judiciary Committee is to take a look at that proposition and at the appropriate time will report back to the Senate.

So that step having been taken, the Senator from North Carolina having been assured that the Judiciary Committee will be examining this proposition in due time, and there is going to be many other opportunities for the Senator and other Senators to offer this amendment, I would certainly hope that he would wait until the Judiciary Committee had time to carry out its commitment with the Senate to respond. That would seem to be reasonable to me. That is why I do not think we need to vote on this today.

Mr. HELMS. Mr. President, will the Senator yield further?

Mr. BYRD. Yes, I yield.

Mr. HELMS. If at any point, I say to my colleague, I begin to offend him, I am going to sit down because he is my friend and I want to continue that friendship. But the Senator knows, I think he knows, that the reason Senator MITCHELL, the distinguished majority leader, was able to concoct this drawn-out thing, which delays it until October 1, is because of priority recognition, which I agree with. But that was a circumvention of a vote on my amendment. And here we go again. With that, I am going to sit down with great respect for the Senator.

I am just handed a little momorandum about the fact that the trade bill was held up many months until the election of 1988. I do not know if it is relevant. I thank the Senator. I understand his position, and I hope he understands mine.

Mr. BYRD. I do understand the Senator, and I thank him. Let me say again we are talking about the appropriations bill. These are the bills that the Congress has to pass. Congress always has to pass appropriations bills before they can go home sine die if we are going to continue to run the Government. It is an absolute must bill, appropriations. That is why I am saying to my good friend from North Carolina, let our people go on these appropriations bills. Let our people go. Let our people go on the appropriations bills.

Mr. HELMS. If the Senator will yield, let the Senators vote on the amendment, that is all I am saying. This could have been ended 2½ hours ago.

Mr. BYRD. Yes; I heard the Senator say that, and I responded to it. With all due respect to my friend, the senior Senator in the State in which I was born, I have answered that question and he has answered mine, so I suppose we ought to sit down.

Mr. President, we may sooner or later have to vote on this question. I certainly am not going to be very accommodating with respect to efforts to derail or hold up these appropriations bills. When we get back, the fiscal year deadline will be rushing upon us. I would not at this point go any further than the conference in any event. So its purpose here I suppose is to get a vote. It is not going to become law if it goes by passage here. It will not become law here. It goes to conference.

Mr. DOLE. Will the majority leader yield for a question and a comment?

Mr. BYRD. Yes; I yield to the distinguished Republican leader, and I ask unanimous consent that I may retain my rights to the floor.

Mr. DOLE. I will be very brief. I know the Senator from Massachusetts has been waiting. I just wanted to indicate on the FSX, I think the majority leader understands, not that we do not want to vote. The administration announced the terms of this agreement on April 28, 1989, and on May 1, 1989, the President sent both Houses of Congress a message. The Senate voted on May 16, 1989, and the House voted on June 7, 1989, and June 7, 1989, it was cleared to be delivered, in other words, should have gone to the White House on June 7, but was held by someone until July 19 before it went to the White House. It was held for over 5 weeks in the Congress. The President received it on July 19, and July 31, just 4 days ago, the veto message was received in the Senate.

I wanted the record to reflect, I know we are going into recess, but as far as legislative days, we only had it about 4 legislative days. I want the majority to understand we are not dragging our feet. I know it is a privileged matter and can be called up at any time. The record should reflect that had there been speedier action by the Congress, we would have had this disposed of probably during the month of June. I thank the Senator.

Mr. BYRD. I thank the distinguished Republican leader.

Mr. President, I yield to the Senator from Massachusetts [Mr. KERRY] with the understanding I do not lose my right to the floor, and I do not intend to keep the floor all afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Let me, before I yield, say that I am going to offer a cloture petition. I will not offer it right now because I do not have the 16 signatures yet, but any Senators who wish to rush to my desk and sign this cloture motion may do so. I will offer it and at least will hopefully vote when we get back from the recess on the motion to invoke cloture on the Treasury, Postal Service appropriations bill.

I hope it will not have to reach a point where we have to offer a cloture motion on every appropriations bill when it is first called up in order to keep certain amendments, controversial amendments off the bill to speed up the process hopefully. I do not want to have to do that, but in this instance, I am going to offer a cloture motion shortly. It does not make any

difference who has the floor. We will vote on that when we get back if we cannot vote on it before we go out for the recess. That is about the only thing I know to do under the situation that confronts the Senate at the moment.

Mr. KERRY. Mr. President, I thank the distinguished President pro tempore. I know the majority leader had some business that I think he wanted the President pro tempore to try to process while the minority leader is here. I see the minority leader has departed from the floor. I am certainly willing to yield back in order to permit that to happen if the leader would then yield to me.

Mr. BYRD. I beg the Senator's pardon.

Mr. KERRY. Mr. President, it was my understanding from the majority leader that he had a number of bills that had been cleared on both sides that he wished the distinguished President pro tempore to move adoption of. I am willing to let that happen to speed up the process.

Mr. WARNER. Mr. President, the Senator from Massachusetts is correct and, if it is convenient for the President pro tempore, I am happy to represent the Republican leadership.

Mr. BYRD. I thank the distinguished Senator from Virginia [Mr. WARNER] and I thank the distinguished Senator from Massachusetts [Mr. KERRY].

CONTROLLED SUBSTANCES ACT

Mr. BYRD. I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. 976, a bill to postpone the effective date of section 511(e)(3)(B) of the Controlled Substances Act relating to the disposition of forfeited property in State law and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 976) to postpone the effective date of section 511(e)(3)(B) of the Controlled Substances Act relating to disposition of forfeited property and State law.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. WARNER. Mr. President, my amendment deals with a provision in the Anti-Drug Abuse Act of 1988 (Public Law 110-690) that is of great concern to the Commonwealth of Virginia.

Section 6077 of the Anti-Drug Abuse Act of 1988 amended section 511(e) of the Controlled Substances Act (21 U.S.C. 881(e)) to restore equitable sharing principles to the transfer of forfeited assets from Federal to State and local agencies under the Controlled Substances Act. This provision restored language that was inadvertently deleted by the Anti-Drug Abuse Act of 1986.

I am concerned, however, with (a)(3)(B) which added new language to prohibit any transfer "to circumvent any requirement of State law that prohibits forfeiture or limits use or disposition of property forfeited to State or local agencies." This language was not in the Senate version of the legislation, but was added in conference.

In the past, asset sharing from Federal law prosecutions directly benefited the Virginia local and State law enforcement agencies participating in the seizure. Article VII, section 8 of the constitution of Virginia, however, requires all fines and forfeitures to go to the State literary fund. Therefore, subsection (a)(3)(B) forecloses Federal sharing of forfeited assets with Virginia local law enforcement agencies.

I am in no way advocating that Virginia's or any other State's laws be circumvented by the forfeited asset sharing provisions of Federal law. I am concerned, however, that (a)(3)(B) will prevent local and State law enforcement agencies from sharing in forfeiture assets during the time necessary to amend Virginia's constitution.

I have been advised that the last session of the Virginia General Assembly passed legislation to amend the constitution to allow State and local law enforcement officials to share in forfeited assets. However, to amend the constitution in Virginia, a proposed amendment must be passed twice by the general assembly with an intervening election and the amendment must then be ratified by the voters. Therefore, the Virginia constitutional amendment process allows ratification of this recently passed measure in November 1990 at the very earliest.

Virginia stands ready with trained and experienced law enforcement officials and institutions to help in the war against drugs. But these agencies need additional funds to obtain necessary information about the drug world. Sharing of forfeited assets provides local and State law enforcement officials with these additional resources and encourages cooperation in Federal and State law enforcement efforts.

While the process is already underway, Virginia needs additional time to amend its constitution to comply with the change in the law made last Congress. This legislation addresses this problem. I wish to work with my colleagues here and in the House to craft a solution which addresses the purpose of language in the Anti-Drug Abuse Act of 1988 while allowing States like Virginia adequate time to address the change in the law.

I urge my colleagues to join me in providing an extension of the effective date of section 511(e)(3)(B) for a period of time sufficient for Virginia to amend its constitution and any other States in a similar situation to revise their laws.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 976) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 976

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6077(c) of the Anti-Drug Abuse Act of 1988 is amended by striking "September 30, 1989" and inserting "September 30, 1991".

Mr. BYRD. Mr. President, I ask unanimous consent that a motion to reconsider the vote by which the bill passed be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISASTER ASSISTANCE ACT OF 1989

Mr. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 2467.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendment of the Senate to the bill (H.R. 2467) entitled "An Act entitled the '1988 Disaster Assistance Extension Act' ", with the following amendments:

In lieu of the matter inserted by said amendment, insert:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Disaster Assistance Act of 1989".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.

TITLE I—EMERGENCY CROP LOSS ASSISTANCE

SUBTITLE A—ANNUAL CROPS

Sec. 101. Payments to program participants for target price commodities.
Sec. 102. Payments to program nonparticipants for target price commodities.
Sec. 103. Peanuts, sugar, and tobacco.
Sec. 104. Soybeans and nonprogram crops.
Sec. 105. Crop quality reduction disaster payments.
Sec. 106. Effect of Federal crop insurance payments.
Sec. 107. Crop insurance coverage for the 1990 crops.
Sec. 108. Crops harvested for forage uses.
Sec. 109. Payment limitations.
Sec. 110. No double payments on replanted acreage.
Sec. 111. Substitution of crop insurance program yields.
Sec. 112. Definitions.

SUBTITLE B—ORCHARDS

Sec. 121. Eligibility.
Sec. 122. Assistance.

Sec. 123. Limitation on assistance.
Sec. 124. Definition.
Sec. 125. Duplicative payments.
Sec. 126. Sense of Congress on crop insurance for orchard crops.

SUBTITLE C—FOREST CROPS

Sec. 131. Eligibility.
Sec. 132. Assistance.
Sec. 133. Limitation on assistance.
Sec. 134. Definition.
Sec. 135. Duplicative payments.

SUBTITLE D—ADDITIONAL ASSISTANCE

Sec. 141. New conservation measures.
Sec. 142. Assistance for ponds.

SUBTITLE E—ADMINISTRATIVE PROVISIONS

Sec. 151. Ineligibility.
Sec. 152. Timing and manner of assistance.
Sec. 153. Commodity Credit Corporation.
Sec. 154. Limitation on outlays.
Sec. 155. Storage cost adjustment.
Sec. 156. Regulations.

TITLE II—EMERGENCY LIVESTOCK ASSISTANCE

Sec. 201. Use of stored grain for assistance.
Sec. 202. Livestock transportation assistance.
Sec. 203. Livestock water development projects.
Sec. 204. Animal unit methodology study and report.

TITLE III—DISASTER CREDIT AND FORBEARANCE

Sec. 301. Emergency loans.
Sec. 302. 1990 farm operating loans.
Sec. 303. FmHA loans made to Indian tribes.

TITLE IV—RURAL BUSINESSES

Sec. 401. Disaster assistance for rural business enterprises.

TITLE V—WATER-RELATED ASSISTANCE

Sec. 501. Emergency community water assistance grant program.
Sec. 502. Livestock water assistance.
Sec. 503. Disaster assistance for watershed protection activities.

TITLE VI—GENERAL PROVISIONS

Sec. 601. Shrinkage allowance for peanuts.
Sec. 602. Advanced deficiency repayment deadline for 1988 crops.
Sec. 603. Planting of alternate crops on permitted acreage.
Sec. 604. Crop insurance yield coverage.

TITLE I—EMERGENCY CROP LOSS ASSISTANCE

Subtitle A—Annual Crops

SEC. 101. PAYMENTS TO PROGRAM PARTICIPANTS FOR TARGET PRICE COMMODITIES.

(a) DISASTER PAYMENTS.—

(1) IN GENERAL.—Effective only for producers on a farm who elected to participate in the production adjustment program established under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) for the 1989 crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice, except as otherwise provided in this subsection, if the Secretary of Agriculture determines that, because of damaging weather or related condition in 1988 or 1989, the total quantity of the 1989 crop of the commodity that such producers are able to harvest on the farm is less than the result of multiplying 60 percent (or, in the case of producers who obtained crop insurance for the 1989 crop of the commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), 65 percent) of the farm program payment yield established by the Secretary for such crop by the sum of the acreage planted for harvest and the acreage prevented from being planted (because of a natural disaster, as determined by the Secretary) for such crop, the Secretary shall make a disaster payment available to such producers at a rate equal to 65 percent of the established price for the crop for any deficiency in production greater than 40 percent (or, in the case of producers who obtained crop insurance for the 1989 crop of the commodity under the Federal Crop Insurance Act, 35 percent) for the crop.

(2) LIMITATIONS.—

(A) ACREAGE IN EXCESS OF PERMITTED ACREAGE.—Payments provided under paragraph (1) for a crop of a commodity may not be made available to producers on a farm with respect to any acreage in excess of the permitted acreage for the farm for the commodity.

(B) CROP INSURANCE.—Payments provided under paragraph (1) for a crop of a commodity may not be made available to producers on a farm unless such producers enter into an agreement to obtain multiperil crop insurance, to the extent required under section 107.

(3) REDUCTION IN DEFICIENCY PAYMENTS.—The total quantity of a crop of a commodity on which deficiency payments otherwise would be payable to producers on a farm under the Agricultural Act of 1949 shall be reduced by the quantity on which a payment is made to the producers for the crop under paragraph (1).

(4) ELECTION OF PAYMENTS.—

(A) APPLICATION OF PARAGRAPH.—This paragraph shall apply, effective only for the 1989 crops of wheat, feed grains, upland cotton, and rice, to producers on a farm who—

(i)(I) had failed wheat, feed grain, upland cotton, or rice acreage; or

(II) were prevented from planting acreage to such commodity because of damaging weather or related condition in 1988 or 1989; and

(ii) elected to devote all or a portion of such acreage to conservation or other uses in accordance with section 107D(c)(1)(C), 105C(c)(1)(B), 103A(c)(1)(B), or 101A(c)(1)(B) of the Agricultural Act of 1949 (7 U.S.C. 1445b-3(c)(1)(C), 1444e(c)(1)(B), 1444-1(c)(1)(B), or 1441-1(c)(1)(B)).

(B) ELECTION.—The Secretary shall (within 30 days after the date of enactment of this Act) permit producers referred to in subparagraph (A) to elect whether to receive disaster payments in accordance with this section in lieu of payments under the sections referred to in subparagraph (A)(ii).

(b) ADVANCE DEFICIENCY PAYMENTS.—

(1) APPLICATION OF SUBSECTION.—This subsection shall apply only to producers on a farm who elected to participate in the production adjustment program established under the Agricultural Act of 1949 for the 1989 crop of wheat, feed grains, upland cotton, or rice.

(2) FORGIVENESS OF REFUND REQUIREMENT.—

(A) IN GENERAL.—Subject to subparagraph (B), if because of damaging weather or related condition in 1988 or 1989 the total quantity of the 1989 crop of the commodity that the producers are able to harvest on the farm is less than the result of multiplying the farm program payment yield established by the Secretary for such crop by the sum of the acreage planted for harvest and the acreage prevented from being planted (because of a natural disaster, as determined by the Secretary) for such crop (hereinafter in this section referred to as the "qualifying amount"), the producers shall not be required to refund any advance deficiency payment made to the producers for such crop under section 107C of the Agricultural Act of 1949 (7 U.S.C. 1445b-2) with respect to that portion of the deficiency in production that does not exceed—

(i) in the case of producers who obtained crop insurance for the 1989 crop of the commodity under the Federal Crop Insurance Act, 35 percent of the qualifying amount; and

(ii) in the case of other producers, 40 percent of the qualifying amount.

(B) CROP INSURANCE.—Producers on a farm shall not be eligible for the forgiveness provided for under subparagraph (A), unless such producers enter into an agreement to obtain multiperil crop insurance, to the extent required under section 107.9.

(3) ELECTION FOR NONRECIPIENTS.—The Secretary shall allow producers on a farm who elected, prior to the date of enactment of this Act, not to receive advance deficiency payments made available for the 1989 crop under section 107C of the Agricultural Act of 1949, to elect (within 30 days after the date of the enactment of this Act) whether to receive such advance deficiency payments.

(4) DATE OF REFUND FOR PAYMENTS.—Effective only for the 1989 crops of wheat, feed grains, upland cotton, and rice, if the Secretary determines that any portion of the advance deficiency payment made to producers for the crop under section 107C of the Agricultural Act of 1949 must be refunded, such refund shall not be required prior to July 31, 1990, for that portion of the crop for which a disaster payment is made under subsection (a).

SEC. 102. PAYMENTS TO PROGRAM NONPARTICIPANTS FOR TARGET PRICE COMMODITIES.

(a) DISASTER PAYMENTS.—

(1) IN GENERAL.—Effective only for producers on a farm who elected not to participate in the production adjustment program established under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) for the 1989 crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice, if the Secretary of Agriculture determines that because of damaging weather or related condition in 1988 or 1989, the total quantity of the 1989 crop of the commodity that such producers are able to harvest on the farm is less than the result of multiplying 50 percent of the county average yield established by the Secretary for such crop by the sum of acreage planted for harvest and the acreage for which prevented planted credit is approved by the Secretary for such crop under subsection (b), the Secretary shall make a disaster payment available to such producers.

(2) PAYMENT RATE.—The payment shall be made to the producers at a rate equal to 65 percent of the basic county loan rate (or a comparable price if there is no current basic county loan rate) for the crop, as determined by the Secretary, for any deficiency in production greater than 50 percent for the crop.

(b) PREVENTED PLANTING CREDIT.—

(1) IN GENERAL.—The Secretary shall provide prevented planting credit under subsection (a) with respect to acreage that producers on a farm were prevented from planting to the 1989 crop of the commodity for harvest because of damaging weather or related condition in 1988 or 1989, as determined by the Secretary.

(2) MAXIMUM ACREAGE.—Such acreage may not exceed the greater of—

(A) a quantity equal to the acreage on the farm planted (or prevented from being planted due to a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in 1988

minus acreage actually planted to the commodity for harvest in 1989; or

(B) a quantity equal to the average of the acreage on the farm planted (or prevented from being planted due to a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in 1986, 1987, and 1988 minus acreage actually planted to the commodity for harvest in 1989.

(3) ADJUSTMENTS.—The Secretary shall make appropriate adjustments in applying the limitations contained in paragraph (2) to take into account crop rotation practices of the producers.

(c) LIMITATIONS.—

(1) ACREAGE LIMITATION PROGRAM.—The amount of payments made available to producers on a farm for a crop of a commodity under subsection (a) shall be reduced by a factor equivalent to the acreage limitation program percentage established for such crop under the Agricultural Act of 1949.

(2) CROP INSURANCE.—Payments provided under subsection (a) for a crop of a commodity may not be made available to the producers on a farm unless such producers enter into an agreement to obtain multiperil crop insurance, to the extent required under section 107.

SEC. 103. PEANUTS, SUGAR, AND TOBACCO.

(a) DISASTER PAYMENTS.—

(1) IN GENERAL.—Effective only for the 1989 crops of peanuts, sugar beets, sugarcane, and tobacco, if the Secretary of Agriculture determines that, because of damaging weather or related condition in 1988 or 1989, the total quantity of the 1989 crop of the commodity that the producers on a farm are able to harvest is less than the result of multiplying 60 percent (or, in the case of producers who obtained crop insurance for the 1989 crop of the commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), 65 percent) of the county average yield (or program yield, in the case of peanuts) established by the Secretary for such crop by the sum of the acreage planted for harvest and the acreage for which prevented planted credit is approved by the Secretary for such crop under subsection (b), the Secretary shall make a disaster payment available to such producers.

(2) PAYMENT RATE.—The payment shall be made to the producers at a rate equal to 65 percent of the applicable payment level under paragraph (3), as determined by the Secretary, for any deficiency in production greater than—

(A) in the case of producers who obtained crop insurance for the 1989 crop of the commodity under the Federal Crop Insurance Act—

(i) 35 percent for the crop; or

(ii) with respect to a crop of burley tobacco or flue-cured tobacco, 35 percent of the farm's effective marketing quota for 1989; and

(B) in the case of producers who did not obtain crop insurance for the 1989 crop of the commodity under the Federal Crop Insurance Act—

(i) 40 percent for the crop; or

(ii) with respect to a crop of burley tobacco or flue-cured tobacco, 40 percent of the farm's effective marketing quota for 1989.

(3) PAYMENT LEVEL.—For purposes of paragraph (1), the payment level for a commodity shall be equal to—

(A) for peanuts, the price support level for quota peanuts or the price support level for additional peanuts, as applicable;

(B) for tobacco, the national average loan rate for the type of tobacco involved, or (if there is none) the market price, as determined under section 104(a)(2); and

(C) for sugar beets and sugarcane, a level determined by the Secretary to be fair and reasonable in relation to the level of price support established for the 1989 crops of sugar beets and sugarcane, and that, insofar as is practicable, shall reflect no less return to the producer than under the 1989 price support levels.

(b) PREVENTED PLANTING CREDIT.—

(1) IN GENERAL.—The Secretary shall provide prevented planting credit under subsection (a) with respect to acreage that producers on a farm were prevented from planting to the 1989 crop of the commodity for harvest because of damaging weather or related condition in 1988 or 1989, as determined by the Secretary.

(2) MAXIMUM ACREAGE.—Such acreage may not exceed the greater of—

(A) a quantity equal to the acreage on the farm planted (or prevented from being planted due to a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in 1988 minus acreage actually planted to harvest in 1989; or

(B) a quantity equal to the average of the acreage on the farm planted (or prevented from being planted due to a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in 1986, 1987, and 1988 minus acreage actually planted to the commodity for harvest in 1989.

(3) ADJUSTMENTS.—The Secretary shall make appropriate adjustments in applying the limitations contained in paragraph (2) to take into account crop rotation practices of the producers and any change in quotas for the 1989 crops of tobacco.

(c) LIMITATION.—Payments provided under subsection (a) for a crop of a commodity may not be made available to the producers on a farm unless such producers enter into an agreement to obtain multiperil crop insurance, to the extent required under section 107.

(d) SPECIAL RULES FOR PEANUTS.—Notwithstanding any other provision of law—

(1) a deficiency in production of quota peanuts from a farm, as otherwise determined under this section, shall be reduced by the quantity of peanut poundage quota that was the basis of such anticipated production that has been transferred from the farm;

(2) payments made under this section shall be made taking into account whether the deficiency for which the deficiency in production is claimed was a deficiency in production of quota or additional peanuts and the payment rate shall be established accordingly; and

(3) the quantity of undermarketings of quota peanuts from a farm for the 1989 crop that may otherwise be claimed under section 358 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1358) for purposes of future quota increases shall be reduced by the quantity of the deficiency of production of such peanuts for which payment has been received under this section.

(e) SPECIAL RULES FOR TOBACCO.—Notwithstanding any other provision of law—

(1) the quantity of undermarketings of quota tobacco from a farm for the 1989 crop that may otherwise be claimed under section 317 or 319 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314c or 1314e) for purposes of future quota increases shall be reduced by the quantity of the deficiency of production of such tobacco for which payment has been received under this section; and

(2) disaster payments made to producers under this section may not be considered by the Secretary in determining the net losses of the Commodity Credit Corporation under section 106A(d) of the Agricultural Act of 1949 (7 U.S.C. 1445-1(d)).

SEC. 104. SOYBEANS AND NONPROGRAM CROPS.

(a) DISASTER PAYMENTS.—

(1) IN GENERAL.—

(A) ELIGIBILITY.—Effective only for the 1989 crops of soybeans and nonprogram crops, if the Secretary of Agriculture determines that, because of damaging weather or related condition in 1988 or 1989, the total quantity of the 1989 crop of the commodity that the producers on a farm are able to harvest is less than—

(i) with respect to soybeans and sunflowers, the result of multiplying 55 percent of the State, area, or county yield, adjusted for adverse weather conditions during the 1986, 1987, and 1988 crop years, as determined by the Secretary, for such crop by the sum of the acreage planted for harvest and the acreage for which prevented planting credit is approved by the Secretary for such crop under subsection (b);

(ii) with respect to nonprogram crops (other than as provided in clauses (i) and (iii)), the result of multiplying 50 percent of the yield established by the Commodity Credit Corporation under subsection (d)(2) for such crop by the sum of the acreage planted for harvest and the acreage for which prevented planting credit is approved by the Secretary for such crop under subsection (b); and

(iii) with respect to crops covered in section 201(b) of the Agricultural Act of 1949 (7 U.S.C. 1446(b)), 50 percent of the historical annual yield of the producers for such crops, as determined by the Secretary,

the Secretary shall make a disaster payment available to such producers.

(B) PAYMENT RATE.—The payment shall be made to such producers at a rate equal to 65 percent of the applicable payment level under paragraph (2), as determined by the Secretary, for any deficiency in production greater than 45 percent for soybeans and sunflowers (50 percent for other nonprogram crops) for the crop.

(2) PAYMENT LEVEL.—For purposes of paragraph (1), the payment level for a commodity shall equal the simple average price received by producers of the commodity, as determined by the Secretary subject to paragraph (3), during the marketing years for the immediately preceding 5 crops of the commodity, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period.

(3) CALCULATION OF PAYMENTS FOR DIFFERENT VARIETIES.—

(A) CROP-BY-CROP BASIS.—The Secretary shall make disaster payments under this subsection on a crop-by-crop basis, with consideration given to markets and uses of the crops, under regulations issued by the Secretary.

(B) DIFFERENT VARIETIES.—For purposes of determining the payment levels on a crop by crop basis, the Secretary shall consider as separate crops, and develop separate payment levels insofar as is practicable for, different varieties of the same commodity, and commodities for which there is a significant difference in the economic value in the market.

(4) EXCLUSIONS FROM HARVESTED QUANTITIES.—For purposes of determining the total quantity of the 1989 nonprogram crop of the commodity that the producers on a farm are able to harvest under paragraph (1), the Secretary shall exclude at least 70 percent of—

(A) commodities that cannot be sold in normal commercial channels of trade; and

(B) dockage, including husks and shells, if such dockage is excluded in determining yields under subsection (d)(2).

(b) PREVENTED PLANTING CREDIT.—

(1) IN GENERAL.—The Secretary shall provide prevented planting credit under subsection (a) with respect to acreage that producers on a farm were prevented from planting to the 1989 crop of the commodity for harvest because of damaging weather or related condition in 1988 or 1989, as determined by the Secretary.

(2) MAXIMUM ACREAGE.—Such acreage may not exceed the greater of—

(A) a quantity equal to the acreage on the farm planted (or prevented from being planted due to a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in 1988 minus acreage actually planted for harvest in 1989; or

(B) a quantity equal to the average of the acreage on the farm planted (or prevented from being planted due to a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in 1986, 1987, and 1988 minus acreage actually planted to the commodity for harvest in 1989.

(3) ADJUSTMENTS.—The Secretary shall make appropriate adjustments in applying the limitations contained in paragraph (2) to take into account crop rotation practices of the producers.

(c) LIMITATION.—Payments provided under subsection (a) for a crop of a commodity may not be made available to the producers on a farm unless such producers enter into an agreement to obtain multiperil crop insurance, to the extent required under section 107.

(d) SPECIAL RULES FOR NONPROGRAM CROPS.—

(1) DEFINITION OF NONPROGRAM CROP.—As used in this section, the term "nonprogram crop" means all crops for which crop insurance through the Federal Crop Insurance Corporation was available for crop year 1989, and other commercial crops (including sweet potatoes) for which such insurance was not available for crop year 1989, except that such term shall not include a crop covered under section 101, 102, or 103, soybeans, or sunflowers.

(2) FARM YIELDS.—

(A) ESTABLISHMENT.—The Commodity Credit Corporation shall establish disaster program farm yields for nonprogram crops to carry out this section.

(B) PROVEN YIELDS AVAILABLE.—If the producers on a farm can provide satisfactory evidence to the Commodity Credit Corporation of actual crop yields on the farm for at least 1 of the immediately preceding 3 crop years, the yield for the farm shall be based on such proven yields.

(C) PROVEN YIELDS NOT AVAILABLE.—If such data do not exist for any of the 3 preceding crop years, the Commodity Credit Corporation shall establish a yield for the farm by using a county average yield for the commodity, or by using other data available to it.

(D) COUNTY AVERAGE YIELDS.—In establishing county average yields for nonprogram crops, the Commodity Credit Corporation shall use the best available information concerning yields. Such information may include extension service records, credible nongovernmental studies, and yields in similar counties.

(3) RESPONSIBILITY OF PRODUCERS.—It shall be the responsibility of the producers of nonprogram crops to provide satisfactory evidence of 1989 crop losses resulting from damaging weather or related condition in 1988 or 1989 in order for such producers to obtain disaster payments under this section.

SEC. 105. CROP QUALITY REDUCTION DISASTER PAYMENTS.

(a) IN GENERAL.—To ensure that all producers of 1989 crops covered under sections 101 through 104 are treated equitably, the Secretary of Agriculture may make additional disaster payments to producers of such crops who suffer losses resulting from the reduced quality of such crops caused by damaging weather or related condition in 1988 or 1989, as determined by the Secretary.

(b) ELIGIBLE PRODUCERS.—If the Secretary determines to make crop quality disaster payments available to producers under subsection (a), producers on a farm of a crop described in subsection (a) shall be eligible to receive reduced quality disaster payments only if such producers incur a deficiency in production of not less than 45 percent and not more than 75 percent for such crop (as determined under section 101, 102, 103, or 104, as appropriate).

(c) MAXIMUM PAYMENT RATE.—The Secretary shall establish the reduced quality disaster payment rate, except that such rate shall not exceed 10 percent, as determined by the Secretary, of—

(1) the established price for the crop, for commodities covered under section 101;

(2) the basic county loan rate for the crop (or a comparable price if there is no current basic county loan rate), for commodities covered under section 102;

(3) the payment level under section 103(a)(3), for commodities covered by section 103; and

(4) the payment level under section 104(a)(2), for commodities covered under section 104.

(d) DETERMINATION OF PAYMENT.—The amount of payment to a producer under this section shall be determined by multiplying the payment rate established under subsection (c) by the portion of the actual harvested crop on the producer's farm that is reduced in quality by such natural disaster in 1988 or 1989, as determined by the Secretary.

SEC. 106. EFFECT OF FEDERAL CROP INSURANCE PAYMENTS.

In the case of producers on a farm who obtained crop insurance for the 1989 crop of a commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), the Secretary of Agriculture shall reduce the amount of payments made available under this subtitle for such crop to the extent that the amount determined by adding the net amount of crop insurance indemnity payment (gross indemnity less premium paid) received by such producers for the deficiency in the production of the crop and the disaster payment determined in accordance with this subtitle for such crop exceeds the amount determined by multiplying—

(1) 100 percent of the yield used for the calculation of disaster payments made under this subtitle for such crop; by

(2) the sum of the acreage of such crop planted to harvest and the acreage for which prevented planting credit is approved by the Secretary (or, in the case of disaster payments under section 101, the eligible acreage established under sections 101(a)(1) and 101(a)(2)(A)); by

(3)(A) in the case of producers who participated in a production adjustment program for the 1989 crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice, the established price for the 1989 crop of the commodity;

(B) in the case of producers who did not participate in a production adjustment program for the 1989 crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice, the basic county loan rate (or a comparable price, as determined by the Secretary, if there is no current basic county loan rate) for the 1989 crop of the commodity;

(C) in the case of producers of sugar beets, sugarcane, peanuts, or tobacco, the payment level for the commodity established under section 103(a)(3); and

(D) in the case of producers of soybeans or a nonprogram crop (as defined in section 104(d)(1)), the simple average price received by producers of the commodity, as determined by the Secretary, during the marketing years for the immediately preceding 5 crops of the commodity, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period.

SEC. 107. CROP INSURANCE COVERAGE FOR THE 1990 CROPS.

(a) REQUIREMENT.—Subject to the limitations under subsection (b), producers on a farm, to be eligible to receive a disaster payment under this subtitle, an emergency loan under subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.) for crop losses due to damaging weather or related condition in 1988 or 1989, or forgiveness of the repayment of advance deficiency payments under section 101(b), must agree to obtain multiperil crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) for the 1990 crop of the commodity for which such payments, loans, or forgiveness are sought.

(b) LIMITATIONS.—Producers on a farm shall not be required to agree to obtain crop insurance under subsection (a) for a commodity—

(1) unless such producers' deficiency in production, with respect to the crop for which a disaster payment under this subtitle otherwise may be made, exceeds 65 percent;

(2) where, or if, crop insurance coverage is not available to the producers for the commodity for which the payment, loan, or forgiveness is sought;

(3) if the producers' annual premium rate for such crop insurance is an amount greater than 125 percent of the average premium rate for insurance on that commodity for the 1989 crop in the county in which the producers are located;

(4) in any case in which the producers' annual premium for such crop insurance is an amount greater than 25 percent of the amount of the payment, loan, or forgiveness sought; or

(5) if the producers can establish by appeal to the county committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590(b)), or to the county committee established under section 332 of the Consolidated Farm and Rural Development Act (17 U.S.C. 1982), as appropriate, that the purchase of crop insurance would impose an undue financial hardship on such producers and that a waiver of the requirement to obtain crop insurance should, in the discretion of the county committee, be granted.

(c) IMPLEMENTATION.—

(1) COUNTY COMMITTEES.—The Secretary of Agriculture shall ensure (acting through the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act and located in the counties in which the assistance programs provided for under sections 101 through 105 are implemented and through the county committees established under section 332 of the Consolidated Farm and Rural Development Act in counties in which emergency loans, as described in subsection (a), are made available) that producers who apply for assistance, as described in subsection (a), obtain multiperil crop insurance as required under this section.

(2) OTHER SOURCES.—Each producer who is subject to the requirements of this section may comply with such requirements by providing evidence of multiperil crop insurance coverage from sources other than through the county committee office, as approved by the Secretary.

(3) COMMISSIONS.—The Secretary shall provide by regulation for a reduction in the commissions paid to private insurance agents, brokers, or companies on crop insurance contracts entered into under this section sufficient to reflect that such insurance contracts principally involve only a servicing function to be performed by the agent, broker, or company.

(d) REPAYMENT OF BENEFITS.—Notwithstanding any other provision of law, if (prior to the end of the 1990 crop year for the commodity involved) the crop insurance coverage required of the producer under this section is canceled by the producer, the producer—

(1) shall make immediate repayment to the Secretary of any disaster payment or forgiven advance deficiency payment that the producer otherwise is required to repay; and

(2) shall become immediately liable for full repayment of all principal and interest outstanding on any emergency loan described in subsection (a) made subject to this section.

SEC. 108. CROPS HARVESTED FOR FORAGE USES.

Not later than 15 days after the date of the enactment of this Act, the Secretary of Agriculture shall announce the terms and conditions by which producers on a farm may establish a 1989 yield with respect to crops that will be harvested for silage and other forage uses.

SEC. 109. PAYMENT LIMITATIONS.

(a) LIMITATION.—Subject to subsections (b) and (c), the total amount of payments that a person shall be entitled to receive under one or more of the programs established under this subtitle may not exceed $100,000.

(b) NO DOUBLE BENEFITS.—No person may receive disaster payments under this subtitle to the extent that such person receives a livestock emergency benefit for lost feed production in 1989 under section 606 of the Agricultural Act of 1949 (7 U.S.C. 1471d).

(c) COMBINED LIMITATION.—

(1) IN GENERAL.—No person may receive any payment under this subtitle or benefit under title VI of the Agricultural Act of 1949 (7 U.S.C. 1471 et seq.) for livestock emergency losses suffered in 1989 if such payment or benefit will cause the combined total amount of such payments and benefits received by such person to exceed $100,000.

(2) ELECTION.—If a producer is subject to paragraph (1), the person may elect (subject to the benefits limitations under section 609 of the Agricultural Act of 1949 (7 U.S.C. 1471g)) whether to receive the $100,000 in such payments, or such livestock emergency benefits (not to exceed $50,000), or a combination of payments and benefits specified by the person.

(d) REGULATIONS.—The Secretary of Agriculture shall issue regulations—

(1) defining the term "person" for the purposes of this section and section 151, which shall conform, to the extent practicable, to the regulations defining the term "person" issued under section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308); and

(2) prescribing such rules as the Secretary determines necessary to ensure a fair and reasonable application of the limitations established under this section.

SEC. 110. NO DOUBLE PAYMENTS ON REPLANTED ACREAGE.

(a) REDUCTION OF DISASTER PAYMENTS.—Effective only for producers on a farm who receive disaster payments under this subtitle for a crop of a commodity, the Secretary of Agriculture shall reduce such payments by an amount that reflects the value of any crop such producers plant for harvest in 1989 to replace the crop for which disaster payments are received.

(b) REPLACEMENT CROPS.—For purposes of subsection (a), a crop shall be considered to be planted to replace the crop for which disaster payments are received if (because of loss or damage to the first crop due to damaging weather or related condition in 1988 or 1989) the second crop is planted on acreage on which the producers planted, or were prevented from planting, the first crop.

(c) ADMINISTRATION.—In carrying out this section, the Secretary shall—

(1) determine the value of the second crop based on the actual yield of the producers and average market prices for the second crop during a representative period; and

(2) take into account the historical cropping patterns of producers.

SEC. 111. SUBSTITUTION OF CROP INSURANCE PROGRAM YIELDS.

(a) IN GENERAL.—Notwithstanding any other provision of this Act, the Secretary of Agriculture may permit each eligible producer (as defined in subsection (d)) of a 1989 crop of a commodity who has obtained multiperil crop insurance for such crop (or, as provided in subsection (c), who obtained multiperil crop insurance for the producer's 1988 crop of such commodity) under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) to substitute, at the discretion of the producer, the crop insurance yield for such crop, as established under such Act, for the farm yield otherwise assigned to the producer under this subtitle, for the purposes of determining such producer's eligibility for a disaster payment on the 1989 crop under this subtitle and the amount of such payment.

(b) ADJUSTMENT OF ADVANCED DEFICIENCY PAYMENTS.—

(1) IN GENERAL.—Notwithstanding any other provision of this Act, if an eligible producer of wheat, feed grains, cotton, or rice elects to substitute yields for such producer's 1989 crop under subsection (a), the producer's eligibility for a waiver or repayment of an advance deficiency payment on such crop under this subtitle shall be adjusted as provided in paragraph (2).

(2) AMOUNT.—The amount of production of such crop on which the producer otherwise would be eligible for waiver of repayment of advance deficiency payments under this subtitle shall be reduced by an amount of production equal to the difference between—

(A) the amount of production eligible for disaster payments under this subtitle using a substituted yield under this section; and

(B) the amount of production that would have been eligible for disaster payments using the farm program payment yield otherwise assigned to the producer under this subtitle.

(c) MULTIPERIL CROP INSURANCE NOT AVAILABLE.—A producer may use the crop insurance yield for the producer's 1988 crop of a commodity for purposes of substituting yields under subsection (a) if the producer demonstrates to the Secretary that, through no fault of the producer, multiperil crop insurance under the Federal Crop Insurance Act was not made available to the producer for the producer's 1989 crop of the commodity.

(d) DEFINITION OF ELIGIBLE PRODUCER.—For purposes of this section, the term "eligible producer" means a producer of the 1989 crop of wheat, feed grains, upland cotton, extra long staple cotton, rice, or soybeans.

SEC. 112. DEFINITIONS.

As used in this subtitle:

(1) DAMAGING WEATHER.—The term "damaging weather" includes but is not limited to drought, hail, excessive moisture, freeze, tornado, hurricane, or excessive wind, or any combination thereof.

(2) RELATED CONDITION.—The term "related condition" includes but is not limited to insect infestations, plant diseases, or other deterioration of a crop of a commodity, including aflatoxin, that is accelerated or exacerbated naturally as a result of damaging weather occurring prior to or during harvest.

Subtitle B—Orchards

SEC. 121. ELIGIBILITY.

(a) DROUGHT LOSS.—Subject to the limitation in subsection (b), the Secretary of Agriculture shall provide assistance, as specified in section 122, to eligible orchardists that planted trees for commercial purposes but lost such trees as a result of freeze or related condition in 1989, as determined by the Secretary.

(b) LIMITATION.—An eligible orchardist shall qualify for assistance under subsection (a) only if such orchardist's tree mortality, as a result of the natural disaster, exceeds 45 percent (adjusted for normal mortality).

SEC. 122. ASSISTANCE.

The assistance provided by the Secretary of Agriculture to eligible orchardists for losses described in section 121 shall consist of either—

(1) reimbursement of 65 percent of the cost of replanting trees lost due to freeze or related condition in 1989 in excess of 45 percent mortality (adjusted for normal mortality); or

(2) at the discretion of the Secretary, sufficient seedlings to reestablish the stand.

SEC. 123. LIMITATION ON ASSISTANCE.

(a) LIMITATION.—The total amount of payments that a person shall be entitled to receive under this subtitle may not exceed $25,000, or an equivalent value in tree seedlings.

(b) REGULATIONS.—The Secretary of Agriculture shall issue regulations—

(1) defining the term "person" for the purposes of this subtitle, which shall conform, to the extent practicable, to the regulations defining the term "person" issued under section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) and the Disaster Assistance Act of 1988 (7 U.S.C. 1421 note); and

(2) prescribing such rules as the Secretary determines necessary to ensure a fair and reasonable application of the limitation established under this section.

SEC. 124. DEFINITION.

As used in this subtitle, the term "eligible orchardist" means a person who produces annual crops from trees for commercial purposes and owns 500 acres or less of such trees.

SEC. 125. DUPLICATIVE PAYMENTS.

The Secretary of Agriculture shall establish guidelines to ensure that no person receives duplicative payments under this subtitle and the forestry incentives program, agricultural conservation program, or other Federal program.

SEC. 126. SENSE OF CONGRESS ON CROP INSURANCE FOR ORCHARD CROPS.

It is the sense of Congress that the Secretary of Agriculture should expeditiously expand the availability of multiperil crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) to all orchard crops.

Subtitle C—Forest Crops

SEC. 131. ELIGIBILITY.

(a) DROUGHT LOSS.—Subject to the limitation in subsection (b), the Secretary of Agriculture shall provide assistance, as specified in section 132, to eligible tree farmers that planted tree seedlings in 1988 or 1989 for commercial purposes but lost such seedlings as a result of drought or related condition in 1989, as determined by the Secretary.

(b) LIMITATION.—An eligible tree farmer shall qualify for assistance under subsection (a) only if such tree farmer's tree seedling mortality, as a result of the natural disaster, exceeds 45 percent (adjusted for normal mortality).

SEC. 132. ASSISTANCE.

The assistance provided by the Secretary of Agriculture to eligible tree farmers for losses described in section 131 shall consist of either—

(1) reimbursement of 65 percent of the cost of replanting seedlings lost due to drought or related conditions in 1989 in excess of 45 percent mortality (adjusted for normal mortality); or

(2) at the discretion of the Secretary, sufficient tree seedlings to reestablish the stand.

SEC. 133. LIMITATION ON ASSISTANCE.

(a) LIMITATION.—The total amount of payments that a person shall be entitled to receive under this subtitle may not exceed $25,000, or an equivalent value in tree seedlings.

(b) REGULATIONS.—The Secretary of Agriculture shall issue regulations—

(1) defining the term "person" for the purposes of this subtitle, which shall conform, to the extent practicable, to the regulations defining the term "person" issued under section 1001 of the Food Security Act of 1985 and the Disaster Assistance Act of 1988; and

(2) prescribing such rules as the Secretary determines necessary to ensure a fair and reasonable application of the limitation established under this section.

SEC. 134. DEFINITION.

As used in this subtitle, the term "eligible tree farmer" means a person who grows trees for harvest for commercial purposes and owns 1,000 acres or less of such trees.

SEC. 135. DUPLICATIVE PAYMENTS.

The Secretary of Agriculture shall establish guidelines to ensure that no person receives duplicative payments under this subtitle and the forestry incentives program, agricultural conservation program, or other Federal program.

Subtitle D—Additional Assistance

SEC. 141. NEW CONSERVATION MEASURES.

(a) IN GENERAL.—

(1) HAYING AND GRAZING ON CRP ACREAGE.—In the case of an owner or operator of land who has entered into a conservation reserve program contract under subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) and hays or grazes livestock during the 1989 crop year on acreage subject to such contract as authorized by the Secretary of Agriculture, the Secretary may not reduce the amount of rental payments made to such owner or operator as the result of such haying or grazing to the extent that the owner or operator—

(A) carries out additional conservation practices, approved by the Soil Conservation Service in consultation with appropriate Federal and State agencies, to enhance soil, water, and wildlife conservation on or in the vicinity of lands subject to such contract; and

(B) pays the costs of carrying out such practices.

(2) AMOUNT OF REDUCTION.—The amount of the reduction prohibited under paragraph (1) shall equal one-half of the amount paid by the owner or operator to cover the costs of carrying out the conservation practices.

(b) CONSERVATION PRACTICES.—For purposes of subsection (a), the term "conservation practices" includes—

(1) establishment of permanent shelterbelts and windbreaks;

(2) restoration of wetlands;

(3) establishment of wildlife food plots; or

(4) planting of trees.

SEC. 142. ASSISTANCE FOR PONDS.

Section 607(b)(2)(B) of the Agricultural Act of 1949 (7 U.S.C. 1471e(b)(2)(B)) is amended by inserting "or ponds" after "wells".

Subtitle E—Administrative Provisions

SEC. 151. INELIGIBILITY.

(a) GENERAL RULE.—A person who has qualifying gross revenues in excess of $2,000,000 annually, as determined by the Secretary of Agriculture, shall not be eligible to receive any disaster payment or other benefits under this title.

(b) QUALIFYING GROSS REVENUES.—For purposes of this section, the term "qualifying gross revenues" means—

(1) if a majority of the person's annual income is received from farming, ranching, and forestry operations, the gross revenue from the person's farming, ranching, and forestry operations; and

(2) if less than a majority of the person's annual income is received from farming, ranching, and forestry operations, the person's gross revenue from all sources.

SEC. 152. TIMING AND MANNER OF ASSISTANCE.

(a) TIMING OF ASSISTANCE.—

(1) IN GENERAL.—

(A) ASSISTANCE MADE AVAILABLE AS SOON AS PRACTICABLE.—Subject to subparagraph (B), the Secretary of Agriculture shall make full disaster assistance available under this title as soon as practicable after the date of enactment of this Act.

(B) COMPLETED APPLICATION.—Subject to subparagraph (C), no payment or benefit provided under this title shall be payable or due until such time as a completed application for a crop of a commodity therefor has been approved.

(C) APPLICATIONS PRIOR TO SEPTEMBER 30, 1989.—If an application for a disaster payment under this title is received by the Secretary prior to September 30, 1989, by producers who have harvested their 1989 crop, the Secretary shall make full or advance disaster payments to such producers within 15 days after the application is received or by September 15, 1989, whichever is later.

(D) ADVANCE PAYMENTS.—If advance payments are made to producers under subparagraph (C), such payments shall not be less than 80 percent of the payments that will be made available to such producers under this title.

(2) DEADLINE FOR APPLICATION.—To be eligible to receive payments under subtitle A, a person shall make application for such payments not later than March 31, 1990, or such later date that the Secretary, by regulation, may prescribe.

(b) MANNER.—The Secretary may make payments available under subtitle A in the form of cash, commodities, or commodity certificates, as determined by the Secretary.

SEC. 153. COMMODITY CREDIT CORPORATION.

(a) USE.—The Secretary of Agriculture shall use the funds, facilities, and authorities of the Commodity Credit Corporation in carrying out this title.

(b) EXISTING AUTHORITY.—The authority provided by this title shall be in addition to, and not in place of, any authority granted to the Secretary or the Commodity Credit Corporation under any other provision of law.

SEC. 154. LIMITATION ON OUTLAYS.

(a) MAXIMUM AMOUNT.—Notwithstanding any other provision of law, if the acreage planted in the United States to the 1989 crop of corn is greater than 73,250,000 acres, the total amount expended for deficiency payments for the 1989 crops of wheat, feed grains, upland cotton, and rice under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) shall not exceed $6,700,000,000.

(b) PRORATION.—The Secretary shall make any reduction required under subsection (a) on a pro rata basis.

SEC. 156. REGULATIONS.

The Secretary of Agriculture or the Commodity Credit Corporation, as appropriate, shall issue regulations to implement this title as soon as practicable after the date of enactment of this Act, without regard to the requirement for notice and public participation in rule making prescribed in section 553 of title 5, United States Code, or in any directive of the Secretary.

TITLE II—EMERGENCY LIVESTOCK ASSISTANCE

SEC. 201. USE OF STORED GRAIN FOR ASSISTANCE.

(a) IN GENERAL.—Subsection (b) of section 606 of the Agricultural Act of 1949 (7 U.S.C. 1471d(b)) is amended to read as follows:

"(b) If assistance is made available through the furnishing of feed grain under paragraph (1) or (2) of subsection (a), the Secretary—

"(1) may provide for the furnishing of the feed grain through a dealer or manufacturer and the replacing of the feed grain so furnished from feed grain owned by the Commodity Credit Corporation; or

"(2) at the option of the livestock producer, shall provide for the furnishing of the feed grain through the use of feed grain stored on the farm of the producer that has been pledged as collateral for a price support loan made under this Act.".

SEC. 202. LIVESTOCK TRANSPORTATION ASSISTANCE.

Section 606 of the Agricultural Act of 1949 (7 U.S.C. 1471d) is amended by adding at the end the following new subsection:

"(f) The Secretary may make available at least $25,000,000 to provide livestock transportation assistance under subsection (a)(6) for livestock emergencies in 1989.".

SEC. 203. LIVESTOCK WATER DEVELOPMENT PROJECTS.

Section 607 of the Agricultural Act of 1949 (7 U.S.C. 1471e) is amended by adding at the end the following new subsection:

"(c) The Secretary may make available at least $25,000,000 to provide special assistance under subsection (b)(2) for livestock emergencies in 1988 and 1989.".

SEC. 204. ANIMAL UNIT METHODOLOGY STUDY AND REPORT.

The Secretary of Agriculture shall conduct a study on the methodology and justification of the calculations used to determine the animal unit figure used for purposes of the emergency feed program and the emergency feed assistance program under section 606 of the Agricultural Act of 1949 (7 U.S.C. 1471d), and report to Congress the results of such study within 90 days of the date of enactment of this Act.

TITLE III—DISASTER CREDIT AND FORBEARANCE

SEC. 301. EMERGENCY LOANS.

Section 321(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(b)) shall not apply to a person who otherwise would be eligible for an emergency loan under subtitle C of such Act, if such eligibility is the result of damage to an annual crop planted for harvest in 1989.

SEC. 302. 1990 FARM OPERATING LOANS.

(a) DIRECT CREDIT.—To the maximum extent practicable, the Secretary of Agriculture shall ensure that direct operating loans made or insured under subtitle B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941 et seq.) for 1990 crop production are made available to farmers and ranchers suffering major losses due to excess moisture, freeze, storm, or related condition occurring in 1989 or drought or related condition occurring in 1988 or 1989, as authorized under existing law and under regulations of the Secretary that implement the objective of enabling farmers and ranchers to stay in business.

(b) LOAN GUARANTEES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall make available in fiscal year 1990 guarantees to commercial or cooperative lenders for loans under subtitle B of the Consolidated Farm and Rural Development Act, to refinance and reamortize 1989 operating loans, or 1989 or 1990 installments due and payable on real estate debt, farm equipment or building (including storage facilities) debt, livestock loans, or other operating debt, of farmers and ranchers that otherwise cannot be repaid due to major losses incurred by such farmers or ranchers as a result of excess moisture, freeze, storm, or related condition occurring in 1989 or drought or related condition occurring in 1988 or 1989.

(2) REAMORTIZATION.—Each fiscal year 1990 guaranteed loan for 1988 or 1989 natural disaster purposes, as described in paragraph (1), shall contain terms and conditions governing the reamortization of the debt of the farmer or rancher that will provide the farmer or rancher a reasonable opportunity to continue to receive new operating credit while repaying the guaranteed loan, as determined by the Secretary.

(3) ELIGIBILITY.—Notwithstanding any other provision of law, any person eligible to receive payments under subtitle A of title I shall be deemed eligible to have guaranteed, in accordance with this subsection, loans made to such person by a commercial or cooperative lender to refinance installment payments that are or become due and payable during 1989 or 1990, as described in paragraph (1), except that, to be deemed eligible to have such loan guaranteed, the person must otherwise—

(A) be current in the person's obligation to the commercial or cooperative lender that agrees to accept the guarantee in consideration of allowing the person to make the 1989 or 1990 payment or installment over a period of time not to exceed 6 years from the original due date of such payment or installment; and

(B) meet the criteria for guaranteed loan borrowers under subtitle B of the Consolidated Farm and Rural Development Act established by the Secretary.

(c) USE OF AGRICULTURAL CREDIT INSURANCE FUND.—For purposes of providing guaranteed loans in accordance with subsection (b), in addition to funds otherwise available, the Secretary may use any funds available from the Agricultural Credit Insurance Fund during fiscal years 1989 or 1990 for emergency insured and guaranteed loans under subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.) to meet the needs resulting from natural disasters, except that funds available from such Fund first shall be used to satisfy the level of assistance estimated by the Secretary to meet the needs of persons eligible for emergency disaster loans.

SEC. 303. FmHA LOANS MADE TO INDIAN TRIBES.

The Act entitled "An Act to provide for loans to Indian tribes and tribal corporations, and for other purposes" (25 U.S.C. 488 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 6. REDUCTION OF UNPAID PRINCIPAL.

"(a) IN GENERAL.—The Secretary of Agriculture may, on the application of the borrower of a loan or loans made under this Act, reduce the unpaid principal balance of such loan or loans to the current fair market value of the land purchased with the proceeds of the loan or loans if—

"(1) the fair market value of the land has declined by at least 25 percent since such land was purchased by the borrower;

"(2) the land has been held by the borrower for a period of at least 5 years; and

"(3) the Secretary of the Interior finds that the borrower has insufficient income to both repay the loan or loans and provide normal tribal governmental services.

"(b) FAIR MARKET VALUE.—

"(1) APPRAISAL.—Current fair market value under subsection (a) shall be determined through an appraisal by an independent qualified fee appraiser, selected by mutual agreement between the borrower and the Secretary of Agriculture.

"(2) COSTS.—The cost of appraisals undertaken under paragraph (1) shall be paid by the borrower.

"(c) APPEALS.—Decisions of the Secretary of Agriculture under this section shall be appealable in accordance with the provisions of section 333B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1983b).

"(d) FUTURE APPLICATIONS.—A borrower that had a loan or loans reduced under this section shall not submit an application for another reduction on such loan or loans for a period of 5 years after the initial reduction.".

TITLE IV—RURAL BUSINESSES

SEC. 401. DISASTER ASSISTANCE FOR RURAL BUSINESS ENTERPRISES.

(a) LOAN GUARANTEES.—The Secretary of Agriculture shall guarantee loans made in rural areas to—

(1) public, private, or cooperative organizations, to Indian tribes on Federal and State reservations or other Federally recognized Indian tribal groups, or to any other business entities to assist such organizations, tribes, or entities in alleviating the distress caused to such organizations, tribes, or entities, directly or indirectly, by the drought, freeze, storm, excessive moisture, or related condition in 1988 or 1989; and

(2) such organizations, tribes, or entities that refinance or restructure debt as a result of losses incurred, directly or indirectly, because of such natural disasters in 1988 or 1989.

(b) ELIGIBLE LOANS.—

(1) IN GENERAL.—Loans guaranteed under this section shall be loans made by any Federal or State chartered bank, savings and loan association, cooperative lending agency, insurance company, or other legally organized lending agency.

(2) PRODUCTION AGRICULTURE.—No application for a loan guarantee under this section shall be denied on the basis that such organization, tribe, or entity engages in whole or in part in production agriculture.

(c) LOAN GUARANTEE LIMITS.—

(1) PERCENTAGE OF PRINCIPAL AND INTEREST.—No guarantee under this section shall exceed 90 percent of the principal and interest amount of the loan or $2,500,000, whichever is the lesser amount.

(2) TOTAL AMOUNT.—The total amount of loan guarantee under this section shall not exceed $200,000,000.

(d) USE OF THE RURAL DEVELOPMENT INSURANCE FUND.—The Secretary shall use the Rural Development Insurance Fund established under section 309A of the Consolidated Farm and Rural Development Act (7 U.S.C. 1929a) for the purposes of discharging the obligations of the Secretary under this section.

TITLE V—WATER-RELATED ASSISTANCE

SEC. 501. EMERGENCY COMMUNITY WATER ASSISTANCE GRANT PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—Subtitle A of the Consolidated Farm and Rural Development Act is amended by inserting after section 306 (7 U.S.C. 1926) the following new section:

"SEC. 306A. EMERGENCY COMMUNITY WATER ASSISTANCE GRANT PROGRAM.

"(a) IN GENERAL.—The Secretary shall provide grants in accordance with this section to assist the residents of rural areas and small communities to secure adequate quantities of safe water—

"(1) after a significant decline in the quantity or quality of water available from the water supplies of such rural areas and small communities; or

"(2) when repairs, partial replacement, or significant maintenance efforts on established water systems would remedy—

"(A) an acute shortage of quality water; or

"(B) a significant decline in the quantity or quality of water that is available.

"(b) PRIORITY.—In carrying out subsection (a), the Secretary shall—

"(1) give priority to projects described in subsection (a)(1); and

"(2) provide at least 70 percent of all such grants to such projects.

"(c) ELIGIBILITY.—To be eligible to obtain a grant under this section, an applicant shall—

"(1) be a public or private nonprofit entity; and

"(2) in the case of a grant made under subsection (a)(1), demonstrate to the Secretary that the decline referred to in such subsection occurred within 2 years of the date the application was filed for such grant.

"(d) USES.—

"(1) IN GENERAL.—Grants made under this section may be used for waterline extensions from existing systems, laying of new waterlines, repairs, significant maintenance, digging of new wells, equipment replacement, hook and tap fees, and any other appropriate purpose associated with developing sources of, or treating, storing, or distributing water, and to assist communities in complying with the requirements of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) or the Safe Drinking Water Act (42 U.S.C. 300f et seq.).

"(2) JOINT PROPOSALS.—Nothing in this section shall preclude rural communities from submitting joint proposals for emergency water assistance, subject to the restrictions contained in subsection (e). Such restrictions should be considered in the aggregate, depending on the number of communities involved.

"(e) RESTRICTIONS.—

"(1) MAXIMUM POPULATION AND INCOME.—No grant provided under this section shall be used to assist any rural area or community that—

"(A) includes any area in any city or town with a population in excess of 15,000 inhabitants according to the most recent decennial census of the United States; or

"(B) has a median household income in excess of the State nonmetropolitan median household income according to the most recent decennial census of the United States.

"(2) SET-ASIDE FOR SMALLER COMMUNITIES.—Not less than 50 percent of the funds allocated under this section shall be allocated to rural communities with populations that do not exceed 5,000 inhabitants.

"(f) MAXIMUM GRANTS.—Grants made under this section may not exceed—

"(1) in the case of each grant made under subsection (a)(1), $500,000; and

"(2) in the case of each grant made under subsection (a)(2), $75,000.

"(g) FULL FUNDING.—Subject to subsection (e), grants under this section shall be made in an amount equal to 100 percent of the costs of the projects conducted under this section.

"(h) APPLICATION.—

"(1) NATIONALLY COMPETITIVE APPLICATION PROCESS.—The Secretary shall develop a nationally competitive application process to award grants under this section. The process shall include criteria for evaluating applications, including population, median household income, and the severity of the decline in quantity or quality of water.

"(2) TIMING.—The Secretary shall make every effort to review and act on applications within 60 days of the date that such applications are submitted.

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $35,000,000 for each of the fiscal years 1990 and 1991, such sums to remain authorized until fully appropriated.".

(b) IMPLEMENTATION.—

(1) REGULATIONS.—The Secretary of Agriculture shall publish—

(A) interim final regulations to carry out section 306A of the Consolidated Farm and Rural Development Act (as added by subsection (a) of this section) not later than 45 days after the date of enactment of this Act; and

(B) final regulations to carry out section 306A of such Act not later than 90 days after the date of enactment of this Act.

(2) FUNDS.—

(A) OBLIGATION.—The Secretary shall designate 70 percent of the funds made available for the first fiscal year for which appropriations are made under section 306A(i) of the Consolidated Farm and Rural Development Act not later than 5 months after the date such funds are appropriated.

(B) RELEASE.—The Secretary may release funds prior to the issuance of final regulations under paragraph (1)(B) for grants under section 306A(a)(1) of the Consolidated Farm and Rural Development Act.

SEC. 502. LIVESTOCK WATER ASSISTANCE.

Section 402 of the Agricultural Credit Act of 1978 (16 U.S.C. 2202) is amended—

(1) by inserting after "measures" the following: "(including measures carried out to assist confined livestock)"; and

(2) effective only for fiscal year 1989, by striking "periods" and inserting "any fiscal year in which there is a period".

SEC. 503. DISASTER ASSISTANCE FOR WATERSHED PROTECTION ACTIVITIES.

Subtitle A of title IV of the Disaster Assistance Act of 1988 is amended by inserting after section 401 (7 U.S.C. 2204c) the following new section:

"SEC. 402. DISASTER ASSISTANCE FOR WATERSHED PROTECTION ACTIVITIES.

"(a) IN GENERAL.—The Secretary of Agriculture may provide disaster relief assistance in accordance with this section to repair damage caused by storms occurring in 1988 or 1989 to watersheds located in any county in any State, to the extent that funds authorized by this section remain available.

"(b) FORM OF ASSISTANCE.—The assistance authorized by this section—

"(1) includes both financial and technical assistance; and

"(2) shall be provided in a manner consistent with similar assistance authorized under section 403 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203).

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $25,000,000 for fiscal year 1990.".

TITLE VI—GENERAL PROVISIONS

SEC. 601. SHRINKAGE ALLOWANCE FOR PEANUTS.

Effective only for the 1988 through 1990 crops of peanuts, section 359(p)(2)(B) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359(p)(2)(B)) is amended—

(1) in clause (i), by striking "(less such reasonable allowances for shrinkage as the Secretary may prescribe)"; and

(2) by adding at the end the following new clause:

"(iv)(I) The obligation of a handler to export peanuts in quantities described in this subparagraph shall be reduced by a shrinkage allowance, to be determined by the Secretary, to reflect actual dollar value shrinkage experienced by handlers in commercial operations, except that such allowance shall not be less than 4½ percent, except as provided in subclause (II).

"(II) The Secretary may provide a lower shrinkage allowance for a handler who fails to comply with restrictions on the use of peanuts, as may be specified by the Commodity Credit Corporation, to take into account common industry practices.".

SEC. 602. ADVANCED DEFICIENCY REPAYMENT DEADLINE FOR 1988 CROPS.

Section 201(b)(4) of the Disaster Assistance Act of 1988 (7 U.S.C. 1421 note) is amended by striking "July 31, 1989" and inserting "July 31, 1990".

SEC. 603. PLANTING OF ALTERNATE CROPS ON PERMITTED ACREAGE.

(a) IN GENERAL.—Subparagraph (E)(i) of section 504(b)(2) of the Agricultural Act of 1949 (7 U.S.C. 1464(b)(2)) (as amended by the Act entitled "An Act to amend the Agricultural Act of 1949 for the 1990 crops to allow the planting of alternative crops on permitted acreage and to amend the provisions regarding the designation of farm acreage base as acreage base established for oats") is amended by inserting "mung bean, mustard," after "milkweed,".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective 1 day after the date of enactment of the Act so entitled.

SEC. 604. CROP INSURANCE YIELD COVERAGE.

The Federal Crop Insurance Act is amended by inserting after section 508 (7 U.S.C. 1508) the following new section:

"SEC. 508A. CROP INSURANCE YIELD COVERAGE.

"(a) IN GENERAL.—

"(1) YIELD COVERAGE.—Effective beginning with crops harvested in 1990, the Corporation may implement multiperil crop insurance underwriting rules that ensure that yield coverage, as specified in subsection (b), is provided to producers participating in the Federal crop insurance program.

"(2) APPLICATION.—Such underwriting rules and yield coverage, as specified in subsection (b), shall apply to wheat, feed grains, cotton, rice, and soybeans.

"(b) YIELD COVERAGE.—

"(1) GENERAL COMMODITIES.—

"(A) PLANS.—A crop insurance contract offered to a producer of a crop of wheat, feed grains, cotton, or rice shall make available to such producer—

"(i) yield coverage based on the producer's farm program yield for the crop established under the program for the commodity involved; or

"(ii) a plan that uses the producer's actual production history for the 5 previous crops, subject to paragraph (3), to determine the yield coverage.

"(B) COMMODITY-BY-COMMODITY BASIS.—A producer may choose between the two alternatives described in subparagraph (A) on a commodity-by-commodity basis.

"(2) SOYBEANS.—A crop insurance contract offered to a producer of a crop of soybeans shall be based on a yield coverage plan that uses the producer's actual production history for the 5 previous crops, subject to paragraph (3), to determine the yield coverage.

"(3) ACTUAL PRODUCTION HISTORY.—

"(A) INADEQUATE DOCUMENTATION.—Under a plan that uses actual production history, as provided for in paragraph (1) or (2), if the producer does not submit adequate documentation of such history for a crop—

"(i) in the case of any commodity other than soybeans, the producer shall be assigned the producer's farm program yield for that crop of the commodity; and

"(ii) in the case of soybeans, the producer shall be assigned a yield equal to 100 percent of the area average yield for that crop of soybeans, as established by the Corporation.

"(B) NOTICE OF AREA AVERAGE YIELDS.—Area average yields applicable to any county shall be posted and available for inspection at the county office of the Agricultural Stabilization and Conservation Service.

"(C) MINIMUM COVERAGE.—In no case may a producer's coverage under such plan that uses actual production history be less than the coverage established using farm program yields, or (for soybeans) 100 percent of the most recent area average yield.

"(c) USE OF YIELD COVERAGE PROVISIONS.—

"(1) NOTICE.—The Corporation shall ensure that, whenever the yield coverage provisions of this section go into effect, producers are given adequate notice of such

provisions in advance of the crop insurance sign-up period applicable to the crops to which such provisions first will apply.

"(2) SIGN-UP PERIOD.—To the extent that the provisions of this section are made applicable to the 1990 crops, the Corporation shall ensure that the sign-up period for any 1990 crop does not end earlier than 60 days following the publication of notice of such provisions in the Federal Register.".

Amend the title so as to read as follows: "An Act to provide disaster assistance to agricultural producers, and for other purposes.".

Mr. DOLE. Mr. President, I am pleased that the House and Senate have finally agreed on a drought relief package. It is basically, the Senate proposal. I believe that is important because only our package recognized that there were priority needs on the disaster front, especially for crops that were planted last fall, winter wheat among them, which is raised in my State of Kansas, and where the drought really had an impact, and not only Kansas, but five or six other States in the Midwest. We did not open the Treasury gates for every crop in America. We said loud and clear that farmers who were clobbered by drought or flood who produced program crops—I might indicate that flood was the culprit which devastated many of the crops in the State of Louisiana—and put up with Government redtape; and producers who signed up in the crop insurance program, these are the producers who deserve priority attention, and they are getting it.

No doubt about it, winter wheat farmers will be pleased to know the specifics of the disaster relief because they will be back in the field planting next month.

Let me reiterate the three points that I see are the clear merits of this disaster relief bill. As I have stated, we have provided much deserved distinctions based on burden sharing and crop insurance: Winter wheat farmers and other program participants with crop insurance will get last year's rate of 35/65. Other program crops will be 40/65, soybeans and other oilseeds will get a 45/65 formula and finally nonprogram crops and nonparticipants will be limited to a 50/65 rate.

Let me point out that payments to nonprogram crops are taken out of payments that would have gone to program crops. It all gets very complicated but it means that corn producers, cotton producers, wheat producers, so-called program crops in effect are paying the entire bill, and about 200 million dollars will go to nonprogram crop producers with a 50-percent loss—tomatoes, peaches, cherries, and others. These nonprogram crops do not have any restrictions on what they can do, but they will still be getting paid at a good rate because of the way the bill is finally drafted.

We have scaled back the number of nonprogram crops by requiring a 50-percent loss threshold. We have also kept the bill within budget, which is about $900 million. The House bill was about $1.4 billion. We have also kept in the bill a provision that is fair and extremely significant for Kansas and other wheat producers in Oklahoma, Texas, Nebraska, North and South Dakota, some in Colorado and some in Missouri, the so-called 0/92 option.

The House bill does contain a requirement that producers with a 65-percent loss who get disaster benefits must buy crop insurance the following year. There is some flexibility for waivers based in part on the cost of the insurance premium and whether there is economic hardship.

I would simply note for the record that some members have a problem with this mandated approach because of the numerous difficulties the crop insurance program has had.

I again point out the reason we were compelled to make some distinctions—nonprogram crops do not set aside any acres, do not comply with any regulations. They get paid regardless. So I would just suggest it is not a perfect bill, but I do believe it is one that will be helpful to those who have already suffered disasters in winter wheat areas and others who may suffer disasters in the spring crops, States like North Dakota and Minnesota and others. So I am very pleased that the House agreed almost totally to the Senate passed bill, that we are now in a position to pass the bill and send it to the President, who has agreed to sign it because it is within the budget.

I thank the distinguished President pro tempore.

Mr. COCHRAN. Mr. President, will the distinguished President pro tempore yield.

Mr. BYRD. Yes, I will be happy to yield.

Mr. COCHRAN. Mr. President, I would like to associate myself with the remarks the distinguished Senator from Kansas has made about this disaster relief bill.

I think one point that should not be overlooked is the fact that 3 weeks ago the administration was suggesting it would be very unlikely to get approval of any disaster relief legislation in view of the bill passed in the other body, but we have come a long way, working with the administration, with Senators on both sides of the aisle, and with the other body to craft a conference report that is not only going to pass the Senate today but also be signed by the President, I predict, in a timely manner.

I rise to congratulate all of those who have worked so hard to bring us to this point, and I urge the President to sign this bill. It is a good bill. It is going to provide a lot of important relief for many who have been damaged by floods and others by drought. It is a very important bill that we pass today.

I thank the distinguished President pro tempore.

Mr. BYRD. I thank my friend from Mississippi.

I move that the Senate concur in the amendment of the House to the Senate amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the motion was agreed to.

I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL ENDOWMENT FOR CHILDREN'S EDUCATIONAL TELEVISION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 142, S. 797, a bill for the National Endowment for Childrens Educational Television.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 797) to amend the Communications Act of 1914.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 797) to amend the Communications Act of 1934 to improve the education of children by establishing a National Endowment for Children's Educational Television, and for other purposes, which has been reported from the Committee on Commerce, Science, and Transportation, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Endowment for Children's Educational Television Act of 1989".

SEC. 2. The Congress finds that—

(1) children in the United States are lagging behind those in other countries in fundamental intellectual skills, including reading, writing, mathematics, science, and geography;

(2) these fundamental skills are essential for the future governmental and industrial leadership of the United States;

(3) the United States must act now to greatly improve the education of its children;

(4) television is watched by children about three hours each day on average and can be effective in teaching children;

(5) educational television programming for children is aired too infrequently either because public broadcast licensees and permittees lack funds or because commercial broadcast licensees and permittees or cable television system operators do not have the economic incentive; and

(6) the Federal Government can assist in the creation of children's educational television by establishing a National Endowment for Children's Educational Television to supplement the children's educational programming funded by other [Government] *government* entities.

SEC. 3. (a) Part IV of title III of the Communications Act of 1934 (47 U.S.C. 390 et seq.) is amended—

(1) by redesignating section 394 as section 393A;

(2) by redesignating subparts B, C, and D as subparts C, D, and E, respectively; and

(3) by inserting immediately after section 393A, as so redesignated, the following new subpart:

SUBPART B—NATIONAL ENDOWMENT FOR CHILDREN'S EDUCATIONAL TELEVISION

"ESTABLISHMENT OF NATIONAL ENDOWMENT

"SEC. 394. (a) It is the purpose of this section to enhance the education of children through the creation and production of television programming specifically directed toward the development of fundamental intellectual skills.

"(b) There is established, under the direction of the Secretary, a National Endowment for Children's Educational Television. In administering the National Endowment, the Secretary is authorized to make grants to persons proposing to create and produce educational television programming for children. The Secretary shall consult with the Advisory Council on Children's Educational Television in the making of the grants. The grants shall be made on the condition that the [programing] *programming* shall—

"(1) during the first two years after its production, be made available only to public television licensees and permittees and noncommercial television licensees and permittees; and

"(2) thereafter be made available to any commercial television licensee or permittee or cable television system operator, at a charge established by the Secretary that will [assue] *assure* the maximum practicable distribution of such programming, so long as such licensee, permittee, or operator does not interrupt the programming with commercial advertisements.

The Secretary may, consistent with the purpose and provisions of this section, permit the programming to be distributed to persons using other media, establish conditions relating to such distribution, and apply those conditions to any grant. The Secretary may waive the requirements of paragraph (1) of this subsection if the Secretary finds that neither public television licensees and permittees nor noncommercial television licensees and permittees will have an opportunity to air such programming in the first two years after its production.

"(c)(1) The Secretary, with the advice of the Advisory Council on Children's Educational Television, shall establish criteria for making grants under this section. Such criteria shall be consistent with the purpose and provisions of this section and shall be made available to interested parties upon request.

"(2) Applications for grants under this section shall be submitted to the Secretary in such form and containing such information as the Secretary shall require by regulation.

"(d) Upon approving any application under this section, the Secretary shall make a grant to the applicant in an amount determined by the Secretary, except that such amounts shall not exceed 75 per centum of the amount determined by the Secretary to be the reasonable and necessary cost of the project for which the grant is made.

"(e)(1) The Secretary shall establish an Advisory Council on Children's Educational Television. The Secretary shall appoint ten individuals as members of the Advisory Council and designate one of such members to serve as Chairman.

"(2) Members of the Advisory Council shall have terms of two years, and no member shall serve for more than three consecutive terms. The members shall have expertise in the fields of education, psychology, child development, or television programming, or related disciplines. Officers and employees of the United States shall not be appointed as members.

"(3) While away from their homes or regular places of business in the performance of duties for the Advisory Council, the members of the Advisory Council shall serve without compensation but shall be allowed travel expenses, including per diem in lieu of subsistence, in accordance with 5703 of title 5, United States Code.

"(4) The Advisory Council shall meet at the call of the Chairman and shall advise the Secretary concerning the making of grants under this section.

"(f)(1) Each recipient of a grant under this section shall keep such records as may be reasonably necessary to enable the Secretary to carry out the Secretary's functions under this section, including records which fully disclose the amount and the disposition by such recipient of the proceeds of such grant, the total cost of the project, the amount and nature of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

"(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purposes of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to a grant received under this section.

"(g) The Secretary is authorized to make such rules and regulations as may be necessary to carry out this section, including those relating to the order of priority in approving applications for projects under this section or to determining the amounts of grants for such projects.

"(h) There are authorized to be appropriated $10,000,000 for fiscal year 1990 to be used by the Secretary to carry out the provisions of this section. Sums appropriated under this subsection for any fiscal year shall remain available for payment of grants for projects for which applications approved under this section have been submitted within one year after the last day of such fiscal year.

"(i) For purposes of this section—

"(1) the term 'educational television programming for children' means any television program which is directed to an audience of children who are 16 years of age or younger and which is designed for the intellectual development of those children, except that such term does not include any television program which is directed to a general audience but which might also be viewed by a significant number of children; and

"(2) the term 'person' means an individual, partnership, association, joint stock company, trust, corporation, or State or local governmental entity.".

(b) Section 397 of the Communications Act of 1934 (47 U.S.C. 397) is amended—

(1) in paragraph (2) by striking "subpart C" and inserting in lieu thereof "subpart D"; and

(2) in paragraph (15)—

(A) by inserting "and subpart B" immediately after "subpart A"; and

(B) by striking "subpart B, subpart C" and inserting in lieu thereof "subpart C, subpart D".

Mr. HOLLINGS. Mr. President, I have long been a supporter of improving the education we provide to the youth in this country, and I have long been a supporter of using television to help achieve this objective. About a decade ago, I cosponsored legislation to further the use of television as an education tool by establishing an endowment for children's educational programming. The time was not ripe then for that bill to move. But, times have changed. We all now recognize the fundamental importance of education to our Nation's future and the positive role that television can play in education. We should now move forward to enact legislation to create a National Endowment for Children's Educational Television. I want to congratulate the chairman of the Communications Subcommittee, Senator INOUYE, for leading this effort.

The Endowment legislation (S. 797) will provide funding for children's educational programming at the modest level of $10 million in fiscal year 1990. It is designed to maximize distribution of this programming by encouraging the use of this programming by commercial media after a first run on noncommercial and educational television. This legislation does not require commercial broadcasters or cable operators to carry educational programs. Instead, it will make the programming available at a low cost, a cost that will be substantially lower than the normal cost of production.

Our children watch television. Study after study has demonstrated that children from all socioeconomic backgrounds will watch educational programming if it is available. The problem is that there is not enough available.

Almost all of the educational programming for children has come from public broadcasting. These public broadcasters and program producers are to be congratulated. Their effort has been truly impressive. "Sesame Street," "Reading Rainbow," and all of the other programs on public broadcasting are not just television shows, they are now ingrained in our culture. Virtually every child in America knows Mr. Rogers, Big Bird, the Cookie Monster, Oscar the Grouch, and LeVar

Burton, the star of "Reading Rainbow." What's more, our children have learned so much from them.

But, public broadcasting too has constraints. Its budget is limited. It also is charged with meeting important needs of our Nation's adults and thus has a limited number of broadcast hours. We can cure the first problem with more money; the second one, however, requires another approach.

We all know why commercial broadcasters do not air children's educational programming. It does not pay. While we could and should place certain obligations on them to meet the needs of the children's audience, this too has limits. What we need to do is change their incentives and encourage them to air quality programming to educate our children.

The endowment approach seeks to help create this incentive for commercial broadcasters, as well as to further fund public broadcasting's efforts. Its goal is simple: create more, first-rate educational programming and then distribute it first to public broadcasters and then to commercial broadcasters, as well as to other media.

Today, we take a major step toward achieving this goal. We have an obligation to give our children the best education possible—for their own benefit and for what it means to our Nation. I urge all of my colleagues to support S. 797.

Mr. INOUYE. Mr. President, the Senate now has before it legislation important to our future. This bill, S. 797, seeks to improve the education of our youth by establishing a National Endowment for Children's Educational Television. This is not a new idea, but it is an idea whose time has come.

This Endowment would be lodged in the Department of Commerce's National Telecommunications and Information Administration. This agency already has experience with this type of grant program since it manages the existing Public Telecommunications Facilities Program. Grants would be made to people who wish to produce children's educational programming under the conditions that: First, programs be made available first only to public broadcasting—for 2 years; and second, others can then obtain the programming under conditions that ensure its maximum distribution, so long as the programming is not interrupted by commercial advertisements. Finally, an advisory council of individuals from the private sector who are experts in such fields as education, child development, and programming would be created to advise the agency on the awarding of grants.

S. 797 authorizes $10 million for the Endowment in fiscal year 1990. I believe that far more is needed to achieve the goals of this legislation and to have a significant impact on the intellectual skills of our children. This is only a beginning: I would hope, for example, that the private sector will contribute generously to the Endowment. It certainly is in their interest that the goals of this legislation be reached.

Our country is facing an educational crisis. Over the past year, a host of studies has demonstrated that students in the United States are lagging badly behind those of the rest of the world. A disturbingly large percentage of our children cannot read, add and subtract, or understand the meaning of important events. Yet, we expect them to find gainful employment and to lead our Nation in the next century.

There are an estimated 42 million children in this country, and they each spend anywhere from 11 to 28 hours a week watching television. By the time most children reach the age of 18, it is estimated that they will have watched 1,500 hours of television. Other than sleep, watching television is what children do most. Moreover, children from families with lower income watch more television and rely more heavily on it for information. Finally, television has been shown to be an efficient and effective way to reach and educate children both in the home and school.

There is no dispute that the workplace is becoming increasingly more complex and sophisticated. Research, however, indicates that the work force is not prepared for modern jobs. Many workers are not prepared for even lower level jobs, as can be seen from the huge amounts of money industry is spending to improve the education of their workers.

Our high schools graduate 700,000 functionally illiterate young people every year and another 700,000 drop out before completing high school. According to the Bureau of Census, in 1982, between 17 and 21 million U.S. adults were illiterate. Moreover, many adults and students who can read and write cannot apply these skills to the tasks required in today's workplace. Many entry level positions today require workers to be able to solve practical problems they are not trained to address.

In addition to the high illiteracy rate in this country, the recent "Report to the Nation on the Future of Mathematics Education" by the National Research Council concluded that the United States is experiencing a decline in mathematical skills and interest. For example, in 1987, only 55 percent of the 700 tellers hired by Chemical Bank passed an eighth grade level mathematics test. In 1983, more than 70 percent passed the test. In addition, from 1976 to 1986, high school student interest in mathematics declined by 50 percent. Only 8 percent of the current work force consists of scientists and engineers.

The results of the "Second International Math Study" 1982, cited in the National Research Council report indicate that the performance of the top 5 percent of United States math students is matched by the top 50 percent of students in Japan. In addition, the top 1 percent of U.S. students scored lowest of the top 1 percent of all participating countries. Thus, our best math students ranked the lowest when compared to their counterparts in other countries.

Further, according to the National Research Council report, "non-Asian minorities—blacks, Hispanics, and native Americans—are significantly underrepresented in all scientific, engineering and professional fields" because of a lack of proper foundation in math. The percentage of blacks and Hispanics receiving doctoral degrees in mathematical sciences has averaged 10 per year since 1974. This is particularly distressing because so many mathematics professionals are teachers and role models. Blacks and Hispanics will soon be in the majority in this country; yet they will continue to be underrepresented in the faculty in our schools and universities. These data are particularly depressing when considered in conjunction with the fact that the percentage of black and Hispanics enrolled in college declined from 1976 to 1986 from 33.5 percent to 28.6 percent for blacks and 35.8 percent to 29.4 percent for Hispanics.

There is a great deal of evidence that television can effectively teach children. In an article in "American Psychologist," Aletha Huston notes:

> [V]iewing "Mister Rogers Neighborhood" leads to increased prosocial behavior, task persistence and imaginative play. * * * [By watching] "Sesame Street" * * * preschool children learned many of the skills and concepts taught on the program.

Research also demonstrates that the program "Reading Rainbow" encourages reading of the books featured in the program. There is a marked increase in the number of books sold and checked out of libraries after a book is featured on the program.

Today, public television is the primary source of educational children's programming in the United States. Over $40 million is spent each year to produce and make available over 1,200 hours of children's educational programming available for broadcast on public television. This amount, however, pales in comparison to that in other countries.

Japan and Britain, for example, have clearly recognized the important role that television plays in education. Japan relies very heavily on in-school use of television to educate children. In Japan, 93 percent of the public schools have access to 122 educational programs per week and use an average

of 33.5 hours of instructional programming per week.

The British take a different approach to children's programming. All stations, commercial and noncommercial, are required to carry educational and informative programming aimed at children. In 1983-84, stations were required to carry 3.5 hours of children's informative programming and 2.5 hours of children's instructional programming; they also provided almost 7 hours of school instructional programming. These amounts mirror the children's programming carried on the BBC, the British equivalent of our public broadcasting system. In addition, the British produce far more new programs each year than we do.

While the United States lags behind other countries in producing educational programming, we have had many successes, such as "Sesame Street" and "Reading Rainbow." But, it is very difficult to increase the number of programs because they are so expensive. Educational programs, in addition to the normal production costs, require a great deal of research and the involvement of educators at all stages of production. Moreover, for commercial broadcasters there is little incentive to broadcast programs like "Reading Rainbow" because they are designed for a narrow audience and therefore the revenue from the programs tends to be limited. Thus, public television is the primary outlet for such programming.

Public television, however, also has limitations on airing children's programs. It has the responsibility to provide programming aimed at adults whose interests are not served by commercial television. For public television, there are so many hours when programs can be aired, and resources are limited.

From all that I have said, it is clear that we have a variety of problems that must be remedied. That is why I introduced S. 747, to create a National Endowment for Children's Educational Television, and why I am urging its adoption. We need to devote greater attention to the educational needs or our Nation's youth; we require additional funding; and we need to encourage commercial broadcasters and other commercial media to show this type of programming. More people have televisions in their homes than indoor plumbing. Television is a powerful and effective medium which we are underutilizing.

I strongly believe this legislation is an important component of our efforts to enhance our children's education. It has been demonstrated that television is an effective teacher, and we must harness it for the good of our children and our Nation. I commend this bill to my colleagues and urge its immediate adoption.

Mr. HEINZ, Mr. President, I am pleased to join the distinguished chairman of the Subcommittee on Communications, Senator INOUYE, in cosponsoring the National Endowment for Children's Educational Television Act of 1989. Since my election to the Senate in 1976, I have supported the establishment of such an endowment. Until today, there has been little movement toward specific initiatives to encourage the development of quality children's programming; Mister Rogers and Big Bird can only do so much.

Clearly it is time for us to begin to offer our children a wider menu of TV choices. We cannot legislate limited consumption of TV, but we can make the diet more nutritious.

We may try to curb it, but our Nation's children have a demonstrated appetite for television. Most studies agree that children watch TV at least 3 hours each day but that educational programming is aired far too infrequently. Our children need more constructive intellectual stimulation than Mutant Teenage Ninja Turtles provide.

Our children are being bombarded with the televised exploits of ridiculous space heroes and fantasy villains of every description. Television all too often translates emotions into physical violence rather than thoughtful behavior, and children learn that many problems can be solved by violence and those that cannot, can be solved by Vanna White turning a letter and winning a lifetime of prizes.

Children's TV programming can be a more positive learning experience than it has been. Quality programming can teach kids to be more critical and discriminating consumers of television. Quality programming can provide the positive models of verbal and emotional expression necessary for healthy development.

I strongly believe that the creation of an endowment for children's programming will provide a catalyst for the production of useful, thoughtful and creative educational viewing.

This legislation will make available $10 million to create and produce educational television programming for children. The Secretary of Commerce and an advisory council on children's educational television, made up of experts in the fields of education, psychology, child development and television programming would establish criteria for the award of grants.

For the first time, we would have a dedicated source of funding for the purpose of producing educational television. Our children should not be the victims of political fights over Corporation for Public Broadcasting funding. The CPB does the best it can with what it has, but it is not enough.

Mr. President, as we celebrate the 20th anniversary of Sesame Street we ought to recognize that our society has dramatically changed over these past two decades. Children are spending more unsupervised time at home. Clearly there is a need for programs that reach the same level of excellence as Mister Rogers Neighborhood or Sesame Street, but that can also reach a broader school-aged audience.

I urge my colleagues to join me in this effort. No one disputes that the future of this country depends on our children's educational skills. I think it's safe to say that this proposal could have a very positive effect on the direction our country will take into the 1990's and beyond.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (S. 797), as amended, was passed, as follows:

S. 797

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Endowment for Children's Educational Television Act of 1989".

SEC. 2. The Congress finds that—

(1) children in the United States are lagging behind those in other countries in fundamental intellectual skills, including reading, writing, mathematics, science, and geography;

(2) these fundamental skills are essential for the future governmental and industrial leadership of the United States;

(3) the United States must act now to greatly improve the education of its children;

(4) television is watched by children about three hours each day on average and can be effective in teaching children;

(5) educational television programming for children is aired too infrequently either because public broadcast licensees and permittees lack funds or because commercial broadcast licensees and permittees or cable television system operators do not have the economic incentive; and

(6) the Federal Government can assist in the creation of children's educational television by establishing a National Endowment for Children's Educational Television to supplement the children's educational programming funded by other government entities.

SEC. 3. (a) Part IV of title III of the Communications Act of 1934 (47 U.S.C. 390 et seq.) is amended—

(1) by redesignating section 394 as section 393A;

(2) by redesignating subparts B, C, and D as subparts C, D, and E, respectively; and

(3) by inserting immediately after section 393A, as so designated, the following new subpart:

"SUBPART B—NATIONAL ENDOWMENT FOR CHILDREN'S EDUCATIONAL TELEVISION

"ESTABLISHMENT OF NATIONAL ENDOWMENT

"SEC. 394. (a) It is the purpose of this section to enhance the education of children through the creation and production of television programming specifically directed toward the development of fundamental intellectual skills.

"(b) There is established, under the direction of the Secretary, a National Endowment for Children's Educational Television. In administering the National Endowment, the Secretary is authorized to make grants to persons proposing to create and produce educational television programming for children. The Secretary shall consult with the Advisory Council on Children's Educational Television in the making of the grants. The grants shall be made on the condition that the programming shall—

"(1) during the first two years after its production, be made available only to public television licensees and permittees and noncommercial television licensees and permittees; and

"(2) thereafter be made available to any commercial television licensee or permittee or cable television system operator, at a charge established by the Secretary that will assure the maximum practicable distribution of such programming, so long as such licensee, permittee, or operator does not interrupt the programming with commercial advertisements.

The Secretary may, consistent with the purpose and provisions of this section, permit the programming to be distributed to persons using other media, establish conditions relating to such distribution, and apply those conditions to any grant. The Secretary may waive the requirements of paragraph (1) of this subsection if the Secretary finds that neither public television licensees and permittees nor noncommercial television licensees and permittees will have an opportunity to air such programming in the first two years after its production.

"(c)(1) The Secretary, with the advice of the Advisory Council on Children's Educational Television, shall establish criteria for making grants under this section. Such criteria shall be consistent with the purpose and provisions of this section and shall be made available to interested parties upon request.

"(2) Applications for grants under this section shall be submitted to the Secretary in such form and containing such information as the Secretary shall require by regulation.

"(d) Upon approving any application under this section, the Secretary shall make a grant to the applicant in an amount determined by the Secretary, except that such amounts shall not exceed 75 per centum of the amount determined by the Secretary to be the reasonable and necessary cost of the project for which the grant is made.

"(e)(1) The Secretary shall establish an Advisory Council on Children's Educational Television. The Secretary shall appoint ten individuals as members of the Advisory Council and designate one of such members to serve as Chairman.

"(2) Members of the Advisory Council shall have terms of two years, and no member shall serve for more than three consecutive terms. The members shall have expertise in the fields of education, psychology, child development, or television programming, or related disciplines. Officers and employees of the United States shall not be appointed as members.

"(3) While away from their homes or regular places of business in the performance of duties for the Advisory Council, the members of the Advisory Council shall serve without compensation but shall be allowed travel expenses, including per diem in lieu of subsistence, in accordance with 5703 of title 5, United States Code.

"(4) The Advisory Council shall meet at the call of the Chairman and shall advise the Secretary concerning the making of grants under this section.

"(f)(1) Each recipient of a grant under this section shall keep such records as may be reasonably necessary to enable the Secretary to carry out the Secretary's functions under this section, including records which fully disclose the amount and the disposition by such recipient of the proceeds of such grant, the total cost of the project, the amount and nature of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

"(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to a grant received under his section.

"(g) The Secretary is authorized to make such rules and regulations as may be necessary to carry out this section, including those relating to the order of priority in approving applications for projects under this section or to determining the amounts of grants for such projects.

"(h) There are authorized to be appropriated $10,000,000 for fiscal year 1990 to be used by the Secretary to carry out the provisions of this section. Sums appropriated under this subsection for any fiscal year shall remain available for payment of grants for projects for which applications approved under this section have been submitted within one year after the last day of such fiscal year.

"(i) For purposes of this section—

"(1) the term 'educational television programming for children' means any television program which is directed to an audience of children who are 16 years of age or younger and which is designed for the intellectual development of those children, except that such term does not include any television program which is directed to a general audience but which might also be viewed by a significant number of children; and

"(2) the term 'person' means an individual, partnership, association, joint stock company, trust, corporation, or State or local governmental entity.".

(b) Section 397 of the Communications Act of 1934 (47 U.S.C. 397) is amended—

(1) in paragraph (2) by striking "subpart C" and inserting in lieu thereof "subpart D"; and

(2) in paragraph (15)—

(A) by inserting "and subpart B" immediately after "subpart A"; and

(B) by striking "subpart B, subpart C" and inserting in lieu thereof "subpart C, subpart D".

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. COCHRAN. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

CASH MANAGEMENT BY EXECUTIVE AGENCIES

Mr. BYRD. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be discharged from further consideration of S. 926, a bill to improve the cash management by executive agencies, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

A bill (S. 926) to improve cash management by executive agencies, and for other purposes.

The PRESIDING OFFICER (Mr. SHELBY). Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. SASSER. Mr. President, I am pleased that the Senate considers today S. 926, the Cash Management Improvement Act of 1989. This bill was introduced on May 4 of this year by myself and my distinguished colleague from Delaware, Senator ROTH.

Senator ROTH and I introduced a similar bill, S. 1381, in the 100th Congress. It was favorably reported from the Governmental Affairs Committee last year, was unanimously approved by the Senate, and was the subject of a House committee hearing. However, the 100th Congress adjourned before the House could take action on S. 1381.

Senator ROTH and I are confident that the passage of S. 926 by the Senate will be rewarded, this year, by final enactment. On July 26, 1989, the Committee on Governmental Affairs considered S. 926 and voted unanimously to report it favorably to the full Senate.

This legislation has the support of the General Accounting Office, the Office of Management and Budget, and the Department of the Treasury. It also has the enthusiastic backing of the National Association of State Auditors, Comptrollers and Treasurers, and the National Association of State Budget Officers.

S. 926 will improve the efficiency with which billions of dollars of Federal funds are transferred to States to enable them to carry out Federal programs. Its goal is to ensure that neither a State, nor the Federal Government, is out-of-pocket an undue length of time as a result of these transfers. Our bill seeks to narrow the time between the transfer of Federal funds—whether an advancement, or a reimbursement—and the time when those funds are paid out by a State for program purposes.

Thus, the cash management bill would prevent State governments from drawing down Federal funds too far ahead of schedule. By the same

token, it would keep States from incurring a fiscal penalty when they advance their own funds, and then experience delays in Federal reimbursement.

The way this will be accomplished is by the reciprocal calculation of interest on Federal or State cash advances, pending their payout for program purposes. Our bill provides that each State, and the Federal Government, will enter into an agreement covering funding for all Federal assistance programs in which the State participates. The interest obligation provides a mutual incentive for State and Federal agencies to see that the transfer of Federal funds coincides as closely as possible to actual payments to program recipients.

For instance, if a State requires Federal funds on hand before it can lawfully issue checks, it will be able to have them. The State will simply be accountable for interest while the Federal funds are on deposit in the State's banks, until the time when those funds are paid to redeem the State's checks. By the same token, when it is the State that has advanced its own funds for Federal program purposes, the Federal Government will be liable for interest from the time while the State is out-of-pocket, until Federal reimbursement is forthcoming.

Actual payment or setoff of interest between a State and the Federal Government would be performed annually. Last year, the Congressional Budget Office estimated that when fully implemented, the cash management bill would result in a net payment balance of $45 to $50 million in the Federal taxpayer's favor. But I can tell you that nearly all the States we have heard from, including my home State of Tennessee, favor the bill strongly. It ensures predictability in Federal funding, which assists the States' own investment strategies. Through astute management of the Federal money they have on hand, States will suffer no adverse impact from our bill. Let me emphasize that it is intended as a make-whole bill, not a money maker for either a State or the Federal Government.

The present cash management bill was developed by a joint Federal/State cash management reform task force, which was formed in 1983. The interest calculation-and-setoff formula was successfully pilot-tested by four States: Virginia, Indiana, Wisconsin, and California.

The efforts of the task force were followed by intensive work within the Senate Governmental Affairs Committee, first on a bill introduced in the 99th Congress by Senator ROTH, and in the 100th Congress on the ROTH-SASSER bill, S. 1381. As a result of hearing testimony and continuing discussions among Federal executive agencies, States, and congressional staff, we have made some changes that are reflected in S. 926.

Thus, S. 926 provides that should the Secretary of the Treasury financially penalize a Federal agency for failing to adhere to proper cash disbursement guidelines, any penalty assessed will come from agency operating funds, not program funds intended for disbursement to the States.

Our bill also specifies that States are not to be charged for interest that they are required to retain for program purposes. For example, a number of Federal programs specifically comprehend that States will retain and plow back interest on undisbursed funds. These include certain revolving funds accounts, such as national direct student loans, and certain construction programs, such as those authorized by the Clean Water Act. So it would be anomalous to demand back the interest earned by States from investing funds for these programs.

Finally, S. 926 makes an important distinction concerning State withdrawals from their accounts at the Unemployment Trust Fund. Although the money in question belongs to the individual States, the Secretary of the Treasury is required by statute to invest the fund as a single entity. In order not to diminish the earning power of the fund, it is important that a State return to its account any outside interest it earns when it draws down an advance from its account. Before returning this interest, however, our bill first permits the State to net out the costs it is charged by a bank to handle these drawdowns. Otherwise, the State would bear these banking costs as an out-of-pocket expense for using its own money. That is not what we intend, and our bill so indicates.

In conclusion, Mr. President, the Cash Management Improvement Act of 1989 embodies much-needed legislation which has already received considerable study and unanimous approval from the Senate. It will improve the efficiency of Federal funds transfers, and insure that neither the Federal nor State taxpayer is disadvantaged by having Government money sit idle too long.

Mr. ROTH. Mr. President, on May 4 of this year Senator SASSER and I introduced S. 926, the Cash Management Improvement Act of 1989 to the 101st Congress. This bill embodies the essence of title IV of the omnibus Federal financial management bill, S. 2230, the Federal Management Reorganization and Cost Control Act of 1986 I introduced in the 99th Congress. Although S. 2230 was reported unanimously from the Governmental Affairs Committee, it was never considered on the Senate floor. Two years ago, during the first session of the 100th Congress, Senator SASSER joined with me in introducing this title on its own as the Cash Management Improvement Act of 1987, S. 1381. This bill passed the Senate unanimously, but never had a vote in the House of Representatives.

For many years, intergovernmental financing methods have been an area of friction between the State and Federal Governments. All sides to this problem have been well noted. The States are known to draw down Federal Funds sooner than necessary. By the same token, the Federal Government has not always allowed the States their Federal funds on time so that they must use their own funds to Finance Federal programs. It was clear that both parties had to develop viable solutions. With the urging of Congress, the Federal/State Cash Management Reform Task Force was created. The core of the Task Force's findings are encompassed in this legislation.

I want to say a little about why this bill authorizes the exchange of interest between the Federal Government and the States. The interest exchange provision in the bill provides an incentive for the timely exchange of funds. If this were a perfect world, this provision would not be needed. But, unfortunately, experience has shown that states don't always get funds from the Federal Government when they need them, and not all states have historically waited until they need funds, to draw them down. Clearly, we must develop cash transfer policies that are fair, uniform, predictable and enforceable.

It is also important to point out that States need not choose a funding option that calls for the interest exchange. Options are available that would not require the exchange of interest, and the U.S. Treasury will work with States to ensure a mutually agreeable option for the drawing down of funds. The bill calls for the establishment of cash management practices which allow that neither the Federal or State Governments prosper or suffer financially as the result of the transfer of funds.

I think it noteworthy that both the National Association of State Auditors, Comptrollers and Treasurers and the National Association of State Budget Officers have called for enactment of the ideas in this legislation. These groups have had members on the State/Federal Cash Management Reform Task Force since its inception, and they endorse the content of the bill, which closely follows the legislation developed by the Task Force.

When I first introduced this legislation in 1986, I had the Congressional Budget Office look at it for cost savings. They concluded, based on past Treasury information, that this idea should save the Federal Government between $35 to $50 million a year. This

bill can be a key to building up a strong level of trust and confidence in the intergovernmental financing process, as it is based on tested principles that have been mutually decided upon. This is a timely piece of legislation in both concept and result. I am very pleased that we are taking action on it today.

Mr. BYRD. Mr. President, I ask unanimous consent that the bill be considered as having been read the third time, passed, and that the motion to reconsider be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 926) was passed as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Cash Management Improvement Act of 1989".

PURPOSE

SEC. 2. It is the purpose of this Act to increase equity in the exchange of funds between the Federal Government and the States and to increase the efficiency of efforts to manage cash throughout the Government by providing additional procedures and incentives for cash management.

DISBURSEMENT OBJECTIVES

SEC. 3. (a) Subchapter II of chapter 37 of title 31, United States Code, is amended by adding at the end thereof the following new section:

"§ 3720B. Disbursement of Federal funds

"Each head of an executive agency (other than the Tennessee Valley Authority) shall, under such regulations as the Secretary of the Treasury shall prescribe, provide for the timely disbursement of Federal funds through cash, checks, electronic funds transfer, or any other means identified by the Secretary. The Secretary may collect from any executive agency which does not comply with the preceding sentence a charge in an amount the Secretary determines to be the cost to the general fund of the Treasury caused by such noncompliance. The amounts of the charges paid under this section shall be deposited in the Treasury and credited as miscellaneous receipts. Any charge assessed by the Secretary under this section shall, to the maximum extent practicable, be paid out of appropriations available for agency operations and shall not reduce program funding levels.".

(b) The chapter analysis for chapter 37 of such title is amended by inserting after the item relating to section 3720A the following new item:

"3720B. Disbursement of Federal funds.".

(c) The Secretary of the Treasury shall prescribe regulations, including the regulations required under section 3720B of title 31, United States Code (as added by subsection 3(a) of this Act) to ensure the full implementation of such section 3720B by October 1, 1988.

PAYMENT OF INTEREST

SEC. 4. (a) Section 6501 of title 31, United States Code, is amended—

(1) by redesignating clauses (7), (8), and (9) as clauses (8), (9), and (10), respectively;

(2) by inserting after clause (6) the following new clause:

"(7) 'Secretary' means the Secretary of the Treasury."; and

(3) by striking out clause (9) (as redesignated by subparagraph (A) of this paragraph) and inserting in lieu thereof the following:

"(9) 'State' means a State of the United States, the District of Columbia, a territory or possession of the United States, and an agency, instrumentality, or fiscal agent of a State but does not mean a local government of a State.".

(b)(1) Section 6503 of title 31, United States Code, is amended to read as follows:

"§ 6503. Intergovernmental financing

"(a) Consistent with program purposes and with regulations of the Secretary, and by means mutually agreed upon by the Secretary and a State, the head of an executive agency carrying out a program shall schedule the transfer of funds to minimize the time elapsing between transfer of funds from the United States Treasury and the issuance or redemption of checks, warrants, or payments by other means by a State.

"(b) Consistent with program purposes and with regulations of the Secretary, and by means mutually agreed upon by the Secretary and a State, a State shall minimize the time elapsing between transfer of funds from the United States Treasury and the issuance or redemption of checks, warrants, or payments by other means for program purposes.

"(c)(1) The Secretary shall issue regulations that shall require a State, when not inconsistent with program purposes to pay interest on funds from the time that funds are deposited to the State's account until the time that funds are paid out in order to redeem checks or warrants or make payments by other means for program purposes. Except as provided under paragraph (3)(B) (relating to the Unemployment Trust Fund), the interest payable under this subsection shall be calculated at a rate equal to the average of the bond equivalent rates of 13-week Treasury bills auctioned during the period for which interest is calculated, as determined by the Secretary.

"(2) Amounts received as payment of interest under this subsection shall be deposited in the Treasury and credited as miscellaneous receipts, except as provided in paragraph (3) of this subsection.

"(3)(A) If interest is paid under paragraph (1) of this subsection on funds paid to a State from a trust fund for which the Secretary of the Treasury is the trustee, such interest shall be credited to such trust fund. If interest is paid under subsection (d) of this section as a result of a State disbursing its own funds for programs for which the Secretary of the Treasury is the trustee, such interest shall be charged against such trust fund.

"(B) Nothwithstanding any other provision of this section, the interest paid by a State, on funds drawn from its account in the Unemployment Trust Fund, shall be returned to that account and shall consist of actual interest earnings by the State, less related banking costs incurred by the State, for the period for which interest is calculated.

"(d) If a State disburses its own funds for program purposes in accordance with Federal law, regulation, or Federal-State agreement, the State shall be entitled to interest from the time when the State's funds are paid out to redeem checks or warrants, or make payments by other means, until the Federal funds are deposited to the State's bank account. The Secretary shall pay, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary for interest owed to a State under this subsection. Such interest shall be calculated, at a rate equal to the average of the bond equivalent rates of 13-week Treasury bills auctioned during the period for which interest is calculated, as determined by the Secretary.

"(e) The budget submitted by the President under section 1105 of this title for a fiscal year shall include a statement specifying, for the most recently completed fiscal year, amounts of interest paid to the Federal Government under subsection (c) of this section and payments of interest to States under subsection (d) of this section.

"(f) If a State receives refunds of funds, the State shall return those refunds to the executive agency administering the program or apply those funds to reduce the amount of funds owed to the State under such program. Interest earned on such refunds shall be considered when setting overall interest obligations between the State and the Federal Government as required by this section.

"(g) If the Federal Government makes a payment to a recipient under a Federal program, and a portion of the payment is an amount which the Federal Government is paying to such recipient on behalf of a State, such amount shall be considered to be a transfer of funds between the Federal Government and the State for purposes of this section.

"(h) A State may not be required by a law or regulation of the United States to deposit funds received by it in a separate bank account. However, a State shall account for funds made available to the State as United States Government funds in the accounts of the State. The head of the State agency concerned shall make periodic authenticated reports to the head of the appropriate Federal executive agency on the status and the application of the funds, the liabilities and obligations on hand, and other information required by the head of the executive agency. Records related to the funds received by the State shall be made available to the head of the executive agency and the Comptroller General for auditing in accordance with chapter 75 of this title.

"(i) The Secretary shall prescribe methods for the payment of interest, on an annual basis, between the Federal Government and the States, including provisions for offsetting amounts owed by the respective parties. Such methods of payment shall provide for comparable treatment in manner, technique, and timing for both the States and the Federal Government.

"(j) The Inspector General of an executive agency, or an officer of an executive agency performing functions similar to an Inspector General, in the case of an agency in which an Inspector General has not been established by law, shall periodically conduct audits of the implementation of this section. Periodic audits of the implementation of this section shall also be conducted by the States within the scope of work performed under chapter 75 of this title.

"(k) Consistent with Federal program purposes and regulations of the Director of the Office of Management and Budget, the head of a Federal executive agency carrying out a program shall execute grant awards on a timely basis to assure the availability of funds to accomplish transfers in compliance with subsection (a) of this section.

"(1) In determining the amount to be paid by a State to the Federal Govenment under subsection (c) of this section, or to a State by the Federal Government under subsection (d) of this section, the Secretary shall consider costs incurred by the State in determining the amount due.".

(2) The item relating to section 6503 in the chapter analysis for chapter 65 of title 31, United States Code, is amended to read as follows:

"6503. Intergovernmental financing.".

(c)(1) Subject to paragraph (2) of this subsection, the provisions of this section and the amendments made by this section shall apply to all Federal programs and shall supersede the provisions of any Federal law or regulation in effect on the date of the enactment of this Act.

(2) The amendments made under paragraph (1) of this subsection shall apply only to programs and fund transfers involving those executive agencies that are subject to regulation by the Secretary of the Treasury under section 3720B of title 31, United States Code.

(d) The amendments made by this section shall take effect on the date of the enactment of this Act, except that the provisions of section 6503 of title 31, United States Code (as added by subsection (b) of this section) which relate to the payment and receipt of interest by the Federal Government and State governments shall take effect two years after the date of the enactment of this Act.

HUMAN RIGHTS IN YUGOSLAVIA

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 169.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 169) supporting the efforts of Dobroslav Paraga to bring about increased respect for human rights in Yugoslavia.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. RIEGLE. Mr. President, I am pleased to join Senator DIXON, Senator HELMS, Senator LEVIN, Senator SIMON, and Senator KENNEDY in introducing this important resolution on behalf of the Yugoslav/Croatian human rights activist, Dobroslav Paraga and urging respect for human rights in Yugoslavia.

Mr. Paraga, 28 years old, has spent the past decade advocating human rights in his country. His concern over the dismal state of human rights in Yugoslavia has prompted him, at great personal risk to himself and his family, to come to the West to expose those abuses by the Yugoslav Government, despite a 1987 Yugoslav court sentence which forbids him from speaking, appearing in public or writing about the conditions in Yugoslavia for 5 years.

During his visit to the United States, Canada, and West Germany, Mr. Paraga has met with government officials as well as with religious and human rights organizations. Twice adopted by Amnesty International as a prisoner of conscience in recognition of the suffering he has endured at the hands of the state for his political activism, Mr. Paraga's credibility and courage are beyond repute.

Mr. Paraga speaks not only of his own plight, but of that of Yugoslavia's 2,500 political prisoners, many of whom are being held in psychiatric hospitals. According to Mr. Paraga, Yugoslavia has the largest number of political prisoners of any other Eastern European country. In May 1989, the American Psychiatric Association gave its support to the Anatolij Koriagin Committee, founded by Paraga to fight against the use of psychiatric and psychological terror for political ends.

The Yugoslav Government's persecution of its citizens extends to the issuance of passports. Mr. Paraga maintains that more than 10,000 Yugoslav citizens have been denied passports because of political reasons.

Dobroslav Paraga's political activism has resulted in his being tried three times by Yugoslav courts. Initially charged when he was a 19-year-old student, along with his friend Ernest Brajder, for gathering signatures on a petition seeking amnesty for political prisoners. That Zagreb petition was directed to the Yugoslav Parliament and the followup meeting to the Helsinki Conference in Madrid.

For that action, both men were tried and convicted, and given 4-year jail terms. Brajder died 3 days after being arrested under what our State Department calls mysterious circumstances. Mr. Paraga believes Brajder died from the brutality he suffered at the hands of Yugoslav prison authorities, and has spent the past 9 years trying to determine the truth about his friend's death.

Mr. Paraga did survive his 4-year sentence, 2 years of which were spent in the concentration camp on Naked Island. A description of the torture inflicted on him during his imprisonment was recounted in a July 12, 1989, article appearing in the West German Newspaper Die Welt:

[During his imprisonment, Paraga was] handcuffed and tied to a chair; his leg was broken; at one time he was locked in a cage—nothing more than a hole in the ground—for 10 days, without clothes, during the icy cold weather. Daily he had to strip naked. With the aid of a rubber tube, they poured some liquid into his stomach, nearly choking him * * *"

Mr. President, I ask unanimous consent that the full text of the Die Welt article be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. RIEGLE. Mr. President, through his brave disclosure of evidence about the Yugoslav Government's human rights abuses, Dobroslav Paraga has brought a clearer understanding of the situation in Yugoslavia. We, who enjoy the freedoms sought by the citizens of Yugoslavia, must take his testimony seriously, and urge the Yugoslav Government to honor its commitments under the Helsinki Accords and end the persecution of its citizens. Finally, our Government must do all it can to ensure that the Yugoslav Government not take action against Mr. Paraga for exercising his rights recognized under international law.

I am pleased that the ranking minority member of the House Foreign Affairs Committee, Representative BROOMFIELD, along with Representative YATRON and Representative BEREUTER, the chairman and ranking minority member of the Subcommittee on Human Rights and International Organizations in the House have written to Secretary of State Baker urging him to encourage the Yugoslav Government to respect the human rights of its citizens, not to take action against Mr. Paraga and urging that the United States Embassy in Belgrade monitor the regime's treatment of Mr. Paraga once he returns home. I ask unanimous consent that the full text of that letter be printed at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. RIEGLE. Mr. President, the resolution now before the Senate is an important demonstration of this body's concern for the welfare not only of Mr. Paraga, who has suffered needlessly at the hands of the regime, and risks imprisonment again upon his return to Yugoslavia, but for the thousands of other Yugoslav citizens who are being denied their basic rights. As Mr. Paraga states in his testimony:

The United States generously assists Yugoslavia. Surely the American people deserve to spend their monies in countries where human rights are respected and international rules of conduct are implemented.

Mr. President, I believe Mr. Paraga is right. I urge my colleagues to join in unanimously adopting this important measure to make it clear that the Senate stands with Mr. Paraga in urging respect for the human rights of all the citizens of Yugoslavia.

EXHIBIT 1

[From Die Welt, July 12, 1989]

CROATIAN FIGHTER FOR HUMAN RIGHTS ACCUSED THE STATE

(By Marta Weidenhiller)

He accused the Yugoslav state of human rights' abuses, and he seeks the freedom of all political prisoners in his homeland. This public declaration may, upon his return

home, cause him to be jailed again: Dobroslav Paraga (28) Yugoslav, Croat, human rights activist.

"That I am able to be in Bonn, that one of my basic human rights was restored to me, that I received a passport, for this I am grateful to Richard von Weizsacker," he said in a conversation with *Die Welt.* He appealed to the President of the Federal Republic of Germany, who received him in Bonn, to intercede in securing amnesty for all political prisoners in his homeland, in seeking adherence to the Helsinki Accords agreed to by Yugoslavia, and in seeking equality for all citizens of a multi-national state.

Von Weizsacker had invited Paraga already in December of 1988 on the occasion of the 40th anniversary of the proclamation of the Universal Declaration of Human Rights. Because he was denied a passport, Paraga staged a 17 day hunger strike. Von Weizsacker intervened with the Yugoslav government; the Croatian Cardinal Kuharic openly condemned the incident. Finally, the government gave him a passport, which now had enabled him to travel to the U.S., Canada, and the Federal Republic of Germany.

What do you hope for from the West? "The public must know how things stand in Yugoslavia," responded Paraga, who, even after years of prison and brutality, continues bravely to strive for respect of human rights. He established two committees (the Misuse of Psychiatry and the Croatian Committee for Human Rights). He cites an example that intervention and pressure from foreign countries will not go unheeded. He claims that in Yugoslavia there are some 2,500 politicial prisoners, in fact, the largest number of any Eastern European country; some 1,000 are rounded up every year. More than 10,000 Yugoslav citizens are unable to get passports because of political reasons.

Paraga's anguish began when he was 19 years old. Along with his friend, Ernest Brajder, he gathered signatures for a petition seeking amnesty for political prisoners. That "Zagreb Petition" was directed to the Yugoslav Parliament and the follow-up meeting to the Helsinki Conference in Madrid.

Both were tried and convicted, given 4 year jail terms. Brajder died because of the brutality he suffered. Paraga survived those 4 years, (two years) in the concentration camp on Naked island. This young man, who appears serious, too serious for his age, remains calm and speaks softly even when he recollects the humiliating treatment he received. He was handcuffed and tied to a chair; his leg was broken; at one time he was locked in a "cage" (nothing more than a hole in the ground) for 10 days, without clothes, during the icy cold weather. Daily he had to strip naked. With the aid of a rubber tube, they poured some liquid into his stomach, nearly chocking him. But not even that caused him to lose courage.

In jail he wrote a book about the abuses of human rights, about his very own suffering.

When, after his release from jail, it was established that his health was permanently damaged as a result of his imprisonment and the brutality he endured, he dared—as the first Yugoslav citizen ever—to file a suit against the state, accusing it of violating human rights and maltreatment. Once again, he was sentenced, a suspended sentence, which also declared a prohibition against speaking openly until 1991.

This Croat is banished from Croatia; thus he lives today, as he himself says, "in exile, in more liberal Slovenia." The "good will" of the government there will be seen if, after his return, he remains "free", that freedom confined by constant surveillance. Paraga, who, meanwhile, resumed his study of law, is not able to obtain permanent employment because he lacks approval of his "moral-political character." When the Social-Democratic Union of Slovenia was established in Ljubljana a few months ago, Paraga was among the founders.

EXHIBIT 2

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, August 1, 1989.

Hon. JAMES A. BAKER III,
Secretary of State, Washington, DC.

DEAR MR. SECRETARY: We are writing to you on behalf of Mr. Dobroslav Paraga. Mr. Paraga is a Croatian dissident and a human rights activist. He served 4 years as a prisoner of conscience in Yugoslavia. Enclosed is some additional information on this important case.

After he received his passport, Mr. Paraga travelled to several Western countries and discussed continuing human rights violations in Yugoslavia. He provided specific information to Members of Congress, and staff, regarding the overall situation in Yugoslavia, but particularly the oppression which surrounded events in Kosovo earlier this year.

Mr. Paraga fears he will be subject to persecution upon his return to Yugoslavia. We, therefore, are appealing to you, to communicate to the Foreign Minister and appropriate authorities in Yugoslavia, to respect their international commitments under the Helsinki Final Act, the Universal Declaration of Human Rights, and other International Covenants, and not take action against Mr. Paraga for exercising his rights recognized under international law. We also hope that you will inform our Embassy in Belgrade of Mr. Paraga's situation so the U.S. government can monitor developments in this case.

We deeply appreciate your cooperation in this matter and look forward to hearing from you.

Sincerely,

WILLIAM S. BROOMFIELD,
Ranking Minority Member, Foreign Affairs Committee;
DOUG BEREUTER,
Ranking Minority Member,
GUS YATRON,
Chairman, Subcommittee on Human Rights and International Organizations.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 169) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

Whereas Dobroslav Paraga, who has twice been adopted as a prisoner of conscience by Amnesty International, has endured hardship for openly calling on the Yugoslav government to honor its commitments under the Helsinki Accords to respect the fundamental human rights of all the citizens of Yugoslavia;

Whereas Dobroslav Paraga has been tried on three occasions by Yugoslav courts, the initial charge being that, in 1980, he, along with a Jewish Croatian student, Ernest Brajder, authored a petition opposing torture in Yugoslavia and calling for the release of political prisoners;

Whereas, as a result, both men were arrested and, three days later, Ernest Brajder died under what the Department of State calls "mysterious circumstances";

Whereas, in 1986, Mr. Paraga sued the government of Yugoslavia for injuries, both physical and psychological, inflicted on him by prison authorities during his imprisonment;

Whereas the regime and court in Zagreb denied him a fair and just trial, an account of which was set forth in the Department of State's annual Country Report on Human Rights Practices for 1987;

Whereas the Yugoslav Government forbade Mr. Paraga in 1987 to speak out publicly in any way about his experiences as a political prisoner;

Whereas, in violation of that order of silence, Dobroslav Paraga has come to the West to speak out about human rights abuses in Yugoslavia;

Whereas, upon his return to Yugoslavia, Dobroslav Paraga risks imprisonment again because of his open criticism of the Yugoslav Government's human rights abuses;

Resolved, That it is the sense of the Senate that—

(1) the Government of Yugoslavia, in recognition of the provisions of the Universal Declaration of Human Rights, should guarantee its citizens fundamental human rights and freedoms;

(2) the Yugoslav Government should grant unconditional amnesty to all political prisoners;

(3) the Government of Yugoslavia should dismiss the charges currently pending against human rights activist Dobroslav Paraga, allow him and his family to return to their home in Croatia, and end all forms of harassment against him and his family; and

(4) the Government of Yugoslavia should conduct an investigation into the death of Ernest Brajder, who, according to the Department of State, died under "mysterious circumstances", and should make its findings public.

Mr. BYRD. Mr. President, I ask unanimous consent that the motion to reconsider be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPORT OF BASIC HUMAN RIGHTS AND DEMOCRACY IN BURMA

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Concurrent Resolution 61.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 61) in support of basic human rights and democracy in Burma.

The PRESIDING OFFICER. Is there objection to the immediate con-

sideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

THE HOUSE ARREST OF AUNG SAN SUU KYI AND U TIN OO

Mr. MOYNIHAN. Mr. President, it was just a year ago, almost to the day, that I rose in this Chamber to introduce a resolution, the first in fact, condemning the massive repression of prodemocracy demonstrations in Burma.

Things have only worsened in Burma. The despotic regime of Gen. Saw Maung has placed under house arrest prodemocracy leaders of the National League for Democracy Aung San Suu Kyi and U Tin Oo. Telephone lines to their homes have reportedly been disconnected. Representatives from the British Embassy are said to have been denied access to Aung San Suu Kyi and her British husband. Indeed, we have received word that Aung San Suu Kyi has begun a hunger strike protesting her illegal arrest.

These actions by the Burmese regime are a slap in the face to an international community outraged by such repressive actions.

The history here is clear and I have often repeated it. We are not surprised by such actions—they are the methods imposed by weak, little dictators who first came to power in Burma in a military coup in 1962. We mustn't allow ourselves to forget this history.

Last summer, prodemocracy demonstrators marched in the streets of Rangoon and other cities around the country in defiance of the regime and its imposition of martial law. Thousands marched and thousands died. The Government turned its guns on these, mostly students, shooting them down indiscriminately. Even on the steps of our Embassy, women fell from gunshots fired upon them by troops of this brutal regime.

Aung San Suu Kyi is the legitimate opposition in Burma. Her arrest douses any hopes for free and fair elections promised the Burmese people by the Government, for May of 1990.

We are appalled by such actions and will not turn our backs on the efforts of the people, including the country's many ethnic minorities, to establish a democratically elected government in Burma. We will not stand by quietly while the Burmese Government's thugs harass the democratic opposition in that country.

This resolution, also introduced in the House of Representatives, sends a clear message to Gen. Saw Maung and the Burmese regime that we in Congress and in the United States do not lightly tolerate such actions and will not ignore these outrageous affronts to international law and human rights.

Today, 19 Members of the Congress will send a letter to Gen. Saw Maung expressing our outrage and deploring these actions.

Mr. President, I ask unanimous consent that several articles by Steve Erlanger be included in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 21, 1989]

OPPOSITION LEADER IS CONFINED BY BURMESE RULERS

(By Steven Erlanger)

BANGKOK, THAILAND, July 20.—The military Government of Myanmar, formerly Burma, put the country's most prominent opposition leader under house arrest today, diplomats said. International telephone and telex lines to the country were apparently cut.

News agencies reported that troops had surrounded the compound of the opposition leader, Daw Aung San Suu Kyi, in north-central Yangon, formerly Rangoon. The house also serves as a headquarters for her party, the National League for Democracy, which was formed in the demonstrations in support of democracy that were crushed by the military in September, when at least 3,000 unarmed Burmese were killed.

A Western diplomat in Bangkok confirmed the agency accounts and said that Mrs. Aung San Suu Kyi was turned back when she tried to leave the house. U Tin Oo, the official leader of the party, was not allowed to enter the compound. At least one diplomat was also turned away. The streets near the compound were blocked off by troops, the reports said.

Mrs. Aung San Suu Kyi, who returned to Burma to look after her dying mother, has become the leading symbol of democratic opposition to martial law and 27 years of military rule. Her father, U Aung San, is regarded as the father of the country. He was assassinated 42 years ago.

RULE BASED ON INTIMIDATION

Married to a Briton and educated mainly in the West, Mrs. Aung San Suu Kyi has become an increasingly capable and sophisticated politician. The crowds who have gathered to hear her speak in defiance of martial law have ranged between 10,000 and 15,000 people, diplomats said, and have been growing larger. She has also become more outspoken in her criticism of the military Government and of U Ne Win, who seized power in a coup in 1962 and who is believed to remain in effective control of the country.

The Government's action came a day after Mrs. Aung San Suu Kyi canceled a planned rally in defiance of martial law, as heavily armed troops patrolled the streets of Yangon. Wednesday was Martyr's Day, when the country commemorates the assassination of Mrs. Aung San Kyi's father and six members of the Cabinet, who brought Burma to the brink of independence.

Mrs. Aung San Suu Kyi said Wednesday in interviews and a statement that the Government's rule "is based on intimidation," adding "They don't have any other way of running the country."

"My father died because there were people who preferred guns to solve political problems" she said, and she described the current military leaders as "fascists." She said she thought that the Government was looking for a pretext to ban her party before elections that are to occur before next May.

Telephone Links Severed

The diplomat said there were rumors in Yangon today that the military intended to deport Mrs. Aung San Suu Kyi, who holds Burmese citizenship but who has lived much of her life abroad.

Despite her call for the Burmese to stay at home on Wednesday, soldiers broke up scattered groups of demonstrators and arrested at least 44 people. On Monday, soldiers arrested three youths who are associated with the National League for Democracy and charged them with a bombing the previous week. Western diplomats in Yangon regarded the bombing as suspicious and perhaps a provocation by the Government.

MYANMAR ARRESTS TROUBLE UNITED STATES

WASHINGTON, July 20.—The State Department said today that arrests of opposition members in Myanmar "cast serious doubts" on the Government's stated intention to hold free elections next year.

"The United States Government is deeply disturbed by this series of actions taken against Burma's largest political party, which casts serious doubts on the Burmese Government's repeated promises to hold free and fair elections by May of 1990," the statement said.

It urged authorities to allow "freedom of movement and expression and to release other political prisoners." "We also hope the Burmese Government will permit the political activity essential for the holding of democratic elections," it said.

[From the New York Times, July 22, 1989]

TWO BURMESE OPPOSITION LEADERS FACE HOUSE ARREST FOR UP TO YEAR

(By Steven Erlanger)

BANGKOK, THAILAND, July 21.—The military Government of Myanmar, formerly Burma, announced today that the country's two most prominent opposition politicians had been put under heavily guarded house arrest for up to a year under a law protecting the state from "destructive elements."

In addition to the two party leaders, Daw Aung San Suu Kyi and U Tin Oo, other prominent figures in the National League for Democracy have been arrested, said Asian and Western diplomats in touch with their embassies in Yangon, formerly Rangoon. International telephone lines to Myanmar are still cut, operators said.

Diplomats reported on Thursday that Mrs. Aung San Suu Kyi was under house arrest, but it was not clear until today that the Government intended to confine her for an extended period.

"They're trying to shut down her party," an Asian diplomat said today. The party is by far the largest force in opposition to the martial-law regime led by Gen. Saw Maung, who took control Sept. 18 while crushing pro-democracy demonstrations. Last August and September, at least 3,000 unarmed Burmese demonstrators were shot down by troops.

ANTI-MILITARY ACTION CHARGED

A spokesman for the Burmese military Government, U Kyaw Sann, said in Yangon that Mrs. Aung San Suu Kyi and Mr. Tin Oo had been charged with sowing dissension in the military and nurturing hatred for the armed forces among the populace, activities that are illegal under a 1975 law to protect the state from "destructive elements." The

military has run the country since a 1962 coup led by Gen. Ne Win, who is still considered to be in effective control of the country.

Mr. Kyaw Sann said that Mrs. Aung San Suu Kyi and Mr. Tin Oo had been rendered incommunicado with the outside world and that their telephones had been disconnected. Only immediate family members will be allowed to leave their home compounds, and only under guard.

The spokesman said Mrs. Aung San Suu Kyi had tried "to demoralize the soldiers so they would lose the heart for fighting" and had "accused the military of being fascists with the intention of making people hate the military."

He said Mr. Tin Oo, a former high-ranking army general, had falsely accused the military of inhuman acts and had stated that elections promised for May of next year would not be free or fair.

NO BAN ON PARTY NOW

He said that the National League for Democracy would be allowed to continue functioning as a political party, but that the Government would "reconsider" if they "continue with their confrontations." He said other members of the party were being interrogated.

A State Department official in Washington, interviewed by telephone, said the arrests "are certainly a grave development." He said the United States still hoped for free and fair elections in Burma, "and we are not entirely discounting that, even with them under house arrest."

On Wednesday, known as Martyrs' Day to commemorate the 1947 assassination of Mrs. Aung San Suu Kyi's father, U Aung San, and six of his Cabinet colleagues, the opposition leader called off planned rallies in defiance of martial law. The Government said it arrested 44 "troublemakers" on Wednesday for violating martial law regulations that ban the gathering of five or more people.

Earlier this week, the Government arrested three members of the youth wing of the party on charges of planting a bomb that blew up two weeks ago at the country's main oil refinery in Syriam, nine miles outside Yangon. A diplomat said today that the Government was using the bomb "as the justification for the moves" against the opposition party.

Mr. BYRD. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, and that the motion to reconsider be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The preamble was agreed to.

The concurrent resolution (S. Con. Res. 61), with its preamble, reads as follows:

Whereas the people of Burma are currently ruled by an unelected military government that does not govern by the consent of the people;

Whereas Burmese citizens from all social classes and ethnic backgrounds are striving to replace military rule with a democratic government;

Whereas hundreds of thousands of Burmese citizens demonstrated peacefully for democratic change in August and September 1988;

Whereas the Burmese Government violently suppressed these peaceful demonstrations, killing thousands of unarmed civilians and forcing others to flee for their lives;

Whereas the Government of Burma has pledged to hold free and fair elections in Burma by May 1990;

Whereas despite this commitment, the Burmese military has heightened restrictions on Burma's political opposition, imprisoning hundreds of political activists and placing National League of Democracy leaders Aung San Suu Kyi and U Tin Oo under house arrest;

Whereas the Government of Burma has also continued to obstruct peaceful opposition protests and has continued to use deadly force against demonstrators;

Whereas the procedural rights of persons charged with political offenses have been severely curtailed through martial law orders bestowing judicial authority on military commanders and empowering them to conduct summary trials that lack basic safeguards; and

Whereas independent human rights monitors report patterns of severe beatings of opposition activists during interrogations, in some cases leading to death: Now, therefore, be it.

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) calls upon the Government of Burma to—

(A) remove house arrest orders imposed on Aung San Suu Kyi and U Tin Oo;

(B) release all persons imprisoned for the peaceful expression of their views;

(C) abandon martial law restrictions on the right to a fair trial and provide all persons charged with crimes with access to lawyers and family members, adequate time to prepare defenses, and the opportunity to have cases heard by an impartial tribunal;

(D) order thorough investigations of reports of torture and pursue prosecutions against those believed to be responsible for mistreatment of detainees;

(E) permit opposition political parties to operate freely in Burma and, in particular, to exercise their rights of free association, expression, and assembly without fear of arrest, imprisonment, or prosecution; and

(f) maintain its commitment to hold free and fair elections in Burma by May 1990;

(2) calls upon all nations to withhold foreign assistance from the Government of Burma until a democratically elected government assumes office; and

(3) calls upon the President, the Secretary of State, the United States Permanent Representative to the United Nations, and the United States Ambassador to Burma to—

(A) condemn publicly the heightened level of repression in Burma; and

(B) encourage free and fair elections by May 1990 and the provision of international observers for such elections.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I am going to yield the floor shortly. Later I will introduce a cloture motion on the appropriations bill. I need a few more signatures. I realize that the Senator from North Carolina can draw his amendment in such a way as to make it germane under cloture. But at any rate, that will have some effect to speed up the consideration of the bill.

I think there is some advantage in having cloture on the bill. As I say, we may have to try to get cloture on other appropriations bills as they move along if we hope to get these bills enacted and on the President's desk.

DUE PROCESS OF LAW AND OLIVER NORTH

Mr. BYRD. Mr. President, I oppose, before I yield the floor, the proposal, let me say again, by the distinguished Senator from North Carolina. It is a proposal that in effect circumvents the due process of the law in the case of Oliver North. The Navy decided that a convicted felon like Mr. North should not enjoy the benefits of his military pension. And the General Accounting Office, which is an arm of the Congress, upheld that decision. Now Mr. North is appealing the decision. He has a right to such an appeal under our system of justice—which he has held in contempt.

I am opposed to giving Mr. North his pension, because I think that his actions damaged our country, damaged the credibility of our Nation. He thumbed his nose at the Constitution that he was honor bound to uphold, he violated his oath of office. He violated the laws of the land. And he did so knowingly, and repeatedly, and he has been busy on the stump explaining to the American people, for a hefty fee, why this is a great American thing to do. He did not like the laws, so he ignored them and violated them.

I am also opposed to giving Mr. North his pension because it would circumvent the due process of justice in our country. If a court reinstates his pension, then he has won his case, and I will abide by the result. We will all abide by the result because we, unlike Colonel North and some of his superiors, respect the law and respect our system of due process.

Mr. President, I ask unanimous consent now that I may yield to the distinguished Senator from Massachusetts whom I have kept waiting for a considerable length of time. I thank him for his patience.

The PRESIDING OFFICER. Without objection, the Senator from Massachusetts is recognized.

Mr. KERRY. I thank the distinguished President pro tempore.

Mr. MACK. Mr. President, will the Senator yield?

Mr. KERRY. The Senator will yield for a question.

Mr. MACK. I asked the Senator to yield.

Mr. KERRY. I know the Senator from Massachusetts has a brief statement on Pan Am 103.

Mr. President, I hold the floor at the pleasure of the distinguished President pro tempore. I ask unanimous consent that I be permitted to yield to the Senator from Florida without losing my right to the floor.

The PRESIDING OFFICER. With that understanding, it is so ordered.

The Senator from Florida.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank you.

I am delighted to share in the comments of the Senator from Florida, and the distinguished majority leader.

I serve as chairman of the Narcotics, Terrorism Subcommittee and one of the hearings referred to in the creation of the Commission were the hearings that we had on Pan Am 103.

I also call to mind regrettably the fact that Massachusetts shared in the grief and sorrow of that tragedy with families who lost loved ones. And I have met personally with those families in Massachusetts, as well as here in the hearings, as well as with families from New Jersey and elsewhere.

The Senator from New Jersey [Mr. LAUTENBERG] has worked diligently and hard to pursue interest that he was sensitive to from the beginning. I think all of us are grateful to the President who has seen fit to create this Commission. It is an important effort. Hopefully, it can help to shed light in a way that will prevent such a tragedy from occurring again at some point in the future.

So I congratulate the President for this move. It is an important beginning, and I hope the Commission will be successful in not only finding out how we can deal with these things ourselves internally in the State Department and elsewhere, but what, in fact, we may be able to do from a security perspective and other perspectives to avoid it.

Mr. BYRD. Mr. President, I do not intend to hold the floor very long, but I am now under obligation to protect the Treasury, Postal Service appropriation bill for the time being. If Senators want me to yield to them, I will be happy to, without losing my right to the floor.

The PRESIDING OFFICER. Does the President pro tempore hold the floor?

Mr. BYRD. Mr. President, does the Senator wish me to yield to him?

Mr. LOTT. I would be glad to withhold.

I understand the Senator has some business he needs to transact and then I would appreciate it if the President pro tempore would yield to me.

Mr. BYRD. Very well.

FEDERAL MARITIME COMMISSION AUTHORIZATION ACT

Mr. BYRD. Mr. President, the acting Republican leader, Mr. COCHRAN, is on the floor.

Mr. President, on behalf of the majority leader, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 147, H.R. 840, the Federal Maritime Commission authorization bill.

Mr. COCHRAN. There is no objection, Mr. President.

The PRESIDING OFFICER (Mr. LAUTENBERG). The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 840) to authorize appropriations for fiscal year 1990 for the Federal Maritime Commission, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to the consideration of the bill.

AMENDMENT NO. 695

(Purpose: To authorize certificates of documentation for certain vessels)

Mr. BYRD. Mr. President, on behalf of Mr. BREAUX, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for Mr. BREAUX, proposes an amendment numbered 695.

Mr. BYRD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end, add the following new section:

SEC. 4. (a) Notwithstanding sections 12106 through 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), the Secretary of Transportation may issue a certificate of documentation for employment in the coastwise trade or fisheries, or both, for the following vessels:

(1) African Queen, United States official number 947514 and Florida registration number FL 9357CE;

(2) American Empire, United States official number 553645;

(3) HMS Discovery, Washington State registration number WAZ 9816; and

(4) Papa Joe, Florida registration number FL 3900CW.

(b) Notwithstanding sections 508 and 510(g) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1158 and 1160(g)), section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), and United States Department of Transportation Contract Numbered MA-3915 and amendments thereto, the Secretary of Transportation is authorized to allow, and the Secretary of the department in which the Coast Guard is operating may issue a certificate of documentation for, the vessel M/V Northern Victor (ex Ocean Cyclone, ex Coastal Spartan), United States official number 248959, to acquire, purchase, process, and transport fish and fish products in the fisheries of the United States: *Provided*, That if the vessel is scrapped, it shall not be scrapped other than in the domestic market without the prior approval of the Secretary of Transportation.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 695) was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 696

(Purpose: To authorize issuance of a certificate of documentation for employment in the coastwise trade of the United States for the vessel M/V *South Bass*)

Mr. BYRD. Mr. President, on behalf of Senators GLENN and METZENBAUM, I send a second amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD] for Mr. GLENN (for himself and Mr. METZENBAUM), proposes an amendment numbered 696.

Mr. BYRD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

SEC. 4. Notwithstanding section 27 of Merchant Marine Act, 1920 (46 U.S.C. App. 883) and sections 12106 and 12107 of title 46, United States Code, the Secretary of the department in which the Coast Guard is operating may issue a certificate of documentation for employment in the coastwise trade of the United States for the vessel M/V *South Bass* (Registration number 949048).

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 696) was agreed to.

Mr. BYRD. Mr President, I move to reconsider the vote by which the amendment was agreed to.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 840), as amended, was passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill as amended, was passed.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent on behalf of Mr. MITCHELL that Calendar Orders Nos. 143, 144, 145, 146, and 179 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

TREASURY, POST OFFICE, EXECUTIVE OFFICE OF THE PRESIDENT, AND INDEPENDENT AGENCIES APPROPRIATIONS, FISCAL YEAR 1990

The Senate continued with the consideration of the bill.

Mr. BYRD. Mr. President, I will be happy to yield to the distinguished Senator from Mississippi [Mr. LOTT] with the understanding that I yield only for a statement at this point.

I yield only for a statement and then I ask to retain to my rights to the floor.

The PRESIDING OFFICER. Without objection, the junior Senator from Mississippi.

Mr. BYRD. May I ask how long would the Senator wish to speak?

Mr. LOTT. Just 3 minutes will be adequate.

Mr. BYRD. I thank the Senator.

Mr. LOTT. Mr. President, I would like to express my appreciation to the distinguished Senator from West Virginia for yielding me this time. I would like to make a few remarks on a matter now pending before the Senate, the Treasury, Postal Service, and General Government appropriation bill, and an amendment that has been offered as a second degree amendment by the distinguished Senator from North Carolina [Mr. HELMS].

I do not feel that I can stand mute on this subject at this hour without expressing my concerns about what is happening in this case with regard to Col. Oliver North.

It has been curious to me watching the process today and earlier this year where there have been a lot of complaints about legislation on appropriations bills and nongermane language.

I have always felt that there should be strict limits on legislation on appropriations bills and nongermane language. But I have watched over the past 16 years as it happens over and over and over on almost every bill. It depends on whether or not you oppose what your interests may be, legislation on an appropriation bill or nongermane language depends upon, although I am sure there are various Members, particularly on the Appropriations Committee, who have consistently said we should not be doing that.

There is certainly nothing out of order about this, but I have also noticed a number of efforts this year to avoid direct votes or even indirect votes on what could certainly be termed very important issues, but which some Members would prefer that we not have a vote on.

Or, we quite often have committees come in and say, "Well, we have not had time to work on it." And I make particular reference to section 89 and to catastrophic health insurance, which we tried repeatedly this year to direct action on. The flag-burning issue is another one. And now we are finding it extremely difficult to get a direct vote or even an indirect vote, even via a motion to table, on the question of Col. Oliver North's pension.

I am not an expert on what the law allows or who is eligible for a pension and who is not. But I support the position that Colonel North earned this pension for his service in uniform to our country. I am very much opposed to a situation that would lead to the revocation of his pension.

If he made mistakes, and the court has said that he did, and if he is going to be punished for them, that is the way the law works. But to go back and retroactively take this pension away from this man, I think, is extremely unfair.

I have heard it mentioned earlier today on the floor, and maybe others will refer to it, that convicted drug traffickers are able to keep certain government benefits, including any retirement, welfare, Social Security, health, disability or veterans benefits. Yet we would take these benefits away from Colonel North.

I realize honest men and women can differ on this issue. But I feel very strongly about this and I know that many people, including most of the people in my own State of Mississippi, would argue that he is entitled to this pension. I support that proposition.

If we cannot act on this bill to restore Col. Oliver North's pension, we should do it soon on another bill, and by a direct vote. I would urge the Senate to allow us to have that opportunity.

Thank you.

Mr. BYRD. Mr. President, may I say that I respect every other Senator's right to his own opinion. I would never quarrel with that. It is just that I would like to see this appropriations bill move along.

There are amendments from time to time in legislation on an appropriations bill that constitute legislation on the appropriation bill. I understand that.

As I said earlier, I understand every Senator's right to offer a very controversial amendment to the appropriations bill that constitutes legislation on an appropriations bill. I just urge the Senators not to follow this practice. We are making every attempt, working very hard to get the appropriations bills out and on the floor of the conference to meet the fiscal deadline.

COMMITTEE REPORT ON ETBE

Mr. BRADLEY. Mr. President, the report accompanying H.R. 2989 contains language instructing Treasury to rule by October 15, 1989, on whether a new chemical called "ETBE" [ethyl tertiary butyl ether] is eligible for the alcohol fuels tax credit under section 40 of the Internal Revenue Code.

Mr. President, the report language may seem innocuous. What could be wrong with telling Treasury to issue a ruling in response to a request that has been pending for a year? Aren't taxpayers entitled to an answer?

The problem, Mr. President, is that the history of this issue is already so highly politicized that I fear that Treasury may interpret the report language as additional pressure from Congress to rule in favor of a tax credit for ETBE. The report language itself leaves no doubt that its authors indeed intend it to pressure Treasury. The report notes that 75 Senators, along with assorted administration officials, have lobbied Treasury to declare ETBE eligible for the alcohol fuels credit. It further notes that 61 of these Senators were members when the original credit passed and that it was their intent to make products like ETBE eligible. Then it says: Rule on eligibility by October 15, 1989.

Mr. President, Treasury should certainly respond to taxpayer requests in a timely fashion. But Treasury should also take the time needed to judge issues on the merits. They should not be pressured by the Hill to act prematurely. Particularly when the action urged would cost the vast majority of American taxpayers hundreds of millions of dollars in order to provide generous tax cuts for a relative few.

Mr. President, the report language most definitely does not reflect this Senator's view either of the legislative intent underlying IRC section 40 or the tax policy of the U.S. Government. And this Senator was a member of the Senate Energy Committee and the Senate Finance Committee and a conferee when we adopted the alcohol fuels credit in 1980. I would therefore urge Treasury to regard this language as hortatory only and to decide the issue strictly on the merits in accordance with whatever timetable and whatever sound tax policy is appropriate to the exercise of sound, unbiased judgment.

So that everyone understands what's at stake here, let's be clear about what the issues are and why there's genuine controversy. There are two issues: First, whether the Federal Government should increase the deficit by subsidizing the production of a commercially untested and unproven gasoline additive called ETBE. Second, whether any such decision should be preempted by the Treasury instead of, as I believe, being made by the Con-

gress in the normal, deliberative legislative process.

I understand that the revenue loss from subsidizing ETBE could be as high as half a billion dollars over the next 5 years. Ethanol industry figures suggest that the revenue loss could be considerably higher than that. Moreover, the Department of Agriculture estimates that these losses will not ultimately be offset by corresponding savings from reduced farm program subsidies.

Before any additional tax expenditures are given to the ethanol industry, 60 percent of which is dominated by a single company, a thorough review is necessary by the relevant congressional committees and the Congress. Included in this review should be whether subsidizing an uneconomic product such as ETBE would or would not enhance our energy and environmental security and whether and how such a subsidy would affect unsubsidized products that are now serving the same function.

In view of the priority that we are giving to reducing the deficit and avoiding new tax expenditures—and of the difficult task we already face in meeting current budget targets—it makes no sense to create a costly new tax subsidy, particularly without an explicit legislative mandate. I understand that a number of Senators have already reconsidered earlier expressions of preliminary support for ETBE, based on more recent information about its cost and potential adverse effects on U.S. environmental and energy policy goals and on the development of unsubsidized clean burning alternative fuels by domestic producers.

So, Mr. President, let the record show that there are two sides to this issue—which is presumably why Treasury has so far rightly refused to rush to judgment. Ultimately, this is an issue for Congress to decide here on the floor, under the clear-eyed scrutiny of the American taxpayers who once again see the long arm of the Government reaching deeper and deeper into their pockets to benefit a handful of special interests.

COMMITTEE REPORT ON ETHYL TERTIARY BUTYL ETHER

Mr. ROTH. Mr. President, I would like to associate my name with Senator BRADLEY's statement regarding the report language accompanying H.R. 2989 which instructs the Treasury to rule by October 15, 1989, on whether a new chemical called ETBE [ethyl tertiary butyl ether] is eligible for the alcohol fuels tax credit under section 40 of the Internal Revenue Code.

I agree with Senator BRADLEY that this matter should be left for Congress to decide. I feel strongly that alternative fuels should be given equal treatment under the Tax Code. I think that any attempt to expand the tax subsidy administratively would raise important energy, economic, competitive, environmental and tax policy issues that should be addressed by the Congress. When the current ethanol tax subsidies expire in 1992 the benefits and scope of the existing credit should be debated openly in Congress and all alternative fuel sources should be given similar consideration.

Mr. LAUTENBERG. Mr. President, I rise to express my concern about language that was included in the committee report on this bill with respect to ethyl tertiary butyl ether, known as ETBE.

This report language, Mr. President, calls on the Treasury Department to make a determination about whether ETBE is eligible for the alcohol fuels tax credit under section 40 of the Internal Revenue Code. The report specifically directs the Treasury to issue a ruling not later than October 15, 1989.

Mr. President, I am concerned that this report language will be interpreted as an attempt to exert pressure on the Treasury to declare ETBE eligible for the tax credit. My concern is based on language noting that many Senators, and some in the administration, have written to the Treasury in support of allowing ETBE to qualify for the credit. While highlighting the pressure that has been exerted from certain political leaders, the report fails to indicate the many concerns that have been expressed by others who oppose such a ruling.

It is not clear, for example, that Congress ever intended the alcohol fuels tax credit to apply to additives such as ETBE. In fact, ETBE did not even exist when the credit was enacted.

Many have also questioned the wisdom of subsidizing ETBE when other methanol-based additives are unsubsidized. Clearly, care must be taken to avoid a situation in which the Tax Code creates unfair competition between manufacturers of similarly functioning products.

In addition, serious questions have been raised about the impact of subsidizing ETBE on the Federal budget deficit. It has been suggested that up to $500 million could be added to the national debt if ETBE is found eligible for the credit. That is a lot of money, particularly at a time when the deficit is preventing adequate investment in vital national priorities, from environmental protection to housing to transportation.

Given these concerns, I would hope that the Treasury Department will consider this issue carefully, and base its determination on existing law, not political pressure. If the alcohol fuel tax credit was not intended to cover products like ETBE, it is up to Congress to determine whether such a subsidy is warranted. Not unelected administrators.

Mr. President, my message to the Treasury is simple. Don't be rushed to judgment. Don't respond to political pressure. Just take the time you need and do the right thing.

REPORT LANGUAGE

Ms. MIKULSKI. Mr. President, I would like to acknowledge Senator DECONCINI, chairman of the Appropriations Subcommittee on Treasury, Postal Service, and General Government for proceeding with fiscal year 1990 Treasury, Postal Appropriations Act so expeditiously and congratulate him for setting such a fine example of hard work and devotion to his job. I want to thank him for his help in funding Maryland projects. I would also like to thank his fine staff, Patty Lynch and Ursula Maurer. Their hard work, courtesy, and candor, with me and my staff, were instrumental in accomplishing this difficult task. Furthermore, I recognize the ranking minority member Senator DOMENICI as well as his staff, Becky Davies and Judee Klepec for their help throughout the process. The subcommittee staff's indepth knowledge of the subject matter and long hours were instrumental in getting this important bill prepared in such a timely and efficient manner.

I would like to briefly mention a few of the important items contained in this bill.

This bill contains increased funding for programs designed to combat the drug problem. As we all know the drug problem in this country is, indeed, widespread. Customs, Bureau of Alcohol, Tobacco and Firearms and IRS all play an important role in stopping the spread of this terrible problem. These funds are necessary in order to continue the fight in the war on drugs. There are two additional items which will be used in this war: Full funding of the $20 million authorized for the Customs forfeiture fund which will help the State and local governments that cooperate in drug investigations with Federal agencies, also there is $4.7 million for a Federal courthouse in the Southern District of the District Court of Maryland where many of the drug cases involving the Washington area will be tried, and send the criminals who perpetrate these crimes behind bars.

Another item of importance to the people of the State of Maryland is that the State of Maryland be included within the National Capital region as GSA plans to relocate the IRS and the Department of the Navy. I believe that the Federal Government should aggressively pursue the relocation and consolidation of Federal agencies to high-quality, low-cost space in the National Capital region. It is essential that Maryland be equally considered in the relocation plans.

In accord with the budget agreement, the House bill includes language giving Federal employees a 3.6-percent salary raise. I feel that the Federal workers who work day in and day out under difficult conditions should be provided with the resources they need to serve the American people. I believe that although this does not solve the problem of the 26-percent pay differential Federal employees suffer compared with the private sector, the 3.6-percent increase is a step in the right direction.

I also ask that three cost neutral provisions be included in this bill in order to improve the working conditions for the men and women who run the Government on a day-to-day basis. The first provision of this bill language would increase the mobility within the Government of the Senior Executive Service [SES] and their equivalent as originally intended by Congress. The second provision would give an agency the flexibility to pay a small relocation bonus to SES candidates in situations where the agency needs to compensate them for moving to a high area or undesirable location. The last provision explicitly states the intention of a previously enacted requirement regarding the number of career appointments to agency performance review boards.

In addition, I also request funds in the amount of $98 million for the lease/purchase consolidation of the Health Care Financing Administration campus. This level of funding would equal the amount provided in the House-passed bill. This consolidation would make possible a new, more efficient office environment. Their current facilities are not conducive for the efficient flow of information through the various divisions within the Health Care Financing Administration.

I request that report language be included to provide for a post office facility in Prince Georges County, MD. It is a high priority of mine to ensure the Federal employees who live and work in and around the Washington area work under the best possible conditions. This provision would keep the lease procedure for Federal property intact.

Another area of vital concern to me is child care facilities. The availability of child care facilities increases worker productivity and improves general worker morale. Because more parents are working today, child care is a national concern. Language is included in the report accompanying the bill which directs the Postal Service to study the feasibility and need for child care services in the larger facilities of the Postal Service.

Once again Mr. President, I would like to acknowledge the job Senator DECONCINI and his staff have done. They must handle many requests for funds and choose from the many deserving projects. Their efforts are truly commendable.

Mr. GLENN. If the distinguished Senator from Arizona will yield, I would like to enter into a colloquy with him to clarify the intent of Congress in adopting section 619 of this appropriations bill with respect to requiring the Federal Government's mandatory use of FTS-2000 telecommunications services.

Mr. DECONCINI. I would be pleased to yield to the Senator.

Mr. GLENN. I thank the chairman. Some years ago, the General Services Administration embarked on an effort to consolidate the Federal Government's procurement of basic long-distance telecommunications services. Under the rubric of FTS-2000, the GSA attempted to achieve economies of scale and to ensure that all long-distance telecommunications service within the executive branch was compatible.

An initial area of controversy, resolved during the 100th Congress, was the issue of which Federal agencies would be required to participate in the FTS-2000 procurement. Exercising its proper and appropriate policymaking role, Congress has directed that the procurement would be mandatory for all agencies subject to the Brooks Act. We reiterate that direction in this bill. It is only logical that the Government will achieve its goals more readily with the broadest possible participation by the Federal agencies involved. At the same time, however, there are other services needed in those agencies that are not within the scope of the FTS-2000 contract. In fact, there has been some confusion and concern in the vendor community as to exactly where the line of demarcation lies between FTS-2000 services and those not mandated by the Congress concerning mandatory use.

In that regard, Mr. Chairman, let me emphasize that I firmly believe that it is not the role of Congress to be a contract administrator or to be in the position of interpreting clauses or provisions of the request for proposals issued by GSA or the final FTS-2000 contract document itself. There are clearly established regulatory and judicial avenues to provide relief for disputes over contract interpretation, including any question as to which services FTS-2000 covers. Vendors who disagree with GSA's decisions should utilize those avenues.

Mr. DECONCINI. I thank the Senator for his comments and would like to affiliate myself with them. As subcommittee chairman, I emphasize our continuing commitment to mandatory use of FTS-2000 and join with the Senator in urging GSA to require agencies to live up to the law concerning mandatory use, and to ensure that existing policies provide the full vendor community with notice of procurements of services not covered by the mandatory use requirements.

Mr. GLENN. I agree with the Senator, and I would like to take this opportunity to urge GSA to precisely define the scope of the FTS-2000 contracts in its rulemaking process currently underway. It is my understanding that the agency intends to issue a FIRMR bulletin as part of its interim final rule which would more fully define the scope of the contracts. I believe that such precise definition is necessary for the successful vendors under the FTS-2000 contract and the rest of the vendor community.

PRESERVING THE EDUCATIONAL LOAN TAX DEDUCTION

Mr. GRASSLEY. Mr. President, I have decided not to offer my amendment, but I would like to discuss it because I will be pursuing it at a later time.

The amendment is a sense-of-the-Congress indicating the need for restoring the interest deduction on student loans.

I have spoken with the Finance Committee about this issue and have been ensured that the committee will work with me toward my goal of restoring the educational interest deduction.

As we all know, under the 1986 Tax Reform Act, the consumer interest deduction is to be phased out after the 1990 tax year. Unfortunately, interest on educational loans was lumped together with consumer interest, so the interest deduction on student loans will also be terminated after next year.

Well, Mr. President, I think this was a mistake. There's just no legitimate reason to equate interest on educational loans with consumer interest. The justification for repealing the general interest deduction was that it acted as a disincentive to saving. This may be true in regard to consumer debt, but this argument certainly doesn't apply to debt incurred for educational purposes. What better investment can be made than an investment in the education, and therefore the future, of America?

The effect of the current law actually runs counter to the policy of investing in one's own future by making it more difficult to better oneself through education. Is this really the policy we want to set, Mr. President? I don't think so, and I believe most of my colleagues, as well as the American people, would agree with me.

In addition, the current law discriminates against lower income taxpayers who are the people needing our help the most. Consumer interest, up to a limit, remains deductible if the loan is secured by a taxpayer's residence. Even if this home equity loan is used for educational purposes, the interest is deductible. We, therefore, have an

unfortunate situation where people who can afford a home may also get a tax break for education, but those who cannot afford a home must also pay more for their education. This just doesn't make sense, and it's time to change this unfair situation.

Mr. President, we all agree that education is a national investment which will be a determining factor in the future of America. Restoring the interest deduction for student loans would express the value we place on education and its role in maintaining the position of the United States as the leader of the free world.

I have introduced legislation in both the 100th and 101st Congresses to restore the interest deduction on student loans. In this Congress, S. 656 is cosponsored by 16 Senators and the House companion bill, H.R. 118, introduced by Congressman SCHULZE, has over 300 cosponsors.

I intend to propose this legislation later in the session on a more appropriate bill.

Mr. President, it's time to support the education and future of America by adjusting the Tax Code to allow a fair deduction to all Americans for reasonable educational expenses.

TREASURY AND POSTAL SERVICE APPROPRIATIONS BILL

Mr. BIDEN. Mr. President, I congratulate the distinguished chairman and ranking member of the Subcommittee on Treasury and Postal Service Appropriations, Senators DECONCINI and DOMENICI, on their success in bringing to the floor a bill that provides near full funding for authorized antidrug programs.

The 1988 drug bill authorized spending $2.8 billion more in fiscal year 1989 to fight the drug plague. We also appropriated in that bill $1 billion of the authorized amount. I said then that it was one-half of a loaf, an unfulfilled promise that would have to be fulfilled 1 day. Unfortunately, that day has not come—the Anti-Drug Abuse Act of 1988 remains almost two-thirds unfunded.

This year, many of my colleagues and I have been working to find a way to fully fund these critical programs.

The Moynihan amendment to the fiscal year 1990 budget resolution reinforced the need to maintain the integrity of the drug bill initiatives. It was adopted by voice vote.

The Biden amendment to the 1989 dire emergency supplemental appropriations bill would have fully funded last year's drug bill. Largely because of a veto threat, the Senate rejected the amendment. Ultimately, this dire emergency and urgent supplemental bill contained less than $100 million in new spending for antidrug efforts.

On July 17, 1989, I wrote to the chairman and ranking member of each Senate and the House Appropriations Subcommittee urging them to include in the fiscal year 1990 spending bills appropriations for all unfunded balances of the 1988 drug bill.

I am pleased that the Senate Treasury and Postal Subcommittee—the first subcommittee with jurisdiction over major unfunded portions of the 1988 drug bill to report a fiscal 1990 spending bill—has been able to find virtually all of the money necessary to pay for last year's drug bill.

Specifically, the Treasury and Postal Service appropriations bill provides the following amounts:

Customs Service: The bill provides $28.8 million more than was necessary to maintain the 1989 appropriations level for antidrug programs of $1.183 billion and the additional $79 million that was unfunded in last year's bill. In addition, the bill provides $151.7 million more for antidrug programs than the President requested.

Bureau of Alcohol, Tobacco and Firearms: The bill provides $12.6 million more than was necessary to maintain the 1989 appropriations level of $241 million and the additional $4 million called for—but not paid for—in the 1988 drug bill. In addition, the Senate bill provides $11.6 million more than the President requested in his 1990 budget request.

Federal Law Enforcement Training Center, Glynco, GA: The subcommittee's bill appropriates $57.1 million for salaries and construction for the Federal Law Enforcement Training Center.

Although the bill does not exactly meet the level needed to continue the 1989 funding level of $34.6 million and the additional $5.7 million called for in the 1988 drug bill, it does provide $13.1 million more than the President requested for the Federal training center.

Given the tight budget situation this year, I think the chairman of the subcommittee, Senator DECONCINI, and the ranking member, Senator DOMENICI, should be commended for making the tough decisions necessary to provide critically needed funds for this Nation's fight against drugs.

Our work however, is not complete. Hundreds of millions of dollars' worth of high-priority antidrug programs in last year's drug bill remain unfunded, including:

More than $250 million for the FBI, DEA, and other Federal law enforcement agencies;

The sum of $200 million for State and local law enforcement agencies—enough money to establish State and local drug enforcement task forces in hundreds of communities throughout this country;

Almost $1 billion for programs aimed at reducing the demand for drugs through education, prevention, treatment, and research efforts; and

The sum of $164 million for new Coast Guard cutters, helicopters, and drug enforcement personnel to interdict drugs enroute to the United States on the high seas.

I hope to work with the chairmen and ranking members of the several appropriations subcommittees with jurisdiction over antidrug programs to ensure that the Anti-Drug Abuse Act of 1988—which Congress passed and the President signed with such fanfare—is fully funded.

In addition, I am concerned about funding for the Federal organized crime and drug enforcement task forces. These task forces were first created by President Reagan in 1983 in order to improve coordination between the numerous Federal law enforcement agencies engaged in the battle against high-level organized criminals and sophisticated drug trafficking operations.

The President's initial goal was sound—creating integrated task forces of specialized Federal agents whose sole allegiance was to the success of the task forces, not to their individual agencies. Predictably, the agencies balked, and the next year the central coordinating mechanism was all but abolished and each agency was free to set its own priorities and budget requests.

As a result, the task forces became a paper exercise—task force in name only, with each agency pursuing its own agenda.

After several years of fighting with the agencies to improve the operation of the task force—including a request to the General Accounting Office to examine the management of the task forces—I authored an amendment that was included in last year's Anti-Drug Abuse Act that addresses this problem by requiring the President to submit a separate appropriations request for expenses relating to all Federal agencies participating in the organized crime drug enforcement task forces.

As the statute explicitly states, the purpose of my amendment was to:

First, provide for the flexibility of the task forces which is vital to success—against drug traffickers and organized criminals;

Second, permit Federal law enforcement resources to be shifted in response to changing patterns of organized criminal drug activities;

Third, permit the Attorney General to reallocate resources among the organizational components of the task forces and between regions without undue delay; and

Fourth, ensure that the task forces function as a unit, without the competition for resources among the participating agencies that would undermine the overall effort.

The President's fiscal 1990 budget request complied with the new requirement by centralizing the budget request for the task forces—both Jus-

tice Department and nonjustice department agencies—in one line item in the Department of Justice budget.

Unfortunately, there has been some confusion in the appropriations process regarding funding for the task forces. This conflict must be resolved as quickly as possible. One of the major goals of last year's drug bill was to improve coordination of this Nation's antidrug efforts—that's one of the reasons we created the new national drug director post. That's also why we added the task force provision to last year's drug bill—to improve coordination and management of these essential antidrug units.

I look forward to working with the appropriate subcommittee chairmen to resolve this issue so that the organized crime and drug enforcement task forces can fulfill their initial mission—to integrate the capabilities of every Federal law enforcement agency in a coordinated and effective attack against organized crime and drug trafficking syndicates.

I look forward to the day when we have finally fulfilled our 1988 drug bill pledge and have fully funded all its programs.

CLOTURE MOTION

Mr. BYRD. Now I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on H.R. 2989, an act making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, certain Independent Agencies, for the fiscal year ending September 30, 1990, and for other purposes.

Robert C. Byrd, John F. Kerry, Dennis DeConcini, George J. Mitchell, John Breaux, Kent Conrad, Daniel P. Moynihan, Claiborne Pell, Alan Cranston, Joe Biden, Fritz Hollings, Richard Shelby, Dale Bumpers, Frank R. Lautenberg, Mark O. Hatfield, J.J. Exon, and Donald W. Riegle.

Mr. BYRD. Mr. President, I am going to yield the floor. I ask unanimous consent that the appropriations bill now pending be set aside for the remainder of this calendar day, unless the majority leader, after consultation with the Republican leader wishes to call it back up during this calendar day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COATS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER (Mr. ROBB). The Senator from Iowa.

INCREASE OUR DEFENSE EFFICIENCY

Mr. GRASSLEY. Mr. President, earlier this week this body completed work on the Defense authorization bill. I think we can feel pretty good about fitting the necessary defense for our country into the budget figures. Obviously, we may not be spending as much as some people feel is necessary for our defense. Maybe for some in this body, it is spending a lot of money, more than what they think should be spent on defense, but it is a happy compromise that meets the essentials of national defense, considering the budget realities of the time, and particularly the budget realities of Gramm-Rudman, to get ourselves to a balanced budget by 1993.

So I compliment my colleagues on the Senate Armed Services Committee for a job well done. I would like to focus the attention of this body, now, as it reflects on what we just did on the authorization bill, and looking forward to next month on the Defense appropriations bill, on what the Commander in Chief of our armed services had to say to this body in a joint session with the other body on February 9 of this year. I am, of course, referring to President Bush's first message to the Congress. He spoke there about the need for increasing our defense efficiency, and he emphasized in that speech that increased defense efficiency is a key goal of his administration. He said it more specifically this way: "I firmly believe that the first vital step to broaden our national consensus on defense is to wring the last drop of waste and mismanagement out of the way that we buy weapons, and that is what we intend to do." That was President Bush, February 9 to the Congress in a joint session.

Mr. President, I know of no one who favors inefficiency in Department of Defense procurement, and yet we all know that there is a tremendous amount of inefficiency and waste of defense dollars in the procurement that goes on in the Department of Defense. It is, of course, not just the Department of Defense that does not buy enough value for the taxpayers' dollars. It is probably true of a lot of departments of Government. But maybe it's just a little more closely observed in the Department of Defense because there is so much more money to be spent there. It is, after all, about 30 percent of our total Federal Government budget.

I know of no one who advocates inefficiency or mismanagement or fraud in the Defense Department, yet I still feel that not enough is being done even by this Senator to see that we are getting more for our defense dollars.

So we are now in this period of time between the passage of the Defense authorization bill and the Defense appropriations bill. I hope that Congress will review what President Bush said was a major goal of his administration on defense: To wring the last drop of waste and mismanagement out of the way that we buy weapons; that we all concentrate on the President's desire to accomplish this as we move down the road. I hope that the Appropriations Committee, in its deliberations, and I hope even the Senate Armed Services Committee, considering how well they did on the authorization bill, is in the forefront of helping President Bush, even pushing President Bush to do even more and to do it very quickly in his efforts to get more efficiency in the expenditures of our procurement dollars.

Earlier this year about this same time in early February, President Bush ordered the Department of Defense to produce a plan to accomplish his goal. That plan is now, after considerable work within the Department of Defense, back to the President, and I am sure that members of the key committees of the Congress are aware of it. I hope that our respective committees in this body will review the Department of Defense recommendations to President Bush of how they are going to go about the job of accomplishing his mandate in that February 9 message to us in Congress.

One thought that I have about any plan, not just this plan that the President put forth, is that we, of course, have to focus on that plan because that is the one the President is going to use. He will be thinking about that plan and comparing it to any of the recommendations of the past. I think particularly of the recommendations that President Reagan made on defense efficiency and procurement reform. You can talk about the Carlucci initiatives; you can talk about the Packard Commission reports and there are several others that came out in the 8 years of the Reagan administration. In every one of these, Mr. President, the substance of what they were hoping to accomplish was basically on target. But after a period of time of efforts to carry out the recommendations of Carlucci-type initiatives and Packard Commission reports, it seems somehow we end up with the very same results: not much being accomplished and getting more inefficiency for our tax dollars in defense procure-

ment. That old saying about the more things change, the more they remain the same is probably more true about defense reform than almost any other aspect of Government that you could apply that old saying to because in each of these plans, there is a shortcoming. It is not the substance of the proposed reforms that are as important as assuming that they are good proposals. We have had missing essentials from the Carlucci initiatives, we have had them missing from the Packard Commission recommendations, and unless President Bush is especially attentive to his own plan, they are going to be missing there as well.

Those essentials are, first of all, timetables for accomplishing the changes. In other words, timetables for carrying out the substance of the recommendations. Dates, deadlines, and interim reviews of the goals that are supposed to be attained.

Second, the pointing out of what one individual is responsible for accomplishing the changes or the reforms that are suggested.

And, third and most importantly, whose head will roll if changes are not made according to the timetables and the goals to be accomplished.

And so I have to hope that our Armed Services Committee and other respective committees will see that this vacuum in the plan of the President's will be filled and that the President himself, beyond reviewing and ok'ing the substance of the plan, will see that he has a timetable and somebody responsible for seeing that the changes are going to be made and, most importantly, making very clear who is fired if the goals, the substance of the plan is not carried out.

This is most important if the plan is to succeed. The President can just not take that plan that is on his desk and say to the Secretary of Defense, "Move on; carry it out."

As well-meaning as Dick Cheney or any other Secretary of Defense is, I have found in the past you are not going to get attention down through the bureaucracy of the Department of Defense with just the Secretary of Defense seeing that the plan is carried out. The only way this newest plan or the older ones I have referred to will be carried out is if the bureaucracy in the Department of Defense knows that the President is going to almost daily see that the plan is carried out—in other words, that the power and the prestige of the White House is behind the plan and someone on the White House staff oversees the daily performance of carrying it out.

I salute President Bush's commitment to reform enunciated in that February 9, 1989, message to Congress. His commitment to reform is the key to rebuilding public support for our defense programs, and these programs have suffered from repeated incidents of waste, fraud, and mismanagement. Bigger defense budgets have not given more national security. Because of the many problems associated with self-interested politics and the economics of the many different parties involved like the defense industry, the different uniformed services, the different Congresspersons who see the defense budget as a porkbarrel for their districts, and of course large sections of the public competing for the shrinking defense dollar, all of these things considered, more money has not brought us more defense. It is too easy to think in this body of just throwing more money at welfare solving people's needs, throwing more money at education having better education, and throwing more money at defense ending up with a stronger defense. It just is not so.

President Bush and his initiatives can make a big difference. I wish him success and look forward to helping him accomplish his goals and with it then public support, which is very low for the defense budget. The Defense Department, just like any Department of Government, needs public support.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. MATSUNAGA. I thank the Chair.

(The remarks of Mr. MATSUNAGA pertaining to the introduction of S. 1552 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

APPOINTMENT BY THE MAJORITY LEADER

The PRESIDING OFFICER (Mr. ROBB). The Chair, on behalf of the majority leader, pursuant to Senate Resolution 106, 101st Congress, announces the appointment of the Senator from Connecticut [Mr. DODD] to the Central American Negotiations Observer Group and his designation as chairman of that group.

TREASURY, POST OFFICE, EXECUTIVE OFFICE OF THE PRESIDENT, AND INDEPENDENT AGENCIES APPROPRIATIONS, FISCAL YEAR 1990

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Is there further debate?

The Chair, in his capacity as the Senator from Virginia notes the absence of a quorum. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, while we are waiting to begin the S&L conference report, I ask permission that I may speak as in morning business for not to exceed 6 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I might say to my colleagues who are waiting, I know the House is waiting and we are trying to expedite the matter pending here. We are checking on our side, and the majority leader is checking on his side. We hope to have information available in the next 4 or 5 minutes.

The PRESIDING OFFICER. Senator DOLE is recognized for not to exceed 6 minutes.

TIME FOR STREAMLINING THE WAR ON DRUGS

Mr. DOLE. Mr. President, each and every day we are reminded of the horrors of America's drug epidemic. Each and every day there is a new headline telling us of the tragic loss of life from the drug nightmare. And each and every day we discover anew how far we have to go in the war on drugs.

Just today, there are front page stories reporting how drug gangs from the coasts are exporting their terror and their drugs to America's heartland. Is there any question we have to act—now, not later.

For too long, the war on drugs was just a phrase. But little by little, we have added some muscle and money to the nationwide crusade to wipe out the drug scourge.

On Capitol Hill, Congress has adopted antidrug and anticrime laws. And we did it all with bipartisan support, combining the best ideas on both sides of the aisle into effective legislation. No doubt about it, however, we need to do much, much more—and that is why I am introducing a new concept today to the war on drugs, one that I believe is critical to maximizing congressional efforts to get the job done.

Today I am calling for the establishment of a new committee on Capitol Hill—a super committee on drugs to coordinate, facilitate, and streamline congressional activity.

Mr. President, in 1982, congressional Democrats had a good idea. They called for the creation of a so-called drug czar, a Cabinet-level Director who could cut through the duplication, the bureaucracy, and the politics to maximize America's antidrug efforts. Now, I will admit, the previous administration did not agree with that concept—and it blocked it.

But a good idea is hard to beat and now, with a new President and a new team in place, the drug czar is no longer a concept—he is a reality; and his name is Bill Bennett.

I applaud the Democrats for this initiative. Today, in the form of the out-

standing leadership of Mr. Bennett, we are seeing the fruits of their vision.

But now there is a new problem—and the problem is "us." Despite all of our good effort here, there are simply too many cooks in the kitchen. What our newly appointed drug czar needs from Congress is more organization.

A report from the Congressional Research Service identifies 54 House committees and subcommittees and 21 Senate committees and subcommittees which could, and have, asserted jurisdiction over some part of the war on drugs. While this total of 75 may indicate that Congress considers drugs to be a real problem demanding answers, it also points to the need to install some coordination in the Congress and also some streamlining.

Even the number supplied by the CRS is low, since it does not include the Committees on Appropriations and their subcommittees, or any committee or subcommittee with only oversight responsibilities.

If a coordinated approach is good for the executive, and I believe it is, a coordinated approach is good for the Congress.

Assume that you are Mr. Bennett, the drug czar, you only have to go to about 75 different committees. When do you have time to reflect on what you should do in an effort to deal with the drug problems in America, whether it is drugs coming in, whether it is interdiction, whether demand, supply, or education, and whether it is enforcement? So it seems to this Senator that it is time that we do what we asked the executive to do, break down the barriers, deal with the bureaucracies, give some one committee the right authority.

Today I am submitting three resolutions representing three different ways to achieve reorganizing Congress to answer the demand by the public for progress in the war on drugs.

The first concurrent resolution would establish committees on national drug control policy in both the Senate and House—one committee in each. All legislation on the subject of illicit narcotics would be referred to these committees, but committees of existing jurisdiction could make recommendations to the drug committees, which will take advantage of expertise that has been developed over the years.

Membership of the committee in the Senate would include the majority and minority leaders. If, in fact, this is a serious problem, and it ought to be dealt with on the leadership level, then we ought to be able to cut through the redtape.

Also on that committee would be the chairman and ranking minority members of the following committees: Appropriations, Armed Services, Budget, Commerce, Finance, Foreign Relations, Intelligence, Judiciary, and Labor.

In the House, membership would be the Speaker, the minority leader and the chairman and ranking minority members of the committees on: Appropriations, Armed Services, Budget, Energy and Commerce, Merchant Marine, Ways and Means, Foreign Affairs, Intelligence, Judiciary, and Education and Labor.

These committees representing those with major drug jurisdiction including the leadership will provide the new committees with an assurance that its recommendations will be given priority in scheduling before the House and Senate. It will also demonstrate at the highest level that we are serious about the drug problem, not just having hearings, being on television, not making another speech, figuring out how we can get somebody in any administration behind the eight ball before our committee. Congress is serious about finding concrete solutions to the scourge of drugs. I have not met a Member on either side that is not serious about it. This is an opportunity to work it out.

Mr. President, I am aware of the sensitivity of the independence of the two Houses of Congress. Generally, neither tries to mandate the other into taking an action which only affects the other body.

Even though I strongly believe that both the House and the Senate should establish committees, I am also submitting a Senate resolution which would create only a Senate committee—I cannot tell the House what they need to do—leaving to the House the decision on whether to create its own committee and how it should be constituted.

The third resolution, a concurrent resolution like the first, would create a joint committe of both Houses. Like the first concurrent resolution, this would establish a primary committee for both bodies. But, rather than having two committees, one committee serving both bodies would be created. This follows the precedent established by the Joint Committee on Atomic Energy. Due to size limitations, the membership has been reduced to include: The majority and minority leaders of the Senate and two designees of each, and the chairmen and ranking members of the Committees on the Judiciary, Foreign Relations, and Labor and Human Resources. In the House membership would be the Speaker and minority leader and one designee of each, and the chairmen and ranking minority members of the Committees on the Judiciary, Foreign Affairs, Energy and Commerce, Education and Labor.

Whatever approach is taken, it is clear that Congress must restructure itself to fully address the petition by the people to stop drug abuse and abuse by drug addicts and dealers on our society.

The time to act is upon us, since the first national strategy will be before us when we return from the August recess. At that time, we will be confronted with a choice of moving forward with the recommendations of the drug czar, or delaying to await scores of subcommittee hearings and losing the war on drugs.

So you have three options.

One would be a joint committee which I think would be the best option. We would try to keep it small and try to involve the leadership. We would make certain there would be a commitment by the leadership that they would not only be on there by name but they would be there when decisions were being made.

Another would be to establish a separate committee in each House.

And finally, as I said, since we cannot dictate to the House, I have a resolution that would create a special super-Committee on Narcotics and Drugs in the U.S. Senate.

So it is an opportunity. I hope my colleagues on both sides of the aisle would take a hard look. There may be problems. There may be some matter that I have not thought of. Certainly many matters I have not thought of.

The time to act is upon us, since the first national strategy will be before us when we return from the August recess.

We are going to have Mr. Bennett come in at this time. We had Senator BIDEN introduce a plan this past week.

So we are going to be confronted with choices in how we move and how we work with the so-called drug czar or delaying to wait scores of subcommittee hearings.

I think we ought to get at it, do it, and have one committee to be a supercommittee and have the muscle it needs, ought to have the representation it needs, but above all we ought to get our work done and we ought to get the action done to end the drug scourge in America.

Mr. BURNS. Mr. President, I would like to associate myself with the statements by our minority leader, Senator DOLE, that we do know we still have that problem around and are still looking for those answers to fight this war and I would associate myself with his statements.

Mr. DOLE. Mr. President, I yield the floor and I send to the desk the three resolutions and ask that they be appropriately referred.

The PRESIDING OFFICER. The resolutions will be received and appropriately referred.

The PRESIDING OFFICER. The Chair recognizes the Senator from Montana.

Mr. BURNS. Mr. President, I ask unanimous consent that I may proceed as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Montana is recognized.

Mr. BURNS. I thank the Chair.

(The remarks of Mr. BURNS pertaining to the introduction of S. 1560 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Chair recognizes the Senator from New York [Mr. D'AMATO].

Mr. D'AMATO. Mr. President, I thank the Chair.

Mr. President, I ask unanimous consent that I might be permitted to proceed for no longer than 10 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, the Senator has the floor for 10 minutes for the purpose of morning business.

DEPARTMENT OF DEFENSE COUNTERNARCOTICS EFFORTS

Mr. D'AMATO. Mr. President, I rise today to call the attention of my colleagues to the abysmal performance—and nonperformance—of the Defense Department in spending the $300 million we provided to fund their part in the war on drugs.

Last year, we authorized and appropriated $300 million for DOD to take charge of detection and monitoring of air- and sea-borne smugglers. We put them in charge of integrating the counternarcotics communication system.

Mr. President, I have two questions: Where is the money? and, Who is in charge?

On May 17, I received a letter from Mr. L. Paul Dube "accounting" for the $300 million. According to that letter, $30.2 million had been made available to the services for the National Guard program on April 19, and a total of $200,000 had actually been expended.

That's right, only $200,000 of the $300 million had been spent by May 17, 7½ months into fiscal year 1989!

During the markup of the dire emergency supplemental, I, along with the distinguished senior Senator from Arizona, Senator DECONCINI, offered an amendment to take $227.8 million of the $300 million away from DOD and give it to other agencies that are actually fighting the war on drugs.

That amendment lost, because OMB argued that it violated the budget summit agreement. As part of the debate on that amendment, DOD promised to spend the money we had provided.

On July 7, the Department sent over two reprogramming requests to move approximately $193 million from the "Drug Interdiction, Defense, 1989" account into a variety of procurement and research and development accounts. I cannot be more specific because the actual requests are classified.

I wrote to the distinguished chairman and the distinguished ranking member of the Defense Appropriations Subcommittee, requesting an immediate hearing on these reprogramming requests. Because time was so short, my request could not be accommodated. However, the chairman responded that there would be a special hearing on DOD counternarcotics efforts after we return from the August recess.

Mr. President, we need to know what is going on with DOD's drug war effort. I understand that there is at least one classified section of the national drug strategy due to be issued on September 5 that will discuss the military's role in the drug war. We need to know more.

We need a plan—not just any plan, but one that meets Defense Department planning, programming, and budget standards for tackling the drug war. We do not have such a plan.

We need to have someone in charge over there. We do not have anyone in charge now. What we have is a recipe for disaster.

We have the Assistant Secretary of Defense for Reserve Affairs, Mr. Stephen Duncan, serving as the Secretary's principal adviser on narcotics matters. We are told that the Office of the Deputy Assistant Secretary of Defense for Drug Policy and Enforcement, is being moved into Mr. Duncan's organization.

But most of the budget authority will continue to rest in agencies and offices under the supervision of the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence.

The Pacific Command, Atlantic Command, Southern Command, and the North American Air Defense Command are the operating agencies in the war on drugs, but DOD-level supervision of their drug war budget activities will be split, as will counternarcotics policy development and planning.

I repeat—Who is in charge here? The answer cannot be Dick Cheney, because, like President Bush, he has a few other high priority items competing for his time and attention.

DOD needs a single manager for the war on drugs, in whom policy, planning, programming, and budgeting functions are focused. Right now, we cannot hold any one person accountable if the Department's efforts are disorganized and late. A basic principle is that when many people are responsible, no one is responsible.

Last night, we authorized another $450 million for DOD's role in the war on drugs. Will it again take them most of fiscal year 1990 to make the money available? Will part of it expire at the end of the year because they have not used it?

This is a scandal and an outrage. At a time when we say we are nationalizing and mobilizing our efforts on the war on drugs, to have almost all of the $300 million unspent, poorly allocated, with a rush to beat the spending deadline.

The time has come for the Defense Department to put its first team to work on this problem, to sort out the organizational lines of authority, to make budget and policy decisionmaking functional and effective, and to actually start fighting the war on drugs!

They have sat on their hands long enough. I plan to ask them very tough questions at the forthcoming hearing. I am giving them fair notice, so that they will have time to develop good answers.

Alone among Federal agencies, DOD has the resources, the experience, and the ability to make a serious dent in drug smuggling and to discourage other aspects of the international drug trade.

Mr. President, I serve public notice that it is time for DOD to join the team. If they do not, they will bear the blame for it, and will lose the resources we have authorized. I am dead serious about this and I hope they receive this message loud and clear.

Mr. President, to date their handling of these resources, these precious resources, is nothing short of shocking and scandalous. We must do better, otherwise we make a sham of the so-called war on drugs.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. I thank the Chair.

(The remarks of Mr. BOND pertaining to the introduction of S. 1561 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KOHL). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SANFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SANFORD. Mr. President, I ask unanimous consent that I be allowed to speak for 2 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from North Carolina is recognized.

Mr. SANFORD. I thank the Chair.

(The remarks of Mr. SANFORD pertaining to the introduction of S. 1563 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

COMPROMISE PLAN FOR FSLIC BAILOUT

Mr. SANFORD. Mr. President, I rise to offer my support for the compromise that was reached by the Senate and the House in last night's conference. As an ardent advocate for truth in budgeting, I was strongly in favor of financing the FSLIC bailout on budget. However, due to the administration's efforts to block an on-budget resolution of this crisis, the conference committee was forced to reconvene and arrived at what I believe to be an adequate solution.

The most promising development that I saw arise out of our debate on the Senate floor yesterday was the growing recognition of the deceitful budget games we play year after year. I hope our discussion has brought more attention to the need for honest budgeting and the need to proceed swiftly with systemic reform of the budget process.

The agreement reached in the conference places $20 billion of the $50 billion necessary to resolve current insolvencies on-budget in fiscal year 1989. This on-budget action will provide for direct Treasury financing, and the minute the bill is signed, we can begin to redress the monumental problems facing the savings and loan industry. While I would prefer that the remaining $30 billion also be treated in this manner, in the interest of compromise and, more importantly, in the interest of the American taxpayer, I urge my colleagues to support the conference report.

We cannot allow the financing aspect of the bailout plan to halt the passage of this legislation. Every day that we continue to debate on-budget versus off-budget, costs the taxpayers an estimated $20 million. The compromise we have reached is not the final solution to the problem, but it is a good beginning. Again, Mr. President, I urge my colleagues to support the conference report on the FSLIC legislation. It is imperative that we act in a timely manner to save taxpayer dollars and restrict this crisis from becoming more of a burden on the budget. It is equally important that we carry the lessons we have learned from deceitful budgeting as we consider approaches to reforming the current budget process.

THE OAKAR AMENDMENT

Mr. SANFORD. Mr. President, I would like to address a substantive problem I have with the legislation under consideration. My concern relates to the provisions of the so-called Oakar amendment that relate to mergers of banks and thrifts. Under those provisions, the subsidiaries of the bank holding company that effect the merger must be, in aggregate, twice the size of the thrift that is merged into a bank subsidiary of the holding company. That is an unfortunate restriction. It had been my thought that this section of the bill could provide, in States such as North Carolina in which there are a number of small and medium sized thrifts from $50 to 750 million in assets, and relatively few banks of comparable size, the option of permitting mergers of a larger thrift with a smaller commercial bank, thus supplying a publicly beneficial competitive alternative to the handful of major banks that control three-quarters of our State's banking assets.

Since the bill does not authorize such mergers, it is my hope that this matter could be revisited in the near future. I plan to confer with the distinguished chairman of the Banking Committee to see what options are available to us from both a regulatory and legislative standpoint.

Mr. SANFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM. Mr. President, I ask unanimous consent to proceed as in morning business for the purpose of introducing legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Florida is recognized.

Mr. GRAHAM. I thank the Chair.

(The remarks of Mr. GRAHAM pertaining to the introduction of S. 1562 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GRAHAM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE DEBT LIMIT

Mr. ARMSTRONG. Mr. President, while we have been whiling away the hours waiting to see if somehow we could dispose of a pending amendment which I guess is the amendment of Senator HELMS having to do with war heroes who are about to lose their pensions, I have been spending the time in the cloakroom looking at Stephen Pile's very interesting book entitled the "Book of Heroic Failures."

It is a wonderful volume that recounts in some detail things like the least savings, the least successful newspaper, the least successful safety film, the least successful animal rescue, the worst phrase book, the least accurately labled museum exhibit, the worst ankle, the least successful cricket match, so on and so forth.

One of the most interesting anecdotes it contains concerns the firemen's strike of 1948 which gave volunteer firemen in the city of London the opportunity to show their mettle.

On one particular occasion that is recounted in this volume, the firemen were called out by a distressed lady whose cat was trapped at the top of a telephone pole. The volunteers arrived with impressive speed and very quickly rescued the cat.

The woman was overjoyed, so much so she invited the fire volunteers into her home for tea and crumpets, and presently, having had a nice occasion, they departed, waving found farewells and as they backed out of the driveway, ran over the cat.

I have not seen in this book an account of the least successful effort to balance the budget, but I presume in due course that we will have somebody write a book about the series of well-intentioned but completely unsuccessful efforts to get Federal spending under control.

Here we are on the evening of the night that we are scheduled to go out on recess and just predictably we are getting ready to once again raise the debt limit.

It seems almost a familiar story. We have done it over and over again.

I wonder if while we are waiting to resolve these other issues it would not be timely for us to ask ourselves what is going on here, to ask ourselves what is the surest sign that a person or a family or maybe a nation is heading for financial disaster.

I guess I think people are in trouble financially when they cannot control their spending, when their credit card bills remain unpaid, when the bills keep rising, when the loans are overdue, when somehow they cannot curb the impluse to spend.

How can you tell when a business is fighting off bankruptcy? When it starts hounding customers to speed up their payments and at the same time it stiff-arms those they owe money to. I have seen it a lot of times. In fact, Mr. President, at one stage in my career I spent a very considerable amount of time trying to collect bills from people who were doing exactly that.

That, by the way, is what the Federal Government is doing. Obviously, these are not new insights and you all know that is exactly what is happening with the U.S. Government. We are stiff-arming creditors, trying to speed up payments, resorting to golden gimmicks and gradually falling deeper and deeper into debt.

The United States is very much like such an individual—buying more than we can pay for, sliding into financial oblivion.

Mr. President, later this evening I anticipate that we are going to consider another in a long series of extensions of the debt.The legislation which I believe will be called up shortly will raise the statutory debt ceiling by some $70 billion above its present level of $2.8 trillion. By my count, this will be the 58th time in the last 49 years that we have done so; 42 times in the last 25 years alone.

In fact, raising the debt ceiling, just borrowing more and more to finance the continuing shortfall, is just a way of life around here.

If you have a temporary shortfall, if we just somehow cannot make ends meet once or twice, we do not think too much of it. At least in our household we would not think that was an unusual occurrence. When it happens every year for 29 years in a row you begin to think maybe that is a trend. That is how long it has been since we had a balanced budget in this country.

How did we get in this mess? I do not think the answer is very distant. And despite all of the political hyperventilation, of which there has been plenty, it is not caused by spending on national defense. As every Senator knows, spending to defend this country against foreign enemies has declined steadily as a percentage of the budget and as a percentage of the gross national product for a generation.

In 1960, Federal spending for national defense was about half the budget. Today it is a little under 25 percent. In the meantime, spending for what are euphemistically called social programs has mushroomed, it has skyrocketed, gone completely out of control.

Some of the fans of this kind of spending would have us believe that the deficit is caused by tax cuts.

Mr. President, I believe that the evidence is so clear that no one should take that notion seriously. But let me just cite for the record what has happened to Federal tax revenues in recent years. They went from $92 billion in 1960 to $193 billion in 1970, going to $517 billion in 1980, and to an estimated $1.065 trillion in 1990.

During the course of that 20-year period, rates were adjusted, deductions were adjusted, the various parameters of the Federal tax system were adjusted. But in the aggregate, from 1960 to 1990, the total amount of Federal tax collections increased by a little over 1100 percent, going from $92 billion to about $1.1 trillion.

It is hard for me to believe that Senators or anybody else thinks that as a country we are under-taxed.

Mr. President, during the same period of time, tax revenues increased about twice as fast as inflation. So it is not a case that inflation has eaten up the increase in revenues. We simply spent more every year.

The source of that explosion? Well, it is the domestic spending program. In 1960, 52 percent of the budget was defense spending. In fiscal 1990 it will be, according to my computation, exactly 25.1 percent.

Where did the deficit come from? Entitlements is obviously the biggest portion. In fact, under President Bush's 5-year plan defense as a percentage of gross national product will be lower than it ever was under President Carter.

Truly a remarkable realization when you recall that just a few years ago President Reagan was elected and President Carter was turned out of office due in large part to the widely held belief that Mr. Carter had budgeted too little in spending for national defense. Here we are, a number of years later, spending only about the same amount as Jimmy Carter proposed, less after inflation, but only about the same amount in nominal dollars, than Jimmy Carter proposed almost a decade ago.

The facts are daunting. Outlays for fiscal 1990 are projected to be $1.2 trillion, virtually double spending of a decade before. Federal spending has gone from $320 billion in 1981 to $543 billion in 1989, an increase of 69 percent.

Federal spending overall is more than $4,600 per person in the United States, an increase from $2,600 per person in 1980.

The Citizens for a Sound Economy talks about the national debt in these terms. Just talking about the national debt, the Citizens for a Sound Economy tell us that at a rate of $10,000 a minute, it would take 560 years to pay off the national debt.

According to the National Taxpayers Union, the national debt is enough to paper Washington, DC, wall to wall, with $100 bills and still have enough left over to give every Member of Congress about $93 million apiece. The Federal Government is now going into debt at the rate of $3.2 billion each week, $460 million each day, $19 million an hour, $319,000 a minute or about $5,300 per second.

Interest on the national debt is now the third largest item in the Federal budget. Net interest on the debt for fiscal 1990 will reach $176.3 billion; the current annual interest payment would have run the entire Federal Government as recently as fiscal year 1967.

Interest payments on today's national debt represent an average annual tax payment, a burden on each family on the average, just for interest, of $2,300, and now consume over one-half of all of the income tax revenues from individuals in this country.

Somebody might ask, how could the situation get worse? Well, the answer is, Mr. President: barring an extraordinary change of heart for America, it is going to get worse tonight by about $70 billion because that is what we are going to be asked to vote on. Unless I am very pleasantly but very much surprised, that is going to pass.

I am going to vote against it. There will be others who will. But it is going to be about another $70 billion in debt imposed upon the people of this country.

Mr. President, there are a couple of other matters about this legislation which I personally find especially harmful.

Section 2 of the bill establishes that the debt limit increase is only to a date certain, which means that we are authorizing, encouraging, in fact, the Treasury to borrow money, the authority for which will expire on a certain date. That means, on that date, if there is not a further extension, there will be a rollback, a practice which seems to me to be the height of fiscal irresponsibility.

It is a scheme, obviously, that the advocates of the bill have in mind to give them additional leverage to force the Congress to enact still further increases in the national debt.

Mr. President, Thomas Jefferson has been thought of as one of the great visionary leaders of our country. He was a man who had a broad-gauge of America and he was one who thought that every generation ought to have the right to frame its own constitution and to set up its own ground rules for the operation of the Government. Yet Thomas Jefferson thought there was one thing that was missing in the Constitution of the United States and that was an amendment which would prevent Congress from deficit spending.

Mr. Jefferson put it this way, and I quote:

> We consider ourselves unauthorized to saddle posterity with our debts.

Thomas Jefferson was not the only thinker of the colonial and revolutionary and early Federal period that thought deficit spending was a big mistake. In fact, the reason why an antideficit provision does not appear in our Constitution, I believe, is because it was almost unthinkable that Congress would be so foolhardy as to run a debt, and certainly to do so on repeated and regular occasions seemed so farfetched that there was no need to enact a constitutional prohibition against it.

In fact, it was not just thinkers of the revolutionary and colonial and early Federal period that had this idea. It was the basic belief, in fact it was a part of the unwritten constitution of the United States until about 25 years ago.

I guess, really, more like 30 years ago.

There were not any large peacetime deficits until then. Yes, we did run large national debts during the Civil War and during World War I and II, but then they were repaid during the years after that and that was thought to be a customary and regular thing, that the country would be expected to live within its means.

Mr. President, it is only in the last 30 years, really since the fateful decision of President Johnson and those who were in Congress at the time to opt for both guns and butter, that we have run up these enormous national debts.

In fact, Mr. President, as we contemplate a $1.1-trillion annual expenditure of Government, it would be well to remember that as recently as the time of President Johnson, $100 billion seemed like an incredible amount. In fact, Mr. Johnson was seen to more or less publicly agonize over whether or not he wanted to be the first President to submit a budget which would propose to spend, in a single year, as much as $100 billion.

So, Mr. President, I do not know whether or not the author of this interesting "Book of Heroic Failures," by Stephen Pile, is still writing. But if he is not, somebody ought to take up the challenge and write the story of the least successful effort in history to get the budget balanced, because this is it.

I guess, as I think of it, that is what the Senate is doing. We are writing that story and we are going to write another chapter tonight.

Mr. President, before I yield the floor I ask unanimous consent to have printed in the RECORD at this point an interesting table taken from the budget documents comparing the level of public debt over the last four decades and, at the same time, Mr. President, to have printed in the RECORD a report on the cost of the interest on the debt compared to income tax revenue.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HISTORICAL TABLE ON DEBT

[In billions]

Year	Gross Federal debt [1]	Public debt [2]	Debt subject to limit [3]
1940	$50.6	$42.7	$43.2
1950	256.8	219.0	255.3
1960	290.8	237.2	283.8
1970	382.6	284.8	372.6
1980	914.3	715.1	908.7

HISTORICAL TABLE ON DEBT—Continued

[In billions]

Year	Gross Federal debt [1]	Public debt [2]	Debt subject to limit [3]
1981	1,003.9	794.4	998.8
1982	1,146.9	929.4	1,142.9
1983	1,381.9	1,141.7	1,337.9
1984	1,576.7	1,312.2	1,572.9
1985	1,844.3	1,515.2	1,840.6
1986	2,076.9	1,694.7	2,073.4
1987	2,345.6	1,888.1	2,586.9
1988	2,600.8	2,050.2	2,845.4
1989	2,829.8	2,177.8	2,829.8
1990 [4]	3,061.6	2,279.2	3,061.6

[1] Gross Federal Debt—Gross Federal Debt is composed of debt owned by the public and debt held by Federal Government accounts. Government accounts that hold debt are predominantly social insurance trust funds: Social Security, Medicare, Civil Service Retirement, Military Retirement, and Unemployment. Income into these accounts not needed for current benefits is used to purchase Treasury Securities or, in effect, loaned to the general fund.

[2] Public Debt—Federal debt held by the public is all debt excluding that held by government accounts. The "public" includes any person or institution other than the Federal Government (i.e., individuals, private banks, insurance companies, the Federal Reserve Banks, and foreign central banks.)

[3] Debt Subject to Limit—This is the amount of federal debt the Treasury is authorized to borrow. Since the beginning of the Republic, Congress has authorized a specific amount of debt for each separate issue. Beginning with the Second Liberty Bond Act of 1917 and subsequent amendments, the current statutory debt ceiling was established. This amount includes nearly all Gross Federal Debt. A small amount not included consists of certain certificates no longer issued and a small portion of agency debt.

[4] Estimate.

Sources. All data taken from the Historical Tables on the Budget: 1990 and the Office of Management and Budget's Mid-Session Review.

INTEREST ON THE DEBT COMPARED TO INCOME TAX REVENUE

[Dollars in billions]

	1985	1986	1987	1988	1989	1990
Interest costs	$129.4	$136.0	$138.6	$151.7	$169.1	$176.3
Interest tax revenue	$338.0	$361.0	$393.0	$401.2	$445.3	$484.6
Percent	38.3	37.7	35.3	37.8	38.0	36.4

Note.—Based on Historical Tables and on OMB's Mid-Session Review.

Mr. ARMSTRONG. Mr. President, I thank my colleagues and I thank the Chair and I now yield the floor.

Unless other Senators are seeking recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ADAMS). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HEINZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TAKING SOCIAL SECURITY TRUST FUNDS OFF BUDGET FOR PURPOSES OF DEFICIT REDUCTION CALCULATION

Mr. HEINZ. Mr. President, one of the final pieces of business we hope to accomplish tonight is to address the temporary increase in the debt ceiling. Of course, with the exception of wartime obligations, the Congress has traditionally eschewed debt as the surest road from economic vigor to financial anemia.

Unfortunately, our national debt has tripled in this decade and is expected to double again in the next. This growing mountain of debt obviously threatens the economic future of this country.

I had intended to offer an amendment this evening to the debt ceiling bill that would have removed, by increments, the Social Security trust fund surpluses used in our calculation of the yearly deficit. There are three very important and principal reasons why this amendment is not only appropriate but I think primary to any discussion of the national debt. I trust that as I review these three points that the sense of urgency I feel will become clear to my colleagues. While I will not press my amendment to a vote tonight, I want to put all my colleagues on notice, Mr. President, that when this debt ceiling expires, as it is expected to in just a few very short months, I intend to be back here on the floor, hopefully with a lot of similarly minded Members, so we can address this problem properly, strongly, and effectively by legislation.

I said a moment ago that the amendment I would have offered would freeze the Social Security surplus at its projected level in fiscal year 1991—$79 billion, and only this amount can be counted against the deficit through fiscal year 1993, and second, recover the funds borrowed by increments in a very short order. It seems to me that unless we take this approach it will allow the Congress to continue its practice of what I can only describe as clandestine borrowing from the Social Security Trust Fund reserves to mask the true size of our national debt. By doing this we permit, indeed encourage, our debt to keep spiraling upward.

By the end of 1993, when Gramm-Rudman-Hollings finally runs its course, the deficit, of course, is supposed to be zero. But what we are going to find, Mr. President, is that we are still $103 billion in the red—an amount identical to that year's projected trust fund surplus. The deficit is expected to decline from 100, 64, 28, on down to 0 in fiscal year 1993; in fact, we will still be counting for purposes of deficit reduction the Old Age and Survivors Insurance Disability Fund. What we see are receipts over disbursement climbing and continuing to climb. These receipts become debt to the Treasury. And, indeed, our real deficit in the general fund of the Treasury in 1993 will not be zero, as we report it; it will be $103 billion.

That is a lot of money. After that it will be $117 billion. We will report it as zero in all probability and each year, even if we report the Federal budget deficit as zero, our national debt will be growing by 100, by 117, by 134, by 150, by 168 and on up each year so that the national debt will, indeed, on top of already having tripled, will double in another 10 years.

Mr. President, we will find a river of red ink, a tide of rising debt. And it is time for the Congress to admit, both to itself and to the American public,

that we can no longer afford to postpone tough choices in order to make them seem less painful.

I have to admit that the amendment I have in mind is going to force us to make some additional tough choices. That is what happens when you stop putting more and more debt on the younger generation. We have to make choices for ourselves instead of reducing theirs by taking from their posterity.

There is no question that the amendment that I am talking about is going to force us to either make spending cuts or raise additional revenue or work out some combination of those two. That is what we have been doing under Gramm-Rudman for the last 3 or 4 years. That is what we will be doing under Gramm-Rudman, at least through 1993, and that is what we are going to have to do more of if we want to be honest with the American public and true to future generations.

But we will have replaced our practices of fiscal fakery with financial honesty. I believe that is what the American public wants and deserves from Congress.

Second, my amendment honors our obligation to the Social Security trust funds for current and future retirees. Right now those promises are being broken, and I hope everyone will recollect that when President Roosevelt signed the Social Security Act into law some 54 years ago, he sealed a compact in which we have all joined—the governor and the public. Yet, Congress, I fear, right now undermines the very spirit of this compact and risks defaulting on its obligation through the misapplication of trust fund reserves.

The problem, of course, is that the surpluses we apply to the deficit today are owed to the retirees in the future. It is the responsibility of Congress to ensure that when those baby boomers reach retirement age in the next century, and it is not all that far away, that they receive the benefits to which they are entitled. According to the intermediate projections of the 1989 Social Security Board of Trustees Report, in 2020 the balance of the Old Age Survivors Insurance and Disability Trust Funds will be $2.8 trillion in today's dollars—not inflated dollars—this is roughly equal to the amount of debt that we have on our books today.

If we continue to pillage these funds, I ask my colleagues who oppose this approach to tell me where, in addition to the roughly $3 trillion that we seem determined to vote in debt tonight, are we going to get the next $3 trillion or $2.8 trillion that will be owed to those beneficiaries? If the trust funds are not protected, the Government will have to slash Social Security benefits, raise taxes or borrow still more from the public.

Talk about unattractive choices, Mr. President. Those really are, because we are talking not billions of dollars, not $10 billion here or $10 billion there. We are talking about trillions of dollars. In this Congress, thank God, a trillion dollars is still real money.

There is some irony that Congress saved the Social Security goose 5 years ago only to now melt down the golden egg.

I say that because in 1983 the bipartisan commission on Social Security, a forum on which I served, organized by President Reagan, and ably chaired by Alan Greenspan, crafted the rescue of the then troubled program. The short-term crisis was resolved and the trust fund revenues began to grow.

By using these funds as we are today, we are literally undoing what the commission has done, and push the program back to a precipice of disaster.

The third reason why this amendment is appropriate to any discussion of the national debt is the issue of interest. Gramm-Rudman-Hollings, I think we all admit, was a commitment to reduce Government borrowing and thus simultaneously reduce interest paid out on Government debt.

Our current use of Social Security reserves simply replaces one form of borrowing with another. Instead of reducing the interest burden on the Government, we are adding to it. The numbers speak for themselves.

We already pay out more than $1 in every $4 of our non-Social Security revenues just to make interest payments on this debt that we are voting on tonight. If we continue to postpone honest reduction efforts, by the year 2000, just 10 years away, as much as $6 out of every $10 of all such revenues will be required to cover interest due. Think of it, $6 out of every $10, not $1 out of every $4 as now.

Of the total interest owed on the national debt within 5 years, $46 billion will be owed to the trust funds alone. This would not be the case if we took the Social Security trust funds off budget. We simply cannot continue to mortgage our future in this way.

Mr. President, what I am suggesting is that we must carefully weigh the consequences of again doubling the national debt in interest in the next decade. If budget deficits are eliminated, the scheduled accumulation of Social Security reserves could result in a surplus in the total budget. We would be able to buy in the entire publicly-held portion of the national debt by the year 2007.

The Social Security system would own most of the debt, and I think we would show a tremendous increase in national savings. Instead of competing with the private sector as the Treasury does every morning on Monday morning when it refunds and issues new debt, and instead of having to try to borrow increasing amounts of money from foreign interests, we would have the Treasury sitting at home tending our knitting and the private sector would be able to make this economy roll. The cost of capital would drop and we would see, I believe, probably the greatest economic expansion that we would ever have found in the history of our country.

Mr. President, as you and others may know, I have addressed our colleagues on this issue before, and I am pleased that on May 3 this year, the Senate passed a resolution which I offered, together with Senator MOYNIHAN and Senator HATCH, to restore truth and accuracy to the budget process by removing the Social Security trust funds from our budget calculations. I offered in support of that resolution the findings of the National Economic Commission, the General Accounting Office and a broad range of economists, policy analysts and interest groups.

In fact, speaking of the National Economic Commission, on which several of our most distinguished Members served, there was a lot of disagreement over how to tame the budget deficit. The one and only one recommendation that they unanimously agreed upon is that the Social Security trust fund should be removed from the Gramm-Rudman-Hollings deficit reduction game.

I ask that a list of all the economists who support the concept of removing the Social Security trust fund surpluses out of the Federal deficit calculations be published at the end of my comments today.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HEINZ. Mr. President, the amendment that I intended to offer tonight is similar to the sense-of-the-Senate resolution. First, it would leave the Gramm-Rudman-Hollings targets in place. Second, it would freeze the Social Security surplus at its projected level for fiscal year 1991, $79 billion, and only that amount could be counted against the deficit through 1993. Third, it would remove the Social Security trust fund from that deficit counting game by reducing that $79 billion in several equal annual steps starting at the end of fiscal 1993. Finally, we would allow 4 years to take those final steps.

As we address the debt ceiling bill tonight, I think it is critical to recognize that it will soon be impossible to pass any further increases in the debt ceiling unless this problem is addressed. There must be a feasible solution to this growing national debt that is being fed by the willingness of our colleagues to still treat these Social Security surplus funds as some kind of

piggy bank into which we can dip at any time.

So I urge my colleagues' support for a plan that would ensure future retiree benefits as well as a reduction in the national debt. Every day we postpone removing the trust funds, Mr. President, the more difficult and intimidating that task will become. The day of reckoning for honest budgeting cannot be postponed for future generations. That day is now. I ask my colleagues to carefully consider this proposal as a pledge to honest budgeting and a healthy economy.

Mr. President, I yield the floor.

EXHIBIT 1

Robert Ball, former Commissioner of SSA.
Herbert Stein, former chairman of the Council of Economic Advisers.
Charles Schultz, Director of Economic Studies Programs, Brookings Institution.
Henry Aaron, Brookings Institution.
Bary Burtless, Brookings Institution.
Thomas Mann, Brookings Institution.
Barry Bosworth, Brookings Institution.
Alicia Munnell, Senior Vice President and Director of Research at the Federal Reserve Bank of Boston.
Allan Binder, Chairman Economic Policy, Princeton University.

The PRESIDING OFFICER. Who seeks recognition?

Mr. HEINZ. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, for the benefit and information of Senators who have been patiently waiting, I am about to propound a unanimous-consent request covering the disposition of those matters which remain, and on which action must be completed prior to the recess.

I will now state the unanimous-consent request, and, if there is no objection to it, then I will make brief further comments thereafter about the schedule for the remainder of this session.

Mr. President, I ask unanimous consent that the majority leader, after consultation with the Republican leader, may proceed to the consideration with the Republican leader, may proceed to the consideration of the conference report to accompany H.R. 1278, the Financial Institutions Reform Recovery and Enforcement Act, and that it be considered under the following time limitation: 60 minutes overall on the consideration of the conference report, with 30 minutes equally divided and controlled between Senators RIEGLE and GARN, 15 minutes under the control of Senator GRAHAM, 10 minutes under the control of Senator EXON, and 5 minutes under the control of Senator CONRAD; with all points of order against the conference report being waived.

I further ask unanimous consent that, following the expiration of time listed for the debate, there be an immediate vote on adoption of the conference report with no intervening action or debate.

I further ask unanimous consent that, upon disposition of the conference report, the Senate proceed to the immediate consideration of H.R. 3024, the short-term debt limit extension bill, that it be considered under the following time limitation: 20 minutes equally divided between Senators BENTSEN and PACKWOOD or their designees; that no amendments, motions, or points of order be in order; that, upon the completion or yielding back of the time, of the Senate without any intervening action vote on final passage of H.R. 3024.

I further ask unanimous consent that, immediately upon the disposition of H.R. 3024, the Senate resume consideration of the Treasury, Postal appropriations bill, H.R. 2989; that the pending Nickles and Helms amendments be withdrawn; that the only amendment in order be an amendment by Senator GRASSLEY; that upon disposition of the Grassley amendment the bill be read a third time and passed, and, that the foregoing be completed without any intervening action or debate; and that the Chair be authorized to appoint conferees.

I further ask unanimous consent that the only remaining action, other than items cleared by the two leaders, to be considered before the Senate recesses, be the adjournment resolution on which no amendments, motions, or points of order shall be in order.

I further ask unanimous consent that no later than 12 noon on November 3, the Senate proceed to a bill to be introduced by Senator HELMS identical to the language of amendment 694, on which there will be 4 hours of debate, to be equally divided between Senators HELMS and MITCHELL; that no amendments or points of order be in order; that upon the conclusion or yielding back of time, the Senate proceed to vote, without any intervening action or debate, on final passage of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. MITCHELL. Mr. President, may I withhold the approval momentarily?

Mr. President, I am advised that action on the Treasury, Postal appropriations bill will, if this order is accepted, be very brief, taking not more than a few minutes. Accordingly, I modify my request solely to reverse or change the order of the disposition of the various matters, as propounded, to permit action on the Treasury, Postal appropriations bill to occur first, following which, we would then proceed to the savings and loan legislation, and then short-term debt bill.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object, and I will not object. With reference to the Treasury, Postal Service bill, I heard that part of the request with reference to the appointment of the conferees by the Chair. Was there a provision or language provided for insistence on the Senate amendments in requesting the conference with the House? That should be included.

Mr. MITCHELL. I modify my request to include the language by the President pro tempore.

The PRESIDING OFFICER. It is so modified.

Mr. CONRAD. Mr. President, reserving the right to object, and I will not object, I do want the record to clearly show at this point that I register my profound opposition to what we are doing tonight and how we are doing it. I think it is a very serious mistake for us to pass on a voice vote a measure of this magnitude, without further debate. With that, I will not object.

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. Is there objection?

Mr. KASTEN. Reserving my right to object.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. Mr. President, I today express my intense concern about the impending passage of the proposed S&L bailout plan.

I voted for the Senate version of this legislation. I did so with strong reservations, yet with the hope that the House action on the bill, and the ensuing House-Senate conference, would improve upon the measure we passed.

Hopes have not been met. The bill we are about to pass will not provide a long-term solution to the problems afflicting America's savings and loans. On the contrary—the path we are about to follow may well bring us, in future years, to the same sad state of affairs that made this plan necessary.

The S&L conference report will cost the taxpayer $13.3 billion more than the measure the Senate originally passed. But it takes us further and further away from a permanent solution. And not only that: it unfairly penalizes the S&L industries in States like my own—Wisconsin—and subsidizes the irresponsible practices of S&L's in other parts of the country.

The ideal reform would be to close immediately all insolvent S&L's, promptly compensate depositors on their insured accounts at those S&L's,

and then move toward a risk-based Federal deposit insurance system.

Mr. President, on an issue of this importance, I think it is essential that individual Senators make their views known in an unequivocal manner. Ordinarily, the best way to ensure this kind of individual responsibility is a rollcall vote.

However, due to the pressing nature of our parliamentary situation, I will not insist on a rollcall vote. But I want the record to be clear that I am voting "no" on this conference report.

The PRESIDING OFFICER. Who seeks recognition?

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. I do not intend to object, but I have to state the same feelings that the Senator from Wisconsin has in wanting the record to be very clear that I intend to vote against the bill. I cast no aspersions on the fine work of the conference committee, but I cannot vote for this bill.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, it is not my intention to seek a rollcall vote on the various measures remaining for action. Senators should be aware, of course, that neither I nor the distinguished Republican leader can prevent Senators from requesting such a vote. I know of no such intention at this time.

Accordingly, if no such request is made, there will be no rollcall vote this evening on these matters. I would caution Senators that House action remains to take place after completion of our consideration of the savings and loan legislation, and we do not know what the result of that action will be.

It is possible that this matter has not been finally disposed of in the Senate, but we must await final disposition of the matter in the House, following the action we take here.

I conclude by thanking all of my colleagues for their patience and cooperation. It has taken several hours to arrange for us to reach this point. While I recognize that many Senators, for a wide variety of reasons—often directly conflicting reasons—would prefer another course of action, I believe this is the one best calculated to achieve the result that is most desirable for the Senate and the country.

I yield the floor.

Mr. DOLE. Mr. President, just very briefly, it is the understanding, of course, between the two leaders, and hopefully all of our colleagues, that there will be no requests for a rollcall vote, because I think, based on what we have done thus far, some Members probably feel free to leave. And we hope there is no request for a vote. It will take a long time to work this out. I think we have accommodated all concerns.

If people are against this proposal, they can put a strong statement in the RECORD, and it will be read with interest.

Mr. BYRD. I am sure the leaders are aware that the agreement itself does not rule out a rollcall vote.

The PRESIDING OFFICER. The Senator from West Virginia is correct.

Mr. METZENBAUM. Will the Senator yield for a question?

Mr. MITCHELL. Yes.

The PRESIDING OFFICER. The majority leader still has the floor.

Does he yield for a question?

Mr. MITCHELL. I yield to the Senator from Ohio for a question.

Mr. METZENBAUM. I am a little curious. Is there some reason we cannot get unanimous consent that there not be any rollcalls in connection with these three bills, so that we could feel free to leave and not be taken by surprise?

Mr. MITCHELL. If the Senator would withhold and permit me to discuss it, this has been a subject of several hours of discussion.

Mr. METZENBAUM. I appreciate the efforts of the leader. I withhold.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The majority leader has the floor.

Mr. MITCHELL. I will yield to the Senator from North Dakota.

Mr. CONRAD. I would like, at the appropriate time, to deliver my statement explaining my position.

Mr. MITCHELL. That is protected in the unanimous-consent order, but the first order of business will be the Treasury appropriation which I understand will now proceed very quickly. I am advised that Senator GRASSLEY is not going to offer his amendment, and then we will be on the S&L bill.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATION BILL 1990

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The pending order of business is H.R. 2989.

Mr. DECONCINI. Mr. President, let me thank the majority leader and the distinguished chairman of the Appropriations Committee, Senator BYRD; the minority leader; and of course, the Senator from North Carolina, Senator HELMS; for making arrangements tonight that we can pass H.R. 2989.

Mr. President, due to the time, I am not going to reiterate or even summarize what is in this bill. It is in the statement about 8 hours ago.

The Senator from New Mexico and myself went over it in great detail as to what is in this bill, what it does, in very specific areas.

I am deeply grateful that the Senate is going to let us work our will and pass this bill tonight.

I know that in the category of importance, maybe the saving and loan bill has a greater significance in some minds, but to me, this is an operational bill of the Treasury, Postal Service and other general Government agencies, including the IRS and many other agencies, and it is imperative that we pass this bill and get on to conference.

I am hopeful that we can do so in the next couple minutes.

I yield to my friend from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I thank the chairman for his work and the chairman of the full committee for helping and the leadership for getting us at this point.

I have nothing further to add.

I am not at all sure whether the distinguished Senator from Iowa [Mr. GRASSLEY] wants to offer an amendment.

He does not intend to offer the amendment that was reserved.

So we have nothing remaining.

Mr. DECONCINI. Mr. President, I thank the Senator from Iowa also.

I agree in principle with the amendment the Senator was going to offer. I realize that he had that right to do so, and the source of the offset of the cost of his amendment would have taken us considerable time to debate and go into, and I am grateful that he has agreed to let this go on so we can get on to the business of the Senate.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 2989) was passed.

Mr. DECONCINI. I move to reconsider the vote by which the bill was passed.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DECONCINI. Mr. President, I move that the Senate further insist on its amendments to H.R. 2989, agree to the conference requested by the House of Representatives on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. ADAMS) appointed Mr. DECONCINI, Mr. BYRD, Ms. MIKULSKI, Mr. KERREY, Mr. DOMENICI,

Mr. HATFIELD, and Mr. D'AMATO conferees on the part of the Senate.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the chairman of the subcommittee again, Mr. DECONCINI, and the ranking member, Mr. DOMENICI, for their excellent work, their fine teamwork, their great cooperation and expertise, and I compliment them on the skill with which they have handled the markups, the hearings and management of the bill on the floor.

I also think the two leaders, Mr. MITCHELL and Mr. DOLE, for helping us to unravel this Gordian knot at the end of this calendar day, and their help is deeply appreciated by all, I am sure.

Let me also thank Mr. HELMS and Mr. SIMPSON. Mr. SIMPSON had a great deal to do with this. He was a great bit of yeast in the dough at the end of the day.

And I thank Mr. HELMS again for withdrawing the amendment and helping us reach an agreement which allowed the passage of this bill before we recessed for August.

It puts us in a good position now for the staffs to do the work at some point during the recess that will have to be taken up in conference. It will help to expedite the final action in the conference.

I am grateful to all concerned; again my deep appreciation to all members of the Appropriations Committee on both sides of the aisle.

Mr. President, one postscript. I thank the excellent staffs on the Appropriations Committee on both sides, Democratic and Republican. They are nonpartisan. They are Patty Lynch, Ursula Maurer, Rebecca Davies, and Judee Klepec.

Without them, we could not hope to be where we are today.

I know those staff people. I have seen them not work 8 hours a day but 12, 13, 14, 15, and 16 hours a day. And they are here sometimes before I get here and sometimes after I leave for the most part. I deeply appreciate their work, their loyalty, dedication and the skill that they constantly demonstrate, which can only come with experience, and that is why we are so proud of our staffs.

FINANCIAL INSTITUTIONS REFORM, RECOVERY, AND ENFORCEMENT ACT—CONFERENCE REPORT

Mr. RIEGLE. Mr. President, I submit a report of the committee of conference on H.R. 1278 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1278) to reform, recapitalize, and consolidate the Federal deposit insurance system, to enhance the regulatory and enforcement powers of Federal financial institutions regulatory agencies, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their repective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of today, August 4, 1989.)

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. Mr. President, the conference report on the saving and loan reform package is at the desk. It is roughly 1,000 pages.

I think it is the best bill possible to craft under the circumstances. It will make major reforms in every respect in terms of strengthening and improving, setting up tougher and higher standards in that industry in the future.

It is signed by all five conferees.

I will only make one other point with respect to the funding dispute. We worked out an agreement last night in the conference that would put $20 billion of the spending on budget in fiscal 1989 and the remaining $30 billion planned spending would be spent over the next 2 fiscal years in the REFCORP arrangement and would not be shown on the budget.

That is not precisely to the liking of any of us, but it is the nature of working out strong disagreements that compromises of this kind have to be developed.

The President has indicated he intends to sign the bill if it is passed. I think it is urgent that the bill be passed. I think if this bill were not passed and signed into law quickly, the losses would continue to mount and I think far more threatening events could arise with respect to the stability of the industry.

It would be my hope that the Congress as a whole, first the Senate now, and the House later, will enact this legislation and send it down for the President's signature.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President, the hour is late and we need to get on with this legislation. Then let me just make a few remarks.

This is a difficult bill, one as the chairman has mentioned that is over 1,000 pages long.

He and I in the Banking Committee of the Senate have labored for 6 months to try and come up to a solution to this problem. I do not think it would make any difference what kind of a bill that we arrived at tonight. There would be Members on both sides of the aisle who would stand up who have not been part of the process and say, "We don't like it; we are going to vote against it."

I understand that. I have done that before on bills myself that I did not like.

I think we have to recognize the seriousness of the problem. Well over $100 billion is going to be paid by the taxpayers of this country, without doubt the biggest single bill in the history of this country. So we may not have it the way we like it. Certainly if I could write it, I would do things differently. I would remove the housing provisions even if I agreed with them, because this is not the place and the time on a rescue bill to be putting extraneous provisions on.

There are other provisions that I would like to change, and I certainly do not like the financing method or the compromise that we agreed to last night, but I emphasize the nature of the problem and the fact that for every day it has taken to get to this point, it has cost the taxpayer at least $20 million.

So I urge my colleagues in the House to recognize what the core issue is, what the problem is, and what we set out to do 6 months ago. And to recognize even though there are things that they would like to change that if they do and they defeat the bill tonight, they are responsible for the taxpayers' coughing up an additional $20 million a day. That will be another $40 million by Monday and every day that goes by.

I would not like that kind of responsibility on my shoulders, and I am sure the chairman and the vast majority of this body does not want this to happen, either.

One thing that has happened this week that is puzzling to me is all the difficulties we have had and the difficulties the chairman and I have had today in getting this bill up, and we have been essentially on the floor since 10 o'clock this morning attempting to do that, literally not leaving this area, and trying to get it passed and over to the House, and every one of the issues have not dealt with what we are trying to solve. There have been extraneous issues brought up by individual Members.

I want to close by saying what we set out to do was to solve a problem and restructure the industry. Even the financing issue is not important, relatively speaking, compared to a complete restructuring of the industry: separating the function of insurance from the regulatory function; placing the new agency for the regulation of S&L's under the Treasury Department; putting in new, tough, capital

standards; dramatically increasing the statute of limitations in criminal and civil penalties to $1 million a day for those who steal from the American public and their depositors; and to put in new procedures across the board to attempt to make this a situation that will not happen again.

The core issues of this bill are the good parts of the bill. It really is a good bill. The President sent up a good bill. The Congress has strengthened it, particularly with the increased capital standards. We have lost sight of that this week, and I hope the House of Representatives would think tonight what they are doing.

The funding issue and some of the other extraneous issues that people do not like are unimportant compared to getting in a complete restructuring of the industry and making sure these people have to put up more of their own money. That is the best way to ensure they do a better job of it. They are a lot more careful with their own money than they are with someone else's. That is what we ought to be focusing on.

I hope the House of Representatives will, and this bill will go down to the President and be signed by next week so we can stop the hemorrhage and get on with it.

Mr. President, I am happy to report that we have achieved a compromise with the House on the issue of financing the S&L bailout. I did not sign the original conference report on the S&L bill because of my concerns over funding and I voted not to waive the Budget Act. With the compromise we have worked out with the House, I now support the conference report and intend to vote for its adoption.

What is more important, the President has today indicated his support of the revised conference report. If we adopt the conference report today, we can have this important legislation signed into law in the very near future.

The budget compromise in the bill is not all I hoped we could get, but I believe it is a reasonable deal and the best we are going to get under the circumstances. I would like to review the proposal briefly.

The compromise retains substantial elements of the Senate position and the administration's proposal. We have retained the private borrowing mechanism of REFCORP and have maintained Gramm-Rudman-Hollings rules intact for 1990 and 1991. We are not going to be in the position of altering the maximum deficit calculations and waiving sequestration requirements for the first time through this bill.

The compromise also involves a concession on the part of the Senate. It adds $20 billion to the 1989 budget deficit, compared to the $10 billion off-budget funding requirement in 1989 under the administration's original plan. This expanded use of Treasury funds, while unwelcome, is justified on two grounds.

First, the larger figure represents a reassessment by the administration and the FDIC of what can be used in the opening months of the rescue operation. In addition, the shift to direct Treasury funding is based on the assessment that it will be very difficult to create REFCORP and raise $10 to $20 billion in the short time remaining in this fiscal year.

I would only remind my colleagues that we have always known that any version of this legislation would require a 1989 budget waiver and we must face that fact here. We have not emerged unscathed but this compromise keeps the budget rules largely intact.

This is a bill that has the support of the President. I urge my colleagues to adopt this compromise. Further delay only increases the cost to the American taxpayer.

I would also like to take this opportunity to thank the hardworking Republican staff of the Banking Committee. Through the many long months since the President submitted the bill, the staff has worked countless hours, long into the night, and through weekends to ensure that we had a good bill to vote on today. Personal lives were sacrificed to produce this bill, and I am very grateful to the staff members and interns. Wayne Abernathy, Rob Ball, Brad Belt, Dan Berkland, Eric Boyack, Lynn Gee, Karen Jensen Marsden, Diane Mery, Patti Engebretson Mietla, Ray Natter, Ira Paull, Mary Dwyer Pembroke, Lamar Smith, Adam Spector, Paul Voltmer, and John Walsh.

The entire Banking Committee staff, Republican and Democratic, worked very well together through the entire process and I would like to express my appreciation to the majority staff for their work on the bill. In addition, I would like to recognize the work of the committee's front office staff. Chief Clerk Lory Breneman and her assistants Rachel Jacobson and Margarete Muskett have performed ably during the long process of hearings, markup, and the conference. Without the hard work and dedication of this fine staff, the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 would not be before this body today.

I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. BRYAN). Who yields time?

The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, we come this evening to an important chapter in this book. It is an evening on which the Senate will no doubt vote to accept the conference committee report, and we will await the action in the House of Representatives.

As indicated by the distinguished chairman and ranking member whose great and committed effort to this cause deserves our total applause and commendation, there are many basic issues raised in this bill. I would like to especially recognize the very solid work which has been done in terms of building a stronger capital base under this industry. Because, as our colleague from Utah has stated, it is exactly that strengthened capital base that will give us the greatest assurance that this total disaster will not be repeated.

However, Mr. President, I believe there are some very fundamental ways in which this legislation is deficient. One of those ways is in terms of basic honesty. Does this legislation address the true extent of the problem before the American people? And does it provide, at the least cost and the greatest rationality, a means of resolving that problem?

Mr. President, this chart illustrates, in the cluster of bars on the right side of the chart, what the administration's assessment is of the extent of this problem over the 30 years that the bonds that will be authorized by our action tonight are authorized to be sold. The total cost to the American taxpayers will be $176 billion. That figure is essentially arrived at by a subtraction process. By adding the total cost of the program, which is estimated to be $239 billion, and then subtracting what will be contributed toward its resolution by the Federal Home Loan Bank Boards and by the S&L industy itself.

I suggest that this chart is deficient in at least two principal manners. First, it is deficient in terms of stating what the true cost of the total program will be. To use one example, the last $50 billion of this $239 is to be the cost associated with closing those institutions which will be closed in the future. The balance of the costs are for institutions which have already been closed and for which we will be paying the cost of that closure over the years into the future.

That figure of $50 billion is arrived at by this rough mathematics. Those institutions, some 200 plus, have a total deposit base at risk of $400 billion. They have assets of $350 billion. The difference is the $50 billion which is included in this plan.

That sounds like it is straightforward mathematics that should represent the amount necessary to be included. So what is the problem? The problem is that there is an assumption that we will be able to realize 100 percent of that $350 billion which represents the assets of these institutions, which we contemplate going into some

form of Government-assisted continuation or actual closure of business.

What has been the experience with the institutions that we already have taken in, in this financial fiasco of unprecedented proportions? The institutions that we have taken in to date have had an average asset recapture of approximately 60 percent. If that same 60-percent figure applies to the institutions that we contemplate taking in the future, we are not talking about a loss of $50 billion. We are talking about a loss of $140 billion in addition to the $50 billion.

If we are better in the future than we have been in the past, and could cut that, instead of a 60-percent asset value, if we could keep it at an 80-percent asset value, we would be adding $70 billion additional dollars to this program.

That is one basic element which we all need to understand, that we are working with numbers that are unlikely to be realized in the future.

The second basic premise of this accounting is how the costs are going to be allocated, as between the taxpayer and the industry. This chart, which assumes the industry is going to be able to pay $51 billion toward this rescue plan, is predicated among other things, on the assumption that the industry will experience a growth in deposits over the next 10 years of an average of 7.2. percent a year.

All of us know that, in fact, the industry has been shrinking over the past several months; that deposits have been leaving this industry, not coming into the industry at the 7.2-percent rate upon which this figure is predicated.

Assuming that the rate of deposit growth is a more realistic but in my opinion still very optimistic 5 percent over the next 10 years, that will reduce the industry contribution to $42 billion.

I believe, my colleagues, that it is this series of bar graphs that is much more likely to be the extent of the problem that we are facing: A diminished contribution by the industry, and a staggering $331 billion contribution by the American taxpayer from today through the year 2019, toward this problem. That assumes that the additional costs of this program will be only $25 billion more than the administration is currently assuming, which I consider to be an extremely conservative estimate of what the additional cost is likely to be.

Mr. RIEGLE. Will the Senator yield on that point on my time just briefly?

As he knows, I share his concern on the question as to whether or not the amounts here will be sufficient to meet this problem. I inserted in the RECORD yesterday—and I want to make reference to it now—two letters that I sent recently; one to the Treasury Secretary, Mr. Brady, the other to the FDIC Chairman, Mr. Seidman, raising precisely that question as to whether later information would have caused them to think that they might need a higher amount to finance this plan. They both responded in writing in detail saying that they felt confident the amounts being asked for by the administration were sufficient.

I still register my own concern about that, but those two letters, my letters to them and their responses, were placed in the RECORD yesterday. I will not do it again now, but I did want that reference to be at this point in the discussion in terms of the point the Senator from Florida makes.

I thank the Senator for yielding.

Mr. GRAHAM. I say to my dear friend from Michigan, I take no solace with the representations. Today is August 4, 1989. Three hundred sixty-seven days ago, on August 2, 1988, a gentleman appeared before the committee which you chair, the Senate Banking Committee. That gentleman was the Under Secretary of the Department of the Treasury, Mr. George Gould. Mr. Gould, speaking for the administration before the Banking Committee 367 days ago, made this statement:

> I urge this committee in the strongest possible terms to resist mounting pleas for an unnecessary budget-busting bailout of FSLIC.

If I could repeat that quotation:

> I urge this committee in the strongest possible terms to resist mounting pleas for an unnecessary budget-busting bailout of FSLIC.

I submit that, Mr. President, as the basis for my skepticism as to the representations that are now being made that we have come forward with a plan that will be the final solution to this period of economic ignominy for the United States.

Second, in addition to feeling that we have substantially understated the cost of this plan, I think that we have constructed now a financing mechanism which is going to make it much more difficult for us to deal with what I think are the almost inevitable next calls upon the American taxpayer to finance this measure. We are going to have a mixed bag of FICO bonds which were authorized 2 years ago to finance part of this disaster. We are going to have now some on-budget borrowing and we are going to have a new set of funds under REFCORP for off-budget borrowing.

Into this alphabet soup of financial shenanigans, much of which is designed to mask the true extent of its problem, we are now going to be, I predict with absolute certainty, faced with additional charges to the American taxpayer in order to deal with the full extent of this problem.

So I believe that this plan is deficient in the sense that it fails to meet one of the basic standards that should apply to any act of surgery or salvation, and that is let us deal with the patient once, and not have to have that patient to be wheeled back into the operating room time after time, particularly when this patient is going to have to be cut through with layers of scar tissue from previous failed attempts to resuscitate this crisis-laden industry.

Finally, Mr. President, I believe that we need in this generation to accept our responsibility. We have a financing plan that is going to put the costs of this to our children and our grandchildren. It is also going to be a financing plan which will cause all of our statements of fiscal conservatism and prudence at our efforts of regaining control of the American fiscal scene to be shattered.

What we are proposing to do is to take $20 billion and dump it into 1989 to inflate the amount of deficit this year since it will count toward next year's Gramm-Rudman target. I believe that that is an extremely dubious proposition in terms of finance and even a more dubious proposition in terms of facing with candor and honesty what our generation has inflicted upon the people of this Nation.

But instead, we are taking the route that says: "Let's look at what is least painful to us, what will most mask our indiscretions, and let's let our grandchildren pay for it."

Mr. President, this is not our proudest hour. I hope that when we come back, whether it is next week or next month, or certainly next year, to deal again with this issue, which we are leaving dangling from a shredded thread of less than fully honest and candid public policy, that the chapters that we will write in the future will be brighter ones than the ones we pen tonight.

Mr. President, yesterday during debate on H.R. 1278, the conference report on the Financial Institution Reform, Recovery and Enforcement Act of 1989, Senator GRAMM of Texas referred to the Banking Committee's 1987 markup on prior legislation to recapitalize the FSLIC. He said that at the markup he attempted to increase from $7.5 to 15 billion the amount the committee authorized for the FSLIC recapitalization and that I had opposed him. He also said Senator GARN attempted to increase the $7.5 billion in the committee's bill to $10 billion, and that I had opposed that. I regret to have to say that these statements made by Senator GRAMM as to what happened at the March 1987 markup are not accurate. Let me explain:

The bill presented by the chairman at the markup gave the administration $7.5 billion to recapitalize the FSLIC.

The Banking Committee, in its March 1987 report stated why the committee chose not to give Treasury

the $15 billion it originally requested. That report states:

The Treasury/FHLBB plan called for a borrowing authority of $15 billion with no near term limit on when that authority could be exercised despite the Treasury's own statements that probably no more than $2.5 billion could be borrowed in any one year.

The amendment offered by Senator GRAMM, which he said I voted against, actually stated that the Banking Committee provide $15 billion for the recapitalization of FSLIC, but that "no more than $7.5 billion could be expended in the first 2 years." That is the amendment I voted against. Senator GRAMM never sought a vote on an amendment to give the administration $15 billion with no limits.

The amendment offered by Senator GARN, that Senator GRAMM said I voted against, was to give the administration "10 billion not to exceed $3.5 billion a year." Senator GARN never offered an amendment to give the administration $10 billion without restrictions.

The amendment that I did vote for was the Sanford amendment which gave Treasury $7.5 billion for 2 years with a limit of $3.75 billion per year, and which further provided that the Congress should review the problem over the next 2 years before providing additional funds.

So in reality Senator GRAMM and I both favored giving the administration $7.5 billion over 2 years to deal with the FSLIC issue. Our disagreement was over whether the administration should have been given $7.5 billion more in 1987 to handle problems after the initial 2-year period, or whether it should come back to Congress and report on the matter before any decision was made. I favored clear congressional supervision.

What really caused these problems to get out of hand was not giving the administration less than $15 billion in 1987, but rather that in 1988 when Congress conducted oversight hearings administration and the Bank Board officials did not accurately portray what was going on.

In May 1988 Danny Wall, the Chairman of the Bank Board told the Banking Committee that the Board could deal with existing problems with the resources then available. He did not ask for any more resources from Congress.

Let me read an interesting exchange between Senator GRAMM and Mr. Wall from the transcript of that May 26, 1988 hearing:

Senator GRAMM. Danny, as you are aware, there have been a lot of people in front of this committee and a lot of talk around town from people with faint hearts and open palms about a taxpayer bailout.

I am committed to the idea that with enlightened public policy, we can avoid a taxpayer bailout.

Do you believe we can do that?

Mr. WALL. We believe that the numbers are such right now that barring any significant shift in our assumptions in the economy, generally, we are within striking distance of having dealt with all of the problems with the resources available.

On August 2, 1988, just over 1 year ago, Under Secretary Gould of the Treasury speaking for the administration told the Banking Committee:

I urge this committee in the strongest possible terms to resist mounting pleas for an unnecessary budget busting bailout at FSLIC.

The facts are that in March 1987 the Banking Committee gave the Treasury $7.5 billion for 2 years, just as Senator GRAMM proposed, and also decided to conduct closer oversight of the matter before authorizing more. The reason we are here today is not because we failed to adopt Senator GRAMM's amendment in our March 1987 markup, but rather that the administration in our subsequent oversight hearings was not honest with the Congress about the mounting losses at FSLIC necessitating a taxpayer bailout until after the November 1988 election was over.

SEQUESTRATION ISSUE

I do think Senator GRAMM should be reminded that at the same March 1987 markup about which he spoke yesterday, he resisted the committee's efforts to provide the bank and savings and loan regulatory agencies with the resources they needed to crack down on abuses in our financial institutions.

Bank regulators are paid by fees imposed on the financial institutions they regulate and therefore do not use taxpayer moneys to carry out their duties. Despite that fact, the Reagan administration applied the automatic budget cuts on agency expenditures mandated by the Gramm-Rudman Act to the bank regulatory agencies. In 1986 Senators Proxmire and GARN wrote to OBM and stated:

If these agencies are hamstrung by arbitrary limitations on their administrative expenses, they cannot take timely action to close or merge failing institutions with the result that the ultimate cost to the insurance fund administered by these agencies will be much higher. Surely the Congress did not intend this anomalous result when it enacted the Gramm-Rudman Hollings Act.

When, despite this letter, the Reagan administration refused to carry out the clear intent of Congress on this matter, Senator RIEGLE offered an amendment at the Banking Committee's March 1987 markup to mandate that the bank regulatory agencies be exempted from the provisions of the Gramm-Rudman law and the Anti-Deficiency Act. I supported that amendment in order to ensure that the bank and S&L regulatory authorities had the resources they needed to do their jobs. Senator GRAMM voted against that amendment. After the committee adopted the Riegle amendment, Senator GRAMM wrote to all his Senate colleagues about why it was a bad idea and why he would seek to remove the provision on the Senate floor.

Senator GRAMM, like the Reagan administration, took a penny-wise, dollar-foolish attitude on this matter. They failed to understand that insured financial institutions are ultimately playing with funds guaranteed by the taxpayers, and when they are not regulated properly the taxpayer bears the risk. Today's $50 billion American taxpayer bailout is a demonstration of that fact.

Mr. CONRAD. Mr. President, first, let me associate myself with the remarks of my distinguished colleague from Florida, Senator GRAHAM. I agree with his observations. I agree with his analysis. I agree with his conclusion.

Mr. President, I take this opportunity to express why earlier I said I felt profound opposition to what we are doing tonight. In one fell swoop, we are extending the debt limit by $70 billion and we are passing a $166 billion package to bail out the S&L industry financing it off budget, and all on voice votes.

It is truly make believe time in Washington, Mr. President. In 9 years, the national debt of this country has tripled from just over $900 billion to $2.8 trillion, and tonight we stack on another $70 billion. We have gone, in that same period, from being the largest creditor nation in the world—more countries owing us more money than any other country in the world—to being the largest debtor nation in the world, owing over $500 billion to other countries. And still it goes on.

It is true that the official deficit has been cut from over $220 billion in 1986 to a projected $100 billion in 1990, but we are doing it by raiding the trust funds, as previously described by my colleague from Florida, Senator GRAHAM—raid the Social Security trust fund, raid the highway trust fund, raid the airport trust fund. And tonight we come up with a new fraud and new sham—off-budget financing of the S&L bailout and forget Gramm-Rudman targets for 1989. Make believe, make believe, Mr. President, make believe the money is not being spent; make believe we are not adding to the debt; make believe.

Mr. President, what should we have done? I believe we should have put this expenditure on budget. Let us be honest with the American people. And I believe, Mr. President, that would have cost the taxpayers of America far less because then we would have allowed Treasury borrowing at lower interest rates to finance this bailout.

Mr. President, I believe we should have subjected the expenditures to the Gramm-Rudman limits.

Mr. BYRD. Mr. President, may we have order in the Senate? The Senator

is making an important speech. He is entitled to be heard.

The PRESIDING OFFICER. The Senate will be in order.

Mr. CONRAD. I want to thank my colleague, the Senator from West Virginia.

Mr. BYRD. I want to thank my friend for the statement he is making and, if he will yield, I intend to vote against this bill. If it is a voice vote, I want it recorded here and now. Saying that, I compliment the manager and the ranking manager. I think they did the very best they could under extremely difficult circumstances. I thank the Senator for yielding.

Mr. CONRAD. I want to associate myself with the remarks of the Senator from West Virginia. I also have deep respect for the chairman of this committee and for the ranking member. I too, believe, that they dealt with an extremely difficult situation in which they tried their very best to get this handled in an appropriate way.

Mr. President, let me return to the reason I believe the Gramm-Rudman limits should have been adhered to. That would have forced some hard choices on this President and on this Congress. Instead, we have a compromise that is the worst of all options. Forget Gramm-Rudman for 1989 and shuffle it off budget for the future. We forget budget discipline and we adopt the administration's gimmick of off-budget financing.

Mr. President, this is a policy of duck and run. Duck and run from the greatest threat to our collective security, our economic vulnerability. How long can a great nation remain great when it engages in wholesale fraud of this dimension?

Mr. President, I fear for the future of our country. We could be taking a different direction tonight. We could be starting to face up to our problems. We could be calling on the American people to join us in an effort to move in a new direction. Mr. President, I profoundly regret that we are missing that opportunity.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CONRAD. I ask unanimous consent for 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. Mr. President, I want to indicate tonight that this is the last time I will agree to a unanimous-consent agreement to allow a voice vote on an extension of the debt limit. Never again for this Senator, never again will I be a party to a unanimous-consent agreement to allow a voice vote on a debt limit extension, and I further want to say tonight, Mr. President, that when we face the long-term debt extension this fall that I, along with others, will present a plan to face up to these deficits squarely once and for all.

With that, I again want to state my respect for the chairman of the committee and for the others who have put this package together, but I cannot let this moment go by without again expressing my profound opposition to what we are doing tonight and the way we are doing it. I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. Mr. President, I believe I have 10 minutes assigned to me; is that correct?

The PRESIDING OFFICER. The Senator is correct.

The Senator from Virginia.

Mr. WARNER. Mr. President, will the Senator yield?

Mr. EXON. Yes, I yield.

Mr. WARNER. Mr. President, I am concerned that this legislation will cause more harm than good. While I recognize the need by savings and loan depositors for this assistance, particularly in certain parts of our country, I question whether we can afford the price in its current form.

Last night, I voted with most of my colleagues on this side of the aisle against waiving the Budget Act in order to place $50 billion in new bonds on budget, but out of reach of Gramm-Rudman-Hollings. I believed then as I do now that to do so would have spelled the end for whatever shreds of fiscal discipline remain in this body. Such blatant disregard for the Gramm-Rudman-Hollings process and targets on which we and many in the business and financial communities have come to depend would surely spell a rocky road ahead.

Now we have been presented with a compromise which apparently has become acceptable to the administration. What has changed? What has changed is that the agreement before us now exploits the biggest loophole in the Budget Act. The authors of the Gramm-Rudman-Hollings bill, in writing that legislation tried to take every possible congressional dodge that might be tried into account to ensure that the deficit targets would be met.

Unfortunately, the process still contains several avenues of escape. The one exploited here is that the deficit targets for any fiscal year only are binding until the beginning of that fiscal year on October 1. After that, anytime we breech the targets results not in a sequester of funds to bring us back down to the target, but just the possibility of a point of order under the Budget Act. And, as we have seen for much of this year, that can be easily waived with 60 votes in the Senate. It may not have happened that easily last night, but that was the exception rather than the rule.

Thus, our 1989 fiscal year budget will rise from $148 billion to $168 billion. Does anyone remember what the target was for 1989? I have not heard that amount mentioned at all tonight. Well, it was $136 billion; $136 billion deficit for fiscal year 1989. Instead, under this bill we will have exceeded that target by $32 billion for this year alone.

Mr. President, I do not think the compromise reached last night will cause more problems for us down the line than it seeks to solve. Not only will we continue to have a problem in the financial services industry as a result of the fraud, waste, and mismanagement; we may very well be imperiling the health of our economy.

I have also had a chance to reflect since the Senate passed this bill in April on its purpose and intention. I am worried that this legislation is setting a dangerous easy-to-follow precedent further down the line.

I have heard from a number of Virginians as to why the money needed for this savings and loan bailout must come from the public either through the taxpayers or the public debt.

Just last week for example, a gentleman from Glen Allen, VA, called my office to ask a very basic question: Why can't those who caused this mess be the ones to pay for cleaning it up? He, however, put it a little more basically, he said: "Why should the taxpayers have to bail out the crooks and people who were asleep at the switch?"

Earlier today we passed legislation requiring those responsible for oil spills to be held accountable for bearing the burden of cleaning them up. Why can we not do the same for the S&L industry?

We have all read the reviews of how our Nation's financial system got to this position. And there is no question that the savings and loan depositors across the country have a right to expect Congress to live up to the commitment behind the FSLIC, guaranteeing up to the first $100,000 of any deposit.

Mr. President, I regret we are tonight handling this legislation in this manner and without a recorded vote. It is my intention, subject to clarification by the managers and others during debate and explanation in full of the conferees' actions, to vote in opposition to this measure.

I ask unanimous consent the following article expressing some of my concerns be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INVESTORS HUNTING BARGAINS SEE BONANZA IN S&L BAILOUT

(By Jerry Knight)

Private investors with billions of dollars to spare are lining up to buy troubled savings

and loan associations as soon as Congress completes work on the $157 billion S&L bailout bill.

Lawmakers will begin working out differences between the House and Senate versions of the measure this week, but already prospective buyers have arranged for financing and are targeting possible acquisitions among the hundreds of ailing S&Ls.

The new investors, including some familiar with the S&L business as former regulators, see the prospect of 20 percent returns or better in the environment that will be created by the bailout legislation. A smaller S&L industry will reduce competition and the government will take bad loans off the books of thrifts that it sells.

The potential buyers include major players on Wall Street and top level Washington veterans: former Cabinet members William E. Simon and Peter Peterson; former Federal Reserve Board governor Preston Martin; and former Federal Home Loan Bank Board officials Richard Pratt and Jamie Jackson. Merrill Lynch, Shearson Lehman Hutton, Oppenheimer and Co. and Salomon Brothers have raised funds for S&L acquisitions, and leveraged-buyout specialist Kohlberg Kravis Roberts and Co. is anxious to join in the bidding.

Simon, who was the Treasury secretary in the Nixon and Ford administrations, and Martin are partners in ventures that already have acquired S&Ls with almost $10 billion in assets and are looking for associations valued at $2 billion or more.

Peterson, the Commerce secretary in the Nixon administration, has linked his Blackstone Group investment firm with Old Stone Capital and Salomon Brothers to raise $300 million to $600 million, which could be enough to buy S&Ls with assets of almost $20 billion.

Another big financing package is being put together by Wall Street investor Lewis Ranieri through a private partnership whose known members include the Prudential Insurance Co. and Westinghouse Corp.

Reigning as the nation's biggest dealmaker after its $24.5 billion purchase of RJR Nabisco Inc. KKR could easily raise the capital to buy many savings and loans.

There also are buyers interested in smaller associations, like Thrift Recap Partners, which is managed by National Capital Group of Washington. With $15 million raised through Oppenheimer, the partnership is looking to buy a few community thrifts with $80 million to $100 million in assets.

Even small investors are getting into the act through funds like Merrill Lynch's U.S. Thrift Opportunity Partners, which allows people to put as little as $2,000 from their individual retirement accounts into a $100 million fund whose managers include former bank board chairman Pratt. Two similar partnerships organized by Shearson Lehman Hutton have raised $415 million.

The bidders also include what one government official described as "people who never heard of savings and loans but think it's a way to make a quick buck."

The prospect of making a fast profit is pooh-poohed by the more experienced players such as Ranieri, who said: "I don't think you can reasonably expect to do that in this situation, certainly not in Texas" where many of the available S&Ls are located.

The investors generally agree that they are looking for a profit of 20 percent to 25 percent per year on their S&L purchases, but they expect to have to wait seven to 10 years to cash in on their investments.

Compared with the 8 percent interest rate on long-term government bonds, 20 percent a year sounds high. But Gerard Smith, a managing director of Salomon Brothers, said: "The people who put up money like this are not eleemosynary."

"The stock market in the last decade has yielded 16 to 18 percent after taxes," he said, "and when you add the risk and illiquidity factor, you need annual returns in the 20 to 25 percent range."

Taking over struggling S&Ls will be a risky business, even with the government picking up the tab for past losses. The S&L bill rein in wide-open investment rules that allowed S&Ls to invest in windmills, fast-food restaurants and high-risk junk bonds, and in the process will limit some investments that have been highly profitable. To make them pay for past sins, the measure also will sharply increase deposit insurance premiums for S&Ls, which will raise the cost of doing business and put thrifts at a competitive disadvantage with banks.

Philip Weintraub, president of National Capital Group, said his group's investment strategy is being shaped by the S&L bill as it moves through Congress. The group's original plan was to buy S&Ls that were short on capital, but not in enough trouble to need government help. His group now has determined that it may be safer to go after associations that have died and been resurrected by the government because the bad assets will have been removed.

None of the deals can be launched, however, until a congressional conference committee makes decisions on issues such as how much of their own money investors will have to put up, how soon banks will be allowed to buy healthy S&Ls and how much time marginal associations will have to meet tough new capital standards.

The bill's reforms should make the S&L business more attractive, said Preston Martin, a former bank board chairman as well as Fed member. He said the bill will shut down the S&L "cowboys" who were making high-risk, high-interest loans—knowing the government would pay for their mistakes. It will eliminate the failing associations that tried to stay afloat by paying exorbitant interest on deposits, which their competitors were forced to match.

Competition also will be reduced because a substantial number of failed S&Ls will simply go out of business because there will be no buyers for them, Martin said.

By the end of this year, say government officials and private investors, at least 200 to 300 S&Ls are likely to be sold. On the block will be 233 associations that have been taken over by the Federal Deposit Insurance Corp. (FDIC) in the last few months, a handful of others that are in the hands of the Federal Savings and Loan Insurance Corp. (FSLIC) and an unpredictable number of thrifts that are too weak to survive for long.

The transactions are expected to add up to even more than the $3 billion in private capital invested last year in 179 associations that were sold or merged by the FSLIC. Those associations got $38 billion in federal insurance payments, by the FSLIC's calculation, but congressional critics said the cost to the government will ultimately run far higher because of tax benefits and open-ended loan guarantees.

This year's S&L deals will be different than the ones done last year, because this time the government will have cash to spend as the result of Congress' replenishment of the depleted the FSLIC insurance fund. Without cash to cover past losses, the FSLIC last year was forced to sell S&Ls before they were brought back to health. Buyers were guaranteed a generous annual profit—for several years—on any S&L assets they bought.

Last year's S&L buyers also were allowed to deduct billions of dollars of past losses from their other income, a practice that both the House and Senate have voted to outlaw in the future. This time around, said FDIC officials, the government will try to avoid making open-ended loan guarantees. What the FDIC prefers to do when a bank fails, said spokesman Stephen Katsanos, is to write a check to cover past losses and then sell the operation to new investors who will be on their own as far as future profits or losses are concerned.

Buyers may not go for the idea of not being protected from future losses, warned several potential bidders, who asked not to be identified so their investment strategies would not become known to competitors. "Neither we nor anyone else coming in is going to take any risk on the old junk," said one likely bidder.

Most of the overdue loans and repossessed real estate from failed S&Ls will be transferred to the Resolution Trust Corp., a vast new bureaucracy that will be created by the S&L bailout bill to handle such problem assets. Managing property for RTC will be another multibillion-dollar business opportunity created by the S&L bailout bill, but it will be a different business than rebuilding failed associations.

Successful S&L restructurings will require two distinct skills: raising the money and putting together the deal to buy the association, and then turning the institution around. As a result, many of the bids are coming from teams, most often a Wall Street investment banker to raise the cash and a financial banker—or S&L manager—to run the business.

Among the teams is American First Limited Partnership, in which American First, an Omaha S&L company, is providing the management expertise and Shearson Lehman Hutton is raising the money through two publicly offered limited partnerships. The first partnership last year raised $120 million, of which about $100 million went to buy a $2 billion S&L in California. With $295 million raised from a second partnership offering, American First is looking for other acquisitions.

A similar venture brings together Salomon Brothers, the big investment banking firm, with the Blackstone Group, a New York investment firm whose partners include former Commerce secretary Peterson, and Old Stone Capital, an arm of a Rhode Island S&L holding company.

Because of banking laws preventing investment firms from controlling commercial banks, Salomon will own no more than 24.9 percent and the other partners will share the rest. The goal, said Smith of Salomon, is to invest $300 million to $400 million, which should be enough to buy S&Ls with assets of $10 billion to $13 billion.

Another major player is expected to be Oak Tree Capital, a Washington-based subsidiary of a California S&L. Headed by former bank board member Jamie Jackson, Oak Tree not only is a potential buyer of S&Ls, but is providing investment banking and advisory services to other buyers.

Mr. WARNER. Mr. President, I too share concerns about the manner in

which it has been handled; I will vote against this conference report.

Mr. SYMMS. Mr. President, will the Senator from Nebraska yield?

Mr. EXON. I yield to the Senator.

Mr. SYMMS. Mr. President, the Democrats' clever plan to put the S&L bailout on budget was really a proposal to nationalize the savings and loan problem: to have the Treasury take title to all the bad assets of the failing thrifts, inventory them, and then sell them on the market in years to come just as they sell silver from the Government stockpiles.

They have called this honesty in budgeting and they say, "it's a taxpayers' problem. Let the taxpayer pay on budget."

The President's plan started with the idea that the thrift industry itself had to carry most of the burden. But the Government does have a responsibility to depositors in failing thrift institutions. The President's plan was focused on the problem and held the taxpayers responsible for the least cost.

The bad assets of failing thrifts would be purchased by a new private corporation, REFCO, which would be owned by the thrift industry, those that are still in business. The Government would help keep REFCO solvent by paying interest on the bonds it would issue to buy the bad assets of failing thrifts, but REFCO would be in the private sector. The bad assets—today in private hands—would stay in private hands.

The cost of the taxpayers would be only the annual subsidy for the interest payments on the REFCO bonds. This would be on budget.

Unfortunately, the Democrats won the propaganda war. Because everyone agreed the taxpayers would have to pay for the bad practices of some savings and loans, the Democrats were able to say Bush's plan to keep the solution mostly in the private sector looked like an off-budget bailout.

Since the private sector is always off budget—unless it is nationalized—the Democrats' call to nationalize the problem could be labeled putting it on budget.

The conference compromise is the worst of everything, unfortunately, because it has budget gimmick after gimmick in it; but in order to get new regulatory and supervision laws onto the books, to put the rest of the thrift industry on a sound capital standard and a strict supervisory and auditing system more like commercial banks have, we need to pass the S&L bill before the recess.

Balancing the good features with the bad features of the conference compromise, and considering the longer term consequences of trashing Gramm-Rudman by rejecting it, it is a disappointment to me that the Congress could not have done better, even though it is essential to stop the hemorrhage.

Mr. President, I ask unanimous consent that two articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

SLOPPY

(By Phil Gramm)

The on-budget/off-budget controversy in the savings and loan bailout bill is a fraud that threatens to unleash a cataclysmic recession.

That's a stark assessment, but does another description fit? Before we can discuss the ultimate results, let's define the terms of this debate.

Contrary to rhetoric emanating from some quarters on Capitol Hill, the administration plan has all Treasury obligations "on budget." Under the administration's plan, the savings and loan industry would be required to borrow $50 billion, repayable in 30 years.

At the same time, the industry would be required to use its own resources to purchase zero-coupon government bonds that will mature in 30 years with a value of $50 billion. The $50 billion in borrowing is a liability of the S&L industry, and it is backed 100 percent by the Treasury Bonds the industry has been required to purchase.

Treasury has no liability for the $50 billion; and there is no contingent liability for the Treasury, since the industry cannot default on its debt, due to the 100 percent collateralization. Yet opponents have dubbed this approach "off-budget."

The second part of the administration plan requires the Treasury to pay the annual interest charges and all of that will be counted as outlays of the Treasury, fully "on" budget.

Never in the history of the U.S. Treasury, under the First and Second Banks of the United States, or under the independent Treasury has such a transaction been regarded as "off-budget" financing. Not until now. Not until a modern public relations expert decided that "off-budget" would surely sound bad to the public, leading people to embrace the "on-budget" plan crafted by the House of Representatives.

Let's consider what you get "on-budget." The House's prized "on-budget" S&L bailout bill has the Treasury, not the S&L industry, borrowing the money. No question about it; the House approach is certainly "on" budget, since the $50 billion would be a Treasury liability and would send the deficit up by an additional $50 billion.

The House bill has a second part, too.

In the ultimate fiscal sham, the $50 billion borrowed by the Treasury would be counted as part of the deficit, but it would not count as part of the deficit when we measure to see if we are meeting the Gramm-Rudman-Hollings deficit reduction targets.

If not counting a $50 billion deficit as a deficit for the purpose of GRH is not "off-budget" financing than what is?

You have to wonder why proponents of the so-called "on-budget" financing approach of the House want to create a $50 billion federal liability for the taxpapers instead of for the S&L industry. The answer is that by creating a federal liability instead of a fully collateralized private liability in borrowing $50 billion, the discipline of GRH will be shredded.

And if we can create non-counting deficits for the S&L bailout, why not create non-counting deficits to deal with the war on drugs, or housing, or to clean up nuclear waste or to pay for child care?

In truth, the Treasury plan is the on-budget financing plan. Every dollar of federal liability and federal spending is on budget and fully counted for GRH deficit reduction calculations. Every private dollar required is fully collateralized and will never be a Treasury liability.

The off-budget vs. on-budget debate is a smokescreen to obscure the real issue: Will Congress destroy the only instrument of fiscal discipline the nation has possessed in the last quarter century? That discipline has cut the deficit in half since 1985 and has reduced the rate of growth of federal spending by half.

The S&L bailout will cost the taxpayers billions of dollars under the best of plans, but if the bailout is used as pretext to kill fiscal responsibility, the cost will be multiplied manyfold.

With the assistance of a strong and vibrant economy, and with the sacrifice of other alternative uses of the funds, we are capable of fulfilling our guarantee to depositors in the thrift industry.

But if the S&L bailout is used to kill fiscal restraint and with it our strong economy, who will bail out America?

S&L CLEANUP? DERAILING GRH LIMITS

(By Robert Dole)

As if the tab for the savings and loan mess weren't high enough already, members of the U.S. House of Representatives crafted a funding plan that could kill the Gramm-Rudman-Hollings deficit reduction law, the revolutionary savings measure that has already trimmed about $100 billion off the federal deficit since its enactment.

Once again, the losers will be the taxpayers in the version that came out of the House.

Taxpayers should know that there is a critical difference between the funding plan adopted in the House of Representatives and the one endorsed in the Senate and backed by the Bush administration. Both provide the troubled thrift industry with the cash necessary to start shutting down the country's troubled S&Ls. In both cases, the cash is backed by $50 billion in bonds.

The House version guts GRH and derails our efforts to reach a balanced budget by 1993.

The big spenders on Capitol Hill loathe GRH because it tells them that if they don't meet required budget limits, automatic across-the-board spending cuts will go into effect.

The House-backed funding plan sounds good. Its proponents claim that by placing the $50 billion bond issue "on budget," they are being honest with the American people and saving them money at the same time. They also say that, by moving some of the costs of its funding plan "off budget," the administration is trying to shirk some of the responsibility for the S&L mess.

The administration plan does move some costs off budget. The basis for this decision is a fundamental distinction between payments from the Treasury and those made by the thrift industry. The administration plan counts every dollar that the U.S. government spends on the bonds in the federal budget and holds every dollar paid by the S&L industry off the budget.

This is an honest approach, because all of the on-budget items will count toward the calculation of the deficit under the GRH

law. There is no exemption from GRH, not this year, not next year, not any year.

As an additional benefit, this funding plan locks the S&L industry into paying its fair share of the costs of the crisis, now, and in the future.

The so-called "on-budget" plan that originated in the House Ways and Means Committee was adopted by members of the House and Senate conference, and passed the full House, guts the GRH law with a multibillion-dollar exemption from the calculation of the deficit. Those who back the House plan argue that this is a one-time exemption, but don't believe it. This is a direct frontal assault on budget discipline in the short and long term. Recognizing this, President Bush has announced his intention to veto the S&L package if it contains the House funding plan.

The important issue here is the precedent. If we allow one exemption, we open the floodgates for exemptions for a host of big-ticket items—catastrophic health insurance, nuclear waste disposal, big government programs and the usual menu of pork-barrel projects members dream up.

Removing this statutory budget discipline can only result in higher spending, higher taxes and higher interest rates.

Backers of the House funding plan claim that their proposal minimizes the taxpayer cost of the S&L bailout. But, if savings were the real issue, the House leadership would not have dragged the S&L bill through a complex maze of congressional committees (five in all) for four months while the losses in the industry piled up at the rate of $20 million a day before finally bringing the bill to the House floor for a vote.

The fact that the House voted to stick a $150 million-a-year housing subsidy program—paid for with industry funds rather than using that same money to reduce taxpayer costs—in the original House bill is further evidence that cost containment was not the driving force behind the "on-budget" plan.

Those who supported the House funding set the stage for a tough fight from Senate Republicans. Sen. Phil Gramm, Texas Republican, has circulated a letter signed by 41 senators opposing the GRH exemption. Under the Senate rules, a 60-vote budget waiver is required for legislation containing a GRH exemption to pass the full Senate.

Those who back the "on-budget" plan have been able to control the debate on this issue by narrowing their focus on costs to this one bill. Their proposal promises nominal savings on borrowing costs, but these alleged savings are nothing but loose change when compared to the price tag for unbridled congressional spending under an impotent GRH act.

Mr. EXON. I am pleased to yield to my colleague from the State of Texas for the same purpose.

Mr. BENTSEN. I thank my distinguished friend from Nebraska and acknowledge his long conviction and work on trying to eliminate this budget deficit, but I particularly want to thank the distinguished Senator from North Dakota who just made a most eloquent speech. I hope the sets were turned on all over the Capitol because he has made a major contribution.

He is a man dedicated and sincere in the effort of seeing this deficit is reduced. When we talk about the loss of savings in this country, the greatest savings we could have is getting rid of that kind of a deficit. If we are going to be competitive in the way of having capital that costs us the same rates it does the Japanese or the West Germans, then the most significant step we can make is to reduce this deficit.

If you are manufacturing widgets or any kind of product and your cost of capital is half of what your competitor's is, he is going to have a very difficult time staying in the ball game. So this problem affects not just the budget deficit but also the trade deficit and I think the competitive future of our country. I congratulate the Senator on his forceful speech.

Mr. CONRAD. Mr. President, if I might just have 30 seconds.

The PRESIDING OFFICER. Will the Senator from Nebraska yield? The Senator from North Dakota is asking the Senator from Nebraska to yield.

Mr. EXON. I will be happy to yield. I assume this will not be charged to the time allotted to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska has yielded to previous Senators.

Mr. EXON. Mr. President, with all due respect, I must say I will not yield any further. I did not realize it would be taken away from my time.

Mr. CONRAD. I ask unanimous consent, Mr. President, to give back to the Senator from Nebraska the time that he has yielded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. EXON. I thank my friend from North Dakota. Mr. President, there are some good reasons why the Senate should support the S&L bailout bill.

First, it is evident that the Committee on Banking, under the able leadership of Senator RIEGLE of Michigan and the ranking minority member, Senator GARN of Utah have done a workmanlike job under the most difficult of circumstances.

Second, it is clear that the Congress and the President have been successful in sweeping this calamity under the rug for far too long and that the responsibility of the Government under the law must be fulfilled if the guarantees to depositors under the law are to be kept, which underpins the whole financial system in America.

Third, it is my view that there are some good features in the legislation that begin to correct the problem to some extent. There is also merit to the argument that we must do something to stop the hemorrhaging that is currently going on that is causing a further loss of about $20 million a day since, at present, the Government officials responsible do not have funds to move aggressively to close and merge the more seriously insolvent savings and loans around the country, with a major part of them in Texas and California.

Having said all of that, Mr. President, I cannot in good conscience vote to saddle this conservatively estimated expenditure of $150 billion on the taxpayer because of the following reasons, among others:

First, the debate and vote on the Senate floor last evening convinced me beyond any doubt that there is continuing a grand scheme to fool the taxpayers as to the costs of this bailout. The bottom line is that with this latest smoke and mirrors approach the administration has successfully created a new gimmick to pass along our excesses in spending over receipts to succeeding generations with an ingenious, but nonetheless irresponsible, procedure to create bonded indebtedness that is off budget.

Under this procedure, which has been invented out of whole cloth and about to be approved, we have opened up the convenient avenue of shifting to bonded debt to cover our irresponsible financial policies. It should be considered a clever move to further escape coming to realistic grips with the problem and put this over until after another election. The term "tax and tax, spend and spend, elect and elect" has been advanced and delicately refined by two successive Republican administrations, first to "borrow and borrow, spend and spend, elect and elect" to the brand new irresponsible brainstorm of "bond and bond, spend and spend, elect and elect." I am weary, very weary, of reading lips that drip, if not with outright deceit, certainly with insincerity as far as fiscal responsibility is concerned. All this might be applauded by a majority of Americans of voting age since they need not be bothered with it all for now.

If Americans of nonvoting age knew of the debacle facing their generation, they would be lobbying their elders furiously to call a halt to all of this fiscal madness.

This then is the primary reason this Senator will not support the measure, but there are others.

Second, the measure is lacking the establishment of a board of experts to parcel out the funds in a responsible manner. This was suggested by my colleague Senator KERREY of Nebraska and I cosponsored an amendment that was turned aside by those who are overanxious to please the administration.

Third, this measure continues in employment the current Chairman of the Federal Home Loan Bank Board who has overseen the demise of our S&L industry and sat by while this mess exaggerated to monstrous proportions. Only last fall, just before the elections, this individual assured the Budget Committee that we were

facing only a $50 billion shortfall in the insurance fund. He was, obviously, terribly wrong then and, all but forgotten, has been the total breakdown of the regulatory procedures of the Government.

I blame no one individual for this mess, but it is beyond good reason why we should keep in place the one official who helped supervise the financial disaster.

Fourth, I am fearful that we have addressed only the tip of the iceberg in this whole affair. Relatively soon the same people will be back with the same story requiring additional billions of taxpayer funding, but again with the creation of the bonding mechanism, it will be "easier" to just take care of it by selling more bonds.

There are other shortcomings with the legislation and the process that got us to this point. Suffice it to say, I am not persuaded to vote for this legislation that has been aptly described by senior Banking Committee members as a "turkey." I like turkeys generally, but not this kind that has a foul taste to it.

Mr. President, I reserve the remainder of my time and I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. GARN. I yield 4 minutes to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, we are about to vote on what is loosely described as a "compromise" on the funding plan for the S&L bailout bill. Unfortunately, thanks to partisan posturing by Members of the Democratically controlled Congress, this represents only a political compromise.

Putting $20 billion on this year's budget, of which only 7 weeks remain, not only compromises Gramm-Rudman-Hollings, but debases it. Gramm-Rudman-Hollings is the best thing Congress has going for budgetary discipline. It's our last vestige of hope of ever balancing the Federal budget.

It seems to me that the more Budget Act waivers are passed by the Congress, the easier it will be to eventually ignore Gramm-Rudman-Hollings. I also wonder if there is an insidious notion to swell the budget deficit to pressure President Bush to support tax increases.

We owe it to our constituents to uphold the Budget Deficit Reductions Act. Sneaking $20 billion into the last few weeks of the 1989 fiscal year, as this "compromise" would do, is not a suitable way to "make good" on the public trust.

More than 4 months ago, in February, President Bush sent to Congress the best-that-could-be-hoped-for resolution to the thrift crisis. He challenged Congress to send the finished legislation back to him by the first of April.

Instead, the Democratic leadership struggled to put their own mark on the thrift plan. They tampered with capital and they tampered with the name of the new deposit insurance corporation. They even added some housing and consumer provisions to the bill. Try as they might, the bill is still referred to as the "administration's plan."

The one part of the plan that emerged from the Democrats' conference report that is distinctly different from the President, is the on-budget financing plan. At the cost of $20 million a day, the Democrats in essence spent well over $2 billion trying to find a way to put their own mark on the thrift bail out plan.

Yet the Democratic Congress dares to complain that the administration's funding plan would have added a relatively small $150 million a year.

We're told that the Democrats want to put the S&L plan on-budget in order to be more honest, to let the American public realize just how big our budget problems are.

As if they don't know. The American public considers the budget deficit the biggest problem facing our Nation. Every taxpayer in America already knows that.

I know that the so-called compromise funds the remaining $30 billion off-budget in the subsequent fiscal years. This is necessary to keep a close eye on the Resolution Funding Corporation and to resist the influence of lobbyists wanting to get their hands on its capital.

I also know that the President supports this compromise. The President is more patient than I am.

It may seem that he stole the thunder from the Democratically controlled Congress, which not only was unable to devise its own plan to resolve the thrift problems, but also failed miserably in its 1987 attempt to pass reform legislation.

No; I am not as patient as is President Bush. With this compromise funding plan, the President has again demonstrated his willingness to cooperate with the Democratic Congress. He promised a kinder, gentler approach to Congress, and this is further evidence of it. Yet, all he gets is a kick in the teeth.

For the average politician, the embattled Lucas nomination would have been the last straw. But the President again stretches out an olive branch—agreeing to a compromise with the warring Democratic Party.

While I appreciate and respect the position of my President, my vote is one in opposition to the petty political barbs of a jealous Congress, a Congress that has been unable to deal with the problems of the thrift industry on its own or to accept the credit given the Republican administration for the plan which will be enacted.

Mr. President, I do not support this compromise. I admire the President for going that extra mile to satisfy the Democratic game players, but this is one game we can do without.

I would like to proceed for a few minutes to recap how I think we came into this mess.

I remember when Danny Wall came before the Senate Budget Committee last September. I believe it was in his prepared remarks that he estimated the costs of this problem at $12 billion. Two hours later, at the end of that meeting, he told the Budget Committee that the thrift crisis had become a $30 billion problem. Later in the fall, newspapers reported new estimates that the S&L bailout would be a $55 billion problem. In January of this year, with the start of this new Congress, the newspapers again upped the costs to $90 billion. When the President presented his plan to Congress, the bailout was a $126 billion problem. The number we hear most often now is $155 billion, a conservative estimate. Some estimates go up to $250 billion.

I will vote against this bill because I have not heard anyone say that we are done with this problem. Instead, I have heard everyone say that this issue will be revisited a few months down the road. Even persons intimately involved in the discussions assume that we will revisit this problem.

It started in the early 1980's when we gave more authority to the savings and loans without concomitant regulations or enhanced capital requirements. This problem was exacerbated when Congress didn't fulfill its responsibility the first time around. It was my expectation, during debate on the 1987 legislation that the problem with FSLIC would be resolved. Here we are, in 1989, and no one denies that we didn't do the job right last time. I am voting "no" because I am embarrassed that the Congress of the United States cannot come up with a solution to this problem. This is the case even in the 20th century, with all the research capabilities we have at hand for estimates and forecasting.

So I oppose this conference report. I do not want to have to explain to my constituents why I supported an unfinished job. I am a little embarrassed now, to have to explain that we are back at it again after twice previously in this decade making mistakes.

I yield the floor and the remainder of my time.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. I ask to be recorded as voting no on this bill even though it is by voice vote.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The PRESIDING OFFICER. Who yields time?

Mr. BOND addressed the Chair.

Mr. GARN. I yield 2 minutes to the Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I rise in support of the pending legislation. I wish we did not have to approve this legislation, but by voting for this conference report, we will ensure that the S&L cleanup begins promptly. It is an attempt to right a system gone awry and begin the immense task of liquidating the hopelessly insolvent thrifts and disposing of their assets. We need to close this sorry chapter in our financial history.

By and large, this is a tougher bill than the legislation we passed in April. It sets tougher capital standards; it sets more limits on which activities thrifts can conduct with federally insured deposits; it imposes much larger criminal penalties for financial fraud. I am particularly pleased with the fraud penalties—I introduced bills in the 100th and 101st Congresses which toughened the penalties on those who have robbed and looted savings and loans and I am delighted to have similar provisions included in this package. These reforms should fulfill our promise of "never again."

The administration and the Banking Committee wrestled with many complex and unanswerable questions in fashioning this package. I don't know if we have done enough to attract capital to the thrift industry. The provisions making it easier for bank holding companies to acquire thrifts are a small but positive step. For example, this legislation allows bank holding companies to use a common name and logo for their bank and thrift subsidiaries. We're going to need buyers for these sick thrifts if we are to keep the cost of the bailout down.

This bill is the best Congress and the administration can come up with at this time. As Fed Chairman Greenspan noted in his testimony before the committee, it may be necessary to do a midcourse correction and change some provisions of this bill as we see how it all works out in practice. What is important, however, is to begin the process of resolving the insolvencies and restoring sound regulation to the S&L industry as soon as possible.

The Banking Committee will have an immense task fulfilling its oversight responsibilities in monitoring the RTC's disposition of assets from failed thrifts—the biggest asset sale in history. I am sure that I speak for many of my Banking Committee colleagues when I say that I will aggressively pursue any signs of conflicts of interest as the RTC sells these empty condominiums and half finished hotels. Congress cannot let another HUD scandal develop under our noses.

We will also be watching all of the regulators' use of their new supervision and enforcement powers and the new Office of Savings Associations' implementation of tougher capital standards. In this legislation, we have granted the FDIC sweeping regulatory authority and I do have confidence in their ability and professionalism, but it will be important for the Banking Committee to monitor the FDIC's use of its broad authority.

We can't promise the American public that this legislation will work perfectly. I can promise, however, that if this legislation does not pass, the Federal Government will have to break the promise that was made to Americans 50 years ago that their deposits were insured. We cannot break that promise and I encourage my colleagues to vote for the bill.

Mr. President I wish to summarize one or two points that I think are very important. As a member of the Banking Committee, we have had to look at this problem. There are some of us who recognized that the problem, back when I first looked at it in 1987, was a large problem. We tried to get $15 billion then and there were those who said, "We don't need that much." And there is a lot of argument about precisely how much we do need, and none of us, none of us, can give the exact figure.

The fact that we have not been perfect in the past ought to be self-evident to everyone, but Alan Greenspan, when he came before our committee, said, no, nobody can give a precise answer but one thing we can tell you for sure is that the longer you go without doing something about it, the worse the problem is going to get.

To those who say we vote no, and I obviously respect their right, their ability, and their judgment in doing so, I would only say that perhaps they can come forward with a better plan. Because this is a problem that will not go away. The savings of millions of Americans which are invested in the thrift industry are at risk unless we do something. This is not a perfect compromise. I would like to see the funding different. I want to make sure that the savings and loan industry does not get back the money they put in. With that reservation, I say we had best do something because we are losing $10 million to $15 million to $20 million a day by not shutting down the sick thrifts. All those who want to vote no can do so but please, prey tell, come forward with a better plan. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. FORD. Mr. President, could I have 5 seconds?

Mr. RIEGLE. I yield to the Senator.

Mr. FORD. I say to my friend from Missouri, we had a better plan last night and it was voted down.

Mr. RIEGLE. Mr. President, if I may.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. RIEGLE. I appreciate the comments made by various Members, and I certainly understand the feelings and the perspectives that have been stated here tonight.

I want to make two or three comments about the legislation that we are facing. When we all get elected we have a responsibility to act and that is why we run; these comes with the election having to address these issues. There is no question but what this is a most difficult one, and certainly my colleagues on the Banking Committee on both sides who have lived with this restructuring legislation for the last 6 months understand that I think perhaps better than anyone else.

I would say importantly in behalf of this legislation that there is a massive restructuring that takes place under this law if it is enacted. There are major reforms. We greatly strengthen the capital standards. There will be no more abuse of State powers which has led, I think, importantly, to a very large part of the losses we have seen in the country. Seventy percent of the losses across the entire country last year occurred in just two States.

There will not be any more junk bond purchases undertaken by savings and loan institutions, not that those were the cause of the collapse that we have seen today, but there is a risk in the future. And many of us felt that there ought not to be Government-insured deposits used for that purpose.

There are much tougher criminal penalties in this bill. Anybody who tries the things that happened in the past again is going to go to jail for 20 years. The fines are greatly increased. We give the Justice Department $75 million a year for each of the next 3 years to track down the people who defrauded the system and made off with the money, to not only put them into jail but to recover the money in every instance where we can.

We separate out the insurance fund. We insist that the industry itself pay every dime that we feel it can afford to pay without destroying the industry to pay for the recovery, and avoid the problems that have accumulated in the past.

We have tried in every way to structure in this bill the reforms that need to be undertaken, and it is essential that they be put into place because if they are not enacted then the system will carry on exactly as it is today.

So it is all well and good not to like this legislation. I do not think it is perfect, and there are parts of it that I do not like. But the notion that leaving

the system the way it is, is a better answer, is not a better answer. The reforms in this legislation are manifest. That is why the editorial opinion that has come in from around the country—the New York Times, the Washington Post, other major detached financial experts—say this is a solid package. And it goes directly at the problems.

I can tell you this: If there are Members here who do not like it, there are special interests outside interested in this legislation that like it even less because they did not get their way in this package. This package is a strong package. It follows the design in the architectural structure of what the Bush administration asked for. This is the Bush plan. We have strengthened it in certain important respects; State powers being one of those, junk bonds being another. But this is essentially the Bush plan with the additional safeguards that we have been able to add.

It will make a big difference, and it will stop the losses that are out there today. To the question, "Is there enough money here?" I have my doubts about that. That is why I wrote the letters to the Secretary of the Treasury and to the Chairman of the FDIC. They have given us their assurances. I still have the concerns. I have the concerns that have been expressed by my other colleagues. But we cannot see into the future. We have to operate with what we have to work with today and within the miserable constraints imposed upon us by this problem.

I think, given that reality, this is a solid package. It is needed in the public interest. It needs to be enacted, and the reforms need to be put into place now and the losses stopped now, cutting off some of the improper practices that are taking place even this very day.

So it is one thing to find defects in this package. It is another thing to say it is better, to vote it down and to let the current practices continue on for however long they would into the future.

We have a responsibility to act and the time to act is now. We have taken 6 months to build this legislation. It is the best legislation that could be crafted under these circumstances. The fact of the matter is that seal on the window of Federal Deposit Insurance says that this country stands behind that insurance system.

There was a regulatory failure. There was a catastrophe that rivals the worst things we saw in the 1930's. But this legislation fixes it. We have an obligation to fix it. It is not a pleasant task. It is a most unpleasant task.

But I will tell you this: it will not happen again, not the way it happened this last time if this legislation is enacted because we meet every major problem that we have been able to identify. I certify that, as I stand here now with respect to the basic reforms because we have written them into this bill. That is why a lot of the people who got into the trouble in the industry do not like this legislation because it is too tough. It is too tough as it should be for reasons. That is why it needs to be enacted tonight, in this Chamber, and in the other Chamber. We have to get the President's signature on it before the losses go even higher.

Do I like everything about it? No, I do not. It is the product of compromise. I do not like the financing formula. I must say we did improve it last night. We improved it to the tune of $20 billion on the budget with direct financing, and that saves $2 billion for the American taxpayers. That is something other speakers have mentioned tonight. It is something I feel passionately about. I would like to say it is fine. We could not get the whole five. But within the constraints we have had to work, we have a package here that the public interest requires. That is the hard fact.

Oh, I hope we will face this problem head-on, get this legislation enacted, and go on and put these reforms in place.

I reserve the balance of my time.

Mr. GARN addressed the Chairm.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. I just say I wholeheartedly agree with the chairman of the Senate Banking Committee. I opened my remarks in the same vein. He has done it much more articulately and eloquently. But to those who would carp at this point about the financing plan, he has adequately laid out what we tried to accomplish in that area with what we had. To those who would talk about the size of the problem, I will not take the time.

A number of my colleagues have suggested that the size of the problem is greater than the estimates of the administration and the FDIC. They wring their hands now and claim that we may be very sorry in the future if we have to revisit this issue because we did not provide enough money.

Let me set the record straight. Not one Senator offered an amendment either in committee, on the Senate floor, or in conference to provide more money to resolve this problem. Yet the bill passed the committee unanimously and passed the Senate overwhelmingly.

Moreover, the committee report of the Senate Banking Committee made no serious suggestion that more funds should be provided. Finally, the Banking Committee specifically voted to cap the amount of funds that could be provided for this problem.

So let us face facts. If Senators are so concerned about underestimates of the size of the problem, where were they when the issue was being debated and voted on? I think it is wrong to raise questions now, and I urge my colleagues to stand by their previous votes.

It may be that it is not enough. It may be it is too much. I do not know the likelihood. It probably is not in the future. But that will be determined, like Alan Greenspan said. The only way you can determine that is if you can tell me what the prime rate will be every month for the next 30 years. If the interest rate is good, the economy is stable, then it will be adequate. If it is not, we will have to come back and revisit this. But that does not mean we should not do it now.

We must pass this now tonight, because those who want to save $3 billion from a different financing method, in 3 months we will lose another $3 billion. We have lost $6 billion while we have been talking about this plan. If there is anything that should be said tonight, pass it tonight, stop the hemorrhaging.

I yield the remainder of my time to the distinguished minority leader.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. DOLE. How much time remains? I may not want it all.

The PRESIDING OFFICER. Senator GARN controls 3 minutes.

A REAL CRISIS

Mr. DOLE. Mr. President, the crisis in the savings and loan industry has been brewing for a long time. It did not sneak up on anyone.

The real question the American people should be asking is "How did this problem ever get this large?"

Americans have a right to know what actions the administration and the Congress took once they recognized the problems in the savings and loan industry.

1986

The Treasury Department under President Reagan identified the problem early. In 1986, the Treasury and the GAO estimated that this was approximately a $30 billion problem, $15 billion in FSLIC premiums were expected over 3 to 5 years, but additional financing was needed.

In March, the Treasury proposed all additional $15 billion recapitalization to cover the difference. Their plan would have made the industry pick up the tab for the additional financing.

As it turns out, $15 billion may not have been enough to solve the problem entirely, but, if Congress had acted swiftly on Treasury's recommendations, the S&L industry would certainly be in better shape than it is today.

CONGRESSIONAL DELAYS

But, Congress did not act quickly. In 1986, Senator JAKE GARN, then chair-

man of the Senate Banking Committee, pushed a clean FSLIC recapitalization bill through the Senate. The House also passed a $15 billion package, but the House version contained a number of controversial housing provisions. Certain influential House Members stalled action on the bill by refusing to compromise on the housing provisions, and the bill died at the end of the 99th Congress.

In 1987, a similar situation occurred. The Senate passed a recap plan, but the thrift industry and certain Members of the House pushed for a much smaller $5 billion package, which, incidentally, contained a number of regulatory forebearances, before finally agreeing in August 1987 to provide FSLIC with $10.8 billion in revenues over 3 years. The funding was provided through two sources: Increased FSLIC borrowing backed up by the retained earnings of the Home Loan Bank Board System and a special FSLIC premium assessment paid by member institutions.

In addition to stalling action in this issue, Congress opted to grant regulatory forebearances for the S&L industry at virtually every stage in the process. The hope was that growth in the industry would make the problem go away. To put it mildly, that strategy backfired. Instead of shrinking, the problem grew by leaps and bounds.

The American people have a right to criticize the House, the Senate, the Reagan administration, the regulators, and the industry for failing to contain a problem that will now cost roughly $166 billion over the next 10 years. The fact is that continual delay and regulatory forebearances for the industry will cost the American taxpayers tens of billions of dollars.

COSTS MOUNTED

Because the savings and loan deposit insurance fund lacked the money necessary to shut down troubled thrifts, many of these so-called zombie institutions were allowed to remain open and continue generating losses. Their activity is the main reason cost estimates for the S&L mess have skyrocketed.

The simple fact is that the managers of insolvent thrift institutions are not financially liable for their losses. As a result, many of the zombie thrifts pursue increasingly risky investments in the hopes that they may be able to earn their way back to solvency. They are, in effect, encouraged to gamble with other people's money without exposing themselves to any risk.

The problem is that most of these investments do not pay off; they simply add to the debt in the system. This increase is compounded by the fact that the zombie thrifts bid up the cost of funds to their solvent competitors, placing an added strain on the local financial services sector.

PRESIDENTIAL INITIATIVE

Within days of his inauguration, President George Bush took the initiative in dealing with this crisis by introducing a comprehensive thrift reform proposal. On February 9, the President gave Congress 45 days to complete action on this legislation.

Today is day No. 176, and we still do not have a bill ready for the President's signature. With industry losses piling up at the rate of $20 million per day, that delay alone has increased the cost of the problem by more than $3.5 billion since the President announced his plan. In my view, further delay is not an acceptable alternative.

The Senate moved quickly, passing a bill back in April. In contrast, the House dragged the legislation through a complex maze of congressional committees—five in all—before finally bringing the bill to the floor for a vote in mid-June.

And what is the end result of these delays? A bill that bears a remarkable resemblance to the President's original proposal.

CHANGING ESTIMATES

The American people have been bombarded with estimates of the cost of the S&L mess. But, it is difficult to get a handle on the size of the problem when the figures keep changing—$26, $50, $100, $126, $157, $166, $250, $285, $400 billion—the sheer size of these numbers is mind-numbing. I have seen a variety of estimates, but the fact remains that we still do not know how big the hole in the industry is.

Part of the problem is that the numbers we see floating around are only estimates. Measuring the size of the FSLIC deficit with any degree of precision would be a monumental undertaking. It would involve going to each institution and examining every single loan on its books. The costs of such a study would be prohibitive, and it would only be accurate for a very short period. The truth is that the actual number will remain unknown until we complete the process; until then we must rely on estimates.

HUGE NUMBERS

It is difficult to comprehend the size of this problem. Huge numbers have been tossed around for so long that it is hard to keep a proper perspective on how large this problem really is. If you took 1 billion dollars' worth of $100 bills and put them in a pile, the pile would weigh 10 tons. If you laid the bills end to end, the line would stretch more than 986 miles. If you include interest costs, we are talking about a problem that could cost $250 billion over the next 30 years.

THE RESOLUTION TRUST CORPORATION

The S&L bill overhauls the regulatory structure that oversees the thrift industry and provides a funding mechanism to pay for case resolutions over the next few years, but it leaves some major questions unanswered.

The Resolution Trust Corporation [RTC] faces an unprecedented task. When this legislation is enacted, troubled savings and loans with roughly 400 billion dollars' worth of assets will come under the jurisdiction of the RTC. Senator PHIL GRAMM has stated, and I quote—"The Government has not seen this much real estate since the Louisiana Purchase"—end quote. He is not kidding.

One of my biggest concerns throughout this process has been how the RTC plans to dispose of these assets. The returns on this property will have a tremendous impact on the final cost of the S&L crisis.

Because of the volume of assets, involved, RTC actions will affect property values in local and regional markets. Regional considerations are obviously important, but if we are really concerned about maximizing the return on these assets and minimizing the cost to the taxpayer of the crisis, then I believe that those overseeing the RTC should focus on a workable long-term strategy at the national level to guide the RTC in its day-to-day operations.

In my view, tapping the expertise in the private sector can only help in this effort. I have discussed this issue at some length with Treasury Secretary Nicholas Brady, and I am pleased that the administration, the House, and the Senate have agreed to include a national advisory board selected to work with the Treasury Secretary, the Federal Reserve Chairman, the HUD Secretary and the other members of the RTC Oversight Board on this issue.

CASE RESOLUTIONS

The Treasury Secretary has assured me that the Treasury Department, the Federal Home Loan Bank Board, and the FDIC have been working diligently so that, and I quote—"We will be able to hit the ground running when this legislation is enacted"—end quote.

Right now, it is unclear that FDIC and RTC are ready to move or that they would do anything differently in working through its caseload of troubled thrifts than the FSLIC would have done with more cash. Again, I think a long-term strategy is needed to guide this process so that we don't have another "end-of-year closeout" in December. Real solutions are required.

STATE-CHARTERED THRIFTS

In the 1980's, a number of States chose to deregulate their own State-chartered thrift industry. In many cases, the States decided to proceed much more quickly with deregulation than the Federal Government.

The Federal Government placed strict limits on the percentage of assets a thrift could invest in commercial ventures and real estate development; the safety and soundness of the

industry was their obvious concern. In spite of these reservations, many States—particularly, Texas, California, and Florida—decided to increase those limits dramatically and, in some cases, even remove them.

Increasing the limits on direct commercial and real estate investment increases potential earnings for State thrifts, but potential losses also rise, increasing the risk to the safety and soundness of the S&L industry.

A number of factors contributed to the problems in the Southwest, but look where the dollars are going. If you get right down to it, one could argue that this is a Texas-California relief bill. Last year, Texas had 29 of the Nation's 50 sickest thrifts, and California had 6 of the worst cases in the top 40. As of May 31, 9 of the 15 S&L's reporting losses in my home State of Kansas had significant losses resulting from investments and loans secured by Texas real estate. The other six troubled Kansas institutions reported significant losses resulting from investments backed by real estate in Oklahoma and Colorado.

Direct investments by State-chartered thrifts in risky ventures have played a part in this crisis. Because of the risk these institutions pose to Federal Deposit Insurance funds and ultimately the taxpayer, I am pleased that this legislation contains some limitations on the activities of State-chartered thrifts.

TOUGH CAPITAL

Tough new capital standards are perhaps the most important provisions in this bill. I want to commend the House and Senate conferees for their work in this area. Requiring the thrift industry to put up more capital is important because capital acts as a buffer that protects the Federal Deposit Insurance Fund from losses. Unfortunately, accounting gimmicks have allowed those in the industry to treat a number of intangible assets as capital. Real capital is needed to ensure that this crisis will never occur again.

WE'LL BE BACK

This is a major piece of legislation. There is no doubt in my mind that Congress will be revisiting this issue over the next few years.

In the meantime, I urge Chairman RIEGLE, Senator GARN, and each Senator on the Banking Committee to keep a watchful eye on this situation, and let us know if further changes are needed.

CONCLUSION

Mr. President, we cannot afford further losses in the S&L industry. The price tag on this mess continue to grow at the rate of $20 million per day. As I said before, further delay is an unacceptable alternative.

President Bush sent a letter to the House and Senate leadership earlier today. The President said, "Final passage remains critical to the stability and solvency of our financial system."

Despite my reservations, I believe that there are times to protest and times to govern. In my view, this is a time to govern. I will vote to pass this compromise legislation and urge my colleagues on both sides of the aisle to do likewise.

Mr. President, I ask unanimous consent that the letter from President Bush be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, August 4, 1989.

Hon. ROBERT DOLE,
Senate Republican Leader,
U.S. Senate, Washington, DC.

DEAR BOB: Last night the savings and loan conferees reached a compromise on the financing plan included in the savings and loan legislation. The compromise avoids any amendment of the Gramm-Rudman-Hollings budget process, while including both the Administration's approach to financing and direct Treasury borrowing.

The conferees deserve our thanks and our congratulations. They have worked diligently to fashion a strong and responsible bill to deal with this extraordinarily serious problem. Importantly, the bill includes tough and sensible new capital and accounting standards. Final passage remains critical to the stability and solvency of our financial system.

This legislation has been developed in a bipartisan process. It is badly needed, and must be enacted without further delay. Consequently, I ask that the House and Senate approve this legislation today, and that we pledge to maintain our commitment to resolve this problem.

Sincerely,

GEORGE BUSH.

Mr. RIEGLE. Mr. President, if I may, I want to say another word or two. I appreciate the kind words just spoken by the minority leader. An awful lot of people have done a lot of good work on this bill. I want to thank the colleagues on the Banking Committee, all the staff members. I want to thank Kevin Gotlieb and Steve Harris and all the rest of the people on the professional staff of both sides that have worked so hard. I compliment Chairman HENRY GONZALEZ and all the conferees.

Senator GARN and I have worked very closely together on this legislation, as we have over the years. I want to say that I think the relationship that we have had, professionally and personally, has been key to crafting this legislation and bringing it here, I think, with the important aspects that I tried to touch on earlier. So I just want to say that there are a great many people who have worked on this, a lot of people whose names will never be known, who helped produce 1,000 pages, who worked day and night. They have done it to try to help the country. My hat is off to them. I thank all of them—although not by specific name—for the effort they have made and the contribution that they have put forward.

The PRESIDING OFFICER (Mr. ROCKEFELLER). Who yields time?

Do the Senators yield back their time?

Mr. GARN. I yield back the remainder of my time.

Mr. RIEGLE. I will make only one other comment. There was a concern expressed by Senator DOLE with respect to the RTC. Other people have mentioned that, too. I have great concern how that is going to operate in the future. I think it is going to be very difficult to do it well. I intend to have the most aggressive oversight on that issue, more than any issue we are going to be following. As part of my statement in the RECORD tonight, I say we are going to have periodic hearings as to the RTC functions, policies, and the people it selects, and so forth. We are going to keep a bright light on it as long as I am chairman of this committee.

Mr. DECONCINI. Mr. President, I shall, regretfully, vote against the conference report on the Financial Institutions Reform, Recovery and Enforcement Act of 1989 [FIRREA], commonly referred to as the savings and loan crisis bill. I regret that I am forced to do this, because I believe that the conferees have worked hard on this bill. Unfortunately, the final product is seriously deficient.

I heartily agree that we need a bill to solve the current crisis we face; however, I am not at all convinced that this is the bill that will accomplish that end. We need to provide stability in the financial markets; I am not convinced that this bill accomplishes that. We need to insure economic stability in local communities, and I am quite convinced that this bill does not accomplish that objective. While this bill will undoubtedly pass, as a matter of conscience I feel I must register a protest through my "no" vote.

Let me make clear that my vote is in no way related to one of the major controversies surrounding the conference report—the issue of on-budget or off-budget treatment of the Government infusion of funds. I agreed with the original conference report and with the originator of this proposal, Senator GRAHAM of Florida, that we should address the budgetary issues honestly. Placing the FSLIC bailout partly on-budget and partly off-budget is simply budgetary trickery that will cost the Federal Government more money in the long run and only serves to satisfy the green eyeshade accountants.

The arguments that we have been hearing that on-budget treatment violates the spirit of Gramm-Rudman-Hollings is simply baloney. Senator FRITZ HOLLINGS, a prime author of

that budget law, has come out foursquare for on-budget treatments. In fact Senator HOLLINGS argues "the waiver necessary on the S&L bailout is justified both legally and fiscally because this procedure saves billions. The Gramm off-budget shenanigan costs billions more; it destroys the cardinal principle of truth in budgeting of Gramm-Rudman-Hollings and sets a dangerous precedent * * *"

Having said this, my most serious concern about this bill is the structure of the Resolution Trust Corporation. In establishing the Resolution Trust Corporation [RTC] this bill has created a potential monster which may or may not reflect local needs and concerns. The conferees attempted to write a never again bill, which may only result in never again will some local economies recover. I have found nothing in this bill which adequately reassures me, or many of my constituents, that we will not see wholesale dumping of real estate. If this happens, already uncertain local economies could be devastated. This is the case not only in my State of Arizona, but also in Texas, Colorado, Oklahoma and numerous other States. The end result will not only be loss of jobs in local communities, but will negatively affect the national economy for years to come.

I had hoped that the RTC would establish regional offices in all areas where there will be a large number of assets to be disposed. Unfortunately, the bill only makes allowances for six regional offices of the RTC. I am hopeful, though not necessarily optimistic, that rather than locating these offices geographically throughout the United States, they will instead be centered in those States which have the greatest number of troubled institutions. In that regard, I strongly recommend the establishment of an office in Phoenix, AZ.

It is no secret that the savings and loan industry in Arizona has fallen on difficult times. The depression of real estate prices in my State is both its cause and effect. Clearly, the RTC will be called on to dispose of a great deal of real property in Arizona. It is crucial that they understand the local market and consult with local business and community leaders. While the charge of the RTC is to minimize costs to the Federal Government, its mission must also be to minimize the trauma in local community.

I am also disappointed that the bill does not call for local advisory boards in communities that will be severely effected by the RTC's actions. Likewise, the requirement for special asset-disposition procedures in distressed areas appear incomplete and insufficient. While the language in the report contains broad, reassuring platitudes, the specific assistance is less than comforting.

The Arizona State Superintendent of Banks made a serious effort to address some of the bill's shortcomings. Working with a wide cross section of the Arizona economic community, he sought solutions. I ask unanimous consent that a copy of those proposals be inserted in the RECORD at this point. The entire Arizona congressional delegation and our Governor, Rose Mofford, asked the conferees to give these proposals serious consideration. I fear our voices were like a tree falling in the forest, not making a noise because no one was there to listen.

There being no objection, the proposals were ordered to be printed in the RECORD, as follows:

STATE BANK DEPARTMENT,
Phoenix, AZ.

I have been greatly concerned about the potential effects of the proposed Financial Institutions Reform, Recovery and Enforcement Act of 1989 (the "Bush Plan"). In particular, I am concerned about the effect of Title V of that Act, which would establish the Resolution Trust Corporation ("RTC") to manage insolvent institutions and to warehouse and dispose of assets held by thrifts that are now or will become insolvent over the next three years. Because of the emergency nature of this legislation, some aspects of the bill have not been carefully thought out or addressed. I believe that the impact of the RTC, including the potential for dumping of real estate assets, is one of the areas which needs more attention, and I would like to address that problem in this letter.

To explore this issue, I have formed an advisory committee here in Arizona comprised of the chairmen and CEO's of our state's largest financial institutions, as well as other influential business and government leaders. Former FDIC Chairman Bill Issac recently addressed the group on the impact of the Bush Plan and, as a result of our meetings, we have identified certain key issues which we think are important to your state and ours. I would like in this letter to share those areas of concern with you, and to solicit your assistance in addressing them.

1. RTC Liquidity: One of the most important ways to prevent dumping of real estate by the RTC is to provide it with adequate liquidity. Although the Resolution Funding Corporation ("REFCORP") is authorized to raise fifty billion dollars, that amount simply sets a limit on the losses that can be incurred in the resolution of insolvent thrifts. However, it is clear that the total amount of cash that will be needed under the Bush Plan will exceed fifty billion dollars. This is because depositors must be paid off in cash "up front," while the RTC must wait for repayment of these amounts until it has disposed of assets. Because of this difference in timing, the RTC will face a substantial liquidity problem.

If the RTC is not provided with a liquidity alternative (such as borrowing authority), it will be forced to liquidate assets on an accelerated basis in order to meet its liquidity needs. Consequently, we believe that the RTC should be permitted to borrow money utilizing the full faith and credit of the United States. Although no fixed dollar limit should be placed on the amount of such borrowings, Congress clearly should set a limit of some type so that the ultimate cost to taxpayers does not exceed fifty billion dollars. Therefore, we suggest that a mechanism be provided which would prohibit further borrowing once the RTC has identified expected losses from its operations which equal fifty billion dollars. In other words, every time the RTC consummates a transaction, it would be required to prepare a present value estimate of the loss to be incurred in that transaction. Those estimated losses would be aggregated and, when they total fifty billion dollars, additional borrowing would cease. For additional thoughts on this liquidity issue, I have enclosed a copy of a recent *American Banker* article in this topic.

2. Financing of Asset Sales: One of the major problems presently facing institutions is the determination of fair market value for its real estate assets. It is clear that the value of property can be significantly dependent upon the manner in which it is proposed to be sold, i.e., cash or terms. Appraisals which attempt to calculate the value based upon a cash sale within thirty days will uniformly be substantially lower than appraisals which assume a financed sale within a longer time period. Although we believe that influencing the RTC appraisal procedures and standards is premature at this time, and should be addressed later, we do believe it appropriate that the legislation mandate that the RTC offer financing for each asset it sells. The financing should be no more stringent than the minimum financing required to prevent the transaction from being a covered transaction as set forth in the Comptroller of the Currency's regulation at 12 C.F.R. 7.3025, and the RTC should be required to separately justify as an exception any transaction for which it does not offer financing.

If the market understands that sales of these assets will be financed, there should be a significant stabilizing effect on prices, and that stabilization can be expected to be at a higher level. In addition, by requiring financing, the universe of potential buyers will be substantially expanded. If financing is not available, and sales are made on a cash only basis, prices will be substantially reduced since only cash rich "bottom fishers" will be able to participate. Excluding bona fide potential purchasers who could complete and/or manage projects, but who need reasonable market rate financing to do it, is not in the best interests of a local economy or the national economy.

Of course, it is likely that a substantial portion of the real estate assets presently in bankrupt thrifts will not be disposed of by the RTC. Instead, those assets will be left in the institutions themselves when they are sold to new ownership. In such cases, it will be the association's management, and not the RTC, which will devise and execute the strategy by which such assets will be disposed. Nevertheless, the RTC will play a paramount role in the development of such strategies, since it is the RTC that will structure the resolution of the insolvent association. Congress should make it clear in the statute that the manner of resolving insolvent institutions must give those institutions substantial incentives to refrain from dumping real estate.

3. Special Consideration Districts: The Senate version of the Bush Plan contains the concept of "distressed areas" and lists several states for inclusion. We believe that the general concept of distressed areas should be retained, but that the name must be changed. We have considered calling them "Special Consideration Districts," but a name might not even be necessary. In addition, we believe that the legislation should

not specifically identify any states. Instead, some type of mathematical formula should be used to establish qualification. Such a formula could be the following: a state would qualify when savings and loans holding more than a specified percentage (perhaps thirty-five percent (35%)) of the assets of all savings and loans in the state have been placed into receivership or conservatorship within an identifiable time frame (perhaps within the previous (24) twenty-four months).

The advantages of qualifying for special consideration would include the safeguards already in the bill for distressed areas (e.g. prohibition on sales at less than ninety-five percent of minimum disposition price, etc.), but would also include additional new items. For example, instead of relying on a regional advisory board based upon the current Home Loan Bank Districts, each qualifying state should have its own local advisory board comprised of ten to fifteen persons. Such state boards would have the same statutory stature as a regional board in the Senate bill. Membership on these boards could be designated in the statute to include representatives from special interest groups such as low income housing proponents, etc.

In addition, the RTC would be required to have a local liquidation agent in each qualifying state. That agent should have the authority to set and implement the disposition strategy in that state with guidance from the state advisory board. In addition, the agent should have under its control all assets located in that state which have been received from insolvent savings and loans, regardless of the home state of the savings and loan that actually owned the particular asset. In other words, assets located in state A would be disposed of by the RTC agent in state A, even if those assets had been originated by a savings and loan in state B. This would prevent different arms of the RTC from pursuing conflicting marketing strategies in the same state.

4. Institution Resolution: One of the tools likely to be utilized by the RTC in resolving insolvent institutions is the giving of notes to acquirors of those institutions in lieu of cash payments. We believe that such notes should carry the full faith and credit of the United States in order to enhance their liquidity, lower their rate, and make the institution more attractive to potential buyers. This should speed resolution of the insolvent associations, and hasten the restoration of confidence in a particular state's financial industry.

I hope that I am wrong. I hope that the RTC acts responsibly in consultation with local communities. I shall be watching closely and, when necessary, pushing and prodding the RTC to see that it does not thoroughly disrupt the local economy.

The special interest provisions in this bill are another area of great concern to me. Like the transition rules in tax bills, these special interest provisions undermine the integrity of the legislation, and undermine our integrity with the American public.

To date, the House and Senate Banking Committees have been unwilling to release a complete list of these institution specific provisions. Perhaps some of these are justified; I am willing to be convinced. But I continue to be skeptical of legislative provisions that are hidden away and not acknowledged by their authors.

Senator RIEGLE and the rest of the House and Senate conferees worked long and hard on what is truly a heroic effort. I respect the hard work and effort they put into the bill. My vote against this conference report in no way indicates a lack of respect, or might I add admiration, for the conferees and their staffs.

Perhaps 5 years from now we will look back and declare this bill a success. Or perhaps we will ask ourselves how we could have been so shortsighted, and how in our rush to punish the savings and loan industry, we undermined the growth of our economy.

Mr. BRADLEY. Mr. President, I am voting against the Financial Institutions Reform, Recovery and Enforcement Act of 1989. The bill leaves unanswered too many fundamental issues. I believe the American taxpayer demands more.

The bill does make certain improvements in the savings and loan industry. It provides funding to help fulfill the insurance obligations we have to the depositors of failed thrifts. It calls for this money to be raised and spent in part on-budget, as it should be. It mandates eventual adoption of risk-based capital requirements equivalent to those being set for commercial banks, with additional provision made for interest rate risk. It strengthens current enforcement practices and curbs some of the excessive activities permitted by some State banking authorities.

These are steps in the right direction. But we should not accept the President's claim that this legislation will "ensure that this never happens again."

Indeed, I fully expect that we will have to revisit the S&L issue within the next 5 years, if only to provide additional money for the resolution of insolvent thrifts. The funding provided by the bill is, by all accounts, insufficient to address the full scope of the problem. The cost estimates are based on unrealistic economic assumptions and, as noted in a Brookings study released this week, may understate the number of troubled thrifts. More money will be needed even if we manage to escape other shocks to the system, such as a spike in interest rates.

Providing the funds needed to quickly close insolvent thrifts and to fulfill our obligations to the depositor must be our first priority, especially since each day of delay is costing the American taxpayer $10 to $20 million.

But this bill goes way beyond simply providing the needed moneys. It makes far-reaching reforms to the entire regulatory and institutional structure governing the thrift industry. I question the wisdom of trying to design reform in the current crisis atmosphere. In the rush to get something done, we are introducing changes in an arbitrary fashion, without any clear sense of where we want to go, or of what we expect the thrift industry—indeed, the entire financial services industry—to look like at the turn of the century.

I am particularly concerned that we have not fully considered the role the savings and loan industry should play in our economy. Nor have we questioned and evaluated whether the deposit insurance system is working the way we intended. And, in our desire to speedily deal with the S&L crisis, I fear we are missing the implications it could have for the rest of the banking industry.

Mr. President, the savings and loan industry was created a half century ago, when the Depression threatened to destroy the American dream of home ownership. But the environment in which the S&L's operate has changed in the intervening decades. In particular, interest rate deregulation ended the Federal government subsidy which allowed S&L's to accept the risk implicit in holding short-term deposits against long-term assets. While interest rate deregulation was the correct policy, that reform—perhaps like this—was done in a piecemeal fashion, and the costs to the industry were quickly apparent.

We recognized this when we began deregulating the asset side of the thrift balance sheet, reducing the qualified thrift lender [QTL] test, increasing the investment activities permitted thrifts, and encouraging the use of adjustable rate mortgages. These changes were generally welcomed by the industry. While some abused the new privileges, the vast majority of thrifts found a balance between traditional and new activities that promoted both profitability and stability. This began to close the gap between the functional roles of thrifts and commercial banks. But thrifts, it seems to me, continue to be disproportionately vulnerable to interest rate risk, especially given the impact a rise in rates might have on capped ARMs, both to consumers and to thrifts.

By introducing structural reforms into the thrift industry that are only partly responsive to the problems that lie ahead, we may be actually increasing the risk to the healthy S&L's. Our first and foremost task should be to isolate and close, as quickly as possible, the unhealthy institutions. But then I think we need to spend some time assessing the wisdom of the bifurcation that now characterizes our banking industry.

The speed with which this legislation was prepared prevented consideration of this. The role of the thrift industry was assumed, not analyzed. As a result, not only does this legislation

not recognize that thrifts are ill-prepared to hold long-term debt, it actually mandates higher amounts. In addition, by continuing to lump all thrifts together, we are forcing the healthy S&L's to bear an enormous cost, as we increase insurance rates, and reduce FHLBB dividends.

The result may be the undermining of perfectly good financial institutions, in my state and others, in order to give a transfusion to the one or two states that represent the vast majority of the thrift failures. It would have made far more sense to spread this burden over the entire financial industry. But since we failed to evaulate the S&L's in the context of a rapidly evolving financial industry, we failed to develop a rationale or a justification for spreading the burden.

We cannot afford to let the S&L industry remain separate and distinct if we have to treat it as a delicate flower, which we can keep alive, but only in a hothouse with climate controls and special nutrition. The cost of the hothouse is simply too exorbitant.

Our concern must be with the function, not the form. In today's sophisticated financial world, the mortgage delivery and the mortgage-holding functions can be separated. Banks, thrifts and other institutions can originate the mortgages, but the interest rate risk that comes from holding mortgages can be more efficiently borne by long-term investors, such as insurance companies, pension funds, and trust funds. The challenge of legislating will be to take the efficiency gains of such an arrangement while assuring those holding long-term mortgages maintain a social conscience.

This does not mean an end to thrifts. Many of these firms are profitable and well run. Many tend to be smaller, occupying a special niche in the broader banking community. But the extent to which individual institutions specialize in one financial service or another should not govern their regulatory treatment.

We still need to ensure adequate credit for housing finance but some integration of banks and thrifts need not affect this negatively. As long as the demand for housing exists, financial institutions will provide funding, since single-family mortgages are profitable and entail generally less credit risk. This low-risk factor is recognized in the risk-adjusted capital standards being promulgated for commercial banks, which alone will encourage banks to provide housing finance. And, of course, the Government will continue to provide other incentives to the housing industry, through the tax code, guarantee agencies and direct funding.

In addition, the Federal Home Loan Bank should continue to provide housing finance. Indeed, its role could actually be expanded by permitting any institution that can efficiently deliver and hold mortgages access to its funds window. This could prove by far a more effective, efficient, and equitable means to realize our home ownership goal.

Mr. President, if the systemic weakness of the S&L industry is a major cause of the crisis we face today, it has been compounded by the lack of adequate protections against the problem that deposit insurance creates, namely, giving bank and thrift managers and owners unlimited access to government guaranteed funds which they can invest with minimal risk to their own capital.

The key solution to this problem, as this bill recognizes, is adequate capitalization. But the bill does not go far enough in this regard. The immediate tangible capital requirement of 1.5 percent is simply too low. While this will be corrected as the role of goodwill is decreased over 5 years and tangible capital increase toward the 3 percent "leverage limit," the unfortunate fact is that the FDIC will face this "moral hazard" risk in the interim.

I should note here that there is little justification for this. Goodwill as an economic asset is meant to reflect the intangible value of an acquired asset—in the case of the S&L, its franchise. But the creation of goodwill in the thrift industry in recent years has not been based upon this definition. Instead, goodwill has come to mean the difference between the liabilities and the assets of a thrift, less the capital that the acquiring interest is willing to contribute. The effect is perverse—the weaker a thrift, the more goodwill it creates. This is just wrong. And enshrining it in the 3 percent leverage limit is unacceptable.

Again, I fear that part of the reason the bill accepts this risk is that it is concerned more about the form than the function, the institutions rather than the depositors. We cannot afford this. We should instead be providing the regulators sufficient funding to close shakey institutions now, today, not in 2, 3, or 5 years. The problem is simply too enormous to let it grow.

But in addition, the problems of moral hazard should force us to re-examine the role of deposit insurance. Again, the insurance system was created more than half a century ago, as a response to the tragic human and economic costs of the Depression. The basic policy is sound: Our government has an obligation to ensure that no individual sees his life savings wiped out. This is not only a moral responsibility; it makes economic sense as it injects confidence and stability into the financial system. But if the concept is sound, the practice has soured.

The deposit insurance system was established to ensure that depositors never again need fear a total loss of their savings. We continue to recognize this principle by "limiting" the amount of insurance coverage to $100,000 (up from $2,500 when the deposit insurance system was created and up from $40,000 just 7 years ago).

But now, since we insure accounts rather than individuals, what we have is universal deposit insurance, covering all deposits by any and all depositors. We have strayed far from the original purpose of the program. As a result, the contingent liability we so long ignored has mushroomed almost beyond comprehension. The refusal to address the account versus individual issue or to consider modification of the $100,000 limit was, in my judgment, another shortcoming of the bill, particularly when one realizes that the average deposit in an S&L is far below the limit.

Furthermore, we can no longer afford to be so sanguine about this contingent liability. We need to limit it. We need to return to the original concept that not every account, but every individual, is guaranteed that a certain amount of his savings cannot be lost.

Of course, some individuals and businesses may want additional insurance. This can—and should—be provided by private insurance firms.

Moving to individual insurance instead of account insurance might not only reduce and make more manageable the Federal Government's contingent liability, it could also create multiple layers of regulation for depository institutions. For example, larger depositors would more carefully select their banks. The private insurance companies would also carefully monitor a bank's performance, and would even refuse to provide coverage for those deemed to be imprudently run. This alone would function as a "rating" system, encouraging that more deposits would flow to better companies.

Mr. President, the problem of deposit insurance is far larger than the S&L problem alone. We cannot permit ourselves to be so consumed by the S&L crisis that we neglect the commercial banking system, where our liabilities dwarf by some order of magnitude those we are facing with thrifts.

Commercial banks in general are healthy. This should not stop us from anticipating future structural changes now. The international competitive environment facing our banks has changed, as has their operating environment here. In addition, despite the record profits of the banking industry last year, the Brookings Institute study released this week rightly sounds a note of warning about the condition of the industry. Using a slightly modified risk-adjusted measure, Brookings identifies 28 large banks with $23 billion in assets that

are in effect insolvent; another 48 institutions with $43 billion in assets had capital ratios of less than 3 percent. This alone is deeply disturbing; more disturbing still is that the Brookings study doesn't even take off-balance-sheet contingent abilities into account. The authors conclude that FDIC is in effect practicing forebearance in much the same way the FSLIC did during most of this decade.

Rather than waiting for the crisis to hit, we should be encouraging our regulators to try to intervene at the earliest possible moment, when the first signs of a serious downward trend show up, not just when that trend has passed some magic number and the bank is bordering on insolvency.

Mr. President, the potential problem in the commercial banking sector raises a final issue—the need to ensure that all depository institutions are adequately regulated.

This bill recognizes that this is a problem, and authorizes additional funds to hire qualified regulators. I am not sure that the amount authorized is sufficient. In my experience, the vast majority of bankers—whether in thrifts or commercial banks—are of the highest integrity. But as the GAO has so recently documented, the greatest single source of threat to our S&L system are those few individuals who are not so honorable. In virtually every case reviewed by the GAO, the managers/owners not only engaged knowingly in illegal activity, but often did so after having been warned by the regulators.

Perhaps, just perhaps, we would not be facing this crisis had the regulators been adequately paid and staffed. The penny-wise and pound-foolish result of this underfunding is graphically portrayed in a Bernstein Research report to FDIC, which points out that the $800 million cost to FDIC of resolving the American Diversified Savings bankruptcy was 14 times the national budget for supervision and enforcement, enough to pay 16,000 supervisors at an average annual salary of $50,000—more than 10 times the total supervisory personnel in the entire regulatory system. Preventing one medium sized failure would provide funds to put regulators in institutions on a full time basis. This bill offered an opportunity to squarely face and solve the supervisory and regulatory shortfall. I regret we did little more than acknowledge the problem and take a small step in the right direction.

The urgency of a more comprehensive regulatory approach is critical because, in passing this bill, we are placing an enormous administrative burden on the FDIC. We must ensure that this burden does not prevent the FDIC from fulfilling its current mission—monitoring the commercial banks. We must encourage them to submit to us a realistic assessment of their needs. And, whatever our budget constraints, we should be prepared to meet those needs. This, at least, we owe our taxpayers * * * and our children.

I know the committee has worked long and hard on this bill. The conference report is a marked improvement over the earlier version and I congratulate them for their diligence. I regret, however, that I cannot support the bill, not so much for what it does, but for what it fails to do and for what this failure implies for our financial future.

Mr. GARN. I would like to raise a technical point with Senator RIEGLE. The original administration proposal called for the Federal preemption of State law with respect to certain provisions of the legislation. In many cases, the administration proposal specifically preempted State constitutions. The conference report, however, does not specifically preempt State constitutions, but instead overrides State law generally where such an override is deemed necessary. What was the reason for this change?

Mr. RIEGLE. I am glad that the Senator from Utah raised that point. It is unnecessary to specifically mention State constitutions in these provisions. State constitutions, as well as State statutory provisions are automatically overridden whenever a Federal statute preempts State law. Thus, it is not necessary to specify State constitutions. Whenever this bill preempts State law, it preempts all State law, including State constitutions.

HOSTILE TAKEOVERS IN THE BANKING INDUSTRY

Mr. SASSER. Mr. President, I rise to address an issue that was of concern to me when we considered this bill back in April.

The issue is takeovers within the banking industry. Indeed, I was a cosponsor of the amendment to prevent banks that receive substantial FDIC assistance from participating in the hostile acquisition of other banking institutions. The amendment was intended to limit the unfair competitive advantage that banks receiving such assistance have in mounting hostile acquisitions and to encourage the return of these banks to private ownership.

The issue of bank hostile takeovers is a continuing concern of mine for I fear such activity poses great potential for harm to the Nation's banking system. Confidence has been deeply shaken in our Nation's savings institutions. We have a responsibility to do all we can to shore up that loss of faith.

As you know, the House Banking Committee shares our concern over this activity and has committed to hearings in the coming weeks. Additionally, the House Banking Committee included very strong language in its report H.R. 1278, the Financial Institutions Reform, Recover and Enforcement Act of 1989. I would particularly draw your attention to the following excerpts from that report:

> The committee believes that such use of government ownership can unfairly handicap privately owned financial institutions . . . the committee expects that the agencies will fully factor these policy considerations into their review of particular transactions pending further congressional action.

The Senate concurs with this House conclusion. Indeed, Mr. President, we are already seeing a positive response to our concerns by the various regulatory agencies. However, we need to continue to monitor this situation. I commend the House's commitment to hold hearings and I urge my collegues here in the Senate to do the same.

As we prepare to vote final passage on the conference report, let us remember that the winds of uncertainty are blowing about the millions of depositors in federally insured banks as a result of the documented excesses of the thrift industry. Investor confidence has been shaken and this Congress, together with our Nation's regulators, must work hard to ensure the safety and soundness of our insurance funds. The stability of our Nation's banking system must be our paramount concern. Hostile takeovers do nothing to add to that stability.

FEDERAL HOME LOAN BANKS

Mr. GARN. In sections 702 the joint offices of the Federal home loan banks, including the Office of Regulatory Activity, are terminated. Provisions of sections 722 and 723, however, provide for a 60-day transition period and a 120-day assignment period. Those sections also provide for a period of time during which the Federal home loan banks continue to pay all or part of the costs of compensation for personnel transferring from the banks and joint offices, even after those employees have transferred. Additionally, the Federal home loan banks are required to provide facilities and support services for the supervisory and examination personnel for a period of time after enactment. How are these provisions reconciled?

Mr. HEINZ. Even though the offices are terminated, the agency functions are not, those functions are very important. The conferees intended that following enactment, during the transition period, the Federal home loan banks will continue to support and fund the examination and supervisory functions now conducted at the banks and joint offices. We are concerned that the supervisory and examination functions now performed by the Federal loan banks and joint offices not to be disrupted during the transition process that will follow enactment. Accordingly, until the personnel are transferred from the banks and joint

offices to the Office of Thrift Supervision, we clearly intend that the banks continue to fund and support those operations, consistent with current practice, during transition and following transfer as provided in the act.

Mr. CRANSTON. Title III, section 301, subsection 5(u) applies the commercial bank loan-to-one-borrower limits to thrifts. The national bank rule at 12 U.S.C. 84, which will applied to thrifts, presently exempts some loans which are "fully secured by collateral" from the loan-to-one-borrower rules. Examples of loans receiving full or partial exemptions are loans secured by deposits, Treasury bills and livestock. No housing loans of any nature are exempted from loans to one borrower. Do you agree that the role of smaller well-capitalized thrifts in housing would be well served if the banking and thrift regulatory agencies would consider developing regulations, with due consideration for safety and soundness, which might exempt certain housing loans collat- eralized by single family residential real estate in the same fashion that certain secured commercial bank loans are exempted under the loan-to-borrower rules?

Mr. GARN. Yes, I believe that the development of such regulations would give the regulators needed flexibility in dealing with the fully collateralized residential lending activities of well-capitalized, smaller banks and thrifts, especially those that operate in high cost areas.

Mr. CRANSTON. I thank the Senator.

OFFICE OF THRIFT SUPERVISION

Mr. GARN. In conference, Senate and House conferees voted to remove the House requirement that the Director of the Office of Thrift Supervision consult with the Secretary of the Treasury when setting compensation levels. Does the Senator from Michigan agree that the vote affirmatively gave the Director sole authority over administrative and personnel matters at the Office of Thrift Supervision?

Mr. RIEGLE. Yes, I agree, Mr. President. And the conferees intended to give the Director authority parallel to that given the Comptroller of the Currency under the act. Both have exclusive authority over all personnel related matters including authority to decide the number of and direct employees, determine the work assigned, compensation, including pay and benefits—in short the authority to establish and supervise all aspects of the organization.

Mr. GARN. One final point. Under the comparability provisions, when will discrepancies between the banking agencies' levels of compensation be eliminated?

Mr. RIEGLE. We expect immediate changes and hope for full comparability within 3 years of enactment.

JUNK BONDS

Mr. GARN. I would like to clarify one point regarding the definition of junk bonds. It is my understanding that this definition is not intended to include bona fide loan participations that are issued in the ordinary course of business.

Mr. HEINZ. I concur with this interpretation.

LIABILITY INSURANCE CONTRACTS AND FINANCIAL INSTITUTION BONDS

Mr. SANFORD. Mr. President, I would like to address an important provision adopted by the conference committee which affects the enforcement of Director's and Officers' liability insurance contracts and financial institution bonds. As we know from the past liability insurance crisis that this country experienced in 1985–86, it is essential for bank and thrift directors to have liability insurance available to them in order to get well-qualified people to serve on such boards. At a time when the thrift industry greatly needs strong independent directors, we need to make sure that we are not enacting provisions which will fundamentally deter honest, able people from serving as directors or officers of financial institutions.

The conference report includes a provision which grants powers to the FDIC to enforce contracts in receivership at section 212 which adds section 11(e)(12) to the Federal Deposit Insurance Act. Both the House and Senate agreed that this provision is not intended to apply to Director's and Officers' liability insurance contracts or financial institution bonds.

Mr. GARN. Mr. President, would the distinguished Senator from North Carlina yield?

Mr. SANFORD. I yield.

Mr. GARN. I agree with the comments of Senator SANFORD with respect to this issue.

I have had our counsel carefully review current law and found the following. Substantially all courts, including a court of appeals decision, which have considered the provisions in financial institution bonds which provide that coverage terminates upon the appointment of a receiver have upheld such provisions as enforceable with respect to fidelity or indemnity bonds. See *Sharp* v. *Federal Savings and Loan Insurance Corporation,* 858 F.2d 1042 (5th Cir. 1988).

With respect to Directors' and Officers' liability insurance contracts, there has been a substantial split in the decisions relating to the validity of regulatory exclusion clauses that prohibits a regulator from enforcing rights under the contract. Compare *Continental Casualty Co.* v. *Allen et al.,* No. CA-5-86-252-C (N.D. Tex. Apr. 3, 1989) with *Branning* v. *CNA Insurance Companies* No. C.88-764 R (WD Wash. Apr. 19, 1989).

It is not the intent of the conferees to influence these decisions, or to affect the development of case law or statutory provisions relating to the validity of these clauses and director and officer liability insurance contracts or fidelity or indemnity bonds. The intent of the conferees is to remain neutral on these matters.

PASSIVE INVESTMENTS

Mr. SANFORD. The proposal, dealing with passive investments of a securities firm affiliated with a savings and loan holding company in the conference report, permits acquisitions by an underwriter of more than 5 percent of the shares of an insured institution or a holding company thereof in the ordinary course of its underwriting activities. Does this include stabilization purchases incident to underwriting?

Mr. GARN. Yes, it does. Such purchases are not effected with any intent to change control of the institution, but are incident to the underwriting process and are, therefore, exempt.

Mr. SANFORD. The proposal also permits acquisitions by a dealer of more than 5 percent of the shares of an insured institution or a holding company thereof in its capacity as a dealer in the ordinary course of its trading activities. Does this include acquisitions by the dealer as part of the its block trading, market making and odd-lot trading activities?

Mr. GARN. Yes, it does. Such acquisitions are not effected for the purpose of changing control of the acquired institution or a holding company thereof, but are usual and customary and incident to the acquiror's activities as a dealer.

LOANS TO ONE BORROWER

Mr. CRANSTON. Mr. President, in reading title III section 301, subparagraph (5)(U) of H.R. 1278, it would appear that the new loan to one borrower limitations in the bill would become effective immediately upon enactment. This would require thrifts to divest themselves of existing loans that were in compliance with the law when they were made. Was it the intent of conferees to imply that this section be retroactive?

Mr. RIEGLE. It is the intention of the conferees that the reference to section 5200 of the Revised Statutes relative to limitations on loans to one borrower be applied prospectively, that is, only to loans originated or committed to be made subsequent to the date of enactment of the bill.

Mr. GARN. This provision is not intended to have a retroactive effect. It would simply be unfair for savings associations operating legally within the then existing laws to be placed at risk upon enactment of this new provision. It certainly is our intent that the provisions apply on a forward basis only.

MORTGAGE SERVICING RIGHTS

Mr. D'AMATO. I rise to engage my distinguished colleagues, Senators GARN, HEINZ, and CRANSTON in a colloquy on two issues, the tangible capital treatment of purchased mortgage servicing rights and the credit risk-weighting of purchased mortgage servicing rights.

Am I correct that the conferees agreed and intend that the Federal Deposit Insurance Corporation will determine the maximum amount of purchased mortgage servicing rights that can be counted in meeting the tangible capital test, subject to further restriction that may be imposed by the Federal Thrift regulator? Thus the FDIC could authorize up to 100 percent of the tangible capital test be met by the inclusion of purchased mortgage servicing rights.

Second, as to credit risk-weighting of purchased mortgage servicing rights, is it your understanding that the conference report language dealing with the risk-based capital standards permits the Director of the Office of Thrift Supervision to set credit-risk weights for purchased mortgage servicing rights as he deems appropriate in light of the risks involved in holding such assets?

Additionally, would it be correct to say that the Director may consider that purchased mortgage servicing rights involve underlying assets which may be highly secure and, therefore, the Director may consider this fact in making any determination of the appropriate credit-risk weight for purchased mortgage servicing rights? Thus, under the proviso that the Director may deviate from national bank standards for purposes of the risk-based capital requirements, DOTS could give purchased mortgage servicing rights a risk-weighting of less than 100 percent.

Mr. GARN. The understanding of the Senator from New York is correct.

Mr. HEINZ. I want to concur and thank the Senator from New York for his comments.

Mr. CRANSTON. I want to wholeheartedly concur with the observations of my distinguished colleagues. I share their understanding of the intent of the conferees on the matters we have been discussing.

HOLDING COMPANY PROVISIONS

Mr. CRANSTON. I rise to engage the distinguished ranking member of the Banking Committee in a colloquy. The bill reenacts section 408 of the National Housing Act, transferring to the Director of the Office of Thrift Supervision the authority to issue rules, regulations, and orders to carry out the purposes of the holding company provisions of the act. Do I understand correctly that the conferees intend that the Director will retain the flexibility needed to respond to the wide variety of situations which may arise in addressing holding company issues by adopting rules and regulations to address recurring situations and orders to deal with specific cases?

Mr. GARN. The Senator's understanding is correct.

APPLICABILITY OF CAPITAL REQUIREMENTS

Mr. D'AMATO. I would like to ask Mr. GARN a question concerning the applicability of the capital requirements of the bill to savings associations. It is my understanding that the capital requirements established under the bill apply separately and not on a consolidated basis to a savings association and each existing subsidiary savings association acquired before May 1, 1989. Is my understanding correct?

Mr. GARN. The Senator is correct.

Mr. D'AMATO. Am I also correct in understanding that the capital provisions of the bill do not affect the public reporting of income or the statement of condition of savings associations under generally accepted accounting principles?

Mr. GARN. Yes, the Senator is correct.

Mr. D'AMATO. I thank the Senator.

CONSERVATOR OR RECEIVER POWERS

Mr. GARN. The FDIC's powers as conservator or receiver are set forth in section 212 of this bill.

The legislation provides that the FDIC is permitted, in its capacity as conservator or receiver, to repudiate certain contracts which are determined to be burdensome if it will promote the orderly administration of the financial institution's affairs. My understanding is that these determinations must be made on an individual, contract by contract basis. Is this correct?

Mr. RIEGLE. Yes, it is correct.

CONVERSION MORATORIUM PROVISION

Mr. GARN. I would like to take the opportunity to clarify the application of the conversion moratorium provisions. As I understand it, the moratorium generally prohibits a member of the Savings Association Insurance Fund from leaving that fund and becoming a member of the Bank Insurance Fund during the 5 years after the bill becomes law

Mr. RIEGLE. That is correct.

Mr. GARN. It is also my understanding that a savings association insured by the FSLIC that is exempt from the present moratorium on FSLIC-to-FDIC conversions imposed by the Competitive Equality Banking Act of 1987, would lose its ability to switch insurance funds under the pending legislation if it did not convert the FDIC insurance before the bill becomes law.

Mr. RIEGLE. Yes, since the conversion moratorium provisions of this legislation contain no exception for thrifts grandfathered under CEBA, an institution that was exempt under CEBA would still be subject to the new 5-year moratorium. This would be the case even if the thrift had applied to convert or was involved in litigation with any of the Federal regulators over its status before the bill was enacted. In determining whether the proposed conversion is permissible, you would look to the law in effect at the time the transaction is consummated, not what the law was when the application or lawsuit was filed.

AFFORDABLE HOUSING PROVISION OF THE S&L BAILOUT BILL

Mr. NICKLES. Mr. President, I rise today with a great deal of concern regarding a provision tucked away inside this huge Savings and Loan bailout bill that, ironically, may contribute to the fiscal demise of the very institutions we are trying to assist.

Under title 7, section 721, of the bill there is an onerous requirement placed upon the 12 Federal Home Loan Banks and their member institutions. This affordable housing provision will require each of the 12 banks to set aside a certain percentage of their annual net earnings for the purpose of subsidizing below-market interest rate loans for their member-thrifts to finance low-income housing mortgages.

A minimum requirement of 5 percent of net earnings from each bank must be provided for this housing program from 1990 through 1993. During this period, a minimum of $50 million from all banks must be paid into this program. But do not be fooled by this minimum figure. There is no ceiling on this requirement, so the set-aside amount would be limitless.

Last year the net earnings from the 12 Federal Home Loan Banks totaled approximately $1.9 billion—5 percent of this is $95 million. That far exceeds the misleading $50 million minimum set-aside requirement within the bill. How can we project the costs of such an open-ended provision for future years?

In 1994, the requirement goes to 6 percent per bank. And finally, in 1995 and beyond, each bank must set aside an incredible 10 percent of the preceding year's net income to go toward these housing subsidies.

We are talking about providing limitless, hundreds of millions of dollars to subsidize low-income housing—in a banking bill.

This is not a banking bill—this is a housing bill.

Section 721 of the bill is titled "Affordable Housing". My colleagues from New York and California, Senator D'AMATO and Senator CRANSTON already have a bill entitled "The National Affordable Housing Act". I do not recall them including any major thrift provisions in their bill. So why does a bill aimed at assisting our Nation's ailing thrifts have a potential multi-

billion-dollar affordable housing provision attached to it?

This provision is not aimed at solving our current thrift crisis. This provision will only add to our thrift problems and perhaps contribute to the future demise of the very system we intend to bail out.

It is one thing to support the spending of over $250 billion to bail out our ailing thrift industry. It is another to be voting for a gigantic increase in housing subsidies under the guise of savings and loan assistance.

THE FINANCIAL INSTITUTIONS REFORM, RECOVERY, AND ENFORCEMENT ACT OF 1989

Mr. CHAFEE. Mr. President, I commend the administration for coming to terms with the savings and loan crisis so quickly and for proposing the legislation that served as the basis for the conference report on which we are voting today. I also commend the chairman of the Banking Committee, Senator RIEGLE, the ranking member, Senator GARN, and all the committee members and staff for holding exhaustive hearings, making improvements, and moving the legislation through the conference with the House as expeditiously as they did.

The conference report before us is a compromise. I preferred the administration's financing approach because I believe that the practice of raising the deficit but exempting the increase from the only mechanism in place to control the deficit—the Gramm-Rudman-Hollings Act—is fraudulent. But it was clear that the other side was not going to give on this point. So, the conferees met again last night and reached a compromise that is acceptable to the administration.

It is not overstating the case to call the savings and loan problem a crisis. The S&L industry is hemorrhaging at a rate of $20 to $30 million a day. The amount of money we've already spent to rescue insolvent thrifts, and the cost of recapitalizing the Federal Savings and Loan Insurance Corporation [FSLIC] in order to bail out the roughly 500 more S&L's that will become insolvent between now and 1991, is staggering. Add to this the costs we will incur from interest payments over the next 30 years, and it is clear that we are in the middle of an economic crisis.

Strengthening the capital requirements of thrifts is one way to prevent further crises. In fact, raising the capital standard is the strongest and most critical requirement in the conference report. It is the backbone of the legislation.

Capital is the difference between a thrift's assets and its liabilities. It is a buffer to absorb bad loans and protect depositors—and, ultimately, taxpayers—from losses. I view stronger capital standards as the most important way to minimize the impact of future S&L losses on Government insurance funds. It is my hope that the new, stringent capital standard will encourage responsible behavior among thrifts, and in so doing, prevent future insolvencies.

Another way in which we can prevent this disaster from recurring is by requiring unscrupulous thrift owners and operators to pay for their abuses. Outright fraud and embezzlement led to one-third of all thrift failures. The legislation addresses this by increasing civil money penalties in cases when a bank, thrift, or credit union, or an individual connected to the institution, violates regulations or engages in an unsafe or unsound practice to $25,000 per day or to $1 billion per day in the case of reckless violations. I am confident that this and other requirements contained in the S&L bill will discourage abuse and mismanagement on the part of S&L owners and operators now and in the future.

Finally, a bill this big and complex, and involving so much money, is bound to prompt concerns. I would like to express mine. My chief concern is the Oversight Board of the Resolution Trust Corporation [RTC]. The Comptroller General of the United States, Charles Bowsher, has also voiced concern about this matter.

Congress has made the Oversight Board of the RTC directly accountable for the management of the Asset Disposition Program, and theoretically, the Board should be able to operate more effectively than as originally proposed. But we are talking about an agency that is endowed with a huge responsibility—disposing of hundreds of billions of dollars' worth of thrift assets. I am worried that we are asking a great amount from the members of the Oversight Board—consisting of the Treasury Secretary, the Chairman of the Federal Reserve Board, the Secretary of Housing and Urban Development, and two independent members—who have myriad responsibilities to begin with. I sincerely hope each will devote careful attention to his or her duties that devolve as a result of this legislation.

CONVERSION OF THRIFT CHARTERS

Mr. WIRTH. Mr. President, I seek recognition to inquire about certain provisions contained in the savings and loan conference report now before the Senate. I would like to ask the distinguished chairman of the Banking Committee, Senator RIEGLE, to clarify provisions in the legislation concerning the conversion of thrift charters to bank charters.

Is it correct that the provisions of this act that permit thrifts to be converted to banks are not intended to allow banks resulting from such conversions to establish, retain, maintain, or operate branches that do not comply with the laws relative to the establishment and operation of bank branches or offices in the respective States where such banks are located?

Mr. RIEGLE. The Senator's statement is correct.

Mr. WIRTH. I thank the Senator for his attention to this matter.

Mr. GARN. The bill generally applies the restrictions of sections 23(a) and 23(b) of the Federal Reserve Act to transactions between savings associations and their affiliates to the same extent that those restrictions apply to member banks. Is that correct?

Mr. RIEGLE. That is correct.

Mr. SANFORD. Am I correct in believing that the bill does not limit the Federal Reserve Board from exercising its authority to grant exceptions from sections 23(a) and 23(b) for savings associations that are controlled by savings and loan holding companies? In particular, I wonder if the Board may in individual cases or by regulation grant savings associations that are owned by savings and loan holding companies the sister bank exception at any time after the bill is enacted?

Mr. RIEGLE. The Senator is correct. The bill establishes a general rule permitting savings associations owned by savings and loan holding companies to take advantage of the sister bank exception in section 23(a) after 5 years. The Federal Reserve Board would, of course, continue to have full authority to grant exceptions to the provisions of sections 23(a) and 23(b), either individually or by regulation, that would be consistent with the purposes of sections 23(a) and 23(b) prior to the expiration of the 5-year period.

Mr. CRANSTON. Mr. President, I agree with the Senator, and the ranking minority member of the Banking Committee, and the Senator from North Carolina that his interpretation is correct.

BANKING "BAILOUT AND RECOVERY" BILL

Mr. ROCKEFELLER. Mr. President, I rise to make it clear that, if the Senate had decided to cast a recorded vote on the legislation before us, I would have voted a loud and thundering "no." Like my colleagues who share this view, I can count. The President and the proponents of this package in this body have more than enough votes to pass this legislation. But I feel it's my duty and obligation to make my feelings on this matter known.

For the past several months, since the Senate first acted on the bill dubbed the "Financial Institutions Reform, Recovery, and Enforcement Act," I have been back home, to my State of West Virginia, talking with, hearing from, listening to my constituents on the crisis of savings and loans institutions, and the plan that Congress had crafted to solve that crisis.

The people of West Virginia have a very clear notion of what this plan is

about. It proposes to spend up to $300 billion, part of which will be spent bailing out failing and crippled banks, on giving crutches and emergency treatment to ailing banks, and selling off those too sick to make it.

Mr. President, I am voting no to express my disdain about the situation before us. The entire mess should have never occurred. A regulatory system should have been in place, with cops and watch dogs on the beat. S&L's in Texas, California, Oklahoma, and other States—not West Virginia, I might note—should have been allowed to speculate and lend in totally careless and reckless ways. The "anything goes" attitude that prevailed among numerous S&L's has dumped a legacy that our taxpayers—along with their children and grandchildren—will pay for decades to come.

I am angry and frustrated about a past that now haunts us. I vote against this legislation out of that outrage, and to stand up for the people of West Virginia who should not be saddled with the sins and mistakes of others.

I do not recognize the enormous effort of Senator RIEGLE and others to include in this bill a number of major positive measures to make the entire system governing and protecting our banking system far stronger. But those are measures that can still be passed separately. I pledge that I will support everything and anything to assure that this horrendous situation is never repeated.

CAPITAL STANDARDS

Mr. WIRTH. Would the Senator from Michigan yield for a question pertaining to the capital requirements?

Mr. RIEGLE. Yes.

Mr. WIRTH. As I understand it, all the capital standards adopted by the thrift regulator must be no less stringent than the capital standards adopted by the Office of the Comptroller of the Currency.

Mr. RIEGLE. The Senator is correct.

Mr. WIRTH. The tangible capital requirement adopted by the thrift regulator must be no less stringent than the tangible capital standard adopted by the Office of the Comptroller of the Currency. The language of the bill defines thrift tangible capital as "core capital minus any intangible assets—as intangible assets are defined by the Comptroller of the Currency for national banks." Because the Office of the Comptroller of the Currency has a de facto tangible capital requirement in that it limits intangibles to 25 percent of core capital, the number selected by the thrift regulator for the tangible capital standard must be equal to or greater than 75 percent of the number selected by the Office of the Comptroller of the Currency for core capital to total assets. For example, if the Office of the Comptroller of the Currency establishes that a bank must have 3 percent core capital to total assets, it effectively requires 2.25 percent tangible capital to total assets because 75 percent of that core capital must be tangible. So the way the bill would would work is that the 1.5 percent tangible capital requirement is a floor, but the Office of the Comptroller of the Currency may set a higher floor, is that correct?

Mr. RIEGLE. The Senator is absolutely correct. One-hundred and twenty days from enactment, thrifts will be required to have tangible capital equal to at least 1.5 percent of total assets. But if the OCC were to issue a regulation stating banks had to have 3 percent core capital to total assets, the thrift regulator would immediately be required to issue a regulation requiring thrifts to have 2.25 percent tangible capital.

HOUSING PROVISIONS IN FSLIC BILL

Mr. CRANSTON. Mr. President, the conference report on the thrift crisis legislation contains two provisions that would provide more affordable housing. The Senator from Texas, in a "Dear Colleague" letter and on the floor, has made a number of allegations about these provisions that are so misleading they should not go unanswered.

Several housing provisions were included in the House bill by Members who believed that this massive rescue should be implemented with some recognition of the intense need for decent, affordable housing in this country.

The conferees amended the House provisions to make them consistent with the bill's overall objective of achieving reform and recovery of the thrift industry at the least cost to the taxpayers.

One important reason to include some provisions in this bill that are favorable to affordable housing is that these provisions are needed to help offset the effects of other provisions in the bill that, unavoidably, are hostile to affordable housing.

Does the bill provide a major housing initiative? Of course not.

Let's look at the facts. Two provisions are involved.

One provision deals with the sale of housing that is owned by the Resolution Trust Corporation [RTC]. RTC would be permitted to sell a single family home only to: First a resident home buyer whose income does not exceed 115 percent of the area median; or second; a public agency or nonprofit organization for a period of 3 months after the home is put on the market.

Property disposition experts at FSLIC, FDIC, Fannie Mae, and Freddie Mac have found that aggressive marketing of homes to these buyers is the best way to get the best return. This provision of the bill is also needed to prevent real estate speculators from snapping up these houses for a quick profit.

Multifamily housing would be handled differently. During the several months that are needed to prepare a property for sale, prospective buyers who want to make the housing affordable to low income families would be given a "first look" at the details of the property. These buyers could include nonprofit organizations, public agencies and for-profit developers.

This "first look" would permit these buyers a little extra time to arrange financing so they can keep the property as affordable housing. Property disposition experts have found that this "first look" approach often accelerates the sale. Once the property is ready for sale, a "first look" buyer would have to make a bona fide offer within 45 days or the property could be sold without restriction. On balance, the conference agreement is more likely to accelerate RTC property sales than to delay them.

The conference report requires that properties be sold at their market value, discounted only for reductions in holding costs and other savings resulting from expedited sales. Only in very limited circumstances, would the RTC be permitted—at its discretion—to provide further concessions on price and seller financing. Property disposition experts have found that such concessions are at times necessary for prudent management.

The conferees worked closely with property disposition experts at FSLIC and FDIC to ensure that these provisions could be implemented in the interest of the taxpayers and with a minimum of administrative burden.

The Federal Home Loan Bank Board wrote the conferees in support of provisions of the conference agreement. I ask that a copy of that letter be included in the RECORD at the conclusion of my remarks.

CBO estimated that the original House provision would cost a total of $300 million over a 5-to-7-year period. The conference agreement greatly reduced or eliminated elements of the House provision that would have produced those costs.

The Senator from Texas mischaracterizes the property sales process, grossly overstates the willingness of RTC to give price concessions and fabricates a completely arbitrary price tag of $10.5 billion for these provisions.

The second provision would require the Federal Home Loan Banks to use a small portion of their net income to lower the cost of financing for homeownership and rental housing for low income and moderate income families. Each bank would contribute 5 percent of its net earning in 1990-93, 6 percent in 1994, and 10 percent in 1995 and beyond. The contributions nationwide would total not less than $50 million

in 1990-93, $75 million in 1994, and $100 million in 1995 and beyond.

Those funds would be provided to member thrift institutions to write down the interest rates for some mortgages on low income and moderate income housing. The lending institution would pass the subsidy on to the borrower and would to incur a loss as a result.

Federal Home Loan Banks in Seattle, San Francisco, Pittsburgh, Cincinnati, New York, and Boston all wrote to support the House provision. This approach is similar to activities these banks have carried out successfully in the past. The conference report would involve significantly lower amounts of bank funding than the House provision.

Senator GRAMM arbitrarily assumes that this provision will be in effect for 30 years without amendment and then comes up with his own price tag of $2.8 billion.

Mr. President, this country has a serious and growing problem of affordable housing. The housing problem affects young families who want to buy their first home. It affects elderly people who should be able to live with independence and dignity. And it affects low-income and moderate-income people, too many of whom are homeless or living near the brink of homelessness.

Some Senators fight tooth and nail against housing legislation. Some always have. I expect some will continue to do so.

I believe, however, that the full Senate will respond to the country's growing housing crisis and will approve major legislation to enact an effective, new national housing policy that meets the housing needs of American families.

The two housing provisions in this conference agreement are included to prevent this thrift crisis legislation from making the housing crisis worse.

At this point I ask to include a letter from the Federal Home Loan Bank Board in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL HOME LOAN BANK BOARD,
Washington, DC, July 18, 1989.

Hon. ALAN CRANSTON,
Committee on Banking, Housing, and Urban Affairs, Washington, DC.

DEAR SENATOR CRANSTON: Over the past few months, Bank Board staff have been working with the Housing Committee staff to assist in the development of the low-income housing provisions of the FIRREA legislation. Yesterday, they were given an opportunity to review the July 16th draft of this provision, and we would like to take this opportunity to provide the conferees our suggestions concerning the latest proposal in this area.

The provisions are generally consistent with our thoughts concerning the disposition of lower priced single-family and multifamily dwellings. With about $10 billion of assets currently being liquidated by FSLIC, we are well aware of the significant costs the government incurs by holding residential real estate for excessively long periods. The holding costs of vacant single-family properties and multifamily properties with low occupancy rates are especially high. We believe that many non-profit organizations and public agencies are capable of helping to keep these properties as a valuable housing resource for the community. Consequently, we support the flexibility that will be given to the Resolution Trust Corporation in disposing of these properties at less than "appraised value"—particularly when the housing is being preserved as a low income housing resource.

We have identified three areas where the conferees might wish to make refinements to the legislation:

(1) Scope of Applicability of the Provision: As the provision is currently drafted, it would only apply to real estate RTC owns in its corporate capacity or as receiver. It would not apply to the portfolio of assets FSLIC currenty owns in its corporate capacity or as custodian for the institutions placed into receivership prior to January 1, 1989. Under the House and Senate passed bills, "old" FSLIC assets (those acquired prior to January 1, 1989) would revert to the FSLIC Resolution Fund within FDIC. The committee should apply the low income housing provision to the FSLIC Resolution Fund as well as the RTC.

(2) Recapture Provision: The draft proposal is silent as to whether the RTC is authorized to take measures to recapture a portion of the sales discount when the initial purchaser sells the property to a third party. In the case of deeply discounted sales, the Conferees may wish to consider giving the RTC the explicit authority to take back "soft second" mortgages for the difference between appraised value and the discounted sale price. These mortgages would not charge interest and would be repaid with the proceeds from the sale of the property.

(3) National Low Income Housing Advisory Board: The RTC provision in the House Bill contemplates the creation of Regional Advisory Boards that would be sensitive to the low income housing needs in certain geographic areas. The draft proposal does not address the role such boards might play with regard to the low income housing provisions. We would recommend that a National Low Income Housing Advisory Board be created that would advise the RTC Oversight Board and the FSLIC Resolution Fund as to the implementation of policies and programs for the sale of properties under this program. This board might consist of the Secretary of HUD, the Chairman of the Board of FNMA, the Chairman of the Board of FHLMC, the Chairman of the Office of Thrift Supervision, a member of the public representing low income housing funds, a member of the public representing non-profit housing organizations, and a member of the public representing public agencies. Public members of the board would be appointed by the RTC Oversight Board.

We would like to conclude by commending the conferees on this proposal. With the minor refinements outlined above, we believe that it will evolve to a workable and sound program.

Sincerely,

M. DANNY WALL,
Chairman.
LAWRENCE J. WHITE,
Board Member.

QUALIFIED THRIFT LENDER TEST

Mr. SHELBY. Mr. President, I would like to ask the chairman of the Banking Committee to clarify the application of the new qualified thrift lender test. The bill revises the test and the definition of qualified thrift investments. Under the new test, qualified thrift investments include loans made to purchase, refinance, construct, improve, or repair domestic residential housing. I am interested in what happens when a thrift institution in a locality with insufficient demand for mortgages lends money to a mortgage company for use in making mortgages in other localities, the mortgage company uses the entire proceeds of the loan to make new mortgage loans to purchase, refinance, construct, improve, or repair homes, and the thrift institution receives back a note secured by those mortgage loans. Is it true that the thrift institution's loan to the mortgage company is a qualified thrift investment because it is made to purchase, refinance, construct, improve, or repair domestic residential housing?

Mr. RIEGLE. The Senator is correct, so long as the borrower is a mortgage company and the proceeds are used only as the Senator has just described. But the loan would not be a qualified thrift investment if the borrower were a different kind of company or if proceeds were used for other purposes.

ABILITY OF BANKS TO UNDERWRITE AND DEAL IN REFCORP BONDS

Mr. KERRY. It is my understanding that the characterization of Refcorp bonds as securities subject to the registration requirements of the Securities Act of 1933 shall in no way affect their characterization as securities which banks may underwrite and deal in for purposes of section 16 of the National Bank Act.

Mr. RIEGLE. The Senator's understanding is correct.

Mr. RIEGLE. Mr. President, let me elaborate on what I consider to be some of the more significant features of the conference report on the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

TOUGH CAPITAL STANDARDS

The bill requires the Director of the Office of Thrift Supervision to establish three capital standards: a leverage limit of not less than 3 percent; a tangible capital requirement of not less than 1.5 percent; and a risk-based capital requirement. Each of these standards must be no less stringent than the corresponding standard applicable to national banks.

There is a special rule for purchased mortgage servicing rights, which must meet standards no less stringent than those applicable to State nonmember banks and except for the amount that may be included in calculating capital, the standards applicable to national

banks. In addition, the FDIC will set a percentage limit on the amount of purchased mortgage servicing rights that savings associations may use to satisfy the tangible capital requirement. The FDIC has full discretion in setting that percentage: it may range from zero to 100 percent, and may be more stringent than the capital standards applicable to State nonmember banks. The thrift regulator's capital standards may prescribe a lower, but not a higher, percentage limit than that set by the FDIC.

The bill does not permit retained and contributed mortgage servicing rights to be included in calculating capital.

The bill refrains from attempting to micromanage the risk-weighting of particular types of assets, such as FSLIC notes or purchased mortgage servicing rights. The conferees did not adopt the House provisions that had attempted to specify the risk-weight of certain assets. In addition, the capital standards have to be based on uniform accounting standards.

There has been some confusion over what will count as core capital. "Qualifying supervisory goodwill" is defined as "supervisory goodwill" in existence on April 12, 1989. The definition of supervisory goodwill that was in the House bill was not adopted in the statutory language approved by the conferees. The conference report requires that capital standards include the relevant substantive definitions of the Office of the Comptroller of the Currency [OCC]. Supervisory goodwill under the OCC capital standard means goodwill created "in connection with supervisory mergers with problem or failed depository institutions." Thus, goodwill created in other types of mergers is not counted in core capital.

RESOLUTION TRUST CORPORATION

The Resolution Trust Corporation will be responsible for disposing of thrifts with assets of between $300 billion and $500 billion. Given the size of the task and the potential for fraud and scandal inherent in an asset disposition assignment of this magnitude, we felt it was necessary to add safeguards to the administration's original proposal. First, the RTC must adopt conflict-of-interest rules no less stringent than those adopted by the FDIC. Second, the oversight board must develop guidelines to avoid the type of political favoritism that has lately gone on at HUD, and must report to Congress its development of those guidelines. Third, every person acting on behalf of the RTC, including independent contractors, will be subject to the Federal bribery statute that governs the conduct of Federal employees. Fourth, the chief executive officer, or the head operating agent, will be forbidden to go to work for anyone dealing with RTC for a year after his or her term at RTC ends. Finally, any person who is the functional equivalent of an employee of RTC or the oversight board will be subject to the full range of criminal sanctions in the Ethics in Government Act.

To permit adequate review of the RTC, the conference bill subjects it to the Freedom of Information Act. The conference bill also includes a specific section that requires the RTC to publish its agreements with entities that acquire thrifts unless the oversight board makes a unanimous decision to withhold part of such information to protect the public interest. In any event, such agreements will be available to Congress. The oversight board must appear before Congress every 6 months to explain its actions and conduct at least four open meetings per year. Further, the GAO will have full authority to obtain and review documents used by RTC or its agents.

CURBS ON EXCESSIVE RISK-TAKING BY STATE-CHARTERED THRIFTS

An enormous percentage of the losses in the thrift industry is attributable to excessive risk taking by State-chartered thrift institutions. Two States alone—California and Texas—contributed a staggering 71 percent of total FSLIC resolution costs in 1988.

Let me briefly describe some of the measures included in the conference report that will help ensure that the Federal Deposit Insurance System will never again be forced to underwrite excessive risk taking by State-chartered thrifts. At the heart of these measures is a new section 28 of the Federal Deposit Insurance Act, which has four key provisions: first, a general rule relating to State-authorized activities that are not permissible for a Federal savings association; second, a modified version of that rule applicable when the only difference between State and Federal powers is that a State savings association may engage in a greater amount of a given activity than can a Federal savings association; third, a prohibition against equity investments that are not permissible for a Federal savings association; and fourth, a prohibition against investing in corporate debt securities not of investment grade—commonly known as junk bonds. The rationale for section 28 is set forth at length in the Senate Banking Committee's report on S. 774. The conference in no way weakened section 28 as passed by the Senate, and the provisions dealing with junk bonds were markedly strengthened.

1. GENERAL RULE

Subsection (a) prohibits a State savings association from engaging as principal, after January 1, 1990, in any type of activity that is not permissible for a Federal savings association unless both parts of the following two-part test are satisfied:

First, the FDIC has determined that the activity in question would pose no significant risk of loss to the deposit insurance fund of which the savings association is a member.

Second, the savings association has enough capital to meet the fully phased-in capital standards prescribed under section 5(t) of the Home Owners' Loan Act.

The test of a significant risk of loss to the deposit insurance fund is not the relative or absolute size of the potential loss, but whether there is a significant risk that the insurance fund will suffer any loss whatever if State savings associations engage in the activity. By requiring the FDIC to determine whether a State-authorized activity poses any such risk of loss, subsection (a) compels the FDIC to take direct responsibility for permitting any State savings association to exercise, as principal, any powers broader than those of a Federal savings association.

The "fully phased-in capital standards" are those that will apply after all phase-in periods relating to capital have expired.

Subsection (a) does not apply to activities that a savings association engages in strictly as its customer's agent. This is the effect of the subsection's references to engaging in activities as principal. Agency activities could, however, be restricted under other provisions of law, such as those authorizing the FDIC to prohibit any activity found to pose a serious threat of loss to the deposit insurance fund.

2. DIFFERENCES OF MAGNITUDE

Subsection (b) applies when an activity is permissible for a Federal savings association and a State savings association seeks to engage in that acitivity in an amount greater than that permissible for a Federal savings association. Under subsection (b), the State savings association may engage in that higher amount of the activity so long as both parts of the following two-part test are satisfied: First, the FDIC has not determined that engaging in that higher amount of the activity would pose any significant risk of loss to the deposit insurance fund; and second, savings association has enough capital to meet the fully phased-in capital standards prescribed under section 5(t) of the Home Owner's Loan Act.

Subsection (b) does not apply to commercial real-estate loans, which are governed by subsection (a).

3. PROHIBITION ON EQUITY INVESTMENTS

Effective as soon as the bill becomes law, subsection (c) prohibits a State savings association from acquiring or retaining any equity investment of a type or in an amount that is not permissible for a Federal savings association to acquire and retain directly. The prohibition applies to equity investments in real estate, investments in equity securities, and any other equity investment. In applying subsec-

tion (c), Federal regulators should look to the substance of the investment and not merely to the form. Any transaction that is in substance an equity investment is covered by subsection (c), even if the transaction is nominally a loan or other permissible transaction.

There is a limited exception for shares of service corportions. Such shares must, however, meet a two-part test similar to that in subsection (a) if either first, the aggregate amount of the savings association's investment in service corporations exceeds that permissible for a Federal savings association; or, second, the service corporation engages in any activity that is not permissible for a service corporation of a Federal savings association.

A State savings association must divest itself of any equity investment that is not permissible either for a Federal savings association directly or under the exception for shares of service corporations. Any such investment must be divested as quickly as can be prudently done, as determined by the FDIC, and in any event not later than July 1, 1994. No such investment may be acquired after the bill becomes law.

4. JUNK BONDS

Subsection (d) prohibits a savings association or its subsidiaries from acquiring or retaining any corporate debt security that, at the time of acquisition, is not rated in one of the four highest rating categories by at least one nationally recognized statistical rating organization. A transition rule provides that any such security held when the bill becomes law must be divested as quickly as can be prudently done (as determined by the FDIC) consistent with safety and soundness and in light of relevant market conditions, and in any event not later than July 1, 1994. No such securities may be acquired after the bill becomes law, other than by an affiliate (or in the case of a mutual savings association, a separately capitalized subsidiary). Affiliates must by definition be separately capitalized, and appropriate firewall protections will apply under other provisions of law, such as section 23A of the Federal Reserve Act.

5. COMMERCIAL REAL-ESTATE LENDING

Section 301 of the bill substantially restricts the authority of Federal savings associations to engage in commercial real-estate lending. The limit on such lending is changed from 40 percent of assets to four times capital. The Director of the Office of Thrift Supervision may make case-by-case exceptions to the new limit, but such exceptions should not be granted until there is experience with the new requirement. Moreover such exceptions should be granted only in strict conformity with the statutory requirements, should be granted only in strict conformity with the statutory requirements, should be granted only to savings associations that are very well capitalized, and even then—as is made clear in the Senate Banking Committee's report on S. 774—should be granted only sparingly. The Director should also be vigilant against efforts to evade the new limit by characterizing what is in substance a commercial real-estate loan as some other type of loan or investment.

The new limit does not require any existing loan to be divested. In addition, there is a transition rule providing a more lenient standard under which the Director may permit a savings association to exceed the new limit until June 1, 1991.

6. NO BROADENING OF SERVICE CORPORATION ACTIVITIES

The reenactment of section 5(c) of the Home Owners' Loan Act in no way impairs the current restrictions on the activities of any service corporation of a Federal savings association, which were well expressed in the conference report on the Garn-St Germain Act of 1982. Those restrictions continue in full force.

7. ACTIVITIES INCOMPATIBLE WITH DEPOSIT INSURANCE

The Senate and House bills each contained two provisions giving the FDIC discretionary authority to restrict risky activities of savings associations. One provision appeared as section 222(4) of the Senate bill and section 219(5) of the House bill. The other appeared as section 402(e) of both bills. Both provisions now appear in section 221(4) of the conference report, which adds a new section 18(m)(3) to the Federal Deposit Insurance Act. The two provisions are independent grants of authority. Thus, for example, the FDIC can act under section 18(m)(3)(C) without regard to the limitations in section 18(b)(3)(A).

QUALIFIED THRIFT LENDER TEST

The qualified thrift lender test in this bill is a direct and pointed response to how FSLIC has construed the QTL test enacted in the Competitive Equality Banking Act of 1987. In a number of different instances FSLIC has weakened the test by interpretation. Thus the current test, as construed by FSLIC, gives QTL credit for assets that have little to do with residential mortgage lending, such as brokered deposits in other thrift institutions, offices—no matter how lavish, and regardless of whether the office has anything to do with residential mortgage lending; corporate jets used by thrift executives; equity investments in real estate, including raw land zoned for residential use; credit card debt used to buy items for the home; and other assets that FSLIC's staff regards as housing-related.

In addition, thrift institutions are allowed to use different accounting for the numerator of the QTL test—qualified thrift investments—than for the denominator. Some assets that have appreciated in value are included in the numerator at historic cost. Intangible assets and leasehold improvements are included in the numerator but not in the denominator. Likewise, the assets of subsidiaries are included in the numerator but not in the denominator. This inconsistent accounting has the effect of watering down the QTL test.

Moreover, under FSLIC's regulations, thrift institutions must meet the current test on only 18 days out of every 3 years. This infrequent averaging facilitates manipulation.

The new QTL test makes a clean sweep of these and other lenient interpretations by FSLIC. Thus qualified thrift investments are specific in detail, and the test is phrased so as to prevent the inclusion of other assets by regulatory interpretation. With the exception of home-equity loans, assets must qualify according to the specific purposes for which they are used. Consistent accounting and frequent averaging are required.

The bill permits any savings association that fails to become or remain a qualified thrift lender after July 1, 1991, to requalify for treatment as a qualified thrift lender at any time. In order for such a savings association to qualify under the bill, the savings association must demonstrate that it has met both parts of the QTL definition. The savings association's qualified thrift investments must equal or exceed 70 percent of the savings association's portfolio assets, and the savings association's daily or weekly average of qualified thrift investments must have equaled or exceeded 70 percent of the appropriate average of the savings association's portfolio assets over the preceding 2-year period. Thereafter, the savings association must continue to meet the QTL requirements for each subsequent 2-year period.

Under the bill, a savings association that fails to remain a qualified thrift lender after having requalified immediately becomes subject to restrictions on branching, activities, dividends, and Federal home loan bank advances, and any company that controls such a savings association becomes subject to the requirements of the Bank Holding Company Act and all other statutes applicable to bank holding companies. These restrictions and requirements apply to savings associations that fail the QTL test after having requalified without the 1-year or 3-year delay that otherwise would apply to certain of these restrictions.

Neither the revision of the current QTL test nor the enactment of the new QTL test will affect the status of savings associations that fail to become or remain qualified thrift lenders prior to July 1, 1991. Any sav-

ings association that fails to become or remain a qualified thrift lender under the current test will be subject to the applicable restrictions and requirements—including the more stringent penalties that will take effect 1 year after the bill becomes law—as if the applicable waiting period for those restrictions and requirements had begun when the savings association failed the current QTL test.

Qualified thrift investments include so-called mortgage-backed securities if the securities are backed by mortgages on domestic residential housing or manufactured housing. The provision regarding mortgage-backed securities is phrased so as to exclude other types of securities, including securities backed by loans on commercial property or any other property except domestic residential real housing or manufactured housing, and derivative mortgage-related securities that are created by disaggregating and repackaging the cash-flows received as interest payments on mortgages or traditional mortgage-backed securities.

CONSUMER PROVISIONS

I am particularly pleased that the conference report contains several provisions of great importance to consumers. The recapitalization of the savings and loan industry is going to cost American taxpayers a great deal of money. We don't discriminate when we collect taxes, so we should make sure that we don't discriminate when it comes to giving American citizens access to credit for home mortgages. These amendments will help provide more reliable information to the public and thereby ensure that the banks and thrifts of tomorrow will have strong policies to combat discrimination and redlining.

1. AMENDMENTS TO THE COMMUNITY REINVESTMENT ACT

The conference report would amend the Community Reinvestment Act to require disclosure of CRA ratings and reports. These amendments are designed to help put teeth into CRA enforcement by increasing the accountability of regulators for the ratings they give to individual institutions. The amendments should give communities an informed view of how well particular institutions are meeting local credit needs.

Out of concern that some avenue should remain for confidential communication between CRA examiners and the institutions they examine, the amendments provide that CRA evaluations should have a confidential section. The amendments permit disclosure of that confidential section, in whole or part, to the institution. It is critical to the success of these amendments that the provision governing the content of the confidential section of the evaluation and disclosure of the confidential section to the institution be construed narrowly, as noted in the conference report.

2. AMENDMENTS TO THE HOME MORTGAGE DISCLOSURE ACT

Periodically, evidence has been brought to the attention of the Senate Banking Committee demonstrating that it is harder for black and hispanic families to get a home loan than it is for their white neighbors. The allegations of discrimination in home mortgage lending may or may not be true, but we have never had the means to intelligently test their validity.

The conference report includes amendments to the Home Mortgage Disclosure Act that will result in collection of the kind of data necessary to determine the extent of discrimination in home mortgage lending. The amendments have nothing to do with credit allocation. They do not punish anybody. They simply require all lenders to disclose certain data with respect to their mortgages and mortgage applications. And they require each of the Federal banking regulatory agencies to analyze that data to show where discriminatory lending patterns exist.

For some time, the Federal Home Loan Bank Board has been requiring 3,100 thrifts to report the same kind of information. These amendments will level the playing field by subjecting banks and mortgage bankers to the same kind of disclosure. Under Regulation B—promulgated under the Equal Credit Opportunity Act—lenders already collect the information that will be required by these amendments, but there is no mechanism for reporting the data to a central location where it can be aggregated and analyzed. As a result, past studies of redlining or racial discrimination in mortgage lending have been incomplete and based upon inferences about particular neighborhoods.

These amendments will provide a more accurate picture of lending patterns and the underlying reasons for denial of credit. To accomplish that end, the conference bill would give lenders an opportunity to submit written explanations or additional data that explain any distortions in the reported lending patterns.

The disclosure requirements of these amendments will apply only to home mortgage lending, and the new reporting requirements imposed by these amendments will not apply to dispository institutions with less than $30 million in assets.

CREATION OF THE FEDERAL HOUSING FINANCE BOARD

The administration's original proposal placed the credit allocation function of the Federal Home Loan Bank System under the control of the Treasury Department. When the committee took up the matter, we decided that Treasury control over the Federal Home Loan Banks was undesirable because of the potential for interference with the system's mission of supporting home mortgage lending. The principal function of thrifts has been to make loans secured by single family residences. The Federal Home Loan Bank System was designed to support this function.

The conference report allows federally insured banks and credit unions to become Federal Home Loan Bank members. This was done in recognition of the fact that some financial institutions that do not have thrift charters have nonetheless demonstrated substantial commitment to providing mortgage credit to purchasers of single family residences. There are other factors that could increase the amount of residential mortgage lending by non-thirft institutions. For example, the risk-based capital standards require financial institutions to hold less capital for home mortgage loans than for commercial loans. Thus, it is possible that existing financial institutions could seek to restructure their balance sheets to make their portfolio more closely resemble a traditional thrift.

Originally, the Senate bill required a bank or credit union to pass the qualified thrift lender [QTL] test in order to gain access to advances from a Federal Home Loan Bank. This would have required a bank to fund 100 percent of its new single family mortgage lending without any help from a Federal Loan Bank. Once it reached the QTL plateau, it could use advances from the Federal Home Loan Bank for additional residential mortgage lending. The conference report allows insured banks and credit unions to have access to loans from the Federal Home Loan Banks under certain conditions. Generally, new members must have demonstrated a substantial commitment to residential mortgage lending. If a member is not a qualified thrift lender, it must hold additional stock in its Federal Home Loan Bank. All advances or extensions of credit by the Federal Home Loan Banks must be secured by eligible collateral.

We thought it made sense to give banks and credit unions that plan to increase their mortgage lending some help along the way. But first, the bank or credit union must take a small step on its own. Thus, under the conference report, any such institutions that have 10 percent of their total assets in residential mortgage loans will have access to Federal Home Loan Bank advances. Importantly, the conference report retains the requirement of existing law that a potential Federal Home Loan Bank member must demonstrate that "the character of its management and its home-financing policy are consistent with sound and economical home financing." As we explained in the manager's report, this

test is not subsumed in the 10 percent test. It is an independent test that requires evidence of a commitment that will eventually reach thrift-like levels for originating and holding mortgage loans secured by single family residences.

The new agency responsible for overseeing this system, the Federal Housing Finance Board must adopt meaningful methods to keep the Federal Home Loan Banks focused on this housing finance mission.

STATUTE OF LIMITATIONS PROVISIONS

Section 212 of the conference bill provides for extended statute of limitations periods for claims brought by the FDIC in its capacity as conservator or receiver of a failed financial institution. Although these provisions have attracted little attention from the media, they are of the utmost importance. Extending these limitations periods will significantly increase the amount of money that can be recovered by the Federal Government through litigation, and help ensure the accountability of the persons responsible for the massive losses the Government has suffered through the failures of insured institutions. The provisions should be construed to maximize potential recoveries by the Federal Government by preserving to the greatest extent permissible by law claims that would otherwise have been lost due to the expiration of hitherto applicable limitations periods. See *Electrical Workers* v. *Robbins & Myers, Inc.*, 429 U.S. 229, 243 (1976); *Chase Securities Corp.* v. *Donaldson*, 325 U.S. 304, 311–16 (1946).

LOANS TO ONE BORROWER

The bill generally makes savings associations subject to the statutory limits on loans to one borrower that apply to national banks. In determining whether a savings association complies with the statutory limits applicable to national banks, the Director of the Office of Thrift Supervision will be bound by the regulations, rulings, and other interpretations of the Office of the Comptroller of the Currency, including definitions. The bill permits the Director to impose more stringent standards, but not to abridge the application to savings associations of the national bank limits.

CONCLUSION

Notwithstanding the reservations I have set forth in a previous statement, I am proud of this bill. It is no masterpiece and there are no guarantees that it will permanently solve the thrift crisis. Nevertheless, it represents a tough, comprehensive response to an urgent need, and Congress and the American public should take pride in that. It deserves to become law, and I urge my colleagues to lend it their support.

Mr. DIXON. Mr. President, last January 31, in a speech on the Senate floor, I set out six principles that I thought should guide our resolution of the crisis in our savings and loan industry. I thought then, and I continue to believe now, that any thrift legislation we enact will only work if:

First, it is cost-effective. The sums involved in resolving the thrift crisis are staggering. We need a solution that attempts to minimize costs. If we borrow money to finance a solution, therefore, as we must, interest costs must be held to the absolute minimum;

Second, as much of the financing as possible comes from the savings and loan industry. It is the Savings and Loan Insurance Fund that is in trouble and the savings and loan industry must therefore do everything it can to restore the fund;

Third, it does not create potential new problems;

Fourth, it goes after those whose negligence and criminal behavior contributed to this problem. Some savings and loan executives treated their thrifts like they were Atlantic City casinos. Others were nothing more than thieves. They must be prosecuted to the full extent of the law. Legislation must ensure that they are not permitted to profit from their greed, their negligence, or their criminal behavior;

Fifth, it contains the kind of reforms necessary to ensure that we are never faced with this kind of problem again. This means raising thrift capital standards to the bank level; they are currently only half the bank level, and over half the industry doesn't even meet these lower standards. This means separating FSLIC from the Home Loan Bank Board to eliminate the conflict between the Board's role to promote the thrift industry and FSLIC's role as insurer. This means the kind of regulatory reform that will rein in the kind of excessive risk-taking we have seen; and

Sixth, it is on-budget. I think we undermine our own credibility and the budget process if we spend perhaps $110 billion or more over the next 3 years without including those sums in the budget. If the budget process is to work, if we are ever to eliminate the persistent budget deficits, we need to be honest and face the full extent of our budget problems.

This is too much money to try to hide; and hiding it off-budget destroys the integrity of our budget process.

I would like to be able to say that the conference report before us now meets all of the objectives I laid out in January, but I cannot. While the conference report meets some of the objectives, it falls short in a number of important respects.

Tragically, there is real doubt that the conference report is structured in a way that minimizes taxpayer risk and ensures that we will not have to face this problem again.

It does not provide enough money to fully resolve the problems now outstanding. In fact, the bill may be as much as 50 percent short of what is needed. Further, it does not sufficiently recapitalize the Thrift Insurance Fund, which will now be known as SAIF, even though that is absolutely essential to handle any future problems as they arise.

Frankly, I do not blame the conferees for this problem. Instead, I think we are facing this situation because the administration is more interested in squeaking through this budget year than it is in adequately financing the solution to the Thrift Industry Insurance Fund crisis.

Because the financing in the bill is inadequate, the Senate and House Banking Committee's have been under a lot of pressure to design the regulatory reforms in a way that minimizes the risk that we will have to return to this issue in a few years to provide additional financial assistance.

I think that the bill reported by the Senate Banking Committee, while far from perfect, was sensitive to this issue, and attempted to handle the essential regulatory reforms in a reasonable and appropriate way. However, the conference product does not seem to recognize the relationship between the regulatory reforms and the financing needs as clearly as the Senate Banking Committee's bill did.

Let there be no mistake. I strongly support moving the thrift industry to bank capital standard. I think the only sensible course is to move risky activities that should not be protected by deposit insurance from the thrift to separately capitalized subsidiaries. It is long past time to raise the fire walls that separate thrifts from their affiliates to levels comparable to those that govern the banking industry.

The heart of the conference bill is the capital standard. I share the view that thrifts should have real capital—tangible capital—in amounts identical to the levels banks have to maintain. There are basically only two ways for the banks to raise that capital: either from their profits or from the financial markets. In fact, the truth is that there is only one way for thrifts to raise capital—from their profits—because no investors will risk their money in any enterprise unless they think that enterprise will produce profits.

Frankly, I think that the conference bill, in its understandable eagerness to stop the abuses that have been found in the thrift industry has made it more difficult than necessary for thrifts to attract that capital the bill mandates that they raise. I share the view of the conferees that no thrift should be allowed to bet the Federal Insurance Fund by making risky investments without adequate capital.

Again, I agree that, in some cases, only 100 percent capital, in a separately capitalized affiliate, is the only way to go. I am concerned, however, that while we have prevented thrifts from "betting the ranch," we have also gone too far in impairing their profitability.

A story in last Saturday's New York Times entitled, "Some Risks Seen in Savings Bailout Bill" makes the point. The story states: "The bailout of the savings and loan industry that a House-Senate conference committee agreed on Thursday may in the end hurt the healthy institutions the legislation is intended to protect, industry experts and some regulators are warning. These experts say the amendments added to the bill may limit the profit potential of many strong savings and loan associations * * *."

In my view, the bill also makes it more difficult for capital-impaired but safely operated marginal institutions to regain their profitability. The same factors that adversely affect the strong institutions also hurt the well-run marginal institutions, and the marginal institutions face additional impediments in the conference report that further add to their difficulties in attracting capital.

There are clearly some marginal institutions that cannot make it and which should not be allowed to try. However, there are other institutions which can come back if they have a real opportunity. Unnecessarily closing these institutions puts an unjust burden on American taxpayers.

The most certain solution is to close every marginal institution. However, the bill does not have anywhere near enough funds to do that. Further, as a practical matter, the regulators simply do not have the capacity to close all marginal institutions simultaneously. Therefore, there is no way to avoid letting some marginal institutions continue to operate for at least some considerable period of time.

Given these facts, the bill should have been constructed to minimize the risk of letting the good marginal institutions continue operations. Instead, however, the bill has the effect, though that is not its intention, of adding to the likelihood that we will need additional public funds because it goes too far in impairing the profitability of marginal thrifts that are safely operated but which need to raise capital.

This legislation takes the Texas and California problems, and the causes of those problems, as if they were blueprint for thrifts across the Nation. However, the Texas blueprint does not fit well everywhere.

Not all thrifts got into trouble by high-flying, "bet the ranch"-type activities. Many thrifts got into trouble in the early 1980's because their cost of deposits went above the return they were earning on solid, but low-yielding mortgages. Perhaps the Federal Home Loan Bank Board should have closed these institutions years ago. However, in many cases, it did not, and some of these institutions are now on their way back.

We are now putting up cash instead of continuing the forbearance that characterized the Home Loan Bank Board's actions in the early 1980's. However, we still cannot afford not to give solid but marginally capitalized thrifts a real chance to succeed. As I said before, we don't have enough cash. We need tough supervision; we need to be prudent, but we must also be prudent with the taxpayers' money. Because this bill goes too far in impairing thrift profitmaking potential, it does not meet this test.

Finally, I want to say a word about the on-budget issue. Although I have supported on-budget financing of the thrift insurance fund recapitalization from the beginning, I voted against the on-budget approach in committee, when the bill was first before the Senate, and when the conference report was before the Senate yesterday. I did so for three simple reasons:

First, the President is adamantly opposed to the on-budget approach;

Second, the budget resolution we have agreed to for fiscal year 1990 does not leave room for the on-budget approach; and

Third, the first priority must be to enact the bill as quickly as possible.

Now we have a compromise before us, one that I understand the administration can support, and one that does not require us to redo the entire Federal budget for fiscal year 1990.

This compromise makes it possible for us to enact the conference report, and I recognize that this legislation must be enacted—now. I therefore will not object to the action the Senate is taking tonight. I want to make it clear, however, that the bill's flaws make it impossible for me to support it. Were a rollcall vote required, I would reluctantly have to vote "no."

THE FSLIC BAILOUT BILL IS DISHONEST AND UNNECESSARILY EXPENSIVE

Mr. KOHL. Mr. President, I rise in opposition to the conference report. The bill is fundamentally dishonest and will cost the American taxpayers billions of dollars more than necessary.

For years, problems in the thrift industry were ignored, minimized, and hidden. That terrible series of mistakes brings us to this moment.

Had we taken quick action, the cost would have been $10 billion, not the $300 billion it will cost us today.

Had we taken quick action, our savings and loan industry would not have experienced the deposit drain of the past 2 years.

Had we taken quick action, healthy thrifts such as those in my State would not be forced to pay exhorbitant insurance premiums.

But, Mr. President, we chose to sweep this problem under the rug.

When we tried to hire more bank examiners, the Reagan administration said "no."

When we tried to provide more money for closing thrifts, the Reagan administration said "no."

And, when regulators tried to rein in irresponsible thrift executives, the Reagan administration and Members of Congress said "no."

This is a sorry story. There is blame enough for everyone at both ends of Pennsylvania Avenue and at the Bank Board. But fingerpointing can wait for another day. What we need now is quick action to clean up this mess in the cheapest way possible.

We have no choice but to pay the depositors at the insolvent thrifts. The entire financial industry depends on the Federal Government standing behind its pledge to insure all deposits. Paying off those deposits will cost at least $150 billion.

Mr. President, the question is not whether we will spend the money. Instead, the question is how will we raise the money we need.

Unfortunately, the plan before us chooses one of the worst, most costly ways possible. It demonstrates that we have not learned a single lesson from our past and I therefore cannot support the bill.

Exactly how would the bill finance the bailout? At President Bush's insistence and over the objections of a majority in the Senate, the proposal will borrow $30 billion through an off-budget agency at higher interest rates than necessary and borrow another $20 billion during the current fiscal year so that it will not be subject to the Gramm-Rudman restrictions.

This is precisely the kind of smoke and mirrors that got us into trouble in the first place. While it may obscure the true extent of the problem, the only real consequence of this financing scheme is to raise the cost of the bill.

Borrowing money through the newly created off-budget agency adds billions of dollars to the total cost of the bill. That kind of money may not be much for the folks at the White House, but it's still a lot of money back in Wisconsin. It's just plain wrong to waste taxpayers money this way.

There are other problems with this bill. I was frankly willing to live with them until the administration imposed its costly financing scheme. However, with this new provision, the other problems are simply too onerous to bear.

One key question is whether the bill will provide enough money to get the job done. The $50 billion provided by the bill is probably the very minimum

we will need. And, given the overly optimistic assumptions that underlie the bill on interest rates and deposit growth, there is some question as to whether the law will be able to deliver even the $50 billion it promises.

I am also not satisfied that enough guidance is given to the resolution trust corporation. The RTC will be charged with liquidating over 300 billion dollars' worth of assets seized from insolvent thrifts. The administration says the RTC will be staffed leanly. How in the world do they expect a "lean" staff to dispose of this amount of assets?

In addition, the RTC will be under pressure to raise money quickly for the bailout. If they bow to that pressure, they will be forced to dump assets on the market, depressing property values, and hurting healthy thrifts, banks, and local governments. I am sure we will have to revisit this issue very soon.

Finally, there is the issue of Danny Wall. In many ways, Chairman Wall is a man more sinned against than sinning. However, during his tenure too many of the abuses continued.

In addition, precisely when Congress most needed an honest and accurate assessment of the cost of the problem, Danny Wall lowballed his estimates. That was a critical obstacle to timely legislation. At a minimum, therefore, he should be required to go through a reconfirmation process before he assumes his new position as head of the Office of Thrift Supervision.

I recognize that the bill before us is an improvement over the legislation passed by the Senate earlier this year. It strengthens capital standards, restricts risky investments for insured deposits, revamps the regulatory structure, improves the protections against discriminatory lending, and provides funds for low-income housing. I applaud the committees for their fine work in these areas.

However, on balance, the bill as modified to comply with the administration's wishes takes the wrong approach. It tries to hide the cost of the bailout, but in reality it only raises the tab for future generations of taxpayers. We should vote this bill down and devise a more honest, less costly solution.

Mr. LEVIN. Mr. President, first, let me say that all of us in this body should admire the determination and leadership of the chairman of the Banking Committee, my senior colleague from Michigan, DON RIEGLE. He has worked for months and months on solving this most difficult crisis in the savings and loan industry, and we owe him our sincere respect for all his efforts.

When the Senate passed this legislation in April, I voted for it even though I was troubled by the off-budget financing mechanism. I hoped that the conference would take a more forthright approach.

Yesterday, I voted to waive the Budget Act so that the conference report could at least be considered by the full Senate. That motion failed. However, in an effort to gain the administration's support, the conferees agreed last night to an approach to financing this package that I simply find unacceptable. By engaging in the shell game of putting $20 billion of this package on-budget, but in a year, fiscal year 1989, for which the Gramm-Rudman books have already closed, the conference report repeats the same kind of smoke and mirrors budgeting that has prevented us from serious deficit reduction year after year. I voted against the White House-congressional budget agreement because it contained similar sleights of hand. And it is for this reason that if there were a recorded vote on this conference report I would have voted "no."

Mr. HOLLINGS. Mr. President, my views on the conference report now before us were stated in great detail during yesterday's debate. Because of the off-budget shenanigans, and the violence it does to the truth-in-budgeting process we established with the Gramm-Rudman-Hollings Deficit Reduction Act, I wish to be recorded in opposition to this bill.

Mr. JEFFORDS. Mr. President, the bill before us is a fairly reasonable way to deal with a miserable situation. For the most part, the conferees, on behalf of the House and Senate—and indeed on behalf of the American people—have crafted a balanced plan to bail out and restructure the savings and loan industry. The differing opinions on the method to finance and rescue, the so-called on-budget and off-budget proposals have drawn the lion's share of attention, and in the end a compromise has been struck to allow passage of the bill and to initiate reforms to stop the hemorrhage of funds from failed and failing thrifts.

While I will vote for the bill, I must say that it is tough to support such an expensive bill that will yield so few benefits to my State and the New England region as a whole. Indeed, passage of this bill entails increased bank premiums and earmarked taxes that will certainly leave the State. Throughout this whole S&L debate, I have heard from outraged constituents who do not want their tax dollars used to pay this tab. I do not blame these taxpayers one bit, and I must admit that it is not easy to explain the reasons why the American taxpayers have to bite the bullet on this one. But we have known that taxpayer funds would be necessary and so I have been preparing myself to support the final package. Much of the constituent advice that I have received has come in response to my vote in favor of the original Senate plan.

Throughout this S&L debate, I have been in contact with the people in my State who run our thrifts. A more patient lot you may never see. Even as they have seen their premiums rise, their deposits fall and their reputations slandered they have shown a willingness to stay with the program and have participated in the process with suggestions aimed not at saving their pocketbooks, but aimed at saving the system so that they can continue to provide home mortgages within their communities.

Ultimately, the market will determine lending interest rates. However, by increasing the insurance premiums, this bailout puts an additional burden on thrifts that will make it more difficult for them to be competitive. Due to the fine record of Vermont thrifts, I am confident that this increased cost of business will be absorbed without detrimentally affecting them and their ability to function during periods of tightened markets.

Just to set the record straight, Vermont thrifts are among the healthiest in the Nation. We have had no defaults and will have no trouble meeting the tougher capital standards, the qualified thrift lending test and goodwill provisions of this bill because we are already there or pretty darn close. For example, Brattleboro Savings and Loan, a typical Vermont thrift, has over 85 percent of its assets in primary residential mortgages. Its net worth percentage is about 5.7 percent, and its taxable income has increased annually—even as it has seen its insurance premiums jump time and again. So this is an S&L that pays its premiums and its taxes—only to see both of these pots being tapped to close or resuscitate sister institutions thousands of miles away.

This information on Brattleboro S&L is indicative of thrifts in Vermont and New England. While our regional economy has been strong in comparison to other regions, the health of Vermont thrifts is ultimately a result of good management and diligent State regulators. I do not buy the argument that depressed economies have caused the failure of thrifts in other regions. GAO's report on "Failed Thrifts" found that "thrifts that were operated in a prudent manner have generally survived the regional economic problems."

As we all well realize, however, this line of debate is now academic. While I am pleased to see the new enforcement provisions, including $75 million annually to the Justice Department over 3 years to investigate and prosecute fraud, higher statutory penalties, new authority to seize ill gotten gains and greater powers for institution regulators, the reality is that the

Justice Department will have a tough time recovering even a small fraction of the losses.

The Resolution Trust Corporation, established to sell property taken over from failed thrifts, will perhaps be able to generate a more considerable amount of money to pitch back into the system, but it is clear that the real burden for paying for this mess will fall to the taxpayers and surviving thrifts. Everyone would have hoped that more money could have been squeezed from the thrift industry, but we have sought to draw the limit without causing the system to collapse. I know that the thrifts in my State provide a valuable service in terms of lending for home purchases, and I believe that the reforms which are contained in this bill will help bring the rest of the country back in line as well.

I still have a problem with the provisions dealing with affordable housing. I say this as a long-time supporter of affordable housing legislation. I have consistently backed housing plans and other programs to assist those individuals and families who struggle to maintain an adequate standard of living—especially as they see their incomes fall in relation to cost-of-living expenses.

But I would prefer to have debated the affordable housing issue out in the open, not behind the closed-door deliberation of a must-pass bill. It seems somewhat cowardly to establish an entitlement program on the backs of regional banks, and I question whether such a proposal would fly if it were to be proposed as a free-standing bill. It's a bit worrisome to initiate a program to force local thrifts to make below-market loans on terms hammered out behind closed doors in Washington.

Mr. President, beyond the questionable wisdom of establishing a $50 to $100 million housing program within the complicated web of this massive rescue package, there is a fundamental flaw in the logic of this plan. I understood that the bill, as originally passed by the Senate, was structured to glean the maximum amount of money possible from the thrift industry without causing the system to collapse. I favored this approach, and thrifts in Vermont were willing to accept this burden, given their commitment to service in the community and their realization that funds not generated from their premiums would need to come from taxpayers who are their customers and neighbors.

Now the conference committee reports a bill to skim an additional $50 to $100 million from the regional banks. While the objective is noble, I must question the means. If we had already squeezed this industry to the maximum extent, from where does this money come? If this money is available for affordable housing, why wasn't it available to help resolve of the crisis? Closer to home, if a thrift in Vermont is already making 85 percent of its loans to local home buyers, some of these being heart loans to families on the fringe of qualifying, what sense does it make to mandate additional, arbitrary loans at the whim of Washington lawmakers?

In addition, the conference agreement allows local housing agencies the right of first refusal on property taken over by the Federal Resolution Trust Corporation. Again, this is not bad, per se, but it is of little benefit to Vermont and New England, where there are no failed thrifts and thus no repocessed property. On the other hand, by allowing special consideration in the sale of these properties, preliminary estimates predict losses of upwards of $10 billion. This money, which will benefit regions already reaping a windfall, could have been used to mitigate taxpayer costs of the bailout.

Mr. President, I favor affordable housing initiatives. But I question the wisdom of mandating untested programs in a bailout bill of such massive proportions. I had come to understand that this bill would restructure the industry to bring all member institutions back into the business of home lending. I had come to understand that the bill was structured to draw the maximum amount possible from the thrift industry to pay for the mess. The affordable housing provisions, inserted by the conference committee, jeopardize my confidence in the plan.

Mr. President, I do not wish to unduly delay implementation of a bill designed to arrest the hemorrhage of funds, currently estimated at $20 to $30 million per day, that eventually must be covered largely by taxpayer funds. Although I'm not convinced that we have not minimized the ultimate expense to the American taxpayer, the hour is late, and I fear that additional delay could run up to a billion dollars if this deal falls apart today.

I yield the floor.

Mr. BURNS. Mr. President, I rise to voice my opposition to the conference report on H.R. 1278, the savings and loan bailout bill.

Mr. President, I initially supported the Senate bill because I thought it adequately addressed a severe problem in as fair a way as possible given difficult circumstances. It was difficult for me to support this legislation given the safety and soundness of the thrift industry in Montana. The fourth strongest in the Nation. I felt, however, the severity of the problem required a quick and responsible solution. In general, the bill as reported by the Senate was a good one.

However, as is often the case Mr. President, the House of Representatives did a number on it. They have added numerous provisions that will end up costing taxpayers billions of dollars. I am referring specifically to the housing provisions. I am aware that we must do everything possible to ensure an adequate supply of housing is available to those who need it. This bill requires the twelve regional Federal home loan banks to contribute up to $100 million per year, beginning in 1995, to subsidize low income loans. Mr. President, I strongly believe these funds could be better used to add to their contribution for the entire bailout. Not using these funds ultimately increases the cost to taxpayers and places an unnecessary strain on the resources of the regional Federal home loan banks.

Mr. President, the Resolution Trust Corporation is to maximize recovery on assets it acquires. I believe property should be liquidated as soon as possible and to the highest bidder. It should not stay on the market for 90 days for certain interests to debate on whether or not they wish to make a bid. Because the RTC will be allowed to sell certain property to only two classes of eligible purchasers within a 90-day period, the costs to the Government in the form of continued maintenance, operating costs and insurance will increase substantially.

Mr. President, there are a number of reasons I oppose this bill and I have only mentioned a few. I have always sought to minimize the contribution taxpayers will have to make. For me to vote in favor of this bill would be going against my overall goal.

Mr. President, I yield the floor.

Mr. MACK. Mr. President, I understand the urgency of passing this legislation in order to stop the hemorrhaging of failing savings and loans in this country. I cannot, however, support the newly compromised conference agreement as it stands. The funding provisions are still a sham—a crass defiance of Gramm-Rudman deficit discipline—and the housing provisions will cost innocent taxpayers at additional billions of dollars over the Senate passed version.

Financing $20 billion with Treasury funds that do not count on the budget for sequestration purposes in fiscal year 1989 is budget gimmickry of the first degree. Spiking the deficit after the snap-shot is taken for sequestration exploits an unfortunate loophole in the Gramm-Rudman law. Using this loophole for a $20 billion expense sets an incredibly tempting precedent for a spendthrift Congress.

The other major problems with this legislation is that it includes two housing provisions which could increase the cost of this bill to the taxpayer by $13.3 billion. These housing provisions have no business being in this already costly emergency legislation.

Repossessed properties of failed savings and loans were to be sold for the highest possible price and the money

was to be used to cut the cost of closing down insolvent thrifts. The cost to the taxpayer depends directly on the price the Government gets for these repossessed properties. The conference report requires these properties to be offered to "qualifying multifamily purchasers"—in other words, the housing subsidy lobby—before they are offered for commercial sale. Limiting the size of the market of those who can bid on the properties and authorizing them to be sold at below-market prices will boost the amount to be paid by the innocent taxpayer. Each 1 percent reduction in the price of these properties will cost taxpayers roughly $1 billion.

The other provision in the conference report skims an additional $2.8 billion from the S&L industry and earmarks it for a new housing subsidy managed by the regional Federal Home Loan Banks. This cost places an additional burden on the already distressed S&L industry and does not ease the cost to the taxpayer by 1 penny.

These provisions raise the cost of this legislation to the taxpayer and place additional burdens on an already overburdened industry trying to recover. They have no business being included in this emergency legislation.

For these reasons I cannot support the conference agreement.

Mr. CRANSTON. Mr. President, this far reaching bill has many admirable qualities such as:

Tough new capital and regulatory standards for thrifts to guard against future losses. The bill will require thrifts to meet the same capital standards as national banks.

New increased civil penalties and enforcement provisions to prosecute those who are to blame for a huge costly mess;

More restrictive lending limits on thrifts to halt runaway lending;

Increased insurance premiums on thrifts to make sure that the industry pays its fair share of the cost of this problem;

New formalized appraisal standards to protect against fraud;

Separating the insurance and regulatory oversight functions to remove the inherent conflict of interest within the thrift regulatory process;

Restrictions on thrift investment powers;

Providing $50 billion to close down the brain dead thrifts whose tab is now running at $20 million a day; and

Provides three new housing programs for low- and moderate-income families.

Still, there are many problems in this bill. Whenever there are attempts to completely overhaul an industry—as the administration does in this bill—there are going to be problems that one can and cannot anticipate. The following problems are the ones that concern me the most while I am not ignoring the many other lesser ones in the bill.

FUNDING

The key feature of contention in the bill has been which funding mechanism is the cheapest and best suited to protect the taxpayer. Under the Bush off-budget proposal, the savings industry would finance the principal of the $50 billion, while the Treasury would pay more of the interest. Others have proposed putting all the funds on-budget with funds raised by Government bonds. I originally supported an off-budget approach as I believed it created less problems. While many argue that the on-budget approach would save money, it was not clear that the taxpayer would realize any savings with the on-budget choice and belaboring this issue on the floor of the Senate would delay the bill, further diminishing any savings that could be realized by the on-budget process.

The conferees decided upon a compromise funding approach which is a combination of both off- and on-budget funding. This agreed compromise solution is very close to the proposals Congressman WYLIE and I made several days ago in the conference. In 1989, $20 billion will be added on the budget and the remainder of $30 billion will be raised off budget in 1990–91. I supported this approach as a reasonable compromise to break the budget deadlock with the House and I believe that it is a more workable approach than either the off- or on-budget process. Putting funds from the Treasury in the 1989 budget will make funds available much more quickly to resolve the 1988–89 insolvencies and to cover the administrative costs because the FDIC will not have to wait for the Treasury to raise funds by selling bonds.

In any event, it's probable that more funds will be needed in the near term to address the thrift problem than are provided for in this bill. The financial projections as to the ability of the thrifts to contribute to the funding cost and the carrying charges on the $50 billion in borrowing are based on highly unrealistic economic projections put forward by the administration. The economy is running far below the administration's assumptions, leading one to conclude that new funds will be needed in the near future.

A RESTRICTED CHARTER

One of the most troublesome problems to me in the bill is the restricted qualified thrift lender test. This test is used to keep thrifts in home lending. The present law requires thrifts to have 60 percent of their portfolio in home mortgages. Now, there has been no problem with this test, nor has it been shown that the test was or considered to be a contributing factor to the thrift crises. Yet both Houses of Congress have made extensive changes in the test; each one attempting to take the thrift industry back to the time when they only made mortgages.

I find the mood of Congress to exchange the problems of the late 1980's—undercapitalized, poorly run thrift institutions with poor quality loans—for the problems of the early 1980's—money-losing portfolios restricted primarily to residential mortgages—most disturbing.

If there is to be a future for the thrift industry we must encouarge investors to invest in these institutions. I fear that Congress in its zeal to cut back direct investments and high yield bonds along with the more restrictive QTL test may have severely limited the ability of thrifts to make money and attract new capital which is essential to the success of the thrift funding plan.

Overall, it is incorrect to suggest that lenders that have stayed exclusively in residential lending will not get into serious problems. Some seem to have no institutional memory of what happened to thrifts in the 1960's and 1970's, when market interest rates rose above mortgage rates and thrifts were faced with disintermediation of their mortgage portfolios as depositors moved their funds to money market competitors that could pay higher rates.

R. Dan Brumbaugh, a senior fellow at the Center for Economic Policy Research at Stanford University in his book, Thrifts Under Siege, stated that, "thrifts have lost income every year since 1982 in one area mandated by the QTL test: holding mortgages in their portfolios." Too severe restrictions on the assets of thrift portfolios in the future could be a formula for continuing disaster in the thrift industry. I would hope that the Banking Committee would continue to review the QTL as this proposal is implemented.

Of great concern to me is the Resolution Trust Corporation. This new agency will quickly become the owner of $400 billion in assets held by hundreds of sick savings and loans. It will become a giant contracting agency, mandated to unload the world's largest pool of private property—returning the proceeds to the Treasury and taxpayers to pay for the thrift problem.

The scope of the RTC's mission is breathtaking. On one hand it will be told by statute to prevent dumping properties into the already damaged local economies and at the same time to get the highest fair market value for their assets—an impossible task at best.

Never before has the United States or any private company tried to manage or attempt to sell so much private property. This agency could

become fraud and waste just waiting to happen following the nightmare that has happened with the Federal Asset Disposition Association once again subjecting the taxpayer to more cost.

The two Banking Committees must oversee this agency with extreme diligence. I hereby serve notice on those who will serve in the agency, and those who will deal with it, that we can and must do exactly that.

Congress, overall, has done a good job in tightening up the bill's vague language as it was submitted by the administration.

I have both praise and concern for this bill. I congratulate my colleagues for the hard work and the time they have spent in an attempt to reach where we are today just before the final vote in the conference report on this bill. Chairman RIEGLE and his staff have done great work on the Senate side. So have Senator GARN and his staff. So have Chairman GONZALEZ and Congressman WYLIE and their staffs on the House side. So have many others. No bill is perfect. I trust this will prove to be a positive first step toward dealing with the thrift problem—a beginning not an end because I have no doubt that sooner or later we will be back to this problem.

Mr. ROTH. Mr. President, while there are significant differences of opinion about the provisions of this legislation, that only underscores my admiration for the leadership, dedication, and energy which the Senator from Michigan, the chairman of the Banking Committee demonstrated in guiding this legislation through its tortuous route to final passage. During our work in committee and on the floor, he was open to all views and solicitous of our concerns. In his first task as chairman, he must be applauded for his performance.

Unfortunately, not everyone's point of view can prevail. On April 18th of this year, when the Senate considered the FSLIC legislation, I detailed my strong reservations about the bill. At the time, I held some hope that my views would find their way into the final product. Unfortunately, that did not happen.

There is no question that some legislation is necessary to honor our commitment to insured depositors. Fraud, mismanagement, and bad luck have caused many thrifts to fail, unable to pay back depositors. Insured depositors must be made whole.

But that was not the only purpose of the legislation. The second purpose was to make certain that this problem never again recurred. I do not believe that this bill achieves that goal.

Given the fact that we as a nation have adopted a policy that deposits should be insured, the task of Congress is to minimize the risk to the taxpayer. That can only be done by fostering a viable, healthy thrift industry.

Every deposit in a thrift creates a debt which the institution owes to the depositors. The taxpayer guarantees payment of that debt. Thus the taxpayer has a financial interest in making sure that thrift institutions accepting insured deposits can meet their obligations. As this bill unfortunately but necessarily makes plain, unmet thrift obligations are taxpayer obligations.

I emphasize this somewhat obvious point because the citizens of this Nation, having read media reports on the thrift crisis, must be confused. The media have portrayed the problem as an adversarial context: The thrifts versus the taxpayers.

Such analysis is, of course, misleading. Some things that benefit thrifts equally benefit taxpayers. And some things don't. Recent history shows that thrift managers were investing other people's money—insured deposits—in various ventures that failed.

This bill attempts to remedy this problem with strong medicine, some good and some bad. The administration bill transmitted by President Bush to the Congress last February correctly analyzed that the vice was that managers were investing and risking other people's money rather than their own. It seems clear that managers who are required to risk their own money will act more prudently than those who enjoy the luxury of risking other people's money.

The Congress, in an effort to be even tougher than the administration, not only required thrift managers to risk their own capital but also restricted the investments that could be made by the thrift. These restrictions on investments are bad policy for two interrelated reasons: First, Congress should not micromanage investments; and second, Congress may have selected bad investments for thrifts to make.

The fact that thrifts resisted both the capital requirements and the investment restrictions is not, in itself, evidence of sound policy. Higher capital requirements are desirable not because they burden the thrift industry, but because they provide protection to the taxpayer. When investments go sour, the loss is absorbed by the thrift's capital. If there is no capital, the loss is absorbed by the deposit insurance fund. If that is depleted, the taxpayer pays. Therefore, in the scheme of things, higher capital requirements are an extra layer of protection. And even more important, higher capital requirements alter conduct. They install prudent judgment into investment decisions.

The same taxpayer benefits cannot be attributed to investment restrictions imposed on thrifts. Whether a thrift invests in consumer loans or commercial real estate makes no difference to the taxpayer. What matters to the taxpayer is that most investments be successful, lest the taxpayer be called on to pay off depositors.

The error of this legislation is that Congress deems itself able to determine what is prudent or not by whole categories of investment. The bill, in effect, states that an investment in real estate or high-yield bonds is never prudent. Conversely, the bill states that investment in home mortgages is almost always prudent. Under the bill, a thrift to be a thrift must invest 70 percent of its portfolio in housing-related assets.

This 70 percent qualified thrift lender test is considerably more restrictive than current law. It seems to suggest that the cause of the thrift problem was failure to invest heavily in home mortgages. Only in Congress could such a notion be entertained. Look at all the successful investments in other areas over the years.

Moreover, there is considerable doubt that home mortgages have been profitable for thrifts in recent years. Dan Brumbaugh, who is a senior fellow at the Center for Economic Policy Research, Stanford University, and author of "Thrifts Under Siege," has recently conducted a study and concluded that Congress is about to make a grave mistake. In his study, "Restricting the Assets of Solvent Thrifts by Narrowing the Qualified Thrift Lender Test; A Formula for Continuing Disaster," he concludes that "Thrifts have lost income every year since 1982 in the one area mandated by the QTL test: Holding mortgages in their portfolios."

If Brumbaugh is correct, the lesson is clear: Never let Congress be your investment counselor.

Another study by the National Bureau of Economic Research, conducted by N. Gregory Mankiw, Harvard economics professor, concludes that home prices in the United States will decline slowly but steadily over the next two decades, dropping 47 percent in real terms by the year 2007. Now, if this conclusion is anywhere near the mark, it is truly a disaster to place thrifts in a statutory straitjacket of home mortgage financing.

I do not know whether these studies are totally accurate. The point is that they might be. Any legislation that forces thrifts to invest so heavily in home mortgages raises grave concern. The taxpayer may once again be called on in the near future.

The thrift industry needs new capital. Correctly, the bill requires it. But where will it come from? Will volunteers come in from the sidelines when their investment choices are so limited? I fear they will not come forward in sufficient numbers.

If we want to phase out the thrift industry, I suspect that there is a kinder,

gentler way to do it than to give them a fresh start but stack the deck against them. The path this legislation takes is certainly more expensive for the taxpayer.

In my view, the fundamental philosophical rationale of the reform is flawed. Investment restrictions do not attract investors. By choking off the supply of voluntary capital, the taxpayer is left to shoulder the burden of meeting depositor obligations. And that is simply the wrong answer.

Mr. President, I must also express my deep concern regarding the process the legislation selects for resolving the various problems posed by insolvent thrifts. To create a private corporation to exercise rights that belong to the United States, to empower it to make decisions that legally bind the United States, and to authorize it to handle vast sums of money and other assets that belong to the people of the United States makes me apprehensive. I would hope that the Committee on Governmental Affairs, on which I serve, would study and investigate the policy implications of this Government-sponsored enterprise. I suspect that the necessarily hurried creation of this corporation will pose administrative and legal difficulties not now foreseen.

Mr. President, when the Senate considered this legislation last April, I offered an amendment that would help resolve the thrift problem without costing any money. My amendment created a new logo for thrifts that would help restore confidence.

During this year, there have been serious outflows of deposits from thrifts because of the negative publicity surrounding the crisis. The way the bill is structured, the costs of the solution are borne by the thrift industry and by the taxpaper. To put it another way, what the industry does not pay for the taxpayer does. The major financing method of the industry's contribution is the imposition of premiums on deposits. As deposits decline, the industry contribution declines and taxpayer contributions increase.

The new logo restores confidence in thrifts by stating that "Deposits [are] "Federally insured to $100,000" and "backed by the full faith and credit of the United States Government."

It is anticipated that thrifts will not only display their logo on the window of their institutions but advertise the fact that the Government stands behind insured deposits. Moreover, now that thrifts and banks have their deposits insured by the same institution, the FDIC, the advertising wars between thrifts and banks should stop. An insured deposit in a thrift and an insured deposit in a bank are equally insured. Both are insured through the FDIC. Both are backed by the Government.

I would expect that thrifts and banks would advertise that they are insured through the FDIC, an agency of the Federal Government. That is a fact. However, any effort to imply the superiority of one insurance over the other should be viewed as deceptive. The insurance is equal.

It follows that no one should read differences into the thrift logo and the current bank logo. One says that "deposits" are insured to $100,000; the other says that "each depositor" is insured to $100,000. As the author of the amendment, I declare that absolutely no difference is intended. The reason why the new logo refers to the "deposits" rather than "each depositor" is to provide a proper subject for the additional statement on the new logo that insured deposits are "backed by the full faith and credit of the United States Government." The reason is grammatical not legal.

I am pleased that the FDIC has already prepared the new logo. It utilizes the same gold and black colors of the current bank logo. It is circular in shape, and the circle is outlined with 50 black stars. In the center is the traditional depiction of the American eagle in black outline on the gold. The required statements are superimposed with white lettering. I believe the design to be both attractive and appropriate to a financial institution. My special thanks go to the FDIC staff that labored diligently to prepare the new logo in a short time.

My amendment provides that the size of the new logo should be similar to the current FDIC logo. When I offered the amendment last April, I stated that size did not limit the shape of the logo. To clarify that further, the former wording, that the size be the same, has been changed to "similar." This should remove any question regarding the circular shape of the new logo. The requirement is that the surface area of the new logo be similar to that the current FDIC logo.

I hope that the new logo will be made available to thrifts as soon as possible. As long as deposits in thrifts are lagging, the taxpayer can be expected to pay even more. As soon as the FSLIC legislation becomes law, all must work together to restore confidence in the thrift industry. The new logo is intended to provide tangible evidence of this new dedication.

Mr. President, while there are many good things in this bill, such as stronger capital standards, they are unfortunately outweighed by the concerns I have voiced. I am concerned that the investment restrictions will slowly strangle the industry. Moreover, I am troubled by the creation of a private corporation to handle one of the most significant problems facing our Government. Therefore, I will vote "No".

Mr. SASSER. Mr. President, I rise in support of the compromise that was reached last night on the budget treatment of the FSLIC legislation. Indeed, I want to complement the Senate conferees for their efforts.

The compromise represents the best solution among the unpleasant options and divergent viewpoints that we have had before us. Obviously, in emergency legislation that is this complex, there will be much with which many of us will be unhappy.

So I think, Mr. President, that we need to look at the broader issues. I for one have always thought that the primary budget issue with FSLIC was the amount of money that we are losing every day. The estimates of that loss—that will have to be borne by the taxpayers—are as high as $30 million per day—or $1 million per hour.

Next, in choosing among the financing options, I thought that we should use the one that was least destructive to sound budgeting principles; that cost the taxpayers the least; and that would meet with bipartisan acceptance. That, of course, was easier said than done.

None of the proposals that were before us were particularly honest—there were pluses and minuses for both.

I opposed the earlier on-budget plan in the Senate because it would have meant $50 billion would be borrowed on-budget in 1989, with no assurance that the money would be spent in 1989. That would most likely have caused a sequester in 1990.

Therefore, I am pleased that in this compromise we have the assurance of the FDIC that they can actually spend $20 billion in 1989—the amount we would put on-budget.

As for the $30 billion in off-budget financing, that is a part of this compromise. I have to say I don't like it. But, at least it's $30 billion and not $50 billion.

Moreover, this compromise plan is a big improvement over the original off-budget proposal. We can close more insolvent savings and loans earlier and stop this incessant drain on the taxpayers.

Mr. President, this compromise rightly or wrongly does not contain an exemption of the FSLIC borrowing from Gramm-Rudman-Hollings. We therefore can avoid the problems and precedents that have been cited by the President, the Secretary of the Treasury and the Chairman of the Federal Reserve.

This makes this plan work on a bipartisan basis. And importantly, by putting the $20 billion on-budget in 1989, we have saved some money in the long run. And we have a quicker start at solving this crisis.

In closing, Mr. President, I want to complement and congratulate the chairman and the ranking member of the Banking Committee for their work

and leadership on this bill. They've had a tough year working on this crisis, but both have performed admirably.

Mr. President, I yield the floor.

Mr. RIEGLE. The conference report provides that securities issued by REFCORP shall not be exempt from the registration and reporting requirements of the Securities Act of 1933 and Securities and Exchange Act of 1934. However, the SEC has the complete authority to exempt such securities by regulation or order and should consider doing so with respect to securities issued by REFCORP.

Mr. GARN. I fully concur in Chairman RIEGLE's remarks. In addition, I believe that if REFCORP securities are not exempt from the registration and reporting requirements of the 1933 and 1934 acts, needless costs may be added to the funding program. In light of the structure of the REFCORP financing plan, under which the principal is fully secured by Treasury bonds and the interest guaranteed by the United States, registration is unnecessary for purposes of investor protection and would significantly raise the cost of issuance to the American taxpayer. Therefore, it is anticipated that the SEC will act quickly to exempt these securities.

Mr. RIEGLE. I agree that the SEC should move quickly to evaluate this situation.

Mr. GARN. Will national banks and Government securities dealers be able to deal in these securities?

Mr. RIEGLE. Yes. These obligations are Government securities for purposes of the Securities and Exchange Act of 1934. In addition, these are similar to obligations issued by Federal Home Loan Banks and thus national banks should be able to underwrite and deal in these REFCORP obligations to the same extent as they can underwrite and deal in Federal Home Loan Bank obligations.

Mr. HELMS. Mr. President, the S&L crisis is a monumental problem that will cost the taxpayers up to $250 billion over the next 30 years.

My greatest concern has been reducing the cost to the taxpayer while simultaneously providing a safe, sound thrift industry. There are some good provisions in this legislation. The strong capital standards requiring thrift managers to put up more of their own money as a buffer to protect the Federal Deposit Insurance funds and, ultimately, the American taxpayer, are a positive step.

But, let there be no mistake. There has been a heated discussion about which funding mechanism saves the taxpayers the most money. I would argue that savings are not the real issue for the sponsors of this bill. If they were, the House would not have dragged the S&L reform bill through a complex maze of congressional committees—five in all—for 4 months, while the losses in the industry piled up at the rate of $20 million per day, before finally bringing the bill to the House floor for a vote; they would not have given housing agencies the right of first refusal on the assets in the resolution trust corporation, a provision which some have estimated will cost up to $10 billion; nor would the House have voted to include a $150 million a year housing subsidy program—paid for with industry funds rather than using that same money to reduce taxpayer costs.

Mr. President, this legislation should not be used as a vehicle for pet housing projects. The American people won't stand for it, and neither will I.

I respect the Senate managers for the hard work they have done; however, I must oppose this conference report.

Mr. KERREY. Mr. President, I rise today understanding that something must be done about the crisis in our savings and loan system. The urgency to act is apparent. I am prepared to spend the funds necessary to shore up our financial system.

I am also determined to toughen the regulatory environment so that we can keep gamblers out of the thrift industry.

However, despite some improvements in the savings and loan legislation since it passed the Senate, I remain opposed to this bill. While the bill toughens the regulatory environment and prevents opportunists from using taxpayer dollars to back up speculative ventures, it has the following shortcomings:

Insufficient Accountability. There is simply not enough accountability incorporated in the resolution trust corporation established to dispose of the billions of dollars of assets. In crafting a structure, we have a responsibility as representatives and policymakers, to ensure that this entity is also politically accountable.

Regulatory Concentration. I fear that the dramatic increase of power given to the FDIC under this law will overwhelm that agency's resources and expertise. The objective of improved oversight will not be reached and we will have overachieved the objective of greater regulatory control.

Finally, in the absence of a full discussion of what is best and permanent, which this spending program—one that rivals the Marshall plan—deserves, I remain skeptical.

Again let me state clearly: I am prepared to vote for the money needed to stop the hemorrhage of losses from the savings and loan system. The American taxpayers will lose unless we do. However, I cannot support this particular legislation for the reasons stated above, especially given the potential for fraud and mismanagmeent in the RTC's operation.

Mr. President, while I feel an urgency to act to address the savings and loan crisis, I am unable to support the conference agreement. Given the recent history of savings and loans, the American people deserve more accountability to make sure this situation does not recur.

Mr. D'AMATO. Mr. President, as a member of the Banking Commttee, I cooperated in the chairman's efforts to produce a thrift bill. This legislation was necessary; and, last April when we voted, expeditious action was required because the thrift industry was losing enormous amounts of money. Therefore, the funding to close or merge these hemorrhaging institutions was a dire necessity.

As with every other major piece of legislation, we all would have written certain parts of the Senate bill differently. However, as with all legislation, expecially major legislation under emergency circumstances, much compromise has attended the road to the floor. In that context, I supported a prudent funding mechanism and regulatory reforms to clean up the fiscal debris and assure that excesses did not occur again.

As many know a terrible cost has already been visited upon the thrift industry and the American public. The Senate bill as passed last spring was designed to exact additional costs as repayment for losses and abuses and at some institutions elsewhere in the country that were beyond the control of the vast majority of good savings and loans in my State.

I supported S. 774. It contained many laudable provisions. Among these was the conversion of the Board of Freddie Mac from a governmental to a private sector orientation. With this new structure, Freddie Mac will be still better able to perform its important function as a secondary mortgage market intermediary. I am proud of the role I played in cosponsoring, with Senator CRANSTON, a provision of the Senate bill to establish an 18-member board with 13 shareholder-elected members for Freddie Mac. Furthermore, I am pleased that this provision is in the conference report.

The home mortgage lender of the future will depend even more upon an efficient and liquid secondary mortgage market. S. 774's provisions of Freddie Mac, included in the conference report, will bring still more of the genius of the free market to bear on the activities of Freddie Mac. Just as occurred last year when we caused the preferred stock of Freddie Mac to be publicly traded for the first time, the thrift industry will be made stronger, safer and sounder by privatizing the governance of Freddie Mac.

S. 774 also struck a proper balance on other difficult issues including the future role of the Federal Home Loan

Bank System. I am pleased to see that the principal features of the Senate's compromise on the amount and formulation of the contribution of the home loan bank system to the financing of the Resolution Trust Corporation have survived the conference with the House. Make no mistake, Mr. President: the viability of the home loan bank system is essential to the maintenance of the availability of affordable home mortgage finance. An annual contribution of $300 million from the regional home loan banks strike a good balance between the need to find as much money within the industry as we can and still maintain the viability of the home loan bank system. I congratulate the Senate conferees on this point. I also congratulate Mr. Brian Dittenhafer, president of the Home Loan Bank of New York who, in his capacity as chairman of the conference of home loan bank presidents, worked out a difficult compromise on difficult issues that all the home loan banks could support.

On the issue of capital, the conference report contains tough new requirements that will make the thrift industry of the future safer and sounder. This is something I have always supported. But let us be honest, Mr. President, the new capital requirements will also make the thrift industry smaller.

The New York thrift industry is, by and large, healthy, conservative and well capitalized. While New York thrifts have come to expect that a certain amount of pain is to be visited upon the innocent, they also insist that the post-FIRREA environment present a level playing field in the highly competitive home mortgage lending market. I believe that S. 774 was a mild success on this point. However, I fear that the conference has resulted in overly rigid capital rules that will cause too much pain to the industry and, in the long run, to the taxpayer also.

Mr. President, during the long hearings and extensive discussions that were conducted in the Banking Committee, one point continually reappeared. In order for the rescue of the insolvent FSLIC Deposit Insurance Fund to be completed with a minimum of taxpayer funds, it was necessary to attract capital to the thrift industry. This is a simple matter, Mr. President. If thrifts are to meet their new capital standards they must raise investment capital. If they do not raise this capital they will flounder because, according to the bill, they will be under supervision and growth restrictions. Will investors be interested in putting their money into an institution which is subject to close supervision and the risk of imminent closure by the Federal Deposit Insurance Corporation? I think not.

More to the point, however, is whether any future transactions involving failed or failing institutions will be possible after this bill sanctions a wholesale reneging of Federal agency agreements. With only uncertainty assured how costly will the enticements have to be for any new thrift investors?

I believed, last April, that the Senate bill went too far in its fervor to regulate the thrift industry from the legislative branch. But I thought this excess could be worked out in conference. We all know that this bill results in the abrogation of many agreements that the Federal Government made with healthy thrifts. Whether this approach is not only unfair but also unwise is a question which we will live with for the next few years. In my judgment, the Congress attempts to go too far in this conference report. It helps no one, it hurts many.

Unfortunately, the House version of this legislation compounds the mistake the Senate Banking Committee made. Still more unfortunately, the conference report adopts the errors of the House bill.

I fear that these misguided attempts at "restructuring" the thrift industry will result in the following egregious results: First, healthy institutions which are making money, providing home mortgages, and employing the citizens of my home State will find it impossible to stay in business because they will not be able to attract capital under the unrealistic rules in this bill; second, the FDIC will overreach its new authority and use healthy thrifts which do not meet the capital requirements for merely technical reasons as bait to accomplish a merger of a number of failed institutions with an acquiring bank; and third, the taxpayer will ultimately pay the price for the Congress' excess because healthy thrifts will be taken out of business.

A great deal of power is vested in regulatory agencies by this legislation. If wisdom could be legislated, I would be more optimistic about the future of the thrift industry in my State. I hope I will be pleasantly surprised by the performance of the FDIC and other agencies in implementing this legislation. But, for now, I think this legislation gives too much new authority to an agency that specializes in closing institutions. I fear it is ill-equipped to manage and restructure a major portion of an industry.

I am hopeful however, that at least not all of the healthy institutions will be ruined. I am pleased at least to see that the strict new capital rules will be applied to undercapitalized thrifts which are properly identified as separate from parent or subsidiary institutions. Therefore, a healthy institution would not be consolidated with an unhealthy one for supervisory purposes. This provision is good but it is unfortunately, like many other good provisions, locked into a fundamentally flawed conference report.

The PRESIDING OFFICER. Does the Senator yield the remainder of his time?

Mr. RIEGLE. Yes.

The PRESIDING OFFICER. Is there further debate on the conference report?

If not, the question is on agreeing to the conference report?

Mr. GRASSLEY. Mr. President, I ask that the vote be by division of the body.

The PRESIDING OFFICER. The Senator from Iowa has asked for division. As many as are in favor of the conference report will rise and remain standing until they are counted.

(After a pause.)

Those opposed will rise and stand until counted.

On a division, the conference report was agreed to.

Mr. RIEGLE. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. GARN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida may proceed when the Senate is in order. The Senate is not in order.

Without objection, the Senator from Florida may proceed.

POSITIONS ON VOTE

Mr. GRAHAM. Mr. President, I ask unanimous consent to be recorded "no" on the last vote.

The PRESIDING OFFICER. The RECORD will so reflect.

Mr. EXON. Mr. President, may I be recorded as "no" on the last vote?

The PRESIDING OFFICER. The RECORD will so reflect.

The Senator from Virginia.

Mr. WARNER. Mr. President, may I be recorded as "no" on the last vote?

The PRESIDING OFFICER. The RECORD will so show.

The Chair in his capacity as a Senator from West Virginia will also be recorded as voting "no" on the last measure.

INCREASE IN STATUTORY LIMIT OF THE PUBLIC DEBT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of H.R. 3024, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3024) to increase the statutory limits on the public debt, and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. BENTSEN. Mr. President, the House has sent the Senate a debt limit extension bill, H.R. 3024, with provisions substantially similar to an amendment approved last month by the Committee on Finance.

This is a short-term extension of the debt limit. I would have preferred to see the Senate pass a long-term extension. But, I understand that that is not realistic. We need to pass a debt limit increase and to pass it quickly.

Under the bill, the debt limit will be increased by $70 billion from the date of enactment through October 31. This will get us past the next 3 months so that we can concentrate on the other business of the Senate—completion of the budget and reconciliation process, action on appropriations bills, and the other legislative items on our agenda. But a part of that agenda will have to be the enactment of a long-term debt limit bill sometime before the end of October.

We need to pass the bill before us quickly. Treasury has reached the current debt limit. Within a few days and certainly by August 15, Treasury will have exhausted its cash. If that happens, the United States will, for the first time in its history, default on its obligations. That cannot and must not be allowed to happen. So we must act on this bill.

In addition to providing for a short-term increase in the debt limit, the bill includes a provision requested by the Treasury Department to change the treatment of certain securities which do not bear explicit interest but are sold at a discount. Under present law, such bonds are counted at their face value even though their actual value may be far lower. The amendment would instead count them at their actual accrued value. The result will be to provide consistent treatment under the debt limit for interest-bearing and non-interest-bearing securities.

As many of my colleagues are aware, I have been disappointed by the progress made this year in reducing our Nation's budget deficit and limiting the growth of our national debt. I share the frustration that has understandably grown inside and outside of this body about the failure to take more dramatic steps to put our fiscal house in order.

Many will suggest that the Federal budget process is to blame and should be changed yet again. In the past, extensions of the debt limit have served as a vehicle for a variety of budget process reforms. I do not disagree that the process may need to be changed. I am willing to look at proposals to change it, and it is very likely that I may find that I can support some such proposals with great enthusiasm. But we just do not have time between now and the default date to debate and enact budget reform proposals. We must allow this measure to pass without amendments so that unnecessary delays will not place the financial integrity of the U.S. Government at risk.

THE DEBT LIMIT

Mr. SYMMS. Mr. President, I rise before you today as I have done on many previous occasions to oppose the increase in the debt ceiling. It has become somewhat of a regular exercise for the Congress to raise the debt ceiling so that the Government can fulfill its financial obligations.

This new money for the national debt is not being borrowed to pay for debts already incurred, but to pay for what the Government thinks it wants to commit to spending over the next fiscal year. The new proposed debt limit is over $3 trillion, up from the current $2.8 trillion. Surely this continual upward trend deficit spending cannot go on if we are to achieve our goal of a balanced Federal budget.

I have said on previous occasions that debt is the driving force in our economy. This remains true today. This year, total public and private U.S. debt will stand at its highest level in history. The economic impact of that debt and the future debt obligations of this country will determine the future of our economic system.

In the United States, the sum of all debt held by the public and by Federal agencies is referred to as the gross Federal debt. Twelve years ago, such debt totaled $706.4 billion—today is is $2,868.8 billion.

The Depression and World War II saw the first big upsurge in the modern trend of deficit spending for its own sake. But under the Republican Congress in the late 1940's, and briefly under President Eisenhower in the 1950's, there was a repayment on the national debt. When public debt is repaid, there is a release of capital from a sterile use—the capitalization of future taxation—to a productive use, as bondholders can reinvest the proceeds of their Treasury security redemptions in private-sector bonds. The bonds issued by private companies go to finance productive capital formation, since those companies have to earn a real economic yield in order to issue bonds of investment grade.

In the 1960's, America's engagement in Vietnam caused a further surge in the debt spiral. By the mid-1970's, the national debt figure had reached the $500 billion mark. It took over 40 years to build up a debt of $500 billion, and less than 7 years to triple that figure.

The only solution to the ever-increasing debt spiral is to reduce current expenditures and the future debt obligations of this economy. The private sector has been in the process of reducing their demand for credit over the past several years. However, governments at every level have increased their demand for credit because they have failed in their responsibility to reduce their spending.

This process has had a deflationary impact on the economy, but that deflationary trend will be reversed if our capital markets become so short that the Government cannot use those markets to finance the periodic rollover of the debt. At that point our debt would have to be repaid by a direct inflation of our currency—just as the Federal Government did during the Civil War.

Long-term capital markets are the key to a sustained and robust economic system. Those markets can only be restored by a real and continued effort to pay off our debts and keep our currency sound. Without that commitment to a sound fiscal policy, we will simply condemn our children and their children to follow the example of every other nation throughout history by paying off our debts with a debased currency.

Mr. President, I can tell you from my experiences in meeting with the people in my State and around the country the American people wish we could go on a cash basis with Federal budget. I know there are sophisticated arguments that what we really need is a capital budget, so that these increases in the national debt could be classified as "investment financing"; and I know that the current crazy system of Federal Government accounting is some kind of compromise between that and pure cash accounting. But the reason why so many of my friends ask me to put the Federal Government on a cash basis is because that is the most strict form of accounting anyone can have.

This Government must learn to be prudent with our spending, live within our means and work out of what we have. I for one would be happy to see the President take command of the financial problems of this country and act as any chief executive officer would do to get his books in order. What is needed is to determine and establish priorities for the Federal Government and run this country on a cash basis.

Of course I believe it is Congress' prerogative to hold the power of the purse, under our Constitution; but I believe the "power of the purse" is a negative power—one that means the Congress should act to restrain taxes and to restrain spending by an Executive that might try to be too aggressive. That is the original sense of the concept in Magna Carta and in the English Parliament. Unfortunately, today, my colleagues use the concept of "the power of the purse" affirmatively, to compel excessive spending the executive branch would actually like to curtail.

I believe it is time for us to make a commitment to reducing the debt that

we have been building up in this country. We need the balanced budget constitutional amendment; we need the enhanced recission authority that Vice President DAN QUAYLE championed when he was a Member of the Senate; and we need, most of all, to come to our senses in Congress and carry out the will of the people to eliminate the deficit.

The PRESIDING OFFICER. Who yields time?

The Republican leader is recognized.

Mr. DOLE. Mr. President, I have been designated by Senator PACKWOOD to handle the bill on this side.

So I yield back his time.

The PRESIDING OFFICER. Who yields time?

Is all time yielded back?

Mr. BENSTEN. Mr. President, I yield back the remainder of the time on this side.

The PRESIDING OFFICER. All time having been yielded back, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

So the bill (H.R. 3024) was passed.

Mr. FORD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

POSITION ON VOTE

Mr. FORD. Mr. President, in an effort to accommodate the business of the Senate, I did not object to the unanimous consent of the majority leader providing for passage of H.R. 3024, legislation providing for a temporary increase in the debt ceiling without a record vote. However, I wish the RECORD to reflect that had I voted, I would have voted "no".

The PRESIDING OFFICER. The RECORD will so reflect.

The Senator from North Carolina.

DEFICITS NOT BEING REDUCED

Mr. SANFORD. Mr. President, if Gramm-Rudman is working, is actually reducing our deficits, why then are we increasing the debt limit?

It is with complete reluctance that I have agreed that the debt ceiling resolution might be considered without amendments. I also have agreed not to object to a voice vote here in the waning hours before recess.

The debt that has been allowed to accumulate in the last 8 years is an outrageous example of fiscal irresponsibility. While President Reagan, and now President Bush, were representing to the public that the deficits were being reduced, the opposite was the truth.

There has not been a penny in reduction. There have been constantly climbing deficits, each in the neighborhood of a quarter of a trillion dollars. That is why we must today increase the debt ceiling to more than $3 trillion.

Had it not been for the desire of the leadership to move this legislation without dissent, I would have introduced and worked for the passage of the following joint resolution:

At the appropriate place, insert the following:

SEC. . ACHIEVEMENT OF AN HONEST BUDGET.

(a) FINDINGS.—The Congress finds that—

(1) the Congress and the President have attempted over the course of the last several years to meet the deficit reduction targets established under Gramm-Rudman-Hollings, which has not lowered the annual increases in the national debt;

(2) despite these efforts, the increase in the national debt, which is the real accounting deficit, has grown each year and is projected to be in this and subsequent years more than a quarter of a trillion dollars each year;

(3) the longer we delay real reduction and continue using Social Security and other program reserves as accounting devices to conceal the true size of our annual deficits, the more impossible this task of debt reduction will become; and

(4) controlling the continual increase in the national debt cannot be satisfactorily accomplished without the leadership and support of the President.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that before any future increases of debt ceiling will be approved by the Senate—

(1) the President shall present to the Congress a new schedule of deficit reduction targets based on the actual deficits, the annual increases in the national debt; and

(2) the President also shall present to Congress a comprehensive multiyear proposal to reduce the Federal debt to a more acceptable percentage of the Gross National Product.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

POSITIONS ON VOTE

Mr. EXON. Mr. President, I ask unanimous consent that I also be allowed to list my name in opposition to the last vote, as I did on the previous one.

I voted "nay" in both cases.

The PRESIDING OFFICER. Without objection, that will be the order.

The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I similarly ask unanimous consent to be recorded as having voted "no" had there been a recorded vote on the last vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator will be so recorded.

Mr. CONRAD. Mr. President, I would also like the RECORD to reflect that I associate myself with the remarks of the Senator from North Carolina [Mr. SANFORD].

The PRESIDING OFFICER. The RECORD will so reflect.

The Senator from Kentucky is recognized.

STATE AUTHORITY TO REGULATE ACQUISITION OF INSURANCE COMPANIES

Mr. FORD. Mr. President, I rise to engage in a colloquy with the distinguished chairman of the Senate Subcommittee on the Constitution of the Judiciary Committee. As the distinguished chairman is aware, Hoylake Investments, Ltd., has filed a lawsuit in each of the nine States that have jurisdiction to review the proposed aquisition of BAT Industries by Hoylake. In each of these cases, Hoylake has asserted that the relevant State statute is an unconstitutional burden on foreign commerce.

Is it the chairman's understanding that Congress has the power to delegate to the States its authority to regulate insurance as a form of commerce?

Mr. SIMON. The Senator correctly states the constitutional principle.

Mr. FORD. Am I also correct that Congress has so exercised such power to delegate to the States the authority to regulate the acquisition of control of insurance companies by domestic or foreign persons?

Mr. SIMON. Once again, the Senator correctly states the law. State insurance commissioners have the authority to review the Hoylake bid for BAT Industries, when it would result in a change of control of insurance companies in their States.

Mr. FORD. I thank the distinguished chairman for this clarification.

Mr. President, I yield the floor.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to 22 U.S.C. 276, as amended, appoints the following Senators as members of the Senate delegation to the Fall Interparliamentary Union Meeting during the 1st session of the 101st Congress, to be held in London, England, September 4-9, 1989: the Senator from Washington [Mr. ADAMS] and the Senator from Georgia [Mr. FOWLER].

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROBERT C. BYRD'S GENEALOGY

Mr. BYRD. Mr. President, several years ago, considerable effort was made to trace my ancestral roots. The work was, by no means, complete, as of course, it could never be.

I ask unanimous consent that the results of that effort be printed in the RECORD.

There being no objection, the genealogy was ordered to be printed in the RECORD, as follows:

ROBERT C. BYRD'S GENEALOGY

The origin of the name *Sale* derives from the name *de la Salle*, French, from the time of the Norman conquest. The English meaning of the word *salle* is "room" or "hall".

The first appearance of the name *Sale* in England seems to be that of Robert de la Sale, in 1273. *Sale* also appears as *Salle, Sales, Sayle.*

William Sale, born in 1638, was brought by one John Stevens in 1657, from England. Sale worked as a planter for seven years, after which he was granted 130 acres of land. Seven years was a common indenture which he probably served in exchange for passage from England. The land lay "on the East side" of the Chickahominy River. In 1679, William Sale bought 400 acres in old Rappahannock County, later a part of Essex County. He died "before 1704" in Essex County. His wife's name is unknown, but she died "after 1704" in Essex County.

William Sale had a son, Cornelius, who died in 1746. Cornelius married Hanna (last name unknown). William also had a son, Anthony, and a daughter, Elizabeth.

Cornelius named six sons in his will, which was made on April 3, 1745, and probated on March 17, 1746. The sons named in the will are *William*, Anthony, John, Thomas, James, and Cornelius.

One of these six sons was the father of *William Sale, Sr.*, born about 1725, probably in Essex County. He died in 1788 in Wilkes County. He married Ann (last name unknown). They had thirteen children including, *Robert, Sr.*, Leonard, Cornelius, James, William, Jr., John, and Thomas.

Robert Sale, Sr., was born in Halifax County, North Carolina in 1772. He died in 1866. He had ten children including sons, Robert Sale, Jr., and *William*. (Robert Sale, Sr.'s, wife is unknown.)

William Sale was born in 1815 in Wilkes County, North Carolina. He died in May of 1889. He married Caroline Dickerson on April 23, 1844. Caroline was born in 1823 or 1824 in Surry County, North Carolina. Caroline's father and mother were probably Wiley and Nancy (Cole) Dickerson. Wiley's grandfather was probably Griffith Dickerson of Bute County, North Carolina. William Sale and Caroline were the parents of *James* Sale.

James Sale was born in May of 1844 or 1846 (?) in Wilkes County, North Carolina. James married Martha Elizabeth Henderson on January 14, 1867. Martha Elizabeth Henderson's parents were Eli Henderson and Caroline Somers (or Summers or Sommers). (Caroline's parents were John and Frances Somers—or Summers or Sommers); Eli's father and mother may have been William and Judith Henderson; the names Henderson and Somers (or Summers or Sommers) are prominent in Caswell County.) Martha Elizabeth Henderson was born on May 2, 1848, in Iredell County, North Carolina. She died on June 10, 1928, in Wilkes County, North Carolina. James and Martha Elizabeth Sale had twelve children, ten of whom were alive in 1900 (census). One of James and Martha Elizabeth's children was *Cornelius Calvin Sale.*

Cornelius Calvin Sale was born on May 1, 1875, in North Wilkesboro, North Carolina. At the age of twenty eight, he married Ada Kirby, who was nineteen years old at the time, on April 28, 1906. Ada Kirby was born in March of 1888 in Lenoir, Caldwell County, North Carolina. Ada Kirby's father was James Kirby, and her mother's name was Ella Rebecca Lawrence, whose father was Leander M. Lawrence and mother was Clementine Murchison. Leander Lawrence's parents were Alexander E. Lawrence and Ruea. Alexander's parents were Barnabus and Eleanor Lawrence. Ada Kirby's father, James, was born in April of 1864. He and his family were in Kings Creek Township, Caldwell County, North Carolina, in 1900. James Kirby had brothers Thomas and Franklin. Their mother was Margaret Tilley Kirby, whose husband was Avery Kirby. Avery Kirby's parents were Riley (or Rilie) Kirby and Mary. Margaret Tilley's parents were Hosea Tilley, born in 1822, and Nancy, born in 1820. Hosea Tilley's parents were Lewis, born in 1780, and Mary Tilley, born in 1783. Lewis Tilley's parents were Edmond (or Edmund) Sr., and Sarah (Margaret?) Tilley. Edmond (or Edmund), Sr.'s last will and testament was made on December 19, 1793, and probated in May of 1800. Edmond (or Edmund) was a Revolutionary War soldier.

Cornelius Calvin Sale and his wife, Ada Kirby, had five children—Clyde, born in 1907, William, Reuben, Jettie, and Cornelius Calvin Sale, Jr., (Robert Carlyle Byrd), who was born on November 20, 1917.

S. 686, AS PASSED BY THE SENATE

Mr. BREAUX. Mr. President, today the Senate voted to enact comprehensive oilspill liability and oilspill response legislation. I voted for the bill. The distinguished Senate majority leader, Senator GEORGE MITCHELL, has committed a great deal of his Senate career to enacting comprehensive liability legislation. His expertise and appreciation of the complexities of the issues associated with oilspill liability legislation led to the passage of text similar to that of S. 686 in the 99th Congress and once again today.

I have worked for over 10 years to enact comprehensive oilspill legislation and fully appreciate the work it takes to strike the balance needed for responsible liability and compensation legislation. Enactment of such legislation is sound Federal policy. However, I am sorry that it took a crisis to enact this bill. The result of legislating in crisis mode may severely jeopardize final enactment of this bill.

S. 686, as introduced by the Senate majority leader, was a thoughtful approach to oilspill liability. The bill was strengthened, through his leadership, in the Senate Environment and Public Works Committee. The bill as reported from the committee was a strong bill with a carefully crafted balance of prevention, response, and compensation.

As long as we are a nation dependent on oil, we will be subject to threats from oilspills, particularly from tankers. This bill was designed to strengthen safety and prevention requirements in order to minimize future spills. If for some reason, despite those requirements, spills do occur, the President is put in charge of removing or arranging for removal of the spill. This unambiguous authority will ensure that prompt action will be taken to contain the spill. Owners and operators of vessels and facilities will be required to have response capability. Regional response teams will be established to ensure prompt response to a spill using on-site, state-of-the-art technology. This prompt action should minimize the likelihood of a catastrophic spill. Whatever damages and removal costs are incurred during cleanup will be compensated by the spiller up to a reasonable liability limit. The establishment of limits and the requirement that those subject to the limits have adequate financial responsibility will ensure fast and certain compensation for claimants. In the event that the removal costs and damages exceed the liability limits, a $1 billion fund, financed by industry will be available to assure cleanup of the spill.

The Senate Commerce Committee under the leadership of its distinguished chairman, FRITZ HOLLINGS, amended S. 686 to strengthen vessel safety requirements, navigation procedures, and vessel pilot licensing procedures. This provision authored by the Commerce Committee will go a long way toward preventing future accidents such as the Exxon *Valdez* spill.

However, two ill-conceived amendments adopted today threaten ultimate enactment of this legislation. These amendments are clearly the result of legislating in the wake of a crisis. One amendment has the effect of singling out OCS facilities for different treatment with respect to liability limits. These facilities are responsible for only 2 percent of the world's total oilspills. No major spill has occurred since 1969 because of prevention. This amendment penalizes those facilities for being good operators. It does nothing to protect the environment.

Second, an amendment was adopted to significantly increase the liability limits the Senate Environment Committee adopted. The increases were arbitrary. They were not thoughtfully chosen or debated. This amendment was directed at a perceived need to appear tough on oilspills when in fact the amendment will be tough on the consumer.

Both of these amendments severely and needlessly jeopardize the bill. They jeopardize the reasoned and thoughtful approach first introduced to this body by the distinguished majority leader. I look forward to working with my colleagues in the Senate and former colleagues in the House to restore that balance.

NEW FEDERAL RAILROAD ADMINISTRATOR

Mr. PRESSLER. Mr. President, I am pleased with the Senate's recent confirmation of Gilbert Carmichael to be the new Administrator of the Federal Railroad Administration [FRA]. Mr. Carmichael's background in the railroad business and his desire to maintain our Nation's railroads as a viable transportation alternative convinces me he will be an able Administrator.

Mr. Carmichael has big shoes to fill. His predecessor, John Riley, is a good friend. I thoroughly enjoyed working with John on a number of projects of importance to South Dakota and appreciate his openness and accessibility.

Mr. Carmichael, as the new Administrator, inherits a solid team of highly professional men and women, like Executive Director Bill Loftus, who are dedicated to the task of overseeing rail safety programs and administering railroad financial assistance programs. The FRA staff are some of the most professional and competent people I have ever met in public service.

Many important issues face the railroad industry. In rural areas like South Dakota, the most important issue is the very preservation of railroad service. Short-line and regional railroads have sprung up to carry much of the load. However, these operations are often financially vulnerable and need the help of Federal programs like Local Rail Service Assistance [LRSA], section 505 loans and section 511 loan guarantees to stay alive.

Again, I welcome Gilbert Carmichael as the new head of the Federal Railroad Administration. I look forward to working together with him and the very competent FRA staff in maintaining and improving our Nation's rail system.

MEDICAL FREE ELECTRON LASER PROGRAM

Mr. DOLE. Mr. President, some times big programs have small spinoffs which yield big results. One such program is the Medical Free Electron Laser Program which we reauthorized Tuesday on the Defense bill.

The MFEL Program is a tiny portion of the SDI budget—$20 million. But it has the potential to revolutionize health care for the next generation of Americans.

Just a few weeks ago, I had the opportunity to visit the Wellman Laboratories of Photomedicine which are based with Harvard Medical School and Massachusetts General Hospital. I was simply astonished at the work they are doing on cancer, eye disease, burn therapy, heart disease, kidney stones and skin disease.

Using lasers and light-sensitive dyes they can break up blood clots to prevent heart disease—without any surgery or damage to tissue.

Glaucoma patients will benefit from similar techniques which pin-point the precise area of the eye affected, and treat it without a single cut on the eye itself.

Anybody who suffers from kidney stones understands what it would mean to be able simply to dissolve them. They have developed just such a process at Wellman, In fact, I held a laser in my hand and dissolved a kidney stone—it works.

These are just some of the things they are doing. And Wellman is just one of the centers working on the Medical Free Electron Program. Researchers at Baylor, Duke, Northwestern, USC, University of Utah, and Vanderbilt are all doing superb related work.

I think it is plain that every man, woman, and child has an interest in seeing this research pursued, and I think it is well worth $20 million. But I would also like to make to other points about cost.

First, because MFEL is an applications program, the centers we fund today are developing medical applications which will soon win FDA-approval. This will bring in non-Government money, so in just a few years, we can expect the MFEL centers to be self-supporting.

A second point to keep in mind is that this country spends billions of public and private money on health care each year. Laser medicine not only promises hope where there was none, it also simplifies surgery and reduces once complex treatments to outpatient cases. Imagine the billions of dollars, over the long-run, that such breakthroughs will mean.

For all these reasons the MFEL Program has had the enthusiastic support of Senators on both sides of the aisle. We have worked many months with SDIO Director, General Monahan, to craft a program with just the right balance of medical applications and other scientific research.

I think we now have a perfect set of guidelines which General Monahan has set forth in identical letters to the majority leader, Senator MITCHELL, the chairperson and ranking member of the Armed Services Committee, Senators NUNN and WARNER, and to me. I ask unanimous consent that the general's letter to me be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF DEFENSE, STRATEGIC DEFENSE INITIATIVE ORGANIZATION,

Washington, DC, August 2, 1989.

Hon. ROBERT DOLE,
Minority Leader, U.S. Senate, Washington, DC.

DEAR SENATOR DOLE: I appreciate the interest which a number of Senators have shown in the Medical Free Electron Laser (MFEL) program. This program is one of the most promising SDI spin-offs which may well revolutionize health care for the next generation of Americans. The best way to achieve this is to focus the MFEL program on medical applications while preserving some flexibility to balance it with more general scientific efforts which have medical, as well as other, potential. I am writing to you to set forth how SDIO plans to manage the MFEL program during fiscal years 1990 and 1991.

No less than four-fifths of the funds authorized for FY 90 and FY 91 ($16 million of $20 million each year) will be applied to adapting existing free electron laser technology applications in medicine, photobiology, surgery and associated materials science. This portion of the program will be carried out at not less than seven nor more than ten geographically distributed regional, university-based, multi-disciplinary medical research centers. These centers will be chosen by a peer review process which meets standards generally accepted in the medical and scientific research communities.

No more than one-fifth of the funds authorized for FY 90 and FY 91 ($4 million of $20 million each year) may be applied to FEL efforts at other scientific research facilities. Although work undertaken under this portion of the program may offer potential applications in many fields, one criterion for center selection will be potential medical application. Selection will be by a peer review process which meets standards generally accepted in the medical and scientific research communities.

The peer review process will be established as quickly as possible during FY 90. However, recognizing that this process may continue to late FY 90, SDIO plans to extend research efforts, as needed to avoid terminating ongoing efforts prior to completion of the peer review process. This will be accomplished within the $20,000,000 authorized for FY 90 in the FY 90/91 Defense Authorization Act.

The peer review group will be instructed to insure that each center chosen for the medical applications portion of the MFEL program has reasonable plans to develop medical applications of free electron laser technology by the end of fiscal year 1993. Beginning in fiscal year 1994, SDIO expects the MFEL program to be handed off to an appropriate agency outside the Department of Defense. Furthermore, because this pro-

gram is for applications development, by fiscal year 1994 the centers should have begun increasingly to rely upon non-government sources for their continuing work.

Another criterion upon which the peer review will be instructed to insist is that all centers be able and willing to provide user facilities for research groups outside the center which are studying the applications of this technology. Indeed, the purpose of establishing regional centers is to maximize the participation of qualified institutions and individuals at institutions which have a sufficiently broad multi-disciplinary based to achieve the program's objectives. Many who are currently engaged in MFEL program work will continue their work through center-peer review projects, thus maximizing the potential result of their work.

I believe that this outlines the MFEL program which we have worked upon together. Again, I thank you for your interest and hard work in the MFEL program.

Sincerely,

GEORGE L. MONAHAN, JR.,
Lieutenant General, USAF, Director.

Mr. DOLE. General Monahan, Col. Dan Heitz and Mr. Nick Montanarelli have worked very hard with us, and I thank them.

I would also like to thank my colleagues, Senators DIXON, GARN, GRAHAM, KENNEDY, MACK, RUDMAN, and WILSON who have worked so hard to set this program in the right direction.

Finally, I would like to recognize the efforts of Laura Abplanalp, Jay Behuncik, Jackie Clegg and Pat McCartan, the Senate staffers who were crucial to a good outcome for the MFEL Program.

We will all be grateful to these Senators, staffers and DOD professionals for years to come.

THE AMERICANS WITH DISABILITIES ACT

Mr. DOLE. Mr. President, last month, we celebrated the 25th anniversary of the Civil Rights Act of 1964. The passage of the Civil Rights Act was one of Congress'—and America's—shining moments. And it was one of the great milestones in America's long journey toward civil rights justice. So I am pleased today to join with President Bush in endorsing the Americans With Disabilities Act—the next major step in the civil rights struggle—and a bill that will finally expand civil rights protections for people with disabilities.

Two days ago, President Bush announced his endorsement of the ADA. I commend the President for his genuine commitment and leadership on this landmark civil rights legislation. His commitment and leadership will help to create a more inclusive America, an America that is more fully integrated, an America that does not place needless and harmful barriers in the way of her citizens with disabilities.

The substitute bill passed by the Labor Committee reflects the broad bipartisan support for the ADA. This support was gained after a long series of negotiations among the administration, members of the Labor Committee, and other interested Senators. I know that the White House and Senate staffs have spent many, many hours together. And I commend both staffs for their hard work, their perseverance, and their willingness to sit down and hammer out a compromise package.

This bipartisan substitute bill addresses many of my previous concerns—concerns that I raised during my testimony before the Labor Committee last May. The compromise reached in the substitute bill goes far to strike a fair balance—a balance that fully embraces the vision of a barrier-free society for all Americans, but one that also recognizes that this vision will have some costs.

I am particularly pleased with the substitute bill's tough—but fair—remedies provisions and the phase-in period for small businesses. I am also pleased that a technical assistance amendment was adopted in the committee markup. I intend to work with other Senators and other interested parties to strengthen this amendment as the legislative process unfolds.

But a few outstanding issues still need some further clarification. I am concerned—for example—about the impact of the ADA's private transportation provisions on bus service in our rural communities. I want to ensure that rural bus service will not—in any way—be diminished by the requirements imposed by these provisions.

I am also concerned about the need to educate the private sector about the ADA generally. For the ADA is sweeping legislation—legislation that will affect not just the Fortune 500, not just our large cities, but just about every private business, every State and local government, and every community in America. Let there be no doubt about that.

So I look forward to addressing these—and other—issues when the ADA reaches the Senate floor. And I am pleased to stand here today to formally endorse this important piece of legislation.

LEGISLATIVE LINE-ITEM VETO RESCISSION

Mr. DOLE. Mr. President, later on today the Senate will vote to raise the Federal debt limit by $70 billion for a new debt limit total of $2.87 trillion. Now, that may sound like a lot of money to most people, but in Congress it is only enough spending change to last 3 months.

Mr. President, it took our country 213 years to borrow our first trillion, but it has taken our country only 4 years to borrow our third. Some in Congress say the solution is to raise taxes, but the American people know better: we must stop our reckless spending, and we must stop it now.

Senator COATS, Senator MCCAIN, Senator ARMSTRONG, and Senator HUMPHREY have worked for many months to come up with a way of slowing the growth of Government spending. Their solution is to give the President legislative line-item veto rescission authority.

Legislative line-item veto rescission is certainly a mouthful, but in short, it means Congress would no longer have close to limitless power to set aside Federal tax money for special projects in their home districts. With a legislative line-item veto, the President would be able to slice out wasteful spending projects, bundle them up into a new bill, and send that bill back to Congress for a second look.

Forcing Congress to confront its wasteful spending choices a second time may sound like a simple reform, but believe me, it is one that will have very far-reaching effects. Instead of being able to hide special projects in spending bills the size of telephone books, Members will be forced to vote "yes" or "no" on a pork-only spending bill. Who is going to want a vote like that on their record.

The end result is going to be that Congress and the President will be able to move more quickly to meet the Gramm-Rudman-Hollings targets without phony gimmicks, or worse, new taxes.

I want to praise Senator COATS, our newest Senator, for his leadership on this effort. Although Senator MCCAIN, Senator HUMPHREY, and Senator ARMSTRONG have been pushing their own excellent variations of this bill for many years, it took the hard work of Senator COATS to bring everyone together on this compromise. I have been told they have at least 32 cosponsors for this bill, as well as the strong support of the President of the United States.

I urge Members to look closely at this bill, the Legislative Line-Item-Veto Act, and join us in our effort to bring accountability and responsibility back to the congressional budget process.

ROMAN HRUSKA, 85 THIS MONTH

Mr. DOLE. Mr. President, my friend and our former colleague, Roman Hruska, is celebrating his 85th birthday this month. As many Members remember, Roman Hruska was a Senator of the highest caliber and principles who worked diligently for the people of his great State of Nebraska, his region, and for the welfare of the entire Nation. His retirement at the end of the 94th Congress left a great void in this body.

As the long time ranking member of the Judiciary Committee, Roman Hruska was a tireless worker to balance the interest of law enforcement and fairness for the accused. He authored many bills which are on the statute books today in the area of criminal justice. At the time of his retirement in 1976, Roman Hruska had also played a major role in the confirmation of every then sitting Supreme Court Justice and for a majority of those sitting on the lower Federal courts. His mark is still evident today and frequent reference is made to his contributions to judiciary reports.

Unlike many, Roman Hruska did not really retire when he left the Senate, but rather returned to his beloved Omaha and again took up the practice of law which he had pursued for some 25 years before entering the Senate. His wonderful wife Vicki says that Roman's idea of retirement in his 85th year is to "sometimes go to the office late on Monday morning at 10 a.m. and to occasionally take off early on Friday afternoons."

We all envy Roman for his vigor and for his extraordinary wife and family. He is indeed a role model for us all that there is a full and active life after Senate service.

Mr. President, I know all my colleagues join with me in wishing Roman a happy birthday.

WILLIAM LUCAS AND RECENT SUPREME COURT DECISIONS

Mr. HATCH. Mr. President, in recent days we have heard strident and unfounded attacks on the Supreme Court. These attacks have been generated as a result of several sound, reasonable, and genuinely moderate civil rights decisions handed down this term. A myth is already beginning to develop that these are radical decisions or that the Court is turning back the clock. Simply stated, this is untrue. This myth is being fostered by those who believe in equality of result rather than equality of opportunity; who believe that jobs and opportunities in our society should be handed out according to a group's proportion in society; who believe in group rights rather than individual rights; and who either blink at reverse discrimination or who forthrightly endorse it as a means of curing discrimination. What these decisions have actually done is promote balance and common sense in the interpretation of our civil rights laws.

And now, with an irony that apparently escapes the news media, those who once claimed that the Reagan administration imposed a litmus test on its judicial nominees are now seeking to impose a litmus test on President Bush's appointments in the area of civil rights.

The litmus test, ostensibly, is opposition to these Supreme Court decisions which allegedly have curtailed civil rights in the United States. In fact, once the cases are read and understood, it is clear that the litmus test is about adherence to the doctrine of equality of results and reverse discrimination, instead of equality of opportunity and color blindness.

William Lucas, the President's excellent choice for Assistant Attorney General for Civil Rights, has been subjected to this litmus test.

Black Americans who depart from the orthodoxy of proportional representation and racial preference are being told that their names will be dragged through the mud. They are being told that they can't pass muster before the guardians of liberal orthodoxy. The Senate shouldn't stand for this insidious new form of prejudice.

The irony is especially striking, because as I mentioned earlier, these decisions signal a return to common sense, rather than a return to an era where civil rights were not protected for all Americans.

Given the rhetoric of alarm that has dominated the debate to date, it might be more helpful to review the actual language of the Court's decisions. In Wards Cove Packing Co. versus Atonio, the Supreme Court construed the application of the disparate impact standard, also known as the discriminatory effect standard, under title VII of the 1964 Civil Rights Act. Title VII bans employment discrimination.

Under the 1971 *Griggs* v. *Duke Power Co.* decision (401 U.S. 424), even though an employer has not intentionally discriminated against someone on account of race, the employer can still be liable under title VII under a disparate impact theory. That is, even if an employer uses neutral employment standards and neutrally applies them, the employer can still be penalized if a Federal agency or court decides that those neutral standards have a statistically greater negative impact on a particular racial, ethnic, or gender group.

The Atonio case involved two cannery companies. Unskilled cannery jobs—that is, the jobs on the cannery line itself—were filled predominantly by nonwhites. The skilled noncannery jobs, including jobs such as machinists, engineers, quality-control inspectors, and boat operators were filled predominantly by white workers.

The plaintiffs claimed the employers discriminated against them in the skilled job categories.

The Supreme Court said that though statistical proof can alone make out a prima facie case, the lower courts misused the statistics in this particular case. Thus, the Court clearly did not rule out the proper use of statistical evidence in an employment discrimination case. But the Court made clear that to compare the percentage of minorities in unskilled jobs to the percentage in much different, skilled jobs is an obvious abuse of the disparate impact theory. The Court quoted a 12-year-old decision, *Hazelwood School District* v. *United States*, 433 U.S. 299 (1977), to make this very noncontroversial point. "The 'proper comparison [is] between the racial composition of [the at-issue jobs] and the racial composition of the qualified * * * population in the relevant labor market.'" Slip opinion at 6, 7, quoting *Hazelwood*, 433 U.S. at 308.

In other words, in order to proceed beyond their initial showing, plaintiffs must make out a prima facie case by comparing the percentage of minorities in the skilled jobs against the percentage of qualified minorities in the labor pool for those jobs. As Justice White said, speaking for the Court, "Measuring alleged discrimination in the selection of accountants, managers, boat captains, electricians, doctors, and engineers * * * by comparing the number of nonwhites occupying these jobs to the number of nonwhites filling [unskilled] cannery worker positions is nonsensical." Slip opinion at 7. As he correctly noted, such a "nonsensical" comparison could lead to a finding of employer liability: "[t]he only practicable option for many employers will be to adopt racial quotas, insuring that no portion of his work force deviates in racial composition from the other portions thereof; this is a result that Congress expressly rejected in drafting Title VII." Slip opinion at page 8.

Next, the Court said that once plaintiffs make the proper statistical showing, they must "demonstrate that the disparity they complain of is the result of one or more of the employment practices that they are attacking here, specifically showing that each challenged practice has a significant disparate impact on employment opportunities for whites and nonwhites." Slip opinion at 13. That seems to be an obvious requirement for a plaintiff—you can't just show a statistical disparity without attributing it to a specific employer practice. As Justice White said, "To hold otherwise would result in employers being potentially liable for 'the myriad of innocent causes that may lead to statistical imbalances in the composition of their work forces'," quoting an earlier decision. Slip opinion at 13.

This is not a heavy burden, because again in Justice White's words, "liberal civil discovery rules give plaintiffs broad access to employers' records in an effort to document their claims." Slip opinion at 13. Moreover, Federal regulations require employers to keep extensive information about their employment practices, all of which is discoverable.

Finally, the Court ruled that once a prima facie case has been made, "the dispositive issue is whether the challenged practice serves, in a significant way, the legitimate goals of the employer." Slip opinion at 15, citing several earlier cases.

"In this phase," wrote Justice White, "the employer carries the burden of producing evidence of a business justification for his employment practice. The burden of persuasion, however, remains with the disparate-impact plaintiff." Slip opinion at 15.

This is, the ultimate burden of proving illegal discrimination remains with the plaintiff. And what is so radical about the elementary point that plaintiffs have the burden of proving their cases? As Justice White said, citing Federal Rule of Evidence 301, "This rule conforms with the usual method for allocating persuasion and production burdens in the federal courts * * * and more specifically, it conforms to the rule in disparate-treatment cases that the plaintiff bears the burden of disproving an employer's assertion that the adverse employment action or practice was based solely on a legitimate neutral consideration," again citing earlier cases. Slip opinion at 16. In other words, all the Court did in Atonio was make clear that the same burdens of production and persuasion that pertain to other civil cases and to discriminatory intent cases apply to discriminatory effect cases.

Even if the plaintiffs cannot persuade the court that the employer's justification for the standard of criteria in question is not valid, the plaintiffs still have a chance to prevail. They can persuade the factfinder that there are other tests or selection criteria without a similar racial effect which would also serve the employer's legitimate interests.

In short, this case retains the controversial disparate impact theory, but makes some effort to ensure that it is as reasonably applied as possible. It also attempts to avoid imposing racial or gender proportionality on American employers through the misuse of statistics and the misallocation of the burden of proof.

And, it reiterates a 12-year-old decision that when one is using statistics to allege discrimination, the numerical comparison must be between persons in the job in question and the qualified population in the relevant labor market for that job.

Let me turn to Martin versus Wilks. In 1974, black plaintiffs and the NAACP filed a title VII suit against the city of Birmingham and the Jefferson County Personnel Board. Two consent decrees resulted—one between plaintiffs and the city and another between plaintiffs and the board. These consent decrees set out long-term and interim goals for hiring and promoting black firefighters. Justice Marshall, in his dissent, candidly called them "goals and quotas." Slip opinion, dissenting opinion (J. Marshall) at 7.

The district court ruled that white firefighters were precluded from challenging employment decisions taken by the city and board pursuant to the two consent decrees. These firefighters alleged that they were being denied promotions because of their race in favor of less qualified blacks. The Court of Appeals for the Eleventh Circuit reversed and said that the white firefighters were entitled to their day in court in order to be fully heard on the merits, if any, of their claims. The Supreme Court agreed.

Thus, this case is simply about the right of persons to be heard on the merits when they believe they are harmed by a consent decree in a case to which they had not been a party. This case is not about the merits of affirmative action, reverse discrimination, and so forth. It is about procedural fairness.

As Chief Justice Rehnquist stated, a holding which precludes these plaintiffs from challenging employment decisions based on consent decrees agreed to in a case to which they had not been parties "contravenes the general rule that a person cannot be deprived of his legal rights in a proceeding to which he is not a party." Slip opinion at 1, 2.

What is so radical about that?

The Chief Justice went on to note, "All agree that '[i]t is a principle of general application in anglo-American jurisprudence that one is not bound by a judgment in personam in a litigation in which he is not designated as a party or to which he has not been made a party by service of process,'" citing a 1940 case, and others. Slip opinion at 4, 5. He noted that, "This rule is part of our 'deep-rooted historic tradition that everyone should have his own day in court.'" Slip opinion at 5. That is a very strong affirmation of elementary civil rights.

Now, some may claim that since these white firefighters were aware of the underlying lawsuit and failed to intervene, they should be precluded from initiating their own lawsuit to have their claims heard. But as Justice Brandeis said in *Chase National Bank* v. *Norwalk*, 29 U.S. 431, 441 (1934): "The law does not impose upon any person absolutely entitled to a hearing the burden of voluntary intervention in a suit to which he is a stranger. * * * Unless duly summoned to appear in a legal proceeding, a person not a privy may rest assured that a judgment recovered therein will not affect his legal rights."

Chief Justice Rehnquist noted that the Federal Rules of Civil Procedure reflect this elementary principle. Slip opinion at page 6.

If a party wants to bind others who are affected by the consent decree in a case, then that party must seek to join in the lawsuit those others whose rights are at stake. Otherwise, persons not a party to a case are entitled to their day in court.

I wish to note, Mr. President, that this decision protects all persons adversely affected by decrees in cases to which they are not parties. Even in the context of civil rights cases, in our increasingly multicultural country, it is important to understand this is not a black-white issue. If consent decrees provide for quota-type hiring or promotion in favor of, say, blacks, then Hispanics, Asians, or women who feel adversely affected might well wish to assert their claims in a lawsuit.

Indeed, several years ago, the New Orleans Police Department entered into a consent decree providing for quota hiring and promotions until all ranks of the police department were 50/50 black-white. Separate groups of Hispanic and women officers intervened to oppose the consent decree. A group of white officers also intervened to object to the consent decree. What the Wilks decision does is to preserve one's right to initiate one's own lawsuit, in the event an individual, or others claiming injury from the consent decree, chooses not to seek intervention in the existing case. I assume that no one would want to deny a person who applies for a job after the entry of such a consent decree, and who had no notice of the consent decree, the right to bring such a lawsuit.

Keep in mind that plaintiffs in a later lawsuit who sue over these consent decrees will have to make their case under current law and precedent. If the consent decrees are legally sound, they will withstand the challenge. If they are legally infirm, and infringe upon the rights of innocent third persons who were not parties to the lawsuit, then it is obviously important to allow challenges to them. Indeed, the potential for such a lawsuit serves as another check on the parties to litigation to be sure that the rights of those who are not present in the courtroom are preserved.

In short, the Wilks decision does not change substantive law. It is about procedural fairness.

Another case, Lorance versus AT&T Technologies, involved a claim that an employer's seniority system was intentionally discriminatory against women. Under title VII, seniority systems are given special protection. Only claims of intentional discrimination are cognizable against seniority systems.

In Lorance, the plaintiffs did not claim "that the seniority system treats similarly situated employees differently or that it has been operated in an intentionally discriminatory manner."

Slip opinion at 5. They claimed that the system was adopted to protect certain male employees. Three years after its adoption, the plaintiffs were demoted under this gender neutral seniority system. The Court ruled that the period of limitation within which a claim must be filed alleging such discrimination in the adoption of a seniority system, which is neutral in form and application, begins to run at the time of the adoption of the seniority system.

This is a reasonable decision. As Justice Scalia wrote for the 5-3 majority, "In holding that, when a seniority system is nondiscriminatory in form and application, it is the allegedly discriminatory adoption which triggers the limitations period, we respect not only [Title VII's] general value judgment concerning the point at which the interests in favor of protecting valid claims are outweighed by the interests in prohibiting the prosecution of stale [claims], but also the considerations underlying the special treatment accorded to seniority systems under [Title VII]. This 'special treatment' strikes a balance between the interests of those protected against discrimination by title VII and those who work—perhaps for many years—in reliance upon the validity of a facially lawful seniority system." Slip opinion at page 11 [citation omitted; emphasis in original].

My colleagues should note that this decision pertains to the time limitation on bringing a claim against a facially neutral seniority system where plaintiffs charge that the system was illegally adopted. The Court also made clear that a facially discriminatory seniority system can be challenged every time it is applied. Slip opinion at 11, and n. 5.

In Patterson versus McLean Credit Union, the Court construed title 42, United States Code, section 1981. This 1870 statute states, in relevant part: "All persons within the jurisdiction of the United States shall have the same right * * * to make and enforce contracts * * * as is enjoyed by white citizens * * *"

For about 100 years, section 1981 was not applied to private conduct. Mr. Justice White's scholarly dissent in *Runyon* v. *McCrary*, 427 U.S. 160, 192 (1976), makes a strong case against section 1981 does reach private conduct. The Runyon decision itself has been the focal point of legitimate criticism.

In Patterson, the plaintiff, a black woman, alleged that she had been racially harassed on the job. The Court considered overturning Runyon altogether. Instead, by a 9 to 0 vote, the Court upheld section 1981's controversial applicability to private conduct and expressly declined to overrule Runyon.

The Court also ruled, in construing the plain language of section 1981, that "racial harassment relating to the conditions of employment is not actionable under section 1981 because that provision does not apply to conduct which occurs after the formation of a contract and which does not interfere with the right to enforce established contract obligations." Slip opinion at 3.

As Justice Kennedy noted, the "most obvious feature" of the plain language of section 1981 "is the restriction of its scope to forbidding discrimination in the 'mak[ing] and enforce[ment]' of contracts alone. Where an alleged act of discrimination does not involve the impairment of one of these specific rights, section 1981 provides no relief. Section 1981 cannot be construed as a general proscription of racial discrimination in all aspects of contract relations, for it expressly prohibits discrimination only in the making and enforcement of contracts." Slip opinion at 8.

Thus, a racially discriminatory refusal to hire, as one example, is covered by section 1981. But discrimination in the terms and conditions of employment, after the contract has been formed, is not covered.

This does not leave the plaintiff without avenues of relief for harassment on the job: both title VII and State law are available. Mr. President, I note that title VII prohibits discrimination, not only in hiring, that is in the formation of an employment contract, but also in the terms, conditions, and privileges of employment. As Justice Kennedy noted, racial harassment is cognizable under title VII. Indeed, the Court has already ruled title VII is applicable to sexual harassment. *Meritor Savings Bank* v. *Vinson*, 477 U.S. 57 (1986). Slip opinion at p. 12, 13.

By this reasonable reading of section 1981, in the Court's words, "we may preserve the integrity of Title VII's procedures * * *" Slip opinion at 13. These procedures are detailed and are aimed at resolving disputes through conciliation rather than lawsuits. Congress emphasized administrative investigation, procedure, and conciliation in 1964 when it enacted title VII, and it is desirable not to vitiate the title VII scheme by rendering section 1981 totally coextensive with title VII.

If the broad mosaic of Federal and State civil rights laws, of which section 1981 is a part, is inadequate to the task of protecting equal opportunity, then a case needs to be made for change. If actual evidence can be presented that section 1981 needs refinement, I will carefully review such evidence.

Finally, Mr. President, I just want to mention the City of Richmond versus Croson case, decided on January 23, 1989. It involved a racial set-aside established by Richmond, VA, wherein at least 30 percent of city construction contracts had to go to firms owned by minorities. Minorities were defined as "Blacks, Spanish-speaking persons, Orientals, Indians, Eskimos or Aleuts."

In this case, five members of the Court made clear that the 14th amendment's guarantee of equal protection of the laws applies in the same fashion to persons of all races. In other words, State and local government discrimination against whites, as well as all other persons not covered under the Richmond set-aside plan, is to be judged by the same strict scrutiny applied to official discrimination against minorities preferred under the Richmond scheme. Is this a radical result? What is wrong in saying that "equal" means "equal"? Or that one's rights do not depend on the color of one's skin? What is wrong with that?

Moreover, the Court made clear that a generalized assertion of societal discrimination is not enough to justify reverse discrimination. Indeed, in this case, Richmond did not even have an arguable case of discrimination against Spanish-speaking persons, Orientals, Indians, Eskimos, or Aleuts in any part of the Richmond construction industry.

The Court also said that even in an extreme case of deliberate discrimination, which might justify properly tailored race-conscious relief under the Court's analysis, the city must first try race-neutral means of increasing minority business participation. Slip opinion at 31 (Justice O'Connor writing for herself and four other Justices). For example, the city could provide financing for all small contractors, regardless of race, which would certainly lead to greater minority contract opportunities. Slip opinion at 32.

In short, the set-aside in this case was not based on legitimate findings of actual discrimination in the Richmond construction industry, and the set-aside plan was not properly tailored as a remedy in any event.

CONCLUSION

In sum, Mr. President, the Wards Cove Packing Co. versus Antonio case is about whether proportional hiring, racial and gender preferences in employment, and reverse discrimination are to be the norm in this country. The Richmond case is about whether race should dictate the allocation of government contract opportunities in favor of some races and at the expense of others. The Wilks case is about procedural fairness. It says that all persons are entitled to their day in court when they believe their rights have been infringed.

We should not hide behind euphemisms or slogans when we argue about these cases. Let us debate the real issues arising from these decisions.

Moreover, Mr. President, if the Senate considers legislation reexamin-

ing some of these recent, reasonable decisions, I believe it will be necessary to reexamine other decisions as well. For example, the whole concept of so-called disparate impact-discrimination under *Griggs* v. *Duke Power Co.*, 401 U.S. 424 (1971) would need to be reexamined. I think it is a very troublesome concept. Moreover, the decision in *Steelworker* v. *Weber*, 443 U.S. 193 (1979), would also need careful consideration. This case began the Court's tragic departure from evenhanded, equal justice under title VII by opening the door to outright reverse discrimination. Two years ago, three Justices of the Supreme Court said they would overrule Weber. *Johnson* v. *Santa Clara County*, 480 U.S. 616 (1987) (dissenting opinion of Justice Scalia, joined by Justice Rehnquist; dissenting opinion of Justice White). Two other Justices apparently believe Weber was wrongly decided but declined to vote to overrule it because of the principle of stare decisis. Johnson, supra (concurring opinion, Justice Stevens; concurring opinion, Justice O'Connor). Perhaps the Congress will have occasion to revisit that decision.

Finally, Mr. President, let me note that we have just witnessed the spectacle of the Judiciary Committee refusing to send a Presidential nominee, Bill Lucas, to the full Senate for consideration because he refused to be browbeaten into saying that these sensible Supreme Court decisions should be overturned. Bill Lucas reflected not only the opinion of the Attorney General, but the views of the President who nominated him, a President overwhelmingly elected by the people last November. I think, Mr. President, we should think twice before going any further down the road of imposing such a litmus test on Presidential nominees.

GEN. MOHAMED KABBAJ

Mr. KASTEN. Mr. President, on May 12, 1989, the world lost a great leader and a true Renaissance man. On that day, Gen. Mohamed Kabbaj, Commander of the Royal Moroccan Air Force, died after a long battle with cancer.

General Kabbaj was born in Casablanca in 1933. The son of a successful businessman and a determined mother, Kabbaj showed early signs of the intelligence and strength of character that would make him a national leader.

As a young man, he traveled to France as one of the first Moroccans to be selected to attend the French Air Force Academy. He graduated with honors and returned to Morocco in the late 1950's as the ranking man in the newly formed Air Force.

Kabbaj soon left the Air Force to become the first Moroccan copilot on Royal Air Maroc, the national airline of Morocco. He rapidly became a fully qualified pilot, and rose to the position of chief pilot and director of operations of Royal Air Maroc.

His flying skill was unparalleled. He was fully qualified in flying the old Carvelle, the later Boeing 707, 727, 737, and 747, and even the new 757. He flew the military airplanes and helicopters of many nations. In July 1986, he set the world distance record for a nonstop, nonrefueled, two-engine aircraft by flying the 4,900 miles from Seattle to Morocco.

In 1966, he was selected to serve as copilot of King Hassan's aircraft on the King's historic first visit to the Soviet Union. Kabbaj handled the aircraft with great skill when it encountered difficult flying conditions—and his performance so impressed the King that he appointed Kabbaj his permanent chief pilot.

It was to be a fateful decision. On August 16, 1972, Kabbaj was the commander of King Hassan's 727 when it was suddenly attacked by six renegade Moroccan fighter planes. The fighters riddled the King's plane with 182 bullet holes, concentrating their fire on the aircraft's cabin where they supposed the King to be riding.

Fortunately for the King, he was not in the cabin, but in the cockpit with his friend Kabbaj; and, even more fortunately, Kabbaj displayed a measure of heroism and grace under pressure on this occasion that saved both the aircraft and the King's life.

Kabbaj's skill in handling an aircraft deprived of its hydraulics as well as two of its engines proved to the King and all other observers what has also become clear to me in my friendship with him: That Mohamed Kabbaj is a man to be reckoned with.

Thanks to his presence of mind on that memorable occasion, King Hassan survived the coup that had been set in motion against him. And Kabbaj continued to serve his country with distinction.

Later that same month, the King promoted Kabbaj to Commander of the Royal Moroccan Air Force. He served in his capacity until his death, transforming the Air Force into one of the most effective small fighting forces in the world.

It is for this achievement that his countrymen are most grateful to him. But his military career was just one facet of this truly extraordinary individual.

He was a genuine intellectual who read voraciously in many languages. He was an expert in agriculture and a connoisseur of classical music. He had an extensive knowledge of both religious theory and Arabic culture and politics.

Kabbaj was a strong nationalist and a dedicated anti-Communist. His deep principles—and his dogged application of those principles to the technical details of governance—were a source of true inspiration to all who were fortunate enough to see him in action.

I spent many hours over a number of years with Mohamed Kabbaj. His analysis and insights into the Middle East were instructive, even brilliant. I am grateful for all I was able to learn from him.

I wish there were more people in this world like my friend Mohamed Kabbaj. I wish we in America had more statesmen of his caliber. Nor should we be hesistant to profit from his example—and treat important ideas with the respect they deserve from thinking and self-governing men.

I would also like to express my condolences and best wishes to Mohamed's widow, Mina, and his three children, Mohamed, Kenza, and Halima. He was a great man, and a model for all of us as we strive on to establish liberty and justice in this harsh world.

HOW TO KEEP THE ECONOMY ON TRACK

Mr. KASTEN. Mr. President, yesterday the Commerce Department reported that the Government's key gauge of future economic trends declined for the fourth time in the past 5 months.

Some economists and financial commentators believe an economic "soft landing" is both inevitable and necessary in order to keep inflation under control. But an economic downturn would not be good for America. There is no compelling reason to idle the Nation's productivity, throw Americans out of work, and halt the resurgence of U.S. industrial competitiveness. The only answer to our economic problems is faster—not slower—economic growth.

The Federal Reserve Board's monetary policy is responsible for the current weakness in our economy. Beginning in 1985 and extending through the early part of 1987, the Federal Reserve inflated the money supply as part of an effort to drive down the value of the dollar. This was done on the theory that a cheaper dollar would reduce the trade deficit by driving up the price of foreign imports. One of the byproducts of this was increased pressure on U.S. prices, as was predicted by monetarist economists.

Once Alan Greenspan replaced Paul Volcker as Fed Chairman, the Fed decided that it had to reduce the rate of growth of the money supply in order to return the Fed to its foremost objective—price stability. Unfortunately, but inevitably, restoring more prudent long-term monetary policy imposes short-term costs on the real economy. Tightening the money supply reduces the liquidity of the banking system, forcing a rise in short-term interest

rates. Because of policy mistakes made 2 years ago, we may well be forced into a completely unnecessary economic downturn.

Mr. President, while the present Federal Reserve leadership has coped admirably with the inflationary legacy of its predecessor, there are signs that the Fed continues to pay homage to the Phillips curve theory which postulates an inexorable tradeoff between inflation and unemployment. This is clear from public statements by Fed officials to the effect that the economy cannot grow more than 2½ to 3 percent without accelerating inflation. Because of this bias against rapid economic growth, the Fed may well have overcompensated in its fight against inflation.

The idea behind the Phillips curve is that a robust economy eventually uses up the work force and its capacity to produce goods and services. As a consequence, workers bid up wages and employers raise prices, leading to an increase in inflation. The Phillips curve thus postulates that low inflation can only be achieved by reducing economic growth and increasing unemployment.

But the Phillips curve has been discredited by economic history. During the Reagan years, the United States experienced a simultaneous reduction in both inflation and unemployment. Japan and Switzerland, which both have less than 2 percent unemployment and less than 2 percent inflation, also prove that low inflation and full employment are entirely compatible.

The key point to understand is that inflation is a monetary phenomenon. Inflation is caused by too much money chasing too few goods, not by too many American workers. A recession doesn't increase the production of goods and services, and thus cannot help in the fight against inflation.

In 1988, the U.S. economy boomed. However, as a result of the Fed's monetary policy in 1988 and the beginning of 1989, interest rates rose significantly. Indeed, short-term interest rates in March 1989 had risen more than 3 percentage points over the previous 12 months, and yield curve had been either flat or inverted for most of 1989.

Mr. President, the Fed's policy mistakes are beginning to have a negative impact on the economy. Several key economic variables such as factory orders, consumer spending, auto sales and commodity prices displayed a disturbing weakness in recent months.

If economic growth is halted or reversed, it will have an immediate impact on American workers and businesses. Although the unemployment rate would probably not reach the 10.7 percent peak during the 1982 recession, it could easily rise to 8.0 percent. With reduced sales and cash flow, businesses will be forced to cut back or cease operations altogether. Bankruptcy rates will rise, hitting small businesses and farmers especially hard. Lenders will be left holding the bag. A downturn would make it much more difficult for new business startups.

The impact of Fed policy is not limited to the economy: Our efforts to reduce the budget deficit without significantly raising taxes will be seriously jeopardized. A weakening economy and rising unemployment mean lower tax receipts and higher social spending. According to the Congressional Budget Office, a 1 percentage point reduction in real GNP growth in 1990 will increase the projected fiscal 1991 deficit by $24 billion.

A slowdown will be the result of Government policy errors, not fundamental problems in the private economy. Congress must enact progrowth legislative measures to revive the economy—and move it into higher gear. Here's a list of measures we ought to take immediately to avoid a recession and keep the economy on track:

Reject any legislation that increases taxes. Today's Federal tax burden on the economy is already too high at 19.6 percent of GNP—the fourth highest in U.S. history. Adding new tax burdens to our fragile economy would only exacerbate a downturn.

Cut the capital gains tax and index inflationary gains to increase productive incentives, and spur investment. Also, enhanced productivity from a tax cut would reduce inflationary pressures. In addition, a rate cut would offset some of the revenue decline the Treasury will experience if a full blown recession develops.

Immediately enact enterprise zones and an earned income tax credit expansion to stimulate job growth in our inner cities to help cushion the impact of a slowdown on the working poor.

Enact budget process reforms such as enhanced rescission, line-item veto, current services baseline reform, balanced budget amendment to keep a lid on the budget deficit.

Repeal the burdensome section 89 uniform benefits regulations. The administrative burden of section 89 is reducing the productivity of America's small businesses—and the availability of health benefits for American workers.

Reform U.S. product liability laws to reduce costs for American products and enhance innovation by small firms. The costs of unnecessary litigation are a burden on U.S. industry that our competitors do not face.

Reform the Fed's practices and procedures to provide more openness and accountability in the conduct of monetary policy. In this regard, Congress should consider legislation such as the Federal Reserve Reform Act—originally introduced by ex-Representative Jack Kemp, Republican of New York, in 1984—and recently reintroduced by Representatives LEE HAMILTON, Democrat, of Indiana, and BYRON DORGAN, Democrat of North Dakota, to remove the dangerous shroud which now shields the Feds actions from the public.

Stabilize monetary policy with an objective rule. In this regard, Congress might consider legislation requiring the Fed to rely on commodity prices to guide monetary policy. An objective rule would ensure long-term noninflationary economic growth.

The key element of all these policies is compassion—the recognition that the poorest Americans suffer most from a recession, even if we dress it up as a "soft landing." Instead of heaping even more burdens on these threatened people, we ought to be actively seeking progrowth solutions.

Mr. President, the Fed's efforts to engineer a soft landing may tilt us into an entirely unnecessary recession. While we still have time to prevent this economic disaster, for working men and women all over this country, it's getting much too close for comfort.

CAPITAL GAINS IS A BIPARTISAN ISSUE

Mr. KASTEN. Mr. President, many political analysts and commentators have characterized the capital gains debate as a strictly partisan debate between Republicans and Democrats.

This characterization is false. Capital gains is a bipartisan issue.

Over the years, Democrats and Republicans worked together to keep capital gains taxes low in order to promote economic growth and job creation. President John F. Kennedy advocated a reduction in the capital gains tax to 19.6 percent. In 1978, the successful effort to slash the capital gains tax from 50 to 28 percent was spearheaded by Republicans like Representative BILL ARCHER and the late Representative Bill Steiger—and Democrats like Senator LLOYD BENTSEN and former Representative Jim Jones.

Today in the Senate, a capital gains tax reduction is supported by Members from across the political spectrum—from ALAN CRANSTON, DALE BUMPERS, and DENNIS DECONCINI to RUDY BOSCHWITZ, STEVE SYMMS, and me. And a bipartisan majority of the House Ways and Means Committee is on the verge of approving a significant cut in the gains tax.

Mr. President, in a letter to the Wall Street Journal, Representative MICHAEL ANDREWS, a Democratic member of the Ways and Means Committee and a staunch supporter of a capital gains differential, explains why the capital gains debate is a bipartisan debate—and how a tax cut will benefit all Americans. Representative ANDREWS notes that capital gains "is not a Republican idea or a Democratic

idea. It is an idea that makes sense for America." I hope my colleagues will remember Mr. ANDREW's words when the Senate considers the capital gains issue next month.

I ask unanimous consent that Representative ANDREW's letter be entered at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CAPITAL GAINS: A BIPARTISAN ISSUE

The capital-gains debate has veered badly off track. The issue has become embroiled in partisan politics as opponents have charged that rate reduction would be unfair and would benefit only a small segment of taxpayers. As a Democrat on the Ways and Means Committee, I believe a capital-gains differential benefits all Americans. The real issues in the debate have nothing to do with privilege or partisanship. The real issues are economic, and they are very important: growth in America's productivity, strengthening our ability to compete for expanding world markets, and the creation of new jobs and opportunities for our workers.

For more than a generation Democrats and Republicans have understood that it makes good economic sense to provide incentives for those who place capital at risk as part of the effort to create a growing, dynamic, competitive American economy. In his 1963 message to Congress calling for a monumental tax-reduction bill, President Kennedy asked for a maximum tax on capital gains of 19.5% on individuals and 22% on corporations. In words that ring true today, President Kennedy pointed out that the existing higher tax on capital gains was "both inequitable and a barrier to economic growth."

Over the years capital-gains initiatives in Congress have benefited from strong bipartisan support. For example, in 1978 when the exclusion of capital gains from taxable income was raised from 50% to 60%, the initiative was not viewed as partisan. In fact it was led in the Senate by Democrats Russell Long and Alan Cranston as well as many Republicans.

Reduced taxation of capital gains has a proven record of success in helping to build a stronger American economy. Lower capital rates help encourage entrepreneurs to commit their resources to the newer, risky ventures that may fail, but when successful can produce the jobs and exports of the future. They also will provide a powerful incentive for savings and investment at precisely the time our economy most needs it. Countries that save less invest less, and gradually lose their ability to compete. Net U.S. savings averaged only 5.3% of gross domestic product over 1973 to 1986 compared with 10.3% in West Germany and 18.6% in Japan.

The capital cost of investment in new equipment is an important factor in any country's ability to compete, and restoration of a capital-gains tax rate can help bring that cost down in the U.S. Captial costs in this country are twice as high as in Japan and substantially higher then those in most other industrrial nations.

Our foreign competitors long have recognized the important link among low capital-gains taxation, economic growth and international competiveness. Most either do not tax capital gains at all or tax them only lightly. In our own country the potential positive impact of reduced capital-gains taxation can be enormous; one recent study suggests that a permanent reduction of the capital-gains tax rate to 15% would lower the capital cost of investing in now equipment by 14%.

For 25 years Republicans and Democrats, in Congress and in the White House, generally have supported a capital-gains tax rate and the U.S. economy has benefited as a result. Recently, however, it has been suggested that a capital-gains rate is "unfair" because a disproportionate share of the benefit would go to taxpayers earning more than $200,000 a year. In fact, there are many more taxpayers with moderate incomes who realize capital gains than there are in the higher-income brackets. Three-fourths of all tax returns with capital gains were reported by taxpayers with wage and salary incomes of less than $50,000, and nearly half of all capital-gains go to people with incomes under $50,000.

In addition, it should be noted that our capital-gains tax-cut proposal is highly progressive. Most of the revenues gained from our proposed cut will come from upper-income taxpayers, but most of the proceeds will be used for programs that benefit those with lower incomes: expansions of the earned income credit to assist child care, the low-income housing credit, employer-provided education assistance, targeted jobs tax credit, and health insurance for the self-employed.

Partisan politics really has no place in the debate over an economic issue as important as reducing the capital-gains tax rate. The capital-gains proposal supported by a majority in the Ways and Means Committee, is not a Republican idea or a Democratic idea. It is an idea that makes sense for America.

MICHAEL A. ANDREWS,
Member of Congress.

WASHINGTON.

WNP-1 CONVERSION—CASTING A LONG OMINOUS SHADOW OVER THE U.S. COMMITMENT TO NUCLEAR NONPROLIFERATION

Mr. McCLURE. Mr. President, more than 10 years have passed since the need for new tritium production capability was identified publicly as a high priority national problem. During the intervening decade, a series of blue ribbon committees, study groups and advisory boards have commented extensively on the need to begin new construction of such capabiltiy. At the same time, other advisory groups have been pointing out the health and safety problems at existing facilities, lending a note or urgency to this nation's need to build new production facilities.

Last year, the Department of Energy finally developed and recommended to Congress a strategy that rejected the use of existing civilian light water reactors in favor of a dual technology production capability.

In spite of the general agreement concerning the prudency of this strategy, several of the options which were rejected in this decade of study and debate are once again being touted by their political, technical, and economic beneficiaries, without consideration to their overall budgetary or national security implications. We continue to see articles, press releases and open politicking for these alternatives, spite the well-documented technical and or policy deficiencies.

For whatever reason, the General Accounting Office in particular, appears to be actively lobbying various Members of Congress to encourage or even force reconsideration of the decision not to convert the unfinished commercial light water reactor [LWR] Washington Public Power Supply System's WNP-1, to a defense production reactor. The argument for this conversion is based primarily on an illusion that this partially completed facility can be converted and operated as a defense production plant more quickly and at less than the selected options. The proponents of the WNP-1 reactor gloss over the very serious technical and safety questions which have been raised time and time again in a variety of congressional and executive branch forums, to say nothing of the murky legal issues involved.

Even more importantly, the proponents of the reactor's conversion have not come to grips with the international political implications of the conversion of a standard, commercial power reactor to a weapons material production reactor. It has been my belief that such an action would set a highly undesirable precedent from an industry which has striven so diligently to technically and emotionally separate its product from the specter of nuclear weaponry. With over 300 similar power production reactors all around the world, many in comparable states of completion, the conversion of WNP-1 would cast a long ominous shadow over this country's commitment to nuclear nonproliferation.

Mr. President, proponents of the conversion of this civilian reactor to defense purposes are quick to point out both the State Department and the Arms Control and Disarmament Agency have concluded conversion of WNP-1 would not violate U.S. commitments under the NPT. However, it seems to me that conclusion is based on the letter of the law, not the spirit, and as all of us here in Washington have painfully learned over and over again, it is perception, not simple reality, that usually wins in any contest between the two.

For that reason, I asked the Congressional Research Service [CRS] to prepare an independent analysis of "The Potential Effects on U.S. Non-Proliferation Policy If DOE Were to Acquire and Use the Incomplete WNP-1 Nuclear Powerplant to Produce Tritium and or Plutonium for Nuclear Weapons."

I am releasing this analysis today. The author, Warren H. Donnelly, con-

cludes that the conversion of the WNP-1, originally intended for peaceful use, to a defense production facility could weaken the ability of the United States to secure a favorable extension of the Non-Proliferation Treaty in 1995.

In the report, Donnelly addresses this contest between perception and reality. He notes, as I have, that the conversion option does not appear to violate the letter of any U.S. treaty commitments or the Atomic Energy Act of 1954 as amended but, states unequivocally, "It could be seen as contrary to the conditions the United States has imposed on many other states through its agreements for nuclear cooperation.

This CRS analysis has also determined there is an undeniable potential for the WNP-1 conversion "To work to the disadvantage of U.S. policies to prevent the further spread of proliferation of nuclear weapons."

Of course, as Donnelly notes, these impacts cannot be predicted with any certainty. Much depends on events in the Soviet Union and the relations between that country and the United States. However, the laws and statements on which he based his conclusions are sound.

To summarize these: Since the first use of atomic weapons in 1945, the United States has led the world in efforts that would prevent the further spread of nuclear weapons. This policy is defined domestically in the Atomic Energy Act of 1954 as amended and the Nuclear Non-Proliferation Act of 1978, and internationally in the statute of the International Atomic Energy Agency and the Treaty on Non-Proliferation [NPT]. These do not specifically limit the U.S. production of special materials. However, the United States was the prime mover in establishing the IAEA and its statutes such as article II that states:

The agency shall seek to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity throughout the world. It shall ensure, so far as it is able, that assistance provided by it or at its request or under its supervision or control is not used in such a way as to further any military purposes.

The NPT is the heart of our present policy and, as Donnelly notes, proliferation is not explicitly defined in it. However, this treaty represents a bargain between three nuclear weapons states—the United States, the Soviet Union, and the United Kingdom—and nonnuclear weapons states. In this bargain, the nuclear weapons states agreed not to help other states get nuclear weapons, to recognize the "inalienable rights" of all parties to use nuclear energy for peaceful purposes and their access to related nuclear cooperation. The nonnuclear weapons states took a nonnuclear weapons pledge and agreed, essentially, that there would not be diversion of nuclear energy from peaceful uses to nuclear weapons.

The Atomic Energy Act of 1954 opened the way for civil use of nuclear energy in the United States and reversed a ban on nuclear cooperation with other countries by actually authorizing U.S. agreement for nuclear cooperation with other countries. Two of the specific conditions required guarantees that the United States supply items and any material transferred would not be used for atomic weapons or for research or development of atomic weapons or for any other military purpose.

CRS points out that the concept of separation of civil and military nuclear facilities has long been a part of nonproliferation thinking and is now widely accepted as a fundamental principle. It is implicit in the Nuclear Non-Proliferation Act, is explicit in the Hart-Simpson amendment, and more recently was endorsed by the Reagan administration in the 1985 NPT Review Conference. At that time, the United States agreed to a final declaration that endorsed the principle of total separation of civil and military uses.

Donnelly predicts that for the United States to take a facility originally intended for civilian generation of nuclear power and potentially open to IAEA safeguards, and to use that facility to make material for nuclear weapons probably would be seen by some nonweapons states as two-faced and discriminatory.

Mr. President, there is a great deal of substance to the CRS analysis conducted by Mr. Donnelly. I believe it makes crystal clear, as Mr. Donnelly concluded—

That the conversion of WNP-1 would be regarded by many in the world as chipping away at the carefully erected wall between civilian and military uses of nuclear energy and blurring the distinction between civil and weapons applications of nuclear energy.

I would also note that this distinction is not observed in the Soviet Union. We know that even though the Soviets have recently announced a shutdown of three production reactors, they can continue to meet their materials requirements for nuclear weapons materials by using civilian reactors. They have the technical ability to do that and have no restrictions on producing weapons materials in civilian reactors. This makes it very difficult for the United States to evaluate the intentions behind the Soviets' so-called good faith gesture. I believe that the United States must stick to its tried and true policy of strict separation of civilian and military functions, and not do anything that would suggest that, out of desperation, we were abandoning this policy and moving toward the Soviet model.

Mr. President, I do understand why some Members of Congress are continuing to push for this conversion. However, I fear this effort to resurrect an idea already thoroughly evaluated and discarded will only distract Congress and DOE from its more important and immediate concerns. This Nation does not have the luxury of another decade of committees, panels, and studies. We must get on with the business of implementing our carefully chosen strategy.

Mr. President, I ask unanimous consent that the Congressional Research Service report, titled "The Potential Effects on U.S. Non-Proliferation Policy If DOE Were To Acquire and Use the Incomplete WNP-1 Nuclear Power Plant To Produce Tritium and or Plutonium for Nuclear Weapons," be printed in the CONGRESSIONAL RECORD after my statement.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC.

POTENTIAL EFFECTS ON U.S. NON-PROLIFERATION POLICY IF DOE WERE TO ACQUIRE AND USE THE INCOMPLETE WNP-1 NUCLEAR POWER PLANT TO PRODUCE TRITIUM AND, OR, PLUTONIUM FOR NUCLEAR WEAPONS

(An analysis prepared for Senator James A. McClure by Warren H. Donnelly, Senior Specialist, June 13, 1989)

SUMMARY—CONCLUDING COMMENT

To produce nuclear weapons materials with a nuclear power plant, the WNP-1 unit, originally intended for peaceful use to produce tritium and or plutonium weapons probably would be regarded by many within the United States and abroad as chipping away at the carefully erected wall between civil and military uses of nuclear energy and blurring the distinction between civil and weapons applications of nuclear energy. It could also provide an undesirable example of conversion of a civil nuclear power plant to the production of nuclear weapons materials; perhaps open a loophole in the nuclear verification system of the International Atomic Energy Agency (safeguards); cause Australia and Canada to question whether uranium they have previously supplied to the United States might in some way be used to produce nuclear weapons materials; and perhaps weaken the ability of the United States to secure a favorable extension of the Treaty on Non-Proliferation of Nuclear Weapons in 1995.

While the WNP-1 option does not appear to violate the letter of any U.S. treaty commitment or the Atomic Energy Act of 1954 as amended, it could be seen as contrary to the conditions that the United States has imposed on many other states through its agreements for nuclear cooperation. On the other hand, advocates of the WNP-1 option are likely to point out that the unit never has been operated for civil applications, that it is located on a DOE reservation, that change in its planned use would be done openly, and that measures could be undertaken to mitigate adverse preceptions.

That the potential of the WNP-1 option could work to the disadvantage of U.S. policies to prevent the further spread, or proliferation of nuclear weapons is undeniable.

However, their impacts cannot now be predicted with any certainty. The potential effects are likely to depend upon future circumstances, particularly the relations of the United States and the Soviet Union and the state of their nuclear arms reduction negotiations. If tensions between the two superpowers are low and they agree upon substantial nuclear arms reduction, then choosing the WNP-1 option probably would have little effect. On the other hand, if Soviet-American relations worsen and nuclear arms reduction negotiations stalemate, then nonweapons states and various public interest groups at home and abroad would be expected to be critical of the WNP-1 option. If so, U.S. influence over future directions for world non-proliferation policy might be weakened, which could make it more difficult the United States to achieve its long standing goal of preventing the further spread of nuclear weapons and the ability to make them.

THE REQUEST

On May 9, 1989, your offices requested an analysis of the potential effects of U.S. non-proliferation policy if DOE were to acquire, complete and operate the now incomplete nuclear weapons plant of the Washington Public Power Supply Co (WNP-1) to produce tritium and, or, plutonium for use in U.S. nuclear weapons.

The following analysis presents some background on nuclear weapons materials and their production by the Department of Energy, and the proposal that DOE acquire, complete and operate the WNP-1 nuclear power plant to produce tritium or plutonium; describes principal features of U.S. policy to avoid the further spread, or proliferation, of nuclear arsenals; and then analyzes potential effects could reasonably be expected to follow from this proposed DOE action. Note, this analysis is limited to the non-proliferation aspects of the WNP-1 proposal and does not include national security, technical or economic factors.

BACKGROUND

Production of nuclear weapons materials

The Department of Energy produces and services nuclear warheads for U.S. nuclear weapons. To this end produces the nuclear fissionable material plutonium which is used in most U.S. weapons, and also a related material, tritium, which can substantially increase the energy release, or "yield," of nuclear warheads.[1]

At present, all of DOE's reactors for production of plutonium and tritium are shut down indefinitely. These include the N-reactor at DOE's Hanford Plant which has produced plutonium and some tritium, but is now shut down pending possible rehabilitation; and the three reactors at DOE's Savannah River Plant which until last year were producing tritium, but are now shut down for review of safety. DOE has proposed construction of two new production reactors and possible restart of the Savannah River reactors.

The WNP-1 Proposal

The Department of Energy has been considering various options to resume production of tritium and perhaps of plutonium. One is for DOE to acquire the partially completed WNP-1 unit of the Washington Public Power System which is located at DOE's Hanford site; to complete it, with appropriate modifications, and to operate it for production of tritium and or plutonium and perhaps for generation of electricity. This 1250 Megawatt electric plant has a Babcock and Wilcox nuclear steam system, is 63 percent complete, and was being built by Bechtel.

The construction to date was authorized by a construction permit of the U.S. Nuclear Regulatory Commission. However, it seems unlikely that DOE would complete and operate the plant as an NRC licensed facility. So DOE and the NRC probably would have to arrange for termination of the NRC construction permit. This action would be highly visible to the public.

The Foundations of U.S. Non-proliferation Policy

Since the first use of atomic weapons in 1945, and especially since India tested a nuclear explosive in 1974, the United States has led world efforts to prevent the further spread of nuclear weapons. This remains a cardinal feature of U.S. policy. The formal basis for U.S. non-proliferation policy is to be found in international treaties and statutes and in domestic legislation. The international basis lies in the statute of the International Atomic Energy agency and the Treaty on Non-Proliferation of Nuclear Weapons (NPT). The domestic basis is found notably in the Atomic Energy Act of 1954 as amended and the Nuclear Non-Proliferation Act of 1978.

With one exception, none of these limit how the U.S. can produce nuclear weapons or the enriched uranium, plutonium and tritium with which to make them. The exception is the Hart-Simpson amendment, described below, which in effect bars transfer of plutonium under a license of the U.S Nuclear Regulatory Commission to the Department of Energy for weapons use. Nonetheless, the potential effects of the WNP-1 proposal on U.S. non-proliferation policy give reason to briefly describe the bases of U.S. policy.

The Statute of the International Atomic Energy Agency

This international statute entered into force in 1957, with the United States a prime mover in the negotiations for the Statute. The objective of the agency, which the United States approved, is stated in Article II as follows:

The Agency shall seek to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity throughout the world. It shall ensure, so far as it is able, that assistance provided by it or at its request or under its supervision or control is not used in such a way as to further any military purpose.

The Treaty on Non-Proliferation of Nuclear Weapons

The non-proliferation treaty (NPT) is at the heart of current U.S. policy. That the United States and the Soviet Union could collaborate on this treaty at a time when their other relations were strained is testimony to the importance attached by both to stopping the further spread of nuclear weapons. Opened for signature in 1968, the NPT entered into force in 1970.

Proliferation is not explicitly defined in the NPT. However, the non-proliferation commitments of the nuclear-weapons and non-nuclear-weapons states provide an implicit meaning, which is to receive nuclear weapons or explosives or control over them directly or indirectly, or to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices. This implicitly would allow non-explosive military uses of nuclear energy such as nuclear engines for submarines and warships. Note, the NPT definition does not extend to spread of capacity to produce nuclear weapons materials by non-nuclear-weapons states. For U.S. purposes, Congress in 1978 expanded the meaning of nuclear proliferation to include the latter.

The treaty represents a bargain between three nuclear weapons states—the United States, the Soviet Union, and the United Kingdom—and non-nuclear-weapons parties.

The nuclear weapons states agreed not to help other states get nuclear weapons;[2] to recognize the "inalienable right" of all parties to use nuclear energy for peaceful purposes and their access to related nuclear cooperation;[3] and, together with other parties to the treaty, to ". . . undertake to pursue negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament, and on a treaty on general and complete disarmament under strict and effective international control." [4]

For their part, the non-nuclear-weapons states took a no-nuclear weapons pledge,[5] and accepted safeguards for the ". . . exclusive purpose of verification of the fulfillment of its obligations assumed under this treaty with a view to preventing diversion of nuclear energy from peaceful uses to nuclear weapons or other nuclear explosive devices." [6] The safeguards shall be applied on ". . . all source or special fissionable material in all peaceful nuclear activities within the territory of such State, under its jurisdiction, or carried out under its control anywhere." [7]

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[1] Plutonium is a fissionable material that can be made into nuclear weapons. It is a heavy, slightly radioactive element that is made by exposing the isotope uranium-238 to neutrons in a reactor and then chopping up exposed U-238 and chemically separating the plutonium (reprocessing). Tritium is a radioactive form of hydrogen which is made by exposing lithium-6 to neutrons in a reactor and then recovering the tritium from the lithium "target." Tritium has a comparatively short half-live of 12.26 years which means that about 5.5 percent of the atoms present undergo radioactive decay in a year. As a result, tritium must be periodically replenished for those warheads in which it is used to increase their yield.

[2] Article I provides that: "Each nuclear-weapon State Party to the Treaty undertakes not to transfer to any recipient whatsoever nuclear weapons or other nuclear explosive devices or control over such weapons or explosive devices directly or indirectly; and not in any way to assist, encourage, or induce any non-nuclear-weapon State to manufacture, or otherwise acquire nuclear weapons or other nuclear explosive devices, or control over such weapons or explosive devices.

[3] Article IV-1 provides that: "Nothing in this Treaty shall be interpreted as affecting the inalienable right of all the Parties to the Treaty to develop research, production and use of nuclear energy for peaceful purposes without discrimination and in conformity with Articles I and II of this Treaty."

Article IV-2 provides that: "All the Parties to the Treaty undertake to facilitate and have the right to participate in, the fullest possible exchange of equipment, materials, and scientific and technological information for peaceful uses of nuclear energy. . . ."

[4] Article VI.

[5] Article II provides that: "Each non-nuclear-weapon State Party to the Treaty undertakes not to receive the transfer from any transferee whatsoever of nuclear weapons or other nuclear explosive devices or of control over such weapons or explosive devices directly, or indirectly; not to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices; and not to seek or receive any assistance in the manufacture of nuclear weapons or other nuclear explosive devices.

[6] Article III-1.

[7] Article III-1.

In addition, all Parties agree to require IAEA safeguards be applied to their nuclear exports to non-weapons states.[8]

The Atomic Energy Act of 1946

In this then radical legislation, Congress sought to keep the secret of the atom bomb by cutting off U.S. nuclear cooperation with its allies; by government control of the production, ownership and use of fissionable material; and by a ban on nuclear cooperation with other nations with respect to use of atomic energy for industrial purposes until Congress declared by joint resolution that ". . . effective and enforceable international safeguards against the use of atomic energy for destructive purposes have been established."[9]

The Atomic Energy Act of 1954 as Amended

Following President Eisenhower's Atoms-for-Peace speech in 1953, Congress rewrote U.S. atomic energy legislation. The 1954 Act opened the way for civil use of nuclear energy in the United States by permitting private ownership of reactors and related facilities although the government kept title to the fissionable materials used in and produced by them.[10] The Act also reversed the earlier ban on nuclear cooperation with other countries by providing for a "program of international cooperation to promote the common defense and security and to make available to cooperating nations the benefits of peaceful applications of atomic energy as widely as expanding technology and considerations of the common defense and security will permit."[11] Going further, the Act authorized U.S. agreements for nuclear cooperation with other countries. Two of the specified conditions required guaranties in such agreements that safeguards be maintained for U.S. supplied items and that any materials transferred would not be used for ". . . atomic weapons or for research on or development of atomic weapons or for any other military purpose."[12] In addition, U.S. nuclear exports for peaceful purposes would have to be licensed by the then U.S. Atomic Energy Commission—this function later was inherited by the U.S. Nuclear Regulatory Commission.

The Nuclear Non-Proliferation Act of 1978

In the Nuclear Non-Proliferation Act of 1978 (NNPA) Congress made a major addition to U.S. non-proliferation policy. In effect, it expanded the definition of proliferation to include the spread of the ". . . direct capability to manufacture or otherwise acquire such devices . . ."[13] Accordingly, it was U.S. policy to: ". . . actively pursue through international initiatives . . . the establishment of more effective international controls over the transfer and use of nuclear materials and equipment and nuclear technology for peaceful purposes in order to prevent proliferation . . ."[14]

In another policy statement, the NNPA committed the United States to ". . . continued strong support for the principles of the Treaty on the Non-Proliferation of Nuclear Weapons, to a strengthened International Atomic Energy Agency, and to a comprehensive safeguards system administered by the Agency to deter proliferation.[15] Additionally, the NNPA required as a condition of continued U.S. nuclear cooperation with non-weapons states the maintenance of IAEA safeguards for ". . . all peaceful nuclear activities in, under the jurisdiction of, or carried out under the control of such state at the time of the export."[16] Furthermore, the NNPA specified nine requirements to be added to U.S. agreements for nuclear cooperation. These included a pledge not to use U.S. nuclear cooperation for any nuclear explosive device or for any other military purpose, and various controls over what could be done with information and items furnished under an agreement.[17]

The Hart-Simpson Amendment to the Atomic Energy Act of 1954

Among the many amendments to the Atomic Energy Act of 1954, one is particularly relevant to the WNP-1 proposal. In 1982 the Secretary of Energy Edwards suggested that plutonium from spent power reactor fuel be recovered by DOE and used for nuclear weapons. The reaction of Congress was to legislate to preserve the separation of civil and military applications of nuclear energy. This they did by approving an amendment introduced by Senators Hart and Simpson to Sec. 57(e) of the Atomic Energy Act of 1954.[18] It provides that special nuclear material—i.e. plutonium—produced in reactors licensed by the NRC may not be ". . . transferred, reprocessed, used or otherwise made available by any instrumentality of the United States or any other person for nuclear explosive purposes." Its purpose was to prevent the Department of Energy from acquiring and reprocessing spent fuel from civil nuclear power reactors to recover its plutonium for nuclear weapons production. A bill has been introduced recently to extend the Hart-Simpson amendment to include tritium produced in an NRC licensed facility.[19]

IAEA Safeguards

Ever since the International Atomic Energy Agency (IAEA) was established in 1957 and more so after the Treaty on Non-Proliferation of Nuclear Weapons entered into force in 1970, the United States has strongly supported the IAEA's function of verifying that nuclear facilities and materials in non-weapons states are used only for peaceful purposes. Congress amplified this feature of U.S. non-proliferation policy in Sec. 201 of the Nuclear Non-Proliferation Act of 1978, P.L. 95-242, (NNPA), which states:

"[t]he United States is committed to continued strong support for the principles of the Treaty on the Non-Proliferation of Nuclear Weapons, to a strengthened and more effective International Atomic Energy Agency and to a comprehensive safeguards system administered by the Agency to deter proliferation."

Going further, sec. 306 of the NNPA Congress requires full-scope IAEA safeguards as a condition for U.S. nuclear exports to non-weapons states.[20]

Ideally, for non-proliferation policy, all nuclear materials in a non-weapons state should be under IAEA safeguards. As a matter of practice this is the situation for non-weapons NPT states. However there is a potential loophole in the NPT safeguards systems which could allow a non-weapons state to possess and use weapons grade nuclear materials outside of safeguards.

In more detail, non-weapons NPT states have pledged under Article II not to receive or make nuclear weapons or nuclear explosive devices. However, this pledge does not extend to non-explosive military uses of atomic energy, such as naval nuclear propulsion. Article III binds them to accept IAEA safeguards, with "a view to preventing diversion of nuclear energy from peaceful uses to nuclear weapons or other nuclear explosive devices"—but not non-explosive military uses—as set forth in an agreement with the agency.[21]

Conditions for IAEA safeguards agreements with non-weapons NPT states are specified in a model agreement printed in the agency's information circular INFCIRC/153 of 1971. The model agreement provides for "non-application of safeguards to nuclear material to be used in non-peaceful activities."[22]

While this loophole has yet to be opened, recent events as discussed later have called attention to its existence.

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[8] Article III-2 provides that: "Each State Party to the Treaty undertakes not to provide: (a) source or special fissionable material, or (b) equipment or material especially designed or prepared for the processing, use or production of special fissionable material, to any non-nuclear-weapon State for peaceful purposes, unless the source or special fissionable material shall be subject to the safeguards required by this article."

[9] Sec. 10.(a) of the Atomic Energy Act of 1946.

[10] Government ownership of fissionable materials continued for another decade until 1964 when Congress enacted the Private Ownership of Special Nuclear Materials Act that permitted private ownership under Federal licenses.

[11] Sec. 3(e) of the Atomic Energy Act of 1954.

[12] Sec. 123(a) of the Atomic Energy Act of 1954.

[13] In Sec. 2 of the Nuclear Non-Proliferation Act of 1978, Congress declared that ". . . the proliferation of nuclear explosive devices or of the direct capability to manufacture or otherwise acquire such devices poses a grave threat to the security interests of the United States and to continued international progress toward world peace and development."

[14] Sec. 2(a) of the Nuclear Non-Proliferation Act of 1978.

[15] Sec. 201 of the NNPA.

[16] Sec. 128 of the Atomic Energy Act of 1954 as added by Sec. 306 of the NNPA.

[17] With respect to the no-explosive use provision, Sec. 401 of the NNPA amended Sec. 123 of the Atomic Energy Act of 1954 to require that: ". . . a guaranty by the cooperating party that no nuclear materials and equipment or sensitive nuclear technology to be transferred pursuant to such an agreement, and no special nuclear material produced through the use of any nuclear materials and equipment or sensitive nuclear technology transferred pursuant to such agreement, will be used for any nuclear explosive device, or for research on or development of any nuclear explosive device, or for any other military purpose."

[18] The Nuclear Regulatory Commission Appropriations Authorization for Fiscal Years 1982 and 1983. P.L. 97-415.

[19] H.R. 2502, introduced by Mr. Markey on May 25, 1989 and referred to the Committee on Interior and Insular Affairs.

[20] NNPA sec. 306 added a new sec. 128 to the Atomic Energy Act of 1954 as amended which specified that: "As a condition of continued United States export of source material, special nuclear material, production, utilization facilities and any sensitive nuclear technology to non-nuclear weapons states, no such export shall be made unless IAEA safeguards are maintained with respect to all peaceful activities in, under the jurisdiction of, or carried out under the control of such state at the time of the export."

[21] Article II provides as follows:

1. Each non-nuclear-weapons State Party to the Treaty undertakes to accept safeguards, as set forth in an agreement to be negotiated and concluded with the International Atomic Energy Agency in accordance with the Statute of the International Atomic Energy Agency and the Agency's safeguards system, for the exclusive purpose of verification of the fulfillment of its obligations assumed under this Treaty with a view to preventing diversions of nuclear energy from peaceful uses to nuclear weapons or other nuclear explosive devices.

[22] INFCIRC/153, part I, par. 14.

The U.S.-IAEA Safeguard Agreement

In 1978 the U.S.-IAEA Safeguards Agreement took effect and opened peaceful U.S. nuclear facilities to IAEA inspection and safeguards. The purpose of this U.S. voluntary offer was to encourage "widespread adherence to the Treaty by demonstrating to non-nuclear-weapons States that they would not be placed at a commercial disadvantage by reason of the application of safeguards pursuant to the Treaty." [23] The U.S. may add or remove facilities from this list as it deems appropriate.[24]

ANALYSIS

The following analysis addresses the potential implications of the WNP-1 option for U.S. non-proliferation policy. As noted earlier, it does not include national security, technical or economic factors bearing upon this option. Also, since the analysis deals with the future and a wide range of possible reactions to this option, it inevitably is somewhat subjective and suffers from the uncertainties of any attempt to deal with the future.

Potential effect on the principle of separation of civil and military uses of atomic energy.

Background

The idea that civil and military applications of nuclear facilities and materials should be kept separated long has been part of non-proliferation thinking and is now widely accepted as a fundamental principle. It is implicit in the NNPA,[25] is explicit in the Hart-Simpson amendment, and more recently was endorsed by the Reagan administration. Concerning the last, in 1985 the U.S. representative to the 1985 NPT Review Conference agreed to a final declaration that endorsed the principle of total separation of civil and military uses. In discussing the importance of voluntary international inspection (IAEA safeguards) in nuclear weapons states, the final document said:

". . . To this end, the Conference recognizes the value of voluntary offers and recommends further evaluation of the economic and practical possibility of extending the application of safeguards to additional civil facilities in nuclear-weapons states as and when IAEA resources permit, and consideration of separation of the civil and military facilities in the nuclear weapons states.[26]

Analysis

For the U.S. to take a facility originally intended for civil generation of nuclear power and potentially open to IAEA safeguards, and to use that facility to make materials for nuclear weapons probably would be seen by some non-weapons states, especially those critical of U.S. nonproliferation policy, as two-faced, and discriminatory. States that come to mind include Argentina, Brazil, Pakistan, and, especially, India.[27] None of these have taken the NPT's no-weapons pledge and except for Brazil, all have one or more heavy water type nuclear power reactors which can readily be operated to produce weapons grade plutonium. On the other hand, some analysts might argue that the fact that the facility was never completed or used for civilian power generating purposes, is located on a DOE reservation, and is apparently surplus as far as civilian power needs go mitigates this perception. Additionally, the treaties and statutes noted earlier do not explicitly bar the United States from exercising this option.

The large size of the WNP-1 plant and the publicity likely to attend its acquisition and operation by DOE however could give these dissident states a new argument to resist future U.S. non-proliferation initiatives. The potential effects for U.S. non-proliferation interests would depend upon future circumstances. Effects could range from a minor irritant in future U.S. discussions to substantial resistance to some future U.S. non-proliferation initiatives.

Potential effect on IAEA safeguards: Opening a loophole

Background

As noted earlier, a non-weapons NPT state can use nuclear materials for non-explosive applications, most notably naval propulsion. However, material in such use cannot be safeguarded by the IAEA because its authority is limited to materials in peaceful uses. To date this potential loophole has not been opened, but there was concern among some analysts and scholars when the Canadian government proposed in 1988 to build a fleet of nuclear submarines. While this project has since been dropped by the Mulroney government, it could have led to a situation where Canada, a non-weapons NPT state, would have a substantial amount of weapons grade uranium contained in the fuel for these submarines not under IAEA safeguard and theoretically available for diverson.

Analysis

The WNP-1 option would not help and might weaken U.S. influence to get all non-weapons states to keep their nuclear materials under IAEA safeguards. It would involve removing nuclear materials in the fuel for WNP-1 from NRC safeguards, an action that some states could see as indicating the United States might have a relaxed attitude about use of this loophole, and by others as another instance of U.S. discrimination in its treatment of weapons and non-weapons states.

A complication is that had the WNP-1 plant been completed and put into civil operation, it would have been added to the list of U.S. nuclear facilities available for IAEA inspection under the U.S.-IAEA safeguards agreement of 1978.[28] Removing a civil nuclear facility from the list of such facilities in order to use it for weapons purposes would be viewed by many as a bad precedent, even in a nuclear-weapons state. Some might characterize it as an indication that the United States is willing to put its nuclear weapons interests ahead of its non-proliferation interests.

More to the point, there remains uneasiness that Argentina and Brazil with their unsafeguarded laboratory scale uranium enrichment equipment might point to this loophole as reason to resist U.S. pressure to put their output under IAEA safeguards.

Proponents of this option would probably point to the fact that this change in the planned use of the facility would be made openly, that it does not represent a real conversion since this plant has not been licensed for civilian use, and that measures could be taken to mitigate adverse perceptions of other countries.

Potential effect on U.S. non-military use for Australian and Canadian uranium

Background

As noted earlier, nuclear fuel for the WNP-1 probably would be fabricated by a commercial U.S. fuel fabricator. These fabricators keep working inventories of enriched uranium on hand, which from time to time might contain uranium imported from Australia or Canada. Under the revised U.S. agreements for nuclear cooperation with these countries, the U.S. has pledged not to use imports from them for explosive or any military purpose, and to apply IAEA safeguards to them.[29]

Analysis

In this situation, Australia and Canada might well request U.S. assurances that none of their uranium has been incorporated in the fuel for the WNP-1. This could be

[23] Agreement with the International Atomic Energy Agency for Application of Safeguards in the United States of America, with Protocol. [preamble].

[24] Ibid., Article 1(b).

[25] Congress in the Nuclear Non-Proliferation Act of 1978 (P.L. 95-242), amended sec. 123 of the Atomic Energy Act of 1954 as amended to direct the President to renegotiate existing U.S. agreements for nuclear cooperation to include nine specific new requirements. Requirement (3) would commit U.S. nuclear trading partners not to use U.S. nuclear aid for a nuclear explosive or any other military purpose, as follows:

(3) . . . a guaranty by the cooperating party that no nuclear materials and equipment or sensitive nuclear technology to be transferred pursuant to such agreement, and no special nuclear material produced through the use of any nuclear materials and equipment or sensitive nuclear technology transferred pursuant to such agreement, will be used for any nuclear explosive device, or for research on or development of any nuclear explosive device, or for any other military purpose.

Reinforced by this provision, U.S. policy requires other states to agree that U.S. supplied items will not be used for weapons or military purposes, thereby separating them from such uses.

[26] Final declaration. NPT/CONF.III/64/1, Annex I, p. 3.

[27] The type of nuclear power plant used by India—the heavy water moderated, natural uranium reactor—is especially well suited to produce weapons quality plutonium while generating electricity, and several of these Indian power plants are not under IAEA safeguards to verify that materials they produce are used only for peaceful purposes.

[28] Under its agreement, the United States provides the Agency with a list of eligible facilities, i.e. all U.S. nuclear facilities except those with direct national security significance. The Agency from time to time can identify on that list certain facilities to be subject to full application of safeguards, and may also designate facilities which it will not inspect, but for which inventory and design information must be submitted. Eventually from 12 to 15 facilities may be subject to safeguards inspection at any one time, with the actual number representing a balance between the political objectives of the Agreement and the cost of applying safeguards. [Letter of submittal of the agreement by the Secretary of State to the President, in Agreement with the International Atomic Energy Agency for the Application of Safeguards in the United States of America, with Protocol. Message from the President of the United States, Feb. 9, 1978, Senate Doc. Exec. B, p. vi]

[29] For example, the U.S.-Australian agreement of 1979 (House Doc. 96-169), deals with safeguards in article 1 and with explosive and military applications in article 8. Article 1.3 provides as follows: "Cooperation under this agreement shall require the application of safeguards by the Agency . . . within the territory of the United States, in accordance with the provisions of an agreement between the United States and the Agency for the application of safeguards in the United States." [H. Doc. 96-169, p. 3]

Article 8, No Explosive or Military Application, provides as follows: "Material, equipment or components transferred pursuant to this agreement to, and which are under the jurisdiction of, a party and material used in or produced through the use of any such material, equipment or components so transferred, which are under the jurisdiction of a party, shall not be used for any nuclear explosive device, for research on or development of any nuclear explosive device, or for any military purpose." [H. Doc. 96-169, p. 14]

difficult because the commercial fuel fabricators do not shut down and clean out their production lines after every order. Suspicions that Australian or Canadian uranium imported for civil purposes might inadvertently get into WNP-1 fuel and be used for weapons production could cause difficulties in U.S. relations with these countries and perhaps weaken their support for U.S. nonproliferation policies. It is plausible, however, that U.S. assurances that, as a matter of policy, no Australian or Canadian uranium will be used in the facility might satisfy these allies.

Potential effect on U.S. support for the NPT

Background

As noted earlier, support for the NPT is central U.S. nonproliferation policy.[30] The Bush Administration already is preparing for U.S. participation in next year's NPT review conference where it hopes to obtain a strong concluding statement supportive of the treaty. Such support came out of the 1985 conference, but not so for the 1975 and 1980 conferences which saw much discord over the slow pace of superpower nuclear arms control talks.

Analysis

The next NPT review conference will be in 1990 in Geneva. Then in 1995 a conference will be held to vote on extension of the treaty. So strong international support for the NPT and its extension will be important for U.S. interests.[31]

As noted earlier, choice of the WNP-1 option could generate fresh criticism of U.S. non-proliferation policy as imposing upon non-weapons states obligations the United States is unwilling to accept for itself. In this case, some states might charge the United States with evasion of the principle of separation of civil and military uses of nuclear energy. Also, in 1990 and 1995, it would be prudent to expect that some states would recall that the 1985 review conference in its final document supported separation of civil and military nuclear facilities in nuclear weapons states.

Any estimate of the potential effects of the WNP-1 option on the 1990 NPT review conference and the 1995 extension conference is necessarily subjective and conjectural because so much will depend upon the world situations at those times.

In the best case, criticism of the WNP-1 option would be muted and would soon die down so that by 1995 there would be little, if any, remaining effect. This would be most likely if the United States and the Soviet Union were to agree upon substantial cuts in nuclear arms before 1995, and if certain states of the Middle East are unable to have Israel suspended from the IAEA. In the worst case, if superpower arms control negotiations should stagnate and many nonweapons NPT states become impatient with the delay, or if the United States were to walk out of the IAEA because of some limitation on Israel's participation, then some of these states might pick up the WNP-1 issues as a club with which to belabor the United States. This could further weaken the prospects for the consensus needed to assure extension of the NPT in 1995 on terms favorable to U.S. interests. A closely divided, controversial vote to extend the treaty might well weaken its future support and reduce its attractiveness to the hold-out states.

In either case, it is to be hoped that many, if not most, states are likely to conclude that a world with the NPT is preferable to one without it and so would be careful not to jeopardize its future. But there remains the possibility of miscalculations over this issue which might unintentionally damage the treaty.

CONCLUDING COMMENT

To produce nuclear weapons materials with a nuclear power plant, the WNP-1 unit, originally intended for peaceful use to produce tritium and or plutonium for nuclear weapons probably would be regarded by many within the United States and abroad as chipping away at the carefully erected wall between civil and military uses of nuclear energy and blurring the distinction between civil and weapons applications of nuclear energy. It could also provide an undesirable example of conversion of a civil nuclear power plant to the production of nuclear weapons materials; perhaps open a loophole in the nuclear verification system of the International Atomic Energy Agency (safeguards); cause Australia and Canada to question whether uranium they have previously supplied to the United States might in some way be used to produce nuclear weapons materials; and perhaps weaken the ability of the United States to secure a favorable extension of the Treaty on Non-Proliferation of Nuclear Weapons in 1995.

While the WNP-1 option does not appear to violate the letter of any U.S. treaty commitment or the Atomic Energy Act of 1954 as amended, it could be seen as contrary to the conditions that the United States has imposed on many other states through its agreements for nuclear cooperation. On the other hand, advocates of the WNP-1 option are likely to point out that the unit never has been operated for civil applications, that it is located on a DOE reservation, that change in its planned use would be done openly, and that measures could be undertaken to mitigate adverse preceptions.

That the potential of the WNP-1 option could work to the disadvantage of U.S. policies to prevent the further spread, or proliferation of nuclear weapons is undeniable. However, their impacts cannot now be predicted with any certainty. The potential effects are likely to depend upon future circumstances, particularly the relations of the United States and the Soviet Union and the state of their nuclear arms reduction negotiations. If tensions between the two superpowers are low and they agree upon substantial nuclear arms reduction, then choosing the WNP-1 option probably would have little effect. On the other hand, if Soviet-American relations worsen and nuclear arms reduction negotiations stalemate, then nonweapons states and various public interest groups at home and abroad could be expected to be critical of the WNP-1 option. If so, U.S. influence over future directions for world non-proliferation policy might be weakened, which could make it more difficult for the United States to achieve its long standing goal of preventing the further spread of nuclear weapons and the ability to make them.

[30] More recently, at a hearing before the Senate Committee on Governmental Affairs on May 18, 1989, Reginald Bartholomew, Under Secretary of State for Security Assistance, Science and Technology, said that the United States must increase the number of adherents to the NPT and work toward a successful Review Conference in 1990 and 1995. Ambassador Ronald F. Lehman II, ACDA Director, also spoke of the NPT and said: "The U.S. must reinforce and reinvigorate both the NPT and the Treaty of Tlatelolco . . . We are working now to assure a successful outcome of the 1990 NPT Review Conference . . ."

[31] Article X-2 of the NPT provides as follows: "Twenty-five years after the entry into force of the Treaty [i.e. March 3, 1995] a conference shall be convened to decide whether the Treaty shall continue in force indefinitely, or shall be extended for an additional fixed period or periods. This decision shall be taken by a majority of the parties to the Treaty.

GORE-McCAIN MISSILE AND PROLIFERATION CONTROL ACT

Mr. GORE. Mr. President, earlier this week, Senator McCAIN and I engaged in a colloquy with Senators NUNN, WARNER, BINGAMAN, PELL, and HELMS, on the subject of the Gore-McCain Missile and Proliferation Control Act, S. 1421. Members may recall that a counterpart of our bill had just been overwhelmingly passed in the House of Representatives as an amendment to the Defense authorization bill there. To protect our position, Senator McCAIN and I then converted our free-standing bill into an amendment to the Senate version of the Defense authorization bill, and the colloquy to which I referred was on the subject of what we were going to do about jurisdiction.

At any rate, we agreed to shift our bill to the Senate Committee on Foreign Relations, with assurances from Senator PELL that it will receive early consideration there, in the fall. We were also encouraged by Senator NUNN's personal commitment to seek incorporation of certain basic principles relating to the problem of ballistic missile proliferation, into the conference report on the defense bill, assuming that Congressman BERMAN would agree to deferral of the consideration of specifics. Those principles comprised:

The reality and significance of the problem and its expanding nature.

The need for the United States to aggressively expand the membership to include the Soviet Union and, at an appropriate time, the People's Republic of China—and clarify the terms of the MTCR.

The need for measures to improve the U.S. licensing process.

The need for sanctions against domestic firms or persons and foreign states, firms, entities, and/or persons found to be evading or violating MTCR guidelines.

The need for an expanded flow of information from the executive branch to the Congress on this problem.

The need to put specifics into place rapidly.

Members and others who wish to read this exchange in detail will find it in the CONGRESSIONAL RECORD of August 2, 1989, beginning on page S9485. In any event, however, with permission, I would like to Include a copy of the exchange for reproduction in the RECORD along with my remarks today and those of Senator McCAIN, who also intends to make some comments.

Mr. President, in the days since we announced our bill, Senator MCCAIN and I have had a number of inquiries from businesses, business associations, and embassies— expressing concern that the bill would restrain trade or extend some concept of extraterritoriality. I'd like to address these concerns here in order to deal as clearly as possible with them.

S. 1421 aims to restrain and inhibit only a form of trade already declared off limits by the governments adhering to the missile control technology regime [MTCR]. No product or service not already contemplated by the MTCR is contemplated by S. 1421. All we aim to do is to give the President some very effective tools to use in support of the existing policy.

As regards the question of extraterritoriality, let me refer those who are concerned to section 3(d), "Inapplicability to Foreign Persons License by an MTCR Country." What this section says in plain English is that if an MTCR government issues a license to one of its corporations, and the license is based on honest information, then— no matter how much the United States Government may disagree with the judgement call made by the MTCR government—we live with it: the sanctions proposed in S. 1421 do not apply.

Mr. President, the proliferation of ballistic missiles is a serious threat to international order. Senator MCCAIN, Congressman BERMAN and I have worked hard to develop an approach that is well thought out. We ask all concerned to study the language of this bill carefully, and we wish them to get in touch with our offices in order to ask questions and register their views.

Mr. President, I ask that the earlier colloquy be reprinted.

There being no objection, the colloquy was ordered to be printed in the RECORD, as follows:

Mr. MCCAIN. Mr. President, I would like to join Senator GORE in his comments on the impact of our bill on U.S. exports. Anyone who reads it carefully will immediately understand that rather than hurt U.S. exports, it will help prevent a case where U.S. manufacturers are forced out of a market by the willingness of other states to export goods and services that U.S. manufacturers cannot sell.

Our bill closes a critical gap in the present MTCR regime. It applies sanctions to states that are not members of the MTCR, and it makes it clear that the United States will not accept a situation where another MTCR agreement exploits the flexibility in this agreement to sell equipment and technology the United States cannot. It sends a clear message to Western Europe, the PRC, Argentina, and a host of other states that they cannot profit in areas where United States firms cannot sell.

Mr. President, we need to be realistic. No U.S. firm will ever get profits from exports to countries who use those exports to deliver weapons of mass destruction, or the means to deliver them, that will be worth the cost. Even if legal sanctions do not come into play, public opinion will.

The practical problem is to bring similar pressure to bear on the foreign sellers and buyers of such technology. This not only is essential to fight proliferation, it is essential to ensure that no nation can casually profit from allowing its firms or export entities to become "merchants of mass destruction."

MISSILE PROLIFERATION

Mr. GORE. Mr. President, the transfer to third countries around the world of ballistic missiles capable of delivering weapons of mass destruction and of the technology needed to produce such missiles is an assault on world security. Recognizing this, in 1987, the United States joined with six other nations—Canada, Japan, France, the United Kingdom, Italy, and the Federal Republic of Germany—to establish the Missile Technology Control Regime [MTCR], which aims to prevent such transfers.

The creation of the MTCR was an important step forward. Nevertheless, transfers continue, and it is clear that some tough punitive measures are needed to give bite to the nontransfer policy. Last week, Senator MCCAIN and I introduced legislation, S. 1421, designed to meet the need: The Gore-McCain Missile and Proliferation Control Act. A parallel measure has already been introduced in the House by Congressman HOWARD BERMAN.

In taking this step, we gave credit to Senator BINGAMAN, whose hearings on this issue in the Defense Industry and Technology Subcommittee underscore the need for legislation, and who has already introduced a bill of his own on this subject, that would help block proliferation by expanding the scope and impact of the MTCR.

The Gore-McCain bill strengthens and builds on the Missile Technology Control Regime [MTCR]. It would impose sanctions on companies and nations that engage in the trade or development of long-range missile systems capable of delivering weapons of mass destruction. S. 1421 also recognizes that destabilizing offensive aircraft are capable of delivering such weapons and their development should be monitored closely as part of a comprehensive proliferation control regime.

Mr. President, I would yield to my colleague and cosponsor, Senator MCCAIN, to provide further details about our bill.

Mr. MCCAIN. I thank the Senator from Tennessee.

Mr. President, S. 1421 reflects our belief that it should be the policy of the United States to take appropriate measures to discourage the proliferation of the technology, materials, and weapons necessary to produce missiles and deliver weapons of mass destruction. The United States should monitor closely the development, transfer, sale, and so forth, of such items, including destabilizing offensive aircraft. The bill would prohibit the flow of U.S. technology that would assist a nation in developing such weaponry. In addition, the United States should discourage Communist bloc countries and companies in non-Communist countries from aiding and abetting others in acquiring the relevant technology and materials.

With regard to enforcement, our bill provides that the President will determine if a U.S. person is engaged in the trade, conspiring to trade, or facilitating the trade of an MTCR item in violation of U.S. law, or, in the case of a foreign person, if an export license for the trade of that item would be denied under U.S. law. The President will also determine if a less developed state or entity is importing MTCR items or long-range systems or is equipping its forces with new or additional missile systems capable of delivering weapons of mass destruction.

If a violation by a U.S. person is discovered, the President shall choose to deny that person export licenses and/or prohibit contracting with or procurement from the U.S. Government. If a violation by a foreign person is found, the President may impose the same sanctions and also prohibit the import into the United States of products or services of the foreign person. Further, if the President determines that a non-MTCR country is developing or deploying missile systems capable of delivering weapons of mass destruction, the President may deny or reduce technical assistance, deny transfer of all or selected items of technology under the control of the U.S. Government and prohibit the importation into the United States of all or selected items of technology.

The President may choose to waive sanctions if the product or service is essential to the national security of the United States, the person in violation is the sole source supplier of the product or service, or the end-user of the product is the U.S. Government.

These economic sanctions are important, but we have learned in recent months that the public exposure of given seller firms and countries, and of efforts to develop a capacity to deliver weapons of mass destruction in less developed countries, may well be the most effective way of blocking such efforts.

Under the bill, the administration is required to detail and assess the ef-

forts of all foreign countries to acquire and produce long-range missile systems and destabilizing offensive aircraft, and the efforts of Communist countries to aid or abet other nations in their efforts. Similar information is required on all companies that have or continue to provide such assistance to foreign countries. Such information in a report, however, is not required if it would jeopardize the national security of the United States or compromise sensitive intelligence operations.

Finally, the Gore-McCain bill recognizes that we need to take decisive action this year. The problem we are dealing with may be one that takes decades to trigger a major global crisis, but the legacy of the Iraq-Iran war and the other recent regional crises is already driving country after country to at least examine its options for proliferation of both weapons of mass destruction, and the means of delivering them. We cannot deal with the next problem in arms control with a business as usual approach, or by creating compromises of convenience that deprive our efforts at fighting proliferation of their teeth.

President Bush and Secretary Baker have already recognized this urgency, but much of the bureaucracy has not. At present, there is an unfortunate tendency within the bureaucracy to obstruct and delay, to propose ineffective or symbolic action, and to find problems rather than solutions. Hopefully, our introduction of this bill will help to remind that bureaucracy that it works for the President, and exists to implement his policy priorities. At a minimum, I believe it will build upon the work already done by other Members of this body, and by Congressman BERMAN and others in the House of Representatives, to ensure we create a solid body of legislation this year.

Mr. GORE. Mr. President, it had been the intention of the distinguished Senator from Arizona and me to propose S. 1421 as an amendment to S. 1352, the defense authorization act for fiscal years 1990 and 1991, particularly since our counterpart bill in the House was added to their version of the defense authorization bill by an overwhelming vote of 417-9. However, we recognize that at the request of the chairman of the Armed Services Committee, Senator NUNN, Senator BINGAMAN agreed in markup not to propose his missile proliferation bill, S. 1227, as an amendment to the Defense authorization bill. I would inquire of the Senator from New Mexico whether my understanding is correct.

Mr. BINGAMAN. The Senator from Tennessee is absolutely correct. I, too, am deeply concerned about the grave threat represented by ballistic and cruise missile proliferation. In the short term the problem is ballistic missiles, but by the turn of the century cruise missile proliferation will pose a growing threat if not checked. On June 22, I introduced S. 1227, the Missile Control Act of 1989, and I am pleased to have Senators GORE and MCCAIN as cosponsors, along with Senators MITCHELL, NUNN, GLENN, PELL, BRADLEY, DECONCINI, LIEBERMAN, CONRAD, LUGAR, KENNEDY, BOREN, DURENBERGER, BIDEN, KERRY, MATSUNAGA, DODD, and WIRTH.

S. 1227 provides a comprehensive strategy for restricting the transfer of ballistic and cruise missiles and related technology. If passed, it will encourage the United States to take the lead in restricting the development and transfer of intermediate range ballistic and cruise missiles and related technology. If passed, in combination with legislation to control nuclear, chemical, and biological weapons, it will restore to the United States the mantle of leadership toward a safer world.

This legislation is perhaps more modest in scope than S. 1421, but it does what is needed. It improves export controls and enforcement; it takes a global approach to enforcement which will not disadvantage American industry. It provides sanctions calibrated to the degree of violation, which are sufficiently strict to discourage countries and companies from cheating by denying American missile equipment and technology.

Our bill encourages the United States to take the lead in seeking international cooperation in restricting the transfer of ballistic and cruise missiles and related technologies. It reenforces U.S. adherence to the Missile Technology Control Regime [MTCR] by encouraging the administration to seek a common and stricter interpretation of MTCR provisions and more adherents to the MTCR.

It mandates cooperation among the executive agencies responsible for missile control, but it does not add layers of bureaucracy or slow the process for review of export licenses.

Mr. President, nonproliferation of missiles is not a partisan issue. Rather it is an issue of the gravest concern to every one of us. The decision before Congress is not whether we should pass legislation to prevent missile proliferation, but what type of legislation will best ensure the effective implementation of a missile nonproliferation policy.

A related question is which bill is the appropriate vehicle for legislation on this issue. As the Senator from Tennessee noted, I had originally considered attaching S. 1227 to the Defense authorization bill, but I withheld that amendment in mark up at Senator NUNN's request. Senator NUNN felt strongly that since the Foreign Relations Committee has jurisdiction over changes to the Arms Export Control Act, legislation on the missile proliferation issue should be handled by that committee. That having been said, I would have to say with all respect for my chairman that were the Gore-McCain Missile and Proliferation Control Act to be offered as an amendment to this bill, I would have to reserve my prerogative to offer S. 1227 as an amendment to the bill.

Mr. President, I would, therefore, ask the distinguished Senator from Georgia for his assessment of the situation we face.

Mr. NUNN. Mr. President, I appreciate the remarks of Senator GORE, Senator MCCAIN, and Senator BINGAMAN and commend them for the leadership they are demonstrating in the Senate on this critical issue of missile proliferation.

I do believe, however, that the Defense authorization bill is not the vehicle for legislation on this issue and I regret that the House has seen fit to put a major piece of legislation on this subject on the Defense authorization bill it passed last week.

I would hope that Senator GORE and Senator MCCAIN would refrain from offering their bill as an amendment to the Defense authorization bill and that Senator BINGAMAN would exercise similar restraint. Both bills could then follow the regular procedure of being carefully considered and marked up by the Foreign Relations Committee. I recognize that the Senators would want some assurance that the Foreign Relations Committee would act on their bills, and I would, therefore, ask the chairman and ranking member of that committee if they might advise us of their plans for dealing with this issue.

Mr. PELL. Mr. President, I appreciate Senator NUNN's consideration of the Foreign Relations Committee's jurisdiction in this area. I intend that the Committee on Foreign Relations mark up in early September legislation dealing primarily with the chemical weapons problem. I have introduced legislation, S. 195, which imposes sanctions for the use of chemical and biological weapons. I expect that this legislation will address the problem of missile proliferation. My colleague, the Senator from North Carolina, Senator HELMS, has a bill, S. 238, proposing sanctions against commerce in chemicals for weapons. In addition, I would expect to have a hearing in September on specific ways to control missile proliferation and would expect to consider the bills under discussion today at that hearing and in a mark up soon thereafter.

I would ask the distinguished ranking member, Senator HELMS, whether he concurs.

Mr. HELMS. I agree with the comments by the chairman of our committee, Senator PELL. Ballistic missile proliferation is a critical issue confronting this Nation, and it is very high on my legislative agenda. Earlier this year, I

introduced a bill, S. 208, to inhibit the proliferation of ballistic and cruise missiles in the Middle East. That bill has been referred to our committee, and it will be considered when we address this issue this fall.

Mr. President, I might also mention that I see no necessity for the Foreign Relations Committee to report out one omnibus bill dealing with the proliferation issue. It may well be that it makes more sense to report out a package of related but separate bills addressing, respectively, the chemical, nuclear, and ballistic and cruise missile dimensions of the overall proliferation problem.

Mr. GORE. Mr. President, I appreciate the remarks of the chairman and ranking member of the Foreign Relations Committee. Based on those assurances, I am prepared to join with Senator MCCAIN and Senator BINGAMAN in withholding any amendment to this bill on this subject. I would ask, however, the Senator from Georgia and the Senator from Virginia, Senator WARNER, how they would propose to handle this issue in conference, given that the House bill does include the amendment by Mr. BERMAN which is very similar to the Gore-McCain Missile and Proliferation Control Act.

Mr. NUNN. I would say to my friend from Tennessee that it would be my intent to persuade the House conferees to recede to the Senate and drop the Berman amendment without prejudice to its merits. That, then, would afford the House Foreign Affairs Committee an opportunity to consider that legislation in the regular manner, leading eventually to a House-Senate conference by members of the two foreign affairs committees on legislation related to proliferation problems. I would ask Senator WARNER if he would concur in that approach.

Mr. WARNER. Mr. President, I fully agree with the statement of Senator NUNN as to how the Senate conferees would approach this matter in conference. I might add that I hope both the Senate Foreign Relations Committee and the House Foreign Affairs Committee will work with the administration to ensure that any amendments reported out of these committees have the input of those departments that will be affected by such legislation.

Mr. GORE. I appreciate the comments of the chairman and ranking member of our committee. I am pleased to hear that in seeking to have the Berman amendment omitted from the conference report you would do so without prejudice to its merits. I wonder if you might also indicate that you agree with Senators MCCAIN and BINGAMAN and me that if the House conferees agree to drop the Berman amendment, the conference report should reflect the view of the conferees that the Congress should attach high priority to enacting legislation this session addressing the ballistic missile proliferation threat. I would further inquire whether the Senators would agree that that report should indicate the agreement of the conferees on certain broad principles which they believe legislation on this issue should reflect, and which are reflected in both S. 1421 and S. 1227, including:

The reality and significance of the problem and its expanding nature;

The need for the United States to aggressively expand the membership—to include the Soviet Union and, at an appropriate time, the People's Republic of China—and clarify the terms of the MTCR;

The need for measures to improve the U.S. licensing process;

The need for sanctions against domestic firms or persons and foreign states, firms, entities, and/or persons found to be evading or violating MTCR guidelines;

The need for an expanded flow of information from the executive branch to the Congress on this problem; and

The need to put specifics in place rapidly.

Mr. NUNN. I, of course, cannot commit the House conferees to any language in advance of the conference; nor could I presume to guarantee at this stage what language the Senate conferees would accept. However, I can assure you, as well as Senator MCCAIN and Senator BINGAMAN, that I personally agree with your statement of principles and will work in conference to have it reflected in the conference report should the House consent to recede to the Senate on this issue.

Mr. WARNER. Mr. President, I concur in the remarks of Senator NUNN. I might add, as well, that I would hope that the language in the conference report will also commend the administration for its good faith efforts to implement the intent of the MTCR while, as noted by Senator GORE, recognizing the need for additional measures to further improve the U.S. licensing process.

Mr. GORE. I thank the Senators for their cooperation on this matter.

RECORD CORRECTION AMENDMENT 613

Mr. NUNN. Mr. President, I would like to bring to the attention of the Senate a printing error on page S9216 of the RECORD for August 1, 1989, with respect to amendment No. 613. The amendment as filed and adopted read as follows:

On page 11, line 5, strike "Chairman and ranking minority members of the Committees on Armed Services of the Senate and the House of Representatives shall each appoint one member" and insert "the Majority Leader and the Minority Leader of the Senate shall jointly appoint two members, and the Speaker and the Minority Leader of the House of Representatives shall jointly appoint two members."

On page 12, line 5, strike "the Committees on Armed Services of the Senate and the House of Representatives," and insert "Congress.".

On page 12, line 22, strike "while minimizing interference" and insert "consistent".

On page 14, between lines 3 and 4, insert the following: (9) The adequacy of the five-year plan proposed by the Secretary of Energy to bring the Department of Energy atomic energy defense facilities into compliance with environmental laws.

NATIONAL CENTER FOR MANUFACTURING SCIENCES

Mr. LEVIN. Mr. President, I would like to clarify the intent of langauge found in the committee report on S. 1352 that relates to a major cooperative research initiative known as the National Center for Manufacturing Sciences.

Mr. President, the National Center for Manufacturing Sciences [NCMS] was formed as a result of the President's 1986 domestic action plan to revive and support U.S. manufacturing technology industries. The NCMS has grown to become the largest R&D consortium in the United States in terms of member companies and industry coverage.

The NCMS participates in numerous DOD manufacturing programs of strategic importance to the defense industrial base. NCMS projects complement and supplement defense projects in advanced machines tool controls, computer-aided logistics, concurrent engineering, technology transfer, electronic data interchange, flexible manufacturing systems, and advanced materials.

Mr. President, over the past 2 years the NCMS has shown that they are able to extend the reach of taxpayer dollars by matching Government funds with industry resources. This effective leveraging of scare Government resources should be encouraged whenever possible.

In fiscal years 1988 and 1989, the Department of Defense supported the startup operations of the NCMS with a $5 million grant each year from the Air Force Manufacturing Technology [MANTECH] Program. The Defense Industry and Technology Subcommittee has again authorized $5 million for the NCMS for fiscal year 1990.

Mr. President, the NCMS has progressed quickly since its formation in 1986. It has identified major needs and planned long-term programs of strategic importance to the industrial base that individual U.S. firms are unable to fund independently. The NCMS is orgainizationally prepared to launch high priority programs pending an increased financial commitment from the Department of Defense for fiscal year 1990.

I would like to clarify with my colleagues, Senator BINGAMAN, the chairman of the Defense Industry and Technology Subcommittee, as to whether or not the Department of Defense is being limited by this authori-

zation bill to grant no more than $5 million to the NCMS for its programs in fiscal year 1990. I think that it would be a mistake for the Congress to do so considering the opportunities that the NCMS provides to leverage Government technology base programs.

Mr. BINGAMAN. Mr. President, the Defense Industry and Technology Subcommittee has strongly supported the establishment of the National Center for Manufacturing Sciences. I understand my good friend Senator LEVIN's concern for defense manufacturing technology programs since they directly impact the quality and productivity of defense weapon system procurements.

S. 1352 includes a $60 million increase over the administration request for manufacturing technology programs for all services and agencies. The NCMS has the serious and long-term task of revitalizing our manufacturing technology industries. The level, span and scope of the research programs that must be undertaken by the NCMS demands cooperation between industry and Government.

Thus, S. 1352 mandates a $5 million grant to the NCMS in fiscal year 1990, but in no way does it limit any of the services or agencies from providing additional funding via either contracts or grants to the NCMS if they deem it to further the goals of their manufacturing technology programs, provided that these funds are authorized and appropriated for this purpose.

ANTISATELLITE WEAPON TEST BAN

Mr. McCLURE. Mr. President, control over the high ground is not exactly a new concept in military thinking. The imperative of seizing the high ground, for surveillance or attack, has been around since about the time of the Trojan War, or maybe earlier.

Of course, the definition of what constitutes the high ground has changed, from hilltops and trees to the observation balloons of the French revolutionary wars. From the primitive reconnaissance planes of World War One to the U-2, the SR-71, and the satellite.

The Soviets are ahead of us in applying this ancient concept to the use of space. We use space for military surveillance and communications. But the Soviets have gone a lot further than we have in thinking through the concepts of space and space control. It is not enough to capture the high ground. You have to be able to hold it. Or at least, keep the enemy from holding it.

So it is unfortunate that the arms control lobby, and some of my colleagues here in this body, have decided to cede control of space to the Soviet Union. That would be the effect of an amendment to ban U.S. Asat testing, that was intended to have been offered to the defense authorization bill, but was ruled nongermane. I suspect that we will see this amendment again, possibly on the defense appropriation bill.

For this body to adopt such legislation would be wrong, irresponsible, and in a war, it would be completely devastating both in space, and in the land and sea battle. If the Soviets can use space with impunity to target our ground forces in Europe, and the naval forces we rely on to bring over reinforcements and supplies, then we will surely lose the war. Likewise, if the Soviets are able to deny us the use of space to support our operations in Europe, we will be unable to carry out the deep-strike attacks we would rely on to defeat a Soviet attack. A future land battle in Europe would be won or lost in space.

What do the Soviets have to say on the use of space during wartime? According to the Soviet military dictionary, their goals in space are to "deny the use of space to other States, and to assure maximum space-based military support for Soviet * * * combat operations on land, at sea, in air, and in outer space."

That seems pretty clear to me. The Soviets want to use space to support attacks on enemy ground, naval, and air assets, and deny the enemy the use of space to target Soviet forces. And they have put their money where their doctrine is. The Soviets continue to maintain an operational coorbital Asat, in a constant state of readiness. They maintain ABM and electronic warfare systems with Asat capabilities. They have lasers with Asat potential.

Now I know all the arguments about the Soviet Asat: "It's primitive, it has a relatively low probability of kill, and it hasn't been tested since 1982." Therefore, we are told, it does not pose a threat.

Well here are the facts. The Soviet coorbital Asat is primitive the same way a baseball bat is primitive. If you are in a fight, and the other guy has a baseball bat and you do not, it does not matter how primitive that baseball bat is.

As for the test results, without getting into classified material, let us just say that if you take the number of Asat's in their inventory, divide that by the observed PK, and apply that to the number of high-value satellites we have in low-altitude orbit, and we have a very serious problem.

And then there is the old testing bugaboo. True, the Soviets have not conducted an end-to-end test of their coorbital Asat since 1982. But they routinely test the components, including the launch vehicle, tracking radars, and on-orbit command techniques. And they maintain their Asat fleet in a constant state of readiness. For what? May Day fireworks? The Fourth of July?

As for the Soviet laser at Sary Shagan, which the sponsors of this amendment ridicule, suffice it to say that the National Resources Defense Council delegation was looking at the wrong laser. The system they saw is, indeed, obsolete. But it was not the laser the Defense Department has identified as having some antisatellite capability. That laser is several miles away, and the NRDC delegation apparently didn't get anywhere near it.

Those are arguments about the facts. But what about the underlying premise, which seems to be this: Since the United States is supposedly more dependent on space-based assets, we supposedly have more to lose than the Soviets, so we shouldn't develop an Asat because that will cause the Soviets to develop even more Asat's and we will be the net loser. Development of a U.S. Asat, we are told, would be destabilizing.

But what is destabilizing, I would tell my colleagues, is the current state of affairs, where the Soviets have an Asat and we don't! For the life of me, I can't see why our satellites are safer, why we are somehow better off, if the Soviets have an Asat and we don't. We lose both ways. Since there's nothing to deter an attack on U.S. satellites, we jeopardize our own ability to use space in support of our military operations. And we give the Soviets a sanctuary from which they can target our terrestrial forces with impunity. What's so stabilizing about that?

Of course, just like any other aspect of warfare, there would be some difficult decisions to be made about the conduct of operations in space. Asat opponents say you can't have an Asat for deterrence and for warfighting too. That's baloney. Why do we have nuclear weapons? Why do we have any weapons? To deter aggression, but if deterrence fails, to win. There's no contradiction there. It could be that in wartime the United States would elect not to use its Asat against Soviet satellites because we felt the long-term exchange ratio would be unfavorable. But that would be our choice. Supporters of a ban on United States Asat testing want to place the fate of our satellites, and to a great extent our ground and naval forces, in Soviet hands.

As I said earlier, the Soviets have thought this issue through. As the Chairman of the Joint Chiefs of Staff, Admiral Crowe, told the Defense Appropriations Subcommittee:

> The Soviets * * * have prepared themselves and are ready, especially with the coorbital interceptor, to fight and fight successfully. We have nothing approaching that capability—thus the need for a U.S. Asat capability is essential.

Admiral Crowe concludes:

We cannot relinquish control of space to an adversary whose intent is clear.

Mr. President, I would urge my colleagues to bear Admiral Crowe's words in mind in future debates on the Asat issue.

Mr. KERRY. Mr. President, the distinguished Senator from Idaho raised questions about those who would restrain antisatellite weaponary and antisatellite technology. And he pointed to the threat that the Soviet Union poses to the United States in this field. He said that we should not give to the Soviet Union the ability to decide for us what we want to do in space or how we should proceed with our programs.

That makes sense. I agree with that, Mr. President. We should not give to the Soviet Union ever any veto power over any choices that we make about weapons systems that we need to further the security interests of the United States.

But as is often the case in debates about weapon systems, we hear arguments made that really do not apply to the situation that is at hand. No one is suggesting, and no one that I know of has ever suggested, that those who oppose antisatellite firings and testing, are somehow proposing to give to another country any veto power or are not interested in the best security interests of the United States. And to understand that, you have to look at the state of satellite technology and look at what our own satellites mean to us in terms of our security.

This is not the time to debate in full antisatellite weaponry, and I am not going to do that. But I want the record at this point to show that there are some important choices that the United States ought to be making regarding our security and the future of weapons in space, choices that we simply have not been willing to make. Countless times in the arms race, we have rushed headlong to create a new weapon system, without adequately thinking out what the repercussions are of the creation of that weapon system. Throughout the entire history of the arms race, going back to the first atomic bomb's explosion, one can trace an effort by the United States or the Soviet Union to create a system and a similar effort by the other country, to catch up to the country that created the system. We blew up the atom bomb; a few years later, they blew up an atom bomb. We blew up a hydrogen bomb; a year later, they blew up the hydrogen bomb. We put bombs on airplanes thinking that would strengthen our security. A few years later, they put them on airplanes. Then we went into submarines. Then we went into satellites in 1957 with the Soviets putting Sputnik up, which was, in fact, the first real technological lead that the Soviet Union ever achieved, in the course of the arms race, ahead of us.

We followed with the first antiballistic missile. We then decided, would it not be a wonderful idea if we put a lot of warheads on one missile, so we did multiple independent targetable reentry vehicles. Lo and behold, the Soviets countered, and they put bigger warheads on bigger missiles, and we suddenly found that what we called the window of vulnerability was turned on us. They had bigger missiles with bigger capacity, and we were in fact outfoxed by our own creation of that system. Then there were cruise missiles and so forth.

Well, Mr. President, the same thing is about to happen in space. To the best of our knowledge, as we are here today on a lovely summer's day, as Congress is about to go home for recess, there is no evidence that anybody has weapons in space. And we depend on our satellites for verification, for command and control, and our satellites are much more important to our system, frankly, than the Soviets in terms of security.

So the question ought to be asked by logical, reasonable people: Is it in the best security interests of the United States of America to repeat the same syndrome that has led us to where we are, by rushing headlong into the creation of a whole new technology for satellites, killing each other in space, without even knowning where we are going with it? Will we then get into a whole new technology of satellites protecting each other against the kill, hardening satellites? How much is it going to cost? Are we going to have to improve launch capacity, more rapid launch and so forth?

Now, Mr. President, there is no naivete in anyone's approach to this process. The Soviets have a very rudimentary antisatellite system. It is fired off a liquid-fuel rocket. It goes up into space.

It has to circle the Earth once before it links up to its target. Then it links up to its target, and it explodes beside its target. It takes about 6 hours before the next rocket can be put up into space.

Now, in those intervening 6 hours, the United States, should this happen, has countless remedies available to it. More important, the Soviet Union decided 7 years ago that they thought it was important to restrain this technology.

So, Mr. President, they unilaterally stopped testing. The Soviet Union stopped testing 7 years ago, and five of the last six tests were failures before that. So this is not a system in which they can have confidence, Mr. President. For the last 3 years we have ageed with their moratorium, and we have not tested against an object in space. That is the key here—a firing against an object in space.

Now, I say to the Senator from Idaho, all that the proponents of restraint are proposing today is not to restrain research, we can continue research; not to restrain development, we can continue development; but simply to restrain a test against an object in space, so long as the Soviet Union also does it. It is not unilateral. It is mutual. It is not letting them decide what we did. It is deciding what is in the best interests for both of us in terms of our futures.

But in addition to that, we are saying that the Soviet Union, if we are going to do this, has to open up its laser sites for our inspection and monitoring, and must also enter into negotiations with the United States in good faith for antisatellite restraint.

Now, Mr. President, what could be more sensible than setting up an equation where we will not test against an object in space, if they will not test against an object in space, if it means that we could inspect their laser sites and high technology sites and have onsite verification developed to a greater degree, which permits the United States to accomplish the very goal of our START talks and INF?

In the INF, for the first time, we agreed to have onsite inspection, and we began a whole new regime in terms of arms control. I respectfully suggest that this should be looked on as an opportunity to try to gain control over the absurdity and craziness of the spiraling arms race which takes us from one weapon system to another, more sophisticated than another.

We have cruise missiles we cannot even verify today. We have enormous problems of verification. It is interesting to note, Mr. President, that the President's own National Security Adviser, Mr. Brent Scowcroft, recently wrote an article for the Aspin study group, and he said, "We find it hard to identify a set of circumstances in which the benefits of using the limited existing ASAT systems markedly outweigh the potential risks.

All scenarios involving the use of Asat, especially those surrounding crises, increase the risks of accident, misperception, and inadvertent escalation.

He went on to write that at high levels of tension, attacks on satellites can be interpreted as signal of an impending nuclear strike, and for this reason alone, a move of this sort would be foolhardy.

I am not going to go on, Mr. President, at great length. I said I would not. I think it is important not to look at every single restraint on the building of a weapon system as somehow a restraint on the capacity of this country to defend itself or to stand up for its security.

Why can we not begin to think of the national security of the United States and of the world in terms of restraining a weapons system rather than building it?

There is that old saying of Will Rogers that he never met a man he did not like. Regrettably, there are too many people in the U.S. Congress who never met a weapons system they did not like.

The question is whether or not for the first time we could take advantage of what now the President and Secretary Gorbachev are trying to do by opening up facilities and testing the Soviet Union, not trusting them, testing them, putting them to a rigorous test of their willingness to adhere to our higher standards of verification.

I close by reminding the President that just this month the United States Congressmen and scientists were invited to go to Sary Shagan which is the site of the laser technology that we have often referred to as the critical location of Soviet capacity to injure the United States.

I have the strategic defense initiative booklet, "Progress and Promise" and here, Mr. President, on one of the pages is the directed energy R&D site at Sary Shagan and it shows a laser going up in space and shooting down a satellite.

Mr. President, this is the very site that was visited by these Congressmen and what they found was that contrary to the SDI booklet and other estimates this site does not have the capacity to shoot down a satellite. Contrary to all the hype and hoopla that has justified spending billions of dollars and trying to spend more, they found not a megawattage for a beam generator, but they found an old CO-2 generator which is on the Common Market for purchase, which has a 2 to 20 kilowattage, sort of a large searchlight, and the very best that that could even do is perhaps track satellites, that is observe them by illuminating them.

They found 1960's technology in the hard-wired computer system at Sary Shagan. They did not find modern computer chips.

So, Mr. President, it is clear that at least the Soviet Union invited them there, at least the Soviet Union was willing to open up the possibility of further inspection, and we would be foolhardy not to take advantage of the opportunities now available to respond to try to gain restraint in this particular field.

Mr. President, I will have more to say about this when we return in September and October and take up the appropriations bill and actually debate this on the floor. But I hope that the Congress will think very carefully about this opportunity and about the important tests that it offers in terms of trying to restrain rather than build yet again another system.

I thank the distinguished President pro tempore for his time, and I yield the floor.

The PRESIDING OFFICER. The President pro tempore has the floor.

ISRAEL AND TERRORISM

Mr. COATS. Mr. President, Winston Churchill once dispensed some good advice on dealing with allies. He said. "it is no use once again leading other nations up the garden path and then running away when the dog growls."

Over the last 10 years, the most vocal advocates of swift retribution and immediate justice for terrorist murders have come from this body. Each new instance of brutality has been met with one pained and insistent refrain: Locate these terrorists and bring them to justice.

But now one of our closest allies has done something we did not anticipate—they acted on our words. Evidently we have become so accustomed to failure—so content with inertia—that we cannot even recognize success when it stares us in the face. It is Israel that has given reality to our rhetoric. It is Israel that took our advice and captured a terrorist leader—exercising its rights as a sovereign nation, threatened from all sides, to bring its most brutal enemy to justice.

But in the last few days, Arab terrorists have played their bloody trump card. And some in this Nation have insinuated, even declared, that Israel is to blame. The dog has made its rabid growl. And some recommend, once again, that we abandon an ally and beat a hasty and undignified retreat.

But there is no moral equivalence—or even moral relation—between Israel's act of justice and the terrorist's act of shame. We cannot forget that Israel offered the murderers of Colonel Higgens the freedom of their leader in a prisoner exchange. The Hezbollah was presented with a stark decision. But they chose the terrorists's pleasure in lawless murder, even above their own cause.

These are men who have severed their last tenuous ties with common humanity. These are men whose only motivation and pleasure is the destruction of even those who seek to keep the peace.

I am fully and finally convinced that diplomacy will neither moderate their demands nor soften their methods. We can explore with them the whole diplomatic terrain. But down every vista these fanatics see only the gallows.

This week we were shocked by a murder and presented with the prospect of more of the same. Harold MacMillian once said, "I have never attended the funeral of a murdered man; but I take it that at such a ceremony some distinction is made between the mourners and the assassins."

In this case the distinction is as clear as the line between civilization and barbarism. The United States mourns. Israel mourns, and Arab terrorists are left stained by the blood of the innocent. To confuse these groups is to confuse the very nature of justice, and we should not be a party to it.

REAUTHORIZATION OF THE CLEAN AIR ACT

Mr. BREAUX. Mr. President, I rise today to join a number of my colleagues from both sides of the aisle in cosponsoring legislation prepared by President Bush to reauthorize and strengthen the Clean Air Act. I would like to take a few moments to discuss the President's proposal and to acknowledge the very constructive role that I believe this proposal can play in enhancing the likelihood that amendments to the Clean Air Act will become law during this Congress.

My colleagues are certainly aware that the reauthorization of the Clean Air Act has been and continues to be, a contentious and emotional issue. Special interests on both sides of this issue have been strident and uncompromising, leading to a legislative deadlock that has prevented enactment of reasonable and necessary measures to improve air quality and protect public health and environmental quality. Our esteemed majority leader, Senator MITCHELL, has labored for years to move forward reauthorization of this act. He has my respect for his tireless efforts. The chairman of the Subcommittee on Environmental Protection, Senator BAUCUS, is committed to enactment of amendments to strengthen the Clean Air Act, and he is working hard to achieve that goal. And now the President has placed his own proposal on the table, adding great momentum to the reauthorization process.

The legislation sent to us by President Bush is a comprehensive package of amendments intended to deal with the range of air quality issues. The bill includes provisions to address the failure of many of our cities to achieve national air quality standards, to provide a more workable regulatory system to reduce possible health hazards from exposure to toxic air pollutants, and to aggressively reduce pollutants that contribute to acid rain through a flexible and cost efficient program. Overall, I believe the President's proposal to be a solid and constructive contribution to the clean air debate. I applaud his willingness to roll up his sleeves and risk the wrath of those narrow interests who would rather fan the flames for their own benefit than see the Congress enact credible and balanced legislation to resolve these issues for the benefit of the Nation.

Since the President unveiled his proposal it has met with its share of criticism. I am not here today to defend it

as a perfect product. But it is certainly a constructive place to begin discussions on the shape of a final legislative vehicle. I believe the President is willing to accept and respond to constructive suggestions for improvement. For example, during May of this year I was joined by Senator DOMENICI and 51 other of my Senate colleagues in writing to the President to urge him to incorporate certain principles in the acid rain control title of the administration bill. The President heeded these suggestions, and the administration bill offers a cost-effective opportunity to reduce the precursors of acid rain while protecting Louisiana ratepayers from bearing the burden of cleanup for polluters in other States. In addition, the acid rain provisions offer valuable market opportunities for the use of clean burning and abundant Louisiana natural gas, combining important environmental benefits with the addition of economic benefits for the State.

There are a number of provisions, of course, that remain to be improved. I intend to take a long and careful look at the adequacy of mobile source requirements contained in the bill. In particular, the fleet averaging provisions deserve special scrutiny. While automobile manufacturers have done much over the years to reduce auto emissions, mobile sources as a group continue to be the most sigificant contributor to the failure of our urban areas to attain the national ozone and carbon monoxide standards. Similarly, I believe that the alternative fuels program may have promise, but it raises a number of questions that will require thorough review.

Of all the provisions in the bill, I have the most serious reservations about the air toxics proposal contained in title III. As my colleagues may know, I was one of three members of the Committee on Environment and Public Works designated by the chairman of the Environmental Protection Subcommittee, Senator BAUCUS, to help craft an air toxics control bill for committee discussion and consideration. That bill, S. 816, is an aggressive and far-reaching proposal. It is my view that the President's proposal requires improvement in its handling of hazardous air emissions, and I intend to work closely with the President and my colleagues on the Environment and Public Works Committee to that end.

Mr. President, this bill has been criticized by some who question whether elements of the bill will, in fact, allow us to achieve the air quality goals enunciated by the President when he initially announced his proposal. It has been criticized by others as harmful to the competitive position of U.S. industry, fostering expensive regulatory approaches without significant air quality benefits. Many are concerned about who will bear the economic burdens which would result from this bill, and at what cost to our Nation.

Mr. President, I would expect these criticisms to be directed at any serious proposal that attempts to resolve these thorny problems. While the bill is not all I would like to see, I think President Bush has provided us with an impressive attempt to break the impasse on clean air and to provide leadership on this difficult issue. I have my own criticisms of the President's proposal. I do not agree with all of its features. Yet, that is to be expected in a package as detailed as this. That is to be expected in a pacakge that honestly attempts to reconcile the difficult policy choices that arise in this debate. I commend the President for his effort. I support much of what he has tried to accomplish in his proposal. I certainly commit to working with him, as I have to working with my colleagues in the Congress, to resolve issues and see rational and badly needed legislative improvements enacted into law during the 101st Congress.

MY HOME STATE OF MISSOURI

Mr. BOND. Mr. President, not many people are aware that my home State of Missouri is the birthplace of so many current Members of the U.S. Senate. Besides myself and Senator DANFORTH, the other members of this Show-Me-Club include Senators BURNS, BRADLEY, and WILSON, as well as our new Ambassador to the Bahamas, former Senator Chic Hecht.

Thus, it is with great pleasure that I ask unanimous consent that an editorial from Ambassador Hecht's hometown newspaper, the Southeast Missourian of Cape Giradeau, MO, be included in the RECORD.

Missourians are proud of their native sons, and the community of Cape Girardeau is no exception. All of us wish Ambassador Hecht the best of luck.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NATIVE SON GOOD CHOICE FOR A U.S. AMBASSADOR

Former Cape Girardean Chic Hecht has been named by President Bush to serve as ambassador to the Bahamas. He must be confirmed yet by the U.S. Senate, but his former colleagues in that chamber will no doubt recognize the wisdom of this appointment, as do we.

At first glance, this might seem just a cushy and sunny foreign post delivered as a reward for past loyalties to a Republican presidency. In fact, the Bahamas is a nation of strategic importance to the United States. Along with its reputation as a vaction paradise, the Bahamas is also at the crossroads of this hemisphere's drug trafficking, as well as being in close proximity to Cuba and Central and South American nations. The ambassador of the Bahamas must take an active role overseeing U.S. interests in combating drugs in that region, in addition to keeping a finger on the political pulse of the region. While the golf and fishing might be good, there is plenty of important work to do on behalf of Americans in the Caribbean.

Hecht seems uniquely qualified for the post. As a U.S. senator from Nevada between 1983–89, he is up to speed on international affairs. In addition, he has taken a special interest in the American war on drugs. Since the Bahamas has an international banking community, Hecht's 25 years of banking and business experience should also provide exceptional insight.

It is always special for a community to have a native son advance to an important job representing the United States. Even setting that local tie aside, however, we feel that President Bush has picked well for this job.

CITY OF JACKSON CELEBRATES 175TH ANNIVERSARY

Mr. BOND. Mr. President, my colleague Mr. DANFORTH and I have the fortunate opportunity, as U.S. Senators from Missouri, to serve many of this Nation's finest rural communities. Today, we recognize one of those communities as it celebrates its 175th anniversary.

Located in the picturesque hills of Cape Girardeau County you will find this community whose theme, "The City of Beautiful Homes, Churches, and Schools," so aptly reflects its desires and achievements. When its forefathers first gathered in 1814 to choose a proper name, this assembly of pioneers chose to christen its town Jackson, in honor of one of our Nation's great leaders.

Andrew Jackson, our Nation's seventh President, would be proud today knowing of this small community's accomplishments during these past 175 years. The city of Jackson's commitment to progress and prosperity has been passed on from generation to generation, carrying with it a commitment to self-initiative, and a dedication to improvement.

In a recent letter to the citizens of Jackson, President Bush recognized this commitment and stated that their city is more than a collection of buildings, or a place on a map. He also stated that from its earliest days, it has nurtured the lives and accomplishments of countless individuals united through the years by a common love for the place they call home.

We agree with the President, and join with him in a special salute to the 175 years of fine tradition now being celebrated by the City of Beautiful Homes, Churches and Schools, Jackson, MO.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise once again to inform my colleagues that today is the 1,602d day

that Terry Anderson has been held in captivity in Beirut.

As we leave this body for the August recess, I request that we continue to keep Terry Anderson in our thoughts and prayers.

I ask unanimous consent that a Los Angeles Times article on this matter which appeared on Christmas Day, 1987, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, Dec. 25, 1987]

HOSTAGE PLEADS FOR U.S. HELP

BEIRUT.—On his third Christmas Eve as a hostage, American journalist Terry A. Anderson told his family in a videotape released Thursday that he is well and pleaded with his government to do what it can to free him.

"To my family, I love you and miss you very much," he said in a strong, steady voice on the four-minute videotape, which Anderson's captors delivered to the British news agency Reuters in Muslim West Beirut. "I'm sorry we have to be apart again this Christmas.

"I'm in good health, but tired and very lonely. I think of you very much. Kiss my beautiful children for me and be patient."

LONGEST-HELD CAPTIVE

Anderson, who was kidnaped by Muslim extremists in West Beirut on March 16, 1985, is the longest-held foreign captive in Lebanon. His father and a brother have died during his captivity. One of his two daughters, Sulome, now 2, was born after his abduction.

The 40-year-old journalist, who was chief Middle East correspondent for the Associated Press, appeared to be reading from a prepared text as he pleaded for help from the U.S. government for the eight Americans held hostage in Lebanon, saying to President Reagan:

"Mr. President, I say again this cannot continue. This is my third Christmas as a hostage. Others have been [held] nearly as long.

"Surely it's enough? It has to be. Our condition is not great. There's a limit for how long we can last and some of us are approaching their limit very rapidly."

In Washington, State Department spokeswomen Phyllis Oakley said: "All statements by hostages are made under the duress of their captivity. We continue to be deeply concerned for the health and the well-being of all the hostages. They are not forgotten."

WAITE STILL A HOSTAGE

In addition to the eight Americans, at least 12 other foreigners are known to be hostages in Lebanon. Anglican church negotiator Terry Waite dropped from sight Jan. 20 after leaving his West Beirut hotel to meet with extremists and is now also considered a hostage.

Peggy Say, Anderson's sister, said at her home in Batavia, N.Y., that the message brightened an otherwise discouraging Christmas. "Next to his release, it's the best news we could have gotten."

In London, Robert A.K. Runcie, the Archbishop of Canterbury, made an impassioned appeal for the release of the Western hostages, especially Waite his personal envoy, his office said Thursday.

"At this sacred season I have no hesitation in making a special appeal to the religious and political leaders in Lebanon and the other countries which, in one way or another, may have influence on the captors." Runcie said.

Meanwhile, Joelle Kauffman, wife of French hostage Jean-Paul Kauffman, who was kidnaped in May, 1985, flew from Paris to Beirut on Thursday to be near her husband. Her trip to Beirut came amid reports that two Frenchmen and a West German captive would soon be set free.

On Thursday, two Lebanese newspapers reported that the three hostages would be released within the coming days.

"Two French hostages and German captive Rudolph Cordes will regain freedom within 48 hours during the glorious Christmas," the conservative Al Anwar newspaper reported. The pro-Syrian newspaper Al Shark said the release of the three captives would take place during the next fews days. The French hostages were not named in either newspaper report.

Anderson, in remarks directed to the Reagan Administration on the videotape, said that no progress has been apparent in efforts to free American captives since David P. Jacobsen of Huntington Beach, Calif., former director of the American University Hospital in Beirut, was released on Nov. 2, 1986.

He has appealed to Reagan for action in an earlier message delivered by his kidnapers, the pro-Iranian Shia Muslim extremist group Islamic Jihad (Islamic Holy War).

Anderson was bearded on the videotape. He wore spectacles and a light brown sweater. He said to Reagan:

"Surely by now you know what must be done and how you can do it. This is difficult, but you can do it. There has been enough careful consideration, cold discussion and enough intricate secret maneuvering and more than enough self-righteousness. . . .

"Mr. President, I'll say again, this cannot continue. There's a limit to how long we can last. Some of us are approaching that limit very rapidly. Surely by now, you know what must be done and how you can do it. I know this is a difficult and delicate matter, but you can do it."

In Washington, White House spokesman Marlin Fitzwater said intelligence experts will examine the latest tape "for nuances" and any other information it holds about the hostages condition.

Asked what Washington is doing to secure the captives release, he said: "Everything we can."

Anderson said on the tape that conditions for himself and other hostages probably would improve if those of the 17 convicted pro-Iranian terrorists jailed in Kuwait get better.

"If something is done to improve their conditions, ours will too," he said, but did not describe his own situation.

Islamic Jihad has demanded freedom for the 17, who were convicted of bombing the U.S. and French embassies in Kuwait in December, 1983. It also holds Thomas Sutherland, an American who is acting dean of agriculture at the American University of Beirut, and at least three French hostages.

In addition to Anderson and Sutherland, the American hostages held by a variety of extremist groups in Lebanon are: Frank H. Reed, 53, director of the Lebanese International School in West Beirut; Joseph J. Cicippio, 56 acting controller of the American University of Beirut; Edward A. Tracy, 56, a salesman; Alann Steen, 48, a journalism professor at Beirut University College; Jesse Turner, 39, a mathematics instructor at Beirut University College, and Robert Pohill, 53, an assistant business professor at the same institution.

THE WAR AND TREATY POWERS: UPHOLDING CONSTITUTIONAL PRINCIPLE

Mr. MOYNIHAN. Mr. President, one of the more unfortunate of modern political fashions has been the propensity, grown pervasive over the past four decades, of officials in the executive branch to stretch the Constitution without amending it—by asserting, through word and deed, the existence of far-reaching, sometimes virtually unlimited, and supposedly inherent Presidential authorities, particularly in the realm of foreign affairs. Motivating this executive aggrandizement is a belief that America's world role has become so great that we can ill afford, in exercising our weighty responsibilities, to be constrained by constitutional niceties—that is, by the balance between President and Congress so clearly and artfully envisaged by the Framers.

Surely it is one of our age's more poignant ironies that those most active in seeking to change our Constitution, either formally or by gradual distortion, are proud to style themselves as conservatives.

Against these tendencies, one can only offer an admonition and a pledge to heed it. This admonition, to all those who serve in our national government, is that our responsibility—in Congress and the Executive alike—is twofold: not only to develop and implement policies that serve the Nation's interests and but also to act as custodians of constitutional institutions we have every reason to treat as sacred.

Too often, I submit, this custodial role has been misconstrued—especially by presidential advisers propelled by the notion that the Nation's identity is somehow congruent with the office of the Presidency: that if and as the President's powers are expanded, so too is the Nation's welfare. Surely this is a misunderstanding. The framers did, in their wisdom, plan that the branches of government, each with its own powers, would check one another and thereby preserve a balance. But such a plan is far from an invitation to each branch to seek the expansion of its powers until aggrandizement is frustrated. The Constitution's framers cannot have hoped that balance would be maintained only by institutional battle and that our Government would be devoid of those who would seek balance as an end in itself.

Mr. President, I wish to call to the Senate's attention the work of one of our colleagues, the distinguished chairman of the Judiciary Committee, in seeking with extraordinary care and purpose to maintain that balance which the framers saw as the essence

of American Government. I refer today to Senator BIDEN's work with regard to two constitutional powers crucial to the conduct of American foreign policy: the war power and the treaty power—each assigned, by the Constitution's allocation of particular functions, as a power to be shared by the President and Congress.

Both of these powers have recently been the focus of contention. A prolonged dispute over the nature of the war power gained renewed intensity with the dispatch of a major American naval contingent to the Persian Gulf. And a new and unprecedented dispute over the treaty power was occasioned by the Reagan administration's effort to "reinterpret," and thereby fundamentally alter, a long-standing arm control treaty of bedrock significance. Entering both of these debates, Senator BIDEN made a remarkable contribution, both intellectually and practically.

On the treaty power, Senator BIDEN in 1987 chaired extensive joint hearings of the Foreign Relations and Judiciary Committees, entitled "The ABM Treaty and the Constitution." These hearings laid the groundwork for the Senate's historic debate over the treaty power in 1988 in connection with ratification of the INF Treaty, a debate that culminated in Senate approval, by an overwhelming margin, of a stipulation—a precondition of ratification—called the Biden condition. This episode has now been detailed, in all of its constitutional implications, in a law review article co-authored by Senator BIDEN in the University of Pennsylvania Law Review. I concur with Senator NUNN, who has written that passage of that measure will eventually be seen as one of the Senate's finest hours. This is true, not because the Biden condition expanded the Senate's powers but because it achieved its admirable purpose, well described by Senator BIDEN as "upholding a constitutional partnership."

In a similar vein, Senator BIDEN addressed himself to the question of the war power. As chairman of a Special Subcommittee on War Powers established by the Foreign Relations Committee, he last year held extensive hearings, later published under a title reflecting the situation those hearings so clearly underscored: "The War Power After 200 Years: Congress and the President at a Constitutional Impasse." On the basis of those hearings, Senator BIDEN has now co-authored in the Georgetown Law Journal a lucid law review article detailing a specific and well-considered proposal for overcoming that impasse.

Derived from a clear assessment of both constitutional precept and utilitarian need, Senator BIDEN's war power proposal embodies two principles: first, the operational imperative that the President have unambiguous authority to cope with a full range of military contingencies that may require prompt and effective action; and second, the constitutional—and practical—imperative for clear-cut congressional approval if the United States is to engage in sustained hostilities. I commend this article to my colleagues and to those in the executive branch willing to contemplate a fresh look at an argument now characterized on both sides by little more than the recitation of dogma. Just as he led the Senate toward a satisfactory resolution of the constitutional dispute over the treaty power, I believe Senator BIDEN's current proposal offers the possibility of a constitutionally and practically sound outcome with regard to the war power.

Mr. President, I ask unanimous consent that both law review articles be published in the RECORD. In their treatment of solemn constitutional issues, they reflect a standard of scholarship and seriousness that I admire immensely and that contributes still further to my esteem for my colleague from Delaware. His was the first State to ratify the Constitution, and it has given the Senate a distinguished modern leader to defend it.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

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THE WAR POWER AT A CONSTITUTIONAL IMPASSE: A "JOINT DECISION" SOLUTION

(By Senator Joseph R. Biden, Jr. and John B. Ritch II)

I. INTRODUCTION

During a period of relative tranquility at home and abroad, the question of how America goes to war begins to seem academic if not anachronistic. But the war power occupies a solemn place in our constitutional system, and if history is any guide, the issue—not just of war, but the process by which we decide on it—will once again acquire prominence and passion. This abiding question warrants dispassionate analysis in the calm before those fevers arise.

With the American Constitution now 200 years old, one might expect so fundamental a question to have been resolved—by two centuries of constitutional experience, if not by the Constitution itself. But in fact the reverse has occurred. Today the war power question is debated not in its nuances, but in its essence by two sharply conflicting factions whose arguments are charged with all the energy and ideology of two decades of dispute over policy and principle.

Ironically, the focus for this contention—the lightning rod—is a sixteen-year-old law intended by its framers to resolve the issue and facilitate harmony by establishing a constitutionally sound and functioning mechanism for decision. At least thus far, this admirable aim has met defeat.

Enacted over the veto of President Nixon, who attacked it as an unconstitutional infringement on the Executive's powers as Commander in Chief, the War Powers Resolution of 1973 [1] was heeded by President Ford and affirmatively accepted by President Carter.[2] But the 1980s saw the dispute resurrected, as the Reagan Administration, abetted by former President Ford speaking in a newly critical voice and by an Executive-oriented element in Congress, grew steadily bolder in denouncing both the Resolution and its underlying rationale. Meanwhile others in Congress continue to regard the War Powers Resolution as sound in its constitutional premises, even if imperfect in its details, and to insist upon presidential compliance.

With the conflict having degenerated into trench warfare, we have reached what amounts to a constitutional impasse that will debilitate American foreign policy for so long as it goes unresolved. While the prospects for a solution appear unpromising, that goal should be the object of a genuine search. For the achievement of broad agreement on the constitutional parameters surrounding the war power, and the codification of this consensus in accepted procedures, would serve the nation not only in time of crisis, but by fostering greater comity and clearer focus—on the part of both the Executive and the Congress—in the constant interation from which American foreign policy emerges.

Symptom of the impasse: a chronic debate over procedure

The most recent case in point arose in 1987, when the Reagan Administration placed Kuwaiti oil tankers under the American flag and committed the United States Navy to protect those vessels in the Persian Gulf. As this policy rather haphazardly emerged, the Administration presented it as a simple matter of principle—an assertion of the right of innocent passage on the high seas. In fact, Administration policy represented nothing less than a major commitment of American forces on the Iraqi side in the Iran-Iraq War.[3]

Whatever its ultimate wisdom or folly, this action was a complex, high-risk undertaking not at all self-evident in its justification. With American forces about to begin a mission entailing a considerable possibility that the United States would be drawn into one of this century's bloodiest wars, surely a significant debate was in order—whether in public closed doors—to establish the requisite congressional support. Yet that debate hardly occurred. Instead, Congress quickly descended, as it has several times in recent years, into a debate not on the policy at issue but on the procedure—specifically, how the requirements of the War Powers Resolution might apply, and indeed whether that law is even constitutional.[4]

Such a focus on procedure was no doubt inevitable since the Administration had, by defying the requirements of the War Powers Resolution, denied Congress any role in a decision portending United States involvement in a major war. Nonetheless, intellectual energies needed for analysis of the national interest in the situation were diverted, as on prior occasions, into frenzied argument over legalisms. Did these circumstances fulfill the criterion of "hostilities or . . . imminent involvement in hostilities," as specified in the War Powers Resolution? If so, when had the sixty-day time clock for congressional authorization begun to run? Since the President had not sent Congress the required report, which would clearly trigger the clock, how could anyone know for sure that the clock was running? Could Congress make it run? Et cetera.

Essence of the Problem: Two Sharply Divergent Views

In late 1987, recognizing such digressive and divisive debate as a chronic phenome-

non rather than an exceptional incident, the Senate Foreign Relations Committee established the Special Subcommittee on War Powers to review and reassess the entire problem.[5] During 1988, the Subcommittee held extensive hearings involving some thirty witnesses—including a former President, key legislators involved in originating the War Powers Resolution, current and former Secretaries of Defense and State, current and former Chairmen of the Joint Chiefs of Staff, the State Department Legal Adviser, and numerous historians and constitutional scholars.[6]

Several witnesses articulated what has become a commonplace: that enactment of the War Powers Resolution in 1973 was little more than a misguided symptom of congressional disillusion with the Vietnam War and that matters could be straightened out if Congress simply would repeal the law.[7] But in fact, as the hearings underscored, what is at stake is a profound constitutional issue, defined by a fundamental divergence of view which, in historic perspective, has appeared only recently, and which will not be resolved by the expedient of erasing an existing law. This divergence concerns the nature and extent of the inherent constitutional authority of the President to commit the United States to hostilities. It is conflict over *this authority*, not the existing law, that is the essence of our current problem.

One view can fairly be labeled "monarchist." This model sees the President as having virtually unlimited authority to deploy and use the armed forces in pursuit of what he regards as the national interest. Monarchists concede that Congress can act to constrain the President, but they argue that the only congressional power relevant to warmaking is the power of the purse.[8] In short, if the President starts a war to which Congress objects, Congress can always cut off the money to wage it. Certainly this is a clean division of labor. But what merits debate is whether it is a *constitutionally mandated* division of labor or even a desirable one considering its ultimate effect on American foreign policy.

The practical implications of the monarchist model are sobering. Congress will never fail to provide overall funding for the armed forces, and the President can veto military appropriations bills containing restrictions he finds unacceptable. Thus, under the monarchist model, in order to stop a President from using American forces in a particular way, Congress faces the task of passing a specifically restrictive law over his veto. Monarchists would thus grant a determined President a free hand so long as he sustains the support of one-third-plus-one in either house. Under this model, even if Congress eventually asserts its will by insisting that the President *sign* an appropriations bill with restrictive amendments, the role envisaged for Congress is purely reactive and negative—a role played only after a presidential policy has been unilaterally implemented and has gone awry.

The alternative view advanced herein is a "joint decision" model.[9] Its premise is that there are indeed limits on the President's independent power to commit forces to combat—limits that, while not precisely defined in the Constitution, exist nonetheless and may be delineated in codified, constitutionally sound procedure. In this view, the President draws his independent authority not from some robust concept of the President as an all-knowing and nearly omnipotent Commander in Chief, but from a more limited Executive responsibility to protect the nation and its citizens from immediate threats. Under the joint decision model, presidential power to use force in the absence of statutory authorization derives from the concept of emergency: the need to repel an attack on the United States or its forces, to forestall an imminent attack, or to rescue United States citizens whose lives are imperiled. Conversely, any policy involving a *sustained* use of force must derive from an *affirmative* decision of the entire government, including Congress.

Evaluating these two models is complex not only because the Constitution itself is vague but also because custom and practice—the deeds of two centuries of American history—offer a wealth of examples that are cited to support both sides of the argument. Such confusion tends to work in favor of the monarchist model by inducing a kind of collective constitutional shoulder shrug—an attitude that, since the Constitution appears unclear, perhaps we would do best to let the President get on with the business of defending American interests as he sees fit. On the other hand, the constitutional situation is, upon examination, not as murky as the monarchists would have it.

Intent of the Framers

The intent of the Framers of the Constitution cannot resolve this debate,[10] but is the logically necessary point from which to begin when the text itself seems unclear.[11] The Constitution they drafted is, in its allocation of powers affecting foreign policy, "cryptic and ambiguous"[12]—and, one must conclude, purposefully so. The greatness of the Framers lay not only in what they knew but in their wise recognition of what they could not know. In foreign policy they recognized the need for flexibility. As Alexander Hamilton wrote in the Federalist, "[I]t is impossible to foresee or to define the extent and variety of national exigencies. . . . The circumstances that endanger the safety of nations are infinite; and for this reason, no constitutional shackles can wisely be imposed on the power to which the care of it is committed."[13]

But rejecting "shackles" did not mean rejecting *processes* by allocating foreign policy to one unconstrained authority. Clearly, the Framers wished to repose strong executive power in the President—to overcome the chaos that had characterized government under the Articles of Confederation. But on the question of warmaking, the Framers' throughts were dominated by their experience with the British King, whose power, as analyzed by Blackstone, included "the sole prerogative of making war and peace."[14] Such powers the Framers were determined to deny to the President. Accordingly, even so staunch an advocate of presidential power as Hamilton emphasized that the President's power as Commander in Chief would be "much inferior" to that of the King, amounting to "nothing more than the supreme command and direction of the military and naval forces."[15] This power was not to include the decision on war itself.

Indeed, an early draft of the Constitution reserved exclusively for Congress the power to "make war."[16] Later this was changed to "declare war." But the reason for the change is instructive. In the convention, James Madison and Elbridge Gerry argued for the amendment solely in order to allow the President "the power to repel sudden attacks."[17]

The Framers had no interest in the ceremonial aspects of declaring war. Even then, as Hamilton noted, "[T]he ceremony of a formal denunciation of war" had "of late fallen into disuse."[18] The real issue was congressional authorization of war. And on that issue there appears little doubt that the Framers' aim was to empower the President to respond when war was imposed on the nation, but not to empower him to undertake war on his own.

II. THE WAR POWER THROUGH TWO CENTURIES

Constitutional practice: 1789 to the Civil War

In the early years of the new Republic, James Madison summarized the Framers' intent in a letter to Thomas Jefferson: "The Constitution supposes, what the History of all Govts demonstrates, that the Ex. is the branch of power most interested in war, & most prone to it. It has accordingly with studied care vested the question of war in the Legisl."[19]

Since a fair reading of the Framers' intent makes it difficult to draw any conclusion at odds with Madison's authoritative summation, modern-day monarchists must rest their constitutional arguments less on original intent than on constitutional practice, in which they claim to discern a long history of support.[20] Let us therefore scan the two centuries for evidence and themes. Does American history confer legitimacy on presidential warmaking?

The first potential example for the monarchist case arose when President John Adams deployed naval forces in an undeclared war with France from 1798 to 1801. But on examination this episode can offer the monarchists little solace, for Adams actually sought and obtained congressional support. Indeed, Congress ultimately became more belligerent than Adams, passing a number of measures aimed at encouraging successful prosecution of the conflict.[21]

The young Republic's war with France also produced significant Supreme Court decisions bearing on the question of limited war, a phenomenon that modern monarchists often suggest lies outside the provisions of the Constitution. The Constitution itself had touched on this subject by reserving for Congress the authority to grant "Letters of Marque and Reprisal," [22] licenses issued to private citizens empowering them to seize enemy ships in an 18th century version of limited war. But the Court's rulings made the matter of limited war still clearer. Wars, the Court said, even if "imperfect," are nonetheless wars.[23] Moreover, Chief Justice John Marshall ruled that "Congress may authorize general hostilities . . . or partial hostilities." [24] In short, all war—not just full-scale "perfect" war, but also limited war—falls within the constitutional concept of war.

In still another case arising from this conflict, *Little v. Baremme*,[25] Chief Justice Marshall rendered a decision of enormous importance in defining the scope of the President's inherent powers. Congress had barred all commerce with France and authorized the seizure of American vessels bound for France.[26] Marshall ruled that Congress had thereby clearly implied a limit on the President's power in enforcing the ban. Thus, the seizure of an American vessel sailing from France conflicted with the congressional will and was therefore illegal. By acting, Congress had preempted presidential discretion.[27]

Modern monarchists also refer habitually to the actions of Adams' successor, Thomas Jefferson, in coping with the Barbary pirates, whose attacks on shipping caused Jef-

ferson to dispatch the Navy and brought the United States into a limited and undeclared war with Tripoli from 1801 to 1804.[28] But note President Jefferson's concept of the constraints on his inherent power: United States naval forces, he told Congress, were "unauthorized by the Constitution, without the sanction of Congress, to go beyond the line of defense."[29] He thereupon requested "authorizing measures of offense," which Congress quickly granted.[30]

Jefferson spoke similarly a few years later. Having made history's sharpest real estate deal by purchasing Louisiana, he addressed himself to the question of whether American forces should be used against the Spanish, whose incursions from Florida posed a threat to the newly acquired territory. Jefferson told Congress that

"Considering that Congress alone is constitutionally invested with the power of changing our condition from peace to war, I have thought it my duty to await their authority for using force . . . . The course to be pursued will require the command of means which it belongs to Congress exclusively to yield or deny."[31]

The War of 1812, during the presidency of James Madison, does not bear on either side of our modern-day argument over the war power. It was the first of our five declared wars,[32] the only one in which the declaration was not simply a formality acknowledging the prior existence of war, and holds historical interest primarily as a reminder that Congress is not always more peaceloving than the President. In spoiling for a fight, the War Hawks in Congress were way ahead of Madison.[33]

But our second declared war, with Mexico in 1846, does hold relevance to the current constitutional predicament. Hostilities began when President Polk sent American troops into disputed border territory, where they were attacked by Mexican forces defending Mexico's claim. Congress responded by declaring war.[34] two years later, with the war still on, the House of Representatives, convinced by now that it had been hoodwinked by a presidential fait accompli, resolved that the war had been "unnecessarily and unconstitutionally begun by the President of the United States."[35]

An elderly Congressman, former President John Quincy Adams, who had served a quarter century earlier as James Monroe's Secretary of State and had devised the famous doctrine that bore Monroe's name, gave his last hours in public life to denouncing Polk's effort to justify the war as an application of the Monroe Doctrine.[36] Meanwhile, a younger colleague, Congressman Abraham Lincoln, offered a classic articulation of the dilemma of presidential warmaking we face today:

"Allow the President to invade a neighboring nation, whenever he shall deem it necessary to repel an invasion . . . and you allow him to make war at pleasure. Study to see if you can fix any limit to his power in this . . . . If today, he should choose to say he thinks it necessary to invade Canada, to prevent the British from invading us, how could you stop him? You may say to him, "I see no probability of the British invading us," but he will say to you, "Be silent; I see it, if you don't."[37]

The President's ability to deploy forces with major effect was displayed again just a few years later, in 1854, when Franklin Pierce sent Commodore Perry and a naval squadron to "open up" Japan through a persuasive show of power. But there also were many other, less conspicuous deployments. In the thirty years before the Civil War, U.S. naval forces were used without specific congressional authorization in more than a dozen instances to deal with pirates or unobliging natives in locations ranging from Africa to the South Pacific.[38]

Significantly, however, Presidents continued to pay heed to the distinction between deploying forces and the authority to initiate hostilities. Polk, after all, did obtain a declaration of war before proceeding to wage the Mexican conflict his deployment of forces had precipitated. On the eve of the Civil War, President James Buchanan summed up the state of the war power after some seventy years of constitutional practice: "[W]ithout the authority of Congress the President cannot fire a hostile gun in any case except to repel the attacks of an enemy."[39]

Constitutional practice: the Civil War to 1950

In the Civil War itself, President Lincoln undertook such sweeping measures in the absence of congressional authorization that one Supreme Court Justice labeled Lincoln's presidency a "military depotism."[40] But Lincoln's actions, in the context of a domestic rebellion threatening the very survival of the nation, bear little on the question of the use of force abroad.[41]

In the last third of the 19th century, the country looked westward; and American history begins to offer modern monarchists some vague precedent for their case only after a rising imperialist instinct had produced our third declared war: the Spanish-American War of 1898.[42] Victory over Spain made the United States a world power, and brought with it the terriorial gains of conquest. In the newly acquired Philippines, U.S. forces quickly became mired in an undeclared, unauthorized, and far bloodier war with our new subjects. This savage counterinsurgency, involving some 130,000 American troops, presaged in many respects the much later tragedy in Vietnam.[43]

The Philippines, of course, was at least technically a United States possession: China was not. There President McKinley opened the new century—and set the tone for a more presidentially assertive phase in our constitutionally history—by dispatching five thousand American troops to join an international force that quickly put down the Boxer Rebellion. McKinley did so without congressional authorization, using as his pretext the protection of American lives and property.[44] His action aroused no congressional objection, paving the way for similar exercises of unilateral power by Presidents Roosevelt, Taft, and Wilson in the Caribbean and Latin America in the years before World War I.[45] President Wilson did obtain our fourth official declaration of war before sending troops to Europe in 1917,[46] but did not seek congressional authorization when he dispatched troops to Siberia after the First World War had ended.[47]

From an historical perspective, the century's first two decades had served to raise the war power issue. But the monarchist model had by no means established itself, as President Wilson soon discovered. In one of several formal reservations he attached to the Versailles Treaty, the Republican Chairman of the Senate Foreign Relations Committee, Henry Cabot Lodge, stipulated that Congress had the "sole power" to "authorize the employment of the military or naval forces."[48] (Such views, it is interesting to recall, were once the essence of Republicanism.)[49] Lodge's reservations, which killed the treaty's ratification, expressed sentiments—against presidential discretion and for isolationism—that were to govern American policy for the next two decades.[50] By 1939, the outbreak of war in Europe found President Franklin Roosevelt heavily constrained both by strict neutrality laws and by the balance of power in Congress.[51]

For two years, before Pearl Harbor produced our fifth and last declaration of war[52] and ended American isolationism forever, Roosevelt pressed against such limits to the utmost. He exchanged American destroyers for British bases by executive agreement, sent American troops to Greenland and Iceland, and instituted a convoy system in the North Atlantic, issuing "shoot on sight" orders to the United States Navy.[53] Yet when Senator Robert Taft challenged the constitutionality of the move into Iceland, Roosevelt responded not with sweeping claims of inherent presidential authority but by continuing to maneuver as best he could to prepare the United States for the war he expected to come.[54] In perhaps his most significant prewar policy, Lend-Lease, Roosevelt sought and obtained congressional authorization.[55]

When World War II ended, leaving the United States a superpower supreme on the world stage, the constitutional status of the war power still appeared reasonably clear. Through a century and a half, Presidents had on numerous occasions used troops for police actions and, in the free-wheeling period before World War I, had even installed provisional governments in Latin America. It also was generally recognized, as Lincoln had discerned, that a presidential deployment of forces could in itself create the circumstances that might lead to hostilities. Yet our history to that point offers little true support for the monarchist model. Presidents had on numerous occasions acted unilaterally under the justification of defending American citizens or forces. But no President had ever asserted an inherent right to take the nation to war.

All this was about to change, although not immediately. In the five years following the Second World War, the Truman Administration courted Congress assiduously to ensure support for America's new world role.[56] The establishment of the United Nations,[57] the beginning of the international exchange program,[58] aid to Greece and Turkey under the Truman Doctrine,[59] the launching of the Marshall Plan,[60] and the creation of NATO[61] pursuant to the Vandenburg Resolution[62]—all had the full participation and imprimatur of Congress. Neither Truman nor his representatives suggested any challenge to "the constitutional premise that U.S. commitments abroad required an Executive-Legislative partnership and were impossible by Executive fiat.[63]

Thus, and this bears emphasis, the era now fondly regarded as "the golden age of bipartisanship" in American foreign policy was a product not only of international statesmanship at both ends of Pennsylvania Avenue, but also of a Truman presidency that did not, during its first five years, seek to test the limits of Executive prerogative.[64]

The postwar period: "monarchism" in bloom

With the outbreak of the Korean War, this pattern of constitutional partnership was skewered by an unprecedented presidential assertion. In June 1950, in dispatching American naval and ground forces to the defense of South Korea, the Truman Administration declined to seek congressional authorization and instead asserted, with

elaborate legal argument, an inherent presidential authority to act unilaterally to protect the "broad interests of American foreign policy." [65]

The full constitutional significance of this "fateful moment" [66] was obscured at the time.[67] But in fact an extraordinary transformation had occurred in Executive-Legislative relations. As former Senator J. William Fulbright recently reflected:

"With the famous bipartisanship of the late 1940s, the Senate and the House of Representatives had cooperated in a series of steps by which the United States assumed a role of world leadership. But having done so, Congress found itself facing an Executive that would point to these global responsibilities as justification for bypassing traditional requirements for congressional approval.[68]

For many who would later condemn it—such as Fulbright [69] and historian Arthur Schlesinger, Jr.[70]—the emergence of a monarchist approach to foreign policy did not originally appear unwarranted or dangerous. Indeed, it seemed the unavoidable and rational response to compelling circumstances. America's pre-World War II isolationism was now regarded asymptomatic of congressional myopia, while the President as Commander in Chief had acquired tremendous stature during the war and in the formation of postwar alliances. Meanwhile, the emerging Cold War posed ominous uncertainties to which the nuclear age added an overarching danger. In such an environment, Truman, Eisenhower, and Kennedy seemed far safer custodians of the national security than a Congress which in the 1950s "allowed itself to become a forum for the shameful anti-communists witchhunt of McCarthyism" [71] and which remained, even thereafter, a hothouse of parochialism. To many reasonable observers, proponents of congressional prerogative were seen as agents not of constitutional balance but of unenlightened reaction.

By 1960, Dean Rusk, in an article that presaged his service as Secretary of State for Presidents Kennedy and Johnson, was able to write in *Foreign Affairs*: "As Commander in Chief the President can deploy the Armed Forces and order them into active operation. In an age of missiles and hydrogen warheads, his powers are as large as the situation requires. . . ." [72] A year later, as the United States crossed into the New Frontier, Senator Fulbright, by now chairman of the Senate Foreign Relations Committee, reflected the tenor of the times and of prevailing congressional sentiment with these extraordinary words:

"[T]he price of democratic survival in a world of aggressive totalitarianism is to give up some of the democratic luxuries of the past. We should do so with no illusions as to the reasons for its necessity. It is distasteful and dangerous to vest the executive with powers unchecked and unbalanced. My question is whether we have any choice but to so do." [73]

Within four years, Fulbright himself took the lead in saying yes, there was a choice. The turning point, in early 1965, was President Johnson's dispatch of 22,000 U.S. troops to the Dominican Republic. While rationalized as a rescue of endangered Americans, this action came as a sudden throwback to the gunboat diplomacy of a half century before.

But the compelling and defining issue was, of course, Vietnam. In 1964, prior to the presidential election, Johnson had engineered the Gulf of Tonkin Resolution arguing privately that a demonstration of American unity would help him avoid any deeper involvement in Southeast Asia.[74] By the summer of 1965, however, the Administration had begun its escalation, citing the Resolution in the process.[75] Fulbright's break with Johnson ended a long-time friendship and set the stage for the televised Senate Foreign Relations Committee hearings that were to become, in the late 1960s, the principal public forum for the nation's growing disenchantment with the Vietnam war.

By eliciting the Tonkin Gulf Resolution, albeit under dubious pretenses, Johnson at least had paid some deference to the concept of congressional authorization for the use of force. But with the election of Richard Nixon, monarchism reached full bloom. At the time of the Korean intervention, Secretary of State Acheson had pleaded expediency.[76] Two decades later, the argument of expediency had become doctrine. In 1970, when President Nixon sent U.S. forces into Cambodia with neither congressional authorization nor even consultation, his accompanying assertions of autonomous presidential power [77] were so sweeping and so extreme that the Foreign Relations Committee began a search, led by Senator Jacob Javits, for some means of rectifying what was now perceived as a dangerous constitutional imbalance. The result, three years and scores of hearings later, was the War Powers Resolution—a somewhat flawed compromise between differing Senate and House versions.[78]

III. THE WAR POWERS RESOLUTION: A FLAWED EFFORT TO RIGHT THE BALANCE

The mechanism envisaged by the War Powers Resolution is simple. If the President introduces U.S. forces into "Hostilities or situations where imminent involvement in hostilities is clearly indicated by the circumstances," he is required under § 4(a)(1) to report within forty-eight hours to Congress. Under § 5(b), this report triggers a sixty/ninety-day period [79] within which the President must obtain congressional authorization if hostilities are to be sustained.[80] Before expiration of that period, Congress may also, under § 5(c), require by concurrent resolution that the action be terminated.[81]

Unfortunately, the Resolution contains readily identifiable flaws. The Resolution begins with an attempt to enumerate comprehensively the President's authorities to use force but—primarily as a result of a flawed bargaining process between competing House and Senate versions—presents them inadequately. Section 2(c) lists only three authorities: (1) pursuant to a declaration of war; (2) pursuant to specific statutory authorization; and (3) in order to repel an attack on U.S. territory or forces. It thus omits two circumstances—rescuing Americans and forestalling an imminent attack—that had been in the original Senate version and that most constitutional scholars would place under the heading of the President's established constitutional authority and responsibility.

The Resolution then raises puzzling questions about the relationship between those authorities it cites and the sixty-day clock. According to § 5(b), the clock does not apply if Congress has declared war or enacted a statutory authorization for a specific use of force. Nor does it apply if Congress is physically unable to meet as a result of an attack on the United States. Thus, the Resolution exempts from the workings of its central mechanism virtually every action it affirms as residing within the President's authority.

The Resolution, by its own logic, does *not* exempt from the sixty-day clock the circumstances in which the President has acted within his acknowledged constitutional authority to repel an attack and Congress, though able to meet, has not provided a declaration of war or a statutory authorization. The Resolution thereby appears to apply a sixty-day limit to an inherent presidential power that, quite arguably, cannot be so limited. This logical flaw, and the rather glaring omissions of § 2(c), have made the Resolution an easy target for its critics.

No critic was more biting than Senator Sam Ervin, who focused on the repelling-invasion scenario during the 1973 Senate debate:

"This measure is an absurdity. It says that when the United States is invaded, Armed Forces of the United States must get out of the fight against an invader at the end of [sixty] days if Congress does not take affirmative action within that time to authorize the President to continue to employ the Armed Forces to resist the invasion . . . . [This means] the President must convert Old Glory into a white flag . . . if Congress does not expressly authorize him to perform the duty the Constitution imposes on him to protect the Nation against invasion." [82]

A fuller statement of presidential powers in § 2(c) would not only have been sounder constitutionally, but would have provided a reasonable application of the sixty-day clock to the presidential powers acknowledged by the Resolution. Specifically, had § 2(c) affirmed the President's constitutional authority to rescue Americans and to forestall attacks on the United States and its armed forces, it would be arguable that such presidential authorities to act abroad, though constitutionally derived, depend on the rationale of emergency and therefore are limited in time and scope. Under these circumstances, the sixty-day clock could be defended as a mechanism to implement the principle that the President may respond to certain emergencies but may not transform them into a policy of protracted warfare without congressional approval.

Since the War Powers Resolution did not recognize these additional powers, however, and since the authorities on the actual list are not limited by the sixty-day clock (or, in the case of repelling attack, not properly limited), the Resolution carries the unavoidable implication that its clock mechanism is intended to apply to presidential initiatives undertaken without proper authority. This implied expectation—that the President regularly will overstep his constitutional authority—weakens the Resolution substantially. As Professor Louis Henkin testified, "Declarations of constitutional limitation on the President are undermined if Congress proceeds to assume that he will violate them and prescribes procedures for such violations." [83]

Indeed, the implied assumption of routine presidential excess raises a practical question: If Congress expects the President to violate constitutional limits in committing forces, why expect his dutiful adherence to a legislated time limit on keeping forces deployed?

There is, it should be noted, one way to avoid construing the Resolution as implying an expectation that the President will exceed his proper authority. But to do so, one must construe the Resolution as constituting, in and of itself, an authorization under which the President may wage war for sixty/ninety days. While this certainly was not the congressional intent,[84] one of

the War Powers Resolution's original champions, Senator Thomas Eagleton, recognized the danger that such an inference would be drawn and denounced the Resolution in its final form for that reason.[85]

Still another flaw—many would argue—lies in § 5(c), which permits Congress to require a cessation of military action by concurrent resolution. In the aftermath of the Supreme Court's 1983 decision in *INS v. Chadha*,[86] which found that legislative vetoes violate the Constitution's presentment clause,[87] most scholars who otherwise support the Resolution's constitutionality accept the unconstitutionality of § 5(c).[88] Although this view is by no means universal,[89] defenders of the Resolution are generally disposed to see this subsection repealed because it is not crucial to the Resolution's purposes and serves "only to provide an excuse for denunciation and defiance of the entire Resolution." [90]

While these flaws did not escape notice at the time of enactment, an even more fundamental flaw in the War Powers Resolution was not anticipated—the impotence of the Resolution's basic mechanism if a President capitalizes on ambiguities available in the § 4 reporting requirement. Section 4(a) of the Resolution provides that:

In the absence of a declaration of war, in any case in which United States Armed Forces are introduced—

(1) into hostilities or into situations where imminent involvement in hostilities is clearly indicated by the circumstances;

(2) into the territory, airspace or water of a foreign nation, while equipped for combat, except for deployments which relate solely to supply, replacement, repair, or training of such forces; or

(3) in numbers which substantially enlarge United States Armed Forces equipped for combat already located in a foreign nation; the President shall submit within 48 hours to the Speaker of the House of Representatives and to the President pro tempore of the Senate a report, in writing, setting forth—

(A) the circumstances necessitating the introduction of United States Armed Forces;

(B) the constitutional and legislative authority under which such introduction took place;

(C) the estimated scope and duration of the hostilities or involvement.[91]

Section 5(b) stipulates that the clock begins when "a report is submitted or required to be submitted pursuant to section 4(a)(1)." but since a decision by the President not to submit a report leaves unresolved whether a report was "required to be submitted," the clock is unambiguously triggered only when a report is actually transmitted and when it explicitly identifies the situation as one described in § 4(a)(1).[92] Conversely, if the report provides some or all of the information required by subparagraphs (A), (B), and (C), but fails to affirm the existence of a § 4(a)(1) situation, the applicability of the clock is again left in doubt. Since the Resolution's enactment, Presidents have used this ambiguity to their advantage by doing precisely that, nodding in the direction of the War Powers Resolution while avoiding formal acceptance of its fundamental mechanism.[93]

In the past sixteen years, Congress has received nearly a score of presidential reports described as "consistent with" the War Powers Resolution. Only one has made specific reference to § 4(a)(1): President Ford's 1975 report on the *Mayaguez* incident, submitted after the event.[94] Thus, in the entire history of the War Powers Resolution, the sixty-day clock has never been unambiguously triggered. As in the recent United States naval deployments and hostilities in the Persian Gulf, Congress has been left to engage in periodic debates about the constitutionality of the law and the President's degree of compliance with it—examining only secondarily the substantive merits of the policy at issue.

OPTIONS TODAY

But if the War Powers Resolution has never worked as envisaged, the question remains: Could it work? Could such a framework facilitate, rather than complicate, Executive-Legislative interaction in the decision to use American forces abroad?

Certainly the Resolution's flaws described here do not make the case for repeal; they are correctable. The "legislative veto" provision is severable and can be repealed. Any implied time limit on the President's authority to repel attacks on the United States could be excised. And the list of inherent presidential authorities could be expanded, thereby removing the two deleterious implications mentioned earlier: that the clock applies only in instances in which the President has already violated the stated limits on his authority or, alternatively, that the Resolution bestows presidential powers beyond those a President would otherwise possess. Together, these alterations deprive the Resolution's critics—right and left—of their principal constitutional complaints.

Moreover, the most common operational criticism of the Resolution—that Congress could shirk its responsibility by inaction, leaving the President high and dry and forcing a withdrawal after sixty days[95]—is simply spurious, an allegation that has achieved effect not by persuasive force but through sheet repetition. Indeed, under the logic of the Resolution, it is difficult to imagine how withdrawal-via-inaction could occur, because § 6 guarantees highly expedited legislative procedures insuring time-certain voting on any authorization measure introduced pursuant to the President's submission of a § 4(a)(1) report. This means that, in either house, any one of the President's supporters could introduce a measure—providing precisely the authorization sought by the President—that would automatically reach a vote within a matter of days.

Thus, the criticism of potential congressional inaction is not only groundless but ironic. The problem is not that Congress may fail to give the President an answer; the problem is that Presidents have refused to ask.

Presidents have refused to ask for such authorization—not just under the War Powers Resolution, but beginning with Truman—on the basis of the relatively modern notion that to do so would weaken the Presidency. One must wonder whether, in acting on this rationale, they have succumbed, as the Foreign Relations Committee argued in 1970, to the dubious "notion that great Presidents are those who act effectively to strengthen the office of the Presidency as distinguished from strengthening the constitutional system as a whole."[96] The Committee quoted historian Thomas Bailey:

"The bare fact that a President was a strong one, or a domineering one, does not necessarily mean that he was a great one or even a good one. The crucial questions arise: Was he strong in the right direction? Was he a dignified, fair, constitutional ruler, serving the ends of democracy in a democratic and ethical manner?[97]

One must also ask whether, in their resistance to the very idea of the War Powers Resolution, Presidents have failed to take advantage of the real benefits such a procedure offers for registering, quickly if necessary, a formal expression of national consensus behind key policies that depend on broad support of success. The truth is that any presidential policy involving a use of force enjoys an enormous presumption of support. Thus, should a President ever choose to submit a § 4(a)(1) report declaring that hostilities had begun or were imminent and requesting immediate authorization for operations necessary to protect American lives and vital national interests, Congress would be profoundly reluctant to accept responsibility for the thwarting of his policy. Indeed, only if the President's policy were subject to severe and legitimate doubt would Congress be likely to resist his request—a valuable function for Congress to perform. But, in any case, a vote would occur: a joint decision would be reached.

Presidents nonetheless have declined to set foot on this playing field under the advice of succesive counselors that to accept the constitutionality of the game would undermine the Presidency itself.[98] Unfortunately, while the device of filing reports "consistent with" the War Powers Resolution has served the purpose of avoiding a head-on confrontation, it has left us fettered to a law that purports to be fundamentally important, but which the President fundamentally flouts.

In dealing with this constitutional impasse, our options today appear three-fold.

The first is to accept the status quo. Chairman Dante Fascell of the House Foreign Affairs Committee, a veteran legislator keenly familiar with the War Powers Resolution in all its aspects, testified that this probably was the most we could hope for.[99] He recognizes the liabilities of the current law, but his pessimism about any practical prospect of enacting improvements leads him to find a silver lining: the War Powers Resolution, whether presidents accept it or not, at least stands in law as a cautionary admonition against presidential excess.

The second option is repeal, or the functional equivalent thereof—as in the current Byrd-Warner proposal,[100] which would establish a formal congressional consultative group to interact with the President in critical situations, but which would denude the law of its principal "joint decision" mechanism: the requirement of congressional authorization. Functional repeal would have the one clear benefit of removing the law itself as a chronic object of dispute each time a use of force occurs. But it would have the distinct and almost unavoidable liability of symbolizing congressional acceptance of the monarchist model now asserted by the Executive.[101] It would return us to the status quo ante, but with a strong presumption that the monarchist model not only had prevailed but had been explicitly accepted by Congress. Since many in Congress are not prepared to accept that model, it would leave Congress and the Executive still at odds on a basic constitutional issue—with the Executive's hand somewhat strengthened.

The third possibility is to legislate a new framework on which Congress and the President can agree, framework that more successfully embodies the "joint decision" concept. This means devising a set of authorities and procedures that both branches

accept as constitutional and as desirable in the conduct of American foreign policy. While this possibility requires a convergence of view and a measure of comity that now seem unlikely, one nevertheless can envisage the premises of such a framework and the elements it might comprise.

PREMISES OF A CONSTITUTIONAL COMPROMISE

A new joint decision framework would be built on the premise that the war power is subject to legislation.

The most elegant rationale for this premise was articulated by Professor Louis Henkin and others during the hearings of the Special Subcommittee on War Powers.[102] Under their reasoning, the war power falls into what Justice Jackson, in his famous concurring opinion in the Steel Seizure Case,[103] called "a zone of twilight" in which the President and Congress have concurrent authority.[104] In this zone, Marshall's old rule in *Little v. Barreme*[105] customarily governs: the President cannot act unless Congress acts; if Congress acts, its legislation supersedes an otherwise valid order of the President.

Other scholars move more directly to the conclusion that the war power is subject to legislative delineation, resting their argument on a straight-forward reading of the Constitution: the power of the Congress to declare war and the mandate to Congress to "make all Laws which shall be necessary and proper for the carrying into Execution the foregoing [congressional] Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof."[106] They argue that, except in emergency situations affecting the security of American citizens or the country as a whole—situations which compel the President to act without prior congressional approval—the power to commit troops to combat is subject to congressional control, including any procedures Congress may choose to delineate in law.[107]

Obviously, general acceptance of joint decision framework would entail that the Executive yield the more extravagant constitutional claims made in defense of the monarchist model. But it would require, too, some recognition that the supposed need to unconstrained presidential authority in the modern age, which gave rise to such claims, has been exaggerated, as has the assumed superiority of executive branch sources of "intelligence." In an era when it has become clear that a good journalist's published analysis of events abroad will often prove as sound as highly classified National Intelligence Estimate, the cult of Executive expertise, which enjoyed a long run in the first decades of the postwar period, has surely had its day.

This is not to say that the President should be constrained in any way in protecting the nation during a genuine emergency or that Congress, in situations requiring longer-term judgment, will always contribute Solomonic wisdom to a joint decision. But neither can we assume that the presidency is a repository of flawless geopolitical instinct; history supports no expectation of consistent sagacity in either branch. Whatever its widely advertised foibles, Congress does, by its very nature, represent the broad diversity of America, and its members possess an enormous collective body of experience and common sense as to what works and what does not in the real world of human behavior, at home and abroad. In time of decision on war and peace, Congress' collective response will constitute a threshold test of whether the President's policies can win and sustain needed public support.

A new framework also requires the Executive to recognize that, ultimately, American foreign policy may benefit in use-of-force situations from the smooth workings of an agreed-upon system that yields a prompt congressional response. Motivated by patriotic instinct and sheer politics, Congress will, in almost any reasonable case, support a President's call to arms. And it is all the more likely to support him if the procedure for decision is no longer in dispute. Such a procedure thus can be doubly effective in fostering unanimity: it will force Congress off the sidelines while removing a chronic complaint about process.

IV. OUTLINES OF A NEW "JOINT DECISION" FRAMEWORK

A new "joint decision" framework could involve several elements.

New title

An initial element, more than cosmetically important, would be a new title to the law. After years of contention, the very name "War Powers Resolution" elicits attitudes so conflicting, entrenched, and emotion-charged as virtually to preclude rational debate and the grand compromise necessary for a new framework. Among its liabilities, the existing title invites digressive semantic debates as to what constitutes a war, whereas the real subject at issue is how the United States should decide on a policy that entails the likelihood of extended warfare. The current name also conveys an impression that legislation in this area represents a small-minded congressional effort to prosecute a parochial dispute about "powers," even at the cost of impeding military actions needed for American security.

In truth, the new law's purpose would be essentially that of its predecessor: to provide an effective mechanism, consistent with the Constitution, for joint decision-making on the use of American military power. But this affirmative aim, and the expectation that force will be used where necessary, would be more plainly conveyed by a title such as "The Use of Force Act."

Enumeration of Presidential Authorities

The key element of a new framework would be to move beyond the now sterile dispute over precisely what the Constitution, unembellished by legislation, allows and to accommodate practical reality by enumerating and affirming in law a broad range to soundly conceived presidential authorities. Such authorities would be available to the President without incident-specific congressional action—but, except in emergencies, only for a limited period. This listing would include and subsume those emergency authorities to use force regarded as inherent presidential powers deriving from accepted constitutional practice. And it would include additional authorities that Congress might wish, in the national interest, to grant, such as circumscribed authority to preempt or retaliate against clearly identified acts of terrorism.

It bears emphasis that Congress would not, through this technique, be conceding constitutional authority to the President, but rather exercising its own constitutional power to define and delegate authority. In the War Powers Resolution, enacted in an atmosphere of heated interbranch contention, Congress explicitly sought to confer no authority. Its intention was to rein the President in from assertions of unwarranted authority. In contrast, through a Use of Force Act, Congress would affirmatively delegate authorities that embrace and extend beyond those independently held by the President solely through the Constitution. In doing so, however, Congress would impose standards, limitations, and procedures pursuant to its own constitutional powers.

One authority, clearly not inherent but which Congress might wish to provide, would empower the President to use force pursuant to a decision of the United Nations Security Council[108]—as President Truman did in Korea, with the difference that Truman acted unilaterally, asserting an inherent authority.[109] It seems inconceivable that Congress would wish to thwart the United States' participation in any multilateral use of force on which the Security Council could unanimously agree, particularly if the President had consulted with the congressional leadership before participating in the United Nations' decision. From the President's perspective, genuine consultation would be the essence of prudence, since an extended use of force would eventually require congressional approval. Such a pre-authorization to the President could, in an international emergency such as the Korean intervention, prove useful and would serve, by its very existence, as a symbol of American support for multilateral, consensus-based U.N. action.

A similar authority for multilateral action would empower the President to use force in cooperation with America's democratic allies under circumstances wherein military intervention could have decisive effect in protecting existing democratic institutions in a particular foreign country against a severe and immediate threat. As with the U.N.-related authority, built-in constraints on the President would derive from the need to act multilaterally and the eventual need to obtain congressional authorization for a sustained use of force.

In legislation creating a new framework, all such authorities would be placed under the conceptual heading of "confirming and conferring," so as to avoid an endless dispute over the exact location of the line between what the President already possesses independently and what Congress was bestowing upon him by this legislation. By way of example, this aggregation of authorities could take the following form:

AUTHORITY AND LIMITS

§ 1 (a) In the absence of a declaration of war or statutory authorization for a specific use of force, the President, through powers vested by the Constitution and by this law, is authorized to use force abroad—

(1) to repel an armed attack upon the United States, its territories, or its armed forces;

(2) to respond to a foreign military threat that severely and directly jeopardizes the supreme national interests of the United States under extraordinary emergency conditions that do not permit sufficient time for Congress to consider statutory authorization;

(3) to protect and extricate citizens and nationals of the United States located abroad in situations involving a direct and imminent threat to their lives, provided they are being evacuated as rapidly as possible;

(4) to forestall an imminent act of international terrorism known to be directed at citizens or nationals of the United States, or to retaliate against the perpetrators of a specific act of international terrorism directed at such citizens or nationals;

(5) to protect, through defensive measures and with maximum emphasis on multilateral action, internationally recognized rights of innocent and free passage in the air and on the seas;

(6) to participate in multilateral actions undertaken under urgent circumstances and pursuant to the approval of the United Nations Security Council; and

(7) to participate in multilateral actions undertaken in cooperation with democratic allies under urgent circumstances wherein the use of force could have decisive effect in protecting existing democratic institutions in a particular nation against a severe and immediate threat.

(b) Force may not be used for purposes of aggression, and any and every use of force shall be subject to the principles of necessity and proportionality. Accordingly, force may be used only—

(1) if every effort has been made to achieve the objective set forth in subsection (a) (1)-(7) by means other than the use of force;

(2) with levels of force, in a manner, and for a duration essential to and directly connected with the achievement of such objective; and

(3) if the diplomatic, military, economic, or humanitarian consequences of such action are in reasonable proportion to the benefits of such objective.

Some would doubtless see in the affirmation of such authorities a dangerously excessive congressional concession. Indeed, the authorities listed above would have sanctioned such actions as the initial stages of the Korean intervention (clause 6); the Cuban missile crisis blockade (clause 2); the Iranian hostage rescue attempt (clause 3); the Dominican and Grenada invasions (clause 3, to the extent that evidence of danger to American citizens could be adduced and the limitations of subsection (b) were met); the Libya bombing (clause 4, to the extent that Libyan culpability in terrorism could be adduced); and initiation of the Persian Gulf escort operation (clause 5, to the extent the action could be justified as a defense of free passage).

But while generous in scope, this affirmation of authorities would also define and limit what the President can do and what justifications he can properly use—as opposed to the current monarchist situation in which no limits are even acknowledged.[110] By outlining broad but specific authority, the law also would be constraining: in accord with Marshall's rule in *Little* v. *Bareme*, what is not authorized is prohibited.

This approach—explicit authorization entailing implicit constraints—provides a sound constitutional means by which Congress can step usefully into Justice Jackson's "zone of twilight." By granting express authorities it would illuminate, in practical situations, when the President's authority is "at its maximum." Conversely, by implying which measures would be incompatible with the will of Congress, it would clarify those circumstances in which the President's power is "at its lowest ebb."[111] Thus, a Use of Force Act would serve not only to provide standards for evaluating actions already taken, but as a guide for action—an important function of all law.

An obvious concern is that the President could abuse such authorities by presenting a distorted interpretation of events. But the Chief Executive can present his version of events now, and there are no standards against which this portrayal can be weighed. In a functioning joint decision framework, a blatant distortion of authorities or circumstances would entail a clear risk. For such a framework would—except in an emergency directly imperiling the nation—empower the President to use force only in the short-term, and his efforts to obtain congressional approval for sustaining the action would be greatly compromised by a provocative act of misrepresentation.

Clearer definition of use of force

A new law also could more clearly define what kinds of activities are to be "captured" in its mechanism. The essential aim of a joint decision procedure is to ensure that the commitment of U.S. forces to sustained hostilities—to warfare—is based on affirmative congressional action. As a corollary, however, this crucial mechanism should not be triggered by any and all hostilities, including ephemeral incidents over which the President has no control. For example, we emphatically do not want a minor episode caused by a trigger-happy corporal on either side of the Korean DMZ, or by a band of terrorists, to set into motion a mandated decisionmaking process of the entire United States Government.

Our attention belongs primarily on uses of force involving some degree of United States policy initiative, in which American forces are newly deployed, or assigned to new duties, involving extensive combat or its likelihood. Our decision mechanism should go into effect only in the event of a commitment of forces to actual or prospective warfare.

Thus, in the case of forces already on-line abroad, minor episodes, however caused, would not fall within the statute because they involve no United States policy initiative, whereas major warfare resulting from foreign attack would become a "use of force" at the point when defensive measures required a presidential decision to dispatch military reinforcements. This dividing line is appropriate. Our mutual security treaties, under which most American forces are deployed abroad, do not in themselves constitute a presidential authorization to wage war. Rather, they represent an American commitment to participate in the defense of foreign nations via the constitutional decisionmaking process of the United States Government.[112]

As a practical matter, of course, basing American forces abroad places them intentionally at risk and constitutes a circumstantial commitment undertaken by the entire government from which may be inferred an expectation that the United States will bring in additional defensive means as necessitated by enemy attack. But when defensive action abroad is transformed into sustained warfare, an authorizing act should be performed, both as a constitutional requirement and as a necessary means of galvanizing the nation behind a policy that will entail sacrifice and demand unity.

In current law a use of force requiring eventual congressional authorization is defined simply: the introduction of United States Armed Forces into "hostilities or situations where imminent involvement in hostilities is clearly indicated by the circumstances."[113] Unfortunately, the ambiguities surrounding the concept of "hostilities" are similar to those raised by the term "war," and the meaning of "clearly indicated by the circumstances" is equally subject to debate and obfuscation. Thus, during recent operations in the Persian Gulf, even after American naval forces aboard the USS Stark had been killed, even after American naval vessels had hit Iranian mines, even after U.S. forces had undertaken attacks against Iranian facilities—and indeed even after then Vice-President Bush had criticized Iran for permitting its ill-fated civilian airliner to fly "over a [U.S.] warship engaged in battle"[114]—the Reagan administration was unwilling to acknowledge that the United States Navy had been involved in actions requiring a report under §4(a)(1) of the War Powers Resolution.

No definition can ever fully escape susceptibility to quibbling, but a new framework might employ a more complete definition, along the following lines:

Definition

§2. The term "use of force" means the introduction of United States Armed Forces into hostilities or potential hostilities. Such action refers to situations where United States Armed Forces—

(i) have recently been introduced into the territory of a nation, or deployed to expand significantly the United States military presence in such territory, or committed to new activities in such territory or on the high seas; and

(ii) are operating with a substantial likelihood of inflicting or occurring casualties, or have inflicted or incurred casualties.

This somewhat more refined definition could avoid some of the confusion that has surrounded the phrasing in the current law and would serve the useful purpose of making clear that the mechanism is not intended to be triggered by an isolated incident involving U.S. forces already deployed in established roles. More important, it would make clear that the mechanism would indeed be triggered by combat activities involving U.S. forces in new or expanded roles emanating from presidential decision.

Consultation

A critical question is whether and how Executive-Legislative consultation might be improved. Consultation does not, of course, guarantee agreement or even comity. But genuine consultation, meaning a timely exchange of information and advice, should be considered the norm and a functioning joint decision law should aim to foster that process.

The Byrd-Warner bill would seek to do so—indeed it implicity places all of its antimonarchist hopes in this basket—by specifying an eighteen-member congressional consultative group and requiring the President to interact with it in use-of-force situations. This is a useful measure, if for no other reason than to deprive the Executive of the long-abused excuse that Congress is so large that it is impossible to know with whom to consult. But a designated consultative group will prove hapless if future Presidents continue to view "consultation" as a matter of informing Congress at the last minute, rather than of soliciting the counsel of congressional leaders and acting on the basis of that consultation.

Because it depends on a certain habit of mind and behavior, genuine consultation is unlikely to occur spontaneously in crisis situations. Rather, it requires cultivation through regular Executive-Legislative interaction. Unfortunately, the trend in recent years has been the opposite. While the sunshine legislation of the 1970s served to open Congress to public scrutiny, it also, in the context of the television age, helped to convert hearings into theater, in which departmental secretaries and members of Congress

most often speak with the larger audience in mind. Closed "executive" sessions, which once provided a regular venue for frank talk and the cultivation of personal familiarity, are now used almost exclusively for briefings, often by middle-level bureaucrats.

A new joint decision law, in addition to designating a congressional consultative group, could seek to counter the depersonalization of Executive-Legislative relations by institutionalizing regular, closed-door consultative sessions between key administration officials and their oversight committees, as follows:

Consultation

§ 3. (a) Except in the event of an extreme national emergency, the President shall seek the advice and counsel of the Congress prior to the use of force.

(b)(1) To facilitate consultation between Congress and the President on foreign and national security policy, when Congress is in session the following meetings shall occur as a regular practice, in open or closed session and with exceptions as agreed by the parties:

(A) the Secretary of State shall meet monthly with the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives;

(B) the Secretary of Defense shall meet monthly with the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives;

(C) the Director of Central Intelligence shall meet monthly with the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives;

(D) the President's National Security Adviser shall meet monthly with the Speaker of the House of Representatives, the House Majority Leader, the House Minority leader, the President pro tempore of the Senate, the Senate Majority Leader, and the Senate Minority Leader; and

(E) the President shall meet at least once every three months with a Congressional Leadership Group, on which the Speaker of the House of Representatives shall serve as Chairman and which shall comprise the Members referred to in paragraph (D) and the chairmen and ranking minority members of the committees named in paragraphs (A), (B), and (C).

(2) Such consultation shall have, among its primary purposes—

(A) identifying potential situations in which the use of force might be necessary and examining thoroughly the wisdom and lawfulness of such use; and

(B) in those instances in which a use of force has already been undertaken, discussing how such use of force complies with the provisions of subsection 1(b).

(3) To facilitate consultation under unusual circumstances, the President shall meet promptly with the Congressional Leadership Group on his own initiative or upon receipt of a special request from its chairman, who shall issue such special request pursuant to a request from a majority of the members of the Group.

A time frame for joint decision

Retention of some stipulated time frame would seem an unavoidable element of any joint decision mechanism for the simple reason that without a time period—a defined point by which affirmative congressional participation in the "joint decision" is necessary—the requirement for such participation would have no meaning. To underscore the decisiveness of the clock, the law should specifically invoke Congress' most unquestioned power—the power of the purse—by providing that, in the absence of congressional action, the President's authority to expend funds expires after the time allowed.[115]

An extension of the time clock from the current 60/90 days to, say, 120 days would provide more flexibility to both the President and the Congress, while mitigating any appearance that the President was on a short leash. But if the joint decision mechanism contains *no* deadline, we are back to the monarchist model in which the President essentially can do as he pleases and Congress must reach for the purse strings as its only recourse.

Clearly, retaining a time clock, the most vehemently attacked element of the current War Powers Resolultion, presents the critically problematic aspect of any compromise. But the constitutionality of such a mechanism, governing nonemergency situations, seems beyond doubt.[116] And the practical case against it is hardly as substantive as many have come to believe. The basic charge, that it has proven "unworkable," is simple disingenuous; the clock mechanism will work—and produce a timely vote—if Presidents accept the procedures envisaged by the law. That vote, moreover, can come at virtually any time the President wants it; if he wants it early, his congressional supporters can produce that result. Thus, the idea that American foreign policy will be suspended in uncertainty throughout the time-clock period[117] is as groundless as the specter of withdrawal through congressional inaction.

A time-clock provision also faces the charge that it may provide leverage to an adversary of the United States: if he can make a conflict painful enough in the short run, perhaps he can induce timidity in the Congress. But this is an exaggerated concern. With or without a war powers law, United States willingness to undertake sustained hostilities will be subject to democratic pressures; a statutory mechanism is simply a means of delineating procedure. Moreover, as a practical matter, an enemy tactic designed to intimidate by inflicting casualties on American forces in large numbers would more likely backfire and solidify congressional support of the President and American troops in the field.

The truth is that, in suggesting such liabilities, opponents of the time clock are expressing not so much a practical concern as a constitutional attitude. In the words of Professor John Hart Ely, they are "not simply against establishing a clock, but against enforcing the Constitution generally: an inevitable byproduct of any sort of constitutional requirement of congressional approval is that the enemy also will know that approval is required. The only way around this is to make the President a dictator, but that wasn't, and shouldn't be, the idea."[118]

As an alternative to a numerically defined time clock—e.g., 120 days—a Use of Force Act could employ a *descriptive* formulation designed to embody the concept of the point at which hostilities become sustained. The numerical specification, after all, is simply an attempt to establish a reasonable dividing line between an "incident" and a conflict describable as "war." If, in the effort to negotiate a grand compromise, the time clock became an insuperable obstacle, a descriptive approach could be tried. But such a formulation must be decisively descriptive. And if the concern is to avoid rigidity—meaning the danger that a time clock could somehow hamstring the United States at a crucial moment—the direct antidote would be explicit "escapes" from the time-clock constraint.

Exceptions to the time clock

While a time clock, whether numerical or descriptive, is necessary to establish the imperative of congressional participation in a joint decision to engage U.S. forces in sustained hostilities, two types of exceptions are warranted.

The first derives from constitutional considerations and logic. Since a use of force based on an inherent presidential power—the famous example is repelling an attack on the United States—could, at least conceivably, extend beyond the limited time frame, the mechanism should provide for the possibility. If it does not, a Use of Force Act will, like the War Powers Resolution, face the charge that it aims to constrain what the Constitution permits.[119]

This charge can be preempted straightforwardly—by providing for a presidential certification to Congress, accompanied by detailed explanation, that he has determined in a particular incident that supreme national interests are so imperiled as to constitute an emergency requiring that he exceed the limit stipulated in the law. This would, almost by definition, satisfy constitutional concerns because the basis for any assertion of presidential warmaking power is emergency; to allow the President to invoke emergency is to leave unconstrained any "independent" power conferred by the Constitution.

Those suspicious of the Executive will undoubtedly view this as an irresistible invitation to presidential subterfuge: a truck-sized loophole. It therefore bears reemphasis that the principal aim of this new law would be to move off the dead center of stalemate—and de facto monarchist practice—by engaging the Executive and the Congress as partners in a process wherein the President's actions are weighed, first by him and then by Congress, against agreed standards. The law would establish a powerful *norm*: that when the United States engages in hostilities beyond a certain duration, it must—except in dire national emergency—be based on affirmative congressional action.

Thus, any President using this "loophole" would have to marshal and submit arguments, and face the political response. To help ensure the President's sobriety in drawing upon this provision, the new law could provide expedited procedures for a congressional resolution expressing disagreement with the President's rationale. While this type of resolution would have no direct legal effect unless Congress had the strength to override the President's veto, passage of such a resolution, even by only a majority vote in each house, would express the President's loss of congressional, and presumably public, confidence. It could also have judicial significance by adding ripeness to a situational dispute between the branches—a dispute of a kind that the new law would invite the courts to arbitrate, through provisions discussed below.

A a guard against prolonged presidential abuse of the "emergency escape," the new statute could provide that the certification of emergency permits the continuation of a use of force for only thirty legislative days unless Congress, by joint resolution affirmatively accepts the President's rationale.[120]

This limitation could subject the statute to the Ervin-style charge that it seeks unconstitutionally to limit the President's inherent authority to deal with emergencies. But it is difficult to contend that the President possesses a constitutional authority to deal with extended emergencies of a kind that he cannot persuade Congress to acknowledge.

A second means of presidential escape from the automaticity of the time clock would be a stipulation designed to reassure all those who might continue to worry over the specter of troop withdrawal by congressional inaction. Such a provision would state that the time clock would not apply if either or both of the two houses had failed to vote on a specific presidential request for authorization to undertake or sustain hostilities. In truth, expedited procedures would render this eventuality almost totally theoretical. But by providing an explicit remedy for the possibility that a timid or inept Congress could avoid its responsibilities, this stipulation would lay to rest, once and for all, the principal argument employed against the current law. Even while protecting against a virtually impossible event, it would underscore and symbolize the seriousness of congressional intent underlying the new law.

Reporting and expediting procedures

A new joint decision law would retain two other features of the War Powers Resolution: the requirement of a prompt presidential report and expedited procedures for legislation affecting a use of force. But certain adjustments are in order.

Under a new law, only one kind of report should be required—a use of force report—in order to eliminate the ambiguities that have plagued reports under the War Powers Resolution. This report would include the particular authority within § 1(a) under which the President had acted and a detailed explanation of how the limitations of § 1(b) had been, and were being, heeded. The new law would also underscore a feature of current law too little understood: that the clock mechanism is triggered by the events that require the report, not by the report itself. The latter provision would not eliminate the possibility of confusion in a particular instance in which a President refused to submit a report: is the clock running or isn't it? But it would end the current conceptual confusion in which most participants in the process believe that the clock does not run until the President has submitted a report or Congress has passed a specific law starting it.

Expedited procedures under a new law should be similar to those under the War Powers Resolution, with one exception relating to sponsorship. Although existing procedures have never been used, they appear to be subject to operational confusion because they give top legislative priority to any bill purporting to authorize or limit any use of force. This raises the possibility that many bills will be in play at one point, and also that a single Member of Congress may become a nuisance. The Byrd-Warner bill would overcome this possibility by according expedited treatment only to bills emanating from an elite leadership group. A more democratic means to the same end, however, would be a provision that facilitated action on any bill authorizing or limiting a use of force under two conditions: first, as indicated earlier, if it were introduced pursuant to a presidential request; second, if the measure had "substantial sponsorship"—a threshold percentage, say twenty-five percent, of the members of that chamber. This would guard against parliamentary pitfalls while ensuring action in response to the President and on any other measure on which there was some considerable will for action.

Expedited procedures could also be accorded any "substantially sponsored" bill designed to make a finding that the clock, in a particular circumstance, was indeed running. To satisfy the constitutional requirements of the presentment clause, this measure would have to go to the President for signature and would accordingly face a difficult test of passage since a President who had tried to avoid the clock by refusing to submit a report could be expected to veto a measure affirming its applicability. But even if Congress could not override the President's veto, such a measure would nonetheless be a valuable vehicle of congressional expression, and a presidential veto in this context would be an act of notable political, and possibly judicial, significance.

Inviting judicial review

While enactment of a new joint decision law would overcome the current constitutional impasse, the new law would provide only a high degree of protection—not a guarantee—against an Executive-Legislative impasse with regard to a specific future use of force. For even though a revised mechanism could only be enacted in spirit of cooperation between Congress and the President, a future President could decline, whether for reasons of honest disagreement or bad faith, to submit a use-of-force report deemed by many in Congress to be required by the circumstances. We would then find ourselves facing the new-familiar situation in which the clock was running, but only in the abstract, and the President was protected in pursuing his policy through the minimal support of one-third-plus-one in either house. An interbranch dispute could also arise if the President continued to use force beyond the time allowed; for example, in an extended "emergency" that Congress refused to acknowledge. In such circumstance, the courts could play a useful role by rendering a decision that would formally determine the application of law to the situation in dispute.

Unfortunately, most recently in Lowry v. Reagan,[121] the courts have shied away from such a role, for reasons relating to the so-called "political question" and "equitable discretion" doctrines. It is not necessary here to evaluate in detail those arguments for judicial abstention,[122] except to say that they have been far too broadly applied.

What bears emphasis is that the courts, in rendering a decision in any such litigation, would not be deciding whether the United States should continue in a particular use of force, but only whether defined circumstances existed such that Congress should decide. Far from being beyond the courts' competence, as is sometimes argued, this is the way our judicial system customarily functions; the courts take testimony concerning the facts and then weigh those facts against prescribed legal standards.[123]

A new Use of Force law could help to overcome the barrier of judicial diffidence as follows:

Judicial review

§ 4. (a) Any Member of Congress may bring an action in the United States District Court for the District of Columbia for declaratory judgment and injunctive relief on the grounds that the provisions of this Act have been violated.

(b) (1) In any action in a court of the United States seeking compliance with the provisions of this Act, the court shall not decline to make a determination on the merits based upon the doctrine of political question, remedial discretion, equitable discretion, or any other finding of nonjusticiability, unless such declination is required by Article III of the Constitution.

(2) Notwithstanding the number, position, or party affiliation of any plaintiffs in an action described in subsection (a) of this section, it is the intent of Congress that the courts infer that Congress would disapprove of any use of force inconsistent with the provisions of this Act and find that an impasse exists between Congress and the Executive which requires judicial resolution.

(c) Any court in which such an action is heard shall accord such action the highest priority and announce its judgment as speedily as the requirements of Article III of the Constitution permit.

(d) If a court funds that a report was required to be submitted under the Act, it shall—

(1) direct the President to submit such a report; or

(2) declare that the time period set forth in the Act has commenced on the date of the court's judgment, or on a previous date determined by the court with due regard to unavoidable military necessity respecting the safety of United States Armed Forces, and shall accordingly expire on a specific date.

(e) A judgment described in subsection (c) of this section shall be directly appealable to the United States Supreme Court.

Should the Supreme Court ever render such a decision, there would seem little doubt, as a practical matter, that Congress and the President would act in conformity. The clock would be unambiguously in effect; Congress would authorize or not authorize within the time allowed; and the President would be required to respond—either to an authorization with or without conditions, or to a funding cutoff. While contentious litigation concerning an ongoing use of force is hardly an appealing prospect, the availability of this recourse would give completeness to the mechanism, and by so doing would encourage presidential participation in the first place.

V. BENEFITS OF NEW FRAMEWORK

Consolidating these and other elements of a possible new framework into a piece of draft legislation has yielded a draft "Use of Force Act" now under discussion within the Senate Foreign Relations Committee. Such legislation, undoubtedly requiring further refinement, would repeal and replace the War Powers Resolution, even while retaining some of its characteristics. While one cannot be sanguine about the Bush Administration's receptivity to legislation embodying the joint decision concept, one can say what the trade-offs would be if a new framework were accepted.

For the Executive, a major gain, after long years of dispute, would be a clear affirmation in law of broad authorities to use force in a wide variety of circumstances. These explicitly acknowledged powers, buttressed by a Presidential authority to waive time limitation in emergency circumstances, would serve to eliminate any possible impression of an American Commander in Chief fettered by excessive constraints. Procedurally, the President could also enjoy the benefit of an agreed mechanism of which he could take full advantage in ob-

taining prompt and explicit congressional support in critical foreign policy situations. And operationally, in circumstances requiring specific authorization for sustained action, he would also gain the flexibility of an extended time clock, although this in practice would tend to be more symbol than reality, since a President would probably want a vote well before the expiration of any time-limited authority.

For Congress, a grand compromise would serve to bring the President, after a prolonged and debilitating dispute, back onto the playing field—to participate, as a matter of agreed principle, in a joint decision mechanism. Having achieved this goal, Congress would surely not always welcome the accompanying requirement: that it stand up and be counted. Congress also would have to deal with the fact that any procedure enabling the President to obtain a quick response from Congress may enable him to maneuver Congress into supplying a rubber stamp. Against that danger, the only congressional defense is a strong dose of prudence in crafting any authorization provided.

But perhaps we can be more sanguine. For if such a framework is adopted the President's perspective will be this: "I now have a considerable amount of unchallenged short-term authority. But I had better use it wisely and well, for if it is necessary for hostilities to be sustained, I must win the support of a majority in each house within the next few months." Thus, the very existence of a joint decision mechanism would encourage prudence on the President's part as well, along with a strong inclination to consult.

Of course, even agreement on such a framework, its establishment in law, and its generalized acceptance cannot deliver us from the burden of choice. We have focused here on how the United States decides on the momentous question of war. What we decide is a matter, ultimately, of judgment. But sound procedure can contribute to wise decision. By resolving the constitutional dispute over the war power, we would liberate our government—both the Executive and Congress—to concentrate in crucial moments on the goals and means of American policy.

We will, in sum, have combined two vital aims. We want the President to have broad authority—and to be so seen by allies and adversaries—to uphold American interests. And we want a system embodying the sound constitutional principle that sustained hostilities should be based on affirmative and specific congressional approval.

With the approach of the 21st Century, Americans can embrace an aspiration that use of force as a tool of foreign policy by all nations will begin to enjoy a well-earned historical rest. But if circumstances do summon United States forces to combat, let us determine that our countrymen are dispatched not in an act of folly, but only when their risk and personal sacrifice are unavoidably necessary, and can be effective, in defending and protecting clearly perceived American interests. That, after all, is the ultimate standard against which any procedure—and any decision to use force—must be judged.

FOOTNOTES

[1] The War Powers Resolution, Pub. L. No. 93-148, 87 Stat. 555 (1973) (codified at 50 U.S.C. §§ 1541-48 (1982)).

[2] President Ford's report to Congress on the *Mayaguez* incident reflects his Administration's policy concerning the War Powers Resolution. *See infra* note 94. The Carter Administration's policy on the Resolution is described *infra* at note 98.

[3] In assessing the Administration's decision, it bears emphasis that the Gulf nation crucially dependent on export oil by sea is *Iran*. Iraq and its key Arab allies have enormous pipeline capabilities which enable them to circumvent the Gulf. It was precisely for this reason that Iraq extended its land warfare against Iran into a sea war against Iranian shipping. Had Iraq at any point been willing to desist in the sea war, Iran surely would have done likewise.

Thus, when the United States committed major naval forces in the Gulf, the principal effect was *not* to assert the right of passage on the seas—nor to protct the "vital oil lifeline to the West" from an Iranian threat—but rather to deploy American power on the Iraqi side of that war. Iraq could now intensify its sea attacks on Iranian shiping with the extra incentive that Iranian retaliation might draw United States forces into active conflict with Iran. The United States Navy had thereby become an adjunct of Iraqi policy.

Obviously, one Administration motive was to regain Arab confidence following the arms-for-hostages fiasco. Another was fear that the Soviets might answer the Kuwaiti reflagging call and thereby gain naval and political access in the Gulf. Still another motivation, though one barely acknowledged, was to do what the policy actually did: place American power behind the Iraqi and Arab cause and thereby help prevent an Iranian victory, which could spread instability throughout the region.

This mosaic of motives, however, was filled with questions. How necessary *was* it to "reassure" the Arabs, notwithstanding the arms-for-hostages mistake? Specifically, how likely, given their deep-seated antipathy to Communism, was the Kuwaitis' threatened embrace of the Soviet Navy? How serious *was* the propsect of Iranian victory, and how destablizing would have been the regional consequences? Meanwhile, and most important, what was the likelihood that the United States would be drawn into direct war with Iran, and what would have been the consequences of that?

Although these questions had not been thoroughly considered either by the Executive or the Congress, the United States had undertaken what, according to one prominent commentator, was "by its nature an open-ended commitment in the Gulf" under circumstances in which "America's justification [was] not consistent with its actions—a sure course for domestic discord when the going gets tough down the road." Kissinger, *Wandering in the Gulf*, Wash. Post, June 21, 1987, at B7, col. 2.

[4] *See, e.g.*, 133 CONG. REC. S9,124-36 (daily ed. July 1, 1987) (debate on applicability of War Powers Resolution); 133 CONG. REC. E2,699. (daily ed. June 30, 1987) (statement of Rep. DeFazio) (urging invocation of War Powers Resolution because decision to protect Kuwaiti tankers with naval forces was confrontation covered by "hostilities"); 133 CONG. REC. E3,435 (daily ed. Aug. 7, 1987) (statement of Rep. Oberstar) (same); 133 CONG. REC. E4,196 (daily ed. Oct. 28, 1987) (statement of Rep. Broomfield) (opposing invoking War Powers Resolution because Congress seldom shows ability to act decisively).

[5] Voice vote on a motion by Chairman Claiborne Pell at a business meeting of the Senate Foreign Relations Committee (December 17, 1987).

[6] *The War Power After 200 Years: Congress and the President at a Constitutional Impasse, Hearings Before the Special Subcomm. on War Powers of the Senate Comm. on Foreign Relations*, 100th Congress, 2d Sess. (1989) [hereinafter *Special Subcommittee Hearings*].

[7] *See, e.g., id.* at 65 (testimony of former Senator John Tower); *id.* at 295, 769 (testimony of Professor Robert Turner).

Albert (Peter) Lakeland, the former Senate staff aide most directly involved in the Resolution's 1973 enactment, provided a contrasting view of the origins of the law:

"The principal sponsors of the War Powers Act were Senators [Jacob] Javits and [Armed Services Committee Chairman John] Stennis, . . . hardly members of the "Woodstock generation," as some would imply today. They were, rather, unabashed patriots and life-long proponents of American strength and world leadership. They had always in their minds the crucial importance to America of a strong and successful Presidency.

". . . They were determined to enact a statutory framework to both induce and facilitate a functioning partnership between the President and the Congress as a sine qua non of U.S. national effectivenss in a dangerous world . . . .

"[The] idea that the War Powers Act was some hasty and ill-conceived measure directed at the ongoing Vietnam war . . . is wrong on all counts. The dwindling Vietnam war was specifically exempted from the Act's provisions, and many of the leading supporters of the Vietnam War . . . were staunch proponents of the Act. The overwhelming votes in the Senate and in the House included a number of Members of both Houses who went down the line on the Vietnam War." *Id.* at 107 (testimony of Albert (Peter) Lakeland).

[8] For a particularly significant expression of the view that the President is free to do as he believes American security interests require, see *id.* at 117 (testimony of retired Lieutenant General Brent Scowcroft, now Assistant to the President for National Security Affairs). Other witnesses also presented testimony along these lines. *See id.* at 160 (testimony of former President Gerald Ford); *id.* at 246 (testimony of Secretary of Defense Frank Carlucci); *id.* at 295, 769 (testimony of Professor Robert Turner); *id.* at 224 (testimony of Professor Ronald Rotunda); *id.* at 329, 1213 (testimony of Professor Charles Rice); *id.* at 280 (testimony of Professor James Bond).

[9] For examples of analysis in support of this view, see *id.* at 180 (testimony of former Secretary of State Cyrus Vance); *id.* at 97, 653 (testimony of Albert Lakeland); *id.* at 300, 49 (testimony of attorney William Taylor Reveley, III); *id.* at 221, 1107 (testimony of Morton Halperin, Director, Center for National Security Studies); *id.* at 322, 567 (testimony of attorney David Friedman); *id.* at 331, 634 (testimony of Peter Weiss, Center for Constitutional Rights); *id.* at 211, 738 (testimony of Professor Abram Chayes); *id.* at 281, 1296 (testimony of Professor Edwin Firmage); *id.* at 215, 1258 (testimony of Profssor Thomas Franck); *id.* at 292, 1167 (testimony of Professor Michael Glennon); *id.* at 281, 1286 (testimony of Professor William Goldsmith); *id.* at 272, 758 (testimony of Professor Louis Henkin); *id.* at 326, 1185 (testimony of Professor James Nathan); and *id.* at 40, 1229 (testimony of Professor Arthur Schlesinger, Jr.).

[10] For a valuable discussion of the various approaches the Supreme Court has used in defining constitutional power—textual, intentionalist, and adaptivist—see Glennon, *The Use of Custom in Resolving Separation of Powers Disputes*, 64 B.U.L. REV. 109, 111-24 (1984):

"None of the three approaches is . . . capable of meeting reasonable objections leveled against its use as an exclusive methodology. The pure textualist approach proceeds from the fiction that the language of the Constitution alone is dispositive; in contentious circumstances it is not. On the other hand, the adaptavist approach prefers a Constitution that is all sail, threatening the very purpose of a written Constitution, while the intentionalist approach opts for a charter that is all anchor, presupposing a rigid constitutional order not subject to modification.

"The Court has apparently recognized the shortcomings of sole reliance on any one of the three approaches, and has therefore generally employed a combination of approaches. First, it seeks to resolve the controversy by reference to the constitutional text. If the text is not found to be dispositive, the Court will look to the intent of the Framers and to custom and practice. When the Court moves beyond the text, it is seeking to find a fact that it will treat as the equivalent of a textual provision of the Constitution. . . . The occurrence of this fact-finding procedure is implicitly recognized through the frequent reliance upon historical precedent, as well as evidence of the Framers' intent . . . .

". . . The Court has shifted from one approach to another, or emphasized one while deemphasizing another, without articulating any principled basis for favoring the approach selected." *Id.* at 122-23 (citations omitted).

[11] Article I, section 8 of the United States Constitution provides:

The Congress shall have Power To . . . provide for the common Defence . . .;

To define and punish Piracies and Felonies committed on the high seas, and Offences against the Law of Nations;

To declare War, grant Letters of Marque and Reprisal, and make rules concerning Captures on Land and Water;

To raise and support Armies . . .;

To provide and maintain a Navy;

To make rules for the Government and Regulation of the land and naval forces; . . . .

To make all laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

Article II, sections 2 and 3, provides as follows:

The President shall be Commander in Chief of the Army and Navy of the United States . . . .

He shall from time to time give to the Congress Information of the State of the Union, and recommend to their Consideration such Measures as he shall judge necessary and expedient . . . .

[12] Schlesinger, *Congress and the Making of American Foreign Policy*, 51 FOREIGN AFF. 78, 80 (1972) [hereinafter *Policy*]. Several of the historical references in this article rely on Professor Schlesinger's article and his larger work, A. SCHLESINGER, THE IMPERIAL PRESIDENCY (1973) [hereinafter PRESIDENCY].

[13] THE FEDERALIST No. 23, at 104 (A. Hamilton) (Hallowell ed. 1842).

[14] E.S. CORWIN, THE PRESIDENT: OFFICE AND POWERS 154 (1940) (*quoting* W. BLACKSTONE, COMMENTARIES *257).

[15] THE FEDERALIST No. 69, at 317 (A. Hamilton) (Hallowell ed. 1842).

[16] Lofgren, *War-Making Under the Constitution: The Original Understanding*, 81 YALE L.J. 672, 675 (1972) (citing 2 THE RECORDS OF THE FEDERAL CONVENTION 181–82, 318 (M. Farrand ed., rev. ed. 1957).

[17] *Id.* (citing motion by Madison and Gerry).

[18] THE FEDERALIST No. 25, at 114 (A. Hamilton) (Hallowell ed. 1842).

[19] Letter from James Madison to Thomas Jefferson (April 2, 1798), *reprinted in* 6 WRITINGS 312–13 (G. Hunt ed. 1906).

[20] *See, e.g., Specialist Subcommittee Hearings, supra* note 6, at 372–81, 418–21 (submission for the record by Professor Ronald Rotunda).

[21] *See* A. DECONDE, THE QUASI-WAR: THE POLITICS AND DIPLOMACY OF THE UNDECLARED WAR WITH FRANCE, 1797–1801, at 90 (1966).

[22] U.S. CONST. art. 1, § 8, cl. 11.

[23] Bas v. Tingy, 4 U.S. (4 Dall.) 37, 40–43 (1800).

[24] Talbot v. Seeman, 5 U.S. (1 Cranch) 1, 28 (1801).

[25] 6 U.S. (2 Cranch) 170 (1804).

[26] *Id.* at 177.

[27] *Id.* at 177–78.

[28] *See, e.g., Special Subcommittee Hearings, supra* note 6, at 819–22 (testimony of Professor Turner).

[29] 1 MESSAGES AND PAPERS OF THE PRESIDENTS, 1789–1908, at 326–27 (J. Richardson ed. 1908).

[30] *Id.* It should be noted that Alexander Hamilton severely criticized Jefferson for constitutional timidity during this episode. But even Hamilton's own constitutional assertion was a limited one. Tripoli had attacked American naval vessels, and Hamilton believed that the President possessed the power to respond without congressional authorization. However, Hamilton's statements during the war with Tripoli cannot reasonably be read as urging a new war-initiating power for the President which would be out of harmony with the basic principles underlying the constitutional separation of powers. Hamilton asked only that the President interpret his right to repel attacks on American military forces as meaning that he could take all necessary action to eliminate the military threat which the enemy posed even before Congress acted.

A Review of the Operation and Effectiveness of the War Powers Resolution, Hearings before the Senate Committee on Foreign Relations, 95th Congress, 1st Sess. 122, 145 (1977) [hereinafter *War Powers Review*] (testimony of Myron P. Curzan) [hereinafter Curzan testimony].

[31] 1 MESSAGES AND PAPERS OF THE PRESIDENTS, *supra* note 29, at 389–90.

[32] Act of June 18, 1812, ch. 102, 2 Stat. 1260.

[33] Madison was not, however, as far behind as generally portrayed. *See generally* 7 ENCYCLOPEDIA BRITANNICA *Madison, James* 656 (15th ed. 1987).

[34] Act of May 13, 1846, ch. 16, 9 Stat. 9.

[35] A. SCHLESINGER, PRESIDENCY, *supra* note 12, at 42.

[36] Letter from John Quincy Adams to Albert Gallatin (Dec. 26, 1847), *quoted in* F. BEMIS, JOHN QUINCY ADAMS AND THE UNION 499 (1956)).

Modern day monarchists are prone to invoke the Monroe Doctrine as symbolic of the robust approach to foreign policy that they associate with untrammeled presidential power to use force. But at the time of the Monroe Doctrine's promulgation, Secretary Adams had stated clearly that even if an outright attack were launched by a European power against a South American republic, the Executive's position would be that "the power to determine our resistance is in Congress." Robertson, *South America and the Monroe Doctrine*, 30 POL. SCI. Q. 89 (1915) (quoting John Quincy Adams).

[37] Letter from Abraham Lincoln to William H. Herndon (Feb. 15, 1848), *reprinted in 1* THE COLLECTED WORKS OF ABRAHAM LINCOLN 451, 451 (R.P. Basler ed. 1953) (emphasis in original).

[38] "The American Navy in these years took military action . . . in places as remote as Sumatra (1832, 1838, 1839), the Fiji Islands (1840, 1855, 1858) and Africa (1820, 1843, 1845, 1850, 1854, 1858, 1859)." A. SCHLESINGER, PRESIDENCY, *supra* note 12, at 51.

[39] *Quoted in id.* at 57.

[40] A. SCHLESINGER, PRESIDENCY, *supra* note 12, at 59.

[41] Lincoln's action did, however, rekindle the debate first waged between Jefferson and Hamilton over the constitutional limits governing presidential power to repel attacks on American forces. *See supra* note 30. "To Jefferson, only defensive action was authorized by the Constitution in the absence of Congressional approval; to Hamilton, the Chief Executive could unilaterally order appropriate offensive action to eliminate any clear danger that similar attacks might recur." Curzan testimony, *supra* note 30, at 159.

Curzan provides a brief history of Lincoln's actions and the Supreme Court's responses:

After the secession of various Southern states and the attack on Fort Sumter, President Lincoln took a number of steps to defend the Union. Among these was the issuance of an order blockading various Southern ports. Thereafter, Lincoln sought Congressional authorization for his orders and received it. However, during the period of time following the proclamation of a blockade but prior to Congressional ratification, several Southern ships were seized. The legality of the seizure was challenged and this challenge, of course, brought the legality of the presidentially imposed blockade into question.

The Supreme Court in the *Prize Cases*, 67 U.S. (2 Black) 635 (1862), split 5 to 4 on the issue, with the majority opinion reflecting Hamilton's position and the minority opinion adopting Jefferson's reasoning. Interestingly enough, in light of the weight which many proponents of Presidential power have placed on this case, it should be recognized that the majority of the Court took precautions to place its holding in context and to assert that no major changes in constitutional theory were being proposed. Thus, the opinion noted that the President had "no power to initiate or delcare a war against a foreign nation or a domestic state." But once a war had been declared on the United States, the President had to determine "the shape" of the conflict and decide upon the "degree of force the crisis demand[ed]." Certainly, this doctrine did not mean that the response could be completely out of proportion to the attack or that *ex post facto* Congressional ratification should not be sought. What it did mean was that when the viability of the nation's political structure was under military challenge, the President should have power to respond through ordering at least a blockade of the attacker's ports. *Id.* at 159–61.

[42] Act of April 25, 1898, ch. 189, 30 Stat. 364.

[43] Modern readers will find a vivid evocation of the historic parallels in Mark Twain's 1901 essay, *To a Person Sitting in Darkness*, a sharp-edged and premonitory denunciation of American folly in the era of high imperialism, reprinted in THE COMPLETE ESSAYS OF MARK TWAIN (C. Neider ed. 1963).

[44] Schlesinger, *Policy, supra* note 12, at 91.

[45] *Id.* at 91–92.

[46] Resolution of April 6, 1917, ch. 1, 40 Stat. 1.

[47] Schlesinger, *Policy, supra* note 12, at 92.

[48] *Id.; see also* D. SCHAFFER & D.M. MATTHEWS, THE POWERS OF THE PRESIDENT AS COMMANDER-IN-CHIEF OF THE ARMY AND THE NAVY OF THE UNITED STATES, H.R. Doc. No. 443, 84th Cong., 2nd Sess. 67 (1956) (discussing debate between Senators Lodge, Walsh, and Borah on reservation to Treaty of Versailles).

[49] For a more recent example, at a critical moment in the history of the war power, see *infra* note 67 (discussing Senate Republican leader Robert Taft's opposition to President Truman's deployment of American troops to Korea and Europe without congressional authorization).

[50] One Supreme court decision of this period, United States v. Curtiss-Wright Export Corp., 299 U.S. 304 (1936), has been frequently portrayed as a landmark case upholding very *broad* presidential power in foreign affairs. In *Curtiss-Wright*, the Court did voice certain positions tending to affirm inherent, independent presidential authority in foreign affairs: e.g., "the power of external sovereignty did not depend upon the affirmative grants of the Constitution," *id.* at 318, and "participation [by Congress] in the exercise of the power is significantly limited," *id.* at 319. But while these ruminations are often cited by modern-day monarchists (most recently by Lt. Col. Oliver North during the 1987 Iran-Contra hearings), they were *obiter dicta*—not integral to the Court's holding. Indeed, the decision itself affirmed no more than the President's power to impose an embargo on United States shipping to a foreign country *pursuant* to a congressional authorization to do so, hardly a monarchist precedent.

[51] Schlesinger, *Policy, supra* note 12, at 92.

[52] Resolution of December 8, 1941, ch. 561, 55 Stat. 795.

[53] Schlesinger, *Policy, supra* note 12, at 93.

[54] *Id.*

[55] Act of March 11, 1941, 55 Stat. 795.

[56] Fulbright, *Foreword* to M. GLENNON, CONSTITUTIONAL DIPLOMACY, at—(forthcoming) [hereinafter *Fulbright Foreword*].

[57] United Nations Participation Act, Pub. L. No. 79-264, 59 Stat. 619 (1945).

[58] United States Information and Exchange Act of 1948, Pub. L. No. 82-402, 62 Stat. 6.

[59] Foreign Assistance Act of 1948, tit. III, Pub. L. No. 80-472, 62 Stat. 157.

[60] *Id.* tit. I, 62 Stat. 137.

[61] North Atlantic Treaty, Apr. 4, 1949, 63 Stat. 2241, T.I.A.S. No. 1964, 34 U.N.T.S. 243, *ratified* July 21, 1949, 95 CONG. REC. 9916.

[62] S. Res. 239, 80th Cong., 2d Sess., 94 CONG. REC. 7846 (1948).

[63] *Fulbright Foreword, supra* note 56.

[64] *Id.*

[65] *Id.; see The Korean Situation: Its Significance to the People of the United States*, 23 DEP'T ST. BULL. 163–69 (1950). As Professor Schlesinger describes it:

"At a new meeting with congressional leaders, Senator H. Alexander Smith of New Jersey suggested that the President request a joint resolution approving his action. Truman said he would consider this and instructed [Secretary of State] Acheson to prepare a recommendation on it. In the meantime, the debate spilled over to the Senate. Kenneth Wherry of Nebraska said that the President should not have acted without congressional authorization, adding that there was no doubt he would have obtained it. * * *

"This was a fateful moment. Truman had evidently not yet fully made up his mind about the scope of presidential authority. Nor did he pretend to legal skills. But he had a most eminent lawyer at his right hand. His Secretary of State had been law clerk for Justice Brandeis. * * * On July 3 Acheson recommended that Truman *not* ask for a resolution but instead rely on his constitutional powers as President and Commander-in-Chief. On the same day the State Department churned out a memorandum listing 87 instances * * * in which Presidents had sent American forces into combat on their own intitiative. Truman, impressed by the appearance of precedent and concerned not to squander the power of his office, accepted his Secretary of State's recommendation."

A. SCHLESINGER, PRESIDENCY, *supra* note 12, at 132–33 (emphasis in original; citations omitted).

[66] *Id.* at 132.

[67] A nearly lone voice of concern and consistency was that of the Senate Republican leader, Robert A. Taft ("Mr. Republican"). Several months later, when Truman indicated his intent to send four divisions of U.S. forces to Europe without congressional authorization, Taft initiated what came to be known as the "great debate" over the President's authority to deploy American troops abroad. In a formal speech to the Senate, Taft argued that, while he would have supported a joint resolution providing the necessary authority for the Korean intervention, the President had instead "simply usurped authority, in violation of the laws, and the Constitution, when he sent troops to Korea to carry out the resolution of the United Nations in an undeclared war." *Former Senator Taft Speaks on Foreign Policy*, 117 CONG. REC. 15,839, 15,841 (1971) (reprinting speech by Senator Taft before the full senate on January 5, 1951). *See generally id.* at 15,839–45.

[68] *Fulbright Foreword, supra* note 56.

[69] Elected to the Senate in 1944, J. William Fulbright became chairman of the Senate Foreign Relations Committee in 1959, and remained loyal to the monarchist concept into the mid 1960s. Monarchism, of course, was not labeled as such; rather, it was then the quintessential "liberal" approach to foreign policy—a defense of the prerogatives of the Executive, who was assumed to have a sophisticated approach to foreign affairs, as against the provincial perspective imputed to the conservatives who dominated Congress. Once Fulbright's disillusion with the Dominican intervention and the Vietnam War had undercut his faith in Executive wisdom, the final decade of his chairmanship—from 1965 to 1975—was characterized by a concerted effort to restore a balance in Executive-Legislative control over American foreign policy. *See, e.g.*, J.W. FULBRIGHT, THE ARROGANCE OF POWER (1966); Fulbright, *The Decline—and Possible Fall—of Constitutional Democracy in America*, 117 CONG. REC. 10,355 (1971).

[70] In 1951, Professor Schlesinger, supported the Truman Administration, labeled as "demonstrably irresponsible" Senator Taft's criticism of unauthorized military actions by the President. Letter to the New York Times, Jan. 14, 1951. For supplying a gloss of historical and constitutional legitimacy to untrammeled Executive use of force, he and Professor Henry Steele Commager were dubbed "high-flying prerogative men" by the redoubtable historian Professor Edward Corwin. Schlesinger, *Policy, supra* note 12 at 96. Subseqently, the views of Schlesinger and Commager followed a path of reversal similar to that of Senator Fulbright. *See, e.g., Special Subcommittee Hearings, supra* note 6 (testimony of Professor Arthur Schlesinger, Jr.); *War Powers Legislation Hearings 1972: Hearings on the War Powers Act Before the Senate Comm. on Foreign Relations*, 92d Cong., 1st Sess. 7-71 (1972) (testimony of Henry Steele Commager).

[71] *Fulbright Foreword, supra* note 56.

[72] Rusk, *The President*, 38 FOREIGN AFF., 353, 357 (1960).

[73] Fulbright, *American Foreign Policy in the 20th Century Under an 18th Century Constitution*, 47 CORNELL L. REV. 1, 7 (1961).

[74] Joint Resolution to Promote the Maintenance of International Peace and Security in Southeast Asia, H.R.J. Res. 1145, Pub. L. No. 88-408, 78 Stat. 384 (1964). As described by Professor Schlesinger:

"After the alleged attacks on American destroyers off the coast of North Vietnam, Johnson called in the congressional leaders. Reminding himself, and them, of Taft's criticism of Truman for not seeking congressional ratification of the Korea decision, he asked their judgment about getting something this time that, as he cautiously put it, 'would give us the opinion of Congress.' The leaders thought it a fine idea, and the administration pulled out a draft resolution, prepared months before and awaiting the occasion."

A. SCHLESINGER, PRESIDENCY, *supra note 12, at 179.*

Later the Senate Foreign Relations Committee would conduct an extensive inquiry into the Tonkin Gulf episode. *The Gulf of Tonkin, the 1964 Incidents (Parts I and II): Hearings Before the Senate Comm. on Foreign Relations*, 90th Cong., 2d Sess. (1968).

By 1970, the Committee had concluded that

Congress was confronted in August 1964 with a situation that was described to it as urgent, requiring prompt acquiescence in an expedient that seemed likely to meet the needs of the moment, of which the foremost—or so we allowed ourselves to be persuaded—was a resounding expression of national unity at a moment when it was believed that the country had been attacked.

. . . It has since been established that the [two American vessels attacked] were engaged in intelligence activities in the Gulf of Tonkin, a fact that was not vouchsafed to Congress when it considered the resolution. In addition, considerable doubt has been raised as to the exact circumstances of the alleged second attack on the two vessels, most particularly as to whether this attack occurred at all, and, if it did, whether the administration had proof of it at the time that it ordered its retaliatory air strike on August 4, 1964.

SENATE COMM. ON FOREIGN RELATIONS, TERMINATION OF MIDDLE EAST AND SOUTHEAST ASIA RESOLUTIONS, S. REP. No. 834, 91st Cong., 2d Sess. 9-10 (1970) [hereinafter TERMINATION REPORT].

[75] Johnson's Under Secretary of State, former Attorney General Nicholas Katzenbach, testified that the Resolution constituted the "functional equivalent" of a declaration of war. But Katzenbach did not mean this assertion to entail the proposition that any such declaration was required. With or without the Resolution, Katzenbach further asserted, the President possessed the constitutional authority to carry on the war. *U.S. Commitments to Foreign Powers: Hearings Before the Senate Comm. on Foreign Relations*, 90th Cong., 1st Sess., 83, 141 (1967).

President Johnson himself took full advantage of this straddle, extracting the political benefit of what arguably was an authorization while maintaining that any such authorization was unnecessary. "Though it amused him to taunt members of Congress by pulling the Tonkin Gulf resolution out of his pocket and flourishing it as proof that Congress had authorized the escalation of American involvement, he did not believe for a moment that the resolution provided the legal basis for his action." A. SCHLESINGER, PRESIDENCY, *supra* note 12, at 181.

For its part, stung by revelations about the events that precipitated the Gulf of Tonkin Resolution and increasingly concerned by the war's intensification, the Senate Foreign Relations Committee sought to discount the Resolution's significance as an authorization:

Often referred to loosely as an act of congressional *authorization* for the President to commit the United States to full scale war in Vietnam if he saw fit, the Gulf of Tonkin resolution is in fact not an authorization at all. The resolution says nothing about *authorizing* or *empowering* anybody to do anything. . . .

. . . In this respect, the distinction between an expression of *approval* and a grant of *authority* would seem to be of critical importance.

TERMINATION REPORT, *supra* note 74, at 9 (emphasis in original).

Such fine distinctions notwithstanding, the Resolution's language was sweeping: "Congress approves and supports the determination of the President . . . to take all necessary measures to . . . prevent further aggression" and the United States is "prepared, as the President determines, to take all necessary steps, including the use of armed force" to assist South Vietnam.

The Resolution was repealed in 1971, but by then the Executive, under Richard Nixon, brooked no challenge to the Commander in Chief's authority.

[76] "We are in a position in the world today where the argument as to who has the power to do this, that, or the other thing, is not exactly what is called for from America in this very critical hour." SENATE COMM. ON FOREIGN RELATIONS, NATIONAL COMMITMENTS REPORT, S. REP. No. 797, 90th Cong., 1st Sess. 17 (1976).

[77] Typical was this assertion, issued by the Nixon Administration some months prior to the Cambodian invasion in response to a pending congressional resolution:

As Commander in Chief, the President has the sole authority to command our Armed Forces, whether they are within or outside the United States. And, although reasonable men may differ as to the circumstances in which he should do so, the President has the constitutional power to send U.S. military forces abroad without specific congressional approval.

Quoted in TERMINATION REPORT, *supra* note 74, at 7.

[78] *See generally* 1973 U.S. CODE CONG. & ADMIN. NEWS 2346.

[79] Section 5(b) specifies a 60-day period but allows a 30-day extension "if the President determines and certifies to the Congress in writing that unavoidable military necessity requires the continued use of such armed forces in the course of bringing about a prompt removal of such forces." War Power Resolution § 5(b), 50 U.S.C. § 1544(b). Because the time clock commences when the report is due (i.e., within 48 hours after commencement of the action), the actual period before authorization is required is 62/92 days. The Resolution's clock is intended to tick even if no report is sent. But, as discussed below, the lack of a report creates a crucial ambiguity as to whether one was in fact due.

[80] Although the term "withdrawal" is commonly used in discussing the War Powers Resolution, section 5(b) actually requires that "the President shall *terminate* any use of United States Armed Forces with respect to which a report was submitted (or required to be submitted)." *Id.* (emphasis added).

[81] Concurrent resolutions do not require the President's signature.

[82] 119 CONG. REC. 25,093 (1973) (statement of Sen. Ervin).

[83] *Special Subcommittee Hearings, supra* note 6, at 765 (testimony of Professor Henkin).

[84] Indeed, § 8(d) of the Resolution states this specifically:

Nothing in this joint resolution—

(1) is intended to alter the constitutional authority of the Congress or of the President, or the provisions of existing treaties; or

(2) shall be construed as granting any authority to the President with respect to the introduction of United States Armed Forces into hostilities or into situations wherein involvement in hostilities is clearly indicated by the circumstances which authority he would not have had in the absence of this joint resolution. 50 U.S.C. § 1547(d).

[85] In voting against the Resolution Senator Eagleton stated: "I wish to say . . . that I do not view this as a historic recapture [of congressional authority]; on the contrary I view it as a historic surrender." 119 CONG. REC. 36,189 (1973).

This danger is exemplified by the construction given the War Powers Resolution by some scholars defending its constitutionality. These scholars view the Resolution as a sort of "sunset law," the functional equivalent of a statute requiring that troops may not be committed for more than 60/90 days. *See* Carter, *The Constitutionality of the War Powers Resolution*, 70 VA. L. REV. 101, 133 (1984). But in so doing, such defenders of the Resolution may concede more than they would wish, since it seems inherent in the very concept of a "sunset law" that what is being constrained temporarily is an *authority*, not an act of illegality.

[86] 462 U.S. 919 (1983).

[87] Every Order, Resolution, or Vote to which the Concurrence of the Senate and the House of Representatives may be necessary (except on the question of Adjournment) shall be presented to the President of the United States; and before the Same shall take Effect, shall be approved by him, or being disapproved by him, shall be repassed by two-thirds of the Senate and House of Representatives, according to the Rules and Limitations prescribed in the Case of a Bill. U.S. CONST. art. I, § 7, cl. 3.

[88] *See, e.g., Special Subcommittee Hearings, supra* note 6, at 1260 (testimony of Professor Franck); *id.* at 1176-79 (testimony of Professor Glennon); *id.* at 738 (testimony of Professor Chayes).

[89] *See* Ely, *Suppose Congress Wanted a War Powers Act That Worked*, 88 COLUM. L. REV., 1379, 1395-96 (1988):

In fact, section 5(c) does not appear to be unconstitutional. Even assuming that *Chadha* makes sense, it seems distinguishable. . . . Section 5(c) does not fit the profile of a standard "legislative veto" wherein Congress has delegated certain powers to the executive branch and then attempted to pull them back by reserving a right to veto executive exercises of the delegation. Instead, it should be read in the context of sections 4(a)(1) and 5(b), as part of a *package* attempting in concrete terms to approximate the accommodation reached by the Constitution's framers, that the President could act militarily in an emergency but was obligated to cease and desist in the event Congress did not approve as soon as it had a reasonable opportunity to do so. *Id.* (emphasis in original; footnote omitted); *see also* Vance, *Striking the Balance: Congress and the President Under the War Powers Resolution*, 133 U. PA. L. REV., 79, 86-87 (1984).

[90] Ely, *supra* note 89, at 1397.

[91] War Powers Resolution § 4(a), 50 U.S.C. § 1543(a) (1982).

[92] It is sometimes suggested that Congress could, if it simply had the will, adopt a resolution triggering the clock through a finding that a report was "required to be submitted." But a concurrent resolution would have no legal effect for presentment clause reasons, whereas a joint resolution (which has the status of law) probably would require a two-thirds vote in each house because any President, having refused to submit the report in the first place, presumably would veto it. Thus, any such attempt to "enforce" the War Powers Resolution would represent a reversion to the monarchist model in which the President is unrestrained until Congress can overwhelm him.

Indeed, to speak of "enforcing" the War Powers Resolution using two-thirds majorities to oppose the President reflects a loss of orientation. The purpose of the War Powers Resolution is to delineate procedures embodying the principle that warfare, except in limited emergency situations, should be based on *affirmative* congressional action taken through *simple majorities* in the two houses.

[93] Professor Ely has summarized this phenomenon:

Repeatedly—as in the last stages of the war in IndoChina, the attempt to free our hostages in Iran, and in Lebanon, Central America, Grenada, and Tripoli—the President either has not reported under section 4(a) or has failed to specify that what he is filing is a section 4(a)(1) "hostilities" report, thus avoiding the 60-day clock. Congress has responded to this evasion only once, in connection with the Lebanon crisis, when after much hemming and hawing it negotiated a "compromise" recognizing the applicability of the War Powers Resolution (which recognition President Reagan immediately repudiated) and extending the period the troops could remain in Lebanon for 18 months. *Ely, supra* note 89, at 1381.

[94] SS "MAYAGUEZ"—COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES, H.R. Doc. 151, 94th Cong., 1st Sess., *reprinted in* 121 CONG. REC. 14,427, 14,427 (1975). President Ford's report to Congress was submitted "[i]n accordance with my desire that the Congress be informed on this matter and taking note of Section 4(a)(1) of the War Powers Resolution." *Id.* In it, President Ford took the opportunity to assert that his use of military force to free the merchant marine vessel and crew seized by Cambodian forces in international waters "was ordered and conducted pursuant to the President's constitutional Executive power and his authority as Commander-in-Chief of the United States Armed Forces." *Id.*

[95] *See, e.g., Special Subcommittee Hearings, supra* note 6, at 247 (testimony of Secretary of Defense Carlucci) ("Instead of showing the world the will of the American people, the War Powers Resolution could, according to its terms, implement itself without a single vote being cast in Congress. . . . This is why the no-fault formula in the War Powers Resolution, wherein no Member of Congress is required to stand up and be counted is unacceptable.").

[96] TERMINATION REPORT, *supra* note 74, at 8.

[97] T. BAILEY, PRESIDENTIAL GREATNESS 227 (1966), *quoted in* TERMINATION REPORT, *supra* note 74, at 8. In posing such a question, the Foreign Relations Committee reflected the revolution in the views of its Chairman, J. William Fulbright, who has suggested, in the late-1950s article quoted earlier, *see supra* note 73, that the defense of democracy might require some compromise of its procedures, but who now had this to say:

"The values of democracy are in large part the processes of democracy. . . . When the exigencies of foreign policy are thought to necessitate the suspension of these processes, repeatedly and over a long period of time, such a foreign policy is not only inefficient but utterly irrational and self-crippling."

J.W. FULBRIGHT, THE CRIPPLED GIANT 208 (1972).

[98] It bears emphasis that the Carter Administration's position on the War Powers Resolution was never fully voiced or tested. Instead, that Administration adopted the conciliatory approach of praising the Resolution's consultation and reporting requirements while agreeing to abide by the constitutionally controversial provisions of § 5 "as a matter of policy" so as to avoid a "prolonged debate over elusive constitutional issues." *See War Powers Review, supra* note 30, at 190 (testimony of Herbert Hansell, Legal Adviser, Department of State). Hansell went on to describe the Carter Administration's acceptance of the War Power Resolution's basic concept of joint decisionmaking:

As section 2(a) suggests, Congress intended the Resolution as a remedial measure to insure that decisions to commit United States Armed Forces to Hostilities should involve "the collective judgment of both the Congress and the President."

This Administration is of the view that, as a matter of constitutional law and public policy, this country should not go to war without that collective judgment. *Id.* at 188.

Hansell's 1977 testimony gave rise to some optimism that the war powers issue might have been in large measure resolved. *See id.* at 191 (statement of Sen. Javits) ("I am delighted [that] . . . [w]e are now faced with the problem of the trees, not the forest."). But Senator Dick Clark expressed concern that a future Administration could easily adopt a different "policy" toward the Resolution, and that this would be all the easier because of the Carter Administration's unwillingness to adopt a formal position accepting the Resolution's constitutionality. *Id.* at 210 (statement of Sen. Clark). Hansell responded by expressing the Carter Administration's belief that "a much more important and effective restraint . . . on future administrations would be to develop a body of practice, of performances." *Id.* (Hansell testimony).

As it turned out, Senator Clark's concern was prescient. Because its only use of force reportable under the War Powers Resolution was the quickly aborted Iran rescue mission, the Carter Administration did not build "a body of practice" in complying with the resolution. In 1980, however, the Carter Justice Department did issue a legal memorandum affirming the constitutionality of the time-clock, the Resolution's key provision. *See Infra* note 116.

[99] *Special Subcommittee Hearings, supra* note 6, at 15 (testimony of Rep. Fascell). Chairman Fascell's testimony provides a lucid explanation of the myriad misunderstandings to which the Resolution is subject. *Id.* at 928–46.

[100] "War Powers Resolution Amendments of 1988," S.J. Res. 323, 100th Cong., 2d. Sess. (1988). The Byrd-Warner amendments were introduced May 19, 1988, by Senator Robert Byrd (for himself and Senators Nunn, Warner, and Mitchell) and referred to the Committee on Foreign Relations. A companion bill, H.J. Res. 601, 100th Cong., 2d Sess. (1988), was introduced June 6, 1988, by Representative Lee Hamilton in the House of Representatives.

In the 101st Congress, Senator Byrd reintroduced this legislation with minor alteration. S.2, 101st Cong., 1st Sess. (1989).

[101] Indeed, although Senator Byrd's 12-year tenure as Senate Democratic Leader was characterized by a stalwart defense of constitutional balance, his explanation of S.J. Res. 323 provides a clear statement of the monarchist model:

The key to the revisions I am proposing [is that it] changes the presumption of the current War Powers Resolution, which is that U.S. Armed Forces must be withdrawn from situations of hostilities or imminent involvement in hostilities within 60 days unless Congress specifically authorizes their continued presence. . . . [T]his legislation requires passage of a specific joint resolution requiring disengagement. 134 CONG. REC. S6174 (daily ed. May 19, 1988.)

[102] *Special Subcommittee Hearings, supra* note 6, at 272–79 (testimony of Professor Henkin). For an extensive discussion of this subject, see *id.* at 1167–84 (testimony of Professor Glennon).

[103] Youngstown Sheet and Tube Co. v. Sawyer, 343 U.S. 579 (1952).

[104] *Id.* at 637 (Jackson, J., concurring). Jackson's analysis warrants extensive quotation:

"Presidential powers are not fixed but fluctuate, depending upon their disjunction or conjunction with those of Congress. We may well begin by a somewhat over-simplified grouping of practical situations in which a President may doubt, or others may challenge, his powers, and by distinguishing roughly the legal consequences of this factor of relativity.

"1. When the President acts pursuant to an express or implied authorization of Congress, his authority is at its maximum, for it includes all that he possesses in his own right plus all that Congress can delegate. In these circumstances, and in these only, may he be said (for what it may be worth) to personify the federal sovereignty. If his act is held unconstitutional under these circumstances, it usually means that the Federal Government as an undivided whole lacks power. A seizure executed by the President pursuant to an Act of Congress would be supported by the strongest of presumptions and the widest latitude of judicial interpretation, and the burden of persuasion would rest heavily upon any who might attack it.

"2. When the President acts in absence of either a congressional grant or denial of authority, he can only rely upon his own independent powers, but there is a zone of twilight in which he and Congress may have concurrent authority, or in which its distribution is uncertain. Therefore, congressional inertia, indifference, or quiescence may sometimes, at least as a practical matter, enable, if not invite, measures on independent presidential responsibility. In this area, any actual test of power is likely to depend on the imperatives of events and contemporary imponderables rather than on abstract theories of law.

"3. When the President takes measures incompatible with the expressed or implied will of Congress, his power is at its lowest ebb, for then he can rely only upon his own constitutional powers minus any constitutional powers of Congress over the matter. Courts can sustain exclusive Presidential control in such a case only by disabling the Congress from acting upon the subject. Presidential claim to a power at once so conclusive and preclusive must be scrutinized with caution, for what is at stake is the equilibrium established by our constitutional system." *Id.* at 635–38 (footnotes omitted).

[105] 6 U.S. (2 Cranch) 170 (1804); *see supra* text accompanying notes 25–27.

[106] U.S. CONST. art. I, § 8.

[107] *See, e.g.,* Ely, *supra* note 89, at 1392 n.40. Professor Ely writes:

Enthusiasts of Justice Jackson's concurrence in *Youngstown*, 343 U.S. at 637, should have little trouble regarding the [War Powers] Resolution as a congressional exercise in mapping the "twilight zone," and therefore plainly constitutional and controlling under the logic of that opinion. (Others of us see the power to commit troops to combat, except in emergency situations, as assigned to the legislative process by the Constitution and thus not in need of rescue from any twilight zone.) *Id.*

[108] Since this is an authority indisputably *not* derived from the Constitution, its inclusion would help to underscore the function of this law as an act of *authorization*—as opposed to a listing of constitutionally derived Presidential powers—accompanied by the delineation of standards and procedures.

[109] The Truman Administration did not cite the Security Council's decision as a basis for this authority; indeed, President Truman decided to commit American air and sea forces to the defense of South Korea on June 25, 1950, only one day after the North Korean invasion. That same day the UN Security Council passed a resolution denouncing the North Korean invasion. But it was not until June 27 that the Security Council passed a second resolution, calling for "urgent military measures . . . to repel the armed attack." A. SCHLESINGER, PRESIDENCY, *supra* note 12, at 131.

[110] See, for example, this exchange with Lt. Gen. Brent Scowcroft during the Special Subcommittee's hearings:

Senator Biden: President Reagan and others have argued that the existence of the Sandinista regime in Nicaragua is a destabilizing factor in the hemisphere and may lead to broader conflict, involving U.S. interests. Do you believe that the President would have the authority, in order to prevent war, to prevent further conflict, to say I am going to invade Nicaragua with American troops. Does he have the authority to do that?

General Scowcroft: Yes. It may not be prudent if he does not have the support of the Congress, of the country, and a debacle could ensue. But, yes. *Special Subcommittee Hearings, supra* note 6, at 122.

[111] For valuable analysis relevant to this approach, see *id.* at 272–79 (testimony of Professor Henkin); *id.* at 1167–84 (testimony of Professor Glennon); and also letters subsequently submitted by these and other witnesses on the applicability of Justice Jackson's model. *Id.* at 1405–12.

[112] *See* Glennon, *United States Mutual Security Treaties: The Commitment Myth*, 24 COLUM. J. TRANS. L. 509 (1986).

[113] War Powers Resolution § 4(a)(1), 50 U.S.C. § 1543(a)(1).

[114] Statement to the United Nations Security Council, July 15, 1988.

[115] In practice, this "decisiveness" could prove to be elusive in a situation in which the running of the clock was disputed by the President and its expiration was therefore a matter of ambiguity. But Congress could, by simple majority, move to enforce the power of the purse through a parliamentary technique. As discussed later, a Use of Force Act could provide expedited procedures for congressional resolutions designed to make a finding either that the clock, in a particular situation, was running, or that the President has misused his authority to waive the clock. While any such resolution passed by simple majorities in the two houses could not have legal effect (assuming the President vetoed it), it could—in addition to any political and judicial significance—have powerful budgetary effect if Congress had stipulated in its own rules that passage of such a resolution would cause a parliamentary point of order to lie against any subsequent bill containing funds for the perpetuation of that use of force. This technique could not affect funds already appropriated, but would render *future* funding vulnerable to objection by any one member of Congress.

Although this sounds drastic, it should be emphasized that creating such procedures would be intended primarily to serve as a deterrent, helping to encourage cooperative Presidential participation in

the established mechanism. As in the realm of nuclear deterrence, the aim of deploying such "weapons" would be to deter behavior that would cause their use ever to be contemplated.

[116] Indeed, although the Carter Administration avoided pronouncing on the constitutionality of the War Powers Resolution as a whole, the Carter Justice Department issued an important, although little noted, legal opinion affirming the constitutionality of the clock mechanism:

We believe that Congress may, as a general constitutional matter, place a 60-day limit on the use of our armed forces as required by the provisions of [section 5(b)] of the Resolution. The Resolution gives the President the flexibility to extend that deadline for up to 30 days in cases of "unavoidable military necessity." This flexibility is, we believe, sufficient under any scenarios we can hypothesize to preserve his constitutional function as Commander-in-Chief. The practical effect of the 60-day limit is to shift the burden to the President to convince the Congress of the continuing need for the use of our armed forces abroad. We cannot say that placing this burden on the President unconstitutionally intrudes upon his executive powers.

Finally, Congress may regulate the President's exercise of his inherent power by imposing limits *by statute.*

Presidential Power to Use the Armed Forces Abroad Without Statutory Authority, 4A OP. OFFICE OF THE LEGAL COUNSEL, DEP'T OF JUSTICE 185, 196 (1980) (emphasis in original).

[117] *See, e.g., Special Subcommittee Hearings, supra* note 6, at 248 (testimony of Frank Carlucci, Secretary of Defense) ("[F]or 60 or 90 days, or longer, the War Powers Resolution would leave in suspense the question of whether a military deployment was authorized.")

[118] Ely, *supra* note 89, at 1400.

[119] *Cf. Special Subcommittee Hearings, supra* note 6, at 220 (testimony of Professor Thomas Franck) ("After 60 to 90 days, section 5(b) appears to require the recall of U.S. forces from combat, even when their dispatch by the President was constitutional and lawful. It is difficult to sustain the argument that Congress can terminate what it concedes the President could initiate on his own initiative.").

[120] Because a President would undoubtedly sign any such joint resolution, no *Chadha* legislative veto problem would arise.

[121] 676 F. Supp. 333 (D.D.C. 1987). The district court refused to consider a complaint by 110 Members of the House of Representatives that deployment of U.S. forces in the Persian Gulf triggered the reporting requirements and, by implication, the 60-day clock of the War Powers Resolution. *Id.* at 341.

[122] That task is comprehensively achieved, for example, by Ely, *supra* note 89.

[123] "The question whether to authorize a war is committed to Congress. The question whether it has done so, or whether instead the executive is acting without authorization, is of familiar judicial contour." Ely, *supra* note 89, at 1412 n.95.

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THE TREATY POWER: UPHOLDING A CONSTITUTIONAL PARTNERSHIP

(By Joseph R. Biden, Jr. and John B. Ritch III)

In June of 1988, as the leaders of the United States and the Soviet Union met in Moscow to inaugurate the Treaty on Intermediate-Range Nuclear Forces (INF Treaty), their joint act of ratification ended more than a sixteen year hiatus in codified superpower arms control. It also brought to a close an extraordinary episode in American constitutional history: an unprecedented executive-legislative confrontation over the very nature of the treaty power.

The internecine American dispute had arisen nearly three years earlier when the Reagan Administration attempted to adopt a drastically altered interpretation of the most recently ratified arms accord, the Anti-Ballistic Missile Treaty of 1972 (ABM Treaty), and to assert a new constitutional theory purporting that such a change was permissible by presidential fiat.[1] The Senate's response, developed through extensive hearings and analysis, culminated only as President Reagan arrived in Moscow, when it consented to ratification of the INF Treaty with a formal "condition." This measure, known as the Biden Condition, acquired the force of domestic United States law upon the Treaty's ratification. Its effect was to repudiate decisively the Administration's theory, which Senate opponents had labeled the Sofaer Doctrine.

This essay recounts significant events leading to the Senate's refutation of the Sofaer Doctrine and offers a rationale for the necessity of the Senate's action.

I. A HISTORY OF THE "REINTERPRETATION" CONTROVERSY

The ABM Treaty "reinterpretation" episode began in March of 1983 when President Reagan, during a nationally-televised address, astonished the world and most of his own advisers by revealing his vision of anti-missile technology that would render nuclear weapons "impotent and obsolete." To observers aware of the contours of nuclear arms control, the inconsistency between the President's declared intent to seek such technology and well-established United States legal obligations under the ABM Treaty was immediately apparent. The ABM Treaty, after all, had been designed to preclude a spiraling race in offensive and defensive technologies and, to that end, embodied a superpower pledge to foreswear precisely the goal of nationwide anti-nuclear defenses that President Reagan had suddenly embraced.

At first, President Reagan's rhetorical flirtation with a "Star Wars" defense seemed no more than a flight of fancy—an ideological expression of the political right's unwillingness to accept a world of nuclear parity and mutual vulnerability with the "evil empire." But the President had unleashed forces of bureaucratic momentum and populist appeal. In an Administration where maximizing defense spending and denigrating arms control were considered parallel virtues,[2] the President's imprimatur quickly gave Star Wars programmatic status as the "Strategic Defense Initiative." Who, against a popular President, could successfully oppose efforts to "defend" the United States?

Still, the SDI threat to the ABM Treaty seemed as remote as the "new technologies" of which the President dreamt. It was not until more than two years after President Reagan's initial revelation that his loyal lieutenants concocted a second surprise, heavy in implications for both arms control and the Constitution. Appearing on a Sunday morning television talk show in October of 1985, National Security Adviser Robert MacFarlane casually dropped the bombshell.

The Reagan Administration, MacFarlane disclosed, had determined that the ABM Treaty, notwithstanding its express purpose, its explicit provisions and all that the Executive Branch had said about its meaning for thirteen years,[3] actually entailed no prohibitions on the development and full-scale testing of ABM systems comprised of "new technologies"—the very system imagined by President Reagan. This announcement, while perhaps a pleasant surprise even to the President himelf, left many in the Senate, the arms control community, and the legal profession agape.[4] Designed and ratified to serve as the bedrock of nuclear arms control, the ABM Treaty was now to be gutted by a unilateral Reagan "reinterpretation."

The Administration's claim derived from a revolutionary reading of the Treaty's "negotiating record" by the State Department's newly-installed Legal Adviser, Abraham Sofaer. His study of this obscure and still-undefined "record," it was asserted, suddenly freed the Reagan Administration to pursue Star Wars unimpeded by a superpower accord that had been negotiated and ratified to proscribe just such activities.

Soon thereafter, Sofaer appeared on Capitol Hill to explain the Administration's archaeological find. In so doing, the Legal Adviser faced two imposing tasks: (1) to argue that the ABM Treaty did not really say what it seemed to say, and (2) to argue that what the Senate was told in 1972 could be disregarded. Encountering congressional skepticism that only intensified after his initial testimony, Sofaer persevered, eventually developing two claims: one facutal, the other legal.

A. Sofaer's two claims

Sofaer's factual claim was that the "negotiating record," a nebulous collection of thirteen-year-old internal United States Government memoranda, demonstrated that the two superpowers had never achieved agreement concerning a permanent ban on the testing and development of nationwide ABM defenses, notwithstanding that such a ban is critical to the logic of the ABM Treaty.[5] Under this "broad interpretation," which Sofaer argued was consistent with the Treaty text [6] and the 1972 Senate ratification proceedings, future space-based and other mobile ABM systems using "other physical principles" were simply exempt from the ABM Treaty's ban.

Initially, Sofaer's factual claim included a bald assertion concerning the ratification proceedings: that Nixon Administration testimony during the 1972 hearings supported the Reagan Administration's new interpretation. Later, however, when this aspect of the factual claim was demonstrated to be egregiously false,[7] Sofaer fell back to an unpersuasive assertion that the ratification record was ambiguous, and substituted a legal claim. The essence of this legal claim was that a President, in interpreting and implementing a treaty, can simply ignore much of what the Executive Branch and told the Senate in obtaining its consent to ratify the treaty. This legal claim became known as the Sofaer Doctrine.

In combination, the two claims were designed to eviscerate the ABM Treaty, clearing the way for the untrammeled pursuit of the President's fantasy of an anti-nuclear astrodome. But the legal claim also had grave and far-reaching implications for all United States treaty-making—not only for the Senate's role, but for the conduct of American diplomacy.

B. The congressional response

Senators Sam Nunn and Carl Levin of the Armed Services Committee took the lead in assessing the factual claim. They quickly moved Sofaer into a defense retreat on the ambiguities he claimed to have found in the Senate's 1972 hearings and debate; they insisted further that the Senate obtain the so-called "negotiating record" so that Sofaer's allegations regarding United States-Soviet diplomatic exchanges in the 1971-72 talks could be examined in cold light. Many months later, in the spring of 1987, these efforts culminated in the issuance of Senator

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Footnotes at end of article.

Nunn's detailed study,[8] which marshalled overwhelming evidence and argument to refute Sofaer's two factual contentions: (1) that the "negotiating record" showed a failure on the part of United States negotiators to obtain Soviet agreement to the traditional interpretation; and (2) that the ratificaton proceedings supported the broad interpretation or were ambiguous. Senators Levin and Nunn went on to attach an amendment to the 1987 Defense Authorization bill, which blocked any SDI tests that would have been permitted by the broad interpretation.[9]

The Foreign Relations and Judiciary Committees, meanwhile, focused on the constitutional claim that Sofaer was developing as he found it increasingly difficult to sustain his factual claim concerning the Nixon Administration's 1972 testimony. In joint hearings[10] the two Committees sought to examine a question never before posed in 200 years of constitutional history: Can the President unilaterally and fundamentally change a treaty by "reinterpreting" it in disregard of executive representations originally tendered to the Senate?

Testimony by eminent constitutional scholars answered this question decisively in the negative[11] and helped lay the groundwork for the drafting of Senate Resolution 167, The ABM Treaty Interpretation Resolution.[12] Introduced in March of 1987, it set forth a combination of relevant constitutional principles and contemporary facts which together yielded an inexorable conclusion: that only the traditional interpretation of the ABM Treaty, banning development and testing of present and future ABM technologies, is valid constitutionally, as well as under international law. In September of 1987, when the Foreign Relations Committee approved Senate Resolution 167 and sent it to the full Senate, the accompanying Committee report[13] concluded with sharp words concerning the Reagan Administration's legal machinations.[14]

"The Legal Adviser is * * * charged with American compliance with—and American efforts to enforce—the most momentous elements of the rule of law: rules of constitutional power, of international commitment, of war and peace. It is the Legal Adviser who, through his own integrity and the integrity of the legal analysis he oversees, must set the highest standards in honoring the law of the Constitution and the law of nations. It is the Legal Adviser who, when asked to "legalize" short-term policy ends over constitutional means, must be prepared to say no. It is the Legal Adviser who, regardless of political pressures, must revere law as the alternative to anarchy.

"By failing to meet the standard, Mr. Sofaer has done a disservice to the Office of Legal Adviser. * * *

"The Committee can find no evidence to contradict the conclusion that the Reagan Administration's "reinterpretation" of the ABM Treaty constitutes the most flagrant abuse of the Constitution's treaty power in 200 years of American history. * * *

No standard is more fundamental to civilization than the value of honoring a solemn pledge. While the "reinterpretation" debate has raised many complex and technical questions of international and constitutional law, beneath them all is a simple value with which every American is familiar: the value of honesty.

"In seeking to distort the ABM Treaty through the sham of a "reinterpretation," the Administration has denigrated this value in the interest of pursuing a Presidential dream—that the United States can find safety in the nuclear age through the erection of an anti-nuclear astrodome. Some in the Senate support this goal; others regard it as naive, futile, and dangerous. But that debate aside, it should be taken as unarguably true that corrupting our own institutions and constitutional processes is not an effective way to defend the United States of America." [15]

This effort to deal with Sofaer's constitutional claim regarding the ABM Treaty helped to establish a legal and political basis for more formal action by the full Senate to address the treaty interpretation issue in connection with INF Treaty. In January of 1988, after the INF Treaty had been submitted to the Senate and referred to the Foreign Relations Committee, the Biden Condition[16] was formulated with the aim of repudiating this claim by exercising the Senate's prerogative to render conditional consent to the ratification of a treaty.[17]

In design, the Biden Condition was phrased positively to affirm the principle that in implementing a treaty, the Executive must honor the interpretation shared by the Executive and the Senate at the time of ratification. But the Biden Condition's implicit purpose was negative: to lay permanently to rest the Legal Adviser's newly-spawned legal doctrine—a doctrine that threatened not only the ABM Treaty, but the very foundation of the executive-legislative partnership in treaty-making as mandated by the Constitution.

II. THE SOFAER DOCTRINE

The precise details of the Sofaer Doctrine had emerged gradually in Administration testimony, statements and "studies," and—for political rather than logical reasons—had become increasingly crucial to the case for reinterpretation. On a logical level, opponents of the "reinterpretation" could argue soundly that the Administration's factual claim regarding the content of the "negotiating record" was simply invalid, and that any further debate over the President's constitutional latitude to "reinterpret" was therefore moot. But in a practical political context dominated by a popular President who dreamt of defending the United States by neutralizing the nuclear threat, this argument was far from compelling. To the electorate and to some Senators, the very purpose of the ABM Treaty appeared counter/intuitive. The provisions of the Treaty text were intricate in their interaction and not widely understood. And the so-called "negotiating record"—hundreds of pages of still-classified memoranda confusing both in their content[18] and their legal status—compounded the ABM Treaty's vulnerability to distorted description and general obfuscation.

In contrast, the publicly available and comparatively straightforward 1972 ratification proceedings were not shielded behind this smokescreen and therefore presented the "reinterpreters" with a more difficult challenge. Once Senators Levin and Nunn, and then the joint Foreign Relations-Judiciary Committee hearings, had undermined Sofaer's original factual claim that the 1972 proceedings were ambiguous, the case for the "reinterpretation" became heavily dependent upon justifying the proposition that those proceedings, whatever their content, imposed no constraint on future presidential interpretations of the ABM Treaty. Thus, Sofaer and his colleagues eventually found themselves fixated on contriving a legal argument that the Executive is simply not bound by much of what it has told the Senate in seeking consent to a treaty's ratification.

On March 17, 1988, as the Foreign Relations Committee prepared to act on the INF Treaty and the Biden Condition, the Administration provided its critique of the Condition in a formal letter.[19] Although signed by White House Counsel Arthur Culvahouse,[20] this letter expressed the Sofaer Doctrine in its most crystalline form. The President, said the Reagan White House, is bound by a particular interpretation of a treaty provision only if it meets three criteria: when consent was given, the interpretation must have been (1) "generally understood" by the Senate, (2) "clearly intended" by the Senate, and (3) "relied upon" by the Senate.[21]

The Administration described these criteria, which appeared so beguilingly straightforward and superficially unobjectionable, as comprising a "settled principle." [22] But in fact the Sofaer criteria were asserted with no constitutional basis: no reference to the intent of the Framers, to historical precedent, to case law—no reference to any source of constitutional authority. These alleged "principles" were simply invented.

Efforts within the Senate to refute the Sofaer Doctrine faced two obstacles: (1) a phalanx of Star Wars supporters, who in any case might have elevated the President's dream of a strategic defense above what seemed a constitutional technicality, and (2) the difficulty of explaining the implications of the Sofaer criteria. After all, everyone concerned could agree that if these criteria were met, the Executive would be bound. It required considerable effort to focus Senators, much less public interest, on the fact that such criteria, if accepted, would in practice be so difficult to meet that the Executive would almost never be bound by its own presentation to the Senate. Within the criteria lay these virtually unanswerable questions:

(1) How many Senators must speak on a given interpretation before it can be proven that the Senate "generally understood" that interpretation, and what standards are to be used in ascertaining what was understood?

(2) Unless the Senate has affirmed a particular interpretation by means of a formal condition, how can it ever be demonstrated that the Senate "clearly intended" a particular interpretation?

(3) If "relied upon" means that a particular interpretation was crucial to the Senate's action in approving a treaty or refraining from the imposition of a formal condition, how can the Senate's collective motivation ever be proven?

Yet, under the Sofaer Doctrine, all three proofs would be required to forestall a "reinterpretation." Thus, in its effect, the Sofaer Doctrine was a claim of wide executive latitude to change a treaty's meaning by means of the assertion, in the context of domestic law, of extreme and unreasonable criteria for what may not be reinterpreted.

As a matter of principle, the Doctrine threatened to nullify the Senate's constitutional role in the treaty power. But as a matter of practicality, the Sofaer Doctrine threatened paralysis in American treaty-making—since the Senate's only recourse would be to attach elaborate and numerous conditions to treaties in order to ensure that its understanding became an integral and explicit part of a treaty's ratification documents.

A. Fundamental flaw

The critical flaw in the Sofaer Doctrine was its faulty premise that the Senate is not an integral part of establishing the meaning of a treaty under United States constitutional law except insofar as the Senate does so through affirmative steps which impose restrictions on executive latitude [23] In relying on this premise, the Doctrine was fundamentally inconsistent with the basic model of United States treaty-making, wherein the Executive negotiates a treaty, explains its meaning to the Senate, and on that basis is accorded consent to ratify the treaty. Instead, the Doctrine called for the Senate to demonstrate a specific understanding, intent and motivation concerning every treaty provision, lest that provision be subject to any interpretation a President might later prefer.

In its INF Treaty Report, the Foreign Relations Committee elaborated on the defining and binding significance of the Senate's understanding of a treaty's meaning:

"Under the Constitution, the President may ratify only a treaty to which the Senate advised and consented. And it must be taken as axiomatic that the Senate cannot consent to that which it did not understand. Accordingly, the operative principle of treaty-making under the Constitution must be that, as co-makers of a treaty for the United States, the Executive and the Senate share a common understanding of a treaty which has binding significance domestically as the treaty, upon ratification, becomes an integral part of United States law.[24]

The Committee Report then emphasized where this common understanding is to be found:

In the establishment and determination of that common understanding, the concept of legislative intent must be as applicable to treaties as it is to statutory law, in which intent may be explicit or implicit. . . .

What is crucial is that legislative intent, with regard to a treaty as well as a statute, is expressed not only in language drafted by legislators but in unchallenged communications of the Executive. Under longstanding principles of textural construction, Executive communications to the Congress concerning the meaning of a text are evidence of the meaning of that text if Congress (or the Senate) acquiesces in that meaning. In other words, the legislative branch is deemed to be placed on notice by the Executive that certain words will be construed in a certain manner. If Congress wishes a different meaning to obtain, it may act so as to effect that different meaning. If Congress does not act, however, it is properly deemed to have accepted—and to intend—the meaning communicated by the Executive.

* * * Professor Louis Henkin, chief reporter of the new Restatement of U.S. Foreign Relations Law, summarized this concept as follows: "Where several [Executive] statements are made and there is general acceptance of their tenor, that is the Senate understanding. That is true in the case of Senate consent to a treaty, as it would be in the legislative history of a statute."

Clearly, in determining whether the Senate consented to the ratification of a treaty pursuant to an implicit understanding, a rule of reason must apply. Obviously, where the indicia of Senate intent or understanding (including unchallenged Executive communications or explanations) are few or inconsistent, no implicit Senate intent can reasonably be said to exist. On the other hand, where the indicia of intent (again, including unchallenged Executive communications or explanations) are several and largely consistent, an implicit intent can reasonably be concluded to exist. In such circumstances, the President is bound constitutionally to regard that intent as an implicit Senate understanding, and therefore an implicit condition of the Senate's consent. The Chief Executive cannot bring the treaty into force unless it reflects that condition, and subsequent Presidents must interpret the treaty subject to that intent.

The essence of the Sofaer Doctrine is to reject this concept of legislative intent as it has been normally understood. * * *[25]

In truth, the Senate's understanding of a treaty is usually implicit—that is, registered via acceptance of executive representations. Indeed, the Sofaer Doctrine entailed a profound irony. Since implicit understanding is most likely to occur on those points where there is no controversy requiring explicit resolution, the Doctrine, by discounting implicit understanding, could render vulnerable to "reinterpretation" precisely those points on which there was full consensus at the time of ratification.[26]

B. The "negotiating record" and international law

One consequence of Sofaer's stratagems was pervasive confusion about the legal significance of the so-called "negotiating record" of a treaty. His argument, after all, was that the traditional interpretation of the ABM Treaty, even if presented to the Senate and generally accepted by all parties for thirteen years, must be subordinated to the real treaty obligations that might be discovered subsequently in such a "record." It therefore bears emphasis that there is, definitively, no such thing as a negotiating record.

Ironically, the vestigial and undefined quality of treaty "records" was underscored by Sofaer himself when he testified in March of 1987 that the search for the United States ABM Treaty "record"—that is, any and all documents and memoranda pertaining to the Treaty negotiation—was still underway and that documents were "continuing to turn up out of the boxes that are arriving in my office from various storage facilities."[27] This statement occurred seventeen months after Sofaer had placed the prestige of his office and the honor of the United States behind a radical and unilateral United States revision of the ABM Treaty on the authority of the "negotiating record."

Not only were these documents unknown to the Senate in 1972 and insufficient to meet any agreed definition of a "negotiating record," they also had, under any definition, only the most tenuous status under international law.[28] On matters of treaty interpretation, international law looks to the treaty text as the primary source. "Subsequent practice" of the parties in implementing the treaty also carries great weight. True, in areas where the text and subsequent practice leave ambiguity, the original intent of the parties—as reflected in what they said in arriving at the treaty—may have interpretive significance. But in and of themselves, internal United States Government memoranda have virtually no standing under international law. And even documents shared by the parties represent no more than evidence as to where the negotiating process stood at a given point.

In the case of the ABM Treaty, both the text (except when read perversely) and thirteen years of subsequent practice (both behavioral and rhetorical) supported the traditional interpretation. Nonetheless, the Administration was relying on a collection of still-classified United States documents (and, as Senator Nunn had discovered, a distorted reading of those documents) as justification for asserting a radical revision of the Treaty in the context of international law.

The Administration recognized, of course, that the President's highest duty—higher than any duty deriving from international law—is to observe his domestic obligations under the Constitution. For example, if a United States statute conflicts with an earlier United States treaty commitment, his constitutional imperative is to obey the statute. The role of the newly-minted Sofaer Doctrine was to minimize the requirements imposed by such constitutional obligations, thereby freeing the Executive to act on its "reinterpretation" internationally without constraint under domestic law.

Thus, in the effort to stretch the ABM Treaty to accommodate Star Wars, the roles of the "negotiating record" and the Sofaer Doctrine were analogous to a one-two punch—both illegal.[29]

C. The "Two Treaties" Issue

To deflect criticism over their cavalier design to discount the significance of treaty ratification proceedings, Sofaer and his allies relied heavily on what might be called the "two treaties" argument.[30] Referring to the Executive's two sets of obligations—under domestic and international law—with respect to given treaty, they raised a fearsome specter. If the Executive is constrained by what it told the Senate, might not the United States someday find itself hamstrung vis-á-vis another nation, such as the Soviet Union, which remained free to apply a less restrictive interpretation of a treaty? Implicit was a message of macho realpolitik: fastidious concern for constitutional niceties could gravely disadvantage the United States on the global battlefield.[31]

This argument, however, appealed more effectively to emotion than to reason. Of course, it is possible to *hypothesize* a "two treaties" scenario in which the Executive, perhaps inadvertently, presents an overly restrictive interpretation to the Senate. Indeed, one can imagine such a case even under the Sofaer Doctrine, since it allows that some, albeit very little, executive testimony may be binding. But in practice "two treaties" has not proven to be a problem, and it was profoundly revealing that Sofaer and others were never able to point to a realworld example.

Certainly, the ABM Treaty was not a case in point. Here it was not the Soviets but the United States seeking to apply a less restrictive version. The interpretation still accepted by the Soviet Union comported fully with the meaning originally presented to the Senate.

Nor, as a matter of principle, should it be accepted that differences could commonly exist between what the Executive agreed with the other party and the explanations provided to the Senate. As the Foreign Relations Committee stressed:

There should be no such difference. It is the Executive's responsibility to ensure sufficient clarity in a treaty, and in its explanations thereof to the Senate, so that no conflict exists between the shared understanding of the parties on the one hand and the shared understanding of the Executive and Senate on the other. If, in extremis, such conflict should arise and prove not resolv-

able by discussion or negotiation with the other party, the United States of course has the option of withdrawing from the treaty.

In sum, this largely theoretical problem should be addressed if and when it arises—not by a preemptive alteration of constitutional principles. The Senate should not accept a doctrine that assumes and protects carelessness or deviousness on the part of the Executive.[32]

III. The Biden Condition

Developed against the backdrop of this controversy,[33] the Biden Condition had four crucial elements:

(1) the principle that the original "shared understanding" held by the Executive and the Senate must govern United States interpretation and implementation of a treaty;

(2) the principle that the basis for this common understanding is the text of the treaty, as elaborated by the Executive's formal representations to the Senate in seeking consent to ratification;

(3) the principle (really a corollary of the first principle) that the Executive may not, acting alone, adopt a new interpretation of a treaty; and

(4) a reference to the Constitution as the source of these principles.

As both supporters and opponents of the Condition recognized, the last element was critical. While it was understood that, technically, the Condition would apply its interpretation requirement only to the INF Treaty, it was also recognized that couching the requirement as one which the Senate viewed as a constitutional principle would give the Condition a larger significance.

Indeed, reference to the Constitution was essential to prevent the Condition from being stood on its head. Without that reference, the "principle" being applied would be ad hoc, and thus no principle at all. The Condition would then carry the implication that unless the Senate, in consenting to a treaty, specifically stipulated such a requirement—as it had not done in consenting to the ABM Treaty—no such requirement would apply. Thus, divested of a reference to the Constitution, the Biden Condition could have become an argument favoring the ABM Treaty "reinterpretation," as well as precedent suggesting the need for such a condition on every future treaty.

Although branded as doing so, the Biden Condition represented no effort to shift the constitutional allocation of powers between President and Congress. Rather, the Condition simply aimed to express and affirm a long-standing, if never-before-articulated, principle: to wit, that the "shared understanding" of the Executive and the Senate as reflected in the Executive's formal representations, is indeed fully binding, as opposed to binding only with regard to those provisions and interpretations that the Senate has gone to extraordinary lengths to brand as crucial to its consent, by a formal condition or some other means.

Unlike the Sofaer Doctrine, the Biden Condition was based on a conception of the Executive and the Senate not as adversaries in the treaty-making process, but as partners—co-makers of the treaty on behalf of the United States. True, both the Biden Condition and the Sofaer Doctrine rested upon the premise that a "shared understanding" is required to bind the Executive to a given interpretation of a treaty, but the key difference concerned the locus of that "shared understanding." As stated in the Biden Condition, that locus is the body of all "authoritative" statements rendered by the Executive in seeking consent to ratification. According to the Sofaer Doctrine, the Executive would be bound only by those "shared understandings" which the Senate somehow labled as being crucial to its consent by fulfilling the criteria of "generally understood, clearly intended, and relied upon."

Recognizing that such fine distinctions were not the grist of normal political discourse, the Foreign Relations Committee was at pains in its INF Treaty Report to emphasize the role the Biden Condition was and was not intended to play.[34] The Committee also stressed that the primary source for treaty interpretation is not the process of what occurred in the negotiation or what can be found in any party's "record" thereof, but rather the resulting treaty document—the signed and ratified text:

Both domestic and international law give primacy in treaty interpretation to the text of the treaty. International law requires that a treaty be interpreted in accordance with the ordinary meaning to be given the treaty's terms in light of their context and in light of the treaty's object and purpose. Domestic law does not differ, and is also premised on the assumption that the Executive and the Senate, as co-makers of a treaty for the United States, will share a common understanding of a treaty's text. As a matter of record, that common understanding of the text will be reflected in the Executive's formal presentation of the treaty to the Senate: in formal presentation documents, in prepared testimony, and in verbal and written intercourse regarding the treaty's meaning and effect.[35]

The Committee also sought to rebut the Administration's charge that the passage of the Biden Condition would bind the Administration to every statement of any Executive Branch official, even statements accidentally in error:

The Committee wishes to emphasize that in asserting the binding significance of the Executive's original representations, it has articulated the principle with great care. Whereas some formulations [might] have asserted that the Executive is directly and explicitly "bound by" its representations, the Biden Condition makes no such assertion. Rather, beginning with the premise of Executive-Seante partnership in the making of treaties, it asserts only the binding quality of the original "shared understanding" and then asserts a derivative principle: that this "shared understanding" of a treaty's text is "reflected in"—meaning evidenced by—the Executive's authoritative representations "insofar as such representations are directed to the meaning and legal effect of the text of the Treaty."

This construction helps to underscore that a rule of reason must apply in instances where inconsistencies may appear, lest the Executive be "bound by" two inconsistent requirements. Thus, the Biden Condition is precisely and carefully balanced in seeking to articulate the constitutional principles it aims to uphold . . .[36]

Certainly, substantial weight must be accorded the Executive's formal presentation documents, which include the treaty itself and a detailed explanation of the Executive's understanding of the treaty's terms. Considerable weight must also be accorded the prepared testimony of top executive officials. Additional information elicited during the Executive-Senate interaction regarding the meaning and legal effect of treaty terms will also be important because such discussion and questioning will cover items of particular interest and concern to the Senate, as a co-maker of the treaty for the United States. The overall significance of Executive Branch representations makes it incumbent upon the Executive to take great care to avoid or remove any inconsistency in its overall presentation of a treaty. The possibility, however, that the Executive may prove fallible—that an "authoritative" representation could, on rare occasion, be inconsistent with the text of the treaty, or with another "authoritative" representation—is simply an unavoidable fact of life which does not in any way diminish the crucial role of such representations in providing evidence of the common understanding of the text of a treaty held originally by the Executive and the the Senate as co-makers of a treaty.[37]

In addition, the Committee warned that given the Executive's assertion of the Sofaer Doctrine, the only practical alternative to the Biden Condition would be "to lade the INF Treaty and its resolution of ratification with an enormous burden of formal amendments, stipulations, conditions, and the like, which could require months of debate."[38]

A. Senate consideration of the Biden condition

While it was obvious that Senate opposition to the Condition would be led by dedicated Star Warriors, the key question was whether some Administration loyalists could be won over by emphasizing the constitutional issue, including the direct question of Senate prerogative. To make the case more palatable, Condition advocates[39] were at pains to stress that the principles being affirmed did not lay to rest the entire ABM issue, but only the legal claim. Passage of the Condition, they reiterated, would not *resolve* the ABM Treaty debate, but simply confine it to a dispute over facts concerning the "negotiating record" and the ratification proceedings of 1972.

Nonetheless, battle lines were quickly drawn as the Administration—perhaps in recognition of the weakness of the factual case—moved strongly to solidify the ranks of its supporters in the Senate, including moderates, against the Condition. Both in the lead-up to the Committee vote and before the vote on the Senate floor, extensive negotiations occurred on a "compromise." Invariably, however, such proposals put forward by the Administration and its Senate loyalists had three characteristics:

(1) language introducing the concept of international law,[40]

(2) language that would incorporate the Sofaer Doctrine criteria (that is, "generally understood," etc.) into the Condition, and

(3) deletion of any mention of the Constitution.

Supporters of the Condition, however, stood fast against any such "compromise," recognizing that each element was insidious:

(1) proposed references to international law carried an implication that the United States has two sets of obligations under a treaty and might have to subordinate one to another (that is, what the Executive told the Senate might, on occasion, have to be subordinated to the supposedly higher truth of the "negotiating record"),

(2) introducing the Sofaer criteria into a text designed to refute the Doctrine was clearly perverse, and

(3) reference to the Constitution was imperative to demonstrate that the Senate was asserting principles inherently applicable to all treaties as opposed to imposing an ad hoc policy on the INF Treaty.

In April, the Foreign Relations Committee reported the INF Treaty to the full Senate after a contentious debate and adoption of the Condition on a twelve-to-seven vote.

As floor debate began, the treaty interpretation issue occasioned some worry in the arms control community that the controversy could delay or even scuttle the INF Treaty. Nonetheless, Majority Leader Robert Byrd, backed by Senators Nunn, Sarbanes, and Levin, took a firm stand in defense of constitutional principle.

In preparation for a vote, Senator Byrd made a slight modification in the Biden Condition in order to protect it procedurally from further amendment.[41] With negotiations stalemated, the Leader made clear his determination to let the matter be settled on a close vote if necessary, his position strengthened by a calculus that support for the INF Treaty was sufficiently strong so that the Treaty would prevail with or without the Condition. Finally, with a vote only hours away, Senator William Cohen, a Republican who was a stalwart opponent of the "reinterpretation," made a valuable suggestion, aimed at providing political "cover" for Senators who did not wish to confront the President directly on a high-stakes ideological issue but who recognized the validity of the Condition.

Senator Cohen reasoned that while the factual claim of ambiguity in the 1972 Nixon Administration testimony had been repudiated already, it nonetheless remained an integral part of the mythology underpinning the "reinterpretation." Therefore, why not take into account the possibility of "ambiguous testimony"? Since the Condition was intended only to affirm the principle that the original "shared understanding" must govern treaty implementation, why not add a corollary that would cover the situation alleged in the ill-founded factual claim: to wit, that where *no* "common understanding" has been reached between the Senate and the Executive, a treaty will be interpreted in accordance with applicable United States law?

One may only speculate about the internecine discussions that ensued among Administration representatives and their Senate supporters; perhaps historians will someday learn more. Since it followed logically from the other elements of the Biden Condition, the Cohen Corollary was accepted readily by Condition advocates. Nonetheless, this change precipitated the significant shift toward bipartisanship that Condition supporters sought.

More surprisingly, the Administration seemed to acquiesce. Senator Arlen Specter, an opponent of the Condition, noted that suddenly the Administration's position was "enormously different from what [it] has staunchly contended up to . . . recently."[42] He accused the Administration of "unconditional surrender . . . joined in by a number of my colleagues on this side of the aisle."[43]

On May 26, with Senators Nunn, Sarbanes, Levin, Cranston, and Dodd leading the debate, and with key Republican leaders, including Senators Dole, Lugar, and Kassebaum, shifting position to join in support, the Senate voted 72-27 in favor of the Biden Condition.

Although this result was quite sufficient to sound the death-knell for the Sofaer Doctrine, the victory was subsequently sharpened, before the final vote on the Treaty, when opponents of the Condition sought to raise the issue anew—with three proposals.

Two, sponsored by Senators Wilson and Specter, respectively, sought to introduce the concept of international law. Condition advocates opposed this, as they had during the "compromise" negotiations, on the grounds that the Condition was directed solely at domestic law and that the proposed language not only confused the issue, but implied the possibility that obligations under international law commonly could conflict with and supercede the imperatives of domestic law. Both amendments were defeated soundly.

In a third proposal of particular significance, Senator Specter offered an amendment "as a means of clarifying the Biden Condition." Notwithstanding that description, the Specter Amendment would have explicitly affirmed the Sofaer criteria by adding these words: "Such common understanding means a shared interpretarion which is both authoritatively communicated to the Senate by the Executive and clearly intended, generally understood and relied upon by the Senate in its advice and consent to ratification."[44]

Whereas the vote on the Biden Condition had been an indirect vote on the Sofaer Doctrine, the Specter Amendment afforded an opportunity to vote on the Doctrine directly. After advocates of the Condition had reemphasized the perversity of affirming the Sofaer Doctrine in a condition intended to repudiate it, the Specter Amendment was rejected 67-30, a result that served to underscore the significance of the earlier vote on the Condition itself.

B. The Reagan letter: a final skirmish

On June 10, having ratified the Treaty, President Reagan conveyed a formal message to the Senate, clearly intended by Administration lawyers to dilute the Senate's action and to cast doubt on the legal status of the Biden Condition. The President declared that he could not "accept the proposition that a condition in a resolution of ratification can alter the allocation of rights and duties under the Constitution."[45]

In a formal response,[46] the Chairman of the Foreign Relations Committee, Senator Claiborne Pell, emphasized that the Biden Condition was not aimed at altering the Constitution but at demonstrating the Senate's unwillingness to acquiesce in an Administration effort to undercut the Constitution's allocation of a joint Executive-Senate role in the exercise of the Treaty Power. As to the legal status of the Senate's action, Senator Pell quoted from the Foreign Relations Committee's INF Treaty Report:

[T]he Condition is binding under domestic law, and obtains its binding effect because the President, in the absence of the resolution of ratification, lacks authority to participate in the Treaty's ratification. He obtains such authority through the resolution of ratification and is governed by any stipulations by which the Senate conditions its consent.

In sum, the President may not act upon the Senate's consent without honoring this Condition. Nothing that he or his Administration does, by statement or action, whether before or after the act of ratification, can alter the binding effect of any condition which the Senate places upon its consent to treaty ratification. If the President brings the INF Treaty into force, the [Biden] Condition takes effect.[47]

Senator Pell concluded: "The Sofaer Doctrine has been formally and overwhelmingly rejected. And nothing in the President's post-ratification letter has changed or could change that fact."[48] As Senator Nunn put it, "The President's letter is entertaining but irrelevant. The Treaty, including this Condition, is now the supreme law of the land. And the President can no more change it with a letter than he can change any other law with a letter."[49]

IV. IMPLICATIONS

A. Implications for the ABM treaty

As its supporters repeatedly emphasized, the Biden Condition was not designed to resolve the question of alleged ambiguities in the genesis, design and implementation of the ABM Treaty. Accordingly, the Condition by itself could not constitute a final disposition of the issue of ABM Treaty interpretation. Rather, the provision was intended to repudiate the Sofaer Doctrine by affirming certain constitutional principles that were brought into question during the ABM Treaty debate.

The implications for the ABM Treaty, however, are clear and profound. As the floor debate drew to a close, Senators on both sides of the "reinterpretation" issue recognized this significance:

Senator NUNN. "[The Condition] affirms enduring constitutional principles which apply to the interpretation of all treaties, including the ABM Treaty."[50]

Senator LEVIN. "[T]he principles set forth in this amendment apply to all treaties. That is why we fought so hard to keep the words in this amendment 'the Treaty Clauses of the Constitution.' "[51]

Senator MCCLURE (a Condition opponent). "This is not some one-time deal. . . . This amendment would affect all treaties, not just the treaty at hand."[52]

The Senate's formal repudiation of the Sofaer Doctrine means that the case for the ABM Treaty "reinterpretation" now rests solely on what is left of Sofaer's factual claims—claims already widely and justifiable denigrated. The residual debris of this "factual" case many be summarized as follows:

Text. The "reinterpretation" is, on its face, inconsistent with any fair and informed reading of the Treaty document itself.[53]

"Negotiating Record." The so-called "record" of the ABM Treaty negotiation cannot serve, under either constitutional or international law, in the role assigned to it by the "reinterpreters" and, in any case, does not sustain the Sofaer-Reagan interpretation—as demonstrated by Senator Nunn's extensive study and as attested by an array of distinguished former officials who negotiated the ABM Treaty.[54]

Ratification Proceedings. Finally, as regards the Senate's consideration of the ABM Treaty in 1972, those proceedings do not support the "reinterpretation," as even the Legal Adviser has acknowledged, and the claim of ambiguity is plainly belied by any reasonable assessment of this publicly available record.[55]

There is indeed little left of the ABM Treaty "reinterpretation," other than the memory of a failed and disgraced effort to distort the Constitution and a solemn treaty obligation of the United States. That obligation was incurred in pursuit of the American national security interest and should be honored faithfully unless and until compelling reasons of national security require formal United States withdrawal, through procedures stipulated in the Treaty itself, from the ABM Treaty regime.

This is not to say that the future of the ABM Treaty is assured. As a candidate, President Bush pledged fealty to the Reagan dream of deploying a strategic de-

fense, a step that would entail abrogation of the ABM Treaty. But that issue can be addressed, in honorable public debate, on its strategic merits and without further efforts to employ the sham of a treaty "reinterpretation."

B. Implications for future treaties

As to future treaties, one lesson that should not be drawn from this saga is the need of the Senate to see a treaty's "negotiating record."[56] In preparation for dealing with the treaty interpretation issue in the context of the INF Treaty ratification proceedings, some Senators demanded that "record" in order to underscore that the Administration's assertions about the role of the Senate in treaty-making had destroyed any basis on which the Senate could operate in confidence of executive good faith. They also wished to demonstrate that the practical consequence of the Sofaer Doctrine was an inordinately cumbersome process that could burden this and all future treaties.

As it happened, however, the Reagan Administration complied readily with this request, probably recognizing that to do so played conveniently into its ABM Treaty-related assertion that the "record" was where ultimate truth was to be found. But there are sound reasons why this should not become a precedent, as the Foreign Relations Committee's INF Treaty Report emphasized:

First, a systemic expectation of Senate perusal of every key treaty's "negotiating record" would inhibit candor during future negotiations and could be expected to induce posturing on the part of U.S. negotiators and their counterparts during sensitive discussions.

Second, by seeking possession of the myriad internal Executive memoranda comprising the "negotiating record," the Senate would impose upon itself a considerable task with no clear purpose. Because this "record" does not constitute an agreed account of the negotiations, such documents have no formal standing. Accordingly, regularized efforts to reconcile these "snapshots" of the negotiation process with the resulting treaty text as explained by the Executive would serve only to divert the Senate's attention from the central aim of the ratification process—which is to build, between the Executive and the Senate, a clear "shared understanding" of the treaty text and the obligations which that text entails.

The overall effect—fully exposed negotiations followed by a far more complicated Senate review—would be to weaken the treaty-making process and thereby to damage American diplomacy.[57]

V. CONCLUSION

As to the ultimate constitutional significance of the Senate's action in approving the Biden Condition, the Foreign Relations Committee adopted this balanced perspective:

The Committee notes that, in one respect, its action in including this Condition in the INF Treaty's resolution of ratification was unnecessary insofar as principles which inherently apply to the INF Treaty would apply even in the absence of any Senate action affirming them. Given the circumstances, however, the Committee judged that the fail to affirm such principles could suggest some degree of acquiescence in the Sofaer Doctrine, which the Committee views as an Executive attempt to assert an unconstitutional arrogation of the Treaty Power. In this sense the Committee views the Biden Condition, paradoxically, as both unnecessary and highly significant.[58]

In looking back on the "reinterpretation" saga, one might well find added reason to admire the wisdom of the Founding Fathers. Among the Framers, it was Alexander Hamilton who, though renowned as the leading advocate of a strong presidency, stressed that it would have been "utterly unsafe and improper"[59] to entrust the power of making treaties to the President alone. Indeed, Hamilton's most famous dictum applied directly to the Treaty Power:

This history of human conduct does not warrant that exalted opinion of human virtue which would make it wise in a nation to commit interests of so delicate and momentous a kind, as those which concern its intercourse with the rest of the world, to the sole disposal of a magistrate created and circumstanced as would be a President of the United States.[60]

Hamilton concluded, accordingly, that the Framers' division of the Treaty Power between the Executive and the Senate was "one of the best digested and most unexceptional parts of the plan."[61]

The essence of the Treaty Power is the the President and the Senate are partners in the process by which the United States enters into, and adheres to, international obligations. Through its response to the Reagan Administration's foray into treaty "reinterpretation"—an episode fully reflective of Hamilton's sober view of human nature—the Senate acted effectively to uphold that constitutional partnership.

FOOTNOTES

[1] *See* Koplow, *Constitutional Bail and Switch: Executive Reinterpretation of Arms Control Treaties*, 137 U. PA. L. REV. 1353, 1374 n.83 (1989).

[2] President Reagan's eleventh hour conversion to arms control did, of course, help to produce the INF Treaty—with a considerable assist from General Secretary Gorbachev, who surprised all concerned by accepting a United States proposal (the so-called "zero option") that Administration officials originally regarded as "non-negotiable." The pure public-relations purpose of the original Reagan zero-option proposal is discussed at length in A. Haig, Caveat: Realism, Reagan, and Foreign Policy (1984), and S. Talbott, Deadly Gambits: The Reagan Administration and the Stalemate in Nuclear Arms Control (1984).

But the INF Treaty could not obscure the larger picture. After remaining for five years within the ceilings of the unratified SALT II Treaty, the Reagan Administration had denounced the treaty and intentionally exceeded its limits, thereby ending all constraints on strategic-range nuclear arms. Meanwhile, progress toward a new agreement on strategic arms remained blocked by the President's unwillingness to reaffirm or renegotiate the ABM Treaty. Simultaneously, the Reagan Administration maintained a determined opposition to negotiated limits on nuclear testing.

Thus, the INF Treaty's belated and marginal reductions in nuclear warheads, representing approximately three to four percent of the two sides' arsenals, occurred in a context in which the overall framework of arms control had eroded. Indeed, despite the image of arms control progress, at the end of President Reagan's second term the territory of the United States was targeted by approximately forty percent more Soviet warheads than when Reagan was inaugurated.

[3] See, for example, the annual Arms Control Impact Statements, required by law and transmitted to Congress on behalf of the President after extensive inter-agency review. For the fiscal years 1980–1984, before his advisers had invented the "reinterpretation," the Reagan Administration's own submissions contained clear and unambiguous descriptions of the ABM Treaty as traditionally interpreted.

[4] For their part, in strong language that in this instance proved apposite, the Soviets labelled it a "deliberate deceit." Marshall Akhromeyev, Chief of the Soviet General Staff, *Washington's Assertions and the Real Facts*, Pravda, Oct. 19, 1985.

[5] Because the transition from successful testing of an ABM system to full-scale production and nationwide deployment has the potential to be accomplished swiftly, and possibly behind a veil of secrecy, the erection of a barrier at an earlier stage—through a prohibition on development and testing—had been considered crucial to the ABM Treaty's function of precluding a spiraling competition in offensive and defensive systems.

[6] For a lucid explication of the ABM Treaty's provisions and of the tortured logic required of Sofaer in trying to impose the "reinterpretation" on the Treaty's text, see Chayes & Chayes, *Testing and Development of "Exotic" Systems Under the ABM Treaty: The Great Reinterpretation Caper*, 99 Harv. L. Rev. 1956 (1986).

The Legal Adviser presented his own view in the same journal issue, but later recanted that aspect of his article relating to the 1972 ratification proceedings, citing faulty research by unnamed assistants. *See infra* note 7.

[7] Sofaer attributed the error to "young lawyers" on his staff. *See The ABM Treaty and the Constitution: Joint Hearings Before the Senate Comm. on Foreign Relations and the Senate Comm. on the Judiciary*, 100th Cong., 1st Sess. 2-3, 131-32 (1987) [hereinafter *Joint Hearings*]. Regarding his factual claim as it related to the ratification proceedings, Sofaer responded to questioning as follows:

"Chairman Biden: I refer to your March 9, 1987 letter to Senator Nunn and an account given by Senator Levin that he placed in the Congressional Record of his March 12 meeting with you. You indicate in your letter to Senator Nunn that the October 1985 analysis of the negotiating record "did not provide a complete portrayal of the ratification proceedings with respect to this issue." You wrote further that you "did not review this material personally". . . . According to Senator Levin, you repeatedly disavowed the 1985 memorandum regarding the ratification record which was prepared by 'young lawyers' on your staff.

"Now, Judge Sofaer, you have had, in recent months, no hesitation in making categorical statements to the effect that the ratification record of the ABM Treaty supports the broad interpretation. You made those statements in a number of different forums . . . . It would be very helpful if you would give us an analysis of what . . . is still accurate and what part may not be . . . .

"Mr. Sofaer: Well, Senator, mistakes like this do happen." *Id.*

[8] *See id.* at 54–78, 553–811.

[9] *See* National Defense Authorization Act for Fiscal Years 1988–89, Pub. L. No. 100–180, §225, 101 Stat. 1019, 1056 (1987).

[10] *See generally Joint Hearings*, *supra* note 7. These hearings also covered Sofaer's factual claims through testimony from top Nixon Administration arms negotiators and Senator J. William Fulbright, who had been the Foreign Relations Committee's chairman in 1972 (the Foreign Relations Committee has sole jurisdiction over all treaties).

[11] *See, e.g., id.* at 81–105 (testimony of Professors Louis Henkin and Laurence H. Tribe).

[12] S. Res. 167, 100th Cong., 1st Sess. (1987), *reprinted in Joint Hearings*, *supra* note 7, at 238–242 (sponsored by Senator Biden).

[13] *See* Senate Comm. on Foreign Relations, The ABM Treaty Interpretation Resolution, S. Rep. No. 164, 100th Cong., 2d Sess. (1987) [hereinafter S. Rep. No. 164]. This extensive report provides an exegesis of Abraham Sofaer's factual and constitutional claims, and a detailed rebuttal of both. The authors wish to note the valuable contribution to that report by two Committee consultants: James P. Rubin of the Arms Control Association and the Committee's former Legal Counsel, Professor Michael J. Glennon of the University of California—Davis.

In view of Senate passage of the Levin-Nunn amendment, which prohibited any practical application of the "reinterpretation," and in anticipation that the Senate's forthcoming consideration of the INF Treaty would provide a crucible for debate on the underlying constitutional issue, S. Res. 167 was never brought to the Senate floor.

[14] Testimony particularly pertinent to this criticism was provided by William Sims, former Attorney Adviser in the Office of the Legal Adviser, who had resigned over this issue. *See Joint Hearings*, *supra* note 7, at 202–225.

[15] S. Rep. No. 164, *supra* note 13, at 66–67.

[16] In its final form, as passed by the Senate after minor Byrd and Cohen amendments on the Senate floor, *see infra* note 41, the Biden Condition reads as follows:

"The Senate's advice and consent to ratification of the INF Treaty is subject to the condition, based on the Treaty Clauses of the Constitution, that—

"(A) the United States shall interpret the Treaty in accordance with the common understanding of the Treaty shared by the President and the Senate at the time the Senate gave its advice and consent to ratification;

"(B) such common understanding is based on:

"(i) first, the text of the Treaty and the provisions of this resolution of ratification; and

"(ii) second, the authoritative representations which were provided by the President and his representatives to the Senate and its Committees, in seeking Senate consent to ratification, insofar as such representations were directed to the meaning and legal effect of the text of the Treaty; and

"(C) the United States shall not agree to or adopt an interpretation different from that common understanding except pursuant to Senate advice and consent to a subsequent treaty or protocol, or the enactment of a statute; and

"(D) if, subsequent to ratification of the Treaty, a question arises as to the interpretation of a provision of the Treaty on which no common understanding was reached in accordance with paragraph (B), that provision shall be interpreted in accordance with applicable United States law." 134 CONG. REC. S6937 (daily ed. May 27, 1988).

[17] The "resolution of ratification," the vehicle by which the Senate grants consent to a treaty's ratification, is termed misleadingly; it is the Executive, acting pursuant to the Senate's consent, who actually ratifies a treaty, placing it into force for the United States.

The Senate, through amendments to a treaty's basic resolution of ratification, may condition such consent in two ways. It may require, by means of a "reservation," an alteration in the obligations undertaken through the treaty. Such a condition requires that the Executive obtain formal concurrence from the other party or parties before or at the tim e of ratification. Alternatively, the Senate may require, as a condition of its consent, certain behavior on the part of the Executive. Such a condition does not require the concurrence of any other contracting party, but does acquire the force of law if and when the President acts upon the consent so conditioned. *See generally* Koplow, *supra* note 1, 1394–95, 1401–02 (discussing the Senate's various options for expressing particular interpretations of a treaty).

[18] After its receipt by the Senate, the voluminous "record" was stored in a special room in the Capitol, where interested Senators could view this collection of documents. Only an astute and dedicated reader, however, could master such an amorphous body of information—a fact from which one reasonably may infer that, in the Senate as in the Executive Branch, opinions about the content of the "negotiating record" were more numerous than informed opinions.

[19] *See* Senate Comm. on Foreign Relations, The INF Treaty, S. Exec. Rep. No. 15, 100th Cong., 2d Sess. 435, 443 (1988) [hereinafter INFT REPORT]. This report contains a comprehensive analysis of the treaty interpretation issue and the Biden Condition, *see id.* at 87–108, and is quoted here extensively. The authors wish to note with appreciation the considerable contribution to that report by the Committee's former Legal Counsel, Professor Michael J. Glennon, who served as an informal consultant to the Committee during consideration of the INF Treaty.

[20] Apparently for tactical reasons, the Administration had taken the Legal Adviser off the "front lines" of the treaty interpretation issue.

[21] INFT Report, *supra* note 19, at 443; *see also* Koplow, *supra* note 1, at 1374 & n.84 (discussing the three strands of the Sofaer Doctrine).

[22] *See* INFT Report, *supra* note 19, at 443.

[23] An attention-getting articulation of this premise by Abraham Sofaer was as follows:

Mr. Sofaer: When [the Senate] gives its advice and consent to a treaty, it is to the treaty that was made, irrespective of the explanations [the Senate] was provided.

Chairman Biden: Would you say that again? *Joint Hearings*, *supra* note 7, at 130.

[24] INFT REPORT, *supra* note 19, at 92–93.

[25] *Id.* at 93–94 (footnote omitted).

[26] *See* Koplow *supra* note 1, at 1402 & n.205.

[27] *Joint Hearings*, *supra* note 7, at 147.

[28] *See* Koplow, *supra* note 1, at 1381–83.

[29] Despite the common impression that the Sofaer Doctrine was a theory in which a treaty's "negotiating record" played a direct role, the Foreign Relations Committee pointed out:

"[There is] no necessary relationship between the Sofaer Doctrine and a treaty's "negotiating record" (aimed at international obligations). By way of example, one may imagine circumstances in which the Sofaer Doctrine (aimed at domestic obligations) would be asserted but the "negotiating record" would play no role. Let us say that President Reagan's successor and Secretary Gorbachev wished to "reinterpret" the INF Treaty in a manner inconsistent with what the Senate had been told in consenting to ratification. The Sofaer Doctrine would play the role of helping the Administration loosen its obligations under domestic law, while as between the parties there would be no resistance to the new meaning being put on existing words and thus no need to justify the change by reference to a "record." Indeed, under this scenario the "record" would be assiduously disregarded, because it reflected a meaning contrary to that which the parties wished to adopt."

[30] *See* Koplow *supra* note 1, at 1408–12 (discussing the possible divergence of domestic and international interpretations).

[31] For further discussion of the modern "conservative" tendency to view constitutional concerns as a "liberal" impediment to the Commander-in-Chief's efforts to defend America in a dangerous world, see Biden & Ritch, The War Power at a Constitutional Impasse: A "Joint Decision" Solution (forthcoming 77 GEO. L.J. (1989)).

[32] INF Report, *supra* note 19, at 103.

[33] The authors wish to express appreciation to Professor Louis Henkin for his generosity in making himself available for frequent consultation with regard to the accurate phrasing of the constitutional principle expressed in the Biden Condition. The question of whether to affirm such a principle as a condition of Senate consent to INF Treaty ratification, however, was a separate, tactical issue on which Professor Henkin's advice was not sought.

[34] As stated in the report:

"The issue addressed by the Biden Condition is *not* a struggle over who interprets treaties. It is solely and indisputably the President's responsibility to interpret and implement treaties for the United States. At issue is the question of what limits are to govern the President's latitude in exercising that power.

"The issue is *not* whether and what testimony by the Executive is "authoritative." To answer that question is still to be without an answer as to whether "authoritative" representations are in any way binding on the Executive. The issue is whether and how such representations have a binding significance under United States law. . . .

"The issue is *not* whether the Executive is to be bound by every last utterance of its representatives before Congress, but whether and how the principle of original "shared understanding" is to govern a treaty's implementation. Shall it be axiomatic that such "shared understanding" is reflected in authoritative Executive representations of the treaty's meaning? Or must the Senate deal with the Executive as an adversary, who will not act in good faith and around whom a cage of explicit stipulations must be built?

"The issue is *not* a Senate effort to chart new constitutional ground, but an Executive effort to do so. It is not the Senate but the Executive which seeks to assert constitutional principles in a manner which expresses an aggressively broad claim on power. An adequate response requires no counter-assertion of Senate power but a simple manifestation, as reflected in the Biden Condition, of Senate unwillingness to acquiesce in Administration assertions which, if not refuted, could imply acceptance of a radical aggrandizement of Presidential power." INFT Report, *supra* note 19, at 107–08.

[35] *Id.* at 97–98.

[36] *Id.* at 104–05. As the Biden Condition was being formulated, Senator Christopher Dodd usefully suggested the phrase "insofar as such representations are directed to the meaning and legal effort of the text of the Treaty" as a means of narrowing the scope of those executive representations to be regarded as having binding significance.

[37] *Id.* at 98.

[38] *Id.* at 105. The Committee continued as follows:

"For example, in response to questions, the Administration provided "authoritative" representations regarding a number of issues of direct concern to the Committee, including: the meaning of "weapon-delivery" vehicle in Article II; the effect of Article XIV on U.S.-NATO weapons cooperation; the effect of Article VII on testing of sea-launched cruise missiles; and the effect of Article II on the testing of strategic missiles at INF ranges.

"Given the context created by the Sofaer Doctrine, however, the Committee could not—without the countervailing effect of the Biden Condition—have been assured that such Administration representations were determinative of the Executive's obligations in carrying out the Treaty. Accordingly, in the absence of the Biden Condition, some Members would have felt obliged to propose specific conditions on these and other issues." *Id.*

[39] Only days after announcing his intent to offer the Condition at the appropriate time in the Foreign Relations Committee's consideration of the INF Treaty, Senator Biden entered the hospital with a health problem that prevented his return to the debate. He therefore wishes to acknowledge, in addition to the key roles played by Senators Nunn and Levin, the major contribution of several members of the Foreign Relations Committee—particularly Senators Christopher Dodd, Paul Sarbanes, Alan Cranston, John Kerry, and Daniel Patrick Moynihan—in supporting and defending the Biden Condition.

[40] The emphasis on United States obligations under international law voiced during the debate by opponents of the Biden Condition bore two ironies: (1) it was expressed by an Administration and by Senators not known for such concern and (2) the AMB Treaty "reinterpretation," which they sought to defend through their legal arguments, represented a blatant disregard for international law.

[41] Technically, the Biden Condition was an amendment to the resolution of ratification. Under parliamentary procedure, an amendment to an amendment—a so-called second degree amendment"—precludes further amendment. Senator Byrd's modification originally was intended to be such a "second degree" amendment. As matters evolved, this technique proved unnecessary when the "Cohen corollary" discussed below produced the support necessary to ensure that the Condition would not be vulnerable to weakening amendments.

[42] 134 Cong. Rec. S6740 (daily ed. May 26, 1988).

[43] *Id.* Certainly one explanatory factor was the pressure of time; the President and many aides had already departed for the Moscow summit, where INF Treaty ratification was scheduled to occur. Perhaps equally important, the residual "Administration" in Washington was led at this point by Howard Baker, the White House Chief of Staff—but also a former Senate Majority Leader and a man attuned to the adage that our government consists of laws, not men.

[44] 134 Cong. Rec. S6884 (daily ed. May 27, 1988).

[45] 134 Cong. Rec. S8036 (daily ed. June 16, 1988).

[46] *See id.* at S8034-36.

[47] *Id.* at 8034 (quoting INFT Report, *supra* note 19, at 100).

[48] *Id.*

[49] Smith, *President Disputes Hill on Treaties*, Wash. Post, June 11, 1988, at A11, col. 1 (quoting Senator Nunn).

[50] 134 Cong. Rec. S6675 (daily ed. May 26, 1988) (textual emphasis added to reflect emphasis when spoken).

[51] *Id.* at S6728.

[52] *Id.* at S6770.

[53] *See* S. Rep No. 164, *supra* note 13, at 13–14; Chayes & Chayes, *supra* note 6, at pt. 1.

[54] *See Joint Hearings*, *supra* note 7, at 170 (testimony by Ambassador Gerard Smith, chief negotiator of the ABM Treaty, and other negotiators). The one notable exception from the 1971–72 negotiating team is Paul Nitze, a member of the Reagan Administration who supported the traditional interpretation until October, 1985.

[55] Answering questions before the American Society of Newspaper Editors in Washington, D.C., former President Nixon—who signed, submitted to the Senate, and ratified the ABM Treaty—stated:

"Since the Senate has no advise and consent, a treaty . . . means whatever was presented to the Senate. As far as what was presented to the Senate was concerned, it was what we call the "narrow" interpretation. There is no question about that."

Transcript of question and answer session with Richard M. Nixon (Apr. 15, 1988) (available from the American Society of Newspaper Editors).

[56] *Cf.* Koplow, *supra* note 1, 1377 & n.102 (indicating that the Sofaer Doctrine might have obligated the Senate to examine the "negotiating record").

[57] INFT Report, *supra* note 19, at 100-01. The Committee continued: "The traditional approach does not, of course, *preclude* reference to the

"record" where such reference can be useful in explaining the effect of treaty provisions which may appear ambiguous or about which questions may arise. The Executive may sometimes wish to initiate such reference to the "record"; on some occasions the Senate may request a detailed account of the interchange which resulted in a particular treaty provision. But this case-by-case approach is far superior to a systematic submission of the "negotiating record," which implies either that treaties tend to be replete with ambiguity or that the Executive cannot be trusted to present an accurate account of the obligations to be assumed by the United States. Neither assumption should be allowed to govern the basic Executive-Senate interaction in the treaty-making process." *Id.* at 101.

As to the status of the INF Treaty "negotiating record" already transmitted to the Senate, the Committee stated:

"Now that the INF Treaty "negotiating record" has been made available to the Senate, the status of these documents requires resolution. In the Committee's view, the resolution would not have been satisfactorily achieved by any stipulation [as some Senators had suggested] declaring the Senate had scrutinized the "record" and satisfied itself that the "record" was in harmony with the formal Executive branch presentation of the Treaty. Such an approach could entail at least three significant problems:

"(a) institutionally, it could imply that such scrutiny is important to the Senate's examination of treaties and thus should be institutionalized;

"(b) retroactively, it could imply that such scrutiny should have been exercised in the past; and

"(c) specifically, with regard to the INF Treaty, it could leave open the question of what is to be done if, in the future, there is an assertion—for example, by a subsequent Administration—that notwithstanding the Senate's perception of harmony there was an inconsistency between the "record" and the Executive presentation.

"Accordingly, the Committee believes that no formal finding concerning the contents of the INF Treaty "negotiating record" would be wise. In the Committee's judgment, the status of this "record" is established by the basic principles affirmed in the Biden Condition. If U.S. treaty interpretation is to be based upon the shared understanding of the Senate and the Executive at the time of ratification, and if that common understanding is reflected in authoritative statements made in seeking Senate consent to ratification, the sources of interpretation which appear at variance must be subordinated to those authoritative statements.

"In sum, although internal Executive memoranda and the negotiating materials may have been available to members of the Senate, some of whom have sought to assume themselves that this "record" is consistent with the Administration's presentation, the clear corollary of the constitutional principles cited in the Biden Condition is that such documents need not have been examined for consistency and should not be deemed material to U.S. interpretation of the INF Treaty insofar as they are inconsistent with the Executive branch's formal presentation of the INF Treaty." *Id.* at 101-02.

[58] *Id.* at 97.

[59] The Federalist No. 75, at 451 (A. Hamilton) (C. Rossiter ed. 1961).

[60] *Id.*

[61] *Id.*

TERRORISM AND COLONEL HIGGINS

Mr. LEVIN. Mr. President, the brutal murder of Col. William Higgins must be seen clearly for what it is: Yet another act of terrorism and murder by the Hezbollah.

Our hearts are full of grief for Colonel Higgins' wife and family. And we feel—again—a sense of outrage at the perpetrators of this deed.

There must be no obscuring this act for what it is. The focus of world condemnation must be sharply fixed on the Hezbollah. Our outrage must be focused on the murderers and their allies, Iran and her fanatic agents. No one else should be blamed for it.

The atrocity against Colonel Higgins will renew our determination to act against terrorism. These terrorists, as always, will attempt to justify their crime by blaming America and Israel. One of the goals of terrorism is to blur the distinction between hostage taking and actions against hostage takers.

Some people will fall for this ploy. We have heard some cries of outrage against Israel, rather then the terrorist killers. It is indeed a strange and topsy-turvy world when Hezbollah terrorists can kidnap a U.S. citizen who is part of a U.N. force, torture and hang him—and then have some people blame others for the atrocity.

Israel took direct action against terrorist leaders such as Sheik Obeid of the Hezbollah, one of the world's main sources of terror. Surely we should understand a country which has been the victim of terrorist actions against innocent civilians directly attacking one of the sources of that terror. Surely we should understand what terrorist actions can do to a person, a family, a community.

We must nor permit the Hezbollah or any of its constituent groups blur our focus and confuse our minds. Any such actions play right into the hands of those terrorists and will encourage future terrorists.

Mr. President, the American Jewish Committee and American Jewish Congress have issued statements which forcefully make the point. I ask unanimous consent that those statements be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

ON COLONEL HIGGINS

[A Statement by the American Jewish Committee]

NEW YORK, August 1.—The following statement was issued today by Harvey Feldman, International Relations Director of the American Jewish Committee, on the murder of Colonel Higgins and Israel's seizure of Sheikh Obeid:

"As Americans, we bitterly condemn those responsible for the murder of Colonel Higgins. Our hearts go out to his wife, Major Robin Higgins, and his daughter, Christine.

"We recall that this self-styled 'party of God' is precisely the group that claimed 'credit' for the truck bombing that killed our Marines in Beirut in 1983 and again in 1984. They have been involved in assassinations in the Middle East and in Europe, and the destruction of airliners in flight, and the seizure of hostages and the murder of civilians in Lebanon.

"Some have been highly critical of Israel for its seizure of Sheikh Obeid, and have equated it with the 'party of God' abducting Colonel Higgins. But the Marine Colonel was part of a UN peace-keeping mission, while Obeid was the commander of assassination brigades. There can be no equivalence.

"To say that international law forbids seizing killers where you find them is simply incorrect. In fact, U.S. Drug Enforcement Agency personnel have several times seized drug lords on the territory of other countries, and we all recall the bombing of Libya in response to terrorist attacks on U.S. servicemen in Berlin. Israel, like other nations, has the right to take direct action against those who attack its citizens or plan terrorist acts on Israeli territory.

"Hindsight may make us wish for different outcomes, but we must be careful not to confuse the victims of terrorism with those who plan it."

THE COST OF DEFENDING FREEDOM

[A Statement by the American Jewish Congress]

The nation is outraged and frustrated over the latest barbaric act committed by an Iranian-controlled fundamentalist terrorist group in Lebanon. It would be a cruel irony, however, if that outrage were directed, however indirectly, to Israel, the world's most frequent victim of barbarism.

Fortunately, Americans are affected only occasionally by these outrages; the people of Israel live in the very midst of this culture of violence, and must deal with it on a daily basis.

The response of free people to the tyranny and brutality of these primitives who presume to call themselves the Party of God necessarily entails risks. In this case, that risk is first and foremost to the Israelis themselves, who are engaged daily in a struggle with this so-called Party of God, and three of whose soldiers are being held and reportedly tortured by them.

The willingness to incur risks is the price exacted from those who cherish freedom and are prepared to defend it. Americans understand that truth more than most, for in our history, we have paid that price over and over again. The people of Israel must do so with desperate regularity.

Our hearts go out to the families of Col. Higgins and of the other hostages. We believe Americans would be proud if their government had the capacity to strike at and punish the likes of Sheik Obeid who kidnap and torment innocent people. There may indeed be good reasons why we have been unable to respond to these outrages thus far. But it would be a great injustice, and entirely unforgivable, if in our frustration over our current inability to deal with the barbaric behavior of the Hezbollah we were to strike out at our closest ally, beleaguered Israel, for seeking to do that which we wish we would do ourselves.

TRIBUTE TO ARTHUR TONSMEIRE, JR.

Mr. HEFLIN. Mr. President, I rise today with great sadness to pay tribute to my good friend, Arthur Tonsmeire Jr., who passed away on July 25, 1989. Arthur played such a large role in so many important events in the Mobile community that he certainly represented the ideals for which he was named the 1980 Mobilian of the Year. I suspect that he was deserving of this award during many other years and doubt that Mobile could have selected a more qualified candidate.

Arthur's death left all of his friends and family with a huge sense of loss but also with the understanding that Arthur Tonsmeire, Jr., succeeded

where so many others failed. He made a difference.

Arthur Tonsmeire, Jr., was not a man who could be easily categorized. He rose to the top in each area of endeavor to which he chose to devote his time. In his professional and trade associations, in the Army, in his church, in the business community, and in education, his peers recognized Arthur's unique talents which made him an outstanding leader.

Although Arthur's distinguished life included so many outstanding accomplishments that I could not begin to give a comprehensive list, some of his achievements stand out. When he died, Arthur was chairman emeritus of the board of the bank where he began working when he was 26 years old. From his first position at the First Federal Savings and Loan Association, he moved through the ranks until he was elected as president of First Federal which later became Altus Bank.

He was involved in almost every aspect imaginable of the Mobile area civic activities. He was past president and executive committee member of the Mobile Area Council of Boy Scouts of America as well as the Boys' Clubs of Mobile. His many activities in Mobile include serving as a member and past president of the Honorary Fellows of Mobile College as well as a member of the executive committee of the board of the University of South Alabama.

In addition to his many activities in the local community, Arthur became well known around the State for his outstanding leadership as a director and past president of the Alabama Cattlemen's Association.

Arthur Tonsmeire, Jr., provided all who knew him with the inspiration to strive to reach for lofty goals, to endeavor to live their dreams. He was one of the most successful men in Mobile and yet so much of what made him a great man revolved around his desire to help others in his community. He will be remembered as an outstanding Mobilian, an outstanding Alabamian, and most importantly an outstanding man. He will be missed greatly.

Thank you, Mr. President.

PATRIOTIC SONG BY GARY SHOOK

Mr. HEFLIN. Mr. President, during the time since the Supreme Court announced its decision concerning the desecration of the American flag, many people have become concerned about protecting our flag. The flag means so many things to so many people. Each person expresses their feelings in a different way. Some place their hands over their hearts, others salute, still others express their feelings creatively. A few weeks ago a song came to my attention that tells a great deal about how Americans feel about the flag. This song is called, "Don't Burn Old Glory," and was written by a talented Alabamian named Gary Shook. Here are the words to his song.

DON'T BURN OLD GLORY

Old Glory stands at the top of a hill, against the darkened sky. Once young, brave men lay mortally wounded with silent weapons by their side. They shed a veil of tears and now they're glory bound. They believe in God and country and that old flag should never touch the ground.

Just a piece of cloth you say, made by human hands. Tell that to the loved ones of the warriors washed up on foreign sands. I see her blowing in the wind, a wave of red, white, and blue. I think of all the hard times and battles she's been through.

She flies above the Arizona that lies beneath the sea, a place we call Pearl Harbor where the ultimate price was paid. She flew at Iwo Jima, Saipan, and Pork Chop Hill. She flies above our Nation's Capitol. I hope she always will. I guess I'm old fashioned, but I sure swell with pride when I see Old Glory flying against God's clear blue sky. So take your vote and make your choice. Tell us how its going to be. But if you decide to burn that flag, don't burn it in front of me.

Thank you, Mr. President.

REGARDING THE C.S.S. "ALABAMA"

Mr. HEFLIN. Mr. President, I rise today to share with my colleagues an article about the Confederate ship, the C.S.S. *Alabama,* which appeared in the May/June issue of Alabama magazine. I have come to the Senate floor before to introduce a resolution stating that the United States has never surrendered title to this vessel or her artifacts and I hope soon to come to the floor to announce the signing of an agreement with France and Great Britain regarding the recovery of artifacts from the C.S.S. *Alabama.*

In the meantime, I believe that this article provides an accurate chronology as to the events surrounding the attempts to recover these artifacts and provides some insight into the importance of these artifacts to the people of Alabama.

I ask unanimous consent that the text of this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BATTLE FOR THE C.S.S. "ALABAMA"

(By Al Browning)

She was the most notorious commercial raider in naval history, wreaking havoc on Union merchant ships from the Texas Coast to the Indian Ocean. The battle that sunk her off the coast of France was one of the most famous of the Civil War and the last two-vessel standoff of the wooden ship era. Her tenacity was a symbol of the Confederate spirit. Now, with the discovery of the C.S.S. *Alabama* in 180 feet of water near the coast of France, the tenacity of Alabamians who want her remains is being tested.

It was only in mid-April that a tentative agreement was announced that would loosen a gridlock of claims to the vessel by Britain, the United States, and France that had blocked recovery by any country. Salvage of the wreck from the bottom of the inhospitable English Channel will push the limit of underwater archaeological technology, but it promises to yield thousands of valuable artifacts. Yet to be determined, however, is what museums will ultimately gain possession of those artifacts.

Involved Alabamians say a significant portion belong in the state for which the *Alabama* was named, and in Mobile, the home of her commander, Admiral Raphael Semmes. But a host of museums worldwide are ready to lay claim to the artifacts as well. Now, as when she plied the high seas, the *Alabama* is in the midst of international rivalries.

The *Alabama* was built in England in 1862 from an innovative design that incorporated both sail and steam. Confederate President Jefferson Davis commissioned her to Captain Raphael Semmes.

Semmes' orders were to wage war on Union commercial shipping. The mission was accomplished with unprecedented results. But she never docked at a Confederate port because they were blockaded by the Union navy early in the Confederacy. Permanently distanced from her country, the *Alabama* roamed the seas. "When it comes to American notoriety among ships, she's at the head of the class," said Michael Higgins, project director at the New York Merchant Marine Museum.

"Union ships were running scared of the C.S.S. *Alabama.* In fact, Union commanders often kept their ships in port when they heard rumors that the *Alabama* was in the area—even when people knew she was far away. She created terror every place she went."

During her 22 month patrol of the Atlantic and Indian oceans, the crew of the *Alabama* captured, bonded or burned some 65 ships, including the U.S.S. *Hatteras,* and destroyed $5 million in Union cargo.

On June 19, 1864, the *Alabama* was sunk during a dramatic duel with the U.S.S. *Kearsarge* off the coast of Cherbourg, France in the English Channel while 17,000 spectators viewed the battle from shore.

Salvage of the *Alabama* was first considered just months after it sank, but the idea was abandoned. The general location of the ship was known, based on the *Kearsarge's* logs and first-person accounts, but it was long considered unreachable.

The French navy began conducting informal searches for the *Alabama* in 1978 as part of training exercises for sonar operators aboard minesweepers stationed at the Cherbourg naval base. Then the ship was found in 1984 by the French in 180 feet of water, about four miles off the coast in what is now French territorial waters.

Divers removed dinner plates and confirmed that the structure was wooden. A sighting of the 100 pound Blakely cannon, which sunk the *Hatteras,* confirmed the ship's identity.

The find was not officially announced until September 1987 when French Navy Captain Max Guerout disclosed the discovery at a maritime history conference in Charleston, S.C.

Requests to dive at the site had been mounting prior to Guerout's announcement. Rumors of the find had intensified British and American interest.

British preservationists had earlier won a battle to save Dry Dock Number 4 at the Cammill-Laird shipyard near Liverpool from

destruction because it was the site of the *Alabama's* construction. Rumors of the ship's discovery led to a popular proposal to return the ship for display at the dock as part of a waterfront revitalization.

In Mobile, Steve Morgan, chief executive officer of Galleon Hunters and Hollywood Adventure Films Inc., appealed in June of 1987 for support of a salvage dive on the *Alabama*. A diver, Morgan had found the remains of the *Kearsarge* near Columbia and had applied to the U.S. government for permission to dive on the *Alabama*.

He proposed raising the ship and bringing her to Mobile. His warning that the British were going after the *Alabama* gained the attention of David Toifel, a Mobile teacher and a member of the Sons of Confederate Veterans, who then formed the "Save The *Alabama* Committee."

At the same time, Michael Higgins, of the New York Maritime Museum, and others, and Tennessee lawyer Roger L. DeMik, a Civil War enthusiast, were also working to get the U.S. government to assert its claim to the *Alabama*.

By the time Captain Guerout presented his plans for a French-led recovery project in September 1987, the State Department—spurred into action by growing interest—had informed the French that the ship was the property of the U.S. government and that no dives should be allowed unless the United States was consulted.

According to DeMik, Captain Guerout outlined extensive plans for undersea study and evaluation of possible salvage—with the French claiming the spoils. "Artifacts from the wreck would be devoted to educational and scientific purposes including development of a museum devoted to the *Alabama*," DeMik said. "Although not stated in [Guerout's] announcement, French newspaper reports show the French want to place the museum at Cherbourgh, France."

The battle for the ship was on. At the insistence of several congressmen, including Sen. Howell Heflin (D-Ala.), the State Department began, in late 1987, terse correspondences with the French.

"I think in this case we apply international law," said Jean-Claude Brodbeck, a spokesman for the French Embassy. "That being when one recovers a wreck, one is entitled to it. Also, it should be considered that it's resting in our territorial waters. This is an old international law of the sea."

Not so fast, said Peter Bernhardt, State Department deputy director for ocean law and policy and the point man in negotiations. Bernhardt pointed out that the *Alabama* went down on the high seas. Territorial waters were extended more than a century after the *Alabama* was sunk. "It's an American warship, not a French warship. We succeeded to the title of the ship as a successor to the Confederate States of America. Ownership of the vessel has not been abandoned, so sovereign immunity is involved in this."

To add muscle to the State Department's position, Sen. Heflin introduced a bill in early 1988 reiterating that the *Alabama* "is vested in and has never been abandoned by the United States," that no salvage operations should occur unless approved by the United States, that the *Alabama* and its artifacts would be displayed in Alabama, and that the State Department, the National Park Service and the Save the *Alabama* Committee should negotiate with France for the ship's "recovery and return."

Sen. Richard Shelby (D-Ala.) and Sen. Jesse Helms (R-N.C.) joined Heflin in sponsoring the Senate bill. First District Rep. Sonny Callahan (R-Ala.) introduced a companion bill in the House.

At the same time, Heflin introduced a similar bill regarding U.S.-Mexican negotiations for the preservation of, and claim to, artifacts on the U.S.S. *Somers*, which sank off the coast of Vera Cruz, Mexico in 1846 and was discovered there in 1986.

Three months later, the French agreed to discussions and in April, nearly a year later, Bernhardt was given the green light to complete an agreement.

"The final agreement says both nations agree to disagree on ownership issues and will work, together through an international commission to work with whomever the French grant permission to work on the site," said Jim Delgado, director of the U.S. Park Service's National Maritime Initiative. The Park Service is the U.S. agency empowered to oversee U.S. historical wrecks in foreign waters.

After artifacts are preserved, their distribution to museums will be determined by representatives of both nations, he said.

Most participants in the issue acknowledge that only such an international effort can provide the resources and legal authority necessary to complete the project.

While recoveries of other wooden ships have been made, most notably the 15th century *Mary Rose* of England, the process is lengthy, risky and expensive. Because of the depth and location of the wreck, each diver is limited to work periods at the site of only 15 minutes.

Visibility is limited to about three feet and swift currents during most of the day further limit dive times. Salvage of the wreck could take over a decade and the cost, including conservation and preservation of arifacts, has been estimated at $100 million.

The question of which country would receive the ship itself may be moot. French surveys have indicated that only about 30 percent of the fragile hull is intact. But the ship's smokestack, hatchways and guns are visible as are thousands of artifacts strewn around the wreck. And since the *Alabama* will be the first Confederate ship to be explored by archaeologists, her cache of artifacts is expected to shed new light on Civil War naval history.

Competition by museums for those artifacts will be strong, even with an international panel in place to make an equitable distribution.

In the United States, some 16 states claim ties to the *Alabama* as birthplaces of honored *Kearsarge* crew members, or *Alabama* officers.

Cherbourg, France lays a strong claim as the site of the battle. So does England, as the birthplace of the *Alabama* and a litigant in an historical international legal dispute.

In 1872, a five nation tribunal ruled that England as the builder of the Confederacy's commercial raiders, has to pay the United States $15 million in gold as restitution for the Union's cargo, vessels and lives lost in battles with the *Alabama*. In turn, the United States was required to pay England $1.9 million as restitution for British deaths on the ship.

It was, "perhaps the first such legal action in wartime history," said Higgins of the New York Merchant Marine Museum, which has also expressed strong interest in *Alabama* artifacts. "That means she had a lead role in the formulation of international law.

"Personally, I recognize the C.S.S. *Alabama* as the vessel that triggered the demise of what was once a strong U.S. Merchant Marine Corps. During her time terrorizing Union merchant vessels, 715 went under the British flag for protection from her, with 300 more going under the flags of other countries. International law said those vessels couldn't transfer back to the United States, so 1,015 were gone, starting a slow but sure death pattern for the Merchant Marines. Meanwhile, insurance rates for those vessels increased by 900 percent, an astounding figure that was higher than the recent increase in rates for ships in the Persian Gulf."

South Africa, a frequent docking and supply stop for the *Alabama*, also claims ties. "To this day, South African kids learn a song similar to the way kids in the United States learn *Row-Row-Row Your Boat*," said Kevin Foster, a Civil War historian with the National Park Service. "They sing *Thar Comes the Alabama* in all dialects. That's indicative of the strong interest South Africa has in the vessel." At least 20 museums world wide have expressed interest in the *Alabama*, he said.

But, contends Save The *Alabama* Committee head David Toifel, Alabama's claim for a substantial portion of the artifacts is as solid, if not more so, than others. "The vessel wasn't named the France, the Birkenhead, the New York, the South Africa or any other than the *CSS Alabama*. You can extend our claim logically by the name alone. Since Admiral Raphael Semmes chose to live here, die here and be buried here, Mobile is clearly the logical place."

Sen. Heflin, responding to the U.S.-French agreement, renewed his longstanding support for the state's claim. "All of us who are looking at the project from an Alabama perspective want to see the artifacts come to Mobile. The Port City's museum enjoys an abundant amount of community support and I feel the facility is a well suited depository for items that are brought up. Although it is still too early to tell when an exhibit will be on display, I feel the community will see to it that a facility in their city has been readied to house the artifacts."

But Heflin's remarks hint at what may be the trump card in the competition for *Alabama* artifacts: the ability of a museum to care for them.

Many artifacts begin immediate deterioration when exposed to air. Some will need constant treatment, special solutions and invariable temperature. Others may be preserved so as to need less care.

"There are only a few museums in the world capable of maintaining such fragile artifacts once they are salvaged and preserved," said Foster. "The ones that come to mind are the Smithsonian in Washington, D.C., the combined facilities of the U.S. Navy, the Mariners Museum in Newport News, Va., Mussee' de la Marine in Paris and Consortium Museum in Liverpool.

"It'll take an established museum in Alabama with solid money behind it to get some of the artifacts. These type artifacts need people who understand archaeology and facilities with the best qualifications."

To house the state's share of artifacts, Toifel has proposed establishing a maritime museum in Mobile, an idea that has received support there for a number of years. The Museum of the City of Mobile, which has already raised some funds for a museum covering all aspects of Alabama maritime history, has agreed to cooperate with Toifel's Save The *Alabama* Committee.

In the mid-1960s, funds to cover the $1 million cost of towing the U.S.S. *Alabama* to

Mobile and establishing the Battleship Memorial Park were obtained from a statewide donation drive, with school childen contributing significantly. Toifel has suggested a similar effort for an *Alabama* project.

"We're talking about building a maritime museum second to none, a tremendous economic boost to this state."

The Battleship Park hosted 321,000 tourists last year, for a 1988 gross of $1.8 million, an amount that more than paid for its operation.

"We don't want to solicit money until our government reaches a deal with France and England in regard to how the artifacts will be salvaged, preserved and distributed," Toifel said in April. "Then we'll ask for donations. First, we've got to determine a figure at which to shoot."

The ink is not yet dry on the U.S.-French agreement. But an international line has already formed for the *Alabama's* historical treasures that are expected to be available to museums by the turn-of-the-century. How many and what type of artifacts, if any, eventually come to Alabama is likely to depend on how successful interested Alabamians such as Toifel are in preparing a home for them in the meantime.

THE DAY THE ALABAMA WENT DOWN

Captain Raphael Semmes was fatigued after almost two years of high seas fighting and the C.S.S. *Alabama* needed extensive overhauling when she entered the Cherbourg Harbor in France on June 14, 1864. Semmes planned to dry dock the ship for repairs and relinquish command.

But before Semmes could obtain permission to dock, the U.S.S. *Kearsarge* steamed into the harbor.

Despite being warned by his Executive Officer, John McIntosh Kell, that most of the *Alabama's* fuses had misfired during target practice due to defective gunpowder, Semmes decided to fight. He wrote in his journal: "A quiet spirit of determination is pervading both officers and men. The combat will no doubt be contested and obstinate, but the two ships are so equally matched that I do not feel at liberty to decline it."

The crew spent three days preparing for the battle.

On Sunday, June 19, 1864, some 17,000 spectators—some from as far away as Paris—lined the French coast to watch the battle. Yachts and small crafts circled the waters, including the yacht *Deerhound* with wealthy Englishman John Lancaster aboard. Also watching the contest from a private boat was artist Edouard Manet. A band on a French warship played *Dixie.*

Then it unfolded.

The *Alabama* chased the *Kearsarge* seven miles out to sea only to see the rival turn to challenge it. The *Alabama* fired three shots too high. The *Kearsarge* hit the *Alabama* with its first two shots in the forward port and broadside.

The ships then began a circular track at full steam, moving in opposite directions. Seven circles left them much closer together. The conflict continued with the *Alabama* firing two shots to every one fired by the *Kearsarge,* but missing on the vast majority of attempts.

Then came the pivotal event. A shell struck the *Alabama,* moving through gun port, and was followed by a second. A third landed on deck without exploding and was thrown overboard.

After 20 minutes of battle, a shell from the *Alabama* struck the hull of the *Kearsarge,* a hit that normally would have been devastating. The *Alabama* crew cheered wildly only to be silenced when it was evident that the *Kearsarge* was not crippled. Semmes was stunned. Later it was learned that the *Kearsarge* had put chains covered by wooden planks over her side for protection.

Of the 370 shots fired at the *Kearsarge* only 28 hit and few did damage because of wet gunpowder.

Eventually the *Alabama* began taking on water and Semmes risked blowing her up with "full steam" to reach the safety of French waters. "Let her have the steam," Engineer Matt O'Brien said. "We had better blow her to hell than let the Yankees whip us."

Semmes ordered Kell to determine how long the *Alabama* could stay afloat. He was told 10 minutes. "Then sir, cease fire, shorten sail and haul down the colors," he said. "It will never do in this 19th century for us to go down and the decks covered with our gallant wounded."

Taking the move as a trick, the *Kearsarge* continued firing. Semmes commanded, "Stand your quarters men. If we must be sunk after our colors are down, we will go to the bottom with every man at his post."

But Kell soon gave other orders to abandon ship. The contest had lasted 70 minutes. Semmes, still in his cap, trousers and vest, grabbed a life preserver, tossed his sword aside and jumped into the water. He was picked up by Lancaster on the *Deerhound,* which sped to England.

Later, Executive Officer Kell remembered the *Alabama's* sinking. "As the gallant vessel, the most beautiful I ever beheld, plunged to her grave, I had it on my tongue to call the men who were struggling in the water to give three cheers for her, but the dead that were floating around me and the sadness I felt at parting with that noble ship that had been my home so long deterred me."

Semmes returned to the Confederacy and continued to fight until the war's end. Afterward, he returned to Mobile where he practiced law until his death in 1877.

His sword remains at the bottom of the English Channel.

TRIBUTE TO THE INTERNATIONAL CLASS AFLOAT PROGRAM

Mr. HEFLIN. Mr. President, it is my honor to rise today, in tribute to the International Class Afloat Program aboard the tallship *Pogoria.* An innovative concept in both education and world peace, the International Class Afloat Program presents a remarkable opportunity for learning and discipline to students from the United States, the Soviet Union, Poland, and several other countries. The theme of the program is "Let's learn to live and work together," and I am pleased to be able to commend such a fine peaceful program and all of its participants.

The *Pogoria* is a 154-foot Polish tallship crafted in the tradition of the great clippers of former times. The captain of the *Pogoria* and creator of the International Class Afloat Program is a Polish sailor named Krzysztof Baranowski. He started the program in 1983 with the ideas of the world as a classroom, and a life on the open seas as a unique opportunity which will only come once in the students' lives. Today, the ideas and accomplishments of the program are the same as they were at the program's inception. Although the program is designed to give the students a chance to visit many countries on three continents, it is anything but a pleasure cruise for the students. A day aboard the *Pogoria* begins at 6 a.m., and includes an hour and a half of exercise, 6 hours of rigorous high school curriculum classes, additional hours of sailing and navigational lessons, as well as numerous chores such as polishing brass, painting, and washing dishes.

Living in such a unique and demanding environment has an incomparable effect on a young man. Not only is it very rare for a 16-year-old boy to live on a sailing ship for several months, but even more incredible is the fact that he will be living with other boys his age from several different countries, including the Soviet Union. Such a situation requires a young man to very quickly learn the art of interacting with others in a cooperative atmosphere. In my judgment, this kind of program is exactly what future leaders of the world need to better undertand each other and help ensure world peace. I can never forget the story I read of one young American on the trip who looked up and saw that the American flag had been torn in a recent wind storm. Before he had the opportunity to go over and repair the flag, he looked over and observed a young man from the Soviet Union mending the flag of the United States. He wrote home to his mother that the sight brought tears to his eyes.

Mr. President, I am proud that several of the American students aboard the *Pogoria* are from my home State of Alabama. These five outstanding students from Fairhope, AL were joined by six students from Cookeville, TN, as well as ten students each from the Soviet Union and Poland. I believe that the students from this country, as well as those from the other countries, and all persons involved with the *Pogoria* and the International Class Afloat Program deserve our deepest admiration and most sincere tribute.

Thank you Mr. President.

RESTORE EASTON, PA, TO THE MSA TITLE

Mr. HEINZ. Mr. President, I rise today in support of language in H.R. 2989 as adopted by the Senate Appropriations Committee. This provision provides that the Director of Office of Management and Budget [OMB] shall take appropriate action to provide that the official title of the Metropolitan Statistical Area [MSA] which includes Allentown, Bethlehem, and Easton, PA, Shall be the "Allentown-

Bethlehem-Easton Metropolitan Statistical Area."

Mr. President, the situation is this. The city of Easton is a vital community of hard working and justifiably proud people. But it had been stricken from the official title of the MSA of which it is a part. In taking this action, OMB effectively makes the city of Easton "unofficial."

Easton is one of the three major population centers making up the Lehigh Valley, including Allentown and Bethlehem. All three are contiguous and just minutes from each other by car. The international airport serving this region includes Allentown, Bethlehem and Easton in its designation. Despite this, Easton was not identified as a part of the MSA for census-taking purposes. OMB, in their adjustment of the classification, succeeded in creating a designation which is only two-thirds accurate in describing the area.

Mr. President, I want to point out that this exclusion—while not amounting to too much in terms of OMB's methodology—certainly did make the people of Easton feel as though they had taken a back seat to the two larger surrounding communities in the Lehigh Valley. The recent estimates available indicate that Allentown has a population of 103,758; Bethlehem has a population of 70,419; and Eastor's population is 26,027. Being the smallest in population of the three communities does not justify a diminution of Easton's status.

Congressman DON RITTER and I each introduced legislation in our respective bodies responding to this issue and I am pleased that it is included in this appropriations measure. The legislation which I introduce, S. 292 was designed to correct this situation by requiring OMB to include Easton in the official title of this Pennsylvania MSA. The intent was not to seek possible gains, but restore Easton to its rightful place in the official designation of the Lehigh Valley.

I am pleased we are taking action today to secure pasage of this legislation putting the "E" back into A-B-E—Allentown/Bethlehem/Easton—in the MSA title in 1990.

HARRY EUGENE HARTSOOK

Mr. SASSER: Mr. President, I rise today to call the Senate's attention to the loss of a steadfast and valuable member of the Senate family. This Tuesday, Harry Eugene Hartsook, a long-time member of the staff of the U.S. Senate and the director of my east Tennessee operations, was lost to us. His tragic passing was noted with great sadness by his thousands of friends across the State of Tennessee.

I wish to have printed in the RECORD some remarks I delivered on the occasion of the memorial service in Mr. Hartsook's honor. Also, Mr. President I would like to have printed a statement prepared by Dr. John Callahan, a long-time friend and colleague of Mr. Hartsook, which expresses the heartfelt convictions of all who worked with him over the years.

Mr. President, in addition I wish to have printed for the RECORD editorials memorializing Gene Hartsook which appeared in the Tennessean and the Knoxville News-Sentinel.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GENE HARTSOOK

It's hard for me to know how to begin talking about a man who has meant so much to me for so many years.

Maybe the best way is to say that I don't believe we're here today to mourn or to grieve. I believe we're here to celebrate the life of a man who gave to every one of us a gift of great price—a life of warmth and humor and energy and compassion—a life that ennobled whatever it touched.

I believe that very sincerely. I believe it because Gene Hartsook was that rare thing—a truly sensitive, tolerant, caring man . . . a man who loved to talk . . . a man who understood.

If Gene Hartsook was not your friend, it could only be because you hadn't met him yet.

He was never too busy to help. He was never too important to care. Gene thought it was nice to be important—but more important to be nice in kind. He loved politics . . . and politicians and government. He detested injustice, selfishness and intolerance. I think he loved politics so much because he saw it as an avenue to help people. And he was able to bring the art of politics to a high perfection—because, at bottom, politics is nothing more than the love of people—the great and the small, the complicated and the simple, the exultant and the beaten down.

And Gene Hartsook was a man who, above all else, loved people.

During his life, Gene played many roles. He was a mentor to many of the younger members of my staff. He could be a father-confessor or a big brother-figure. And we all delighted in the pleasure of his company.

He could do those things because he knew life. And he knew life so well because he had the priceless, God-given ability to get inside another person's skin, to see the world through another person's eyes, to feel what another person feels.

That ability was the source of his inexhaustible sense of humor, just as it was the source of his penetrating advice and counsel.

Every day was a new day for Gene to bring happiness and optimism to others (but we all know that Gene's day didn't start too early).

It was also that ability which made Gene Hartsook what he was—a man who left virtually everyone who knew him better, wiser, happier and richer by far.

To Bobbie and Pam, Adam, Rodney and David, who ministered to Gene with great courage and devotion, I want to say thank you from all of us here today for sharing Gene with us.

And of Gene Hartsook, I can only say—well done, my good and faithful friend.

GENE HARTSOOK—OUR FRIEND

Today, we, your fellow staff members of Senator JIM SASSER, gather to express our sorrow at the passing of a good and gentle man—Gene Hartsook.

We have known Gene for many, many years. We have fought the good fight together in order to insure that our Government will be in service of the people of Tennessee and the Nation.

But though politics can be rough and tumble and sometimes bring out the worst rather than the best in a person, this was never the case with Gene Hartsook.

Gene was an honorable man. He was a gracious man. He was a man who cared deeply about his wife, his family and his community.

But perhaps what distinguished Gene from others was his love of life and his ability to live each day of his life to the fullest.

Albert Einstein once said, "the tragedy of life is what dies inside of a man while he lives."

If that is the case, there was no real tragedy in Gene Hartsook's all too brief a life. For Gene did not let the trials and turmoil of our daily existence wear him down or make him a bitter or mournful person.

Life was to be lived day by day. Indeed, each sunrise brought, a new day for Gene Hartsook. Each day was a new beginning—an opportunity for Gene to both be happy and optimistic and perhaps even more importantly an opportunity to bring happiness and hope to others around him—whether that be his immediate family, his neighbors, or the many, many people who called on him for advice or assistance.

Gene Hartsook was never too busy to help.

Gene Hartsook was never too important to care.

Like many others gathered here today, we deeply, deeply feel the loss of Gene Hartsook—the man.

But we have been blessed by his kindness—his courtesies—his humor—his thoughtful words—and his gracious actions.

Well, how would Gene wish to be remembered by those who knew and cared for him?

Well, Gene was never a pretentious person. He was never self-important. He knew his strengths, understood his weaknesses and never confused the two.

Perhaps he would have taken comfort and identified with Sir Laurence Olivier who when asked about how he wished to be remembered, said:

"I'd like people to remember me for a diligent . . . expert workman . . . I think a poet is a workman . . . I think Shakespeare was a workman. And God's a workman. I don't think there's anything better than a workman."

And as Gene's colleagues, we would humbly add that Gene was a superb workman—for his wife, Bobbie, his family, his friends, his community, his State and his country.

We will shortly leave here each remembering the special things that Gene Hartsook stood and cared for. But we will remember two special things about Gene—his love of politics and his enduring spirit.

Gene loved politics and the heat of the battle, and for that we owe him our respect and admiration, for as President John F. Kennedy once said:

"The credit belongs to the man who actually is in the arena, whose face is marred by dust and sweat and blood, who knows the

great enthusiasms, the great devotions, and spends himself in a worthy cause; who at best, if he wins knows the thrills of high achievement, and, if he fails, at least fails daring greatly, so that his place shall never be with those cold and timid souls who know neither victory nor defeat."

Gene was in the arena. He fought the good fight and was a happy warrior, tasting both victory and defeat in his lifetime. But through it all he was a man of indomitable cheer and goodness of spirit.

He was the type of man who brings to mind the words of the great Southern novelist, William Faukner, who said upon accepting the Nobel Prize in 1949,

"I believe that man will not merely endure. He will prevail. He is immortal, not because he alone among the creatures has an inexhaustible voice, but because he has a soul, a spirit capable of compassion and sacrifice and endurance."

Gene Hartsook has been taken from us. We shall miss his love, his laughter, and his kindness of heart.

So let us offer Gene our prayers, perhaps best expressed in this old gaelic blessing.

May the road rise to meet you,
May the wind always be at your back,
May the sun shine warm on your face,
The rain fall softly on your fields;
And until we meet again,
May God hold you in the palm of his hand.

Good-bye Gene Hartsook—may you rest in peace forevermore.

[From the Tennessean, Aug. 7, 1989]

A MAN'S HONORABLE PROFESSION

Mr. Gene Hartsook was one of those rare individuals who proved that politics can indeed be an honorable profession.

A former assistant Tennessee commissioner of insurance and state fire marshal, Mr. Hartsook had been an aide to Sen. Jim Sasser for about 10 years. He died earlier this week after a lengthy battle with cancer.

Mr. Hartsook, a staunch Democrat, served as field coordinator for Senator Sasser in East Tennessee, an area whose political geography he knew like the back of his hand. Because of his expertise, he was frequently called upon for advice and analysis about politics.

"He was one of the finest public servants I have ever known," said Senator Sasser, remarking on the dedication Mr. Hartsook brought to his positions with state government and as a senatorial aide. He saw politics as a means to accomplish noble ends—the solving of people's problems.

But equally important, as many of those who knew him best pointed out, was Mr. Hartsook's capacity to be a friend and a gentleman. His good work in the public eye was matched by his many private acts of kindness and friendship. For that reason, above all others, his life will long be remembered and appreciated.

[From the Knoxville News-Sentinel, Aug. 2, 1989]

WE WILL MISS GENE HARTSOOK

All of us will miss Gene Hartsook, an aide to Sen. Jim Sasser who had an ability to make the federal government work for those who often seemed removed from it in East Tennessee.

Hartsook, 61, a native of Loudon County and an active figure in area business and politics, died Monday following a lengthy struggle with cancer. He had been East Tennessee Field Coordinator for Sasser for the past 10 years.

"He had a sense of how government could work to best serve the people," Sasser, "He had a marvelous way of working with people. He had a highly developed sense of fairness."

Hartsook became a widely known business figure in East Tenneseee during the 1950s and early 1960s, when he co-owned the H&H Buick Co. in Lenoir City with his brother, Lynn.

He later became an arson investigator for the state's Regional Fire Marshal's Office, then went into business with his brothers as a Realtor with the Hartsook Realty and Auction Co.

From 1975 until he joined Sasser's staff in 1979, he was assistant commissioner of insurance and state fire marshal.

Sasser and Gov. Ned McWherter spoke of Hartsook as one who enjoyed his work and took pleasure in helping others. Those qualities will endear Hartsook's memory to East Tennesseans and will make his place difficult to fill.

EMANUEL AND JUDITH LURIE

Mr. KENNEDY. Mr. President, last month, I had the pleasure of meeting with Judith Lurie of Moscow. Judith was recently given permission to visit her family in Israel, but she must return to Moscow as she, her husband, Emanuel, and their daughter, Bella, continue to be denied permission to emigrate, 10 years after their first application.

In January 1980, the Luries received permission to emigrate. They quit their jobs, took their children out of school, and sold their belongings in preparation for their departure. But 5 days before the family was scheduled to leave, their exit visas were revoked on the grounds that Emanuel had access to state secrets while working at the State Scientific Research Institute of Organic Chemistry, a position he has not held for more than 25 years.

Emanuel was not allowed to resume work as a chemical engineer and Judith lost her job as an English teacher, accused of contaminating students.

All of the Luries' relatives are now in Israel and every day they must remain in the Soviet Union is a reminder that, despite the increase in the number of those allowed to leave the Soviet Union, arbitrary denial still continues.

I am pleased about the recent increase in emigration from the Soviet Union. But lasting and meaningful progress will only be achieved when all long-term refusenik cases, such as the Luries, are granted the basic right to emigrate freely.

ALLIED DEFENSE BURDEN-SHARING

Mr. PRESSLER. Mr. President, I would like to comment on the allied defense burden-sharing amendments passed by the Senate this week as part of the fiscal year 1990-91 Department of Defense authorization bill. While I had hoped that the Senate would adopt a more far-reaching proposal such as that submitted by Senator MCCAIN, this is a step in the right direction. Fair cost sharing with our allies is something I have long supported. I have offered amendments on this subject in previous sessions of the Senate.

Currently Japan pays for only 40 percent of the cost of its defense and our NATO allies pay for approximately one-third of the cost of their defense. In fact, 60 to 80 percent of our defense budget goes to the defense of our allies. These amendments encourage Japan to contribute more to its defense and seek to keep our percentage of contributions to NATO from growing. They hold the line and keep things from getting worse, but we should start concentrating on making things better. We are simply paying too large a share of our allies' defense expenses.

Japan spends only 1 percent of its gross national product on defense. In contrast, the United States spent over 6 percent of its GNP on defense in 1988. Yet Japan has a gross domestic product that is greater than that of France, Great Britain and Italy combined. It is the world's second largest economy. Japan does provide bases for United States forces, but it easily could contribute far more to the cost of maintaining those forces than it currently does.

No one seriously wants Japan to mobilize as a major military power again. But there are other things Japan can do to take over the burden of its own home islands defense.

The United States has an increasing role to play in maintaining forces in places like the Middle East. Yet these global responsibilities often benefit our allies like Japan more than ourselves. In the Middle East we have deployed forces to help insure a steady supply of oil to the world's economy. That includes Japanese industrial and residential use of petrochemical energy.

Japan could and should increase its contribution to defraying United States costs for stationing forces in Japan from the current 40 to 100 percent of the actual costs. This would increase Japan's defense spending by only a small fraction of its gross domestic product.

Our NATO allies could also significantly increase their contributions. We cannot continue to spend one-half of all our defense dollars on the defense of Western Europe. Our prosperous NATO allies simply must do more to defend themselves.

Our NATO central region allies—Belgium, France, West Germany, Luxembourg, the Netherlands, and the United Kingdom—should bear most of the brunt of this burden because their economies are the most able to sup-

port a higher level of defense spending. They have more developed resources, and industries to protect, than some of the flank nations. The European Economic Community of 1992 should be able to provide increased revenues for our allies to defend their own territory.

There are critical military needs in NATO that this country must contribute to. For instance, command, control, and communications needs much more work to develop true inter-operability between forces. Our best defense is the ability to communicate efficiently with each other in battle. Other mutual defense systems also need U.S. financial support.

Nor can we ignore those in the Soviet Union who may again bring a very conservative hostile government to that country. I hope we see continued glasnost, but the real possibility exists that we could again face a Stalinist military power. We must not downgrade our capability, but seek to distribute it more equally among NATO allies.

We need to maintain the strength of our reserves, and continue our ability to rapidly deploy them overseas. Our forward-based stocks of weapons and supplies need to be sustained, if not increased, to meet the potential threat in Europe. We can pull a lot of our troops back from active stationing on the continent, as long as we improve our ability to mobilize and deploy them in a crisis. Readiness need not be affected by cost sharing. An equitable distribution of the cost of European security is what is needed. The days are long gone, just after World War II, when Europe was so war-torn that it could not support its own defense.

Mr. President, the amendments we have adopted are in the right spirit, but we need to demand more effort from our wealthy allies.

SENIOR ENVIRONMENTAL EMPLOYMENT PROGRAM

Mr. BURDICK. Mr. President, the Environmental Protection Agency launched a pilot project in 1976 to utilize persons 55 years of age or older to assist the agency in responding to national environmental mandates without displacing Federal workers.

This program demonstrated beyond any doubt that older Americans were a valuable resource to assist EPA in providing a wide range of services that would not otherwise be available.

The pilot project became an immediate success story with strong bipartisan congressional support. In 1984 its supporters succeeded in enacting the Environmental Programs Assistance Act to convert the EPA older worker pilot project into a permanent, ongoing national program—the Senior Environmental Employment [SEE] Program.

This act included safeguards to assure that the SEE Program would not displace currently employed individuals at EPA or provide employment for older participants when another person had been laid off from the same or substantially equivalent position within the agency.

Throughout its brief history, the value and worth of SEE enrollees have been amply demonstrated in many ways. SEE participants, for example, have won numerous commendations for their effective and efficient service in inspecting schools for the presence of asbestos. They have helped EPA to monitor the quality of the air we breathe and the water we drink. They have inspected underground tanks for leakage of materials which could harm our environment and they have performed other valuable tasks in the communities which they serve.

Recently, EPA Administrator William K. Reilly sent a report to Congress concerning the Superfund program. This report praised the SEE Program and urged that SEE enrollees be used more extensively in Superfund activities. Additionally, Mr. Reilly called upon EPA regional offices to make greater use of SEE participants.

Mr. President, I suggest that my colleagues consider this report and ask unanimous consent that an excerpt from the report, regarding the SEE Program, be included in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

A MANAGEMENT REVIEW OF THE SUPERFUND PROGRAM

(By William K. Reilly, Administrator U.S. Environmental Protection Agency)

CHAPTER V. A MORE AGGRESSIVE PROGRAM OF COMMUNITY INVOLVEMENT

Give citizens a much greater role in the Superfund program, especially at PRP lead sites.

Strongly support increased citizen involvement in Superfund decisions, accept occasional delays as a result of greater public involvement.

Plan for citizen involvement at each stage of the Superfund process.

Increase EPA staff to allow more frequent communication with the affected public.

Use "Senior Environmental Employees" (retirees) more extensively in Superfund.

Citizens' access to information should be comparable to that of PRP's.

Release information to the administrative record and to information repositories as quickly as possible, and ensure that citizens are notified of the availability of this information.

In addition to increasing EPA's own staff, there are a few other ways of increasing the resources devoted to communications with the public:

1. Regions are hiring Senior Environmental Employees to work with the TAG program. These people are retirees hired by a senior citizens organization, such as the American Association of Retired Persons, to work for EPA. These employees do not count against staffing ceilings, and EPA's experience in using retirees to represent the Agency has been quite good in the asbestos program. All the regions have contracts in place to hire such staff as they need them. Regions could experiment with using these staff for more extensive communications work besides TAGs.

2. Where sites are located at some distance from EPA's regional office, it is usually difficult for EPA staff to see citizens in person very often. As a variation of option #1, EPA could hire retirees who live in the community near the sites. These employees could work on a part-time basis to inform local officials, citizen groups, and other community leaders about developments at the site.

3. Using state or local officials to represent EPA at sites is another way of coping with the limits to EPA resources and the distance problems. At the Bunker Hill site in Idaho, for example, a local health officer of the state health agency serves as the community representative for both EPA and the state. EPA supports this position with grant money to the state. One problem at some sites, however, is that EPA and the state (or the local government) sometimes disagree strongly about the appropriate course of action at a site. Such disagreements make it both difficult and inappropriate for a state or local official to represent EPA.

4. EPA also uses contractors to support its community relations work. The results are mixed. In some cases, where EPA has used contractors to communicate directly with the community, citizens have resented not being able to speak directly to EPA. EPA often uses contractors to interview citizens as they prepare community relations plans, however, and this practice is likely to continue, given EPA's staffing problems. Contractors can also be used to write fact sheets, provide logistical support for public meetings, and so forth. EPA's experience is that contractor support is most effective where the contractors can ensure the continuity of their staff. In that case, the cost of using a contractor to draft fact sheets (or other short turnaround tasks) declines, and the quality goes up. Continuity is so important to communications, however, that more contractor support for community relations cannot be relied on to solve the "consistent communication" problem described above. We must do the bulk of this important work ourselves.

Citizen Expectations: Citizens' perceptions of what constitutes regular and consistent communication are not the same as EPA staff's. We found that citizens expect more than EPA staff, even though EPA staff members think they should be doing more than they are able to do. Where EPA has a successful relationship with a community at a controversial site, there is a consistent pattern of regular, frequent communication with the community.

RECOMMENDATIONS:

The Administrator should increase the number of site managers and community relations staff to allow more frequent communication with the affected public.

EPA should firmly establish communication as a high priority for Superfund managers, site managers, and community relations staff.

Regions should experiment with using Senior Environmental Employees more extensively in Superfund. Where sites are some distance from EPA offices, Regions can hire retirees who live in the communities near the sites to take questions and provide information.

EPA should consider using state or local officials to represent EPA at sites as another way of coping with the limits to EPA resources and the distance problems.

Finding: Frequent turnover of EPA staff is hurting EPA's communications with citizens near sites.

Discussion: Citizens are frustrated by turnover in EPA staff. Communities complain that they have to train EPA staff about the site. The history of the site matters a great deal to site residents; new government staff do not know the history. Communities feel that they must rebuild their relationship with the new staff, and reeducate them about their concerns. The turnover of any key staff can be disruptive—EPA's site manager or community relations staff, state staff, or contractors. Citizens often view them all together.

CONFERENCE ON THE "DEMOCRATIC REVOLUTION"

Mr. KENNEDY. Mr. President, last May, I had the pleasure of participating in the National Endowment for Democracy's annual conference on "The Democratic Revolution." The conference was an unprecedented gathering of democratic activists and intellectuals from around the world, many of them endowment grantees, who gathered in Washington to assess the hopes for democracy.

The culmination of the conference was the awards ceremony honoring two individuals who have made vital contributions, both individually and as part of larger movements, to the cause of democracy. They were Monica Jimenez de Barros, who founded and directed the Crusade for Citizens Participation in Chile, and Jacek Kuron, a key adviser to the Polish trade union Solidarity and one of Poland's most respected political activists.

I would like to bring to the attention of my colleagues the enlightened remarks of Jacek Kuron at the conference. Mr. Kuron helped conceive and implement the strategy—adopted by Solidarity—which brought about the roundtable negotiations and the dramatic events now unfolding in Poland. Repeatedly jailed and persecuted for his activites, Mr. Kuron has exemplified the personal courage and political conviction that characterize the Polish democratic movement.

As his remarks demonstrate, Mr. Kuron was a forceful advocate of peaceful, gradual change in Poland, "the road to democracy has to be a process—a process of gradual evolution, of gradual building of democratic institutions. It is a revolution in the sense that we radically changed the system."

Jacek Kuron was recently elected to the Polish parliament and will no doubt continue to be a tireless champion of justice, liberty and democracy in Poland.

Mr. President, I urge my colleagues to read Mr. Kuron's insightful remarks on the current situation in Poland and its historical background. I ask unanimous consent that the text of his remarks be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS OF POLISH LEADER, JACEK KURON, BEFORE THE NATIONAL ENDOWMENT FOR DEMOCRACY

The very fact that in a totalitarian Communist country the authorities met halfway with an anti-systemic opposition in order not to coopt this opposition but to negotiate with it, with the opposition as an autonomous force, is of primary importance.

It is a very unusual fact, and in a way it's a fact denying totalitarianism. Totalitarianism is an attempt to command centrally all social life. It's based on the monopoly of the power center to organize any activities. The monopoly is so total that if citizens gather freely and discuss freely a matter as simple as roof repairs on a block of flats, this constitutes a challenge to the central authority.

This as a monopoly of organization. But the next most important monopoly is a monopoly on information, meaning that every printed word—not to mention the electronic media—is centrally steered by central authority. Therefore, that leads to a monopoly of decision, meaning that all decisions are made by central authority.

It's almost superficial to say that such an ideal cannot be implemented. But any attempt to implement it destroys social, economic and political life.

Therefore if the organized opposition enters into negotiations with the authorities, negotiations which are uncensorially transmitted by television and relayed to every household, one can say that totalitarianism has been broken since all those monopolies were broken. But that, of course, was not the beginning.

The real breakthrough took place in 1980 when the massive wave of strikes led to the establishment of Solidarity, an independent union, which had to be recognized and was recognized by the central government. At that particular moment, the totalitarian system in Poland was broken.

At that time I wrote an essay entitled, "What Next," in which I compared the political situation in Poland with the movement of trains. A railroad schedule in which every tenth train would be independent and self-governing by an accord between the conductor and the passengers would lead to a situation in which either the principle on which the schedule of the whole railroad is built would be changed, or to a series of catastrophes.

And that was the situation in Poland at that time, since within a totalitarian system a massive movement into which over half the population belonged was created. Since the nomenclature, the apparatus of power, did not want to make the necessary structural changes, catastrophe was inevitable; it came on December 13, 1981, as the imposition of martial law. The tanks rolled into the streets. All laws were suspended. The population was terrorized and was submitted to a military and police dictatorship.

One could say that if totalitarianism was broken in Poland in 1980 by this massive popular movement, the imposition of martial law restored totalitarianism. No, this is not my opinion. It's an example, one could say, that certain social processes are irreversible.

The explosion of Solidarity was a denial of totalitarianism, but martial law was also a denial of totalitarianism. Since a totalitarian system is based on those three monopolies of information, organization and decision, the more perfect the system the better camouflaged it is. It becomes nearly invisible.

For instance, in my country a parliament existed, a multi-party system existed, a number of newspapers appeared, and one could see, or one could have the illusion, that this was a normal parliamentary democracy.

If any information and any movement, any action, is centrally planned, those planners can say whatever they please. So, as in August of 1980, the peaceful popular uprising has broken this illusion. This illusion was broken a second time by the authorities themselves—declaring martial law and telling everybody we will use naked force. We will suppress the society with naked force.

And since in a totalitarian system every person, every member of society, is in some measure involved, it creates a certain social compact. We denounced this compact in August of 1980. But they broke this compact in December of 1981.

Thus, a dictatorship based uniquely on force was created, but such a dictatorship is self-destructive. The authorities had two options. One option was to maintain such a dictatorship—a dictatorship which, even more quickly than ordinary totalitarianism, destroys everything, including the economy—or to withdraw from that form of dictatorship.

And finally, after a number of attempts at different solutions, the authorities decided that a certain agreement with society is possible by making an agreement with the opposition. And thus, conditions were created for round-table negotiations, negotiations aimed at allowing society to self-organize and gradually move toward democracy. In other words, the round-table talks were a certain stage in a constant struggle of the Polish people for democracy, previous stages being the enormous social activity in the legal days of Solidarity and enormous clandestine resistance during the days of martial law.

The most important lesson of all these is perhaps that a certain assumption—that totalitarianism can be broken only from the outside since there are no internal forces capable of breaking the totalitarian system—is false. From within, self-organizing society can break and can overcome totalitarianism.

How can you self-organize under a totalitarian system? To answer this question, I have to say that this movement of self-organizing of the society did not begin in August of 1980. We began many, many years before. Looking back at those years, at something which was perceived as a revolution, I look back in astonishment.

It was so simple then. What we wanted was to read books, to talk to each other, to collect money for people needing help—the simplest human actions. And one can organize society around those simple actions and goals, and this very fact is like a time bomb under totalitarianism.

There is one more lesson from this evolution. Many of our friends, members of the opposition in Poland, asked us "Why did you go to those round-table negotiations? Wouldn't it be better to organize people, to increase the potential for social explosion—social explosion which would wipe out this system?"

We said no. We don't want to destroy the system by force. Several explanations and reasons can be given for our view. The simplest reason is that totalitarianism is a system artificially created, artificially designed so to speak, and such a system destroys all life around itself.

If you destroy a political system you cannot bring over another system from the past, nor can you import another system from abroad. You have to create a new system. But that new system would also be a system artificially constructed and such a system would bring back all the faults of the old system.

The lesson, therefore, is that the road to democracy has to be a process—a process of gradual evolution, of gradual building of democratic institutions. It is a revolution in the sense that we radically changed the system. We go from totalitarianism to democracy. If it should be a road to democracy, if it should be a democratic revolution, it must be achieved in a gradual process.

ON ALLOCATION OF REVENUES FROM DRUG-RELATED CRIMES

Mr. ROBB. Mr. President, as a cosponsor of S. 976, I strongly endorse its passage. This bill simply provides a 2-year extension for implementation of section 6077(c) of the Anti-Drug Abuse Act of 1988, which gives precedence to State law in determining the allocation of revenues from drug-related Federal fines and forfeitures.

Under the prior Federal statute, local law enforcement entities were permitted to keep 90 percent of these revenues. And, Virginia followed this Federal allocation even though State law required payment of forfeiture revenues into the State Literary Fund. Virginia's local law enforcement bodies rely heavily on this important source of funding to combat drug use and related violence in the Commonwealth.

The 1988 revision to the Federal statute would require that Virginia's share of these revenues be allocated to the State Literary Fund, in accordance with State law. Now, the Virginia General Assembly has deleted the statutory requirement that revenues from drug-related forfeitures be directed to the State Literary Fund, but it needs this extension of time in order to repeal a similar State constitutional requirement. Without this extension, Virginia's local policy will be deprived of an important source of income at a time when they need it more than ever.

The distinguished senior Senator from Virginia, Mr. WARNER, and I have received requests for this delay from the Governor of Virginia, the Virginia Crime Commission, and many concerned chiefs of police from throughout the Commonwealth. I am pleased to join my colleagues from Virginia in passing those requests on to you.

I urge my colleagues to support this important initiative.

CENSUS BUREAU STAFFING NEEDS

Mr. ROTH. Mr. President, I rise today as a cosponsor of legislation designed to help the Census Bureau meet its critical staffing needs in completing the 1990 census. By removing the disincentives to reemployment with the Federal Government, this legislation encourages thousands of Federal and military retirees to come out of retirement and join the census bureau in this critical mission.

The census bureau provides a vital function for our National Government. The census provides the basis for the equal representation of all Americans in our National Government and the census data are utlilized by the Congress, by the executive branch, and by the public generally in the development and evaluation of economic, social, and other public policy programs.

It is my understanding that during the peak operations of the 1980 census, up to 30 percent of the census enumerator positions remained vacant. As the economic recovery continues, it will become increasingly difficult for the Federal Government to attract and retain the necessary number of workers to accomplish the monumental task of a nationwide census.

Federal and military retirees could be a significant help to the census bureau in meeting its staffing needs. But a disincentive exists that drives away any Federal or military retiree who wants to lend a hand. Under current law, Federal and military retirees are subject to pension offsets if reemployed by the Federal Government.

Civilian retirees who are employed by the Federal Government have their Federal salaries reduced by the amount of their annuity. Considering the duration of their employment with the census bureau, it is likely their total pay would be offset by their retirement annuity.

Retired enlisted personnel are affected by an offset only if their combined current pay and retirement exceeds $75,500. Few retired enlisted personnel would suffer a loss if employed by the bureau on a temporary basis. With regard to retired military officers, after receiving an initial $7,698 in annual retired or retainer pay, $1 is withheld from every $2 dollars earned as a Federal employee. The legislation we are considering today would exempt these individuals from the pension offset in the limited circumstance of helping process the 1990 census.

The primary purpose of this bill is to provide a means of increasing the potential pool of workers for temporary positions with the census bureau during the 1990 census. A significant percentage of the census work force will serve as enumerators who will visit housing units from which a census questionnaire has not been returned by mail. This followup work is critical considering the number of households that do not return these forms.

Federal and military retirees are familiar with serving the public and will be able to fill this critical need. These individuals can play a major role in helping the census bureau meet its staffing needs particularly during the peak months of the census. Federal and military retirees have a working knowledge of the Federal Government and this can be a critical factor in whether an individual will have a successful experience with the census bureau.

The bureau must recruit more than 1.6 million temporary employees to conduct the 1990 census. It is a daunting task. In the past, the agency has experienced difficulties recruiting and retaining an adequate work force. Federal and military retirees represent a large pool of potential employees, numbering 2 million strong. I believe they should be encouraged to help. I strongly support this legislation and urge its passage.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 10:37 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill, H.R. 2467, entitled the "1988 Disaster Assistance Extension Act"; with amendments, in which it requests the concurrence of the Senate.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 126. Joint resolution commemorating the bicentennial of the United States Coast Guard.

The enrolled joint resolution was subsequently signed by the President pro tempore [Mr. BYRD].

At 4:33 p.m., a message from the House of Representatives, announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 55. Joint resolution to designate the week of October 1, 1989, through October 7, 1989, as "Mental Illness Awareness Week";

S.J. Res. 67. Joint resolution to commemorate the twenty-fifth anniversary of the Wilderness Act of 1964 which established the National Wilderness Preservation System;

S.J. Res. 78. Joint resolution to designate the month of November 1989 and 1990 as "National Hospice Month";

S.J. Res. 127. Joint resolution designating Labor Day weekend, September 2 through 4, 1989, as "National Drive For Life Weekend"; and

S.J. Res. 136. Joint resolution designating August 8, 1989, as "National Neighborhood Crime Watch Day".

The message also announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 2461. An act to authorize appropriations for fiscal year 1990 for military activities of the Department of Defense for military construction, and for defense activities of the Department of Energy; to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes;

H.R. 2990. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1990, and for other purposes;

H.J. Res. 231. Joint resolution designating September 1989 as "National Library Card Sign-Up Month";

H.J. Res. 253. Joint resolution designating September 8, 1989, as "National Pledge of Allegiance Day"; and

H.J. Res. 379. Joint resolution commending the citizens of the Sioux City, Iowa, tri-State area for their heroism and spirit of volunteerism in selflessly providing assistance and lifesaving services to the passengers and crew of United Airlines Flight 232.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 2990. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1990, and for other purposes; to the Committee on Appropriations.

MEASURE PASSED PURSUANT TO PREVIOUS ORDER

The following bill was received from the House of Representatives for concurrence:

H.R. 2461. An act to authorize appropriations for the fiscal year 1990 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy; to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

Pursuant to the order of August 3, 1989, the foregoing bill was read the first and second times by unanimous consent, read the third time, all after the enacting clause was stricken and the text of the bill S. 1352, as amended, and passed by the Senate was inserted in lieu thereof, the Senate insisted upon its amendment to the bill, asked a conference with the House on the disagreeing votes of the two Houses thereon, and appointed Mr. NUNN, Mr. EXON, Mr. LEVIN, Mr. KENNEDY, Mr. BINGAMAN, Mr. DIXON, Mr. GLENN, Mr. GORE, Mr. WIRTH, Mr. SHELBY, Mr. BYRD, Mr. WARNER, Mr. THURMOND, Mr. COHEN, Mr. WILSON, Mr. MCCAIN, Mr. WALLOP, Mr. GORTON, Mr. LOTT, and Mr. COATS as managers of the conference on the part of the Senate.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, August 4, 1989, he had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 126. Joint resolution commemorating the bicentennial of the United States Coast Guard.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 488. A bill to provide Federal assistance and leadership to a program of research, development and demonstration of renewable energy and energy efficiency technologies and for other purposes (Rept. No. 101-107).

S. 550. A bill to establish a national program to improve collaboration between the national laboratory system of the Department of Energy and the private sector so as to foster the development of technologies in areas of significant economic potential in order to enhance the Nation's economic competitiveness and strategic well being and for other purposes (Rept. No. 101-108).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ROCKEFELLER (for himself, Mr. BYRD, Mr. BINGAMAN, Mr. HEINZ, Mr. BRYAN, Mr. DASCHLE, Mr. WILSON, Mr. BAUCUS, Mr. MOYNIHAN, Mr. LAUTENBERG, Ms. MIKULSKI, and Mr. PRYOR):

S. 1529. A bill to amend section 337 of the Tariff Act of 1930 to respond to the actions of countries that do not provide adequate and effective patent protection to United States nationals; to the Committee on Finance.

By Mr. LEVIN (for himself, Mr. DODD, Mr. MOYNIHAN, Mr. COHEN, Mr. JEFFORDS, Mrs. KASSEBAUM, Mr. DURENBERGER, Mr. CRANSTON, Mr. DASCHLE, Mr. HARKIN, Mr. ADAMS, Mr. MATSUNAGA, Mr. D'AMATO, Mr. HOLLINGS, Mr. CONRAD, Mr. HEINZ, Mr. REID, Mr. BOREN, Mr. SANFORD, Mr. RIEGLE, Mr. DECONCINI, Mr. PRYOR, Mr. FOWLER, Mr. WIRTH, and Mr. MITCHELL):

S. 1530. A bill to provide for the establishment of a program that shall facilitate, on a voluntary request basis, the reunion of birth parents and adopted individuals, birth siblings, or birth grandparents of adopted individuals, through a centralized computer network; to the Committee on Labor and Human Resources.

By Mr. ROTH:

S. 1531. A bill to facilitate the effective management of fisheries resources in U.S. waters by including tuna in the regulatory structure under the Magnuson Fishery Conservation and Management Act; to the Committee on Commerce, Science, and Transportation.

By Mr. LEAHY (for himself, Mr. LUGAR, Mr. FOWLER, Mr. HEFLIN, Mr. BAUCUS, Mr. BOND, Mr. GORTON, Mr. CONRAD, Mr. COCHRAN, Mr. BOSCHWITZ, Mr. JOHNSTON, and Mr. SANFORD):

S. 1532. A bill to amend the Volunteers in the National Forests Act of 1972 to permit volunteers to be considered employees under section 3721 of title 31, United States Code; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MURKOWSKI:

S. 1533. A bill to increase economic benefits from the activities of cruise ships visiting Alaska; to the Committee on Commerce, Science, and Transportation.

By Mr. BUMPERS:

S. 1534. A bill for the relief of Priti Rekha Chaudhury Juneja; to the Committee on the Judiciary.

By Mr. D'AMATO:

S. 1535. A bill to provide for the minting of coins to commemorate the World University Games; to the Committee on Banking, Housing, and Urban Affairs.

S. 1536. A bill to provide for the striking of medals to commemorate the World University Games; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DURENBERGER (for himself, Mr. WILSON, and Mr. GARN):

S. 1537. A bill to provide relief to State and local governments from Federal regulation; to the Committee on Governmental Affairs.

By Mr. BENTSEN:

S. 1538. A bill to extend the temporary suspension of duty on fresh cantaloupes imported between January 1 and May 15 of each year; to the Committee on Finance.

By Mr. MOYNIHAN (for himself, Mr. JEFFORDS, Mr. LEAHY, and Mr. D'AMATO:

S. 1539. A bill to amend the Federal Water Pollution Control Act so as to include Lake Champlain in the Clean Lakes Demonstration Program; to the Committee on Environment and Public Works.

By Mr. JEFFORDS (for himself, Mr. KENNEDY, and Mr. PELL):

S. 1540. A bill to establish a critical languages and area studies program; to the Committee on Labor and Human Resources.

By Mr. KERRY:

S. 1541. A bill to amend the Internal Revenue Code of 1986 to restore a capital gains differential for small and high-risk business stock held for than 5 years; to the Committee on Finance.

By Mr. HATFIELD:

S. 1542. A bill to amend chapter 55 of title 5, United States Code, to include certain employees of the Department of Commerce as forest firefighters; to the Committee on Governmental Affairs.

By Mr. ROBB:

S. 1543. A bill to authorize the Colonial Dames at Gunston Hall to establish a memorial to George Mason in the District of Columbia; to the Committee on Rules and Administration.

By Mr. SASSER:

S. 1544. A bill to amend the Public Health Service Act to provide for the development of academic leaders in geriatrics through the establishment of centers of excellence in geriatric research and training; to the Committee on Labor and Human Resources.

By Mr. HATCH (for himself, Mr. HEINZ, and Mr. BOND):

S. 1545. A bill to authorize the appropriation of funds for a pilot program to assist other countries in the development of their domestic industrial standards; to the Committee on Commerce, Science, and Transportation.

By Mr. PRESSLER (for himself and Mr. DASCHLE):

S. 1546. A bill to authorize the planning and construction for the Mid-Dakota Rural Water System, and for other purposes; to the Committee on Environment and Public Works.

By Mr. BUMPERS (for himself, Mr. HOLLINGS, and Mr. LUGAR):

S. 1547. A bill to provide special rules for health insurance costs of self-employed individuals; to the Committee on Finance.

By Mr. COATS:

S. 1548. A bill to amend the Controlled Substances Act to strengthen minimum imprisonment provisions for employing persons under 18 years of age in drug operations, and for other purposes; to the Committee on the Judiciary.

By Mr. HATCH:

S. 1549. A bill to amend the Tariff Act of 1930 to eliminate the requirement that manhole covers be marked on the top surface; to the Committee on Finance.

By Mr. GRASSLEY:

S. 1550. A bill to amend title XVIII of the Social Security Act to include rural health clinics within the definition of provider services with respect to such title; to the Committee on Finance.

By Mr. McCONNELL (for himself and Mr. FORD):

S. 1551. A bill to clarify the exempting authority of the securities and exchange Commission Act of 1935; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MATSUNAGA (for himself, Mr. HARKIN, Mr. ROCKEFELLER, Mr. INOUYE, Mr. GORE, Mr. DODD, Mr. REIGLE, Mr. DASCHLE, Mr. PELL, and Mr. MOYNIHAN):

S. 1552. A bill to amend title VII of the Public Health Service Act to increase the support provided to programs for the training of medical rehabilitation health personnel, to establish a Division of Allied Health Professions within the Health Resources and Services Administration, to initiate a pilot program concerning allied health research, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. COATS (for himself, Mr. McCAIN, Mr. ARMSTRONG, Mr. HUMPHREY, Mr. DOLE, Mr. ROTH, Mr. McCONNELL, Mr. BOND, Mr. BOSCHWITZ, Mr. KASTEN, Mr. HELMS, Mr. WARNER, Mr. MACK, Mr. LUGAR, Mr. DANFORTH, Mr. GORTON, Mr. GRAMM, Mr. NICKLES, Mr. SYMMS, Mr. WILSON, Mr. BURNS, Mr. GARN, Mr. GRASSLEY, Mr. LOTT, Mr. MURKOWSKI, Mr. SIMPSON, Mr. WALLOP, Mr. HATCH, Mr. CHAFEE, Mr. THURMOND, Mrs. KASSEBAUM, and Mr. PRESSLER):

S. 1553. A bill to grant the power to the President to reduce budget authority; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee has 30 days of continuous session to report or be discharged.

By Mr. REID:

S. 1554. A bill to ratify and implement water settlements involving the Pyramid Lake Paiute Tribe, the States of California and Nevada and other parties regarding the waters of the Truckee and Carson Rivers and Lake Tahoe in Nevada and California, to provide for enhancement of endangered species, and to preserve valuable wetlands, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. McCONNELL:

S. 1555. A bill to amend part D of title IV of the Social Security Act to extend permanently the Federal tax refund offset program used in child support enforcement; to the Committee on Finance.

By Mr. DeCONCINI (for himself and Mr. McCAIN):

S. 1556. A bill to designate the Salt-Gila aqueduct of the Central Arizona Project as the "Fannin-McFarland Aqueduct"; to the Committee on Energy and Natural Resources.

By Mr. ROTH (for himself, Mr. THURMOND, Mr. SANFORD, Mr. HATFIELD, Mr. STEVENS, Mr. GORTON, and Mr. COATS):

S. 1557. A bill to amend title 17, United States Code, to permit the unlicensed viewing of videos under certain conditions; to the Committee on the Judiciary.

By Mr. HEINZ (for himself, Mr. PRYOR, and Mr. GLENN):

S. 1558. A bill to amend title XVIII of the Social Security Act to require renal dialysis facilities and other providers of dialysis-related services, devices, and supplies to obtain informed, written consent from Medicare patients with respect to the use of reprocessed dialysis devices and supplies, and for other purposes; to the Committee on Finance.

By Mr. WARNER (for himself, Mr. BUMPERS, and Mr. ROBB):

S. 1559. A bill to expand the boundaries of the Fredericksburg and Spotsylvania County Battlefields Memorial National Military Park near Fredericksburg, VA; to the Committee on Energy and Natural Resources.

By Mr. BURNS (for himself, Mr. SYMMS, Mr. HATCH, Mr. FORD, Mr. McCLURE, Mr. DANFORTH, and Mr. NICKLES):

S. 1560. A bill to suspend the enforcement of certain regulations relating to underground storage tanks, and for other purposes; to the Committee on Environment and Public Works.

By Mr. BOND (for himself, Mr. HARKIN, Mr. LUGAR, Mr. McCONNELL, Mr. DOLE, Mr. CONRAD, Mr. PRYOR, and Mr. BOREN):

S. 1561. A bill to condition eligibility for participation in certain agricultural programs on the exporter not using commodities or products as the basis for a claim of a drawback under the Tariff Act of 1930, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. GRAHAM:

S. 1562. A bill to amend title XVIII of the Social Security Act to expedite the payment of claims under such title by increasing the level of interest paid on late payments to providers under such title, and for other purposes; to the Committee on Finance.

By Mr. SANFORD (for himself, Mr. HELMS, Mr. THURMOND, Mr. HOLLINGS, Mr. NUNN, Mr. FOWLER, Mr. GRAHAM, Mr. MACK, Mr. HEFLIN, Mr. SHELBY, Mr. COCHRAN, Mr. LOTT, Mr. SASSER, Mr. GORE, Mr. WARNER, and Mr. ROBB):

S. 1563. A bill granting the consent of the Congress to amendments to the Southeast Interstate Low Level Radioactive Waste Management Compact; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself Mr. HARKIN, Mr. SIMON, Mr. BRADLEY, and Mr. LEAHY):

S. 1564. A bill to amend title 28 United States Code, to make additional exceptions to the immunity of the property a foreign states form attachment or execution; to the Committee on the Judiciary.

By Mr. DOLE (for himself, Mr. DOMENICI, Mr. BOREN, Mr. NICKLES, Mr. WALLOP, Mr. GRAMM, and Mr. BAUCUS):

S. 1565. A bill to amend the Internal Revenue Code of 1986 to encourage the continued exploration for and production of domestic oil and natural gas resources; to the Committee on Finance.

By Mr. BOSCHWITZ:

S. 1566. A bill to require Federal vehicles in certain areas to use fuels composed of at least 3 percent oxygen by weight; to the Committee on Governmental Affairs.

By Mr. GLENN:

S. 1567. A bill to temporarily suspend the duty on Ornithine; to the Committee on Finance.

S. 1568. A bill to temporarily suspend the duty on Teicoplanin; to the Committee on Finance.

By Mr. RIEGLE:

S. 1569. A bill to establish the Grand Island National Recreation Area in the State of Michigan, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. PRYOR (for himself, Mr. DeCONCINI, Mr. RIEGLE, Mr. MATSUNAGA, Mr. BUMPERS, Mr. HARKIN, Mr. HEFLIN, Mr. SIMON, Mr. GLENN, Mr. NUNN, and Mr. FOWLER):

S. 1570. A bill to amend the Social Security Act to partially deregulate the collection of fees for the representation of claimant in administrative proceedings; to the Committee on Finance.

By Mr. PRYOR (for himself, Mr. RIEGLE, Mr. MATSUNAGA, Mr. BUMPERS, Mr. GLENN, Mr. DeCONCINI, Mr. HOLLINGS, and Mr. GORE):

S. 1571. A bill to amend the Social Security Act to establish in the Social Security Administration the Office of Chief Administrative Law Judge, and for other purposes; to the Committee on Finance.

By Mr. KOHL:

S. 1572. A bill to improve budgetary information by requiring that the unified budget presented by the President contain an operating budget and a capital budget, distinguish between general funds, trust funds, and enterprise funds, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs,

jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee have thirty days of continuous session to report or be discharged.

By Mr. WILSON (for himself, Mr. ADAMS and Mr. CRANSTON,):

S. 1573. A bill to amend the Immigration Reform and Control Act of 1986 to reimburse States for the costs of legislation outreach activities for temporary resident aliens regarding procedures for their adjustment of status to permanent residence; to the Committee on the Judiciary.

By Mr. HARKIN (for himself, Mr. HATFIELD, and Mr. LEAHY):

S. 1574. A bill to prohibit covert assistance to influence the Nicaraguan elections; to the committee on Foreign Relations.

By Mr. DECONCINI:

S. 1575. A bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes; to the Committee on Rules and Administration.

By Mr. MITCHELL (for himself and Mr. COHEN):

S. 1576. A bill to authorize a certificate of documentation for the vessel Lazy Jack; to the Committee on Commerce, Science, and Transportation.

By Mr. BOREN:

S. 1577. A bill to amend the Internal Revenue Code of 1986 to provide that charitable contributions of appreciated property will not be treated as an item of tax preference; to the Committee on Finance.

By Mr. FOWLER:

S. 1578. A bill to provide for the creation of an independent Historic Preservation Agency and a National Center for Preservation Technology, and for other purposes; to the Committee on Energy and Natural Resources.

S. 1579. A bill to amend the National Historic Preservation Act, the Historic Sites Act, the Archaeological Resources Protection Act, and the Abandoned Shipwreck Act, and certain related acts to strengthen the preservation of our historic heritage and resources, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BOREN (for himself and Mr. PRYOR):

S 1580. A bill providing for safe harbor leases involving rural electric cooperatives; to the Committee on Finance.

By Mr. ROBB:

S.J. Res. 189. Joint resolution designating the week of September 23, 1989, as "National Critical Care Awareness Week"; to the Committee on the Judiciary.

By Mr. HEINZ (for himself, Mr. GRAHAM, Mr. MCCAIN, Mr. DOLE, Mr. CRANSTON, Mr. SHELBY, Mr. PELL, Mr. WARNER, Mr. MATSUNAGA, Mr. DECONCINI, Mr. D'AMATO, Mr. LIEBERMAN, Mr. REID, Mr. BINGAMAN, Mr. MURKOWSKI, Mr. CONRAD, Mr. INOUYE, Mr. BURDICK, Mr. BURNS, Mr. DASCHLE, Mr. BOSCHWITZ, Mr. DOMENICI, Mr. BOREN, Mr. DURENBERGER, Mr. GARN, Mr. METZENBAUM, Mr. MCCLURE, Mr. MOYNIHAN, Mr. ROBB, Mr. ROTH, Mr. LUGAR, Mr. GLENN, Mr. WIRTH, Mr. KERRY, Mr. GORE, Mr. NUNN, Mr. SASSER, Mr. WALLOP, Mr. WILSON, Mr. GRASSLEY, Mr. STEVENS, Mr. FOWLER, Mr. SANFORD, Mr. THURMOND, Mr. HATCH, Mr. COCHRAN, Mr. MACK, Mr. SIMON, Mr. MCCONNELL, Mr. ROCKEFELLER, Mr. SPECTER, Mr. SIMPSON, Mr. PRESSLER, Mr. SARBANES, Mr. PRYOR, and Ms. MIKULSKI):

S.J. Res. 190. Joint resolution designating April 9, 1990, as "National Former Prisoners of War Recognition Day"; to the Committee on the Judiciary.

By Mr. DODD:

S.J. Res. 191. Joint resolution to designate September 14, 1989, the 50th anniversary of the first flight of the VS-300 helicopter by aviation pioneer Igor Sikorsky as "National Helicopter Day"; to the Committee on the Judiciary.

By Mr. DASCHLE (for himself, Mr. PRESSLER, Mr. EXON and Mr. KERREY):

S.J. Res. 192. Joint resolution to grant the consent of Congress to the boundary change compact between South Dakota and Nebraska; to the Committee on the Judiciary.

By Mr. DECONCINI (for himself and Mr. D'AMATO):

S.J. Res. 193. Joint resolution designating October 1989 as "National Italian-American Heritage and Culture Month"; to the Committee on the Judiciary.

By Mr. LAUTENBERG (for himself and Mr. DURENBERGER):

S.J. Res. 194. Joint resolution designating November 12-18, 1989 as "National Glaucoma Awareness Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOMENICI (for himself and Mr. GRAMM):

S. Res. 168. Resolution expressing the sense of the Senate that the Secretary of Agriculture and the U.S. Trade Representative should investigate recent actions by the Government of Mexico which prohibit free trade of livestock between the United States and the Republic of Mexico and work to eliminate these trade barriers; to the Committee on Finance.

By Mr. DIXON (for Mr. RIEGLE (for himself, Mr. SIMON, Mr. DIXON, Mr. HELMS, Mr. LEVIN, Mr. KENNEDY, and Mr. CHAFEE)):

S. Res. 169. Resolution supporting the efforts of Dobroslav Paraga to bring about increased respect for human rights in Yugoslavia; considered and agreed to.

By Mr. DOLE (for himself and Mr. D'AMATO):

S. Res. 170. Resolution to establish a drug committee in the Senate; to the Committee on Rules and Administration.

By Mr. GORE (for himself, Mr. HEINZ, Mr. MITCHELL, Mr. PELL, Mr. BAUCUS, and Mr. WIRTH):

S. Res. 171. Resolution authorizing the appointment of a special Senate delegation to host an international conference in the United States on global environmental issues, and for other purposes; considered and agreed to.

By Mr. MOYNIHAN (for himself, Mr. BRADLEY and Mr. LEVIN):

S. Con. Res. 60. Concurrent resolution expressing the sense of the United States Senate that the Soviet Union should release the prison records of Raoul Wallenberg and account for his whereabouts; to the Committee on Foreign Relations.

By Mr. MOYNIHAN (for himself, Mr. PELL, Mr. DODD, Mr. KERRY, and Mr. LUGAR):

S. Con. Res. 61. Concurrent resolution in support of basic human rights and democracy in Burma; considered and agreed to.

By Mr. DODD (for himself and Mr. HATCH):

S. Con. Res. 62. Concurrent resolution commending the decision of the Board of Immigration appeals to allow Joseph Patrick Doherty to apply for political asylum, expressing concern at the Attorney General's June 30, 1989, decision to deny Joseph Patrick Doherty a political asylum hearing, and asking the Attorney General to respect the BIA decision on political asylum and immediately to release Joseph Patrick Doherty on bond pending final completion of the immigration proceedings; to the Committee on the Judiciary.

By Mr. BREAUX (for himself, Mr. HOLLINGS, Mr. LEVIN, Mr. PELL, Mr. ADAMS, Mr. EXON, Mr. SASSER, Mr. GORE, Mr. HEFLIN and Mr. PRYOR):

S. Con. Res. 63. Concurrent resolution to recognize the uniqueness of and express strong support for the maritime policy of the United States, and to urge the President in the strongest possible terms to ensure that the United States does not propose maritime transportation services for inclusion in the General Agreement on Tariffs and Trade discussions and that any proposal that would consider maritime transportation as an area for negotiation is actively opposed by the United States; to the Committee on Finance.

By Mr. GRASSLEY (for himself and Mr. DECONCINI):

S. Con. Res. 64. Concurrent resolution calling for the extradition from Israel to the United States of Sheik Abdul Obeid in order that he may be brought to justice for the kidnaping and murder of Lt. Col. William Higgins; to the Committee on Foreign Relations.

By Mr. DOLE (for himself and Mr. D'AMATO):

S. Con. Res. 65. Concurrent resolution to establish drug committees of the two Houses of Congress; to the Committee on Rules and Administration.

S. Con. Res. 66. Concurrent resolution to establish a joint drug committee in the two Houses of Congress; to the Committee on Rules and Administration.

By Mr. MITCHELL:

S. Con. Res. 67. Concurrent resolution providing for a conditional recess or adjournment of the Senate and a conditional adjournment of the House from Friday, August 4, or Saturday August 5, 1989 to Wednesday September 6, 1989; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROCKEFELLER (for himself, Mr. BYRD, Mr. BINGAMAN, Mr. HEINZ, Mr. BRYAN, Mr. DASCHLE, Mr. WILSON, Mr. BAUCUS, Mr. MOYNIHAN, Mr. LAUTENBERG, Ms. MIKULSKI, and Mr. PRYOR):

S. 1529. A bill to amend section 337 of the Tariff Act of 1930 to respond to the actions of countries that do not provide adequate and effective patent protection to United States nationals; to the committee on Finance.

INTELLECTUAL PROPERTY PROTECTION ACT

Mr. ROCKEFELLER. Mr. President, today I am introducing the Intellectual Property Protection Act of 1989.

I am concerned that American and other foreign companies, especially those in high tech industries, do not receive adequate patent protection in Japan. My Foreign Commerce and Tourism Subcommittee has held two hearings in the past year on this problem and has identified many of the constraints faced by American industry. One of the most significant problems is the very long time it takes to obtain a patent in Japan—an average of over 5 years there versus only 19 months in the United States. This lengthy delay is an open invitation to copying and abuse. A second major problem is the very narrow interpretation of patent claims in Japan. This permits others to make minor changes in a patented invention. The result is that Japanese companies can, and do, appropriate the technology in the original invention at no cost and without the permission of the inventor.

In 1988, our two governments established the United States/Japan Joint Working Group on Intellectual Property in order to try to address some of these important questions. Although this group met twice in the past 12 months, no visible progress has been made on patent issues. At these meetings, the Japanese negotiators have consistently refused to recognize the damage caused by their patent system, damage that costs American industry billions of dollars and strips them of their ability to compete in the future. This damage affects large companies like Corning, BP America, and Allegheny Ludlum, as well as small high technology companies like Fusion and Fibermedia.

I have strongly supported the work of our negotiators in this process. They are good negotiators, but they cannot solve these serious patent problems in Japan without some muscle behind them. This bill provides the tools our negotiators need.

This bill amends section 337 of the Tariff Act of 1930, as it applies to countries, like Japan, where adequate and effective protection for the intellectual property of American business is denied because of unreasonable delays and unnecessarily narrow interpretations of patent claims. American businesses now use section 337 to get help from imports that infringe American patents. This bill would make it more likely that they would obtain relief in the case of products coming from countries with the most damaging patent practices.

Under this bill, the United States Patent Commissioner would prepare a list of the countries that do not adequately protect American patents. When dealing with section 337 cases involving those countries, the U.S. International Trade Commission, the ITC, would no longer be permitted to consider the effect of its decision on unrelated factors now in the statute. Second, the ITC decision would be implemented automatically and not be sent to the President who can now reject it for policy reasons. Finally, products being imported for the use of the Federal Government would no longer be exempt from the ITC decision.

Let me repeat that these changes would apply only to countries that deny American companies adequate patent protection. I am certain that the result of these changes in section 337 would be that Japan and other cited countries would immediately enter into serious negotiations with us to resolve patent problems.

Mr. President, I am introducing this legislation today because I am committed to stopping the unbalanced, one-way flow of technology between the United States and Japan. This has been going on for far too long. We are being seriously hurt by it now, and we will be even more seriously hurt by it in the future. I hope all of my colleagues will support me in this effort.

Ms. MIKULSKI. Mr. President, the Japanese patent process is not an issue which receives much public attention, but it has had a profound effect on many U.S. firms which are developing new technologies, including some in my State.

Readers of the local business press are familiar with the experience of Fusion Systems, Inc., of Rockville and how Mitsubishi used the Japanese patent system to file 200 patents on the technology involved in the microwave lamp developed by Fusion. In this way the giant company was able to delay approval of the application long enough to appropriate the production processes developed by Fusion.

There are many forms of intellectual property rights violations—fake Gucci bags, bogus pharmaceutical products, bootleg audio cassettes. The unfair appropriation of new technology is no less a violation of those rights. Like many Japanese trade barriers, it is subtle, but it is clearly an attempt to pirate U.S. technology.

This is also a market access issue since small, U.S. firms obviously cannot compete in the Japanese market against a domestic giant like Mitsubishi which has developed a product based on their technology.

Unfortunately, we can see an alarming pattern by Japanese firms who use their patent system to siphon off United States ideas.

International patent disputes can be very complicated, but some of the basic issues here seem to me to be very simple. For example, the Japanese were awarded 18 percent of all United States patents in 1986, but United States firms received only 7 percent of Japanese patents. It takes an average of more than 6 years to obtain a patent in Japan compared to 19 months in the United States. Clearly, something is not right. Second, the chain of events on recent cases should indicate to anyone with common sense that the current system provides a Japanese firm with an opportunity to capture United States-developed technology for its own commercial purposes.

The office of the U.S. Trade Representative has been a strong advocate for the U.S. position on the patent issue, but, unfortunately, discussions between the United States and Japan on this issue have stalled. That is why this legislation is necessary.

Small, high technology firms are the heart and soul of our technological future. We absolutely must act now to protect them from predatory actions by foreign firms.

By Mr. LEVIN (for himself, Mr. DODD, Mr. MOYNIHAN, Mr. COHEN, Mr. JEFFORDS, Mrs. KASSEBAUM, Mr. DURENBERGER, Mr. CRANSTON, Mr. DASCHLE, Mr. HARKIN, Mr. ADAMS, Mr. MATSUNAGA, Mr. D'AMATO, Mr. HOLLINGS, Mr. CONRAD, Mr. HEINZ, Mr. REID, Mr. BOREN, Mr. SANFORD, Mr. RIEGLE, Mr. DECONCINI, Mr. PRYOR, Mr. FOWLER, Mr. WIRTH, and Mr. MITCHELL):

S. 1530. A bill to provide for the establishment of a program that shall facilitate, on a voluntary request basis, the reunion of birth parents and adopted individuals, birth siblings, or birth grandparents or adopted individuals, through a centralized computer network; to the Committee on Labor and Human Resources.

NATIONAL VOLUNTARY REUNION REGISTRY

Mr. LEVIN. Mr. President, last year the Senate passed a critical piece of legislation aimed at humanizing the process through which biological relatives separated by adoption, who are looking for each other, can make contact. Currently, for hundreds of thousands of persons seeking one another the process is often costly, cumbersome and futile. The legislation authorizes the Department of Health and Human Services to create a National Voluntary Reunion Registry to facilitate voluntary, mutually requested reunions between adult adopted persons, their birth parents, and birth siblings separated by adoption. The centralized system will make it possible for birth relatives to be accessible to one another, should they do desire. I wish to emphasize that the reunions must be mutually sought and voluntary to be covered by this legislation.

Unfortunately, the House failed to act on the measure prior to adjournment. I am therefore today reintroduc-

ing this legislation with the bipartisan support of 24 of my colleagues in the Senate. I am most grateful for the continuing cosponsorship of long-time supporters of this legislation, Senators DODD, MOYNIHAN, COHEN, CRANSTON, and DURENBERGER. And, I would like to thank Senators JEFFORDS, CONRAD, KASSEBAUM, BOREN, MATSUNAGA, DASCHLE, DECONCINI, CHAFEE, HARKIN, ADAMS, HEINZ, REID, SANFORD, RIEGLE, PRYOR, FOWLER, WIRTH, D'AMATO, and HOLLINGS.

Aside from the natural, human desire to know one's family roots and genetic heritage, there are other important reasons to make contact with birth relatives. Many of these individuals need to have access to information which may affect their own mental and physical health and influence their own family decisions. The Senate endorsed this legislation last year because it deals with the needs and emotions of all parties in a careful way. The bill contains specific provisions governing confidentiality and privacy interests, and specifically states that no match would be made unless both parties voluntarily applied to the registry to initiate the matching process.

Mr. President, great effort has gone into this proposal over the years. The efforts of President Reagan's son, Michael Reagan, were crucial to the bill's passage in the Senate last year. In fact, at no time was I more convinced of the need for a national registry than when Michael shared his own personal story with me during a visit to my home last year. I would like to share with my colleagues the letter I received from Michael just prior to our meeting in April 1988. It reads as follows:

DEAR SENATOR LEVIN: As you may know, I am an adoptee who has recently had the great privilege of meeting my birth brother and learning about the life-time of loving and caring by my deceased birth mother. You should also know that my adoptive father, Ronald Reagan, supported my desire for a reunion with my birth mother and helped me in my early efforts. When my father helped me, it was the greatest gift he ever gave me.

I believe wholeheartedly in your bill establishing a national registry for adoptees, birth parents and separated siblings. And I support your efforts to make this a reality. I would have used such a registry myself, and it has become apparent to me that my birth mother would have also.

I look forward to meeting you and actively assisting in your efforts to gain enactment of this compassionate legislation.

With all good wishes.

Sincerely,

MICHAEL E. REAGAN.

Had this legislation been signed into law earlier, Michael Reagan might have met his birth mother before her death. A March 31, 1988, Washington Post article about Michael's recently published autobiography—"On the Outside Looking In"—revealed the efforts of Michael's birth mother to keep tabs on him. According to the Washington Post article:

It was through a meeting with Barry Lange, the birth brother he was previously unaware of that Michael Reagan realized the efforts his birth mother took to keep tabs on him. Barry "had brought along a photo album bulging with clips from magazines and newspapers. They were pictures of Michael—often with his father, Ronald Reagan—lovingly collected through the years by his birth mother. She had been tracing his steps throughout his life. Barry revealed that "my mother wanted to have contact with Michael, but she didn't want to initiate it. You don't go knocking on the door and say, "I'm the mother who gave you up for adoption. Aren't you going to invite me in to tea?" Michael Reagan's birth mother died in 1985, never having met her first child.

Mr. President, this proposal enjoys the support of many adoptive parents, and adoptive parent support groups. As I reflect on the numerous meetings I have held, and letters of support I have received on this issue, there are a number that stand out vividly in my mind. I would like to include a few of them for the RECORD, and I ask unanimous consent that they be printed at this point. They are as follows:

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ORGANIZATION OF ADOPTIVE FAMILIES,
Long Valley, NJ, April 18, 1988.

Hon. CARL LEVIN,
U.S. Senate, Washington, DC.

DEAR SENATOR LEVIN: It is with utmost sincerity and urgency that I send you this letter in support of your bill to establish an unrestrictive National Voluntary Reunion Registry through the Department of Health and Human Services.

The organization of adoptive parents is a non-profit all volunteer organization of adoptive families who seek humane adoption reform. The organization networks with other reform groups on a national level and feel strongly that our sons and daughters deserve the dignity of their heritage. We acknowledge the birth-families of our children through the shared desire to support all efforts towards reconciliation between them and their original family, should they choose to meet.

Many years ago we pledged before the courts to love our children to the best of our ability. Over the years we sadly discovered we could not love away their special needs through adoption. They needed truth and reality beyond what we were capable of giving them.

We need to impress upon those making legal decisions for us the importance and value of our personal knowledge, having been directly involved in adoption. Birthparents and adoptive parents share a mutual love and concern for their children. We hear our sons and daughters speaking out. We support them in the efforts to be accepted as citizens sharing in the same rights so many take for granted. As parents, we resent being placed in the position of keeping our adult sons and daughters locked into needing our permission in making important personal decisions regarding the reality of their heritage. We reject any registry that demands our approval for reunion or access to information. We also reject any registry that would *in any way* restrict the reconciliation of the adopted person should only one birth parent enter into the registry. We have facilitated one parent reunions and have not experienced any problems with the second parent.

A well publicized unrestricted National Voluntary Reunion Registry through HHS can provide the opportunity for a healthier approach to the adoption experience.

We appreciate your continued efforts, and intend to actively participate in the efforts to gain enactment of your proposal.

Sincerely,

CAROL F. GUSTAVSON,
Founder.

APRIL 20, 1988.

Hon. CARL LEVIN,
U.S. Senate, Washington, DC.

DEAR SENATOR LEVIN: I am in complete support of the Adoption Registry Bill you have introduced. It has the overwhelming support of adoption professionals, adoptees, and birth parents, as well as adoptive parents, who now realize that your bill is in the best interest of their adopted children.

I have been the director of a nationally recognized adoption agency in Los Angeles, California for 32 years. After years of experience with all the parties involved in adoption, I have no question but that a National Register is necessary.

Professionals now recognize that reunions represent closure in adoption, that they bring together the missing pieces from the past for all the parties involved in the adoption, and most importantly that they end the distortions and fantasies that have plagued adoptions.

Finally, they prevent the pain and suffering that thousands of adoptees and birth parents are forced to endure in a search that is often fruitless.

The mental health profession strongly supports the need for the Levin bill. The time is here for Congress to grant adoptees, birth parents, and adoptive parents the same rights enjoyed by those of us who are not adopted.

The time is now to humanize adoption.

Sincerely,

REUBEN PANNOR.

GAITHERSBURG, MD,
September 28, 1988.

Senator CARL LEVIN,
U.S. Senate, Washington, DC.

DEAR SENATOR LEVIN: I was extremely interested to read the Washington Post article regarding your bill to establish a voluntary national clearinghouse for adopted children and their natural parents. I would like to tell you my story and express my feelings as to why I think this is so very much needed.

In 1967, I was sent on an assignment to Vietnam and let me just say I could not be contacted. Unbeknownst to me, my close friend at the time was pregnant with my child. I really think she did not tell me because of the nature of my assignment. When I "came out", I learned I had a daughter. By the time I arrived back, the mother had done the best thing she thought possible and had her adopted. I do not blame the mother for she did what she thought was best for the child at the time, given the circumstances. While I tried to fight it, it was too late and the situation was compounded because I was single at the time.

I have agonized for years. While I would never want to interrupt my child's life, the question keeps coming back to me: "What if

she ever wanted to find out who her daddy was?"

The best I have been able to accomplish is that I was able to talk with a very sympathetic social worker in the California Department of Social Services who was able to tell me my daughter was adopted by a fine family and that her case record is empty since the adoption—a sign there have been no problems. The social worker was also kind enough to allow me to place a letter from me to the now young lady in the file so that should she ever want to contact me, she will know she will be welcomed with open arms. Because I am licensed with the California Board of Medical Quality Assurance, this agency will always know my address.

This approach was rather unique but, out of desperation, it has been all I have been able to do. You don't know how troubled I have been at times. How much easier it would have been to have a national mechanism that was widely publicized such as your bill proposes.

I heartly endorse your bill and if there is anything I can do to support you, please do not hesitate to have Ms. Parker contact me.

Respectfully,

D.A. HODGSON, Ph.D.

GAITHERSBURG, MD,
December, 1982.

MY BELOVED DAUGHTER: I just wanted to let you know a few things about me should you ever wonder who I am and what you mean to me.

First of all, let me assure you that you were conceived and born of love. When you were born, I was in Vietnam and could not be reached because I was on a classified mission. Your mother made a decision which, under the circumstances, was probably best for you in the long run. I understand you are with a very loving family, and for this, I thank God.

When I returned, you were one month old and had been adopted. I tried desperately to stop the proceedings but lost the battle because I was single and lived in another state. Even your Grandmother in New Zealand wanted to raise you if she had the chance.

You are my first born—I have loved you all these years although I have not had the opportunity to lay my eyes upon you. I can't tell you how many times I have cried because I cannot know you.

Since you were born, I married and you have two beautiful brothers; John David and Michael. At the time of this writing, they are seven and eleven and unfortunately, they live in Seattle because their mother and I are divorced. She knows about you. As a matter of fact, while we were in Hawaii in 1970, we coincidentally met your mother. I introduced them to one another and we talked niceties. As we left, my wife said to me: "That is your daughter's mother—to which I proudly responded "yes."

Little one—let me get to the crux of the matter. I have tried for years to make some kind of contact with you. Recently, I received some assistance from the Department of Social Services. Current laws do not permit them to disclose your whereabouts—that is fair. They have been very helpful. This letter is being placed on file should you ever try to locate me.

Please remember—I have no wish to disrupt your life. I have every reason to believe your adoptive parents have given you a loving life. However, should you ever choose to seek me out—which means you get this letter—I can only assure you that you are my daughter and regardless of my personal situation at that time, my home is yours and you will be welcomed with open and loving arms.

If I move, you can always get my address from the Board of Medical Quality Assurance in Sacramento—my psychologist license is PN 003788.

Princess, it is somewhat strange. We hear all about how adopted children want to identify their mothers. I hope some day you may want to find your father. This is the reason for this letter.

Your loving father,

D.A. HODGSON, Ph.D.

Senator CARL LEVIN,
Russell Office Building, Washington, DC.

DEAR SENATOR LEVIN: My search for birth family began in 1962 when my oldest son was diagnosed with Rheumatoid arthritis and suffered a kidney condition (nephritis) from which he bled from the kidneys for three months. At the time I was pregnant with my third child and became alert to the importance of having genetic information. Doctor after doctor asked what our past family history was—"I don't know," I answered, "I'm adopted."

My search was unorganized. There were no support groups to help. I thought I was the only one who suffered these feelings of helplessness and lack of power over my own life—it seemed no one would help me or could help me.

In 1972 I was diagnosed as having cystic kidneys. My doctor suggested I write Canton Catholic Charities and try to get medical background. Catholic Charities said I needed a lawyer—I got a lawyer. They could not release anything to the lawyer, then they said my doctor would need to write—my doctor wrote. They were not too quick to produce any files to the doctor so I wrote again and pleaded that they send him the files out of Christian Charity. They finally sent what they had, which was not much.

Even if agencies do give out old files it is a given fact that birth families develop illnesses over the decades through the years. We need more than one generation of genetic information and we require updating. My third son has a ventricle heart polapse condition, and my fourth son (also my first-born son) have chronic upper respiratory bronchial conditions.

In January of 1985, after 23 years of searching, I found my brother, now named Pat Simon, a broadcaster for the past 25 years, living in Lynchburg, VA. Three months later I found our maternal family. I managed to contact my grandfather's second wife who was still living, and also found some cousins living in the Washington area . . . one cousin is Mary Starrs Brown who does P.R. work for Wolf Trap. Other than these few all my maternal relatives are dead.

We missed our mother by a year and half. George Washington University released our mother's ashes late in 1985. I met my brother in Washington for our mother's funeral. I was literally her pallbearer. I carried her ashes to her grave. My brother, who became a minister in 1984, gave the funeral service and afterward we both took a shovel and literally buried our mother, committing her body to the earth. The death certificates I have managed to acquire of the maternal side show that a definite upper respiratory weakness runs through that branch of the Broderick family. Even though two of my sons suffer upper respiratory problems we are fortunate that the boys never smoked—this would have worsened their condition. What are the chances of having four boys and not having one pick up on smoking? This is genetic information that should have been passed on to us.

Our little granddaughter who is now three years old was diagnosed with rheumatoid arthritis before she took her first step. The story continues into the third generation.

Sincerely,

KATE PIJANOWSKI.

MAY 23, 1988.

Senator CARL LEVIN,
Russell Building, Washington, DC.

I support a National Volunteer Reunion Registry in which birth kin may be aided in reuniting. I am particularly concerned about the separation that comes through adoption.

During my active career as director of two adoption agencies in the District of Columbia (The Barker Foundation and The Peirce-Warwick adoption Service) I was responsible for over 900 adoptions. In the 1950s and 1960s, it was a time when the shame of having a baby out of wedlock was great, when raising a bastard child was inconceivable. I witnessed the anguish and sacrifice of these mothers in releasing their infants for adoption. These same mothers now seek their grown children. They do not ask for the privacy we think they want. Over 90% of them welcome the reunion of their adult offspring lost through adoption. Adopted adults, separated siblings, birth-fathers and grandparents are also seeking each other.

Through my research in adoption I have recorded in two books, the "Art of Adoption" (1976 WW Norton) and "Adoption in Transition" about to be published the plight of adopted persons growing up without knowledge of genetic origins. I am convinced that as human beings and United States citizens, they are being denied their civil rights. A reunion registry makes it possible for these adopted adults to gain the knowledge they need, the genetic facts they must pass on to their children.

It is evident that state reunion registries cannot function effectively in our distinctly mobile society. Only a national registry can reach all searching persons. A National Volunteer Reunion Registry makes sense and can act to humanize and reconstruct our broken family trees.

Respectfully submitted.

LINDA CANNON BURGESS.

I am a birthmother who surrendered to adoption in 1960, I was pleased and encouraged when Michigan instituted a mutual consent registry in 1980, but was disappointed that no effort was made to notify adoptive parties of its existence. After six years of searching, and the expenditure of over $3,000, I finally located my daughter shortly before her 24th birthday. Because she no longer lived in Michigan, she was unaware of the mutual consent registry, so had not filed. However, she had made a preliminary contact with a Detroit search and support group in 1981, taking the first steps toward finding me. She did not feel comfortable about conducting an all-out search for me at that time, because she feared my rejection of her. Had she attended a support group meeting, she might have learned about the Michigan registry, where I had filed a consent waiver years ago. My daughter was one of two adopted children raised in an unfortunate home situation.

The mother's alcoholism led to her death at the age of 52, leaving the two girls motherless at ages 12 and 14. My daughter left home without finishing high school at age 17, and was totally on her own thereafter. One year later, I had begun to search for her, yet we were kept apart by the current adoption system. Because of that system, I also lost my first grandchild to abortion. I have learned that, at age 20, my daughter became pregnant out of wedlock. Being her own sole means of support, and having no family to back her up, she saw abortion as the only realistic alternative open to her. It breaks my heart to realize that at the time she was going through this excruciating decisionmaking process, I was searching frantically for her. If only I could have found her in time, I could have offered her the loving support she needed to bring her child to term and parent it. You will be interested to know that at the present time I am helping a number of adoptive parents in search of their children's birthparents.

Sincerely,

MICHIGAN BIRTHMOTHER.

Mr. LEVIN. Mr. President, let me also share the remarks of a young woman who wrote to me and whom my staff interviewed relative to the proposed National Voluntary Reunion Registry. She is a 49-year-old professor, formerly of a university in Connecticut, and she has been searching for her birth mother for 12 years:

Had I surrendered a child for adoption, I know I would always secretly wonder what had happened to her, if she were alive, if she were well, if she had found a good home. I would wonder what she looked like, what sort of person she had become. I would wonder if she wondered about me. Sociological research done over the last ten years indicates that my projections were not unfounded. The overwhelming majority of women who give up children for adoption are disturbed by these questions all their lives. Many are even haunted by guilt. This is a chapter in their lives that never has an ending. They can never put their thoughts to rest. If only I could speak to the woman who gave me life I could tell her how happy I am; I could tell her about the wonderful people who adopted me and the joy she brought into their lives. And for my part, I could see her, discover the secret of my origin, know the country from which my ancestors came, the story that is my history. I could reenter the bond of life that links all other people. I would see a blood relative—until my daughter was born. I could never discern my features in the face of another, and again and again since my son's birth people have asked me "who does he look like?" I want to know the answer. For twelve years I have been searching. Under our present laws, the search is difficult, frustrating and time consuming. It is often expensive, as well. I worked for two years with a young man searching for his biological parents and when he finally found them, learned that his birth mother and he had both gone to the same adoption agency for information within months of each other and were denied help. Each was assured that the other would not want to know and would suffer from knowledge or contact! We cannot but question why this myth is being perpetuated in the face of direction refutation, personally in this case or more broadly in the face of sociological studies of hundreds of involved parties.

I would also like to bring to the attention of our colleagues excerpts from a letter I received from Thomas J. Bouchard, Jr., professor of psychology, director, Minnesota Study of Twins Reared Apart:

Because of my work with twins reared apart conducted at the University of Minnesota, I have been contacted by parties interested in the passage of the national reunion registry proposed by Senator Levin.

I have, over the last 7 years, worked with a large number of twins who were separated early in life and who have experienced adult reunions. The vast majority of these reunions have been monumentally positive experiences for the individuals involved, and in no case has a pair of twins reported that they wish the reunion had not happened. This is not to say that there has never been any emotional turmoil; there has been in some cases. I should mention that my own experience with these twins has resulted in a dramatic change in attitude on my part regarding the ethics of facilitating such reunions. Prior to carrying out research, I would have, at best, been more neutral to the idea.

There is no doubt in my mind about the great value of this registry. As Senator Levin points out, a national registry operated by the Department of Health and Human Services would be far more effective and would be a sensible and humane solution to a difficult problem.

I strongly support the passage of this bill. It strikes me as just the kind of activity in which the federal government should participate. It involves an activity that neither individuals nor individual states can carry out in any effective manner. Participation in this activity is voluntary, and reasonable fees for the service should cover most of the expenses. In addition, such a registry would meet a real human need.

Mr. President, I would like to share the sentiments expressed by Lorraine Dusky, a young woman who relinquished her daughter at birth. The young woman's remarks are from an article which appeared in Newsweek magazine. Ms. Dusky is the author of "Birthmark" and is a member of the Adoptees' Liberty Movement Association. I quote:

Somewhere out there is a 13-year-old daughter of mine. Actually, she's another woman's daughter. I gave her up for adoption at birth. I must assume—and I underscore the word "must" for it is the only way I can live with some sort of equanimity—that she has a mother and a father who love her and give her all the things that daughters need. Now, many people imagine that what happens to the woman who gave away a child is that she has a rather gloomy existence, ashamed and alone in her hometown, where there's often a whisper after she leaves the room. Or she is well-adjusted and living in suburbia with 1.4 children and a husband who pitches in around the house. Or she left town and went to some big city like New York or L.A. or Chicago and drowned her sorrows in a career. In any event, she has gone on to make a new life and most probably doesn't think too often of her child, and most likely doesn't want to be reminded of that painful time in her life by a stranger come knocking on her door. Well, it doesn't work out that way. Yes, we do make new lives for ourselves, we work for the telephone company and we win beauty pageants. We write for magazines like this and we produce television shows. We teach school and we run for public office. We get married or we don't. We are ne'er-do-wells and we are the pillars of the community. There are approximately 5 million of us, and we are your neighbors. But we do not forget. And whatever we do with our lives, yesterdays children live in our hearts. I worry that the birth-control pills mistakenly prescribed for me during the first four monhs of pregnancy are somehow harmful to my child today. The American Cancer Society agrees.

Why did I do it? It's a familiar story. At 23 I was unmarried and terrified. I didn't see how I could give my child a good life. Adoption seemed like the best solution for both of us. I can hear some of you thinking—it's been said to my face and behind my back—I made my bed and now I must lie in it. Play with fire and you get burned. OK. You have a point there; I won't argue. But what do you say to my daughter if, when she's grown up—say 18 or so—she wants to find out who her natural parents are, what her story is, if she has brothers and sisters and grandparents other than the ones she grew up knowing?

Why can't my grown-up daughter decide for herself? Having spoken to a great many natural mothers over the last eight years, I believe that the desire to find out what happens to our children is universal, or nearly so. The available data bear this out. The bond of birth is in our genes. The decision I made was a painful one but I made it. If my daughter wanted to know why, I owe her an explanation.

It seems that the psychological connection to one's roots is critical. That there is something missing from my life is beside the point. I was told I loved my daughter enough to give her up to two parents with an income better than my own; in fact, in 1966—when the world seemed quite a different place—I was practically congratulated for my generosity. I cannot change the past, I did what I did. But I imagine my grown-up daughter having questions without answers one day.

The least I can do is give her the right to decide whether she wants to know me.

Mr. LEVIN. Mr. President, I ask unanimous consent that a copy of this legislation be printed in full following my remarks. It is my hope that the Senate will speed the passage of this much-needed legislation.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1530

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PURPOSE.

The purpose of this Act is to provide for the establishment of a program which shall facilitate on a voluntary mutual request basis, the reunion of birth parents and adopted persons, birth siblings or birth grandparents of adopted persons, through a centralized computer network.

SEC. 2. DUTIES OF THE SECRETARY.

(a) The Secretary of Health and Human Services (hereinafter referred to in this Act as the "Secretary") is authorized, in accordance with the provisions of this Act, to establish a National Voluntary Reunion Registry within the Department of Health and

Human Services under the direction of a designee of the Secretary.

(b) The Secretary shall submit to Congress an annual report of all activities carried out under this Act. The report shall include the following:

(1) The total amount of fees collected.

(2) The number of applications submitted by birth parents, adopted persons, birth siblings, or other birth grandparents.

(3) The number of inquiries ending in a successful match.

SEC. 3. VOLUNTARY REUNION REGISTRY.

(a) The National Voluntary Reunion Registry authorized under this Act shall provide a centralized nationwide capacity, utilizing computer and data processing methods. Participation in the registry shall be voluntary by all parties involved.

(b)(1) The registry authorized under this Act shall provide that—

(A) a birth parent, or an adopted person over the age of 21 may initiate the matching process by submitting an application to the agency operating the system;

(B) a birth sibling or birth grandparents of an adopted person may also initiate the matching process whenever—

(i) the birth parent of an adopted person is deceased or his or her whereabouts is unknown;

(ii) the birth parent of an adopted person has consented in writing to the initiation of the matching process; or

(iii) under such other circumstances as the Secretary may determine to be appropriate after taking into consideration the privacy rights and interest of all parties who may be affected; and

(C) no attempt shall be made to facilitate a match unless both individuals involved in the match have initiated the process required to facilitate a reunion.

(2) The Secretary shall establish specific procedures for the purpose of, to the maximum extent feasible, protecting the confidentiality and privacy rights and interests of all parties participating in the program authorized by this Act. The Secretary shall establish procedures that provide that only information necessary to facilitate a match shall be contained in the registry, and the National Voluntary Reunion Registry shall not attempt to make contact for the purpose of facilitating a reunion, with any individual who is not entered into or participating in the registry program.

(3) Information pertaining to any individual which is maintained in connection with any activity carried out under this Act shall be confidential and not be disclosed for any purpose without the prior written, informed consent of the individual with respect to whom such information applies or is maintained.

(4) Reasonable fees, established by taking into consideration the costs of services provided for individuals under this Act and the income of such individuals, shall be collected for all services provided under this Act.

(c) The National Voluntary Reunion Registry may include the operation of a similar statewide identification computer system in a State which chooses to participate in the voluntary reunion registry and agrees to provide—

(1) provide necessary coordination with the voluntary identification system provided for in subsection (a) of this section;

(2) provide such financial participation as the Secretary may prescribe by the State; and

(3) establish standards and procedures for the operation of the statewide system which are consistent with those provided for in this Act.

(d) Any individual or entity found to have disclosed or used confidential information in violation of the provisions of this section shall be subject to a fine of $5,000 and imprisonment for a period not to exceed 1 year, and the provisions of section 3571 of title 18, United States Code, shall not apply to such violations.

SEC. 4. COUNSELING SERVICES.

(a) The Secretary may promulgate regulations that require the National Voluntary Reunion Registry established under this Act to include referral to existing programs that provide counseling services.

(b) If the Secretary promulgates regulations under subsection (a), on application to the registry, an applicant shall receive a referral list of licensed agencies, professionals, and adoption triad support groups that provide counseling services. Such services may include adoption peer support groups, community social service agencies, health professionals, and agencies providing family counseling.

SEC. 5. REGULATIONS.

Not later than 90 days after the date of enactment of this Act, the Secretary shall issue interim regulations necessary to carry out the provisions of this Act. The Secretary shall issue final regulations not later than 180 days after the date of enactment of this Act.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this Act $300,000 for fiscal year 1989 and such sums as may be necessary for each of the fiscal years 1990 and 1991.

Mr. HARKIN. Mr. President, as citizens of a country which prides itself as a melting pot of cultures, many of us are fascinated with our heritage. Iowa, not unlike most other States, is inhabited by an array of persons from different backgrounds. I believe many of us gain a sense of pride and a sense of who we are by knowing who our ancestors were. Yet, there are some who do not know the identity of our parents. While I was fortunate to know my parents and my siblings, I am concerned about the many Americans who did not have this opportunity. I am pleased to support Senator LEVIN's bill today which establishes a Voluntary Reunion Registry.

For understandable reasons, our current law protects from inspection the birth records of adoptive children. However, for those cases in which both parties want to find the other, this legislation establishes a system through which biological parents, adult adoptees, and separated siblings can locate one another. In order to facilitate a reunion, however, both parties must voluntarily seek this information. Thus, the rights of those individuals who wish to maintain their anonymity are protected.

Mr. President, I am pleased to join with Senator LEVIN in introducing this legislation. I hope this Congress will act swiftly to enact it, thus helping individuals in search for their families.

Mr. D'AMATO. Mr. President, I am pleased to join my distinguished colleague from Michigan, Senator LEVIN, as an original cosponsor of legislation to facilitate the reunions of those adult adoptees, birth parents, and separated siblings who are seeking to find one another. Our bill would accomplish this by establishing a National Adoption Reunion Registry.

The need for this legislation is great. There are presently millions of long-separated adoptees and birth parents who wish to be united. Studies have shown that four out of five birth parents desire a reunion with their adopted children. Experience with State registries indicates that a similar percentage of adult adoptees wish to make contact with their biological parents. In addition, there are scores of adult siblings who, separated from their brothers or sisters in early childhood, now seek to be reunited.

Unfortunately, identifying and locating a separated birth parent, child, or sibling can be a costly, time-consuming, and frustrating endeavor. Our legislation would greatly streamline this process by enabling interested parties to voluntarily find one another through a centralized reunion registry. At the same time, our proposal would respect the privacy of those who wish to remain anonymous. I believe that this approach represents a careful and sensible way to address the needs and interests of all parties involved.

I was pleased when the Senate unanimously approved a version of this legislation in the 100th Congress. Unfortunately, the measure, which was scheduled for consideration in the House on the day of adjournment, was never taken up.

I am very hopeful that both the House and Senate will consider, and pass, this measure in the 101st Congress. I encourage my colleagues to lend their support to this most worthy and humane effort.

Mr. ADAMS. Mr. President, I am proud to rise as a supporter of this proposal which will facilitate the ability of adult adoptees and their birth parents to locate each other through the creation of a national adoption registry.

The concept of contact between adult adoptees and their birth parents is an emotional one. There are those who argue that such contact constitutes a violation of the privacy rights of both birth parents and adoptees as well as being a threat to the parental rights of the adopting family. There are also those who argue that the right of adult adoptees to get some level of information about their birth parents is absolute. This proposal goes to neither extreme. It is a sensitive response to the needs and desires of all parties. It balances the right that all of us have to privacy with the understandable desire that all human beings have to know more about who they are and where they come from.

The distinguishing characteristic is simple: It establishes a national registry in which, upon request, the names of birth parents and adult adoptees are placed. The existence of such a registry allows for the possibility of matching adult adoptees and birth parents and allowing them to contact each other if they desire to do so. While the proposal establishes a national registry, names of adult adoptees and birth parents are placed in the registry only if the parties request that they become a part of the system. As a result, matches made through the registry require the mutual and voluntary consent of both the adult adoptees and the birth parents.

This proposal does not—does not—create a situation in which unwilling contact is possible. All it does is facilitate the possibility of contact if, and only if, both adult adoptee and birth parent make an active effort to allow that contact to take place. Each party must voluntarily place their names in the registry and, as a result, a match can only be made if both parties desire it.

Mr. President, we are doing nothing more than responding to reality. There are similar voluntary registries in some States and the experience we have had with them proves that the system does protect the rights of all parties. Unfortunately, such State-based systems are restricted, by nature, to the geographic boundaries of the State; since we are a mobile society, that limitation reduces the utility of a State-based system. In addition, Mr. President, the plain truth is that without a national registry, both adult adoptees and birth parents are engaged in private searches for each other—searches which do not recognize the privacy rights of the other party. It is my hope that the failure of one party to indicate a willingness for contact by placing their name on the registry will discourage such freelance searches and, as a result, help protect all parties from contact which they may not desire.

Let me conclude these remarks, Mr. President, by paying special tribute to Senator LEVIN and his staff. I know that they have been working on this issue for close to 10 years now. I am absolutely convinced that opposition is based on a failure to understand the extraordinary protections which have been built into it. And I am also absolutely convinced that adult adoptees and birth parents and everyone who cares about this issue, will applaud this the Senator from Michigan and his staff for their persistence, the creative and responsible way in which they have addressed this issue.

By Mr. ROTH:

S. 1531. A bill to facilitate the effective management of fisheries resources in U.S. waters by including tuna in the regulatory structure under the Magnuson Fishery Conservation and Management Act; to the Committee on Commerce, Science, and Transportation.

TUNA MANAGEMENT ACT

Mr. ROTH. Mr. President, I rise today to introduce legislation to correct a serious problem in our marine fisheries. The conservation and management of our ocean heritage is very important to me, and without rapid action, we are in danger of depleting yet another vital fishing resource. My bill, the Tuna Management Act of 1989, will close a serious gap in the present enforcement of effective fishing management in our coastal waters.

The purpose of this bill is to discontinue the exception made in the Magnuson Fishery Conservation and Management Act that prevents the direct management of tuna fisheries in United States waters. When this act was first passed, it was argued that, given the highly migratory nature of tuna, the only way to effectively manage this resource was through international agreement. At that time, it was accepted that the United States distant water tuna effort was the only economically significant tuna fishery, and that any action to include the tunas within the jurisdiction of the United States would lead to reciprocal and retaliatory action by other coastal states. Since that time all other coastal states except Japan and Korea have adopted 200 mile economic zone laws which include the tunas as a part of their domestic resources. Today, the United States stands alone as the only Atlantic coastal state adhering to an open access policy for the tuna fishery.

In that same period, the market for American tuna, especially Atlantic tuna, as a fresh fish product, has expanded enormously. The Mid-Atlantic Fishery Management Council has estimated that the tuna taken from the Atlantic waters of the United States by the Japanese alone had a wholesale value of over $22 million. This is money that could flow to American fishermen if tuna were managed as other species are.

This bill will be of special interest to sports fishermen. Both charter fishing and individual sport fishing have become an important part of the coastal economy; spending on activities directly related to recreational tuna fishing amount to over $250 million a year in this country. This figure reflects only the value of the fish caught and the gear used; it does not include the invigorating recreational experience that comes from the fishing trips.

The commercial value of tuna and the extensive fishery for it that exists in our waters are due to the truly wonderful nature of this great fish. I would like to take a few moments to acquaint my colleagues with some facts about the tuna's lifecycle. Tuna are very prolific, spawning thousands of young in a single season. As they mature, they must swim constantly to force water over their gills, swimming that their sleek cigar-shaped streamlined bodies are well adapted for. Unique among true fishes, tunas maintain an internal body temperature as much as 20 degrees above that of the surrounding water. These characteristics combine to make the tuna a fish superbly adapted to life at sea.

The life of the bluefin is typical of most tunas. They spawn in the Gulf of Mexico, spend the winter and spring in warm, subtropical waters, and migrate in the summer up the Atlantic coast. They become capable of spawning after about 10 years, when they have reached a size of over 6 feet in length and better than 300 pounds in weight. Mature bluefin, 30-years-old or more, can weigh in at upwards of 1,500 pounds. They live together in large schools, which vary in size but can number 1,000, swimming about for very long distances. An adult bluefin can swim as fast as 45 miles an hour, making it as good to look at in the water as it is good to eat.

Sadly, for all its marvelous properties, the tuna has not been immune to the pressures of our modern world. The exclusion of tuna from management by American fishery management councils has led to the serious depletion of the stocks of such species as swordfish, billfish, and sharks. Tuna fishing as now practiced by large operations, such as longliners, inevitably results in the catching of related species like swordfish and sharks. Effective management of swordfish populations, an important resource for both sport and commercial fisherman, is impossible without the ability to regulate tuna. Action is urgently needed to prevent the total depletion of our large pelagic fisheries.

This bill will end the now outdated exclusion that prevents the effective management of tuna and other species. This measure is supported by the New England, Mid-Atlantic, South Atlantic, Gulf of Mexico, and Western Pacific Fishery Management Councils, the American Fishing Tackle Manufacturers Association, the Sport Fishing Institute, United Sport Fishermen, the Coastal Conservation Association, and the Atlantic Coast Conservation Association of Virginia. By allowing a more rational and systematic management of our fishery resources, we will benefit both our domestic fishing industry and the future generations who will be able to enjoy a continued bountiful harvest from our waters.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1531

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tuna Management Act of 1989".

SEC. 2. AMENDMENTS.

(a) Section 101(a) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1811(a)) is amended by deleting "Except as provided in section 102, the" and inserting in lieu thereof "The".

(b) Section 101(b)(1) of such Act (16 U.S.C. 1811(b)(1)) is amended by inserting immediately after "anadromous" the words "and pelagic".

(c) Section 102 of such Act is repealed.

(d) Paragraph (1) of section 4 of the Atlantic Tunas Convention Act of 1975 (16 U.S.C. 971b(1)) is amended to read as follows:

"(1) not less than five or more than twenty individuals appointed by the United States Commissioners, who shall select such individuals in a balanced representation from the various fishery groups concerned with and participating in the Western Atlantic fisheries covered by this Convention; and".

By Mr. LEAHY:

S. 1532. A bill to amended the Volunteers in the National Forests Act of 1972 to permit volunteers to be considered employees under section 3721 of title 31, United States Code; to the Committee on Agriculture, Nutrition, and Forestry.

VOLUNTEERS IN THE NATIONAL FORESTS ACT AMENDMENTS

● Mr. LEAHY. Mr. President, Americans have a history of volunteering in times of need. During last summer's fires in Yellowstone, so many volunteered to help that some had to be turned away. Volunteers have helped make America great. Volunteers will help keep America great.

One of the great things about America is our national forests. They are a national treasure; but a treasure in danger of growing tarnished. The tarnish grows when work is not accomplished. Declining budgets during the Reagan years caused Forest Service employment levels to drop 26 percent between 1980 and 1988. Managers with less money and fewer people had to retrench and decide what work to postpone or eliminate. Trail maintenance was deferred. A thousand campgrounds were closed. Other programs were slashed.

Volunteers came to the rescue of our national forests as the full impact of the budget shrinkage hit. The number of volunteers rose 320 percent between 1980 and 1988 to 65,000 individuals. The value of their work quadrupled to $25.5 million last year. This year, two people will volunteer for every full-time Forest Service employee.

Volunteers perform a wide variety of tasks that contribute significantly to managing our national forests. On the Green Mountain National Forest in my home State of Vermont, volunteers have made major contributions to the archeology program.

Vic Rolando has spent years identifying kilns, furnaces, and mines associated with the early Vermont iron industry;

Alan Rixon has spent summers SCUBA diving at Silver Lake, recovering large numbers of 19th-century artifacts and two prehistoric dugout canoes;

Christy McDonnell has spent a year doing laboratory analysis of a pollen core from Little Rock Pond that will give us better insight into the paleoenvironment of the national forest; and

Eleanor Rogers, a retired librarian, has spent a summer researching historical documents to describe the location and types of historic sites in the Goshen area from 1782 to 1886.

Without these Vermont volunteers, none of this work would have been done. Volunteers play similar important roles on each national forest.

The Volunteers in the National Forests Act of 1972 provided only barebones support for the program. It authorizes three basic benefits to volunteers:

First, the agency can cover incidental expenses, such as transportation, lodging, and meals while working as a volunteer, and uniforms. For many volunteers, this means a free ride in a pickup truck to a worksite, a box lunch while working, a bunk in a Forest Service cabin for Saturday night, a hard hat and work gloves.

Incidental expenses don't cover all the costs borne by volunteers. To make their work easier, volunteers often bring along their own equipment. Some of the tasks volunteers perform require a substantial personal investment in specialized gear, such as the SCUBA equipment Alan Rixon uses to explore Silver Lake.

Second, the act transfers to the Federal Government their liability for tort claims while serving as a volunteer.

Third, if a volunteer is injured while performing volunteer service, the act authorizes the Federal Government to provide compensation as if the volunteer were a Federal employee.

My cosponsors and I believe it is now time to add a fourth benefit to these three. We need to authorize the Forest Service to reimburse a volunteer for personal equipment damaged, lost, or stolen while serving as a volunteer.

Mr. and Mrs. Earl Durrant served more than 1,000 hours during the summer as campground hosts at the Chittenden Brook Campground on the Green Mountain National Forest. They bought a small screen tent to protect themselves from those pesky Vermont mosquitoes and black flies. The day after Labor Day, a severe thunderstorm traveled through the area. Downbursts knocked over several hundred acres of timber. Portions of the campground were damaged; the Durrants' tent was destroyed. Mr. Durrant walked 2 miles, partly through blown-down timber, to telephone for help. The Durrants were understandably upset that after devoting the summer to the Forest Service, they could not be compensated for their screen tent. The bill we are introducing today would authorize compensation for losses like this.

Similar situations can be recounted from other national forests. A volunteer photographer taking wildlife photos along a river for the Forest Service lost $1,000 worth of personal camera gear when the raft she was riding in overturned. A volunteer inventorying and maintaining trails had $500 worth of personal camping gear stolen from his tent one evening. Another campground host lost lawn chairs worth $50 in a flash flood.

This bill will not provoke an avalanche of compensation requests nor will it exacerbate our national debt problems. All payments, estimated to total $5,000 annually, would come from appropriated funds. There would be no increase in budget requests as a result of this legislation. The Secretary of Agriculture and Office of Management and Budget both endorse the bill.

We can all be proud of the contributions made by volunteers on our national forests. They are generous with their time, abilities, and personal equipment. We will profit from volunteers' work. If volunteers' personal equipment is lost or damaged through no fault of their own, it is only fair for the Nation to compensate volunteers for their losses.●

By Mr. MURKOWSKI:

S. 1533. A bill to increase economic benefits from the activities of cruise ships visiting Alaska; to the Committee on Commerce, Science, and Transportation.

INCREASE IN ECONOMIC BENEFITS FROM CRUISE SHIPS VISITING ALASKA

● Mr. MURKOWSKI. Mr. President, late in the 100th Congress, I introduced a bill to allow Alaska-bound foreign cruise ships to operate from U.S. ports. Today I rise to introduce a new bill for this purpose.

This legislation is badly needed and long overdue. It will correct a situation in which current U.S. law has the unfortunate effect of preventing American ports from benefiting from the growing Alaska cruise industry, because they cannot offer themselves as homeport for the only cruise ships in that industry.

This situation is the unintended result of a combination of factors:

First, the current law prevents foreign vessels from carrying passengers on one way voyages from U.S. ports; second, the majority of the cruise business is one way; and third, there are no U.S. cruise ships operating in the Alaska trade. As a result, U.S. ports must watch helplessly as millions of dollars' worth of business is sent over the border to Canada.

When I offered last year's bill, I made clear that my motive was to generate discussion, so that this year's bill could accommodate the concerns of those who testified before the Commerce Committee's Merchant Marine Subcommittee. I am fully confident that the bill I am introducing today does just that, and will do so with zero negative impact to any segment of the U.S. merchant marine industry.

The bill I am introducing today provides an exemption to the Passenger Service Act for foreign cruise ships, so that they may accept one-way passengers on voyages between Alaska ports and between Alaska and other U.S. ports. However, the exemption is strictly limited.

First, it applies only to vessels larger than 1,000 deadweight tons, so that no foreign vessel will be able to compete against U.S. vessels active in the small-ship tour business.

Second, it applies only to passenger vessels, not those which carry both passengers and vehicles or other cargo. This provides the necessary protection for the U.S.-flag vessels of the Alaska Marine Highway System, which carry both.

Third, the bill contains language guaranteeing that if a U.S. vessel is prepared to enter the market, the number of foreign vessels already in service will be reduced by the amount necessary to equal or exceed the passenger capacity of the U.S. vessel. This feature is intended to maintain the current incentives for the development of U.S. service.

Finally, the bill applies only to vessels which provide the type of luxury accommodations and services unique to the recreational cruise industry. This will prevent even the remote possibility that a foreign company might use the exemption to establish a passenger-only commuter service that would compete with the Alaska Marine Highway System.

There are those who will argue that U.S. maritime policy is weakened by any change. However, it should be clear from the stipulations on this bill that I have no interest in weakening U.S. maritime policy. My sole interest is to ensure that U.S. ports can compete for business on equal footing with their Canadian counterparts.

In fact, the United States has much to gain from this particular change.

Mr. President, roughly 200,000 people take an Alaska cruise each year. Most of these people are U.S. citizens on a one and only dream vacation to Alaska, and they want to make the most of it. For that reason, the most popular tour offering is a cruise-and-fly combination, in which travelers cruise the famous Inside Passage, spend a portion of their time sightseeing in Alaska's interior region, and fly back to their departure point. However, because there are no U.S. ships in the Alaska cruise trade, every single one of those one-way passengers must embark from a foreign port, usually Vancouver, British Columbia.

Although most of the arriving passengers fly in to Washington State's Seattle-Tacoma International Airport, the majority are bused to Vancouver to await their ships. Although they are Americans bound for one of America's most beautiful regions, their pre-sailing hotel, restaurant, entertainment and giftshop dollars are all scooped up by Canadian vendors.

And when their ship sails, although it may carry a few supplies purchased in the United States, the bulk of its food, fuel, general supply, and repair and maintenance has also been purchased on the spot, in Canada.

The cash flow in this industry is substantial. According to some estimates, Vancouver may receive benefits of as much as $216 million per year. Even the most conservative estimates place the direct return to the city's economy at a minimum of $31 million per year, and probably more.

I cannot claim that those revenues would immediately come to the United States if the law were changed. In fact, even with the change, it would probably take considerable effort to convince most vessel operators that they should pull up stakes and move to the United States. But that's not the point. The point is that U.S. cities ought to be able to compete, and right now they are barred from doing so.

In weighing protections and benefits, we must ask ourselves, "Whom are we protecting?" and "Whom does our current policy benefit?"

Passage of this amendment will set the stage for creating hundreds of new jobs by removing a needless barrier between U.S. companies and their potential customers. Furthermore, I firmly believe it can be done without risking even one existing U.S. job.

In short, Mr. President, this is an idea whose time has clearly come, and I urge my colleagues to join me in supporting it.●

By Mr. D'AMATO:

S. 1535. A bill to provide for the minting of coins to commemorate the World University Games; to the Committee on Banking, Housing, and Urban Affairs.

WORLD UNIVERSITY GAMES COMMEMORATIVE COIN ACT

● Mr. D'AMATO. Mr. President, I rise today to introduce legislation to authorize the minting of a gold coin to commemorate a tremendous event that will occur in 1993 in Buffalo, NY. Buffalo has recently been selected as the site of the 1993 summer World University Games. This highly competitive selection process resulted in Buffalo's selection over both Shanghai in the People's Republic of China and Fukuoka in Japan.

This is a great event for America, for New York, and for Buffalo and the western region of New York in particular. The World University Games, which began in 1923 under the auspices of the International University Sports Federation, are recognized throughout the world as an outstanding intenational amateur sports event, second only to the Olympic games in importance. Some of America's most outstanding Olympic and professional athletes have competed in the World University Games during their collegiate careers. Athletes like Greg Louganis, Larry Bird, Sean Elliot, and Danny Ferry have all competed in the World University Games.

The Buffalo World University Games will bring 7,000 amateur athletes from 120 countries from around the world to compete in track and field, swimming, diving, basketball, soccer, volleyball, tennis, fencing, and water polo.

Mr. President, western New York is blessed with tremendous natural beauty and a great vitality. This will be especially true in the summer of 1993. Western New York will welcome 200,000 visitors and spectators to the World University Games. The selection of the American city as the site on the 70th anniversary of the first games is an auspicious event for America. The games are another opportunity to demonstrate the importance of amateur athletics to America and the preeminence of the United States in truly amateur athletics.

The bill I am introducing today is the first opportunity for the Congress and the Federal Government to demonstrate its support for the 1993 summer games. Greater Buffalo has performed exceptionally in bringing these games to America. Having cleared the first hurdle of nomination as the U.S. contestant for the games and having cleared the second hurdle of the international selection committee, Buffalo is now approaching a series of hurdles involved in preparing for the games. Passage of this bill will properly mark the approach of this tremendous event and give the people of Buffalo a proper symbol of the support which I am sure the Congress feels toward the 1993 World University Games. I urge my colleagues join me in providing this "roar of the crowd" as they race through the preparation for the games and cosponsor this important legislation.

I am also introducing today, for the same purpose, a bill to authorize the minting of a World University Games commemorative medal. Should recent difficulties with coin legislation commemorating sports events unfairly prejudice the chances of passage of the World University Games Coin, I will seek the support of my colleagues for this bill.●

By Mr. DURENBERGER (for himself, Mr. WILSON, and Mr. GARN):

S. 1537. A bill to provide relief to State and local governments from Federal regulation; to the Committee on Governmental Affairs.

INTERGOVERNMENTAL REGULATORY RELIEF ACT

● Mr. DURENBERGER. Mr. President, I rise today to bring to your attention the problem of unfunded mandates. Over the past 30 years, Federal regulation of State and local governments expanded dramatically and has become an increasing burden to the financial well-being of State and local communities. The bill I am introducing today will help stem the tide of burdensome and unwarranted mandates by the Federal Government. It will also help State and local governments to comply with the costs of future legitimate mandates designed to achieve important national goals.

In an age of declining Federal aid to State and local governments, Federal mandates continue to increase. The mandates cover such areas as civil rights, environmental protection, water quality, education, fair labor standards, State-administered Federal trucking standards, and expanded public welfare costs. It is likely that in the near future we will see additional mandates in the area of child care, clean air, and civil rights for persons with disabilities.

While efforts have been made to make legislators more aware of mandate costs—including requirements that CBO issue State and local cost estimates of proposed Federal legislation—GAO has reported that these efforts have done little to alter the course of legislation. Certain constraints such as legislative deadlines, limited availability of information, and competing priorities affect the usefulness of these reports in restraining unwarranted mandates.

Currently there are no reliable estimates of the total costs of mandates to State and local governments; it is estimated, however, to be in the area of tens of billions of dollars a year. This tremendous burden on State and local governments drains resources that might be more effectively used at the local level.

That is why today I am introducing along with Senator WILSON the Intergovernmental Regulatory Relief Act of 1989. The premise of this bill is simple: If Congress passes legislation to pursue a national purpose, the Federal Government should take responsibility to pay the costs of achieving it. It will require Federal reimbursement for all additional direct costs incurred by State and local governments in complying with any significant new Federal rule or regulation. If no such relief is forthcoming, the bill provides that no Federal agency or court shall enforce the unreimbursed regulation. However, where it is inappropriate for Congress to share the costs of regulatory implementation because of fundamental rights or generally accepted goals are involved, this bill permits Congress to exempt a national regulation from reimbursement upon a two-thirds vote of both Houses.

Nationwide, 14 States have established requirements for reimbursing local governments for the cost of State mandates. Another 18 are considering legislation to do so. In a majority of those States where reimbursements are made, those requirements deterred passage of mandates, prompted modification of the proposed mandates, or—to a more limited extent—induced funding of mandates.

The clear message these days from Washington to State and local governments has been "we are counting on you." But when it comes down to finance these new responsibilities, the message from Washington is "don't count on us." Mr. President, this legislation will translate the empty promises of Washington into real achievements. I urge my colleagues to join with me in support of this important legislation.

Mr. President, I ask unanimous consent that the text of the Intergovernmental Relief Act of 1989 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1537

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intergovernmental Regulatory Relief Act of 1989".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds and declares that—

(1) Federal regulation of State and local governments has become increasingly extensive and intrusive in recent years;

(2) such regulation has, in many instances, adversely affected State and local governments by placing excessive fiscal burdens on such governments;

(3) such excessive fiscal burdens have weakened the foundation of the Federal system of government;

(4) the elimination of revenue sharing will exacerbate such fiscal burdens, and thereby will further weaken Federal, State, and local systems of government; and

(5) there is a lack of adequate fiscal resources to carry out necessary Federal regulation of State and local governments in order to enable such governments to comply with intergovernmental regulations which take effect on or after the date of enactment of this Act.

(b) It is the purpose of this Act to establish procedures to—

(1) assure that the Federal Government pays the total amount of additional direct costs incurred by State and local governments in complying with any intergovernmental regulation which takes effect on or after the date of enactment of this Act; and

(2) ascertain the burden on State and local governments resulting from compliance with intergovernmental regulations in order to promote efforts to assure that such burdens are reduced to the minimum level consistent with achieving major national objectives.

DEFINITIONS

SEC. 3. For purposes of this Act, the term—

(1) "additional direct costs" means the amount of costs incurred by a State or local government solely in complying with an intergovernmental regulation promulgated pursuant to a Federal law concerning a particular activity which is in excess of the amount that such State or local government would be required to expend in carrying out such activity in the absence of such law, except that such term does not include any amount which a State or local government is required by law to contribute as a non-Federal share under a Federal assistance program;

(2) "compliance reforms" means market oriented procedures to replace or supplement strict governmental monitoring and enforcement activities, including the establishment and enforcement of penalties for noncompliance with Federal regulations that reflect the degree of such noncompliance, and the establishment of procedures to permit compliance with State or local regulations in lieu of compliance with Federal regulations;

(3) "Director" means the Director of the Office of Management and Budget;

(4) "economic incentives" means the process of making price corrections in the marketplace through governmental fees or subsidies that encourage or discourage activities in accordance with public policies;

(5) "Federal agency" has the meaning given to the term "executive agency" in section 6501(3) of title 31, United States Code;

(6) "Federal assistance" means any assistance provided by a Federal agency to State and local governments or other recipients, in the form of grants, loans, loan guarantees, property, cooperative agreements, or technical assistance, except that such term does not include direct cash assistance to individuals, contracts for the procurement of goods or services for the United States, or insurance;

(7) "intergovernmental regulation" means a regulation promulgated by a Federal agency that requires a State or local government to take certain actions or requires a State or local government to comply with certain specified conditions in order to receive or continue to receive Federal assistance and which requires the termination or reduction of such assistance if such government fails to comply with such conditions;

(8) "local government" has the same meaning as in section 6501(6) of title 31, United States Code;

(9) "marketable rights" means the process for allocating scarce resources through the establishment of rights that can be traded or sold among bidders, rather than through

the distribution of resources through the issuance of permits by a Federal agency;

(10) "performance standards" means the criteria or goals that must be attained to comply with a Federal regulation, and does not include a detailed specification of the means of compliance;

(11) "significant law" means any Federal law which is likely, in the judgment of the Director of the Congressional Budget Office, to result in total additional direct costs to all State and local governments of $25,000,000 or more in any fiscal year, or is likely to have exceptional fiscal consequences for a geographic region or a particular level of government;

(12) "small government" means a government of a city, county, town, village, school district, or other special district established under State law which has a population of less than fifty thousand;

(13) "special provisions for small governments" means requirements for small governments contained in an intergovernmental regulation which are different from the requirements included in such regulation for other governments, and includes simplified compliance methods designed to reduce administrative burdens on small governments and reduced standards and modified compliance mechanisms which are proportional to the capabilities of small governments to comply with such regulation; and

(14) "State" means each of the several States, the District of Columbia, Guam, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

TITLE I—REVIEW OF INTERGOVERNMENTAL REGULATIONS

REPORT REQUIRED

SEC. 101. (a) Not later than thirty days after the date on which the President transmits a budget for a fiscal year to the Congress pursuant to section 1105 of title 31, United States Code, the President shall submit to the Congress a report specifying and evaluating the economic costs, noneconomic costs, and additional direct costs which have been incurred or which will be incurred by State governments and local governments in complying with intergovernmental regulations during the most recently completed fiscal year, the fiscal year in progress, and the first two fiscal years immediately succeeding the fiscal year in progress.

(b) Each report required under subsection (a) shall include—

(1) a list of each intergovernmental regulation in effect during each fiscal year for which the report is made and a citation of statutory and administrative authority for each such intergovernmental regulation;

(2) an estimate, for each such intergovernmental regulation, of—

(A) the total amount of economic costs, noneconomic costs, and additional direct costs that have been incurred or will be incurred in each such fiscal year by the government of each State and all local governments in such State in complying with such regulation in each such fiscal year; and

(B) the ratio (stated as a percentage) which the total amount of additional direct costs that have been incurred or will be incurred by all local governments in a State in complying with such regulation in each such fiscal year bears to the total amount of additional direct costs that have been incurred or will be incurred by the government of such State and all local governments in such State in complying with such regulation in such fiscal year;

(3) an estimate, for each such regulation, of the economic and noneconomic benefits that will be provided in each such fiscal year to each State government and all local governments in such State as a result of compliance with such regulation during each such fiscal year;

(4) recommendations for changes in laws and regulations that will reduce the costs specified pursuant to paragraph (2), or that will achieve a more favorable balance between the benefits specified pursuant to paragraph (3) and the costs specified pursuant to paragraph (2); and

(5) proposals for legislation, and a statement of planned administrative actions, to implement the recommendations specified pursuant to paragraph (4).

(c) In preparing the report required by subsection (a), the President shall consider the potential for reducing costs incurred by State and local governments in complying with intergovernmental regulations through the promulgation of intergovernmental regulations which utilize means such as performance standards, special provisions for small governments, marketable rights, economic incentives, compliance reforms, and simplified procedures to certify the compliance of Federal assistance recipients with Federal requirements.

PROCEDURES FOR PREPARATION OF REPORT

SEC. 102. (a) The President may delegate to the Director or to the head of any other Federal agency the responsibility for preparing the annual report required by section 101.

(b)(1) In carrying out the provisions of this title, the President, the Director, or the head of a Federal agency to which a delegation is made under subsection (a), shall prescribe standards to be used by Federal agencies in estimating the costs of compliance with, and the benefits provided by, intergovernmental regulations administered by such agencies.

(2) The President, the Director, or the head of a Federal agency to which a delegation is made under subsection (a) shall prescribe the standards required under paragraph (1)—

(A) after consultation with State and local governments and the Comptroller General of the United States; and

(B) after providing public notice and an opportunity for comment in accordance with section 553 of title 5, United States Code.

(3) Standards prescribed under paragraph (1) may be revised from time to time to reflect changes in relevant economic and social circumstances and advances in pertinent branches of knowledge.

(c) The standards prescribed under subsection (b) shall provide, to the extent possible, for—

(1) uniform categories of costs of compliance with, and benefits provided by, intergovernmental regulations;

(2) methods to be used by the President, and by Federal agencies, in estimating the additional direct costs that will be incurred by State and local governments in complying with each intergovernmental regulation, including methods to estimate the amount of such costs that will be incurred for each fiscal year in which each such regulation is in effect;

(3) methods to be used by Federal agencies in compiling the information required to be submitted under subsection (d) which shall be designed to—

(A) minimize the costs that will be incurred by the State and local governments and the Federal assistance recipients from which such information will be collected; and

(B) ensure the collection of reasonably accurate information in a form that will be useful to States in complying with section 204(c);

(4) methods for preventing disclosure of information about individuals or businesses the confidentiality of which is protected under Federal law;

(5) procedures to be followed by Federal agencies in reporting the information required to be submitted under subsection (d); and

(6) such other procedures and guidelines as may be necessary for the implementation of this title.

(d) Each year, at a time prescribed by the President, the Director, or the head of the Federal agency to which a delegation is made under subsection (a), the head of each Federal agency which administered any intergovernmental regulation during a fiscal year for which a report is required under section 101, shall prepare and submit to the President, the Director, or such agency head, a report setting forth, for each such regulation, the information required to be included for such regulation in the report required under section 101.

TITLE II—COMPENSATION OF STATE AND LOCAL GOVERNMENTS FOR ADDITIONAL DIRECT COSTS

COMPENSATION REQUIRED

SEC. 201. (a) Except as provided in subsection (b), a Federal agency or a court of the United States shall not require State governments or local governments to comply, in any fiscal year, with any intergovernmental regulation which—

(1) takes effect on or after the date of enactment of this Act; and

(2) is promulgated pursuant to a significant law,

unless provisions of law have been enacted which provide a sufficient amount of funds for such fiscal year to reimburse such governments for the total amount of additional direct costs that will be incurred by such governments in complying with such regulation during such fiscal year.

(b)(1) Notwithstanding subsection (a), a Federal agency or a court of the United States may require State and local governments to comply with an intergovernmental regulation to which subsection (a) applies and which will be in effect during a fiscal year if, with respect to such intergovernmental regulation and such fiscal year, a joint resolution described in paragraph (2) is enacted by a two-thirds vote of the Members of each House of Congress, duly chosen and sworn.

(2) A joint resolution referred to in paragraph (1) is a joint resolution which, with respect to an intergovernmental regulation that will be in effect during a fiscal year, waives the provisions of subsection (a) that require that provisions of law be enacted to provide a sufficient amount of funds for such fiscal year to reimburse State and local governments for the total amount of additional direct costs that will be incurred by such governments in complying with such regulation during such fiscal year.

(c) For purposes of this section, the total amount of additional direct costs that will be incurred by State governments and local governments in complying with an intergovernmental regulation in any fiscal year shall

be the total amount of such costs for such regulation estimated by the Director of the Congressional Budget Office for such fiscal year in the report required under section 202 for such fiscal year.

REPORT BY THE DIRECTOR OF THE CONGRESSIONAL BUDGET OFFICE

SEC. 202. (a) For each fiscal year in which an intergovernmental regulation promulgated pursuant to a significant law will be in effect, the Director of the Congressional Budget Office shall prepare and transmit to the President and the Congress a report specifying, for such fiscal year and the fiscal year succeeding such fiscal year, an estimate of the total amount of additional direct costs that will be incurred by State governments and local governments in complying with such regulation in each such fiscal year.

(b) In preparing each report required by subsection (a), the Director of the Congressional Budget Office shall consider the estimate of additional direct costs for a fiscal year resulting from compliance with an intergovernmental regulation which are specified in the report submitted by the President under title I during the fiscal year preceding such fiscal year.

(c) The Director of the Congressional Budget Office shall transmit each report required by subsection (a) for a fiscal year to the President and the Congress by September 1 of the fiscal year preceding such fiscal year.

IMPLEMENTATION

SEC. 203. (a) For each fiscal year in which an intergovernmental regulation promulgated pursuant to a significant law will be in effect, the chairman of the committees of the Senate and of the House of Representatives having legislative jurisdiction over such significant law shall propose, to an appropriate bill or resolution providing funds for such fiscal year, an amendment containing provisions to appropriate funds to reimburse State governments and local governments for the additional direct costs incurred in complying with such regulation. The amount of funds proposed to be appropriated by such amendment shall be equal to or in excess of the amount described in section 201(a).

(b) The provisions of subsection (a) shall not apply with respect to an intergovernmental regulation which will be in effect during a fiscal year if, with respect to such intergovernmental regulation and such fiscal year, a joint resolution has been enacted in accordance with section 201(b).

PROCEDURES FOR REIMBURSEMENTS TO STATE AND LOCAL GOVERNMENTS

SEC. 204. (a)(1) The head of each Federal agency which administers an intergovernmental regulation promulgated pursuant to a significant law shall pay to each State government in each fiscal year the amount determined pursuant to this section to reimburse the State government and local governments in the State for the additional direct costs incurred by such governments in complying with such regulation in such fiscal year.

(2) A State government which receives payments under this section for reimbursement for additional direct costs incurred in complying with an intergovernmental regulation in any fiscal year shall pay to each local government in the State the amount determined pursuant to this section to reimburse such local government for the additional direct costs incurred by such local government in complying with such regulation in such fiscal year.

(b) The total amount to be paid to a State to reimburse the government of the State and local governments in the State for additional direct costs incurred by such governments in complying with an intergovernmental regulation in any fiscal year shall be an amount which bears the same ratio to the total amount for reimbursement of additional direct costs for all State governments and local governments described in section 201(a) with respect to such regulation for such fiscal year as the total amount of additional direct costs with respect to such regulation which is specified in the report submitted by the President under title I for such fiscal year for such State government and local governments in such State for such fiscal year bears to the sum of the total amounts of additional direct costs with respect to such regulation which are specified in such report for all State governments and all local governments for such fiscal year.

(c)(1) The total amount to be paid by a State government to local governments in such State to reimburse such governments for additional direct costs incurred by such governments in complying with an intergovernmental regulation in any fiscal year shall be the amount which is equal to the product of the amount paid to the State under subsection (b) for such fiscal year multiplied by the ratio determined by the President for such State with respect to such regulation for such fiscal year pursuant to section 101(b)(2)(B).

(2)(A) A State government which receives payments under this section to reimburse local governments in the State for the additional direct costs incurred by such governments in complying with an intergovernmental regulation in any fiscal year shall pay to each such local government an amount equal to the product of—

(i) the total amount determined under paragraph (1) with respect to such regulation for such fiscal year, multiplied by

(ii) the ratio (stated as a percentage and estimated by the State in accordance with subparagraph (B)) that the total amount of additional direct costs incurred by such local government in complying with such regulation in such fiscal year bears to the total amount of additional direct costs incurred by all local governments in such State in complying with such regulation in such fiscal year.

(B) Each State government which receives payments under this section for any fiscal year shall provide by law for the estimation of the amount of additional direct costs incurred by each local government in such State in complying with an intergovernmental regulation for which such payments are received. In providing for the estimation of such costs, the State shall establish procedures and methods for the estimation of such costs which are reasonably related to the actual additional direct costs incurred by such governments in complying with such regulation in such fiscal year.

(d) This section does not apply with respect to an intergovernmental regulation which will be in effect during a fiscal year if, with respect to such intergovernmental regulation and such fiscal year, a joint resolution has been enacted in accordance with section 201(b).

EFFECT OF SUBSEQUENT ENACTMENTS

SEC. 205. No law enacted after the date of enactment of this title shall supersede the provisions of this title unless such law does so in specific terms, referring to this title, and declares that such law supersedes the provisions of this title.

TITLE III—MISCELLANEOUS

COST ESTIMATES

SEC. 301. Section 403(c) of the Congressional Budget Act of 1974 is amended by striking out "$200,000,000" and inserting in lieu thereof "$100,000,000".●

By Mr. BENTSEN:

S. 1538. A bill to extend the temporary suspension of duty on fresh cantaloupes imported between January 1 and May 15 of each year; to the Committee on Finance.

TEMPORARY SUSPENSION OF DUTY ON CANTALOUPES

Mr. BENTSEN. Mr. President, today I introduce a bill to extend for 2 additional years the current suspension of customs duty on fresh cantaloupe imported into the United States between January 1 and May 15 of each year.

In 1982, Congress first passed legislation temporarily suspending the 35 percent ad valorem rate of duty on fresh cantaloupe imported into the United States during the period when there is no domestic competition—January 1 through May 15 of each year. This temporary suspension has periodically been extended, and the current extension expires on December 31, 1990.

Because of adverse climactic conditions, there is no domestic cantaloupe on the market during the period from January 1 through May 15. Conversely, during the domestic growing season for cantaloupe, imported cantaloupe is unable to compete with the domestic fruit due to transportation and storage costs. In fact, domestic producers support extending the duty suspension because they believe having imported cantaloupe available during the domestic off season helps maintain consumer interest in cantaloupe and increases sales when domestic cantaloupe is in season. Thus, continued suspension should not have any adverse impact on domestic production—and may have beneficial impact—and duty suspension is warranted.

In 1988, approximately $17,956,250 in fresh cantaloupe was imported into the United States during the period covered by the duty suspension. Eighty percent of this produce originated from Mexico, and our border communities have benefited through the increased income and jobs created by as a result of the importation, distribution, and retail sale of Mexican cantaloupe. Failing to extend the duty suspension would deal a blow to the the border communities without serving any countervailing domestic interest.

In sum, Mr. President, I believe that this legislation is necessary and noncontroversial, and I urge my colleagues to support it. I ask unanimous

consent that a copy of the bill be printed following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1538

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled:

SECTION 1. Subheading 9902.08.07 of the Harmonized Tariff Schedule of the United States is amended by striking out "12/31/90" and inserting in lieu thereof "12/31/98".

SEC. 2. The amendment made by the first section of this Act applies with respect to goods entered, or withdrawn from warehouse for consumption, after December 31, 1990.

By Mr. MOYNIHAN (for himself, Mr. JEFFORDS, Mr. LEAHY, and Mr. D'AMATO):

S. 1539. A bill to amend the Federal Water Pollution Control Act so as to include Lake Champlain in the Clean Lakes Demonstration Program; to the Committee on Environment and Public Works.

INCLUSION OF LAKE CHAMPLAIN IN THE CLEAN LAKES DEMONSTRATION PROJECT

● Mr. MOYNIHAN. Mr. President, I rise today along with Senators JEFFORDS, LEAHY and D'AMATO to introduce a rather simple measure, which, if enacted, would include Lake Champlain in the States of New York and Vermont in the Clean Lakes Demonstration Program under the Clean Water Act. I and my colleagues who have cosponsored this bill believe that such a designation will allow us to learn more about the lake, and how to better protect it.

Lake Champlain is the sixth largest lake in the United States, exceeded in size only by the five Great Lakes. It has 435 square miles of surface water, over 70 islands, 587 miles of shoreline, and a depth reaching 400 feet. The Lake Champlain watershed is bounded on the west and north by the Chateaugay and St. Lawrence River basins, on the east by the St. Francis and Connecticut River basins, and on the south by the Hudson River basin.

Stretching between the Adirondacks and Green Mountains, the lake is 120 miles long and only 12 miles wide at its widest crossing. Unlike most watercourses, Lake Champlain flows northward, discharging into the Richelieu River in Quebec, which in turn empties into the St. Lawrence River.

Lake Champlain is a unique resource, and has been so recognized by the United Nations Educational, Scientific and Cultural Organization [UNESCO]. On April 25, 1989, UNESCO designated Lake Champlain and the neighboring Adirondack Mountains as an International Biosphere Reserve. Indeed, the fourth largest such reserve in the world. On June 28, 1989, the Environment and Public Works Committee's Subcommittee on Water Resources, Transportation and Infrastructure, of which I am chairman, held a field hearing on water quality in Lake Champlain. The hearing was held in two parts: a morning session in Burlington, VT, at the University of Vermont; and an afternoon session in Plattsburgh, NY, at Clinton Community College. Senator JEFFORDS joined me at these hearings, and we heard testimony from 19 witnesses.

This legislation is an outgrowth of what the committee has learned through the hearings. In short, we now understand that too little is known about the water quality of the lake. And we learned that the situation we now face is how to protect a lake that is still in good shape. Dr. James C. Dawson of the State University of New York at Plattsburgh aptly described the prognosis for Lake Champlain as "guardedly good." The lake is not significantly polluted, and we need to act quickly to keep it that way.

Inclusion of Lake Champlain in the Clean Lakes Demonstration Program will give researchers and local governments concerned with the lake a source of funds for their work. The grants administered by EPA, can be used to study water quality trends, fight nonpoint source pollution, and other worthy lake protection activities. The Clean Lakes Program is particularly valuable because it takes a holistic view of the lake as an ecosystem of many interrelated parts. Unfortunately, too many of our environmental laws divide the world into the separate realms of land, air, water and the like. The Clean Lakes Program can address whichever problems are most urgent for the lake, regardless of their nature.

Mr. President, I thank my colleagues for cosponsoring this bill, and I urge its prompt enactment. I ask unanimous consent that the text of the bill be printed in the RECORD at the appropriate point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1539

Be it enacted by the Senate and House of Representatives of the United States of America by Congress assembled,

SECTION 1. FINDINGS.

The Congress finds that—

(1) Lake Champlain is the sixth largest lake in the United States, exceeded in size only by the five Great Lakes;

(2) on August 23, 1988, the State of New York, the State of Vermont, and the Canadian Province of Quebec, all of which share a common boundary on the Lake, entered into a Memorandum of Understanding to conduct cooperative planning and research for the management, protection, and enhancement of Lake Champlain and its environment;

(3) the United Nations Educational, Scientific and Cultural Organization (UNESCO) has designated Lake Champlain and the neighboring Adirondack Mountains as the Champlain-Adirondack International Biosphere Reserve, making it the fourth largest reserve of its kind in the world;

(4) toxic substances, particularly polychlorinated biphenyls (PCB's), are being accumulated by lake trout, prompting the New York State Department of Environmental Conservation and the Vermont Department of Environmental Conservation to issue a lake-wide health advisory warning against eating lake trout more than once a month; and

(5) little baseline data relative to the overall health of the Lake has been collected, and this has frustrated attempts to measure changes in the Lake's ecosystem.

SEC. 2. AMENDMENT.

Section 314(d)(2) of the Federal Water Pollution Control Act (33 U.S.C. 1324(d)(2)) is amended by inserting immediately before "Lake Houston, Texas" the following: "Lake Champlain, New York, Vermont;".●

Mr. JEFFORDS. Mr. President, I am pleased to join Senator MOYNIHAN, chairman of the Subcommittee on Water Resources and author of this bill, Senator LEAHY and Senator D'AMATO in introducing this important piece of legislation.

This bill simply amends the Clean Water Act to add Lake Champlain to the list of "clean lakes" as defined by section 314(d)(2) of the Federal Water Pollution Control Act. As America's largest fresh water lake after the Great Lakes, Lake Champlain is a valuable resource that is deserving of special congressional attention. The significance of the Champlain Basin region is underscored by its recent designation as an International Biosphere Reserve by the United Nations Educational, Scientific, and Cultural Organization—the fourth largest reserve of its kind in the world and unique in that it includes densely populated areas in addition to its natural splendors.

This lake is not only invaluable to the people of Vermont and New York, but also to the people of Quebec and millions of others who come to the Lake Champlain region to enjoy this beautiful resource. In the past, the lake has been a prominent commercial transportation corridor, and more recently it has served as host to increasing recreational uses. Much of the drinking water supply for the people in the Champlain region comes from the lake. Most important, it is an integral and irreplaceable part of the New England lifestyle enjoyed by many people and envied by many more.

Chairman MOYNIHAN and I, in conjunction with the other congressional representatives, recently held a field hearing to discuss issues surrounding Lake Champlain. In a full day of events, we heard testimony from Vermont experts in Burlington, then were carried by a research vessel to Plattsburgh to hear testimony from the New York experts.

While the record of the hearing is not yet available, at least two points

are clear: there is a lack of historical and contemporary data on the lake, and a greater coordination between the State and Federal agencies and the Canadian Government is necessary. We believe that adoption of this bill would help to alleviate these problems.

We owe it to the residents of and visitors to the Champlain region, as well as to future generations to preserve the quality and diversity of Lake Champlain. A direct relationship exists between the quality of the lake and the lives of the lifestyle of the people of the region. Diverse industrial growth and agriculture policies, along with increasing population are threatening the water quality of the lake. This recent accelerated growth and change are contributing to a decline in water quality in ways that are difficult to quantify. Furthermore, persistent air pollution has been affecting streams, rivers, and lakes throughout the Northeast, many of which serve as tributaries to the lake.

Evidence indicates that increasing amounts of toxic substances and bacteria are accumulating in the lake, prompting a warning against eating lake trout more than once per month and causing occasional beach closings in some of the most populated areas along the shoreline. We need to understand the effects of the increasing use of Lake Champlain in order to better protect it for all the people who depend on the lake.

The importance of the lake to both the United States and Canada was recognized by the signing of the Memorandum of Understanding by Governors Kunin and Cuomo and Quebec's Premier Bourassa. While this is a significant step toward correcting the environmental problems of the lake, much more is needed to preserve this valuable resource. That is why I am joining my colleagues from Vermont and New York in introducing this legislation.

The limited baseline data that has been collected on the health of Lake Champlain and its value to the people of New England make it a strong candidate to be included in the Clean Lakes Demonstration Program. One of the largest lakes in the United States, encompassing the United States and Canada, the values and the importance of Lake Champlain cannot be overstated.

The overall water quality of the lake remains good, but this will not continue to be the case if we simply retain our present practices. With luck, we will not see catastrophic events poison Lake Champlain, but without incorporating prudent measures, we may see a gradual demise equally potent.

Finally, understanding its problems and effectively implementing a pollution reduction program at Lake Champlain could serve as an example for cleaning other lakes throughout the country. I urge my colleagues to support this bill to further the protection and preservation of one of America's finest resources.

By Mr. JEFFORDS (for himself, Mr. KENNEDY, and Mr. PELL):

S. 1540. A bill to establish a critical languages and areas study program; to the Committee on Labor and Human Resources.

CRITICAL LANGUAGES AND AREA STUDIES PROGRAM ASSISTANCE ACT

● Mr. JEFFORDS. Mr. President, today I am pleased to be joined by Senators KENNEDY and PELL in the introduction of the Critical Languages and Area Studies Program Assistance Act. This legislation is designed to address the drastic deficiencies in our teaching and understanding of the cultures and languages of some of the more strategically important areas of the world.

It goes without saying that we are in a tremendous period of change in the world. We have moved beyond the postwar period of American preeminence to a time when we are being challenged on almost every continent.

In the Middle East, China, and the Soviet Union, it is a struggle to fully understand the swirl of events. That struggle is made more difficult by the dearth of Americans who have or will acquire knowledge of these areas.

This is far more than an empty academic exercise. It is not an exaggeration to say that the future of our Nation depends in no small part on our ability to understand these critical areas of the world. This understanding is now sorely lacking—in our diplomatic corps, among our national security forces, and among our business community.

Critical languages take 4 to 6 years to learn. By one measure, Chinese is five times as difficult to learn as Spanish. Their study must be initiated in the elementary and secondary grades.

Yet less than 17 percent of all elementary schools offer any foreign languages. The picture at the high school level is not much better. Less than 19 percent of all high school students take foreign languages, and less than 1 percent graduate with competence.

To put it more graphically, the Soviet Union has more teachers of English than the United States has students of Russian.

We need to attack both sides of the equation. We need to provide trained teachers, textbooks, curriculums, and educational technologies for our elementary and secondary schools, and we need to demand more of ourselves and our students.

The National Governors' Association issued a report this past spring outlining the need for foreign language and area studies. It stated the case very succinctly: "International education must be an integral part of the education of every student."

This bill will by no means solve the problem, but I think it will help with some important first steps. Consortia supported by this legislation would be required to: develop new curricula specifically designed for elementary and secondary students; develop and integrate new technologies and software for use in secondary and elementary schools; serve as clearinghouses for the dissemination of new teaching materials and technologies; advise school districts on the development and implementation of critical languages and area studies programs; and develop and implement teacher training programs.

Mr. President, we will not be a world leader if we sit back and expect the world to speak our language. We must go out into the world, and speak its languages. The small investment we will need to make to do so will be dwarfed by the dividends the effort will pay. I urge my colleagues to give this legislation their attention and support.●

By Mr. KERRY:

S. 1541. A bill to amend the Internal Revenue Code of 1986 to restore a capital gains tax differential for small and high-risk business stock held for more than 5 years; to the Committee on Finance.

SMALL AND HIGH-RISK BUSINESS INVESTMENT ACT

● Mr. KERRY. Mr. President, I rise today to introduce legislation which would provide a much-needed incentive for investors to put their money into small and developing businesses. The "Small and High-Risk Business Investment Act of 1989" will encourage the kind of venture and high-risk investment necessary to the startup and growth of U.S. small businesses and, thus, the future economic competitiveness of the U.S. economy.

Mr. President, "competitiveness" has become the buzzword of the 1980's here on Capitol Hill and it is a word and a concept which I am certain we will hear more of in the 1990's. But what does competitiveness mean? Why is it so important to America's future?

In a world economy which is increasingly global in nature and technology based, we find ourselves competing with a growing number of players. Advancements in technology and instantaneous transfer of information dictates that the United States compete with sophistication and speed in an increasingly crowded world market. Consequently, businesspeople, educators, and makers of public policy must work together to build the kind of economy which will allow the United States to compete from a position of strength and vigor. This "economic mobilization," if you will, will require much

effort by many people. But a key factor in boosting U.S. competitiveness will be our ability to foster the development and proliferation of innovative, entrepreneurial ventures.

Unfortunately, I believe that there is one aspect of the Tax Reform Act of 1986 which has made this type of economic development difficult. Although I supported tax reform because it went far in simplifying and making more equitable the U.S. Tax Code, I disagreed with its complete elimination of the capital gains differential. I believe that an unfortunate consequence of this particular measure may have been a decrease in the availability of investment capital for new, small, and expanding businesses.

However, unlike the President, I do not support an across-the-board cut in capital gains taxes. Someone who directs his or her broker to buy a share of IBM or AT&T stock on the secondary market and then sells that stock at a profit sometime in the future, has invested his or her money safely and wisely and will enjoy an increase in wealth as a result. Although such investments contribute to the overall wealth of the Nation and are often personally fruitful, they require relatively minimal risk on the part of the investor. What's more, capital gains of this type account for a large share of the earnings of the Nation's wealthiest individuals and I see no reason why such earnings should be taxed at a lower rate than wage-related income. I do not wish to follow George Bush back into the days of tax breaks for the rich. Such a policy is unnecessary and certainly inadvisable in the current budgetary climate.

My approach is to provide the type of incentive that will encourage those with the resources to invest in the kind of small and start-up ventures which, if successful, can be expected to create new jobs and products and, thus, contribute greatly to the future economic health of this country.

Unfortunately, the current treatment of capital gains in the U.S. Tax Code discourages rather than encourages investments in such job creating, competitiveness enhancing entrepreneurial activity. Our tax laws make no distinction between gains resulting from investment in GM stock and gains resulting from investment in a new, and often risky, small business venture. Nor do they distinguish between short-term and long-term investments. My legislation seeks to correct this inequity through the institution of a graduated capital gains differential which distinguishes between the type and the length of qualified investments.

The Small and High-Risk Business Investment Act is targeted specifically toward investments in small and start-up ventures. This bill will lower to 15 percent the tax rate on capital gains resulting from "small business" investment, that is, investment which involves a direct purchase, and minimum 5-year holding, of equity in a business worth $100 million or less. After a 10-year holding period, that rate decreases to 10 percent.

In addition, my proposal provides a second tier rate structure for "high risk" investment, that is, investment which involves a direct purchase, and minimum 5-year-holding period, of equity in a business worth $10 million or less. The capital gains rate for this type of investment will start at 10 percent after a 5-year-holding period and decrease to 5 percent after 10 years.

In proposing the institution of this two-tiered capital gains differential, my objective is to create an incentive for investment in the startup and expansion of small and mid-size businesses. Increasingly, it is these businesses, often entrepreneurial in nature, which develop and effectively market the types of new and innovative technologies utilized in today's economy. The success and growth of these types of businesses are vital to the economic future of the United States.

The two-tiered rate structure of my legislation serves to stimulate equity financing of both startup ventures, and small businesses in need of crucial expansion capital. By instituting a minimum 5-year-holding period for qualified investments and a further rate reduction for investments held 10 years or longer, this legislation creates an incentive to hold assets for long periods and, thus, seeks to remove pressure of operators of startup and expanding businesses to generate quick, paper profits. It is vital, Mr. President, that investors encourage entrepreneurs to make the kind of capital investments necessary for long-term growth and investment.

Investments in small and high-risk businesses, however, have to prove fruitful in order for an investor to take advantage of the lower capital gains tax rate. As any venture capitalist knows such success in these types of investments is far from guaranteed. Consequently, I believe that any legislation which provides an effective and workable incentive for high-risk investment must address the high failure rate of such investments. My bill will allow investors to deduct from their taxes up to $50,000 in losses resulting from direct equity investments in businesses worth $10 million or less. Currently, this deduction is limited to investments in companies worth $1 million or less, a figure set over 30 years ago and out of step with the startup and expansion costs in today's business environment.

Mr. President, in contrast to President Bush's efforts to enact an indiscriminate and across-the-board cut in the capital gains tax, my legislation addresses the real need for startup and expansion capital for America's new and innovative businesses. My proposal differs markedly from that of the President by making a direct correlation between the inherent risk of an investment, and the rate at which subsequent capital gains should be taxed. The riskier an investment, the smaller the rate and, thus, the larger the incentive. It's a simple concept yet one vitally important in today's economic climate.

I believe that this multifaceted and narrowly targeted proposal will encourage the kind of high-risk investment crucial to the economic growth and diversification that America needs as it faces an increasingly powerful Pacific rim and a united European Economic Community in the decades ahead. I urge my colleagues to join me in supporting this narrowly targeted incentive to stimulate investment in our Nation's future economic competitiveness.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small and High-Risk Business Investment Act of 1989".

SEC. 2. ALTERNATIVE TAX RATES ON CAPITAL GAINS FROM CERTAIN SMALL AND HIGH-RISK BUSINESS STOCK.

(a) TAXPAYERS OTHER THAN CORPORATIONS.—

(1) IN GENERAL.—Part I of subchapter P of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 1201 the following new section:

"SEC. 1202. ALTERNATIVE RATES FOR CAPITAL GAINS ON SMALL AND HIGH-RISK BUSINESS STOCK HELD BY TAXPAYERS OTHER THAN CORPORATIONS.

"(a) GENERAL RULE.—If for any taxable year a taxpayer other than a corporation has a small business stock net capital gain, then in lieu of the tax imposed by section 1, there is hereby imposed a tax (if such tax is less than the tax imposed by section 1) in an amount equal to the sum of—

"(1) a tax computed on the taxable income, reduced by the amount of small business stock net capital gain, at the rates and in the manner as if this subsection had not been enacted, plus

"(2) the tax on small business stock net capital gain determined under subsection (b).

"(b) TAX ON SMALL BUSINESS STOCK NET CAPITAL GAIN.—The tax under this subsection shall be the sum of the amounts determined in accordance with the following table:

In the case of:	The tax is:
10-year high-risk gain	5 percent
5-year high-risk gain	10 percent
10-year small business gain	10 percent
5-year small business gain	15 percent.

"(c) DEFINITIONS.—For purposes of this section—

"(1) SMALL BUSINESS STOCK NET CAPITAL GAIN.—The term 'small business stock net capital gain' means the lesser of—

"(A) the net capital gain for the taxable year, or

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from qualified small business stock which has been held for more than 5 years.

"(2) 10-YEAR HIGH-RISK GAIN.—The term '10-year high-risk gain' means the lesser of—

"(A) the net capital gain for the taxable year, or

"(B) the net capital gain for the taxable year by taking into account only gain or loss from high-risk business stock held for 10 years or more.

"(3) 5-YEAR HIGH-RISK GAIN.—The term '5-year high-risk gain' means the lesser of—

(A) the net capital gain for the taxable year, reduced by 10-year high-risk gain, or

(B) the net capital gain for the taxable year determined by taking into account only gain or loss from high-risk business stock held for 5 years or more but less than 10 years.

"(4) 10-YEAR SMALL BUSINESS GAIN.—The term '10-year small business gain' means the lesser of—

"(A) the net capital gain for the taxable year, reduced by 5-year high-risk gain and 10-year high-risk gain, or

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from qualified small business stock (other than high-risk business stock) held for 10 years or more.

"(5) 5-YEAR SMALL BUSINESS GAIN.—The term '5-year small business gain' means the lesser of—

"(A) the net capital gain for the taxable year, reduced by 5-year high-risk gain, 10-year high-risk gain, and 5-year small business gain, or

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from qualified small business stock (other than high-risk business stock) held for 5 years or more but less than 10 years.

"(6) QUALIFIED SMALL BUSINESS STOCK.—

"(A) IN GENERAL.—The term 'qualified small business stock' means stock which—

"(i) is issued by a qualified small business after the date which is 6 months after the date of the enactment of this section,

"(ii) is first acquired (whether directly or through an underwriter) by the taxpayer, and

"(iii) is not issued in redemption of (or otherwise exchanged for) stock not issued during the period described in clause (i).

"(B) QUALIFIED SMALL BUSINESS.—For purposes of subparagraph (A)—

"(i) IN GENERAL.—The term 'qualified small business' means a corporation the paid-up capital of which immediately after the date of issuance described in subparagraph (A) is $100,000,000 or less.

"(ii) ACTIVE TRADE OR BUSINESS REQUIREMENT.—A corporation shall not be treated as a qualified small business unless such corporation—

"(I) was engaged in the active conduct of a trade or business during the 5-year period ending on the date of issuance described in subparagraph (A) (or if shorter, its period of existence), and

"(II) is so engaged immediately after such date.

"(iii) EXCEPTION FOR PERSONAL SERVICE CORPORATIONS.—The term 'qualified small business' shall not include a personal service corporation (within the meaning of section 269A(b)(1)).

"(7) HIGH-RISK BUSINESS STOCK.—The term 'high-risk business stock' means stock which is qualified small-business stock under paragraph (6) determined by substituting '$10,000,000' for '$100,000,000' in subparagraph (B)(i) thereof."

(2) MAXIMUM RATE.—

(A) IN GENERAL.—Section 1(j) of the Internal Revenue Code of 1986 is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following new paragraph:

"(2) SPECIAL RULE WHERE TAXPAYER HAS SMALL BUSINESS STOCK NET CAPITAL GAIN.—

"(A) IN GENERAL.—If a taxpayer has small business stock net capital gain for any taxable year, then the tax imposed by this section shall not exceed the lesser of—

"(i) the amount determined under paragraph (1), or

"(ii) the sum of—

"(I) the amount determined under paragraph (1) without taking into account small business stock net capital gain for purposes of subparagraphs (A) and (B) thereof, plus

"(II) the amount determined under section 1201(b).

"(B) SMALL BUSINESS STOCK NET CAPITAL GAIN.—For purposes of this paragraph, the term 'small business stock net capital gain' has the meaning given such term by section 1202(c)."

(B) CONFORMING AMENDMENT.—Subparagraph (B) of section 1(j)(3) of such Code, as redesignated by paragraph (1), is amended by inserting "paragraph (2) applies for such taxable year or if" after "if".

(b) CORPORATIONS.—Section 1201 of the Internal Revenue Code of 1986 is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) QUALIFIED SMALL BUSINESS STOCK NET CAPITAL GAIN.—

"(1) IN GENERAL.—If for any taxable year a corporation has a small business stock net capital gain, then—

"(A) in lieu of the tax imposed by section 11, 511, or 831 (a) or (b) (whichever is applicable), there is hereby imposed a tax (if such tax is less than the tax imposed by such sections) in an amount equal to the sum of—

"(i) a tax computed on the taxable income reduced by the amount of the small business stock net capital gain, at the rates and in the manner as if this subsection had not been enacted, plus

"(ii) a tax on the small business stock net capital gain determined in the same manner as under section 1202(b), and

"(B) paragraph (2) of subsection (a) shall be applied as if it read as follows:

'(2) a tax equal to the sum of—

'(A) the amount determined under clause (ii) of subsection (b)(1)(A), plus

'(B) 34 percent of the net capital gain, reduced by small business stock net capital gain.'

"(2) SMALL BUSINESS STOCK NET CAPITAL GAIN.—For purposes of this subsection, the term 'small business stock net capital gain' has the meaning given such term by section 1202(c)."

(c) TREATMENT AS PREFERENCE ITEM FOR MINIMUM TAX.—Section 57(a) of the Internal Revenue Code of 1986 (relating to items of tax preference under the alternative minimum tax) is amended by adding at the end thereof the following new paragraph:

"(8) CAPITAL GAINS ON SALE OF CERTAIN SMALL AND HIGH-RISK BUSINESS STOCK.—

"(A) IN GENERAL.—In the case of a taxpayer with small business stock net capital gain, an amount equal to the rate differential portion for the taxable year determined under subparagraph (B).

"(B) RATE DIFFERENTIAL PORTION.—

"(i) IN GENERAL.—The rate differential portion of 5-year high-risk gain, 10-year high-risk gain, 5-year small business gain and 10-year small business gain is the same proportion of such amount as—

"(I) the excess of the highest applicable rate over the alternative tax rate, bears to

"(II) the highest applicable tax rate.

"(ii) HIGHEST APPLICABLE TAX RATE.—The term 'highest applicable tax rate' means the lesser of—

"(I) the rate determined under section 904(b)(3)(E)(ii), or

"(II) the rate determined under section 904(b)(3)(E)(iii).

"(iii) ALTERNATIVE RATE.—The term 'alternative rate' means the rate determined under section 1202(b), whichever is applicable.

"(C) DEFINITIONS.—For purposes of this paragraph, any term used in this paragraph which is used in section 1202 shall have the same meaning as when used in section 1202."

(d) CONFORMING AMENDMENTS.—

(1) Paragraph (4) of section 691(c) of such Code is amended by striking "1(j), 1201, and 1211" and inserting "1(j), 1201, 1202, and 1211, and for purposes of section 57(a)(8)".

(2) Clause (iii) of section 852(b)(3)(D) of such Code is amended by striking "66 percent" and inserting "the rate differential portion (under section 904(b)(3)(E) or section 57(a)(8)(B)), whichever is applicable".

(3) Section 904(b)(3)(E) of such Code is amended by striking "1(j)" in clause (iii)(I) thereof and inserting "1(j) (without regard to paragraph (2) thereof)".

(4) Section 1445(e)(1) of such Code is amended by striking "34 percent (or, to the extent provided in regulations, 28 percent)" and inserting "34 percent (or, to the extent provided in regulations, the alternative tax rate determined under section 904(b)(3)(E)(iii) or section 57(a)(8)(B)(iii), whichever is applicable)".

(5) The table of sections for part I of subchapter P of chapter 1 of such Code is amended by inserting after the item relating to section 1201 the following new item:

"Sec. 1202. Alternative rates for capital gains on small and high-risk business stock held by taxpayers other than corporations."

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall apply to stock issued after the date which is 6 months after the date of the enactment of this Act.●

By Mr. ROBB:

S. 1543. A bill to authorize the Colonial Dames at Gunston Hall to establish a memorial to George Mason in the District of Columbia; to the Committee on Rules and Administration.

ESTABLISHING A MEMORIAL TO GEORGE MASON IN THE DISTRICT OF COLUMBIA

● Mr. ROBB. Mr. President, in 1991, we will celebrate the 200th anniversary of the ratification of the Bill of Rights, which makes our Nation the envy of the world. In order to commemorate that historic occasion, I am

pleased to introduce legislation which would authorize the placement of a memorial to George Mason, the great statesman and Virginian whose authorship of the Virginia Declaration of Rights served as a model for the first 10 amendments to the U.S. Constitution.

Mason's articulation reached far beyond the Commonwealth of Virginia, and even beyond the U.S. Constitution. It was felt in France, where the Declaration of the Rights of Man drew on Mason; and his thoughts continue to give inspiration to peoples around the world.

This bill will authorize the Colonial Dames at Gunston Hall, a private, historical society, to establish a memorial to George Mason on Federal land in the District of Columbia. The measure would not cost the American taxpayers any money, but would surely enhance our appreciation of the words and deeds of this great Virginian.●

By Mr. SASSER:

S. 1544. A bill to amend the Public Health Service Act to provide for the development of academic leaders in geriatrics through the establishment of centers of excellence in geriatric research and training; to the Committee on Labor and Human Resources.

CENTERS OF EXCELLENCE IN GERIATRIC RESEARCH AND TRAINING ACT

● Mr. SASSER. Mr. President, I rise today to call your attention to a problem that could have some grave consequences for our Nation's health care system. The problem is that America doesn't have enough physicians specifically trained to meet the needs of our growing elderly population. Our Nation lacks geriatricians, that is, physicians who specialize in medicine for the elderly.

You may recall, Mr. President, that last Congress I attempted to address this shortage by introducing legislation known as the Centers of Excellence in Geriatric Research and Training Act. My bill called for the establishment of 10 centers around the Nation to perform research in geriatrics and to train more geriatricians to meet the growing need.

I was very pleased when the Labor Committee under the direction of Chairman KENNEDY, included many of the provisions of my bill under title 4 of the Public Health Service Act that was reauthorized last Congress. The reauthorization called for the establishment of 2 or 3 centers instead of the original 10 that I had proposed. Nevertheless, the establishment of these centers was a definite step in the right direction, and I was proud to be associated with it.

Unfortunately, Mr. President, it has come to my attention that only one center will be established this year through the Public Service Act. No centers are planned for future years. Frankly, I do not feel that one center for geriatric research and training is adequate to address the overwhelming need that is facing our Nation.

Because I am committed to maintaining a high quality of care in our Nation's health care programs for the elderly, and because I believe we have a responsibility to make certain that there are enough physicians to treat our seniors, today, I am reintroducing my legislation to establish 10 centers of excellence in geriatric research and training.

The need for more geriatricians is obvious. The greying of America promises to be one of the most serious health care challenges in the years ahead. We've all heard the statistics about how rapidly our population is aging. But the sad truth is that our Nation's medical community remains grossly unprepared to meet that challenge.

The problem is simple. The United States currently has a serious shortage of doctors who are adequately trained to deal with the chronic and complex ailments that strike the elderly. The present Medicare system is designed to treat only acute care, that is, maladies for which there is a treatment and a cure.

Many illnesses that affect the elderly have no cure. The goal for the treatment of elderly patients is often to make their lives as comfortable as possible rather than to cure them completely. It takes a well-trained geriatrician who can recognize the multidimensional ailments of the elderly to recognize the difference between the two.

Unless the United States does something to vastly improve geriatric training and education in its medical schools, the Nation may soon find itself overwhelmed by the tremendous health care demands of its rapidly aging population.

My legislation is based on a report that was issued by the prestigious Institute of Medicine. The report reveals just how few American physicians there are with expertise in geriatrics. Of the 450,000 practicing physicians in the United States, only 450—or 1 in every 1,000—have completed a postgraduate fellowship program in geriatrics. The Institute of Medicine study points out that we must double our current yearly output of geriatricians to meet the projected need of at least 2,100 geriatrics by the year 2000.

Some steps have been taken recently to improve geriatric training in the United States. However, these efforts are falling far short of what is needed. For example, although 75 percent of American medical schools now offer elective courses in geriatrics, only 4 percent of the medical students take them.

For advanced geriatric training the figures are even worse. In the 1987 academic year, there were only three geriatricians and not a single geropsychiatrist in advanced training in the United States.

Geriatrics has been largely ignored because it is not very glamorous. American medicine has always focused on fast cures to dramatic, acute illnesses. But there are rarely any fast cures for the chronic ailments of the elderly. In fact, there conditions often defy a doctor's natural desire to "make it all better."

As a result, doctors tend to lose interest in elderly patients. They are seen as hopeless cases even when they may greatly benefit from treatment. Physicians and all medical personnel must be taught that the chronic ailments of the elderly are not always hopeless conditions. Their treatment may require more time and attention. But positive results can be achieved and these results may be spectacular.

I read an account not too long ago, Mr. President, about an elderly man who entered a VA hospital. The man was described as "confused and swollen from renal failure, unable to walk because of bad pressure sores on his feet, malnourished, depressed, and curled up in a fetal position." Most of the hospital's medical staff gave up on the patient, expecting him to live possibly a few months in a nursing home. However, the hospital luckily had a trained geriatric team that persisted in their diligent evaluation and treatment of the patient. And within weeks, the man walked out of the hospital and returned home.

In light of our Nation's current shortage of geriatricians, imagine how many patients like the one I just mentioned are given up for dead rather than given the special treatment they need. I believe that we must act convincingly to correct our past neglect of geriatric medicine. And we must act now. That is why I am reintroducing this legislation that offers hope of improved medical care for our senior citizens.

In 1988, the National Institutes of Health earmarked some funds for geriatric research. I was pleased to see that attention was being given to the geriatric field. But the money was used for research only. And the money was only available for one research grant.

Now I am sure that those research dollars did some good, Mr. President, but we need more than a stop-gap approach for such a tremendous problem. My bill will provide not only for additional geriatric research but also will train new physicians to perform that research. More important, it will train new physicians to treat our elderly.

Let me tell you exactly what my legislation will do. It will establish centers of excellence in geriatric research

and training at 10 medical schools across the country. These centers will conduct research and advanced training programs in the diagnosis and treatment of diseases, disorders, and complications related to aging.

The ultimate goal of the centers will be to develop critically needed academic leaders in geriatrics. Once we have those leaders, our medical schools will be able to train adequate numbers of practicing physicians and other health professionals to care for the rapidly increasing number of older Americans.

Last year, Congress expanded senior citizens' access to health care by passing the catastrophic health care bill. That's good news to our seniors.

Yet what good is expanding our older Americans' access to health care unless we are equally committed to ensuring that the care they receive is of high quality? To accomplish that, we must improve our Nation's academic training and research in geriatrics.

We have pediatricians to care for our children. Our seniors should have access to doctors who are just as interested and knowledgeable about their special health care needs.

Mr. President, I urge my colleagues to support this legislation to help give our Nation's senior citizens the quality health care they deserve, and ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1544

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Centers of Excellence in Geriatric Research and Training Act of 1989".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) recent growth and projected growth in the number of elderly individuals in the United States raises concerns about how best to meet the health care needs of such individuals;

(2) providing high quality health care for elderly individuals requires special knowledge about the clinical syndromes and psychological changes related to aging;

(3) recent studies show that there is a serious shortage of physicians in the United States with adequate knowledge concerning geriatrics;

(4) unless positive national action is taken, the current shortage of trained geriatricians will grow even worse as the number of older Americans dramatically increases over the next several decades;

(5) the shortage of trained geriatricians is a result of inadequate training and research opportunities at all levels of medical education;

(6) although 75 percent of American medical schools currently offer elective courses in geriatrics, only about 4 percent of medical students take these courses;

(7) in the 1986-1987 academic year, there were no geropsychiatrists in advanced training in the United States and only three geriatricians in such training;

(8) in order to provide adequate health care for the rapidly increasing number of elderly Americans, it is important first to train a sufficient number of academic leaders in geriatrics who will, in turn, train sufficient numbers of physicians to care for elderly individuals;

(9) the training of geriatricians in the United States can be greatly improved by establishing centers of excellence in geriatric research and training; and

(10) such centers must have excellent faculty and support personnel as well as strong research, clinical, and educational components.

(b) PURPOSE.—It is the purpose of this Act to—

(1) expand the authority of the National Institute on Aging to develop academic leaders in geriatrics; and

(2) authorize the establishment of centers of excellence in geriatric research and training to develop such leaders.

SEC. 3. ESTABLISHMENT OF CENTERS.

(a) IN GENERAL.—Subpart 5 of part C of title IV of the Public Health Service Act (42 U.S.C. 285e) is amended by adding at the end thereof the following new section:

"SEC. 445g. CENTERS OF EXCELLENCE IN GERIATRIC RESEARCH AND TRAINING.

"(a) COOPERATIVE AGREEMENTS.—The Director of the Institute shall enter into cooperative agreements with, and make grants to, public and private nonprofit entities to pay all or part of the costs of the development or substantial expansion of centers of excellence in geriatric research and training. Each center developed or expanded under this section shall—

"(1) utilize the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such research and training qualifications as may be prescribed by the Director; and

"(2) conduct—

"(A) research into the aging processes and into the diagnosis and treatment of diseases, disorders, and complications related to aging;

"(B) advanced training programs in current methods of diagnosis and treatment of such diseases, disorders, and complications;

"(C) programs to develop individuals capable of conducting research concerning aging and concerning such diseases, disorders, and complications; and

"(D) educational and training activities for students of the health professions in order to enhance the knowledge of such students in geriatrics.

"(b) EMPHASIS.—Each center developed or expanded under this section shall place primary emphasis on training of physicians to provide training in geriatrics to other physicians and to students of the health professions.

"(c) REQUIREMENTS FOR CENTERS.—In making cooperative agreements and grants under this section for the development or expansion of centers, the Director of the Institute shall provide that such centers are—

"(1) geographically distributed throughout the United States; and

"(2) located at entities with proven research capabilities.

"(d) EVALUATION.—The Director of the Institute shall evaluate on an annual basis the activities of centers developed or expanded under this section and shall on or before September 30 of each year prepare and submit, to the appropriate Committees of Congress, a report concerning the results of such evaluations.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 408(a) of such Art is amended by adding at the end thereof the following new paragraph:

"(3) For centers under section 445G, there are authorized to be appropriated—

"(A) $7,000,000 for the fiscal year 1990, which shall be available for the development or expansion of not more than five centers under such section for such fiscal year;

"(B) $11,000,000 for fiscal year 1991, which shall be available for the development or expansion of not more than seven centers under such section for such fiscal year; and

"(C) $15,000,000 for fiscal year 1992, which shall be available for the development or expansion of ten centers under such section for such fiscal year.".●

By Mr. HATCH (for himself, Mr. HEINZ, and Mr. BOND):

S. 1545. A bill to authorize the appropriation of funds for a pilot program to assist other countries in the development of their domestic industrial standards; to the Committee on Commerce, Science, and Transportation.

PILOT PROGRAM TO ASSIST COUNTRIES IN DEVELOPMENT OF DOMESTIC INDUSTRIAL STANDARDS

Mr. HATCH. Mr. President, today I am pleased to present to the Senate a bill which should make it possible for the United States to respond to an invitation. This invitation has been held out to us for 3 years without an appropriate response. Yet it offers an extraordinary opportunity to assure America's trading place in one of tomorrow's most promising international markets. I am speaking of the invitation by the Saudi Arabian Standards Organization to send a U.S. advisor to assist the Saudis in developing standards for thousands of products in every trading sector. The invitation was extended to other leading industrial nations as well. The Saudi enthusiasm for American involvement and for American products is emphasized by their generous offer to provide housing and transportation for an American standards advisor.

From my vantage point as a member of the Technology Assessment Board for the Congressional Office of Technology Assessment, I can tell you, Mr. President, that our ability to transfer American technology overseas is profoundly affected by the standards that are set. I can tell you that our lack of participation in this project to date has hurt us. Japan, Germany, Great Britain, France, India, the Netherlands, and even New Zealand, Finland, and Singapore have sent specialists. They have been actively involved in the Saudi program for a number of years. In the meantime, U.S. market share of Saudi imports has actually fallen from 37 percent in 1980 to 18 percent in 1987. Japan has supplied as many as six to nine specialists for

many years. Today Japan has the biggest share of the market.

The American business community in the gulf has been informative and articulate about the number of trading opportunities we have lost with the gradual adoption of product standards favoring European and Far Eastern products over those produced in this country. Mr. President, our failure to advance our interests has also meant our inability to defend them as American standards are left out of a process that specifies everything from shelf life of food to the color of ground wires in air-conditioners. Just last year a General Electric shipment of gas turbine parts was held at the port of Dammam because one oil heater didn't conform to the new Saudi electrical standards.

To be sure, the Saudis are adopting many internationalized standards set by organizations in which U.S. private and public groups have representation. But these world-harmonized standards seldom define a product in its entirety, and they comprise less than 5 percent of the library of standards used most often as models by developing nations. Saudi Arabia is a growing, vibrant nation. The standards adopted by SASO are being adopted by all six member states of the Gulf Cooperation Council as they are written. In 1988, the United States had $5.7 billion in merchandise exports to the region, with $3.8 billion to Saudi Arabia alone. This trade supported 170,000 American jobs last year. From my own State of Utah, alone, we exported $3.3 million in products to the gulf states in 1988.

Legislation overwhelmingly approved by Congress last fall attempted to respond to the Saudi opportunity by authorizing the Department of Commerce to place an American representative "onsite" in a pilot project that would be funded by the private sector. Lacking funds up front, however, Secretary Verrity declined to launch the program. In the meantime, the private sector has demonstrated good faith; the American/Saudi roundtable has raised close to $200,000 for the project. Yet there is still no sign of a program underway at Commerce. There is much discussion that dances around the issue of whether this should be primarily a private or a Government initiative, especially in view of our paralyzing budget deficit.

Mr. President, I want to move us beyond this hesitation waltz by sponsoring an initiative that expressly calls for a Government role in both representation and funding. Certainly I have always opposed the practice of calling on Government to attempt what Americans better accomplish on their own, unfettered by Government. Let me explain, therefore, where I think Government has a modest, but crucial role to play in the business of harmonizing international standards. I say modest, because this bill does not call for spending a lot of money. I also say modest because I do not believe it is necessary for us to imitate the centralized and highly regulated standards clearinghouses of some of our foreign competitors. In the United States, the diversity of voluntary standard-setting procedures makes room for tomorrow's innovations, and we prefer it that way.

Today, however, the United States is involved in a world economy; and the vitality of the global economy is a key to our own prosperity. We are no longer the only big engine of progress out there; and while this involves some readjustment in our self-image, the growth of newly prosperous nations holds enormous promise for all the world. Yet the growth of an international market also means increased competition. The promulgation of product standards overseas is exploding into a powerful trade tool. Our competitors provide libraries of their standards to developing nations and fan out armies of experts to interpret them. This is a nuts-and-bolts, bread-and-butter, ground-floor route to trade, or conversely, to trade barriers.

We worry today over whether Europe's plan to integrate and standardize its market by 1992 will shut us out with a so-called fortress of specifications and standards incompatible with the United States. Fortunately, because of the dialog conducted by Secretary Mosbacher with the European commissioners and European standards bodies, American firms and standards organizations will have a chance to make their views known. The problem, however, is illustrative of the fact that European integration and the rapid development of newer economies has made Government involvement in the standards process far more crucial than it ever was in the past.

In the case of Saudi Arabia, a team approach is certainly needed. The Saudis expect a United States Government presence. Mr. Raymond Weser, director of strategic resources for Westinghouse in Europe, Africa, and the Middle East put it this way in his testimony before the House last week: "It's a government you're doing business with and governments like to work with governments." Yet the number of industry sectors are many and there are hundreds of standards within each. A Government representative would of necessity be a coordinator and conduit for our standards expertise in the private sector. Without that presence, no one industry or sector alone could or would keep such a process going. First of all, not all our industrial sectors are as yet in Saudi Arabia. Also, small business cannot afford to send its own representatives. Furthermore, trade associations cannot represent nonmembers. Finally, not every industry is flush with enough money to sustain a standards presence on every market front. Mr. Harry Lunt, chairman of ASTM Committee on Steel has noted that the private financing which permits American steelmakers to maintain representation in the International Organization for Standardization, or ISO, is "reaching the vanishing point."

Mr. President, I have supported the role of government as catalyst, facilitator, and coordinator where it is needed, such as in vital research. I believe it is time for government to become supportive of American trade in a proactive, rather than a defensive mode. The omnibus trade bill passed last year called for more competitiveness. There is much we can do that does not involve threatening our trading partners with trade sanctions while ignoring the budget deficit that is largely responsible for our troubles.

The key is investment in competitiveness at home. We have been exhorting Americans to spend less, save more, and above all, to invest in long-term productivity to make America more competitive abroad. Let us do the same with Government initiative. This project calls for a small but timely investment offering substantially high returns. The American Embassy in Riyadh has estimated that "if standards were harmonized, U.S. exports might increase by as much as $500 million per year." This would give us a minimum of 15,000 new U.S. jobs; and assuming a Federal tax payment average of only $1,000 per taxpayer, these jobs would minimally generate an additional $15 million in U.S. Government tax revenues.

Other developing nations, namely, Brazil, India, China, have invited our assistance in standards-writing and the question has been raised as to whether our response in Saudi Arabia would set a spending precedent. Perhaps so. I am told that to eventually do a thorough collaboration in the developing world and Europe would take an investment of $5 million. Yet failure to take such initiative also sets a kind of spending precedent, Mr. President. I hate to point out that in fiscal 1988 we spent over $250 million for trade adjustment assistance programs because the horse of trading surpluses had already left the barn. In the gulf, the horse is still in the barn. Failure to get this pilot project underway is to be penny wise and pound foolish indeed. It amounts to pocket change in the national till. Our competitors have dispatched standards experts to many nations.

Mr. President, the people of Utah astonish me every day with news of their international ventures—their absolutely innovative and ingenious exports in all levels of technology—to China, Brazil, the Middle East, virtually all areas of the world. It is not merely the

coastal States which have a stake in world trade. We in Utah have always had a global outlook. For years we have exported our wealth and our talent without hesitation to the far reaches of the globe. We are a hard-working, frugal people and we do not shrink from leadership. We can also appreciate the challenges faced by fledgling economies because we have a strong pioneer heritage. Our productivity is still our best natural resource. So let me tell you, Mr. President, what I think the people of Utah and elsewhere expect of us. They expect Government to clear unnecessary obstacles and to help them work toward an open market overseas. Mr. President, this pilot project in Saudi Arabia is an ideal kind of investment whereby Government can facilitate American business. We must work to assure that American technology is reflected in the growing world market. We must work to assure that America remains central to the world prosperity that we have nurtured for so long.

By Mr. PRESSLER (for himself and Mr. DASCHLE):

S. 1546. A bill to authorize the planning and construction of the Mid-Dakota Rural Water System, and for other purposes; to the Committee on Environment and Public Works.

MID-DAKOTA RURAL WATER SYSTEM ACT OF 1989

Mr. PRESSLER. Mr. President, I am introducing legislation with my colleague Senator DASCHLE to authorize the Mid-Dakota Rural Water System.

This is a water pipeline system that will bring clean drinking water to citizens in South Dakota.

For many years we have attempted to use the Missouri River water in a positive way for the citizens of our State.

After many hours of negotiation with the Governor's office and with local water groups, we are presenting this legislation. Mid-Dakota will provide clean drinking water for a large area of eastern South Dakota. It will be another step in our long struggle to get fair treatment for South Dakota.

The Mid-Dakota Rural Water System is endorsed by all affected groups in South Dakota after long negotiations. I would like to pay a special tribute to Julie Apgar, manager of Mid-Dakota Rural Water System, for her hard work and dedication to this project.

Water development in South Dakota has a long history. In the 1940's, South Dakota agreed to sacrifice over 500,000 acres of farmland for the construction of four Missouri River mainstem dams. These dams have provided hydroelectric power, flood control, and navigation for downstream States. In return for the sacrifices South Dakota made for the construction of the dams, the Federal Government made a commitment to South Dakota. That commitment was to provide water development in the State. Since coming to Congress over 14 years ago, I have continually fought for the development of South Dakota water projects. We have had some success in the area of water development during that time with the construction of the WEB project and the rehabilitation of the Belle Fourche irrigation project, but the Federal commitment to South Dakota has not been fulfilled. The authorization of the Mid-Dakota Rural Water System is an effort to obtain a partial fulfillment of the Federal commitment to South Dakota.

Mr. President, South Dakota's future is water. What good are pastures with no dependable source of drinking water? How can we promote rural development without first providing clean, safe drinking water to rural America? My goal is to see my fellow South Dakotans, from border to border, have a safe, dependable supply of drinking water.

This proposed $100 million pipeline project will serve more than 2,600 rural customers and 23 cities in 10 counties in east-central South Dakota. Many people have put years of hard work into the Mid-Dakota Rural Water System. Now they want to see the fruits of their labor realized by an understanding Congress sympathetic to their needs of good, clean drinking water.

Mr. President, I request that the text of the Mid-Dakota Rural Water System Act be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1546

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Mid-Dakota Rural Water System Act of 1989".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—For purposes of development of safe and adequate municipal, rural, and industrial water supplies, mitigation of wetland areas, and water conservation in South Dakota, there are authorized to be appropriated to the Secretary of the Interior the amount of $100,000,000. Such amount shall be used for planning and construction of a rural water treatment and distribution system in portions of, but not limited to, Beadle (including the city of Huron), Buffalo, Hand, Hughes, Hyde, Jerauld, Potter, Sanborn, Spink, and Sully Counties in South Dakota that will furnish water for domestic and other purposes. Such rural water treatment and distribution system is hereafter referred to in this Act as "the Mid-Dakota Rural Water System", as generally proposed by the Mid-Dakota Rural Water System, Inc. and as described in the report "Mid-Dakota Rural Water System Feasibility Study and Report", dated November 1988 and revised March 1989. The funds authorized to be appropriated by this section may be increased or decreased by such amounts as may be justified by reason of ordinary fluctuations in development costs incurred after January 1, 1989, as indicated by engineering cost indices applicable for the type of construction involved.

(b) FINANCIAL ASSISTANCE.—The Secretary of the Interior shall use funds appropriated under this Act to provide financial assistance to plan and develop the Mid-Dakota Rural Water System under the terms and conditions of section 306 of Public Law 87-128 and the rules and regulations promulgated under that law, except to the extent such law or rules or regulations promulgated thereunder are inconsistent with the provisions of this Act. Such funds shall be made available in a combination of grants and loans as may be necessary to plan and construct the Mid-Dakota Rural Water System. Loans shall be at an interest rate of 5 percent per annum. Interest on a loan shall not be charged during construction and the first payment shall not be due until after the project is complete. Grants may exceed 75 percent of eligible development costs, regardless of median household income, if necessary to reduce user costs to a reasonable level.

SEC. 3. WATER CONSERVATION.

The Secretary may not obligate any Federal funds for the construction of the Mid-Dakota Rural Water System, until the Secretary finds that appropriate non-Federal interests have developed and implemented water conservation programs throughout the service area of the Mid-Dakota Rural Water System. The purpose of such programs shall be to ensure that such rural water systems and its customers are utilizing the best practical technology and management techniques to reduce water use and water system costs.

SEC. 4. MITIGATION OF FISH AND WILDLIFE LOSSES.

(a) IN GENERAL.—Mitigation for fish and wildlife losses incurred as a result of the construction and operation of the Mid-Dakota Rural Water System, shall be on an acre-for-acre basis, based on ecological equivalency, concurrent with project construction.

(b) TREATMENT OF COSTS.—Facilities and any other project features which furnish waterfowl and other fish and wildlife benefits beyond the mitigation required shall be constructed, operated, and maintained and the costs of such construction, operation, and maintenance shall be nonreimbursable and nonreturnable.

SEC. 5. USE OF PICK-SLOAN POWER.

(a) IN GENERAL.—(1) From power designated for future irrigation and drainage pumping for the Pick-Sloan Missouri River Basin Program and subject to the conditions set forth in subsection (b), the Administrator of the Western Area Power Administration shall annually make available during the period specified in paragraph (3) the capacity and energy required to meet the pumping requirements, and operational uses incidental thereto, of the Mid-Dakota Rural Water Systems. For the purposes of this section—

(A) the term "pumping requirements, and operational uses incidental thereto," means all power requirements incident to the operation of intake facilities, pumping stations, water treatment facilities, reservoirs and pipelines to, but not beyond, the point of delivery of water by the Mid-Dakota Rural Water System to, as the case may be—

(i) each entity which distributes water at retail to individual users, or

(ii) each rural use location; and

(B) the term "rural use location" includes a water use location in or in the vicinity of a municipality identified in appendix A of the Feasibility Report referred to in section 2(a), if on December 31, 1988, no entity referred to in subparagraph (A) was engaged in the business of distributing water at retail to users in that municipality or vicinity, and there are no more than 40 water use locations in and in the vicinity of that municipality.

(2) The period referred to in paragraph (1) is the summer electrical season of the Western Area Power Administration which commences in the month of May and extends through October 1.

(b) CONDITIONS.—The availability of the capacity and energy referred to in subsection (a) is subject to the following conditions:

(1) The Mid-Dakota Rural Water System shall be operated on a not-for-profit basis.

(2) The Mid-Dakota Rural Water System shall contract to purchase its entire electric service requirements, including the capacity and energy to be made available under subsection (a), from cooperatives which purchase power from a cooperative supplier which itself purchases power from the Western Area Power Administration.

(3) The rate schedule applicable to the capacity and energy made available under subsection (a) shall be the firm power rate schedule of the Pick-Sloan Eastern Division of the Western Area Power Administration in effect when such power is delivered by the Western Area Power Administration.

(4) By contract among the Westen Area Power Administration, the power supplier with which the Mid-Dakota Rural Water System contracts under paragarph (2), that entity's power supplier, and the Mid-Dakota Rural Water System, for the capacity and energy made available under subsection (a), the benefit of the rate schedule identified in paragraph (3) shall be passed through to the Mid-Dakota Rural Water System. This requirement shall not preclude the power supplier to the Mid-Dakota Rural Water System from including in the charges to the Mid-Dakota Rural Water System for such electric service any and all other usual and customary charges.

(5) The Mid-Dakota Rural Water System shall pay its supplier for electric service, other than for capacity and energy made available under subsection (a), in accordance with that supplier's then effective applicable rate schedule.

SEC. 6. RULE OF CONSTRUCTION.

Nothing in this Act is intended, nor shall be construed, to preclude the State of South Dakota from seeking congressional authorization to plan, design, operate, or construct additional federally assisted water resource development projects.

SEC. 7. WATER RIGHTS.

Nothing in this Act shall be construed to—

(1) impair the validity of or preempt any provision of State water law, or of any interstate compact governing water;

(2) alter the rights of any State to any appropriated share of the waters of any body of surface or ground water, whether determined by past or future interstate compacts, or by past or future legislative or final judicial allocations;

(3) preempt or modify any State or Federal law or interstate compact dealing with water quality or disposal; or

(4) confer upon any non-Federal entity the ability to exercise any Federal right to the waters of any stream or to any ground water resources.

Mr. DASCHLE. Mr President, I rise today with my colleague from South Dakota, Senator LARRY PRESSLER, to introduce legislation to authorize the construction of the Mid-Dakota Rural Water System. The project is vitally needed to provide safe and reliable drinking water to eastern South Dakota. If authorized, Mid-Dakota would largely complete the puzzle of providing the rural drinking water needs of South Dakota.

The Mid-Dakota Rural Water System will be located in central South Dakota, east of the Missouri River. The project will pump drinking water from the Missouri River at Lake Oahe to all or portions of Beadle, Buffalo, Hand, Hughes, Hyde, Jerauld, Sanborn, Spink, and Sully Counties. The project is to service an area of more than 7,000 square miles through a series of pumps, storage tanks, and approximately 3,370 miles of buried pipe.

The Mid-Dakota Rural Water System will service an area with 18 municipalities and up to 4,900 rural hookups. The total population for the project area is more than 36,000. The bill authorizes $100 million for the construction of the project. Cost-sharing will be an integral part of the package, but the specifics of this are still being worked out by the State.

The Mid-Dakota project follows in the tradition of the WEB and Mni Wiconi pipelines. These have been ground breaking projects. They are rural drinking water systems bringing water to areas where nature does not provide either an adequate quantity or quality of drinking water. The projects are environmentally benign and they are the most cost-effective means of meeting pressing water needs.

East-central South Dakota faces the same water problems that affect north-central and western South Dakota, the areas of the WEB and Mni Wiconi projects, respectively. I will not go into detail about the water quality problems facing this primarily agricultural region, but recent surveys have showed that 42 percent of the rural wells randomly sampled in the area do not meet Safe Drinking Water Act standards for a variety of compounds. The bad water is hard to escape. The cost of a new well in the region generally runs from $15,000 to $20,000, and even these do not ensure safe water.

Over the past several years, the project sponsors have gone through the project area collecting signups for the proposed Mid-Dakota project. To signup, rural residents had to make a $35 payment. To date, more than 75 percent of the rural residents have signed up for the project, and this before a bill was even introduced. The residents do not expect free water from the government. The sponsors estimate that each rural household will have a monthly water bill in excess of $40.

Need is easy to demonstrate, but there are other aspects of the Mid-Dakota bill that I would like to highlight. The power provisions of the bill are truly ground-breaking. The bill provides a combination of low cost hydroelectric power and rural electric power supply for pumping to the rural domestic bulk water system. The agreement provides some of the much needed development under Pick-Sloan, the 1944 Flood Control and Power Act that cost South Dakota 530,000 acres of prime agricultural land beneath three main stem dams on the Missouri River. While promised irrigation benefits from Pick-Sloan have been nearly nonexistent for South Dakota, the Mid-Dakota project does help fulfill some of the promise of development under the act.

Specifically, power interests, the State of South Dakota and the Mid-Dakota sponsors have been negotiating for months on language that shifts seasonal pumping power reserved for irrigation to the rural drinking water system. The Mid-Dakota project will have the benefit of low cost Federal power in the summer months—when irrigation would have been practiced—and then purchase power from local rural cooperatives during the winter months. The consumer-owned power systems in the Pick-Sloan region view the new policy as a renewed attempt to revitalize Pick-Sloan's role in rural economic development. For Mid-Dakota, the policy means that more than $100,000 in pumping costs will be saved annually.

I believe that the power provisions in Mid-Dakota are extremely significant and could represent a procedure through much of the Pick-Sloan basin. Many individuals have worked extremely hard to set up these provisions, but I would like to specifically acknowledge the effort, patience, and spirit of compromise of three people who largely made the cooperative effort possible: Jeff Nelson of East River Electric Power Cooperative, Tom Graves of Midwest Electric Consumers Association, and Julie Apgar of Mid-Dakota.

I set stringent criteria for projects in the State that want authorization. Central to this is that the project be, at worst, environmentally neutral. Mid-Dakota goes beyond neutrality—it will provide concrete environmental benefits. The acre-for-acre mitigation standard, based on ecological equivalency, is included in the bill. Beyond this, the bill establishes the framework for using the system to enhance wetlands and wildlife habitat throughout the region. With the continuing drought, such a framework could

prove extremely beneficial. Finally, the bill includes strict water conservation language mandating that water conservation programs be developed and implemented throughout project area before the Secretary of the Interior can obligate any construction funds for the project.

The Mid-Dakota project is based on consensus, innovation, and years of trial and error. I firmly believe that Mid-Dakota represents a new breed of Federal water projects, designed to address real human needs in rural America. Clean water is the necessary first step to improving the quality of life in rural America, and with it can come needed economic development. I look forward to working with my colleagues in the Senate during the months ahead to achieve passage of Mid-Dakota. It is a project I enthusiastically support, and I believe that it deserves the support of the Congress.

By Mr. BUMPERS (for himself, Mr. HOLLINGS, and Mr. LUGAR):

S. 1547. A bill to provide special rules for health insurance costs of self-employed individuals; to the Committee on Finance.

HEALTH INSURANCE DEDUCTION FOR SELF-EMPLOYED INDIVIDUALS

● Mr. BUMPERS. Mr. President, today I am introducing legislation to rectify one of the most egregiously discriminatory provisions in our Federal tax law. This bill will amend the Internal Revenue Code of 1986 to allow self-employed individuals, namely, the sole proprietors and partners in millions of America's small businesses, to deduct 80 percent of the cost of health insurance for themselves and their dependents. As chairman of the Small Business Committee, I believe it is long past time that the self-employed are placed on the same tax footing as employees of large corporations who may enjoy excellent health benefits without any tax liability.

Under the Tax Reform Act of 1986, as under prior law, an employer's contribution to a plan providing health and accident benefits is excludable from an employee's income. No similar exclusion was provided under prior law for self-employed individuals. The self-employed paid tax on their health benefits, for the most part, while employees did not. This unequal treatment cannot be justified. The Tax Reform Act of 1986 included a modest provision to rectify the large inequity in the treatment of self-employed individuals by allowing them to deduct 25 percent of the expense for health insurance for themselves, their spouse, and their dependents, but only through 1989. The Senate tax reform bill, incidentally, allowed a 50 percent deduction for these health insurance costs, while the House bill gave nothing. The conferees split the difference by allowing for a 25-percent deduction which expires at the end of 1989.

At the same time, however, the 1986 act reduced the tax deduction for personal health expenditures by raising the floor which such expenses must exceed from 5 percent to 7½ percent of a taxpayer's adjusted gross income before becoming allowable as a deduction when determining taxable income. For example, consider the case of a taxpayer who earns $40,000 a year; before the 1986 act, this taxpayer's medical expenditures must have exceeded $2,000 in a given year before any of those expenditures would be allowable as a medical deduction. After the 1986 act, however, only those medical expenditures exceeding $3,000 were deductible. Hence, much of what the Tax Reform Act gave with one hand was taken away by the other hand.

I believe that we must address the need for adequate protection from the potential ravages of health care expenses for the uninsured and underinsured citizens and their families in our country. Thirty-seven million Americans are without any kind of health insurance today. Moreover, there are 14 million self-employed people in this country. How many of those 14 million self-employed are part of the 37 million uninsured because the Internal Revenue Code makes insurance unaffordable is unclear. However, my bill will encourage the purchasing of health insurance by self-employed people. At a minimum, it will eliminate the current tax penalty imposed on self-employed individuals or unincorporated businesses that provide health insurance for these owner-operators and their families, as compared to employees of corporations.

The importance of small business to the American economy cannot be emphasized enough. During our last recession, the smallest businesses, those employing fewer than 20 people, were responsible for creating all new jobs from 1981 to 1982—a net 1 million jobs—according to the 1984 Report of the President on the State of Small Business. The 1988 report of the President states that 10.5 million new jobs were created during the period from 1980 to 1986, and of that total, 63.5 percent were created by businesses with less than 500 employees and 38.7 percent by businesses with fewer than 20 employees. Yet, just over one-quarter of the smallest firms feel they can afford to offer health coverage, compared to more than three-quarters of all corporations which do offer such coverage. Undoubtedly, this is in no small part due to the tax deduction incorporated businesses enjoy for providing health coverage for employees. The Treasury is thereby heavily subsidizing the cost of health coverage by providing tax-exempt status, and I do not quarrel with this policy. It is only fair that we demonstrate our willingness to end this discrimination and extend this opportunity to self-employed individuals who play such an active and vital part in the American economy.

According to estimates made by the Joint Committee on Taxation, my proposal to allow self-employed individuals to deduct 80 percent of health insurance costs would reduce Federal budget receipts by a total of $7.4 billion over a 5-year period, costing $800 million in the first year, 1990.

The legislation I am introducing strikes an important balance between the urgent need for this deduction and the cost of providing it. While I agree in principle with other proposals which would provide a 100-percent deduction to the self-employed, my proposal is more economically feasible. A bill calling for a 100-percent deduction would have a price tag of $1 billion in 1990 and $9.2 billion from 1990 through 1994. In the first year alone, 1990, my legislation costs $200 million less to the Treasury.

Let me make it perfectly clear that this deduction will not line the pockets of the wealthy or create a tax loophole for any wealthy corporation; it will provide a sensible approach to addressing a serious need at a modest price and benefit many of the people who are currently without any type of health coverage.

Mr. President, as a former small business owner and as the chairman of the Small Business Committee, I will continue to fight for this legislation because it is sorely needed and has been unjustly denied to many small business owners for too long. I hope my colleagues will demonstrate their support for the small business community by supporting this legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD after my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1547

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SPECIAL RULES FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Section 162(1) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended by striking "25 percent" in paragraph (1) and inserting "80 percent".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1989.●

By Mr. COATS:

S. 1548. A bill to amend the Controlled Substances Act to strengthen minimum imprisonment provisions for employing persons under 18 years of age in drug operations, and for other

purposes; to the Committee on the Judiciary.

JUVENILES IN DRUG CRIME PREVENTION ACT

● Mr. COATS. Mr. President, the outbreak of drug-related crimes across this country is unparalleled in our history. And to me the most disturbing development in this crisis is the increasing use and involvement of young people in drug trafficking. More and more kids in their teens, and even younger, have become the pawns of cynical, calculating drug kingpins and dealers; first, as users, then as dealers, selling coke, crack, and other deadly drugs to other kids. The employment and utilization of minors in drug distribution traps our youth in an industry of addiction; stripping them of conviction, character, and even of life.

The legislation which I am introducing today addresses this problem of using juveniles in drug crimes by strengthening penalties for adults who use minors to do their dirty work. The juveniles in Drug Crime Prevention Act of 1989 would amend the Controlled Substances Act to increase minimum imprisonment provisions for employing minors in drug operations.

In title 21, United States Code, section 845B currently makes it an offense for an adult to employ, hire, use, persuade, entice or coerce a juvenile under the age of 18 to engage in drug violations under the Controlled Substance Act, or assist in avoiding detection or apprehension for such an offense. The penalty for a first offense is up to twice the term of imprisonment and twice the fine authorized for the offense. Provided that the term of incarceration must be not less than 1 year. The current penalty for a second offense is up to three times the term of imprisonment and three times the amount of the fine authorized for the offense, with the same proviso that the prison term be at least 1 year.

Section 2 of this bill would increase mandatory minimum terms of imprisonment for adults who employ persons under 18 years of age in illegal drug activities. The minimum sentence is raised from 1 year to 5 years for a first offense and from 1 year to 8 years for a second offense. This change eliminates the unjustifiable anomaly on current law whereby the mandatory minimum sentence is the same for first and repeat offenders.

In title 21, United States Code, section 845b(d) currently provides in part for imprisonment of up to 5 years for using or employing persons 14 years of age or younger in violation of the Controlled Substances Act or in avoiding detection for such a violation. Section 3 of my bill would strengthen that penalty by raising the term of incarceration to 10 years, or a fine of not more than $50,000, or both. Section 3 would also add a new minimum term of imprisonment for adults who employ very young juveniles in drug operations under the act. The minimum sentence would be fixed at 7 years for a first offense and 10 years for a repeated offense.

These changes proposed in sections 2 and 3 are appropriate both as a deterrent and as punishment. They are consistent with language in section 6454 of the Anti-Drug Abuse Act of 1988—Public Law 100-690—in which the Congress directed the sentencing commission to increase penalties for drug crimes involving minors to an offense level no less than level 26. The sentencing commission recommended that such sentences fall within 63 and 78 months' imprisonment. These enhanced penalties are supported by Indiana law enforcement officials with whom my staff has consulted on this matter.

Under the Armed Career Criminal Statute, 18 U.S.C. 924(E), it is an offense punishable by at least 15 years' imprisonment for any person who has three previous convictions for a "violent felony" or a "serious drug offense," or both, to receive or possess a firearm. The Congress recognized that the violence associated with drug trafficking and other drug-related crimes is all to frequently carried out with the use of weapons. Section 6451 of the Anti-Drug Abuse Act of 1988 added as a new predicate offense category to the armed career criminal statute these acts of juvenile delinquency involving the use of or carrying of a firearm, knife, or destructive device that, if committed by an adult, would constitute a "violent felony." In other words, acts of juvenile delinquency that would meet the definition of a "violent felony" if committed by an adult and involve the use of dangerous weapons may now be counted toward the three required prior offenses of 18 U.S.C. 924(E).

Section 4 of my bill would amend the Armed Career Criminal Statute so that acts of juvenile delinquency that fall within the definition of a "serious drug offense" if they had been committed by an adult may also be counted toward the three predicate offenses. A serious drug offense is one punishable by imprisonment for at least 10 years.

This language is contained in section 106 of the Comprehensive Violent Crime Control Act of 1989, the President's crime control package. It is strongly supported by the Justice Department.

Mr. President, there is no greater crime than the corruption of a child—robbing them of hope and conviction by feeding a desire for illicit gain. And there is no greater cowardice than hiding drug corruption behind a shield of youth. This bill addresses this problem with the firm measures it requires. And I hope it will be quickly considered.

I request unanimous consent that the full text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1548

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Juveniles in Drug Crime Prevention Act of 1989".

SEC. 2. INCREASED MINIMUM IMPRISONMENT FOR EMPLOYMENT OF PERSONS UNDER 18 YEARS OF AGE IN DRUG OPERATIONS IN CASE OF PRIOR CONVICTION.

(a) FIRST OFFENSES.—The second sentence of section 405B(b) of the Controlled Substances Act (21 U.S.C. 845B(b)) is amended by striking "one year" and inserting "five years".

(b) SECOND OFFENDERS.—The second sentence of section 405B(c) of the Controlled Substances Act (21 U.S.C. 845b(c)) is amended by striking out "one year" and inserting in lieu thereof "eight years".

SEC. 3. NEW MINIMUM IMPRISONMENT FOR EMPLOYMENT OF PERSONS UNDER 14 YEARS OF AGE IN DRUG OPERATIONS.

Section 405B(d) of the Controlled Substances Act (21 U.S.C. 845b(d)) is amended—

(1) by striking "five years" and inserting "10 years";

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(3) by inserting "(1)" after "(d)"; and

(4) by adding at the end of the following new paragraph:

"(2) Except to the extent a greater minimum sentence is otherwise provided—

"(A) a term of imprisonment under paragraph (1)(B) of this subsection shall be not less than 7 years; and

"(B) in the case of a second or subsequent violation, a term of imprisonment under such paragraph shall be not less than 10 years.".

SEC. 4. SERIOUS DRUG OFFENSES BY JUVENILES AS ARMED CAREER CRIMINAL ACT PREDICATES.

Section 924(e)(2)(A) of title 18, United States Code, is amended—

(1) by striking "or" at the end of clause (i);

(2) by striking "and" at the end of clause (ii) and inserting "or"; and

(3) by adding a new clause (iii), as follows:

"(iii) any act of juvenile delinquency that if committed by an adult would be a serious drug offense described in this paragraph; and". ●

By Mr. HATCH:

S. 1549. A bill to amend the Tariff Act of 1930 to eliminate the requirement that manhole covers be marked on the top surface; to the Committee on Finance.

MARKINGS ON MANHOLE COVERS

Mr. HATCH. Mr. President, in 1984 Congress amended the country-of-origin-marking law to specifically require that imported manhole covers, rings or frames, and assemblies thereof, be marked as to the country of origin on their top surface only. This was a unique requirement not applied to any other product. My constitutent,

D&L Supply Co. of Orem, UT, is an importer of municipal casting products and this company has provided ample evidence that the extra marking requirement for this particular product is both impractical and discriminatory. Because the provision is technically difficult to meet, and because a top surface marking affects the product's marketability, the 1984 provision has become, in effect, a nontariff trade barrier.

I have reviewed section 304 of the Tariff Act of 1930 and must agree that it is inconsistent with the marketing requirement for all other imported articles. It exceeds what is needed to satisfy the fundamental rationale of the law, which is to enable the ultimate purchaser to know by inspection the country of origin of that article. There does not appear to be any logical reason that this industry should be singled out for unnecessary and damaging restrictions.

The bill which I am submitting today would simply reinstate the pre-1984 requirements of the law by deleting the phase "on the top surface," from section 304(e). This will in no way exempt manhole covers from any of the other marking requirements imposed by the law.

This legislation will also correct potential conflicts with U.S. obligations under article IX of the General Agreements on Tariff and Trade, which calls for marking laws to protect consumers against misleading indications without reducing a product's value.

By Mr. GRASSLEY:

S. 1550. A bill to amend title XVII of the Social Security Act to include rural health clinics within the definition of provider services with respect to such title; to the Committee on Finance.

INCLUSION OF HEALTH CLINICS IN DEFINITION OF PROVIDER SERVICES

Mr. GRASSLEY. Mr. President, today I am introducing a bill which would make it possible for rural health clinics to appeal to the Medicare Provider Reimbursement Review Board.

At this time, it is not possible for these rural health clinics to appeal to this Board. The reason for this is that these clinics are not mentioned in section 1861(u) of the Social Security Act which defines "providers of services." Therefore, they may not appeal to the Board authorized under section 1878 of the act for appeals from "any provider of services which has filed a required cost report within the time specified in regulations . . . with respect to such cost report."

According to staff at the Health Care Financing Administration, that agency may not authorize by regulation appeal rights before the Board for rural health clinics. I am informed that they believe that legislative action is necessary to authorize this.

I have been unable to discover any objection to this change, Mr. President, or any reason why we should not take this step. Rural health clinics do have provider numbers, just as do other Medicare providers. They do file cost reports with the Medicare Program. The services of such clinics are discussed in section 1861(AA)(1) of the Law.

I believe that they should be able to appeal to the Board. My bill would accomplish this by including rural health clinics in section 1861(u) which defines "providers of services."

By Mr. MATSUNAGA (for himself, Mr. HARKIN, Mr. ROCKEFELLER, Mr. INOUYE, Mr. GORE, Mr. DODD, Mr. RIEGLE, Mr. DASCHLE, Mr. PELL, and Mr. MOYNIHAN):

S. 1552. A bill to amend title VII of the Public Health Service Act to increase the support provided to programs for the training of medical rehabilitation health personnel, to establish a Division of Allied Health Professions within the Health Resources and Services Administration, to initiate a pilot program concerning allied health research, and for other purposes; to the Committee on Labor and Human Resources.

ALLIED HEALTH PROFESSIONALS PROMOTION ACT OF 1989

Mr. MATSUNAGA. Mr. President, I am today introducing legislation designed to alleviate the severe shortage of allied health professionals throughout our Nation. Hospitals, nursing homes, home health agencies, rehabilitation facilities, school systems, and other service providers, all are simply unable to recruit sufficient numbers of qualified personnel to provide essential services. This manpower shortage is approaching crisis proportions, particularly with respect to rehabilitation professionals, whose skills and services are highly critical in the provision of care to the elderly, the chronically ill, handicapped children, and the developmentally disabled.

Mr. President, these shortages will intensify in the years ahead unless there is a renewed Federal effort to assure the availability of an adequate number of practitioners.

I am, therefore, pleased to be joined by my forward colleagues, Senators HARKIN, ROCKEFELLER, INOUYE, GORE, DODD, RIEGLE, PELL, MOYNIHAN, and DASCHLE, in introducing the Allied Health Professionals Promotion Act of 1989. The bill would amend title VII of the Public Health Service Act to increase and target Federal support available under the act for the training of allied health professionals in short supply.

There is compelling evidence of the growing magnitude of these personnel shortages. Studies, surveys, and reports by organizations and agencies such as the American Medical Association, American Hospital Association, American Society of Allied Health Professions, the U.S. Department of Veterans Affairs, the Institute on Aging, the Medicare Prospective Payment Assessment Commission, the U.S. Department of Education, and the Institute of Medicine, all underscore the seriousness of the diminishing pool of allied health personnel and the worsening outlook of the horizon. Among the fields experiencing the most acute shortages are occupational therapy, physical therapy, respiratory therapy, and speech-language pathology and audiology.

The American Hospital Association [AHA] recently completed a survey of over 7,000 hospitals nationwide to determine the extent of health care personnel shortages. This survey revealed that among allied health personnel, those with the highest full-time vacancy rates were physical therapists at 16.3 percent and occupational therapists at 14.7 percent, with vacancy rates for speech-language pathologists at 9.2 percent. The survey further revealed that a reduction in essential services was the most common consequence to these personnel shortages, with 22.4 percent of responding hospitals reducing services, 15.3 percent closing beds or units, and 12.6 percent of hospitals diverting patients.

A recently released study by the U.S. Department of Veterans Affairs [VA] provided even more urgent evidence of the need for immediate action, Mr. President. The vacancy rate throughout the VA medical system for occupational therapists is now 19.1 percent, and for physical therapists, 26.3 percent.

These shortages result from a combination of factors, the main one being a surge in demand for services from a population in which more individuals survive into old age, often with chronic conditions or multiple disabilities. In addition, Mr. President, medical and technological advancements have increased the frequency of survival from accidential trauma or severely disabling conditions present at birth, thus heightening the demand for a range of services to enhance functional independence and quality of life.

Last year, 48 health care institutions in my State were sent surveys on human resources in each of 150 job categories by the Healthcare Association of Hawaii. These institutions consisted of acute care, speciality, long-term care, mixed—acute and long-term care—mental health, clinic and care homes. The findings of this study indicate that some of the major shortages are found under rehabilitation services. The vacancy rate was 19 percent for certified occupational therapy as-

sistants, 18 percent for senior physical therapists, and 17 percent for physical therapists.

According to Dr. Patrick J. Duarte, president and chief executive officer of the Rehabilitation Hospital of the Pacific in Honolulu, HI, commenting on the unfilled positions, "There are the obvious problems of limiting the number of patients we are able to serve and decreasing to less than optional the number of length of treatment we offer to our patients." In addition, Mr. President, one of the critical problems is that our educational institutions have not been able to meet this rising demand. The allied health educational system lacks resources to expand existing programs or create new ones. There are serious shortages of qualified faculty, and student recruitment is hampered by a shrinking pool of college-age individuals. Moreover, the cost of attending health profession schools have been rising in excess of inflation. All this has occurred at a time when overall Federal support for allied health education has declined dramatically over the past 8 years.

Future projections of demand for these rehabilitation professionals show a worsening picture and underscore the need for us to take steps to avert the crisis that looms just a few years ahead. The latest data available from the Department of Labor's Bureau of Labor Statistics [BLS] indicates that between now and the year 2000, demand for physical therapists, occupational therapists, and respiratory therapists will increase by 87, 52, and 34 percent, respectively, with similar increases for other allied health professions.

Last year during our consideration of the reauthorization of title VII, the Labor and Human Resources Committee reported our legislation, S. 2229, which incorporated several proposals of mine designed to address this critical problem. I was gratified with the strong, bipartisan support that S. 2229 received both in committee and on the floor of the Senate, particularly in light of the fact that authority for allied health professions training initiatives had not been authorized for appropriations since 1980. However, the final product that emerged from the conference committee, which was incorporated into the Health Omnibus Program and Extension Act of 1988 (Public Law 100-607), fell far short of the original allied health provisions contained in S. 2229, and certainly far short of what is urgently needed to address a problem of this magnitude.

My proposal today seeks to build on the modest initiatives that were included in last year's reauthorization measure, and incorporates additional provisions designed to consolidate and focus the Federal Government's efforts in support of allied health education, training, and research. The proposed legislation also incorporates some of the recommendations contained in the Institute of Medicine's [IOM] recently completed study entitled, "Allied Health Services: Avoiding Crises," the first major independent examination of the allied health professions. It also draws upon the evidence and recommendations presented to the Labor and Human Resources Committee during our hearings last year.

The bill contains initiatives targeting Federal support to those allied health fields or specialties that are experiencing the most severe personnel shortages. In addition, it seeks to ensure that the future needs of our aging population and disabled community are met by directing support to those fields that have a significant role in the care and rehabilitation of the elderly or disabled. This legislation will assist in expanding existing allied health education programs and in creating new programs. It will help address the shortage of qualified faculty and will provide incentives for attracting individuals into key allied health professions.

Mr. President, my proposal also seeks to redress the lack of a central entity within the Federal Government to plan, oversee, and administer our allied health initiatives. With over 60 percent of our health care work force comprised of allied health professionals, we simply must strengthen and focus our efforts. Accordingly, the legislation would establish a division of allied health within the Health Resources and Services Administration's Bureau of Health Professions.

Allied health professionals share important responsibilities for the delivery of health care services. These responsibilities include services related to the prevention, identification, and evaluation of diseases and disorders, health promotion services, rehabilitation services, and health systems management services. Despite these critical roles in our health care system, Federal support for essential research in allied health is practically nonexistent.

My proposal, therefore, would establish a very modest pilot project of limited duration supporting innovative allied health reseach projects to determine which areas hold promise for the future and to explore the appropriateness and viability of an expanded Federal role in support of such research in the future.

To assist in all of these endeavors, the legislation would create an advisory council on allied health to provide the executive branch and Congress with advice and recommendations on policy matters relevant to allied health education, training, and research. This advisory council would consist of key Federal health experts including the Department of Health and Human Services' Assistant Secretary for Health, the Administrator of the Health Care Financing Administration, and the Department of Veterans Affairs Chief Medical Director. In addition, the council would have members representing the allied health professions, health care facilities, health insurers, and schools of allied health.

Mr. President, the legislation which I am introducing today is strongly supported by a broad coalition of health care consumers, facilities, providers, and professional associations including the American Occupation Therapy Association, American Physical Therapy Association, American Speech-Language-Hearing Association, National Association of Rehabilitation Agencies, National Association of Rehabilitation Facilities, National Easter Seal Society, American Association for Respiratory Care, American Hospital Association Section for Rehabilitation Hospital and Programs, and the United Cerebral Palsy Association. I urge my Senate colleagues to join me in support of this measure.

Mr. President, I ask unanimous consent that the full text of the legislation, and a summary of the act, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1552

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Allied Health Professionals Promotion Act of 1989".

SEC. 2. REFERENCES.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201n et seq.).

SEC. 3. USE AND AUTHORIZATION OF PROJECT GRANTS AND CONTRACTS.

(a) USE.—Section 796(b) of such Act (42 U.S.C. 295h-5(b)) is amended by adding at the end thereof the following new paragraph:

"(3) The Secretary shall allocate 75 percent of the funds authorized under subsection (d) for grants and contracts made or entered into under subsection (a) to those allied health fields or specialties as the Secretary shall, from time to time, determine to have—

"(A) the most significant national or regional shortages of practitioners; and

"(B) a significant role in the care and rehabilitation of clients and patients who are elderly or disabled.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Subsection (d) of section 796 of such Act (42 U.S.C. 295h-5(d)) is amended to read as follows:

"(d) For the purpose of making payments under grants and contracts under subsection

(a), there are authorized to be appropriated $7,000,000 for fiscal year 1990, and $9,000,000 for fiscal year 1991.".

SEC. 4. ALLIED HEALTH STUDENT TRAINEESHIPS.

Title VII of such Act is amended by adding after section 796 (42 U.S.C. 295h-5) the following new section:

"SEC. 796A. ALLIED HEALTH STUDENT TRAINEESHIPS.

"(a) GRANTS.—The Secretary may make grants to, and enter into contracts with, public and nonpublic private schools of allied health, or other educational entities offering an allied health program, to assist students in meeting the costs of entry level education.

"(b) USE OF GRANTS.—Grants or contracts awarded under subsection (a) shall be used to assist in the payment of costs associated with tuition, fees, and such other stipends and allowances for trainees as the Secretary may consider necessary.

"(c) LIMITATION.—The Secretary shall allocate 75 percent of the funds authorized for grants and contracts made or entered into under subsection (a) to those allied health fields or specialties as the Secretary shall, from time to time, determine to have—

"(1) the most significant national or regional shortages of practitioners; and

"(2) a significant role in the care and rehabilitation of clients and patients who are elderly or disabled.

"(d) TAXATION.—Notwithstanding any other provision of law, any payment to, or on behalf of, a participating student of tuition under this section shall be exempt from taxation.

"(e) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there are authorized to be appropriated $10,000,000 for fiscal year 1990, and $12,000,000 for fiscal year 1991.".

SEC. 5. ADVANCED TRAINING OF ALLIED HEALTH PERSONNEL.

Subsection (c) of section 797 of such Act (42 U.S.C. 295h-6(c)) is amended to read as follows:

"(c) AUTHORIZATION OF APPROPRIATIONS.—For purposes of making payments under grants and contracts under subsection (a), there are authorized to be appropriated $7,000,000 in fiscal year 1990, and $9,000,000 in fiscal year 1991.".

SEC. 6. DIVISION OF ALLIED HEALTH PROFESSIONS AND ADVISORY COUNCIL.

Subpart II of part G of such Act (42 U.S.C. 295h-4 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 798A. DIVISION OF ALLIED HEALTH PROFESSIONS AND ADVISORY COUNCIL.

"(a) DIVISION OF HEALTH PROFESSIONS.—In order to consolidate and focus the efforts of the Federal government in support of allied health education, training, and research, there is established within the Health Resources and Services Administration's Bureau of Health Professions, a Division of Allied Health Professions.

"(b) ADVISORY COUNCIL ON ALLIED HEALTH.—

"(1) ESTABLISHMENT.—There is established within the Division of Allied Health Professions an Advisory Council on Allied Health (hereafter in this section referred to as the 'Council'). The Council shall—

"(A) meet twice annually to provide advice and make recommendations to the Secretary and to the Committees on Labor and Human Resources and Finance of the Senate and the Committees on Energy and Commerce and Ways and Means of the House of Representatives, with respect to—

"(i) the supply and distribution of allied health personnel in the United States;

"(ii) current and future shortages or excesses of allied health personnel;

"(iii) priority research needs within the allied health professions;

"(iv) appropriate Federal policies with respect to the matters specified in clauses (i), (ii), and (iii), including policies concerning changes in the financing of undergraduate and graduate allied health programs, changes in the types of allied health education, and the appropriate Federal role in the development of a research base in the allied health professions;

"(v) appropriate efforts to be carried out by health care facilities, schools and programs of allied health, and professional associations with respect to the matters specified in clauses (i), (ii), and (iii), including efforts for changes in undergraduate and graduate allied health education programs, and private support for research initiatives;

"(vi) deficiencies and needs for improvements in existing data bases concerning the supply and distribution of training programs for allied health in the United States and steps that should be taken to eliminate those deficiencies; and

"(vii) problems, and recommendations for their resolution, relating to the roles and functions of professionals within the allied health fields and other fields such as medicine and dentistry; and

"(B) encourage entities providing allied health education to conduct activities to voluntarily achieve the recommendations of the Council under subparagraph (A)(v).

"(2) COMPOSITION.—The Council shall be composed of—

"(A) the Assistant Secretary for Health;

"(B) the Administrator of the Health Care Financing Administration;

"(C) the Chief Medical Director of the Department of Veterans' Affairs;

"(D) eight members appointed by the Secretary that include representatives of physical therapy, occupational therapy, speech language pathology and audiology, respiratory therapy, dietetics, clinical laboratory personnel, dental hygiene, and medical records administration; and

"(E) five members appointed by the Secretary that include representatives of schools and programs of allied health, health care facility employers of allied health personnel, health insurers, and professional organizations representing the allied health professions.

"(3) APPOINTMENT.—

"(A) TERMS.—Members of the Council appointed under subparagraphs (D) and (E) of paragraph (2) shall be appointed for a term of 4 years, or until a replacement is appointed, except that the term of office of three of the members first appointed shall expire, as designated by the Secretary at the time of appointment, at the end of 4 years.

"(B) TIME FOR APPOINTMENT.—The Secretary shall appoint the first members to the Council under subparagraphs (D), (E), and (F) of paragraph (2) within 60 days after the date of enactment of this section.

"(4) CHAIRPERSON.—The Council shall elect one of its members as Chairperson of the Council.

"(5) QUORUM.—Nine members of the Council shall constitute a quorum, but a lesser number may hold hearings.

"(6) VACANCIES.—Any vacancy in the Council shall not affect its power to function.

"(7) COMPENSATION.—Each member of the Council who is not otherwise employed by the United States Government shall receive compensation at a rate not greater than the daily rate prescribed for GS-18 under the General Schedule under section 5332 of title 5, United States Code, for each day, including traveltime, such member is engaged in the actual performance of duties as a member of the Council. A member of the Council who is an officer or employee of the United States Government shall serve without additional compensation. All members of the Council shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

"(8) ADMINISTRATION.—

"(A) IN GENERAL.—To carry out this section, the Council may—

"(i) collect such information, hold such hearings, and sit and act at such times and places, either as a whole or by subcommittee, and request the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Council or such subcommittee may consider available; and

"(ii) request the cooperation and assistance of Federal departments, agencies, and instrumentalities, and such departments, agencies, and instrumentalities are authorized to provide such cooperation and assistance.

"(B) COORDINATION.—The Council shall coordinate activities carried out under this section with the activities of the National Advisory Council on Health Professions Education under section 702 and with the activities of the Secretary under section 708. The Secretary shall, in cooperation with the Council and pursuant to the recommendations of the Council, take such steps as are practicable to eliminate deficiencies in the data base established under section 708 and shall make available in its reports such comprehensive data sets as are developed pursuant to this section.

"(9) REPORTS.—In the reports required under paragraph (1), the Council shall specify its activities during the period for which the report is made.".

SEC. 7. ALLIED HEALTH RESEARCH PILOT PROGRAM.

Subpart II of part G of such Act (42 U.S.C. 295h-4 et seq.) (as amended in section 6) is further amended by adding at the end thereof the following new section:

"SEC. 798B. ALLIED HEALTH RESEARCH PILOT PROGRAM.

"(a) ESTABLISHMENT.—The Secretary shall establish a 2-year pilot program to make grants to support innovative allied health research projects.

"(b) ADMINISTRATION.—The program established under subsection (a) shall be administered through the Division of Allied Health Professions, and priorities for research projects shall be developed by such division in consultation with the Advisory Council on Allied Health.

"(c) USE OF GRANTS.—Grants made under this section shall be used by the recipients to conduct innovative allied health research projects that have been determined by the Division to require support under this section.

"(d) APPLICATION.—To receive a grant under this section an entity shall submit an application at such time, in such form, and containing such information as the Secretary shall require.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to make grants under this section, $500,000 in fiscal year 1990, and $1,000,000 in fiscal year 1991.".

SUMMARY OF THE ALLIED HEALTH PROFESSIONALS PROMOTION ACT OF 1989

Project Grants and Contracts—Section 796 of Title VII provides that the Secretary of Health and Human Services may make grants to and enter into contracts with allied health educational entities to assist in the recruitment of individuals into allied health professions, and to assist in the improvement and expansion of available faculty and program resources. The proposed legislation would increase the existing authorization under this section from $2 million in each of fiscal years 1990 and 1991 to $7 million in fiscal 1990 and $9 million in fiscal year 1991. In addition, the Secretary will be required to direct 75 percent of the funds available for such grants to eligible entities for the purpose of supporting programs in those allied health field or specialties that have significant shortages and a significant role in the care and rehabilitation of patients and clients who are elderly or disabled.

Entry-Level Student Traineeships—The proposed legislation would create a new Section 796 (A) under Title VII to provide that the Secretary shall make grants to and enter into contracts with allied health educational entities to provide assistance to students in meeting the costs of entry level education. The Secretary will ensure that 75 percent of the funds available for such grants and contracts be directed to eligible entities for the purpose of preparing individuals to enter fields or specialties that have significant shortages and a significant role in the care and rehabilitation of the elderly and disabled. Authorized to be appropriated under this new section would be $10 million in fiscal year 1990 and $12 million in fiscal 1991.

Traineeships for Advanced Training—Section 797 of Title VII authorizes the Secretary to make grants to and enter into contracts with allied health education entities to assist them in the development and operation of doctoral programs for the advanced specialty training of allied health professionals who plan to teach and conduct research, and to provide financial assistance to doctoral students in the form of traineeships or fellowships. The current statutory language also requires the Secretary to direct grants and contracts entered into under this section to those field or specialties that have the most significant national or regional shortages of practitioners, insufficient numbers of qualified faculty, and a significant role in the care and rehabilitation of the elderly and disabled. The proposed legislation would increase the existing authorization under this section from $2 million in each of fiscal years 1990 and 1991 to $7 million in fiscal 1990 and $9 million in fiscal year 1991.

Division of Allied Health Profession and Advisory Council—The proposed legislation would create a Division of Allied Health Professions within the Health Resources and Services Administration's Bureau of Health Professions. The purpose of this Division would be to consolidate and focus federal efforts in support of allied health education, training, and research. The measure would also create an Advisory Council on Allied Health to provide advice and recommendations to the Secretary and the Congress on policy matters relevant to education, training, and research.

Pilot Program in Allied Health Research—The proposed legislation would establish a two-year pilot project to design and fund a program of grants to support innovative allied health research projects. Priorities for the research projects would be developed by the newly created Division of Allied Health in consultation with the Advisory Council on Allied Health. Authorized to be appropriated for this pilot program would be $500,000 in fiscal year 1990 and $1,000,000 in fiscal 1991.

Mr. HARKIN. Mr. President, tremendous advances in health care technology creates new horizons—new hopes for all of us. Yet, access to these new opportunities may be substantially limited if there are not enough trained specialists to provide services to the millions of Americans who are or will be in need of such services.

There is an eminent crisis in the shortage of allied health professionals. We are all concerned about the growing shortage of nurses and the likely impact on patient care. At the same time, we must not overlook an equally grave problem—a rapidly growing shortage of physical therapists, occupational therapists, communication disorders specialists, and other allied health professionals.

More than 30 million people in the United States have communication disorders, including 22 million who have either total or partial hearing loss. Speech and language impairments are most common among children and make up the second largest category of disabilities in the public schools. Yet, the Department of Education, in its ninth annual report on the implementation of Public Law 94-142 found a shortage of more than 2,500 specially trained personnel to serve these children. Further, there has been a serious decline in graduate program faculty in communication sciences and disorders.

Physical therapists and occupational therapists are critical to the rehabilitation process of individuals of all ages who are physically, psychologically or developmentally disabled, including those suffering from strokes, heart disease, arthritis, diabetes, disabling injuries, neurological disorders, serious burns, spinal cord injuries, and psychiatric disorders. Current estimates predict that each year, there will be an additional shortage of more than 1,300 physical therapists. There is, currently, a nationwide shortage of occupational therapists of at least 32 percent. Academic training programs for both physical and occupational therapists are unable to keep up with the demand.

As the population ages, the demand for allied health professionals will become greater. Those people most adversely affected are people living in smaller, more rural areas—many in my own State of Iowa—because that is where shortages of health care professionals are felt first and hardest.

Mr. President, I am pleased to join with Senator MATSUNAGA in introducing legislation which will increase existing authorization for allied health training. This legislation targets training programs in shortage areas and emphasizes rehabilitation services for people who are elderly or disabled. I urge the Congress to act swiftly to enact it, thus assuring adequate and appropriate health and rehabilitative services to all Americans.

By Mr. COATS (for himself, Mr. MCCAIN, Mr. ARMSTRONG, Mr. HUMPHREY, Mr. DOLE, Mr. ROTH, Mr. MCCONNELL, Mr. BOND, Mr. BOSCHWITZ, Mr. KASTEN, Mr. HELMS, Mr. WARNER, Mr. MACK, Mr. LUGAR, Mr. DANFORTH, Mr. GORTON, Mr. GRAMM, Mr. NICKLES, Mr. SYMMS, Mr. WILSON, Mr. BURNS, Mr. GARN, Mr. GRASSLEY, Mr. LOTT, Mr. MURKOWSKI, Mr. SIMPSON, Mr. WALLOP, Mr. HATCH, Mr. CHAFEE, Mr. THURMOND, Mrs. KASSEBAUM, and Mr. PRESSLER):

S. 1553. A bill to grant to power to the President to reduce budget authority; pursuant to the order to August 4, 1977, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs.

LINE-ITEM VETO

Mr. COATS. Mr. President, a few years ago the chief economist for the Office of Management and Budget admitted, "You just don't see people running through the streets to have the deficit cut."

An obvious point, but one that gets to the core of the deficit problem. It's time the Congress confessed to something everyone else knows already. The deficit was one whirling, thunderous adventure to create: all those new agencies and popular votes—with plenty of credit to go around. But controlling the deficit, on the other hand, could only inspire visions in the most committed accountant.

The problem of spectacular disregard for responsible limits—the exciting failure of legislative overreach—will be solved by measures that have all the drama of watching someone balance their checkbook.

Self-discipline is never exciting—only essential. And in this case we have everything at stake—what Jefferson called the stark choice between "economy and liberty, or profusion and servitude."

But now the Congress has been asked by the Department of the Treasury to increase the public debt limit by tens of billions of dollars—to a level well over the $2.8 trillion debt limit we set. Most taxpayers don't realize it, but the Treasury must ask for legal

authority to continue its yearly borrowing against our children's future. And now that figure is nearly $3 trillion.

The Congress, charged with the public trust—as well as its tax money—has an awesome responsibility to tame the deficit. But so does the President. Voters hold him responsible for spending, and cast their votes based on the cuts he promises. Yet, in reality, the President is left with very little authority to control deficit spending. And before we criticize him, or any other recent President, we need to consider what exactly he can do.

The President submits his annual budget, which the Congress largely ignores. He also submits rescissions, or spending cuts, which the Congress rarely enacts. Despairing of a lack of other options, many cry for tax increases to fund more and more spending. But there is, or course, another option. Why not do the obvious and give the Executive real power to trim congressional excesses?

It's for this reason I'm pleased to introduce today the Legislative Line-Item Veto Act of 1989, aimed at helping to restore fiscal responsibility to the budget process by beefing up the President's power to cut spending.

Rescission, simply put, is the budgetary term for prudent second thoughts. Under the current law—title X of the Budget Control and Improvement Act of 1974—the President can propose to Congress that previously allotted budget authority be rescinded whenever the President determines it is excessive. For the President's rescission to take effect, it has to be approved by a joint resolution of Congress within 45 days of submission. All Congress needs to do to veto the President's action is ignore it.

That is just a little too convenient for a Congress prone neither to restraint nor to quick action. It guts rescission of its power.

But our bill, developed by myself, Senator MCCAIN, Senator DOLE, Senator ARMSTRONG, and Senator HUMPHREY—and cosponsored by 27 more of my colleagues—changes the burden of action. A new title would be added to the Budget and Impoundment Act of 1974 to allow Presidential rescissions, sent up at the same time the President submits his annual budget, to take effect in 20 days unless Congress specifically disapproves of it in a joint resolution.

Our bill would also add a provision allowing the President to cut spending from any appropriations bill he has signed into law, within 20 days of having done so. Again, Congress would have 20 days to act to disapprove the proposed cuts. If legislative inertia sets in, then so will the cuts.

The President of the United States manages the largest budget in the world, yet has less control over that budget than any corporate chief executive or the Governors of most States. The time has come to give the President the tools he needs to rescind unnecessary expenditures.

Congress would still be able to disapprove proposed rescissions by a simple majority vote if it felt that spending was necessary. But Congress would no longer be able to evade its responsibilities by simply avoiding a vote altogether—hiding behind a shield of indecision. This legislation would force Congress to put itself on the record when it comes to Government spending. And it would shift the burden of proof to Congress. If we in the Congress wish to overturn a Presidential cut aimed at pork or budgetary fat, we have to put our votes on the line.

This legislative line-item veto doesn't quit quicken the pulse like a New Deal, a New Frontier or a Great Society. But in the next few years we must learn to become heroic champions for the boring necessity of self-restraint. There may be more blame than credit, but the stakes are too high to fail. And this bill is a fine place to start.

Mr. MCCAIN. Mr. President, I am delighted to join with Senator COATS in sponsoring the Legislative Line-Item Veto Act of 1989.

I have made this proposal a priority of mine for quite a while. Earlier this session, other like minded proposals were introduced, but now we have all pulled together with this single approach that we have all agreed upon. This piece of legislation is the result of many hours of hard work in which we have been joined by the Senators ARMSTRONG and HUMPHREY as well as the distinguished Republican leader. In my view, the Legislative Line-Item Veto Act achieves the goals that anyone who supports the line item veto or enhanced rescission has in mind. It is a strong, well balanced bill which will lend new credibility to our budget process when it is enacted.

It would do so by addressing a frustration that is universally shared by taxpayers across the country: The time honored practice of pork barrel spending.

We all know of congressional "pork" that has been added to appropriations bills. These wasteful expenditures cannot be justified on their merits, and they destroy public confidence in Congress' ability and willingness to get serious about deficit reduction. This kind of pork barrel spending is fiscally irresponsible, and the President has no effective defense to stop it. It is also continuing to undermine public confidence in our institution—confidence which is tragically at an all time low.

Nevertheless, in spite of these realities, Congress Can't resist spending billions of dollars on pork. Year in and year out, Congress squanders the taxpayer's money without any having to answer for its profligacy.

And the taxpayer, who, on average worked over 2 hours a day just to pay his or her annual tax bills—whose paychecks from January until May are just enough to cover his or her tax liability—has no choice but to foot the bill.

The problem is that our budget process doesn't require us to be thrifty and conscientious with the money that is entrusted to us—the process is broke. We get away picking the taxpayers' pockets with one hand while handing goodies from the pork barrel to the special interests at home.

There can be no doubt that it is time we adopt a budget tool that will force us back in line; that will force us to spend the taxpayer's money prudently; and that will help fix this budget process that is so clearly flawed. That budget tool is the legislative line item veto.

And, in case anyone is in doubt about this, Mr. President, just think about the things on which we squander the taxpayer's money: Army trucks the Army doesn't want, sonar catfish counters, belgian endive research, studies on peach trees, and beaver damage to trees.

The list goes on and on and on.

How can we fall short on drug enforcement funds but manage instead to buy surplus sunflower oil—and a private underwater lab?

How can we tell the young couple, both of whom work long hours and who are trying to save for that down payment on their first home, that we are using their hard earned dollars to pay for a study on milk consumption? And to battle maple sap line damage done by squirrels and rats?

With 100 Senators and 435 Congressmen all rushing to make sure their States and districts get their shares of Federal funds, is it any wonder that Congress has been unwilling and unable to keep a lid on spending?

Obviously not.

We lack discipline. No one can make us resist the temptation to indulge in pork.

We are spending addicts and we can't admit it.

We can't "just say no."

We need help, Mr. President, and the measure we are introducing today is exactly what we need to help us say "no" to pork barrel spending.

We also need to enact this bill in order to ensure that we focus on funding priorities like the war on drugs, housing for the homeless, and education, instead of automated tide gauges and research on new methods of producing tailored clothing.

Let me explain the measure we are presenting now. It is simple because it is based on an idea that has been a household term for most of this

decade—the line-item veto. The majority of Americans support the line item veto, Mr. President, because it enables the President to get to the very line items of wasteful special interest spending that embarrass us whenever we pass an appropriations bill.

Let me explain how this works. Very simply, it gives the President two opportunities every year to strike out wasteful spending. First, he can line item veto out pork within 20 days after signing a spending. Second, he can submit rescissions with his budget proposal in the beginning of the year, just in case there are provisions that he misses in the first go around.

In either case, Congress has 20 days to decide whether to overturn those line item vetos or accept them. If we feel the spending on its own merits, we adopt a joint resolution disapproving the rescissions. If Congress doesn't act, the waste the President has identified is erased—and the taxpayer's money is saved.

A President armed with the legislative line item veto embodied in this bill can force Congress to face up to the responsibilities of the power of the purse.

A President so armed can make a profligate Congress a responsible Congress.

Mr. President, that's what the American people want, and we owe it to them to give this amendment our whole-hearted support. I am pleased to say that this bill already has over 30 cosponsors as well as support from the President. I strongly urge the rest of my colleagues—if they are serious about combating unnecessary spending and reaching the Gramm-Rudman target of a balanced budget in 1993—to support giving the President of this country the power that 43 Governors already have and use successfully—the line-item veto.

Mr. ARMSTRONG. Mr. President, if we are ever to restore fiscal sanity to our Nation, we must make Congress more accountable for its decisions to spend taxpayer dollars. A corporation is accountable to its stock holders, an employee is accountable to his employer, a man is accountable to his God, and so, my colleagues, must the Government of this Nation be accountable to those it governs.

I rise today to voice my strong support for a budget process reform that is long overdue. The Coats-McCain Legislative Line Item Veto Act of 1989 would inject some fiscal discipline into a process that is badly in need of medical attention. This legislation would strengthen the executive power of the President to control Federal spending. Specifically, it would enhance the President's ability to cancel unnecessary spending.

Under current law, the President may propose to Congress that previously appropriated budget authority be rescinded. But, a proposed rescission does not take effect unless Congress specifically approves it by joint resolution within 45 calendar days. Congress can simply ignore rescissions and kill these proposed savings by inaction—Congress' speciality.

This legislation would insert a new title into the Budget and Impoundment Act of 1974 to reverse this presumption and make inaction work to the benefit of budgetary savings. It would provide that proposed rescissions take effect unless specifically disapproved by Congress by joint resolution. The current veto by inaction would be replaced by a requirement that Congress step up to the plate and openly reject proposed savings, if that is its determination. In other words, it increases our accountability.

In case there are still some of my colleagues who believe Congress does not need any injection of fiscal discipline—in case there is even a single Member left who believes we always spend taxpayer dollars wisely—I would like to list just a few of the highlights of our recent spending history. When Senators hear these items, I hope they ask themselves how their constituents would react if they were here on the Senate floor: $100 million for the Small Business Administration's direct business and disaster loans which have funded projects such as a homosexual bathhouse, an x-rated book store, and a $200,000 yacht; $43 million for the Asian Develoment Bank, using tax dollars to subsidizes overseas competitors; $82 million to pay for "blanket mailings" to the home districts of Members of Congress; $20 million for sunflower and cottonseed oil; $706,000 for fishing gear entanglement research; $1.4 million for an Arkansas catfish farm; $764,000 for the District of Columbia's Lottery and Charitable Games Enterprise Fund; $200,000 for crawfish and redfish production research; $285,000 for a milk consumption study; and $500,000 to bring foreign politicians to study the U.S. Congress.

Mr. President, this is only a small portion of a dismayingly long list. It is enough, however, to make the point that our record is less a "Hall of Fame" than a "Not-So-Little Shop of Horrors."

How could such spending decisions occur? How can the International Coffee Organization get $540,000 of taxpayer money? The answer is quite simple, really. The President of the United States presides over the largest budget in the world and yet has less executive control over that budget than the chief executive of a business or most State Governors.

Unfortunately, the rescission power as currently drawn has more often than not been ineffective in allowing the President executive control over spending. Since 1975, Congress has rejected more than $32 billion in proposed savings that three Presidents determined were necessary. In most years since the power has existed, only a fraction of proposed Presidential rescissions have been granted.

The Budget and Impoundment Act of 1974 severely restricted Presidential authority over appropriated funds, while establishing what most believed would be a budget process creating incentives for Congress to control fiscal policy. After more than a decade's experience, it is clear that spending money is still the main incentive in Congress. The time has come to reestablish a greater role for the President in the budget process. Under this legislation, Congress would still have the opportunity to reject a Presidential rescission if it insists on spending the funds in question. What Congress could not do is simply ignore the proposal and allow billions to be spent that our Nation's Chief Executive believes should be saved.

Mr. President, I ask unanimous consent that a table detailing the historical data on proposed Presidential rescissions be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD as follows:

RESCISSIONS UNDER THE IMPOUNDMENT CONTROL ACT OF 1974

[Dollar amounts in millions]

	Proposed		Accepted		Rejected		Carried forward		Adjustments	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Ford rescissions:										
1975	87	$2,722.0	39	$391.3	47	$2,245.7	1	$85.0	0	0
1976 and TQ	50	3,582.1	7	138.3	43	3,443.8	0	0	0	0
1977	13	1,100.4	0	0	7	338.8	0	0	6	711.6
Total	150	7,404.5	46	529.6	97	6,078.3	1	85.0	6	711.6

RESCISSIONS UNDER THE IMPOUNDMENT CONTROL ACT OF 1974—Continued

[Dollar amounts in millions]

	Proposed		Accepted		Rejected		Carried forward		Adjustments	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Carter rescissions:										
1977	17	1,786.9	6	711.7	6	142.5	4	643.4	1	289.4
1978	12	1,290.1	6	593.7	4	683.0	0	0	2	13.4
1979	11	908.7	9	723.6	2	185.1				
1980	59	1,618.1	33	550.8	26	1,067.3	0	0	0	0
1981	33	1,142.4	0	0	0	0	0	0	33	1,142.4
Total	132	6,746.2	54	2,579.7	38	2,077.9	4	643.4	36	1,445.2
Reagan rescissions:										
1981	133	15,361.9	105	11,715.2	27	3,473.7	1	173.0	0	0
1982	32	7,907.4	5	4,364.7	27	3,542.7	0	0	0	0
1983	21	1,569.0	0	0	21	1,569.0	0	0	0	0
1984	9	636.4	3	55.4	6	581.0	0	0	0	0
1985	244	1,843.3	96	165.6	148	1,677.7	0	0	0	0
1986	84	10,127.0	3	143.0	NA	NA	0	0	0	0
1987	73	5,835.0	2	36.0	71	5,799.0	0	0	0	0
1988	0	0	NA	NA	NA	NA	NA	NA	NA	NA
1989	6	143.1	1	2.0	5	141.1	NA	NA	NA	NA
Total	602	43,423.1	214	16,479.9	300	16,643.1	1	173.0	0	0.0

NA—Nonapplicable.

Mr. ARMSTRONG. Mr. President, I began this battle almost a decade ago, in February of 1981, with a bill to reverse the operation of the provision on rescission. In 1983, Senator Russell Long and I joined forces to trigger an enhanced rescission power on a quarterly basis. We came painfully close to success, and our amendment to the Oympic Duty Resolution was tabled by a vote of 49 to 46. Since then, I have brought this issue before the Senate in 1985, 1987, and earlier this session. Today, I voice support for a proposal that is the best effort of a number of Senators concerned with restoring fiscal sanity to this Nation. The Legislative Line Item-Veto Act of 1989 is both sound and necessary budgetary policy. I urge Senators to go home over the recess and ask their constituents whether the legislative line-item veto is needed. There is a rule around here that a bad idea can get enacted into law very quickly, but it often takes years for a very worthwhile law to gain favor. This is an idea whose time has finally come.

In closing, I would like to leave my colleagues with one final thought. Thomas Jefferson, a man whose wisdom has made him famous through two centuries, once stated, "The greatest security against the introduction of corrupt practices and principles into our government is to make [them keep] * * * public expenditures down to their minimum."

Mr. HUMPHREY. Mr. President, this legislation is a major initiative to control spending. I support it enthusiastically.

The time is ripe to move on proposals which would increase the President's power to rescind funds appropriated by Congress. The bill would allow the President to target specific programs to be rescinded. Congress would have 20 days from receipt of those proposals to take action to disapprove the rescissions. Failing action, rescissions would go into effect.

The legislation is the product of several months work on the part of many Senators interested in effecting meaningful budget reform. Today, I joined Senators ARMSTRONG, MCCAIN, and COATS at a meeting with President Bush regarding this bill. I am pleased to report to the Senate that the President enthusiastically endorses this proposal.

When Congress created the Budget and Impoundment Control Act of 1974, it established a relatively weak rescission mechanism. The President could propose a rescission—either reducing or eliminating items appropriated—but the rescission would be implemented only if approved by Congress. By sheer inaction, Congress can kill a Presidential rescission request.

As Allen Schick, a budget scholar, said: "The outcomes of rescissions (and deferrals) proposed since 1975 provide conclusive evidence that the branch that prevails in case of legislative inaction has the upper hand." The bill being introduced today reverses this situation by allowing rescissions to go into effect unless disapproved by Congress.

Congress' track record on approving rescissions has been predictable. Of all the rescissions President Reagan promised from 1983-88, Congress approved a mere 2 percent. Only 7 percent of President Ford's rescissions were approved, and less than 40 percent of President Carter's were approved.

The amount of money involved over the years in rescissions proposed by the President and not approved by Congress is significant. Of $8.6 billion in rescissions proposed by President Ford, Congress rejected $6 billion; Congress rejected $2.1 billion in rescissions proposed by President Carter; and Congress rejected $26.6 billion of President Reagan's rescissions. Over 13 years, nearly $35 billion of rescissions requested by three Presidents were rejected—through inaction—by the Congress.

The legislation will put teeth in the rescission process. It is a significant step forward toward budget reform. I urge my colleagues to give it thoughtful and careful consideration.

Mr. ROTH. Mr. President, I rise to express my support for the legislation being introduced today to provide the President with enhanced rescission authority. As one who led the debate in 1974 to provide the President with greater authority to rescind unnecessary funding, I believe this type of legislation is more necessary than ever.

It is clear that our present efforts to significantly reduce the deficit have failed. This is made all the more clear as we will soon consider an extension of the debt limit to $3 trillion. If ever there was a time for spending restraint, now is it.

Mr. President, I believe this legislation is necessary to break a pattern of budget deficits and spending growth beyond our means. Between 1980 and 1988 Federal revenues jumped 76 percent. Federal spending grew at a faster rate. The source of our deficit is not that America is undertaxed, but that the Federal Government spends too much. It is critical that we restrain spending growth. And I strongly believe that we should provide the President with this enhanced rescission authority if other means fail to cut the deficit.

In his budget message to Congress, President Bush expressed his support for enhanced rescission authority. While the President can now rescind spending, this authority is quite limited. Under the present process, Congress can simply reject the President's rescissions by inaction. Unfortunately, this allows the Congress to easily disregard the President's efforts.

Since the Budget Act was enacted, all too many times the Congress has used inaction to block the President's

rescissions. I believe the President is entitled to an up-or-down vote by Congress. This is the minimum we must do in the quest for fiscal responsibility. And this is precisely what this legislation does.

Mr. President, I would like to point out to my colleagues that I have introduced similar legislation, S. 829, the Deficit Reduction Guarantee Act. This legislation also provides the President with enhanced rescission authority, but instead of providing the authority immediately, the authority is tied to the ability of the Congress and the President to reduce the deficit.

The triggering mechanism in S. 829 is the amount of Federal debt held by the public as published by the Department of Treasury. This debt increases approximately by the amount of the unified budget deficit. Under the provisions of S. 829, once the Federal Government surpasses a level in the Federal debt held by the public, the President is provided with enhanced rescission authority.

This public debt trigger is tied to the Gramm-Rudman targets. If the Congress and President succeed in meeting the targets through 1993, the enhanced rescission authority under S. 829 will not be activated. If the Government fails to meet the targets, the debt will exceed the trigger, and the authority will be activated.

The net result is that the President is given enhanced rescission authority if other procedures continue to fail. This authority would be on the same terms that he has constitutional authority to veto legislation in its entirety. Enactment of this bill will be a valuable tool in guaranteeing the fiscal discipline the Federal Government sorely lacks and pushing the Federal deficit down.

I support enhanced rescission authority for the President. I urge my colleagues to look at the bill we are introducing today, as well as the approach outlined in S. 829.

By Mr. REID:

S. 1554. A bill to ratify and implement water settlements involving the Pyramid Lake Paiute Tribe, the States of California and Nevada and other parties regarding the waters of the Truckee and Carson Rivers and Lake Tahoe in Nevada and California, to provide for enhancement of endangered and threatened species, and to preserve valuable wetlands, and for other purposes; to the Committee on Energy and Natural Resources.

TRUCKEE-CARSON-PYRAMID LAKE WATER RIGHTS SETTLEMENT ACT

Mr. REID. Mr. President, today I am introducing the Truckee-Carson-Pyramid Lake Water Settlement Act.

This legislation evolved from extensive negotiations to develop a solution to the shrinking supplies of water in the West, particularly in areas of Nevada and California. The problem of water availability is mounting toward crisis proportions. This bill describes the means by which scarce water resources will be allocated.

The legislation will accomplish several objectives. It will equitably allocate waters in the Carson River, Lake Tahoe, and the Truckee River Basins between Nevada, California, and the Pyramid Lake Pauite Tribe.

The bill will implement water supply agreements that will provide 40 years of drought protection for the citizens of Reno and Sparks in western Nevada.

The bill will improve water supplies and enhance recovery efforts for endangered and threatened species in the Truckee River and Pyramid Lake.

Additional supplies of fresh water for valuable wetlands in Nevada's Lahontan Valley will be provided for with this legislation.

The bill also seeks to settle outstanding claims against the Federal Government and State governments, thus ending decades of litigation.

The Truckee-Carson-Pyramid Lake Water Settlement Act is the outgrowth of 2½ years of negotiations. The parties involved in this process include the States of California and Nevada, the Pyramid Lake Paiute Tribe and other water users on the Truckee and Carson River systems.

The negotiations are only the latest attempt to end the water wars surrounding these two small but vital desert rivers. These two bodies of waters have been the focus of water wars spanning decades—battles have been waged since the turn of the century, and they continue to this day. My legislation represents a final truce to these longstanding disputes.

Since 1909, wars have raged over water rights, water quality standards, endangered fish species, and overall management of federal reclamation projects on the rivers.

Over the years, dozens of lawsuits have engaged every significant water rights holder and agency in a quest for their share of the region's water resources.

This legislation does not represent the first effort to reach a negotiated settlement of the conflict surrounding the Truckee and Carson Rivers and Lake Tahoe. Californians and Nevadans argued over the waters of Lake Tahoe, which straddles the State border, as far back as the 1880s.

In the late 1950's, California and Nevada embarked upon serious negotiations to divide up the waters of the Walker, Carson, and Truckee Rivers, and Lake Tahoe. The two States eventually emerged with an agreement in 1970, but continued controversy over the terms of the agreement blocked its final approval.

Our recent negotiations reached back to this 1970 agreement, and used the allocations for the Carson River, Truckee River, and Lake Tahoe Basins as the basis of our approach. We tried to build on past accomplishments.

The intergovernmental allocations contained in this bill are not fully agreed upon by the interested parties. Consensus has been reached on about 80 percent of the issues, but there are still critical decisions that must be made. Provisions that have been agreed to include appropriate statutory language. In the case of unresolved issues, the parties have been mandated to continue their negotiations. Parameters are established for conducting these negotiations.

I am optimistic that the remaining negotiations on the intergovernmental allocation of the waters of the Truckee and Carson Rivers and the Lake Tahoe basin will be completed in an expedient manner. The final decisions arising from those negotiations will then be incorporated in this legislation.

Despite the incompletion of some aspects of these negotiations, I chose to introduce the legislation today so that we can begin our consideration of the bill. This is complicated legislation dealing with complicated problems. I have no doubt that we in Congress will need the remaining months of this session to consider the bill and its many ramifications.

As I previously mentioned, this bill is ambitious. It accomplishes a great deal and will mark progress on issues that have been dragged out year after year, decade after decade.

In addition to provisions I have already mentioned, the legislation will provide a guaranteed drought year reserve in Stampede Reservoir. This will benefit the cities of Reno and Sparks in Nevada, while concurrently providing more beneficial water supplies for endangered species inhabiting the Truckee River and Pyramid Lake.

The water purveyor for Reno and Sparks and the Pyramid Lake Tribe reached an historic agreement earlier this year under which the cities of Reno and Sparks will gain drought protection for the next four decades. This agreement did not come easily. It required significant sacrifices. But the sacrifices will be well worth it. When this agreement is implemented, the quality of life for Reno and Sparks residents will be greatly improved both at the time of approval and for years to come.

The legislation also proposes action to save irreplaceable wetlands in the Lahontan Valley. Only a few years ago, 50,000 acres of viable wetlands graced the region at the terminus of the Carson River. The most prominent of these wetlands was the Stillwater National Wildlife Refuge. Stillwater and adjacent wetland areas comprise critical parts of the Pacific Flyway and

the National Shorebird Refuge System.

Today, what was once 50,000 acres of wetlands has shrunk to only about 3,000 acres. Much of what is left of these glorious wetlands has succumbed to toxic waters. The very waters that whole species of our wildlife depend on for survival are drying up, and what remains is a concentration of poisons. This is a tragedy, but we can still reverse the damage and restore the wetlands. My legislation gives us the means to do that.

President Bush has called for no net loss of this country's wetlands. Many of my colleagues in the Senate have joined me in sponsoring a national wetlands bill, introduced by the distinguished majority leader.

My legislation allows us to take action on our stated commitment to save and revitalize the wetlands. My bill authorizes $16 million over 4 years to purchase water for the Lahontan Valley wetlands, thereby saving a national resource that, once gone, can never be restored.

The bill also contains a provision stating that, within 2 years of its enactment, the Secretary of the Interior will be required to recommend to Congress possible transfers of existing Lahontan Valley wetlands to a permanent U.S. national wildlife refuge. Creation of a national refuge for specifically identified wetlands areas would make permanent the Federal Government's role and responsibility in maintaining the wetlands. Any decisions made in this regard will require congressional approval.

This legislation also benefits the endangered and threatened species in the Truckee River and Pyramid Lake. Agreements associated with this bill improve the timing of spawning flows in the Truckee River. Additional water supplies are also provided to Pyramid Lake from Federal lands surrounding Fallon Naval Air Station. Finally, the bill mandates that the Fish and Wildlife Service complete a recovery program for the endangered cui ui and threatened Lahontan cutthroat trout.

The Pyramid Lake fishery's problems began with the construction of the Newlands Irrigation project early this century. To serve the irrigation needs of the Newlands agricultural lands, substantial amounts of water were diverted from the Truckee River, which feeds Pyramid Lake. As a result of this water diversion, Pyramid Lake suffered a precipitous drop—a drop to a level where the indigenous cui ui could not even enter the river mouth to spawn.

The inability to spawn, coupled with the increasing level of pollutants in the Truckee River water that did actually make it to the lake, effectively decimated both the cui ui and the Lahontan cutthroat trout.

In 1970, the Secretary of the Interior reacted to the listing of the cui ui as an endangered species by restricting the use of the waters stored in Stampede Reservoir. The reservoir had been built in part to supply Reno and Sparks, and was now being restricted—to be used only for the exclusive benefit of the endangered fish.

Despite this action, the cui ui is still an endangered species. We clearly need to do more if the species is to recover. This bill addresses that important need.

The legislation also settles several outstanding claims against the Federal Government and State government. Passage of this bill would mean the end to years of protracted and costly litigation. Millions of dollars will be saved in litigation costs alone.

The bill also provides for an economic development fund for the Pyramid Lake Tribe, and authorizes negotiations between the Federal Government and the Fallon Paiute-Shoshone Tribe. Such negotiations would be aimed at settling outstanding water claims that the tribe has against the Government.

Mr. President, this legislation and its associated agreements affords us the best opportunity in years to stop the water wars over the Truckee and Carson River systems. There have been many losers in this war. And there will be many more if we do not enact this legislation.

One of the more significant losses is that suffered by our wetlands and wildlife. Where there were once scores of thousands of acres of luxuriant wetlands and millions of shorebirds and waterfowl, there are now only stagnant pools.

I conducted a hearing on the plight of the wetlands in Reno. At that hearing, the director of the Nevada Department of Wildlife gave a stark assessment of the threatened wetlands. He said: "If the Lahontan Valley wetlands are lost, it will be the greatest natural resource disaster in this century in Nevada."

The additional actions provided for in this legislation are the best hope for recovery of our endangered species.

The losses in the water wars are also felt strongly by the residents of Reno and Sparks. These people are totally dependent upon the flow of the Truckee River for their water supply. As we have discovered in the last 2 years, there is no flexibility in the water supply during dry years. Unless additional drought year supplies of water are provided for Reno and Sparks, the people living there will be forced to confront frequent droughts and ever greater restrictions on their water supplies.

The residents of California and Nevada will continue to lose ground in this water war. There can be no true cooperation between neighbors until our water differences are settled and certainty of supply is provided to state and local governments.

Joining all those who have suffered defeats in the water wars are the taxpayers. Continued litigation between the municipal governments, State governments, the Federal Government and the Pyramid Lake Indians have cost and are continuing to cost millions of dollars. Without an agreement, it is likely that millions more will be spent as all sides wrangle over these issues in court.

It is clear that we will continue to suffer greater and greater losses if these water wars continue. I fear that, before long, the wars will take a devastating toll on the residents, wildlife, and environment.

We must try to bring an end to the water wars. That is why I have worked with the parties directly involved to reach a settlement. We have worked together for 2½ years. Our extensive effort has culminated in the legislation introduced today.

We are ready to present the fruits of our labor to Congress. Our proposal and our progress depends on congressional approval. I intend to enlist the support of my California colleagues and others who believe that, through cooperation, we can solve these problems. Much remains to be done, but I am hopeful that, with the passage of this legislation, we will complete the long, arduous journey toward our destination—an ending to the water wars and a beginning of the fair allocation of scarce water resources.

Mr. President, I ask unanimous consent that the text of the bill and the "Preliminary Settlement Agreement" be printed in full in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1554

SEC. 1. This Act may be cited as the "Truckee-Carson-Pyramid Lake Water Rights Settlement Act."

SEC. 2. FINDINGS AND UNDERSTANDINGS.

The Congress finds that this Act and associated agreements—

(1) further the goals of the Endangered Species Act as concerns species dependent upon water from the Truckee and Carson Rivers;

(2) are consistent with federal goals to protect valuable national wetlands from further environmental degradation and protect the habitat of many species of wildlife dependent upon these wetlands;

(3) provide for settlement of outstanding claims against the Federal Government and state governments and help to end decades of litigation;

(4) provide for the equitable apportionment of the waters of Lake Tahoe and the Truckee and Carson Rivers to promote intergovernmental cooperation and comity between the States of California and Nevada and to provide certainty to the administration of their respective water rights law;

(5) help to reduce the effects of drought conditions on the citizens of western Nevada, and

(6) provide water for the citizens of California for their use within the Carson, Tahoe and Truckee Basins.

SEC. 3. DEFINITIONS.

For purposes of this Act—

(1) the term "Secretary" means the Secretary of the Interior;

(2) the term "Tribe" means the Pyramid Lake Paiute Tribe;

(3) the term "Preliminary Settlement Agreement" means the agreement signed by the Tribe and Sierra Pacific Power Company on May 23, 1989.

(4) the term "Operating Agreement" means the agreement described on page 24, paragraph (f) of the Preliminary Settlement Agreement.

(5) the term "Lower Truckee River" means the Truckee River below Derby Dam.

(6) the term "Alpine Decree" means the final decree of the United States District Court for the District of Nevada in *United States of America* v. *Alpine Land and Reservoir Company,* Civil No. D-183, entered December 18, 1980, and any supplements thereto.

(7) the term "Orr Ditch Decree" means the decree of the United States District Court for the District of Nevada in *United States of America* v. *Orr Water Ditch Company,* et al.—in Equity, Docket No. A3.

(8) the term "Orr Ditch Court" means the court having continuous jurisdiction over the Orr Ditch Decree.

(9) the term "Truckee River Agreement" means a certain agreement dated July 1, 1935 and entered into by the United States of America, Truckee-Carson Irrigation District, Washoe County Water Conservation District, Sierra Pacific Power Company, and other users of the waters of the Truckee River and is incorporated in the Orr ditch decree.

(10) the term "Pyramid Lake Fishery" means the two primary species found in Pyramid Lake, the cui-ui (Chasmistes cujus) and the Lahontan cutthroat trout (Salmo clarki henshawi).

(11) the term "Lake Tahoe Basin" means the drainage area naturally tributary to Lake Tahoe, including the Lake, and including the Truckee River upstream of the intersection between the Truckee River and the western boundary of Section 12, Township 15 North, Range 16 East Mount Diablo Base and Meridian.

(12) the term "Truckee River Basin" means the area which naturally drains into the Truckee River and its tributaries and into Pyramid Lake, including that Lake, but excluding the Lake Tahoe Basin.

(13) the term "Carson River Basin" means the area which naturally drains into the Carson River and its tributaries and into the Carson River Sink, but excluding the Humbolt River drainage area.

(14) the term "Federal Water Master" means the individual appointed by the United States District Court of Nevada to carry out and enforce the provisions of the Orr Ditch Decree and the instructions and orders of the Court pertaining to the decree.

(15) the term "Truckee River General Electric Decree" means the decree entered June 4, 1915, by the United States District Court for the Northern District of California in *United States of America* v. *Truckee River General Electric Co.,* No. 14861, which case was transferred to the United States District Court for the Eastern District of California on February 9, 1968, and is now designated No. S-643.

(16) the term "Truckee River General Electric Court" means the Court having continuing jurisdiction over the Truckee River General Electric Decree.

TITLE I—INTERSTATE WATER APPORTIONMENT PROVISIONS

SEC. 101. THE CARSON RIVER.

(a) CONFIRMATION OF COURT ALLOCATION.—The interstate allocation of waters of the Carson River and its tributaries represented by the Alpine Decree is confirmed.

(b) FURTHER ALLOCATIONS.—(1) In addition to the allocations referred to in subsection (a), the States of California and Nevada are further allocated sufficient water from the Carson River and its tributaries to serve beneficial uses which are not encompassed in the Alpine Decree and were initiated prior to the effective date of this Act. The total amount of water allocated by this subsection shall not exceed 1,500 acre-feet per annum by depletion for use in California and 2,131 acre-feet per annum by depletion for use in Nevada.

(2) RIGHT TO COMPENSATION FOR DISCONTINUANCE.—If all or any portion of the effluent imported from the Lake Tahoe Basin into the watershed of the Carson River in California on or after the effective date of this Act is discontinued by reason of the disposal of such effluent, including underground disposal, within the Truckee River basin or the Lake Tahoe Basin, the allocation to California of the waters of the Carson River and its tributaries for use in California shall be augmented by an amount of water which will compensate California for any such discontinuance; provided that any such augmentation shall be for use only on lands to which rights decreed by the Alpine Decree are appurtenant; and, provided further, that nothing in this Act shall be construed to prohibit the continued use of all or any portion of such effluent on lands within California.

(c) APPLICATION OF STATE LAWS.—Nothing in this section shall preclude application of the laws of the State relating to abandonment or forfeiture of water rights for nonuse.

(d) VOLUNTARY INTERSTATE TRANSFERS.—The State of California and Nevada, the Tribe, and the Secretary may negotiate an agreement permitting the voluntary interstate transfer of water or water rights for use within the Carson River Basin. Any such agreement shall, prior to implementation, first be approved by the appropriate water right administration authority of each State pursuant to the State laws applicable to transfer of water or water rights.

(e) MUNICIPAL AND INDUSTRIAL WATER USES IN NEVADA.—Nothing in this Act precludes the State of California and Nevada, the Tribe, and the Secretary from negotiating an agreement that permits the State of Nevada, agencies of the State, and private entities and individuals from constructing storage facilities within the State of Nevada on the Carson River or its tributaries that result in inundation of lands in California; provided further that this agreement may:

(1) recognize and confirm the right to change the beneficial use of water from irrigation to storage for municipal and industrial and related uses provided that such changes are in accordance with the Alpine Decree,

(2) permit water storage under this procedure to be diverted to storage in a given year and held for use in that or subsequent years, and

(3) confirm the historic practice for operation of reservoirs identified on pages 145 and 146 of the Alpine Decree to store, release and use quantities of water determined by the capacity of the reservoirs and the yield of the tributary basins.

(f) Nothing in this section shall be construed as modifying or terminating any court decree or as affecting the applicability of state law and procedures to the water allocated hereunder.

SEC. 102. THE LAKE TAHOE BASIN.

(a) ANNUAL GROSS DIVERSION TOTALS.—The total annual gross diversions for use within the Lake Tahoe Basin from all natural sources including ground water and under all water rights in the basin shall not exceed 34,000 acre-feet annually, of which—

(1) 23,000 acre-feet annually are allocated to the State of California for use within the Lake Tahoe Basin; and

(2) 11,000 acre-feet annually are allocated to the State of Nevada for use within the Lake Tahoe basin.

After use of the water allocated in this subsection such water may be exported from the Lake Tahoe basin or reused.

(b) DETERMINATION OF GROSS DIVISION.—The States of California and Nevada, and the Tribe, and the Secretary shall negotiate an agreement on the manner in which the gross diversion amounts under section (a) will be determined. The agreement shall include the following provisions.

(1) Water diverted and used to make snow shall not count against the gross diversion allocation of either California or Nevada unless and to the extent that the snow is produced for use outside the basin,

(2) Unmetered diversion or extraction of water by residences shall, for the purpose of calculating the amount of California's or Nevada's gross diversion, be conclusively presumed to utilize a gross diversion of fourtenths of one acre-foot per residence per annum.

(c) TRANSBASIN DIVERSIONS.—(1) The transbasin diversions from the Lake Tahoe basin in Nevada and California identified in paragraph (2) below, may be continued, to the extent that such diversions are recognized as vested or permitted rights under the laws of the State where such diversion is made. Unless otherwise provided in this section, such diversions are in addition to the other allocations made by this section.

(2) The transbasin diversions referred to in paragraph (1) above are—

(A) the diversion of a maximum of 3,000 acre-feet per annum from Marlette Lake for use in Nevada:

(B) the diversion of a maximum of 561 acre-feet per annum from Lake Tahoe for use in Nevada, except that such diversion shall count against the allocation to Nevada made by this section;

(C) the diversion of water from Echo Lake for use in California, pursuant to rights vested under California law; and

(D) the diversion of water from North Creek as set forth in the State of Nevada Certificate of Appropriation of Water No. 4217.

(3) The transbasin diversion identified in paragraph (2) may be transferred, for use only in the State where the recognized transbasin diversion exists, by lease of the right of use or by conveyance of the right. Any such transfer shall be subject to the applicable laws of the State in which the right is vested or permitted. Water made available for use within the basin as a result of any such transfer shall not count against the al-

locations made by this section, and such water may be depleted.

(d) EFFECT OF ALLOCATION OF CERTAIN WATER.—(1) Water imported from any source outside the Lake Tahoe basin shall not count against the allocation made by this section but shall count against the allocation, if applicable, of the basin of origin.

(2) Water diverted or extracted in one State for use in the other shall count against the allocation under this section of the State in which the water is used.

SEC. 103. THE TRUCKEE RIVER.

The State of California and Nevada, the Tribe and the Secretary shall negotiate an agreement allocating the waters of the Truckee River basin between California, Nevada and the Tribe. The allocation of water to California under this section shall not form the basin for additional claims of water from any water right holders by the Tribe under the Endangered Species Act.

SEC. 104. COMPLIANCE WITH INTERSTATE ALLOCATIONS.

The States of California and Nevada, the Tribe, and the Secretary shall negotiate an agreement for administering the allocations made under this title.

SEC. 105. FORFEITURE OR ABANDONMENT NOT TO AFFECT ALLOCATIONS.

The forfeiture for nonuse or abandonment of water rights under the applicable law of each state shall not affect the allocations to each state made by this title.

TITLE II—TRUCKEE RIVER WATER SUPPLY MANAGEMENT

SEC. 201. IMPLEMENTATION OF WATER SUPPLY AGREEMENT.

(a) The Secretary shall enter into such contracts and take such actions as are required to carry out the terms and provisions of the Preliminary Settlement Agreement and the Operating Agreement, including, without limitation, contracts for the use of space in Truckee River Reservoirs for purposes of storing and exchanging water, provided that;

(1) California, Nevada, the Tribe, Sierra Pacific Power Company, and the United States have formally approved the Operating Agreement;

(2) the Orr Ditch Court and Truckee River General Electric Court have approved any proposed modifications in river operations, including storage and exchange of water, that would modify any provision in the Orr Ditch Decree or the Truckee River General Electric Decree, except for those rights that are voluntarily relinquished by the parties to the Operating Agreement.

(3) all applicable dam safety and flood control requirements are met; and

(4) all storage and releases required to satisfy the rights set forth in the Orr Ditch Decree and the Truckee River General Electric decree are met.

SEC. 202. MODIFICATION OF TRUCKEE RIVER DIVERSION FACILITIES.

Such funds as may be required to permit the Secretary, in consultation with the State of Nevada and with the approval of affected water rights owners, to modify existing Truckee River diversion facilities and operations to the extent necessary to ensure that implementation of the Operating Agreement does not impair or diminish any water rights on the Truckee River, are hereby authorized.

TITLE III—WETLANDS PROTECTION

SEC. 301. AUTHORIZATION TO PURCHASE WATER RIGHTS.

(a) IN GENERAL.—The Secretary is authorized to purchase water rights and water righted lands within the State of Nevada and to transfer, hold, resell, or otherwise dispose of such water rights and related interests to benefit federal and state wildlife areas in the Lahontan Valley and the Fernley Sink in Nevada in accordance with the provisions of this section.

(b) CONDITIONS.—The purchase of water rights and related interests pursuant to this Act shall be subject to the following conditions:

(1) Water rights purchased within the Newlands Irrigation Project must satisfy the eligibility criteria adopted by the Fish and Wildlife Service in connection with acquisition of water rights for the Stillwater National Wildlife Management Area pursuant to Public Law 100-446.

Water rights shall be purchased from willing sellers, but the Secretary may target purchases in areas deemed by the Secretary to be most beneficial to such a purchase program.

(3) All water rights purchased shall be transferred in accordance with State law.

(4) Water rights purchased shall be managed by the Secretary through the United States Fish and Wildlife Service in cooperation with the State.

(c) TRANSPORT.—The Secretary is authorized to—

(1) use existing water transport systems where available; and

(2) reimburse non-Federal entities, including but not limited to the Truckee-Carson Irrigation District, for full operation and maintenance charges in carrying out the provisions of this section.

(d) CONSTRUCTION OF THE SECTION.—The federal water purchase program authorized in this section is specific to this section and shall not be construed as a precedent in determining Federal responsibilities toward wildlife areas.

(e) AUTHORIZATION.—There are hereby authorized to be appropriated to carry out the provisions of this section $4,000,000 for each of the fiscal years 1991, 1992, 1993, and 1994.

SEC. 302. STUDY OF NATIONAL WILDLIFE REFUGE CREATION.

Within two years of the date of passage of this Act, the Secretary shall provide the Congress with recommendations concerning the transfer of certain U.S. Bureau of Reclamation

withdrawn public lands within existing wildlife use areas in the Lahontan Valley to the U.S. Fish and Wildlife Service for establishment of the permanent National Wildlife Refuge and Wildlife Management Area to be managed for fish and wildlife purposes in cooperation with the signatories of the 1948 Tripartite Agreement.

TITLE IV—CUI-UI AND LAHONTAN CUTTHROAT TROUT ENHANCEMENT PROGRAM

SEC. 401. TRANSFER OF FALLON NAVAL AIR STATION'S WATER RIGHTS.

(a) ALTERNATIVE AGRICULTURAL OUTLEASE PROGRAM.—No later than 1 year after the effective date of this Act, the Secretary of the Navy, in consultation with and with the assistance of the Secretary, shall develop and implement an alternative program for the lands owned by the United States within the Naval Air Station at Fallon, Nevada to replace the agricultural outlease program. The alternative program shall satisfy the Navy's dust abatement and fire safety requirements in the most water efficient manner. The water rights appurtenant to those lands which are not needed for dust abatement and fire safety requirements shall be transferred to the Pyramid Lake Indian Reservation for fishery purposes.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated such funds as are necessary to develop and implement the alternative program for the Naval Air Station at Fallon, Nevada described in subsection (a).

(b) REIMBURSEMENT OF COSTS.—The Secretary shall reimburse the Truckee-Carson Irrigation District for the full operation and maintenance charges associated with the water rights transferred pursuant to this section.

SEC. 402. RECOVERY PLANS.

(a) IN GENERAL.—Pursuant to section 4(f) of the Endangered Species Act (16 U.S.C. 1533(f)), the Secretary through the United States Fish and Wildlife Service shall revise and update plans for the recovery of the cui-ui and Lahontan cutthroat trout. Such plans shall be completed not later than 1 year after the date of enactment of this Act. If implementation has not begun within six months following the completion of the recovery plan and Congress has not acted to the contrary, the Secretary shall proceed to implement such plans.

(b) CRITERIA FOR DEVELOPING PLANS.—In developing the recovery plans pursuant to subsection (a), the Secretary shall—

(1) take account of and include the transfer of the water rights of the Naval Air Station at Fallon, Nevada described in section 401(a);

(2) take account of, include, and make the plans subject to and consistent with the provisions of the interstate allocation described in title I, any additional agreements authorized under title I, and the Preliminary Settlement and Operating Agreements authorized under title II of this Act;

(3) consider water quality needs in the lower Truckee River and Pyramid Lake;

(4) consider possible habitat improvements in the lower Truckee River;

(5) consider possible access improvements to the month of the Truckee River;

(6) establish a schedule which is designed to achieve implementation of a recovery plan for the cui-ui in the Truckee River/Pyramid Lake ecosystem;

(7) establish a schedule which is designed to achieve implementation of a recovery plan for the Lahontan Cutthroat trout;

(8) consider measures to increase the number and size of juvenile Lahontan cutthroat trout recruited to Pyramid Lake through natural reproduction where possible, or through construction or expansion of hatcheries and related facilities;

(9) consider other actions consistent with the allocations described in sections 101, 102 and 103 of this Act and the Operating Agreement described in section 201 of this Act that might enhance recovery of the endangered and threatened species.

TITLE V—PYRAMID LAKE DEVELOPMENT FUND

SEC. 501. PYRAMID LAKE FUND.

(a) There is hereby established with the Treasury of the United States the "Pyramid Lake Paiute Tribal Development Fund".

(b) There is authorized to be appropriated to the Pyramid Lake Paiute Tribal Development Fund $75,000,000 together with interest accruing from the effective date of this act at a rate determined by the Secretary of the Treasury taking into consideration the average market yield on the outstanding Federal obligations of comparable maturity. Following execution of the settlement agreements, judgments, and other appropri-

ate final dispositions specified in section 603, the Secretary of the Treasury shall allocate and make available such monies from the trust fund as are requested by the Tribe. Any monies not allocated to the Tribe and remaining in the fund authorized by this section shall be invested by the Secretary of the Treasury in interest-bearing deposits and securities in accordance with the Act of June 24, 1938 (25 U.S.C. 162a). The Secretary of the Treasury shall allocate and make available such interest from the trust fund as is requested by the Tribe.

(c) All of the Funds appropriated pursuant to this section shall be invested or used for economic development.

(d) Notwithstanding any provision of law, the Tribe shall have complete discretion to invest and manage the funds appropriated pursuant to this section provided that the United States shall not bear any obligation or liability regarding the investment, management or use of such funds that the Tribe elects to invest, manage or use.

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. CLAIMS SETTLEMENT.

(a) This Act is contingent upon settlement of the following outstanding litigation as indicated:

(1) *Pyramid Lake Paiute Tribe* v. *California*, civ. S-81-378-RAR-RCB, United States District Court, Eastern District of California, to be dismissed with prejudice;

(2) *United States* v. *Truckee-Carson Irrigation District*, 2987-RCB, United States District Court, District of Nevada, including those matters asserted in the Tribe's proposed amended complaint, water issues to be dismissed;

(3) *Pyramid Lake Paiute Tribe* v. *Lujan*, Civil S-87-1281-LKK, United States District Court, Eastern District of California, to be dismissed;

(4) All claims presented in *Pyramid Lake Paiute Indian Tribe* v. *Department of the Navy*, Civil No. R-86-115 BRT in the United States District Court for the District of Nevada and Docket No. 88 1650 in the United States Court of Appeals for the Ninth Circuit, to be dismissed; and

(5) The withdrawal of all pending motions filed by the Tribe in Docket No. E-9530 before the Federal Energy Regulatory Commission.

(b) The signatories under section 201 shall negotiate an agreement to insure that the matters settled by this Act and its associated agreements will not be subject to litigation subsequent to the effective date of this Act.

(c) On request by and in accordance with a resolution of the Business Council of the Fallon Paiute—Shoshone Tribe, the Secretary shall negotiate diligently with the Business Council: (1) to establish a program for full and prompt implementation of the provisions of Public Law 95-337 and/or alternatives thereto that are acceptable to the Fallon Tribe; and (2) to settle any outstanding claims arising from breaches of the 1906 Agreement between the Fallon Tribe and the United States, P.L. 95-337, and the federal trust responsibility to the Fallon Tribe. Such negotiations shall commence within sixty days of the date of the Business Council resolution and shall conclude within twelve months thereafter, unless the Business Council by resolution requests an extension of the negotiations. To enable the Fallon Tribe to fully protect its interests in such negotiations, the Secretary shall provide adequate funding for technical and legal assistance under his existing authorities and programs. Neither the provisions of this Act nor the occurrence of negotiations under this section shall: release or modify any obligations or liabilities of the United States under the 1906 Agreement, P.L. 95-337, or the federal trust responsibility; or modify, extinguish or otherwise affect any water rights appurtenant to lands within the Fallon Indian Reservation.

SEC. 602. GENERAL PROVISIONS.

(a) All of the trust land within the Pyramid Lake Indian Reservation shall be permanently held by the United States in Trust for the sole use and benefit of the Tribe.

(b) The Tribe shall have sole and exclusive right to regulate all hunting and fishing on all lands, including the bed and banks of the Truckee River and Pyramid Lake, within the boundaries of the Pyramid Lake Indian Reservation.

(c) Nothing in this Act shall limit or diminish the federal government's trust responsibility to any Indian Tribe.

(d) The United States confirms and ratifies certain waivers by the Tribe of the right to object to the implementation of the water supply measures described in section 3 and 21 of the Preliminary Settlement Agreement.

(e) The Secretary, the Tribe, and the State of Nevada shall negotiate an agreement determining permanent rights to store water for the benefit of the Tribe and the Pyramid Lake fishery in Stampede and Prosser Reservoirs.

(f) Nothing in Title II of this Act, or in agreements made pursuant to it, may affect any recognized and perfected right of any other party or entity to use the water of the Truckee River or its tributaries, including, but not limited to, the rights of land owners within the Newlands project for delivery of the water of the Truckee River to Derby Dam and for diversion of such water at Derby Dam pursuant to the Orr Ditch Decree or any applicable regulations approved by a court of competent jurisdiction; provided further, the Orr Ditch Court and the Water Master, pursuant to the administrative provisions of the Orr Ditch Decree, including the Truckee River Agreement, incorporated and made part thereof, may ensure that all water rights of the Truckee River are not impaired or diminished by this Act or any agreements made pursuant to this Act, except with respect to the interstate allocation of water to California or the Tahoe Basin; provided further that nothing in Title II of this Act or any agreements made pursuant to it will abrogate the jurisdiction or required approvals of the state engineer.

SEC. 603. EFFECTIVE DATE.

The provisions of Titles II, V, and VI, and section 401 of Title IV of this Act shall not take effect until the agreements required under Title II are in effect, the funds authorized under Title V have been appropriated, the outstanding claims described in section 601(a) have been dismissed, the Orr Ditch Court and the Truckee River General Electric Court has approved any provisions in the Preliminary Settlement Agreement and the Operating Agreement described in section 201 which affect the Orr Ditch Decree, and the Secretary, the State of Nevada, the Tribe, the Sierra Pacific Power Company and the Cities of Reno and Sparks enter into an agreement certifying that all necessary preconditions for the settlement have been satisfied and provide for the implementation of the settlement.

PRELIMINARY SETTLEMENT AGREEMENT BETWEEN PYRAMID LAKE PAIUTE TRIBE OF INDIANS AND SIERRA PACIFIC POWER CO., MAY 23, 1989.

PRELIMINARY SETTLEMENT AGREEMENT

This Agreement is entered into this 23rd day of May, 1989, between the Pyramid Lake Paiute Tribe of Indians ("Tribe") and Sierra Pacific Power Company ("Sierra").

I. RECITALS

1. The cui-ui (Chasmistes cujus) is officially classified as an endangered species. It is the only pure species remaining in its genus, Chasmistes, and is found only in the Pyramid Lake/Lower Truckee River ecosystem in Nevada.

2. The Lahontan cutthroat trout (Salmo clarki henshawi) is officially classified as a threatened species. It is found in the Pyramid Lake/Truckee River ecosystem as well as other lakes, streams and rivers in the Great Basin.

3. The Tribe is organized under Section 16 of the Act of June 18, 1934 (25 U.S.C. § 476) and governs the Pyamid Lake Indian Reservation which includes Pyramid Lake and a large portion of the Lower Truckee River.

4. The Tribe desires to increase flows in the Lower Truckee River in the spring and early summer months to improve Spawning Flows in the Lower Truckee River for the endangered cui-ui and the threatened Lahontan cutthroat trout.

5. Sierra serves water to the Cities of Reno and Sparks and unincorporated portions of Washoe County and also provides electricity to northern Nevada and portions of east central, California.

6. In addition to its other power generating facilities, Sierra owns and operates four run of the river hydroelectric plants on the Truckee River above Reno. Sierra owns and utilizes water rights for these hydroelectric plants utilizing water which is released from or passed through Lake Tahoe and other Truckee River Reservoirs.

7. Sierra owns and utilizes substantial Truckee River water rights to provide water for municipal, industrial and domestic (M&I) purposes within its service area. Sierra also participates with the local governments of Reno, Sparks and Washoe County in an acquisition program approved by the Public Service Commission of Nevada to acquire agricultural water rights in the Truckee River Basin and to change them to M&I purposes.

8. The water rights acquired, owned and utilized by Sierra are sufficient to provide water for M&I use within its service areas in most years. Sierra needs additional storage, however, to insure an adequate supply of water under Drought Conditions.

9. The parties hereto and others are involved in negotiations and in supporting enactment of proposed congressional settlement legislation which, if finalized and enacted, will provide for:

(a) Allocation of the waters of the Lake Tahoe, Truckee River and Carson River Basins;

(b) The purchase of water for the wetlands in the Lahontan Valley and possibly other wetlands;

(c) The development and implementation of a mitigation and enhancement program for the cui-ui and Lahontan cutthroat trout;

(d) A fund for the economic development of the Pyramid Lake Indian Reservation;

(e) The resolution of existing litigation and the avoidance of future litigation; and

(f) Authorization and agreement for the operation of the Truckee River Reservoirs, including Lake Tahoe.

10. In order for the negotiations and proposed settlement legislation to progress, it is necessary for the parties hereto to enter into this Preliminary Agreement concerning the utilization of water rights and the operation of the Truckee River Reservoirs to provide greater Spawning Flows in the Lower Truckee River and an adequate supply of water for Sierra's Service Area under Drought Conditions.

II. DEFINITIONS

As used in this Preliminary Agreement:

1. "Critical Drought Period" means a hydrologic period during which the water supplies available from the Truckee River are limited to the same or similar extent as the water supplies available from the Truckee River under a repetition of hydrologic conditions which existed from 1928 to 1935.

2. "Drought Conditions" means conditions under which Sierra's Normal Water Supplies are not sufficient to satisfy Sierra's normal water year demand.

3. "Drought Situation" means a situation under which it appears, based on the April 1 seasonal Truckee River runoff forecast and assuming median precipitation after April 1, either that there will not be sufficient unregulated natural runoff and pooled water in storage in the Truckee River Reservoirs to meet the Floriston Rates through the following October 31, or that the level of Lake Tahoe, excluding all Firm M&I, Non-Firm M&I and Fishery Credit Water, will be below 6223.5 feet Lake Tahoe Datum on or before the following N/vember 15.

4. "Emergency or Repair Conditions" means an unexpected circumstance when the demands of Sierra's water customers cannot be met from Sierra's Normal Water Supplies or a scheduled alteration or repair which prevents the use of some or all of Sierra's Normal Water Supplies to meet the demands of Sierra's water customers.

5. "Firm M&I Credit Water" means the water that is stored in Stampede Reservoir and can be utilized under the terms and conditions of this Agreement for the purpose of providing water under Drought Conditions or Emergency or Repair Conditions for M&I purposes within Sierra's Service Area and which shall not spill or be subject to evaporation losses unless it is the only remaining water in Stampede Reservoir.

6. "Fishery Credit Water" means the water that can be stored and utilized under the terms and conditions of this Agreement for the benefit of the Pyramid Lake Fishery.

7. "Floriston Rates" means the rate of flow of the Truckee River at the head of the diversion penstock at Floriston, California (but measured at the USGS Stream Gaging Station near Farad, California) consisting of an average flow of 500 cubic feet of water per second each day during the period commencing March 1 and ending September 30 of any year and an average flow of 400 cubic feet of water per second each day during the period commencing October 1 and ending the last day of the next following February of any year.

* * * * *

15. "Remaining Waters of the Truckee River" means the waters of the Truckee River system other than the following: (i) the waters of the Lake Tahoe Basin allocated to California and Nevada; (ii) the waters of the Truckee River and its tributaries allocated to California; and (iii) the waters of the Truckee River and its tributaries allocated to Nevada to which valid and perfected rights attach under Nevada law.

16. "Sierra's Normal Water Supplies" means the water sources and supplies Sierra has and would have to meet the M&I needs of its customers in the absence of this Agreement, including the water sources and supplies described in Section 2 of this Agreement and any supplies obtained or developed pursuant to Section 3 of this Agreement, but excluding all of the water sources and supplies described in Section 21 of this Agreement and 7,500 acre feet of water above the outlet facilities of Independence Lake.

17. "Sierra's Privately Owned Stored Water" means the stored water which Sierra now has or may hereafter acquire the right to use in Donner Lake and Independence Lake.

18. "Sierra's Service Area" means the retail and wholesale certificated boundaries as may be established from time to time by the Public Service Commission of Nevada as the territory in which Sierra is entitled to sell or to distribute water.

19. "Spawning Flows in the Lower Truckee River" means the water which provides suitable conditions for attracting, egg-taking, spawning and/or nursing of cui-ui and/or Lahontan cutthroat trout in the Lower Truckee River.

20. "Stampede Project Water" means the water that is currently captured and impounded in Stampede Reservoir and is released to support Spawning Flows in the Lower Truckee River.

21. "Truckee River Agreement" means the Agreement dated July 1, 1935, which was approved, adopted and incorporated in the Orr Ditch Decree.

22. "Truckee River General Electric Co. Decree" means the final Decree entered on June 4, 1915 in the case of United States v. Truckee River General Electric Co., No. 14861, in the United States District Court for the Northern District of California which was transferred on February 9, 1968 to the United States District Court for the Eastern District of California and is now designated No. S-643.

23. "Truckee River Reservoirs" means the storage provided by the dam at the outlet of Lake Tahoe, Boca Reservoir. Prosser Creek Reservoir and Stampede Reservoir.

III. AGREEMENT

Section 1. Waiver of Single Purpose Hydroelectric Water. For purposes of this Agreement only, Sierra agrees to waive its rights to require releases or pass throughs of water from the Truckee River Reservoirs solely for the generation of hydroelectric power pursuant to the Truckee River General Electric Co. Decree and Claim Nos. 5, 6, 7, 8 and 9 of the Orr Ditch Decree. The water to which Sierra's rights are waived pursuant to this Section shall become Fishery Credit Water subject to the limitations set forth in Section 27 of this Agreement and shall be held in storage in the Truckee River Reservoirs and released for the sole use and benefit of the Pyramid Lake Fishery.

Section 2. Water Rights Required for New Service Commitments. Sierra agrees that it will not issue new service commitments unless such commitments are accompanied by such water rights provided directly to Sierra or through a municipal entity as are necessary to meet the new water service requirement. Sierra shall require new service commitments which rely on surface water rights to provide water rights at the rate of not less than 1.72 acre feet of water rights for every acre foot of commitment until such time as Sierra has committed to the amount of water needed to meet a normal year demand of 80,000 acre feet within Sierra's Service Area. After the amount of water is provided to meet Sierra's normal year commitment of 80,000 acre feet and until such time as Sierra has committed to the amounts of water required to meet a normal water year demand of 119,000 acre feet within Sierra's Service Area, the water rights provided to meet new service commitments in reliance upon surface water rights may be reduced to not less than 1 acre foot of water rights for very acre foot of new service commitment; provided, however, that if Sierra is able to develop the water supply referred to in Section 3(b) of this Agreement, then the ratio of new service commitments in reliance on surface water rights shall be not less than 1.11 acre feet of water rights for every acre foot of new service commitment.

Section 3. Development of Additional M&I Water Supplies. Sierra agrees to use its best efforts to implement the following measures on a schedule to be agreed upon in the operating agreement referred to in Section 9(f) of this Agreement, to the extent legally, technically and economically feasible, to help meet the water supply demands of its customers as Sierra's total normal year water demand increases to a maximum normal year demand of 119,000 acre feet:

(a) Development of the capacity to pump 2,000 acre feet of water annually from the Sparks pit source under Drought Conditions or Emergency or Repair Conditions;

(b) The right to develop an additional 3,000 acre feet annually of groundwater from the Truckee Meadows groundwater basin (over and above the currently approved 12,616 acre feet of groundwater available from the Truckee Meadows groundwater basin); and

(c) Acquisition and utilization of the right of the Truckee-Carson Irrigation District to store and use water in Donner Lake.

The Tribe waives any and all rights or claims it may have to object to Sierra's implementation and use of the water supply measures described in this Section or Section 21. If, after this Agreement becomes effective, the Tribe actively opposes the implementation and use of the water supply measures described in either Section, Sierra retains the right to terminate the provisions of Section 1 of this Agreement and to fully exercise the water rights referred to in that Section. Prior to exercising its right to terminate, Sierra will give the Tribe sixty (60) days prior written notice to withdraw such opposition and to remove any impediments to implementation caused by such opposition. If the Tribe fails to so withdraw its opposition and to remove impediments caused by its opposition, then Sierra shall have the immediate right to terminate Section 1 of this Agreement and fully exercise the rights waived in Section 1 of this Agreement.

The measures described in Sections 3(a) and 3(c) shall not be included in, and shall be in addition to, the water rights Sierra obtains to meet new service commitments pursuant to Section 2 of this Agreement.

Section 4. Storage of Firm and Non-Firm M&I Credit Water in Truckee River Reservoirs. Sierra shall have the right to establish Firm and Non-Firm M&I Credit Water by utilizing the Truckee River Reservoirs to store or retain its Privately Owned Stored Water and the consumptive use portion of Former Agricultural Water Rights which

are not utilized to supply the demands of its customers in any given year for later use under Drought Conditions or Emergency or Repair Conditions for M&I purposes. Such water may be accumulated in those Reservoirs or may be transferred between those Reservoirs through acre foot for acre foot exchanges. Sierra agrees to use the full extent of the consumptive use portion of its Former Agricultural Water Rights which are not utilized to supply the demands of its customers in any given year to establish Firm or Non-Firm M&I Credit Water pursuant to the terms and conditions of this Agreement.

Section 5. Use of Firm and Non-Firm M&I Credit Water. Sierra may use Firm M&I Credit Water and Non-Firm M&I Credit Water to supply the demands of its customers under Drought Conditions to meet its normal water year demand, up to a maximum of 119,000 acre feet, less the sum of the quantities of water actually conserved through the implementation of the measures required by Section 29(e) of this Agreement and the additional water supplies described in Section 3 of this Agreement and implemented in accordance with the operating agreement described in Section 29(f) of this Agreement. Sierra also may use Firm M&I Credit Water and Non-Firm M&I Credit Water to meet the demands of its customers under Emergency or Repair Conditions.

Section 6. Calculation of Base Amounts of Firm and Non-Firm M&I Credit Water. The base amount of Firm M&I Credit Water Sierra may store pursuant to Section 4 of this Agreement shall vary from 2,000 acre feet to 12,000 acre feet in relation to the amount of water needed to satisfy the normal water demand of Sierra's customers as shown on Exhibit "A". The base amount of Non-Firm M&I Credit Water Sierra may store pursuant to Section 4 of this Agreement shall vary from 4,000 acre feet to 20,000 acre feet in relation to the amount of water needed to satisfy the normal water year demand of Sierra's customers as shown on Exhibit "B" and as the amount of water depleted from the Truckee River, its tributaries and groundwater basins within California increases as shown on Exhibit "C". The amount of Non-Firm M&I Credit Water shown on Exhibit "B" shall be multiplied by the percentage factor shown on Exhibit "C" for the amount of water being depleted in a normal year from the Truckee River, its tributaries and groundwater basins within California at the time the calculation is made. The product so obtained shall be the base amount of Non-Firm M&I Credit Water which Sierra may store pursuant to Section 4 of this Agreement; provided, however, that the base amount of Non-Firm M&I Credit Water which Sierra may store shall not be less than 4,000 acre feet. Sierra may commence storing Firm and Non-Firm M&I Credit Water pursuant to the provisions of this Agreement when this Agreement becomes effective.

Section 7. Status of M&I Credit Water. All of Sierra's M&I Credit Water stored in Stampede Reservoir at any given time up to the base amount of Firm M&I Credit Water determined in accordance with Section 6 of this Agreement shall be considered Firm M&I Credit Water and shall have all of the attributes of Firm M&I Credit Water. All of Sierra's remaining M&I Credit Water stored in Stampede Reservoir and all of its M&I Credit Water in other Truckee River Reservoirs shall be considered Non-Firm M&I Credit Water.

Section 8. Annual Adjustment of M&I Credit Water. The amounts of Firm and Non-Firm M&I Credit Water in storage in the Truckee River Reservoirs shall be adjusted once annually not later than April 15 of each year based upon whether or not a Drought Situation exists utilizing the April 1 seasonal runoff forecast. Following that annual adjustment, during the ensuing 12 months and whether or not a Drought Situation exists, Sierra shall have the right to utilize the available space in the Truckee River Reservoirs to store its Privately Owned Stored Water and the consumptive use portion of Former Agricultural Water Rights which are not needed to supply the demands of its customers to establish additional amounts of M&I Credit Storage in excess of the base amounts of Firm and Non-Firm M&I Credit Water set forth in Section 6 of this Agreement.

Section 9. Exchanges to Permit Firm M&I Credit Water to be Stored in Stampede Reservoir and to Avoid Unnecessary Spill or Displacement. The Tribe and Sierra agree to enter into exchanges and to agree to other measures to permit Firm M&I Credit Water to be stored in Stampede Reservoir up to the base amount determined in accordance with Section 6 and to insure, to the maximum extent possible, that Firm M&I Credit Water, Non-Firm M&I Credit Water, Fishery Credit Water and Stampede Project Water will be available at the appropriate times and will not be displaced or caused to spill.

Section 10. Storage Priorities—Non-Drought Situation. Whenever, based upon the April 1 seasonal runoff forecast, a Drought Situation does not exist, the Tribe agrees as follows: (a) that Sierra shall have the first right to store Firm M&I Credit Water in Stampede Reservoir from the following July 1 through December 31 up to the base amount determined in accordance with Section 6 of this Agreement; (b) that Sierra may displace Fishery Credit Water in Stampede Reservoir and may displace Stampede Project Water from July 1 through the following December 31 of each year to the extent necessary to achieve that base amount of Firm M&I Credit Water in storage; and (c) that Sierra may accumulate additional Non-Firm M&I Credit Water in Truckee River Reservoirs other than Stampede Reservoir to the extent Sierra's total Firm M&I Credit Water is less than the base amount of Firm M&I Credit Water determined pursuant to Section 6. Such additional Non-Firm M&I Credit Water may displace Fishery Credit Water from July 1 through the following December 31, shall spill or be reduced for precautionary drawdowns after Fishery Credit Water and shall share the net evaporation losses proportionately with any other water in all such reservoirs except Lake Tahoe.

Section 11. Conversion of M&I Credit Water to Fishery Credit Water—Non-Drought Situation. Whenever, based upon the April 1 seasonal runoff forecast, a Drought Situation does not exist, the amount of Non-Firm M&I Credit Water established in accordance with Section 8 of this Agreement in excess of the base amount determined in accordance with Section 6 of this Agreement shall become Fishery Credit Water. Sierra shall have the right to determine and identify the location of the excess Non-Firm M&I Credit Water stored in the Truckee River Reservoirs which shall become Fishery Credit Water.

Section 12. Credit Storage Rules—Non-Drought Situation. Whenever, based upon the April 1 seasonal runoff forecast, a Drought Situation does not exist, then for the ensuing 12 months, the following rules shall apply: (a) the Fishery Credit water and Non-Firm M&I Credit Water shall share the net evaporation losses proportionately with any other water in Truckee River Reservoirs other than Lake Tahoe; (b) Non-Firm M&I Credit Water shall be the first water to spill from Stampede Reservoir; and (c) except as provided in Section 10 of this Agreement, Non-Firm M&I Credit Water and Fishery Credit Water shall spill or be reduced for precautionary drawdowns proportionately from all other Truckee River Reservoirs.

Section 13. Displacement of Fishery Credit Water and Stampede Project Water—Drought Situation. Whenever, based upon the April 1 seasonal runoff forecast, a Drought Situation exists, the Tribe agrees as follows: (a) to allow Sierra to displace Fishery Credit Water in Stampede Reservoir or Stampede Project Water from April 15 to July 1 to the extent necessary to enable Sierra to store up to 6,000 acre feet of the consumptive use portion of Former Agricultural Water Rights; (b) to allow Sierra to displace Fishery Credit Water in Stampede Reservoir or Stampede Project Water from July 1 to the following April 1 to the extent necessary to enable Sierra to store the base amounts of Firm and Non-Firm M&I Credit Water determined in accordance with Section 6 of this Agreement, except that for this purpose only the base amount of Non-Firm M&I Credit Water shall not be adjusted by the Exhibit "C" percentage reduction based upon the amount of water depleted from the Truckee River and its tributaries and ground-water basins in California; and (c) to allow Sierra to displace Fishery Credit Water in Truckee River Reservoirs other than Stampede Reservoir to the extent necessary to enable Sierra to increase the amounts of Firm and Non-Firm M&I Credit Water to the maximum extent possible without regard to the limitations of Section 6 of this Agreement.

Section 14. Carryover of Firm and Non-Firm M&I Credit Storage—Drought Situation. Whenever, based upon the April 1 seasonal runoff forecast, a Drought Situation exists, Sierra shall have the right to retain and carry over until the following year all of its Firm M&I Credit Water up to the base amount determined in accordance with Section 6, and all of its Non-Firm M&I Credit Water including the excess Non-Firm M&I Credit Water established in accordance with Sections 8 and 13 of this Agreement. All such excess Non-Firm M&I Credit Water may be retained and carried over and may continue to be increased pursuant to Sections 8 and 13 of this Agreement until, based upon a subsequent April 1 seasonal runoff forecast, a Drought Situation no longer exists.

Section 15. Credit Storage Rules—Drought Situation. Whenever, based upon the April 1 seasonal runoff forecast, a Drought Situation exists, for the ensuing 12 months the Fishery Credit Water in all Truckee River Reservoirs in which it is stored shall be the first water to spill or be reduced for precautionary drawdowns. Non-Firm M&I Credit Water and Fishery Credit Water shall share the net evaporation losses proportionately from all Truckee River Reservoirs in which they are stored except Lake Tahoe.

Section 16. Use of Sierra's Privately Owned Stored Water. Sierra's Privately Owned Stored Water may be used to supply

the demands of its customers in normal water years, under Drought Conditions and under Emergency or Repair Conditions. Sierra agrees to use all available Donner Lake water and all but 7,500 acre feet of its water above the outlet facilities of Independence Lake before using any Firm M&I or Non-Firm M&I Credit Water or the remaining 7,500 acre feet in Independence Lake to meet the needs of its customers under Drought Conditions or Emergency or Repair Conditions. Except as provided in Section 22 of this Agreement, all of Sierra's Privately Owned Stored Water that is not carried over or used to meet the demands of its customers in normal water years, under Drought Conditions or under Emergency or Repair Conditions shall be used if legally and physically possible to establish Firm or Non-Firm M&I Credit Water pursuant to the terms and conditions of this Agreement.

Section 17. Sierra to Control Privately Owned Stored Water. The quantities of Firm and Non-Firm M&I Credit Water stored, held and used pursuant to this Agreement shall not include, and shall be in addition to, the quantities of Sierra's Privately Owned Stored Water in Donner Lake and Independence Lake at any given time. Sierra retains the sole right to control and manage Sierra's Privately Owned Stored Water in Donner Lake and Independence Lake subject to all applicable laws, conditions and regulations.

Section 18. Exchanges of Fishery Credit Water and Prosser Creek Fishery Water to Enable Storage of M&I Credit Water in Stampede Reservoir. The Tribe agrees to permit exchanges of its rights to store and use Fishery Credit Water and Prosser Creek Fishery Water for Sierra's rights to store and use Non-Firm M&I Credit Water so as to enable Sierra to store the maximum amount of its Firm M&I Credit Water and Non-Firm M&I Credit Water in Stampede Reservoir. When releases of Stampede Project Water would otherwise be made, the Tribe agrees to exchanges to enable Sierra to create Firm or Non-Firm M&I Credit Water in Stampede Reservoir.

Section 19. Additional Voluntary Exchanges of Credit Water. The Tribe and Sierra may agree to additional voluntary exchanges involving their respective rights and their Fishery, Firm M&I and Non-Firm M&I Credit Water as they may deem desirable and in furtherance of the objectives of this Agreement.

Section 20. Use of Fishery Credit Water. All of the Fishery Credit Water established pursuant to this Agreement shall be stored in Truckee River Reservoirs and shall be utilized to provide Spawning Flows in the Lower Truckee River.

Section 21. Additional Water—Worse Than Critical Drought Period. To meet the demands of its customers in the event of water supply conditions which are worse than those experienced during the Critical Drought Period, after exhausting Sierra's Normal Water Supplies, the 7,500 acre feet of water above the outlet facilities of Independence Lake to the extent permissible under then applicable law, and all Firm and Non-Firm M&I Credit Water, Sierra shall have the right to obtain sufficient water to meet its normal year water demand, up to a maximum of 119,000 acre feet, less the sum of the quantities of water conserved through the implementation of Section 29(e) of this Agreement and the additional water supplies described in Section 3 of this Agreement, from the following sources in the following order:

(a) Pump up to 5,000 acre feet of water from below the outlet works of Independence Lake to the extent permitted after making all necessary applications for such use; provided that if such water is not made available at the time required to satisfy the demands of Sierra's customers, Sierra may utilize the water supplies available in Section 21(b) of this Agreement to the extent required;

(b) Utilize as necessary a maximum of 7,500 acre feet of Fishery Credit Water in Stampede Reservoir; and

(c) Pump water from Lake Tahoe in accordance with, and to the extent permissible under, then applicable law.

Section 22. Establishment of Fishery Credit Water for Worse Than Critical Drought Period. As soon as practicable after this Agreement becomes effective, the Tribe agrees to provide and hold in Stampede Reservoir the 7,500 acre feet of Fishery Credit Water referred to in Section 21(b) of this Agreement subject to the same terms and conditions as Firm M&I Credit Water utilizing the first Fishery Credit Water obtained pursuant to Section 11 of this Agreement. Once the 7,500 acre feet is in storage, it shall not be used for the benefit of the Pyramid Lake Fishery, and spill and evaporation losses and minimum instream flow requirements shall not be charged against it unless it is the only water in Stampede Reservoir. Sierra may, at its option, fill the 7,500 acre feet provided in Section 21(b) directly from Sierra's Privately Owned Stored Water. Any of the water referred to in Section 21(b) that is used by Sierra shall be replaced by the Tribe as soon as practicable.

Section 23. Credit Water To Have Attributes of Privately Owned Stored Water. All Fishery Credit Water and Firm and Non-Firm M&I Credit Water stored pursuant to this Agreement shall have all the attributes of privately owned stored water under the Truckee River agreement.

Section 24. Development of Additional M&I Water Supplies Above 119,000 Acre Feet of Demand. Sierra may obtain additional supplies of water to meet the demands of its customers above 119,000 acre feet per year, either after normal demand reaches 119,000 acre feet or prior thereto, through: (i) the acquisition of water rights in addition to those provided under Sections 2 and 3 of this Agreement; (ii) the utilization of water from hydrologic basins outside the Truckee River Basin; (iii) the development of Truckee River groundwater basins in Nevada beyond the 15,616 acre foot supply referenced in Section 3 of this Agreement to the extent that Sierra has added customers through expansion of the boundaries of its Service Area and acquired a water supply adequate to meet full demands of the new Service Area both in normal water years and during Drought Conditions; and (iv) the implementation of other measures. Any supplies developed pursuant to this Section shall not adversely affect the rights secured to the Tribe under this Agreement, any right of the Tribe to the Remaining Waters of the Truckee River, any rights secured to the Tribe under the settlement legislation which may be enacted by the Congress, or any other rights that the Tribe may claim. Such supplies must also comply with such state, local and federal permits and approvals as may be required under the then existing and applicable laws, rules and regulations. Provided, however, that the water supplies made available to Sierra pursuant to other Sections of this Agreement may only be used to the extent provided in Sections, 5, 16 and 21 of this Agreement.

Section 25. Use of Water Outside Truckee River Basin. Sierra may utilize outside of the Truckee River Basin any of its existing Truckee River water rights or any such rights that it may acquire in the future. For any use of water outside the Truckee River Basin, except the approximately 3,000 acre feet of water committed to the Stead, Silver Lake and Golden Valley areas prior to the date of this Agreement, additional water rights shall be acquired in order to insure that return flows to the Truckee River are no less than they would have been if the water had been used in the Truckee River Basin.

Section 26. Additional Measures to Carry Out Agreement. Sierra and the Tribe agree to do those things as may be reasonably necessary to carry out the terms and conditions of this Agreement.

Section 27. Existing Perfected Rights Unaffected. Nothing in this Agreement shall be construed to:

(a) Affect any recognized and perfected right of any other person or entity to use the waters of the Truckee River or its tributaries including, but not limited to, the rights of landowners within the Newlands Project for delivery of the waters of the Truckee River to Derby Dam and for diversion of such waters at Derby Dam pursuant to the Orr Ditch Decree or any applicable regulations;

(b) Affect the right of Sierra to acquire and use for M&I purposes in accordance with this Agreement any recognized and perfected rights to waters of the Truckee River or its tributaries held by any person or entity;

(c) Affect Sierra's right to generate power at its hydroelectric plants on the Truckee River with any water rights it has or may acquire other than the rights to require releases of water from the Truckee River Reservoirs solely for hydroelectric power generation which are waived pursuant to Section 1 of this Agreement;

(d) Affect the quantity of water that is retained or carried over in storage in, or released from, the Truckee River Reservoirs pursuant to the Orr Ditch Decree and the Truckee River Agreement to satisfy the non-hydroelectric water rights recognized in the *Orr Ditch* Decree except for the consumptive use portion of Former Agricultural Water Rights which may be stored pursuant to the provisions of this Agreement;

(e) Affect the operation of any Truckee River Reservoirs to satisfy any applicable dam safety or flood control requirements;

(f) Affect the implementation of the Tahoe-Prosser Exchange Agreement of June 15, 1959;

(g) Result in an abandonment or forfeiture of the water rights of any party hereto; or

(h) Evidence any intention of any party hereto to abandon or forfeit any water rights.

Section 28. Water Master May Require Releases of Credit Water to Protect Existing Perfected Rights. If, for any reason, implementation of this Agreement results in less water being available for diversion to any owners of recognized and perfected Truckee River water rights than the amount to which they are entitled, or in less Truckee River water being available at Derby Dam for diversion to the Newlands Reclamation Project than the amount of Truckee River water which the landowners within the Newlands Project are entitled to

divert pursuant to the Orr Ditch Decree or any applicable regulations, the Water Master pursuant to the administrative provisions of the Orr Ditch Decree shall have the authority to make-up the full amount of any such deficit by requiring subsequent releases of the water stored in the Truckee River Reservoirs pursuant to this Agreement utilizing the water of the party benefiting from the deficit.

Section 29. Conditions for Agreement to be Effective and Operative. The provisions of this Agreement shall not take effect and this Agreement shall not be operative unless and until each of the following has occurred:

(a) The Congress of the United States has enacted, and the President of the United States has signed, Pyramid Lake and Truckee River settlement legislation whose terms and provisions are satisfactory to the Tribe and Sierra;

(b) The Legislature of Nevada has enacted, and the Governor of Nevada has signed, legislation which repeals or substantially modifies N.R.S. 704.230 to permit installation of water meters on all old and new residences within Sierra's Service Area, excluding existing unmetered apartments and condominium units or complexes which have all outdoor irrigation use metered, and to permit water rates based on the amount of water delivered to each customer;

(c) A plan for financing and installing water meters in Sierra's Service Area has received required governmental approvals and there are no foreseeable obstacles to its implementation;

(d) Sierra has proposed, and the Nevada Public Service Commission has approved, an inverted block water rate structure which provides financial incentives for the conservation of water by Sierra's residential customers;

(e) All required governmental approvals have been obtained for a mandatory water conservation plan designed to produce annual water savings of 10 percent or more during the ensuing year whenever it appears, based on the April 1 seasonal Truckee River runoff forecast, that a Drought Situation exists;

(f) An operating agreement has been executed at least by the United States, the Tribe and Sierra whose provisions include: (i) all of the necessary details required for the administration and implementation of this Agreement; and (ii) the consequences in the event that any provisions of this Agreement cannot be fulfilled for reasons that are beyond the control of the parties hereto such as, by way of example, final outcomes of administrative proceedings or litigation involving other parties which are not consistent with the terms or conditions of this Agreement;

(g) The United States becomes a party to this Agreement and accepts, approves and becomes bound by all of its terms and conditions to the same extent as the Tribe;

(h) All contracts and governmental approvals required to carry out the terms and provisions of the Agreement and the operating agreement, including, without limitation, contracts for the use of space in Truckee River Reservoirs for purposes of storing and exchanging water as provided in this Agreement have been executed;

(i) This Agreement and the operating agreement referred to in subsection (f) above have been ratified, confirmed and approved by the Court in United States v. Orr Water Ditch Co., Equity No. A-3, (D.Nev.), and by the Court in United States v. Truckee River General Electric Company, Civil No. 14861 (now S-643) (E.D. Cal.), and have been incorporated into and made a part of the final judgments in those cases and available appeals from and reviews of such actions by those Courts have been exhausted;

(j) Sierra and the United States have reached agreement on: (i) the compensation Sierra shall pay to the United States for the right to use the storage capacity in the Truckee River Reservoirs; (ii) arrangements to compensate Sierra for the reduction in the amount of hydroelectric power generated at its four run of the river hydroelectric plants on the Truckee River above Reno which will result from the implementation of this Agreement; and (iii) indemnification with respect to water damage resulting from the operation of the dam and controlling works at the outlet of Lake Tahoe; and

(k) All pending litigation or the portions of pending litigation involving the Tribe, Sierra and the United States have been resolved to their mutual satisfaction.

At an appropriate time, the Tribe and Sierra agree to execute a written document which shall either confirm or deny that the conditions set forth in this Section have been satisfied.

Section 30. Notices. All notices and other communications required or permitted to be given by this Agreement must be in writing and will be deemed given on the day when delivered in person or on the third business day after the day on which mailed from within the United States of America by certified or registered mail, return receipt requested, postage prepaid, addressed as follows:

If to the Tribe: Pyramid Lake Paiute Tribal Chairman, P.O. Box 256, Nixon, Nevada 89424.

If to Sierra: Philip G. Seges, Senior Vice President, Sierra Pacific Power Company, P.O. Box 10100, Reno, Nevado 89520.

or to such other place as either party may from time to time designate in a written notice to the other.

Section 31. *Captions For Convenience Only.* The captions of the Sections of this Agreement are for convenience only and shall not in any way effect the construction of the terms and conditions of this Agreement.

Section 32. *Entire Agreement.* This Agreement contains the entire agreement between the parties hereto and there are no promises, agreements, conditions, undertakings, warranties, or representations, oral or written, express or implied, between them other than as herein set forth. No change or modification of this Agreement or of any of the provisions hereof shall be valid or effective unless the same is in writing and signed by the parties hereto. No alleged or contended waiver of any of the provisions of this Agreement shall be valid or effective unless signed in writing by the party against who it is sought to be enforced.

In witness whereof, the parties have executed this Preliminary Agreement as of the day and year first above written.

Pyramid Lake Paiute Tribe of Indians,
JOSEPH H. ELY,
Tribal Chairman.

Westpac Utilities, a division of Sierra Pacific Power Co.,
PHILIP G. SEGES,
Senior Vice President.

By Mr. McCONNELL:

S. 1555. A bill to amend part D of title IV of the Social Security Act to extend permanently the Federal tax refund offset program used in child support enforcement; to the Committee on Finance.

CHILD SUPPORT ENFORCEMENT EXTENSION ACT

● Mr. McCONNELL. Mr. President, the fastest growing segment of poor America today is female-headed, single-parent households. These families struggle on a single paycheck, balancing health care costs, child care costs, food bills, energy bills, rent bills, and innumerable other obligations. There is neither time nor money to plan for the future, prepare for college, or pull away from the numbing grip of poverty.

The bill I am introducing today addresses a basic survival issue for these single-parent families. Sometimes it makes the difference between only two meals a day and three meals a day; sometimes it can pave the way for a needed medical procedure; and sometimes it determines whether a promising young child will go to college or not.

That issue is child support. It is a sad reflection of our "disposable society" that some parents simply discard their children after a family dissolves, and shirk their responsibility to provide for their children's needs. As a result, the single parent who is left to care for these children must bear twice the responsibility, and often is condemned to a life of poverty. In many cases, the future of discarded children is tragically dimmed by poor nutrition, little contact with the single working parent, and low educational horizons.

The 98th Congress sought to remedy this problem in Public Law 98-378, which allows single-parent families to intercept the Federal tax refund due to the parent who is delinquent in making child support payments. In 1981, Congress already had authorized the interception of Federal income tax refunds for AFDC families. Public Law 98-378 extended the tax refund intercept program to non-AFDC cases as well.

For some unexplained reason, however, a sunset provision was added to this law, terminating the intercept program for all non-AFDC cases after January 1, 1991. This termination conflicts with the express intent of the law which is to make the program available to all families whose child support payments have dried up because of a delinquent parent.

The tax intercept program has been of tremendous assistance to non-AFDC single-parent families in Kentucky. Collection of overdue child support payments for these families through Federal tax refunds increased by nearly 100 percent in 1987. Ending the non-AFDC portion of this program would have a devastating effect on child support collection efforts in my

State and other States. The impending termination date already is prompting some State offices to begin dismantling their programs, now that they have just gotten off the ground.

Mr. President, we cannot allow this to happen. It is vital that we extend this program to provide child support to all needy families. The tax intercept program is the single most effective method for ensuring compliance with child support obligations and obtaining redress against those who do not comply.

Immediate legislative action is required to save this family assistance program from extinction. The legislation I introduce today does not call for any additional Federal spending, does not create a new Federal bureaucracy, and does not impose new taxes. It is a simple but necessary provision to ensure that single-parent families will not have to struggle in poverty while the other parent evades all responsibility for the children.

In offering this measure, I would like to express my deep thanks to Dr. Harry Cowherd, secretary for human resources in the Kentucky State Cabinet. He has been very active in developing Kentucky's child support tax intercept program, and personally alerted me to the possible termination of the program if Congress does not act soon. His tireless efforts are to be commended, and the single-parent families of my State owe him their thanks.

I urge my colleagues to support this measure to preserve the full operation of the child support tax intercept program. Mr. President, I ask unanimous consent that the full text on the bill appear in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1555

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child Support Enforcement Extension Act of 1989".

SEC. 2. Section 464(a)(2)(B) of the Social Security Act (42 U.S.C. 664(a)(2)(B)) is amended by striking". and before January 1, 1991".●

By Mr. DECONCINI (for himself and Mr. MCCAIN):

S. 1556. A bill to designate the Salt-Gila aqueduct of the Central Arizona Project as the "Fannin-McFarland Aqueduct"; to the Committee on Energy and Natural Resources.

FANNING-MCFARLAND AQUEDUCT

● Mr. DECONCINI. Mr. President, today I join with my colleague and friend from Arizona, Senator MCCAIN, in introducing legislation to redesignate the Salt-Gila Aqueduct of the Central Arizona Project as the Fannin-McFarland Aqueduct. We are doing this to recognize the outstanding achievements of these statesmen and their heroic efforts to get Arizona's lifeline, the central Arizona project, on line.

For my colleagues in the Chamber who are not familiar with the Central Arizona Project, I would like to take a few minutes to explain the purposes of the project and its importance. The Central Arizona Project was authorized by Congress in 1968 to bring our State's Colorado River allocation to the rural and metropolitan communities of central and southern Arizona. The water supply in this desert region of the Southwest consists almost entirely of ground water. Because of growth and development in this area, the overdraft of ground water is nearing a critical stage. The CAP will enable Arizona to put its allotment of Colorado River water to beneficial use while at the same time reducing the overdrafting of our precious ground water supplies. The CAP is, in my opinion, the most important Federal project in Arizona.

Last year, Congress redesignated the first stretch of the project, the Granite Reef Aqueduct, as the Hayden-Rhodes Waterway. This was a fitting tribute to two men who served their State so ably in their respective congressional bodies. The legislation we are introducing today renames the next stretch of the project after Ernest W. McFarland and Paul Fannin, two of Arizona's outstanding leaders who played a key role in the realization of this dream.

Paul Fannin served as Governor of Arizona from 1958 to 1964. In 1964 he was elected to the U.S. Senate and served in this body until 1976. As Governor of Arizona, Paul Fannin directed State water agencies and was instrumental in shaping Arizona's water policy. He called for an information and education campaign on the CAP to help Arizonans realize the great importance of the project to Arizona's future. While in the U.S. Senate, he cosponsored and aggressively pressed for the adoption of the legislation that finally authorized the CAP.

Ernest McFarland also had a distinguished career in public service, serving Arizona as both Governor and U.S. Senator. He served in the Senate from 1941 to 1952. From 1951 to 1952 he served as the majority leader of this body. In 1947, Senator McFarland introduced the first bill calling for the authorization of the CAP. While in the Senate, he was known as the "Chief Strategist" for the CAP. In 1954 he was successfully elected as Governor and served in that position for one term where he continued his dilligent efforts on behalf of the CAP.

It is only appropriate that we in Arizona attempt to honor these men and their great contributions not only to our State, but to the Nation as well.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD, and I urge my colleagues on the Senate Energy and Natural Resource Committee to take timely action on this legislation.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1556

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) The Salt-Gila aqueduct of the Central Arizona project, constructed, operated, and maintained under section 301(a)(7)) of the Colorado River Basin Project Act (43 U.S.C. 1521(a)(7), hereafter shall be known and designated as the "Fannin-McFarland Aqueduct".

(b) Any reference in any law, regulation, document, record, map, or other paper of the United States to the aqueduct referred to in subsection (a) hereby is deemed to be a reference to the "Fannin-McFarland Aqueduct".●

By Mr. ROTH (for himself, Mr. THURMOND, Mr. SANFORD, Mr. HATFIELD, Mr. STEVENS, Mr. GORTON, and Mr. COATS):

S. 1557. A bill to amend title 17, United States Code, to permit the unlicensed viewing of videos under certain conditions; to the Committee on the Judiciary.

VIDEO VIEWING IN NURSING HOMES

Mr. ROTH. Mr. President, on April 6, 1989, I introduced S. 716, a bill to permit the unlicensed viewing of video movies in nursing homes and other similar facilities. Since that time I have been in contact with other Members of this body and of the other body as well as with some motion picture distributors. As a result of this exchange, I am pleased to introduce a new bill today.

The legislation has been redrafted to clarify certain aspects which some, particularly those in the industry, thought unclear. However, the bill introduced today does not differ either in purpose or effect from S. 716. The new bill would permit the unlicensed viewing of videos in nursing homes and other similar institutions under certain conditions, just as would S. 716. The new bill simply states those conditions with greater precision.

The bill would cover video viewing in a "hospital, hospice, nursing home, retirement home, or other such group home" but only if the institution, whatever it is, meets a two-prong test. First, the institution must provide "long-term health or health-related care and services to individuals on a regular basis." Second, the institution must serve as a "temporary or permanent home" for such individuals.

Under this two-prong test, an acute-care hospital, the typical hospital providing emergency medicine, would not be covered inasmuch as its care is nor-

mally short-term, not long-term, and its patients do not live in the hospital either as a temporary or a permanent home. It is my intention that the time frame of "long-term" care and "temporary home" be 30 days or more in duration.

Thus the person who is admitted to a hospital for surgery and who stays there a week or so is not receiving long-term care and has not changed his home; the hospital does not become his or her home simply because of one or several overnight stays.

On the other hand, in my State of Delaware, there are hospitals that are, in fact, nursing homes. They provide long-term care and serve as the home, the only home, of its residents. Such a hospital would, indeed, be covered by this legislation.

There are other conditions that must be met under the bill. The institution may not levy a direct charge to view the video. And the performance may not be "further transmitted" to the public "by closed-circuit television or by any other means." These conditions track those set out for public television viewing in the copyright code (17 U.S. Code sec. 110(5)).

The purpose of the direct charge condition is to make sure that no profit is made from the performance of the copyrighted work by those institutions providing the entertainment to viewers. Under the public television viewing provision today, the tavern-owner may offer television viewing to patrons without obtaining a copyright license so long as he does not charge his patrons for viewing. That the owner charges for other items does not require him to obtain a copyright license.

The same distinction would apply under my bill to nursing homes showing videos to residents in common areas.

The retransmittal provision of my bill, like that found in the public television exemption, simply makes certain that no commercial aspect is involved. This is, after all, a "home viewing" bill. Very few homes have retransmittal equipment. This condition dove tails with the legislation's requirement that the television and the VCR be "of a kind commonly used in private homes."

The only difference between my retransmittal provision and that in the public television viewing exemption is that I have expressly stated that closed-circuit television retransmittal is inconsistent with unlicensed video viewing in the covered institutions. Thus, a hospital, for example, that retransmits videos over closed circuit television would not be included in the licensing exception created by my bill. However, since the television viewing provision and my bill do not embrace any form of retransmittal to the public, their legal significance is identical.

As I said on April 6, 1989, when I introduced S. 716, the purpose of my legislation is simple equity. It would erase a glitch in our copyright law that discriminates against people who reside in hospitals, hospices, nursing homes, retirement homes or other group homes who would like to watch a video movie. Today, people who reside in a typical family setting are granted video viewing rights. You and I do not need a copyright license to view a video movie. Not so those in nursing homes. Even though they reside in homes, they must obtain a license because nursing home residents do not constitute "a normal circle of a family and its social acquaintances"—the group to which the home-viewing exception of copyright law is confined.

This discrimination against those residing in nursing homes and other such group settings is rather sad. The healthy can live with their families. The wealthy can pay for private care. Both of these can thus enjoy videos without a license. But the unhealthy and unwealthy are, by their circumstances, confined to group care. That copyright law would require them to obtain a license does not make sense to me.

If this is viewed in some circles as a matter of principle, let us recall that the principle is already well-established. The home-viewing exception is already a fact of American life. A nursing home is a home. It is time that the law was brought in line with this Fact. The law must be changed.

I am pleased that the legislation I am introducing today has the enthusiastic support of the American Association of Activity Professionals, the American Association of Homes for the Aging, the American Health Care Association, and the National Citizens Coalition for Nursing Home Reform.

Finally, it gives me pleasure to state that, today, I am joined by Senators THURMOND, SANFORD, HATFIELD, STEVENS, GORTON, and COATS in introducing this legislation. And in the other body, Congressmen CARDIN and HOYER, are introducing identical legislation today.

With this kind of support, I look forward to prompt action in the Congress. My sincere thanks to all those who have joined in this effort.

Mr. President, I ask unanimous consent that the text of the legislation be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1557

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 110 of title 17, United States Code, is amended—

(1) by redesignating paragraph (10) as paragraph (11), and

(2) by inserting after paragraph (9) the following:

"(10) performance or display of a work by means of a video cassette recorder and a television set of a kind commonly used in private homes, if—

"(A) the performance or display occurs in a hospital, hospice, nursing home, retirement home, or other such group home;

"(B) such institution both provides long-term health or health-related care and servs ices to individuals on a regular basis and serves as a temporary or permanent home for such individuals;

"(C) no direct charge is made to see or hear such performance or display; and

"(D) the performance or display is not further transmitted by closed-circuit television or by any other means;".

Mr. SANFORD. Mr. President, I rise in support of the bill of the Senator from Delaware, and to commend him for the work he has done to correct an unfairness in our copyright laws that works to the detriment of thousands of seniors in this country. This is a simple bill; it removes the requirement on those living in a nursing home or group-type setting to obtain a license before watching movies on a VCR.

This bill amends a section of copyright law that discriminates against people who are confined to settings such as hospitals, hospices, nursing homes, or anywhere that people do not live privately.

Copyright law states that if you live in a residential home or apartment, whether by yourself or with your family, it is not necessary to obtain a license to watch copyrighted performances on video tape. A person does not have to obtain a license if they constitute "a normal circle of a family and its social acquaintances." But if you are not able to reside with your family, if you cannot afford to pay a private nurse to take care of you during an illness, if you cannot afford private accommodations in a hospital, then you are directly affected by this act. Under current law, if you live in a group home, you must obtain a license to watch copyrighted performances on a VCR. This is outrageous.

I am proud to cosponsor this bill, which erases a glitch in our copyright law. In 1976 when Congress wrote the revised copyright code, it did not intend to discriminate against people who were in nursing homes and hospitals. Congress realized that these people were entertained in common areas and are not in a traditional family setting. Congress made an exception to licensing for watching television in common areas. The reason that Congress did not make exceptions for the video cassette recorders in the 1976 bill is because the VCR was not as prominent as it is today. It has only been in this decade that the VCR has reached its tremendous popularity.

The bill updates the television exception by including VCR's.

The bill specifically takes care of men and women who are in a medical-type setting. The VCR exception applies only to "a hospital, hospice, nursing home, or other group home providing health or health-related care and services to individuals on a regular basis."

The Motion Picture Licensing Corp. objects to this bill. They are trying to collect licensing fees from group homes for what they call "reasonable" fees. This charge would only apply to people in group settings and not to people in a private, family-type atmosphere. A "reasonable" fee in my opinion is zero. Shame on the Motion Picture Licensing Corp.

While the fee may seem reasonable to some, even a small fee per movie could add up to large sums each year. The industry suggests Medicare pick up these costs, but I don't believe that is appropriate. Senior citizens often live in group settings that is their only home. The fellow residents make up the only family that they have. They should not be discriminated against because they do not make up "a normal circle of a family and its social acquaintances." They deserve the right many of the rest of us have—to watch movies of our choice in our own "home." This bill gives them that right. I urge my colleagues to support it.

By Mr. HEINZ (for himself, Mr. PRYOR, and Mr. GLENN):

S. 1558. A bill to amend title XVIII of the Social Security Act to require renal dialysis facilities and other providers of dialysis-related services, devices, and supplies to obtain informed, written consent from medicare patients with respect to the use of reprocessed dialysis devices and supplies, and for other purposes; to the Committee on Finance.

END STAGE RENAL DISEASE PATIENT RIGHTS AND PAYMENT EQUITY ACT

● Mr. HEINZ. Mr. President, the 100th Congress adjourned with at least one important piece of legislation still on the table. I rise today together with Senators PRYOR and GLENN to reintroduce a bill that will protect tens of thousands of Medicare kidney dialysis patients from what may be dangerous and unnecessary risks in the reuse of filters, blood tubing and other devices.

The provision of dialysis that is safe and effective is critical. Over 130,000 Americans require three, 4-hour dialysis treatments a week to cleanse the blood of toxins, salt, and water that accumulate. These life-sustaining treatments must continue for the remainder of these patients' lives unless they receive a kidney transplantation.

The Government's role in kidney dialysis is significant, with Medicare funding over 80 percent of all dialysis treatment at a cost of over 1.5 billion dollars. Medicare reimburses dialysis clinics on the assumption of one-time use of the critical filters and tubing. It is worth noting that this equipment is almost always clearly labeled "single use only." Yet more than 50 percent of clinics today reuse this disposable equipment—some as many as 40 times—sterilizing with formaldehyde.

While the verdict is still out on the ultimate safety of reusing dialysis equipment, the experts agree on the need for safeguards. Their and my concern, Mr. President, is that, in the absence of conclusive studies, we have no standards and thus no surety that reuse can be done safely. We don't know, for example, how many times these devices can be used before they crack, before harmful deposits form, or before blood clotting destroys the filter. We don't know the best chemical solution for effective sterilization. Formaldehyde, the most commonly used chemical in reprocessing can cause cancer, liver damage, and destruction of red blood cells.

An investigation and hearing conducted when I was Chairman of the Senate Committee on Aging raised serious red flags over reuse, including patient deaths attributed to bacteria in supposedly sterilized filters and bloodlines and patients forced to reuse who would prefer not to. It is unconscionable, Mr. President, that a Federal benefit intended to save lives, is turned into a macabre game with hidden risks and quiet coercion.

For these reasons, the legislation I am introducing today will require that all facilities participating in the Medicare End Stage Disease Program inform patients in writing of the potential risks and benefits of reuse, that patients be given the freedom to choose whether or not they want reuse, and that a Medicare dialysis clinic cannot refuse to treat a patient with new equipment if the patient decides against reuse.

This bill will neither increase costs nor paperwork to Medicare's ESRD program. The Federal Government already reimburses dialysis providers at the same rate, regardless of whether or not they reuse disposable dialysis devices. The new consent forms will be filed for review by the appropriated State survey agencies in the normal process of determining whether facilities meet the conditions of Medicare participation.

The legislation also does not seek to bring to a halt the reuse of disposable dialysis devices. Dialysis with reused disposable equipment may indeed be safe and effective dialysis under certain circumstances. However, until we have the research on which to base guidelines and procedures for safe and effective recycling, we need to protect patients through informed consent.

The legislation also recognizes concerns over the adequacy and equity of current payment methods used under Medicare's ESRD program that have been raised by the Congress, providers and ESRD patients. First, the bill prohibits the administration from proceeding with its plan to reduce payments in fiscal year 1990—before we have the results of a congressionally mandated IOM study of the impact of ESRD payments on the quality of patient care. Second, the bill requires that the Prospective Payment Review Commission study and recommend a payment rate for fiscal year 1991 that takes into account the IOM findings and any additional costs to providers of protecting the patient's right to elect for or against reuse.

Mr. President, the Medicare End Stage Renal Disease program has been tremendously succcessful for more than a decade in providing life sustaining treatment to a very vulnerable group of Americans. This legislation can help return the ESRD program to a program trusted by patients whose lives depend on it and fairly reimburse those who provide this essential care. I, therefore, urge my colleagues' support for this legislation which has the endorsement of the National Kidney Patients' Association.

Thank you, Mr. President. I ask unanimous consent that the summary and text of this bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1558

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "End Stage Renal Disease Patient Rights and Payment Equity Act of 1989".

SEC. 2. USE OF REPROCESSED DIALYSIS DEVICES AND SUPPLIES.

(a) IN GENERAL.—Section 1881 of the Social Security Act (42 U.S.C. 1395rr) is amended by adding at the end thereof the following new subsection:

"(h)(1) No provider or facility may provide or utilize reprocessed dialysis devices or supplies for the dialysis of an individual entitled to benefits under this title unless the provider or facility has obtained the informed, written consent of the individual in accordance with paragraph (2).

"(2)(A) A provider or facility that proposes to provide or utilize any reprocessed dialysis devices or supplies for the dialysis of an individual entitled to benefits under this title shall furnish the individual or a legal guardian with a written document—

"(i) informing the individual or guardian of—

"(I) the specific reprocessed dialysis devices and supplies the provider or facility proposes to provide or utilize,

"(II) the specific substances and materials to be utilized in reprocessing each such device or supply, and

"(III) the potential and known risks and benefits of utilizing each such device or

supply (including, but not limited to, any increased risk of infection and any harmful long-term effects that the substances and materials utilized in reprocessing the device or supply may have);

"(ii) providing assurances to the individual or guardian that the provider or facility—

"(I) will not penalize the individual in any way for refusal to consent to the provision or utilization of reprocessed dialysis devices or supplies for the dialysis of the individual, and

"(II) will not refuse to provide or utilize dialysis devices and supplies that have not been reprocessed for the dialysis of the individual; and

"(iii) informing the individual or guardian of the grievance mechanisms available to him or her under this title.

"(B) The consent of an individual or legal guardian shall be evidenced by his or her signature on a copy of the document furnished to the individual pursuant to subparagraph (A). Such signature shall be in addition to any signature indicating that consent is given for the individual to enter dialysis.

"(C) An individual or legal guardian may terminate consent given in accordance with subparagraph (A) by notifying a provider or facility in writing that the consent is terminated. A termination of consent shall be effective on the date on which the provider or facility receives written notice of the termination.

"(3)(A) A provider or facility shall allow the Secretary (or a State agency designated by the Secretary) full access to all records of the provider or facility relating to the provision or utilization of reprocessed dialysis devices or supplies for the dialysis of individuals entitled to benefits under this title, including any written consent forms obtained pursuant to paragraph (2).

"(B) If the Secretary determines that a provider or facility has failed to comply with any of the requirements of this subsection, the Secretary may terminate or withhold certification of the provider or facility for purposes of payment for services, devices, or supplies furnished to individuals entitled to benefits under this title.

"(4) For purposes of this subsection, the term 'reprocessed dialysis device or supply' shall include, but is not limited to, any hemodialyzer, blood line, transducer filter, and dialyzer cap that has been used in dialysis and processed for reuse in dialysis.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective with respect to dialysis services furnished on or after the date that is 180 days after the date of the enactment of this Act.

SEC. 2. PAYMENT AND STUDY FOR END STAGE RENAL DISEASE SERVICES.

(a) MAINTENANCE OF CURRENT COMPOSITE PAYMENT RATE.—Effective with respect to dialysis services provided on or after October 1, 1989, and before October 1, 1990, the Secretary of Health and Human Services shall establish the base rate for routine dialysis treatment in a free-standing facility and in a hospital based facility under section 1881(b)(7) of the Social Security Act at a level equal to the respective rate in effect as of September 30, 1989.

(b) STUDY OF PAYMENT RATES FOR SUCH SERVICES.—(1) The Prospective Payment Assessment Commission (hereinafter referred to as the Commission) shall conduct a study and submit such study along with recommendations to the Senate Committee on Finance and the House Committees on Ways and Means and Energy and Commerce no later than June 1, 1990, on the appropriate amount of payment levels for fiscal year 1991 for End Stage Renal Disease Services as provided under section 1881(b)(7) of the Social Security Act.

(2) Such study and recommendations shall—

(A) include and reference any available findings from the study conducted by the National Academy of Sciences as provided under section 4036(d) of the Omnibus Budget Reconciliation Act of 1987; and

(B) take into account—

(i) the costs of ensuring a patient's right to elect for or against re-use of dialysis equipment; and

(ii) the merits and feasibility of applying medical necessity and social needs criteria in determining the amount of payment for End Stage Renal Disease Services made under any payment method other than a method based on a single composite weighted formula.

SUMMARY OF THE END STAGE RENAL DISEASE (ESRD) PATIENT RIGHTS AND PAYMENT EQUITY ACT OF 1989

THE ISSUE

The Federal Government has the responsibility of assuring quality care to dialysis patients, since it is the primary payor (Medicare) for most dialysis treatment. There is a virulent debate regarding single use or reuse of dialysis devices and supplies. To date, there has been no clinical trials to determine the safety or harm of the reuse technique.

In the absence of this evidence, the Federal Government should assure that the patient has: (1) informed written consent explaining all potential and known risks and benefits of the reuse method, and (2) the opportunity to choose either single use or reuse without risk of loss of treatment. At the same time, current payment methods should be re-examined to ensure their adequacy with respect to ensuring patients this fundamental choice.

THE BILL

The bill requires renal dialysis facilities/providers to obtain informed, written consent from Medicare patients with respect to the use of reprocessed dialysis devices and supplies. It also prohibits any reductions in payments to providers under the composite rate in FY90 and requires that ProPAC examine and recommend an equitable payment approach and level for FY91—taking into consideration informed consent for reuse. The Health Care Financing Administration has proposed reducing these rates an additional $6.00 administratively in FY90—prior to the release of a Congressionally mandated IOM study on the impact of ESRD payment on quality of care (due 12/90).

Informed Written Consent: Patient or Guardian must be informed of: Specific reprocessed devices, to be used; Specific substances/materials to be used in the reprocessing; Any potential and known risks and benefits using reprocessed devices and supplies: Individual's ability to terminate consent by written notice; and Notification of grievance mechanisms.

Assurances to Patients: The individual will not be penalized in any way for refusing to use reprocessed devices (eg. loss of treatment).

Oversight: There will be full access by federal or state agencies to all records of renal dialysis facilities/providers relating to reprocessed devices including written consent forms.

Sanctions: Facilities/Providers who fail to comply may have their certification withheld or terminated for reimbursement.

Payment: Provides that:

FY90 Method I composite rate not be reduced below FY89 level.

ProPAC recommend FY91 Method I and Method II rates, taking into account IOM findings and patient choice on reuse.

Financial Impact: Budget neutral.●

By Mr. WARNER (for himself, Mr. BUMPERS, and Mr. ROBB):

S. 1559. A bill to expand the boundaries of the Fredericksburg and Spotsylvania County Battlefields Memorial National Military Park near Fredericksburg, VA; to the Committee on Energy and Natural Resources.

EXPANSION OF FREDERICKSBURG AND SPOTSYLVANIA COUNTY BATTLEFIELDS MEMORIAL NATIONAL MILITARY PARK

● Mr. WARNER. Mr. President, today I, along with my colleagues Senators BUMPERS and ROBB, am introducing the Fredericksburg and Spotsylvania County Battlefields Memorial National Military Park Expansion Act of 1989. This bill consolidates and reasonably expands the boundaries of the existing Fredericksburg-Spotsylvania Park, which has jurisdiction over four battlefields which were pivotal to the course of the war between the States.

The Virginia Senators are particularly honored to have Senator BUMPERS join as an original cosponsor, because he has devoted considerable personal study to this period of American history. We are all privileged to introduce this legislation, because it is essential to ensure that an important part of our Nation's heritage will be preserved for future generations.

Mr. President, the present Fredericksburg-Spotsylvania County Battlefields Memorial National Military Park was established in 1927, with the acquisition of the actual fighting lines and earthworks of the above cited four key Civil War battles that occurred near Fredericksburg, VA, between 1862 and 1864. Now, suburban growth threatens the integrity of not only the fighting lines and earthworks, but of the battlefields themselves not now Federal park land. The time has come to create a boundary to protect all four important battlefields and to consolidate them into a single integrated park.

As Congress has provided for other national parks, this bill authorizes additional land acquisition, land exchanges, acquisition of alternative rights of access and acceptance of donated conservation easements. Specifically, to assist in expanding existing boundaries, the bill requires the purchase by the National Park Service of 762 acres of private land and 593 acres

in scenic easements. We suggest that the consolidated park be named the "Fredericksburg and Spotsylvania National Battlefields."

Mr. President, the House of Representatives has already unanimously passed legislation identical to the bill we introduce today. That bill was introduced by my colleague Congressman FRENCH SLAUGHTER, who represents the Seventh Congressional District of Virginia, which contains the existing and proposed park land.

Mr. President, the Fredericksburg-Spotsylvania area was militarily significant during the Civil War because of its proximity to Richmond, the capital and industrial center of the Confederacy. Four important battles occurred on the way to Richmond: Fredericksburg, Chancellorsville, Wilderness, and Spotsylvania Court House.

The Confederate Army achieved substantial gains during both the battles of Fredericksburg, in December 1862, and Chancellorsville, in April 1863. The Confederate gain at Chancellorsville was also marred because of the loss of the famed Gen. Stonewall Jackson. During the battles of Wilderness and Spotsylvania Court House both in May 1864, General Grant succeeded in pushing Lee back closer to Richmond, despite significant losses. Although these two battles are viewed by historians as Confederate gains, they mark the beginning of a long campaign in which the Federal army under U.S. Grant ultimately gained its objectives.

Mr. President, the Park Service needs the authority to go forward with the acquisition of the additional land called for in this proposed legislation to guard against development threatening the historical integrity of this hallowed ground. I hope that my colleagues in the Senate will act on this legislation as expeditiously as possible.●

By Mr. BURNS (for himself, Mr. SYMMS, Mr. HATCH, Mr. FORD, Mr. MCCLURE, Mr. DANFORTH, Mr. DOLE, and Mr. NICKLES):

S. 1560. A bill to suspend the enforcement of certain regulations relating to underground storage tanks, and for other purposes; to the Committee on Environment and Public Works.

SUSPENSION OF ENFORCEMENT OF CERTAIN REGULATIONS ON UNDERGROUND STORAGE TANKS

Mr. BURNS. Mr. President, I rise today to introduce legislation on behalf of myself, the two Senators from Idaho [Mr. SYMMS and Mr. MCCLURE], the Senator from Utah [Mr. HATCH], the Senator from Mississippi [Mr. COCHRAN], the Senator from Kansas [Mr. DOLE], the Senator from Missouri [Mr. DANFORTH], and the Senator from Kentucky [Mr. FORD], that will address the problems faced by small gas station owners and others in complying with the Environmental Protection Agency's underground storage tank regulations.

These regulations, implemented in January, may force many of the small gas stations that dot rural Montana and other States to go out of business. The EPA has been mandated to clean up leaking underground storage tanks. This is a laudable goal, and I commend them for their effort. The approach, however, has been to implement the regulations in an across-the-board fashion, without concern for the size of the small business involved or its ability to meet the requirements of the law.

All gas stations will now be required to carry $1 million in insurance against the possibility of leaking storage tanks. The large companies, of course, can afford such coverage. The small owner, however, often cannot—even if such insurance was available. The unfortunate fact of the matter is that many insurance companies have suspended providing insurance for the time being. Insurance is also extremely costly. But EPA has no flexibility in the matter, it must require the insurance of all who have underground tanks.

The bottom line is this: Small gas station owners have been placed in an impossible position—they are required to carry insurance which is either not available at all or can be obtained only at prohibitive cost.

Without legislative action more than 26,500 small gas stations across America are likely to shut down, according to a survey by the Petroleum Marketers Association of America. Many of these stations will be in remote rural areas where their absence will only result in an increase of private tanks—thus spreading the risk of leaks and spills. The loss of stations will also create a hardship on those folks living in or traveling through rural areas.

The legislation I am introducing today will give those small gas station owners 12 months reprieve until EPA can certify that reasonably affordable insurance is available. In addition, this legislation reduces the mandatory minimum limit of $1,000,000 to an amount determined by EPA—but below $500,000. The $500,000 level would still cover 99 percent of all leaks in this country.

The legislation I am introducing will also eliminate the requirement that the insurance cover third party claims on top of clean up costs. Third party coverage merely assures litigants large court judgments—it has nothing to do with cleaning up the environment. This amendment alone will bring 28 State insurance programs into compliance.

Finally, the legislation will require EPA to examine the financial difficulties associated with monitoring, upgrading, and replacing existing tanks, and to report to Congress on ways to relieve those difficulties.

Mr. President, I ask unanimous consent that an article by Mea Andrews of the Missoulian titled "New Fuel Storage Rules Put Pressure on Station Owners," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW FUEL STORAGE RULES PUT PRESSURE ON STATION OWNERS

(By Mea Andrews)

The number of gas stations in Montana probably will dwindle in the next few years as owners of small-volume outlets decide to leave the business rather than comply with new federal standards for fuel storage tanks.

Station owners are getting help from the state with one requirement, however. On July 1, motorists started paying a 1-cent per gallon gasoline tax for a state insurance pool that will be used to clean up sites contaminated by fuel spills and leaks.

"We've got a lot of work ahead of us," said Jean Riley, an environmental engineer for the state's underground storage tank program. "There are a lot of business decisions being made right now."

The regulations approved by Congress are aimed at preventing fuel leaks that can contaminate underground water. Starting this year, standards for detecting leaks in tanks are due to be phased in over five years. Other regulations will go into effect in 1998 that protect tanks from corrosion and the soil from fuel spills.

Starting this year and continuing through October 1990 are deadlines for station owners to arrange at least $1 million in insurance to cover cleanup costs of spills and leaks—insurance policies that are not widely used by mom-and-pop size stations, and are high-cost, hard-to-get luxuries for others.

The state's new insurance pool will help, although station owners would be liable for up to $17,500 of the first $35,000 in bills for a cleanup project.

Most troublesome for many stations is the anti-corrosion requirement, which involves either replacing tanks with approved new models or lining old ones with special coatings. Average cost per station could be $20,000 to $45,000 or more, according to Montana equipment dealers and state officials.

"It is tough enough on the big operators," said Larry Fickler of Fickler Oil Co. north of Deer Lodge. "I just don't see how the low-volume stations are going to be able to do it."

Rural residents may find themselves driving farther to fill up their tanks, and small stations that discontinue pumping gas may find their auto repair operations in trouble, too.

Curt Coulter of Coulter Automotive worries about that. He runs the only service station in Charlo, but gasoline is just a small part of his business.

"We don't make that much on gasoline, but it brings a lot of people around so we can talk to them, look at their tires, belts and hoses," he said.

"The big decision I have to make is, if I put $16,000 to $20,000 in the ground for the tanks and pay another $2,500 for insurance, I just don't pump enough gas" to warrant staying in the gas business, he said.

Coulter said he would try to continue the repair garage. But the lack of gasoline would be an inconvenience for customers.

"They would have to drive to St. Ignatius or Ronan for gas," he said. "It hurts them, too."

Corrosion-resistant coatings can be bonded to some old tanks, but the tanks must be dug up, cut open and inspected. That may prompt many station owners to replace the steel units with fiberglass or other approved tanks, said Hal Tremper, vice president of Missoula's Tremper Distributing.

"We have a number of small stations that seem to be putting off a decision," Tremper said. "I just hope they understand that they do have to do something."

Montana's data base of underground storage tanks lists over 18,000 tanks in 9,000 different locations; more than 16,000 tanks are steel, said Riley.

The average age of the tanks is 16 years; about 2,000 of the tanks are over 25 years old, and some have been around for 75 years or longer.

The older the tank, the more likely that corrosion has started causing leaks.

"At most of the tanks we are seeing removed, there is at least some contamination at every site," Riley said. "Most of it is in the soil and a lot of it is fairly minimal—around fill pipes, where they've overfilled (the tank)."

Most spills occur when a fuel-delivery truck's hose is disconnected from the tank, and a few gallons of gasoline spills into the ground. Over time, the accumulation can create broader and deeper contaminated areas.

By December 1998, old tanks also must be fitted with devices that catch spills and prevent over-filling tanks.

Alarms that would signal nearly full tanks, automatic shut-off valves and bucket-like basins that catch fuel around a tank's fill pipe are some of the approved methods.

"We have heard about some people saying they can't afford all of this," Riley said.

"They are ones that seem to be working on a shoestring budget, anyway. But we still have a lot of people interested in getting into the business, too. We're still getting a lot of calls on that."

Mr. SYMMS. Mr. President, I strongly endorse the bill introduced by my friend and colleague from Montana, Senator BURNS. His legislation addresses the difficulties imposed on small businesses, especially gasoline marketers, by the Environmental Protection Agency's current regulations governing underground storage tanks.

The difficulties facing underground tank owners are twofold. First, the technical standards required in 1984 under the Resource Conservation and Recovery Act are not cheap. The cost of compliance over the last 3 years alone has been estimated at $37,000 per marketer. If projected expenditures this year are included, the petromarketing industry will have spent nearly a billion dollars on upgrading, replacing, and monitoring underground tanks by the end of 1989. And several times that amount will be spent by the time we reach the 1999 deadline for compliance.

Second, Congress required as part of the 1986 Superfund Amendments and Reauthorization Act an aggressive financial assurance requirement for tank owners. This act requires that leaks from underground tanks be covered by specified insurance options. Several of those options are not available to small independent petromarketers. And where commercial insurance is available, it is extremely expensive.

This two-tiered regulatory burden threatens the survival of many small gas stations and other tank owners. While EPA made an effort to minimize these costs, it is obvious that the requirements laid out in statute were not enacted with due consideration for small business. That is why I am committed to moving the legislation we have introduced today.

An ounce of prevention is truly worth a pound of cure. In our bill, we have concluded that if some aspect of the current regulatory burden must be lifted, it should be in the financial assurance requirements and not the technical standards. If our goal is to protect human health and the environment, dollars devoted to leak prevention will do far more good than financial assurance.

So the bill lifts some of the most costly provisions of the current financial assurance regulations, while instructing EPA to develop ideas and methods to make the monitoring upgrading and replacing of tanks more affordable. Even after the bill passes, insurance requirements will cover more than 99 percent of all leaks from underground tanks. I think this is a balanced and well-conceived bill, and I encourage my fellow Senators to add their names as cosponsors.

In this era of new environmental zeal, it is important that we not jeopardize the survival of the small, independent entrepreneur who forms the backbone of our Nation's economy. After all, without the entrepreneurial engine of new technology, little if any environmental progress would ever occur.

By Mr. BOND (for himself, Mr. HARKIN, Mr. LUGAR, Mr. BOSCHWITZ, Mr. MCCONNELL, Mr. DOLE, Mr. CONRAD, Mr. PRYOR, and Mr. BOREN):

S. 1561. A bill to condition eligibility for participation in certain agricultural programs on the exporter not using commodities or products as the basis for a claim of a drawback under the Tariff Act of 1930, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

CONDITIONING ELIGIBILITY FOR PARTICIPATION IN CERTAIN AGRICULTURAL PROGRAMS

Mr. BOND. Mr. President, on behalf of myself and Senators HARKIN, LUGAR, BOSCHWITZ, MCCONNELL, DOLE, CONRAD, PRYOR, and BOREN, I am introducing legislation to correct a loophole which now undermines the intent of certain export programs administered by the U.S. Department of Agriculture [USDA]. Although this problem was discovered only recently, I believe an expeditious legislative remedy is necessary.

Currently, the Tariff Act of 1930 allows the reimbursement of import duties—duty drawback—when products fungible—considered identical and interchangeable—with imported products are exported. For example, an importer of crude degummed soybean oil that uses the oil for domestic purposes can subsequently seek duty drawback if it exports, within 3 years, U.S.-origin soybean oil.

However, it has become apparent that companies have exploited duty drawback provisions by combining this duty drawback program with the benefits of USDA export programs. For example, a company recently imported South American-origin soybean oil, paying a 22.5-percent import duty. Subsequently, the company received guaranteed credit through the Commodity Credit Corporation's GSM-102 Export Program. Thus the company was eligible to receive duty drawback of the tariffs paid on the South American imports. In short, this allows companies to use a government export program as a means to facilitate imports of foreign origin commodities.

As it currently operates, duty drawbacks could be an incentive for exporters to import foreign agricultural commodities which are neither in short supply nor price competitive. These artificially induced imports offset subsequent export sales and thus there is no net reduction in U.S. supplies. I believe this practice violates the intent of the export programs administered by USDA.

The legislation I am introducing today closes this loophole. Specifically, the bill:

Requires exporters to certify that they will not seek duty drawback on vegetable oil or vegetable oil products, previously imported, on exports made under USDA programs.

Exempts exporters from the certification requirements in the event there was an existing export contract. In other words, contracts entered into prior to the effective date of this bill will be grandfathered.

Mr. President, although this loophole was originally identified by industry, USDA has worked diligently to analyze both administrative and legislative remedies. This bill was developed when it became clear that a legislative remedy was necessary.

I believe this legislation corrects an unintentional loophole by stipulating that export programs will only be used for the purpose for which they were designed. Also, I might add that the legitimate use of drawback outside USDA programs will not be impacted

by this legislation. Finally, I am pleased to say that this bill has the strong support of the National Oilseed Processors Association, the National Sunflower Association, the National Cottonseed Products Association, the National Cotton Council, and the American Soybean Association.

I am hopeful this legislation will receive expeditious consideration by Congress and intend to work hard for its passage in this body.

I ask unanimous consent that a text of the bill, a letter of endorsement, and a section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1561

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONDITIONS FOR ELIGIBILITY IN CERTAIN PROGRAMS.

(a) IN GENERAL.— Except as provided in subsection (b), as a condition of eligibility for participation in any export program under title I or title III of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1961 et seq.), as amended, or in any export credit, credit guarantee, bonus, or other export program administered by the Commodity Credit Corporation or carried out with funds made available pursuant to section 32 of Public Law 74-320, the exporter shall certify that none of the agricultural commodity or product exported under any such program will be used or has been used as the basis for a claim or a refund, as drawback, pursuant to subsection (j)(2) of section 313 of the Tariff Act of 1930, as amended (19 U.S.C. 1313(j)(2)), of any duty, tax, or fee imposed under Federal law on an imported commodity or product.

(b) VEGETABLE OIL.—As a condition of eligibility for participation in any of the programs described in subsection (a), an exporter of vegetable oil or a vegetable oil product shall verify that none of the vegetable oil or vegetable oil product exported under any such program will be used or has been used as the basis for a claim of a refund, as drawback, pursuant to section 313 of the Tariff Act of 1930, as amended (19 U.S.C. 1313), of any duty, tax, or fee imposed under Federal law on an imported commodity or product.

(c) APPLICABILITY.—The provisions of subsections (a) and (b) shall not be applicable to quantities of agricultural commodities and products with respect to which an exporter has entered into a contract, prior to the effective date of this section, for an export sale.

NATIONAL OILSEED PROCESSORS ASSOCIATION,
Washington, DC, August 3, 1989.

Hon. PATRICK J. LEAHY,
Chairman, Senate Committee on Agriculture, Nutrition and Forestry, Washington, DC.

DEAR MR. CHAIRMAN: We would like to register our strong support for legislation to prohibit duty drawback benefits on exports of vegetable oil under USDA export programs, such as GSM, P.L. 480 and the EEP.

Under current law, importers of foreign vegetable oil, for example, are able to export a quantity of U.S. origin vegetable oil under a USDA export program, and receive a refund of import duties (drawback) paid on a like amount of imported oil. This has the effect of allowing traders to cycle products of like kind through the U.S., essentially duty-free, with the added assistance of USDA export programs. This situation occurred recently with Argentine soybean oil.

While the product exported under the USDA program is of U.S. origin, a like quantity of imported product has been substituted in its place, thereby offsetting the positive effect of the export sale. When the combined use of duty drawback and export assisted sales occur, net U.S. stocks remain the same, while important USDA export program resources are depleted.

We understand Senator Bond intends to introduce, before the August recess, legislation to close this loophole by prohibiting duty drawback benefits on exports under USDA credit, credit guarantee, bonus or other export programs administered by the CCC, if the product exported remains in the "same condition" or a "like form" as that which was imported.

We would appreciate your support for this legislation, and hope you will consider serving as an original cosponsor. Please contact us if we can be of assistance in this regard. Thank you for your consideration.

Sincerely,

The National Oilseed Processors Association, the National Sunflower Association, the National Cottonseed Products Association, the National Cotton Council, the American Soybean Association.

SECTION-BY-SECTION ANALYSIS

Subsection (a) of the proposed statutory provision would require an exporter applying for participation in one of specified U.S. Department of Agriculture export programs to certify, except as provided in subsection (b), that it will not use or has not used the quantity of an agricultural commodity or product exported under such program as the basis for a claim of a refund, as drawback, pursuant to subsection (j)(2) of section 313 of the Tariff Act of 1930, as amended (19 U.S.C. 1313(j)(2)), of any duty, tax or fee imposed under Federal law on an imported commodity or product. Subsection (j)(2) of section 313 applies only to same condition substitution drawback.

Subsection (b) would require an exporter of vegetable oil or a vegetable oil product to certify that it will not use or has not used a quantity of vegetable oil or a vegetable oil product exported under one of the programs specified in subsection (a) as the basis for a claim of any type of drawback under 19 U.S.C. 1313.

The provisions of subsections (a) and (b) would apply to any export program under title I or title III of the Agricultural Trade Development and Assistance Act of 1954, as amended, or any export credit, credit guarantee, bonus, or other export program administered by the Credit Commodity Corporation or carried out with funds made available pursuant to section 32 of Public Law 320, 74th Cong. An exporter which failed to provide the required certification would be ineligible to participate in these export programs.

Subsection (c) would create an exception to the certification requirements in subsections (a) and (b) for certain agricultural commodities and products with respect to which there was an existing contract for an export sale. If the contract was entered into prior to the effective date of these provisions, the agricultural commodity or product covered by the contract would be "grandfathered."

Subsection (d) would make these provisions effective as soon as enacted.

By Mr. GRAHAM

S. 1562. A bill to amend title XVIII of the Social Security Act to expedite the payment of claims under such title by increasing the level of interest paid on late payments to providers under such title, and for other purposes; to the Committee on Finance.

INTEREST LEVEL ON LATE PAYMENT TO PROVIDERS

Mr. GRAHAM. Mr. President, I send to the desk legislation which will amend a title of the Social Security Act relating to payment claims under such title.

Mr. President, there are some Federal programs which only touch a few people. Medicare, however, is in many ways like the Postal Service or the Internal Revenue Service. It has a major and continuing impact on the lives of many Americans. The influence is particularly significant in States such as mine where there are large numbers of citizens utilizing Medicare services.

Late last year, my office started receiving an unusual number of phone calls, letters, and direct contacts from literally hundreds of suppliers, physicians, and beneficiaries concerned about delay in Medicare payments. In May of this year, I held a field hearing in Orlando to determine the reason for these delays. The hearing disclosed a number of bases for the delay in payments primarily relative to administrative factors. It did seem to me, however, Mr. President, in the course of the hearing that there was an area in which congressional action was necessary, and that had to do with the provision of a strong incentive on the Social Security Administration, its health care administration, and those entities which might, by contract, cause the adminstrators of this system to make payments to the suppliers of Medicare services on a timely basis.

There were problems with the current law. One related to the fact that many claims which were filed which were subsequently found to be legitimate valid claims were not eligible for interest payment on the delayed payment because they had initially been ajudged to have been deficient in some manner. A portion of the legislation that I am introducing would provide that if a claim is subsequently found to have been full, complete, and justified for payment that it will be treated as such for purposes of its eligibility for interest because of delayed payment.

The second provision that we are recommending, Mr. President, is to increase the interest rate which the Government will pay to suppliers who are delayed more than 24 days in re-

ceiving their reimbursement. Currently, the interest rate is set at the rate of Government borrowing. This proposes to set that rate at one-quarter of a percent above the Government borrowing rate so there will be a strong incentive to make payments on a timely basis.

The issue of timely payment is not only because it is important that the Government conduct its business with those who provide services to our people on a basis of dignity, respect, and accepted business practice, it is also important, Mr. President, within the Medicare Program because we are trying to encourage more of the Medicare providers to accept assignment. That is to be willing to accept a payment that is provided through Medicare as full and complete payment and not ask the Medicare beneficiary to make further contribution toward the suppliers' cost. This is particularly as it relates to physician fees.

If the Federal Government falls into a practice of delayed payment to those very same professional and product suppliers, we are going to undermine our ability to attract them into the Medicare system on an assignment basis. It we fail to do so, that will be to the great detriment of the very people who we hope to benefit by our Medicare system.

Mr. President, I send to the desk and ask for appropriate referral of the legislation which I believe will contribute toward achieving our goal of a Medicare system that will assist our older Americans in securing financing for the highest quality medical services possible.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1562

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INTEREST LEVEL ON LATE PAYMENT TO PROVIDERS INCREASED.

(a) CLAIMS UNDER PART A.—Section 1816(c) of the Social Security Act (42 U.S.C. 1395h(c)) is amended—

(1) by striking "interest shall be paid at" and inserting in lieu thereof "interest shall be paid at a rate which is ¼ percent higher than"; and

(2) by adding at the end thereof the following new paragraph:

"(4) Each agreement under this section shall provide that with respect to claims that are not treated as clean claims as described in paragraph (2)(B), but, which are found after review to be legitimate and complete, that beginning with the day that is 24 calendar days after the day that such claim is received from a hospital, skilled nursing facility, home health agency, hospice program, comprehensive outpatient rehabilitation facility, or rehabilitation agency that is not receiving payments on a periodic interim payment basis with respect to such services and ending on the date on which payment is made, interest shall be paid on such claim at the same rate as that specified that paragraph (2)(C).".

(b) CLAIMS UNDER PART B.—Section 1842(c) of such Act (42 U.S.C. 1395u(c)) is amended—

(1) in paragraph (2)(C) by striking "interest shall be paid at" and inserting in lieu thereof "interest shall be paid at a rate which is ¼ percent higher than"; and

(2) by adding at the end thereof the following new paragraph:

"(5) Each contract under this section which provides for the disbursement of funds, as described in subsection (a)(1)(B), shall provide that with respect to claims which are not treated as clean claims as described in paragraph (2)(B), but, which are found after review to be legitimate and complete, that beginning with the day that is 24 calendar days after the day that such claim is received and ending on the date on which payment is made, interest shall be paid on such claim at the same rate as that specified under paragraph (2)(C).".

(c) EFFECTIVE DATE.—(1) The amendments made by subsections (a) and (b) shall apply to claims received on or after August 1, 1989.

(2) The Secretary of Health and Human Services shall provide for such timely amendments to agreements under section 1816 of the Social Security Act and contracts under section 1842 of such Act, and regulations, to such extent as may be necessary to implement the provisions of this Act on a timely basis.

By Mr. SANFORD (for himself, Mr. HELMS, Mr. THURMOND, Mr. HOLLINGS, Mr. NUNN, Mr. FOWLER, Mr. GRAHAM, Mr. MACK, Mr. HEFLIN, Mr. SHELBY, Mr. COCHRAN, Mr. LOTT, Mr. SASSER, Mr. GORE, Mr. WARNER, and Mr. ROBB):

S. 1563. A bill granting the consent of Congress to amendments to the southeast interstate low-level radioactive waste management compact; to the Committee on the Judiciary.

CONSENT OF CONGRESS TO SOUTHEAST INTERSTATE LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT COMPACT

Mr. SANFORD. Mr. President, Senator HELMS and I are today introducing legislation that would confer congressional approval on amendments to the articles of the southeast low-level radioactive waste management compact. Senators THURMOND, HOLLINGS, NUNN, FOWLER, GRAHAM, MACK, HEFLIN, SHELBY, COCHRAN, LOTT, SASSER, GORE, WARNER, and ROBB have joined us as cosponsors of this legislation, representing the entire delegation of the Southeast compact States.

This measure is being introduced at the request of Gov. Jim Martin of North Carolina and the appropriate representatives of the other Southeast compact States. A companion bill has been introduced in the House by Congressman ALEX MCMILLAN of North Carolina.

The southeast compact, formed by the States of Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, and Tennessee, has amended its articles to provide certain protections for host States. The amendments provide that:

First, no facility shall be required to operate for more than 20 years or to accept more than 32,000,000 cubic feet of waste during its operating life; and

Second, no member State shall be allowed to withdraw from the compact, beginning 30 days after the next host State disposal facility has opened, unless all other member States and the Congress consent to the withdrawal.

These amendments will help ensure that no State bears a disproportionate burden with respect to disposal of the region's low-level waste, and that each State will meet its obligations under the articles of the compact. They have been approved by the Southeast Compact Commission, and ratified by each of the compact's member States. Under the terms of the low-level Radioactive Waste Policy Act of 1980, congressional approval is now required in order for the amendments to take effect.

This is a simple, noncontroversial measure, and I commend this legislation to my colleagues.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1563

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Southeast Interstate Low-Level Radioactive Waste Compact Amendments Consent Act of 1989".

SEC. 2. CONSENT OF CONGRESS TO AMENDMENTS TO COMPACT.

Congress consents to the amendments to the Southeast Interstate Low-Level Radioactive Waste Management Compact made by party states to such Compact. Such amendments are substantially as follows:

At the end of article 5 add the following new section:

"(E) No party State shall be required to operate a regional facility for longer than a 20-year period, or to dispose of more than 32,000,000 cubic feet of low-level radioactive waste, whichever first occurs.".

Sections (G), (H), and (I) of article 7 are amended to read as follows:

"(G) Subject to the provisions of article 7, section (H), any party State may withdraw from the compact by enacting a law repealing the compact, provided that if a regional facility is located within such State, such regional facility shall remain available to the region for four years after the date the Commission receives verification in writing from the Governor of such party State of the rescission of the Compact. The Commission, upon receipt of the verification, shall as soon as practicable provide copies of such verification to the Governor, the Presidents of the Senates, and the Speakers of the Houses of Representatives of the party

States as well as the chairmen of the appropriate committees of the Congress.

"(H) The right of a party State to withdraw pursuant to section (G), shall terminate thirty days following the commencement of operation of the second host State disposal facility. Thereafter a party State may withdraw only with the unanimous approval of the Commission and with the consent of Congress. For purposes of this section, the low-level radioactive waste disposal facility located in Barnwell County, South Carolina shall be considered the first host State disposal facility.

"(I) This compact may be terminated only by the affirmative action of the Congress or by rescission of all laws enacting the compact in each party State.".

Mr. HELMS. Mr. President, today, I join 15 Senators in introducing legislation (S. 1563) on behalf of the southeastern interstate low-level radioactive waste management compact.

The southeast compact has eight member States: Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia. North Carolina has been designated as the next host State for the compact, with waste acceptance scheduled to begin in 1992. The compact is currently located in South Carolina.

This legislation confers congressional approval upon amendments adopted by the compact and ratified through legislation by each of the compact's member States. The bill we are introducing amends the original compact provisions in two ways.

First, the bill provides that no low-level waste facility shall be required to operate for more than 20 years or to accept more than 32,000,000 cubic feet of waste during its operating life.

Second, no member State shall be allowed to withdraw from the compact, beginning 30 days after the North Carolina facility has opened, unless all other member States and the Congress consent to the withdrawal.

These amendments were enacted by the seven States of the compact to protect future host States by assuring that no member will have to bear an unfair waste management burden and that each member will take its proper turn as a host State.

By Mr. KENNEDY (for himself, Mr. HARKIN, Mr. SIMON, Mr. BRADLEY, and Mr. LEAHY):

S. 1564. A bill to amend title 28, United States Code, to make additional exceptions to the immunity of the property of a foreign state from attachment or execution; to the Committee on the Judiciary.

VICTIMS OF TERRORISM JUDICIAL REMEDY ACT

Mr. KENNEDY. Mr. President, today, with Senators HARKIN, SIMON, BRADLEY, and LEAHY, I introduce a bill to amend the Foreign Sovereign Immunity Act of 1976. Its purpose is straightforward and simple: to allow the victims of State-sponsored terrorism to attach assets of foreign governments involved in acts of terrorism in the United States.

Similar legislation passed the House of Representatives last year but was not considered by the full Senate in the rush of last minute business. Congressman HOWARD BERMAN has introduced similar legislation in the House and I look forward to working with him to ensure that the legislation passes both Houses of Congress.

The 1976 act was designed to provide recourse for private citizens when foreign governments violate fundamental standards of acceptable behavior. However, the act failed to provide a remedy for those victims, even if they are able to prove the direct responsibility of a foreign government in a U.S. court. Current law requires the victims to prove a direct connection between the crime and the asset they seek to attach. As a result, victims and their families can only attach assets directly involved in a terrorist act—such as vehicles used to commit it—but not other assets of a terrorist government. Therefore, under current law, a foreign government may send agents to the United States, murder our citizens, and continue to conduct business as usual.

That situation is dead wrong, and this legislation will set it straight. It will permit victims of international acts of violence in the United States intended to, or actually resulting in bodily harm to make claims on the property, including the property of an agency, instrumentality, or political subdivision of the foreign state, that has been used, or is being used for a commercial activity in the United States.

The initial impetus for the legislation stems from an actual case of terrorism committed by the Chilean Government of Augusto Pinochet. In 1976, Chile sent agents to Washington to plant a bomb in the car of former Chilean Foreign Minister Orlando Letelier, who was an outspoken critic of General Pinochet. The bomb exploded in Sheridan Circle on Embassy Row and killed Letelier and an aide, Ronni Moffitt.

A Federal distict court later found the Government of Chile responsible for the murders. But when the families of the victims sought to carry out that judgment, they discovered that the assets of the Chilean Government were protected by the doctrine of sovereign immunity.

This legislation will allow the families of Orlando Letelier and Ronni Moffitt to receive their long overdue remedy and finally put their long and traumatic ordeal to rest. It will allow other victims of terrorist actions in the United States to seek meaningful remedies for their loss. And it will send a powerful signal to terrorists who violate the peace of this land: No terrorist can do business as usual in the United States.

The tragic events unfolding in Lebanon this week have heightened all our sensitivities to acts of terrorism. And the threat of terrorism within our borders is real and ongoing. In 1984, Henry Liu was assassinated in front of his home in California by agents of Taiwan. Earlier this year, the van driven by the wife of the captain of the *Vincennes* was bombed in San Diego. The Iranian death threat against Salman Rushdie continues in force.

This legislation will help those hurt by terrorist actions. It will also serve as a deterrent to governments considering acts of terrorism in this country. If governments know their assets in the United States may be seized, they may think twice about committing atrocities against our citizens.

The case most immediately affected by the enactment of this legislation is the Letelier-Moffitt case. I understand that there is some concern that the bill may hinder the process of democratization in Chile or derail the efforts to resolve the issue through international arbitration.

No one expects this legislation to be put into practical effect until after the December elections in Chile. If, as expected, a democratic government emerges, we all hope it will move swiftly to compensate the victims of the Pinochet regime and vitiate the need for application of this law to the Letelier-Moffitt case. Otherwise, this legislation will be available to provide relief for the families.

The legislation will also provide an appropriate incentive to the current Factfinding Commission to continue its efforts to resolve the issue through international arbitration. That treaty process is long and arduous, but it holds out the possibility of a solution. I support that process, and I hope it will be successful. But there is no reason for the Letelier and Moffit families to rely only on that possibility.

This legislation will send a clear, strong, and unequivocal message to all terrorists that we will not tolerate their murderous atrocities on our territory. I urge my colleagues to support it, and I look forward to its early enactment.

I ask unanimous consent that the text of the bill be reprinted in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1564

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Victims of Terrorism Judicial Remedy Act".

SEC. 2. EXCEPTION TO THE IMMUNITY FROM ATTACHMENT OR EXECUTION.

Section 1610(a) of title 28, United States Code, is amended—

(1) by amending paragraph (3) to read as follows:

"(3) in the case of a claim based upon intentional acts of violence in the United States intended to or actually resulting in bodily harm, the property, including the property of an agency, instrumentality, or political subdivison of the foreign state, has been used, or is being used for a commerical activity in the United States" or.

(2) by renumbering paragraphs (3), (4), (5), and (6) as (4), (5), (6), and (7) respectively.

By Mr. DOLE (for himself, Mr. DOMENICI, Mr. BOREN, Mr. NICKLES, Mr. WALLOP, Mr. GRAMM, and Mr. BAUCUS):

S. 1565. A bill to amend the Internal Revenue Code of 1986 to encourage the continued exploration for and production of domestic oil and natural gas resources; to the Committee on Finance.

MARGINAL ENERGY PRODUCERS INCENTIVES ACT

Mr. DOLE. Mr. President, today I am introducing legislation to address a serious and growing threat to this Nation's energy security.

Price fluctuations in the energy industry, brought about by the manipulations of foreign suppliers, have devastated independent energy production in the United States. In 1988, crude oil production in the lower 48 States sank to its lowest levels in 30 years. Worse yet, over 1,800 wells were abandoned—more than three times the previous year's total. Once this production is lost, it will not be recovered.

The bill which I am introducing today removes a barrier—the alternative minimum tax—which prevents many independent producers from utilizing the incentives which Congress deliberately enacted for them. The AMT has a particularly severe impact on independent energy producers for two reasons: First, this is one of the most capital intensive industries; and second, declining prices, such as have occurred in recent years, both lower taxable income, and correspondingly lower the threshold for AMT liability.

This bill eliminates percentage depletion on marginal oil and gas wells as a preference item under the AMT. In addition, it repeals the so-called "transfer rule" which prevents independent producers from claiming percentage depletion on proven wells acquired from another producer. This change is necessary to encourage the purchase and extended utility of marginal properties, which would otherwise be abandoned by integrated companies.

Next, the bill removes the net income limitations—both per taxpayer and per property—which further limit the use of percentage depletion benefits during economic downturns. And finally, it eliminates the 1,000 barrel cap which removes the incentive for increased production by larger independent producers.

Mr. President, the President of the United States and many Members of this body agree on the need for additional incentives to maintain our domestic energy production and our energy security into the next decade. Now, it is necessary to act on that belief before more of these vital resources are lost.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1565

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Marginal Energy Producers Incentives Act of 1989".

SEC. 2. PERCENTAGE DEPLETION PERMITTED AFTER TRANSFER OF PROVEN PROPERTY.

(a) IN GENERAL.—Subsection (c) of 613A of the Internal Revenue Code of 1986 (relating to limitations on percentage depletion in the case of oil and gas wells) is amended by striking paragraphs (9) and (10) and by redesignating paragraphs (11), (12), and (13) as paragraphs (9), (10), and (11), respectively.

(b) TECHNICAL AMENDMENT.—Paragraph (11) of section 613A(c) of such Code, as redesignated by subsection (a), is amended by striking subparagraphs (C) and (D).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers after the date of the enactment of this Act.

SEC. 3. NET INCOME LIMITATION ON PERCENTAGE DEPLETION INCREASED FROM 50 PERCENT TO 100 PERCENT OF PROPERTY NET INCOME FOR OIL AND NATURAL GAS WELLS.

(a) IN GENERAL.—The Second sentence of subsection (a) of section 613 of the Internal Revenue Code of 1986 (relating to percentage depletion) is amended by inserting "(100 percent in the case of oil and natural gas properties)" after "50 percent".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 4. PERCENTAGE DEPLETION ON MARGINAL PRODUCTION OF INDEPENDENT PRODUCERS.

(a) IN GENERAL.—Section 613A of the Internal Revenue Code of 1986 (relating to limitations on percentage depletion in the case of oil and gas wells) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) MARGINAL PRODUCTION OF INDEPENDENT PRODUCERS.—

"(1) IN GENERAL.—In the case of so much of an independent producer's production of domestic crude oil or natural gas which is marginal production—

"(A) the allowance for depletion shall be computed in accordance with section 613, and

"(B) for purposes of section 613(a), 15 percent shall be deemed to be the percentage specified under section 613(b).

"(2) MARGINAL PRODUCTION.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'marginal production' means—

"(i) domestic crude oil which is from a stripper oil well,

"(ii) domestic natural gas which is from a stripper gas well, or

"(iii) domestic crude oil which is heavy oil.

"(B) STRIPPER OIL WELL.—The term 'stripper oil well' means any well which produced an average of 15 or less barrels per production day during any 6-month period beginning after December 31, 1985.

"(C) STRIPPER GAS WELL.—The term 'stripper gas well' means any well which during any 3-month period beginning after December 31, 1985—

"(i) produced at its maximum efficient rate of flow (as determined in accordance with recognized conservation practices designed to maximize the ultimate recovery of natural gas), and

"(ii) produced an average of 90,000 cubic feet or less of natural gas per production day in such period.

"(D) HEAVY OIL.—The term 'heavy oil' means domestic crude oil produced from any property if such crude oil had a weighted average gravity of 20 degrees API or less (corrected to 60 degress Fahrenheit).

"(E) OIL AND GAS WELLS.—

"(i) OIL WELL.—The term 'oil well' means any well which produces at least 1 barrel of oil to each 100,000 cubic feet of natural gas.

"(ii) GAS WELL.—The term 'gas well' means any well producing natural gas not described in clause (i).

"(F) SPECIAL RULE.—

"(i) UTILIZATIONS AND POOLINGS.—In the case of utilization or poolings involving multiple wells, production shall be allocated to all utilized wells (including injection wells) on the basis of sound engineering principles.

"(ii) PRODUCTION IN EXCESS OF STRIPPER AMOUNTS.—If an oil or gas well is a stripper oil or gas well for any period, such well shall continue to be treated as such a well even if production exceeds the limits under subparagraph (B) or (C), except that this subsection shall only apply to production not in excess of such limit.

"(3) INDEPENDENCE PRODUCER.—For purposes of this subsection, the term 'independent producer' means a taxpayer not described in paragraph (2) or (4) of subsection (d).

"(4) COORDINATION WITH SUBSECTION (C).—Oil and gas to which this subsection applies shall not be taken into account for purposes of subsection (c)."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 5. REMOVAL OF PERCENTAGE DEPLETION ATTRIBUTABLE TO MARGINAL PRODUCTION AS IN ITEM OF TAX PREFERENCE.

(a) IN GENERAL.—Paragraph (1) of subsection (a) of section 57 of the Internal Revenue Code of 1986 (relating to items of tax preference) is amended to read as follows:

"(1) DEPLETION.—

"(A) IN GENERAL.—With respect to each property (as defined in section 614), the excess of the deduction allowable under section 611 for the taxable year over the adjusted basis of the property at the end of the taxable year (determined without regard to the depletion for the year).

"(B) MARGINAL PRODUCTION.—Subparagraph (A) shall not apply to the deduction allowable under section 611 with respect to

any property to the extent it is attributable to marginal production of an independent producer to which section 613A(e) applies.

"(C) ALLOCATION OF BASIS.—If a property has marginal production and other production, the adjusted basis of such property shall be allocated among wells with marginal production and other wells on the basis of the estimated reserves attributable to such wells as of the close of the taxable year."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

By Mr. BOSCHWITZ:

S. 1566. A bill to require Federal vehicles in certain areas to use fuels composed of at least 3 percent oxygen by weight; to the Committee on Governmental Affairs.

USE OF CERTAIN FUELS BY FEDERAL VEHICLES

Mr. BOSCHWITZ. Mr. President, today I would like to introduce a bill which would mandate a 3-percent oxygen level by weight for fuels used in Federal cars and trucks. This bill would immediately apply to those Federal cars used in nonattainment zones throughout the country.

The use of alternative fuels has become an important option for alleviating the pollution problems in our major cities. By mandating the use of alternative fuels with at least a 3-percent oxygen level for our Federal fleets, we can take steps to decrease carbon monoxide emissions and help reduce the threat of global warming.

The new demand for alternative fuels would not only help solve pollution problems but would also create new markets for agricultural products. Because fuels such as ethanol are produced from products like corn and wheat, a new market would be opened for farmers, and all of rural America would benefit.

The Federal fleets in America are comprised of several hundred thousand cars and trucks. This would include close to 170,000 postal vehicles, 150,000 Department of Defense vehicles, and approximately 115,000 vehicles under the control of the General Services Administration. By mandating use of oxygenated fuels in these Federal cars, we will set an example for the rest of the economy to follow.

I plan to pursue this issue when the Senate considers the Clean Air Act. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1566

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FEDERAL VEHICLES.

(a) Effective 90 days following the date of the enactment of this Act, gasoline powered vehicles owned or leased by the United States and operated in an area designated under the Clean Air Act as a nonattainment area for carbon monoxide shall be supplied with fuel which is composed of at least 3 percent oxygen by weight.

(b)(1) Vehicles under subsection (a) shall be operated exclusively on such fuels except when operated—

(A) so as to make it impracticable to obtain such fuel; or

(B) in an area during any month in which such area is a nonattainment area for ozone under the Clean Air Act.

(2) The provision of subparagraph (B) of paragraph (1) shall not be applicable if the Administrator determines that the use of such fuel in such month would improve air quality.

By Mr. GLENN:

S. 1567. A bill to temporarily suspend the duty on Ornithine; to the Committee on Finance.

S. 1568. A bill to temporarily suspend the duty on Teicoplanin; to the Committee on Finance.

SUSPENSION OF DUTY ON CERTAIN CHEMICALS

● Mr. GLENN. Mr. President, I am pleased to introduce today two bills to temporarily suspend the duties on two antibiotic ingredients, Ornithine and Teicoplanin. These bills should prove noncontroversial since the two substances are not manufactured anywhere in the United States and must be imported for use by an American drug manufacturer. The current duty rate on both compounds is 3.7 percent; the legislation I am introducing would suspend the duties until December 31, 1992.

Ornithine is an active ingredient that will be used in the manufacture of a prescription antibiotic for the treatment of Pneumocystis Carinii Pneumonia, which is the immediate cause of death for many AIDS victims, and of trypanosomiasis gambiosi, also known as West African Sleeping Sickness. In fact, U.S. researchers are currently engaged in extensive research to find the link between the AIDS pneumonia and the sleeping sickness. FDA approval of this drug is anticipated in 1989.

Teicoplanin is an active ingredient that will be used in the manufacture of a prescription antibiotic to be sold under the trademark Targocid. This new product has not yet been approved by the FDA for sale in the United States. It is anticipated that the product will be approved and launched in the United States in 1993. Until that time Teicoplanin will be imported for purposes of clinical research.

I repeat that these chemicals are not manufactured anywhere in the United States. Hence the current duty adds an unjustified expense to an American company's cost of doing business. By suspending the duty rate, the U.S. manufacturer will be able to import these necessary ingredients and produce the final pharmaceutical product at a lower cost. I hope these two measures will be expeditiously approved by the Senate.●

By Mr. RIEGLE:

S. 1569. A bill to establish the Grand Island National Recreation Area in the State of Michigan and for other purposes; to the Committee on Energy and Natural Resources.

ESTABLISHING THE GRAND ISLAND NATIONAL RECREATION AREA IN MICHIGAN

● Mr. RIEGLE. Mr. President, I rise today to introduce legislation creating the Grand Island National Recreation Area. Just offshore from the Pictured Rocks National Lakeshore and the northern Michigan city of Munising, lies a 13,000-acre treasure of sheer sandstone cliffs, pristine white beaches, cascading waterfalls, and sea caves. The island is home to beavers, black bears, hawks, bald eagles and many other sensitive species. At the center of the island lies one of the world's largest beaver formed lakes. My bill will place the island under the management of the U.S. Forest Service.

The bill I am introducing today represents a carefully crafted compromise between all parties concerned about establishing this recreation area. Island residents, local government officials, environmentalists, the Forest Service and many others worked together to craft a bill that would protect the island while addressing the concerns of local residents. The cornerstone of this bill is the establishment of a local commission, guaranteeing continued community input to the management of this area. Involvement of local citizens, who care as deeply for this land as any group in this effort, has been key to fashioning this bill. I appreciate their support of this legislation. Careful and patient negotiation has produced a bill widely supported in northern Michigan and I commend everyone involved in the process.

Grand Island should be a place that all Americans can visit. In public hands, this area will become a destination for campers, hikers, hunters, fisherman and anyone who enjoys a beautiful island. I hope soon that everyone can visit this national treasure and look forward to the day when people from throughout the country will be able to enjoy Grand Island.

I am proud of Michigan's conservation heritage. The beauty of my State and the commitment of her people to protect that beauty is commendable. I am confident that this recreation area will attract visitors to northern Michigan and greatly enhance Michigan's splendor.

S. 1569 would establish a national recreation area on Grand Island in Lake Superior, MI. The bill would extend the boundaries of the Hiawatha National Forest to include the Grand Island National Recreation Area [NRA] and provide that moneys from the land and water conservation fund would be available for acquisition of lands within the new NRA.

The bill would authorize the Secretary of Agriculture to administer the NRA in accordance with the laws and regulations of the National Forest System and certain special management requirements, including access for land owners and the public, snowmobile use, general prohibitions on timber harvesting, transportation from the mainland, docking and lodge facilities, and public health and safety. The bill would also generally prohibit any new mining or mineral development on lands within the NRA.

The bill would authorize and direct the Secretary to acquire lands, waters, structures, easements or other property interests, within the boundaries of the NRA or on the mainland to further the purposes of the bill or to provide necessary access. The bill also gives the Secretary a right of first refusal to purchase any privately owned lands, structures or interests therein within the NRA, under certain restrictions.

The bill would authorize the Secretary to designate zones and time periods within which no hunting, fishing, or trapping would be permitted and the bill would require the Secretary to consult with the State of Michigan regarding these designations.

The bill would require the Secretary to develop a comprehensive management plan [CMP] for the NRA within 30 months after acquiring title to at least 10,000 acres of land on Grand Island, and would establish a Grand Island Advisory Commission to advise the Secretary on the preparation of the CMP. The bill would require nonvoting membership on the commission of three employees of the Forest Service, including the Forest Supervisor of the Hiawatha National Forest.

The bill would authorize appropriations of $5 million for acquisition of land, interests in land, or structures within the NRA and on the mainland and an additional $5 million for development to carry out the other purposes of the bill.

PURPOSE AND NEED

The purpose of S. 1569 is to establish a national recreation area consisting of Grand Island, MI and surrounding lands, authorize and direct the Secretary of Agriculture to purchase lands within the national recreation area, and to incorporate the national recreation area into the Hiawatha National Forest to be administered by the Secretary of Agriculture as part of the National Forest System.

Michigan's Grand Island is 13,500 acres in size and is the largest island off of Lake Superior's southern shore. It includes hills, dense woodlands, high sandstone cliffs, rapidly flowing streams and several lakes, including Echo Lake, which is a mile long and a half mile wide. Although there are some roads and summer residences on Grand Island, it is still essentially in a wild and natural state with considerable scenic beauty. Its cultural resources include ancient sites belonging to the Ojibway Indians and evidence of European visitors and inhabitants dating back to the mid 1600's.

Most of the island was recently owned by Cleveland-Cliffs Iron Co. [CCI]. This organization has been trying to sell its holdings for several years. To protect the scenic, natural, and cultural resource of the island, the Trust for Public Lands [TPL] obtained an option to purchase these holdings in 1988. TPL exercised this option and acquired title to CCI's holdings on Grand Island on June 29, 1989. TPL purchased CCI's lands with the intention of reselling the land to the Federal Government when funds were made available, with the understanding that the island's resources would be protected in perpetuity.

TPL ordered an appraisal which placed the value of the acquired land on the island at $3.575 million. This appraisal was done according to Federal appraisal standards, is currently under review by the Forest Service, and is expected to receive approval by August 1, 1989. TPL plans to offer the property to the Forest Service for $3.5 million, funding for which has been included in recent appropriation legislation.

This bill is needed to take advantage of a unique opportunity to preserve the rich resources of the island. Without this legislation, the island would most likely fall into private sale and development and never again be available for acquisition. At present, the island is over 90 percent owned by a willing seller—TPL—who has purchased the land to help ensure its preservation. While the Forest Service already has the authority to acquire these lands, this legislation is needed to direct the establishment of a national recreation area and provide a strong legal basis for the planning, management, and public use of this area.

Mr. President, I ask that a section-by-section analysis be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

Section 1—Establishment of Grand Island National Recreation Area

Section 1 establishes the Grand Island National Recreation Area (NRA) and lists the purposes for its establishment. These purposes are to preserve and protect the outstanding resources and values of the island and to conserve, protect and enhance the scenery, recreation, fish and wildlife, vegetation, botany and historical and cultural resources. The island's resources and values include, but are not limited to, cliffs, caves, beaches, forested appearance, natural biological diversity and features of early settlement.

Sec. 2—Boundaries

Section 2 defines the area to be included in the NRA. This area includes all of Grand Island plus all associated rocks, pinnacles, islands and islets within one-quarter mile of the shore of Grand Island. Section 2 also extends the boundaries of the Hiawatha National Forest to include all of the lands within the NRA and defines these extended boundaries as in existence as of January 1, 1965, for the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*-9) [1]. Finally, section 2 designates all federally owned lands within the NRA as components of the National Forest System to be administered by the Secretary of Agriculture.

Section 3—Administration

Section 3(a) directs the Secretary, subject to valid existing rights, to administer the NRA in accordance with the laws, rules and regulations of the national forest system in furtherance of the purposes described in Section 1.

Section 3(b) directs the Secretary to administer the NRA according to the following special management requirements:

(1) Owners of private lands and homes within the NRA shall have access across National Forest System lands, subject to terms and conditions prescribed by the Secretary including those to protect threatened and endangered species and natural, cultural and scenic values.

(2) The Secretary shall provide for and maintain traditional public access, including vehicular roads for general recreational activities such as camping, hiking, hunting, fishing, and trapping in ways that are consistent with the purposes of the bill and the NRA management land required by section 7.

(3) The Secretary shall permit the use of snowmobiles on Federal lands in the national recreation area. Their use must be consistent with the provisions of the NRA management plan, in accordance with the rules and regulations of the National Forest System, and regulated to protect the resources of the NRA and minimize degradation of those resources.

(4) Timber management shall be utilized only as a tool to enhance public recreation, scenic quality, game and nongame wildlife species, and the protection and enhancement of threatened, endangered or sensitive species. Trees damaged or downed by fire,

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[1] Section 7 provides in relevant part:

"Moneys appropriated from the fund for Federal purposes shall, unless otherwise allotted in the Appropriation Act making them available, be allotted by the President to the following purposes and subpurposes:

"(1) For the acquisition of land, waters, or interests in land or waters as follows:

"*National Forest System.*—In holdings within (a) wilderness areas of the National Forest System, and (b) other areas of national forests as the boundaries of those forests exist on the effective date of this Act [January 1, 1965], or purchase units approved by the National Forest Reservation Commission subsequent to the date of this Act, all of which other areas are primarily of value for outdoor recreation purposes: *Provided*, That lands outside of but adjacent to an existing national forest boundary, not to exceed three thousand acres in the case of any one forest which would comprise an integral part of a forest recreational management area may also be acquired with moneys appropriated from this fund: *Provided further*, That except for areas specifically authorized by Act of Congress, not more than 15 percentum of the acreage added to the National Forest System pursuant to this section shall be west of the 100th meridian . . ."

insects, disease or wind may be utilized, salvaged or removed as authorized by the Secretary to further the purposes of the NRA.

(5) Once the Secretary has acquired fee title to at least 10,000 acres of land on Grand Island, the Secretary shall provide reasonable water transportation for the public from the mainland to Grand Island. This transportation may be provided either through concession, permit, or other means, and a reasonable charge may be imposed. Such transportation shall be subject to reasonable regulation by the Secretary and shall not be required when the Secretary deems it to be unsafe because of factors such as weather and water conditions.

(6) The Secretary shall provide docking and lodge facilities consistent with provisions in the NRA management plan developed pursuant to section 7, through concession, permit, or other means.

(7) The Secretary shall take reasonable actions to provide for the health and safety of the public and to protect the NRA in the event of fire, insect infestation or disease.

(8) The Secretary shall, under the authority of the Act of March 4, 1915 (16 U.S.C. 497),[2] issue occupancy and use permits to the owners of private homes who own their homes on the date that the federal government acquires the lands on which their homes are located. These permits shall be issued for an initial period of 20 years and shall be renewed thereafter for successive 20-year periods so long as the permittee is in compliance with the purposes of the bill, the terms of the permit, and other applicable rules and regulations. Any such permit shall be issued in accordance with the laws, rules, and regulations of the Secretary pertaining to the National Forest System, except that such permit shall be subject to the following special provisions:

(A) Such permit may only be issued to the owner of such home as of the date of Federal acquisition of the property, such owner's spouse, the children and grandchildren of such owner and spouse, and their direct lineal descendants (natural or adopted offspring).

(B) Only noncommercial recreation occupancy may be permitted.

(C) The Secretary shall collect fees on an annual basis based on the fair market value of the occupancy permitted.

(D) The expansion, remodeling, or reconstruction of such homes shall be subject to approval of and regulation by the Secretary. No expansion, remodeling, or reconstruction may increase the height of a structure or result in an increase of more than 25 percent of the sum of the exterior dimensions of a structure as it existed on the date of enactment of the bill. Any expansion, remodeling, or reconstruction shall be consistent with the criteria developed pursuant to section 7(b)(4) of the bill and shall be subject to such other terms and conditions as the Secretary may prescribe.

(E) Any such home may be purchased at the fair market value of the structure and improvements by the Secretary on a willing seller basis.

(F) The permit may be terminated at any time for failure to comply with its terms and conditions and applicable regulations without cost to the Federal Government in accordance with the permit.

(G) After termination of any such permit, if any improvements or property are not removed by their owner within one year of the termination, they shall become the property of the Federal Government.

(9) Solely for purposes of payments pursuant to section 6904 of title 31, United States Code,[3] lands on Grand Island acquired by the United States after the date of enactment of the bill shall be considered to have been acquired for addition to a National Forest Wilderness Area (national forest portion of the National Wilderness Preservation System).

Section 4—Acquisition

Section 4(a) authorizes and directs the Secretary to acquire lands, waters, structures or interests therein within the boundaries of the NRA by purchase, gift, exchange or otherwise. It further authorizes and directs the Secretary to acquire lands or structures on the mainland to the extent necessary for access to and administrative facilities for the NRA. The Secretary also is required to consider promptly and carefully any offers to sell land or structures within the NRA.

Section 4(b) states that owners of unimproved property within the NRA may construct residences that are recreational and that are consistent historically with other structures within the NRA as described by the NRA management plan. It further states that the Secretary will have the right of first refusal before any privately owned lands, interests in lands or structures within the NRA are conveyed. They first must be offered to the Secretary at not more than fair market value. The Secretary has 120 days to accept such an offer and, if accepted, 45 days after the end of the fiscal year following the fiscal year in which the offer was made to complete the acquisition. The subsection prohibits lands, interests in lands or structures from being sold or conveyed to another party for less than the price they were offered to the Secretary. Whenever they are reoffered for sale or conveyance they must first be reoffered to the Secretary. The subsection makes an exception to these sale and conveyance restrictions for changes in ownership within the immediate family of the owner, consisting of such owner's spouse, siblings, natural or adopted children and lineal descendants.

Section 5—Fish and game

Section 5(a) states that the bill will not affect the responsibilities of the State of Michigan regarding fish and wildlife. However, the Secretary is authorized to designate, in consultation with the State of Michigan, zones closed to hunting, fishing or trapping for public safety, administration, protection of nongame species and habitat or public use and enjoyment.

Section 5(b) requires the Secretary, in consultation with appropriate state officials, to notify area residents, as soon as practicable after each case in which the Secretary exercises the authority under subsection (a), as to the nature of the action taken, the locations of zones designated, and the periods established.

Section 5(c) requires the Secretary to consult with the State's fish and wildlife agency before putting into effect any regulations resulting from this section.

Section 6—Minerals

Section 6 withdraws the NRA from any mining activity except for valid existing rights and common materials such as sand, stone, and gravel needed for NRA roads and facilities.

Section 7—Management plan

Section 7(a) directs the Secretary to develop a comprehensive management plan (CMP) for the NRA within 30 months after acquiring fee title to at least 10,000 acres of land on Grand Island.

Section 7(b) directs that the provisions of the comprehensive management plan shall include, but not be limited to, issues of—

(1) public recreation;

(2) the feasibility of a concessionaire to construct and operate a lodge and educational facility limited to no more than 55 acres of land;

(3) timber harvest prescriptions;

(4) design criteria for facilities;

(5) transportation to the NRA from the mainland;

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[2] This section provides: "The Secretary of Agriculture is authorized, under such regulations as he may make and upon such terms and conditions as he may deem proper, (a) to permit the use and occupancy of suitable areas of land within the national forests, not exceeding eighty acres and for periods not exceeding thirty years, for the purpose of constructing or maintaining hotels, resorts, and any other structures or facilities necessary or desirable for recreation, public convenience, or safety; (b) to permit the use and occupancy of suitable areas of land within the national forests, not exceeding five acres and for periods not exceeding thirty years, for the purpose of constructing or maintaining summer homes and stores; (c) to permit the use and occupancy of suitable areas of land within the national forest, not exceeding eighty acres and for periods not exceeding thirty years, for the purpose of constructing or maintaining buildings, structures, facilities for industrial or commercial purposes whenever such use is related to or consistent with other uses on the national forests; (d) to permit any State or political subdivision thereof, or any public or nonprofit agency, to use and occupy suitable areas of land within the national forests not exceeding eighty acres and for periods not exceeding thirty years, for the purpose of constructing or maintaining any buildings, structures, or facilities necessary or desirable for education or for any public use or in connection with any public activity. The authority provided by this section shall be exercised in such manner as not to preclude the general public from full enjoyment of the natural, scenic, recreational, and other aspects of the national forests."

[3] This section provides in relevant part: "the Secretary of the Interior * * * shall make a payment for each fiscal year to a unit of general local government collecting and distributing real property taxes (including a unit in Alaska outside the boundaries of an organized borough in which is located an interest in land that—

"(1) the United States Government acquires for—

"(A) the National Park System; or

"(B) the National Forest Wilderness Areas; and

"(2) was subject to local real property taxes within the 5-year period before the interest is acquired.

"(b) The Secretary shall make payments only for the 5 fiscal years after the fiscal year in which the interest in land is acquired. Under guidelines the Secretary prescribes, the unit of general local government receiving the payment from the Secretary shall distribute payments proportionally to units and school districts that lost real property taxes because of the acquisition of the interest. A unit receiving a distribution may use a payment for any governmental purpose.

"(c) Each yearly payment by the Secretary under this section is equal to one percent of the fair market value of the interest in land on the date the Government acquires the interest. However, a payment may not be more than the amount of real property taxes levied on the property during the last fiscal year before the fiscal year in which the interest is acquired. A decision on fair market value under this section may not include an increase in the value of an interest because the land is rezoned when the rezoning causes the increase after the date of enactment of a law authorizing the acquisition of an interest under subsection (a) of this section.

"(d) The Secretary may prescribe regulations under which payments may be made to units of general local government when subsections (a) and (b) of this section will not carry out the purpose of subsections (a) and (b)."

(6) the feasibility of concessionaire docking facilities; and

(7) an inventory and assessment of roads.

Section 7(c) requires the Secretary to consult with the appropriate State and local government officials and provide for full public participation in preparing the plan.

Section 8—Grand Island Advisory Commission

Section 8(a) establishes the Grand Island Advisory Commission for the purpose of advising the Secretary on the preparation of the NRA management plan.

Section 8(b) directs the Secretary on how to appoint the 12 members of the Commission and how to fill vacancies. Three of the positions on the Commission would be held by employees of the Forest Service, including the Forest Supervisor of the Hiawatha National Forest, who would all serve in a non-voting capacity. The Committee believes that the Forest Supervisor would be especially qualified to advise the Secretary on the development of the comprehensive management plan for the NRA.

Section 8(c) establishes six members as a quorum for the Commission and allows the Commission to operate if a quorum is present even if some members have not been appointed.

Section 8(d) directs the Commission to elect a Chairman and to establish rules and procedures.

Section 8(e) directs the Secretary to consult with the Commission on a periodic and regular basis with respect to the management plan.

Section 8(f) requires members of the Commission who are not federal employees to serve without pay. It further stipulates that members who are full-time federal employees will receive no additional pay solely because of their Commission responsibilities.

Section 8(g) directs the Commission to recommend proposals for non-federal development on the 55 acres earmarked in Section 7 for a lodge and education facility. The Secretary must include in the NRA management plan a development proposal for such a facility; however, it is not required that this proposal be one of the proposals recommended by the Commission.

Section 8(h) terminates the Commission when the final NRA management plan is adopted.

Section 9—Authorization of appropriations

Section (9)(a) authorizes $5 million to be appropriated for the acquisition of land, interests in land or structures within the NRA and on the mainland as needed for access and administrative facilities.

Section 9(b) authorizes an additional $5 million to be appropriated for development to carry out the other purposes of the bill.

COMMITTEE CONSIDERATION

I

On June 8, 1989, H.R. 1472 was sequentially referred to the Committee on Agriculture after consideration by the Committee on Interior and Insular Affairs. The Subcommittee on Forests, Family Farms, and Energy of the Committee on Agriculture conducted a public hearing on H.R. 1472 on June 27, 1989. The Subcommittee received testimony from the sponsor of the bill, Representative Dale Kildee, and from representatives of the Forest Service of the Department of Agriculture and the Trust for Public Land.

II

On June 27, 1989, following the public hearing, the Subcommittee on Forests, Family Farms, and Energy held an open business meeting to consider H.R. 1472.

Mr. Morrison offered an amendment, suggested by the Department of Agriculture, that would direct the Forest Supervisor of the Hiawatha National Forest to serve as one of three Forest Service employee members of the advisory commission, established to section 8 of the bill. The amendment also would require the 3 Forest Service employees to serve on the commission in a nonvoting capacity. The amendment was adopted by a unanimous voice vote.

Mr. Marlenee offered an amendment that would require the Secretary of Agriculture to consult with the State of Michigan regarding the designation by the Secretary of zones and time periods within which hunting, fishing or trapping would be prohibited. The amendment was adopted by a voice vote.

By a voice vote, in the presence of a quorum, H.R. 1472, as amended, was approved and ordered reported to the full Committee.

III

On Thursday, July 13, 1989, the full Committee on Agriculture held an open business meeting to consider H.R. 1472, a bill to establish the Grand Island National Recreation Area in the State of Michigan. Following discussion of the bill, H.R. 1472, as amended by the Subcommittee, was approved and ordered reported to the House by a voice vote in the presence of a quorum.

ADMINISTRATION POSITION

At the time of the filing of this report, the Committee had not received a report from the U.S. Department of Agriculture concerning H.R. 1472, as amended, to establish the Grand Island National Recreation Area in the State of Michigan, and for other purposes.

BUDGET ACT COMPLIANCE (SECTION 308 AND SECTION 403)

The provisions of clause 2(l)(3)(B) of Rule XI of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 (relating to estimates of new budget authority, new spending authority, or new credit authority, or increased or decreased revenues of tax expenditures) are not considered applicable. The estimate and comparison required to be prepared by the Director of the Congressional Budget Office under clause 2(l)(3)(C) of Rule XI of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974 submitted to the Committee prior to the filing of this report are as follows:

OVERSIGHT STATEMENT

No summary of oversight findings and recommendations made by the Committee on Government Operations under clause 2(b)(2) of Rule X of the Rules of the House of Representatives was available to the Committee with reference to the subject matter specifically addressed by H.R. 1472, as amended.

No specific oversight activities other than the hearings detailed in this report were conducted by the Committee within the definition of clause 2(b)(1) of Rule X of the Rules of the House of Representatives.●

By Mr. PRYOR (for himself, Mr. DECONCINI, Mr. RIEGLE, Mr. MATSUNAGA, Mr. BUMPERS, Mr. HARKIN, Mr. HEFLIN, Mr. SIMON, Mr. GLENN, Mr. NUNN, and Mr. FOWLER):

S. 1570. A bill to amend the Social Security Act to partially deregulate the collection of fees for the representation of a claimant in administrative proceedings; to the Committee on Finance; and

By Mr. PRYOR (for himself, Mr. RIEGLE, Mr. MATSUNAGA, Mr. BUMPERS, Mr. GLENN, Mr. DECONCINI, Mr. HOLLINGS, and Mr. GORE):

S. 1571. A bill to amend the Social Security Act to establish in the Social Security Administration the Office of Chief Administrative Law Judge, and for other purposes; to the Committee on Finance.

SOCIAL SECURITY LEGISLATION

● Mr. PRYOR. Mr. President, today I am introducing with a number of my colleagues a package of two bills which are designed to improve the management of the hearings and appeals process at the Social Security Administration [SSA]. These bills will protect the rights of claimants for Social Security benefits and ensure that their cases are strongly represented at fair, impartial, and speedy hearings.

The first bill streamlines the process for awarding fees to attorneys in Social Security cases. The second ensures the independence of administrative law judges [ALJ's] at SSA so that they remain free to make decisions on Social Security cases without political interference.

Both bills should be budget neutral and I hope they can be considered by the Finance Committee as it considers the 1989 budget reconciliation bill. The bill on attorney fees, in fact, may even save administrative funds for the Federal Government.

I would like to speak on each bill in turn.

ATTORNEY FEE REFORM

Mr. President, this bill is designed as a consensus approach to resolving an issue which has been engulfed by controversy over the past few years. In fact, after a somewhat heated dispute between attorneys and SSA in 1987, this bill represents a common ground with important improvements for all parties involved. Most importantly, this bill contains provisions to ensure Social Security claimants will be able to secure representation by attorneys in hearings before SSA, which is fundamental to a full and fair hearing.

From the standpoint of a disabled worker, severe mental or physical conditions can make a complex adjudicative process especially intimidating and confusing. Not surprisingly, disability claimants are increasingly turning to attorneys for assistance. Currently, about two-thirds of claimants appealing decisions to an ALJ are represented by attorneys.

Underlying the issue of attorney fees is the challenge of ensuring adequate safeguards against overcharges while

providing fair compensation for services performed on behalf of the claimant. Disability attorneys and SSA agree that the current payment system is cumbersome, drawn out, and in need of reform. This bill is designed to balance safeguards against the need for fair compensation, while streamlining the process for awarding fees.

RECENT CONTROVERSY ON FEES

ALJ's have responsibility under current law for reviewing fees charged by attorneys in cases argued before them. On April 1, 1987, a new SSA policy temporarily denied ALJ's the authority to approve fee requests above $1,500. Previously, an ALJ could approve fees up to $3,000. The basis for this action, acording to SSA, was a report of the Inspector General [IG] which concluded that attorney fees were sometimes excessive and should be lowered to a set rate.

Following the start of the new policy, many DI attorneys protested that the new policy would deny them adequate compensation, and that payments would be further delayed and complicated as a result of an additional layer of bureaucracy. I joined them in arguing that disability claimants would be the ultimate losers because fewer and fewer attorneys would be willing to represent them.

Opposition to the new SSA policy rapidly intensified. I worked with others to find a legislative solution. The result was enactment of a provision in the Omnibus Budget Reconciliation Act of 1987 [OBRA] to rescind the new SSA directive and impose a moratorium until July 1989 on changes to the original payment policy pending the completion and consideration of studies by SSA and GAO. The moratorium is now over, Mr. President, and I believe Congress should evaluate these studies and establish a new framework for processing attorney fees.

STUDIES BY SSA AND GAO

The GAO report completed pursuant to OBRA 1987 found that generally fees for attorneys were not unreasonable. According to the report, 93 percent of the fee requests up to $3,000 were approved, as was 94 percent of the total amount requested. In most cases, only fee requests exceeding $3,000 were significantly reduced.

However, GAO found that the approval process on average took about 7 months and recommended to SSA a proposal to streamline the process, which SSA has yet to implement. Despite these delays, GAO found that claimants did not have difficulty finding an attorney to represent them. The GAO findings on access, however, are of limited utility since they do not look at different categories of cases where concerns have been raised about the lack of private representation, such as cases in which little or no back award can be expected from which to draw fees. Moreover, GAO's conclusion on access is based on a flawed IG study in which only claimants were interviewed, ignoring the potentially large population who did not appeal because of difficulty in securing representation.

SSA later completed a study, as required by OBRA 1987, which recommended near-total deregulation of the attorney fee process, with a two-party check to the attorney and claimant in each case, which would allow them to work out any arrangement they chose. SSA further proposed that fee disputes be given special scrutiny and that special rules of conduct for representatives appearing before SSA be delineated, in order to ensure that claimants were protected in the process of deregulation.

Mr. President, I believe the SSA study is a useful contribution to the debate over this issue, and I have striven to be faithful to its recommendations in crafting the bill I am introducing today. Their proposal recognizes the need to "relieve both the agency and attorneys of a growing administrative burden." I think my bill accomplishes this purpose, and is in keeping with the broad framework of the SSA proposal.

I believe, however, that the SSA proposal goes too far in the direction of deregulation, and does not fully balance the needs to protect claimants against the need for a fair and efficient fee process. I do not believe my colleagues in the Congress are prepared, nor am I, to go as far as SSA proposes. Yet I hope we are willing to travel down the same path.

My bill accomplishes the deregulation SSA envisages, but it sets boundaries as to fees that can be presumed to be reasonable and requires SSA to evaluate each fee that falls outside those boundaries. I would expect that 95 percent of all fees could be automatically approved under my proposal, eliminating a huge and unnecessary workload for attorneys and SSA. Indeed, SSA's report estimates expenditures of $6.9 million for fiscal year 1988 for processing attorney fees, or over 200 direct workyears. I hope much of this amount can be saved, and the work force redirected to addressing growing backlogs of cases which GAO recently identified as a major problem. A brief description of current law and my proposal follows.

CURRENT LAW ON FEES

Attorneys representing Social Security claimants may petition for a fee of up to 25 percent of the past-due benefits which a claimant is awarded, given a favorable decision. Under current procedures, the attorney must submit a detailed petition for this amount; the administrative law judge [ALJ] deciding the case reviews the petition, and, if the amount is under $3,000 may award the fee at that point, or adjust it. If the fee is over $3,000, the petition must be sent to the regional ALJ office for review.

In cases where the beneficiary's back award is subject to offset for repayment of SSI benefits or State assistance, SSA's current policy is to apply the offset before paying the attorney fee. In practice, this results in many cases where there are no funds left to pay the attorney. Similarly, in cases where no back benefits accrue because interim benefits were paid, or where no benefits accrue per se, such as rep payee disputes, Medicare eligibility, or disputes about overpayments, funds are often unavailable for appropriate fees.

SUMMARY OF ATTORNEY FEE PROPOSAL

Under the bill we are introducing today, the fee petition process is eliminated in most cases, and replaced with an automatic fee approval procedure. ALJ's and attorney's fee processing workload is thereby vastly reduced. Although no CBO estimates are yet available, savings are possible. The current law requirement that the Secretary determine a reasonable fee in each case is replaced by a rebuttable presumption that any contractual agreement entered into between an attorney or other representative and a client is approved automatically by SSA. Exceptions are that SSA will review agreements that either:

First, exceed 25 percent of past due benefits;

Second, apply to cases with fees exceeding $4,000; or

Third, are protested in a complaint about the fee by the claimant, representative, the ALJ or other decisionmaker.

In these exceptional cases, attorneys will be required to submit a fee petition, and SSA ensures that fees are reasonable.

To ensure that all claimants can retain representation, the proposal provides for appropriate fees in cases where there is no back award. There is no back award, for example, in cases with continuing entitlement to interim benefits where payments have continued through the appeal process. The automatic fee approval process applies to agreements not exceeding 25 percent of the total of benefits paid through the period of appeal, known as interim benefits.

Where no benefits accrue per se, such as representative payee disputes, we must also ensure appropriate fees to guarantee adequate representation for petitioners. My bill applies the automatic payment system to fees in those cases which do not exceed three times the basic monthly benefit amount [PIA], or, if less, three times the monthly benefit amount. Further, attorney fees will be calculated and paid without applying offsets to the back award to ensure that funds are

left over to pay attorneys so that they will take these cases.

PROBLEMS WITH SSA TWO-PARTY CHECK PROPOSAL

My bill retains the current law requirement that SSA issue separate checks for the claimant and for the attorney. Each party can negotiate his or her check without delay. Having issued two checks, SSA's fiduciary responsibilities are concluded.

By contrast, SSA has proposed that the current system be replaced by a single two-party check. Such a policy invites delay in at least two ways. First, the parties must each endorse the check, so that if one party is out of town or cannot be located, the other party cannot receive the payment which he or she is due. A second factor is the time needed for the two-party check to clear in the attorney's escrow account, so that two checks may be drawn by the attorney on that account.

Furthermore, a single two-party check process invites possible missappropriation of funds, giving an unscrupulous attorneys an opportunity to exploit their clients, many of whom are mentally impaired. It also necessitates an on-going supervisory role for the agency to see that funds have been correctly disbursed, and to intervene if problems arise. Such supervision would require a new bureaucracy to review affidavits from attorneys and from claimants concerning the allocation of funds. In the final analysis, it is simply proper that funds to which beneficiaries are entitled be sent directly to them, and that no intermediary be placed between them and their money.

INDEPENDENCE OF ALJ'S

Mr. President, I am also introducing a bill today to ensure the independence of the judicial appeals process within SSA, which has been a high priority of mine for many years. I believe we have witnessed an adjudicative nightmare over the last decade. This bill will ensure that this never happens again.

In the early 1980's, we witnessed an assault on thousand of truly disabled Americans who could not argue their case, and a threat by SSA on the independence of ALJ's who sought to correct such abuses. ALJ's were threatened at the very top with their positions and their careers.

The independence of the appeals process, in my opinion, is at the soul of the Social Security Program. Attempts have been made in the past decade to subvert it, but my bill will fully protect the integrity of the process. No longer should ALJ's be subjected to political pressure by bureaucrats who try to save program dollars at the expense of eligible beneficiaries. ALJ's must be free to make independent review and decisions on cases.

FORT SMITH, ARKANSAS HEARING

Mr. President, in 1982, I held a hearing in Fort Smith, AR, that I will never forget. I had a witness there who was a little lady that had been cut off and denied her benefits. She had been told by SSA that she could get a job as a secretary and as a typist. Well, she appeared before our hearing—we had 700 people there—and told us her gas, her water, her electricity had been cut off. She had no source of income. She was legally blind and had one arm, and they said, "you can be a secretary." This has happened thousands of times, and it has happened to people who did not know how to defend themselves. I hope we do not repeat it.

We saw in the early 1980's the rating by SSA bureaucrats of ALJ's, just like Senators are rated by the Chamber of Commerce or the AFL-CIO, the conservatives and liberals who rate us. As I learned from my good friend Judge David Hubbard from Fort Smith and others, they rated those ALJ's all over the country with a sheet tallying, "How many times did you hold for the administration? How many times did you hold for the claimant?" And they tallied up all these percentages, and those ALJ's that held for the claimant too many times were literally called on the carpet. Although SSA would deny this, I believe the careers of these ALJ's were basically put in jeopardy. They were told to get in line and start keeping these people off the rolls.

CURRENT ALJ STRUCTURE

ALJ's at SSA are currently assigned to the Office of Hearings and Appeals [OHA]. These judges hear and decide cases arising within the jurisdiction of the Department of Health and Human Services, including Medicare and Social Security. The judges are theoretically organized under a chief ALJ. The position is not a creation of either statute or regulation, making it an ineffective office. The actual authority resides in the Associate Commissioner and the Deputy Commissioner to whom the Associate Commissioner reports.

NEED FOR REFORM

A series of congressional hearings in 1975, 1979, 1981, 1983, and 1988 on the appeals process at Social Security have documented that bureaucratic interference has sometimes threatened the due process rights of claimants. A problem with the current structure is that responsibility for the entire hearing process is placed upon individual ALJ's, but the managerial authority for the program is in the hands of nonlegally trained bureaucrats who have sometimes been insensitive to the due process rights of claimants.

In May 1981, the Inspector General of HHS questioned the wisdom of having the judges employed by the same agency whose cases they decide. The report highlighted this appearance of conflict in which one arm of SSA makes basic eligibility determinations while OHA of the same agency adjudicates the claim. Moreover, a Federal district court held that the SSA had an ulterior motive in the continuing Disability Review Program to reduce the payment of claims by ALJ's and that judges could have reasonably felt pressured to issue fewer allowance decisions, in the case of Association of Administrative Law Judges versus Heckler, in 1984.

MEDICARE APPEALS

The Health Care Financing Administration [HCFA] has made attempts in recent years to remove Medicare cases from the jurisdiction of Social Security ALJ's, who currently adjudicate claims for part A and part B of Medicare. The plans they have proposed would significantly diminish the competence and independence of the ALJ's and unduly compromise the fairness of the hearing process.

Currently, ALJ's reverse the decisions of the Medicare Program in nearly 70 percent of all appeals that reach a decision on the merits. With growing complaints about the quality of decisionmaking by Medicare fiscal intermediaries, more and more patients and providers are taking advantage of this opportunity for a fair review of Medicare claims.

HCFA has attempted to employ a new and inexperienced group of ALJ's whose primary responsibility would have been to handle Medicare appeals through telephone or field hearings at specified locations. This has been known as the "dial-a-judge" proposal. I worked with my colleagues to see that proposal defeated on the Senate floor. I do not want to see it attempted again.

The current network of SSA Offices of Hearings and Appeals across the country provides experienced judges within a reasonably close distance from claimants' residences. Face-to-face hearings are currently the rule, rather than the exception.

Historically, HCFA has responded to decisions favorable to beneficiaries in ALJ hearings with efforts to reduce or eliminate the impact of those decisions. For example, HCFA has engaged in a stepped up effort to have favorable ALJ decisions reopened and revised by the Appeals Council. Similarly, HCFA has attempted to develop instruction programs for ALJ's regarding Medicare coverage criteria.

There is no valid reason to create an entirely new corps of ALJ's to handle these cases. If ALJ's workload increases, it would be more efficient to absorb those appeals within the current system with increased staffing rather than to create a new and separate system. We must not allow HCFA to move in this direction until we have had opportunity to analyze its full

ramifications. My bill therefore calls for a continuation of the current system until a study can be performed by HHS and GAO. Independence for ALJ's is crucial to fair decisions on Medicare appeals.

SUMMARY OF ALJ BILL

The bill is designed to promote decisional independence of ALJ's, and ensure proper management of the hearings and appeals process. This legislation proposes to replace the current arrangement of the OHA, administered by individuals accountable to political appointees, with the appointment of a chief ALJ under a special nonpartisan process to administer hearings and appeals. The proposal is intended to complement an initiative to make SSA an independent agency, but it is also a freestanding approach which is necessary even outside the context of an independent agency.

MAJOR PROVISIONS

Under my bill, a chief ALJ will be appointed to administer the hearings and appeals process, reporting directly to the Commissioner of Social Security. The chief ALJ would be appointed by the Secretary pursuant to recommendations made by a special nominations commission established for that purpose. The commission is composed of the president of the American Bar Association, the Federal Bar Association, and the chairman of the Administrative Conference of the United States, or their respective designees. The commission selects three recommendations; if the Commissioner chooses not to appoint from that list, he or she can request a new list. The nominee must have been an ALJ for at least 3 years preceeding his appointment. The chief ALJ serves for a fixed term of 5 years and may be removed only pursuant to a finding by the Commissioner of neglect of duty or malfeasance in office.

In addition, ALJ's serving at SSA also preside over appeals in Medicare cases, as is current practice. By July 1, 1992, HHS and GAO are required to report to Congress on that arrangement.

Although my bill keeps the office under SSA, it is accorded greater independence and stature within the agency. It increases confidence in the appeals system by placing the process under the operational control of a chief ALJ. It further separates the hearing process from the agency function by placing the office of the chief ALJ directly under the Secretary of HHS, who may delegate that authority to the Commissioner of Social Security.

CONCLUSION

Citizens seeking disability, old age and survivors benefits, supplemental security income and Medicare are entitled to fair, impartial hearings with administrative due process. This bill is designed to protect that right.

Mr. President, I urge all of my colleagues to join me as a cosponsor of these timely and important pieces of legislation. I also ask unanimous consent the full text of the two bills be printed at this point in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1570

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FEES FOR REPRESENTATION OF CLAIMANTS IN ADMINISTRATIVE PROCEEDINGS.

(a) IN GENERAL.—Section 206(a) of the Social Security Act (42 U.S.C. 406(a)) is amended—

(1) by inserting "(1)" after "(a)"; and

(2) by striking the fourth sentence and all that follows through the end of the subsection and inserting in lieu thereof the following:

"(2)(A) Except as provided in paragraph (3) and subject to subparagraph (B)—

"(i) whenever the Secretary, in any claim before the Secretary for benefits under this title, makes a determination favorable to the claimant and the claimant was represented by—

"(I) an attorney, or

"(II) any other representative recognized by the Secretary under the rules and regulations prescribed pursuant to paragraph (1),

such attorney or representative shall be entitled to recover a fee to compensate such attorney or representative for services performed in connection with such claim in an amount agreed upon between the claimant and such attorney or representative, which is specified in a written agreement filed with the Secretary, and

"(ii) with respect to the fees of an attorney, if as a result of a determination described in clause (i), a claimant is found to be entitled to past-due benefits under this title, the Secretary shall, notwithstanding section 205(i), certify for payment out of such past-due benefits to such attorney in an amount equal to the amount specified in such written agreement.

"(B)(i) Except as provided in clause (ii), the Secretary shall determine the reasonableness of the fee of the attorney or representative specified in the filed written agreement between the claimant and such attorney or representative. If the Secretary makes a finding of unreasonableness with respect to such fee, the Secretary shall, by regulation, prescribe a fee.

"(ii) The Secretary shall approve the fee specified in a written agreement if such fee does not exceed the lesser of—

"(I) $4,000, or

"(II) an amount equal to—

"(aa) 25 percent of any past-due benefits, or

"(bb) 25 percent of any past-due benefits plus any interim benefits, as defined under section 223(h), or

"(cc) 25 percent of any interim benefits, or

"(dd) in the absence of past-due benefits or interim benefits, the lesser of 300 per cent of the basic monthly benefit amount or the monthly benefit amount.

For purposes of the preceding sentence, any benefit amount shall be determined without regard to sections 224 and 1127(a). The Secretary, in his discretion, may increase periodically the amount under subclause (I).

"(3)(A) Upon a written request to the Secretary by—

"(i) the claimant, or the administrative law judge or other decision maker to reduce the amount otherwise recoverable by the attorney or other representative under paragraph (2) based on allegations of the failure of the attorney or representative to adequately represent the claimant's interests, or

"(ii) the attorney or representative to increase the prescribed amount recoverable by such attorney or representative upon a finding of unreasonableness under paragraph (2)(B)(i),

the Secretary shall provide for review of such amount after reasonable notice of such request and an opportunity to submit written information in favor of or in opposition to such request. Such review shall be conducted in accordance with procedures that the Secretary shall prescribe by regulation.

"(B) Upon completion of the review pursuant to this paragraph, the Secretary shall affirm, modify, or disallow the amount otherwise recoverable by the attorney or the representative under paragraph (2) and shall order repayment of all or part of such amount by such attorney or representative, if necessary. If such amount is disallowed, the Secretary shall certify for payment benefits to any claimant as provided in this title without regard to paragraph (2). Any such amount as so affirmed or modified shall be considered the amount recoverable by the attorney or other representative under paragraph (2).

"(4) Any person who shall, with the intent to defraud, in any manner willfully and knowingly deceive, mislead, or threaten any claimant or prospective claimant or beneficiary under this title by word, circular, letter or advertisement, or who shall knowingly charge or collect directly or indirectly any fee not authorized under this subsection, or make any agreement directly or indirectly to collect any fee in violation of the provisions for fee collection under this subsection, shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall for each offense be punished by a fine not exceeding $500 or by imprisonment not exceeding one year, or both.".

(b) REPRESENTATION UNDER TITLE XVI OF THE SOCIAL SECURITY ACT.—Section 1631(d) of the Social Security Act (42 U.S.C. 1383(d)) is amended to read as follows:

"(d) The provisions of—

"(1) subsections (a), (d) and (e) of section 205,

"(2) section 206(a) (other than paragraph (3)(A)(ii)), and

"(3) section 207,

shall apply with respect to this part to the same extent as such provisions apply in the case of title II.".

(c) PROTECTION OF FEES FOR ATTORNEYS AND REPRESENTATIVES FROM OFFSETTING WORKER'S COMPENSATION BENEFITS AND SSI BENEFITS.—

(1) Section 224(a) of the Social Security Act (42 U.S.C. 424a(a)) is amended by inserting before the last sentence the following new sentence: "A benefit under section 202 or 223 shall not be reduced pursuant to the preceding provisions of this paragraph to the extent that any amount of such benefit would not otherwise be available for payment in full of the amount recoverable from such benefit by an attorney or representative pursuant to section 206(a)(2)(B).".

(2) Section 1127(a) of such Act (42 U.S.C. 1320a-6 (a)) is amended by adding at the end thereof the following new sentence: "A benefit under title II shall not be reduced pursuant to the preceding sentence to the extent that any amount of such benefit would not otherwise be available for payment in full of the amount recoverable from such benefit by an attorney or representative pursuant to section 206(a)(2)(B)".

(d) EFFECTIVE DATE.—The provisions of this section shall take effect with respect to determinations favorable to the claimant made on or after January 1, 1990.

S. 1571

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CHIEF ADMINISTRATIVE LAW JUDGE.

Title VII of the Social Security Act is amended by adding at the end thereof the following new section:

"CHIEF ADMINISTRATIVE LAW JUDGE

"SEC. 712. (a) ESTABLISHMENT OF AN OFFICE OF THE CHIEF ADMINISTRATIVE LAW JUDGE.—(1) There is established within the Social Security Administration (hereinafter referred to as the "Administration") of the Department of Health and Human Services an Office of the Chief Administrative Law Judge (hereinafter referred to as the "Office"). The Office shall be headed by a Chief Administrative Law Judge. All functions in the Administration relating to hearings conducted in the Administration shall be under the operational control of the Chief Administrative Law Judge.

"(2) The Chief Administrative Law Judge described in paragraph (1) shall be appointed by the Secretary in accordance with the procedures under subsection (c), and shall oversee the activities of administrative law judges that conduct business in the Administration to ensure that such administrative law judges conduct hearings and any other administrative activities for the Administration in accordance with applicable laws and regulations.

"(3) To be eligible for appointment as Chief Administrative Law Judge, an individual shall have completed not less than 3 years of employment as an administrative law judge.

"(b) ESTABLISHMENT OF SOCIAL SECURITY JUDICIAL NOMINATION COMMISSION.—(1) Not more than 45 days after the date of the enactment of this section, the Secretary shall establish in the Administration a Social Security Judicial Nomination Commission (hereinafter referred to as the "Commission"). The Commission shall be comprised of the following individuals, who shall be appointed by the Secretary:

"(A) the Chairman of the Administrative Conference of the United States, or an individual representing the interests of the Administrative Conference of the United States;

"(B) the President of the American Bar Association, or an individual representing the interests of the American Bar Association; and

"(C) the President of the Federal Bar Association, or an individual representing the interests of the Federal Bar Association.

"(2) Members of the Commission shall be appointed for a term of 3 years. A vacancy on the Commission shall be filled in the same manner as in which the initial appointment was made.

"(3) Members of the Commission who are not full-time Federal employees shall, while engaging in the business of the Commission (including travel time) shall be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service under GS-18 of the General Schedule established under section 5332 of title 5, United States Code.

"(4) While away from their homes or regular places of business on the business of the Commission, such members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in Government service.

"(5) To the extent allowed by law, the head of each department and agency of the United States Government shall, upon the request of the Secretary, provide information, assistance, and support to assist the functions of the Commission.

"(6) The provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to the Commission.

"(7) The Secretary shall supply such necessary office facilities, office supplies, support services, and related expenses as necessary to carry out the functions of the Commission.

"(c) PROCEDURES FOR APPOINTMENT.—(1) The Commission shall submit to the Secretary a list of 3 individuals who meet the requirements under subsection (a)(3) and whom the Commission determines to be qualified to serve as Chief Administrative Law Judge. Such list shall be submitted to the Secretary as follows:

"(A) For the initial appointment of the Chief Administrative Law Judge such list shall be submitted not more than 90 days after the date of the enactment of this section.

"(B) For an appointment to fill a vacancy that occurs before the completion of a term of the office of the Chief Administrative Law Judge, such list shall be submitted not more than 60 days after the Commission receives notice from the Secretary of such vacancy.

"(C) For an appointment upon the expiration of a term of office of the Chief Administrative Law Judge, such list shall be submitted not less than 60 days before the date of expiration of such term of office.

"(2) The Secretary may accept or reject a list submitted under paragraph (1). If the Secretary rejects such list, the Secretary shall request the Commission to submit, within a reasonable amount of time, a list of 3 additional individuals whom the Commission determines to be qualified to serve as Chief Administrative Law Judge and who meet the requirements under subsection (a)(3).

"(3) The Secretary shall appoint a Chief Administrative Law Judge from a list submitted by the Commission under this subsection.

"(4) For purposes of a reappointment of a Chief Administrative Law Judge by the Secretary, paragraphs (1), (2), and (3) of this subsection shall not apply.

"(5) The Chief Administrative Law Judge shall report directly to the Secretary, and shall serve for a term of 5 years, or until the reappointment of such Judge, or the appointment of a qualified successor.

"(6) Except as provided in paragraph (7), such Chief Administrative Law Judge shall not be removed from office by the Secretary before the completion of the term of the appointment.

"(7) The Chief Administrative Law Judge may be removed from office by the Secretary before completing the term of appointment if—

"(A) the Secretary makes a finding, with respect to the Chief Administrative Law Judge, of neglect of duty or malfeasance in conducting the duties of the office; and

"(B) the Secretary transmits such finding to the Speaker of the House and to the President pro tempore of the Senate.".

SEC. 2. ADMINISTRATIVE LAW JUDGES CONDUCTING ADMINISTRATIVE ACTIVITIES IN THE SOCIAL SECURITY ADMINISTRATION.

Notwithstanding any other provision of law, the Secretary of the Department of Health and Human Services shall make all appointments of administrative law judges that conduct hearings or other administrative activities in the Social Security Administration. Such appointments shall be made in accordance with section 3105 of title 5, United States Code. An administrative law judge who conducts a hearing in the Social Security Administration shall make a decision on the record after an opportunity for a hearing.

SEC. 3. HEARINGS RELATED TO HOSPITAL INSURANCE PROGRAM AND SUPPLEMENTARY MEDICAL INSURANCE PROGRAM.

(a) IN GENERAL.—Notwithstanding any other provision of law, with respect to the applicability of section 205 of the Social Security Act to provisions of title XI and XVIII of such Act, hearings relating to Part A or Part B of title XVIII of such Act shall be conducted by administrative law judges serving in the Social Security Administration (as the delegates of the Secretary of Health and Human Services for such purpose) under the procedures applied by the Secretary under such section.

(b) REPORT.—Not later than July 1, 1992, the Secretary of Health and Human Services and the Comptroller General of the United States shall each report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives with recommendations concerning the participation of administrative law judges serving in the Social Security Administration in the hearings described in subsection (a).●

By Mr. KOHL:

S. 1572. A bill to improve budgetary information by requiring that the unified budget presented by the President contain an operating budget and a capital budget, distinguished between general funds, trust funds, and enterprise funds, and for other purposes; pursuant to the order of August 4, 1977, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs.

FEDERAL BUDGET STRUCTURE ACT

Mr. KOHL. Mr. President, I ask unanimous consent that the text of the Federal Budget Structure Act of 1989 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1572

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Budget Structure Act of 1989".

SEC. 2. STATEMENT OF FINDING AND PURPOSE.

(a) STATEMENT OF FINDING.—The Congress finds that the existing budget obscures the distinctions between capital activities and operating activities, and between general funds, trust funds, and enterprise funds, so as to hinder identifying the resources needed to meet the Government's needs.

(b) PURPOSE.—It is the purpose of this Act that the unified budget present a capital budget and an operating budget, and distinguish between general funds, trust funds, and enterprise funds, in order to provide better and more relevant information on the revenues, expenses, and financing requirements of Government programs and activities.

SEC. 3. CAPITAL AND OPERATING BUDGETS.

Title 31, United States Code, is amended by inserting after section 1105 the following new section:

"§ 1105a. Capital and operating budgets

"(a)(1) The budget of the United States submitted by the President under section 1105 of this title shall be a unified budget composed of an operating budget and a capital budget.

"(2) Operating and capital budgets shall be presented separately for unified funds, general funds, trust funds, and enterprise funds.

"(b)(1) Actual, estimated, and proposed amounts shall be presented for unified funds, general funds, trust funds, and enterprise funds, and, at a minimum, shall contain—

"(A) for the operating budget the following: (i) operating revenues, (ii) operating expenses, (iii) operating surplus/deficit before interfund transfers, (iv) interfund transfers, and (v) operating surplus/deficit;

"(B) for the capital budget the following: (i) capital revenues, (ii) capital investments, (iii) capital financing requirements before interfund transfers, (iv) interfund transfers, and (v) capital financing requirements; and

"(C) unified budget financing requirements.

"(2) The capital budget shall represent only the major activities, projects, and programs which support the acquisition, construction, alteration, and rehabilitation of capital assets. All other activities, projects, and programs shall be represented in the operating budget.

"(c) In addition to the unified budget submitted by the President as required by subsections (a) and (b) of this section, the President shall present information in the form required by subsection (b)(1) for accounts, agencies, and functions, to the extent applicable.

"(d) In this section—

"(1) 'unified budget' means a budget in which revenues and expenses for general funds, trust funds, and enterprise funds are consolidated to display totals for the Federal Government as a whole;

"(2) 'trust funds' means—

"(A) the Federal Old-Age and Survivors Insurance Trust Fund,

"(B) the Federal Hospital Insurance Trust Fund,

"(C) the Civil Service Retirement and Disability Fund,

"(D) the Military Retirement Fund,

"(E) the Federal Supplementary Medical Insurance Trust Fund,

"(F) the Unemployment Trust Fund,

"(G) the Federal Disability Insurance Trust Fund, and

"(H) such other funds or accounts of the Government that the Director of the Office of Management and Budget, in consultation with the Comptroller General, determines should be classified as trust funds in order to fulfill the purpose of this section;

"(3) 'enterprise funds' means—

"(A) the Postal Service,

"(B) the Federal Savings and Loan Insurance Corporation Fund,

"(C) the Federal Deposit Insurance Corporation Fund,

"(D) the Federal Housing Administration,

"(E) the Tennessee Valley Authority Fund,

"(F) the Bonneville Power Administration Fund,

"(G) the Rural Electrification and Telephone Revolving Loan Fund,

"(H) the Export-Import Bank of the United States,

"(I) the Southeastern Power Administration,

"(J) the Southwestern Power Administration,

"(K) the Western Area Power Administration,

"(L) the Alaska Power Administration,

"(M) the Overseas Private Investment Corporation,

"(N) the St. Lawrence Seaway Development Corporation,

"(O) the Rural Telephone Bank,

"(P) the Pension Benefit Guaranty Corporation, and

"(Q) such other funds or accounts of the Government that the Director of the Office of Management and Budget, in consultation with the Comptroller General, determines should be classified as enterprise funds in order to fulfill the purpose of this section;

"(4) 'general funds' includes all accounts of the Government that are not trust funds or enterprise funds;

"(5) 'unified funds' means general funds, trust funds, and enterprise funds and represents the unified budget;

"(6) 'capital assets' means physical assets and financial assets, but does not include consumable inventories;

"(7) 'physical assets' means tangible assets—

"(A) the ownership of which is or will be in the public domain;

"(B) that produce services or benefits, including for national defense and security, for more than 2 years;

"(C) that have an initial cost equal to or more than $100,000; and

"(D) including—

"(i) roadways and bridges;

"(ii) airports and airway facilities;

"(iii) mass transportation systems;

"(iv) waste water treatment and related facilities;

"(v) water resource projects;

"(vi) medical facilities;

"(vii) resource recovery facilities;

"(viii) public structures;

"(ix) space and communication facilities;

"(x) defense facilities;

"(xi) major weapons platforms; and

"(xii) strategic petroleum reserves and mineral stockpiles;

"(8) 'financial assets' means interests of the Federal Government in, and claims of the Federal Government against, foreign governments, States and their political subdivisions, corporations, associations, and individuals and their resources which are represented by a legal instrument (such as bonds, debentures, notes, and other securities), less any credit subsidy costs attributable to such financial assets;

"(9) 'credit subsidy costs' means the losses incurred by the Federal Government as a result of its direct and guaranteed loans, including such costs as interest and default;

"(10) 'consumable inventories' means tangible assets of the Federal Government, including stockpiles, supplies, and inventories, which typically are consumed within 2 years or which have an initial price less than $100,000;

"(11) 'operating revenues' means all receipts of the Federal Government, other than those identified in paragraph (17), including profits and interest earned on financial assets;

"(12) 'operating expenses' means all expenses of the Federal Government, other than those identified in paragraph (18), including interest payments on debts, asset consumption charge, and credit subsidy costs;

"(13) 'the operating surplus/deficit before interfund transfers' means the difference between operating revenues and operating expenses before interfund transfers;

"(14) 'interfund transfers' means the flow of revenues between general and enterprise funds and trust funds accounts that are expenses from the account making the payments and revenues to the account receiving the payments;

"(15) 'operating surplus/deficit' means the operating surplus/deficit before interfund transfers plus or minus interfund transfers;

"(16) 'asset consumption charge' means the systematic and rational allocation of the cost—historical, replacement, or current value—of a physical asset (having a useful life of more than 2 years) financed by the appropriation accounts for which the capital budget required by this section applies;

"(17) 'capital revenues' means receipts of the Federal Government derived from the repayment of principal invested in financial assets, and taxes, collections, and receipts dedicated by statute, for the acquisition, construction, and rehabilitation of capital assets which relate to the activities, functions, and programs represented by the capital budget;

"(18) 'capital investments' means expenditures of the Federal Government, including those under grants, contracts, and leases, which are for the acquisition, construction, and rehabilitation of capital assets;

"(19) 'capital financing requirements before interfund transfers' means the difference between capital revenues and capital investments before interfund transfers;

"(20) 'capital financing requirements' means financing requirements before interfund transfers plus or minus interfund transfers; and

"(21) 'unified budget financing requirements' means the total of the operating surplus/deficit and the capital financing requirements.".

SEC. 4. CONFORMING AMENDMENTS.

Section 1112 of title 31, United States Code, is amended—

(1) in subsection (c)(1) by inserting "criteria, principles, and standards for determining the contents of the operating and capital budgets required under section 1105a of this title, and" after "including"; and

(2) by adding the following subsection at the end thereof:

"(g) The Comptroller General shall review and report to the Congress on the implementation of section 1105a of this title as the Comptroller General deems necessary. A review by the Comptroller General may include determining whether—

"(1) the actual, estimated, and proposed appropriations, receipts, and investments presented in the capital budget represent activities, functions, and programs which

support the acquisition, construction, alteration, and rehabilitation of capital assets; and

"(2) the classifications made by the Director of the Office of Management and Budget under section 1105a(d)(2)(H) of this title further the purposes of section 1105a.".

SEC. 5. REPORT BY THE BUDGET COMMITTEE.

Not later than October 20, 1989, the Committee on the Budget shall submit to the Senate proposed legislation which shall establish additional deficit targets under the Balanced Budget and Emergency Deficit Control Act of 1985 beginning in fiscal year 1992 which would require the eventual elimination of deficits in the general and enterprise funds as set forth in the amendments made by this Act.

By Mr. WILSON (for himself, Mr. ADAMS, and Mr. CRANSTON):

S. 1573. A bill to amend the Immigration Reform and Control Act of 1986 to reimburse States for the costs of legalization outreach activities for temporary resident aliens regarding procedures for their adjustment of status to permanent residence; to the Committee on the Judiciary.

RELATING TO COST REIMBURSEMENT TO STATES FOR LEGALIZATION OUTREACH ACTIVITIES

● Mr. WILSON. Mr. President, today I am introducing legislation to amend the Immigration Reform and Control Act of 1986 [IRCA] so that States can dedicate a small portion of their Federal impact assistance funds [SLIAG] for limited outreach activities under the Amnesty Program. I am proud to have Senators CRANSTON and ADAMS join with me as original cosponsors.

As many of our colleagues recall, Mr. President, over 3 million undocumented aliens applied for lawful temporary residence under the landmark immigration reform legislation that was signed into law in November 1986. And I can attest to the magnitude of the Amnesty Program's massive undertaking. California is home to nearly 1.6 million newly legalized aliens, which represents almost 60 percent of the total population nationwide granted initial residence.

Yet many are unaware that the Amnesty Program entails two phases. Under phase 1, eligible individuals received temporary resident status. But the job is far from over because these same individuals must now avail themselves of the phase 2 process within a specified time limit in order to adjust to permanent resident status. Newly legalized aliens are required to convert their status from temporary to lawful permanent resident status between November 1988 and November 1990 depending on the day they applied for temporary legal residency.

We cannot understate the unique and critical role the amnesty debate played in forging the final compromise agreement on IRCA. But unless action is taken to adequately inform the eligible legalized aliens of the law's requirements under phase 2, many individuals who did receive temporary resident status will fail to comply with its requirements, causing them to lose the very benefit the Congress intended for this law.

To further indicate the need for increased outreach, I think California's situation deserves our close attention: Of the 1.6 million eligible legalized aliens in California, only 400,000 have stepped forward under phase 2. Nationwide figures are no more encouraging.

Simply put, the legislation I offer today would allow States to use a very small portion of their State legalization impact assistance grants [SLIAG] for IRCA-coordinated outreach activities. This way, the fullest number of eligible aliens will take action to adjust their immigrant status.

Otherwise, Mr. President, individuals who do not file a timely phase 2 application would see their status revert back to that of an illegal alien, and I don't feel there are many here who do not recognize the seriousness of that unfortunate consequence.

Under current law, States cannot advise newly legalized persons about general phase 2 requirements or about the need to submit a new application. IRCA does not permit the use of SLIAG funds for outreach activities that go beyond informing eligible legalized aliens of how and when to obtain educational services and why and how to identify themselves to service providers.

Gov. George Deukmejian and other officials from my State inform me that California's outreach campaign will have a limited impact because SLIAG funds cannot be used to inform eligible legalized aliens of program requirements. If current law continues without the minor adjustments this bill would provide, California and the other States with large numbers of eligible legalized aliens will again be confronted with the very same conditions IRCA sought to address. Similarly, a recent report issued by the American Public Welfare Association [APWA] calls for increased outreach authority.

A coordinated outreach campaign involving the INS, State agencies, local governments, and community-based organizations would be the most effective means to properly inform eligible applicants. And the sooner States can use SLIAG funds for a full scope of outreach activities, the sooner newly legalized persons will apply for lawful permanent residency, which is the promise offered by IRCA's legalization provisions.

Just as the immigration reform bills in the U.S. Senate are characterized by intense, compassionate, and sometimes confusing debate, for this is not a simple matter, it is equally clear that the very population intended to benefit from the amnesty provisions received mixed signals from the INS during the program's initial phase.

Our action is critical, Mr. President, and States are crying out for relief. After all, State and local governments are those most affected by this new population of residents. SLIAG was established to help States and local governments cope with this new population. Allowing a small portion of these funds to be used in the manner set out under this legislation is appropriate and loyal to the Amnesty Program's goals. It is simple, and it does nothing whatsoever to undermine the very delicate balance forged by IRCA. It is limited in its scope and approach, and it does not call for any new Federal spending as it would be funded out of an existing appropriation.

We should act to help States implement a coordinated outreach policy to ensure the fullest success the Congress intended for the Amnesty Program. For this very reason, I urge my colleagues to give this bill their careful attention and their support.

I ask unanimous consent that a letter relating to this subject be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF CALIFORNIA,
GOVERNOR'S OFFICE,
Sacramento, CA.

Hon. PETE WILSON,
U.S. Senator, Hart Senate Office Building, Washington, DC.

DEAR PETE: This is to indicate my support for federal legislation you have introduced to enhance state outreach activities for Phase 2 of the legalization program.

As you know, California has made a great effort to ensure that as many persons as possible applied for the legislation benefits granted under the Immigration Reform and Control Act of 1986 (IRCA). But the job is far from over. These newly legalized persons must submit an additional application for lawful permanent residency within a specified time limit, or they will become illegal aliens once again.

California has already embarked on an outreach campaign for Phase 2 of the legalization program. But, as you are well aware, California's outreach campaign will have limited impact because we cannot use SLIAG funds for the broad range of information that should be disseminated to the target population. We cannot tell newly legalized persons about the general requirements for Phase 2 of the legalization program, even about the requirement that they must submit a new application to INS to obtain lawful permanent residency status. We cannot caution the newly legalized that their use of cash assistance programs could jeopardize their application for lawful permanent residency, or tell them where to seek help in completing their Phase 2 applications. Currently, we can only tell them where and how to enroll in English-as-a-Second Language and civics classes, and why it is important they identify themselves as newly legalized persons to service providers.

Your bill will allow states to provide the Phase 2 outreach messages that cannot be done under current law. My Administration

is available to help you to secure its enactment.

Most cordially,

GEORGE DEUKMEJIAN.●

By Mr. HARKIN (for himself, Mr. HATFIELD, and Mr. LEAHY):

S. 1574. A bill to prohibit covert assistance to influence the Nicaraguan elections; to the Committee on Foreign Relations.

PROHIBITION ON COVERT ASSISTANCE TO INFLUENCE NICARAGUAN ELECTIONS

● Mr. HARKIN. Mr. President, I am proud to introduce, along with the Senators from Vermont [Mr. LEAHY] and Oregon [Mr. HATFIELD], a bill that will help ensure a free, fair and open election in Nicaragua in February 1990.

This legislation, if enacted, will ban the Central Intelligence Agency and all other agencies of the United States Government involved in intelligence activities from engaging in covert activities for the purpose of influencing the 1990 Presidential, legislative, and local elections in Nicaragua.

In April, the Congress, in cooperation with the Bush administration, approved the so-called bipartisan accord which provided $67 million in "humanitarian" aid to the Contras. That legislation was intended to lay aside the contentious debate on military aid to the Contras, by substituting for it nonlethal or maintenance aid, and in turn, allow a window for the Presidential campaign and elections in Nicaragua to occur without interference from Contra military operations.

I opposed that package because I believed it was time for the United States to finally put to rest the Contra Program: it has failed to promote democracy in Nicaragua; its policy justification has never been made clear to either the Congress or the American people; and it has drained more than a third a billion dollars of United States taxpayers' dollars and helped undermine United States international prestige over the past decade.

However, a number of my colleagues in both the House and Senate supported that package, despite their reservations with the Contras Program, in return for an honest commitment by President Bush and Secretary James Baker to take the 1990 Nicaraguan elections seriously and to play a constructive role in that process.

The best way to ensure that the United States will indeed play a constructive role—and in turn, carry out the objectives of the bipartisan accord—would be to prevent that agency of our Government which has been so instrumental in organizing and shaping the Contra Program—the Cental Intelligence Agency—from being involved in any manner in internal politics in Nicaragua during the 1990 campaign elections.

The recent history of CIA involvement in Nicaragua is replete with actions that the United States and the American people should be ashamed. In 1980, the Agency subcontracted with the same Argentine generals responsible for the disappearance of 10,000 of their countrymen a decade earlier to train and equip a small band of Somoza's National Guardsmen.

In 1984, the Agency coordinated and financed the mining of Nicaraguan harbors—in violation of international law.

That same year, the Agency prepared a manual instructing the Contras in how to assassinate Nicaraguan civic and political leaders—in violation of President Reagan's 1981 Executive order.

The CIA has been just as active in undermining democratic tendencies within the resistance as it has in destabilizing Nicaragua. For 9 years, the Agency and its operatives have sided with the most repressive and corrupt elements of the Contras, preferring Adolfo Calero and ex-Somocista Enrique Bermudez over the real democrats of the resistance like Arturo Cruz and Alfredo Cesar. Even today, the Agency is resisting efforts by newcomer Assistant Secretary Bernard Aronson to oust Bermudez and his cohorts.

The story is the same with the Miskitos. Over the years, the Agency has undermined and subverted one of the few charismatic and popular leaders of the Miskito opposition, Brooklyn Rivera, preferring instead those Indian commanders whom it can control and manipulate.

The CIA's record of involvement in the internal political processes of Latin American countries is equally disturbing.

In 1954, the CIA plotted the overthrow of Guatemala's democratically elected president, Jacobo Arbenz, ushering in more than three decades of brutal military dictatorships.

From 1970 to 1973, the CIA helped coordinate a campaign to destabilize Salvador Allende, Chile's democratically elected president. Allende's fall was followed by more than 16 years of brutal authoritarian rule by General Augusto Pinochet.

Furthermore, the Agency already has a proven track record in Nicaraguan elections. During the 1984 presidential elections, the CIA—working at loggerheads with the State Department—played a destabilizing role which has been amply documented.

The CIA along with hardliners in the Reagan administration worked with elements in the Nicaraguan opposition to discourage Arturo Cruz from running in those elections.

Listen to Carlos Andres Perez, the current president of Venezuela.

In 1984, Perez worked with the Sandinistas and the opposition to try to enable Cruz to run as the opposition's presidential candidate. Perez is quoted as saying, "the CIA had given instructions, had put pressures, against Cruz's candidacy and therefore it was not accepted."

Perez went on to say regarding the CIA: "They just did not want someone with the prestige of Cruz to enter the elections because it would validate them. They wanted to demonstrate there was no freedom of elections in Nicaragua."

In large part due to CIA interference, Cruz refused to register as a candidate, the November 1984 elections were discredited in the eyes of many in Washington, and a historic opportunity to shift the battle for democracy in Nicaragua from the battlefield to the ballot box was lost.

The last word on this episode belongs to Arturo Cruz, who in a later interview is quoted as saying: "In hindsight, we should have gone, with or without conditions."

To insure that the experience of 1984 is not repeated next year, we should prevent the CIA, which helped undermine efforts to insure that Cruz would run 5 years ago, from getting involved in the 1990 Nicaraguan presidential race.

This view is shared by many members of the Nicaraguan opposition, some of whom suffered government repression and most whom will be involved in next February's race.

Listen to the warning of Nicaraguan opposition leaders.

Alfredo Cesar, member of the Resistance Directorate, returned to Nicaragua in June after 7 years in exile. Upon his return to Managua, Cesar emphatically stated:

> The worst thing the U.S. Government can do is to try to help in a hidden way. That would be the worst of all, worse than not helping at all.

Nicaragua's major opposition daily La Prensa, which runs into frequent battles with government censors and has been closed several times in the past decade, called suggestions of possible covert aid to the Nicaraguan opposition a potentially fatal blow to their electoral hopes. Wrote La Prensa:

> What more could Daniel Ortega want than to cry out to the world that the CIA is helping the opposition and that the democratic opposition is a kind of civilian contra that has sold itself to imperialism?

Jaime Chamorro, editor of La Prensa, echoed the warnings of his newspaper in a July 5 interview with National Public Radio:

> We're seeing that the Government is anxious, you know, to find out some kind of CIA involvement to destroy the credibility of the opposition. But if they're (the United States Government) going to send money, it should be open. The law of Nicaragua permits all donations from the exterior, but open donations.

Just this morning, 20 Nicaraguan parties, representing most of the political opposition, joined the Sandinistas

in signing a "Political Accord of the National Dialogue." That accord, the result of 2 days of intense negotiations, concluded, and I quote from an unofficial translation,

The political parties call on the governments with interests in the Central American region to abstain from carrying out covert activities in the electoral process of Nicaragua.

Shouldn't the Nicaraguan opposition, which our Government sees as the last hope for democracy in that country, have a say over what kind of aid it receives from the United States?

Over the past year, I have consistently advocated the position that the United States should be involved in upcoming Nicaraguan elections, but it should be constructive and open. In 1988, I played a small role in assisting the forces of democracy during the Chilean plebiscite by adding $1 million for the National Endowment for Democracy's activities in Chile.

With the technical assistance and training provided by the endowment, Chile's democratic opposition mounted a highly sophisticated campaign. The plebiscite was generally free and fair, according to most international observers, and democracy prevailed. The final test of the process begun on October 5, 1988 will occur this December, when Chileans will select their president for the first time in 19 years.

The Bush administration and Secretary Baker's State Department should heed the lessons of Chile.

In 1973, the Central Intelligence Agency helped bring General Augusto Pinochet to power. Chile, the Americas' second oldest democracy, suffered more than 15 years of authoritarian and repressive rule as a result of CIA intervention.

In 1988, the National Endowment for Democracy, in an open and democratic fashion, contributed to Pinochet's early retirement, which will begin in March 1990.

In the past several months, I have attempted to extract a commitment from administration officials that the Central Intelligence Agency would abstain from involvement with the opposition during the Nicaraguan elections.

In an April 12 hearing of the Senate Foreign Operations Subcommittee, I sought assurances from then Acting Assistant Secretary of State for Inter-American Affairs Michael Kozak that the CIA would not be involved in the Nicaraguan elections.

Mr. Kozak refused to provide any assurances.

I asked Secretary Baker in written questions as a followup to the April 12 hearing.

Mr. Baker likewise refused.

And on June 23, during another Senate Foreign Operations hearing, the recently confirmed Assistant Secretary Bernard Aronson consistently refused to answer my questions regarding the future role of the CIA in the Nicaraguan elections. Mr. Aronson even refused to answer a question I posed to him as to whether he agreed with a recent La Prensa editorial which called suggestions of a CIA electoral role a potentially fatal blow to their electoral hopes.

Mr. President, the CIA—in Nicaragua and elsewhere—has a sordid record of involvement in elections in other countries. Permitting the Agency to "help" the democratic process in the upcoming elections in Nicaragua is akin to using a hired gun to run a political campaign.

The choice for the United States in Nicaragua should be clear.

But if the Bush administration refuses to learn from history, then Congress must take the initiative and impose rationality on United States policy toward Nicaragua which has sorely lacked such qualities over the past 8 years.

For this reason, I am introducing today, along with Senators HATFIELD and LEAHY, a bill to ban the Central Intelligence Agency from participating in covert activities related to the 1990 elections in Nicaragua. I urge my colleagues to join us as cosponsors, and ask unanimous consent that the text of the legislation along with several articles related to the Nicaraguan elections be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1574

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. . PROHIBITION ON COVERT ASSISTANCE TO INFLUENCE THE NICARAGUAN ELECTIONS.

(a) PROHIBITION ON USE OF FUNDS FOR CERTAIN COVERT ACTIONS.—Notwithstanding any other provision of law, funds available to the Central Intelligence Agency, the Department of Defense, any other agency or entity of the United States Government involved in intelligence activities, or the National Security Council or its staff may not be obligated or expended for covert actions for the purpose of influencing, directly or indirectly, the electoral campaign leading up to, or the results of, the 1990 presidential, legislative, or local elections in Nicaragua.

(b) DEFINITION.—

(1) As used in subsection (a), the term, "covert action" means an activity or activities conducted by any department, agency, or other element of the United States Government to influence political, economic, or military conditions abroad so that the role of the United States Government is not intended to be apparent or acknowledged publicly, but does not include—

(A) activities the primary purpose of which is to acquire intelligence, traditional counterintelligence activities, traditional activities to improve or maintain the operational security of United States Government programs, or administrative activities;

(B) traditional diplomatic or military activities to support such activities;

(C) traditional law enforcement activities conducted by United States Government law enforcement agencies or routine support to such activities; or

(D) activities to provide routine support to the overt activities (other than activities described in clause (A), (B), or (C)) of other United States Government agencies abroad.

(2) For purposes of this Act, a request by any department, agency, or other element of the United States Government to a foreign government or a private citizen to conduct a covert action on behalf of the United States shall be deemed to be a covert action.

[From National Public Radio, July 5, 1989, Richard Gonzalez reporting]

ALL THINGS CONSIDERED

The partisan debate over U.S. policy in Nicaragua seriously strained relations between Congress and the Reagan administration during the better part of this decade. So, when President Bush made it clear he wasn't looking for a military solution in Nicaragua, there were many anti-contra congressman who took some comfort in these words:

"We do not claim the right to order the politics of Nicaragua. That is for the Nicaraguan people to decide. The Esquipulas Accord requires a free, open, political process, in which all groups can participate. The playing field must be level."

Some U.S. officials say that a level playing field means ensuring that the Nicaraguan civilian opposition stand a fair chance of winning the upcoming presidential elections. They're considering secret financial contributions or political advice to opposition parties, and perhaps a secret role for the C.I.A. Administration officials deny they have settled on a plan. But there are some congressman who are threatening to block any secret U.S. involvement in the Nicaraguan elections, saying that such activity would compromise the integrity of the vote. Pennsylvania Democrat Peter Kostmayer is among those who say C.I.A. covert activities are incompatible with a free and democratic election in Nicaragua:

"What would the C.I.A. be doing? What kind of activities would they be engaged in? What kind of secret activities would the Central Intelligence Agency be involved in in democratic elections in Nicaragua? What is it they would be doing? I'm at a loss to understand why the Administration would make such a proposal and why any Member of Congress would support such a proposal.

Kostmayer says he does not oppose overt aid to the Nicaraguan opposition, which has already received hundreds of thousands of dollars from American sources, the most notably from the National Endowment for Democracy, a private non-profit corporation which receives money from Congress. Last year the Nicaraguan government prohibited the opposition from receiving any foreign aid. The ban has since been dropped, and Congress is expected to approve about $3.5 million in aid to opposition parties, business groups, independent labor unions and human rights groups. U.S. officials say the Sandinistas could again ban aid to the opposition, which, they say, underlines the need for covert capability. The Administration also wants to avoid the precedent of imposing a country-specific ban on the C.I.A. Illinois Republican Henry Hyde is a supporter of covert operations:

"I don't think we should single out one country in the world where legislation should forbid or encourage or anything

about covert activities. Because if we're going to do it with one country, we can do it with other countries. Technically, I think it's an unconstitutional encroachment on the president's authority to conduct foreign policy."

But Democrats say there is a precedent for restricting the president's authority in a specific country. Congress did that once before when it passed the Boland amendment, which prohibited covert assistance to the Nicaraguan contra rebels. Cong. James Moody, a Wisconsin Democrat, recalls that the Reagan administration tried to work around the Boland amendment:

"It was flouted. It was ignored and broken. But it's not a new precedent to have a specific ban on presidential authority with regard to a specific country."

The C.I.A. has a long history of involvement in foreign elections. In the past decade it has played a role in El Salvador and, most recently, in Panama. It was also involved in Nicaragua's last elections. In 1984, the C.I.A. secretly encouraged opposition parties to boycott the vote as a way of denying Daniel Ortega the legitimacy he sought through the ballot. One former contra leader, Arturo Cruz, now says he regrets withdrawing from that race and later going on the C.I.A.'s payroll.

The Nicaraguan opposition is also opposed to covert C.I.A. involvement. Jaime Chamorro is the editor of the opposition daily, La Prensa. The paper recently editorialized against such aid to its cause, saying it might give the Sandinistas an election issue they can exploit:

[Voice of Jaime Chamorro] "We're seeing that the Government is anxious, you know, to find out some kind of C.I.A. involvement to destroy the credibility of the opposition. But if they're going to send money, it should be open. The law of Nicaragua permits all donations from the exterior, but open donations."

Nevertheless, supporters of covert operations say the possibility of C.I.A. action may be enough to keep the Sandinistas off balance, and in a defensive posture—"to keep them guessing," one U.S. official put it. They add that since there is already congressional oversight of the C.I.A., there shouldn't be any public debate of the issue. Illinois Republican Henry Hyde:

"We can be criticized for interfering in the internal affairs of another country and we are whether we do or whether we don't. But the fact is the Soviet Union and the East Bloc countries are very active in trying to rig elections, and the efforts made by this country to have free and fair elections are entirely appropriate. But covert ought to remain covert."

The House Intelligence Committee is expected to take up this issue when it returns from the holiday recess. Sources close to the committee say the congressmen are looking for some kind of indication from the House leadership as to whether they should force a public debate on the C.I.A.'s possible role in Nicaragua.

[From the Philadelphia Inquirer, June 22, 1989]

COVERT U.S. AID FOR ELECTION WORSE THAN NONE, SAYS EX-CONTRA LEADER

(By Adrian Croft)

MANAGUA, NICARAGUA.—Covert U.S. aid to the opposition in next year's Nicaraguan elections would be worse than no aid at all, former contra leader Alfredo Cesar said yesterday.

He said the issue of foreign aid to participants in next February's elections should be debated openly. Cesar, a former director of the U.S. backed contras, returned to Nicaragua this month after seven years in exile.

"The worst thing the U.S. government can do is to try to help in a hidden way. That would be the worst of all, worse than not helping at all," Cesar said at a news conference.

Nicaragua's pro-government press has accused the opposition of selling out to Washington, and Sandinista leader Bayardo Arce has said that some aid would be illegal.

Michael Kozak, acting Assistant Secretary of State for InterAmerican Affairs, recently intensified controversy in Washington over covert U.S. involvement in Nicaragua's elections by refusing to rule out intevention by the CIA.

A furious debate is raging in the Nicaraguan press about plans by the U.S. National Endowment for Democracy to give $3 million to help Nicaraguan opposition groups organize their election campaign. The endowment is openly funded by the U.S. government, and its funds are appropriated by Congress.

Cesar, who has been appointed secretary-general of the opposition Social Democratic Party, asked what difference there was between U.S. aid for the opposition in Soviet aid for the ruling Sandinistas.

"I would suggest that for every ruble the Soviet Communist Party gives to the Sandinista party, that the [U.S.] Republican and Democratic Parties openly give the same to democratic parties," he said.

Cesar said he believed that the United States should gradually lift a trade embargo it imposed on Nicaragua in 1985. He said a ban on Nicaraguan imports from the United States should be lifted to allow necessities such as food and medicine to reach the people.

The last thing to be lifted should be a ban on Nicaraguan exports to the United States because most foreign-exchange earnings were managed by the government, and there was no guarantee that the earnings would reach the people, he said.

Cesar also described as positive President Daniel Ortega's request this week to Catholic Cardinal Miguel Obando Y Bravo to mediate between Nicaragua and the United States.

But he said it was a waste of time to seek normal relations with the United States without first holding a national dialogue to reconcile national differences. The White House said Tuesday that it was not interested in holding direct talks with Ortega.

[From the New York Times, June 21, 1989]

ANTI-SANDINISTAS WARY ON U.S. AID

(By Mark A. Uhlig)

MANAGUA, NICARAGUA, June 20—Stung by word that the Bush Administration is considering efforts to influence the elections here, Nicaraguan opposition leaders have spoken out against such aid, calling suggestions that it is on the way a potentially fatal blow to their electoral hopes.

"What more could Daniel Ortega want than to cry out to the world that the C.I.A. is helping the opposition and that the democratic opposition is a kind of civilian contra that has sold itself to imperialism?" said the opposition newspaper La Prensa.

The Government of Daniel Ortega Saavedra, the Nicaraguan President, has devoted much space in the official press to detailed coverage of payments reportedly received by opposition candidates and parties. The Government has used the issue to mock the opposition's claim that the elections will not just decide among candidates, but serve as a national referendum on the Sandinistas. The election is scheduled next February.

"The more they insist on fomenting the activities of political mercenaries," said the offical Sandinista newspaper, Barricada, referring to American leaders, "the clearer it will be to Nicaraguans that the elections will be a referendum on Yankee policy."

Some of the outcry was prompted by an article on June 11 in The New York Times describing efforts by the Bush Administration to reserve the right to conduct clandestine operations here despite Congressional opposition.

NO DECISION REPORTED

In describing the American debate, the article in The Times reported that the Administration "says that it has not decided to undertake any new covert operations in Nicaragua." But the report was taken by the Government as a virtual declaration of political war by the Bush Administration.

For years, the Government has said the political opposition here has been the creation of American policy makers or, as official news organizations said in recent days, "a fraud" financed by millions of dollars in covert aid from the C.I.A.

The charge of C.I.A. involvement also took on serious political implications here in late September when Jim Wright, then Speaker of the House, said the C.I.A. had promoted demonstrations by the Nicaraguan opposition in an effort to provoke the Government.

But opposition leaders have denied such allegations, noting that the mere suggestion of ties with the C.I.A. can mean long prison terms for anti-Sandinista politicians. Those assertions have been supported by senior non-American diplomats, who say they do not believe that the opposition has been receiving significant amounts of clandestine aid for its election efforts.

HOW LITTLE U.S. IS DOING

"If anything is noticeable at this stage, it is not how much the United States is doing, but how little," said a diplomat based in Managua.

In the past, American money has been sent openly to La Prensa and to a variety of other anti-Sandinista groups. But late last year, the National Assembly banned all foreign financing of political parties and campaigns in Nicaragua, and made it a treasonous offense for members of the civic opposition, like trade unions and church organizations, to accept donations from American institutions like the National Endowment for Democracy.

That ban was partly lifted under new election laws approved by the National Assembly in April as part of Nicaragua's obligations under a regional peace accord. Under the new laws, half of all money received must be donated to finance the Supreme Electoral Council, an official panel responsible for managing the voting process.

[From the New York Times, June 11, 1989]

BUSH PRESSING CONGRESS TO PERMIT CIA ROLE IN NICARAGUA ELECTION

(By Robert Pear)

WASHINGTON, June 10.—In a policy conflict with the Democratic-controlled Congress, the Bush Administration is trying to preserve its power to conduct secret intelligence operations aimed at influencing the Nicaraguan elections next February.

"We want to keep the Sandinistas guessing," said a top State Department official.

The Administration says it has not decided to undertake any new covert operations in Nicaragua, but is considering proposals for such activities as part of a review of how the United States could best support the democratic process and the "democratic opposition" in Nicaragua.

For example, Administration officials said, they might want to provide secret contributions or political guidance to opposition leaders if the Sandinistas tried to rig the elections. The Administration is vigorously opposing Congressional efforts to prohibit the Central Intelligence Agency from trying to influence the elections.

OBJECT TO PROHIBITION

"We would object to any prohibition that limits our policy options and room for maneuver," a State Department official said. "In addition, a ban on covert aid would be an enroachment on Presidential power."

Under Federal law, the President is required to inform the House and Senate intelligence committees of "any significant anticipated intelligence activity," but does not have to get their approval. The committees may try to persuade the Administration to revise or cancel an operation. In addition, Congress may withhold money from a project or may pass legislation explicitly prohibiting it.

Administration officials said they feared that Congress would tie their hands by outlawing covert activities in the election campaign, then criticize the Administration for not doing enough to help defeat the Sandinistas.

Many in Congress contend that any United States aid to the Nicaraguan opposition should be publicly debated and disclosed in this country. There is bipartisan support in Congress for efforts to aid the opposition openly through the National Endowment for Democracy, a private nonprofit corporation that receives almost all its money from the Federal Government. The Endowment provides money to the Solidarity trade union in Poland and other democratic movements.

BILL ON C.I.A. PROGRAMS

Over the years, the C.I.A. has exerted influence and pressure in many foreign elections, including in Chile in the early 1970's, in El Salvador and Nicaragua in 1984 and in Panama last month.

The House Permanent Select Committee on Intelligence is writing a bill to authorize C.I.A. programs in the coming year. Several members of Congress have sent letters to the committee chairman, Representative Anthony C. Beilenson, saying the bill should prohibit C.I.A. efforts to influence the Nicaraguan elections.

In one such letter, Representative Jim Moody, Democrat of Wisconsin, said, "A large-scale C.I.A. campaign would not remain covert for long and, once disclosed, would compromise the integrity of the electoral process."

The letter was signed by Mr. Moody and two other Democratic Representatives, Bruce A. Morrison of Connecticut and Peter H. Kostmayer of Pennsylvania. They said they would raise the issue on the floor of the House if the committee bill did not prohibit "C.I.A. covert activities to influence the elections in Nicaragua."

DEMOCRATS ENDORSE BAN

In another letter to Mr. Beilenson, Democratic members of the House Foreign Affairs Subcommittee on Latin America endorsed a ban, saying, "The United States should do nothing that would interfere with or undermine the prospects for free and fair elections in Nicaragua."

Supporters of such a ban say it would help opposition groups by immunizing them against Government charges that they were tools of the United States. They say American aid is more effective and less risky when it is publicly acknowledged.

"If the U.S. were to provide aid to political parties, I believe it should be done openly," said Representative Matthew F. McHugh, Democrat of upstate New York, the chairman of the subcommittee on legislation of the Intelligence Committee.

Likewise, Carl Gershman, president of the National Endowment for Democracy, said, "The work of promoting democracy is best done the way we do it—openly."

ARGUMENTS AGAINST BAN

At a recent Congressional hearing, Michael G. Kozak, the Acting Assistant Secretary of State for Inter-American Affairs, was asked four times for an assurance that the C.I.A. would not be involved in the Nicaraguan elections. He declined to give such an assurance.

A public hearing is "just not the appropriate forum to be talking about whether the agency is involved in anything or not involved in anything," Mr. Kozak told Senator Tom Harkin, Democrat of Iowa.

Administration officials make these arguments against a ban on C.I.A. operations in Nicaragua:

It would improperly infringe on the President's authority.

It would set a precedent for restricting activities of the C.I.A. in other countries and other elections.

The Sandinistas might block other forms of American aid to anti-Sandinista groups. If Congress had already forbidden secret operations, the United States would not have any effective way to help the opposition.

The whole issue is too sensitive to be debated publicly in Congress.

USES FOR THE MONEY

Congress has already appropriated $2 million to the endowment to promote democracy in Nicaragua. Mr. Gershman said the money could be used to assist opposition parties, independent labor unions, business groups, the press, civic organizations and human rights groups.

The Senate this week passed a bill that would provide $3 million in additional funds for the endowment to spend in Nicaragua. The House has not voted on that provision, but is likely to accept it.

[From the Washington Post, June 13, 1989]

DEMOCRACY OR REVENGE?

(By Mary McGrory)

Some people thought the Bush administration was giving in far too gracefully on Nicaragua. Now they think they know why.

What the administration couldn't win on the battlefield with proxy warriors, they hope to recoup at the ballot box with the CIA.

The State Department won't say the CIA will be skulking around down there disrupting the election in February. But it doesn't say it won't, either. It's like those ships with nuclear weapons. The captain won't say for certain either way, and the supposition is that the nukes are on board.

CIA participation would, of course, taint the election totally and nullify the results. Would it be discovered? Of course. It would also show that the administration is more interested in revenge than democracy.

The fact that all of Central America, and in fact, the world, expects the United States to intervene in the long-delayed elections, does not mitigate the harm it would do. But the idea that we must influence or really shape the outcome is deeply imbedded in the Washington psyche, although the country has said often enough that it doesn't care what Nicaragua does at home as long as it doesn't bother the neighbors.

On both sides of Capitol Hill, money—$2 million by the House, $3 million by the Senate—has been voted for the National Endowment for Democracy, a publicly funded political organization that gave a hand to the opposition in the recent Chile referendum on military president Augusto Pinochet. They sent pollsters and ad men to Santiago to give the people who want to turn him out some expertise. The story had a happy ending. They voted "No" to the bully.

The only trouble with overt political interference is that it might encourage the likes of Lee Atwater and Roger Ailes and other Republican hit men to take their particularly toxic brand of politics to a people who would be getting their first taste of it. Smearing Sandinistas would not lift the level of the exercise.

And it is well to reflect how Pinochet, the bloodiest tyrant in the hemisphere, got to power in the first place. In 1970 Richard Nixon and Henry Kissinger decided that Chileans were behaving unacceptably by electing Salvador Allende, a Marxist, to the presidency. The CIA was dispatched to "destabilize" the country. It succeeded all too well. Strikes and sabotage occurred. Allende died in a military coup led by Pinochet in 1973.

The years since have been a nightmare of repression—kidnappings, torture and "disappeareds"—for the Chilean people, who were the most democratic in Latin America until we butted in.

It is also well to remember that the agency is widely suspected of playing a destructive part in the previous Nicaraguan election of 1984. Contra leader Arturo Cruz abruptly quit as a candidate for office, robbing Daniel Ortega's election of its legitimacy and ensuring four more years of violence.

Despite this unhappy history, George Bush seems ready to send his favorite agency, which he once and briefly headed, back into Nicaragua to muddy the waters.

At least at an April meeting of the Senate Foreign Relations Committee, which has been brought to light by Robert Pear of The New York Times, an official of the State Department, Michael Kozak, refused repeatedly to affirm or deny that "the Company" is about to do a number on the Nicaraguan elections.

Sen. Tom Harkin (D-Iowa) asked Kozak if he could "give me assurances we will remain as neutral as we did in the Salvadoran elections."

The answer is no.

Harkin is planning to introduce a law that would prohibit CIA intervention, apparently hoping that obedience to a Harkin amendment would be more than what was accorded the famous Boland Amendment, which forbade the sale of arms to the contras and was merrily violated by the Reaganites.

If the administration is serious about introducing democracy to Nicaragua, it should dispatch the League of Women Voters to Managua, not the CIA, which is the least democratic of our institutions. They under-

stand how the system works. They are old hands at arranging debates. They take no nonsense from anyone. No dirty tricks, no character assassination, would be allowed. They are meticulously neutral.

But it seems we are determined to blight the elections as we have blighted the lives of the Nicaraguans for the past eight years. Congress wants to send overt aid, which will taint them; and the president seems to want to send covert aid, which will make them a farce. Either way, we take away the rights of the Nicaraguan people for a free election. We'd rather get even, it seems.

[From the Christian Science Monitor, June 17, 1989]

THE CIA IN NICARAGUA: NO THANKS

If the Bush administration is serious about nurturing democracy in Central America, it should immediately disavow any intention to meddle covertly in Nicaragua's February elections.

In congressional hearings this month, a State Department official acknowledged that the administration is considering proposals to allow the Central Intelligence Agency secretly to aid Nicaraguan opposition parties arrayed against the Sandinista regime.

It boggles the mind to think that, at this late date in the United States' fumbling efforts to overthrow the Sandinistas, American policymakers are giving serious thought to CIA involvement in Nicaraguan politics. Just when the U.S. seems to be finding its way out of the Central American morass brought on by over-reliance on covert operations, can it honestly wish to perpetuate methods that have proved a dismal failure?

The Nicaraguan opposition itself is aghast as the prospect of a CIA "helping hand." As the opposition newspaper La Prensa observes, CIA involvement would tarnish "the democratic opposition [as] a kind of civilian contra that has sold itself to imperialism."

Not that we entertain any fanciful notions that the elections scheduled for Feb. 25 will be wholly free and fair. The Sandinistas dominate the electoral commission that will interpret the election rules, and no doubt obstacles will be thrown up to impede opposition access to the media, registration of opposition voters, and so on. We resignedly expect to see Daniel Ortega and Company still firmly in power on Feb. 26.

Still, clumsy U.S. attempts to oust the Sandinistas would do more harm than good.

Impatient U.S. policymakers have too little faith in the process of democratization. Recent events in countries from the Philippines to Latin America to Eastern Europe show that even a little democracy can be a dangerous thing for dictators. The exercise, though in a limited degree, of democratic rights creates a dynamism that can be suppressed but can't forever be bottled up.

The outcome of the Nicaraguan elections may be foreordained. Yet the Sandinistas—by a combination of domestic problems and international pressure—have been forced to play with a fire that, under the watchful eye of the world, could well burn their fingers. The elections will be a chance for opposition groups in Nicaragua to widen political openings, gain recognition and legitimacy, train candidates, form coalitions, and educate voters. However, distant the harvest, these are the seeds of democracy.

Even some contra leaders see the elections as an opportunity to strengthen the democratic process. One prominent contra, Alfred César Agguirre, has returned to Nicaragua to participate, and others are expected to follow.

It would be folly for the U.S. to poison the seeds of democracy in Nicaragua by heavy-handed actions. Any U.S. aid to further the democratic process there should be fully open and aboveboard, as through the National Endowment for Democracy. The Langley spooks should stay away.

[From the Los Angeles Times, Apr. 2, 1989]

RESIST THE TEMPTATION TO RIG NICARAGUAN VOTE

(By William M. LeoGrande)

Like two punched-out prizefighters staggering in a clinch, the Democratic Congress and the Republican Administration embraced last week, agreeing to end their eight-year fight over aid to the Contras. As much out of exhaustion as conviction, they decided to call it a draw.

Unable to persuade Congress to resume military aid, the White House had to give up former President Ronald Reagan's quest for a Contra victory. But as part of the bipartisan bargain, congressional Democrats agreed to continue non-military aid to the Contras, thereby keeping them together, "body and soul" as Reagan used to say, in case the Nicaraguan elections next February go awry.

The Bush Administration has by no means abandoned its hope of ousting the Sandinistas; it will now simply shift its efforts from the battlefield to the electoral arena. U.S. officials are advising Contra leaders to return to Nicaragua and "think political."

The last time Nicaragua held elections, in 1984, the outcome was not in doubt. Virtually everyone, including U.S. officials and opposition leaders, conceded that the Sandinistas would win a fair contest. At Washington's behest, most of the opposition boycotted the election so that the Sandinistas would gain no stature from it.

Five years later, life in Nicaragua is much harder. The mantle of legitimacy that the Sandinistas won by ousting Anastasio Somoza has been tarnished by the collapse of the economy. Nearly a decade of wary, combined with incessant conflict between a socialist-minded government and a capitalist private sector, has driven Nicaragua's standard of living below prerevolutionary levels.

Economic privation has badly eroded the Sandinistas' popular support. An independent public opinion poll taken last year by the Catholic University in Managua found that only 42% of respondents approved of Daniel Ortega's performance as president and only 28% identified with the Sandinista party. If the internal opposition could unify behind a single candidate and put forward a credible political program, it would stand an excellent chance of winning next February.

But thus far the opposition has proven utterly unable to take advantage of the public's disaffection with the Sandinistas. Only 9% of respondents identify with the opposition; the vast majority (63%) said they identified with no one. The opposition remains splintered in more than a dozen mini-parties. The return of various Contra leaders from exile will probably aggravate these divisions. The Contras, after all, bickered constantly, uniting only under orders from Washington.

Will the United States, so accustomed to directing every facet of the armed opposition, stand idly by while the civic opposition squanders an opportunity to drive the Sandinista from office by the ballot? Not likely. The Bush Administration will be sorely tempted to save the opposition from its own liabilities with large-scale covert assistance. In Nicaragua's depressed economy, a few million would weigh heavily in the electoral balance.

Covert involvement in foreign elections is a well-established technique in the CIA's repertoire. Moreover, covert aid has been flowing to Nicaragua's civil opposition for over a decade. Jimmy Carter initiated the program and Reagan expanded it until the recipients of CIA largess included the press, private sector, opposition political parties, trade unions and the Catholic Church. Expanding this aid as the election approaches will not seem like a radical new departure in policy. Nor is it likely to provoke much complaint from congressional Democrats, who, despite their opposition, to paramilitary aid for the Contras, never raised serious objections to aiding the civic opposition.

Yet a major CIA campaign to influence the Nicaraguan election has several major drawbacks. When it is disclosed, as it inevitably will be, the recipients of CIA aid will be branded as disloyal agents of a foreign power. No candidate's campaign could benefit from such a stigma.

Moreover, if the opposition appears to have a real chance of winning. Sandinista hard-liners will argue for halting the election process rather than risking defeat. If they can make a convincing case that the election is being distorted by U.S. interference, they are likely to prevail. That would destroy hopes for democracy in Nicaragua, demolish the Central American peace accords and probably lead to a resumption of the Contra war.

I we believe that the merit of free elections is to let people decide their own fate, covert foreign interference negates their raison d'etre. The Bush Administration justified its neutrality in the recent election in El Salvador by arguing that the integrity of the democratic process was more important than who won, even if the winner was not Washington's preferred candidate. That is a good maxim to abide by in Nicaragua as well.

[From the Boston Globe, May 30, 1989]

UPDATING THE BOLAND AMENDMENT

Members of Congress who think clearly about democracy and who appreciate the cost to opposition parties overseas when they become fronts for policy makers in Washington will see the necessity of Rep. J. Joseph Moakley's proposed amendment to the 1990 Intelligence Authorization Bill.

The Moakley amendment seeks to ensure that the Bush administration will not use money from any source to interfere secretly in Nicaragua to spoil, tip or discredit the elections scheduled for February 1990. That prohibition, which is scheduled for House Intelligence Committee review next week, is the updated equivalent of the 1984 Boland Amendment, which called for an end to military intervention in Nicaragua.

The policy shift reflected in the Bush administration's compromise with Congress in April was superficial. The administration quit trying to get Congress to approve military contra aid. That shifted the focus to controlling the Nicaraguan elections through meddling, marketing and money. These tactics, though less bloody, are no more congruent with democracy, national sovereignty and lawful conduct between nations than the predominantly military phase of low-intensity war.

US law prohibits foreign countries from interfering in US elections. Any hint of an effort to affect US elections—even an aboveboard effort—is hugely controversial. Since Americans feel this way about their own elections, it might be asked by what right does the US government intervene anywhere else, whether in Britain, Israel . . . or Nicaragua.

Although there has never been a country-specific prohibition on meddling in elections, this one is warranted. Tipping the Nicaraguan elections is the best-case goal of administration policy. The fallback objective is to discredit the vote so that if the Nicaraguan government holds a fair election and wins, the results can be tarred.

Bending over to create reasonable conditions for the opposition, the Sandinistas modified the election laws to permit aboveboard contributions to the opposition so long as half the money goes to the Supreme Electoral Council for use in conducting the elections.

There is no honest basis for covert political assistance. US contributions must be above-board so that both American citizens and those of any foreign country understand what is going on. Otherwise, the "democracy" the contributions ostensibly support is a fraud.

[From the Los Angeles Times, June 9, 1989]

HANDS OFF

Several members of Congress who remember vividly the irrational zeal with which the Reagan Administration tried to oust Nicaragua's Sandinista regime are pushing for a law to prohibit covert U.S. involvement in that country's elections next year. While President Bush has dealt with Nicaragua more calmly and reasonably than Reagan did, such a law is a good idea.

The United States has grown so accustomed to calling most of the shots for the Nicaraguan opposition, especially the Contras, that some U.S. officials may well be tempted to do the same during the electoral campaign leading up to the February voting. The former Contra paymasters in the Central Intelligence Agency, for example, are pressuring Contra leaders living in Miami to return to Nicaragua before the voting and meeting some resistance from those who prefer comfortable exile in Miami. It is possible that the CIA may want to intervene in the election if divisions among opposition parties make an easy Sandanista victory likely. There are more than 20 political parties campaigning against the Sandinistas, ranging from the far right to far left of the ruling party. Fourteen of those parties have pledged to work together in a united opposition bloc, but so far there is only scant evidence they will work together effectively.

Covert U.S. aid has been flowing to anti-Sandinista groups, quite apart from the Contras, for several years. Some reportedly has gone to labor unions, private business groups, the Roman Catholic Church and the opposition press. At first glance, continuing or expanding such aid may not seem a radical change in policy. But it will be doubly risky during a closely monitored election.

If the covert aid becomes public, as it probably would be given the history of such efforts, recipients of the aid would be discredited in the eyes of other Nicaraguans and branded by the Sandinistas as disloyal agents of the Colossus of the North. Worse, if the oposition were on the verge of victory when such aid was discovered, it would provide a perfect excuse for Sandinistas hardliners to halt the election process rather than risk defeat.

And some defeats for the Sandinistas are likely in the voting. Nicaragua's people are weary of the violence and turmoil they have endured since the Somoza dictatorship was overthrown 10 years ago, and they are particularly disillusioned with the mess the revolutionary government has made of their nation's economy. Many will express their frustration at the polls. But if the opposition is unable to get its act together well enough to take full advantage of this opportunity, it would be the height of arrogance for U.S. officials to think covert aid could somehow tip the balance against the government.

Existing U.S. law already provides for aid to be given openly to the electoral process in Nicaragua, and Congress has allocated $5 million for that purpose. If there is a need for any more aid, let it also be given publicly. But when Congress votes on the 1990 Intelligence Authorizations Bill in the next few weeks, it should amend it to bar the CIA and all other U.S. government agencies from spending money on covert election activities in Nicaragua.

[From the Nation Magazine, May 7, 1988]

NICARAGUAN TURNING POINT: HOW THE 1984 VOTE WAS SABOTAGED

(By Roy Gutman)

Nicaragua's elections of November 4, 1984, were a turning point not only in the post-Somoza history of Nicaragua but also in U.S policy. Of the many missed opportunities to achieve at least some of the stated U.S. goals in Nicaragua, perhaps none compared with this. Policy divisions in Washington all but assured an inconclusive contest.

"One of the biggest mistakes of all, maybe the biggest mistake, was the handling of the election," said a high-level U.S. diplomatic source. "The idea of the C.I.A. and White House staff was to avoid participation in the elections. The debate was over whether to go halfway or not." The State Department's planning for the elections, meanwhile, had gone into high gear following Nicaraguan President Daniel Ortega's announcement on February 21, 1984, of the voting date.

In late March of that year, Deputy Assistant Secretary of State L. Craig Johnstone met Arturo Cruz Sr., the former Nicaraguan Ambassador to Washington, to discuss the elections. Over lunch at Germaine's, a Vietnamese restaurant in upper Georgetown, Johnstone asked Cruz if he would be interested in running for the presidency. "We had to be sure there would be a candidate," Johnstone said. "He was the one leader we thought they might be able to allow into an electoral process."

However, while the State Department supported Cruz's candidacy in hopes it would foster a deal in which the contras would "go away," members of the hard right—William Casey and Jeane Kirkpatrick at the Cabinet level, Oliver North and Constantine Menges on the National Security Council staff—believed the use of force was the only way to bring about democracy in Nicaragua and that the Sandinistas also had to go away, either through overthrow or removal. They supported Cruz in the expectation that he would not participate in the elections, thereby discrediting the vote. They regarded a U.S. negotiated deal with the Sandinistas as a sell-out.

For the U.S. hard-liners, the actual political situation in Nicaragua was irrelevant. They argued by syllogism. Communists never allow fair elections; the Sandinistas are Communists; for the opposition to participate in elections would legitimize Communist rule.

Although the conservatives kept a low profile, they were able to exercise substantial influence over events. Even Cruz was receiving Central Intelligence Agency funds by this time. "The other guys were able to run it by their complete penetration of the opposition," said a senior diplomat. "None of these people is independent any more."

The hard-liners worked to convince the internal Nicaraguan opposition to insist on election rules so comprehensive the Sandinistas would never accept them. Johnstone viewed these demands as "killers." President Reagan, as usual, did not choose between competing strategies or impose discipline on his subordinates but allowed the different power centers to pursue policy according to their interpretation of the goals.

In addition to the obstacles in his path at home, Johnstone faced a number of challenges in Managua. A major hitch was the divisiveness of the internal opposition, a central feature of Nicaraguan political culture that predated Sandinista rule. In an effort to gain cohesion, in 1982 the opposition formed an umbrella group, the Coordinadora Democrática, which tried to forge unity through making decisions by consensus. The group consisted of four political parties, two trade unions and representatives of six business organizations. The Coordinadora generated rhetoric and wish lists, but its cumbersome decision-making method lent itself to the tyranny of the minority of conservative businessmen, and it proved incapable of crafting a workable election strategy.

By early July, the Coordinadora had yet to choose a candidate. Under prodding by a visiting West German parliamentary delegation, a sort of rump Coordinadora consisting of two political figures, representing each end of the spectrum, got together and made the decision. They were Enrique Bolaños, a wealthy cotton grower and head of the Superior Council of Private Enterprise (COESP), and Azucena Ferrey, one of the more dynamic women in Nicaraguan politics, who headed the Social Christian Party. The selection process took place "in the darkness of a tunnel," Bolaños said. they wrote down five names: Arturo Cruz; Adolfo Calero; Ismael Reyes, head of the Nicaraguan Red Cross; Alfonso Robelo; and Eduardo Rivas Gasteazora, deputy leader of the Coordinadora. "I said, 'Number one is O.K. with COSEP,'" Bolanos recalled. "'Number two has his finger on the trigger, no good. Number four is the same as number two. Number five is very sick.' So numbers one and three were O.K. with us, in that order."

Ferrey flew to Washington and asked Cruz to run. It was July 11, and the Sandinistas had set a deadline of July 25 for the registration of candidates. Bolaños and Ferrey agreed that if Cruz was willing, he should be the candidate of the entire Coordinadora. He agreed.

Besides diverging from democratic practice, the procedure for choosing the Coordinadora candidate deprived the anointed candidate of a political base; by virtue of the timing, he had no way of creating one on returning to Nicaragua. Cruz was everyone's candidate and no one's candidate. Ferrey wanted him to run under any circumstance. Bolaños's view was close to that of conservatives in Washington—he could

not foresee circumstances in which Cruz should run.

Cruz's main constituency was in Washington, and Washington was split. Johnstone clearly hoped Cruz could find his way clear to register. White House officials said they supported the goal, but their sincerity was quickly called into question. Constantine Menges at the N.S.C. played a double game. According to Cruz, Menges encouraged him to enter the contest. Behind the scenes, Menges was busy drafting rhetoric for Reagan that suggested the election would be a farce before Cruz had even tested the waters. In back-to-back speeches in mid-July, Reagan blasted Nicaragua as "a totalitarian jungle" and belittled the election as a "Soviet-style sham." The words had an immediate impact on the ground.

"Reagan's rhetoric produces the triumphalism of the hard-liners. It means you abandon strategy," said Bill Baez, a close associate of Cruz, who, as head of the leading organization of Nicaraguan cooperatives, was one of the representatives of COSEP in the Coordinadora. Cruz concurred. " As long as the recalcitrant opposition has a reading of things that the United States eventually will invade Nicaragua and kick the Sandinistas out and say, 'Here, now, we will pick a king,' we will not be able to articulate our own policy and really address the issues we have to as Nicaraguans."

Even before setting foot on Nicaraguan soil, Cruz had reason to be ambivalent. With U.S. counsel divided, he was on his own. On the eve of his departure, Cruz gave a long interview to Fred Francis, an NBC television reporter, in which he assessed his chances. As the crew packed up, Cruz approached Francis. "You know I'm really not going to run. You know that." Francis threw out the interview.

Meanwhile, in Washington, the struggle had intensified between Johnstone on the one side and Menges, North and Casey on the other. Johnstone had been working with staff to prepare a new list of demands without the maximalist "killers," while his adversaries worked to avert a moderating impact. North's role by this time extended well into the policy process. At one Restricted Interagency Group meeting, Johnstone sought approval for a concept to test Sandinista promises for a pluralistic political system. North was trying to block it. "At least Constantine believes in democracy," Johnstone snapped. "You don't."

Johnstone won agreement in Washington on a modified set of conditions for participation in the elections, which Cruz essentially adopted as his own. They were: freedom of the press; freedom of assembly; access to voter registration lists and election returns; international observation of the elections; security of voting places; freedom to campaign on military bases; and postponement of the elections to allow at least ninety days of campaigning. The demand for a national dialogue between the Sandinistas and the *contras* was dropped.

But the scale-back of demands only galvanized opponents in Washington and Managua. Calero withdrew his committment to back Cruz, and some U.S. officials urged the interal opposition to ignore the stated policy that Cruz should run if he obtained fair conditions. One such message came from the U.S. Ambassador to Costa Rica, Curtin Winsor Jr., a conservative businessman who was a political appointee and an outspoken proponent of overthrowing the Sandinistas. (Winsor once compared their rule to "an infected piece of meat" that attracts "insects.")

Winsor had known Bill Baez through business contacts for many years. At breakfast in San Jose on August 29, Winsor told Baez he had received word that the White House did not want the opposition to participate. "I think you should be aware of the problems and situation," Baez quoted Winsor as having said. "There is a division in the government. Some people in the State Department are saying you should participate. I represent the views of the White House. My opinion is that it is not appropriate to go."

Johnstone learned of the Baez-Winsor conversation from embassy reporting and flew to San Jose for a dinner with the Ambassador. "I don't know who you're getting your instructions from, but it is no known organ of government," he told Winsor. Once again, Menges was at work. He was certain that the Sandinistas would not hold a fair election and had said as much to Winsor. A further obstacle on the ground was C.I.A. operatives in Central America. "I know the C.I.A. was all against it. They were transmitting this loudly and clearly," said a source familiar with the thinking of Alfonso Robelo, the opposition leader who at the time was in San Jose. Cruz's son, Arturo Jr., who was frequently in the Costa Rican capital, concurred. "The State Department behaved in a very civilized way. But the sergeants of 'the Company' were behaving differently in the field. They were talking to their clients and saying 'Cruz is going to sell you out.' " And a Congressional source stated that Bolanos had at least two meetings with the C.I.A. station chief in San Jose at about this time.

The C.I.A. signals fortified the hard-liners in the Coordinadora in Managua, but also led to a profound misunderstanding. Those in Managua agreed with their counterparts in Washington on the intermediate goal of discrediting the elections but not on who should be the beneficiaries. The hard-liners in Managua hoped to destroy the legitimacy of the elections on the assumption that they themselves would profit. Those in Washington did it in hopes that the contras and the external military solution would benefit.

The crunch came in Rio de Janeiro on September 30, when Bayardo Arce, in charge of political affairs for the Sandinista Party, met with Cruz in the hotel suite of Carlos Andrés Pérez, a senior Socialist International official and former President of Venezuela.

These were the first real negotiations between the Sandinistas and the opposition since the election had been announced. It was the last best chance to resolve the Nicaragua dispute through political means. It was the decisive moment for U.S. policy. Johnstone said that, of all the efforts to reach a peaceful settlement, "that one came the closest."

The importance of the talks is undisputed. Exactly what went wrong in Rio is very much disputed. Nearly two years later, even Pérez, who chaired the talks, said he had not figured it out.

One reason is that both sides were engaged in gamesmanship. For Cruz, having registered so late in the election process, it was essential to gain a delay in the vote to avoid being accused by his associates of a sell-out. For the hardliners in the Coordinadora, who wanted to discredit the process, it was essential to block Cruz from reaching a deal. The Sandinistas wanted to avoid a delay but also to avoid blame for the collapse of the mediation.

Pérez urged Arce to accept condtions within which Cruz could participate. He began with the nine demands that the Coordinadora had presented to the Sandinistas, separating out statements that would be regarded as ultimatums. The meeting lasted three and a half hours.

Arce and Cruz met again the following morning, Monday, October 1, this time in the presence of Hans-Jürgen Wischnewski, a close associate of Socialist International president Willy Brandt and several West German Social Democrats. Cruz was accompanied by vice-president candidate Adán Fletes and Coordinadora president Luís Rivas Leiva. Hanging over the talks was the latest deadline for registration, running out at midnight.

In one hour, the negotiations made remarkable progress. The Coordinadora presented its demands. In return for satisfaction, they promised to participate in the election if the date was postponed to February 24, 1985. Arce readily agreed to all the guarantees.

Cruz and his two colleagues asked for a break to confer with Managua. At the other end, opposition leaders gathered around a speaker phone in the offices of the Social Christian Party. Bolaños kept a low profile; the spokesman was Daniel Bonilla, an industrialist associate of Bolaños and perhaps the hardest of the hard-liners. And he was deeply skeptical. Bonilla was an ideologue. "Communists don't convene an election unless they have all the means to win it," he said in an interview more than a year later. "We don't believe in the elections. We would have lost. And there is nothing worse in politics than losing. That is not the worst thing . . . It is that we would have made the Sandinistas win with our presence. My God, do you know what that means?"

After lunch the three negotiators denounced Arce's concessions as demagogy, demanded additional access to the official news media as condition and required that the Sandinistas immediately agree to February 24 or some other postponement of election day. Then Arce dropped a bombshell. If the Coordinadora registered before midnight, the contest would be delayed until January 13, 1985, provided there was an effective cease-fire with the contras. Arce insisted that the Coordinadora declare a cease-fire by October 10 and that contra forces led by Adolfo Carlero and Edén Pastora withdraw from Nicaragua by October 25. On the other hand, if the Sandinistas did not live up to their part of the bargain, the opposition could withdraw its registration any time up to October 25. The atmosphere in the room was suddenly electrified.

Cruz called Managua again. "My advice to you is you go and register," Cruz told his associates. "Do it, register, because we have all the necessary safeguards not to be trapped. Do something really meaningful, and we will really grow in stature."

"Arturo," Bonilla intoned, "whatever is going to be done is going to be done here. That is what the Coordinadora wants." Bonilla objected that the Coordinadora could not represent both the armed and the civic resistance. "I cannot have one single man representing the whole, because that would get the civic in bed with the military."

In Washington, Johnstone closely monitored the progress. He was in frequent touch with Baez, who was in Washington. Johnstone asked to be kept informed but felt Cruz should proceed. He also was in touch with Socialist International officials. "The United States government asked the S.I. to do its utmost to help the Coordina-

dora reach a deal," said a close associate of Brandt.

Working along with Johnstone was a senior C.I.A. official, Johnstone said each called contacts in the opposition and the Nicaraguan Democratic Force (F.D.N.) contras to keep them from backing away in the midst of the negotiations. The F.D.N. "were extremely concerned about not being undercut by third-force representation in elections that would legitimize the Sandinista regime," Johnstone said. He asserts that the C.I.A. supported his plan, "I was working out of the same room as the C.I.A. guy and unless some other part of the Agency was trying to undermine him, we were giving the same advice: Take part if you can get fair terms."

Despite the cold reception, Cruz thought he saw a way to bridge the differences. "This is the most exhilarating day in my whole life," he said that night. But the deadline passed without action.

A dejected looking Pérez received Wischnewski the next morning and pronounced the negotiations a failure. Actually, he had another card up his sleeve. Without telling his S.I. colleagues, Pérez had asked Arce to prepare a typed summary of the points of agreement, including the election postponement on condition of a cease-fire. Unannounced, as aide to Arce appeared with the document.

Pérez gave a copy to Cruz, who promised to return with a response at 4 P.M. Cruz checked with Managua, where he received more discouragement. Bonilla reiterated that the decision must be made in Managua.

Now Cruz dropped his own bombshell. Appearing at the appointed time, he went through Arce's paper point by point, wrote changes of wording, then agreed to it. He conditioned his signature upon a "vote of confidence" by the Coordinadora in Managua. If they did not back him, he would withdraw as their candidate. Arce reacted angrily. "In the beginning, they said a big fat no," Pérez said of Arce. "They said it was a joke to discredit the electoral process by doing this."

"I represent the Sandinista Front, and although only five comandantes are now in Nicaragua, I have committed myself here and now," Arce said. "But I have received no comparable pledge from Arturo Cruz; otherwise, the Coordinadora could have registered before the deadline. Either you sign now," he insisted, "or I don't sign".

Pérez stressed the significance of Cruz's personal commitment to return to Managua and put his name on the ballot, and for a brief moment Arce seemed to relent.

It was about 5 P.M. "For twenty minutes we had an agreement," said Thorvald Stoltenberg (now Norway's Minister of Foreign Affairs), who had joined the talks for the S.I. The two sides shook hands. "They were very, very pleased. We were starting to drink cognac." Stoltenberg suggested they type out the contents of the accord. Cruz dictated the final wording to Pérez. "Luis Rivas Leiva, as president of the Coordinadora, accompanied by Adán Fletes and Arturo Cruz, also agrees, both parties ad referendum to their respective organizations." Stoltenberg took a call from Dagbladet, a Norwegian newspaper, and broke the story to the press. An hour later, he had to phone the newspaper back and say the negotiations had fallen through.

Arce suddenly stood up, shook hands with the West German S.I. participants and bolted without further explanation. Cruz thought the signal had been given in New York City by Daniel Ortega. In an interview that morning in The Washington Post, Ortega had declared that the election would take place on schedule. "We were flexible on the date until a few days ago," he said. "The elections are going to take place on November 4. At this point we cannot continue to play with the date."

"Extending the campaign was never a position for us," said Sergio Ramírez, the campaign manager and candidate for vice president of the ruling party. "We always considered that it would be damaging for us because people would not be confident about our own elections if we did." Arce had made the offer in the knowledge it was unacceptable. Moreover, according to Ramírez, "Cruz never had authority over [contra military commander Enrique] Bermúdez and Calero . . . and the Coordinadora didn't have that authority."

Cruz said he had known that the Sandinistas were bluffing. "We had to be forthcoming and call their bluff, or to reach a real agreement if it was possible."

Arce went before a press conference. "Yesterday at midnight they lost their last chance to register. There is no longer any question. The elections will be held in Nicaragua on November 4."

Pérez said that information he received subsequent to the Rio meeting gave the impression that "the C.I.A. had given instructions, had put pressures [on representatives of the Coordinadora] against Cruz's candidacy, and therefore it wasn't accepted. They just didn't want someone with the prestige of Cruz to enter the elections, because it would validate them. They wanted to demonstrate there was no freedom of elections in Nicaragua." Pérez felt the "game" of the Coordinadora had been "simply to take away legitimacy."

On October 11, more than a week after the breakup in Rio, the Coordinadora changed its mind and backed the election accord. Stoltenberg of the S.I. flew to Managua, followed by Brandt, to ask for a postponement of the vote. But the Sandinistas refused. "The case was lost in Rio," Stoltenberg said.

Pérez said he never expected that the Sandinistas would let go of power, but thought the elections might have put Nicaragua on a course similar to Mexico: with left-of-center, semidemocratic, broadly based one-party rule. It was "not a solution to the problem, but it certainly was an opening." Cruz agreed, and his will be the judgment that lasts. "In hindsight," said Cruz, "we should have gone, with or without conditions."●

● Mr. LEAHY. Mr. President, I am pleased to join in introducing this legislation to prohibit the CIA or any other agency of the U.S. Government from secretly trying to interfere with the election campaign in Nicaragua.

This is a sensitive subject, but I believe it is too serious an issue for the Congress to ignore.

I don't need to review the history of United States interference in the domestic affairs of Nicaragua. After so many years of bungled attempts by the U.S. Government to dictate events in that tiny, impoverished country of 3 million people, it is time for us to let the Nicaraguans attempt to resolve their own differences without more interference from us.

This legislation should be supported by every Member of this body. What does our country stand for if not the open and free expression of democracy, unimpeded by secret meddling from outside?

Buying elections is completely repugnant to our best democratic traditions. Nothing in this bill prevents the United States or any other entity from engaging in activities that are public and within the law. In fact, the Congress recently approved a grant of $1.5 million to the National Endowment for Democracy, to support the democratic process in Nicaragua. Those funds will be used to help political education and preparations for the election, but not to finance political parties. This is done openly and for all to see.

Anyone who stops to think about the implications of the alternative will support this bill. It would be hard to think of anything that would play more directly into the Sandinistas' hands than for it to be revealed that the United States interfered covertly in the Nicaraguan election. Most Central Americans respect the democracy our country stands for, but if there is one thing they hate and resent, it is the CIA's heavyhanded meddling in their affairs. How would we feel if we discovered that the Soviets or the Libyans or some other country was secretly bankrolling a political party in our Presidential election? We would react with outrage and we would be right. A sure way to guarantee a Sandinista victory in February is for President Ortega to be able to say the CIA is supporting the opposition, and to be backed up by an investigative press.

I urge all Senators to join us in preventing any plan the administration might propose for covert involvement in the Nicaraguan election.●

By Mr. DECONCINI:

S. 1575. A bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes; to the Committee on Rules and Administration.

SENATE ELECTION REFORM ACT

● Mr. DECONCINI. Mr. President, today I am introducing legislation which addresses some of the problems of our current campaign finance system. The events of the past several months have heightened the already unfavorable public perception of Congress an an institution. Campaign expenditures and their dramatic rise have contributed to this negative image.

In 1976, the average amount spent on a successful Senate race was $609,100. In 1988, successful Senators spent an average of $3.7 million on

their campaigns, an increase of more than 500 percent. In 1986, the South Dakota senatorial candidates spend almost $7 million in a State with a population of barely over 700,000, which breaks down to over $13 per voting age person. The botton line is that too much money is being spent on elections, and too much time is being spent by the candidates raising that money.

The problem of excessive spending continues to worsen. We have been debating campaign reform bills for several years and making no headway. Our system has been virually unaltered for over a decade and half. There are serious flaws in the present campaing finance system; the time for meaningless rhetoric has passed, and the time for real reform is now. The public is quickly losing confidence in their elected representatives. We must act quickly to restore our credibility in the eyes of the American people.

I am an original cosponsor of S. 137, the Boren-Mitchell campaign finance reform bill, a proposal for election reform that attacks many of the problems in the system. That bill contains many promising proposals, and I have used it as a blueprint for my bill. All of us who believe strongly in the principle of campaign finance reform and spending limits owe a debt of gratitude to Senator BOREN for the leadership of this issue. I believe I have made significant additions and improvements to S. 137. I have attempted to both expand and tighten provisions in S. 137 in the bill I am introducing today.

It is clear that the key of reforming our electoral process is placing limits on the amount candidates can spend. Currently Members must spend so much of their time raising money for multimillion-dollar campaigns that they have insufficient time to be effective legislators. Spending limits are necessary to put an end to the race to see who can raise the most money. It is useless to talk of campaign finance reform if spending limits are not included—there is no reform without spending limits.

The Supreme Court ruling in Buckley versus Valeo prohibits mandatory spending limits unless tied to a voluntary package of incentives. In order to stay within these parameters, in my bill candidates who agree to comply with the spending limits are eligible for benefits not available to candidates who spend above the limits. My bill is patterned after the spending limits in the Boren-Mitchell bill, which are based on a formula using a State's voting age population [VAP] with a floor of $950,000 for the smallest States and a ceiling of $5.5 million for the largest. While the Boren-Mitchell bill sets primary spending at 67 percent of general election limits, I further cut the primary sending limit from 67 percent of the general election amount to 50 percent of the general election limit.

The following is an example of how this system would work. In my State of Arizona the voting age population is 2.514 million. Under my bill an Arizona Senate candidate would have a general election limit of $1.154 million, and a primary election limit of $577,000. This would result in a cycle limit of $1,731 million.

In addition to the amount of money that must be raised, the amount of time Members must spend campaigning is seriously infringing on their ability to effectively represent their constituencies. Additionally, I frankly believe that the American public is tired of nonstop elections. My bill would limit participating candidates from engaging in certain campaign activities to a period beginning 6 months before the primary election. Activities that would be prohibited until 6 months before the primary election are media advertising, direct mail, and phone banks unless there is a direct association with fundraising or obtaining volunteers.

The role of Political Action Committees [PAC] has been at the center of the campaign finance reform debate. I strongly believe that PAC's are a legitimate part of our democratic system—they allow individual small contributors to join together to create a stronger voice for themselves. However, PAC's have come to play a disproportionate role in the campaign finance arena. In 1988, 33.8 percent of House and Senate candidates' receipts came from PAC's, up from 15.7 percent in 1974. While PAC's themselves are not inherently bad, we must take precautions to ensure that they do not overshadow the influence of average citizens in the electoral process.

Under my bill, all candidates would be subject to an overall limit on PAC contributions equal to 10 percent of the cycle limit. Again using Arizona as an example, with a total cycle limit of $1.731 million, a candidate would be able to receive PAC contributions of up to $173,100. House Members would have an aggregate limit of $100,000. This limit is applicable regardless of whether the candidate chooses to participate in the voluntary spending package. My bill would also limit individual PAC contributions to $2,500 per election, or $5,000 per cycle, rather than the current $5,000 election and $10,000 cycle limit.

It has been argued that incumbents have an unfair advantage over challengers. One of those advantages is clearly the congressional franking privilege and the incumbents' exploitation of it. The number of mass mailings swells dramatically in election years. Current law allows incumbents to continue to use the frank for mass mailings of more than 500 pieces up to 60 days before an election. Furthermore, town meeting notices and opinion surveys are not counted as mass mail and may continue to be sent out under the frank until the time of the election. In order to ensure that the frank is not misused, my bill would prohibit its use for mass mailings of over 250 pieces for a period beginning 6 months before the primary through the general election. My definition of mass mail would include newsletters, town meeting notices, and opinion surveys.

My bill would also eliminate member PAC's. Member PAC's have proliferated in the last several years to the point where they are clearly out of control. These PAC's create a negative public perception and contribute to a growing sense that Congress is run by money. The public perception is that member PAC's exert undue influence on Members and basically help Members buy their leadership posts.

Essentially, member PAC's defy the original purpose of PAC's—for small individual contributors to band together to create a stronger voice for themselves. Because the majority of financing for member PAC's comes from other regular PAC's, the original contributors have no control over where their money is spent.

Member PAC's are also used as a means of skirting the $5,000 contribution limit. Currently, PAC's may contribute $5,000 to a candidate's personal campaign as well as another $5,000 to that candidate's PAC. Oftentimes money accumulated in a member PAC is used to further a candidate's quest for the Presidency. In addition to banning Member PAC's, my bill would prohibit the transfer of funds from a candidate's campaign fund to another candidate's campaign fund for Federal, State, or local office.

It is clear that changes need to be made in many areas of the system. The costs of running for office are increasing at an alarming rate. I sincerely hope we will consider legislation that seeks to eliminate some of the existing problems of our campaign finance system. We have no time to waste—we must act now. I vow to continue my fight for reform—to begin to restore public confidence in our Nation's electoral process.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1575

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Senate Election Reform Act of 1989".

SEC. 2. The Federal Election Campaign Act of 1971 (hereinafter referred to as "the Act") is amended by adding at the end the following new title:

"TITLE V—SPENDING LIMITS AND PUBLIC FINANCING FOR SENATE GENERAL ELECTION CAMPAIGNS

"DEFINITIONS

"SEC. 501. For purposes of this title—

"(1) unless otherwise provided in this title the definitions set forth in section 301 of this Act apply to this title;

"(2) the term 'authorized committee' means, with respect to any candidate for election to the office of United States Senator, any political committee which is authorized in writing by such candidate to accept contributions or make expenditures on behalf of such candidate to further the election of such candidate;

"(3) the term 'candidate' means an individual who is seeking nomination for election, or election to the office of United States Senator and such individual shall be deemed to seek nomination for election, or election, if such individual meets the requirements of subparagraph (A) or (B) of section 301(2);

"(4) the term 'election cycle' means—

"(A) in the case of a candidate or the authorized committee of a candidate, the term beginning on the day after the date of the last previous general election for such office or seat which such candidate seeks and ending on the date of the next election; or

"(B) for all other persons, the term beginning on the first day following the date of the last general election and ending on the date of the next election;

"(5) the term 'eligible candidate' means a candidate who is eligible under section 502 to receive benefits under this title;

"(6) the term 'general election' means any election which will directly result in the election of a person to the office of United States Senator, but does not include an open primary election;

"(7) the term 'general election period' means the period beginning on the day after the date of the primary or runoff election, whichever is later, and ending on the date of such general election or the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election, whichever occurs first;

"(8) the term 'immediate family' means a candidate's spouse, and any child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate, and the spouse of any such person, and any child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate's spouse and the spouse of any such person.

"(9) the term 'major party' has the meaning given such term in section 9002(6) of the Internal Revenue Code of 1986, the Presidential Election Campaign Fund Act, provided that a candidate in a general election held by a State to elect a Senator subsequent to an open primary in which all the candidates for the office participated and which resulted in the candidate and at least one other candidate qualifying for the ballot in the general election, shall be treated as a candidate of a major party for purposes of this title;

"(10) the term 'primary election' means any election which may result in the selection of a candidate for the ballot of the general election;

"(11) the term 'primary election period' means the period beginning on the day following the date of the last Senate election for the same Senate office and ending on the date of the first primary election for such office following such last Senate election for such office, or the date on which the candidate withdraws from the election or otherwise ceases actively to seek election, whichever occurs first;

"(12) the term 'runoff election' means the election held after a primary election, and prescribed by applicable State law as the means for deciding which candidate(s) should be certified as nominee(s) for the Federal office sought;

"(13) the term 'runoff election period' means the period beginning on the day following the date of the last primary election for such office and ending on the date of the runoff election for such office;

"(14) the term 'Senate Fund' means the Senate Election Campaign Fund maintained pursuant to section 506 by the Secretary of the Treasury in the Presidential Campaign Fund established by section 9006(a) of the Internal Revenue Code of 1986; and

"(15) the term 'voting age population' means the resident population, 18 years of age or older, as certified pursuant to section 315(e).

"ELIGIBILITY TO RECEIVE BENEFITS

"SEC. 502. (a) To be eligible to receive benefits under this title, in addition to the requirements of subsection (d), a candidate shall, within 7 days after qualifying for the general election ballot under the law of the State involved or, if such candidate is a candidate in a State which has a primary election to qualify for such ballot after September 1, within 7 days after the date such candidate wins in such primary, whichever occurs first—

"(1) certify to the Commission under penalty of perjury that during the period beginning on January 1 of the calendar year preceding the year of the general election involved, or in the case of a special election for the office of United States Senator, during the period beginning on the day on which the vacancy occurs in that office, and ending on the day of such certification, such candidate and the authorized committees of such candidate have received contributions in an amount at least equal to 10 cents multiplied by the voting age population of such State or $150,000, whichever is greater, up to an amount that does not exceed $650,000;

"(2) certify to the Commission under penalty of perjury that all contributions received for purposes of paragraph (1) have come from individuals and that no contribution from such individual, when added to all contributions to or for the benefit of such candidate from such individual, was taken into account to the extent such amount exceeds $250;

"(3) certify to the Commission under penalty of perjury that such candidate and the authorized committees of such candidate have not expended for the primary election, more than the amount equal to 50 percent of the general election spending limit applicable to such candidate pursuant to section 503(b), or more than $2,750,000, whichever amount is less;

"(4) certify to the Commission under penalty of perjury that such candidate and the authorized committees of such candidate have not expended for any runoff election, more than an amount equal to 20 percent of the general election spending limit applicable to such candidate pursuant to section 503(b);

"(5) certify to the Commission under penalty of perjury that 75 per centum of the aggregate amount of contributions received for purposes of paragraph (1) have come from individuals residing in such candidate's State;

"(6) certify to the Commission under penalty of perjury that at least one other candidate has qualified for the same general election ballot under the law of the State involved;

"(7) agree in writing that such candidate and the authorized committees of such candidate—

"(A) have not made and will not make expenditures which exceed the limitations established in section 503, except as otherwise provided in this title;

"(B) will not accept any contributions in violation of section 315;

"(C) will not accept any contribution for the general election involved except to the extent that such contribution is necessary to defray expenditures for such election that in the aggregate do not exceed the amount of the limitation on expenditures established in section 503(b), unless otherwise provided in this Act;

"(D) will deposit all payments received under this section in an account insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation from which funds may be withdrawn by check or similar means of payment to third parties;

"(E) will furnish campaign records, evidence of contributions and other appropriate information to the Commission;

"(F) will cooperate in the case of any audit and examination by the Commission under section 507; and

"(G) will not make any expenditures until after the date 6 months before the date of the primary election involved, or use such payments for expenses incurred prior to such date for media advertising, direct mail and phone banks unless such expenses for mail or phones are directly related to raising funds or recruiting volunteers for such election;

"(8) agree in writing that the candidate and the authorized committees of such candidate will not use a broadcast station, pursuant to section 315 of the Communications Act of 1934, for a political advertisement or broadcast communication on a television broadcast station until the date 6 months before the date of the primary election in which such candidate is involved; and

"(9) notify the Commission of their intention to make use of the benefits provided for in section 504.

"(b) For the purposes of subsection (a)(1) and paragraph (2)(B) of section 504(a), in determining the amount of contributions received by a candidate and the candidate's authorized committees—

"(1) no contribution other than a gift of money made by a written instrument which identifies the person making the contribution shall be taken into account;

"(2) no contribution made through an intermediary or conduit referred to in section 315(a)(8) shall be taken into account;

"(3) no contribution received from any person other than an individual shall be taken into account, and no contribution received from an individual shall be taken into account to the extent such contribution exceeds $250 when added to the total amount of all other contributions made by such individual to or for the benefit of such candidate beginning on the applicable date specified in paragraph (4) of this subsection; and

"(4) no contribution received prior to January 1 of the calendar year preceding the year in which the general election involved or received after the date on which the general election involved is held shall be taken into account, and in the case of a special

election, no contribution received prior to the date on which the vacancy occurs in that office or received after the date on which the general election involved is held shall be taken into account.

"(c) The threshold amounts in subsection (a)(1) shall be increased at the beginning of each calendar year based on the increase in the price index as determined under section 315(c), except that for purposes of determining such increase, the term 'base period', as used in such section shall mean the calendar year of the first election after the date of enactment of the Senate Election Reform Act of 1989.

"(d) In addition to the requirements of subsection (a), to be eligible to receive benefits under this title a candidate, on the day such candidate files as a candidate for the primary election, shall file with the Commission a declaration of whether or not—

"(1) such candidate and the authorized committees of such candidate intend to make expenditures, for the primary election, more than an amount equal to 50 percent of the general election spending limit applicable to such candidate pursuant to section 503(b), or more than $2,750,000, whichever amount is less;

"(2) such candidate and the authorized committees of such candidate intend to make expenditures, for any runoff election, more than an amount equal to 20 percent of the general election spending limit applicable to such candidate pursuant to section 503(b); and

"(3) such candidate and the authorized committees of such candidate intend to make expenditures, for the general election, more than an amount equal to the general election spending limit applicable to such candidate pursuant to section 503(b).

"LIMITATIONS ON EXPENDITURES

"SEC. 503. (a) No candidate who is entitled to a benefit in a general election under this title shall make expenditures from the personal funds of such candidate, or the funds of any member of the immediate family of such candidate, or incur personal loans in connection with such candidate's campaign for the Senate, aggregating in excess of $100,000, during the election cycle.

"(b)(1) Except as otherwise provided in this Act, no candidate who is entitled to a benefit for use in a general election under this title shall make expenditures for such general election which in the aggregate exceed $400,000, plus—

"(A) in States having a voting age population of 4 million or less, 30 cents multiplied by the voting age population; or

"(B) in States having a voting age population over 4 million, 30 cents multiplied by 4 million, plus 25 cents multiplied by the voting age population over 4 million;

except that the amount of the limitation under this subsection, in the case of any candidate, shall not be less than $950,000, nor more than $5,500,000.

"(2) Notwithstanding the provisions of paragraph (1), in any State with no more than one transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, no candidate in such State who receives a benefit for use in a general election under this title shall make expenditures for such general election which in the aggregate exceed the higher of—

"(A) $950,000; or

"(B) $400,000 plus 45 cents multiplied by the voting age population of 4 million or less, plus 40 cents multiplied by the voting age population over 4 million, up to an amount not exceeding $5,500,000.

"(c) The limitations on expenditures in subsections (b), (d), and (e) shall be subject to the provisions of subsections (b) and (c) of section 504.

"(d) No candidate who is otherwise eligible to receive benefits for a general election under this title may receive any such benefits if such candidate spends for the primary election, more than the amount equal to 50 percent of the limitation on expenditures for the general election as determined under subsection (b), or more than $2,750,000, whichever amount is less.

"(e) No candidate who is otherwise eligible to receive benefits for a general election under this title may receive any such benefits if such candidate spends for a runoff election, if any, more than an amount which in the aggregate exceeds 20 percent of the maximum amount of the limitation applicable to such candidate as determined under subsection (b).

"(f)(1) For purposes of this section, the amounts set forth in subsections (b), (d), and (e) of this section shall be increased at the beginning of each calendar year based on the increase in the price index as determined under section 315(c), except that for purposes of determining such increase, the term 'base period', as used in section 315(c), means the calendar year of the first election after the date of enactment of the Senatorial Election Campaign Act of 1989.

"(2) The limitation set forth in subsection (b) shall not apply to expenditures by a candidate or a candidate's authorized committees from a compliance fund established to defray the costs of legal and accounting services provided solely to insure compliance with this Act; provided however that—

"(A) such fund contains only contributions (including contributions received in excess of any amount necessary to defray qualified campaign expenditures pursuant to section 313) received in accordance with the limitations, prohibitions, and reporting requirements of this Act;

"(B) the aggregate total amount of contributions to, and expenditures from, such fund do not exceed 10 percent of the limitation on expenditures for the general election as determined under subsection (b); and

"(C) no transfers may be made from such fund to any other accounts of the candidate's authorized committees, except that the fund may receive transfers from such other accounts at any time.

In the event that, subsequent to any general election, a candidate determines that the costs of necessary and continuing legal and accounting services require contributions to and expenditures from the fund in excess of the limitations of this paragraph, the candidate may petition the Commission for a waiver of such limitations up to any additional amounts as the Commission may authorize in connection with such waiver. Any waiver, or denial of a waiver, by the Commission under this paragraph shall be subject to judicial review under section 508. Any money remaining in such fund when the candidate decides to terminate or dissolve such fund, shall be—

"(i) contributed to the United States Treasury to reduce the budget deficit, or

"(ii) transferred to a fund of a subsequent campaign of that candidate.

"(g) If, during the primary and runoff period portion of the two-year election cycle preceding the candidate's general election, independent expenditures by any person or persons aggregating an amount in excess of $10,000 are made, or are obligated to be made, in opposition to a candidate or for the opponent of such candidate, the limitations provided in subsections (d) and (e), as they apply to such candidate, shall be increased for that primary or runoff election in an amount equal to the amount of such expenditures made during the period covered by such election.

"(h) No candidate who receives a benefit under this title for use in a general election campaign, shall receive any such benefits if such candidate makes any expenditure before the date 6 months before the date of the primary election in which such candidate is involved.

"(i) No candidate who receives any benefit pursuant to the provisions of this title shall make any expenditure, directly or indirectly, for any political advertisement or broadcast communication on a television broadcast until after the date 6 months before the date of the primary election in which such candidate is involved.

"ENTITLEMENT OF ELIGIBLE CANDIDATES TO BENEFITS

"SEC. 504. (a) Except as otherwise provided in section 506(c)—

"(1) all eligible candidates shall be entitled to—

"(A) the broadcast media rates provided under subsections (b) and (d)(3) of section 315 of the Communications Act of 1934;

"(B) mailing rates provided in section 3629 of title 39 of the United States Code; and

"(C) payments under section 506 equal to the aggregate total amount of independent expenditures made or obligated to be made, in the general election involved, by any person in opposition to, or on behalf of an opponent of such eligible candidate, as such expenditures are reported by such person or determined by the Commission under subsection (f) of section 304;

"(2) if any candidate in the same general election not eligible to receive funds under this title either raises aggregate contributions or makes or obligates to make aggregate expenditures for such election which exceed the amount of the limitation determined under section 503(b) for such election—

"(A) an eligible candidate who is a major party candidate shall be entitled to receive a payment under section 506 in an amount equal to—

"(i) two-thirds of the amount of the limitation determined under section 503(b) with regard to such candidate when a candidate in the same election not eligible to receive funds under this title either raises aggregate contributions or makes or obligates to make aggregate expenditures for such election which exceed an amount equal to 100 percent of such limitation determined under section 503(b); and

"(ii) one-third of the amount of the limitation determined under section 503(b) with regard to such candidate when a candidate in the same election not eligible to receive funds under this title either raises aggregate contributions or makes or obligates to make aggregate expenditures for such election which exceed an amount equal to 133⅓ percent of such limitation determined under section 503(b); or

"(B) an eligible candidate who is not a major party candidate shall be entitled to matching payments under section 506, equal to the amount of each contribution received by such eligible candidate and the candidate's authorized committees, provided that

in determining the amount of each such contribution—

"(i) the provisions of section 502(b) shall apply; and

"(ii) contributions required to be raised under section 502(a)(1) shall not be eligible to be matched; and

the total amount of payments to which a candidate is entitled under this subparagraph shall not exceed 50 percent of the amount of the limitation determined under section 503(b) applicable to such candidate.

"(b) A candidate who receives payments under paragraph (1)(C) or (2) of subsection (a) may spend such funds to defray expenditures in the general election without regard to the provisions of section 503(b).

"(c)(1) A candidate who receives benefits under this section may make expenditures for the general election without regard to the provisions of subparagraph (A) of section 502(a)(7) or subsection (a) or (b) of section 503 if and when any candidate in the same general election not eligible to receive payments under this section either raises aggregate contributions or makes or obligates to make aggregate expenditures for such election which exceed an amount equal to 133⅓ percent of the expenditure limit applicable to such candidate under section 503(b) for such election.

"(2) A candidate who receives benefits under this section may receive contributions for the general election without regard to the provisions of subparagraph (C) of section 502(a)(7) if any major party candidate in the same general election is not eligible to receive benefits under this section, or if and when any other candidate in the same general election who is not eligible to receive benefits under this section raises aggregate contributions or makes or obligates to make aggregate expenditures for such election which exceed an amount equal to 75 percent of the amount of the expenditure limit applicable to such candidate under section 503(b) for such election.

"(d) Benefits received by a candidate under this section shall be used to defray expenditures incurred with respect to the general election period for such candidate. Such benefits shall not be used (1) to make any payments, directly or indirectly, to such candidate or to any member of the immediate family of such candidate, (2) to make any expenditure other than expenditures to further the general election of such candidate, (3) to make any expenditures which constitute a violation of any law of the United States or of the State in which the expenditure is made, or (4) to repay any loan to any person except to the extent the proceeds of such loan were used to further the general election of such candidate.

"CERTIFICATION BY COMMISSION

"SEC. 505. (a) No later than 48 hours after an eligible candidate files a request with the Commission to receive benefits under section 506 the Commission shall certify such eligibility to the Secretary of the Treasury for payment in full of the amount to which such candidate is entitled, unless the provisions of section 506(c) apply. Such request shall contain—

"(1) such information and be made in accordance with such procedures, as the Commission may provide by regulation; and

"(2) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirements of this title.

"(b) Certifications by the Commission under subsection (a) and all determinations made by the Commission under this title, shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 507 and judicial review under section 508.

"ESTABLISHMENT OF FUND; PAYMENTS TO ELIGIBLE CANDIDATES

"SEC. 506. (a)(1) The Secretary shall maintain in the Presidential Election Campaign Fund (hereafter referred to as the 'Fund') established by section 9006(a) of the Internal Revenue Code of 1986, in addition to any other accounts maintained under such section, a separate account to be known as the 'Senate Fund'. The Secretary shall deposit into the Senate Fund, for use by candidates eligible to receive payments under this title, the amounts available after the Secretary determines that the amounts in the Fund, plus the amounts of revenue the Secretary projects will accrue to the Fund during the remainder of the period ending on December 31 of the year of the next Presidential election, equal 110 percent of the amount the Secretary projects will be necessary for payments under subtitle H of the Internal Revenue Code of 1986 during such remainder of such period. The monies designated for the Senate Fund shall remain available without fiscal year limitation.

"(2) On May 15 of each year following the year during which a regularly scheduled biennial Senate election has occurred, the Secretary shall determine the total amount in the Senate Fund, and evaluate if such amount, plus the amount of revenue it projects will accrue to the Senate Fund (based on the computation made by the Secretary with respect to the Fund, as provided in paragraph (1)) during the period beginning on such date and ending on December 31 of the year of the next regularly scheduled biennial election, exceeds 110 percent of the total estimated expenditures of the Senate Fund during such period. If the Secretary determines that an excess amount exists, the Secretary shall transfer such excess to the general fund of the Treasury of the United States.

"(b) Upon receipt of a certification from the Commission under section 505, the Secretary shall promptly pay to the candidate involved in the certification, out of the Senate Fund, the amount certified by the Commission.

"(c)(1) If at the time of a certification by the Commission under section 505 for payment to an eligible candidate, the Secretary determines that the monies in the Senate Fund are not, or may not be, sufficient to satisfy the full entitlement of all such eligible candidates, the Secretary shall withhold from such payment such amount as he determines to be necessary to assure that an eligible candidate will receive a pro rata share of such candidate's full entitlement. Amounts so withheld shall be paid when the Secretary determines that there are sufficient monies in the Senate Fund to pay such amounts, or portions thereof, to all eligible candidates from whom amounts have been withheld, but, if there are not sufficient monies in the Senate Fund to satisfy the full entitlement of an eligible candidate, the amounts so withheld shall be paid in such manner that each eligible candidate receives his or her pro rata share of his or her full entitlement. The Secretary shall notify the Commission and each eligible candidate by registered mail of the reduction in the amount to which that candidate is entitled under section 505.

"(2) If the provisions of this subsection result in a reduction in the amount to which an eligible candidate is entitled under section 505 and payments have been made under this section in excess of the amount to which such candidate is entitled, such candidate is liable for repayment to the Fund of the excess under procedures the Commission shall prescribe by regulation.

"EXAMINATION AND AUDITS; REPAYMENTS

"SEC. 507. (a)(1) After each general election, the Commission shall conduct an examination and audit of the campaign accounts of 10 per centum of the eligible candidates of each major party and 10 per centum of all other eligible candidates, as designated by the Commission through the use of an appropriate statistical method of random selection to determine, among other things, whether such candidates have complied with the expenditure limits and other conditions of eligibility and requirements of this title.

"(2) After each special election, the Commission shall conduct an examination and audit of the campaign accounts of each eligible candidate in such election to determine whether such candidates have complied with the expenditure limits and other conditions of eligibility and requirements under this title.

"(3) The Commission may conduct an examination and audit of the campaign accounts of any eligible candidate in a general election if the Commission, by an affirmative vote of four members, determines that there exists reason to believe that such candidate has violated any provision of this title.

"(b) If the Commission determines that any portion of the payments made to a candidate under this title was in excess of the aggregate payments to which such candidate was entitled, the Commission shall so notify such candidate, and such candidate shall pay to the Secretary an amount equal to the excess.

"(c) If the Commission determines that any amount of any benefit made to a candidate under this title was not used as provided for in this title, the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to 200 per centum of the amount of such benefit.

"(d) If the Commission determines that any candidate who has received benefits under this title has made expenditures which in the aggregate exceed by 5 per centum or less the limitation set forth in section 503(b), the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to the amount of the excess expenditure.

"(e) If the Commission determines that any candidate who has received benefits under this title has made expenditures which in the aggregate exceed by more than 5 per centum the limitation set forth in section 503(b), the Commission shall so notify such candidate and such candidate shall pay the Secretary an amount equal to three times the amount of the excess expenditure.

"(f) Any amount received by an eligible candidate under this title may be retained for a period not exceeding sixty days after the date of the general election for the liquidation of all obligations to pay general election campaign expenses incurred during this general election period. At the end of such sixty-day period any unexpended

funds received under this title shall be promptly repaid to the Secretary.

"(g) No notification shall be made by the Commission under this section with respect to an election more than three years after the date of such election.

"(h) All payments received under this section shall be deposited in the Senate Fund.

"CRIMINAL PENALTIES

"SEC. 507A. (a) No candidate shall knowingly or willfully accept benefits under this title in excess of the aggregate benefits to which such candidate is entitled or knowingly or willfully use such benefits for any purpose not provided for in this title or knowingly or willfully make expenditures from his personal funds, or the personal funds of his immediate family, in excess of the limitation provided in this title.

"(b) Any person who violates the provisions of subsection (a) shall be fined not more than $25,000, or imprisoned not more than 5 years, or both. Any officer or member of any political committee who knowingly consents to any expenditure in violation of the provisions of subsection (a) shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

"(c)(1) It is unlawful for any person who receives any benefit under this title, or to whom any portion of any such benefit is transferred, knowingly and willfully to use, or authorize the use of, such benefit or such portion except as provided in section 504(d).

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(d)(1) It is unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information (including any certification, verification, notice, or report), to the Commission under this title, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Commission or an examination and audit by the Commission under this title, or

"(B) to fail to furnish to the Commission any records, books, or information requested by it for purposes of this title.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(e)(1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any benefits received by any candidate, or the authorized committees of such candidate, who receives benefits under this title.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal benefit in connection with any benefits received by any candidate pursuant to the provisions of this title, or received by the authorized committees of such candidate, shall pay to the Secretary for deposit in the Fund, an amount equal to 125 percent of the kickback or benefit received.

"JUDICIAL REVIEW

"SEC. 508. (a) Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within thirty days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

"(b) The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551(13) of title 5, United States Code, by the Commission.

"PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS

"SEC. 509. (a) The Commission is authorized to appear in and defend against any action instituted under this section and under section 508 either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) The Commission is authorized through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined under section 507 to be payable to the Secretary.

"(c) The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate in order to implement any provision of this title.

"(d) The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears, pursuant to the authority provided in this section.

"REPORTS TO CONGRESS; REGULATIONS

"SEC. 510. (a) The Commission shall, as soon as practicable after each election, submit a full report to the Senate setting forth—

"(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible candidate and the authorized committees of such candidate;

"(2) the amounts certified by the Commission under section 505 for payment to each eligible candidate;

"(3) the amount of repayments, if any, required under section 507, and the reasons for each payment required; and

"(4) the balance in the Presidential Election Campaign Fund, and the balance in the Senate Fund and any other account maintained in the Fund.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) The Commission is authorized to prescribe such rules and regulations in accordance with the provisions of subsection (c), to conduct such examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(c) Thirty days before prescribing any rules or regulation under subsection (b), the Commission shall transmit to the Senate a statement setting forth the proposed rule or regulation and containing a detailed explanation and justification of such rule or regulation.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 511. There are authorized to be appropriated to the Commission for the purpose of carrying out functions under this title, such sums as may be necessary.".

SENATE FUND

SEC. 3. Section 6096(a) of the Internal Revenue Code of 1986 is amended—

(1) by striking out "$1" each place it appears in that subsection and inserting in lieu thereof "$2"; and

(2) by striking out "$2" each place it appears in that subsection and inserting in lieu thereof "$4".

BROADCAST RATES

SEC. 4. Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) in subsection (a) by striking out "section" and inserting in lieu thereof "subsection";

(2) by redesignating subsections (b), (c), and (d) as subsections (d), (e), and (f), respectively; and

(3) by inserting immediately after subsection (a) the following:

"(b)(1) If any licensee permits a person to utilize a broadcasting station to broadcast material which either endorses a legally qualified candidate for any Federal elective office or opposes a legally qualified candidate for that office, such licensee shall, within a reasonable period of time, provide to any eligible candidate opposing the candidate endorsed (or to an authorized committee of such eligible candidate), or to any eligible candidate who was so opposed (or to an authorized committee of such eligible candidate), the opportunity to utilize, without charge, the same amount of time on such broadcasting station, during the same period of the day, as was utilized by such person.

"(2) For purposes of this subsection, the term 'person' includes an individual, partnership, committee, association, corporation, or any other organization or group of persons, but such term does not include a legally qualified candidate for any Federal elective office or an authorized committee of any such candidate.

"(c) A licensee shall not preempt the use, during any period specified in subsection (d)(1), of a broadcasting station by a legally qualified candidate for Federal office who has purchased such use pursuant to the provisions of such subsection (d)(1).";

(4) by amending subsection (d)(1), as redesignated herein to read as follows:

"(1) during the 6 months preceding the date of a primary, runoff, general or special election in which such person is a candidate, the lowest unit charge of the station over the preceding 12-month period for the same class and amount of time for the same period: *Provided*, That in the case of candidates for the United States Senate in a general election, as such term is defined in section 501(6) of the Federal Election Campaign Act of 1971, this provision shall apply only if such candidate has been certified by the Federal Election Commission as eligible to receive benefits under title V of such Act;"; and

(5) in subsection (e) as so redesignated by subsection (a) of this section, is amended to read as follows:

"(e) For purposes of this section—

"(1) the term 'authorized committee' means, with respect to any candidate for nomination for election, or election, to any

Federal elective office, any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000 and which is authorized by such candidate to accept contributions or make expenditures on behalf of such candidate to further the nomination or election of such candidate;

"(2) the term 'broadcasting station' includes a community antenna television system; and

"(3) the terms 'licensee' and 'station licensee' when used with respect to a community antenna system mean the operator of such system.".

REPORTING REQUIREMENTS

SEC. 5. (a) Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end thereof the following new subsections:

"(d)(1) Not later than the day after the date on which a candidate for the United States Senate qualifies for the ballot for a general election, as such term is defined in section 501(6), or, if such candidate is a candidate in a State which has a primary election to qualify for such ballot after September 1, within 7 days after the date such candidate wins in such primary, whichever occurs first, each such candidate in such election shall file with the Commission a declaration of whether or not such candidate intends to make expenditures in excess of the amount of the limitation on expenditures for such election, as determined under section 503(b).

"(2) Any declaration filed pursuant to paragraph (1) may be amended or changed at any time within 7 days after the filing of such declaration. Such amended declaration may not be amended or changed further.

"(e)(1) Any candidate for the United States Senate who qualifies for the ballot for a general election, as such term is defined in section 501(6)—

"(A) who is not eligible to receive benefits under section 502, and

"(B) who either raises aggregate contributions or makes or obligates to make aggregate expenditures for such election which exceed 75 percent of the amount of the limitation determined under section 503(b) for such Senate election,

shall file a report with the Commission within 24 hours after such contributions have been raised or such expenditures have been made or obligated to be made, or within 24 hours after the date of qualification for the general election ballot, whichever is later, setting forth the candidate's total contributions and total expenditures for such election. Thereafter such candidate shall file additional reports with the Commission within 24 hours after each time additional contributions are raised or expenditures are made, or are obligated to be made, which aggregate an additional 5 percent of such limit. Such reports shall continue to be filed pursuant to the provisions of this section until such candidate has raised aggregate contributions or made or has obligated to make aggregate expenditures equal to 133⅓ percent of the limit provided for such State pursuant to section 503(b).

"(2) The Commission, within 24 hours after each such report has been filed, shall notify each candidate in the election involved who is eligible to receive benefits pursuant to the provisions of this title under section 504, about such report, and after an opposing candidate has raised aggregate contributions or made or has obligated to make aggregate expenditures in excess of the limit provided for such State pursuant to section 503(b), the Commission shall certify, pursuant to the provisions of subsection (i), such eligibility to the Secretary of the Treasury for payment of any amount to which such eligible candidate is entitled.

"(3) Notwithstanding the reporting requirement established in this subsection, the Commission may make its own determination that a candidate in a general election, as such term is defined in section 501(6), who is not eligible to receive benefits under section 504, has raised aggregate contributions or has made or has obligated to make aggregate expenditures for such election which exceed the amount of the limitation determined under section 503(b) for such election. The Commission, within 24 hours after making such determination, shall notify each candidate in the general election involved who is eligible to receive benefits under section 504 about such determination, and shall certify, pursuant to the provisions of subsection (i), such eligibility to the Secretary of the Treasury for payment of any amount to which such candidate is entitled.

"(f)(1) All independent expenditures, if any, (including those described in subsection (b)(6)(B)(iii)) made by any person after the date of the last Federal election with regard to a general election, as such term is defined in section 501(6), and all obligations to make such expenditures incurred by any person during such period, if any, shall be reported by such person to the Commission as provided in paragraph (2), if such expenditure or obligation is described in such paragraph.

"(2) Independent expenditures by any person as referred to in paragraph (1) shall be reported within 24 hours after the aggregate amount of such expenditures incurred or obligated first exceeds $10,000. Thereafter, independent expenditures referred to in such paragraph, made by the same person in the same election, shall be reported within 24 hours after each time the aggregate amount of such expenditures incurred or obligated, not yet reported under this subparagraph, exceeds $5,000.

"(3) Each report under this subsection shall be filed with the Commission and the Secretary of State for the State of the election involved and shall contain (A) the information required by subsection (b)(6)(B)(iii) of this section, and (B) a statement filed under penalty of perjury by the person making the independent expenditures, or by the person incurring the obligation to make such expenditures, as the case may be, that identifies the candidate whom the independent expenditures are actually intended to help elect or defeat. The Commission shall, within 24 hours after such report is made, notify each candidate in the election involved who is eligible to receive benefits pursuant to section 504(a)(1)(C), about each such report, and shall certify such eligibility to the Secretary of the Treasury for payment in full of any amount to which such candidate is entitled.

"(4)(A) Notwithstanding the reporting requirements established in this subsection, the Commission may make its own determination that a person has made independent expenditures, or has incurred an obligation to make such expenditures, as the case may be, with regard to a general election, as defined in section 501(6), that in the aggregate total more than the applicable amount specified in paragraph (2).

"(B) The Commission shall, within 24 hours after such determination is made, notify each candidate in the election involved who is eligible to receive benefits under section 504(a)(1)(C) about each determination under subparagraph (A), and shall certify, pursuant to the provisions of subsection (i), such eligibility to the Secretary of the Treasury for payment in full of any amount to which such candidate is entitled.

"(g)(1) When two or more persons make an expenditure or expenditures in coordination, consultation, or concert (as described in paragraph (2) or otherwise) for the purpose of promoting the election or defeat of a clearly identified candidate, each such person shall report to the Commission, under subsection (f), the amount of such expenditure or expenditures made by such person in coordination, consultation, or concert with such other person or persons when the total amount of all expenditures made by such persons in coordination, consultation, or concert with each other exceeds the applicable amount provided in such subsection.

"(2) An expenditure by one person shall constitute an expenditure in coordination, consultation, or concert with another person where—

"(A) there is any arrangement, coordination, or direction with respect to the expenditure between such persons making the expenditures, including any officer, director, employee or agent of such person;

"(B) in the same two-year election cycle, one of the persons making the expenditures (including any officer, director, employee or agent of such person) is or has been, with respect to such expenditures—

"(i) authorized by such other person to raise or expend funds on behalf of such other person; or

"(ii) receiving any form of compensation or reimbursement from such other person or an agent of such other person;

"(C) one of the persons making expenditures (including any officer, director, employee or agent of such person) has communicated with, advised, or counseled such other person in connection with such expenditure; or

"(D) one of the persons making expenditures and such other person making expenditures each retain the professional services of the same individual or person in connection with such expenditures.

"(h)(1) Every political committee, as defined in section 301(4), active in non-Federal elections and maintaining separate accounts for this purpose shall file with the Commission reports of funds received into and disbursements made from such accounts for activities which may influence an election to any Federal office. For purposes of this section, activities which may influence an election to any Federal office include, but are not limited to—

"(A) voter registration and get-out-the-vote drives directed to the general public in connection with any election in which Federal candidates appear on the ballot;

"(B) general public political advertising which includes references, however incidental, to clearly identified Federal as well as non-Federal candidates for public office, or which does not clearly identify Federal candidates but urges support for or opposition to all the candidates of a political party or other candidates in a classification or context which includes Federal candidates; and

"(C) any other activities which require an allocation of costs between a political committee's Federal and non-Federal accounts reflecting the impact on Federal elections in accordance with regulations prescribed or

Advisory Opinions rendered by the Commission.

"(2) Reports required to be filed by this subsection shall be filed for the same time-periods required for political committees under section 304(a), and shall include:

"(A) a separate statement, for each of the activities in connection with which a report is required under paragraph (1), of the aggregate total of disbursements from the non-Federal accounts; and

"(B) supporting schedules, providing an identification of each donor together with the amount and date of each donation with regard to those receipts of the non-Federal account which comprise disbursements reported under subparagraph (A), provided, however, that such schedules are required only for donations from any one source aggregating in excess of $200 in any calendar year.

"(3) Reports required to be filed by this subsection need not include donations made to or on behalf of non-Federal candidates or political organizations in accordance with the financing and reporting requirements of State laws, or other disbursements from the non-Federal accounts in support of exclusively non-Federal election activities, provided that such donations or disbursements are governed solely by such State laws and not subject to paragraph (1) of this subsection.

"(i) The certification required by this section shall be made by the Commission on the basis of reports filed with such Commission in accordance with the provisions of this Act, or on the basis of such Commission's own investigation or determination, notwithstanding the provisions of section 505(a).

"(j) Within 15 days after a candidate for the Senate qualifies for the primary ballot under applicable State law, such candidate shall file with the Commission, a declaration stating whether or not such candidate intends to expend from his personal funds, or the funds of his immediate family, or incur personal loans, in connection with his campaign for such office, in the aggregate of $100,000 or more, for the election cycle.

"(k)(1) Any candidate for the United States Senate who expends from his personal funds or the funds of his immediate family, or incurs personal loans, in connection with his campaign for such office, in the aggregate in excess of $100,000, for the election cycle, shall file a report with the Commission within 24 hours after such expenditures have been made or loans incurred. Thereafter the expenditures referred to in this paragraph shall be reported within 24 hours after each time the aggregate of such expenditures or loans exceeds $10,000.

"(2) The Commission within 24 hours after a report has been filed under paragraph (1) shall notify each candidate in the election involved who is eligible to receive payments pursuant to the provisions of this title under section 504 about each such report.

"(3) Notwithstanding the reporting requirements in this subsection, the Commission may make its own determination that a candidate for the United States Senate has made expenditures from the personal funds of such candidate or the funds of any member of the immediate family of such candidate or incurred personal loans in connection with his campaign aggregating in excess of $100,000, or thereafter in increments of $10,000 during the election cycle. The Commission within 24 hours after making such determination shall notify each candidate in the general election involved who is eligible to receive benefits under section 504 about each such determination.".

(b) Section 301(4) of the Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following:

"For purposes of this section, the receipt of contributions or the making of, or obligating to make expenditures shall be determined by the Commission on the basis of facts and circumstances, in whatever combination, demonstrating a purpose of influencing any election for Federal office, including, but not limited to, the representations made by any person soliciting funds about their intended uses; the identification by name of individuals who are candidates for Federal office, as defined in paragraph (2) of this section, or of any political party, in general public political advertising; and the proximity to any primary, run-off, or general election of general public political advertising designed or reasonably calculated to influence voter choice in that election.".

(c) Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end thereof the following:

"(20) The term 'election cycle' means—

"(A) in the case of a candidate or the authorized committees of a candidate, the term beginning on the day after the date of the last previous general election for such office or seat which such candidate seeks and ending on the date of the next election; or

"(B) for all other persons, the term beginning on the first day following the date of the last general election and ending on the date of the next election.".

(d) Section 304(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(2)) is amended by striking out "for the reporting period and calendar year," and inserting in lieu thereof "for the reporting period and calendar year in the case of committees other than authorized committees of a candidate, and for the reporting period and election cycle in the case of authorized committees of candidates,".

(e)(1) Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended by striking out "for the reporting period and calendar year," and inserting in lieu thereof "for the reporting period and calendar year in the case of committees other than authorized committees of a candidate, and for the reporting period and election cycle in the case of authorized committees of candidates,".

(2) Section 304(b)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(3)) is amended—

(A) in subparagraph (A), by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,";

(B) in subparagraph (F), by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,"; and

(C) in subparagraph (G), by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,".

(3) Section 304(b)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,".

(4) Section 304(b)(6)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(6)(A)) is amended by striking out "calendar year" and inserting in lieu thereof "election cycle".

(f) Section 301(13) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(13)) is amended by striking out "mailing address" and inserting in lieu thereof "permanent residence address".

(g) Section 304(b)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by adding before the semicolon at the end thereof the following: ", except that if a person to whom an expenditure is made is merely providing personal or consulting services and is in turn making expenditures to other persons who provide goods or services to the candidate or his authorized committees, the name and address of such other person, together with the date, amount and purpose of such expenditure shall also be disclosed".

LIMITS ON CONTRIBUTIONS BY MULTICANDIDATE POLITICAL COMMITTEES AND SEPARATE SEGREGATED FUNDS

SEC. 6. (a) Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended by—

(1) striking out "or" at the end of subparagraph (B);

(2) striking out the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon; and

(3) adding at the end the following new subparagraphs:

"(D) to any candidate for the office of Member of, or Delegate or Resident Commissioner to, the House of Representatives and the authorized political committees of such candidate with respect to—

"(i) a general or special election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress (including any primary election, convention, or caucus relating to such general or special election) which exceed $100,000 ($125,000 if at least two candidates qualify for the ballot in the general or special election involved and at least two candidates qualify for the ballot in a primary election relating to such general or special election), when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election); or

"(ii) a runoff election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress which exceed $25,000 when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such runoff election;

"(E) to any candidate for the office of Senator and the authorized political committees of such candidate with respect to—

"(i) a general or special election for such office (including any primary election, convention, or caucus relating to such general

or special election) which, when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election) exceeds an amount equal to 10 percent of the amount provided in section 315(i); or

"(ii) a runoff election for the office of United States Senator which exceeds, when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such runoff election, an amount equal to 10 percent of the limitation on expenditures provided in section 315(j), for runoff elections; or

"(F) to any State committee of a political party, including any subordinate committee of a State committee, which, when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such State committee exceeds an amount equal to—

"(i) 2 cents multiplied by the voting age population of the State of such State committee, or

"(ii) $25,000,

whichever is greater. The limitation of this subparagraph shall apply separately with respect to each two-year Federal election cycle, covering a period from the day following the date of the last Federal general election held in that State through the date of the next regularly scheduled Federal general election.".

(b)(1) Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end thereof the following:

"(i) For purposes of subsection (a)(2)(E)(i), such limitation for the election cycle shall be an amount equal to 50 percent of the aggregate of $400,000, plus—

"(1) in States having a voting age population of 4 million or less, 30 cents multiplied by the voting age population; or

"(2) in States having a voting age population over 4 million, 30 cents multiplied by 4 million plus 25 cents multiplied by the voting age population over 4 million;

except that such amount shall not be less than $950,000, nor more than $5,500,000.

"(j) For purposes of subsection (a)(2)(E)(ii), such limitation for the election cycle shall be an amount equal to 20 percent of the aggregate of $400,000, plus—

"(1) in States having a voting age population of 4 million or less, 30 cents multiplied by the voting age population; or

"(2) in States having a voting age population over 4 million, 30 cents multiplied by 4 million plus 25 cents multiplied by the voting age population over 4 million;

except that such amount shall not be less than $950,000, nor more than $5,500,000.".

(2) Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended by—

(A) striking out "subsection (b) and subsection (d)" in paragraph (1) and inserting in lieu thereof "subsections (b), (d), (i), and (j)"; and

(B) inserting "for subsections (b) and (d) and the term 'base period' means the calendar year of the first election after the date of enactment of the Senatorial Election Campaign Act of 1987, for subsections (i) and (j)" before the period at the end of paragraph (2)(B).

(c) Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking out "(2) and (3)" and inserting in lieu thereof "(2), (3), (4), and (5)";

(2) by adding at the end thereof the following:

"(4) No congressional campaign committee may accept contributions from multicandidate political committees and separate segregated funds, during any two-year election cycle, which, in the aggregate, exceed 30 percent of the total expenditures which may be made during such election cycle by that campaign committee on behalf of candidates for Senator, Representative, Delegate, or Resident Commissioner pursuant to the provisions of paragraph (3).

"(5) No national committee of a political party may accept contributions from multicandidate political committees and separate segregated funds, during any two-year election cycle, which, in the aggregate, equal an amount in excess of an amount equal to 2 cents multiplied by the voting age population of the United States.

"(6) The limitations contained in paragraphs (2) and (3) shall apply to any expenditure through general public political advertising, whenever made, which clearly identifies by name an individual who is, or is seeking nomination to be, a candidate in the general election for Federal office of President, Senator or Representative; provided that this paragraph shall not apply to direct mail communications designed primarily for fundraising purposes which make only incidental reference to any one or more Federal candidates.".

(d) Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (A), by striking out "$5,000" and inserting in lieu thereof "$2,500."; and

(2) in subparagraph (C), by striking out "$5,000" and inserting in lieu thereof "$2,500".

INTERMEDIARY OR CONDUIT

SEC. 7. (a) Section 315(a)(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(8)) is amended to read as follows:

"(8) For purposes of this subsection—

"(A) contributions made by a person, either directly or indirectly, to or on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate;

"(B) contributions made by a person either directly or indirectly, to or on behalf of a particular candidate, through an intermediary or conduit, including all contributions delivered or arranged to be delivered by such intermediary or conduit, shall also be treated as contributions from the intermediary or conduit, if—

"(i) the contributions made through the intermediary or conduit are in the form of a check or other negotiable instrument made payable to the conduit or intermediary rather than the intended recipient; or

"(ii) the conduit or intermediary is a political committee, other than an authorized committee of a candidate, within the meaning of section 301(4), or an officer, employee or other agent of such a political committee, or an officer, employee or other agent of a connected organization, within the meaning of section 301(7), acting in its behalf; and

"(iii) the conduit or intermediary is required to register as a lobbyist or lobby organization as defined under the Federal Regulation of Lobbying Act (2 U.S.C. 266), or an officer, employee or other agent of such an organization; and

"(C) the limitations imposed by this paragraph shall not apply to—

"(i) bona fide joint fundraising efforts conducted solely for the purpose of sponsorship of a fundraising reception, dinner, or other event in accordance with rules and regulations prescribed by the Commission by (I) two or more candidates, (II) two or more national, State, or local committees of a political party within the meaning of section 301(4) acting on their own behalf, or (III) a special committee formed by (a) two or more candidates or (b) one or more candidates and one or more national, State, or local committees of a political party acting on their own behalf; or

"(ii) fundraising efforts for the benefit of a candidate which are conducted by another candidate within the meaning of section 301(2).

In all cases where contributions are made by a person either directly or indirectly to or on behalf of a particular candidate through an intermediary or conduit, the intermediary or conduit shall report the original source and the intended recipient of such contribution to the Commission and to the intended recipient.".

INDEPENDENT EXPENDITURES

SEC. 8. (a) Section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(17)) is amended by adding at the end thereof the following: "An expenditure shall constitute an expenditure in coordination, consultation, or concert with a candidate and shall not constitute an 'independent expenditure' where—

"(A) there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person (including any officer, director, employee or agent of such person) making the expenditure;

"(B) in the same election cycle, the person making the expenditure (including any officer, director, employee or agent of such person) is or has been—

"(i) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees,

"(ii) serving as an officer of the candidate's authorized committees, or

"(iii) receiving any form of compensation or reimbursement from the candidate, the candidate's authorized committees, or the candidate's agent;

"(C) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated with, advised, or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office;

"(D) the person making the expenditure retains the professional services of any individual or other person also providing those services to the candidate in connection with the candidate's pursuit of nomination for election, or election to Federal office, in the

same election cycle, including any services relating to the candidate's decision to seek Federal office;

"(E) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated or consulted at any time during the same election cycle about the candidate's plans, projects, or needs relating to the candidate's pursuit of election to Federal office, with: (i) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or (ii) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or

"(F) the expenditure is based on information provided to the person making the expenditure directly or indirectly by the candidate or the candidate's agents about the candidate's plans, projects, or needs, provided that the candidate or the candidate's agent is aware that the other person has made or is planning to make expenditures expressly advocating the candidate's election.".

INDEPENDENT EXPENDITURE BROADCAST DISCLOSURE

SEC. 9. Section 318(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d(a)(3)) is amended by deleting the period at the end thereof and inserting in lieu thereof the following: ", except that whenever any person makes an independent expenditure through (A) a broadcast communication on any television station, the broadcast communication shall include a statement clearly readable to the viewer that appears continuously during the entire length of such communication setting forth the name of such person and in the case of a political committee, the name of any connected or affiliated organization, or (B) a newspaper, magazine, outdoor advertising facility, direct mailing or other type of general public political advertising, the communication shall include, in addition to the other information required by this subsection, the following sentence: 'The cost of presenting this communication is not subject to any campaign contribution limits.', and a statement setting forth the name of the person who paid for the communication and, in the case of a political committee, the name of any connected or affiliated organization and the name of the president or treasurer of such organization.".

REFERRAL TO THE DEPARTMENT OF JUSTICE

SEC. 10. Section 309(a)(5)(C) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)(C)) is amended by striking out "may refer" and inserting in lieu thereof "shall refer".

EXTENSION OF CREDIT

SEC. 11. Section 301(8)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)) is amended by—

(1) striking out "or" at the end of clause (i);

(2) striking out the period at the end of clause (ii) and inserting in lieu thereof "; or"; and

(3) adding at the end thereof the following:

"(iii) with respect to a candidate for the office of United States Senator and his authorized political committees, any extension of credit for goods or services relating to advertising on broadcasting stations, in newspapers or magazines, by direct mail (including direct mail fund solicitations) or other similar types of general public political advertising, if such extension of credit is—

"(I) in an amount of more than $1,000; and

"(II) for a period of more than 60 days after the date on which such goods or services are furnished, which date in the case of advertising by direct mail (including a direct mail solicitation) shall be the date of the mailing.".

PREFERENTIAL RATES FOR MAIL

SEC. 12. (a) Subchapter II of chapter 36 of title 39, United States Code, is amended by adding at the end the following:

"§ 3629. Reduced rates for certain Senate candidates

"The rates of postage for matter mailed with respect to a campaign by an eligible candidate (as defined in section 501 of the Federal Election Campaign Act of 1971) shall be—

"(1) in the case of first-class mail matter, one-fourth of the rate currently in effect; and

"(2) in the case of third-class mail matter, 2 cents per piece less than mail matter mailed pursuant to paragraph (1),

provided that the total paid by such candidate for all mail matter at the rates provided by paragraphs (1) and (2) shall not exceed 5 percent of the amount which is applicable to such candidate pursuant to section 503(b) of the Federal Election Campaign Act of 1971.".

(b) The table of sections for chapter 36 of title 39, United States Code, is amended by inserting after the item relating to section 3628 the following new item:

"3629. Reduced rates for certain Senate candidates.".

DISCLOSURE

SEC. 13. Section 318(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended by—

(1) striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(2) adding at the end thereof the following:

"(4) if paid for or authorized by a general election candidate for the Senate, or the authorized committee of such candidate who has not agreed to abide by the expenditure limits in section 503, such advertisement or announcement shall contain the following sentence: 'This candidate has not agreed to abide by the spending limits for this Senate election campaign set forth in the Federal Election Campaign Act.'.".

EXCESS CAMPAIGN FUNDS

SEC. 14. Section 313 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439a) is amended—

(1) by inserting "(a)" after the section designation;

(2) by striking out "political party;" through the end of the paragraph and inserting in lieu thereof "political party."; and

(3) by adding at the end the following new subsection:

"(b) The authorized committee of a Senator or Representative in, Delegate or Resident Commissioner to, or candidate for, the Congress, may not make any contribution, either directly or indirectly, to any other Senator or Representative in, Delegate or Resident Commissioner to, the Congress, or, to any State or local elected official or any candidate (or any authorized committee for the candidate) for such office, including contributions that are in any way earmarked or otherwise directed through an intermediary or conduit (including any political committee) to the Senator, Representative, Delegate, Resident Commissioner, or candidate.".

POLITICAL COMMITTEE POSTAL RATES

SEC. 15. Subsection (e) of section 3626 of title 39, United States Code, is hereby repealed.

CERTIFICATION BY PRESIDENTIAL CANDIDATES ACCEPTING PUBLIC FUNDS CONCERNING COMPLIANCE WITH FUNDRAISING AND EXPENDITURE LIMITATIONS

SEC. 16. Section 9006 of the Internal Revenue Code of 1986 (26 U.S.C. 9006), is amended by adding at the end of that section the following subsection:

"(d) In order to be eligible to receive any payments under this section, a candidate described in sections (b) and (c) above shall certify to the Commission, under penalty of perjury, that during the Presidential primary and the general election period, the candidate, and his or her authorized committees and agents, has not and will not solicit, receive or spend, directly or indirectly, any funds in connection with a Federal, State or local election, including funds for get out the vote, voter registration and generic campaign activities unless such funds are subject to the provisions of this Act, including its limitations and prohibitions. For purposes of this subsection, the term 'agent' includes, but is not limited to, any person—

"(1) who is, or has been—

"(A) authorized to raise funds;

"(B) an officer of an authorized committee; or

"(C) receiving any form of compensation or reimbursement from the candidate or his authorized committees; or

"(2) who has, or has had, actual oral or written authority, either express, or implied, to make or authorize the making of expenditures on behalf of a candidate or to authorize the receipt of contributions on behalf of a candidate.".

SOFT MONEY

SEC. 17. (a) Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end thereof the following:

"(4) A State committee of a political party, including any subordinate committee of a political party, may not make any expenditure in connection with the general election campaign of any candidate for President of the United States who is affiliated with such party which exceeds an amount equal to 4 cents multiplied by the voting age population of that State (as certified under subsection (g) of this section).".

(b) Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431), is amended by repealing the following clauses: clause (x) and clause (xii) of section 301(8)(B) and clause (viii) and clause (ix) of section 301(9)(B).

(c) Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), is amended by adding at the end thereof the following:

"(k)(1) Any amount solicited, received or spent by a national, State or local committee of a political party, directly or indirectly, shall be subject to the provisions of this Act, if such amount is solicited, received or spent in connection with a Federal election.

No part of such amount may be allocated to a non-Federal account or otherwise maintained in, or paid from, an account that is not subject to this Act. This section shall not apply to amounts described in section 301(b)(9)(B)(viii).

"(2) For purposes of this subsection, the term 'in connection with a Federal election' includes any activity that may affect a Federal election including but not limited to the following:

"(A) voter registration and get out the vote activities;

"(B) generic activities, including but not limited to any broadcasting, newspaper, magazine, billboard, mail, or similar type of communication or public advertising; and

"(C) campaign materials which identify a federal candidate, regardless of any other candidate who may also be identified.".

FEDERAL ELECTION COMMISSION REFORM

SEC. 18. (a) Section 306(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437e(a)(1)) is amended by—

(1) striking out "6 members" and inserting in lieu thereof "7 members"; and

(2) amending the last sentence to read as follows: "No more than 4 members of the Commission appointed under this paragraph may be affiliated with the same political party, and such appointments shall be made in a manner to assure that the same political party shall not have 4 or more members affiliated with such party on such Commission for two succeeding years.".

(b) Section 306(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(a)(2)) is amended to read as follows:

"(2)(A) Members of the Commission shall serve for terms of 7 years, except that of the members appointed after April 30, 1989—

"(i) one of the two members appointed for the term beginning May 1, 1991, shall be appointed for a term of 6 years;

"(ii) one of the two members appointed for the term beginning May 1, 1993, shall be appointed for a term of 6 years; and

"(iii) one of the two members appointed for the term beginning May 1, 1995, shall be appointed for a term of 6 years.

"(B) One additional member of the Commission shall be appointed for a term beginning May 1, 1989, and shall be appointed for a term of 5 years.".

FRANKED MAIL

SEC. 19. (a) Section 3210(a)(6) of title 39, United States Code is amended—

(1) in subparagraph (A), by striking out "60 days" each place it appears and inserting in lieu thereof "6 months";

(2) in subparagraph (C), by striking out "60 days" and inserting in lieu thereof "6 months"; and

(3) in subparagraph (E), by—

(A) inserting ", town meeting notices, opinion surveys," after "news-letters"; and

(B) striking out "five hundred" and inserting in lieu thereof "250".

(b) Rule 40.1 of the Standing Rules of the Senate is amended by striking out "sixty days" and inserting in lieu thereof "6 months".

ONE CAMPAIGN COMMITTEE ALLOWED

SEC. 20. (a) Section 301(6) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(6)) is amended by inserting ", other than a candidate for the office of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress," after "a candidate".

(b) Section 302 of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)) is amended—

(1) in subsection (e)(1) by inserting ", other than a candidate for the office of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress," after "A candidate"; and

(2) by adding at the end thereof the following:

"(j) Notwithstanding any other provision of law, no candidate for the office of Senator or Representative in, or Delegate or Resident Commissioner to the Congress shall have any authorized committee or campaign committee other than one committee which shall be the principal campaign committee for such individual.".

SEVERABILITY

SEC. 21. If any provision of this Act or any amendment made by this Act, or the application of any such provision to any person or circumstance is held invalid, the validity of any other such provision and the application of such provision to other persons and circumstances shall not be affected thereby.

EFFECTIVE DATE

SEC. 22. (a) Except as provided in subsection (b), this Act and the amendments made by this Act shall become effective for any election held in 1992 or thereafter.

(b) The amendments made by section 3, section 7, section 8, and section 9 shall become effective on the date of enactment of this Act.●

By Mr. BOREN:

S. 1577. A bill to amend the Internal Revenue Code of 1986 to provide that charitable contributions of appreciated property will not be treated as an item of tax preference; to the Committee on Finance.

TAX TREATMENT OF CHARITABLE CONTRIBUTIONS OF APPRECIATED PROPERTY

● Mr. BOREN. Mr. President, charitable gifts of appreciated property have declined dramatically since 1986 when Congress included the appreciated portion as a tax preference in the alternative minimum tax [AMT]. Today, I am introducing legislation, along with my colleagues Senator DANFORTH, Senator MOYNIHAN, Senator PRYOR, Senator CHAFEE, and Senator DASCHLE, to remove charitable gifts of appreciated property from the AMT. My bill will help schools, colleges, universities, and other charitable institutions regain a competitive position among major fundraising campaigns, and will allow museums to obtain major works of art for public view.

Since the Tax Reform Act of 1986, a taxpayer's deduction for a charitable contribution of appreciated property has been limited under the AMT to the basis in the property. This change in the law did not originate in the Senate. The Senate determined that adding charitable gifts of appreciated property as a tax preference in the AMT was not needed in 1986 to prevent high income taxpayers from avoiding taxes. Before the 1986 act, the gift of appreciated property could not exceed 30 percent of adjusted gross income [AGI]. Although taxpayers with high incomes could "zero out" under the pre-1986 law, the Senate occurred with Treasury that charitable contributions of appreciated property were not the reason. The Senate believed a Treasury Department study which found that appreciated property gifts were not important causes of tax avoidance even when combined with other tax preferences. Before the 1986 Tax Reform Act, tax avoidance was made possible through abusive tax shelters, income exclusion, and excessive interest deduction—but these opportunities were precluded by the 1986 act.

Although the Senate did not believe that gifts of appreciated property belonged in the AMT, in the spirit of compromise, and to achieve the tax reforms which were needed, Senate conferees receded to the House position. Since then, gifts of appreciated property have fallen, accounting for a larger share of the drop in overall giving that we would have predicted from pre-1986 data on the ratio of property giving to other contributions.

Analysis of property giving suggests the recent decline in donations of appreciated property is not a temporary aberration but a real downward trend. The decline cannot be explained by a predictable increase in giving as a response to the 1986 tax law changes and a decrease due to the stock market trouble in 1987. Explanations of this downward trend in property giving does come from educators and museum directors. The Association of Art Museum Directors found that the dollar value of art donations per year decreased from $75 million in 1985 to $67 million in 1988 while the cost of art nearly doubled. Colleges, universities, and schools report a chilling effect on the leadership gifts necessary in beginning major fundraising campaigns. The Council for Aid to Education [CFAE] documented the peak of gifts to education in academic year 1986-87, followed in academic year 1987-88 by the first decline since 1975 and only the third decline in 25 years.

The bill we are introducing today is identical to H.R. 173. A Joint Committee on Taxation Revenue Estimate for H.R. 173 shows a decline in revenues of only $13 million in 1990 and less than $350 million over 5 years. We can afford to restore gifts of appreciated property to our Nation's educational, cultural, and other charitable institutions, and in doing so, contribute far more to the Nation's welfare than an equivalent outlay through appropriations. Even if the Federal Government could and should pay for the total cost of higher education and all the other welfare benefits provided through philanthropy, this pipe dream would not bring major works of art back into public view.

The charitable deduction for contribution of the appreciated portion of property belongs in Federal law, but

not as a tax preference in the AMT. I will pursue this legislation diligently, enthusiastically, and relentlessly through out reconciliation.

I urge my colleagues to join with us in our efforts to restore gifts of appreciated property to our Nation's educational, cultural, and other charitable institutions. We can have tax equity and exclude gifts of appreciated property from the AMT.●

By Mr. BOREN:

S. 1580. A bill providing for safe harbor leases involving rural electric cooperatives; to the Committee on Finance.

SAFE HARBOR LEASES INVOLVING RURAL ELECTRIC COOPERATIVES

● Mr. BOREN. Mr. President, I would like to introduce a bill for myself and Senator PRYOR which addresses the tax treatment of "safe harbor" leases used by rural electric cooperatives. This bill, an amendment to section 277 of the Internal Revenue Code, would clarify that ongoing income and deductions which are generated by a "safe harbor lease" transaction and reported by a cooperative are to be matched to avoid the distortion of income.

The purpose of the bill is to avoid the distortion on a cooperative's tax return caused by a mismatching of lease expenses and lease income. Although "safe harbor" leasing was intended to benefit financially distressed companies, and though it in fact did save several cooperatives, the provision is harmful due to an odd accounting theory applicable only to cooperatives. This unusual quirk in cooperative accounting is that business with members is separated from business with nonmembers—operations are treated as if they were through two separate entities. The tax distortion occurs when deductions are not matched with lease income, but are instead allocated in part against member income and in part against nonmember income. This leads to a mismatching of lease income and lease expenses since the segregation of the two types of business prevents the offset of losses and income. Hence, a cooperative could receive heavy tax bills when it actually suffered a loss.

This bill would let cooperatives offset interest income from transactions involving qualified leased property with the rental expense of such transactions before the income or expenses are allocated to either members or nonmembers. It should be noted that the bill applies only to cooperatives, since the obscure accounting rule prevents them from receiving equal benefits to other industries.

The bill is vital to interests in Oklahoma. More than half of the people in my State live in rural areas where rural electric cooperatives are necessary for providing service at reasonable rates to farmers and ranchers.

I invite my colleagues, especially those Members of the Senate with rural interests, to join me in support of this measure.

Mr. President, I ask unanimous consent that the entire text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1580

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

In the case of a rural electric cooperative described in section 1381(a)(2)(C) of the Internal Revenue Code of 1986, any interest income in connection with a transaction involving qualified leased property which was treated as a lease under section 168(i) of the Internal Revenue Code of 1986 (as in effect before the amendments made by the Tax Reform Act of 1986) or any corresponding prior provision of law shall be offset by any rental expense in connection with such transaction before allocation of such income or expense to members and nonmembers of such cooperatives for purposes of such Code.●

By Mr. ROBB:

S.J. Res. 189. Joint resolution designating the week of September 17, 1989, through September 23, 1989, as "National Critical Care Awareness Week"; to the Committee on the Judiciary.

NATIONAL CRITICAL CARE AWARENESS WEEK

● Mr. ROBB. Mr. President, I'm pleased to introduce today a commemorative joint resolution which proclaims the week of September 17, 1989 as National Critical Care Awareness Week.

Critical care encompasses all life-threatening medical emergencies, from the paramedics at the scene of an accident, to the doctors in an emergency room, to the highly specialized round-the clock medical teams in intensive care units. ICU, the most commonly recognized form of critical care, encompasses 20 percent of all inpatient hospital costs in the Nation today, and 1 percent of our gross national product.

Since roughly 80 percent of all Americans will experience critical care either as a patient, or as a family member of a patient, during their lifetime, it's important to educate the public on this increasingly technical and complex aspect of health care. During National Critical Care Awareness Week, activities are planned to heighten public awareness on what, for example, may happen when faced with a critical injury or illness, and how best to respond.

Last September, my former press secretary, George Stoddart, lost a courageous but unsuccessful battle against a cancerous brain tumor. To provide a teaching mechanism for doctors and nurses seeking to understand the important human component of medicine and to enable future patients and their families to prepare for similar ordeals, George and his wife, Sandy, agreed to have his surgery chronicled in a film on critical care. I was honored to provide the introduction.

George's commitment to turning his own difficult experience into a constructive legacy to others, heightened my own awareness of critical care, an awareness I believe all Americans should share.

Mr. President, National Critical Care Awareness Week is one positive step in educating our citizens. I hope my colleagues will join me in approving the passage of this important joint resolution, and I ask unanimous consent that the text of the joint resoluton be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 189

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas the people of the United States are not sufficiently aware of the special medical needs of the critically ill and injured;

Whereas a family member must often act as the spokesperson for a critically ill or injured patient by providing important information about the patient and often by making decisions regarding the treatment of such patient;

Whereas critical care is a rapidly expanding and challenging area of life-saving medicine which is practiced in such places as intensive care units, trauma centers, burn units, coronary care units, and neonatal and pediatric intensive care units;

Whereas critical care units are often vital to the survival of patients in life-threatening conditions;

Whereas since nurses play an essential role in administering critical care treatment, the current shortage of nurses in the United States could have a devastating impact on the access and quality of care for patients experiencing life-threatening conditions;

Whereas the provision of critical care raises new and complex ethical, social, economic, and legal issues which will require the involvement of health care professionals, public policy makers, and the general public; and

Whereas the Foundation for Critical Care, the Society of Critical Care Medicine, and the American Association of Critical-Care Nurses are dedicated to improving the care of critically ill and injured patients through research and education: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 17, 1989, through September 23, 1989, is designated as "National Critical Care Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs and activities.●

By Mr. HEINZ (for himself, Mr. GRAHAM, Mr. MCCAIN, Mr.

DOLE, Mr. CRANSTON, Mr. SHELBY, Mr. PELL, Mr. WARNER, Mr. MATSUNAGA, Mr. DECONCINI, Mr. D'AMATO, Mr. LIEBERMAN, Mr. REID, Mr. BINGAMAN, Mr. MURKOWSKI, Mr. CONRAD, Mr. INOUYE, Mr. BURDICK, Mr. BURNS, Mr. DASCHLE, Mr. BOSCHWITZ, Mr. DOMENICI, Mr. BOREN, Mr. DURENBERGER, Mr. GARN, Mr. METZENBAUM, Mr. MCCLURE, Mr. MOYNIHAN, Mr. ROBB, Mr. ROTH, Mr. LUGAR, Mr. GLENN, Mr. WIRTH, Mr. KERRY, Mr. GORE, Mr. NUNN, Mr. PRESSLER, Mr. SARBANES, Mr. SASSER, Mr. WALLOP, Mr. WILSON, Mr. GRASSLEY, Mr. STEVENS, Mr. FOWLER, Mr. SANFORD, Mr. THURMOND, Mr. HATCH, Mr. COCHRAN, Mr. MACK, Mr. SIMON, Mr. MCCONNELL, Mr. ROCKEFELLER, Mr. SPECTER, and Mr. SIMPSON):

S.J. Res. 190. A joint resolution designating April 9, 1990, as "National Former Prisoners of War Recognition Day"; to the Committee on the Judiciary

NATIONAL FORMER PRISONERS OF WAR RECOGNITION DAY

Mr. HEINZ. Mr. President, today, on behalf of the Senator from Florida [Mr. GRAHAM] and myself, I rise to introduce legislation designating April 9, 1990, as National Former Prisoners of War Recognition Day.

This effort, identical to those undertaken in the last Congress and earlier this year, serves to underscore the importance of the individuals known as POW's and the sacrifices they endured in the cause of freedom.

It is fitting to designate April 9 as a day to remember those who endured unimaginable hardships in answering the call of their country. It is the anniversary of the fall of Bataan—a name synonymous with suffering endured in captivity and a symbol of man's potential for cruelty to his fellow man. We must never forget those who perished or the individuals who still suffer from the horrors of deprivation and torture. We must never forget those like John Emerick, past Commander of American Defenders of Bataan and Corregidor, of Finleyville, PA, who was captured by the enemy on that fateful April 9. When he was captured he weighed a healthy 190 pounds. On the day of his liberation, September 26, 1945, he weighed just 98 pounds. Of the 208 men in his squadron only 16 survived.

It is for the John Emericks of this Nation that we offer this resolution to recognize the great sacrifices made by former prisoners of war and their families. I hope my colleagues join me, Senator GRAHAM, and the other Members of this body who have already cosponsored this important legislation to recognize these valorous former POW's. All Americans should be aware of the special sacrifices these men and women made for them through a national day of recognition.

I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 190

Whereas the United States has fought in many armed conflicts;

Whereas thousands of members of the Armed Forces of the United States who served in such wars were captured by the enemy and held as prisoners of war;

Whereas many such prisoners of war were subjected to brutal and inhumane treatment by their captors in violation of international codes and customs for the treatment of prisoners of war and died, or were disabled, as a result of such treatment;

Whereas in 1985, the United States Congress (in Public Law 99-145) directed the Department of Defense to issue a medal to former prisoners of war in recognition and commemoration of their great sacrifices in service to our Nation; and

Whereas these great sacrifices of former prisoners of war and their families deserve national recognition: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 9, 1990, is designated as "National Former Prisoners of War Recognition Day" in honor of the members of the Armed Forces of the United States who have been held as prisoners of war, and the President is authorized and requested to issue a proclamation calling upon the people of the United States to commemorate such day with appropriate ceremonies and activities.

Mr. GRAHAM. Mr. President, each year Congress appropriately sets aside a day, April 9, to pause and reflect on the courage and sacrifice of our former prisoners of war. This day is historically significant, as it marks that day in 1942 when Bataan fell and thousands of American soldiers were taken prisoner by enemy troops in the Philippines. What followed was the grim, forced march that led to the death of many of those captured.

There are an estimated 80,000 former prisoners of war in the United States from World War II and other conflicts. There is little we can do to repay these men and women, but we must not forget them. They have given more than most Americans will ever be called on to give their country. They have taught us about patriotism, about perseverance, and about character.

I urge my colleagues to join me, Senator HEINZ and the other Members of this body who have already cosponsored this important resolution honoring the contributions and recognizing the hardships of former prisoners of war.

By Mr. DECONCINI (for himself and Mr. D'AMATO):

S.J. Res. 193. Joint resolution designating October 1989 as "Italian-American Heritage and Culture Month"; to the Committee on the Judiciary.

ITALIAN-AMERICAN HERITAGE AND CULTURE MONTH

● Mr. DECONCINI. Mr. President, I am honored to rise today along with my esteemed colleague from New York, Senator D'AMATO, to introduce a resolution proclaiming the month of October 1989 as "Italian-American Heritage and Culture Month," a month for all Italians to rejoice in their heritage and recognize their continuing achievements. It seems fitting that October be set aside in recognition for a special, passionate people. October is also a time when America sets aside a day in remembrance of one of the greatest Italians of all time, Christopher Columbus. In just 3 short years from now our country and, in fact, the world will celebrate the 500th anniversary of Columbus' discovery of the Americas.

It was on October 12, 1492, that a young, proud sailor and navigator peered through the calm of night on a ship seemingly bound for nowhere on an empty sea. The sailor's crew was restless because land had not been sighted in over 2 months. What he saw not only changed his life forever, but also changed the world. He saw bluffs up ahead and heard the glorious sound of the sea beating against them. He believed that he had found a new passage to the Indies where the riches of man were plentiful. He soon realized that he had discovered a new world, a new land for all men to revere.

So began the age of discovery. In the centuries following, explorers, pirates, pilgrims, and priests, men and women from all walks of life would discover America time and time again. This discovery would not only be for their countries, but would also be for themselves. Some of the most famous Italian explorers came to America, establishing colonies in the southwest for Spain, and in the Louisiana territory for France.

It would not be until the early 1800's that the wave of Italian settlers would arrive on America's shores. Many came to this country in order to find the opportunity it is fabled for, fleeing the hard times in Italy. Most Italian-Americans settled in the Northeast to facilitate their hoped for return to their troubled homeland. However, as the century lingered on, many would move onward toward the far western frontier, affirming the Italian exploratory spirit. Some, in fact, would settle in my own State of Arizona. By 1907, Italians represented nearly 40 percent of U.S. immigration and were firmly entrenched as leaders in American society.

Perhaps the greatest contribution that Italian-Americans have made to our Nation is their commitment to the

preservation and continued growth of the family. This commitment is not a simple one because it comes from a source that, many times, we lose sight of in our complicated lives. The source of this commitment is, in fact, a spiritual one derived from a reverence for God that is centuries old. It is this commitment that allows the Italian-American community to reach out to others and to strive to better themselves. This focus on family has allowed Italian-Americans to become the artists, the scientists, the athletes, and the educators that have inspired former generations and generations to come.

I rise today, Mr. President, because I am proud to be an Italian-American. I am honored to be part of a people that have beaten the odds placed against them. Most Italian immigrants first came to this country with little money and built their lives in America with perseverance and hope for the future. Today Italian-American youth have role models they can look to with pride and admiration. They know that with the same hope, love, reverence, and commitment toward life and toward one another their ancestors had they can achieve greatness. They can become United States Senators, Supreme Court Justices, Governors, or even baseball commissioners. Of course these models are not just for Italian-Americans to revere, they are for the entire world.

Mr. President, I am confident that this resolution will be passed so that all Americans will take time to learn and discover the Italian-American people and their heritage. It is my hope that our continuing achievements will not be forgotten, that Italian-American Heritage and Culture Month will truly be a time of discovery for all people.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 193

Whereas Italians and Italian-Americans have contributed to the United States in all aspects of life, including art, science, civil service, military service, athletics, and education;

Whereas Italian-Americans make up one of the largest ethnic groups in the United States;

Whereas in recognition of the accomplishments of Christopher Columbus, recognized as one of the greatest explorers in world history and the 1st to record the discovery of the Americas, a national observance day was established in October of every year;

Whereas the phrase in the Declaration of Independence, "All men are created equal", was suggested by the Italian patriot and immigrant Philip Mazzei;

Whereas during October 1989 special attention will be directed at local and State programs that provide Italian heritage and culture, with special emphasis on national programs such as the Italian Heritage Center at Catholic University of America; and

Whereas during October 1989 the National Italian American Foundation will host the 14th annual dinner to honor Italians and Italian-Americans making important contributions to the development of the arts, sciences, athletics, and education in the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1989 is designated as "Italian-American Heritage and Culture Month" and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the day with appropriate ceremonies and activities.●

By Mr. LAUTENBURG (for himself and Mr. DURENBERGER):

S.J. Res. 194. Joint resolution designating November 12-18, 1989 as "National Glaucoma Awareness Week"; to the Committee on the Judiciary.

NATIONAL GLAUCOMA AWARENESS WEEK

● Mr. LAUTENBERG. Mr. President, today I am introducing a joint resolution to designate the week of November 12-18, 1989, as "National Glaucoma Awareness Week." I am pleased that Senator DURENBERGER has joined me in cosponsoring this resolution.

I hope this resolution will help focus attention on the efforts of those who are working to call attention to the need for early prevention and treatment of this crippling disease. Two million Americans are believed to have glaucoma, which must be treated promptly if loss of vision is to be prevented. When detected early, glaucoma can be controlled. Sadly, people are often unaware of the disease until their eyes have been permanently damaged.

Glaucoma is the second leading cause of blindness among Americans. Some in our country are at greater risk than others. It is the leading cause of blindness among black people. Glaucoma is also a particularly devastating disease of the elderly, and usually strikes in middle age or later. And there is a higher risk of glaucoma among those with diabetes and among those with a family history of the disease.

Glaucoma can be detected by a routine eye examination. A relatively simple procedure can provide for early detection and treatment and an opportunity to reduce the tragic costs so often associated with the disease.

I urge my colleagues to cosponsor this resolution, and I ask that it be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 194

Whereas glaucoma is the 2nd leading cause of blindness among individuals in the United States;

Whereas glaucoma is the leading cause of blindness among black individuals in the United States;

Whereas the risk of blindness from glaucoma significantly increases in older age groups;

Whereas diabetes increases the risk of developing glaucoma;

Whereas at least 2,000,000 individuals in the United States have glaucoma and at least 50 percent of the individuals with glaucoma are unaware of it;

Whereas 80,000 individuals in the United States are already blind from glaucoma and 5,000,000 to 10,000,000 Americans are believed to have undiagnosed and elevated intraocular pressure, often a silent symptom of glaucoma;

Whereas early detection is critical to preventing bindness from glaucoma; and

Whereas periodic comprehensive eye examinations are the best means of detecting glaucoma and the number of individuals that receive examinations could be increased through greater public understanding, awareness, and education; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That November 12-18, 1989 is designated as "National Glaucoma Awareness Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week with appropriate ceremonies and activities.●

ADDITIONAL COSPONSORS

S. 16

At the request of Mr. CRANSTON, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 16, a bill to require the executive branch to gather and disseminate information regarding, and to promote techniques to eliminate, discriminatory wage-setting practices and discriminatory wage disparities which are based on sex, race, or national origin.

S. 29

At the request of Mr. FORD, the names of the Senator from Virginia [Mr. ROBB], the Senator from Mississippi [Mr. LOTT], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 29, a bill to provide for a 2-year Federal budget cycle, and for other purposes.

S. 110

At the request of Mr. KENNEDY, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of S. 110, a bill to revise and extend the programs of assistance under title X of the Public Health Service Act.

S. 115

At the request of Mr. INOUYE, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 115, a bill to amend titles XVIII and XIX of the Social Security Act to provide that nurse practitioner or clinical nurse specialist services are covered under part B of medicare and

are a mandatory benefit under medicaid.

S. 118

At the request of Mr. INOUYE, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 118, a bill to amend title XVIII of the Social Security Act to provide coverage of clinical social workers services when provided onsite at a community mental health center or offsite as part of a treatment plan.

S. 122

At the request of Mr. INOUYE, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 122, a bill to amend title XVIII of the Social Security Act to provide coverage for social worker services furnished at rural health clinics.

S. 135

At the request of Mr. GLENN, the names of the Senator from Montana [Mr. BAUCUS] and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of S. 135, a bill to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

S. 216

At the request of Mr. MOYNIHAN, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 216, a bill to establish the Social Security Administration as an independent agency, which shall be headed by a Social Security Board, and which shall be responsible for the administration of the old-age, survivors, and disability insurance program under title II of the Social Security Act and the supplemental security income program under title XVI of such Act.

S. 223

At the request of Mr. MOYNIHAN, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 223, a bill to establish a grant program of research, treatment, and public education with respect to Lyme disease.

S. 247

At the request of Mr. METZENBAUM, the names of the Senator from Montana [Mr. BAUCUS] and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 247, a bill to amend the Energy Policy and Conservation Act to increase the efficiency and effectiveness of State energy conservation programs carried out pursuant to such Act, and for other purposes.

S. 346

At the request of Mr. WIRTH, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 346, a bill to amend the Alaska National Interest Lands Conservation Act, and for other purposes.

S. 455

At the request of Mr. ROCKEFELLER, the names of the Senator from Kentucky [Mr. MCCONNELL], the Senator from Tennessee [Mr. SASSER], the Senator from Mississippi [Mr. COCHRAN], and the Senator from North Carolina [Mr. SANFORD] were added as cosponsors of S. 455, a bill to extend the Appalachian Regional Development Act of 1965 and to provide authorizations for the Appalachian Highway and Appalachian Area Development Programs.

S. 507

At the request of Mr. SIMON, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 507, a bill to prohibit investments in and certain other activities with respect to, South Africa, and for other purposes.

S. 562

At the request of Mr. RIEGLE, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 562, a bill to amend the Social Security Act to provide for improvements in services to applicants and beneficiaries under the old age, survivors, and disability insurance program and the supplemental security income program.

S. 566

At the request of Mr. CRANSTON, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 566, a bill to authorize a new corporation to support State and local strategies for achieving more affordable housing, to increase homeownership, and for other purposes.

S. 659

At the request of Mr. SYMMS, the name of the Senator from New Hampshire [Mr. RUDMAN] was added as a cosponsor of S. 659, a bill to repeal the estate tax inclusion related to valuation freezes.

S. 686

At the request of Mr. BAUCUS, the names of the Senator from Rhode Island [Mr. PELL], the Senator from New York [Mr. MOYNIHAN], the Senator from Virginia [Mr. WARNER], and the Senator from Vermont [Mr. JEFFORDS] were added as cosponsors of S. 686, a bill to consolidate and improve laws providing compensation and establishing liability for oilspills.

S. 720

At the request of Mr. BOREN, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 720, a bill to amend the Internal Revenue Code of 1986 to extend and modify the targeted jobs credit, and for other purposes.

S. 771

At the request of Mr. REID, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 771, a bill to amend the Internal Revenue Code of 1986 to disallow deductions for costs in connection with oil and hazardous substances cleanup unless the requirements of all applicable Federal laws concerning such cleanup are met, and for other purposes.

S. 933

At the request of Mr. HARKIN, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 933, a bill to establish a clear and comprehensive prohibition of discrimination on the basis of disability.

S. 977

At the request of Mr. DOMENICI, the names of the Senator from Mississippi [Mr. LOTT], the Senator from North Dakota [Mr. CONRAD], the Senator from Arizona [Mr. DECONCINI], and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of S. 977, a bill entitled the "White House Conference on Small Business Authorization Act."

S. 1006

At the request of Mr. LEAHY, the names of the Senator from Illinois [Mr. SIMON], the Senator from Iowa [Mr. GRASSLEY], and the Senator from Wisconsin [Mr. KOHL] were added as cosponsors of S. 1006, a bill to encourage innovation and productivity, stimulate trade, and promote the competitiveness and technological leadership of the United States.

S. 1067

At the request of Mr. GORE, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 1067, a bill to provide for a coordinated Federal research program to ensure continued United States leadership in high-performance computing.

S. 1173

At the request of Mr. CHAFEE, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 1173, a bill to amend the Internal Revenue Code of 1986 with respect to the allocation of research and experimental expenditures.

S. 1207

At the request of Mr. PACKWOOD, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 1207, a bill to amend the Communications Act of 1934 to reform the radio broadcast license renewal process and for other purposes.

S. 1220

At the request of Mr. KERREY, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 1220, a bill to amend the Food Security Act of 1985 to improve the program under which the

Secretary of Agriculture may settle certain loans, and for other purposes.

S. 1245

At the request of Mr. MITCHELL, the names of the Senator from North Dakota [Mr. BURDICK] and the Senator from Missouri [Mr. BOND] were added as cosponsors of S. 1245, a bill to amend the Federal Meat Inspection Act to expand the meat inspection programs of the United States by establishing a comprehensive inspection program to ensure the quality and wholesomeness of all fish products intended for human consumption in the United States, and for other purposes.

S. 1310

At the request of Mr. SIMON, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of S. 1310, a bill to eliminate illiteracy by the year 2000, to strengthen and coordinate literacy programs, and for other purposes.

S. 1325

At the request of Mr. RIEGLE, the names of the Senator from North Dakota [Mr. BURDICK] and the Senator from Oregon [Mr. PACKWOOD] were added as cosponsors of S. 1325, a bill to amend the Export Administration Act of 1979 to extend indefinitely the current provisions governing the export of certain domestically produced crude oil.

S. 1330

At the request of Mr. HELMS, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 1330, a bill to provide protections to farm animal facilities engaging in food production or agricultural research from illegal acts, and for other purposes.

S. 1371

At the request of Mr. SANFORD, the names of the Senator from Mississippi [Mr. COCHRAN] and the Senator from Nevada [Mr. BRYAN] were added as cosponsors of S. 1371, a bill to authorize appropriations for rural housing programs, and for other purposes.

S. 1390

At the request of Mr. KENNEDY, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 1390, a bill to authorize funds to be appropriated for the construction of a mouse research laboratory, and for other purposes.

S. 1391

At the request of Mr. KENNEDY, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1391, a bill to amend the Public Health Service Act to establish a Foundation for Biomedical Research, and for other purposes.

S. 1392

At the request of Mr. KENNEDY, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1392, a bill to amend the Public Health Service Act to provide grants for the expansion or renovation of biomedical and behavioral research facilities, to establish a National Center for Medical Rehabilitation Research, to establish a senior biomedical scientific service, and for other purposes.

S. 1398

At the request of Mr. CRANSTON, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 1398, a bill to provide for the realignment or major mission change of certain medical facilities of the Department of Veterans Affairs.

S. 1406

At the request of Mr. HEINZ, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 1406, a bill to amend the United States Housing Act of 1937.

S. 1480

At the request of Mr. CRANSTON, the names of the Senator from Arizona [Mr. DECONCINI] and the Senator from Wisconsin [Mr. KOHL] were added as cosponsors of S. 1480, a bill to ensure economic equity for American women and their families by providing equitable pay and employee benefits and enhanced opportunities in business procurement; providing economic and retirement security for women as workers and as divorced or surviving spouses; making quality and affordable dependent care available to all workers families; enhancing the long-term health of women and their families through prevention services and assistance to victims of domestic violence.

S.J. RES. 86

At the request of Mr. RIEGLE, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of Senate Joint Resolution 86, a joint resolution designating November 17, 1989, as "National Philanthropy Day."

S.J. RES. 102

At the request of Mr. D'AMATO, the names of the Senator from Indiana [Mr. LUGAR], the Senator from Illinois [Mr. DIXON], the Senator from Missouri [Mr. DANFORTH], the Senator from Michigan [Mr. RIEGLE], the Senator from Delaware [Mr. ROTH], the Senator from Idaho [Mr. SYMMS], and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of Senate Joint Resolution 102, a joint resolution designating September 1989 as "National Library Card Signup Month."

S.J. 103

At the request of Mr. BRADLEY, the names of the Senator from Florida [Mr. MACK], the Senator from Arkansas [Mr. BUMPERS], the Senator from Indiana [Mr. LUGAR], and the Senator from New York [Mr. D'AMATO] were added as cosponsors of Senate Joint Resolution 103, a joint resolution to designate the period commencing February 18, 1990, and ending February 24, 1990, as "National Visiting Nurse Associations Week."

SENATE JOINT RESOLUTION 140

At the request of Mr. GLENN, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of Senate Joint Resolution 140, a joint resolution designating November 19-25, as "National Family Caregivers Week."

SENATE JOINT RESOLUTION 164

At the request of Mr. NICKLES, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of Senate Joint Resolution 164, a joint resolution designating 1990 as the "International Year of Bible Reading."

SENATE JOINT RESOLUTION 173

At the request of Mr. RIEGLE, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of Senate Joint Resolution 173, a joint resolution to designate the decade beginning January 1, 1990, as the "Decade of the Brain."

SENATE JOINT RESOLUTION 175

At the request of Mr. D'AMATO, the names of the Senator from Texas [Mr. GRAMM] and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of Senate Joint Resolution 175, a joint resolution designating the week beginning September 17, 1989, as "Emergency Medical Services Week."

SENATE CONCURRENT RESOLUTION 52

At the request of Mr. HATFIELD, the names of the Senator from Utah [Mr. HATCH] and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of Senate Concurrent Resolution 52, a concurrent resolution to express the sense of the Congress that science, mathematics, and technology education should be a national priority.

SENATE CONCURRENT RESOLUTION 55

At the request of Mr. DOLE, the names of the Senator from New York [Mr. MOYNIHAN] and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of Senate Concurrent Resolution 55, a concurrent resolution to commemorate the volunteers of the United States and the Hugh O'Brian Youth Foundation.

SENATE RESOLUTION 159

At the request of Mr. THURMOND, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of Senate Resolution 159, a resolution designating August 14, 1989, as "Social Security Administration Employee Recognition Day."

SENATE CONCURRENT RESOLUTION 60—REQUESTING AN ACCOUNTING OF THE WHEREABOUTS AND FATE OF RAOUL WALLENBERG

Mr. MOYNIHAN (for himself, Mr. BRADLEY, and Mr. LEVIN) submitted the following concurrent resolution, which was referred to the Committee on Foreign Relations:

S. CON. RES. 60

Whereas Raoul Wallenberg, a Swedish citizen and diplomat, was responsible for saving thousands of innocent people from being killed by the Nazis during World War II;

Whereas at the request of the United States war Refugee Board and the World Jewish Congress, Raoul Wallenberg went to Budapest in 1944 to organize rescue operations and save Hungarian Jews from being massacred in Nazi death camps;

Whereas Raoul Wallenberg used "protective passports" passes to save Hungarian Jews targeted for extermination in death camps in Eastern Europe from being executed;

Whereas Raoul Wallenberg courageously issued Swedish passports to more than 15,000 Jews and indirectly helped approximately 100,000 Hungarian Jews to escape Nazi plans for their extermination;

Whereas on January 17, 1945, Raoul Wallenberg was escorted by two Soviets to the Russian front, ostensibly to discuss arrangements for emergency supplies to be sent to the Jewish ghettos in Hungary, where he was taken into protective custody;

Whereas Raoul Wallenberg was arrested on charges of spying and taken by Soviet troops to the Lubianka prison in Moscow and held there;

Whereas Raoul Wallenberg was taken into Soviet "protective custody" in violation of international standards of diplomatic immunity;

Whereas the Soviets claim that Raoul Wallenberg died in a Soviet prison in 1947 at the age of 35 of a heart attack, but neither his remains nor any other evidence of his death have ever been produced by the Soviets to verify his death;

Whereas there have been a number of sightings and accounts of Raoul Wallenberg that indicate that he may still be alive and in Soviet custody;

Whereas the Soviet Union refuses to investigate reports that Raoul Wallenberg is still alive;

Whereas the contribution of Raoul Wallenberg to fight for human rights and against the Nazi-orchestrated holocaust must be acknowledged; and

Whereas the truth about the whereabouts of Raoul Wallenberg must be made public: Now, therefore, be it

Resolved by the United States Senate, That the Senate requests—

(1) that the Soviet Union release the prison records of Raoul Wallenberg and account for his whereabouts; and

(2) that the President pursue, through diplomatic actions with the Soviet Union, such release and accounting.

● Mr. MOYNIHAN. Mr. President, today marks the 77th birthday of Raoul Wallenberg—if he yet survives in the Gulag. I rise to submit a concurrent resolution calling on the Soviet Union to release the prison records of Mr. Wallenberg and account for his whereabouts.

Mr. President, one of the most striking aspects of the end of totalitarianism is the effort among such nations to recover their history. For the Soviet Union, the disappearance of Raoul Wallenberg is a story that cries out to be told.

During World War II Mr. Wallenberg was a Swedish diplomat posted to Hungary. Early in 1944 the Nazi's occupied Budapest and began the mass arrest of Jews, sending some one-half million off to death camps, the final atrocity of the Nazi regime. Wallenberg, helped with American funds, responded by issuing Swedish passports to as many Jews as he could reach. Thousands of lives were saved, including that of TOM LANTOS, now a Member of Congress from California. Then the Red army arrived. Wallenberg was arrested and has not been heard of since.

Almost certainly Raoul Wallenberg was murdered by Stalin. But it could just be he is still alive. We have been trying to find out for years, with no response whatever. He was made an honorary American citizen in 1981. I raised the question with Hungarian Minister of Justice Anton Kulcsar. Not 2 years ago the query would have been dismissed. Not now. The Minister of Justice stated that the fate of Raoul Wallenberg required a "profound investigation."

We welcome such an investigation. And we call on the Soviet Union to contribute to this effort by releasing the prison records of Raoul Wallenberg and accounting for his whereabouts.●

SENATE CONCURRENT RESOLUTION 61—RELATING TO HUMAN RIGHTS IN BURMA

Mr. MOYNIHAN submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 61

Whereas the people of Burma are currently ruled by an unelected military government that does not govern by the consent of the people;

Whereas Burmese citizens from all social classes and ethnic backgrounds are striving to replace military rule with a democratic government;

Whereas hundreds of thousands of Burmese citizens demonstrated peacefully for democratic change in August and September 1988;

Whereas the Burmese Government violently suppressed these peaceful demonstrations, killing thousands of unarmed civilians and forcing others to flee for their lives;

Whereas the Government of Burma has pledged to hold free and fair elections in Burma by May 1990;

Whereas despite this commitment, the Burmese military has heightened restrictions on Burma's political opposition, imprisoning hundreds of political activists and placing National League of Democracy leaders Aung San Suu Kyi and U Tin Oo under house arrest;

Whereas the Government of Burma has also continued to obstruct peaceful opposition protests and has continued to use deadly force against demonstrators;

Whereas the procedural rights of persons charged with political offenses have been severely curtailed through martial law orders bestowing judicial authority on military commanders and empowering them to conduct summary trials that lack basic safeguards; and

Whereas independent human rights monitors report patterns of severe beatings of opposition activists during interrogations, in some cases leading to death: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) calls upon the Government of Burma to—

(A) remove house arrest orders imposed on Aung San Suu Kyi and U Tin Oo;

(B) release all persons imprisoned for the peaceful expression of their views;

(C) abandon martial law restrictions on the right to a fair trial and provide all persons charged with crimes with access to lawyers and family members, adequate time to prepare defenses, and the opportunity to have cases heard by an impartial tribunal;

(D) order thorough investigations of reports of torture and pursue prosecutions against those believed to be responsible for mistreatment of detainees;

(E) permit opposition political parties to operate freely in Burma and, in particular, to exercise their rights of free association, expression, and assembly without fear of arrest, imprisonment, or prosecution; and

(F) maintain its commitment to hold free and fair elections in Burma by May 1990;

(2) calls upon all nations to withhold foreign assistance from the Government of Burma until a democratically elected government assumes office; and

(3) calls upon the President, the Secretary of State, the United States Permanent Representative to the United Nations, and the United States Ambassador to Burma to—

(A) condemn publicly the heightened level of repression in Burma; and

(B) encourage free and fair elections by May 1990 and the provision of international observers for such elections.

SENATE CONCURRENT RESOLUTION 62—RELATING TO POLITICAL ASYLUM TO JOSEPH PATRICK DOHERTY

Mr. DODD submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 62

Whereas Joseph Patrick Doherty, a citizen of the Republic of Ireland and of the United Kingdom, was convicted in a special non-jury British Diplock court in 1981 of offenses related to an incident involving the death of a British Army soldier and was sentenced to life imprisonment;

Whereas Joseph Patrick Doherty escaped from prison and fled to the United States, where he was arrested on June 18, 1983, pursuant to a deportation warrant;

Whereas Joseph Patrick Doherty has been a prisoner in the Federal prison system since June 18, 1983, solely because of extra-

dition proceedings and charges of having illegally entered the United States;

Whereas on June 28, 1983, the United Kingdom, acting through the United States Department of Justice, requested the extradition of Joseph Patrick Doherty to the United Kingdom;

Whereas on Dec. 12, 1984, the United States District Court of the Southern District of New York in the action styled Matter of Doherty, 599 F.Supp. 270 (1984), denied the request for extradition on the ground that the acts for which the British government sought Joseph Patrick Doherty were within the political offense exception of the then existing extradition treaty between the United States and the United Kingdom;

Whereas on November 14, 1988, the Board of Immigration Appeals ruled to allow Joseph Patrick Doherty to apply for political asylum in the United States, superseding an earlier order by the Attorney General of the United States ordering Joseph Patrick Doherty deported to the same country (the United Kingdom) to which his extradition had been previously denied.

Whereas in so ruling the Board of Immigration Appeals expressly stated that Joseph Patrick Doherty had submitted sufficient evidence to establish a prima facie claim of a well-founded fear of persecution if returned to the United Kingdom; and

Whereas on June 18, 1989, Joseph Patrick Doherty began his seventh year of federal confinement, despite the fact that he has never been convicted of, nor even charged with, a criminal offense in the United States—circumstances which only serve to heighten legitimate concerns about the most fundamental violations of basic due process rights; Now, therefore, be it

Resolved, by the Senate (the House of Representatives concurring), That—

(1) the Congress commends the decision of the Board of Immigration Appeals to allow Joseph Patrick Doherty to apply for political asylum in the United States, and expresses its concern at the decisions of Attorney Generals Meese and Thornburgh, which in ignoring successive decisions in favor of Joseph Patrick Doherty duly rendered by immigration judges and by the BIA, raise serious issues of denial of due process; and

(2) it is the sense of Congress that—

(A) the Attorney General of the United States should respect the decision of the BIA and permit Joseph Patrick Doherty the hearing ordered by the BIA on his claim for political asylum; and

(B) Joseph Patrick Doherty's request to be released on bond, pending the final outcome of the immigration proceedings, should be immediately addressed.

● Mr. DODD. Mr. President, the American people correctly react with revulsion to violations of human rights around the world. Earlier this summer, the American people were shocked by events in the People's Republic of China, as a government unconstrained by the rule of law systematically denied the Chinese people their basic human rights. Regrettably, these conditions continue to this day. If nothing else, they should serve to remind us all of the importance of the rule of law and the need for an unwavering commitment to constitutional guarantees and the protection of individual rights. With respect to that commitment, I want to direct the attention of the Senate to the case of Joseph Patrick Doherty.

Joe Doherty is a citizen of the United Kingdom and the Republic of Ireland. he was arrested on June 18, 1983, while at work in New York City. Since then, except for periods of unjustified solitary confinement in upstate New York, Joe Doherty has been locked up in the Metropolitan Correctional Center in Manhattan, a Federal facility designed for short-term, pretrial detention.

Joe Doherty's incarceration, however, has been neither short-term nor pretrial. The day of June 18, 1989 marked the beginning of his 7th year of confinement there, and he continues to be the longest held prisoner in the history of the Metropolitan Correctional Center. Moreover, Doherty has been neither convicted of any crime in this country, nor even charged with any offense more serious than illegal entry.

Mr. President, confining an individual for more than 6 years without charging him with, let alone convicting him of, anything more serious than illegal entry should set off alarm bells in the consciences of all Americans. In America, people are not supposed to be imprisoned without just cause. In America, an individual charged with an offense is entitled to rapid and fair disposition of his case. That is the first reason why Congress should protest the continuing mistreatment of Joseph Patrick Doherty.

The other reason is that the Justice Department has consistently refused to abide by the decisions of properly constituted judicial bodies regarding the Doherty case. On December 12, 1984, the U.S. District Court for the Southern District of New York denied the Justice Department's request that Joe Doherty be extradited to the United Kingdom. Twice the administration sought to have this ruling overturned. Twice more the administration's assertions were rejected by the courts. Following this outcome, Doherty requested deportation to the Republic of Ireland. Three times the Government made its case, claiming in the end that Doherty's return to the United Kingdom was essential to further the administration's foreign policy objectives. Three times, the Justice Department's case for having Doherty deported only to the United Kingdom was rejected by the Justice Department's own immigration officials.

I believe that the Justice Department is entitled to take a position in a case of this nature, if it thinks it must do so in support of a broader Government interest or policy. I may not agree with the policy in the Doherty case, for example, but the Justice Department is entitled to its day in court. It is essential, however, that the Justice Department abide by the final outcome of litigation. If it does not, it undermines the rule of law in this country.

In the Doherty case, the Attorneys General have consistently claimed the power to review the final results of legal proceedings, and to overrule them. On July 14, 1988, Attorney General Meese, as one of his last official acts before stepping down, overruled the decisions of administrative law bodies, and ordered Doherty deported to the United Kingdom. On November 14, 1988, the Board of Immigration Appeals held that Joe Doherty was entitled to apply for political asylum in this country. On June 30, 1989, Attorney General Thornburgh overruled this decision, denying Doherty a hearing on his request for political asylum.

Mr. President, the decisions of the Attorney General in this case make a mockery of our justice system. It is one thing for an Attorney General to direct people under his charge to pursue a particular course in litigation. It is quite another, however, for an Attorney General to make himself judge as well as prosecutor. Such an aggrandizement of power seriously threatens the impartial application of justice in this country. It is to be expected from a kangaroo court in China, but not from the chief law enforcement officer of the United States of America.

In response to the Justice Department's mistreatment of Joe Doherty, I am today introducing, along with my distinguished colleague from Utah, Senator HATCH, a concurrent resolution regarding this case. This resolution commends the Board of Immigration Appeals for its decision that Joe Doherty be permitted to apply for political asylum in this country, and calls on the Attorney General to recant his recent order overruling this Board of Immigration Appeals' decision. In addition, this resolution calls on authorities to give immediate consideration to Joe Doherty's request to be released on bond, pending the completion of immigration proceedings.

Mr. President, we cannot and should not tolerate human rights abuses anywhere in the world, neither abroad in Beijing, nor at home in New York. Such abuses are completely antithetical to the ideals of freedom and democracy that we cherish so deeply, and constitute a threat to us all. For this reason, we owe it to ourselves, if not to Joe Doherty himself, to protest the Justice Department's actions in this case by approving this concurrent resolution.●

SENATE CONCURRENT RESOLUTION 63—RELATING TO THE MARITIME POLICY OF THE UNITED STATES

Mr. BREAUX (for himself, Mr. HOLLINGS, Mr. LEVIN, Mr. PELL, Mr. ADAMS, Mr. EXON, Mr. SASSER, Mr. GORE, Mr. HEFLIN, and Mr. PRYOR) submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 63

Whereas a strong and economically healthy United States-flag merchant marine has been encouraged and promoted since the founding of this Nation to provide essential service to the national defense of the United States, and to promote our commerce in foreign and domestic markets;

Whereas the United States merchant marine has historically been an integral element of national security and defense policy;

Whereas the Omnibus Trade and Competitiveness Act of 1988 governs international ocean shipping practices, thus contravening the inclusion of maritime transportation issues in multilateral trade regimes;

Whereas the Congress and the President, in excluding maritime transportation services from the United States-Canada Free Trade Agreement, recognized the unique national security aspects of this industry; and

Whereas any trade agreement restricting the power of Congress to foster and promote the United States-flag merchant marine would be contrary to the national defense and economic security policy of this Nation: Now, therefore be it

Resolved by the Senate (the House of Representatives concurring), That the Congress strongly urges the President to ensure that the United States does not submit a proposal to include maritime transportation in the forthcoming General Agreement on Tariffs and Trade discussions regarding Agreement on Tariffs and Trade discussions regarding trade-in-services industries, that any proposals made by other nations to include maritime transportation are opposed by the United States, and that any other proposals which could result in a contraction of the United States-flag merchant marine or could restrain or restrict the ability of the Congress to adopt new measures relating to United States maritime policy are opposed by the United States, because of the disastrous impact such proposals would have on the merchant marine, national security, and existing regimes for addressing unfair ocean transportation practices, and because such results would gravely imperil the outcome of the entire negotiation.

● Mr. BREAUX. Mr. President, today I am submitting a Senate concurrent resolution which urges the administration to refrain from placing maritime services on the table during the GATT negotiations. I am pleased to be joined in this effort by: Senators HOLLINGS, PELL, SASSER, GORE, EXON, HEFLIN, PRYOR, LEVIN, and ADAMS.

I introduced a similar resolution last year, Senate Concurrent Resolution 166, and had hoped that the new administration would refrain from any discussion that maritime services be included in the upcoming round of GATT negotiations.

Maritime services cannot be considered in the same light as other services, such as telecommunications, banking or insurance. While those industries are certainly important to the national economy, they are not essential components of our national defense and security. These businesses are international in nature and it is quite logical that they would be considered during the GATT negotiations which are aimed at opening up new worldwide markets.

The merchant marine, and the associated laws programs for its support, however, are vastly different from those other commercial services. Our national defense and security are based in large part upon the existence of a domestic merchant marine, and upon the ability to move large volumes of goods overseas during a time of national emergency.

Any attempt to open up the U.S. maritime markets, is a direct threat to our merchant marine industry. For the last decade, the U.S. fleet has faced relentless foreign competition, and the effects of this competition can be seen in the declining number of ships in operation, idled shipyards, and a shrinking share of the world market. It is unwise and unsound to take a step now that will encourage foreign competition in the last protected maritime market, especially since the competition would be from East bloc and Third World nations.

In 1987, a propsal was made to open the United States maritime markets as part of the Canada-United States Free-Trade Agreement. In response to that proposal, 55 Senators joined me in sponsoring Senate Concurrent Resolution 69, which called on the administration to withdraw maritime services from the negotiating table. Our efforts were successful and maritime services were withdrawn from consideration, and there is no reason why these services should be included in the broader framework of the GATT.

Mr. President, there is no question that the U.S. maritime industry is in serious difficulty. The head of the military transportation command, General Cassidy, has stated repeatedly, in my committee and others, his concern about the ability of the U.S. Merchant Marine to respond to a national emergency. He has been calling for steps to revitalize all segments of the merchant marine; ship building, operations and manpower, to ensure its ability to meet national defense needs. In light of this, it is inconceivable that this administration would propose something which would have a direct, immediate and adverse impact upon our merchant marine.

The concurrent resolution will convey to the administration the strongly held belief within the Congress that maritime services should not be part of international negotiations, any more than any other national defense area should be on the table.●

SENATE CONCURRENT RESOLUTION 64—CALLING FOR THE EXTRADITION OF SHEIK ABDUL OBEID TO THE UNITED STATES

Mr. GRASSLEY (for himself and Mr. DECONCINI) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 64

Whereas freedoms throughout the world are under attack from cowards commonly known as terrorists;

Whereas these terrorists ply their trade, hidden in shadows, with attacks against the innocent and defenseless;

Whereas among the victims who suffer at the hands of these cowards are those who are held hostage, often for periods that extend into years;

Whereas these gangsters now have taken to executing their captives;

Whereas one of their victims is a brave United States Marine Lieutenant Colonel, William R. Higgins, who was murdered after being ensnared in February 1988;

Whereas when he was seized, Lieutenant Colonel Higgins was in the service of his country and the world, as a man charged with keeping the peace, on a United Nations mission;

Whereas a leader of terrorists, Sheik Abdul Obeid, has admitted, by his own words, that he is responsible for the kidnapping of Lieutenant Colonel Higgins;

Whereas Lieutenant Colonel Higgins was tortured and murdered;

Whereas Obeid is in the custody of the Israeli Government;

Whereas Obeid's terror gang, Hezbollah, has been identified by the United States Department of Defense as being responsible for many attacks against Americans, including the cowardly murder of 241 United States Marines in Beirut in 1983; and

Whereas the Hezbollah gang and its chief, Abdul Obeid, were identified as being responsible for the 1985 hijacking of Trans World Airlines Flight 847 and the cold-blooded torture and murder of United States Navy diver Robert Stetham: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) calls upon the President and the Secretary of State to take the action deemed necessary to demonstrate American resolve; and

(2) calls upon the President—

(A) to seek the immediate extradition of Abdul Obeid from Israel to the United States pursuant to the 1962 extradition convention between the United States and Israel; and

(B) to ensure that, upon entry into the United States, Obeid is arrested on charges regarding the kidnapping and murder of Lieutenant Colonel Higgins and prosecuted to the fullest extent of the law under sections 1203 and 2331 of title 18, United States Code.

Mr. GRASSLEY. Mr. President, I rise to submit a concurrent resolution urging the President to seek the extra-

dition of Shiek Obeid, the individual responsible for the kidnapping of Lt. Col. William Higgins and other American hostages.

Terrorists must be held accountable for their actions. Obeid should be tried in a U.S. court of law for his crimes. This resolution is intended to ensure that Obeid is brought to justice.

Mr. President, every means within our power must be used to combat terrorism. That includes a military response, where appropriate, and it means diplomatic initiatives. Certainly, the President has, in the last week, pursued every possibility in an effort to resolve this latest hostage crisis. Diplomacy seems to be having some positive effect. The Governments of Iran and Syria have heard the message loud and clear: The United States won't tolerate their giving safe haven to terrorists. Their hospitality to terrorists gives them influence over the terrorists, and our message has been, use that influence to end the killing.

But, we must do more. We need to put an end to terrorism. Enforcing the rule of law against these criminals is a step toward that goal. News reports indicate that Obeid is frightened about being tried in a U.S. court. That shows the power of the rule of law.

We can't let this opportunity pass. No one has paid for the murders of Americans killed when our Beruit Embassy was blown up. And, there has been no accountability for the murder of our marines in Lebanon. Buckley's torturers and killers have not been called to account. And we've taken no action against the masterminds behind Pan Am 103.

Our caution threatens to paralyze us. The Israelis caught a big fish in this terrorist network. Let's put him out of business in a U.S. court of law.

SENATE CONCURRENT RESOLUTION 65—ESTABLISHING DRUG COMMITTEES ON THE TWO HOUSES OF CONGRESS

Mr. DOLE (for himself and Mr. D'AMATO) submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

S. CON. RES. 65

Resolved by the Senate (the House of Representatives concurring),

The following standing committees shall be appointed at the commencement of each Congress, and shall continue and have the power to act until their successors are appointed, with leave to report by bill or otherwise on matters within their respective jurisdiction, provided that said committees shall cease to exist five years after their appointment:

Committee on National Drug Control Policy of the Senate and Committee on National Drug Control Policy of the House of Representatives, to which committees shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the subject of illicit narcotics.

The said committees shall consist of the chairman and ranking minority members of the following committees:

Committee on Appropriations;
Committee on Armed Services;
Committee on the Budget;
Committee on Commerce, Science, and Transportation (Senate);
Committee on Energy and Commerce (House);
Committee on Merchant Marine (House);
Committee on Finance (Senate);
Committee on Ways and Means (House);
Committee on Foreign Relations (Senate);
Committee on Foreign Affairs (House);
Committee on Intelligence;
Committee on the Judiciary;
Committee on Labor and Judiciary;
Committee on Labor and Human Resources (Senate); and
Committee on Education and Labor (House)

together with the Minority leaders of the two Houses and in the case of the House, the Speaker, and in the case of the Senate, the majority leader.

Provided, that any committee shall have the right to have referred to them for their recommendations back to the Drug Committee, any matter in any bill under their jurisdiction.

Provided further, That no hearings involving the testimony of the Director of the Office of National Drug Control Policy or either of his two deputies shall be conducted by any other committee of the Congress, except for the Committee on Drugs.

SENATE CONCURRENT RESOLUTION 66—TO ESTABLISH A JOINT DRUG COMMITTEE IN THE TWO HOUSES OF CONGRESS

Mr. DOLE (for himself and Mr. D'AMATO) submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

S. CON. RES. 66

Resolved by the Senate (the House of Representatives concurring),

The following joint committee shall be appointed at the commencement of each Congress, and shall continue and have the power to act until successors are appointed, with leave to report by bill or otherwise on matters within its jurisdiction, provided that the said committee shall cease to exist five years after its appointment:

Committee on National Drug Control Policy of the Senate and House of Representatives, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the subject of illicit narcotics.

The committee shall consist of the chairmen and ranking minority members of the following committees:

Committee on Energy and Commerce (House);
Committee on Foreign Relations (Senate);
Committee on Foreign Affairs (House);
Committee on the Judiciary;
Committee on Labor and Human Resources (Senate);
Committee on Education and Labor (House)

together with the minority leaders of the two Houses and in the case of the House, the Speaker and one designee each of the Speaker and the minority leader, and in the case of the Senate, the majority leader, and two designees each of the two leaders.

Provided, That any committee shall have the right to have referred to them for their recommendations back to the Drug Committee, any matter in any bill under their jurisdiction.

Provided further, That no hearings involving the testimony of the Director of the Office of National Drug Control Policy or either of his two deputies shall be conducted by any other committee of the Congress, except for the Committee on Drugs.

SENATE CONCURRENT RESOLUTION 67—PROVIDING FOR A CONDITIONAL RECESS OR ADJOURNMENT OF THE SENATE AND A CONDITIONAL ADJOURNMENT OF THE HOUSE

Mr. MITCHELL submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 67

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns at the close of business on Friday, August 4, 1989, or Saturday, August 5, 1989, pursuant to a motion made by the majority leader, or his designee, in accordance with this resolution, it stand recessed or adjourned until 12 o'clock noon on Wednesday, September 6, 1989, or until 12 o'clock noon on the second day after Members are notified to reassemble pursuant to section 2 of this resolution, whichever occurs first; and that when the House adjourns on Friday, August 4, 1989, or Saturday, August 5, 1989, pursuant to a motion made by the majority leader, or his designee, in accordance with this resolution, it stand adjourned until 12 o'clock noon on Wednesday, September 6, 1989, or until 12 o'clock noon on the second day after Members are notified to reassemble pursuant to section 2 of this resolution, whichever occurs first.

SEC. 2. The majority leader of the Senate and the Speaker of the House, acting jointly after consultation with the minority leader of the Senate and the minority leader of the House, shall notify the Members of the Senate and the House, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

SENATE RESOLUTION 168—RELATING TO THE FREE-TRADE OF LIVESTOCK BETWEEN THE UNITED STATES AND MEXICO

Mr. DOMENICI (for himself and Mr. GRAMM) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 168

FINDINGS.—The Congress finds that—

(1) The federal government of the Republic of Mexico recently issued new regulations regarding the importation of livestock

(2) These regulations ban the importation of certain classes of livestock as well as require excessive health restrictions and certification for imported animals

(3) These regulations erect barriers to livestock trade between the two countries

(4) These regulations are not consistent with the General Agreement on Tariffs and Trade which advocates free trade between all nations and the elimination of tariff and non-tariff trade barriers

(5) The Republic of Mexico is a member of the General Agreement on Tariffs and Trade: Now, therefore, be it

Resolved, That it is the Sense of the Congress that conditions have recently developed in the livestock trade between the United States and the Republic of Mexico such that the Secretary of Agriculture and the United States Trade Representative should review this grave situation in an expeditous manner and work with the appropriate officials in the Republic of Mexico to achieve free livestock trade between the two nations.

Mr. DOMENICI. Mr. President, I was hopeful that on the disaster assistance bill for agriculture producers we could have adopted a very simple resolution. But the House found the resolution unsatisfactory, even though the Senate adopted it night before last. I would like to take 1 minute to express my views on this resolution, and then reintroduce it. Hopefully it will be referred to the appropriate committee.

In the appropriations bill before us, the appropriations subcommittee, the full committee and, thus, the U.S. Congress is engaged in a capital improvement initiative for United States-Mexico border facilities. Since 1988 and hopefully continuing into 1990, our efforts to improve the border facilities between these countries have been truly gratifying. If one could have seen these border crossings before we started modernization, they were actually—I hesitate to use the word—but they were a disgrace. Not only to our country, but they were also inadequate to handle the commerce between the two countries. We are doing everything we can to increase, in an ordinary, normal, and mutually beneficial manner, the trade between the Republic of Mexico and the United States.

I regret to say that while this improvement is occurring, the Republic of Mexico has recently issued new regulations regarding the importation of livestock. These regulations ban the importation of certain classes of livestock as well as require excessive health restrictions and certification for the importation of animals. These regulations essentially erect barriers to livestock trade between our two countries. They are not consistent with the General Agreement on Tariffs and Trade [GATT] which advocates free trade between all nations and the elimination of tariff and non-tariff trade barriers. Mexico has recently joined the GATT.

It seems to me that we ought to send a signal to Mexico that we do not expect to sit by and watch them adopt regulations in the name of health that are excessive and, to a great extent, unreasonable. We do not intend to sit by and watch them deny the export to their country of ewes which the people of Mexico want or need to buy, while our cattle market may soon be filled with Mexican steers. Through this subterfuge, they are denying us access to their markets.

This resolution expresses these concepts. In the RECORD I would like to include the letter which we have sent to the Secretary of Agriculture and to our Trade Representative which sets forth these facts. The letters urge that they enhance efforts to resolve this issue with the appropriate officials in Mexico as soon as possible to see what can be done about returning this aspect of our livestock trade to normalcy.

I send this resolution which is cosponsored by the distinguished junior Senator from Texas [Mr. GRAMM] and letters to the two Cabinet members to the desk. I ask unanimous consent that the resolution be appropriately referred and the letters be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON THE BUDGET,
Washington, DC, August 5, 1989.

Hon. CLAYTON YEUTTER,
Secretary, Department of Agriculture, Washington, DC.

DEAR SECRETARY YEUTTER: We are writing to express our concern that the federal government of the Republic of Mexico has issued anti-trade and discriminatory regulations regarding the importation of livestock. These regulations will act as barriers to trade and will have severe economic impacts on sheep producers in New Mexico and Texas.

Recently, Mexico issued import requirements for all types of livestock. The most significant of these are for slaughter animals. These actions have virtually shut down slaughter sheep and goat exports from the United States to Mexico.

This action by the government of Mexico is a clear, protectionist attempt to inhibit free trade between the two countries. These trade barriers will negatively influence prices received by our producers and damage business relations between the two countries which have taken years to establish.

The Republic of Mexico is a member of the General Agreement on Tariffs and Trade (GATT) which advocates the elimination of tariff and non-tariff trade barriers. Mexico's new livestock import regulations are in conflict with these principles.

While Mexico is, in effect, banning sheep and goat imports into that nation, they will be increasing their cattle exports to the United States. Relatively strong U.S. feeder cattle prices, lower duties on steer exports from Mexico and drought conditions in the northern states of Mexico will result in large numbers of steers entering the United States in the coming months. We believe ranches in the United States should have the opportunity to export freely to Mexico, as imports from Mexico enter this country.

We have sponsored and introduced a Resolution (enclosed) expressing the sense of the Senate on this grave situation. We ask that you enhance your investigation of the recent actions by the government of Mexico, and, in the most expeditious manner, work to achieve free livestock trade between our countries.

We look forward to your response and seeing this difficult issue quickly resolved.

Sincerely,

PHIL GRAMM,
U.S. Senator.
PETER V. DOMENICI,
U.S. Senator.

SENATE RESOLUTION 169—RELATING TO THE EFFORTS OF DOBROSLAV PARAGA FOR HUMAN RIGHTS IN YUGOSLAVIA

Mr. DIXON (for Mr. RIEGLE, for himself, Mr. SIMON, Mr. DIXON, Mr. HELMS, Mr. LEVIN, and Mr. KENNEDY) submitted the following resolution; which was considered and agreed to:

S. RES. 169

Whereas Dobroslav Paraga, who has twice been adopted as a prisoner of conscience by Amnesty International, has endured hardship for openly calling on the Yugoslav government to honor its commitments under the Helsinki Accords to respect the fundamental human rights of all the citizens of Yugoslavia,

Whereas Dobroslav Paraga has been tried on three occasions by Yugoslav courts, the initial charge being that, in 1980, he, along with a Jewish Croatian student, Ernest Brajder, authored a petition opposing torture in Yugoslavia and calling for the release of political prisoners;

Whereas, as a result, both men were arrested and, three days later, Ernest Brajder died under what the Department of State calls "mysterious circumstances";

Whereas, in 1986, Mr. Paraga sued the government of Yugoslavia for injuries, both physical and psychological, inflicted on him by prison authorities during his imprisonment;

Whereas the regime and court in Zagreb denied him a fair and just trial, an account of which was set forth in the Department of State's annual Country Report on Human Rights Practices for 1987;

Whereas the Yugoslav Government forbade Mr. Paraga in 1987 to speak out publicly in any way about his experiences as a political prisoner;

Whereas, in violation of that order of silence, Dobroslav Paraga has come to the West to speak out about human rights abuses in Yugoslavia;

Whereas, upon his return to Yugoslavia, Dobroslav Paraga risks imprisonment again because of his open criticism of the Yugoslav Government's human rights abuses;

Resolved, That it is the sense of the Senate that—

(1) the Government of Yugoslavia, in recognition of the provisions of the Universal Declaration of Human Rights, should guarantee its citizens fundamental human rights and freedoms;

(2) the Yugoslav Government should grant unconditional amnesty to all political prisoners;

(3) the Government of Yugoslavia should dismiss the charges currently pending against human rights activist Dobroslav Paraga, allow him and his family to return to their home in Croatia, and end all forms

of harassment against him and his family; and

(4) the Government of Yugoslavia should conduct an investigation into the death of Ernest Brajder, who, according to the Department of State, died under "mysterious circumstances", and should make its findings public.

SENATE RESOLUTION 170—TO ESTABLISH A DRUG COMMITTEE IN THE SENATE

Mr. DOLE (for himself and Mr. D'AMATO) submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 170

Resolved,

The following standing committee shall be appointed at the commencement of each Congress, and shall continue and have the power to act until successors are appointed, with leave to report by bill or otherwise on matters within its jurisdiction, provided that the said committee shall cease to exist five years after its appointment:

Committee on National Drug Control Policy of the Senate to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the subject of illicit narcotics.

The said committee shall consist of the Chairman and Ranking Minority members of the following Committees:

Committee on Appropriations;
Committee on Armed Services;
Committee on the Budget;
Committee on Commerce, Science, and Transportation;
Committee on Finance;
Committee on Foreign Relations;
Committee on Intelligence;
Committee on the Judiciary; and
Committee on Labor and Human Resources.

together with the Majority and Minority Leaders.

Provided, That any committee shall have the right to have referred to them for their recommendations back to the Drug Committee, any matter in any bill under their jurisdiction.

Provided further, That no hearings involving the testimony of the Director of the Office of National Drug Control Policy or either of his two deputies shall be conducted by any other committee, except for the Committee on Drugs.

SENATE RESOLUTION 171—APPOINTING A SENATE DELEGATION TO HOST A CONFERENCE ON GLOBAL ENVIRONMENTAL ISSUES

Mr. GORE (for himself, Mr. HEINZ, Mr. MITCHELL, Mr. PELL, Mr. BAUCUS, and Mr. WIRTH) submitted the following amendment; which was considered and agreed to:

S. RES. 171

Resolved, That (a) (1) the President pro tempore of the Senate is authorized to appoint a special delegation of Members of the Senate (hereafter in this resolution referred to as the "delegation") that shall host an international conference, to be held in the United States, on global environmental issues, as described in paragraph (2).

(2) The conference referred to in paragraph (1) is a conference held for the purpose of discussing the implications of the global environmental threat to the peoples of the world, conceptions regarding measures to contain further damage, measures to deal with damage which is already in the process of materializing, and the problem of allocating a just share of the responsibilities and burdens involved in the essential, common task.

(b) The Senate delegation shall be composed of five Members of the Senate, appointed as follows:

(1) Four Members of the Senate from the majority party, one of whom shall serve as chairman of the Senate delegation, to be appointed by the President pro tempore of the Senate, upon the recommendation of the Majority Leader.

(2) Three Members of the Senate from the minority party, to be appointed by the President pro tempore of the Senate, upon the recommendation of the Minority Leader.

(c) Any vacancy in the membership of the delegation shall be filled in the same manner as the original appointment.

SEC. 2(a) (1). The Chairman shall designate Senate employees who shall provide professional staff support and expertise for the delegation. Only such staff members and secretaries who are employees of a Senator or a Senate Committee may perform professional services for the delegation.

(2) The Majority Leader, in consultation with the Chairman, shall designate such a Senate employee to be Chief Counsel to the delegation.

(b) Only designated delegation staff may participate in the official activities of the delegation.

SEC. 3(a). All administrative support and services for the delegation shall be provided by the Office of the Secretary of the Senate, under the direction of the Secretary.

(b) The Secretary is authorized, from funds made available under section 4, to employ such staff at an annual rate of pay, and incur such expenses, including official reception and representation expenses, as may be necessary or appropriate to carry out his duties and functions for the delegation.

(c) In carrying out his functions, the Secretary may, with the prior approval of the Senate Committee on Rules and Administration, procure the temporary (not to exceed one year) or intermittent service of individual consultants, or organizations thereof, in the same manner and under the same conditions as a standing committee of the Senate may procure such services.

SEC. 4. The expenses of the delegation, as authorized under section 3, including the employment of consultants, shall not exceed $500,000 and shall be paid from the contingent fund of the Senate, out of the account of Miscellaneous Items, upon vouchers approved by the Secretary of the Senate, after consultation with the Chairman and the Majority Leader (except that vouchers shall not be required for the disbursement of salaries of employees who are paid at an annual rate).

SEC. 5. The delegation may submit periodic reports on its activities to the Senate and shall submit a final report at the time of its termination.

SEC. 6. This resolution shall terminate at the conclusion of the One hundred-first Congress.

AMENDMENTS SUBMITTED

OILSPILL COMPENSATION AND LIABILITY ACT

STEVENS AMENDMENT NO. 686

Mr. STEVENS proposed an amendment to amendment No. 666 proposed by Mr. BREAUX to the bill (S. 686) to consolidate and improve laws providing compensation and establishing liability for oilspills, as follows:

Amendment No. 666, to make certain perfecting amendments to S. 686, is amended on page 41 by inserting after line 20 the following new paragraph:

"(3) for any claims against the Trans-Alaska Pipeline Liability Fund, the term "damages" shall include but not be limited to the loss of taxes, fees, royalties, rents, or other revenues incurred by a political subdivision of a state due to the injury, destruction, or loss of real property, personal property, or natural resources, or diminished economic activity due to the discharge. This definition shall be deemed to be effective as of January 1, 1989.

STEVENS AMENDMENT NO. 687

Mr. STEVENS proposed an amendment, which was subsequently modified, to the bill S. 686, supra, as follows:

On page 30, line 17, after the period, insert the following new sentence:

"Such agreements shall provide for political subdivisions of the State to receive payments for reasonable removal costs and may authorize advance payments from such account to facilitate such efforts".

STEVENS AMENDMENT NO. 688

Mr. STEVENS proposed an amendment to the bill S. 686, supra, as follows:

On page 34, after line 4, insert:

S. 686 is amended by adding the following new subsection to section 103:

"(k) In the expenditure of Federal funds for removal of oil, including, but not limited to, distribution of supplies construction and other reasonable and appropriate activities, which may be carried out by contract or agreement with private persons, preference shall be given, to the extent feasible and practicable, to those private persons residing or doing business primarily in the area affected by the discharge of oil. This section shall not be considered to restrict the use of the Department of Defense resources.".

STEVENS (AND KERRY) AMENDMENT NO. 689

Mr. STEVENS (for himself and Mr. KERRY) proposed an amendment to the bill S. 686, supra, as follows:

At the appropriate place insert:

SCIENTIFIC SUPPORT FOR MAJOR COASTAL AND MARINE OILSPILLS

SEC. 20X (a) REQUIREMENT FOR SCIENTIFIC SUPPORT.—The Secretary of Commerce shall maintain a staff of experts trained in oceanography, marine biology, chemistry, computer and environmental sciences to re-

spond to major oilspills in coastal and marine waters. Selected members of this staff shall be colocated with Coast Guard District offices and available to assist Federal On-Scene Coordinators in the discharge of their duties.

(b) FUNCTIONS OF THE SCIENTIFIC SUPPORT TEAM.—The functions of the scientific support team referred to subsection (a) shall be as follows:

(1) Provide for coordination of scientific activity and serve as a clear point of contact between the scientific community and the Federal On-Scene Coordinator during major oilspills;

(2) Forecast the movement and spreading of oilspills in the marine environment;

(3) Develop a computerized atlas of the environmental sensitivity of the coastline of the United States to oil pollution, indicating priorities for the protection of especially sensitive or vulnerable sections of the coast in the event of spill impacts;

(4) Develop a state-of-the-art mobile chemical laboratory of rapid deployment to the scene of major spills for the purpose of determining the composition and degradation of spilled oil and its effects on fisheries and other natural resources;

(5) Conduct systematic analyses of the environmental consequences of various cleanup techniques for the purpose of improving future responses;

(6) Develop computerized methods for managing scientific and operational information during major spills.

(7) Assist in the training of state and local government personnel in the scientific aspects of spill response.

(c) AUTHORIZATION OF FUNDING.—For the purposes of this section, there are authorized to be made available to the Department of Commerce, $5,000,000 for each of fiscal years 1989 through 1999. Any such funds shall be provided from the Trans-Alaskan Pipeline Liability Fund in accordance with the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1651 et seq.).

METZENBAUM AMENDMENT NO. 690

Mr. METZENBAUM proposed an amendment to the bill S. 686, supra, as follows:

On page 14, line 23, and page 15, line 11, strike "$500" and insert in lieu therof "$1,000".

On page 15, line 3, strike "$300" and insert in lieu thereof "$600".

On page 15, line 8, 11, and 13, and page 16, line 23, strike "$100,000,000" and insert in lieu thereof "$350,000,000".

METZENBAUM (AND GORTON) AMENDMENT NO. 691

Mr. METZENBAUM (for himself and Mr. GORTON) proposed an amendment, which was subsequently modified, to the bill S. 686, supra, as follows:

At the appropriate place in the liability provision of this bill, insert the following:

SEC. . INCREASE IN LIABILITY FOR CERTAIN OILSPILLS, EXTENSION OF LIABILITY WITHOUT FAULT TO AREAS OF THE ARCTIC.

"The owner or operator of any facility, the holder of any lease, right-of-way or permit for oil exploration, development, or transportation shall be liable, under this Act, for all damages, and removal costs, sustained by any person, that arise out of or directly result from the discharge or substantial threat of discharge of oil from—

"(A) the Trans-Alaska Pipeline;

"(B) fields or reservoirs supplying oil to the Trans-Alaska Pipeline; and

"(C) onshore oil and gas exploration, development or transportation activities in areas on Alaska's North Slope, including State submerged lands.

"Notwithstanding section 204(a)(2) of the Trans-Alaska Oil Pipeline Act of 1973 (Public Law 93-153), liability under this section shall be limited to $350,000,000 for any one incident. Liability for such damages shall be in accord with the ordinary rules of negligence.".

CHAFEE AMENDMENT NO. 692

Mr. CHAFEE proposed an amendment to the bill S. 686, supra, as follows:

(1) Amend the third sentence of section 102(d)(1) to read as follows:

"Sums recovered by the United States Government as trustee under this subsection shall be retained by the trustee, without further appropriation, for use only to restore, replace, or acquire the equivalent of such natural resources, except that the use of such sums to acquire land or interests therein shall be subject to further appropriation and used as specifically provided in appropriation Acts.".

(2) Section 103(a)(6) is amended to read as follows:

"(6) the costs of Federal or State efforts to restore, rehabilitate, replace or acquire the equivalent of any natural resources injured, destroyed, or lost as a result of any discharge of oil, except that Federal efforts to acquire land or interests therein shall be subject to such amounts as are specifically provided in appropriation Acts;".

TREASURY, POSTAL SERVICE, EXECUTIVE OFFICE OF THE PRESIDENT, AND INDEPENDENT AGENCIES APPROPRIATIONS, FISCAL YEAR 1990

NICKLES AMENDMENT NO. 693

Mr. NICKLES proposed an amendment to the bill (H.R. 2989) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain Independent Agencies for the fiscal year ending September 30, 1990, and for other purposes, as follows:

On page 50, line 25, strike the word "approval," and insert in lieu thereof the following: "approval; provided that this section shall take effect one day after enactment; provided further that the Senate backs the constitutional power of the President to make foreign policy.".

HELMS AMENDMENT NO. 694

Mr. HELMS proposed an amendment to amendment No. 693 proposed by Mr. NICKLES to the bill H.R. 2989, supra, as follows:

Strike all after the word "that" in line 5 of the amendment, and insert the following:

"Notwithstanding any other provision of law, no person who is a retired regular officer of the military service, who was graduated from the United States Naval Academy, who has served in Vietnam, and who has been awarded the Silver Star, the Bronze Star, and two Purple Hearts, shall be considered as holding an office of the United States for purposes of section 2071(b) of title 18 of the United States Code. Upon enactment, this provision will become effective as of May 1, 1989.".

FEDERAL MARITIME COMMISSION AUTHORIZATION ACT

BREAUX AMENDMENT NO. 695

Mr. BYRD (for Mr. BREAUX) proposed an amendment to the bill (H.R. 840) to authorize appropriations for fiscal year 1990 for the Federal Maritime Commission, and for other purposes, as follows:

At the end, add the following new section:

SEC. 4. (a) Notwithstanding sections 12106 through 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), the Secretary of Transportation may issue a certificate of documentation for employment in the coastwise trade or fisheries, or both, for the following vessels:

(1) African Queen, United States official number 947514 and Florida registration number FL 9357CE;

(2) American Empire, United States Official number 553645;

(3) HMS Discovery, Washington State registration number WAZ 9816 F; and

(4) Papa Joe, Florida registration number FL 3900CW.

(b) Notwithstanding sections 508 and 510(g) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1158 and 1160(g)), section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), and United States Department of Transportation Contract Numbered MA-3915 and amendments thereto, the Secretary of Transportation is authorized to allow, and the Secretary of the department in which the Coast Guard is operating may issue a certificate of documentation for, the vessel M/V Northern Victor (ex Ocean Cyclone, ex Coastal Spartan), United States official number 248959, to acquire, purchase, process, and transport fish and fish products in the fisheries of the United States: *Provided*, That if the vessel is scrapped, it shall not be scrapped other than in the domestic market without the prior approval of the Secretary of Transportation.

GLENN (AND METZENBAUM) AMENDMENT NO. 696

Mr. BYRD (for Mr. GLENN, for himself and Mr. METZENBAUM) proposed an amendment to the bill H.R. 840, supra, as follows:

At the end of the bill, add the following:

SEC. 4. Notwithstanding section 27 of Merchant Marine Act, 1920 (46 U.S.C. App. 883) and sections 12106 and 12107 of title 46, United States Code, the Secretary of the department in which the Coast Guard is operating may issue a certificate of documentation for employment in the coastwise trade of the United States for the vessel M/V South Bass (Registration number 949048).

ADJUSTMENT OF STATUS OF CERTAIN CHINESE NATIONALS

KENNEDY AMENDMENT NO. 697

Mr. MITCHELL (for Mr. KENNEDY) proposed an amendment to the bill (H.R. 2712) to facilitate the adjustment or change of status of Chinese nationals in the United States by waiving the 2-year foreign residence requirement for "J" nonimmigrants, as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Chinese Immigration Relief Act of 1989".

SEC. 2. STATUS OF CERTAIN NATIONALS OF THE PEOPLE'S REPUBLIC OF CHINA.

(a) WAIVER OF FOREIGN RESIDENCE REQUIREMENT FOR "J" NONIMMIGRANTS.—The 2-year home country residency and physical presence period requirement under section 212(e) of the Immigration and Nationality Act (8 U.S.C. 1182(e)) shall not apply in the case of any national of the People's Republic of China who is present in the United States on the date of the enactment of this Act (or who would have been present in the United States but for a brief, casual, and innocent departure from the United States), who is otherwise eligible for adjustment of status under the Immigration and Nationality Act during the period of time referred to in subsection (d), and who would otherwise be subject to that 2-year home residence requirement because of having had the status of a nonimmigrant described in section 101(a)(15)(J) of such Act (8 U.S.C. 1101(a)(15)(J)).

(b) PRESUMPTION OF CONTINUOUS RESIDENCE FOR CERTAIN PRC NATIONALS.—For purposes of any adjustment of status under section 245 of the Immigration and Nationality Act (8 U.S.C. 1255) or any change of status under section 248 of such Act (8 U.S.C. 1258) in the case of an alien who is a national of the People's Republic of China and who, as of June 5, 1989, was present in the United States in the lawful status of a nonimmigrant (or who would have been present in the United States in the status but for a brief, casual, and innocent departure from the United States), such an alien shall be considered as having continued to maintain lawful status as such a nonimmigrant (and to have maintained continuously a lawful status) for the period described in subsection (d).

(c) EMPLOYMENT AUTHORIZATION.—Any national of the People's Republic of China described in subsection (b) who, as of June 5, 1989, was present in the United States in the lawful status of a nonimmigrant described in subparagraph (F), (J), or (M) of section 101(a)(15) of the Immigration and Nationality Act (or who would have been present in the United States in the status but for a brief, casual, and innocent departure from the United States) shall be granted authorization to engage in employment in the United States and shall be provided with an "employment authorized" endorsement or other appropriate work permit during the period described in subsection (d).

(d) DURATION OF STATUS.—The period of time referred to in subsections (b), (c), and (e) is the period during which the Attorney General has in effect a deferral of enforced departure of nationals of the People's Republic of China.

(e) NOTIFICATION.—In the case of any national of the People's Republic of China who is eligible for deferral of enforced departure pursuant to a directive of the Attorney General during the period described in subsection (d) and whose authorized period of stay as a nonimmigrant has expired, the Attorney General shall, instead of initiating deportation proceedings against the alien (including the service of an order to show cause) during the period described in subsection (d), issue to the alien a notice of expiration of nonimmigrant status. Such notice shall be nonadversarial in nature and shall contain an explanation of the options available to such nationals under the directive of the Attorney General and under the Immigration and Nationality Act.

(f) CHINESE FEELING COERCIVE POPULATION CONTROL POLICIES.—

(1) Pursuant to paragraph (42)(A) of section 101(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(42)(A)), all adjudicators of asylum or refugee status shall give fullest possible consideration to applications from nationals of the People's Republic of China who express a fear of persecution upon return to that country because they refuse to abort a pregnancy or resist surgical sterilization in violation of Chinese Communist Party directives on population, if such refusal is undertaken with full awareness of the urgent priority assigned to such directives by all levels of the Chinese government, and full awareness of the severe consequences which may be imposed for violation of such directives."

(2) In view of the urgent priority assigned to the 'one couple, one child' policy by high level Chinese Communist Party officials and local party cadres at all levels, as well as the severe consequences commonly imposed for violations of that policy, which are regarded as "political dissent," refusal to abort or to be sterilized, as described in subsection (a) of this section, shall be viewed as an act of political defiance justifying a "well-founded fear of persecution" sufficient to establish refugee status under paragraph (42)(A) of section 101(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(42)(A)).

(3) All other factors which may contribute to a determination of asylum or refugee status in such cases are to be given additional weight by asylum and refugee adjudicators, such factors including, but not limited to, overt political activities while in the United States or third countries, membership in an ethnic or religious minority, family background and history, or suspicion of "counterrevolutionary" activities by Chinese Communist Party Officials.

(4) Nothing in this section shall be construed to necessitate a grant of asylum or refugee status to any individual who is ineligible for admission to the United States under section 212(a) of the Immigration and Nationality Act (8 U.S.C. 1182(a)).

(5) The Secretary of State and the Attorney General shall, within 30 days of enactment of this section, promulgate regulations and guidelines to carry out the provisions of this section.

(6) Nothing in this section shall be construed as—

(A) Shifting the burden of providing, in each individual case, facts sufficient to establish a claim of asylum or refugee status as described in subsection (a) of this section, from any person making such claim of asylum or refugee status to the Attorney General; or

(B) Requiring the Attorney General to disprove such claim in the absence of proof of facts sufficient to establish a claim of refugee or asylum status as described in subsection (a) of this section by any person making such claim.

(7) The number of persons receiving political asylum status solely because of the provisions of this section shall not exceed 1,000 in any fiscal year.

(8) The Attorney General shall not be obligated to grant political asylum to any person claiming to qualify under subsection (a) if the Attorney General proves by clear and convincing evidence that such person has claimed such status solely for the purposes of evading the immigration laws of the United States.

(9) The provisions of this section shall take effect on the date of enactment of this Act, and notwithstanding the provisions of subsection (e) of this section or any other provision of law, all adjudicators of asylum or refugee status shall apply the provisions of this section to every case, administrative or judicial proceeding, or appeal that is pending on the date of enactment of this Act, and to any claim that arises on or after such date of enactment.

NOTICES OF HEARINGS

SUBCOMMITTEE ON AGRICULTURAL PRODUCTION AND STABILIZATION

Mr. LEAHY. Mr. President, I wish to announce that the Subcommittee on Agricultural Production and Stabilization of Prices of the Committee on Agriculture, Nutrition, and Forestry, will hold a hearing on September 7, 1989, on the preparation for the 1990 farm bill: Feed Grain. The hearing will be held at 10 a.m. in SR-332.

Senator TOM HARKIN will conduct the hearing. For further information please contact Miles Goggans of the subcommittee staff at 224-2353 or Bob Young of the full committee staff at 224-5207.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LEAHY. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry will hold a hearing on Friday, September 8, 1989, at 9:30 a.m. in 332 Russell Senate Office Building to receive testimony from the General Accounting Office on their study of futures trading abuses, as mandated by the committee; and from the Commodity Futures Trading Commission on the recent emergency in the soybean futures markets.

For further information, please contact Ken Ackerman of the committee staff at 224-2035.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BUMPERS. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The hearing will take place on September 12, 1989, beginning at 2 p.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on six bills currently pending before the subcommittee. The measures are:

S. 319, to effect an exchange of lands between the U.S. Forest Service and the Salt Lake City Corp. within the State of Utah, and for other purposes;

S. 374, to amend the National Trails System Act to designate the Pony Express National Historic Trail as a component of the National Trails System;

S. 393, entitled the "Camp W.G. Williams Land Exchange Act of 1989";

S. 620, for relief of Leroy W. Shebal of North Pole, AK;

S. 1230, to authorize the acquisition of additional lands containing Indian burial grounds for inclusion in the Knife River Indian Villages National Historic Site, ND, and to provide additional developmental funding for the historic site visitor center; and

H.R. 2783, to improve the management of certain public lands in the State of Minnesota.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the hearing record is welcome to do so. Those wishing to submit written testimony should send two copies to the Subcommittee on Public Lands, National Parks and Forests, SD-364, Washington, DC 20510.

For further information regarding the hearing, please contact David Brooks of the subcommittee staff at (202) 224-9863.

SUBCOMMITTEE ON WATER AND POWER

Mr. BRADLEY. Mr. President, I would like to announce for the public that a field hearing has been scheduled before the Subcommittee on Water and Power of the Senate Committee on Energy and Natural Resources to receive testimony on the adverse impacts of Garrison Dam and Lake Sakakawea on local communities.

The hearing will take place in Parshall, ND, on August 25, 1989, beginning at 9:30 a.m. The exact location of the hearing will be announced in the near future.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the hearing record is welcome to do so. Those wishing to submit written testimony should send two copies to the subcommittee, SD-364, Washington, DC 20510.

For further information, please contact Tom Jensen, counsel for the subcommittee at (202) 224-2366.

Mr. President, I would like to announce for the public that an oversight hearing has been scheduled before the Subcommittee on Water and Power of the Senate Committee on Energy and Natural Resources to receive testimony on hydroelectric regulation under the Federal Power Act.

The hearing will take place on September 28, 1989, beginning at 10 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the hearing record is welcome to do so. Those wishing to submit written testimony should send two copies to the subcommittee, SD-364, Washington, DC 20510.

For further information, please contact William B. Conway, Jr., senior counsel for the subcommittee at (202) 224-7149.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the public that an oversight hearing has been scheduled before the Subcommittee on Mineral Resources Development and Production of the Committee on Energy and Natural Resources.

The hearing will take place on September 26, 1989, at 2:15 p.m. in room 366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony concerning natural gas supply and deliverability.

Those wishing to submit written statements for the hearing record should write to the U.S. Senate, Committee on Energy and Natural Resources, Dirksen Senate Office Building, Room 364, Washington, DC 20510.

For further information, please contact Donald Santa of the subcommittee staff at (202) 224-4820.

SUBCOMMITTEE ON WATER AND POWER

Mr. BRADLEY. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Water and Power of the Senate Committee on Energy and Natural Resources.

The hearing will take place on September 14, 1989, beginning at 2 p.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on five reclamation bills: S. 53, the Cedar Bluff Unit reformulation; S. 202, the Lake Andes-Wagner/Marty II project; S. 1121, additional appropriations for Buffalo Bill Dam; S. 1275, the Leadville Mine Water Treatment Plant; and S. 486, the authorization to construct the Lake Meredith salinity control project in New Mexico and Texas.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the hearing record is welcome to do so. Those wishing to submit written testimony should send two copies to the subcommittee, SD-364, Washington, DC 20510.

For further information, please contact Tom Jensen, counsel for the subcommittee at (202) 224-2366.

SUBCOMMITTEE ON GOVERNMENT CONTRACTING AND PAPERWORK REDUCTION

Mr. BUMPERS. Mr. President, I would like to announce that the Senate Small Business Committee's Subcommittee on Government Contracting and Paperwork Reduction will hold a hearing on Thursday, September 7, 1989, on the implementation of the Paperwork Reduction Act of 1980, Public Law 96-511, and its impact on the small business community, particularly small business Government contractors. This hearing was originally scheduled for Thursday, August 3, 1989. The hearing will be held in room 428A of the Russell Senate Office Building and will commence at 9:30 a.m.

Government witnesses invited to testify include: the Administrator of the Office of Information and Regulatory Affairs [OIRA] within OMB, which has overall responsibility for the implementation of the Paperwork Reduction Act; the Acting Administrator of the Office of Federal Procurement Policy [OFPP], also within OMB, which has made regulatory simplification and paperwork reduction in procurement a priority initiative; and the chief counsel for advocacy of the Small Business Administration, Frank Swain, who has tirelessly birddogged the agencies regarding paperwork reduction and regulatory flexibility. OFPP's representative will share with the subcommittee the findings and recommendations of a forthcoming report reviewing paperwork burdens in procurement, which was conducted pursuant to the Office of Federal Procurement Policy Act Amendments of 1988, Public Law 100-679.

Witnesses from the small business community include representatives of the Small Business Legislative Council, National Small Business United, and the American Subcontractors Association. Leo G. Lauzen, chairman of Comprehensive Accounting Corp. of Aurora, IL, will share with the subcommittee the results of a survey conducted by his firm. Finally, the subcommittee is scheduled to hear from a representative of the Business Council on the Reduction of Paperwork.

The committee intends to transmit the record of this hearing to the Committee on Governmental Affairs, and its Subcommittee on Government Information and Regulation, to assist them in their deliberations concerning the reauthorization of OIRA. OIRA's current authorization expires on September 30, 1989.

Further information concerning the subcommittee's hearing may be ob-

tained from the committee's procurement policy counsel, William B. Montalto. Bill may be reached at 224-5175.

ADDITIONAL STATEMENTS

CAROLYN MANUSZAK

● Mr. SARBANES. Mr. President, I rise to join the students, faculty, and administration of Villa Julie College in recognizing 25 years of unprecedented growth and increasing academic excellence under the leadership of Carolyn Manuszak. As Villa Julie's president since 1964, Ms. Manuszak has worked tirelessly and achieved her goals of expanding and improving Villa Julie College.

Rarely have the talent and energy of one person had such impact on so many. When Carolyn Manuszak first took charge, Villa Julie was a financially troubled 2-year women's college known primarily as a secretarial training school. Drawing upon her own determination and guided by an inner vision of what Villa Julie could become, Ms. Manuszak embarked on a mission to revitalize and expand the school's curriculum. In the process, she demonstrated a unique ability to inspire others to share her commitment. Today, Villa Julie College features a co-ed student body of nearly 1,300 and offers both 2- and 4-year degree programs. Its graduates are in great demand throughout the Baltimore area.

Over a quarter of a century, Carolyn Manuszak has shaped and nurtured an innovative academic institution responsive to the needs of its area and its people. By creating programs tailored to the needs of Baltimore's business community, Ms. Manuszak has won essential financial support from private sources. She has secured public grants to expand Villa Julie's liberal arts curriculum and improve its facilities. In addition, Ms. Manuszak has sought to extend the availability of high-quality education to students from all backgrounds. Villa Julie now possesses a generous student aid program, and nearly one-fifth of its students come from economically disadvantaged families.

In 1989, Villa Julie College is a true success story. The accomplishments and lasting contributions of Carolyn Manuszak merit our deepest admiration. I ask that the Baltimore Sun's recent editorial praising Ms. Manuszak and a Baltimore Evening Sun article chronicling her many achievements be printed in the RECORD.

The material follows:

[From the Evening Sun, May 25, 1989]

CAROLYN MANUSZAK'S 25 YEARS AS VILLA JULIE'S PESKY PRESIDENT

(By Stephanie Shapiro)

It was March 1972, and Villa Julie's business manager approached its young president, Carolyn Manuszak, with some bad news. The operating budget was short $25,000. To make matters worse, representatives from the Middle States Association of Colleges and Schools would soon be on campus to evaluate Villa Julie. The deficit would not help the school's chances for accreditation.

The next day, Manuszak discussed the crisis with her board of trustees. She knew there was one woman in the room who could help. "I gave this impassioned speech, looking at everybody else except her, telling them Middle States couldn't find us in the hole. If somebody could just come up with this $25,000 . . . The next day she called me," Manuszak says today.

That somebody was Nan Campanella, widow of Joe Campanella, the Baltimore Colts middle guard and general manager. "I haven't really done anything for Villa Julie," Campanella, who has since remarried, explained to Manuszak. Soon, a check for $25,000 arrived.

"Maybe I should have asked for $30,000," Manuszak thought to herself.

For those who know Manuszak as the politely pesky—some might say obsessed—college president who persistently exacts time and money from some of the region's most prominent businessmen and community leaders, this tale is typical.

"She gets you in a position where you feel indecent saying no," says Walter Sondheim Jr., chairman of the Charles Center-Inner Harbor Management Corp. and member of Villa Julie's Resource Development Council.

But if a fortune teller had told Manuszak this story before she came to Villa Julie, she probably wouldn't believe it. "So much of what I have become in 25 years is because I was given this responsibility and I took it seriously. In doing that, I think I developed in a whole different way than I would have otherwise. I would have been a really good English teacher."

Instead, she became a really good college president. "If there's any such thing as a perfect administrator, she's probably it," says George Russell Jr., a Piper & Marbury law partner who serves on Villa Julie's board of trustees.

Tomorrow, Villa Julie's 25th commencement under Manuszak's watch will take place. In that time, the Stevenson, Md., college, founded in 1947, has grown from a tiny, two-year girls school to a fully accredited, four-year co-ed college with nearly 1,300 full- and part-time students.

The college has expanded its curriculum from two to 28 liberal arts and business programs fine tuned to current technology. Paralegal, accounting, computer and business graduates are snatched up quickly by employers and are well paid. The school's budget is balanced and the endowment is growing. Tuition is kept at a manageable level, and three quarters of the student body receive financial aid.

Increasingly, the school is making a strong effort to educate low-income and minority students with summer programs and special courses that bridge the gap between high school and college-level work. "Villa Julie, without question, is the only institution in this state that understands how to take kids from the depths of poverty and prepare that student for the business world," Russell says.

An astutely assembled board of trustees and various advisory boards studded with big names raise money for the institution and guide its future. And thanks to Virginia Tanner, Villa Julie's politely pesky public relations director, probably known to every reporter in the region, the school has a highly visible public image.

Manuszak was a tenacious young nun and English instructor at Trinity College in Washington when Sister Mary Daniel Turner, the provincial superior of the Sisters of Notre Dame de Namur, the order that founded Villa Julie, directed Sister Carolyn to lead the school as its president.

"I don't know what I would have said if she had asked me. I may have said no," Manuszak says.

On the job, she learned how to be a college president. When she arrived on campus, Manuszak had to dispose of a room full of refrigerators and stoves, the legacy of Villa Julie's defunct home economics program. Routinely, she, her secretary, the business manager and dean worked until 11:30 p.m. typing and duplicating grant applications and rushing them to the post office to be postmarked by midnight.

Manuszak traveled by bus to college administration conferences as far away as Chicago. There was no such thing as plane fare, let alone a development office. She called on high school guidance counselors herself to drum up interest in the growing school. And she taught.

Eventually, Villa Julie no longer teetered on the brink of extinction, and Manuszak even had time to receive her law degree and pass the bar. Today, she sits in her sunny office on the pretty green campus, prim in a light gray suit and a paisley, flowered blouse. She wears an engraved pendant watch, a 25th anniversary present from Villa Julie students who recently surprised her with a party in her honor. Her German shepherd Cara sleeps in a corner of the office. Her conversation is a mingling of idealistic visions—Villa Julie doesn't have a niche, it "has a destiny"—cliches, shop talk, pep talk, literary quotations, introspection and an honest attempt to deflect credit for the school's growth. She jumps from topic to topic, bristling a bit when the subject turns to her. "When you get on me, I get very nervous," she says.

Known simply as Carolyn by friends and colleagues, Manuszak is an intensely private person. Quick snapshots of her psyche appear in the course of a conversation. Her voice breaks when she talks about Thea, a dog who died of a heart attack in her arms. And she seems to struggle to square her professional role and her personal well being. "Success I measure in numbers and buildings and programs. But I think it's a very, very empty [way to measure success.] In fact, my friends tell me that I don't ever sit back and enjoy it. And I really don't because I think of what's the next hurdle."

In 1979, Manuszak left the order. She has little to say about her decision. She speaks with a smile of her board and the student body that accepted her decision without hesitation. And she tries, without publicly plumbing her soul, to explain. "I think I'm a better person for it, but I don't think it's anybody's business."

Manuszak is still, she stresses, a woman of faith. On long walks with Cara on the rural Villa Julie campus, she has time to reflect and meditate. "I don't think I'm any different from any other person that's in a responsible position. You have to make time for something like that. That's the kind of thing I was telling the students. You can't just be responding and initiating and never stopping to think about what does it all mean. You would lose perspective. The sad-

dest thing is to be on the fast track and to forget what it's all about."

Manuszak, who won't divulge her age, continues to plot Villa Julie's future, brainstorm with students, staff and faculty, and surprise her board with bold ideas and giant leaps of faith. How much longer?

"Somebody said to me once, one of my faculty who came two years after I did, 'How long are you going to stay here?'

"I said, 'I don't know. How long are you going to stay here?'

"And she said, 'Until it stops being a challenge and until it stops being exciting.' "

[From the Sun, July 2, 1989]

"VILLA WHO?" NO MORE

At the time a young nun assumed the presidency of Villa Julie College 25 years ago, the tiny Catholic secretarial school for women (100 students, 12 professors) was an eminently forgettable institution. When its name was mentioned, most Baltimoreans asked, "Villa who?"

That is no longer the case. Under the leadership of Carolyn Manuszak (who left the Sisters of Notre Dame de Namur in 1979), an independent Villa Julie has emerged as an exemplary business-oriented college offering two-year and four-year degrees. Its graduates are in hot demand. The student body has mushroomed to 1,300, the faculty to more than 200.

The Greater Baltimore Committee's study of the bleak higher-education scene concluded that Villa Julie was one of the few bright spots because "it stands out as a model provider of high-quality technical education that is responsive to the needs of the changing economy . . . Few institutions are as widely acclaimed by employers as this one."

Ms. Manuszak has continued to insist that students at the Green Spring Valley school receive both a core liberal-arts education and technologically relevant job training. Each of the college's programs has an advisory board of local businessmen that ensures students are taught what employers want them to know. Courses are tailored to meet specific needs of Baltimore's businesses.

Students learn more than a trade; they gain a breadth of knowledge employers praise. For every Villa Julie graduate, there is an average of 10 job offers. Nearly all 1988 graduates were employed or went on to further study within two months.

Success in placing students with companies has also spawned success in fund-raising. A five-year, $10 million capital campaign hit its goal a year ahead of schedule. Private contributions as a percent of revenues more than doubled in six years. And a scholarship fund to honor Ms. Manuszak's silver anniversary has topped $1 million.

All this helps the school keep tuition low—half the average tuition for a private college in Maryland—and increases student aid. That is crucial because 19 percent of the students come from poverty-level families and 70 percent work to finance their education.

Forming a close partnership with business has made Villa Julie a leader in its field. It provides students, at a relatively inexpensive price, both on arts and science background and up-to-date job skills that virtually assure graduates good jobs. That's quite an accomplishment for a college that was a no-name institution a quarter-century ago.●

THE NEED FOR IMPROVED RURAL TELECOMMUNICATIONS

● Mr. WALLOP. Mr. President, 5 years ago, prior to the divestiture of AT&T, most Americans regarded our telephone system as the most sophisticated and advanced in the world. Since that time, however, that view has changed substantially, particularly in rural parts of the country, and with that we have not only seen a dramatic decline in our ability to compete in the world market but a significant increase in our telecommunications trade deficit.

This problem is largely the creation of Judge Harold Greene who insisted on fixing a system that was not broken and divesting the service of AT&T into seven Baby Bell telephone companies. In rendering his decision, Judge Greene prohibited those seven communications companies from participating in several important telecommunications activities. Today, these companies cannot manufacture communications equipment used in homes and businesses or tell manufacturers how to design inexpensive terminals so they could have more affordable access to information services. Also, the seven Baby Bells are barred from investing in companies which can engage in manufacturing, developing video imaging processing which could provide high-quality FAX, medical assistance and aids for visually handicapped persons.

And, until recently, the Baby Bells were precluded from developing, owning, and transmitting various electronic information services such as stock quotes or research data. I am pleased to see that this recent change in the modified final judgment came about because I believe the American public is incurring the greatest harm by the imposition of these restrictions. It is time we permitted the telecommunications industry to devote its time and resources to providing the best possible service to consumers and businesses.

Mr. President, I recently received a detailed analysis of the benefits to my State of Wyoming should the remaining restrictions under the modified final judgment be lifted. Needless to say, I am not at all surprised at the number of advantages which would accrue to the rural residents of my State if the modified final judgment restrictions were removed. For example, Wyoming consumers would be able to use home computers for a variety of personal services such as shopping bargains, library and research data for schoolwork, and assistance with health care needs. For the rural business man, improved telecommunications services would increase his ability to transmit data through electronic mail, access information about a supplier's products and services and locate or expand a business anywhere in Wyoming while maintaining a quality of life rarely found in more congested areas. These services touch many sectors of our rural economy from agriculture, to education, to the medical community, to senior citizens and our tourism industry, one of the State's largest employers.

In today's competitive climate, we must continue to look for creative ways to improve our economic growth, particularly in rural areas of the country. In my view, the advancement of telecommunications is vital to that effort. In fact, my view is wholly substantiated by an article recently published by former Agriculture Secretary, Bob Bergland. Mr. Bergland points out that "besides enhancing business performance, an improved rural telecommunications infrastructure is also a way to give fiercely independent rural people access to the social services taken for granted by city dwellers." I would ask that Mr. Bergland's article be printed in the CONGRESSIONAL RECORD at this point.

The article follows:

RURAL AMERICA NEEDS BETTER TELECOMMUNICATIONS SYSTEM

(By Bob Bergland)

Thanks to the telecommunications revolution, a few hardy pioneers are showing that parts of rural America can put behind their economic woes and build a brighter economic future for themselves.

Consider:

In Washington, a farmer who connects with an "electronic bulletin board" learns that a North African nation wants to buy lentil beans. He is able to bypass middlemen and sell directly to a niche market, boosting his income;

A fish packer in the Aleutian Islands of Alaska uses a telecommunications link to New York City to find out the latest demand for fish—and then alters accordingly the types and quantities of fish he catches;

Mrs. Field's Cookies operates more than 100 retail outlets in shopping malls throughout the country from Park City, Utah;

L.L. Bean, the mail-order retailer, is able to employ dozens of customer service representatives in the remote towns of Maine via special telecommunications hookups. New jobs are created and local economies bolstered.

These stories suggest how the nation's sagging rural economics could be revived with the help of advanced telecommunications. Satellite data transmission, electronic mail, fax machines, fiber optic lines—these innovations can help bring new investment into rural communities, creating new jobs, greater social stability and, perhaps most important of all, hope.

Just as the interstate highway system once spurred economic growth in once-isolated rural towns, so modern telecommunications can play a similar role today.

Unfortunately, current trends make this scenario for the future unlikely; even the most persistent rural entrepreneurs have trouble succeeding in the present climate. Parts of America are saddled with obsolete telephone lines that cannot transmit electronic data. They are sometimes overbur-

dened with artifically high telephone rates and unfair federal regulations that discourage installation of advanced telecommunications. Some rural businesses still have to contend with party lines.

Unable to make the most basic connections with outside markets, it is not surprising that many rural entrepreneurs just give up. Urban businesses that might otherwise expand into depressed rural regions are often scared off. Despite plentiful supplies of workers willing to work at competitive wages, rural towns usually lack one of the most important elements for business success today—a modern telecommunications system.

Unless corrected, this crippling "telecommunications gap" could doom the economic prospects of rural America for decades to come. That's because American businesses, whether urban or rural, increasingly need advanced telecommunications to compete in the national and global markets of the 1990s. Small-town hardware stores, for example, must be able to place new orders via computer lines. Rural manufacturers must be able to maintain online telecommunications links with urban wholesalers.

Given the diversity of today's rural economy, the need for better telecommunications is particularly urgent. While agriculture remains a vital part of the rural economy, it provides only nine percent of all rural jobs. By far, the largest rural sector is services, with 65 percent of the jobs, followed by manufacturing with 17 percent. If these industries cannot acquire the sophisticated communications that their competitors are already adopting, they could easily fall, leaving the people in America's small towns far worse off.

Besides enhancing business performance, an improved rural telecommunications infrastructure is also a way to give fiercely independent rural people access to the social services taken for granted by city dwellers. New electronic technologies now make it possible to instruct students in many remote locations simultaneously ("tele-learning") and to consult with distant medical specialists and monitor patients from remote locations ("tele-medicine"). How ironic if the very technologies that can magically overcome geographic distance end up being used only in dense urban areas!

Fifty years ago, the first telecommunications visionaries made a bold commitment to "universal telephone service," a goal that has nearly been achieved. New federal policymakers need to set a new goal: "universal information access." Rural residents and businesses need full access to a wide range of telecommunications technologies and services.

But how to get from here to there? "Rural America in the Information Age: Telecommunications Policy for Rural Development," a new report by the Aspen Institute, explains how the telecommunications gap is hurting the economic future of rural America, and recommends eleven practical solutions. For instance, why not update and expand the Rural Electrification Administration's mission, so that it can help rural towns acquire the basic communications tools of the Information Age? Why not institute new transition rules for the deregulation of telephone service, so that rural communities can afford to invest in the latest telephone technologies?

Today's generation of rural Americans enjoys electricity, telephone service and interstate highways only because farsighted government officials in the 1940s and 1950s launched some bold initiatives. To secure the economic strength of rural America in the future, we need that same sort of government leadership today.

In closing I would hasten to say that this article also brings to light the shortsightedness of our Federal court system in sticking to what essentially amounts to a recipe for disaster for the future of our telecommunications infrastructure. It would appear that any other significant changes to the modified final judgment may have to be made legislatively and I would note that such a bill is currently pending in the House of Representatives. I hope the House will move forward with this legislation and provide the Senate an opportunity to debate this important issue later this year.●

CALIFORNIA 4-H PROGRAM

● Mr. WILSON. Mr. President, it is with great pride and admiration in the long and distinguished history of the California 4-H Program that I today salute its 75th anniversary in this Chamber of the U.S. Senate and urge my Senate colleagues to join with me in tribute to a splendid youth organization which has long and ably served and enriched America's young people.

The California 4-H Program, sponsored by cooperative extension, division of agriculture and natural resources, University of California, was chartered in 1913 by the U.S. Department of Agriculture.

Three million young people have participated in the 4-H Program in the first 75 years; 76,000 youth and 20,000 adult volunteers presently are enrolled in California 4-H.

Educational projects are offered in agriculture, home economics and social sciences with the emphasis on learn-by-doing as youth develop life skills.

The 4-H mission is to help youth develop into responsible, self-directed, productive citizens of the world, and to improve the well-being of youth and society through the use of research-based, learn-by-doing educational experiences. The educational goals of 4-H are:

Acquisition by youth of life, leadership and problem-solving skills to enhance individual development and well-being.

Acquisition by youth of knowledge and skills in the production and wise use of food, fiber and conservation of the world's natural resources.

Understanding and responsible participation by youth in community affairs.

The mission is accomplished through the development and support of leadership teams of staff, volunteer leaders, youth, and others who organize and conduct educational project experiences in community and family settings. Events and activities include 4-H clubs, after-school units, camps, fairs, study-travel programs, leadership development conferences, community service projects and career exploration.

The California 4-H Program is administered by cooperative extension State and county professional and support staff members as part of the University of California campuses at Davis, Riverside and Berkeley and in 57 counties in cooperation with the local board of supervisors.

Program priorities for the next decade are expanded membership from culturally diverse groups, innovative educational programs based on research relative to youth needs, and increased visibility of youth development through coalitions of youth organizations and marketing.

The California 4-H Program is developing materials and strategies to focus on three national initiatives of the Extension Service of the USDA which are: building human capital; family and economic well-being; and youth at risk. Issues are being addressed at local, county, State and national levels of programming groups, youth and adult attendees at State leadership conferences and in training programs to overcome neglect of children and families.

The California 4-H Program is instituting a variety of program activities to expand membership to be reflective of the cultural diversity of California. In this anniversary year of the California 4-H, I think it appropriate to reflect on its shining record of past achievement, and to commend the ever-renewing pioneering spirit of this splendid youth organization. It has, and will continue to play an invaluable role in helping to guide the educational, cultural and moral development of young people not only in California, but in rural and urban communities throughout America.

I wish the California 4-H a bright future and continued success in its most worthy mission.●

THE 100TH ANNIVERSARY OF THE CHICAGO BRIDGE & IRON CO.

● Mr. DIXON. Mr. President, on August 8, 1989, CBI Industries, Inc. will be celebrating its 100th anniversary. CBI was incorporated in my home State of Illinois as the Chicago Bridge & Iron Co. on August 8, 1889.

Chicago Bridge & Iron was born with a humble wood bridge business for county highways, which Horace E. Horton started soon after the Civil War. The company has come a long way since those days. Over the past 100 years, the Nation and, indeed, the world, has benefited from quality construction and inspired innovations. The company has continually adapted

its products and services to the world's major technical and industrial developments, becoming one of the leading companies in the worldwide contracting business.

In the early years, Chicago Bridge & Iron built a large number of ornamental elevated water tanks, including such landmarks as the pineapple shaped water tank outside the Dole pineapple factory in Honolulu, HI, and the peach shaped water tower for the peach capitol of the United States in Gaffney, SC. The company also built the first all-welded steel "watersphere" elevated tank. In response to the discovery of the great oil fields in the Southwest and West, Chicago Bridge & Iron Co., developed floating roofs for petroleum storage tanks and constructed spherical storage facilities for storing natural gasoline.

The company made significant contributions to U.S. efforts in World War II. Soon after the bombing of Pearl Harbor, Chicago Bridge & Iron Co., swung into gear and began building dry docks in Morgan City, LA; Eureka, CA; and Newburgh, NY. An even greater undertaking was the construction of landing ship tanks for the Navy. Many of these ships participated in the invasion of France, and the company earned awards at each of its plants for outstanding production achievements.

After the war, Chicago Bridge & Iron returned to the development and construction of storage facilities, including nuclear containment vessels. The company also built 13 large diameter penstocks for the Niagara generating plant in New York.

Chicago Bridge & Iron, more often referred to as CBI, has grown over time and adapted to changes to become a worldwide leader in the construction of large industrial facilities for petroleum, chemical, power, and paper industries. CBI Industries, Inc. also grew into other markets when, in 1984, the company acquired liquid carbonic corporation, which is the world's largest supplier of carbon dioxide.

One of the company's most recent projects was the fabrication of all new deck sections for San Francisco's Golden Gate Bridge. The improved Golden Gate Bridge may be a technological advance over that first bridge in Oronoco, MI, but it is certainly made of the same ingredients CBI Industries put into all its projects: an innovative spirit, a commitment to quality engineering, and a job well done. Mr. President, I commend CBI Industries, and wish them well for continued success in the future. ●

BALTIMORE COUNTY EXECUTIVE DENNIS RASMUSSEN

● Mr. SARBANES. Mr. President, I am pleased to bring to the attention of my colleagues the fine work that is being done in Baltimore County by County Executive Dennis Rasmussen. Recently Mr. Rasmussen was recognized as the most valuable county officials by the highly regarded journal "City and State."

Since taking office 2½ years ago Mr. Rasmussen has demonstrated an outstanding commitment to improving the quality of life in Baltimore County. His budget messages and state-of-the-county addresses contribute to his reputation of being an astute planner as does his publication "Closest to the People," in which he regularly updates progress made.

With his usual modesty, Mr. Rasmussen gave credit to "a strong management team. The award is a reflection of the work of many dedicated employees who work hard to deliver responsive services to the public." Under his leadership, Baltimore County continues to grow as a leader in local governments.

Mr. President, I join with the people of Baltimore County in congratulating Mr. Rasmussen, and I ask that the Baltimore Evening Sun editorial be printed in the RECORD.

The editorial follows:

[From the Baltimore Sun, Aug. 2, 1989]

AND THE WINNER IS . . .

At a time when the notion of political commitment is under siege, it is worth recognizing that vision still exists, and pays off. Dennis Rasmussen, Baltimore County's executive, got such recognition this week when he was chosen as most valuable county official by "City and State" magazine.

"City and State," a professional journal, is highly regarded as a resource by the men and women who run city, county and state governments all over the country. Rasmussen was selected for setting an agenda and coming up with workable plans to implement it—including a variety of public-private partnerships that have laid the groundwork for quality-of-life improvements in the face of federal funding cuts.

Obviously, this is a tremendous personal honor for Rasmussen. But as Baltimore County continues to evolve from a sleepy suburb into a major metropolitan center, the award also signals that it is moving in the right direction.●

LEONARD HALPERT

● Mr. MOYNIHAN. Mr. President, I rise with great mixed feelings to report to the Senate the retirement of an extraordinary journalist. Leonard Halpert, editorial page editor of the Buffalo News for nearly a decade and writer for that newspaper for over four decades, retired just last week. He could not retire with greater admiration or success.

Len Halpert is that exceptional type of journalist who is an expert in the affairs of his immediate environs as in the important events of the world. His knowledge is broad and his intellect keen, and his editorials reflect his capacity.

Colleagues extol his exactitude and his emphasis on quality. His standards reveal the ability of one who is more than skilled—they reveal the devotion of a master.

As is so often the case with exceptional men, Len is a native New Yorker. Born in Brooklyn, he graduated from Brooklyn College in 1947 and Northwestern University's Medill School of Journalism in 1948. That same year marked the beginning of his career with the Buffalo News. He began as a news reporter and copy editor in 1948, and, while he had a brief stay with the Washington Times Herald in the early 1950's, he returned to the Buffalo News as an editorial writer. Might I say he returned to his true calling and his true home.

In the years that followed, Len garnered Freedom Foundation George Washington Medals for editorials and numerous first-place awards in the Buffalo Newspaper Guild's annual Page One competition. In fact, it was for a series of Len's editorials that the News was bestowed the 1968 distinguished editorial writing award from the State Publishers Association.

Nonetheless, it is obvious that Len's greatest reward has been the work itself. Since 1980, he has served as editorial page editor with brilliance and devotion. He has been an important member of the Buffalo community as he will continue to be. He is a friend, and I congratulate him on a retirement which will afford him more time with the greatest loves in his life—his wife Shirley and charming family.

I am sure my colleagues join me in congratulating Len Halpert.●

FEDERAL AVIATION ADMINISTRATION

● Mr. FORD. Mr. President, yesterday the Federal Aviation Administration [FAA] announced its intention to review the design of wide-body aircraft to see if backup flight control systems can be improved. The DC-10 crash in Sioux City on July 19 in which the hydraulic system was wiped out is the precipitating cause, but the FAA plans to look at Boeing 747's and L-1011's as well, since both of these wide bodies have crashed after major damage in-flight occurred.

I commend the Administrator, James Busey, for taking this first step towrd improving safety in the fleet. As I said on this floor a few weeks ago, Mr. President, I think it makes sense to look at certificates and design standards in light of safety improvements made since the plane was certified, and to consider whatever new information may be acquired following accident findings. I want to pursue this idea further when we resume session, and I may consider hearings on the subject to inform us of what the

FAA is doing in this area—much as they did in the aging aircraft hearing I held a few months ago.

I think Mr. Busey has certainly started off well as Administrator. I am surprised that as we approach the August recess, we still haven't received a nomination for Deputy Administrator. I guess if it took us 6 months to get the Administrator, the Deputy won't be here before we leave in October. This delay makes a good case for one of the provisions in the independent FAA bill which I will introduce as soon as we return from recess. My legislation provides that the Administrator shall choose his Deputy from among the career ranks at the FAA. This accomplishes at least three things: It gives the Administrator the choice of his No. 2 person; it means the No. 2 person is someone who knows and is known by the FAA; and it provides opportunity to the outstanding career people at that agency.

I have spoken many times, Mr. President, on the importance of separating the FAA from the Department of Transportation. My bill also deals with some of the other problems that bedevil the FAA. All of us in the aviation community know that in the areas of personnel, procurement of major systems, and funding stream, the FAA needs help. My bill provides that help. So when we return in September, I hope my colleagues in the Senate and in the House will work with me to pass a bill which will give the FAA the structure, the independence, the reforms its needs to assure it can devote its full attention to improving safety.●

THE DELAWARE VALLEY VIETNAM VETERANS FLAG MEMORIAL

● Mr. HEINZ. Mr. President, I rise to direct my colleagues' attention to a unique and extraordinary effort undertaken by the Delaware Valley Vietnam Veterans [DVVV].

Over the Labor Day weekend, on Sunday, September 3, the DVVV will display a Flag Memorial to those who served this Nation in Vietnam. The memorial consists of 58,157 American flags and 2,195 Black POW-MIA flags. The American flags represent each American that died in the war in Southeast Asia defending the freedoms which the Stars and Stripes represent. The POW-MIA flags symbolize our constant vigil and devotion to those Americans who remain prisoners of war or missing in action.

Five years ago, Micki Voisard designed this memorial out of love and caring for the many who have not returned to their loved ones. The DVVV has accepted the responsibility of ensuring this one-of-a-kind memorial would be cared for and maintained for all the Nation to share. It is indeed truly a labor of love on the part of the DVVV to erect this display each year, and I commend them for this effort.

As a U.S. Senator, a veteran, and as an American, I applaud the members of the DVVV for their ongoing efforts to serve America's veterans of war and peace.●

BIOLOGICAL DIVERSITY

● Mr. BINGAMAN. Mr. President, there is growing concern about the destruction of our environment and the depletion of our natural resources. Whether the issue is tropical deforestation in Brazil or the greenhouse effect and global ozone depletion, our environment is crucial to human welfare. Destruction of our environment is not only occurring abroad. The United States also is contributing to the rapidly developing problem. One issue I would like to discuss today is the deterioration of this Nation's biological diversity.

Maintaining a broad array of plant and animal species in a wide variety of ecosystems is critical. These species contribute significantly to the food we eat, as well as the roofs over our heads and the clothes we wear. Indeed, we rely on the complex interactions between species to provide the very foundations upon which we live. However, we are eroding these foundations. While we are attempting to ensure the survival of certain species designated as threatened or endangered some unstudied species may be suffering the negative impact of habitat destruction and other damaging influences, such as human population growth, pollution, and resource development. A lack of adequate knowledge concerning biological interactions may be contributing to further environmental degradation. A wide variety of species may become extinct before we can learn their potential ecological function or economic value. Understanding the components of biological systems and how those components interact is crucial for developing an effective strategy to maintain biological diversity.

It is clear that action needs to be taken to protect the species on our planet from extinction. While efforts have been made to preserve biological diversity around the globe, relatively little has been done within the boundaries of the United States. It should be a national goal to preserve biological diversity in the United States.

A prime example of the need to preserve our Nation's biological diversity can be found in my home State of New Mexico. The Gray Ranch, which encompasses the entire Animas Mountains and Animas Valley, has been called a biological melting pot. It represents the greatest concentration of State and federally listed endangered species in New Mexico, including the Mexican gray wolf, the bald eagle, the peregrine falcon, and the ridge-nosed rattlesnake. The Gray Ranch contains more species of mammals than any National Park or National Wildlife Refuge in the United States, and has the potential to be the "Yellowstone of the Southwest." The Federal Government now has the opportunity to purchase this ecologically diverse area, giving us a rare opportunity to help ensure our Nation's biological diversity.

Whether it is the Gray Ranch in New Mexico or other biologically diverse areas in the United States, the Federal acquisition of biologically diverse land is needed to preserve our Nation's biological diversity. We must establish a national agenda that allows us to protect and preserve our environment for future generations.●

PRELIMINARY STATEMENT ON TREASURY-POSTAL APPROPRIATIONS BILL

● Mr. SASSER. Mr. President, the Senate Budget Committee has examined, H.R. 2989, the Treasury-Postal appropriations bill and has found that the bill is under its 302(b) allocation budget authority allocation by about $30 million and under its 302(b) outlay allocation by half a million.

I compliment the distinguished manager of the bill, Senator DECONCINI, and the distinguished ranking member of the Treasury, Postal Service, and General Government Subcommittee, Senator DOMENICI on all of their hard work.

Mr. President, I have a preliminary table from the Budget Committee showing the official scoring of the Treasury Postal appropriations bill and I ask that it be inserted in the RECORD at the appropriate point.

SENATE BUDGET COMMITTEE SCORING OF H.R. 2989—TREASURY-POSTAL COMMITTEE—SPENDING TOTALS (SENATE REPORTED)

[In billions of dollars]

	Fiscal year 1990	
	Budget authority	Outlays
302(b) BILL SUMMARY		
H.R. 2989, Senate Reported, (new BA and outlays)	18.4	16.3
Enacted to date	0.0	1.7
Adjustment to conform mandatory programs to resolution assumptions	0.1	0.1
Scorekeeping adjustments		
Bill total	18.5	18.0
Subcommittee 302(b) allocation	18.5	18.0
Difference	−(1)	−(1)
Bill total above (+) or below (−):		
President's request	−(1)	−0.1
House-passed bill	−0.2	−0.1
House 302(b) allocation	−(1)	−(1)
SUMMIT CAP SUMMARY		
Defense (050) spending in bill	0.0	0.0
Allocation under defense cap	0.0	0.0
Difference	0.0	0.0
International affairs spending in bill	0.0	0.0
Allocation under international affairs cap	0.0	0.0
Difference	0.0	0.0
Domestic discretionary spending in bill	9.4	9.3

SENATE BUDGET COMMITTEE SCORING OF H.R. 2989—TREASURY-POSTAL COMMITTEE—SPENDING TOTALS (SENATE REPORTED)—Continued

[In billions of dollars]

	Fiscal year 1990	
	Budget authority	Outlays
Allocation under domestic cap	9.4	9.4
Difference	—(1)	—(1)

(1) Less than $50 million.
Details may not add to totals due to rounding.
Source: Prepared by Senate Budget Committee Staff.●

BELLE OF LOUISVILLE

● Mr. FORD. Mr. President, I am happy to announce that on June 30, 1989, the Department of the Interior declared the *Belle of Louisville*, one of Kentucky's most prized possessions a national historical landmark. The *Belle*, initially christened the *Idlewild*, was built in 1914 by James Reese & Sons, of Pittsburgh. The *Belle* is a beautiful three-level, paddlewheel steamboat, having dimensions of 167.5 feet in length, 36 feet in beam, and 5 feet in depth of hold. Docked in Louisville, she is an extraordinary sight to behold. Also, she is the sole remaining sternwheel-propelled steamboat of the western rivers type.

Her career began in Memphis on January 8, 1915, primarily as a ferry between Memphis and Hopefield Point, AR. In 1925, the *Belle* was sold and served as a ferry from Cairo, IL, to Bird's Point, MO. Between 1926 and 1928, she served as an excursion boat from New Orleans to the upper portion of the Mississippi River. During the 1930's, her versatility kept her in service by providing excursions, barge towing, and ferry services. During the Second World War, she served as a tow boat for barges carrying much-needed oil to ports along the Mississippi. Following the war, she served as the last paddle excursion boat in operation.

In 1962, former Senator and then Jefferson County fiscal court judge, Marlow Cook, purchased the vessel at auction for Jefferson County. He then had her reconditioned to her present beauty. It was at that time that she was rechristened the *Belle of Louisville*. Judge Cook's eminent wisdom has preserved for us all a piece of our history and a beautiful cultural landmark for the city of Louisville. The *Belle* now serves the city by carrying excursion charters, educational tours, and promotional tour groups on the Ohio River. All of us in Kentucky are very proud of our *Belle* and I feel that she has received her just reward for her many years of honorable service to the city of Louisville, and the rest of the Ohio River.●

EUGENE E. AND CATHERINE MORGAN TREFETHEN, JR., 80TH BIRTHDAYS

● Mr. WILSON. Mr. President, I take this opportunity to salute two outstanding Americans, and dear personal friends, Eugene E. Trefethen, Jr., and his wife of 52 years, Catherine Morgan Trefethen, on the occasion of their 80th birthdays.

The lives of these two remarkable Californians are models of the best qualities in American citizens, qualities that enable our society to be an examplar where individual achievement is bounded only by ambition and ability, and achievers generously share their good fortune from an abiding sense of community responsibility. For many decades, the Trefethens have shined together as two points of light, the likes of which our President speaks when he describes the best of the American spirit.

Gene Trefethen is a product of our public system of education. He graduated from elementary and secondary schools in Oakland, CA, and the University of California, Berkeley. While still in college, he began his working career as a laborer in a quarrying operation of Henry J. Kaiser. In this young laborer, Mr. Kaiser saw the qualities of business leadership. Gene became the third lynchpin in the rapidly expanding Kaiser enterprises, together with Mr. Kaiser and his oldest son, Edgar.

Their combination produced results unique in modern business history. Together, these men developed a group of enterprises that helped open the depression plagued West to greater industrial and agricultural production by building gigantic hydroelectric projects including Hoover, Bonneville, and Grand Coulee Dams; they contributed to victory for democracy in World War II by setting the pace for production of Liberty ships, combat aircraft, and other war material; they stimulated postwar conversion and recovery through the production of housing, automobiles, and basic building materials for American industry; they exported the principles of productive partnership by funding international ventures with American know-how, capital, and respect for their host country's culture; they joined with pioneering physicians in founding one of this Nation's largest health care programs and they established one of our private sector's largest philanthropic foundations.

Gene Trefethen retired happily from his first career in 1973, only to reactivate his remarkable talents and energy in two new pursuits. He has developed the world renowned Trefethen Vineyards in Napa Valley; he has devoted more of himself to community service including raising millions of dollars for the capital requirements of many educational, cultural and voluntary social welfare institutions that serve hundreds of thousands of his fellow Americans. Last year, the San Francisco Bay area recognized him as its outstanding volunteer fund raiser on the occasion of National Philanthropy Day. His concern for human rights on a global scale is reflected by his participation in the international conference on the Helsinki accords in Belgrade, Yugoslavia, as a member of the United States delegation.

Catherine Morgan (Katie), chose between a promising career in fine arts and becoming anchorwoman for a future family when she became Mrs. Trefethen in 1937. This gracious lady has stood beside her husband as hostess, foreign traveler, sounding board and consultant, mother of their daughter Carla Jean and their son, John Vance, and grandmother of four. In addition, she has pursued her interest in support of art and art institutions, and in higher education for women as a supportive alumna of Mills College.

On September 12, hundreds of friends of the Trefethens will gather in San Francisco to celebrate the 80th birthdays of these two remarkable citizens. Their gift, in respect and friendship, will be the Trefethen professorship, permanently endowed at the Walter A. Haas School of Business of the University of California, Berkeley.

In October, the literature on American business history will be enriched by publication of the first full, scholarly chronicle of the Kaiser enterprises' contributions to our Nation's social and economic fabrics during Henry J. Kaiser's lifetime. This biography of Mr. Kaiser documents his reliance on Gene Trefethen as an analyst, manager, and developer of the most vital resources in any endeavor, human resources.

I am privileged to count Katie and Gene Trefethen among my friends. Countless numbers of individuals and families, both here in the United States and elsewhere, have a better quality of living or have found help in time of critical need because the Trefethens, together, have made a significant difference in social and economic development. For this measurable achievement and for their inspiring examples of the American spirit applied, I invite the Congress to join in sending the Trefethens our greetings, our congratulations and our appreciation of their humanitarianism.●

THE SILENT WAR

● Mr. PELL. Mr. President. On May 21, 1989 I attended the Inauguration of the North Smithfield Library in North Smithfield, RI. A speech was given at the event by Mark Patinkin, a Pulitzer Prize winning journalist and syndicated columnist based at the

Providence Journal Bulletin. I was so impressed by Mr. Patinkin's discussion of what he terms "The Silent War," or the threat of the fierce competition from other nations entering U.S. markets on every front, that I wanted to share it with my colleagues.

Mr. Patinkin's speech was based on his recent book, "The Silent War," which he coauthored with Ira Magaziner. Mr. Patinkin and Mr. Magaziner have been traveling around the globe for the past 2 years investigating how and why so many nations have surpassed us economically in a staggering number of areas. They offer sound and encouraging advice on ways that we can compete more effectively in the international arena. For policy makers this book is required reading, and I would urge my distinguished colleagues to pick up a copy.

We have much to learn from the stories told by these two men regarding the role of Government in the support of research, development, and manufacturing if we are to successfully compete on the aggressively competitive global economic battleground. The following transcript of Mr. Patinkin's speech which I submit for the RECORD offers a few of those lessons.

The remarks follow:

THE SILENT WAR

I arrived at my office to find a phone message from a name I recognized mostly from afar. Ira Magaziner—I knew of him as a former Rhodes Scholar and global business strategy consultant based in my home state of Rhode Island. We sat down and he told me what he had in mind.

In his career, he'd worked for hundreds of companies around the world—from Volvo to Mitsubishi to General Electric. Over time, he'd grown increasingly alarmed at how our competitors, even unlikely competitors like Singapore and France, were becoming far more sophisticated at international business than we were. Just as disturbing, he saw foreign governments giving their companies far more help in competing than our own was.

He was convinced a new war was unfolding, a silent war, one that would determine which nations would be able to leave their children a higher standard of living. He began to tell me of the battles we've lost.

He pointed out that there was only one U.S. company left making color televisions. No U.S. company had ever made a VCR. In the last few years, Korea had taken away much of our microwave oven industry. We'd even fallen behind in semiconductors—Japan was now the world leader. The irony, he said, was that each of those products was an American invention. But too often, we got the patents while our rivals got the profts.

Now he wanted to write a book that would warn of the threat—not a book of economic analysis, but one that would tell the inside stories of how our fiercest competitors were invading U.S. markets, and how the best of American companies were fighting back.

About two years ago, we left on the first of six trips around the world. One of our early stops was Singapore. It was new to me. I'd never been to the Far East before. I pictured rows of unskilled workers bent over sewing machines. Instead, I found a tiny nation that has begun to resemble Silicon Valley, bristling with the kind of firms any U.S. governor would covet. At first, I thought Singapore had lured those companies with the classic bait of a Third World country—low wages. It's not that way anymore.

We sat down with a well-groomed young man named Wong Lin Hong, the managing director of Micropolis, a typical Singaporean company. It doesn't make cheap radios or clothing. It makes computer disk drives, which is typical enough. Eighty percent of the world's disc drives are made there. I wondered how a low-skilled country could have dominated so high tech a product. Mr. Wong gave me the answer. It's true that he grew up in a shanty, the son of a junk dealer, but today, Mr. Wong is an engineer. So are his three brothers. So is his sister. So is his sister-in-law. That is our new Third World competition.

We also visited an Apple computer plant there. In the early 1980's, Apple put up a simple plant in Singapore making memory boards—a low-skill job. That was all Apple thought it could make in a low-skilled Third World country. But Apple's Singaporean workers wanted to prove they could do more. They began to volunteer nights and weekends for special classes in the country's vast network of worker training institutes—built by the government to arm its people in the skills of the 1990's. Eventually, Apple's management in Cupertino, Calif. realized one of its most skilled workforces anywhere was in Singapore. So it made a bold decision. It built a major new plant there. And today, every single Apple II computer, one of the most successful personal computers ever designed—a true American symbol—is made in Singapore, not because of low wages, but high skills.

We found similar stories in Korea, in Hong Kong, in Taiwan. That, I learned, is the reality of today: an increasingly aggressive Third World.

But we had one other question we wanted to answer: what about the products of tomorrow? Who will win those battles? To help understand the answer, we went to Japan.

We went there not to simply explore a high tech product, like semiconductors, but a true product of the future, one that wouldn't be big until the next decade or century. There were many we could have chosen—superconductors, advanced ceramics, microelectronics. We decided to focus on photovoltaics; solar energy—the conversion of sunlight to electricity by way of silicon cells. Right now, it's about a $300 million a year industry, but many are convinced it will be worth billions in a decade. Which nations will harvest that wealth?

We met two men who helped show us the answer. The first, Joseph Loferski. He's considered one of the fathers of solar science and symbolizes why America has been the world's technology leader for so long: the backing of government. Loferski's education was federally funded, so was his research at RCA, and then, government reached out to him again, putting him on a special team to perfect the solar cells that powered our first satellites. When he decided to move to Brown University, he found the faucets still wide open again, and was able to buy over a million dollars in equipment and staff his lab with a dozen workers. By the late 1970's, we were the world's clear solar leader, just as we led in electronics, semiconductors and aeronautics.

The second man who opened our eyes about the solar race was Yutaka Hayashi. Although Japanese, he knew that to get a top science education, there was only one nation to go to. And he did, graduating from Stanford, then returning home to join Japan's first rudimentary solar effort, begun after the 1973 oil crisis. His reality was the opposite of Loferski's—he was stuck in a crowded, underfinanced lab, forced to beg companies for second hand equipment and to read U.S. solar magazines for the latest breakthroughs. We were the leader, Japan the copier.

But in the 1970's, that began to change. Japan's government became convinced that to keep its people prosperous into the next century, it wouldn't be enough to be a nation of good manufacturers. They'd have to be good innovators, too. And so, in the late 1970's, Japan began one of its biggest technological projects ever—the building of a science city two hours south of Tokyo, bigger than almost any U.S. college campus; hundreds of buildings and thousands of scientists, whose key mission was to help companies compete.

I visited that Science City two summers ago. One of its most impressive labs was dedicated to solar cells. It had millions of dollars of equipment and well over a dozen scientists. One of them was Dr. Yutaka Hayashi, now armed with the best that money can buy.

The postscript to this story: when oil prices dropped, America slashed its solar funding to the bone. In Japan, where oil prices also dropped, they actually redoubled their solar effort. Today, Japan is the world's clear solar leader.

Unfortunately, it's the same in other products of the future—from superconductors to advanced ceramics.

I came away from our time abroad convinced that America is now in a fierce horse race. But our time exploring companies at home showed me there's no reason we have to lose.

First—can America win when a Third World country begins challenging us with $2 an hour labor? We can and the proof is the refrigerator, one of the great American products. You may find Sony stereos in your living room, but you don't find Mitsubishi refrigerators in your kitchen. That almost changed a few years ago when Japan put a low-wage plant in Singapore to make refrigerator compressors, the heart of the machine, as important as an engine in a car.

At General Electric, our biggest refrigerator maker, a number of executives wanted to simply give up—shut their compressor plant and import from the competition. They had to pay their workers $17 an hour with benefits; there was no way they could fight back against $2 an hour rivals. But a number of engineers insisted on standing their ground. They argued that the only way to build a prosperous company, and country, was through manufacturing. They convinced GE management to make its biggest factory investment ever—$120 million into a new compressor plant so automated it would allow our workers to be ten times as productive as their competition. GE is still working out the bugs, but that plant is now completed, and capable of allowing $17 U.S. workers to build cheaper compressors than their $2 an hour competition.

The next question—can we go beyond stopping imports at the border and succeed at exporting? Few U.S. companies even try. Of America's 360,000 manufacturing firms, only 10 percent export. But we found one that proves any company can do it: Cross pens and pencils, a non-high-tech, non For-

tune 500 firm. A number of years ago, Cross realized it would one day stop growing if it didn't move beyond America. But it saw other U.S. firms who'd tried to export and given up after a year or two of failure. So Cross came up with a key strategy: it vowed it would care more about market leadership next decade than stockholder payoff next quarter. In every new foreign market it took on, it resolved to stick it out for at least five years. In many countries, to establish a solid beachhead of salespeople and advertising, it spent ten times the profit it was harvesting. And it made sure to tailor its products to foreign tastes. It saw how U.S. auto companies ship cars to Japan with the steering wheel on the left even though the Japanese drive with it on the right. To avoid that kind of mistake, Cross adjusted its goods for different markets, in one case going so far as to come up with a whole new product—a fountain pen for European buyers. The strategies have worked. Today, Cross sells in 150 countries, from Fiju to Andorra; it's the top selling status pen in Japan, and a key player in Europe, bringing millions of dollars into America when usually it's the other way around: our dollars flowing into foreign pockets.

Finally, can America lead in products of tomorrow? We can, and the proof we found is Corning Glass. About 15 years ago, it came up with the greatest breakthrough in telecommunications since Alexander Graham Bell invented the telephone: fiber optic phone lines. Instead of talking by electricity over copper wire, Corning found a way to let us talk by light over glass—our voices carried on microscopic laser beams over hair thin glass fibers that run for miles. Corning's executives went to Japan to sell their breakthrough. The Japanese acknowledged it was an astounding product. But they refused to buy. They refused because Japan had targeted fiber optic phone lines as a key industry of the future, and had resolved to manufacture it on its own. The only way Corning could get a piece of the action, Japan said, would be to license over its technology. In the last 20 years, U.S. companies have done that routinely, selling over 45,000 technology licenses to Japan. But in this case, Corning refused. Japan's response: it formed a coalition of fiber optic phone line companies and backed them with millions of research dollars.

That meant Corning had to spend millions more of its own to keep improving its product. It has paid off. Travel the world today and you'll see Japanese cars everywhere, American cars restricted mostly to our own market. But look closely at the world's phone systems and you'll see American technology everywhere, and Japan boxed inside its own borders.

So we can win.

But not simply by dropping the value of the dollar as our only strategy for competing. To stay ahead, we have to win in the lab, in the factory and in the marketplace. We have to match the strategies now unfolding around the world. In Japan, governments and companies are spending millions to research products of the future. In Singapore, they're spending millions to train workers in the skills of the future. In Europe, they're spending millions to export into the markets of the future.

We have to do the same.

In Spring of 1987, my co-author, Magaziner, met a Japanese government official for lunch as part of one of his consulting jobs. The official began discussing Japan's latest economic vision. In the methodical way of Japanese, he explained how they'd charted out the exact point where they expect to pass America by as the world's technology leader—right around the year 2000.

Then he asked Magaziner a question. He wondered what had happened to our economic will? Why is it, he asked, that except for military pursuits, we no longer seem to want to win? Magaziner wasn't sure what answer to give him. But after 70 visits to Japan, he's convinced of something. Although the Japanese are good, we can be better. They and other nations—from Singapore to Germany—may well win the economic race, but only if we let them.●

GORDON PIERCE OF SHREWSBURY, VT

● Mr. JEFFORDS. Mr. President, it is a tradition in this body of many traditions that when a person of prominence, well-known for his or her accomplishments, passes away that Senators come to the floor to honor their lives. More often than not, their passing has already made National or State headlines.

Other times a man passes whose significance is noted only locally, yet its broader importance escapes attention. The eloquent eulogy of such a man put it succinctly. "Not people die, but worlds die in them." The world of Gordon W. Pierce, of North Shrewsbury, VT, was very special indeed. A large part of Vermont's past world died with him. To understand this one must know Vermont, its pastoral past, and the importance of the country store, particularly the W.E. Pierce Store.

Some 7 years ago a reporter noted, "The W.E. Pierce Store should be in the Smithsonian Institute, or maybe the Shelburne Museum." Let me share a glimpse of the reasons for that comment.

The store traces its history back to 1876. As noted in the article referred to below, "Time has brought change to North Shrewsbury and the Pierce Store has changed. Even so, the store is a bit of living history."

W.E. Pierce, "Willie," became the store operator in 1918. He had five children, each epitomizing their own portion of Vermont life and tradition. The youngest, Gilford, gave his life for his country in World War II. The oldest, Marion, is remembered for dedicating her entire life to the young, as a teacher and social worker.

Marjorie is a devoted historian, and a conservative store manager, yet motors around in a Volkswagen bug with a mock wind-up key inserted in the back, and is an enthusiastic member of Amnesty International. These traits may seem contradictory to those who do not know Vermonters, yet they very much reflect Vermont.

Glendon, the youngest, is also a mixture of Vermont characteristics. He is a Mr. Fixit, especially when it comes to wooden clocks. He is an inventor, he cuts hay and wood, grows vegetables, is a humorist—a prankster in his early days, and is most patient with the children who frequent his store. Most of all, he is a country gentleman of the finest kind.

The special significance of Gordon Pierce's life is best expressed in the eulogy given at his service, which I will now read.

Fortunately, North Shrewsbury and Vermont still have Pierce's Store. Majorie and Glendon still charm and educate those of us who go to stand by the wood stove in the winter, or to get a cool soda in the summer. Yet the Pierces have no children and the loss of Gordon reminds us of our mortality. We sadly realize we are also witnessing the passing of that Vermont world so rich in history and tradition.

I wish to give my sincere thanks to Lee Wilson for his most eloquent and fitting eulogy and to Yvonne Daley of the Rutland Herald for this exceptional and insightful story of August 19, 1982 entitled: "Pierce's Store: Candy Costs, History's Free." Mr. President, I ask to have this story entered into the RECORD at this point.

The material is as follows:

EULOGY DELIVERED JUNE 12, 1989 BY LEE WILSON IN MEMORY OF GORDON W. PIERCE

When first moving to Shrewsbury I remember looking out from our porch down towards Pierce's and seeing their lawn sweep down to Sargent's Brook, the stream which flows past our place down to theirs. There was a park in miniature, with the stream, the lawn on either side of it, a dark stand of spruces, a large apple tree, a beautiful old swamp maple, and forget-me-nots growing by the stream. Containing the stream was a rock wall embankment. It appeared to be old. Its smooth face easily deflected the current, with every stone securely and tightly fitted into place. I assumed some sturdy Shrewsbury pioneer had built that rock wall embankment many years ago. It looked like the product of a by-gone era, when men and women were strong enough to push back the woods, clear the fields, and layout miles of rock wall boundaries with no power other than what their own hands or animals could provide.

One day in Pierce's Store I told Gordon how much I admired the rock wall embankment, and the way the lawn swept down cleanly to meet it. I wondered out loud what person had the strength, know-how, and persistency to build it. He gave me his characteristic laugh, with his head thrown slightly back and to one side, and let me discover he had done it. There in front of me, weighing in at no more than 120 pounds, stood my supposed pioneer giant.

Gordon Pierce had a way of surprising a person. He did not push himself forward, but walked his way through life with a quiet gentleness. He was a gentleman.

To look at him you would not think he had the strength to clear his land the way he and Glendon have done. Rather than have his funeral here, I wish we could have had it up on the mountain above Northam Village at the foot of Shrewsbury Peak in one of the 3 large meadows cleared by Gordon and Glendon. There the whispering leaves of the sugar maples would have told

us more about this person who loved the land and tended it as if it were a giant garden. You come across those meadows by surprise—no signs, no calling attention to themselves, just a quiet unlooked-for beauty surprising you when walking out of the wild wood—another of Gordon's surprises and very much like him.

He had a unique sense of quiet merriment and subtle humor. He and Marjorie took two newcomers to Shrewsbury on a hike to the top of Jockey Hill to see the famous balancing rock. The newcomers became slightly concerned when Gordon explained why he had a large paint brush stuck in his belt, and a gallon paint can swinging at his side by means of a rope looped over his shoulder. He had them to paint marks on trees so we would find our way back in case we got lost, or so he said. He did look alarmingly well-prepared for getting lost. But of course the paint brush was never used, and the paint can contained sandwiches for a picnic eaten up by the rock.

Another story involved Gordon and his sister Marion. One late summer day they stood by the Pierce's vegetable garden looking at some miserable ears of corn growing on the stunted stalks of one short row Gordon had planted. The corn crop had not turned out as expected. "Gordon", Marion said, "You should have planted more." Gordon looked at Marion and the corn with a smile in his eyes and said, "I don't know what we'll do with all that we've got now." They both laughed.

Gordon could combine amused merriment and seriousness in dealing with the many young customers who for years have been drawn to the Pierce's Store penny candy like bees to honey. How many times did these young customers ask Gordon to add and re-add their candy purchases, one piece at a time, while they counted and recounted the pennies in their hand? I think Gordon, the store bookkeeper and veteran town auditor, enjoyed these early adventures in accounting. Then there were his youngest customers who threw themselves at the mercy of the store by depositing all their money on top of the glass candy case pleading for assistance in correctly matching this money to their appetites. Gordon politely assisted each according to their need and never appeared to tire of it. His hands were just as quick to help his young customers count their candy as they were to help his neighbors stack their wood, piece by piece. This also he did many times without ever appearing to tire of it.

Gordon's hands could tackle even the toughest jobs. On October 4, 1987, a devastating snow and ice storm swept through Vermont. It uprooted the massive swamp maple on Pierce's lawn by the stream. What will they do now?, I wondered. Cutting the wood up was normal work for Gordon and Glendon, but who could take on the massive root ball still partially embedded in the earth? During the next spring I drove by day after day, and noticed a hole being dug out around that root ball. Slowly the hole got wider and deeper, until the giant root ball seemed small in comparison to the hole. Someone was mining away at that root ball—of course it was Gordon. Then came a Saturday morning of triumph when Gordon attached chains to it and hauled it away with his pick-up like a man who has captured his prey. I recall this now because it occurred almost exactly one year ago today. A frail 80 year old man once again proved he could surprise.

Are there giants who have walked the earth to clear the way and make it smooth for us? No, there are just people like Gordon Pierce, who believe in things being done decently and in order. He was a man who was just as content to count out pieces of candy one by one, and place them in the soft small hands of his youngest customers, as he was to wrestle and overcome a huge gnarled root ball, or to help a neighbor in need. To each task was appointed its own time and place, and for each task there was quiet patience and a strong will to see it done right.

A few words cannot encompass a life. One poet wrote, "Not people die but worlds die in them." Who can describe an entire world? We could all say more about Gordon, and in these hours of remembering we should say more. We are here today because in ways large and small we have each shared a part of the world of Gordon Pierce and found it was a place of surprising strength, enduring patience, and much gentle good will. We will remember Gordon when walking through his meadows, buying candy in the store; or seeing the stream flow by the rock wall and the forget-me-nots.

[From the Rutland Herald, Aug. 19, 1982]

PIERCE'S STORE: CANDY COSTS, HISTORY'S FREE

(By Yvonne Daley)

NORTH SHREWSBURY.—The W.E. Pierce Store should be in the Smithsonian Institute, or maybe the Shelburne Museum.

The boxes of penny candy, displayed under a curved-glass counter, sylpho-nathol antiseptic disinfectant and spirits of ammonia in two ounce bottles, lending library with many pre-1930s books, and woodenworks clocks are about as authentic as you can get.

The Pierces—Marjorie, Marion, Glendon and Gordon—could act as guides. The four siblings who now run the family store also inherited a wealth of anecdotes about life in a country store from the latter part of the 19th century to the present.

They know stories of the days when this part of Shrewsbury was called Northam, of the days even before their birth to when the Pierce Store, like other country stores in Vermont, was the center of a bustling community.

The Pierces are in their latter years. They guard their ages like some families hide skeletons in the family closet, but a sleuthful interviewer with a copy of a Shrewsbury history calculated their respective ages to be somewhere between 71 and 82 years old.

Marion is the oldest and shyest. She is a retired school counselor who, like her brothers and sister, returned to the store after a successful career.

Marjorie, next in age, "has the best memory," her siblings say, and is the busiest. Between writing to Chile and other countries as a member of Amnesty International, a world-wide group that lobbies for political prisoners, and writing the gossip column for The Shrewsbury Times, she runs the store, keeps house for the family and tools around in her Volkswagen "bug."

Marjorie doesn't walk; she runs. And when she talks, people listen; she is a well of historical information who has the knack of keeping the story interesting.

Gordon, the youngest surviving brother—a younger Pierce died in World War II—also tends the store. He's the vegetable gardener for the family: "I'm not scientific about it at all," he said. He is modest and quiet, but wonderful with the children who come into the store to purchase licorice and hot balls, Tootsie Rolls and lollipops.

"This one's strawberry and well, that one's very hot—have you ever tried those. Do you like Tootsie Rolls?" he asks, patient and generous.

The other brother, Glendon, is the story teller. He has a talent for fixing most anything, especially old clocks with wooden works. Glendon also minds the store, when he isn't cutting wood. haying, inventing a toy or rebuilding a machine.

The four live together in the house their ancestors built, where storekeepers for 150 years have slept their few hours between locking up after a night of conversation and checkers with "the men" and opening the door for the morning's first customers.

Time has brought change to North Shrewsbury and the Pierce Store has changed. Even so, the store is a bit of living history.

Marjorie traces the store's beginnings to a distant relative, Nathaniel Aldridge, who built it in 1876. The store was passed from cousin to cousin until 1911 when Jasper Aldridge bought it.

"I remember Jasper," she said, sitting on a bench next to the stove in the center of the room. "He liked me because his daughter had died and I reminded him of her. He always sat in a captain's chair by the stove."

Jasper's son, "Willie D," ran the store, Marjorie remembers. "I dreamt about it just last night. They had these little chocolate teddy bears in those days with marshmallows in the center. Some would have a penny in them. Willie D always made sure I got one with a penny in it."

Jasper sold the store to Marjorie's father, Willie E. Pierce, in 1918.

"We all helped with the store. My mother tended store most of the time, while my father farmed the meadows. We owned a big barn and had horses and cows. He cut the hay and raised potatoes. We were in school and then high school, but we would help out some," she relates.

"We have mainly groceries and gas now, but when he bought the store, they stocked patent medicines, boots, shoes, overalls, socks, yardgoods and hardware, rakes, shovels, hoes and guards for mowing machines, just about everything."

More than 80 years ago, Marjorie relates, Frenchmen and Italians logged in the woods just over the hill from the store. They came to the Pierce Store for supplies.

"Where you can't even drive now, there were once logging and saw mills," said Marjorie.

"Father had a big grain business. I think he lost on groceries," Marjorie said. "When my father ran the store, Shrewsbury was all farms. Now there aren't more than five or six."

Shrewsbury farmers, ekeing a living out of stony fields, would transport their milk to a nearby cheese factory every morning and cart the whey back home for their pigs. On the way back, Marjorie said, they would stop at the store, tie up their teams of horses and make their purchases.

Even when they needed nothing, farmers stopped by the store as part of the day's routine—to discuss the news of the day, the gossip and the weather.

In the evening, the men would wind their way down Northam's windy roads to sit in the store and trade yarns and compare crops. "My father would open the store after supper every evening till 8 or 9 p.m. Men would come down with their lanterns, buy some bananas and swap stories. Sometimes I'd stand behind the counter and listen to the jargon. My brothers played

jokes on the men. I didn't hang around with the men much. It kinda bored me—just talking about cows and milk."

Glendon likes to talk about the pranks he and his brothers played on the customers—Gordon, however, denies participation.

"There was this customer, John Quinlan, a Civil War veteran, he was a nice old man. Well, he came into the store and sat down to talk with the rest of the men. He had some nice large eggs in a pail and we took them out and put in pullet eggs—no, bantam eggs, when he wasn't looking," Glendon relates. "Later, Quinlan looked down and said, 'By Jehovah!' That was his favorite (expression)."

Sometimes, Glendon said, one of the boys would hide under a barrel in which they had bored a small hole. When an unpopular customer sat down, the boys would jab him with a spike.

Another time, the boys hooked up an old Ford battery to the door knob so customers would get a shock when they touched the door. Glendon gets almost as big a kick out of telling the story as he got when he pulled the prank.

"Years and years ago, there was quite a to-do when the Gypsies would come through, you know." Glendon said, "I was just a little boy. I'm over 24 now, so I was just a tad then.

Giving advice was just one of the jobs of old time storekeepers. They frequently offered advice—like suggesting soap for a particularly offensive-smelling customer—or credit, free food or clothing to the poor. Glendon said his parents stocked laudanum and morphine, especially for one woman "who must've used it," but the Pierces still resist the pressure to stock beer or wine.

Other vestiges of the early days line the walls: a 1914 "Top Notch Magazine," Copenhagen tobacco container, a Lenox soap box, buttons and handkerchiefs from the 1920s, a device that was used to cut tobacco plugs, a hand-made cleaver and hay knife, the post office that once operated here, an egg scale and a brass cash register painted silver.

The cash register was stolen some years ago and turned up later near the top of White Rocks cliffs in Wallingford. It was in pieces, warped and barely salvageable, but Glendon restored it and it is in use today.

A tradition of Republicanism is also evident—pictures of presidents from Eisenhower to Reagan decorate the store and Marjorlie speaks fondly of her boy, James Jeffords. She's lost her fondness for Nixon, however: "I don't like him any more."

Through all the changes, the store has kept its most important qualities; friendliness of the proprietors coupled with a wide variety of goods.

Recently, for example, a man came in for some thread, Marjorie said she was out, but offered safety pins in their stead. "That would do," the customer said, "How much?"

"Well, I don't know," Marjorie retorted. "We've had them a while. You got a quarter on you?"

Marjorie doesn't know what will happen to the store when she and her brothers become too old to run it. None of the four married; there are no offspring.

"People have been asking to buy it," she said, "and we know the time is coming—though we don't like to think about it—when we won't be able to keep it up.

"But for now," she said, "we're doing just fine."●

THE DISASTER ASSISTANCE ACT OF 1989

● Mr. BOREN. Mr. President, I wish to voice my support for H.R. 2467, the Disaster Assistance Act of 1989. This bill will provide relief for thousands of agricultural producers whose crops have been destroyed by drought, freeze, floods, and other natural disasters. Farmers in my home State of Oklahoma have suffered great losses to their winter wheat crop. Many producers have suffered complete losses. We have also experienced significant losses in cotton, soybeans, peaches, pecans, rye, and other crops.

This bill represents a compromise between the various interests represented on the Agriculture committee. After many long and late hours, the committee was able to fashion a package that will provide coverage to all producers.

I would like to draw special attention to two provisions I believe to be of great importance to my home State. First, the bill contains a provision that will allow those producers with failed acres or prevented plantings who put their acres in "conservation use" under the "0/92" or "50/92" programs to have the option to receive disaster payments. Many producers experienced their losses long before there was talk in Washington of a disaster bill, and they simply made the best business decision available to them at the time. I don't think these producers should be treated less favorable simply because they were good managers or because their loss was incurred very early in the year. I would like to thank the Senators from Kansas, Mr. DOLE and Mrs. KASSEBAUM, for their support on this provision.

Second, the bill allows for some payments to be made very soon. If an eligible producer applies before September 30, 1989, the Secretary of Agriculture shall make full or partial payments within 15 days, but not before September 15. This is a very important provision for winter wheat producers who may need the payments to prepare to plant again this fall.

Mr. President, as I mentioned, this is a compromise bill, and therefore I have some concerns. First, unlike previous disaster bills, this bill has no provision for catastrophic losses. The absence of this provision may mean smaller total payments to those suffering total losses.

Second, the bill requires producers suffering a 65-percent loss or greater to purchase crop insurance in order to receive their payments. I support the concept of crop insurance, however, I am hesitant to force producers to buy insurance before we have time to review the report recently issued by the Commission for the improvement of the Federal Crop Insurance Program. I should note, however, that this requirement can be waived if the cost of the insurance is too high in a particular area or if the purchase would cause economic hardship.

Mr. President, I cannot sufficiently stress the importance of getting the regulations written and the payments made as quickly as possible. In my opinion, this bill is really an extension of last year's disaster bill; I know it was an extension of last summer's drought that caused much of the damage to the wheat crop in the Southwest. I hope the Department of Agriculture will administer the program using the same or similar rules when at all possible. For example, one provision I trust will be kept is the deminimus yield rule. In short, Mr. President, this rule allows the local ASCS office to establish a reasonable level at which a producer no longer has to harvest a nearly lost crop just to prove his eligibility for disaster payments. A farmer should not have to incur harvest costs if it's not economically beneficial to do so. I hope the Department agrees and will continue to allow this deminimus level to be set.

Finally, Mr. President, I would like to thank the distinguished chairman, Senator LEAHY, and the ranking member, Senator LUGAR, for their leadership and cooperation in the crafting of this bill even though their States may not have suffered substantial losses. I thank them for their help in sending this bill to the President.●

THE DISASTER ASSISTANCE ACT OF 1989

● Mr. PRYOR. Mr. President, after several weeks of long and trying negotiations, I welcome the arrival of the Disaster Act of 1989 to this floor for final passage. When nature delivers such an adverse impact to agriculture, especially one so widespread, there are many competing priorities from across the country. This fact, combined with ever-increasing budget constraints, does not make a process such as this a simple matter. Many of us come from States with specific needs, yet the one goal all of us share is to deliver a timely assistant package to our farmers, and to remain fiscally responsible at the same time. Mr. President, we have accomplished that achievement, and for that reason, this is an acceptable piece of legislation.

While this bill provides a relatively equitable amount of assistance to farmers, it falls short of perfection. Indeed, it falls short of fully addressing the needs of farmers in my State, and others who have experienced similar problems. In last year's disaster bill, there was a provision that provided for additional relief for those who suffered catastrophic losses. This bill has no such provision. There is no apparent reason for this change in policy, other than the fact that the

administration claims the additional costs associated with such a provision override the need to maintain a consistent and fair policy. The absence of such a clause is not minor, Mr. President. Last year, I watched as many farmers in the Midwest and upper Plains States—where the drought was most severe—benefited from such a catastrophic measure. This year, I will watch farmers in the mid-South, devastated by floods and freeze, attempt to get by on the standard payment that is available to farmers.

Another issue that has a very direct impact in parts of Arkansas is the producer versus farm number application for assistance. This is an issue that is almost exclusive to the small tenant farmer. Under current law, assistance is provided by farm number, which causes some farmers to be neglected from assistance that they would otherwise qualify for. Surely Congress never intended this to be implemented in an unfair manner, which is the result when benefits are not provided to the producer per farm number. Under current implementation, the consequences are that a farmer is penalized by simply farming on the wrong side of the road. The administration stated that such a provision would prove too costly, yet nothing was produced to support the expense the administration said this measure would be. While this measure remains unresolved, I do look forward to working with USDA in hopes of addressing this in a way that will be fair, and that will consider the unique problems that current law causes in many parts of the delta. It is the tenant farmer we have in mind with this issue that is demanding of our attention.

The only issue in the bill that is less than satisfactory is the language concerning Federal crop insurance. The language we included in last year's bill was adequate, and would have been this year as well. Under last year's law, we required producers to purchase crop insurance if they received disaster assistance, as long as it did not create an undue financial hardship on the farmer. This year, in addition to that, we have made a distinction in the eligibility for assistance for program participants. Those who had purchased crop insurance will need to show at least a 35-percent loss of their crop to receive benefits, while those who do not have crop insurance must prove a forty percent loss. I emphasize this change in policy not because I am an opponent of Federal Crop Insurance, but for the simple fact that I realize there are some changes that need to be made in this insurance program before it is given such influence in policy making. If it were a popular program, no one would need to be forced to purchase it. Also, taxpayers have spent approximately $1.5 million on the Federal Crop Insurance Commission, which has done a tremendous job of exploring the current program and making determinations in what type of changes might need to be made. I advocate that before we mandate crop insurance, we should have time to review the work of this commission. Certainly, this is an area that will receive much attention in the coming year.

Mr. President, in passing this bill we have succeeded in providing assistance to farmers who, I am sure, have been anxious to see such a measure pass. There is quite a bit in this bill to be thankful for. Primarily, I am glad that Congress has seen the need and the fairness in providing assistance to all farmers who have had losses this year due to adverse weather. A farmer who has lost his wheat to drought in Kansas is the same as a farmer who has lost vegetables to hail damage in Texas or a soybean farmer who has lost his crop to excessive rains in Arkansas. The Senate has shown wisdom and sensitivity in addressing this fact. I am also pleased that, with what is for the most part an extension of last year's bill, we shouldn't see a producer forced to undertake uneconomical action in order to qualify for assistance. No member of either agriculture committee could justify making a producer run his cottonpicker or combine on an unharvestable field. I am certain that it is not the intent of Congress to force a farmer to take such a foolish and uneconomical action just to prove his attempt to harvest what he already knows can't be done.

As I mentioned earlier, this was not an easy bill to draft; disaster bills never are. However, if we in the Congress think this has been difficult Mr. President, then we should pause for a moment and remember those we are doing this for. It is the farmer who has struggled through these past months, and I hope that some of his anxieties can be calmed with the passage of this legislation. There is not a windfall for any farmer in here, but just enough to allow the farmer to meet his financial obligations within the community in hopes that he can try again next year—that's all the farmer asks for, and it is the least we can do. I urge my colleagues to join the Senate and House Agriculture Committees in approving this measure, so that we can have assistance in place as soon as possible.●

THE DISASTER ASSISTANCE ACT OF 1989 AND CLARIFICATION OF THE ACT

NUTRITIONAL VALUE OF HAY

● Mr. HEFLIN. Mr. President, the purpose of following statement is to clarify section 108 of the Disaster Assistance Act of 1989. Delayed cutting, improper drying, or excessive moisture during the growing or harvesting of hay and other forage crops can cause them to loose nutritional value. In determining qualifying losses for hay and forage crops, both the quantity and the quality must be considered. Quality measured in either "crude fiber, energy," or both, calculated as a function of the quantity produced per acre, compared with a suitable average production using the same criteria, should be employed to provide an accurate determination of loss of value in hay and forage crops and be the basis for the determination of qualification and value of disaster assistance.

NATIONAL AGRICULTURAL WEATHER SERVICE

Many weather related effects on crops can be minimized or in some instances avoided all together. This Nation has in place a National Agricultural Weather Program, operated by the National Weather Service, USDA and the Cooperative Extension Service. This program can be credited with providing timely information on weather related events which has saved many millions of dollars in crops and livestock. By applying prescribed best management practices and integrated pest management practices in conjunction with both short- and long-term weather data in a timely fashion, many disasters have been prevented or mitigated. It is the sense of this committee that we must continue current services and, where possible, improve them. A systematic upgrading of the computer systems of the National Agricultural Weather Program, coupled with improved communications to integrate weather data with programs of research, education, and extension would save growing crops and livestock and preclude the necessity of emergency expenditures, and many disaster relief programs.

DE MINIMIS YIELD PROVISIONS OF THE 1989 DISASTER ASSISTANCE BILL

I would like to ask the chairman a question. I recall that last year in the administration of the Disaster Assistance Act of 1988 that the Secretary of Agriculture determined that crops which were severely damaged and for which it was determined that anticipated yields would not justify the costs of continuing to grow and harvest the crop, that the crop would be declared de minimis and disaster assistance made immediately available. It is my understanding that the Secretary will have the same authority under this act.

Mr. LEAHY. Yes, that is my understanding.

Mr. HEFLIN. I thank the chairman. I know that he will agree that it is our intent that he exercise that authority under this act.●

BLACKHAWKS 20TH REUNION

● Mr. D'AMATO. Mr. President, I rise today in recognition of a very special

group of Vietnam veterans gathering this month on the 20th anniversary of their demobilization. I speak of the 7th Armored Squadon of the 1st Air Cavalry, better known as the "Blackhawks."

A unit whose lineage can be traced back to 1833, the Blackhawks began their Southeast Asian service on March 22, 1968. Supporting the 1st U.S. Infantry Division, the Blackhawks fought in the Alcorn and Toan Thang campaigns. Later, the unit moved to a different part of Vietnam and fought in the Nui Coto, Ric Gia, and Phu Vinh Forest operations. While these efforts ended in total victories, they cost the unit a stiff price in blood spilled on the dark Southeast Asian soil. Today, only 33 of the unit's 143 soldiers survive to trace their fingers lightly over the Blackhawks forever etched into the black marble of the wall.

Mr. President, these men sacrificed the youth of their souls for our country and deserve our honor and respect. As a U.S. Senator, I feel obliged to salute them for their patriotic dignity and I ask all my fellow Members to join me in doing so.●

● Mr. DURENBERGER. Mr. President, I rise today to recognize the distinguished career of Ralph Hofstad, president and chief executive officer of Land O'Lakes, Inc. His career has been more than a commitment to work, it includes significant contributions to rural and agriculture concerns in Minnesota and across the country.

I am proud of my long association with Ralph and have come to count on his statesmanship and leadership not only in the food and agricultural industry, but also for his commitment to the economic development of people in lesser developed countries around the world.

Ralph Hofstad started working with Land O'Lakes in 1974 and has been a highly visible and prominent cooperative leader in the United States and internationally for more than 25 years. He began his cooperative career at FS Services [Growmark] in 1948 after receiving his bachelors degree from Northwestern University.

In 1965 he was selected as president of Felco, a large agricultural cooperative headquartered in Fort Dodge, IA. He held this post until 1970 when Felco and Land O'Lakes merged. He became senior vice president of agricultural services in the consolidated organization and in 1974 was named president and chief executive officer.

Ralph has emphasized the need to work closely with national policymakers and administrators to ensure the best interests of the family farmer and American agriculture were served. He has testified at numerous congressional hearings on subjects related to food and agriculture and has served on a variety of commissions and international delegations. For many years he was chairman of the United States Chamber of Commerce delegation to the European Community farm forum. Today he serves as cochairman of the National Commission on Agricultural Policy for the International Management Development Institute.

He is particularly noted and recognized for his leadership in developing a long-term vision for U.S. agricultural cooperatives. Throughout his career he has stressed importance of cooperation among cooperatives and has spearheaded new and innovative cooperations for Land O'Lakes.

Ralph is particularly well known and respected in international cooperative circles for his work to end world hunger through economic development. In 1984 he was awarded the Fowler McCracken Leadership Award and in 1985 he received the Presidential World Without Hunger Award.

Mr. President, on the occasion of Ralph's retirement, I join with his family and friends in wishing him well. I look forward to the continuing contributions I know he will make toward building a stronger rural America and a more economically sound world.●

SAVING A TROPICAL RAIN FOREST

● Mr. HATCH. Mr. President, I would like to commend Nature's Way Products, Inc., of Springville, UT, for their efforts earlier this year to preserve tropical rain forests in the South Pacific.

Because of a generous contribution from Nature's Way, a pharmaceutical manufacturer, a 30,000 acre lowland rain forest in Western Samoa was saved from destruction. Before Nature's Way intervened, residents of the village of Falealupo on the island of Savai'i had been forced to allow logging in their sacred rain forest in order to generate revenue for the construction of an elementary school which had been planned by the Western Samoan Government.

Upon learning of this situation from Dr. Paul Cox, an ethnobotanist at Brigham Young University, Nature's Way, along with Rex Maughan of Forever Living Products in Arizona and other concerned citizens, contributed funds to erase a large portion of the village's outstanding debt of $108,000. The logging ceased, and Ken Murdock, chairman of Nature's Way, Dr. Fox, and the village chiefs signed a covenant in Falealupo that contained the village's pledge to preserve the forest's natural state for the next 50 years.

It is important to note the efforts of Mr. Murdock and his company, because nearly 100 acres of the world's rain forests are destroyed each minute according to the Rain Forest Action Network. With half of the world's original rain forests destroyed and the prospect of massive wildlife extinction if the current rate continues, efforts by concerned citizens deserve recognition.

Keeping rain forests intact can produce many benefits for mankind, such as holding in check possible climatic shifts caused by the greenhouse effect, preserving thousands of plant and animal species from which man generates medicinal as well as environmental gains, reducing flooding in adjacent countries, and preventing soil erosion.

As the village of Falealupo enjoys their modern school building in future years, Mr. Murdock, Nature's Way, and all those who contributed to these efforts can take great pride knowing that they have helped to preserve our planet's environment, I salute them.●

SHOWDOWN IN "SUE CITY"

● Mr. DANFORTH. Mr. President, 111 people died in the tragic crash of United Airlines flight 232 in Sioux City, IA, on July 19. The heroic performance of the pilot and crew saved the lives of the 185 survivors. A recent Time article reveals that the aftermath of this crash is anything but heroic.

The airline, the aircraft manufacturer and the insurance companies will be embroiled in a legal battle to divide the responsibility of compensating the injured and the estates of those who died. This battle will be fierce. The potential liability for any of these three parties appears limitless. This battle will take years to resolve. The real tragedy in the aftermath of the accident is that victims may not receive fair compensation for their losses. If they choose to litigate, victims should not expect to receive any compensation for years.

The article states correctly that plaintiffs' lawyers have a financial interest in litigation. One lawyer will collect up to one-third of the damage award his client receives. These lawyers will seek out clients and encourage them to sue. They will claim that litigation is the only way to ensure full compensation.

Mr. President, the survivors and the successors in interest of those killed deserve to be compensated. That is not an issue. The issue is whether a victim will receive fair compensation and how quickly the award will be made. I regret that the outcome likely will not be satisfactory for victims.

The current tort system is a lottery. The Rand Institute for Civil Justice found that litigation does not compensate aviation accident victims for their economic losses. This means that the tort system does not compensate victims for their medical expenses and lost wages. Victims will not receive

this basic compensation. And, they may not receive this unsatisfactory amount for years if they are forced to litigate. Victims often agree to litigate upon being advised that a trial is the only way to win. But, Mr. President, as Time points out, plaintiffs' lawyers have a strong financial incentive to litigate. In fact, in 1986, the Rand Institute estimated that two-thirds of the damage awards from contingency fee cases go to lawyers, with only one-third going to victims.

The tort system grossly overpays those with the smallest losses. One study found that injured plaintiffs with losses between $1 and $1,000 received, on the average, 859 percent of their losses, while those with losses of over $1 million received, on average, 15 percent of their losses. That figure does not include the amount that goes to the lawyers. Another study found that 37 percent of suits for losses resulting from bodily injury are not paid until at least 4 years after they are first reported. A similar study found that, in the cases of the most severe injuries, those in which payment exceeded $100,000, 21.6 percent of claimants waited more than 5 years for payment. Only 2.1 percent were paid less than 1 year after reporting that injury, and 62.6 percent took more than 3 years to be paid. A severe injury likely will leave a victim in desperate financial straits. Lengthy delays in the awarding of compensation add to the costs and burdens for victims.

Mr. President, the case for reforming the tort system is clear. Congress has the opportunity to reform the inequities of the civil justice system. Senators KASTEN, INOUYE, ROCKEFELLER and I have introduced S. 1400, legislation to reform the patchwork of State products liability laws. Reforming the products liability system by the enactment of S. 1400 will be a good start. I would not stop there. I support general tort reform. We should correct the inequities in the tort system which do not treat victims fairly. Victims should be able to recover their economic damages quickly and without seeing a huge percentage of it going to lawyers. Until the tort system is changed, it is victims that will pay the price.

I ask that the Time article appear in the RECORD.

The article follows:

SHOWDOWN IN "SUE CITY"

Philip Corboy doesn't need to chase ambulances. They seem to chase him. Just one day after the July 19 crash of United Airlines Flight 232 in Sioux City, Iowa, the white-thatched, patrician-looking Chicago attorney was asked for legal help by the family of one of the survivors. Within 24 hours, Corboy had filed the first lawsuit to come out of the disaster. Since then, he has received calls from twelve other people involved in the crash. His fee, if he wins: as much as one-third of the damages.

Corboy's lawsuit was the first volley in what promises to be a high-stakes legal battle over the Iowa crash. Some attorneys have even taken to calling the tragedy "Sue City" because of the huge number of lawsuits that are expected to follow. While the 185 survivors and the next of kin of the 111 who were killed are the ultimate beneficiaries, the struggle will take place between a small cadre of plaintiffs' lawyers and their counterparts, who represent airlines, aviation manufacturers and their insurance companies. That kind of tug-of-war has grown increasingly fierce over the past few decades.

Iowa bar officials arrived at the scene of the Sioux City crash nearly as fast as the doctors did. They were determined to head off a well-known postcrash problem: unscrupulous lawyers soliciting clients on the scene in violation of ethics codes. Representatives of the state bar set up an office at the health center where many of the survivors had been taken for treatment. Bar officials also placed an ad in the Sioux City Journal asking people to call if they knew of any unethical contacts by attorneys. None were reported.

Other crash scenes have been more ghoulish. After 137 people died in the Aug. 2, 1985, crash of a Delta L-1011 at the Dallas-Fort Worth airport, legions of lawyers sought business amid the chaos, scurrying among emergency-relief workers and hospital aides. They even tramped through the halls of Parkland Memorial Hospital handing out name cards to the families of the deceased. Top lawyers in the field, who get their cases mainly through referrals, consider such tactics lowbrow. "I have utter contempt for those who choose to get cases this way. They deserve the bad reputation they have," says Lee Kreindler, a New York City lawyer who won a record $7.9 million judgment in the Delta case.

Insurers show up just as quickly as the lawyers, seeking through a disputed process known as claim control to keep costs from spiraling. Associated Aviation Underwriters, one of the major airline-liability insurance companies, has already begun the process of talking with survivors and the families of victims of the Sioux City crash, trying to settle their claims quickly and dissuade them from going to court. Says Peter Magee, executive vice president of the company: "If you buy a ticket to get from Point A to Point B, and you don't make it there, then the legal burden is on me to explain why. Statistics show you're going to recover something. It isn't a question of Is compensation fair? It's a question of how much."

The answer, say plaintiffs' lawyers, is usually "not enough" for those who sign up with the insurance companies. Friendly letters urging families and survivors to take the settlements initially offered to them—and suggesting that they shouldn't consult a lawyer—are anathema to the aviation bar. According to Gerald Sterns, a San Francisco lawyer who specializes in air-crash litigation, "These letters can be very dangerous for the victims if they decide later to file a lawsuit. The insurance company's concern is damage control. What they're doing is developing a rapport with the victims and duping them."

Lawyers for plaintiffs also accuse the insurers of more dastardly deeds. Says Daniel Cathcart, a Los Angeles-based lawyer who specializes in air disasters: "Either directly after the accident or a little later, as soon as the insurance companies know who the survivors are, they will dispatch a team of investigators to find out your financial situation, whom you're sleeping with and the status of your married life. Then they'll use this evidence to try to intimidate and embarrass you in court." Following the 1985 crash in Dallas, Delta was criticized for prying into the lives of passengers during litigation. After investigators found that one victim was homosexual, insurance lawyers raised the issue of whether his life expectancy would have been cut short because of AIDS.

Plaintiffs' lawyers have a strong financial incentive to keep people from settling without representation, since it is virtually certain in crash cases that damages will be paid. But a study last year by the Rand Corp. found that litigation often does not yield the jackpots that the public imagines. Rand found that airlines and other defendants paid victims' families less than half their average "economic loss," the value of what the deceased would have earned in a normal lifetime. Jury verdicts averaged $599,000 per victim. Still, the odds are good enough and the stakes high enough to ensure that lawyers will continue to litigate these cases avidly. As insurer Magee puts it, "This whole business has come to take on a lottery mentality. If someone gets hurt this week, then they rush to court to see what numbers come up."

TOM WRIGHT

● Mr. MCCONNELL. Mr. President, I rise today to enlighten my colleagues on the success of a Kentucky man, recently named regional Entrepreneur of the Year by Arthur Young Entrepreneurial Services Inc. magazine, Business First newspaper, and the Louisville Venture Forum. I came across this article in the Lexington Herald-Leader which I would like to have submitted into the RECORD.

When Tom Wright was 19 years of age, he decided that he wanted to have his own company, make money, and build an empire. Now, 19 years later, he is chairman and chief executive officer of AmeriQuest Inc., an industrial cleaning operation based in Boyd County, KY.

After only 1 year at Eastern Kentucky University, where he earned money from a truck-washing business that he started with a friend, Tom Wright dropped out of school and went into business for himself, cleaning coal trucks. However, 7 years later he realized that cleaning trucks is not a year-round job, and decided to pursue other services. He then applied the cleaning process to power plants, steel mills, refineries, chemical plants, and coal mining operations. The success with these operations prompted Tom Wright to create related subsidiaries. These were designed to permit AmeriQuest to sell several services to the same industry.

Today, the cleaning service has about 600 employees around the Nation, and sales are growing at an average of 40 percent a year. Tom Wright credits much of the company's success to the talented and intelligent

people who work for him. He believes that AmeriQuest will continue to grow from the inside.

Tom Wright's company has been a tremendous success, and I would like to commend him to my Senate colleagues today.

The article follows:

[From the Lexington Herald-Leader, July 31, 1989]

ENTREPRENEUR OF YEAR CLEANS UP BY DIVERSIFYING

(By Todd Pack)

ASHLAND.—Tom Wright couldn't sit still.

He rocked and swiveled in his leather chair and sometimes chopped the air in front of him as he talked about the goals he set years ago, when he was a brash young man of 19.

"I wanted to have my own company, make money and build an empire," said Wright, now 38 and chairman and chief executive of a cleaning operation based in Boyd County.

Sitting in his office, his regional Entrepreneur of the Year award displayed on a tabletop, Wright did not hesitate to talk about how far he had come since he dropped out of college and went into business for himself, knocking the dried mud off coalmining equipment.

That one-man cleaning service diversified and now has about 600 employees nationwide. Sales have grown an average of 40 percent a year since 1984, Wright said, and are already up 51 percent since January. At that rate, he said, AmeriQuest should have a record $40 million in sales by the end of the year.

But he is still not satisfied, he said.

He has his own company and is well-off financially, but "the empire keeps moving on me."

"Compared to Donald Trump, I'm nowhere close."

But a longtime friend said Wright was much closer than he was when they first met in the late 1970s.

"He's a self-driven, self-made man," said Bill Scaggs, who attends the Rose Hill Missionary Baptist Church with Wright; his wife, Deborah; and their two children, Heather, 12, and Brad, 10.

Scaggs also is spokesman for Armco Inc.'s Ashland steel works, where Wright's company is often hired to use water under high pressure to blast the slag from steel-making equipment.

It has been since the late 1970s that Wright's company has found its niche and has seen its most dramatic growth.

Scaggs said his friend had changed little despite his success. "If there's been any changes I have seen, it has been for the better."

Wright started his first company, Mobile Pressure Cleaning, in 1971 with a $2,500 bank loan cosigned by his grandfather. He loaded his makeshift high-pressure washing equipment into the back of an old bread truck and made a living cleaning coal trucks.

Business wasn't bad, he said, but it could have been better. In 1978, Wright said, "I realized it was difficult to wash trucks in the winter."

After washing a fleet of coal trucks for one company on a warm winter afternoon, he said, he was called back the next day and told that all the locks had frozen overnight.

It was about this time that he decided to consider other services.

Mobile Pressure Cleaning eased out of the truck-cleaning business and applied its high-powered cleaning process to industrial facilities, such as power plants, steel mills, refineries, chemical plants and coal-mining operations.

Spurred by that success, Wright created other, related subsidiaries.

Protek and Omni Sales and Service were founded in 1980.

Protek is another cleaning operation. In addition to high-pressure water hoses, it uses custom-built vacuum trucks to clean a variety of industrial facilities.

Although Omni does some outside work, Wright said, its main purpose is to handle maintenance, safety equipment and other supplies for other AmeriQuest companies.

Belpar Chemical was established in 1981. It was followed by Belpar Environmental Services five years later and Belpar Asbestos Abatement Services in 1987. The companies handle hazardous wastes.

MPC Inc. went into business in 1984. It uses small explosives to clean coal-fired power plants and other industrial operations.

The companies were designed, Wright said, so AmeriQuest could sell several services to the same industry. For example, a power company might hire Proteck to tidy up its electric plant and Omni to keep its equipment running right.

Wright said AmeriQuest could not have reached its level of success if he had not hired talented and intelligent people to work for him.

"The company is at the point where I can afford to hire only the best CPAs (certified public accountants) in town or the best law firms.

"We've got a first-class team," he said. "I'm just the quarterback."

That was the reason Wright first went to Eastern Kentucky University, where he and a friend earned spending money by washing trucks.

A winning quarterback at the old McKell High School in Greenup County, Wright wanted to be on the EKU Colonels football team. But his academic life lasted only one year.

"I couldn't see myself getting banged up and bruised," he said. Besides, "the school part of it was drudgery."

About the only thing Wright said he liked about life in Richmond was the lucrative truck-washing business he started with his friend.

His friend knew more about the business end of it, but Wright did a better job at sweet-talking customers and drumming up business, a talent he picked up while working at his father's restaurant in South Shore.

He left Eastern in 1971 and returned home to start Mobile Pressure Cleaning.

For a while, he was the only employee, dividing his time between answering the telephone and hosing down coal trucks.

"I was working my little heart out," he said.

Business grew steadily, and he hired a handful of employees until 1977 when Wright went to Johnstown, Pa., to help clean up after a major flood.

Impressed with the vacuum trucks he saw there sucking up the mud, he entered the industrial cleaning business a year later.

The expansion helped the company's income increase considerably, Wright said. Business was so good, he said that he broke down and bought a Porsche Targa 911.

"It was the first time we splurged," Wright said. But if he had known what was coming, he said, he would have waited.

When the 1981 recession struck, steelmakers—which were among his biggest customers—stagnated and so did his industrial cleaning business.

That time was the most difficult for AmeriQuest, but the company continued to diversify and weathered the recession without serious injury. In fact, Wright said his company should have $50 million a year in sales by 1991—if not sooner.

Meanwhile, he said, AmeriQuest will not branch out into new areas. Instead, it will continue to grow from the inside, learning to handle itself as a $40 milion-a-year company.

Wright said the person who had the most to learn was the self-described quarterback.

"If Tom Wright doesn't expand his knowledge and use it wisely," he said of himself, "this company is not going to grow."

AmeriQuest has done well enough that it earned Wright a regional Entrepreneur of the Year Award last month in a competition sponsored by Arthur Young Entrepreneurial Services Inc. magazine, Business First newspaper and the Louisville Venture Forum.

The future may look good, Wright said, but "I can't lean back and say I'm really happy."

"We've got a good, solid company," he said, but "I don't want to get to the point where I think everything is fine, because it's too easy for something to go wrong."

PROFILE: THOMAS W. WRIGHT

Chairman and chief executive officer, AmeriQuest Inc.

Birthdate: July 20, 1951

Birthplace: Portsmouth, Ohio

Family: Wife, Deborah, and two children, Heather, 12, and Brad, 10

Education: Attended Eastern Kentucky University in Richmond

Career: Founded Mobile Pressure Cleaning Inc. in 1971; Proteck Inc. and Omni Sales and Service in 1980; Belpar Chemical in 1981; MPC Inc. in 1984; Belpar Environmental Services in 1986; and Belpar Asbestos Abatement Services in 1987.

Quote: "I'm having fun, but there are days when I'd sell this business for a quarter."●

RETIREMENT OF JOHN COUGHLIN FROM WBBM-TV IN CHICAGO AFTER 36 YEARS

● Mr. DIXON. Mr. President, I wish to bring to the attention of my colleagues the retirement of John Coughlin, of Chicago, who will leave the CBS-owned affiliate, WBBM-TV in Chicago, after 36 years of outstanding, Emmy award-winning work.

You may have seen John on channel 2 in Chicago. For the last 19 years as a weatherman, he has brought a professionalism and dedication to his work that is a model for all of us. John had the difficult task of forecasting weather in the Windy City, a place so diverse in its weather, the local saying is if you don't like the weather, wait a few minutes. It will change.

John Coughlin's career is a study in the growth and development of the radio and television industry. Upon completion of his studies at Northwestern University in his hometown of Evanston, John worked as an an-

nouncer for WEAW-FM in Evanston, then as chief announcer and program director for WOKZ in Alton, IL, and as an announcer for Chicago radio stations WIND, WAAF, WAIT, and WBBM.

Upon joining WBBM-TV in 1953, John Coughlin quickly became a jack-of-all trades, appearing on regularly scheduled programs and sometimes filling in as anchor on the news. He could be seen in those days hosting locally produced children's shows and quiz shows, such as "It's Academic."

Moving to the weather desk in 1970, he established himself as a solid player in what was to become the No. 1 newscast in Chicago for a number of years.

John Coughlin gave you the weather straight and simple. No shows, no dramatics. No matter what other storms were raging in the news, John's 2½ minutes a night were an eye of calm, cool, accurate reporting.

Chicagoans have been loyal fans of his through the years. When he was replaced in the mid-1970's, the move touched off the largest citizen protest mail campaign against a Chicago television station. Thousands of people wrote the station demanding his return. The station reinstated him, even taking out ads in the local papers announcing "Coughlin's back."

In recent years, he has hosted two children's specials, one of which was awarded an Emmy award by the Chicago Chapter of the National Academy of Television Arts and Sciences.

Sometimes good guys do finish first, Mr. President.

Now, after 36 years, after being seen on the CBS morning news, on top of Walgreen's in the Loop to ring in the new year, as well as accurately forecasting Chicago's constantly changing weather, John is taking his well-deserved retirement.

All of Chicago will miss him. His outstanding work will be long remembered.●

ASSISTANCE TO POLAND

● Mr. SIMON. Mr. President, I rise today to speak on the $100 million foreign assistance package President Bush promised to the people of Poland. I strongly support this aid, and I believe that we ought to honor the President's commitment.

The $100 million offer cannot begin to cover the problems encountered by the friends of democracy in Poland, who are now struggling to work out a new social and economic compact with the ruling Communist Party and the Polish people. Great gains have been made politically in the past few months. But political reforms, important as they are, are but one leg of genuine reform. The aid package will help the other leg of reform in Poland: economic restructuring toward a freer, more responsive and more productive private sector.

This is one of the most crucial periods in recent Polish history. The forces of democracy and private enterprise now in responsible positions in the Polish legislature now must ask the Polish people to support reform and accept some necessary sacrifices. Credible reform needs and deserves our support now. Inflation is running about 100 percent. The shops are empty. When stores do carry items, there are long lines, and there are terrific shortages, ranging from toilet paper to flour, sugar and meat.

In the economy at large, the figures are no more encouraging: less than $1 billion in hard currency will come into State coffers this year, but the debt servicing level will be in the neighborhood of $4 billion. Much of this debt is owed to governments, not commercial banks. It's clear, then, that the lion's share of the task ahead for Poland will be to find a long-term rescheduling solution, preferably spread throughout the 1990's. This would include adjustment of government debt payment to the Parris Club member governments beyond 1991 and acceptance of Poland into the Brady Plan.

We ought to lead the way with Poland's major creditors, principally Western governments but also the main lending institutions, in finding and initiating a reasonable debt rescheduling plan soon. An early IMF standby program preceding the full development of a reform program would be helpful. And we should urge our friends and allies who have a stake in European stability to help assist Polish recovery with direct aid. But neither of these necessary programs will move very far along if we don't lead the way by honoring the President's commitment. The task at hand right now is for all of us in Congress and the executive branch to find a way to appropriate the $100 million, 3-year aid request.

I suggest that we look at the foreign aid authorization bill to find the sums required. If we take $33 million per year, starting with fiscal year 1990 and making it clear that this is a 3-year program, that ought to be workable. The funding ought to come from the Economic Support Fund account, or preferably from the Security Assistance account within the bill. But we ought to find the money, and do our part in speeding Poland's economic restructuring.

We also need to keep our attention focused on the development of effective programs for Poland. Policy declarations in Warsaw and Paris are necessary but not sufficient. To ensure effectiveness, we should set up a high level, technical working committee to work with their Polish opposite numbers and our allies in such areas as health, environment, housing and food from private agriculture. If we do this, then I am confident other nations will follow our lead and work with us on the larger problem of Polish external debt.●

INTEL CORPORATION'S RECYCLING PROGRAM

● Mr. BINGAMAN. Mr. President, I rise today to praise a New Mexico company for its national leadership in its recycling program.

Since June 1, 1989, Intel Corp. of Rio Rancho, NM, has taken the lead by establishing the State's first industrial recycling program. Intel, the main manufacturing facility of Intel Corp., employs about 1,400 at its modern Rio Rancho plant, which I visited this spring. Intel, a producer of semiconductor chips, has taken the initiative to begin a solid waste reduction project at their Rio Rancho plant. In the first 30 days, the company has recycled 4 tons of cardboard, about 3 tons of glass and plastics, and 3 tons of office paper. This is equivalent to a 90-percent reduction in waste that did not have to be transported to the public landfill at a cost of $200 a ton.

As my colleagues know, solid waste reduction is a major concern in New Mexico due to the tremendous controversy surrounding the possible siting of a 24,000 acre landfill in Hidalgo County. This controversy only highlights a national problem regarding solid waste disposal. In the United States, we generate over 160 million tons of solid waste each year. The amount of waste is rising steadily at the same time many areas of the Nation are experiencing shortfalls of permitted landfill capacity. So, it is especially rewarding to commend Intel for taking the lead with its recycling effort.

Intel's commitment is clear. The company's employees have demonstrated that through a concerted effort, industry and other sectors of the Nation can find alternatives to solve the waste problem. The program prompted no grumbling from employees, only questions about how they can help to reduce waste.

It is encouraging to see the private sector take the initiative to develop waste reduction programs that will play a key role in improving our environment. Intel's success supports my view that alternative methods for handling solid waste is an important component of our environmental efforts in this country and an issue we must pursue aggressively.●

CONGRESSIONAL CALL TO CONSCIENCE—SOVIETS STILL IN REFUSAL

● Mr. DECONCINI. Mr. President, last week Soviet authorities an-

nounced that this year they have granted permission to 1,556 former refuseniks to leave the country. The statement was made in reference to commitments undertaken by the Soviet Union at the January 1989 adoption of the Vienna concluding document. This document, a followup to the 1975 Helsinki accords, stated that signatory States would "take the necessary steps to find solutions as expeditiously as possible, but in any case within 6 months, to all—emigration—applications * * * outstanding at the conclusion of the Vienna followup meeting."

We welcome Soviet acknowledgment of its international obligations in the area of human rights—in the past, the West has had to struggle for even this preliminary step from the Soviets. Furthermore, in the last few years we have witnessed not only increased emigration, but improvement in other human rights areas as well. As chairman of the Commission on Security and Cooperation in Europe, I have had the opportunity to meet with the Soviets to discuss these issues and to observe these important changes as they are taking place.

The new Soviet approach to human rights issues has not, however, eliminated our concerns. July 19, 1989, marked the 6 month anniversary of the conclusion of the Vienna meeting. The statement issued by the Soviets last week refers to the large number of refuseniks granted exit permission, but adds to that an admission that 299 others have been denied emigration permission because they, at some point, had access to state secrets or had unspecified other problems. These Soviet figures are inconsistent with those in the West; the United States Government list of refuseniks numbers over 600. More importantly, any arbitrary refusals signal to us that praise for Soviet reforms cannot be without reservation.

Among the unresolved secrecy cases enumerated by the Soviets is that of Leonid and Natalia Stonov, who first applied to emigrate in 1978. Their work at the All-Union Scientific Institute of the Chemical Means of Crop Production, even if it was classified, ended at least 12 years ago. Gorbachev has himself in the past set an upper limit of 10 years on such secrecy restrictions—and that in only the most extreme cases. One of the most recent replies the Stonovs received to their continued pleas to join relatives in Israel was that their request for exit visas could not even be considered until 1992.

Last week, Leonid Stonov received a letter from the Chief of Administration of Internal Affairs dated July 17, 1989. It read:

In accordance with obligations in the Final Document of the Vienna meeting of representatives of the states participating in the CSCE, your request for permission to go to Israel for permanent residence has been reviewed again. However, at the present time the request cannot be answered positively based on the knowledge of state secrets.

In addressing the Vienna 6-month deadline with the publication of emigration statistics, the Soviets are acknowledging their international obligations. But they are not fulfilling them. The Vienna concluding document, as well as many other international treaties and covenants undertaken by the Soviet Union, states that "Everyone shall be free to leave any country, including his own." The Soviets have recently granted unprecedented numbers of exit visas, and so they are correct in citing a relatively small number of refusals. This progress, however, must not allay our concern for the many still denied the freedom to leave their country.

The Stonov family still sits in unjustified refusal. Our message to the Soviets must be clear: We will not forget those who wait.●

CRANBROOK, ALDEN DOW HOUSE, AND GRAND HOTEL BECOME NATIONAL HISTORIC LANDMARKS

● Mr. RIEGLE, Mr. President, during this past week the Secretary of the Interior named 19 additional national historic landmarks. This designation brings well earned prestige to these remarkable sites. My State, where three of the landmarks are located, and indeed the entire Nation are very fortunate to possess such assets. These national landmarks provide excellent examples of the talent and craftsmanship of Americans. They also provide a vital link to our Nation's past. Michigan's three additions are wonderful examples of what I have just discussed and they deserve to be placed with our Nation's finest treasures.

The Grand Hotel, located on Mackinac Island was a favorite among United States Presidents—Theodore and Franklin Delano Roosevelt, John F. Kennedy, and Jimmy Carter are among the nine who paid it visits. This 19th century Queen Ann-style hotel sits on a 100-foot bluff overlooking Lake Michigan.

Cranbrook located in Bloomfield Hills, MI, is a complex of primary, secondary, and art schools along with art and science museums outside Detroit. It was built in 1908 in a range of architectural styles. Some of our finest sculptors and artists along with one of our colleagues, Senator SIMPSON, studied and worked there.

The Alden B. Dow House and Studio in Midland, MI, was a home and workplace of a scion of the family that founded the Dow Chemical Corp. Mr. Dow's widow still lives in the house, which was built between 1935 and 1941. The studios were used by Mr. Dow who was a disciple of Frank Lloyd Wright.

I urge everyone to visit these sites which are open to the public for tours. They cannot be adequately described in a history book; one must see them to fully understand their importance.●

SENATE CONFIRMATION OF DR. JOHN A. KNAUSS AS ADMINISTRATOR OF THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION [NOAA]

● Mr. CHAFEE. Mr. President, I am pleased that yesterday the Senate approved the President's nomination of Dr. John A. Knauss to be Administrator of the National Oceanic and Atmospheric Administration, or NOAA. I would like to thank the chairman and members of the Senate Commerce Committee for acting quickly to bring this nomination before the Senate in a matter of days.

President Bush couldn't have chosen better. John Knauss is a highly acclaimed oceanographer, recognized by his colleagues as one of the most knowledgeable and experienced experts in the field. In fact, John Knauss has helped shape and define the science of oceanography as it is known today. His nomination as Administrator of NOAA is particularly appropriate, since he served on the Stratton Commission upon whose recommendation NOAA was created in 1970.

In 1962, Dr. Knauss left the Scripps Institution of Oceanography of the University of California to become the first dean at URI's Graduate School of Oceanography. During his 25-year tenure, he built the school into one of the top marine research and study institutions in the Nation. Last fall, NOAA announced the designation of the School of Oceanography as a "Center of Excellence in Coastal Marine Studies" at a ceremony in which then-Secretary of Commerce Bill Verity and I took part. That recognition was in large part due to Dr. Knauss' achievements as dean.

Dr. Knauss' abilities and experience have been appreciated not only by Rhode Islanders, but by Presidents. Apponted to two Presidential Commissions, he has also served as chair—and is still a member or fellow—of many prominent marine councils and committees.

Mr. President, NOAA's mission is one of the most important of any agency in the Federal Government today. As you know, NOAA runs a series of diverse operations, including the National Marine Fisheries Service and the National Weather Service, all of which involve the daily monitoring of our global environment.

Right now, we are seeing an explosion of concern—from the President to

Congress to kids in school—about the health of our environment. And with good cause. Global warming, air and water quality, and deforestation are some of the major issues directly related to the well-being of our population and our Earth. In this context, NOAA is playing a vital role. To lead NOAA, we need a person with deep knowledge, keen vision, and strong managerial skills. President Bush recognized Dr. Knauss as such a person.

I can think of few others who are as qualified for the position of Undersecretary for Oceans and Atmosphere as is John Knauss. We in Rhode Island know him as the guiding spirit of the URI School of Oceanography and as a respected, superbly-qualified oceanographer and administrator. In the words of a recent Providence Journal editorial, Dr. Knauss can be expected to handle the job of Administrator with distinction.

Mr. President, I applaud my colleagues for unanimously giving this nomination the stamp of approval.●

SEMICONDUCTOR TRADE AND THE EUROPEAN COMMUNITY

● Mr. BOSCHWITZ. Mr. President, many of us in the United States and around the world are watching with interest the developments in the European Community [EC]. As the 12 members of the EC move closer to their goal of achieving a single unified market by 1992, businesses both within and outside of Europe are busy making the adjustments in their thinking, planning, and operations which will be required. Not all of these developments, however, are encouraging.

The realization of a unified European market is rightly touted as a major event. It will create a market of over 300 million people, with a GNP greater than that of the United States. And while its most significant impact will be on the Europeans themselves, the United States and the rest of the world will also be affected. It has frequently been stated that the EC in 1992 represents a great opportunity for American business. A single market is supposed to stimulate economic growth, thereby encouraging more imports into the EC, while at the same time making the import procedure simpler. Rather than exporting to a single or several small European markets, an American manufacturer will have access to a single large European market.

This is how EC 1992 is presented by its supporters. Concerns have been raised by many trade experts, however, that the developments in Europe could have an adverse impact upon American exports. It is argued that a single European market could be trade diverting. That is, that the European will trade more with themselves but less with the rest of the world. There is even the possibility that the EC will build a "fortress Europe," raising trade barriers to the rest of the world. Those involved with the development of the EC have strenuously denied that this will occur. However, there are disturbing signs that American exports are already being adversely affected.

On August 2, the Washington Post printed an article on how U.S. semiconductor manufacturers are starting to suffer because of EC developments. Semiconductors, which are of course essential in a multitude of high-technology products and industries, represent a multibillion dollar market in Europe. Furthermore, research and development for semiconductors remain at the cutting edge of technological progress.

Until now, American semiconductor manufacturers have been able to sell semiconductors in Europe without much difficulty. Intel Corp., for instance, has been exporting $500 million worth of semiconductors a year to Europe. Other U.S. companies, seeking to avoid the tariff on imported semiconductors, have performed the basic fabrication of the semiconductors in the United States and have then assembled them in Europe—a relatively simple process which qualified the semiconductors as European-made.

New EC regulations, however, are causing European semiconductor consumers, consisting of a wide range of manufacturers, to turn away from American semiconductors. Assembly in Europe no longer qualifies a semiconductor as European-made, it now must be fabricated in Europe as well. This change should effectively shut off the option of fabricating semiconductors in the United States and assembling them in Europe. American manufacturers will have to either manufacture the semiconductors completely in Europe or make them in the United States and pay the import duty for shipping them to Europe.

Unfortunately, the opportunities for exporting semiconductors to Europe, even with the burden of a 14-percent tariff—the United States has no tariff for semiconductor imports—are also being restricted. Other new EC regulations are requiring a higher European content in many electronic products in order for those products to qualify as European-made. Therefore, these various products must include fewer American-made semiconductors. As a result, many European manufacturers have been informing their American semiconductors suppliers that they have to use European-made semiconductors. Since the option of simply assembling semiconductors in Europe has been eliminated, American semiconductors manufacturers are basically left with but one option, if they wish to preserve their customers: they must relocate their production facilities to Europe.

European manufacturers have been telling American semiconductor manufacturers that they need to relocate to Europe, and many are seriously exploring this possibility. Intel Corp. has already decided to enter into European manufacturing. Implications for the American economy, if this trend continues, are obvious. A decline in exports will only worsen our national trade deficit. Further, a typical semiconductor fabrication plant employs around 3,000 workers. Along with the potential loss of jobs, there is a distinct possibility that research and development programs could also be lost, as such facilities are usually located close to the semiconductor manufacturing centers.

EC officials claim that European manufacturers are reacting to fears that regulations could become tougher, rather than fact. This may be the case. The chairman of Intel Corp., Gordon Moore, agreed that the decision to move to Europe was based upon customer uncertainty rather than actual EC regulations. Nevertheless, there is clearly some basis for these concerns. As pointed out before, the EC has already implemented regulations which are having a negative impact upon U.S. semiconductors exports. The fear is that more restrictions are to come.

The Washington Post notes that Secretary of Commerce Robert Mosbacher has indicated that the Administration is becoming more concerned about EC barriers to American semiconductor exports. I certainly hope so. We need to pay close attention to development in the European Community. There might be new opportunities for American business in Europe by 1992 and beyond, but it is not sufficient to merely observe the changes. We in the United States must do all we can to ensure that American business and our national economy are not impaired by developments in Europe. As friends and allies, neither the United States nor the EC desires increased friction in our trade relationship. Still, I wish to take this opportunity to note my concern over recent EC developments, and to remind our European counterparts of their promise not to create a protectionist community. I urge that the necessary steps be taken right now to ensure open and fair trade between the United States and the EC.●

SENATE NEEDS TO RESTORE THE ASSET CAPITALIZATION PROGRAM

● Mr. HATCH. Mr. President, the Senate Armed Services Committee has brought to the floor a basically good bill.

Of particular interest to me is the operations and maintenance [O&M] accounts. Here we find the substance of our ability to achieve readiness, and once engaged, to sustain our forces in battle.

The so-called Major Force Program VII accounts contribute to this capability. They include the depot maintenance, supply, and industrial fund operations that are very technical, complex and, I regret to say, for that reason, not terribly popular or debatable issues in this Chamber. Except for the better known more easily defined civilian pay accounts, most of the work on O&M programs is done within the context of informal committee meetings with DOD officials.

I hasten to commend the committee's wisdom this year, Mr. President. Readiness got a snappy salute: the committee came to grasps with the growing backlog of equipment awaiting repair—which means equipment that wasn't getting back into the hands of our forces—a serious deficiency in our ability to train against the overwhelming odds our forces will face—by increasing the Army depot maintenance accounts in the amount of $100 million, with another $65 million going to each of the two other services.

The committee has also increased civilian pay by 2 percent, as we heard earlier this week. In Utah, the Tooele Army Depot and the Ogden Air Logistics Center employ nearly 25,000 persons who will stand to benefit. I know many of them personally. Their morale has suffered over the past 2 years, but their productivity and commitment never faltered. I wish we could have given them a better shake.

The news is not entirely good, unfortunately. The Asset Capitalization Program risks a serious setback. While the House left the President's request intact, the Senate Armed Services Committee shifted ACP funds to the "Other Procurement" accounts. The committee, I believe, did not provide a sufficient justification, nor a remedy for making this important account produce the benefits that it should. A recent GAO report describes ACP as a program that "offers great potential as a technique for financing projects needed to modernize [depot] operations."

In fact, the Committee cites GAO criticisms of the program that have either been corrected, or are already well under control. These include what had been inadequate oversight, what had been unclear guidance from OSD, and what had been a program without a functional manager at the OSD level.

GAO itself, nowhere in the report, recommends gutting the program by shifting its funds and resources. I say "gutting" because by putting ACP funds in the Other Procurement account, where, in the words of the Committee, "ACP projects [will] compete for funds with other capital investment projects in the military services," ACP will lose. Indeed, several years ago we shifted these funds from procurement to ACP for that very reason: ACP projects were not getting their fair and intended share.

Let me explain why ACP needs to be funded: First, the moneys are not appropriated directly, as GAO takes pains to explain, but are generated from fees paid by customers, that is, the units that send their equipment to the depots for work. ACP, in other words, is a low-cost, self-sustaining source of moneys to make its own capabilities more productive.

Second, ACP invests in equipment that modernizes plant productivity. Today, as I can attest from my Labor Committee position and from my board role with the Office of Technology Assessment, virtually the only way that productivity enhancements can be realized is through equipment upgrades, to include computers and computerized factory floor equipment, the bulk of ACP purchases.

How much can ACP improvements save? Over a 10-year cycle at the Ogden Air Logistics Center in Utah, these savings amounted to over $350 million. In addition, again at the Utah facility alone, total anticipated savings from the ACP projects already in process are over $600 million. That's over one-half billion dollars, Mr. President. And from Utah alone, I need only mention that there are five other ALC's in the Air Force, and as many depots in each of the other two major services, the Army and Navy.

Let me add a few final comments. There are still other hidden benefits in the ACP program. Industrial modernization projects at these depots make them more competitive—we must remember that Army and Air Force depots are statutorily required to maintain threshold capabilities for peacetime use, without which they will set back a wartime mobilization and general effort.

In addition, such facilities can demonstrate the commitment of the public sector to establishing model facilities. Private commercial networks evolve around modernized, not outmoded governmental facilities. They provide encouragement and experience to the private sector, and they provide a training base for sectoral skills to form in the geographical community and region.

Nor do I want our public facilities that must compete and must remain operational to be humiliatingly inept. I saw a morale problem emerge at Tooele Army Depot a number of years ago when our equipment and plant became outmoded, even dangerous to our workers. It was a disgrace. It would not occur in the private sector, because employees would look elsewhere, taking their skills to plants where the worker was respectfully treated.

But, Mr. President, many industries that work with DOD, and depend on these depots and centers to provide maintenance for the systems they build and design, want to move forward. Working with OSD, they are demonstrating how concurrent engineering, for example, can produce tremendous costs savings, the type that their modernization programs are already generating. Boeing's Missile Division, to take just one case, introduced process improvements of the variety we are discussing and reduced their labor rate and parts and materials lead times by 30 percent in each category. Design time was reduced by 90 percent, while floor inspections, or quality control times, were reduced by over 65 percent. All this with a 99-percent defect-free operation. I believe that our depots, with their skilled work forces can match these records. I want to give them the chance.

Mr. President, I do not want to belabor these points. The advantages are too well known, especially to my distinguished and informed colleagues on the Armed Services Committee. I am hoping, therefore, that we can remedy this apparent oversight of ACP's value in conference.●

TRIBUTE TO WILLIAM VON RAAB

● Mr. LOTT. Mr. President, as the Customs Service marks its 200th anniversary, it is appropriate to pay tribute to an individual who did much to make the Customs Service the highly respected agency of Government that it is today.

William von Raab perhaps is best known for his tough approach to law enforcement and drug interdiction. Under his leadership, Customs:

First, more than doubled its resources devoted to drug interdiction;

Second, installed a toll-free hotline for citizens to report drug smugglers;

Third, bolstered Customs' Border Patrol force, which now includes 100 aircraft, 250 vessels, and increased personnel on our southern border; and

Fourth, took significant action to keep illegal textile imports out of the United States;

I particularly want to commend Commissioner von Raab for standing up to the State Department when the State Department tried to convince the Senate that certain drug-producing countries, such as Mexico and Panama, were fully cooperating in controlling the production and distribution of drugs. It was Commissioner von Raab who candidly and publicly linked Manuel Noriega and Fidel Castro to drug running activities.

Commissioner von Raab was one of the finest individuals ever to serve as Commissioner of Customs, and his integrity and aggressive law enforcement will be sorely missed by the administration, the Congress and by the American people.●

HATE CRIME

● Mr. KERRY. Mr. President, last Tuesday in Marblehead, MA, the Temple Emanu-el Synagogue was desecrated with swastikas and Nazi slogans. The response of Marblehead citizens was commendable. Sunday, 1,400 marchers took to the streets to protest the unconscionable act of vandalism.

What happend in Marblehead, however, was not an isolated incident. Last September, in a similar occurrence, teenagers spray-painted swastikas on the walls of a rabbinical institute in Brooklyn, NY. Not content with mere defacement of property, they then proceeded to set fire to the building.

In November, in Portland, OR, three skinheads clubbed an Ethiopian immigrant to death with a baseball bat in front of his apartment.

In February of this year, a black woman who moved into an all-white neighorhood in Cordele, GA, had a cross burned on her lawn and, 2 days later her house burned to the ground.

In March of this year, an "Aryan Woodstock" was held in Napa County, CA.

In July of this year, skinheads screaming "Kill the faggot!" beat a gay man unconscious in Laguna Beach, CA.

These are only a sampling of the types of crimes directed toward minorities across the United States.

There is an added frightening dimension to this rash of hate in that it is not solely the product of anomalous individuals. Many of the events I have described are the work of groups whose sole mission is the promulgation of such violent intolerance—groups such as the skinheads, the White Aryan Resistance, and the order which openly pledge allegiance to the dogmas of Nazi Germany.

America went to war to fight this sort of racism in 1941. Over 176,000 Americans gave their lives in Europe in the belief that all people have a right to freedom and justice.

That is why it is hard to believe that almost 50 years later America should still be faced with this same sickness—only at home. It belies the truths central to our Nation, and cheapens the sacrifices we have met to defend them. The gaunt faces of the men and women brought out of Hitler's concentration camps should tell us too clearly the consequences of such a betrayal.

And that was the message of the people of Marblehead—that this hatred is intolerable. It undermines the fabric of our society. In the words of Franklin Delano Roosevelt:

> We are a nation of many nationalities, many races, many religions—bound together by a single unity, the unity of freedom and equality. Whoever seeks to set one nationality against another, seeks to degrade all nationalities. Whoever seeks to set one race against another seeks to enslave all races. Whoever seeks to set one one religion against another, seeks to destroy all religion.

One of the great virtues of this Nation is its guarantee of the basic rights of its citizens. It is in the nature of protecting these rights that we must allow a voice to prejudice and intolerance, but it is also our interest to make plain the sickness of this voice. The people of Marblehead did exactly this. Their example is one well worth following.●

SOUTH AFRICA: VENDA "HOMELAND" SUFFERS MASS ARRESTS AND CHURCH LEADERS DETAINED

● Mr. SIMON. Mr. President, I want to draw attention to a very difficult and serious situation in South Africa. It concerns the so-called "homeland" of Venda, an area in the far northern Transvaal of South Africa.

Tensions in this area have been mounting for some time. Residents have increasingly protested the corrupt and harsh rule of traditional chiefs and headmen, and have been concerned about mysterious ritual murders that have allegedly involved government officials. Last August, students in the area successfully campaigned for a "stayaway" to protest police reluctance to investigate the killings.

Now the South African Government is trying to push a celebration of the 10th anniversary of the independence of Venda, a move that is widely opposed by residents in the far northern Transvaal. On July 17 of this year, students called a meeting—which drew 10,000 supporters—to protest the mysterious murder of a school teacher, Mukosi Mavhina, and to protest homeland rule and the upcoming independence celebrations. Just a week before, students leaving a commemoration service for Mr. Mavhina were attacked by police, whipped with sjamboks—oxhide whips—and some were detained.

Equally disturbing are the numbers of religious leaders who have been detained. The Northern Transvaal Churchworkers Conference presented a petition to the State President and other government officials about the crisis, the text of which follows my statement. I am very concerned about the welfare of these church leaders and others who have been detained. Among them are:

The Reverend Mbulaheni P. Phosiwa, acting dean of Devhula Circuit, Evangelical Lutheran Church of South Africa, member of the organizing committee of the Confessing Fellowship—a Christian ecumenical antiapartheid group—who I understand has already been hospitalized as a result of this detention;

The Reverend William Sihlangu—Lutheran pastor, director of Buester Church Center;

The Reverend O.T. Malindi—Church of Christ pastor, organizer of the Confessing Fellowship, United Democratic Front Northern Transvaal Vice President;

The Reverend Nkhangweleni Rannzwa—pastor, Evangelical Lutheran Church, member of the organizing committee of the Confessing Fellowship;

Mr. Solomon Tshintangano—treasurer of the Confessing Fellowship, leader or several Lutheran Youth groups;

Mr. George Phadagi—antiapartheid activist;

Mr. Tshifhiwa Maumela—executive member of the Confessing Fellowship and an editor of the group's magazine;

Justice Gundo Lidovho—public education director of the Mulweli Counselling Center [a recently established legal aid center]; and,

Aifheli Mukwevho—member of the Confessing Fellowship, and member of the editorial committee of the group's magazine;

Tshilidzi MMbadi—treasurer of Matanda Lutheran Church;

David Mphigalale—exmember of the banned Venda Independent Progressive Party;

Phanuel Mutobvu—antiapartheid activist;

Michael Nevari—high school student;

Bethuel Mulaudzi—student;

Edward Malindi; and

David Netshivhale.

The serious situation in this area is not at all a cause for celebration. Homeland rule and other tools of apartheid are not supported by the majority of people living in South Africa. Moreover, the international community has unequivocally expressed its strong objection to South African Government's system of apartheid and its attempt to legitimize independence for homelands it has created to further divide and separate South Africa's people.

I strongly urge the South African Government to release all those who are detained, to leave the people—and particularly children—free from harassment, intimidation, assault, and detention, and to investigate unsolved cases.

NORTHERN TRANSVAAL CHURCHWORKERS CONFERENCE PETITION

Petition to be presented to the State President, Minister of Justice, the Chief Justice of Venda and the Commissioner of Police.

We, the churchworkers gathered here at Mbilwi Luthern Church on the 25 July 1989 in an emergency meeting called upon because of the crisis in our area, are greatly disturbed by the following observations.

1. During the same time last year, there was a crisis with similar causes as the current one and we tried to make representations which were not heeded.

2. The police once more seem to be failing to do justice to the murder and suspected murder cases with the result that people mistrust them and opt to carry out searches and investigations themselves.

3. While the police have shown responsible restraint at other places, they have not done so consistently. They have harassed the youths through assaulting and detaining them. The list of those detained include very young children.

4. The government, being fully aware that many people are not in favour of the 10th anniversary celebrations of independence because they are not in favour of the homeland system, continue to force people not only to participate in the celebrations but to pay for them.

We therefore would like to address the following pleas to the President, the Minister of Justice, the Chief Justice and the Commissioner of Police in the name of peace to:

1. Order the police to:

1.1 Stop harassing, detaining and assaulting our people particularly school children—this will make it possible for school children to return to classes without fear of being harassed and intimidated.

1.2 Make concerted efforts in investigating cases which people are dissatisfied about.

1.3 Drop the charges on those who have been arrested for their participation in the current attempts to get to the root causes of the problems, after realizing the incompetence of the police in investigating the cases.

1.4 Order the total withdrawal of the soldiers and police from villages and townships.

We pray that God grants you the wisdom to head our call towards the resolution of the crisis that has engulfed our area.

PRESS STATEMENT

1. We, the Far-Northern Transvaal Churchworkers Conference met on 25 July 1989 at Mbilwi Lutheran Church, Sibass. The meeting was prompted by the situation of crisis which prevails in Venda at this time.

2. The continuing crisis resulted from the deaths of three people in different places all of which occurred in mysterious circumstances.

3. It is these circumstances which gave rise to schools boycotts and general state of tension throughout Venda. In reaction to these boycotts many students have been ejembukked by the police and some were arrested and detained and others charged with public violence and incitement. Some of those detained are as young as 12 years old.

4. We resolved in the meeting to issue a petition to the government. Amongst other demands, the call to stop police brutality and detention of children.

5. Since during the crisis our people showed opposition to the planned 10th anniversary celebration of the homeland independence, we extend a call to the authorities to contribute toward a climate of peace by stopping all the programmers associated with independence celebrations.

6. We also resolved that another meeting take place on Sunday the 30th July 1989 at Mbilwi Lutheran Church, Mbilwi at 14h00.

7. An invitation is extended to all people concerned with the prevailing situations in Venda. The meeting is intended to create a forum where people share experiences and to find solutions for the future.●

BUDGET SCOREKEEPING REPORT

● Mr. SASSER. Mr. President, I hereby submit to the Senate the first budget scorekeeping report for fiscal year 1990, prepared by the Congressional Budget Office in response to section 308(B) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeping conventions. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by $465.3 biilon in budget authority, and under the budget resolution by $268.6 billion in outlays. Current level is under the revenue floor by $5.8 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, August 4, 1989.

Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effect of congressional action on the budget for fiscal year 1990 and is current through August 3 1989. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the 1990 concurrent resolution on the budget (H. Con. Res. 106). This report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of section 5 and Senate Concurrent Resolution 32, the 1986 first concurrent resolution on the budget.

This is my first report for fiscal year 1990.

Sincerely,

ROBERT D. REISCHAUER,
Director.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 101ST CONG., 1ST SESS., AS OF AUG. 3, 1989

[In billions of dollars]

Fiscal year 1990	Current level [1]	Budget resolution H. Con. Res. 106	Current level +/− resolution
Budget aurhority	864.1	1,329.4	−465.3
Outlays	896.6	1,165.2	−268.6
Revenues	1,059.7	1,065.5	−5.8
Debt subject to Limit	2,799.9	[2] 2,824.7	−24.8
Direct loan obligations	10.0	19.3	−9.3
Guaranteed loan commitments	39.3	107.3	−68.0

[1] The current level represents the estimated and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval and is consistent with the technical and economic assumptions of House Concurrent Resolution 106. In addtion, estimates are included of the direct spending effects for all entitlements or other mandatory programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public transactions.

[2] The permanent statutory debt limit is $2,800.0 billion.

PARLIAMENTARIAN STATUS REPORT, 101ST CONG., 1ST SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1990 AS OF CLOSE OF BUSINESS AUG. 3, 1989

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			1,059,700
Permanent appropriations and trust funds	966,154	796,865	
Other appropriations		214,199	
Offseting receipts	−193,106	−193,106	
Total enacted in previous sessions	773,048	817,958	1,059,700
II. Enacted this session:			
Adjust purchase price for certain dairy products (Public Law 101–7)		−25	
Implementation of the Bipartisan Accord on Central America (Public Law 101–14	13	7	
Dire emergency and urgent supplemental appropriations (Public Law 101–45)	27	850	
Apex Project, Nevada Land and Water Transfer Act (Public Law 101–67)	−2	−2	
Total enacted this session	37	830	
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Payment to Foreign Service retirement	(146)	(146)	
Fishermen's guaranty fund	2	2	
Salaries of judges:			
Supreme Court	2	2	
U.S. Court of International Trade	1	1	
U.S. Court of Appeals	1	1	
Court of Appeals	95	82	
Payment of judicial officers retirement fund	(4)	(4)	
Fees and expenses of witnesses	54	38	
Justice assistance (public safety officers benefits)	21	21	
Payment to the Central Intelligence Agency	155	155	
Housing and other credit guaranty programs	45	31	
Guarantee reserve fund	720	720	
Firefighting:			
Forest Service	133	116	
Bureau of Land Management	75	75	
Bureau of Indian Affairs	26	26	
National Park Service	11	11	
U.S. Fish and Wildlife	3	3	
Range improvements	8	5	
BLM, miscellaneous trust funds	(1)	(1)	
Administration of territories	34	29	
Compact of free association	13	13	
Guaranteed student loans	3,651	3,046	
College housing loans	2	2	
Federal unemployment benefits and allowances (worker readjustment)	80	48	
Social services block grant	2,700	2,565	
Payments to States for foster care and adoption assistance	1,297	942	
Rehabilitation services and handicapped research	1,726	1,329	
Vaccine improvement program trust fund	137	136	
Retirement pay and medical benefits for commissioned officers	101	97	
Medicaid	29,230	29,230	
Medical facilities guarantee and loan fund	21	18	
Payments to health care trust funds	(36,663)	(36,663)	

PARLIAMENTARIAN STATUS REPORT, 101ST CONG., 1ST SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1990 AS OF CLOSE OF BUSINESS AUG. 3, 1989—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
Advances to the unemployment trust fund	(81)	(81)	
Department of Labor, special benefits	231	229	
Black lung disability trust fund	694	673	
Federal payments to railroad retirement	1	1	
Special benefits for disabled coal miners	670	618	
Federal unemployment benefits and allowances (unemployment compensation)	209	209	
Supplemental security income	8,272	8,272	
Family support payments to States	9,092	9,092	
Payments to States for AFDC work programs	345	345	
Payments to social security trust funds	(192)	(192)	
Payments to widows and heirs	(1)	(1)	
Reimbursement to the rural electrification and telephone revolving fund	355	355	
Conservation reserve program	1,731	897	
Dairy indemnity program	(1)	(1)	
Temporary emergency food assistance program	120	120	
Federal Crop Insurance Corporation	163	22	
Agricultural credit insurance fund	4,462	0	
Commodity Credit Corporation	(4,800)	0	
Payments to the farm credit system	88	88	
Rural housing insurance fund	2,678	0	
Rural communication development fund	2	1	
Rural development insurance fund	1,474	0	
Special milk program	18	12	
Cash and commodities for selected groups	40	40	
Food stamp program	13,970	13,119	
Child nutrition programs	4,798	4,052	
Nutrition assistance for Puerto Rico	937	925	
WAMATA interest payments	52	52	
Aircraft purchase loan guarantee program	(1)	(1)	
Coast Guard, retired pay	404	360	
Government payment for annuitants	3,780	3,304	
Special benefits (Postal Service payment)	37	37	
Compensation of the President	(1)	(1)	
Payment to civil service retirement	(5,296)	(5,296)	
Federal Housing Administration fund	350	0	
Veterans Administration:			
Insurance and indemnities	14	14	
Compensation	11,690	10,720	
Pensions	3,927	3,609	
Burial benefits	149	149	
Readjustment benefits	439	422	
Loan guaranty revolving fund	620	620	
Total entitlement authority	112,156	97,100	
VI. Adjustment for Economic and Technical Assumptions	−21,185	−19,263	
Total current level as of Aug. 3, 1989	864,057	896,624	1,059,700
1990 budget resolution, H. Con. Res. 106	1,329,400	1,165,200	1,065,500
Amount remaining:			
Over budget resolution			
Under budget resolution	465,342	268,575	5,800

[1] Less than $500 thousand.

Notes: Numbers may not add due to rounding.

Amounts shown in parenthesis are interfund transactions that do not add to totals.●

NATIONAL ENDOWMENT FOR THE ARTS CONTROVERSY

● Mr. PELL. Mr. President, as one Senator who was deeply involved in the creation of the National Endowment for the Arts and as chairman of the Senate Subcommittee on Education, Arts and Humanities, I am distressed that the current debate over endowment grant-making is being waged largely in ignorance of what our Government endorsed as law almost 25 years ago. The establishment of the National Endowments for the Arts and Humanities was not done in a vacuum. Exhaustive congressional hearings were held as early as 1963 to hear from a broad range of witnesses whose ideas were carefully distilled into the landmark legislation that was ultimately signed into law by President Johnson in 1965.

Concern over Government interference in artistic decisionmaking was raised frequently throughout the hearing process by both Government officials and public citizens. It was widely understood that any Federal control would stifle the arts and defeat the purpose of the entire endeavor which was to encourage the reawakening and growth of America's cultural vitality. The unanimous conclusion was that such interference be strictly avoided.

President Johnson echoed these concerns in the following statement conveyed to the Congress in 1965:

We fully recognize that no government can call artistic excellence into existence. It must flow from the quality of the society and the good fortune of the nation. Nor should any government seek to restrict the freedom of the artists to pursue his calling in his own way. Freedom is an essential condition for the artist, and in proportion as freedom is diminished so is the prospect of artistic achievement.

We incorporated these cautions directly into the legislation in an unequivocal paragraph stating that:

In the administration of this Act no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the policy determination, personnel, or curriculum, or the administration or operation of any school or other non-federal agency, institution, organization, or association.

Dr. Barnaby Keeney, who had been chairman of the Commission on the Humanities, said in his report to Congress on the need for a Federal humanities program:

A government which gives no support at all to humane values is careless of its own destiny, but that government which gives too much support—and seeks to acquire influence—may be more dangerous still. . . . It is the conviction of this Commission that the independence of the proposed Foundation's Board will be the best safeguard against interference.

My colleagues and I wrote further in the Senate report accompanying the legislation that:

It is the intent of the committee that in the administration of this act there be given the fullest attention to freedom of artistic and humanistic expression . . . conformity for its own sake is not to be encouraged, and that no undue preference should be given to any particular style or school of thought or expression. Nor is innovation for its own sake to be favored. The standard should be artistic and humanistic excellence.

Over the years both Endowments have been remarkably faithful to this mandate. Financial support, while limited, has been stretched to reach as many American citizens as possible and has enriched their lives in immeasurable ways. The system of peer panel review has proven itself to be durable and effective. It may be an imperfect system but no one can deny what a beneficial effect it has had on our cultural lives. The one concern I have in this regard is an impression held by many that Endowment grants are not as broad-based as they should be. A safeguard here is to ensure that peer panelists are rotated frequently and are representative of all sectors in any given discipline.

The current controversy is especially troubling because of the extremes involved. The extreme nature of Mr. Serrano's and Mr. Mapplethorpe's work, has led to an equally extreme "solution" proposed by Senator HELMS. I found their artwork deeply offensive so it comes as no surprise to me that large numbers of people are similarly offended. The result is a situation that has the very real potential to seriously undermine an agency that is so vital to the continued cultural development of our country.

Before the Congress hastily adopts the Helms solution, should we not step back and consider what such a move will mean? Should we not seek a careful review of Endowment procedures in an effort to gain greater accountability of Federal grants? I urge a reasoned approach that shows an understanding of the original legislative intent for a Federal arts support program.

In this regard, I have made a formal request to the Acting Chairman of the Arts Endowment that the National Council on the Arts undertake a full-scale review of grant procedures and report to me on their findings. Their conclusions will be incorporated into the Endowment's reauthorization process within which any necessary changes to the statute can be formalized.

This process will also afford us the opportunity to explore the questions: Should there be limits on what the Endowment supports with the taxpayer's money? Can we continue to justify spending funds on art that a majority of people may not ever appreciate and some of which is truly offensive? These are valid questions and are ones which the Congress, as steward of the

public's money, has the legitimate responsibility to discuss. Balancing the desirability for a climate of artisitic freedom with responsiveness to the taxpayer is a challenge that we should accept.

It is my hope that the Arts Council will reaffirm the Endowment's congressional mandate to support artistic excellence and make any needed changes in procedures so as to assure Congress and the public that funds are being spent responsibly. If this is done with conviction and discipline, I would be reluctant to take further steps to alter a unique system that requires flexibility in order to function effectively. ●

TRIBUTE TO AMBASSADOR JAMSHEED MARKER OF PAKISTAN

● Mr. HUMPHREY. Mr. President, recently, Pakistan's former Ambassador to the United States, Jamsheed K.A. Marker, returned to private life. Ambassador Marker represented Pakistan with distinction during some of the most critical years in United States-Pakistani relations. His presence here in Washington will certainly be missed.

The events that have confronted United States-Pakistani relations since Jamsheed Marker arrived as the Ambassador to the United States in late 1986 are mind-boggling: the renewal of security assistance for Pakistan, concerns over the Pervez smuggling case, a rise in Soviet-sponsored attacks and terrorism against Pakistan, Prime Minister Junejo's urgent request for AWACS, Congressional concerns with the Geneva accords on Afghanistan and the Soviet withdrawal, the tragic death of President Zia and Ambassador Raphel, and the election of President Ishaq Khan and Prime Minister Bhutto. These are not minor issues Mr. President, but issues that have shaped the course of history.

When I first met Ambassador Marker upon his arrival to the United States in 1986, he already faced a full agenda. His first year in Washington coincided with Congressional review of the follow-on security assistance package for Pakistan. President Reagan, consistent with his commitment to Pakistan's security and independence, requested authority for a 6-year aid package to Pakistan. At the time, Pakistan was being bombarded daily by Soviet-inspired cross border raids from Afghanistan, leaving hundreds of innocent civilians dead. Terrorism within Pakistan surpassed that of any other nation in the world.

In Congress, there were numerous concerns about Pakistan's nuclear program. Many prominent Democrats were calling for an end to all assistance, and, in my view, unfairly blaming Pakistan. But Ambassador Marker effectively assuaged the concerns of many Senators, and articulately impressed upon members, how a cessation of assistance would weaken United States objectives in Southwest Asia, not strengthen them. The pursuasiveness of that argument, resulted in bipartisan support for the restoration of a vigorous security assistance package to Pakistan. I remain convinced, that a failure on our part to follow-through with our commitments, would have had a devastating impact on the security of South Asia.

On numerous occasions over the past 2½ years I met with Ambassador Marker, to express my concerns or solicit his views. The issues were difficult—nuclear proliferation, progress toward democracy in Pakistan, the future of Afghanistan—to name a few. We did not always see eye to eye. But I was always impressed with his candor, integrity, and willingness to convey my concerns to Islamabad.

We are indeed fortunate that President Zia selected Jamsheed Marker for his important post at such a critical time. Jamsheed is perhaps Pakistan's most experienced ambassador—having served a number of important posts including the Soviet Union, Canada, Japan, West Germany, and France, before coming to the United States. It is a tribute to his talent and dedication, that as he leaves Washington, United States-Pakistani relations are stronger than perhaps at any time in history.

I understand that Jamsheed and his delightful wife Arnaz will remain in the United States as private citizens, while he completes a book on the security of South Asia over the past decade. A success story in which he played no minor role.

Finally, Mr. President, I would like to take this opportunity to welcome to the United States Pakistan's new ambassador, Air Chief Marshall Zulfiqar Ali Khan. I have already had the pleasure of meeting with him, and I wish him the very best during his tenure here in the United States.

Mr. President, I ask that a profile of Ambassador Marker from the New York Times on September 1, 1988, be printed in the RECORD.

The profile follows:

[From the New York Times, Sept. 1, 1988]

LINCHPIN OF U.S.-PAKISTAN ALLIANCE

(By Robert Pear)

WASHINGTON, Aug. 31.—Take a strategically situated country that receives large amounts of economic and military aid from the United States, that is developing the ingredients for a nuclear bomb and that is next door to a country torn by civil war for the last eight years.

What kind of envoy does such a country, in this case, Pakistan, send to Washington?

Jamsheed K.A. Marker, the Ambassador of Pakistan, is described as tough, shrewd and cultivated by State Department officials and members of Congress.

Of all the diplomats in Washington, few work so intimately with the Reagan Administration as Mr. Marker. He has helped forge a joint strategy with the United States in one of the great geopolitical battles of the 1980's, the effort to expel the Soviet Army from Afghanistan. In the process, he has dramatically strengthened relations between Pakistan and the United States, American officials say.

In 23 years of diplomatic service, Mr. Marker has served as ambassador to 15 countries, including Ghana, Rumania, the Soviet Union, Canada, East Germany, West Germany, Japan and France.

"He has been everywhere and knows everybody, not just Helmut Schmidt and François Mitterrand and senior Soviet officials, but literary and cultural figures as well," said Robert A. Peck, a State Department official with 20 years' experience in South Asian affairs.

Mr. Marker said he talks to State Department officials "almost every working day" and meets at least twice a week with officials from the State Department, the Pentagon, the National Security Council or the Central Intelligence Agency. "Our relationship has never been closer," he said.

A MINORITY IN HIS HOMELAND

The relationship, never a romance, was born of mutual need and strategic necessity. Tensions between Washington and Islamabad appeared to increase in the last few months. American officials expressed concern about Pakistan's nuclear program and also asserted that the country was not making enough progress toward democracy. Mr. Maker sought to allay such concerns.

Unlike most Pakistanis, Mr. Marker is not a Moslem, but a Parsee, a member of a Zoroastrian sect descended from refugees who fled Persia centuries ago. His family, like many Parsees, was active in business and commerce, and before he became Ambassador, Mr. Marker worked in family-owned shipping and pharmaceutical companies in Baluchistan. He was also a radio commentator on cricket matches and is a keen fan of the opera, often attending festivals in Bayreuth, West Germany, and Salzburg, Austria. He speaks English, French, German, Russian, Urdu and Gujarati.

His appointment as Ambassador to the United States in 1986 stirred a bit of controversy in Pakistan. People asked how President Mohammad Zia ul-Haq could name a non-Moslem to represent and Islamic country that was striving to bring its own laws into conformity with the tenets of Islam.

Mr. Marker said his selection "shows the tolerance that exists in Islam, as practiced in the Islamic Republic of Pakistan."

Amid the continual rivalry between India and Pakistan, Mr. Marker has won many friends here for his country. Representative Charles Wilson, Democrat of Texas, said, "I have bottomless admiration for the intrepidness with which the Pakistani people have endured Soviet pressure and intimidation, and made it possible for us to prevail over the Soviet invasion of Afghanistan."

Senator Gordon J. Humphrey, Republican of New Hampshire, said Mr. Marker was "a superbly effective, very smooth and self-assured diplomat, a real heavyweight." He said the Ambassador "played a major role in smoothing out the bumps in U.S.-Pakistani relations," especially disputes over Pakistan's nuclear program.

CONDUIT FOR WEAPONS

Pakistan has been the main conduit for American weapons delivered to the Afghan guerrillas, and it has provided a temporary

home for more than 3 million Afghan refugees.

"What we did in Afghanistan had a motivation of self-preservation, no doubt," Mr. Marker said. "We saw the danger to Pakistan immediately following the Soviet invasion of Afghanistan in 1979. We could have tackled the problem diplomatically, tried to negotiate an agreement with the Soviet Union. That would have been the easy solution, and in the short term it would have bought us temporary security.

"But that was never a serious option for Pakistan. There was an instinctive feeling of revulsion at the Soviet action, a spontaneous sense of abhorrence that manifested itself in Pakistan's public policy."

Mr. Marker said that Pakistan's refugee policy was a model for other nations. "If the affluent countries and democracies of Western Europe and the United states had shown even half the compassion that impoverished, embattled Pakistan has shown now, much of the damage of the Holocaust might have been avoided," he said.

NUCLEAR BOMB AND REFUGEES

Born 65 years ago in Hyderabad, in south central India, he was educated at the Doon School, in Dehra Dun, an elite boarding school attended by many of India's future leaders, including Rajiv Gandhi, who is now Prime Minister. Mr. Marker also graduated from Forman Christian College in Lahore, where he studied economics.

Mr. Marker recalled that "we were in the doghouse with the United States in 1979-80," mainly because of American concerns that Pakistan was trying to develop nuclear weapons. He resents the suggestion that Pakistan stood up to the Soviet Union to secure more American aid.

"In fact," he said, "we stood up to the Soviets as a matter of principle before the first aid from the United States for the mujahedeen (Afghan guerrillas). We did what we did as a matter of principle, to prevent a superpower from behaving in such a manner—and, even more important, as a matter of Islamic brotherhood."

TWO VIEWS OF INDIA

Pakistani officials deny that Pakistan was or is trying to build a nuclear bomb. American officials say, however, there is strong evidence that Pakistan has all the components needed to assemble such a weapon. Some members of Congress, alarmed at the evidence, have tried to reduce American aid to Islamabad. Mr. Marker, working with State Department officials, has helped thwart those efforts through a combination of gentle persuasion and aggressive lobbying.

The Pakistani envoy said he had "good personal relations" with India's Ambassador to the United States, P.K. Kaul, whom he described as "a very pleasant gentleman." But he combined this compliment with a verbal thrust, saying that India, because of its economic and political ties to the Soviet Union, had taken "a pusillanimous position" on the Soviet invasion of Afghanistan, abstaining on United Nations resolutions to condemn the invasion and welcoming the Afghan President in May with a 21-gun salute.

Mr. Marker met his wife, Arnaz Minwalla, in New York, where she was in the hotel business. Her family owns what is, in effect, the grand hotel of Karachi. "She is his equal as a diplomat," said a family friend, "They are a real team."

After President Zia was killed in a plane crash two weeks ago, the Pakistani Embassy received hundreds of letters of condolence from Americans who admired the Pakistani leader. Mr. Marker answered them all, sending handwritten notes in response to many. He also attended a condolence ceremony held at the mosque here by Afghans grateful for President Zia's support in their struggle.

INTERAGENCY COMMITTEE FOR COMPUTER SUPPORT OF HANDICAPPED EMPLOYEES

● Mr. SIMON. Mr. President, the General Services Administration's Interagency Committee for Computer Support of Handicapped Employees was formed in 1984 to address policy issues relating to Federal employees with disabilities. The Interagency Committee is a consortium of agencies and departments of the Federal Government, which has now reached 25 in number. Though this group has only received minimal direct funding, it has been coordinating work that has an enormous spinoff effect throughout the government and, indeed, into the private and international sectors.

In the past, the Interagency Committee has received funding only for one full-time equivalent [FTE] staff and minimal costs. These funds have not exceeded $50,000. As a result, most of the committee's work has been done by volunteers. The reliance on volunteerism, however, has not provided the continuity and stability necessary for the central functioning of the committee. The responsibilitites of this committee have been growing as the use and role of computers in the daily operations of government increase and as efforts increase to provide equal employment opportunities to persons with disabilities.

The Interagency Committee for Computer Support of Handicapped Employees requires increased funding for fiscal year 1990 in order to address the increasing number of important issues which it faces. For fiscal year 1990, the OMB and the House Appropriations Subcommittee have already approved $124,297,000 for the general management and administration appropriations in GSA. It seems that these funds include sufficient latitude to more than cover the costs of an effectively functioning Interagency Committee. Thus, in the Treasury, Postal Service, and general government appropriations bill, I tried to secure the following language:

GSA is directed to provide $300,000 from the General Management and Administration Appropriation and six full-time equivalent [FTE] staff to fund and staff the Interagency Committee for Computer Support of Handicapped Employees in fiscal year 1990.

Unfortunately, this language was not secured. Apparently, GSA sent a report to the Subcommittee on the Treasury, Postal Service, and General Government which made its level of funding seem sufficient for the needs of the committee. As a result, no funding was earmarked for the committee from the GSA general management and administration's funding in the bill.

While I understand that GSA would like to be able to control its own budget, I would hope that GSA will meet the requests of this committee. The responsibilities of this committee are important enough to thousands of disabled Federal workers that it fully warrants the funding which it has requested. With additional funding, the Interagency Committee can be even more effective than it has been in the past.●

NEWSPAPER CARRIERS RECOGNIZED

● Mr. GLENN. Mr. President, October 14, 1989, has been set aside by the International Circulation Managers Association [ICMA] as the date to honor newspaper carriers. International Newspaper Carrier Day gives recognition to the hundreds of thousands of newspaper carriers who daily deliver the news to citizens across this country and the free world. They are truly on the frontline for first amendment rights and the disseminators of the freedom of the press.

Chairman Joseph J. Bial, from the Plain Dealer in Cleveland, OH, has stated that this year's theme honoring our newspaper carriers is "The Real News Anchors."

Let us all recognize the importance of the real news anchors, the newspaper carriers who so faithfully deliver the daily news. With that in mind, let us observe Saturday, October 14, 1989, as International Newspaper Carrier Day.●

NATIONAL VISITING NURSE ASSOCIATIONS WEEK

● Mr. D'AMATO. Mr. President, I rise today as a cosponsor of Senate Joint Resolution 103 designating the week of February 18 through 24, 1990, as "National Visiting Nurse Associations Week." I cannot overstate the importance of this joint resolution which will focus attention on the growing importance of, and need for, home health care.

While the general population has only recently come to appreciate the tremendous advantages associated with home health care services, the visiting nurse associations [VNA's] across the country have been providing such services for over 100 years. They originated as the District Nurse Association of Buffalo, NY, in 1885, and they are now the oldest continuously operated home nurse associations.

Trained professionals and community volunteers from visiting nurse asso-

ciations care for roughly 1 million Americans each year. The VNA's provide these people with a diversity of services such as neonatal care, hospice services, physical therapy, and home IV therapy.

Thanks to the visiting nurse associations nationwide, we have made great strides in these and other, related areas of home care. In recognition of their efforts, I urge my colleagues to join me in cosponsoring this praiseworthy joint resolution.●

MOBILE SUBSCRIBER EQUIPMENT

● Mr. BOND. Mr. President, over the past few weeks several statements have appeared in the CONGRESSIONAL RECORD regarding the Army's Mobile Subscriber Equipment [MSE] procurement. Specifically, these statements relate to the intention of GTE and Thomson-CSF to initiate MSE radio production at Wilcox Electric in Kansas City, MO. Unfortunately, a sound business decision is being complicated by other considerations. Thus, I believe several important points require clarification.

The Army MSE contract was awarded to GTE Government Systems Corporation in December 1985. When the request for proposal for the MSE program was released to industry for quotation as a Non-Developmental Item [NDI] acquisition, only two systems meeting the functional specifications existed, both of them heavily dependent on foreign vendors. Thomson-CSF, a French company teamed with GTE to bid MSE and became the largest subcontractor of a total of 32. GTE's and Thomson-CSF's bid was by far the lowest bid.

Because the contract was solicited as an NDI and the two competing contractors were both offering foreign developed systems, the solicitation contained a special economic acquisition provision [SEAP]. The purpose of the SEAP clause was to encourage and assure that the winning offeror would expend the maximum possible amount of dollars in the United States, thereby benefiting the American workforce.

Both of the competing offerors submitted their own percentage goals to meet this requirement. The GTE contract states that 76.5 percent of the total cost expenditures must be incurred within the United States. GTE's compliance with that clause is evaluated semiannually and should they be found in noncompliance, the clause contains an option for significant payment withholding.

After contract award in 1985, Thomson-CSF contracted with NavCom Defense Electronics, a division of Gould located in El Monte, CA, for the production of MSE-related components. Gould was subsequently purchased by Nippon Mining of Japan. Eventually, in mid-1988, the management of NavCom purchased the division in a leveraged management buyout. At that time, Thomson-CSF negotiated a contract with NavCom to produce MSE radio components for option years 1 and 2 only. Thomson-CSF has, and fully intends to continue, total compliance with the provisions of this contract with NavCom.

Early this year, following extended negotiations with NavCom, Thomson-CSF selected Wilcox Electric, its American subsidiary, for production of option years 3 through 6 MSE radio production. Wilcox has been operating in the State of Missouri for more than 50 years. It currently manufactures air traffic control systems for the FAA and aviation industry, as well as ground radar, navigation and landing systems for the Defense Department. At present, GTE and Thomson-CSF in accordance with U.S. procurement regulations are in the process of requesting Government approval for initiating production at Wilcox.

Thus, Mr. President, the facts are these. First, Thomson-CSF is not discontinuing its radio production subcontract with NavCom Defense Electronics or in any way abrogating its current agreement with NavCom. As I noted, that contract is for option years 1 and 2 only, and Thomson-CSF fully intends to honor the contractual obligations contained therein. For the remaining option years, Thomson-CSF will contract with its American subsidiary, Wilcox Electric, for the production of necessary radios.

To suggest, as some have, that this decision will have far-reaching ramifications on our Nation's economy in general, as well as a deleterious effect on our national security, is absolutely false. Not a single American job will be lost to our Nation's economy as a result of this decision. In fact, a significant number of jobs, possibly as many as 300, will be created in the Kansas City area.

Assertions have been made that Wilcox is not a DOD contractor and that the facility in Kansas City is little more than an empty building. This is not true, infact, Wilcox is a DOD contractor with three active contracts having a combined value in excess of $7 million, with options which will increase over $30 million. Furthermore, Wilcox has already begun the acquisition of equipment, the reorganization of the factory floor, and training of employees necessary to establish production in Kansas City and meet the Army's MSE production schedule in a cost efficient manner.

The suggestion has been made that because Wilcox is a subsidiary of Thomson Corp. of America which is a subsidiary of Thomson-CSF of France it will not meet the SEAP incorporated in the Army/GTE contract designed to encourage GTE and its subcontractors to maximize the work performed in the United States. Wilcox most certainly meets the SEAP requirement. The company is incorporated and operates in the United States as does it's immediate parent. Furthermore, the intent of the provision, to create jobs for U.S. workers, clearly will be fulfilled by the employment of the American workers living in the Kansas City area. Furthermore, production of the equipment at Wilcox meets the test of expenditures being made in the United States to create jobs for Americans. The Army agrees, recently stating "the fact that Wilcox is owned by a foreign parent company does not disqualify them as a U.S. production source for the purposes of SEAP compliance."

Although Wilcox is in fact owned by Thomson Corp. of America which in turn is owned by Thomson-CSF of France, the employees of Wilcox are my constituents. The jobs created by initiating MSE radio production at Wilcox will go to Missouri workers and the capital investment and economic expansion will occur in the United States, not in France.

Unlike some foreign acquisitions of American firms, the technology transfer which has taken place with Thomson-CSF's purchase of Wilcox has flowed from France to the United States. Thomson-CSF has provided the capital and technology to make Wilcox a significant competitor in the field of defense and aviation technology. The clear result has been, and will continue to be, additional jobs and economic growth in the Kansas City area.

Mr. President, the decision to initiate MSE radio production at Wilcox has nothing to do with lack of patriotism on the part of GTE as some have suggested. It has nothing to do with France's denial of an overflight for the attack on Libya. Furthermore, there has not been duress or some undue influence placed by Thomson-CSF on GTE to make this decision. The charges to the contrary are unfortunate political pandering and blatant misrepresentations.

Mr. President, the decision to initiate MSE radio production at Wilcox for option years 3 through 6 of the program was simply a business decision based on sound economic principles. This is not part of a grand scheme or conspiracy to takeover the productive capacity of the United States. Thomson-CSF from the very beginning, has taken every action possible to ensure they comply with the SEAP requirements of the MSE contract. In spite of difficulties encountered with Gould and NavCom, Thomson-CSF has maintained their delivery schedules of the radios and will continue to do so.

The decision to initiate production at Wilcox is a business matter, nothing more and nothing less. Congress should allow GTE and Thomson-CSF to continue to ensure that the MSE program remains on schedule and on budget and not be drawn by false charges to make a political entry into economic competition among American workers.●

MEDICARE PRESCRIPTION DRUG UTILIZATION REVIEW

● Mr. HEINZ. Mr. President, I rise today to focus the Senate's attention on what I view as the critical, hidden benefit of the Medicare Catastrophic Coverage Act of 1988—the drug safety program established as part of the act's new prescription drug benefit. As one of the principal authors of the prescription drug program, I remain firmly committed to seeing its full and effective implementation.

Each year, millions of older Americans run the risk of illness, depression or even death because they are taking too many or the wrong combination of prescription drugs. Each year, more than 250,000 of these elderly patients need to be hospitalized for adverse drug reactions or their side effects.

Knowing this, we built safeguards in the catastrophic law to protect Medicare beneficiaries from potentially lethal combinations or adverse reactions to prescription drugs. The law requires that a comprehensive tracking system, or drug utilization review, be put into place that gives pharmacists the means of identifying potentially adverse drug interactions each time a Medicare patient asks to have a prescription filled.

Once fully implemented, nearly 27 percent of all Medicare beneficiaries, or 9 million individuals, will receive an average benefit of $672 each year under the new prescription drug program. One hundred percent of all beneficiaries will be protected under the drug safety program and potentially spared from unintended, but life-threatening side effects. Simply put, Mr. President, Medicare's drug safety program can save both lives and dollars by preventing hospitalization or other medical treatments.

Regrettably, the Health care Financing Administration [HCFA] is proceeding down a track in implementing the drug safety program that, if not altered, will undermine congressional intent. As confirmed by the recent report of the General Accounting Office [GAO], HCFA's plans for drug review are severely limited and will only allow for the identification of a fraction of drug interactions that endanger human lives.

Mr. President, it was out of concern over implementation that Senator WILSON and I introduced legislation, the Drug Utilization Review Act of 1989 (S. 859), to make certain that a complete and comprehensive system of drug utilization review is created, with adequate confidentiality protections for patients and providers alike. This same legislation has been introduced in the House (H.R. 2677) by Representative SNOWE.

It was also out of this concern that I, together with Senator WILSON and Senator PRYOR, have repeatedly urged that HCFA take a comprehensive approach to drug review in their final request for proposals [RFP] for the administration of Medicare's new drug benefit. To date, none of our many letters to the Acting HCFA Administrator or the Secretary have been answered. I request, Mr. President, that copies of these letters and S. 859 be included in the RECORD.

This initial concern on my part elevated to outrage 2 weeks ago when HCFA refused to wait a mere 24 hours before releasing their final request for proposals—so that we might all have a chance to review the findings of the GAO's study.

It appears, Mr. President, that congressional intent and congressional intervention have fallen on deaf ears. I, therefore, am prepared to press for the legislative reforms offered by S. 859 and H.R. 2677 as part of reconciliation this year. I also remain willing to work with HCFA in finding administrative approaches that address the limitations cited by the GAO.

Mr. President, I thank my colleagues for this opportunity to share my concerns and urge their support of S. 859.

The letters and S. 859 follow:

U.S. SENATE,
SPECIAL COMMITTEE ON AGING,
Washington, DC, June 1, 1989.

LOUIS SULLIVAN, M.D.,
Secretary, Department of Health and Human Services, Washington, DC.

DEAR DR. SULLIVAN: As promised at this morning's Finance hearing, I am pleased to provide you with the attached copy of S. 859, "The Drug Utilization Review Act of 1989", which was introduced by Senator Wilson and myself on April 19, 1989.

The purpose of our bill is to clarify two very important requirements of the drug utilization review (DUR) program required by the Medicare Catastrophic Coverage Act. These are, (1) to insure that Medicare's DUR system is at least as effective and efficient as the computerized systems that already exist in many of the nation's pharmacies and hospitals; and (2) to insure adequate safeguards for privacy and confidentiality concerning beneficiary-specific data reposited in the Medicare DUR systems.

As the orginal sponsor of the catastrophic drug amendment, I believe this bill will strengthen the Department's ability to implement a comprehensive DUR program to protect beneficiaries from adverse drug interactions, protect the Medicare program from unnecessary costs, and protect providers and patients alike from loss of confidentiality.

I welcome your views and any recommended improvements to this legislation, which is currently undergoing technical revision. Should you wish to further discuss this legislation, do not hesitate to contact me or have your staff contact Dr. Joseph Lieberman of my staff at 224-1467.

Thank you for your interest in this important matter.

Sincerely,

JOHN HEINZ,
Ranking Minority Member.

U.S. SENATE,
Washington, DC, June 30, 1989.

Mr. LOUIS B. HAYS,
Acting Administrator, Health Care Financing Administration, Washington, DC.

DEAR MR. HAYS: We are writing in regard to the Draft Request for Proposal for the Medicare Catastrophic Outpatient Prescription Drug Bill Program. As sponsors of legislation to improve the drug utilization review (DUR) system to be established under the Medicare Catastrophic Coverage Act (MCCA), we are particularly interested in HCFA's Request For Proposal (RFP) as it relates to drug utilization review.

The MCCA requires the Department of Health and Human Services to establish a drug utilization review system that identifies, as written in the conference report (H. Rept. 100-661): (i) instances or patterns of unnecessary or inappropriate prescribing or dispensing practices for covered outpatient drugs; (ii) instances or patterns of substandard care with respect to such drugs; and (iii) potential adverse reactions.

The DUR system mandated by the MCCA reflects congressional concern with the growing problem of mismedication among the nation's older population. The congressional mandate further reflects a commitment to establish a comprehensive drug review system to save the elderly from needless pain and suffering and to save the Medicare program from unnecessary costs. In our view, the draft RFP falls far short of congressional intent concerning DUR.

Specifically, we have serious concerns and would appreciate your response regarding the following:

1. The need to provide protections against a full range of potential drug interactions.

. The importance of taking advantage of existing technology.

3. The need to provide protection of data.

On the first point, the evidence in support of the technological feasibility of a comprehensive, nationwide DUR system is compelling. As you are no doubt aware, the General Accounting Office recently issued a report analyzing the attributes of DUR systems operating throughout the country. The GAO report found that existing systems have the ability to identify adverse drug reactions that may result from interactions other than simply drug-to-drug interactions addressed in the draft RFP. We refer here to the interaction of the prescribed drug with one or several other drugs being used by the beneficiary; the interaction of the prescribed drug with a known allergy presented by the beneficiary; the interaction of the prescribed drug with a known physical condition or illness presented by the beneficiary; drug abuses; incorrect dosages; and under, over, and misutilization of the prescribed drug.

We are extremely concerned that the draft RFP excludes many of the above attributes that are vital to a meaningful and effective DUR system. The weight of evidence that these variables are essential to improving the quality of care provided the elderly and reducing costs is significant. However, despite this recognition and the expectation of expanding DUR beyond

drug-to-drug interactions, as indicated by the RFP's note of "enhancements for future phase-in," as well as the existence of technology with comprehensive DUR capabilities, the DUR system proposed in the draft RFP is extremely limited. In our view, it would be extremely costly and time-consuming to include additional capabiiities at a later date; such variables should be included from the outset by the RFP.

A second concern relates to HCFA's seeming reluctance to take advantage of existing DUR systems. It would appear that HCFA intends to develop, test and implement a DUR system from scratch by January 1, 1991. As you no doubt are aware, however, systems exist that are in operation and have been tested. The Department of Defense, for example, has operated a DUR system since 1981 in the San Diego area and is currently testing a worldwide system. In light of the importance of DUR to the health and well-being of seniors, we would appreciate learning of HCFA's rationale for not taking advantage of such systems' particularly given the potential for this approach to delay DUR implementation as called for by Congress.

Finally, the draft RFP fails to adequately address the issue of data ownership. A chief concern of ours is that beneficiary-specific data acquired through the Medicare DUR system be afforded adequate safeguards for privacy and confidentiality. It is essential that data acquired by pharmacists and physicians be held in confidence and not disclosed. This requirement must preclude data from being accessed, used or sold for any purpose unrelated to the beneficiary's health care. Such confidentiality protections are necessary to prevent the unauthorized dissemination of information to a third party and to ensure that potentially sensitive medical information cannot be traced back to the beneficiary.

In short, we are concerned that the DUR system, as proposed in the draft RFP, will slow the development and implementation of an effective and efficient DUR system that can protect the elderly from the consequences of mismedication, can contain Medicare program costs associated with unnecessary prescriptions, and can ensure the confidentiality and privacy of beneficiaries.

We look forward to learning how HCFA intends to address these concerns in the final RFP and to working with HCFA to establish a comprehensive and effective Medicare DUR program. Should you have any questions or comments, please feel free to contact Kim Belshe with Senator Wilson's office at 224-5422.

Sincerely,

PETE WILSON.
DAVID PRYOR.
JOHN HEINZ.

CONGRESS OF THE UNITED STATES,
Washington, DC, July 12, 1989.

LOUIS W. SULLIVAN, M.D.,
Secretary, U.S. Department of Health and Human Services, Washington, DC.

DEAR DR. SULLIVAN: We are writing to express our deep concerns regarding the Health Care Financing Administration's (HCFA) failure to follow congressional intent in developing the drug utilization review (DUR) component Medicare's outpatient prescription drug benefit. The Medicare Catastrophic Coverage Act (MCCA) requires the Department of Health and Human Services to establish a program to identify instances or patterns of inappropriate prescribing or dispensing practices and substandard care for covered outpatient drugs and to monitor for potential adverse reactions.

We urge you, as the Health and Human Services Secretary, and as a physician, to take an immediate personal interest in this matter, as HCFA's current plans for the prospetive DUR system are seriously flawed and fail to provide for quality of care and economy in Medicare's new drug benefit. The level of protection offered in HCFA's draft request for proposal (RFP) is inadequate to meet the needs of older Americans for professional screening of their prescriptions *before* they are dispensed.

As leaders of the House and Senate Aging Committees, we maintain that Medicare's 33 million beneficiaries are deserving of protections against drug-induced adverse reactions which are at least equal to those routinely provided by already existing prospective electronic point-of-sale DUR systems that have been operating for years in both the government and private sectors. HCFA's draft RFP provisions for a computerized DUR provides only a fraction of what existing systems can do to save Medicare and its beneficiaries from the costly consequences of adverse drug reactions. These consequences include the human costs of discomfort and disorientation, pain, suffering and even death, in addition to the unnecessary expenditure of billions of dollars on preventable hospitalizations and nursing home placements.

For example, HCFA has chosen to screen only 225 pairs of drugs for potentially severe adverse drug interactions, when existing prospective DUR systems include computerized screening for many thousands of potentially dangerous drug combinations. For the top 25 drugs commonly prescribed for the elderly, only about 10 percent of the known potentially severe adverse interaction drug pairs would be detected by HCFA's proposed system. Furthermore, the proposed system ignores other standard components of currently operational DUR systems such as drug to allergy, cross-sensitivity and drug to disease precautions which can be critical in preventing significant morbidity and mortality in the elderly population.

Similar concerns have been expressed by a number of organizations in response to HCFA's May, 1989, draft RFP. For instance, the American Society of Hospital Pharmacists (ASHP) stated in its comments that it was "extremely concerned about the incomplete and inaccurate information" included in the lists and tables for therapeutic duplicates, severe potential drug interactions and drugs with significant adverse effects if the maximum daily dosage is exceeded. Indeed, ASHP recommended that the maximum daily dosage item be deleted from the draft RFP as "the information contained in it is very dangerous to Medicare beneficiaries." The American Association of Retired Persons (AARP), in its comments, stated that the "DUR specifications as described in the draft RFP fall far short of Congress' mark."

We are also concerned that HCFA appears to be giving only superficial attention to the development of a comprehensive prospective DUR system as integral to the Medicare prescription drug benefit. Indeed, one high official has publicly characterized these essential protections as "bells and whistles" which Medicare cannot afford to implement initially. We maintain that a cost-effective comprehensive DUR system should and can be designed and planned for from the very outset. We also question how thoroughly HCFA has evaluated the existing technology in the private sector which can be adapted to provide comprehensive Medicare patient medication profiles at little or no additional cost or response time. Because of our concern that HCFA was not proceeding according to congressional intent in implementing the DUR, several of us recently introduced in the Senate and House the "Drug Utilization Review Act of 1989" to ensure that Medicare beneficiaries would not be short-changed with second-class drug safety.

Therefore, we urgently request that you delay HCFA's finalizing of the RFP until you have reviewed a soon-to-be published report on this matter by the U.S. General Accounting Office. Furthermore, we recommend that you initiate an inquiry into HCFA's rationale for providing Medicare beneficiaries with only a minimal, substandard DUR system and to review whether comments on the draft RFP are being sufficiently taken into account in HCFA's redrafting of the final RFP. We would very much appreciate receiving a report on your findings at the conclusion of your inquiry.

Thank you for your assistance and cooperation on this vital matter.

Sincerely,

OLYMPIA J. SNOWE.
MATTHEW J. RINALDO.
RALPH REGULA.
EDWARD R. ROYBAL.
THOMAS J. DOWNEY.
DAVID PRYOR.
JOHN HEINZ.
PETE WILSON.

U.S. SENATE,
SPECIAL COMMITTEE ON AGING,
Washington, DC, July 20, 1989.

Hon. LOUIS SULLIVAN, M.D.
Secretary, U.S. Department of Health and Human Services, Washington, DC.

Dear Dr. SULLIVAN: We are writing to express our frustration with the Department's failure to take advantage of existing state-of-the-art drug safety monitoring systems in its implementation of the Drug Utilization Review provisions of the Medicare Catastrophic Coverage Act of 1988. With this letter, we are forwarding to you for review and comment the enclosed General Accounting Office report. We would also like to take this opportunity to formalize and urge your positive response to our request, initially conveyed by staff to Messrs. Kavanaugh and Walker on July 12, that the RFP be amended to take into account the concerns documented by GAO.

Moreover, we feel compelled by the present impasse to seek your further assistance. We would appreciate your instructing appropriate officials of the Health Care Financing Administration (HCFA) to deliver to the Committee office by July 31 copies of any and all documents pertaining to review and evaluation of existing drug utilization review systems in the public and/or private sectors. These documents should include any and all memoranda, letters, and draft reports on this subject which are reposited in written or electronic form in HCFA's offices.

Thank you for your assistance with this important matter.

JOHN HEINZ.
PETE WILSON.
DAVID PRYOR.

S. 859

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Drug Utilization Review Act of 1989".

SEC. 2. DRUG UTILIZATION REVIEW SYSTEM ESTABLISHED.

(a) IN GENERAL.—Section 1842(o)(4) of the Social Security Act (42 U.S.C. 1395u(o)(4)) is amended—

(1) by striking "electronic system" and inserting in lieu thereof "electronic system including a 'Drug Utilization Review System' as described in section 1834(c)(9)"; and

(2) by striking "carriers and participating pharmacies" and inserting in lieu thereof "carriers, participating pharmacies, pharmacists and dispensing physicians as described in section 1834(c)(9) (including those who dispense by mail)".

(b) PROVISIONS.—Section 1834(c) of the Social Security Act (42 U.S.C. 1395m(c)) is amended by redesignating paragraph (9) as paragraph (10) and by inserting after paragraph (8) the following new paragraph:

"(9) DRUG UTILIZATION REVIEW SYSTEM.—

"(A) IN GENERAL.—The Drug Utilization Review System (hereafter in this paragraph referred to as the 'system') established under section 1842(o)(4) and described in this paragraph shall for each covered outpatient drug prescribed to an individual eligible for benefits under this title (hereinafter in this paragraph referred to as a beneficiary) identify potential adverse drug reactions that may result from—

"(i) the interaction of the prescribed drug with one or several other drugs being used by the beneficiary;

"(ii) the interaction of the prescribed drug with a known allergy presented by the beneficiary;

"(iii) the interaction of the prescribed drug with a known physical condition or illness presented by the beneficiary;

"(iv) drug abuses;

"(v) incorrect dosages; and

"(vi) under, over, and misutilization of the prescribed drug.

"(B) BENEFICIARY DISCLOSURE.—No beneficiary shall be required to disclose information under this paragraph as a condition of receipt of benefits under this title.

"(C) ACCESS AND INFORMATION.—The system shall provide participating pharmacies (as described in section 1842(o)(1)) pharmacists and dispensing physicians (as described in this paragraph) prompt 24-hour electronic access to a medication profile for each beneficiary for whom such participating pharmacy, pharmacists or participating physician prescribe a covered outpatient drug. Such medication profile shall provide for each beneficiary—

"(i) a full listing of information pertinent to drug utilization review of all covered drugs (including drug name, dosages, quantities, methods of administration, last date dispensed, the identity and location of the prescribing physician or dentist, and the identity and location of the dispensing pharmacy) prescribed to the beneficiary within the preceding 180-day period; and

"(ii) information, when appropriate, pertaining to the potential for a beneficiary's drug regimen to produce an adverse drug reaction, as described in subparagraph (A), if the current regimen were to be continued, or if the drug regimen were to be changed in a manner specified by the treating physician. Such information regarding the potential for adverse drug reactions shall be based upon the standards for appropriate prescribing of covered outpatient drugs developed and established by the Secretary pursuant to paragraph (5) of this subsection.

"(D) AGREEMENT OF PARTICIPATING PHARMACIES, PHARMACISTS, AND DISPENSING PHYSICIANS.—Prior to allowing a participating pharmacy, pharmacist or dispensing physician access to the system the Secretary shall enter into an agreement with each participating pharmacy, pharmacist or dispensing physician governing access to the system by each participating pharmacy, pharmacist or dispensing physician. Each such agreement entered into between the Secretary and a participating pharmacy, pharmacist or dispensing physician shall provide that—

"(i) no beneficiary shall be required to disclose information under this paragraph as a condition of receipt of benefits;

"(ii) the participating pharmacy, pharmacist or dispensing physician shall not access the medication profile of any beneficiary unless the beneficiary (or a person legally empowered under State law to make health care decisions on behalf of such beneficiary) has specifically authorized such access;

"(iii) each such authorization must be obtained from the beneficiary without any coercion or threat of denial of service;

"(iv) any data acquired by a participating pharmacy, pharmacist or dispensing physician shall be held in confidence and not disclosed to any person, other than the beneficiary, except in such cases where consultations between the participating pharmacy, pharmacist or dispensing physician and other health care professionals and representatives of providers involved in the beneficiary's health care are medically necessary;

"(v) the participating pharmacy, pharmacist or dispensing physician may be allowed to access the system only for the limited purposes described in this section; and

"(vi) each beneficiary shall receive written notice of the requirements of subsection (c).

The Secretary shall provide for participating pharmacies, pharmacists and dispensing physicians access to the system according to the provisions of this paragraph beginning January 1, 1991.

"(E) PROHIBITION OF DISCLOSURE.—It shall be unlawful for any person to disclose any information contained in the medication profile of any beneficiary as described in this paragraph, other than as authorized under this paragraph. Any person violating the provisions of this paragraph shall, upon conviction, be fined not more than $1,000 and imprisoned for not more than 6 months, or both. Any medication profile of any beneficiary compiled and maintained under this paragraph shall be considered privileged information under the Federal Rules of Civil Procedure and therefore not subject to subpoena or discovery proceedings in a civil action.

"(F)(i) For purposes of this paragraph, the term 'dispensing physician' means—

"(I)(aa) an entity which is authorized under State law to dispense outpatient drugs covered under this title; and

"(bb) which is owned, in part or in whole, by a physician or group of physicians; or

"(II) a physician who is authorized under State law to dispense outpatient drugs covered under this title; and

"(III) an entity or physician described in subparagraph (A) or (B) which or who has entered into an agreement with the Secretary under this paragraph.

"(ii) For purposes of this paragraph the term 'pharmacist' means a pharmacy which is authorized under State law to dispense outpatient drugs covered under this title and which has entered into an agreement with the Secretary under this paragraph.".

(c) CONFORMING AMENDMENTS.—Section 1834(c)(5)(A) of the Social Security Act (42 U.S.C. 1395m(c)(5)(AA)) is amended—

(1) by striking "reactions" at the end of clause (iii) and by inserting in lieu thereof "reactions as described in paragraph (9); and"; and

(2) by adding at the end of clause (iii) the following new clause:

"(iv) the need for a study, and a design for an expansion of the Drug Utilization Review System established under section 1842(o)(4).".

(d) AUTHORIZATION OF APPROPRIATIONS AND EXPENDITURES.—(1) There are authorized to be appropriated from the Federal Catastrophic Drug Insurance Trust Fund such sums as are necessary to establish and to maintain the Drug Utilization Review Sytem described in this section.

(2) There are further authorized from the Federal Catastrophic Drug Insurance Trust Fund such sums as are necessary to allow no fewer than 10,000 participating pharmacies, pharmacists and dispensing physicians to access the Drug Utilization Review System in the first fiscal years for which such access is authorized.

(e) STUDY AND REPORT.—(1) The Secretary shall conduct a study examining the efficacy of, and propose a design for an expansion of the Drug Utilization Review System as described in this section, that shall include all medicare eligible outpatients who are inpatients, and that shall include in the system, information on over-the-counter drugs and biologicals.

(2) The Secretary shall submit a report containing the findings of the study conducted under paragraph (1) to the Committee on Finance of the Senate and the House Committee on Ways and Means by no later than October 1, 1992.

(f) EFFECTIVE DATE.—The provisions of this section shall become effective upon the date of enactment of this Act.●

THE UNWILLING ENEMY OF THE OTHER

● Mr. GORE. Mr. President, recently, I was looking through some boxes of books in my office, to see what to keep. In the process, I came across a book called "The Mars Project: Journeys Beyond the Cold War," written by our colleague SPARK MATSUNAGA in 1985. You know, we are always exposed to so much information and argument over policy, that we sometimes forget the moment when even quite important ideas become part of our own conception. Holding SPARK's book in my hand, I was reminded of how important his thoughts were to become as part of my own thinking.

To illustrate, let me read from the last page of the book:

The chief differences between the Space Age and previous ages of civilization are in the unprecedented size, scope, and lead times of its Space Age activities, a global perspective of the targets (the moon in its entirety, Mars, asteroids, giant orbiting structures), and a globalistic approach to

the task that organizes the human and material resources of our planet for a coordinated advance into the cosmos. Our human species will rise to the challenge, and begin to reap its benefits, when perceptions and policies are adjusted to accept those differences. Only then will we experience the full potential of the Space Age as a force for constructive change.

The period of transition from the cold war to the Space Age will begin with renewed space cooperation between the U.S. and the U.S.S.R. in a broad international framework, governed by goals and procedures that point beyond the cold war toward democratic space. We can initiate that transition today by mobilizing worldwide support for an International Space Year in 1992, highlighted by a number of coordinated manned and unmanned missions. In preparation for the International Space Year, beside stepped-up scientific exchanges and planning, U.S. and Soviet negotiators might resume where they left off in 1978 and arrange a series of complementary shuttle-Salyut missions, joined by the European Spacelab. They would be followed, in 1992, by the construction of U.S. and U.S.S.R. space stations with communications and docking compatibilities and with participation from other nations. The space stations would be designed to serve as launch platforms for coordinated missions deeper into space and for assembling materials for large orbiting industrial facilities. At some point near the turn of the century—sooner or later, depending on the international climate—manned rocket ships would leave space-station launchpads on a coordinated mission to Mars. They would set up a permanent base. Supply ships with fresh crews would follow. As the years passed, the men and women of the Mars project would report exciting new discoveries. Perhaps one of their discoveries, springing from a seed that an earlier generation dared to plant, would be a triumphant awareness of their common humanity.

It was in these pages where, for the first time, I encountered the notion that we and the Soviets needed to embark upon a common enterprise whose emotional and political symbolism would contribute to the healing of the ideological and power-political rivalries which have made each nation the unwilling enemy of the other for so long.

Let me also note that since the foreward for this book was signed in November 1985, just 8 months after Gorbachev's accession to power, its drafting had to have taken place well before anyone could have known what this event was going to mean for United States-Soviet relations. This was, in other words, not a mere recasting of well known events, but an act of political vision, illuminated by generosity of spirit.

I learned from this book, and am happy to have been able to salute its author, if a little belatedly. Time has vindicated Senator MATSUNAGA's insight, and, hopefully, at some future point, his recommendation that joint United States-Soviet activities in space will be carried out shall be realized, along with this vision of the consequences for our relations and for the peace of the world.

As we approach the international space year in 1992, it is worth remembering that SPARK MATSUNAGA was the originator of this idea.●

THE PRESIDENT'S CLEAN AIR BILL

● Mr. HUMPHREY. Mr. President, stewardship of the environment has a long tradition of bipartisanship. Most of our landmark environmental statutes were crafted by Democratically controlled Congresses and signed by Republican Presidents.

To his great credit, President Bush has drawn on that tradition and lent the leadership of his office to help break the deadlock in Congress which has thwarted all clean air legislation for more than 10 years.

Yesterday, I joined many Senators as a cosponsor of the President's clean air legislation. This legislation is the first comprehensive clean air package to be advanced by an administration this decade. The fact that this bill even exists is significant and perhaps historic. The Executive is once again a player in the clean air debate, a debate which will likely end in enactment of legislation during the course of this Congress.

I was therefore somewhat surprised at the rather harsh criticism of this proposal from some Democratic Members. There is no doubt that the scope of this proposal is ambitious. As many cosponsors will undoubtedly point out, this legislation does not contain provisions with which every Member will agree. I take exception with certain provisions.

However, the President's proposal, especially with regard to the acid rain control provisions, represent a good faith, credible effort to advance the clean air debate. Moreover, when presenting the bill at the White House last week, the President expressed his desire to "break the deadlock on this issue. It is time to cooperate for clean air by passing a new Clean Air Act this year." A New York Times editorial on July 25 correctly characterized the situation. While taking exception with some aspects of the President's bill, the paper said:

> Even so, his proposals represent an important departure from years of White House indifference. They will force industry to think creatively about new technologies. And they challenge Congress to end years of stalemate.

So, the harsh rhetoric is really misplaced. Indeed, it is the kind of rhetoric which has polarized this issue for so long and prevented any meaningful action to protect the public's health and the Nation's environment.

As a member of the Committee on Environment and Public Works, I am pleased to join the ranking Republican, Senator CHAFEE, in sponsoring this legislation. I hope that the committee can present a clean air bill to the Senate in relatively short order. I expect that the committee's product will differ in important ways from the President's proposal. Nonetheless, I hope that all members will recognize the importance of the President's efforts to advance the cause of cleaner air.●

SENATE DISASTER LEGISLATION

● Mr. LEVIN. Mr. President, two nights ago, the Senate passed legislation to provide disaster payments for those who have suffered from natural disasters in 1989. That bill was good in that it provided benefits for both program and nonprogram crops. However, I am concerned about the treatment of nonprogram crops under the drought legislation passed last night. I know that there are some who are saying that we should not provide benefits for nonprogram crops. I don't agree.

Producers of program and nonprogram crops have not been discriminated against in the way they have suffered from natural disasters, and they should not be discriminated against in the way they receive benefits. Simply put, a loss is a loss. It does not matter if the crop loss is corn, or if it is blueberries—it is still a loss of expected income, a loss of money. Because the losses are equal, the benefits to help farmers cope with this loss should be equal for every crop.

In 1986, when natural disasters caused extensive damage to crops, we passed legislation that gave disaster payments to producers of program and nonprogram crops on an equal basis. In 1988, when drought had a severe impact on much of the Nation's crops, we again passed legislation to give disaster payments to producers of both program and nonprogram crops on an equal basis.

The legislation passed by the Senate provides benefits for producers of program and nonprogram crops, which is good, but it does so on an unequal basis. Producers of program crops with crop insurance only have to meet a loss threshold of 35 percent to be eligible for benefits. Producers of program crops without crop insurance only have to meet a loss threshold of 40 percent. Producers of nonprogram crops, however, have to meet a loss threshold of 50 percent, regardless of whether or not they have crop insurance. This uneven and discriminatory treatment is disturbing.

I have sent a letter to Senator LEAHY, chairman of the Committee on Agriculture, expressing these concerns and urging him in conference to follow the approach in the disaster legislation passed by the House of Repre-

sentatives with respect to the determination of crop losses.●

THE 50TH ANNIVERSARY OF FLINT UAW LOCAL 599

● Mr. RIEGLE. Mr. President, I rise today to pay tribute to the United Auto Worker's Local Union 599 from my hometown of Flint, MI. This month marks the 50th anniversary of Local 599's official charter.

Since its formation, Local 599 has been one of the most progressive locals in the United States. It has been at the forefront of advancement in the areas of civil rights, plant safety, and equal employment opportunities. Acting as one cohesive unit, the local has made the security and well-being of their workers a top priority. They have been very active with the issues of workers' compensation, child care, job security, equal pay for equal work, parental leave, and an increase in minimum wage—just to name a few.

Local 599 has been a vital part of the Flint community for years. They have worked on numerous civic programs and have spurred many individuals into community involvement. The motto of "think globally, act locally" is not just a cliche to them, it is a way of life.

They will celebrate their golden anniversary on August 19 and 20 in Flint. The festivities will include a 5-kilometer race, a car show, a family picnic, and other special events. These activities serve as a symbol of the community involvement and high quality of life important to the people of Flint Local 599.

I applaud the many accomplishments of Local 599 and wish them a happy and joyous golden anniversary celebration. I would ask that my colleagues join me in this special tribute. Please accept my best wishes for another 50 years of success.●

ITALIAN GOVERNMENT CRACKDOWN ON MISSILE PROLIFERATION

● Mr. BINGAMAN. Mr. President, I rise today to praise the Italian Government's commitment to fulfilling its obligations under the missile technology control regime. Recent reports in the Italian press indicate that the Italian courts and security service are cracking down on trafficking in missile technology. As reported by the ANSA, the Italian news service, on July 31, 1989, nine missile experts and technicians who formerly worked for the Fiat Group's SNIA Co., are under investigations for creating front companies to transfer missile technology in violation of Italian laws and regulations.

The revelations in this case are particularly noteworthy because they underline the international nature of the missile proliferation problem. The people implicated in this case had put together 6 companies in Italy and worked together with 13 other foreign companies to manufacture missile parts. According to the article, one of those companies was in West Germany, a signatory of the MTCR; one was in Switzerland; and another was in Monaco. Neither Switzerland nor Monaco are MCTR adherents.

The technology involved in this case was intended for the Condor II, a project to convert Argentina's Condor rocket into a surface-to-surface ballistic missile capable of carrying nuclear warheads. Argentina has been working together with Egypt and Iraq to develop a ballistic missile.

I am pleased to now learn that the Italian authorities have cracked down on this problem, in line with their commitments under the missile technology control regime. I also wish to note that this case is a success story for the level of international cooperation envisioned in the MCTR. According to the ANSA report, the Italian authorities broke this case with the assistance of the Israeli, United States, British, and German Governments. This case further points out the need to broaden participation in the MTCR to include countries like Switzerland and Monaco. This is one element of the comprehensive strategy for dealing with missile proliferation contained in S. 1227, a bill I have introduced and which currently has 19 cosponsors. I urge my colleagues to take a look at the many cases like this that are out there. The problem is urgent. We need to move forward on this critical issue, and I am pleased that the Senate Foreign Relations Committee has agreed to hold hearings for an orderly markup and reporting of a bill on missile proliferation. S. 1227 provides a sound basis for the markup process.

Mr. President, I ask to have this article printed in the RECORD.

The article follows:

MISSILE EXPERTS IMPLICATED IN ILLEGAL ARMS DEALS

ROME, July 31.—Nine Italians have been implicated in an international ring which trafficked in military technology for the "Condor 2" project, new land-to-land missiles capable of carrying nuclear warheads and which are being built in Argentina.

The nine are missile experts and technicians who formerly worked for the Fiat Group's Snia Company. Rome judges have them under investigation on charges of illegal arms dealing.

After having taken part in the development of "Condor 1," a rocket commissioned in 1981 by Argentina for weather purposes, the nine employees left Snia to create six companies (3 in Rome and 3 in Lazio) and to transform the rocket into a ballistics missile, earning big profits for themselves in doing so, according to the Milan paper Il Giornale Sunday.

Egypt and Iraq were both interested in the "Condor 2" program, according to both Il Giornale and Corriere Della Sera. Through an intricate web of contracts, the six companies worked with 13 other foreign companies involved in the manufacture of missile parts. One of the companies was in West Germany, another in Switzerland, and another in Monaco.

The missile components were passed off as mechanical parts and, having got past Argentina's customs points, were gathered together at Cordoba where they were assembled.

Il Giornale wrote that the "Condor 2" project was born of a secret accord signed in 1984 between Egypt, Argentina, and Iraq and allowed the three nations to develop, in just a few years, a rocket capable of carrying an atomic warhead.

The paper said that it was the Italian military secret service, SISMI, which cracked open the case, after an investigation started in 1987 following tips from Israeli, U.S., British and German secret services.●

THE SUPREME COURT AND "SAFE" ABORTIONS

● Mr. ARMSTRONG. Mr. President, the media and various legal scholars have spent a great deal of time over the last month analyzing the Supreme Court's ruling in Webster versus Reproductive Health Services. In that case, as I suppose everyone knows, the Court sustained a Missouri law which imposed substantial restrictions on State subsidies for abortions, but stopped short of reversing Roe versus Wade.

Four of the justices seem to favor modifying—and perhaps reversing—Roe. Many analysts of Webster have speculated on what would happen if the Court were to allow States to criminalize abortion. Abortion rights activists and many of their allies in the media believe that they know the answer—many women would procure illegal abortions, with grave consequences for their health and well-being.

Those who have advanced this argument commonly assert that, prior to the Court's 1973 ruling, thousands of women died at the hands of illegal abortionists. After Roe, so the story goes, abortions became "safe"—for women, that is, not for their babies.

This argument is not supported by the facts. According to the Centers for Disease Control, the number of women who died from both legal and illegal abortions in the year before Roe is 39. Each of these deaths constitutes a great tragedy. But the CDC statistics soundly refute the assertion that Roe ended an era during which maternal deaths from abortion abounded.

Mr. President, I would like to focus my remarks today on what has happened—and what is happening—to women now that abortion is legally available. Did making abortion legal make it safe? I believe that it did not. Many women have been injured and some have died as a consequence of

their "safe, legal" abortions. Ironically, the advocates of abortion, the very people who profess concern about the well-being of women, have been the most vocal opponents of State efforts to protect women who procure abortions from pain, illness and death.

This opposition to health and safety regulations is nowhere more apparent than in Turnock versus Ragsdale, a case that the Supreme Court will consider during its next term.

In that case, the Court will hear a challenge to regulations that the State of Illinois has imposed on abortion clinics for the past 10 years. These regulations are designed to regulate the conditions under which abortions are performed. Remarkably, pro-abortionists oppose these regulations, which neither discourage abortions nor provide legal protection for unborn children. They are designed to protect maternal health, something that one would think "pro-choicers" would want to do.

Nevertheless, they oppose these regulations, and they have brought their case to the Supreme Court. Mr. President, I find this remarkable, especially when I reflect on the terrible abuses, first exposed in a series of articles in the Chicago Sun-Times, that prompted the Illinois General Assembly to call for these regulations more than 10 years ago.

The Sun-Times series, which appeared in the fall of 1978, was entitled, "The Abortion Profiters." Reporters for the Sun-Times and the Better Government Association conducted an undercover investigation of several abortion clinics on Chicago's Michigan Avenue. Mr. President, allow me to read a summary of what these investigators found, a summary which appeared in the November 12, 1978, edition of the Sun-Times.

Dozens of abortion procedures performed on women who were not pregnant. [At one of the clinics, an investigator counted 81 abortions over a period of 2 months that were performed on women who were not pregnant. That represented about 15 percent of the caseload over that period.]

An alarming number of women who, because of unsterile conditions and haphazard clinic care, suffered debilitating cramps, massive infections and such severe internal damage that all their reproductive organs had to be removed.

Incompetent and unqualified doctors, including moonlighting residents, medical apprentices and at least one physician who has lost his license in one State and faces revocation here.

Doctors who callously perform abortions in an excruciating 2 minutes, when they should properly take 10 to 15 minutes, and doctors who don't even wait for pain-killing anesthetics to take effect.

Referral services that, for a fee, send women to a disreputable Detroit abortionist, whose dog, to one couple's horror, accompanied the nurse into the operating room and lapped blood from the floor.

Clinics that either fail to order critical postoperative pathology reports, ignore the results, or mix up the specimens.

Dangerously shoddy record keeping by aides who falsify records of patients' vital signs and who scramble or lose results of crucial lab tests.

Counselors who are paid not to counsel but to sell abortions with sophisticated pitches and deceptive promises.

Mr. President, the Sun-Times series graphically demonstrated that legal abortions are not necessarily safe abortions. Recall that, in the year before Roe was issued, some 39 women across the Nation died as a result of both legal and illegal abortions. According to medical records obtained by the Sun-Times, a dozen women died in Illinois alone over a period of less than 5 years as a result of their abortions in "safe, legal" clinics. Decriminalizing abortion did not make it safe for these women.

Why did these deaths occur? For one thing, abortion is a surgical procedure and all surgery carries certain risks. Making abortion legal cannot eliminate these risks. So long as abortions are performed, some women will die.

But some of these deaths also occurred because the abortions, though legal, were done under unsafe conditions. The Sun-Times, for example, discussed one clinic in which physicians, who were paid on the basis of the number of abortions they performed, had abortion "races."

In staff meetings at the Loop Mediclinic, employees complain that they can't keep up with the doctors' frenzied pace. "The doctors race each other," said a former Mediclinic nurse. "Especially on Saturdays, they compete to see who can get the most patients done."

Doctors there, and in at least two other clinics, are paid by the abortion. They reduce their patients to a row of pencil marks on their surgical suits. At the end of the day, they count the pencil marks to find out what they're owed."

Once the abortions were completed, patients were often hustled out of recovery rooms before they were physically able to leave. The Sun-Times series cited several examples, including that of a 25-year-old rape victim who:

* * * waited from 10 a.m. to 4 p.m. for her abortion. * * * When she finally saw the doctor, it was for just 4 minutes—the time he took to perform the abortion.

"I was very weak and woozy in the recovery room," she recalled. "I was lying there about 15 minutes when the lady said, 'You aren't going to get any better sitting there sulking. Get up and get dressed.' "

"I couldn't stand. I had to lie down on the dressing room floor for another half-hour." Six weeks later, her private physician told her she was still pregnant.

Presurgical care at many Chicago clinics was also substandard, the Sun-Times found. Clinic staff invented pulses, blood pressures and temperatures because there was not enough time to check vital signs. Nonmedical staff were often assigned jobs for which they had no qualifications. Two of the investigative reporters, who had worked undercover for several of Chicago's abortion clinics, wrote:

Four of Chicago's abortion clinics gave us jobs we were unqualified to hold and tasks we were untrained to perform. The clinics asked us to do everything but perform the abortions. They wanted us to remove IV's, administer injections, give psychological counseling, and assist in surgery. * * *

Although other investigators * * * refused tasks they were untrained for, we discovered that, in some cases, we were more qualified to work in abortion clinics than those we worked beside.

The abortions themselves were often performed under unsanitary conditions.

Sterile conditions * * * are not easy to maintain when doctors are shuttling 90 women in and out of as few as two procedure rooms a day. In one clinic, the procedure rooms were cleaned between operations by wiping up the blood with wet Kleenex. * * *

Even the doctors don't have time to clean up themselves in some clinics. Investigator Mindy Trossman watched Dr. Arnold Bickham go from one abortion to the next at his Water Tower clinic without washing his hands or donning sterile gloves.

Now I should point out, Mr. President, that the Sun-Times has a pro-abortion editorial policy. The articles in the "Abortion Profiteers" series were accompanied by editorials in praise of legalized abortion and by a daily note to readers, which stated that "safe and compassionate abortion care is available in the Chicago area." The note went on to list phone numbers of three Chicago-based abortion referral services, which readers were encouraged to call. The Abortion Profiteers is not some piece of propaganda churned out by abortion opponents.

Nor were the government agencies that looked into these abuses on a crusade against abortions. Gov. James Thompson, in announcing the appointment of a task force to crack down on some of the seedier abortion clinics, reaffirmed his support for legal abortion. "I have vetoed bills that would drive women underground [for illegal abortions] again and I have to be sure that what we have above ground is operating right," he said. "We either need better enforcement of our present laws and regulations or our present laws and regulations are inadequate."

The General Assembly's Subcommittee on Health, which also looked into the activities of abortion clinics, reaffirmed its support for legal abortions in a report that included a number of recommendations. Its report, for example, criticized "the General Assembly's continuous attempts to overrule the courts and interfere with the right of women to obtain medical [i.e., abortion] services."

Mr. President, the goal of the subcommittee, of the Governor, of the people who wrote the State regula-

tions, of the newspaper that first disclosed these abuses was not to stop abortions, but to stop these atrocities. None of these groups advocated reversal of Roe. None of them supported closing down all the abortion clinics in the State or making abortions more costly or difficult to obtain. Instead they advocated regulatory and enforcement reforms designed to require that abortionists treat their clients as human beings, rather than as so many cattle.

For example, the regulations require that abortions be performed in licensed clinics and that these clinics meet minimal physical plant conditions. They also prohibit kickbacks to counselors who refer women for abortions.

I find it remarkable that these regulations, which were designed to protect women who procure abortions, instigated by a subcommittee that was hostile to the aims of the prolife movement, written by State employees who were in no way trying to make it harder to procure abortions, are being challenged by people who say that they want "safe, legal" abortions.

Mr. President, the abortion controversy has been with us for nearly two decades and it will continue to be with us for some time to come. The Supreme Court will rule next year on the validity of these regulations, State legislatures will debate various abortion-related proposals, and this body will, no doubt, have some discussions about abortion when we return from recess.

But in the midst of all this debate and discussion and controversy, let us be clear that, while Roe versus Wade made abortion legal, it did not make abortion safe. A practice that damages women, kills their babies and diminishes our regard for human life must be brought to an end.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations: Calendar Nos. 255, 287, 288, 289, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320 and 321, Air Force promotions and all nominations placed on the Secretary's desk in the Foreign Service.

I further ask unanimous consent that the nominees be confirmed en bloc; that any statements appear in the RECORD as if read; that the motions to reconsider be laid upon the table, en bloc; that the President be immediately notified of the Senate's action; and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

ENVIRONMENTAL PROTECTION AGENCY

Linda J. Fisher, of Ohio, to be Assistant Administrator for Toxic Substances of the Environmental Protection Agency.

FEDERAL COMMUNICATIONS COMMISSION

Sherrie Patrice Marshall, of North Carolina, to be a Member of the Federal Communications Commission for the remainder of the term expiring June 30, 1992.

Andrew Camp Barrett, of Illinois, to be a Member of the Federal Communications Commission for the term expiring June 30, 1990.

Alfred C. Sikes, of Missouri, to be a Member of the Federal Communications Commission for a term of five years from July 1, 1988.

DEPARTMENT OF STATE

Morris Dempson Busby, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador in his capacity as Coordinator for Counter Terrorism.

Richard A. Clarke, of Virginia, to be an Assistant Secretary of State.

Julia Chang Block, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Nepal.

Arthur W. Fort, of Virginia, to be an Assistant Secretary of State.

Raymond Charles Ewing, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ghana.

Michael G. Sotirhos, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Greece.

Alexander Fletcher Watson, of Massachusetts, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be the Deputy Representative of the Untied States of America to the United Nations, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

Richard Anthony Moore, of the District of Columbia, to be Ambassador Extraodinary and Plenipotentiary of the United States of America to Ireland.

William Lacy Swing, of North Carolina, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of South Africa.

Howard K. Walker, of New Jersey, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of Americe to the Democratic Republic of Madagascar and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal and Islamic Republic of the Comoros.

Sheldon J. Krys, of Maryland, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Assistant Secretary of State for Diplomatic Security.

Loret Miller Ruppe, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway.

Raymond G. H. Seitz, of Texas, a Career Member of the Senior Foreign Service, Class on Minister-Counselor, to be an Assistant Secretary of State.

U.S. INFORMATION AGENCY

Henry E. Hockeimer, of Michigan, to be an Associate Director of the United States Information Agency.

Eugene P. Kopp, of Virginia, to be Deputy Director of the United States Information Agency.

UNITED NATIONS

Milton James Wilkinson, of New Hampshire, a Career Member of the Senior Foreign Service, Class of Minister-Counseler, to be Deputy Representative of the United States of America in the Security Council of the United Nations, with the rank of Ambassador.

Jonathan Moore, of Massachusetts, to be the Alternate Representative of the United States of America for Special Political Affairs in the United Nations, with the rank of Ambassador.

DEPARTMENT OF DEFENSE

John W. Shannon, of Maryland, to be Under Secretary of the Army.

John A. Betti, of Michigan, to be Under Secretary of Defense for Acquisition.

Michael P.W. Stone, of California, to be Secretary of the Army.

J. Daniel Howard, of Tennessee, to be Under Secretary of the Navy.

AIR FORCE

The following named officer for appointment to the grade of general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be general

Gen. Thomas C. Richards, xxx-xx-xxxx FR, U.S. Air Force.

The following named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Lt. Gen. James C. McCarthy, xxx-xx-xxxx FR, U.S. Air Force.

The following named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Leo W. Smith, II, xxx-xx-xx... xxx-... FR, U.S. Air Force.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE FOREIGN SERVICE

Foreign Service nominations beginning Allen Lee Sessoms, and ending Karen Leigh Ware (minus One Name), which nominations were received by the Senate and appeared in the Congressional Record of July 20, 1989.

STATEMENT ON THE NOMINATION OF SHERRIE P. MARSHALL

Mr. HELMS. Mr. President, I am pleased to support the nomination of Miss Sherrie Marshall to the Federal Communications Commission.

Sherrie is a North Carolinian. She grew up in Durham and was graduated from the University of North Carolina at Chapel Hill, and the university's law school

Miss Marshall has always had an interest in the political process and government service. At age 13, she was a page in the North Carolina General

Assembly, in the days when Republican members could have caucused in a phone booth.

Mr. President, Sherrie Marshall is extraordinarily well qualified to serve on the FCC. She has served in the legislative and the executive branches. She worked as minority counsel for elections to the Senate Committee on Rules and Administration.

She has served as a special assistant to the President for legislative affairs. She has also held the important job of associate counsel to the President.

Mr. President, many Senators already know Sherrie Marshall and have worked with her when she was the Director of the Office of Legislative Affairs at the FCC.

She did a superb job there. She handled complex and difficult issues in a professional and fair manner. Her FCC experience will be an asset.

Miss Marshall was a partner in the firm of Wiley, Rein, & Fielding, where she gained the reputation of being a skilled and competent practitioner.

In summation, Sherrie Marshall is an outstanding candidate for the FCC. She has experience and integrity. I am proud of her and I know her parents, Mr. and Mrs. Clifford Marshall, are proud of her.

STATEMENT ON THE NOMINATIONS TO THE FEDERAL COMMUNICATIONS COMMISSION

Mr. GORE. Mr. President, I want to take this opportunity to express my opposition to the three nominees to the Federal Communications Commission now on the Executive Calendar for consideration by the Senate before we complete our work this week.

This opposition is not personal— I have no doubt that these individuals, Mr. Sikes, Mr. Barrett, and Ms. Marshall, are honorable and decent individuals. They come recommended by several of our distinguished colleagues from their home States, and their backgrounds reflect considerable personal experience in the communications field.

My opposition is based on the belief that these nominees represent a continuation of the FCC's indifference to its public interest mandate, an indifference borne out of the deregulatory zeal characterized by Reagan-Bush ideology and the FCC tenure of Chairmen Mark Fowler and Dennis Patrick.

For the past 8 years we have witnessed an almost total dismantling of the Federal commitment to commonsense regulation of scarce broadcast spectrum. We have even witnessed the FCC abandon reasonable oversight in such areas as children's television and media concentration.

We have seen an alarming trend in radio and television away from standards and toward more and more violent, explicit programming content during family viewing and listening hours. Programming that is suggestive or explicit in its violence toward women and children is particularly on the rise. Yet, we see an FCC apparently determined to eliminate its watchdog role as the final public recourse to these abuses of the airwaves.

Of course, most local broadcasters exercise sound judgment about what goes out over their system. But a growing number of others do not. These are businesses that enjoy a Government-granted monopoly to operate over scarce broadcast spectrum, yet many of them seem to thumb their noses at public concern about programming.

The FCC has a role in curbing this outrageous trend, but it has done little. I am deeply concerned that the three nominees now before the Senate may offer little more than a continuation of the status quo, the Fowler-Patrick-Reagan-Bush mentality of letting the marketplace allow some broadcasters to exploit young minds and ignore community standards for the pure sake of ratings and profits.

I would hope that the nominees before us would bring a new attitude—a public conscience—to an agency that has all but ignored its congressional mandate. But their confirmation testimony before the Commerce Committee earlier this week produced little to assure me that such a new attitude will prevail.

To amplify that concern, the committee heard from three profamily witnesses who strongly opposed these nominations because they are convinced that the Reagan administration's FCC abandoned the public interest and that the Bush administration's FCC has plans for little more than business as usual. Moreover, the administration even refused to give these representatives of profamily organizations a simple audience to press their case for a heightened consciousness at the FCC.

In addition, there are other communications policy concerns that require swift and strong FCC action.

As a few conglomerate cable companies grow more and more powerful, and aggressively move to stifle competition, the FCC has gleefully declared that all is well in an industry that is rife with anticompetitive and anticonsumer behavior.

I believe the FCC should be more aggressive in looking into the cable industry's behavior, but I am not confident these nominees share that concern, expressed by so many of our colleagues in the Congress.

So Mr. President, I want to cast my vote against these nominees as a strong symbolic expression of opposition to the way business is done at the FCC, at the continuing disregard this administration seems to hold for the public interest standard we have honored for more than 50 years as the backbone of communications policy.

FCC COMMISSIONER OFFERS CLARIFICATION OF REMARKS

Mr. HELMS. Mr. President, this past Monday the Communications Subcommittee of the Senate Commerce Committee held hearings on the Federal Communications Commission nominations.

All of the nominees were asked to state positions on enforcing the laws against the broadcast of indecent material.

One nominee, Andrew Barrett, caused considerable concern when he stated that "there is a market for indecency" and the FCC's role is merely to decide "what the law will allow us to tolerate."

Mr. President, I felt Mr. Barrett should have an opportunity to clarify his remarks and his position if he wished to do so. He told me that he would vigorously enforce the law against the broadcast of indecent material. He said he would use the laws to the "fullest extent to limit the broadcast of indecent material."

Subsequently, Mr. Barrett wrote to Senator HOLLINGS, chairman of the Commerce Committee. In his letter, Mr. Barrett recognizes that "a critical function of the FCC" is to prevent the broadcast of obscene and indecent material.

It is heartening that Mr. Barrett clarified his position on the issue of indecent broadcasts. I ask unanimous consent that the text of Mr. Barrett's letter and a Washington Times article be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ILLINOIS COMMERCE COMMISSION,
Chicago, IL, August 2, 1989.

Hon. ERNEST L. HOLLINGS,
Chairman, Committee on Commerce, Science, and Transportation, U.S. Senate, Washington, DC.

DEAR SENATOR HOLLINGS: During the confirmation process, a major area of concern raised by Members of the Committee has been the indecent programming broadcast over the airwaves. I would like to take this opportunity to make my position on this issue clear for the record.

I personally abhor the indecency and obscenity that pervades our society today. There is no question that preventing obscene and indecent broadcasts is a critical function of the FCC. The spectrum is a scarce resource, and the FCC has the obligation to ensure that those individuals granted the privilege to broadcast over that spectrum set the highest standards for decency.

I pledge that if confirmed as an FCC Commissioner, I will do everything in my power under the law to ensure that licensees across the nation broadcast programs that comport with the highest moral standards of our society.

I am available to discuss this issue with you in more detail at your convenience.

Sincerely yours,

ANDREW C. BARRETT,
Commissioner.

[From the Washington Times, Aug. 2, 1989]

SENATE COMMITTEE APPROVES BUSH'S THREE NOMINEES FOR FCC

The Senate Committee yesterday voted 15-2 to approve President Bush's three nominees for the Federal Communications Commission and sent the appointments to the floor for expected speedy confirmation.

Committee Chairman Ernest F. Hollings, South Carolina Democrat, said he expected the full Senate to vote on the nominations of Alfred C. Sikes, Sherrie P. Marshall and Andrew C. Barrett before the scheduled beginning of the congressional recess on Friday.

Democratic Sens. Albert Gore of Tennessee and John Rockefeller of West Virginia cast the dissenting votes.

The vote came one day after a hearing that was dominated by the issues of sex and violence on the airwaves.

Mr. Gore said he voted against the nomination as a symbolic protest of eight years of free-market deregulation of the communications industry under the Reagan administration. He said he believed the new nominees would continue the Reagan-era philosophy.

Mr. Hollings, Mr. Gore and others hit hard on TV indecency, noting that until Congress stepped in to ban all indecent TV programs in 1988, the FCC had established a "safe harbor" for such shows from midnight to 6 a.m. when children were presumed not to be watching.

"Garbage is garbage regardless of the time of day," Mr. Hollings said.

Mr. Barrett sparked a confrontation with Mr. Gore when he said he abhorred indecent programming, but said the FCC must recognize "there is a market for indecency" and the agency's role is to decide "what the law will allow us to tolerate."

Americans, Mr. Gore responded, are "sick and tired of what's going on."

Mr. Sikes said he would vigorously attack obsence material on the airwaves, but that the Supreme Court has proscribed much of Congress' power in the area of free speech and indecency.

The FCC last year tried to implement the 24-hour ban on indecent programming, but broadcasters and civil rights groups challenged it on constitutional grounds. A federal appeals court on January stayed imposition of the law.

Mr. Hollings and other committee members expressed hope that relations between the FCC and Congress would improve after eight years of battles with a commission headed by outgoing Chairman Dennis R. Patrick and his predecessor, Mark S. Fowler.

Because of his displeasure with Mr. Patrick's policies, Mr. Hollings had refused for more than a year to hold hearings on other nominees to fill two vacancies on the five-member FCC. Mr. Patrick will step down when Mr. Sikes is confirmed.

Mr. Sikes, a self-described moderate, is the assistant secretary of commerce for communications and information, a former broadcaster and a longtime political ally of Sen. John Danforth, Missouri Republican, a member of the committee.

Mr. Barrett is a member of the Illinois Commerce Commission, and Ms. Marshall is a lawyer and former legislative aide to Mr. Patrick.

The nominees face a host of important issues, such as the government role in fostering international competitiveness in areas such as high-definition television; further deregulation of the telephone industry; re-regulating cable television, and assignment of the airwaves to competing businesses such as cellular telephones and direct broadcast satellites.

STATEMENT ON THE NOMINATION OF ALFRED C. SIKES

Mr. DANFORTH. Mr. President, the Senate has before it today for confirmation the nomination of Alfred C. Sikes to the Federal Communications Commission. If Mr. Sikes is confirmed, he will serve as President Bush's FCC Chairman. In my view the President could not have selected a more capable public servant to direct the important work of the Commission.

I have known Al Sikes for more than 20 years. He is hard working, he is disciplined, and he is very highly regarded. As I said at this nomination hearing earlier this week, supporting Al Sikes for a leadership role in our Federal Government has been one of the great joys I've had since joining the U.S. Senate.

Al Sikes will carry out his responsibilities vigorously. Since 1986, he has served as Assistant Secretary of Commerce for Communications and Information. In that post, he has been the principal communications advisor to President Reagan and now to President Bush.

Prior to coming to Washington, DC, he was successful in the private sector as the owner of Sikes & Associates, a broadcast management and media consulting firm. During the 1970's, he served the State of Missouri with distinction in several capacities: assistant attorney general; director of the department of consumer affairs, regulation, and licensing; and director of the department of commu.. ity affairs.

Mr. President, Al Sikes has been close to me in public service, in my political life, and as a cherished friend. He is truly the best of public servants. He knows communications with an astute view of both the commercial sector and the Government sector. He has a strong and wonderful family—I know that his wife, Marty, and daughters, Debbie, Christy and Marcia, could not be more proud.

I am honored to support the President's magnificent choice for Chairman of the Federal Communications Commission.

STATEMENT ON THE NOMINATIONS PLACED ON THE SECRETARY'S DESK

Mr. HELMS. Mr. President, when the Committee on Foreign Relations considered the FSO promotion list on August 3, 1989, there were 181 names on the list that had been submitted for consideration.

Normally, the committee consideration of such lists is noncontroversial, with the committee almost always approving the list of promotions recommended by the administration as submitted. However, an important exception to that general rule took place during the committee deliberations. The basis for that exception deserves the special attention of the Senate and of the administration.

During committee consideration, the chairman moved to strike the name of Mr. Timothy C. Brown of Nevada, a move which I supported. Mr. Brown had been recommended for promotion as a career member of the Senior Foreign Service of the United States of America, class of counselor. This is one of the highest rankings in the Foreign Service, reserved for outstanding members of the service who have achieved special distinction.

It was brought to the committee's attention that Mr. Brown had been the subject of an audit during his tenure in Martinique. In summary, the Office of Inspector General within the State Department concluded that Mr. Brown was involved in: First, using Government funds to purchase a satellite dish over the objections of the Department; second, making approximately $17,000 worth of personal phone calls charged to the Federal Government; third, misusing travel funds; and fourth, removing silverware from his residence. In a settlement with the Department, Mr. Brown reimbursed approximately $24,000.

However, Mr. President, repayment alone does not clear the record when such abuses occur, and the Department needs to make a record of such cases in the individual's personnel file, a record which was not made in this case.

Despite the fact that the Inspector General recommended disciplinary action against the Foreign Service officer, we find that within 6 months he is instead recommended for a promotion.

Further troubling is that in the settlement reached with the Department, State Department officials appear to have conspired with Mr. Brown to conceal his actions both from those within the Department and from the Congress. They even agreed not to inform the Congress of this officer's violations and preagreed on the exact statement that the Department would make if they received a congressional inquiry about it.

Specifically, in a settlement with the Department agreed to by George S. Vest, Director General of the Foreign Service, and Mr. Brown, it was agreed:

> The parties agree that they will keep all terms of this Agreement and the fact of settlement confidential. With the single exception specified in paragraph 10, infra, the parties shall respond to any and all questions about the Debt Collection Act matter and this Agreement by stating in substance: The case has been resolved or dismissed to the mutual satisfaction of both parties, and we cannot comment further about it.

The agreement even goes so far as to oppose to absolve Mr. Brown by agreeing not to make any "criminal, civil, or other referral of the Debt Collection Act matter to any law enforcement,

regulatory, or administrative agency * * * or to any congressional inquiry of investigation." This guarantee was made despite a specific memorandum from the Inspector General, Sherman M. Funk, to Director General Vest which concluded that his "actions have been particularly egregious, and accordingly I recommend you take appropriate disciplinary action against Mr. Brown." Mr. Funk also noted, "A determination was made not to bring criminal charges in these matters, in favor of appropriate administrative action by the Department."

Further disconcerting is that paragraph 10, referred to above puts the Department of State in the position of conspiring with Mr. Brown and his attorney to impede a congressional investigation by notifying them of any congressional inquiry and allowing time to plot together on what should be the response. Paragraph 10 states:

If a congressional inquiry or investigation is made into the Debt Collection Act matter, the State Department agrees to notify Mr. Brown and counsel for Mr. Brown thereof, and to provide them with adequate opportunity to confer with the State Department about the Department's response to such an inquiry or investigation.

Indeed, under the agreement, Mr. Brown's personnel file was to be expunged of any reference to these violations. In other words, those within the Department who were responsible for determining Mr. Brown's promotion in all likelihood did not have access to or knowledge of the information about Mr. Brown's tenure in Martinique which the Inspector General considered worthy of disciplinary action. Instead he was recommended for a promotion.

By consenting to the expunging of this episode from the record, the officer involved is given an unfair advantage over other officers who have not been involved in abuses at their posts.

Mr. President, I ask unanimous consent that the agreement entered into be printed at the conclusion of these remarks together with two memoranda from the Inspector General, Sherman M. Funk, to Director General of the Foreign Service, George S. Vest.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. Mr. President, I shall be discussing this issue with the proposed nominee to succeed Mr. Vest, Ambassador Edward Joseph Perkins. The Senate needs to know whether other agreements have been entered into by the Department which attempt to conceal information on cases of this nature and the extent of such agreements, if they exist. I certainly hope that this is a single exception, because this episode raises issues more serious than the specific misdeeds of the Foreign Service Officer involved.

Are some within the Department of State conspiring to conceal misdeeds of their colleagues from appropriate legislative and executive oversight?

Are some within the Department attempting to circumvent the Debt Collection Act? Are they attempting to circumvent the proper oversight and recommendations of the Inspector General?

And are there attempts being made to thwart legitimate congressional inquiries into the performance of the career Foreign Service?

These are some of the issues that I hope to raise with Ambassador Perkins, and I trust will result in improved reputation for the career Foreign Service.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RELEASE AND SETTLEMENT AGREEMENT: DEBT COLLECTION ACT MATTER

This Release and Settlement Agreement ("the Agreement") is made and entered into between the United States Department of State ("the State Department") [1] and Timothy C. Brown (SS No. 530-20-9761), to compromise and settle fully the State Department's claims for repayment identified in the April 19, 1988 letter (plus attachment—other than any potential claim mentioned exclusively in the "Limited Official Use" attachment) from Melvin L. Hines (Associate Comptroller, Office of Financial Operations) to Mr. Brown and the issues raised in Mr. Brown's August 23, 1988 Petition for a Hearing on the Existence and Amount of Alleged Indebtedness (pursuant to 5 U.S.C. § 5514 and 5 C.F.R. § 550.1104(e)) (hereafter collectively the "Debt Collection Act matter"). The Debt Collection Act matter is currently pending before Administrative Law Judge Hugh J. Dolan of the United States Department of Commerce (*In the Matter of Timothy C. Brown, Petitioner,* Docket No. 802-212).

Whereas Mr. Brown continues to deny all allegations made by the State Department in Mr. Hines' April 19, 1988 letter (and in all underlying documents); and

Whereas the parties wish to settle the Debt Collection Act matter in toto and for all times without litigation;

Now therefore, in consideration of and to effect the mutual promises made herein, and subject to the terms and conditions hereof, it is agreed by and between the parties hereto that:

1. The State Department agrees that, upon the execution of this Agreement, it shall formally withdraw Mr. Hines' April 19, 1988 letter (and any and all supporting documents), and the State Department shall execute and stipulate to the filing of a dismissal of the Debt Collection Act matter with prejudice (as set forth in Exhibit 1), with each party to bear its own costs.

2. Mr. Brown agrees that, upon the execution of this Agreement, his August 23, 1988 Petition shall be formally withdrawn, and Mr. Brown shall execute and stipulate to the filing of a dismissal of the Debt Collection Act matter with prejudice (as set forth in Exhibit 1), with each party to bear its own costs.

3. Mr. Brown agrees, upon the execution of this Agreement, to pay $17,500 (according to the schedule in Paragraph 5, infra) to the State Department in settlement of all telephone costs relating to the Debt Collection Act matter.

5. The total amounts referenced in Paragraphs 3 and 4, supra, (and 6% interest on said amounts, such interest to accrue beginning on the effective date of the Agreement), shall be paid to the State Department over a three (3) year period, commencing as soon as practical after the date of this Agreement, in up to 78 payments. Said payments shall consist of equal deductions from each of Mr. Brown's bi-weekly pay checks during said period, in the amount of $250.00 per pay check. These deductions shall be made by the State Department pursuant to 5 U.S.C. § 5514(a)(1), which provides: "The amount deducted for any period may not exceed 15 percent of disposable pay, except that a greater percentage may be deducted upon the written consent of the individual involved." 5 U.S.C. § 5514(a)(4)(A) defines " 'disposable pay' " as "that part of pay of any individual remaining after the deduction from those earnings of any amounts required by law to be withheld." If for any reason Mr. Brown separates from the State Department prior to the expiration of the three (3) year payment period (e.g., involuntarily, voluntarily, or by death), the balances (if any) of the total amounts remaining at the time of his separation will immediately become due. In the event Mr. Brown dies prior to the expiration of the three (3) year payment period, Mr. Brown agrees that his estate shall have the option to make a lump sum payment (if necessary), or in the alternative to direct the State Department to deduct from Mr. Brown's retirement fund contributions such amount (if necessary), to satisfy any balances remaining on the total amounts referenced in Paragraphs 3 and 4, supra.

6. The parties hereby stipulate that the "parabolic television antenna" referred to in Mr. Hines' April 19, 1988 letter consists of the television/antenna/receiver system ("the equipment") presently installed at the residence of the United States Consulate in Martinque. It is the intention and agreement of the parties that the equipment shall be sold at present-day, fair-market value, and that the amount realized through such sale shall be credited against the balance of the payments due from Mr. Brown under Paragraph 4, supra. The State Department agrees to attempt in good faith to sell the equipment at present-day, fair market value, and to credit Mr. Brown with the proceeds of that transaction. Mr. Brown agrees that the State Department has the option to purchase the equipment for itself at an agreed-upon price. No sale (whether to the State Department or to any other person) shall occur until the parties hereto have stipulated as to the present-day, fair-market value of the equipment (as established by a mutually agreed upon appraiser or by an otherwise mutually acceptable method of valuation). Mr. Brown shall be credited in the amount of the sale price for the equipment, less reasonable costs incurred by the State Department in its sale or purchase of the equipment (including reasonable appraisal and/or equipment removal costs, if necessary).

7. Mr. Brown, for himself, his successors, and assigns, on the one hand, and the State Department on the other hand, do hereby

[1] The parties recognize that the Office of the Inspector General is an independent office established by law within the State Department and is not a party to this Agreement except to the extent expressly provided herein.

now and forever mutually release each other, jointly and severally, of and from any claims, demands, actions, or causes of action of every kind, nature, and description, known or unknown, choate or inchoate, which the State Department now has, has ever had, or may have against Mr. Brown, his successors, and assigns, or which Mr. Brown now has, has ever had, or may have against the State Department, limited to the Debt Collection Act matter.

8. The execution of this Agreement and the undertakings performed herein shall in nowise constitute an admission by Mr. Brown, his successors, or assigns, of any of the claims and/or allegations made by the State Department in the Debt Collection Act matter.

9. The parties agree that they will keep all terms of this Agreement and the fact of settlement confidential. With the single exception specified in paragraph 10, infra, the parties shall respond to any and all questions about the Debt Collection Act matter and this Agreement by stating in substance: "The case has been resolved or dismissed to the mutual satisfaction of both parties, and we cannot comment further about it." Any further disclosure concerning the Debt Collection Act matter or its settlement by either party after the date of this Agreement shall be deemed a breach of the Agreement. The parties agree that should either party, or any agent, servant, or employee of either party, breach the confidentiality provision of this Agreement by releasing any false or misleading information concerning the terms of this Agreement, the non-breaching party shall have the right to correct publicly any such false or misleading statements without such correction being considered a breach of the confidentiality provision of this Agreement.

10. If a congressional inquiry or investigation is made into the Debt Collection Act matter, the State Department agrees to notify Mr. Brown and counsel for Mr. Brown thereof, and to provide them with adequate opportunity to confer with the State Department about the Department's response to such an inquiry or investigation.

11. The parties further expressly agree and acknowledge that this Agreement is in full accord and satisfaction of the disputed Debt Collection Act matter; that this Agreement is entered into solely for the purpose of resolving the instant dispute between the parties; that the provisions of this Agreement constitute a fair, reasonable, and adequate settlement and determination of their rights and obligations; and that they have entered into this Agreement freely and voluntarily after consultation with counsel. The fact of settlement is not to be considered as an admission against either party in any proceeding, including but not limited to any criminal, civil, regulatory, or administrative proceeding, and shall not be considered or portrayed by either party as an admission in any congressional inquiry or investigation.

12. The parties hereto expressly understand and agree that all provisions and terms of this Agreement are contractual and shall survive the execution of the dismissal referred to herein and shall continue in full force and effect thereafter.

13. The State Department agrees to expunge Mr. Brown's Personnel File in toto with regard to the Debt Collection Act matter, including but not limited to, the removal of all documents and/or notations from Mr. Brown's Personnel File (and/or from any other State Department files relating to this matter) suggesting or alleging misconduct by Mr. Brown.

14. The State Department agrees that, to the exent of the State Department's authority, the Debt Collection Act matter (including but not limited to any and all underlying documents, reports, statements, notations, investigative data, and related files suggesting or alleging misconduct by Mr. Brown relating to the debt Collection Act matter) and settlement thereof shall have no direct, or indirect, adverse effect whatsoever on Mr. Brown's career, employment status, promotion or retention possibilities within the foreign service, and/or pension, retirement, and/or other benefits due Mr. Brown. The State Department agrees to take no disciplinary action whatsoever against Mr. Brown as prescribed in 3 F.A.M. § 760 by reason of the Debt Collection Act matter, and agrees further that any pending or imminent disciplinary action relating to the Debt Collection Act matter shall be terminated forthwith in accordance with 3 F.A.M. § 760.

15. At the specific request of the State Department the Inspector General has agreed to include in Mr. Brown's file in the State Department's Office of the Inspector General, a document, which reflects that, although the Debt Collection Act matter was brought against Mr. Brown by the State Department, the dispute was amicably resolved without any admissions by him as to culpability and/or liability regarding the State Department's allegations against Mr. Brown.

16. The State Department warrants and agrees that it will not hereafter make any criminal, civil, or other referral of the Debt Collection Act matter to any law enforcement, regulatory, or administrative agency (including but not limited to the United States Department of Justice), or to any congressional inquiry or investigation; and that, in the event any law enforcement, regulatory, or administrative agency, or any congressional inquiry or investigation, indicates any interest in prosecuting, sanctioning, or seeking any redress whatsoever from Mr. Brown for any issues arising from the Debt Collection Act matter, the State Department shall make a firm recommendation to any such agency, inquiry, or investigation that no direct or indirect action be taken against Mr. Brown whatsoever.

17. This Agreement constitutes the entire understanding between the parties, supercedes any and all prior negotiations and agreements of the parties, and shall not be modified except in writing.

18. This Agreement shall be executed in two counterparts, each of which shall be an original but both of which together shall constitute one executed agreement. In this regard, each party shall execute a separate signature page, and only upon the mutual exchange of each party's respective signature page shall this Agreement become effective.

TIMOTHY C. BROWN.

U.S. Department of State:

By: George S. Vest (Director General of the Foreign Service).

By: Melvin L. Hines (Associate Comptroller).

MEMORANDUM

To: M/DGP Mr. George S. Vest.
From: OIG Sherman M. Funk.
Subject: Timothy C. Brown, Former Principal Officer, American Consulate Martinique, OIG Case No. 86-211.

On January 12, 1989, I advised Mr. Larry E. Williamson of your staff that we had closed our investigation of Mr. Brown as it related to certain telephone charges and the purchase of a satellite antenna.

I wish to bring to your attention certain other matters with respect to Mr. Brown's tour at Fort-de-France, Martinique.

"In December 1986, the Office of Policy and Program Reveiw (S/PPR) conducted an inspection of the Consulate General in Martinique. During the inspection, misuse of Official Residence Expenses (ORE) by Mr. Brown was documented. The misuse concerned $543.53 in inappropriate travel charges to ORE for the travel of domestic servants employed by Mr. Brown. It was also determined during the inspection that Mr. Brown charged the United States Government $268.31 for an unauthorized educational travel trip for a member of his family. It was recommended that Mr. Brown make restitution of these amounts and he subsequently reimbursed the United States Government.

"Following Mr. Brown's departure, allegations were received that a set of silverware, charged to the inventory of Mr. Brown's residence in Martinique, was missing. A subsequent investigation was initiated and Mr. Brown returned the missing silverware, after being interviewed by OIG special agents.

"These issues were all discussed with the Department of Justice. A determination was made not to bring criminal charges in these matters, in favor of appropriate administrative action by the Department."

Although Mr. Brown has made necessary reimbursement of the funds and returned the silverware, his actions demonstrate a pattern of activity and apparent disregard for the policies, rules and regulations of the Department of State. Mr. Brown's actions have been particularly egregious, and accordingly I recommend you take appropriate disciplinary action against Mr. Brown.

Please inform me of any actions you propose to take in this matter. Should you have any questions or need further information, please contact Mr. Randolph M. West, III, Assistant Inspector General for Investigations, at 647-8790.

MARCH 15, 1989.

MEMORANDUM

To: M/DGP Mr. George S. Vest.
From: OIG Sherman M. Funk.
Subject: Timothy C. Brown, OIG Case No. 86-211.

This memorandum is in response to your request of March 10, 1989, for a detailed account of the circumstances surrounding the silverware missing from Martinique, which was ultimately discovered in Mr. Brown's possession.

The earliest documentation in our files relating to the missing silverware is a June 1987 cable from Martinique to A/FBO. This cable indicates that an inventory conducted in mid-May 1987 revealed the silverware to be missing and recommended that the Department contact Mr. Brown, to "shed some light" on the matter. On June 23, 1987 the information was forwarded to OIG by A/FBO. During this period of time, however, the controversy concerning the other events in Martinique was in the process of being settled and the issue of the silverware was held in abeyance. There is no indication in our files that Mr. Brown was ever contacted by anyone in the Department about this

matter until late 1938, when he was questioned about it by this office.

In August 1988, attempts were initiated to contact Mr. Brown and interview him about the silverware. OIG agents offered to travel to Honduras for this purpose, but Mr. Brown retained counsel and would not agree to an interview, unless his attorney was present. Various scheduling conflicts between OIG, Mr. Brown, and his attorney prevented the interview from taking place until December 8, 1988, in Washington, DC.

On that date, Mr. Brown was interviewed by OIG agents, in the presence of his attorney. He denied any knowledge regarding the missing silverware. In closing, he was asked to consult with his wife, in an effort to determine if she may have any information regarding the missing items.

On December 15, 1988, Mr. Brown was again interviewed in the office of the OIG. He stated that subsequent to the December 8th interview, he returned to Honduras and reviewed the contents of boxes of household effects shipped to Honduras from Martinique, but never unpacked. Among these boxes were several containing items from his office in Martinique. In one of these, he discovered the missing silverware. He could not explain why the silverware was packed with office items, rather than with items from the residence.

He turned the missing silverware over to OIG agents at that time, along with numerous photographs he took of the various boxes in which the silverware was discovered. OIG, in turn, returned the silverware to FBO.

I am enclosing copies of the Information of Record Forms which document the two interviews of Mr. Brown. I hope this information is sufficient for your needs. If you have further questions regarding this matter, please do not hesitate to contact Mr. William N. Crane, Investigations Division Director, at 663-1650.

NOMINATION OF LORET MILLER RUPPE TO BE AMBASSADOR TO NORWAY

Mr. CRANSTON. Mr. President, I worked very closely with Loret over the last 8 years during her tenure as Peace Corps Director. Those years can be best described as an important time of revitalization and expansion for the Peace Corps. Lotet's hard word, dedication, and inspirational leadership were the key to bringing the Peace Corps to the high level of visibility and support it enjoys today. She brought incredible energy, enthusiasm, and creativity to what she called "the best job in Washinton." In all of her efforts she combined great skill and talent with a deep concern for the impoverished peoples of the world and a firm commitment to world peace.

As a long-time advocate and ardent supporter of the Peace Corps, I have been extremely impressed with Loret's ability to lead the agency and to reach out to the people who are so important to the Peace Corps. This includes the volunteers and the Peace Corps staff of course. It also includes congressional supporters like myself, the leaders of host countries and of the countries with an interest in receiving volunteers, and the people of the countries the Peace Corps serves around the world.

Under her leadership, the Peace Corps has been invited either to begin or resume programs in nine countries. Loret was instrumental in the bold initiative to send the first volunteers into China—a move which would have been a monumental step for the Peace Corps but became impossible for tragic reasons far beyond her and the Peace Corps' control.

Loret Ruppe, a talented innovator, constantly pushed for the development of programs responsive to current needs—such as creative new programs dealing with food systems in Africa, small enterprise development, child and maternal health, and natural resource conservation and education.

Mr. President, the sound, forward-looking programs and solid base of support with which Loret left the Peace Corps are a great legacy for her successor, Paul Coverdell, and all who will follow her. I can think of no finer tribute to pay to her tenure as Peace Corps Director than to say she was indeed a worthy successor to Sargent Shriver.

It is hard to imagine better qualifications than Loret Ruppe's for an ambassador from our great Nation. Would that all our ambassadors had her skill, experience, and great sensitivity to the cultures and prerogatives of other sovereign nations. Her success in working so hard for international understanding and world peace and her effective leadership of an organization dedicated to those goals make her eminently qualified to be the President's representative abroad.

Mr. President, Loret Ruppe is a person of integrity, competence, compassion, and commitment. She is also a loving, kind, genuine human being, I am confident she will be a great success as Ambassador of the United States to Norway.

UNANIMOUS-CONSENT AGREEMENT—NOMINATIONS DURING RECESS

Mr. MITCHELL. Mr. President, under the rules of the Senate, all nominations are automatically returned to the President during recess lasting longer than 30 days. The August recess will be 32 days. However, in my continued effort to process the President's nominees as efficiently as possible, I will request unanimous consent that all of the pending nominees remain in status quo with only three nominations returned to the President.

Mr. President, I ask unanimous consent that all nominations received by the Senate remain in status quo, notwithstanding the provisions of rule XXXI, paragraph 6, with the following exceptions: Department of Energy, Diane K. Morales; Department of State, Frederick M. Bush; U.S. District Court, Vaughn R. Walker.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

AUTHORIZING SENATE TO RECEIVE A JOINT RESOLUTION FROM THE HOUSE RELATIVE TO HAND ENROLLMENT OF H.R. 1278

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate stands in recess or adjournment, it be authorized to receive a joint resolution from the House relative to the hand enrollment of H.R. 1278, and when received, it be deemed to have been read a third time, passed, and the motion to reconsider laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJUSTMENT OR CHANGE IN STATUS OF CERTAIN CHINESE NATIONALS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 201, H.R. 2712, a bill to facilitate the adjustment in the status of certain Chinese nationals.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2712) to facilitate the adjustment or change of status of Chinese nationals in the United States by waiving the 2-year foreign residence requirement for "J" nonimmigrants.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 697

Mr. MITCHELL. Mr. President, on behalf of Senator KENNEDY, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL] for Mr. KENNEDY, proposes an amendment numbered 697.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Chinese Immigration Relief Act of 1989".

SEC. 2. STATUS OF CERTAIN NATIONALS OF THE PEOPLE'S REPUBLIC OF CHINA.

(a) WAIVER OF FOREIGN RESIDENCE REQUIREMENT FOR "J" NONIMMIGRANTS.—The 2-year home country residency and physical presence period requirement under section 212(e) of the Immigration and Nationality Act (8 U.S.C. 1182(e)) shall not apply in the case of any national of the People's Republic of China who is present in the United States on the date of the enactment of this Act (or who would have been present in the United States but for a brief, casual, and innocent departure from the United States), who is otherwise eligible for adjustment of status under the Immigration and Nationality Act during the period of time referred to in subsection (d), and who would otherwise be subject to that 2-year home residence requirement because of having had the status of a nonimmigrant described in section 101(a)(15)(J) of such Act (8 U.S.C. 1101(a)(15(J)).

(b) PRESUMPTION OF CONTINUOUS RESIDENCE FOR CERTAIN PRC NATIONALS.—For purposes of any adjustment of status under section 245 of the Immigration and Nationality Act (8 U.S.C. 1255) or any change of status under section 248 of such Act (8 U.S.C. 1258) in the case of an alien who is a national of the People's Republic of China and who, as of June 5, 1989, was present in the United States in the lawful status of a nonimmigrant (or who would have been present in the United States in the status but for a brief, casual, and innocent departure from the United States), such an alien shall be considered as having continued to maintain lawful status as such a nonimmigrant (and to have maintained continuously a lawful status) for the period described in subsection (d).

(c) EMPLOYMENT AUTHORIZATION.—Any national of the People's Republic of China described in subsection (b) who, as of June 5, 1989, was present in the United States in the lawful status of a nonimmigrant described in subparagraph (F), (J), or (M) of section 101(a)(15) of the Immigration and Nationality Act (or who would have been present in the United States in the status but for a brief, casual, and innocent departure from the United States) shall be granted authorization to engage in employment in the United States and shall be provided with an "employment authorized" endorsement or other appropriate work permit during the period described in subsection (d).

(d) DURATION OF STATUS.—The period of time referred to in subsections (b), (c), and (e) is the period during which the Attorney General has in effect a deferral of enforced departure for nationals of the People's Republic of China.

(e) NOTIFICATION.—In the case of any national of the People's Republic of China who is eligible for deferral of enforced departure pursuant to a directive of the Attorney General during the period described in subsection (d) and whose authorized period of stay as a nonimmigrant has expired, the Attorney General shall, instead of initiating deportation proceedings against the alien (including the service of an order to show cause) during the period described in subsection (d), issue to the alien a notice of expiration of nonimmigrant status. Such notice shall be nonadversarial in nature and shall contain an explanation of the options available to such nationals under the directive of the Attorney General and under the Immigration and Nationality Act.

(f) CHINESE FLEEING COERCIVE POPULATION CONTROL POLICIES.—

(1) Pursuant to paragraph (42)(A) of section 101(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(42)(A)), all adjudicators of asylum or refugee status shall give fullest possible consideration to applications from nationals of the People's Republic of China who express a fear of persecution upon return to that country because they refuse to abort a pregnancy or resist surgical sterilization in violation of Chinese Communist Party directives on population, if such refusal is undertaken with full awareness of the urgent priority assigned to such directives by all levels of the Chinese government, and full awareness of the severe consequences which may be imposed for violation of such directives.

(2) In view of the urgent priority assigned to the "one couple, one child" policy by high level Chinese Communist Party officials and local party cadres at all levels, as well as the severe consequences commonly imposed for violations of that policy, which are regarded as "political dissent," refusal to abort or to be sterilized, as described in subsection (a) of this section, shall be viewed as an act of political defiance justifying a "well-founded fear of persecution" sufficient to establish refugee status under paragraph (42)(A) of section 101(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(42)(A)).

(3) All other factors which may contribute to a determination of asylum or refugee status in such cases are to be given additional weight by asylum and refugee ajudicators, such factors including, but not limited to, overt political activities while in the United States or third countries, membership in an ethnic or religious minority, family background and history, or suspicion of "counterrevolutionary" activities by Chinese Communist Party officials.

(4) Nothing in this section shall be construed to necessitate a grant of asylum or refugee status to any individual who is ineligible for admission to the United States under section 212(a) of the Immigration and Nationality Act (8 U.S.C. 1182(a)).

(5) The Secretary of State and the Attorney General shall, within 30 days of enactment of this section, promulgate regulations and guidelines to carry out the provisions of this section.

(6) Nothing in this section shall be construed as—

(A) Shifting the burden of providing, in each individual case, facts sufficient to establish a claim of asylum or refugee status as described in subsection (a) of this section, from any person making such claim of asylum or refugee status to the Attorney General; or

(B) Requiring the Attorney General to disprove such claim in the absence of proof of facts sufficient to establish a claim of refugee or asylum status as described in subsection (a) of this section by any person making such claim.

(7) The number of persons receiving political asylum status solely because of the provisions of this section shall not exceed 1,000 in any fiscal year.

(8) The Attorney General shall not be obligated to grant political asylum to any person claiming to qualify under subsection (a) if the Attorney General proves by clear and convincing evidence that such person has claimed such status solely for the purposes of evading the immigration laws of the United States.

(9) The provisions of this section shall take effect on the date of enactment of this Act, and notwithstanding the provisions of subsection (e) of this section or any other provision of law, all adjudicators of asylum or refugee status shall apply the provisions of this section to every case, administrative or judicial proceeding, or appeal that is pending on the date of enactment of this Act, and to any claim that arises on or after such date of enactment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 697) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, 3 weeks ago, as part of our immigration reform package, the Senate adopted provisions to protect Chinese students from deportation for the next 4 years. This language, which was sponsored by the two leaders and augmented by the Senator from Washington and others, generously allowed the students to remain in the United States permanently if after that time it was still unsafe for them to return to China.

Mr. President, the Nation was shocked when the Peoples Liberation Army stormed Tiananmen Square and brutally subdued those who stood bravely for the cause of freedom.

That action made necessary the steps which the President has taken to allow Chinese students to remain here and the additional immigration protections adopted by the Senate last month. And events in China in recent days—the arrests of prodemocracy demonstrators and the harrassment of students and their families—continue to move the American people and continue to suggest the need for offering protections under our immigration laws.

Both the House and the Senate have now debated various ways of protecting the students for the long term—to provide them with the assurances they need to get on with their lives.

The determination of Congress to assist and protect the students is unquestionable, and all Chinese students in America should be reassured by that commitment. As chairman of the Subcommittee on Immigration and Refugee Affairs, I will continue to work with members on both sides over the coming weeks to develop a common formula for such protection.

But I believe it is important that we get to the President this week, for his signature, those legal steps urgently needed now to protect those students.

The bill before us is just the first step, Mr. President. I have every ex-

pectation that further action will be taken after the coming recess.

Our actions today will assure Chinese students of three important protections:

First, that those who are here on exchange visitor programs—those on so-called J-visas—can adjust to other immigration statuses for which they are eligible, but without the usual requirement that they first spend 2 years back home.

Second, that if they participate in the Attorney General's program—that is, if they accept his "extended deferred departure"—they will still be eligible to apply for other more permanent visa programs. Under current law, this would not be possible.

Finally, that they are clearly eligible for employment authorization. Current law, along with the Attorney General's program, provides such authorization in most instances. This simply clarifies the right to work, as so many of the students have lost their government's support payments and need a means of income.

It has also come to my attention that the passports of some students will be expiring soon, and may not be renewed by the Chinese Government. Where that is the case, let me just say that it is our intent that procedures be established which will allow the students to adjust or continue their status without a valid passport.

Mr. President, I believe these preliminary actions by the Senate, which I hope will be speedily accepted by the House, will provide the students with the immediate assurances they need to go ahead and accept the terms of the Attorney General's program while longer term measures are debated.

Mr. SIMPSON. Mr. President, I rise to state my views on this legislation that our Senate leaders, Senators MITCHELL and DOLE, are promoting to grant relief to Chinese students before the Congress goes into recess for the month of August.

This legislation would provide temporary relief for those Chinese students who now enjoy the generous grant of deferred departure given to them by President Bush and Attorney General Thornburgh. It would waive the 2-year return requirement for those students holding "J" visas, if an immigrant visa would otherwise be available to a student but for that return requirement. It would consider all Chinese nonimmigrants to be in a legal immigration status while the grant of deferred departure is pending, so that if a route to adjustment is available to them, they will not be prevented from adjusting simply because their nonimmigrant visa has expired. It would clarify that employment authorization is available to these students, even though such authorization can already be granted under current law. Finally, it would require the Attorney General to send "notices of visa expiration" to persons entering the deferred departure program, instead of actual deportation notices, while the Attorney General continues to withhold the deportation of Chinese nationals.

I believe that this legislation provides appropriate temporary relief for Chinese students and other Chinese nonimmigrants. Congress will return in September, and there will be plenty of time then to address any proposals for more long-term relief. This legislation does not prejudice any such later efforts.

I commend the efforts of Senator MITCHELL and Senator DOLE to respond to the concerns of the Chinese students in a responsible, generous, and reasonable manner.

Mr. KOHL. Mr. President, I am pleased to support H.R. 2712, as amended by the Emergency Chinese Immigration Relief Act of 1989. But frankly, I am also disappointed that our amendment to the House bill does not provide more assistance for America's Chinese guests. I am disappointed because the Senate is, in effect, retreating—at least for the moment—from the position it took in July.

On July 11, the Senate unanimously passed the Mitchell-Dole amendment to S. 358, the Immigration Act. That amendment, which I helped shape, would afford Chinese students in the United States a safe haven until 1992. One day later, on July 12, the Senate recognized the need to go even further. We unanimously agreed to an amendment sponsored by Senator GORTON and myself that would extend protection until 1993 and permit Chinese students to become permanent residents in 1995.

By contrast, H.R. 2712, as amended, will give Chinese nationals legal status only for as long as the Attorney General defers their departure. This means they will be sheltered until June 5, 1990. Of course, the administration could extend the deferred departure program beyond 1990, but there is no assurance that it will. The Bush administration has gone out of its way not to "offend" the butchers of Beijing. The same administration that currently shrinks from imposing sanctions against China could decide, down the road, that United States-China relations are jeopardized by deferred departure.

So we need to codify protection by statute, and we must revisit this issue before next June. I am committed to seeing that Chinese nationals receive long-term security. And the leadership assures me that we will not forget our Chinese guests if H.R. 2712 is enacted. In exchange for half a loaf now, I am told, we will provide a full loaf when Congress returns in the fall.

Still, despite its shortcomings, the amended H.R. 2712 deserves to be passed and signed by the President. It represents bipartisan, humanitarian legislation that will allay some of the fears of our Chinese guests. It sends a message—to Chinese nationals here and to the government in Beijing—that China's best and brightest can remain in the United States while China is choked by repression and tyranny.

Mr. President, I recognize that H.R. 2712 is not the final word on this important subject. Nor should it be. Many Members of Congress wish to establish a lasting framework for dealing with crises like that facing the Chinese. But to quote a July 31 editorial from the Washington Post:

> While it is desirable to set up a framework for handling all situations requiring temporary protection for aliens here, legislation to help the Chinese students, who are in need of immediate reassurance, should not be allowed to get bogged down in a broader debate.

Our immediate obligation is clear. The Chinese Government violently suppressed nonviolent calls for greater freedom. The military gunned down hundreds of civilians. At least 32 people have been executed since the crackdown, according to official sources. And Chinese in this country, by exercising American freedoms to protest the massacre in Tiananmen Square, have endangered their own lives. The United States has a duty to shelter these Chinese beyond next June—until the political situation in their homeland improves.

H.R. 2712, as amended, will provide short-term aid and ensure that no Chinese national is caught short by a visa expiration between now and next fall, when Congress takes up the question again. It is our last chance to send the President legislation before recess. For now, half a loaf is better than none.

Mr. GORTON. Mr. President, this bill before us represents a good and compassionate first step to help our Chinese visitors who are unable to return home. As one of the parties who negotiated this compromise agreement, I wish to make clear the bases upon which those of us who had proposed to do more accepted this bill as an interim measure.

Over 30,000 of the Chinese students who are in the United States, arrived on J-1 exchange visas. With this legislation, these students will not be required to return home before they can apply for another U.S. visa. Further, if these students change or adjust to other than "J" visa status within the specified duration, they will no longer be subject to the 2-year foreign residency requirement, including any future application of the requirement to adjustments to permanent residence status.

This bill also grants to all Chinese students the authority to seek employment. Work authorization is neces-

sary, because scholarships and other sources of funds may be exhausted or overstrained due to the unexpected extension of their stay here.

I also understand that these benefits will remain available to Chinese students whose passports may expire in the future and not be extended by the Chinese Government.

The Chinese Government continues to detain and arrest those suspected of participation in the prodemocracy movement. Recently, the Chinese public security bureau detained Mr. Yang Wei, a former University of Arizona graduate student who in 1987 was the first returning student to have been arrested for his early prodemocracy activities. China's most prominent female journalist, Ms. Dai Quing, has been arrested for her outspoken prodemocracy views.

I have received reports that the Chinese Government is trying to undermine and discourage the prodemocracy activities of Chinese students in the United States and abroad as well. Chinese students, and even American supporters, are being harassed and intimidated by Chinese embassy and consular officials. Students have been warned that their activities in the United States could jeopardize their futures, or the futures of their families in China.

Further, Chinese nationals wishing to extend their passports must first sign a statement supporting the official position of the Chinese Government. these students are not the victims of Chinese political oppression; they are the targets of it.

This bill is an important first step to help the Chinese students in our country. These measures were among the recommendations that I sent in a letter to the President during the first week following the Tiananmen Square massacre.

I am especially pleased that we are able to have taken this step before the August recess. With the cooperation of the House and the White House, we will add a small but significant degree of security to the Chinese students whose lives have been unsettled by tumultuous events which occurred halfway across the world.

We must not stop and pat ourselves on the back just yet, however. There is much work still to be done. I am convinced that we must provide the Chinese students with full assurances that they are welcome to remain safely in the United States for so long as they may need. In this stronghold of liberty and compassion, the Chinese students should not be forced to lie in endless fear for their role in supporting freedom and democracy. I am confident that through the continued leadership of Chinese students around the world, these values once again will be embraced openly by China and her people.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read a third time, the question is, Shall the bill pass?

So the bill (H.R. 2712), as amended, was passed.

Mr. MITCHELL. I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

S. 1370—INDEFINITELY POSTPONED

Mr. MITCHELL. Mr. President, I ask unanimous consent that S. 1370 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOUSE RESEARCH FACILITY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 197, S. 1390, a bill to authorize funds for the construction of a mouse research laboratory.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1390) to authorize funds to be appropriated for the construction of a mouse research laboratory.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1390) to authorize funds to be appropriated for the construction of a mouse research laboratory facility, which had been reported from the Committee on Labor and Human Resources, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. CONSTRUCTION OF MOUSE RESEARCH LABORATORY.

(a) I GENERAL.—The Secretary of Health and Human Services, acting through the Director of the National Institutes of Health, shall provide a single grant, through a competitive application process, to a public or private non-profit entity to enable such entity to construct a facility for the development, production, and distribution of inbred and mutant mice that are to be used to address the critical shortage of such mice for biomedical research.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $25,000,000 to carry out subsection (a).

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time and passed.

Mr. MITCHELL. Mr. President, I rise to support legislation sponsored by Senators KENNEDY and HATCH, the chairman and ranking member of the Senate Committee on Labor and Human Resources, which will provide emergency relief in response to a serious crisis in the research community. This is an issue that is vital to the future of research for many life-threatening diseases.

In May, an extensive fire destroyed over 500,000 research mice at the Jackson Laboratory in Bar Harbor, ME—this country's premier mouse-breeding laboratory and supplier of genetically directed mice.

When the fire occurred, most of us underestimated the effect of the loss to medical science. In fact, many thought that either capacity could be easily taken up by other suppliers of mice or the recovery period should be rapid without Federal assistance.

Unfortunately, this is not the case. While the Jackson Lab supplies 20 percent of all mice nationwide, it is the only supplier of the rare and exotic strains of mice needed in so many critical studies modeling human diseases.

All indications from the biomedical research community point to a severe shortage of mice for certain disease-oriented research. The Senate has received hundreds of letters from all over the country imploring us to seek a remedy in the appropriations process.

Many of these studies tend to be the immunologic research endeavors; so important right now in AIDS research. The August issue of Discover magazine, has a cover story entitled, "The Human Mouse," which describes the important use of mice in AIDS research. I ask unanimous consent to have a copy of this article, printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 1.]

Mr. MITCHELL. The Jackcon Lab is unique in the word, as it breeds over 1,700 specially inbred and mutant mice. Because of genetic drift concerns, researchers cannot just shift to another supplier.

In a July 17 letter to me from Dr. Wyngaarden, Director of NIH, he states:

The destruction of the 500,000 mice in the Jackson Laboratory fire clearly represents the loss of an extremely important national resource. Indeed, this loss is currently creating very serious problems for research scientists all over the world.

Dr. Wyngaarden goes on to say:

We at NIH are pleased that thanks to wise contingency planning on the part of the Jackson Laboratory staff, no strains of mice were completely wiped out, so that it will be

possible for the Laboratory to replenish its supply. The speed with which this replenishment can be accomplished is critically important.

Mr. President, I request unanimous consent that the full text of Dr. Wyngaarden's letter be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 2.]

Mr. MITCHELL. Twenty percent of the inbred and mutant mice used in this country are supplied by the Jackson Lab. The fire destroyed at least 50 percent of the lab's production capacity, which effectively reduces the national supply of these special mice by 10 percent. Again, while some other suppliers may help out; the predominance of their intramural immunology studies will be drastically affected. Other health problems affected are cancer, diabetes, arthritis, and neurological illnesses.

I am deeply concerned that we maintain our national preeminence in biomedical research. The fire may have happened in Maine, but the affect is felt in every State. Over 11,000 separate laboratories; including virtually every medical school, university, many independent research facilities, and major governmental laboratories are affected.

Senators KENNEDY and HATCH gave their bipartian support to a one-time authorization bill that would aid the recovery process. The bill was passed out of committee on August 2.

The bill permits use of public funds for open procurement for the purpose of maintaining the supply of research animals. If another laboratory can gear up better and faster than Jackson, they have a chance at these funds.

I am seeking the full $25 million that Jackson needs immediately to ensure full recovery of supply within 2 years. The total fire damage was over $40 million, but insurance and private philanthropy will cover the rest. Private fundraising could never meet all of their needs, and would come too late to stave off serious mouse shortages.

Almost $1 billion in biomedical efforts are in jeopardy; we must act quickly to restore the breeding capacity that was lost in the fire at Jackson Lab. I urge my colleagues to join with us in this important effort.

EXHIBIT 1

[From Discover, August 1989]

THE HUMAN MOUSE

(By Geoffrey Montgomery)

One night in January 1987, while driving home along the interstate, Mike McCune came up with a crazy scheme to transplant a human immune system into a mouse. He was heading north, toward San Francisco, where for the past five years he had worked as a doctor at San Francisco General Hospital. There McCune had seen patient after patient, many of them young men his own age, succumb to the ravages of AIDS. Their immune systems shattered by an enigmatic virus, they struggled in vain against an onslaught of opportunistic diseases.

Most died of pneumonia caused by *Pneumocystis carinii*, a protozoan that normally lives quite harmlessly in the hothouse environment of the lungs. In McCune's patients the microbe had grown uncontrollably, filling their lungs with suffocating foam. He had watched helplessly as they lay hunched forward on their hospital beds, taking short, shallow breaths, until their gasping ceased altogether.

Now, in 1987, as a postdoctoral fellow in immunology at Stanford, McCune was spending the bulk of his time trying to find answers to the AIDS mystery in the laboratory. His work was going well; he had recently discovered a step in the virus's development that is crucial to its ability to infect human immune cells. Yet this laboratory research, McCune felt, led to a dead end. Test tubes could never tell him what was happening to the complex network of immune cells circulating through an AIDS patient's body. They couldn't tell him how the virus caused such massive and disastrous destruction of the T cells, the key orchestrators of the immune response. What he needed was an animal model, a living system in which the virus's assault could be exhaustively analyzed and then, with luck, countered by experimental drugs or vaccines.

But what animal? So far only chimpanzees had been infected with the AIDS virus. Unlike humans, however, they did not become ill; moreover the use of this endangered animal would be controversial to say the least.

Mice would be nice, McCune thought. They were immunology's favorite creatures—small, fast breeding, and easy to handle in large numbers. Unfortunately, a mouse's immune cells could not be penetrated by the AIDS virus. McCune's task seemed impossible. To have a model with all the properties he needed, he would have to get hold of an amalgam beast no less fantastic than the lion-goat-serpent Chimera of Greek myth.

But as he sped along the empty highway, past the black shapes of the hills to the west, the dilemma began to dissolve. A spectacularly simple plan was taking shape in his mind. He recalled that other researchers had found mutant strains of mice that were genetically unable to make their own immune system. Why not transplant an immune system into them—a human immune system?

During the remainder of his ride McCune quickly outlined the transplantation procedure, the series of experiments he would perform with the AIDS virus and antiviral drugs. Shortly afterward he presented his plan to his Stanford colleagues. Their reaction was not exactly encouraging. "They didn't think it would work," says McCune. "In fact, they thought it was a pretty crazy idea."

Today, at the end of a hallway at SyStemix, the biotech firm that McCune cofounded last year, lies a sterile room with shelves of cages full of mice. Before passing through the tightly sealed door, one has to don a surgical mask, cap, gown, and gloves. The precaution is necessary because all the mice on one side of the room have no immune system—they have all been born with SCID, which stands for severe combined immunodeficiency.

"If these mice were placed out in the open," says McCune, "most would develop *Pneumocystis carinii* pneumonia." Like similarly afflicted AIDS patients, they too would soon be hunched over, taking short, shallow breaths until, eventually, they'd simply stop breathing. So vulnerable are they that even in this sterile, isolated environment, their water bottles are kept filled with antibiotics—antibiotics very much like the ones that are now used to prevent *Pneumocystis* pneumonia in AIDS patients.

Across the room, scurrying happily through the pine shavings in their cages, are another set of white mice that belong to the same immunodeficient strain. Yet, although these animals receive no antibiotics, they can be kept in the open for 15 months and still remain free of pneumonia. Unlike their roommates, these mice have been given an immune system that can apparently defend them—which is rather remarkable considering the immune system inside them is human.

McCune's crazy idea has led to a revolutionary event in medical history. For not only has he created his chimeric mouse, he has gone on to show that it can be a useful model for studying AIDS. Last December McCune and his colleagues confirmed that a group of SCID-hu (for human) mice had been infected with HIV, the AIDS virus, and that the virus had reproduced and spread within the mice's human immune cells.

Now, in a high-security laboratory at SyStemix, McCune's group is studying more than 100 of these HIV-infected mice to see if they, like humans, will go on to develop disease. "The major question is whether the mice will actually get AIDS," says Irving Weissman, a developmental immunologist at Stanford School of Medicine, in whose lab McCune made the first SCID-hu animals. Will these mice, whose human immune cells apparently protect them from *Pneumocystis* pneumonia and other opportunistic infections, once again get such infections—as AIDS patients do—after being attacked by HIV?

Weissman thinks it's possible, even probable, that they will. "But at the very least," he says, "we've shown that these mice will be a good model for initial infection by the virus. And it is the events immediately following infection about which we know the least."

Weissman discovered for himself how little was known early in 1986, when he was asked to write a report on the development of AIDS for the National Academy of Science's commission on the growing epidemic. "When I came back from the first of the commission's meetings," he recalls, "I said to the people in the lab, 'We don't know anything. From the moment of contact, we don't know where the virus goes, where it spreads, in which organs it eliminates immune cells, or how this elimination occurs. And we'll never know, because we can't—and shouldn't—invade the human body at those early points after infection.' I said we had to find some relevant animal model."

McCune had come to the same conclusion. At the time he was the only one in Weissman's lab actively working on HIV. "He was also caring for AIDS patients, was committed to them," says Weissman. "And he was just hot about developing an animal model for the disease."

Weissman wanted to use a laboratory mouse, but that idea presented immediate problems. In humans, HIV gains entry to immune cells by attaching to a receptor on their surface, a protein called CD4. Mouse cells don't have this protein receptor and

are therefore uninfectible. To get around the problem, Weissman came up with an extremely complicated plan that involved manipulating the genes of both the virus and the mouse so that the virus could bind to the cellular surface and thus get its foot in the door.

"Frankly, I didn't think his scheme would work," says McCune. "And I wasn't eager to spend my postdoctoral career pursuing it."

Then came that night McCune hit upon a mouse scheme of his own, while driving along an empty highway. Earlier in the day he had drawn up a list of conditions that his ideal AIDS animal model would have to meet. First, the animal would be a rat or mouse. Second, the virus used would be straight HIV, not a virus with altered genes. And third, the immune cells that the virus infected would not be mouse cells but human.

Reconciling the first and third conditions, however, seemed to require putting a human immune system inside a rodent—a biological contradiction if ever there was one. Because if you were to place human immune organs inside a mouse, the human immune cells would attack their rodent host, while the mouse's immune cells would attack the human grafts. You'd get immunological war.

But McCune, as he drove, thought he saw a way this war might be circumvented. He was thinking about a paper by the late British biologist Peter Medawar, when the implications of Medawar's findings began to take on the rough outlines of a brave new mouse.

During World War II Medawar had tried to find a way to save the lives of Royal Air Force men whose planes had been shot down. Often half their skin had been burned away, and their only hope for survival was a skin graft. Yet Medawar, like others before him, found that within a week the skin grafts were rejected. All the transplanted skin shriveled up and fell from the dying bodies like flakes of dust.

Medawar soon demonstrated that organ rejection was simply the immune system doing its duty. "Paradoxical though it may seem," Medawar once said "the rejection of a graft is essentially the body curing itself of the graft." The body's immune system recognizes the graft as foreign tissue and attacks the invader as it would a germ.

But in a classic 1953 paper Medawar announced the discovery of a secret passage through this immunological fortress. If an embryonic mouse were given cells from another mouse, strain, its developing immune system could somehow learn to recognize as "self" both its own tissue and the foreign cells.

"Meadawar's paper suggested that if I wanted to put human immune cells into a mouse," says McCune, "I should use fetal tissue. Because fetal immune cells can be taught to see foreign tissue—in this case the mouse—as self."

As embryonic human immune cells develop, they mature into all the different cells of the immune system, including the white blood cells known as T cells. T cells are the ones that discern self from nonself and thus cause transplant rejection. They are the quarterbacks of the human immune system—and the prime target of the AIDS virus.

These immune cells are called I cells because they mature in the thymus, the gland beneath the breastbone. In 1978, 25 years after Medawar's original finding, another classic paper showed that the fetal thymus is actually the "school" in which T cells learn to recognize cells tagged with foreign labels. "This second paper," says McCune, "suggested that I would also need to implant a human fetal thymus into the mouse if I wanted to get mature human T cells that could recognize the mouse's body as self. And I had to have T cells, because to make the mouse a valid AIDS model, I had to infect its T cells with the virus."

The scheme McCune conceived during his nighttime commute was based on these fundamental principles. He would transplant human embryonic immune cells, taken from an aborted fetus, into an immunodeficient mouse. Because it lacked an immune system of its own, the mouse would be unable to reject the fetal transplant. Further, McCune would transplant into this immunodeficient mouse a human fetal thymus. The human immune cells, he hoped, would home to this human thymus, mature into T cells, and become educated to recognize the mouse as self. If everything worked according to plan, McCune would get a rodent with a fully functioning human immune system.

At this point, of course, McCune's mouse was still only a vision—the creation of a mind let loose, freewheeling after long hours of laboratory work. Whether the dream would ever materialize was quite another matter. Nobel Laureate geneticist François Jacob recently wrote that science can be divided into two realms: day science and night science. "Day science employs reasoning that meshes like gears," he claimed. It solves a tightly linked series of small puzzles through established experimental methods. Night science, in contract, is the stuff of intuitive leaps and meanderings—such as those by which, say, a human-mouse chimera is conceived while driving home. In night science, wrote Jacob, "plans for experiments have barely taken form. Thought proceeds along sinuous paths, tortuous streets, most often blind alleys . . . in quest of a sign, of a wink, of an unforeseen connection."

For McCune, that sign appeared out of the darkness as he was scanning a recent review of some 30 different strains of immunodeficient mice, searching for one that could serve as a host for his immune system transplant. The second strain listed was SCID. Those mice, he read, lacked the two major arms of the immune system. They made neither the T cells, which coordinate the immune response against foreign invaders, nor the white blood cells called B cells, which produce antibodies to neutralize them. But it was a sentence further down that hit McCune with the unforeseen connection: SCID mice, he read, often die of *Pneumocystis carinii* pneumonia—the same opportunistic lung infection that had killed so many of his AIDS patients.

Immediately a scheme crystallized in McCune's mind, one that would allow him to create alternating stages of immunodeficiency and immunocompetence in these mice. Call it flip-flop scheme.

"The SCID mouse presumably was immunodeficient and died of *Pneumocystis* pneumonia because it lacked its own T cells," says McCune, his voice recalling the excitement of that moment. This was the "flip" immunodeficient state. "The question immediately was: If you were to put a human fetal thymus and immune cells into the mouse, would it be protected against *Pneumocystis*?" Flop—the mouse was now immunocompetent. "If you were then to infect these T cells with HIV, shouldn't the mouse once again get *Pneumocystis*—just like an AIDS patient?" Flip—the mouse was once again immunodeficient. "And if that was the case—if the mouse was rendered immunodeficient by the AIDS virus—could you then give the mouse drugs, knock out the HIV, and return the mouse to a state where it would again be immunocompetent, and once again resistant to *Pneumocystis*?" The final flop. "Crazy, right?" says McCune.

Indeed, that was precisely Weissman's reaction. "Go ahead and try," he told McCune. "But I bet you it doesn't work."

"I bet you it does," replied McCune. As was usual in the Weissman lab, the wager was a bottle of wine.

McCune's first step was to get 21 SCID mice from Leonard Shultz, who had written the article reviewing the various immunodeficient strains. The next was to begin constructing the animals' immune system, and for this he needed a fetal liver—the organ where immature immune cells are made in the fetus—and a thymus to induce a functional population of T cells. He also planned to add lymph nodes, the tiny organs to which T cells migrate and where they interact with other immune cells.

McCune had cleared his experiment with the Stanford Human Use Committee, and he was satisfied in his own mind that his use of tissue from aborted fetuses was ethical. "Everyone has their own personal views about abortion," he says. "But I didn't think that the use of fetal tissue in these experiments would in any way encourage women to have abortions. It was a question of whether already aborted tissue could be used for a potentially beneficial biomedical purpose." (Indeed, as his project proceeded, McCune consulted his uncle, a Catholic priest and theologian, and was relieved that he agreed with this view.)

With the help of his wife, an obstetrician, McCune had been able to find the proper channels for obtaining the fetal tissue. But extracting the tiny thymus gland proved to be maddeningly difficult—the gland was so minuscule that he couldn't even find it. The project seemed doomed before it had even started. Noting the look of utter dejection on McCune's face, a co-worker, Hideto Kaneshima, inquired what was wrong. "You have to talk to *my* wife," said Kaneshima when McCune explained the problem. "She's an expert on fetal thymus." Indeed, his wife, Reiko Namikawa, had spent her entire career studying T cell development in the thymus; and she happened to be taking a sabbatical at Stanford.

A fledgling research team was beginning to assemble. The three young scientists—McCune, Kaneshima, and Namikawa—were soon joined by Miriam Lieberman, an experienced mouse microsurgeon. Lieberman showed them how the fetal thymus could be grafted under the capsulelike membrane surrounding a mouse's kidney. Together, the four transplanted both fetal thymuses and the even tinier lymph nodes into 11 adult SCID mice, reserving the other 10 mice in the colony for use as controls. A week later, they injected fetal immune cells into the experimental mice, hoping that, as in humans, the immature cells would home in on the thymus, develop into mature human T cells, and circulate to the lymph nodes.

Initially, though, the results were not encouraging. "The mice were not doing well," says McCune. Actually, the animals looked as if they might die—which was what Weissman had expected all along.

His pessimism was based on the outcome of similar transplantation attempts in the 1950s and 1960s. At that time many attempts had been made to reconstruct a normal mouse's immune system by first killing all its immune cells with X-rays, then injecting it with human immune cells. But none of the attempts worked. "Fortunately Mike was completely ignorant of these studies," says Weissman. "So his mind wasn't poisoned by this history of failure."

"If I had known about these experiments before I started, I probably never would have tried SCID-hu," agrees McCune. As it was, right after the transplants he had been extremely discouraged by the mice's sick state. But two weeks or so after surgery the mice started doing better. And they were not simply convalescing from surgery and returning to their former SCID state. For shortly after the SCID-hu mice began to improve, the control mice began to die—apparently of Pneumocystis pneumonia. Although both groups were being kept out in the open, the SCID-hu mice were healthy. Not one was getting pneumonia. "That," says McCune, "was our first indication that the experiment was working."

Subsequent study confirmed that the mice were indeed hosting human T cells which were living quite compatibly with the animal's own tissues. Furthermore, to the researchers' delight, they found evidence of two other important immune system cells. Inside the engrafted lymph nodes, human B cells were obediently producing human antibodies. And to top it off, the mice hosted human macrophages—the other major target, along with T cells, of AIDS virus attack. McCune and company had created a mouse with a genuine human immune system.

Weissman paid off his wager with a bottle of quite moderately priced sparkling white wine. McCune, no wine connoisseur anyway, rounded up a few friends to help him drink his winnings—and then got on with his work.

"Clearly, the next step was to try to infect SCID-hu with the AIDS virus," says McCune. And so, with utmost care, virus that had been cloned from the blood of an AIDS patient was injected into the mice. During the next eight weeks the virus spread throughout the thymus and lymph nodes. Highly specific molecular probes showed that it was actively replicating. For the first time HIV infection had been accomplished in an organism other than humans or chimpanzees.

Because university safety regulations prevented him from continuing his research with HIV-infected animals at Stanford, in early 1988 McCune, along with Weissman, Caltech molecular biologist Leroy Hood, and Nobel-winning molecular biologist David Baltimore, began the search for funds to start a private research firm. In March they were approached by a consortium of venture capitalists who gave them a $10 million guarantee. "As one of the venture capitalists said," McCune recalls, "it was an offer we couldn't refuse." SyStemix, McCune's new biotech firm, was born.

The SyStemix researchers are now engaged in three major SCID-hu projects. "First," says Kaneshima, who moved from Stanford to join his colleague, "we are trying to make the perfect SCID-hu." Immune cells have a limited life span, and in the human body they are continually replaced. By refining their original transplantation procedure, the researchers have already managed to give their mice a self-renewing supply of T cells. Now, with a view toward testing vaccines, the group is exploring ways to increase the B cell population in the mice. A vaccine works by stimulating the B cells to make antibodies that neutralize a particular virus. If these mice are to be useful for testing AIDS vaccines, they must have B cells capable of making specific and abundant antibodies to HIV.

The second major project is the study of just how the virus damages the immune system. The very first description of AIDS in 1981 identified what has become the hallmark of the disease—the steady decline of T cells in the bloodstream. Yet, says McCune, precisely how HIV kills so many T cells remains murky. Originally AIDS was pictured as resulting from a simple series of search-and-destroy missions, in which the virus infected a T cell, replicated several hundredfold, burst open the cell, and then went on to attack more T cells. Yet blood studies of AIDS patients have found the virus actively replicating in only one in 100,000 T cells.

How else does the virus wreak its havoc, and where, if not in the bloodstream? It's now known that the HIV can infect other immune system cells, such as the scavenging macrophages, and they may serve as a reservoir for the virus. It's also known that an infected T cell can fuse with many uninfected cells to form one giant cell—another mechanism that may account for the disappearance of T cells in AIDS patients. McCune has found such cell conglomerates in the SCID-hu mice's infected lymph nodes.

In fact, McCune suspects that the lymph nodes may play a crucial part in the development of AIDS. Swollen nodes are one of the earliest signs of infection in humans, he notes. "And lymph nodes are ideal places for the virus to spread—they contain different classes of immune cells that are constantly shaking hands with one another." Are most T cells destroyed in these lymphatic pockets? Does the virus disrupt the delicate communications network between the various immune cells it infects? "These are all questions that are very difficult to address in cell culture dishes," says McCune "That's why you need a living model."

The search for suitable models for AIDS has intensified in recent years with researchers trying a variety of approaches and animals, including other mouse models. Malcolm Martin of the National Institute of Allergy and Infectious Disease has inserted the entire set of HIV genes into the cells of normal mice; Donald Mosier of the Medical Biology Institute at La Jolla has injected immunodeficient mice with mature, rather than fetal, human immune cells. Yet McCune's SCID-hu mouse remains unique in having an immune system with both human immune cells and organs—a human immune system that can constantly renew itself and live in symbiosis with foreign mouse tissue. "SCID-hu could be a much more complete animal model for AIDS," says Martin. "Because Mike has all the components of a human immune system in his mouse, he has the potential of studying the entire life cycle of the AIDS virus."

This is risky work, however. The SCID-hu studies will involve administering HIV to a plethora of little rodents, and there is always the danger that a mouse might move in an experimenter's hand just as he is injecting it with a needle full of deadly virus. Not surprisingly, then, McCune believes that new laboratory procedures will have to be developed.

"We joke about building a SCID-hu ICU," he says. "In a hospital intensive care unit, you can inject a drug into an indwelling catheter, for instance, and use monitors to continually assess what that drug is doing. We need something like this before we can do full-scale drug screening in a safe way."

The third major project under way at SyStemix is the search for what can be called the Holy Grail of immunology—the human stem cell that gives rise to all the cells of the blood, including the immune system. Last year Weissman's lab managed to isolate the stem cell of the mouse—in itself a milestone in immunological research.

SCID-hu is the perfect vehicle for the task, says Weissman. The SyStemix researchers plan to inject "candidates" for the human stem cell into the mouse and then see which gives rise to a total human blood system. Identifying the human stem cell would have enormous implications for our understanding of blood and immune system development. Moreover, the work on stem cell development relates directly to McCune's work on HIV. Weissman's research suggests that the early immune cells that develop into human T cells may temporarily display the CD4 receptor that the AIDS virus binds to. Thus, the virus may cause the massive depletion of T cells seen in AIDS not only by killing mature T cells but by preventing new T cells from ever developing.

McCune's flip-flop scheme is still less than half complete. He has been able to convert SCID mice from an immunodeficient to an immunocompetent state. But will infection by the AIDS virus flip the mice back to their vulnerable state so that they will once again be subject to *Pneumocystis* pneumonia? And if so, can experimental AIDS drugs flip such HIV-infected mice back to immuno-competence?

"So far, each stage of Mike's scheme has worked," says Weissman. "But he's extremely cautious, to the point of appearing pessimistic, when he talks about how far we can take SCID-hu. After his seminars I've heard people come out saying, 'Well, they've tried to see whether the mice get AIDS after HIV infection, and they don't.' But that's not true at all. We haven't had time to even test that yet."

Still, while McCune bends over backward not to substitute hope and hype for hard facts, he has at least two tangible reminders of how far his crazy idea has already come. SyStemix now houses 800 small white SCID-hu mice. And on a bookshelf in his office, its $3.99 price tag intact, sits the empty bottle from the wine that he won by making his chimeric mouse a reality—by ushering night science into the light of day.

"If you formulate a wild-ass experiment that you don't expect to work," says McCune now, "and you calculate nonetheless what would happen if it were to work, and that does happen—then you have to be pretty amazed."

Night has fallen, and McCune is driving from Stanford to San Francisco amid the rush of commuting cars. It is the same route on which he thought of his SCID-hu mice two years before. The afternoon's clouds have cleared, and McCune is now riding down memory lane under a star-pocked sky. He is in an expansive mood, and he talks enthusiastically about his work, about the chance to finally begin a rational line of attack against the disease that so bewildered him and his colleagues at San Francisco General.

"Before AIDS," says McCune, "people in the hospital didn't really talk about death

as inevitable. We always had anecdotes about the miraculous procedures we performed—for instance, to keep somebody with severe liver disease alive. But there was never an anecdote about anyone recovering from AIDS." As a young resident, he recalls, he asked a patient with advanced *Pneumocystis* pneumonia whether he wished to be revived if his heart stopped. There was nothing else he could offer him. "I had to say, "You have a disease we know very little about. What do you want us to do if you can't breathe tomorrow?" I guess it was this experience that committed me to doing AIDS research.

What would he do with SCID-hu if there were no mysterious human viruses lurking, no AIDS epidemic?

"Look at T cell function and development, definitely. The whole issue of how a T cell learns to distinguish self from nonself is such a fascinating phenomenon, and to this day no one knows how it works. If we can show that the human T cells are functional in this mouse—and that's still a big if," he adds with characteristic caution—"we'll have a nice system in which to study the problem. Then we may be able to apply this knowledge to autoimmune diseases." In autoimmune diseases, such as lupus and rheumatoid arthritis, the immune system comes to regard some of the body's own tissue as nonself, as a foreign invader to be destroyed. "The field's still quite a quagmire," says McCune. "Henry Kunkel, who died a few years ago and whom I worked for as a graduate student at Rockefeller University, spent his whole life trying to understand autoimmune disorders."

McCune turns off the freeway at the first exit to San Francisco, where he still works a half-day a week caring for patients in San Francisco General's AIDS clinic. Before going home, he needs to make a stop in the northern part of the city, in an area that's unfamiliar to him.

As McCune emerges from the exit, he does not seem quite sure where it has led him. He drives down a dark, quiet street, surrounded by low buildings that in the evening gloom appear abandoned. While he pulls up to a red light he listens to the question being put to him: Given all the experiments to be done, is he going to spend the rest of his scientific life with his mice?

McCune laughs, a little distractedly. He's looking around for a street sign. "Yeah, sure—I guess I will be spending my life with these mice." He laughs again, and then his caution re-emerges. "That is, if we can get the experiments we're doing now to work. Then we can go on." He is still looking for a street sign. "Where the hell are we?" he mutters. The light turns green, and McCune eases the car forward.

"Oh well," he says, gathering speed now, his eyes back on the road before him. "We'll get there somehow."

EXHIBIT 2

NATIONAL INSTITUTE OF HEALTH,
Bethesda, MD, July 17, 1989.

Hon. GEORGE J. MITCHELL,
U.S. Senate, Washington, DC.

DEAR SENATOR MITCHELL: Thank you for your letter of June 7 inquiring about the impact on the Nation's biomedical research activities of the May 10 fire at The Jackson Laboratory in Bar Harbor, Maine.

The destruction of the 500,000 mice in The Jackson Laboratory fire clearly represents the loss of an extremely important national resource. Indeed, this loss is currently creating very serious problems for research scientists all over the world. The Jackson Laboratory maintains approximately 1,700 different strains of mice and ships 2-3 million animals each year to some 11,000 research laboratories. As noted in your letter, roughly 20 percent of the genetically defined mice used in U.S. laboratories comes from The Jackson Laboratory.

The investment by NIH in bimoedical research involving mice is, as one might expect, quite substantial. In FY 1988, for example, NIH provided approximately $1.4 billion for the support of research projects using mice. These studies are being performed at universities and medical schools throughout the country. Of these funds, roughly $200 million supports research projects affected by The Jackson Laboratory fire. In addition, it is estimated that approximately 170,000 mice each year are supplied by The Jackson Laboratory for studies done by NIH intramural scientists.

We feel that the lack of availability of many unique strains of mice normally provided by The Jackson Laboratory will cause delays in research by investigators at universities, biotechnology companies, and pharmaceutical firms. These studies are important in the development of new methods for the diagnosis, treatment and prevention of a wide range of human disorders, such as muscular dystrophy, cancer, heart disease, diabetes, and AIDS.

We at NIH are pleased that thanks to wise contingency planning on the part of The Jackson Laboratory staff, no strains of mice were completely wiped out, so that it will be possible for the Laboratory to replenish its supply. The speed with which this replenishment can be accomplished is critically important. We understand that the Special Emergency Fund for Natural Disasters is being considered as a way to address the issue.

I have sent your colleague, Senator William Cohen, an identical letter. If I can be of any further assistance, please let me know.

Sincerely yours,
JAMES B. WYNGAARDEN, M.D.,
Director.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (S. 1390), as amended, was passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONSTRUCTION OF MOUSE RESEARCH LABORATORY.

(a) IN GENERAL.—The Secretary of Health and Human Services, acting through the Director of the National Institutes of Health, shall provide a single grant, through a competitive application process, to a public or private nonprofit entity to enable such entity to construct a facility for the development, production, and distribution of inbred and mutant mice that are to be used to address the critical shortage of such mice for biomedical research.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $25,000,000 to carry out subsection (a).

Mr. MITCHELL. I move to reconsider the vote by which the bill was passed.

Mr. DOLE. Mr. President, I was going to ask for a rollcall but instead I will move to table.

The motion to lay on the table was agreed to.

WAIVER OF CERTAIN PROVISIONS OF LAW FOR ANNUITANTS INVOLVED IN CARRYING OUT THE 1990 DECENNIAL CENSUS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 158, H.R. 1860, providing a temporary appointment for Federal annuitants to assist with the 1990 census.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

Bill (H.R. 1860) to provide that a Federal annuitant of former member of a uniformed service who returns to Government service, under a temporary appointment, to assist in carrying out the 1990 decennial census of population shall be exempt from certain provisions of title 5, United States Code, relating to offsets from pay and other benefits.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. GLENN. Mr. President, today the Senate will unanimously agree to send H.R. 1860 to the White House for the President's signature. This legislation will enable the Census Bureau to meet some of their manpower problems in the upcoming 1990 census by hiring more Federal retiree's.

Military, postal, and civil service retiree's will be allowed to return to Government service and assist in the 1990 census without suffering reductions in their retirement benefits. This narrow exemption to the requirements that individuals who return to service be subject to offsets to their retirement pay and benefits will remove a disincentive and encourage this talented and capable pool of individuals to help out in next year's census.

H.R. 1860 is identical to S. 1450, legislation I introduced in the Senate earlier this week. Senators BINGAMAN, SARBANES, RUDMAN, ROTH, DECONCINI, SANFORD, BOREN, BURDICK, and MIKULSKI join me in sponsoring this bill.

H.R. 1860 is sponsored by Congressman SAWYER, a member of my Ohio delegation and the chairman of the Subcommittee on Census and Population of the House Committee on Post

Office and Civil Service. I want to particularly compliment him on his work to enact this legislation.

Mr. President, in less than 1 year, our Nation will conduct its Twenty-first Decennial Census. To accomplish this enormous task, a temporary work force of 480,000 employees will be required. The Census Bureau will recruit and train these temporary employees. If the Bureau is unable to meet its staff requirements, the data collected during 1990 will be not as reliable or accurate as it should.

An accurate and complete census is absolutely vital. Not only is reapportionment dependent on an accurate count, but many of our Nation's means of effectively targeting assistance to the needy depend on an accurate census. The Census Bureau needs to be able to fill these 480,000 temporary positions in an expeditious and efficient manner.

A significant portion of the 480,000 will serve as enumerators and visit the homes from which the initial questionnaire was not returned by mail. The job of the enumerator is not always an easy one. Often they must go into unfamiliar and unfriendly areas to gather data. Considerable "people skills" are necessary to count the population in some parts of the country where individuals fear and resent representatives of the Federal Government who ask questions.

In hearings before Congressman SAWYER, the Census Bureau recounted the difficulties the Bureau expects with filling these positions. Turnover and areas of low unemployment present particular problems.

The legislation the Senate passes today will help the Census Bureau overcome these problems by expanding the pool of eligible and capable Federal retiree's who can fill these positions. The legislation is budget neutral. The General Accounting Office, the National Association of Retired Federal Employees, and the Retired Officers Association join the Census Bureau in endorsing the measure as a constructive step.

Mr. President, this bill merits the expedited attention the Senate is giving it. If the Census Bureau is to take advantage of the law it must move quickly in the next few months to adjust its hiring practices and get the word out to Federal retirees that the disincentive for their participation in the census no longer exists.

Mr. BINGAMAN. Mr. President, I rise in strong support of this legislation to allow Federal retirees to work on the 1990 census without a reduction in their annuities. In a few short months, the Census Bureau will face an enormous task—conducting the 1990 Decennial Census as required under the Constitution. The Census Bureau estimates that it will count about 250 million people and about 106 million housing units, about 94 million occupied and 12 million vacant units. There will also be a census in Puerto Rico of about 1.1 million housing units.

To carry out this task, the Census Bureau will hire about 565,000 people, some of whom will do more than one job. About 1.6 million people will be tested for temporary jobs, and more than 300,000 people will be employed during peak census-taking activities.

One of the best potential labor pools for census workers consists of Federal retirees. These are competent, eager workers who understand the importance of the census. It is estimated that this potential labor pool may be as large as 2 million persons.

However, current law would require that these retirees would have to take an offsetting reduction in their Federal retirement benefits if they return to work for the Federal Government. This is a high price to pay for a temporary job helping out on the census.

The legislation before us today would provide a one-time exemption to this rule. It is only for those who will be employed on the 1990 census and only if they are employed for no longer than 6 months.

I believe that this legislation is an appropriate and limited exemption to current law. It will greatly help the Census Bureau meet its personnel requirements to carry out the very important task of the 1990 census. I urge its adoption.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 1860) was ordered to a third reading, was read the third time, and passed.

Mr. MITCHELL. I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

HOUSE JOINT RESOLUTION 231 "NATIONAL LIBRARY CARD SIGN-UP MONTH"; HOUSE JOINT RESOLUTION 253 "NATIONAL PLEDGE OF ALLEGIANCE DAY"

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration en bloc of the following joint resolutions: House Joint Resolution 321 and House Joint Resolution 253, that they be read a third time and passed, and that the motion to reconsider the votes by which they were agreed to be laid on the table en bloc and that their preambles were appropriate to agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL LIBRARY CARD SIGN-UP MONTH

The joint resolution (H.J. Res. 231) designating September 1989 as "National Libary Card Sign-Up Month," was considered, ordered to a third reading, read the third time, and passed.

NATIONAL PLEDGE OF ALLEGIANCE DAY

The joint resolution (H.J. Res. 253) designating September 8, 1989 as "National Pledge of Allegiance Day," was considered, ordered to a third reading, read the third time, and passed.

SENATE JOINT RESOLUTION 102—INDEFINITELY POSTPONED

Mr. MITCHELL. Mr. President, I further ask unanimous consent that Senate Joint Resolution 102 designated "National Library Card Sign-up Month," be discharged from the Senate Judiciary Committee and then be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMENDATION OF THE CITIZENS OF THE SIOUX CITY, IA TRI-STATE AREA

Mr. MITCHELL. Mr. President, I ask unanimous consent that Senate proceed to the immediate consideration of House Joint Resolution 379, a joint resolution commending the citizens of Sioux City, IA, and the tri-State area for their lifesaving services to the passengers and crew of United flight 232.

The PRESIDING OFFICER. The clerk will report the joint resolution by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 379) commending the citizens of Sioux City, Iowa, tri-State area for their heroism and spirit of volunteerism in selflessly providing assistance and life-saving services to the passengers and crew of United Airlines Flight 232.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. HARKIN. Mr. President, I am happy to support this joint resolution commending the citizens of Sioux City, IA, and the tri-state area for their assistance and extraordinary response to the crash of United flight 232 on July 19, 1989.

The Senate last week adopted a similar joint resolution which I offered in tribute to the heroic and generous ef-

forts of the many people of Sioux City and Woodbury County, and of surrounding communities in Iowa, Nebraska, and South Dakota. Because of their skill, experience, coordination, preparedness, and generosity, there were as many as 185 survivors. That is truly remarkable.

By the time flight 232 crashed, there were firefighters and police, National Guard units, and local rescue vehicles on the scene. The call went out to all of Iowa—and all of Iowa responded.

It's no surprise. Iowa is a place where people still care about their neighbors and answer the call of duty without a second thought.

The relief operation that was integral in saving so many lives should be mirrored on a national level. Sioux City stands today as a hallmark—a tribute not only to a well-orchestrated emergency program—but to a way of life.

I am so proud of the efforts of the people of Sioux City and Woodbury County that I wrote an article about them which appeared today in USA Today. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SIOUX CITY SHOWS "ME" DECADE IS DEAD

(By Tom Harkin)

More than lives were saved by the rescuers who rushed to the crash of United Flight 232 near Sioux City.

They may have helped to restore a nation's belief in its own basic goodness.

For nine years, we Americans have been scolded for our selfishness and greed.

The '80s have been branded the "me" decade, with the conspicuous consumption of the Ivan Boeskys, the Michael Milkins and the Donald Trumps paraded as proof.

It's a bum rap on America. Sioux City's response to a horrible airline catastrophe shows we're far more than a collection of selfish interests.

The rescuers were called heroes, and they surely deserve the title. But the volunteers and medical professionals from Iowa and neighboring states who worked round the clock weren't seeking laurels.

They were ordinary Americans who saw a critical need and did what they could.

When hospital blood supplies ran low, donors responded so quickly that, inside of three hours, an estimated five months of blood inventory was collected.

When Sioux City ambulances were overloaded, small towns from miles around rushed their emergency units to the scene.

When hotels were filled, Sioux City's residents opened up their homes to the survivors.

National Guard and Red Cross units, state troopers, social workers, doctors and nurses—all told, more than 1,000 citizens contributed to the saving of 185 passengers' lives.

The United crash produced hundreds of tales of individual heroics.

But only the joint effort of a tightly coordinated group was able to save so many lives.

Maybe it's time to usher in the "we" decade.

Uncommon valor in extraordinary circumstances is an American tradition.

It shows what we're made of, what makes this nation still admired around the globe.

Believing in our own potential, we will be better armed to tackle the big problems our society faces, like the horrible spread of drugs.

And to the radicals who spit and stomp with contempt on our flag and the nation it represents, Sioux City offers our strongest rebuke.

Basic American values don't change with the passing of the decades.

Long after the headlines have vanished, the heroism in Sioux City will endure as a reminder of what this country is really all about.

Mr. GRASSLEY. Mr. President, last week the Senate agreed to Senate Resolution 157 which commended the citizens of Sioux City and surrounding areas for their hard work in assisting those involved with the tragic crash of United flight 232 on July 19, 1989.

Congressman FRED GRANDY from Sioux City, recognized that there was one problem with our approach, it did not include the President in the process. Therefore, Congressman GRANDY introduced House Joint Resolution 379.

The citizens of Sioux City and surrounding areas did an incredible job in handling this tragedy and crisis. As Congressman TOM TAUKE recognized by recommending to Transportation Secretary Skinner that the Sioux City effort be used as a role model for other emergency preparation planning and efforts, these Sioux City area citizens deserve more than our thanks; they deserve our utmost recognition and praise.

Therefore, Congressman GRANDY introduced House Joint Resolution 379 in order that our recognition and thanks to the Sioux City area citizens include that of President George Bush. As my colleagues know, the Senate resolution which passed last week does not allow for a Presidential signing. House Joint Resolution 379 does afford the President the opportunity to sign our legislation.

I believe the efforts of the Sioux City area citizens deserve the additional recognition afforded by President Bush's signature and urge my colleagues to support House Joint Resolution 379.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 379) was ordered to a third reading, was read the third time, and passed.

Mr. MITCHELL. I move to reconsider the vote by which the joint resolution was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INTERNATIONAL CONFERENCE ON GLOBAL ENVIRONMENTAL ISSUES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 171 submitted earlier today by Senators GORE, HEINZ, MITCHELL, BAUCUS, and others, to authorize the appointment of a special Senate delegation to host an international global warming conference.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 171) authorizing the appointment of a special Senate delegation to host an international conference in the United States on global environmental issues, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. GORE. Mr. President, 2 months ago, I and 28 of my colleagues presented the leaders of this body, Mr. MITCHELL and Mr. DOLE, with a letter proposing that there be convened, here in Washington, an international parliamentary conference on the global environment. My colleagues and I were moved to call for this conference, because of the unprecedented level of global cooperation that will be required to effectively address this global challenge. We feel that such a conference is crucial in order to initiate a dialog among parliamentarians that must be sustained for years to come.

I am pleased to be joined today by Senators HEINZ, MITCHELL, PELL, BAUCUS, and WIRTH in submitting a resolution authorizing the appointment of a special Senate delegation to host an international conference in the United States on global environmental issues.

Such a conference will be a logical complement to activities in which the administration is engaged. The purposes of the conference will be to permit parliamentarians to acquaint themselves at first hand with the dimensions of the global environmental crisis through contact with the best scientific minds; to present their national, political, and personal perspectives on the environmental problems that we all face; to acquaint parliamentarians with the present and potential national and international responses; and, hopefully, to leave having made progress toward consensus as to the magnitude of the threat, the need for action, and the approximate outlines of what must be done.

Mr. President, we are facing the prospect of requiring deep changes on

an unprecedented scale in order to counter the trends that are presently degrading the world's environment. At such a critical juncture, it is essential that the people are also participants, speaking through their chosen spokespersons in assemblies, parliaments, and congresses. And it is essential that those representatives are fully informed, so that their policy responses are founded on the best understanding of the problems that we all face.

I look forward to this ground-breaking international parliamentary conference on the global environment. In the face of a massive global environmental crisis, legislators must stand together so that all nations, great and small, advanced and developing, can work as one to solve a common problem.

Mr. BAUCUS. Mr. President, I strongly support this Senate resolution to create a special Senate delegation to host an international conference in the United States on global environmental issues.

Mr. President, global environmental problems are upon us. Like the Chinese character for crisis which is really two characters—danger and opportunity—we have both global climate danger and an opportunity to change the current course of events.

First the danger. Over the last century greenhouse gas emissions have increased dramatically Carbon dioxide concentrations in the atmosphere have increased 25 percent since preindustrial times. In fact, CO_2 concentrations are the highest in 130,000 years.

Methane has more than doubled during the last 200 years and continues to rise.

CFC's have increased 5 percent per year during this decade alone. CFC's now make up 14 percent of the total greenhouse gas emissions.

Over the last century the period of dramatic growth of greenhouse gas emissions, the global temperatures have also increased—as much as seven-tenths of a degree Celsius. Experts predict that if we continue these emissions, temperatures can rise 1.5 to 4.5 degrees. This may not seem like much but the total temperature change since the peak of the last Ice Age, 18,000 years ago was only 5 degrees.

Experts also predict that unless we change our ways and lower our emissions we can expect hotter days ahead. In Washington, DC, we exceed 100 degrees about 1 day a year. By the middle of next century we can expect to exceed 100 degrees 12 times. Dallas now exceeds 100 degrees 19 days but may exceed it 78 times. And New York, Chicago, and Denver which don't presently have 100 degree days will.

We don't need to sit idle and let this all happen. We have an opportunity to change this. We can lead this fight, but we can't do it alone. Although the United States alone accounts for one-fifth of the world's greenhouse gas emissions, the rest of the OECD and the East bloc each contribute about a fifth as well.

Mr. President, as you know, at the recent economic summit the seven major industrial nations agreed that decisive action is urgently needed to understand and protect the Earth's ecological balance.

They agreed that all countries combine their efforts to improve monitoring on a global scale.

And they agreed to give further impetus to scientific research on environmental issues and develop the necessary environmental control technologies.

Mr. President, the economic declarations made at the summit provide good encouraging words. But we must make sure to see that it happens.

Mr. President, hosting an international conference in the United States on global environmental issues is a positive step. It will show that we are serious about these problems and are committed to finding solutions. I support this resolution and urge my colleagues support it.

Mr. HEINZ. Mr. President, the hour is late and I will be brief. We have, in my opinion, a relatively short amount of time in which to act on global issues such as climate change, deforestation, loss of biological diversity, ozone depletion, and international hazardous waste disposal, to name some.

No one nation can unilaterally expect to cope with these problems. It is going to take global cooperation on an unprecedented scale to make headway on—let alone solve—these complex problems.

For several weeks Senator GORE, along with Senator CHAFEE, Senator WIRTH, and many others, have been working to bring about an interparliamentary conference on global environmental issues, sponsored by the Senate. This conference is to be held during the 101st Congress.

I am quite delighted that my colleagues in the Senate are willing to proceed with this proposal, and have agreed to bring forward a resolution authorizing the necessary expenditures from the Senate's contingency fund and establishing a set group of Senators to develop the conference.

With the passage of this resolution, Mr. President, I think the Senate is taking a very important first step. As legislators, we should not act in a vacuum on global matters. We should have the best information available, and be able to share that information with our colleagues in other legislative bodies.

Last March, I learned how important this effort is. Along with Congressman SCHEUER and SIKORSKI, I traveled to Brussels to meet with members of the European Parliament on these same issues. It was a very successful effort, and helped dramatize to me that where a common purpose exists—in this case, to safeguard our planet—the differences of language and nationality can be overcome and great progress made.

We should be able to establish a true working relationship with other concerned parliamentarians—to benefit from their expertise and to share our efforts with them. I think this conference will be extremely helpful to us and I look forward to its convening as soon as possible.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 171) was agreed to, as follows:

S. RES. 171

Resolved, That (a)(1) the President pro tempore of the Senate is authorized to appoint a special delegation of Members of the Senate (hereafter in this resolution referred to as the "delegation") that shall host an international conference, to be held in the United States, on global environmental issues, as described in paragraph (2).

(2) The conference referred to in paragraph (1) is a conference held for the purpose of discussing the implications of the global environmental threat to the peoples of the world, conceptions regarding measures to contain further damage, measures to deal with damage which is already in the process of materializing, and the problem of allocating a just share of the responsibilities and burdens involved in the essential, common task.

(b) The Senate delegation shall be composed of seven Members of the Senate, appointed as follows:

(1) four Members of the Senate from the majority party, one of whom shall serve as chairman of the Senate delegation, to be appointed by the President pro tempore of the Senate, upon the recommendation of the majority leader; and

(2) three Members of the Senate from the minority party, to be appointed by the President pro tempore of the Senate, upon the recommendation of the minority leader.

(c) Any vacancy in the membership of the delegation shall be filled in the same manner as the original appointment.

SEC. 2. (a)(1) The chairman shall designate Senate employees who shall provide professional staff support and expertise for the delegation. Only such staff members and secretaries who are employees of a Senator or a Senate Committee may perform professional services for the delegation.

(2) The majority leader, in consultation with the chairman, shall designate such a Senate employee to be Chief Counsel to the delegation.

(b) Only designated delegation staff may participate in the official activities of the delegation.

SEC. 3. (a) All administrative support and services for the delegation shall be provided by the Office of the Secretary of the Senate, under the direction of the Secretary.

(b) The Secretary is authorized, from funds made available under section 4, to employ such staff at an annual rate of pay, and incur such expenses, including official reception and representation expenses, as may be necessary or appropriate to carry

out his duties and functions for the delegation.

(c) In carrying out his functions, the Secretary may, with the prior approval of the Senate Committee on Rules and Administration, procure the temporary (not to exceed one year) or intermittent service of individual consultants, or organizations thereof, in the same manner and under the same conditions as a standing committee of the Senate may procure such services.

SEC. 4. The expenses of the delegation, as authorized under section 3, including the employment of consultants, shall not exceed $500,000 and shall be paid from the contingent fund of the Senate, out of the account of miscellaneous items, upon vouchers approved by the Secretary of the Senate, after consultation with the chairmen and the majority leader (except that vouchers shall not be required for the disbursement of salaries of employees who are paid at an annual rate).

SEC. 5. The delegation may submit periodic reports on its activities to the Senate and shall submit a final report at the time of its termination.

SEC. 6. This resolution shall terminate at the conclusion of the One Hundred First Congress.

Mr. MITCHELL. I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZATION TO MAKE APPOINTMENTS BY SENATE LEADERSHIP

Mr. MITCHELL. I ask unanimous consent that notwithstanding the recess or adjournment of the Senate, the President of the Senate, the President of the Senate pro tempore, and the majority and minority leaders be authorized to make appointments to commissions, committees, boards, conferences, or interparliamentary conferences authorized by law, by concurrent action of the two Houses, or by order of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR ARMED SERVICES COMMITTEE TO MEET

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be considered to have been authorized to meet on Thursday, August 3, 1989, in open session to consider the nominations of John A. Betti to be the Under Secretary of Defense for Acquisition, J. Daniel Howard to be Under Secretary of the Navy, and to act on the nominations of Michael P.W. Stone to be Secretary of the Army, and John W. Shannon to be Under Secretary of the Army.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONDITIONAL RECESS OR ADJOURNMENT OF THE SENATE AND HOUSE

Mr. MITCHELL. Mr. President, I send a concurrent resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 67) providing for a conditional recess or adjournment of the Senate and a conditional adjournment of the House from Friday, August 4, or Saturday, August 5, 1989 to Wednesday, September 6, 1989.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the concurrent resolution (S. Con. Res. 67) was considered and agreed.

Mr. MITCHELL. I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

HOPE FOR BIPARTISAN COOPERATION IN DRUG WAR

Mr. MITCHELL. Mr. President, in the years I have been in the Senate, I have been impressed by the record of bipartisanship on crime and drug issues. Thanks to Senators JOE BIDEN and STROM THURMOND, and other Democrats and Republicans, the Senate produced bipartisan crime and drug bills in 1984, 1986, and 1988.

It was this record that led me—earlier this summer, when I created a Democratic task force to consider further crime and drug legislation—to pick JOE BIDEN to chair the group.

In the process of organizing the task force, Senator BIDEN assembled approximately 50 new proposals to combat America's drug problem. Many of the ideas he submitted to the task force were his own, some were from previous proposals by other Senators—Democrats and Republicans—some came from leading experts in the field.

Senator BIDEN distributed the ideas he collected to the task force on July 13. Each idea in the Senator's compilation were clearly identified by source, originator, and previous history.

As a result, I was shocked to hear, after Senator BIDEN distributed these proposals at the National Press Club on Monday, that the White House Chief of Staff accused JOE BIDEN of stealing ideas from the President or Drug Director Bennett.

Every single idea listed in Senator BIDEN's Press Club speech said where it came from, or who thought of it first.

Many of the proposals outlined in the Senator's speech—the proposals JOE BIDEN allegedly stole—were ideas that Democrats like TED KENNEDY, PAT MOYNIHAN, SAM NUNN, and JOE BIDEN were talking about years before Bill Bennett or President Bush ever spoke of them.

For example, the idea that Senator BIDEN's advocacy of boot camps is an initiative he stole from William Bennett is absurd. Boot camps were operating in Oklahoma more than 6 years ago. Senator LLOYD BENTSEN proposed them in the Senate more than a year ago.

Or the idea of seizing automobiles from casual drug users who are caught in the process of making drug buys: Senator BIDEN advocated this plan on the Senate floor almost 3 years before Bill Bennett was even nominated to be drug director.

Indeed, the idea of the drug czar position itself was one proposed by Senator BIDEN in 1981—and, I might add, vetoed by President Reagan before it was enacted last year.

When I read unfounded attacks against Senator BIDEN, I see only a misguided effort to resuscitate political charges leveled against the Senator in 1987. As we all know, Senator BIDEN was totally exonerated of these charges some months later by an arm of the Delaware Supreme Court.

I hope we can end personal attacks as a part of the political debate on the drug issue—and other issues, for that matter. I hope we can resume the legacy of bipartisan cooperation on fighting crime and drugs.

I ask unanimous consent that a compilation of newspaper articles with respect to that exoneration be placed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, May 29, 1989]

COURT PANEL CLEARS SENATOR BIDEN OF UNIVERSITY PLAGIARISM CHARGE

WILMINGTON, DEL.—Sen. Joseph R. Biden Jr. (D-Del.) has been cleared of the college plagiarism charge that helped to lead to his departure from the 1988 presidential race, the Wilmington News Journal reported Sunday.

At Biden's request, the Delaware Supreme Court reviewed the allegation in 1987. The court's Board of Professional Responsibility exonerated the senator Dec. 21, 1987, said L. Susan Faw, independent disciplinary counsel for the panel, which prosecutes allegations of unethical behavior against attorneys.

Faw said she had recommended to the court's Preliminary Review Committee, a panel of lawyers and non-lawyers with authority to recommend prosecution, that the matter be dismissed. The charge was later dismissed.

"I guess I had it in the back of my mind that this was more of a personal vindication than a political one," Biden said about his decision to delay announcing the dismissal.

The allegation of plagiarism involved an essay Biden wrote in 1965 while a freshman at Syracuse University. Biden received an "F" on the paper for relying almost exclusively on a Fordham Law Review article, which he cited heavily with footnotes. He said he was allowed to repeat the course and passed with high marks.

Faw would not release details of the investigation, likening it to the confidential proceedings of a grand jury.

Biden told the newspaper that a faculty review concluded the essay was "a poor academic job by the six-week law school freshman, but not a disciplinary or moral problem."

The allegation of plagiarism and other controversies forced Biden, who is chairman of the Senate Judiciary Committee, to abandon his quest for the Democratic presidential nomination on Sept. 23, 1987.

Talking with the media for the first time about his exoneration, Biden told the newspaper: "I felt very relieved because the reason I initiated this whole thing was that it was the only thing throughout the entire presidential [race] that genuinely bothered me. Because I knew all the rest would be put into perspective."

Although the plagiarism allegations dogged Biden, the most damaging impact on Biden's campaign came from the so-called "attack video" distributed to reporters by an aid to rival Democratic candidate Massachusetts Gov. Michael S. Dukakis.

The video showed Biden using the words and ideas of British Labor Party leader Neil Kinnock without attribution. Biden contends that he usually attributed the quotes, and he called the omissions an oversight.

[From the Washington Post June 4, 1989]

NO BIDEN PLAGIARISM

(By Maralee Schwartz)

Calling it a "personal vindication" rather than a "political" one, Sen. Joseph R. Biden Jr. (D-Del.) confirmed that a panel of the Delaware Supreme Court cleared him of allegations that he plagiarized in law school.

Biden withdrew from the 1988 presidential campaign following accusations that he quoted British Labor Party leader Neil Kinnock without attribution and had plagiarized an article while attending Syracuse University's law school. The accusation concerned an essay Biden wrote in 1965 for an introductory class on legal methodology.

After ending his presidential campaign Sept. 23, 1987, Biden notified the state Supreme Court of the plagiarism allegations. The court's Board on Professional Responsibility ruled Dec. 21, 1987, that Biden had not violated any rules.

Biden told The Wilmington News last week that he decided not to publicize the ruling, which was confidential. "I didn't know what to do with it," he said. Biden said he finally decided to disclose it because he expected "somebody would go back some day and check."

[From the New York Times, May 31, 1989]

DELAWARE COURT CLEARS SENATOR OF PLAGIARISM

WILMINGTON, DEL., May 29—Senator Joseph R. Biden Jr. was cleared of allegations that he committed plagiarism in law school by a panel under the authority of the Delaware Supreme Court, The News Journal reported here Sunday.

Senator Biden, Democrat of Delaware, withdrew from the 1988 Presidential campaign after accusations that he had quoted the British Labor Party leader, Neil Kinnock, without attribution and had plagiarized an article while attending Syracuse University's law school.

Mr. Biden called his failure to attribute the quotes to Mr. Kinnock an oversight.

The alleged law school plagiarism involved an essay Mr. Biden wrote in 1965 for an introductory class on legal methodology.

[From USA Today, May 30, 1989]

BIDEN CLEARED

Sen. Joseph Biden Jr., D-Del., has been cleared of the 1965 law school plagiarism accusation that helped edge him from the 1988 presidential race, the Wilmington News Journal reported Sunday. He asked the board that handles ethics charges against Delaware lawyers to review the accusation in 1987; it cleared him late that same year. Biden said he delayed announcing the ruling becasue he considered it "more of a personal vindication then a political one."

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader is recognized.

THE PRESIDENT'S ANTIDRUG PACKAGE

Mr. DOLE. Mr. President, last May President Bush unveiled his anticrime and drug package after a tremendous amount of hard work by the President and the White House staff. And in creating this package, this hard work shows. If given a chance, the President's package could be an important weapon in the crime and drug war, a war unfortunately that the American people will be waging for quite some time.

The President's crime package is not a paper tiger. It calls for stiff penalties for those who use firearms illegally. It calls for the expansion of the Federal death penalty. It calls for a good-faith exception of the exclusionary rule, and the reform of the habeas corpus procedure. It calls for more Federal prison cells, more assistant U.S. attorneys, more FBI agents, more U.S. marshals, and it calls for Federal funding, over 1 billion dollars' worth.

These are good proposals, proposals that I fully endorse and proposals which if adopted will make a real dent in our terrible crime and drug problems.

I hope that, after we return from recess, Congress will take quick action, bipartisan action, and adopt the President's package.

The American people are tired of empty slogans. So I do not think it is productive or fair to call the President's crime package cynical or opportunistic. We make political comments from time to time—and I say this: There were some sharp comments here last week on the Senate floor by the distinguished chairman of the Judiciary Committee and some fairly sharp comments in the National Press Club speech, which is a matter of record. It is good rhetoric, good alliteration. It makes for a good speech. But I think you have just heard from the majority leader that it is probably not going to be helpful in the long run. We are going to have to work together. The administration, too, should not be in the business of suggesting that the distinguished Senator from Delaware somehow stole or plagarized his own crime and drug proposals.

I have taken a look and I have had my staff look at the Senator's policy options. These options deserve our serious attention and consideration, and they have not been plagiarized. The distinguished Senator himself pointed out that some of these options represent proposals that have been considered in previous Congresses.

I say this: In line with what the majority leader said, we have a lot of work to do in the drug effort. It seems to me that we all have to work together around this place. Sometimes tempers are frayed, and we all may say things from time to time that we would not say on reflection. Nobody has a monopoly on ideas or a monopoly on the answers to the terrible drug and crime problems plaguing this country.

So it would seem to me that we have a lot of dedicated work to do. We need the leadership of the President, and I think we have it. We need the leadership of Senator BIDEN, and I think we have it—along with others like Senator THURMOND and those who have worked together over the years. We have passed drug bills in the last two Congresses, major drug bills, on a bipartisan basis, working with the administration. I just say that I certainly know things happen in this town from time to time, but I hope that we can drop this matter.

As I told Senator BIDEN, my friend from Delaware, on the floor a couple of nights ago, that I would be happy—in fact, to review his package. He did not ask me, but I said I will review all these options. He credited me with one of the options. It might have not been a very good one, but he was kind enough to put it in his package.

I just hope that we have heard the end of this type of rhetoric, and I want to indicate again that Senator BIDEN has been involved in the drug effort for some time. There is no doubt about it, that it was his initiative to create the drug czar.

I mentioned that earlier today that maybe we ought to respond and create one super committee in Congress or in the Senate, so that we can come to grips with this. Right now, the drug czar reports to some 75 committees in the House and Senate.

I am pleased to join my colleague in trying to put this matter at rest and dispel any doubts and any reports that may have circulated about the genesis

and final product of our distinguished friend from Delaware, Senator BIDEN.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader.

FINANCIAL INSTITUTIONS REFORM, RECOVERY AND ENFORCEMENT ACT OF 1989

● Mr. WIRTH. Mr. President, the Financial Institutions Reform, Recovery and Enforcement Act of 1989 [FIRREA] is a product of many months of hard work and compromise by both Congress and the administration. In many respects, the legislation has improved as it moved through each step of the legislative process. As passed by the House and Senate, the legislation is a stronger product than the President's original proposal.

At this late hour, we cannot afford to delay. Delay is costly and could be damaging to now-healthy financial institutions—both thrifts and banks. Each day adds another $20 million to the sticker price. That's nearly $150 million per week and more than one-half billion dollars per month.

As the President has said, this is "emergency" legislation. It's clear we must move—and move now—to get on with the business of closing or merging the hundreds of insolvent S&L's across the country.

ORIGINS OF THE SAVINGS AND LOAN CRISIS

The 1980's have been a turbulent period for our Nation's depository institutions. Changes in the financial landscape resulting from rapid changes in the marketplace and deregulation have significantly altered the way that depository institutions operate. Some of these changes have been beneficial. Others, however, created new risks and helped produce a rash of failures in both the banking and thrift industries.

Two very different approaches have been taken by the financial regulators to deal with insolvent institutions. When banks failed, the cases were, for the most part, resolved promptly by closing the institutions or providing assistance under tightly supervised arrangements. In stark contrast, thrift regulators have generally resisted closing failed savings and loans, hoping against hope that the fortunes of the institutions would somehow turn around.

But there is no single culprit behind the thrift crisis, Mr. President. Its causes are many and complex. By most all accounts, however, the origins of the thrift crisis can be traced to four general factors that contributed substantially to the industry's decline. These factors include:

Inadequate supervision by regulators and forbearance by the regulators;

Major and prolonged downturns in regional economies, particularly in the Southwest and Rocky Mountain regions;

Imprudent industry responses to deregulation, especially the increased involvement of weak, undercapitalized thrifts in certain risky, nontraditional activities; and

Finally, fraud and insider abuse by thrift owners and management played a significant role in the rapid decline of the industry.

When all these factors were mixed together with Government-insured deposits, you had all the ingredients for a disaster of profound proportions—and, indeed, that is exactly what happened in the savings and loan industry.

THE MAGNITUDE OF THE PROBLEM

Mr. President, it has been nearly as difficult to determine the overall size and cost of the S&L mess as it was to isolate the chief causes of the thrift crisis.

The rescue of the thrift industry is the largest Government bailout in our history. The S&L financial problem is far bigger than the combined cost of the assistance provided to Lockheed, Chrysler, Penn Central, New York City, and for good measure, you can throw in the Marshall plan. In fact, the S&L debacle will probably cost every man, woman, and child in the United States between $1,000 and $1,500 each.

The General Accounting Office [GAO], based on its most recent analysis of the administration's original legislative proposal, believes it will cost $306 billion over the next 33 years to resolve the S&L crisis. About one-half or $149 billion would come from thrift insurance premiums, Federal home loan bank contributions, and the sale of assets from liquidated thrifts. The remaining $157 billion will be paid by Uncle Sam—which means you and me and all other taxpayers.

And that's the good news when it comes to the cost of the S&L rescue plan.

Many believe the S&L financing plan is based on optimistic economic assumptions. For example, under the administration's plan, interest rates fall from 8.6 percent in 1989 to 6.2 percent in 1991. We can all hope, but if interest rates exceed the administration's projections by 1 percent per year, the taxpayer contribution jumps by $12.2 billion.

So the bad news is that it is quite possible—some believe probable—that the price tag for the bailout will increase substantially.

MY APPROACH TO THE SAVINGS AND LOAN LEGISLATION

When the Senate Banking Committee began to examine the savings and loan crisis in detail several months ago, I developed a set of principles that guided my consideration of the issues and legislation.

First, it was imperative that Congress act quickly to resolve the thrift crisis and, at the same time, convey to consumers and savers that any money placed in a federally insured financial institution was safe and secure.

Second, any legislation that provides one dime of funding to rescue the S&L industry must also contain substantial—even radical—regulatory and industry reforms. It would have been folly to provide funding without also instituting regulatory reform as some in the thrift industry suggested. In this regard, I was also committed to minimizing the cost of the bailout to the Treasury. This meant making sure the S&L industry itself contributed as much as possible to the resolution costs and making sure the overall funding plan was the most economical.

Third, legislation to rescue ailing S&L's should not threaten the viability of financially sound institutions—in the thrift or banking industries—by asking them to bear the full burden for the less sound or insolvent. This is the primary reason I opposed merging the FDIC deposit insurance fund with the FSLIC fund.

Fourth, in recent years, I have become concerned with the extent of Federal Government interference in our economy through various assistance and guarantee programs. We cannot—and should not—make our economy completely risk free. The time has come to evaluate carefully how far we want our insurance programs to reach and at what cost. In a very real sense, in the S&L industry, we acted to "socialize" all the risk and "privatize" the profit. It is clear more private capital must be invested in the S&L industry.

Fifth, coming from a part of the country which is capital poor and economically depressed, I wanted to ensure that legislation helped attract capital and financial institutions to Colorado and the Rocky Mountain region.

Finally, I also wanted to make sure legislation did not permit real estate to be dumped in markets with weak economies. This would only drive real estate prices down even more, endangering the viability of other financial institutions.

KEY AREAS OF REFORM

I focused my efforts in a few key areas that I believed were crucial to make the necessary reforms in the S&L industry.

CAPITAL REQUIREMENTS

For years, thrift regulators required very little private capital to be invested in the S&L industry. And what capital requirements that did exist, were often waived by regulators. This was particularly true in the case of weak institutions.

If this industry is to recover and stand on its own again, it is imperative

that Congress ensure that more private capital is invested in thrifts. There's nothing like putting your own money at risk to inject a little discipline and caution into investment and lending decisions.

The S&L legislation requires stronger capital requirements for S&L's, with bank standards providing the floor. Within 120 days of enactment, all thrifts must have tangible capital of at least 1.5 percent of assets—no good will, just real hard cash or its equivalent. Institutions that do not meet this minimum standard must file a business plan with the thrift regulator within 60 days. And by 1995, most institutions would be required to hold tangible capital equal to 3 percent of assets.

Importantly, the legislation also phases out supervisory "good will" over 5 years and includes growth restrictions to prevent undercapitalized thrifts from gambling with federally insured deposits in an effort to reach the new capital standards. Finally, the capital standards also include an interest rate risk component to protect thrifts and the insurance fund from wide fluctuations in interest rates, like those we saw in the late 1970's and early 1980's.

The importance of this last provision cannot be overstated but has received little attention. The nature of the thrift business—borrowing short-term money and lending at fixed long-term rates—has always meant that S&L's were vulnerable to changing interest rates. It just took rising inflation and wide interest rate swings to expose the problem. Now, for the first time, we are going to require thrifts to contain interest rate risk or provide capital to absorb the risk.

There is no question that the capital standards in FIRREA are a significant improvement over the status quo. Without strong capital standards the legislation would do little to prevent the problems in the thrift industry from happening again.

I know parts of the industry have fought strong capital requirements and accounting standards in the past. But I believe strong standards are the healthy thrifts best friend. Strong capital standards work to protect healthy institutions. Weak and undercapitalized thrifts, that are forced to gamble with risky investments, only undercut the viability of the industry and push up the cost of funds for all institutions.

ASSET DISPOSITION

The legislation calls for the creation of the Resolution Trust Corporation [RTC] to manage the sale and liquidation of weak and insolvent thrifts. The RTC, which will be managed by the FDIC, has a big, big job ahead of it.

The RTC will control and dispose of as much as $500 billion in assets during its short lifetime. This is larger than Citicorp. There is little question that the operation of the RTC and the disposal of assets could have a significant and lasting impact on local markets, particularly in economically distressed areas like Colorado and the Southwest.

As critical as the RTC is to resolving the S&L crisis, the President's original S&L proposal did not include many specifics about the RTC and did not contain any guidelines for the orderly disposition of assets. This was of deep concern to me.

Over a period of several weeks, I worked with members of the Senate Banking Committee, the White House, the Treasury Department, the FDIC, the Federal Reserve, FADA, and others to develop legislative language to govern the disposal of real property in economically distressed areas like Colorado. As you can probably imagine, looking at the disparate interests among these various groups, it was not easy to arrive at a solution we could all accept. But we did.

Nevertheless, I remain very concerned about the overall operation and administration of the RTC. It has the potential for fraud and scandal like we have seen at HUD and FHA. For whatever reason, the administration fought tighter controls and must now be held accountable for any mismanagement and influence-peddling that occurs.

FINANCING THE S&L RESCUE

Throughout the legislative process I supported an on-budget funding plan for the S&L legislation. When compared to the President's funding proposal, the on-budget plan reduced the taxpayer contribution by about $5 billion over 30 years.

The S&L Conference Committee initially rejected the President's funding plan for two simple reasons:

First, it is less expensive to put the cost of the S&L bailout on-budget—it would save the taxpayers about $5 billion in interest costs; and

Second, on-budget funding is the most direct and honest manner in which to account for the cost of the plan. Other methods hide the true cost of the S&L bailout.

I continue to believe on-budget financing makes the most sense. But, importantly, whether it is on- or off-budget, the industry contribution remains the same. And the compromise—$20 billion on-budget and $30 billion off-budget—broke the impasse and cleared the way for final passage of the legislation. Further delay would only increase the costs for taxpayers and the economy.

FRAUD AND INSIDER ABUSE

We need to aggressively pursue those who fraudulently operated within the S&L industry and contributed substantially to the crisis.

The GAO studied 26 failed S&L's and found fraud and insider abuse involved in virtually every case. The Federal Home Loan Bank Board reported fraud in 70 percent of the cases it examined. We need to make sure that those individuals who engaged in criminal activity are prosecuted and forever prohibited from participating in the financial services industry.

The legislation includes a number of important provisions in this area. The bill gives the Justice Department $75 million annually for the next 3 years to investigate and prosecute fraud in thrifts and other financial institutions. It also extends the statute of limitations for prosecuting certain crimes from 5 to 10 years, raises fines from $5,000 to $1 million and increases jail terms from 5 to 20 years. Finally, the legislation grants the Justice Department new authority to seize illegal gains from those who have engaged in fraud.

These are necessary and appropriate reforms which I strongly supported.

OTHER REGULATORY REFORMS

There are a number of other important reforms and provisions in the legislation that are worth mentioning.

The Federal Home Loan Bank System will be split into three components. The new Office of Thrift Supervision will handle principal S&L regulation for both Federal and State thrifts. The Federal Housing Finance Board will provide cash advances to thrifts. And the thrift's new insurance fund, the Savings Association Insurance Fund, will be placed under the FDIC.

This new regulatory arrangement makes good sense. It eliminates inherent conflicts of interest by separating the deposit insurer from the body that grants thrift charters and removing the thrift examiners from the industry owned Federal home loan banks. We should never have allowed the old system to perpetuate itself.

The qualified thrift lender [QTL] test will require thrifts to have 55 percent of their assets in residential mortgage and construction loans, and 70 percent of assets in a broader basket that includes consumer and education loans.

Direct equity investments in real estate by thrifts would be prohibited, and thrifts that have investments in subsidiaries that are not permissible for a national bank must write them off over 5 years.

And the legislation includes a $50 to $100 million program to provide housing for low-income and moderate-income families to be funded with proceeds from the Federal home loan banks. Thrifts are also required to disclose community reinvestment ratings and reports.

CONCLUSION: THE FUTURE OF THE THRIFT INDUSTRY

The S&L legislation preserves a separate thrift industry which many have argued that we no longer need. We

heard repeatedly throughout this process that the need for residential mortgage and construction financing is now being met by other financial institutions. And others have pointed to a general overcapacity in the financial services industry.

It is not at all clear what the future holds for the thrift industry under the new legal and regulatory regime. Only time will tell. But I think it is certain that the lines between the thrift and banking industries will continue to blur. As a result of the legislation, more and more thrifts may well convert to a bank charter.

But the reforms may well encourage other thrifts to return to the historical roots of the S&L industry—providing residential mortgages and financial services to their community. We may end up with a smaller thrift industry, but one that has found a viable and profitable niche in the market.

FIRREA represents the most comprehensive and sweeping restructuring of our financial laws in 50 years. Overall, it is a sound response to the deepening crisis in the S&L industry. But the legislation is far from perfect—it is no cure-all. Many of us who worked on the legislation have concerns about various aspects of the plan.

Mr. President, we cannot assume that our work is complete. It will take vigorous congressional oversight, conscientious regulatory supervision and the industry's full cooperation to implement the new law and make it work. We in Congress should begin the oversight process as soon as possible.●

THE ECONOMIC EQUITY ACT OF 1989

● Mr. PACKWOOD. Mr. President, I am pleased to be a cosponsor of the Economic Equity Act of 1989. As this bill is reintroduced, I am inspired to review the long history of this very important legislation. In 1981, Senators DURENBERGER, HATFIELD, and I, along with a number of our distinguished colleagues, first introduced the Economic Equity Act. Our goal was to eliminate economic discrimination against women. The bill was an ambitious proposal; an omnibus bill that addressed pension and tax reforms, child care, elimination of discrimination against women in the armed forces, insurance discrimination, and enforcement of alimony and child support laws. The bill was assembled with the advice and assistance of a variety of women's groups, including the League of Women Voters, National Federation of Business and Professional Women, National Women's Political Caucus, Older Women's League, the National Council of Jewish Women, the National Council of Negro Women, and several others.

Two things strike me as I think back to that time in 1981 when we first undertook to remedy economic inequities for women through the reform of Federal laws and regulations. The first and most troublesome thing is that we are unfortunately still fighting some of the same battles that we faced in 1981 and which have been reflected in the Economic Equity Act in every Congress since. Women presently earn only 64 cents to every dollar earned by a man. Households headed by women still represent a shockingly large proportion of those beneath the poverty level in this country.

The second thing that strikes me, as I reflect back on the history of the Economic Equity Act, and this is the heartening aspect, is that those women's groups and those of my distinguished colleagues on both sides of the aisle in the Senate and House who have supported this legislation consistently, with their hard work and very able advocacy of these issues, have exhibited a wonderful, steady persistence which has served our cause well.

In each session of Congress since the act was first introduced, we have scored victories by passing significant pieces of the package. We have made private pensions more equitable for women, made individual retirement accounts available to married women who do not work outside the home, improved access to pensions and medical care for former military spouses, amended the estate and gift tax so that women are not taxed on gifts or bequests from resources they own jointly with their husbands, and strengthened child support enforcement. As we have made gains in each of these important areas, the act has been revised to add new components so that we are continually moving toward the goal of equal economic rights for women. The Economic Equity Act is a dynamic piece of legislation, and one that is the product of some of the best thinking available from among women's organizations and Members of Congress about what measures will truly advance the cause of economic rights for women.

This year's package contains some excellent proposals. I am very pleased to be a cosponsor of S. 16, the Pay Equity Technical Assistance Act, which would provide a resource to employers to identify and work toward the elimination of wage disparities based on gender. This legislation would benefit not only working women and their families, but also the economy by improving the purchasing power of a great number of American households.

I am also a cosponsor of S. 764, which would increase title XX block grants to the States. Title XX is the major Federal source of support for essential social services, like child care for women in job training, which allow women to become economically self-sufficient.

Each of these bills is a small but important part of the effort. Just as each brick is necessary to a building, each gain we make is critical to our ultimate goal; the elimination of all economic discrimination against women.

Many times during the past years, as I have had the privilege of working toward women's rights, women across the country have expressed their appreciation to me. They have also confided their discouragement that achieving equality is such a long and laborious process. Many have worked very actively for a very long time, and are understandably weary of the struggle to achieve a status they should be able to take for granted.

I understand and sympathize with their concerns. However, I would remind them and myself that Rome was not built in a day. The bias in the law and society that has resulted in the feminization of poverty took more than a few years to build, and it will take more than a few years to correct. Our persistence is being rewarded. The Economic Equity Act has already accomplished a great deal. I believe we can look forward to more success this session.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

● Mr. HEFLIN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 for Mr. Andrew D. Eskin, a member of the staff of Senator BRYAN, to participate in a program in Taiwan, sponsored by the Tunghai University, from August 7-13, 1989.

The committee has determined that participation by Mr. Eskin in the program in Taiwan, at the expense of the Tunghai University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Ms. Anne Caldwell, a member of the staff of Senator SHELBY, to participate in a program in the People's Republic of China, sponsored by the Chinese People's Institute of Foreign Affairs, from August 26-September 8, 1989.

The committee has determined that participation by Ms. Caldwell in the

program in the People's Republic of China, at the expense of the Chinese People's Institute of Foreign Affairs, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Mr. Michael Marek, a member of the staff of Congressman HAMILTON, to participate in a program in Turkey, sponsored by the Turkish Foreign Policy Institute, from August 4–11, 1989.

The committee has determined that participation by Mr. Marek in the program in Turkey, at the expense of the Turkish Foreign Policy Institute, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Donald Hardy, a member of the staff of Senator SIMPSON, to participate in a program in Turkey, sponsored by the Turkish Foreign Policy Institute, from August 4–13, 1989.

The committee has determined that participation by Mr. Hardy in the program in Turkey, at the expense of the Turkish Foreign Policy Institute, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Andrew G. Hyde, a member of the staff of Senator WARNER, to participate in a program in Hamburg and Berlin, sponsored by the Haus Rissen, International Institute for Politics and Economics, from August 13–23, 1989.

The committee has determined that participation by Mr. Hyde in the program in Hamburg and Berlin, at the expense of the Haus Rissen, International Instititute for Politics and Economics, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Ira Goldman, a member of the staff of Senator WILSON, to participate in a program in Korea, sponsored by the A-san Foundation, from August 6–13.

The committee has determined that participation by Mr. Goldman in the program in Korea, at the expense of the A-san Foundation, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Ms. Blythe Thomas, a member of the staff of Senator BOREN, to participate in a program in South Africa, sponsored by the South Africa Foundation, from August 13–23, 1989.

The committee has determined that participation by Ms. Thomas in the program in South Africa, at the expense of the South Africa Foundation, is in the interest of the Senate and the United States.●

TENTATIVE SCHEDULE UPON RECONVENING

Mr. MITCHELL. For the information of all Senators, when the Senate resumes in September, that is, on September 6, it is my intention on that week, mindful of the fact that September 6 is a Wednesday, to present to the Senate for consideration, among other matters, the following: H.R. 3104, the legislative appropriations bill; S. 933, Americans With Disabilities Act of 1989; S. 543, Job Training Partnership Act Amendments; S. 1163, a bill to amend the D.C. Code to limit the length of time for which an individual may be incarcerated for civil contempt in a child custody case in a Superior Court of the District of Columbia; S. 663, a bill to provide for additional contingent termination liability for advanced solid rocket motor program.

On Monday, September 11, it is my intention to present to the Senate for consideration the nomination of Donald Gregg to be Ambassador to Korea. Thereafter, it is my intention that the Senate will consider legislation, including but not limited to, the reconciliation bill and all remaining appropriations bills.

It remains my hope and strong desire to complete action on all of the appropriations bills prior to the end of the fiscal year on September 30. I have previously provided this listing of legislation to be considered in September to the distinguished Republican leader and look forward to working with him and all other Senators on these matters when we return.

Mr. DOLE. Mr. President, I thank the majority leader. He has indicated that when the recess ends, we have a lot of work to do. Hopefully, the matters mentioned will be taken up the first week we are back and can be disposed of. There have been a lot of bipartisan efforts on the Americans With Disabilities Act of 1989, which seemed to be coming to the floor with a lot of divisiveness and difficulties, and I think most of the areas have been worked out with the cooperation of Republicans and Democrats and the administration. That will certainly shorten the time. There is also the Job Partnership Training Act. As the majority leader knows, there has been a lot of interest in S. 1163.

We have been visiting—the Republican leader and Democratic leader—throughout the day, and that will be disposed of. We will do what we can to work with the majority leader. I thank the majority leader for scheduling the nomination of Donald Gregg on Monday, September 11. I know that, hopefully, we can complete action on that in one day.

I thank the majority leader and look forward to working with him after the recess.

ORDERS FOR WEDNESDAY, SEPTEMBER 6, 1989

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate adjourns today it stands in adjournment under the provisions of Senate Concurrent Resolution 67 until 12 noon on Wednesday, September 6, 1989; that when the Senate reconvenes on September 6, the Journal of proceedings be deemed to have been approved to date, that the call of the calendar be waived, and that no motions or resolutions come over under the rule.

I further ask unanimous consent that there be a period for the transaction of routine morning business for not to extend beyond 1 p.m. on that day with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. MITCHELL. Mr. President, if the distinguished Republican leader has no further business at this time, and if no other Senator is seeking recognition, I ask unanimous consent that the Senate stand in recess subject to call of the Chair.

There being no objection, at 10:55 p.m. the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 12:36 a.m., when called to order by the Presiding Officer [Mr. MITCHELL].

CHANGE IN THE ENGROSSMENT OF SENATE RESOLUTION 171

The PRESIDING OFFICER. In my capacity as a Senator from the State of Maine, I ask unanimous consent that the engrossment of Senate Resolution 171, International Conference of Global Warming resolution, be changed to reflect the correction I now send to the desk.

Without objection, it is so ordered.

ADJOURNMENT UNTIL WEDNESDAY, SEPTEMBER 6, 1989

The PRESIDING OFFICER. In my capacity as a Senator from the State of Maine, I now ask unanimous consent that the Senate stand in adjournment, under the previous provisions of Senate Concurrent Resolution 67, until 12 noon on Wednesday, September 6, 1989.

There being no objection, the Senate, at 12:37 a.m., adjourned until Wednesday, September 6, 1989, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate August 4, 1989:

DEPARTMENT OF STATE

CHRISTOPHER H. PHILLIPS, OF THE DISTRICT OF COLUMBIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO BRUNEI DARUSSALAM.

WILLIAM LUDWIG JACOBSEN, JR., OF WASHINGTON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF GUINEA-BISSAU.

PENNE PERCY KORTH, OF TEXAS, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO MAURITIUS.

ELIZABETH M. TAMPOSI, OF NEW HAMPSHIRE, TO BE ASSISTANT SECRETARY OF STATE FOR CONSULAR AFFAIRS, VICE JOAN M. CLARK, RESIGNED.

DEPARTMENT OF THE TREASURY.

SIDNEY L. JONES, OF UTAH, TO BE AN ASSISTANT SECRETARY OF THE TREASURY, VICE MICHAEL R. DARBY, RESIGNED.

DEPARTMENT OF DEFENSE

ROBERT CLIFTON DUNCAN, OF THE DISTRICT OF COLUMBIA, TO BE DIRECTOR OF OPERATIONAL TEST AND EVALUATION, DEPARTMENT OF DEFENSE, VICE JOHN E. KRINGS, RESIGNED.

THE JUDICIARY

CONRAD K. CYR, OF MAINE, TO BE U.S. CIRCUIT JUDGE FOR THE FIRST CIRCUIT, VICE FRANK M. COFFIN, RETIRED.

MARVIN J. GARBIS, OF MARYLAND, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF MARYLAND VICE JOSEPH H. YOUNG, RETIRED

REBECCA BEACH SMITH, OF VIRGINIA, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF VIRGINIA VICE D. DORTCH WARRINER, DECEASED.

DEPARTMENT OF JUSTICE

STUART M. GERSON, OF MARYLAND, TO BE AN ASSISTANT ATTORNEY GENERAL, VICE JOHN R. BOLTON, RESIGNED.

GENE MCNARY, OF MISSOURI, TO BE COMMISSIONER OF IMMIGRATION AND NATURALIZATION, VICE ALAN C. NELSON, RESIGNED.

DEPARTMENT OF COMMERCE

MICHAEL PAUL GALVIN, OF ILLINOIS, TO BE AN ASSISTANT SECRETARY OF COMMERCE, VICE MICHAEL E. ZACHARIA, RESIGNED.

DEPARTMENT OF TRANSPORTATION

WARREN G. LEBACK, OF NEW JERSEY, TO BE ADMINISTRATOR OF THE MARITIME ADMINISTRATION, VICE JOHN A. GAUGHAN, RESIGNED.

ENVIRONMENTAL PROTECTION AGENCY

JAMES M. STROCK, OF VIRGINIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE THOMAS LYNCH ADAMS, JR., RESIGNED.

FARM CREDIT ADMINISTRATION

HAROLD B. STEELE, OF ILLINOIS, TO BE A MEMBER OF THE FARM CREDIT ADMINISTRATION BOARD, FARM CREDIT ADMINISTRATION, FOR THE REMAINDER OF THE TERM EXPIRING MAY 21, 1992, VICE FRANK W. NAYLOR, JR., RESIGNED.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

REGINALD J. BROWN, OF VIRGINIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT, VICE RICHARD E. BISSELL, RESIGNED.

FEDERAL ELECTION COMMISSION

JOHN WARREN MCGARRY, OF MASSACHUSETTS, TO BE A MEMBER OF THE FEDERAL ELECTION COMMISSION FOR A TERM EXPIRING APRIL 30, 1995. (REAPPOINTMENT).

JOAN D. AIKENS, OF PENNSYLVANIA, TO BE A MEMBER OF THE FEDERAL ELECTION COMMISSION FOR A TERM EXPIRING APRIL 30, 1995 (REAPPOINTMENT).

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

JAMES DAVID BERG, OF KENTUCKY, TO BE EXECUTIVE VICE PRESIDENT OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION, VICE L. EBERSOLE GAINES, RESIGNED.

NUCLEAR REGULATORY COMMISSION

FORREST J. REMICK, OF PENNSYLVANIA, TO BE A MEMBER OF THE NUCLEAR REGULATORY COMMISSION FOR THE TERM OF 5 YEARS EXPIRING JUNE 30, 1994, VICE LANDO W. ZECH, JR., TERM EXPIRED.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

THE FOLLOWING-NAMED PERSONS TO BE MEMBERS OF THE DEFENSE NUCLEAR FACILITIES SAFETY BOARD FOR THE TERMS INDICATED. (NEW POSITIONS):

FOR A TERM OF 1 YEAR:
EDSON G. CASE, OF MARYLAND.
FOR A TERM OF 2 YEARS:
JOHN W. CRAWFORD, JR., OF MARYLAND.
FOR A TERM OF 3 YEARS:
HERBERT KOUTS, OF NEW YORK.
FOR A TERM OF 4 YEARS:
A.J. EGGENBERGER, OF MONTANA.
FOR A TERM OF 5 YEARS:
JOHN T. CONWAY, OF NEW YORK.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 4, 1989:

ENVIRONMENTAL PROTECTION AGENCY

LINDA J. FISHER, OF OHIO, TO BE ASSISTANT ADMINISTRATOR FOR TOXIC SUBSTANCES OF THE ENVIRONMENTAL PROTECTION AGENCY.

FEDERAL COMMUNICATIONS COMMISSION

SHERRIE PATRICE MARSHALL, OF NORTH CAROLINA, TO BE A MEMBER OF THE FEDERAL COMMUNICATIONS COMMISSION FOR THE REMAINDER OF THE TERM EXPIRING JUNE 30, 1992.

ANDREW CAMP BARRETT, OF ILLINOIS, TO BE A MEMBER OF THE FEDERAL COMMUNICATIONS COMMISSION FOR THE TERM EXPIRING JUNE 30, 1990.

ALFRED C. SIKES, OF MISSOURI, TO BE A MEMBER OF THE FEDERAL COMMUNICATIONS COMMISSION FOR A TERM OF 5 YEARS FROM JULY 1, 1988.

DEPARTMENT OF STATE

MORRIS DEMPSON BUSBY, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, FOR THE RANK OF AMBASSADOR IN HIS CAPACITY AS COORDINATOR FOR COUNTER TERRORISM.

RICHARD A. CLARKE, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF STATE.

JULIA CHANG BLOCH, OF THE DISTRICT OF COLUMBIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF NEPAL.

ARTHUR W. FORT, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF STATE.

RAYMOND CHARLES EWING, OF VIRGINIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF GHANA.

MICHAEL G. SOTIRHOS, OF THE DISTRICT OF COLUMBIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO GREECE.

RICHARD ANTHONY MOORE, OF THE DISTRICT OF COLUMBIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO IRELAND.

WILLIAM LACY SWING, OF NORTH CAROLINA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF SOUTH AFRICA.

HOWARD K. WALKER, OF NEW JERSEY, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE DEMOCRATIC REPUBLIC OF MADAGASCAR AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE FEDERAL AND ISLAMIC REPUBLIC OF THE COMOROS.

SHELDON J. KRYS, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE ASSISTANT SECRETARY OF STATE FOR DIPLOMATIC SECURITY.

LORET MILLER RUPPE, OF MARYLAND, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO NORWAY.

RAYMOND G. H. SEITZ, OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE CLASS ON MINISTER-COUNSELOR, TO BE AN ASSISTANT SECRETARY OF STATE.

UNITED NATIONS

ALEXANDER FLETCHER WATSON, OF MASSACHUSETTS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE THE DEPUTY REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS, WITH THE RANK AND STATUS OF AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY.

MILTON JAMES WILKINSON, OF NEW HAMPSHIRE, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE DEPUTY REPRESENTATIVE OF THE UNITED STATES OF AMERICA IN THE SECURITY COUNCIL OF THE UNITED NATIONS, WITH THE RANK OF AMBASSADOR.

JONATHAN MOORE, OF MASSACHUSETTS, TO BE THE ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA FOR SPECIAL POLITICAL AFFAIRS IN THE UNITED NATIONS, WITH THE RANK OF AMBASSADOR.

U.S. INFORMATION AGENCY

HENRY E. HOCKEIMER, OF MICHIGAN, TO BE AN ASSOCIATE DIRECTOR OF THE UNITED STATES INFORMATION AGENCY.

EUGENE P. KOPP, OF VIRGINIA, TO BE DEPUTY DIRECTOR OF THE UNITED STATES INFORMATION AGENCY.

DEPARTMENT OF DEFENSE

JOHN W. SHANNON, OF MARYLAND, TO BE UNDER SECRETARY OF THE ARMY.

JOHN A. BETTI, OF MICHIGAN, TO BE UNDER SECRETARY OF DEFENSE FOR ACQUISITION.

MICHAEL P.W. STONE, OF CALIFORNIA, TO BE SECRETARY OF THE ARMY.

J. DANIEL HOWARD, OF TENNESSEE, TO BE UNDER SECRETARY OF THE NAVY.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL ON THE RETIRED LIST PURSUANT TO THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be general

GEN. THOMAS C. RICHARDS, [redacted] FR, U.S. AIR FORCE.

THE FOLLOWING NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be general

LT. GEN. JAMES C. MCCARTHY, [redacted] FR, U.S. AIR FORCE.

THE FOLLOWING NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. LEO W. SMITH II [redacted] FR, U.S. AIR FORCE.

FOREIGN SERVICE

FOREIGN SERVICE NOMINATIONS BEGINNING ALLEN LEE SESSOMS, AND ENDING KAREN LEIGH WARE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 20, 1989.

(ABOVE FOREIGN SERVICE LIST REPORTED AND CONFIRMED MINUS ONE NAME—TIMOTHY C. BROWN, OF NEVADA.)

HOUSE OF REPRESENTATIVES—*Friday, August 4, 1989*

The House met at 9 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

As we learn more and more of our world with a greater appreciation of the way of science and discovery, may we, O God, understand more clearly the values that mark our national life and which point the way to right or wrong and to attitudes of the human spirit. May not our energy directed to what must be done, cause us to miss the ideals and values which truly strengthen us as a people and give meaning to each new day. This we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. The Chair will ask the gentlewoman from Hawaii [Mrs. SAIKI] if she would kindly come forward and lead the membership in the Pledge of Allegiance.

Mrs. SAIKI led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

30TH CONGRESSIONAL DISTRICT OF NEW YORK WILL NOT FORGET TERRY ANDERSON

(Ms. SLAUGHTER of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SLAUGHTER of New York. Mr. Speaker, 4 years ago a constituent of mine was kidnaped on the streets of Beirut and taken hostage. He was there doing his job as a journalist for the Associated Press keeping us informed of events in that part of the world.

Since that time Terry Anderson has sat in a room chained to a wall while all of the events of these last 4 years have gone by unremarked and unreported by Terry Anderson. He has a 4-year-old daughter he has never seen. He does not know that both his father and his brother have died in his absence.

Terry must sit there in that room and wonder sometimes if his country has abandoned him and his friends forgotten him.

I want to remind my colleagues this morning that the people of the 30th Congressional District of New York and this Member of Congress will not forget.

TRIBUTE TO STEVEN C. JORDAN

(Mrs. SAIKI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SAIKI. Mr. Speaker, President Bush refers to the "thousand points of light" which will make this a "kinder and gentler Nation." Mr. Steven C. Jordan, a Hawaii resident, personifies the President's vision and sets an admirable example to all Americans through his selfless devotion to the community.

In 1986, Mr. Jordan came to Maui, HI, as a VISTA volunteer. He worked with the Hawaii State Committee on Family Violence, and for the Hawaii Foodbank. He volunteered his time to the homeless at the Holy Family Ecumenical Shelter where he conducted research hoping to establish a family shelter.

Mr. Jordan's research proved extremely valuable to the Hawaii Housing Authority which was conducting a study on the homeless. Mr. Jordan's data has made an impact on our response to the homeless in Hawaii.

Many of my colleagues will agree that America could be a stronger nation if more people reached out to help those less fortunate.

I applaud Mr. Jordan and those like him who devote their personal time to worthy causes.

"VISIONS" OF SPRINGFIELD SETS PLAN FOR FUTURE

(Mr. NEAL of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Mr. Speaker, in the late 1970's a group of people in the city of Springfield, MA, came together to study the problems of the city and find solutions. They took the long view, planning a mix of projects that would make Springfield a vibrant city in many areas. This group of community, business, political, and cultural leaders adopted the name, Springfield Central. Today Springfield Central is a key player in the life of my home city. This unique group has, in a thoughtful and positive way, been an important voice in the rebirth of Springfield.

In 1976, when Springfield Central was formed, the future of downtown Springfield did not look bright. Years of industrial and commercial flight from downtown had left the area economically depressed. In 1978, Springfield Central and the city of Springfield published "It's Time for Springfield," an award-winning plan for downtown Springfield. This document was the catalyst for an explosion of development. The face of the city was transformed. The plan led to the investment of more than $360 million in Springfield. In addition to Springfield Central founders, David Starr, Charles Ryan, and James Martin, dozens of the city's most active citizens contributed to the early days of this organization and "It's Time for Springfield."

In addition to fostering the climate for private development, Springfield Central played a more direct role in several key projects; the Morgan Square Apartments, StageWest at Columbus Center, Monarch Place, Riverfront Park, the downtown Farmer's Market, the new Basketball Hall of Fame, Stearns Square and the addition of 1,200 new parking spaces. The executive committee and board of directors at Springfield Central also put together a unique $32 million mortgage pool that made additional development possible. Springfield Central has also backed several successful community events, including the Big Fourth Festival marking Independence Day.

Now, after more than a decade of growth, development, and renovation in Springfield, we have a followup to "It's Time for Springfield." It's called "Visions—The Downtown Plan." Springfield Central has joined with the city of Springfield and the Springfield Parking Authority to look down the road toward the year 2000. As the mayor of the city of Springfield from 1984 until early this year, I know the value of a development plan. "Visions" is a good plan. It looks at the city as a whole and then analyzes several important areas: retail development, office needs, culture and entertainment, housing, infrastructure and, of course, goals. This document examines the success of the 1978 plan and looks at areas that need further work. The recommendations in "Visions" for further improvements are solid and workable. It will take a great deal of effort

and creative financing in this era of reduced government funding to make these visions a reality, but I have a great deal of faith in the group that has given so much to Springfield. I stand ready to do all I can to push these important projects along.

While it would not be possible to name everyone that has worked to bring "Visions" into focus, but here is a list of key contributors: Carlo Marchetti, Robert Atkinson, Kathryn Broman, George Ditomassi, Cornelius Harrington, Frederick Hurst, Philip Lamb, Steven Roberts, Rupprecht Scherff, David Starr, Brian Thompson, Gordon Oakes, Thomas Wheeler, William Clark, Judith Matt, John Benoit, Allan Andrews, David Moriarty, James O'Connell, and the Springfield Central Board of Directors must also be recognized for their contributions to "Visions."

Mr. Speaker, I have lived in Springfield all my life and have seen the city in both good and difficult times. Despite a State budget crisis, people continue to be optimistic about the future of Springfield. I salute the hard-working citizens who give their time to chart the course for Springfield. It is a difficult job and often a thankless job. Today it is my honor to recognize them for their "Visions."

PUT DRUG WAR JURISDICTION UNDER ONE SINGLE COMMITTEE

(Mr. SMITH of Mississippi asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Mississippi. Mr. Speaker, I rise today on the 13th day of 28 days through the drug war maze.

Today it is our Committee on Post Office and Civil Service, 3 subcommittees under there that our drug czar has to report to, out of these 80 committees, subcommittees, select committees that have jurisdiction over our national drug strategy, the Subcommittee on Civil Service under the Committee on Post Office and Civil Service, that takes care of drug use and drug testing of Federal employees, the Subcommittee on Human Resources, which looks at drug testing of U.S. personnel having access to classified material, and the Subcommittee on Postal Operations and Services, which covers the expansion of U.S. Postal Service authority to allow certain Postal Service employees to perform drug law enforcement functions.

If we keep this up, Mr. Speaker, we will never have a national drug strategy, and Bill Bennett could just as well spend his time circling the Capital Beltway.

I call on my colleagues on both sides of the aisle today to join me in supporting bills in the House and the Senate to put the drug war jurisdiction under one single committee.

COP KILLERS SHOULD BE EXECUTED

(Mr. TRAFFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, a D.C. policeman, Tony Smith, was gunned down yesterday. The gunman had warned Officer Smith not to reach for his gun. Officer Smith then notified the gunman that he was a policeman. The gunman opened fire.

Witnesses later said that the gunman was quoted as saying, "If you're a cop, you deserve to die." Let me say that again for Members: the gunman said, "If you're a cop, you deserve to die."

Mr. Speaker, there is a police officer being killed in America every 2½ days, and the average length of time a cop killer spends in jail is less than 6 years. The reason is quite clear, folks. One can kill cops in America and get away with it.

My bill H.R. 2102, would stop this. I believe cop killers should be executed, and Congress has to pass that law.

THE DRUG WAR MAZE

(Mrs. MARTIN of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MARTIN of Illinois. Mr. Speaker, I want to commend Mr. PAXON of New York on his resolution of last week to create a House drug committee, and Mr. SMITH of Mississippi on his series of 1-minute speeches dramatizing the need for such a committee.

My colleagues may recall that last February I called for such a standing legislative committee on drugs to replace the existing select committee. At that time Chairman Pepper promised an early committee hearing and action on my proposal.

Since Senator Pepper's death I wrote to Chairman MOAKLEY on June 14 reminding him of Chairman Pepper's pledge and asking for a hearing. I hope he will honor that request.

The American people consider the drugs to be the most serious problem facing our Nation. And yet we have some 53 House committees and subcommittees with pieces of drug jurisdiction. What good is the drug czar we created if he is going to be nibbled to death by all these czardines? Mr. Speaker, the time has come to cut that bait. We need a strong central drug committee, and we need it now.

□ 0910

HEALTH CARE SPENDING PRIORITIES

(Mr. McDERMOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. McDERMOTT. Mr. Speaker, our country spends billions of dollars on a system to protect our citizens that isn't working. This system encourages gold-plated, high-priced, high-tech purchases at the expense of basic, conventional needs. But I am not talking about stealth or defense—I am talking about our health care system, the medical-industrial complex.

In a recent article, former Governor, Richard Lamm of Colorado describes how skewed our health care expenditures are toward big-ticket items, at the expense of simple, basic needs.

For example, we spend hundreds of thousands of dollars on a single transplant operation, and neglect simple care for millions of pregnant women and infants who need it.

There are tough choices to be made about how we spend our health care money. I believe that our first goal should be to make sure that everyone in America—especially our children—gets the basic health care they need. If we can start there, we'll be making the best health care investment we can.

[From the New York Times, Aug. 2, 1989]

SAVING A FEW, SACRIFICING MANY—AT GREAT COST

(By Richard D. Lamm)

SAN FRANCISCO.—The ancient Greeks observed that "to know all to ask is to know half." The cost of our inefficient health care system cannot continue to grow at more than twice the rate of inflation. Heretical questions must be asked.

"What chance is there that she will leave this unit alive?" The group of doctors look annoyed at my question. We were clustered around the bed of a 91-year-old woman in the intensive care unit of a university hospital. She had been in intensive care for two weeks, kept alive by a web of tubes and hoses. The attending physician swallowed her personal resentment. "Very small, but every once in a while someone survives," she said. "Medicine must do everything possible as long as there is a chance."

America has approximately 87,000 intensive care beds, far more than any other country. An intensive care bed is the most expensive medical setting possible, usually staffed by one to one and one-half nurses per bed and surrounded by hundreds of thousands of dollars of high-technology equipment. They do save some people who would have been previously lost, but at a very high cost. They are thus symbolic of both out caring and our priorities.

Once people get into the health care system, we will spend fantastic amounts exploring a small chance of survival for them, yet 31 million Americans do not have basic health insurance and 30 percent of the kids in America have never seen a dentist. We

have seemingly unlimited resources for patients in the system but painfully few for citizens outside the system. Our health care spending is reactive and reflexive rather than reflective.

Thirteen percent of our patients, many of them terminal, account for more than 50 percent of our hospital costs, yet Medicaid covers only 40 percent of the people living in poverty and a million American families have one or more members denied health care yearly. Almost 60 percent of Medicare's inpatient expenditures is spent on 12 percent of the recipients, too often marginal procedures.

In one corner of the hospital, we are squeezing a few more days of pain-racked existence out of people for whom there is clearly no happy outcome; yet 600,000 women gave birth last year with little or no prenatal care.

A hospital alarm goes off and the team rushes to resuscitate a man with prostate cancer. But an alarm has also gone off in our economy, and we ignore it at out peril.

We have among the lowest rates of investment in new plant and equipment in the industrialized world, yet there is a group of our brightest men and women using expensive Japanese machines and large amounts of our limited resources on frail bodies, many of whom everyone concedes will never leave this unit. On this day four of the 12 people in the unit have virtually no chance of leaving the hospital.

In practically every town in America, the best building is the hospital (40 percent empty) and the worst a school (usually overcrowded). The highest paid professionals are doctors; the lowest paid professionals are teachers. We are overtreating our sick and undereducating our kids. We spend more than other industrialized nations on health care, both in total dollars and percent of gross national product devoted to health care, yet we do not keep our citizens as healthy as they do.

The basic dilemma of American medicine is that we have invented more health care than we can afford to pay for, and yet we find it terribly hard to set priorities. We rush to rescue people in intensive care units today whom just yesterday we abandoned. We spend too much money on high-technology care for a few and too little on basic health care for the many.

There is a permanently unconscious woman in Washington, DC, maintained on an artificial life support system who became comatose and vegetative in 1953. We have spent millions keeping her heart beating in a city whose infant-mortality rate exceeds that of many third world countries.

Health care in America has become a fiscal black hole that can absorb unlimited resources. We have the finest technological means in the world, but all too few are asking, "To what end?" But another alarm sounds in the hospital's intensive care unit, and we must be off on our mission of "mercy."

(Richard D. Lamm, former Governor of Colorado, teaches at the San Francisco Medical School of the University of California.)

INTRODUCTION OF RESOLUTION CALLING FOR DECISIVE ACTION AGAINST TERRORISM

(Mrs. LOWEY of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LOWEY of New York. Mr. Speaker, we all welcome the news that Joseph Cicippio has been spared the reported fate of Lt. Col. William Higgins. But the tragic events of the past week demonstrate that a clear, strong policy against terrorism is urgently needed.

In 1986, then-Vice President Bush issued a report containing a series of recommendations on antiterrorism policy. Some of these recommendations have been implemented. Others have not. There has been no comprehensive review of antiterrorism policy since that time.

I am today introducing a resolution that calls on the President to take firm and decisive action against terrorism around the globe. We must aggressively pursue cooperation with our allies and the Soviet Union. We must update our antiterrorism policy and implement recommendations contained in the 1986 antiterrorism report. We must reestablish the fact that terrorism against America or American allies will have severe and unavoidable consequences for the perpetrators.

The lives of Americans are at stake. I hope that my colleagues will join me in cosponsoring this resolution, which calls for firm and decisive action to eliminate terrorism and bring terrorists to justice.

POINT OF CONTENTION ON THE S&L BILL

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Mr. Speaker, today we will be talking about the S&L bill. One of the points of contention is whether or not it ought to be on budget or off budget.

I want to tell my colleagues the administration wants it both ways. First they want it off budget, because the costs they say will increase the budget deficit, and that may be. But yet they refuse to support taking off transportation, Federal Aviation Authority and the Social Security trust fund because they say it will also increase the deficit because there are huge surpluses in those.

What we are doing is living off of a false economy, a false deficit. If we take the surplus off budget, we will show the true deficit in this country, which is probably closer to $250 billion.

But let us take transportation and FAA off and let us send that money back to the people who paid the bucks into it for improvements that they wanted.

The other point is on acid rain. They are asking everybody to bail out the S&L's. When the time comes, I want Members to remember that the acid rain bill is coming up and we want you to remember us, to help us to bail out the coal mines, to help bail out millions of ratepayers and tens of thousands of coal miners. We want the Nation to help to pay for acid rain.

What is fair is fair. Just remember us.

KIDNAPING BY THE CONTRAS

(Mr. MRAZEK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MRAZEK. Mr. Speaker, last April I reluctantly supported the bipartisan accord on Central America, and I supported it because I thought it was the best chance for ending the brutality and the war in Nicaragua. I supported it in large part because of assurances that were given by Secretary Baker that no U.S. funds would go to any Contra units or individual combatants who engaged in military operations or human rights abuses.

But it is increasingly apparent, Mr. Speaker, that the Contras continue to launch attacks across the border, attacking defenseless villages, agricultural cooperatives, and they are kidnaping young men and women from their families in Nicaragua.

According to reliable information from on-the-scene observers, the Contras have frequently in the past and continue to this day to kidnap men, women and children to service their various needs. Many of these kidnap victims are now being held against their will in the Contra camps in Honduras. Several of them have already been identified and interviewed by American physicians.

Mr. Speaker, we created the Contras, and we kept them in the field for many years. We are in great measure responsible for their abuses. I implore my colleagues to take action to help liberate those who are suffering at the hands of the Contras as I speak.

I also ask my colleagues to remember these abuses when we review the so-called humanitarian aid package in November.

CONTRA KIDNAPINGS

(Mr. LEVINE of California, asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, the list of innocent victims of a systematic pattern of kidnaping and forced recruitment by the Nicaraguan Contras is tragic evidence of what appears to be a blatant disregard for human rights by the Contras. To cite but a few cases:

Santos Alaniz, 17, abducted on May 25, 1988.

Isidro Palacios, 18, taken in the same incident.

Maria Sobalvarro, 22, abducted 5 years ago.

Augusto Pineda, 17, kidnaped January 1989.

Maria Gonzales, 16, taken July 20, 1989.

These young Nicaraguans have lost their freedom. The men become soldiers. The women often provide rest and relaxation for idle Contras in Honduran base camps. Fathers and sons have been kidnaped, as well as women with infants.

It is time that we call the Contras to account for these abductions. Two American doctors, Tim Takaro and Susan Cookson, have carefully documented cases of kidnaping and forced recruitment in the area of Nicaragua where they recently concluded 3 years of humanitarian work to improve public-health services. It is their opinion, and all of us should concur, that these innocent victims of misguided Contra conscription policies should be allowed to travel from the Contra base camps to the office of the U.N. High Commissioner for Refugees in Danli, Honduras. There, impartial interviews would be given to determine the desire of the victims either to stay with the Contras or to return to their homes and families.

I call upon my colleagues to support this plan and to state to our State Department your belief that the Contras should be held accountable for these violations of basic human rights.

HOW CAN WE COME TOGETHER AGAINST COMMUNISM IN CENTRAL AMERICA?

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute.)

Mr. DORNAN of California. Mr. Speaker, we are all acquaintances in this Chamber. Sometimes Members of different ideologies refer to one another as colleagues, but they are also friends.

The last two speakers, the gentleman from California [Mr. LEVINE] and the gentleman from New York [Mr. MRAZEK] are not just my colleagues, they are my friends. They are decent men. I like to think I am a decent man.

How can we come to such opposite conclusions about what is happening in Central America? How can our sincere, dedicated efforts at investigation come to such opposite conclusions?

The cancer, the real cancer of violence in Central America are the nine Communist thugs who control the government and abuse and oppress the people in Nicaragua. If there is any truth to the human rights violations that my colleagues and friends, the gentleman from California [Mr. LEVINE] and the gentleman from New York [Mr. MRAZEK] have brought out, I will go down there with them.

□ 0920

It will be my 17th trip. I will investigate it. But 6,000, 7,000 people are still in prison in the Communist gulags in Nicaragua. I will read their reports; I beg them to read Americas Watch Report, a decent organization with a left-of-center orientation. They say that the Sandinista Communists are murdering in cold blood farmers in the northern part of the country to prevent the Contras from swimming in the Sea of the People.

What are we going to do about this hellish situation in Nicaragua? We agree on Afghanistan, we agree on the Middle East. I do not understand what is the ideological or mental block in this House—maybe I am guilty of it also—that we cannot get together on freedom against communism in Central America.

U.S. PROPERTY SHOULD NOT BE SOLD TO SATISFY BANKRUPTCY DEBTS

(Mr. BOSCO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOSCO. Mr. Speaker, yesterday the House leadership refused to allow me to introduce an amendment to the transportation bill. This amendment would have stopped one of the many abuses perpetrated on the American people by Eastern Airlines and its owner, Frank Lorenzo.

Presently Eastern has the privilege of operating a number of international routes. This privilege is granted free of charge by the U.S. Government, which owns these routes and acquires them by bilateral agreement with other countries.

They are given to airline operators based on their ability to operate the routes and their financial ability in general.

Eastern Airlines intends to sell its international routes as a way to raise cash to pay off its creditors in bankruptcy. Some analysts believe these routes may sell for over $300 million.

Mr. Speaker, property owned by the people of the United States should not be sold to raise cash to satisfy bankruptcy debts.

Mr. Speaker, I call on the Secretary of Transportation to disallow this abuse and will introduce separate legislation to insure that these routes are awarded only to those who intend to fly them.

CLEARLY DANIEL ORTEGA WANTS TO DEMOBILIZE THE CONTRAS BEFORE DEMOCRATIZATION

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, I am very, very saddened to see what is happening in this House.

Tomorrow begins a very important meeting, Presidents Cerezo, Azcona, Arias, Cristiani, and Daniel Ortega are going to be meeting in Honduras. What is the goal of Daniel Ortega? To obliterate the democratic resistance in Nicaragua.

Mr. Speaker, we put together earlier this year a very important partisan package designed to bring about on February 25 of next year for the first time ever a free and fair election in Nicaragua.

I have reported from this well that that election is not taking place, unfortunately, because I was nearly arrested last Sunday when I was simply trying to observe a political rally.

Now we have our colleagues on the other side of the aisle trying to talk about human rights violations being perpetrated by the Contras. They are simply playing into the hands of Daniel Ortega, who clearly wants to demobilize the Contras before democratization takes place.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MOAKLEY). The Chair announces that he will take two more 1-minutes on each side and then go to regular business because of the urgency of the situation.

SUPPORT DEBT FOR DEVELOPMENT WITH MEXICO

(Mr. BATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATES. Mr. Speaker, the House of Representatives words of encouragement have resulted in a reduction of Mexico's debt burden to commercial banks. We must now demonstrate our own commitment to a resolution of the debt crisis through actions to restructure Mexico's public debt to the United States Government.

We have the ability to restructure it to promote development and environmental preservation in an area of tremendous concern to Americans: The United States-Mexico border. In recent years, significant population increases and flows of immigrants have hindered the ability of public services and facilities in border regions to provide needed and effective assistance to communities.

In light of this situation, I am introducing the United States-Mexico Debt Exchange and Border Development Act of 1989. This legislation authorizes debt-for-development swaps, which would permit Mexican repayments due on United States loans to be redirected

to development activities in the vicinity of the United States-Mexico border.

This debt swap mechanism will enable us to assist in relieving the Mexican debt burden while improving conditions in border regions. These improvements could be targeted toward environmental improvements, public health needs, community development projects, and other necessary programs. I urge my colleagues to support this important legislation.

GILLMOR BUDGET RESOLUTION

(Mr. GILLMOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILLMOR. Mr. Speaker, by voting to increase America's debt ceiling this week, we have once again asked our children and grandchildren for another loan. And someday when future generations are paying for our fiscal misconduct, they will wonder why we did not have the backbone to spend only the revenues we had.

Mr. Speaker, in my 22 years as a State legislator in Ohio, the budget was in balance year after year. So I am introducing a joint resolution that would give Congress the budget balancing tools that have worked effectively in Ohio and other States—a line item veto authority and balanced budget amendment. These tools, when used together, help to balance budgets when the political will to do so does not exist.

In addition to the 20th anniversary of the Apollo Moon Mission, 1989 also marks the 20th anniversary of the last time the United States had a balanced budget. With this amendment, we can have a balanced budget.

BLACK RIBBON, HITLER-STALIN PACT DENUNCIATION DAY

(Mr. SCHEUER, asked and was given permission to address the House and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, I yield to the distinguished chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, on August 23, 1989, while the Congress is in recess, millions of Latvians, Lithuanians, and Estonians, in their countries and around the world, will observe Black Ribbon, Hitler-Stalin Pact Denunciation Day.

I want to take this opportunity to express my support for the cause of freedom and self-determination in the Baltic States.

The Baltic States and the Soviet Union are clearly at a turning point. After decades of covering up their failures, finally officials, journalists, historians, and ordinary citizens now publicly discuss most crucial issues.

Stalin's continuing impact on Soviet history—both in the Soviet Union and the Baltic States today—is a long-suppressed problem. Now this issue is coming under official and public examination.

Stalin's legacy is preserved in secret and illegal treaties which he arranged with Hitler. I have in mind the secret protocols to the Molotov-Ribbentrop Pact which cosigned the three Baltic States of Estonia, Latvia, and Lithuania to the Soviet sphere in 1939. This notorious pact serves as the basis for the illegal Soviet occupation of the Baltic States.

The United States Government has never recognized this illegal Soviet occupation, as reflected in the official United States policy which refuses to recognize the incorporation of the Baltic States into the Soviet Union.

Many thousands of people in Estonia, Latvia, and Lithuania—at risk to themselves—have publicly protested these illegal secret protocols to the Hitler-Stalin Pact. Last summer, hundreds of thousands of Balts protested official Soviet denials that these secret protocols even exist.

We should all express our support for the Baltic peoples in their continuing struggle for self-determination. Although the Soviet Government has recently made a few tentative steps toward recognizing the Hitler-Stalin Pact secret protocols, it is time for the Soviet Government to declare the 1939 Hitler-Stalin Pact null and void.

I hope my colleagues will join me in expressing support for Baltic self-determination and for the United States nonrecognition policy. It is important for all of us to declare our solidarity with Baltic-Americans and with the peoples of Estonia, Latvia, and Lithuania, at this crucial time in their history.

THE CONGRESSIONAL HUMAN RIGHTS CAUCUS HONORS A WANTED MAN

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, this week, the congressional human rights caucus honored a wanted man.

According to the repressive Government of China, the leader of the Tiananmen students who met with Premier Li Peng, Wuer Kaixi, is now second on a list of the 21 most wanted men in Communist China.

Unlike so many of Wuer Kaixi's colleagues who were killed June 4 or executed in the weeks that followed, he escaped from China to found a movement in exile to help lead China toward democracy.

I was proud to cochair our briefing by a hero like Wuer Kaixi in the greatest temple of democracy on Earth—the U.S. Congress. I know I speak for all the members of the caucus who joined with this brave 21-year-old freedom fighter when he pledged that "one day we will raise another goddess of democracy in Tiananmen Square."

UNITED STATES TO HOLD IRAN RESPONSIBLE FOR FUTURE OF AMERICAN HOSTAGES

(Mr. SCHEUER asked and was given permission to address the House for 1 minute.)

The SPEAKER pro tempore, without objection, the gentleman from New York (Mr. SCHEUER) is recognized for 1 minute.)

There was no objection.

Mr. SCHEUER. Mr. Speaker, the death threat against Joseph J. Cicippio, thank God, has been lifted.

Yet, eight American hostages remain in captivity, two American hostages have been killed, and six hostages of other nationalities have been murdered.

Our policy of "do nothing" has clearly not worked.

I commend Secretary of State Baker for welcoming Mr. Rafsanjani into office with a clear warning: The United States will hold Iran responsible for the future of the American hostages.

At long last we have arrived at a policy of holding Iran accountable for the terrorism which it sponsors.

Iran created and nurtured the Hezbollah movement. It now must be held accountable for dismantling it.

Mr. Rafsanjani has indicated that Iran is interested in improving relations with the West.

As a necessary precondition Iran must assume responsibilities commensurate with a civilized nation and free the remaining hostages in Lebanon.

DISASTER ASSISTANCE ACT OF 1989

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2467) entitled the "1988 Disaster Assistance Extension Act", with a House amendment to the Senate amendment thereto, and agree to the House amendment to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the House amendment to the Senate amendment, as follows:

House amendment to Senate amendment:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Disaster Assistance Act of 1989".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.

TITLE I—EMERGENCY CROP LOSS ASSISTANCE

SUBTITLE A—ANNUAL CROPS

Sec. 101. Payments to program participants for target price commodities.
Sec. 102. Payments to program nonparticipants for target price commodities.
Sec. 103. Peanuts, sugar, and tobacco.
Sec. 104. Soybeans and nonprogram crops.
Sec. 105. Crop quality reduction disaster payments.
Sec. 106. Effect of Federal crop insurance payments.
Sec. 107. Crop insurance coverage for the 1990 crops.
Sec. 108. Crops harvested for forage uses.
Sec. 109. Payment limitations.
Sec. 110. No double payments on replanted acreage.
Sec. 111. Substitution of crop insurance program yields.
Sec. 112. Definitions.

SUBTITLE B—ORCHARDS

Sec. 121. Eligibility.
Sec. 122. Assistance.
Sec. 123. Limitation on assistance.
Sec. 124. Definition.
Sec. 125. Duplicative payments.
Sec. 126. Sense of Congress on crop insurance for orchard crops.

SUBTITLE C—FOREST CROPS

Sec. 131. Eligibility.
Sec. 132. Assistance.
Sec. 133. Limitation on assistance.
Sec. 134. Definition.
Sec. 135. Duplicative payments.

SUBTITLE D—ADDITIONAL ASSISTANCE

Sec. 141. New conservation measures.
Sec. 142. Assistance for ponds.

SUBTITLE E—ADMINISTRATIVE PROVISIONS

Sec. 151. Ineligibility.
Sec. 152. Timing and manner of assistance.
Sec. 153. Commodity Credit Corporation.
Sec. 154. Limitation on outlays.
Sec. 155. Storage cost adjustment.
Sec. 156. Regulations.

TITLE II—EMERGENCY LIVESTOCK ASSISTANCE

Sec. 201. Use of stored grain for assistance.
Sec. 202. Livestock transportation assistance.
Sec. 203. Livestock water development projects.
Sec. 204. Animal unit methodology study and report.

TITLE III—DISASTER CREDIT AND FORBEARANCE

Sec. 301. Emergency loans.
Sec. 302. 1990 farm operating loans.
Sec. 303. FmHA loans made to Indian tribes.

TITLE IV—RURAL BUSINESSES

Sec. 401. Disaster assistance for rural business enterprises.

TITLE V—WATER-RELATED ASSISTANCE

Sec. 501. Emergency community water assistance grant program.
Sec. 502. Livestock water assistance.
Sec. 503. Disaster assistance for watershed protection activities.

TITLE VI—GENERAL PROVISIONS

Sec. 601. Shrinkage allowance for peanuts.
Sec. 602. Advanced deficiency repayment deadline for 1988 crops.
Sec. 603. Planting of alternate crops on permitted acreage.
Sec. 604. Crop insurance yield coverage.

TITLE I—EMERGENCY CROP LOSS ASSISTANCE

Subtitle A—Annual Crops

SEC. 101. PAYMENTS TO PROGRAM PARTICIPANTS FOR TARGET PRICE COMMODITIES.

(a) DISASTER PAYMENTS.—

(1) IN GENERAL.—Effective only for producers on a farm who elected to participate in the production adjustment program established under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) for the 1989 crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice, except as otherwise provided in this subsection, if the Secretary of Agriculture determines that, because of damaging weather or related condition in 1988 or 1989, the total quantity of the 1989 crop of the commodity that such producers are able to harvest on the farm is less than the result of multiplying 60 percent (or, in the case of producers who obtained crop insurance for the 1989 crop of the commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), 65 percent) of the farm program payment yield established by the Secretary for such crop by the sum of the acreage planted for harvest and the acreage prevented from being planted (because of a natural disaster, as determined by the Secretary) for such crop, the Secretary shall make a disaster payment available to such producers at a rate equal to 65 percent of the established price for the crop for any deficiency in production greater than 40 percent (or, in the case of producers who obtained crop insurance for the 1989 crop of the commodity under the Federal Crop Insurance Act, 35 percent) for the crop.

(2) LIMITATIONS.—

(A) ACREAGE IN EXCESS OF PERMITTED ACREAGE.—Payments provided under paragraph (1) for a crop of a commodity may not be made available to producers on a farm with respect to any acreage in excess of the permitted acreage for the farm for the commodity.

(B) CROP INSURANCE.—Payments provided under paragraph (1) for a crop of a commodity may not be made available to producers on a farm unless such producers enter into an agreement to obtain multiperil crop insurance, to the extent required under section 107.

(3) REDUCTION IN DEFICIENCY PAYMENTS.—The total quantity of a crop of a commodity on which deficiency payments otherwise would be payable to producers on a farm under the Agricultural Act of 1949 shall be reduced by the quantity on which a payment is made to the producers for the crop under paragraph (1).

(4) ELECTION OF PAYMENTS.—

(A) APPLICATION OF PARAGRAPH.—This paragraph shall apply, effective only for the 1989 crops of wheat, feed grains, upland cotton, and rice, to producers on a farm who—

(i)(I) had failed wheat, feed grain, upland cotton, or rice acreage; or

(II) were prevented from planting acreage to such commodity because of damaging weather or related condition in 1988 or 1989; and

(ii) elected to devote all or a portion of such acreage to conservation or other uses in accordance with section 107D(c)(1)(C), 105C(c)(1)(B), 103A(c)(1)(B), or 101A(c)(1)(B) of the Agricultural Act of 1949 (7 U.S.C. 1445b-3(c)(1)(C), 1444e(c)(1)(B), 1444-1(c)(1)(B), or 1441-1(c)(1)(B)).

(B) ELECTION.—The Secretary shall (within 30 days after the date of enactment of this Act) permit producers referred to in subparagraph (A) to elect whether to receive disaster payments in accordance with this section in lieu of payments under the sections referred to in subparagraph (A)(ii).

(b) ADVANCE DEFICIENCY PAYMENTS.—

(1) APPLICATION OF SUBSECTION.—This subsection shall apply only to producers on a farm who elected to participate in the production adjustment program established under the Agricultural Act of 1949 for the 1989 crop of wheat, feed grains, upland cotton, or rice.

(2) FORGIVENESS OF REFUND REQUIREMENT.—

(A) IN GENERAL.—Subject to subparagraph (B), if because of damaging weather or related condition in 1988 or 1989 the total quantity of the 1989 crop of the commodity that the producers are able to harvest on the farm is less than the result of multiplying the farm program payment yield established by the Secretary for such crop by the sum of the acreage planted for harvest and the acreage prevented from being planted (because of a natural disaster, as determined by the Secretary) for such crop (hereinafter in this section referred to as the "qualifying amount"), the producers shall not be required to refund any advance deficiency payment made to the producers for such crop under section 107C of the Agricultural Act of 1949 (7 U.S.C. 1445b-2) with respect to that portion of the deficiency in production that does not exceed—

(i) in the case of producers who obtained crop insurance for the 1989 crop of the commodity under the Federal Crop Insurance Act, 35 percent of the qualifying amount; and

(ii) in the case of other producers, 40 percent of the qualifying amount.

(B) CROP INSURANCE.—Producers on a farm shall not be eligible for the forgiveness provided for under subparagraph (A), unless such producers enter into an agreement to obtain multiperil crop insurance, to the extent required under section 107.

(3) ELECTION FOR NONRECIPIENTS.—The Secretary shall allow producers on a farm who elected, prior to the date of enactment of this Act, not to receive advance deficiency payments made available for the 1989 crop under section 107C of the Agricultural Act of 1949, to elect (within 30 days after the date of the enactment of this Act) whether to receive such advance deficiency payments.

(4) DATE OF REFUND FOR PAYMENTS.—Effective only for the 1989 crops of wheat, feed grains, upland cotton, and rice, if the Secretary determines that any portion of the advance deficiency payment made to producers for the crop under section 107C of the Agricultural Act of 1949 must be refunded, such refund shall not be required prior to July 31, 1990, for that portion of the crop for which a disaster payment is made under subsection (a).

SEC. 102. PAYMENTS TO PROGRAM NONPARTICIPANTS FOR TARGET PRICE COMMODITIES.

(a) DISASTER PAYMENTS.—

(1) IN GENERAL.—Effective only for producers on a farm who elected not to participate in the production adjustment program established under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) for the 1989 crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice, if the Secretary of Agriculture determines that because of damaging weather or related condition in 1988 or 1989, the total quantity of the 1989 crop of the commodity that such producers are able to harvest on the farm is less than the result of multiplying 50 percent of the county average yield established by the Secretary for such crop by the sum of acreage planted for harvest and the acreage for which prevented

planted credit is approved by the Secretary for such crop under subsection (b), the Secretary shall make a disaster payment available to such producers.

(2) PAYMENT RATE.—The payment shall be made to the producers at a rate equal to 65 percent of the basic county loan rate (or a comparable price if there is no current basic county loan rate) for the crop, as determined by the Secretary, for any deficiency in production greater than 50 percent for the crop.

(b) PREVENTED PLANTING CREDIT.—

(1) IN GENERAL.—The Secretary shall provide prevented planting credit under subsection (a) with respect to acreage that producers on a farm were prevented from planting to the 1989 crop of the commodity for harvest because of damaging weather or related condition in 1988 or 1989, as determined by the Secretary.

(2) MAXIMUM ACREAGE.—Such acreage may not exceed the greater of—

(A) a quantity equal to the acreage on the farm planted (or prevented from being planted due to a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in 1988 minus acreage actually planted to the commodity for harvest in 1989; or

(B) a quantity equal to the average of the acreage on the farm planted (or prevented from being planted due to a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in 1986, 1987, and 1988 minus acreage actually planted to the commodity for harvest in 1989.

(3) ADJUSTMENTS.—The Secretary shall make appropriate adjustments in applying the limitations contained in paragraph (2) to take into account crop rotation practices of the producers.

(c) LIMITATIONS.—

(1) ACREAGE LIMITATION PROGRAM.—The amount of payments made available to producers on a farm for a crop of a commodity under subsection (a) shall be reduced by a factor equivalent to the acreage limitation program percentage established for such crop under the Agricultural Act of 1949.

(2) CROP INSURANCE.—Payments provided under subsection (a) for a crop of a commodity may not be made available to the producers on a farm unless such producers enter into an agreement to obtain multiperil crop insurance, to the extent required under section 107.

SEC. 103. PEANUTS, SUGAR, AND TOBACCO.

(a) DISASTER PAYMENTS.—

(1) IN GENERAL.—Effective only for the 1989 crops of peanuts, sugar beets, sugarcane, and tobacco, if the Secretary of Agriculture determines that, because of damaging weather or related condition in 1988 or 1989, the total quantity of the 1989 crop of the commodity that the producers on a farm are able to harvest is less than the result of multiplying 60 percent (or, in the case of producers who obtained crop insurance for the 1989 crop of the commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), 65 percent) of the county average yield (or program yield, in the case of peanuts) established by the Secretary for such crop by the sum of the acreage planted for harvest and the acreage for which prevented planted credit is approved by the Secretary for such crop under subsection (b), the Secretary shall make a disaster payment available to such producers.

(2) PAYMENT RATE.—The payment shall be made to the producers at a rate equal to 65 percent of the applicable payment level under paragraph (3), as determined by the Secretary, for any deficiency in production greater than—

(A) in the case of producers who obtained crop insurance for the 1989 crop of the commodity under the Federal Crop Insurance Act—

(i) 35 percent for the crop; or

(ii) with respect to a crop of burley tobacco or flue-cured tobacco, 35 percent of the farm's effective marketing quota for 1989; and

(B) in the case of producers who did not obtain crop insurance for the 1989 crop of the commodity under the Federal Crop Insurance Act—

(i) 40 percent for the crop; or

(ii) with respect to a crop of burley tobacco or flue-cured tobacco, 40 percent of the farm's effective marketing quota for 1989.

(3) PAYMENT LEVEL.—For purposes of paragraph (1), the payment level for a commodity shall be equal to—

(A) for peanuts, the price support level for quota peanuts or the price support level for additional peanuts, as applicable;

(B) for tobacco, the national average loan rate for the type of tobacco involved, or (if there is none) the market price, as determined under section 104(a)(2); and

(C) for sugar beets and sugarcane, a level determined by the Secretary to be fair and reasonable in relation to the level of price support established for the 1989 crops of sugar beets and sugarcane, and that, insofar as is practicable, shall reflect no less return to the producer than under the 1989 price support levels.

(b) PREVENTED PLANTING CREDIT.—

(1) IN GENERAL.—The Secretary shall provide prevented planting credit under subsection (a) with respect to acreage that producers on a farm were prevented from planting to the 1989 crop of the commodity for harvest because of damaging weather or related condition in 1988 or 1989, as determined by the Secretary.

(2) MAXIMUM ACREAGE.—Such acreage may not exceed the greater of—

(A) a quantity equal to the acreage on the farm planted (or prevented from being planted due to a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in 1988 minus acreage actually planted to harvest in 1989; or

(B) a quantity equal to the average of the acreage on the farm planted (or prevented from being planted due to a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in 1986, 1987, and 1988 minus acreage actually planted to the commodity for harvest in 1989.

(3) ADJUSTMENTS.—The Secretary shall make appropriate adjustments in applying the limitations contained in paragraph (2) to take into account crop rotation practices of the producers and any change in quotas for the 1989 crops of tobacco.

(c) LIMITATION.—Payments provided under subsection (a) for a crop of a commodity may not be made available to the producers on a farm unless such producers enter into an agreement to obtain multiperil crop insurance, to the extent required under section 107.

(d) SPECIAL RULES FOR PEANUTS.—Notwithstanding any other provision of law—

(1) a deficiency in production of quota peanuts from a farm, as otherwise determined under this section, shall be reduced by the quantity of peanut poundage quota that was the basis of such anticipated production that has been transferred from the farm;

(2) payments made under this section shall be made taking into account whether the deficiency for which the deficiency in production is claimed was a deficiency in production of quota or additional peanuts and the payment rate shall be established accordingly; and

(3) the quantity of undermarketings of quota peanuts from a farm for the 1989 crop that may otherwise be claimed under section 358 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1358) for purposes of future quota increases shall be reduced by the quantity of the deficiency of production of such peanuts for which payment has been received under this section.

(e) SPECIAL RULES FOR TOBACCO.—Notwithstanding any other provision of law—

(1) the quantity of undermarketings of quota tobacco from a farm for the 1989 crop that may otherwise be claimed under section 317 or 319 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314c or 1314e) for purposes of future quota increases shall be reduced by the quantity of the deficiency of production of such tobacco for which payment has been received under this section; and

(2) disaster payments made to producers under this section may not be considered by the Secretary in determining the net losses of the Commodity Credit Corporation under section 106A(d) of the Agricultural Act of 1949 (7 U.S.C. 1445-1(d)).

SEC. 104. SOYBEANS AND NONPROGRAM CROPS.

(a) DISASTER PAYMENTS.—

(1) IN GENERAL.—

(A) ELIGIBILITY.—Effective only for the 1989 crops of soybeans and nonprogram crops, if the Secretary of Agriculture determines that, because of damaging weather or related condition in 1988 or 1989, the total quantity of the 1989 crop of the commodity that the producers on a farm are able to harvest is less than—

(i) with respect to soybeans and sunflowers, the result of multiplying 55 percent of the State, area, or county yield, adjusted for adverse weather conditions during the 1986, 1987, and 1988 crop years, as determined by the Secretary, for such crop by the sum of the acreage planted for harvest and the acreage for which prevented planting credit is approved by the Secretary for such crop under subsection (b);

(ii) with respect to nonprogram crops (other than as provided in clauses (i) and (iii)), the result of multiplying 50 percent of the yield established by the Commodity Credit Corporation under subsection (d)(2) for such crop by the sum of the acreage planted for harvest and the acreage for which prevented planting credit is approved by the Secretary for such crop under subsection (b); and

(iii) with respect to crops covered in section 201(b) of the Agricultural Act of 1949 (7 U.S.C. 1446(b)), 50 percent of the historical annual yield of the producers for such crops, as determined by the Secretary,

the Secretary shall make a disaster payment available to such producers.

(B) PAYMENT RATE.—The payment shall be made to such producers at a rate equal to 65 percent of the applicable payment level under paragraph (2), as determined by the Secretary, for any deficiency in production greater than 45 percent for soybeans and sunflowers (50 percent for other nonprogram crops) for the crop.

(2) PAYMENT LEVEL.—For purposes of paragraph (1), the payment level for a commodity shall equal the simple average price received by producers of the commodity, as determined by the Secretary subject to paragraph (3), during the marketing years for the immediately preceding 5 crops of the commodity, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period.

(3) CALCULATION OF PAYMENTS FOR DIFFERENT VARIETIES.—

(A) CROP-BY-CROP BASIS.—The Secretary shall make disaster payments under this subsection on a crop-by-crop basis, with consideration given to markets and uses of the crops, under regulations issued by the Secretary.

(B) DIFFERENT VARIETIES.—For purposes of determining the payment levels on a crop by crop basis, the Secretary shall consider as separate crops, and develop separate payment levels insofar as is practicable for, different varieties of the same commodity, and commodities for which there is a significant difference in the economic value in the market.

(4) EXCLUSIONS FROM HARVESTED QUANTITIES.—For purposes of determining the total quantity of the 1989 nonprogram crop of the commodity that the producers on a farm are able to harvest under paragraph (1), the Secretary shall exclude at least 70 percent of—

(A) commodities that cannot be sold in normal commercial channels of trade; and

(B) dockage, including husks and shells, if such dockage is excluded in determining yields under subsection (d)(2).

(b) PREVENTED PLANTING CREDIT.—

(1) IN GENERAL.—The Secretary shall provide prevented planting credit under subsection (a) with respect to acreage that producers on a farm were prevented from planting to the 1989 crop of the commodity for harvest because of damaging weather or related condition in 1988 or 1989, as determined by the Secretary.

(2) MAXIMUM ACREAGE.—Such acreage may not exceed the greater of—

(A) a quantity equal to the acreage on the farm planted (or prevented from being planted due to a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in 1988 minus acreage actually planted for harvest in 1989; or

(B) a quantity equal to the average of the acreage on the farm planted (or prevented from being planted due to a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in 1986, 1987, and 1988 minus acreage actually planted to the commodity for harvest in 1989.

(3) ADJUSTMENTS.—The Secretary shall make appropriate adjustments in applying the limitations contained in paragraph (2) to take into account crop rotation practices of the producers.

(c) LIMITATION.—Payments provided under subsection (a) for a crop of a commodity may not be made available to the producers on a farm unless such producers enter into an agreement to obtain multiperil crop insurance, to the extent required under section 107.

(d) SPECIAL RULES FOR NONPROGRAM CROPS.—

(1) DEFINITION OF NONPROGRAM CROP.—As used in this section, the term "nonprogram crop" means all crops for which crop insurance through the Federal Crop Insurance Corporation was available for crop year 1989, and other commercial crops (including sweet potatoes) for which such insurance was not available for crop year 1989, except that such term shall not include a crop covered under section 101, 102, or 103, soybeans, or sunflowers.

(2) FARM YIELDS.—

(A) ESTABLISHMENT.—The Commodity Credit Corporation shall establish disaster program farm yields for nonprogram crops to carry out this section.

(B) PROVEN YIELDS AVAILABLE.—If the producers on a farm can provide satisfactory evidence to the Commodity Credit Corporation of actual crop yields on the farm for at least 1 of the immediately preceding 3 crop years, the yield for the farm shall be based on such proven yields.

(C) PROVEN YIELDS NOT AVAILABLE.—If such data do not exist for any of the 3 preceding crop years, the Commodity Credit Corporation shall establish a yield for the farm by using a county average yield for the commodity, or by using other data available to it.

(D) COUNTY AVERAGE YIELDS.—In establishing county average yields for nonprogram crops, the Commodity Credit Corporation shall use the best available information concerning yields. Such information may include extension service records, credible nongovernmental studies, and yields in similar counties.

(3) RESPONSIBILITY OF PRODUCERS.—It shall be the responsibility of the producers of nonprogram crops to provide satisfactory evidence of 1989 crop losses resulting from damaging weather or related condition in 1988 or 1989 in order for such producers to obtain disaster payments under this section.

SEC. 105. CROP QUALITY REDUCTION DISASTER PAYMENTS.

(a) IN GENERAL.—To ensure that all producers of 1989 crops covered under sections 101 through 104 are treated equitably, the Secretary of Agriculture may make additional disaster payments to producers of such crops who suffer losses resulting from the reduced quality of such crops caused by damaging weather or related condition in 1988 or 1989, as determined by the Secretary.

(b) ELIGIBLE PRODUCERS.—If the Secretary determines to make crop quality disaster payments available to producers under subsection (a), producers on a farm of a crop described in subsection (a) shall be eligible to receive reduced quality disaster payments only if such producers incur a deficiency in production of not less than 45 percent and not more than 75 percent for such crop (as determined under section 101, 102, 103, or 104, as appropriate).

(c) MAXIMUM PAYMENT RATE.—The Secretary shall establish the reduced quality disaster payment rate, except that such rate shall not exceed 10 percent, as determined by the Secretary, of—

(1) the established price for the crop, for commodities covered under section 101;

(2) the basic county loan rate for the crop (or a comparable price if there is no current basic county loan rate), for commodities covered under section 102;

(3) the payment level under section 103(a)(3), for commodities covered by section 103; and

(4) the payment level under section 104(a)(2), for commodities covered under section 104.

(d) DETERMINATION OF PAYMENT.—The amount of payment to a producer under this section shall be determined by multiplying the payment rate established under subsection (c) by the portion of the actual harvested crop on the producer's farm that is reduced in quality by such natural disaster in 1988 or 1989, as determined by the Secretary.

SEC. 106. EFFECT OF FEDERAL CROP INSURANCE PAYMENTS.

In the case of producers on a farm who obtained crop insurance for the 1989 crop of a commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), the Secretary of Agriculture shall reduce the amount of payments made available under this subtitle for such crop to the extent that the amount determined by adding the net amount of crop insurance indemnity payment (gross indemnity less premium paid) received by such producers for the deficiency in the production of the crop and the disaster payment determined in accordance with this subtitle for such crop exceeds the amount determined by multiplying—

(1) 100 percent of the yield used for the calculation of disaster payments made under this subtitle for such crop; by

(2) the sum of the acreage of such crop planted to harvest and the acreage for which prevented planting credit is approved by the Secretary (or, in the case of disaster payments under section 101, the eligible acreage established under sections 101(a)(1) and 101(a)(2)(A)); by

(3)(A) in the case of producers who participated in a production adjustment program for the 1989 crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice, the established price for the 1989 crop of the commodity;

(B) in the case of producers who did not participate in a production adjustment program for the 1989 crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice, the basic county loan rate (or a comparable price, as determined by the Secretary, if there is no current basic county loan rate) for the 1989 crop of the commodity;

(C) in the case of producers of sugar beets, sugarcane, peanuts, or tobacco, the payment level for the commodity established under section 103(a)(3); and

(D) in the case of producers of soybeans or a nonprogram crop (as defined in section 104(d)(1)), the simple average price received by producers of the commodity, as determined by the Secretary, during the marketing years for the immediately preceding 5 crops of the commodity, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period.

SEC. 107. CROP INSURANCE COVERAGE FOR THE 1990 CROPS.

(a) REQUIREMENT.—Subject to the limitations under subsection (b), producers on a farm, to be eligible to receive a disaster payment under this subtitle, an emergency loan under subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.) for crop losses due to damaging weather or related condition in 1988 or 1989, or forgiveness of the repayment of advance deficiency payments under section 101(b), must agree to obtain multiperil crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) for the 1990 crop of the commodity for which such payments, loans, or forgiveness are sought.

(b) LIMITATIONS.—Producers on a farm shall not be required to agree to obtain crop insurance under subsection (a) for a commodity—

(1) unless such producers' deficiency in production, with respect to the crop for which a disaster payment under this subtitle otherwise may be made, exceeds 65 percent;

(2) where, or if, crop insurance coverage is not available to the producers for the commodity for which the payment, loan, or forgiveness is sought;

(3) if the producers' annual premium rate for such crop insurance is an amount greater than 125 percent of the average premium rate for insurance on that commodity for the 1989 crop in the county in which the producers are located;

(4) in any case in which the producers' annual premium for such crop insurance is an amount greater than 25 percent of the amount of the payment, loan, or forgiveness sought; or

(5) if the producers can establish by appeal to the county committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590(b)), or to the county committee established under section 332 of the Consolidated Farm and Rural Development Act (17 U.S.C. 1982), as appropriate, that the purchase of crop insurance would impose an undue financial hardship on such producers and that a waiver of the requirement to obtain crop insurance should, in the discretion of the county committee, be granted.

(c) IMPLEMENTATION.—

(1) COUNTY COMMITTEES.—The Secretary of Agriculture shall ensure (acting through the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act and located in the counties in which the assistance programs provided for under sections 101 through 105 are implemented and through the county committees established under section 332 of the Consolidated Farm and Rural Development Act in counties in which emergency loans, as described in subsection (a), are made available) that producers who apply for assistance, as described in subsection (a), obtain multiperil crop insurance as required under this section.

(2) OTHER SOURCES.—Each producer who is subject to the requirements of this section may comply with such requirements by providing evidence of multiperil crop insurance coverage from sources other than through the county committee office, as approved by the Secretary.

(3) COMMISSIONS.—The Secretary shall provide by regulation for a reduction in the commissions paid to private insurance agents, brokers, or companies on crop insurance contracts entered into under this section sufficient to reflect that such insurance contracts principally involve only a servicing function to be performed by the agent, broker, or company.

(d) REPAYMENT OF BENEFITS.—Notwithstanding any other provision of law, if (prior to the end of the 1990 crop year for the commodity involved) the crop insurance coverage required of the producer under this section is canceled by the producer, the producer—

(1) shall make immediate repayment to the Secretary of any disaster payment or forgiven advance deficiency payment that the producer otherwise is required to repay; and

(2) shall become immediately liable for full repayment of all principal and interest outstanding on any emergency loan described in subsection (a) made subject to this section.

SEC. 108. CROPS HARVESTED FOR FORAGE USES.

Not later than 15 days after the date of the enactment of this Act, the Secretary of Agriculture shall announce the terms and conditions by which producers on a farm may establish a 1989 yield with respect to crops that will be harvested for silage and other forage uses.

SEC. 109. PAYMENT LIMITATIONS.

(a) LIMITATION.—Subject to subsections (b) and (c), the total amount of payments that a person shall be entitled to receive under one or more of the programs established under this subtitle may not exceed $100,000.

(b) NO DOUBLE BENEFITS.—No person may receive disaster payments under this subtitle to the extent that such person receives a livestock emergency benefit for lost feed production in 1989 under section 606 of the Agricultural Act of 1949 (7 U.S.C. 1471d).

(c) COMBINED LIMITATION.—

(1) IN GENERAL.—No person may receive any payment under this subtitle or benefit under title VI of the Agricultural Act of 1949 (7 U.S.C. 1471 et seq.) for livestock emergency losses suffered in 1989 if such payment or benefit will cause the combined total amount of such payments and benefits received by such person to exceed $100,000.

(2) ELECTION.—If a producer is subject to paragraph (1), the person may elect (subject to the benefits limitations under section 609 of the Agricultural Act of 1949 (7 U.S.C. 1471g)) whether to receive the $100,000 in such payments, or such livestock emergency benefits (not to exceed $50,000), or a combination of payments and benefits specified by the person.

(d) REGULATIONS.—The Secretary of Agriculture shall issue regulations—

(1) defining the term "person" for the purposes of this section and section 151, which shall conform, to the extent practicable, to the regulations defining the term "person" issued under section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308); and

(2) prescribing such rules as the Secretary determines necessary to ensure a fair and reasonable application of the limitations established under this section.

SEC. 110. NO DOUBLE PAYMENTS ON REPLANTED ACREAGE.

(a) REDUCTION OF DISASTER PAYMENTS.—Effective only for producers on a farm who receive disaster payments under this subtitle for a crop of a commodity, the Secretary of Agriculture shall reduce such payments by an amount that reflects the value of any crop such producers plant for harvest in 1989 to replace the crop for which disaster payments are received.

(b) REPLACEMENT CROPS.—For purposes of subsection (a), a crop shall be considered to be planted to replace the crop for which disaster payments are received if (because of loss or damage to the first crop due to damaging weather or related condition in 1988 or 1989) the second crop is planted on acreage on which the producers planted, or were prevented from planting, the first crop.

(c) ADMINISTRATION.—In carrying out this section, the Secretary shall—

(1) determine the value of the second crop based on the actual yield of the producers and average market prices for the second crop during a representative period; and

(2) take into account the historical cropping patterns of producers.

SEC. 111. SUBSTITUTION OF CROP INSURANCE PROGRAM YIELDS.

(a) IN GENERAL.—Notwithstanding any other provision of this Act, the Secretary of Agriculture may permit each eligible producer (as defined in subsection (d)) of a 1989 crop of a commodity who has obtained multiperil crop insurance for such crop (or, as provided in subsection (c), who obtained multiperil crop insurance for the producer's 1988 crop of such commodity) under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) to substitute, at the discretion of the producer, the crop insurance yield for such crop, as established under such Act, for the farm yield otherwise assigned to the producer under this subtitle, for the purposes of determining such producer's eligibility for a disaster payment on the 1989 crop under this subtitle and the amount of such payment.

(b) ADJUSTMENT OF ADVANCED DEFICIENCY PAYMENTS.—

(1) IN GENERAL.—Notwithstanding any other provision of this Act, if an eligible producer of wheat, feed grains, cotton, or rice elects to substitute yields for such producer's 1989 crop under subsection (a), the producer's eligibility for a waiver or repayment of an advance deficiency payment on such crop under this subtitle shall be adjusted as provided in paragraph (2).

(2) AMOUNT.—The amount of production of such crop on which the producer otherwise would be eligible for waiver of repayment of advance deficiency payments under this subtitle shall be reduced by an amount of production equal to the difference between—

(A) the amount of production eligible for disaster payments under this subtitle using a substituted yield under this section; and

(B) the amount of production that would have been eligible for disaster payments using the farm program payment yield otherwise assigned to the producer under this subtitle.

(c) MULTIPERIL CROP INSURANCE NOT AVAILABLE.—A producer may use the crop insurance yield for the producer's 1988 crop of a commodity for purposes of substituting yields under subsection (a) if the producer demonstrates to the Secretary that, through no fault of the producer, multiperil crop insurance under the Federal Crop Insurance Act was not made available to the producer for the producer's 1989 crop of the commodity.

(d) DEFINITION OF ELIGIBLE PRODUCER.—For purposes of this section, the term "eligible producer" means a producer of the 1989 crop of wheat, feed grains, upland cotton, extra long staple cotton, rice, or soybeans.

SEC. 112. DEFINITIONS.

As used in this subtitle:

(1) DAMAGING WEATHER.—The term "damaging weather" includes but is not limited to drought, hail, excessive moisture, freeze, tornado, hurricane, or excessive wind, or any combination thereof.

(2) RELATED CONDITION.—The term "related condition" includes but is not limited to insect infestations, plant diseases, or other deterioration of a crop of a commodity including aflatoxin, that is accelerated or exacerbated naturally as a result of damaging weather occurring prior to or during harvest.

Subtitle B—Orchards

SEC. 121. ELIGIBILITY.

(a) DROUGHT LOSS.—Subject to the limitation in subsection (b), the Secretary of Agriculture shall provide assistance, as specified in section 122, to eligible orchardists that planted trees for commercial purposes but lost such trees as a result of freeze or related condition in 1989, as determined by the Secretary.

(b) LIMITATION.—An eligible orchardist shall qualify for assistance under subsection (a) only if such orchardist's tree mortality, as a result of the natural disaster, exceeds 45 percent (adjusted for normal mortality).

SEC. 122. ASSISTANCE.

The assistance provided by the Secretary of Agriculture to eligible orchardists for

losses described in section 121 shall consist of either—

(1) reimbursement of 65 percent of the cost of replanting trees lost due to freeze or related condition in 1989 in excess of 45 percent mortality (adjusted for normal mortality); or

(2) at the discretion of the Secretary, sufficient seedlings to reestablish the stand.

SEC. 123. LIMITATION ON ASSISTANCE.

(a) LIMITATION.—The total amount of payments that a person shall be entitled to receive under this subtitle may not exceed $25,000, or an equivalent value in tree seedlings.

(b) REGULATIONS.—The Secretary of Agriculture shall issue regulations—

(1) defining the term "person" for the purposes of this subtitle, which shall conform, to the extent practicable, to the regulations defining the term "person" issued under section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) and the Disaster Assistance Act of 1988 (7 U.S.C. 1421 note); and

(2) prescribing such rules as the Secretary determines necessary to ensure a fair and reasonable application of the limitation established under this section.

SEC. 124. DEFINITION.

As used in this subtitle, the term "eligible orchardist" means a person who produces annual crops from trees for commercial purposes and owns 500 acres or less of such trees.

SEC. 125. DUPLICATIVE PAYMENTS.

The Secretary of Agriculture shall establish guidelines to ensure that no person receives duplicative payments under this subtitle and the forestry incentives program, agricultural conservation program, or other Federal program.

SEC. 126. SENSE OF CONGRESS ON CROP INSURANCE FOR ORCHARD CROPS.

It is the sense of Congress that the Secretary of Agriculture should expeditiously expand the availability of multiperil crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) to all orchard crops.

Subtitle C—Forest Crops

SEC. 131. ELIGIBILITY.

(a) DROUGHT LOSS.—Subject to the limitation in subsection (b), the Secretary of Agriculture shall provide assistance, as specified in section 132, to eligible tree farmers that planted tree seedlings in 1988 or 1989 for commercial purposes but lost such seedlings as a result of drought or related condition in 1989, as determined by the Secretary.

(b) LIMITATION.—An eligible tree farmer shall qualify for assistance under subsection (a) only if such tree farmer's tree seedling mortality, as a result of the natural disaster, exceeds 45 percent (adjusted for normal mortality).

SEC. 132. ASSISTANCE.

The assistance provided by the Secretary of Agriculture to eligible tree farmers for losses described in section 131 shall consist of either—

(1) reimbursement of 65 percent of the cost of replanting seedlings lost due to drought or related conditions in 1989 in excess of 45 percent mortality (adjusted for normal mortality); or

(2) at the discretion of the Secretary, sufficient tree seedlings to reestablish the stand.

SEC. 133. LIMITATION ON ASSISTANCE.

(a) LIMITATION.—The total amount of payments that a person shall be entitled to receive under this subtitle may not exceed $25,000, or an equivalent value in tree seedlings.

(b) REGULATIONS.—The Secretary of Agriculture shall issue regulations—

(1) defining the term "person" for the purposes of this subtitle, which shall conform, to the extent practicable, to the regulations defining the term "person" issued under section 1001 of the Food Security Act of 1985 and the Disaster Assistance Act of 1988; and

(2) prescribing such rules as the Secretary determines necessary to ensure a fair and reasonable application of the limitation established under this section.

SEC. 134. DEFINITION.

As used in this subtitle, the term "eligible tree farmer" means a person who grows trees for harvest for commercial purposes and owns 1,000 acres or less of such trees.

SEC. 135. DUPLICATIVE PAYMENTS.

The Secretary of Agriculture shall establish guidelines to ensure that no person receives duplicative payments under this subtitle and the forestry incentives program, agricultural conservation program, or other Federal program.

Subtitle D—Additional Assistance

SEC. 141. NEW CONSERVATION MEASURES.

(a) IN GENERAL.—

(1) HAYING AND GRAZING ON CRP ACREAGE.—In the case of an owner or operator of land who has entered into a conservation reserve program contract under subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) and hays or grazes livestock during the 1989 crop year on acreage subject to such contract as authorized by the Secretary of Agriculture, the Secretary may not reduce the amount of rental payments made to such owner or operator as the result of such haying or grazing to the extent that the owner or operator—

(A) carries out additional conservation practices, approved by the Soil Conservation Service in consultation with appropriate Federal and State agencies, to enhance soil, water, and wildlife conservation on or in the vicinity of lands subject to such contract; and

(B) pays the costs of carrying out such practices.

(2) AMOUNT OF REDUCTION.—The amount of the reduction prohibited under paragraph (1) shall equal one-half of the amount paid by the owner or operator to cover the costs of carrying out the conservation practices.

(b) CONSERVATION PRACTICES.—For purposes of subsection (a), the term "conservation practices" includes—

(1) establishment of permanent shelterbelts and windbreaks;

(2) restoration of wetlands;

(3) establishment of wildlife food plots; or

(4) planting of trees.

SEC. 142. ASSISTANCE FOR PONDS.

Section 607(b)(2)(B) of the Agricultural Act of 1949 (7 U.S.C. 1471e(b)(2)(B)) is amended by inserting "or ponds" after "wells".

Subtitle E—Administrative Provisions

SEC. 151. INELIGIBILITY.

(a) GENERAL RULE.—A person who has qualifying gross revenues in excess of $2,000,000 annually, as determined by the Secretary of Agriculture, shall not be eligible to receive any disaster payment or other benefits under this title.

(b) QUALIFYING GROSS REVENUES.—For purposes of this section, the term "qualifying gross revenues" means—

(1) if a majority of the person's annual income is received from farming, ranching, and forestry operations, the gross revenue from the person's farming, ranching, and forestry operations; and

(2) if less than a majority of the person's annual income is received from farming, ranching, and forestry operations, the person's gross revenue from all sources.

SEC. 152. TIMING AND MANNER OF ASSISTANCE.

(a) TIMING OF ASSISTANCE.—

(1) IN GENERAL.—

(A) ASSISTANCE MADE AVAILABLE AS SOON AS PRACTICABLE.—Subject to subparagraph (B), the Secretary of Agriculture shall make full disaster assistance available under this title as soon as practicable after the date of enactment of this Act.

(B) COMPLETED APPLICATION.—Subject to subparagraph (C), no payment or benefit provided under this title shall be payable or due until such time as a completed application for a crop of a commodity therefor has been approved.

(C) APPLICATIONS PRIOR TO SEPTEMBER 30, 1989.—If an application for a disaster payment under this title is received by the Secretary prior to September 30, 1989, by producers who have harvested their 1989 crop, the Secretary shall make full or advance disaster payments to such producers within 15 days after the application is received or by September 15, 1989, whichever is later.

(D) ADVANCE PAYMENTS.—If advance payments are made to producers under subparagraph (C), such payments shall not be less than 80 percent of the payments that will be made available to such producers under this title.

(2) DEADLINE FOR APPLICATION.—To be eligible to receive payments under subtitle A, a person shall make application for such payments not later than March 31, 1990, or such later date that the Secretary, by regulation, may prescribe.

(b) MANNER.—The Secretary may make payments available under subtitle A in the form of cash, commodities, or commodity certificates, as determined by the Secretary.

SEC. 153. COMMODITY CREDIT CORPORATION.

(a) USE.—The Secretary of Agriculture shall use the funds, facilities, and authorities of the Commodity Credit Corporation in carrying out this title.

(b) EXISTING AUTHORITY.—The authority provided by this title shall be in addition to, and not in place of, any authority granted to the Secretary or the Commodity Credit Corporation under any other provision of law.

SEC. 154. LIMITATION ON OUTLAYS.

(a) MAXIMUM AMOUNT.—Notwithstanding any other provision of law, if the acreage planted in the United States to the 1989 crop of corn is greater than 73,250,000 acres, the total amount expended for deficiency payments for the 1989 crops of wheat, feed grains, upland cotton, and rice under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) shall not exceed $6,700,000,000.

(b) PRORATION.—The Secretary shall make any reduction required under subsection (a) on a pro rata basis.

SEC. 156. REGULATIONS.

The Secretary of Agriculture or the Commodity Credit Corporation, as appropriate, shall issue regulations to implement this title as soon as practicable after the date of enactment of this Act, without regard to the requirement for notice and public participation in rule making prescribed in section 553 of title 5, United States Code, or in any directive of the Secretary.

TITLE II—EMERGENCY LIVESTOCK ASSISTANCE

SEC. 201. USE OF STORED GRAIN FOR ASSISTANCE.

(a) IN GENERAL.—Subsection (b) of section 606 of the Agricultural Act of 1949 (7 U.S.C. 1471d(b)) is amended to read as follows:

"(b) If assistance is made available through the furnishing of feed grain under paragraph (1) or (2) of subsection (a), the Secretary—

"(1) may provide for the furnishing of the feed grain through a dealer or manufacturer and the replacing of the feed grain so furnished from feed grain owned by the Commodity Credit Corporation; or

"(2) at the option of the livestock producer, shall provide for the furnishing of the feed grain through the use of feed grain stored on the farm of the producer that has been pledged as collateral for a price support loan made under this Act.".

SEC. 202. LIVESTOCK TRANSPORTATION ASSISTANCE.

Section 606 of the Agricultural Act of 1949 (7 U.S.C. 1471d) is amended by adding at the end the following new subsection:

"(f) The Secretary may make available at least $25,000,000 to provide livestock transportation assistance under subsection (a)(6) for livestock emergencies in 1989.".

SEC. 203. LIVESTOCK WATER DEVELOPMENT PROJECTS.

Section 607 of the Agricultural Act of 1949 (7 U.S.C. 1471e) is amended by adding at the end the following new subsection:

"(c) The Secretary may make available at least $25,000,000 to provide special assistance under subsection (b)(2) for livestock emergencies in 1988 and 1989.".

SEC. 204. ANIMAL UNIT METHODOLOGY STUDY AND REPORT.

The Secretary of Agriculture shall conduct a study on the methodology and justification of the calculations used to determine the animal unit figure used for purposes of the emergency feed program and the emergency feed assistance program under section 606 of the Agricultural Act of 1949 (7 U.S.C. 1471d), and report to Congress the results of such study within 90 days of the date of enactment of this Act.

TITLE III—DISASTER CREDIT AND FORBEARANCE

SEC. 301. EMERGENCY LOANS.

Section 321(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(b)) shall not apply to a person who otherwise would be eligible for an emergency loan under subtitle C of such Act, if such eligibility is the result of damage to an annual crop planted for harvest in 1989.

SEC. 302. 1990 FARM OPERATING LOANS.

(a) DIRECT CREDIT.—To the maximum extent practicable, the Secretary of Agriculture shall ensure that direct operating loans made or insured under subtitle B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941 et seq.) for 1990 crop production are made available to farmers and ranchers suffering major losses due to excess moisture, freeze, storm, or related condition occurring in 1989 or drought or related condition occurring in 1988 or 1989, as authorized under existing law and under regulations of the Secretary that implement the objective of enabling farmers and ranchers to stay in business.

(b) LOAN GUARANTEES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall make available in fiscal year 1990 guarantees to commercial or cooperative lenders for loans under subtitle B of the Consolidated Farm and Rural Development Act, to refinance and reamortize 1989 operating loans, or 1989 or 1990 installments due and payable on real estate debt, farm equipment or building (including storage facilities) debt, livestock loans, or other operating debt, of farmers and ranchers that otherwise cannot be repaid due to major losses incurred by such farmers or ranchers as a result of excess moisture, freeze, storm, or related condition occurring in 1989 or drought or related condition occurring in 1988 or 1989.

(2) REAMORTIZATION.—Each fiscal year 1990 guaranteed loan for 1988 or 1989 natural disaster purposes, as described in paragraph (1), shall contain terms and conditions governing the reamortization of the debt of the farmer or rancher that will provide the farmer or rancher a reasonable opportunity to continue to receive new operating credit while repaying the guaranteed loan, as determined by the Secretary.

(3) ELIGIBILITY.—Notwithstanding any other provision of law, any person eligible to receive payments under subtitle A of title I shall be deemed eligible to have guaranteed, in accordance with this subsection, loans made to such person by a commercial or cooperative lender to refinance installment payments that are or become due and payable during 1989 or 1990, as described in paragraph (1), except that, to be deemed eligible to have such loan guaranteed, the person must otherwise—

(A) be current in the person's obligation to the commercial or cooperative lender that agrees to accept the guarantee in consideration of allowing the person to make the 1989 or 1990 payment or installment over a period of time not to exceed 6 years from the original due date of such payment or installment; and

(B) meet the criteria for guaranteed loan borrowers under subtitle B of the Consolidated Farm and Rural Development Act established by the Secretary.

(c) USE OF AGRICULTURAL CREDIT INSURANCE FUND.—For purposes of providing guaranteed loans in accordance with subsection (b), in addition to funds otherwise available, the Secretary may use any funds available from the Agricultural Credit Insurance Fund during fiscal years 1989 or 1990 for emergency insured and guaranteed loans under subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.) to meet the needs resulting from natural disasters, except that funds available from such Fund first shall be used to satisfy the level of assistance estimated by the Secretary to meet the needs of persons eligible for emergency disaster loans.

SEC. 303. FmHA LOANS MADE TO INDIAN TRIBES.

The Act entitled "An Act to provide for loans to Indian tribes and tribal corporations, and for other purposes" (25 U.S.C. 488 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 6. REDUCTION OF UNPAID PRINCIPAL.

"(a) IN GENERAL.—The Secretary of Agriculture may, on the application of the borrower of a loan or loans made under this Act, reduce the unpaid principal balance of such loan or loans to the current fair market value of the land purchased with the proceeds of the loan or loans if—

"(1) the fair market value of the land has declined by at least 25 percent since such land was purchased by the borrower;

"(2) the land has been held by the borrower for a period of at least 5 years; and

"(3) the Secretary of the Interior finds that the borrower has insufficient income to both repay the loan or loans and provide normal tribal governmental services.

"(b) FAIR MARKET VALUE.—

"(1) APPRAISAL.—Current fair market value under subsection (a) shall be determined through an appraisal by an independent qualified fee appraiser, selected by mutual agreement between the borrower and the Secretary of Agriculture.

"(2) COSTS.—The cost of appraisals undertaken under paragraph (1) shall be paid by the borrower.

"(c) APPEALS.—Decisions of the Secretary of Agriculture under this section shall be appealable in accordance with the provisions of section 333B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1983b).

"(d) FUTURE APPLICATIONS.—A borrower that had a loan or loans reduced under this section shall not submit an application for another reduction on such loan or loans for a period of 5 years after the initial reduction.".

TITLE IV—RURAL BUSINESSES

SEC. 401. DISASTER ASSISTANCE FOR RURAL BUSINESS ENTERPRISES.

(a) LOAN GUARANTEES.—The Secretary of Agriculture shall guarantee loans made in rural areas to—

(1) public, private, or cooperative organizations, to Indian tribes on Federal and State reservations or other Federally recognized Indian tribal groups, or to any other business entities to assist such organizations, tribes, or entities in alleviating the distress caused to such organizations, tribes, or entities, directly or indirectly, by the drought, freeze, storm, excessive moisture, or related condition in 1988 or 1989; and

(2) such organizations, tribes, or entities that refinance or restructure debt as a result of losses incurred, directly or indirectly, because of such natural disasters in 1988 or 1989.

(b) ELIGIBLE LOANS.—

(1) IN GENERAL.—Loans guaranteed under this section shall be loans made by any Federal or State chartered bank, savings and loan association, cooperative lending agency, insurance company, or other legally organized lending agency.

(2) PRODUCTION AGRICULTURE.—No application for a loan guarantee under this section shall be denied on the basis that such organization, tribe, or entity engages in whole or in part in production agriculture.

(c) LOAN GUARANTEE LIMITS.—

(1) PERCENTAGE OF PRINCIPAL AND INTEREST.—No guarantee under this section shall exceed 90 percent of the principal and interest amount of the loan or $2,500,000, whichever is the lesser amount.

(2) TOTAL AMOUNT.—The total amount of loan guarantee under this section shall not exceed $200,000,000.

(d) USE OF THE RURAL DEVELOPMENT INSURANCE FUND.—The Secretary shall use the Rural Development Insurance Fund established under section 309A of the Consolidated Farm and Rural Development Act (7 U.S.C. 1929a) for the purposes of discharging the obligations of the Secretary under this section.

TITLE V—WATER-RELATED ASSISTANCE

SEC. 501. EMERGENCY COMMUNITY WATER ASSISTANCE GRANT PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—Subtitle A of the Consolidated Farm and Rural Development Act is amended by inserting after section 306 (7 U.S.C. 1926) the following new section:

"SEC. 306A. EMERGENCY COMMUNITY WATER ASSISTANCE GRANT PROGRAM.

"(a) IN GENERAL.—The Secretary shall provide grants in accordance with this section to assist the residents of rural areas and small communities to secure adequate quantities of safe water—

"(1) after a significant decline in the quantity or quality of water available from the water supplies of such rural areas and small communities; or

"(2) when repairs, partial replacement, or significant maintenance efforts on established water systems would remedy—

"(A) an acute shortage of quality water; or

"(B) a significant decline in the quantity or quality of water that is available.

"(b) PRIORITY.—In carrying out subsection (a), the Secretary shall—

"(1) give priority to projects described in subsection (a)(1); and

"(2) provide at least 70 percent of all such grants to such projects.

"(c) ELIGIBILITY.—To be eligible to obtain a grant under this section, an applicant shall—

"(1) be a public or private nonprofit entity; and

"(2) in the case of a grant made under subsection (a)(1), demonstrate to the Secretary that the decline referred to in such subsection occurred within 2 years of the date the application was filed for such grant.

"(d) USES.—

"(1) IN GENERAL.—Grants made under this section may be used for waterline extensions from existing systems, laying of new waterlines, repairs, significant maintenance, digging of new wells, equipment replacement, hook and tap fees, and any other appropriate purpose associated with developing sources of, or treating, storing, or distributing water, and to assist communities in complying with the requirements of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) or the Safe Drinking Water Act (42 U.S.C. 300f et seq.).

"(2) JOINT PROPOSALS.—Nothing in this section shall preclude rural communities from submitting joint proposals for emergency water assistance, subject to the restrictions contained in subsection (e). Such restrictions should be considered in the aggregate, depending on the number of communities involved.

"(e) RESTRICTIONS.—

"(1) MAXIMUM POPULATION AND INCOME.—No grant provided under this section shall be used to assist any rural area or community that—

"(A) includes any area in any city or town with a population in excess of 15,000 inhabitants according to the most recent decennial census of the United States; or

"(B) has a median household income in excess of the State nonmetropolitan median household income according to the most recent decennial census of the United States.

"(2) SET-ASIDE FOR SMALLER COMMUNITIES.—Not less than 50 percent of the funds allocated under this section shall be allocated to rural communities with populations that do not exceed 5,000 inhabitants.

"(f) MAXIMUM GRANTS.—Grants made under this section may not exceed—

"(1) in the case of each grant made under subsection (a)(1), $500,000; and

"(2) in the case of each grant made under subsection (a)(2), $75,000.

"(g) FULL FUNDING.—Subject to subsection (e), grants under this section shall be made in an amount equal to 100 percent of the costs of the projects conducted under this section.

"(h) APPLICATION.—

"(1) NATIONALLY COMPETITIVE APPLICATION PROCESS.—The Secretary shall develop a nationally competitive application process to award grants under this section. The process shall include criteria for evaluating applications, including population, median household income, and the severity of the decline in quantity or quality of water.

"(2) TIMING.—The Secretary shall make every effort to review and act on applications within 60 days of the date that such applications are submitted.

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $35,000,000 for each of the fiscal years 1990 and 1991, such sums to remain authorized until fully appropriated.".

(b) IMPLEMENTATION.—

(1) REGULATIONS.—The Secretary of Agriculture shall publish—

(A) interim final regulations to carry out section 306A of the Consolidated Farm and Rural Development Act (as added by subsection (a) of this section) not later than 45 days after the date of enactment of this Act; and

(B) final regulations to carry out section 306A of such Act not later than 90 days after the date of enactment of this Act.

(2) FUNDS.—

(A) OBLIGATION.—The Secretary shall designate 70 percent of the funds made available for the first fiscal year for which appropriations are made under section 306A(i) of the Consolidated Farm and Rural Development Act not later than 5 months after the date such funds are appropriated.

(B) RELEASE.—The Secretary may release funds prior to the issuance of final regulations under paragraph (1)(B) for grants under section 306A(a)(1) of the Consolidated Farm and Rural Development Act.

SEC. 502. LIVESTOCK WATER ASSISTANCE.

Section 402 of the Agricultural Credit Act of 1978 (16 U.S.C. 2202) is amended—

(1) by inserting after "measures" the following: "(including measures carried out to assist confined livestock)"; and

(2) effective only for fiscal year 1989, by striking "periods" and inserting "any fiscal year in which there is a period".

SEC. 503. DISASTER ASSISTANCE FOR WATERSHED PROTECTION ACTIVITIES.

Subtitle A of title IV of the Disaster Assistance Act of 1988 is amended by inserting after section 401 (7 U.S.C. 2204c) the following new section:

"SEC. 402. DISASTER ASSISTANCE FOR WATERSHED PROTECTION ACTIVITIES.

"(a) IN GENERAL.—The Secretary of Agriculture may provide disaster relief assistance in accordance with this section to repair damage caused by storms occurring in 1988 or 1989 to watersheds located in any county in any State, to the extent that funds authorized by this section remain available.

"(b) FORM OF ASSISTANCE.—The assistance authorized by this section—

"(1) includes both financial and technical assistance; and

"(2) shall be provided in a manner consistent with similar assistance authorized under section 403 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203).

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $25,000,000 for fiscal year 1990.".

TITLE VI—GENERAL PROVISIONS

SEC. 601. SHRINKAGE ALLOWANCE FOR PEANUTS.

Effective only for the 1988 through 1990 crops of peanuts, section 359(p)(2)(B) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359(p)(2)(B)) is amended—

(1) in clause (i), by striking "(less such reasonable allowances for shrinkage as the Secretary may prescribe)"; and

(2) by adding at the end the following new clause:

"(iv)(I) The obligation of a handler to export peanuts in quantities described in this subparagraph shall be reduced by a shrinkage allowance, to be determined by the Secretary, to reflect actual dollar value shrinkage experienced by handlers in commercial operations, except that such allowance shall not be less than 4½ percent, except as provided in subclause (II).

"(II) The Secretary may provide a lower shrinkage allowance for a handler who fails to comply with restrictions on the use of peanuts, as may be specified by the Commodity Credit Corporation, to take into account common industry practices.".

SEC. 602. ADVANCED DEFICIENCY REPAYMENT DEADLINE FOR 1988 CROPS.

Section 201(b)(4) of the Disaster Assistance Act of 1988 (7 U.S.C. 1421 note) is amended by striking "July 31, 1989" and inserting "July 31, 1990".

SEC. 603. PLANTING OF ALTERNATE CROPS ON PERMITTED ACREAGE.

(a) IN GENERAL.—Subparagraph (E)(i) of section 504(b)(2) of the Agricultural Act of 1949 (7 U.S.C. 1464(b)(2)) (as amended by the Act entitled "An Act to amend the Agricultural Act of 1949 for the 1990 crops to allow the planting of alternative crops on permitted acreage and to amend the provisions regarding the designation of farm acreage base as acreage base established for oats") is amended by inserting "mung bean, mustard," after "milkweed,".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective 1 day after the date of enactment of the Act so entitled.

SEC. 604. CROP INSURANCE YIELD COVERAGE.

The Federal Crop Insurance Act is amended by inserting after section 508 (7 U.S.C. 1508) the following new section:

"SEC. 508A. CROP INSURANCE YIELD COVERAGE.

"(a) IN GENERAL.—

"(1) YIELD COVERAGE.—Effective beginning with crops harvested in 1990, the Corporation may implement multiperil crop insurance underwriting rules that ensure that yield coverage, as specified in subsection (b), is provided to producers participating in the Federal crop insurance program.

"(2) APPLICATION.—Such underwriting rules and yield coverage, as specified in subsection (b), shall apply to wheat, feed grains, cotton, rice, and soybeans.

"(b) YIELD COVERAGE.—

"(1) GENERAL COMMODITIES.—

"(A) PLANS.—A crop insurance contract offered to a producer of a crop of wheat, feed grains, cotton, or rice shall make available to such producer—

"(i) yield coverage based on the producer's farm program yield for the crop established under the program for the commodity involved; or

"(ii) a plan that uses the producer's actual production history for the 5 previous crops, subject to paragraph (3), to determine the yield coverage.

"(B) COMMODITY-BY-COMMODITY BASIS.—A producer may choose between the two alternatives described in subparagraph (A) on a commodity-by-commodity basis.

"(2) SOYBEANS.—A crop insurance contract offered to a producer of a crop of soybeans shall be based on a yield coverage plan that

uses the producer's actual production history for the 5 previous crops, subject to paragraph (3), to determine the yield coverage.

"(3) ACTUAL PRODUCTION HISTORY.—

"(A) INADEQUATE DOCUMENTATION.—Under a plan that uses actual production history, as provided for in paragraph (1) or (2), if the producer does not submit adequate documentation of such history for a crop—

"(i) in the case of any commodity other than soybeans, the producer shall be assigned the producer's farm program yield for that crop of the commodity; and

"(ii) in the case of soybeans, the producer shall be assigned a yield equal to 100 percent of the area average yield for that crop of soybeans, as established by the Corporation.

"(B) NOTICE OF AREA AVERAGE YIELDS.—Area average yields applicable to any county shall be posted and available for inspection at the county office of the Agricultural Stabilization and Conservation Service.

"(C) MINIMUM COVERAGE.—In no case may a producer's coverage under such plan that uses actual production history be less than the coverage established using farm program yields, or (for soybeans) 100 percent of the most recent area average yield.

"(c) USE OF YIELD COVERAGE PROVISIONS.—

"(1) NOTICE.—The Corporation shall ensure that, whenever the yield coverage provisions of this section go into effect, producers are given adequate notice of such provisions in advance of the crop insurance sign-up period applicable to the crops to which such provisions first will apply.

"(2) SIGN-UP PERIOD.—To the extent that the provisions of this section are made applicable to the 1990 crops, the Corporation shall ensure that the sign-up period for any 1990 crop does not end earlier than 60 days following the publication of notice of such provisions in the Federal Register.".

Amend the title so as to read as follows: "To provide disaster assistance to agricultural producers, and for other purposes.".

□ 0930

Mr. DE LA GARZA (during the reading). Mr. Speaker, I ask unanimous consent that the House amendment to the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. MOAKLEY). Is there objection to the request of the gentleman from Texas?

Mr. MADIGAN. Mr. Speaker, reserving the right to object, under my reservation, I ask the distinguished chairman of the Committee on Agriculture if the agreement represented by the amendment that he is now offering is what the administration has agreed to.

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Speaker, I thank the gentleman for yielding.

Yes, it is approved by the administration, the Senate majority and minority approved it, and the House leadership and the committee majority and minority approved it.

Mr. MADIGAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Texas?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MURTHA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 3072) making appropriations for the Department of Defense for the fiscal year ending September 30, 1990, and for other purposes, and that I may be permitted to include tables and other extraneous materials.

The SPEAKER pro tempore (Mr. ECKART). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 3072, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1990

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 225, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 225

Resolved, That all points of order against consideration of the bill (H.R. 3072) making appropriations for the Department of Defense for the fiscal year ending September 30, 1990, and for other purposes, for failure to comply with the provisions of clause 2(l)(6) of rule XI and clause 7 of rule XXI are hereby waived. During consideration of the bill, all points of order against the following provisions in the bill for failure to comply with the provisions of clause 2 of rule XXI are hereby waived: beginning on page 2, line 2 through "law:" on page 7, line 19; beginning on page 8, line 3 through "law:" on page 8, line 13; beginning on page 8, line 11 through "law:" on page 10, line 3, beginning on page 10, line 10 through "1992:" on page 17, line 19; beginning on page 17, line 23 through "law:" on page 18, line 14; beginning on page 18, line 18 through "1992:" on page 19, line 7; beginning on page 19, line 14 through "$282,000,000:" on page 23, line 23; beginning on page 23, line 25 through "1994:" on page 24, line 14; beginning with "Provided" on page 24, line 25 through "1992:" on page 27, line 1; beginning on page 27, line 6 through "expended:" on page 29, line 14; beginning with "Provided" on page 29, line 18 through "law:" on page 29, line 19; beginning on page 30, line 5 through "1991:" on page 31, line 9; beginning on page 31, line 20 through "diseases:" on page 32, line 17; beginning on page 32, line 21 through page 36, line 19; and beginning on page 70, line 5 through page 71, line 24. In any case where this resolution waives points of order against only a portion of a paragraph, a point of order against any other provision in such paragraph may be made only against such provision and not against the entire paragraph. It shall be in order to consider the amendment, if offered by Representative Fazio of California or his designee, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI are hereby waived. It shall be in order to consider the amendment printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Skaggs of Colorado or his designee, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI are hereby waived.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. WHEAT] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentlewoman from Illinois [Mrs. MARTIN], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 225 is a rule to facilitate consideration of H.R. 3072, the Department of Defense appropriations bill for 1990. Since general appropriations bills are priviledged, the rule does not provide any special procedures for consideration of the bill. The bill will be considered under the normal legislative process for consideration of appropriations bills. The time devoted in general debate shall be determined by a unanimous-consent request. The bill will be open to amendment under the 5-minute rule. Any amendment which does not violate the rules of the House shall be in order.

All points of order against the bill for failure to comply with clause 2(l)(6) of rule XI, that is the rule which requires that committee reports be available to Members for 3 days prior to consideration on the floor, are waived. The Committee on Appropriations ordered the bill reported on August 2. Since the printed copy of the report has not been available to Members for the required 3 days, a waiver of rule XI, clause 2(l)(6) is necessary.

Points of order against the measure for failing to comply with clause 7 of rule XXI, that is the rule which requires that relevant printed hearings and reports on appropriations bills be available for 3 days prior to House consideration of an appropriations bill, are also waived. Appropriate reports for this measure were filed 2 days ago. Since clause 7, rule XXI requires that these reports be available for 3 days, a waiver is necessary.

Clause 2 of rule XXI, the rule which prohibits consideration of unauthorized appropriations or legislative provisions in general appropriations bills and which restricts the offering of limiting amendments in general appropriations bills, is waived against specified provisions of the bill. The precise

provisions of H.R. 3072 for which these waivers are provided are detailed in the rule. Where points of order are waived against a portion of a paragraph, a point of order against any other provision in the paragraph may only be made against that provision, and not against the entire paragraph.

Finally, Mr. Speaker, the rule makes in order two amendments. An amendment by, and if ordered by, Representative FAZIO of California or his designee and an amendment by, and if offered by, Representative SKAGGS of Colorado or his designee. Points of order against both amendments for failing to comply with clause 2 of rule XXI, are waived.

The Fazio amendment is a perfecting amendment to section 9066 of this measure. Section 9066 provides $14.7 million for the cleanup of toxic waste at Hamilton Air Force Base in California. The Fazio amendment further specifies the terms and conditions regarding cleanup and the responsibilities of key Federal agencies.

The Skaggs amendment prohibits the Department of Defense from spending funds appropriated in the bill to prepare reports or estimates on how States or congressional districts might benefit from a weapons program until that program can be considered to have received final approval from Congress.

Mr. Speaker, H.R. 3072 appropriates $286.485 billion for fiscal year 1990 for the military functions of the Department of Defense and for most intelligence related activities. The bill as amended by the Appropriations Committee is fully in compliance with the Department of Defense authorization bill recently passed by this body. Included in the measure is the House-passed authorization funding level for SDI and two B–2 bombers. No funds are included for the Midgetman program and $600 million is included for the MX rail garrison.

Mr. Speaker, the measure before us is one of great significance. The rule will provide for expeditious consideration of the bill and will allow this body to move forward with this year's appropriation process. Therefore, I urge my colleagues to adopt the rule.

Mrs. MARTIN of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 225 is a rule that waives certain points of order against H.R. 3072, the Department of Defense Appropriations bill for fiscal year 1990.

As my colleagues are aware at the end of this long and hectic week, the leadership has made a valiant effort to pass all the appropriations bills prior to the August recess. This week alone we have processed 7 of the 13 regular appropriations bills, and the DOD bill today marks the completion of House action on all 13.

Our colleagues on the Appropriations Committee are to be commended on their heroic efforts under fire. And I think the House as a whole deserves kudos for enduring the rigors of this marathon exercise. I think everyone agrees that we owe it to ourselves to do everything possible to avoid another one of those mystery grab-bag continuing resolutions come October. While this week's efforts don't guarantee that, they certainly improve the prospects of separately enacting all 13 bills by October 1.

Mr. Speaker, having handed out all the appropriate bouquets, I would be remiss if I did not point out that this forced march has not been without its casualties—both human and procedural. One of the things we have lost procedurally is more time to learn what's in all these bills and to debate and amend them. And this rule is a clear reflection of the procedural short-cuts that have been taken to meet the August recess deadline for completing action on all 13 bills.

Since this DOD appropriations bill was only reported last Tuesday, and the report only became available yesterday, it was necessary in this rule to waive two House rules. The first waiver is clause 2(l)(6) of rule 11 which requires that committee reports be available for 3 days prior to the consideration of a bill. And the second is clause 7 of rule 21 which requires that the relevant committee hearings and report on an appropriation bill be available at least 3 days prior to consideration of the bill.

Obviously the most glaring procedural casualty, but not an uncommon one nowadays, is the fact that we are acting on appropriations bills before the relevant authorization bill has been signed into law. As my colleagues are well aware, the House passed the DOD authorization bill just last week, and the Senate just completed action on its version last Wednesday. And the two bills are considerably different. The Senate bill is much closer to what the administration requested, while the House bill is at odds with the administration in several major respects.

The appropriations bill before us today has been fashioned to conform with the House-passed bill. And not surprisingly, the administration has issued a policy statement in opposition to this appropriations bill for that very reason. Obviously, all the major differences between both the House and Senate authorizing and appropriations bills will have to be worked out when we return. But in the meantime, it is necessary to waive clause 2 of rule 21 so that we can move the process along. Otherwise, this bill could be gutted on points of order.

This rule does provide that if a point of order is sustained against a provision in a paragraph that has not been protected by a waiver, only the offensive provision would be striken and not the entire paragraph.

Finally, Mr. Speaker, the rule provides a clause 2, rule 21 waiver for an amendment, one of which may be offered by the gentleman from California [Mr. FAZIO] and the other offered by the gentleman from Colorado [Mr. SKAGGS] to section 9066 of the bill at pages 70 and 71 of the bill. This provision deals with a toxic waste cleanup controversy on land that used to be part of Hamilton Air Force Base in California. I indicated that the amendment may be offered since the gentleman from California was negotiating with the Armed Services Committee to come up with acceptable compromise language on this matter. Nevertheless, even though the amendment will be germane to the existing provision in the bill, and has been represented as being technical in nature, it requires a clause 2, rule 21 waiver because it is legislating in an appropriation bill.

In conclusion, Mr. Speaker, I urge support for this rule.

□ 0940

Mr. Speaker, especially as to the desire of the Rules Committee to grant the waiver on the amendment of the gentleman from Colorado [Mr. SKAGGS], I think the Rules Committee should be commended, and I believe, as a supporter of that amendment, that there is a statement of the policy there which the House will be eager to make again in support of that amendment.

In the case of the amendment of the gentleman from California [Mr. FAZIO], he has attempted to work out an agreement with the appropriate committee so there will not be either confusion or conflict in this area.

In conclusion, Mr. Speaker, regardless of one's feelings about the appropriation bill itself, this is a rule that we can support. I do support the rule.

Mr. Speaker, I reserve the balance of my time.

Mr. WHEAT. Mr. Speaker, I thank the gentlewoman from Illinois [Mrs. MARTIN] for her commendations of the Rules Committee and for her participation in the process that will allow us to make a policy statement on the very important matter she mentioned.

Mr. Speaker, for the purposes of the debate only, I yield 5 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I am going to support the rule, but I will oppose the bill. The reason for my opposition is very simple.

The Pentagon has become so big that it is bigger than the top 30 Fortune 500 companies combined in total

assets. The truth is that today we do have more defense, but do we have a smart defense?

While Congress is deliberating a $300 billion appropriation bill, a group of terrorist thugs in the Mideast has been holding some of our hostages for over 3 years, and we look like a bunch of Katzenjammer Cops trying to do something about it. We have failed so miserably that we have become a laughingstock.

Mr. Speaker, if Israel can go in and grab the key leaders, why can we not do that? The truth of the matter is that they are laughing at us. They think we are going to turn the other cheek every time to the point where we will have permanent military arthritis.

The point I am trying to make is that we have all heard about the $700 toilet seats, the $300 hammers, and $5,000 coffee pots, and everybody in the House laughs. But I just want to share just briefly with the Members a GAO report that was provided by the National Federation of Independent Business. On one military contract, the Pentagon purchased an Allen wrench—and I want to show it to the Members—that sells for 13 cents at your local hardware store, and they paid $9,606. Just remember that when we are cutting education money.

But that is not the whole ticket here. This 2-inch piece of copper wire that I am holding and that the Members cannot even see was officially called an antenna motor pin. It costs 1 cent in your hardware store. Do the Members know what the Pentagon paid for it? They paid $7,417. They purchased the nuts and a washer to go with the bolt that is 1-inch long. The bolt costs 14 cents, but the Pentagon paid $1,100 for it. But I think the key here today, Mr. Speaker, in that package there was a little screw—it is called by the Pentagon an external screw—that is about an inch long, and it looks like a long sheet metal screw. It sells for a penny in your hardware store. The Pentagon paid $1,000 for it. They call it an external screw; I say it is the taxpayers' screw of America.

Mr. Speaker, my voice is like hollering out in the wilderness. I do not see any amendments to cut this thing. I was going to offer an amendment today. The committee came out and cut it $1 billion. I am not going to have Congress stay here. I know that my amendment would be voted down.

But I will say this: The new chairman of that subcommittee of the Appropriations Committee, the gentleman from Pennsylvania [Mr. MURTHA], did take this bill and did make some cuts. He is from our region of the country, and this is his first year in the chairmanship of that subcommittee. He did a good job.

But, Mr. Speaker, I say Congress has got to stop funding this Pentagon waste. This is a turkey that should be shot down.

Mr. WHEAT. Mr. Speaker, I have no further requests for time.

Mrs. MARTIN of Illinois. Mr. Speaker, I yield back the balance of my time.

Mr. WHEAT. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1990

Mr. MURTHA. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3072) making appropriations for the Department of Defense for the fiscal year ending September 30, 1990, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Pennsylvania [Mr. MCDADE] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Chair designates the gentleman from Illinois [Mr. ROSTENKOWSKI] as Chairman of the Committee of the Whole and requests the gentleman from Georgia [Mr. BARNARD] to assume the chair temporarily.

□ 0947

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3072, with Mr. BARNARD (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

By unanimous consent, the bill was considered as having been read the first time.

The CHAIRMAN pro tempore. Under the unanimous consent agreement, the gentleman from Pennsylvania [Mr. MURTHA] will be recognized for 30 minutes and the gentleman from Pennsylvania [Mr. MCDADE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. MURTHA].

Mr. MURTHA. Mr. Chairman, I yield myself such time as I may assume.

Mr. Chairman, I bring before the House the Defense appropriations bill for fiscal year 1990.

This is the last of the appropriations bills for fiscal year 1990 to be considered by the House.

I wish to thank all subcommittee members for their assistance and support in the markup process, especially my good friend, JOE MCDADE.

The bill before you is a lean bill. The national debt has tripled since 1981 to over $2.8 trillion; and the trade deficit has increased from a deficit of $19.3 billion in 1980 to $120 billion in 1988.

This bill shows restraint while still providing funding for the important defense areas.

The bill before you provides the funding levels recommended by the administration and the House Armed Services authorization bill in the vast majority of the thousands of projects contained in the budget request but there are some differences.

This bill was amended in the full committee to reflect the changes to the major programs made on the Defense authorization bill last week by this House. The bill reduces the B–2 bomber, the MX missile, the Midgetman missile, and SDI by the same amounts reflected in the authorization action of last week. I don't agree with all these reductions but that was the will of the House. I would have to say that both the Defense authorization bill and this bill will go to conference and be further adjusted so these bills are by no means the finished product.

This is the fifth year in a row Defense funding will experience negative growth. Fiscal year 1986, 4 percent; fiscal year 1987, 3 percent; fiscal year 1988, 3 percent; fiscal year 1989, 1 percent; and fiscal year 1990, 1 percent.

The funds for procurement in fiscal year 1990 are below the levels provided in fiscal year 1982 when measured in constant dollars.

The bill before you recommends new obligational authority of $286.5 billion; and $1.8 billion below the budget request.

The bill is $1 billion below the 302 allocation for Defense in budget authority and contains an outlay limitation of $281.9 billion which is the 302 allocation.

We have tried to support the welfare of the troops in this bill.

The bill contains a $1 billion add-on for real property maintenance to keep barracks and base facilities in proper repair. Backlogs in this area exceed $6 billion.

The bill contains a $500 million add-on for depot maintenance to keep our weapons systems on line and operational. This improves safety for our troops and directly affects our readiness posture. Backlogs in this area exceed $1.5 billion.

The bill contains a $210 million add-on for Champus to help pay for the increased medical costs facing our service families.

A decade ago, the morale of our troops was low, only 68 percent of the recruits had a high school diploma in 1980, combat aircraft were stripped of spare parts, and flight training and steaming hours were well below levels considered adequate to maintain readiness and proper safety.

That situation has been turned around. Morale is high, 93 percent of the recruits are high school graduates, the supply of spare parts is basically adequate, flying hours and steaming hours are at high levels, and the readiness of all services has greatly improved.

Continued negative growth will reverse these positive trends. That is why we have provided additional funds in these important areas.

The bill recommends increased funding above the budget in cases where critical inventory shortfalls are present, where savings can result from economic buys, where buyouts of equipment are possible reducing outyear requirements for funding, and where readiness will be improved.

The bill adds $1 billion above the budget to buy fast sealift ships—four cargo ships and two tankers. Serious sealift shortages exist; 95 percent of combat equipment will require sealift. All the CINC's have emphasized the serious sealift shortfall.

The bill provides $1.4 billion above the budget for dedicated equipment for the National Guard and Reserves. To bring about the total force concept where the National Guard and Reserves are being assigned specific missions by the Active Forces, updated equipment is imperative.

Some of the other specific add-ons above the budget follow:

	Millions
Ammunition	+$350
Mobile subscriber equipment buyout	+215
P-14D aircraft buyout	+600
SSN-688 submarine buyout	+626
U.S. Enterprise refueling	+1,422
EA-6B aircraft buyout	+318

These actions will decrease unit costs, reduce inventory shortfalls, increase readiness, and reduce outyear costs by eliminating funding requirements.

I would refer the Members to pages 4 through 15 of the report for a summary of the committee's action.

The bill also provides $300 million for the Coast Guard, $83 million for the U.S. naval support force in the Antarctica, and $285 million for the national aerospace plane.

The bill also recommends significant reductions and terminations in programs that reflect policy change, contract savings, large unobligated balances available from past years, technical problems resulting in delays and improper management.

Some of these program reductions follow:

Troop reduction (15,000) (millions)	−$222
SDI (billions)	−1.7
Advanced tactical fighter (billions)	−1.1
Automatic data processing (millions)	−862
Milstar (millions)	−632
Intelligence and black program reductions (billions)	−2
C-17 aircraft (millions)	−422
Various RDT&E projects (millions)	−600

Outyear savings or reduced requirements resulting from the recommended terminations, reductions, and changes would approach $20 billion.

The Secretary of Defense proposed terminating seven major programs. The committee disagreed with him on terminating three of those programs as follows:

First, the Osprey—funds have been restored by House and Senate in the authorization process.

Second, Phoenix air-to-air missile—the committee disagreed with the proposal to terminate this program since according to testimony before the committee, termination would leave this program 50 percent short of its inventory objective.

Third, F-15E tactical fighter—if terminated as proposed, it would leave no warm production line for a two-engine fighter for at least 5 years.

The committee basically agreed with the proposal to terminate four major programs but included funds for economic buyouts of the programs. This approach provides equipment to troops and minimizes termination costs.

First, Apache helicopter—the bill supports the budget request.

Second, F-14D Navy fighter—the bill supports termination but included funds to buy out the line through the purchase of 24 F-14's.

Third, SSN-688 submarine—the bill supports termination but included funds to buy out the line; $135 million had been spent in previous years toward procurement of the final SSN-688, so the recommendation is cost effective.

Fourth, AHIP helicopter—the committee agrees the Army needs to equip critical scout and attack units for the light forces. The Army has a firm requirement for at least 275 aircraft but has only funded to date for 207.

Also, the bill terminates numerous classified programs and programs in research and development which had been requested in the budget.

Thus the bill's recommendation:

First, provides new equipment to the troops at economic costs while simultaneously minimizing termination costs in various programs and keeping warm production lines open;

Second, continues programs which, from the committee's perspective, are vital and deserve continued funding; and

Third, addresses the long-term funding problem by terminating numerous classified programs and programs in research and development.

The bill recommends $79.1 billion for military personnel, or $601 million above last year's level. These funds provide for 2,105,095 active duty military personnel and 1,180,047 selected Reserve personnel. This recommendation includes the proposal to reduce troop strengths by a total of 16,400.

The bill recommends $89.6 billion for operation and maintenance which is $4.3 billion above the level of funding provided in fiscal year 1989. The O&M accounts provide funds for the maintenance of equipment and facilities, fuel, supplies, and repair parts for weapons and equipment. These accounts along with military personnel provide the readiness needed to properly man and maintain the new weapons systems that are coming on line. If we short change these accounts, we will not adequately man the tanks, planes, and ships and the proper maintenance will not be conducted. If we reduce these accounts too much, we should also stop buying the additional equipment because it makes no sense to put new equipment in the field if it cannot be operated in the proper fashion.

Unfortunately, these accounts have the biggest impact on outlays in the first year and they become a prime target when outlay reductions are needed. We have funded these accounts at the full authorized levels and have even added funds above the budget and authorization to cover dollar shortfalls in critical areas as previously mentioned.

The bill provides the funding levels needed to finance a 3.6-percent military pay raise and a 2-percent civilian pay raise. I realize several different proposals for pay are being considered such as 3.6 percent for both military and civilians but until these issues are settled in conference I would hope we could let this bill stand as it is and we can finalize our funding levels in conference.

The bill recommends $80.5 billion in obligational authority for procurement, an increase of $1.2 billion above last year's level. The procurement accounts have been receiving the largest increases over the past five or six years.

The bill recommends $35.6 billion in obligational authority for research, development, test and evaluation which is $2.1 billion below the fiscal year 1989 level. If we are to ever get a handle on the ever increasing outyear costs of weapons, this is where uneco-

nomic or troubled projects must be stopped.

These totals also include about $20 billion for the National Guard and Reserve forces which includes add-ons above the budget request for equipment.

I would like to be able to include additional funds for Defense programs but the budget situation does not allow me to do so. I realize that the bill is not going to please everyone but I urge your support.

Mr. Chairman, I yield such time as he may consume to the gentleman from Mississippi [Mr. WHITTEN].

□ 0950

Mr. WHITTEN. Mr. Chairman, this is a proud day for the House and for me, as chairman of the Committee on Appropriations. With the assistance and support of the leadership, this is the seventh bill before the House this week, and the last of the 13 regular appropriations bills for fiscal year 1990—and, Mr. Chairman, we are within the budget resolution.

I want to thank all Members of the committee for their efforts and to thank the Members of the House for their support. I especially want to thank the ranking Republican, SILVIO CONTE, for his support and cooperation all year.

LONG ASSOCIATION WITH DEFENSE

Mr. Chairman, I am a longtime member of this subcommittee. I served first on the Naval Appropriations Subcommittee, and then on the Air Force and Defense, including Military Construction, Subcommittees with the exception of about 2 years after World War II when Chairman Cannon asked me to serve on a Subcommittee on Government Corporations. After about 2 years Chairman Cannon asked me to go back on the Defense Subcommittee.

For years I was on the Intelligence Subcommittee, when we did not publicize our actions, and was the author of the provision which caused a private record to be kept. When the present Intelligence Committee was established, I do not think the then Speaker knew we had an Intelligence Committee.

I have been a regular visitor with our President on military matters from President Roosevelt to President Bush—10 Presidents in all.

During World War II, as a member of the Naval Subcommittee, I visited virtually all areas of the war—Europe, China, and the Philippines. I was in Frankfurt, Germany, when our troops were to have gone into Berlin, and we let Russia talk us into letting them go in first.

INVESTIGATIONS OF MILITARY ACTIVITY

I have authorized a number of investigations of military procurement including Operation "Smoke Out" in the early 1950's which disclosed over $11 million in dormant accounts which were recovered.

In 1956, with members of the staff, we visited Russia, rode the trains, drove the highways, and rode the airlines. My report was reprinted twice by our military.

HIGHLY QUALIFIED SUBCOMMITTEE CHAIRMAN

All this Mr. Speaker leads up to the fact that I believe today we have a fine subcommittee and well informed chairman, in JACK MURTHA of Pennsylvania. He has a great record as a marine, as a worker who also serves on the Interior Subcommittee, and lives in an area that is not dominated by military bases. A supporter of the regular services, he is also for a strong Guard and Reserve. He has visited practically every hot spot that has developed during the time he has been on this subcommittee not once but many times.

In recent years he and I with several other members of the subcommittee have inspected our Pacific operations, our Atlantic operations, and our Central American operations where we have been briefed by our top generals and admirals on the problems as they see them. He has a special concern for the service families and the matters that are important to their welfare and morale.

He is supported by a fine ranking Republican member, JOE MCDADE, and all the other members of the subcommittee.

NEED FOR PRODUCTIVE JOBS

Now when we face a period of pulling in our military commitments, giving due regard to the shock to many, many people in the services and out of cutbacks, I do not believe we could find a better qualified person to guide, as well as to protect our domestic economy, finds ways to keep our economy going and to maintain a strong national defense than JACK MURTHA—who understands that you must have a strong domestic economy and the support of the people if you are to have a strong military defense.

To prepare for this change, I introduced H.R. 3029, along with Chairman MURTHA, to restore the jobs bill which worked so well in 1983 to be ready to meet the changed conditions at home and around the world. We should realize that we must have productive jobs to absorb those who will need jobs. When I say "jobs," I mean "productive" jobs. We must be prepared.

Some time ago we introduced H.R. 2540 which would restore revenue sharing which had a great record, for 14 years, assisting in the growth and well-being of over 39,000 communities counties, and cities of the Nation.

The need for restoration of these programs, for the benefit of our Nation's wealth exists now and could well be required for those displaced by reason of limits placed on our military commitment, and the reduction in military contracts.

If so, we have the bills introduced and ready.

Mr. McDADE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the bill.

I would first like to acknowledge, and congratulate, the gentleman from Pennsylvania for the job he has done on this, his maiden bill as chairman of the Defense Subcommittee, Mr. Chairman, I speak for all the members of the subcommittee in thanking you for the absolutely outstanding job you've done this year, for the fair and even-handed way you have conducted all our activities, and your decisive and skillful management of this bill.

I also want to commend all members of the subcommittee, particularly the membership on this side for their contributions—my good friends BILL YOUNG, CLARENCE MILLER, and BOB LIVINGSTON—and of course our tremendous staff, for all their hard work, which we have needed more than ever in trying to write this bill at a difficult time.

Mr. Chairman, it is obvious—and last week's debate on the Armed Services bill bears this out—that there are serious questions and differences regarding our Nation's defense policy and spending priorities, almost across the board.

We can argue over programs—what deserves to be funded and what does not; we can differ over priorities—personnel versus procurement, or readiness versus research—but one fact is clear about defense and I know of no one who will dispute it:

The consensus for increased defense spending is gone we don't see increases in the future either, and as a result defense faces a lot of tough, wrenching choices ahead.

Each and every member of this committee knows this, especially those of us on this subcommittee who have wrestled with these choices for years.

I would remind all of you that this is the fifth straight year that defense appropriations will lose ground, in terms of inflation. This fact, and the prospect of more reductions ahead, have placed a special burden on the committee this year.

Behind the leadership of Chairman MURTHA, the Defense Subcommittee has responded, by bringing to the House a bill which recommends some tough medicine.

Mr. Chairman, this is not a business-as-usual bill. Far from it. There are a lot of tough, hardnosed, recommendations before you today.

If there's an area or program that's in trouble—be it through mismanagement or technical delays or cost overruns—we cut it. And where we believe there are economies to be gained, or

military value—if we could find the money, we put it there.

There is tough medicine in this bill, Mr. Chairman; but I want to remind the House that our subcommittee, the Defense Subcommittee, is about as diverse a committee as there is in the Congress. Liberal to conservative, we have the entire spectrum.

Nevertheless—this "not a business as usual bill" was supported unanimously by the subcommittee, when reported, and it was passed without controversy earlier this week by the full committee.

Why? I think because this bill reflects a judgment that we no longer have the luxury of hoping that troubled programs will come around. Not in today's fiscal climate. There are other areas which merit and need support. So we looked not only to make hard cuts but to put money into those less glamorous areas which provide the backbone of a strong defense.

Even though the chairman has covered some of these already, let me highlight a few areas which we really scrubbed.

For instance, troop levels. We did not shy away from making reductions against troop strength. In the outyears, there will simply have to be reductions in personnel, as the Pentagon struggles with tight dollars.

Our subcommittee faced up to this, and decided to bite the bullet this year, with a recommended troop strength cut of over 15,000, cutting those positions which were associated with the INF weapons in Europe.

Not a pleasant decision, nor an easy one. But my colleagues, by eliminating these positions we propose a move which will, over the next 5 years. lead to over $2 billion in savings.

Defense Department civilian manning was given the same hard look. The bill recommends cuts equivalent to 10,000 civilian work-year slots.

Many other hard cuts—nearly $1 billion from DOD automation and computer programs [ADP], on the basis of documented overruns, mismanagement, and unjustified requirements. After considerable review, we have recommended sizable reductions against many other programs. Throughout the bill, Mr. Chairman, following thoughtful consideration we have recommended these and many similar types of budget cuts, and they are significant.

At the same time, though, we have worked to ensure that those areas which need funding—in fact, require more money than requested—are adequately resourced. Take a long-time concern of the Congress and this committee in particular people and readiness.

There's a consensus on both sides of the Capitol and both sides of the aisle that we can ill-afford to lose the highly trained, qualified and motivated force that we have put in place over the past decade.

So this bill emphasizes a quality force.

There is a 3.6-percent pay raise for both military and civilian defense personnel.

There is over $13 billion in the bill for medical care for service members and their dependents, including a $260 million add over the budget.

And we added $118 million over the budget to help the services retain their trained pilots.

What about readiness? Again, an area that none of us want to see any slippage in, a key pillar of our defense effort that the committee has always strongly supported.

This bill recommends an increase of $4.25 billion in the operations and maintenance accounts from last year's levels.

We have added $1.5 billion over the budget for real property and depot maintenance.

In another key readiness area, to keep up training and war reserve stocks we add $365 million to the ammunition accounts for the Army and Marines, bringing these accounts back from budgeted levels which were the lowest in a decade.

And responding to testimony from the CINC's, we have added $755 million over the budget for so-called preferred munitions, such as the MLRS rocket system, the Stinger surface-to-air missile, and the Hellfire antitank missile. Three-quarters of a billion dollars to keep the bins full, to produce those items which are the CINCs' No. 1 readiness priority at steady, economic rates, so to avoid a return to the days of the hollow army.

Finally, to tackle head on one of our most glaring readiness shortfalls—where there is unanimous opinion of the need and the potential adverse affects to the Nation—the committee has added $1 billion for new sealift vessels.

As a rule, Mr. Chairman, we have emphasized funding to keep major programs at economic rates of production, minimizing unit costs and program turbulence. And mindful of the even tougher budget years ahead, when possible we "buy out" requirements this year.

For example, we fully fund the overhaul of the U.S.S. *Enterprise*, providing the entire $1.4 billion required upfront, this year, so the Navy can proceed with a more measured and economic process for refitting this carrier—also reducing outyear budget requirements by $1.2 billion.

In summary, the subcommittee reported, without dissent, challenging, lean, tough bill: A lot of cuts, where we saw excess or trouble; adds to preserve key military capability; and good economics and budgeting.

The bill before you makes a strong statement and, in my view, is a basis upon which we try to bring the Pentagon's budget in line with the hard budget realities this Congress and the Nation must confront in the years ahead.

But, I'm constrained to observe that "A funny thing happened on the way to the floor." Last week as we all know the House took up the defense authorization—and in the end produced a bill which has generated both consternation and confusion about one Nation's strategic posture and arms control policies.

In order to respect the will of the House, we have adjusted our bill to those decisions. The House has spoken, and there is nothing to be gained by reopening these questions here today.

Nevertheless, by any standard the decisions reached last week—the cuts levied against the B–2, the deep reductions in SDI taking the program back to less than the 1987 level—and the decisions made on land-based ICBM's have left this Nation's strategic modernization policy in what some have described as a shambles.

For example, I cannot imagine how can we move to an arms control regime which emphasizes less vulnerable, more stabilizing mobile land-based missiles, by continuing to take the MX and Midgetman as hostages in our political debates.

And I fail to understand how our negotiators can proceed toward any START arms reduction treaty—a treaty which could lead to a 50-percent reduction in the ballistic missile forces of the superpowers—when our Nation remains divided over these questions and our future force structure is uncertain and unclear.

I would hope that very soon we can achieve a unified position for the Nation—whereby the Congress can join with the President and move forward in a constructive, unified manner.

But, here we are today, working under the cloud of these decisions, and faced with the need to move forward. So I urge my colleagues on this side to support our work product in order to move the process forward.

I would hope that as in years past, these differences can be worked in the authorizing bill and then our conference. But I would remind you that we have been this way before, Mr. Chairman; and nearly 1 year ago to this day we saw a veto of the defense authorization bill.

I hope we do not have to repeat that experience, but I want to make clear my position that in the event the authorization conference or our conference report carries recommendations on strategic programs along the lines of those in the bill here today, I will

oppose that legislation and recommend and support a veto by President Bush.

But today, recognizing that there is a long way to go in the process, I commend this bill to the Members and urge its adoption.

Mr. YOUNG of Florida. Mr. Chairman, I rise in support of this Defense appropriation bill and encourage my colleagues to support it also—not because it provides for as strong a defense as this Member would like because it does not, but because it is the very best bill we could come up with under the constrained circumstances we faced.

We face increasingly tough decisions as the resources allocated to defense get fewer and fewer. The job is particularly tough when the people that pull these arbitrary figures out of the air do so without regard to the military threat we face as a nation, without regard for our ability to meet that threat, and without regard for what that threat will be in the future.

For the fifth year in a row we are forced to present to you a Defense appropriations bill that has a negative real growth, but I have to tell you that given the constraints we have—this is an extraodinarily strong defense bill.

And the main reason it is as strong as it is, is because of the excellent leadership from our Chairman, JACK MURTHA, and our ranking Republican, JOE MCDADE. JACK MURTHA is thorough, he is tough on witnesses when he needs to be, and he encourages all the members of our subcommittee to actively participate. JOE MCDADE is as ideal a ranking minority member as you could possibly ask for. He knows as much about Defense programs as anyone in the Congress, and he protects the interests of our minority members in a way that allows all of us on the committee—Republicans and Democrats—and each of us with our wide philosophical differences to come together and present you with a bill as balanced as you will find this year.

This product differs in some respects with what the Department wants. Those respects are important and necessary.

In the important readiness accounts like ammunition we have increased the amounts requested to avoid having a hollow force which is well trained but wouldn't have the ammo it needed to go to war.

We've spent billions developing good aircraft programs the Department wants to terminate, programs like the V-22, AHIP, and the F-15. We've proposed continuing them to maximize our investment.

And we've spent up to $6 million to train a pilot to fly in a $30 million aircraft, only to lose him to the commercial airlines because we haven't adjusted his flight pay to keep up with inflation in the last 8 years. This bill corrects that.

In order to get the most for our dollar, we've proposed buying out a number of systems, like the F-14D, the SSN-688 submarine, and the EA-6B.

In cases where the Active Force had a mission which was more suited to the Guard and Reserve, we gave them the responsibility like the weather reconnaissance mission and the SR-71.

We also reduced some programs which I support, mostly due to authorization recommendations which I hope we can fix later in the process, but in some cases we have some concerns about the way the programs are developing. Quite wisely, we want to be sure they are structured properly before we proceed and we want to make absolutely sure we are going down the right path.

Mr. Chairman, this is not a perfect bill. But for the scarce dollars we are being allowed to allocate you are going to get a lot more for the national security of this Nation than the total dollars would lead you to believe.

But I want to warn my colleagues that we are going down a dangerous path by pulling political numbers out of the air without any consideration of the threat to our national security. And unless we pause at some point and reexamine that strategy we are doing a great disservice to the American people.

Mr. MURTHA. Mr. Chairman, I move that the Committee do now rise temporarily.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. DARDEN] having assumed the chair, Mr. BARNARD, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3072) making appropriations for the Department of Defense for the fiscal year ending September 30, 1990, and for other purposes, had come to no resolution thereon.

WAIVING POINTS OF ORDER AGAINST CONSIDERATION OF CONFERENCE REPORT ON H.R. 1278, FINANCIAL INSTITUTIONS REFORM, RECOVERY AND ENFORCEMENT ACT OF 1989

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that, when the conference report to accompany the bill (H.R. 1278) to reform, recapitalize, and consolidate the Federal deposit insurance system, to enhance the regulatory and enforcement powers of Federal financial institutions regulatory agencies, and for other purposes, is called up pursuant to the previous order of the House of August 3, 1989, all points of order against the conference report and against its consideration be waived, and that the conference report be considered as read when called up.

The SPEAKER pro tempore (Mr. DARDEN). Is there objection to the request of the gentleman from Texas?

There was no objection.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1990

Mr. MURTHA. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3072) making appropriations for the Department of Defense for the fiscal year ending September 30, 1990, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

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IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3072, with Mr. ROSTENKOWSKI in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, 52 minutes remained in general debate.

The gentleman from Pennsylvania, [Mr. MURTHA] has 25 minutes remaining and the gentleman from Pennsylvania [Mr. MCDADE] has 27 remaining.

The Chair recognizes the gentleman from Pennsylvania [Mr. MURTHA].

Mr. FAZIO. Mr. Chairman, I rise today in support of the Defense appropriations bill for fiscal year 1990 (H.R. 3072). The chairman, Mr. MURTHA, the ranking minority member, Mr. MCDADE, and their staff have worked exceptionally hard to craft this bill. I would like to commend them for their efforts.

H.R. 3072 appropriates $286.4 billion in fiscal year 1990 for the Department of Defense and related activities. This year's figure request for defense represents a small percentage of the gross national product than has been the case in 34 of the last 40 years.

While H.R. 3072 cuts a number of programs, it has added $1 billion over the budget request for real property maintenance to maintain the barracks and base facilities in proper repair and $210 million to the CHAMPUS program to help pay for the increased medical costs facing our service families. This bill also added $513.7 million for depot maintenance to keep our weapons systems on line and operational.

In addition, Mr. Chairman, I would like to thank the chairman of the subcommittee, Mr. MURTHA, and his staff for their support and assistance with the provision in the bill relating to the cleanup of Hamilton Air Force Base. This portion of the bill reflects several years of effort to equitably resolve a dispute between Department of Defense, the General Services Administration, and the successful bidder for a parcel of land on Hamilton Air Force Base in California, which was subsequently found to be contaminated.

The provision of the bill relating to Hamilton simply calls for the expenditure of $14.7 million to implement the cleanup of uncontrolled hazardous waste of Hamilton Air Force Base and sets out the key provisions of the proposed agreement between the DOD, GSA and the purchaser.

Mr. Chairman, as the report to accompany the bill states, it is not the intent of the committee or Congress to encourage the Defense

Department to proceed with cleanups of hazardous waste out of priority nor to be funded outside of the Defense Environmental Restoration Account. But this provision reflects the fact that Hamilton represents a singular and extraordinary case in which the General Services Administration contracted to sell contaminated Air Force land to a private company. There are no other cases like it in the nation.

Mr. Chairman, this bill not only meets the needs of our Nation's defense, it is also fiscally responsible. I urge my colleagues to support the bill.

Thank you.

Mr. HILER. Mr. Chairman, the High Mobility Multipurpose Wheeled Vehicle, better known as the HMMWV, is a key element of the conventional force structure of the Armed Forces of the United States. It is one of the most successful vehicle program ever undertaken by the U.S. Army. The vehicle manufacture was the first to be certified in the Contractor Performance Certification Program by the Army's Tank/Automotive Command—which is testimony to the superior workmanship of the employees at AM General's Mishawaka plant.

The Army has a number of important uses for the HMMWV but is currently short over 40,000 vehicles. The fiscal year 1990 Defense appropriations bill, as reported out by the House Appropriations Committee, will reduce the President's budget request of $222.5 million for the HMMWV by $46.7 million. The resulting $175.8 million is not sufficient to cover deliveries to our Armed Forces of the number of vehicles negotiated under the new multiyear contract. If the situation is not remedied the negotiations between the U.S. Army and the contractor will have to be reopened. Renegotiation would cause not only a gap in the delivery of these vitally needed vehicles but also an increase in the per-unit cost.

As the Armed Forces of the United States are being called upon to expand their conventional capabilities, to be able to react to emergencies in all areas of the globe, they will need to be light and mobile. It is equipment such as the HMMWV that our forces will need more, not less of.

I share the committee's objective to achieve the most efficient and economical arrangement possible. I am concerned, however, that this reduction may be contrary to what the committee intended.

I will be working closely with this committee and with the Senate in the next few weeks to ensure that full funding is restored in order for the Army to effectively execute this valuable program.

Mr. DYSON. Mr. Chairman, I wish to thank the committee and its staff for presenting the House with an appropriations bill that required a great deal of careful consideration due to the decline in defense spending. However, despite the fiscal constraints imposed, the committee has preserved a number of programs that are essential to our Nation's defense. One of these is the continued production of the F-14D. This aircraft will help to ensure that our Navy maintains its military superiority as it travels the troubled waters of the world.

I also want to express my appreciation to the committee for their help in restoring the environment of the former Bainbridge Naval Training Center. This project is very important to the residents of Cecil County and to the State of Maryland. And again, I thank the distinguished chairman and the committee for their help in resolving this problem.

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Mr. McDADE. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. MURTHA. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 3072

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1990, for military functions administered by the Department of Defense, and for other purposes, namely:

TITLE I

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; $24,610,000,000.

MILITARY PERSONNEL, NAVY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Navy on active duty (except members of the Reserve provided for elsewhere), midshipmen, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; $19,363,300,000.

MILITARY PERSONNEL, MARINE CORPS

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Marine Corps on active duty (except members of the Reserve provided for elsewhere); and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; $5,813,800,000.

MILITARY PERSONNEL, AIR FORCE

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Air Force on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; $20,155,800,000.

RESERVE PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army Reserve on active duty under sections 265, 3021, and 3038 of title 10, United States Code, or while serving on active duty under section 672(d) of title 10, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; and for payments to the Department of Defense Military Retirement Fund; $2,265,700,000.

RESERVE PERSONNEL, NAVY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Navy Reserve on active duty under section 265 of title 10, United States Code, or while serving on active duty under section 672(d) of title 10, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; and for payments to the Department of Defense Military Retirement Fund; $1,591,800,000.

RESERVE PERSONNEL, MARINE CORPS

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Marine Corps Reserve on active duty under section 265 of title 10, United States Code, or while serving on active duty under section 672(d) of title 10, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Marine Corps platoon leaders class, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; and for payments to the Department of Defense Military Retirement Fund; $319,200,000.

RESERVE PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air Force Reserve on active duty under sections 265, 8021, and 8038 of title 10, United States Code, or while serving on active duty under section 672(d) of title 10, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Air Reserve Officers' Training Corps, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; and for

payments to the Department of Defense Military Retirement Fund; $674,400,000.

NATIONAL GUARD PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army National Guard while on duty under section 265, 3021, or 3496 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 672(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; and for payments to the Department of Defense Military Retirement Fund; $3,252,200,000.

NATIONAL GUARD PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air National Guard on duty under section 265, 8021, or 8496 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 672(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty, or other duty, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; and for payments to the Department of Defense Military Retirement Fund; $1,044,800,000.

Mr. MURTHA (during the reading). Mr. Chairman, I ask unanimous consent that title I of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there any points of order against title I?

Are there any amendments to title I?

If not, the Clerk will read.

The Clerk read as follows:

TITLE II

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, as authorized by law; and not to exceed $18,487,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes; $23,603,843,000: *Provided*, That of the funds appropriated in this paragraph, $181,093,000 shall not be obligated or expended until authorized by law: *Provided further*, That $100,000,000 for Management Headquarters shall not be obligated or expended until the Secretary of the Army submits to the Committees on Appropriations a plan providing the Chief of Army Reserve command and control authority over the Army Reserve forces: *Provided further*, That of the funds appropriated herein, $3,500,000 shall be available for a grant to the Monterey Institute of International Studies.

OPERATION AND MAINTENANCE, NAVY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Navy and the Marine Corps, as authorized by law; and not to exceed $4,277,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Navy, and payments may be made on his certificate of necessity for confidential military purposes; $25,748,601,000: *Provided*, That of the funds appropriated in this paragraph, $1,252,081,000 shall not be obligated or expended until authorized by law: *Provided further*, That from the amounts of this appropriation for the alteration, overhaul and repair of naval vessels and aircraft, funds shall be available to acquire the alteration, overhaul and repair by competition between public and private shipyards, Naval Aviation Depots and private companies. The Navy shall certify that successful bids include comparable estimates of all direct and indirect costs for both public and private shipyards, Naval Aviation Depots, and private companies. Competitions shall not be subject to section 502 of the Department of Defense Authorization Act, 1981, as amended, section 307 of the Department of Defense Authorization Act, 1985, or Office of Management and Budget Circular A-76. Naval Aviation Depots may perform manufacturing in order to compete for production contracts: *Provided further*, That funds appropriated or made available in this Act shall be obligated and expended to restore and maintain the facilities, activities and personnel levels, including specifically the medical facilities, activities and personnel levels, at the Memphis Naval Complex, Millington, Tennessee, to the fiscal year 1984 levels: *Provided further*, That the Navy shall make an additional amount of $82,900,000 available to the U.S. Naval Support Force Antarctica.

OPERATION AND MAINTENANCE, MARINE CORPS

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Marine Corps, as authorized by law; $1,855,300,000: *Provided*, That of the funds appropriated in this paragraph, $151,800,000 shall not be obligated or expended until authorized by law.

OPERATION AND MAINTENANCE, AIR FORCE

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Air Force, as authorized by law; and not to exceed $8,053,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes; $22,708,743,000: *Provided*, That of the funds appropriated in this paragraph, $340,403,000 shall not be obligated or expended until authorized by law: *Provided further*, That of the amount appropriated, $100,000,000 shall be transferred to Operation and Maintenance, Air National Guard, for SR-71 operations: *Provided further*, That of the amount appropriated, $10,000,000 shall be transferred to Operation and Maintenance, Air Force Reserve, for the WC-130 Weather Reconnaissance Mission.

OPERATION AND MAINTENANCE, DEFENSE AGENCIES

For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments), as authorized by law; $7,829,137,000, of which not to exceed $10,642,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes.

OPERATION AND MAINTENANCE, ARMY RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Army Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $863,100,000: *Provided*, That of the funds appropriated in this paragraph, $100,000 shall not be obligated or expended until authorized by law.

OPERATION AND MAINTENANCE, NAVY RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Navy Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $1,002,400,000: *Provided*, That of the funds appropriated in this paragraph, $85,200,000 shall not be obligated or expended until authorized by law.

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Marine Corps Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $77,400,000.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Air Force Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $1,010,487,000: *Provided*, That of the funds appropriated in this paragraph, $26,100,000 shall not be obligated or expended until authorized by law.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For expenses of training, organizing, and administering the Army National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, and repairs to structures and facilities; hire of passenger motor vehicles; personnel services in the National Guard Bureau; travel expenses (other than mileage), as authorized by law for Army personnel on active duty, for Army National Guard division, regimental, and battalion commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; supplying and equipping the Army National Guard as authorized by law; and expenses of repair, modification, mainte-

nance, and issue of supplies and equipment (including aircraft); $1,867,100,000.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

For operation and maintenance of the Air National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, repair, and other necessary expenses of facilities for the training and administration of the Air National Guard, including repair of facilities, maintenance, operation, and modification of aircraft; transportation of things; hire of passenger motor vehicles; supplies, materials, and equipment, as authorized by law for the Air National Guard; and expenses incident to the maintenance and use of supplies, materials, and equipment, including such as may be furnished from stocks under the control of agencies of the Department of Defense; travel expenses (other than mileage) on the same basis as authorized by law for Air National Guard personnel on active Federal duty, for Air National Guard commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; $2,054,093,000: *Provided*, That of the funds appropriated in this paragraph, $54,300,000 shall not be obligated or expended until authorized by law.

NATIONAL BOARD FOR THE PROMOTION OF RIFLE PRACTICE, ARMY

For the necessary expenses and personnel services (other than pay and non-travel related allowances of members of the Armed Forces of the United States, except for members of the Reserve components thereof called or ordered to active duty to provide support for the national matches) in accordance with law, for construction, equipment, and maintenance of rifle ranges; the instruction of citizens in marksmanship; the promotion of rifle practice; the conduct of the national matches; the issuance of ammunition under the authority of title 10, United States Code, sections 4308 and 4311; the travel of rifle teams, military personnel, and individuals attending regional, national, and international competitions; and the payment to competitors at national matches under section 4312 of title 10, United States Code, of subsistence and travel allowances under section 4313 of title 10, United States Code; not to exceed $4,700,000, of which not to exceed $7,500 shall be available for incidental expenses of the National Board: *Provided*, That of the funds appropriated in this paragraph, $730,000 shall not be obligated or expended until authorized by law.

COURT OF MILITARY APPEALS, DEFENSE

For salaries and expenses necessary for the United States Court of Military Appeals; $3,800,000, and not to exceed $1,500 can be used for official representation purposes.

ENVIRONMENTAL RESTORATION, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For the Department of Defense; $900,800,000, to remain available until transferred: *Provided*, That of the funds appropriated and made available in this paragraph, $300,000,000 shall not become available for obligation before September 1, 1990, and pursuant to section 202(b) of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987, this action is a necessary (but secondary) result of a significant policy change: *Provided further*, That of the funds appropriated in this paragraph $300,000,000 shall not be obligated or expended until authorized by law: *Provided further*, That the Secretary of Defense shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, research and development associated with hazardous wastes and removal of unsafe buildings and debris of the Department of Defense, or for similar purposes (including programs and operations at sites formerly used by the Department of Defense), transfer the funds made available by this appropriation to other appropriations made available to the Department of Defense as the Secretary may designate, to be merged with and to be available for the same purposes and for the same time period as the appropriations of funds to which transferred: *Provided further*, That upon a determination that all or part of the funds transferred pursuant to this provision are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

GOODWILL GAMES

For logistical support and personnel services including initial planning for security needs (other than pay and non-travel related allowances of members of the Armed Forces of the United States, except for members of the Reserve components thereof called or ordered to active duty to provide support for the Goodwill Games) provided by any component of the Department of Defense to the Goodwill Games; $14,600,000, to remain available for obligation until March 31, 1991.

HUMANITARIAN ASSISTANCE

For transportation for humanitarian relief for refugees of Afghanistan, acquisition and shipment of transportation assets to assist in the distribution of such relief, and for transportation and distribution of humanitarian and excess nonlethal supplies for worldwide humanitarian relief, as authorized by law; $13,000,000, to remain available for obligation until September 30, 1991: *Provided*, That the Department of Defense shall notify the Committees on Appropriations and Armed Services of the Senate and House of Representatives 21 days prior to the shipment of humanitarian relief which is intended to be transported and distributed to countries not previously authorized by Congress.

Mr. MURTHA (during the reading). Mr. Chairman, I ask unanimous consent that title II of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there any points of order against title II?

Are there any amendments to title II?

The Clerk will read.

The Clerk read as follows:

TITLE III

PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $3,081,798,000, to remain available for obligation until September 30, 1992: *Provided*, That $15,500,000 shall be available only for procurement of a combat mission simulator for the AH-64 Apache aircraft.

MISSILE PROCUREMENT, ARMY

For construction, procurement, production, modification, and modernization of missiles, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $2,942,399,000, to remain available for obligation until September 30, 1992: *Provided*, That of the funds appropriated in this paragraph, $239,799,000 shall not be obligated or expended until authorized by law: *Provided further*, That none of the funds appropriated by this Act may be used to initiate, support or develop a second source for TOW 2 missiles for Department of Defense total annual buys less than 12,000 missiles.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

For construction, procurement, production, and modification of weapons and tracked combat vehicles, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $2,692,438,000, to remain available for obligation until September 30, 1992: *Provided*, That the Secretary of the Army shall complete the technical and operational testing of the Improved Recovery Vehicle: *Provided further*, That none of the funds available to the Department of the Army may be used for the procurement of AN/VIC-1 vehicle intercommunications systems, or for the installation of AN/VIC-1 systems into new production Army vehicles.

PROCUREMENT OF AMMUNITION, ARMY

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized in military construction authorization Acts or authorized by section 2854, title 10, United States Code, and the land necessary therefor, for the foregoing

purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $2,021,317,000, to remain available for obligation until September 30, 1992: *Provided*, That of the funds appropriated in this paragraph, $333,517,000 shall not be obligated or expended until authorized by law.

OTHER PROCUREMENT, ARMY

For construction, procurement, production, and modification of vehicles, including tactical, support, and nontracked combat vehicles; the purchase of not to exceed 168 passenger motor vehicles, of which 55 shall be for replacement only; communications and electronic equipment; other support equipment; spare parts, ordnance, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $3,896,365,000, to remain available for obligation until September 30, 1992.

AIRCRAFT PROCUREMENT, NAVY

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; $9,164,718,000, to remain available for obligation until September 30, 1992: *Provided*, That of the funds appropriated in this paragraph, $498,916,000 shall not be obligated or expended until authorized by law.

WEAPONS PROCUREMENT, NAVY

For construction, procurement, production, modification, and modernization of missiles, torpedoes, other weapons, and related support equipment including spare parts, and accessories therefor; expansion of public and private plants, including the land necessary therefor, and such lands and interest therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway, as follows:

Ballistic Missile Programs, $1,818,165,000;
Other Missile Programs, $2,842,202,000;
Mark-48 ADCAP Torpedo, $493,642,000;
Mark-50 Torpedo, $271,130,000;
Sea Lance, $1,799,000;
ASW Targets, $12,983,000;
ASROC, $9,282,000;
Modification of Torpedoes, $9,653,000;
Torpedo Support Programs, $39,002,000;
ASW Range Support, $24,205,000;
Other Weapons, $184,361,000;
Spares and Repair Parts, $110,455,000;

In all: $5,816,879,000, to remain available for obligation until September 30, 1992: *Provided*, That of the funds appropriated in this paragraph, $246,379,000 shall not be obligated or expended until authorized by law.

SHIPBUILDING AND CONVERSION, NAVY

For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament thereof, plant equipment, appliances, and machine tools and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; procurement of critical, long leadtime components and designs for vessels to be constructed or converted in the future; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title, as follows:

TRIDENT ballistic missile submarine program, $1,277,800,000;
SSN-688 attack submarine program, $1,432,300,000;
SSN-21 attack submarine program, $614,800,000;
Aircraft carrier service life extension program, $651,200,000;
ENTERPRISE refueling/modernization program, $1,422,100,000;
DDG-51 destroyer program, $3,533,700,000;
LHD-1 amphibious assault ship program, $35,000,000;
LSD-41 dock landing ship cargo variant program, $229,300,000;
MCM mine countermeasures program, $341,500,000;
MHC coastal mine hunter program, $282,000,000: *Provided*, That the Navy shall compete the program between two sources;
AO conversion program, $35,700,000;
T-AGOS surveillance ship program, $155,800,000;
AOE combat support ship program, $356,400,000;
LCAC landing craft air cushion program, $273,300,000;
Oceanographic ship program, $278,100,000;
Moored training ship demonstration program, $220,000,000;
Sealift ship program, $1,000,000,000;
For craft, outfitting, and post delivery, $320,200,000;

In all: $12,459,200,000, to remain available for obligation until September 30, 1994: *Provided*, That additional obligations may be incurred after September 30, 1994, for engineering services, tests, evaluations, and other such budgeted work that must be performed in the final stage of ship construction: *Provided further*, That none of the funds herein provided for the construction or conversion of any naval vessel to be constructed in shipyards in the United States shall be expended in foreign shipyards for the construction of major components of the hull or superstructure of such vessel: *Provided further*, That none of the funds herein provided shall be used for the construction of any naval vessel in foreign shipyards: *Provided further*, That of the funds appropriated in this paragraph, $2,533,894,000 shall not be obligated or expended until authorized by law.

OTHER PROCUREMENT, NAVY

For procurement, production, and modernization of support equipment and materials not otherwise provided for, Navy ordnance and ammunition (except ordnance for new aircraft, new ships, and ships authorized for conversion); the purchase of not to exceed 2 vehicles required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $160,000 per vehicle and the purchase of not to exceed 671 passenger motor vehicles of which 645 shall be for replacement only; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; $4,636,485,000, to remain available for obligation until September 30, 1992.

PROCUREMENT, MARINE CORPS

For expenses necessary for the procurement, manufacture, and modification of missiles, armament, ammunition, military equipment, spare parts, and accessories therefor; plant equipment, appliances, and machine tools, and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; vehicles for the Marine Corps, including purchase of not to exceed 172 passenger motor vehicles for replacement only; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired and construction prosecuted thereon prior to approval of title; $1,246,800,000, to remain available for obligation until September 30, 1992: *Provided*, That of the funds appropriated in this paragraph, $44,100,000 shall not be obligated or expended until authorized by law.

AIRCRAFT PROCUREMENT, AIR FORCE

For construction, procurement, and modification of aircraft and equipment, including armor and armament, specialized ground handling equipment, and training devices, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things; $14,531,196,000, to remain available for obligation until September 30, 1992: *Provided*, That none of the funds provided in this Act may be obligated on B-1B bomber contracts which would cause the Air Force's $20,500,000,000 cost estimate for the B-1B bomber baseline program expressed in fiscal year 1981 constant dollars to be exceeded.

MISSILE PROCUREMENT, AIR FORCE

For construction, procurement, and modification of missiles, spacecraft, rockets, and related equipment, including spare parts and accessories therefor, ground handling equipment, and training devices; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired and construction prosecuted thereon prior to approval of title; reserve

plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things; $6,544,612,000, to remain available for obligation until September 30, 1992.

OTHER PROCUREMENT, AIR FORCE

For procurement and modification of equipment (including ground guidance and electronic control equipment, and ground electronic and communication equipment), and supplies, materials, and spare parts therefor, not otherwise provided for; for the purchase of not to exceed 451 passenger motor vehicles of which 376 shall be for replacement only; and expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon, prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; $8,087,219,000, to remain available for obligation until September 30, 1992.

NATIONAL GUARD AND RESERVE EQUIPMENT

For procurement of aircraft, missiles, tracked combat vehicles, ammunition, other weapons, and other procurement for the reserve components of the Armed Forces; $1,481,400,000, to remain available for obligation until September 30, 1992: *Provided*, That of the funds appropriated in this paragraph, $89,900,000 shall not be obligated or expended until authorized by law.

PROCUREMENT, DEFENSE AGENCIES

For expenses of activities and agencies of the Department of Defense (other than the military departments) necessary for procurement, production, and modification of equipment, supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of not to exceed 250 passenger motor vehicles of which 194 shall be for replacement only; expansion of public and private plants, equipment, and installation thereof in such plants, erection of structures, and acquisition of land for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; $1,318,173,000, to remain available for obligation until September 30, 1992.

DEFENSE PRODUCTION ACT PURCHASES

(INCLUDING TRANSFER OF FUNDS)

For purchases or commitments to purchase metals, minerals, or other materials by the Department of Defense pursuant to section 303 of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2093); $50,000,000, to remain available until expended: *Provided*, That none of these funds shall be obligated for any metal, mineral, or material, unless funds have been obligated since October 1, 1984, for purchases for qualification of that metal, mineral, or material: *Provided further*, That these funds shall not be obligated or expended until authorized by law: *Provided further*, That the Secretary of Defense shall transfer the $6,000,000 appropriated under the heading "Defense Production Act Purchases" (102 Stat. 2270–12, Public Law 100–463) for a demonstration project to develop a reliable source of titanium ore from ilemenite to appropriations available to the Secretary of the Interior, in order for the United States Bureau of Mines to carry out such demonstration project, known as the Soledad Canyon Demonstration Project in Los Angeles County, California. These funds shall remain available until September 30, 1993.

SPACE AND RELATED ACTIVITIES
AUGMENTATION, DEFENSE

For construction, procurement, and modification of missiles, spacecraft, specialized ground facilities, and associated equipment and services; $555,000,000, to remain available for obligation until September 30, 1992: *Provided*, That none of the funds shall be obligated or expended until authorized by law: *Provided further*, That none of the funds shall be available except for projects for which funds have otherwise been made available in this Act and except for conversion of existing contracts from an incremental funding basis to a full funding basis: *Provided further*, That none of the funds shall be available for expenditure prior to October 1, 1990.

Mr. MURTHA (during the reading). Mr. Chairman, I ask unanimous consent that title III, of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there any points of order against title III?

Are there any amendments to title III?

The Clerk will read.

The Clerk read as follows:

TITLE IV

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; $5,578,700,000, to remain available for obligation until September 30, 1991.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; $9,765,454,000, to remain available for obligation until September 30, 1991: *Provided*, That for research and development programs at the National Center for Physical Acoustics, centering on ocean acoustics as it applies to advanced anti-submarine warfare acoustics issues with focus on ocean bottom acoustics—seismic coupling, sea-surface and bottom scattering, oceanic ambient noise, underwater sound propagation and other such projects as may be agreed upon, $3,000,000 shall be made available, as a grant, to the Center, of which not to exceed $500,000 of such sum may be used to provide such special equipment as required.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; $12,438,021,000, to remain available for obligation until September 30, 1991.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE AGENCIES

For expenses of activities and agencies of the Department of Defense (other than the military departments), necessary for basic and applied scientific research, development, test, and evaluation; advanced research projects as may be designated and determined by the Secretary of Defense, pursuant to law; maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; $7,530,872,000, to remain available for obligation until September 30, 1991: *Provided*, That up to $18,000,000 may be available for a facility to enable collaborative research and training for Department of Defense military medical personnel in trauma care, head, neck, and spinal injury, paralysis, and neuro-degenerative diseases: *Provided further*, That of the amount herein provided for the Strategic Defense Initiative, $65,000,000 shall be available only for the Arrow missile program.

DEVELOPMENTAL TEST AND EVALUATION, DEFENSE

For expenses, not otherwise provided for, of independent activities of the Deputy Director of Defense Research and Engineering (Test and Evaluation) in the direction and supervision of developmental test and evaluation, including performance and joint developmental testing and evaluation; and administrative expenses in connection therewith; $224,505,000, to remain available for obligation until September 30, 1991.

OPERATIONAL TEST AND EVALUATION, DEFENSE

For expenses, not otherwise provided for, necessary for the independent activities of the Director, Operational Test and Evaluation in the direction and supervision of operational test and evaluation, including initial operational test and evaluation which is conducted prior to, and in support of, production decisions; joint operational testing and evaluation; and administrative expenses in connection therewith; $12,725,000, to remain available for obligation until September 30, 1991.

Mr. MURTHA (during the reading). Mr. Chairman, I ask unanimous consent that title IV of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there any points of order against the title?

Are there any amendments to the title?

The Clerk will read.

The Clerk read as follows:

TITLE V

REVOLVING AND MANAGEMENT FUNDS

ARMY STOCK FUND

For the Army stock fund; $134,600,000.

NAVY STOCK FUND

For the Navy stock fund; $223,400,000.

AIR FORCE STOCK FUND

For the Air Force stock fund; $339,300,000.

DEFENSE STOCK FUND

For the Defense stock fund; $104,100,000.

Mr. MURTHA (during the reading). Mr. Chairman, I ask unanimous consent that title V of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there any points of order against the title?

Are there any amendments to the title?

The Clerk will read.

The Clerk read as follows:

TITLE VI

CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE

For expenses, not otherwise provided for, necessary for the destruction of the United States stockpile of lethal chemical agents and munitions in accordance with the provisions of section 1412 of the Department of Defense Authorization Act, 1986, as follows: for Operation and maintenance, $149,100,000; for Procurement, $113,500,000; for Research, development, test, and evaluation, $7,200,000; In all: $269,800,000: *Provided*, That the amount provided for Procurement shall remain available until September 30, 1992, and the amount provided for Research, development, test, and evaluation shall remain available until September 30, 1991.

TITLE VII

OFFICE OF THE INSPECTOR GENERAL

For expenses and activities of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, as follows: for Operation and maintenance, $95,749,000; for Procurement, $1,051,000; In all: $96,800,000: *Provided*, That the amount provided for Procurement shall remain available until September 30, 1992: *Provided further*, That of the funds appropriated in this paragraph for Operation and maintenance, $1,000,000 shall not be obligated or expended until authorized by law.

TITLE VIII

RELATED AGENCIES

CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM FUND

For payment to the Central Intelligence Agency Retirement and Disability System Fund, to maintain proper funding level for continuing the operation of the Central Intelligence Agency Retirement and Disability System; $154,900,000.

INTELLIGENCE COMMUNITY STAFF

For necessary expenses of the Intelligence Community Staff; $28,400,000.

THE MILDRED AND CLAUDE PEPPER FOUNDATION

(INCLUDING TRANSFER OF FUNDS)

For payment to the Mildred and Claude Pepper Foundation, a direct and unrestricted grant, including any interest or earnings therefrom, to support the purposes of the Foundation, its ongoing educational and public services programs and to serve as a memorial to the late Senator Claude Pepper; $10,000,000: *Provided*, That, notwithstanding any other provision of law or of this Act, the Secretary of Defense is hereby authorized and directed to make the grant authorized by this section to the Mildred and Claude Pepper Foundation, and such grant shall be transferred to the Foundation by January 1, 1990.

DRUG INTERDICTION, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For Department of Defense operating, procurement, and research, development, test, and evaluation costs associated with the detection and monitoring of aerial and maritime transit of illegal drugs into the United States and for other missions as authorized, $450,000,000 for transfer to "Military Personnel," "Operation and Maintenance," "Procurement," and "Research, Development, Test, and Evaluation": *Provided*, That not less than $70,000,000 shall be available only for drug interdiction activities of the Army National Guard and the Air National Guard: *Provided further*, That the funds appropriated by this paragraph shall be available for obligation for the same period and for the same purpose as the appropriation to which transferred and the transfer authority provided in this paragraph is in addition to any transfer authority contained elsewhere in this Act.

TITLE IX

GENERAL PROVISIONS

SEC. 9001. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. 9002. During the current fiscal year and hereafter, the Secretary of Defense and the Secretaries of the Army, Navy, and Air Force, respectively, if they should deem it advantageous to the national defense, and if in their opinions the existing facilities of the Department of Defense are inadequate, are authorized to procure services in accordance with section 3109 of title 5, United States Code, under regulations prescribed by the Secretary of Defense, and to pay in connection therewith travel expenses of individuals, including actual transportation and per diem in lieu of subsistence while traveling from their homes or places of business to official duty stations and return as may be authorized by law: *Provided*, That such contracts may be renewed annually.

SEC. 9003. During the current fiscal year, provisions of law prohibiting the payment of compensation to, or employment of, any person not a citizen of the United States shall not apply to personnel of the Department of Defense.

SEC. 9004. During the current fiscal year and hereafter, the Secretary of Defense and each purchasing and contracting agency of the Department of Defense shall assist American small and minority-owned business to participate equitably in the furnishing of commodities and services financed with funds appropriated under this Act by increasing, to an optimum level, the resources and number of personnel jointly assigned to promoting both small and minority business involvement in purchases financed with funds appropriated herein, and by making available or causing to be made available to such businesses, information, as far in advance as possible, with respect to purchases proposed to be financed with funds appropriated under this Act, and by assisting small and minority business concerns to participate equitably as subcontractors on contracts financed with funds appropriated herein, and by otherwise advocating and providing small and minority business opportunities to participate in the furnishing of commodities and services financed with funds appropriated by this Act.

SEC. 9005. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year, unless expressly so provided herein.

SEC. 9006. During the current fiscal year and hereafter, no part of the appropriations available to the Department of Defense shall be available for any expense of operating aircraft under the jurisdiction of the armed forces for the purpose of proficiency flying, as defined in Department of Defense Directive 1340.4, except in accordance with regulations prescribed by the Secretary of Defense. Such regulations (1) may not require such flying except that required to maintain proficiency in anticipation of a member's assignment to combat operations and (2) such flying may not be permitted in cases of members who have been assigned to a course of instruction of ninety days or more.

SEC. 9007. No more than 20 per centum of the appropriations in this Act which are limited for obligation during the current fiscal year shall be obligated during the last two months of the fiscal year: *Provided*, That this section shall not apply to obligations for support of active duty training of reserve components or summer camp training of the Reserve Officers' Training Corps, or the National Board for the Promotion of Rifle Practice, Army.

SEC. 9008. During the current fiscal year and hereafter, the agencies of the Department of Defense may accept the use of real property from foreign countries for the United States in accordance with mutual defense agreements or occupational arrangements and may accept services furnished by foreign countries as reciprocal international courtesies or as services customarily made available without charge; and such agencies may use the same for the support of the United States forces in such areas without specific appropriation therefor.

In addition to the foregoing, hereafter agencies of the Department of Defense may accept real property, services, and commodities from foreign countries for the use of the United States in accordance with mutual defense agreements or occupational arrangements and such agencies may use the same for the support of the United States forces in such areas, without specific appropriations therefor: *Provided*, That within thirty days after the end of each quarter the Secretary of Defense shall render to Congress and to the Office of Management and Budget a full report of such property, supplies, and commodities received during such quarter.

SEC. 9009. No part of any appropriation contained in this Act, except for small purchases in amounts not exceeding $25,000, shall be available for the procurement of any article or item of food, clothing, tents, tarpaulins, covers, cotton and other natural fiber products, woven silk or woven silk blends, spun silk yarn for cartridge cloth, synthetic fabric or coated synthetic fabric, canvas products, or wool (whether in the form of fiber or yarn or contained in fabrics, materials, or manufactured articles), or any item of individual equipment manufactured from or containing such fibers, yarns, fabrics, or materials, or specialty metals including stainless steel flatware, or hand or measuring tools, not grown, reprocessed, reused, or produced in the United States or its possessions, except to the extent that the Secretary of the Department concerned shall determine that satisfactory quality and sufficient quantity of any articles or items of food, individual equipment, tents, tarpau-

lins, covers, or clothing or any form of cotton or other natural fiber products, woven silk and woven silk blends, spun silk yarn for cartridge cloth, synthetic fabric or coated synthetic fabric, canvas products, wool, or specialty metals including stainless steel flatware, grown, reprocessed, reused, or produced in the United States or its possessions cannot be procured as and when needed at United States market prices and except procurements outside the United States in support of combat operations, procurements by vessels in foreign waters, and emergency procurements or procurements of perishable foods by establishments located outside the United States for the personnel attached thereto: *Provided*, That nothing herein shall preclude the procurement of specialty metals or chemical warfare protective clothing produced outside the United States or its possessions when such procurement is necessary to comply with agreements with foreign governments requiring the United States to purchase supplies from foreign sources for the purposes of offsetting sales made by the United States Government or United States firms under approved programs serving defense requirements or where such procurement is necessary in furtherance of agreements with foreign governments in which both governments agree to remove barriers to purchases of supplies produced in the other country or services performed by sources of the other country, so long as such agreements with foreign governments comply, where applicable, with the requirements of section 36 of the Arms Export Control Act and with section 2457 of title 10, United States Code: *Provided further*, That nothing herein shall preclude the procurement of foods manufactured or processed in the United States or its possessions.

SEC. 9010. During the current fiscal year and hereafter, appropriations available to the Department of Defense for pay of civilian employees shall be available for uniforms, or allowances therefor, as authorized by section 5901 of title 5, United States Code.

(TRANSFER OF FUNDS)

SEC. 9011. Upon determination by the Secretary of Defense that such action is necessary in the national interest, he may, with the approval of the Office of Management and Budget, transfer not to exceed $3,000,000,000 of working capital funds of the Department of Defense or funds made available in this Act to the Department of Defense for military functions (except military construction) between such appropriations or funds or any subdivision thereof, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: *Provided*, That such authority to transfer may not be used unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which funds are requested has been denied by Congress: *Provided further*, That the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority.

(TRANSFER OF FUNDS)

SEC. 9012. During the current fiscal year and hereafter, cash balances in working capital funds of the Department of Defense established pursuant to section 2208 of title 10, United States Code, may be maintained in only such amounts as are necessary at any time for cash disbursements to be made from such funds: *Provided*, That transfers may be made between such funds in such amounts as may be determined by the Secretary of Defense, with the approval of the Office of Management and Budget, except that transfers between a stock fund account and an industrial fund account may not be made unless the Secretary of Defense has notified the Congress of the proposed transfer. Except in amounts equal to the amounts appropriated to working capital funds in this Act, no obligations may be made against a working capital fund to procure war reserve material inventory, unless the Secretary of Defense has notified the Congress prior to any such obligation.

SEC. 9013. (a) None of the funds available to the Department of Defense in this Act shall be used by the Secretary of a military department to purchase coal or coke from foreign nations for use at United States defense facilities in Europe when coal from the United States is available.

(b) None of the funds available to the Department of Defense in this Act shall be utilized for the conversion of heating plants from coal to oil or coal to natural gas at defense facilities in Europe: *Provided*, That this limitation shall apply to any authority granted pursuant to section 9008 of this Act.

(c) None of the funds available to the Department of Defense in the Act shall be used to enter into any agreement or contract to convert a heating facility at military installations in Europe to district heat, direct natural gas, or other sources of fuel.

SEC. 9014. Funds appropriated by this Act may not be used to initiate a special access program without prior notification 30 days in advance to the Committees on Appropriations and Armed Services of the Senate and House of Representatives.

SEC. 9015. No part of the funds in this Act shall be available to prepare or present a request to the Committees on Appropriations for reprogramming of funds, unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which reprogramming is requested has been denied by the Congress.

SEC. 9016. None of the funds contained in this Act available for the Civilian Health and Medical Program of the Uniformed Services under the provisions for section 1079(a) of title 10, United States Code, shall be available for reimbursement of any physician or other authorized individual provider of medical care in excess of the lower of: (a) the eightieth percentile of the customary charges made for similar services in the same locality where the medical care was furnished, as determined for physicians in accordance with section 1079(h) of title 10, United States Code; or (b) the allowable amounts in effect during fiscal year 1988 increased to the extent justified by economic changes as reflected in appropriate economic index data similar to that used pursuant to title XVIII of the Social Security Act.

SEC. 9017. During the current fiscal year and hereafter, none of the funds available to the Department of Defense shall be available for the planning or execution of programs which utilize amounts credited to Department of Defense appropriations or funds pursuant to the provisions of section 37(a) of the Arms Export Control Act representing payment for the actual value of defense articles specified in section 21(a)(1)(A) of that Act: *Provided*, That such amounts shall be credited to the Special Defense Acquisition Fund, as authorized by law, or, to the extent not so credited shall be deposited in the Treasury as miscellaneous receipts as provided in section 3302(b) of title 31, United States Code.

SEC. 9018. None of the funds appropriated by this Act for programs of the Central Intelligence Agency shall remain available for obligation beyond the current fiscal year, except for funds appropriated for the Reserve for Contingencies, which shall remain available until September 30, 1991.

SEC. 9019. During the current fiscal year and hereafter, the Department of Defense may enter into contracts to recover indebtedness to the United States pursuant to section 3718 of title 31, United States Code.

SEC. 9020. During the current fiscal year and hereafter, none of the funds available to the Department of Defense to provide medical care in the United States on an inpatient basis to foreign military and diplomatic personnel or their dependents unless the Department of Defense is reimbursed for the costs of providing such care: *Provided*, That reimbursements for medical care covered by this section shall be credited to the appropriations against which charges have been made for providing such care, except that inpatient medical care may be provided in the United States without cost to military personnel and their dependents from a foreign country if comparable care is made available to a comparable number of United States military personnel in that foreign country.

SEC. 9021. None of the funds provided in this Act shall be available to initiate (1) a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any one year of the contract or that includes an unfunded contingent liability in excess of $20,000,000, or (2) a contract for advance procurement leading to a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any one year, unless the Committees on Appropriations and Armed Services of the Senate and House of Representatives have been notified at least thirty days in advance of the proposed contract award: *Provided*, That no part of any appropriation contained in this Act shall be available to initiate a multiyear contract for which the economic order quantity advance procurement is not funded at least to the limits of the Government's liability: *Provided further*, That no part of any appropriation contained in this Act shall be available to initiate multiyear procurement contracts for any systems or component thereof if the value of the multiyear contract would exceed $500,000,000 unless specifically provided in this Act: *Provided further*, That no multiyear procurement contract can be terminated without 10-day prior notification to the Committees on Appropriations and Armed Services of the House of Representatives and the Senate: *Provided further*, That the execution of multiyear authority shall require the use of a present value analysis to determine lowest cost compared to an annual procurement. Funds appropriated in title III of this Act may be used for multiyear procurement contracts as follows:

M-1 tank engines;
M-1 tank fire control;
Bradley Fighting Vehicle;
Family of Heavy Tactical Vehicles;
Combined Effects Munition; and
DDG-51 Destroyer (Two years).

(TRANSFER OF FUNDS)

SEC. 9022. None of the funds appropriated in this Act may be made available through

transfer, reprogramming, or other means between the Central Intelligence Agency and the Department of Defense for any intelligence or special activity different from that previously justified to the Congress unless the Director of Central Intelligence or the Secretary of Defense has notified the House and Senate Appropriations Committees of the intent to make such funds available for such activity.

SEC. 9023. None of the funds appropriated by this Act shall be available to convert a position in support of the Army Reserve, Air Force Reserve, Army National Guard, and Air National Guard occupied by, or programmed to be occupied by, a (civilian) military technician to a position to be held by a person in an active Guard or Reserve status if that conversion would reduce the total number of positions occupied by, or programmed to be occupied by, (civilian) military technicians of the component concerned, below 71,421: *Provided*, That none of the funds appropriated by this Act shall be available to support more than 13,371 positions in support of the Army Reserve, 25,914 positions in support of the Army National Guard, or 8,134 positions in support of the Air National Guard occupied by, or programmed to be occupied by, persons in an active Guard or Reserve status: *Provided further*, That none of the funds appropriated by this Act may be used to include (civilian) military technicians in computing civilian personnel ceilings, including statutory or administratively imposed ceilings, on activities in support of the Army Reserve, Air Force Reserve, Army National Guard or Air National Guard.

SEC. 9024. (a) The provisions of section 115(b)(2) of title 10, United States Code, shall not apply with respect to fiscal year 1990 or with respect to the appropriation of funds for that year.

(b) During fiscal year 1990, the civilian personnel of the Department of Defense may not be managed on the basis of any end-strength, and the management of such personnel during that fiscal year shall not be subject to any constraint or limitation (known as an end-strength) on the number of such personnel who may be employed on the last day of such fiscal year.

(c) The fiscal year 1991 budget request for the Department of Defense as well as all justification material and other documentation supporting the fiscal year 1991 Department of Defense budget request shall be prepared and submitted to the Congress as if subsections (a) and (b) of this provision were effective with regard to fiscal year 1991.

SEC. 9025. During the current fiscal year and hereafter, none of the funds made available to the Department of Defense shall be used in any way for the leasing to non-Federal agencies in the United States of aircraft or vehicles owned or operated by the Department of Defense when suitable aircraft or vehicles are commercially available in the private sector: *Provided*, That nothing in this section shall affect authorized and established procedures for the sale of surplus aircraft or vehicles: *Provided further*, That nothing in this section shall prohibit the leasing of helicopters authorized by section 1463 of the Department of Defense Authorization Act of 1986.

SEC. 9026. None of the funds made available by this Act shall be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before the Congress.

SEC. 9027. None of the funds appropriated by this Act shall be obligated for the pay of any individual who is initially employed after the date of enactment of this Act as a technician in the administration and training of the Army Reserve and the maintenance and repair of supplies issued to the Army Reserve unless such individual is also a military member of the Army Reserve troop program unit that he or she is employed to support. Those technicians employed by the Army Reserve in areas other than Army Reserve troop program units need only be members of the Selected Reserve.

SEC. 9028. None of the funds appropriated by this Act shall be used to purchase dogs or cats or otherwise fund the use of dogs or cats for the purpose of training Department of Defense students or other personnel in surgical or other medical treatment of wounds produced by any type of weapon: *Provided*, That the standards of such training with respect to the treatment of animals shall adhere to the Federal Animal Welfare Law and to those prevailing in the civilian medical community.

SEC. 9029. None of the funds available to the Department of Defense may be used for the floating storage of petroleum or petroleum products except in vessels of or belonging to the United States.

SEC. 9030. During the current fiscal year and hereafter, funds available to the Department of Defense may be used by the Department of Defense for the use of helicopters and motorized equipment at Defense installations for removal of feral burros and horses.

SEC. 9031. Within the funds appropriated for the operation and maintenance of the Armed Forces, funds are hereby appropriated pursuant to section 401 of title 10, United States Code, for humanitarian and civic assistance costs under chapter 20 of title 10, United States Code. Such funds may also be obligated for humanitarian and civic assistance costs incidental to authorized operations and pursuant to authority granted in section 401 of chapter 20 of title 10, United States Code, and these obligations shall be reported to Congress on September 30 of each year: *Provided*, That funds available for operation and maintenance shall be available for providing humanitarian and similar assistance by using Civic Action Teams in the Trust Territories of the Pacific Islands and freely associated states of Micronesia, pursuant to the Compact of Free Association as authorized by Public Law 99-239.

SEC. 9032. Notwithstanding any other provision of law, the Secretaries of the Army and Air Force may authorize the retention in an active status until age sixty of any officer who would otherwise be removed from an active status and who is employed as a National Guard or Reserve technician in a position in which active status in a reserve component of the Army or Air Force is required as a condition of that employment.

SEC. 9033. Funds available for operation and maintenance under this Act, may be used in connection with demonstration projects and other activities authorized by section 1092 of title 10, United States Code.

SEC. 9034. (a) None of the funds appropriated by this Act, shall be used to make contributions to the Department of Defense Education Benefits Fund pursuant to section 2006(g) of title 10, United States Code, representing the normal cost for future benefits under section 1415(c) of title 38, United States Code, for any member of the armed services who, on or after the date of enactment of this Act:

(1) enlists in the armed services for a period of active duty of less than three years; or

(2) receives an enlistment bonus under section 308a or 308f of title 37, United States Code,

nor shall any amounts representing the normal cost of such future benefits be transferred from the Fund by the Secretary of the Treasury to the Secretary of Veterans Affairs pursuant to section 2006(d) of title 10, United States Code; nor shall the Secretary of Veterans Affairs pay such benefits to any such member: *Provided*, That, in the case of a member covered by clause (1), these limitations shall not apply to members in combat arms skills.

(b) None of the funds appropriated by this Act shall be available for the basic pay and allowances of any member of the Army participating as a full-time student and receiving benefits paid by the Secretary of Veterans Affairs from the Department of Defense Education Benefits Fund when time spent as a full-time student is credited toward completion of a service commitment: *Provided*, That this subsection shall not apply to those members who have reenlisted with this option prior to October 1, 1987: *Provided further*, That this subsection applies to active components of the Army.

SEC. 9035. Funds appropriated in this Act shall be available for the payment of not more than 75 percent of the charges of a postsecondary educational institution for the tuition or expenses of an officer in the Ready Reserve of the Army National Guard or Army Reserve for education or training during his off-duty periods, except that no part of the charges may be paid unless the officer agrees to remain a member of the Ready Reserve for at least four years after completion of such training or education.

SEC. 9036. None of the funds appropriated by this Act shall be available to convert to contractor performance an activity or function of the Department of Defense that, on or after the date of enactment of this Act, is performed by more than ten Department of Defense civilian employees until a most efficient and cost-effective organization analysis is completed on such activity or function and certification of the analysis is made to the Committees on Appropriations of the House of Representatives and the Senate: *Provided*, That this section shall not apply to a commercial or industrial type function of the Department of Defense that: (1) is included on the procurement list established pursuant to section 2 of the Act of June 25, 1938 (41 U.S.C. 47), popularly referred to as the Wagner O'Day Act; or (2) is planned to be converted to performance by a qualified nonprofit agency for the blind or by a qualified nonprofit agency for other severely handicapped individuals in accordance with that Act.

SEC. 9037. None of the funds appropriated in this Act to the Department of the Army may be obligated for procurement of 120mm mortars or 120mm mortar ammunition manufactured outside of the United States: *Provided*, That this limitation shall not apply to procurement of such mortars or ammunition required for testing, evaluation, type classification or equipping the Army's Ninth Infantry Division (Motorized).

SEC. 9038. During the current fiscal year and hereafter, appropriations made available to the Department of Defense may be used at sites formerly used by the Depart-

ment of Defense for removal of unsafe buildings or debris of the Department of Defense: *Provided,* That such removal must be completed before the property is released from Federal Government control, other than property conveyed to State or local government entities or native corporations.

SEC. 9039. None of the funds appropriated in this Act to the Department of the Army may be obligated for depot maintenance of equipment unless such funds provide for civilian personnel strengths at the Army depots performing communications-electronics depot maintenance at an amount above the strengths assigned to those depots on September 30, 1985: *Provided,* That the foregoing limitation shall not apply to civilian personnel who perform caretaker-type functions at these installations: *Provided further,* That nothing in this provision shall cause undue reductions of other Army depots, as determined by the Secretary of the Army.

SEC. 9040. None of the funds appropriated or made available by this Act may be obligated for acquisition of major automated information systems which have not successfully completed oversight reviews required by Defense Department regulations: *Provided,* That none of the funds appropriated or made available by this Act may be obligated on Composite Health Care System acquisition contracts if such contracts would cause the total life cycle cost estimate of $1,100,000,000 expressed in fiscal year 1986 constant dollars to be exceeded.

SEC. 9041. None of the funds provided by this Act may be used to pay the salaries of any person or persons who authorize the transfer of unobligated and deobligated appropriations into the Reserve for Contingencies of the Central Intelligence Agency.

SEC. 9042. Funds appropriated by this Act for construction projects of the Central Intelligence Agency, which are transferred to another Agency for execution, shall remain available until expended.

SEC. 9043. Notwithstanding any other provision of law, the Secretary of the Navy may use funds appropriated to charter ships to be used as auxiliary minesweepers providing that the owner agrees that these ships may be activated as Navy Reserve ships with Navy Reserve crews used in training exercises conducted in accordance with law and policies governing Naval Reserve forces.

SEC. 9044. None of the funds in this Act may be used to execute a contract for the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) Reform Initiative that exceeds the total fiscal year 1987 costs for CHAMPUS care provided in California and Hawaii, plus normal and reasonable adjustments for price and program growth.

SEC. 9045. Funds appropriated or made available in this Act shall be obligated and expended to continue to fully utilize the facilities at the United States Army Engineer's Waterways Experiment Station, including the continued availability of the supercomputer capability and the planned upgrade of this capability: *Provided,* That none of the funds in this Act may be used to purchase any supercomputer which is not manufactured in the United States, unless the Secretary of Defense certifies to the Armed Services and Appropriations Committees of Congress that such an acquisition must be made in order to acquire capability for national security purposes that is not available from United States manufacturers.

SEC. 9046. For the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177) as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100-119), the term program, project, and activity for appropriations contained in this Act shall be defined as the most specific level of budget items identified in the Department of Defense Appropriations Act, 1990, the accompanying House and Senate Committee reports, the conference report and accompanying joint explanatory statement of the managers of the Committee of Conference, the related classified annexes, and the P-1 and R-1 budget justification documents as subsequently modified by Congressional action: *Provided, however,* That the following exception to the above definition shall apply:

For the Military Personnel and the Operation and Maintenance accounts, the term "program, project, and activity" is defined as the appropriations accounts contained in the Department of Defense Appropriations Act.

SEC. 9047. (a) Of the funds appropriated to the Army, $12,000,000 shall be available only for the Reserve Component Automation System (RCAS): *Provided,* That none of these funds can be expended:

(1) except as approved by the Chief of the National Guard Bureau;

(2) unless RCAS resource management functions are performed by the National Guard Bureau;

(3) unless the RCAS contract source selection official is the Chief of the National Guard Bureau;

(4) to pay the salary of an RCAS program manager who has not been selected and approved by the Chief of the National Guard Bureau and chartered by the Chief of the National Guard Bureau and the Secretary of the Army;

(5) unless the Program Manager (PM) charter makes the PM accountable to the source selection official and fully defines his authority, responsibility, reporting channels and organizational structure;

(6) to pay the salaries of individuals assigned to the RCAS program management office, source selection evaluation board, and source selection advisory board unless such organizations are comprised of personnel chosen jointly by the Chiefs of the National Guard Bureau and the Army Reserve;

(7) to award a contract for development or acquisition of RCAS unless such contract is competitively awarded under procedures of OMB Circular A-109 for an integrated system consisting of software, hardware, and communications equipment and unless such contract precludes the use of Government furnished equipment, operating systems, and executive and applications software; and

(8) unless RCAS performs its own classified information processing.

(b) None of the funds appropriated or made available in this Act are available for procurement of Tactical Army Combat Service Support Computer Systems (TACCS) unless at least 50 percent of the TACCS computers procured with Army fiscal year 1990 funds are provided to the Reserve Component.

(c) None of the funds appropriated in this Act are available for procurement of mini- and micro-computers for the Army Reserve Component which duplicate functions to be included in the RCAS contract.

SEC. 9048. None of the funds provided for the Department of Defense in this Act may be obligated or expended for fixed price-type contracts in excess of $10,000,000 for the development of a major system or subsystem unless the Under Secretary of Defense for Acquisition determines, in writing, that program risk has been reduced to the extent that realistic pricing can occur, and that the contract type permits an equitable and sensible allocation of program risk between the contracting parties: *Provided,* That the Under Secretary may not delegate this authority to any persons who hold a position in the Office of the Secretary of Defense below the level of Assistant Secretary of Defense: *Provided further,* That at least thirty days before making a determination under this section the Secretary of Defense will notify the Committees on Appropriations of the Senate and House of Representatives in writing of his intention to authorize such a fixed price-type developmental contract and shall include in the notice an explanation of the reasons for the determination.

SEC. 9049. Monetary limitations on the purchase price of a passenger motor vehicle shall not apply to vehicles purchased for intelligence activities conducted pursuant to Executive Order 12333 or successor orders.

SEC. 9050. Not to exceed $35,000,000 of the funds available to the Department of the Army during the current fiscal year may be used to fund the construction of classified military projects within the Continental United States, including design, architecture, and engineering services.

SEC. 9051. None of the funds in this Act may be available for the purchase by the Department of Defense (and its departments and agencies) of welded shipboard anchor and mooring chain 4 inches in diameter and under manufactured outside the United States.

(TRANSFER OF FUNDS)

SEC. 9052. Notwithstanding any other provision of law, the Department of Defense may transfer prior year unobligated balances and funds appropriated in this Act to the operation and maintenance appropriations of the reserve components for the purpose of providing military technician pay the same exemption from sequestration set forth in the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177) as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100-119) as that granted the other military personnel accounts: *Provided,* That any transfer made pursuant to any use of the authority provided by this provision shall be limited so that the amounts reprogrammed to the operation and maintenance appropriations of the reserve components do not exceed the amounts sequestered under the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177) as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100-119): *Provided further,* That the authority to make transfers pursuant to this section is in addition to the authority to make transfers under other provisions of this Act: *Provided further,* That the Secretary of Defense may proceed with such transfer after notifying the Appropriations Committees of the House of Representatives and the Senate twenty legislative days before any such transfer of funds under this provision and if no objection is expressed within that twenty legislative day period.

SEC. 9053. None of the funds available to the Department of the Navy may be used to enter into any contract for the overhaul, repair, or maintenance of any naval vessel

on the West Coast of the United States which includes charges for interport differential as an evaluation factor for award.

SEC. 9054. None of the funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States Government may be obligated or expended during fiscal year 1990 to provide funds, materiel, or other assistance to the Nicaraguan democratic resistance unless in accordance with the terms and conditions specified by section 104 of the Intelligence Authorization Act for fiscal year 1990.

SEC. 9055. None of the funds provided in this Act may be obligated or expended for the procurement of LANDSAT or SPOT remote sensing data except by the Defense Mapping Agency, in its role as primary action office for such purchases by Department of Defense agencies and military departments.

SEC. 9056. The designs of the Army LHX helicopter, the Navy Advanced Tactical Aircraft, the Air Force Advanced Tactical Fighter, and any variants of these aircraft, must incorporate Joint Integrated Avionics Working Group standard avionics specifications no later than 1998.

SEC. 9057. Such sums as may be necessary for fiscal year 1990 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 9058. Notwithstanding any other provision of law, the Secretary of Defense shall require that a provider of services under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) also provide services to members of the armed forces pursuant to section 1074(c), title 10, in accordance with the same reimbursement rules, subject to modifications deemed appropriate by the Secretary of Defense, as apply under CHAMPUS.

(TRANSFER OF FUNDS)

SEC. 9059. Notwithstanding any other provision of law, during fiscal year 1990, the Secretary of Defense shall make available to the United States Coast Guard without reimbursement not less than $140,000,000 in supplies, fuel, training assistance, medical support, and other operational support, exclusive of administrative costs; and from funds made available in this Act, $160,000,000 shall be transferred to Coast Guard "Operating Expenses".

(TRANSFER OF FUNDS)

SEC. 9060. In addition to any other transfer authority contained in this Act, amounts from working capital funds shall be transferred to the Operation and Maintenance appropriations contained in this Act to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred, as follows:

(a) from the Defense Stock Fund, not less than $135,000,000, of which $30,000,000 shall be transferred to Operation and Maintenance, Army Reserve; $15,000,000 shall be transferred to Operation and Maintenance, Navy Reserve; $30,000,000 shall be transferred to Operation and Maintenance, Air Force Reserve; $30,000,000 shall be transferred to Operation and Maintenance, Army National Guard; and $30,000,000 shall be transferred to Operation and Maintenance, Air National Guard.

(b) from the Army Stock Fund, not less than $114,000,000 shall be transferred to Operation and Maintenance, Army; from the Navy Stock Fund, not less than $437,200,000 shall be transferred to Operation and Maintenance, Navy; and from the Air Force Stock Fund, not less than $156,000,000 shall be transferred to Operation and Maintenance, Air Force.

SEC. 9061. The Secretary of Defense shall take such action as necessary to assure that a minimum of 50 percent of the polyacrylonitrile (PAN) carbon fiber requirement be procured from domestic sources by 1992: *Provided*, That the annual goals to achieve this requirement be as follows: 15 percent of the total DOD requirement by 1988; 15 percent of total DOD requirement by 1989; 20 percent of the total DOD requirement by 1990; 25 percent of the total DOD requirement by 1991; and 50 percent of the total DOD requirement by 1992.

SEC. 9062. Of the funds appropriated, reimbursable expenses incurred by the Department of Defense on behalf of the Soviet Union in monitoring United States implementation of the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Elimination of Their Intermediate-Range or Shorter-Range Missiles ("INF Treaty"), concluded December 8, 1987, may be treated as orders received and obligation authority for the applicable appropriation, account, or fund increased accordingly. Likewise, any reimbursements received for such costs may be credited to the same appropriation, account, or fund to which the expenses were charged: *Provided*, That reimbursements which are not received within one hundred and eighty days after submission of an appropriate request for payment shall be subject to interest at the current rate established pursuant to section 2(b)(1)(B) of the Export-Import Bank Act of 1945 (59 Stat. 526). Interest shall begin to accrue on the one hundred and eighty first day following submission of an appropriate request for payment.

SEC. 9063. During the current fiscal year, notwithstanding any other provision of law, the Department of Defense shall exclude from diagnosis related groups regulations: (a) inpatient hospital services in a hospital whose patients are predominantly under 18 years of age and (b) such services in any hospital with respect to (1) discharges involving newborns and infants who are less than 29 days old upon admission (other than discharges classified to diagnosis related group 391), (2) discharges involving pediatric bone marrow transplants, (3) discharges involving children who have been determined to be HIV seropositive, and (4) discharges involving pediatric cystic fibrosis. The Department of Defense may include the hospital and neonatal services identified in subsections (a) and (b) in diagnosis related group regulations during fiscal year 1990 when the Department of Defense has adopted special measures to assure equitable and adequate payment for such services, such special measures including: (1) a "children's hospital differential" adjustment for each discharge of a CHAMPUS patient from a children's hospital that will assure that had the regulations been in effect for fiscal year 1988 they would have resulted in estimated aggregate CHAMPUS payments to children's hospitals not less than estimated aggregate CHAMPUS payments to such hospitals for discharges occurring during that fiscal year under the regulations in effect during fiscal year 1988 (recognizing that payments in subsequent years will vary based on volume, case mix intensity, and other factors); for a transitional period of three years the children's hospital differential will be computed on a hospital specific basis for children's hospitals with 50 or more CHAMPUS discharges in fiscal year 1988 and will be computed in aggregate for children's hospitals with less than 50 discharges in a year; (2) a children's hospital differential hold harmless provision, providing for retrospective and prospective corrections; (3) a special outlier policy for children's hospitals and neonatal services that combines the thresholds in effect under CHAMPUS DRG regulations for fiscal year 1988 with the higher marginal cost factors proposed by 53 Fed. Reg. 20580 (June 3, 1988); (4) a refinement to the DRGs for neonatal services to account for birthweight, surgery, and the presence of multiple, major, and other neonatal problems; (5) incorporation of annual updates to the classification features included in the regulation for neonatal services; (6) a provision for making interim payments for cases that are especially lengthy or expensive; and (7) a commitment to examine possible further uses of Pediatric Modified DRGs in the future: *Provided*, That the Department of Defense shall ensure that beneficiaries not be required to pay more in cost-shares under the foregoing exclusions than those which would have been imposed if the diagnosis related group system had not been instituted: *Provided further*, That notwithstanding any other provision of law, appropriations available to the Department of Defense may be used to pay the difference between the cost-shares paid by beneficiaries under the foregoing and the billed charges for services covered by this provision.

SEC. 9064. The total amount appropriated to or for the use of the Department of Defense by this Act is reduced by $150,000,000 to reflect savings resulting from the decreased use of consulting services by the Department of Defense. The Secretary of Defense shall allocate the amount reduced in the preceding sentence and not later than March 1, 1990, report to the Senate and House Committees on Appropriations how this reduction was allocated among the Services and Defense Agencies.

SEC. 9065. Funds available in this Act may be used to provide transportation for the next-of-kin of individuals who have been prisoners of war or missing in action from the Vietnam era to an annual meeting in the United States, under such regulations as the Secretary of Defense may prescribe.

SEC. 9066. (a) Within the funds made available to the Air Force under title II of this Act, the Air Force shall use such funds as necessary, but not to exceed $14,700,000, to execute the cleanup of uncontrolled hazardous waste contamination in accordance with the Record of Decision on Landfill No. 26 at Hamilton Air Force Base, in Novato, in the State of California: *Provided*, That no funds shall be expended to implement the Record of Decision on Landfill No. 26 at Hamilton Air Force Base until such time as the Department of Defense, the General Services Administration and the purchaser of the Sale Parcel reach an agreement resolving all disputes relating to the cleanup of such landfill, except that funds may be expended on any and all pre-construction or related activities.

(b) Notwithstanding any other provision of law, the Department of Defense and the General Services Administration shall enter into an agreement with the purchaser of the aforementioned Sale Parcel which shall provide that:

(1) the United States Government will retain and develop the site plus a suitable buffer area as an accessible open space park;

(2) the original purchase price of the parcel shall be reduced by an amount which shall be agreed to by the aforementioned parties; and,

(3) the purchaser shall be granted the right to withdraw from the sales contract at any time prior to the closing of the sale and receive its deposit and any pre-development expenses as documented by the General Accounting Office incurred since the date of the General Services Administration auction, plus accrued interest, in return for the release from any and all damages and claims against the United States Government with respect to the site and contamination.

(c) In the event that the purchaser of the Sale Parcel exercises its option to withdraw from the sale as provided in subsection (b)(3) of this section, the purchasers' deposit of $4,500,000 shall be returned by the General Services Administration and any funds eligible for reimbursement under subsection (b)(3) shall come from the funds made available to the Department of Defense by this Act.

(d) Notwithstanding any other provision of law, the account from which funds are used to carry out subsection (a) of this section, shall be reimbursed for up to $7,700,000 from the proceeds collected upon the closing of the aforementioned Sale Parcel.

SEC. 9067. None of the funds in this Act may be obligated or expended to conduct an Environmental Impact Study on the feasibility of purchasing acreage in Georgia for the proposed Southeast Weapons Range.

SEC. 9068. None of the funds in this Act available to the Department of Defense or Navy shall be obligated or expended to establish or operate TAR detailing and enlisted placement functions or billets at the Naval Military Personnel Command headquarters or to transfer any Naval TAR, seamen, firemen, and airmen detailing functions and billets from the Naval Reserve Personnel Center and the Enlisted Personnel Management Center.

SEC. 9069. None of the funds appropriated in this Act may be available for offshore procurement of second or third generation night vision image intensifier tubes and devices: *Provided*, That when adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis, the Secretary of the service responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations that such an acquisition must be made in order to acquire capability for national security purposes.

SEC. 9070. The Department of Defense may not carry out a test of the Mid-Infrared Advanced Chemical Laser (MIRACL) transmitter and associated optics against an object in space unless such testing is specifically authorized and appropriated by law.

SEC. 9071. None of the funds available to the Department of the Air Force (including expired appropriations and M account balances) may be used for the B-1B's ALQ-161A CORE program unless approved in advance by the Congressional defense committees in accordance with procedures applicable to programs which have been designated as items of Congressional interest.

SEC. 9072. The appropriation "Research, Development, Test and Evaluation, Army" contained in the Department of Defense Appropriations Act, 1989 (Public Law 100-463) is amended by striking out the proviso following "intercommunications system:" and ending with "support vehicles:".

SEC. 9073. None of the funds in this Act may be available for the procurement of Multibeam Sonar Mapping Systems which are not manufactured in the United States: *Provided*, That when adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis, the Secretary of the service responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations that such an acquisition must be made in order to acquire capability for national security purposes.

SEC. 9074. (a) The amount expended during fiscal year 1990 from funds appropriated by this Act or any prior Department of Defense Appropriations Act may not exceed $281,928,000,000.

(b) The Secretary of Defense and the Director of Central Intelligence shall take such steps as necessary to ensure compliance with the requirement in subsection (a).

(c) Any transfer of outlays from one fiscal year to an adjacent fiscal year that occurs pursuant to this section shall be considered a necessary (but secondary) result of a significant policy change as provided in section 202(b) of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (2 U.S.C. 909(a)).

(d) The Secretary of Defense, in ensuring (pursuant to subsection (b)) that the requirement in subsection (a) is complied with, shall nevertheless ensure that the rates of outlays for programs, projects, and activities for which funds are provided under this Act or any prior Department of Defense Appropriations Act which are designated or identified as Congressional interest items are not reduced during fiscal year 1990 from the outlay rates that would otherwise apply with respect to those programs, projects, and activities.

(e) The provisions of the Impoundment Control Act of 1974 (2 U.S.C. 681 et seq.) shall not apply with respect to funds appropriated by this Act or any prior Department of Defense Appropriations Act to the extent necessary to enable the Secretary of Defense to comply with subsection (a). The preceding sentence does not apply with respect to funds available for programs, projects, and activities which are designated or identified as Congressional interest items.

(f) Any payment required to be made by the Department of Defense to a business concern that, but for this subsection, would be required to be made during September 1990 may be made during the period beginning on October 1, 1990, and ending on the date that is 30 days after the date on which the payment would otherwise be required to be made. In determining the amount of any interest penalty under section 3902 of title 31, United States Code, for failure to make any such payment, any period for which the Secretary of Defense, under the preceding sentence, deferred the required payment date shall not be taken into account.

(g)(1) The Secretary of Defense shall, on each of the dates specified in paragraph (2), submit to the Committees on Appropriations and the Committees on Armed Services of the Senate and House of Representatives a report on the implementation of this section. Each such report shall include—

(A) an analysis of cumulative obligations and cumulative expenditures from accounts subject to the limitation in subsection (a) during the period beginning on October 1, 1989, and ending on the last day of the month preceding the month in which the report is to be submitted, including a comparison of such obligations and expenditures with the relevant estimates of outlays made by the Office of Management and Budget and the Congressional Budget Office; and

(B) a description of the specific actions taken by the Secretary to ensure that the Department of Defense meets the requirements of subsection (a).

(2) The reports required by paragraph (1) shall be submitted not later than the following dates in 1990: January 15, April 15, July 15, September 15, and October 15.

SEC. 9075. (a) RELEASE.—

(i) Subject to clauses (ii) through (iv), the Secretary of the Army shall release to the State of Minnesota the reversionary interest of the United States over approximately 35.38 acres of land, known as "Area J," conveyed from the United States to the State of Minnesota in the quitclaim deed dated August 17, 1971. The Secretary of the Army shall also release the State of Minnesota from all convenants and agreements contained in the said quitclaim deed, covering the approximately 35.38 acres of land.

(ii) CONDITION OF RELEASE.—The releases directed by clause (i) are conditioned on the State of Minnesota donating approximately 35.38 acres of land to the United States for use by the Department of the Army.

(iii) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the land over which the reversionary interest is to be released shall be determined by surveys which are satisfactory to the Secretary of the Army and the State of Minnesota.

(iv) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Army may require such additional terms and conditions as he considers appropriate to protect the interests of the United States. The Secretary of the Army may agree to allow the State of Minnesota to retain a reversionary interest in the land described in clause (i) conditioned upon the Secretary's use of the land for Army purposes and preservation of the historic structures lying thereon in conformity with Department of Interior standards for properties on the National Register of Historic Places.

(b) DEED AMENDMENT.—The Secretary of the Army is authorized to execute and file the appropriate documents to reflect the provisions of this section.

SEC. 9076. The $100,000,000 provided for Shipbuilding and Conversion, Navy under the appropriation "Special Operations Forces Fund" contained in the Department of Defense Appropriations Act, 1989 (Public Law 100-463) shall remain available for obligation until September 30, 1990.

SEC. 9077. Effective for only fiscal year 1990, whenever the Secretary of the Army captures and removes wild horses and burros from White Sands Missile Range, the Secretary may transfer such horses and burros to the Secretary of the Interior as excess animals. Upon receipt of any horse or burro pursuant to this section, the Secretary of the Interior shall treat such animals as excess animals removed under section 3(b)(2) of the Wild Free-Roaming Horses and Burros Act (16 U.S.C. 1333(b)(2)): *Provided*, That the cost of processing such animals incurred by the Department of the Interior shall be reimbursed by the Secretary of the Army, not to exceed $200,000.

This Act may be cited as the "Department of Defense Appropriations Act, 1990".

Mr. MURTHA (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there any points of order against the remaining portion of the bill?

Are there any amendments to the remainder of the bill?

Mr. ALEXANDER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support H.R. 3072, the defense appropriation bill, which the Committee on Appropriations has recommended for passage.

Mr. Chairman, before moving to areas of special interest I want to express my appreciation for the excellent work that has been done on this bill by the chairman of the Subcommittee on Defense Appropriations, Mr. MURTHA, in this his first year at the helm and by the able ranking Republican member, Mr. MCDADE. Supported by the subcommittee's talented, hardworking staff, they have led the subcommittee through a thicket full of difficult challenges to produce a good bill for our consideration.

In 1956, President Dwight Eisenhower, a five-star general, wrote:

I patiently explain over and over again that American strength is a combination of its economic, moral and military force.

I share his belief.

This is the bill that literally puts the fuel in the Nation's military engine—the gas in the tanks. It is one of the most important bills that this House considers each year.

Today's bill permits more outlays for defense than has been spent in any previous year. This is the case even when the sums are adjusted for inflation. The actual dollar increase in budget authority over the current year is $4.1 billion.

It is encouraging that the subcommittee has taken the initiative, on which our full Committee on Appropriations has supported them, to recommend appropriation of $1 billion more than the President requested for operations and maintenance and $210 million more than was requested for the CHAMPUS Health Services Program.

The most important working parts of the military engine, the parts without which it cannot run, are the men and women who have committed their time and energy to military service. Few factors have as much bearing on the morale and readiness to perform their mission as does operations and maintenance and security in connection with the health care available to them and their families. So, the increases recommended for O&M and for the CHAMPUS Program are vitally important.

For two decades the National Guard and Reserve forces have become increasingly important to the security planning for our Nation. Weekend warriors they may be to some. To me they are dedicated men and women whose interest in and concern for U.S. security makes them willing to give up hours and days that others consider play time in order to make themselves ready to defend our precious freedoms, by force if necessary.

Therefore, I strongly support the recommendation in this bill to provide $1.5 billion more than the President requested in dedicated equipment for the National Guard and Reserve and to provide an additional $135 million to the operation and maintenance accounts of the Reserve components.

As a strong supporter of the Air Force B–2 bomber and C–17 airlift aircraft programs, I regret the reductions from the President's budget that are recommended even as I recognize the circumstances driving the decisions. Both these aircraft are vital to the modernization of defense capabilities of the Air Force. I urge that the necessary steps be taken in the near future to strengthen these programs as they should be.

Last, but certainly not least important is the $450 million recommended for Department of Defense drug interdiction activities. There are actions that the military forces are and can appropriately take in support of the civilian effort to bring an end to the import of illegal drugs and the trade in these crippling, death-dealing substances which are tearing at the fabric of our Nation.

I strongly support those activities. At the same time, I strongly support the committee's position that it would be disastrous to move toward turning our national security force into a police force.

Such a development would be devastating to the achievement of their primary mission of defending the military security of the Nation. It would do cataclysmic damage to the very principles upon which the strength of our Nation has depended for 200 years. Service men and women I have heard on this subject, whether at the top of the rank or the bottom of the file, are strongly opposed to having their mission transformed from being the military defenders of our freedoms to a police force competing with the civilian law enforcement organizations.

Mr. Chairman, as I said at the beginning, I support this bill and I urge its prompt passage.

AMENDMENT OFFERED BY MR. SKAGGS

Mr. SKAGGS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SKAGGS: Page 78, after line 14, insert the following new section:

SEC. 9078. No funds appropriated by this Act may be obligated or expended to prepare, or to assist any contractor of the Department of Defense in preparing, any material, report, list, or analysis with respect to the actual or projected economic or employment impact in a particular State or congressional district of an acquisition program for which all research, development, testing and evaluation has not been completed.

Mr. SKAGGS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. SKAGGS. Mr. Chairman, I want to thank the chairman of the Defense Appropriations Subcommittee for his assistance in working with me to improve this amendment. I'd also like to thank the chairman and members of the Rules Committee for allowing me to offer this amendment today.

I also want to thank the Congresswoman from Illinois, Congresswoman LYNN MARTIN, for her generous support of my amendment.

My amendment would prohibit the Defense Department from spending funds appropriated in that bill to prepare reports or estimates on how States or congressional districts might benefit from a weapons program until that program can be considered to have received final approval from Congress.

Our defense programs should be chosen based on their contribution to our national security, and not on how they might benefit a particular State or congressional district. The problem this amendment addresses is the Department's continuing practice of using a pork-barrel argument to sell some of its weapons systems—and especially some of those weapons systems being most vigorously debated by Congress. The Department has done this with the clear intention of affecting the congressional debate on those weapons systems, and in spite of two congressional warnings to cease this activity. This practice muddles congressional debates and does not serve our national security interests. And it hurts the credibility of Congress in the eyes of the public. My amendment aims at ending this improper lobbying.

For the record, I want to cite some of the history on this issue as further reason for offering this amendment.

Since the early 1900's it's been against the law for the Department—or any agency of the executive branch—to lobby Congress. But that's a hard law to enforce, and many agencies and departments have found some gaping loopholes in that law. One loophole that has worked very well, especially for the DOD, has been to sell a program based on how many jobs and how much economic benefit that program could offer a State or congressional district. The textbook case was the B–1 bomber, built in all 50 States, a piece of it in almost every one of our 435 congressional districts.

In 1987, the House adopted an amendment I offered to the Defense authorization bill expressing the sense of Congress that the Department of Defense should not create lists of how a proposed weapons program might benefit a particular State or congressional district. Again, during congressional debate on two aircraft carriers that year, the Navy issued fact sheets describing how many jobs would go to certain States if the carriers should be approved. My sense of Congress amendment was signed into law as part of Public Law 100–180.

In 1988, seeing no change in DOD policy, I offered a similar amendment to the Defense authorization bill. Again, the full House adopted it, and in conference it was changed into a directive that the Department issue a regulation to deal with the issues raised by the amendment. Two weeks ago, a spokesman for the Department told my office it had no in-

tention of issuing any such regulation. That spokesman also stated that the Department regularly ignores sense of the Congress resolutions because it sees no compelling reason to do anything about them.

We should not condone this kind of glib disregard for a congressional directive. The Department should not be free to ignore, with impunity, sense of the Congress resolutions.

Just 2 weeks ago, during congressional debate on the B-2, the DOD collaborated with Northrop to put out a State-by-State list of where components of the B-2 would be built. Northrop distributed this list to every Member of Congress. Reasonable people can differ about the merits of the B-2 program, but I think it was outrageous that the Department would contaminate the debate about that program with a jobs issue. In a $70 billion program, we need to stick to the merits.

I believe it's time the Department got the message loud and clear that Congress is serious about this. If indeed our Defense budget is going to go through more years of tight budgets, during which time Congress will have to make tough decisions about weapons programs, Congress has to be able to do so without the cynical interference of jobs arguments.

It comes down to this—if Congress wants the best defense money can buy, the Department can't talk the jobs talk. And that's what my amendment would help prevent. I urge my colleagues to join me and vote for this amendment.

Mr. MURTHA. Mr. Chairman, will the gentleman yield?

Mr. SKAGGS. I am happy to yield to the gentleman from Pennsylvania.

Mr. MURTHA. Mr. Chairman, we have no problem with this amendment.

Mr. McDADE. Mr. Chairman, will the gentleman yield,

Mr. SKAGGS. I am happy to yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Chairman, we will be delighted to accept the amendment on this side of the aisle.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. SKAGGS].

The amendment was agreed to.

Mr. LEWIS of Florida. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise today in strong support of the WC-130 weather reconnaissance funding in the 1990 Department of Defense appropriations bill.

I would also like to thank the committee for its sensitivity to the concerns of the people of the gulf and eastern seaboard. Obviously the committee and Congress have come to a realization that the Air Force has not.

This is the realization that the hurricane hunter planes are absolutely vital to the safety of our coastal residents.

The importance of the hurricane hunters is being demonstrated at this very moment with the advent of tropical storm Dean.

This storm was first detected by satellite, but the National Hurricane Center could discern little else about it except for its presence. What did the hurricane experts do? They sent out the planes.

Now we know the wind speed, direction, and various other factors that will aid in determining if, where, and when this hurricane will hit the United States.

Although we all hope that this storm does not make landfall in the United States, we can all rest a little bit easier knowing that we will have adequate and reliable forecasting if it does. This is what the hurricane hunters give us.

Mr. Chairman, like the committee, I simply cannot understand why the Air Force continues to cause confusion and turmoil in the dedicated personnel who perform this dangerous mission by constantly changing its position on whether or not to continue the hurricane hunters.

Fortunately, my coastal colleagues and I have not let this issue die, and the merits of the program have temporarily won out. While this heartens me, I continue to be disappointed that the Air Force needs to be forced by Congress to provide this vital service.

In short, we should not have to work this hard to keep a program that is so essential to the safety of tens of millions of Americans.

Mr. Chairman, the hurricane hunters are our first line of defense against the ravages of a hurricane. It is imperative that we give millions of Americans a chance to escape the wrath of the next great storm.

Mr. DURBIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to ask the chairman of the subcommittee to be kind enough to engage in a colloquy.

Mr. Chairman, I have expressed my concern to your subcommittee regarding the proposed reduction of primary assigned aircraft from 24 F-4D to 18 F-16A for the 183d Tactical Fighter Group, Illinois Air National Guard.

In its report on the fiscal year 1990 Department of Defense appropriations bill, the subcommittee notes that $3.5 million was added to the budget request to support an additional 600 reservists and 48 AGRs in reserve personnel, Air National Guard; and that $12.9 million was added for 195 technicians/civilians and other necessary support in operation and reserve, Air National Guard.

Will the additional funds included in this bill for the Air National Guard allow the Department of Defense to maintain the current number of 24 primary assigned aircraft for the 183d Tactical Fighter Group, Illinois Air National Guard?

Mr. MURTHA. Mr. Chairman, will the gentleman yield?

Mr. DURBIN. I am happy to yield to the gentleman from Pennsylvania.

Mr. MURTHA. Mr. Chairman, the Defense Department's budget proposed several reductions in the force structure of the Reserve components, based solely on budgetary considerations. The committee restored these reductions pending receipt of a Defense Department's report defining the future mix of Active and Reserve forces.

Approximately $2 million was added to the Air National Guard budget request to restore six aircraft with associated personnel and operational support to the 183d Tactical Fighter Group.

Mr. DICKINSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am not rising to ask the Members to vote in opposition to the pending appropriation bill, but I do think it is advisable to raise a caution flag for the Members, to tell them that the bill is in trouble as it presently is, as the gentleman from Pennsylvania [Mr. McDADE] said, in the conforming of their bill to our defense authorization bill. I said, and I voted, against our authorization bill because there were many things in there that I could not support nor could the administration in my opinion, and they have conformed their bill principally to our bill, and it still makes it veto bait, in my opinion.

Let me commend the chairman and the ranking member and all of the members of the committee. At least, they have agreed on those items in the bill that have not been authorized, with one exception, have been made subject to subsequent authorization, and this is in keeping with our working agreement with the appropriators.

I would point out, however, that we really do have some matter of concern. There are some approximately $12 billion worth of cuts of items that were authorized, and then an add-back of about the same amount of money to programs that were not authorized. Those that were not authorized are subject to subsequent authorization, but that does not deal with the subject of some $12 billion worth of programs that we did authorize that were cut.

When the committee was doing its consideration, a letter was sent to the chairman of the full committee with copies to the gentleman from Pennsylvania [Mr. McDADE] and the gentleman from Pennsylvania [Mr. MURTHA], signed by Richard Darman. Let me read in part what he says about the bill, because while this was written at the time of the subcommittee, before the full comittee, there is no substantial difference in when the full committee finished, so I think the letter still is very pertinent and applicable. It says:

Dear Mr. Chairman:

As the House Appropriations Committee prepares to consider the FY 1990 Depart-

ment of Defense Appropriations Bill, I am writing to express the Administration's views on the bill as reported by the Defense Appropriations Subcommittee.

The President's senior advisors would recommend that he veto this bill in its present form.

The overall funding level provided in the Subcommittee bill is inconsistent with the Bipartisan Budget Agreement, and several of its program recommendations——

And he goes on to mention especially the advanced tactical fighter, the Milstar, and other programs. As a matter of fact, the cuts that this bill embraces are the advanced tactical fighter, which was zeroed, the advanced cruise missile, Asat program which was reduced by at least a third, Milstar, SDI, the B–2.

Mr. Chairman, I am including the letter in the RECORD.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, August 1, 1989.

Hon. JAMIE L. WHITTEN,
Chairman, Committee on Appropriations, Washington, DC.

DEAR MR. CHAIRMAN: As the House Appropriations Committee prepares to consider the FY 1990 Department of Defense Appropriations Bill, I am writing to express the Administration's views on the bill as reported by the Defense Appropriations Subcommittee.

The President's senior advisors would recommend that he veto this bill in its present form.

The overall funding level provided in the Subcommittee bill is inconsistent with the Bipartisan Budget Agreement, and several of its program recommendations conflict with important Administration priorities. The Subcommittee bill would provide budget authority of $285.6 billion. This is nearly $2 billion less than the Subcommittee's 302(b) allocation, which was in accord with the Bipartisan Budget Agreement.

Funding is significantly reduced for several high-priority strategic and conventional programs, including the Strategic Defense Initiative, the B–2 bomber, the Advanced Cruise Missile, the MILSTAR communications program, and the Advanced Tactical Fighter. On the other hand, the Subcommittee added funds to reverse cancellation of several programs the Administration does not believe to be affordable or essential. The Subcommittee also added funds for other lower-priority military programs not requested by the Administration. The Subcommittee's recommendation would severely compromise the Administration's objective of providing adequate defense capabilities within constrained resources.

The bill also includes funding for programs that should be funded from domestic discretionary appropriations—in particular the appropriations for the Coast Guard ($300 million) and the National Science Foundation ($82.9 million). Funding domestic discretionary programs from defense resources is a violation of the Bipartisan Budget Agreement. With regard to the Coast Guard funding, let me point out that the Conference Report on the FY 1989 Defense Appropriations Act stated: "The conferees agree that this is the final year that Department of Defense appropriations should fund Coast Guard requirements."

Finally, Section 9052 raises constitutional questions because it purports to make Administration action legally dependent upon the approval of the Appropriations Committees before it can transfer funds under this provision. This is contrary to the Supreme Court's decision in INS vs. Chadha, which overturned the one-house legislative veto.

I urge that the full Committee remedy these serious problems.

With best regards,

RICHARD G. DARMAN,
Director.

□ 1010

Then the add-backs for all programs were cut by the administration and the Secretary of Defense. So I realize that upon the passage of this bill both the authorizing committee bill and this appropriation bill will go to conference. Hopefully some of the most egregious add-ons and deletions can be modified and remedied to make it acceptable to the administration.

But as it stands now, I am just telling the Members, as our defense authorization bill stands and as the defense appropriation bill stands, I do not support them, and I would recommend a veto. I think it will be vetoed.

Mr. Darman, and I am speaking also for the Secretary of Defense, say that in its present form they would recommend a veto of this appropriation bill as well as our authorization bill.

So I would hope in conference a word to the wise would be sufficient, and we can iron out these difficulties, even though I do not expect all of them to be addressed.

So for that reason, I personally am going to vote against the appropriation bill because I think unless it is modified substantially it is not going to be accepted by the administration.

Mr. DICKS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of this bill which I believe makes a good faith effort to address the difficult priority choices we face in the defense field. I want to compliment the work done by my subcommittee chairman, Mr. MURTHA, for his evenhanded handling of this legislation, and his commitment to identify specific priorities and themes in our decisionmaking. For his first year, the job was especially masterful. As always, the ranking member, Mr. MCDADE, was an excellent team member in creating the bill. And I thank all of my colleagues on the subcommittee for the excellent, bipartisan approach that is represented in H.R. 3072. Finally, we would never have been able to bring this bill to the floor, without the many hours of diligent work done by the subcommittee's very diligent and professional staff.

Frankly, I have some very real concerns with the authorization bill as approved by the House. It made reductions beyond what I feel are justified on programs such as the B–2 bomber and eliminated all funding for the small ICBM.

I am convinced that the two missile program is justified, as a means to improve strategic stability by enhancing the survivability of the land-based leg of the triad. Even more importantly, it is necessary to place the United States in a position at the START talks to realistically negotiate with the Soviet Union, which is already deploying both a single warhead road mobile missile, the SS–25, and a rail mobile multiple warhead missile, the SS–24.

With respect to the B–2, without it we would be effectively eliminating one leg of the triad and our ability to hold at risk a wide range of Soviet targets. We would also undermine the underlying strategy of our START position which is to go toward more stabilizing systems, such as the slow flying and recallable bomber, as opposed to the current emphasis on ballistic missiles. In fact, under START, nearly half the target base would be assigned to the manned bomber force.

Hopefully, by the time we complete conference we will have a bill that provides the support the President needs to reshape our strategic forces under a START agreement that provides major overall reductions in nuclear forces. Without the B–2 and Midgetman, in fact, the chances of getting a START agreement are severely undermined. Nonetheless, I recognize the political realities that have led the chairman to offer an amendment to bring this bill in conformance with the actions of the House on major issues debated on the authorization bill. But I, for one, will be working to produce a more balanced strategic program by the time we complete action in the fall.

Obviously we have real cost constraints on defense, just as we have on the budget overall. The General Accounting Office has estimated that the 5-year plan for defense is above available funding, assuming flat budgets, by some $150 billion. This has led many to focus on highly visible strategic programs as "cash cows." But while these systems are expensive, they are not out of line with past practice, and focusing just on them does not provide real balance. On the other hand, there are some programs, such as SDI, where I believe that we can avoid major increases in funding that are currently included in the 5-year plan.

The House Appropriations Defense Subcommittee has made a real effort to make a more rational set of recommendations. We strove to enhance funding for readiness and operations, including an additional $186 million for ship repair and modernization and significant increases for the Department's medical programs. In addition, rather than terminate existing programs at far below stated inventory requirements, or impose uneconomical

stretchouts, we recommended funding these programs as efficiently as possible, and when the inventory objective is met, terminating the programs. This includes both the F-14D Navy fighter and the Air Force F-15E. We also added $1 billion to initiate a major sealift enhancement program.

On the other hand, we recommended personnel reductions to reflect the impact of the INF Agreement, cut over $800 million from duplicative and uncompetitive computer purchases, and terminated a number of research programs that either had little prospect of actually being produced in the current fiscal environment, or exhibited signs of unacceptable delays and cost growth. The outyear impact of these terminations is nearly $9 billion. In addition, we terminated many highly classified programs with a similar major outyear impact.

A recommendation that is getting real attention is the elimination of all funding for the advanced tactical fighter. While we expect that the final bill will restore at least part of the $1.1 billion for this program, our action has already prompted better high management attention to potential cost growth, concurrency problems, and questions of Navy commitment to the program. Our objective is to make certain these questions are answered before we have invested billions in this program, which is currently estimated to cost $69 billion.

Congressional support for the Trident Submarine and D-5 Missile Program remains strong. However, I believe we have reached the point where we need to consider how long, and at what rate we should continue to build new Tridents. With the fiscal year 1990 funded Trident, we will have approved a force of 17 submarines. Under a START agreement, even if we eliminate the entire Poseidon force, we may be able to retain a force of only between 16 to 20 Tridents. If we continue to fund one each year, we may face a situation where we would have to dismantle older Tridents that still have many years of operational capability. This would be an enormous waste of taxpayer's money.

For this reason, I authored a requirement for the Secretary of Defense to report on the ultimate inventory objective of Tridents, and the potential impact of a START agreement on the program so that we can consider this question with all relevant information.

Mr. Chairman, again I urge the House to approve this important legislation.

Mr. Chairman, I would just say to the gentleman from Alabama, my friend, Mr. DICKINSON, we on the Appropriations Committee hope that a number of the issues that the gentleman has mentioned can be resolved in the House-Senate conference committee on the authorization bill. Many of the problems that have been stated here are because of the actions that were taken by the House, some regrettable, on the authorization bill.

I would urge all Members of both the House and Senate committees on defense appropriations and authorizations to seriously consider what we have to do in the future on ICMB modernization, on SDI and on the B-2. I think those issues are critically important.

There are obviously some actions that this committee has taken to cut the number of programs that will be reviewed in the conference as well between the House and Senate Appropriations Committees.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. DICKS. Yes, I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, let me just say I cannot imagine a better working relationship than what our authorizing committee has had to date with the chairman, a better one than we have ever had with the appropriating committee, and it would be my hope that after passage of this bill and before either of the committees go to conference that the chairman and ranking member of both committees could get together and see if we cannot come to a meeting of the minds and work out some of the serious problems, and I am sure we will, to obviate some of the big problems that loom ahead of us. Hopefully we will do that, and I know there is a willingness on the part of both gentlemen from Pennsylvania, Mr. MURTHA and Mr. MCDADE, and my chairman and myself to get together to see if we cannot work out the problems before conference.

Mr. DICKS I would say to the gentleman from Alabama, as I said to him privately the other day, I regret that there was some misunderstanding on both sides on the question of ICBM modernization. I for one stand strongly committed to the two-missile program. I would like to see us move ahead with the Midgetman and with the rail garrison MX. I would hope that the conferees would agree to the Senate position on those issues. I know that brings back a conference report that may be debated on the House floor, but I think there is a majority in the House, based on the vote on the Hertel amendment and the vote initially on the Frank amendment, to move in that direction.

I would say to my friend from Alabama, with the greatest respect, I think that is in the national security interests of the country at this point in time, and I would hope that we could join together on that issue and try to put that behind us so that we can have bipartisan support. I think that outcome will help us in the arms control talks in Geneva, and I hope that we can work that out in the conference.

Mr. DICKINSON. If the gentleman will yield further, I appreciate his remarks. He left out the Spratt amendment that started out the mischief in the first place.

Mr. DICKS. Yes, which I regret happened, as I said.

Mr. DICKINSON. It happened. And the author of the amendment and many of the supporters knew exactly what they were doing, so we will see what we can do about working out the differences later. I appreciate the gentleman yielding.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I rise to offer my appreciation to the gentleman and associate myself with his remarks and give support to the dual-missile program. The gentleman's contribution has been very helpful to the eventual discussions in the conference.

Mr. DICKS. I would say one final point. I also believe the Aspin-Synar amendment cuts back too deeply on the B-2 program. I just say to all of my colleagues if we cut the program as deeply as the Aspin-Synar amendment wants to do, what we are going to do is drive up the cost of the program, the unit cost of the program, and I think that is a grave mistake. I hope we can come closer to the other body's view on that in the authorization.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Chairman, I thank the gentleman from Washington for yielding.

Mr. Chairman, I want to rise in support of this defense appropriation bill, and thank both gentlemen from Pennsylvania, Mr. MURTHA and Mr. MCDADE, and also the full committee and subcommittee. They were very kind to the National Guard and Reserve.

We had an amendment on the defense authorization that gave $1,200,000,000 to the Guard and Reserve simply in equipment, trucks, small airplanes, things that can go into the different States and the different districts. The committee, under the gentleman from Pennsylvania [Mr. MURTHA] added an additional $300 million to the account for the National Guard and Reserve.

I want to point out this still gives only 3 percent of the total procurement budget to the National Guard and Reserve out of the $76 billion procurement. I would also like to say that the Guard and Reserve now have over 20 percent of all of the combat mis-

sions of the different four services, and the Army National Guard has 51 percent of the combat missions, and the Reserves have 70 percent of the support missions.

So this is money well spent. I want to commend the committee for doing this for the National Guard and Reserve.

Mr. DICKS. I would just say our committee is well aware of the outstanding leadership by the gentleman from Mississippi on this issue over a long period of time. If anyone doubts it, the champion of the Guard and the Reserve in the U.S. Congress is the gentleman from Mississippi, and we appreciate and respect his leadership. I think it is a compliment to him that every year the administration does not put the money in the budget, because they know that the gentleman from Mississippi [Mr. MONTGOMERY] is going to take care of that one up on Capitol Hill.

Mr. MONTGOMERY. I salute the gentleman for his kind remarks.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from New York.

Mr. WEISS. Mr. Chairman, I must say that I am somewhat distressed at the tone of the colloquy that has been going on here. The House worked its will on the defense authorization bill.

The CHAIRMAN. The time of the gentleman from Washington [Mr. DICKS] has expired.

(On request of Mr. WEISS and the unanimous consent Mr. DICKS was allowed to proceed for 1 additional minute.)

Mr. WEISS. At this point for there to be a suggestion that in some way the House was wrong, and that what the House did is going to be corrected by Members in conference I think really borders on the ridiculous. I would hope that in fact there would be a rethinking of that kind of approach.

The House has spoken. The gentleman may disagree with it, as I do from time to time, but to say that that gives them the right to say that was wrong is wrong itself.

Mr. DICKS. I will take back my time at this point to say to the gentleman from New York, my friend, that there were two votes. We voted against the Hertel amendment to take out all of the money for rail garrision, and on a record vote we overwhelmingly voted to support the Midgetman. We know the Spratt amendment caused a controversy at the end, but those two record votes still stand.

Mr. CONTE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this is the last of the 13 general appropriations bills that the Appropriations Committee brings to the House floor for consideration for the 1990 fiscal year.

Because of forces that kept the Congress in a state of suspension in the early part of this year we have had to move these bills at a gallop in the last 2 months.

It has taken a lot of cooperation by all of the Members of the House and it has taken a full court press by the Appropriations Committee to get to this point.

I think we owe a special vote of thanks to the chairman of our committee, the gentleman from Mississippi. With my western Massachusetts background, I do not always pick up on the Mississippisms and the dialect, but I always know he is going to be shepherding our committee's bills with the care of a driver of a nitroglycerine truck.

I want to say to him, to the members of the committee and the staff, that you have done yeomen's work. But we have a long way to go. The other body has a lot of their pet rocks to throw into our bills.

The bill we are considering today will be one of those that they will jump on with the gusto of my hunting dog, Pal, at mealtime.

The bill has a lot of difficulties connected with it. It deviates greatly from what the administration wants.

However, those differences were fought over last week in the Defense authorization bill. Our mandate is to get this bill moving toward conference, not fight those battles again.

The Defense Subcommittee has had to wait until the very last minute to adjust its bill to what they did.

What you see here is a combination of puts and takes based on hundreds of hours of hearings, adjustments to the authorization bill, and patching together budget and outlay numbers to try to meet our budget resolution guidance. It is not a thing of pure beauty. It will take a lot of adjusting and negotiation in the future to get it enacted.

Nonetheless, I came here to recognize the hard work the subcommittee put forth and make note of the leadership of Chairman MURTHA as he takes this bill through for his first trip as the chairman. I also want to thank my good friend, the gentleman from Pennsylvania, JOE MCDADE for lending his immense knowledge and experience in national security programs to accomplish this most difficult task.

I want each of you on the subcommittee to know how important your provision of $300 million is to the Coast Guard.

We saw on the floor yesterday the concerns for the Coast Guard. I did not like the Tauzin amendment but I understand his concerns. In this bill, the members of the committee stepped up to the need of the Coast Guard and I applaud them for it.

The Coast Guard is a fighting arm of our national defense when war is declared. Well, the Congress has declared war—on drugs.

The Coast Guard is the lead element of our Armed Forces in that war. The subcommittee recognizes that fact and has anted up a sizable chunk of funding for combating that enemy.

So, I want to congratulate the subcommittee on your hard work and to thank the full committee for the focus you have put forth in getting all these appropriations bills to the floor.

□ 1020

Mr. SHARP. Mr. Chairman, I ask unanimous consent that I be allowed to return to page 31 and to offer an amendment to line 1.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

AMENDMENT OFFERED BY MR. SHARP

Mr. SHARP. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHARP: Page 31, line 1, strike out "$5,578,700,000" and insert in lieu thereof "$5,568,700,000.

Mr. SHARP. Mr. Chairman, I am offering this amendment to cut $10 million from $5.6 billion being appropriated in this bill for Army research, testing, development and evaluation, RDT&E.

My amendment cuts $10 million from the Army's RDT&E account which has been earmarked for the transverse mounted engine propulsion system [TMEPS]. My amendment assures that the contractors—and not the Government—pay for work which was not selected by the Government in a formal source selection.

The reasons why I am proposing the cut in TMEPS funding are specific and clear: First, the Appropriations Committee has adopted report language for which there is no current or pending authorization.

In fact, the fiscal year 1990 defense authorization, which we considered only last week, specifically proposes $10 million for the advanced integrated propulsion system [AIPS]—the Army's source-selected program—and merely encourages the Army to look at TMEPS. The effect of the appropriations' earmark of $10 million for TMEPS, not AIPS, turns the Army source selection process and the authorizing decisions on their heads.

The TMEPS concept has not been neglected by Congress. $13.74 million was appropriated in fiscal year 1986. Money has been expended in fiscal years 1987 through 1989, and a demonstration date is set for October of this year; $3.3 million remains unspent and available.

The question, then, is why an additional $10 million is needed for TMEPS so close to completion date when more money remains available than has been spent in fiscal 1989. What is this $10 million for? That $10 million is effectively intended to have the Congress send its signal to the Army on how to source select a specific contractor for tank engines. That earmark limits, not expands, source selection competition.

Second, there are strong and compelling reasons for Congress to continue to support the AIPS competition. That competition, which is between diesel and turbine technology for future incorporation in the Army's heavy armored vehicles, will terminate next fiscal year in a decision to go ahead with one or the other technologies. Earmarking $10 million for TMEPS does not induce further competition, it unfairly tilts competition in favor of one turbine contractor, not previously selected.

The dime store mystery is why TMEPS has been granted an additional earmark. My amendment does nothing more than reduce the Army RDT&E account by the amount of this mystery; it supports the authorizing decisions; and it sends a clear signal that this House supports fair, open and unpoliticized competition for the Army's next-generation powerplant.

My amendment has the support of the Appropriations Subcommittee's distinguished chairman, Mr. MURTHA, and I ask for the support of my colleagues on both sides of the aisle as well.

Mr. MURTHA. Mr. Chairman, will the gentleman yield?

Mr. SHARP. I yield to the chairman of the subcommittee, the gentleman from Pennsylvania.

Mr. MURTHA. I thank the gentleman for yielding.

Mr. Chairman, we have no problem with this amendment.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. SHARP. I yield to the gentleman from Pennsylvania [Mr. McDADE].

Mr. McDADE. I thank the gentleman for yielding.

Mr. Chairman, the gentleman was kind enough to bring the amendment to us and to discuss it. We are happy to accept it on this side.

Mr. SHARP. Mr. Chairman, I appreciate the cooperation of the chairman and the ranking member of the subcommittee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. SHARP].

The amendment was agreed to.

Mr. PANETTA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, very briefly, I want to mention that we are now in the last, the 13th and last appropriations bill. All of these appropriations bills have met the targets within the budget resolution and on the budget authority side.

There have been few exceptions on the outlays but every bill has been within or below the target with regard to budget outlays or budget authority.

Mr. Chairman, with the passage of this bill, which is $1 billion, incidentally, below its discretionary budget authority, with the passage of this bill we are now well on our way to implementing the bipartisan summit agreement and the budget resolution.'

I congratulate the chairman of the subcommittee, the gentleman from Pennsylvania [Mr. MURTHA], and the ranking member of the subcommittee, the gentleman from Pennsylvania [Mr. McDADE], for the job that they have done on this particular bill, in staying within their target.

I also take this opportunity to thank and congratulate the chairman of the full committee, the gentleman from Mississippi [Mr. WHITTEN], and his ranking member, the gentleman from Massachusetts [Mr. CONTE], for the work they have done in bringing all of these bills to the floor before the August recess.

The House is well on its way to implementing the budget resolution.

The next step is the reconciliation bill, and I look forward to continued cooperation with the Members in an effort to implement the budget resolution at that time.

Mr. Chairman, I rise to discuss the budget status of H.R. 3072, the fiscal year 1990 defense appropriations bill. As is customary, the Budget Committee has provided a "Dear Colleague" to all Members of the House discussing the relationship of this bill to the fiscal year 1990 budget resolution. H.R. 3072 is within the spending limits of the budget resolution and bipartisan summit agreement. The bill provides $1 billion less than its 302(b) allocation in discretionary budget authority and discretionary outlays equal to its allocation. I would like to congratulate Chairman Murtha for the timely action by the subcommittee on this bill.

Mr. Chairman, with the passage of this bill the House will have considered the 13th and last appropriations bill and will have met its ambitious schedule with regard to appropriations bills. This is the second year in a row that all appropriations bills will have been considered by the August recess.

The House is well on its way toward implementing the bipartisan summit agreement of last April and I congratulate the Appropriations Committee and the leadership for their help in implementing the budget resolution. However, when we return from the district work period, it will be necessary to move in a timely manner to enact a reconciliation bill in order to achieve the savings assumed in the budget resolution and prevent a fiscal year 1990 sequestration. The Appropriations Committee should be commended for making the first step with House passage of these bills. The process will not be easy but with the cooperation of the Members of the House, I am sure we can achieve that goal.

COMMITTEE ON THE BUDGET,
Washington, DC, August 3, 1989.

DEAR COLLEAGUE: Attached is a fact sheet on H.R. 3072, Department of Defense Appropriations bill for Fiscal Year 1990. This bill is scheduled for floor consideration on Friday, August 4, subject to a rule being adopted.

This is the thirteenth and the last annual appropriations bill for fiscal year 1990. The bill, as reported, is $998 million below the 302(b) subdivision for discretionary budget authority and equal to the subdivision for outlays. Therefore, it is consistent with the 1990 Budget Resolution and the Bipartisan Budget Agreement.

I hope this information will be helpful to you.

Sincerely,

LEON E. PANETTA,
Chairman.

[Fact Sheet]

H.R. 3072, DEPARTMENT OF DEFENSE APPROPRIATIONS BILL, FISCAL YEAR 1990 (H. REPT. 101-208)

The House Appropriations Committee reported the Department of Defense Appropriations Bill for Fiscal Year 1990 on Tuesday, August 1, 1989. This bill is scheduled for floor action on Friday, August 4, subject to a rule being adopted.

COMPARISON TO THE 302(b) SUBDIVISION

The bill, as reported, provides $286,331 million of discretionary budget authority, and $281,773 million of discretionary outlays. This is $998 million less in discretionary budget authority than the Appropriations Subdivision for this Subcommittee. The Budget Act provides a point of order, if the target for discretionary budget authority is breached. Since it is not, there is no such point of order against this bill. The bill is equal to the subdivision for estimated discretionary outlays. A detailed comparison of the bill to the spending and credit subdivisions follows:

COMPARISON TO SPENDING ALLOCATION

[In millions of dollars]

	Defense appropriations bill		Appropriations Committee 302(b) subdivision		Bill over (+)/over (−) 302(b) subdivision	
	BA	O	BA	O	BA	O
Discretionary	286,331	281,773	287,329	281,773	−998	
Mandatory	155	155	155	155		
Total	286,486	281,982	287,484	281,928	−998	

Note: BA—New budget authority; O—Estimated outlays.

COMPARISON TO CREDIT ALLOCATION

The bill provides no credit activities.

Pursuant to Section 302(b) of the 1974 Budget Act as amended by P.L. 99-177 (Gramm-Rudman-Hollings), the Committees of the House are required to subdivide the spending authority and credit authority allocated to them in the Budget Resolution for Fiscal year 1990 (shown in H. Rept. 101-50). The Appropriations Committee reported its 302(b) subdivisions on June 21, 1989 (H. Rept. 101-97). These subdivisions are the official scorekeeping targets for appropriations subcommittees.

The following are the major program highlights for the Defense Appropriations Bill for Fiscal year 1990, as reported:

PROGRAM HIGHLIGHTS

[Budget authority in billions of dollars]

	Request	Reported
Military personnel	79.2	79.1
Operation and maintenance	89.6	89.6
Procurement	78.4	80.5
Research and development	39.6	35.6

AMENDMENT OFFERED BY MR. FAZIO

Mr. FAZIO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FAZIO: Page 70, strike out lines 11 through 18 and insert in lieu thereof the following: the State of

California: *Provided*, That no funds shall be used for such purpose until the Secretary of Defense, the Administrator of General Services, and the purchaser of the Sale Parcel reach an agreement resolving all disputes relating to the withdrawal of Landfill No. 26 and buffer acreage from the original Sale Parcel, except that funds may be expended on any and all preconstruction or related activities and may be expended to the extent required under Federal or State law.

Mr. FAZIO. Mr. Chairman, this is a technical amendment to section 9066 of the bill relating to the cleanup of Hamilton Air Force Base. It has been worked out in cooperation with the Defense Subcommittee and its chairman, Mr. MURTHA, as well as the appropriate members of the House Armed Services Committee. In particular, I would like to thank Mr. MURTHA and his staff for their support in this effort.

The amendment has two purposes. First, the amendment clarifies that the cleanup at Hamilton Air Force Base shall be carried out in accordance with all existing Federal and State regulatory requirements. While there was never any intention that this provision would direct the Department of Defense to do otherwise, the amendment clarifies that all existing State and Federal cleanup requirements apply to the cleanup at Hamilton.

Second, the amendment clarifies that the Department of Defense, and no other nonregulatory entity, shall be a party to the cleanup plan as prescribed in the proposed "Record of Decision" relating to Hamilton. Here again, it was never intended that section 9066 would permit the inclusion of any party other than the Department of Defense and the appropriate regulatory authorities in the implementation of the "Record of Decision."

Again, Mr. Chairman, this is a technical, clarifying amendment, and I urge its adoption.

Mr. MURTHA. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentleman from Pennsylvania [Mr. MURTHA].

Mr. MURTHA. I thank the gentleman for yielding.

Mr. Chairman, we have no problem with the amendment.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentleman from Pennsylvania [Mr. McDADE].

Mr. McDADE. I thank the gentleman for yielding.

Mr. Chairman, we have no objection on this side to this amendment.

Mr. FAZIO. Mr. Chairman, I appreciate both gentlemen supporting this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. FAZIO].

The amendment was agreed to.

Mr. BENNETT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would just like to take a moment to congratulate the Defense Appropriations Subcommittee and its chairman, Mr. MURTHA, and ranking member Mr. McDADE, for their support of fast sealift in this bill. The committee has certainly indicated its desire to move in the general direction specified in both the House- and Senate-passed authorization bills.

I would like to point out one feature of the fast sealift initiative that was specifically included in the authorization bill research and development to bring forth a fast sealift ship that will meet our national security needs in time of war and will also provide some commercial viability in time of peace. I would assume that the appropriation measure would fund this research and development.

Unless these new fast sealift ships can be made commercially attractive they will end up being a drain on the Treasury and the Defense budget as they sit idle next to the pier waiting to be used in time of emergency. Unless they are sailing the seas in commercial use we may find it difficult to find crews for these ships when we need them.

There are concepts available that could very well lead to ships that will have both military utility and commercial viability. Fast sealift ships that can be put to use in peacetime will not drain the treasury and will have crews available in time of emergency.

I am glad this appropriation bill will give a forward thrust to fast sealift and that the funds provided in this bill can be used, to the limited extent as needed, to provide ships that can be expected to have both military and commercial use.

Mr. ASPIN. Mr. Chairman, I move to strike the penultimate word.

Mr. Chairman, I rise to talk about one part of the defense bill which is not given a lot of attention but which is terribly important in terms of the good working relations that we have developed between our committee and the subcommittee on appropriations and the gentleman from Pennsylvania [Mr. MURTHA] and that is his willingness in this bill that when he goes beyond what the House Armed Service Committee had authorized by the account level, that they have put in the bill "subject to authorization." I would like to commend the gentleman for doing that.

This is a very, very important issue for the members of the Committee on Armed Services, and we have had a very, very good working relationship with the new chairman, Mr. MURTHA.

I would like to commend him for that and encourage him to bring that same provision back in conference when we have these differences because differences will exist. But in order to maintain a good working relationship it is important that we do this, and I commend the gentleman from Pennsylvania for his efforts.

Mr. MURTHA. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. PANETTA) having assumed the chair, Mr. ROSTENKOWSKI, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee, having had under consideration the bill (H.R. 3072) making appropriations for the Department of Defense for the fiscal year ending September 30, 1990, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

□ 1030

The SPEAKER pro tempore (Mr. PANETTA). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant of Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 312, nays 105, not voting 14, a follows:

[Roll No. 218]

YEAS—312

Ackerman	Boehlert	Coleman (MO)
Akaka	Boggs	Coleman (TX)
Alexander	Bonior	Conte
Anderson	Borski	Cooper
Andrews	Bosco	Costello
Annunzio	Brennan	Coughlin
Anthony	Brooks	Coyne
Applegate	Broomfield	Darden
Aspin	Browder	Davis
Atkins	Brown (CA)	de la Garza
AuCoin	Bruce	Derrick
Ballenger	Bryant	Dicks
Barnard	Bustamante	Dingell
Barton	Byron	Dixon
Bateman	Campbell (CO)	Donnelly
Bennett	Cardin	Dorgan (ND)
Bentley	Carper	Downey
Bereuter	Carr	Dreier
Berman	Chandler	Duncan
Bevill	Chapman	Durbin
Bilbray	Clarke	Dwyer
Bilirakis	Clement	Dymally
Billey	Coble	Eckart

Emerson	Lehman (FL)	Ridge
Engel	Lent	Rinaldo
English	Levin (MI)	Robinson
Erdreich	Levine (CA)	Roe
Espy	Lewis (CA)	Rogers
Evans	Lewis (FL)	Rose
Fascell	Lipinski	Rostenkowski
Fazio	Livingston	Roth
Feighan	Lloyd	Rowland (CT)
Fish	Long	Rowland (GA)
Flake	Lowery (CA)	Roybal
Flippo	Lowey (NY)	Sabo
Foglietta	Lukens, Donald	Sangmeister
Ford (MI)	Machtley	Sarpalius
Ford (TN)	Madigan	Savage
Frank	Manton	Sawyer
Frost	Markey	Scheuer
Gaydos	Martin (NY)	Schiff
Gejdenson	Martinez	Schneider
Gekas	Matsui	Schulze
Gephardt	Mavroules	Schumer
Gibbons	Mazzoli	Sharp
Gillmor	McCloskey	Shaw
Gilman	McCollum	Shuster
Gingrich	McCrery	Sikorski
Glickman	McCurdy	Sisisky
Gonzalez	McDade	Skaggs
Goodling	McGrath	Skeen
Gordon	McHugh	Skelton
Gradison	McMillen (MD)	Slattery
Gray	McNulty	Slaughter (NY)
Green	Mfume	Smith (FL)
Guarini	Michel	Smith (IA)
Gunderson	Miller (CA)	Smith (MS)
Hall (OH)	Miller (OH)	Smith (NE)
Hall (TX)	Miller (WA)	Smith (NJ)
Hamilton	Mineta	Smith (TX)
Hammerschmidt	Moakley	Smith, Robert (OR)
Harris	Molinari	
Hastert	Mollohan	Snowe
Hatcher	Montgomery	Solarz
Hawkins	Moorhead	Spratt
Hayes (IL)	Morella	Staggers
Hayes (LA)	Morrison (CT)	Stallings
Hefner	Morrison (WA)	Stenholm
Herger	Mrazek	Sundquist
Hertel	Murphy	Swift
Hiler	Murtha	Synar
Hoagland	Myers	Tallon
Hochbrueckner	Nagle	Tanner
Horton	Natcher	Tauzin
Houghton	Neal (MA)	Thomas (GA)
Hoyer	Neal (NC)	Torres
Hubbard	Nelson	Torricelli
Huckaby	Nowak	Traxler
Hughes	Oakar	Udall
Hutto	Olin	Unsoeld
Inhofe	Ortiz	Upton
Ireland	Owens (NY)	Valentine
Jacobs	Owens (UT)	Vander Jagt
James	Oxley	Vento
Jenkins	Pallone	Visclosky
Johnson (CT)	Panetta	Volkmer
Johnson (SD)	Parker	Walgren
Johnston	Parris	Walker
Jones (GA)	Pashayan	Walsh
Jones (NC)	Patterson	Waxman
Jontz	Payne (NJ)	Weldon
Kanjorski	Payne (VA)	Whittaker
Kaptur	Pelosi	Whitten
Kennedy	Penny	Wilson
Kennelly	Perkins	Wise
Kildee	Pickett	Wolf
Kleczka	Pickle	Wolpe
Kolter	Porter	Wyden
Kostmayer	Poshard	Wylie
LaFalce	Price	Yates
Lancaster	Quillen	Yatron
Lantos	Rahall	Young (AK)
Laughlin	Ravenel	Young (FL)
Leath (TX)	Regula	
Lehman (CA)	Richardson	

NAYS—105

Archer	Clinger	Dickinson
Armey	Combest	Dornan (CA)
Bartlett	Cox	Douglas
Bates	Craig	Early
Bellenson	Crane	Edwards (OK)
Brown (CO)	Crockett	Fawell
Buechner	Dannemeyer	Fields
Bunning	DeFazio	Frenzel
Burton	DeLay	Gallegly
Callahan	Dellums	Gallo
Campbell (CA)	DeWine	Garcia
Goss	Meyers	Slaughter (VA)
Grandy	Moody	Smith (VT)
Grant	Nielson	Smith, Denny (OR)
Hancock	Oberstar	
Hansen	Obey	Smith, Robert (NH)
Hefley	Packard	
Henry	Paxon	Solomon
Holloway	Pease	Spence
Hopkins	Petri	Stangeland
Hunter	Pursell	Stark
Kasich	Rangel	Stearns
Kastenmeier	Rhodes	Stokes
Kolbe	Ritter	Studds
Kyl	Roberts	Stump
Lagomarsino	Rohrabacher	Tauke
Leach (IA)	Roukema	Thomas (CA)
Leland	Russo	Thomas (WY)
Lewis (GA)	Saiki	Towns
Lightfoot	Saxton	Traficant
Marlenee	Schaefer	Vucanovich
Martin (IL)	Schroeder	Weber
McCandless	Schuette	Weiss
McDermott	Sensenbrenner	Wheat
McEwen	Shays	Williams
McMillan (NC)	Shumway	

NOT VOTING—14

Baker	Conyers	Hyde
Boucher	Courter	Luken, Thomas
Boxer	Dyson	Ray
Clay	Edwards (CA)	Watkins
Collins	Florio	

□ 1054

The Clerk announced the following pair:

On this vote:

Mr. Ray for, with Mr. Edwards of California against.

Messrs. PACKARD, BARTLETT, NIELSON of Utah, SOLOMON, LELAND, CLINGER, McMILLAN of North Carolina, ARCHER, and SPENCE, Mrs. ROUKEMA, and Messrs. TOWNS, LEWIS of Georgia, CALLAHAN, DANNEMEYER, HOLLOWAY, and THOMAS of California changed their vote from "yea" to "nay."

Mr. MOORHEAD changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. DYSON. Mr. Speaker, today I was unavoidably delayed and missed rollcall No. 218 on the Department of Defense appropriations bill. Had I been here, I would have voted "aye."

I was delayed due to a meeting with farmers in our district regarding a congressional hearing to be held by the Agriculture Committee on September 18 on the Eastern Shore of Maryland.

ADVANCED SUBMARINE TECHNOLOGY PROGRAM

(Mr. KOSTMAYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOSTMAYER. Mr. Speaker, the purpose of my 1 minute is to engage in a colloquy with the chairman of the subcommittee, the gentleman from Pennsylvania [Mr. MURTHA].

This bill contains $145 million for the Advanced Submarine Technology Program within the defense advanced research projects agency. This research program is designed to ensure that adequate research is being conducted on potential technological advancements of our Nation's submarine fleet.

Mr. MURTHA. Mr. Speaker, if the gentleman will yield, that is correct. The committee believes that technology developed under this program will enable the Navy to improve the performance of U.S. submarines and to ensure submarine survivability in the coming decades. The committee believes this program constitutes a key component of our effort to ensure the future viability of the sea-based leg of the triad. The committee strongly supports the Advanced Submarine Technology Program in the bill.

Mr. KOSTMAYER. This program includes the development of composite materials based on the innovative use of advanced weaving technology, does it not?

Mr. MURTHA. That is correct. The development of new composite materials for submarine hulls will allow the Navy greater flexibility in submarine design. New composite materials will also help make Soviet detection of U.S. submarines more difficult. The committee believes this composite research is a vital part of the overall submarine technology research effort.

Mr. KOSTMAYER. Mr. Speaker, I thank the subcommittee chairman for this clarification.

LEGISLATIVE PROGRAM

(Mr. LEWIS of California asked and was given permission to address the House for 1 minute.)

Mr. LEWIS of California. Mr. Speaker, I asked for this 1 minute for the purpose of inquiring of the distinguished majority leader, the gentleman from Missouri [Mr. GEPHARDT] the calendar for the remainder of the day.

Mr. GEPHARDT. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of California. Mr. Speaker, I yield to the distinguished majority leader.

Mr. GEPHARDT. Mr. Speaker, having finished the last appropriation bill, it will now be our intent to ask unanimous consent in a few moments to declare recesses at any time. We would perhaps take some matters on commemorative days and other matters, but there will not be votes until we get the conference report on the savings and loan bill back from the Senate.

Mr. Speaker, we will try to give Members 1 hour's notice of when that

will likely happen so that they can get back into the building. The word on that will come through the Cloakroom facilities. That will take 1 hour of consideration.

Upon the completion of that conference report, if it is passed, we then have the matter of the debt ceiling, which may or may not require a vote, but it will come after the S&L conference.

Then, Mr. Speaker, we have an adjournment resolution that will have to be passed later this afternoon before we could finally leave.

Mr. LEWIS of California. Might I inquire further if the majority leader by chance is smelling on his side of the aisle those gasoline fumes from the airport that seem to be drifting around this side of the aisle?

Mr. GEPHARDT. Mr. Speaker, I wish I could give a definite time. We feel that S&L bill will be here around 2 o'clock, take 1 hour of consideration, and then, of course, after that we have the debt ceiling and the adjournment resolution, if there are votes on those two matters.

So, Mr. Speaker, it could be that we will be finished around 3. I would say that would be a fair guess.

Mr. LEWIS of California. Inquiring further, Mr. Speaker, it is our intention to have a conference of our Members shortly in order to discuss some of the aspects of those potential conference reports. Could the gentleman from Missouri [Mr. GEPHARDT] give the House an indication of what he anticipates regarding conference reports as we end the recess going into September?

□ 1100

Mr. GEPHARDT. The gentleman, I think, is inquiring about conference reports in September. It is likely that we will be seeing a number of these appropriation bills coming back. At this time, I am not able to give the gentleman or other Members a clear picture of which ones will be coming first, but I think we can suspect and we hope that the appropriation conferences will be coming back soon.

I would like, if the gentleman will yield further, to quickly run through the first week in September. When we come back on Monday, September 4, the House will not be in session as, of course, that is Labor Day.

On Tuesday, September 5, we will not be in session. That will be the completion and a travel day for the Labor Day district work period.

On Wednesday, the House will meet at noon and consider two bills: H.R. 1668, the NOAA and Coastal Programs Authorization Act; H.R. 2427, the NOAA Atmospheric Satellite Programs Authorization, fiscal years 1990-92. Both of those are subject to a rule.

On Thursday, the House will meet at 10 and take up H.R. 1594 to extend most-favored nation status to Hungary for 5 years; and H.R. 2869, the Commodity Futures Improvement Act, both subject to a rule.

On Friday, September 8, the House will not be in session.

Mr. GIBBONS. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Speaker, I thank the gentleman for yielding to me.

I want to say that I do not want to surprise the leadership nor do I want to surprise the gentleman from Texas [Mr GONZALEZ], but I have no intention, nor am I afraid a lot of Members, have any intention of voting for the S&L bailout bill, now that it is intended to be off-budget.

Mr. Speaker, I will not impose further upon the time of the House.

AUTHORIZING THE SPEAKER TO DECLARE RECESSES AT ANY TIME TODAY

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that it may be in order for the Speaker to declare recesses at any time today, subject to the call of the Chair.

The SPEAKER pro tempore (Mr. PANETTA). Is there objection to the request of the gentleman from Missouri?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, SEPTEMBER 6, 1989

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday, September 6, 1989.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AUTHORIZING THE SPEAKER TO ACCEPT RESIGNATIONS AND TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES AUTHORIZED BY LAW OR BY THE HOUSE, NOTWITHSTANDING ADJOURNMENT

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until Wednesday, September 6, 1989. The Speaker be authorized to accept resignations and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

COMMEMORATIVES

(Ms. SCHNEIDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SCHNEIDER. Mr. Speaker, Congress spends a great deal of time designating commemorative days, weeks, months, and years. The 100th Congress enacted 258 commemoratives or 36 percent of all public laws. This is five times the number of commemoratives enacted just a decade ago.

And yesterday, the majority of Congress agreed that something needs to be done. Yesterday, my bill, H.R. 746, the National Observance Advisory Act, got its 218 cosponsor. H.R. 746 would set up a commission—roughly similar to the Stamp Commission—to designate commemoratives.

This is not to say that commemoratives are bad, in fact, they are an excellent way of raising public awareness about an issue. However, given the amount of staff time devoted to commemoratives, and independent commission would be more fiscally responsible—and, furthermore would provide for an impartial review of commemorative proposals.

This is an idea I have been working on with my distinguished colleague from Oklahoma, DAVE MCCURDY. And our bipartisan effort to clean up the commemorative process deserves the cosponsorship of the rest of the House.

So, Mr. Speaker, the majority of Congress agrees—we should do something about commemoratives. The post Office Committee has pledged hearings in short order. I urge the remainder of my colleagues to support the Schneider-McCurdy plan to redo the commemorative process.

INTRODUCTION OF LEGISLATION TO REPEAL THE MEDICARE CATASTROPHIC COVERAGE ACT

(Mr. DONNELLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. DONNELLY. Mr. Speaker, today, I am introducing legislation, for myself, the gentleman from Texas [Mr. ARCHER], and a bipartisan group of cosponsors, to repeal the Medicare Catastrophic Coverage Act. I take this action having become convinced over the past several months that America's senior citizens simply do not want this program.

Mr. Speaker, as one of the authors of the Catastrophic Coverage Act, as a conferee on the bill. I worked to create a reasonable, acceptable benefit.

However, in the past several months, all of us have heard from our constituents, expressing their opposition to

the program. The committee on ways and means has worked hard to respond to those concerns, and I've participated in those drafting sessions. By now, I've reached the conclusion that there is no way to solve the controversies surrounding this program. It has to be repealed. We have to go back to square one, and start putting together a package that the senior citizens want, and one that makes good fiscal and health policy sense.

But in the meantime, we should not force on America's senior citizens a program that they oppose. The recent changes agreed to by the Ways and Means Committee make the program worse, more regressive, and more unfair to Medicare beneficiaries. There is only one fair solution: Scrap the program and start over again. That is what our constituents want, and that is the responsible thing to do.

Mr. Speaker, I include a technical description of my proposal with my remarks.

TECHNICAL DESCRIPTION OF THE CATASTROPHIC COVERAGE REPEAL ACT OF 1989

(1) REPEAL OF MEDICARE BENEFIT EXPANSIONS

The bill repeals all of the Medicare benefit expansions enacted as part of the Medicare Catastrophic Coverage Act (MCCA). Thus, the legislation's Medicaid expansions (such as spousal impoverishment) are not repealed and remain in effect. In addition, the provisions relating to the blood deductible, the Medicare buy-in, the study of tax incentives for purchasing long-term care insurance, the study of adult day care services, the voluntary certifications of "Medigap" policies, the distribution of Medicare benefit notices, and the monetary penalties for certain HMO/CMP practices are not repealed.

My bill also retains the provisions of the MCCA which holds Medicare beneficiaries harmless against Part B premium increases which exceed the Social Security COLA. It also retains the home health benefits commission and the U.S. Bipartisan Commission on Comprehensive Health Care. Finally, the bill repeals the Federal employee rate reduction, the case management demonstration projects, and generally repeals the MCCA's maintenance of effort provisions.

(2) REPEAL OF SUPPLEMENTAL AND FLAT PREMIUMS

The bill repeals the supplemental premium enacted as part of the MCCA, as well as the Part B premium increase. The supplemental premium is repealed on enactment. The flat premium is repealed on enactment as well.

(3) TRANSITIONAL ISSUES FOR MEDICARE BENEFICIARIES

The bill repeals all benefits, generally effective on January 1, 1990. However, to the extent that a beneficiary is receiving benefits under the bill on that date, the beneficiary is generally held harmless. Thus, if a beneficiary was hospitalized in 1989, the days of hospitilization in that year are not treated as a spell of illness. In addition, a beneficiary who is hospitalized on January 1, 1990 will not have to pay a second deductible during that spell of illness.

(4) REIMPOSITION OF MEDIGAP REGULATIONS

Under the bill, the provisions of prior law relating to certification of Medigap policies are re-imposed. Thus, policies would have to be consistent with the Medicare program's benefits (as amended by this legislation) within a specified time period.

(5) REIMBURSEMENT TO HOSPITALS

With respect to hospitals reimbursed under the prospective payment system, the Secretary would be required to adjust DRG payment rates, outlier cutoff points and weighting factors to reflect the increase in payments to hospitals by or on behalf of Medicare beneficiaries. With respect to PPS-exempt hospitals, a similar rule is provided for adjustments in the target rate of increase.

(6) BUDGET IMPLICATIONS

The Congressional Budget Office is estimating the budgetary impact of this legislation. My intention is to offer this legislation as an amendment to the Budget Reconciliation legislation for FY '90, with a request for a waiver of the Gramm-Rudman-Hollings law.

PERMISSION FOR COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY, TO HAVE UNTIL FRIDAY, SEPTEMBER 1, 1989, TO FILE REPORT ON H.R. 1759, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION

Mr. VOLKMER. Mr. Speaker, I ask unanimous consent that the Committee on Science, Space, and Technology have until September 1, 1989, to file a late report on the bill (H.R. 1759) to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PRESIDENT'S RESOLVE HELPS TO DEFUSE HOSTAGE CRISIS

(Mr. COUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COUGHLIN. Mr. Speaker, I want to express my great relief over reports that threats by the Hezbollah to murder my constituent Joseph Cicippio have been frozen.

I am certainly grateful to all those who have worked to prevent further violence to the hostages in Lebanon. Though we are by no means completely out of the woods, I want to express my appreciation for administration efforts to defuse this situation.

I believe the President's resolve in this matter has been instrumental in bringing us to the point at which we now find ourselves. His efforts at diplomacy have been effectively coupled with the deployment of Navy ships to the seas around Iran and Lebanon, offering the kidnapers and their allies both an opportunity to resolve this matter and the option of suffering the consequences for failing to do so.

On the basis of recent reports I am also very cautiously optimistic that Iranian leader Hashemi Rafsanjani may be seeking to deescalate the current crisis. I am hopeful that President Rafsanjani will see it as being in Iran's interest to reduce United States-Iranian tensions and provide some groundwork for an improvement in ties between our nations. The ball is in Iran's court.

Finally, I want to take this opportunity to appeal to all those who have been involved to forestall further violence to the hostages to continue their work. We need to bring all the Americans being held hostage home, and the sooner the better.

REPEAL OF CATASTROPHIC HEALTH INSURANCE NOT FAVORED BY ANY GROUP OF SENIOR CITIZENS

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, repeal of catastrophic health insurance is not favored by any group of seniors. That is true even of the most ardent critics of the funding mechanism. Just in the last 24 hours, for example, the National Committee to Preserve Social Security and Medicare has risen.

We are pleased the Ways and Means Committee has begun action to improve the program, rather than recommending repeal or delay, and we hope that we can work together toward that goal, that is, of reform.

□ 1110

A recent poll shows that seniors in the middle-income brackets are the ones most incensed, and they are, about the funny mechanism, and the Committee on Ways and Means cuts the supplemental by one-half. Let us not throw out the baby with the bath. There are other important benefits in this program that we should keep.

The answer is not repeal but reform. The Ways and Means bill is the first step. It may not be perfect, but let us keep working to improve that program rather than going back light-years by repealing this program.

REPEAL SECTION 89 OF THE TAX CODE

(Mr. WALSH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALSH. Mr. Speaker, I rise today to appeal to my colleagues to accept nothing less than the outright repeal of section 89 of the Tax Code. The complicated rules required to

comply with this legislation unfairly discriminate against small businesses as it forces them to spend an inordinate percentage of their resources financing their employee-benefit plans.

I commend the Appropriations Committee for its decision to attach section 530 to the Treasury-Postal Service spending bill. Section 530 prohibits the expenditure of Treasury funds for the implementation of Internal Revenue Code section 89 in fiscal year 1990. In particular, I want to thank Mr. CONTE, Mr. DELAY, Mr. LAFALCE, and all my other colleagues who have worked so diligently to repeal this law. In addition, I commend the Rules Committee and its distinguished Chairman JOE MOAKLEY for their inspired decision to grant appropriators a special waiver from House rules. It would have been highly unlikely that this provision would have passed without this waiver.

The purpose behind section 89 legislation was for businesses to provide the same health care benefits to all its employees. Unfortunately, due to the complexity and confusion caused by the myriad of regulations in this bill, it has been virtually impossible for firms to implement section 89, especially for those small businesses that do not have the accounting resources that are available to large firms. The paperwork requirements and the cost of running the new tests are astronomical.

Furthermore, there is evidence that suggests that the current claims that existing plans discriminate against low-paid workers are grossly exaggerated. The net result of these burdensome rules is that they will reduce the level of health insurance benefits available to workers. Any reduction in health benefits will only hurt the average wage earner because it sharply curtails the medical options available to employees.

I am pleased to see that we have taken the first step toward eliminating section 89 regulations. We must be persistent in our pursuit of this goal; therefore, I urge my colleagues to continue to support any and all efforts to repeal section 89.

WE MUST REMAIN READY TO USE MILITARY FORCE

(Mr. BRENNAN asked and was given permission to address the House for 1 minute.)

Mr. BRENNAN. Mr. Speaker, there was a positive sign coming from Iran this morning when the Iranian President Rafsanjani announced Iran's willingness to engage in dialog with the United States regarding the fate of our hostages held in Lebanon. I urge President Bush and Secretary of State Baker to follow up this offer of assistance to determine whether Iran is sincere in offering to help resolve a shameful situation.

Our hostages, some held for over 4 years, deserve our full diplomatic efforts to bring them home. Our Nation remains firm in our commitment to refrain from negotiating with terrorists. However, all avenues of dialog to obtain their release must be kept open to help to obtain their release.

With the lingering threats of death being posed against our captured citizens, we must retain the option of using our military forces to strike against those responsible for this tragedy. However, our use of force must not be indiscriminate, but those who threaten us must be certain of our resolve to respond. I know that the people of Maine share my outrage at the execution, or apparent execution, of Lieutenant Colonel Higgins and would support military action if the terrorists resort to continued violence.

We must take full advantage of this hopeful signal from Iran and seek a peaceful resolution of this long hostage ordeal, but remain ready to use military force in response to further violence against our citizenry.

SHAME ON YOU, ROBERT MOSBACHER

(Mr. RAVENEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAVENEL. Mr. Speaker, whoever would have dreamed during the campaign that candidate George Bush could, within a year of his election, be condoning the drowning of threatened and endangered sea turtles in shrimpers' nets, this in clear violation of article VII of the Endangered Species Act? That is exactly what is happening, thanks to Bush's gutless Secretary of Commerce, Robert Mosbacher, who has bowed to threats of violence from shrimpers in the Gulf of Mexico.

Mr. Speaker, what a crime against the environment Mosbacher's shameful actions are. They have saddened and outraged millions of Americans.

What has Bush given us in Robert Mosbacher? Is he the James Watt of the Bush administration? Shame on you, Robert Mosbacher, for killing endangered sea turtles. Shame on you.

A SIMPLIFIED TAX RETURN FOR TAXPAYERS OVER AGE 65

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks).

Mr. PICKLE. Mr. Speaker, taxpayers with relatively straightforward tax issues have for some time been able to file simplified tax returns. These forms, the Form 1040A and the Form 1040EZ, have been a worthwhile addition to the Internal Revenue Service's stable of forms. Filling out a tax return may never be entirely painless, but taxpayers have found these forms to be more "user-friendly" than the regular Form 1040. They are written in relatively plain English, and are significantly easier to read and understand than the full-length Form 1040. According to IRS estimates, it takes taxpayers 5 hours more to keep the necessary records, learn about the law, and fill in the form when they use a regular Form 1040 than when they use the Form 1040EZ. Taxpayers using the Form 1040A typically spend 2 hours less completing these chores than taxpayers who use the Form 1040.

There is one problem with these simplified forms, however; only certain classes of taxpayers are eligible to file them. If you are over 65 years old, you cannot use the Form 1040EZ. There is no age restriction for the Form 1040A, but you are not eligible to file it if you have pension income or have taxable Social Security benefits, you cannot use the Form 1040A either. So, a significant proportion of taxpayers over age 65 have to fill out the full-length 1040.

There are about 12 million taxpayers over age 65. For some time I have felt that it was unfair to exclude many in this group from the simplified reporting benefits of the Forms 1040A and 1040EZ, and I urge the IRS to try to figure out a way to fix the forms for these taxpayers. Yesterday the Ways and Means Oversight Subcommittee held a hearing on tax forms. At the hearing the Commissioner of the IRS announced that the IRS has developed a model simplified form that will be available for taxpayers over age 65 with pension income and taxable Social Security benefits. The IRS will soon begin testing the form, and if all things go well, as I hope they do, many taxpayers over age 65 should find it a lot easier to fill out their tax return when the 1990 filing season rolls around.

MOTOR VEHICLE EMISSION CONTROL ACT OF 1989

(Mr. SKAGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKAGGS. Mr. Speaker, I am introducing today the toughest legislation yet to control air pollution from cars, trucks, buses, and motorcycles. The Motor Vehicle Emission Control Act of 1989 is stronger than all previous legislative proposals to reduce motor vehicle pollution, including a similar bill I introduced during the 100th Congress.

Throughout the 1980's, Congress has failed to reauthorize and strengthen

the Clean Air Act, the flagship statute among our Nation's environmental laws, even though authority to fund implementation of the act expired in 1981. We have allowed political and parochial concerns to keep us from protecting the health of our Nation's people. This should be the year, before this decade ends, when we finally break through our self-imposed and self-defeating deadlock and pass a meaningful clean air bill.

The need is great and clear. At stake is both the current quality of life in this country and, ultimately, perhaps the very ability to sustain life on this planet. We have only one atmosphere. We're not going to be able to get a new one if we continue to poison this one past the point of no return.

The way to begin taking better care of our air is to strengthen the Clean Air Act. With the original enactment of this legislation in 1970, Congress established some basic goals which, when finally achieved, will protect people from the direct health threats of air pollution. Foremost among those goals are the national air quality standards—the levels of pollution that threaten people's health when exceeded.

Nineteen years after the passage of that act, we still haven't achieved those air quality goals. A key reason for that failure is the enormous amount of pollution continuing to be produced by our motor vehicles, which are the major sources of urban air pollution.

I had hoped that President Bush's clean air proposal would, as promised, make really dramatic strides toward reducing air pollution. Although there are a number of good provisions in the President's recently unveiled proposal, it misses the target by a mile when it comes to car and truck pollution. In fact, the President's bill would actually weaken emissions standards for new cars by allowing "emissions averaging." To attack air pollution without attacking its chief source makes little sense from either a practical or an environmental perspective. It's simply illogical, ill-conceived, and inadequate.

But what's more is that cities will still have to meet clean air standards regardless of whether the President supports tighter controls on automobile emissions. So, if the Federal Government fails to fulfill its special and exclusive responsibility to tighten tailpipe standards, all additional emission reductions will have to be achieved by State and local governments. And that means relying on the more costly, more time consuming, less effective, and less popular measures available to them.

Why should people accept the inconvenience and costs of mandatory no-drive days when something as simple and relatively inexpensive as cleaner exhaust can achieve the same goals?

The amendments to the Clean Air Act that I am introducing today would finally establish the motor vehicle emission controls we need to be able to meet our national, health-based air quality standards. The bill would do so by mandating tough, new standards for car and truck emissions.

With the vehicle emission standards mandated by Congress, first in the original Clean Air Act and then in the comprehensive amendment to it passed in 1977, dramatic progress has been made in reducing emissions from each newly manufactured vehicle. But increases in the number of vehicles on the road, and in the miles each travels, have prevented translating the reduction in emissions from individual vehicles into a comparable reduction in cumulative emissions from all motor vehicles.

If we continue on the present course, continuing increases in the number of vehicles and in vehicle miles traveled will lead to a resumption of an increase in total motor vehicle emissions, even after all older, dirty vehicles have been replaced by newer, clearner ones. So, unless the Government places new controls on exhaust emissions, Coloradans and others living in nonattainment areas, will see levels of CO_2 and ozone going up again by the end of this century. In short, the gains we have made in our fight for clean air will be lost.

And this is the good news. We haven't even begun to address other motor vehicle pollution problems.

Representative HENRY A. WAXMAN, the chairman of the Energy and Commerce Subcommittee on Health and the Environment and the House's leading proponent of strong clean air legislation, has introduced the most sweeping clean air bill in years. That bill, H.R. 2323, one of three clean air bills he is proposing this year, includes a full range of additional measures needed to finally achieve the national air quality standards, including many excellent proposals to reduce motor vehicle polluton. I joined him as an original cosponsor and testified in strong support of his bill before his subcommittee. I have also decided to introduce this separate bill to propose important additional measures, beyond those in H.R. 2323, which I believe should be included in the comprehensive clean air bill that I hope Congress will pass this year.

The Motor Vehicle Emission Control Act of 1989 includes comprehensive amendment to title II of the Federal Clean Air Act, to strengthen pollution control requirements for cars, trucks, and other motor vehicles. The bill incorporates all of the major title II improvements that are in H.R. 2323—the clean air legislation introduced earlier this year by Congressman HENRY WAXMAN—and adds several important new proposals. These include: A technology-forcing provision which would require long-term reductions in carbon dioxide emissions from the in-use fleet of all categories of vehicles; a tougher carbon monoxide standard for cars and trucks; an aromatic hydrocarbon content standard for diesel fuel; a prohibition on particulate emissions from diesel-fueled buses; provisions to improve section 207(c) recall compliance; permanent authorization for high altitude test centers; and, the addition of high altitude standards for all motor vehicles.

Mr. Speaker, I would like to insert in the RECORD at the end of these remarks a brief summary of the major provisions of my legislation.

Mr. Speaker, this is the year for clean air. We have a President who is willing to work with the Congress and we have a Congress which is committed to action. But what's most important—we have a Nation of people who simply cannot wait any longer for clean air to breathe. Let's work together for survival. It's our future, it's our children's future, and it's our planet's future.

SUMMARY OF THE MOTOR VEHICLE CONTROL ACT OF 1989

EMISSION STANDARDS

The bill would tighten virtually every federal standards for emissions from motor vehicles. It would strengthen seventeen separate standards in two phases—first, short term reductions and second, long term, technology-forcing reductions. In addition, the bill would require light duty trucks, which functionally have become another form of passenger vehicles, to meet the same emission standards as automobiles.

The bill would essentially prohibit soot (particulate) emissions from buses, thus inducing manufacturers to shift to the production of methanol-fueled buses.

The following table outlines the emission standards that would be established under the Motor Vehicles Emission Control Act of 1989:

TABLE 1.—EMISSION STANDARDS FOR GASOLINE AND DIESEL FUELED LIGHT DUTY VEHICLES WEIGHING LESS THAN 3,750 LBS

Pollutant	Model years	Standard [1]
HC	1993 through 1999	0.25 gpm.
HC	2000 and after	0.125 gpm.
NOX	1993 through 1999	0.4 gpm.
NOX	2000 and after	0.2 gpm.
CO_2	1992 through 1994	3.4 gpm.
CO	1995 and after	1.7 gpm.
PM	1992 and after	0.08 gpm.

[1] Standards are expressed in grams per mile (gpm).
[2] Applicable in California as well as other States notwithstanding section 209(b).

TABLE 2.—EMISSION STANDARDS FOR GASOLINE AND DIESEL FUELED TRUCKS AND BUSES

Vehicle or engine type	Pollutant model years	Standard [1]
Trucks (3,750 lbs or more but less than 5,750 lbs).	HC 1993 and after	0.5 gpm.
Do	NOX 1993 and after	0.5 gpm.
Do	CO 1993 and after	4.0 gpm.
Trucks (5,750 lbs or more but less than 10,000 lbs.	CO 1993 and after	5.6 gpm.

TABLE 2.—EMISSION STANDARDS FOR GASOLINE AND DIESEL FUELED TRUCKS AND BUSES—Continued

Vehicle or engine type	Pollutant model years	Standard [1]
Do.	HC 1993 and after	0.5 gpm.
Do	NOX 1993 and after	1.0 gpm.
Heavy duty trucks	NOX 1994–6	4.0 gpm.
Do	NOX 1997 and after	1.7 gpm.
Do	PM 1991–3	0.25 gpm.
Do	PM 1994 and after	0.1 gpm.
Do	PM 1991–3	0.1 gpm.
Do	PM 1994 and after	0.01 gpm.

[1] Standards are expressed in grams per mile (gpm) or grams per brake horsepower hour (gbh).

CARBON DIOXIDE REDUCTIONS

This bill would break new ground in the effort to reduce greenhouse gases as well as transportation-based pollution. It would require the Administrator to promulgate regulations within 18 months of enactment designed to achieve a reduction of carbon dioxide emissions from the in-use fleet of all categories of motor vehicles. The bill requires a 20% reduction in CO_2 emissions by 2005 and at least a 50% reduction by 2025.

We have a serious CO_2 problem, and there is compelling evidence that motor vehicles contribute significantly to the problem. Therefore, it makes sense to begin the process for reducing CO_2 by targeting cars and trucks. This is technology forcing in its purist form—we do not know how these ambitious goals will be achieved. However, this is entirely consistent with the approach taken in 1970 Clean Air Act, which required a 90% reduction in emissions of NO_x, CO, and HC, before technology existed to meet those targets.

COLD WEATHER COMPLIANCE

The bill would require EPA to ensure that cars meet carbon monoxide emission standards at cold temperatures—20 to 68 degrees—instead of just at warm temperatures. Currently, cars are tested only at 75 degrees and if they meet the standards at that temperature they can be certified. Cars so certified emit much more carbon monoxide at lower temperatures. As a result, the average temperature during violations of the carbon monoxide air quality standard is 45 degrees, with no violations occurring at temperatures higher than 65 degrees.

HIGH ALTITUDE COMPLIANCE

The bill would require all types of vehicles to meet national emission standards at high altitudes as well as at sea level. Currently, only light-duty vehicles (cars)—not light-duty trucks, heavy-duty trucks, or motorcycles—are required to meet the emission standards at high altitudes. In addition, the bill permanently authorizes funding for a high-altitude test center.

MANUFACTURERS' WARRANTIES

The bill would extend to ten years or 100,000 miles (whichever comes first) the period for which a properly-maintained car must meet the national emission standards. If a car fails to meet the standards during this period, the manufacturer would be liable for the costs of fixing the car so it does. Currently, this manufacturer warranty only lasts for five years or 50,000 miles. Extending the warranty period will require manufacturers to make cleaner cars to begin with, and would make manufacturers, not motorists, liable for more of the costs of cleaning up cars found out of compliance even though properly maintained.

ENHANCED INSPECTION AND MAINTENANCE

The bill would require the EPA Administrator to take into account information collected from state inspection and maintenance programs when determining which automobile models do not conform to federal standards for the purpose of enforcing section 207(c) recall provisions.

Currently, there is only a 50% compliance rate with recall notices. The bill directs the automobile manufacturers to devise the incentives necessary to increase recall compliance to 75%. It would also require non-attainment states to include measures in their SIP revisions which will increase recall compliance.

EMISSION STANDARDS FOR LOW POLLUTING VEHICLES

The bill directs the Administrator to establish tailpipe standards for autos fueled by low-polluting alternative fuels such as ethanol, methanol, propane, and natural gas.

NON-ROAD USE ENGINES

The bill directs the Administrator to establish standards for emissions of CO, HC, and HO_x, from internal combustion engines not designed for road use.

ONBOARD DIAGNOSTICS

The bill requires EPA to establish requirements providing that new vehicles include onboard diagnostic equipment to evaluate the effectiveness of emission control systems.

OXYGENATED FUELS

The bill would require that, beginning next winter, gasoline sold between October 1 and April 1 of each year in all areas exceeding the carbon monoxide air quality standard must have an oxygen content of at least two percent. According to various studies, this use of oxygenated fuels could reduce the carbon monoxide emitted from pre-1981 vehicles by 20 percent or more.

SULFUR CONTENT OF DIESEL FUELS

The bill would require EPA to establish standards to reduce the sulfur content of diesel fuels to no more than 0.05 percent by 1990. This would be an 81% reduction in the sulfur content of diesel fuel, and would be the most cost-effective way to remove particulates from diesel exhaust. A study done for the Denver Metropolitan Air Quality Council estimates that setting standards reducing the sulfur content of diesel fuel could reduce particular emissions by 33% or more.

AROMATIC HYDROCARBON CONTENT OF DIESEL FUELS

The bill would also limit the aromatic content of diesel fuels to 10%. California has already passed legislation limiting aromatics. Other states, including Colorado, are considering similar restrictions. It is far more cost effective to adopt such fuel standards on a national basis.

EVAPORATIVE GASOLINE EMISSIONS

The bill would require EPA to establish a standard providing that the volatility of gasoline sold during summer months (when ozone problems are most severe) not exceed nine pounds per square inch. The bill also would require that all motor vehicles be designed to capture gasoline vapors emitted during fueling. Both of these provisions would reduce the escape of gasoline vapors during vehicle fueling, and thereby reduce a major source of ozone.

LEADED GASOLINE

To ensure lead pollution from gasoline continues to decline, the bill would prohibit the manufacture of any vehicle that could use leaded gasoline.

WHAT ABOUT A REAL INVESTMENT IN THE FUTURE AND OUR CHILDREN?

(Mr. SARPALIUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SARPALIUS. Mr. Speaker, as we complete the funding for the 1990 appropriations bill, we spend billions of dollars on bombers and ships and bridges and highways, and we have even given money to other countries who have never supported us in the United Nations.

But what about a real investment in the future? That is the future in education and in our children.

Only 2 cents out of every dollar go to education, but yet today close to a third of our children are quitting school. It costs $40,000 to keep an inmate in the penitentiary, but yet it only costs $3,000 to keep a kid in school.

Ninety-five percent of our inmates in our prisons are people who quit school. It is my hope that in the future that this body will pay more attention to education and the problems that are facing our children.

□ 1120

DO NOT ALLOW TERRORIST LIES TO DRIVE WEDGE BETWEEN THE UNITED STATES AND ISRAEL

(Mr. ENGEL asked and was given permission to address the House for 1 minute.)

Mr. ENGEL. Mr. Speaker, it now appears very likely that the Shiite terrorists who murdered Col. William Higgins did so a long time ago, and not in retaliation for Israel's capture of the terrorist, Sheik Abdul Karim Obeid. It becomes apparent that the terrorists, seeking to create bad feelings between the United States and Israel, are trying to perpetrate a fraud by making it appear that the murder of Colonel Higgins was in retaliation for the capture of the Sheik.

Indeed, this is the same pattern that the terrorists have used before. Another slain U.S. hostage, William Buckley, reportedly was tortured to death in 1985, but his captors hid his death for more than a year, and then claimed they killed him in retaliation for a 1986 Israeli air strike against the PLO.

In the case of Colonel Higgins, U.N. sources say that they believe that Higgins was killed for revenge shortly after the United States battleship *Vincennes* shot down an Iranian jetliner over the Persian Gulf on July 3, 1988.

Indeed, the video that shows the hanging of Higgins lacks any kind of time element, such as a newspaper headline to validate where it took

place, and Colonel Higgins' body has not been released, which would show exactly when he died. The videotape was delivered to a Beirut news agency for release less than 1 hour after his supposed execution, raising doubts as to how it could be made and delivered so fast.

In short, Mr. Speaker, let us not allow the lies of terrorists to drive a wedge between the United States and Israel.

ENCYCLOPEDIA OF THE U.S CONGRESS

(Mrs. BOGGS asked and was given permission to address the House for 1 minute.)

Mrs. BOGGS. Mr. Speaker, as we draw near the conclusion of our work for this summer, our 200th anniversary year of the House of Representatives, I would like to address the House on a very positive note.

Last week we got underway the remarkable project on the Encyclopedia of the Congress. It is a joint effort by the United States Commission on the Bicentennial of the Constitution of the United States, the LBJ School at the University of Texas, and the lead agency for the government, the Library of Congress. Its editors include people from the political, the journalistic and the academic world, and it is being met with great excitement in all of those communities.

It is a very interesting note that in our 200th anniversary year that a great deal of interest has been generated in the history of the Congress, in its actions, and in its projected future. This is one of the finest of all of the projects that have been undertaken by the Bicentennial Commission of the Constitution, in collaboration with the Congress and with the academic and journalistic worlds.

WOMEN'S ECONOMIC EQUITY PACKAGE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, earlier this week the Congressional Caucus on Women's Issues, which is a bipartisan group of men and women who really have worked very hard to bring equity for American women, introduced our fifth economic equity package. This is the fifth in a row, and it is for this session of Congress.

It is a compilation of 26 different bills dealing with the quality of education for women of all ages, all levels, in the business community, in education, in retirement, the whole nine yards.

Many Members of this body have been cosponsors, and I hope many more will. Eighteen of the bills cost less than $1.8 million. These are all bills that we put together that would not have been needed to be put together if the Equal Rights Amendment had passed. However, we know that it did not.

Since we collect equal taxes from women, it seems it is very important to make this move to try and get at least equal benefits for women in these dfferent areas. I hope many Members will join in sponsoring this fifth economic equity package that the women's caucus has put together.

ADDITION OF NAME OF MEMBERS AS ORIGINAL COSPONSOR OF H.R. 3030

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that the gentlewoman from Maryland, [Mrs. BYRON] be added as an original cosponsor to the bill H.R. 3030, which is the President's Comprehensive Clean Air Act legislation.

The SPEAKER pro tempore (Mr. GARCIA). Is there objection to the request of the gentleman from Michigan?

There was no objection.

NATIONAL PLEDGE OF ALLEGIANCE DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 253) designating September 8, 1989, as "National Pledge of Allegiance Day," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, under my reservation I yield to my dear friend and colleague, the gentleman from New York [Mr. BOEHLERT], who is the chief sponsor of this joint resolution.

Mr. RIDGE. Mr. Speaker, continuing my reservation of objection, I yield to my colleague, another gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I rise in strong support of House Joint Resolution 253, introduced by our good colleague, the gentleman from New York [Mr. BOEHLERT] designating September 8, 1989, to be "National Pledge of Allegiance Day."

Our American flag serves as a beacon of hope and freedom throughout the world. It is the symbol that men and women have pledged themselves to, in the belief that "liberty and justice for all" are ideals to be defended. The cost of freedom has often been high, but never has the burning desire to throw off the yoke of tyranny been extinguished. The young students who courageously spoke out against their own repressive government in China, only to be brutally massacred in Tiananmen Square, understood full well the tenets of the American pledge of allegiance. Tragically, Mr. Speaker, many were made to pay the ultimate price as they sought to fulfill their vision.

Today, my distinguished colleague Mr. BOEHLERT asks that we pay tribute to the pledge of allegiance and to its author, Mr. Bellamy, by declaring September 8, 1989, to be "National Pledge of Allegiance Day." Our colleague from New York also proposes to include the centennial observance of the pledge as part of the 1992 Christopher Columbus Quincentenary Jubilee celebration—an idea already endorsed by the event's organizers. I support him in this effort.

It is of great importance that we, as Americans, reaffirm our faith in the ideals of our pledge of allegiance, by declaring September 8, 1989, to be "National Pledge of Allegiance Day."

Accordingly, I urge our colleagues to join with us in support of this worthy legislation.

□ 1130

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

Mr. BOEHLERT. Mr. Speaker, the purpose of this resolution is threefold: first, it designates September 8, 1989 as National Pledge of Allegiance Day and calls upon the President of the United States to urge the American people to observe this day by displaying the U.S. flag and participating in other appropriate activities. The second purpose of the resolution is to recognize the author of the pledge to our flag, Francis Bellamy of Rome, NY, in my congressional district. And the third purpose is to urge the Christopher Columbus Quincentenary Jubilee Commission to include the centennial observance of the pledge in its commemorative activities. Incidentally, Mr. Speaker, the Columbus Commission has already enthusiastically endorsed this resolution.

Many people have talked about the Pledge to the flag—particularly this year. But I don't think many people are particularly familiar with it. Let me point out a few facts for my colleagues. Francis Bellamy grew up in Rome, NY, and graduated from the Rome Free Academy. He studied theology at what is now the University of Rochester and for a time, worked as a Baptist minister in Little Falls, NY. But his interest in journalism drew Mr. Ballamy away from the ministry and he embarked on a journalism career in Boston, working for a magazine with young people of the day called Youth's Companion. For many years, the magazine had spearheaded a drive to have the American flag flown over every schoolhouse in America.

During 1892, as part of the 400th anniversary of the discovery of America by Columbus, Bellemy wrote the pledge to encourage schoolchildren nationwide to honor and salute their flag on a national holiday. Youth's Companion first published the pledge on September 8, 1892.

The original pledge contained just 23 words, and I remember them well, as I'm sure do those of my colleagues who were growing up at the same time:

I pledge allegiance to my flag, and to the republic for which it stands, one nation, indivisible, with liberty and justice for all.

Since 1892, the words have changed a little bit; the appropriately added phrase "under God," for example. In 1942, Congress made the pledge an official part of the U.S. Flag Code and it has certainly become one of America's truly great traditions; unique among all other nations.

And so Mr. Speaker, with this little history, it is a particular pleasure to me to be able to have this resolution before the House of Representatives. And I want to thank all of my colleagues who were so responsive to my request that they join in cosponsoring this important resolution. I particularly want to thank my colleagues, Mr. SAWYER of Ohio, chairman of the subcommittee of jurisdiction, and my good friend, colleague, and classmate, Mr. RIDGE of Pennsylvania.

I think we would all do well, Mr. Speaker, to observe the pledge in so many different ways. This resolution pinpoints one particular way that we as a nation can pay tribute to our pledge, to its author Francis Bellamy, and to the 500th anniversary of the discovery of our continent.

The SPEAKER pro tempore (Mr. GARCIA). Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 253

Whereas Francis Bellamy wrote the Pledge of Allegiance to the Flag in 1892 in observance of the 400th anniversary of the discovery of America;

Whereas The Pledge of Allegiance first appeared in print in the September 8, 1892, edition of The Youth's Companion magazine;

Whereas in 1942, the 77th Congress passed, and the President approved, legislation concerning the display and use of the United States flag, which included the Pledge of Allegiance; and

Whereas the Pledge of Allegiance is one of the most widely recited verses of American literature: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. NATIONAL PLEDGE OF ALLEGIANCE DAY.

September 8, 1989, is designated as "National Pledge of Allegiance Day". The President is authorized and requested to issue a proclamation calling on the people of the United States to observe this day by displaying the United States flag and by participating in other appropriate activities.

SEC. 2. USE OF THE PLEDGE DURING CHRISTOPHER COLUMBUS QUINCENTENARY JUBILEE ACTIVITIES.

It is the sense of the Congress that the Christopher Columbus Quincentenary Jubilee Commission, created pursuant to Public Law 98-375 to commemorate the 500th anniversary in 1992 of the discovery of America, should include the centennial observance of the Pledge of Allegiance in its commemorative activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL NEIGHBORHOOD CRIME WATCH DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 136) designating August 8, 1988, as "National Neighborhood Crime Watch Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I yield to our colleague, the gentleman from New Jersey [Mr. HUGHES], the chief sponsor of this joint resolution.

Mr. HUGHES. I thank the gentleman from Pennslyvania for yielding to me.

Mr. Speaker, I rise in support of House Joint Resolution 293, which seeks to designate August 8, 1989, as "National Neighborhood Crime Watch Day."

This resolution is intended to promote public awareness of the growing crime prevention organization across this country, and their increased effectiveness in fighting crime. The central event of this day will be a "national night out," when an estimated 18 million people from 6,000 communities in all 50 States across this country will participate in an anticrime demonstration by gathering in front of their homes with their neighbors between 8 and 9 p.m. in a show of solidarity against crime.

The purpose of the "national night out" and other related programs, ceremonies, and activities is to promote several goals: increase the cooperation between community watch programs and their local law enforcement authorities; heighten crime prevention awareness; generate support for and participation in local anticrime programs; strengthen neighborhood spirit in the crime prevention campaign; and send a message throughout the community to let our citizens know that neighborhoods are ready and willing to combat crime.

The National Association of Town Watch which is coordinating this program is a leader in crime prevention awareness, and in 1986 received the prestigious National Crime Prevention Award from the National Crime Prevention Coalition and the U.S. Department of Justice. In my own State, the NATW works closely with the New Jersey Crime Prevention Officers Association to promote neighborhood crime watch organizations and activities. In fact, as a result of their collective efforts, New Jersey is one of the leaders in community participation in the national night out. Communities throughout Atlantic, Gloucester, and Cape May Counties, in my congressional district, are helping to make the fight against crime a winning battle by their active participation.

I commend the neighborhood watch groups of the Nation for their efforts to combat crime. Their activities demonstrate the growing effectiveness of crime watch and the increased unwillingness of Americans to allow the fear of crime to rule their everyday lives. It is my hope that the valuable example of these citizens will encourage others to join in the fight against crime.

Mr. Speaker, I urge my colleagues to join me in supporting this important resolution to recognize the efforts of groups like NATW and its public-spirited members all across this country. I want to thank my colleague BILL MCCOLLUM of Florida for his outstanding support and leadership in bringing this resolution to the floor of the House of Representatives.

Mr. Speaker, I also thank the gentleman from New York [Mr. GILMAN], who is always in the forefront of efforts to combat crime and substance abuse.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. RIDGE. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of House Resolution 293, introduced by my good friend and colleague the gentleman from New Jersey [Mr. HUGHES], who also serves as the distinguished chairman of our Crime Subcommittee, designating August 8, 1989 to be "National Neighborhood Crime Watch Day."

The terrible violence and suffering associated with the national scourge of illicit drug abuse, has helped energize the public's outcry against all crime. While personal efforts by individual citizens is important, organized community action is indispensable if the war on drugs and other crime is to be won.

A neighborhood can effectuate positive change, when in cooperation with local law enforcement officials, it mobilizes its members in an effort to eradicate crime from its streets and homes.

National Neighborhood Crime Watch Day is designed to coincide and complement the National Night Out, an anticrime event celebrating its sixth anniversary. An estimated 20 million people from over 7,000 communities in all 50 States of this country, will unite in this nationwide event on August 8, 1989.

I invite my colleagues to join in support of this worthy legislation, encouraging the involvement of our neighborhoods in our war against crime.

Mr. HUGHES. Mr. Speaker, I again thank the gentleman from Pennsylvania [Mr. RIDGE] for yielding to me and the chairman, the gentleman from Ohio [Mr. SAWYER] for so efficiently and ably bringing this joint resolution to the floor.

Mr. SAWYER. Mr. Speaker, I am pleased to rise in support of Senate Joint Resolution 136, to designate August 8, 1989, as "National Neighborhood Crime Watch Day."

This Nation is currently engaged in a battle against crime throughout many of our communities. This struggle requires the cooperation of law enforcement officials and citizens, alike.

Senate Joint Resolution 136 proclaims August 8, 1989, as a National Night Out. On this night, an estimated 20 million people from 7,500 communities in all 50 States will take to the streets of their communities in an anti-crime demonstration. I believe that National Night Out, as well as the other programs and activities planned to coincide with National Neighborhood Crime Watch Day, are important in heightening community awareness that citizens can, and must, take an active role in the fight against crime.

Finally, Mr. Speaker, I want to commend Congressman HUGHES and Congressman MCCOLLUM for all of their efforts in getting this resolution to the floor today.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The PRESIDENT pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 136

Whereas neighborhood crime is of continuing concern to the American people;

Whereas the fight against neighborhood crime requires people to work together in cooperation with law enforcement officials;

Whereas neighborhood crime watch organizations are effective at promoting awareness about, and the participation of volunteers in, crime prevention activities at the local level;

Whereas neighborhood crime watch groups can contribute to the Nation's war on drugs by helping to prevent their communities from becoming markets for drug dealers;

Whereas citizens across America will soon take part in a "National Night Out", a unique crime prevention event which will demonstrate the importance and effectiveness of community participation in crime prevention efforts by having people spend the period from 8 to 10 o'clock post-meridian on August 8, 1989, with their neighbors in front of their homes: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 8, 1989, is designated as "National Neighborhood Crime Watch Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate programs, ceremonies, and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE PROPOSED COMPROMISE IS THE BEST DEAL WE'RE GOING TO GET OUT OF THIS ADMINISTRATION

(Mr. MCMILLEN of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MCMILLEN of Maryland. Mr. Speaker, although I am pleased the President has agreed to compromise to split the S&L package partly on-budget and partly off-budget, we all know that the on-budget treatment would be more honest, would be more fiscally responsible and more economical.

We would save $5 billion, based on the interest rate spread, and much more, by giving Treasury the flexibility to issue different kinds of maturities for the bonds. But the issue that we are missing is the fact remains that the bailout has geen grossly underestimated by the administration. That is because the assumptions that the administration is using are basically bogus. They are: no recession for 10 years, interest rates falling from 7.5 percent to 4.4 percent, deposit growth in the S&L industry averaging 7 percent when we have seen massive withdrawals in the last few months. And because of the perverse incentives in the Southwest deals that were cut last December, which will inevitably cost us a lot more money, we will probably come back to this body in 2 to 3 years asking for another $30 billion.

I think it incumbent we save every last nickel for the taxpayers.

The compromise being proposed is the best deal we are going to get out of this administration.

I think we should move forward with it.

COMMENDING CITIZENS OF SIOUX CITY, IA, TRISTATE AREA IN UNITED AIRLINES FLIGHT 232 DISASTER

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 379) commending the citizens of the Sioux City, IA, tristate area for their heroism and spirit of voluntarism in selflessly providing assistance and life-saving services to the passengers and crew of United Airlines flight 232, and ask for its immediate consideration.

□ 1140

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore (Mr. DELLUMS). Is there objection to the request of the gentleman from California?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I yield to the gentleman from Iowa [Mr. GRANDY], the chief sponsor of this joint resolution.

Mr. GRANDY. Mr. Speaker, I thank the distinguished chairman and the subcommittee for bringing this resolution to the floor in a timely manner.

Mr. Speaker, this is a somewhat unusual resolution, because it is commending an entire community, an entire area. And these people are still alive. We are commending an accomplishment that took place less than a month ago. Normally, we reserve this time to commend people that are no longer on this planet or we set aside days.

We are doing neither in this particular, unusual instance because of the extraordinary unusual accomplishment that took place in my hometown of Sioux City, IA, at the Sioux Gateway Airport on July 19 of this year.

The Sioux City Tristate Area, Mr. Speaker, is made up of Sioux City, IA; South Sioux City, NE, represented by our colleague [Mr. BEREUTER]; and North Sioux City, SD, represented by our colleague Mr. TIM JOHNSON.

However, we are commending today a network of towns and cities and people who rose up in the wake of an extraordinary disaster and tragedy, and turned that tragedy into a miracle. When United flight 232 crash landed at the Sioux Gateway Airport, any person who saw that footage, could have only believed, that anyone involved in that flight could not have lived—296 people were on that flight; 111 died; but miraculously, 185 survived. Survived because of the combined efforts of the captain and the crew of flight 232, the air traffic controllers, and then the citizens of the Siouxland Tristate Area who responded with heroism and volunteerism in a manner that this Congress and this country does not often see.

Before I go any further, I want to particularly again thank my friend from Ohio for bringing this resolution so expeditiously to the floor. Normally, as our colleagues know, it takes 218 signatures to get a resolution to the floor, and it takes time in the press of legislative business, to go around and solicit the signatures. This takes quite a bit of time. This resolution took less than 2 days. I want to thank all of my colleagues who signed on to this resolution, and in so doing said to me, personally, "You have a lot to be proud of. Your community has shown us what a model of volunteerism and community spirit should be."

I wrote the President last week and said:

Mr. President, if you ever wanted an example of a thousand points of light, it is happening in Sioux City.

Now, I would like to, in the time that I have, talk about some of the people that I think we should say a particular thanks to, who turned this tragedy into a miracle. First of all my constituents and all of the people from the Siouxland area owe a tremendous debt of gratitude to Captain Haynes and the crew of 232, who under the most difficult, almost impossible circumstances, landed that plane. Incidentally, when Captain Haynes gave his press release, as he got out of the hospital a week after the tragedy, he in particular paid tribute to an air traffic controller named Kevin Bachman who was in the Sioux Gateway Airport. Captain Haynes said, "Without his help, without that calm voice, I never would have brought that plane in." Kevin Bachman is one of the heroes of the Sioux City Tristate area. We also in this resolution commend the Woodbury County Disaster Committee which is largely responsible for the coordinated success of the rescue effort. Gary Brown, the director of the Woodbury County Disaster Committee is the person that put this group together, and is the person, along with the 185th Tactical Fighter Group of the Iowa National Guard, who was rehearsed and ready to go with a rescue effort that is unparalleled. The city of Sioux City was honored this week to have the Secretary of Transportation, Mr. Samuel Skinner, not only commend the citizens for their timely response, but to say this is a model for disaster and rescue efforts that is not only unprecedented in the Nation, but perhaps in the world. This was coordinated and put together by the likes of Gary Brown and the Woodbury County Disaster Committee, Lt. Col. Dennis Swanstrom, of the 185th Tactical Guard Unit based in Sioux City, and 38 small communities, 38 towns around the Nebraska, South Dakota, and Iowa region, that responded to that disaster, some of them from over 150 miles away. We did not use all of them. But, they all came. This is another example of voluntarism beyond the call of duty.

We had to laugh, although it was obviously a very grisly night on July 19, because the tension was somewhat eased by humor when on the Larry King show, Larry King, I am sure, inadvertently, said, "Do you have a hospital in Sioux City?" Not only do we have a hospital in Sioux City, Mr. Speaker, we have a burn unit and trauma unit, where 100 doctors were waiting for the patients that were brought into those facilities, within 15 minutes after the crash. As anybody who knows anything about medicine can tell Members, the first hour after a person sustains trauma is the determinant as to whether that person lives or dies or will have crippling injuries the rest of his or her life. Not only 100 doctors, 150 IV's and gurneys in the corridors of the Marian Health Center and St. Luke's Hospital and nurses and backup health care professionals waiting to go, many of them, giving up their days off, coming in, responding to the needs of the injured, and this may be the most extraordinary example of the volunteer spirit, 450 pints of blood volunteered and contributed without one appeal requested.

I sent my staff up to those hospitals when I learned the extent of the tragedy and said, "Go up there and do whatever you can, hold hands, make phone calls," and by the time they got there, they were told, "Congressman, thank you, but we cannot use your people, we have too many volunteers."

I want to thank Dr. David Greco, medical director of the emergency department of the Marian Health Care Center, for marshalling those forces and saving those lives.

Finally, whenever there is a disaster, there are the people who have survived, happily, but there are also the victims and their families. Briar Cliff College and Morningside College in Sioux City took those people in and opened up their doors and made beds and had students and faculty waiting to comfort those who physically had survived the crash, but emotionally, still were terribly injured. Sister Margaret Wick, the president of Briar Cliff College, and Robert Sheehan, director of the Boys and Girls Home in Sioux City, held hands and provided hugs and took care of those families who came to Sioux City for what amounted to a death watch. Their contribution is above and beyond the call of duty, and the more stories I hear, the prouder I am of my hometown.

I can tell Members that I have grown up in Sioux City and lived there much of my life. It is a Midwestern city, probably not unlike the chairman's community of Akron or the gentleman from Pennsylvania's home town. We do not get much recognition. We do not ask for much. We do not expect much. However, prior to this disaster, I would assume if Members knew anything about Sioux City, IA, Members probably knew it had a major stockyard there, and was the previous home of Dear Abby. Now when people mention Sioux City, that is not the first thing that comes to their lips, Mr. Speaker. They talk about the people and they speak with pride.

In the time that I have remaining, I would like to merely say, regardless of this heroic effort, we can never mitigate the horror of losing 111 lives. Children lost their mothers in this crash. Mothers lost their children. An entire family from St. Albans, VT, was killed in this tragedy. But, the nameless heroes that participated, in some way, perhaps, added a note of hope and optimism to a tragedy that otherwise could have been one of the great catastrophes in American aviation history, and turned it into one of our heroic events.

One final note. Last week, a week after the disaster, a Northwest Airlines flight en route from Minneapolis, radioed the tower in Sioux City and said, "We have only one engine, we may have to have an emergency landing." When that plane landed safely the medical units, the 185th Tactical National Guard Unit, and all the medical personnel were in place and ready to go, Mr. Speaker, for what happily did not occur. But they were prepared.

Mr. Speaker, I would at this time like to insert in the RECORD a copy of the letter to Siouxland that Secretary Samuel Skinner read.

OPEN LETTER TO CITIZENS OF THE SIOUXLAND AREA

On behalf of President Bush, employees of the Department of Transportation and the Federal Aviation Administration, I want to express my heartfelt appreciation to all the citizens of the Siouxland area for your generosity, compassion and professionalism during the aftermath of the crash of United Airlines Flight 232 at the Sioux City airport on July 19. From helping victims at the scene, to donating blood and food, to just being there to hold someone's hand and provide support, your response to this tragic situation typified what America is all about. Beyond the professional effort of those trained in getting people to the hospitals and those who served the long hours aiding the survivors, was the collective expression of people just eager to help their fellow man.

You did all of this not for money or for headlines; you did it because it typified the spirit of the heartland of America. You did it because it was the right thing to do.

SAMUEL K. SKINNER.

□ 1150

Mr. Speaker, let me just read these final lines that sum up what I am trying to say in my remarks. This is the response of the Secretary of Transportation to the people of Siouxland.

He said:

You did all of this not for money or for headlines. You did it because it typified the spirit of the heartland of America. You did it because it was the right thing to do.

Mr. Speaker, my home town, Sioux City, has been saluted by the Washington Post, CBS News, and the Secretary of Transportation. It is only fitting that we in Congress officially express the thanks of a grateful nation.

Mr. RIDGE. Mr. Speaker, my colleague, the gentleman from Iowa [Mr. GRANDY] has certainly said it all. It was an incredible effort by an incredible group of people in that tristate area.

Mr. HAYES of Illinois. Mr. Speaker, will the gentleman yield?

Mr. RIDGE. I am pleased to yield to my colleague, the gentleman from Illinois.

Mr. HAYES of Illinois. Mr. Speaker, I rise to join in commending my colleague, the gentleman from Ohio [Mr. SAWYER] and my colleague, the gentleman from Pennsylvania [Mr. RIDGE] for bringing before us this resolution of commendation for the people of Sioux City, IA. That is a place with which I am familiar, having been in and out of Sioux City, IA, many years ago, helping them to improve the standard of living of the people who are employed in the stockyards of that city.

Not only do I want to commend the medical officials and the city officials and the volunteers who joined in this rescue mission, I want to commend that crew, that captain and that entire crew, who exercised what I, as well as many other people, consider to be commendable skills and, yes, cool heads that enabled them to save those 185 lives. While we mourn the 111 lives that we lost, we must recognize that that crew did more than they ever should have been expected to do under those circumstances.

This is not a military situation. If it were, I know there would be a military medal of honor available for them. But if there is any way this Congress could see its way clear to honor them further with some kind of recognition of the kind of role this crew played in saving the lives of those people, I think we ought to do it. If it means bringing that captain before this Congress and taking a couple of minutes of the time of the Congress to recognize that role, I think we ought to do it.

Mr. GRANDY. Mr. Speaker, will the gentleman yield?

Mr. RIDGE. I yield to the gentleman from Iowa.

Mr. GRANDY. Mr. Speaker, I merely want to associate myself with the remarks of my colleague, the gentleman from Illinois [Mr. HAYES], and say that I would be pleased to work with him on any kind of commendation that honors that great crew, all the way down to the stewardesses who participated in the rescue operations that followed that disaster.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. DELLUMS). Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 379

Whereas United Airlines Flight 232 tragically crashed while making an emergency landing attempt at the Sioux Gateway Airport in Sioux City, Iowa, on July 19, 1989;

Whereas the skills and courage of the pilot, flight crew, and air traffic controllers, and the immediate mobilization of State and local rescue units from Iowa, Nebraska, and South Dakota, significantly contributed to the survival of 185 of the 296 passengers aboard the flight;

Whereas the disaster plan which had been designed by the Woodbury County Disaster Committee was largely responsible for the remarkable success of the rescue effort;

Whereas the people of the Sioux City, Iowa, tri-State area mobilized without hesitation to provide aid and comfort to the injured;

Whereas by the time that United Airlines Flight 232 touched down, the Sioux Gateway Crash Fire and Rescue Squad, the 185th Tactical Fighter Group of the Iowa Air National Guard, members of city police forces and county sheriffs' departments, municipal firefighters, Red Cross workers, and other local rescue teams were on the scene to immediately begin to help the wounded and transport them for treatment;

Whereas the physicians, nurses, and other personnel of St. Luke's Regional Medical Center and the Marian Health Center worked exhaustively to treat the injured;

Whereas hundreds of people in the Sioux City, Iowa, tri-State area donated blood at a local bloodbank without solicitation to assist in the treatment efforts;

Whereas Briar Cliff College and Morningside College opened their dormitories to the survivors, the families of the survivors, rescue teams, and investigators while residents contributed blankets, clothing, and food; and

Whereas had it not been for the remarkable speed, skill, and preparedness of the emergency crews, and the assistance and generosity of the people of the Sioux City, Iowa, tri-State area, the number of survivors would likely have been much lower: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the citizens of the Sioux City, Iowa, tri-State area are commended for their heroism and spirit of volunteerism in selflessly providing assistance and life-saving services to the passengers and crew of United Airlines Flight 232, and the President is authorized and requested to issue a proclamation making such commendation.

AMENDMENT OFFERED BY MR. SAWYER

Mr. SAWYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAWYER: Page 3, Paragraph 3, strike "Crash Fire and" and insert "Crash, Fire, and".

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Ohio [Mr. SAWYER].

The amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MENTAL ILLNESS AWARENESS WEEK

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 55) to designate the week of October 1 through October 7, 1989, as "Mental Illness Awareness Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I simply take this time to recognize the efforts of our colleague, the gentleman from Oregon [Mr. WYDEN], who is the chief sponsor of this joint resolution.

Mr. SAWYER. Mr. Speaker, I rise in support of Senate Joint Resolution 55, to designate the week of October 1, 1989, as "Mental Illness Awareness Week."

Historically, persons suffering from mental illnesses have been feared and misunderstood by others. Mental illness is a disability that when properly recognized can be treated accordingly. In most cases, persons suffering from mental illnesses, who have received a correct diagnosis and treatment, are able to recover and lead normal lives.

Unfortunately, the perceptions of many Americans about mental illness remain in the dark ages, when victims of mental illness were shut away from society forever. The passage of this resolution will send a message to the public that mental illness is a treatable disease. The resolution also will assist in removing the stigma society places upon those suffering with the disease.

Finally, Mr. Speaker, I want to commend Congressman WYDEN for all of his efforts in getting this worthy resolution to the floor today.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

H.J. RES. 55

Whereas mental illness is a problem of grave concern and consequence in American society, widely but unnecessarily feared and misunderstood;

Whereas thirty-one to forty-one million Americans annually suffer from clearly diagnosable mental disorders involving significant disability with respect to employment, attendance at school, or independent living;

Whereas more than ten million Americans are disabled for long periods of time by schizophrenia, manic depressive disorder, and major depression;

Whereas between 30 and 50 percent of the homeless suffer serious, chronic forms of mental illness;

Whereas alcohol, drug, and mental disorders affect almost 19 percent of American adults in any six-month period;

Whereas mental illness in at least twelve million children interferes with vital developmental and maturational processes;

Whereas mental disorder-related deaths are estimated to be thirty-three thousand, with suicide accounting for at least twenty-nine thousand, although the real number is thought to be at least three times higher;

Whereas our growing population of the elderly is particularly vulnerable to mental illness;

Whereas estimates indicate that one in ten AIDS patients will develop dementia or other psychiatric problems as the first sign of the disease and as many as two-thirds of AIDS patients will show neuropsychiatric symptoms before they die;

Whereas mental disorders result in staggering costs to society, estimated to be in excess of $249,000,000,000 in direct treatment and support and indirect costs to society, including lost productivity;

Whereas mental illness is increasingly a treatable disability with excellent prospects for amelioration and recovery when properly recognized;

Whereas families of mentally ill persons and those persons themselves have begun to join self-help groups seeking to combat the unfair stigma of these diseases, to support greater national investment in research, and to advocate an adequate continuum of care from hospital to community;

Whereas in recent years there have been unprecedented major research developments bringing new methods and technology to the sophisticated and objective study of the functioning of the brain and its linkages to both normal and abnormal behavior;

Whereas research in recent decades has led to a wide array of new and more effective modalities of treatment (both somatic and psychosocial) for some of the most incapacitating forms of mental illness (including schizophrenia, major affective disorders, phobias, and phobic disorders);

Whereas appropriate treatment of mental illness has been demonstrated to be cost effective in terms of restored productivity, reduced utilization of other health services, and lessened social dependence; and

Whereas recent and unparalleled growth in scientific knowledge about mental illness has generated the current emergency of a new threshold of opportunity for future research advances and fruitful application to specific clinical problems: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the seven-day period beginning October 1, 1989, and ending October 7, 1989, is designated as "Mental Illness Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL WILDERNESS WEEK

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 67) to commemorate the 25th anniversary of the Wilderness Act of 1964 which established the National Wilderness Preservation System, and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I simply want to acknowledge the efforts and the work of our colleague and friend, the gentleman from Arizona [Mr. UDALL], who is the chairman of the Committee on Interior and Insular Affairs and also the chief sponsor of this joint resolution.

Mr. SAWYER. Mr. Speaker, will the gentleman yield?

Mr. RIDGE. I yield to the gentleman from Ohio.

Mr. SAWYER. Mr. Speaker, I rise in strong support of Senate Joint Resolution 163, to designate the week of September 3, 1989, as "National Wilderness Week."

This year marks the 25th anniversary of the Wilderness Act of 1964, which established the National Wilderness Act of 1964, which established the National Wilderness Preservation System. Prior to the enactment of the Wilderness Act, the Federal Government was protecting approximately 14 million acres of wild land, much of it designated as "primitive areas" in national forests. Today, the Wilderness preservation System contains over 90 million acres of land, in 44 States, which can be found in national parks, national forests, national wildlife refuges, and land overseen by the Bureau of Land Management of the Department of the Interior.

The Wilderness Act of 1964 provided that:

A wilderness, in contrast with those areas where man and his own works dominate the landscape, is hereby recognized as an area where the earth and the community of life are untrammeled by man, where man himself is a visitor who does not remain.

I believe this description accurately states the importance of designating areas as wilderness. These public lands are owned and managed by the Federal Government, in their natural state, for the enjoyment of all people. A wilderness designation allows us to preserve ecological, geological, scientific, educational, scenic, and historical values.

Finally, Mr. Speaker, I want to commend Congressman UDALL, chairman of the Committee on Interior and Insular Affairs which has jurisdiction over all of our public lands, for his lifelong dedication to protecting our environment and for his efforts in getting this worthy resolution to the floor today.

Mr. UDALL. Mr. Speaker, I am pleased today to join with 231 cosponsors to bring before the House a joint resolution designating the week of September 3, 1989, as National Wilderness Week to commemorate the silver anniversary of the Wilderness Act.

Twenty-five years ago the Wilderness Act was signed into law. The act established the first system of protected wilderness in the world. The protection of our lands through parks and wilderness areas is a uniquely American idea. Americans are leading the world in setting aside and protecting the world's most valuable resource, our irreplaceable lands. In this time of increasing pressures on our environment it is fitting that we take time to honor those who had the foresight to protect our lands and to relish the wondrous places we have preserved.

Since passage of the Wilderness Act over 90 million acres of land have been included in the National Wilderness Preservation System. Magnificent areas in every State have been protected as wilderness. Congress has not completed its job of review and designation of wilderness. And completing the process is important not only to add areas to the wilderness preservation system but also to remove the cloud of indecision hanging over lands under review.

Our task is not complete but this anniversary gives us the opportunity to pause and celebrate our accomplishments as we renew our commitment to the preservation of wilderness. It is particularly fitting at this time of increasing threat to our globe by acid rain and the greenhouse effect to preserve and protect our wilderness areas.

Mr. Speaker, I urge my colleagues to support this resolution designating National Wilderness Week.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 67

Whereas 1989 marks the twenty-fifth anniversary of the establishment of the National Wilderness Preservation System;

Whereas wilderness areas were created to secure for the American people the benefits of an enduring resource of wilderness;

Whereas Congressionally designated wilderness is an area of undeveloped Federal land where earth and nature are untrammeled by man, and where man is a visitor who does not remain;

Whereas wilderness areas allow us to preserve ecological, geological, scientific, educational, scenic, and historical values;

Whereas wilderness provide outstanding opportunities for solitude and primitive recreation;

Whereas in 1924 the Gila Wilderness in New Mexico was the first administratively designated wilderness in the nation, and became statutory wilderness in 1964;

Whereas there are four hundred and seventy-four units totaling nearly ninety-one million acres in forty-four States that comprise the National Wilderness Preservation System today;

Whereas a wide range of individuals, organizations, and agencies with differing perspectives have worked with Congress to promote preservation of wilderness areas;

Whereas the Forest Service, the National Park Service, the Fish and Wildlife Service, and the Bureau of Land Management are entrusted to protect and manage our wilderness heritage;

Whereas the Wilderness Act passed in both houses of Congress with a strong sense of bipartisan support; and

Whereas the Wilderness Act was signed into law on September 3, 1964 by President, Lyndon Baines Johnson: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 3 through September 9, 1989, is designated as "National Wilderness Week". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week with appropriate activities and programs.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL HOSPICE MONTH

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 78) to designate the month of November 1989 and 1990 as "National Hospice Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I would like to take this time to acknowledge the work of our colleague, the gentleman from Ohio [Mr. GRADISON], who is the chief sponsor of this joint resolution.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 78

Whereas hospice care has been demonstrated to be a humanitarian way for terminally ill patients to approach the end of their lives in comfort with appropriate competent and compassionate care in an environment of personal individuality and dignity;

Whereas hospice advocates care for the patient and family by attending to their physical, emotional, and spiritual needs and specifically, the pain and grief they experience;

Whereas hospice care is provided by an interdisciplinary team of physicians, nurses, social workers, pharmacists, psychological and spiritual counselors, and community volunteers trained in the hospice concept of care;

Whereas hospice is becoming a full partner in the Nation's health care system;

Whereas the enactment of a permanent medicare hospice benefit and an optional medicaid hospice benefit makes it possible for many more Americans to have the opportunity to elect to receive hospice care;

Whereas private insurance carriers and employers have recognized the value of hospice care by the inclusion of hospice benefits in health care coverage packages; and

Whereas there remains a great need to increase public awareness of the benefits of hospice care: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November in 1989 and 1990 is designated as "National Hospice Month". The President is requested to issue a proclamation calling upon all government agencies, the health care community, appropriate private organizations, and people of the United States to observe each of those months with appropriate forums, programs and activities designed to encourage national recognition of and support for hospice care as a humane response to the needs of the terminally ill and as a viable component of the Health care system in this country.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL DRIVE FOR LIFE WEEKEND

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 127) designating Labor Day weekend, September 2 through 4, 1989, as "National Drive for Life Weekend," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I simply take this time to acknowledge the good work of our colleague, the gentleman from California [Mr. DYMALLY], who is the chief sponsor of this joint resolution.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 127

Whereas drunk driving is the most frequently committed crime in the United States, with arrests for driving while intoxicated totaling more than three times the number of arrests for all violent crimes combined;

Whereas one individual in the United States was killed every twenty-two minutes in a drunk-driving-related crash in 1988, an average of sixty-five individuals each day;

Whereas more than twenty-three thousand individuals were killed in the United States in drunk-driving-related crashes in 1988;

Whereas two out of every five individuals in the United States will be involved in a drunk-driving-related crash at some point in their lives;

Whereas the estimates of the economic costs of drunk driving in the United States are as high as $24 billion;

Whereas Drive for Life is a public awareness campaign which asks all Americans to pledge to be responsible by driving sober on the Drive for Life Day and thereby demonstrate a commitment to reduce significantly the tragedies of drunk driving, and which serves to educate the public about the dangers of drunk driving;

Whereas Americans are also asked to turn on their headlights while driving on Drive for Life Day as a remembrance of those killed by drunk driving;

Whereas on the second annual National Drive for Life Day, the toll of individuals killed in drunk-driving-related crashes in the United States was 28.6 per centum lower than the number of deaths due to drunk-driving-related crashes on Labor Day weekend Saturday, in 1987, reflecting the success of this campaign;

Whereas the second annual National Drive for Life campaign featured endorsements from all fifty Governors, more than two hundred and seventy-five mayors, and all fifty State police departments; and

Whereas the third annual National Drive for Life Day will occur on September 2, 1989, the Saturday of the Labor Day weekend, when drunk-driving-related crashes are traditionally at their peak: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Labor Day weekend beginning on September 2, 1989, is designated as "National Drive for Life Weekend". The President is authorized and requested to issue a proclamation calling on the people of the United States to observe that weekend with a pledge to be responsible by driving sober and encouraging others to do the same.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1200

NATIONAL ALCOHOL AND DRUG TREATMENT MONTH

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 132) designating September 1 through 30, 1989 as "National Alcohol and Drug Treatment Month" and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore (Mr. DELLUMS). Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I would like to engage in a colloquy with my colleague, the gentleman from Ohio [Mr. SAWYER], first of all to identify the chief sponsor and whether or not the requisite signatures were obtained.

Mr. SAWYER. Mr. Speaker, will the gentleman yield?

Mr. RIDGE. I yield to the gentleman from Ohio.

Mr. SAWYER. Mr. Speaker, the House sponsor is the gentleman from the District of Columbia [Mr. FAUNTROY].

Mr. RIDGE. Mr. Speaker, is the gentleman from the District of Columbia [Mr. FAUNTROY] here?

Mr. SAWYER. The Senate sponsor for this resolution is Senator SASSER.

Mr. RIDGE. Mr. Speaker, is the gentleman from the District of Columbia [Mr. FAUNTROY] here?

Mr. SAWYER. I do not believe so.

Mr. RIDGE. Mr. Speaker, I just want the RECORD to make clear who is the chief sponsor of the joint resolution.

Mr. SAWYER. Mr. Speaker, if the gentleman from Pennsylvania will continue to yield, it was unclear at the time when I made the motion whether or not this particular joint resolution had the requisite number of signatures. It appears that it does not at this point, and so I withdraw the unanimous-consent request.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. SAWYER] withdraws the unanimous-consent request.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

HOW WE CAN FIND OUT WHO IS SUPPLYING EXPLOSIVES TO TERRORISTS

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, today, on behalf of the congressional sportsmans caucus, I am introducing a resolution calling on all nations which produce high explosives which detonate, to make them with a pre-blast detection taggant. Airport security could then detect them before innocent lives are lost, a welcome contrast to pictures of investigators searching about the wreckage of sabotaged planes for clues on what blew them from the sky.

High explosives have become a favorite tool of the demented terrorist trade, and are produced by many countries, including Czechoslovakia, Iran, and Yugoslavia. If countries agree to tag their explosives, we can find out who is supplying the terrorists, and then let worldwide pressures run their course.

Hopefully, our resolution will send a necessary and definitive message that the Congress is fully committed to wiping terrorists and terrorism off the face of the globe. I urge my colleagues to add their names to our resolution against the weapons of terrorism.

COMMEMORATING THE BICENTENNIAL OF THE U.S. COAST GUARD

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEJDENSON. Mr. Speaker, I rise today to join with Americans all across this Nation in celebrating the bicentennial of the U.S. Coast Guard. Today, the Coast Guard begins a yearlong celebration of its 200th anniversary.

In 1789, the Lighthouse Service, previously run by the local States joined the Treasury Department to form the Coast Guard; in 1967, the U.S. Coast Guard became part of the newly formed Department of Transportation. Since its inception, the mission and responsibility of the Coast Guard has expanded. We depend on the Coast Guard to minimize loss of life, injury, and property. We depend on the Coast Guard to defend our shores in times of war. We count on the Coast Guard for enforcement of international maritime laws and agreements. We depend on the Coast Guard to maintain the safety of vessels, ports, and waterways. In addition, the Coast Guard has been given responsibility for protecting the marine environment and enforce environmental laws. For instance, the Coast Guard has been given responsibility to prevent the dumping of sewage sludge and to enforce the ocean dumping laws.

In addition, the Coast Guard has taken the lead role in the oilspill cleanup in the Prince William Sound. On March 24, 1989, 11 million gallons of crude oil were spilled into one of America's most pristine coastlines. Crude oil has spread into a slick covering more than 1,600 square miles. The Coast Guard has taken the lead in the cleanup of that spill.

In addition, in the Narragansett Bay, off the coast of Rhode Island, a disaster was avoided because of the quick action taken by the Coast Guard to contain the spill of a Greek tanker that hit a reef and spilled nearly a million gallons of highly toxic fuel oil. This spill was quickly contained because of the swift movement of the Coast Guard and an environmental disaster was averted.

Mr. Speaker, it is difficult to comprehend how important the Coast Guard is to the health, safety, and security of this country. The Coast Guard has taken an increasing role in fighting the war on drugs. The Coast Guard has taken responsibility for drug interdiction to prevent illegal drugs from coming into this country. In 1987, on an average day, Coast Guard personnel saved 16 lives or 1 life every 91 minutes. During the same period, the Coast Guard assisted 361 people and saved $2,482,357 in property. On an average day Coast Guard personnel completed 154 search and rescue cases. Coast Guard marine safety personnel worked 23 oil and hazardous chemicals. They boarded 43 vessels for port safety checks.

In its effort to fight the war on drugs, the Coast Guard interdiction efforts netted 3,568 pounds of marijuana and 35 pounds of cocaine during that average day and helped other agencies confiscate 243 pounds of marijuana and 26 pounds of cocaine. Each day, on average, the Coast Guard arrested two drug smugglers. The street value of the illicit drugs seized by Coast Guardsmen on an average day was $6,431,507 or $12,034 every minute.

The Coast Guard Academy, founded by Congress in 1876, began in the following year with nine cadets. In 1929, the U.S. Coast Guard Academy found its permanent home in New London, CT, and continues to expand its curriculum to adjust emerging the technological and societal changes. The Academy trains the nearly 900 young men and women to fulfill the expanding mission of the U.S. Coast Guard every year. I am very honored to serve as a member of the Congressional Board of Visitors and am even more proud to have this excellent institution in my congressional district.

To help meet the challenges presented to it in the effort to fight the war on drugs, in finding ways to prevent oil and chemical spills, to find better ways to clean up spill once they have occurred and to more effectively carry out its mission, the Coast Guard has placed a great deal of emphasis on its research and development work. In particular, the Coast Guard Research and Development Center in Groton, CT, has been the leader in those efforts. The Research and Development Center has been a leader in the development of a process of oilspill identification by "oil fingerprinting." This allows the Coast Guard and State authorities to differentiate one oil sample from another and determine who is responsible for a spill.

In addition, the R&D Center has been a leader in developing technology to fight the war on drugs more effectively. Work at the center has led to the development and implementation of unmanned blimps with radar. This enables the Coast Guard and other drug enforcement agencies to see farther than surface ships and detect drug traffickers attempting to smuggle shipment of illegal drugs into the United States. I hope the Coast Guard

and the Congress will continue to support the work done at the Research and Development Center in Gorton which enables the U.S. Coast Guard to carry out its important and expanding missions effectively.

Mr. Speaker, I am very proud of the work done by the Coast Guard and am proud to be associated with them. It is often a thankless job, but it is one that is vital to the health and safety of the American people and to the security of the United States. At this time, I would like to encourage my colleagues and all of the American people to rise and salute the U.S. Coast Guard for 200 years of dedicated service.

PENALTY REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. SCHULZE] is recognized for 5 minutes.

Mr. SCHULZE. Mr. Speaker, I want to commend the gentleman from Texas for his leadership in developing legislation to simplify and reform the civil tax penalty provisions in the Internal Revenue Code. His sustained dedication has helped forge a consensus on this issue.

I want to reinforce the remarks made by our subcommittee chairman. Over the years the penalty provisions in the tax law grew in a haphazard, patchwork fashion. Often the need to meet some revenue goal in a deficit reduction bill prompted us to create a new penalty or increase an old penalty.

The total effect of numerous such changes was a source of confusion both for taxpayers and the IRS. There was a need to simplify and consolidate tax penalties. Tax penalties should not be viewed as a source of revenue. In a perfect situation the Government would collect no tax penalties because there would be perfect compliance. The purpose of tax penalties is to improve compliance rather than to dispense punishment.

In order for tax penalties to promote compliance they need to be understood by the average taxpayer and perceived as fair. A taxpayer will not be motivated to comply with a tax provision if he doesn't know that it exists or views it as unfair. A driver cannot be expected to obey the speed limit if he cannot understand the traffic signs. The old penalty system had passed the point of diminishing returns in using more and more penalties to improve compliance.

The objective of the Oversight Subcommittee was to develop a penalty reform package which would improve compliance by simplifying the law, rather than adding new layers of punitive provisions.

Several reforms will bring welcome relief to small businesses taxpayers. For example, the current penalty for the late deposit of payroll taxes is 10 percent. The penalty is 10 percent whether a business is 1 day late or months late. This is not fair. Often a small business may be a few days late because the bookkeeper was absent or ill. Yet such a small error is penalized as severely as a business which is months late in making a tax deposit.

The subcommittee determined that the payroll tax deposit penalty should be changed to a time-sensitive, sliding-scale approach. In particular, the penalty now will be only 2 percent for deposits up to 5 days late; 5 percent for deposits between 6 and 15 days late; and 10 percent for deposits over 15 days late. A fourth tier penalty of 15 percent applies to excessively late tax deposits.

Another provision would safeguard the ability of small businesses to submit tax information to the IRS on paper forms and not allow the IRS to force them to use magnetic tape. The IRS will not be able to force businesses with less than 250 information returns to use magnetic tape. Otherwise a small business could be forced to buy high-priced computer equipment or else incur the expense of hiring a service bureau to prepare a magnetic tape for the IRS.

Individuals benefit from penalty reform because the negligence penalty will be targeted to apply only to the negligent portion of the tax return. Under current law the negligence penalty applies to the entire understatement and not just the portion attributable to negligence. The current structure of this penalty can result in a small amount of negligence leading to a very large penalty amount.

Another change which will help the average taxpayer is the repeal of the provision which presumes a person is negligent when the IRS document matching program identifies an apparent discrepancy between a taxpayer's return and the information supplied by some third party. In many, many cases the discrepancy has an honest explanation and the taxpayer has not tried to underreport his income. For example, the taxpayer may have identified the payor of his money market interest in a different way than the payor identified itself to the IRS. The IRS computers will flag this as a discrepancy and send the person a notice which presumes he negligently failed to report his money market interest. Although the person should eventually clarify the discrepancy, in the meantime he has been intimidated and offended by the IRS. This presumptive negligence provision fosters the image of the IRS as an unreasonable bully.

Mr. Speaker, these few examples illustrate the improvements which the committee's penalty reforms will accomplish. We do not expect that anyone will ever like tax penalties. But we have removed the unreasonable provisions and hidden booby traps which effect unwary taxpayers.

□ 1210

EXPERTS AGREE: TIME FOR NEW TRADE APPROACH TO JAPAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, once more, I stand before this House and address the issue of United States-Japanese trade. But this time, I do not stand alone. The cover story in Business Week magazine—August 7, 1989—is entitled "Rethinking Japan."

This article traces a change in the traditional perception many Americans have held toward international trade, and Japan in particular. Free trade, a fiercely held American principle, simply cannot be a concept applied to Japan. The new school of thought, called revisionism, has been embraced and espoused by wide array of individuals, including both academics and business leaders.

Trade with Japan cannot be discussed in the usual terms of open and free trade. Factors such as Japan's culture and history have created a complex economic and political system. This system has served to frustrate U.S. efforts at negotiation over resolving economic differences.

A $52 billion annual trade deficit with Japan—a billion a week—has caused Americans to rethink their previous approach to bargaining. And rightly so. We must find some alternative means of negotiating with such a unique country as Japan. We must go beyond our traditional means and push for reforms such as trade management and capping the deficit.

New approaches should not be construed as anti-Japan or protectionist. Japan is a valuable ally and offers numerous opportunities to the United States, whether they be commercial, scientific, or otherwise. We cannot afford to jeopardize our friendship with Japan by continuing to bicker over our trade differences.

Four years ago, I proposed legislation that could head off further deterioration. I hope Members will agree with the Business Week analysis and support my legislation. I reintroduced that bill as House Joint Resolution 249 on April 25—see E1341 in the CONGRESSIONAL RECORD for a discussion of the issue.

Instead of arguing and debating every single area of trade, let's put a cap on the deficit. This method would mean no more negotiations and hassles over regulations. The more Japan buys from us, the more she can sell. Simple as that.

I will not indulge in a "I told you so." But the growing number of people who advocate new approaches to bargaining with Japan seems to signal support. We can, if we act soon, salvage both American trade and an important friendship with an important ally.

HUGHES TELEPHONE CO. SALE APPROVED JULY 26

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, I want to share with my colleagues this article printed in the August 2 edition of the Meridian, MS, Star. It reports on the sale of Hughes Telephone Co. to South Central Bell.

For nearly 80 years, Hughes has been serving the people of east Mississippi. It has been one of the truly successful family-owned telephone companies in this country because of the commitment its owners have had over the years to doing the job right. I want to take this time to commend Hughes president Bertha Lee White for what the company, from top to bottom, has done to make life a little easier for consumers in the five counties it has served. I am confident South Central Bell will work hard to uphold the tradition and reliability that has been practiced by Hughes since 1911.

SOUTH CENTRAL BELL TAKES OVER HUGHES—OFFICIAL SAYS CUSTOMERS WON'T SEE IMMEDIATE CHANGES

Hughes Telephone Co. became a wholly-owned subsidiary of South Central Bell Monday.

The sale of the family-owned company was announced last October, pending approval of the Mississippi Public Service Commission and the Federal Communications Commission, which gave its final approval July 26.

The sale will not immediately affect operations, said Bertha Lee White, Hughes president, "Nothing changes." Hughes customers will continue to call the same numbers they always have to discuss billing, service changes or repairs.

The transition from Hughes operation to South Central Bell will take eight months to a year, Mrs. White said, adding that after that time, its business office will be turned into a museum and renamed the Hughes Memorial Foundation.

The site will serve as a memorial to the founders, Dolphus Edward and Ollie Denton Hughes, her parents, she said.

For her part, Mrs. White said she will retire, but will be working with the foundation.

Hughes, which began its operation in 1911, maintains about 6,000 stations at present, Mrs. White said, including coin-operated phones, as well as business and residential lines in Kemper, Lauderdale, Neshoba, Newton and Noxubee counties, north of Meridian.

"Hughes has a respected tradition of good service to its customers, and we look forward to continuing that tradition," said Kelly Allgood, vice president of South Central Bell's Mississippi operations, in a news release.

"We're pleased that, when Hughes owners decided to sell the family-owned company, South Central Bell was considered to be a company that would continue the tradition of good service, dedication and concern for customers and employees, and that our offer was selected by Hughes stockholders," he said.

"We have a tremendous business," Mrs. White said. "We have one of the best businesses in the nation."

However, she said, as offers became more attractive, the company's stockholders—four daughters and 16 grandchildren—decided to take them seriously and approached South Central Bell.

"We were familiar with the company," Mrs. White said. "Down through the years, we've always had a good relationship with South Central Bell."

In fact, she said, it was not unusual for the manager of South Central Bell of Meridian to lunch with the Hughes family.

"We look forward to working with Hughes to provide further service improvements and enhancements for Hughes customers," Mr. Allgood said. "We're committed to keeping Hughes customers well informed in a timely manner about any changes that would affect them," he said.

HISPANIC HOUSING CRISIS, AND POLITICAL AND ECONOMIC CHANGES IN TAIWAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BUSTAMANTE] is recognized for 5 minutes.

Mr. BUSTAMANTE. Mr. Speaker, I stand before you today to talk about the terrible state of housing among the Hispanic population, as well as the outrageous cost that Hispanics must pay for even substandard shelter.

There are Hispanics in south Texas who spend 7 to 9 percent of their annual income on housing. With an average annual income of only $6,700, many Hispanic citizens cannot afford adequate housing.

In an average Hispanic family in the barrios, not only do both parents work but often the teenage children drop out of school to work at minimum wage or less.

Even with the whole family working, many homes are without water or sewage facilities or flood protection. Families must wash clothes, dishes, and themselves in untreated water. Often this water is polluted by sewage runoff and other unhealthy elements.

In this great country, one out of every seven Hispanic households experience substandard living conditions. Hispanics are three times as likely as whites to live in totally inadequate housing. Among all minorities, Hispanics are two times more likely to live in substandard housing.

These people are slipping further and further into the cesspools that surround their homes. These people need our help. Let us no longer neglect the neediest among us. Let us give them what they need so desperately.

While the scandals at HUD continue to receive publicity because of the terrible waste of taxpayers moneys, let us not forget the other more human side of the problem.

Not only was the money wasted, but the potential to help people who desperately need it was lost. Let us work together to assure that this never happens again. Let us assure that housing programs designed to help the most needy reach the helpless people most in need.

Let me say in this area, Mr. Speaker, all of us are familiar with the champion in this area of housing, and that is the very distinguished gentleman from Texas [Mr. GONZALEZ], the chairman of the Committee on Banking, Finance and Urban Affairs. Chairman GONZALEZ has worked hard and long in this area and has been the champion not only of the poor of our Nation, but also of the working people of this great country of ours and for all Americans, and for that we applaud Chairman GONZALEZ for his efforts in this area of housing.

POLITICAL AND ECONOMIC CHANGES IN TAIWAN

Mr. Speaker, even though the winds of change have been halted by staunch headliners in Communist China, it is very important not to forget the democratic changes occurring just off Mainland China on the island of Taiwan, the Republic of China.

As I am sure everyone recalls, the United States officially changed diplomatic recognition of China from Taipai to Beijing on January 1, 1979. Since 1979, the Government in Taiwan has made significant strides in liberalizing the political process on the island. Martial law was abrogated in 1987, and democratic reforms have become an important part of the Government's agenda.

Major efforts have been instigated to rejuvenate the Parliament. On Janaury 26, the Parliament finally passes a law establishing the procedure for aging Parliamentarians to retire on a voluntary basis. This law would allow more new locally-elected officials an opportunity to participate in the National Assembly, the main law-making body in the country.

The importance of freedom of the press has not gone unacknowledged by the Government. If you were to visit Taiwan today, it would not be unusual to find independent newspapers at the newstand with articles critical of Government policies and operations.

In addition, a law permitting a multi-party system was enacted on January 20, 1989. Since then, 15 new parties have received official Government recognition including the major opposition party, the Democratic Progressive Party [DPP]. In recent legislative elections, many opposition candidates have run successful campaigns for office.

Believe it or not, policies toward Mainland China have become much more relaxed. Since the Government announced in late 1987 that citizens of the Republic of China of Taiwan would be allowed to visit their relatives on the mainland, more than 400,000 people have visited the mainland. In order to foster cultural exchange between both sides, in mid-April, the Government decreed that journalists, film makers, performing

artists, and teachers would be permitted to visit the mainland. Also, direct trade between the two sides increased 60 percent in 1988, reaching $2.5 billion. And Taiwan's investment of the mainland through indirect channels reached more than $520 million last year.

The political liberalization that the Republic of China is experiencing is no doubt connected with the island's economic boom. Taiwan's strong and vibrant economy is the result of the hard-work ethic ingrained in the hearts of the people and, of course, the business atmosphere of free markets and open competition. In the past few years, annual trade has exceeded $80 billion, making Taiwan the world's 13th largest trader and the United States 5th largest trading partner.

Over the past three decades, Taiwan has shifted from an agriculturally-based economy to a system rooted in technology-intensive products. Presently, the nearly 20 million citizens contribute to a yearly economy of over $97 billion and per capita GNP of almost $5,000. The projected growth rate in 1989 is set at 7 percent. And international imports are expected to reach $57.4 billion, a growth of 15 percent.

In an attempt to open the Republic of China's business markets, the Government, between 1985 and 1987, reduced tariffs on over 3,500 items and abolished tariffs on over 70 items. In addition, nine U.S. insurance firms were allowed to establish branch offices in Taiwan. And there are over 30 foreign banks operating on Taiwan, 13 of which are American.

After reviewing the political and business changes in Taiwan such as lifting martial law, lifting a ban on publishing new newspapers, allowing the establishment of new political parties, cutting and abolishing certain tariffs, and opening up financial markets, one sees that the wheels of democracy are well in motion.

These progressive changes should not be obscured by the recent Communist suppression on the mainland. Instead, Taiwan should be seen as a reassuring sign that democratic reforms can succeed in Asia.

□ 1220

THE 28TH ANNUAL ROLLCALL CONGRESSIONAL BASEBALL GAME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR], is recognized for 5 minutes.

Mr. BONIOR. Mr. Speaker, I take to the well this morning as a man bruised by defeat. Tuesday night at Four Mile Run Park in Alexandria, VA, the Republicans handed the Democrats a loss at the 28th annual rollcall congressional baseball game. Before a crowd of thousands that included major league baseball commissioner A. Barlett Giammatti and broadcast great Joe Garagiola, the Democrats slugged it out and came out at the short end of an 8 to 2 final score.

For those of my colleagues who weren't able to make it Tuesday night, I borrow from the fine tradition of my colleague from Arizona, MO UDALL and my colleague from Massachusetts, SILVIO CONTE, the man who initiated this annual rite.

The clouds rolled in to issue their warning,
Russo, Synar and, Richardson warmed up.
The tension had been building since early
that morning
And it peaked as the umpire shouted
"Batter up."

Before a crowd of thousands,
Levine climbed up the mound.
Mike Oxley made his way to first,
Before Fields hit him around.

A Bonior-Schuette collision
Suggested a Dem strategy of attrition
But Newt Gingrich asked Giammatti
To file a complaint with the Commission.

The drama was at its height with
Jim Moody behind the plate.
Gallegly and Schuette tried to score
But they both got there too late.

Early on in the game Sabo
shouted "Freshman Beware."
As he picked off Jim Walsh
And gave the GOP a scare.

Walsh, Weldon, and Herger
Hit as well as Captain Coats
But Senate Democrats yanked Dan
With timely roll call votes.

As the number of Barton victims
Continued to swell.
The Democrats despaired,
Things were not going well.

Heavy hitter Mel Levine,
Was heard to have sighed
When pinch runners Neal and Mfume
Neglected to slide.

Then a hole in the wall provided Democrats
with relief.
Bucky Staggers raised his hands
To keep Fields' base-burning brief.

In the bottom of the last, the Dems started
to rally,
A bloop single to center and Carper filled in
to run.
Then Downey hit a shot to give the Dems
another tally,
But alas, Buechner caught a pop-up and the
Grand Old Party had won.

SOVIET DAY OF SHAME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, on August 21, the people of Czechoslovakia and Americans of Czechoslovakian descent will commemorate the 21st anniversary of the 1968 invasion of Czechoslovakia by the Soviet Union.

On this sad day—this Soviet Day of Shame—over 500,000 soldiers were sent by the Communists to overrun the Czechoslovakian borders, shattering the hopes and dreams of this peace-loving nation. The reform-minded government of Alexander Dubcek was crushed, and the Soviet Union once again demonstrated its commitment to the policy of stopping any attempt by individuals to assert their inherent rights of freedom, liberty, and self-determination.

Today, the Communists continue to remain in control of Czechoslovakia, and we in America, must persist in our support of the people of Czechoslovakia who are devoting their lives to reestablishing a free homeland. Although Mikhail Gorbachev has called for sweeping reforms under glasnost and perestroika, in Czechoslovakia these changes have been very slow and tentative.

At this point in the RECORD, I would like to share with my colleagues in the House of Representatives excerpts from an article which appeared in the June 16 edition of the Christian Science Monitor describing the reluctance of the Communists in power in Czechoslovakia to institute changes. The excerpts follow:

[From the Christian Science Monitor, June 16, 1989]

CZECHOSLOVAK LEADERS SOFTEN THE HARD LINE

(By William Echikson)

PRAGUE.—Inside the baroque Lucerna Dance Hall, long-haired youngsters swing to the incessant beat of loud music and acid lyrics such as, "Skinhead, Skinhead, Bang! Bang! Bang!"

"A few years ago, I was thrown in jail for promoting such music," marvels Karel Srp, the ebullient leader of the outlawed Jazz Section. "It's progress, it's glasnost [openness]—but limited progress, limited glasnost, nothing like in Hungary or Poland."

Czechoslovakia is trying to change. Long a leader of East European resistance to Soviet leader Mikhail Gorbachev's reforms, its orthodox communist regime now is buffeted by new pressures, from East and West, and from below. As the Lucerna rock concert shows, the hard-line leadership has responded by allowing more independent cultural activities.

But diplomats, dissidents, and even Communist Party functionaries doubt the depth of Czechoslovak glasnost. Official reform efforts remain defensive, they say, marked by caution and repression, while unofficial pressure from the long-passive population remains too weak to force an acceleration.

"The changes here just aren't systematic. They don't touch the roots of the totalitarian abuses," says one Western diplomat.

"People are bitter, but still not optimistic, and until they become optimistic, I don't believe they will be able to force reform on the authorities."

This conclusion suggests some staying power for East Europe's hard-line bloc: Bulgaria, Romania, East Germany, and Czechoslovakia are all resisting Soviet *perestroika* [restructuring] and *glasnost*. The so-called "Gang of Four" appears tentative, on the defensive. But it will be some time before these hard-liners start dancing to Gorbachev's tune.

Among this group, Czechoslovakia represents a crucial test case. Unlike Bulgaria, it boasts a strong democratic and industrial tradition. Unlike Romania, it is not ruled by a ruthless autocrat like Nicolae Ceausescu, who is willing to resist reform by starving his own people. And unlike East Germany, whose status as part of a divided nation makes any change potentially destabilizing, Czechoslovakia does not oppose the Soviet Union—at least not publicly.

"The East Germans say, 'We know what we're doing; we don't need *perestroika*,'" explains Jaroslav Jiru, a journalist at the underground Lidovie Noviny magazine. "Our leaders say, 'We need *perestroika*, but we must be careful, and do it our way.'"

Communist Party leader Milos Jakes epitomizes this cautious *perestroika*. After the 1968 Soviet invasion, he directed the purge expelling almost half a million people from the party. University professors were turned into window washers, engineers into stokers, and lawyers into taxi drivers. Now Mr. Jakes is trying to shed his image as a colorless apparatchik.

In recent months, he has ousted hardliners in the ruling Presidium and even taken to Gorbachev-style street chats. But at the same time, he expelled the Presidium's leading reformer, Lubomir Strougal.

"Jakes must go. He is impossible," says Jiri Dienstbier, a leading dissident. "Whenever he tries to play Gorbachev and go out on the street, he talks nonsense and people laugh."

Attempts to bridge the division between officials and the opposition have deteriorated. In December, the regime moved to silence criticism of its record on human rights by naming its own human-rights committee and authorizing it to make contacts with independent organizations such as the Charter 77.

Some meetings were held, but to no avail. The officials insisted on treating Chartists as private individuals, not members of an organization. The Chartists declined, fearing a ploy to co-opt them. Even after dissident writer Vaclav Havel was released, they still complain about a rise in politically provoked harassment and jailings.

"The idea of this official human-rights group was to divide us, into those for and those against cooperating," argues a bitter Peter Uhl, a leading Chartist. "Worst of all, we saw that it had no real power to make decisions. We still count more than 100 people in prison on political charges."

Official half steps and hesitations also mark the cultural thaw. According to Josef Simon, editor-in-chief of Odeon Publishers, the official Writer's Association has decided to return books by more than 200 banned authors to libraries this fall. But despite rumors that the works of famed émigré novelists such as Milan Kundera and Josef Skvorecky soon would be released. Mr. Simon says that such a decision still remains far off.

"It's going to be a gradual process. Most of the [unbanned] books are by dead authors," he says. "We still don't have the courage to start dealing with the live authors."

This lukewarm *glasnost* puts Prague in almost constant conflict with its more adventuresome neighbors. When Poland's Prime Minister Miecyzslaw Rakowski attended the opening night in Warsaw for a performance of Vadav Havel plays, all of which are banned here, the Czechoslovaks issued an official protest. Earlier this month, Hungary shocked its neighbors, first by stopping work on an expensive joint project to dam the Danube River, and then by showing a television interview with Alexander Dubvek, the ousted leader of 1968 Prague Spring.

"Poland and Hungary are going through a political crisis," judges Milan Jelinck, foreign editor of the Communist Party daily Rude Pravo. "We want to take concrete small steps, to reform socialism, not destroy it."

The only real formula which will convince skeptical Czechoslovaks that their rulers are serious about change would be the rehabilitation of the hundreds of thousands of capable people who found their careers ruined after 1968. That means Gorbachev must admit that the Soviet invasion was a mistake. So far, the Soviet leader has backed away from taking such radical action, supporting the stability of the status quo over the uncertainty of a rapidly reforming Czechoslovakia. If his preference changes, Czechoslovakia also could change—fast.

"Sooner or later, the question of the Soviet invasion will be opened," Vaclav Havel predicted following his release from prison. "Our leadership, which bases its legitimacy on this invasion, will crumble once that happens."

Mr. Speaker, on this 21st commemoration of the Soviet Day of Shame, I join with Americans of Czechoslovakian descent in the 11th Congressional District of Illinois, which I am honored to represent, and all freedom-loving people throughout the world, in their hopes and prayers that democratic reforms in Czechoslovakia will ultimately triumph, so that its people will one day live in liberty in their beloved homeland, free from the tyranny and domination of the Communists.

INTRODUCTION OF GLOBAL WARMING BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. AUCOIN] is recognized for 5 minutes.

Mr. AUCOIN. Mr. Speaker, the Earth's climate is changing in ways we don't fully understand. But the scientific consensus is clear. We are altering the balance in our atmosphere at an ever-increasing rate.

As we burn fossil fuels, cut down rainforests, and produce ozone-destroying chemicals, we are increasing carbon dioxide and other greenhouse gases in the atmosphere. The results, heat waves, drought, and flooding—could be catastrophic, and far beyond any environmental challenge humankind has ever faced.

Mr. Speaker, unless we take steps now to slow the buildup of greenhouse gases, I fear that the heartbeat of life on a fragile planet may begin to fail, and all our hopes for a future of sustained economic growth and opportunity will fade.

That is why today I am introducing legislation to address the problem of global warming. The National Energy Policy Act of 1989 calls for substantial reduction of greenhouse gas emissions through energy conservation, efficiency, forestation, and concerted international action.

The United States is responsible for one-quarter of the total global greenhouse emissions. Although this is more than any other nation, we alone cannot solve the problem. But American ingenuity led the world in industrial development, and Americans can take the lead again in creating new technologies and protecting a fragile environment.

In the first public appearance as Secretary of State several months ago, Jim Baker urged action to deal with global climate change. "Time will not make the problem go away," he said.

Mr. Speaker, Jim Baker was right.

The longer we wait, the fewer will be our opportunities for effective action. I call on the Bush administration—and the Congress—to take on the challenge. Let's hold hearings, let's pass the best legislation, and let's give to future generations a global environment as hospitable to life as the one we inherited.

I invite my colleagues to join me.

Mr. PICKLE. Mr. Speaker, will the gentleman yield?

Mr. AUCOIN. I am happy to yield to the gentleman from Texas.

Mr. PICKLE. Mr. Speaker, I am glad the gentleman took time to express his interest in this particular legislation.

I want to also compliment him for the leadership he gives in high-technology areas, particularly in the defense field. I know for a fact that he has been one of the most active Members in the entire Congress in it, and I am pleased to see him take leadership in this high definition television approach. It is the project of the future, and all across America it is going to be the new buzzword as well as the new challenge for all of us.

It is good that we point the way, and it is good that the gentleman down in the well has given that leadership to us. I compliment him on it.

Mr. AUCOIN. Mr. Speaker, I appreciate the comments of the gentleman from Texas and appreciate the support he has given to those of us who have worked in those fields he has described. I look forward to his support in the legislation that I introduce today.

THE CIVIL TAX PENALTY REFORM BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama [Mr. FLIPPO] is recognized for 5 minutes.

Mr. FLIPPO. Mr. Speaker, I wanted to make a comment about the civil tax penalty reform bill that Mr. PICKLE our distinguished subcommittee chairman, and other members of our Subcommittee on Oversight in the Committee on Ways and Means have been working on now for a number of months to try to reform the civil-penalty section of the IRS code.

Over the last few years, as our code has become more complex, we have found that the revenues coming in from civil penalties have grown enormously, and we have such complexity in the code and complexity in the administration of penalties that we found ourselves also having American taxpayers whose penalties were

stacked, and in many cases the penalties exceeded the amount of underpayment of taxes. We had Americans being charged automatically for negligence when they were trying everything they could to comply with the IRS code, and so under the leadership of our distinguished chairman, the gentleman from Texas [Mr. PICKLE], he tried something that I think is rather unique in the Congress.

□ 1230

He called in people from all over the country who had an interest in having a fairer tax code that was easier to administer and was fairer to the American taxpayer. He called in such people as the American Bar Association, the American Institute of CPA's, everyone involved in the tax-preparer industry. Former commissioners of the Internal Revenue Service were asked to render their service, current members of the Treasury Department and IRS were there, as well as people who have expertise in various sections of the code.

Over a period of months these individuals sat together, and with give and take, these very knowledgeable individuals explored every aspect of the tax code, and they worked out and were able to obtain a consensus on about 80 percent of the penalties in the Tax Code. They came back, after rendering that great service, and our distinguished chairman and members of the committee began to work on it and to develop a civil penalties tax reform which I think every Member of the House can be very, very pleased and proud of. We are attempting to pass that legislation now under our distinguished chairman's leadership.

Many of the Members who participated in that have told me privately that it was so unique to have a group of informed and interested individuals come in and have input into a major reform of the tax code, and I think they were pleased to participate, and they rendered great contributions.

Mr. PICKLE. Mr. Speaker, will the gentleman yield?

Mr. FLIPPO. I yield to my distinguished chairman, the gentleman from Texas.

Mr. PICKLE. Mr. Speaker, I thank the gentleman for yielding. I would like to point out that the gentleman from Alabama [Mr. FLIPPO], a recognized leader in the field of certified public accountants, was able to give leadership to this task force, and it was through his leadership and that of the gentleman from Florida, [Mr. SHAW] and others that we put together, I think, one of the best tax reform packages we have had.

A little later today I hope to have a special order of civil tax penalties going into more detail on what we have done and how we came about it, and copies of this bill will be available in our offices. It has been an exercise that has brought about I think more fairness, more simplicity to tax penalties.

We have gone from 13 penalties, in 1954, to where in 1987 we had 150 civil tax penalties. Every time we passed a law we would pass another penalty, and it seemed to just be a topsy-turvy type of growth.

Now we have tried to cut them back and simplify them and make them more fair.

So I compliment the gentleman for his service and his expertise, because he added a great deal to what we have accomplished.

Mr. FLIPPO. I thank the gentleman for his remarks and look forward to working with him for the passage of the civil penalties tax reform package.

THE ED ZORINSKY LAKE AND RESTORATION AREA

The SPEAKER pro tempore (Mr. DELLUMS). Under a previous order of the House, the gentleman from Nebraska [Mr. HOAGLAND] is recognized for 5 minutes.

Mr. HOAGLAND. Mr. Speaker, I am here today to encourage our colleagues to join the effort to name a lake, Omaha dam site 18 after Senator Ed Zorinsky, our former senior U.S. Senator who passed away in March 1987. I am here to ask for Members' support and their names to help in renaming dam site 18 in western Omaha the Ed Zorinsky Lake and Restoration Area.

Senator Zorinsky was a friend to all Nebraskans and to this Nation. He was a man who was known for his concerns, and he parlayed that into sound American policy as ranking member of the Senate Foreign Relations Committee and as an important member of the Senate Agriculture Committee. He understood Nebraska's needs in agriculture very well. He served our State very well in that capacity.

Senator Zorinsky was born to immigrant parents who had come to Nebraska from Russia. His father built a successful small business that Ed started into in his mid-20s. It was in this business that Ed learned about leadership, about frugality, all of the lessons that he needed to enable him to lead Omaha so well as its mayor quite a few years ago.

During his tenure as mayor we had a tornado in 1975 that destroyed a number of houses in west central Omaha, and Mayor Zorinsky responded to that crisis in a terrific manner and generated a lot of confidence throughout the community, and showed a lot of excellent local leadership.

From there he moved on to the U.S. Senate where he was known by his colleagues to be independent, to be courageous, a man respected by persons on both sides of the aisle. Most of all, the Senator stuck up for Omaha and stuck up for Nebraska.

Recently, Nebraska's fine Senators, JIM EXON and BOB KERREY, supported an amendment to the 1990 energy and water appropriations bill naming this lake for Ed. The bill is currently in conference committee, and I call on the members of this conference and will be sending a letter to members of the conference asking them to support the Senate amendment so that we can name that lake after Senator Zorinsky.

AFGHANISTAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DREIER] is recognized for 60 minutes.

Mr. DREIER of California. Mr. Speaker, as we prepare to I hope adjourn today, and I hope very much that within the next couple of hours, under the leadership of Chairman GONZALEZ that this full House will pass the savings and loan so-called bailout, which it is not at all, we know, because none of the dollars goes to savings and loans or their shareholders, but simply ensures the deposits, but as we get ready to adjourn today I am not laboring under the illusion that as our colleagues, Mr. Speaker, prepare to go home that they will be rushed by their constitutents with questions like: "What's happening in Afghanistan?" I know it is not a priority item. People are going to be asking about the savings and loan crisis, people are going to be asking about the budget deficit, they are going to be asking about taxes, they are going to be asking about the wonderful news we got this morning that the employment rate dropped by one-tenth of 1 percent. There are going to be a wide range of issues which constitutents are going to be asking our colleagues about, Mr. Speaker.

But I think it is very important that an issue which has been on the forefront throughout this entire decade be discussed, and I would like to take the next few minutes to address some concerns which correctly have been raised by many of our colleagues, Mr. Speaker, by many in the media, and I hope to rebut some frustrations which I have felt over the past several months, and would like to take just a few moments to look historically at Afghanistan, look at what we are hoping for in the future.

First of all, I have had the opportunity to be down here many times talking about this issue, but I would like to begin by talking about what happened on December 27 of 1979, exactly 10 years ago this coming December. It was when the Soviets brutally rolled into Afghanistan and, Mr. Speaker, I know you cannot quite see it from the

rostrum, but I have a sneaking suspicion at some point you may be able to see it, I have a map here of Afghanistan, and it is surrounded by the Soviet Union on the north, Iran to the west, and Pakistan to the east and south. It is a very important part of South Asia.

This has historically been a very proud country. If one goes all the way back to 456 B.C., historically it is very well known that Alexander the Great stormed through that very famous Khyber Pass. So when on December 27, 1979, 10 years ago, the Soviets rolled in to continue to pursue their quest for a warm-water port, they made an attempt to impose their will and their brutal military control on the people of Afghanistan, and we found that the Afghan people were literally fighting with sticks and stones. They believed that they were in the midst of holy war, and they truly are fighting as the Afghan people throughout history have done, to retain their country and their own dignity.

□ 1240

And I am very pleased that while a great many lives have been lost, a real tragedy has taken place in Afghanistan throughout this decade, that we on February 15 this year saw the Soviets withdraw their troops.

Well, the decade has been a really difficult one for the people of Afghanistan, Mr. Speaker.

The prewar population of Afghanistan was 15 million. There were 15 million people in that country. Since that time, since this horrible war which has gone on, 1.5 million people have been killed.

Mr. Speaker, fully a third of those 15 million people, 5 million people, have been forced into creating what is the largest refugee population on the face of the Earth.

We often hear about refugee situations in all parts of the world, but not a lot of people are aware of the fact that Afghanistan in the Soviet invasion there has created the largest refugee population on the face of the Earth.

What happened, where did those refugees go? I have this nice pointer here, which is the only gift given to me by my colleague, the gentleman from California, [Mr. DORNAN] and he has insisted that I use it today.

Mr. Speaker, 3.2 million of those refugees have been forced into Pakistan, along the border here, a tremendous burden on the population of Pakistan.

The population of Pakistan is about 110 million. 3.2 million Afghan refugees have fled into Pakistan; and in neighboring Iran to their west, 1.8 million Afghan refugees, creating a total of 5 million refugees.

I know that everyone in this House is concerned about that situation. It is a challenge which we will face in the years to come.

How have these people been killed?

Mr. Speaker, I have held this up here in the well many times, and this is what is known as a butterfly bomb. This little green piece of plastic is one of 200 little butterfly bombs which are placed end to end in a cartridge and they are shot from the MI-25 Hind-D, attack helicopter, which is the most powerful helicopter ever known to man. It has the ability to deploy chemical weapons and these little butterfly bombs.

Mr. Speaker, let me tell you what these butterfly bombs do. They basically become landmines. These float to the ground, Mr. Speaker, and though I do not like to repeat this because it is a very difficult thing for me to even imagine, but I know it because I have seen photographs of the byproduct of this: just enough explosives are placed in this little butterfly bomb so that when a 6-, 7-, 8-year-old child picks it up, it blows his or her hand off.

The tragic thing is that throughout history children have been the victims of war; but the unfortunate thing, Mr. Speaker, is that throughout this decade children in Afghanistan have not just been the victims of war, they, through devices like this, have been the targets of war.

So understandably, Mr. Speaker, the Afghan people are very distraught with what has happened to them throughout this decade. They very much want to see an end to this war, but they do not plan to take it lying down.

This butterfly bomb is just one of the many different devices used. This is the little click pen—what I have here is my pointer, it is not a click pen—a child picks it up, clicks the pen and it blows their hand off.

The most reprehensible mine that I know of, Mr. Speaker, is the candy stick, which is placed around in Afghanistan by the Soviets and, needless to say, you can guess what happens with a candy stick bomb with an explosive in it when a child takes a bite out of it.

So it is very tragic, the situation there.

One of the things that concerns a great many of us is that there are still some 30 million of these landmines on the ground in Afghanistan. One of the greatest problems that we face is dealing with these landmines and trying to clear them so that refugees will have the ability to move back into Afghanistan.

Mr. Speaker, that historically tells us a little bit about what has taken place in this decade. I will say that we have had a policy over the past several months which has been geared toward bringing about an end to the Soviet presence in Afghanistan and, as I said a few moments ago, as of February 15 we saw the Soviets withdraw.

There were many people, Mr. Speaker, who believed that within days or weeks of the Soviet withdrawal from Afghanistan that we would see the puppet regime which the Soviets imposed on the people of Afghanistan, led by Dr. Najibullah, who had been an intelligence officer himself, that that Government would crumble immediately. Many said that; however my colleague Mr. DORNAN and I found out yesterday that our intelligence reports which had been announced would be predicted that the puppet government of Dr. Najibullah would crumble within 6 to 12 months of the Soviet troop withdrawal from Afghanistan. Mr. Speaker, we are today at just about the sixth month mark of that troop withdrawal. And based on reports which we have seen in the media, Dan Rather and others have told the American people that we have seen nothing but internecine struggles among the seven political parties, the alliance in Afghanistan, and we have seen virtually every attempt made for victory on the part of the Mujahidin, the freedom fighters there, as a defeat.

But Mr. Speaker, that is not the case. The reports which we have been provided are untrue. First of all, to address the question of the internecine struggles, yes, there have been some battles among members of the seven-party alliance in Afghanistan. But that is nothing new.

So the way the media has reported this is that only after the Soviets withdrew did we see the battles take place among the members of the alliance. But that is not the case.

We hope very much, and we have a policy of encouraging, Mr. Speaker, this alliance to stick together.

We know that we have now an ambassador, Peter Thompson, our special envoy to what is known as the AIG, or the Afghan Interim Government, put together by members of that alliance, it is a very positive sign.

He is struggling with trying to deal with that. He is having, I am pleased to report to our colleagues, a great deal of success in dealing with that alliance and dealing with the organization which he is trying to help hold together.

The second point which has come out in the media by a wide range of reporters is the fact that we are continuing to lose these battles and that food is being held back from the people of Afghanistan and that they are suffering defeat, one right after another.

Well, Mr. Speaker, this map very clearly shows—and I have sent, Mr. Speaker, to you and every one of our colleagues in the past day or so a dear-colleague letter printed by my very

able office staff; Roberta Myers, put this in green, the Afghan color.

I hope very much before the recess that you, Mr. Speaker, and our colleagues will look at this. I have had this map blown up here.

What I would like to outline here is the areas which are surrounded by these red lines, areas which in May of 1988 were held by either the Soviet troops or the puppet Government.

The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, DC, August 2, 1989.

CONGRESS MUST RENEW OUR COMMITMENT TO A FREE AFGHANISTAN

DEAR COLLEAGUE: I am sure that you share my frustration over the lack of progress the Mujahideen have had in their battle against the Soviet-installed Najibullah regime following the Soviet withdrawal from Afghanistan. However, I have learned that there are positive aspects of the war which the media is not reporting. When evaluating press accounts, we must bear in mind that journalists reporting on the war from inside the country are constrained by the tightly-controlled Afghan society.

I recently met with our Special Envoy to the Afghan Resistance, Ambassador Peter Tomsen, and others on the situation inside Afghanistan. Despite the recent reports on Mujahideen performance and morale, the Afghans continue to share an important common objective: their bitter opposition to the Soviet-imposed regime in Kabul. The fact that the Resistance has yet to score a single dramatic success is due primarily to two factors. With the departure of the Soviet forces, the Resistance has had to adjust to a more conventional kind of warfare. In addition, the Soviets continue to supply the Kabul regime with a level and sophistication of weapons which dwarf the military aid going to the Resistance.

Nevertheless, I have attached a map which portrays at a glance the overwhelming position of strength the Afghan Resistance maintains in the Afghan war. As you know, Afghanistan is an agricultural country with the majority of Afghans living in rural areas controlled by Mujahideen commanders. The unpopular and vulnerable Kabul regime holds only a limited number of towns. These locations and the roads connecting them are under growing Resistance military pressure. In light of these facts, the trend—and time—is on the side of the Mujahideen.

Although the final victory is taking longer than expected, the Afghan Resistance will prevail in the end. At this critical and pivotal time in the Afghan war, I would urge that the Congress continue to stand firmly with the Administration in projecting a common resolve to stay the course in support of these freedom fighters. Our resolve will continue to be vital to the success of the Resistance.

Sincerely,

DAVID DREIER,
Member of Congress.

□ 1250

Again, what we have been told by many in the media, that we have seen such failure by the Mujahidin. I am very pleased, Mr. Speaker, to report that as of June of this year, June 18, 1989, the areas, if they can be seen, Mr. Speaker, in the dark red around Kabul, Jalalabad, other areas here throughout the country, and in the western region which are in dark red, are the only areas, Mr. Speaker, which are presently held by Dr. Najibullah, the puppet government in Afghanistan.

The point is, the people of Afghanistan primarily live in rural areas. The puppet government has moved dramatically and held its strength only in the urban areas, but Members can see by this map that within the past year, and even within the past few months, Mr. Speaker, this area has shrunk. The area of the Najibullah government's control has shrunk, so while we continue to hear that the Majahidin are losing, in the press, that is not the case. In fact, this map which was provided to Members, it is unclassified, provided by our government officials, shows very clearly that the success of the Majahidin has been very great. It needs to be greater. I will get into that in a few moments, some of the things that we need to do.

At this point, I would like to yield to the gentleman from Orange County, California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Speaker, I know the gentleman is somewhat of an expert on House rules, so he knows we cannot refer to the electronic audience that I hope grows daily, watching the proceedings of this House, and he knows we cannot refer to our visitors in the gallery, but they have eyes and ears, to see and hear with, and we can refer to our fellow colleagues.

Mr. DREIER of California. We may even have some in the gallery here, with opera glasses.

The SPEAKER pro tempore (Mr. FRANK). The Chair would remind Members that references to the gallery are not in order.

Mr. DREIER of California. Mr. Speaker, I am happy to continue to yield to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. As I pointed out, the gentleman well knows the rules, that we cannot do that, but this debate is expanded through the CONGRESSIONAL RECORD, expanded tomorrow, available through schools and libraries all across the country and the Free World.

As a matter of fact, CONGRESSIONAL RECORDS from this House and proceedings and speeches about the plight of our hostages has made their way into dungeons in Beirut, because I have had the handful of hostages to return, tell me that they have been thrown a CONGRESSIONAL RECORD to read about the congressional speeches, mentioning their heroic plight there in Beirut.

However, people to track the proceedings of this House in the RECORD, can never see grass, or chart economic situations. That is probably merciful. They cannot see grass or charts of plagues or diseases that are hitting the world, or hitting our country. It is a sin that they cannot see maps. The first book in my library as a child, I was 8 years of age, after the childhood books of "Winnie the Pooh" and "Alice in Wonderland," was an atlas, purchased across the street from St. Patrick's Cathedral on the island of Manhattan, and a Rand McNally atlas. I hope every parent gives their children atlases, one per child, so that they have contact with this increasingly dangerous world. This map is significant because it shows that whether a person is biased or their predilection is left or right and a person colors the world, we tend to color a country all red, if that is our choice, if it is under communist domination; all black if it is under fascist domination; or brown if it is under, like Italy was under Mussolini. A person cannot color this troubled nation of Afghanistan all red or all pink, because the Communist puppet government, as the gentleman from California [Mr. DREIER] has carefully pointed out, is restricted to a few key highways, some contested ground on either side of the highways, and a few metropolitan, which is a rough word to use, but I have been to Kabul twice. A few urban areas. Here is what I would like to add to this, and too bad occasionally we cannot get this in the CONGRESSIONAL RECORD, a chart or a graph, so that people can get a visual representation of the imbalance of aid that has gone into this area.

The Soviet Union has put into this area $70 billion, seven zero followed by zeroes to the end of the page, $70 billion.

Mr. DREIER of California. The sum of $70 billion is absolutely correct, and I think we should point out throughout this decade, there have been between 115,000 and 125,000 Soviet troops occupying Afghanistan.

Mr. DORNAN of California. If the gentleman will further yield, that is exactly right. Someone might ask, "OK, Mr. Dornan, how much have we put into this area to add to the agony of the Afghan people?" Why do we not let them choose the kind of government they want, and keep our nose out of it? With $70 billion of Soviet money in there, a person can be assured they will have a puppet government under Najibullah. If a real freedom fighter comes along, that is a statesman, that fights with a pen instead of a sword, as Jan Masaryk in Czechoslovakia, he will be thrown out a window and it will be called suicide, and that is $3 billion—$3 billion to $70 billion.

Mr. DREIER of California. If the gentleman would let me reclaim my time, I think that a very important point needs to be made, too. That is, we talk about the $70 billion which the Soviets have put into repression in

Afghanistan, obliterating the people with these butterfly bombs and other kinds of devices, and juxtapose that to the $3 billion which the United States has provided in support, and many people believe that as of February 15 of this year, when we all watched the dramatic removal of the Soviet troops, really, for the first time in history, the Soviet troops beat back out of the country, we assumed that the war was over, the Soviets were out, the Soviets were doing nothing at all. We know full well, Mr. Speaker, that to this day, the Soviets are providing $250 million a month. They have recently deployed 600 armored personnel carriers and tanks into Afghanistan, and this was outlined in the very eloquent testimony which was provided by Ambassador Peter Tomsen.

Mr. Speaker, at this point I would like to be able to incorporate the entire testimony of Ambassador Tomsen and a couple of very important questions which he responded to in the hearing before the Select Committee on Hunger.

The testimony referred to follows:

TESTIMONY OF AMBASSADOR PETER TOMSEN

MR. CHAIRMAN: My colleagues and I welcome this opportunity to appear before your committee to review developments in Afghanistan, U.S. bilateral and UN multilateral assistance programs, and U.S. policy toward Afghanistan. I would be pleased to discuss my recent three-week visit to Pakistan, during which, as U.S. Special Envoy to the Afghan Resistance, I met hundreds of Afghans, individually and collectively. Many traveled to the three Pakistan-Afghanistan border points I visited to provide their personal views to me firsthand.

My conversations with Afghans in the past three weeks at times reflected their traditional differences along tribal, regional, ethnic and other lines. Such divisions in Afghan society are familiar to many Americans who have read popular novels, history and literature about Afghanistan. Yet, there was one common objective shared by all Afghans whom I met: their bitter opposition to the Soviet-imposed regime in Kabul, led by Najib and the People's Democratic Party of Afghanistan, the PDPA.

Since the Afghan Resistance forced the Soviets to withdraw their forces, Moscow has been pumping unprecedented amounts of military hardware into Afghanistan to keep Najib and his regime in power. The Soviets have created a virtual airbridge to Kabul. They have transferred over 600 APCs and tanks, hundreds of SCUD surface-to-surface missiles, each with 2000 pound warheads, and thousands of tons of artillery, aircraft ordinance, plus other weapons and munitions. These supplies dwarf the assistance going to the Resistance.

The PDPA regime has abandoned the mountains and most of Afghanistan's valleys, basically fortifying themselves in major towns and cities. With the departure of the Soviet forces, the Resistance has had to adjust to a more conventional kind of warfare.

After the initial weeks, the Resistance has avoided frontal assaults on fortified positions. Instead, it is surrounding them, attempting to cut off connecting roads and airfields, and to negotiate the surrender of garrisons. Since February, the Resistance has made slow, incremental progress in this strategy, but to date has scored no single dramatic success.

Mr. Chairman, time is on the Resistance's side. It will prevail. The Afghan people reject Najib and the PDPA as a regime imposed by Afghanistan's powerful northern neighbor. The PDPA regime will eventually meet the same fate as many other Afghans placed in power by outsiders over the centuries.

The war has seriously disrupted the Afghan economy. Recent UN analysis suggests that production of wheat, Afghanistan's most important crop, may be less than half of pre-war levels. Irrigation systems have been severely damaged, mines have made agricultural land unusable, villages unsafe, and transport difficult. Livestock has been decimated, and supplies of seed and fertilizer seriously reduced. Agricultural exports have fallen 40 percent since 1977, and most of the traditional trade ties through Pakistan broken or impaired. In the rural areas, social services were historically minimal, but have now been virtually eliminated except where supported by international efforts.

Since 1985 the U.S., through A.I.D., has been providing humanitarian assistance to Afghans inside Afghanistan. In the fall of 1988, the A.I.D. strategy was revised from providing assistance to all liberated areas of Afghanistan. It now emphasizes areas to which the majority of the refugees are expected to return.

We expect the UN and the World Bank to take the lead in the reconstruction of Afghanistan, a task that requires greater resources than donors can supply bilaterally. The objectives of A.I.D.'s program through 1991 are to meet the pressing needs of repatriation and rehabilitation. The priority is ensuring food security and restoring agricultural production. To achieve these goals, we will support projects to clear mines, improve transportation capacity, supply fertilizer and seed, and provide essential commodities. A key element of our strategy is and will remain to reduce narcotics production.

As we work toward repatriation, the international community must still provide adequate resources for the care and maintenance of the refugees in place. A total of 3.2 million Afghan refugees live in approximately 230 camps in Pakistan. Contrary to what we had all hoped, they have not yet gone home. Indeed, an additional 70,000 refugees have fled to Pakistan in recent months, primarily to escape fighting around Jalalabad. In the current fiscal year, the U.S. is contributing $20.5 million for care and maintenance programs, $5 million for ICRC's emergency medical program and $2.5 million for the UN trust fund. We have also donated $35 million in food assistance for Afghans to the World Food Program.

The United Nations has done an excellent job of mobilizing resources for the refugee camps in Pakistan. However, much work remains to be done on building the capacity to support the eventual repatriation of the refugees. The UN Coordinator for Afghanistan mobilized contributions of nearly $900 million from 30 donor countries in FY-89. Although this figure is exaggerated by valuing the $600 million in-kind Soviet pledge at the official exchange rate. We are working with the UN system on the ground in Pakistan to help the UN get ready to use these resources for repatriation and reconstruction.

Regarding the return of the refugees, I regret to inform that my personal conversations with refugees in Pakistan produced the uniform answer: the great bulk will not return until the Communist regime in Kabul is gone. To date, only a very small percentage have returned; others have arrived from areas of continuing conflict in Afghanistan to replace them. My own judgment is that the great bulk of the refugees will return only when the PDPA relinquishes power, through a political settlement or otherwise.

Mr. Chairman, you have asked that I describe U.S. policy. The United States has pursued four consistent goals on Afghanistan since the Soviets commenced their brutual occupation in December 1979:

Withdrawal of Soviet forces;

Self-determination for the Afghan people;

Return of the refugees in safety and honor; and

Restoration of Afghanistan's sovereignty and independence.

The first goal—Soviet withdrawal—has been accomplished. The Afghans themselves won the victory. Pakistani and U.S. support was vital. The three other goals remain to be achieved. During the June visit of Prime Minister Bhutto to the United States, President Bush declared:

"The Mujahidien . . . struggle for self-determination goes on—a goal that both the United States and Pakistan continue to support. Prime Minister Bhutto and I discussed ways to encourage a political solution in Afghanistan that will lead to a non-aligned representative government, willing to live in peace with its neighbors, to replace the illegitimate regime in Kabul. The United States and Pakistan will continue to explore any serious avenue towards this end."

The United States, Pakistan, and the Resistance stand for a political settlement that will transfer power away from the PDPA to an Afghan entity truly representative of the Afghan people. The settlement should satisfy the objectives of self-determination, return of the refugees and the re-emergence of an independent Afghan nation—not one under the influence of an outside power, but one that has good relations with all of its neighbors. The Resistance needs our continuing support to maintain a position of strength as it pursues a political settlement incorporating these objectives.

AFGHAN INTERIM GOVERNMENT

The United States welcomed the creation of the Afghan Interim Government in late February as an important step. We encourage the leadership of the AIG to do everything possible to broaden its base of support to include all major elements of Afghan society, such as shias, commanders and shuras inside Afghanistan and prominent Afghans abroad. We urge its development as a representative body, a valid alternative and replacement for the illegitimate Kabul regime imposed and protected by an outside power. My recent talks with AIG leaders and many other Afghans revealed that, notwithstanding problems, the AIG has staffed many of its ministries whose services are relevant to its struggle. It is beginning to forge additional links with shuras and commanders, and to implement new assistance activities and rehabilitation programs inside Afghanistan.

PAKISTAN

Pakistan's relationship with the Resistance, both political and military, was forged early in the Resistance struggle. The Afghans are clearly grateful for Pakistan's sustained help. During her talks in Washington, Prime Minister Bhutto stated:

"Pakistan remains committed to a political solution of the Afghan problem, whereby the brave people of Afghanistan will have the right to freely choose their own government without interference from outside. Pakistan's commitment to peace and democracy are fundamental."

THE SOVIET UNION

In 1986, President Gorbachev termed Afghanistan "a bleeding wound." The wound was inflicted by Moscow. Soviet blood is no longer flowing. Afghan blood continues to flow from the wound. Moscow is in a position to apply the tourniquet. We urge the Soviet Union to cooperate actively in achieving a political settlement that recognizes the right of the Afghan people to determine their own form of government.

UNITED NATIONS

The Afghans themselves must work out the future political course of their country. We do not believe it is either appropriate or possible for the Unit d Nations to try to force a settlement in Afghanistan at this time. The current role of a Special Representative of the Secretary General accompanying UNGOMAP observers is appropriate for now; he is in the area, actively sounding out parties, probing for openings, and available to work with the parties when or if an opportunity arises.

Mr. Chairman, here in Washington, we have just concluded productive talks with Pakistan on Afghanistan at the experts level. We will be conducting further exchanges with the Soviets on Afghanistan in the coming weeks. We hope our Soviet colleagues will adopt a more constructive approach than heretofore in cooperating to produce a political settlement that permits self-determination in Afghanistan, free of outside interference. We remain confident that the U.S. policy of working toward a political settlement while continuing our support for the Resistance will be successful if we have the patience and steadfastness to stay the course.

TO AMBASSADOR PETER TOMSEN

Can you explain the attitudes of Kabul's population as reported in the Western press?

The reporting should be assessed with the understanding that Kabul regime intelligence/security assets are pervasive in Kabul, as in Beijing or Moscow. Kabulis talking to Western reporters will inevitably be questioned—or worse. Freedom of speech does not exist in Kabul. Some opinions expressed must genuinely reflect the speaker's views. Many cannot.

What is the trend on the ground?

There have been no dramatic military victories; but the Resistance has made incremental military progress. The Mujahidin position today is stronger than it was on February 15, 1989, when the Soviets completed their withdrawal, and now. Virtually all indicators point to continuation of this trend in the months ahead.

What is the future of the Afghan Interim Government?

The AIG is beginning to function. It is attempting to reach out to more commanders and shuras in the field, to broaden its base to include more of Afghan society.

Mr. DREIER of California. I would like to make a few other points, that $250 million a month, $2 to $3 billion a year, is still flowing from the Soviet Union. That is in military aid, Mr. Speaker, to the puppet government of Dr. Najibullah in Afghanistan.

So, least American people believe that as of February 15 of this year the war is over, it is, in fact not over. The struggle continues.

Mr. DORNAN of California. If the gentleman will further yield, heaviest fighting will stop about October 1, when winter sets in.

Mr. DREIER of California. Actually, more like November 15 to December 1.

Mr. DORNAN of California. If the gentleman will further yield, that is if the weather allows and follows the pattern 1 year out of 5. Around October 1 they are looking for the weather to change. If it falls in the weather pattern of last year, it can go until about November 1, and on a very mild year, they could fight into December. Then it shuts down. We have seen the river running at 45 degree angles from the Himalayan run-off, and it is hard to get around that area. However, what is being said, at the rate of $250 million, not rubles, our hard currency, not the worthless currency of a Communist country, in our terms of economic clout, in 4 months, it is $71 billion, and by April, in the fall, when the fighting starts again, in earnest, it will be $72 billion.

Mr. DREIER of California. The gentleman is absolutely correct. I would like to underscore the fact that throughout the winter it is no secret, that in this area of the country, this is further south, the battle continues. The war will continue throughout that time, and it is apparent that the Soviets have used the highway as their supply route will be continuing to provide a flow of munitions and equipment into this area, so that they can continue to try to repress the people of Afghanistan.

Mr. DORNAN of California. If the gentleman will yield, if a Member wants to picture that area, I have flown over it several times in noncombat periods. It looks like a drive from Los Angeles to Las Vegas after a person gets to Barstow. It is desert area. It is tank area. As a matter of fact, to relate to a rather frivolous movie in the popular culture, one of the "Rambo" films involved Afghanistan. Wherever they shot that, the art direction was very well matched to what Afghanistan is like.

Mr. DREIER of California. It was actually shot in Israel.

□ 1300

Mr. DORNAN of California. Then it is the arid country, the desert area, the Negev Desert, Israeli topography, which is naked desert, very similar to this area. So the gentleman is correct, the fighting can continue around the clock.

I do not know whether the gentleman covered this, because I got his message rather late to come here and join him, but we suggest a press conference once in front of a facility in the gentleman's district to show that it was not just the Reagan doctrine that succeeded in Afghanistan when the troops left on the Ides of February, the 15th of February, but that it was an interesting decision that took 5 years to congeal, and it was actually to the State Department's credit—and they do take much beating—that they pushed this over to the intelligence agencies. But the Stinger, made in the gentleman's GD Pomona division, that did the job, if I am correct.

Mr. DREIER of California. Yes, it is produced by General Dynamics, and the gentleman is absolutely right, the Stinger missile is the single item which turned this war around, because the Stinger missile has been the only thing that can truly take the MI-24, which is the version used by the Soviet Union—since the MI-25 is the export version—to take the Hind helicopter out of the air.

Before the gentleman joined me here, I outlined the capability of the Hind helicopter, the strongest, most powerful helicopter known to man, labeled as "the flying tank" by many. But thanks to the Stinger missile, it was labeled by Soviet helicopter pilots as "the flying coffin."

That is in fact what turned this war around, the Stinger missile, and it has provided, very interestingly, a tremendous base of support for the people within Afghanistan. There was a debate in this country as to whether or not we should provide this kind of sophisticated weapons system for the Mujahidin.

It is interesting to the gentleman from California, the gentleman from Orange County, CA, and to me, that we happened to see the storage facility in Islamabad where the chart was blown up.

Mr. DORNAN of California. That was from Soviet sabotage, yes.

Mr. DREIER of California. From Soviet sabotage, yes.

Mr. DORNAN of California. It cost the free world between $110 million and $130 million.

Mr. DREIER of California. Yes, absolutely, and it cost about a thousand lives in Islamabad, Pakistan.

But the gentleman and I saw this around Thanksgiving in 1987.

Mr. DORNAN of California. That was in the museum.

Mr. DREIER of California. Yes, in the museum. We saw a chart which outline the success rate of the Mujahidin versus U.S. trained military, and we saw that the success rate of the Mujahidin was substantially greater than that of the U.S. trained military, meaning that these people have a tremendous resolve and a tremendous ability to take on this problem.

Mr. DORNAN of California. Yes, I remember there was a young man, and they went to tell us his name and I said. "Please don't tell us his name. I don't want to know his name," because we were told there was a bounty on his head. That was one Afghan freedom fighter. He was not all that young, but still a youngish man, 26. He had shot down enough airplanes that if he had jumped an inch in the air when he pulled the trigger on the Stinger, that would been an air-to-air kill, an he would have been an double ace.

We did not get one of those in Vietnam. We had one Navy and one Air Force ace; there were five each. This man had shot down at last count 13 Soviet Hind "flying tanks," or Migs.

We recall the Mig canopy section, the seat in the canopy, and the helmet of a Soviet pilot who must have died, because Afghan dirt was dug into his visor along the side of his crushed helmet, and there was a name in the helmet and blood stains—"Moskowitz." That was a poor young Soviet fighter pilot named Moskowitz who met his fate over the plains of Afghanistan because of a Soviet missile.

If you remember, in the museum there was quote from—and I want to tell the Soviet agents not to go out and blow up the museum. This was a little military museum, an ad hoc museum on a military compound—there was a quote there from Rudyard Kipling, who spent much of his early years in this area.

Mr. DREIER of California. That museum is gone.

Mr. DORNAN of California. That museum is gone? It is all dust?

Mr. DREIER of California. Yes, that has all been taken care of. Is the gentleman trying to provide the Rudyard Kipling quote?

Mr. DORNAN of California. Does the gentleman have it memorized?

Mr. DREIER of California. I can start. Let me make an attempt.

When you are wounded,
Lying on the Afghan plain,
And the women come to cut up what remains,
Roll to your rifle and blow out your brains,
And go to your God like a soldier.

Mr. DORNAN of California. Exactly. Very good.

That told the story of the British Empire then from a great English writer and then to us now, that the Afghan people will fight to the last person for their freedom.

But here comes the problem and the essence of the gentleman's special order. Are we going to bleed these heroic people down to the last Afghan woman taking up a captured Soviet rifle to avenge all of her sons, her husband, her brothers, and her father? Are we going to bleed them the way we did the Vietnamese or the Cubans on the beach at the Bay of Pigs? That was a merciful 3 days only of betrayal, as opposed to 10 years in Vietnam. Are we going to take them out, as we do the freedom fighters or the resistance fighters in Central America, in Nicaragua, or are we going to put them under the pressure you and I have learned about, because of the fear of being cut off from the free world and from American aid where they are now engaged in open combat around Jalalabad, where the Soviets have used transport planes, Antonov-24's? I flew on one of those from Beijing to Ulan Bator. It is a transport plane, but they put bomb racks on it. You and I sat side by side in an airplane in Managua, Nicaragua and seen them do it down there. And they are now bombing above the altitude of the Stinger, which used to be classified until the New York Times published it, and they are bombing them out in the open. They are being pushed into improper—"improper" is not the word—into emergency military tactics because they are afraid we are going to cut them off at the end of this period. And I do not know about this Dan Rather quote, but that is the first shot across their bow from "Gunga Dan," who, as we know, crossed about 12 feet over the border and had himself filmed inside Afghanistan, when he had chosen, like some of the majority Members here who have never supported any direct aid——

Mr. DREIER of California. Mr. Speaker, reclaiming my time, I think it is very important for us to underscore that we have been very fortunate, and I am proud of both Houses of the U.S. Congress because we have had in this instance virtual unanimity of thought. Virtually every single Member of both the House and the Senate has played a major role in providing support for the Majahidin, the freedom fighters, the resistance in Afghanistan.

Mr. DORNAN of California. I disagree with that, and I wonder if the gentleman would agree with me that if we put it to a secret vote, we might not lose. We do not have secret votes here except voice votes can be considered secret if we do not have enough guts to put our names up there in lights. But if we had a secret vote here, a valid secret vote tallied secretly, I believe 100 Members on the other side and maybe a handful on our side would cut off aid to the Mujahidin immediately.

Mr. DREIER of California. Reclaiming my time, Mr. Speaker, I would disagree with the gentleman, because I believe there still is a resolve in this House to support the Mujahidin, and possibly, after we provide this special order which outlines——

Mr. DORNAN of California. There will not be anybody then.

Mr. DREIER of California. No, then everyone will be supportive of this proposition.

Mr. Speaker, I want to yield to my friend, the gentleman from Pennsylvania.

Mr. DORNAN of California. Mr. Speaker, will the gentleman yield to me just once more? Will the gentleman yield for just 1 second?

Mr. DREIER of California. I yield to the gentleman from California.

Mr. DORNAN of California. This is the first time we have ever disagreed on the floor.

I want to tell the gentleman that four Members have already told me to my face, two from Illinois, that they would cut off that aid instantly. I know there are others, because when they slip, they talk about American imperialism in Afghanistan, in Angola, and in Nicaragua. They see them all as one set piece. We see them from a different analysis as a set piece of the struggle for freedom.

I am glad that we gave assistance to Jonas Savimbi and the freedom fighters of Angola. I wish we had give Stingers to the freedom fighters in Managua in 1985, 1986, or 1987. If we had, there would be a free government in Managua right now.

But I do not want to give the impression that this whole House is unified as far as freedom fighting is concerned anywhere in the world, because the truth is that there is a majority—and that is a very important impression to get across—there is a majority who are supportive because of an outstanding Democrat named CHARLIE WILSON. But there are Members here who are isolationists in the other party and who do not want a nickel, let alone $3 billion, to go 12 time zones away from Salt Lake City to the other side of the world.

Mr. DREIER of California. Mr. Speaker, I still have to disagree with the gentleman, because I believe this House had demonstrated time after time its support of the Mujahidin, and I believe, as we have outlined the kind of success which we are having, that this House will continue to provide virtually unanimity in its support of the Mujahidin.

Mr. RITTER. Mr. Speaker, will the gentleman yield?

Mr. DREIER of California. I am glad to yield to my friend, the gentleman from Pennsylvania.

Mr. RITTER. Mr. Speaker, I would like to thank the gentleman from California for calling this special order, because we are in a critical fashion in this conflict in Afghanistan, and I think it is especially important, given some of the misinformation that the Afghan Government puts out and that the Najibullah regime puts out. Mr. Najibullah was formerly head of the Afghan version of the KGB. The Khad is a known torturer and murderer.

□ 1310

Mr. Speaker, some of this information that has been put out by the Najibullah regime is picked up without discerning whether it is factual or not by a lot of the Western media, and it gets back into the United States in a somewhat raw form and appears on our radio, television and in our newspapers.

Mr. Speaker, the gentleman from California [Mr. DREIER] is doing a very important service here because it is important that the Members of the House, and that the American people, fully understand that the Soviet Union is still very much in Afghanistan.

Mr. DREIER of California. We have gone through that. We have talked about $250 million a month which is continuing to flow in to support the puppet government of Dr. Najibullah.

Mr. RITTER. Exactly. The gentleman from California [Mr. DREIER] is talking about the greatest airlift since the Berlin airlift. The Soviet Union has scored a major public relations victory by pulling out the large numbers of troops. But they have a puppet regime there that is in the ring of cities that is shown on the gentleman's map extremely, firmly, defensively entrenched with an enormous level of fire power. Ten thousand tons of munitions, tanks, mines are going into Kabul in this airlift weekly, and I guess what I have to say is, if this House is in support of an Afghanistan which determines its own destiny, then this House should also be in support of supplying the Mujahidin with appropriate ordnance to curtail this airlift of death, this most massive airlift since the Berlin airlift.

Mr. DREIER of California. Mr. Speaker, I think the gentleman from Pennsylvania [Mr. RITTER] makes a very important point, and I would like to underscore something that he said. He talked about the tremendous public relations victory which the Soviets had with the troop withdrawal in Afghanistan. They have also, Mr. Speaker, had a tremendous public relations victory in that they, like Beijing, China, like Moscow, like Managua, Nicaragua, have a controlled society.

So, unfortunately the reports which the Western press has provided have been reports which have come from individuals in Afghanistan who have been afraid to speak ill of the puppet government because the word that I have gotten from two or three Western reporters wandering through Kabul is they interview a couple of people. Well, those people, Mr. Speaker, just like in other Communist countries, once interviewed, are immediately taken to headquarters and interrogated. So, the reports which we get which do not necessarily criticize the Najibullah government and may have criticized the Mujahidin are reports which have come from people who are literally scared to death to say anything against the government in power, and I would be happy to yield to the gentleman from Pennsylvania.

Mr. RITTER. Exactly. The gentleman from California [Mr. DREIER] makes a good point.

Where are the Western reporters when it comes to the bombing of villages along the Salang highway and the raining down of death on women and children?

Mr. DREIER of California. Mr. Speaker, the gentleman from Pennsylvania [Mr. RITTER] probably remembers the reports which came out. The Salang highway bombings which have taken place launched by the Mujahidin were in U.S. reports very critical saying that the flow of food from the Soviets to the Afghan people were simply being blocked by the Mujahidin.

Mr. RITTER. Mr. Speaker, I was talking about the Soviet bombings of the villages along the Salang highway to completely depopulate the zones there so that no guerrilla forces could be supported by the local population.

Mr. DREIER of California. Mr. Speaker, the gentleman from Pennsylvania [Mr. RITTER] is exactly right, but the reason I remember seeing this on the CBS news reports is that the Mujahidin were blocking the flow of food to the Soviet Union, to the people of Afghanistan.

Mr. RITTER. Mr. Speaker, the biggest lie of all that the Soviets have been able to, along with their Afghanistan puppets, perpetrate is that this Najibullah regime, which is essentially an army armed to the teeth and a few camp followers, is even part of a political debate in Afghanistan. The people are 99.99 percent against these Soviet puppets, but these Soviet puppets who have played the game with the KGB and with the Soviet Army know that their only hope is in force of arms, and we also know that is Communist regimes very, very, very small numbers of people have been able to, through force of arms, through these kinds of vast supplies that they are getting on a weekly basis from the Soviet Union, cannot control the population. That is what is happening.

Mr. Speaker, these puppets and their camp followers are not a political force in Afghanistan. They are a very potent military force, but they do not represent at all the Afghan people.

Mr. DREIER of California. The gentleman from Pennsylvania [Mr. RITTER] is absolutely correct, and I think at this point it would be important for us to outline again something which has not come out in the Western press and reports on the situation in Afghanistan at all.

Mr. Speaker, that is the fact that this map clearly shows that there have been successes by the Mujahidin. The reports are that we have seen nothing but, as I said earlier, the internecine struggles and that they have not been successful at taking Jalalabad. They lost a spot called Sumer Kheyal. Fortunately that has been regained.

However, Mr. Speaker, the fact of the matter is the Mujahidin are in a stronger position today than they were on February 15 when the Soviets withdrew. There have not been any dramatic military victories, but virtually all indicators which we have, Mr. Speaker, do point to further successes in the months to come, and one of the questions which is a very important one asked by many people: What is the status of the AIG, the Afghan Interim Government?

Mr. Speaker, I spoke earlier about our able Ambassador, Peter Thompson, who is our special envoy to the Afghan Interim Government dealing with this situation, and I am pleased to report that we are seeing the AIG, the Afghan Interim Government, beginning to function. It is actually attempting to reach out to the commanders and the Shuras, which are the bodies that are established there in the field, and they are working to broaden their base within the Afghan society.

Mr. Speaker, I think that this kind of success needs to be pointed out to the American people, and I yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Speaker, I think the gentleman from California [Mr. DREIER] is absolutely right, and do not forget that this is a country that has never been unified under central government in the way that we in the United States think of.

Mr. Speaker, this is largely a tribal society. It is deeply decentralized and often divided among tribal lines, and to the extent that the non-Communist portions of Afghanistan have come together in this Afghan Interim Government, I think it is a very, very positive sign.

What we need to do is support these folks with humanitarian and military assistance that can make a difference against these incredibly well-armed Afghans with Soviet equipment.

At this time I should compliment our Speaker pro tempore [Mr. GONZALEZ] on the very able job that he is doing in expediting this savings and loan conference report which we are looking forward to have back here.

Mr. Speaker, I would like to second that and encourage the gentleman from Texas [MR. GONZALEZ], the Speaker pro tempore, to expedite even further so that perhaps some of us can meet our schedules with our families as we try to leave this town, however I know it is not all up to the chairman and the Speaker.

□ 1320

Mr. DREIER of California. Mr. Speaker, I yield further to my friend, the gentleman from Pennsylvania [Mr. RITTER], who by the way, I should say, has been one who has provided me with a great deal of encouragement on this issue. He came here before I did. He is very expert, Mr. Speaker, in dealing with this issue, based on his extraordinary background and training. I want to thank the gentleman for the leadership role that he has played in dealing with the plight of the people of Afghanistan.

Mr. RITTER. Well, Mr. Speaker, I was just delighted when the gentleman from California came here and started on this issue, which has received very broad congressional support over the years, and it is our intent to maintain this support in the face of a Soviet diplomatic offensive, a political offensive, and a ferocious puppet military offensive.

Also, we have reports that are unconfirmed that some of these high altitude bombings which maintain radio silence and these precision bombings are actually being conducted by Soviet pilots. We do not have confirmation of that. It is very difficult to get confirmation when there is radio silence and we do not have planes shot down, but these reports continue to circulate in many sources in Pakistan and Afghanistan.

Mr. Speaker, I would just like to point out some of the things we can do to move the side of self-determination and freedom for the Afghanistan people along a little more readily. We know that there are vast minefields surrounding the defensive positions in these major cities that the Afghan puppet regime has holed up in. So for the Afghan freedom fighters we need mine-clearing equipment. We need special equipment whereby the soldiers of the resistance can cross over the minefields. It is absolutely essential that this kind of equipment get into the fields in Afghanistan as soon as possible.

We need the kind of artillery that can reach from Mujahidin positions across these minefields and into these highly defensive positions of the puppet regime.

Mr. DREIER of California. Mr. Speaker, the gentleman makes a very good point on the issue of land mines. I mentioned it earlier. There are still, according to reports which we have seen, between 20 and 30 million of these land mines, and I held up, of course, as we have seen many times, this little butterfly bomb which is shot in a cartridge off the MI-Hind-23 attack helicopter. The problem this has created is that it has put a burden on the people of the surrounding countries of Iran and Pakistan, because the 5 million refugees obviously cannot return to the country with the prospect of 20 to 30 million land mines, so we have made the plea here and we have sent several letters, I know, to the United Nations urging them to ask the Soviets for some kind of map which would provide some kind of direction as to where these land mines are located exactly so that we can begin the clearing process.

Mr. RITTER. It is interesting when the gentleman mentions these butterfly bombs or these toy bombs that have been dropped from airplanes over the years, which are basically designed to cripple children, to blow off a foot or half a foot or to blow off a hand or half a hand or a forearm, at which point these crippled children tie up their parents and keep them preoccupied. This has been a strategy of the Soviet Government throughout the course of this war.

Mr. DREIER of California. We also should underscore as far as being victims that over 40,000 Afghan children have been kidnaped into the Soviet Union to be indoctrinated into Soviet propaganda.

Mr. RITTER. The gentleman and others have brought some of these children to hospitals in the United States to take care of them.

This is a state-sponsored atrocity on the order of the S.S. Forces in World War II, and it somewhat bothered me the other day, Mr. Speaker, when Marshall Akhromyeev was awarded such a kind of almost hero's welcome to our Armed Forces Committee and at a particular luncheon of the U.S.S.R. discussion group. It seems to me that somebody made the policy of dropping toy mines in Afghanistan, that somebody in the military had to sign off on this, and one would suspect that the chief of staff was responsible.

It seems to me that somebody in the Soviet military over the years was responsible for the kind of terrorist approach to civilian populations, the murder of women and children, the terrible atrocities against pregnant women in front of husbands, when the Soviet troops and Spetsnaz were seeking information.

I mean, it seems to me that these were no isolated incidents. This was not Mylai. This was a policy of the Soviet Government, fulfilled by their own troops and the troops of the puppet regime.

Frankly, I felt a little badly that when Marshall Akhromyeev came here that to some extent we did not hold him responsible as chief of staff of the Soviet military at this time. the idea of Marshall Akhromyeev and his cohorts saying when they crossed over the bridge at the end of the withdrawal that they were not looking back, I mean, that is sheer rank public relations, because the intensity of this war has not diminished an iota from their perspective. In fact, the way they have arranged themselves in this ring and the way they have forfeited themselves indicates one thing. They do not care about the country. They will bomb it into smithereens if they can, and American, French, and German reporters, will not be there when they do it.

What they care about is keeping holed up in those defensive positions long enough so that while this war goes on, the American people, the American Congress, and the American media get tired.

Now, we have not been great in the art of perseverance in these regional conflicts. We tend to get tired when victory does not come soon, so I think it is very important as the gentleman has pointed out that there has been progress, there have been victories. We have the vast majority of the land in the hands of those who seek self-determination and freedom from Soviet domination.

Mr. DREIER of California. Mr. Speaker, the gentleman is absolutely right, and in light of that the real thrust of this special order, what we are trying to do, is to say to the American poeple that we do not want to see the Geneva accords, which were signed April 15 of last year, successful at allowing the Soviets to win at the bargaining table what they failed to win on the battlefield.

Mr. RITTER. Or win on the national media what they failed to win on the battlefield, knowing that the resolution of the United States and the West is never as firm as their own. This is where we are going to get into it. We are going to hunker down into a situation where we are going to have to keep up our side of the bargain, where we are gong to have to get the kinds of equipment that breach minefields, that can shoot over and across minefields into their defensive positions, 120 millimeter mortars, 122 millimeter artillery, and more accurate rockets.

The people are concerned about civil casualties. We need to get the kind of ordnance to the Mujahidin which can pinpoint targets more effectively.

Mr. DREIER of California. Because as the gentleman pointed out earlier, all we are attempting to do here is to provide the opportunity for the people of Afghanistan to have that right to self-determination, which is exploding around the world. There are 13 countries which have had free and fair elections in this decade that have not had them for years in the past. Pakistan is one of those examples where an election has been held last November, and all we want is to see that right to self-determination spill over into Afghanistan so that we can force the Soviet bear back into the Soviet Union.

Mr. RITTER. There is a population of 14 million in Afghanistan. About 1.5

million people have been killed in this war, largely by the actions of the Soviet forces before they left.

What is interesting is that there are on the order of 100,000 regime troops, puppet troops in Afghanistan. Those are the only people who support the regime, and maybe a few camp followers. The gentleman is talking about 14½ million people being rained havoc upon by an incredibly well-armed force of 100,000.

□ 1330

Mr. DREIER of California. The gentleman is correct.

Mr. RITTER. That cannot go on for long.

Mr. DREIER of California. The gentleman is correct. Reports which we have gotten to the contrary saying that in some way the people have supported this repressive dictatorship are reports of people who are fearful of that dictatorship who cannot say to anyone anything to the contrary.

Mr. RITTER. There is a rocket attack by the resistance forces against Kabul, and it is reported on Kabul Radio, that is, the Communist puppet regime's radio station, and that information is taken directly from the radio station and put on AP wire services all around the world. There is no confirmation of this. Yet, the decimation of civilian populations in the area of Mujahidin activity from this high-altitude bombing, this at times carpet bombing, is so vast and so uncovered by the world media, and that is why the gentleman's special order today is so important, because he is an expert on this subject. He has devoted himself for years to helping this cause of freedom, this cause of self-determination, this cause of the Afghan resistance. He is perfectly well-suited to display some of his knowledge and understanding so that Members of Congress and the American people can become more familiar with the big picture there in Afghanistan.

Mr. DREIER of California. Mr. Speaker, I thank my good friend for his very kind remarks. I am not laboring, as I said at the outset of this special order, under the illusion that when we in Congress go home that our constituents are going to have on the tips of their tongues the question, "What is happening in Afghanistan." They will be asking about the savings and loan crisis and a lot of other issues, but I do believe it is important, and this "Dear Colleague" letter which I just sent to every Member of Congress, and a copy of this map, Mr. Speaker, which I have right here, so I hope that our colleagues will look at this map very closely and see the kind of success we have had and read this "Dear Colleague" letter before they go home, because this is an issue which we need to continue to inform the American people about.

Mr. Speaker, I yield to my good friend, the gentleman from California [Mr. DORNAN], because it looks as if he has a contribution which he would like to make here.

Mr. DORNAN of California. I just wanted to thank the gentleman for taking out the special order and, again, pointing out how little territory the Communist puppet government holds and to underscore again this word that is accepted inside this beltway among all the cognoscenti, that everybody agrees that the amount of Soviet aid going into Afghanistan is unprecedented. It is more than they put in when they had over 135,000 or 140,000 troops in that country. It is absolutely incredible what they are doing, but also the level of aid going into Nicaragua is at last year's level, which was then unprecedented. It is in complete disregard of everything that President/General Secretary Gorbachev has said about Afghanistan, about Angola, about Central America.

He talks one way, and the Soviet killing machine continues, and the Soviet military and economic aid flows in there.

Mr. DREIER of California. The gentleman is right. The General Secretary referred to Afghanistan as the Soviet Union's bleeding wound, and we say to him right now, Mr. Speaker, that we very much hope that he will patch that up and get out.

Mr. DORNAN of California. There is a reason that he does this. In the Washington Times, Monday, a week ago, there was a little, small article that said that there are officers in the KGB that have finally gotten an article published in one of the prominent military publications where they write that Mr. Gorbachev has created instability in the country, that he is not handling the coal miners' strike in Siberia and in the Ukraine well at all, and that as a bottom line, they will never forgive him, and this is KGB, high-ranking officers, for pulling out of Afghanistan.

What they did not tell us in that is that he has only pulled out the men. He has increased the killing machine.

Mr. RITTER. If the gentleman would yield, we talk about the pulling out of the men. When we met with Ambassador Dubinin, and the gentleman from California was there, the Ambassador, when we asked about the toy mines that have been dropped, blowing off the hands of children and the feet of children who have come back to the United States and, in fact, many have been in the district and the hospitals of the gentleman from California, he said that this was a figment of Western media. Right?

When we talked about children being taken from their homes, kidnaped from Afghanistan and brought to the Soviet Union, that this was a figment of the Western media, and then when we talked about the possibility of Soviet forces being there, he said, of course, that that is not true, but it is not really possible to know whether Central Asian forces are there. We know there are KGB there. We know there are military advisers there. We are not sure there are Soviet forces in many of those places in Afghan puppet regime uniforms, and we are not sure they are flying airplanes bombing the Afghan resistance.

Mr. DREIER of California. I thank my friend for yielding.

I simply want to say, Mr. Speaker, that I very much appreicate those who participated in this special order and also the resolve which this House has shown to solve a very difficult problem, the plight of the people of Afghanistan who are our responsibility, and I look forward to working with our colleagues, Mr. Speaker, in the months to come in hopes of clear victory and self-determination for these people.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H.R. 2727. An act to amend title 38, United States Code, to establish a retirement and survivor benefit program for judges of the new United States Court of Veterans Appeals, and for other purposes;

H.R. 2847. An act to extend by 1 year a program under which the Government is allowed to accept the voluntary services of private-sector executives; and

H.J. Res. 225. Joint resolution to authorize and request the President to issue a proclamation designating the third Sunday of August 1989, as "National Senior Citizens Day."

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 303. An act to establish a framework for the conduct of negotiated rulemaking by Federal agencies;

S. 560. An act to direct the Secretary of the Interior to conduct a study of certain historic military forts in the State of New Mexico;

S. 818. An act to commemorate the contributions of Senator Clinton P. Anderson to the establishment of the National Wilderness Preservation System, and for other purposes;

S. 963. An act to authorize a study on methods to commemorate the nationally significant highway known as Route 66, and for other purposes;

S. 1016. An act to change the name of "Marion Lake", located northwest of Marion, Kansas, to "Marion Reservoir"; and

S. Con. Res. 59. Concurrent resolution correcting the enrollment of S. 85.

The message also announced that pursuant to Senate Resolution 106,

101st Congress, the Chair on behalf of the Republican leader, announces the appointment of Mr. MCCAIN, Cochairman; Mr. SYMMS; and Mr. MACK; to the Central American Negotiations Observer Group.

MATSUSHITA MAKES JAPAN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, Konosuke Matsushita was a true Japanese hero. Born in 1885 at the height of the reawakening of Japanese civilization under the Emperor Meiji; Matsushita lived to see all phases of Japan develop as we know them today.

He lived to see Japan rise from the cultural and technological wilderness that it once was to the global power that it is today. He saw all the struggles of his country from the inside. Perhaps that is why many consider him the man who was most representative of Japan's development in the 20th century.

Mr. Matsushita passed away earlier this year, and, although I do not intend to mock him, I find it very interesting that his favorite phrase was a colloquial greeting of Japanese from the Kansai, his lifetime home. "Makarimakka," "Have you made any money today?"

This obsession for money has been the dominant theme in Japanese business for the last 35 years. It has been the driving force behind the actions of the nation's elite and policies of economic expansion have been a direct result.

I rise today to focus on Matsushita because, just as its legendary founder was in many ways a mirror image of his countrymen, Matsushita Electric, the electronics giant that bears his name is symptomatic of Japanese business.

Who is Matsushita in America?

Well, Americans know Matsushita products by other names. Perhaps the names Panasonic and National are more familiar. These brands dot the American consumer landscape.

Its all Matsushita and it amounts to a $2.7 billion operation. It is the largest producer of several categories of consumer electronics in Japan and this makes it one of the world's largest.

Matsushita is Japan's model corporation.

I suppose that it should come as no surprise, when, to find this corporate goliath at the very heart of Japan, Inc. More important, Matsushita has also been a driving force in all of the activities that Japan, Inc., has perpetrate in the unending pursuit of foreign technologies and markets.

"The Japanese Conspiracy," by Marvin Wolf, documents some of Matsushita's activities from its initial chapters. It seems that Matsushita was one of the original members of the Tenth Day Group.

I would like to remind the House of the events that are linked to this cartel of Japan's electronics producers.

On September 10, 1964, the Tenth Day Group held its first meeting. That was 25 years ago, when even color television was rare and considered a luxury. To put things in greater perspective, it was less than 1 year after the shooting of President Kennedy and a full 5 years before Apollo 11 landed on the Moon.

These meetings continued on the 10th day of every month, hence the name "Tenth Day Group." But these were not mere social gatherings, although most of the men involved had known each other for years. They were together for a purpose, to capture the world television market. Recalling the words of Mr. Wolf:

> The Tenth Day Group was so successful that it and other secret groups of these leading Japanese manufacturers were responsible for maintaining the high prices of TV sets in Japan, which in a few years were selling for almost twice as much as comparable Japanese sets in the United States. A Japanese color set whose "bottom price" was $700 in Japan would be sold for retail for less than $400 in the United States. The members of the Tenth Day Group has come together for a purpose that was more important for their companies—perhaps, they felt, ultimately more important to the Japanese nation—than the inflated profits the six companies received. In fact, the profits would not line the pockets of the Tenth Day Group or be offered as dividends to Japanese stockholders. The money was to be used secretly to offset the losses that their companies expected to suffer as they drove most of the American television manufactures out of business.

At the center of this collusion was Mr. Matsushita. On his insistence another group was organized, the Okura Group. Its purpose was to coordinate all aspects of the television-dumping operation. President Matsushita was a managing partner in the firm of "green tea and dirty tricks."

This Matsushita success story has spawned its fair share of imitators. In steel, where dumping by such companies as Nippon Steel and Kawasaki Steel proceeded unrelentingly, Japan's market share skyrocketed and steelmakers in this country saw their industry fall from world preeminence to the depths of its greatest depression in history.

In the auto industry, America's great corporations floundered through the decade of the seventies while the combined impacts of high oil prices and a wide open import market opened the flood gates for Toyota, Honda, Nissan, and others. In fact, this spring, MITI, Japan's Ministry of International Trade and Industry shuffled auto import quotas for Japan's car makers so that smaller producers could have greater market access.

Are they spreading the wealth? Not likely.

Matsushita was a visionary. He was able to foresee the future of what even back in 1964, Japan was becoming. Of course, it is seldom mentioned that his company was a leading creator of the history I have just read. The electronics maker glimpsed the future in the form of the mighty export machine that now operates Japan's business and political culture.

Japan says that it is reforming itself. The truth is that while the numbers may change the story remains the same. The economy of Japan is completely oriented toward exports and the livelihood of its people is resultingly oriented in this export-or-die mentality.

I recently noticed some figures that serve to illustrate this mentality. Of all 35 millimeter cameras produced by Japan, 88 percent are shipped overseas. The watch industry ticks to the tune of a 94.2 percent export percentage; 46 percent of motorcycles produced in Japan roll to foreign shores. Japan's VCR production to export ratio stands at 82.9 percent. The list goes on and on and on.

Mr. Speaker, in many areas these numbers represent lost American jobs.

Matsushita Electric is well represented in the Japan economic juggernaut. Taking a quick look down a list of leading manufacturers of domestically produced goods and services in 1987, the most recent available, Matsushita ranks very prominently. The conglomerate ranks ichiban—Japanese for No. 1—in, not surprisingly, color television production, as well as in home VCR's and industrial robots.

It has often been said that what comes around goes around. This seems to unyieldingly true in the case of Matsushita. The Wall Street Journal on July 28, 1989, notes the latest intrigues of Japan's giant electronics producer. The article entitled, "Ruling May Lead to Punitive Duties on Asian Phones," labels Matsushita as very obstructive in the Commerce Department's investigations on allegations of dumping in the business telephone systems market. In fact, the article states explicitly, "it—Matsushita—decided to stop cooperating with the investigation."

[From the Wall Street Journal, July 28, 1989]

RULING MAY LEAD TO PUNITIVE DUTIES ON ASIAN PHONES

(By Eduardo LaChica)

WASHINGTON.—The Commerce Department, upholding trade complaints filed by American Telephone & Telegraph Co. and Comdial Corp., issued preliminary rulings that manufacturers of business telephone systems in Japan, Taiwan and South Korea are "dumping" their products in the U.S.

The rulings, if upheld, could lead to punitive duties on the imports, which were valued at more than $1.3 billion in 1988.

Dumping is selling in the U.S. at prices below the cost of production or the home-market prices.

The department's handling of the cases could signal that it is taking a tougher stance in dumping cases. At least one foreign manufacturer, Japan's Matsushita Electric Industrial Co., said the department's requests for information were so onerous that it decided to stop cooperating with the investigation.

A Commerce Department aide said that because the agency couldn't obtain complete price data, it used the "best information available" to make its preliminary determinations. Much of that information was simply lifted from the AT&T complaint, he admitted.

That may explain some unusually high "dumping margins"—the department's calculations of the extent to which the systems are being dumped. For instance, the department said the margins were 178.93% on telephone systems manufactured by Matsushita, 136.77% on those from Toshiba Corp., and 129.73% on those from the Taiwanese subsidiary of Japan's Nitsuko Ltd. These margins, which allegedly represent the ratio between the products' U.S. and home-market prices, would equal the amount of penalty duties that will be imposed if the department's preliminary finding is upheld.

The department assigned much smaller dumping margins to South Korean suppliers, who reportedly cooperated fully with the inquiry. These margins were 9.33% for the Samsung Electronis Co. affiliate of Samsung Group, 6.09% for the Gold Star Co. subsidiary of Lucky Gold Star Group, and 7.79% for other Korean brands. The department said U.S. imports of the telephone systems totaled $775 million from Japan, $341 million from Taiwan, and $226 million from South Korea.

A spokesman for AT&T said the department's action "represents major progress on the way to the ultimate result we seek—elimination of unfair pricing in the U.S." He said the company is "committed to being a profitable competitor in the small-business communications marketplace, and once this pervasive underpricing ends, we intend to be very successful."

Mr. Speaker, I had to double check the paper to see that I was not reading from a paper sent out in 1965. This is the same old story and frankly it's very disturbing.

In this most recent case, AT&T is the whistleblower, but then again, so too were a host of TV corporations whose names were long ago swept away in the deluge of cheap sets, "Made in Japan." While I am not going to suggest that AT&T is gravely threatened by this particular action, I do not want to emphasize that this Government must recognize that such targeted dumping has claimed more than one U.S. industry. It will claim more unless America realizes that these destructive actions will eventually destroy the already weakened industry base.

To Matsushita Electric and all those who would follow it, it should be known that America is realizing your challenge. The ranks of those who now believe in fair or equal two-way trade are growing and the day is coming when Japan's greed-filled power elite will learn a new American phrase, "Crime does not pay."

□ 1350

A POINT OF PERSONAL PRIVILEGE

Mrs. SCHROEDER. Mr. Speaker, I rise to a point of personal privilege.

The SPEAKER pro tempore (Mr. FRANK). The gentlewoman will state the nature of the point of personal privilege.

Mrs. SCHROEDER. Yes. Mr. Speaker, today in my office I received a letter dated August 3, 1989, accusing AUCOIN, BOXER, and SCHROEDER of "McCarthy-like," "deceitful," and many other things.

The SPEAKER pro tempore. The Chair inquires is that the letter that is here?

Mrs. SCHROEDER. Yes, Mr. Speaker.

The SPEAKER pro tempore. In that event, the Chair having read the letter, recognizes the gentlewoman from Colorado for 1 hour on her question of personal privilege.

The gentlewoman is recognized.

Mrs. SCHROEDER. I thank the Speaker.

Mr. Speaker, I take this time of the House, and I know it is a very busy time, but I must say that I was very saddened to read this "dear colleague" letter that came around today.

This has been a body where reasonable people can disagree, can have differences of opinion, differences of interpretation, but we try not to get personal.

And this is a letter where it is signed, we are called "blatantly deceitful," we are being called "disingenuous," "willful distortion," all sorts of things are being alleged in this "dear colleague" about the issue that confronted this House over the D.C. appropriations.

As you know, in the D.C. appropriations bill, Congressman DORNAN offered an amendment to strike language. Myself and several other Members stood up and fought that. And now Congressman DORNAN, who lost—and believe me, they have not lost very often on this—has not been too gracious in my viewpoint. Instead of being a gracious loser, he has decided to attack us personally, and that is outside the rules of the House.

And I just wanted to call it to people's attention because I really found it very, very shocking at best.

If you will look at what is happening, he also accused us of handing out faulty sheets of paper at the door. All we handed out was the language of the bill with brackets around what he struck.

Now I do not know how you can be more honest than that. That is probably the most honest type of thing to hand out. Rarely do we do that at the door.

But this time we just handed out the language of the bill that was stricken by the Dornan amendment.

When Members saw it and read it and were more thoughtful than they have been in the past on many different occasions, many Members changed their votes.

I think this caused him great consternation. And so rather than dealing with the issue straightforwardly he decided to attack three Members of the House, one of whom, who is not here but I feel just as surely that she would be here if she were present, Congresswoman BOXER, but he decided to attack Congressman AUCOIN, Congresswoman BOXER, and myself personally in this scathing letter.

Again it is way beyond the decency and standards of the House and parliamentary rules. I just wanted to point that out.

Mr. Speaker, I yield to the gentleman from Oregon [Mr. AUCOIN], such time as he may consume.

Mr. AUCOIN. I thank the gentlewoman from Colorado for yielding to me.

As one of the Members who has been singled out for this personal attack along with the gentlewoman from Colorado, I want to rise and indicate how much I want to associate myself with the remarks that she has just made.

Mr. Speaker, I can understand Mr. DORNAN and Mr. DORNAN's supporters who have for the last 10 years consistently won on riders that would restrict funding for abortion services for poor women.

To suddenly now lose, I know what it is like to lose because I have been on the losing side of that fight, as has been the gentlewoman, for 10 years.

But something different happened on the floor of this House 2 days ago. The prochoice side won. They won because there is a mobilization of political action on the part of the prochoice community in this country. They are politically active, they are harnessing their political energy.

And Members of this House know, as we debated on the floor of this House, that it is not a free ride anymore. You just cannot throw a vote on this floor on the D.C. appropriation or on any other bill to the antiabortion forces and go home and figure you are going to get off scot-free because nobody is going to be there to hold you accountable.

It is not fun to lose, particularly on something that you care very much about. Mr. DORNAN cares very much about his position.

But I would make this distinction: When Mrs. SCHROEDER and I and others of us who are prochoice have lost over the years, we never once as-

sailed the character or the integrity of Mr. HYDE, Mr. DORNAN, or any of those who won on those antiabortion amendments.

Now that our side has won, I resent very much having my character or the gentlewoman from Colorado's character or the gentlewoman from California's character being assassinated as it was in the "dear colleague" letter circulated to the colleagues, to the membership of the House of Representatives.

"Blatantly deceitful" is one of the terms that is used; "disingenuous," "McCarthyite tactics;" these are the allegations that were made.

Let me just say for the record, or cite for the record a section from the CONGRESSIONAL RECORD on the day of the debate, on the day of the debate on the D.C. appropriations bill. When the gentleman from California [Mr. DORNAN], who authored this poison-pen letter, was defending his amendment, I asked him to yield to me. And on page H4928 of the RECORD of August 2, 1989, the following appears:

□ 1400

It is an accurate description of the exchange between the gentleman from California [Mr. DORNAN] and myself. It goes this way: "I am looking at line 19 of the bill, from line 19 to 22 of the bill which," which the gentleman parenthetically (Mr. DORNAN—,) "also strikes with his amendment. The way I read that, the gentleman strikes funding for contraceptive devices."

So I then went on to ask Mr. DORNAN, who was standing in the well and yielding to me, "So is it also then true that Members, in voting for his amendment would be making a personal record that they oppose funding of contraceptive devices; is that not correct?" That is the question I asked. The RECORD goes on. Mr. DORNAN of California is answering my question in this way: "May I answer with a slight amplification. Technically again, the gentleman is correct, except there is a division in the minds I believe of a majority in this House between an abortifacient and it is simply a pill that stops contraception. We will be debating that I predict without fear of contradiction for the rest of our lives in this House."

Now in his letter he indicates there was misrepresentation on what the bill did or did not do on contraception. If I was inaccurate, in my interpretation, that was the time he should have corrected it, not at this hour, with Congress about to adjourn, when he is nursing his wounds, he and his colleagues, after having lost for the first time in a decade, on the question of whether or not a woman should have the right to freely exercise her conscience on the most significant, sensitive traumatic question she probably will ever be called upon to answer.

Therefore, I would just say, Mr. Speaker, I am deeply offended by this personal attack. I think it was far beyond the realm of proper conduct as Members of the House, and for those Members who were offended by the language, that denied protection for the life of the mother, which the Dornan amendment did strike, for people who were offended by that amendment, which struck protection for victims of rape and incest, for people who were offended by the striking of the language with contraception, I want them to understand that the "Dear Colleague" letter that went out today was McCarthyite in its own case. It seems to me, certainly unbecoming a Member of this House. I think the gentlewoman has every right to take a point of personal privilege on this question. I join her in her remarks.

Mrs. SCHROEDER. Mr. Speaker, I just want to finish by saying we are not muggers, as we were accused of being here, that we did not hand out smear sheets. We handed out a blue piece of paper with the exact language of the bill in the brackets saying what it was he was talking out. He accused us, the gentlewoman from California [Mrs. BOXER] of willful distortion, when she said his amendment would not allow funds to be used to terminate an ectoptic pregnancy. Well, that is not willful destruction, that is exactly what his amendment would do. He went on and on and said I was not dealing straight when I said that his amendment would take out language that would allow women to have birth control pills. That is exactly what his amendment would do. He may not want people to know what his amendment would do, but that is what his amendment would do.

To have Members being called deceitful, to also try and say that we are like the Jesuits—gee, I do not know, I thought the Jesuits were pretty good people. I just sent my young son to Georgetown. To go and say that this is a smear, I think instead they are smearing other Members, and I certainly hope this kind of personal attack stops in the House. I certainly hope that we can carry this level of discussion to a much higher level, rather than these end-of-the-session smear sheets being thrown out to Members before everyone runs for airplanes.

Mr. AUCOIN. If the gentlewoman will further yield, one of the important reasons why we take this point of personal privilege is for those Members who joined in the defeat of the Dornan amendment 2 days ago on August 2, it is extremely important for Members to know that they who voted against an amendment that struck a protection for the life of the mother, that struck a protection for victims of rape and incest, that struck language that provided funding for contraception, that they were not wrong, and they were not being duped by tricks played on the floor of the House by any Member. It is important for that to be a part of the RECORD.

Mrs. SCHROEDER. We did not mug one of them.

Mr. AUCOIN. If the gentlewoman would yield, I did see a single mugging, and I appreciate the gentlewoman taking this time.

CIVIL TAX PENALTY REFORM

The SPEAKER pro tempore (Mr. FRANK). Under a previous order of the House, the gentleman from Texas [Mr. PICKLE] is recognized for 60 minutes.

Mr. PICKLE. Mr. Speaker, I wish to bring to the House's attention the passage from the Committee on Ways and Means of a provision that I think is important for every taxpayer in America.

ATTACHMENT A—DETAILED DESCRIPTION OF IMPACT PROVISIONS

Description of exactly what some major provisions of IMPACT would do:

A. INFORMATION REPORTING PENALTIES

1. Failure to file correct information returns

IMPACT would modify the information return penalties provided under present law in order to encourage persons to file correct information returns even though such returns are filed after the prescribed filing date. Under IMPACT, any person who fails to file a correct information return with the Internal Revenue Service (IRS) on or before the prescribed filing date would be subject to a penalty that varies based on when, if at all, a correct information return is filed. If a person files a correct return after the prescribed filing date but on or before the date that is 30 days after the prescribed filing date, the amount of the penalty would be $15 per return, with a maximum penalty of $75,000 per calendar year. If a person files a correct information return after the date that is 30 days after the prescribed filing date but on or before August 1, the amount of the penalty would be $30 per return, with a maximum penalty of $150,000 per calendar year. If a correct return is not filed on or before August 1 of any year, the amount of the penalty would be $50 per return, with a maximum penalty of $250,000 per calendar year.

IMPACT also would provide a de minimis exception that would apply to incorrect information returns that are corrected on or before August 1. IMPACT provides a lower maximum penalty for small businesses. Small businesses would be defined as firms having gross receipts of less than $5 million. The maximum penalty for small businesses would be: $25,000 (instead of $75,000) if the returns are filed on or before 30 days after the prescribed filing date; $50,000 (instead of $150,000) if the returns are filed on or before August 1; and, $100,000 (instead of $250,000) if the returns are filed after August 1.

2. Failure to furnish correct payee statements

Under IMPACT, any person who fails to furnish a correct payee statement to a taxpayer on or before the prescribed due date

would be subject to a penalty of $50 per statement, with a maximum penalty of $100,000 per calendar year.

3. Failure to comply with other information reporting requirements

Under IMPACT, any person who fails to comply with other specified information reporting requirements on or before the prescribed date would be subject to a penalty of $50 for each failure, with a maximum penalty of $100,000 per calendar year. The information reporting requirements specified for this purpose include any requirement to include a correct taxpayer identification number on a return or statement and any requirement to furnish a correct taxpayer identification number to another person.

4. Waiver, definitions and special rules

IMPACT would provide that any of the information reporting penalties may be waived if it is shown that the failure to comply is due to reasonable cause and not to willful neglect. For this purpose, reasonable cause would exist if significant mitigating factors are present, such as the fact that a person has a history of complying with the information reporting requirements. IMPACT also would repeal the special information reporting requirements that apply to payments of interest and dividends; it would make those payment subject to the same general rules applicable to other types of information returns.

5. Uniform requirements for returns on magnetic media

IMPACT would provide uniform magnetic media requirements that apply to all information returns filed during any calendar year. Taxpayers who file more than 250 information returns a year would be required to file on magnetic media.

B. ACCURACY PENALTIES

IMPACT would reorganize the accuracy penalties into a comprehensive structure that eliminates any overlap of the penalties. Accuracy penalties are associated with a taxpayer's duty to file an accurate income tax return.

1. Accuracy-related penalty

IMPACT would create a single accuracy-related penalty, which would be imposed at a rate of 20 percent, that would apply to the portion of any underpayment that is attributable to (1) negligence or careless, reckless, or intentional disregard of rules or regulations; (2) any substantial understatement of income tax; and (3) any substantial valuation overstatement, any substantial overstatement of pension liabilities, and any substantial estate or gift tax valuation understatement.

(a) Negligence

If an underpayment of tax is attributable to negligence, the negligence penalty would apply only to the portion of the underpayment that is attributable to negligence rather than, as under present law, to the entire underpayment of tax. In addition, IMPACT would repeal the present-law presumption under which an underpayment is treated as attributable to negligence if the underpayment is due to a failure to include on an income tax return an amount shown on an information return.

(b) Substantial Understatement of Income Tax

The penalty that applies to the portion of an underpayment that would be attributable to a substantial understatement of income tax would be the same as the substantial understatement penalty provided under present law with three principal modifications. First, impact would lower the rate of the penalty to 20 percent. Second, the list of authorities upon which taxpayers may rely would be expanded. Third, IMPACT would require the IRS to publish, not less frequently than annually, a list of positions for which the IRS believes there is no substantial authority. The purpose of this list would be to assist taxpayers in determining whether a position should be disclosed in order to avoid the substantial understatement penalty.

(c) Valuation Overstatements, Overstatements of Pension Liabilities, and Estate or Gift Tax Valuation Understatements

The penalty that applies to the portion of an underpayment that is attributable to a substantial valuation overstatement would be the same as the valuation overstatement penalty provided under present law with five principal modifications. First, IMPACT would extend the penalty to all taxpayers. Second, a substantial valuation overstatement would exist if the value or adjusted basis of any property claimed on a return is 200 percent or more of the correct value or adjusted basis. Third, the penalty would apply only if the amount of the underpayment attributable to a valuation overstatement exceeds $5,000 ($10,000 in the case of most corporations). Fourth, the amount of the penalty for a substantial valuation overstatement would be 20 percent of the amount of the underpayment if the value or adjusted basis claimed is 200 percent or more but less than 400 percent of the correct value or adjusted basis. Fifth, the penalty would be doubled if the value or adjusted basis claimed is 400 percent or more of the correct value or adjusted basis. IMPACT would provide similar modifications to the penalty for overstatements of pension liabilities and the penalty for estate or gift tax valuation understatements.

2. Fraud penalty

IMPACT would retain the present-law fraud penalty, which is imposed at a rate of 75 percent and would apply to the portion of any underpayment that is attributable to fraud.

3. Definitions and special rules

IMPACT would provide special rules that apply to each of the penalties imposed under the consolidated structure. First, IMPACT would provide that no penalty is to be imposed if it is shown that there was reasonable cause for an underpayment and the taxpayer acted in good faith. The enactment of this standardized waiver criteria is designed to permit the courts to review the assertion of penalties under the same standards that apply in reviewing additional tax that the internal revenue service asserts is due.

IMPACT also would provide that an accuracy penalty be imposed only if a return has been filed. Under present law, a negligence or fraud penalty may be imposed in the case of a failure to file a return. Finally, IMPACT would repeal the higher interest rate that applies to substantial underpayments that are attributable to tax-motivated transactions.

C. PREPARER, PROMOTER, AND PROTESTER PENALTIES

1. Return preparer penalties

IMPACT would revise the present-law penalties that apply in the case of an understatement of tax that is caused by an income tax return preparer. IMPACT would provide that if any part of an understatement of tax on a return or claim for refund is attributable to a position for which there was not a realistic possibility of being sustained on its merits, and if any person who is an income tax return preparer with respect to such return or claim for refund knew (or reasonably should have known) of such position and such position was not disclosed, then that return preparer is subject to a penalty of $250. A reasonable cause exception is also provided.

2. Other penalties

IMPACT would modify the penalty for promoting abusive tax shelters, the penalty for aiding and abetting the understatement of tax liability, the frivolous income tax return penalty, and sanctions and costs awarded by courts.

Example of Single Accuracy Related Penalty

A taxpayer files an income tax return which is subsequently audited by the Internal Revenue Service. There are five different adjustments made to the taxpayer's return; some of which involve negligence conduct and some which do not.

The five items are for the following amounts:

1. Non-negligent conduct involved	$1,000
2. Non-negligent conduct involved	2,000
3. Non-negligent conduct involved	1,000
4. Taxpayer is negligent	2,000
5. Non-negligent conduct involved	2,000
Total additional tax owed by taxpayer	8,000

Under current law, the taxpayer would be properly subjected to the following penalties and amounts:

$400.00—5 percent negligence penalty which is calculated on entire $8,000 deficiency.

Under IMPACT:

$400.00—20 percent accuracy related penalty is imposed only on the $2,000 item which is attributable to negligence.

D. DELINQUENCY PENALTIES

1. Failure to file

IMPACT would modify present law by providing that the fraud and negligence penalties are not to apply in the case of a negligent or fraudulent failure to file a return. Instead, IMPACT would provide that in the case of a fraudulent or intentional failure to file a return, the failure to file penalty is to be increased to 15 percent of the net amount of tax due for each month that the return is not filed, up to a maximum of five months, or 75 percent.

2. Failure to make timely deposits of tax

IMPACT also would modify the penalty for the failure to make timely deposits of tax, in order to encourage depositors to correct their failures. Under IMPACT's four tier penalty structure, a depositor would be subject to a penalty equal to two percent of the amount of the underpayment if the failure is corrected on or before the date that is five days after the prescribed due date. A depositor would be subject to a penalty equal to five percent of the amount of the underpayment if the failure is corrected after the date that is five days after the prescribed due date, but on or before the date that is 15 days after the prescribed due date. A depositor would be subject to a penalty equal to 10 percent of the amount of the underpayment if the failure is not corrected on or before the date that is 15 days after the due date. Finally, a depositor would be subject to a penalty equal to 15 percent of

the amount of the underpayment if the failure is not corrected within 10 days after the date of the first delinquency notice to the taxpayer. As under present law, no penalty would be imposed if the failure to make a timely deposit is due to reasonable cause, and not willful neglect. IMPACT also would repeal the present-law 25-percent penalty on overstated deposit claims. Businesses, large and small, think this is the most important improvement.

E. FOREIGN RELATED PENALTIES

1. Penalties for failure to withhold

IMPACT provides that in cases where a tax on the U.S. income of a foreign person was required to be withheld under Chapter 3, but was not in fact withheld, and the income recipient instead satisfies its own proper tax liability, the withholding agent remains liable for any penalties and additions to tax otherwise applicable for failure to withhold. Thus, under IMPACT these withholding agents are subject to the same general approach applicable to U.S. employers who withhold income taxes from employees' wages.

2. Penalties for failure to file withholding statements

IMPACT integrates the penalty for failure to file Form 1042s and failure to provide Form 1042s to the payee into the general penalty structure. Thus, IMPACT treats each Form 1042s, required to be filed with the IRS and provided to a payee, as an information return and as a payee statement as those terms are defined in Code section 6724. Accordingly, each failure to file any required Form 1042s will be subject to a separate penalty under Code section 6721, and each failure to provide a payee any required Form 1042s will be subject to a separate penalty under Code section 6722.

3. Penalties for failure to report information with respect to certain foreign corporations

IMPACT clarifes the reporting requirements and penalties imposed by Code section 6038 by expressly applying those provisions to failures to provide certain information with respect to related parties, such as controlled foreign corporations of which the person subject to the requirements is a U.S. shareholder.

Mr. Speaker, a tremendously important, bipartisan, and widely-supported civil tax penalty reform package has been approved by the Committee on Ways and Means. I wish to let my colleagues and all taxpayers across this country know that help is on the way.

On June 20, 1989, the Committee on Ways and Means approved, on the very first day of its consideration of budget reconciliation, the Subcommittee on Oversight's recommendations for reform and simplification of the civil tax penalty provisions contained in the Internal Revenue Code. This bipartisan protaxpayer reform package was originally set forth in H.R. 2528, the Improved Penalty Administration and Compliance Tax Act [IMPACT], and is accompanied by a detailed set of recommendations for improved penalty administration by the Internal Revenue Service. In a nutshell, IMPACT will make our civil tax penalty system simpler and fairer for all taxpayers. It will ensure that the IRS treats taxpayers in an honest and impartial manner.

COSPONSORS

It was with great pleasure that I introduced IMPACT on June 1, 1989. Ranking Minority Member DICK SCHULZE, and subcommittee members Congressmen BERYL ANTHONY, RONNIE FLIPPO, BYRON DORGAN, HAROLD FORD, and CLAY SHAW joined me as sponsors of this civil tax penalty reform legislation. Since then, Congressman BARNEY FRANK has become a cosponsor of IMPACT. This legislation is the culmination of the hard work by members of the Subcommittee on Oversight of the Committee on Ways and Means. It is a natural extension of tax reform and is in keeping with the committee chairman's efforts toward tax simplification.

WIDESPREAD SUPPORT FOR IMPACT

Since first proposed, IMPACT has received widespread and enthusiastic support from all segments of the tax community. The Treasury Department supports this reform measure. The Internal Revenue Service supports it. The U.S. Tax Court, Justice Department, and the Small Business Administration all approve of this package. Former IRS Commissioners, the American Bar Association, the American Institute of Certified Public Accountants, the National Society of Public Accountants, the Tax Executives Institute, the American Bankers Association, the U.S. Chamber of Commerce, and the National Federation of Independent Business all have indicated their support for IMPACT. The National Taxpayers Union agrees with the improvements made in the bill.

Support for this reform package is not limited to government agencies and professional tax organizations. Individual taxpayers and businesses have written letters to indicate their support for penalty reform. I strongly believe this legislation will create a fairer, more effective and rational penalty system for all Americans.

COMMENTS FROM SUPPORTERS OF IMPACT

1. Department of the Treasury—Dana L. Trier, Tax Legislative Counsel, stated: "I would like to congratulate you on the major effort here. We applaud the efforts of you and all the concerned parties to come up with what we believe to be major improvement in the penalties under the Internal Revenue Code."

2. Internal Revenue Service—Fred T. Goldberg, Commissioner stated: "I applaud the effort you and your colleagues have made in the area of penalty reform. IMPACT is one of the most significant improvements to the tax system. This is a top quality product. I hope it is expeditiously enacted. It is wonderful for taxpayers."

3. American Institute of Certified Public Accountants—Don Skadden, Vice President of Taxes stated: "We were delighted with the process; delighted to be a part of the process; and, believe the end result from that process is an excellent piece of legislation."

4. United States Tax Court—Arthur Nims, Chief Judge stated: "IMPACT goes a long way to make the tax law penalty system more rational, more understandable, and more workable. This is a good bill."

5. Lawrence B. Gibbs, Former IRS Commissioner—"IMPACT will have an impact—an impact for the better. For fairer tax administration. For better voluntary compliance. For better relations between the IRS and taxpayers. This is a good set of proposals. It implements many important improvement in the tax system. And it sets the course for continuing improvements by encouraging better administration of penalties and providing for studies of several important issues. Passed in its present form, it will make significant improvement in tax administration, and for that reason should be supported."

6. Tax Executives Institute—Charles W. Rau, Chair of TEI's Task Force on Penalties, stated: "TEI is extremely pleased with the introduction of H.R. 2528. We agree that IMPACT sets forth a credible framework for obtaining true reform of the tax law's penalty provisions."

7. Department of Justice—Shirley Peterson, Assistant Attorney General stated: "This bill is a welcomed response to the problems created by a complicated civil penalty structure that some have criticized as producing unintended results and perceived unfairness in the administration of our tax laws."

8. Small Business Administration—Frank Swain, Chief Counsel for Advocacy stated: "I think this is an excellent proposal. It is responsive to a number of small business concerns, and we certainly hope that Congress will take expeditious action on it."

9. Jerome Kurtz, Former IRS Commissioner stated: "I would like to congratulate the Subcommittee on its work product. It goes a long way toward bringing order out of what was absolutely chaos and would restore a high degree of fairness to what was in many respects a very unfair system."

10. Donald C. Alexander, former IRS Commissioner stated: "I think you made a great and very constructive step foward in introducing this bill to improve the penalty structure. The present system badly needs an overhaul and IMPACT would resolve many of the current problems."

11. American Bar Association—James E. Merritt stated: "I think when they realize it, other tax practitioners and taxpayers in this country will thank you for bringing some resemblance and a big step in improvement in creating fairness, simplicity in a complex penalty system."

12. National Society of Public Accountants—Chad Piehl stated: "IMPACT marks a significant congressional contribution to the American taxpayer and the tax return preparer."

13. Department of the Treasury—Kenneth Gideon, Assistant Secretary for Tax Policy, stated today: "We think the Committee's penalty reform package is a major improvement over current law. We urge speedy enactment."

[From the Wall Street Journal, June 7, 1989]

WHITE HOUSE BACKS LEGISLATION TO MAKE TAX PENALTY SYSTEM FAIRER AND SIMPLER

(By Hilary Stout)

WASHINGTON.—The Bush administration endorsed legislation intended to make the nation's civil tax penalty system fairer and simpler.

In most cases, the proposed changes probably would mean smaller fines for violators, but government officials regard the new system as more appropriate and believe it would compel more people to comply with the law—thereby keeping the government from losing revenue.

At a hearing before the House Ways and Means oversight subcommittee, officials from the Treasury Department and Internal Revenue Service said the measure was "a major step forward" in improving compliance with the tax code. "The primary objective of the civil tax penalty system should be to promote voluntary compliance," said Dana Trier, the Treasury's tax legislative counsel.

The administration's support makes it likely that Congress will enact substantial changes in the way taxpayers are punished for underpayments.

The legislation was introduced by Rep. J.J. Pickle (D., Texas), the panel's chairman. Rep. Dick Schulze of Pennsylvania, its ranking Republican, and several other members. The subcommittee has been studying the penalty system for more than a year. It would:

Eliminate the so-called stacking of penalties, by coordinating sanctions so only one penalty could be imposed on an underpayment of tax.

Change the current penalty for underpayment through negligence to 20% of the portion of the underpayment directly attributable to negligence, rather than 20% of the entire underpayment.

Tie the fees imposed for late filing of information returns to how late they are. A taxpayer who filed an information return two weeks late would pay a smaller fine than someone who filed six months late.

Reduce the penalty for substantially understating tax liability to 20% of the understatement from 25%.

Waive an understatement penalty if the taxpayer acted in good faith and had "reasonable cause" for the position taken on the return.

The IRS also has been studying the tax penalty system, which has burgeoned from about 13 penalties in the 1950s to some 150 today. In March, the agency issued a series of recommended changes, and officials have been working with the committee to draft the legislation.

While the bill doesn't contain some of the IRS's principal proposals, acting Commissioner Michael Murphy said the agency supports most of the bill's provisions and said it "solves a number of problems."

The Treasury hasn't completed its calculations as to whether the bill would lose or gain revenue. But Mr. Trier said the department's preliminary calculations suggest that with "some tinkering" the bill can be crafted to neither lose nor gain revenue.

Last year the IRS took in $6.04 billion from civil tax penalties.

BACKGROUND ON PENALTY REVIEW

The Oversight Subcommittee, which I chair, conducted a comprehensive review of the civil tax penalty provisions contained in the Internal Revenue Code for more than a year. Four days of hearings were held to review the structure, application, fairness, and effectiveness of the current civil penalty provisions and to receive recommendations for improvements.

The subcommittee received testimony and written comments from numerous witnesses including tax practitioners, the business community, professional organizations, academicians, the Department of the Treasury, the Internal Revenue Service [IRS], and former IRS Commissioners and chief counsels. The subcommittee heard a rising chorus of complaints and concerns about the current penalty system. We heard repeatedly that the current penalty structure is a confusing morass of complex, overlapping penalties that are often unduly harsh or just plain irrational. Concern was also expressed about the complexity, severity, and sheer number of penalties in the code.

STATISTICAL DATA ON PENALTIES

To see how important penalty reform is just look at these facts. Today, the Internal Revenue Code contains nearly 150 provisions designed to penalize those who do not comply with the Federal tax law. Yet, only 3½ decades ago, the penalties were simple and few. The Internal Revenue Code of 1954 initially included 13 penalties. This grew to 25 in 1967 and to 150 in 1987.

The growth in penalty assessments has kept in step with the expansion in the number of penalty provisions. For fiscal year 1978, the IRS reports that it assessed 15.4 million penalties for a total of $1.3 billion. After abatements, 1978 assessments totaled approximately $1 billion. Ten years later, for fiscal year 1988, data indicates that the IRS assessed 26.6 million penalties for a total of $10.9 billion. Approximately 14 million penalties were assessed against individuals for $2.4 billion; about 844,000 penalties were assessed against corporations for $1.3 billion. After abatements, 1988 assessments totaled approximately $6 billion. I think these figures are staggering and deserving the Congress' attention.

PROBLEMS WITH CURRENT PENALTY SYSTEM

With nearly 150 penalties currently in the code, the IRS, taxpayers, and tax practitioners are faced with substantial compliance and administrative burdens resulting from the complexities involved with these provisions. There are just too many penalties. Many penalty provisions are too complex for the IRS to effectively administer and, for many taxpayers, too complex to comprehend. And, under our current structure, there are a number of instances where the same taxpayer behavior can be subject to more than one tax penalty. In other words, a number of the penalties overlap and stack, increasing the possibility that enormous penalties may be imposed on relatively small tax deficiencies.

DEVELOPMENT ON PENALTY REFORM PACKAGE

In July of last year, the subcommittee took that important first step toward penalty reform when we began to receive concrete recommendations for change from such groups as the American Bar Association. Later, in February 1989, IRS Commissioner Larry Gibbs presented to the subcommittee his study group's report entitled, "Report on Civil Tax Penalties, by Executive Task Force, Commissioner's Penalty Study, Internal Revenue Service." At the same time, we also heard from the chief judge of the U.S. Tax Court and the American Institute of Certified Public Accountants. At that point, it became apparent to all that a consensus on the specifics of penalty reform was an attainable goal.

IMPACT embodies that consensus. I am proud to say that this consensus developed as a result of the myriad of written comments the subcommittee received from individual and business taxpayers, followed by a series of task force or roundtable discussions the subcommittee recently held with tax practitioners, various interested organizations, and government representatives. We all rolled up our sleeves and indentified areas of agreement and ironed out many of our differences. It was a highly productive way of going about a very massive, complex task. I commend everyone who has contributed to this process for their outstanding efforts. This excellent legislation is the product of this process, and one of which we all can be proud.

SUMMARY OF IMPACT'S MAJOR PROVISIONS

IMPACT will provide a fairer, less complex, more effective and more rational civil tax penalty system. In summary, IMPACT will improve the penalties applicable to information reporting by treating those who attempt to comply with the law less harshly than those who do not. With respect to the current-law negligence, overvaluation, and understatement of income penalties, IMPACT will eliminate the stacking of the penalties and consolidate them into a single, uniform accuracy penalty. We retained the present-law fraud penalty. IMPACT will improve the penalties for failure to pay and failure to make timely deposits of tax by eliminating overlapping and encouraging remedial action. IMPACT enhances the standards for income tax return preparers. Finally, IMPACT will address the penalties applicable to tax shelter promoters and tax protesters.

IMPACT sets forth a penalty framework that is fairer, simpler, less harsh, and easier to administer. And importantly, this reform package will maintain the trust of honest taxpayers by ensuring that there are proper penalties for those who fail to comply with our Federal tax laws.

OBJECTIVES TO PURSUE IN HANDLING PENALTY CASES

Penalty reform requires more than legislative action. Penalty reform can only be truly meaningful if it is accompanied by administrative improvements implemented by the IRS. The

IRS has recognized this and, in the Commissioner's civil tax penalties study report, listed the following objectives that IRS should follow as it handles each penalty case:

First, similar cases and similarly situated taxpayers should be treated similarly;

Second, taxpayers should have the opportunity to have their interests heard and considered. This includes providing a forum, listening to their views, and modifying decisions when appropriate;

Third, IRS should strive to make good substantive decisions in the first instance. A wrong decision, even though corrected eventually, negatively impacts voluntary compliance;

Fourth, an adequate opportunity should exist for incorrect decisions to be corrected. This encompasses appeals to the office that asserts the penalty, a separate appeals apparatus, and access to the court system;

Fifth, the agency should act in an impartial and honest way. While each IRS representative appropriately approaches his or her job from a Government perspective and with the objective of protecting the Government's interest, the true interest of the Government is the impartial enforcement of the tax laws, and this requires that treatment of taxpayers not be biased in the Government's favor;

Sixth, IRS should help taxpayers understand their legal rights and assist them in understanding their appeal rights. IRS should scrupulously observe the taxpayer's procedural rights; and

Seventh, IRS should seek to promptly process and resolve each taxpayer's case. Promptness requires a certain amount of initial informality in the dispute resolution process."

ADMINISTRATIVE RECOMMENDATIONS

I commend the IRS for its commitment to taxpayer service and its stated objectives of handling taxpayer cases in a prompt, objective, and forthright manner and intend to hold the IRS to these standards. To assist the IRS in achieving these goals and to insure effective implementation of the subcommittee's legislative package, the Oversight Subcommittee developed additional administrative recommendations to accompany the statutory penalty reform package. We have said that the IRS should:

GENERAL ADMINISTRATIVE RECOMMENDATIONS

First, the IRS should develop a policy statement emphasizing that civil tax penalties exist for the purpose of encouraging voluntary compliance.

Second, the IRS should develop a handbook on penalties for all employees. This handbook should be sufficiently detailed to serve as a practical guide for most issues of penalty administration.

Third, the IRS should provide clear guidance to its employees on how to compute penalties. This guidance should be incorporated into the penalty handbook.

Fourth, the IRS should revise existing training programs to reflect the purpose for penalties and their administration.

Fifth, the IRS should examine its communications with taxpayers to determine whether these communications do the best possible job of explaining to taxpayers why they received the penalty and how they can avoid the penalty in the future. These communications include penalty notices and publications. Penalty notices should also provide the telephone number of contact offices which taxpayers may call with questions and which have the authority to address disputed penalties.

Sixth, the IRS should finalize its review and analysis of the quality and clarity of machine-generated letters and notices used in the Adjustments and Correspondence Branches of the IRS service centers and report to Congress by July 1, 1990.

Seventh, the IRS should consider ways to develop better information concerning the administration and effects of penalties. The IRS should develop a master file data base to provide statistical information regarding the administration of penalties. The IRS should continuously review information for the purpose of suggesting changes in compliance programs, educational programs, penalty design, and penalty administration.

Eighth, in the application of penalties, the IRS should make a correct substantive decision in the first instance rather than mechanically assert penalties with the idea that they will be corrected later.

INFORMATION REPORTING PENALTIES

First, the Internal Revenue Service should adopt a clear policy of working with the third party payor community to assure accurate and timely filing of information, in a format that is usable by the IRS and the taxpayer without unduly burdening the third party that is required to provide this information.

Second, the IRS should maintain an ongoing effort to develop, monitor, and revise programs designed to assist taxpayers in complying with legal requirements and avoiding penalties. The IRS should develop a publication for every business, exempt organization, and governmental unit enumerating all information reporting requirements, sanctions for noncompliance, whom to call with questions, and where to file. The IRS should also provide speakers on information reporting to industry meetings and programs.

Third, the IRS should consider the creation of an advisory group comprised of representatives from the payor community and practitioners interested in the information reporting program that meets on a regular basis to discuss improvements to the system. This advisory group would be useful to discuss problems, the feasibility of complying with or the economic impact of rules and regulations affecting the reporting industry.

Fourth, the information returns master file [IRMF] should be managed under the jurisdiction of a single function within the IRS. This function should have responsibility not only for the magnetic media filing program and the processing of data to the IRMF, but also for penalty assertion and abatement programs in this area, processing paper documents, payor education programs, and examination and other compliance programs. This function should also have operational responsibility for the issuance of regulations and ruling.

Fifth, penalty case work in the information reporting area, including administrative appeals, should be centralized and the procedures for handling the abatement of information reporting penalties should be streamlined.

Sixth, the IRS should better use its limited enforcement resources to ensure that taxpayers who continually fail to comply with the reporting requirements are identified and penalized, rather than focusing only on taxpayers who are working with the IRS in an attempt to comply with the law.

Seventh, the IRS must provide to a taxpayer upon request, or to a financial institution with the taxpayer's authorization, within 30 days, a list of the names the IRS has—in its computer matching program file—under the taxpayer's identification number. This information could be used by the taxpayer to reconcile or determine the reason for any mismatches between the information the taxpayer has supplied a financial institution, between the information the financial institution has supplied to the IRS, and the information the IRS has in its master file.

PREPARER, PROMOTER, AND PROTESTOR PENALTIES

First, disciplinary sanctions by the Director of Practice should not be viewed as a adjunct to the civil tax penalty system as it applies to tax return preparers. In matters involving nonwillful conduct, the IRS should only refer cases to the Director of Practice in instances where the IRS can establish a pattern of failing to meet the required standards. An isolated instance in which a penalty may apply should not, in and of itself, require a referral unless willful conduct is involved.

Second, the Department of the Treasury should issue regulations related to the IRC section 6700 penalty for promoting abusive tax shelters and

the section 6701 penalty for aiding and abetting understatement of tax liability to the extent the provisions may apply to activities which could be subject to the section 6694 and 6695 tax return preparer penalties. Guidance on these matters should be issued in a timely fashion.

Third, the IRS should instruct its employees that they cannot threaten the use of preparer penalties during an examination, appeals conference, or other proceedings involving a tax advisor.

Fourth, the Director of Practice should publish more information about the basis for being disciplined and warnings in appropriate cases. Questions and answers prepared in conjunction with input from practitioners would be helpful to the tax practitioner community.

ROLE PENALTIES PLAY IN VOLUNTARY TAX SYSTEM

Our voluntary tax system in this country is remarkable. For the system to continue to work, however, it needs the respect, confidence, and support of all of us. Penalties do play an important role in our tax system. Penalties should exist for the primary purpose of encouraging voluntary compliance with the tax laws. Penalties should not be used simply to raise revenues. Penalties and the standard of conduct required of taxpayers should be readily known and easily understood. Penalties should be targeted only to culpable conduct. Multiple penalties should not apply to the same misconduct. Penalties should be proportionate. Penalties should encourage compliance. Penalties should not treat taxpayers who make a good faith effort to comply with the tax laws as harshly as those taxpayers who deliberately violate the laws. Finally, administrative procedures for imposing penalties should ensure that all taxpayers are treated in a fair and equitable manner by the Internal Revenue Service. IMPACT will go far in making these worthy goals a reality.

CLOSING REMARKS

The reform package, as adopted by the Ways and Means Committee, will eliminate much of the overlapping and stacking of penalties and will go a long way toward resolving many of the complaints we have heard about the current system. "IMPACT" is of great importance to all taxpayers. I believe the American public is entitled to a fair and just penalty system. IMPACT is sure to be the pro-taxpayer legislation of 1989. I want to strongly urge my colleagues to join in enacting this crucial reform legislation.

□ 1420

TERRORISM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. FRANK] is recognized for 60 minutes.

Mr. FRANK. Mr. Speaker, I want to talk today about a subject I wish and others wish did not have to be discussed on this floor, and that is terrorism. It is, to be explicit, the wave of kidnapings and murders that have tragically come to be a method of political discourse in parts of the Middle East. Fanatics of the sort grouped around Hezbollah have declared outrageously, with no moral justification, with no basis legally, morally, or any other way, that they have the right at will to kidnap, abuse, torture innocent people, and when they find it convenient, kill them, people who are in most cases innocent by any definition.

Mr. Speaker, I do not mean to suggest by that people like Colonel Higgins who were so brutally killed were in any way guilty in a rational world, but even in the distorted, perverted, illogical world of the fanatics who do this, they have victimized people who by no stretch of the imagination acted contrary to their interests.

Ironically—more than ironically, appallingly, these people who themselves assert their right to kidnap, and murder and torture react with a resignation that would be comic if it were not for the tragedy of the circumstances when one of their leaders is subjected to a retaliatory kidnaping. I am referring, obviously, to the action by the State of Israel in seizing Sheik Obeid who admits to being one of those who directed the kidnaping of people, some of whom were later murdered.

Mr. Speaker, we should be very clear that the condemnation goes to those like Sheik Obeid and others who have asserted their right to kidnap, and I think we ought to also be clear, whether we are talking about the United States, or Israel or other nations, that those who are the representatives of the victims of the kidnaping have every moral right of self-defense.

Obviously we would prefer a situation in which there was some tribunal before which justice could be obtained, but there is none. We are talking about a situation where there is no international law of any sort to which we can appeal. There is no protection for Americans, for Germans, for English people, for French people, for Israelis, for other Arabs, because many of the victims of this minority of Arab terrorists have in fact been Arabs.

Let us note, and I will return to this, that the major victims today of brutal Arab fanaticism are innocent Arabs, the Christian Arabs in Beirut who are being bombarded mercilessly by Syrians. Others who may speak out politically in opposition to the terrorists, they themselves become the victims.

However, Mr. Speaker, we should be very clear that those nations which represent the victims have every right of self-defense. I believe there is an almost unanimous agreement in this House, and I say "almost" because one can never be certain, but I believe that there is virtual unanimity here that we have a moral right to strike out in self-defense and that, if we were able to through our intelligence to identify precisely where these hostages who are Americans are being held, and not just Americans; I think we have got the right to go to the aid of those who are being tortured by these kidnapers if we were in possession of the intelligence which said, "Here's where they are"; and if we could tactically work out plans by which we could bring forces to bear and rescue all of them simultaneously so that those left behind would not be further victimized, I do not think there is any question about our moral and legal right to do so.

In addition, Mr. Speaker, I believe there was no question about the right of Israel, acting out of self-defense, to seize Sheik Obeid who is an acknowledged leader of this terrorist movement. This is a man who proclaims his right to murder, kidnap, and torture, and, yes, those who are the legal representatives of the victims have a right of self-defense.

Nor does it make any sense for those of us on the antiterrorist side to begin to quarrel over tactics. There are legitimate differences. America has found itself since the late 1970's in a very frustrating position. We are an extraordinarily powerful Nation, and it is said that power cannot be brought to bear effectively on behalf of our citizens. President Jimmy Carter, President Ronald Reagan, and President George Bush have had in common a terrible frustrating and a sense of personal pain that we were not able effectively, as they would have liked, to, all three of them, bring American power to bear to free our innocent citizens who were being so abused.

The Israelis have had for a variety of reasons a focus on methods of doing this, a knowledge of the area, an organization of their operations. They have had greater success than most other nations in acting against some of these terrorists. Their ability to do so in this case seems to me to be a source of strength for those of us who are antiterrorist.

□ 1430

Those of us who have criticized Israel because acting out of a legitimate sense of self-defense they seized a man who has been a fomenter of murder against their own citizens, I think is wrong morally and politically. It is wrong because it gives aid and comfort to the terrorists to see the antiterrorists quarreling, nor is it all sen-

sible to suggest somehow Israel bears the responsibility for the murder of Colonel Higgins, assuming he was murdered after the kidnaping, and we cannot be sure of that, nor would it be sensible to suggest that if America did exercise its right of self-defense, that we would somehow be responsible for other murders.

People who kidnap and torture and threaten killing are not entitled by any shred of logic to say, "Oh, but if any of you try to defend yourselves, we are going to kill them brutally, and it will be your fault." Nonsense, nonsense morally, nonsense logically, nonsense politically. We have got to stand together.

None of us here are critical of the fact the President has not yet acted, because we understand his principle, which is action must if it happens be of a sort which will protect people without endangering others, and I admire the restraint the President is showing in the fact of what we know to be a strong desire to lash out, but we cannot as a Nation lash out and damage innocent people in the Middle East, nor endanger our own hostages, but neither should we allow our frustration at our inability to act to lead into what seems to me to have been, other than in this building, inaccrurate and unfair condemnations of Israels assertion of its right of self-defense, and obviously I am not arguing for that out of any view that Americans cannot criticize Israeli policy.

People sometimes say, "Well, you can't criticize this country or that country." I am a great believer in the first amendment and I think everybody can criticize everybody.

The strongest of allies will occasionally differ. Of course, there will be times when American and Israeli policies will differ and American and British policies will differ, American and French policies will differ, American and Canadian policies will differ. We are mature enough and strong enough in our mutual relationships to allow criticism without any sort of breach to develop. Of course, we can do that.

But what we must also do is to recognize that a common core of moral and political commitment binds us, and particularly at a time like this we have got to focus on who our real enemy is. Our enemies in this situation, sadly, are the people who have chosen to make themselves our enemies.

We have not in this country and other countries decided to make war on a particular faction of Shiites. We have not declared that some war exists between us and people who profess a particular political philosophy. They have said that they have the right in the expression of their political differences to make war on innocents. Our response has got to be, "No, you may not, and no, you may not claim as an excuse for your murder the act of self-defense, whether by Israel or the United States."

I hope, Mr. Speaker, that we will recognize, in my judgment, that Israel had every right to do what it did, that in fact a willingness to strike back against the terrorists, even when in the short term it may not appear to have benefits, is an important part of trying to keep that in check. If Israel were to announce today and the United States were to announce today, and others to announce today, that we give up any right of retaliation the result overwhelmingly would be more murder of the innocents and more kidnaping and torture.

In closing, Mr. Speaker, because I do not want to prolong today's proceedings, I do want to return to what I mentioned before, and that is the Syrian attack on the Christians in Beirut. I think we have to look at this in the context of the role of Iran as well. We have in the Syrian-Iranian alliance two nations which continue to foment, support, and indeed participate indirectly in the worst sort of violence against innocents. The people are being killed in Lebanon today by a Syrian occupation force, and it is sad that the Arab League decided it had to abandon its peacekeeping efforts. We cannot abandon the victims in Lebanon of this sort of attack. There are more victims today of that violence in the Middle East than from any other source.

It is important the new government of Iran be made to understand that there will be no conciliation. There will be no economic easing. There will be no relaxation of tensions as long as they say some nice words with one hand, but with the other continue to support the kind of violence and abuse that we have seen.

We must also let their partners, the Syrians know—the Syrians who on the one hand talk about the importance of Arab unity and the Arab cause, and on the other hand are responsible for the killing of more Arabs than any force in the world today. The Syrians must also know that this sort of murderous behavior will not be tolerated.

Mr. Speaker, we all feel deeply for the victims of the kidnapers and murderers. We are united, I believe, in this Congress with the President in our desire to do whatever will work to free these innocent people from the terrible prisons in which they have been so cruelly put.

Part of our ability to do that, Mr. Speaker, is to work together with our allies in Europe, in the Middle East, in Israel, and elsewhere. Egypt is another country which is by and large supportive of our antiterrorism efforts and has in fact been victimized. There have been victims in the Emirates and elsewhere.

Those of us who may have other political differences, but who stand firmly opposed to this sort of terrorism, have to stand together and hope that we will be able to find ways of working together, pooling our resources and pooling our energies, not only to free those who are now in prison, but to make the individual terrorists, their oganizations and those nations like Syria and Iran that stand behind them, understand the price for a policy of murder and torture is too high.

THE D.C. APPROPRIATIONS BILL AND PRO-LIFE

The SPEAKER pro tempore (Mr. DYSON). Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes.

Mr. DORNAN of California. Mr. Speaker, I am going to exercise the option to speak from the leadership desk because I have some exhibits to elucidate the vote yesterday on the D.C. appropriations bill, and to try one more time to explain why the Pro-Life Caucus in this House, and I believe the majority of this House, because the majority in all the time I have been here since 1976 have been prolife, why they are upset about the proceedings during the D.C. vote and what happened at the doors of this House to turn 30 Members around who had always voted prolife and had voted for near identical Dornan language last year, and now find themselves as prolifers in the difficult position of answering to national prolife groups and their own local prolife groups why their vote, if President Bush fails to veto the D.C. appropriations bill on this very point of funded abortions, and he will not fail us. He will veto it. He is a man of honor. I have his letter before me which I will admit as exhibit A. Why these prolifers are upset that they have been caught out on a limb and the prolife groups correctly will say to them, "If something goes wrong, if we didn't have this backup of the President's veto, then your vote, each 1 of the 30, would start the killing again in the District of Columbia that has been cutoff for 10 months with public funds, tax funds, and will remain cutoff throughout our 5-week break, all of September, until October 1.

The Dornan language that is law now has the life of the mother exception in it. It is what I want. It is what the gentleman from Illinois [Mr. HYDE] wants. It is what every prolifer in this House on both sides of the aisle wants.

□ 1440

It will never come out of conference any other way, and that is why I went

through the same process that I went through last year to get to the end result of a Dornan amendment in the D.C. appropriations bill that has been law since last October 1, 1988. So, exhibit A, a letter from the President of the United States, a letter to Mr. DIXON, JULIAN DIXON, where he starts off, "Dear JULIAN." I began the debate this way the other day, and I said to the distinguished chairman who did treat me fairly, I said, "I know the chairman will not mind my reading this, because although it is a 'Dear JULIAN' letter, it was sent to me by the White House and provided in the cloakroom to anybody who wanted to read it." It started off, "Dear JULIAN," and went on to say, "I will veto the D.C. appropriations bill if any appropriated funds in this bill go toward abortion except in the case where it protects the life of the mother."

One of the things that caused this confusion yesterday is, I believe, with all due respect to the parliamentarians in this building, that I got bad advice on how I had to use strike language to get out the money that would start the killing, the abortion on demand, with public funds, not Federal funds, but other public funds, that would start it again October 1. I did not have to have anything to do at all with the language in the bill that even talks about drugs or devices to prevent implanation or ectopic pregnancies, which is allowed by every religion, at least in the Western world, because that is considered a malfunctioning organ when the pregnancy begins to take place in the fallopian tubes, and the fallopian tube can never bring a baby in the womb to term. It will always explode the organ, and they are allowed to remove it as a malformed or misfunctioning organ to save the life of the mother.

As a loyal, practicing Roman Catholic, I know that my church has always held to this theory, as does every other Protestant and Christian denomination in this country, as does the Jewish faith, as I repeat, every faith in the Western World, and I will bet anything that the Islamic faith as practiced in modern medicine in the hospitals throughout all the major cities in the Mideast and the Far East, that they also understand that ectopic pregnancy has nothing to do with aborting or killing a child in the womb, although it does kill a living fetus, a potential human being. The primary cause or the primary purpose is to save the life of the mother by removing this organ.

Of course, there is not a person in this House, and yet some people took to the well, some of our female Members, and accused this Member of a belief that I have never held to, since I first learned what this was, probably sometime early in high school.

Exhibit B, I would like to show the handout that was, first of all, I think in fairness I should read the entire letter from President Bush, because one Member on our side of the switch 30 came to me and said, "If only I had known President Bush was going to veto this and how he felt, I would have voted with you. I do not want anybody criticizing this gentleman from Florida." He is angry at his staff. It is not his staff's fault. They did not have the television on at the very beginning of the debate when I read the whole letter.

Let me go back to the letter to my friend, "August 2, the White House, Washington:"

DEAR JULIAN: The House soon will consider the District of Columbia appropriations bill for fiscal year 1990. If the bill presented to me permits the use of appropriated funds to pay for abortions other than those where the life of the mother would be endangered if the fetus were carried to term, I will veto it.

I urge the Congress to vote to protect the lives of America's unborn children.

Sincerely,

GEORGE BUSH.

That 30, particularly the 5 Republicans who switched, if they had known that George Bush was urging them to vote to protect the lives of America's unborn children, they would have been with me, but during the confusion of the vote, and we are just 2 or 3 days, well, it was 2 days ago, 2 days away from the conclusion of this House, so things are rushed, but better rush now than Christmas season or on the eve of October 1 when the new fiscal year begins, but there was confusion. Here is exhibit B. This is the passout that was passed out at both doors, and the verbal explanation that went with it was even more misleading. I will not say deceitful any longer, because after listening to three of my colleagues compound their errors and continue this confusion, maybe the conclusion is that they do not have it right. So I am going to explain the langauge carefully, because we will revisit this issue.

The gentleman from Oregon brought it up in a 1-minute speech yesterday, because he thought we were going to revisit it yesterday when the bill came up for final passage, the D.C. appropriation bill. We will revisit it for sure when President Bush, an honorable man, fulfills his promise to veto the D.C. appropriations as he did in that letter.

Back to exhibit B, let us just take the one line on the bottom: "Disallows contraception." The Dornan language that I want in the bill, or the net result of passing the way it was, has nothing to do with contraception, and Mr. DIXON carefully explained this during the debate, and I will put it in his own words. He said, "If the committee language goes through, the District is allowed to distribute contraceptive devices." What he did not say, and I do not see why he should have to say it, but if they do not want to, that is their right, too. They can do it or not do it.

Year before last, or this year, with the Dornan langauge, with the life-of-the-mother exception in it, they can or cannot pass out birth control devices.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. DORNAN of California. I will yield when I am through with this explanation. I tried to rush over to get you folks during that thing, and it would have been fascinating, but let me get this fulsome explanation out.

Language in the bill, whether it is in or not, and right now at this moment it is in before it goes to conference and before Bush vetoes it, that is superfluous language. It does not mean anything. That is why I took exception with the gentleman from Oregon [Mr. AUCOIN] on the "Today" show this morning against the gentleman from New Jersey [Mr. SMITH] on our side leaving out two or three key words at the beginning.

The gentleman from California [Mr. DIXON] said that if the Dornan language goes through, as it did a year ago, the bill remains silent on birth control. The major bottom line is at this moment with Dornan language law, the District can or cannot as it wishes pass out birth control devices.

Here are the words in the bill where I got bad parliamentary advice. I could have drawn a line above it and just forgotten it and left that as the committee's problem. They put it in for boilerplate, or if I wanted to be a little paranoid, they put it in to cause confusion at the doors when the vote came up. I do not think the gentleman from California [Mr. DIXON] would do that. I choose to think it is just boilerplate.

Here is what it says: "My intent is to take out one word only in the committee bill, 'Federal' and then add 'the life of the mother.'" I was not allowed to do that last year or this year.

As a matter of fact, I have been doing this for over a decade when I won with that language in my freshman year, August 1989; abortions were cutoff with our defense dollars the next month in the fall of 1978, and 11 years later, to this month, that Dornan amendment stays public law, no military appropriated funds can ever go for an abortion for a high-ranking officer or a sergeant's girlfriend or their wife or a stranger or somebody they got onto the base. Nobody gets an abortion in a military hospital, although they drag their feet on some cases for a year or two, and finally the head of all chaplains came down on them, and finally the Pentagon tightened it up the way the House passed it. That language has existed

for 11 years with the life of the mother.

Mrs. SCHROEDER. Will the gentleman yield?

Mr. DORNAN of California. No, it will take me quite a while to come back to this point here.

I tried over and over on D.C. The reason I used the word "gagged" or that the House is "mugged"; we did a special order here for hours that the whole House is mugged on minority rights, and what we wanted to get through with our amendment.

Where is the balanced-budget amendment? Every Member in this Chamber knows, and I will bet anybody $1,000 that if you put in Bush's language, my President's, and I respect his opinion, life of the mother, rape and incest, we win by probably 290 to 300 votes.

The gentlewoman from Colorado [Mrs. SCHROEDER] voted, as did the gentleman from Oregon [Mr. AUCOIN], as did the gentlewoman from my State of California [Mrs. BOXER], they all voted for the Health and Human Services and Labor bill earlier that same morning 2 days ago, and that bill went through 365 to 58.

□ 1450

The 58 people, including myself, were all conservatives who were voting against it for budgetary reasons.

But for the record, for the truth here, these three people who just took out a point of personal privilege, they all voted for the Dornan-Smith, or to give credit to its author, the Hyde language which does not have rape or incest, which is in the Health and Human Services bill that my good friend, HENRY HYDE, got through on this House floor in his freshman term, 2 years before I cut off abortions in the military. That was about 30,000 abortions a year. He cut off 10 times that, 300,000 to 400,000 federally funded abortions a year, HENRY HYDE of Illinois cut off in 1976, and that has been the law to this date, without rape or incest exceptions, only the life of the mother. That is the law, and these three Members just voted for it.

Mr. AUCOIN. Will the gentleman yield? He mentioned my voting record. Will the gentleman yield?

Mr. DORNAN of California. I will not yield.

Mrs. SCHROEDER. Parlimentary inquiry.

Mr. DORNAN of California. I am not going to yield. Take notes, the two of you where I misstate facts.

Hyde, law 11 years, life of the mother, you all voted for it day before yesterday.

Mr. AUCOIN. Will the gentleman yield to me?

Mr. DORNAN of California. Next point, Dornan defense law. I do not know whether you voted for that. Law for 11 years, excuse me, Hyde was 13 years, Dornan, District of Columbia, life-of-the-mother exception, law, 1 year.

But now let me come to the point.

Mr. AUCOIN. Madam Speaker, if the gentleman will yield I will get time and yield to him.

PARLIAMENTARY INQUIRY

Mrs. SCHROEDER. Parliamentary inquiry, Madam Speaker.

Mr. DORNAN of California. Yes.

Mrs. SCHROEDER. Madam Speaker, must the gentlewoman from Colorado and the gentleman from Oregon refer to the gentleman from California as a gentleman if he is not being a gentleman?

Mr. DORNAN of California. No, I will answer that. You can call him the Member from California. But then my gentlemanliness will return shortly.

Now let me come to the real point of contention here, and I am going to tell you what I said earlier, because the gentleman from Oregon was not on the floor. When I watched their point of personal privilege, which by the way may not have been precisely accurate, when I tried to get a point of personal privilege against Mr. COELHO a few years ago, and got it, I was informed by the Parliamentarian that it had to be in writing, in your districts, before you could prove harm, that it cannot involve, that it cannot involve a Dear Colleague letter or anything that is said on the House floor as long as somebody's integrity is not impugned.

Now here is the point, the main point of contention, or maybe it is still continuing confusion because the propaganda still goes out. Let me go from one Member back up to Mr. AUCOIN. Mrs. BOXER, my good friend said on the floor, in the well, the Dornan amendment will not allow you to pass out birth control pills in the District.

Wrong. They are passed out now under the Dornan language. I have no desire to cut that off. To me that is a personal issue, and that is not even in the language of the bill that Mr. AUCOIN took exception to.

There was a statement in the RECORD by the gentlewoman from Colorado [Mrs. SCHROEDER], and again it confused this issue. So let us come to Mr. AUCOIN, who has been more precise on the language, and did question me when I was in the well, and I yielded to him.

Mr. AUCOIN. I hope the gentleman will yield as he has mentioned me again.

Mr. DORNAN of California. I will eventually.

This was so annoying that at that moment, because I had not precisely heard what Mr. DIXON said, that the Dornan bill is silent on the issue of birth control, and they are being passed out now under my language, and will continue to be if it goes through with life of the mother, or if in committee we get rolled on rape or incest. That is my President hero's words, and I am not going to get up tight. I will take that loss, not as the spoiled person that you claim.

What annoys me is your words in the first minute yesterday where you, threatened is too strong a word, where you advised the 30 Members who flipflopped that now that they are prochoice they had better not go back in a 24-hour period, that the women of America will not take kindly to it, and the fact is that not one of the 30 has become prochoice, they are all still prolife.

Mr. AUCOIN. Will the gentleman yield now? He has mentioned my name for a third time.

Mr. DORNAN of California. Not now, that it is my time.

The SPEAKER pro tempore (Ms. SLAUGHTER of New York). The gentleman from California controls the time.

Mr. DORNAN of California. The point here is, here are the words in the bill, all I want to do is strike out the word "Federal," and here is the effect of striking out the word "Federal," my bill, which is law this moment, which says, "None of the funds provided in this Act shall be used to perform an abortion except to save the life of the mother." That is the goal I am driving for. Every Member of this House who is not confused knows that, and 206 prolifers in this House made the most difficult vote of their life on this issue because of the way it was improperly characterized by the opposition.

Now to get back to this, I have to strike the word "Federal," which was put in, and then the committee put in a whole bunch of language. I was told by the Parliamentarians that if I strike the word "Federal," which they added back in, which means, as we know, deceptively that they will put the Federal funds in one bank account and start killing babies again October 1 with the tax-raised funds in the district, and that is going to be a whole, OK deal, and we have seen that deception in days gone by with planned parenthood operations where they pass out literature in the front room, and have an abortuary in the back room. To take out "Federal," I am told by the Parliamentarian, I must strike all of these words, "except where the life of the mother would be in danger if the fetus were carried to term." I do not want to strike, I want it in, and everybody in the Chamber who listened to the debate knows it. We will get it back in in conference after Bush vetoes the bill. Two, "or except for such medical purposes necessary for the victims of rape or incest, when such rape or incest has been reported promptly." Prolifers got that prompt reporting language in there. That has

been off and on in some bills in this House. It does not tear me up, because this is one of the most painful things in this country, to have a woman violated, and then to find herself pregnant. I know the pain of that. God forbid it should happen to anybody in my family.

But I will tell you something, Geraldo Rivera takes a bum rap in this country by elite, sophisticated critics still trying to punish him for his show on Satanism, which was way before the Satanic slaughters at Matamoros. But he did a show this very week with four mothers who had been raped and had their children, and I can only tell you the words "virtuous heroism" came to mind. Whether you can legislate virtue or heroism I do not know. That issue will be in doubt. My President that I admire, I consider him to be a hero of mine, disagrees with me, but if those words are in or out, that is a battle to be fought.

Mr. AUCOIN. In fairness, will the gentleman please yield?

Mr. DORNAN of California. I am reading legal law. What we are trying to do is make law, to kill my Dornan law. Now it says, next line, and that is where I should have drawn the line, taken my lumps, taken out rape and incest and let you try and put that back in conference, let everybody know, as they knew last year when rape and incest and life of the mother was out that I would fight to get it back in conference, and did that, and everybody in the Senate kept their promises that they would get life of the mother back in. I gave assurances on the floor of HENRY HYDE, recovering from surgery, and of Mr. NICKLES and Mr. HUMPHREY, who share this title with me, it is not just the Dornan amendment, it is the Dornan, Humphrey, Nickles amendment, and now here comes the killer, where you thought you got me.

Mr. AUCOIN. Who is the gentleman referring to now?

Mr. DORNAN of California. Nobody in general, all of those who listened to the other side of the debate.

Mr. SCHROEDER. The gentleman is not calling us killers or is he calling us killers?

Mr. DORNAN of California. Madam Speaker, I did not hear that. I tried not to hear it. I will continue.

There is a period here. I am told to draw your period right there, take your lumps on rape, incest, life of the mother, and win that in conference, and it will be identical to last year's vote.

This sentence was added, brand new to the language, and in a perverse way, I congratulate the smoke screen that they created. New sentence, "Nor, nor are payments prohibited." not authorized or asked to be spent, "nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum or for procedures for the termination of an ectopic pregnancy." I do not mind the last one at all, but the middle one and the last one are an advisory, it is boilerplate because nobody is stopping them from doing that or not doing that now, and that is why JULIAN DIXON honorably said, my good friend, the Dornan amendment is silent on this birth control stuff, because whether those words are in there or not in there, it does not matter.

Mrs. SCHROEDER. Madam Speaker, now will the gentleman yield?

Mr. DORNAN of California. The District of Columbia will do it or not do it as it chooses.

Mr. AUCOIN. Will the gentleman yield at that point for two questions right there, in fairness?

Mr. DORNAN of California. I am getting closer.

So what we have is exhibit A, the President's letter; exhibit 2, "disallows contraception." Wrong; if not deceitful, confusing and stupid.

□ 1500

It is not what is in my language or would have been the intent if the Dornan language had stayed in and it will not be in when the President vetoes it when we come to appropriations.

Now listen to this, I will tell you what I will do.

Mr. AUCOIN. Madam Speaker will the gentleman yield?

Mr. DORNAN. I resist your blandishments. I will tell you what I will do. I will yield to you when I read Mr. CHRIS SMITH's analysis which he did not have time to do with you in worthy debate on the Today Show today, entitled "Let's Get the Record Straight." Please do not bring up rule 18 or I will skip-read and we will go through this, 4 points, very simply.

Point 1, the Dornan amendment has no effect on contraceptives. On Wednesday during the rollcall vote on the Dornan amendment to the D.C. appropriations bill, Members opposed to the amendment circulated a handout which stated that the Dornan amendment disallows contraception. Many Members were misled by this gross misrepresentation. In fact, approval of the Dornan amendment is necessarily to simply preserve the pro-life policy enacted into law last year, the Dornan-Humphrey-Nickles law has been in effect since October last year and it has no effect whatsoever on contraception.

The current law reads, and here it is, my colleagues, "None of the funds contained in this act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term." This is the same language as the Hyde amendment to the Labor-HHS bill, passed that same day 365–58. Under both Hyde and Dornan law congressionally appropriated funds continue to pay for all contraceptives, IUD, condoms, sperms, jellies, jams, et cetera, the works, folks. The only thing prohibited is funding for abortion.

Thus the Dornan amendment was grossly distorted by its opponents. And I will add as the debate goes on they were lost in self-inflicted confusion, they knew not what they did.

No. 2—I may forgive you yet—No. 2, the Dornan amendment has no effect on emergency treatment for rape victims. Why would I ever consider doing that? The language of the current Dornan law is the same as that of the Hyde amendment which governs the Federal Medicare Program. Neither amendment prohibits emergency treatment for rape victims, for example, high-estrogen morning-after pills taken within 72 hours of a sexual assault are always effective and are fundable under both Hyde and Dornan amendments.

I wish you folks would memorize that last one.

Three, and I only have two to go. The final version of the Dornan amendment will contain the same life-of-the-mother exception as the Hyde amendment. On Wednesday pro-life caucus chair CHRIS SMITH, and the co-chair is ALAN MOLLOHAN, made two attempts to include the standard life-of-the-mother exception in the Dornan amendment. However, Chairman DIXON twice blocked these moves by raising the threat of a point of order or a point of order that such exception violates the House rules against legislating on an appropriation bill.

Now the effect of that is that my friend JULIAN DIXON, to deny this life-of-the-mother language, I know he will accept that as a last-stand resort for his position; he did in conference last year. He is trying to win as chairman of this committee, he is trying to have his way, which is proper. But he did it in an honest, upfront way. Incredibly, CHRIS and the pro-life caucus goes on, incredibly opponents of the Dornan amendment then attacked the Dornan amendment for lacking the life-of-the-mother exception which they themselves had blocked. A little bit of the kind of tyranny of the majority here. And that is why I say certainly not only were 30 Members mugged, well, maybe not Mr. DURBIN, the whole House was mugged. Incredibly I read that, this is a familiar pro-abortion tactic which has been used in the past against the Hyde amendment and other pro-life amendments.

I saw this film that you people are pushing on the Hill. As we have pushed "Silent Scream" and "Loss of Reason," you push "Abortion for Survival," produced by Eleanor Smeal, and I do not know who all paid for

that, but you have got a doctor in there convicted in Massachusetts of manslaughter.

In that film, which acts like every abortion is a tidy little matter of a pink and red tissue about 2 inches across. That is not true. The heart starts beating at 8 to 10 weeks. They show a little mass of protoplasm and say that is all there is to abortion; it is nothing. That film, in that film, one doctor from USC says we are opposed to sexuality. Gee, I hate that charge. My wife knows that is not true.

Then it says we are all into birth control, furthering the deception that went on here, the deception is embodied in the body of edited film of 30 minutes that I will bet they spent 400 hours editing that down so that every little nuance could get every type of blue smoke and mirrors involved in this debate to try to broaden your constituency because you know if you had an up or down vote in this House on life of the mother, we would win by 40, if you have it with rape and incest we would win by, the vote is over 300.

So here is the final line of point 3, this familiar tactic: It has been used in the past, it will be used again. The life-of-the-mother exception will always be restored, that is in capital letters, in the conference committee, and it will always be submitted on the floor by every pro-lifer that I know on both sides of the aisle, including the 50 who wrote your party chairman Ron Brown and said get this abortion language out of our platform before you drive away every ethnic in this country who are blue-collar, grass-roots laboring Democrat classes. You already know that Dukakis lost the Polish. I can speak for the Irish Catholic vote even if they are not Republicans.

You drive thousands of them away when you put this killing amendment in your party platform. That is why 50 of you want it out and why a lot more would not sign the letter but want it out.

The life of the mother would always be restored as it has been since 1976 under our, pray God, HENRY HYDE. HENRY, I know you are listening. Please come back here, we need you.

Number 4, the language supported by Chairman DIXON would result in a restoration of tax-funded abortion on demand in DC. Fortunately, President Bush has already sent this letter which I have talked about to veto the appropriations and unless it continues the current law, that is the prohibition of abortions except where the life of the mother would be endangered if the fetus were carried to term.

Now my staff occasionally follows the proceedings of this House and because of this exegesis of the CONGRESSIONAL RECORD that not everybody is fair on yielding when they have the microphone, I am going to break a promise to everybody on my staff. My gentlemanly honor has been questioned, so I will rise to my 6 foot 1 inch and yield to the gentlelady first and maybe we can end the confusion. Sorry, staff, I happily yield to my friend from Colorado, the distinguished lady.

Mrs. SCHROEDER. I thank the gentleman from California for yielding. And I want to say to the gentleman from California, I think maybe you missed the point of our personal privilege. I think that you said exactly what happened vis-a-vis the language that you took language out that had not been there before. We pointed that out at the door by showing people what was in the bill and had bracketed what the Dornan amendment would take out of the bill.

Now as a lawyer it seems to me the courts could go two ways. Yes, the gentleman from California [Mr. DIXON] said that the Dornan amendment, if it happened, if it had passed, it would be silent on family planning because it would strike the provision on family planning. That is correct.

But a court could say because it was now in the bill and Congress acted to take it out of the bill, it could even mean; it was silent and therefore the District could do anything; or it is very conceivable the courts could also say that Congress did not want them to do that either.

Now that——

Mr. DORNAN of California. I want to reclaim 10 seconds of my time and I will yield right back to you to keep this in discourse. Would the lady please listen to the words. Nor are the—this is where Mr. AUCOIN erred, he left out "nor" or "are" and he left out "prohibited." Nor, are, and prohibited, and he said yesterday on the floor payments for drugs or devices to prevent implantation. I want to take that out. It says, "Nor are payments prohibited for drugs." That is an advisory, it could go either way. It means nothing.

I yield back.

Mrs. SCHROEDER. Then why did the gentleman take it out? I mean the gentleman's amendment took it out. So the question is why did the Congress vote to take it out, had we voted for your bill?

Mr. DORNAN of California. I reclaim my time for only 10 more seconds. I do not think you were on the floor when I said that the House Parliamentarian told me I had to keep it in. I am not accusing anybody any longer that they put it in deliberately although the suspicion is there to do what the film "Abortion for Survival" does and try to drag us into a birth control debate which expands your base across this country. But when you leave it out, your base begins to collapse. And so I was advised to take it out to try to get to where we were last year, and that is a vote on the Dornan amendment to go to committee, and what it did was it strung out people who have not come over to your side, you know that. These 30 people, at least 27—I talked to about 15—are angry that pro-lifers think that because of the Webster decision that they have deserted a lifelong career of pro-life and have become pro-choice.

Your majority leader, DICK GEPHARDT, voted for this terribly restricted tough language because of the parliamentary games here. I am proud of DICK that he stood strong as your leader on this.

Mrs. SCHROEDER. Will the gentleman yield back?

Mr. DORNAN of California. Yes, I yield back.

Mrs. SCHROEDER. You keep saying that the other people are angry. But you are the one that appears to be angry.

□ 1510

The point of personal privilege that we made and that the Parliamentarian sustained is that the gentleman was accusing Members of being deceitful, willful, and all sorts of things. The gentleman is also alleging we are pushing a film that I have never heard of before or seen. The gentleman is expanding this thing way beyond the issue, taking it every which way he can—defense bills, HHS bills. We are focusing on what happened that day.

Mr. DORNAN of California. I have to reclaim my time. It is not taking far afield to point out that the gentlewoman voted for the defense bill and the Health and Human Services appropriations bill with Hyde-Dornan language in, life of the mother, no abortion.

Mrs. SCHROEDER. If the gentleman will yield further, there was no Hyde-Dornan language in this bill because the gentlemen was striking "life of the mother, rape and incest." That is a very different picture. The gentleman is trying to portray others as doing something inconsistent. We were not.

Mr. DORNAN of California. I reclaim my time. Is the gentlewoman so sure? A lot of Members are not, including the 30 who flip-flopped for the first time in years around here. Is she so sure, without the disallowed contraception and the confusing message to some of the freshman Members, that this was a final act locked in, is she so sure after the President vetoes this, that the gentlewoman is going to prevail again, the 30 pro-lifers will come over to the pro-choice side, pro-abortion side, and start the killing again on October 1?

Mrs. SCHROEDER. If the gentleman will continue to yield, please stop using such loaded words. If we could all have joined hands and worked on

better family planning 10 years ago we would not be here.

Mr. DORNAN of California. I have to reclaim my time for a point. A play has been sent in from the bench that birth control devices are funded right now under title 10. We all know that. That battle goes on.

If the gentlewoman would not try to do what this film, that you never heard of, although it was sponsored a week ago by the pro-abortion caucus on the Hill. I don't know what you call yourselves. Maybe the gentlewoman is not a Member. The name "Abortion for Survival," again trying to confuse birth control and human sexuality, and whether it is for fun or for just procreation, to mix all this up in this debate. Of course, we can get together here on how to help little children. I was willing to debate Mr. GONZALEZ' amendment.

Mr. AUCOIN. If the gentleman will yield, is the gentleman ready to debate me or my question?

Mr. DORNAN of California. Is the gentlewoman ready for me to yield? She is not through with me yet.

Mrs. SCHROEDER. The gentlewoman would want to make it perfectly clear what we are talking about. I take it the gentleman from California was very upset there was language in the bill this time on family planning?

Mr. DORNAN of California. No; it did not upset me at all.

Mrs. SCHROEDER. If the gentleman will continue to yield, the gentleman still struck it.

Mr. DORNAN of California. Mr. Speaker, I reclaim my time. I did not care about that language. But the House Parliamentarian told me that for my amendment to be in order I had to strike the language.

I do not now believe that I had to. It could not be law. It is an advisory. It says to the District, "You can or can't do that, as you can do right now."

Mrs. SCHROEDER. If the gentleman will yield further, the gentleman still struck it out. Second, the Congressional Research Service did not interpret what we do here. Courts do. What we were saying is that could be interpreted either way. If the gentleman did not care about the language, why did the gentleman not just leave it out? The gentleman is making a point.

Mr. DORNAN of California. Mr. Speaker, I reclaim my time. The gentlewoman is being fair, and I am going back to her and being fair. I do not have to be fair because I can reclaim my time whenever I feel like it.

The issue was not debated that way on the House floor. The gentlewoman's pal and mine, the gentlewoman from California [Mrs. BOXER], took that well and said that the Dornan amendment disallows birth control pills. This says nothing about birth control pills.

Of course, without this, and remember, we are going to revisit this next year, and one thing on this word "killing," I have to take exception to someone not getting the use of the word because I try, I think I slipped twice in 12 years and used the emotion-packed word "murder." Murder, I was taught in grade school by the good sisters, takes place in someone's head. If a person thinks they are murdering people, even in a war, if a person thinks the war is unjust and a person is willing, that person is murdering. If a person thinks they are defending a cause of their country, they are not. That takes place in someone's head, but the word "killing" look, if I am in your office visiting with you, PATRICIA SCHROEDER, and a guy comes around and he is close to me, you say, "Kill that guy," I killed it. We are trying to find a way to kill the AIDS virus, a virus that splits when you try to kill it. People kill when they eat. We have slaughter houses to get McDonald hamburgers here. We kill a fetus. It is not an appendicitis attack. It is a living embryo, then a fetus, then a baby that lives outside the womb.

Mrs. SCHROEDER. If the gentleman will further yield. One of the big difficulties we have, as the gentleman knows, many people in the antiabortion groups do not believe in family planning. Some believe in family planning and some believe only in the rhythm system which is not totally accurate.

Mr. DORNAN of California. I reclaim my time, I reclaim my time.

Mrs. SCHROEDER. If the gentleman will continue to yield, what we are really talking about is when your language struck that out of the bill, a lot of people thought courts could go either way on that issue. We then handed it out. It was your language, what the gentleman struck.

Mr. DORNAN of California. I reclaim my time. That is wrong.

Mrs. SCHROEDER. If the gentleman will continue to yield, that is not what I handed out. I handed out a blue sheet of paper with what the gentleman struck. For the gentleman to call me deceitful or saying we are willfully trying to lead people astray, or calling Members muggers.

Mr. DORNAN of California. I reclaim my time. Calling you muggers, first of all, the gentlewoman knows in this House there are special orders that go on all week long where the minority over and over makes the point, and we feel it in a very sincere, heartfelt way, we are mugged over here all the time. There is nothing at all that is cruel about that word. We get mugged regularly. We were mugged by the long count where I watched House employees drag a Member from Texas down the aisle and have him change a whole vote that was significant. So do not get hung up on the mugging.

On the killing thing, I am sorry. When there is a Day's Inn, and I hate to use a commercial name, but it is true, a Day's Inn, a national franchise, has an inn, and I will not mention the State because I have it mixed up between two States in the middle of the country, that allows a doctor to put women in there, in their ninth month of pregnancy, eighth month, seventh month, and performs a hysterotomy to take out a live baby and kill it, when that goes on, the gentlewoman, yourself, Mrs. SCHROEDER, knows there has not been one doctor, including the abortion back alley pigs that the people talk about in this debate who were killing people before 1974, and it was made legal, and put their greasy shingle and put it out on Main Street and continued to butcher people, not one has been convicted in 16 years. The shame of the AMA and all of the doctors now in the majority that this should continue this level of killing 1½ million babies a year.

Mrs. SCHROEDER. If the gentleman will yield, the gentleman is missing my point. Many Members feel very strongly that we have not made the proper onslaught onto family planning that we should. That many people in America are having to use this same system Cleopatra used because they have not got safe, available, user friendly, truthworthy contraceptions that will work. So if we had, we really think that abortions would be a thing of the past and should be a thing of the past. The thing that frightened Members about the gentleman's amendment was the expansiveness and how that might be interpreted in the District of Columbia.

Now, that is what we pointed out. The gentleman is saying he could have gone either way.

Mr. DORNAN of California. Mr. Speaker, I reclaim my time. The Parliamentarian told me, "If you don't take this meaningless language that starts with 'nor are payments prohibited' I would be subject to a point of order," and the whole point of the mugging thing here is why am I subject to a point of order? Why when the Dornan language is law, why am I not entitled to vote, get a vote up or down on existing Dornan language so that the gentleman from Pennsylvania [Mr. KANJORSKI], so that any Member in this House can repeat their vote of last year and keep, I am sorry, the "killing" held to a low minimum in the District of Columbia where we all know there are more abortions than live births for 14 unbroken years.

□ 1520

When we get the statistical act extract when this fiscal year ends of September 30, I hope and I pray to God that because of my amendment, with the help of HENRY HYDE and CHRIS

SMITH and ALAN MOLLOHAN and JOHN LAFALCE and Mr. NICKLES, and some Democratic pro-lifers in the other body, Mr. HUMPHREY, I hope that for the first time in 15 years, births in this District, most of them black children, will far outweigh the genocide of black babies in their mothers' wombs in this, the Federal Capital of the freest Nation in the world.

Mr. AUCOIN. Madam Speaker, will the gentleman yield?

Mrs. SCHROEDER. Madam Speaker, will the gentleman yield one more time?

Mr. DORNAN of California. I must be fair. All right, just one time, I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. I just want to say one final thing. I am pleased to hear the gentleman say he is for family planning. I hope he joins us and helps us expand that idea, because we would like to make all of this moot. I do not know what the Parliamentarian told the gentleman; I only know that we were very concerned when we saw the expansiveness of the gentleman's language, and I think that is why so many Members were concerned. We really believe we should be out there fighting for family planning, and I hope the gentleman joins us. I hope the gentleman moves in that direction. I was just very, very sad to see your thinking that if anyone rose up and helped to defeat your amendment, you ought to go out and kick their heads like a soccer ball.

Mr. DORNAN of California. I would not do that to the gentlewoman.

Madam Speaker, how much time do I have left?

The SPEAKER pro tempore (Ms. SLAUGHTER of New York). The gentleman from California [Mr. DORNAN] has 17 minutes remaining.

Mr. DORNAN of California. Madam Speaker, I would never do that to the gentlewoman.

Now, time is relative. If we had 17 1-minutes here we could get a lot of work done. Let me just comment on family planning.

I used family planning when I was a young husband. I had 5 children before my 27th birthday, and thank God they were all healthy and my wife never had any miscarriages, although she had long labors, 28 hours, 26 hours, 17 hours, and it stayed that way until the end.

My wife and I used the rhythm method of family planning. Yes, I am intelligent enough to follow a chart, and, yes, I can hum a pretty good tune, and it worked for us. But we did want a lot of children. We wanted 7, 8, 9, or 10 if God would give us that. We got five, and now we have seven grandchildren.

But I am not going to force that on anyone else. It has always been my concept on this whole issue of birth control, although, yes, there is a division when it comes to an abortificient—the gentleman I am about to yield to had a little problem pronouncing that during that point of personal privilege, because I guess he does not like the word, "abort," at the beginning of "abortificient." But he will get it right the next go around.

Let me just say this: I know the gentlewoman in her law training, maybe in her logic classes of epistemology or ontology, the thought of the lesser evil, the very nature of the horns of a dilemma. Every little nun or great religious scholar who ever taught me said, "When you are presented with the temptation to take human life"—yes, they used the word, "kill," and in some cases, with the properly formed conscience, "murder"—or "murder human life, when you are presented with that evil, far better that earlier in the process you had opted for what other people would call a lesser offense, being that you are mortal, in some cases to prevent conception, particularly if you are unmarried or you are in a situation where you know that you have a problem with decisions of this sort, better to opt for some form of family planning than to be put in a position where you know you are going to succumb under societal pressures to abort a living child in the womb."

In conclusion, what I say is that I do not think that is ever going to come up in a vote on the House floor. The last State that I know that had laws against any kind of birth control was Connecticut and that ended 20 or 30 years ago.

What I said on this crippled, weird Ted Turner debate down there in Atlanta on Bastille Day, I said to Eleanor Smeal and the intelligent and articulate Fay Wattleton, whose mother in Atlanta is pro-life—Fay admitted that to me—I said to the two of them, "Look, I don't know anybody on Capitol Hill, from a hundred Senators, Mr. QUAYLE; the President of the free world, the United States of America, or anybody in this Chamber who has any legislation that involves birth control pills," which we know have caused a lot of medical problems, but that is for others to be concerned about; that is for Mr. WAXMAN in his Health Subcommittee to deal with. I said, "I don't know of anybody here who has exception." I said that, except when it gets into the area of the RU-486 bill, the French pill, which I choose to call the "death pill," which has so many medical side effects that are unknown. We do not want another thalidomide baby problem, which we did not have in the United States because our Food and Drug Administration in the main is more careful.

We are now down to about 14 1-minutes left here. I thank the gentlewoman from Colorado. I never would kick her like a soccer ball. I think she is one of the more energetic Members of this House and one of the most sincere. She can be a tough adversary. When she uses her velvet sledgehammer of gentleleness is when she is most deadly.

All I am going to say is that you were confused, and I understand that. But I am with you. Family planning is a conscience issue, like divorce. I am against divorce.

Do you know what is going to happen to us in the year? We are going to have more people on their second marriages than their first. I do not care about those people on their second marriages. What we all care about is the children, because the evidence is now coming out that divorce absolutely rips children.

But that is a matter of personal conscience. I do not want anything here to be involved that is of a legal nature on this floor, but I feel about divorce the same way as I feel about birth control

Now I will yield to TOM or TIM. I never can get the identical twins separated. And let me say that you ought to get on this DICK DURBIN, because you are using this home rule thing. When you have got the constitutional power to cut off killing, as we did October 1, Mr. DURBIN, then by gosh, we ought to keep it cut off. I am sure you do not want to answer to the pro-lifers of your pro-life State. You ought to come to California, a pro-death State, DICK, what they are going to ask you is: "Why do you let the killing exist when constitutionally you can cut off smoking, thank God, in an airplane so we all live a lot longer? You have the power to cut off abortions in your State."

Mr. AUCOIN. Mr. Durbin just got on the floor. I have been sitting here for 30 minutes waiting for the gentleman to yield to me.

Mr. DORNAN of Califorina. I know. I have tried to be gentlemanly.

Let me explain it to my distinguished colleague from north of me, from the State where they say, "visit us and then get out of here."

Mr. AUCOIN. That applies to some Californians, not all.

Mr. DORNAN of California. All right. Not to me certainly.

Mr. AUCOIN. Would the gentleman allow me to speak for, let us say, 1 minute and 20 seconds without interrupting me?

Mr. DORNAN of California. I yield the gentleman 1 minute and 30 seconds. the clock has started.

Mr. AUCOIN. I appreciate that.

Let us get back to what the point of personal privilege was all about. The gentlewoman from California [Mrs. SCHROEDER] and myself took a point of personal privilege this morning because of the letter the gentleman wrote. On all the options the gentle-

man is mentioning, the question of contraception and abortion and all the rest, we will debate that again, and I concede that this Congress is not a pro-choice Congress. But for the first time, on August 2, a victory was scored by the pro-choice forces on the Dornan amendment. We defeated the Dornan amendment.

But let us leave that aside, because we are going to have lots of chances to debate the substance of that question many times again. And let me say something more. The voters are going to watch and they are going to choose candidates on that issue the next time, and I predict we are going to see a whole different case of characters here.

What we are here today to talk about—and I ask that the gentleman pay attention to this——

Mr. DORNAN of California. Oh, I am paying attention. I just saw Mr. SLATTERY come out on the floor.

Mr. AUCOIN. Does this come out of my time?

Mr. DORNAN of California. That does not come out of the time, no. You have 35 seconds left.

Mr. AUCOIN. What we are here talking about today is the fact of whether the gentleman's colleagues, as he stated in his letter, were blatantly deceitful in representing his amendment.

If I run over 1 minute and 30 seconds, I hope the gentleman will allow me more time to finish up my thought, because, believe me, I will seek time and let him have as much as he wants.

Mr. DORNAN of California. Ask and ye shall receive.

Mr. AuCOIN. I simply want to have this on the record.

He said that we were blatantly deceitful. He said I was blatantly deceitful, and I have to take a point of personal privilege on that, because that is impugning my motives.

Mr. DORNAN of California. Your time is up.

I yield the gentleman on additional 30 seconds.

Mr. AuCOIN. I appreciate the gentleman's yielding.

If the gentleman will go back in his memory to the debate on the House floor of August 2 when he was offering his amendment, I asked him to yield to me on three different occasions, and he did, and I compliment the gentlemen for that. I have a copy of the RECORD in my hand. This is page 4928, August 2, 1989. I gave the gentleman a copy of it.

Mr. DORNAN of California. I yield an extra minute. We are going to reenact that scene.

Mr. AuCOIN. I appreciate the gentleman's giving me additional time.

I asked the gentleman this question on the conception language, and I am quoting from the RECORD. I said, "The way I read that, the gentleman strikes funding for contraceptive devices."

That is how I read it. Then I continued: So is it then true that Members in voting for his amendment would be making a personal record that they oppose funding of contraceptive devices? Is that not correct?

Mr. DORNAN of California. Read my fulsome words, please, sir.

Mr. AuCOIN. Mr. DORNAN of California said: "May I answer with a slight amplification? Technically, again the gentleman is correct, except there is a division in the minds of what I believe a majority in this House"—and then he goes on and gets off the point of whether or not he felt that funding for abortions would be——

Mr. DORNAN of California. I reclaim my time. I ask the gentleman to be patient. I am not cutting you off. I think now at this point, because we are getting to relative history and you have accurately reflected my words——

Mr. AuCOIN. I was going by the gentleman's words.

Mr. DORNAN of California. Do not interupt.

Mr. AuCOIN. I will get my own time.

Mr. DORNAN of California. What we are now going to do in reliving history is this: The gentleman is accurate to that point. Later I decided that was all a clever plan, and then maybe it was not, so we could throw the "Dear Colleague" in the ashcan. I thought it was a plan to confuse this issue, just as the film on survival or on birth control was, and I should have repeated Mr. DIXON's words that are silent on that. I think Mrs. SCHROEDER is wrong. Any court of law worthy of having the scales of justice over the front door would say it is advisory.

Mr. AUCOIN. The gentleman had yielded to me, I thought.

Mr. DORNAN of California. Wait a minute. Let me finish. I am now going to pretend you just asked me the question, and here is the answer I should have given you, and then you would not have been confused and our staffs would not have thought there was deceit here.

Starting from the period or before the word, "nor," these are meaningless words, because it is inadvisory. It does not say they must spend money for abortion, or it is not taking away their option, and they have the right not to. That is the way it exists today under Dornan language, and that is irrelevant. Then I would have brought a steely gaze upon the gentleman from Oregon, and then I would have said: "Dear Sir: Don't confuse this issue of birth control. Give me the life of the mother. You express that right now. Hold your chairman in obeyance so we don't get a point of order." And then, according you your own analysis, the pro-life House would have receive the voters of Mr. SLATTERY, Mr. KANJORSKI, and maybe Mr. DURBIN—at least, if not on this vote, later he would vote if the full language was in from the committee. If he helped me on two dastardly nights last September, he might vote that way again.

□ 1530

Mr. AUCOIN. Madam Speaker, will the gentleman yield again?

Mr. DORNAN of California. Yes.

Mr. AUCOIN. Will the gentleman let me complete my thought as he yields to me?

Mr. DORNAN of California. How much time will that take?

Mr. AUCOIN. I say about 45 minutes.

Mr. DORNAN of California. The gentleman from Oregon [Mr. AUCOIN] has it.

Mr. AUCOIN. Madam Speaker, I appreciate the gentleman from California [Mr. DORNAN] yielding.

If the gentleman now concedes that he gave an answer in response to my question when I asked for the benefit of the membership what the effect of his amendment was, when he concedes that he gave an improper answer, when he concedes he should have said something else, why then does he send a dear-colleague letter when I took his analysis on faith, I took his description and debated on the merits of that? Why does he then accuse me of a smokescreen and being blatantly deceitful?

Madam Speaker, that is why I took a point of personal privilege, and I think the gentleman from California [Mr. DORNAN] should really be careful about slinging around words like that when he has lost the first antiabortion amendment in 10 years on the floor of this House.

Mr. DORNAN of California. Reclaiming my time, Madam Speaker, last year was the first one I won, for heaven's sake, in 10 years on D.C.

Mr. AUCOIN. The gentleman from California [Mr. DORNAN] is not going to win many again, I will tell him that.

Mr. DORNAN of California. What the gentleman knows, and he said this; he can read this Congress from that first vote, that with this terribly narrowed-down, rough language causing problems for prolifers we still got 206 votes. Does the gentleman know—wait, wait, wait. I say to the gentleman from Oregon, "Now, come on, LES. Don't do that."

I ask the gentleman from Oregon [Mr. AUCOIN], "Do you know how many of the switchbacks we need when HENRY HYDE comes back tan, rested, and ready for combat in September?"

That is one. We only need 6 of the 30 flipfloppers—6. We can write off all the freshmen, and that broke in the favor of the gentleman from Oregon, and I say this in a fencing term, "en

garde," for myself, that of the six defeated Members, the lowest in the history of the Nation in two centuries, two Democrats, four Republicans, by a roll of the dice, because the issue never came up from what I can tell in any other campaigns.

Mac Sweeney of Texas was replaced by a fighting Irishman and prolifer, Mr. LAUGHLIN, and the other five, the Democrat, FREDDIE ST GERMAIN, who was always a loyal, consistent prolifer. JOE DIOGUARDI, MAC SWEENEY we lost. There were perceived real scandals in those cases. Jack Davis lost to a fellow colleague by less than a thousand votes who served in the Senate of Illinois with him.

I say to the gentleman, "5 you get; 1 we get. That narrows a little bit, but of the 30 flipfloppers we are going to get back surely 6, and the battle is on again."

Let me tell the gentleman what he——

Mr. AUCOIN. Madam Speaker, will the gentleman from California [Mr. DORNAN] answer my question?

Mr. DORNAN of California. Wait a minute. I yield to the gentleman.

Give me the question.

Mr. AUCOIN. The question I asked; I wish the gentleman would answer it, is, if the gentleman has stated, as he just stated moments ago——

Mr. DORNAN of California. I already know the question. I take back my time.

Mr. AUCOIN. Then he should have said something else.

Mr. DORNAN of California. Madam Speaker, I take back my time.

Mr. AUCOIN. Why does the gentleman from California [Mr. DORNAN] claim that I am being blatantly deceitful when I go on the basis of his description of his amendment?

Mr. DORNAN of California. I ask the gentleman, Don't make me turn to the Chair for disciplinary help. I will answer you.

Madam Speaker, I believe the gentleman to be—now I am not going to say it on the House floor because the gentleman from Oregon [Mr. AUCOIN] could have my words stricken down. What I put in print in the privacy of a dear colleague was what my thoughts were at the time because, as the debate unfolded, as this got amplified over and over again, I turned to Old English to conjure up not old ideas, as the gentleman from Massachusetts [Mr. FRANK] accused me of, but to conjure up the image of Jefferson Madison, to conjure up the image of Edmund Burke in the Parliament in England.

I said, "I think he doth know my position on that," to a lady and she went right ahead and twisted the facts.

Mr. AUCOIN. Madam Speaker, will the gentleman yield?

Mr. DORNAN of California. Not just yet. We are not through. This is exciting. Now wait a minute. I do not want to interrupt the rhythm here.

Go ahead.

Mr. AUCOIN. Madam Speaker, I think the gentleman is excited because he is trying to refight a battle lost——

Mr. DORNAN of California. We are going to fight it with President Bush if he vetoes the D.C. bill.

Mr. AUCOIN. If the President wants to be—figures and thinks that that is being kind and gentle to the women of this country, then that is an interesting definition. But what the gentleman said in answer to my question, and I was correct when I asked him if——

Mr. DORNAN of California. Reclaiming my time. Hold thy tongue, sir. I reclaim my time.

I said, "Let me answer with some amplification," and, if I had not been missteered by our purportedly nonpartisan Parliamentarians here, if I had talked over with JULIAN DIXON earlier——

Mr. AUCOIN. The gentleman's problem then is that he was missteered and I was deceitful. That is why I made a point of personal privilege.

Mr. DORNAN of California. I thought the gentleman was deceitful because when it was clarified later in the debate when he heard his own majority chairman of D.C. say, "The Dornan amendment is silent on anything that has to do with birth control," he may have left the floor when later other prolife caucus members said, "Nothing is changed in the prolife—I mean in birth control devices in the District under Dornan language in the law." That is when I thought there was deceit.

If it is only obstinate, obdurate, unbelievable confusion, then I have wasted this hour.

May I ask the Chair how much time I have?

The SPEAKER pro tempore. The gentleman has 1 minute remaining.

Mr. DORNAN of California. One minute left.

The gentleman from Massachusetts [Mr. FRANK] has not engaged in fair scales of balance on yielding. We are going to get back to the days of old when he and I were fair in that area maybe, but with 1 minute left, having worked in 34 States, including the State of the gentleman from Massachusetts, the State of Colorado, the State of Illinois, the State of Virginia, and the State of Oregon and, yes, even the State of Kansas for the current President, let me return to a kinder and a gentle close.

I say to my colleagues, "If you folks in the majority, fighting as hard as you can on the merits, will take a little well-meant advice and battle over rape and incest, because you've got President George Bush in your corner, you might win a few. But give us the decency of our heart-felt position which, by the way, is a fraudulent claim in these super medical years of this country. I would like some doctor to call me who is watching"—well, no, I cannot violate the rules.

I would like to find a doctor to tell me when is the last time anybody walked into a room and said, "It's the mother or the child." That has not happened to my knowledge for 20 or 30 years. Let us give us the right of the mother. You will lose most of them, and fight your battles on fairer ground.

I say to all of my colleagues, "En garde. I am passionate on this issue because I believe we are killing human beings with a soul given by God."

Madam Speaker, I thank my colleagues for their generosity during this wonderful debate.

THE CONSULTANT DISCLOSURE AND FRAUD PREVENTION ACT OF 1989

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. KANJORSKI] is recognized for 5 minutes.

Mr. KANJORSKI. Madam Speaker, I hope that our Members of the other body observed the last hour here. It certainly attests the fact that we all need a break. Maybe they will have some mercy on us or something.

Madam Speaker, I rise today to announce the introduction of the Consultant Disclosure and Fraud Prevention Act of 1989, legislation I am introducing to eliminate the kind of fraud and abuse we have seen at HUD and other executive branch agencies in recent months.

As I announced at the July 12, 1989, hearing the House Banking Committee held with Secretary Jack Kemp, my bill will deter fraud and corruption by consultants by requiring strict public disclosure of fees paid to consultants, regardless of whether those fees are paid directly or indirectly.

My bill will require reports by any consultant who receives $5,000 in any quarter, or $10,000 in any year, from any applicant or recipient of Federal funds, if the consultant contacts a Federal employee at or above the GS–11 middle-management salary level.

The consultant will have to provide their name, address and phone number along with the name, address and phone number of the person or company which retained their services, a description of the projects they worked on, and the names and titles of the Federal employees they contacted. In addition, the consultant will have to disclose if they have been employed by the Federal Government in the last 2 years, and if so, they will have to disclose the name of the agency, and their last title and salary.

Consultants will file their reports with agencies inspectors general, and the reports will be available for public inspection.

Consultants who fail to file reports will be guilty of a criminal misdemeanor and can be fined up to $5,000 or the amount of their consulting fee, whichever is greater, and can be imprisoned for up to 1 year. They will also be barred from contacting Federal agencies as a consultant for 3 years.

Consultants convicted of a misdemeanor and who continue to consult in violation of the 3-year prohibition, will be guilty of a felony and can be imprisoned up to 5 years.

Madam Speaker, this bill is important for two reasons. First, because it enables us to clean house at HUD and every other Government agency. And second, because unlike other proposals in this area it puts the burden on consultants, and not on our Nation's towns and cities or other applicants for Federal funds.

Madam Speaker, I invite all of my colleagues to join me in cosponsoring this important legislation, and I want to announce my intention to offer a HUD specific version of it as an amendment to the housing authorization bill, when that bill is considered by the House Banking Committee.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Madam Speaker, for some time now I have been waiting for an opportunity to come back to a way of proceeding that I embarked on the second week that I was sworn in as a Member of the U.S. House of Representatives, and that was to appeal to the privilege of what we call the special order procedure or processes, which in studying its history had perhaps one of the most profound reasons for producing this opportunity for a Member of a numerous body, compelled during regular debate to limit speech, an opportunity to enlarge beyond these limitations on a subject matter associated with the legislative process in an extended fashion that would enable that Member who might feel keenly on an issue or two to extend and discuss his views and his remarks with respect to that particular issue.

Through the years since I was sworn in, and that was January 10, 1962, I have exercised this great privilege innumerable times. Since the advent of public coverage of the proceedings of the House, there has perforce been an enlarged scope of citizens participating vicariously, but nevertheless participating; however, the reasons in the beginning were that it enabled a Member to be on record explaining and enlarging on his views, which in the give and take of limited debate he would be prevented from doing so.

At no time have I ever conceived even before coverage and when the idea was that one was on the record so that he would communicate or she would communicate with a colleague who would scrutinize the RECORD and if interested communicate and have the free market of ideas exchanged in that method; however, with the advent of public and national coverage, the temptation has been so often to substitute this precious forum, this great, great privilege of the use of the forum of the most free and democratic and open legislative body in the entire world, even that of our mother Parliament where through regulations and the sheer size of say the House of Commons members do not enjoy one-tenth the liberty and the freedom of representation that we as Members of the U.S. House of Representatives have.

For example, as long as the House is in session, one can introduce any number of bills or resolutions as one feels incumbent to do so. Such is not the case of a member of Parliament.

When we are elected, no matter on what basis of party affiliation, once we are sworn into this House the American contribution to the parliamentary system has been the free and untrammeled exercise of conscience and responsibility by that Member, meaning that the criticism of some foreign observers has been this would be chaotic because there would be no discipline of the party. In the case of the mother Parliament, that is not the case. If you are elected as a member of a given party, you have to vote once you become a member as that party dictates. If you want to stray, you are automatically dismissed as a member of that party, so these are the great contributions and differences, and through our processes that have worked and still provide the last best hope, the one beacon ray of light in a troubled world engulfed by war, because even though we talk about peace and peace, there is war and war.

□ 1550

We still have free, untrammeled, and constitutionally protected rights to speak freely in the course of debate. The only privilege in the Constitution, our fundamental law, is the protection of speech of the Member during the course of debate, the men who wrote the Constitution having been victims and having been people who aired a custom of abuse on the part of kings, who did everything they could to intimidate the first of those elected to represent the people in England by either arresting or obstructing their attendance, of attempting to punish for what remarks a member may have made during the course of debate. This is an integral part of the first article of the Constitution of the United States that a Member shall not be answerable, other than specific exemptions such as high crimes, felonies, or treason or misdemeanors even, or breaches of the peace, but other than that, there is no reason why any Member of this body should ever feel intimidation.

Intimidations in our day and time come in other forms, manner, shapes. Just as we boast of the freedom of our press, there are practices that have come to encroach on that freedom and with the accumulation of that tremendous power of control of ownership of the press whereby the famous student of the press, American student of the press, writing about some 40 years ago said, "The only one who really has freedom of the press is the owner of the paper." But what is our form that we should fear? As we should fear, what form does fear inhibit the open and untrammeled disclosure that should be the daily experience in a deliberative body such as this great House of Representatives of the United States of America? In the case of the press, of course, we do not have censorship, but there is more than one way to have overt censorship when some master hand or official says, "I prohibit this from being printed." What is that method? Through omission. If something is not reported, how are the people going to be informed that it is happening?

Today over 93 percent of our American citizens watching television, which is a tremendous, overwhelming number of Americans, are subject to the network presentation and interpretation.

An event can be a nonevent if it is not reported, or if through direction or indirection even the presentation is either fragmented or perverted or truncated. We have then what I call censorship through omission, and that in a society such as we live in today can be the equivalent of denying a free electorate the sources of information which must be vital to its forming an independent judgment in its great trusted responsibility of participating in the governmental processes.

Should we blame people if we accuse them of voting ignorantly if they are not given much of a choice to choose through either inadequate option of choices or a knowledgeable discussion of the facts involved?

These are challenges, I think, we face. Internally there should be no hesitation on even the most meek among us to speak out as the case may be, and as the need summons, on every occasion that the opportunity presents itself.

We have tremendous issues that today have reached the point of no

return. Either America and its leaders, and that means the people also, leaders chosen by the people as agents and representatives, to consult and confide in the American people the dimensions of the tremendous problems that at this historical junction of our great Nation we will inevitably inexorably have to face.

Having been assigned to the Committee on Banking, Finance and Urban Affairs, what was then known as the Banking and Currency Committee, 28 years ago that I arrived here, I chose to remain on that committee, and I was privileged and honored to have been selected by those who had the power of selection to be assigned and selected for duty and performance on that committee.

Nothing has been more anguishing to me than to have sensed, to have seen, to have surmised, to have concluded both through observation, in hearing testimony over the course of many hearings, as well as reading and study to predict reasonably and on a rational and safe conclusion that certain events plus certain events just as surely as mathematically 2 plus 2 would equal 4, that it would be reasonable to expect this or that, to find that it is battling a tremendous sea of indifference or perhaps, more pointedly, ignorance.

There were other issues not incidentially to the duties of serving on the Committee on Banking, Finance and Urban Affairs that have agitated me even long before I would ever dream I would have the honor of being elected to the U.S. House of Representatives. I am a Depression-era generation, and that means a world war generation. It has been my privilege to live through the most incredible times never once imagined in the wildest of our fantasies in youth.

I have seen dear ones, friends, companions of childhood and boyhood, when we never thought we would go beyond 100 miles from our hometown, finding ourselves to the four points of the world in war, somehow to return, some returning maimed, wounded, torn up, some of us to witness what was so incredibly that, even to this day it sounds as if it was just a bad nightmare, the assassination of a loved President. I was one that was fortunate and chosen to ride with President Kennedy on Air Force One on the first leg of that fateful trip.

□ 1600

I was also one of only four Members of the Congress who were invited to fly on Air Force One. Two other Members, colleagues of the House, Representative OLIN or "Tiger" Teague of Texas, and Representative John Young, also of Texas, and U.S. Senator Ralph W. Yarborough, U.S. Senator at the time from Texas, and that was it. The rest of the contingent from Congress was on the backup, Air Force Two, with Vice President Lyndon Johnson.

The next day, of course, it was just incredible when I found myself, through a fortuitous combination of events, outside of the room in this corridor with the lone person, the wife of that President at one end, and I unwittingly right across a rather small hall from the door leading to the small room in which just overwhelmingly and astonishingly I found that that was where this great, buoyant, quintessential representative of American youth and leadership was dead and inert there.

For months after, even sometimes more recently now I would wake up in the middle of the night and say what a terrible dream I have had or nightmare, I had the nightmare that the President of the United States had been shot, only to find it is not, the reality is that it did happen.

Since then and the things that happened, and my great privilege of being allowed to, by the 20th District of Texas constituents, continue to serve in the House of Representatives, the issues that preceded, for instance, again it was amazing when the bells were sounded calling for a quorum, which was rare in that day and time in 1965, summoned to the House to discover that the issue on hand was a resolution calling for a constitutional amendment, to be the 25th. Looking at the report to accompany the resolution and at the language of the resolution, I could not believe it. I could not believe that this was being pressed for adoption, for to me, and I say it on the record, incidentally, that there were 28 of us that voted no on that resolution, but I was the only one who gave reason in the RECORD, and I said, because after I went to the then-chairman of the Judiciary Committee and said, "Sir, what do you mean by this section 4 that says that if the majority of the governing body decides that the President is unable or disabled to serve and function he shall then be considered unable and the Vice President shall become the Acting President of the United States?"

I said, "Sir, pardon me for intruding, but what do you mean by the governing body of the United States?" Then with great disgust he said, "Well, the Cabinet. What do you think?" And I said, "But sir, the Cabinet is not a constitutional word, and governing body, unless you define it in a constitutional amendment, can mean anything."

He was so disgusted he waved me away, but I made up my mind right then and there, I could not vote for it. When it was over with, and I had time to think in my mind, why I took the well and I said this is potential for the destruction of our very Constitution right here. I am conversant with the deliberations of the constitutional convention, and the biggest fear that those Members had was that there would be created an office that would even remotely not be accountable, that if there was going to be such a thing in the words used then of a chief magistrate, that by all means it would have to be elected by the people. So I got up and I said so, and I said what this seems to me is evoking those dark days of intrigue of the Roman center at the time the Roman Republic was reaching the point of degeneration and decadence, and the days were just numbered, and it was a matter of time before the Roman Republic and a semblance of democracy for that day were doomed. I said moderately it is reminiscent of the intrigues of the last French republic when facing the German invasion in 1940. The potential for mischief is so great that I cannot conceive of this body passing it out or much less three-fourths of the legislatures approving it.

Well, they did. I said, additionally I am not thinking of times like now, I am thinking of day sof deep cleavages, passionate divisions such as civil wars. What is the potential for mischief here if you have bold and ambitious people who fill the definition of the majority of the governing bodies desirous of power, and the elimination of a duly elected President.

All of that is in the RECORD. It is not what I am saying now in retrospect, and this is why I urge my colleagues that no matter what abuse there is, and I consider it abuse if I were to take this forum and try to substitute it for a political stump, and this is why anybody can search the RECORD of the infinite number of times I have exercised this privilege to speak if I have abused it in any manner, shape or form. I try to never inject political partisan, because I think that is for us to take back to the stump and argue before the people, not here among us.

I am giving these as examples only, and that is just one of many. I took this floor 57 times between 1970 and 1971 announcing what I entitled "the Sharpstown Follies." And what was that? It was revealing the corruption emanating from Texas and reaching the highest levels of the Justice Department in the person of the Deputy Assistant Attorney General for Criminal Matters, a former attorney general of Texas. I directed a letter to the President, I directed a letter to the Attorney General. The Attorney General, John Mitchell, not once an acknowledgment, but after the 55th speech, the newspapers in Texas discovered that there was a scandal of giant proportions, and what I was saying was truthful. I even placed in the RECORD Xeroxes of canceled checks and other documentation showing that the processes were being corrupted, and that the greatest inter-

ests of the greatest number were not being served.

Finally that deputy assistant attorney general resigned, and in Texas it led to a gigantic, cataclysmic political upheaval. One of the highest placed State officials went out, some ended up being indicted and the like.

Then came right on the heels of that, but a few years later, the assassination of Federal judge John W. Wood of the western district of Texas, and working out of San Antonio and over to the border, 600 miles away in El Paso.

□ 1610

Before that, not here but back home, I had made four trips to the local grand jury to report that after the closing of the cocaine ring, the French connection, as they called it, along our northeast and Canadian border, the activities had been transplanted to south of the border. And San Antonio was becoming the way station, and that these elements were so brazen that they had developed $1½ billion business of the stolen cars of the United States into Mexico in exchange for a drug. As a matter of fact, it was so sophisticated that in Chicago the underworld had a computerized link in which information as to what kind of car, what kind of car part was desired. Chop shops.

Then there were four lines of transportation. Eastern: Coming from this area down to the South across New Orleans, Houston, down to the southern tip of the border in Texas.

The other: New York, Chicago, Dallas, through San Antonio, Laredo, and into the interior of Mexico.

The other: Las Vegas, El Paso, Juarez, and then in.

The other, on the west coast: Los Angeles down on the border and into Mexico.

There were certain murders occurring in San Antonio when I had a call from the chief of the homicide division of detectives of the San Antonio Police Department. He said, "Henry"—and the reason he knew me was that when I was chief probation officer for Bexar County, after the war, he was a rookie. I became intimately acquainted with the law enforcement processes, the problems confronting them.

Let me say by way of preface that my swan song when I left that in 1947, was to warn what I felt was an impending danger among our youth, drug. But what was the drug? It was what they call yellow jackets, amphetamines. There was no juvenile during the 4 years I served that we ever had because of drug addiction. There was no such thing as what we call a drug problem among our youth.

The worst we had were juveniles who happened to be arrested with adults who happened to have some marijuana cigarettes. But there was no hard core. Even among the sophisticated, affluent elements of our population, it was only during the war that the amphetamines became popular as sedatives.

And then soon the kids discovered, and I had a theater manager call me and say, "Henry, shameful things are happening. Some of these kids are buying yellow jackets," which you could have gotten over the counter at that time in a pharmacy. They were taking them and dropping them in a Coke bottle and getting a big kick.

That was my warning. The only other thing that we had was some of the returning, and I will say this, the proudest days of my whole life, including my political career was the service as a juvenile officer, and the great, great feeling, I can't describe it, when I have a grown adult call me or come by here and say, "Remember me? I have been wanting to thank you because today I have a wife, have a family, I have property, I have a business. But at the time I came to your attention I might have gone somewhere else and I know I would have." That to me is the greatest thrill.

But when this sergeant calls and says, "How do you figure two men bumped off here in the south of the county, one over here on the north side, stabbed 82 times?" My question to him was, "Who are these individuals, and what records do they have?" And he said, "That is the thing, they are all automobile salesmen but not a one of them has a record." And I said, "Well, I would suggest that what you have is some hits that are being made by elements coming across the border."

After all, a person could get in a car in Nuevo Laredo, cross the bridge, come into the United States, in 3 hours' time he was in San Antonio, make the hit, and 4 hours later he was across the border.

What could the police do?

So then I went to the grand jury because I had a constituent whose son I had handled some years before, and who was very worried. Sure enough, she had reason to be.

And it led to the first evidentiary knowledge I could produce as to the existence of this drug activity, mostly as a waystation.

When the overlords decided from the New Orleans sector that they would go into the drug traffic, they actually came to Houston, about 190 miles southeast of my city, but the fact is that finally I suggested that the local officials coordinate with the State Department of Public Safety, the State law enforcement, and the Federal.

To my astonishment I found that on the Federal level Customs, Border Patrol, Immigration did not even communicate among themselves, much less than the, what was the equivalent then of our Drug Enforcement Agency today. It was a very meager bureau at the time.

I came up, I sought and obtained an audience with the then special assistant to the President. By then it was Mr. Carter.

Thanks to that help they finally coordinated some effort and operated a sting operation, of just 1 day, on the arteries leading in and out of San Antonio.

There were characters that were well known to the police that were spotted driving late-model cars, pickups, you name it, and when stopped, were discovered to have engines whose serial numbers somehow or other were not there. They found in that one day that there were 152 passenger automobiles stolen on their way to Mexico; there were 11 motorbikes or motorcycles; there were 57 pickups and another number, I forget which, of trucks and the like.

So that gave an idea of this activity.

But when there was an attempt to try to enforce, in El Paso, then a murder was reported of a prominent lawyer whose brother was very active in Las Vegas, but who were very exercised because of what they called "Hanging judge" John W. Wood.

□ 1620

I explained all this. I went to the grand jury. I said, "Look, the day is going to come when our law enforcement agents are going to be in real danger because these elements are so brazen that they think they are just free to do as they please. They have very modern, sophisticated methods." I repeated about the computerized operation in Chicago. Well, the rest is history.

One morning in October the assistant district attorney for the western district who had just returned from a prosecution in El Paso coming out of his home. Where was his home? Well, it was, after redistricting, it was out of my district, it was up in the affluent Alamo Heights suburb, and a van came up and fired, I forget how many rounds, through the rear window. Miraculously, he ducked underneath to the floor of his car and he was not hit. The police had no ideas, no clues, nothing. Again, I was called by the police. I said, "Well, I think that you have a description of a van, and when you find it, you will find that it is stolen, and I think you ought to look toward Austin, Texas." Sure enough, that was right. They never could find the weapons. They never could ascertain the identity of those that had perpetuated that deadly assault.

"What was the motive," they said? I said, "It is brazenness. They are out to prove that they are going to cow the judiciary and the law enforcement; that is, the district attorneys and their

assistants." I said, "You have to find them." Well, the thing just lulled, so when the Congress opened, I spoke out. Every day. Now, there was no television coverage. I could not be accused of seeking publicity. However, I was hoping to keep this on the front burner of law enforcement. The long and the short of it is that finally a special investigative team on the Federal level was formed. They went down to the area. I was here in May. That was 8 months after the assault, when I had a call. There was this young assistant district attorney who said, "I am here because the Justice Department has invited to honor me, and I can't leave without coming by and thanking you and telling you that Judge Wood would like to convey his best." So I had breakfast with him in the dining room, and he said, "Judge Wood would like for you to send him an autographed picture," is what he said. "We are so grateful that you have maintained this interest in this, and try to keep this case in the forefront of enforcement." I said, "Well, I think we owe it to ourselves." He said, "Judge Wood has gotten impatient because of the assault on me. The marshals have given us some protective custody, but Judge Wood has gotten impatient and as of last week he ordered the marshals away." I could not eat. I stopped eating. I said, "Sir, when are you going back to San Antonio?" He said, "Saturday." And this was Thursday. I said, "You've got to call. You've got to get back and tell Judge Wood he's got to keep the marshals." Under no circumstances, and he laughed, and he said, "You don't know Judge Wood." I said, "Maybe I don't know Judge Wood, but I do know the elements out there."

Well, that happened to be May, and the Thursday and Friday before Memorial Day Monday. So I go down on Friday, praying that this young man would advise the judge. I looked up the judge's phone number, but he was not listed as far as his personal residence was concerned. Monday was Memorial Day, and I was proceeding to prepare to come back on Tuesday. There was no business on Tuesday, when at 8:30 in the morning I received a call from the local editor. He was all excited, saying, "Congressman, Judge Wood has just been shot outside his apartment," again up in this area known as Alamo Heights. This is the affluent section of our city. I said, "How? I hope he is not badly hurt." He said, "No, I am afraid he is dead." They said their superior asked them, the city desk editor was calling and wanted to know if I had any ideas. I said, "I tell you what happened this last week when the young man came over, the assistant district attorney, but I just don't know to explain this other than to tell you it has to be professional, it has to have been very well planned, and it just makes me feel like crying. It is avoidable." Well, sure enough, it finally came to the conclusion that the assassin had been lying in wait up at a roof point, had waited for the precise moment. The judge was very regular when he would step forth, go to his car, and at that point he was shot dead.

Well, obviously, a person does not have to be an expert to know that that is a pro. It is a professional. That it had to have been well planned, that it had to be a matter of weeks of casing, as they say in police work.

Well, lo and behold, the whole thing raises alarm, and 3 months later, no clues, no nothing. They could find a gun. They did not know who to suspect. They had no evidence, nothing.

I took the floor. I spoke, and I spoke, and I spoke. I was criticized for many months. More than a year later, I went home, and I get a call from Director Webster of the FBI. He says:

> We wanted you to be the first to know because we want to give you thanks for having spoken, made it possible for us to get the needed resources we needed. I wanted you to be the first to know that in the next 2 hours we are going to answer the first four indictments in this murder.

Well, of course, that makes me feel proud. The point I am trying to make is that I was not coming to this House floor to get notoriety or anything like that. I was not making press releases. I was telling my colleagues that this was the crime of the century, that it was a first assassination in the history of our judiciary, and that we could not afford to let it lie in the dust of history. We could not let the death of Judge Wood go the way of the disappearance of other Americans who to this day, their deaths are unaccounted for. Americans like Jimmy Hoffa. He is just a police case number, and so on. That is not acceptable in a free democracy. I said then, "This is king crime."

Today, I am rising to say that this country faces the greatest confrontation of combined dilemmas, domestic and external, that it has faced, and yet it pains me to say it is not recognized as such. For instance, since 1964 I have pointed out that over half of our defense budget is for the so-called defense of Europe. I asked the question, but what Europe? A 1947 Europe. We have a defense bill. Taxpayers pay for it, a better than $300 billion, over 60 percent of that is supposed to be for what? The defense of Europe.

□ 1640

Nineteen forty-seven Europe.

In 1964 I said:

> My colleagues, that has gone on forever. We've got new generations coming up. They are going to be stepping in our shoes. They're on the threshold of demand all over the world.

In Germany, where we have 300,000, plus of our military dependents, what is going to be the context? The perception?

Sometime in the early 1950's, we changed the designation of our troops from occupation to defense. But the day is going to come, as it did after World War I, and how long did it take after World War I?

By 1930 and 1931 the German writers and thinkers, those who felt they were enthralled as a result of the treaty, were saying, "German guilt is a myth."

With that, should anybody have been surprised that a Hitler emerged? Did Hitler come out of somewhere and foist himself on the German people? Are the German people lesser or smarter than any other group of human beings? Of course not.

Are we exempt from the same happening to us? Of course not.

Just within the last 8 years, I have repeatedly taken this floor, pointed out how we have been nibbling away on what we used to consider sacrosanct constitutional rights. I have pointed out for 25 years how the economic freedom of the American people has been bargained away, how we have created that which the Founding Fathers would never, never have conceived as being acceptable, and that is the creation of so powerful an agency, not accountable to either the representatives of the people or the Presidents, that it would have total control on the credit and the economic lifeblood of the country. But we have had that freedom, and we are on record in every one of these events.

Today, now, all of a sudden, we have the reports about Ein Deutschland, one Germany. Well, of course. The Constitution of the Federal Republic of Germany, one of its first clauses is: ultimate reunification. How can we sit here and think that a generation now—for instance, the chief of state in Germany is Mr. Kohl. He was 15 years old at the time of World War II. The chief of state in Russia, Gorbachev, was 15 years of age at the time.

So, what is happening here? We are now going to be considered anomalous, out of place. All of a sudden the big fear of the invasion of the Russians through middle Europe. To what? I never could understand that, never.

Mr. Speaker, why would the Russians want to come over and take France, for instance? Man, they could not even handle Poland in the first place.

But who was trying to learn what the intellectuals and the writers in Russia, and Germany and Poland have been saying? I have never seen any evidence of that in any of our free press, and yet it is absolutely fundamental and imperative that we do so, for it is time.

The winds of change are the only thing in human existence. Changes are sweeping over those broad lands.

How will we channel it? Is there a peace treaty? No.

Did our press report that in the last elections Mr. Kohl had, and the election before last; in two of the German provinces the big issue was "We think we ought to have the return of the province of Silesia and that other province that is now in Poland but right now belongs to Germany."

Did our press find out how Mr. Kohl tried to mollify those fears and questions? He said, "Wait until we have a peace treaty. That will be part of the discussions."

Gorbachev goes to Germany, which would have been incredible to think of 10 years ago. Our Presidents go to Germany and say, "Oh, the wall ought to go down," and Gorbachev goes and says, "Well, you know," and the Germans take him to heart. They acclaim him because no longer now do they fear that threat.

But our defense, it is predicated on that threat.

So, where are we? Where is our leadership? Should we wait for the British, for instance, whose fears are a little bit more practically grounded? Should we not in our leadership say that the world has changed?

We have got a brand-new world here, so, therefore, we are going to face, after almost 50 years, the need to have an understanding among us, and now that we have reached a point of discussion where we can at least sit at a table with the Soviets, what do we do about the German question?

The beginning of the Cold War was the German question, and our insistence on rearming Germany and inability of anybody to say, Well, I can't wait to get together for having self-determination." Under what conditions, for instance, if it is so desired, shall they have an election in so-called East Germany where the people will express themselves if they want to come and reunite to their fatherland?

All those are no-noes. We better not because from time immemorial temperament and German custom is so totalitarian and authoritarian.

Mr. Speaker, what are we going to do then? Wait until events pile up over which then we will have very little control? What about the fate of our 300,000 servicemen there? What is the outlook there now?

That is one. That is just one.

Incredibly south of the border, and the world is again restructuring in economic blocs, and Japan, without using war, as it did in the thirties, has put back in place a Japanese coast-of-fear prosperity. They have gone a long way in penetrating all those markets.

Oh, there is still a lot of inherent hatreds and fears; Koreans, for instance, and Vietnamese, Chinese. But there is accommodation, and what they were unable to do through force, through economic ability they are succeeding quite well.

As a matter of fact, as they did before World War II, they are succeeding greatly south of the border. And what are they doing? We are isolating ourselves totally under these disasters, and I cannot be accused of not having spoken out. In fact, I spoke out to the point of political damage to a certain expense back home.

□ 1640

I criticized President Reagan, as I still do, to think that in the 1980's a President would come across the horizon in the United States who would take our country back to Calvin Coolidge and gunboat diplomacy. It is incredible to me even now, instead of using the American leadership, the tremendous potential that even the peoples in those countries are seeking, where we would build our block in the natural way it should.

We have retreated. In 5 years, beginning in the middle of the seventies and the beginning of the eighties, business, American private enterprise and investment went down from 37 percent to 17 percent in Latin America, and mind you, this was before these tremendous cataclysmic earthquakes of developments, human earthquakes of revolutions, because the world has shrunk and no longer will we be able to control, or anybody, the masses of people who for 300 years have been submerged and subjected to despots, with total loss of freedom in the most impossible ways.

Should we not then be restructuring a rebirth of American leadership, the ingenuity and the ability that is there?

If our President can go to China and sit down cheek by jowl with the Communist leaders there, if he can go to the Soviets and do the same, what is wrong with him asserting his leadership and calling a summit of the Western World here or at another acceptable place, and saying, "All right, what is your trouble? What is your ache?"

I say there would be such an acceptance, there would be such an overwhelming acceptance that it would amaze and surprise even those most skeptical and cynical of such consideration.

So I say, what is wrong with American leadership saying:

Hey, we lost many thousands of our lives for freedom. We don't want our children and grandchildren and great-grandchildren to have to face a similar fate because of our inability to face reality.

While we still have, God willing, the ability to shape events, not be the creatures of fate, but the shapers of destiny, and say on the one hand:

We are going to call a conclave. Now that you Europeans are going to form a single market, your development of the European monetary system and the currency unit unquestionably is targeted for the day that it will replace the dollar as the international reserve unit.

My colleagues, if that happens, what are you going to face with the horrendous private corporate and governmental debt beholden for the last 7 years to foreign capital, fickle? What that would mean would be that all that debt would have to be paid back in somebody else's currency, not our dollars.

My colleagues, I cannot begin to describe to you what a horribly fateful day that will be for American freedom of every kind, economic as well as other. In this day and time, political freedom, fine, but without economic freedom, what do we have?

Above all, the vaunted American standard of living, that is what is at stake.

For that reason, Madam Speaker, I thank the Chair for the indulgence and privilege of addressing the House in this fashion.

HEAD START AND DAY CARE

The SPEAKER pro tempore (Mr. BROWN of California). Under a previous order of the House, the gentleman from Minnesota [Mr. PENNY] is recognized for 3 minutes.

Mr. PENNY. Mr. Speaker, Head Start was established to give economically disadvantaged 3 to 5 year old children a better chance of educational success and is one of the Nation's most successful and popular domestic initiatives. Support for Head Start is broad based. President Bush has endorsed the program and the House of Representatives has recently approved a modest funding increase. Head Start provides nutrition meals, medical and dental screenings and immunizations for children who would otherwise not have them. In addition, Head Start closely involves the parents in their children's education—35 percent of Head Start staff are former Head Start parents.

Head Start students are 65 percent more likely to graduate from high school;

Head Start students are one-third more likely to pursue a college or vocational education after high school; and

A $1 investment in Head Start returns $6 because of the decrease in long term costs of health care, special education, public assistance and crime.

Unfortunately, Head Start serves only one-fifth of the eligible children. Almost 5 million children in the United States below age 6 live in families with incomes below the poverty level. Head Start should be fully funded to help close the opportunity gap for these young people.

This year, awareness of the need for affordable day care is also at the forefront of the national agenda. This need is greater than ever for economi-

cally disadvantaged families. Many of my colleagues propose the creation of a new Federal program to subsidize day care for low and middle income families. This would involve billions of dollars in new spending and would compete for scarce resources with other needed programs like Head Start. Without changing the structure and purpose of the Head Start education program, I propose funding for full-day care and summer care for Head Start children whose parents are working or attending a job training or educational program. This is a more targeted, affordable option which reaches those families with the greatest need.

My bill also contains a pay-as-you-go component. It calls for delaying the indexing of the standard income tax deduction for 1 year. This approach would provide sufficient revenue for the Head Start expansion and would spread the cost fairly among all taxpayers.

There is a lot of discussion of Capitol Hill about making child care and education programs a priority. I believe my legislation to fully fund Head Start and offer day care to Head Start families is the right approach. An investment in Head Start today will produce long lasting benefits.

INTRODUCTION OF LEGISLATION TO AMEND THE FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT

The SPEAKER pro tempore (Mr. PENNY). Under a previous order of the House, the gentleman from California [Mr. BROWN] is recognized for 60 minutes.

Mr. BROWN of California. Mr. Speaker, today I am introducing legislation to amend the Federal Insecticide, Fungicide, and Rodenticide Act [FIFRA]. The proposed amendments contained in this legislation are not a comprehensive rewrite of the law, but represent a first attempt to deal with some of the more nagging shortcomings of the statute. This proposal is also a clear signal that we are serious about taking another look at FIFRA in light of a number of recent events.

I have been involved in the legislative discussions on FIFRA for many years, too many for my liking. As chairman of the House Agriculture Subcommittee which has jurisdiction over FIFRA, I have spent much of the last 7 years looking at comprehensive changes to the statute. During that time, the problems have mounted and our inability in Congress to fix some of these problems has come back to haunt us. The recent food safety scare which hurts producers, retailers, and consumers alike can be traced to well recognized satutory shortcomings which have been neglected. If we are to restore public confidence in our pesticide regulatory system and return some stability to the farm sector, now racked with uncertainty about the next EPA decision or the next public pesticide panic, we in Congress need to step up to the issue and deal with it.

What I am proposing in this legislation deals mainly with the process of an orderly review of registered pesticides and an expedited cancellation process for those pesticides which cannot be used without posing an unacceptable risk to people and the environment. It does not attempt to solve a number of other problems which my subcommittee has uncovered over the last 7 years; it simply addresses the most serious problems and sets the ball rolling for consideration of solutions to the other problems.

I also do not assume that this proposal is a perfect solution. I hope that during the months ahead that this proposal can be further refined and improved.

What has led me to introduce this bill is a combination of need and frustration. The need for reform should be evident to anyone who has picked up a paper or magazine in recent months. Our current pesticide regulatory system is not working and does not have the confidence of the American public.

My frustration results from having waited in vain for nearly 5 months for the administration or interest groups to develop legislative suggestions for pesticide regulatory reform. Our colleagues, Mr. WAXMAN, has introduced legislation which seeks to meet this need for reform using the Federal Food, Drug, and Cosmetic Act [FFDCA]. But this legislation does not fix all of the problems and does not fix them in the pesticide statute, FIFRA. While some changes in the FFDCA are needed, they should be accompanied by, or in some cases replaced by, changes in FIFRA.

Mr. WAXMAN should be applauded for his efforts in drafting legislation but his bill should also have spurred a similar effort in FIFRA.

To date that has not happened. There has been much talk and hand wringing about the issue. There has been much debate about whether Mr. WAXMAN's approach is right or wrong. But there has been no action taken to fix the real problems of FIFRA. The administration has been working for the last 3 months to develop a legislative proposal but, except for press reports, we have not seen an administration position. I have been asked to wait for this position and have been asked to wait until various interest groups can develop concrete proposals, but I have seen nothing emerge.

What has emerged are calls to my subcommittee from panicked consumers who fear pesticide residues on their food. I hear from growers asking if they should use a certain pesticide residues on their food. I hear from growers asking if they should use a certain pesticide on their crops because they know it is under review at the Environmental Protection Agency [EPA]. I hear the shrill protests from groups seeking protection from this bill or the EPA action, but I hear no solutions being offered, no firm proposals for getting out of this mess we are in.

So, on the last day before the August district work period, I have taken this step of offering a proposal of my own because I am tired of waiting for the interested parties to develop a consensus.

First, this bill lowers the threshold for cancellation and changes it from a lengthy hearing process into an informal rule making process, similar to that used in other environmental statutes. It sets up a process for suspending a pesticide which poses a risk too high to wait for the cancellation process, meaning that the use of the pesticide is not allowed during the cancellation process. It proposes an even more rapid emergency suspension process for pesticides which pose such a great risk that they cannot even wait for the consultation and review involved in a regular suspension procedure.

The need for this streamlined process which provides EPA with a range of regulatory options for problem pesticides has been evident for some time. The current cancellation process involving administrative hearings can drag on for years. The subcommittee has repeatedly heard from EPA that they prefer an informal rulemaking process as a way of speeding up the cancellation process. The process proposed in my bill will take up to 2 years. It does not shortcut the scientific review process leading up to a cancellation decision, a review process in which the registrant is involved at every step of the way. This simply says that after EPA takes years to evaluate the science behind the possible risk posed by the use of a pesticide and decides that cancellation of some uses is the only option, they should be able to move quickly without the adverse public reaction over delays, like the one which occurred in the Alar decision earlier this year.

Similarly, if EPA has discovered an especially risky pesticide for which even a 2-year delay is too great, they should be able to move rapidly to suspend use of the pesticide during the cancellation proceeding, since during cancellation a registrant can continue to market a pesticide. The proposal in my bill says that if a risk is too high to even allow that additional 2 years of exposure, EPA should be able to act.

Second, the bill then proposes that there be a regular review of existing pesticides on a 9-year cycle, putting a permanent program in place similar to

the one-time reregistration process contained in the 1988 FIFRA amendments.

This proposal addresses the situation that led up to the reregistration program passed last year. Without some process for regular review, EPA simply passes over currently registered pesticides when a new test is required. This means that older pesticides remain untested for years until EPA gets around to them. This also means that new pesticides, in effect, have to meet a higher standard than older pesticides, inhibiting the development of newer, and perhaps safer and more effective, pesticides.

Third, there is a provision for relief for farmers who are caught by a suspension and have no alternative pest control options other than the suspended pesticide. This new provision allows a State to seek a continued registration on a very strictly controlled, 1-year basis for a crop for which there is no alternative, as long as there is work underway to find an alternative or to reduce the risk from the pesticide to an insignificant level.

Fourth, there is a provision which requires the Department of Agriculture [USDA] to become a player, perhaps even a partner, in the regulatory process. USDA has been extremely negligent in keeping track of EPA actions on pesticides. They become involved at the tail end of the regulatory process, usually when it is too late to do anything except argue that they do not have enough time to develop alternatives to the proposed cancellation of a pesticide use.

What I am proposing is a process which at least keeps USDA abreast of EPA actions by requiring them to provide EPA with a list of pests which need to be controlled on specific crops and the available pest control technologies currently available. It is hoped that when they notice that a certain pest has too few control options available, they will institute research and extension work on alternative methods of pest control, chemical, biological, or other methods. I requested this action in a letter to the Secretary of Agriculture in May and, having not received a reply, I am left with no alternative but to propose legislation to do this.

This is not a broad and earthshaking set of amendments, but I expect that it will draw a great deal of attention, especially from those who seem content to simply sit back and react to events and not take charge. I hope that these amendments stimulate discussion and action in Congress, within the administration, and among the various interest groups, in agriculture and in the environmental community, who are involved in pesticide regulation. It should be taken as a clear signal that the time to study the issue is over.

This bill does not deal with a number of FIFRA issues which must be addressed: lack of actual pesticide use, residue, and exposure data, lax enforcement of pesticide violations, weak pesticide applicator training and certification requirements, and a host of others which fill hearing volumes from my subcommittee. It also does not deal with a wholly inadequate level of activity at USDA in keeping abreast of EPA decisions, developing safer pest control measures, and preparing the American farmer for regulatory decisions which, while underway for years at EPA, seem to come as a surprise to USDA.

I hope that this legislation stimulates the thinking of my colleagues, the administration, and the various interest groups during the August district work period. I look forward to a very interesting fall as we move toward serious consideration of needed changes to FIFRA.

A summary of the legislation follows:

SUMMARY OF THE PESTICIDE REGULATORY REFORM AMENDMENTS OF 1989

The legislation proposes four major changes to current law. The central purpose is to change Section 6 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) to expedite the process and adjust the standards for the cancellation, suspension, and emergency suspension of a pesticide registration. The legislation also imposes a nine-year sunset on pesticide registrations, phased-in with the current process of reregistration contained in the 1988 FIFRA amendments. In addition, the legislation proposes a new category of temporary state pesticide registration to allow agricultural producers severely impacted by a pesticide suspension decision to phase out their use of a suspended pesticide. Finally, the legislation proposes that the Department of Agriculture (USDA) compile and provide the Environmental Protection Agency (EPA) with a detailed accounting of pest control measures currently available, by pest and crop, and indicate research underway to deal with shortages of pest control measures. EPA and USDA will also engage in joint development of Integrated Pest Management (IPM) systems and methods and guidelines to be used in the calculation of benefits provided by the use of pesticides.

CANCELLATION—AMENDMENT TO SECTION 6(B) OF FIFRA

EPA may propose to cancel, deny an application, or change the classification of a pesticide by using a notice and comment process in the Federal Register. When a pesticide has "a reasonable probability of causing unreasonable adverse effects on the environment when used in accordance with its labeling or in accordance with actual practice," EPA will consult with USDA and the Department of Health and Human Services (HHS) before issuing a proposed cancellation order. The proposed order will be sent to the registrant, to the Scientific Advisory Panel (SAP), and published in the Federal Register. A 60-day comment period will be allowed. At the end of that period, EPA can propose a final cancellation order which will be effective upon publication in the Federal Register. If EPA has established conditions and terms as an alternative to cancellation, 30 days will be allowed for the registrant to take those actions or the cancellation will be final. The cancellation is reviewable in Federal Court and can be overturned if it is "arbitrary, capricious, an abuse of discretion, or not in accordance with the law." The burden of proof will be on the registrant to show that the standard for cancellation is not met. EPA can allow the use of existing stocks of the pesticide after a final cancellation order and the pesticide can be marketed during the pendency of the cancellation process.

SUSPENSION—AMENDMENT TO SECTION 6(C) OF FIFRA

If EPA finds that the use of a pesticide "generally causes an unreasonable adverse effect on the environment," they may suspend the registration of a pesticide. EPA shall consult with USDA and HHS prior to issuing the suspension order. EPA shall notify the registrant and publish the order in the Federal Register. The order will become effective upon publication or upon receipt of the notice by the registrant, whichever is first. The suspension will expire in 180 days unless EPA moves to cancel the pesticide. The order is subject to Federal Court review and can be overturned for the same reasons as the cancellation.

EMERGENCY SUSPENSION—AMENDMENT TO SECTION 6(D) OF FIFRA

If EPA finds that the use of a pesticide is "likely to result in an imminent hazard (defined as 'a situation in which the use of a pesticide poses a significant risk to human health')," EPA can order the suspension of a pesticide without prior notification of the registrant or consultation with other federal agencies. The order will expire within 180 days unless EPA moves to cancel the pesticide. The order is subject to Federal Court review and can be overturned for the same reasons as cancellation.

SUNSET—AMENDMENT TO SECTION 6(A)(1)

After initial phase-in and synchronization with the ongoing reregistration program, a pesticide registration will automatically expire on a nine-year cycle. One year prior to the registration expiration (or six months prior for a formulator), EPA will notify the registrant of the upcoming expiration of registration. The registrant will have to apply for a renewal of its registration before the nine-year period expires. The application for renewal will be denied unless the registrant, (1) makes a timely application which complies with the requirements for registration renewal, (2) agrees for delivery of information needed for renewal, including a time table for delivery, and (3) makes a good faith effort to comply with the delivery schedule.

CONTINUING REGISTRATION—NEW SECTION 24(D) OF FIFRA

Within 60 days of a suspension order, a State may apply for the continued use of a suspended pesticide if: (1) severe economic dislocation will result, (2) no known alternatives to the suspended pesticide are available, (3) conditions for use of the pesticide, including plans for reducing the adverse effects are provided, (4) the estimated volume of pesticide to be applied and acreage treated are provided, (5) pesticide sale and use reporting provisions are required, and (6) a listing of research into alternative pest control is provided. EPA will have 120 days to act on the State's application and may approve it as long as the continued use does not pose an "excessive risk." The registration will last one year, with two additional

renewals possible, and will expire at the end of the approved period or upon final cancellation, whichever comes first.

COOPERATION WITH USDA—AMENDS SECTION 28 OF FIFRA

USDA will help EPA identify pests to be brought under control and identify the pest control measures available for that control. USDA will provide EPA with an annual update of this information and identify those pests for which there is concern about the limited number of control methods available, or where pest resistance has been identified. USDA will also provide a description of research and extension efforts underway to deal with the areas of concern and on alternative control methods for pesticides approved for a continuing registration under the new Section 24(d). In addition, USDA and EPA will jointly develop IPM pest control methods, and jointly develop methods for calculating the benefits coming from pesticide use. Guidelines for benefits calculations will be published in the Federal Register.

RECESS

The SPEAKER pro tempore. Pursuant to the order of the House of earlier today, the Chair declares the House in recess, subject to the call of the Chair.

Bells will be rung 15 minutes before the House reconvenes.

Accordingly (at 5 o'clock and 3 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 2220

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 10 o'clock and 21 minutes p.m.

FURTHER MESSAGE FROM THE SENATE

Further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 480. An act to authorize appropriations for fiscal year 1990 for the Federal Maritime Commission, and for other purposes.

The message also announced that the Senate agrees to amendments of the House to the amendment of the Senate to the bill (H.R. 2467) "An act entitled the '1988 Disaster Assistance Extension Act'."

The message also announced that the Senate agrees to the further report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1278) "An act to reform, recapitalize, and consolidate the Federal deposit insurance system, to enhance the regulatory and enforcement powers of Federal financial institutions regulatory agencies, and for other purposes."

The message also announced that the Senate has passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2461. An act to authorize appropriations for fiscal year 1990 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 2461) "An act to authorize appropriations for fiscal year 1990 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. NUNN, Mr. EXON, Mr. LEVIN, Mr. KENNEDY, Mr. BINGAMAN, Mr. DIXON, Mr. GLENN, Mr. GORE, Mr. WIRTH, Mr. SHELBY, Mr. BYRD, Mr. WARNER, Mr. THURMOND, Mr. COHEN, Mr. WILSON, Mr. MCCAIN, Mr. WALLOP, Mr. GORTON, Mr. LOTT, and Mr. COATS, to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 797. An act to amend the Communications Act of 1934 to improve the education of children by establishing a National Endowment for Children's Educational Television, and for other purposes;

S. 926. An act to improve cash management by executive agencies, and for other purposes;

S. 976. An act to postpone the effective date of section 511(e)(3)(B) of the Controlled Substances Act, relating to the disposition of forfeited property and State law;

S. 1153. An act to amend title 38, United States Code, to provide for the establishment of presumptions of service-connection between certain diseases experienced by veterans who served in Vietnam during the Vietnam era and exposure to certain toxic herbicide agents used in Vietnam; to provide for interim benefits for veterans of such service who have certain diseases; to improve the reporting requirements relating to the "Ranch Hand Study"; and for other purposes; and

Con. Res. 61. Concurrent resolution in support of basic human rights and democracy in Burma.

CONFERENCE REPORT ON H.R. 1278, FINANCIAL INSTITUTIONS REFORM, RECOVERY AND ENFORCEMENT ACT, 1989

Mr. GONZALEZ submitted the following conference report and statement on the bill (H.R. 1278) to reform, recapitalize, and consolidate the Federal deposit insurance system, to enhance the regulatory and enforcement powers of Federal financial institutions regulatory agencies, and for other purposes:

CONFERENCE REPORT (H. REPT. 101-222)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1278) to reform, recapitalize, and consolidate the Federal deposit insurance system, to enhance the regulatory and enforcement powers of Federal financial institutions regulatory agencies, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

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TITLE I—PURPOSES

SEC. 101. PURPOSES.

The purposes of this Act are as follows:

(1) To promote, through regulatory reform, a safe and stable system of affordable housing finance.

(2) To improve the supervision of savings associations by strengthening capital, accounting, and other supervisory standards.

(3) To curtail investments and other activities of savings associations that pose unacceptable risks to the Federal deposit insurance funds.

(4) To promote the independence of the Federal Deposit Insurance Corporation from the institutions the deposits of which it insures, by providing an independent board of directors, adequate funding, and appropriate powers.

(5) To put the Federal deposit insurance funds on a sound financial footing.

(6) To establish an Office of Thrift Supervision in the Department of the Treasury, under the general oversight of the Secretary of the Treasury.

(7) To establish a new corporation, to be known as the Resolution Trust Corporation, to contain, manage, and resolve failed savings associations.

(8) To provide funds from public and private sources to deal expeditiously with failed depository institutions.

(9) To strengthen the enforcement powers of Federal regulators of depository institutions.

(10) To strengthen the civil sanctions and criminal penalties for defrauding or otherwise damaging depository institutions and their depositors.

TITLE II—FEDERAL DEPOSIT INSURANCE CORPORATION

SEC. 201. DEPOSITORY INSTITUTIONS.

(a) AMENDMENTS TO REFERENCES TO INSURED BANK.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by striking out "insured bank", "insured banks", and "insured bank's" each place each term appears in such Act (except where any such term is preceded by "member" or "nonmember") and inserting in lieu thereof "insured depository institution", "insured depository institutions", and "insured depository institution's", respectively.

(2) EXCEPTIONS.—The terms "insured bank" and "insured banks" shall not be amended pursuant to paragraph (1) in sections 3(h), 11(h), 11(i), 13(c)(1)(B), 13(f), and 18(d) of the Federal Deposit Insurance Act.

(b) AMENDMENTS TO REFERENCES TO FEDERAL HOME LOAN BANK BOARD.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by striking out "Federal Home Loan Bank Board" each place such term appears and inserting in lieu thereof "Director of the Office of Thrift Supervision".

SEC. 202. DUTIES OF FEDERAL DEPOSIT INSURANCE CORPORATION.

Section 1 of the Federal Deposit Insurance Act (12 U.S.C. 1811) is amended by inserting "and savings associations" after "banks".

SEC. 203. FDIC BOARD MEMBERS.

(a) IN GENERAL.—Section 2 of the Federal Deposit Insurance Act is amended to read as follows:

"SEC. 2. MANAGEMENT.

"(a) BOARD OF DIRECTORS.—

"(1) IN GENERAL.—The management of the Corporation shall be vested in a Board of Directors consisting of 5 members—

"(A) 1 of whom shall be the Comptroller of the Currency;

"(B) 1 of whom shall be the Director of the Office of Thrift Supervision; and

"(C) 3 of whom shall be appointed by the President, by and with the advice and consent of the Senate, from among individuals who are citizens of the United States.

"(2) POLITICAL AFFILIATION.—After February 28, 1993, not more than 3 of the members of the Board of Directors may be members of the same political party.

"(b) CHAIRPERSON AND VICE CHAIRPERSON.—

"(1) CHAIRPERSON.—1 of the appointed members shall be designated by the President, by and with the advice and consent of the Senate, to serve as Chairperson of the Board of Directors for a term of 5 years.

"(2) VICE CHAIRPERSON.—1 of the appointed members shall be designated by the President, by and with the advice and consent of the Senate, to serve as Vice Chairperson of the Board of Directors.

"(3) ACTING CHAIRPERSON.—In the event of a vacancy in the position of Chairperson of the Board of Directors or during the absence or disability of the Chairperson, the Vice Chairperson shall act as Chairperson.

"(c) TERMS.—

"(1) APPOINTED MEMBERS.—Each appointed member shall be appointed for a term of 6 years.

"(2) INTERIM APPOINTMENTS.—Any member appointed to fill a vacancy occurring before the expiration of the term for which such member's predecessor was appointed shall be appointed only for the remainder of such term.

"(3) CONTINUATION OF SERVICE.—The Chairperson, Vice Chairperson, and each appointed member may continue to serve after the expiration of the term of office to which such member was appointed until a successor has been appointed and qualified.

"(d) VACANCY.—

"(1) IN GENERAL.—Any vacancy on the Board of Directors shall be filled in the manner in which the original appointment was made.

"(2) ACTING OFFICIALS MAY SERVE.—In the event of a vacancy in the office of the Comptroller of the Currency or the office of Director of the Office of Thrift Supervision and pending the appointment of a successor, or during the absence or disability of the Comptroller or such Director, the acting Comptroller of the Currency or the acting Director of the Office of Thrift Supervision, as the case may be, shall be a member of the Board of Directors in the place of the Comptroller or Director.

"(e) INELIGIBILITY FOR OTHER OFFICES.—

"(1) POSTSERVICE RESTRICTION.—

"(A) IN GENERAL.—No member of the Board of Directors may hold any office, position, or employment in any insured depository institution or any depository institution holding company during—

"(i) the time such member is in office; and

"(ii) the 2-year period beginning on the date such member ceases to serve on the Board of Directors.

"(B) EXCEPTION FOR MEMBERS WHO SERVE FULL TERM.—The limitation contained in

subparagraph (A)(ii) shall not apply to any member who has ceased to serve on the Board of Directors after serving the full term for which such member was appointed.

"(2) RESTRICTION DURING SERVICE.—No member of the Board of Directors may—

"(A) be an officer or director of any insured depository institution, depository institution holding company, Federal Reserve bank, or Federal home loan bank; or

"(B) hold stock in any insured depository institution or depository institution holding company.

"(3) CERTIFICATION.—Upon taking office, each member of the Board of Directors shall certify under oath that such member has complied with this subsection and such certification shall be filed with the secretary of the Board of Directors.".

(b) TRANSITION PROVISION.—

(1) CHAIRPERSON.—Notwithstanding any provision of section 2 of the Federal Deposit Insurance Act, the Chairman of the Board of Directors of the Federal Deposit Insurance Corporation on the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 may continue to serve as the Chairperson until the end of the term to which such Chairman was appointed.

(2) MEMBERS.—Notwithstanding any provision of section 2 of the Federal Deposit Insurance Act, the appointed member of the Board of Directors of the Federal Deposit Insurance Corporation on the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 who is not the Chairman shall continue to serve in office until the earlier of—

(A) the end of the term to which such member was appointed; or

(B) February 28, 1993,

except that such member may continue to serve after the end of such term until a successor has been appointed and qualified.

(3) APPOINTMENTS BEFORE MARCH 1, 1993.—Notwithstanding any provision of section 2 of the Federal Deposit Insurance Act, the term of any member appointed to the Board of Directors of the Federal Deposit Insurance Corporation before February 28, 1993 (including the term of any Chairperson), shall end on such date.

SEC. 204. DEFINITIONS.

(a) DEFINITIONS OF BANK AND RELATED TERMS.—Section 3(a) of the Federal Deposit Insurance Act (12 U.S.C. 1813(a)) is amended to read as follows:

"(a) DEFINITIONS OF BANK AND RELATED TERMS.—

"(1) BANK.—The term 'bank'—

"(A) means any national bank, State bank, and District bank, and any Federal branch and insured branch;

"(B) includes any former savings association that—

"(i) has converted from a savings association charter; and

"(ii) is a Savings Association Insurance Fund member.

"(2) STATE BANK.—The term 'State bank' means any bank, banking association, trust company, savings bank, industrial bank (or similar depository institution which the Board of Directors finds to be operating substantially in the same manner as an industrial bank), or other banking institution which—

"(A) is engaged in the business of receiving deposits, other than trust funds (as defined in this section); and

"(B) is incorporated under the laws of any State or which is operating under the Code of Law for the District of Columbia (except a national bank),

including any cooperative bank or other unincorporated bank the deposits of which were insured by the Corporation on the day before the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

"(3) STATE.—The term 'State' means any State of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands.

"(4) DISTRICT BANK.—The term 'District bank' means any State bank operating under the Code of Law of the District of Columbia.

(b) DEFINITION OF SAVINGS ASSOCIATIONS AND RELATED TERMS.—Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813(b)) is amended to read as follows:

"(b) DEFINITION OF SAVINGS ASSOCIATIONS AND RELATED TERMS.—

"(1) SAVINGS ASSOCIATION.—The term 'savings association' means—

"(A) any Federal savings association;

"(B) any State savings association; and

"(C) any corporation (other than a bank) that the Board of Directors and the Director of the Office of Thrift Supervision jointly determine to be operating in substantially the same manner as a savings association.

"(2) FEDERAL SAVINGS ASSOCIATION.—The term 'Federal savings association' means any Federal savings association or Federal savings bank which is chartered under section 5 of the Home Owners' Loan Act.

"(3) STATE SAVINGS ASSOCIATION.—The term 'State savings association' means—

"(A) any building and loan association, savings and loan association, or homestead association; or

"(B) any cooperative bank (other than a cooperative bank which is a State bank as defined in subsection (a)(2)),

which is organized and operating according to the laws of the State (as defined in subsection (a)(3)) in which it is chartered or organized.".

(c) DEFINITIONS RELATING TO DEPOSITORY INSTITUTIONS.—Section 3(c) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c)) is amended to read as follows:

"(c) DEFINITIONS RELATING TO DEPOSITORY INSTITUTIONS.—

"(1) DEPOSITORY INSTITUTION.—The term 'depository institution' means any bank or savings association.

"(2) INSURED DEPOSITORY INSTITUTION.—The term 'insured depository institution' means any bank or savings association the deposits of which are insured by the Corporation pursuant to this Act.

"(3) INSTITUTIONS INCLUDED FOR CERTAIN PURPOSES.—The term 'insured depository institution' includes any uninsured branch or agency of a foreign bank or a commercial lending company owned or controlled by a foreign bank for purposes of section 8 of this Act.

"(4) FEDERAL DEPOSITORY INSTITUTION.—The term 'Federal depository institution' means any national bank, any Federal savings association, and any Federal branch.

"(5) STATE DEPOSITORY INSTITUTION.—The term 'State depository institution' means any State bank, any State savings association, and any insured branch which is not a Federal branch.".

(d) DEFINITIONS RELATING TO MEMBER BANKS.—Section 3(d) of the Federal Deposit Insurance (12 U.S.C. 1813(d)) is amended to read as follows:

"(d) DEFINITIONS RELATING TO MEMBER BANKS.—

"(1) NATIONAL MEMBER BANK.—The term 'national member bank' means any national bank which is a member of the Federal Reserve System.

"(2) STATE MEMBER BANK.—The term 'State member bank' means any State bank which is a member of the Federal Reserve System.".

(e) DEFINITIONS RELATING TO NONMEMBER BANKS.—Section 3(e) of the Federal Deposit Insurance Act (12 U.S.C. 1813(e)) is amended to read as follows:

"(e) DEFINITIONS RELATING TO NONMEMBER BANKS.—

"(1) NATIONAL NONMEMBER BANK.—The term 'national nonmember bank' means any national bank which—

"(A) is located in any territory of the United States, Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Northern Mariana Islands; and

"(B) is not a member of the Federal Reserve System.

"(2) STATE NONMEMBER BANK.—The term 'State nonmember bank' means any State bank which is not a member of the Federal Reserve System.".

(f) ADDITIONAL AMENDMENTS TO DEFINITIONS.—Section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) is amended—

(1) in subsection (j), by inserting "or savings association" after "of a bank";

(2) in subsection (l)—

(A) by inserting "or savings association" after "a bank", "the bank", "another bank", "receiving bank", and "such bank" each place such terms appear;

(B) by inserting "or savings association's" after the word "bank's" each place such term appears;

(C) in paragraph (5), by inserting ", Director of the Office of Thrift Supervision," after "Comptroller of the Currency"; and

(D) in paragraph (5)(A), by striking out "and the Virgin Islands" and inserting in lieu thereof "the Virgin Islands, and the Northern Mariana Islands";

(3) in subsection (m)—

(A) in paragraph (1)—

(i) by striking out "the bank" and inserting in lieu thereof "the depository institution"; and

(ii) by inserting "of the Northern Mariana Islands," after "Virgin Islands,"; and

(B) in paragraph (2), by striking out "ther" and inserting in lieu thereof "term";

(4) by striking out subsection (q) and inserting in lieu thereof the following:

"(q) APPROPRIATE FEDERAL BANKING AGENCY.—The term 'appropriate Federal banking agency' means—

"(1) the Comptroller of the Currency, in the case of any national banking association, any District bank, or any Federal branch or agency of a foreign bank;

"(2) the Board of Governors of the Federal Reserve System, in the case of—

"(A) any State member insured bank (except a District bank),

"(B) any branch or agency of a foreign bank with respect to any provision of the Federal Reserve Act which is made applicable under the International Banking Act of 1978,

"(C) any foreign bank which does not operate an insured branch,

"(D) any agency or commercial lending company other than a Federal agency,

"(E) supervisory or regulatory proceedings arising from the authority given to the Board of Governors under section 7(c)(1) of the International Banking Act of 1978, including such proceedings under the Depository Institutions Supervisory Act, and

"(F) any bank holding company and any subsidiary of a bank holding company (other than a bank);

"(3) the Federal Deposit Insurance Corporation in the case of a State nonmember insured bank (except a District bank), or a foreign bank having an insured branch; and

"(4) the Director of the Office of Thrift Supervision in the case of any savings association or any savings and loan holding company.

Under the rule set forth in this subsection, more than one agency may be an appropriate Federal banking agency with respect to any given institution."; and

(5) by striking out subsection (t) and inserting in lieu thereof the following new subsection:

"(t) INCLUDES, INCLUDING.—

"(1) IN GENERAL.—The terms 'includes' and 'including' shall not be construed more restrictively than the ordinary usage of such terms so as to exclude any other thing not referred to or described.

"(2) RULE OF CONSTRUCTION.—Paragraph (1) shall not be construed as creating any inference that the term 'includes' or 'including' in any other provision of Federal law may be deemed to exclude any other thing not referred to or described.";

(6) by adding at the end thereof the following new subsections:

"(u) INSTITUTION-AFFILIATED PARTY.—The term 'institution-affiliated party' means—

"(1) any director, officer, employee, or controlling stockholder (other than a bank holding company) of, or agent for, an insured depository institution;

"(2) any other person who has filed or is required to file a change-in-control notice with the appropriate Federal banking agency under section 7(j);

"(3) any shareholder (other than a bank holding company), consultant, joint venture partner, and any other person as determined by the appropriate Federal banking agency (by regulation or case-by-case) who participates in the conduct of the affairs of an insured depository institution; and

"(4) any independent contractor (including any attorney, appraiser, or accountant) who knowingly or recklessly participates in—

"(A) any violation of any law or regulation;

"(B) any breach of fiduciary duty; or

"(C) any unsafe or unsound practice, which caused or is likely to cause more than a minimal financial loss to, or a significant adverse effect on, the insured depository institution.

"(v) VIOLATION.—The term 'violation' includes any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.

"(w) DEFINITIONS RELATING TO HOLDING COMPANIES.—

"(1) DEPOSITORY INSTITUTION HOLDING COMPANY.—The term 'depository institution holding company' means a bank holding company or a savings and loan holding company.

"(2) BANK HOLDING COMPANY.—The term 'bank holding company' has the meaning given to such term in section 2 of the Bank Holding Company Act of 1956.

"(3) SAVINGS AND LOAN HOLDING COMPANY.—The term 'savings and loan holding company' has the meaning given to such term in section 10 of the Home Owners' Loan Act.

"(4) SUBSIDIARY.—The term 'subsidiary'—

"(A) means any company which is owned or controlled directly or indirectly by another company; and

"(B) includes any service corporation owned in whole or in part by an insured depository institution or any subsidiary of such a service corporation.

"(5) CONTROL.—The term 'control' has the meaning given to such term in section 2 of the Bank Holding Company Act of 1956.

"(6) AFFILIATE.—The term 'affiliate' has the meaning given to such term in section 2(k) of the Bank Holding Company Act of 1956.

"(x) DEFINITIONS RELATING TO DEFAULT.—

"(1) DEFAULT.—The term 'default' means, with respect to an insured depository institution, any adjudication or other official determination by any court of competent jurisdiction, the appropriate Federal banking agency, or other public authority pursuant to which a conservator, receiver, or other legal custodian is appointed for an insured depository institution or, in the case of a foreign bank having an insured branch, for such branch.

"(2) IN DANGER OF DEFAULT.—The term 'in danger of default' means an insured depository institution with respect to which (or in the case of a foreign bank having an insured branch, with respect to such insured branch) the appropriate Federal banking agency or State chartering authority has advised the Corporation (or, if the appropriate Federal banking agency is the Corporation, the Corporation has determined) that—

"(A) in the opinion of such agency or authority—

"(i) the depository institution or insured branch is not likely to be able to meet the demands of the institution's or branch's depositors or pay the institution's or branch's obligations in the normal course of business; and

"(ii) there is no reasonable prospect that the depository institution or insured branch will be able to meet such demands or pay such obligations without Federal assistance; or

"(B) in the opinion of such agency or authority—

"(i) the depository institution or insured branch has incurred or is likely to incur losses that will deplete all or substantially all of its capital; and

"(ii) there is no reasonable prospect that the capital of the depository institution or insured branch will be replenished without Federal assistance.".

SEC. 205. INSURED SAVINGS ASSOCIATIONS.

Section 4 of the Federal Deposit Insurance Act (12 U.S.C. 1814) is amended—

(1) in subsection (a)—

(A) by striking out "(a) Every bank" and inserting in lieu thereof the following:

"(a) CONTINUATION OF INSURANCE.—

"(1) BANKS.—Each bank"; and

(B) by adding at the end thereof the following new paragraph:

"(2) SAVINGS ASSOCIATIONS.—Each savings association the accounts of which were insured by the Federal Savings and Loan Insurance Corporation on the day before the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, shall be, without application or approval, an insured depository institution.";

(2) in subsection (b)—

(A) by inserting after the 1st sentence the following new sentences: "Any application or notice for membership or to commence or resume business shall be promptly provided by the appropriate Federal banking agency to the Corporation and the Corporation shall have a reasonable period of time to provide comments on such application or notice. Any comments submitted by the Corporation to the appropriate Federal banking agency shall be considered by such agency.";

(B) by striking out the penultimate and the last sentences; and

(C) by striking out "(b) Every national bank" and inserting in lieu thereof "(b) CERTIFICATION BY OTHER BANKING AGENCIES.—Every national bank"; and

(3) by striking out subsection (c) and inserting in lieu thereof the following new subsections:

"(c) CONTINUATION OF INSURANCE AFTER CONVERSION.—Subject to section 5(d)—

"(1) any State depository institution which results from the conversion of any insured Federal depository institution; and

"(2) any Federal depository institution which results from the conversion of any insured State depository institution,

shall continue as an insured depository institution.

"(d) CONTINUATION OF INSURANCE AFTER MERGER OR CONSOLIDATION.—Any State depository institution or any Federal depository institution which results from the merger or consolidation of insured depository institutions, or from the merger or consolidation of a noninsured depository institution with an insured depository institution, shall continue as an insured depository institution.".

SEC. 206. APPLICATION PROCESS; INSURANCE FEES.

(a) IN GENERAL.—Section 5 of the Federal Deposit Insurance Act (12 U.S.C. 1815) is amended—

(1) by striking out "(a) Subject to the provisions of this Act, any" and inserting in lieu thereof the following:

"(a) APPLICATION FOR INSURANCE.—

"(1) NATIONAL AND STATE NONMEMBER BANKS; STATE SAVINGS ASSOCIATIONS.—Any";

(2) in the 1st sentence of subsection (a)(1) (as so redesignated by paragraph (1) of this subsection), by striking out the comma after "State nonmember bank" and inserting in lieu thereof "and State savings association,"; and

(3) in the 2nd sentence of subsection (a)(1) (as so redesignated by paragraph (1) of this subsection)—

(A) by striking out the comma after "State nonmember bank" and inserting in lieu thereof "and State savings association,";

(B) by striking out the comma after "such bank" and inserting in lieu thereof "or savings association,"; and

(C) by inserting "or savings association, and, in the case of an application by a State savings association, the Corporation shall notify the Director of the Office of Thrift Supervision of the Corporation's approval of such application" before the period at the end;

(4) by adding at the end of subsection (a) the following new paragraphs:

"(2) FEDERAL SAVINGS ASSOCIATIONS.—Any Federal savings association shall become an insured depository institution upon—

"(A) application to the Corporation; and

"(B) receipt by the Corporation of a certificate issued to the Corporation by the Director which meets the requirements of paragraph (4),

unless insurance is denied by the Board of Directors.

"(3) INTERIM FEDERAL SAVINGS ASSOCIATIONS.—In the case of any interim Federal savings association which is chartered by the Director of the Office of Thrift Supervision and will not open for business, such association shall be an insured depository institution upon the issuance of such association's charter by the Director.

"(4) CERTIFICATE REQUIREMENTS.—Any certificate issued to the Corporation under paragraph (2) shall state that the Federal savings association is authorized to transact business as a savings association and that consideration has been given to the factors enumerated in section 6.

"(5) REVIEW REQUIREMENTS.—In reviewing any certificate and application referred to in paragraph (2), the Board of Directors shall consider the factors described in paragraphs (1), (2), (3), (4), and (5) of section 6 in determining whether to deny insurance.

"(6) NOTICE OF DENIAL OF APPLICATION.—If the Board of Directors, after giving due deference to the determination of the Director of the Office of Thrift Supervision with respect to such factors, does not concur in the determination of the Director, the Board of Directors shall promptly notify the Director that insurance has been denied, giving specific reasons in writing for the Corporation's determination with reference to the factors described in paragraphs (1), (2), (3), (4), and (5) of section 6, and no insurance shall be granted.

"(7) VOTING REQUIREMENTS.—The authority of the Board of Directors to make any determination to deny insurance under this subsection may not be delegated by the Board of Directors and any such determination may be made only upon a vote of ¾ of all members of the Board of Directors (excluding the Director of the Office of Thrift Supervision).";

(5) in subsection (b)(4), by inserting "and fitness" after character;

(6) in subsection (b)—

(A) by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively; and

(B) by inserting after paragraph (4) the following:

"(5) the risk presented to the Bank Insurance Fund or the Savings Association Insurance Fund;"; and

(7) by adding at the end thereof the following new subsections:

"(d) INSURANCE FEES.—

"(1) UNINSURED INSTITUTIONS.—

"(A) IN GENERAL.—Any institution that becomes insured by the Corporation, and any noninsured branch that becomes insured by the Corporation, shall pay the Corporation any fee which the Corporation may by regulation prescribe, after giving due consideration to the need to establish and maintain reserve ratios in the Bank Insurance Fund and the Savings Association Insurance Fund as required by section 7.

"(B) FEE CREDITED TO APPROPRIATE FUND.—The fee paid by the depository institution shall be credited to the Bank Insurance Fund if the depository institution becomes a Bank Insurance Fund member, and to the Savings Association Insurance Fund if the depository institution becomes a Savings Association Insurance Fund member.

"(C) EXCEPTION FOR CERTAIN DEPOSITORY INSTITUTIONS.—Any depository institution that becomes an insured depository institution by operation of section 4(a) shall not pay any fee.

"(2) CONVERSIONS.—

"(A) IN GENERAL.—

"(i) PRIOR APPROVAL REQUIRED.—No insured depository institution may participate in a conversion transaction without the prior approval of the Corporation.

"(ii) 5-YEAR MORATORIUM ON CONVERSIONS.—Except as provided in subparagraph (C), the Corporation may not approve any conversion transaction before the end of the 5-year period beginning on the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

"(B) CONVERSION DEFINED.—For purposes of this paragraph, the term 'conversion transaction' means—

"(i) the change of status of an insured depository institution from a Bank Insurance Fund member to a Savings Association Insurance Fund member or from a Savings Association Insurance Fund member to a Bank Insurance Fund member;

"(ii) the merger or consolidation of a Bank Insurance Fund member with a Savings Association Insurance Fund member;

"(iii) the assumption of any liability by—

"(I) any Bank Insurance Fund member to pay any deposits of a Savings Association Insurance Fund member; or

"(II) any Savings Association Insurance Fund member to pay any deposits of a Bank Insurance Fund member;

"(iv) the transfer of assets of—

"(I) any Bank Insurance Fund member to any Savings Association Insurance Fund member in consideration of the assumption of liabilities for any portion of the deposits of such Bank Insurance Fund member; or

"(II) any Savings Association Insurance Fund member to any Bank Insurance Fund member in consideration of the assumption of liabilities for any portion of the deposits of such Savings Association Insurance Fund member.

"(C) APPROVAL DURING MORATORIUM.—The Corporation may approve a conversion transaction at any time if—

"(i) the conversion transaction affects an insubstantial portion, as determined by the Corporation, of the total deposits of each depository institution participating in the conversion transaction;

"(ii) the conversion occurs in connection with the acquisition of a Savings Association Insurance Fund member in default or in danger of default, and the Corporation determines that the estimated financial benefits to the Savings Association Insurance Fund or Resolution Trust Corporation equal or exceed the Corporation's estimate of loss of assessment income to such insurance fund over the remaining balance of the 5-year period referred to in subparagraph (A), and the Resolution Trust Corporation concurs in the Corporation's determination; or

"(iii) the conversion occurs in connection with the acquisition of a Bank Insurance Fund member in default or in danger of default and the Corporation determines that the estimated financial benefits to the Bank Insurance Fund equal or exceed the Corporation's estimate of the loss of assessment income to the insurance fund over the remaining balance of the 5-year period referred to in subparagraph (A).

"(D) CERTAIN TRANSFERS DEEMED TO AFFECT INSUBSTANTIAL PORTION OF TOTAL DEPOSITS.—For purposes of subparagraph (C)(i), any conversion transaction shall be deemed to affect an insubstantial portion of the total deposits of an insured depository institution, to the extent the aggregate amount of the total deposits transferred in such transaction and in all conversion transactions occurring after the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 does not exceed 35 percent of the lesser of—

"(i) the amount which is equal to the sum of—

"(I) the total deposits of such insured depository institution on May 1, 1989; and

"(II) the total amount of net interest credited to the depository institution's deposits during the period beginning on May 1, 1989, and ending on the date of the transfer of deposits in connection with such transaction; or

"(ii) the amount which is equal to the total deposits of such insured depository institution on the date of the transfer of deposits in connection with such transaction.

"(E) EXIT AND ENTRANCE FEES.—Each insured depository institution participating in a conversion transaction shall pay—

"(i) in the case of a conversion transaction in which the resulting or acquiring depository institution is not a Savings Association Insurance Fund member, an exit fee (in an amount to be determined and assessed in accordance with subparagraph (F)) which—

"(I) shall be deposited in the Savings Association Insurance Fund; or

"(II) shall be paid to the Financing Corporation, if the Secretary of the Treasury determines that the Financing Corporation has exhausted all other sources of funding for interest payments on the obligations of the Financing Corporation and orders that such fees be paid to the Financing Corporation;

"(ii) in the case of a conversion transaction in which the resulting or acquiring depository institution is not a Bank Insurance Fund member, an exit fee in an amount to be determined by the Corporation (and assessed in accordance with subparagraph (F)(ii)) which shall be deposited in the Bank Insurance Fund; and

"(iii) an entrance fee in an amount to be determined by the Corporation (and assessed in accordance with subparagraph (F)(ii)), except that—

"(I) in the case of a conversion transaction in which the resulting or acquiring depository institution is a Bank Insurance Fund member, the fee shall be the approximate amount which the Corporation calculates as necessary to prevent dilution of the Bank Insurance Fund, and shall be paid to the Bank Insurance Fund; and

"(II) in the case of a conversion transaction in which the resulting or acquiring depository institution is a Savings Association Insurance Fund member, the fee shall be the approximate amount which the Corporation calculates as necessary to prevent dilution of the Savings Association Insurance Fund, and shall be paid to the Savings Association Insurance Fund.

"(F) ASSESSMENT OF EXIT AND ENTRANCE FEES.—

"(i) DETERMINATION OF AMOUNT OF EXIT FEES.—

"(I) CONVERSIONS BEFORE JANUARY 1, 1997.—In the case of any exit fee assessed under subparagraph (E)(i) for any conversion transaction consummated before January 1, 1997, the amount of such fee shall be determined jointly by the Corporation and the Secretary of the Treasury.

"(II) ASSESSMENTS AFTER DECEMBER, 31, 1996.—In the case of any exit fee assessed under subparagraph (E)(i) for any conversion transaction consummated after December 31, 1996, the amount of such fee shall be determined by the Corporation.

"(ii) PROCEDURES.—The Corporation shall prescribe, by regulation, procedures for assessing any exit or entrance fee under subparagraph (E).

"(G) CHARTER CONVERSION OF SAIF MEMBERS.—This subsection shall not be construed as prohibiting any savings association which is a Savings Association Insurance Fund member from converting to a bank charter during the period described in subparagraph (A)(ii) if the resulting bank

remains a Savings Association Insurance Fund member.

"(3) OPTIONAL CONVERSION THROUGH MERGER.—

"(A) IN GENERAL.—Notwithstanding paragraph (2)(A), any bank holding company that controls any savings association may merge or consolidate the assets and liabilities of such savings association with, or transfer such assets and liabilities to, any subsidiary bank which is a Bank Insurance Fund member with the approval of the appropriate Federal banking agency and the Board of Governors of the Federal Reserve System.

"(B) ASSESSMENTS BY SAIF ON DEPOSITS ATTRIBUTABLE TO FORMER SAVINGS ASSOCIATION.—That portion of the average assessment base of any subsidiary bank referred to in subparagraph (A) for any semiannual period which is equal to the adjusted attributable deposit amount (determined under subparagraph (C) with respect to the transaction described in subparagraph (A)) shall—

"(i) be subject to assessment at the assessment rate applicable under section 7 for Savings Association Insurance Fund members;

"(ii) shall not be taken into account for purposes of any assessment under section 7 for Bank Insurance Fund members; and

"(iii) shall be treated as deposits which are insured by the Savings Association Insurance Fund.

"(C) DETERMINATION OF ADJUSTED ATTRIBUTABLE DEPOSIT AMOUNT.—The adjusted attributable deposit amount which shall be taken into account by any bank subsidiary referred to in subparagraph (A) for purposes of determining the amount of the assessment under subparagraph (B)(i) for any semiannual period is the amount which is equal to the sum of—

"(i) the amount of any deposits acquired by such bank subsidiary in connection with any transaction described in subparagraph (A) (as determined at the time of such transaction);

"(ii) the total of the amounts determined under clause (iii) for semiannual periods preceding the semiannual period for which the determination is being made under this subparagraph; and

"(iii) the amount by which the sum of the amounts described in clauses (i) and (ii) would have increased during the preceding semiannual period (other than any semiannual period beginning before the date of such transaction) if such increase occurred at a rate equal to the greater of—

"(I) an annual rate of 7 percent; or

"(II) the annual rate of growth of deposits of such subsidiary bank minus the amount of any deposits acquired through the acquisition, in whole or in part, of a Bank Insurance Fund member during such semiannual period.

"(D) DEPOSIT OF ASSESSMENT.—The amount of the assessment referred to in subparagraph (B)(i) shall be deposited in the Savings Association Insurance Fund.

"(E) CONDITIONS FOR FEDERAL RESERVE BOARD APPROVAL.—The Board of Governors of the Federal Reserve System may not approve any application by any bank holding company to engage in any transaction described in subparagraph (A) unless such Board determines that—

"(i) the amount which is equal to the aggregate amount of the total assets of all depository institution subsidiaries of such bank holding company is not less than the amount which is equal to 200 percent of the total assets of the savings association (at the time of the proposed transaction);

"(ii) the bank holding company and all bank subsidiaries of such holding company will meet all applicable capital standards upon consummation of the proposed transaction;

"(iii) the transaction is not in substance the acquisition of any Bank Insurance Fund member bank by any Savings Association Insurance Fund member;

"(iv) in the case of any transaction which occurs—

"(I) during the 1-year period beginning on the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the savings association had tangible capital of less than 4 percent during the preceding quarter; and

"(II) during the 1-year period beginning after the end of the 1-year period referred to in subclause (I), the savings association had tangible capital of less than 5 percent during the preceding quarter; and

"(v) the transaction would comply with the requirements of section 3(d) of the Bank Holding Company Act of 1956 if, at the time of such transaction, the savings association were a State bank which the bank holding company was applying to acquire.

"(F) ALLOCATION OF COSTS IN EVENT OF DEFAULT.—If any subsidiary bank referred to in subparagraph (A) is in default or danger of default at any time before this paragraph ceases to apply, any loss incurred by the Corporation shall be allocated between the Bank Insurance Fund and the Savings Association Insurance Fund, in amounts reflecting the amount of insured deposits of such bank subsidiary (other than the adjusted attributable deposit amount) which is insured by the Bank Insurance Fund and the adjusted attributable deposit amount which is insured by the Savings Association Insurance Fund pursuant to subparagraph (B)(iii).

"(G) SUBSEQUENT APPROVAL OF CONVERSION TRANSACTION.—This paragraph shall cease to apply if—

"(i) after the end of the 5-year period referred to in paragraph (2)(A), the Corporation approves an application by the bank described in subparagraph (A) to treat the transaction described in subparagraph (A) as a conversion transaction; and

"(ii) such bank pays the amount of any exit and entrance fee assessed by the Corporation under paragraph (2)(E) with respect to such transaction.

"(e) LIABILITY OF COMMONLY CONTROLLED DEPOSITORY INSTITUTIONS.—

"(1) IN GENERAL.—

"(A) LIABILITY ESTABLISHED.—Any insured depository institution shall be liable for any loss incurred by the Corporation, or any loss which the Corporation reasonably anticipates incurring, after the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 in connection with—

"(i) the default of a commonly controlled insured depository institution; or

"(ii) any assistance provided by the Corporation to any commonly controlled insured depository institution in danger of default.

"(B) PAYMENT UPON NOTICE.—An insured depository institution shall pay the amount of any liability to the Corporation under subparagraph (A) upon receipt of written notice by the Corporation in accordance with this subsection.

"(C) NOTICE REQUIRED TO BE PROVIDED WITHIN 2 YEARS OF LOSS.—No insured depository institution shall be liable to the Corporation under subparagraph (A) if written notice with respect to such liability is not received by such institution before the end of the 2-year period beginning on the date the Corporation incurred the loss.

"(2) AMOUNT OF COMPENSATION; PROCEDURES.—

"(A) USE OF ESTIMATES.—When an insured depository institution is in default or requires assistance to prevent default, the Corporation shall—

"(i) in good faith, estimate the amount of the loss the Corporation will incur from such default or assistance;

"(ii) if, with respect to such insured depository institution, there is more than 1 commonly controlled insured depository institution, estimate the amount of each such commonly controlled depository institution's share of such liability; and

"(iii) advise each commonly controlled depository institution of the Corporation's estimate of the amount of such institution's liability for such losses.

"(B) PROCEDURES; IMMEDIATE PAYMENT.—The Corporation, after consultation with the appropriate Federal banking agency and the appropriate State chartering agency, shall—

"(i) on a case-by-case basis, establish the procedures and schedule under which any insured depository institution shall reimburse the Corporation for such institution's liability under paragraph (1) in connection with any commonly controlled insured depository institution; or

"(ii) require any insured depository institution to make immediate payment of the amount of such institution's liability under paragraph (1) in connection with any commonly controlled insured depository institution.

"(C) PRIORITY.—The liability of any insured depository institution under this subsection shall have priority with respect to other obligations and liabilities as follows:

"(i) SUPERIORITY.—The liability shall be superior to the following obligations and liabilities of the depository institution:

"(I) Any obligation to shareholders arising as a result of their status as shareholders (including any depository institution holding company or any shareholder or creditor of such company).

"(II) Any obligation or liability owed to any affiliate of the depository institution (including any other insured depository institution), other than any secured obligation which was secured as of May 1, 1989.

"(ii) SUBORDINATION.—The liability shall be subordinate in right and payment to the following obligations and liabilities of the depository institution:

"(I) Any deposit liability (which is not a liability described in clause (i)(II)).

"(II) Any secured obligation, other than any obligation owed to any affiliate of the depository institution (including any other insured depository institution) which was secured after May 1, 1989.

"(III) Any other general or senior liability (which is not a liability described in clause (i)).

"(IV) Any obligation subordinated to depositors or other general creditors (which is not an obligation described in clause (i)).

"(D) ADJUSTMENT OF ESTIMATED PAYMENT.—

"(i) OVERPAYMENT.—If the amount of compensation estimated by and paid to the Corporation by 1 or more such commonly controlled depository institutions is greater than the actual loss incurred by the Corporation, the Corporation shall reimburse each such commonly controlled depository institution its pro rata share of any overpayment.

"(ii) UNDERPAYMENT.—If the amount of compensation estimated by and paid to the Corporation by 1 or more such commonly controlled depository institutions is less than the actual loss incurred by the Corporation, the Corporation shall redetermine in its discretion the liability of each such commonly controlled depository institution to the Corporation and shall require each such commonly controlled depository institution to make payment of any additional liability to the Corporation.

"(3) REVIEW.—

"(A) JUDICIAL.—Actions of the Corporation shall be reviewable pursuant to chapter 7 of title 5, United States Code.

"(B) ADMINISTRATIVE.—The Corporation shall prescribe regulations and establish administrative procedures which provide for a hearing on the record for the review of—

"(i) the amount of any loss incurred by the Corporation in connection with any insured depository institution;

"(ii) the liability of individual commonly controlled depository institutions for the amount of such loss; and

"(iii) the schedule of payments to be made by such commonly controlled depository institutions.

"(4) LIMITATION ON RIGHTS OF PRIVATE PARTIES.—To the extent the exercise of any right or power of any person would impair the ability of any insured depository institution to perform such institution's obligations under this subsection—

"(i) the obligations of such insured depository institution shall supersede such right or power; and

"(ii) no court may give effect to such right or power with respect to such insured depository institution.

"(5) WAIVER AUTHORITY.—

"(A) IN GENERAL.—The Corporation, in its discretion, may exempt any insured depository institution from the provisions of this subsection if the Corporation determines that such exemption is in the best interests of the Bank Insurance Fund or the Savings Association Insurance Fund.

"(B) CONDITION.—During the period any exemption granted to any insured depository institution under subparagraph (A) or (C) is in effect, such insured depository institution and all other insured depository institution affiliates of such depository institution shall comply fully with the restrictions of sections 23A and 23B of the Federal Reserve Act without regard to section 23A(d)(1).

"(C) LIMITED PARTNERSHIPS.—

"(i) IN GENERAL.—The Corporation may, in its discretion, exempt any limited partnership and any affiliate of any limited partnership (other than any insured depository institution which is a majority owned subsidiary of such partnership) from the provisions of this subsection if such limited partnership or affiliate has filed a registration statement with the Securities and Exchange Commission on or before April 10, 1989, indicating that as of the date of such filing such partnership intended to acquire 1 or more insured depository institutions.

"(ii) REVIEW AND NOTICE.—Within 10 business days after the date of submission of any request for an exemption under this subparagraph together with such information as shall be reasonably requested by the Corporation, the Corporation shall make a determination on the request and shall so advise the applicant.

"(6) 5-YEAR TRANSITION RULE.—During the 5-year period beginning on the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989—

"(A) no Savings Association Insurance Fund member shall have any liability to the Corporation under this subsection arising out of assistance provided by the Corporation or any loss incurred by the Corporation as a result of the default of a Bank Insurance Fund member which was acquired by such Savings Association Insurance Fund member or any affiliate of such member before the date of the enactment of such Act; and

"(B) no Bank Insurance Fund member shall have such liability with respect to assistance provided by or loss incurred by the Corporation as a result of the default of a Savings Association Insurance Fund member which was acquired by such Bank Insurance Fund member or any affiliate of such member before the date of the enactment of such Act.

"(7) EXCLUSION FOR INSTITUTIONS ACQUIRED IN DEBT COLLECTIONS.—Any depository institution shall not be treated as commonly controlled, for purposes of this subsection, during the 5-year period beginning on the date of an acquisition described in subparagraph (A) or such longer period as the Corporation may determine after written application by the acquirer, if—

"(A) 1 depository institution controls another by virtue of ownership of voting shares acquired in securing or collecting a debt previously contracted in good faith; and

"(B) during the period beginning on the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 and ending upon the expiration of the exclusion, the controlling bank and all other insured depository institution affiliates of such controlling bank comply fully with the restrictions of sections 23A and 23B of the Federal Reserve Act, without regard to section 23A(d)(1) of such Act, in transactions with the acquired insured depository institution.

"(8) EXCEPTION FOR CERTAIN FSLIC ASSISTED INSTITUTIONS.—No depository institution shall have any liability to the Corporation under this subsection as the result of the default of, or assistance provided with respect to, an insured depository institution which is an affiliate of such depository institution if—

"(A) such affiliate was receiving cash payments from the Federal Savings and Loan Insurance Corporation under an assistance agreement or note entered into before the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989;

"(B) the Federal Savings and Loan Insurance Corporation, or such other entity which has succeeded to the payment obligations of such Corporation with respect to such assistance agreement or note, is unable to continue such payments; and

"(C) such affiliate—

"(i) is in default or in need of assistance solely as a result of the failure to meet the payment obligations referred to in subparagraph (B); and

"(ii) is not otherwise in breach of the terms of any assistance agreement or note which would authorize the Federal Savings and Loan Insurance Corporation or such other successor entity, pursuant to the terms of such assistance agreement or note, to refuse to make such payments.

"(9) COMMONLY CONTROLLED DEFINED.—For purposes of this subsection, depository institutions are commonly controlled if—

"(A) such institutions are controlled by the same depository institution holding company (including any company required to file reports pursuant to section 4(f)(6) of the Bank Holding Company Act of 1956); or

"(B) 1 depository institution is controlled by another depository institution.".

(b) NEWLY INSURED THRIFT PROVISION.—Any insured depository institution (as defined in section 3(c)(2) of the Federal Deposit Insurance Act, as added by section 204(c) of this Act)—

(1) which was an insured institution (as defined in section 401(a) of the National Housing Act, as in effect before the date of the enactment of this Act) on the day before the date of the enactment of this Act;

(2) the board of directors of which determined, before April 1, 1987, to terminate such association's status as an insured institution (as so defined) as evidenced in sworn minutes of the board of directors meeting held before such date;

(3) had insured deposits of less than $11,000,000 on April 1, 1987; and

(4) was an insured institution (as so defined) for less than 1 year as of April 1, 1987,

may cease to be a Savings Association Insurance Fund member and become a Bank Insurance Fund member at any time during the 2-year period beginning on the date of the enactment of this Act without the approval of the Federal Deposit Insurance Corporation under section 5(d)(2) of the Federal Deposit Insurance Act (as added by subsection (a) of this section) and without incurring any liability for any exit or entrance fee imposed under such section 5(d)(2).

SEC. 207. INSURABILITY FACTORS.

Section 6 of the Federal Deposit Insurance Act (12 U.S.C. 1816) is amended to read as follows:

"SEC. 6. FACTORS TO BE CONSIDERED.

"The factors that are required, under section 4, to be considered in connection with, and enumerated in, any certificate issued pursuant to section 4 and that are required, under section 5, to be considered by the Board of Directors in connection with any determination by such Board pursuant to section 5 are the following:

"(1) The financial history and condition of the depository institution.

"(2) The adequacy of the depository institution's capital structure.

"(3) The future earnings prospects of the depository institution.

"(4) The general character and fitness of the management of the depository institution.

"(5) The risk presented by such depository institution to the Bank Insurance Fund or the Savings Association Insurance Fund.

"(6) The convenience and needs of the community to be served by such depository institution.

"(7) Whether the depository institution's corporate powers are consistent with the purposes of this Act.".

SEC. 208. ASSESSMENTS.

Section 7 of the Federal Deposit Insurance Act (12 U.S.C. 1817) is amended—

(1) in subsection (a)(2)—

(A) by inserting ", the Director of the Office of Thrift Supervision, the Federal Housing Finance Board, any Federal home loan bank," after "Comptroller of the Currency" each place such term appears (except after "Comptroller of the Currency,");

(B) by inserting "the Director of the Office of Thrift Supervision, the Federal Housing Finance Board, any Federal home loan bank," after "Comptroller of the Currency,";

(C) by striking out "either" in the 1st sentence and inserting in lieu thereof "any";

(D) in the last sentence of subparagraph (A), by inserting "or savings associations" after "banks";

(E) by striking out "State nonmember bank (except a District bank)" and inserting in lieu thereof "depository institution"; and

(F) by striking out subparagraph (B) and inserting the following:

"(B) ADDITIONAL REPORTS.—The Board of Directors may from time to time require any insured depository institution to file such additional reports as the Corporation, after agreement with the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Director of the Office of Thrift Supervision, as appropriate, may deem advisable for insurance purposes.";

(2) in subsection (a)(3)—

(A) by striking out "Each insured State nonmember bank" and all that follows through "four reports" and inserting the following: "Each insured depository institution shall make to the appropriate Federal banking agency 4 reports";

(B) by striking out "bank" each place such term appears in the 2nd, 5th, and 6th sentences and inserting in lieu thereof "depository institution";

(C) by striking out "insured national, District" and all that follows through "member bank" in the 7th sentence and inserting in lieu thereof "insured depository institution"; and

(D) by inserting "or savings associations" after "banks" in the last sentence;

(3) in subsection (a)(4), by striking out "bank", "bank's", and "banks" each place such terms appear (except in "foreign bank") and inserting in lieu thereof "depository institution", "depository institution's", and "depository institutions", respectively;

(4) by striking out paragraphs (1) and (2) of subsection (b) and inserting the following:

"(1) ASSESSMENT RATES.—

"(A) ANNUAL ASSESSMENT RATES PRESCRIBED.—

"(i) The Corporation shall set assessment rates for insured depository institutions annually.

"(ii) The Corporation shall fix the annual assessment rate of Bank Insurance Fund members independently from the annual assessment rate for Savings Association Insurance Fund members.

"(iii) The Corporation shall, by September 30 of each year, announce the assessment rates for the succeeding calendar year.

"(B) DESIGNATED RESERVE RATIO DEFINED.—

"(i) The designated reserve ratio of the Bank Insurance Fund for each year shall be—

"(I) 1.25 percent of estimated insured deposits; or

"(II) such higher percentage of estimated insured deposits, not exceeding 1.50 percent, as the Board of Directors determines for that year to be justified by circumstances that raise a significant risk of substantial future losses to the Bank Insurance Fund.

"(ii) The designated reserve ratio of the Savings Association Insurance Fund for each year shall be—

"(I) 1.25 percent of estimated insured deposits; or

"(II) such higher percentage of estimated insured deposits, not exceeding 1.50 percent, as the Board of Directors determines for that year to be justified by circumstances that raise a significant risk of substantial future losses to the Savings Association Insurance Fund.

"(iii) The Board of Directors shall—

"(I) maintain reserves in the Bank Insurance Fund received pursuant to clause (i)(II) as Supplemental Reserves in the Bank Insurance Fund;

"(II) allocate each calendar quarter to an Earnings Participation Account in the Bank Insurance Fund the investment income earned by the Bank Insurance Fund on such Supplemental Reserves in the preceding calendar quarter;

"(III) distribute such Earnings Participation Account at the conclusion of each calendar year to Bank Insurance Fund members; and

"(IV) distribute such Supplemental Reserves to Bank Insurance Fund members if and to the extent the Corporation determines that such Supplemental Reserves are not needed to satisfy the projected designated reserve ratio for the next succeeding calendar year.

"(iv) The Board of Directors shall—

"(I) maintain reserves in the Savings Association Insurance Fund received pursuant to clause (ii)(II) as Supplemental Reserves in the Savings Association Insurance Fund;

"(II) allocate each calendar quarter to an Earnings Participation Account in the Savings Association Insurance Fund the investment income earned by the Savings Association Insurance Fund on such Supplemental Reserves in the preceding calendar quarter;

"(III) distribute such Earnings Participation Account at the conclusion of each calendar year to Savings Association Insurance Fund members; and

"(IV) distribute such Supplemental Reserves to Savings Association Insurance Fund members if and to the extent the Corporation determines that such Supplemental Reserves are not needed to satisfy the projected designated reserve ratio for the next succeeding calendar year.

"(C) ASSESSMENT RATE FOR BANK INSURANCE FUND MEMBERS.—The annual assessment rate for Bank Insurance Fund members shall be—

"(i) until December 31, 1989, 1/12 of 1 percent;

"(ii) from January 1, 1990, through December 31, 1990, 0.12 percent;

"(iii) on and after January 1, 1991, 0.15 percent;

"(iv) on January 1 of a calendar year in which the reserve ratio of the Bank Insurance Fund is expected to be less than the designated reserve ratio by determination of the Board of Directors, such rate determined by the Board of Directors to be appropriate to restore the reserve ratio to the designated reserve ratio within a reasonable period of time, after taking into consideration the expected operating expenses, case resolution expenditures, and investment income of the Bank Insurance Fund, and the impact on insured bank earnings and capitalization, except that—

"(I) from the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 until the earlier of January 1, 1995, or January 1 of the calendar year in which the Bank Insurance Fund reserve ratio is expected to first attain the designated reserve ratio, the rate shall be as specified in clauses (i), (ii), and (iii) of this subparagraph so long as the Bank Insurance Fund reserve ratio is increasing on a calendar year basis;

"(II) the rate shall not exceed 0.325 percent; and

"(III) the increase in the rate in any 1 year shall not exceed 0.075 percent; and

"(v) sufficient to ensure that for each member in each year the assessment shall not be less than $1,000.

"(D) ASSESSMENT RATE FOR SAVINGS ASSOCIATION INSURANCE FUND MEMBERS.—The annual assessment rate for Savings Association Insurance Fund members shall be—

"(i) until December 31, 1990, 0.208 percent;

"(ii) from January 1, 1991, through December 31, 1993, 0.23 percent;

"(iii) from January 1, 1994, through December 31, 1997, 0.18 percent;

"(iv) on and after January 1, 1998, 0.15 percent;

"(v) on January 1 of a calendar year in which the reserve ratio of the Savings Association Insurance Fund is expected to be less than the designated reserve ratio by determination of the Board of Directors, such rate determined by the Board of Directors to be appropriate to restore the reserve ratio to the designated reserve ratio within a reasonable period of time, after taking into consideration the expected expenses and income of the Savings Association Insurance Fund, and the effect on insured savings association earnings and capitalization, except that—

"(I) from the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 through December 31, 1994, the rate shall be as specified in clauses (i), (ii), and (iii) above;

"(II) the rate shall not exceed 0.325 percent; and

"(III) the increase in the rate in any one year shall not exceed 0.075 percent; and

"(v) sufficient to ensure that for each member in each year the assessment shall not be less than $1,000.

"(E) FINANCING CORPORATION AND FUNDING CORPORATION ASSESSMENTS.—Notwithstanding any other provision of this paragraph, amounts assessed by the Financing Corporation and the Funding Corporation under sections 21 and 21B, respectively, of the Federal Home Loan Bank Act against Savings Association Insurance Fund members, shall be subtracted from the amounts authorized to be assessed by the Corporation under this paragraph.

"(F) SPECIAL RULE TO ALLOW CONTINUING ASSESSMENTS BY THE FINANCING CORPORATION AND THE FUNDING CORPORATION DURING PREMIUM YEAR ADJUSTMENTS.—In order to ensure that the Financing Corporation and the Resolution Funding Corporation obtain sufficient funds for interest payments on obligations of such corporations, the Corporation, in coordination with the Financing Corporation and the Secretary of the Treasury, may prescribe such regulations as may be necessary to allow the Financing Corporation and the Resolution Funding Corporation to impose assessments against Savings Association Insurance Fund members pursuant to sections 21 and 21B, respectively, of the Federal Home Loan Bank Act during the period required to change such members' premium year from the 1-year period applicable under section 404(b) of the National Housing Act (as in effect before the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989) to a calendar year basis.

"(2) ASSESSMENT PROCEDURES.—

"(A) SEMIANNUAL ASSESSMENTS.—Except as provided in subsection (c)(2)—

"(i) the semiannual assessment due from any Bank Insurance Fund member for any semiannual period shall be equal to the product of—

"(I) ½ the annual assessment rate applicable to such Bank Insurance Fund member; and

"(II) such Bank Insurance Fund member's average assessment base for the immediately preceding semiannual period; and

"(ii) the semiannual assessment due from any Savings Association Insurance Fund member for any semiannual period shall be equal to the product of—

"(I) ½ the annual assessment rate applicable to such Savings Association Insurance Fund member; and

"(II) such Savings Association Insurance Fund member's average assessment base for the immediately preceding semiannual period.

"(B) DEFINITION.—For purposes of this section, the term 'semiannual period' means a period beginning on January 1 of any calendar year and ending on June 30 of the same year, or a period beginning on July 1 of any calendar year and ending on December 31 of the same year.";

(5) by amending subsection (d) to read as follows:

"(d) ASSESSMENT CREDITS.—

"(1) IN GENERAL.—

"(A) By September 30 of each calendar year, the Corporation shall prescribe and publish the aggregate amount to be credited to insured depository institutions in the succeeding calendar year.

"(B) Each insured depository institution shall be notified by the Corporation of the percentage by which the assessment rate should be reduced in computing its net premium.

"(C) Any outstanding obligations owed to the Corporation by an individual insured depository institution shall be deducted from any assessment credit to be credited to such depository institution.

"(2) ASSESSMENT CREDIT FOR INSURED BANKS.—

"(A) CREDIT BARRED.—The Board of Directors shall not prescribe an assessment credit to Bank Insurance Fund members if the Board of Directors determines that the Bank Insurance Fund reserve ratio is expected to be equal to or less than the designated reserve ratio in the coming year after taking into consideration such Fund's expected expenses and income.

"(B) CREDIT AUTHORIZED.—If the Board of Directors determines, after taking into consideration the Bank Insurance Fund's expected operating expenses, case resolution expenditures, investment income, and assessment income, that the Bank Insurance Fund reserve ratio is expected to exceed the designated reserve ratio in the succeeding year, the Board of Directors shall prescribe an assessment credit to Bank Insurance Fund members in such succeeding calendar year equal to the lesser of—

"(i) the amount necessary to reduce the Bank Insurance Fund reserve ratio to the designated reserve ratio; or

"(ii) 100 percent of the net assessment income to be received from Bank Insurance Fund members in such succeeding year.

"(3) ASSESSMENT CREDIT FOR INSURED SAVINGS ASSOCIATIONS.—

"(A) CREDIT BARRED.—The Board of Directors shall not prescribe an assessment credit to Savings Association Insurance Fund members if the Board of Directors determines that the Savings Association Insurance Fund reserve ratio is expected to be equal to or less than the designated reserve ratio in the coming year after taking into consideration such Fund's expected expenses and income.

"(B) CREDIT AUTHORIZED.—If the Board of Directors determines, after taking into consideration the Savings Association Insurance Fund's expected expenses and income, that the Savings Association Insurance Fund reserve ratio is expected to exceed the designated reserve ratio in the succeeding year, the Board of Directors shall prescribe an assessment credit to Savings Association Insurance Fund members in such succeeding calendar year equal to the lesser of—

"(i) the amount necessary to reduce the Savings Association Insurance Fund reserve ratio to the designated reserve ratio; or

"(ii) 100 percent of the net assessment income to be received from Savings Association Insurance Fund members in such succeeding year.

"(4) NET ASSESSMENT INCOME DEFINED.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'net assessment income' means—

"(i) with respect to the Bank Insurance Fund, the Bank Insurance Fund net assessment income (as defined in subparagraph (B)); and

"(ii) with respect to the Savings Association Insurance Fund, the Savings Association Insurance Fund net assessment income (as defined in subparagraph (C)).

"(B) BANK INSURANCE FUND NET ASSESSMENT INCOME.—

"(i) IN GENERAL.—The term 'Bank Insurance Fund net assessment income' means—

"(I) the total assessments which become due during the calendar year with respect to members of such Fund, minus

"(II) the sum of the amount of the operating costs and expenses described in clause (ii) and the amount by which the Bank Insurance Fund's insurance costs described in clause (iii) exceed its investment income for the calendar year.

"(ii) OPERATING COST AND EXPENSES.—For the purposes of this subparagraph, the operating costs and expenses to be deducted from assessments include the operating costs and expenses of—

"(I) the Corporation for the calendar year directly attributable to the Bank Insurance Fund; and

"(II) the Bank Insurance Fund.

"(iii) INSURANCE COSTS.—For purposes of this subparagraph, the insurance costs include—

"(I) additions to the Bank Insurance Fund's reserve to provide for insurance losses during the calendar year, excluding any adjustments to such reserve which result in a reduction of such reserve; and

"(II) the insurance losses sustained in such calendar year.

"(C) SAVINGS ASSOCIATION INSURANCE FUND NET ASSESSMENT INCOME.—

"(i) IN GENERAL.—The term 'Savings Association Insurance Fund net assessment income' means—

"(I) the total assessments which become due during the calendar year with respect to members of such Fund, minus

"(II) the sum of the amount of the operating costs and expenses described in clause (ii) and the amount by which the Savings Association Insurance Fund's insurance costs described in clause (iii) exceed its investment income for the calendar year.

"(ii) OPERATING COST AND EXPENSES.—For purposes of this subparagraph, the operating costs and expenses to be deducted from assessments include the operating costs and expenses of—

"(I) the Corporation for the calendar year directly attributable to the Savings Association Insurance Fund; and

"(II) the Savings Association Insurance Fund.

"(iii) INSURANCE COSTS.—For the purposes of this subparagraph, the insurance costs include—

"(I) additions to the Savings Association Insurance Fund's reserve to provide for insurance losses during the calendar year, excluding any adjustments to such reserve which result in a reduction of such reserve; and

"(II) the insurance losses sustained in such calendar year.

"(5) INVESTMENT INCOME DEFINED.—For purposes of this subsection, the term 'investment income' means—

"(A) for the Bank Insurance Fund, interest, dividends, and net market gains earned on investments of the Bank Insurance Fund; and

"(B) for the Savings Association Insurance Fund, interest, dividends, and net market gains earned on investments of the Savings Association Insurance Fund.".

(6) in paragraphs (3), (4), (5), (6), (7), and (8) of subsection (b), by striking out "bank", "bank's", and "banks" each place such term appears (except where "foreign" precedes any of such terms) and inserting in lieu thereof "depository institution", "depository institution's", and "depository institutions", respectively;

(7) in subsections (c), (e), (f), (g), and (i), by striking out "bank" each place such term appears and inserting in lieu thereof "depository institution";

(8) in subsection (j)(1), by striking out the last sentence;

(9) in subsection (j)(2)(A)—

(A) by striking out "failure" and inserting in lieu thereof "default"; and

(B) by striking out "bank" each place such term appears and inserting in lieu thereof "depository institution";

(10) in subsection (j)(2)(D), by inserting "unless such agency determines that an emergency exists," after "shall,";

(11) in subsection (j)(7)—

(A) by striking out "or" at the end of subparagraph (D);

(B) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof "; or"; and

(C) by adding at the end thereof the following new subparagraph:

"(F) the appropriate Federal banking agency determines that the proposed transaction would result in an adverse effect on the Bank Insurance Fund or the Savings Association Insurance Fund.";

(12) by amending subsection (j)(17) to read as follows:

"(17) EXCEPTIONS.—This subsection shall not apply with respect to a transaction which is subject to—

"(A) section 3 of the Bank Holding Company Act of 1956;

"(B) section 18(c) of this Act; or

"(C) section 10 of the Home Owners' Loan Act.";

(13) by adding at the end of subsection (j) the following new paragraph:

"(18) APPLICABILITY OF CHANGE IN CONTROL PROVISIONS TO OTHER INSTITUTIONS.—For purposes of this subsection, the term 'insured depository institution' includes—

"(A) any depository institution holding company; and

"(B) any other company which controls an insured depository institution and is not a depository institution holding company.";

(14) by adding at the end thereof the following new subsection:

"(l) DESIGNATION OF FUND MEMBERSHIP FOR NEWLY INSURED DEPOSITORY INSTITUTIONS; DEFINITIONS.—For purposes of this section:

"(1) BANK INSURANCE FUND.—Any institution which—

"(A) becomes an insured depository institution; and

"(B) does not become a Savings Association Insurance Fund member pursuant to paragraph (2),

shall be a Bank Insurance Fund member.

"(2) SAVINGS ASSOCIATION INSURANCE FUND.—Any savings association, other than any Federal savings bank chartered pursuant to section 5(o) of the Home Owners' Loan Act, which becomes an insured depository institution shall be a Savings Association Insurance Fund member.

"(3) TRANSITION PROVISION.—

"(A) BANK INSURANCE FUND.—Any depository institution the deposits of which were insured by the Federal Deposit Insurance Corporation on the day before the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, including—

"(i) any Federal savings bank chartered pursuant to section 5(o) of the Home Owners' Loan Act; and

"(ii) any cooperative bank,

shall be a Bank Insurance Fund member as of such date of enactment.

"(B) SAVINGS ASSOCIATION INSURANCE FUND.—Any savings association which is an insured depository institution by operation of section 4(a)(2) shall be a Savings Association Insurance Fund member as of the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

"(4) BANK INSURANCE FUND MEMBER.—The term 'Bank Insurance Fund member' means any depository institution the deposits of which are insured by the Bank Insurance Fund.

"(5) SAVINGS ASSOCIATION INSURANCE FUND MEMBER.—The term 'Savings Association Insurance Fund member' means any depository institution the deposits of which are insured by the Savings Association Insurance Fund.

"(6) BANK INSURANCE FUND RESERVE RATIO.—The term 'Bank Insurance Fund reserve ratio' means the ratio of the net worth of the Bank Insurance Fund to the value of the aggregate estimated insured deposits held in all Bank Insurance Fund members.

"(7) SAVINGS ASSOCIATION INSURANCE FUND RESERVE RATIO.—The term 'Savings Association Insurance Fund reserve ratio' means the ratio of the value of the net worth of the Savings Association Insurance Fund to the value of the aggregate estimated insured deposits held in all Savings Association Insurance Fund members.";

(15) by adding after the subsection added by paragraph (14) of this section the following new subsections:

"(m) SECONDARY RESERVE OFFSETS AGAINST PREMIUMS.—

"(1) OFFSETS IN CALENDAR YEARS BEGINNING BEFORE 1993.—Subject to the maximum amount limitation contained in paragraph (2) and notwithstanding any other provision of law, any insured savings association may offset such association's pro rata share of the statutorily prescribed amount against any premium assessed against such association under subsection (b) of this section for any calendar year beginning before 1993.

"(2) ANNUAL MAXIMUM AMOUNT LIMITATION.—The amount of any offset allowed for any savings association under paragraph (1) for any calendar year beginning before 1993 shall not exceed an amount which is equal to 20 percent of such association's pro rata share of the statutorily prescribed amount (as computed for such calendar year).

"(3) OFFSETS IN CALENDAR YEARS BEGINNING AFTER 1992.—Notwithstanding any other provision of law, a savings association may offset such association's pro rata share of the statutorily prescribed amount against any premium assessed against such association under subsection (b) for any calendar year beginning after 1992.

"(4) TRANSFERABILITY.—No right, title, or interest of any insured depository institution in or with respect to its pro rata share of the secondary reserve shall be assignable or transferable whether by operation of law or otherwise, except to the extent that the Corporation may provide for transfer of such pro rata share in cases of merger or consolidation, transfer of bulk assets or assumption of liabilities, and similar transactions, as defined by the Corporation for purposes of this paragraph.

"(5) PRO RATA DISTRIBUTION ON TERMINATION OF INSURED STATUS.—If—

"(A) the status of any savings association as an insured depository institution is terminated pursuant to any provision of section 8 or the insurance of accounts of any savings association institution is otherwise terminated;

"(B) a receiver or other legal custodian is appointed for the purpose of liquidation or winding up the affairs of any savings association; or

"(C) the Corporation makes a determination that for the purposes of this subsection any savings association has otherwise gone into liquidation,

the Corporation shall pay in cash to such institution its pro rata share of the secondary reserve, in accordance with such terms and conditions as the Corporation may prescribe, or, at the option of the Corporation, the Corporation may apply the whole or any part of the amount which would otherwise be paid in cash toward the payment of any indebtedness or obligation, whether matured or not, of such institution to the Corporation, existing or arising before such payment in cash. Such payment or such application need not be made to the extent that the provisions of the exception in paragraph (4) are applicable.

"(6) STATUTORILY PRESCRIBED AMOUNT DEFINED.—For purposes of this subsection, the term 'statutorily prescribed amount' means, with respect to any calendar year which ends after the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989—

"(A) $823,705,000, minus

"(B) the sum of—

"(i) the aggregate amount of offsets made before such date of enactment by all insured institutions under section 404(e)(2) of the National Housing Act (as in effect before such date of enactment); and

"(ii) the aggregate amount of offsets made by all savings associations under this subsection before the beginning of such calendar year.

"(7) SAVINGS ASSOCIATION'S PRO RATA AMOUNT.—For purposes of this subsection, any savings association's pro rata share of the statutorily prescribed amount is the percentage which is equal to such association's share of the secondary reserve as determined under section 404(e) of the National Housing Act on the day before the date on which Federal Savings and Loan Insurance Corporation ceased to recognize the secondary reserve (as such Act was in effect on the day before such date).

"(8) YEAR OF ENACTMENT RULE.—With respect to the calendar year in which the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 is enacted, the Corporation shall make such adjustments as may be necessary—

"(A) in the computation of the statutorily prescribed amount which shall be applicable for the remainder of such calendar year after taking into account the aggregate amount of offsets by all insured institutions under section 404(e)(2) of the National Housing Act (as in effect before the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989) after the beginning of such calendar year and before such date of enactment; and

"(B) in the computation of the maximum amount of any savings association's offset for such calendar year under paragraph (1) after taking into account—

"(i) the amount of any offset by such savings association under section 404(e)(2) of the National Housing Act (as in effect before such date of enactment) after the beginning of such calendar year and before such date of enactment; and

"(ii) the change of such association's premium year from the 1-year period applicable under section 404(b) of the National Housing Act (as in effect before such date of enactment) to a calendar year basis.

"(n) COLLECTIONS ON BEHALF OF THE DIRECTOR OF THE OFFICE OF THRIFT SUPERVISION.—When requested by the Director of the Office of Thrift Supervision, the Corporation shall collect on behalf of the Director assessments on savings associations levied by the Director under section 9 of the Home Owners' Loan Act. The Corporation shall be reimbursed for its actual costs for the collection of such assessments. Any such assessments by the Director shall be in addition to any amounts assessed by the Corporation, the Financing Corporation, and the Resolution Funding Corporation.".

SEC. 209. CORPORATE POWERS OF THE FDIC.

Section 9 of the Federal Deposit Insurance Act (12 U.S.C. 1819) is amended—

(1) by striking out "bank" and "banks" each place such terms appear (except in the last sentence of the paragraph designated the "Fourth") and inserting in lieu thereof "depository institution" and "depository institutions", respectively; and

(2) by striking out "Upon the date" and inserting the following:

"(a) IN GENERAL.—Upon the date";

(3) by amending the paragraph designated the "Fourth" to read as follows:

"Fourth. To sue and be sued, and complain and defend, in any court of law or equity, State or Federal."; and

(4) by adding at the end thereof the following new subsection:

"(b) AGENCY AUTHORITY.—

"(1) STATUS.—The Corporation, in any capacity, shall be an agency of the United States for purposes of section 1345 of title 28, United States Code, without regard to whether the Corporation commenced the action.

"(2) FEDERAL COURT JURISDICTION.—

"(A) IN GENERAL.—Except as provided in subparagraph (D), all suits of a civil nature at common law or in equity to which the Corporation, in any capacity, is a party shall be deemed to arise under the laws of the United States.

"(B) REMOVAL.—Except as provided in subparagraph (D), the Corporation may, without bond or security, remove any action,

suit, or proceeding from a State court to the appropriate United States district court.

"(C) APPEAL OF REMAND.—The Corporation may appeal any order of remand entered by any United States district court.

"(D) STATE ACTIONS.—Except as provided in subparagraph (E), any action—

"(i) to which the Corporation, in the Corporation's capacity as receiver of a State insured depository institution by the exclusive appointment by State authorities, is a party other than as a plaintiff;

"(ii) which involves only the preclosing rights against the State insured depository institution, or obligations owing to, depositors, creditors, or stockholders by the State insured depository institution; and

"(iii) in which only the interpretation of the law of such State is necessary,

shall not be deemed to arise under the laws of the United States.

"(E) RULE OF CONSTRUCTION.—Subparagraph (D) shall not be construed as limiting the right of the Corporation to invoke the jurisdiction of any United States district court in any action described in such subparagraph if the institution of which the Corporation has been appointed receiver could have invoked the jurisdiction of such court.

"(3) SERVICE OF PROCESS.—The Board of Directors shall designate agents upon whom service of process may be made in any State, territory, or jurisdiction in which any insured depository institution is located.

"(4) BONDS OR FEES.—The Corporation shall not be required to post any bond to pursue any appeal and shall not be subject to payments of any filing fees in United States district courts or courts of appeal.".

SEC. 210. ADMINISTRATION OF CORPORATION.

(a) EXAMINATION AUTHORITY.—Section 10(b) of the Federal Deposit Insurance Act (12 U.S.C. 1820(b)) is amended to read as follows:

"(b) EXAMINATIONS.—

"(1) APPOINTMENT OF EXAMINERS AND CLAIMS AGENTS.—The Board of Directors shall appoint examiners and claim agents.

"(2) REGULAR EXAMINATIONS.—Any examiner appointed under paragraph (1) shall have power, on behalf of the Corporation, to examine—

"(A) any insured State nonmember bank (except a District bank) or insured State branch of any foreign bank;

"(B) any savings association, State nonmember bank, or State branch of a foreign bank, or other depository institution which files an application with the Corporation to become an insured depository institution; and

"(C) any insured depository institution in default,

whenever the Board of Directors determines an examination of any such depository institution is necessary.

"(3) SPECIAL EXAMINATION OF ANY INSURED DEPOSITORY INSTITUTION.—In addition to the examinations authorized under paragraph (2), any examiner appointed under paragraph (1) shall have power, on behalf of the Corporation, to make any special examination of any insured depository institution whenever the Board of Directors determines a special examination of any such depository institution is necessary to determine the condition of such depository institution for insurance purposes.

"(4) EXAMINATION OF AFFILIATES.—

"(A) IN GENERAL.—In making any examination under paragraph (2) or (3), any examiner appointed under paragraph (1) shall have power, on behalf of the Corporation, to make such examinations of the affairs of any affiliate of any insured depository institution as may be necessary to disclose fully—

"(i) the relationship between such insured depository institution and any such affiliate; and

"(ii) the effect of such relationship on the insured depository institution.

"(B) COMMITMENT BY FOREIGN BANKS TO ALLOW EXAMINATIONS OF AFFILIATES.—No branch or depository institution subsidiary of a foreign bank may become an insured depository institution unless such foreign bank submits a written binding commitment to the Board of Directors to permit any examination of any affiliate of such branch or depository institution subsidiary pursuant to subparagraph (A) to the extent determined by the Board of Directors to be necessary to carry out the purposes of this Act.

"(5) POWER AND DUTY OF EXAMINERS.—Each examiner appointed under paragraph (1) shall—

"(A) have power to make a thorough examination of any insured depository institution or affiliate under paragraph (2), (3), or (4); and

"(B) shall make a full and detailed report of condition of any insured depository institution or affiliate examined to the Corporation.

"(6) POWER OF CLAIM AGENTS.—Each claim agent appointed under paragraph (1) shall have power to investigate and examine all claims for insured deposits.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 10(c) of the Federal Deposit Insurance Act (12 U.S.C. 1820(c)) is amended by striking out ", State nonmember banks or other institutions" and inserting in lieu thereof "and any State nonmember bank, savings association, or other institution".

(2) Section 10 of the Federal Deposit Insurance Act (12 U.S.C. 1820) is amended by striking out subsection (d).

SEC. 211. INSURANCE FUNDS.

Section 11(a) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)) is amended—

(1) by striking out paragraph (1) and inserting the following:

"(1) The Corporation shall insure the deposits of all insured depository institutions as provided in this Act. The maximum amount of the insured deposit of any depositor shall be $100,000.";

(2) in paragraph (2)(B), by striking out "time and savings"; and

(3) by adding at the end the following new paragraphs:

"(4) GENERAL PROVISION RELATING TO FUNDS.—The Bank Insurance Fund established under paragraph (5) and the Savings Association Insurance Fund established under paragraph (6) shall each be—

"(A) maintained and administered by the Corporation;

"(B) maintained separately and not commingled; and

"(C) used by the Corporation to carry out its insurance purposes in the manner provided in this subsection.

"(5) BANK INSURANCE FUND.—

"(A) ESTABLISHMENT.—There is established a fund to be known as the Bank Insurance Fund.

"(B) TRANSFER TO FUND.—On the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the Permanent Insurance Fund shall be dissolved and all assets and liabilities of the Permanent Insurance Fund shall be transferred to the Bank Insurance Fund.

"(C) USES.—The Bank Insurance Fund shall be available to the Corporation for use with respect to Bank Insurance Fund members.

"(D) DEPOSITS.—All amounts assessed against Bank Insurance Fund members by the Corporation shall be deposited into the Bank Insurance Fund.

"(6) SAVINGS ASSOCIATION INSURANCE FUND.—

"(A) ESTABLISHMENT.—There is established a fund to be known as the Savings Association Insurance Fund.

"(B) USES.—The Savings Association Insurance Fund shall be available to the Corporation for use with respect to Savings Association Insurance Fund members.

"(C) DEPOSITS.—All amounts assessed against Savings Association Insurance Fund members which are not required for the Financing Corporation, the Resolution Funding Corporation, or the FSLIC Resolution Fund shall be deposited in the Savings Association Insurance Fund.

"(D) AVAILABILITY OF FUNDS FOR ADMINISTRATIVE EXPENSES.—

"(i) IN GENERAL.—The FSLIC Resolution Fund shall deposit in the Savings Association Insurance Fund such amounts as the Corporation determines are needed during the period beginning on the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 and ending on September 30, 1991, to pay the administrative and supervisory expenses of such Fund.

"(ii) PRIORITY.—The Savings Association Insurance Fund shall have priority over other obligations of the FSLIC Resolution Fund with respect to such amounts.

"(E) TREASURY PAYMENTS TO FUND.—To provide sufficient funding for the Savings Association Insurance Fund to carry out the purposes of this Act, the Secretary of the Treasury shall pay to such Fund, for each of the fiscal years 1992 through 1999, the amount, if any, by which $2,000,000,000 exceeds the amount deposited in such Fund (during such fiscal year) pursuant to subparagraph (C).

"(F) TREASURY PAYMENTS TO MAINTAIN NET WORTH OF FUND.—The Secretary of the Treasury shall pay to the Savings Association Insurance Fund, for each fiscal year described in the following table, any additional amount which may be necessary, as determined by the Corporation and the Secretary of the Treasury to ensure that such Fund has the minimum net worth referred to in such table throughout each such fiscal year:

"For the fiscal year beginning October 1 of:	The amount of minimum net worth (in billions):
1991	0.0
1992	1.0
1993	2.1
1994	3.2
1995	4.3
1996	5.4
1997	6.5
1998	7.6
1999	8.8

"(G) EXCEPTION TO SUBPARAGRAPHS (E) AND (F).—Notwithstanding subparagraphs (E) and (F), no payment may be made pursuant to such subparagraphs after the Savings Association Insurance Fund achieves a reserve ratio of 1.25 percent.

"(H) DISCRETIONARY RTC PAYMENTS.—If amounts available to the Savings Association Insurance Fund for purposes other than the payment of administrative expenses are insufficient for the Savings Association In-

surance Fund to carry out the purposes of this Act, the Corporation may request the Resolution Trust Corporation to provide, and the Oversight Board of the Resolution Trust Corporation (in the discretion of the Oversight Board) may pay, such amount as may be needed for such purposes.

"(I) BORROWING AUTHORITY.—

"(i) IN GENERAL.—The Corporation may borrow from the Federal home loan banks, with the concurrence of the Federal Housing Finance Board, such funds as the Corporation considers necessary for the use of the Savings Association Insurance Fund.

"(ii) TERMS AND CONDITIONS.—Any loan from any Federal home loan bank under clause (i) to the Savings Association Insurance Fund shall—

"(I) bear a rate of interest of not less than such bank's current marginal cost of funds, taking into account the maturities involved;

"(II) be adequately secured, as determined by the Federal Housing Finance Board;

"(III) be a direct liability of such Fund; and

"(IV) be subject to the limitations of section 15(c).

"(J) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of the Treasury, such sums as may be necessary to carry out the provisions of this paragraph, except that—

"(i) the annual amount appropriated under subparagraph (F) shall not exceed $2,000,000,000 in either fiscal year 1991 or fiscal year 1992; and

"(ii) the cumulative amount appropriated under subparagraph (F) for fiscal years 1991 through 1999 shall not exceed $16,000,000,000.

"(7) PROVISIONS APPLICABLE TO MAINTENANCE OF ACCOUNTS.—

"(A) CORPORATION'S AUTHORITY.—Any provision of this Act forbidding the commingling of the Bank Insurance Fund with the Savings Association Insurance Fund, or requiring the separate maintenance of the Bank Insurance Fund and the Savings Association Insurance Fund, is not intended—

"(i) to limit or impair the authority of the Corporation to use the same facilities and resources in the course of conducting supervisory, regulatory, conservatorship, receivership, or liquidation functions with respect to banks and savings associations, or to integrate such functions; or

"(ii) to limit or impair the Corporation's power to combine assets or liabilities belonging to banks and savings associations in conservatorship or receivership for managerial purposes, or to limit or impair the Corporation's power to dispose of such assets or liabilities on an aggregate basis.

"(B) ACCOUNTING REQUIREMENTS.—

"(i) ACCOUNTING FOR USE OF FACILITIES AND RESOURCES.—The Corporation shall keep a full and complete accounting of all costs and expenses associated with the use of any facility or resource used in the course of any function specified in subparagraph (A)(i) and shall allocate, in the manner provided in subparagraph (C), any such costs and expenses incurred by the Corporation—

"(I) with respect to Bank Insurance Fund members to the Bank Insurance Fund; and

"(II) with respect to Savings Association Insurance Fund members to the Savings Association Insurance Fund.

"(ii) ACCOUNTING FOR HOLDING AND MANAGING ASSETS AND LIABILITIES.—The Corporation shall keep a full and complete accounting of all costs and expenses associated with the holding and management of any asset or liability specified in subparagraph (A)(ii).

"(iii) ACCOUNTING FOR DISPOSITION OF ASSETS AND LIABILITIES.—The Corporation shall keep a full and complete accounting of all expenses and receipts associated with the disposition of any asset or liability specified in subparagraph (A)(ii).

"(iv) ALLOCATION OF COST, EXPENSES AND RECEIPTS.—The Corporation shall allocate any cost, expense, and receipt described in clause (ii) or clause (iii) which is associated with any asset or liability belonging to—

"(I) any Bank Insurance Fund member to the Bank Insurance Fund; and

"(II) any Savings Association Insurance Fund member to the Savings Association Insurance Fund.

"(C) ALLOCATION OF ADMINISTRATIVE EXPENSES.—Any personnel, administrative, or other overhead expense of the Corporation shall be allocated—

"(i) fully to the Bank Insurance Fund, if the expense was incurred directly as a result of the Corporation's responsibilities solely with respect to Bank Insurance Fund members;

"(ii) fully to the Savings Association Insurance Fund, if the expense was incurred directly as a result of the Corporation's responsibilities solely with respect to Savings Association Insurance Fund members;

"(iii) between the Bank Insurance Fund and the Savings Association Insurance Fund, in amounts reflecting the relative degree to which the expense was incurred as a result of the activities of Bank Insurance Fund and Savings Association Insurance Fund members; or

"(iv) between the Bank Insurance Fund and the Savings Association Insurance Fund, in amounts reflecting the relative total assets as of the end of the preceding calendar year of Bank Insurance Fund members and Savings Association Insurance Fund members, to the extent that the Board of Directors is unable to make a determination under clause (i), (ii), or (iii).".

SEC. 212. CONSERVATORSHIP AND RECEIVERSHIP POWERS OF THE CORPORATION.

(a) BASIC AUTHORITIES.—Section 11 of the Federal Deposit Insurance Act (12 U.S.C. 1821) is amended by striking out subsections (c) through (j) and inserting the following new subsections:

"(c) APPOINTMENT OF CORPORATION AS CONSERVATOR OR RECEIVER.—

"(1) IN GENERAL.—Notwithstanding any other provision of Federal law, the law of any State, or the constitution of any State, the Corporation may accept appointment and act as conservator or receiver for any insured depository institution upon appointment in the manner provided in paragraph (2) or (3).

"(2) FEDERAL DEPOSITORY INSTITUTIONS.—

"(A) APPOINTMENT.—

"(i) CONSERVATOR.—The Corporation may, at the discretion of the supervisory authority, be appointed conservator of any insured Federal depository institution or District bank and the Corporation may accept such appointment.

"(ii) RECEIVER.—The Corporation shall be appointed receiver, and shall accept such appointment, whenever a receiver is appointed for the purpose of liquidation or winding up the affairs of an insured Federal depository institution or District bank by the appropriate Federal banking agency, notwithstanding any other provision of Federal law (other than section 21A of the Federal Home Loan Bank Act) or the code of law for the District of Columbia.

"(B) ADDITIONAL POWERS.—In addition to and not in derogation of the powers conferred and the duties imposed by this section on the Corporation as conservator or receiver, the Corporation, to the extent not inconsistent with such powers and duties, shall have any other power conferred on or any duty (which is related to the exercise of such power) imposed on a conservator or receiver for any Federal depository institution under any other provision of law.

"(C) CORPORATION NOT SUBJECT TO ANY OTHER AGENCY.—When acting as conservator or receiver pursuant to an appointment described in subparagraph (A), the Corporation shall not be subject to the direction or supervision of any other agency or department of the United States or any State in the exercise of the Corporation's rights, powers, and privileges.

"(D) DEPOSITORY INSTITUTION IN CONSERVATORSHIP SUBJECT TO BANKING AGENCY SUPERVISION.—Notwithstanding subparagraph (C), any Federal depository institution for which the Corporation has been appointed conservator shall remain subject to the supervision of the appropriate Federal banking agency.

"(3) INSURED STATE DEPOSITORY INSTITUTIONS—

"(A) APPOINTMENT BY APPROPRIATE STATE SUPERVISOR.—Whenever the authority having supervision of any insured State depository institution (other than a District depository institution) appoints a conservator or receiver for such institution and tenders appointment to the Corporation, the Corporation may accept such appointment.

"(B) ADDITIONAL POWERS.—In addition to the powers conferred and the duties related to the exercise of such powers imposed by State law on any conservator or receiver appointed under the law of such State for an insured State depository institution, the Corporation, as conservator or receiver pursuant to an appointment described in subparagraph (A), shall have the powers conferred and the duties imposed by this section on the Corporation as conservator or receiver.

"(C) CORPORATION NOT SUBJECT TO ANY OTHER AGENCY.—When acting as conservator or receiver pursuant to an appointment described in subparagraph (A), the Corporation shall not be subject to the direction or supervision of any other agency or department of the United States or any State in the exercise of its rights, powers, and privileges.

"(D) DEPOSITORY INSTITUTION IN CONSERVATORSHIP SUBJECT TO BANKING AGENCY SUPERVISION.—Notwithstanding subparagraph (C), any insured State depository institution for which the Corporation has been appointed conservator shall remain subject to the supervision of the appropriate State bank or savings association supervisor.

"(4) APPOINTMENT OF CORPORATION BY THE CORPORATION.—Except as otherwise provided in section 21A of the Federal Home Loan Bank Act and notwithstanding any other provision of Federal law, the law of any State, or the constitution of any State, the Corporation may appoint itself as sole conservator or receiver of any insured State depository institution if—

"(A) the Corporation determines—

"(i) that—

"(I) a conservator, receiver, or other legal custodian has been appointed for such institution;

"(II) such institution has been subject to the appointment of any such conservator, receiver, or custodian for a period of at least 15 consecutive days; and

"(III) 1 or more of the depositors in such institution is unable to withdraw any amount of any insured deposit; or

"(ii) that such institution has been closed by or under the laws of any State; and

"(B) the Corporation determines that 1 or more of the grounds specified in paragraph (5)—

"(i) existed with respect to such institution at the time—

"(I) the conservator, receiver, or other legal custodian was appointed; or

"(II) such institution was closed; or

"(ii) exist at any time—

"(I) during the appointment of the conservator, receiver, or other legal custodian; or

"(II) while such institution is closed.

"(5) GROUNDS FOR PARAGRAPH (4) APPOINTMENT.—The grounds referred to in paragraph (4)(B) for the appointment of the Corporation as conservator or receiver for any insured State depository institution are as follows:

"(A) Insolvency in that the assets of the institution are less than the institution's obligations to its creditors and others, including members of the institution.

"(B) Substantial dissipation of assets or earnings due to—

"(i) any violation of any law or regulation; or

"(ii) any unsafe or unsound practice.

"(C) An unsafe or unsound condition to transact business, including substantially insufficient capital or otherwise.

"(D) Any willful violation of a cease-and-desist order which has become final.

"(E) Any concealment of books, papers, records, or assets of the institution or any refusal to submit books, papers, records, or affairs of the institution for inspection to any examiner or to any lawful agent of the appropriate Federal banking agency or State bank or savings association supervisor.

"(F) The likelihood that the institution will not be able to meet the demands of its depositors or pay its obligations in the normal course of business.

"(G) The incurrence or likely incurrence of losses by the institution that will deplete all or substantially all of its capital with no reasonable prospect for the replenishment of the capital of the institution without Federal assistance.

"(H) Any violation of any law or regulation, or an unsafe or unsound practice or condition which is likely to cause insolvency or substantial dissipation of assets or earnings, or is likely to weaken the condition of the institution or otherwise seriously prejudice the interests of its depositors.

"(6) APPOINTMENT BY DIRECTOR OF THE OFFICE OF THRIFT SUPERVISION.—

"(A) CONSERVATOR.—The Corporation or the Resolution Trust Corporation may, at the discretion of the Director of the Office of Thrift Supervision, be appointed conservator and the Corporation may accept any such appointment.

"(B) RECEIVER.—Whenever the Director of the Office of Thrift Supervision appoints a receiver under the provisions of section 5(d)(2)(C) of the Home Owner's Loan Act for the purpose of liquidation or winding up any savings association's affairs—

"(i) during the 3-year period beginning on the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the Resolution Trust Corporation shall be appointed; and

"(ii) after the end of the 3-year period referred to in clause (i), the Corporation shall be appointed.

"(7) JUDICIAL REVIEW.—If the Corporation appoints itself as conservator or receiver under paragraph (4), the insured State depository institution may, within 30 days thereafter, bring an action in the United States district court for the judicial district in which the home office of such institution is located, or in the United States District Court for the District of Columbia, for an order requiring the Corporation to remove itself as such conservator or receiver, and the court shall, upon the merits, dismiss such action or direct the Corporation to remove itself as such conservator or receiver.

"(8) REPLACEMENT OF CONSERVATOR OF STATE DEPOSITORY INSTITUTION.—

"(A) IN GENERAL.—In the case of any insured State depository institution for which the Corporation appointed itself as conservator pursuant to paragraph (4), the Corporation may, without any requirement of notice, hearing, or other action, replace itself as conservator with itself as receiver of such institution.

"(B) REPLACEMENT TREATED AS REMOVAL OF INCUMBENT.—The replacement of a conservator with a receiver under subparagraph (A) shall be treated as the removal of the Corporation as conservator.

"(C) RIGHT OF REVIEW OF ORIGINAL APPOINTMENT NOT AFFECTED.—The replacement of a conservator with a receiver under subparagraph (A) shall not affect any right of the insured State depository institution to obtain review, pursuant to paragraph (7), of the original appointment of the conservator.

"(9) ADDITIONAL POWERS.—In any case in which the Corporation is appointed conservator or receiver pursuant to paragraph (4) or (6)—

"(A) the provisions of this section shall be applicable to the Corporation, as conservator or receiver of any insured State depository institution in the same manner and to the same extent as if such institution were a Federal depository institution for which the Corporation had been appointed conservator or receiver; and

"(B) the Corporation as receiver of any insured State depository institution may—

"(i) liquidate such institution in an orderly manner; and

"(ii) make such other disposition of any matter concerning such institution as the Corporation determines is in the best interests of the institution, the depositors of such institution, and the Corporation.

"(d) POWERS AND DUTIES OF CORPORATION AS CONSERVATOR OR RECEIVER.—

"(1) RULEMAKING AUTHORITY OF CORPORATION.—The Corporation may prescribe such regulations as the Corporation determines to be appropriate regarding the conduct of conservatorships or receiverships.

"(2) GENERAL POWERS.—

"(A) SUCCESSOR TO INSTITUTION.—The Corporation shall, as conservator or receiver, and by operation of law, succeed to—

"(i) all rights, titles, powers, and privileges of the insured depository institution, and of any stockholder, member, accountholder, depositor, officer, or director of such institution with respect to the institution and the assets of the institution; and

"(ii) title to the books, records, and assets of any previous conservator or other legal custodian of such institution.

"(B) OPERATE THE INSTITUTION.—The Corporation may, as conservator or receiver—

"(i) take over the assets of and operate the insured depository institution with all the powers of the members or shareholders, the directors, and the officers of the institution and conduct all business of the institution;

"(ii) collect all obligations and money due the institution;

"(iii) perform all functions of the institution in the name of the institution which is consistent with the appointment as conservator or receiver; and

"(iv) preserve and conserve the assets and property of such institution.

"(C) FUNCTIONS OF INSTITUTION'S OFFICERS, DIRECTORS, AND SHAREHOLDERS.—The Corporation may, by regulation or order, provide for the exercise of any function by any member or stockholder, director, or officer of any insured depository institution for which the Corporation has been appointed conservator or receiver.

"(D) POWERS AS CONSERVATOR.—The Corporation may, as conservator, take such action as may be—

"(i) necessary to put the insured depository institution in a sound and solvent condition; and

"(ii) appropriate to carry on the business of the institution and preserve and conserve the assets and property of the institution.

"(E) ADDITIONAL POWERS AS RECEIVER.—The Corporation may, as receiver, place the insured depository institution in liquidation and proceed to realize upon the assets of the institution, having due regard to the conditions of credit in the locality.

"(F) ORGANIZATION OF NEW INSTITUTIONS.—The Corporation may, as receiver—

"(i) with respect to savings associations and by application to the Director of the Office of Thrift Supervision, organize a new Federal savings association to take over such assets or such liabilities as the Corporation may determine to be appropriate; and

"(ii) with respect to any insured bank, organize a new national bank under subsection (m) or a bridge bank under subsection (n).

"(G) MERGER; TRANSFER OF ASSETS AND LIABILITIES.—

"(i) IN GENERAL.—The Corporation may, as conservator or receiver—

"(I) merge the insured depository institution with another insured depository institution; or

"(II) subject to clause (ii), transfer any asset or liability of the institution in default (including assets and liabilities associated with any trust business) without any approval, assignment, or consent with respect to such transfer.

"(ii) APPROVAL BY APPROPRIATE FEDERAL BANKING AGENCY.—No transfer described in clause (i)(II) may be made to another depository institution (other than a new bank or a bridge bank established pursuant to subsection (m) or (n)) without the approval of the appropriate Federal banking agency for such institution.

"(H) PAYMENT OF VALID OBLIGATIONS.—The Corporation, as conservator or receiver, shall pay all valid obligations of the insured depository institution in accordance with the prescriptions and limitations of this Act.

"(I) INCIDENTAL POWERS.—The Corporation may, as conservator or receiver—

"(i) exercise all powers and authorities specifically granted to conservators or receivers, respectively, under this Act and such incidental powers as shall be necessary to carry out such powers; and

"(ii) take any action authorized by this Act,

which the Corporation determines is in the best interests of the depository institution, its depositors, or the Corporation.

"(3) AUTHORITY OF RECEIVER TO DETERMINE CLAIMS.—

"(A) IN GENERAL.—The Corporation may, as receiver, determine claims in accordance with the requirements of this subsection and regulations prescribed under paragraph (4)(A).

"(B) NOTICE REQUIREMENTS.—The receiver, in any case involving the liquidation or winding up of the affairs of a closed depository institution, shall—

"(i) promptly publish a notice to the depository institution's creditors to present their claims, together with proof, to the receiver by a date specified in the notice which shall be not less than 90 days after the publication of such notice; and

"(ii) republish such notice approximately 1 month and 2 months, respectively, after the publication under clause (i).

"(C) MAILING REQUIRED.—The receiver shall mail a notice similar to the notice published under subparagraph (B)(i) at the time of such publication to any creditor shown on the institution's books—

"(i) at the creditor's last address appearing in such books; or

"(ii) upon discovery of the name and address of a claimant not appearing on the institution's books within 30 days after the discovery of such name and address.

"(4) RULEMAKING AUTHORITY RELATING TO DETERMINATION OF CLAIMS.—The Corporation may prescribe regulations regarding the allowance or disallowance of claims by the receiver and providing for administrative determination of claims and review of such determination.

"(5) PROCEDURES FOR DETERMINATION OF CLAIMS.—

"(A) DETERMINATION PERIOD.—

"(i) IN GENERAL.—Before the end of the 180-day period beginning on the date any claim against a depository institution is filed with the Corporation as receiver, the Corporation shall determine whether to allow or disallow the claim and shall notify the claimant of any determination with respect to such claim.

"(ii) EXTENSION OF TIME.—The period described in clause (i) may be extended by a written agreement between the claimant and the Corporation.

"(iii) MAILING OF NOTICE SUFFICIENT.—The requirements of clause (i) shall be deemed to be satisfied if the notice of any determination with respect to any claim is mailed to the last address of the claimant which appears—

"(I) on the depository institution's books;

"(II) in the claim filed by the claimant; or

"(III) in documents submitted in proof of the claim.

"(iv) CONTENTS OF NOTICE OF DISALLOWANCE.—If any claim filed under clause (i) is disallowed, the notice to the claimant shall contain—

"(I) a statement of each reason for the disallowance; and

"(II) the procedures available for obtaining agency review of the determination to disallow the claim or judicial determination of the claim.

"(B) ALLOWANCE OF PROVEN CLAIMS.—The receiver shall allow any claim received on or before the date specified in the notice published under paragraph (3)(B)(i) by the receiver from any claimant which is proved to the satisfaction of the receiver.

"(C) DISALLOWANCE OF CLAIMS FILED AFTER END OF FILING PERIOD.—

"(i) IN GENERAL.—Except as provided in clause (ii), claims filed after the date specified in the notice published under paragraph (3)(B)(i) shall be disallowed and such disallowance shall be final.

"(ii) CERTAIN EXCEPTIONS.—Clause (i) shall not apply with respect to any claim filed by any claimant after the date specified in the notice published under paragraph (3)(B)(i) and such claim may be considered by the receiver if—

"(I) the claimant did not receive notice of the appointment of the receiver in time to file such claim before such date; and

"(II) such claim is filed in time to permit payment of such claim.

"(D) AUTHORITY TO DISALLOW CLAIMS.—The receiver may disallow any portion of any claim by a creditor or claim of security, preference, or priority which is not proved to the satisfaction of the receiver.

"(E) NO JUDICIAL REVIEW OF DETERMINATION PURSUANT TO SUBPARAGRAPH (D).—No court may review the Corporation's determination pursuant to subparagraph (D) to disallow a claim.

"(F) LEGAL EFFECT OF FILING.—

"(i) STATUTE OF LIMITATION TOLLED.—For purposes of any applicable statute of limitations, the filing of a claim with the receiver shall constitute a commencement of an action.

"(ii) NO PREJUDICE TO OTHER ACTIONS.—Subject to paragraph (12), the filing of a claim with the receiver shall not prejudice any right of the claimant to continue any action which was filed before the appointment of the receiver.

"(6) PROVISION FOR AGENCY REVIEW OR JUDICIAL DETERMINATION OF CLAIMS.—

"(A) IN GENERAL.—Before the end of the 60-day period beginning on the earlier of—

"(i) the end of the period described in paragraph (5)(A)(i) with respect to any claim against a depository institution for which the Corporation is receiver; or

"(ii) the date of any notice of disallowance of such claim pursuant to paragraph (5)(A)(i),

the claimant may request administrative review of the claim in accordance with subparagraph (A) or (B) of paragraph (7) or file suit on such claim (or continue an action commenced before the appointment of the receiver) in the district or territorial court of the United States for the district within which the depository institution's principal place of business is located or the United States District Court for the District of Columbia (and such court shall have jurisdiction to hear such claim).

"(B) STATUTE OF LIMITATIONS.—If any claimant fails to—

"(i) request administrative review of any claim in accordance with subparagraph (A) or (B) of paragraph (7); or

"(ii) file suit on such claim (or continue an action commenced before the appointment of the receiver),

before the end of the 60-day period described in subparagraph (A), the claim shall be deemed to be disallowed (other than any portion of such claim which was allowed by the receiver) as of the end of such period, such disallowance shall be final, and the claimant shall have no further rights or remedies with respect to such claim.

"(7) REVIEW OF CLAIMS.—

"(A) ADMINISTRATIVE HEARING.—If any claimant requests review under this subparagraph in lieu of filing or continuing any action under paragraph (6) and the Corporation agrees to such request, the Corporation shall consider the claim after opportunity for a hearing on the record. The final determination of the Corporation with respect to such claim shall be subject to judicial review under chapter 7 of title 5, United States Code.

"(B) OTHER REVIEW PROCEDURES.—

"(i) IN GENERAL.—The Corporation shall also establish such alternative dispute resolution processes as may be appropriate for the resolution of claims filed under paragraph (5)(A)(i).

"(ii) CRITERIA.—In establishing alternative dispute resolution processes, the Corporation shall strive for procedures which are expeditious, fair, independent, and low cost.

"(iii) VOLUNTARY BINDING OR NONBINDING PROCEDURES.—The Corporation may establish both binding and nonbinding processes, which may be conducted by any government or private party, but all parties, including the claimant and the Corporation, must agree to the use of the process in a particular case.

"(iv) CONSIDERATION OF INCENTIVES.—The Corporation shall seek to develop incentives for claimants to participate in the alternative dispute resolution process.

"(8) EXPEDITED DETERMINATION OF CLAIMS.—

"(A) ESTABLISHMENT REQUIRED.—The Corporation shall establish a procedure for expedited relief outside of the routine claims process established under paragraph (5) for claimants who—

"(i) allege the existence of legally valid and enforceable or perfected security interests in assets of any depository institution for which the Corporation has been appointed receiver; and

"(ii) allege that irreparable injury will occur if the routine claims procedure is followed.

"(B) DETERMINATION PERIOD.—Before the end of the 90-day period beginning on the date any claim is filed in accordance with the procedures established pursuant to subparagraph (A), the Corporation shall—

"(i) determine—

"(I) whether to allow or disallow such claim; or

"(II) whether such claim should be determined pursuant to the procedures established pursuant to paragraph (5); and

"(ii) notify the claimant of the determination, and if the claim is disallowed, a statement of each reason for the disallowance and the procedure for obtaining agency review or judicial determination.

"(C) PERIOD FOR FILING OR RENEWING SUIT.—Any claimant who files a request for expedited relief shall be permitted to file a suit, or to continue a suit filed before the appointment of the receiver, seeking a determination of the claimant's rights with respect to such security interest after the earlier of—

"(i) the end of the 90-day period beginning on the date of the filing of a request for expedited relief; or

"(ii) the date the Corporation denies the claim.

"(D) STATUTE OF LIMITATIONS.—If an action described in subparagraph (C) is not filed, or the motion to renew a previously filed suit is not made, before the end of the 30-day period beginning on the date on which such action or motion may be filed in accordance with subparagraph (B), the claim shall be deemed to be disallowed as of the end of such period (other than any portion of such claim which was allowed by the receiver), such disallowance shall be final, and the claimant shall have no further rights or remedies with respect to such claim.

"(E) LEGAL EFFECT OF FILING.—

"(i) STATUTE OF LIMITATION TOLLED.—For purposes of any applicable statute of limitations, the filing of a claim with the receiver

shall constitute a commencement of an action.

"(ii) NO PREJUDICE TO OTHER ACTIONS.—Subject to paragraph (12), the filing of a claim with the receiver shall not prejudice any right of the claimant to continue any action which was filed before the appointment of the receiver.

"(9) AGREEMENT AS BASIS OF CLAIM.—

"(A) REQUIREMENTS.—Except as provided in subparagraph (B), any agreement which does not meet the requirements set forth in section 13(e) shall not form the basis of, or substantially comprise, a claim against the receiver or the Corporation.

"(B) EXCEPTION TO CONTEMPORANEOUS EXECUTION REQUIREMENT.—Notwithstanding section 13(e)(2), any agreement relating to an extension of credit between a Federal home loan bank or Federal Reserve bank and any insured depository institution which was executed before the extension of credit by such bank to such institution shall be treated as having been executed contemporaneously with such extension of credit for purposes of subparagraph (A).

"(10) PAYMENT OF CLAIMS.—

"(A) IN GENERAL.—The receiver may, in the receiver's discretion and to the extent funds are available, pay creditor claims which are allowed by the receiver, approved by the Corporation pursuant to a final determination pursuant to paragraph (7) or (8), or determined by the final judgment of any court of competent jurisdiction in such manner and amounts as are authorized under this Act.

"(B) PAYMENT OF DIVIDENDS ON CLAIMS.—The receiver may, in the receiver's sole discretion, pay dividends on proved claims at any time, and no liability shall attach to the Corporation (in such Corporation's corporate capacity or as receiver), by reason of any such payment, for failure to pay dividends to a claimant whose claim is not proved at the time of any such payment.

"(11) DISTRIBUTION OF ASSETS.—

"(A) SUBROGATED CLAIMS; CLAIMS OF UNINSURED DEPOSITORS AND OTHER CREDITORS.—The receiver shall—

"(i) retain for the account of the Corporation such portion of the amounts realized from any liquidation as the Corporation may be entitled to receive in connection with the subrogation of the claims of depositors; and

"(ii) pay to depositors and other creditors the net amounts available for distribution to them.

"(B) DISTRIBUTION TO SHAREHOLDERS OF AMOUNTS REMAINING AFTER PAYMENT OF ALL OTHER CLAIMS AND EXPENSES.—In any case in which funds remain after all depositors, creditors, other claimants, and administrative expenses are paid, the receiver shall distribute such funds to the depository institution's shareholders or members together with the accounting report required under paragraph (14)(C).

"(12) SUSPENSION OF LEGAL ACTIONS.—

"(A) IN GENERAL.—After the appointment of a conservator or receiver for an insured depository institution, the conservator or receiver may request a stay for a period not to exceed—

"(i) 45 days, in the case of any conservator; and

"(ii) 90 days, in the case of any receiver,

in any judicial action or proceeding to which such institution is or becomes a party.

"(B) GRANT OF STAY BY ALL COURTS REQUIRED.—Upon receipt of a request by any conservator or receiver pursuant to subparagraph (A) for a stay of any judicial action or proceeding in any court with jurisdiction of such action or proceeding, the court shall grant such stay as to all parties.

"(13) ADDITIONAL RIGHTS AND DUTIES.—

"(A) PRIOR FINAL ADJUDICATION.—The Corporation shall abide by any final unappealable judgment of any court of competent jurisdiction which was rendered before the appointment of the Corporation as conservator or receiver.

"(B) RIGHTS AND REMEDIES OF CONSERVATOR OR RECEIVER.—In the event of any appealable judgment, the Corporation as conservator or receiver shall—

"(i) have all the rights and remedies available to the insured depository institution (before the appointment of such conservator or receiver) and the Corporation in its corporate capacity, including removal to Federal court and all appellate rights; and

"(ii) not be required to post any bond in order to pursue such remedies.

"(C) NO ATTACHMENT OR EXECUTION.—No attachment or execution may issue by any court upon assets in the possession of the receiver.

"(D) LIMITATION ON JUDICIAL REVIEW.—Except as otherwise provided in this subsection, no court shall have jurisdiction over—

"(i) any claim or action for payment from, or any action seeking a determination of rights with respect to, the assets of any depository institution for which the Corporation has been appointed receiver, including assets which the Corporation may acquire from itself as such receiver; or

"(ii) any claim relating to any act or omission of such institution or the Corporation as receiver.

"(14) STATUTE OF LIMITATIONS FOR ACTIONS BROUGHT BY CONSERVATOR OR RECEIVER.—

"(A) IN GENERAL.—Notwithstanding any provision of any contract, the applicable statute of limitations with regard to any action brought by the Corporation as conservator or receiver shall be—

"(i) in the case of any contract claim, the longer of—

"(I) the 6-year period beginning on the date the claim accrues; or

"(II) the period applicable under State law; and

"(ii) in the case of any tort claim, the longer of—

"(I) the 3-year period beginning on the date the claim accrues; or

"(II) the period applicable under State law.

"(B) DETERMINATION OF THE DATE ON WHICH A CLAIM ACCRUES.—For purposes of subparagraph (A), the date on which the statute of limitation begins to run on any claim described in such subparagraph shall be the later of—

"(i) the date of the appointment of the Corporation as conservator or receiver; or

"(ii) the date on which the cause of action accrues.

"(15) ACCOUNTING AND RECORDKEEPING REQUIREMENTS.—

"(A) IN GENERAL.—The Corporation as conservator or receiver shall, consistent with the accounting and reporting practices and procedures established by the Corporation, maintain a full accounting of each conservatorship and receivership or other disposition of institutions in default.

"(B) ANNUAL ACCOUNTING OR REPORT.—With respect to each conservatorship or receivership to which the Corporation was appointed, the Corporation shall make an annual accounting or report, as appropriate, available to the Secretary of the Treasury, the Comptroller General of the United States, and the authority which appointed the Corporation as conservator or receiver.

"(C) AVAILABILITY OF REPORTS.—Any report prepared pursuant to subparagraph (B) shall be made available by the Corporation upon request to any shareholder of the depository institution for which the Corporation was appointed conservator or receiver or any other member of the public.

"(D) RECORDKEEPING REQUIREMENT.—After the end of the 6-year period beginning on the date the Corporation is appointed as receiver of an insured depository institution, the Corporation may destroy any records of such institution which the Corporation, in the Corporation's discretion, determines to be unnecessary unless directed not to do so by a court of competent jurisdiction or governmental agency, or prohibited by law.

"(16) CONTRACTS WITH STATE HOUSING FINANCE AUTHORITIES.—

"(A) IN GENERAL.—The Corporation may enter into contracts with any State housing finance authority for the sale of mortgage-related assets (as such terms are defined in section 1301 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989) of any depository institution in default (including assets and liabilities associated with any trust business), such contracts to be effective in accordance with their terms without any further approval, assignment, or consent with respect thereto.

"(B) FACTORS TO CONSIDER.—In evaluating the disposition of mortgage related assets to any State housing finance authority the Corporation shall consider—

"(i) the State housing finance authority's ability to acquire and service current, delinquent, and defaulted mortgage related assets;

"(ii) the State housing finance authority's ability to further national housing policies;

"(iii) the State housing finance authority's sensitivity to the impact of the sale of mortgage related assets upon the State and local communities;

"(iv) the costs to the Federal Government associated with alternative ownership or dispositions of the mortgage related assets;

"(v) the minimization of future guaranties which may be required of the Federal Government;

"(vi) the maximization of mortgage related asset values; and

"(vii) the utilization of institutions currently established in mortgage related asset market activities.

"(e) PROVISIONS RELATING TO CONTRACTS ENTERED INTO BEFORE APPOINTMENT OF CONSERVATOR OR RECEIVER.—

"(1) AUTHORITY TO REPUDIATE CONTRACTS.—In addition to any other rights a conservator or receiver may have, the conservator or receiver for any insured depository institution may disaffirm or repudiate any contract or lease—

"(A) to which such institution is a party;

"(B) the performance of which the conservator or receiver, in the conservator's or receiver's discretion, determines to be burdensome; and

"(C) the disaffirmance or repudiation of which the conservator or receiver determines, in the conservator's or receiver's discretion, will promote the orderly administration of the institution's affairs.

"(2) TIMING OF REPUDIATION.—The conservator or receiver appointed for any insured depository institution in accordance with subsection (c) shall determine whether or not to exercise the rights of repudiation under this subsection within a reasonable period following such appointment.

"(3) CLAIMS FOR DAMAGES FOR REPUDIATION.—

"(A) IN GENERAL.—Except as otherwise provided in subparagraph (C) and paragraphs (4), (5), and (6), the liability of the conservator or receiver for the disaffirmance or repudiation of any contract pursuant to paragraph (1) shall be—

"(i) limited to actual direct compensatory damages; and

"(ii) determined as of—

"(I) the date of the appointment of the conservator or receiver; or

"(II) in the case of any contract or agreement referred to in paragraph (8), the date of the disaffirmance or repudiation of such contract or agreement.

"(B) NO LIABILITY FOR OTHER DAMAGES.—For purposes of subparagraph (A), the term 'actual direct compensatory damages' does not include—

"(i) punitive or exemplary damages;

"(ii) damages for lost profits or opportunity; or

"(iii) damages for pain and suffering.

"(C) MEASURE OF DAMAGES FOR REPUDIATION OF FINANCIAL CONTRACTS.—In the case of any qualified financial contract or agreement to which paragraph (8) applies, compensatory damages shall be—

"(i) deemed to include normal and reasonable costs of cover or other reasonable measures of damages utilized in the industries for such contract and agreement claims; and

"(ii) paid in accordance with this subsection and subsection (k) except as otherwise specifically provided in this section.

"(4) LEASES UNDER WHICH THE INSTITUTION IS THE LESSEE.—

"(A) IN GENERAL.—If the conservator or receiver disaffirms or repudiates a lease under which the insured depository institution was the lessee, the conservator or receiver shall not be liable for any damages (other than damages determined pursuant to subparagraph (B)) for the disaffirmance or repudiation of such lease.

"(B) PAYMENTS OF RENT.—Notwithstanding subparagraph (A), the lessor under a lease to which such subparagraph applies shall—

"(i) be entitled to the contractual rent accruing before the later of the date—

"(I) the notice of disaffirmance or repudiation is mailed; or

"(II) the disaffirmance or repudiation becomes effective,

unless the lessor is in default or breach of the terms of the lease;

"(ii) have no claim for damages under any acceleration clause or other penalty provision in the lease; and

"(iii) have a claim for any unpaid rent, subject to all appropriate offsets and defenses, due as of the date of the appointment which shall be paid in accordance with this subsection and subsection (k).

"(5) LEASES UNDER WHICH THE INSTITUTION IS THE LESSOR.—

"(A) IN GENERAL.—If the conservator or receiver repudiates an unexpired written lease of real property of the insured depository institution under which the institution is the lessor and the lessee is not, as of the date of such repudiation, in default, the lessee under such lease may either—

"(i) treat the lease as terminated by such repudiation; or

"(ii) remain in possession of the leasehold interest for the balance of the term of the lease unless the lessee defaults under the terms of the lease after the date of such repudiation.

"(B) PROVISIONS APPLICABLE TO LESSEE REMAINING IN POSSESSION.—If any lessee under a lease described in subparagraph (A) remains in possession of a leasehold interest pursuant to clause (ii) of such subparagraph—

"(i) the lessee—

"(I) shall continue to pay the contractual rent pursuant to the terms of the lease after the date of the repudiation of such lease;

"(II) may offset against any rent payment which accrues after the date of the repudiation of the lease, any damages which accrue after such date due to the nonperformance of any obligation of the insured depository institution under the lease after such date; and

"(ii) the conservator or receiver shall not be liable to the lessee for any damages arising after such date as a result of the repudiation other than the amount of any offset allowed under clause (i)(II).

"(6) CONTRACTS FOR THE SALE OF REAL PROPERTY.—

"(A) IN GENERAL.—If the conservator or receiver repudiates any contract (which meets the requirements of each paragraph of section 13(e)) for the sale of real property and the purchaser of such real property under such contract is in possession and is not, as of the date of such repudiation, in default, such purchaser may either—

"(i) treat the contract as terminated by such repudiation; or

"(ii) remain in possession of such real property.

"(B) PROVISIONS APPLICABLE TO PURCHASER REMAINING IN POSSESSION.—If any purchaser of real property under any contract described in subparagraph (A) remains in possession of such property pursuant to clause (ii) of such subparagraph—

"(i) the purchaser—

"(I) shall continue to make all payments due under the contract after the date of the repudiation of the contract; and

"(II) may offset against any such payments any damages which accrue after such date due to the nonperformance (after such date) of any obligation of the depository institution under the contract; and

"(ii) the conservator or receiver shall—

"(I) not be liable to the purchaser for any damages arising after such date as a result of the repudiation other than the amount of any offset allowed under clause (i)(II);

"(II) deliver title to the purchaser in accordance with the provisions of the contract; and

"(III) have no obligation under the contract other than the performance required under subclause (II).

"(C) ASSIGNMENT AND SALE ALLOWED.—

"(i) IN GENERAL.—No provision of this paragraph shall be construed as limiting the right of the conservator or receiver to assign the contract described in subparagraph (A) and sell the property subject to the contract and the provisions of this paragraph.

"(ii) NO LIABILITY AFTER ASSIGNMENT AND SALE.—If an assignment and sale described in clause (i) is consummated, the conservator or receiver shall have no further liability under the contract described in subparagraph (A) or with respect to the real property which was the subject of such contract.

"(7) PROVISIONS APPLICABLE TO SERVICE CONTRACTS.—

"(A) SERVICES PERFORMED BEFORE APPOINTMENT.—In the case of any contract for services between any person and any insured depository institution for which the Corporation has been appointed conservator or receiver, any claim of such person for services performed before the appointment of the conservator or the receiver shall be—

"(i) a claim to be paid in accordance with subsections (d) and (i); and

"(ii) deemed to have arisen as of the date the conservator or receiver was appointed.

"(B) SERVICES PERFORMED AFTER APPOINTMENT AND PRIOR TO REPUDIATION.—If, in the case of any contract for services described in subparagraph (A), the conservator or receiver accepts performance by the other person before the conservator or receiver makes any determination to exercise the right of repudiation of such contract under this section—

"(i) the other party shall be paid under the terms of the contract for the services performed; and

"(ii) the amount of such payment shall be treated as an administrative expense of the conservatorship or receivership.

"(C) ACCEPTANCE OF PERFORMANCE NO BAR TO SUBSEQUENT REPUDIATION.—The acceptance by any conservator or receiver of services referred to in subparagraph (B) in connection with a contract described in such subparagraph shall not affect the right of the conservator or receiver to repudiate such contract under this section at any time after such performance.

"(8) CERTAIN QUALIFIED FINANCIAL CONTRACTS.—

"(A) RIGHTS OF PARTIES TO CONTRACTS.—Subject to paragraph (10) of this subsection and notwithstanding any other provision of this Act (other than subsections (d)(9) and (i)(4)(I) of this section and section 13(e)), any other Federal law, or the law of any State, no person shall be stayed or prohibited from exercising—

"(i) any right to cause the termination or liquidation of any qualified financial contract with an insured depository institution which arises upon the appointment of the Corporation as receiver for such institution at any time after such appointment;

"(ii) any right under any security arrangement relating to any contract or agreement described in clause (i); or

"(iii) any right to offset or net out any termination value, payment amount, or other transfer obligation arising under or in connection with 1 or more contracts and agreements described in clause (i), including any master agreement for such contracts or agreements.

"(B) APPLICABILITY OF OTHER PROVISIONS.—Subsection (d)(12) shall apply in the case of any judicial action or proceeding brought against any receiver referred to in subparagraph (A), or the insured depository institution for which such receiver was appointed, by any party to a contract or agreement described in subparagraph (A)(i) with such institution.

"(C) CERTAIN TRANSFERS NOT AVOIDABLE.—

"(i) IN GENERAL.—Notwithstanding paragraph (11), the Corporation, whether acting as such or as conservator or receiver of an insured depository institution, may not avoid any transfer of money or other property in connection with any qualified financial contract with an insured depository institution.

"(ii) EXCEPTION FOR CERTAIN TRANSFERS.—Clause (i) shall not apply to any transfer of money or other property in connection with any qualified financial contract with an insured depository institution if the Corporation determines that the transferee had actual intent to hinder, delay, or defraud such institution, the creditors of such institution, or any conservator or receiver appointed for such institution.

"(D) CERTAIN CONTRACTS AND AGREEMENTS DEFINED.—For purposes of this subsection—

"(i) QUALIFIED FINANCIAL CONTRACT.—The term 'qualified financial contract' means any securities contract, commodity con-

tract, forward contract, repurchase agreement, swap agreement, and any similar agreement that the Corporation determines by regulation to be a qualified financial contract for purposes of this paragraph.

"(ii) SECURITIES CONTRACT.—The term 'securities contract'—

"(I) has the meaning given to such term in section 741(7) of title 11, United States Code, except that the term 'security' (as used in such section) shall be deemed to include any mortgage loan, any mortgage-related security (as defined in section 3(a)(41) of the Securities Exchange Act of 1934), and any interest in any mortgage loan or mortgage-related security; and

"(II) does not include any participation in a commercial mortgage loan unless the Corporation determines by regulation, resolution, or order to include any such participation within the meaning of such term.

"(iii) COMMODITY CONTRACT.—The term 'commodity contract' has the meaning given to such term in section 761(4) of title 11, United States Code.

"(iv) FORWARD CONTRACT.—The term 'forward contract' has the meaning given to such term in section 101(24) of title 11, United States Code.

"(v) REPURCHASE AGREEMENT.—The term 'repurchase agreement'—

"(I) has the meaning given to such term in section 101(41) of title 11, the United States Code, except that the items (as described in such section) which may be subject to any such agreement shall be deemed to include mortgage-related securities (as such term is defined in section 3(a)(41)) of the Securities Exchange Act of 1934, any mortgage loan, and any interest in any mortgage loan; and

"(II) does not include any participation in a commercial mortgage loan unless the Corporation determines by regulation, resolution, or order to include any such participation within the meaning of such term.

"(vi) SWAP AGREEMENT.—The term 'swap agreement'—

"(I) means any agreement, including the terms and conditions incorporated by reference in any such agreement, which is a rate swap agreement, basis swap, commodity swap, forward rate agreement, interest rate future, interest rate option purchased, forward foreign exchange agreement, rate cap agreement, rate floor agreement, rate collar agreement, currency swap agreement, cross-currency rate swap agreement, currency future, or currency option purchased or any other similar agreement, and

"(II) includes any combination of such agreements and any option to enter into any such agreement.

"(vii) TREATMENT OF MASTER AGREEMENT AS 1 SWAP AGREEMENT.—Any master agreement for any agreements described in clause (vi)(I) together with all supplements to such master agreement shall be treated as 1 swap agreement.

"(viii) TRANSFER.—The term 'transfer' has the meaning given to such term in section 101(50) of title 11, United States Code.

"(E) CERTAIN PROTECTIONS IN EVENT OF APPOINTMENT OF CONSERVATOR.—Notwithstanding any other provision of this Act (other than paragraph (12) of this subsection, subsections (d)(9) and (i)(4)(I) of this section, and section 13(e) of this Act), any other Federal law, or the law of any State, no person shall be stayed or prohibited from exercising—

"(i) any right such person has to cause the termination, liquidation, or acceleration of any qualified financial contract with a depository institution in a conservatorship based upon a default under such financial contract which is enforceable under applicable noninsolvency law;

"(ii) any right under any security arrangement relating to such qualified financial contracts; or

"(iii) any right to offset or net out any termination values, payment amounts, or other transfer obligations arising under or in connection with such qualified financial contracts.

"(9) TRANSFER OF QUALIFIED FINANCIAL CONTRACTS.—In making any transfer of assets or liabilities of a depository institution in default which includes any qualified financial contract, the conservator or receiver for such depository institution shall either—

"(A) transfer to 1 depository institution (other than a depository institution in default)—

"(i) all qualified financial contracts between—

"(I) any person or any affiliate of such person; and

"(II) the depository institution in default;

"(ii) all claims of such person or any affiliate of such person against such depository institution under any such contract (other than any claim which, under the terms of any such contract, is subordinated to the claims of general unsecured creditors of such institution);

"(iii) all claims of such depository institution against such person or any affiliate of such person under any such contract; and

"(iv) all property securing any claim described in clause (ii) or (iii) under any such contract; or

"(B) transfer none of the financial contracts, claims, or property referred to in subparagraph (A) (with respect to such person and any affiliate of such person).

"(10) NOTIFICATION OF TRANSFER.—

"(A) IN GENERAL.—If—

"(i) the conservator or receiver for an insured depository institution in default makes any transfer of the assets and liabilities of such institution; and

"(ii) the transfer includes any qualified financial contract,

the conservator or receiver shall use such conservator's or receiver's best efforts to notify any person who is a party to any such contract of such transfer by 12:00, noon (local time) on the business day following such transfer.

"(B) BUSINESS DAY DEFINED.—For purposes of this paragraph, the term 'business day' means any day other than any Saturday, Sunday, or any day on which either the New York Stock Exchange or the Federal Reserve Bank of New York is closed.

"(11) CERTAIN SECURITY INTERESTS NOT AVOIDABLE.—No provision of this subsection shall be construed as permitting the avoidance of any legally enforceable or perfected security interest in any of the assets of any depository institution except where such an interest is taken in contemplation of the institution's insolvency or with the intent to hinder, delay, or defraud the institution or the creditors of such institution.

"(12) AUTHORITY TO ENFORCE CONTRACTS.—

"(A) IN GENERAL.—The conservator or receiver may enforce any contract, other than a director's or officer's liability insurance contract or a depository institution bond, entered into by the depository institution notwithstanding any provision of the contract providing for termination, default, acceleration, or exercise of rights upon, or solely by reason of, insolvency or the appointment of a conservator or receiver.

"(B) CERTAIN RIGHTS NOT AFFECTED.—No provision of this paragraph may be construed as impairing or affecting any right of the conservator or receiver to enforce or recover under a directors or officers liability insurance contract or depository institution bond under other applicable law.

"(13) EXCEPTION FOR FEDERAL RESERVE AND FEDERAL HOME LOAN BANKS.—No provision of this subsection shall apply with respect to—

"(A) any extension of credit from any Federal home loan bank or Federal Reserve bank to any insured depository institution; or

"(B) any security interest in the assets of the institution securing any such extension of credit.

"(f) PAYMENT OF INSURED DEPOSITS.—

"(1) IN GENERAL.—In case of the liquidation of, or other closing or winding up of the affairs of, any insured depository institution, payment of the insured deposits in such institution shall be made by the Corporation as soon as possible, subject to the provisions of subsection (g), either by cash or by making available to each depositor a transferred deposit in a new insured depository institution in the same community or in another insured depository institution in an amount equal to the insured deposit of such depositor, except that—

"(A) all payments made pursuant to this section on account of a closed Bank Insurance Fund member shall be made only from the Bank Insurance Fund, and

"(B) all payments made pursuant to this section on account of a closed Savings Association Insurance Fund member shall be made only from the Savings Association Insurance Fund.

"(2) PROOF OF CLAIMS.—The Corporation, in its discretion, may require proof of claims to be filed and may approve or reject such claims for insured deposits.

"(3) RESOLUTION OF DISPUTES.—

"(A) RESOLUTIONS IN ACCORDANCE TO CORPORATION REGULATIONS.—In the case of any disputed claim relating to any insured deposit or any determination of insurance coverage with respect to any deposit, the Corporation may resolve such disputed claim in accordance with regulations prescribed by the Corporation establishing procedures for resolving such claims.

"(B) ADJUDICATION OF CLAIMS.—If the Corporation has not prescribed regulations establishing procedures for resolving disputed claims, the Corporation may require the final determination of a court of competent jurisdiction before paying any such claim.

"(4) REVIEW OF CORPORATION'S DETERMINATION.—Final determination made by the Corporation shall be reviewable in accordance with chapter 7 of title 5, United States Code, by the United States Court of Appeals for the District of Columbia or the court of appeals for the Federal judicial circuit where the principal place of business of the depository institution is located.

"(5) STATUTE OF LIMITATIONS.—Any request for review of a final determination by the Corporation shall be filed with the appropriate circuit court of appeals not later than 60 days after such determination is ordered.

"(g) SUBROGATION OF CORPORATION.—

"(1) IN GENERAL.—Notwithstanding any other provision of Federal law, the law of any State, or the constitution of any State, the Corporation, upon the payment to any depositor as provided in subsection (f) in connection with any insured depository institution or insured branch described in such subsection or the assumption of any deposit in such institution or branch by another insured depository institution pursuant to this section or section 13, shall be

subrogated to all rights of the depositor against such institution or branch to the extent of such payment or assumption.

"(2) DIVIDENDS ON SUBROGATED AMOUNTS.—The subrogation of the Corporation under paragraph (1) with respect to any insured depository institution shall include the right on the part of the Corporation to receive the same dividends from the proceeds of the assets of such institution and recoveries on account of stockholders' liability as would have been payable to the depositor on a claim for the insured deposit, but such depositor shall retain such claim for any uninsured or unassumed portion of the deposit.

"(3) WAIVER OF CERTAIN CLAIMS.—With respect to any bank which closes after May 25, 1938, the Corporation shall waive, in favor only of any person against whom stockholders' individual liability may be asserted, any claim on account of such liability in excess of the liability, if any, to the bank or its creditors, for the amount unpaid upon such stock in such bank; but any such waiver shall be effected in such manner and on such terms and conditions as will not increase recoveries or dividends on account of claims to which the Corporation is not subrogated.

"(4) APPLICABILITY OF STATE LAW.—If the Corporation is appointed pursuant to subsection (c)(3), or determines not to invoke the authority conferred in subsection (c)(4), the rights of depositors and other creditors of any State depository institution shall be determined in accordance with the applicable provisions of State law.

"(h) CONDITIONS APPLICABLE TO LIQUIDATION PROCEEDINGS.—

"(1) CONSIDERATION OF LOCAL ECONOMIC IMPACT REQUIRED.—The Corporation shall fully consider the adverse economic impact on local communities, including businesses and farms, of actions to be taken by it during the administration and liquidation of loans of a depository institution in default.

"(2) ACTIONS TO ALLEVIATE ADVERSE ECONOMIC IMPACT TO BE CONSIDERED.—The actions which the Corporation shall consider include the release of proceeds from the sale of products and services for family living and business expenses and shortening the undue length of the decisionmaking process for the acceptance of offers of settlement contingent upon third party financing.

"(3) GUIDELINES REQUIRED.—The Corporation shall adopt and publish procedures and guidelines to minimize adverse economic effects caused by its actions on individual debtors in the community.

"(i) VALUATION OF CLAIMS IN DEFAULT.—

"(1) IN GENERAL.—Notwithstanding any other provision of Federal law or the law of any State and regardless of the method which the Corporation determines to utilize with respect to an insured depository institution in default or in danger of default, including transactions authorized under subsection (n) and section 13(c), this subsection shall govern the rights of the creditors (other than insured depositors) of such institution.

"(2) MAXIMUM LIABILITY.—The maximum liability of the Corporation, acting as receiver or in any other capacity, to any person having a claim against the receiver or the insured depository institution for which such receiver is appointed shall equal the amount such claimant would have received if the Corporation had liquidated the assets and liabilities of such institution without exercising the Corporation's authority under subsection (n) of this section or section 13.

"(3) ADDITIONAL PAYMENTS AUTHORIZED.—

"(A) IN GENERAL.—The Corporation may, in its discretion and in the interests of minimizing its losses, use its own resources to make additional payments or credit additional amounts to or with respect to or for the account of any claimant or category of claimants. The Corporation shall not be obligated, as a result of having made any such payment or credited any such amount to or with respect to or for the account of any claimant or category of claimants, to make payments to any other claimant or category or claimants.

"(B) SOURCE OF FUNDS.—If the depository institution in default is a Bank Insurance Fund member, the Corporation may only make such payments out of funds held in the Bank Insurance Fund. If the depository institution in default is a Savings Association Insurance Fund member, the Corporation may only make such payments out of funds held in the Savings Association Insurance Fund.

"(C) MANNER OF PAYMENT.—The Corporation may make the payments or credit the amounts specified in subparagraphs (A) and (B) directly to the claimants or may make such payments or credit such amounts to an open insured depository institution to induce such institution to accept liability for such claims.

"(j) LIMITATION ON COURT ACTION.—Except as provided in this section, no court may take any action, except at the request of the Board of Directors by regulation or order, to restrain or affect the exercise of powers or functions of the Corporation as a conservator or a receiver.

"(k) LIABILITY OF DIRECTORS AND OFFICERS.—A director or officer of an insured depository institution may be held personally liable for monetary damages in any civil action by, on behalf of, or at the request or direction of the Corporation, which action is prosecuted wholly or partially for the benefit of the Corporation—

"(1) acting as conservator or receiver of such institution,

"(2) acting based upon a suit, claim, or cause of action purchased from, assigned by, or otherwise conveyed by such receiver or conservator, or

"(3) acting based upon a suit, claim, or cause of action purchased from, assigned by, or otherwise conveyed in whole or in part by an insured depository institution or its affiliate in connection with assistance provided under section 13,

for gross negligence, including any similar conduct or conduct that demonstrates a greater disregard of a duty of care (than gross negligence) including intentional tortious conduct, as such terms are defined and determined under applicable State law. Nothing in this paragraph shall impair or affect any right of the Corporation under other applicable law.

"(l) DAMAGES.—In any proceeding related to any claim against an insured depository institution's director, officer, employee, agent, attorney, accountant, appraiser, or any other party employed by or providing services to an insured depository institution, recoverable damages determined to result from the improvident or otherwise improper use or investment of any insured depository institution's assets shall include principal losses and appropriate interest.".

SEC. 213. NEW BANKS.

Section 11 of the Federal Deposit Insurance Act (12 U.S.C. 1821) is amended by inserting after subsection (l) (as added by section 212) the following new subsection:

"(m) NEW BANKS.—

"(1) ORGANIZATION AUTHORIZED.—As soon as possible after the default of an insured bank, the Corporation, if it finds that it is advisable and in the interest of the depositors of the insured bank in default or the public shall organize a new national bank in the same community as the bank in default to assume the insured deposits of such bank in default and otherwise to perform temporarily the functions hereinafter provided for.

"(2) ARTICLES OF ASSOCIATION.—The articles of association and the organization certificate of the new bank shall be executed by representatives designated by the Corporation.

"(3) CAPITAL STOCK.—No capital stock need be paid in by the Corporation.

"(4) EXECUTIVE OFFICER.—The new bank shall not have a board of directors, but shall be managed by an executive officer appointed by the Board of Directors of the Corporation who shall be subject to its directions.

"(5) SUBJECT TO LAWS RELATING TO NATIONAL BANKS.—In all other respects the new bank shall be organized in accordance with the then existing provisions of law relating to the organization of national banking associations.

"(6) NEW DEPOSITS.—The new bank may, with the approval of the Corporation, accept new deposits which shall be subject to withdrawal on demand and which, except where the new bank is the only bank in the community, shall not exceed $100,000 from any depositor.

"(7) INSURED STATUS.—The new bank, without application to or approval by the Corporation, shall be an insured depository institution and shall maintain on deposit with the Federal Reserve bank of its district reserves in the amount required by law for member banks, but it shall not be required to subscribe for stock of the Federal Reserve bank.

"(8) INVESTMENTS.—Funds of the new bank shall be kept on hand in cash, invested in obligations of the United States or obligations guaranteed as to principal and interest by the United States, or deposited with the Corporation, any Federal Reserve bank, or, to the extent of the insurance coverage on any such deposit, an insured depository institution.

"(9) CONDUCT OF BUSINESS.—The new bank, unless otherwise authorized by the Comptroller of the Currency, shall transact business only as authorized by this Act and as may be incidental to its organization.

"(10) EXEMPT STATUS.—Notwithstanding any other provision of Federal or State law, the new bank, its franchise, property, and income shall be exempt from all taxation now or hereafter imposed by the United States, by any territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

"(11) TRANSFER OF DEPOSITS.—(A) Upon the organization of a new bank, the Corporation shall promptly make available to it an amount equal to the estimated insured deposits of such bank in default plus the estimated amount of the expenses of operating the new bank, and shall determine as soon as possible the amount due each depositor for the depositor's insured deposit in the bank in default, and the total expenses of operation of the new bank.

"(B) Upon such determination, the amounts so estimated and made available shall be adjusted to conform to the amounts so determined.

"(12) EARNINGS.—Earnings of the new bank shall be paid over or credited to the Corporation in such adjustment.

"(13) LOSSES.—If any new bank, during the period it continues its status as such, sustains any losses with respect to which it is not effectively protected except by reason of being an insured bank, the Corporation shall furnish to it additional funds in the amount of such losses.

"(14) PAYMENT OF INSURED DEPOSITS.—(A) The new bank shall assume as transferred deposits the payment of the insured deposits of such bank in default to each of its depositors.

"(B) Of the amounts so made available, the Corporation shall transfer to the new bank, in cash, such sums as may be necessary to enable it to meet its expenses of operation and immediate cash demands on such transferred deposits, and the remainder of such amounts shall be subject to withdrawal by the new bank on demand.

"(15) ISSUANCE OF STOCK.—(A) Whenever in the judgment of the Board of Directors it is desirable to do so, the Corporation shall cause capital stock of the new bank to be offered for sale on such terms and conditions as the Board of Directors shall deem advisable in an amount sufficient, in the opinion of the Board of Directors, to make possible the conduct of the business of the new bank on a sound basis, but in no event less than that required by section 5138 of the Revised Statutes for the organization of a national bank in the place where such new bank is located.

"(B) The stockholders of the insured bank in default shall be given the first opportunity to purchase any shares of common stock so offered.

"(16) ISSUANCE OF CERTIFICATE.—Upon proof that an adequate amount of capital stock in the new bank has been subscribed and paid for in cash, the Comptroller of the Currency shall require the articles of association and the organization certificate to be amended to conform to the requirements for the organization of a national bank, and thereafter, when the requirements of law with respect to the organization of a national bank have been complied with, the Comptroller of the Currency shall issue to the bank a certificate of authority to commence business, and thereupon the bank shall cease to have the status of a new bank, shall be managed by directors elected by its own shareholders, may exercise all the powers granted by law, and shall be subject to all provisions of law relating to national banks. Such bank shall thereafter be an insured national bank, without certification to or approval by the Corporation.

"(17) TRANSFER TO OTHER INSTITUTION.—If the capital stock of the new bank is not offered for sale, or if an adequate amount of capital for such new bank is not subscribed and paid for, the Board of Directors may offer to transfer its business to any insured depository institution in the same community which will take over its assets, assume its liabilities, and pay to the Corporation for such business such amount as the Board of Directors may deem adequate; or the Board of Directors in its discretion may change the location of the new bank to the office of the Corporation or to some other place or may at any time wind up its affairs as herein provided.

"(18) WINDING UP.—Unless the capital stock of the new bank is sold or its assets are taken over and its liabilities are assumed by an insured depository institution as above provided within 2 years after the date of its organization, the Corporation shall wind up the affairs of such bank, after giving such notice, if any, as the Comptroller of the Currency may require, and shall certify to the Comptroller of the Currency the termination of the new bank. Thereafter the Corporation shall be liable for the obligations of such bank and shall be the owner of its assets.

"(19) APPLICABILITY OF CERTAIN LAWS.—The provisions of sections 5220 and 5221 of the Revised Statutes shall not apply to a new bank under this subsection.".

SEC. 214. BRIDGE BANKS.

Section 11 of the Federal Deposit Insurance Act (12 U.S.C. 1821) is amended by inserting after subsection (m) (as added by section 213) the following new subsection:

"(n) BRIDGE BANKS.—

"(1) ORGANIZATION.—

"(A) PURPOSE.—When 1 or more insured banks are in default, or when the Corporation anticipates that 1 or more insured banks may become in default, the Corporation may, in its discretion, organize, and the Office of the Comptroller of the Currency shall charter, 1 or more national banks with respect thereto with the powers and attributes of national banking associations, subject to the provisions of this subsection, to be referred to as bridge banks.

"(B) AUTHORITIES.—Upon the granting of a charter to a bridge bank, the bridge bank may—

"(i) assume such deposits of such insured bank or banks that is or are in default or in danger of default as the Corporation may, in its discretion, determine to be appropriate, except that if any insured deposits of a bank are assumed, all insured deposits of that bank shall be assumed by the bridge bank or another insured depository institution;

"(ii) assume such other liabilities (including liabilities associated with any trust business) of such insured bank or banks that is or are in default or in danger of default as the Corporation may, in its discretion, determine to be appropriate;

"(iii) purchase such assets (including assets associated with any trust business) of such insured bank or banks that is or are in default or in danger of default as the Corporation may, in its discretion, determine to be appropriate; and

"(iv) perform any other temporary function which the Corporation may, in its discretion, prescribe in accordance with this Act.

"(C) ARTICLES OF ASSOCIATION.—The articles of association and organization certificate of a bridge bank as approved by the Corporation shall be executed by 3 representatives designated by the Corporation.

"(D) INTERIM DIRECTORS.—A bridge bank shall have an interim board of directors consisting of not fewer than 5 nor more than 10 members appointed by the Corporation.

"(E) NATIONAL BANK.—A bridge bank shall be organized as a national bank.

"(2) CHARTERING.—

"(A) CONDITIONS.—A national bank may be chartered by the Comptroller of the Currency as a bridge bank only if the Board of Directors determines that—

"(i) the amount which is reasonably necessary to operate such bridge bank will not exceed the amount which is reasonably necessary to save the cost of liquidating, including paying the insured accounts of, 1 or more insured banks in default or in danger of default with respect to which the bridge bank is chartered;

"(ii) the continued operation of such insured bank or banks in default or in danger of default with respect to which the bridge bank is chartered is essential to provide adequate banking services in the community where each such bank in default or in danger of default is located; or

"(iii) the continued operation of such insured bank or banks in default or in danger of default with respect to which the bridge bank is chartered is in the best interest of the depositors of such bank or banks in default or in danger of default or the public.

"(B) INSURED NATIONAL BANK.—A bridge bank shall be an insured bank from the time it is chartered as a national bank.

"(C) BRIDGE BANK TREATED AS BEING IN DEFAULT FOR CERTAIN PURPOSES.—A bridge bank shall be treated as an insured bank in default at such times and for such purposes as the Corporation may, in its discretion, determine.

"(D) MANAGEMENT.—A bridge bank, upon the granting of its charter, shall be under the management of a board of directors consisting of not fewer than 5 nor more than 10 members appointed by the Corporation.

"(E) BYLAWS.—The board of directors of a bridge bank shall adopt such bylaws as may be approved by the Corporation.

"(3) TRANSFER OF ASSETS AND LIABILITIES.—

"(A) IN GENERAL.—

"(i) TRANSFER UPON GRANT OF CHARTER.—Upon the granting of a charter to a bridge bank pursuant to this subsection, the Corporation, as receiver, or any other receiver appointed with respect to any insured bank in default with respect to which the bridge bank is chartered may transfer any assets and liabilities of such bank in default to the bridge bank in accordance with paragraph (1).

"(ii) SUBSEQUENT TRANSFERS.—At any time after a charter is granted to a bridge bank, the Corporation, as receiver, or any other receiver appointed with respect to an insured bank in default may transfer any assets and liabilities of such insured bank in default as the Corporation may, in its discretion, determine to be appropriate in accordance with paragraph (1).

"(iii) TREATMENT OF TRUST BUSINESS.—For purposes of this paragraph, the trust business, including fiduciary appointments, of any insured bank in default is included among its assets and liabilities.

"(iv) EFFECTIVE WITHOUT APPROVAL.—The transfer of any assets or liabilities, including those associated with any trust business, of an insured bank in default transferred to a bridge bank shall be effective without any further approval under Federal or State law, assignment, or consent with respect thereto.

"(B) INTENT OF CONGRESS REGARDING CONTINUING OPERATIONS.—It is the intent of the Congress that, in order to prevent unnecessary hardship or losses to the customers of any insured bank in default with respect to which a bridge bank is chartered, especially creditworthy farmers, small businesses, and households, the Corporation should—

"(i) continue to honor commitments made by the bank in default to creditworthy customers, and

"(ii) not interrupt or terminate adequately secured loans which are transferred under subparagraph (A) and are being repaid by the debtor in accordance with the terms of the loan instrument.

"(4) POWERS OF BRIDGE BANKS.—Each bridge bank chartered under this subsection shall have all corporate powers of, and be subject to the same provisions of law as, a national bank, except that—

"(A) the Corporation may—

"(i) remove the interim directors and directors of a bridge bank;

"(ii) fix the compensation of members of the interim board of directors and the board of directors and senior management, as determined by the Corporation in its discretion, of a bridge bank; and

"(iii) waive any requirement established under section 5145, 5146, 5147, 5148, or 5149 of the Revised Statutes (relating to directors of national banks) or section 31 of the Banking Act of 1933 which would otherwise be applicable with respect to directors of a bridge bank by operation of paragraph (2)(B);

"(B) the Corporation may indemnify the representatives for purposes of paragraph (1)(B) and the interim directors, directors, officers, employees, and agents of a bridge bank on such terms as the Corporation determines to be appropriate;

"(C) no requirement under section 5138 of the Revised Statutes or any other provision of law relating to the capital of a national bank shall apply with respect to a bridge bank;

"(D) the Comptroller of the Currency may establish a limitation on the extent to which any person may become indebted to a bridge bank without regard to the amount of the bridge bank's capital or surplus;

"(E)(i) the board of directors of a bridge bank shall elect a chairperson who may also serve in the position of chief executive officer, except that such person shall not serve either as chairperson or as chief executive officer without the prior approval of the Corporation;

"(ii) the board of directors of a bridge bank may appoint a chief executive officer who is not also the chairperson, except that such person shall not serve as chief executive officer without the prior approval of the Corporation;

"(F) a bridge bank shall not be required to purchase stock of any Federal Reserve bank;

"(G) the Comptroller of the Currency shall waive any requirement for a fidelity bond with respect to a bridge bank at the request of the Corporation;

"(H) any judicial action to which a bridge bank becomes a party by virtue of its acquisition of any assets or assumption of any liabilities of a bank in default shall be stayed from further proceedings for a period of up to 45 days at the request of the bridge bank;

"(I) no agreement which tends to diminish or defeat the right, title or interest of a bridge bank in any asset of an insured bank in default acquired by it shall be valid against the bridge bank unless such agreement—

"(i) is in writing,

"(ii) was executed by such insured bank in default and the person or persons claiming an adverse interest thereunder, including the obligor, contemporaneously with the acquisition of the asset by such insured bank in default,

"(iii) was approved by the board of directors of such insured bank in default or its loan committee, which approval shall be reflected in the minutes of said board or committee, and

"(iv) has been, continuously from the time of its execution, an official record of such insured bank in default;

"(J) notwithstanding section 13(e)(2), any agreement relating to an extension of credit between a Federal home loan bank or Federal Reserve bank and any insured depository institution which was executed before the extension of credit by such bank to such depository institution shall be treated as having been executed contemporaneously with such extension of credit for purposes of subparagraph (I); and

"(K) except with the prior approval of the Corporation, a bridge bank may not, in any transaction or series of transactions, issue capital stock or be a party to any merger, consolidation, disposition of assets or liabilities, sale or exchange of capital stock, or similar transaction, or change its charter.

"(5) CAPITAL.—

"(A) NO CAPITAL REQUIRED.—The Corporation shall not be required to—

"(i) issue any capital stock on behalf of a bridge bank chartered under this subsection; or

"(ii) purchase any capital stock of a bridge bank, except that notwithstanding any other provision of Federal or State law, the Corporation may purchase and retain capital stock of a bridge bank in such amounts and on such terms as the Corporation, in its discretion, determines to be appropriate.

"(B) OPERATING FUNDS IN LIEU OF CAPITAL.—Upon the organization of a bridge bank, and thereafter, as the Board of Directors may, in its discretion, determine to be necessary or advisable, the Corporation may make available to the bridge bank, upon such terms and conditions and in such form and amounts as the Corporation may in its discretion determine, funds for the operation of the bridge bank in lieu of capital.

"(C) AUTHORITY TO ISSUE CAPITAL STOCK.—Whenever the Board of Directors determines it is advisable to do so, the Corporation shall cause capital stock of a bridge bank to be issued and offered for sale in such amounts and on such terms and conditions as the Corporation may, in its discretion, determine.

"(6) NO FEDERAL STATUS.—

"(A) AGENCY STATUS.—A bridge bank is not an agency, establishment, or instrumentality of the United States.

"(B) EMPLOYEE STATUS.—Representatives for purposes of paragraph (1)(B), interim directors, directors, officers, employees, or agents of a bridge bank are not, solely by virtue of service in any such capacity, officers or employees of the United States. Any employee of the Corporation or of any Federal instrumentality who serves at the request of the Corporation as a representative for purposes of paragraph (1)(B), interim director, director, officer, employee, or agent of a bridge bank shall not—

"(i) solely by virtue of service in any such capacity lose any existing status as an officer or employee of the United States for purposes of title 5, United States Code, or any other provision of law, or

"(ii) receive any salary or benefits for service in any such capacity with respect to a bridge bank in addition to such salary or benefits as are obtained through employment with the Corporation or such Federal instrumentality.

"(7) ASSISTANCE AUTHORIZED.—The Corporation may, in its discretion, provide assistance under section 13(c) to facilitate any transaction described in clause (i), (ii), or (iii) of paragraph (10)(A) with respect to any bridge bank in the same manner and to the same extent as such assistance may be provided under such section with respect to an insured bank in default, or to facilitate a bridge bank's acquisition of any assets or the assumption of any liabilities of an insured bank in default.

"(8) ACQUISITION.—

"(A) IN GENERAL.—The responsible agency shall notify the Attorney General of any transaction involving the merger or sale of a bridge bank requiring approval under section 18(c) and if a report on competitive factors is requested within 10 days, such transaction may not be consummated before the 5th calendar day after the date of approval by the responsible agency with respect thereto. If the responsible agency has found that it must act immediately to prevent the probable failure of 1 of the banks involved, the preceding sentence does not apply and the transaction may be consummated immediately upon approval by the agency.

"(B) BY OUT-OF-STATE HOLDING COMPANY.—Any depository institution, including an out-of-State depository institution, or any out-of-State depository institution holding company may acquire and retain the capital stock or assets of, or otherwise acquire and retain a bridge bank if the bridge bank at any time had assets aggregating $500,000,000 or more, as determined by the Corporation on the basis of the bridge bank's reports of condition or on the basis of the last available reports of condition of any insured bank in default, which institution has been acquired, or whose assets have been acquired, by the bridge bank. The acquiring entity may acquire the bridge bank only in the same manner and to the same extent as such entity may acquire an insured bank in default under section 13(f)(2).

"(9) DURATION OF BRIDGE BANK.—Subject to paragraphs (11) and (13), the status of a bridge bank as such shall terminate atthe end of the 2-year period following the date it was granted a charter. The Board of Directors may, in its discretion, extend the status of the bridge bank as such for 3 additional 1-year periods.

"(10) TERMINATION OF BRIDGE BANK STATUS.—The status of any bridge bank as such shall terminate upon the earliest of—

"(A) the merger or consolidation of the bridge bank with a depository institution that is not a bridge bank;

"(B) at the election of the Corporation, the sale of a majority of the capital stock of the bridge bank to an entity other than the Corporation and other than another bridge bank;

"(C) the sale of 80 percent, or more, of the capital stock of the bridge bank to an entity other than the Corporation and other than another bridge bank;

"(D) at the election of the Corporation, either the assumption of all or substantially all of the deposits and other liabilities of the bridge bank by a depository institution holding company or a depository institution that is not a bridge bank, or the acquisition of all or substantially all of the assets of the bridge bank by a depository institution holding company, a depository institution that is not a bridge bank, or other entity as permitted under applicable law; and

"(E) the expiration of the period provided in paragraph (9), or the earlier dissolution of the bridge bank as provided in paragraph (12).

"(11) EFFECT OF TERMINATION EVENTS.—

"(A) MERGER OR CONSOLIDATION.—A bridge bank that participates in a merger or consolidation as provided in paragraph (10)(A) shall be for all purposes a national bank with all the rights, powers, and privileges thereof, and such merger or consolidation shall be conducted in accordance with, and shall have the effect provided in, the provisions of applicable law.

"(B) CHARTER CONVERSION.—Following the sale of a majority of the capital stock of the bridge bank as provided in paragraph

(10)(B), the Corporation may amend the charter of the bridge bank to reflect the termination of the status of the bridge bank as such, whereupon the bank shall remain a national bank, with all of the rights, powers, and privileges thereof, subject to all laws and regulations applicable thereto.

"(C) SALE OF STOCK.—Following the sale of 80 percent or more of the capital stock of a bridge bank as provided in paragraph (10)(C), the bank shall remain a national bank, with all of the rights, powers, and privileges thereof, subject to all laws and regulations applicable thereto.

"(D) ASSUMPTION OF LIABILITIES AND SALE OF ASSETS.—Following the assumption of all or substantially all of the liabilities of the bridge bank, or the sale of all or substantially all of the assets of the bridge bank, as provided in paragraph (10)(D), at the election of the Corporation the bridge bank may retain its status as such for the period provided in paragraph (8).

"(E) EFFECT ON HOLDING COMPANIES.—A depository institution holding company acquiring a bridge bank under section 13(f), paragraph (8)(B) (or any predecessor provision), or both provisions, shall not be impaired or adversely affected by the termination of the status of a bridge bank as a result of subparagraph (A), (B), (C), or (D) of paragraph (10), and shall be entitled to the rights and privileges provided in section 13(f).

"(F) AMENDMENTS TO CHARTER.—Following the consummation of a transaction described in subparagraph (A), (B), (C), or (D) of paragraph (10), the charter of the resulting institution shall be amended to reflect the termination of bridge bank status, if appropriate.

"(12) DISSOLUTION OF BRIDGE BANK.—

"(A) IN GENERAL.—Notwithstanding any other provision of State or Federal law, if the bridge bank's status as such has not previously been terminated by the occurrence of an event specified in subparagraphs (A), (B), (C), or (D) of paragraph (10)—

"(i) the Board of Directors may, in its discretion, dissolve a bridge bank in accordance with this paragraph at any time; and

"(ii) the Board of Directors shall promptly commence dissolution proceedings in accordance with this paragraph upon the expiration of the 2-year period following the date the bridge bank was chartered, or any extension thereof, as provided in paragraph (9).

"(B) PROCEDURES.—The Comptroller of the Currency shall appoint the Corporation receiver for a bridge bank upon certification by the Board of Directors to the Comptroller of the Currency of its determination to dissolve the bridge bank. The Corporation as such receiver shall wind up the affairs of the bridge bank in conformity with the provisions of law relating to the liquidation of closed national banks. With respect to any such bridge bank, the Corporation as such receiver shall have all the rights, powers, and privileges and shall perform the duties related to the exercise of such rights, powers, or privileges granted by law to a receiver of any insured depository institution and notwithstanding any other provision of law in the exercise of such rights, powers, and privileges the Corporation shall not be subject to the direction or supervision of any State agency or other Federal agency.

"(13) MULTIPLE BRIDGE BANKS.—Subject to paragraph (1)(B)(i), the Corporation may, in the Corporation's discretion, organize 2 or more bridge banks under this subsection to assume any deposits of, assume any other liabilities of, and purchase any assets of a single bank in default.".

SEC. 215. FSLIC RESOLUTION FUND.

The Federal Deposit Insurance Act is amended by inserting after section 11 the following:

"SEC. 11A. FSLIC RESOLUTION FUND.

"(a) ESTABLISHED.—

"(1) IN GENERAL.—There is established a separate fund to be designated as the FSLIC Resolution Fund which shall be managed by the Corporation and separately maintained and not commingled.

"(2) TRANSFER OF FSLIC ASSETS AND LIABILITIES.—

"(A) IN GENERAL.—Except as provided in section 21A of the Federal Home Loan Bank Act, all assets and liabilities of the Federal Savings and Loan Insurance Corporation on the day before the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 shall be transferred to the FSLIC Resolution Fund.

"(B) ADDITIONAL CLAIMS ON ASSETS.—The FSLIC Resolution Fund shall pay to the Savings Association Insurance Fund such amounts as are needed for administrative and supervisory expenses from the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 through September 30, 1991.

"(3) SEPARATE HOLDING.—Assets and liabilities transferred to the FSLIC Resolution Fund shall be the assets and liabilities of the Fund and not of the Corporation and shall not be consolidated with the assets and liabilities of the Bank Insurance Fund, the Savings Association Insurance Fund, or the Corporation for accounting, reporting, or any other purpose.

"(b) SOURCE OF FUNDS.—The FSLIC Resolution Fund shall be funded from the following sources to the extent funds are needed in the listed priority:

"(1) Income earned on assets of the FSLIC Resolution Fund.

"(2) Liquidating dividends and payments made on claims received by the FSLIC Resolution Fund from receiverships to the extent such funds are not required by the Resolution Funding Corporation pursuant to section 21B of the Federal Home Loan Bank Act or the Financing Corporation pursuant to section 21 of such Act.

"(3) Amounts borrowed by the Financing Corporation pursuant to section 21 of the Federal Home Loan Bank Act.

"(4) During the period beginning on the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 and ending on December 31, 1991, amounts assessed against Savings Association Insurance Fund members by the Corporation pursuant to section 7 which are not required by the Financing Corporation pursuant to section 21 of the Federal Home Loan Bank Act or by the Resolution Funding Corporation pursuant to section 21B of the Federal Home Loan Bank Act.

"(c) TREASURY BACKUP.—

"(1) IN GENERAL.—If the funds described in subsections (a) and (b) are insufficient to satisfy the liabilities of the FSLIC Resolution Fund, the Secretary of the Treasury shall pay to the Fund such amounts as may be necessary, as determined by the Corporation and the Secretary, for FSLIC Resolution Fund purposes.

"(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of the Treasury, without fiscal year limitation, such sums as may be necessary to carry out this section.

"(d) LEGAL PROCEEDINGS.—Any judgment resulting from a proceeding to which the Federal Savings and Loan Insurance Corporation was a party prior to its dissolution or which is initiated against the Corporation with respect to the Federal Savings and Loan Insurance Corporation or with respect to the FSLIC Resolution Fund shall be limited to the assets of the FSLIC Resolution Fund.

"(e) TRANSFER OF NET PROCEEDS FROM SALE OF RTC ASSETS.—The FSLIC Resolution Fund shall transfer to the Resolution Funding Corporation any net proceeds from the sale of assets acquired from the Resolution Trust Corporation upon the termination of such Corporation pursuant to section 21A of the Federal Home Loan Bank Act.

"(f) DISSOLUTION.—The FSLIC Resolution Fund shall be dissolved upon satisfaction of all debts and liabilities and sale of all assets. Upon dissolution any remaining funds shall be paid into the Treasury. Any administrative facilities and supplies, including offices and office supplies, shall be transferred to the Corporation for use by and to be held as assets of the Savings Association Insurance Fund.".

SEC. 216. AMENDMENTS TO SECTION 12.

Section 12 of the Federal Deposit Insurance Act (12 U.S.C. 1822) is amended—

(1) by striking out "closed bank" each place it appears and inserting in lieu thereof "depository institution in default";

(2) by striking out subsection (a) and inserting the following:

"(a) BOND NOT REQUIRED; AGENTS; FEE.—The Corporation as receiver of an insured depository institution or branch of a foreign bank shall not be required to furnish bond and may appoint an agent or agents to assist it in its duties as such receiver. All fees, compensation, and expenses of liquidation and administration shall be fixed by the Corporation, and may be paid by it out of funds coming into its possession as such receiver."; and

(3) in subsection (d)—

(A) by striking out "as a stockholder of the depository institution in default, or of any liability of such depositor"; and

(B) by striking out "such bank" and inserting in lieu thereof "such depository institution".

SEC. 217. AMENDMENTS TO SECTION 13.

Section 13 of the Federal Deposit Insurance Act (12 U.S.C. 1823) is amended—

(1) by striking out subsection (a) and inserting the following:

"(a) INVESTMENT OF CORPORATION'S FUNDS.—

"(1) AUTHORITY.—Funds held in the Bank Insurance Fund, the Savings Association Insurance Fund, or the FSLIC Resolution Fund, that are not otherwise employed shall be invested in obligations of the United States or in obligations guaranteed as to principal and interest by the United States.

"(2) LIMITATION.—The Corporation shall not sell or purchase any obligations described in paragraph (1) for its own account, at any one time aggregating in excess of $100,000, without the approval of the Secretary of the Treasury. The Secretary may approve a transaction or class of transactions subject to the provisions of this paragraph under such conditions as the Secretary may determine.";

(2) in subsection (b)—

(A) by striking out "banking and checking" and "banking or checking" each place such terms appear and inserting in lieu thereof "depository";

(B) by striking out "bank" (except "Federal Reserve bank") each place such term ap-

pears and inserting in lieu thereof "depository institution";

(3) in subsection (c)—

(A) by striking out "closing" or "closed" each place such terms appear and inserting in lieu thereof "default" or "in default";

(B) by striking out "an" before "closed insured bank" each place such terms appear and inserting in lieu thereof "a";

(C) by striking out "in default insured depository institution" each place such term appears and inserting in lieu thereof "insured depository institution in default";

(D) in paragraph (2)(A)—

(i) by striking out "such insured institution" and "an insured depository institution" and inserting in lieu thereof "such other insured depository institution" and "another insured depository institution", respectively;

(ii) by inserting "any or all of the" after "the sale of"; and

(iii) by striking out "and the assumption" and inserting in lieu thereof "or the assumption of any or all";

(E) by adding at the end of paragraph (2) the following:

"(C) Any action to which the Corporation is or becomes a party by acquiring any asset or exercising any other authority set forth in this section shall be stayed for a period of 60 days at the request of the Corporation.";

(F) in paragraph (3), by striking out "section 13(f) of this Act" and inserting in lieu thereof "subsection (f) or (k) of this section";

(G) in paragraph (4)—

(i) by striking out "banking" and inserting in lieu thereof "depository"; and

(ii) by inserting at the end of subparagraph (A) the following: "In calculating the cost of assistance, the Corporation shall include (i) the immediate and long-term obligations of the Corporation with respect to such assistance, including contingent liabilities, and (ii) the Federal tax revenues foregone by the Government, to the extent reasonably ascertainable."; and

(H) by striking out paragraph (8);

(I) by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(J) by inserting after paragraph (5) the following:

"(6) The transfer of any assets or liabilities associated with any trust business of an insured depository institution in default under subparagraph (2)(A) shall be effective without any State or Federal approval, assignment, or consent with respect thereto."; and

(K) by adding at the end the following:

"(9) Payments made under this subsection shall be made—

"(A) from the Bank Insurance Fund in the case of payments to or on behalf of a member of such Fund; or

"(B) from the Savings Association Insurance Fund or from funds made available by the Resolution Trust Corporation in the case of payments to or on behalf of any Savings Association Insurance Fund member.";

(4) by striking out subsections (d) and (e) and inserting the following:

"(d) SALE OF ASSETS TO CORPORATION.—

"(1) IN GENERAL.—Any conservator, receiver, or liquidator appointed for any insured depository institution in default, including the Corporation acting in such capacity, shall be entitled to offer the assets of such depository institutions for sale to the Corporation or as security for loans from the Corporation.

"(2) PROCEEDS.—The proceeds of every sale or loan of assets to the Corporation shall be utilized for the same purposes and in the same manner as other funds realized from the liquidation of the assets of such depository institutions.

"(3) RIGHTS AND POWERS OF CORPORATION.—

"(A) IN GENERAL.—With respect to any asset acquired or liability assumed pursuant to this section, the Corporation shall have all of the rights, powers, privileges, and authorities of the Corporation as receiver under sections 11 and 15(b).

"(B) RULE OF CONSTRUCTION.—Such rights, powers, privileges, and authorities shall be in addition to and not in derogation of any rights, powers, privileges, and authorities otherwise applicable to the Corporation.

"(C) FIDUCIARY RESPONSIBILITY.—In exercising any right, power, privilege, or authority described in subparagraph (A), the Corporation shall continue to be subject to the fiduciary duties and obligations of the Corporation as receiver to claimants against the insured depository institution in receivership.

"(4) LOANS.—The Corporation, in its discretion, may make loans on the security of or may purchase and liquidate or sell any part of the assets of an insured depository institution which is now or may hereafter be in default.

"(e) AGREEMENTS AGAINST INTERESTS OF CORPORATION.—No agreement which tends to diminish or defeat the interest of the Corporation in any asset acquired by it under this section or section 11, either as security for a loan or by purchase or as receiver of any insured depository institution, shall be valid against the Corporation unless such agreement—

"(1) is in writing,

"(2) was executed by the depository institution and any person claiming an adverse interest thereunder, including the obligor, contemporaneously with the acquisition of the asset by the depository institution,

"(3) was approved by the board of directors of the depository institution or its loan committee, which approval shall be reflected in the minutes of said board or committee, and

"(4) has been, continuously, from the time of its execution, an official record of the depository institution.";

(5) in subsection (f)—

(A) by striking out "closed" and "closing" each place such terms appear (except in "closed bank") and inserting in lieu thereof "in default" or "default", respectively;

(B) by striking out "closed bank" and inserting in lieu thereof "bank in default";

(C) in paragraph (1), by inserting "savings association" after "out-of-state bank";

(D) in paragraph (2)(B)(iii), by striking out "a unanimous vote" and inserting in lieu thereof "a vote of 75 percent of";

(E) by striking out "the constitution of any State,";

(F) in paragraph (6)(A), by inserting "the offeror which made the initial lowest acceptable offer and" after "the Corporation shall permit";

(G) by adding at the end of paragraph (7) the following:

"(C) if in the opinion of the Corporation the acquisition threatens the safety and soundness of the acquirer or does not result in the future viability of the resulting depository institution.";

(H) in paragraph (8), by striking out subparagraphs (A), (B), and (D) and redesignating paragraphs (C), (E), (F), and (G) as subparagraphs (A), (B), (C), and (D), respectively;

(I) in paragraph (9)—

(i) in the paragraph heading, by striking out "NONBANK" and inserting in lieu thereof "CERTAIN";

(ii) in paragraph (9)(A), by inserting ", other than a subsidiary that is an insured depository institution," after "subsidiary" and by striking out "which is not an insured bank"; and

(iii) in paragraph (9)(B), by inserting "or an affiliate of an insured depository institution" after "intermediate holding company"; and

(J) by adding at the end thereof the following new paragraph:

"(12) ACQUISITION OF MINORITY BANK BY MINORITY BANK HOLDING COMPANY WITHOUT REGARD TO ASSET SIZE.—

"(A) IN GENERAL.—For the purpose of ensuring continued minority control of a minority-controlled bank, paragraphs (2) and (3) shall apply with respect to the acquisition of a minority-controlled bank by an out-of-State minority-controlled depository institution or depository institution holding company without regard to the fact that the total assets of such minority-controlled bank is less than $500,000,000.

"(B) DEFINITIONS.—For purposes of this paragraph:

"(i) MINORITY BANK.—The term 'minority bank' means any depository institution described in clause (i), (ii), or (iii) of section 19(b)(1)(A) of the Federal Reserve Act—

"(I) more than 50 percent of the ownership or control of which is held by one or more minority individuals; and

"(II) more than 50 percent of the net profit or loss of which accrues to minority individuals.

"(ii) MINORITY.—The term 'minority' means any Black American, Native American, Hispanic American, or Asian American.";

(6) in subsection (h), by striking out "a closed insured depository institution", "closing", and "insurance fund" and inserting in lieu thereof "an insured depository institution in default", "default", and "Bank Insurance Fund", respectively;

(7) in subsection (i)—

(A) by inserting "depository" before "institution" each place such term appears;

(B) in paragraph (1)(C)—

(i) by striking out "corporation" and inserting in lieu thereof "Corporation";

(ii) by striking out "chartered bank" and inserting in lieu thereof "chartered depository institution";

(iii) by inserting ", a savings association," after "State member bank"; and

(iv) by inserting "or the Director of the Office of Thrift Supervision" after "Federal Reserve System";

(C) in paragraph (2), by striking out "or insured or guaranteed under State law"; and

(D) by striking out paragraphs (10) and (12); and

(8) by adding at the end thereof the following:

"(k) EMERGENCY ACQUISITIONS.—

"(1) IN GENERAL.—

"(A) ACQUISITIONS AUTHORIZED.—

"(i) TRANSACTIONS DESCRIBED.—Notwithstanding any provision of State law, upon determining that severe financial conditions threaten the stability of a significant number of savings associations, or of savings associations possessing significant financial resources, the Corporation, in its discretion and if it determines such authorization would lessen the risk to the Corporation, may authorize—

"(I) a savings association that is eligible for assistance pursuant to subsection (c) to merge or consolidate with, or to transfer its assets and liabilities to, any other savings association or any insured bank,

"(II) any other savings association to acquire control of such savings association, or

"(III) any company to acquire control of such savings association or to acquire the assets or assume the liabilities thereof.

The Corporation may not authorize any transaction under this subsection unless the Corporation determines that the authorization will not present a substantial risk to the safety or soundness of the savings association to be acquired or any acquiring entity.

"(ii) TERMS OF TRANSACTIONS.—Mergers, consolidations, transfers, and acquisitions under this subsection shall be on such terms as the Corporation shall provide.

"(iii) APPROVAL BY APPROPRIATE AGENCY.—Where otherwise required by law, transactions under this subsection must be approved by the appropriate Federal banking agency of every party thereto.

"(iv) ACQUISITIONS BY SAVINGS ASSOCIATIONS.—Any Federal savings association that acquires another savings association pursuant to clause (i) may, with the concurrence of the Director of the Office of Thrift Supervision, hold that savings association as a subsidiary notwithstanding the percentage limitations of section 5(c)(4)(B) of the Home Owners' Loan Act.

"(v) DUAL SERVICE.—Dual service by a management official that would otherwise be prohibited under the Depository Institution Management Interlocks Act may, with the approval of the Corporation, continue for up to 10 years.

"(vi) CONTINUED APPLICABILITY OF CERTAIN STATE RESTRICTIONS.—Nothing in this subsection overrides or supersedes State laws restricting or limiting the activities of a savings association on behalf of another entity.

"(B) CONSULTATION WITH STATE OFFICIAL.—

"(i) CONSULTATION REQUIRED.—Before making a determination to take any action under subparagraph (A), the Corporation shall consult the State official having jurisdiction of the acquired institution.

"(ii) PERIOD FOR STATE RESPONSE.—The official shall be given a reasonable opportunity, and in no event less than 48 hours, to object to the use of the provisions of this paragraph. Such notice may be provided by the Corporation prior to its appointment as receiver, but in anticipation of an impending appointment.

"(iii) APPROVAL OVER OBJECTION OF STATE OFFICIAL.—If the official objects during such period, the Corporation may use the authority of this paragraph only by a vote of 75 percent or more of the voting members of the Board of Directors. The Corporation shall provide to the official, as soon as practicable, a written certification of its determination.

"(2) SOLICITATION OF OFFERS.—

"(A) IN GENERAL.—In considering authorizations under this subsection, the Corporation may solicit such offers or proposals as are practicable from any prospective purchasers or merger partners it determines, in its sole discretion, are both qualified and capable of acquiring the assets and liabilities of the savings association.

"(B) MINORITY-CONTROLLED INSTITUTIONS.—In the case of a minority-controlled depository institution, the Corporation shall seek an offer from other minority-controlled depository institutions before seeking an offer from other persons or entities.

"(3) DETERMINATION OF COSTS.—In determining the cost of offers under this subsection, the Corporation's calculations and estimations shall be determinative. The Corporation may set reasonable time limits on offers.

"(4) BRANCHING PROVISIONS.—

"(A) IN GENERAL.—If a merger, consolidation, transfer, or acquisition under this subsection involves a savings association eligible for assistance and a bank or bank holding company, a savings association may retain and operate any existing branch or branches or any other existing facilities. If the savings association continues to exist as a separate entity, it may establish and operate new branches to the same extent as any savings association that is not affiliated with a bank holding company and the home office of which is located in the same State.

"(B) RESTRICTIONS.—

"(i) IN GENERAL.—Notwithstanding subparagraph (A), if—

"(I) a savings association described in such subparagraph does not have its home office in the State of the bank holding company bank subsidiary, and

"(II) such association does not qualify as a domestic building and loan association under section 7701(a)(19) of the Internal Revenue Code of 1986, or does not meet the asset composition test imposed by subparagraph (C) of that section on institutions seeking so to qualify,

such savings association shall be subject to the conditions upon which a bank may retain, operate, and establish branches in the State in which the Savings Association Insurance Fund member is located.

"(ii) TRANSITION PERIOD.—The Corporation, for good cause shown, may allow a savings association up to 2 years to comply with the requirements of clause (i).

"(5) ASSISTANCE BEFORE APPOINTMENT OF CONSERVATOR OR RECEIVER.—

"(A) ASSISTANCE PROPOSALS.—The Corporation shall consider proposals by Savings Association Insurance Fund members for assistance pursuant to subsection (c) before grounds exist for appointment of a conservator or receiver for such member under the following circumstances:

"(i) TROUBLED CONDITION CRITERIA.—The Corporation determines—

"(I) that grounds for appointment of a conservator or receiver exist or likely will exist in the future unless the member's tangible capital is increased;

"(II) that it is unlikely that the member can achieve positive tangible capital without assistance; and

"(III) that providing assistance pursuant to the member's proposal would be likely to lessen the risk to the Corporation.

"(ii) OTHER CRITERIA.—The member meets the following criteria:

"(I) Before enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the member was solvent under applicable regulatory accounting principles but had negative tangible capital.

"(II) The member's negative tangible capital position is substantially attributable to its participation in acquisition and merger transactions that were instituted by the Federal Home Loan Bank Board or the Federal Savings and Loan Insurance Corporation for supervisory reasons.

"(III) The member is a qualified thrift lender (as defined in section 10(m) of the Home Owners' Loan Act) or would be a qualified thrift lender if commercial real estate owned and nonperforming commercial loans acquired in acquisition and merger transactions that were instituted by the Federal Home Loan Bank Board or the Federal Savings and Loan Insurance Corporation for supervisory reasons were excluded from the member's total assets.

"(IV) The appropriate Federal banking agency has determined that the member's management is competent and has complied with applicable laws, rules, and supervisory directives and orders.

"(V) The member's management did not engage in insider dealing or speculative practices or other activities that jeopardized the member's safety and soundness or contributed to its impaired capital position.

"(VI) The member's offices are located in an economically depressed region.

"(B) CORPORATION CONSIDERATION OF ASSISTANCE PROPOSAL.—If a member meets the requirements of clauses (i) and (ii) of subparagraph (A), the Corporation shall consider providing direct financial assistance.

"(C) ECONOMICALLY DEPRESSED REGION DEFINED.—For purposes of this paragraph, the term 'economically depressed region' means any geographical region which the Corporation determines by regulation to be a region within which real estate values have suffered serious decline due to severe economic conditions, such as a decline in energy or agricultural values or prices.".

SEC. 218. FDIC BORROWING AUTHORITY.

Section 14 of the Federal Deposit Insurance Act (12 U.S.C. 1824) is amended—

(1) by striking out "$3,000,000,000 outstanding at any one time" and inserting in lieu thereof "$5,000,000,000 outstanding at any one time, subject to the approval of the Secretary of the Treasury"; and

(2) by adding at the end the following: "The Corporation may employ such funds for purposes of the Bank Insurance Fund or the Savings Association Insurance Fund and the borrowing shall become a liability of each such fund to the extent funds are employed therefor. There are hereby appropriated to the Secretary, for fiscal year 1989 and each fiscal year thereafter, such sums as may be necessary to carry out this section."; and

(3) by striking out "the current average rate on outstanding marketable and nonmarketable obligations of the United States as of the last day of the month preceding the making of such loan" and inserting in lieu thereof the following: "an amount determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities".

SEC. 219. EXEMPTION FROM TAXATION; LIMITATION ON BORROWING.

Section 15 of the Federal Deposit Insurance Act (12 U.S.C. 1825) is amended—

(1) by inserting "(a) GENERAL RULE.—" before "All"; and

(2) by adding at the end the following new subsections:

"(b) OTHER EXEMPTIONS.—When acting as a receiver, the following provisions shall apply with respect to the Corporation:

"(1) The Corporation including its franchise, its capital, reserves, and surplus, and its income, shall be exempt from all taxation imposed by any State, county, municipality, or local taxing authority, except that any real property of the Corporation shall be subject to State, territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed, except that, notwithstanding the failure of any person to challenge an assessment under State law of such property's value, such value, and the tax thereon, shall be determined as of the period for which such tax is imposed.

"(2) No property of the Corporation shall be subject to levy, attachment, garnishment, foreclosure, or sale without the consent of

the Corporation, nor shall any involuntary lien attach to the property of the Corporation.

"(3) The Corporation shall not be liable for any amounts in the nature of penalties or fines, including those arising from the failure of any person to pay any real property, personal property, probate, or recording tax or any recording or filing fees when due. This subsection shall not apply with respect to any tax imposed (or other amount arising) under the Internal Revenue Code of 1986.

"(c) LIMITATION ON BORROWING.—

"(1) COST ESTIMATE FOR OUTSTANDING OBLIGATIONS LIABILITIES.—As soon as practicable after the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the Corporation shall estimate the aggregate cost to the Corporation for all outstanding obligations and guarantees of the Corporation which were issued, and all outstanding liabilities which were incurred, by the Corporation before such date.

"(2) ESTIMATE OF NOTES AND OTHER OBLIGATIONS REQUIRED.—Before issuing an obligation or making a guarantee, the Corporation shall estimate the cost of such obligations or guarantees.

"(3) INCLUSION OF ESTIMATES IN FINANCIAL STATEMENTS.—The Corporation shall—

"(A) reflect in its financial statements the estimates made by the Corporation under paragraphs (1) and (2) of the aggregate amount of the costs to the Corporation for outstanding obligations and other liabilities, and

"(B) make such adjustments as are appropriate in the estimate of such aggregate amount not less frequently than quarterly.

"(4) ESTIMATE OF OTHER ASSETS REQUIRED.—The Corporation shall—

"(A) estimate the market value of assets held by it as a result of case resolution activities, with a reduction for expenses expected to be incurred by the Corporation in connection with the management and sale of such assets;

"(B) reflect the amounts so estimated in its financial statements; and

"(C) make such adjustments as are appropriate of such market value not less than quarterly.

"(5) MINIMUM NET WORTH REQUIRED.—The Corporation may not issue any note or similar obligation, and may not incur any liability under a guarantee or similar obligation, with respect to either the Bank Insurance Fund or the Savings Association Insurance Fund if, after reduction for the estimated cost of the obligation or guarantee, the net worth of the affected insurance fund would be less than 10 percent of assets.

"(6) EXCEPTION.—With the prior approval of the Secretary of the Treasury, the Corporation may issue or incur up to $5,000,000,000 in the aggregate of additional liabilities in excess of the limitations of paragraph (5). The amount which the Corporation may borrow from the Treasury under section 14 of this Act shall be reduced by the amount of additional liabilities issued or incurred under this paragraph.

"(7) NET WORTH AND ASSET VALUATION.—For the purpose of paragraph (5)—

"(A) the assets of the Bank Insurance Fund or the Savings Association Insurance Fund shall be calculated based on the most recent audit of such Fund by the Comptroller General of the United States, subject to any adjustments described in paragraph (3) or (4) and taking into account any subsequent transactions; and

"(B) the net worth of the Bank Insurance Fund or the Savings Association Insurance Fund shall be calculated based on the most recent audit of such Fund by the Comptroller General of the United States, subject to any adjustments described in paragraphs (3) and (4) and taking into account any subsequent transactions.

"(d) FULL FAITH AND CREDIT.—The full faith and credit of the United States is pledged to the payment of any obligation issued after the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 by the Corporation, with respect to both principal and interest, if—

"(1) the principal amount of such obligation is stated in the obligation; and

"(2) the term to maturity or the date of maturity of such obligation is stated in the obligation.".

SEC. 220. REPORTS.

(a) IN GENERAL.—Section 17 of the Federal Deposit Insurance Act (12 U.S.C. 1827) is amended—

(1) by striking out subsection (a) and inserting the following:

"(a) ANNUAL REPORTS ON BIF, SAIF, AND THE FSLIC RESOLUTION FUND.—

"(1) IN GENERAL.—The Corporation shall annually submit a full report of its operations, activities, budget, receipts, and expenditures for the preceding 12-month period. The report shall include, with respect to the Bank Insurance Fund, the Savings Association Insurance Fund, and the FSLIC Resolution Fund, an analysis by the Corporation of—

"(A) the current financial condition of each such fund;

"(B) the purpose, effect, and estimated cost of each resolution action taken for an insured depository institution during the preceding year;

"(C) the extent to which the actual costs of assistance provided to, or for the benefit of, an insured depository institution during the preceding year exceeded the estimated costs of such assistance reported in a previous year under paragraph (A);

"(D) the exposure of each insurance fund to changes in those economic factors most likely to affect the condition of that fund;

"(E) a current estimate of the resources needed for the Bank Insurance Fund, the Savings Association Insurance Fund, or the FSLIC Resolution Fund to achieve the purposes of this Act; and

"(F) any findings, conclusions, and recommendations for legislative and administrative actions considered appropriate to future resolution activities by the Corporation.

"(2) MANNER OF SUBMISSION.—Such report shall be submitted to the President of the Senate and the Speaker of the House of Representatives, who shall cause the same to be printed for the information of Congress, and the President as soon as practicable after the first day of January each year.";

(2) by redesignating subsections (b), (c), and (d) as (e), (f), and (g), respectively; and

(3) by inserting after subsection (a) the following new subsections:

"(b) QUARTERLY REPORTS TO TREASURY.—

"(1) FINANCIAL OPERATING PLANS AND FORECASTS.—Before the beginning of each fiscal quarter, the Corporation shall provide to the Secretary of the Treasury a copy of the Corporation's financial operating plans and forecasts.

"(2) FINANCIAL CONDITION AND REPORTS OF OPERATIONS.—As soon as practicable after the end of each fiscal quarter, the Corporation shall submit to the Secretary of the Treasury a copy of the report of the Corporation's financial condition as of the end of such fiscal quarter and the results of the Corporation's operations during such fiscal quarter.

"(3) ITEMS TO BE INCLUDED.—The plans, forecasts, and reports required under this subsection shall reflect the estimates required to be made under section 15(b) of the liabilities and obligations of the Corporation described in such section.

"(4) RULE OF CONSTRUCTION.—The requirement to provide plans, forecasts, and reports to the Secretary of the Treasury under this subsection may not be construed as implying any obligation on the part of the Corporation to obtain the consent or approval of such Secretary with respect to such plans, forecasts, and reports.

"(c) REPORTS TO OMB.—

"(1) FINANCIAL INFORMATION.—The Corporation shall continue to provide to the Director of the Office of Management and Budget financial information consistent with that contained in the reports that were being provided to the Director immediately prior to the effective date of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

"(2) FINANCIAL OPERATING PLANS AND FORECASTS.—The Corporation shall also provide to the Director copies of the Corporation's financial operating plans and forecasts as prepared by the Corporation in the ordinary course of its operations, and copies of the quarterly reports of the Corporation's financial condition and results of operations as prepared by the Corporation in the ordinary course of its operations.

"(3) RULE OF CONSTRUCTION.—This subsection may not be construed as implying any obligation on the part of the Corporation to consult with or obtain the consent or approval of the Director with respect to any reports, plans, forecasts, or other information referred to in paragraph (1) or (2) or any jurisdiction or oversight over the affairs or operations of the Corporation.

"(d) AUDIT.—

"(1) AUDIT REQUIRED.—The Comptroller General shall audit annually the financial transactions of the Corporation, the Bank Insurance Fund, the Savings Association Insurance Fund, and the FSLIC Resolution Fund in accordance with generally accepted government auditing standards.

"(2) ACCESS TO BOOKS AND RECORDS.—All books, records, accounts, reports, files, and property belonging to or used by the Corporation, the Bank Insurance Fund, the Savings Association Insurance Fund, and the FSLIC Resolution Fund, or by an independent certified public accountant retained to audit the Fund's financial statements, shall be made available to the Comptroller General.".

(b) SPECIFIC REPORTS.—

(1) RISK-BASED ASSESSMENTS.—

(A) REPORT REQUIRED.—The Federal Deposit Insurance Corporation shall study the establishment of premium assessment categories related to types of risk to the insurance funds and shall report its recommendations to the Congress not later than January 1, 1991. If the Corporation should recommend the establishment of such a risk-based assessment plan, it shall also provide a timetable and plan for implementation.

(B) CONGRESSIONAL RESPONSE.—Not later than 180 days after receipt by the Congress of the report required under subparagraph (A) and the accompanying plan and timetable, the Congress shall make a recommendation to the Chairperson of the Board of Di-

rectors regarding the disposition of such plan and timetable.

(2) STUDY OF DEPOSIT INSURANCE PASS-THROUGH.—Not later than 6 months after the date of enactment of this Act, the Federal Deposit Insurance Corporation shall transmit to the Congress a report containing its findings and recommendations relating to the pass-through of deposit insurance either to individual investors in unit investment trust funds or to individual participants in pension or to profit sharing plans qualified under section 401 of the Internal Revenue Code of 1986. Such report shall also contain the Corporation's assessment of the potential effects of broadening deposit insurance coverage on the safety of the insurance funds and the operation of capital markets.

(3) REPORT ON DIRECTORS' AND OFFICERS' LIABILITY INSURANCE.—

(A) STUDY.—The Federal Deposit Insurance Corporation shall, together with the Secretary of the Treasury and the Attorney General, conduct a comprehensive study of directors' and officers' liability insurance and depository institution bonds, and the availability of such insurance for directors and officers of insured depository institutions. The study shall include—

(i) consideration of State laws limiting liability for directors and officers;

(ii) the effect of contractual provisions limiting insurance coverage when an institution is placed in receivership or conservatorship;

(iii) provisions limiting coverage when a claim is made by the Federal Deposit Insurance Corporation; and

(iv) provisions limiting claims made by one insured against another insured.

In addition, the study shall consider the need for such insurance or bonds and the effect any change in any of the above noted conditions or terms may have on the future availability of such insurance, and the ability of depository institutions to attract qualified officers and directors.

(B) REPORT.—Not later than 6 months after the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the Federal Deposit Insurance Corporation, together with the Secretary of the Treasury and the Attorney General, shall report the findings from the study under subparagraph (A) to the Congress, together with legislative recommendations, if appropriate.

SEC. 221. REGULATIONS GOVERNING INSURED DEPOSITORY INSTITUTIONS.

Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended—

(1) by striking out "(a)" and the 1st 2 sentences of subsection (a) and inserting the following:

"(a) INSURANCE LOGO.—

"(1) INSURED SAVINGS ASSOCIATIONS.—Each insured savings association shall display at each place of business maintained by such association a sign containing only the following items:

"(A) A statement that insured deposits are backed by the full faith and credit of the United States Government.

"(B) A statement that deposits are federally insured to $100,000.

"(C) The symbol of an eagle.

The sign shall not contain any reference to a Government agency and shall accord each item substantially equal prominence.

"(2) INSURED BANKS.—Not later than 30 days after the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, each insured bank shall display at each place of business maintained by such bank one of the following:

"(A) The sign required to be displayed by insured banks under regulations prescribed by the Corporation in effect on January 1, 1989.

"(B) The sign prescribed under paragraph (1).

"(3) REGULATIONS.—The Corporation shall prescribe regulations to carry out the purposes of this subsection, including regulations governing the manner of display or use of such signs, except that the size of the sign prescribed under paragraph (1) shall be similar to that prescribed under paragraph (2)(A). Initial regulations under this subsection shall be prescribed on the date of enactment of the Financial Institutions Recovery, Reform, and Enforcement Act of 1989.";

(2) in subsection (c)—

(A) in paragraph (2), by striking out subparagraph (C) and inserting the following:

"(C) the Corporation if the acquiring, assuming, or resulting bank is to be a State nonmember insured bank (except a District bank or a savings bank supervised by the Director of the Office of Thrift Supervision); and

"(D) the Director of the Office of Thrift Supervision if the acquiring, assuming, or resulting institution is to be a savings association.";

(B) by striking out paragraph (12);

(C) in paragraphs (3), (4), (6), (7), and (9), by inserting after the word "bank" or "banks" each time it appears, the words "or savings association" or "or savings associations", respectively; and

(D) in paragraph (3), by striking out "failure" and inserting in lieu thereof "default";

(3) in subsection (i)(2)—

(A) by striking out "insured bank" and inserting in lieu thereof "insured Federal depository institution";

(B) by striking out "insured State bank" and inserting in lieu thereof "insured State depository institution";

(C) by striking out the period at the end of subpargraph (C) and inserting in lieu thereof "; and";

(D) by inserting after subparagraph (C) the following new subparagraph:

"(D) the Director of the Office of Thrift Supervision if the resulting institution is to be an insured State savings association.";

(E) in paragraph (4)(D), by inserting "and fitness" after "character"; and

(F) by striking out paragraph (5); and

(4) by adding at the end the following:

"(m) ACTIVITIES OF SAVINGS ASSOCIATIONS AND THEIR SUBSIDIARIES.—

"(1) PROCEDURES.—When an insured savings association establishes or acquires a subsidiary or when an insured savings association elects to conduct any new activity through a subsidiary that the insured savings association controls, the insured savings association—

"(A) shall notify the Corporation and the Director of the Office of Thrift Supervision not less than 30 days prior to the establishment, or acquisition, of any such subsidiary, and not less than 30 days prior to the commencement of any such activity, and in either case shall provide at that time such information as each such agency may, by regulation, require; and

"(B) shall conduct the activities of the subsidiary in accordance with regulations and orders of the Director of the Office of Thrift Supervision.

"(2) ENFORCEMENT POWERS.—With respect to any subsidiary of an insured savings association:

"(A) the Corporation and the Director of the Office of Thrift Supervision shall each have, with respect to such subsidiary, the respective powers that each has with respect to the insured savings association pursuant to this section or section 8; and

"(B) the Director of the Office of Thrift Supervision may determine, after notice and opportunity for hearing, that the continuation by the insured savings association of its ownership or control of, or its relationship to, the subsidiary—

"(i) constitutes a serious risk to the safety, soundness, or stability of the insured savings association, or

"(ii) is inconsistent with sound banking principles or with the purposes of this Act.

Upon making any such determination, the Corporation or the Director of the Office of Thrift Supervision shall have authority to order the insured savings association to divest itself of control of the subsidiary. The Director of the Office of Thrift Supervision may take any other corrective measures with respect to the subsidiary, including the authority to require the subsidiary to terminate the activities or operations posing such risks, as the Director may deem appropriate.

"(3) ACTIVITIES INCOMPATIBLE WITH DEPOSIT INSURANCE.—

"(A) IN GENERAL.—The Corporation may determine by regulation or order that any specific activity poses a serious threat to the Savings Association Insurance Fund. Prior to adopting any such regulation, the Corporation shall consult with the Director of the Office of Thrift Supervision and shall provide appropriate State supervisors the opportunity to comment thereon, and the Corporation shall specifically take such comments into consideration. Any such regulation shall be issued in accordance with section 553 of title 5, United States Code. If the Board of Directors makes such a determination with respect to an activity, the Corporation shall have authority to order that no Savings Association Insurance Fund member may engage in the activity directly.

"(B) AUTHORITY OF DIRECTOR.—This section does not limit the authority of the Office of Thrift Supervision to issue regulations to promote safety and soundness or to enforce compliance with other applicable laws.

"(C) ADDITIONAL AUTHORITY OF FDIC TO PREVENT SERIOUS RISKS TO INSURANCE FUND.—Notwithstanding subparagraph (A), the Corporation may prescribe and enforce such regulations and issue such orders as the Corporation determines to be necessary to prevent actions or practices of savings associations that pose a serious threat to the Savings Association Insurance Fund or the Bank Insurance Fund.

"(4) 'SUBSIDIARY' DEFINED.—As used in this subsection, the term 'subsidiary' does not include an insured depository institution.

"(5) APPLICABILITY TO CERTAIN SAVINGS BANKS.—Subparagraphs (A) and (B) of paragraph (1) of this subsection do not apply to—

"(A) any Federal savings bank that was chartered prior to October 15, 1982, as a savings bank under State law, or

"(B) a savings association that acquired its principal assets from an institution that was chartered prior to October 15, 1982, as a savings bank under State law.

"(n) CALCULATION OF CAPITAL.—No appropriate Federal banking agency shall allow any insured depository institution to include an unidentifiable intangible asset in its calculation of compliance with the appropriate capital standard, if such unidentifiable intangible asset was acquired after April 12, 1989, except to the extent permitted

under section 5(t) of the Home Owners' Loan Act.".

SEC. 222. ACTIVITIES OF SAVINGS ASSOCIATIONS.

The Federal Deposit Insurance Act is amended by adding at the end the following new section:

"SEC. 28. ACTIVITIES OF SAVINGS ASSOCIATIONS.

"(a) IN GENERAL.—On and after January 1, 1990, a savings association chartered under State law may not engage as principal in any type of activity, or in any activity in an amount, that is not permissible for a Federal savings association unless—

"(1) the Corporation has determined that the activity would pose no significant risk to the affected deposit insurance fund; and

"(2) the savings association is and continues to be in compliance with the fully phased-in capital standards prescribed under section 5(t) of the Home Owners' Loan Act.

"(b) DIFFERENCES OF MAGNITUDE BETWEEN STATE AND FEDERAL POWERS.—Notwithstanding subsection (a)(1), if an activity (other than an activity described in section 5(c)(2)(B) of the Home Owners' Loan Act) is permissible for a Federal savings association, a savings association chartered under State law may engage as principal in that activity in an amount greater than the amount permissible for a Federal savings association if—

"(1) the Corporation has not determined that engaging in that amount of the activity poses any significant risk to the affected deposit insurance fund; and

"(2) the savings association chartered under State law is and continues to be in compliance with the fully phased-in capital standards prescribed under section 5(t) of the Home Owners' Loan Act.

"(c) EQUITY INVESTMENTS BY STATE SAVINGS ASSOCIATIONS.—

"(1) IN GENERAL.—Notwithstanding subsections (a) and (b), a savings association chartered under State law may not directly acquire or retain any equity investment of a type or in an amount that is not permissible for a Federal savings association.

"(2) EXCEPTION FOR SERVICE CORPORATIONS.—Paragraph (1) does not prohibit a savings association from acquiring or retaining shares of one or more service corporations if—

"(A) the Corporation has determined that no significant risk to the affected deposit insurance fund is posed by—

"(i) the amount that the association proposes to invest in those shares (or, in the case of shares held on May 1, 1989, the amount that the association has invested in those shares), or

"(ii) the activities in which the service corporation engages; and

"(B) the savings association is and continues to be in compliance with the fully phased-in capital standards prescribed under section 5(t) of the Home Owners' Loan Act.

"(3) TRANSITION RULE.—

"(A) IN GENERAL.—The Corporation shall require any savings association to divest any equity investment the retention of which is not permissible under paragraph (1) or (2) as quickly as can be prudently done, and in any event not later than July 1, 1994.

"(B) TREATMENT OF NONCOMPLIANCE DURING DIVESTMENT.—With respect to any equity investment held by any savings association on May 1, 1989, the savings association shall be deemed not to be in violation of the prohibition in paragraph (1) or (2) on retaining such investment so long as the savings association complies with any applicable requirement established by the Corporation pursuant to subparagraph (A) for divesting such investments.

"(d) CORPORATE DEBT SECURITIES NOT OF INVESTMENT GRADE.—

"(1) IN GENERAL.—No savings association may, directly or through a subsidiary, acquire or retain any corporate debt security not of investment grade.

"(2) EXCEPTION FOR SECURITIES HELD BY QUALIFIED AFFILIATE.—Paragraph (1) shall not apply with respect to any corporate debt security not of investment grade which is acquired and retained by any qualified affiliate of a savings association.

"(3) TRANSITION RULE.—

"(A) IN GENERAL.—The Corporation shall require any savings association or any subsidiary of any savings association to divest any corporate debt security not of investment grade the retention of which is not permissible under paragraph (1) as quickly as can be prudently done, and in any event not later than July 1, 1994.

"(B) TREATMENT OF NONCOMPLIANCE DURING DIVESTMENT.—With respect to any corporate debt security not of investment grade held by any savings association or subsidiary on the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the savings association or subsidiary shall be deemed not to be in violation of the prohibition in paragraph (1) on retaining such investment so long as the association or subsidiary complies with any applicable requirement established by the Corporation pursuant to subparagraph (A) for divesting such securities.

"(4) DEFINITIONS.—For purposes of this section—

"(A) INVESTMENT GRADE.—Any corporate debt security is not of 'investment grade' unless that security, when acquired by the savings association or subsidiary, was rated in one of the 4 highest rating categories by at least one nationally recognized statistical rating organization.

"(B) QUALIFIED AFFILIATE.—The term 'qualified affiliate' means—

"(i) in the case of a stock savings association, an affiliate other than a subsidiary or an insured depository institution; and

"(ii) in the case of a mutual savings association, a subsidiary other than an insured depository institution, so long as all of the savings association's investments in and extensions of credit to the subsidiary are deducted from the savings association's capital.

"(C) CERTAIN SECURITIES NOT INCLUDED.—The term 'corporate debt security not of investment grade' does not include any obligation issued or guaranteed by a corporation that may be held by a Federal savings association without limitation as to percentage of assets under subparagraphs (D), (E), or (F) of section 5(c)(1) of the Home Owners' Loan Act.

"(e) TRANSFER OF CORPORATE DEBT SECURITY NOT OF INVESTMENT GRADE IN EXCHANGE FOR A QUALIFIED NOTE.—

"(1) ACQUISITION OF NOTE.—Notwithstanding subsections (a), (b), and (c) of section 5 of the Home Owners' Loan Act and any other provision of Federal or State law governing extensions of credit by savings associations, any insured savings association, and any subsidiary of any insured savings association, that, on the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, holds any corporate debt security not of investment grade may acquire a qualified note in exchange for the transfer of such security to—

"(A) any holding company which controls 80 percent or more of the shares of such insured savings association; or

"(B) any company other than an insured savings association, or any subsidiary of any insured savings association, 80 percent or more of the shares of which are controlled by such holding company,

if the conditions of paragraph (2) are met.

"(2) CONDITIONS FOR EXCHANGE OF SECURITY FOR QUALIFIED NOTE.—The conditions of this paragraph are met if—

"(A) the insured savings association was in compliance with applicable capital requirements on December 31, 1988, and the insured savings association after such date—

"(i) remains in compliance with applicable capital requirements; or

"(ii) adopts and complies with a capital plan acceptable to the Director of the Office of Thrift Supervision;

"(B) the company to which the corporate debt security not of investment grade is transferred is not a bank holding company, an insured savings association, or a direct or indirect subsidiary of such holding company or insured savings association;

"(C) before the end of the 90-day period beginning on the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the insured savings association notifies the Director of the Office of Thrift Supervision of such association's intention to transfer the corporate debt security not of investment grade to the savings and loan holding company or the subsidiary of such holding company;

"(D) the transfer of the corporate debt security not of investment grade is completed—

"(i) before the end of the 1-year period beginning on the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, in the case of an insured savings association that, as of such date, is controlled by a savings and loan holding company; or

"(ii) before the end of the 2-year period beginning on such date, in the case of a savings association that is not, as of such date, a subsidiary of a savings and loan holding company;

"(E) the insured savings association receives in exchange for the corporate debt security not of investment grade the fair market value of such security;

"(F) the Director of the Office of Thrift Supervision has—

"(i) approved the transaction; and

"(ii) determined that the transfer represents a complete and effective divestiture of the corporate debt security not of investment grade and is in compliance with the provisions of this subsection; and

"(G) any gain on the sale of the corporate debt security not of investment grade is recognized, and included for applicable regulatory capital requirements, by the insured savings association only at such time and to the extent that the insured savings association receives payment of principal on the note in cash in excess of the fair market value of the transferred corporate debt security not of investment grade as carried on the accounts of the insured savings association immediately prior to the transfer.

"(3) QUALIFIED NOTE DEFINED.—The term 'qualified note' means any note that—

"(A) is at all times fully secured by the corporate debt security not of investment grade

transferred in exchange for the note, or by other collateral of at least equivalent value that is acceptable to the Director of the Office of Thrift Supervision;

"(B) contains provisions acceptable to the Director of the Office of Thrift Supervision that would—

"(i) prevent any action to encumber or impair the value of the collateral referred to in subparagraph (A); and

"(ii) allow the sale of the corporate debt security not of investment grade if the proceeds of the sale are reinvested in assets of equivalent value;

"(C) is on market terms, including interest rate, which must in all cases be above the insured savings association's borrowing rate for similar term funds;

"(D) is fully repayable over a period of time not to exceed 5 years from the date of transfer;

"(E) is repaid with annual principal payments at least as large as would be necessary to repay the note within 5 years if it were on a level payment amortization schedule and the interest rate for the first year of repayment were fixed throughout the amortization period;

"(F) is fully guaranteed by each holding company of the insured savings association that acquires such note; and

"(G) is repaid in full in cash in accordance with its terms and this subsection.

"(4) FAILURE TO REPAY ON SCHEDULE.—The exemption provided by this subsection from subsections (a), (b), and (c) of section 11 of the Home Owners' Loan Act any other applicable provision of Federal or State law shall terminate immediately if the insured savings association or any affiliate of such association fails to comply with the terms of the qualified note or this subsection.

"(f) DETERMINATIONS.—The Corporation shall make determinations under this section by regulation or order.

"(g) ACTIVITY DEFINED.—For purposes of subsections (a) and (b)—

"(1) IN GENERAL.—The term 'activity' includes acquiring or retaining any investment.

"(2) DIVESTITURE OF CERTAIN ASSETS.— Notwithstanding paragraph (1), subsections (a) and (b) shall not be construed to require a savings association to divest itself of any assets acquired before the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

"(h) DISCLOSURES BY UNINSURED SAVINGS ASSOCIATIONS.—

"(1) IN GENERAL.—Any savings association the deposits of which are not insured by the Corporation under this Act shall disclose clearly and conspicuously in periodic statements of account and in all advertising that the savings association's deposits are 'not federally insured'.

"(2) MANNER AND CONTENT.—The Corporation may, by regulation or order, prescribe the manner and content of the disclosure.

"(3) ENFORCEMENT.—Compliance with the requirements of this subsection, and any regulation prescribed or order issued under this subsection, shall be enforced under section 8 in the same manner and to the same extent as if the savings association were an insured State nonmember bank.

"(i) OTHER AUTHORITY NOT AFFECTED.—This section may not be construed as limiting—

"(1) any other authority of the Corporation; or

"(2) any authority of the Director of the Office of Thrift Supervision or of a State to impose more stringent restrictions.".

SEC. 223. NONDISCRIMINATION.

Section 22 of the Federal Deposit Insurance Act (12 U.S.C. 1830) is amended to read as follows:

"SEC. 22. NONDISCRIMINATION.

"It is not the purpose of this Act to discriminate in any manner against State nonmember banks or State savings associations and in favor of national or member banks or Federal savings associations, respectively. It is the purpose of this Act to provide all banks and savings associations with the same opportunity to obtain and enjoy the benefits of this Act.".

SEC. 224. BROKERED DEPOSITS.

(a) IN GENERAL.—The Federal Deposit Insurance Act is amended by inserting after section 28 (as added by section 222 of this title) the following new section:

"SEC. 29. BROKERED DEPOSITS.

"(a) IN GENERAL.—A troubled institution may not accept funds obtained, directly or indirectly, by or through any deposit broker for deposit into 1 or more deposit accounts.

"(b) RENEWALS AND ROLLOVERS TREATED AS ACCEPTANCE OF FUNDS.—Any renewal of an account in any troubled institution and any rollover of any amount on deposit in any such account shall be treated as an acceptance of funds by such troubled institution for purposes of subsection (a).

"(c) WAIVER AUTHORITY.—The Corporation may, on a case-by-case basis and upon application by an insured depository institution, waive the applicability of subsection (a) upon a finding that the acceptance of such deposits does not constitute an unsafe or unsound practice with respect to such institution.

"(d) LIMITED EXCEPTION FOR CERTAIN CONSERVATORSHIPS.—In the case of any insured depository institution for which the Corporation has been appointed as conservator, subsection (a) shall not apply to the acceptance of deposits (described in such subsection) by such institution if the Corporation determines that the acceptance of such deposits—

"(1) is not an unsafe or unsound practice; and

"(2) either—

"(A) is necessary to enable the institution to meet the demands of its depositors or pay its obligations in the ordinary course of business; or

"(B) is consistent with the conservator's fiduciary duty to minimize the losses of the institution.

"(e) ADDITIONAL RESTRICTIONS.—The Corporation may impose, by regulation or order, such additional restrictions on the acceptance of brokered deposits by any troubled institution as the Corporation may determine to be appropriate.

"(f) DEFINITIONS RELATING TO DEPOSIT BROKER.—

"(1) DEPOSIT BROKER.—The term 'deposit broker' means—

"(A) any person engaged in the business of placing deposits, or facilitating the placement of deposits, of third parties with insured depository institutions or the business of placing deposits with insured depository institutions for the purpose of selling interests in those deposits to third parties; and

"(B) an agent or trustee who establishes a deposit account to facilitate a business arrangement with an insured depository institution to use the proceeds of the account to fund a prearranged loan.

"(2) EXCLUSIONS.—The term 'deposit broker' does not include—

"(A) an insured depository institution, with respect to funds placed with that depository institution;

"(B) an employee of an insured depository institution, with respect to funds placed with the employing depository institution;

"(C) a trust department of an insured depository institution, if the trust in question has not been established for the primary purpose of placing funds with insured depository institutions;

"(D) the trustee of a pension or other employee benefit plan, with respect to funds of the plan;

"(E) a person acting as a plan administrator or an investment adviser in connection with a pension plan or other employee benefit plan provided that that person is performing managerial functions with respect to the plan;

"(F) the trustee of a testamentary account;

"(G) the trustee of an irrevocable trust (other than one described in paragraph (1)(B)), as long as the trust in question has not been established for the primary purpose of placing funds with insured depository institutions;

"(H) a trustee or custodian of a pension or profitsharing plan qualified under section 401(d) or 403(a) of the Internal Revenue Code of 1986; or

"(I) an agent or nominee whose primary purpose is not the placement of funds with depository institutions.

"(3) INCLUSION OF DEPOSITORY INSTITUTIONS ENGAGING IN CERTAIN ACTIVITIES.—Notwithstanding paragraph (2), the term 'deposit broker' includes any insured depository institution, and any employee of any insured depository institution, which engages, directly or indirectly, in the solicitation of deposits by offering rates of interest (with respect to such deposits) which are significantly higher than the prevailing rates of interest on deposits offered by other insured depository institutions having the same type of charter in such depository institution's normal market area.

"(4) EMPLOYEE.—For purposes of this subsection, the term 'employee' means any employee—

"(A) who is employed exclusively by the insured depository institution;

"(B) whose compensation is primarily in the form of a salary;

"(C) who does not share such employee's compensation with a deposit broker; and

"(D) whose office space or place of business is used exclusively for the benefit of the insured depository institution which employs such individual.

"(g) TROUBLED INSTITUTION DEFINED.—The term 'troubled institution' means any insured depository institution which does not meet the minimum capital requirements applicable with respect to such institution.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to deposits accepted after the end of the 180-day period beginning on the date of the enactment of this Act.

SEC. 225. CONTRACTS BETWEEN DEPOSITORY INSTITUTIONS AND PERSONS PROVIDING GOODS, PRODUCTS, OR SERVICES.

The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 29 (as added by section 224 of this title) the following new section:

"SEC. 30. CONTRACTS BETWEEN DEPOSITORY INSTITUTIONS AND PERSONS PROVIDING GOODS, PRODUCTS, OR SERVICES.

"(a) IN GENERAL.—An insured depository institution may not enter into a written or oral contract with any person to provide goods, products, or services to or for the benefit of such depository institution if the performance of such contract would adversely

affect the safety or soundness of the institution.

"(b) RULEMAKING.—The Corporation shall prescribe such regulations and issue such orders, including definitions consistent with this section, as may be necessary to administer and carry out the purposes of, and prevent evasions of, this section.

"(c) ENFORCEMENT.—Any action taken by any appropriate Federal banking agency under section 8 to enforce compliance on the part of any insured depository institution with the requirements of this section may include a requirement that such institution properly reflect the transaction on its books and records.

"(d) NO PRIVATE RIGHT OF ACTION.—This section may not be construed as creating any private right of action.

"(e) STUDY.—

"(1) IN GENERAL.—The Attorney General and the Comptroller General of the United States shall jointly conduct a study on the extent to which—

"(A) insured depository institutions are entering into contracts with vendors under which venders agree to purchase stock or assets from insured depository institutions or to invest capital in or make deposits in such institutions; and

"(B) if such practices occur, the extent to which such practices are having an anticompetitive effect and should be prohibited.

"(2) REPORT TO CONGRESS.—Before the end of the 1-year period beginning on the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the Attorney General and the Comptroller General shall submit a report to the Congress on the results of the study conducted pursuant to paragraph (1).".

SEC. 226. SAVINGS ASSOCIATION INSURANCE FUND INDUSTRY ADVISORY COMMITTEE ESTABLISHED.

The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 30 (as added by section 225 of this title) the following new section:

"SEC. 31. SAVINGS ASSOCIATION INSURANCE FUND INDUSTRY ADVISORY COMMITTEE.

"(a) ESTABLISHMENT.—There is hereby established the Savings Association Insurance Fund Industry Advisory Committee (hereinafter referred to in this section as the 'Committee').

"(b) MEMBERSHIP.—The Committee shall consist of 18 members, appointed as follows:

"(1) 1 member elected from each Federal home loan bank district (by the members of the Board of Directors of each such bank who were elected by the members of such bank) from among individuals residing therein who are officers of insured depository institutions that are Savings Association Insurance Fund members.

"(2) 6 members appointed by the Corporation from among individuals who shall represent the public interest.

"(c) VACANCIES.—Any vacancy on the Committee shall be filled in the same manner in which the original appointment was made.

"(d) PAY AND EXPENSES.—Members of the Committee shall serve without pay, but each member shall be reimbursed, in such manner as the Corporation shall prescribe by regulation, for expenses incurred in connection with attendance of such members at meetings of the Committee.

"(e) TERMS.—Members shall be appointed or elected for terms of 1 year.

"(f) AUTHORITY OF THE COMMITTEE.—The Committee may select its Chairperson, Vice Chairperson, and Secretary, and adopt methods of procedure, and shall have power—

"(1) to confer with the Board of Directors on general and special business conditions and regulatory and other matters affecting insured financial institutions that are members of the Savings Association Insurance Fund; and

"(2) to request information, and to make recommendations, with respect to matters within the jurisdiction of the Corporation.

"(g) MEETINGS.—The Committee shall meet 4 times each year, and more frequently if requested by the Corporation.

"(h) REPORTS.—The Committee shall submit a semiannual written report to the Committee on Banking, Finance and Urban Affairs of the House and to the Committee on Banking, Housing, and Urban Affairs of the Senate. Such report shall describe the activities of the Committee for such semiannual period and contain such recommendations as the Committee considers appropriate.

"(i) PROVISION OF STAFF AND OTHER RESOURCES.—The Corporation shall provide the Committee with the use of such resources, including staff, as the Committee reasonably shall require to carry out its duties, including the preparation and submission of reports to Congress, under this section.

"(j) FEDERAL ADVISORY COMMITTEE ACT DOES NOT APPLY.—The Federal Advisory Committee Act shall not apply to the Committee.

"(k) SUNSET.—The Committee shall cease to exist 10 years after the enactment of this section.".

TITLE III—SAVINGS ASSOCIATIONS

SEC. 301. AMENDMENT TO HOME OWNERS' LOAN ACT OF 1933.

The Home Owners' Loan Act of 1933 is amended to read as follows:

"SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

"This Act may be cited as the 'Home Owners' Loan Act'.

"TABLE OF CONTENTS

"Sec. 1. Short title and table of contents.
"Sec. 2. Definitions.
"Sec. 3. Director of the Office of Thrift Supervision.
"Sec. 4. Supervision of savings associations.
"Sec. 5. Federal savings associations.
"Sec. 6. Liquid asset requirements.
"Sec. 7. Applicability.
"Sec. 8. District associations.
"Sec. 9. Examination fees.
"Sec. 10. Regulation of holding companies.
"Sec. 11. Transactions with affiliates; extensions of credit to executive officers, directors, and principal shareholders.
"Sec. 12. Advertising.
"Sec. 13. Powers of examiners.
"Sec. 14. Separability provision.

"SEC. 2. DEFINITIONS.

"For purposes of this Act—

"(1) DIRECTOR.—The term 'Director' means the Director of the Office of Thrift Supervision.

"(2) CORPORATION.—The term 'Corporation' means the Federal Deposit Insurance Corporation.

"(3) OFFICE.—The term 'Office' means the Office of Thrift Supervision.

"(4) SAVINGS ASSOCIATION.—The term 'savings association' means a savings association, as defined in section 3 of the Federal Deposit Insurance Act, the deposits of which are insured by the Corporation.

"(5) FEDERAL SAVINGS ASSOCIATION.—The term 'Federal savings association' means a Federal savings association or a Federal savings bank chartered under section 5 of this Act.

"(6) NATIONAL BANK.—The term 'national bank' has the same meaning as in section 3 of the Federal Deposit Insurance Act.

"(7) FEDERAL BANKING AGENCIES.—The term 'Federal banking agencies' means the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation.

"(8) STATE.—The term 'State' has the same meaning as in section 3 of the Federal Deposit Insurance Act.

"(9) AFFILIATE.—The term 'affiliate' means any person that controls, is controlled by, or is under common control with, a savings association, except as provided in section 10.

"SEC. 3. DIRECTOR OF THE OFFICE OF THRIFT SUPERVISION.

"(a) ESTABLISHMENT OF OFFICE.—There is established the Office of Thrift Supervision, which shall be an office in the Department of the Treasury.

"(b) ESTABLISHMENT OF POSITION OF DIRECTOR.—

"(1) IN GENERAL.—There is established the position of the Director of the Office of Thrift Supervision, who shall be the head of the Office of Thrift Supervision and shall be subject to the general oversight of the Secretary of the Treasury.

"(2) AUTHORITY TO PRESCRIBE REGULATIONS.—The Director may prescribe such regulations and issue such orders as the Director may determine to be necessary for carrying out this Act and all other laws within the Director's jurisdiction.

"(3) AUTONOMY OF DIRECTOR.—The Secretary of the Treasury may not intervene in any matter or proceeding before the Director unless otherwise provided by law.

"(c) APPOINTMENT; TERM.—

"(1) APPOINTMENT.—The Director shall be appointed by the President, by and with the advice and consent of the Senate, from among individuals who are citizens of the United States.

"(2) TERM.—The Director shall be appointed for a term of 5 years.

"(3) VACANCY.—A vacancy in the position of Director which occurs before the expiration of the term for which a Director was appointed shall be filled in the manner established in paragraph (1) and the Director appointed to fill such vacancy shall be appointed only for the remainder of such term.

"(4) SERVICE AFTER END OF TERM.—An individual may serve as Director after the expiration of the term for which appointed until a successor Director has been appointed.

"(5) TRANSITIONAL PROVISION.—Notwithstanding paragraphs (1) and (2), the Chairman of the Federal Home Loan Bank Board on the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, shall be the Director until the date on which that individual's term as Chairman of the Federal Home Loan Bank Board would have expired.

"(d) PROHIBITION ON FINANCIAL INTERESTS.—The Director shall not have a direct or indirect financial interest in any insured depository institution, as defined in section 3 of the Federal Deposit Insurance Act.

"(e) POWERS OF THE DIRECTOR.—The Director shall have all powers which—

"(1) were vested in the Federal Home Loan Bank Board (in the Board's capacity as such) or the Chairman of such Board on the day before the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989; and

"(2) were not—

"(A) transferred to the Federal Deposit Insurance Corporation, the Federal Housing Finance Board, the Resolution Trust Corporation, or the Federal Home Loan Mortgage Corporation pursuant to any amendment made by such Act; or

"(B) established under any provision of law repealed by such Act.

"(f) ANNUAL REPORT REQUIRED.—The Director shall make an annual report to the Congress. Such report shall include—

"(1) a description of any changes the Director has made or is considering making in the district offices of the Office, including a description of the geographic allocation of the Office's resources and personnel used to carry out examination and supervision functions; and

"(2) a description of actions taken to carry out section 308 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

"(g) STAFF.—

"(1) APPOINTMENT AND COMPENSATION.—The Director shall fix the compensation and number of, and appoint and direct, all employees of the Office of Thrift Supervision notwithstanding section 301(f)(1) of title 31, United States Code. Such compensation shall be paid without regard to the provisions of other laws applicable to officers or employees of the United States.

"(2) RATES OF BASIC PAY.—Rates of basic pay for employees of the Office may be set and adjusted by the Director without regard to the provisions of chapter 51 or subchapter III of chapter 53 of title 5, United States Code.

"(3) ADDITIONAL COMPENSATION AND BENEFITS.—The Director may provide additional compensation and benefits to employees of the Office if the same type of compensation or benefits are then being provided by any Federal banking agency or, if not then being provided, could be provided by such an agency under applicable provisions of law, rule, or regulation. In setting and adjusting the total amount of compensation and benefits for employees of the Office, the Director shall consult, and seek to maintain comparability with, the Federal banking agencies.

"(4) DELEGATION AUTHORITY.—

"(A) IN GENERAL.—The Director may—

"(i) designate who shall act as Director in the Director's absence; and

"(ii) delegate to any employee, representative, or agent any power of the Director.

"(B) LIMITATIONS.—Notwithstanding subparagraph (A)(ii), the Director shall not, directly or indirectly—

"(i) after October 10, 1989, delegate to any Federal home loan bank or to any officer, director, or employee of a Federal home loan bank, any power involving examining, supervising, taking enforcement action with respect to, or otherwise regulating any savings association, savings and loan holding company, or other person subject to regulation by the Director; or

"(ii) delegate the Director's authority to serve as a member of the Corporation's Board of Directors.

"(h) FUNDING THROUGH ASSESSMENTS.—The compensation of the Director and other employees of the Office and all other expenses thereof may be paid from assessments levied under this Act.

"(i) GAO AUDIT.—The Director shall make available to the Comptroller General of the United States all books and records necessary to audit all of the activities of the Office of Thrift Supervision.

"SEC. 4. SUPERVISION OF SAVINGS ASSOCIATIONS.

"(a) FEDERAL SAVINGS ASSOCIATIONS.—

"(1) IN GENERAL.—The Director shall provide for the examination, safe and sound operation, and regulation of savings associations.

"(2) REGULATIONS.—The Director may issue such regulations as the Director determines to be appropriate to carry out the responsibilities of the Director or the Office.

"(3) SAFE AND SOUND HOUSING CREDIT TO BE ENCOURAGED.—The Director shall exercise all powers granted to the Director under this Act so as to encourage savings associations to provide credit for housing safely and soundly.

"(b) ACCOUNTING AND DISCLOSURE.—

"(1) IN GENERAL.—The Director shall, by regulation, prescribe uniform accounting and disclosure standards for savings associations, to be used in determining savings associations' compliance with all applicable regulations.

"(2) SPECIFIC REQUIREMENTS FOR ACCOUNTING STANDARDS.—Subject to section 5(t), the uniform accounting standards prescribed under paragraph (1) shall—

"(A) incorporate generally accepted accounting principles to the same degree that such principles are used to determine compliance with regulations prescribed by the Federal banking agencies;

"(B) allow for no deviation from full compliance with such standards as are in effect after December 31, 1993; and

"(C) prior to January 1, 1994, require full compliance by savings associations with accounting standards in effect at any time before such date not later than provided under the schedule in section 563.23-3 of title 12, Code of Federal Regulations (as in effect on May 1, 1989).

"(3) AUTHORITY TO PRESCRIBE MORE STRINGENT ACCOUNTING STANDARDS.—The Director may at any time prescribe accounting standards more stringent than required under paragraph (2) if the Director determines that the more stringent standards are necessary to ensure the safe and sound operation of savings associations.

"(c) STRINGENCY OF STANDARDS.—All regulations and policies of the Director governing the safe and sound operation of savings associations, including regulations and policies governing asset classification and appraisals, shall be no less stringent than those established by the Comptroller of the Currency for national banks.

"(d) INVESTMENT OF CERTAIN FUNDS IN ACCOUNTS OF SAVINGS ASSOCIATIONS.—The savings accounts and share accounts of savings associations insured by the Corporation shall be lawful investments and may be accepted as security for all public funds of the United States, fiduciary and trust funds under the authority or control of the United States or any officer thereof, and for the funds of all corporations organized under the laws of the United States (subject to any regulatory authority otherwise applicable), regardless of any limitation of law upon the investment of any such funds or upon the acceptance of security for the investment or deposit of any of such funds.

"(e) PARTICIPATION BY SAVINGS ASSOCIATIONS IN LOTTERIES AND RELATED ACTIVITIES.—

"(1) PARTICIPATION PROHIBITED.—No savings association may—

"(A) deal in lottery tickets;

"(B) deal in bets used as a means or substitute for participation in a lottery;

"(C) announce, advertise, or publicize the existence of any lottery; or

"(D) announce, advertise, or publicize the existence or identity of any participant or winner, as such, in a lottery.

"(2) USE OF FACILITIES PROHIBITED.—No savings association may permit—

"(A) the use of any part of any of its own offices by any person for any purpose forbidden to the institution under paragraph (1); or

"(B) direct access by the public from any of its own offices to any premises used by any person for any purpose forbidden to the institution under paragraph (1).

"(3) DEFINITIONS.—For purposes of this subsection—

"(A) DEAL IN.—The term 'deal in' includes making, taking, buying, selling, redeeming, or collecting.

"(B) LOTTERY.—The term 'lottery' includes any arrangement under which—

"(i) 3 or more persons (hereafter in this subparagraph referred to as the 'participants') advance money or credit to another in exchange for the possibility or expectation that 1 or more but not all of the participants (hereafter in this paragraph referred to as the 'winners') will receive by reason of those participants' advances more than the amounts those participants have advanced; and

"(ii) the identity of the winners is determined by any means which includes—

"(I) a random selection;

"(II) a game, race, or contest; or

"(III) any record or tabulation of the result of 1 or more events in which any participant has no interest except for the bearing that event has on the possibility that the participant may become a winner.

"(C) LOTTERY TICKET.—The term 'lottery ticket' includes any right, privilege, or possibility (and any ticket, receipt, record, or other evidence of any such right, privilege, or possibility) of becoming a winner in a lottery.

"(4) EXCEPTION FOR STATE LOTTERIES.—Paragraphs (1) and (2) shall not apply with respect to any savings association accepting funds from, or performing any lawful services for, any State operating a lottery, or any officer or employee of such a State who is charged with administering the lottery.

"(5) REGULATIONS.—The Director shall prescribe such regulations as may be necessary to provide for enforcement of this subsection and to prevent any evasion of any provision of this subsection.

"(f) FEDERALLY RELATED MORTGAGE LOAN DISCLOSURES.—A savings association may not make a federally related mortgage loan to an agent, trustee, nominee, or other person acting in a fiduciary capacity without requiring that the identity of the person receiving the beneficial interest of such loan shall at all times be revealed to the savings association. At the request of the Director, the savings association shall report to the Director the identity of such person and the nature and amount of the loan.

"(g) PREEMPTION OF STATE USURY LAWS.—(1) Notwithstanding any State law, a savings association may charge interest on any extension of credit at a rate of not more than 1 percent in excess of the discount rate on 90-day commercial paper in effect at the Federal Reserve bank in the Federal Reserve district in which such savings association is located or at the rate allowed by the laws of the State in which such savings association is located, whichever is greater.

"(2) If the rate prescribed in paragraph (1) exceeds the rate such savings association would be permitted to charge in the absence of this subsection, the receiving or charging a greater rate of interest than that prescribed by paragraph (1), when knowingly done, shall be deemed a forfeiture of the

entire interest which the extension of credit carries with it, or which has been agreed to be paid thereon. If such greater rate of interest has been paid, the person who paid it may recover, in a civil action commenced in a court of appropriate jurisdiction not later than 2 years after the date of such payment, an amount equal to twice the amount of the interest paid from the savings association taking or receiving such interest.

"(h) FORM AND MATURITY OF SECURITIES.—No savings association shall—

"(1) issue securities which guarantee a definite maturity except with the specific approval of the Director, or

"(2) issue any securities the form of which has not been approved by the Director.

"SEC. 5. FEDERAL SAVINGS ASSOCIATIONS.

"(a) IN GENERAL.—In order to provide thrift institutions for the deposit of funds and for the extension of credit for homes and other goods and services, the Director is authorized, under such regulations as the Director may prescribe—

"(1) to provide for the organization, incorporation, examination, operation, and regulation of associations to be known as Federal savings associations (including Federal savings banks), and

"(2) to issue charters therefor,

giving primary consideration of the best practices of thrift institutions in the United States. The lending and investment powers conferred by this section are intended to encourage such institutions to provide credit for housing safely and soundly.

"(b) DEPOSITS AND RELATED POWERS.—

"(1) DEPOSIT ACCOUNTS.—

"(A) Subject to the terms of its charter and regulations of the Director, a Federal savings association may—

"(i) raise funds through such deposit, share, or other accounts, including demand deposit accounts (hereafter in this section referred to as 'accounts'); and

"(ii) issue passbooks, certificates, or other evidence of accounts.

"(B) A Federal savings association may not—

"(i) pay interest on a demand account; or

"(ii) permit any overdraft (including an intraday overdraft) on behalf of an affiliate, or incur any such overdraft in such savings association's account at a Federal reserve bank or Federal home loan bank on behalf of an affiliate.

All savings accounts and demand accounts shall have the same priority upon liquidation. Holders of accounts and obligors of a Federal savings association shall, to such extent as may be provided by its charter or by regulations of the Director, be members of the savings association, and shall have such voting rights and such other rights as are thereby provided.

"(C) A Federal savings association may require not less than 14 days notice prior to payment of savings accounts if the charter of the savings association or the regulations of the Director so provide.

"(D) If a Federal savings association does not pay all withdrawals in full (subject to the right of the association, where applicable, to require notice), the payment of withdrawals from accounts shall be subject to such rules and procedures as may be prescribed by the savings association's charter or by regulation of the Director. Except as authorized in writing by the Director, any Federal savings association that fails to make full payment of any withdrawal when due shall be deemed to be in an unsafe or unsound condition.

"(E) Accounts may be subject to check or to withdrawal or transfer on negotiable or transferable or other order or authorization to the Federal savings association, as the Director may by regulation provide.

"(F) A Federal savings association may establish remote service units for the purpose of crediting savings or demand accounts, debiting such accounts, crediting payments on loans, and the disposition of related financial transactions, as provided in regulations prescribed by the Director.

"(2) OTHER LIABILITIES.—To such extent as the Director may authorize in writing, a Federal savings association may borrow, may give security, may be surety as defined by the Director and may issue such notes, bonds, debentures, or other obligations, or other securities, including capital stock.

"(3) LOANS FROM STATE HOUSING FINANCE AGENCIES.—

"(A) IN GENERAL.—Subject to regulation by the Director but without regard to any other provision of this subsection, any Federal savings association that is in compliance with the capital standards in effect under subsection (t) may borrow funds from a State mortgage finance agency of the State in which the head office of such savings association is situated to the same extent as State law authorizes a savings association organized under the laws of such State to borrow from the State mortgage finance agency.

"(B) INTEREST RATE.—A Federal savings association may not make any loan of funds borrowed under subparagraph (A) at an interest rate which exceeds by more than 1¾ percent per annum the interest rate paid to the State mortgage finance agency on the obligations issued to obtain the funds so borrowed.

"(4) CREDIT CARDS.—Subject to regulations of the Director, a Federal savings association may issue credit cards, extend credit in connection therewith, and otherwise engage in or participate in credit card operations.

"(5) MUTUAL CAPITAL CERTIFICATES.—In accordance with regulations issued by the Director, mutual capital certificates may be issued and sold directly to subscribers or through underwriters. Such certificates may be included in calculating capital for the purpose of subsection (t) to the extent permitted by the Director. The issuance of certificates under this paragraph does not constitute a change of control or ownership under this Act or any other law unless there is in fact a change in control or reorganization. Regulations relating to the issuance and sale of mutual capital certificates shall provide that such certificates—

"(A) are subordinate to all savings accounts, savings certificates, and debt obligations;

"(B) constitute a claim in liquidation on the general reserves, surplus, and undivided profits of the Federal savings association remaining after the payment in full of all savings accounts, savings certificates, and debt obligations;

"(C) are entitled to the payment of dividends; and

"(D) may have a fixed or variable dividend rate.

"(c) LOANS AND INVESTMENTS.—To the extent specified in regulations of the Director, a Federal savings association may invest in, sell, or otherwise deal in the following loans and other investments:

"(1) LOANS OR INVESTMENTS WITHOUT PERCENTAGE OF ASSETS LIMITATION.—Without limitation as a percentage of assets, the following are permitted:

"(A) ACCOUNT LOANS.—Loans on the security of its savings accounts and loans specifically related to transaction accounts.

"(B) RESIDENTIAL REAL PROPERTY LOANS.—Loans on the security of liens upon residential real property.

"(C) UNITED STATES GOVERNMENT SECURITIES.—Investments in obligations of, or fully guaranteed as to principal and interest by, the United States.

"(D) FEDERAL HOME LOAN BANK AND FEDERAL NATIONAL MORTGAGE ASSOCIATION SECURITIES.—Investments in the stock or bonds of a Federal home loan bank or in the stock of the Federal National Mortgage Association.

"(E) FEDERAL HOME LOAN MORTGAGE CORPORATION INSTRUMENTS.—Investments in mortgages, obligations, or other securities which are or have been sold by the Federal Home Loan Mortgage Corporation pursuant to section 305 or 306 of the Federal Home Loan Mortgage Corporation Act.

"(F) OTHER GOVERNMENT SECURITIES.—Investments in obligations, participations, securities, or other instruments issued by, or fully guaranteed as to principal and interest by, the Federal National Mortgage Association, the Student Loan Marketing Association, the Government National Mortgage Association, or any agency of the United States. A savings association may issue and sell securities which are guaranteed pursuant to section 306(g) of the National Housing Act.

"(G) DEPOSITS.—Investments in accounts of any insured depository institution, as defined in section 3 of the Federal Deposit Insurance Act.

"(H) STATE SECURITIES.—Investments in obligations issued by any State or political subdivision thereof (including any agency, corporation, or instrumentality of a State or political subdivision). A Federal savings association may not invest more than 10 percent of its capital in obligations of any one issuer, exclusive of investments in general obligations of any issuer.

"(I) PURCHASE OF INSURED LOANS.—Purchase of loans secured by liens on improved real estate which are insured or guaranteed under the National Housing Act, the Servicemen's Readjustment Act of 1944, or chapter 37 of title 38, United States Code.

"(J) HOME IMPROVEMENT AND MANUFACTURED HOME LOANS.—Loans made to repair, equip, alter, or improve any residential real property, and loans made for manufactured home financing.

"(K) INSURED LOANS TO FINANCE THE PURCHASE OF FEE SIMPLE.—Loans insured under section 240 of the National Housing Act.

"(L) LOANS TO FINANCIAL INSTITUTIONS, BROKERS, AND DEALERS.—Loans to—

"(i) financial institutions with respect to which the United States or an agency or instrumentality thereof has any function of examination or supervision, or

"(ii) any broker or dealer registered with the Securities and Exchange Commission,

which are secured by loans, obligations, or investments in which the Federal savings association has the statutory authority to invest directly.

"(M) LIQUIDITY INVESTMENTS.—Investments which, when made, are of a type that may be used to satisfy any liquidity requirement imposed by the Director pursuant to section 6.

"(N) INVESTMENT IN THE NATIONAL HOUSING PARTNERSHIP CORPORATION, PARTNERSHIPS, AND JOINT VENTURES.—Investments in shares of stock issued by a corporation authorized to be created pursuant to title IX of the Housing and Urban Development Act of 1968, and investments in any partnership, limited

partnership, or joint venture formed pursuant to section 907(a) or 907(c) of such Act.

"(O) CERTAIN HUD INSURED OR GUARANTEED INVESTMENTS.—Loans that are secured by mortgages—

"(i) insured under title X of the National Housing Act, or

"(ii) guaranteed under title IV of the Housing and Urban Development Act of 1968, under part B of the National Urban Policy and New Community Development Act of 1970, or under section 802 of the Housing and Community Development Act of 1974.

"(P) STATE HOUSING CORPORATION INVESTMENTS.—Obligations of and loans to any State housing corporation, if—

"(i) such obligations or loans are secured directly, or indirectly through an agent or fiduciary, by a first lien on improved real estate which is insured under the provisions of the National Housing Act, and

"(ii) in the event of default, the holder of the obligations or loans has the right directly, or indirectly through an agent or fiduciary, to cause to be subject to the satisfaction of such obligations or loans the real estate described in the first lien or the insurance proceeds under the National Housing Act.

"(Q) INVESTMENT COMPANIES.—A Federal savings association may invest in, redeem, or hold shares or certificates issued by any open-end management investment company which—

"(i) is registered with the Securities and Exchange Commission under the Investment Company Act of 1940, and

"(ii) the portfolio of which is restricted by such management company's investment policy (changeable only if authorized by shareholder vote) solely to investments that a Federal savings association by law or regulation may, without limitation as to percentage of assets, invest in, sell, redeem, hold, or otherwise deal in.

"(R) MORTGAGE-BACKED SECURITIES.—Investments in securities that—

"(i) are offered and sold pursuant to section 4(5) of the Securities Act of 1933; or

"(ii) are mortgage related securities (as defined in section 3(a)(41) of the Securities Exchange Act of 1934),

subject to such regulations as the Director may prescribe, including regulations prescribing minimum size of the issue (at the time of initial distribution) or minimum aggregate sales price, or both.

"(2) LOANS OR INVESTMENTS LIMITED TO A PERCENTAGE OF ASSETS OR CAPITAL.—The following loans or investments are permitted, but only to the extent specified:

"(A) COMMERCIAL AND OTHER LOANS.—Secured or unsecured loans for commercial, corporate, business, or agricultural purposes. The aggregate amount of loans under this paragraph shall not exceed 10 percent of the assets of the Federal savings association.

"(B) NONRESIDENTIAL REAL PROPERTY LOANS.—

"(i) IN GENERAL.—Loans on the security of liens upon nonresidential real property. Except as provided in clause (ii), the aggregate amount of such loans shall not exceed 400 percent of the Federal savings association's capital, as determined under subsection (t).

"(ii) EXCEPTION.—The Director may permit a savings association to exceed the limitation set forth in clause (i) if the Director determines that the increased authority—

"(I) poses no significant risk to the safe and sound operation of the association, and

"(II) is consistent with prudent operating practices.

"(iii) MONITORING.—If the Director permits any increased authority pursuant to clause (ii), the Director shall closely monitor the Federal savings association's condition and lending activities to ensure that the savings association carries out all authority under this paragraph in a safe and sound manner and complies with this subparagraph and all relevant laws and regulations.

"(C) INVESTMENTS IN PERSONAL PROPERTY.—Investments in tangible personal property, including, vehicles, manufactured homes, machinery, equipment, or furniture, for rental or sale. Investments under this subparagraph may not exceed 10 percent of the assets of the Federal savings association.

"(D) CONSUMER LOANS AND CERTAIN SECURITIES.—A Federal savings association may make loans for personal, family, or household purposes, including loans reasonably incident to providing such credit, and may invest in, sell, or hold commercial paper and corporate debt securities, as defined and approved by the Director. Loans and other investments under this subparagraph may not exceed 30 percent of the assets of the Federal savings association.

"(3) LOANS OR INVESTMENTS LIMITED TO 5 PERCENT OF ASSETS.—The following loans or investments are permitted, but not to exceed 5 percent of assets of a Federal savings association for each subparagraph:

"(A) EDUCATION LOANS.—Loans made for the payment of educational expenses.

"(B) COMMUNITY DEVELOPMENT INVESTMENTS.—Investments in real property and obligations secured by liens on real property located within a geographic area or neighborhood receiving concentrated development assistance by a local government under title I of the Housing and Community Development Act of 1974. No investment under this subparagraph in such real property may exceed an aggregate of 2 percent of the assets of the Federal savings association.

"(C) NONCONFORMING LOANS.—Loans upon the security of or respecting real property or interests therein used for primarily residential or farm purposes that do not comply with the limitations of this subsection.

"(D) CONSTRUCTION LOANS WITHOUT SECURITY.—Loans—

"(i) the principal purpose of which is to provide financing with respect to what is or is expected to become primarily residential real estate; and

"(ii) with respect to which the association—

"(I) relies substantially on the borrower's general credit standing and projected future income for repayment, without other security; or

"(II) relies on other assurances for repayment, including a guarantee or similar obligation of a third party.

The aggregate amount of such investments shall not exceed the greater of the Federal savings association's capital or 5 percent of its assets.

"(4) OTHER LOANS AND INVESTMENTS.—The following additional loans and other investments to the extent authorized below:

"(A) BUSINESS DEVELOPMENT CREDIT CORPORATIONS.—A Federal savings association that is in compliance with the capital standards prescribed under subsection (t) may invest in, lend to, or to commit itself to lend to, any business development credit corporation incorporated in the State in which the home office of the association is located in the same manner and to the same extent as savings associations chartered by such State are authorized. The aggregate amount of such investments, loans, and commitments of any such Federal savings association shall not exceed one-half of 1 percent of the association's total outstanding loans or $250,000, whichever is less.

"(B) SERVICE CORPORATIONS.—Investments in the capital stock, obligations, or other securities of any corporation organized under the laws of the State in which the Federal savings association's home office is located, if such corporation's entire capital stock is available for purchase only by savings associations of such State and by Federal associations having their home offices in such State. No Federal savings association may make any investment under this subparagraph if the association's aggregate outstanding investment under this subparagraph would exceed 3 percent of the association's assets. Not less than one-half of the investment permitted under this subparagraph which exceeds 1 percent of the association's assets shall be used primarily for community, inner-city, and community development purposes.

"(C) FOREIGN ASSISTANCE INVESTMENTS.—Investments in housing project loans having the benefit of any guaranty under section 221 of the Foreign Assistance Act of 1961 or loans having the benefit of any guarantee under section 224 of such Act, or any commitment or agreement with respect to such loans made pursuant to either of such sections and in the share capital and capital reserve of the Inter-American Savings and Loan Bank. This authority extends to the acquisition, holding, and disposition of loans guaranteed under section 221 or 222 of such Act. Investments under this subparagraph shall not exceed 1 percent of the Federal savings association's assets.

"(D) SMALL BUSINESS INVESTMENT COMPANIES.—A Federal savings association may invest in stock, obligations, or other securities of any small business investment company formed pursuant to section 301(d) of the Small Business Investment Act of 1958 for the purpose of aiding members of a Federal home loan bank. A Federal savings association may not make any investment under this subparagraph if its aggregate outstanding investment under this subparagraph would exceed 1 percent of the assets of such savings association.

"(5) DEFINITIONS.—As used in this subsection—

"(A) RESIDENTIAL PROPERTY.—The terms 'residential real property' or 'residential real estate' mean leaseholds, homes (including condominiums and cooperatives, except that in connection with loans on individual cooperative units, such loans shall be adequately secured as defined by the Director) and, combinations of homes or dwelling units and business property, involving only minor or incidental business use, or property to be improved by construction of such structures.

"(B) LOANS.—The term 'loans' includes obligations and extensions or advances of credit; and any reference to a loan or investment includes an interest in such a loan or investment.

"(d) REGULATORY AUTHORITY.—

"(1) IN GENERAL.—

"(A) ENFORCEMENT.—The Director shall have power to enforce this section, section 8 of the Federal Deposit Insurance Act, and regulations prescribed hereunder. In enforcing any provision of this section, regulations prescribed under this section, or any other law or regulation, or in any other action, suit, or proceeding to which the Director is a party or in which the Director is interested, and in the administration of

conservatorships and receiverships, the Director may act in the Director's own name and through the Director's own attorneys. Except as otherwise provided, the Director shall be subject to suit (other than suits on claims for money damages) by any Federal savings association or director or officer thereof with respect to any matter under this section or any other applicable law, or regulation thereunder, in the United States district court for the judicial district in which the savings association's home office is located, or in the United States District Court for the District of Columbia, and the Director may be served with process in the manner prescribed by the Federal Rules of Civil Procedure.

"(B) ANCILLARY PROVISIONS.—(i) In making examinations of savings associations, examiners appointed by the Director shall have power to make such examinations of the affairs of all affiliates of such savings associations as shall be necessary to disclose fully the relations between such savings associations and their affiliates and the effect of such relations upon such savings associations. For purposes of this subsection, the term 'affiliate' has the same meaning as in section 2(b) of the Banking Act of 1933, except that the term 'member bank' in section 2(b) shall be deemed to refer to a savings association.

"(ii) In the course of any examination of any savings association, upon request by the Director, prompt and complete access shall be given to all savings association officers, directors, employees, and agents, and to all relevant books, records, or documents of any type.

"(iii) Upon request made in the course of supervision or oversight of any savings association, for the purpose of acting on any application or determining the condition of any savings association, including whether operations are being conducted safely, soundly, or in compliance with charters, laws, regulations, directives, written agreements, or conditions imposed in writing in connection with the granting of an application or other request, the Director shall be given prompt and complete access to all savings association officers, directors, employees, and agents, and to all relevant books, records, or documents of any type.

"(iv) If prompt and complete access upon request is not given as required in this subsection, the Director may apply to the United States district court for the judicial district (or the United States court in any territory) in which the principal office of the institution is located, or in which the person denying such access resides or carries on business, for an order requiring that such information be promptly provided.

"(v) In connection with examinations of savings associations and affiliates thereof, the Director may—

"(I) administer oaths and affirmations and examine and to take and preserve testimony under oath as to any matter in respect of the affairs or ownership of any such savings association or affiliate, and

"(II) issue subpenas and, for the enforcement thereof, apply to the United States district court for the judicial district (or the United States court in any territory) in which the principal office of the savings association or affiliate is located, or in which the witness resides or carries on business.

Such courts shall have jurisdiction and power to order and require compliance with any such subpena.

"(vi) In any proceeding under this section, the Director may administer oaths and affirmations, take depositions, and issue subpenas. The Director may prescribe regulations with respect to any such proceedings. The attendance of witnesses and the production of documents provided for in this subsection may be required from any place in any State or in any territory at any designated place where such proceeding is being conducted.

"(vii) Any party to a proceeding under this section may apply to the United States District Court for the District of Columbia, or the United States district court for the judicial district (or the United States court in any territory) in which such proceeding is being conducted, or where the witness resides or carries on business, for enforcement of any subpena issued pursuant to this subsection or section 10(c) of the Federal Deposit Insurance Act, and such courts shall have jurisdiction and power to order and require compliance therewith. Witnesses subpenaed under this section shall be paid the same fees and mileage that are paid witnesses in the district courts of the United States. All expenses of the Director in connection with this section shall be considered as nonadministrative expenses. Any court having jurisdiction of any proceeding instituted under this section by a savings association, or a director or officer thereof, may allow to any such party reasonable expenses and attorneys' fees. Such expenses and fees shall be paid by the savings association.

"(2) CONSERVATORSHIPS AND RECEIVERSHIPS.—

"(A) GROUNDS FOR APPOINTMENT FOR FEDERAL SAVINGS ASSOCIATIONS.—A conservator or receiver may be appointed for a Federal savings association if one or more of the following conditions exist:

"(i) insolvency in that the assets of the association are less than its obligations to its creditors and others, including its members;

"(ii) substantial dissipation of assets or earnings due to any violation or violations of law or regulations, or to any unsafe or unsound practice or practices;

"(iii) an unsafe or unsound condition to transact business, including having substantially insufficient capital or otherwise;

"(iv) willful violation of a cease-and-desist order which has become final;

"(v) concealment of books, papers, records, or assets of the savings association or refusal to submit books, papers, records, or affairs of the association for inspection to any examiner or to any lawful agent of the Director;

"(vi) the association is not likely to be able to meet the demands of its depositors or pay its obligations in the normal course of business;

"(vii)(I) the association has incurred or is likely to incur losses that will deplete all or substantially all of its capital, and (II) there is no reasonable prospect for the replenishment of the capital of the association without Federal assistance; or

"(viii) there is a violation or violations of laws or regulations, or an unsafe or unsound practice or condition which is likely to cause insolvency or substantial dissipation of assets or earnings, or is likely to weaken the condition of the association or otherwise seriously prejudice the interests of its depositors.

"(B) ADDITIONAL GROUNDS FOR APPOINTMENT OF FEDERAL ASSOCIATIONS.—In addition to the foregoing provisions, the Director may, without any requirement of notice, hearing, or other action, appoint a conservator or receiver for a Federal savings association if—

"(i) the association, by resolution of its board of directors or of its members, consents to such appointment, or

"(ii) the association is removed from membership in any Federal home loan bank, or its status as an institution the accounts of which are insured by the Corporation is terminated.

"(C) GROUNDS FOR APPOINTMENT FOR STATE ASSOCIATIONS.—Notwithstanding any other provision of law, the Director shall have power and jurisdiction to appoint a conservator or receiver for an insured State savings association, if the Director determines that any of the following grounds for the appointment of a conservator or receiver exists:

"(i) insolvency in that the assets of the savings association are less than its obligations to its creditors and others, including its members;

"(ii) substantial dissipation of assets or earnings due to any violation or violations of law or regulations, or to any unsafe or unsound practice or practices;

"(iii) an unsafe or unsound condition to transact business, including having substantially insufficient capital or otherwise;

"(iv) the association is not likely to be able to meet the demands of its depositors or pay its obligations in the normal course of business;

"(v)(I) the savings association has incurred or is likely to incur losses that will deplete all or substantially all of its capital, and (II) there is no reasonable prospect for the savings association's capital to be replenished without Federal assistance; or

"(vi) there is a violation or violations of laws or regulations, or an unsafe or unsound practice or condition which is likely to cause insolvency or substantial dissipation of assets or earnings, or is likely to weaken the condition of the association or otherwise seriously prejudice the interests of its depositors.

"(D) APPROVAL OF STATE OFFICIAL.—(i) The authority conferred by subparagraph (C) shall not be exercised without the written approval of the State official having jurisdiction over the insured State savings association that one or more of the grounds specified for such exercise exist.

"(ii) If such approval has not been received within 30 days of receipt of notice to the State that the Director has determined such grounds exist, and the Director has responded in writing to the State's written reasons, if any, for withholding approval, then the Director may proceed without State approval.

"(E) POWER OF APPOINTMENT; JUDICIAL REVIEW.—The Director shall have exclusive power and jurisdiction to appoint a conservator or receiver for a Federal savings association. If, in the opinion of the Director, a ground for the appointment of a conservator or receiver for a savings association exists, the Director is authorized to appoint ex parte and without notice a conservator or receiver for the savings association. In the event of such appointment, the association may, within 30 days thereafter, bring an action in the United States district court for the judicial district in which the home office of such association is located, or in the United States District Court for the District of Columbia, for an order requiring the Director to remove such conservator or receiver, and the court shall upon the merits dismiss such action or direct the Director to remove such conservator or receiver. Upon the commencement of such an action, the court having jurisdiction of any other

action or proceeding authorized under this subsection to which the association is a party shall stay such action or proceeding during the pendency of the action for removal of the conservator or receiver.

"(F) REPLACEMENT.—The Director may, without any prior notice, hearing, or other action, replace a conservator with another conservator or with a receiver, but such replacement shall not affect any right which the association may have to obtain judicial review of the original appointment, except that any removal under this subparagraph shall be removal of the conservator or receiver in office at the time of such removal.

"(G) COURT ACTION.—Except as otherwise provided in this subsection, no court may take any action for or toward the removal of any conservator or receiver, or, except at the instance of the Director, restrain or affect the exercise of powers or functions of a conservator or receiver.

"(H) POWERS.—

"(i) IN GENERAL.—A conservator shall have all the powers of the members, the stockholders, the directors, and the officers of the association and shall be authorized to operate the association in its own name or to conserve its assets in the manner and to the extent authorized by the Director.

"(ii) FDIC OR RTC AS CONSERVATOR OR RECEIVER.—Except as provided in section 21A of the Federal Home Loan Bank Act, the Director, at the Director's discretion, may appoint the Federal Deposit Insurance Corporation or the Resolution Trust Corporation, as appropriate, as conservator for a savings association. The Director shall appoint only the Federal Deposit Insurance Corporation or the Resolution Trust Corporation, as appropriate, as receiver for a savings association for the purpose of liquidation or winding up the affairs of such savings association. The conservator or receiver so appointed shall, as such, have power to buy at its own sale. The Federal Deposit Insurance Corporation, as such conservator or receiver, shall have all the powers of a conservator or receiver, as appropriate, granted under the Federal Deposit Insurance Act, and (when not inconsistent therewith) any other rights, powers, and privileges possessed by conservators or receivers, as appropriate, of savings associations under this Act and any other provisions of law.

"(I) DISCLOSURE REQUIREMENT FOR THOSE ACTING ON BEHALF OF CONSERVATOR.—A conservator shall require that any independent contractor, consultant, or counsel employed by the conservator in connection with the conservatorship of a savings association pursuant to this section shall fully disclose to all parties with which such contractor, consultant, or counsel is negotiating, any limitation on the authority of such contractor, consultant, or counsel to make legally binding representations on behalf of the conservator.

"(3) REGULATIONS.—

"(A) IN GENERAL.—The Director may prescribe regulations for the reorganization, consolidation, liquidation, and dissolution of savings associations, for the merger of insured savings associations with insured savings associations, for savings associations in conservatorship and receivership, and for the conduct of conservatorships and receiverships. The Director may, by regulation or otherwise, provide for the exercise of functions by members, stockholders, directors, or officers of a savings association during conservatorship and receivership.

"(B) FDIC OR RTC AS CONSERVATOR OR RECEIVER.—In any case where the Federal Deposit Insurance Corporation or the Resolution Trust Corporation is the conservator or receiver, any regulations prescribed by the Director shall be consistent with any regulations prescribed by the Federal Deposit Insurance Corporation pursuant to the Federal Deposit Insurance Act.

"(4) REFUSAL TO COMPLY WITH DEMAND.—Whenever a conservator or receiver appointed by the Director demands possession of the property, business, and assets of any savings association, or of any part thereof, the refusal by any director, officer, employee, or agent of such association to comply with the demand shall be punishable by a fine of not more than $5,000 or imprisonment for not more than one year, or both.

"(5) DEFINITIONS.—As used in this subsection, the term 'savings association' includes any savings association or former savings association that retains deposits insured by the Corporation, notwithstanding termination of its status as an institution insured by the Corporation.

"(6) COMPLIANCE WITH MONETARY TRANSACTION RECORDKEEPING AND REPORT REQUIREMENTS.—

"(A) COMPLIANCE PROCEDURES REQUIRED.—The Director shall prescribe regulations requiring savings associations to establish and maintain procedures reasonably designed to assure and monitor the compliance of such associations with the requirements of subchapter II of chapter 53 of title 31, United States Code.

"(B) EXAMINATIONS OF SAVINGS ASSOCIATIONS TO INCLUDE REVIEW OF COMPLIANCE PROCEDURES.—

"(i) IN GENERAL.—Each examination of a savings association by the Director shall include a review of the procedures required to be established and maintained under subparagraph (A).

"(ii) EXAM REPORT REQUIREMENT.—The report of examination shall describe any problem with the procedures maintained by the association.

"(C) ORDER TO COMPLY WITH REQUIREMENTS.—If the Director determines that a savings association—

"(i) has failed to establish and maintain the procedures described in subparagraph (A); or

"(ii) has failed to correct any problem with the procedures maintained by such association which was previously reported to the association by the Director,

the Director shall issue an order under section 8 of the Federal Deposit Insurance Act requiring such association to cease and desist from its violation of this paragraph or regulations prescribed under this paragraph.

"(e) CHARACTER AND RESPONSIBILITY.—A charter may be granted only—

"(1) to persons of good character and responsibility,

"(2) if in the judgment of the Director a necessity exists for such an institution in the community to be served,

"(3) if there is a reasonable probability of its usefulness and success, and

"(4) if the association can be established without undue injury to properly conducted existing local thrift and home financing institutions.

"(f) FEDERAL HOME LOAN BANK MEMBERSHIP.—Each Federal savings association, upon receiving its charter, shall become automatically a member of the Federal home loan bank of the district in which it is located, or if convenience requires and the Director approves, shall become a member of a Federal home loan bank of an adjoining district. Such associations shall qualify for such membership in the manner provided in the Federal Home Loan Bank Act with respect to other members.

"(g) PREFERRED SHARES.—[Repealed.]

"(h) DISCRIMINATORY STATE AND LOCAL TAXATION PROHIBITED.—No State, county, municipal, or local taxing authority may impose any tax on Federal savings associations or their franchise, capital, reserves, surplus, loans, or income greater than that imposed by such authority on other similar local mutual or cooperative thrift and home financing institutions.

"(i) CONVERSIONS.—

(1) IN GENERAL.—Any savings association which is, or is eligible to become, a member of a Federal home loan bank may convert into a Federal savings association (and in so doing may change directly from the mutual form to the stock form, or from the stock form to the mutual form). Such conversion shall be subject to such regulations as the Director shall prescribe. Thereafter such Federal savings association shall be entitled to all the benefits of this section and shall be subject to examination and regulation to the same extent as other associations incorporated pursuant to this Act.

"(2) AUTHORITY OF DIRECTOR.—(A) No savings association may convert from the mutual to the stock form, or from the stock form to the mutual form, except in accordance with the regulations of the Director.

"(B) Any aggrieved person may obtain review of a final action of the Director which approves or disapproves a plan of conversion pursuant to this subsection only by complying with the provisions of section 10(j) of this Act within the time limit and in the manner therein prescribed, which provisions shall apply in all respects as if such final action were an order the review of which is therein provided for, except that such time limit shall commence upon publication of notice of such final action in the Federal Register or upon the giving of such general notice of such final action as is required by or approved under regulations of the Director, whichever is later.

"(C) Any Federal savings association may change its designation from a Federal savings association to a Federal savings bank, or the reverse.

"(3) CONVERSION TO STATE ASSOCIATION.—(A) Any Federal savings association may convert itself into a savings association or savings bank organized pursuant to the laws of the State in which the principal office of such Federal savings association is located if—

"(i) the State permits the conversion of any savings association or savings bank of such State into a Federal savings association;

"(ii) such conversion of a Federal savings association into such a State savings association is determined—

"(I) upon the vote in favor of such conversion cast in person or by proxy at a special meeting of members or stockholders called to consider such action, specified by the law of the State in which the home office of the Federal savings association is located, as required by such law for a State-chartered institution to convert itself into a Federal savings association, but in no event upon a vote of less than 51 percent of all the votes cast at such meeting, and

"(II) upon compliance with other requirements reciprocally equivalent to the requirements of such State law for the conversion of a State-chartered institution into a Federal savings association;

"(iii) notice of the meeting to vote on conversion shall be given as herein provided and no other notice thereof shall be necessary; the notice shall expressly state that such meeting is called to vote thereon, as well as the time and place thereof; and such notice shall be mailed, postage prepaid, at least 30 and not more than 60 days prior to the date of the meeting, to the Director and to each member or stockholder of record of the Federal savings association at the member's or stockholder's last address as shown on the books of the Federal savings association;

"(iv) when a mutual savings association is dissolved after conversion, the members or shareholders of the savings association will share on a mutual basis in the assets of the association in exact proportion to their relative share or account credits;

"(v) when a stock savings association is dissolved after conversion, the stockholders will share on an equitable basis in the assets of the association; and

"(vi) such conversion shall be effective upon the date that all the provisions of this Act shall have been fully complied with and upon the issuance of a new charter by the State wherein the savings association is located.

"(B)(i) The act of conversion constitutes consent by the institution to be bound by all the requirements that the Director may impose under this Act.

"(ii) The savings association shall upon conversion and thereafter be authorized to issue securities in any form currently approved at the time of issue by the Director for issuance by similar savings associations in such State.

"(iii) If the insurance of accounts is terminated in connection with such conversion, the notice and other action shall be taken as provided by law and regulations for the termination of insurance of accounts.

"(4) SAVINGS BANK ACTIVITIES.—(A) To the extent authorized by the Director, but subject to section 18(m)(3) of the Federal Deposit Insurance Act—

"(i) any Federal savings bank chartered as such prior to October 15, 1982, may continue to make any investment or engage in any activity not otherwise authorized under this section, to the degree it was permitted to do so as a Federal savings bank prior to October 15, 1982; and

"(ii) any Federal savings bank organized prior to October 15, 1982, formerly organized as a mutual savings bank under State law may continue to make any investment or engage in any activity not otherwise authorized under this section, to the degree it was authorized to do so as a mutual savings bank under State law.

"(B) The authority conferred by this paragraph may be utilized by any Federal savings association that acquires, by merger or consolidation, a Federal savings bank enjoying grandfather rights hereunder.

"(j) SUBSCRIPTION FOR SHARES.—[Repealed.]

"(k) DEPOSITORY OF PUBLIC MONEY.—When designated for that purpose by the Secretary of the Treasury, a savings association the deposits of which are insured by the Corporation shall be a depository of public money and may be employed as fiscal agent of the Government under such regulations as may be prescribed by the Secretary and shall perform all such reasonable duties as fiscal agent of the Government as may be required of it. A savings association the deposits of which are insured by the Corporation may act as agent for any other instrumentality of the United States when designated for that purpose by such instrumentality, including services in connection with the collection of taxes and other obligations owed the United States, and the Secretary of the Treasury may deposit public money in any such savings association, and shall prescribe such regulations as may be necessary to carry out the purposes of this subsection.

"(l) RETIREMENT ACCOUNTS.—A Federal savings association is authorized to act as trustee of any trust created or organized in the United States and forming part of a stock bonus, pension, or profit-sharing plan which qualifies or qualified for specific tax treatment under section 401(d) of the Internal Revenue Code of 1986 and to act as trustee or custodian of an individual retirement account within the meaning of section 408 of such Code if the funds of such trust or account are invested only in savings accounts or deposits in such Federal savings association or in obligations or securities issued by such Federal savings association. All funds held in such fiduciary capacity by any Federal savings association may be commingled for appropriate purposes of investment, but individual records shall be kept by the fiduciary for each participant and shall show in proper detail all transactions engaged in under this paragraph.

"(m) BRANCHING.—

"(1) IN GENERAL.—

"(A) No savings association incorporated under the laws of the District of Columbia or organized in the District or doing business in the District shall establish any branch or move its principal office or any branch without the Director's prior written approval.

"(B) No savings association shall establish any branch in the District of Columbia or move its principal office or any branch in the District without the Director's prior written approval.

"(2) DEFINITION.—For purposes of this subsection the term 'branch' means any office, place of business, or facility, other than the principal office as defined by the Director, of a savings association at which accounts are opened or payments are received or withdrawals are made, or any other office, place of business, or facility of a savings association defined by the Director as a branch within the meaning of such sentence.

"(n) TRUSTS.—

"(1) PERMITS.—The Director may grant by special permit to a Federal savings association applying therefor the right to act as trustee, executor, administrator, guardian, or in any other fiduciary capacity in which State banks, trust companies, or other corporations which compete with Federal savings associations are permitted to act under the laws of the State in which the Federal savings association is located. Subject to the regulations of the Director, service corporations may invest in State or federally chartered corporations which are located in the State in which the home office of the Federal savings association is located and which are engaged in trust activities.

"(2) SEGREGATION OF ASSETS.—A Federal savings association exercising any or all of the powers enumerated in this section shall segregate all assets held in any fiduciary capacity from the general assets of the association and shall keep a separate set of books and records showing in proper detail all transactions engaged in under this subsection. The State banking authority involved may have access to reports of examination made by the Director insofar as such reports relate to the trust department of such association but nothing in this subsection shall be construed as authorizing such State banking authority to examine the books, records, and assets of such associations.

"(3) PROHIBITIONS.—No Federal savings association shall receive in its trust department deposits of current funds subject to check or the deposit of checks, drafts, bills of exchange, or other items for collection or exchange purposes. Funds deposited or held in trust by the association awaiting investment shall be carried in a separate account and shall not be used by the association in the conduct of its business unless it shall first set aside in the trust department United States bonds or other securities approved by the Director.

"(4) SEPARATE LIEN.—In the event of the failure of a Federal savings association, the owners of the funds held in trust for investment shall have a lien on the bonds or other securities so set apart in addition to their claim against the estate of the association.

"(5) DEPOSITS.—Whenever the laws of a State require corporations acting in a fiduciary capacity to deposit securities with the State authorities for the protection of private or court trusts, Federal savings associations so acting shall be required to make similar deposits. Securities so deposited shall be held for the protection of private or court trusts, as provided by the State law. Federal savings associations in such cases shall not be required to execute the bond usually required of individuals if State corporations under similar circumstances are exempt from this requirement. Federal savings associations shall have power to execute such bond when so required by the laws of the State involved.

"(6) OATHS AND AFFIDAVITS.—In any case in which the laws of a State require that a corporation acting as trustee, executor, administrator, or in any capacity specified in this section, shall take an oath or make an affidavit, the president, vice president, cashier, or trust officer of such association may take the necessary oath or execute the necessary affidavit.

"(7) CERTAIN LOANS PROHIBITED.—It shall be unlawful for any Federal savings association to lend any officer, director, or employee any funds held in trust under the powers conferred by this section. Any officer, director, or employee making such loan, or to whom such loan is made, may be fined not more than $50,000 or twice the amount of that person's gain from the loan, whichever is greater, or may be imprisoned not more than 5 years, or may be both fined and imprisoned, in the discretion of the court.

"(8) FACTORS TO BE CONSIDERED.—In reviewing applications for permission to exercise the powers enumerated in this section, the Director may consider—

"(A) the amount of capital of the applying Federal savings association,

"(B) whether or not such capital is sufficient under the circumstances of the case,

"(C) the needs of the community to be served, and

"(D) any other facts and circumstances that seem to it proper.

The Director may grant or refuse the application accordingly, except that no permit shall be issued to any association having capital less than the capital required by State law of State banks, trust companies, and corporations exercising such powers.

"(9) SURRENDER OF CHARTER.—(A) Any Federal savings association may surrender its right to exercise the powers granted under this subsection, and have returned to it any securities which it may have deposited with

the State authorities, by filing with the Director a certified copy of a resolution of its board of directors indicating its intention to surrender its right.

"(B) Upon receipt of such resolution, the Director, if satisfied that such Federal savings association has been relieved in accordance with State law of all duties as trustee, executor, administrator, guardian or other fiduciary, may in the Director's discretion, issue to such association a certificate that such association is no longer authorized to exercise the powers granted by this subsection.

"(C) Upon the issuance of such a certificate by the Director, such Federal savings association (i) shall no longer be subject to the provisions of this section or the regulations of the Director made pursuant thereto, (ii) shall be entitled to have returned to it any securities which it may have deposited with State authorities, and (iii) shall not exercise thereafter any of the powers granted by this section without first applying for and obtaining a new permit to exercise such powers pursuant to the provisions of this section.

"(D) The Director may prescribe regulations necessary to enforce compliance with the provisions of this subsection.

"(10) REVOCATION.—(A) In addition to the authority conferred by other law, if, in the opinion of the Director, a Federal savings association is unlawfully or unsoundly exercising, or has unlawfully or unsoundly exercised, or has failed for a period of 5 consecutive years to exercise, the powers granted by this subsection or otherwise fails or has failed to comply with the requirements of this subsection, the Director may issue and serve upon the association a notice of intent to revoke the authority of the association to exercise the powers granted by this subsection. The notice shall contain a statement of the facts constituting the alleged unlawful or unsound exercise of powers, or failure to exercise powers, or failure to comply, and shall fix a time and place at which a hearing will be held to determine whether an order revoking authority to exercise such powers should issue against the association.

"(B) Such hearing shall be conducted in accordance with the provisions of subsection (d)(1)(B), and subject to judicial review as therein provided, and shall be fixed for a date not earlier than 30 days and not later than 60 days after service of such notice unless the Director sets an earlier or later date at the request of any Federal savings association so served.

"(C) Unless the Federal savings association so served shall appear at the hearing by a duly authorized representative, it shall be deemed to have consented to the issuance of the revocation order. In the event of such consent, or if upon the record made at any such hearing, the Director shall find that any allegation specified in the notice of charges has been established, the Director may issue and serve upon the association an order prohibiting it from accepting any new or additional trust accounts and revoking authority to exercise any and all powers granted by this subsection, except that such order shall permit the association to continue to service all previously accepted trust accounts pending their expeditious divestiture or termination.

"(D) A revocation order shall become effective not earlier than the expiration of 30 days after service of such order upon the association so served (except in the case of a revocation order issued upon consent, which shall become effective at the time specified therein), and shall remain effective and enforceable, except to such extent as it is stayed, modified, terminated, or set aside by action of the Director or a reviewing court.

"(o) CONVERSION OF STATE SAVINGS BANKS.—(1) Subject to the provisions of this subsection and under regulations of the Director, the Director may authorize the conversion of a State-chartered savings bank that is a Bank Insurance Fund member into a Federal savings bank, if such conversion is not in contravention of State law, and provide for the organization, incorporation, operation, examination, and regulation of such institution.

"(2)(A) Any Federal savings bank chartered pursuant to this subsection shall continue to be a Bank Insurance Fund member until such time as it changes its status to a Savings Association Insurance Fund member.

"(B) The Director shall notify the Corporation of any application under this Act for conversion to a Federal charter by an institution insured by the Corporation, shall consult with the Corporation before disposing of the application, and shall notify the Corporation of the Director's determination with respect to such application.

"(C) Notwithstanding any other provision of law, if the Corporation determines that conversion into a Federal stock savings bank or the chartering of a Federal stock savings bank is necessary to prevent the default of a savings bank it insures or to reopen a savings bank in default that it insured, or if the Corporation determines, with the concurrence of the Director, that severe financial conditions exist that threaten the stability of a savings bank insured by the Corporation and that such a conversion or charter is likely to improve the financial condition of such savings bank, the Corporation shall provide the Director with a certificate of such determination, the reasons therefor in conformance with the requirements of this Act, and the bank shall be converted or chartered by the Director, pursuant to the regulations thereof, from the time the Corporation issues the certificate.

"(D) A bank may be converted under subparagraph (C) only if the board of trustees of the bank—

"(i) has specified in writing that the bank is in danger of closing or is closed, or that severe financial conditions exist that threaten the stability of the bank and a conversion is likely to improve the financial condition of the bank; and

"(ii) has requested in writing that the Corporation use the authority of subparagraph (C).

"(E)(i) Before making a determination under subparagraph (D), the Corporation shall consult the State bank supervisor of the State in which the bank in danger of closing is chartered. The State bank supervisor shall be given a reasonable opportunity, and in no event less than 48 hours, to object to the use of the provisions of subparagraph (D).

"(ii) If the State supervisor objects during such period, the Corporation may use the authority of subparagraph (D) only by an affirmative vote of three-fourths of the Board of Directors. The Board of Directors shall provide the State supervisor, as soon as practicable, with a written certification of its determination.

"(3) A Federal savings bank chartered under this subsection shall have the same authority with respect to investments, operations, and activities, and shall be subject to the same restrictions, including those applicable to branching and discrimination, as would apply to it if it were chartered as a Federal savings bank under any other provision of this Act.

"(p) CONVERSIONS.—(1) Notwithstanding any other provision of law, and consistent with the purposes of this Act, the Director may authorize (or in the case of a Federal savings association, require) the conversion of any mutual savings association or Federal mutual savings bank that is insured by the Corporation into a Federal stock savings association or Federal stock savings bank, or charter a Federal stock savings association or Federal stock savings bank to acquire the assets of, or merge with such a mutual institution under the regulations of the Director.

"(2) Authorizations under this subsection may be made only—

"(A) if the Director has determined that severe financial conditions exist which threaten the stability of an association and that such authorization is likely to improve the financial condition of the association,

"(B) when the Corporation has contracted to provide assistance to such association under section 13 of the Federal Deposit Insurance Act, or

"(C) to assist an institution in receivership.

"(3) A Federal savings bank chartered under this subsection shall have the same authority with respect to investments, operations and activities, and shall be subject to the same restrictions, including those applicable to branching and discrimination, as would apply to it if it were chartered as a Federal savings bank under any other provision of this Act, and may engage in any investment, activity, or operation that the institution it acquired was engaged in if that institution was a Federal savings bank, or would have been authorized to engage in had that institution converted to a Federal charter.

"(q) TYING ARRANGEMENTS.—(1) A savings association may not in any manner extend credit, lease, or sell property of any kind, or furnish any service, or fix or vary the consideration for any of the foregoing, on the condition or requirement—

"(A) that the customer shall obtain additional credit, property, or service from such savings association, or from any service corporation or affiliate of such association, other than a loan, discount, deposit, or trust service;

"(B) that the customer provide additional credit, property, or service to such association, or to any service corporation or affiliate of such association, other than those related to and usually provided in connection with a similar loan, discount, deposit, or trust service; and

"(C) that the customer shall not obtain some other credit, property, or service from a competitor of such association, or from a competitor of any service corporation or affiliate of such association, other than a condition or requirement that such association shall reasonably impose in connection with credit transactions to assure the soundness of credit.

"(2)(A) Any person may sue for and have injunctive relief, in any court of the United States having jurisdiction over the parties, against threatened loss or damage by reason of a violation of paragraph (1), under the same conditions and principles as injunctive relief against threatened conduct that will cause loss or damage is granted by courts of equity and under the rules governing such proceedings.

"(B) Upon the execution of proper bond against damages for an injunction improvidently granted and a showing that the danger of irreparable loss or damage is immediate, a preliminary injunction may issue.

"(3) Any person injured by a violation of paragraph (1) may bring an action in any district court of the United States in which the defendant resides or is found or has an agent, without regard to the amount in controversy, or in any other court of competent jurisdiction, and shall be entitled to recover three times the amount of the damages sustained, and the cost of suit, including a reasonable attorney's fee. Any such action shall be brought within 4 years from the date of the occurrence of the violation.

"(4) Nothing contained in this subsection affects in any manner the right of the United States or any other party to bring an action under any other law of the United States or of any State, including any right which may exist in addition to specific statutory authority, challenging the legality of any act or practice which may be proscribed by this subsection. No regulation or order issued by the Director under this subsection shall in any manner constitute a defense to such action.

"(5) For purposes of this subsection, the term 'loan' includes obligations and extensions or advances of credit.

"(r) OUT-OF-STATE BRANCHES.—(1) No Federal savings association may establish, retain, or operate a branch outside the State in which the Federal savings association has its home office, unless the association qualifies as a domestic building and loan association under section 7701(a)(19) of the Internal Revenue Code of 1986 or meets the asset composition test imposed by subparagraph (c) of that section on institutions seeking so to qualify. No out-of-State branch so established shall be retained or operated unless the total assets of the Federal savings association attributable to all branches of the Federal savings association in that State would qualify the branches as a whole, were they otherwise eligible, for treatment as a domestic building and loan association under section 7701(a)(19).

"(2) The limitations of paragraph (1) shall not apply if—

"(A) the branch results from a transaction authorized under section 13(k) of the Federal Deposit Insurance Act;

"(B) the branch was authorized for the Federal savings association prior to October 15, 1982;

"(C) the law of the State where the branch would be located would permit the branch to be established if the branch were a Federal savings association chartered by the State in which its home office is located; or

"(D) the branch was operated lawfully as a branch under State law prior to the association's conversion to a Federal charter.

"(3) The Director, for good cause shown, may allow Federal savings associations up to 2 years to comply with the requirements of this subsection.

"(s) MINIMUM CAPITAL REQUIREMENTS.—

"(1) IN GENERAL.—Consistent with the purposes of section 908 of the International Lending Supervision Act of 1983 and the capital requirements established pursuant to such section by the appropriate Federal banking agencies (as defined in section 903(1) of such Act), the Director shall require all savings associations to achieve and maintain adequate capital by—

"(A) establishing minimum levels of capital for savings associations; and

"(B) using such other methods as the Director determines to be appropriate.

"(2) MINIMUM CAPITAL LEVELS MAY BE DETERMINED BY DIRECTOR CASE-BY-CASE.—The Director may, consistent with subsection (t), establish the minimum level of capital for a savings association at such amount or at such ratio of capital-to-assets as the Director determines to be necessary or appropriate for such association in light of the particular circumstances of the association.

"(3) UNSAFE OR UNSOUND PRACTICE.—In the Director's discretion, the Director may treat the failure of any savings association to maintain capital at or above the minimum level required by the Director under this subsection or subsection (t) as an unsafe or unsound practice.

"(4) DIRECTIVE TO INCREASE CAPITAL.—

"(A) PLAN MAY BE REQUIRED.—In addition to any other action authorized by law, including paragraph (3), the Director may issue a directive requiring any savings association which fails to maintain capital at or above the minimum level required by the Director to submit and adhere to a plan for increasing capital which is acceptable to the Director.

"(B) ENFORCEMENT OF PLAN.—Any directive issued and plan approved under subparagraph (A) shall be enforceable under section 8 of the Federal Deposit Insurance Act to the same extent and in the same manner as an outstanding order which was issued under section 8 of the Federal Deposit Insurance Act and has become final.

"(5) PLAN TAKEN INTO ACCOUNT IN OTHER PROCEEDINGS.—The Director may—

"(A) consider a savings association's progress in adhering to any plan required under paragraph (4) whenever such association or any affiliate of such association (including any company which controls such association) seeks the Director's approval for any proposal which would have the effect of diverting earnings, diminishing capital, or otherwise impeding such association's progress in meeting the minimum level of capital required by the Director; and

"(B) disapprove any proposal referred to in subparagraph (A) if the Director determines that the proposal would adversely affect the ability of the association to comply with such plan.

"(t) CAPITAL STANDARDS.—

"(1) IN GENERAL.—

"(A) REQUIREMENT FOR STANDARDS TO BE PRESCRIBED.—The Director shall, by regulation, prescribe and maintain uniformly applicable capital standards for savings associations. Those standards shall include—

"(i) a leverage limit;

"(ii) a tangible capital requirement; and

"(iii) a risk-based capital requirement.

"(B) COMPLIANCE.—A savings association is not in compliance with capital standards for purposes of this subsection unless it complies with all capital standards prescribed under this paragraph.

"(C) STRINGENCY.—The standards prescribed under this paragraph shall be no less stringent than the capital standards applicable to national banks.

"(D) DEADLINE FOR REGULATIONS.—The Director shall promulgate final regulations under this paragraph not later than 90 days after the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, and those regulations shall become effective not later than 120 days after the date of enactment.

"(2) CONTENT OF STANDARDS.—

"(A) LEVERAGE LIMIT.—The leverage limit prescribed under paragraph (1) shall require a savings association to maintain core capital in an amount not less than 3 percent of the savings association's total assets.

"(B) TANGIBLE CAPITAL REQUIREMENT.—The tangible capital requirement prescribed under paragraph (1) shall require a savings association to maintain tangible capital in an amount not less than 1.5 percent of the savings association's total assets.

"(C) RISK-BASED CAPITAL REQUIREMENT.—Notwithstanding paragraph (1)(C), the risk-based capital requirement prescribed under paragraph (1) may deviate from the risk-based capital standards applicable to national banks to reflect interest-rate risk or other risks, but such deviations shall not, in the aggregate, result in materially lower levels of capital being required of savings associations under the risk-based capital requirement than would be required under the risk-based capital standards applicable to national banks.

"(3) TRANSITION RULE.—

"(A) CERTAIN QUALIFYING SUPERVISORY GOODWILL INCLUDED IN CALCULATING CORE CAPITAL.—Notwithstanding paragraph (9)(A), an eligible savings association may include qualifying supervisory goodwill in calculating core capital. The amount of qualifying supervisory goodwill that may be included may not exceed the applicable percentage of total assets set forth in the following table:

"For the following period:	The applicable percentage is:
Prior to January 1, 1992.....	1.500 percent
January 1, 1992–December 31, 1992.....	1.000 percent
January 1, 1993–December 31, 1993.....	0.750 percent
January 1, 1994–December 31, 1994.....	0.375 percent
Thereafter.....	0 percent

"(B) ELIGIBLE SAVINGS ASSOCIATIONS.—For purposes of subparagraph (A), a savings association is an eligible savings association so long as the Director determines that—

"(i) the savings association's management is competent;

"(ii) the savings association is in substantial compliance with all applicable statutes, regulations, orders, and supervisory agreements and directives; and

"(iii) the savings association's management has not engaged in insider dealing, speculative practices, or any other activities that have jeopardized the association's safety and soundness or contributed to impairing the association's capital.

"(4) SPECIAL RULES FOR PURCHASED MORTGAGE SERVICING RIGHTS.—

"(A) IN GENERAL.—Notwithstanding paragraphs (1)(C) and (9), the standards prescribed under paragraph (1) may permit a savings association to include in calculating capital for the purpose of the leverage limit and risk-based capital requirement prescribed under paragraph (1), on terms no less stringent than under both the capital standards applicable to State nonmember banks and (except as to the amount that may be included in calculating capital) the capital standards applicable to national banks, 90 percent of the fair market value of readily marketable purchased mortgage servicing rights.

"(B) TANGIBLE CAPITAL REQUIREMENT.—Notwithstanding paragraphs (1)(C) and (9)(C), the standards prescribed under paragraph (1) may permit a savings association to include in calculating capital for the purpose of the tangible capital requirement prescribed under paragraph (1), on terms no less stringent than under both the capital

standards applicable to State nonmember banks and (except as to the amount that may be included in calculating capital) the capital standards applicable to national banks, 90 percent of the fair market value of readily marketable purchased mortgage servicing rights.

"(C) PERCENTAGE LIMITATION PRESCRIBED BY FDIC.—Notwithstanding paragraph (1)(C) and subparagraphs (A) and (B) of this paragraph—

"(i) for the purpose of subparagraph (A), the maximum amount of purchased mortgage servicing rights that may be included in calculating capital under the leverage limit and the risk-based capital requirement prescribed under paragraph (1) may not exceed the amount that could be included if the savings association were an insured State nonmember bank; and

"(ii) for the purpose of subparagraph (B), the Corporation shall prescribe a maximum percentage of the tangible capital requirement that savings associations may satisfy by including purchased mortgage servicing rights in calculating such capital.

"(D) QUARTERLY VALUATION.—The fair market value of purchased mortgage servicing rights shall be determined not less often than quarterly.

"(5) SEPARATE CAPITALIZATION REQUIRED FOR CERTAIN SUBSIDIARIES.—

"(A) IN GENERAL.—In determining compliance with capital standards prescribed under paragraph (1), all of a savings association's investments in and extensions of credit to any subsidiary engaged in activities not permissible for a national bank shall be deducted from the savings association's capital.

"(B) EXCEPTION FOR AGENCY ACTIVITIES.—Subparagraph (A) shall not apply with respect to a subsidiary engaged, solely as agent for its customers, in activities not permissible for a national bank unless the Corporation, in its sole discretion, determines that, in the interests of safety and soundness, this subparagraph should cease to apply to that subsidiary.

"(C) OTHER EXCEPTIONS.—Subparagraph (A) shall not apply with respect to any of the following:

"(i) MORTGAGE BANKING SUBSIDIARIES.—A savings association's investments in and extensions of credit to a subsidiary engaged solely in mortgage-banking activities.

"(ii) SUBSIDIARY INSURED DEPOSITORY INSTITUTIONS.—A savings association's investments in and extensions of credit to a subsidiary—

"(I) that is itself an insured depository institution or a company the sole investment of which is an insured depository institution, and

"(II) that was acquired by the parent insured depository institution prior to May 1, 1989.

"(iii) CERTAIN FEDERAL SAVINGS BANKS.—Any Federal savings association existing as a Federal savings association on the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989—

"(I) that was chartered prior to October 15, 1982, as a savings bank or a cooperative bank under State law; or

"(II) that acquired its principal assets from an association that was chartered prior to October 15, 1982, as a savings bank or a cooperative bank under State law.

"(D) TRANSITION RULE.—

"(i) INCLUSION IN CAPITAL.—Notwithstanding subparagraph (A), if a savings association's subsidiary was, as of April 12, 1989, engaged in activities not permissible for a national bank, the savings association may include in calculating capital the applicable percentage (set forth in clause (ii)) of the lesser of—

"(I) the savings association's investments in and extensions of credit to the subsidiary on April 12, 1989; or

"(II) the savings association's investments in and extensions of credit to the subsidiary on the date as of which the savings association's capital is being determined.

"(ii) APPLICABLE PERCENTAGE.—For purposes of clause (i), the applicable percentage is as follows:

"For the following period:	The applicable percentage is:
Prior to July 1, 1990.....	100 percent
July 1, 1990–June 30, 1991..	90 percent
July 1, 1991–June 30, 1992..	75 percent
July 1, 1992–June 30, 1993..	60 percent
July 1, 1993–June 30, 1994..	40 percent
Thereafter.....	0 percent

"(iii) FDIC'S DISCRETION TO PRESCRIBE LESSER PERCENTAGE.—The Corporation may prescribe by order, with respect to a particular savings association, an applicable percentage less than that provided in clause (ii) if the Corporation determines, in its sole discretion, that the use of a greater percentage would, under the circumstances, constitute an unsafe or unsound practice or be likely to result in the association's being in an unsafe or unsound condition.

"(E) CONSOLIDATION OF SUBSIDIARIES NOT SEPARATELY CAPITALIZED.—In determining compliance with capital standards prescribed under paragraph (1), the assets and liabilities of each of a savings association's subsidiaries (other than any subsidiary described in subparagraph (C)(ii)) shall be consolidated with the savings association's assets and liabilities, unless all of the savings association's investments in and extensions of credit to the subsidiary are deducted from the savings association's capital pursuant to subparagraph (A).

"(6) CONSEQUENCES OF FAILING TO COMPLY WITH CAPITAL STANDARDS.—

"(A) PRIOR TO JANUARY 1, 1991.—Prior to January 1, 1991, the Director—

"(i) may restrict the asset growth of any savings association not in compliance with capital standards; and

"(ii) shall, beginning 60 days following the promulgation of final regulations under this subsection, require any savings association not in compliance with capital standards to submit a plan under subsection (s)(4)(A) that—

"(I) addresses the savings association's need for increased capital;

"(II) describes the manner in which the savings association will increase its capital so as to achieve compliance with capital standards;

"(III) specifies the types and levels of activities in which the savings association will engage;

"(IV) requires any increase in assets to be accompanied by an increase in tangible capital not less in percentage amount than the leverage limit then applicable;

"(V) requires any increase in assets to be accompanied by an increase in capital not less in percentage amount than required under the risk-based capital standard then applicable; and

"(VI) is acceptable to the Director.

"(B) ON OR AFTER JANUARY 1, 1991.—On or after January 1, 1991, the Director—

"(i) shall prohibit any asset growth by any savings association not in compliance with capital standards, except as provided in subparagraph (C); and

"(ii) shall require any savings association not in compliance with capital standards to comply with a capital directive issued by the Director (which may include such restrictions, including restrictions on the payment of dividends and on compensation, as the Director determines to be appropriate).

"(C) LIMITED GROWTH EXCEPTION.—The Director may permit any savings association that is subject to subparagraph (B) to increase its assets in an amount not exceeding the amount of net interest credited to the savings association's deposit liabilities if—

"(i) the savings association obtains the Director's prior approval;

"(ii) any increase in assets is accompanied by an increase in tangible capital in an amount not less than 6 percent of the increase in assets (or, in the Director's discretion if the leverage limit then applicable is less than 6 percent, in an amount equal to the increase in assets multiplied by the percentage amount of the leverage limit);

"(iii) any increase in assets is accompanied by an increase in capital not less in percentage amount than required under the risk-based capital standard then applicable;

"(iv) any increase in assets is invested in low-risk assets, such as first mortgage loans secured by 1- to 4-family residences and fully secured consumer loans; and

"(v) the savings association's ratio of core capital to total assets is not less than the ratio existing on January 1, 1991.

"(D) ADDITIONAL RESTRICTIONS IN CASE OF EXCESSIVE RISKS OR RATES.—The Director may restrict the asset growth of any savings association that the Director determines is taking excessive risks or paying excessive rates for deposits.

"(E) FAILURE TO COMPLY WITH PLAN, REGULATION, OR ORDER.—The Director shall treat as an unsafe and unsound practice any material failure by a savings association to comply with any plan, regulation, or order under this paragraph.

"(F) EFFECT ON OTHER REGULATORY AUTHORITY.—This paragraph does not limit any authority of the Director under other provisions of law.

"(7) EXEMPTION FROM CERTAIN SANCTIONS.—

"(A) APPLICATION FOR EXEMPTION.—Any savings association not in compliance with the capital standards prescribed under paragraph (1) may apply to the Director for an exemption from any applicable sanction or penalty for noncompliance which the Director may impose.

"(B) EFFECT OF GRANT OF EXEMPTION.—If the Director approves any savings association's application under subparagraph (A), the only sanction or penalty to be imposed by the Director for the savings association's failure to comply with the capital standards prescribed under paragraph (1) is the growth limitation contained in paragraph (6)(B) or paragraph (6)(C), whichever is applicable.

"(C) STANDARDS FOR APPROVAL OR DISAPPROVAL.—

"(i) APPROVAL.—The Director may approve an application for an exemption if the Director determines that—

"(I) such exemption would pose no significant risk to the affected deposit insurance fund;

"(II) the savings association's management is competent;

"(III) the savings association is in substantial compliance with all applicable statutes, regulations, orders, and supervisory agreements and directives; and

"(IV) the savings association's management has not engaged in insider dealing, speculative practices, or any other activities that have jeopardized the association's safety and soundness or contributed to impairing the association's capital.

"(ii) DENIAL OR REVOCATION OF APPROVAL.—The Director shall deny any application submitted under clause (i) and revoke any prior approval granted with respect to any such application if the Director determines that the association's failure to meet any capital standards prescribed under paragraph (1) is accompanied by—

"(I) a pattern of consistent losses;

"(II) substantial dissipation of assets;

"(III) evidence of imprudent management or business behavior;

"(IV) a material violation of any Federal law, any law of any State to which such association is subject, or any applicable regulation; or

"(V) any other unsafe or unsound condition or activity, other than the failure to meet such capital standards.

"(D) SUBMISSION OF PLAN REQUIRED.—Any application submitted under subparagraph (A) shall be accompanied by a plan which—

"(i) meets the requirements of paragraph (6)(A)(ii); and

"(ii) is acceptable to the Director.

"(E) FAILURE TO COMPLY WITH PLAN.—The Director shall treat as an unsafe and unsound practice any material failure by any savings association which has been granted an exemption under this paragraph to comply with the provisions of any plan submitted by such association under subparagraph (D).

"(F) EXEMPTION NOT AVAILABLE WITH RESPECT TO UNSAFE OR UNSOUND PRACTICES.—This paragraph does not limit any authority of the Director under any other provision of law, including section 8 of the Federal Deposit Insurance Act, to take any appropriate action with respect to any unsafe or unsound practice or condition of any savings association, other than the failure of such savings association to comply with the capital standards prescribed under paragraph (1).

"(8) TEMPORARY AUTHORITY TO MAKE EXCEPTIONS FOR ELIGIBLE SAVINGS ASSOCIATIONS.—

"(A) IN GENERAL.—Notwithstanding paragraph (1)(C), the Director may, by order, make exceptions to the capital standards prescribed under paragraph (1) for eligible savings associations. No exception under this paragraph shall be effective after January 1, 1991.

"(B) STANDARDS FOR APPROVAL OR DISAPPROVAL.—In determining whether to grant an exception under subparagraph (A), the Director shall apply the same standards as apply to determinations under paragraph (7)(C).

"(9) DEFINITIONS.—For purposes of this subsection—

"(A) CORE CAPITAL.—Unless the Director prescribes a more stringent definition, the term 'core capital' means core capital as defined by the Comptroller of the Currency for national banks, less any unidentifiable intangible assets, plus any purchased mortgage servicing rights excluded from the Comptroller's definition of capital but included in calculating the core capital of savings associations pursuant to paragraph (4).

"(B) QUALIFYING SUPERVISORY GOODWILL.—The term 'qualifying supervisory goodwill' means supervisory goodwill existing on April 12, 1989, amortized on a straightline basis over the shorter of—

"(i) 20 years, or

"(ii) the remaining period for amortization in effect on April 12, 1989.

"(C) TANGIBLE CAPITAL.—The term 'tangible capital' means core capital minus any intangible assets (as intangible assets are defined by the Comptroller of the Currency for national banks).

"(D) TOTAL ASSETS.—The term 'total assets' means total assets (as total assets are defined by the Comptroller of the Currency for national banks) adjusted in the same manner as total assets would be adjusted in determining compliance with the leverage limit applicable to national banks if the savings association were a national bank.

"(10) USE OF COMPTROLLER'S DEFINITIONS.—

(A) IN GENERAL.—The standards prescribed under paragraph (1) shall include all relevant substantive definitions established by the Comptroller of the Currency for national banks.

"(B) SPECIAL RULE.—If the Comptroller of the Currency has not made effective regulations defining core capital or establishing a risk-based capital standard, the Director shall use the definition and standard contained in the Comptroller's most recently published final regulations.

"(u) LIMITS ON LOANS TO ONE BORROWER.—

"(1) IN GENERAL.—Section 5200 of the Revised Statutes shall apply to savings associations in the same manner and to the same extent as it applies to national banks.

"(2) SPECIAL RULES.—

"(A) Notwithstanding paragraph (1), a savings association may make loans to one borrower under one of the following clauses:

"(i) for any purpose, not to exceed $500,000; or

"(ii) to develop domestic residential housing units, not to exceed the lesser of $30,000,000 or 30 percent of the savings association's unimpaired capital and unimpaired surplus, if—

"(I) the purchase price of each single family dwelling unit the development of which is financed under this clause does not exceed $500,000;

"(II) the savings association is and continues to be in compliance with the fully phased-in capital standards prescribed under subsection (t);

"(III) the Director, by order, permits the savings association to avail itself of the higher limit provided by this clause;

"(IV) loans made under this clause to all borrowers do not, in aggregate, exceed 150 percent of the savings association's unimpaired capital and unimpaired surplus; and

"(V) such loans comply with all applicable loan-to-value requirements.

"(B) A savings association's loans to one borrower to finance the sale of real property acquired in satisfaction of debts previously contracted in good faith shall not exceed 50 percent of the savings association's unimpaired capital and unimpaired surplus.

"(3) AUTHORITY TO IMPOSE MORE STRINGENT RESTRICTIONS.—The Director may impose more stringent restrictions on a savings association's loans to one borrower if the Director determines that such restrictions are necessary to protect the safety and soundness of the savings association.

"(v) REPORTS OF CONDITION.—

"(1) IN GENERAL.—Each association shall make reports of conditions to the Director which shall be in a form prescribed by the Director and shall contain—

"(A) information sufficient to allow the identification of potential interest rate and credit risk;

"(B) a description of any assistance being received by the association, including the type and monetary value of such assistance;

"(C) the identity of all subsidiaries and affiliates of the association;

"(D) the identity, value, type, and sector of investment of all equity investments of the associations and subsidiaries; and

"(E) other information that the Director may prescribe.

"(2) PUBLIC DISCLOSURE.—

"(A) Reports required under paragraph (1) and all information contained therein shall be available to the public upon request, unless the Director determines—

"(i) that a particular item or classification of information should not be made public in order to protect the safety or soundness of the institution concerned or institutions concerned, the Savings Association Insurance Fund; or

"(ii) that public disclosure would not otherwise be in the public interest.

"(B) Any determination made by the Director under subparagraph (A) not to permit the public disclosure of information shall be made in writing, and if the Director restricts any item of information for savings institutions generally, the Director shall disclose the reason in detail in the Federal Register.

"(C) The Director's determinations under subparagraph (A) shall not be subject to judicial review.

"(3) ACCESS BY CERTAIN PARTIES.—

"(A) Notwithstanding paragraph (2), the persons described in subparagraph (B) shall not be denied access to any information contained in a report of condition, subject to reasonable requirements of confidentiality. Those requirements shall not prevent such information from being transmitted to the Comptroller General of the United States for analysis.

"(B) The following persons are described in this subparagraph for purposes of subparagraph (A):

"(i) the Chairman and ranking minority member of the Committee on Banking, Housing, and Urban Affairs of the Senate and their designees; and

"(ii) the Chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs of the House of Representatives and their designees.

"(4) FIRST TIER PENALTIES.—Any savings association which—

"(A) maintains procedures reasonably adapted to avoid any inadvertent and unintentional error and, as a result of such an error—

"(i) fails to submit or publish any report or information required by the Director under paragraph (1) or (2), within the period of time specified by the Director; or

"(ii) submits or publishes any false or misleading report or information; or

"(B) inadvertently transmits or publishes any report which is minimally late,

shall be subject to a penalty of not more than $2,000 for each day during which such failure continues or such false or misleading information is not corrected. The savings association shall have the burden of proving by a preponderence of the evidence that an error was inadvertent and unintentional and that a report was inadvertently transmitted or published late.

"(5) SECOND TIER PENALTIES.—Any savings association which—

"(A) fails to submit or publish any report or information required by the Director under paragraph (1) or (2), within the period of time specified by the Director; or

"(B) submits or publishes any false or misleading report or information,

in a manner not described in paragraph (4) shall be subject to a penalty of not more than $20,000 for each day during which such failure continues or such false or misleading information is not corrected.

"(6) THIRD TIER PENALTIES.—If any savings association knowingly or with reckless disregard for the accuracy of any information or report described in paragraph (5) submits or publishes any false or misleading report or information, the Director may assess a penalty of not more than $1,000,000 or 1 percent of total assets, whichever is less, per day for each day during which such failure continues or such false or misleading information is not corrected.

"(7) ASSESSMENT.—Any penalty imposed under paragraph (4), (5), or (6) shall be assessed and collected by the Director in the manner provided in subparagraphs (E), (F), (G), and (I) of section 8(i)(2) of the Federal Deposit Insurance Act (for penalties imposed under such section), and any such assessment (including the determination of the amount of the penalty) shall be subject to the provisions of such subsection.

"(8) HEARING.—Any savings association against which any penalty is assessed under this subsection shall be afforded a hearing if such savings association submits a request for such hearing within 20 days after the issuance of the notice of assessment. Section 8(h) of the Federal Deposit Insurance Act shall apply to any proceeding under this subsection.

"SEC. 6. LIQUID ASSET REQUIREMENTS.

"(a) IN GENERAL.—The purpose of this section is to provide a means for creating effective and flexible liquidity in savings associations which can be increased when mortgage money is plentiful, maintained in easily liquidated instruments, and reduced to add to the flow of funds to the mortgage market in periods of credit stringency. More flexible liquidity will help support sound mortgage credit and a more stable supply of such credit.

"(b) MAINTENANCE OF ACCOUNT.—

"(1) IN GENERAL.—Every savings association shall maintain the aggregate amount of its assets of the following types at not less than such amount as, in the opinion of the Director, is appropriate:

"(A) cash;

"(B) balances maintained in a Federal reserve bank or passed through a Federal home loan bank or another depository institution to a Federal reserve bank pursuant to the Federal Reserve Act; and

"(C) to such extent as the Director may approve for the purposes of this section—

"(i) time and savings deposits in Federal home loan banks, institutions which are, or are eligible to become, members thereof, and commercial banks;

"(ii) such obligations, including such special obligations, of the United States, a State, any territory or possession of the United States, or a political subdivision, agency, or instrumentality of any one or more of the foregoing, and bankers' acceptances, as the Director may approve;

"(iii) shares or certificates of any open-end management investment company which is registered with the Securities and Exchange Commission under the Investment Company Act of 1940 and the portfolio of which is restricted by such investment company's investment policy, changeable only if authorized by shareholder vote, solely to any of the obligations or other investments enumerated in subparagraph (A) and in clauses (i), (ii), (iv), (v), (vi), and (vii) of this subparagraph;

"(iv) liquid, highly rated corporate debt obligations with 3 years or less remaining until maturity;

"(v) highly rated commercial paper with 270 days or less remaining until maturity;

"(vi) mortgage related securities (as that term is defined in section 3(a)(41) of the Securities Exchange Act of 1934)—

"(I) that have one year or less remaining until maturity; or

"(II) that are subject to an agreement (including a repurchase agreement, put option, right of redemption, or takeout commitment) that requires another person to purchase the securities within a period that does not exceed one year, and that person is an insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act) that is in compliance with applicable capital standards, a primary dealer in United States Government securities, or a broker or dealer registered under the Securities Exchange Act of 1934; and

"(vii) mortgage loans on the security of a first lien on residential real property, if the mortgage loans qualify as backing for mortgage-backed securities issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Association or guaranteed by the Government National Mortgage Association, and either—

"(I) the mortgage loans have one year or less remaining until maturity, or

"(II) the mortgage loans are subject to an agreement (including a repurchase agreement, put option, right of redemption, or takeout commitment) that requires another person to purchase the loans within a period that does not exceed one year, and that person is an insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act) that is in compliance with applicable capital standards, a primary dealer in United States Government securities, or a broker or dealer registered under the Securities Exchange Act of 1934.

"(2) LIMITATION.—The requirement prescribed by the Director pursuant to this subsection (hereafter in this section referred to as the 'liquidity requirement') may not be less than 4 percent or more than 10 percent of the obligation of the institution on withdrawable accounts and borrowings payable on demand or with unexpired maturities of one year or less. The Director shall prescribe regulations to implement the provisions of this subsection.

"(c) CALCULATION.—The amount of any savings association's liquidity requirement, and any deficiency in compliance therewith, shall be calculated as the Director shall prescribe. The Director may prescribe different liquidity requirements, within the limitations specified herein, for different classes of savings associations, and for such purposes the Director is authorized to classify savings associations according to type, size, location, rate of withdrawals, or on such other basis or bases of differentiation as the Director may deem to be reasonably necessary or appropriate for the purposes of this section.

"(d) DEFICIENCY ASSESSMENTS.—For any deficiency in compliance with the liquidity requirements, the Director may, in the Director's discretion, assess a penalty consisting of the payment by the institution of such sum as may be assessed by the Director but not in excess of a rate equal to the highest rate on Federal home loan bank advances of one year or less, plus 2 percent per year, on the amount of the deficiency for the period with respect to which the deficiency existed. Any penalty assessed under this subsection against a savings association shall be paid to the Director. The Director may authorize or require that, at any time before collection thereof, and whether before or after the bringing of any action or other legal proceeding, the obtaining of any judgment or other recovery, or the issuance or levy of any execution or other legal process therefor, and with or without consideration, any such penalty or recovery be compromised, remitted, or mitigated in whole or part. The penalties authorized under this subsection are in addition to all remedies and sanctions otherwise available.

"(e) REDUCTION OR SUSPENSION.—Whenever the Director deems it advisable in order to enable a savings association to meet withdrawals or to pay obligations, the Director may, to such extent and subject to such conditions as the Director may prescribe, permit the savings association to reduce its liquidity below the minimum amount. Whenever the Director determines that conditions of national emergency or unusual economic stress exist, the Director may suspend any part or all of the liquidity requirements hereunder for such period as the Director may prescribe. Any such suspension, unless sooner terminated by its terms or by the Director, shall terminate at the expiration of 90 days next after its commencement. The preceding sentence does not prevent the Director from again exercising, before, at, or after any such termination, the authority conferred by this subsection.

"(f) REGULATING AUTHORITY.—The Director is authorized to issue such regulations, including definitions of terms used in this section, to make such examinations, and to conduct such investigations as the Director deems necessary or appropriate to effectuate the purposes of this section. The reasonable cost of any such examination or investigation, as determined by the Director, shall be paid by the association.

"SEC. 7. APPLICABILITY.

"The provisions of this Act shall apply to the United States and to Puerto Rico, Guam, and the Virgin Islands.

"SEC. 8. DISTRICT ASSOCIATIONS.

"(a) IN GENERAL.—The Director shall, with respect to all incorporated or unincorporated building, building or loan, building and loan, or homestead associations, and similar institutions, of or transacting or doing business in the District of Columbia, or maintaining any office in the District of Columbia (other than Federal savings associations), have the same powers and functions as to examination, operation, and regulation as the Director has with respect to Federal savings associations.

"(b) ADDITIONAL POWERS.—Any such association or institution incorporated under the laws of, or organized in, the District of Columbia shall have in addition to any existing statutory authority such statutory authority as is vested in Federal savings associations.

"(c) CHARTER AMENDMENTS.—Charters, certificates of incorporation, articles of incorporation, constitutions, bylaws, or other organic documents of associations or institutions referred to in subsection (b) of this section may, without regard to anything contained therein or otherwise, be amended in such manner and to such extent and upon such votes if any as the Director may by regulation or otherwise provide.

"(d) LIMITATION.—Nothing in this section shall cause, or permit the Director to cause, District of Columbia associations to be or become Federal savings associations, or require the Director to impose on District of

Columbia associations the same regulations as are imposed on Federal savings associations.

"SEC. 9. EXAMINATION FEES.

"(a) EXAMINATION OF SAVINGS ASSOCIATIONS.—The cost of conducting examinations of savings associations pursuant to section 5(d) of this Act shall be assessed by the Director against each such savings association in proportion to the assets or resources of the savings association.

"(b) EXAMINATION OF AFFILIATES.—The cost of conducting examinations of affiliates of savings associations pursuant to this Act may be assessed by the Director against each affiliate which is examined in proportion to the assets or resources held by the affiliate on the date of any such examination.

"(c) ASSESSMENT AGAINST ASSOCIATION IN CASE OF AFFILIATE'S REFUSAL TO PAY.—

"(1) IN GENERAL.—Subject to paragraph (2), if any affiliate of any savings association—

"(A) refuses to pay any assessment under subsection (b); or

"(B) fails to pay any such assessment before the end of the 60-day period beginning on the date of the assessment,

the Director may assess such cost against, and collect such cost from, such savings association.

"(2) AFFILIATE OF MORE THAN 1 SAVINGS ASSOCIATION.—If any affiliate referred to in paragraph (1) is an affiliate of more than 1 savings association, the assessment with respect to the affiliate against, and collected from, any affiliated savings association in such proportions as the Director may prescribe.

"(d) CIVIL MONEY PENALTY FOR AFFILIATE'S REFUSAL TO COOPERATE.—

"(1) PENALTY IMPOSED.—If any affiliate of any savings association—

"(A) refuses to permit any examiner appointed by the Director to make an examination; or

"(B) refuses to provide any information required to be disclosed in the course of any examination,

the savings association shall forfeit and pay a civil penalty of not more than $5,000 for each day that any such refusal continues.

"(2) ASSESSMENT AND COLLECTION.—Any penalty imposed under paragraph (1) shall be assessed and collected by the Director, in the manner provided in section 8(i)(2) of the Federal Deposit Insurance Act.

"(e) REGULATIONS.—Only the Director may prescribe regulations with respect to—

"(1) the computation of, and the assessment for, the cost of conducting examinations pursuant to this section; and

"(2) the collection and use of such assessments and any fees under this section.

Such regulations may establish formulas to determine a fee or schedule of fees to cover the costs of examinations and also to cover the cost of processing applications, filings, notices, and requests for approvals by the Director or the Director's designee.

"(f) COLLECTION THROUGH FDIC OR FEDERAL HOME LOAN BANKS.—The Corporation or the Federal home loan banks shall, upon request of and by agreement with the Director, collect fees and assessments on behalf of the Director and be reimbursed for the actual cost of collection.

"(g) COSTS OF OTHER EXAMINATIONS.—

"(1) EXAMINATION OF FIDUCIARY ACTIVITIES.—In addition to any assessment imposed pursuant to subsection (a), the cost of conducting examinations of fiduciary activities of savings associations which exercise fiduciary powers (including savings associations or similar institutions in the District of Columbia) shall be assessed by the Director against such savings associations (or similar institutions).

"(2) EXAMINATIONS IN EXCESS OF 2 PER CALENDAR YEAR.—If any savings association or affiliate of a savings association is examined by the Director, or the Corporation, as the case may be, more than 2 times in any calendar year, the cost of conducting such additional examinations shall be assessed, in addition to any assessment imposed pursuant to subsection (a), by the Director or the Corporation, as the case may be, against such savings association or affiliate.

"(h) ADDITIONAL INFORMATION.—Any savings association and any affiliate of any savings association shall provide the Director with access to any information or report with respect to any examination made by any public regulatory authority and furnish any additional information with respect thereto as the Director may require.

"(i) TREATMENT OF EXAMINATION ASSESSMENTS.—

"(1) DEPOSITS.—Amounts received by the Director from assessments under this section (other than an assessment under subsection (d)(2)) or section 10(b)(4) may be deposited in the manner provided in section 5234 of the Revised Statutes with respect to assessments by the Comptroller of the Currency.

"(2) ASSESSMENTS ARE NOT GOVERNMENT FUNDS.—The amounts received by the Director from any assessment under this section shall not be construed to be Government or public funds or appropriated money.

"(3) ASSESSMENTS ARE NOT SUBJECT TO APPORTIONMENT OF FUNDS.—Notwithstanding any other provision of law, the amounts received by the Director from any assessment under this section shall not be subject to apportionment for the purpose of chapter 15 of title 31, United States Code, or under any other authority.

"(j) PROCESSING FEE.—The Director may, in the Director's sole discretion, assess against any person that submits to the Director an application, filing, notice, or request a fee to cover the cost of processing such submission.

"(k) FEES FOR EXAMINATIONS AND SUPERVISORY ACTIVITIES.—The Director may assess against institutions for which the Director is the appropriate Federal banking agency, within the meaning of section 3 of the Federal Deposit Insurance Act, fees to fund the direct and indirect expenses of the Office. Such fees shall be imposed in proportion of the assets or resources of the institutions. The fees may be imposed more frequently than annually at the discretion of the Director. The annual rate of such fees shall be the same for all institutions subject to such fees.

"(l) WORKING CAPITAL.—The Director is authorized to impose fees and assessments pursuant to subsections (a), (b), (e), and (k) of this section, in excess of actual expenses for any given year, to permit the Director to maintain a working capital fund. The Director shall remit to the payors of such fees and assessments any funds collected in excess of what he deems necessary to maintain such working capital fund.

"(m) USE OF FUNDS.—The Director is authorized to use the combined resources retained through fees and assessments imposed pursuant to this section to pay all direct and indirect salary and administrative expenses of the Office, including contracts and purchases of property and services, and the direct and indirect expenses of the examinations and supervisory activities of the Office.

"SEC. 10. REGULATION OF HOLDING COMPANIES.

"(a) DEFINITIONS.—

"(1) IN GENERAL.—As used in this section, unless the context otherwise requires—

"(A) SAVINGS ASSOCIATION.—The term 'savings association' includes a savings bank or cooperative bank which is deemed by the Director to be a savings association under subsection (l).

"(B) UNINSURED INSTITUTION.—The term 'uninsured institution' means any depository institution the deposits of which are not insured by the Federal Deposit Insurance Corporation.

"(C) COMPANY.—The term 'company' means any corporation, partnership, trust, joint-stock company, or similar organization, but does not include the Federal Deposit Insurance Corporation, the Resolution Trust Corporation, any Federal home loan bank, or any company the majority of the shares of which is owned by the United States or any State, or by an instrumentality of the United States or any State.

"(D) SAVINGS AND LOAN HOLDING COMPANY.—The term 'savings and loan holding company' means any company which directly or indirectly controls a savings association or controls any other company which is a savings and loan holding company.

"(E) MULTIPLE SAVINGS AND LOAN HOLDING COMPANY.—The term 'multiple savings and loan holding company' means any savings and loan holding company which directly or indirectly controls 2 or more savings associations.

"(F) DIVERSIFIED SAVINGS AND LOAN HOLDING COMPANY.—The term 'diversified savings and loan holding company' means any savings and loan holding company whose subsidiary savings association and related activities as permitted under paragraph (2) of subsection (c) of this section represented, on either an actual or a pro forma basis, less than 50 percent of its consolidated net worth at the close of its preceding fiscal year and of its consolidated net earnings for such fiscal year, as determined in accordance with regulations issued by the Director.

"(G) SUBSIDIARY.—The term 'subsidiary' has the same meaning as in section 3 of the Federal Deposit Insurance Act.

"(H) AFFILIATE.—The term 'affiliate' of a savings association means any person which controls, is controlled by, or is under common control with, such savings association.

"(I) BANK HOLDING COMPANY.—The terms 'bank holding company' and 'bank' have the meanings given to such terms in section 2 of the Bank Holding Company Act of 1956.

"(J) ACQUIRE.—The term 'acquire' has the meaning given to such term in section 13(f)(8) of the Federal Deposit Insurance Act.

"(2) CONTROL.—For purposes of this section, a person shall be deemed to have control of—

"(A) a savings association if the person directly or indirectly or acting in concert with one or more other persons, or through one or more subsidiaries, owns, controls, or holds with power to vote, or holds proxies representing, more than 25 percent of the voting shares of such savings association, or controls in any manner the election of a majority of the directors of such association;

"(B) any other company if the person directly or indirectly or acting in concert with one or more other persons, or through one or more subsidiaries, owns, controls, or holds with power to vote, or holds proxies representing, more than 25 percent of the voting shares or rights of such other company, or

controls in any manner the election or appointment of a majority of the directors or trustees of such other company, or is a general partner in or has contributed more than 25 percent of the capital of such other company;

"(C) a trust if the person is a trustee thereof; or

"(D) a savings association or any other company if the Director determines, after reasonable notice and opportunity for hearing, that such person directly or indirectly exercises a controlling influence over the management or policies of such association or other company.

"(3) EXCLUSIONS.—Notwithstanding any other provision of this subsection, the term 'savings and loan holding company' does not include—

"(A) any company by virtue of its ownership or control of voting shares of a savings association or a savings and loan holding company acquired in connection with the underwriting of securities if such shares are held only for such period of time (not exceeding 120 days unless extended by the Director) as will permit the sale thereof on a reasonable basis; and

"(B) any trust (other than a pension, profit-sharing, shareholders', voting, or business trust) which controls a savings association or a savings and loan holding company if such trust by its terms must terminate within 25 years or not later than 21 years and 10 months after the death of individuals living on the effective date of the trust, and is (i) in existence on June 26, 1967, or (ii) a testamentary trust created on or after June 26, 1967.

"(4) SPECIAL RULE RELATING TO QUALIFIED STOCK ISSUANCE.—No savings and loan holding company shall be deemed to control a savings association solely by reason of the purchase by such savings and loan holding company of shares issued by such savings association, or issued by any savings and loan holding company (other than a bank holding company) which controls such savings association, in connection with a qualified stock issuance if such purchase is approved by the Director under subsection (q)(1)(D), unless the acquiring savings and loan holding company, directly or indirectly, or acting in concert with 1 or more other persons, or through 1 or more subsidiaries, owns, controls, or holds with power to vote, or holds proxies representing, more than 15 percent of the voting shares of such savings association or holding company.

"(b) REGISTRATION AND EXAMINATION.—

"(1) IN GENERAL.—Within 90 days after becoming a savings and loan holding company, each savings and loan holding company shall register with the Director on forms prescribed by the Director, which shall include such information, under oath or otherwise, with respect to the financial condition, ownership, operations, management, and intercompany relationships of such holding company and its subsidiaries, and related matters, as the Director may deem necessary or appropriate to carry out the purposes of this section. Upon application, the Director may extend the time within which a savings and loan holding company shall register and file the requisite information.

"(2) REPORTS.—Each savings and loan holding company and each subsidiary thereof, other than a savings association, shall file with the Director, and the regional office of the Director of the district in which its principal office is located, such reports as may be required by the Director. Such reports shall be made under oath or otherwise, and shall be in such form and for such periods, as the Director may prescribe. Each report shall contain such information concerning the operations of such savings and loan holding company and its subsidiaries as the Director may require.

"(3) BOOKS AND RECORDS.—Each savings and loan holding company shall maintain such books and records as may be prescribed by the Director.

"(4) EXAMINATIONS.—Each savings and loan holding company and each subsidiary thereof (other than a bank) shall be subject to such examinations as the Director may prescribe. The cost of such examinations shall be assessed against and paid by such holding company. Examination and other reports may be furnished by the Director to the appropriate State supervisory authority. The Director shall, to the extent deemed feasible, use for the purposes of this subsection reports filed with or examinations made by other Federal agencies or the appropriate State supervisory authority.

"(5) AGENT FOR SERVICE OF PROCESS.—The Director may require any savings and loan holding company, or persons connected therewith if it is not a corporation, to execute and file a prescribed form of irrevocable appointment of agent for service of process.

"(6) RELEASE FROM REGISTRATION.—The Director may at any time, upon the Director's own motion or upon application, release a registered savings and loan holding company from any registration theretofore made by such company, if the Director determines that such company no longer has control of any savings association.

"(c) HOLDING COMPANY ACTIVITIES.—

"(1) PROHIBITED ACTIVITIES.—Except as otherwise provided in this subsection, no savings and loan holding company and no subsidiary which is not a savings association shall—

"(A) engage in any activity or render any service for or on behalf of a savings association subsidiary for the purpose or with the effect of evading any law or regulation applicable to such savings association;

"(B) commence any business activity, other than the activities described in paragraph (2); or

"(C) continue any business activity, other than the activities described in paragraph (2), after the end of the 2-year period beginning on the date on which such company received approval under subsection (e) of this section to become a savings and loan holding company subject to the limitations contained in this subparagraph.

"(2) EXEMPT ACTIVITIES.—The prohibitions of subparagraphs (B) and (C) of paragraph (1) shall not apply to the following business activities of any savings and loan holding company or any subsidiary (of such company) which is not a savings association:

"(A) Furnishing or performing management services for a savings association subsidiary of such company.

"(B) Conducting an insurance agency or escrow business.

"(C) Holding, managing, or liquidating assets owned or acquired from a savings association subsidiary of such company.

"(D) Holding or managing properties used or occupied by a savings association subsidiary of such company.

"(E) Acting as trustee under deed of trust.

"(F) Any other activity—

"(i) which the Board of Governors of the Federal Reserve System, by regulation, has determined to be permissible for bank holding companies under section 4(c) of the Bank Holding Company Act of 1956, unless the Director, by regulation, prohibits or limits any such activity for savings and loan holding companies; or

"(ii) in which multiple savings and loan holding companies were authorized (by regulation) to directly engage on March 5, 1987.

"(G) In the case of a savings and loan holding company, purchasing, holding, or disposing of stock acquired in connection with a qualified stock issuance if the purchase of such stock by such savings and loan holding company is approved by the Director pursuant to subsection (q)(1)(D).

"(3) CERTAIN LIMITATIONS ON ACTIVITIES NOT APPLICABLE TO CERTAIN HOLDING COMPANIES.—Notwithstanding paragraphs (4) and (6) of this subsection, the limitations contained in subparagraphs (B) and (C) of paragraph (1) shall not apply to any savings and loan holding company (or any subsidiary of such company) which controls—

"(A) only 1 savings association, if the savings association subsidiary of such company is a qualified thrift lender (as determined under subsection (m)); or

"(B) more than 1 savings association, if—

"(i) all, or all but 1, of the savings association subsidiaries of such company were initially acquired by the company or by an individual who would be deemed to control such company if such individual were a company—

"(I) pursuant to an acquisition under section 13(c) or 13(k) of the Federal Deposit Insurance Act or section 408(m) of the National Housing Act; or

"(II) pursuant to an acquisition in which assistance was continued to a savings association under section 13(i) of the Federal Deposit Insurance Act; and

"(ii) all of the savings association subsidiaries of such company are qualified thrift lenders (as determined under subsection (m)).

"(4) PRIOR APPROVAL OF CERTAIN NEW ACTIVITIES REQUIRED.—

"(A) IN GENERAL.—No savings and loan holding company and no subsidiary which is not a savings association shall commence, either de novo or by an acquisition (in whole or in part) of a going concern, any activity described in paragraph (2)(F)(i) of this subsection without the prior approval of the Director.

"(B) FACTORS TO BE CONSIDERED BY DIRECTOR.—In considering any application under subparagraph (A) by any savings and loan holding company or any subsidiary of any such company which is not a savings association, the Director shall consider—

"(i) whether the performance of the activity described in such application by the company or the subsidiary can reasonably be expected to produce benefits to the public (such as greater convenience, increased competition, or gains in efficiency) that outweigh possible adverse effects of such activity (such as undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound financial practices);

"(ii) the managerial resources of the companies involved; and

"(iii) the adequacy of the financial resources, including capital, of the companies involved.

"(C) DIRECTOR MAY DIFFERENTIATE BETWEEN NEW AND ONGOING ACTIVITIES.—In prescribing any regulation or considering any application under this paragraph, the Director may differentiate between activities commenced de novo and activities commenced by the ac-

quisition, in whole or in part, of a going concern.

"(D) APPROVAL OR DISAPPROVAL BY ORDER.—The approval or disapproval of any application under this paragraph by the Director shall be made in an order issued by the Director containing the reasons for such approval or disapproval.

"(5) GRACE PERIOD TO ACHIEVE COMPLIANCE.—If any savings association referred to in paragraph (3) fails to maintain the status of such association as a qualified thrift lender, the Director may allow, for good cause shown, any company that controls such association (or any subsidiary of such company which is not a savings association) up to 3 years to comply with the limitations contained in paragraph (1)(C).

"(6) SPECIAL PROVISIONS RELATING TO CERTAIN COMPANIES AFFECTED BY 1987 AMENDMENTS.—

"(A) EXCEPTION TO 2-YEAR GRACE PERIOD FOR ACHIEVING COMPLIANCE.—Notwithstanding paragraph (1)(C), any company which received approval under subsection (e) of this section to acquire control of a savings association between March 5, 1987, and August 10, 1987, shall not continue any business activity other than an activity described in paragraph (2) after August 10, 1987.

"(B) EXEMPTION FOR ACTIVITIES LAWFULLY ENGAGED IN BEFORE MARCH 5, 1987.—Notwithstanding paragraph (1)(C) and subject to subparagraphs (C) and (D), any savings and loan holding company which received approval, before March 5, 1987, under subsection (e) of this section to acquire control of a savings association may engage, directly or through any subsidiary (other than a savings association subsidiary of such company), in any activity in which such company or such subsidiary was lawfully engaged on such date.

"(C) TERMINATION OF SUBPARAGRAPH (B) EXEMPTION.—The exemption provided under subparagraph (B) for activities engaged in by any savings and loan holding company or a subsidiary of such company (which is not a savings association) which would otherwise be prohibited under paragraph (1)(C) shall terminate with respect to such activities of such company or subsidiary upon the occurrence (after August 10, 1987) of any of the following:

"(i) The savings and loan holding company acquires control of a bank or an additional savings association (other than a savings association acquired pursuant to section 13(c) or 13(k) of the Federal Deposit Insurance Act or section 406(f) or 408(m) of the National Housing Act).

"(ii) Any savings association subsidiary of the savings and loan holding company fails to qualify as a domestic building and loan association under section 7701(a)(19) of the Internal Revenue Code of 1986.

"(iii) The savings and loan holding company engages in any business activity—

"(I) which is not described in paragraph (2); and

"(II) in which it was not engaged on March 5, 1987.

"(iv) Any savings association subsidiary of the savings and loan holding company increases the number of locations from which such savings association conducts business after March 5, 1987 (other than an increase which occurs in connection with a transaction under section 13(c) or (k) of the Federal Deposit Insurance Act or section 408(m) of the National Housing Act.

"(v) Any savings association subsidiary of the savings and loan holding company permits any overdraft (including an intraday overdraft), or incurs any such overdraft in its account at a Federal Reserve bank, on behalf of an affiliate, unless such overdraft is the result of an inadvertent computer or accounting error that is beyond the control of both the savings association subsidiary and the affiliate.

"(D) ORDER BY DIRECTOR TO TERMINATE SUBPARAGRAPH (B) ACTIVITY.—Any activity described in subparagraph (B) may also be terminated by the Director, after opportunity for hearing, if the Director determines, having due regard for the purposes of this title, that such action is necessary to prevent conflicts of interest or unsound practices or is in the public interest.

"(7) FOREIGN SAVINGS AND LOAN HOLDING COMPANY.—Notwithstanding any other provision of this section, any savings and loan holding company organized under the laws of a foreign country as of June 1, 1984 (including any subsidiary thereof which is not a savings association), which controls a single savings association on August 10, 1987, shall not be subject to this subsection with respect to any activities of such holding company which are conducted exclusively in a foreign country.

"(8) EXEMPTION FOR BANK HOLDING COMPANIES.—Except for paragraph (1)(A), this subsection shall not apply to any company that is treated as a bank holding company for purposes of section 4 of the Bank Holding Company Act of 1956, or any of its subsidiaries.

"(d) TRANSACTIONS WITH AFFILIATES.—Transactions between any subsidiary savings association of a savings and loan holding company and any affiliate (of such savings association subsidiary) shall be subject to the limitations and prohibitions specified in section 11 of this Act.

"(e) ACQUISITIONS.—

"(1) IN GENERAL.—It shall be unlawful for—

"(A) any savings and loan holding company directly or indirectly, or through one or more subsidiaries or through one or more transactions—

"(i) to acquire, except with the prior written approval of the Director, the control of a savings association or a savings and loan holding company, or to retain the control of such an association or holding company acquired or retained in violation of this section as heretofore or hereafter in effect;

"(ii) to acquire, except with the prior written approval of the Director, by the process of merger, consolidation, or purchase of assets, another savings association or a savings and loan holding company, or all or substantially all of the assets of any such association or holding company;

"(iii) to acquire, by purchase or otherwise, or to retain more than 5 percent of the voting shares of a savings association not a subsidiary, or of a savings and loan holding company not a subsidiary, or in the case of a multiple savings and loan holding company (other than a company described in subsection (c)(8)), to so acquire or retain more than 5 percent of the voting shares of any company not a subsidiary which is engaged in any business activity other than the activities specified in subsection (c)(2). This clause shall not apply to shares of a savings association or of a savings and loan holding company—

"(I) held as a bona fide fiduciary (whether with or without the sole discretion to vote such shares);

"(II) held temporarily pursuant to an underwriting commitment in the normal course of an underwriting business;

"(III) held in an account solely for trading purposes;

"(IV) over which no control is held other than control of voting rights acquired in the normal course of a proxy solicitation;

"(V) acquired in securing or collecting a debt previously contracted in good faith, during the 2-year period beginning on the date of such acquisition or for such additional time (not exceeding 3 years) as the Director may permit if the Director determines that such an extension will not be detrimental to the public interest;

"(VI) acquired under section 408(m) of the National Housing Act or section 13(k) of the Federal Deposit Insurance Act;

"(VII) held by any insurance company, as defined in section 2(a)(17) of the Investment Company Act of 1940, except as provided in paragraph (6);

"(VIII) acquired pursuant to a qualified stock issuance if such purchase is approved by the Director under subsection (q)(1)(D);

except that the aggregate amount of shares held under this clause (other than under subclauses (I), (II), (III), (IV), and (VI)) may not exceed 15 percent of all outstanding shares or of the voting power of a savings association or savings and loan holding company; or

"(iv) to acquire the control of an uninsured institution, or to retain for more than one year after February 14, 1968, or from the date on which such control was acquired, whichever is later, except that the Director may upon application by such company extend such one-year period from year to year, for an additional period not exceeding 3 years, if the Director finds such extension is warranted and is not detrimental to the public interest;

"(B) any other company, without the prior written approval of the Director, directly or indirectly, or through one or more subsidiaries or through one or more transactions, to acquire the control of one or more savings associations, except that such approval shall not be required in connection with the control of a savings association, (i) acquired by devise under the terms of a will creating a trust which is excluded from the definition of 'savings and loan holding company' under subsection (a) of this section, or (ii) acquired in connection with a reorganization in which a person or group of persons, having had control of a savings association for more than 3 years, vests control of that association in a newly formed holding company subject to the control of the same person or group of persons. The Director shall approve an acquisition of a savings association under this subparagraph unless the Director finds the financial and managerial resources and future prospects of the company and association involved to be such that the acquisition would be detrimental to the association or the insurance risk of the Savings Association Insurance Fund or Bank Insurance Fund, and shall render a decision within 90 days after submission to the Director of the complete record on the application.

"(2) FACTORS TO BE CONSIDERED.—The Director shall not approve any acquisition under subparagraph (A)(i) or (A)(ii), or of more than one savings association under subparagraph (B) of paragraph (1) of this subsection, any acquisition of stock in connection with a qualified stock issuance, any acquisition under paragraph (4)(A), or any transaction under section 13(k) of the Federal Deposit Insurance Act, except in accordance with this paragraph. In every case, the

Director shall take into consideration the financial and managerial resources and future prospects of the company and association involved, the effect of the acquisition on the association, the insurance risk to the Savings Association Insurance Fund or the Bank Insurance Fund, and the convenience and needs of the community to be served, and shall render a decision within 90 days after submission to the Director of the complete record on the application. Before approving any such acquisition, except a transaction under section 13(k) of the Federal Deposit Insurance Act, the Director shall request from the Attorney General and consider any report rendered within 30 days on the competitive factors involved. The Director shall not approve any proposed acquisition—

"(A) which would result in a monopoly, or which would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the savings and loan business in any part of the United States, or

"(B) the effect of which in any section of the country may be substantially to lessen competition, or tend to create a monopoly, or which in any other manner would be in restraint of trade, unless it finds that the anticompetitive effects of the proposed acquisition are clearly outweighed in the public interest by the probable effect of the acquisition in meeting the convenience and needs of the community to be served.

"(3) INTERSTATE ACQUISITIONS.—No acquisition shall be approved by the Director under this subsection which will result in the formation by any company, through one or more subsidiaries or through one or more transactions, of a multiple savings and loan holding company controlling savings associations in more than one State, unless—

"(A) such company, or a savings association subsidiary of such company, is authorized to acquire control of a savings association subsidiary, or to operate a home or branch office, in the additional State or States pursuant to section 13(k) of the Federal Deposit Insurance Act;

"(B) such company controls a savings association subsidiary which operated a home or branch office in the additional State or States as of March 5, 1987; or

"(C) the statutes of the State in which the savings association to be acquired is located permit a savings association chartered by such State to be acquired by a savings association chartered by the State where the acquiring savings association or savings and loan holding company is located or by a holding company that controls such a State chartered savings association, and such statutes specifically authorize such an acquisition by language to that effect and not merely by implication.

"(4) ACQUISITIONS BY CERTAIN INDIVIDUALS.—

"(A) IN GENERAL.—Notwithstanding subsection (h)(2), any director or officer of a savings and loan holding company, or any individual who owns, controls, or holds with power to vote (or holds proxies representing) more than 25 percent of the voting shares of such holding company, may acquire control of any savings association not a subsidiary of such savings and loan holding company with the prior written approval of the Director.

"(B) TREATMENT OF CERTAIN HOLDING COMPANIES.—If any individual referred to in subparagraph (A) controls more than 1 savings and loan holding company or more than 1 savings association, any savings and loan holding company controlled by such individual shall be subject to the activities limitations contained in subsection (c) to the same extent such limitations apply to multiple savings and loan holding companies, unless all or all but 1 of the savings associations (including any institution deemed to be a savings association under subsection (1) of this section) controlled directly or indirectly by such individual was acquired pursuant to an acquisition described in subclause (I) or (II) of subsection (c)(3)(B)(i).

"(5) ACQUISITIONS PURSUANT TO CERTAIN SECURITY INTERESTS.—This subsection and subsection (c)(2) of this section do not apply to any savings and loan holding company which acquired the control of a savings association or of a savings and loan holding company pursuant to a pledge or hypothecation to secure a loan, or in connection with the liquidation of a loan, made in the ordinary course of business. It shall be unlawful for any such company to retain such control for more than one year after February 14, 1968, or from the date on which such control was acquired, whichever is later, except that the Director may upon application by such company extend such one-year period from year to year, for an additional period not exceeding 3 years, if the Director finds such extension is warranted and would not be detrimental to the public interest.

"(6) SHARES HELD BY INSURANCE AFFILIATES.—Shares described in clause (iii)(VII) of paragraph (1)(A) shall not be excluded for purposes of clause (iii) of such paragraph if—

"(A) all shares held under such clause (iii)(VII) by all insurance company affiliates of such savings association or savings and loan holding company in the aggregate exceed 5 percent of all outstanding shares or of the voting power of the savings association or savings and loan holding company; or

"(B) such shares are acquired or retained with a view to acquiring, exercising, or transferring control of the savings association or savings and loan holding company.

"(f) DECLARATION OF DIVIDEND.—Every subsidiary savings association of a savings and loan holding company shall give the Director not less than 30 days' advance notice of the proposed declaration by its directors of any dividend on its guaranty, permanent, or other nonwithdrawable stock. Such notice period shall commence to run from the date of receipt of such notice by the Director. Any such dividend declared within such period, or without the giving of such notice to the Director, shall be invalid and shall confer no rights or benefits upon the holder of any such stock.

"(g) ADMINISTRATION AND ENFORCEMENT.—

"(1) IN GENERAL.—The Director is authorized to issue such regulations and orders as the Director deems necessary or appropriate to enable the Director to administer and carry out the purposes of this section, and to require compliance therewith and prevent evasions thereof.

"(2) INVESTIGATIONS.—The Director may make such investigations as the Director deems necessary or appropriate to determine whether the provisions of this section, and regulations and orders thereunder, are being and have been complied with by savings and loan holding companies and subsidiaries and affiliates thereof. For the purpose of any investigation under this section, the Director may administer oaths and affirmations, issue subpenas, take evidence, and require the production of any books, papers, correspondence, memorandums, or other records which may be relevant or material to the inquiry. The attendance of witnesses and the production of any such records may be required from any place in any State. The Director may apply to the United States district court for the judicial district (or the United States court in any territory) in which any witness or company subpenaed resides or carries on business, for enforcement of any subpena issued pursuant to this paragraph, and such courts shall have jurisdiction and power to order and require compliance.

"(3) PROCEEDINGS.—(A) In any proceeding under subsection (a)(2)(D) or under paragraph (5) of this section, the Director may administer oaths and affirmations, take or cause to be taken depositions, and issue subpenas. The Director may make regulations with respect to any such proceedings. The attendance of witnesses and the production of documents provided for in this paragraph may be required from any place in any State or in any territory at any designated place where such proceeding is being conducted. Any party to such proceedings may apply to the United States District Court for the District of Columbia, or the United States district court for the judicial district or the United States court in any territory in which such proceeding is being conducted, or where the witness resides or carries on business, for enforcement of any subpena issued pursuant to this paragraph, and such courts shall have jurisdiction and power to order and require compliance therewith. Witnesses subpenaed under this section shall be paid the same fees and mileage that are paid witnesses in the district courts of the United States.

"(B) Any hearing provided for in subsection (a)(2)(D) or under paragraph (5) of this section shall be held in the Federal judicial district or in the territory in which the principal office of the association or other company is located unless the party afforded the hearing consents to another place, and shall be conducted in accordance with the provisions of chapter 5 of title 5, United States Code.

"(4) INJUNCTIONS.—Whenever it appears to the Director that any person is engaged or has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of the provisions of this section or of any regulation or order thereunder, the Director may bring an action in the proper United States district court, or the United States court of any territory or other place subject to the jurisdiction of the United States, to enjoin such acts or practices, to enforce compliance with this section or any regulation or order, or to require the divestiture of any acquisition in violation of this section, or for any combination of the foregoing, and such courts shall have jurisdiction of such actions. Upon a proper showing an injunction, decree, restraining order, order of divestiture, or other appropriate order shall be granted without bond.

"(5) CEASE AND DESIST ORDERS.—(A) Notwithstanding any other provision of this section, the Director may, whenever the Director has reasonable cause to believe that the continuation by a savings and loan holding company of any activity or of ownership or control of any of its noninsured subsidiaries constitutes a serious risk to the financial safety, soundness, or stability of a savings and loan holding company's subsidiary savings association and is inconsistent with the sound operation of a savings association or with the purposes of this section or section 8 of the Federal Deposit Insurance Act, order the savings and loan holding company or any of its subsidiaries, after due

notice and opportunity for hearing, to terminate such activities or to terminate (within 120 days or such longer period as the Director directs in unusual circumstances) its ownership or control of any such noninsured subsidiary either by sale or by distribution of the shares of the subsidiary to the shareholders of the savings and loan holding company. Such distribution shall be pro rata with respect to all of the shareholders of the distributing savings and loan holding company, and the holding company shall not make any charge to its shareholders arising out of such a distribution.

"(B) The Director may in the Director's discretion apply to the United States district court within the jurisdiction of which the principal office of the company is located, for the enforcement of any effective and outstanding order issued under this section, and such court shall have jurisdiction and power to order and require compliance therewith. Except as provided in subsection (j), no court shall have jurisdiction to affect by injunction or otherwise the issuance or enforcement of any notice or order under this section, or to review, modify, suspend, terminate, or set aside any such notice or order.

"(h) PROHIBITED ACTS.—It shall be unlawful for—

"(1) any savings and loan holding company or subsidiary thereof, or any director, officer, employee, or person owning, controlling, or holding with power to vote, or holding proxies representing, more than 25 percent of the voting shares, of such holding company or subsidiary, to hold, solicit, or exercise any proxies in respect of any voting rights in a savings association which is a mutual association;

"(2) any director or officer of a savings and loan holding company, or any individual who owns, controls, or holds with power to vote (or holds proxies representing) more than 25 percent of the voting shares of such holding company, to acquire control of any savings association not a subsidiary of such savings and loan holding company, unless such acquisition is approved by the Director pursuant to subsection (e)(4); or

"(3) any individual, except with the prior approval of the Director, to serve or act as a director, officer, or trustee of, or become a partner in, any savings and loan holding company after having been convicted of any criminal offense involving dishonesty or breach of trust.

"(i) PENALTIES.—

"(1) CRIMINAL PENALTIES.—(A) Whoever knowingly violates any provision of this section, and any company which violates any regulation or order issued by the Director pursuant thereto, shall be fined not more than $100,000 per day for each day during which the violation continues.

"(B) Any individual who knowingly violates any provision of this section shall be fined not more than $100,000 per day for each day during which the violation continues, imprisoned not more than 1 year, or both.

"(C) Whoever knowingly violates any provision of this section with intent to deceive, to defraud, or to profit significantly shall be fined not more than $1,000,000 per day for each day during which the violation continues, imprisoned not more than 5 years, or both.

"(2) FALSE ENTRIES.—Every director, officer, partner, trustee, agent, or employee of a savings and loan holding company shall be subject to the same penalties for false entries in any book, report, or statement of such savings and loan holding company as are applicable to officers, agents, and employees of a savings association the accounts of which are insured by the Corporation for false entries in any books, reports, or statements of such association under section 1006 of title 18, United States Code.

"(3) CIVIL MONEY PENALTY.—

"(A) PENALTY.—Any company which violates, and any person who participates in a violation of, any provision of this section, or any regulation or order issued pursuant thereto, shall forfeit and pay a civil penalty of not more than $25,000 for each day during which such violation continues.

"(B) ASSESSMENT.—Any penalty imposed under subparagraph (A) may be assessed and collected by the Director in the manner provided in subparagraphs (E), (F), (G), and (I) of section 8(i)(2) of the Federal Deposit Insurance Act for penalties imposed (under such section) and any such assessment shall be subject to the provisions of such section.

"(C) HEARING.—The company or other person against whom any civil penalty is assessed under this paragraph shall be afforded a hearing if such company or person submits a request for such hearing within 20 days after the issuance of the notice of assessment. Section 8(h) of the Federal Deposit Insurance Act shall apply to any proceeding under this paragraph.

"(D) DISBURSEMENT.—All penalties collected under authority of this paragraph shall be deposited into the Treasury.

"(E) VIOLATE DEFINED.—For purposes of this section, the term 'violate' includes any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.

"(F) REGULATIONS.—The Director shall prescribe regulations establishing such procedures as may be necessary to carry out this paragraph.

"(4) NOTICE UNDER THIS SECTION AFTER SEPARATION FROM SERVICE.—The resignation, termination of employment or participation, or separation of an institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to a savings and loan holding company or subsidiary thereof (including a separation caused by the deregistration of such a company or such a subsidiary) shall not affect the jurisdiction and authority of the Director to issue any notice and proceed under this section against any such party, if such notice is served before the end of the 6-year period beginning on the date such party ceased to be such a party with respect to such holding company or its subsidiary (whether such date occurs before, on, or after the date of the enactment of this paragraph).

"(j) JUDICIAL REVIEW.—Any party aggrieved by an order of the Director under this section may obtain a review of such order by filing in the court of appeals of the United States for the circuit in which the principal office of such party is located, or in the United States Court of Appeals for the District of Columbia Circuit, within 30 days after the date of service of such order, a written petition praying that the order of the Director be modified, terminated, or set aside. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Director, and thereupon the Director shall file in the court the record in the proceeding, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, such court shall have jurisdiction, which upon the filing of the record shall be exclusive, to affirm, modify, terminate, or set aside, in whole or in part, the order of the Director. Review of such proceedings shall be had as provided in chapter 7 of title 5, United States Code. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari as provided in section 1254 of title 28, United States Code.

"(k) SAVINGS CLAUSE.—Nothing contained in this section, other than any transaction approved under subsection (e)(2) of this section or section 13 of the Federal Deposit Insurance Act, shall be interpreted or construed as approving any act, action, or conduct which is or has been or may be in violation of existing law, nor shall anything herein contained constitute a defense to any action, suit, or proceeding pending or hereafter instituted on account of any act, action, or conduct in violation of the antitrust laws.

"(l) TREATMENT OF FDIC INSURED STATE SAVINGS BANKS AND COOPERATIVE BANKS AS SAVINGS ASSOCIATIONS.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, a savings bank (as defined in section 3(g) of the Federal Deposit Insurance Act) and a cooperative bank that is an insured bank (as defined in section 3(h) of the Federal Deposit Insurance Act) upon application shall be deemed to be a savings association for the purpose of this section, if the Director determines that such bank is a qualified thrift lender (as determined under subsection (m)).

"(2) FAILURE TO MAINTAIN QUALIFIED THRIFT LENDER STATUS.—If any savings bank which is deemed to be a savings association under paragraph (1) subsequently fails to maintain its status as a qualified thrift lender, as determined by the Director, such bank may not thereafter be a qualified thrift lender for a period of 5 years.

"(m) QUALIFIED THRIFT LENDER TEST.—

"(1) IN GENERAL.—Except as provided in paragraphs (2) and (6), any savings association shall have the status of a qualified thrift lender if—

"(A) the qualified thrift investments of such savings association equal or exceed 60 percent of the total tangible assets of such association; and

"(B) the qualified thrift investments of such savings association continue to equal or exceed 60 percent of the total tangible assets of such association on an average basis in 3 out of every 4 quarters and 2 out of every 3 years.

"(2) EXCEPTIONS GRANTED BY DIRECTOR.—Notwithstanding paragraph (1), the Director may grant such temporary and limited exceptions from the minimum actual thrift investment percentage requirement contained in such paragraph as the Director deems necessary if—

"(A) the Director determines that extraordinary circumstances exist, such as when the effects of high interest rates reduce mortgage demand to such a degree that an insufficient opportunity exists for a savings association to meet such investment requirements; or

"(B) the Director determines that—

"(i) the grant of any such exception will significantly facilitate an acquisition under section 13(c) or 13(k) of the Federal Deposit Insurance Act;

"(ii) the acquired association will comply with the transition requirements of paragraph (6)(B), as if the date of the exemption were the starting date for the transition period described in that paragraph; and

"(iii) the Director determines that the exemption will not have an undue adverse effect on competing savings associations in the relevant market and will further the purposes of this subsection.

"(3) FAILURE TO BECOME AND REMAIN A QUALIFIED THRIFT LENDER.—

"(A) IN GENERAL.—Except as provided in subparagraph (D), a savings association that fails to become or remain a qualified thrift lender shall either become one or more banks (other than a savings bank), or be subject to subparagraph (B).

"(B) RESTRICTIONS APPLICABLE TO SAVINGS ASSOCIATIONS THAT ARE NOT QUALIFIED THRIFT LENDERS.—

"(i) RESTRICTIONS EFFECTIVE IMMEDIATELY.—The following restrictions shall apply immediately to a savings association after the date on which the savings association should have become or ceases to be a qualified thrift lender:

"(I) ACTIVITIES.—The savings association shall not make any new investment (including an investment in a subsidiary) or engage, directly or indirectly, in any other new activity unless that investment or activity would be permissible for the savings association if it were a national bank, and is also permissible for the savings association as a savings association.

"(II) BRANCHING.—The savings association shall not establish any new branch office at any location at which a national bank located in the savings association's home State may not establish a branch office. For purposes of this subclause, a savings association's home State is the State in which the savings association's total deposits were largest on the date on which the savings association should have become or ceased to be a qualified thrift lender.

"(III) ADVANCES.—The savings association shall not be eligible to obtain new advances from any Federal home loan bank.

"(IV) DIVIDENDS.—The savings association shall be subject to all statutes and regulations governing the payment of dividends by a national bank in the same manner and to the same extent as if the savings association were a national bank.

"(ii) ADDITIONAL RESTRICTIONS EFFECTIVE AFTER THREE YEARS.—The following additional restrictions shall apply to a savings association beginning 3 years after the date on which the savings association should have become or ceases to be a qualified thrift lender:

"(I) ACTIVITIES.—The savings association shall not retain any investment (including an investment in any subsidiary) or engage, directly or indirectly, in any activity unless that investment or activity would be permissible for the savings association if it were a national bank, and is also permissible for the savings association as a savings association.

"(II) ADVANCES.—The savings association shall repay any outstanding advances from any Federal home loan bank as promptly as can be prudently done consistent with the safe and sound operation of the savings association.

"(C) HOLDING COMPANY REGULATION.—Any company that controls a savings association that is subject to any provision of subparagraph (B) shall, within one year after the date on which the savings association should have become or ceases to be a qualified thrift lender, register as and be deemed to be a bank holding company subject to all of the provisions of the Bank Holding Company Act of 1956, section 8 of the Federal Deposit Insurance Act, and other statutes applicable to bank holding companies, in the same manner and to the same extent as if the company were a bank holding company and the savings association were a bank, as those terms are defined in the Bank Holding Company Act of 1956.

"(D) REQUALIFICATION.—A savings association that should have become or ceases to be a qualified thrift lender shall not be subject to subparagraph (B) or (C) if the savings association becomes a qualified thrift lender by meeting the qualified thrift lender requirement in paragraph (1) on an average basis in 3 out of every 4 quarters and 2 out of every 3 years and thereafter remains a qualified thrift lender. If the savings association (or any savings association that acquired all or substantially all of its assets from that savings association) at any time thereafter ceases to be a qualified thrift lender, it shall immediately be subject to all provisions of subparagraphs (B) and (C) as if all the periods described in subparagraphs (B)(ii) and (C) had expired.

"(E) DEPOSIT INSURANCE ASSESSMENTS.—Any bank chartered as a result of the requirements of this section shall be obligated until December 31, 1993, to pay to the Savings Association Insurance Fund the assessments assessed on savings associations under the Federal Deposit Insurance Act. Such association shall also be assessed, on the date of its change of status from a Savings Association Insurance Fund member, the exit fee and entrance fee provided in section 5(d) of the Federal Deposit Insurance Act. Such institution shall not be obligated to pay the assessments assessed on banks under the Federal Deposit Insurance Act until—

"(i) December 31, 1993, or

"(ii) the institution's change of status from a Savings Association Insurance fund member to a Bank Insurance Fund member, whichever is later.

"(F) SPECIAL RULE.—This paragraph shall not apply to savings associations headquartered and operating primarily in Puerto Rico or the Virgin Islands.

"(G) NO CIRCUMVENTION OF EXIT MORATORIUM.—Subparagraph (A) of this paragraph shall not be construed as permitting any insured depository institution to engage in any conversion transaction prohibited under section 5(d) of the Federal Deposit Insurance Act.

"(H) EFFECTIVE DATE.—This paragraph shall take effect upon the expiration of 1 year after the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

"(4) DEFINITIONS.—For purposes of this subsection—

"(A) ACTUAL THRIFT INVESTMENT PERCENTAGE.—The term 'actual thrift investment percentage' means the percentage determined by dividing—

"(i) the amount of the qualified thrift investments of a savings association, by

"(ii) the total amount of tangible assets of such savings association.

"(B) QUALIFIED THRIFT INVESTMENTS.—The term 'qualified thrift investments' means, with respect to any savings association, the sum of—

"(i) the aggregate amount of loans, equity positions, or securities held by the savings association (or any subsidiary of such association) which are related to domestic residential real estate or manufactured housing;

"(ii) the value of property used by such association or subsidiary in the conduct of the business of such association or subsidiary;

"(iii) subject to paragraph (5), the liquid assets of the type required to be maintained under this Act; and

"(iv) subject to paragraph (5), 50 percent of the dollar amount of the residential mortgage loans originated by such savings association or subsidiary and sold within 90 days of origination.

"(5) LIMITATION ON TREATMENT OF CERTAIN ASSETS AS THRIFT INVESTMENTS.—The aggregate amount of the assets described in clauses (iii) and (iv) of paragraph (4)(B) which may be taken into account in determining the amount of the qualified thrift investments of any savings association shall not exceed the amount which is equal to 10 percent of the tangible assets of such association.

"(6) TRANSITIONAL RULE FOR CERTAIN SAVINGS ASSOCIATIONS.—

"(A) IN GENERAL.—If any Federal savings association in existence as a Federal savings association on the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989—

"(i) that was chartered as a savings bank or a cooperative bank under State law before October 15, 1982; or

"(ii) that acquired its principal assets from an association that was chartered before October 15, 1982, as a savings bank or a cooperative bank under State law,

meets the requirements of subparagraph (B), such savings association shall be treated as a qualified thrift lender during the 6-year period beginning on August 10, 1989.

"(B) SUBPARAGRAPH (B) REQUIREMENTS.—A savings association meets the requirements of this subparagraph if, in the determination of the Director—

"(i) the actual thrift investment percentage of such association does not, after the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, decrease below the actual thrift investment percentage of such association on July 15, 1989; and

"(ii) the amount by which—

"(I) the actual thrift investment percentage of such association at the end of each period described in the following table, exceeds

"(II) the actual thrift investment percentage of such association on July 15, 1989,

is equal to or greater than the applicable percentage (as determined under the following table) of the amount by which 70 percent exceeds the actual thrift investment percentage of such association on such date of enactment:

"For the following period:	The applicable percentage is:
Prior to July 1, 1991	25 percent
July 1, 1991–December 31, 1992	50 percent
January 1, 1993–June 30, 1994	75 percent
Thereafter	100 percent

"(C) For purposes of this paragraph, the actual thrift investment percentage of an association on July 15, 1989, shall be determined by applying the definition of 'actual thrift investment percentage' that takes effect on July 1, 1991.

"(n) TYING RESTRICTIONS.—A savings and loan holding company and any of its affiliates shall be subject to section 5(q) and regulations prescribed under such section, in connection with transactions involving the products or services of such company or affiliate and those of an affiliated savings association as if such company or affiliate were a savings association.

"(o) MUTUAL HOLDING COMPANIES.—

"(1) IN GENERAL.—A savings association operating in mutual form may reorganize so as to become a holding company by—

"(A) chartering an interim savings association, the stock of which is to be wholly

owned, except as otherwise provided in this section, by the mutual association; and

"(B) transferring the substantial part of its assets and liabilities, including all of its insured liabilities, to the interim savings association.

"(2) DIRECTORS AND CERTAIN ACCOUNT HOLDERS' APPROVAL OF PLAN REQUIRED.—A reorganization is not authorized under this subsection unless—

"(A) a plan providing for such reorganization has been approved by a majority of the board of directors of the mutual savings association; and

"(B) in the case of an association in which holders of accounts and obligors exercise voting rights, such plan has been submitted to and approved by a majority of such individuals at a meeting held at the call of the directors in accordance with the procedures prescribed by the association's charter and bylaws.

"(3) NOTICE TO THE DIRECTOR; DISAPPROVAL PERIOD.—

"(A) NOTICE REQUIRED.—At least 60 days prior to taking any action described in paragraph (1), a savings association seeking to establish a mutual holding company shall provide written notice to the Director. The notice shall contain such relevant information as the Director shall require by regulation or by specific request in connection with any particular notice.

"(B) TRANSACTION ALLOWED IF NOT DISAPPROVED.—Unless the Director within such 60-day notice period disapproves the proposed holding company formation, or extends for another 30 days the period during which such disapproval may be issued, the savings association providing such notice may proceed with the transaction, if the requirements of paragraph (2) have been met.

"(C) GROUNDS FOR DISAPPROVAL.—The Director may disapprove any proposed holding company formation only if—

"(i) such disapproval is necessary to prevent unsafe or unsound practices;

"(ii) the financial or management resources of the savings association involved warrant disapproval;

"(iii) the savings association fails to furnish the information required under subparagraph (A); or

"(iv) the savings association fails to comply with the requirement of paragraph (2).

"(D) RETENTION OF CAPITAL ASSETS.—In connection with the transaction described in paragraph (1), a savings association may, subject to the approval of the Director, retain capital assets at the holding company level to the extent that such capital exceeds the association's capital requirement established by the Director pursuant to sections 5 (s) and (t) of this Act.

"(4) OWNERSHIP.—

"(A) IN GENERAL.—Persons having ownership rights in the mutual association pursuant to section 5(b)(1)(B) of this Act or State law shall have the same ownership rights with respect to the mutual holding company.

"(B) HOLDERS OF CERTAIN ACCOUNTS.—Holders of savings, demand or other accounts of—

"(i) a savings association chartered as part of a transaction described in paragraph (1); or

"(ii) a mutual savings association acquired pursuant to paragraph (5)(B),

shall have the same ownership rights with respect to the mutual holding company as persons described in subparagraph (A) of this paragraph.

"(5) PERMITTED ACTIVITIES.—A mutual holding company may engage only in the following activities:

"(A) Investing in the stock of a savings association.

"(B) Acquiring a mutual association through the merger of such association into a savings association subsidiary of such holding company or an interim savings association subsidiary of such holding company.

"(C) Subject to paragraph (6), merging with or acquiring another holding company, one of whose subsidiaries is a savings association.

"(D) Investing in a corporation the capital stock of which is available for purchase by a savings association under Federal law or under the law of any State where the subsidiary savings association or associations have their home offices.

"(E) Engaging in the activities described in subsection (c)(2), except subparagraph (B).

"(6) LIMITATIONS ON CERTAIN ACTIVITIES OF ACQUIRED HOLDING COMPANIES.—

"(A) NEW ACTIVITIES.—If a mutual holding company acquires or merges with another holding company under paragraph (5)(C), the holding company acquired or the holding company resulting from such merger or acquisition may only invest in assets and engage in activities which are authorized under paragraph (5).

"(B) GRACE PERIOD FOR DIVESTING PROHIBITED ASSETS OR DISCONTINUING PROHIBITED ACTIVITIES.—Not later than 2 years following a merger or acquisition described in paragraph (5)(C), the acquired holding company or the holding company resulting from such merger or acquisition shall—

"(i) dispose of any asset which is an asset in which a mutual holding company may not invest under paragraph (5); and

"(ii) cease any activity which is an activity in which a mutual holding company may not engage under paragraph (5).

"(7) REGULATION.—A mutual holding company shall be chartered by the Director and shall be subject to such regulations as the Director may prescribe. Unless the context otherwise requires, a mutual holding company shall be subject to the other requirements of this section regarding regulation of holding companies.

"(8) CAPITAL IMPROVEMENT.—

"(A) PLEDGE OF STOCK OF SAVINGS ASSOCIATION SUBSIDIARY.—This section shall not prohibit a mutual holding company from pledging all or a portion of the stock of a savings association chartered as part of a transaction described in paragraph (1) to raise capital for such savings association.

"(B) ISSUANCE OF NONVOTING SHARES.—This section shall not prohibit a savings association chartered as part of a transaction described in paragraph (1) from issuing any nonvoting shares or less than 50 percent of the voting shares of such association to any person other than the mutual holding company.

"(9) INSOLVENCY AND LIQUIDATION.—

"(A) IN GENERAL.—Notwithstanding any provision of law, upon—

"(i) the default of any savings association—

"(I) the stock of which is owned by any mutual holding company; and

"(II) which was chartered in a transaction described in paragraph (1);

"(ii) the default of a mutual holding company; or

"(iii) a foreclosure on a pledge by a mutual holding company described in paragraph (8)(A),

a trustee shall be appointed receiver of such mutual holding company and such trustee shall have the authority to liquidate the assets of, and satisfy the liabilities of, such mutual holding company pursuant to title 11, United States Code.

"(B) DISTRIBUTION OF NET PROCEEDS.—Except as provided in subparagraph (C), the net proceeds of any liquidation of any mutual holding company pursuant to subparagraph (A) shall be transferred to persons who hold ownership interests in such mutual holding company.

"(C) RECOVERY BY CORPORATION.—If the Corporation incurs a loss as a result of the default of any savings association subsidiary of a mutual holding company which is liquidated pursuant to subparagraph (A), the Corporation shall succeed to the ownership interests of the depositors of such savings association in the mutual holding company, to the extent of the Corporation's loss.

"(10) DEFINITIONS.—For purposes of this subsection—

"(A) MUTUAL HOLDING COMPANY.—The term 'mutual holding company' means a corporation organized as a holding company under this subsection.

"(B) MUTUAL ASSOCIATION.—The term 'mutual association' means a savings association which is operating in mutual form.

"(C) DEFAULT.—The term 'default' means an adjudication or other official determination of a court of competent jurisdiction or other public authority pursuant to which a conservator, receiver, or other legal custodian is appointed.

"(p) HOLDING COMPANY ACTIVITIES CONSTITUTING SERIOUS RISK TO SUBSIDIARY SAVINGS ASSOCIATION.—

"(1) DETERMINATION AND IMPOSITION OF RESTRICTIONS.—If the Director determines that there is reasonable cause to believe that the continuation by a savings and loan holding company of any activity constitutes a serious risk to the financial safety, soundness, or stability of a savings and loan holding company's subsidiary savings association, the Director may impose such restrictions as the Director determines to be necessary to address such risk. Such restrictions shall be issued in the form of a directive to the holding company and any of its subsidiaries, limiting—

"(A) the payment of dividends by the savings association;

"(B) transactions between the savings association, the holding company, and the subsidiaries or affiliates of either; and

"(C) any activities of the savings association that might create a serious risk that the liabilities of the holding company and its other affiliates may be imposed on the savings association.

Such directive shall be effective as a cease and desist order that has become final.

"(2) REVIEW OF DIRECTIVE.—

"(A) ADMINISTRATIVE REVIEW.—After a directive referred to in paragraph (1) is issued, the savings and loan holding company, or any subsidiary of such holding company subject to the directive, may object and present in writing its reasons why the directive should be modified or rescinded. Unless within 10 days after receipt of such response the Director affirms, modifies, or rescinds the directive, such directive shall automatically lapse.

"(B) JUDICIAL REVIEW.—If the Director affirms or modifies a directive pursuant to subparagraph (A), any affected party may immediately thereafter petition the United States district court for the district in which

the savings and loan holding company has its main office or in the United States District Court for the District of Columbia to stay, modify, terminate or set aside the directive. Upon a showing of extraordinary cause, the savings and loan holding company, or any subsidiary of such holding company subject to a directive, may petition a United States district court for relief without first pursuing or exhausting the administrative remedies set forth in this paragraph.

"(q) QUALIFIED STOCK ISSUANCE BY UNDERCAPITALIZED SAVINGS ASSOCIATIONS OR HOLDING COMPANIES.—

"(1) IN GENERAL.—For purposes of this section, any issue of shares of stock shall be treated as a qualified stock issuance if the following conditions are met:

"(A) The shares of stock are issued by—

"(i) an undercapitalized savings association; or

"(ii) a savings and loan holding company which is not a bank holding company but which controls an undercapitalized savings association if, at the time of issuance, the savings and loan holding company is legally obligated to contribute the net proceeds from the issuance of such stock to the capital of an undercapitalized savings association subsidiary of such holding company.

"(B) All shares of stock issued consist of previously unissued stock or treasury shares.

"(C) All shares of stock issued are purchased by a savings and loan holding company that is registered, as of the date of purchase, with the Director in accordance with the provisions of subsection (b)(1) of this section.

"(D) Subject to paragraph (2), the Director approved the purchase of the shares of stock by the acquiring savings and loan holding company.

"(E) The entire consideration for the stock issued is paid in cash by the acquiring savings and loan holding company.

"(F) At the time of the stock issuance, each savings association subsidiary of the acquiring savings and loan holding company (other than an association acquired in a transaction pursuant to subsection (c) or (k) of section 13 of the Federal Deposit Insurance Act or section 408(m) of the National Housing Act) has capital (after deducting any subordinated debt, intangible assets, and deferred, unamortized gains or losses) of not less than 6½ percent of the total assets of such savings association.

"(G) Immediately after the stock issuance, the acquiring savings and loan holding company holds not more than 15 percent of the outstanding voting stock of the issuing undercapitalized savings association or savings and loan holding company.

"(H) Not more than one of the directors of the issuing association or company is an officer, director, employee, or other representative of the acquiring company or any of its affiliates.

"(I) Transactions between the savings association or savings and loan holding company that issues the shares pursuant to this section and the acquiring company and any of its affiliates shall be subject to the provisions of section 11.

"(2) APPROVAL OF ACQUISITIONS.—

"(A) ADDITIONAL CAPITAL COMMITMENTS NOT REQUIRED.—The Director shall not disapprove any application for the purchase of stock in connection with a qualified stock issuance on the grounds that the acquiring savings and loan holding company has failed to undertake to make subsequent additional capital contributions to maintain the capital of the undercapitalized savings association at or above the minimum level required by the Director or any other Federal agency having jurisdiction.

"(B) OTHER CONDITIONS.—Notwithstanding subsection (a)(4), the Director may impose such conditions on any approval of an application for the purchase of stock in connection with a qualified stock issuance as the Director determines to be appropriate, including—

"(i) a requirement that any savings association subsidiary of the acquiring savings and loan holding company limit dividends paid to such holding company for such period of time as the Director may require; and

"(ii) such other conditions as the Director deems necessary or appropriate to prevent evasions of this section.

"(C) APPLICATION DEEMED APPROVED IF NOT DISAPPROVED WITHIN 90 DAYS.—An application for approval of a purchase of stock in connection with a qualified stock issuance shall be deemed to have been approved by the Director if such application has not been disapproved by the Director before the end of the 90-day period beginning on the date such application has been deemed sufficient under regulations issued by the Director.

"(3) NO LIMITATION ON CLASS OF STOCK ISSUED.—The shares of stock issued in connection with a qualified stock issuance may be shares of any class.

"(4) UNDERCAPITALIZED SAVINGS ASSOCIATION DEFINED.—For purposes of this subsection, the term 'undercapitalized savings association' means any savings association—

"(A) the assets of which exceed the liabilities of such association; and

"(B) which does not comply with one or more of the capital standards in effect under section 5(t).

"(r) PENALTY FOR FAILURE TO PROVIDE TIMELY AND ACCURATE REPORTS.—

"(1) FIRST TIER.—Any savings and loan holding company, and any subsidiary of such holding company, which—

"(A) maintains procedures reasonably adapted to avoid any inadvertent and unintentional error and, as a result of such an error—

"(i) fails to submit or publish any report or information required under this section or regulations prescribed by the Director, within the period of time specified by the Director; or

"(ii) submits or publishes any false or misleading report or information; or

"(B) inadvertently transmits or publishes any report which is minimally late,

shall be subject to a penalty of not more than $2,000 for each day during which such failure continues or such false or misleading information is not corrected. Such holding company or subsidiary shall have the burden of proving by a preponderence of the evidence that an error was inadvertent and unintentional and that a report was inadvertently transmitted or published late.

"(2) SECOND TIER.—Any savings and loan holding company, and any subsidiary of such holding company, which—

"(A) fails to submit or publish any report or information required under this section or under regulations prescribed by the Director, within the period of time specified by the Director; or

"(B) submits or publishes any false or misleading report or information,

in a manner not described in paragraph (1) shall be subject to a penalty of not more than $20,000 for each day during which such failure continues or such false or misleading information is not corrected.

"(3) THIRD TIER.—If any savings and loan holding company or any subsidiary of such a holding company knowingly or with reckless disregard for the accuracy of any information or report described in paragraph (2) submits or publishes any false or misleading report or information, the Director may assess a penalty of not more than $1,000,000 or 1 percent of total assets of such company or subsidiary, whichever is less, per day for each day during which such failure continues or such false or misleading information is not corrected.

"(4) ASSESSMENT.—Any penalty imposed under paragraph (1), (2), or (3) shall be assessed and collected by the Director in the manner provided in subparagraphs (E), (F), (G), and (I) of section 8(i)(2) of the Federal Deposit Insurance Act (for penalties imposed under such section) and any such assessment (including the determination of the amount of the penalty) shall be subject to the provisions of such subsection.

"(5) HEARING.—Any savings and loan holding company or any subsidiary of such a holding company against which any penalty is assessed under this subsection shall be afforded a hearing if such savings and loan holding company or such subsidiary, as the case may be, submits a request for such hearing within 20 days after the issuance of the notice of assessment. Section 8(h) of the Federal Deposit Insurance Act shall apply to any proceeding under this subsection.

"SEC. 11. TRANSACTIONS WITH AFFILIATES; EXTENSIONS OF CREDIT TO EXECUTIVE OFFICERS, DIRECTORS, AND PRINCIPAL SHAREHOLDERS.

"(a) AFFILIATE TRANSACTIONS.—

"(1) IN GENERAL.—Sections 23A and 23B of the Federal Reserve Act shall apply to every savings association in the same manner and to the same extent as if the savings association were a member bank (as defined in such Act), except that—

"(A) no loan or other extension of credit may be made to any affiliate unless that affiliate is engaged only in activities described in section 10(c)(2)(F)(i); and

"(B) no savings association may enter into any transaction described in section 23A(b)(7)(B) of the Federal Reserve Act with any affiliate other than with respect to shares of a subsidiary.

"(2) SISTER BANK EXEMPTION MADE AVAILABLE TO SAVINGS ASSOCIATIONS.—

"(A) SAVINGS ASSOCIATIONS CONTROLLED BY BANK HOLDING COMPANIES.—Every savings association more than 80 percent of the voting stock of which is owned by a company described in section 10(c)(8) shall be treated as a member bank for purposes of section 23A(d)(1) and section 23B of the Federal Reserve Act, if every savings association and bank controlled by such company complies with all applicable capital requirements on a fully phased-in basis and without reliance on goodwill.

"(B) SAVINGS ASSOCIATIONS GENERALLY.—Effective on and after January 1, 1995, every savings association shall be treated as a member bank for purposes of section 23A(d)(1) and section 23B of the Federal Reserve Act.

"(3) AFFILIATES DESCRIBED.—Any company that would be an affiliate (as defined in sections 23A and 23B of the Federal Reserve Act) of any savings association if such savings association were a member bank (as such term is defined in such Act) shall be deemed to be an affiliate of such savings association for purposes of paragraph (1).

"(4) ADDITIONAL RESTRICTIONS AUTHORIZED.—The Director may impose such addi-

tional restrictions on any transaction between any savings association and any affiliate of such savings association as the Director determines to be necessary to protect the safety and soundness of the savings association.

"(b) EXTENSIONS OF CREDIT TO EXECUTIVE OFFICERS, DIRECTORS, AND PRINCIPAL SHAREHOLDERS.—

"(1) IN GENERAL.—Section 22(h) of the Federal Reserve Act shall apply to every savings association in the same manner and to the same extent as if the savings association were a member bank (as defined in such Act).

"(2) ADDITIONAL RESTRICTIONS AUTHORIZED.—The Director may impose such additional restrictions on loans or extensions of credit to any director or executive officer of any savings association, or any person who directly or indirectly owns, controls, or has the power to vote more than 10 percent of any class of voting securities of a savings association, as the Director determines to be necessary to protect the safety and soundness of the savings association.

"(c) ADMINISTRATIVE ENFORCEMENT.—The Director may take enforcement action with respect to violations of this section pursuant to section 8 or 18(j) of the Federal Deposit Insurance Act, as appropriate.

"SEC. 12. ADVERTISING.

"No savings association shall carry on any sale, plan, or practices, or any advertising, in violation of regulations promulgated by the Director.

"SEC. 13. POWERS OF EXAMINERS.

"For the purposes of this Act, examiners appointed by the Director shall—

"(1) be subject to the same requirements, responsibilities, and penalties as are applicable to examiners under the Federal Reserve Act and title LXII of the Revised Statutes; and

"(2) have, in the exercise of functions under this Act, the same powers and privileges as are vested in such examiners by law.

"SEC. 14. SEPARABILITY PROVISION.

"If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of the Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.".

SEC. 302. SAVINGS PROVISIONS.

Notwithstanding the amendment made by this title to section 10 of the Home Owners' Loan Act and the repeal of section 416 of the National Housing Act—

(1) any plan approved by the Federal Home Loan Bank Board under such section 10 for any Federal savings association shall continue in effect as long as such association adheres to the plan and continues to submit to the Director of the Office of Thrift Supervision regular and complete reports on the association's progress in meeting the association's goals under the plan; and

(2) any plan approved by the Federal Savings and Loan Insurance Corporation under such section 416 for any State savings association shall continue in effect as long as such association adheres to the plan and continues to submit to the Federal Deposit Insurance Corporation regular and complete reports on the association's progress in meeting the savings association's goals under the plan.

SEC. 303. QUALIFIED THRIFT LENDER TEST.

(a) IN GENERAL.—Section 10(m) of the Home Owners' Loan Act is amended to read as follows:

"(m) QUALIFIED THRIFT LENDER TEST.—

"(1) IN GENERAL.—Except as provided in paragraphs (2) and (7), any savings association is a qualified thrift lender if—

"(A) the savings association's qualified thrift investments equal or exceed 70 percent of the savings association's portfolio assets; and

"(B) the savings association's qualified thrift investments continue to equal or exceed 70 percent of the savings association's portfolio assets, as measured by a daily or weekly average of such qualified thrift investments and such portfolio assets, for the 2-year period beginning on July 1, 1991, and for each 2-year period thereafter.

"(2) EXCEPTIONS GRANTED BY DIRECTOR.—Notwithstanding paragraph (1), the Director may grant such temporary and limited exceptions from the minimum actual thrift investment percentage requirement contained in such paragraph as the Director deems necessary if—

"(A) the Director determines that extraordinary circumstances exist, such as when the effects of high interest rates reduce mortgage demand to such a degree that an insufficient opportunity exists for a savings association to meet such investment requirements; or

"(B) the Director determines that—

"(i) the grant of any such exception will significantly facilitate an acquisition under section 13(c) or 13(k) of the Federal Deposit Insurance Act;

"(ii) the acquired association will comply with the transition requirements of paragraph (7)(B), as if the date of the exemption were the starting date for the transition period described in that paragraph; and

"(iii) the Director determines that the exemption will not have an undue adverse effect on competing savings associations in the relevant market and will further the purposes of this subsection.

"(3) FAILURE TO BECOME AND REMAIN A QUALIFIED THRIFT LENDER.—

"(A) IN GENERAL.—A savings association that fails to become or remain a qualified thrift lender shall either become one or more banks (other than a savings bank) or be subject to subparagraph (B), except as provided in subparagraph (D).

"(B) RESTRICTIONS APPLICABLE TO SAVINGS ASSOCIATIONS THAT ARE NOT QUALIFIED THRIFT LENDERS.—

"(i) RESTRICTIONS EFFECTIVE IMMEDIATELY.—The following restrictions shall apply to a savings association beginning on the date on which the savings association should have become or ceases to be a qualified thrift lender:

"(I) ACTIVITIES.—The savings association shall not make any new investment (including an investment in a subsidiary) or engage, directly or indirectly, in any other new activity unless that investment or activity would be permissible for the savings association if it were a national bank, and is also permissible for the savings association as a savings association.

"(II) BRANCHING.—The savings association shall not establish any new branch office at any location at which a national bank located in the savings association's home State may not establish a branch office. For purposes of this subclause, a savings association's home State is the State in which the savings association's total deposits were largest on the date on which the savings association should have become or ceased to be a qualified thrift lender.

"(III) ADVANCES.—The savings association shall not be eligible to obtain new advances from any Federal home loan bank.

"(IV) DIVIDENDS.—The savings association shall be subject to all statutes and regulations governing the payment of dividends by a national bank in the same manner and to the same extent as if the savings association were a national bank.

"(ii) ADDITIONAL RESTRICTIONS EFFECTIVE AFTER THREE YEARS.—The following additional restrictions shall apply to a savings association beginning 3 years after the date on which the savings association should have become or ceases to be a qualified thrift lender:

"(I) ACTIVITIES.—The savings association shall not retain any investment (including an investment in any subsidiary) or engage, directly or indirectly, in any activity unless that investment or activity would be permissible for the savings association if it were a national bank, and is also permissible for the savings association as a savings association.

"(II) ADVANCES.—The savings association shall repay any outstanding advances from any Federal home loan bank as promptly as can be prudently done consistent with the safe and sound operation of the savings association.

"(C) HOLDING COMPANY REGULATION.—Any company that controls a savings association that is subject to any provision of subparagraph (B) shall, within one year after the date on which the savings association should have become or ceases to be a qualified thrift lender, register as and be deemed to be a bank holding company subject to all of the provisions of the Bank Holding Company Act of 1956, section 8 of the Federal Deposit Insurance Act, and other statutes applicable to bank holding companies, in the same manner and to the same extent as if the company were a bank holding company and the savings association were a bank, as those terms are defined in the Bank Holding Company Act of 1956.

"(D) REQUALIFICATION.—A savings association that should have become or ceases to be a qualified thrift lender shall not be subject to subparagraph (B) or (C) if the savings association becomes a qualified thrift lender by meeting the qualified thrift lender requirement in paragraph (1) for the preceding 2-year period and remains a qualified thrift lender. If the savings association (or any savings association that acquired all or substantially all of its assets from that savings association) at any time thereafter ceases to be a qualified thrift lender, it shall immediately be subject to all provisions of subparagraphs (B) and (C) as if all the periods described in subparagraphs (B)(ii) and (C) had expired.

"(E) DEPOSIT INSURANCE ASSESSMENTS.—Any bank chartered as a result of the requirements of this section shall be obligated until December 31, 1993, to pay to the Savings Association Insurance Fund the assessments assessed on savings associations under the Federal Deposit Insurance Act. Such association shall also be assessed, on the date of its change of status from a Savings Association Insurance Fund member, the exit fee and entrance fee provided in section 5(d) of the Federal Deposit Insurance Act. Such institution shall not be obligated to pay the assessments assessed on banks under the Federal Deposit Insurance Act until—

"(i) December 31, 1993, or

"(ii) the institution's change of status from a Savings Association Insurance Fund member to a Bank Insurance Fund member,

whichever is later.

"(F) EXEMPTION FOR SPECIALIZED SAVINGS ASSOCIATION SERVING TRANSIENT MILITARY PERSONNEL.—Subparagraph (A) shall not apply to a savings association subsidiary of a savings and loan holding company if—

"(i) the savings and loan holding company is a reciprocal interinsurance exchange that acquired control of the insured institution before January 1, 1984; and

"(ii) at least 90 percent of the customers of the savings and loan holding company and its subsidiaries and affiliates are active or former officers in the United States military services or the widows, widowers, divorced spouses, or current or former dependents of such officers.

"(G) EXEMPTION FOR CERTAIN FEDERAL SAVINGS ASSOCIATIONS.—This paragraph shall not apply to any Federal savings association in existence as a Federal savings association on the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989—

"(i) that was chartered before October 15, 1982, as a savings bank or a cooperative bank under State law; or

"(ii) that acquired its principal assets from an association that was chartered before October 15, 1982, as a savings bank or a cooperative bank under State law.

"(H) NO CIRCUMVENTION OF EXIT MORATORIUM.—Subparagraph (A) of this paragraph shall not be construed as permitting any insured depository institution to engage in any conversion transaction prohibited under section 5(d) of the Federal Deposit Insurance Act.

"(4) DEFINITIONS.—For purposes of this subsection—

"(A) ACTUAL THRIFT INVESTMENT PERCENTAGE.—The term 'actual thrift investment percentage' means the percentage determined by dividing—

"(i) the amount of a savings association's qualified thrift investments, by

"(ii) the amount of the savings association's portfolio assets.

"(B) PORTFOLIO ASSETS.—The term 'portfolio assets' means, with respect to any savings association, the total assets of the savings association, minus the sum of—

"(i) goodwill and other intangible assets;

"(ii) the value of property used by the savings association to conduct its business; and

"(iii) liquid assets of the type required to be maintained under section 6 of the Home Owners' Loan Act, in an amount not exceeding the amount equal to 10 percent of the savings association's total assets.

"(C) QUALIFIED THRIFT INVESTMENTS.—

"(i) IN GENERAL.—The term 'qualified thrift investments' means, with respect to any savings association, the assets of the savings association that are described in clauses (ii) and (iii).

"(ii) ASSETS INCLUDIBLE WITHOUT LIMIT.—The following assets are described in this clause for purposes of clause (i):

"(I) The aggregate amount of loans held by the savings association that were made to purchase, refinance, construct, improve, or repair domestic residential housing or manufactured housing.

"(II) Home-equity loans.

"(III) Securities backed by or representing an interest in mortgages on domestic residential housing or manufactured housing.

"(IV) EXISTING OBLIGATIONS OF DEPOSIT INSURANCE AGENCIES.—Direct or indirect obligations of the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation issued in accordance with the terms of agreements entered into prior to July 1, 1989, for the 10-year period beginning on the date of issuance of such obligations.

"(V) NEW OBLIGATIONS OF DEPOSIT INSURANCE AGENCIES.—Obligations of the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the FSLIC Resolution Fund, and the Resolution Trust Corporation issued in accordance with the terms of agreements entered into on or after July 1, 1989, for the 5-year period beginning on the date of issuance of such obligations.

"(iii) ASSETS INCLUDIBLE SUBJECT TO PERCENTAGE RESTRICTION.—The following assets are described in this clause for purposes of clause (i):

"(I) 50 percent of the dollar amount of the residential mortgage loans originated by such savings association and sold within 90 days of origination.

"(II) Investments in the capital stock or obligations of, and any other security issued by, any service corporation if such service corporation derives at least 80 percent of its annual gross revenues from activities directly related to purchasing, refinancing, constructing, improving, or repairing domestic residential real estate or manufactured housing.

"(III) 200 percent of the dollar amount of loans and investments made to acquire, develop, and construct 1- to 4-family residences the purchase price of which is or is guaranteed to be not greater than 60 percent of the median value of comparable newly constructed 1- to 4-family residences within the local community in which such real estate is located, except that not more than 25 percent of the amount included under this subclause may consist of commercial properties related to the development if those properties are directly related to providing services to residents of the development.

"(IV) 200 percent of the dollar amount of loans for the acquisition or improvement of residential real property, churches, schools, and nursing homes located within, and loans for any other purpose to any small businesses located within any area which has been identified by the Director, in connection with any review or examination of community reinvestment practices, as a geographic area or neighborhood in which the credit needs of the low- and moderate-income residents of such area or neighborhood are not being adequately met.

"(V) Loans for the purchase or construction of churches, schools, nursing homes, and hospitals, other than those qualifying under clause (IV), and loans for the improvement and upkeep of such properties.

"(VI) Loans for personal, family, household, or educational purposes, but the dollar amount treated as qualified thrift investments under this subclause may not exceed the amount which is equal to 5 percent of the savings association's portfolio assets.

"(iv) PERCENTAGE RESTRICTION APPLICABLE TO CERTAIN ASSETS.—The aggregate amount of the assets described in clause (iii) which may be taken into account in determining the amount of the qualified thrift investments of any savings association shall not exceed the amount which is equal to 15 percent of a savings association's portfolio assets.

"(v) The term 'qualified thrift investments' excludes—

"(I) except for home equity loans, that portion of any loan or investment that is used for any purpose other than those expressly qualifying under any subparagraph of clause (ii) or (iii); or

"(II) goodwill or any other intangible asset.

"(5) CONSISTENT ACCOUNTING REQUIRED.—

"(A) In determining the amount of a savings association's portfolio assets, the assets of any subsidiary of the savings association shall be consolidated with the assets of the savings association if—

"(i) Assets of the subsidiary are consolidated with the assets of the savings association in determining the savings association's qualified thrift investments; or

"(ii) Residential mortgage loans originated by the subsidiary are included pursuant to paragraph (4)(C)(iii)(I) in determining the savings association's qualified thrift investments.

"(B) In determining the amount of a savings association's portfolio assets and qualified thrift investments, consistent accounting principles shall be applied.

"(6) SPECIAL RULES FOR PUERTO RICO AND VIRGIN ISLANDS SAVINGS ASSOCIATIONS.—

"(A) PUERTO RICO SAVINGS ASSOCIATIONS.—With respect to any savings association headquartered and operating primarily in Puerto Rico—

"(i) the term 'qualified thrift investments' includes, in addition to the items specified in paragraph (4)—

"(I) the aggregate amount of loans for personal, family, educational, or household purposes made to persons residing or domiciled in the Commonwealth of Puerto Rico; and

"(II) the aggregate amount of loans for the acquisition or improvement of churches, schools, or nursing homes, and of loans to small businesses, located within the Commonwealth of Puerto Rico; and

"(ii) the aggregate amount of loans related to the purchase, acquisition, development and construction of 1- to 4-family residential real estate—

"(I) which is located within the Commonwealth of Puerto Rico; and

"(II) the value of which (at the time of acquisition or upon completion of the development and construction) is below the median value of newly constructed 1- to 4-family residences in the Commonwealth of Puerto Rico, which may be taken into account in determining the amount of the qualified thrift investments and of such savings association shall be doubled.

"(B) VIRGIN ISLANDS SAVINGS ASSOCIATIONS.—With respect to any savings association headquartered and operating primarily in the Virgin Islands—

"(i) the term 'qualified thrift investments' includes, in addition to the items specified in paragraph (4)—

"(I) the aggregate amount of loans for personal, family, educational, or household purposes made to persons residing or domiciled in the Virgin Islands; and

"(II) the aggregate amount of loans for the acquisition or improvement of churches, schools, or nursing homes, and of loans to small businesses, located within the Virgin Islands; and

"(ii) the aggregate amount of loans related to the purchase, acquisition, development and construction of 1- to 4-family residential real estate—

"(I) which is located within the Virgin Islands; and

"(II) the value of which (at the time of acquisition or upon completion of the development and construction) is below the median value of newly constructed 1- to 4-family residences in the Virgin Islands, which may be taken into account in determining the amount of the qualified thrift investments

and of such savings association shall be doubled.

"(7) TRANSITIONAL RULE FOR CERTAIN SAVINGS ASSOCIATIONS.—

"(A) IN GENERAL.—If any Federal savings association in existence as a Federal savings association on the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989—

"(i) that was chartered as a savings bank or a cooperative bank under State law before October 15, 1982; or

"(ii) that acquired its principal assets from an association that was chartered before October 15, 1982, as a savings bank or a cooperative bank under State law,

meets the requirements of subparagraph (B), such savings association shall be treated as a qualified thrift lender during period ending on September 30, 1995.

"(B) SUBPARAGRAPH (B) REQUIREMENTS.—A savings association meets the requirements of this subparagraph if, in the determination of the Director—

"(i) the actual thrift investment percentage of such association does not, after the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, decrease below the actual thrift investment percentage of such association on July 15, 1989; and

"(ii) the amount by which—

"(I) the actual thrift investment percentage of such association at the end of each period described in the following table, exceeds

"(II) the actual thrift investment percentage of such association on July 15, 1989,

is equal to or greater than the applicable percentage (as determined under the following table) of the amount by which 70 percent exceeds the actual thrift investment percentage of such association on such date of enactment:

"For the following period:	The applicable percentage is:
July 1, 1991–September 30, 1992	25 percent
October 1, 1992–March 31, 1994	50 percent
April 1, 1994–September 30, 1995	75 percent
Thereafter	100 percent

"(C) For purposes of this paragraph, the actual thrift investment percentage of an association on July 15, 1989, shall be determined by applying the definition of 'actual thrift investment percentage' that takes effect on July 1, 1991.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on July 1, 1991.

(c) ASSOCIATIONS THAT HAVE PREVIOUSLY FAILED TO REMAIN QUALIFIED THRIFT LENDERS.—If, as of June 30, 1991, any savings association is subject to any provision of section 10(m)(3) of the Home Owners' Loan Act as in effect on that date, the amendment to this subsection made by section 303 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, shall not be construed as reducing the period specified in section 10(m)(3) of such Act.

SEC. 304. TRANSITIONAL RULE FOR CERTAIN TRANSACTIONS WITH AFFILIATES.

(a) CONSISTENCY OF CERTAIN REGULATIONS WITH SECTION 23A OF THE FEDERAL RESERVE ACT.—Not later than 6 months after the date of enactment of this Act, the Director of the Office of Thrift Supervision shall revise the Director's conflicts regulations so as not to prohibit a thrift institution from purchasing mortgages from a mortgage-banking affiliate to the same extent as a member bank may do so under section 250.250 of title 12, Code of Federal Regulations.

(b) TRANSITIONAL PERIOD.—Notwithstanding section 11(a) of the Home Owners' Loan Act (as added by section 301 of this Act), a thrift institution that, before May 1, 1989, had received approval from the Federal Savings and Loan Insurance Corporation pursuant to section 408(d)(6) of the National Housing Act as then in effect to purchase mortgages from a mortgage-banking affiliate may, during the 6-month period following the date on which final regulations are prescribed pursuant to subsection (a), continue to engage in transactions for which it had received such approval. Any savings association that engages in such transactions pursuant to this subsection shall comply with the standards that were applicable under section 408(d)(6) as in effect on May 1, 1989.

(c) AUTHORITY TO EXTEND REGULATORY APPROVALS THAT WOULD OTHERWISE LAPSE DURING THE TRANSITIONAL PERIOD.—The Director of the Office of Thrift Supervision may extend until the expiration of the 6-month period described in subsection (b) any approval granted by the Federal Savings and Loan Insurance Corporation that expires or would expire before the expiration of that 6-month period. In determining whether to grant such exemptions, the Director shall apply the standards that were applicable under section 408(d)(6) of the National Housing Act as in effect on May 1, 1989.

SEC. 305. TRANSITIONAL RULES REGARDING CERTAIN LOANS AND EFFECTIVE DATES.

(a) DIVESTITURE OF CERTAIN LOANS AND INVESTMENTS NOT REQUIRED.—The limitations on loans and investments contained in section 5(c) of the Home Owners' Loan Act, as amended by section 301, do not require the divestiture of any loan or investment that was lawful when made under the provisions of such section as those provisions were in effect at the time such loan or investment was made.

(b) LOANS SECURED BY NONRESIDENTIAL REAL PROPERTY.—

(1) IN GENERAL.—The Director of the Office of Thrift Supervision may, by order, permit a Federal savings association to exceed the limitation set forth in section 5(c)(2)(B)(i) of the Home Owners' Loan Act during the period beginning on the date of enactment of this Act and ending on June 1, 1991, if the Director determines that—

(A) there is a reasonable prospect that the savings association can be in compliance, not later than June 1, 1991, with the capital standards prescribed under section 5(t) of the Home Owners' Loan Act; and

(B) the increased authority—

(i) is consistent with prudent operating practices, and

(ii) is in accordance with a plan submitted by the savings association for—

(I) an orderly transition to compliance with section 5(c)(2)(B)(i), or

(II) an orderly conversion to a bank charter.

(2) OTHER EXEMPTIVE AUTHORITY NOT AFFECTED.—The authority granted by paragraph (1) is in addition to any authority of the Director under section 5(c)(2)(B)(ii) of the Home Owners' Loan Act.

(c) EFFECTIVE DATE.—The amendments made by section 301 relating to civil penalties shall apply with respect to violations committed and activities engaged in after the date of the enactment of this Act, except that the increased maximum civil penalties of $5,000 and $25,000 per violation or per day may apply to such violations or activities committed or engaged in before such date with respect to an institution if such violations or activities—

(1) are not already subject to a notice issued by the appropriate Federal banking agency or the Board (initiating an administrative proceeding); and

(2) occurred after the completion of the last report of examination of the institution by the appropriate Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act) occurring before the date of the enactment of this Act.

SEC. 306. AMENDMENT OF ADDITIONAL POWERS OF DIRECTOR.

(a) Section 502(c) of the Housing Act of 1948 (12 U.S.C. 1701c(c)) is amended by striking out "Federal Home Loan Bank Board (which term as used in this section shall also include and refer to the Federal Savings and Loan Insurance Corporation, the Home Owners Loan Corporation, and the Chairman of the Federal Home Loan Bank Board)," and inserting in lieu thereof the following: "Director of the Office of Thrift Supervision,".

(b) Section 502(c)(1) of the Housing Act of 1948 (12 U.S.C. 1701c(b)(1)) is amended by striking out "of any State" and inserting in lieu thereof "of any Federal, State,".

SEC. 307. AMENDMENT TO TITLE 31, UNITED STATES CODE.

(a) OFFICE ESTABLISHED AS AN OFFICE WITHIN THE DEPARTMENT.—

(1) IN GENERAL.—Subchapter I of chapter 3 of title 31, United States Code, is amended by redesignating section 309 as section 310 and by inserting after section 308 the following new section:

"§ 309. Office of Thrift Supervision

"The Office of Thrift Supervision established under section 2A(a) of the Home Owners' Loan Act shall be an office in the Department of the Treasury.".

(2) CLERICAL AMENDMENT.—The table of chapters for subchapter I of chapter 3 of title 31, United States Code, is amended by redesignating the item relating to section 309 as section 310 and by inserting after the item relating to section 308 the following new item:

"309. Office of Thrift Supervision.".

(b) CONFORMING AMENDMENT.—Section 321(c) of title 31, United States Code, is amended—

(1) by adding at the end thereof the following new paragraph:

"(3) of the Director of the Office of Thrift Supervision;";

(2) by striking out "and" at the end of paragraph (1); and

(3) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and".

(c) GAO AUDIT AUTHORITY.—Section 714(a) of title 31, United States Code, is amended—

(1) by inserting ", and the Office of Thrift Supervision" before the period; and

(2) by striking out "and" after "Corporation,".

(d) CERTAIN REORGANIZATION PROHIBITED.—Section 321 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) CERTAIN REORGANIZATION PROHIBITED.—The Secretary of the Treasury may not merge or consolidate the Office of Thrift Supervision, or any of the functions or responsibilities of the Office or the Director of such office, with the Office of the Comptroller of

the Currency or the Comptroller of the Currency.".

(e) TECHNICAL AND CONFORMING AMENDMENT TO GOVERNMENT CONTROL ACT.—Section 9101(3) of title 31, United States Code, is amended by striking out subparagraph (E).

SEC. 308. PRESERVING MINORITY OWNERSHIP OF MINORITY FINANCIAL INSTITUTIONS.

(a) CONSULTATION ON METHODS.—The Secretary of the Treasury shall consult with the Director of the Office of Thrift Supervision and the Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation on methods for best achieving the following goals:

(1) Preserving the present number of minority depository institutions.

(2) Preserving their minority character in cases involving mergers or acquisition of a minority depository institution by using general preference guidelines in the following order:

(A) Same type of minority depository institution in the same city.

(B) Same type of minority depository institution in the same State.

(C) Same type of minority depository institution nationwide.

(D) Any type of minority depository institution in the same city.

(E) Any type of minority depository institution in the same State.

(F) Any type of minority depository institution nationwide.

(G) Any other bidders.

(3) Providing technical assistance to prevent insolvency of institutions not now insolvent.

(4) Promoting and encouraging creation of new minority depository institutions.

(5) Providing for training, technical assistance, and educational programs.

(b) DEFINITIONS.—For purposes of this section—

(1) MINORITY FINANCIAL INSTITUTION.—The term "minority depository institution" means any depository institution that—

(A) if a privately owned institution, 51 percent is owned by one or more socially and economically disadvantaged individuals;

(B) if publicly owned, 51 percent of the stock is owned by one or more socially and economically disadvantaged individuals; and

(C) in the case of a mutual institution where the majority of the Board of Directors, account holders, and the community which it services is predominantly minority.

(2) MINORITY.—The term "minority" means any black American, Native American, Hispanic American, or Asian American.

TITLE IV—TRANSFER OF FUNCTIONS, PERSONNEL, AND PROPERTY

SEC. 401. FSLIC AND FEDERAL HOME LOAN BANK BOARD ABOLISHED.

(a) IN GENERAL.—

(1) FSLIC.—Effective on the date of the enactment of this Act, the Federal Savings and Loan Insurance Corporation established under section 402 of the National Housing Act is abolished.

(2) FHLBB.—Effective at the end of the 60-day period beginning on the date of the enactment of this Act, the Federal Home Loan Bank Board and the position of Chairman of the Federal Home Loan Bank Board are abolished.

(b) DISPOSITION OF AFFAIRS.—

(1) IN GENERAL.—During the 60-day period beginning on the date of the enactment of this Act, the Chairman of the Federal Home Loan Bank Board—

(A) shall, solely for the purpose of winding up the affairs of the Federal Savings and Loan Insurance Corporation and the Federal Home Loan Bank Board—

(i) manage the employees of the Board and provide for the payment of the compensation and benefits of any such employee which accrue before the effective date of the transfer of such employee pursuant to section 403; and

(ii) manage any property of the Board and the Corporation until such property is transferred pursuant to section 405; and

(B) may take any other action necessary for the purpose of winding up the affairs of the Corporation and the Board.

(2) AVAILABILITY OF FUNDS IN FSLIC RESOLUTION FUND ON A REIMBURSABLE BASIS.—

(A) AVAILABILITY OF FUNDS.—Notwithstanding any provision of section 11A of the Federal Deposit Insurance Act (as added by section 215 of this Act), funds in the FSLIC Resolution Fund shall be available to the Chairman of the Federal Home Loan Bank Board to pay any expense incurred in carrying out the requirements of paragraph (1).

(B) PAYMENT BY FDIC.—Upon the request of the Chairman of the Federal Home Loan Bank Board, the Federal Deposit Insurance Corporation shall pay to the Chairman from the FSLIC Resolution Fund the amounts requested for expenses described in subparagraph (A).

(C) EXCLUSIVE SOURCE OF FUNDS.—No funds or other property of the Federal Home Loan Bank Board or the Federal Savings and Loan Insurance Corporation (other than the FSLIC Resolution Fund) may be used by the Chairman of the Federal Home Loan Bank Board to pay any expense incurred in carrying out any provision of this title.

(D) REIMBURSEMENT BY SUCCESSOR AGENCIES.—Disbursements from the FSLIC Resolution Fund pursuant to subparagraph (A) which are attributable to employees described in paragraph (1)(A)(i) and property described in paragraph (1)(A)(ii) shall be reimbursed by the agency to which any such employee or property is transferred.

(c) AUTHORITY AND STATUS OF CHAIRMAN OF THE FEDERAL HOME LOAN BANK BOARD.—

(1) IN GENERAL.—Notwithstanding the repeal of section 17 of the Federal Home Loan Bank Act by section 703 of this Act, the repeal of section 402(c) of the National Housing Act by section 407 of this title, the abolishment of the Federal Savings and Loan Insurance Corporation under section 401 of this title, the Chairman of the Federal Home Loan Bank Board shall have any authority vested in the Chairman or the Board before such date of enactment which is necessary for the Chairman to carry out the requirements of this section, paragraphs (1) and (2) of section 403(b), and section 405(a) during the 60-day period beginning on such date.

(2) OTHER PROVISIONS.—For purposes of paragraph (1), the Chairman of the Federal Home Loan Bank Board shall continue to be—

(A) treated as an officer of the United States during the 60-day period referred to in such subparagraph; and

(B) entitled to compensation at the annual rate of basic pay payable for level III of the Executive Schedule.

(3) NO ADDITIONAL COMPENSATION IF APPOINTED DIRECTOR.—During the 60-day period beginning on the date of the enactment of this Act, the Chairman of the Federal Home Loan Bank Board shall not be entitled to any additional compensation by reason of his appointment as Director of the Office of Thrift Supervision.

(d) STATUS OF EMPLOYEES BEFORE TRANSFER.—

(1) EMPLOYEES OF FSLIC.—Any employee of the Federal Savings and Loan Insurance Corporation shall be treated as an employee of the Federal Home Loan Bank Board for purposes of subsection (b)(1)(A)(i).

(2) RULE OF CONSTRUCTION.—The repeal of section 17 of the Federal Home Loan Bank Act by section 703 of this Act, the repeal of section 402(c) of the National Housing Act by section 407 of this title, and the abolishment of the Federal Savings and Loan Insurance Corporation under section 401 of this title, shall not be construed as affecting the status of employees of such Corporation or of the Federal Home Loan Bank Board as employees of an agency of the United States for purposes of any other provision of law before the effective date of the transfer of any such employee pursuant to section 403.

(e) CONTINUATION OF SERVICES.—

(1) IN GENERAL.—The Director of the Office of Thrift Supervision, the Chairperson of the Oversight Board of the Resolution Trust Corporation, the Chairperson of the Federal Deposit Insurance Corporation, and the Chairperson of the Federal Housing Finance Board may use the services of employees and other personnel and the property of the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation, on a reimbursable basis, to perform functions which have been transferred to such agencies for such time as is reasonable to facilitate the orderly transfer of functions transferred pursuant to any other provision of this Act or any amendment made by this Act to any other provision of law.

(2) REIMBURSEMENT.—The reimbursement required under paragraph (1) with respect to employees, personnel, and property described in such paragraph shall be made to the FSLIC Resolution Fund and shall be taken into account in determining the amount of any reimbursement required under subsection (b)(2)(D).

(3) AGENCY SERVICES.—Any agency, department, or other instrumentality of the United States (including any Federal home loan bank), and any successor to any such agency, department, or instrumentality, which was providing supporting services to the Federal Home Loan Bank Board or the Federal Savings and Loan Insurance Corporation before the enactment of this Act in connection with functions that are transferred to the Office of Thrift Supervision, the Resolution Trust Corporation, the Federal Deposit Insurance Corporation, or the Federal Housing Finance Board shall—

(A) continue to provide such services, on a reimbursable basis, until the transfer of such functions is complete; and

(B) consult with any such agency to coordinate and facilitate a prompt and reasonable transition.

(f) SAVINGS PROVISIONS RELATING TO FSLIC.—

(1) EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.—Subsection (a) shall not affect the validity of any right, duty, or obligation of the United States, the Federal Savings and Loan Insurance Corporation, or any other person, which—

(A) arises under or pursuant to any section of title IV of the National Housing Act; and

(B) existed on the day before the date of the enactment of this Act.

(2) CONTINUATION OF SUITS.—No action or other proceeding commenced by or against the Federal Savings and Loan Insurance Corporation, or any Federal home loan bank with respect to any function of the Corporation which was delegated to employees of

such bank, shall abate by reason of the enactment of this Act, except that the appropriate successor to the interests of such Corporation shall be substituted for the Corporation or the Federal home loan bank as a party to any such action or proceeding.

(g) SAVINGS PROVISIONS RELATING TO FHLBB.—

(1) EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.—Subsection (a) shall not affect the validity of any right, duty, or obligation of the United States, the Federal Home Loan Bank Board, or any other person, which—

(A) arises under or pursuant to the Federal Home Loan Bank Act, the Home Owners' Loan Act of 1933, or any other provision of law applicable with respect to such Board (other than title IV of the National Housing Act); and

(B) existed on the day before the date of the enactment of this Act.

(2) CONTINUATION OF SUITS.—

(A) IN GENERAL.—No action or other proceeding commenced by or against the Federal Home Loan Bank Board, or any Federal home loan bank with respect to any function of the Board which was delegated to employees of such bank, shall abate by reason of the enactment of this Act, except that the appropriate successor to the interests of such Board shall be substituted for the Board or the Federal home loan bank as a party to any such action or proceeding.

(h) CONTINUATION OF ORDERS, RESOLUTIONS, DETERMINATIONS, AND REGULATIONS.—Subject to section 402, all orders, resolutions, determinations, and regulations, which—

(1) have been issued, made, prescribed, or allowed to become effective by the Federal Savings and Loan Insurance Corporation or the Federal Home Loan Bank Board (including orders, resolutions, determinations, and regulations which relate to the conduct of conservatorships and receiverships), or by a court of competent jurisdiction, in the performance of functions which are transferred by this Act; and

(2) are in effect on the date this Act takes effect,

shall continue in effect according to the terms of such orders, resolutions, determinations, and regulations and shall be enforceable by or against the Director of the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, the Federal Housing Finance Board, or the Resolution Trust Corporation, as the case may be, until modified, terminated, set aside, or superseded in accordance with applicable law by the Director of the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, the Federal Housing Finance Board, or the Resolution Trust Corporation, as the case may be, by any court of competent jurisdiction, or by operation of law.

(i) IDENTIFICATION OF REGULATIONS WHICH REMAIN IN EFFECT PURSUANT TO THIS SECTION.—Before the end of the 60-day period beginning on the date of the enactment of this Act, the Director of the Office of Thrift Supervision and the Chairperson of the Federal Deposit Insurance Corporation shall—

(1) identify the regulations and orders which relate to the conduct of conservatorships and receiverships in accordance with the allocation of authority between them under this Act and the amendments made by this Act; and

(2) promptly publish notice of such identification in the Federal Register.

SEC. 402. CONTINUATION AND COORDINATION OF CERTAIN REGULATIONS.

(a) REGULATIONS RELATING TO INSURANCE FUNCTIONS.—All regulations and orders of the Federal Savings and Loan Insurance Corporation, or the Federal Home Loan Bank Board (in such Board's capacity as the board of trustees of such Corporation), which are in effect on the date of the enactment of this Act and relate to—

(1) the provision, rates, or cancellation of insurance of accounts; or

(2) the administration of the insurance fund of the Federal Savings and Loan Insurance Corporation,

shall remain in effect according to the terms of such regulations and orders and shall be enforceable by the Federal Deposit Insurance Corporation unless determined otherwise by such Corporation after consultation with the Director of the Office of Thrift Supervision and, with respect to regulations and orders relating to the scope of deposit insurance coverage, pursuant to subsection (c).

(b) IDENTIFICATION OF REGULATIONS WHICH REMAIN IN EFFECT PURSUANT TO THIS SECTION.—Before the end of the 60-day period beginning on the date of the enactment of this Act, the Director of the Office of Thrift Supervision and the Chairperson of the Federal Deposit Insurance Corporation shall—

(1) identify the regulations and orders referred to in subsection (a) of this section in accordance with the allocation of authority between them under this Act and the amendments made by this Act; and

(2) promptly publish notice of such identification in the Federal Register.

(c) PROCEDURE FOR DIFFERENCES IN DEPOSIT INSURANCE COVERAGE BETWEEN FSLIC AND FDIC.—

(1) TRANSITION RULE.—Until the effective date of regulations prescribed under paragraph (3)(B), any determination of the amount of any insured deposit in any depository institution which becomes an insured depository institution as a result of the amendment made to section 4(a) of the Federal Deposit Insurance Act by section 205(1) of this Act shall be made in accordance with the regulations and interpretations of the Federal Savings and Loan Insurance Corporation for determining the amount of an insured account which were in effect on the day before the date of the enactment of this Act.

(2) LIMITATION ON EXTENT OF COVERAGE.—During the period beginning on the date of the enactment of this Act and ending on the effective date of regulations prescribed under paragraph (3)(B), the amount of any insured account which is required to be treated as an insured deposit pursuant to paragraph (1) shall not exceed the amount of insurance to which such insured account would otherwise have been entitled pursuant to the regulations and interpretations of the Federal Savings and Loan Insurance Corporation which were in effect on the day before the date of the enactment of this Act.

(3) UNIFORM TREATMENT OF INSURED DEPOSITS.—The Federal Deposit Insurance Corporation shall—

(A) review its regulations, principles, and interpretations for deposit insurance coverage and those established by the Federal Savings and Loan Insurance Corporation; and

(B) on or before the end of the 270-day period beginning on the date of the enactment of this Act, prescribe a uniform set of regulations which shall be applicable to all insured deposits in insured depository institutions (except to the extent any provision of this Act, any amendment made by this Act to the Federal Deposit Insurance Act, or any other provision of law requires or explicitly permits the Federal Deposit Insurance Corporation to treat insured deposits of Savings Association Insurance Fund members differently than insured deposits of Bank Insurance Fund members).

(4) FACTORS REQUIRED TO BE CONSIDERED.—In prescribing regulations providing for the uniform treatment of deposit insurance coverage, the Federal Deposit Insurance Corporation shall consider all relevant factors necessary to promote safety and soundness, depositor confidence, and the stability of deposits in insured depository institutions.

(5) NOTICE; EFFECTIVE DATE.—Regulations prescribed under this subsection shall—

(A) provide for effective notice to depositors in insured depository institutions of any change in deposit insurance coverage which would result under such regulations; and

(B) take effect on or before the end of the 90-day period beginning on the date such regulations become final.

(6) DEFINITIONS.—For purposes of this subsection—

(A) INSURED ACCOUNT.—The term "insured account" has the meaning given to such term in section 401(c) of the National Housing Act (as in effect before the date of the enactment of this Act).

(B) INSURED DEPOSITORY INSTITUTION.—The term "insured depository institution" has the meaning given to such term in section 3(c)(2) of the Federal Deposit Insurance Act.

(d) INTERIM TREATMENT OF CUSTODIAL ACCOUNTS.—

(1) IN GENERAL.—Subject to paragraph (2) and notwithstanding subsection (a) or any limitation contained in the Federal Deposit Insurance Act relating to the amount of deposit insurance available to any 1 borrower, amounts held in custodial accounts in insured depository institutions (as defined in section 3(c)(2) of such Act) for the payment of principal, interest, tax, and insurance payments for mortgage borrowers, shall be insured under the Federal Deposit Insurance Act in the amount of $100,000 per mortgage borrower.

(2) TREATMENT AFTER EFFECTIVE DATE OF NEW REGULATIONS.—After the effective date of the regulations prescribed under subsection (c)—

(A) the amount of deposit insurance available for custodial accounts shall be determined in accordance with such regulations; and

(B) paragraph (1) shall cease to apply with respect to such accounts.

(e) TREATMENT OF REFERENCES IN ADJUSTABLE RATE MORTGAGE INSTRUMENTS.—

(1) IN GENERAL.—For purposes of adjustable rate mortgage instruments that are in effect as of the date of enactment of this Act, any reference in the instrument to the Federal Savings and Loan Insurance Corporation, the Federal Home Loan Bank Board, or institutions insured by the Federal Savings and Loan Insurance Corporation before such date shall be treated as a reference to the Federal Deposit Insurance Corporation, the Federal Housing Finance Board, the Office of Thrift Supervision, or institutions which are members of the Savings Association Insurance Fund, as appropriate on the basis of the transfer of functions pursuant to this Act, unless the context of the reference requires otherwise.

(2) SUBSTITUTION FOR INDEXES.—If any index used to calculate the applicable interest rate on any adjustable rate mortgage instrument is no longer calculated and made available as a direct or indirect result of the enactment of this Act, any index—

(A) made available by the Director of the Office of Thrift Supervision, the Chairperson of the Federal Deposit Insurance Corporation, or the Chairperson of the Federal Housing Finance Board pursuant to paragraph (3); or

(B) determined by the Director of the Office of Thrift Supervision, the Chairperson of the Federal Deposit Insurance Corporation, or the Chairperson of the Federal Housing Finance Board, pursuant to paragraph (4), to be substantially similar to the index which is no longer calculated or made available,

may be substituted by the holder of any such adjustable rate mortgage instrument upon notice to the borrower.

(3) AGENCY ACTION REQUIRED TO PROVIDE CONTINUED AVAILABILITY OF INDEXES.—Promptly after the enactment of this subsection, the Director of the Office of Thrift Supervision, the Chairperson of the Federal Deposit Insurance Corporation, and the Chairperson of the Federal Housing Finance Board shall take such action as may be necessary to assure that the indexes prepared by the Federal Savings and Loan Insurance Corporation, the Federal Home Loan Bank Board, and the Federal home loan banks immediately prior to the enactment of this subsection and used to calculate the interest rate on adjustable rate mortgage instruments continue to be available.

(4) REQUIREMENTS RELATING TO SUBSTITUTE INDEXES.—If any agency can no longer make available an index pursuant to paragraph (3), an index that is substantially similar to such index may be substituted for such index for purposes of paragraph (2) if the Director of the Office of Thrift Supervision, the Chairperson of the Federal Deposit Insurance Corporation, or the Chairperson of the Federal Housing Finance Board, as the case may be, determines, after notice and opportunity for comment, that—

(A) the new index is based upon data substantially similar to that of the original index; and

(B) the substitution of the new index will result in an interest rate substantially similar to the rate in effect at the time the original index became unavailable.

SEC. 403. DETERMINATION OF TRANSFERRED FUNCTIONS AND EMPLOYEES.

(a) ALL FHLBB AND FSLIC EMPLOYEES SHALL BE TRANSFERRED.—All employees of the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation shall be identified for transfer under subsection (b) to the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, or the Federal Housing Finance Board.

(b) FUNCTIONS AND EMPLOYEES TRANSFERRED.—

(1) IN GENERAL.—The Director of the Office of Thrift Supervision, the Chairperson of the Oversight Board of the Resolution Trust Corporation, the Chairperson of the Federal Deposit Insurance Corporation, the Chairperson of the Federal Housing Finance Board, and the Chairman of the Federal Home Loan Bank Board (as of the day before the date of the enactment of this Act) shall jointly determine the functions or activities of the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation, and the number of employees of such Board and Corporation necessary to perform or support such functions or activities, which are transferred from the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation to the Office of Thrift Supervision, the Resolution Trust Corporation, the Federal Deposit Insurance Corporation, or the Federal Housing Finance Board, as the case may be.

(2) ALLOCATION OF EMPLOYEES.—The Director of the Office of Thrift Supervision, the Chairperson of the Oversight Board of the Resolution Trust Corporation, the Chairperson of the Federal Deposit Insurance Corporation, and the Chairperson of the Federal Housing Finance Board shall allocate the employees of the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation consistent with the number determined pursuant to paragraph (1) in a manner which such Director, Chairman, and Chairpersons, in their sole discretion, deem equitable, except that, within work units, the agency preferences of individual employees shall be accommodated as far as possible.

(c) FEDERAL HOME LOAN BANK PERSONNEL.—Employees of the Federal home loan banks or the joint offices of such banks who, on the day before the date of the enactment of this Act, are performing functions or activities on behalf of the Federal Home Loan Bank Board or the Federal Savings and Loan Insurance Corporation shall be treated as employees of the Federal Home Loan Bank Board or the Federal Savings and Loan Insurance Corporation for purposes of determining, pursuant to subsection (b)(1), the number of employees performing or supporting functions or activities of such Board or Corporation to the extent such functions or activities are transferred to the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, the Resolution Trust Corporation, or the Federal Housing Finance Board.

(d) FSLIC EMPLOYEES ENGAGED IN CONSERVATORSHIP OR RECEIVERSHIP FUNCTIONS.—Individuals who, on the day before the date of the enactment of this Act, are employed by the Federal Savings and Loan Insurance Corporation in such Corporation's capacity as conservator or receiver of any insured depository institution shall be treated as employees of the Federal Savings and Loan Insurance Corporation for purposes of determining, pursuant to subsection (b)(1), the number of employees performing or supporting functions or activities of such Corporation if such conservatorship or receivership is transferred to the Federal Deposit Insurance Corporation or the Resolution Trust Corporation.

SEC. 404. RIGHTS OF EMPLOYEES OF ABOLISHED AGENCIES.

All employees identified for transfer under subsection (b) of section 403 (other than individuals described in subsection (c) or (d) of such section) shall be entitled to the following rights:

(1) Each employee so identified shall be transferred to the appropriate agency or entity for employment no later than 60 days after the date of the enactment of this Act and such transfer shall be deemed a transfer of function for the purpose of section 3503 of title 5, United States Code.

(2) Each transferred employee shall be guaranteed a position with the same status, tenure, and pay as that held on the day immediately preceding the transfer. Each such employee holding a permanent position shall not be involuntarily separated or reduced in grade or compensation for 1 year after the date of transfer, except for cause.

(3)(A) In the case of employees occupying positions in the excepted service or the Senior Executive Service, any appointment authority established pursuant to law or regulations of the Office of Personnel Management for filling such positions shall be transferred, subject to subparagraph (B).

(B) An agency or entity may decline a transfer of authority under subparagraph (A) (and the employees appointed pursuant thereto) to the extent that such authority relates to positions excepted from the competitive service because of their confidential, policy-making, policy-determining, or policy-advocating character, and noncareer positions in the Senior Executive Service (within the meaning of section 3132(a)(7) of title 5, United States Code).

(4) If any agency or entity to which employees are transferred determines, after the end of the 1-year period beginning on the date the transfer of functions to such agency or entity is completed, that a reorganization of the combined work force is required, that reorganization shall be deemed a "major reorganization" for purposes of affording affected employees retirement under section 8336(d)(2) or 8414(b)(1)(B) of title 5, United States Code.

(5) Any employee accepting employment with any agency or entity (other than the Office of Thrift Supervision) as a result of such transfer may retain for 1 year after the date such transfer occurs membership in any employee benefit program of the Federal Home Loan Bank Board, including insurance, to which such employee belongs on the date of the enactment of this Act if—

(A) the employee does not elect to give up the benefit or membership in the program; and

(B) the benefit or program is continued by the Director of the Office of Thrift Supervision.

The difference in the costs between the benefits which would have been provided by such agency or entity and those provided by this section shall be paid by the Director of the Office of Thrift Supervision. If any employee elects to give up membership in a health insurance program or the health insurance program is not continued by the Director of the Office of Thrift Supervision, the employee shall be permitted to select an alternate Federal health insurance program within 30 days of such election or notice, without regard to any other regularly scheduled open season.

(6) Any employee employed by the Office of Thrift Supervision as a result of the transfer may retain membership in any employee benefit program of the Federal Home Loan Bank Board, including insurance, which such employee has on the date of enactment of this Act, if such employee does not elect to give up such membership and the benefit or program is continued by the Director of the Office of Thrift Supervision. If any employee elects to give up membership in a health insurance program or the health insurance program is not continued by the Director of the Office of Thrift Supervision, such employee shall be permitted to select an alternate Federal health insurance program within 30 days of such election or discontinuance, without regard to any other regularly scheduled open season.

(7) A transferring employee in the Senior Executive Service shall be placed in a comparable position at the agency or entity to which such employee is transferred.

(8) Transferring employees shall receive notice of their position assignments not later than 120 days after the effective date of their transfer.

(9) Upon the termination of the Resolution Trust Corporation pursuant to section

21A(m) of the Federal Home Loan Bank Act, any employee of such Corporation shall be transferred to the Federal Deposit Insurance Corporation in accordance with the provisions of paragraphs (2) and (4) through (7) of this subsection, except that the liability for any difference in the costs of benefits described in paragraph (5) shall be a liability of the Resolution Trust Corporation and not the Office of Thrift Supervision.

SEC. 405. DIVISION OF PROPERTY AND FACILITIES.

Before the end of the 60-day period beginning on the date of the enactment of this Act, the Director of the Office of Thrift Supervision, the Chairperson of the Oversight Board of the Resolution Trust Corporation, the Chairperson of the Federal Deposit Insurance Corporation, and the Chairperson of the Federal Housing Finance Board shall jointly divide all property of the Federal Savings and Loan Insurance Corporation and the Federal Home Loan Bank Board used to perform functions and activities of the Federal Home Loan Bank Board among the Office of Thrift Supervision, the Resolution Trust Corporation, the Federal Deposit Insurance Corporation, and the Federal Housing Finance Board in accordance with the division of responsibilities, functions, and activities effected by this Act. Any disagreement between them in so doing shall be resolved by the Director of the Office of Management and Budget.

SEC. 406. REPORT.

Before the end of the 60-day period beginning on the date of the enactment of this Act, the Chairman of the Federal Home Loan Bank Board shall provide by written report to the Secretary of the Treasury, the Director of the Office of Management and Budget, and the Congress, a final accounting of the finances and operations of the Federal Savings and Loan Insurance Corporation.

SEC. 407. REPEALS.

Title 4 of the National Housing Act (1724 et seq.) is hereby repealed.

TITLE V—FINANCING FOR THRIFT RESOLUTIONS

Subtitle A—Oversight Board and Resolution Trust Corporation

SEC. 501. OVERSIGHT BOARD AND RESOLUTION TRUST CORPORATION ESTABLISHED.

(a) IN GENERAL.—The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amended by inserting after section 21 the following new section:

"SEC. 21A. OVERSIGHT BOARD AND RESOLUTION TRUST CORPORATION.

"(a) OVERSIGHT BOARD ESTABLISHED.—

"(1) IN GENERAL.—There is hereby established the Oversight Board as an instrumentality of the United States with the powers and authorities herein provided.

"(2) STATUS.—The Oversight Board shall oversee and be accountable for the Resolution Trust Corporation (hereinafter referred to in this section as the 'Corporation'). The Oversight Board shall be an 'agency' of the United States for purposes of subchapter II of chapter 5 and chapter 7 of title 5, United States Code.

"(3) MEMBERSHIP.—

"(A) IN GENERAL.—The Oversight Board shall consist of 5 members—

"(i) the Secretary of the Treasury;

"(ii) the Chairman of the Board of Governors of the Federal Reserve System;

"(iii) the Secretary of Housing and Urban Development; and

"(iv) two independent members appointed by the President, with the advice and consent of the Senate. Such nominations shall be referred to the Committee on Banking, Housing, and Urban Affairs of the Senate.

"(B) POLITICAL AFFILIATION.—The independent members shall not be members of the same political party. No independent member of the Oversight Board shall hold any other appointed office during his or her term as a member.

"(C) CHAIRPERSON.—The Chairperson of the Oversight Board shall be the Secretary of the Treasury.

"(D) TERM OF OFFICE.—The term of each member (other than the independent members) of the Oversight Board shall expire when such member has fulfilled all of his or her responsibilities under this section and section 21B. The term of each independent member shall be 3 years.

"(E) QUORUM REQUIRED.—A quorum shall consist of 3 members of the Oversight Board and all decisions of the Board shall require an affirmative vote of at least a majority of the members voting.

"(4) COMPENSATION AND EXPENSES.—

"(A) EXPENSES.—Members of the Oversight Board shall receive allowances in accordance with subchapter I of chapter 57 of title 5, United States Code, for necessary expenses of travel, lodging, and subsistence incurred in attending meetings and other activities of the Oversight Board, as set forth in the bylaws issued by the Oversight Board.

"(B) NO ADDITIONAL COMPENSATION FOR UNITED STATES OFFICERS OR EMPLOYEES.—Members of the Oversight Board (other than independent members) shall receive no additional pay by reason of service on such Board.

"(C) COMPENSATION FOR INDEPENDENT MEMBERS.—The independent members of the Oversight Board shall be paid at a rate equal to the daily equivalent of the rate of basic pay for level II of the Executive Schedule for each day (including travel time) during which such member is engaged in the actual performance of duties of the Oversight Board.

"(5) POWERS.—The Oversight Board shall be a body corporate that shall have the power to—

"(A) adopt, alter, and use a corporate seal;

"(B) provide for a principal or executive officer and such other officers and employees as may be necessary to perform the functions of the Oversight Board, define their duties, and require surety bonds or make other provisions against losses occasioned by acts of such persons;

"(C) fix the compensation and number of, and appoint, employees for any position established by the Oversight Board;

"(D) set and adjust rates of basic pay for employees of the Oversight Board without regard to the provisions of chapter 51 or subchapter III of chapter 53 of title 5, United States Code;

"(E) provide additional compensation and benefits to employees of the Oversight Board if the same type of compensation or benefits are then being provided by any other Federal bank regulatory agency or, if not then being provided, could be provided by such an agency under applicable provisions of law, rule, or regulation; in setting and adjusting the total amount of compensation and benefits for employees of the Oversight Board, the Oversight Board shall consult with and seek to maintain comparability with the other Federal bank regulatory agencies, except that the Oversight Board shall not in any event exceed the compensation and benefits provided by the Federal Deposit Insurance Corporation with respect to any comparable position;

"(F) with the consent of any executive agency, department, or independent agency utilize the information, services, staff, and facilities of such department or agency, on a reimbursable (or other) basis, in carrying out this section;

"(G) prescribe bylaws that are consistent with law to provide for the manner in which—

"(i) its officers and employees are selected, and

"(ii) its general operations are to be conducted;

"(H) enter into contracts and modify or consent to the modification of any contract or agreement;

"(I) sue and be sued in courts of competent jurisdiction; and

"(J) exercise any and all powers established under this section and such incidental powers as are necessary to carry out its powers, duties, and functions under this Act.

"(6) OVERSIGHT BOARD DUTIES AND AUTHORITIES.—The Oversight Board shall have the following duties and authorities with respect to the Corporation:

"(A) To develop and establish overall strategies, policies, and goals for the Corporation's activities in consultation with the Corporation, including such items as—

"(i) general policies and procedures for case resolutions, the management and disposition of assets, the use of private contractors, and the use of notes, guarantees or other obligations by the Corporation;

"(ii) overall financial goals, plans, and budgets; and

"(iii) restructuring agreements described in subsection (b)(11)(B).

"(B) To approve prior to implementation periodic financing requests developed by the Corporation.

"(C) To review all rules, regulations, principles, procedures, and guidelines that may be adopted or announced by the Corporation. After consultation with the Corporation, the Oversight Board may require the modification of any such rules, regulations, principles, procedures, or guidelines except that the rules, regulations, principles, procedures, and guidelines relating to the Corporation's powers and activities as a conservator or receiver shall be consistent with the Federal Deposit Insurance Act. The provisions of this subparagraph shall not apply to internal administrative policies and procedures, and determinations or actions described in paragraph (8) of this subsection.

"(D) To review the overall performance of the Corporation on a periodic basis, including its work, management activities, and internal controls, and the performance of the Corporation relative to approved budget plans.

"(E) To require from the Corporation any reports, documents, and records it deems necessary to carry out its oversight responsibilities.

"(F) To establish a national advisory board and regional advisory boards.

"(G) To authorize the use of proceeds from any funds provided by the Treasury to the Corporation and from any financing by the Resolution Funding Corporation established pursuant to section 21B of this Act consistent with the approved budget and financial plans of the Corporation and to oversee the collection of funds by the Resolution Funding Corporation.

"(H) To evaluate audits by the Inspector General and other congressionally required audits.

"(I) To have general oversight over the Resolution Funding Corporation as provided under section 21B of this Act.

"(J) To authorize, as appropriate, the Corporation's sale of capital certificates to the Resolution Funding Corporation.

"(7) TRANSITION POLICIES.—Until such time as the Oversight Board and the Corporation (consistent with paragraph (6) and subsection (b)(12)) adopt strategies, policies, goals, regulations, rules, operating principles, procedures, or guidelines, the Corporation may carry out its duties in accordance with the strategies, policies, goals, regulations, rules, operating principles, procedures, or guidelines of the Federal Deposit Insurance Corporation, notwithstanding the provisions of section 553 of title 5, United States Code.

"(8) LIMITATION ON AUTHORITY.—

"(A) IN GENERAL.—The Corporation shall have the authority, without any prior review, approval, or disapproval by the Oversight Board, to make such determinations and take such actions as it deems appropriate with respect to case-specific matters (i) involving individual case resolutions, (ii) asset liquidations, or (iii) day-to-day operations of the Corporation. The preceding sentence in no way limits the authority of the Oversight Board to provide general policies and procedures.

"(B) FEDERAL DEPOSIT INSURANCE CORPORATION.—Nothing contained in this section shall give the Oversight Board authority over the activities, powers, or functions of the Federal Deposit Insurance Corporation except to the extent provided in this section and only with respect to the activities of the Federal Deposit Insurance Corporation in carrying out the responsibilities of the Corporation. The Federal Deposit Insurance Corporation shall be subject to the obligations, responsibilities, duties, and restrictions imposed by this section only to the extent it is carrying out the functions of the Corporation.

"(9) DELEGATION.—Except with respect to the meetings required by paragraph (10), nothing in this section shall preclude a member of the Oversight Board who is a public official from delegating his or her authority to an employee or officer of such member's agency or organization, if such employee or officer has been appointed by the President with the advice and consent of the Senate. For purposes of the preceding sentence, the Chairman of the Board of Governors of the Federal Reserve System may delegate his or her authority to another member of the Board of Governors.

"(10) QUARTERLY MEETINGS.—Not less than 4 times each year, the Oversight Board shall conduct open meetings to establish and review the general policy of the Corporation and to consider such other standards, policies, and procedures necessary to carry out its functions under this Act.

"(11) POWER TO REMOVE; JURISDICTION.—Notwithstanding any other provision of law, any civil action, suit, or proceeding to which the Oversight Board is a party shall be deemed to arise under the laws of the United States, and the United States district courts shall have original jurisdiction. The Oversight Board may, without bond or security, remove any such action, suit, or proceeding from a State court to a United States District Court or to the United States District Court for the District of Columbia.

"(12) ADMINISTRATIVE EXPENSES.—The administrative expenses of the Oversight Board shall be paid by the Corporation, upon request of the Oversight Board.

"(13) STANDARDS, POLICIES, PROCEDURES, GUIDELINES, AND STATEMENTS.—The Oversight Board may issue rules, regulations, standards, policies, procedures, guidelines, and statements as the Oversight Board considers necessary or appropriate to carry out its authorities and duties under this Act which shall be promulgated pursuant to subchapter II of chapter 5 of title 5, United States Code.

"(14) STRATEGIC PLAN FOR CORPORATION OPERATIONS.—

"(A) IN GENERAL.—The Oversight Board shall, subject to paragraph (6), develop a strategic plan for conducting the Corporation's functions and activities. The Oversight Board shall submit the strategic plan to the Congress not later than December 31, 1989.

"(B) PROVISIONS OF PLAN.—The strategic plan and implementing policies and procedures required under this paragraph shall at a minimum contain the following:

"(i) Factors the Corporation shall consider in deciding the order in which failed institutions or categories of failed institutions will be resolved.

"(ii) Standards the Corporation shall use to select the appropriate resolution action for a failed institution.

"(iii) With respect to assisted acquisitions, factors the Corporation shall consider in deciding whether non-performing assets of the failed institution will be transferred to the acquiring institution rather than retained by the Corporation for management and disposal.

"(iv) Plans for the disposition of assets.

"(v) Management objectives by which the Corporation's progress in carrying out its duties under this section can be measured.

"(vi) A plan for the organizational structure and staffing of the Corporation, including an assessment of the extent to which the Corporation will perform asset management functions and other duties through contracts with public and private entities.

"(vii) Consideration of whether incentives should be included in asset management contracts to promote active and efficient asset management.

"(viii) Standards for adequate competition and fair and consistent treatment of offerors.

"(ix) Standards that prohibit discrimination on the basis of race, sex, or ethnic group in the solicitation and consideration of offers.

"(x) Procedures for the active solicitation of offers from minorities and women.

"(xi) Procedures requiring that unsuccessful offerors be notified in writing of the decision within 30 days after the offer has been rejected.

"(xii) Procedures for establishing the market value of assets based upon standard market analysis, valuation, and appraisal practices.

"(xiii) Procedures requiring the timely evaluation of purchase offers for an institution.

"(xiv) Procedures for bulk sales and auction marketing of assets.

"(xv) Guidelines for determining if the value of an asset has decreased so that no reasonable recovery is anticipated. In such cases, the Corporation may consider potential public uses of such asset including providing housing for lower income families (including the homeless), day care centers for the children of low- and moderate-income families, or such other public purpose designated by the Secretary of Housing and Urban Development.

"(xvi) Guidelines for the conveyance of assets to units of general local government, States, and public agencies designated by a unit of general local government or a State, for use in connection with urban homesteading programs approved by the Secretary of Housing and Urban Development under section 810 of the Housing and Community Development Act of 1974.

"(xvii) Policies and procedures for avoiding political favoritism and undue influence in contracts and decisions made by the Oversight Board and the Corporation.

"(15) TERMINATION.—The Oversight Board shall terminate not later than 60 days after the Oversight Board fulfills all of its responsibilities under this Act.

"(b) RESOLUTION TRUST CORPORATION ESTABLISHED.—

"(1) ESTABLISHMENT.—

"(A) IN GENERAL.—There is hereby established a Corporation to be known as the Resolution Trust Corporation which shall be an instrumentality of the United States.

"(B) STATUS.—The Corporation shall be deemed to be an agency of the United States for purposes of subchapter II of chapter 5 and chapter 7 of title 5, United States Code, when it is acting as a corporation. The Corporation, when it is acting as a conservator or receiver of an insured depository institution, shall be deemed to be an agency of the United States to the same extent as the Federal Deposit Insurance Corporation when it is acting as a conservator or receiver of an insured depository institution.

"(C) FDIC AS EXCLUSIVE MANAGER.—Immediately upon enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the Federal Deposit Insurance Corporation shall be authorized to and shall perform all responsibilities of the Corporation, and shall continue to do so unless removed pursuant to subsection (m).

"(2) GOVERNMENT CORPORATION.—Notwithstanding the fact that no Government funds may be invested in the Corporation, the Corporation shall be treated, for purposes of sections 9105, 9107, and 9108 of title 31, United States Code, as a mixed-ownership Government corporation which has capital of the Government.

"(3) DUTIES.—The duties of the Corporation shall be to carry out a program, under the general oversight of the Oversight Board and through the Federal Deposit Insurance Corporation (or any replacement authorized pursuant to subsection (m)), including:

"(A) To manage and resolve all cases involving depository institutions—

"(i) the accounts of which were insured by the Federal Savings and Loan Insurance Corporation before the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989; and

"(ii) for which a conservator or receiver—

"(I) had been appointed at any time during the period beginning on January 1, 1989, and ending on the date of the enactment of such Act (including any institution described in paragraph (6)); or

"(II) is appointed within the 3-year period beginning on the date of the enactment of such Act.

"(B) To manage the Federal Asset Disposition Association, subject to the provisions of subsection (f).

"(C) To conduct the operations of the Corporation in a manner which—

"(i) maximizes the net present value return from the sale or other disposition of institutions described in subparagraph (A) or the assets of such institutions;

"(ii) minimizes the impact of such transactions on local real estate and financial markets;

"(iii) makes efficient use of funds obtained from the Funding Corporation or from the Treasury;

"(iv) minimizes the amount of any loss realized in the resolution of cases; and

"(v) maximizes the preservation of the availability and affordability of residential real property for low- and moderate-income individuals.

"(D) To perform any other function authorized under this section.

"(4) CONSERVATORSHIP, RECEIVERSHIP, AND ASSISTANCE POWERS.—Except as provided in paragraph (5) and in addition to any other provision of this section, the Corporation shall have the same powers and rights to carry out its duties with respect to institutions described in paragraph (3)(A) as the Federal Deposit Insurance Corporation has under sections 11, 12, and 13 of the Federal Deposit Insurance Act with respect to insured depository institutions (as defined in section 3 of the Federal Deposit Insurance Act).

"(5) LIMITATION ON PARAGRAPH (4) POWERS.—The Corporation—

"(A) may not obligate the Federal Deposit Insurance Corporation or any funds of the Federal Deposit Insurance Corporation; and

"(B) in connection with providing assistance to an institution under this subsection, shall be subject to the limitations contained in section 13(c)(4) of the Federal Deposit Insurance Act.

"(6) SUCCESSOR TO FSLIC AS CONSERVATOR OR RECEIVER.—As of the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the Corporation shall succeed the Federal Savings and Loan Insurance Corporation as conservator or receiver with respect to any institution for which the Federal Savings and Loan Insurance Corporation was appointed conservator or receiver during the period beginning on January 1, 1989 and ending on such date of enactment.

"(7) OBLIGATIONS AND GUARANTEES.—The Corporation's authority to issue obligations and guarantees shall be subject to general supervision by the Oversight Board under subsection (a) and shall be consistent with subsection (j).

"(8) BOARD OF DIRECTORS.—

"(A) IN GENERAL.—Except as provided in subsection (m), the Board of Directors of the Federal Deposit Insurance Corporation shall serve as the Board of Directors of the Corporation.

"(B) CHAIRPERSON.—Except as provided in subsection (m), the Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation shall serve as the Chairperson of the Board of Directors of the Corporation.

"(C) COMPENSATION.—Members of the Board of Directors of the Corporation shall receive no pay, allowances, or benefits from the Corporation by reason of their service on the Board of Directors, but shall receive allowances in accordance with subchapter I of chapter 57 of title 5, United States Code, for necessary expenses of travel, lodging, and subsistence incurred in attending meetings and other activities of the Board of Directors, as set forth in the bylaws issued by the Board of Directors.

"(9) STAFF.—

"(A) IN GENERAL.—Unless the Oversight Board exercises its authority under subsection (m), the Corporation itself shall have no employees.

"(B) UTILIZATION OF PERSONNEL OF OTHER AGENCIES.—

"(i) FDIC.—The Federal Deposit Insurance Corporation, when acting as the exclusive manager of the Corporation, shall (subject to subsection (a)(6)) receive reimbursement from the Corporation for all services performed for the Corporation. Such reimbursement may not exceed the actual and reasonable cost incurred by the Federal Deposit Insurance Corporation in performing such services.

"(ii) OTHER AGENCIES.—With the agreement of any executive department or agency, the Corporation may utilize the personnel of any such executive department or agency on a reimbursable basis to cover actual and reasonable expenses.

"(10) CORPORATE POWERS.—The Corporation shall have the following powers:

"(A) To adopt, alter, and use a corporate seal.

"(B) In the event the Oversight Board exercises its authority under subsection (m), the Corporation shall provide for a chief executive officer, 1 or more vice presidents, a secretary, a general counsel, a treasurer, and such other officers, employees, attorneys, and agents as the Corporation may determine to be necessary, define the duties of such officers or employees, and require surety bonds or make other provisions against losses occasioned by acts of such individuals.

"(C) To enter into contracts and modify, or consent to the modification of, any contract or agreement to which the Corporation is a party or in which the Corporation has an interest under this section.

"(D) To make advance, progress, or other payments.

"(E) To acquire, hold, lease, mortgage, maintain, or dispose of, at public or private sale, real and personal property, and otherwise exercise all the usual incidents of ownership of property necessary and convenient to the operations of the Corporation.

"(F) To sue and be sued in its corporate capacity in any court of competent jurisdiction.

"(G) To deposit any securities or funds held by the Corporation in any facility or depositary described in section 13(b) of the Federal Deposit Insurance Act under the terms and conditions applicable to the Federal Deposit Insurance Corporation under such section 13(b) and pay fees thereof and receive interest thereon.

"(H) To take warrants, voting and nonvoting equity, or other participation interests in institutions or assets or properties of institutions described in paragraph (3)(A) and paragraph (11)(A)(iv).

"(I) To use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

"(J) To prescribe through its Board of Directors bylaws that shall be consistent with law.

"(K) To make loans.

"(L) To prepare reports and provide such reports, documents, and records to the Oversight Board as required by this section.

"(M) To issue capital certificates to the Resolution Funding Corporation consistent with the provisions of section 21B of this Act in the following manner:

"(i) AUTHORIZATION TO ISSUE.—The Corporation is hereby authorized to issue to the Resolution Funding Corporation nonvoting capital certificates.

"(ii) REQUIREMENT RELATING TO THE AMOUNT OF CERTIFICATES.—The amount of certificates issued by the Corporation under clause (i) shall be equal to the aggregate amount of funds provided by the Resolution Funding Corporation to the Corporation under section 21B.

"(iii) CERTIFICATES MAY BE ISSUED ONLY TO THE RESOLUTION FUNDING CORPORATION.—Capital certificates issued under clause (i) may be issued only to the Resolution Funding Corporation in the manner and to the extent provided in section 21B and this section.

"(iv) NO DIVIDENDS.—The Corporation shall not pay dividends on any capital certificates issued under this section.

"(N) To exercise any other power established under this section and such incidental powers as are necessary to carry out its duties and functions under this section.

"(11) SPECIAL POWERS.—

"(A) IN GENERAL.—In addition to the powers of the Corporation described in paragraph (10), the Corporation shall have the following powers:

"(i) CONTRACTS.—The Corporation may enter into contracts with any person, corporation, or entity, including State housing finance authorities (as such term is defined in section 1301 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989) and insured depository institutions, which the Corporation determines to be necessary or appropriate to carry out its responsibilities under this section. Such contracts shall be subject to the procedures adopted pursuant to paragraph (12).

"(ii) UTILIZATION OF PRIVATE SECTOR.—In carrying out the Corporation's duties under this section, the Corporation and the Federal Deposit Insurance Corporation shall utilize the services of private persons, including real estate and loan portfolio asset management, property management, auction marketing, and brokerage services, if such services are available in the private sector and the Corporation determines utilization of such services are practicable and efficient.

"(iii) MERGERS AND CONSOLIDATIONS.—The Corporation may require a merger or consolidation of an institution or institutions over which the Corporation has jurisdiction, if such merger or consolidation is consistent with section 13(c)(4) of the Federal Deposit Insurance Act.

"(iv) ORGANIZATION OF SAVINGS ASSOCIATIONS.—The Corporation may organize 1 or more Federal savings associations—

"(I) which shall be chartered by the Director of the Office of Thrift Supervision,

"(II) the deposits of which, if any, shall be insured by the Federal Deposit Insurance Corporation through the Savings Association Insurance Fund, and

"(III) which shall operate in accordance with subsection (e).

"(v) ORGANIZATION OF BRIDGE BANKS.—The Corporation may organize 1 or more bridge banks pursuant to subsection (i) of section 11 of the Federal Deposit Insurance Act with respect to any institution described in paragraph (3)(A) which becomes a bank. Such bridge bank shall be subject to subsection (e).

"(B) REVIEW OF PRIOR CASES.—The Corporation shall—

"(i) review and analyze all insolvent institution cases resolved by the Federal Savings and Loan Insurance Corporation between January 1, 1988, and the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, and actively review all means by which it can reduce costs under existing Federal Savings and Loan Insurance Corporation agreements relating to such cases, including restructuring such agreements;

"(ii) evaluate the costs under existing Federal Savings and Loan Insurance Corpora-

tion agreements with regard to the following—

"(I) capital loss coverage,

"(II) yield maintenance guarantees,

"(III) forbearances,

"(IV) tax consequences, and

"(V) any other relevant cost consideration;

"(iii) review the bidding procedures used in resolving such cases in order to determine whether the bidding and negotiating processes were sufficiently competitive; and

"(iv) report to the Oversight Board and the Congress pursuant to subsection (k).

The Corporation shall exercise any and all legal rights to modify, renegotiate, or restructure such agreements where savings would be realized by such actions. The cost or income of any modification shall be a liability or an asset of the Corporation or the FSLIC Resolution Fund as determined by the Oversight Board. Nothing in this paragraph shall be construed as granting the Corporation any legal rights to modify, renegotiate, or restructure agreements between the Federal Savings and Loan Insurance Corporation and any other party, which did not exist prior to the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

"(12) REGULATIONS, POLICIES, AND PROCEDURES.—

"(A) IN GENERAL.—Subject to the review of the Oversight Board, the Corporation shall adopt the rules, regulations, standards, policies, procedures, guidelines, and statements necessary to implement the strategic plan established by the Oversight Board under subsection (a)(14). The Corporation may issue such rules, regulations, standards, policies, procedures, guidelines, and statements as the Corporation considers necessary or appropriate to carry out this section.

"(B) REVIEW, ETC.—Such rules, regulations, standards, policies, procedures, guidelines, and statements—

"(i) shall be provided by the Corporation to the Oversight Board promptly or prior to publication or announcement to the extent practicable;

"(ii) shall be subject to the review of the Oversight Board as provided in subsection (a)(6)(C); and

"(iii) shall be promulgated pursuant to subchapter II of chapter 5 of title 5, United States Code.

"(C) PREPARATION AND MAINTENANCE OF RECORDS RELATING TO SOLICITATION AND ACCEPTANCE OF OFFERS.—The Corporation shall—

"(i) document decisions made in the solicitation and selection process and the reasons for the decisions; and

"(ii) maintain such documentation in the offices of the Corporation, as well as any other documentation relating to the solicitation and selection process.

"(D) DISTRESSED AREAS.—

"(i) IN GENERAL.—In developing its implementing policies, the Corporation shall take the action described in clause (ii) to avoid adverse economic impact for those real estate markets that are distressed.

"(ii) VALUATION AND DISPOSITION.—The Corporation shall establish an appraisal or other valuation method for determining the market value of real property. With respect to a real property asset with a market value in excess of a certain dollar limit (such limit to be determined by the Board of Directors of the Corporation), consideration shall be given to the volume of assets above such limit and the potential impact of sales in such distressed areas. The Corporation shall not sell a real property asset located in a distressed area without obtaining at least the minimum disposition price, unless a determination has been made that such a transaction furthers the objectives set forth in paragraph (3)(C).

"(iii) EXCEPTION.—The provisions of this subparagraph shall not apply to any property as long as such property is subject to the requirements of subsection (c).

"(E) DEFINITIONS.—For the purposes of this subsection—

"(i) The term 'minimum disposition price' means 95 percent of the market value established by the Corporation. The Board of Directors, in its discretion, may change the percentage set forth in this definition from time to time if the Board of Directors determines that such change does not adversely impact the objectives set forth in paragraph (3)(C).

"(ii) The term 'sell a real property asset' means to convey all title and interest in a piece of tangible real property in which the Corporation has a fee simple or equivalent interest. The term 'real property' does not include loans secured by real property, joint ventures, participation interests, options, or other similar interests. In addition, the term 'sell' does not include hypothecation of assets, issuance of asset backed securities, issuance of joint ventures, or participation interests, or other similar activities.

"(iii) The term 'distressed area' means the geographic areas in those political subdivisions designated from time to time by the Board of Directors as having depressed real estate markets. Until the Board of Directors designates otherwise, such distressed areas shall be the States of Arkansas, Colorado, Louisiana, New Mexico, Oklahoma, and Texas.

"(iv) The term 'market value' means the most probable price which a property should bring in a competitive and open market if—

"(I) all conditions requisite to a fair sale are present,

"(II) the buyer and seller are acting prudently and are knowledgable, and

"(III) the price is not affected by any undue stimulus.

"(F) REAL ESTATE ASSET DIVISION.—The Corporation shall establish a Real Estate Asset Division to assist and advise the Corporation with respect to the management, sale, or other disposition of real property assets of institutions described in paragraph (3)(A). The Real Estate Asset Division shall have such duties as the Corporation establishes, including the publication of an inventory of real property assets of institutions subject to the jurisdiction of the Corporation. Such inventory shall be published before January 1, 1990 and updated semiannually thereafter and shall identify properties with natural, cultural, recreational, or scientific values of special significance.

"(13) PERIODIC FINANCING REQUESTS.—The Corporation shall provide the Oversight Board with periodic financing requests which shall detail—

"(A) anticipated funding requirements for operations, case resolution, and asset liquidation,

"(B) anticipated payments on previously issued notes, guarantees, other obligations, and related activities, and

"(C) any proposed use of notes, guarantees or other obligations.

Such financing requests shall be submitted on a quarterly basis or such other period as the Oversight Board determines necessary. Following approval by the Oversight Board, such requests shall form the basis for expending funds provided by the Treasury, for transferring funds from the Resolution Funding Corporation to the Corporation and the issuance of capital certificates by the Corporation in exchange therefor.

"(14) FISCAL YEAR 1989 FUNDING.—

"(A) FUNDS FROM TREASURY.—The Secretary of the Treasury shall provide the Corporation with the sum of $18,800,000,000 in fiscal year 1989, and for such purpose the Secretary is authorized to use as a public debt transaction the proceeds of the sale of any securities hereafter issued under chapter 31 of title 31, United States Code.

"(B) FUNDS FROM RESOLUTION FUNDING CORPORATION.—The Resolution Funding Corporation shall provide the Corporation with such sums authorized pursuant to section 21B(e)(8) and the Corporation shall issue capital certificates in exchange therefor.

"(c) DISPOSITION OF ELIGIBLE RESIDENTIAL PROPERTIES.—

"(1) PURPOSE.—The purpose of this subsection is to provide homeownership and rental housing opportunities for very low-income, lower-income, and moderate-income families.

"(2) RULES GOVERNING DISPOSITION OF ELIGIBLE SINGLE FAMILY PROPERTIES.—

"(A) NOTICE TO CLEARINGHOUSES.—Within a reasonable period of time after acquiring title to an eligible single family property, the Corporation shall provide written notice to clearinghouses. Such notice shall contain basic information about the property, including but not limited to location, condition, and information relating to the estimated fair market value of the property. Each clearinghouse shall make such information available, upon request, to other public agencies, other nonprofit organizations, and qualifying households. The Corporation shall allow public agencies, nonprofit organizations, and qualifying households reasonable access to eligible single family property for purposes of inspection.

"(B) OFFERS TO SELL SINGLE FAMILY PROPERTIES TO NONPROFIT ORGANIZATIONS, PUBLIC AGENCIES, AND QUALIFYING HOUSEHOLDS.—For the 3-month period following the date on which the Corporation makes an eligible single family property available for sale, the Corporation shall offer to sell the property to (i) qualifying households, or (ii) public agencies or nonprofit organizations that agree to (I) make the property available for occupancy by and maintain it as affordable for lower-income families for the remaining useful life of such property, or (II) make the property available for purchase by such families. The restrictions described in subclause (I) of the preceding sentence shall be contained in the deed or other recorded instrument. If upon the expiration of such 3-month period, no qualifying household, public agency, or nonprofit organization has made a bona fide offer to purchase the property, the Corporation may offer to sell the property to any purchaser. The Corporation shall actively market eligible single family properties for sale to lower-income families.

"(3) RULES GOVERNING DISPOSITION OF ELIGIBLE MULTIFAMILY HOUSING PROPERTIES.—

"(A) NOTICE TO CLEARINGHOUSES.—Within a reasonable period of time after acquiring title to an eligible multifamily housing property, the Corporation shall provide written notice to clearinghouses. Such notice shall contain basic information about the property, including but not limited to location, number of units (identified by number of bedrooms), and information relating to the estimated fair market value of the property. The clearinghouses shall

make such information available, upon request, to qualifying multifamily purchasers. The Corporation shall allow qualifying multifamily purchasers reasonable access to an eligible multifamily housing property for purposes of inspection.

"(B) EXPRESSION OF SERIOUS INTEREST.—Qualifying multifamily purchasers may give written notice of serious interest in a property during a period ending 90 days after the time the Corporation provides notice under subparagraph (A), or until the Corporation determines that a property is ready for sale, whichever occurs first. Such notice of serious interest shall be in such form and include such information as the Corporation may prescribe.

"(C) NOTICE OF READINESS FOR SALE.—Upon determining that a property is ready for sale the Corporation shall provide written notice to any qualifying multifamily purchaser that has expressed serious interest in the property. Such notice shall specify the minimum terms and conditions for sale of the property.

"(D) OFFERS TO PURCHASE.—A qualifying multifamily purchaser receiving notice in accordance with subparagraph (C) shall have 45 days (from the date notice is received) to make a bona fide offer to purchase a property. The Corporation shall accept an offer that complies with the terms and conditions established by the Corporation.

"(E) LOWER-INCOME OCCUPANCY REQUIREMENTS.—Not less than 35 percent of all dwelling units purchased by a qualifying multifamily purchaser under subparagraph (D) shall be made available for occupancy by and maintained as affordable for lower-income families during the remaining useful life of the property in which the units are located, provided that not less than 20 percent of all units shall be made available for occupancy by and maintained as affordable for very low-income families during the remaining useful life of such property. If a single entity purchases more than 1 eligible property as part of the same negotiation, the requirements of this subparagraph shall apply in the aggregate to the properties so purchased. The requirements of this subparagraph shall be contained in the deed or other recorded instrument.

"(F) SALE OF MULTIFAMILY PROPERTIES TO OTHER PURCHASERS.—

"(i) If, upon the expiration of the period referred to in subparagraph (B), no qualifying multifamily purchaser has expressed serious interest in a property, the Corporation may offer to sell the property, individually or in combination with other properties, to any purchaser.

"(ii) The Corporation may not sell in combination with other properties any property which a qualifying multifamily purchaser has expressed serious interest in purchasing individually.

"(iii) If, upon the expiration of the period referred to in subparagraph (D), no qualifying multifamily purchaser has made an offer to purchase the property, the Corporation may sell the property, individually or in combination with other properties, to any purchaser.

"(G) EXEMPTIONS.—

"(i) CONTINUED OCCUPANCY OF CURRENT RESIDENTS.—No purchaser of an eligible multifamily housing property may terminate the occupancy of any person residing in the property on the date of purchase for purposes of meeting the lower-income occupancy requirement applicable to the property under subparagraph (E). The purchaser shall be in compliance with this paragraph if each newly vacant dwelling unit is reserved for lower-income occupancy until the lower-income occupancy requirement is met.

"(ii) FINANCIAL INFEASIBILITY.—The Secretary of Housing and Urban Development or the State housing finance agency for the State in which the property is located may temporarily reduce the lower-income occupancy requirements applicable to any property under subparagraph (E), if the Secretary or the applicable State housing finance agency determines that an owner's compliance with such requirements is no longer financially feasible. The owner of the property shall make a good-faith effort to return lower-income occupancy to the level required by subparagraph (E), and the Secretary of Housing and Urban Development or the State housing finance agency, as appropriate, shall review the reduction annually to determine whether financial infeasibility continues to exist.

"(4) RENT LIMITATIONS.—

"(A) IN GENERAL.—With respect to properties under subparagraph (B), rents charged to tenants for units made available for occupancy by very-low income families shall not exceed 30 percent of the adjusted income of a family whose income equals 50 percent of the median income for the area, as determined by the Secretary, with adjustment for family size. Rents charged to tenants for units made available for occupancy by lower-income families other than very low-income families shall not exceed 30 percent of the adjusted income of a family whose income equals 65 percent of the median income for the area, as determined by the Secretary, with adjustment for family size.

"(B) APPLICABILITY.—The rent limitations under this paragraph shall apply to any eligible single-family property sold pursuant to paragraph (2)(B)(ii)(I) and to any multifamily housing property sold pursuant to paragraph (3).

"(5) PREFERENCE FOR SALES.—When selling any eligible multifamily housing property or combinations of eligible residential properties, the Corporation shall give preference, among substantially similar offers, to the offer that would reserve the highest percentage of dwelling units for occupancy or purchase by very low-income families and lower-income families and would retain such affordability for the longest term.

"(6) FINANCING OF SALE.—

"(A) ASSISTANCE BY CORPORATION.—

"(i) SALE PRICE.—The Corporation shall establish a market value for each eligible residential property. The Corporation shall sell eligible residential property at the net realizable market value. The Corporation may agree to sell an eligible single family property at a price below the net realizable market value to the extent necessary to facilitate an expedited sale of the property and enable a lower-income family to purchase the property. The Corporation may agree to sell eligible residential property at a price below the net realizable market value to the extent necessary to facilitate an expedited sale of such property and enable a public agency or nonprofit organization to comply with the lower-income occupancy requirements applicable to such property under paragraphs (2) and (3).

"(ii) PURCHASE LOAN.—The Corporation may provide a loan at market interest rates to the purchaser of eligible residential property for all or a portion of the purchase price, which loan shall be secured by a first or second mortgage on the property. The Corporation may provide such a loan at below market interest rates to the extent necessary to facilitate an expedited sale of eligible residential property and permit (I) a lower-income family to purchase an eligible single family property under paragraph (2); or (II) a public agency or nonprofit organization to comply with the lower-income occupancy requirements applicable to the purchase of an eligible residential property under paragraph (2) or (3). The Corporation shall provide such loan in a form which would permit its sale or transfer to a subsequent holder.

"(B) ASSISTANCE BY HUD.—The Secretary shall take such action as may be necessary to expedite the processing of applications for assistance under section 202 of the Housing Act of 1959, the United States Housing Act of 1937, title IV of the Stewart B. McKinney Homeless Assistance Act, section 810 of the Housing and Community Development Act of 1974, and the National Housing Act to enable any organization or individual to purchase eligible residential property.

"(C) ASSISTANCE BY FMHA.—The Secretary of Agriculture shall take such actions as may be necessary to expedite the processing of applications for assistance under title V of the Housing Act of 1949 to enable any organization or individual to purchase eligible residential property.

"(7) CONTRACTING RULES.—Contracts entered into under this subsection shall not be subject to the requirements of subsection (b)(11)(A).

"(8) USE OF SECONDARY MARKET AGENCIES.—

"(A) IN GENERAL.—In the disposition of eligible residential properties, the Corporation shall, in consultation with the Secretary, explore opportunities to work with secondary market entities to provide housing for lower- and moderate-income families.

"(B) CREDIT ENHANCEMENT.—With respect to such Corporation properties, the Secretary may, consistent with statutory authorities, work through the Federal Housing Administration, the Government National Mortgage Association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and other secondary market entities to develop risk sharing structures, mortgage insurance, and other credit enhancements to assist in the provision of property ownership, rental, and cooperative housing opportunities for lower- and moderate-income families.

"(C) REPORT.—In the annual report submitted by the Secretary to the Congress, the Secretary shall include a detailed description of his activities under this paragraph, including recommendations for such additional authorization as he deems necessary to implement the provisions of this subsection.

"(9) DEFINITIONS.—For purposes of this subsection—

"(A) ADJUSTED INCOME.—The term 'adjusted income' has the same meaning as such term has under section 3 of the United States Housing Act of 1937.

"(B) CLEARINGHOUSES.—The term 'clearinghouses' means—

"(i) the State housing finance agency for the State in which an eligible residential property is located,

"(ii) the Office of Community Investment (or other comparable division) within the Federal Housing Finance Board, and

"(iii) any national nonprofit organizations (including any nonprofit entity established by the corporation established under title IX of the Housing and Community Development Act of 1968) that the Corporation

determines has the capacity to act as a clearinghouse for information.

"(C) CORPORATION.—The term 'Corporation' means the Resolution Trust Corporation either in its corporate capacity or as receiver, but does not include the Corporation in its capacity as an operating conservator.

"(D) ELIGIBLE MULTIFAMILY HOUSING PROPERTY.—The term 'eligible multifamily housing property' means a property consisting of more than 4 dwelling units—

"(i) to which the Corporation acquires title; and

"(ii) that has an appraised value that does not exceed the applicable dollar amount set forth in section 221(d)(3)(ii) of the National Housing Act for elevator-type structures (without regard to any increase of such amount for high-cost areas).

"(E) ELIGIBLE RESIDENTIAL PROPERTY.—The term 'eligible residential property' includes eligible single family properties and eligible multifamily housing properties.

"(F) ELIGIBLE SINGLE FAMILY PROPERTY.—The term 'eligible single family property' means a 1- to 4-family residence (including a manufactured home)—

"(i) to which the Corporation acquires title; and

"(ii) that has an appraised value that does not exceed the applicable dollar amount set forth in the first sentence of section 203(b)(2) of the National Housing Act (without regard to any increase of such amount for high-cost areas).

"(G) LOWER-INCOME FAMILIES.—The term 'lower-income families' means families and individuals whose incomes do not exceed 80 percent of the median income of the area involved, as determined by the Secretary, with adjustment for family size.

"(H) NET REALIZABLE MARKET VALUE.—The term 'net realizable market value' means a price below the market value that takes into account (i) any reductions in holding costs resulting from the expedited sale of a property, including but not limited to foregone real estate taxes, insurance, maintenance costs, security costs, and loss of use of funds, and (ii) the avoidance, where applicable, of fees paid to real estate brokers, auctioneers, or other individuals or organizations involved in the sale of property owned by the Corporation.

"(I) NONPROFIT ORGANIZATION.—The term 'nonprofit organization' means a private organization (including a limited equity cooperative)—

"(i) no part of the net earnings of which inures to the benefit of any member, shareholder, founder, contributor, or individual; and

"(ii) that is approved by the Corporation as to financial responsibility.

"(J) PUBLIC AGENCY.—The term 'public agency'—

"(i) means any Federal, State, local, or other governmental entity; and

"(ii) includes any public housing agency.

"(K) QUALIFYING HOUSEHOLD.—The term 'qualifying household' means a household (i) who intends to occupy eligible single family property as a principle residence; and (ii) whose adjusted income does not exceed 115 percent of the median income for the area, as determined by the Secretary, with adjustment for family size.

"(L) QUALIFYING MULTIFAMILY PURCHASER.—The term 'qualifying multifamily purchaser' means (i) a public agency, (ii) a nonprofit organization, or (iii) a for-profit entity which makes a commitment (for itself or any related entity) to satisfy the lower-income occupancy requirements specified under paragraph (3)(E) for any eligible multifamily property for which an offer to purchase is made during or after the periods specified under paragraph (3).

"(M) RURAL AREA.—The term 'rural area' has the meaning given such term in section 520 of the Housing Act of 1949.

"(N) SECRETARY.—The term 'Secretary' means the Secretary of the Housing and Urban Development.

"(O) STATE HOUSING FINANCE AGENCY.—The term 'State housing finance agency' means the public agency, authority, corporation, or other instrumentality of a State that has the authority to provide residential mortgage loan financing throughout such State.

"(P) VERY LOW-INCOME FAMILIES.—The term 'very-low income families' means families and individuals whose incomes do not exceed 50 percent of the median income of the area involved, as determined by the Secretary, with adjustment for family size.

"(10) EXCEPTION.—The provisions of this subsection shall not apply whenever the Corporation as receiver contracts to sell all or substantially all of the assets of a closed savings association to an insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act).

"(11) THIRD PARTY RIGHTS.—

"(A) IN GENERAL.—The provisions of this subsection, or any failure by the Corporation to comply with such provisions, may not be used by any person to attack or defeat any title to property once it is conveyed by the Corporation.

"(B) LOWER-INCOME OCCUPANCY.—The lower-income occupancy requirements specified under paragraphs (2) and (3) shall be judicially enforceable against purchasers of property under this subsection or their successors in interest by affected very low- and lower-income families, State housing finance agencies, and any agency, corporation, or authority of the United States Government. The parties specified in the preceding sentence shall be entitled to reasonable attorney fees upon prevailing in any such judicial action.

"(C) CLEARINGHOUSE.—A clearinghouse shall not be subject to suit for its failure to comply with the requirements of this subsection.

"(d) NATIONAL AND REGIONAL ADVISORY BOARDS.—

"(1) NATIONAL ADVISORY BOARD.—

"(A) ESTABLISHMENT.—The Oversight Board shall establish a national advisory board to provide information to the Oversight Board, and to advise that Board on policies and programs for the sale or other disposition of real property assets of institutions which are described in subsection (b)(3)(A).

"(B) MEMBERSHIP.—The national advisory board shall consist of—

"(i) a chairperson appointed by the Oversight Board; and

"(ii) the chairpersons of any regional advisory boards established pursuant to paragraph (2).

"(C) MEETINGS.—The national advisory board shall meet 4 times a year, or more frequently if requested by the Corporation.

"(2) REGIONAL ADVISORY BOARDS.—

"(A) ESTABLISHMENT.—The Oversight Board shall establish not less than 6 regional advisory boards to advise the Corporation on the policies and programs for the sale or other disposition of real property assets of institutions described in subsection (b)(3)(A). Such regional advisory boards shall be established in any region where the Oversight Board determines that there exists a significant portfolio of real property assets of institutions which are described in subsection (b)(3)(A).

"(B) MEMBERSHIP.—

"(i) APPOINTMENT.—Each regional advisory board shall consist of 5 members. Each member shall be appointed by the Oversight Board and shall serve at the pleasure of the Oversight Board. The members shall be selected from those residents of the region who will represent the views of low- and moderate-income consumers and small businesses, or who have knowledge and experience regarding business, financial, and real estate matters.

"(ii) TERMS.—Each member of a regional advisory board shall serve a term not to exceed 2 years, except that the Oversight Board may provide for classes of members so that the terms of not more than 3 members of any such board shall expire in any 1 year.

"(C) MEETINGS.—Each regional advisory board shall meet 4 times a year, or more frequently if requested by the Corporation. A regional advisory board shall conduct its meetings in its region.

"(3) PROHIBITION ON COMPENSATION.—Members of the national and regional advisory boards shall serve without compensation, except that such members shall be entitled to receive allowances in accordance with subchapter I of chapter 57 of title 5, United States Code, for necessary expenses of travel, lodging, and subsistence incurred in attending official meetings and other activities of the boards.

"(4) TREATMENT AS ADVISORY COMMITTEE AND TERMINATION OF NATIONAL AND REGIONAL ADVISORY BOARDS.—

"(A) FEDERAL ADVISORY COMMITTEE ACT.—The national and regional advisory boards shall be subject to the provisions of the Federal Advisory Committee Act.

"(B) TERMINATION.—Notwithstanding the provisions of the Federal Advisory Committee Act, the national advisory board and any regional advisory board established pursuant to this subsection which is in existence on the date on which the Corporation terminates shall also terminate on such date.

"(e) INSTITUTIONS ORGANIZED BY THE CORPORATION.—

"(1) LIMITATIONS ON CERTAIN ACTIVITIES.—All insured depository institutions (as defined in section 3 of the Federal Deposit Insurance Act) organized by the Corporation under this section shall, during the period such institutions are within the control of the Corporation, be subject to such limitations, restrictions, and conditions as determined by the Corporation with respect to the following activities:

"(A) Growth of assets.

"(B) Lending and borrowing activities.

"(C) Asset acquisitions.

"(D) Use of brokered deposits.

"(E) Payment of deposit rates.

"(F) Setting policy or credit standards.

"(G) Capital standards.

"(2) APPLICABILITY OF OTHER PROVISIONS OF LAW.—Except as otherwise provided, all insured depository institutions (defined in section 3 of the Federal Deposit Insurance Act) organized by the Corporation shall—

"(A) be subject to all laws and rules otherwise applicable to them as insured depository institutions, and

"(B) shall be subject to the supervision of the appropriate Federal banking agency (as that term is defined in section 3 of the Federal Deposit Insurance Act).

"(f) FADA.—Before the end of the 180-day period beginning on the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 198°. the Corporation shall liquidate the Federal Asset Disposition Association.

"(g) EXEMPTION FROM STATE AND LOCAL TAXATION.—The Corporation and the Oversight Board, the capital, reserves, surpluses, and assets of the Corporation and the Oversight Board, and the income derived from such capital, reserves, surpluses, or assets shall be exempt from State, municipal, and local taxation except taxes on real estate held by the Corporation, according to its value as other similar property held by other persons is taxed.

"(h) GUARANTEES OF FSLIC.—

"(1) ASSUMPTION BY CORPORATION.—On the date of the enactment of this section, the Corporation shall, by operation of law (and without further action by the Corporation, the Oversight Board, the Federal Housing Finance Board, the Federal Savings and Loan Insurance Corporation, or any court), assume all rights and obligations of the Federal Savings and Loan Insurance Corporation with respect to any guarantee issued by the Federal Savings and Loan Insurance Corporation during the period beginning on January 1, 1989, and ending on such date of enactment, in connection with any loan to any savings association by any Federal Reserve bank or Federal Home Loan Bank (hereinafter in this subsection referred to as a 'lender').

"(2) PAYMENT BY CORPORATION.—Any obligation assumed by the Corporation for any guarantee described in paragraph (1) to any lender shall be paid by the Corporation before the end of the 1-year period beginning on the date of the enactment of this section. Payment shall be made from funds or assets available to the Corporation.

"(3) PRIORITY OF CLAIMS OF LENDERS.—Any claim by a lender with respect to any obligation assumed by the Corporation for a guarantee described in paragraph (1) shall have priority over all other secured or unsecured obligations of the Corporation.

"(4) TREASURY BACKUP.—If the resources of the Corporation are insufficient to pay all the obligations assumed by the Corporation under paragraph (1) within the 1-year period, the Secretary of the Treasury shall pay the amount of any such deficiency. There are hereby appropriated to the Secretary for fiscal year 1989 and each fiscal year thereafter, such sums as may be necessary to pay such deficiency.

"(i) BORROWING.—

"(1) IN GENERAL.—The Corporation, upon approval of the Oversight Board, is authorized to borrow from the Treasury. The Secretary of the Treasury is authorized and directed to loan to the Corporation, on such terms as may be fixed by the Secretary of the Treasury, an amount not exceeding in the aggregate $5,000,000,000 outstanding at any one time.

"(2) INTEREST RATE.—Each such loan shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities.

"(j) MAXIMUM AMOUNT LIMITATIONS ON OUTSTANDING OBLIGATIONS.—

"(1) IN GENERAL.—Notwithstanding any other provision of this section, the amount which is equal to—

"(A) the sum of—

"(i) the total amount of contributions received from the Resolution Funding Corporation; and

"(ii) the total amount of outstanding obligations of the Corporation; minus

"(B) the sum of—

"(i) the amount of cash held by the Corporation; and

"(ii) the amount which is equal to 85 percent of the Corporation's estimate of the fair market value of other assets held by the Corporation,

may not exceed $50,000,000,000.

"(2) OUTSTANDING OBLIGATION DEFINED.—For purposes of this subsection (other than paragraph (3)), the term 'outstanding obligation' includes—

"(A) any obligation or other liability assumed by the Corporation from the Federal Savings and Loan Insurance Corporation under this section or pursuant to any provision of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989;

"(B) any guarantee issued by the Corporation;

"(C) the total of the outstanding amounts borrowed from the Secretary of the Treasury pursuant to subsection (i); and

"(D) any other obligation for which the Corporation has a direct or contingent liability to pay any amount.

"(3) FULL FAITH AND CREDIT.—The full faith and credit of the United States is pledged to the payment of any obligation issued by the Corporation, with respect to both principal and interest, if—

"(i) the principal amount of such obligation is stated in the obligation; and

"(ii) the term to maturity or the date of maturity of such obligation is stated in the obligation.

"(4) ESTIMATES OF COSTS OF CONTINGENT LIABILITIES REQUIRED.—

"(A) IN GENERAL.—The Corporation shall—

"(i) estimate the cost to such Corporation of any contingent liability of the Corporation; and

"(ii) at least once each calendar quarter, make such adjustment as is appropriate in the estimate of such cost.

"(B) INCLUSION IN FINANCIAL STATEMENTS AND OUTSTANDING OBLIGATIONS.—The estimated amount of the cost to the Corporation of any contingent liability of the Corporation (taking into account the most recent adjustment to such estimate pursuant to paragraph (A)(ii)) shall be—

"(i) treated as an outstanding obligation of the Corporation for purposes of this subsection; and

"(ii) included in any financial statement of the Corporation.

"(k) REPORTING AND DISCLOSURE OBLIGATIONS.—

"(1) AUDITS.—

"(A) ANNUAL AUDIT.—The Comptroller General shall audit annually the financial statements of the Corporation in accordance with generally accepted government auditing standards unless the Comptroller General notifies the Oversight Board not later than 180 days before the close of a fiscal year that the Comptroller General will not perform such audit for that fiscal year. In the event of such notification, the Oversight Board shall contract with an independent certified public accountant to perform the annual audit of the Corporation's financial statement in accordance with generally accepted government auditing standards.

"(B) ACCESS TO BOOKS AND RECORDS.—All books, records, accounts, reports, files, and property belonging to or used by the Corporation, or the Oversight Board, or by an independent certified public accountant retained to audit the Corporation's financial statement, shall be made available to the Comptroller General.

"(2) PUBLIC DISCLOSURE OF TRANSACTIONS.—

"(A) DISCLOSURE REQUIRED.—Except as otherwise provided in this subsection, the Corporation shall make available to the public—

"(i) any agreement entered into by the Corporation relating to a transaction for which the Corporation provides assistance pursuant to section 13(c) of the Federal Deposit Insurance Act, not later than 30 days after the first meeting of the Oversight Board after such agreement is entered into; and

"(ii) all agreements relating to cases reviewed by the Corporation pursuant to subsection (b)(11)(B).

"(B) EXCEPTION FOR DISCLOSURES AGAINST THE PUBLIC INTEREST.—

"(i) IN GENERAL.—The Oversight Board may withhold from public disclosure any document or part of a document if the Oversight Board determines, by a unanimous affirmative vote of the members of the Board, that disclosure would be contrary to the public interest.

"(ii) REPORT OF DETERMINATION.—A written report shall be made of any determination by the Oversight Board to withhold any part of a document from public disclosure pursuant to clause (i). Such report shall contain a full explanation of the specific reasons for such determination.

"(iii) PUBLICATION AND SUBMISSION OF REPORT.—The report prepared pursuant to clause (ii) shall be—

"(I) published in the Federal Register; and

"(II) transmitted to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

"(C) AGREEMENT DEFINED.—For purposes of this subsection, the term 'agreement' includes—

"(i) all documents which effectuate the terms and conditions of the assisted transaction;

"(ii) a comparison, which the Corporation shall prepare of—

"(I) the estimated cost of the transaction, with

"(II) the estimated cost of liquidating the insured institution; and

"(iii) a description of any economic or statistical assumptions on which such estimates are based.

"(3) DISCLOSURE TO CONGRESS OF TRANSACTIONS.—

"(A) PROSPECTIVE TRANSACTIONS.—The Corporation shall make available to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate any agreement entered into by the Corporation relating to a transaction for which the Corporation provides assistance pursuant to section 13(c) of the Federal Deposit Insurance Act not later than 25 days after the first meeting of the Oversight Board after such agreement is entered into. The foregoing requirement is in addition to the Corporation's obligation to make such agreements publicly available pursuant to paragraph (2).

"(B) PRIOR TRANSACTIONS.—The Corporation shall submit a report to the Oversight Board and the Congress containing the results and conclusions of the review of the 1988 transactions conducted pursuant to subsection (b)(11)(B) and such recommendations for legislative action as the Corporation may determine to be appropriate.

"(4) ANNUAL REPORTS.—

"(A) IN GENERAL.—The Oversight Board and the Corporation shall annually submit a full report of their respective operations, activities, budgets, receipts, and expenditures for the preceding 12-month period.

"(B) CONTENTS.—The report required under subparagraph (A) shall include—

"(i) audited statements and such information as is necessary to make known the financial condition and operations of the Corporation in accordance with generally accepted accounting principles;

"(ii) the Corporation's financial operating plans and forecasts (including budgets, estimates of actual and future spending, and estimates of actual and future cash obligations) taking into account the Corporation's financial commitments, guarantees, and other contingent liabilities;

"(iii) the number of minority and women investors participating in the bidding process for assisted acquisitions and the disposition of assets and the number of successful bids by such investors; and

"(iv) a list of the properties sold to State housing finance authorities (as such term is defined in section 1301 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989), the individual purchase prices of such properties, and an estimate of the premium paid by such authorities for such properties.

"(C) SUBMISSION TO CONGRESS AND THE PRESIDENT.—The Corporation shall submit each annual report required under this subsection to the Congress and the President as soon as practicable after the end of the calendar year for which such report is made but not later than June 30 of the year following such calendar year.

"(5) ADDITIONAL REPORTS.—

"(A) REPORTS REQUIRED.—In addition to the annual report required under paragraph (4), the Oversight Board and the Corporation shall submit to Congress not later than April 30 and October 31 of each calendar year, a semiannual report on the activities and efforts of the Corporation, the Federal Deposit Insurance Corporation, and the Oversight Board for the 6-month period ending on the last day of the month prior to the month in which such report is required to be submitted.

"(B) CONTENTS OF REPORT.—Each semiannual report required under subparagraph (A) shall include the following information with respect to the Corporation's assets and liabilities and to the assets and liabilities of institutions described in subsection (b)(3)(A):

"(i) A statement of the total book value of all assets held or managed by the Corporation at the beginning and end of the reporting period.

"(ii) A statement of the total book value of such assets which are under contract to be managed by private persons and entities at the beginning and end of the reporting period.

"(iii) The number of employees of the Corporation, the Federal Deposit Insurance Corporation, and the Oversight Board at the beginning and end of the reporting period.

"(iv) The total amounts expended on employee wages, salaries, and overhead, during such period which are attributable to—

"(I) contracting with, supervising, or reviewing the performance of private contractors, or

"(II) managing or disposing of such assets.

"(v) A statement of the total amount expended on private contractors for the management of such assets.

"(vi) A statement of the efforts of the Corporation to maximize the efficient utilization of the resources of the private sector during the reporting period and in future reporting periods and a description of the policies and procedures adopted to ensure adequate competition and fair and consistent treatment of qualified third parties seeking to provide services to the Corporation or the Federal Deposit Insurance Corporation.

"(vii) The total book value and total proceeds from such assets disposed of during the reporting period.

"(viii) Summary data on discounts from book value at which such assets were sold or otherwise disposed of during the reporting period.

"(ix) A list of all of the areas that carried a distressed area designation during the reporting period (including a justification for removal of areas from or addition of areas to the list of distressed areas).

"(x) An evaluation of market conditions in distressed areas and a description of any changes in conditions during the reporting period.

"(xi) Any change adopted by the Oversight Board in a minimum disposition price and the reasons for such change.

"(xii) The valuation method or methods adopted by the Oversight Board or the Corporation to value assets and the reasons for selecting such methods.

"(6) APPEARANCES BEFORE CONGRESSIONAL COMMITTEES.—

"(A) SEMIANNUAL APPEARANCE REQUIRED.—Not later than 30 days after submission of the semiannual reports required by paragraph (5), the Oversight Board shall appear before the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate to—

"(i) report on the progress made during such period in resolving cases involving institutions described in subsection (b)(3)(A);

"(ii) provide an estimate of the short-term and long-term cost to the United States Government of obligations issued or incurred during such period;

"(iii) report on the progress made during such period in selling assets of institutions described in subsection (b)(3)(A) and the impact such sales are having on the local markets in which such assets are located;

"(iv) describe the costs incurred by the Corporation in issuing obligations, managing and selling assets acquired by the Corporation;

"(v) provide an estimate of the income of the Corporation from assets acquired by the Corporation;

"(vi) provide an assessment of any potential source of additional funds for the Corporation; and

"(vii) provide an estimate of the remaining exposure of the United States Government in connection with institutions described in subsection (b)(3)(A) which, in the Oversight Board's estimation, will require assistance or liquidation after the end of such period.

"(7) APPEARANCES CONCERNING START-UP OF CORPORATION.—

"(A) APPEARANCE REQUIRED.—Before January 31, 1990, the Oversight Board and the Corporation shall appear before the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate for the purposes described in subparagraph (B).

"(B) PURPOSES OF APPEARANCE.—In connection with the appearance of the Oversight Board and the Corporation required by subparagraph (A), the Oversight Board and the Corporation shall—

"(i) describe the strategic plan established for the operations of the Corporation;

"(ii) describe the policies and procedures established or proposed to be established for the Corporation, including specific measures taken to avoid political favoritism or undue influence with respect to the activities of the Corporation;

"(iii) provide any regulation proposed to be prescribed by the Corporation; and

"(iv) provide the proposed case resolution schedule.

"(l) POWER TO REMOVE; JURISDICTION.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, any civil action, suit, or proceeding to which the Corporation is a party shall be deemed to arise under the laws of the United States, and the United States district courts shall have original jurisdiction over such action, suit, or proceeding.

"(2) CORPORATION AS PARTY.—The Corporation shall be substituted as a party in any civil action, suit, or proceeding to which its predecessor in interest was a party with respect to institutions which are subject to the management agreement dated February 7, 1989, among the Federal Savings and Loan Insurance Corporation, the Federal Home Loan Bank Board and the Federal Deposit Insurance Corporation.

"(3) REMOVAL AND REMAND.—The Corporation may, without bond or security, remove any such action, suit, or proceeding from a State court to the United States District Court for the District of Columbia, or if the action, suit, or proceeding arises out of the actions of the Corporation with respect to an institution for which a conservator or a receiver has been appointed, the United States district court for the district where the institution's principal business is located. The removal of any action, suit, or proceeding shall be instituted—

"(A) not later than 90 days after the date the Corporation is substituted as a party, or

"(B) not later than 30 days after the date suit is filed against the Corporation, if such suit is filed after the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

The Corporation may appeal any order of remand entered by a United States district court.

"(m) INTERVENTION BY OVERSIGHT BOARD IN EXTRAORDINARY CIRCUMSTANCES.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, the Oversight Board has the ultimate authority to supervise the Corporation and is ultimately accountable for the administration of the Corporation. The Oversight Board is authorized to remove the Federal Deposit Insurance Corporation (or any replacement) from its position as exclusive manager of the Corporation and from all of its responsibilities and authorities to act for the Corporation, in any case where the Oversight Board determines that any of the following extraordinary events has occurred:

"(A) There has been a material failure of the Corporation to adhere to the strategic plan developed pursuant to subsection (a)(14).

"(B) There has been a material failure of the Corporation to meet its financial goals, including over-commitment of financial resources.

"(C) There is evidence of fraud, abuse, gross mismanagement in the Corporation's programs or activities, or willful violation of this Act or the Corporation's policies or procedures.

"(D) There is a continuing failure to obtain consideration at least nearly equiva-

lent to the market value of the assets sold or otherwise transferred by the Corporation.

"(2) PROCEDURE.—Any decisions made or action taken by the Oversight Board under paragraph (1) shall be made or taken at an open meeting of the Oversight Board and the Oversight Board shall document its reasons for such actions or decisions.

"(3) NOTIFICATION TO CONGRESS.—Within 30 days of the meeting of the Oversight Board described in paragraph (2) and not later than 90 days before the removal of the Federal Deposit Insurance Corporation pursuant to paragraph (1), the Oversight Board shall notify Congress of any decision made or action taken pursuant to such paragraph and provide written documentation of its decision, including any supporting documentation relied on by the Oversight Board.

"(n) OPERATION OF CORPORATION AFTER EXERCISE OF POWERS UNDER SUBSECTION (m).—If the Oversight Board exercises authority under subsection (m), the Oversight Board shall—

"(1) develop an operations and management plan for the Corporation, including a detailed description of the employment and retention procedures for the Corporation and the classification standards for employment positions for the Corporation and the compensation rates and benefits established for each class of positions, all of which shall be subject to the provisions of subsection (a)(5);

"(2) select a Board of Directors and a chief executive officer for the Corporation; and

"(3) provide to Congress, not later than 60 days before the removal of the Federal Deposit Insurance Corporation, the operations and management plan developed pursuant to paragraph (1) and the identity of the Board of Directors and the chief executive officer selected pursuant to paragraph (2).

"(o) TERMINATION.—

"(1) IN GENERAL.—The Corporation shall terminate not later than December 31, 1996. If at the time of its termination, the Corporation is acting as a conservator or receiver, the Federal Deposit Insurance Corporation shall succeed the Corporation as conservator or receiver.

"(2) CASE RESOLUTIONS TRANSFERRED.—Simultaneous with the termination of the Corporation as provided in paragraph (1), all assets and liabilities of the Corporation shall be transferred to the FSLIC Resolution Fund. Thereafter the FSLIC Resolution Fund shall transfer any net proceeds from the sale of assets to the Resolution Funding Corporation.

"(p) CONFLICT OF INTEREST.—

"(1) IN GENERAL.—

"(A) The Oversight Board and the Corporation shall each be an 'agency' for purposes of title 18, United States Code. Any individual who, pursuant to a contract or any other arrangement, performs functions or activities of the Oversight Board or the Corporation, under the direct supervision of an officer or employee of the Oversight Board or the Corporation, shall be deemed to be an employee of the Oversight Board or the Corporation for the purposes of title 18, United States Code and this Act.

"(B) Any individual who, pursuant to a contract or any other agreement, acts for or on behalf of the Corporation shall be deemed to be a public official for the purposes of section 201 of title 18, United States Code.

"(2) ESTABLISHMENT OF RULES.—The Oversight Board and the Corporation shall, not later than 180 days after the date of enactment of this subsection, promulgate rules and regulations governing conflict of interest, ethical responsibilities, and post-employment restrictions applicable to members, officers, and employees of the Oversight Board and the Corporation that shall be no less stringent than those applicable to the Federal Deposit Insurance Corporation.

"(3) USE OF CONFIDENTIAL INFORMATION.—The Oversight Board and the Corporation shall, not later than 180 days after the date of enactment of this subsection, promulgate rules and regulations applicable to independent contractors governing conflicts of interest, ethical responsibilities, and the use of confidential information consistent with the goals and purposes of titles 18 and 41, United States Code.

"(4) POST EMPLOYMENT.—The chief executive officer of the Corporation shall be prohibited for a period of 1 year after leaving the Corporation from holding any office, position, or employment with, or receiving remuneration from, a company (other than the Corporation) which, during the time the chief executive was employed by the Corporation, participated in any case resolution or contract with the Corporation for which such person was either responsible or in which such person was personally and substantially involved except that the chief executive officer may hold any office, position, or employment so long as the chief executive officer does not, during the 1-year period, provide advice with respect to, participate in decisions relating to, or otherwise provide assistance to such entity on the enumerated matters or receive remuneration with respect thereto from such company.

"(5) OTHER AGENCY EMPLOYEES.—Directors, officers, and employees of the Oversight Board and the Corporation who are also subject to the ethical rules of another agency or Government Corporation shall file with the Corporation a copy of any financial disclosure statement required by such other agency or corporation.

"(6) DISAPPROVAL OF CONTRACTORS.—

"(A) IN GENERAL.—The Oversight Board shall prescribe regulations establishing procedures for ensuring that any individual who is performing, directly or indirectly, any function or service on behalf of the Corporation meets minimum standards of competence, experience, integrity, and fitness.

"(B) PROHIBITION FROM SERVICE ON BEHALF OF CORPORATION.—The procedures established under subparagraph (A) shall provide that the Corporation shall prohibit any person who does not meet the minimum standards of competence, experience, integrity, and fitness from—

"(i) entering into any contract with the Corporation; or

"(ii) being employed by the Corporation or any person performing any service for or on behalf of the Corporation.

"(C) INFORMATION REQUIRED TO BE SUBMITTED.—The procedures established under subparagraph (A) shall require that any offer submitted to the Corporation by any person under this section and any employment application submitted to the Corporation by any person shall include—

"(i) a list and description of any instance during the preceding 5 years in which the person or company under such person's control defaulted on a material obligation to an insured depository institution; and

"(ii) such other information as the Board may prescribe by regulation.

"(D) SUBSEQUENT SUBMISSIONS.—No offer submitted to the Corporation may be accepted unless the offeror agrees that no person will be employed, directly or indirectly, by the offeror under any contract with the Corporation unless all applicable information described in subparagraph (C) with respect to any such person is submitted to the Corporation and the Corporation does not disapprove of the direct or indirect employment of such person. Any decision made by the Corporation pursuant to this paragraph shall be in its sole discretion and shall not be subject to review.

"(E) PROHIBITION REQUIRED IN CERTAIN CASES.—The standards established under subparagraph (A) shall require the Corporation to prohibit any person who has—

"(i) been convicted of any felony,

"(ii) been removed from, or prohibited from participating in the affairs of, any insured depository institution pursuant to any final enforcement action by any appropriate Federal banking agency,

"(iii) demonstrated a pattern or practice of defalcation regarding obligations to insure depository institutions, or

"(iv) caused a substantial loss to Federal deposit insurance funds,

from service on behalf of the Corporation.

"(7) ABROGATION OF CONTRACTS.—The Oversight Board or the Corporation may rescind any contract with a person who—

"(A) fails to disclose a material fact to the Oversight Board or the Corporation,

"(B) would be prohibited under paragraph (6) from providing services to, receiving fees from, or contracting with the Corporation or the Oversight Board, or

"(C) has been subject to a final enforcement action by any Federal bank regulatory agency.

"(8) PRIORITY OF OVERSIGHT BOARD RULES.—To the extent that the rules established under this subsection conflict with rules of other agencies or Government corporations, officers, directors, employees, and independent contractors of the Corporation or the Oversight Board, who are also subject to the conflict of interest or ethical rules of another agency or Government corporation, shall be governed by the rules and regulations established by the Oversight Board under this subsection when acting for or on behalf of the Corporation.

"(9) DEFINITIONS.—For the purposes of this subsection—

"(A) The term 'company' has the same meaning as in section 2(b) of the Bank Holding Company Act of 1956.

"(B) The term 'control' has the same meaning given such term under regulations promulgated by the Federal Home Loan Bank Board with respect to savings and loan holding companies as in effect on the day before the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

"(C) The term 'Corporation' includes the Resolution Trust Corporation, the national advisory board, and the regional advisory boards.".

(b) INSPECTOR GENERAL OF THE CORPORATION.—

(1) ESTABLISHMENT.—Section 11 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(A) in paragraph (1), by inserting "the Oversight Board and the Board of Directors of the Resolution Trust Corporation" before "; as the case may be,"; and

(B) in paragraph (2), by inserting "the Resolution Trust Corporation," after "the Railroad Retirement Board,".

(2) POSITION AT LEVEL IV OF THE EXECUTIVE SCHEDULE.—

(A) IN GENERAL.—Section 5315 of title 5, United States Code, is amended by adding at the end thereof:

"Inspector General, Resolution Trust Corporation.".

(B) APPROPRIATION.—There is hereby authorized to be appropriated such sums as may be necessary for the operation of the Office of Inspector General established by the amendment made by paragraph (1) of this subsection.

(c) CONFORMING AMENDMENTS TO TITLE 5.—Section 5313 of title 5, United States Code, is amended by adding at the end thereof:

"Independent Members, Oversight Board, Resolution Trust Corporation.".

(d) MIXED-OWNERSHIP GOVERNMENT CORPORATION.—Section 9101(2) of title 31, United States Code, is amended by adding at the end thereof:

"(L) the Resolution Trust Corporation.".

(e) CONFORMING AMENDMENTS TO URBAN HOMESTEADING PROGRAM AND HOUSING ACT OF 1949.—

(1) URBAN HOMESTEADING.—Section 810(g) of the Housing and Community Development Act of 1974 (12 U.S.C. 1706e(g)) is amended by adding at the end the following new paragraph:

"(3) The Secretary is authorized to reimburse the Resolution Trust Corporation, in an amount to be agreed upon by the Secretary and the Corporation, for property that the Corporation conveys to a unit of general local government, State, or agency for use in connection with an urban homesteading program approved by the Secretary.".

(2) HOUSING ACT OF 1949.—Section 517 of the Housing Act of 1949 (42 U.S.C. 1987) is amended by adding after subsection (m) the following new subsection:

"(n) The Secretary may guarantee and service loans made for the purchase of eligible residential properties under section 21A(c) of the Federal Home Loan Bank Act in accordance with subsection (d) of this section and the last sentence of section 521(a)(1)(A).".

(f) GAO EXAMINATION OF CERTAIN FSLIC RESOLUTIONS.—Notwithstanding any other provision of this Act, the Comptroller General of the United States shall examine and monitor all insolvent institution cases resolved by the Federal Savings and Loan Insurance Corporation from January 1, 1988, through the date of the enactment of this Act, and not later than April 30, 1990, shall report to Congress with an estimate of the costs of the agreements entered into by the Corporation pursuant to such resolutions. Not less than annually thereafter, the last report being due on April 30, 1992, the Comptroller General shall provide Congress with revisions to such estimates, to take into account any new information that he obtains with regard to such agreements.

Subtitle B—Resolution Funding Corporation

SEC. 511. RESOLUTION FUNDING CORPORATION ESTABLISHED.

(a) IN GENERAL.—The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amended by inserting after section 21A the following new section:

"SEC. 21B. RESOLUTION FUNDING CORPORATION ESTABLISHED.

"(a) PURPOSE.—The purpose of the Resolution Funding Corporation is to provide funds to the Resolution Trust Corporation to enable the Resolution Trust Corporation to carry out the provisions of this Act.

"(b) ESTABLISHMENT.—There is established a corporation to be known as the Resolution Funding Corporation.

"(c) MANAGEMENT OF FUNDING CORPORATION.—

"(1) DIRECTORATE.—The Funding Corporation shall be under the management of a Directorate composed of 3 members as follows:

"(A) The director of the Office of Finance of the Federal Home Loan Banks (or the head of any successor office).

"(B) 2 members selected by the Oversight Board from among the presidents of the Federal Home Loan Banks.

"(2) TERMS.—Of the 2 members appointed under paragraph (1)(B), 1 shall be appointed for an initial term of 2 years and 1 shall be appointed for an initial term of 3 years. Thereafter, such members shall be appointed for a term of 3 years.

"(3) VACANCY.—If any member leaves the office in which such member was serving when appointed to the Directorate—

"(A) such member's service on the Directorate shall terminate on the date such member leaves such office; and

"(B) the successor to the office of such member shall serve the remainder of such member's term.

"(4) EQUAL REPRESENTATION OF BANKS.—No president of a Federal Home Loan Bank may be appointed to serve an additional term on the Directorate until such time as the presidents of each of the other Federal Home Loan Banks have served as many terms as the president of such bank.

"(5) CHAIRPERSON.—The Oversight Board shall select the chairperson of the Directorate from among the 3 members of the Directorate.

"(6) STAFF.—

"(A) NO PAID EMPLOYEES.—The Funding Corporation shall have no paid employees.

"(B) POWERS.—The Directorate may, with the approval of the Federal Housing Finance Board authorize the officers, employees, or agents of the Federal Home Loan Banks to act for and on behalf of the Funding Corporation in such manner as may be necessary to carry out the functions of the Funding Corporation.

"(7) ADMINISTRATIVE EXPENSES.—

"(A) IN GENERAL.—All administrative expenses of the Funding Corporation, including custodian fees, shall be paid by the Federal Home Loan Banks.

"(B) PRO RATA DISTRIBUTION.—The amount each Federal Home Loan Bank shall pay under subparagraph (A) shall be determined by the Oversight Board by multiplying the total administrative expenses for any period by the percentage arrived at by dividing—

"(i) the aggregate amount the Oversight Board required such bank to invest in the Funding Corporation (as of the time of such determination) under paragraphs (4) and (5) of subsection (e) (computed without regard to paragraphs (3) or (6) of such subsection); by

"(ii) the aggregate amount the Oversight Board required all Federal Home Loan Banks to invest (as of the time of such determination) under such paragraphs.

"(8) REGULATION BY OVERSIGHT BOARD.—The Directorate of the Funding Corporation shall be subject to such regulations, orders, and directions as the Oversight Board may prescribe.

"(9) NO COMPENSATION FROM FUNDING CORPORATION.—Members of the Directorate of the Funding Corporation shall receive no pay, allowance, or benefit from the Funding Corporation for serving on the Directorate.

"(d) POWERS OF THE FUNDING CORPORATION.—The Funding Corporation shall have only the powers described in paragraphs (1) through (9), subject to the other provisions of this section and such regulations, orders, and directions as the Oversight Board may prescribe:

"(1) ISSUE STOCK.—To issue nonvoting capital stock to the Federal Home Loan Banks.

"(2) PURCHASE CAPITAL STOCK; TRANSFER AMOUNTS.—To purchase capital certificates issued by the Resolution Trust Corporation under section 21A, and to transfer amounts to the Resolution Trust Corporation pursuant to subsection (e)(8) of this section.

"(3) ISSUE OBLIGATIONS.—To issue debentures, bonds, or other obligations, and to borrow, to give security for any amount borrowed, and to pay interest on (and any redemption premium with respect to) any such obligation or amount.

"(4) IMPOSE ASSESSMENTS.—To impose assessments in accordance with subsection (e)(7).

"(5) CORPORATE SEAL.—To adopt, alter, and use a corporate seal.

"(6) SUCCESSION.—To have succession until dissolved.

"(7) CONTRACTS.—To enter into contracts.

"(8) AUTHORITY TO SUE.—To sue and be sued in its corporate capacity, and to complain and defend in any action brought by or against the Funding Corporation in any State or Federal court of competent jurisdiction.

"(9) INCIDENTAL POWERS.—To exercise such incidental powers not inconsistent with the provisions of this section and section 21A as are necessary and appropriate to carry out the provisions of this section.

"(e) CAPITALIZATION OF FUNDING CORPORATION, ETC.—

"(1) IN GENERAL.—

"(A) AMOUNT REQUIRED.—The Oversight Board shall ensure that the aggregate of the amounts obtained under this subsection shall be sufficient so that—

"(i) the Funding Corporation may transfer the amounts required under paragraph (8); and

"(ii) the total of the face amounts (the amount of principal payable at maturity) of noninterest bearing instruments in the Funding Corporation Principal Fund are equal to the aggregate amount of principal on the obligations of the Funding Corporation.

"(B) PURCHASES OF STOCK BY FEDERAL HOME LOAN BANKS.—Each Federal Home Loan Bank shall purchase stock in the Funding Corporation at times and in amounts prescribed by the Oversight Board.

"(2) PAR VALUE; TRANSFERABILITY.—Each share of stock issued by the Funding Corporation to a Federal Home Loan Bank shall have a par value in an amount determined by the Oversight Board and shall be transferable at not less than par value only among the Federal Home Loan Banks in the manner and to the extent prescribed by the Oversight Board.

"(3) MAXIMUM INVESTMENT AMOUNT LIMITATION FOR EACH FEDERAL HOME LOAN BANK.—The cumulative amount of funds invested in nonvoting capital stock of the Funding Corporation by each Federal Home Loan Bank under paragraph (1) shall not at any time exceed the sum of the amounts calculated under subparagraphs (A) and (B), as adjusted in subparagraph (C), as follows:

"(A) RESERVES AND UNDIVIDED PROFITS ON DECEMBER 31, 1988.—The sum on December 31, 1988, of—

"(i) the reserves maintained by such Bank pursuant to the reserve requirement contained in the first 2 sentences of section 16 (as in effect on December 31, 1988); and

"(ii) the undivided profits of such Bank, minus the amounts invested in the capital stock of the Financing Corporation pursuant to section 21.

"(B) SUBSEQUENT ADDITIONS TO RESERVES AND UNDIVIDED PROFITS.—The amount, calculated until the date on which the Funding Corporation Principal Fund is fully funded, equal to—

"(i) the sum of—

"(I) the amounts added to reserves by such Bank after December 31, 1988, pursuant to the reserve requirement contained in the first 2 sentences of section 16 (as in effect on December 31, 1988); and

"(II) the quarterly additions to undivided profits of the Bank after December 31, 1988; minus

"(ii) the amounts invested by such Bank in the capital stock of the Financing Corporation after December 31, 1988, pursuant to the requirement contained in section 21.

"(C) ANNUAL ADJUSTMENT.—The amounts in subparagraph (B) shall be adjusted as follows:

"(i) INCREASE IN LIMIT.—If the aggregate amount for all Federal Home Loan Banks determined under subparagraph (B)(i) is less than $300,000,000 per year, the limit for each Bank shall be increased by an amount determined by the Oversight Board by multiplying the aggregate deficiency by the percentage applicable to such Bank arrived at in the manner described in paragraph (5).

"(ii) DECREASE IN LIMIT.—If the aggregate amount for all Federal Home Loan Banks determined under subparagraph (B)(i) is more than $300,000,000 per year, the limit for each Bank shall be decreased by an amount determined by the Oversight Board by multiplying the aggregate excess by the percentage applicable to such Bank arrived at in the manner described in paragraph (5).

"(4) PRO RATA DISTRIBUTION OF FIRST $1,000,000,000 INVESTED IN FUNDING CORPORATION BY FEDERAL HOME LOAN BANKS.—Of the first $1,000,000,000 of the aggregate that the Federal Housing Finance Board (pursuant to section 21) or the Oversight Board (under this section) may require the Federal Home Loan Banks collectively to invest in the capital stock of the Financing Corporation or invest in the capital stock of the Funding Corporation, respectively, the amount which each Federal Home Loan Bank (or any successor to the Bank) shall invest shall be determined by the Federal Housing Finance Board or the Oversight Board (as the case may be) by multiplying the aggregate amount of such investment by all Banks by the percentage appearing in the following table for each such Bank:

Bank	Percentage
Federal Home Loan Bank of Boston	1.8629
Federal Home Loan Bank of New York	9.1006
Federal Home Loan Bank of Pittsburgh	4.2702
Federal Home Loan Bank of Atlanta	14.4007
Federal Home Loan Bank of Cincinnati	8.2653
Federal Home Loan Bank of Indianapolis	5.2863
Federal Home Loan Bank of Chicago	9.6886
Federal Home Loan Bank of Des Moines	6.9301
Federal Home Loan Bank of Dallas	8.8181
Federal Home Loan Bank of Topeka	5.2706
Federal Home Loan Bank of San Francisco	19.9644
Federal Home Loan Bank of Seattle	6.1422

"(5) PRO RATA DISTRIBUTION OF AMOUNTS REQUIRED TO BE INVESTED IN EXCESS OF $1,000,000,000.—Of any amount which the Oversight Board may require the Federal Home Loan Banks to invest in capital stock of the Funding Corporation under this subsection in excess of the $1,000,000,000 amount referred to in paragraph (4), the amount which each Federal Home Loan Bank (or any successor to such Bank) shall invest shall be determined by the Oversight Board by multiplying the excess amount by the percentage arrived at by dividing—

"(A) the sum of the total assets (as of the most recent December 31) held by all Savings Association Insurance Fund members which are members of such Bank; by

"(B) the sum of the total assets (as of such date) held by all Savings Association Insurance Fund members which are members of a Federal Home Loan Bank.

"(6) SPECIAL PROVISIONS RELATING TO MAXIMUM AMOUNT LIMITATIONS.—

"(A) IN GENERAL.—If the amount of any Federal Home Loan Bank's allocation under paragraph (5) exceeds the maximum amount applicable with respect to such Bank (in this paragraph referred to as a 'deficient Bank') under paragraph (3) at the time of such determination (in this paragraph referred to as the 'excess amount')—

"(i) the Oversight Board shall require each Federal Home Loan Bank that is not allocated an amount under paragraph (5) that exceeds its maximum under paragraph (3) (in this paragraph referred to as a 'remaining Bank') to purchase stock in the Funding Corporation (in addition to the amount determined under paragraph (5) for such remaining Bank and subject to the maximum amount applicable with respect to such remaining Bank under paragraph (3) at the time of such determination) on behalf of the deficient Bank the amount determined under subparagraph (B);

"(ii) the Oversight Board shall require the deficient Bank to subsequently reimburse the remaining Banks out of its net earnings (or reimbursements received from other Banks) in the manner described in subparagraphs (C) and (D); and

"(iii) the requirements contained in subparagraph (D) relating to the use of net earnings shall apply to the deficient Bank until such Bank has reimbursed the remaining Banks for all of the excess amount.

"(B) ALLOCATION OF EXCESS AMOUNT AMONG REMAINING FEDERAL HOME LOAN BANKS.—

"(i) IN GENERAL.—The amount of stock each remaining Federal Home Loan Bank shall be required to purchase under subparagraph (A)(i) is the amount determined by the Oversight Board by multiplying the excess amount by the percentage arrived at by dividing—

"(I) the cumulative amount of stock in the Funding Corporation purchased under this subsection by such remaining Bank at the time of such determination; by

"(II) the aggregate of the cumulative amounts invested under this subsection by all remaining Banks at such time.

"(ii) REALLOCATION.—If the allocation under this subparagraph results in a remaining Bank exceeding its maximum amount under paragraph (3), such excess amount shall be reallocated to the other remaining Bank in accordance with this subparagraph.

"(C) REIMBURSEMENT PROCEDURE.—

"(i) IN GENERAL.—A Bank on whose behalf stock is purchased under subparagraph (A)(i) shall make payments annually from amounts, if any, in its reserve account (as described in subparagraph (D)) to each Bank that made payments on its behalf until a full reimbursement has been completed. A full reimbursement shall require repayment of the excess amounts invested by other Banks plus interest which shall accrue at a rate equal to the annual average cost of funds in the most recent year to all Federal Home Loan Banks and which shall begin to accrue 2 years after the investments under subparagraph (A)(i) are made.

"(ii) DETERMINATION OF AMOUNTS.—The Oversight Board shall annually determine the dollar amounts of such reimbursements by distributing the amount available for such reimbursements (at the time of such determination) from the reimbursing Bank to the Banks that made purchases on its behalf according to the shares of the reimbursing Bank's excess amount that the other Banks invested.

"(D) TRANSFER TO ACCOUNT FOR REIMBURSEMENTS REQUIRED.—

"(i) IN GENERAL.—Of the net earnings for any year of a Bank on whose behalf a purchase is made under subparagraph (A)(i) and any reimbursements received from other Banks, the amount necessary to make the reimbursements required under subparagraph (A)(ii) shall be placed in a reserve account (established in the manner prescribed by the Oversight Board), which shall be available only for such reimbursements.

"(ii) LIMITATION.—The total amount placed in such reserve account in any year by any Bank shall not exceed an amount equal to 20 percent of the net earnings of such Bank for such year.

"(7) ADDITIONAL SOURCES.—If each Federal Home Loan Bank has exhausted the amount applicable with respect to the Bank under paragraph (3) after purchases under paragraphs (4), (5), and (6), the amounts necessary to provide additional funding for the Funding Corporation Principal Fund shall be obtained from the following sources:

"(A) ASSESSMENTS.—The Funding Corporation, with the approval of the Board of Directors of the Federal Deposit Insurance Corporation, shall assess against each Savings Association Insurance Fund member an assessment (in the same manner as assessments are assessed against such members by the Federal Deposit Insurance Corporation pursuant to section 7 of the Federal Deposit Insurance Act) except that—

"(i) the maximum amount of the aggregate amount assessed shall be the amount of additional funds necessary to fund the Funding Corporation Principal Fund;

"(ii) the sum of—

"(I) the amount assessed under this subparagraph; and

"(II) the amount assessed by the Financing Corporation under section 21;

shall not exceed the amount authorized to be assessed against Savings Association Insurance Fund members pursuant to section 7 of the Federal Deposit Insurance Act;

"(iii) the Financing Corporation shall have first priority to make the assessment; and

"(iv) the amount of the applicable assessment determined under such section 7 shall be reduced by the sum described in clause (ii) of this subparagraph.

"(B) RECEIVERSHIP PROCEEDS.—To the extent the amounts available pursuant to subparagraph (A) are insufficient to fund the Funding Corporation Principal Fund, the Federal Deposit Insurance Corporation shall transfer amounts to the Funding Corporation from the liquidating dividends and payments made on claims received by the FSLIC Resolution Fund from receiverships.

"(8) TRANSFER TO RTC.—The Funding Corporation shall transfer to the Resolution Trust Corporation $1,200,000,000 in fiscal year 1989.

"(f) OBLIGATIONS OF FUNDING CORPORATION.—

"(1) ISSUANCE.—The Funding Corporation may issue bonds, notes, debentures, and similar obligations in an aggregate amount not to exceed $30,000,000,000. No obligation may be issued under this paragraph unless, at the time of issuance, the face amounts (the amount of principal payable at maturity) of noninterest bearing instruments in the Funding Corporation Principal Fund are equal to the aggregate amount of principal on the obligations of the Funding Corporation that will be outstanding following such issuance.

"(2) INTEREST PAYMENTS.—The Funding Corporation shall pay the interest due on such obligations from funds obtained for such interest payments from the following sources:

"(A) EARNINGS ON CERTAIN ASSETS.—Earnings on assets of the Funding Corporation which are not invested in the Funding Corporation Principal Fund shall be used for interest payments on outstanding debt of the Funding Corporation.

"(B) PROCEEDS FROM RESOLUTION TRUST CORPORATION.—To the extent the amounts available pursuant to subparagraph (A) are insufficient to cover the amount of interest payments, the Resolution Trust Corporation shall pay to the Funding Corporation—

"(i) the liquidating dividends and payments made on claims received by the Resolution Trust Corporation from receiverships to the extent such proceeds are determined by the Oversight Board to be in excess of funds presently necessary for resolution costs; and

"(ii) any proceeds from warrants and participations acquired by the Resolution Trust Corporation.

"(C) PAYMENTS BY FEDERAL HOME LOAN BANKS.—To the extent the amounts available pursuant to subparagraphs (A) and (B) are insufficient to cover the amount of interest payments, the Federal Home Loan Banks shall pay to the Funding Corporation each calendar year the aggregate amount of $300,000,000 minus the amounts required in such year for Financing Corporation principal payments (pursuant to section 21) and the amounts required in such year by the Funding Corporation pursuant to subsection (e). Each Bank's individual share of any amounts required to be paid by the Banks under this subparagraph shall be determined as follows:

"(i) AMOUNTS UP TO 20 PERCENT OF NET EARNINGS.—Each Federal Home Loan Bank shall pay an equal percentage of its net earnings for the year for which such amount is required to be paid, up to a maximum of 20 percent of net earnings.

"(ii) AMOUNTS IN EXCESS OF 20 PERCENT OF NET EARNINGS.—If the aggregate amount required to be paid by the Federal Home Loan Banks under this subparagraph for any year exceeds 20 percent of the aggregate net earnings of the Banks for such year, each Bank shall pay 20 percent of its net earnings for such year as provided in clause (i), and each Bank's individual share of the excess of the required amount over 20 percent of the aggregate net earnings of the Banks for such year shall be determined by dividing—

"(I) the average month-end level in the prior year of advances outstanding by such Bank to Savings Associations Insurance Fund members; by

"(II) the average month-end level in the prior year of advances outstanding by all such Banks to Savings Associations Insurance Fund members.

"(D) PROCEEDS FROM SALE OF ASSETS.—To the extent the amounts available pursuant to subparagraphs (A), (B), and (C) are insufficient to cover the amount of interest payments, the FSLIC Resolution Fund shall transfer to the Funding Corporation any net proceeds from the sale of assets received from the Resolution Trust Corporation, which shall be used by the Funding Corporation to pay such interest.

"(E) TREASURY BACKUP.—

"(i) IN GENERAL.—To the extent the amounts available pursuant to subparagraphs (A), (B), (C), and (D) are insufficient to cover the amount of interest payments, the Secretary of the Treasury shall pay to the Funding Corporation the additional amount due, which shall be used by the Funding Corporation to pay such interest.

"(ii) LIABILITY OF FUNDING CORPORATION.—In each instance where the Secretary is required to make a payment under this subparagraph to the Funding Corporation, the amount of the payment shall become a liability of the Funding Corporation to be repaid to the Secretary upon dissolution of the Funding Corporation (to the extent the Funding Corporation may have any remaining assets).

"(iii) APPROPRIATION OF FUNDS.—There are hereby appropriated to the Secretary, for fiscal year 1989 and each fiscal year thereafter, such sums as may be necessary to carry out clause (i).

"(3) PRINCIPAL PAYMENTS.—On maturity of an obligation issued under this subsection, the obligation shall be repaid by the Funding Corporation from the liquidation of noninterest bearing instruments held in the Funding Corporation Principal Fund.

"(4) PROCEEDS TO BE TRANSFERRED TO RESOLUTION TRUST CORPORATION.—Subject to terms and conditions approved by the Oversight Board, the proceeds (less any discount, plus any premium, net of issuance costs) of any obligation issued by the Funding Corporation shall be used to—

"(A) purchase the capital certificates issued by the Resolution Trust Corporation under section 21A; or

"(B) refund any previously issued obligation the proceeds of which were transferred in the manner described in subparagraph (A).

"(5) INVESTMENT OF UNITED STATES FUNDS IN OBLIGATIONS.—Obligations issued under this section by the Funding Corporation, at the direction of the Oversight Board shall be lawful investments, and may be accepted as security, for all fiduciary, trust, and public funds the investment or deposit of which shall be under the authority or control of the United States or any officer of the United States.

"(6) MARKET FOR OBLIGATIONS.—All persons having the power to invest in, sell, underwrite, purchase for their own accounts, accept as security, or otherwise deal in obligations of the Federal Home Loan Banks shall also have the power to do so with respect to obligations of the Funding Corporation.

"(7) TAX EXEMPT STATUS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), obligations of the Funding Corporation shall be exempt from tax both as to principal and interest to the same extent as any obligation of a Federal Home Loan Bank is exempt from tax under section 13 of this Act.

"(B) EXCEPTION.—The Funding Corporation, like the Federal Home Loan Banks, shall be treated as an agency of the United States for purposes of the first sentence of section 3124(b) of title 31, United States Code (relating to determination of tax status of interest on obligations).

"(8) OBLIGATIONS NOT EXEMPT SECURITIES.—

"(A) IN GENERAL.—For purposes of the laws administered by the Securities and Exchange Commission, obligations of the Funding Corporation—

"(i) shall not be considered to be securities issued or guaranteed by a person controlled or supervised by, or acting as an instrumentality of, the Government of the United States; and

"(ii) shall not be considered to be 'exempted securities' within the meaning of section 3(a)(12)(A)(i) of the Securities Exchange Act of 1934, except that such obligations shall be considered to be exempted securities for purposes of section 15 of such Act.

"(B) AUTHORITY OF COMMISSION.—Notwithstanding subparagraph (A), the Securities and Exchange Commission may, by rule or order, consistent with the public interest and the protection of investors, exempt securities issued by the Funding Corporation from the registration requirements of the Securities Act of 1933, subject to such terms and conditions as the Commission may prescribe.

"(9) MINORITY PARTICIPATION IN PUBLIC OR NEGOTIATED OFFERINGS.—The Oversight Board and the Directorate shall ensure that minority owned or controlled commercial banks, investment banking firms, underwriters, and bond counsels throughout the United States have an opportunity to participate to a significant degree in any public or negotiated offering of obligations issued under this section.

"(10) NO FULL FAITH AND CREDIT OF THE UNITED STATES.—Obligations of the Funding Corporation shall not be obligations of, or guaranteed as to principal by, the Federal Home Loan Bank System, the Federal Home Loan Banks, the United States, or the Resolution Trust Corporation and the obligations shall so plainly state. The Secretary shall pay interest on such obligations as required pursuant to this subsection.

"(g) USE AND DISPOSITION OF ASSETS OF FUNDING CORPORATION NOT TRANSFERRED TO RESOLUTION TRUST CORPORATION.—

"(1) IN GENERAL.—Subject to regulations, restrictions, and limitations prescribed by the Oversight Board, assets of the Funding Corporation which are not required to be invested in capital certificates issued by the Resolution Trust Corporation under section 21A and are not needed for current interest payments shall be invested in direct obligations of the United States issued by the Secretary.

"(2) SEPARATE ACCOUNT FOR ZERO COUPON INSTRUMENTS HELD TO ENSURE PAYMENT OF PRINCIPAL.—Except as provided in subsection (e)(8), the Funding Corporation shall invest amounts received pursuant to subsection (e) in, and hold in a separate account to be known as the Funding Corporation Principal Fund, noninterest bearing instruments—

"(A) which are direct obligations of the United States issued by the Secretary; and

"(B) the total of the face amounts (the amount of principal payable at maturity) of which is approximately equal to the aggregate amount of principal on the obligations of the Funding Corporation.

"(h) MISCELLANEOUS PROVISIONS.—

"(1) TREATMENT FOR CERTAIN PURPOSES.—Except as provided in subsection (f)(7)(B),

the Funding Corporation shall be treated as a Federal Home Loan Bank for purposes of section 13 (to the extent such section relates to State, municipal, and local taxation) and section 23.

"(2) FEDERAL RESERVE BANKS AS DEPOSITARIES AND FISCAL AGENTS.—The Federal Reserve banks are authorized to act as depositaries for or fiscal agents or custodians of the Funding Corporation.

"(3) APPLICABILITY OF CERTAIN PROVISIONS RELATING TO GOVERNMENT CORPORATIONS.—The Funding Corporation shall be treated, for purposes of sections 9105, 9107, and 9108 of title 31, United States Code, as a mixed-ownership Government corporation which has capital of the Government.

"(4) JURISDICTION AND POWER TO REMOVE.—

"(A) FEDERAL COURT JURISDICTION.—Notwithstanding any other provision of law, any civil action, suit, or proceeding to which the Funding Corporation is a party shall be deemed to arise under the laws of the United States, and the United States district courts shall have original jurisdiction over such action, suit, or proceeding.

"(B) REMOVAL.—The Funding Corporation may, without bond or security, remove any such action, suit, or proceeding from a State court to the United States District Court for the District of Columbia.

"(i) ANNUAL REPORT.—

"(1) IN GENERAL.—The Oversight Board shall annually submit a full report of the operations, activities, budget, receipts, and expenditures of the Funding Corporation for the preceding 12-month period.

"(2) CONTENTS.—The report required under paragraph (1) shall include—

"(A) audited statements and any information necessary to make known the financial condition and operations of the Funding Corporation in accordance with generally accepted accounting principles;

"(B) the financial operating plans and forecasts (including estimates of actual and future spending, and estimates of actual and future cash obligations) of the Funding Corporation taking into account its financial commitments, guarantees, and other contingent liabilities; and

"(C) the results of the annual audit of the financial transactions of the Funding Corporation conducted by the Comptroller General pursuant to section 9105(a) of title 31, United States Code.

"(3) SUBMISSION TO CONGRESS AND PRESIDENT.—The Oversight Board shall submit each annual report required under this subsection to the Congress and the President as soon as practicable after the end of the calendar year for which the report is made, but not later than June 30 of the year following such calendar year.

"(j) TERMINATION OF FUNDING CORPORATION.—

"(1) IN GENERAL.—The Funding Corporation shall be dissolved, as soon as practicable, after the maturity and full payment of all obligations issued by the Funding Corporation under this section.

"(2) AUTHORITY OF OVERSIGHT BOARD TO CONCLUDE AFFAIRS OF FUNDING CORPORATION.—Effective on the date of the dissolution of the Funding Corporation under paragraph (1), the Oversight Board may exercise on behalf of the Funding Corporation any power of the Funding Corporation which the Oversight Board determines to be necessary to settle and conclude the affairs of the Funding Corporation.

"(k) DEFINITIONS.—For purposes of this section:

"(1) ADMINISTRATIVE EXPENSES.—The term 'administrative expenses' does not include—

"(A) any interest on, or any redemption premium with respect to, any obligation of the Funding Corporation; or

"(B) issuance costs.

"(2) CUSTODIAN FEE.—The term 'custodian fee' means—

"(A) any fee incurred by the Funding Corporation in connection with the transfer of any security to, or the maintenance of any security in, the segregated account established under subsection (g); and

"(B) any other expense incurred by the Funding Corporation in connection with the establishment or maintenance of such account.

"(3) FUNDING CORPORATION.—The term 'Funding Corporation' means the Resolution Funding Corporation established in subsection (b).

"(4) FUNDING CORPORATION PRINCIPAL FUND.—The term 'Funding Corporation Principal Fund' means the separate account established under subsection (g)(2).

"(5) ISSUANCE COSTS.—The term 'issuance costs'—

"(A) means issuance fees and commissions incurred by the Funding Corporation in connection with the issuance or servicing of any obligation of the Funding Corporation; and

"(B) includes legal and accounting expenses, trustee and fiscal and paying agent charges, costs incurred in connection with preparing and printing offering materials, and advertising expenses, to the extent that any such cost or expense is incurred by the Funding Corporation in connection with issuing any obligation.

"(6) NET EARNINGS.—The term 'net earnings' means net earnings without reduction for chargeoffs or expenses incurred by a Federal Home Loan Bank for the purchase of capital stock of the Financing Corporation or payments relating to the Funding Corporation required by the Oversight Board under subsections (e) and (f).

"(7) OVERSIGHT BOARD.—The term 'Oversight Board' means—

"(A) the Oversight Board of the Resolution Trust Corporation under section 21A; and

"(B) after the termination of the Resolution Trust Corporation—

"(i) the Secretary of the Treasury;

"(ii) the Chairman of the Board of Governors of the Federal Reserve System; and

"(iii) the Secretary of Housing and Urban Development.

"(8) SAVINGS ASSOCIATION INSURANCE FUND MEMBER.—The term 'Savings Association Insurance Fund member' means a Savings Association Insurance member as such term is defined by section 7(l) of the Federal Deposit Insurance Act.

"(9) SECRETARY.—The term 'Secretary' means the Secretary of the Treasury.

"(10) UNDIVIDED PROFITS.—The term 'undivided profits' means earnings retained after dividends have been paid minus the sum of—

"(A) that portion required to be added to reserves maintained pursuant to the first 2 sentences of section 16; and

"(B) the dollar amounts held by the respective Federal Home Loan Banks in special dividend stabilization reserves on December 31, 1985, as determined by the table set forth in section 21(d)(7).

"(l) REGULATIONS.—The Oversight Board may prescribe any regulations necessary to carry out this section.".

(b) FUNDING CORPORATION AS MIXED-OWNERSHIP GOVERNMENT CORPORATION.—

(1) IN GENERAL.—Section 9101(2) of title 31, United States Code, is amended by adding at the end the following new subparagraph:

"(M) the Resolution Funding Corporation.".

(2) ANNUAL GAO AUDIT.—

(A) IN GENERAL.—Section 9105(a)(2) of title 31, United States Code, is amended by adding at the end the following new sentence: "The Comptroller General shall audit the Resolution Funding Corporation annually.".

(B) CONFORMING AMENDMENT.—Section 9105(a)(2) of title 31, United States Code, is amended by striking "Federal Savings and Loan Insurance Corporation and".

SEC. 512. FINANCING CORPORATION.

Section 21 of the Federal Home Loan Bank Act (12 U.S.C. 1441) is amended—

(1) by striking "insured institution" each place it appears and inserting "Savings Association Insurance Fund member";

(2) by striking "Federal Home Loan Bank Board" and "Board" each place they appear and inserting "Federal Housing Finance Board";

(3) in subsection (c)(2), by inserting before the period the following: "prior to the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 and thereafter to transfer the proceeds of any obligation issued by the Financing Corporation to the FSLIC Resolution Fund";

(4) in subsection (c)(9) by striking "or section 402(b) of the National Housing Act";

(5) by amending the portion of subsection (d)(4) appearing before the table to read as follows: "Of the first $1,000,000,000 in the aggregate which the Oversight Board pursuant to section 21B or the Federal Housing Finance Board under this section (as the case may be) may require the Federal Home Loan Banks collectively to invest in the stock of the Funding Corporation or invest in the capital stock of the Financing Corporation, respectively, the amount which each Federal Home Loan Bank (or any successor to such Bank) shall invest shall be determined by the Oversight Board or the Federal Housing Finance Board (as the case may be) by multiplying the aggregate amount of such payment or investment by all Banks by the percentage appearing in the following table for each such Bank:";

(6) in subsection (d)(5), by striking "$1,000,000,000 which the Board" and inserting "the $1,000,000,000 amount referred to in paragraph (4) which the Federal Housing Finance Board";

(7) in subsection (d)(6)(A)(iii), by striking "available for dividends";

(8) in subsection (d)(6)(D), by striking "available for dividends";

(9) in subsection (d)(6)(E), by striking "available for dividends";

(10) by striking subsection (d)(6)(F) and adding at the end of subsection (l) the following:

"(4) NET EARNINGS DEFINED.—The term 'net earnings' means net earnings without reduction for any chargeoffs or expenses incurred by a Bank in connection with the purchase of capital stock of the Financing Corporation or the purchase of stock of the Funding Corporation required by the Oversight Board under subsections (e) and (f) of section 21B.";

(11) in subsection (e)(3)(A)—

(A) by striking "used to";

(B) by inserting "used to" before "purchase" and "refund"; and

(C) by inserting before the semicolon the following: "prior to the enactment of the Financial Institutions Reform, Recovery, and

Enforcement Act of 1989, and thereafter transferred to the FSLIC Resolution Fund";

(12) in subsection (e)—

(A) by striking paragraph (2) and redesignating paragraphs (3) through (10) as paragraphs (2) through (9), respectively, and

(B) in paragraph (6) as redesignated, by striking "the Federal Savings and Loan Insurance Corporation" and inserting "the FSLIC Resolution Fund";

(13) by striking subsection (f) and inserting the following:

"(f) SOURCES OF FUNDS FOR INTEREST PAYMENTS; FINANCING CORPORATION ASSESSMENT AUTHORITY.—The Financing Corporation shall obtain funds for anticipated interest payments, issuance costs, and custodial fees on obligations issued hereunder from the following sources:

"(1) PREENACTMENT ASSESSMENTS.—The Financing Corporation assessments which were assessed on insured institutions pursuant to this section as in effect prior to the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

"(2) NEW ASSESSMENT AUTHORITY.—To the extent the amounts available pursuant to paragraph (1) are insufficient to cover the amount of interest payments, issuance costs, and custodial fees, the Financing Corporation, with the approval of the Board of Directors of the Federal Deposit Insurance Corporation, shall assess against each Savings Association Insurance Fund member an assessment (in the same manner as assessments are assessed against such members by the Federal Deposit Insurance Corporation under section 7 of the Federal Deposit Insurance Act), except that—

"(A) the sum of—

"(i) the amount assessed under this paragraph; and

"(ii) the amount assessed by the Funding Corporation under section 21B;

shall not exceed the amount authorized to be assessed against Savings Association Insurance Fund members pursuant to section 7 of the Federal Deposit Insurance Act;

"(B) the Financing Corporation shall have first priority to make the assessment; and

"(C) the amount of the applicable assessment determined under such section 7 shall be reduced by the sum described in subparagraph (A) of this paragraph.

"(3) RECEIVERSHIP PROCEEDS.—To the extent the amounts available pursuant to paragraphs (1) and (2) are insufficient to cover the amount of interest payments, issuance costs, and custodial fees, and if the funds are not required by the Resolution Funding Corporation to provide funds for the Funding Corporation Principal Fund under section 21B, the Federal Deposit Insurance Corporation shall transfer to the Financing Corporation, from the liquidating dividends and payments made on claims received by the FSLIC Resolution Fund (established under section 11A of the Federal Deposit Insurance Act) from receiverships, the remaining amount of funds necessary for the Financing Corporation to make interest payments.";

(14) in subsection (g)(1) by striking "National Housing Act," and inserting "National Housing Act before the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 and after such date in capital certificates issued by the FSLIC Resolution Fund,";

(15) in subsection (g), by inserting the following at the end of paragraph (2): "For purposes of the foregoing, the Financing Corporation shall be deemed to hold noninterest bearing instruments that it lends temporarily to primary United States Treasury dealers in order to enhance market liquidity and facilitate deliveries, provided that United States Treasury securities of equal or greater value have been delivered as collateral.";

(16) in subsection (j), by striking subparagraph (A) of paragraph (1) and inserting the following:

"(A) the maturity and full payment of all obligations issued by the Financing Corporation pursuant to this section; or"; and

(17) in subsection (l)—

(A) by striking paragraph (1) and inserting the following:

"(1) SAVINGS ASSOCIATION INSURANCE FUND MEMBER.—The term 'Savings Association Insurance Fund member' means a savings association which is a Savings Association Insurance Fund member as defined by section 7(l) of the Federal Deposit Insurance Act."; and

(B) by striking paragraph (2) and redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

TITLE VI—THRIFT ACQUISITION ENHANCEMENT PROVISIONS

SEC. 601. ACQUISITION OF THRIFT INSTITUTIONS BY BANK HOLDING COMPANIES.

(a) IN GENERAL.—Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) is amended by adding at the end the following new subsection:

"(i) ACQUISITION OF SAVINGS ASSOCIATIONS.—

"(1) IN GENERAL.—The Board may approve an application by any bank holding company under subsection (c)(8) to acquire any savings association in accordance with the requirements and limitations of this section.

"(2) PROHIBITION ON TANDEM RESTRICTIONS.—In approving an application by a bank holding company to acquire a savings association, the Board shall not impose any restriction on transactions between the savings association and its holding company affiliates, except as required under sections 23A and 23B of the Federal Reserve Act or any other applicable law.".

(b) MODIFICATION OF PRIOR APPROVALS.—If the Board of Governors of the Federal Reserve System, in approving an application by a bank holding company to acquire a savings association, imposed any restriction that would have been prohibited under section 4(i)(2) of the Bank Holding Company Act of 1956 (as added by subsection (a) of this section) if that section had been in effect when the application was approved, the Board shall modify that approval in a manner consistent with that section.

SEC. 602. TECHNICAL AMENDMENTS TO THE BANK HOLDING COMPANY ACT.

(a) DEFINITIONS.—Section 2(j) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(j)) is amended to read as follows:

"(j) DEFINITION OF SAVINGS ASSOCIATIONS AND RELATED TERM.—The term 'savings association' or 'insured institution' means—

"(1) any Federal savings association or Federal savings bank;

"(2) any building and loan association, savings and loan association, homestead association, or cooperative bank if such association or cooperative bank is a member of the Savings Association Insurance Fund; and

"(3) any savings bank or cooperative bank which is deemed by the Director of the Office of Thrift Supervision to be a savings association under section 10(l) of the Home Owners' Loan Act.".

(b) INSURANCE REQUIRED.—Section 3(e) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(e)) is amended by striking "an insured bank as defined in section 3(h)" and inserting "an insured depository institution as defined in section 3".

SEC. 603. PASSIVE INVESTMENTS BY COMPANIES CONTROLLING CERTAIN NONBANK BANKS.

(a) IN GENERAL.—Section 4(f)(2)(A)(ii) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)(2)(A)(ii)) is amended to read as follows:

"(ii) acquires control of more than 5 percent of the shares or assets of an additional bank or a savings association other than—

"(I) shares held as a bona fide fiduciary (whether with or without the sole discretion to vote such shares);

"(II) shares held by any person as a bona fide fiduciary solely for the benefit of employees of either the company described in paragraph (1) or any subsidiary of that company and the beneficiaries of those employees;

"(III) shares held temporarily pursuant to an underwriting commitment in the normal course of an underwriting business;

"(IV) shares held in an account solely for trading purposes;

"(V) shares over which no control is held other than control of voting rights acquired in the normal course of a proxy solicitation;

"(VI) loans or other accounts receivable acquired in the normal course of business;

"(VII) shares or assets acquired in securing or collecting a debt previously contracted in good faith, during the 2-year period beginning on the date of such acquisition or for such additional time (not exceeding 3 years) as the Board may permit if the Board determines that such an extension will not be detrimental to the public interest;

"(VIII) shares or assets of a savings association described in paragraph (10) or (12) of this subsection;

"(IX) shares of a savings association held by any insurance company, as defined in section 2(a)(17) of the Investment Company Act of 1940, except as provided in paragraph (11); and

"(X) shares issued in a qualified stock issuance under section 10(q) of the Home Owners' Loan Act;

except that the aggregate amount of shares held under this clause (other than under subclauses (I), (II), (III), (IV), (V), and (VIII)) may not exceed 15 percent of all outstanding shares or of the voting power of a savings association or savings and loan holding company; or".

(b) TECHNICAL AMENDMENTS.—

(1) Section 4(f)(10) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)(10)) is amended—

(A) by striking "and (ii)(V)" and inserting "and (ii)(VIII)"; and

(B) in subparagraph (A), by inserting "or section 13(k) of the Federal Deposit Insurance Act" after "National Housing Act".

(2) Section 4(f) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)) is amended by adding at the end the following:

"(11) SHARES HELD BY INSURANCE AFFILIATES.—Shares described in clause (ii)(IX) of paragraph (2)(A) shall not be excluded for purposes of clause (ii) of such paragraph if—

"(A) all shares held under such clause (ii)(IX) by all insurance company affiliates of such savings association in the aggregate exceed 5 percent of all outstanding shares or of the voting power of the savings association; or

"(B) such shares are acquired or retained with a view to acquiring, exercising, or transferring control of the savings association.".

SEC. 604. PURCHASE OF MINORITY INTEREST IN UNDERCAPITALIZED SAVINGS ASSOCIATIONS BY HOLDING COMPANIES ALLOWED.

(a) AMENDMENT TO DEPOSITORY INSTITUTION MANAGEMENT INTERLOCKS ACT.—Section 205 of the Depository Institution Management Interlocks Act (12 U.S.C. 3204) is amended by adding at the end thereof the following new paragraph:

"(9) Any savings association (as defined in section 10(a)(1)(A) of the Home Owners' Loan Act or any savings and loan holding company (as defined in section 10(a)(1)(D) of such Act) which has issued stock in connection with a qualified stock issuance pursuant to section 10(q) of such Act, except that this paragraph shall apply only with respect to service as a single management official of such savings association or holding company, or any subsidiary of such savings association or holding company, by a single management official of the savings and loan holding company which purchased the stock issued in connection with such qualified stock issuance, and shall apply only when the Director of the Office of Thrift Supervision has determined that such service is consistent with the purposes of this Act and the Home Owners' Loan Act.".

(b) AMENDMENTS TO BANK HOLDING COMPANY ACT.—Section 4(f) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)) is amended—

(1) by adding at the end thereof the following new paragraphs:

"(12) EXEMPTION UNAFFECTED BY CERTAIN OTHER ACQUISITIONS.—For purposes of clauses (i) and (ii)(VIII) of paragraph (2)(A), an insured institution is described in this paragraph if the insured institution was acquired (or any shares or assets of such institution were acquired) by a company described in paragraph (1)—

"(A) from the Resolution Trust Corporation, the Federal Deposit Insurance Corporation, or the Director of the Office of Thrift Supervision, in any capacity; or

"(B) in an acquisition in which the insured institution has been found to be in danger of default (as defined in section 3 of the Federal Deposit Insurance Act) by the appropriate Federal or State authority.

"(13) SPECIAL RULE RELATING TO SHARES ACQUIRED IN A QUALIFIED STOCK ISSUANCE.—A company described in paragraph (1) that holds shares issued in a qualified stock issuance pursuant to section 10(q) of the Home Owners' Loan Act by any savings association or savings and loan holding company (neither of which is a subsidiary) shall not be deemed to control such savings association or savings and loan holding company solely because such company holds such shares unless—

"(A) the company fails to comply with any requirement or condition imposed by paragraph (2)(A)(ii)(X) or section 10(q) of the Home Owners' Loan Act with respect to such shares; or

"(B) the shares are acquired or retained with a view to acquiring, exercising, or transferring control of the savings association or savings and loan holding company."; and

(2) in clause (i) of paragraph (2)(A), by striking out "paragraph (10)" and inserting in lieu thereof "paragraph (10) or (12)".

TITLE VII—FEDERAL HOME LOAN BANK SYSTEM REFORMS

Subtitle A—Federal Home Loan Bank Act Amendments

SEC. 701. DEFINITIONS.

(a) IN GENERAL.—Section 2 of the Federal Home Loan Bank Act (12 U.S.C. 1422) is amended—

(1) by striking paragraphs (1) and (2) and inserting the following:

"(1) BOARD.—The term 'Board' means the Federal Housing Finance Board established under section 2A.

"(2)(A) BANK.—The term 'Federal Home Loan Bank' or 'Bank' means a bank established under the authority of the Federal Home Loan Bank Act.

"(B) BANK SYSTEM.—The term 'Federal Home Loan Bank System' means the Federal Home Loan Banks under the supervision of the Board.";

(2) in paragraph (4) by striking "(except when used in reference to the member of the Board)"; and

(3) by striking paragraph (9) and adding at the end the following:

"(9) SAVINGS ASSOCIATION.—The term 'savings association' has the meaning given to such term in section 3 of the Federal Deposit Insurance Act.

"(10) CHAIRPERSON.—The term 'Chairperson' means the Chairperson of the Board.

"(11) SECRETARY.—The term 'Secretary' means the Secretary of Housing and Urban Development.

"(12) INSURED DEPOSITORY INSTITUTION.—The term 'insured depository institution' means—

"(A) an insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act), and

"(B) except as used in sections 21A and 21B, an insured credit union (as defined in section 101 of the Federal Credit Union Act).".

(b) CHANGE IN TERMS.—

(1) IN GENERAL.—Except as otherwise specifically provided in this title, the Federal Home Loan Bank Act is amended by striking "board" (other than in section 7) and "Federal Home Loan Bank Board" each place such terms appear and inserting "Board".

(2) CHAIRPERSON.—The Federal Home Loan Bank Act is amended by striking "Chairman" and "chairman" each place such terms appear and inserting "Chairperson" and "chairperson".

(3) EXCEPTIONS.—

(A) GENERAL RULE.—The amendments made by paragraph (1) shall not apply to sections 18(c), 21A, and 21B of the Federal Home Loan Bank Act.

(B) CONFORMING AMENDMENT.—Section 18(c) of the Federal Home Loan Bank Act (12 U.S.C. 1438(c)) is amended by striking "Federal Home Loan Bank Board" and "board" each place such terms appear and inserting "Director of the Office of Thrift Supervision".

(c) TECHNICAL AMENDMENTS.—Section 11 of the Federal Home Loan Bank Act (12 U.S.C. 1431) is amended—

(1) in subsection (e)(2)(C), by inserting "Federal Home Loan" before "Banks,"; and

(2) in the first sentence of the third paragraph of subsection (i) by inserting "Federal" before "Home Loan Bank System".

SEC. 702. FEDERAL HOUSING FINANCE BOARD ESTABLISHED.

(a) IN GENERAL.—The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amended by inserting after section 2 the following new sections:

"SEC. 2A. FEDERAL HOUSING FINANCE BOARD.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established the Federal Housing Finance Board, which shall succeed to the authority of the Federal Home Loan Bank Board with respect to the Federal Home Loan Banks.

"(2) STATUS.—The Board shall be an independent agency in the executive branch of the Government.

"(3) DUTIES.—The duties of the Board shall be—

"(A) to supervise the Federal Home Loan Banks,

"(B) to ensure that the Federal Home Loan Banks carry out their housing finance mission,

"(C) to ensure the Federal Home Loan Banks remain adequately capitalized and able to raise funds in the capital markets, and

"(D) to ensure the Federal Home Loan Banks operate in a safe and sound manner.

"(b) MANAGEMENT.—

"(1) IN GENERAL.—The management of the Board shall be vested in a Board of Directors consisting of 5 directors as follows:

"(A) The Secretary who shall serve without additional compensation.

"(B) Four citizens of the United States, appointed by the President, by and with the advice and consent of the Senate, each of whom shall hold office for a term of 7 years.

"(2) PROVISIONS RELATING TO APPOINTED DIRECTORS.—

"(A) IN GENERAL.—The directors appointed pursuant to paragraph (1)(B) shall be from among persons with extensive experience or training in housing finance or with a commitment to providing specialized housing credit. An appointed director shall not hold any other appointed office during his or her term as director. Not more than 3 directors shall be members of the same political party. Not more than 1 appointed director shall be from any single district of the Federal Home Loan Bank System. Nominations pursuant to this subparagraph shall be referred in the Senate to the Committee on Banking, Housing, and Urban Affairs.

"(B) CONSUMER REPRESENTATIVE.—At least 1 director shall be chosen from an organization with more than a 2-year history of representing consumer or community interests on banking services, credit needs, housing, or financial consumer protections.

"(C) LIMITATIONS ON CONFLICTS OF INTEREST.—No director may—

"(i) serve as a director or officer of any Federal Home Loan Bank or any member of any Bank; or

"(ii) hold shares of, or any other financial interest in, any member of any such Bank.

"(3) INITIAL TERMS.—Notwithstanding paragraph (2), of the directors first appointed—

"(A) one shall be appointed for a term of 1 year;

"(B) one shall be appointed for a term of 3 years; and

"(C) one shall be appointed for a term of 5 years.

"(c) CHAIRPERSON; TRANSITIONAL PROVISIONS.—

"(1) IN GENERAL.—The President shall designate 1 of the appointed directors to be the Chairperson of the Board. The Chairperson shall designate another director to serve as Acting Chairperson during the absence or disability of the Chairperson.

"(2) TRANSITIONAL PROVISION.—Beginning on the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, until such time that at

least 2 directors are appointed and confirmed pursuant to subsection (b), the Secretary shall act for all purposes and with the full powers of the Board of Directors. The Secretary may utilize the services of employees from the Department of Housing and Urban Development to perform services for the Board of Directors during such transition period.

"(d) VACANCIES.—

"(1) IN GENERAL.—Any vacancy on the Board of Directors shall be filled in the manner in which the original appointment was made. Any director appointed to fill a vacancy occurring before the expiration of the term for which such director's predecessor was appointed shall be appointed only for the remainder of such term. Each director may continue to serve until a successor has been appointed and qualified.

"(2) THE SECRETARY.—In the event of a vacancy in the office of Secretary or during the absence or disability of the Secretary, the Acting Secretary shall act as a director in place of the Secretary.

"SEC. 2B. POWERS AND DUTIES.

"(a) GENERAL POWERS.—The Board shall have the following powers:

"(1) To supervise the Federal Home Loan Banks and to promulgate and enforce such regulations and orders as are necessary from time to time to carry out the provisions of this Act.

"(2) To suspend or remove for cause a director, officer, employee, or agent of any Federal Home Loan Bank or joint office. The cause of such suspension or removal shall be communicated in writing to such director, officer, employee, or agent and to such Bank or joint office. Notwithstanding any other provision of this Act, no officer, employee, or agent of a Bank or joint office shall be a Federal officer or employee under any definition of either term in title 5, United States Code.

"(3) To determine necessary expenditures of the Board under this Act and the manner in which such expenditures shall be incurred, allowed, and paid.

"(4) To use the United States mails in the same manner and under the same conditions as a department or agency of the United States.

"(b) STAFF.—

"(1) BOARD STAFF.—Subject to title IV of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the Board may employ, direct, and fix the compensation and number of employees, attorneys, and agents of the Federal Housing Finance Board, except that in no event shall the Board delegate any function to any employee, administrative unit of any Bank, or joint office of the Federal Home Loan Bank System. The prohibition contained in the preceding sentence shall not apply to the delegation of ministerial functions including issuing consolidated obligations pursuant to section 11(b). In directing and fixing such compensation, the Board shall consult with and maintain comparability with the compensation at the Federal bank regulatory agencies. Such compensation shall be paid without regard to the provisions of other laws applicable to officers or employees of the United States, except the Chairperson and other Directors shall be compensated as prescribed in sections 5314 and 5315 of title 5, United States Code, respectively.

"(2) ABOLITION OF JOINT OFFICES.—The joint or collective offices of the Federal Home Loan Bank System, except for the Office of Finance, are hereby abolished.

"(c) RECEIPTS OF THE BOARD.—Receipts of the Board derived from assessments levied upon the Federal Home Loan Banks and from other sources (other than receipts from the sale of consolidated Federal Home Loan Bank bonds and debentures issued under section 11 of this Act) shall be deposited in the Treasury of the United States. Salaries of the directors and other employees of the Board and all other expenses thereof may be paid from such assessments or other sources and shall not be construed to be Government Funds or appropriated monies, or subject to apportionment for the purposes of chapter 15 of title 31, United States Code, or any other authority.

"(d) ANNUAL REPORT.—The Board shall make an annual report to the Congress.".

(b) AUDITS AND REPORTS.—Section 20 of the Federal Home Loan Bank Act (12 U.S.C. 1440) is amended by adding at the end the following: "In addition to such examinations, the Comptroller General may audit or examine the Board and the Banks, to determine the extent to which the Board and the Banks are fairly and effectively fulfilling the purposes of this Act.".

(c) APPOINTMENT OF INSPECTOR GENERAL.—Section 8E(a)(2) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking "Federal Home Loan Bank Board," and inserting "Federal Housing Finance Board,".

SEC. 703. TERMINATION OF THE FEDERAL HOME LOAN BANK BOARD.

(a) IN GENERAL.—Section 17 of the Federal Home Loan Bank Act (12 U.S.C. 1437) is hereby repealed.

SEC. 704. ELIGIBILITY FOR MEMBERSHIP.

(a) INSURED DEPOSITORY INSTITUTIONS.—Section 4(a) of the Federal Home Loan Bank Act (12 U.S.C. 1424(a)) is amended to read as follows:

"(a) CRITERIA FOR ELIGIBILITY.—

"(1) IN GENERAL.—Any building and loan association, savings and loan association, cooperative bank, homestead association, insurance company, savings bank, or any insured depository institution (as defined in section 2 of this Act), shall be eligible to become a member of a Federal Home Loan Bank if such institution—

"(A) is duly organized under the laws of any State or of the United States;

"(B) is subject to inspection and regulation under the banking laws, or under similar laws, of the State or of the United States; and

"(C) makes such home mortgage loans as, in the judgment of the Board, are long-term loans (except that in the case of a savings bank, this subparagraph applies only if, in the judgment of the Board, its time deposits, as defined in section 19 of the Federal Reserve Act, warrant its making such loans).

"(2) QUALIFIED THRIFT LENDER.—An insured depository institution that is not a member on January 1, 1989, may become a member of a Federal Home Loan Bank only if—

"(A) the insured depository institution has at least 10 percent of its total assets in residential mortgage loans;

"(B) the insured depository institution's financial condition is such that advances may be safely made to such institution; and

"(C) the character of its management and its home-financing policy are consistent with sound and economical home financing.

An insured depository institution commencing its initial business operations after January 1, 1989, may become a member of a Federal Home Loan Bank if it complies with regulations and orders prescribed by the Board for the 10 percent asset requirement (described in the preceding sentence) within one year after the commencement of its operations.".

(c) REPEAL OF SECTION 27.—Section 27 of the Federal Home Loan Bank Act (12 U.S.C. 1447) is hereby repealed.

SEC. 705. REPEAL OF PROVISION RELATING TO RATE OF INTEREST ON DEPOSITS.

Section 5B of the Federal Home Loan Bank Act (12 U.S.C. 1425b) is hereby repealed.

SEC. 706. CAPITAL STOCK.

Section 6 of the Federal Home Loan Bank Act (12 U.S.C. 1426) is amended—

(1) by striking subsections (a), (e), (f), and (g) and redesignating subsections (b), (c), (d), (h), (i), (j), (k), and (m) as subsections (a), (b), (c), (d), (e), (f), (g), and (h), respectively;

(2) by striking the second sentence of subsection (e) (as redesignated by paragraph (1) of this section) and inserting the following: "If any member's membership in a Federal Home Loan Bank is terminated, the indebtedness of such member to the Federal Home Loan Bank shall be liquidated in an orderly manner (as determined by the Federal Home Loan Bank), and upon completion of such liquidation, the capital stock in the Federal Home Loan Bank owned by such member shall be surrendered and canceled. Any such liquidation shall be deemed a prepayment of any such indebtedness, and shall be subject to any penalties or other fees applicable to such prepayment."; and

(3) in subsection (h) (as redesignated by paragraph (1) of this section), by striking "charter" and all that follows through the end period and inserting "charter as a Federal savings association (as defined in section 3 of the Federal Deposit Insurance Act).".

SEC. 707. ELECTION OF BANK DIRECTORS.

Section 7 of the Federal Home Loan Bank Act (12 U.S.C. 1427) is amended—

(1) in subsection (a)—

(A) by striking "appointed by the Federal Home Loan Bank Board referred to in subsection (b) of section 17, hereinafter in this section referred to as the Board" and inserting "appointed by the Board referred to in section 2A",

(B) by inserting after the last sentence the following: "At least 2 of the Federal Home Loan Bank directors who are appointed by the Board shall be representatives chosen from organizations with more than a 2-year history of representing consumer or community interests on banking services, credit needs, housing, or financial consumer protections. No Federal Home Loan Bank director who is appointed pursuant to this subsection may, during such Bank director's term of office, serve as an officer of any Federal Home Loan Bank or a director or officer of any member of a Bank, or hold shares, or any other financial interest in, any member of a Bank.";

(2) by inserting after the first sentence of subsection (b) the following: "No person who is an officer or director of a member that fails to meet any applicable capital requirement is eligible to hold the office of Federal Home Loan Bank director.";

(3) by amending subsection (f) to read as follows:

"(f) VACANCIES.—

"(1) IN GENERAL.—A Bank director appointed or elected to fill a vacancy shall be appointed or elected for the unexpired term of his or her predecessor in office.

"(2) APPOINTED BANK DIRECTORS.—In the event of a vacancy in any appointive Bank directorship, such vacancy shall be filled

through appointment by the Board for the unexpired term. If any appointive Bank director shall cease to have the qualifications set forth in subsection (a), the office held by such person shall immediately become vacant, but such person may continue to act as a Bank director until his or her successor assumes the vacated office or the term of such office expires, whichever occurs first.

"(3) ELECTED BANK DIRECTORS.—In the event of a vacancy in any elective Bank directorship, such vacancy shall be filled by an affirmative vote of a majority of the remaining Bank directors, regardless of whether such remaining Bank directors constitute a quorum of the Bank's board of directors. A Bank director so elected shall satisfy the requirements for eligibility which were applicable to his predecessor. If any elective Bank director shall cease to have any qualification set forth in this section, the office held by such person shall immediately become vacant, and such person shall not continue to act as a Bank director."; and

(4) by adding at the end the following new subsection:

"(k) INDEMNIFICATION OF DIRECTORS, OFFICERS, AND EMPLOYEES.—The board of directors of each Bank shall determine the terms and conditions under which such Bank may indemnify its directors, officers, employees or agents.".

SEC. 708. REPEAL OF PROVISIONS RELATING TO CERTAIN POWERS OF THE FEDERAL HOME LOAN BANK BOARD.

Section 19 of the Federal Home Loan Bank Act (12 U.S.C. 1439) is hereby repealed.

SEC. 709. POWERS AND DUTIES OF BANKS.

Section 11 of the Federal Home Loan Bank Act (12 U.S.C. 1431) is amended—

(1) in subsection (e)(1), by inserting "incidental to activities" after "not";

(2) in subsection (f), by striking out "or whenever in the judgment of at least 4 members of the board an emergency exists requiring such action";

(3) by amending subsection (k) to read as follows:

"(k) BANK LOANS TO SAIF.—

"(1) LOANS AUTHORIZED.—Subject to paragraph (3), the Federal Home Loan Banks may, upon the request of the Federal Deposit Insurance Corporation, make loans to such Corporation for the use of the Savings Association Insurance Fund.

"(2) LIABILITY OF THE FUND.—Any loan by a Federal Home Loan Bank pursuant to paragraph (1) shall be a direct liability of the Savings Association Insurance Fund.

"(3) INTEREST ON AND SECURITY FOR SUCH LOANS.—Any loan by a Federal Home Loan Bank pursuant to paragraph (1) shall—

"(A) bear a rate of interest not less than such Bank's current marginal cost of funds, taking into account the maturities involved; and

"(B) be adequately secured.".

SEC. 710. ELIGIBILITY OF BORROWERS TO SECURE ADVANCES.

(a) IN GENERAL.—Section 9 of the Federal Home Loan Bank Act (12 U.S.C. 1429) is amended by striking "or nonmember borrower" in the first sentence.

(b) CONFORMING AMENDMENTS.—The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amended—

(1) in sections 2(5) and 4(b), by striking "or a nonmember borrower" wherever it appears;

(2) in section 6(e) (as redesignated by section 706 of this Act), by striking "or nonmember borrower" wherever it appears;

(3) in section 6(e) (as redesignated by section 706 of this Act), by striking "or deprive any nonmember borrower of the privilege of further advances,";

(4) in sections 7(j) and 10(c), by striking "or nonmember borrower" wherever it appears;

(5) in section 10(c), by striking ", or made to a nonmember borrower" in the second sentence; and

(6) in sections 11(g) and 11(h), by striking "or nonmember borrowers" wherever it appears.

(c) COMMUNITY SUPPORT.—Section 10 of the Federal Home Loan Bank Act (12 U.S.C. 1430) is amended by adding at the end the following:

"(g) COMMUNITY SUPPORT REQUIREMENTS.—

"(1) IN GENERAL.—Before the end of the 2-year period beginning on the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the Board shall adopt regulations establishing standards of community investment or service for members of Banks to maintain continued access to long-term advances.

"(2) FACTORS TO BE INCLUDED.—The regulations promulgated pursuant to paragraph (1) shall take into account factors such as a member's performance under the Community Reinvestment Act of 1977 and the member's record of lending to first-time homebuyers.".

SEC. 711. ADMINISTRATIVE EXPENSES.

Section 18(b) of the Federal Home Loan Bank Act (12 U.S.C. 1437(b)) is amended to read as follows:

"(b) ASSESSMENTS FOR ADMINISTRATIVE EXPENSES.—

"(1) IN GENERAL.—The Board may impose a semiannual assessment on the Federal Home Loan Banks, the aggregate amount of which is sufficient to provide for the payment of the Board's estimated expenses for the period for which such assessment is made.

"(2) DEFICIENCIES.—If, at any time, amounts available from any assessment for any semiannual period are insufficient to cover the expenses of the Board incurred in carrying out the provisions of this Act during such period, the Board may make an immediate assessment against the Banks to cover the amount of the deficiency for such semiannual period.

"(3) SURPLUSES.—If, at the end of any semiannual period for which an assessment is made, any amount remains from such assessment, such amount will be deducted from the assessment on the Banks by the Board for the following semiannual period.

"(4) TRANSITION PROVISION.—On or after the effective date of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the Board may levy a one-time special assessment on the Banks pursuant to this subsection for the Board's estimated expenses for the transitional period following enactment of such Act, if such assessment is made before the Board's first semiannual assessment under paragraph (1).".

SEC. 712. NONADMINISTRATIVE EXPENSES.

Subsection (a) of section 18 of the Federal Home Loan Bank Act (12 U.S.C. 1438(a)) and section 19A of such Act (12 U.S.C. 1439-1) are hereby repealed.

SEC. 713. FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION INDUSTRY ADVISORY COMMITTEE.

Subsection (i) of section 21 of the Federal Home Loan Bank Act (12 U.S.C. 1441) is repealed and subsections (j), (k), and (l) are redesignated subsections (i), (j), and (k), respectively.

SEC. 714. ADVANCES.

(a) IN GENERAL.—Subsection (a) of section 10 of the Federal Home Loan Bank Act (12 U.S.C. 1430(a)) is amended by striking everything after "members" to the end period and inserting the following: "upon collateral sufficient, in the judgment of the Bank, to fully secure advances obtained from the Bank under this section or section 11(g) of this Act. All long-term advances shall only be made for the purpose of providing funds for residential housing finance. A Bank, at the time of origination or renewal of a loan or advance, shall obtain and maintain a security interest in collateral eligible pursuant to one or more of the following categories:

"(1) Fully disbursed, whole first mortgages on improved residential property (not more than 90 days delinquent), or securities representing a whole interest in such mortgages.

"(2) Securities issued, insured, or guaranteed by the United States Government or any agency thereof (including without limitation, mortgage-backed securities issued or guaranteed by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Corporation, and the Government National Mortgage Association).

"(3) Deposits of a Federal Home Loan Bank.

"(4) Other real estate related collateral acceptable to the Bank if such collateral has a readily ascertainable value and the Bank can perfect its interest in the collateral. The aggregate amount of outstanding advances secured by such other real estate related collateral shall not exceed 30 percent of such member's capital.

"(5) Paragraphs (1) through (4) shall not affect the ability of any Federal Home Loan Bank to take such steps as it deems necessary to protect its security position with respect to outstanding advances, including requiring deposits of additional collateral security, whether or not such additional security would be eligible to originate an advance. If an advance existing on the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 matures and the member does not have sufficient eligible collateral to fully secure a renewal of such advance, a Bank may renew such advance secured by such collateral as the Bank and the Board determines is appropriate. A member that has an advance secured by such insufficient eligible collateral must reduce its level of outstanding advances promptly and prudently in accordance with a schedule determined by the Board.".

(b) REDUCED ELIGIBILITY FOR ADVANCES.—Section 10(e) of the Federal Home Loan Bank Act (12 U.S.C. 1430(e)) is amended to read as follows:

"(e) QUALIFIED THRIFT LENDER STATUS.—

"(1) IN GENERAL.—A member that is not a qualified thrift lender may only receive an advance if it holds stock in its Federal Home Loan Bank at the time it receives that advance in an amount equal to at least—

"(A) 5 percent of that member's total advances, divided by

"(B) such member's actual thrift investment percentage.

Such members that are not qualified thrift lenders may only apply for advances under this section for the purpose of obtaining funds for housing finance.

"(2) PRIORITY.—The Board, by regulation, shall establish a priority for advances to members that are qualified thrift lenders. The aggregate amount of any Bank's advances to members that are not qualified thrift lenders shall not exceed 30 percent of a Bank's total advances.

"(3) MINIMUM STOCK PURCHASE REQUIREMENT FOR MEMBERSHIP.—Each member of a Federal Home Loan Bank shall, at a minimum, purchase and maintain stock in its Federal Home Loan Bank in the amount that would be required under section 6(b) if at least 30 percent of such member's assets were home mortgage loans.

"(4) EXCEPTIONS.—Paragraphs (1) and (2) of this subsection do not apply to—

"(A) a savings bank as defined in section 3 of the Federal Deposit Insurance Act; or

"(B) a Federal savings association in existence as a Federal savings association on the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989—

"(i) that was chartered as a savings bank or cooperative bank prior to October 15, 1982; or

"(ii) that acquired its principal assets from an institution which was chartered prior to October 15, 1982, as a savings bank or cooperative bank under State law.

"(5) DEFINITIONS.—As used in this subsection—

"(A) SAVINGS ASSOCIATION.—The term 'savings association' has the same meaning as in section 10(a)(1)(A) of the Home Owners' Loan Act.

"(B) QUALIFIED THRIFT LENDER.—The term 'qualified thrift lender' has the same meaning as in section 10(m) of the Home Owners' Loan Act.

"(C) ACTUAL THRIFT INVESTMENT PERCENTAGE.—The term 'actual thrift investment percentage' has the same meaning as in section 10(m) of the Home Owners' Loan Act.".

(c) SPECIAL LIQUIDITY ADVANCES.—Section 10 of the Federal Home Loan Bank Act (12 U.S.C. 1430) (as amended by section 710(c) of this Act) is amended by adding at the end the following new subsection:

"(h) SPECIAL LIQUIDITY ADVANCES.—

"(1) IN GENERAL.—Subject to paragraph (2), the Federal Home Loan Banks may, upon the request of the Director of the Office of Thrift Supervision, make short-term liquidity advances to a savings association that—

"(A) is solvent but presents a supervisory concern because of such association's poor financial condition; and

"(B) has reasonable and demonstrable prospects of returning to a satisfactory financial condition.

"(2) INTEREST ON AND SECURITY FOR SPECIAL LIQUIDITY ADVANCES.—Any loan by a Federal Home Loan Bank pursuant to paragraph (1) shall be subject to all applicable collateral requirements, including the requirements of section 10(a) of this Act, and shall be at an interest rate no less favorable than those made available for similar short-term liquidity advances to savings associations that do not present such supervisory concern.".

SEC. 715. AMENDMENTS RELATING TO WITHDRAWAL FROM FEDERAL HOME LOAN BANK MEMBERSHIP.

Section 6(h) of the Federal Home Loan Bank Act (as redesignated by section 706 of this Act) is amended by striking "five" and inserting "10".

SEC. 716. REPEAL OF PROVISIONS RELATING TO LAWFUL CONTRACT RATE.

Section 5 of the Federal Home Loan Bank Act (12 U.S.C. 1425) is hereby repealed.

SEC. 717. BANK STOCK AND OBLIGATIONS.

Section 23 of the Federal Home Loan Bank Act (12 U.S.C. 1443) is amended to read as follows:

"SEC. 23. FORMS OF BANK STOCK AND OBLIGATIONS.

"Any stock, debentures, bonds, notes, or other obligations issued under the authority of this Act may be issued in uncertificated form, utilizing a book entry method, or in certificated form under such rules, regulations, or guidelines as the Board of Directors of the Federal Housing Finance Board may provide.".

SEC. 718. THRIFT ADVISORY COUNCIL.

Section 8a of the Federal Home Loan Bank Act (12 U.S.C. 1428a) is hereby repealed.

SEC. 719. EXAMINATION OF MEMBERS.

Section 22 of the Federal Home Loan Bank Act (12 U.S.C. 1442) is amended to read as follows:

"SEC. 22. MEMBER FINANCIAL INFORMATION.

"(a) IN GENERAL.—In order to enable the Federal Home Loan Banks to carry out the provisions of this Act, the Secretary of the Treasury, the Comptroller of the Currency, the Chairman of the Board of Governors of the Federal Reserve System, the Chairperson of the Federal Deposit Insurance Corporation, the Chairperson of the National Credit Union Administration, and the Director of the Office of Thrift Supervision, upon request by any Federal Home Loan Bank—

"(1) shall make available in confidence to any Federal Home Loan Bank, such reports, records, or other information as may be available, relating to the condition of any member of any Federal Home Loan Bank or any institution with respect to which any such Bank has had or contemplates having transactions under this Act; and

"(2) may perform through their examiners or other employees or agents, for the confidential use of the Federal Home Loan Bank, examinations of institutions for which such agency is the appropriate Federal banking regulatory agency.

In addition, the Comptroller of the Currency, the Chairman of the Board of Governors of the Federal Reserve System, the Chairperson of the National Credit Union Administration, and the Director of the Office of Thrift Supervision shall make available to the Board or any Federal Home Loan Bank the financial reports filed by members of any Bank to enable the Board or a Bank to compile and publish cost of funds indices or other financial or statistical reports.

"(b) CONSENT BY MEMBERS.—Every member of a Federal Home Loan Bank shall, as a condition precedent thereto, be deemed—

"(1) to consent to such examinations as the Bank or the Board may require for the purposes of this Act;

"(2) to agree that reports of examinations by local, State, or Federal agencies or institutions may be furnished by such authorities to the Bank or the Board upon request; and

"(3) to agree to give the Bank or the Federal agency, upon request, such information as they may need to compile and publish cost of funds indices and to publish other reports or statistical summaries pertaining to the activities of Bank members.".

SEC. 720. LIQUIDITY.

Section 5A of the Federal Home Loan Bank Act (12 U.S.C. 1425a) is hereby repealed.

SEC. 721. AFFORDABLE HOUSING.

Section 10 of the Federal Home Loan Bank Act (12 U.S.C. 1430) (as amended by section 710 and section 714 of this Act) is amended by adding at the end the following:

"(i) COMMUNITY INVESTMENT PROGRAM.—

"(1) IN GENERAL.—Each Bank shall establish a program to provide funding for members to undertake community-oriented mortgage lending. Each Bank shall designate a community investment officer to implement community lending and affordable housing advance programs of the Banks under this subsection and subsection (j) and provide technical assistance and outreach to promote such programs. Advances under this program shall be priced at the cost of consolidated Federal Home Loan Bank obligations of comparable maturities, taking into account reasonable administrative costs.

"(2) COMMUNITY-ORIENTED MORTGAGE LENDING.—For purposes of this subsection, the term 'community-oriented mortgage lending' means providing loans—

"(A) to finance home purchases by families whose income does not exceed 115 percent of the median income for the area,

"(B) to finance purchase or rehabilitation of housing for occupancy by families whose income does not exceed 115 percent of median income for the area,

"(C) to finance commercial and economic development activities that benefit low- and moderate-income families or activities that are located in low- and moderate-income neighborhoods, and

"(D) to finance projects that further a combination of the purposes described in subparagraphs (A) through (C).

"(j) AFFORDABLE HOUSING PROGRAM.—

"(1) IN GENERAL.—Pursuant to regulations promulgated by the Board, each Bank shall establish an Affordable Housing Program to subsidize the interest rate on advances to members engaged in lending for long term, low- and moderate-income, owner-occupied and affordable rental housing at subsidized interest rates.

"(2) STANDARDS.—The Board's regulations shall permit Bank members to use subsidized advances received from the Banks to—

"(A) finance homeownership by families with incomes at or below 80 percent of the median income for the area; or

"(B) finance the purchase, construction, or rehabilitation of rental housing, at least 20 percent of the units of which will be occupied by and affordable for very low-income households for the remaining useful life of such housing or the mortgage term.

"(3) PRIORITIES FOR MAKING ADVANCES.—In using advances authorized under paragraph (1), each Bank member shall give priority to qualified projects such as the following:

"(A) purchase of homes by families whose income is 80 percent or less of the median income for the area,

"(B) purchase or rehabilitation of housing owned or held by the United States Government or any agency or instrumentality of the United States; and

"(C) purchase or rehabilitation of housing sponsored by any nonprofit organization, any State or political subdivision of any State, any local housing authority or State housing finance agency.

"(4) REPORT.—Each member receiving advances under this program shall report annually to the Bank making such advances concerning the member's use of advances received under this program.

"(5) CONTRIBUTION TO PROGRAM.—Each Bank shall annually contribute the percentage of its annual net earnings prescribed in the following subparagraphs to support subsidized advances through the Affordable Housing Program:

"(A) In 1990, 1991, 1992, and 1993, 5 percent of the preceding year's net income, or such prorated sums as may be required to assure that the aggregate contribution of all the Banks shall not be less than $50,000,000 for each such year.

"(B) In 1994, 6 percent of the preceding year's net income, or such prorated sum as

may be required to assure that the aggregate contribution of the Banks shall not be less than $75,000,000 for such year.

"(C) In 1995, and subsequent years, 10 percent of the preceding year's net income, or such prorated sums as may be required to assure that the aggregate contribution of the Banks shall not be less than $100,000,000 for each such year.

"(6) GROUNDS FOR SUSPENDING CONTRIBUTIONS.—

"(A) IN GENERAL.—If a Bank finds that the payments required under this paragraph are contributing to the financial instability of such Bank, it may apply to the Federal Housing Finance Board for a temporary suspension of such payments.

"(B) FINANCIAL INSTABILITY.—In determining the financial instability of a Bank, the Federal Housing Finance Board shall consider such factors as (i) whether the Bank's earnings are severely depressed, (ii) whether there has been a substantial decline in membership capital, and (iii) whether there has been a substantial reduction in advances outstanding.

"(C) REVIEW.—The Board shall review the application and any supporting financial data and issue a written decision approving or disapproving such application. The Board's decision shall be accompanied by specific findings and reasons for its action.

"(D) MONITORING SUSPENSION.—If the Board grants a suspension, it shall specify the period of time such suspension shall remain in effect and shall continue to monitor the Bank's financial condition during such suspension.

"(E) LIMITATIONS ON GROUNDS FOR SUSPENSION.—The Board shall not suspend payments to the Affordable Housing Program if the Bank's reduction in earnings is a result of (i) a change in the terms for advances to members which is not justified by market conditions, (ii) inordinate operating and administrative expenses, or (iii) mismanagement.

"(F) The Federal Housing Finance Board shall notify the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate not less than 60 days before such suspension takes effect. Such suspension shall become effective unless a joint resolution is enacted disapproving such suspension.

"(7) FAILURE TO USE AMOUNTS FOR AFFORDABLE HOUSING.—If any Bank fails to utilize or commit the full amount provided in this subsection in any year, 90 percent of the amount that has not been utilized or committed in that year shall be deposited by the Bank in an Affordable Housing Reserve Fund administered by the Board. The 10 percent of the unutilized and uncommitted amount retained by a Bank should be fully utilized or committed by that Bank during the following year and any remaining portion must be deposited in the Affordable Housing Reserve Fund. Under regulations established by the Board, funds from the Affordable Housing Reserve Fund may be made available to any Bank to meet additional affordable housing needs in such Bank's district pursuant to this section.

"(8) NET EARNINGS.—The net earnings of any Federal Home Loan Bank shall be determined for purposes of this paragraph—

"(A) after reduction for any payment required under section 21 or 21B of this Act; and

"(B) before declaring any dividend under section 16.

"(9) REGULATIONS.—The Federal Housing Finance Board shall promulgate regulations to implement this subsection. Such regulations shall, at a minimum—

"(A) specify activities eligible to receive subsidized advances from the Banks under this program;

"(B) specify priorities for the use of such advances;

"(C) ensure that advances made under this program will be used only to assist projects for which adequate long-term monitoring is available to guarantee that affordability standards and other requirements of this subsection are satisfied;

"(D) ensure that a preponderance of assistance provided under this subsection is ultimately received by low- and moderate-income households;

"(E) ensure that subsidies provided by Banks to member institutions under this program are passed on to the ultimate borrower;

"(F) establish uniform standards for subsidized advances under this program and subsidized lending by member institutions supported by such advances, including maximum subsidy and risk limitations for different categories of loans made under this subsection; and

"(G) coordinate activities under this subsection with other Federal or federally-subsidized affordable housing activities to the maximum extent possible.

"(10) OTHER PROGRAMS.—No provision of this subsection or subsection (i) shall preclude any Bank from establishing additional community investment cash advance programs or contributing additional sums to the Affordable Housing Reserve Fund.

"(11) ADVISORY COUNCIL.—Each Bank shall appoint an Advisory Council of 7 to 15 persons drawn from community and nonprofit organizations actively involved in providing or promoting low- and moderate-income housing in its district. The Advisory Council shall meet with representatives of the board of directors of the Bank quarterly to advise the Bank on low- and moderate-income housing programs and needs in the district and on the utilization of the advances for these purposes. Each Advisory Council established under this paragraph shall submit to the Board at least annually its analysis of the low-income housing activity of the Bank by which it is appointed.

"(12) REPORTS TO CONGRESS.—

"(A) The Board shall monitor and report annually to the Congress and the Advisory Council for each Bank the support of low-income housing and community development by the Banks and the utilization of advances for these purposes.

"(B) The analyses submitted by the Advisory Councils to the Board under paragraph (11) shall be included as part of the report required by this paragraph.

"(C) The Comptroller General of the United States shall audit and evaluate the Affordable Housing Program established by this subsection after such program has been operating for 2 years. The Comptroller General shall report to Congress on the conclusions of the audit and recommend improvements or modifications to the program.

"(13) DEFINITIONS.—For purposes of this subsection—

"(A) LOW- OR MODERATE-INCOME HOUSEHOLD.—The term 'low- or moderate-income household' means any household which has an income of 80 percent or less of the area median.

"(B) VERY LOW-INCOME HOUSEHOLD.—The term 'very low-income household' means any household that has an income of 50 percent or less of the area median.

"(C) LOW- OR MODERATE-INCOME NEIGHBORHOOD.—The term 'low- or moderate-income neighborhood' means any neighborhood in which 51 percent or more of the households are low- or moderate-income households.

"(D) AFFORDABLE FOR VERY-LOW INCOME HOUSEHOLDS.—For purposes of paragraph (2)(B) the term 'affordable for very-low income households' means that rents charged to tenants for units made available for occupancy by low-income families shall not exceed 30 percent of the adjusted income of a family whose income equals 50 percent of the income for the area (as determined by the Secretary of Housing and Urban Development) with adjustment for family size.".

SEC. 722. TRANSFERRED EMPLOYEES OF FEDERAL HOME LOAN BANKS AND JOINT OFFICES.

(a) IN GENERAL.—Each employee of the Federal Home Loan Banks or joint offices of such Banks performing a function identified for transfer under section 403 of this Act, including employees who otherwise would be ineligible for employment by the United States because of their citizenship, shall be transferred for employment not later than 60 days after the date of the enactment of this Act.

(b) NOTICE TO EMPLOYEES.—Transferring employees shall receive notice of their position assignments not later than 120 days after the effective date of their transfer.

(c) GUARANTEED POSITION.—Each transferred employee shall be guaranteed a position with the same status and tenure as that held by such employee on the day immediately preceding the transfer. Each such employee holding a permanent position shall not be involuntarily separated for one year after the date of transfer, except for cause.

(d) PAY AND BENEFITS.—Each employee transferred under this section shall be entitled to receive, during the one-year period immediately following the transfer, pay and benefits comparable to those received by such employee immediately preceding the transfer. Where necessary or appropriate to further the safety and soundness of the thrift industry, the employing agency may continue the pre-transfer compensation of any transferring employee for up to 2 years beyond the expiration of the period provided for under the preceding sentence. Such pay and benefits shall be subject to the comparability provisions of this Act. Any transferred employee who suffers a reduction of pay or benefits as a result of such comparability provisions shall be compensated for such reduction during the 1 year period following the transfer by assessments from the Federal Home Loan Bank or joint office of such Banks, from which the employee transferred. In any event, this subsection shall only apply to a transferred employee while such employee remains with the agency to which the employee is transferred.

(e) HEALTH INSURANCE.—If the health insurance program of a transferred employee is not continued by the agency to which the employee is transferred, such employee may elect to participate in the agency's health insurance program notwithstanding health conditions pre-existing at the time of election or enrollment into an alternate health insurance program of the agency to which he or she is transferred and without regard to any other regularly scheduled open season. Such election shall be made within 30 days of the transfer.

(f) EQUITABLE TREATMENT.—The Director of the Office of Thrift Supervision or the Chairperson of the Federal Housing Finance Board shall take such action as is necessary

on a case-by-case basis so that employees transferring under this section receive equitable treatment regarding credit for prior service with a Federal entity or instrumentality, or with a Federal Home Loan Bank or joint office of such Banks, with respect to the transferring employees' retirement accounts and the transferring employees' accrued leave or vacation time, in recognition of the transferring employees' supervisory service.

(g) SPECIAL RULE FOR CERTAIN ANNUITANTS.—An individual who was a reemployed annuitant on July 26, 1989, and who is transferred under this section, shall not be subject to the deduction from pay required by section 8344 or 8468 of title 5, United States Code, during the 1-year period beginning on the date of enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

SEC. 723. TRANSITIONAL PROVISIONS.

(a) FEDERAL HOME LOAN BANKS' SHARE OF ADMINISTRATIVE EXPENSES.—The Federal Home Loan Banks shall pay to the Director of the Office of Thrift Supervision the amount obtained by multiplying the administrative expenses of the Office of Thrift Supervision incurred in connection with functions of the Banks that are transferred to the Office (less any fees or assessments collected by the Office) by a fraction—

(1) the numerator of which is the amount of such expenses of the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation paid by the Banks during the 1-year period ending on the date of enactment of this Act; and

(2) the denominator of which is the total expenses of such Board and Corporation during such period.

No payment under this subsection is required after December 31, 1989.

(b) COMPENSATION OF SUPERVISORY AND EXAMINATIONS EMPLOYEES.—The Federal Home Loan Banks shall continue to pay the compensation of employees of the Federal Home Loan Banks or the joint offices of such banks who, on the day before the date of the enactment of this Act, are performing supervisory and examination functions until such supervisory and examination functions are transferred under this Act. Thereafter, the obligation of the Federal Home Loan Banks hereunder to pay such applicable compensation shall continue until the later of—

(1) the date which is 120 days after the date of transfer of such supervisory and examination functions to the Office of Thrift Supervision, or

(2) March 31, 1990.

Payment of such compensation by the Federal Home Loan Banks shall be in lieu of, and not in addition to, the payment of compensation by the Office of Thrift Supervision.

(c) FACILITIES AND SUPPORT SERVICES.—Until December 31, 1990, the Federal Home Loan Banks, as necessary, shall (with respect to supervisory and examination functions performed by employees transferred from the Federal Home Loan Banks or joint offices of such Banks to the Office of Thrift Supervision), provide the Office of Thrift Supervision facilities and support services comparable to those presently provided for the employees of the Federal Home Loan Banks or joint offices of such Banks performing such supervisory and examination functions, including office space, furniture and equipment, computer, personnel, and other support services. With respect to supervisory and examination functions presently performed by employees of individual Federal Home Loan Banks, each such Bank will only be required to provide such facilities and support services to the extent that the functions continue to be performed in that Bank's offices.

(d) PRINCIPAL SUPERVISORY AGENT.—Beginning on the date of enactment of this Act until the Director of the Office of Thrift Supervision shall otherwise provide, the Principal Supervisory Agent for each Federal Home Loan Bank district shall be the senior supervisory official (other than the President of the Federal Home Loan Bank) employed by the Federal Home Loan Bank in such district on the day before the date of the enactment of this Act, and such employees performing supervisory and examination functions shall continue to be responsible for the supervision and examination of savings associations within such district.

SEC. 724. FEDERAL HOME LOAN BANK RESERVES.

(a) IN GENERAL.—Section 16(a) of the Federal Home Loan Bank Act (12 U.S.C. 1436(a)) is amended—

(1) by striking the first three sentences and inserting in lieu thereof: "Each Federal Home Loan Bank may carry to a reserve account from time-to-time such portion of its net earnings as may be determined by its board of directors."; and

(2) by striking the fifth sentence and inserting the following: "No dividends shall be paid except out of net earnings remaining after reductions for all reserves, chargeoffs, purchases of capital certificates of the Financing Corporation, and payments relating to the Funding Corporation required under this Act have been provided for, other than chargeoffs or expenses incurred by a Bank in connection with the purchase of capital stock of the Financing Corporation under section 21 or payments relating to the Funding Corporation Principal Fund under section 21B(e), and then only with the approval of the Federal Housing Finance Board. Beginning on January 1, 1992, the preceding sentence shall be applied by substituting 'previously retained earnings or current net earnings' for 'net earnings'.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a)(1) shall take effect on January 1, 1992.

SEC. 725. SPECIAL ACCOUNT.

At the time of dissolution of the Federal Home Loan Bank Board, all such moneys and funds as shall remain in the special deposit account of the Federal Home Loan Bank Board, or other such accounts, shall become the property of the Federal Housing Finance Board.

Subtitle B—Federal Home Loan Mortgage Corporation

SEC. 731. FEDERAL HOME LOAN MORTGAGE CORPORATION.

(a) STATEMENT OF PURPOSE.—

(1) IN GENERAL.—Section 301 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 note) is amended—

(A) by inserting "(a)" after the section designation; and

(B) by adding at the end the following new subsection:

"(b) It is the purpose of the Federal Home Loan Mortgage Corporation—

"(1) to provide stability in the secondary market for home mortgages;

"(2) to respond appropriately to the private capital market; and

"(3) to provide ongoing assistance to the secondary market for home mortgages (including mortgages securing housing for low- and moderate-income families involving a reasonable economic return to the Corporation) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for home mortgage financing.".

(2) CONFORMING AMENDMENT.—The section heading for section 301 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 note) is amended to read as follows:

"SHORT TITLE AND STATEMENT OF PURPOSE".

(b) BOARD OF DIRECTORS.—

(1) NEW BOARD.—Section 303(a) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1452(a)) is amended to read as follows:

"(a)(1) There is hereby created the Federal Home Loan Mortgage Corporation, which shall be a body corporate under the direction of a Board of Directors. Within the limitations of law and regulation, the Board of Directors shall determine the general policies that govern the operations of the Corporation. The principal office of the Corporation shall be in the District of Columbia or at any other place determined by the Corporation.

"(2)(A) The Board of Directors of the Corporation shall consist of 18 persons, 5 of whom shall be appointed annually by the President of the United States and the remainder of whom shall be elected annually by the voting common stockholders. The Board of Directors shall at all times have as members appointed by the President of the United States at least 1 person from the homebuilding industry, at least 1 person from the mortgage lending industry, and at least 1 person from the real estate industry.

"(B) Each member of the Board of Directors shall be such or elected for a term ending on the date of the next annual meeting of the voting common stockholders.

"(C) Any appointive seat on the Board of Directors that becomes vacant shall be filled by appointment by the President of the United States, but only for the unexpired portion of the term. Any elective seat on the Board of Directors that becomes vacant after the annual election of the directors shall be filled by the Board of Directors, but only for the unexpired portion of the term.

"(D) Any member of the Board of Directors who is a full-time officer or employee of the Federal Government shall not, as such member, receive compensation for services as such a member.".

(2) TRANSITIONAL PROVISIONS.—

(A) INTERIM BOARD.—

(i) ESTABLISHMENT.—There shall be an interim Board of Directors of the Federal Home Loan Mortgage Corporation, which shall serve from the date of the enactment of this Act until the date of the 1st meeting of the voting common shareholders of the Corporation at which the first election of the directors elected by the shareholders occurs.

(ii) MEMBERS.—The interim Board of Directors of the Federal Home Loan Mortgage Corporation shall consist of—

(I) the President of the Corporation; and

(II) the persons who were (on the day before the date of the enactment of this Act) the Chairman of the Federal Home Loan Bank Board and the Secretary of Housing and Urban Development (or their designees).

(iii) QUORUM.—A quorum of the interim Board of Directors of the Federal Home Loan Mortgage Corporation shall consist of a majority of the directors duly serving from time to time.

(B) ELECTION OF PERMANENT DIRECTORS.—The first meeting of the voting common shareholders of the Federal Home Loan Mortgage Corporation for election of direc-

tors shall occur, under procedures established by the Corporation, within 6 months after the date of the enactment of this Act.

(c) REGULATORY POWER.—Section 303 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1452) is amended—

(1) by redesignating subsections (b) through (f) as subsections (c) through (g), respectively; and

(2) by inserting after subsection (a) the following new subsection:

"(b)(1) The Secretary of Housing and Urban Development shall have general regulatory power over the Corporation and shall make such rules and regulations as shall be necessary and proper to ensure that the purposes of this title are accomplished.

"(2) The Secretary of Housing and Urban Development may require that a reasonable portion of the mortgage purchases of the Corporation be related to the national goal of providing adequate housing for low- and moderate-income families, but with reasonable economic return to the Corporation.

"(3) The aggregate amount of cash dividends paid by the Corporation in any fiscal year on account of any share of its common stock shall not exceed any rate that may be determined from time to time by the Secretary of Housing and Urban Development to be a fair rate of return after consideration of the current earnings and capital condition of the Corporation.

"(4) The Secretary of Housing and Urban Development may examine and audit the books and financial transactions of the Corporation and may require the Corporation to issue any reports on its activities that the Secretary determines to be advisable. The Secretary shall, not later than June 30 of each year, submit to the Congress a report describing the activities of the Corporation under this Act.

"(5) The aggregate amount of notes, debentures, or substantially identical types of unsecured obligations outstanding at any time shall not exceed the amount which is 15 times the sum of the Corporation's capital, capital surplus, general surplus, reserves, and undistributed earnings unless a greater ratio shall be fixed at any time or from time to time by the Secretary of Housing and Urban Development. The outstanding total principal amount of any obligations of the Corporation which are entirely subordinated to the general debt obligations of the Corporation shall be deemed to be capital of the Corporation for the purpose of determining the aggregate amount of notes, debentures, or substantially identical types of unsecured obligations outstanding at any time.

"(6) All issuances of stock, and debt obligations convertible into stock, by the Corporation shall be made only with the approval of the Secretary of Housing and Urban Development.

"(7)(A) The exercise of the authority of the Corporation pursuant to commitments or otherwise to purchase, service, sell, lend on the security of, or otherwise deal in conventional residential mortgages under section 305(a) shall be subject to the approval of the Secretary of Housing and Urban Development.

"(B) Any conventional mortgage programs or activities with respect to purchasing, servicing, selling, lending on the security of, or otherwise dealing in mortgages in which the Corporation has engaged or is engaging as of the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 shall be deemed to have been approved by the Secretary of Housing and Urban Development as required by this paragraph.

"(8) If the Corporation submits to the Secretary of Housing and Urban Development a request for approval or other action under this title, the Secretary shall, not later than the expiration of the 45-day period following the submission of the request, approve the request or transmit to the Congress a report explaining why the request has not been approved. The period may be extended for an additional 15-day period if the Secretary requests additional information from the Corporation, but the 45-day period may not be extended for any other reason or for any period in addition to or other than the 15-day period. If the Secretary fails to transmit the report to the Congress within the 45-day period or 60-day period, as the case may be, the Corporation may proceed as if the request had been approved.".

(d) COMMON STOCK.—

(1) IN GENERAL.—Section 304(a) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1453(a)) is amended to read as follows:

"(a)(1) The common stock of the Corporation shall consist of—

"(A) nonvoting common stock, which shall be issued only to Federal home loan banks; and

"(B) voting common stock, which shall be issued to such holders in the manner and amount, and subject to any limitations on concentration of ownership, as may be established by the Corporation.

"(2) The nonvoting common stock and the voting common stock shall have such par value and other characteristics as the Corporation provides. The voting common stock shall be vested with all voting rights, each share being entitled to 1 vote. The free transferability of the voting common stock at all times to any person, firm, corporation or other entity shall not be restricted except that, as to the Corporation, it shall be transferable only on the books of the Corporation. Nonvoting common stock of the Corporation shall be evidenced in the manner and shall be transferable only to the extent, to the transferees, and in the manner, provided by the Corporation.".

(2) CONVERSION OF STOCK.—On the date of the enactment of this Act, each share of outstanding senior participating preferred stock of the Federal Home Loan Mortgage Corporation, with a par value of $2.50 per share, shall be changed into and shall become 1 share of voting common stock of the Corporation. Such voting common stock shall, with respect to the nonvoting common stock of the Corporation, retain all of the rights, priorities and privileges of the senior participating preferred stock. The transformation of the senior participating preferred stock into voting common stock under this paragraph shall be deemed to satisfy the obligation of the Corporation to redeem senior participating preferred stock for non-callable common stock.

(3) CONFORMING AMENDMENTS.—

(A) SUBSCRIPTIONS OF FEDERAL HOME LOAN BANKS.—Section 304(b) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1453(b)) is amended by inserting "nonvoting" before "common".

(B) ALLOCATION OF SUBSCRIPTIONS.—Section 304(c) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1453(c)) is amended by striking "such" and by inserting "nonvoting common" before "stock".

(C) RETIREMENT OF STOCK.—Section 304(d) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1453(d)) is amended by inserting "nonvoting common" before "stock" each place it appears.

(e) MORTGAGE OPERATIONS.—

(1) PROHIBITION ON FEES.—Section 305(a)(1) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(1)) is amended by adding at the end the following: "Nothing in this section authorizes the Corporation to impose any charge or fee upon any mortgagee approved by the Secretary of Housing and Urban Development for participation in any mortgage insurance program under the National Housing Act solely because of such status.".

(2) LENDING ACTIVITIES.—Section 305(a) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)) is amended by adding at the end the following new paragraph:

"(5) The Corporation is authorized to lend on the security of, and to make commitments to lend on the security of, any mortgage that the Corporation is authorized to purchase under this section. The volume of the Corporation's lending activities and the establishment of its loan ratios, interest rates, maturities, and charges or fees in its secondary market operations under this paragraph, shall be determined by the Corporation from time to time; and such determinations shall be consistent with the objectives that the lending activities shall be conducted on such terms as will reasonably prevent excessive use of the Corporation's facilities, and that the operations of the Corporation under this paragraph shall be within its income derived from such operations and that such operations shall be fully self-supporting. The Corporation shall not be permitted to use its lending authority under this paragraph (A) to advance funds to a mortgage seller on an interim basis, using mortgage loans as collateral, pending the sale of the mortgages in the secondary market; or (B) to originate mortgage loans. Notwithstanding any Federal, State, or other law to the contrary, the Corporation is hereby empowered, in connection with any loan under this paragraph, whether before or after any default, to provide by contract with the borrower for the settlement or extinguishment, upon default, of any redemption, equitable, legal, or other right, title, or interest of the borrower in any mortgage or mortgages that constitute the security for the loan; and with respect to any such loan, in the event of default and pursuant otherwise to the terms of the contract, the mortgages that constitute such security shall become the absolute property of the Corporation.".

(f) REFERENCES TO FSLIC AND FHLBB.—

(1) SECTION 302.—Section 302(b)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)(2)) is amended—

(A) in the 4th sentence, by striking out "Federal Savings and Loan Insurance Corporation" and inserting in lieu thereof "Resolution Trust Corporation"; and

(B) in the 8th sentence, by striking out "Federal Home Loan Bank Board" and inserting in lieu thereof "Federal Housing Finance Board".

(2) SECTION 305.—Section 305 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454) is amended—

(A) by striking out "Federal Savings and Loan Insurance Corporation" each place it appears and inserting in lieu thereof "Resolution Trust Corporation"; and

(B) in subsection (a)(2), by striking out "Federal Home Loan Bank Board" and inserting in lieu thereof "Federal Housing Finance Board".

(g) STANDBY CREDIT.—Section 306(c) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1455(c)) is amended to read as follows:

"(c)(1) The Secretary of the Treasury may purchase any obligations issued under subsection (a). For such purpose, the Secretary may use as a public debt transaction the proceeds of the sale of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which securities may be issued under such chapter are extended to include such purpose.

"(2) The Secretary of Treasury shall not at any time purchase any obligations under this subsection if the purchase would increase the aggregate principal amount of the outstanding holdings of obligations under this subsection by the Secretary to an amount greater than $2,250,000,000.

"(3) Each purchase of obligations by the Secretary of the Treasury under this subsection shall be upon terms and conditions established to yield a rate of return determined by the Secretary to be appropriate, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the making of the purchase.

"(4) The Secretary of the Treasury may at any time sell, upon terms and conditions and at prices determined by the Secretary, any of the obligations acquired by the Secretary under this subsection.

"(5) All redemptions, purchases and sales by the Secretary of the Treasury of obligations under this subsection shall be treated as public debt transactions of the United States.".

(h) PREFERRED STOCK.—Section 306(f) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1455(f)) is amended to read as follows:

"(f) The Corporation may have preferred stock on such terms and conditions as the Board of Directors shall prescribe. Any preferred stock shall not be entitled to vote with respect to the election of any member of the Board of Directors.".

(i) TERMS OF OBLIGATIONS.—Section 306 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1455) is amended by adding at the end the following new subsections:

"(j)(1) Any notes, debentures, or substantially identical types of unsecured obligations of the Corporation evidencing money borrowed, whether general or subordinated, shall be issued upon the approval of the Secretary of the Treasury and shall have such maturities and bear such rate or rates of interest as may be determined by the Corporation with the approval of the Secretary of the Treasury.

"(2) Any notes, debentures, of substantially identical types of unsecured obligations of the Corporation having maturities of 1 year or less that the Corporation has issued or is issuing as of the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 shall be deemed to have been approved by the Secretary of the Treasury as required by this subsection. Such deemed approval shall expire 365 days after such date of enactment.

"(3) Any notes, debentures, or substantially identical types of unsecured obligations of the Corporation having maturities of more than 1 year that the Corporation has issued or is issuing as of the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 shall be deemed to have been approved by the Secretary of the Treasury as required by this subsection. Such deemed approval shall expire 60 days after such date of enactment.

"(k)(1) Any securities in the form of debt obligations or trust certificates of beneficial interest, or both, and based upon mortgages held and set aside by the Corporation, shall be issued upon the approval of the Secretary of the Treasury and shall have such maturities and shall bear such rate or rates of interest as may be determined by the Corporation with the approval of the Secretary of the Treasury.

"(2) Any securities in the form of debt obligations or trust certificates of beneficial interest, or both, and based upon mortgages held and set aside by the Corporation, that the Corporation has issued or is issuing as of the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 shall be deemed to have been approved by the Secretary of the Treasury as required by this subsection.".

(j) STATE LIMITATIONS.—

(1) The second sentence of section 307(a) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1456(a)) is amended to read as follows: "The Corporation is authorized to conduct its business without regard to any qualification or similar statute in any State.".

(2) The amendment made by this subsection shall not apply to any assertion of priority by the Federal Home Loan Mortgage Corporation with respect to any cause of action or claim filed before the date of the enactment of this Act.

(k) PENAL PROVISIONS.—Section 308 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1457) is amended—

(1) in subsection (a), by striking the subsection designation; and

(2) by striking subsections (b), (c), (d), (e), and (f).

(l) CONSTRUCTION.—Section 310 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1459) is amended—

(1) in the section heading, by striking "CONSTRUCTION AND"; and

(2) by striking the first sentence.

(m) CONFORMING AMENDMENTS TO FEDERAL NATIONAL MORTGAGE ASSOCIATION CHARTER ACT.—

(1) STATEMENT OF PURPOSE.—Section 301 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1716) is amended—

(A) by striking paragraphs (a) and (b) and inserting the following new paragraphs:

"(1) provide stability in the secondary market for home mortgages;

"(2) respond appropriately to the private capital market;

"(3) provide ongoing assistance to the secondary market for home mortgages (including mortgages securing housing for low- and moderate-income families involving a reasonable economic return) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for home mortgage financing; and"; and

(B) by redesignating paragraph (c) as paragraph (4).

(2) LENDING ACTIVITIES.—Section 304(a)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1719(a)(2)) is amended—

(A) by inserting after the 3rd sentence the following new sentence: "The corporation shall not be permitted to use its lending authority (A) to advance funds to a mortgage seller on an interim basis, using mortgage loans as collateral, pending the sale of the mortgages in the secondary market; or (B) to originate mortgage loans."; and

(B) by striking the 1st and 2d sentences.

(3) AUDITS BY GAO.—Section 309 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723a) is amended by adding at the end the following new subsection:

"(j) The mortgage transactions of the corporation may be subject to audit by the Comptroller General of the United States in accordance with the principles and procedures applicable to commercial corporation transactions under such rules and regulations as may be prescribed by the Comptroller General. The representatives of the General Accounting Office shall have access to such books, accounts, financial records, reports, files, and such other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians. A report on each such audit shall be made by the Comptroller General to the Congress. The corporation shall reimburse the General Accounting Office for the full cost of any such audit as billed therefor by the Comptroller General.".

Subtitle C—Technical and Conforming Amendments

SEC. 741. REPEAL OF LIMITATION OF OBLIGATION FOR ADMINISTRATIVE EXPENSES.

Section 7(b) of the First Deficiency Appropriation Act of 1936 (15 U.S.C. 712a(b)) is amended by striking the following:

"1. Federal Home Loan Bank Board;";

"2. Home Owners' Loan Corporation;"; and

"11. Federal Savings and Loan Insurance Corporation;".

SEC. 742. AMENDMENT OF TITLE 5, UNITED STATES CODE.

(a) EXECUTIVE SCHEDULE.—

(1) Section 5314 of title 5, United States Code (5 U.S.C. 5315) is amended—

(A) by striking

"Chairman of the Federal Home Loan Bank Board."; and

(B) by adding at the end thereof the following:

"Director of the Office of Thrift Supervision.

"Chairperson of the Federal Housing Finance Board.".

(2) Section 5315 of title 5, United States Code (5 U.S.C. 5315) is amended—

(A) by striking out

"Members, Federal Home Loan Bank Board.", and

(B) by inserting

"Directors, Federal Housing Finance Board.".

(b) LIMITATION ON PAY FIXED BY ADMINISTRATIVE ACTION.—Section 5373(2) of title 5, United States Code, is amended by inserting after "481," the following: "1437, 1439,".

(c) DEFINITION OF AGENCY.—Section 3132(a)(1) of title 5, United States Code (5 U.S.C. 3132(a)(1)), is amended—

(1) in subparagraph (B), by striking "or" after the semicolon;

(2) in subparagraph (C), by inserting "or" after the semicolon; and

(3) by adding at the end the following:

"(D) the Office of the Comptroller of the Currency, the Office of Thrift Supervision, the Federal Housing Finance Board, the Resolution Trust Corporation, and the National Credit Union Administration;".

SEC. 743. AMENDMENT OF BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT PROVISIONS.

(a) Section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905(g)(1)(A)) is amended—

(1) by inserting after the item relating to the Comptroller of the Currency the following new item:

"Director of the Office of Thrift Supervision;";

(2) by striking out "Federal Home Loan Bank Board;" and inserting in lieu thereof the following new items:

"Federal Deposit Insurance Corporation, Bank Insurance Fund;

"Federal Deposit Insurance Corporation, FSLIC Resolution Fund;

"Federal Deposit Insurance Corporation, Savings Association Insurance Fund;";

(3) by striking out "Federal Home Loan Bank Board, Federal Savings and Loan Insurance Corporation" and inserting in lieu thereof "Federal Housing Finance Board"; and

(4) by inserting after the item relating to the Postal service fund the following new items:

"Resolution Funding Corporation;

"Resolution Trust Corporation;".

(b) Section 256(b)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 256(b)(4)) is amended—

(1) by striking out subparagraph (C) and inserting in lieu thereof the following new subparagraph

"(C) Office of Thrift Supervision.";

(2) by striking subparagraph (D) and inserting in lieu thereof the following new subparagraph:

"(D) Office of Thrift Supervision."; and

(3) by adding at the end thereof the following new subparagraphs:

"(H) Resolution Funding Corporation.

"(I) Resolution Trust Corporation.".

(c) Section 255(g)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "Federal Savings and Loan Insurance Corporation fund (82-4037-0-3-371);".

SEC. 744. CONFORMING AMENDMENTS TO FINANCIAL INSTITUTION RELATED ACTS.

(a) FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL ACT.—

(1) SECTION 1003.—Section 1003 of the Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3302) is amended—

(A) in paragraph (1), by striking out "Federal Home Loan Bank Board" and inserting in lieu thereof "Office of Thrift Supervision"; and

(B) in paragraph (3), by striking out "savings and loan association" and inserting in lieu thereof "savings association".

(2) SECTION 1004.—Section 1004(a)(4) of the Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3303(a)(4)) is amended by striking out "Chairman of the Federal Home Loan Bank Board, and" and inserting in lieu thereof "Director, Office of Thrift Supervision".

(3) SECTION 1006.—Section 1006(d) of the Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3305(d)) is amended in the 2d sentence by inserting "and employees of the Federal Housing Finance Board" after "supervisory agencies".

(b) RIGHT TO FINANCIAL PRIVACY ACT.—Section 1101 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401) is amended—

(1) in paragraph (1), by striking out "savings and loan" and inserting in lieu thereof "savings association";

(2) in paragraph (6), by striking out subparagraph (B) and redesignating the remaining subparagraphs as subparagraphs (B) through (H), respectively; and

(3) in paragraph (6)(B) (as so redesignated), by striking out "the Federal Home Loan Bank Board" and inserting in lieu thereof "Director, Office of Thrift Supervision".

(c) ALTERNATIVE MORTGAGE TRANSACTIONS PARITY ACT.—The Alternative Mortgage Transactions Parity Act of 1982 (12 U.S.C. 3801-06) is amended by striking out "Federal Home Loan Bank Board" each place such term appears and inserting in lieu thereof "Director of the Office of Thrift Supervision".

(d) EXPEDITED FUNDS AVAILABILITY ACT.—Section 610(a)(2) of the Expedited Funds Availability Act (12 U.S.C. 4009(a)(2)) is amended to read as follows:

"(2) section 8 of the Federal Deposit Insurance Act, by the Director of the Office of Thrift Supervision in the case of savings associations the deposits of which are insured by the Federal Deposit Insurance Corporation; and".

(e) PAPERWORK REDUCTION ACT.—Section 2(a)(10) of the Paperwork Reduction Act of 1980 (44 U.S.C. 3502(a)(10)) is amended by striking out "Federal Home Loan Bank Board" and inserting in lieu thereof "the Federal Housing Finance Board".

(f) FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT.—Section 602(11) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 474(11)) is amended—

(1) by inserting "or the Resolution Trust Corporation" after "Department of Housing and Urban Development";

(2) by striking out "savings and loan accounts" and inserting in lieu thereof "savings association accounts"; and

(3) by inserting "under the Federal Deposit Insurance Act or any other law." after "National Housing Act".

(g) PUBLIC BUILDINGS ACT.—Section 13(4) of the Public Buildings Act of 1959 (40 U.S.C. 612(d)) is amended by striking out subparagraph (D).

(h) BANK PROTECTION ACT.—Section 2 of the Bank Protection Act of 1968 (12 U.S.C. 1881) is amended—

(1) in paragraph (4), by—

(A) striking out "Federal Home Loan Bank Board" and inserting in lieu thereof "Director of the Office of Thrift Supervision";

(B) striking out "and loan"; and

(C) striking "associations" and all that follows through "Corporation"; and

(2) in paragraph (3), by inserting "and State savings associations" before ", and".

(i) THE FEDERAL RESERVE ACT.—

(1) SECTION 11.—Section 11(a)(2) of the Federal Reserve Act (12 U.S.C. 248(a)(2)) is amended by striking "(iii) Federal Home Loan Bank Board in the case of any institution insured by the Federal Savings and Loan Insurance Corporation" and inserting "(iii) the Director of the Office of Thrift Supervision in the case of any savings association which is an insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act)".

(2) SECTION 19(b).—Section 19(b)(1)(A)(vi) of the Federal Reserve Act (12 U.S.C. 461(b)(1)(A)(vi)) is amended to read as follows:

"(vi) any savings association (as defined in section 3 of the Federal Deposit Insurance Act) which is an insured depository institution (as defined in such Act) or is eligible to apply to become an insured depository institution under the Federal Deposit Insurance Act; and".

(3) SECTION 19.—Section 19 of the Federal Reserve Act (12 U.S.C. 461) is amended by striking out "the Federal Home Loan Bank Board," and inserting in lieu thereof "the Director of the Office of Thrift Supervision," each place it appears.

(j) PUBLIC LAW 93-495.—Section 3 of title I of Public Law 93-495 (12 U.S.C. 250) is amended by striking "Federal Home Loan Bank Board" and inserting "Director of the Office of Thrift Supervision".

(k) TRUTH IN LENDING ACT.—Section 108(a)(2) of the Truth in Lending Act (15 U.S.C. 1607(a)(2)) is amended to read as follows:

"(2) section 8 of the Federal Deposit Insurance Act, by the Director of the Office of Thrift Supervision, in the case of a savings association the deposits of which are insured by the Federal Deposit Insurance Corporation.".

(l) FAIR CREDIT REPORTING ACT.—Section 621(b)(2) of the Fair Credit Reporting Act (15 U.S.C. 1681s(b)(2)) is amended to read as follows:

"(2) section 8 of the Federal Deposit Insurance Act, by the Director of the Office of Thrift Supervision, in the case of a savings association the deposits of which are insured by the Federal Deposit Insurance Corporation;".

(m) EQUAL CREDIT OPPORTUNITY ACT.—Section 704(a)(2) of the Equal Credit Opportunity Act (15 U.S.C. 1691c(a)(2)) is amended to read as follows:

"(2) Section 8 of the Federal Deposit Insurance Act, by the Director of the Office of Thrift Supervision, in the case of a savings association the deposits of which are insured by the Federal Deposit Insurance Corporation.".

(n) FAIR DEBT COLLECTION PRACTICES ACT.—Section 814(b)(2) of the Fair Debt Collection Practices Act (15 U.S.C. 1692l(b)(2)) is amended to read as follows:

"(2) section 8 of the Federal Deposit Insurance Act, by the Director of the Office of Thrift Supervision, in the case of a savings association the deposits of which are insured by the Federal Deposit Insurance Corporation;".

(o) ELECTRONIC FUND TRANSFER ACT.—Section 917(a)(2) of the Electronic Fund Transfer Act (15 U.S.C. 1693o(a)(2)) is amended to read as follows:

"(2) section 8 of the Federal Deposit Insurance Act, by the Director of the Office of Thrift Supervision, in the case of a savings association the deposits of which are insured by the Federal Deposit Insurance Corporation;".

(p) HOME MORTGAGE DISCLOSURE ACT OF 1975.—

(1) SECTION 305.—Section 305(b)(2) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2804(b)(2)) is amended to read as follows:

"(2) section 8 of the Federal Deposit Insurance Act, by the Director of the Office of Thrift Supervision, in the case of a savings association the deposits of which are insured by the Federal Deposit Insurance Corporation; and".

(2) SECTION 306.—Section 306(b)(2) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2805(b)(2)) is amended to read as follows:

"(2) section 8 of the Federal Deposit Insurance Act, by the Director of the Office of Thrift Supervision in the case of a savings association the deposits of which are insured by the Federal Deposit Insurance Corporation.".

(3) SECTION 307.—Section 307 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2806) is amended by striking "Federal Home

Loan Bank Board" each place it appears and inserting "Director of the Office of Thrift Supervision".

(q) COMMUNITY REINVESTMENT ACT OF 1977.—Section 803(1)(D) of the Community Reinvestment Act of 1977 (12 U.S.C. 2902(1)(D)) is amended to read as follows:

"(2) section 8 of the Federal Deposit Insurance Act, by the Director of the Office of Thrift Supervision, in the case of a savings association (the deposits of which are insured by the Federal Deposit Insurance Corporation) and a savings and loan holding company;".

(r) DEPOSITORY INSTITUTIONS MANAGEMENT INTERLOCKS ACT.—

(1) Section 207(4) of the Depository Institutions Management Interlocks Act (12 U.S.C. 3206(4)) is amended to read as follows:

"(4) the Director of the Office of Thrift Supervision with respect to a savings association (the deposits of which are insured by the Federal Deposit Insurance Corporation) and savings and loan holding companies,".

(s) DEPOSITORY INSTITUTIONS DEREGULATION ACT OF 1980.—Section 208(a)(2) of the Depository Institutions Deregulation Act of 1980 (12 U.S.C. 3507(a)(2)) is amended to read as follows:

"(2) section 8 of the Federal Deposit Insurance Act, by the Director of the Office of Thrift Supervision, in the case of a savings association the deposits of which are insured by the Federal Deposit Insurance Corporation.".

(t) FEDERAL TRADE COMMISSION ACT.—Section 18(f)(3) of the Federal Trade Commission Act (15 U.S.C. 57a(f)(3)) is amended to read as follows:

"(3) Compliance with regulations prescribed under this subsection shall be enforced under section 8 of the Federal Deposit Insurance Act with respect to savings associations as defined in section 3 of the Federal Deposit Insurance Act.".

(u) SECURITIES EXCHANGE ACT OF 1934.—

(1) SECTION 3.—Section 3(a)(34) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(34)) is amended—

(A) in subparagraph (G)—

(i) by striking clauses (iv) and (v) and inserting the following:

"(iv) the Director of the Office of Thrift Supervision, in the case of a savings association the deposits of which are insured by the Federal Deposit Insurance Corporation;"; and

(ii) by redesignating clause (vi) as clause (v); and

(B) in the second sentence, by striking "the Federal Home Loan Bank Board" and inserting "the Office of Thrift Supervision".

(2) SECTION 12.—Section 12(i) of the Securities Exchange Act of 1934 (15 U.S.C. 78l(i)) is amended—

(A) in the first sentence—

(i) by inserting "and savings associations" after "banks" the first place it appears;

(ii) by striking "or institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporation"; and

(iii) by striking paragraph (4) and inserting "(4) with respect to savings associations the accounts of which are insured by the Federal Deposit Insurance Corporation are vested in the Office of Thrift Supervision"; and

(B) in the second sentence, by striking "the Federal Home Loan Bank Board" and inserting "the Office of Thrift Supervision".

(3) SECTION 15.—Section 15C(f)(1) (15 U.S.C. 78o-5(f)(1)) of such Act is amended by striking "Federal Home Loan Bank Board" and inserting "Director of the Office of Thrift Supervision".

TITLE VIII—BANK CONSERVATION ACT AMENDMENTS

SEC. 801. DEFINITIONS.

Section 202 of the Bank Conservation Act (12 U.S.C. 202) is amended—

(1) by inserting after "national banking association" the following: "or any other financial institution chartered or licensed under Federal law and subject to the supervision of the Comptroller of the Currency"; and

(2) by inserting before "and the term 'State' " the following: "the term 'voluntary dissolution and liquidation' means a transaction pursuant to section 5220 of the Revised Statutes that involves the assumption of the bank's insured deposit liabilities and the sale of the bank, or of control of the bank, as a going concern;".

SEC. 802. APPOINTMENT OF CONSERVATOR.

Section 203 of the Bank Conservation Act (12 U.S.C. 203) is amended to read as follows:

"SEC. 203. APPOINTMENT OF CONSERVATOR.

"(a) APPOINTMENT.—The Comptroller of the Currency may, without notice or prior hearing, appoint a conservator, which may be the Federal Deposit Insurance Corporation, to take possession and control of a bank whenever the Comptroller determines that one or more of the following circumstances exist:

"(1) any one or more of the conditions for appointment of a receiver for the bank specified in the first section of the Act of June 30, 1876 (12 U.S.C. 191) are present;

"(2) the bank is not likely to be able to meet the demands of its depositors or pay its obligations in the normal course of business;

"(3) the bank is in an unsafe or unsound condition to transact business, including having substantially insufficient capital or otherwise;

"(4)(A) the bank has incurred or is likely to incur losses that will deplete all or substantially all of its capital, and

"(B) there is no reasonable prospect for the bank's capital to be replenished without Federal assistance;

"(5) there is a violation or violations of laws, rules, or regulations, or any unsafe or unsound practice or condition which is likely to cause insolvency or substantial dissipation of assets or earnings, or is likely to weaken the bank's condition or otherwise seriously prejudice the interests of its depositors;

"(6) there is concealment of books, papers, records, or assets of the bank, or refusal to submit books, papers, records, or affairs of the bank for inspection to any examiner or to any lawful agent of the Comptroller;

"(7) there is a willful or continuing violation of an order enforceable against the bank under section 8(i) of the Federal Deposit Insurance Act; or

"(8) the bank's board of directors consists of fewer than 5 members.

"(b) JUDICIAL REVIEW.—

"(1) IN GENERAL.—Not later than 20 days after the initial appointment of a conservator pursuant to this section, the bank may bring an action in the United States district court for the judicial district in which the home office of such bank is located, or in the United States District Court for the District of Columbia, for an order requiring the Comptroller to terminate the appointment of the conservator, and the court, upon the merits, shall dismiss such action or shall direct the Comptroller to terminate the appointment of such conservator. The Comptroller's decision to appoint a conservator pursuant to this section shall be set aside only if the court finds that such decision was arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

"(2) STAY.—The conservator may request that any judicial action or proceeding to which the conservator or the bank is or may become a party be stayed for a period of up to 45 days after the appointment of the conservator. Upon petition, the court shall grant such stay as to all parties.

"(3) ACTIONS AND ORDERS.—Except as otherwise provided in this subsection, no court may take any action regarding the removal of a conservator, or restrain, or affect the exercise of powers or functions of a conservator. A court, upon application by the Comptroller, shall have jurisdiction to enforce an order of the Comptroller relating to—

"(A) the conservatorship and the bank in conservatorship, or

"(B) restraining or affecting the exercise of powers or functions of a conservator.

"(c) ADDITIONAL GROUNDS FOR APPOINTMENT.—In addition to the foregoing provisions, the Comptroller may appoint a conservator for a bank if—

"(1) the bank, by an affirmative vote of a majority of its board of directors or by an affirmative vote of a majority of its shareholders, consents to such appointment, or

"(2) the Federal Deposit Insurance Corporation terminates the bank's status as an insured bank.

The appointment of a conservator pursuant to this subsection shall not be subject to review.

"(d) EXCLUSIVE AUTHORITY.—The Comptroller shall have exclusive power and jurisdiction to appoint a conservator for a bank. Whenever the Comptroller appoints a conservator for any bank, the Comptroller may appoint the Federal Deposit Insurance Corporation conservator for such bank. The Federal Deposit Insurance Corporation, as such conservator, shall have all the powers granted under the Federal Deposit Insurance Act, and (when not inconsistent therewith) any other rights, powers, and privileges possessed by conservators of banks under this Act and any other provision of law. The Comptroller may also appoint another person as conservator, who shall be subject to the provisions of this Act.

"(e) REPLACEMENT OF CONSERVATOR.—The Comptroller may, without notice or hearing, replace a conservator with another conservator. Such replacement shall not affect the bank's right under subsection (b) to obtain judicial review of the Comptroller's original decision to appoint a conservator.".

SEC. 803. EXAMINATIONS.

Section 204 of the Bank Conservation Act (12 U.S.C. 204) is amended to read as follows:

"SEC. 204. EXAMINATIONS.

"The Comptroller of the Currency (in consultation with the Board of Directors of the Federal Deposit Insurance Corporation when the Corporation is appointed conservator) is authorized to examine and supervise the bank in conservatorship as long as the bank continues to operate as a going concern. The Comptroller may use reports and other information provided by the Federal Deposit Insurance Corporation for this purpose.".

SEC. 804. TERMINATION OF CONSERVATORSHIP.

Section 205 of the Bank Conservation Act (12 U.S.C. 205) is amended to read as follows:

"SEC. 205. TERMINATION OF CONSERVATORSHIP.

"(a) GENERAL RULE.—At any time the Comptroller becomes satisfied that it may safely be done and that it would be in the public interest, the Comptroller (with the agreement of the Board of Directors of the Federal Deposit Insurance Corporation when the Corporation has been appointed conservator) may—

"(1) terminate the conservatorship and permit the involved bank to resume the transaction of its business subject to such terms, conditions, and limitations as the Comptroller may prescribe; or

"(2) terminate the conservatorship upon a sale, merger, consolidation, purchase and assumption, change in control, or voluntary dissolution and liquidation of the involved bank.

"(b) OTHER GROUNDS FOR TERMINATION.—The Comptroller also may terminate the conservatorship upon the appointment of a receiver pursuant to the first section of the Act of June 30, 1876 (12 U.S.C. 191).

"(c) ENFORCEMENT UNDER FEDERAL DEPOSIT INSURANCE ACT.—Such terms, conditions, and limitations as may be prescribed under subsection (a)(1) shall be enforceable under the provisions of section 8(i) of the Federal Deposit Insurance Act, to the same extent as an order issued pursuant to section 8(b) of the Federal Deposit Insurance Act which has become final. The bank may bring an action in the United States district court for the judicial district in which the home office of such bank is located or in the United States District Court for the District of Columbia for an order requiring the Comptroller to terminate the order. An action for judicial review of the terms, conditions, and limitations may not be commenced later than 20 days from the date of the termination of the conservatorship or the imposition of the order, whichever is later.

"(d) ACTION UPON TERMINATION.—

"(1) IN GENERAL.—Upon termination of the conservatorship under subsection (a)(2), the Federal Deposit Insurance Corporation, as conservator, or when another person is appointed conservator, such other person, shall conclude the affairs of the conservatorship in accordance with paragraph (2).

"(2) DEPOSIT AND DISTRIBUTION OF PROCEEDS.—(A) Within 180 days of the sale, merger, consolidation, purchase and assumption, change in control, or voluntary dissolution and liquidation, the conservator shall deposit all net proceeds received from the transaction, less any outstanding expenses of the conservatorship, with the United States district court for the judicial district in which the home office of such bank is located and shall cause notice to be published for three consecutive months and notify by mail all known and remaining creditors and shareholders. Within 60 days thereafter, any depositor, creditor, or other claimant of the bank, or any shareholder of the bank may bring an action in interpleader in that court for distribution of the proceeds. The district court shall distribute such funds equitably. If no such action is instituted within one year after the date the funds are deposited with the district court, title to such net proceeds shall revert to the United States and the district court shall remit the funds to the Treasury of the United States.

"(B) The conservator shall be deemed to have discharged all responsibility of the conservatorship upon the deposit of the proceeds with the district court and giving the required notifications.".

SEC. 805. CONSERVATOR; POWERS AND DUTIES.

Section 206 of the Bank Conservation Act (12 U.S.C. 206) is amended to read as follows:

"SEC. 206. CONSERVATOR; POWERS AND DUTIES.

"(a) GENERAL POWERS.—A conservator shall have all the powers of the shareholders, directors, and officers of the bank and may operate the bank in its own name unless the Comptroller in the order of appointment limits the conservator's authority.

"(b) SUBJECT TO RULES OF COMPTROLLER.—The conservator shall be subject to such rules, regulations, and orders as the Comptroller from time to time deems appropriate; and, except as otherwise specifically provided in such rules, regulations, or orders or in section 209 of this Act, shall have the same rights and privileges and be subject to the same duties, restrictions, penalties, conditions, and limitations as apply to directors, officers, or employees of a national bank.

"(c) PAYMENT OF DEPOSITORS AND CREDITORS.—The Comptroller may require the conservator to set aside and make available for withdrawal by depositors and payment to other creditors such amounts as in the opinion of the Comptroller may safely be used for that purpose. All depositors and creditors who are similarly situated shall be treated in the same manner.

"(d) COMPENSATION OF CONSERVATOR AND EMPLOYEES.—The conservator and professional employees appointed to represent or assist the conservator shall not be paid amounts greater than are payable to employees of the Federal Government for similar services, except that the Comptroller of the Currency may authorize payment at higher rates (but not in excess of rates prevailing in the private sector), if the Comptroller determines that paying such higher rates is necessary in order to recruit and retain competent personnel.

"(e) EXPENSES.—All expenses of any such conservatorship shall be paid by the bank and shall be a lien upon the bank which shall be prior to any other lien.".

SEC. 806. LIABILITY PROTECTION.

Section 209 of the Bank Conservation Act (12 U.S.C. 209) is amended to read as follows:

"SEC. 209. LIABILITY PROTECTION.

"(a) FEDERAL AGENCY AND EMPLOYEES.—In any case in which the conservator is a Federal agency or an employee of the Government, the provisions of chapters 161 and 171 of title 28, United States Code, shall apply with respect to such conservator's liability for acts or omissions performed pursuant to and in the course of the duties and responsibilities of the conservatorship.

"(b) OTHER CONSERVATORS.—In any case where the conservator is not a conservator described in subsection (a), the conservator shall not be liable for damages in tort or otherwise for acts or omissions performed pursuant to and in the course of the duties and responsibilities of the conservatorship, unless such acts or omissions constitute gross negligence, including any similar conduct or any form of intentional tortious conduct, as determined by a court.

"(c) INDEMNIFICATION.—The Comptroller shall have authority to indemnify the conservator on such terms as the Comptroller deems proper.".

SEC. 807. RULES AND REGULATIONS.

Section 211 of the Bank Conservation Act (12 U.S.C. 211) is amended to read as follows:

"SEC. 211. RULES AND REGULATIONS.

"(a) IN GENERAL.—The Comptroller of the Currency may prescribe such rules and regulations as the Comptroller may deem necessary to carry out the provisions of this Act.

"(b) F.D.I.C. AS CONSERVATOR.—In any case in which the Federal Deposit Insurance Corporation is the conservator, any rules or regulations prescribed by the Comptroller shall be consistent with any rules and regulations prescribed by the Federal Deposit Insurance Corporation pursuant to the Federal Deposit Insurance Act.".

SEC. 808. REPEALS.

Sections 207 and 208 of the Bank Conservation Act (12 U.S.C. 207 and 208) are repealed.

TITLE IX—REGULATORY ENFORCEMENT AUTHORITY AND CRIMINAL ENHANCEMENTS

Subtitle A—Expanded Enforcement Powers, Increased Penalties, and Improved Accountability

SEC. 901. INSTITUTION-AFFILIATED PARTIES OF A DEPOSITORY INSTITUTION SUBJECT TO ADMINISTRATIVE ENFORCEMENT ORDERS; SUBSTITUTION OF "DEPOSITORY INSTITUTION" FOR "BANK" IN ENFORCEMENT PROVISIONS.

(a) INSTITUTION-AFFILIATED PARTY DEFINED.—Section 206 of the Federal Credit Union Act (12 U.S.C. 1786) is amended by adding at the end thereof the following new subsection:

"(r) INSTITUTION-AFFILIATED PARTY DEFINED.—For purposes of this Act, the term 'institution-affiliated party' means—

"(1) any committee member, director, officer, or employee of, or agent for, an insured credit union;

"(2) any consultant, joint venture partner, and any other person as determined by the Board (by regulation or on a case-by-case basis) who participates in the conduct of the affairs of an insured credit union; and

"(3) any independent contractor (including any attorney, appraiser, or accountant) who knowingly or recklessly participates in—

"(A) any violation of any law or regulation;

"(B) any breach of fiduciary duty; or

"(C) any unsafe or unsound practice,

which caused or is likely to cause more than a minimal financial loss to, or a significant adverse effect on, the insured credit union.".

(b) AMENDMENTS RELATING TO USE OF "INSTITUTION-AFFILIATED PARTY".—

(1) FDIA.—Section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) is amended—

(A) in subsection (b)(1)—

(i) by striking out "director, officer, employee, agent, or other person participating in the conduct of the affairs of such a bank" and inserting in lieu thereof "institution-affiliated party"; and

(ii) by striking out "directors, officers, employees, agents, or other persons participating in the conduct of the affairs of such bank" and inserting in lieu thereof "institution-affiliated parties";

(B) in each of subsections (b)(1) and (c)—

(i) by striking out "director, officer, employee, agent, or other person participating in the conduct of the affairs of such bank" each place such term appears and inserting in lieu thereof "institution-affiliated party"; and

(ii) by striking out "such director, officer, employee, agent, or other person" each place such term appears and inserting in lieu thereof "such party";

(C) in subsection (e)(4), as so redesignated by section 903(a)(2) of this Act—

(i) by striking out "a director, officer, or other person from office or to prohibit his participation" and inserting in lieu thereof "an institution-affiliated party from office or to prohibit such party from participating";

(ii) by striking out "such director or officer or other person" and inserting in lieu thereof "such party";

(iii) by striking out "such director, officer, or other person" and inserting in lieu thereof "such party";

(iv) by striking out "he" and inserting in lieu thereof "such party";

(v) by striking out "any director, officer or other person" and inserting in lieu thereof "any such party"; and

(vi) by striking out "the director, officer, or other person concerned" and inserting in lieu thereof "such party";

(D) in subsection (e)(5), as so redesignated by section 903(a)(2) of this Act—

(i) by inserting after "the term 'officer' " the following: "within the term 'institution-affiliated party' "; and

(ii) by inserting after "the term 'director' " the following: "within the term 'institution-affiliated party' as used in this subsection";

(E) in subsection (f)—

(i) by striking out "any director, officer, or other person" and inserting in lieu thereof "any institution-affiliated party"; and

(ii) by striking out "such director, officer, or other person" each place such term appears and inserting in lieu thereof "such party";

(F) in subsection (g)(1)—

(i) by striking out "director or officer of an insured bank, or other person participating in the conduct of the affairs of such bank" and inserting in lieu thereof "institution-affiliated party";

(ii) by striking out "the individual" each place such term appears and inserting in lieu thereof "such party";

(iii) by striking out "such director, officer, or other person" each place such term appears and inserting in lieu thereof "such party";

(iv) by striking out "him" each place such term appears and inserting in lieu thereof "such party";

(v) by striking out "director, officer or other person" and inserting in lieu thereof "party"; and

(vi) by striking out "whereupon such director or officer" and inserting in lieu thereof "whereupon such party (if a director or an officer)";

(G) in subsection (g)(3)—

(i) by striking out "the director, officer, or other person concerned" and inserting in lieu thereof "the institution-affiliated party concerned";

(ii) by striking out "such individual" each place such term appears and inserting in lieu thereof "such party";

(iii) by striking out "the concerned director, officer, or other person" and inserting in lieu thereof "such party";

(iv) by striking out "the director, officer, or other person" each place such term appears (except in "the director, officer, or other person concerned") and inserting in lieu thereof "such party";

(v) by striking out "said director, officer or other person" and inserting in lieu thereof "such party"; and

(vi) by striking out "the director, officer or other person" and inserting in lieu thereof "such party";

(H) in subsection (h)(2), by striking out "director or officer or other person" and inserting in lieu thereof "institution-affiliated party";

(I) in subsection (l), by striking out "director or officer thereof or other person participating in the conduct of its affairs" and inserting in lieu thereof "institution-affiliated party"; and

(J) in subsection (m), by striking out "director or officer or other person participating in the conduct of its affairs" and inserting in lieu thereof "institution-affiliated party".

(2) FCUA.—Section 206 of the Federal Credit Union Act (12 U.S.C. 1786) is amended—

(A) in subsection (e)(1)—

(i) by striking out "director, officer, committee member, employee, agent, or other person participating in the conduct of the affairs of such a credit union" and inserting in lieu thereof "institution-affiliated party"; and

(ii) by striking out "directors, officers, committee members, employees, agents, or other persons participating in the conduct of the affairs of such credit union" and inserting in lieu thereof "institution-affiliated parties";

(B) in each of subsections (e)(1) and (f)—

(i) by striking out "director, officer, committee member, employee, agent, or other person participating in the conduct of the affairs of such credit union" each place such term appears and inserting in lieu thereof "institution-affiliated party"; and

(ii) by striking out "such director, officer, committee member, employee, agent, or other person" each place such term appears and inserting in lieu thereof "such party"; and

(C) in subsection (f)(1), by striking out "such director, officer, committee member, employee, agents, or other person" and inserting in lieu thereof "such party";

(D) in subsection (i)(1)—

(i) by striking out "director, committee member, or officer of an insured credit union, or other person participating in the conduct of the affairs of such credit union" and inserting in lieu thereof "institution-affiliated party";

(ii) by striking out "the individual" each place such term appears and inserting in lieu thereof "such party";

(iii) by striking out "such director, committee member, officer, or other person" each place such term appears and inserting in lieu thereof "such party";

(iv) by striking out "him" and inserting in lieu thereof "such party";

(v) by striking out "director, officer or other person" and inserting in lieu thereof "party"; and

(vi) by striking out "whereupon such director, committee member, or officer" and inserting in lieu thereof "whereupon such party (if a director, a committee member, or an officer)";

(E) in subsection (i)(3)—

(i) by striking out "director, committee member, officer, or other person concerned" and inserting in lieu thereof "institution-affiliated party concerned"; and

(ii) by striking out "such individual" each place such term appears and inserting in lieu thereof "such party";

(iii) by striking out "the concerned director, committee member, officer, or other person" and inserting in lieu thereof "such party";

(iv) by striking out "the director, committee member, officer, or other person" each place such term appears (except in "the director, committee member, officer, or other person concerned") and inserting in lieu thereof "such party"; and

(v) by striking out "said director, committee member, officer or other person" and inserting in lieu thereof "such party";

(F) in subsection (j)(2), by striking out "director, officer, committee member, or other person" and inserting in lieu thereof "institution-affiliated party"; and

(G) in subsection (o), by striking out "director, officer, committee member or other person participating in the conduct of its affairs" and inserting in lieu thereof "institution-affiliated party".

(d) SUBSTITUTION OF "DEPOSITORY INSTITUTION" FOR "BANK".—Section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), as amended by subsection (b)(1) of this section, is amended by striking out "bank" and "banks" each place such terms appear and inserting in lieu thereof "depository institution" and "depository institutions", respectively, except in subsections (b)(3), (b)(4), (m), (o), and (r).

SEC. 902. AMENDMENTS TO CEASE AND DESIST AUTHORITY WITH RESPECT TO RESTITUTION, RESTRICTIONS ON SPECIFIC ACTIVITIES, GROUNDS FOR ISSUANCE OF A TEMPORARY ORDER, AND INCOMPLETE OR INACCURATE RECORDS.

(a) DEPOSITORY INSTITUTIONS INSURED BY THE FDIC.—

(1) CEASE AND DESIST AUTHORITY.—Section 8(b) of the Federal Deposit Insurance Act (12 U.S.C. 1818(b)) is amended—

(A) in paragraph (3), by striking out "subsections (c) through (f) and (h) through (n)" and inserting in lieu thereof "subsections (c) through (s) and subsection (u)";

(B) in paragraph (4), by striking out "subsections (c) through (f) and (h) through (n)" and inserting in lieu thereof "subsections (c) through (s) and subsection (u)"; and

(C) by adding at the end thereof the following new paragraphs:

"(6) AFFIRMATIVE ACTION TO CORRECT CONDITIONS RESULTING FROM VIOLATIONS OR PRACTICES.—The authority to issue an order under this subsection and subsection (c) which requires an insured depository institution or any institution-affiliated party to take affirmative action to correct any conditions resulting from any violation or practice with respect to which such order is issued includes the authority to require such depository institution or such party to—

"(A) make restitution or provide reimbursement, indemnification, or guarantee against loss if—

"(i) such depository institution or such party was unjustly enriched in connection with such violation or practice; or

"(ii) the violation or practice involved a reckless disregard for the law or any applicable regulations or prior order of the appropriate Federal banking agency;

"(B) restrict the growth of the institution;

"(C) dispose of any loan or asset involved;

"(D) rescind agreements or contracts; and

"(E) employ qualified officers or employees (who may be subject to approval by the appropriate Federal banking agency at the direction of such agency); and

"(F) take such other action as the banking agency determines to be appropriate.

"(7) AUTHORITY TO LIMIT ACTIVITIES.—The authority to issue an order under this subsection or subsection (c) includes the authority to place limitations on the activities or functions of an insured depository institution or any institution-affiliated party.

"(8) EXPANSION OF AUTHORITY TO SAVINGS AND LOAN AFFILIATES AND ENTITIES.—Subsections (a) through (s) and subsection (u) shall apply to any savings and loan holding company and to any subsidiary (other than a

bank or subsidiary of that bank) of a savings and loan holding company, to any service corporation of a savings association and to any subsidiary of such service corporation, whether wholly or partly owned, in the same manner as such subsections apply to a savings association.".

(2) TEMPORARY CEASE AND DESIST AUTHORITY.—Section 8(c) of the Federal Deposit Insurance Act (12 U.S.C. 1818(c)) is amended—

(A) in paragraph (1)—

(i) by striking out "substantial" and inserting in lieu thereof "significant";

(ii) by striking out "seriously" each place such term appears; and

(iii) by inserting after the 1st sentence the following new sentence: "Such order may include any requirement authorized under subsection (b)(6)(B)."; and

(B) by adding at the end thereof the following new paragraph:

"(3) INCOMPLETE OR INACCURATE RECORDS.—

"(A) TEMPORARY ORDER.—If a notice of charges served under subsection (b)(1) specifies, on the basis of particular facts and circumstances, that an insured depository institution's books and records are so incomplete or inaccurate that the appropriate Federal banking agency is unable, through the normal supervisory process, to determine the financial condition of that depository institution or the details or purpose of any transaction or transactions that may have a material effect on the financial condition of that depository institution, the agency may issue a temporary order requiring—

"(i) the cessation of any activity or practice which gave rise, whether in whole or in part, to the incomplete or inaccurate state of the books or records; or

"(ii) affirmative action to restore such books or records to a complete and accurate state, until the completion of the proceedings under subsection (b)(1).

"(B) EFFECTIVE PERIOD.—Any temporary order issued under subparagraph (A)—

"(i) shall become effective upon service; and

"(ii) unless set aside, limited, or suspended by a court in proceedings under paragraph (2), shall remain in effect and enforceable until the earlier of—

"(I) the completion of the proceeding initiated under subsection (b)(1) in connection with the notice of charges; or

"(II) the date the appropriate Federal banking agency determines, by examination or otherwise, that the insured depository institution's books and records are accurate and reflect the financial condition of the depository institution.".

(b) CREDIT UNIONS INSURED BY THE NCUA.—

(1) CEASE AND DESIST AUTHORITY.—Section 206(e) of the Federal Credit Union Act (12 U.S.C. 1786(e)) is amended by adding at the end thereof the following new paragraphs:

"(3) AFFIRMATIVE ACTION TO CORRECT CONDITIONS RESULTING FROM VIOLATIONS OR PRACTICES.—The authority to issue an order under this subsection and subsection (f) which requires an insured credit union or any institution-affiliated party to take affirmative action to correct any conditions resulting from any violation or practice with respect to which such order is issued includes the authority to require such insured credit union or such party to—

"(A) make restitution or provide reimbursement, indemnification, or guarantee against loss if—

"(i) such credit union or such party was unjustly enriched in connection with such violation or practice; or

"(ii) the violation or practice involved a reckless disregard for the law or any applicable regulations or prior order of the Board;

"(B) restrict the growth of the institution;

"(C) rescind agreements or contracts;

"(D) dispose of any loan or asset involved; and

"(E) employ qualified officers or employees (who may be subject to approval by the Board at the direction of such Board); and

"(F) take such other action as the Board determines to be appropriate.

"(4) AUTHORITY TO LIMIT ACTIVITIES.—The authority to issue an order under this subsection or subsection (f) includes the authority to place limitations on the activities or functions of an insured credit union or any institution-affiliated party.".

(2) TEMPORARY CEASE AND DESIST AUTHORITY.—Section 206(f) of the Federal Credit Union Act (12 U.S.C. 1786(f)) is amended—

(A) by redesignating paragraph (3) as paragraph (4);

(B) in paragraph (1)—

(i) by striking out "substantial" and inserting in lieu thereof "significant";

(ii) by striking out "seriously" each place such term appears; and

(iii) by inserting after the 1st sentence the following new sentence: "Such order may include any requirement authorized under subsection (e)(3)(B)."; and

(C) by inserting after paragraph (2) the following new paragraph:

"(3) INCOMPLETE OR INACCURATE RECORDS.—

"(A) TEMPORARY ORDER.—If a notice of charges served under subsection (e)(1) specifies, on the basis of particular facts and circumstances, that an insured credit union's books and records are so incomplete or inaccurate that the Board is unable, through the normal supervisory process, to determine the financial condition of that insured credit union or the details or purpose of any transaction or transactions that may have a material effect on the financial condition of that insured credit union, the Board may issue a temporary order requiring—

"(i) the cessation of any activity or practice which gave rise, whether in whole or in part, to the incomplete or inaccurate state of the books or records; or

"(ii) affirmative action to restore such books or records to a complete and accurate state, until the completion of the proceedings under subsection (e)(1).

"(B) EFFECTIVE PERIOD.—Any temporary order issued under subparagraph (A)—

"(i) shall become effective upon service; and

"(ii) unless set aside, limited, or suspended by a court in proceedings under paragraph (2), shall remain in effect and enforceable until the earlier of—

"(I) the completion of the proceeding initiated under subsection (e)(1) in connection with the notice of charges; or

"(II) the date the Board determines, by examination or otherwise, that the insured credit union's books and records are accurate and reflect the financial condition of the credit union.".

SEC. 903. MERGER OF REMOVAL AND PROHIBITION AUTHORITY.

(a) DEPOSITORY INSTITUTIONS INSURED BY THE FDIC.—

(1) IN GENERAL.—Section 8(e)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1818(e)(1)) is amended to read as follows:

"(e) REMOVAL AND PROHIBITION AUTHORITY.—

"(1) AUTHORITY TO ISSUE ORDER.—Whenever the appropriate Federal banking agency determines that—

"(A) any institution-affiliated party has, directly or indirectly—

"(i) violated—

"(I) any law or regulation;

"(II) any cease-and-desist order which has become final;

"(III) any condition imposed in writing by the appropriate Federal banking agency in connection with the grant of any application or other request by such depository institution; or

"(IV) any written agreement between such depository institution and such agency;

"(ii) engaged or participated in any unsafe or unsound practice in connection with any insured depository institution or business institution; or

"(iii) committed or engaged in any act, omission, or practice which constitutes a breach of such party's fiduciary duty;

"(B) by reason of the violation, practice, or breach described in any clause of subparagraph (A)—

"(i) such insured depository institution or business institution has suffered or will probably suffer financial loss or other damage;

"(ii) the interests of the insured depository institution's depositors have been or could be prejudiced; or

"(iii) such party has received financial gain or other benefit by reason of such violation, practice, or breach; and

"(C) such violation, practice, or breach—

"(i) involves personal dishonesty on the part of such party; or

"(ii) demonstrates willful or continuing disregard by such party for the safety or soundness of such insured depository institution or business institution,

the agency may serve upon such party a written notice of the agency's intention to remove such party from office or to prohibit any further participation by such party, in any manner, in the conduct of the affairs of any insured depository institution.".

(2) TEMPORARY SUSPENSION OR PROHIBITION.—Section 8(e) of the Federal Deposit Insurance Act (12 U.S.C. 1818(e)) is amended by striking out paragraphs (2) and (4), by redesignating paragraphs (3), (5), and (6) as paragraphs (2), (4), and (5), respectively, and by inserting after paragraph (2) (as so redesignated) the following new paragraph:

"(3) SUSPENSION ORDER.—

"(A) SUSPENSION OR PROHIBITION AUTHORIZED.—If the appropriate Federal banking agency serves written notice under paragraph (1) or (2) to any institution-affiliated party of such agency's intention to issue an order under such paragraph, the appropriate Federal banking agency may suspend such party from office or prohibit such party from further participation in any manner in the conduct of the affairs of the depository institution, if the agency—

"(i) determines that such action is necessary for the protection of the depository institution or the interests of the depository institution's depositors; and

"(ii) serves such party with written notice of the suspension order.

"(B) EFFECTIVE PERIOD.—Any suspension order issued under subparagraph (A)—

"(i) shall become effective upon service; and

"(ii) unless a court issues a stay of such order under subsection (f), shall remain in effect and enforceable until—

"(I) the date the appropriate Federal banking agency dismisses the charges contained in the notice served under paragraph (1) or (2) with respect to such party; or

"(II) the effective date of an order issued by the agency to such party under paragraph (1) or (2).

"(C) COPY OF ORDER.—If an appropriate Federal banking agency issues a suspension order under subparagraph (A) to any institution-affiliated party, the agency shall serve a copy of such order on any insured depository institution with which such party is associated at the time such order is issued.".

(3) PROHIBITION OF CERTAIN SPECIFIC ACTIVITIES.—Section 8(e) of the Federal Deposit Insurance Act (12 U.S.C. 1818(e)) is amended by adding after paragraph (5) (as so redesignated by paragraph (2) of this subsection) the following new paragraph:

"(6) PROHIBITION OF CERTAIN SPECIFIC ACTIVITIES.—Any person subject to an order issued under this subsection shall not—

"(A) participate in any manner in the conduct of the affairs of any institution or agency specified in paragraph (7)(A);

"(B) solicit, procure, transfer, attempt to transfer, vote, or attempt to vote any proxy, consent, or authorization with respect to any voting rights in any institution described in subparagraph (A);

"(C) violate any voting agreement previously approved by the appropriate Federal banking agency; or

"(D) vote for a director, or serve or act as an institution-affiliated party.".

(4) CONFORMING AMENDMENTS.—

(A) Section 8(f) of the Federal Deposit Insurance Act (12 U.S.C. 1818(f)) is amended—

(i) by striking out "(e)(4)" and inserting in lieu thereof "(e)(3)"; and

(ii) by striking out "(e)(1), (e)(2), or (e)(3)" and inserting in lieu thereof "(e)(1) or (e)(2)".

(B) Section 8(g)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1818(g)(1)) is amended by striking out "(1), (2), (3), or (4)" and inserting in lieu thereof "(1), (2), or (3)".

(b) CREDIT UNIONS INSURED BY THE NCUA.—

(1) IN GENERAL.—Section 206(g)(1) of the Federal Credit Union Act (12 U.S.C. 1786(g)(1)) is amended to read as follows:

"(g) REMOVAL AND PROHIBITION AUTHORITY.—

"(1) AUTHORITY TO ISSUE ORDER.—Whenever the Board determines that—

"(A) any institution-affiliated party has, directly or indirectly—

"(i) violated—

"(I) any law or regulation;

"(II) any cease-and-desist order which has become final;

"(III) any condition imposed in writing by the Board in connection with the grant of any application or other request by such credit union; or

"(IV) any written agreement between such credit union and the Board;

"(ii) engaged or participated in any unsafe or unsound practice in connection with any insured credit union or business institution; or

"(iii) committed or engaged in any act, omission, or practice which constitutes a breach of such party's fiduciary duty;

"(B) by reason of the violation, practice, or breach described in any clause of subparagraph (A)—

"(i) such insured credit union or business institution has suffered or will probably suffer financial loss or other damage;

"(ii) the interests of the insured credit union's members have been or could be prejudiced; or

"(iii) such party has received financial gain or other benefit by reason of such violation, practice or breach; and

"(C) such violation, practice, or breach—

"(i) involves personal dishonesty on the part of such party; or

"(ii) demonstrates such party's unfitness to serve as a director or officer of, or to otherwise participate in the conduct of the affairs of, an insured credit union,

the Board may serve upon such party a written notice of the Board's intention to remove such party from office or to prohibit any further participation, by such party, in any manner in the conduct of the affairs of any insured credit union.".

(2) TEMPORARY SUSPENSION OR PROHIBITION.—Section 206(g) of the Federal Credit Union Act (12 U.S.C. 1786(g)) is amended by striking out paragraphs (2) and (4), by redesignating paragraphs (3) and (5) as paragraphs (2) and (4), respectively, and by inserting after paragraph (2) (as so redesignated) the following new paragraph:

"(3) SUSPENSION ORDER.—

"(A) SUSPENSION OR PROHIBITION AUTHORIZED.—If the Board serves written notice under paragraph (1) or (2) to any institution-affiliated party of the Board's intention to issue an order under such paragraph, the Board may suspend such party from office or prohibit such party from further participation in any manner in the conduct of the affairs of the institution, if the Board—

"(i) determines that such action is necessary for the protection of the credit union or the interests of the credit union's members; and

"(ii) serves such person with written notice of the suspension order.

"(B) EFFECTIVE PERIOD.—Any suspension order issued under subparagraph (A)—

"(i) shall become effective upon service; and

"(ii) unless a court issues a stay of such order under paragraph (6), shall remain in effect and enforceable until—

"(I) the date the Board dismisses the charges contained in the notice served under paragraph (1) or (2) with respect to such party; or

"(II) the effective date of an order issued by the Board to such person under paragraph (1) or (2).

"(C) COPY OF ORDER.—If the Board issues a suspension order under subparagraph (A) to any institution-affiliated party, the Board shall serve a copy of such order on any insured credit union with which such party is associated at the time such order is issued.".

(3) PROHIBITION OF CERTAIN SPECIFIC ACTIVITIES REQUIRED.—Section 206(g) of the Federal Credit Union Act (12 U.S.C. 1786(g)) is amended by adding after paragraph (4) (as so redesignated by paragraph (2) of this subsection) the following new paragraph:

"(5) PROHIBITION OF CERTAIN SPECIFIC ACTIVITIES.—Any person subject to an order issued under this subsection shall not—

"(A) participate in any manner in the conduct of the affairs of any institution or agency specified in paragraph (7)(A);

"(B) solicit, procure, transfer, attempt to transfer, vote, or attempt to vote any proxy, consent, or authorization with respect to any voting rights in any institution described in subparagraph (A);

"(C) violate any voting agreement previously approved by the appropriate Federal banking agency; or

"(D) vote for a director, or serve or act as an institution-affiliated party.".

(4) CONFORMING AMENDMENTS.—Section 206(g)(6) of the Federal Credit Union Act (12 U.S.C. 1786(g)(6)) is amended—

(A) by striking out "paragraph (4)" and inserting in lieu thereof "paragraph (3)"; and

(B) by striking out "(1), (2), or (3)" and inserting in lieu thereof "(1) or (2)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations committed and activities engaged in after the date of the enactment of this Act.

SEC. 904. INDUSTRYWIDE APPLICATION OF REMOVAL, SUSPENSION, AND PROHIBITION ORDERS.

(a) DEPOSITORY INSTITUTIONS INSURED BY THE FDIC.—Section 8(e) of the Federal Deposit Insurance Act (12 U.S.C. 1818(e)) is amended by inserting after the paragraph added by section 903(a)(3) of this Act the following new paragraph:

"(7) INDUSTRYWIDE PROHIBITION.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), any person who, pursuant to an order issued under this subsection or subsection (g), has been removed or suspended from office in an insured depository institution or prohibited from participating in the conduct of the affairs of an insured depository institution may not, while such order is in effect, continue or commence to hold any office in, or participate in any manner in the conduct of the affairs of—

"(i) any insured depository institution;

"(ii) any institution treated as an insured bank under subsection (b)(3) or (b)(4), or as a savings association under subsection (b)(8);

"(iii) any insured credit union under the Federal Credit Union Act;

"(iv) any institution chartered under the Farm Credit Act of 1971;

"(v) any appropriate Federal depository institution regulatory agency;

"(vi) the Federal Housing Finance Board and any Federal home loan bank; and

"(vii) the Resolution Trust Corporation.

"(B) EXCEPTION IF AGENCY PROVIDES WRITTEN CONSENT.—If, on or after the date an order is issued under this subsection which removes or suspends from office any institution-affiliated party or prohibits such party from participating in the conduct of the affairs of an insured depository institution, such party receives the written consent of—

"(i) the agency that issued such order; and

"(ii) the appropriate Federal financial institutions regulatory agency of the institution described in any clause of subparagraph (A) with respect to which such party proposes to become an institution-affiliated party,

subparagraph (A) shall, to the extent of such consent, cease to apply to such party with respect to the institution described in each written consent. Any agency that grants such a written consent shall report such action to the Corporation and publicly disclose such consent.

"(C) VIOLATION OF PARAGRAPH TREATED AS VIOLATION OF ORDER.—Any violation of subparagraph (A) by any person who is subject to an order described in such subparagraph shall be treated as a violation of the order.

"(D) APPROPRIATE FEDERAL FINANCIAL INSTITUTIONS REGULATORY AGENCY DEFINED.—For purposes of this paragraph and subsection (j), the term "appropriate Federal financial institutions regulatory agency" means—

"(i) the appropriate Federal banking agency, in the case of an insured depository institution;

"(ii) the Farm Credit Administration, in the case of an institution chartered under the Farm Credit Act of 1971;

"(iii) the National Credit Union Administration Board, in the case of an insured credit union (as defined in section 101(7) of the Federal Credit Union Act);

"(iv) the Secretary of the Treasury, in the case of the Federal Housing Finance Board and any Federal home loan bank; and

"(v) the Oversight Board, in the case of the Resolution Trust Corporation.

"(E) CONSULTATION BETWEEN AGENCIES.—The agencies referred to in clauses (i) and (ii) of subparagraph (B) shall consult with each other before providing any written consent described in subparagraph (B).

"(F) APPLICABILITY.—This paragraph shall only apply to a person who is an individual, unless the appropriate Federal banking agency specifically finds that it should apply to a corporation, firm, or other business enterprise.".

(b) CREDIT UNIONS INSURED BY THE NCUA.—Section 206(g)(7) of the Federal Credit Union Act (12 U.S.C. 1786(g)(7)) is amended to read as follows:

"(7) INDUSTRYWIDE PROHIBITION.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), any person who, pursuant to an order issued under this subsection or subsection (i), has been removed or suspended from office in an insured credit union or prohibited from participating in the conduct of the affairs of an insured credit union may not, while such order is in effect, continue or commence to hold any office in, or participate in any manner in the conduct of the affairs of—

"(i) any insured depository institution;

"(ii) any institution treated as an insured bank under paragraph (3) or (4) of section 8(b) of the Federal Deposit Insurance Act, or as a savings association under section 8(b)(8) of such Act;

"(iii) any insured credit union;

"(iv) any institution chartered under the Farm Credit Act of 1971;

"(v) any appropriate Federal depository institution regulatory agency;

"(vi) the Federal Housing Finance Board and any Federal home loan bank; and

"(vii) the Resolution Trust Corporation.

"(B) EXCEPTION IF AGENCY PROVIDES WRITTEN CONSENT.—If, on or after the date an order is issued under this subsection which removes or suspends from office any institution-affiliated party or prohibits such party from participating in the conduct of the affairs of an insured credit union, such party receives the written consent of—

"(i) the Board; and

"(ii) the appropriate Federal financial institutions regulatory agency of the institution described in any clause of subparagraph (A) with respect to which such party proposes to become an institution-affiliated party,

subparagraph (A) shall, to the extent of such consent, cease to apply to such party with respect to the institution described in each written consent. If any person receives such a written consent from the Board, the Board shall publicly disclose such consent. If the agency referred to in clause (ii) grants such a written consent, such agency shall report such action to the Board and publicly disclose such consent.

"(C) VIOLATION OF PARAGRAPH TREATED AS VIOLATION OF ORDER.—Any violation of subparagraph (A) by any person who is subject to an order described in such subparagraph shall be treated as a violation of the order.

"(D) APPROPRIATE FEDERAL FINANCIAL INSTITUTIONS REGULATORY AGENCY DEFINED.—For purposes of this paragraph and subsection (1), the term "appropriate Federal financial institutions regulatory agency" means—

"(i) the appropriate Federal banking agency, as provided in section 3(q) of the Federal Deposit Insurance Act;

"(ii) the Farm Credit Administration, in the case of an institution chartered under the Farm Credit Act of 1971;

"(iii) the National Credit Union Administration Board, in the case of an insured credit union (as defined in section 101(7) of the Federal Credit Union Act);

"(iv) the Secretary of the Treasury, in the case of the Federal Housing Finance Board and any Federal home loan bank; and

"(v) the Oversight Board, in the case of the Resolution Trust Corporation.

"(E) CONSULTATION BETWEEN AGENCIES.—The agencies referred to in clauses (i) and (ii) of subparagraph (B) shall consult with each other before providing any written consent described in subparagraph (B).

"(F) APPLICABILITY.—This paragraph shall only apply to a person who is an individual, unless the Board specifically finds that it should apply to a corporation, firm, or other business enterprise.".

SEC. 905. ENFORCEMENT PROCEEDINGS ALLOWED AFTER SEPARATION FROM SERVICE.

(a) DEPOSITORY INSTITUTIONS INSURED BY THE FDIC.—Section 8(i) of the Federal Deposit Insurance Act (12 U.S.C. 1818(i)) is amended by adding at the end thereof the following new paragraph:

"(3) NOTICE UNDER THIS SECTION AFTER SEPARATION FROM SERVICE.—The resignation, termination of employment or participation, or separation of an institution-affiliated party (including a separation caused by the closing of an insured depository institution) shall not affect the jurisdiction and authority of the appropriate Federal banking agency to issue any notice and proceed under this section against any such party, if such notice is served before the end of the 6-year period beginning on the date such party ceased to be such a party with respect to such depository institution (whether such date occurs before, on, or after the date of the enactment of this paragraph).".

(b) CREDIT UNIONS INSURED BY THE NCUA.—Section 206(k) of the Federal Credit Union Act (12 U.S.C. 1786(k)) is amended by adding at the end thereof the following new paragraph:

"(3) NOTICE UNDER THIS SECTION AFTER SEPARATION FROM SERVICE.—The resignation, termination of employment or participation, or separation of a institution-affiliated party (including a separation caused by the closing of an insured credit union) shall not affect the jurisdiction and authority of the Board to issue any notice and proceed under this section against any such party, if such notice is served before the end of the 6-year period beginning on the date such party ceased to be such a party with respect to such credit union (whether such date occurs before, on, or after the date of the enactment of this paragraph).".

(c) CHANGE IN CONTROL OF DEPOSITORY INSTITUTION.—Section 7(j)(15) of the Federal Deposit Insurance Act (12 U.S.C. 1817(j)(15)) is amended by adding at the end thereof the following new sentence: "The resignation, termination of employment or participation, divestiture of control, or separation of or by an institution-affiliated party (including a separation caused by the closing of a depository institution) shall not affect the jurisdiction and authority of the appropriate Federal banking agency to issue any notice and proceed under this subsection against any such party, if such notice is served before the end of the 6-year period beginning on the date such party ceased to be such a party with respect to such depository institution (whether such date occurs before, on, or after the date of the enactment of this sentence).".

(d) NONMEMBER INSURED BANKS AND SAVINGS ASSOCIATIONS.—Section 18(j) of the Federal Deposit Insurance Act (12 U.S.C. 1828(j)) is amended by adding at the end the following new paragraph:

"(6) NOTICE UNDER THIS SECTION AFTER SEPARATION FROM SERVICE.—The resignation, termination of employment or participation, or separation of an institution-affiliated party (including a separation caused by the closing of a nonmember bank or a savings association) shall not affect the jurisdiction and authority of the Corporation or the Director of the Office of Thrift Supervision, as appropriate, to issue any notice and proceed under this section against any such party, if such notice is served before the end of the 6-year period beginning on the date such party ceased to be such a party with respect to such nonmember bank or such savings association (whether such date occurs before, on, or after the date of the enactment of this paragraph).".

(e) NATIONAL BANKS.—Section 5239 of the Revised Statutes (12 U.S.C. 93) is amended by adding at the end thereof the following new subsection:

"(c) NOTICE UNDER THIS SECTION AFTER SEPARATION FROM SERVICE.—The resignation, termination of employment or participation, or separation of an institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to such an association (including a separation caused by the closing of such an association) shall not affect the jurisdiction and authority of the Comptroller of the Currency to issue any notice and proceed under this section against any such party, if such notice is served before the end of the 6-year period beginning on the date such party ceased to be such a party with respect to such association (whether such date occurs before, on, or after the date of the enactment of this subsection).".

(f) MEMBER BANKS.—Section 29 of the Federal Reserve Act (12 U.S.C. 504(a)), as added by section 907(g) of this Act, is amended by adding at the end the following new subsection:

"(m) NOTICE UNDER THIS SECTION AFTER SEPARATION FROM SERVICE.—The resignation, termination of employment or participation, or separation of an institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to a member bank (including a separation caused by the closing of such a bank) shall not affect the jurisdiction and authority of the appropriate Federal banking agency to issue any notice and proceed under this section against any such party, if such notice is served before the end of the 6-year period beginning on the date such party ceased to be such a party with respect to such bank (whether such date occurs before, on, or after the date of the enactment of this subsection).".

(g) MEMBER BANKS.—Section 19 of the Federal Reserve Act (12 U.S.C. 505) is amended by adding at the end thereof the following new subsection:

"(m) NOTICE UNDER THIS SECTION AFTER SEPARATION FROM SERVICE.—The resignation, termination of employment or participation, or separation of an institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to a member bank (including a separation caused by the closing of such a

bank) shall not affect the jurisdiction and authority of the Board to issue any notice and proceed under this section against any such party, if such notice is served before the end of the 6-year period beginning on the date such party ceased to be such a party with respect to such bank (whether such date occurs before, on, or after the date of the enactment of this subsection).".

(h) BANKS.—Section 106(b)(2) of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1972(2)) is amended by adding at the end the following new subparagraph:

"(I) NOTICE UNDER THIS SECTION AFTER SEPARATION FROM SERVICE.—The resignation, termination of employment or participation, or separation of an institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to such a bank (including a separation caused by the closing of such a bank) shall not affect the jurisdiction and authority of the appropriate Federal banking agency to issue any notice and proceed under this section against any such party, if such notice is served before the end of the 6-year period beginning on the date such party ceased to be such a party with respect to such bank (whether such date occurs before, on, or after the date of the enactment of this subparagraph).".

(i) BANK HOLDING COMPANIES.—Section 8 of the Bank Holding Company Act of 1956 (12 U.S.C. 1847) is amended by adding at the end the following new subsection:

"(c) NOTICE UNDER THIS SECTION AFTER SEPARATION FROM SERVICE.—The resignation, termination of employment or participation, or separation of an institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to a bank holding company (including a separation caused by the deregistration of such a company) shall not affect the jurisdiction and authority of the Board to issue any notice and proceed under this section against any such party, if such notice is served before the end of the 6-year period beginning on the date such party ceased to be such a party with respect to such holding company (whether such date occurs before, on, or after the date of the enactment of this subsection).".

(j) SAVINGS AND LOAN HOLDING COMPANIES.—Section 10(t) of the Home Owners' Loan Act (as amended by section 301 of this Act) is amended by adding at the end thereof the following new paragraph:

"(5) NOTICE UNDER THIS SECTION AFTER SEPARATION FROM SERVICE.—The resignation, termination of employment or participation, or separation of an institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to a savings and loan holding company or subsidiary thereof (including a separation caused by the deregistration of such a company or such a subsidiary) shall not affect the jurisdiction and authority of the Director to issue any notice and proceed under this section against any such party, if such notice is served before the end of the 6-year period beginning on the date such party ceased to be such a party with respect to such holding company or its subsidiary (whether such date occurs before, on, or after the date of the enactment of this paragraph).".

SEC. 906. EXPANSION OF REMOVAL POWERS FOR STATE CRIMINAL PROCEEDINGS.

(a) DEPOSITORY INSTITUTIONS INSURED BY THE FDIC.—Section 8(g)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1818(g)(1)) is amended—

(1) in the 1st sentence, by striking "authorized by a United States attorney"; and

(2) in the 4th sentence, by striking "with respect to such crime" and inserting in lieu thereof "or an agreement to enter a pre-trial diversion or other similar program".

(b) CREDIT UNIONS INSURED BY THE NCUA.—Section 206(i)(1) of the Federal Credit Union Act (12 U.S.C. 1786(i)) is amended—

(1) in the 1st sentence, by striking "authorized by a United States Attorney"; and

(2) in the 4th sentence, by striking "with respect to such crime" and inserting in lieu thereof "or an agreement to enter a pre-trial diversion or other similar program".

SEC. 907. AMENDMENTS TO EXPAND AND INCREASE CIVIL MONEY PENALTIES.

(a) GENERAL PROVISIONS FOR DEPOSITORY INSTITUTIONS INSURED BY THE FDIC.—Section 8(i)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1818(i)(2)) is amended to read as follows:

"(2) CIVIL MONEY PENALTY.—

"(A) FIRST TIER.—Any insured depository institution which, and any institution-affiliated party who—

"(i) violates any law or regulation;

"(ii) violates any final order or temporary order issued pursuant to subsection (b), (c), (e), (g), or (s);

"(iii) violates any condition imposed in writing by the appropriate Federal banking agency in connection with the grant of any application or other request by such depository institution; or

"(iv) violates any written agreement between such depository institution and such agency,

shall forfeit and pay a civil penalty of not more than $5,000 for each day during which such violation continues.

"(B) SECOND TIER.—Notwithstanding subparagraph (A), any insured depository institution which, and any institution-affiliated party who—

"(i)(I) commits any violation described in any clause of subparagraph (A);

"(II) recklessly engages in an unsafe or unsound practice in conducting the affairs of such insured depository institution; or

"(III) breaches any fiduciary duty;

"(ii) which violation, practice, or breach—

"(I) is part of a pattern of misconduct;

"(II) causes or is likely to cause more than a minimal loss to such depository institution; or

"(III) results in pecuniary gain or other benefit to such party,

shall forfeit and pay a civil penalty of not more than $25,000 for each day during which such violation, practice, or breach continues.

"(C) THIRD TIER.—Notwithstanding subparagraphs (A) and (B), any insured depository institution which, and any institution-affiliated party who—

"(i) knowingly—

"(I) commits any violation described in any clause of subparagraph (A);

"(II) engages in any unsafe or unsound practice in conducting the affairs of such depository institution; or

"(III) breaches any fiduciary duty; and

"(ii) knowingly or recklessly causes a substantial loss to such depository institution or a substantial pecuniary gain or other benefit to such party by reason of such violation, practice, or breach,

shall forfeit and pay a civil penalty in an amount not to exceed the applicable maximum amount determined under subparagraph (D) for each day during which such violation, practice, or breach continues.

"(D) MAXIMUM AMOUNTS OF PENALTIES FOR ANY VIOLATION DESCRIBED IN SUBPARAGRAPH (C).—The maximum daily amount of any civil penalty which may be assessed pursuant to subparagraph (C) for any violation, practice, or breach described in such subparagraph is—

"(i) in the case of any person other than an insured depository institution, an amount to not exceed $1,000,000; and

"(ii) in the case of any insured depository institution, an amount not to exceed the lesser of—

"(I) $1,000,000; or

"(II) 1 percent of the total assets of such institution.

"(E) ASSESSMENT.—

"(i) WRITTEN NOTICE.—Any penalty imposed under subparagraph (A), (B), or (C) may be assessed and collected by the appropriate Federal banking agency by written notice.

"(ii) FINALITY OF ASSESSMENT.—If, with respect to any assessment under clause (i), a hearing is not requested pursuant to subparagraph (H) within the period of time allowed under such subparagraph, the assessment shall constitute a final and unappealable order.

"(F) AUTHORITY TO MODIFY OR REMIT PENALTY.—Any appropriate Federal banking agency may compromise, modify, or remit any penalty which such agency may assess or had already assessed under subparagraph (A), (B), or (C).

"(G) MITIGATING FACTORS.—In determining the amount of any penalty imposed under subparagraph (A), (B), or (C), the appropriate agency shall take into account the appropriateness of the penalty with respect to—

"(i) the size of financial resources and good faith of the insured depository institution or other person charged;

"(ii) the gravity of the violation;

"(iii) the history of previous violations; and

"(iv) such other matters as justice may require.

"(H) HEARING.—The insured depository institution or other person against whom any penalty is assessed under this paragraph shall be afforded an agency hearing if such institution or person submits a request for such hearing within 20 days after the issuance of the notice of assessment.

"(I) COLLECTION.—

"(i) REFERRAL.—If any insured depository institution or other person fails to pay an assessment after any penalty assessed under this paragraph has become final, the agency that imposed the penalty shall recover the amount assessed by action in the appropriate United States district court.

"(ii) APPROPRIATENESS OF PENALTY NOT REVIEWABLE.—In any civil action under clause (i), the validity and appropriateness of the penalty shall not be subject to review.

"(J) DISBURSEMENT.—All penalties collected under authority of this paragraph shall be deposited into the Treasury.

"(K) REGULATIONS.—Each appropriate Federal banking agency shall prescribe regulations establishing such procedures as may be necessary to carry out this paragraph.".

(b) GENERAL PROVISIONS FOR CREDIT UNIONS INSURED BY THE NCUA.—Section 206(k)(2) of the Federal Credit Union Act (12 U.S.C. 1786(k)(2)) is amended to read as follows:

"(2) CIVIL MONEY PENALTY.—

"(A) FIRST TIER.—Any insured credit union which, and any institution-affiliated party who—

"(i) violates any law or regulation;

"(ii) violates any final order or temporary order issued pursuant to subsection (e), (f), (g), (i), or (q);

"(iii) violates any condition imposed in writing by the Board in connection with the grant of any application or other request by such credit union; or

"(iv) violates any written agreement between such credit union and such agency,

shall forfeit and pay a civil penalty of not more than $5,000 for each day during which such violation continues.

"(B) SECOND TIER.—Notwithstanding subparagraph (A), any insured credit union which, and any institution-affiliated party who—

"(i)(I) commits any violation described in any clause of subparagraph (A);

"(II) recklessly engages in an unsafe or unsound practice in conducting the affairs of such credit union; or

"(III) breaches any fiduciary duty;

"(ii) which violation, practice, or breach—

"(I) is part of a pattern of misconduct;

"(II) causes or is likely to cause more than a minimal loss to such credit union; or

"(III) results in pecuniary gain or other benefit to such party,

shall forfeit and pay a civil penalty of not more than $25,000 for each day during which such violation, practice, or breach continues.

"(C) THIRD TIER.—Notwithstanding subparagraphs (A) and (B), any insured credit union which, and any institution-affiliated party who—

"(i) knowingly—

"(I) commits any violation described in any clause of subparagraph (A);

"(II) engages in any unsafe or unsound practice in conducting the affairs of such credit union; or

"(III) breaches any fiduciary duty; and

"(ii) knowingly or recklessly causes a substantial loss to such credit union or a substantial pecuniary gain or other benefit to such party by reason of such violation, practice, or breach,

shall forfeit and pay a civil penalty in an amount not to exceed the applicable maximum amount determined under subparagraph (D) for each day during which such violation, practice, or breach continues.

"(D) MAXIMUM AMOUNTS OF PENALTIES FOR ANY VIOLATION DESCRIBED IN SUBPARAGRAPH (C).—The maximum daily amount of any civil penalty which may be assessed pursuant to subparagraph (C) for any violation, practice, or breach described in such subparagraph is—

"(i) in the case of any person other than an insured credit union, an amount to not exceed $1,000,000; and

"(ii) in the case of any insured credit union, an amount not to exceed the lesser of—

"(I) $1,000,000; or

"(II) 1 percent of the total assets of such credit union.

"(E) ASSESSMENT.—

"(i) WRITTEN NOTICE.—Any penalty imposed under subparagraph (A), (B), or (C) may be assessed and collected by the Board by written notice.

"(ii) FINALITY OF ASSESSMENT.—If, with respect to any assessment under clause (i), a hearing is not requested pursuant to subparagraph (H) within the period of time allowed under such subparagraph, the assessment shall constitute a final and unappealable order.

"(F) AUTHORITY TO MODIFY OR REMIT PENALTY.—The Board may compromise, modify, or remit any penalty which such agency may assess or had already assessed under subparagraph (A), (B), or (C).

"(G) MITIGATING FACTORS.—In determining the amount of any penalty imposed under subparagraph (A), (B), or (C), the Board shall take into account the appropriateness of the penalty with respect to—

"(i) the size of financial resources and good faith of the insured credit union or the person charged;

"(ii) the gravity of the violation;

"(iii) the history of previous violations; and

"(iv) such other matters as justice may require.

"(H) HEARING.—The insured credit union or other person against whom any penalty is assessed under this paragraph shall be afforded an agency hearing if such institution or person submits a request for such hearing within 20 days after the issuance of the notice of assessment.

"(I) COLLECTION.—

"(i) REFERRAL.—If any insured credit union or other person fails to pay an assessment after any penalty assessed under this paragraph has become final, the Board shall recover the amount assessed by action in the appropriate United States district court.

"(ii) APPROPRIATENESS OF PENALTY NOT REVIEWABLE.—In any civil action under clause (i), the validity and appropriateness of the penalty shall not be subject to review.

"(J) DISBURSEMENT.—All penalties collected under authority of this paragraph shall be deposited into the Treasury.

"(K) VIOLATE DEFINED.—For purposes of this section, the term 'violate' includes any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.

"(L) REGULATIONS.—The Board shall prescribe regulations establishing such procedures as may be necessary to carry out this paragraph.".

(c) NONMEMBER INSURED BANKS AND SAVINGS ASSOCIATIONS.—Paragraphs (4) and (5) of section 18(j) of the Federal Deposit Insurance Act (12 U.S.C. 1828(j)) are amended to read as follows:

"(4) CIVIL MONEY PENALTY.—

"(A) FIRST TIER.—Any nonmember insured bank or savings association which, and any institution-affiliated party who, violates any provision of section 22(h), 23A, or 23B of the Federal Reserve Act or any lawful regulation issued pursuant thereto, and any nonmember insured bank which, and any institution-affiliated party who, violates any provision of section 20 of the Banking Act of 1933, shall forfeit and pay a civil penalty of not more than $5,000 for each day during which such violation continues.

"(B) SECOND TIER.—Notwithstanding subparagraph (A), any nonmember insured bank or savings association which, and any institution-affiliated party who—

"(i)(I) commits any violation described in any clause of subparagraph (A);

"(II) recklessly engages in an unsafe or unsound practice in conducting the affairs of such bank or association, as the case may be; or

"(III) breaches any fiduciary duty;

"(ii) which violation, practice, or breach—

"(I) is part of a pattern of misconduct;

"(II) results in more than a minimal loss to such bank or association, as the case may be; or

"(III) causes or is likely to cause pecuniary gain or other benefit to such party,

shall forfeit and pay a civil penalty of not more than $25,000 for each day during which such violation, practice, or breach continues.

"(C) THIRD TIER.—Notwithstanding subparagraphs (A) and (B), any nonmember insured bank or savings association which, and any institution-affiliated party who—

"(i) knowingly—

"(I) commits any violation described in any clause of subparagraph (A);

"(II) engages in any unsafe or unsound practice in conducting the affairs of such bank or association; or

"(III) breaches any fiduciary duty; and

"(ii) knowingly or recklessly causes a substantial loss to such bank or association or a substantial pecuniary gain or other benefit to such party by reason of such violation, practice, or breach,

shall forfeit and pay a civil penalty in an amount not to exceed the applicable maximum amount determined under subparagraph (D) for each day during which such violation, practice, or breach continues.

"(D) MAXIMUM AMOUNTS OF PENALTIES FOR ANY VIOLATION DESCRIBED IN SUBPARAGRAPH (C).—The maximum daily amount of any civil penalty which may be assessed pursuant to subparagraph (C) for any violation, practice, or breach described in such subparagraph is—

"(i) in the case of any person other than a nonmember insured bank or savings association, an amount to not exceed $1,000,000; and

"(ii) in the case of any nonmember insured bank or savings association, an amount not to exceed the lesser of—

"(I) $1,000,000; or

"(II) 1 percent of the total assets of such bank or association.

"(E) ASSESSMENT; ETC.—Any penalty imposed under subparagraph (A), (B), or (C) shall be assessed and collected by the appropriate Federal banking agency in the manner provided in subparagraphs (E), (F), (G), and (I) of section 8(i)(2) for penalties imposed (under such section) and any such assessment shall be subject to the provisions of such section.

"(F) HEARING.—The nonmember insured bank, savings association, or other person against whom any penalty is assessed under this paragraph shall be afforded an agency hearing if such nonmember insured bank, savings association, or other person submits a request for such hearing within 20 days after the issuance of the notice of assessment. Section 8(h) shall apply to any proceeding under this paragraph.

"(G) DISBURSEMENT.—All penalties collected under authority of this paragraph shall be deposited into the Treasury.

"(5) REGULATIONS.—The appropriate Federal banking agency shall prescribe regulations establishing such procedures as may be necessary to carry out paragraph (4).".

(d) CHANGE IN CONTROL OF DEPOSITORY INSTITUTION.—Section 7(j)(16) of the Federal Deposit Insurance Act (12 U.S.C. 1817(j)(16)) is amended to read as follows:

"(16) CIVIL MONEY PENALTY.—

"(A) FIRST TIER.—Any person who violates any provision of this subsection, or any regulation or order issued by the appropriate Federal banking agency under this subsection, shall forfeit and pay a civil penalty of not more than $5,000 for each day during which such violation continues.

"(B) SECOND TIER.—Notwithstanding subparagraph (A), any person who—

"(i)(I) commits any violation described in any clause of subparagraph (A);

"(II) recklessly engages in an unsafe or unsound practice in conducting the affairs of a depository institution; or

"(III) breaches any fiduciary duty;

"(ii) which violation, practice, or breach—

"(I) is part of a pattern of misconduct;

"(II) causes or is likely to cause more than a minimal loss to such institution; or

"(III) results in pecuniary gain or other benefit to such person,

shall forfeit and pay a civil penalty of not more than $25,000 for each day during which such violation, practice, or breach continues.

"(C) THIRD TIER.—Notwithstanding subparagraphs (A) and (B), any person who—

"(i) knowingly—

"(I) commits any violation described in any clause of subparagraph (A);

"(II) engages in any unsafe or unsound practice in conducting the affairs of a depository institution; or

"(III) breaches any fiduciary duty; and

"(ii) knowingly or recklessly causes a substantial loss to such institution or a substantial pecuniary gain or other benefit to such person by reason of such violation, practice, or breach,

shall forfeit and pay a civil penalty in an amount not to exceed the applicable maximum amount determined under subparagraph (D) for each day during which such violation, practice, or breach continues.

"(D) MAXIMUM AMOUNTS OF PENALTIES FOR ANY VIOLATION DESCRIBED IN SUBPARAGRAPH (c).—The maximum daily amount of any civil penalty which may be assessed pursuant to subparagraph (C) for any violation, practice, or breach described in such subparagraph is—

"(i) in the case of any person other than a depository institution, an amount to not exceed $1,000,000; and

"(ii) in the case of a depository institution, an amount not to exceed the lesser of—

"(I) $1,000,000; or

"(II) 1 percent of the total assets of such institution.

"(E) ASSESSMENT; ETC.—Any penalty imposed under subparagraph (A), (B), or (C) shall be assessed and collected by the appropriate Federal banking agency in the manner provided in subparagraphs (E), (F), (G), and (I) of section 8(i)(2) for penalties imposed (under such section) and any such assessment shall be subject to the provisions of such section.

"(F) HEARING.—The depository institution or other person against whom any penalty is assessed under this paragraph shall be afforded an agency hearing if such institution or other person submits a request for such hearing within 20 days after the issuance of the notice of assessment. Section 8(h) shall apply to any proceeding under this paragraph.

"(G) DISBURSEMENT.—All penalties collected under authority of this paragraph shall be deposited into the Treasury.".

(e) NATIONAL BANKS.—Section 5239(b) of the Revised Statutes (12 U.S.C. 93(b)) is amended to read as follows:

"(b) CIVIL MONEY PENALTY.—

"(1) FIRST TIER.—Any national banking association which, and any institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to such association who, violates any provision of this title or any of the provisions of the first section of the Act of September 28, 1962, (76 Stat. 668; 12 U.S.C. 92a), or any regulation issued pursuant thereto, shall forfeit and pay a civil penalty of not more than $5,000 for each day during which such violation continues.

"(2) SECOND TIER.—Notwithstanding paragraph (1), any national banking association which, and any institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to such association who, commits any violation described in paragraph (1) which—

"(A)(i) commits any violation described in any paragraph (1);

"(ii) recklessly engages in an unsafe or unsound practice in conducting the affairs of such association; or

"(iii) breaches any fiduciary duty;

"(B) which violation, practice, or breach—

"(i) is part of a pattern of misconduct;

"(ii) causes or is likely to cause more than a minimal loss to such association; or

"(iii) results in pecuniary gain or other benefit to such party,

shall forfeit and pay a civil penalty of not more than $25,000 for each day during which such violation, practice, or breach continues.

"(3) THIRD TIER.—Notwithstanding paragraphs (1) and (2), any national banking association which, and any institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to such association who—

"(A) knowingly—

"(i) commits any violation described in paragraph (1);

"(ii) engages in any unsafe or unsound practice in conducting the affairs of such association; or

"(iii) breaches any fiduciary duty; and

"(B) knowingly or recklessly causes a substantial loss to such association or a substantial pecuniary gain or other benefit to such party by reason of such violation, practice, or breach,

shall forfeit and pay a civil penalty in an amount not to exceed the applicable maximum amount determined under paragraph (4) for each day during which such violation, practice, or breach continues.

"(4) MAXIMUM AMOUNTS OF PENALTIES FOR ANY VIOLATION DESCRIBED IN PARAGRAPH (3).—The maximum daily amount of any civil penalty which may be assessed pursuant to paragraph (3) for any violation, practice, or breach described in such paragraph is—

"(A) in the case of any person other than a national banking association, an amount to not exceed $1,000,000; and

"(B) in the case of a national banking association, an amount not to exceed the lesser of—

"(i) $1,000,000; or

"(ii) 1 percent of the total assets of such association.

"(5) ASSESSMENT; ETC.—Any penalty imposed under paragraph (1), (2), or (3) shall be assessed and collected by the Comptroller of the Currency in the manner provided in subparagraphs (E), (F), (G), and (I) of section 8(i)(2) of the Federal Deposit Insurance Act for penalties imposed (under such section) and any such assessment shall be subject to the provisions of such section.

"(6) HEARING.—The association or other person against whom any penalty is assessed under this subsection shall be afforded an agency hearing if such association or person submits a request for such hearing within 20 days after the issuance of the notice of assessment. Section 8(h) of the Federal Deposit Insurance Act shall apply to any proceeding under this subsection.

"(7) DISBURSEMENT.—All penalties collected under authority of this subsection shall be deposited into the Treasury.

"(8) VIOLATE DEFINED.—For purposes of this section, the term 'violate' includes any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.

"(12) REGULATIONS.—The Comptroller shall prescribe regulations establishing such procedures as may be necessary to carry out this subsection.".

(f) NATIONAL BANKS.—The 2d paragraph of section 5240 of the Revised Statutes (12 U.S.C. 481) is amended by striking "$100" and inserting "$5,000".

(g) MEMBER BANKS.—Section 29 of the Federal Reserve Act (12 U.S.C. 504) is amended to read as follows:

"SEC. 29. CIVIL MONEY PENALTY.

"(a) FIRST TIER.—Any member bank which, and any institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to such member bank who, violates any provision of section 22, 23A, or 23B, or any regulation issued pursuant thereto, shall forfeit and pay a civil penalty of not more than $5,000 for each day during which such violation continues.

"(b) SECOND TIER.—Notwithstanding subsection (a), any member bank which, and any institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to such member bank who

"(1)(A) commits any violation described in subsection (a);

"(B) recklessly engages in an unsafe or unsound practice in conducting the affairs of such member bank; or

"(C) breaches any fiduciary duty;

"(2) which violation, practice, or breach—

"(A) is part of a pattern of misconduct;

"(B) causes or is likely to cause more than a minimal loss to such member bank; or

"(C) results in pecuniary gain or other benefit to such party,

shall forfeit and pay a civil penalty of not more than $25,000 for each day during which such violation, practice, or breach continues.

"(c) THIRD TIER.—Notwithstanding subsections (a) and (b), any member bank which, and any institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to such member bank who—

"(1) knowingly—

"(A) commits any violation described in subsection (a);

"(B) engages in any unsafe or unsound practice in conducting the affairs of such credit union; or

"(C) breaches any fiduciary duty; and

"(2) knowingly or recklessly causes a substantial loss to such credit union or a substantial pecuniary gain or other benefit to such party by reason of such violation, practice, or breach,

shall forfeit and pay a civil penalty in an amount not to exceed the applicable maximum amount determined under subsection (d) for each day during which such violation, practice, or breach continues.

"(d) MAXIMUM AMOUNTS OF PENALTIES FOR ANY VIOLATION DESCRIBED IN SUBSECTION (c).—The maximum daily amount of any civil penalty which may be assessed pursuant to subsection (c) for any violation, practice, or breach described in such subsection is—

"(1) in the case of any person other than a member bank, an amount to not exceed $1,000,000; and

"(2) in the case of a member bank, an amount not to exceed the lesser of—

"(A) $1,000,000; or

"(B) 1 percent of the total assets of such member bank.

"(e) ASSESSMENT; ETC.—Any penalty imposed under subsection (a), (b), or (c) shall be assessed and collected by

"(1) in the case of a national bank, by the Comptroller of the Currency; and

"(2) in the case of a State member bank, by the Board,

in the manner provided in subparagraphs (E), (F), (G), and (I) of section 8(i)(2) of the Federal Deposit Insurance Act for penalties imposed (under such section) and any such assessment shall be subject to the provisions of such section.

"(f) HEARING.—The member bank or other person against whom any penalty is assessed under this section shall be afforded an agency hearing if such member bank or person submits a request for such hearing within 20 days after the issuance of the notice of assessment. Section 8(h) of the Federal Deposit Insurance Act shall apply to any proceeding under this section.

"(g) DISBURSEMENT.—All penalties collected under authority of this paragraph shall be deposited into the Treasury.

"(h) VIOLATE DEFINED.—For purposes of this section, the term 'violate' includes any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.

"(i) REGULATIONS.—The Comptroller of the Currency and the Board shall prescribe regulations establishing such procedures as may be necessary to carry out this section.".

(h) MEMBER BANK.—Section 19(l) of the Federal Reserve Act (12 U.S.C. 505(l)) is amended to read as follows:

"(l) CIVIL MONEY PENALTY.—

"(1) FIRST TIER.—Any member bank which, and any institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to such member bank who, violates any provision of this section, or any regulation issued pursuant thereto, shall forfeit and pay a civil penalty of not more than $5,000 for each day during which such violation continues.

"(2) SECOND TIER.—Notwithstanding paragraph (1), any member bank which, and any institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to such member bank who—

"(A)(i) commits any violation described in paragraph (1);

"(ii) recklessly engages in an unsafe or unsound practice in conducting the affairs of such member bank; or

"(iii) breaches any fiduciary duty;

"(B) which violation, practice, or breach—

"(i) is part of a pattern of misconduct;

"(ii) causes or is likely to cause more than a minimal loss to such member bank; or

"(iii) results in pecuniary gain or other benefit to such party,

shall forfeit and pay a civil penalty of not more than $25,000 for each day during which such violation, practice, or breach continues.

"(3) THIRD TIER.—Notwithstanding paragraphs (1) and (2), any member bank which, and any institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to such member bank who—

"(A) knowingly—

"(i) commits any violation described in paragraph (1);

"(ii) engages in any unsafe or unsound practice in conducting the affairs of such member bank; or

"(iii) breaches any fiduciary duty; and

"(B) knowingly or recklessly causes a substantial loss to such member bank or a substantial pecuniary gain or other benefit to such party by reason of such violation, practice, or breach,

shall forfeit and pay a civil penalty in an amount not to exceed the applicable maximum amount determined under paragraph (4) for each day during which such violation, practice, or breach continues.

"(4) MAXIMUM AMOUNTS OF PENALTIES FOR ANY VIOLATION DESCRIBED IN PARAGRAPH (3).—The maximum daily amount of any civil penalty which may be assessed pursuant to paragraph (3) for any violation, practice, or breach described in such paragraph is—

"(A) in the case of any person other than a member bank, an amount not to exceed $1,000,000; and

"(B) in the case of a member bank, an amount not to exceed the lesser of—

"(i) $1,000,000; or

"(ii) 1 percent of the total assets of such member bank.

"(5) ASSESSMENT; ETC.—Any penalty imposed under paragraph (1), (2), or (3) may be assessed and collected by the Board in the manner provided in subparagraphs (E), (F), (G), and (I) of section 8(i)(2) of the Federal Deposit Insurance Act for penalties imposed (under such section) and any such assessment shall be subject to the provisions of such section.

"(6) HEARING.—The member bank or other person against whom any penalty is assessed under this subsection shall be afforded an agency hearing if such member bank or person submits a request for such hearing within 20 days after the issuance of the notice of assessment. Section 8(h) of the Federal Deposit Insurance Act shall apply to any proceeding under this subsection.

"(7) DISBURSEMENT.—All penalties collected under authority of this subsection shall be deposited into the Treasury.

"(8) VIOLATE DEFINED.—For purposes of this section, the term 'violate' includes any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.

"(9) REGULATIONS.—The Board shall prescribe regulations establishing such procedures as may be necessary to carry out this subsection.".

(i) BANKS.—Section 106(b)(2)(F) of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1972(2)(F)) is amended to read as follows:

"(F) CIVIL MONEY PENALTY.—

"(i) FIRST TIER.—Any bank which, and any institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to such bank who, violates any provision of this paragraph shall forfeit and pay a civil penalty of not more than $5,000 for each day during which such violation continues.

"(ii) SECOND TIER.—Notwithstanding clause (i), any bank which, and any institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to such bank who—

"(I)(aa) commits any violation described in clause (i);

"(bb) recklessly engages in an unsafe or unsound practice in conducting the affairs of such bank; or

"(cc) breaches any fiduciary duty;

"(II) which violation, practice, or breach—

"(aa) is part of a pattern of misconduct;

"(bb) causes or is likely to cause more than a minimal loss to such bank; or

"(cc) results in pecuniary gain or other benefit to such party,

shall forfeit and pay a civil penalty of not more than $25,000 for each day during which such violation, practice, or breach continues.

"(iii) THIRD TIER.—Notwithstanding clauses (i) and (ii), any bank which, and any institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to such bank who—

"(I) knowingly—

"(aa) commits any violation described in clause (i);

"(bb) engages in any unsafe or unsound practice in conducting the affairs of such bank; or

"(cc) breaches any fiduciary duty; and

"(II) knowingly or recklessly causes a substantial loss to such bank or a substantial pecuniary gain or other benefit to such party by reason of such violation, practice, or breach,

shall forfeit and pay a civil penalty in an amount not to exceed the applicable maximum amount determined under clause (iv) for each day during which such violation, practice, or breach continues.

"(iv) MAXIMUM AMOUNTS OF PENALTIES FOR ANY VIOLATION DESCRIBED IN CLAUSE (iii).—The maximum daily amount of any civil penalty which may be assessed pursuant to clause (iii) for any violation, practice, or breach described in such clause is—

"(I) in the case of any person other than a bank, an amount to not exceed $1,000,000; and

"(II) in the case of a bank, an amount not to exceed the lesser of—

"(aa) $1,000,000; or

"(bb) 1 percent of the total assets of such bank.

"(v) ASSESSMENT; ETC.—Any penalty imposed under clause (i), (ii), or (iii) may be assessed and collected—

"(I) in the case of a national bank, by the Comptroller of the Currency;

"(II) in the case of a State member bank, by the Board; and

"(III) in the case of an insured nonmember State bank, by the Federal Deposit Insurance Corporation,

in the manner provided in subparagraphs (E), (F), (G), and (I) of section 8(i)(2) of the Federal Deposit Insurance Act for penalties imposed (under such section) and any such assessment shall be subject to the provisions of such section.

"(vi) HEARING.—The bank or other person against whom any penalty is assessed under this subparagraph shall be afforded an agency hearing if such bank or person submits a request for such hearing within 20 days after the issuance of the notice of assessment. Section 8(h) of the Federal Deposit Insurance Act shall apply to any proceeding under this subparagraph.

"(vii) DISBURSEMENT.—All penalties collected under authority of this subsection shall be deposited into the Treasury.

"(viii) VIOLATE DEFINED.—For purposes of this paragraph, the term 'violate' includes any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.

"(ix) REGULATIONS.—The Comptroller of the Currency, the Board, and the Federal Deposit Insurance Corporation shall prescribe regulations establishing such procedures as may be necessary to carry out this subparagraph.".

(j) BANK HOLDING COMPANIES.—Section 8 of the Bank Holding Company Act of 1956 (12 U.S.C. 1847) is amended—

(1) in subsection (a), by striking out the first 2 sentences and inserting in lieu thereof the following:

"(a) CRIMINAL PENALTY.—

"(1) Whoever knowingly violates any provision of this Act or, being a company, violates any regulation or order issued by the Board under this Act, shall be imprisoned not more than 1 year, fined not more than $100,000 per day for each day during which the violation continues, or both.

"(2) Whoever, with the intent to deceive, defraud, or profit significantly, knowingly violates any provision of this Act shall be imprisoned not more than 5 years, fined not more than $1,000,000 per day for each day during which the violation continues, or both."; and

(2) by amending subsection (b) to read as follows:

"(b) CIVIL MONEY PENALTY.—

"(1) PENALTY.—Any company which violates, and any individual who participates in a violation of, any provision of this Act, or any regulation or order issued pursuant thereto, shall forfeit and pay a civil penalty of not more than $25,000 for each day during which such violation continues.

"(2) ASSESSMENT; ETC.—Any penalty imposed under paragraph (1) may be assessed and collected by the Board in the manner provided in subparagraphs (E), (F), (G), and (I) of section 8(i)(2) of the Federal Deposit Insurance Act for penalties imposed (under such section) and any such assessment shall be subject to the provisions of such section.

"(3) HEARING.—The company or other person against whom any penalty is assessed under this subsection shall be afforded an agency hearing if such association or person submits a request for such hearing within 20 days after the issuance of the notice of assessment. Section 8(h) of the Federal Deposit Insurance Act shall apply to any proceeding under this subsection.

"(4) DISBURSEMENT.—All penalties collected under authority of this subsection shall be deposited into the Treasury.

"(5) VIOLATE DEFINED.—For purposes of this section, the term 'violate' includes any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.

"(6) REGULATIONS.—The Board shall prescribe regulations establishing such procedures as may be necessary to carry out this subsection.".

(k) SAVINGS AND LOAN HOLDING COMPANIES.—Section 10(i) of the Home Owners Loan Act of 1933 (as amended by section 301 of this Act) is amended—

(1) by striking paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) CRIMINAL PENALTY.—

"(A) Whoever knowingly violates any provision of this section or being a company, violates any regulation or order issued by the Director under this section, shall be imprisoned not more than 1 year, fined not more than $100,000 per day for each day during which the violation continues, or both.

"(B) Whoever, with the intent to deceive, defraud, or profit significantly, knowingly violates any provision of this section shall be fined not more than $1,000,000 per day for each day during which the violation continues, imprisoned not more than 5 years, or both.";

(2) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and

(3) by amending paragraph (3) (as so redesignated by paragraph (2) of this subsection) to read as follows:

"(3) CIVIL MONEY PENALTY.—

"(A) PENALTY.—Any company which violates, and any person who participates in a violation of, any provision of this section, or any regulation or order issued pursuant thereto, shall forfeit and pay a civil penalty of not more than $25,000 for each day during which such violation continues.

"(B) ASSESSMENT; ETC.—Any penalty imposed under subparagraph (A) may be assessed and collected by the Director in the manner provided in subparagraphs (E), (F), (G), and (I) of section 8(i)(2) of the Federal Deposit Insurance Act for penalties imposed (under such section) and any such assessment shall be subject to the provisions of such section.

"(C) HEARING.—The company or other person against whom any penalty is assessed under this paragraph shall be afforded an agency hearing if such company or person submits a request for such hearing within 20 days after the issuance of the notice of assessment. Section 8(h) of the Federal Deposit Insurance Act shall apply to any proceeding under this paragraph.

"(D) DISBURSEMENT.—All penalties collected under authority of this paragraph shall be deposited into the Treasury.

"(E) VIOLATE DEFINED.—For purposes of this section, the term 'violate' includes any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.

"(F) REGULATIONS.—The Director shall prescribe regulations establishing such procedures as may be necessary to carry out this paragraph.".

(l) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to conduct engaged in by any person after the date of the enactment of this Act, except that the increased maximum civil penalties of $5,000 and $25,000 per violation or per day may apply to such conduct engaged in before such date if such conduct—

(1) is not already subject to a notice (initiating an administrative proceeding) issued by the appropriate Federal banking agency (as defined in section 3(q) of the Federal Deposit Insurance Act) or the National Credit Union Administration Board; and

(2) occurred after the completion of the last report of examination of the institution involved by the appropriate Federal banking agency (as so defined) occurring before the date of the enactment of this Act.

SEC. 908. CLARIFICATION OF CRIMINAL PENALTY PROVISIONS FOR VIOLATION OF CERTAIN ORDERS.

(a) DEPOSITORY INSTITUTIONS INSURED BY THE FDIC.—Section 8(j) of the Federal Deposit Insurance Act (12 U.S.C. 1818(j)) is amended to read as follows:

"(j) CRIMINAL PENALTY.—Whoever, being subject to an order in effect under subsection (e) or (g), without the prior written approval of the appropriate Federal financial institutions regulatory agency, knowingly participates, directly or indirectly, in any manner (including by engaging in an activity specifically prohibited in such an order or in subsection (e)(6)) in the conduct of the affairs of—

"(1) any insured depository institution;

"(2) any institution treated as an insured bank under subsection (b)(3) or (b)(4), or as a savings association under subsection (b)(8);

"(3) any insured credit union (as defined in section 101(7) of the Federal Credit Union Act);

"(4) any institution chartered under the Farm Credit Act of 1971; or

"(5) the Resolution Trust Corporation,

shall be fined not more than $1,000,000, imprisoned for not more than 5 years, or both.".

(b) CREDIT UNIONS INSURED BY THE NCUA.—Section 206(l) of the Federal Credit Union Act (12 U.S.C. 1786(l)) is amended to read as follows:

"(l) CRIMINAL PENALTY FOR VIOLATION OF CERTAIN ORDERS.—Whoever—

"(1) under this Act, is suspended or removed from, or prohibited from participating in the affairs of any credit union described in section 206(g)(5); and

"(2) knowingly participates, directly or indirectly, in any manner (including by engaging in an activity specifically prohibited in such an order or in subsection (g)(5)) in the conduct of the affairs of such a credit union;

shall be fined not more than $1,000,000, imprisoned for not more than 5 years, or both.".

SEC. 909. SUPERVISORY RECORDS.

Section 11 of the Federal Deposit Insurance Act (12 U.S.C. 1821) is amended by inserting after subsection (m) (as added by section 214 of this Act) the following new subsection:

"(o) SUPERVISORY RECORDS.—In addition to the requirements of section 7(a)(2) to provide to the Corporation copies of reports of examination and reports of condition, whenever the Corporation has been appointed as receiver for an insured depository institution, the appropriate Federal banking agency shall make available all supervisory records to the receiver which may be used by the receiver in any manner the receiver determines to be appropriate.".

SEC. 910. INCREASED PENALTY FOR PARTICIPATION BY CONVICTED INDIVIDUALS.

(a) BANKS INSURED BY THE FDIC.—Section 19 of the Federal Deposit Insurance Act (12 U.S.C. 1829) is amended to read as follows:

"SEC. 19. PENALTY FOR UNAUTHORIZED PARTICIPATION BY CONVICTED INDIVIDUAL.

"(a) PROHIBITION.—Except with the prior written consent of the Corporation—

"(1) any person who has been convicted of any criminal offense involving dishonesty or a breach of trust may not participate, directly or indirectly, in any manner in the conduct of the affairs of an insured depository institution; and

"(2) an insured depository institution may not permit such participation.

"(b) PENALTY.—Whoever knowingly violates subsection (a) shall be fined not more than $1,000,000 for each day such prohibition is violated or imprisoned for not more than 5 years, or both.".

(b) CREDIT UNIONS INSURED BY THE NCUA.—Section 205(d) of the Federal Credit Union Act (12 U.S.C. 1785(d)) is amended to read as follows:

"(d) PENALTY FOR PROHIBITED PARTICIPATION.—

"(1) PROHIBITION.—Except with the prior written consent of the Board—

"(A) any person who has been convicted of any criminal offense involving dishonesty or a breach of trust may not participate, directly or indirectly, in any manner in the conduct of the affairs of an insured credit union; and

"(B) an insured credit union may not permit such participation.

"(2) PENALTY.—Whoever knowingly violates paragraph (1) shall be fined not more than $1,000,000 for each day such prohibition is violated or imprisoned for not more than 5 years, or both.".

SEC. 911. AMENDMENTS TO VARIOUS PROVISIONS OF LAW RELATING TO REPORTS.

(a) BANK PROTECTION ACT.—Section 3(b) of the Bank Protection Act of 1968 (12 U.S.C. 1882) is amended by striking out "and shall require the submission of periodic reports with respect to the installation, maintenance, and operation of security devices and procedures".

(b) AMENDMENTS RELATING TO NATIONAL BANKS.—

(1) Section 5211 of the Revised Statutes (12 U.S.C. 161) is amended—

(A) in the 5th sentence of subsection (a), by striking out "within ten days after the receipt of a request therefor from him" and inserting in lieu thereof "within the period of time specified by the Comptroller"; and

(B) in subsection (c), by striking out the last sentence.

(2) Section 5213 of the Revised Statutes (12 U.S.C. 164) is amended to read as follows:

"SEC. 5213. PENALTY FOR FAILURE TO MAKE REPORTS.

"(a) FIRST TIER.—Any association which—

"(1) maintains procedures reasonably adapted to avoid any inadvertent error and, unintentionally and as a result of such an error—

"(A) fails to make, obtain, transmit, or publish any report or information required by the Comptroller of the Currency under section 5211 of this chapter, within the period of time specified by the Comptroller; or

"(B) submits or publishes any false or misleading report or information; or

"(2) inadvertently transmits or publishes any report which is minimally late,

shall be subject to a penalty of not more than $2,000 for each day during which such failure continues or such false or misleading information is not corrected. The association shall have the burden of proving that an error was inadvertent and that a report was inadvertently transmitted or published late.

"(b) SECOND TIER.—Any association which—

"(1) fails to make, obtain, transmit, or publish any report or information required by the Comptroller of the Currency under section 5211 of this chapter, within the period of time specified by the Comptroller; or

"(2) submits or publishes any false or misleading report or information,

in a manner not described in subsection (a) shall be subject to a penalty of not more than $20,000 for each day during which such failure continues or such false or misleading information is not corrected.

"(c) THIRD TIER.—Notwithstanding subsections (a) and (b), if any association knowingly or with reckless disregard for the accuracy of any information or report described in subsection (b) submits or publishes any false or misleading report or information, the Comptroller may assess a penalty of not more than $1,000,000 or 1 percent of total assets of the association, whichever is less, per day for each day during which such failure continues or such false or misleading information is not corrected.

"(d) ASSESSMENT; ETC.—Any penalty imposed under subsection (a), (b), or (c) shall be assessed and collected by the Comptroller of the Currency in the manner provided in subparagraphs (E), (F), (G), and (I) of section 8(i)(2) of the Federal Deposit Insurance Act (for penalties imposed under such section) and any such assessment (including the determination of the amount of the penalty) shall be subject to the provisions of such section.

"(e) HEARING.—Any association against which any penalty is assessed under this subsection shall be afforded an agency hearing if such association submits a request for such hearing within 20 days after the issuance of the notice of assessment. Section 8(h) of the Federal Deposit Insurance Act shall apply to any proceeding under this section.".

(c) AMENDMENT RELATING TO STATE NONMEMBER INSURED BANKS.—Section 7(a)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1817(a)(1)) is amended by striking out the last sentence and inserting in lieu thereof the following new sentences: "Any such bank which (A) maintains procedures reasonably adapted to avoid any inadvertent error and, unintentionally and as a result of such an error, fails to make or publish any report required under this paragraph, within the period of time specified by the Corporation, or submits or publishes any false or misleading report or information, or (B) inadvertently transmits or publishes any report which is minimally late, shall be subject to a penalty of not more than $2,000 for each day during which such failure continues or such false or misleading information is not corrected. Such bank shall have the burden of proving that an error was inadvertent and that a report was inadvertently transmitted or published late. Any such bank which fails to make or publish any report required under this paragraph, within the period of time specified by the Corporation, or submits or publishes any false or misleading report or information, in a manner not described in the 2nd preceding sentence shall be subject to a penalty of not more than $20,000 for each day during which such failure continues or such false or misleading information is not corrected. Notwithstanding the preceding sentence, if any such bank knowingly or with reckless disregard for the accuracy of any information or report described in such sentence submits or publishes any false or misleading report or information, the Corporation may assess a penalty of not more than $1,000,000 or 1 percent of total assets of such bank, whichever is less, per day for each day during which such failure continues or such false or misleading information is not corrected. Any penalty imposed under any of the 4 preceding sentences shall be assessed and collected by the Corporation in the manner provided in subparagraphs (E), (F), (G), and (I) of section 8(i)(2) (for penalties imposed under such section) and any such assessment (including the determination of the amount of the penalty) shall be subject to the provisions of such section. Any such bank against which any penalty is assessed under this subsection shall be afforded an agency hearing if such bank submits a request for such hearing within 20 days after the issuance of the notice of assessment. Section 8(h) shall apply to any proceeding under this paragraph.".

(d) AMENDMENT RELATIN TO STATE MEMBER BANKS.—The 6th undesignated paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 324) is amended by striking out the penultimate sentence and inserting in lieu thereof the following new sentences: "Any bank which (A) maintains procedures reasonably adapted to avoid any inadvertent error and, unintentionally and as a result of such an error, fails to make or publish any report required under this paragraph, within the period of time specified by the Board, or submits or publishes any false or misleading report or information, or (B) inadvertently transmits or publishes any report which is minimally late, shall be subject to a penalty of not more than $2,000 for each day during which such failure continues or such false or misleading information is not corrected. The bank shall have the burden of proving that an error was inadvertent and that a report was inadvertently transmitted or published late. Any bank which fails to make or publish such reports within the period of time specified by the Board, or submits or publishes any false or misleading report or information, in a manner not described in the 2nd preceding sentence shall be subject to a penalty of not more than $20,000 for each day during which such failure continues or such false or misleading information is not corrected. Notwithstanding the preceding sentence, if any bank knowingly or with reckless disregard for the accuracy of any information or report described in such sentence submits or publishes any false or misleading report or information, the Board may assess a penalty of not more than $1,000,000 or 1 percent of total assets of such bank, whichever is less, per day for each day during which such failure continues or such false or misleading information is not corrected. Any penalty imposed under any of the 4 preceding sentences shall be assessed and collected by the Board in the manner provided in subparagraphs (E), (F), (G), and (I) of section 8(i)(2) of the Federal Deposit Insurance Act (for penalties imposed under such section) and any such assessment (including the determination of the amount of the penalty) shall be subject to the provisions of such section. Any bank against which any penalty is assessed under this subsection shall be afforded an agency hearing if such bank submits a request for such hearing within 20 days after the issuance of the notice of assessment. Section 8(h) of the Federal Deposit Insurance Act shall apply to any proceeding under this paragraph.".

(e) AMENDMENT RELATING TO BANK HOLDING COMPANIES.—Section 8 of the Bank Holding Company Act of 1956 (12 U.S.C. 1847) is amended by adding after the subsection added by section 905(i) of this Act the following new subsection:

"(d) PENALTY FOR FAILURE TO MAKE REPORTS.—

"(1) FIRST TIER.—Any company which—

"(A) maintains procedures reasonably adapted to avoid any inadvertent error and, unintentionally and as a result of such an error—

"(i) fails to make, submit, or publish such reports or information as may be required under this Act or under regulations prescribed by the Board pursuant to this Act, within the period of time specified by the Board; or

"(ii) submits or publishes any false or misleading report or information; or

"(B) inadvertently transmits or publishes any report which is minimally late,

shall be subject to a penalty of not more than $2,000 for each day during which such failure continues or such false or misleading information is not corrected. The company shall have the burden of proving that an

error was inadvertent and that a report was inadvertently transmitted or published late.

"(2) SECOND TIER.—Any company which—

"(A) fails to make, submit, or publish such reports or information as may be required under this Act or under regulations prescribed by the Board pursuant to this Act, within the period of time specified by the Board; or

"(B) submits or publishes any false or misleading report or information,

in a manner not described in paragraph (1) shall be subject to a penalty of not more than $20,000 for each day during which such failure continues or such false or misleading information is not corrected.

"(3) THIRD TIER.—Notwithstanding paragraph (2), if any company knowingly or with reckless disregard for the accuracy of any information or report described in paragraph (2) submits or publishes any false or misleading report or information, the Board may, in its discretion, assess a penalty of not more than $1,000,000 or 1 percent of total assets of such company, whichever is less, per day for each day during which such failure continues or such false or misleading information is not corrected.

"(4) ASSESSMENT; ETC.—Any penalty imposed under paragraph (1), (2), or (3) shall be assessed and collected by the Board in the manner provided in subsection (b) (for penalties imposed under such subsection) and any such assessment (including the determination of the amount of the penalty) shall be subject to the provisions of such subsection.

"(5) HEARING.—Any company against which any penalty is assessed under this subsection shall be afforded an agency hearing if such company submits a request for such hearing within 20 days after the issuance of the notice of assessment. Section 8(h) of the Federal Deposit Insurance Act shall apply to any proceeding under this subsection.".

(f) AMENDMENT RELATING TO CREDIT UNIONS.—Section 202(a)(3) of the Federal Credit Union Act (12 U.S.C. 1782(a)(3)) is amended by striking out the 2nd sentence and inserting in lieu thereof the following new sentences: "Any insured credit union which maintains procedures reasonably adapted to avoid any inadvertent error and, unintentionally and as a result of such an error, fails to submit or publish any report required under this subsection or section 106, within the period of time specified by the Board, or submits or publishes any false or misleading report or information, or inadvertently transmits or publishes any report which is minimally late, shall be subject to a penalty of not more than $2,000 for each day during which such failure continues or such false or misleading information is not corrected. The insured credit union shall have the burden of proving that an error was inadvertent and that a report was inadvertently transmitted or published late. Any insured credit union which fails to submit or publish any report required under this subsection or section 106, within the period of time specified by the Board, or submits or publishes any false or misleading report or information, in a manner not described in the 2nd preceding sentence shall be subject to a penalty of not more than $20,000 for each day during which such failure continues or such false or misleading information is not corrected. Notwithstanding the preceding sentence, if any insured credit union knowingly or with reckless disregard for the accuracy of any information or report described in such sentence submits or publishes any false or misleading report or information, the Board may assess a penalty of not more than $1,000,000 or 1 percent of total assets of such credit union, whichever is less, per day for each day during which such failure continues or such false or misleading information is not corrected. Any penalty imposed under any of the 4 preceding sentences shall be assessed and collected by the Board in the manner provided in section 206(k)(2) (for penalties imposed under such section) and any such assessment (including the determination of the amount of the penalty) shall be subject to the provisions of such section. Any insured credit union against which any penalty is assessed under this subsection shall be afforded an agency hearing if such insured credit union submits a request for such hearing within 20 days after the issuance of the notice of assessment. Section 206(j) shall apply to any proceeding under this subsection.".

(i) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to reports filed or required to be filed after the date of the enactment of this Act.

SEC. 912. AUTHORITY OF THE FDIC TO TAKE ENFORCEMENT ACTION AGAINST SAVINGS ASSOCIATIONS.

Section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) is amended by adding at the end thereof the following new subsection:

"(t) AUTHORITY OF BOARD TO TAKE ENFORCEMENT ACTION AGAINST SAVINGS ASSOCIATIONS.—

"(1) AUTHORITY TO RECOMMEND THAT DIRECTOR OF OFFICE OF THRIFT SUPERVISION TAKE ENFORCEMENT ACTION.—The Corporation, based on an examination of a savings association by the Corporation or by the Director of the Office of Thrift Supervision or on other information, may recommend that the Director take any enforcement action authorized under section 7(j), this section, or section 18(j) with respect to any savings association.

"(2) AUTHORITY OF BOARD TO ORDER CORPORATION TO TAKE ENFORCEMENT ACTION IF DIRECTOR OF OFFICE OF THRIFT SUPERVISION FAILS TO FOLLOW RECOMMENDATION.—If the Director fails to take the recommended action or to provide an acceptable plan for addressing the concerns of the Corporation as set forth in its recommendation before the close of the 60-day period beginning on the date of the receipt of the formal recommendation from the Corporation, the Board of Directors may order the Corporation to take such action if the Board determines that—

"(A) the association is in an unsafe or unsound condition; or

"(B) failure to take the recommended action will result in continuance of unsafe or unsound practices in conducting the business of the savings association.

"(3) EFFECT OF EXIGENT CIRCUMSTANCES.—

"(A) AUTHORITY TO ACT.—Notwithstanding paragraphs (1) and (2), the Board of Directors may order the Corporation to exercise its authority, without regard to the time period set forth, in exigent circumstances after notifying the Director.

"(B) AGREEMENT ON EXIGENT CIRCUMSTANCES.—The Corporation shall, by agreement with the Director, set forth those exigent circumstances in which the Corporation may act without regard to the time period set forth above.

"(4) REQUESTS FOR FORMAL ACTIONS AND INVESTIGATIONS.—

"(A) SUBMISSION OF REQUESTS.—The regional offices of the Office of Thrift Supervision shall concurrently submit all requests for formal investigations or enforcement actions to both the Director and the Corporation.

"(B) DIRECTOR REQUIRED TO REPORT ON REQUESTS.—The Director shall report semiannually to the Corporation the status or disposition of all such requests, including the reasons for the Director's decision to either approve or deny all such requests.

"(5) NONDELEGATION.—Any decisions by the Board of Directors to order actions described in this subsection shall not be delegated.".

SEC. 913. PUBLIC DISCLOSURE OF ENFORCEMENT ACTIONS REQUIRED.

(a) ORDERS ISSUED BY APPROPRIATE FEDERAL BANKING AGENCIES.—Section 8 of the Federal Deposit Insurance Act is amended by adding after the subsection added by section 912 of this Act the following new subsection:

"(u) PUBLIC DISCLOSURE OF FINAL ORDERS.—

"(1) IN GENERAL.—The appropriate Federal banking agency shall publish and make available to the public—

"(A) any final order issued with respect to any administrative enforcement proceeding initiated by such agency under this section or any other provision of law; and

"(B) any modification to or termination of any final order described in subparagraph (A) of this paragraph.

"(2) DELAY OF PUBLICATION UNDER EXCEPTIONAL CIRCUMSTANCES.—If the appropriate Federal banking agency makes a determination in writing that the publication of any final order pursuant to paragraph (1) would seriously threaten the safety or soundness of an insured depository institution, such agency may delay the publication of such order for a reasonable time.".

(b) ORDERS ISSUED BY NCUA.—Section 206 of the Federal Credit Union Act (12 U.S.C. 1786) is amended by inserting after the subsection added by section 901(b) of this Act the following new subsection:

"(s) PUBLIC DISCLOSURE OF FINAL ORDERS.—

"(1) IN GENERAL.—The Board shall publish and make available to the public—

"(A) any final order issued with respect to any administrative enforcement proceeding initiated by such agency under this section or any other provision of law; and

"(B) any modification to or termination of any final order described in subparagraph (A).

"(2) DELAY OF PUBLICATION UNDER EXCEPTIONAL CIRCUMSTANCES.—If the Board makes a determination in writing that the publication of any final order pursuant to paragraph (1) would seriously threaten the safety or soundness of an insured credit union or other federally regulated depository institution, the Board may delay the publication of such order for a reasonable time.".

SEC. 914. AGENCY DISAPPROVAL OF DIRECTORS AND SENIOR EXECUTIVE OFFICERS OF CERTAIN DEPOSITORY INSTITUTIONS.

(a) DEPOSITORY INSTITUTION INSURED BY THE FDIC.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding after the section added by section 226 of this Act the following new section:

"SEC. 32. AGENCY DISAPPROVAL OF DIRECTORS AND SENIOR EXECUTIVE OFFICERS OF INSURED DEPOSITORY INSTITUTIONS OR DEPOSITORY INSTITUTION HOLDING COMPANIES.

"(a) PRIOR NOTICE REQUIRED.—An insured depository institution or depository institution holding company shall notify the appropriate Federal banking agency of the proposed addition of any individual to the board of directors or the employment of any individual as a senior executive officer of such institution or holding company at

least 30 days before such addition or employment becomes effective, if the insured depository institution or depository institution holding company—

"(1) has been chartered less than 2 years in the case of an insured depository institution;

"(2) has undergone a change in control within the preceding 2 years; or

"(3) is not in compliance with the minimum capital requirement applicable to such institution or is otherwise in a troubled condition, as determined by such agency on the basis of such institution's or holding company's most recent report of condition or report of examination or inspection.

"(b) DISAPPROVAL BY AGENCY.—An insured depository institution or depository institution holding company may not add any individual to the board of directors or employ any individual as a senior executive officer if the appropriate Federal banking agency issues a notice of disapproval of such addition or employment before the end of the 30-day period beginning on the date the agency receives notice of the proposed action pursuant to subsection (a).

"(c) EXCEPTION IN EXTRAORDINARY CIRCUMSTANCES.—

"(1) IN GENERAL.—Each appropriate Federal banking agency may prescribe by regulation conditions under which the prior notice requirement of subsection (a) may be waived in the event of extraordinary circumstances.

"(2) NO EFFECT ON DISAPPROVAL AUTHORITY OF AGENCY.—Such waivers shall not affect the authority of each agency to issue notices of disapproval of such additions or employment of such individuals within 30 days after each such waiver.

"(d) ADDITIONAL INFORMATION.—Any notice submitted to an appropriate Federal banking agency with respect to an individual by any insured depository institution or depository institution holding company pursuant to subsection (a) shall include—

"(1) the information described in section 7(j)(6)(A) about the individual; and

"(2) such other information as the agency may prescribe by regulation.

"(e) STANDARD FOR DISAPPROVAL.—The appropriate Federal banking agency shall issue a notice of disapproval with respect to a notice submitted pursuant to subsection (a) if the competence, experience, character, or integrity of the individual with respect to whom such notice is submitted indicates that it would not be in the best interests of the depositors of the depository institution or in the best interests of the public to permit the individual to be employed by, or associated with, the depository institution or depository institution holding company.

"(f) DEFINITION REGULATIONS.—Each appropriate Federal banking agency shall prescribe by regulation a definition for the terms 'troubled condition' and 'senior executive officer' for purposes of subsection (a).".

(b) CREDIT UNIONS INSURED BY THE NCUA.—Title II of the Federal Credit Union Insurance Act (12 U.S.C. 1781 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 212. BOARD DISAPPROVAL OF DIRECTORS, COMMITTEE MEMBERS, AND SENIOR EXECUTIVE OFFICERS OF INSURED CREDIT UNIONS.

"(a) PRIOR NOTICE REQUIRED.—An insured credit union shall notify the Board of the proposed addition of any individual to the board of directors or committee or the employment of any individual as a senior executive officer of such credit union at least 30 days before such addition or employment becomes effective, if the insured credit union—

"(1) has been chartered less than 2 years; or

"(2) is in troubled condition, as determined on the basis of such credit union's most recent report of condition or report of examination.

"(b) DISAPPROVAL BY THE BOARD.—An insured credit union may not add any individual to the board of directors or employ any individual as a senior executive officer if the Board issues a notice of disapproval of such addition or employment before the end of the 30-day period beginning on the date the agency receives notice of the proposed action pursuant to subsection (a).

"(c) EXCEPTION IN EXTRAORDINARY CIRCUMSTANCES.—

"(1) IN GENERAL.—The Board may prescribe by regulation conditions under which the prior notice requirement of subsection (a) may be waived in the event of extraordinary circumstances.

"(2) NO EFFECT ON DISAPPROVAL AUTHORITY OF BOARD.—Such waivers shall not affect the authority of the Board to issue notices of disapproval of such additions or employment of such individuals within 30 days after each such waiver.

"(d) ADDITIONAL INFORMATION.—Any notice submitted to the Board by any insured credit union pursuant to subsection (a) shall include—

"(1) the information described in section 7(j)(6)(A) of the Federal Deposit Insurance Act about the individual; and

"(2) such other information as the Board may prescribe by regulation.

"(e) STANDARD FOR DISAPPROVAL.—The Board shall issue a notice of disapproval with respect to a notice submitted pursuant to subsection (a) if the competence, experience, character, or integrity of the individual with respect to whom such notice is submitted indicates that it would not be in the best interests of the depositors of the insured credit union or in the best interests of the public to permit the individual to be employed by, or associated with, such insured credit union.

"(f) DEFINITION REGULATIONS.—The Board shall prescribe by regulation a definition for the terms 'troubled condition' and 'senior executive officer' for purposes of subsection (a).".

SEC. 915. CLARIFICATION OF NCUA'S AUTHORITY TO CONDUCT COMPLIANCE INVESTIGATIONS.

(a) EXAMINATIONS.—Section 204(b) of the Federal Credit Union Act (12 U.S.C. 1784(b)) is amended—

(1) by inserting after "insured credit unions," the following: "or with other types of investigations to determine compliance with applicable law and regulations,"; and

(2) by inserting after "subpena duces tecum" the following: "and to exercise such others powers as are set forth in section 206(p)".

(b) ENFORCEMENT.—Section 206(p) of the Federal Credit Union Act (12 U.S.C. 1786(p)) is amended in the 1st sentence—

(1) by inserting after "any proceeding under this section" the following: "or in connection with any claim for insured deposits or any examination or investigation under section 204(b)";

(2) by inserting after "the Board" the 1st place such term appears the following: ", in conducting the proceeding, examination, or investigation or considering the claim for insured deposits,"; and

(3) by inserting ", claims, examinations, or investigations" before the period.

(c) PAYMENT OF CLAIMS.—Section 207(c)(1) of the Federal Credit Union Act (12 U.S.C. 1787(c)(1)) is amended in the last sentence by inserting after "before paying the insured accounts," the following: "may investigate said claims under section 206(p),".

SEC. 916. IMPROVED ADMINISTRATIVE HEARINGS AND PROCEDURES.

Before the close of the 24-month period beginning on the date of the enactment of this Act, the appropriate Federal banking agencies (as defined in section 3(q) of the Federal Deposit Insurance Act) and the National Credit Union Administration Board shall jointly—

(1) establish their own pool of administrative law judges, and

(2) develop a set of uniform rules and procedures for administrative hearings, including provisions for summary judgment rulings where there are no disputes as to material facts of the case.

SEC. 917. TASK FORCE STUDY OF DELEGATION OF ENFORCEMENT ACTIONS.

(a) CREATION OF TASK FORCE.—The appropriate Federal banking agencies (as defined in section 3(q) of the Federal Deposit Insurance Act) and the National Credit Union Administration Board shall create a joint task force to study the desirability and feasibility of delegating investigation and enforcement authority to their regional or district offices or banks.

(b) COMPOSITION OF TASK FORCE.—The composition of the task force shall be reasonably balanced between officials from headquarters and officials from the regions, districts, or district banks.

(c) REPORT.—Not later than September 30, 1990, the task force shall report to the Congress the findings and recommendations of the Task Force, together with the responses of the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Chairperson of the Federal Deposit Insurance Corporation, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the National Credit Union Administration.

SEC. 918. ANNUAL REPORT TO CONGRESS.

(a) IN GENERAL.—Each agency described in subsection (b) shall submit an annual report to the Congress which shall contain the following information with respect to the 12-month period for which such report is made:

(1) The number of formal and informal supervisory, administrative, and civil enforcement actions initiated by such agency during such 12-month period, and the number of such actions completed by such agency during such 12-month period, including actions initiated or taken with respect to memoranda of understanding, written agreements, cease and desist orders (including temporary orders), suspension orders, removal or prohibition orders, and civil money penalty assessments.

(2) The number of individuals and institutions against whom civil money penalties were assessed by such agency during such 12-month period, the amount of each such penalty, the total amount of all such penalties, and data on uncollected penalties for such period and prior years.

(3) A description of all other enforcement efforts and initiatives relating to unsafe and unsound practices, criminal misconduct, and insider abuse which were undertaken by such agency during such 12-month period.

(4) The number of criminal referrals made to the Department of Justice.

(5) With respect to the criminal referrals received by the Department of Justice and with respect to investigations of similar matters initiated without such a referral, the number and status of grand jury investigations and investigations being conducted by the Federal Bureau of Investigation, and the number and disposition of prosecutions and civil actions commenced by the Attorney General.

(6) Recommendations concerning the need for additional legislation or financial resources.

(b) AGENCIES REQUIRED TO SUBMIT REPORTS.—The agencies referred to in subsection (a) are as follows:

(1) The Comptroller of the Currency.

(2) The Board of Governors of the Federal Reserve System.

(3) The Federal Deposit Insurance Corporation.

(4) The Federal Housing Finance Board.

(5) The Office of Thrift Supervision.

(6) The National Credit Union Administration.

(7) The Attorney General of the United States.

SEC. 919. CREDIT UNION AUDIT REQUIREMENTS.

Section 202(a) of the Federal Credit Union Act (12 U.S.C. 1782(a)) is amended by adding at the end thereof the following new paragraph:

"(6) AUDIT REQUIREMENT.—

"(A) IN GENERAL.—Before the end of the 120-day period beginning on the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 and notwithstanding any other provision of Federal or State law, the Board shall prescribe, by regulation, audit standards which require an outside, independent audit of any insured credit union by a certified public accountant for any fiscal year (of such credit union)—

"(i) for which such credit union has not conducted an annual supervisory committee audit;

"(ii) for which such credit union has not received a complete and satisfactory supervisory committee audit; or

"(iii) during which such credit union has experienced persistent and serious record-keeping deficiencies, as determined by the Board.

"(B) UNSAFE OR UNSOUND PRACTICE.—The Board may treat the failure of any insured credit union to obtain an outside, independent audit for any fiscal year for which such audit is required under subparagraph (A) as an unsafe or unsound practice within the meaning of section 206(b).".

SEC. 920. TECHNICAL AMENDMENTS RELATING TO ADMINISTRATIVE AND JUDICIAL REVIEW.

(a) FDIA.—Section 8(h)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1818(h)(2)) is amended by striking "Any party" and all that follows through "therein," and inserting in lieu thereof "Any party to any proceeding under paragraph (1)".

(b) FCUA.—Section 206(j)(2) of the Federal Credit Union Act (12 U.S.C. 1786(j)(2)) is amended by striking "Any party" and all that follows through "therein," and inserting in lieu thereof "Any party to any proceeding under paragraph (1)".

(c) MISCELLANEOUS CONFORMING AMENDMENT.—Section 8(k) of the Federal Deposit Insurance Act (12 U.S.C. 1818(k)) is amended by striking out all that follows "(k)".

Subtitle B—Termination of Deposit Insurance

SEC. 926. REVISION OF PROCEDURES FOR TERMINATION OF FDIC DEPOSIT INSURANCE.

Section 8(a) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)) is amended—

(1) by striking out "(a) Any insured bank" and all that follows through the period at the end of the 4th sentence and inserting in lieu thereof the following:

"(a) TERMINATION OF INSURANCE.—

"(1) VOLUNTARY TERMINATION.—Any insured depository institution which is not—

"(A) a national member bank;

"(B) a State member bank;

"(C) a Federal branch;

"(D) a Federal savings association; or

"(E) an insured branch which is required to be insured under subsection (a) or (b) of section 6 of the International Banking Act of 1978,

may terminate such depository institution's status as an insured depository institution if such insured institution provides written notice to the Corporation of the institution's intent to terminate such status not less than 90 days before the effective date of such termination.

"(2) INVOLUNTARY TERMINATION.—

"(A) NOTICE TO PRIMARY REGULATOR.—If the Board of Directors determines that—

"(i) an insured depository institution or the directors or trustees of an insured depository institution have engaged or are engaging in unsafe or unsound practices in conducting the business of the depository institution;

"(ii) an insured depository institution is in an unsafe or unsound condition to continue operations as an insured institution; or

"(iii) an insured depository institution or the directors or trustees of the insured institution have violated any applicable law, regulation, order, condition imposed in writing by the Corporation in connection with the approval of any application or other request by the insured depository institution, or written agreement entered into between the insured depository institution and the Corporation,

the Board of Directors shall notify the appropriate Federal banking agency with respect to such institution (if other than the Corporation) or the State banking supervisor of such institution (if the Corporation is the appropriate Federal banking agency) of the Board's determination and the facts and circumstances on which such determination is based for the purpose of securing the correction of such practice, condition, or violation. Such notice shall be given to the appropriate Federal banking agency not less than 30 days before the notice required by subparagraph (B), except that this period for notice to the appropriate Federal banking agency may be reduced or eliminated with the agreement of such agency.

"(B) NOTICE OF INTENTION TO TERMINATE INSURANCE.—If, after giving the notice required under subparagraph (A) with respect to an insured depository institution, the Board of Directors determines that any unsafe or unsound practice or condition or any violation specified in such notice requires the termination of the insured status of the insured depository institution, the Board shall—

"(i) serve written notice to the insured depository institution of the Board's intention to terminate the insured status of the institution;

"(ii) provide the insured depository institution with a statement of the charges on the basis of which the determination to terminate such institution's insured status was made (or a copy of the notice under subparagraph (A)); and

"(iii) notify the insured depository institution of the date (not less than 30 days after notice under this subparagraph) and place for a hearing before the Board of Directors (or any person designated by the Board) with respect to the termination of the institution's insured status.

"(3) HEARING; TERMINATION.—If, on the basis of the evidence presented at a hearing before the Board of Directors (or any person designated by the Board for such purpose), in which all issues shall be determined on the record pursuant to section 554 of title 5, United States Code, and the written findings of the Board of Directors (or such person) with respect to such evidence (which shall be conclusive), the Board of Directors finds that any unsafe or unsound practice or condition or any violation specified in the notice to an insured depository institution under subparagraph (B) has been established, the Board of Directors may issue an order terminating the insured status of such depository institution effective as of a date subsequent to such finding.";

(2) by striking out "Unless the" and inserting in lieu thereof the following:

"(4) APPEARANCE; CONSENT TO TERMINATION.—Unless the";

(3) by striking out "Any insured" and all that follows through "status" the 1st place such term appears and inserting in lieu thereof the following:

"(5) JUDICIAL REVIEW.—Any insured depository institution whose insured status";

(4) by striking out "The Corporation may publish" and inserting in lieu thereof the following:

"(6) PUBLICATION OF NOTICE OF TERMINATION.—The Corporation may publish";

(5) by striking out "After the termination of the insured status" and inserting in lieu thereof the following:

"(7) TEMPORARY INSURANCE OF DEPOSITS INSURED AS OF TERMINATION.—After the termination of the insured status";

(6) in paragraph (7) (as so designated by the amendment made by paragraph (5) of this section)—

(A) by striking out "of two years" the 1st place such term appears and inserting in lieu thereof "of at least 6 months or up to 2 years, within the discretion of the Board of Directors";

(B) by striking out "of two years" the 2nd place such term appears and inserting in lieu thereof "the period referred to in the 1st sentence"; and

(C) by striking out "of two years" the 3rd place such term appears;

(7) by adding at the end the following new paragraphs:

"(8) TEMPORARY SUSPENSION OF INSURANCE.—

"(A) IN GENERAL.—If the Board of Directors initiates a termination proceeding under paragraph (2), and the Board of Directors, after consultation with the appropriate Federal banking agency, finds that an insured depository institution (other than a savings association to which subparagraph (B) applies) has no tangible capital under the capital guidelines or regulations of the appropriate Federal banking agency, the Corporation may issue a temporary order suspending deposit insurance on all deposits received by the institution.

"(B) SPECIAL RULE FOR CERTAIN SAVINGS INSTITUTIONS.—

"(i) CERTAIN GOODWILL INCLUDED IN TANGIBLE CAPITAL.—In determining the tangible capital of a savings association for purposes of this paragraph, the Board of Directors shall include goodwill to the extent it is considered a component of capital under section 5(t) of the Home Owners' Loan Act. Any savings association which would be subject

to a suspension order under subparagraph (A) but for the operation of this subparagraph, shall be considered by the Corporation to be a 'special supervisory association'.

"(ii) SUSPENSION ORDER.—The Corporation may issue a temporary order suspending deposit insurance on all deposits received by a special supervisory association whenever the Board of Directors determines that—

"(I) the capital of such association, as computed utilizing applicable accounting standards, has suffered a material decline;

"(II) that such association (or its directors or officers) is engaging in an unsafe or unsound practice in conducting the business of the association;

"(III) that such association is in an unsafe or unsound condition to continue operating as an insured association; or

"(IV) that such association (or its directors or officers) has violated any applicable law, rule, regulation, or order, or any condition imposed in writing by a Federal banking agency, or any written agreement including a capital improvement plan entered into with any Federal banking agency, or that the association has failed to enter into a capital improvement plan which is acceptable to the Corporation within the time period set forth in section 5(t) of the Home Owners' Loan Act.

Nothing in this paragraph limits the right of the Corporation or the Director of the Office of Thrift Supervision to enforce a contractual provision which authorizes the Corporation or the Director of the Office of Thrift Supervision, as a successor to the Federal Savings and Loan Insurance Corporation or the Federal Home Loan Bank Board, to require a savings association to write down or amortize goodwill at a faster rate than otherwise required under this Act or under applicable accounting standards.

"(C) EFFECTIVE PERIOD OF TEMPORARY ORDER.—Any order issued under subparagraph (A) shall become effective not earlier than 10 days from the date of service upon the institution and, unless set aside, limited, or suspended by a court in proceedings authorized hereunder, such temporary order shall remain effective and enforceable until an order of the Board under paragraph (3) becomes final or until the Corporation dismisses the proceedings under paragraph (3).

"(D) JUDICIAL REVIEW.—Before the close of the 10-day period beginning on the date any temporary order has been served upon an insured depository institution under subparagraph (A), such institution may apply to the United States District Court for the District of Columbia, or the United States district court for the judicial district in which the home office of the institution is located, for an injunction setting aside, limiting, or suspending the enforcement, operation, or effectiveness of such order, and such court shall have jurisdiction to issue such injunction.

"(E) CONTINUATION OF INSURANCE FOR PRIOR DEPOSITS.—The insured deposits of each depositor in such depository institution on the effective date of the order issued under this paragraph, minus all subsequent withdrawals from any deposits of such depositor, shall continue to be insured, subject to the administrative proceedings as provided in this Act.

"(F) PUBLICATION OF ORDER.—The depository institution shall give notice of such order to each of its depositors in such manner and at such times as the Board of Directors may find to be necessary and may order for the protection of depositors.

"(G) NOTICE BY CORPORATION.—If the Corporation determines that the depository institution has not substantially complied with the notice to depositors required by the Board of Directors, the Corporation may provide such notice in such manner as the Board of Directors may find to be necessary and appropriate.

"(H) LACK OF NOTICE.—Notwithstanding subparagraph (A), any deposit made after the effective date of a suspension order issued under this paragraph shall remain insured to the extent that the depositor establishes that—

(i) such deposit consists of additions made by automatic deposit the depositor was unable to prevent; or

(ii) such depositor did not have actual knowledge of the suspension of insurance.

"(9) FINAL DECISIONS TO TERMINATE INSURANCE.—Any decision by the Board of Directors to—

"(A) issue a temporary order terminating deposit insurance; or

"(B) issue a final order terminating deposit insurance (other than under subsection (p) or (q));

shall be made by the Board of Directors and may not be delegated.

"(10) LOW- TO MODERATE-INCOME HOUSING LENDER.—In making any determination regarding the termination of insurance of a solvent savings association, the Corporation may consider the extent of the association's low- to moderate-income housing loans.".

Subtitle C—Improving Early Detection of Misconduct and Encouraging Informants

SEC. 931. INFORMATION REQUIRED TO BE MADE AVAILABLE TO OUTSIDE AUDITORS.

(a) DEPOSITORY INSTITUTIONS INSURED BY THE FDIC.—Section 7(a) of the Federal Deposit Insurance Act (12 U.S.C. 1817(a)) is amended by adding at the end thereof the following new paragraph:

"(8) REPORT TO INDEPENDENT AUDITOR.—

"(A) IN GENERAL.—Each insured depository institution which has engaged the services of an independent auditor to audit such depository institution within the past 2 years shall transmit to such auditor a copy of the the most recent report of condition made by such depository institution (pursuant to this Act or any other provision of law) and a copy of the most recent report of examination received by such depository institution.

"(B) ADDITIONAL INFORMATION.—In addition to the copies of the reports required to be provided to an auditor under subparagraph (A), each insured depository institution shall provide such auditor with—

"(i) a copy of any supervisory memorandum of understanding with such depository institution and any written agreement between a Federal or State banking agency and the depository institution which is in effect during the period covered by the audit; and

"(ii) a report of any action initiated or taken by a Federal banking agency during such period under subsection (a), (b), (c), (e), (g), (i), or (s) of section 8, or of any similar action taken by a State banking agency under State law, or any other civil money penalty assessed under any other provision of law with respect to—

"(I) the depository institution; or

"(II) any institution-affiliated party.".

(b) INSTITUTIONS INSURED BY THE NCUA.—Section 202(a) of the Federal Credit Union Act (12 U.S.C. 1782(a)) is amended by adding after the paragraph added by section 922 of this Act the following new paragraph:

"(7) REPORT TO INDEPENDENT AUDITOR.—

"(A) IN GENERAL.—Each insured credit union which has engaged the services of an independent auditor to audit such depository institution within the past 2 years shall transmit to such auditor a copy of the most recent report of condition made by such credit union (pursuant to this Act or any other provision of law) and a copy of the most recent report of examination received by such credit union.

"(B) ADDITIONAL INFORMATION.—In addition to the copies of the reports required to be provided to an auditor under subparagraph (A), each insured credit union shall provide such auditor with—

"(i) a copy of any supervisory memorandum of understanding with such credit union and any written agreement between the Board or a State regulatory agency and the credit union which is in effect during the period covered by the audit; and

"(ii) a report of any action initiated or taken by the Board during such period under subsection (e), (f), (g), (i), (l), or (q) of section 206, or any similar action taken by a State regulatory agency under State law, or any other civil money penalty assessed by the Board under this Act, with respect to—

"(I) the credit union; or

"(II) any institution-affiliated party.".

SEC. 932. DEPOSITORY INSTITUTION EMPLOYEE PROTECTION REMEDY.

(a) EMPLOYEES OF DEPOSITORY INSTITUTIONS INSURED BY THE FDIC.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding after the section added by section 914(a) of this Act the following new section:

"SEC. 33. DEPOSITORY INSTITUTION EMPLOYEE PROTECTION REMEDY.

"(a) PROHIBITION AGAINST DISCRIMINATION AGAINST WHISTLEBLOWERS.—No federally insured depository institution may discharge or otherwise discriminate against any employee with respect to compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to the request of the employee) provided information to any Federal banking agency or to the Attorney General regarding a possible violation of any law or regulation by the depository institution or any of its officers, directors, or employees.

"(b) ENFORCEMENT.—Any employee or former employee who believes he has been discharged or discriminated against in violation of subsection (a) may file a civil action in the appropriate United States district court before the close of the 2-year period beginning on the date of such discharge or discrimination. The complainant shall also file a copy of the complaint initiating such action with the appropriate Federal banking agency.

"(c) REMEDIES.—If the district court determines that a violation of subsection (a) has occurred, it may order the depository institution which committed the violation—

"(1) to reinstate the employee to his former position,

"(2) to pay compensatory damages; or

"(3) take other appropriate actions to remedy any past discrimination.

"(d) LIMITATION.—The protections of this section shall not apply to any employee who—

"(1) deliberately causes or participates in the alleged violation of law or regulation; or

"(2) knowingly or recklessly provides substantially false information to such an agency or the Attorney General.".

(b) EMPLOYEES OF CREDIT UNIONS INSURED BY THE NCUA.—The Federal Credit Union Act (12 U.S.C. 1751 et seq.) is amended by inserting after the section added by section 914(b) of this Act the following new section:

"SEC. 213. CREDIT UNION EMPLOYEE PROTECTION REMEDY.

"(a) PROHIBITION AGAINST DISCRIMINATION AGAINST WHISTLEBLOWERS.—No federally insured credit union may discharge or otherwise discriminate against any employee with respect to compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to the request of the employee) provided information to the Board or to the Attorney General regarding a possible violation of any law or regulation by the credit union or any of its officers, directors, or employees.

"(b) ENFORCEMENT.—Any employee or former employee who believes he has been discharged or discriminated against in violation of subsection (a) may file a civil action in the appropriate United States district court before the close of the 2-year period beginning on the date of such discharge or discrimination. The complainant shall also file a copy of the complaint initiating such action with the Board.

"(c) REMEDIES.—If the district court determines that a violation of subsection (a) has occurred, it may order the credit union which committed the violation—

"(1) to reinstate the employee to his former position,

"(2) to pay compensatory damages, or

"(3) take other appropriate actions to remedy any past discrimination.

"(d) LIMITATIONS.—The protections of this section shall not apply to any employee who—

"(1) deliberately causes or participates in the alleged violation of law or regulation, or

"(2) knowingly or recklessly provides substantially false information to such an agency or the Attorney General.".

SEC. 933. REWARD FOR INFORMATION LEADING TO RECOVERIES OR CIVIL PENALTIES.

(a) DEPOSITORY INSTITUTIONS INSURED BY THE FDIC.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding after the section added by section 932(a) of this Act the following new section:

"SEC. 34. REWARD FOR INFORMATION LEADING TO RECOVERIES OR CIVIL PENALTIES.

"(a) IN GENERAL.—An appropriate Federal banking agency, with the concurrence of the Attorney General, may pay a reward to a person who provides original information which leads to—

"(1) recovery, in an amount that exceeds $50,000, of a criminal fine, restitution, or civil penalty—

"(A) under—

"(i) the Federal Deposit Insurance Act;

"(ii) the Federal Credit Union Act;

"(iii) sections 5213, 5239(b), and 5240 of the Revised Statutes;

"(iv) the Federal Reserve Act;

"(v) the Bank Holding Company Act Amendments of 1970;

"(vi) the Bank Holding Company Act of 1956;

"(vii) the Home Owners' Loan Act; or

"(viii) section 3663 of title 18, United States Code, pursuant to a conviction for an offense referred to in subparagraph (B) of this paragraph,

"(B) pursuant to a conviction for an offense under section 215, 656, 657, 1005, 1006, 1007, 1014, 1341, 1343, or 1344 of title 18, United States Code, affecting a depository institution insured by the Federal Deposit Insurance Corporation, or for a conspiracy to commit such an offense; or

"(C) under section 951 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989; or

"(2) a forfeiture under section 981 or 982 of title 18, United States Code, that—

"(A) arises in connection with a depository institution insured by the Federal Deposit Insurance Corporation; and

"(B) exceeds $50,000.

"(b) PERCENTAGE LIMITATION.—An appropriate Federal banking agency may not pay a reward under subsection (a) of more than 25 percent of the amount of the fine, penalty, restitution, or forfeiture or $100,000, whichever is less.

"(c) OFFICIALS AND PERSONS INELIGIBLE.—An appropriate Federal banking agency may not pay a reward under subsection (a) to—

"(1) an officer or employee of the United States or of a State or local government who provides information described in subsection (a), obtained in the performance of official duties; or

"(2) a person who—

"(A) deliberately causes or participates in the alleged violation of law or regulation, or

"(B) knowingly or recklessly provides substantially false information to such an agency or the Attorney General.

"(d) NONREVIEWABILITY.—Any agency decision under this section is final and not reviewable by any court.".

(b) CREDIT UNIONS INSURED BY THE NCUA.—Title II of the Federal Credit Union Act (12 U.S.C. 1790 et seq.) is amended by inserting after the section added by section 932(b) of this Act the following new section:

"SEC. 214. REWARD FOR INFORMATION LEADING TO RECOVERIES OR CIVIL PENALTIES.

"The Board may pay rewards in connection with an offense affecting an insured credit union, under the same circumstances and subject to the same limitations that a Federal banking agency may pay rewards under section 33 of the Federal Deposit Insurance Act in connection with an offense affecting a depository institution insured by the Federal Deposit Insurance Corporation.".

Subtitle D—Right to Financial Privacy Act Amendments

SEC. 941. DEFINITIONS.

Section 1101 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401), as amended by section 744(b) of this Act, is amended—

(1) by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(2) in paragraph (7) (as so redesignated), by striking all that precedes subparagraph (A) and inserting in lieu thereof the following:

"(7) 'supervisory agency' means with respect to any particular financial institution, holding company, or any subsidiary of a financial institution or holding company, any of the following which has statutory authority to examine the financial condition, business operations, or records or transactions of that institution, holding company, or subsidiary—"; and

(3) by inserting after paragraph (5) the following new paragraph:

"(6) 'holding company' means—

"(A) any bank holding company (as defined in section 2 of the Bank Holding Company Act of 1956);

"(B) any company described in section 3(f)(1) of the Bank Holding Company Act of 1956; and

"(C) any savings and loan holding company (as defined in the Home Owners' Loan Act);".

SEC. 942. ADDITIONAL EXCEPTIONS.

Section 1113 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3413(b)) is amended—

(1) by amending subsection (b) to read as follows:

"(b) This chapter shall not apply to the examination by or disclosure to any supervisory agency of financial records or information in the exercise of its supervisory, regulatory, or monetary functions, including conservatorship or receivership functions, with respect to any financial institution, holding company, subsidiary of a financial institution or holding company, institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to a financial institution, holding company, or subsidiary, or other person participating in the conduct of the affairs thereof."; and

(2) by adding at the end the following new subsections:

"(m) This title shall not apply to the examination by or disclosure to employees or agents of the Board of Governors of the Federal Reserve System or any Federal Reserve Bank of financial records or information in the exercise of the Federal Reserve System's authority to extend credit to the financial institutions or others.

"(n) This title shall not apply to the examination by or disclosure to the Resolution Trust Corporation or its employees or agents of financial records or information in the exercise of its conservatorship, receivership, or liquidation functions with respect to a financial institution.

"(o) This title shall not apply to the examination by or disclosure to the Federal Housing Finance Board or any of the Federal home loan banks of financial records or information in the exercise of the Federal Housing Finance Board's authority to extend credit (either directly or through a Federal home loan bank) to financial institutions or others.".

SEC. 943. PROHIBITION.

Section 1120 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3420) is redesignated as section 1120(a) and is amended by adding at the end the following new subsection:

"(b)(1) No officer, director, partner, employee, or shareholder of, or agent or attorney for, a financial institution shall, directly or indirectly, notify any person named in a grand jury subpoena served on such institution in connection with an investigation relating to a possible—

"(A) crime against any financial institution or supervisory agency; or

"(B) conspiracy to commit such a crime,

about the existence or contents of such subpoena, or information that has been furnished to the grand jury in response to such subpoena.

"(2) Section 8 of the Federal Deposit Insurance Act and section 206(k)(2) of the Federal Credit Union Act shall apply to any violation of this subsection.".

SEC. 944. MISCELLANEOUS PROVISIONS.

Section 1112(e) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3412(e)) is amended—

(1) by inserting after "with respect to a depository institution" the following: ", holding company, or any subsidiary of a depository institution or holding company,"; and

(2) by striking out "Council" and inserting in lieu thereof "Council and the Securities and Exchange Commission".

Subtitle E—Civil Penalties for Violations Involving Financial Institutions

SEC. 951. CIVIL PENALTIES.

(a) IN GENERAL.—Whoever violates any provision of law to which this section is made applicable by subsection (c) shall be subject to a civil penalty in an amount assessed by the court in a civil action under this section.

(b) MAXIMUM AMOUNT OF PENALTY.—

(1) GENERALLY.—The amount of the civil penalty shall not exceed $1,000,000.

(2) SPECIAL RULE FOR CONTINUING VIOLATIONS.—In the case of a continuing violation, the amount of the civil penalty may exceed the amount described in paragraph (1) but may not exceed the lesser of $1,000,000 per day or $5,000,000.

(3) SPECIAL RULE FOR VIOLATIONS CREATING GAIN OR LOSS.—(A) If any person derives pecuniary gain from the violation, or if the violation results in pecuniary loss to a person other than the violator, the amount of the civil penalty may exceed the amounts described in paragraphs (1) and (2) but may not exceed the amount of such gain or loss.

(B) As used in this paragraph, the term "person" includes the Bank Insurance Fund, the Savings Association Insurance Fund, and the National Credit Union Share Insurance Fund.

(c) VIOLATIONS TO WHICH PENALTY IS APPLICABLE.—This section applies to a violation of, or a conspiracy to violate—

(1) section 215, 656, 657, 1005, 1006, 1007, 1014, or 1344 of title 18, United States Code; or

(2) section 1341 or 1343 of title 18, United States Code, affecting a federally insured financial institution.

(d) ATTORNEY GENERAL TO BRING ACTION.—A civil action to recover a civil penalty under this section shall be commenced by the Attorney General.

(e) BURDEN OF PROOF.—In a civil action to recover a civil penalty under this section, the Attorney General must establish the right to recovery by a preponderance of the evidence.

(f) ADMINISTRATIVE SUBPOENAS.—

(1) IN GENERAL.—For the purpose of conducting a civil investigation in contemplation of a civil proceeding under this section, the Attorney General may—

(A) administer oaths and affirmations;

(B) take evidence; and

(C) by subpoena, summon witnesses and require the production of any books, papers, correspondence, memoranda, or other records which the Attorney General deems relevant or material to the inquiry. Such subpoena may require the attendance of witnesses and the production of any such records from any place in the United States at any place in the United States designated by the Attorney General.

(2) PROCEDURES APPLICABLE.—The same procedures and limitations as are provided with respect to civil investigative demands in subsections (g), (h), and (j) of section 1968 of title 18, United States Code, apply with respect to a subpoena issued under this subsection. Process required by such subsections to be served upon the custodian shall be served on the Attorney General. Failure to comply with an order of the court to enforce such subpoena shall be punishable as contempt.

(3) LIMITATION.—In the case of a subpoena for which the return date is less than 5 days after the date of service, no person shall be found in contempt for failure to comply by the return date if such person files a petition under paragraph (2) not later than 5 days after the date of service.

Subtitle F—Criminal Law and Procedure

SEC. 961. INCREASED CRIMINAL PENALTIES FOR CERTAIN FINANCIAL INSTITUTION OFFENSES.

(a) RECEIPT OF COMMISSIONS OR GIFTS FOR PROCURING LOANS.—Section 215(a) of title 18, United States Code, is amended—

(1) by striking "$5,000" and inserting "$1,000,000"; and

(2) by striking "five" and inserting "20".

(b) THEFT, EMBEZZLEMENT, OR MISAPPLICATION BY BANK OFFICER OR EMPLOYEE.—Section 656 of title 18, United States Code, is amended—

(1) by striking "$5,000" and inserting "$1,000,000"; and

(2) by striking "five" and inserting "20".

(c) LENDING, CREDIT, AND INSURANCE INSTITUTIONS.—Section 657 of title 18, United States Code, is amended—

(1) by striking "$5,000" and inserting "$1,000,000"; and

(2) by striking "five" and inserting "20".

(d) BANK ENTRIES, REPORTS, AND TRANSACTIONS.—Section 1005 of title 18, United States Code, is amended—

(1) in the 1st paragraph, by inserting "bank or savings and loan holding company," after "member bank,";

(2) in the 3rd paragraph—

(A) by inserting "or company" after "bank" each place it appears; and

(B) by striking the "—" at the end and inserting a semicolon;

(3) by adding after the 3rd paragraph the following:

"Whoever with intent to defraud the United States or any agency thereof, or any financial institution referred to in this section, participates or shares in or receives (directly or indirectly) any money, profit, property, or benefits through any transaction, loan, commission, contract, or any other act of any such financial institution—";

(4) by striking "$5,000" and inserting "$1,000,000"; and

(5) by striking "five" and inserting "20".

(e) FEDERAL CREDIT INSTITUTION ENTRIES, REPORTS, AND TRANSACTIONS.—Section 1006 of title 18, United States Code, is amended—

(1) by striking "$10,000" and inserting "$1,000,000"; and

(2) by striking "five" and inserting "20".

(f) FEDERAL DEPOSIT INSURANCE CORPORATION TRANSACTIONS.—Section 1007 of title 18, United States Code, is amended to read as follows:

"§ 1007. Federal Deposit Insurance Corporation Transactions

"Whoever, for the purpose of influencing in any way the action of the Federal Deposit Insurance Corporation, knowingly makes or invites reliance on a false, forged, or counterfeit statement, document, or thing shall be fined not more than $1,000,000 or imprisoned not more than 20 years, or both.".

(g) FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION TRANSACTIONS.—

(1) IN GENERAL.—Chapter 47 of title 18, United States Code, is amended by striking section 1008.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 47 of title 18, United States Code, is amended by striking the item relating to section 1008.

(h) LOAN AND CREDIT APPLICATIONS GENERALLY; RENEWALS AND DISCOUNTS; CROP INSURANCE.—Section 1014 of title 18, United States Code, is amended—

(1) by striking "a Federal Home Loan Bank, the Federal Home Loan Bank Board, the Home Owners' Loan Corporation, a Federal Saving and Loan Association";

(2) by striking "the Federal Saving and Loan Insurance Corporation, any bank the deposits of which are insured by";

(3) by striking "any member of";

(4) by inserting "the Resolution Trust Corporation" after "Federal Deposit Insurance Corporation,";

(5) by striking "$5,000" and inserting "$1,000,000"; and

(6) by striking "two" and inserting "20".

(i) FRAUDS AND SWINDLES.—Section 1341 of title 18, United States Code, is amended by adding at the end "If the violation affects a financial institution, such person shall be fined not more than $1,000,000 or imprisoned not more than 20 years, or both.".

(j) FRAUD BY WIRE, RADIO, OR TELEVISION.—Section 1343 of title 18, United States Code, is amended by adding at the end: "If the violation affects a financial institution, such person shall be fined not more than $1,000,000 or imprisoned not more than 20 years, or both.".

(k) BANK FRAUD.—Section 1344 of title 18, United States Code, is amended to read as follows:

"§ 1344. Bank fraud

"Whoever knowingly executes, or attempts to execute, a scheme or artifice—

"(1) to defraud a financial institution; or

"(2) to obtain any of the moneys, funds, credits, assets, securities, or other property owned by, or under the custody or control of, a financial institution, by means of false or fraudulent pretenses, representations, or promises;

shall be fined not more than $1,000,000 or imprisoned not more than 20 years, or both.".

(l) LIMITATIONS.—

(1) IN GENERAL.—Chapter 213 of title 18, United States Code, is amended by adding at the end the following:

"§ 3293. Financial institution offenses

"No person shall be prosecuted, tried, or punished for a violation of, or a conspiracy to violate—

"(1) section 215, 656, 657, 1005, 1006, 1007, 1008, 1014, or 1344; or

"(2) section 1341 or 1343, if the offense affects a financial institution;

unless the indictment is returned or the information is filed within 10 years after the commission of the offense.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 213 of title 18, United States Code, is amended by adding at the end the following new item:

"3293. Financial institution offenses.".

(3) EFFECT OF AMENDMENTS ON OFFENSES FOR WHICH THE CURRENT PERIOD OF LIMITATIONS HAD NOT RUN.—The amendments made by this subsection shall apply to an offense committed before the effective date of this section, if the statute of limitations applicable to that offense under this chapter had not run as of such date.

(m) SENTENCING GUIDELINES.—Pursuant to section 994 of title 28, United States Code, and section 21 of the Sentencing Act of 1987, the United States Sentencing Commission shall promulgate guidelines, or amend existing guidelines, to provide for a substantial period of incarceration for a violation of, or a conspiracy to violate, section 215, 656, 657, 1005, 1006, 1007, 1014, 1341, 1343, or 1344 of title 18, United States Code, that substantially jeopardizes the safety and soundness of a federally insured financial institution.

SEC. 962. MISCELLANEOUS REVISIONS TO TITLE 18.

(a) SPECIFIC TERMINOLOGY CHANGES AND REPEAL.—

(1) SECTION 212.—Section 212 of title 18, United States Code, is amended—

(A) by striking "bank" the first place it appears and inserting "financial institution" in lieu thereof;

(B) by striking "land bank" and all that follows through "farm credit examiner" and inserting "Farm Credit Bank, bank for cooperatives, production credit association, Federal land bank association, agricultural credit association, Federal land credit association, service organization chartered under section 4.26 of the Farm Credit Act of 1971, the Farm Credit System Financial Assistance Corporation, the Federal Agricultural Mortgage Credit Corporation, the Federal Farm Credit Banks Funding Corporation, the National Consumer Cooperative Bank, or other institution subject to examination by a Farm Credit Administration examiner";

(C) in the 2nd undesignated paragraph, by striking "insured banks" and inserting "insured financial institutions" in lieu thereof; and

(D) in the 2nd undesignated paragraph, by striking "or by the Federal Deposit Insurance Corporation" and inserting in lieu thereof ", by the Federal Deposit Insurance Corporation, by the Office of Thrift Supervision, or by the Federal Housing Finance Board".

(2) SECTION 213.—Section 213 of title 18, United States Code, is amended by striking "banks the deposits of which" and inserting "financial institutions the deposits of which".

(3) REPEAL OF SECTION 1009.—Title 18, United States Code, is amended by striking out section 1009.

(4) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 47 of title 18, United States Code, is amended by striking out the item relating to section 1009.

(5) SECTION 1030(e)(4).—Section 1030(e)(4) of title 18, United States Code, is amended—

(A) in subparagraph (A), by striking "a bank" and inserting "an institution,";

(B) by striking subparagraph (C); and

(C) by redesignating subparagraphs (D), (E), (F), (G), and (H), as subparagraphs (C), (D), (E), (F), and (G), respectively.

(6) SECTION 1114.—Section 1114 of title 18, United States Code, is amended—

(A) by striking "the Federal Savings and Loan Insurance Corporation,"; and

(B) by striking "the Federal Home Loan Bank Board" and inserting "the Office of Thrift Supervision, the Federal Housing Finance Board, the Resolution Trust Corporation".

(7) CHANGES RELATING TO NATIONAL CREDIT UNION ADMINISTRATION.—Sections 657, 1006, 1014, and 2113(h) of title 18, United States Code, are each amended by striking "Administrator of the National Credit Union Administration" and inserting "National Credit Union Administration Board".

(8) CHANGES RELATING TO THE FARM CREDIT SYSTEM.—

(A) Sections 657 and 1006 of title 18, United States Code, are each amended by striking "any land bank, intermediate credit bank," and inserting in lieu thereof "the Farm Credit System Insurance Corporation, a Farm Credit Bank, a".

(B) Section 1014 of title 18, United States Code, is amended—

(i) by striking "any Federal intermediate credit bank" and all that follows through "Title 12" and inserting in lieu thereof "any Farm Credit Bank, production credit association, agricultural credit association, bank for cooperatives, or any division, officer, or employee thereof"; and

(ii) by striking "Federal Savings and Loan Insurance Corporation" and inserting "Farm Credit System Insurance Corporation" in lieu thereof.

(b) CROSS REFERENCE CHANGE.—Section 1306 of title 18, United States Code, is amended by striking "section 20 of the Federal Deposit Insurance Act, or section 410 of the National Housing Act" and inserting "or section 20 of the Federal Deposit Insurance Act".

(c) OBSTRUCTION OF CRIMINAL INVESTIGATIONS.—Section 1510 of title 18, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following:

"(b)(1) Whoever, being an officer of a financial institution, with the intent to obstruct a judicial proceeding, directly or indirectly notifies any other person about the existence or contents of a subpoena for records of that financial institution, or information that has been furnished to the grand jury in response to that subpoena, shall be fined under this title or imprisoned not more than 5 years, or both.

"(2) Whoever, being an officer of a financial institution, directly or indirectly notifies—

"(A) a customer of that financial institution whose records are sought by a grand jury subpoena; or

"(B) any other person named in that subpoena;

about the existence or contents of that subpoena or information that has been furnished to the grand jury in response to that subpoena, shall be fined under this title or imprisoned not more than one year, or both.

"(3) As used in this subsection—

"(A) the term 'an officer of a financial institution' means an officer, director, partner, employee, agent, or attorney of or for a financial institution; and

"(B) the term 'subpoena for records' means a Federal grand jury subpoena for customer records that has been served relating to a violation of, or a conspiracy to violate—

"(i) section 215, 656, 657, 1005, 1006, 1007, 1014, or 1344; or

"(ii) section 1341 or 1343 affecting a financial institution.".

(d) CONFORMING TERMINOLOGY IN BANK ROBBERY SECTION.—Section 2113 of title 18, United States Code, is amended—

(1) in subsection (f), by striking "any bank the deposits of which" and inserting "any institution the deposits of which";

(2) by adding before the period at the end of subsection (h) ", and any 'Federal credit union' as defined in section 2 of the Federal Credit Union Act"; and

(3) by striking subsection (g) and redesignating subsection (h) as subsection (g).

(e) CREATION OF GENERAL DEFINITION OF FINANCIAL INSTITUTION FOR TITLE 18.—

(1) IN GENERAL.—Subsection (b) of section 215 of title 18, United States Code, is transferred to the end of chapter 1 of such title.

(2) UPDATING AND TECHNICAL AMENDMENTS.—Such subsection (b), as so transferred, is amended—

(A) by inserting at the beginning the following section heading:

"§ 20. Financial institution defined"

(B) by striking "(b)";

(C) by striking "this section" and inserting "this title";

(D) so that paragraph (1) reads as follows:

"(1) an insured depository institution (as defined in section 3(c)(2) of the Federal Deposit Insurance Act);";

(E) by striking paragraphs (2) and (8);

(F) so that paragraph (5) reads as follows:

"(5) a System institution of the Farm Credit System, as defined in section 5.35(3) of the Farm Credit Act of 1971;";

(G) so that paragraph (7) reads as follows:

"(7) a depository institution holding company (as defined in section 3(w)(1) of the Federal Deposit Insurance Act.";

and

(H) by redesignating paragraphs (3), (4), (5), (6), and (7) (as amended by this paragraph) as paragraphs (2), (3), (4), (5), and (6), respectively.

(3) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 1 of title 18, United States Code, is amended by adding at the end the following new item:

"20. Financial institution defined.".

SEC. 963. CIVIL AND CRIMINAL FORFEITURE.

(a) CIVIL FORFEITURE.—Section 981(a)(1) of title 18, United States Code, is amended by adding at the end the following:

"(C) Any property, real or personal, which constitutes or is derived from proceeds traceable to a violation of section 215, 656, 657, 1005, 1006, 1007, 1014, or 1344 of this title.".

(b) TRANSFER OF PROPERTY UNDER CIVIL FORFEITURE.—Section 981(e) of title 18, United States Code, is amended—

(1) in the matter before paragraph (1), by striking out "determine to—" and inserting in lieu thereof "determine—";

(2) by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) to any other Federal agency;

"(2) to any State or local law enforcement agency which participated directly in any of the acts which led to the seizure or forfeiture of the property;

"(3) in the case of property referred to in subsection (a)(1)(C) (if the affected financial institution is in receivership or liquidation), to any Federal financial institution regulatory agency—

"(A) to reimburse the agency for payments to claimants or creditors of the institution; and

"(B) to reimburse the insurance fund of the agency for losses suffered by the fund as a result of the receivership or liquidation;

"(4) in the case of property referred to in subsection (a)(1)(C) (if the affected financial institution is not in receivership or liquidation), upon the order of the appropriate Federal financial institution regulatory agency, to the financial institution as restitution, with the value of the property so transferred to be set off against any amount later recovered by the financial institution as compensatory damages in any State or Federal proceeding; or

"(5) in the case of property referred to in subsection (a)(1)(C), to any Federal financial institution regulatory agency, to the extent of the agency's contribution of resources to, or expenses involved in, the seizure and forfeiture, and the investigation leading directly to the seizure and forfeiture, of such property."; and

(3) by adding at the end the following new sentence: "The United States shall not be liable in any action arising out of a transfer under paragraph (3), (4), or (5) of this subsection.".

(c) CRIMINAL FORFEITURE.—Section 982 of title 18, United States Code, is amended—

(1) in subsection (a)—

(A) by inserting "(1)" after "(a)"; and

(B) by adding at the end the following:

"(2) The court, in imposing sentence on a person convicted of a violation of, or a conspiracy to violate, section 215, 656, 657, 1005, 1006, 1007, 1014, 1341, 1343, or 1344 of this title, affecting a financial institution, shall order that the person forfeit to the United States any property constituting, or derived from, proceeds the person obtained directly or indirectly, as the result of such violation."; and

(2) in subsection (b), by striking "(b) The provisions" and all that follows through "However, the" and inserting in lieu thereof the following:

"(b)(1) Property subject to forfeiture under this section, any seizure and disposition thereof, and any administrative or judicial proceeding in relation thereto, shall be governed—

"(A) in the case of a forfeiture under subsection (a)(1) of this section, by subsections (c) and (e) through (p) of section 413 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853); and

"(B) in the case of a forfeiture under subsection (a)(2) of this section, by subsections (b), (c), (e), and (g) through (p) of section 413 of such Act.

"(2) The".

SEC. 964. GRAND JURY SECRECY.

(a) IN GENERAL.—Chapter 215 of title 18, United States Code, is amended by striking section 3322 and all that follows through section 3328 and inserting the following:

"§ 3322. Disclosure of certain matters occurring before grand jury

"(a) A person who is privy to grand jury information concerning a banking law violation—

"(1) received in the course of duty as an attorney for the government; or

"(2) disclosed under rule 6(e)(3)(A)(ii) of the Federal Rules of Criminal Procedure;

may disclose that information to an attorney for the government for use in enforcing section 951 of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 or for use in connection with civil forfeiture under section 981 of title 18, United States Code, of property described in section 981(a)(1)(C) of such title.

"(b)(1) Upon motion of an attorney for the government, a court may direct disclosure of matters occurring before a grand jury during an investigation of a banking law violation to identified personnel of a financial institution regulatory agency—

"(A) for use in relation to any matter within the jurisdiction of such regulatory agency; or

"(B) to assist an attorney for the government to whom matters have been disclosed under subsection (a).

"(2) A court may issue an order under paragraph (1) upon a finding of a substantial need.

"(c) A person to whom matter has been disclosed under this section shall not use such matter other than for the purpose for which such disclosure was authorized.

"(d) As used in this section—

"(1) the term 'banking law violation' means a violation of, or a conspiracy to violate—

"(A) section 215, 656, 657, 1005, 1006, 1007, 1014, or 1344; or

"(B) section 1341 or 1343 affecting a financial institution;

"(2) the term 'attorney for the government' has the meaning given such term in the Federal Rules of Criminal Procedure; and

"(3) the term 'grand jury information' means matters occurring before a grand jury other than the deliberations of the grand jury or the vote of any grand juror.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 215 of title 18, United States Code, is amended by striking out the item relating to sections 3322 through 3328 and inserting the following:

"3322. Disclosure of certain matters occurring before grand jury.".

(c) FAIR CREDIT REPORTING ACT AMENDMENT.—Paragraph (1) of section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b) is amended by inserting before the period at the end the following: ", or a subpoena issued in connection with proceedings before a Federal grand jury".

SEC. 965. CRIMINAL DIVISION FRAUD SECTION REGIONAL OFFICE.

(a) ESTABLISHMENT.—Not later than 120 days after the date of enactment of this Act, the Department of Justice shall create a regional office of the Fraud Section of the Criminal Division in the Northern District of Texas, and maintain such office, by providing sufficient legal and other staff and office space, through fiscal year 1992.

(b) STUDY.—Not later than 180 days after the date of the enactment of this Act, the Comptroller General shall study and report to the Congress on whether additional regional offices of the Fraud Section of the Criminal Division should be established in other parts of the country.

SEC. 966. DEPARTMENT OF JUSTICE APPROPRIATION AUTHORIZATION.

(a) IN GENERAL.—There is authorized to be appropriated to the Attorney General, without fiscal year limitation—

(1) $65,000,000 for each of fiscal years 1990 through 1992, for purposes of investigations and prosecutions involving financial institutions to which this Act and amendments made by this Act apply; and

(2) $10,000,000 for each of fiscal years 1990 through 1992, for purposes of civil proceedings involving financial institutions to which this Act and amendments made by this Act apply.

(b) SUPPLANTATION AND REALLOCATION PROHIBITED.—Sums authorized by this section—

(1) are in addition to any other sums authorized to be appropriated for such purposes;

(2) shall not be used to supplant sums otherwise available for such purposes; and

(3) shall not be reallocated for any other purpose.

SEC. 967. AUTHORIZATION OF ADDITIONAL APPROPRIATIONS FOR THE JUDICIARY.

There is authorized to be appropriated to the Federal courts system $10,000,000, to carry out such system's duties under this Act, for each of fiscal years 1990 through 1992.

SEC. 968. RACKETEER INFLUENCED AND CORRUPT ORGANIZATIONS.

Section 1961(1) of title 18, United States Code, is amended by inserting "section 1344 (relating to financial institution fraud)," after "(relating to wire fraud),".

TITLE X—STUDIES OF FEDERAL DEPOSIT INSURANCE, BANKING SERVICES, AND THE SAFETY AND SOUNDNESS OF GOVERNMENT-SPONSORED ENTERPRISES

SEC. 1001. STUDY OF FEDERAL DEPOSIT INSURANCE SYSTEM.

(a) IN GENERAL.—The Secretary of the Treasury, in consultation with the Comptroller of the Currency, the Chairman of the Board of Governors of the Federal Reserve System, the Director of the Office of Thrift Supervision, the Chairperson of the Federal Deposit Insurance Corporation, the Chairman of the National Credit Union Administration Board, the Director of the Office of Management and Budget, and individuals from the private sector, shall conduct a study of the Federal deposit insurance system.

(b) TOPICS.—As part of the study required under subsection (a), the Secretary of the Treasury shall investigate, review, and evaluate the following:

(1) The feasibility of establishing a deposit insurance premium rate structure which would take into account, on an institution-by-institution basis—

(A) asset quality risk;

(B) interest rate risk;

(C) quality of management; and

(D) profitability and capital.

(2) Incentives for market discipline, including the advantages of—

(A) limiting each depositor to 1 insured account per institution;

(B) reducing the amount insured, or providing for a graduated decrease in the percentage of the amounts deposited which are insured as the amounts deposited increase;

(C) combining Federal with private insurance in order to bring the market discipline of private insurance to bear on the management of the depository institution; and

(D) ensuring, by law or regulation, that on the closing of any insured depository institution, the appropriate Federal insurance fund will honor only its explicit liabilities, and will never make good any losses on deposits not explicitly covered by Federal deposit insurance.

(3) The scope of deposit insurance coverage and its impact on the liability of the insurance fund.

(4) The feasibility of market value accounting, assessments on foreign deposits, limitations on brokered deposits, the addition of collateralized borrowings to the deposit insurance base, and multiple insured accounts.

(5) The impact on the deposit insurance funds of varying State and Federal bankruptcy exemptions and the feasibility of—

(A) uniform exemptions;

(B) limits on exemptions when necessary to repay obligations owed to federally insured depository institutions; and

(C) requiring borrowers from federally insured depository institutions to post a personal or corporate bond when obtaining a mortgage on real property.

(6) Policies to be followed with respect to the recapitalization or closure of insured depository institutions whose capital is depleted to, or near the point of, insolvency.

(7) The efficiency of housing subsidies through the Federal home loan bank system.

(8) Alternatives to Federal deposit insurance.

(9) The feasibility of developing and administering, through the appropriate Federal banking agency, an examination of the principles and techniques of risk management and the application of such principles and techniques to the management of insured institutions.

(10) The adequacy of capital of insured credit unions and the National Credit Union Share Insurance Fund, including whether the supervision of such fund should be separated from the other functions of the National Credit Union Administration.

(11) The feasibility of requiring, by statute or other means, that—

(A) independent auditors and accountants of a depository institution report the results of any audit of the institution to the relevant regulatory agency or agencies;

(B) a regulator share reports on a depository institution with the institution's independent auditors and accountants; and

(C) independent auditors and accountants participate in conferences between the regulator and the depository institution.

(12) The feasibility of adopting regulations which are the same as or similar to the provisions of England's Banking Act, 1987, ch. 22 (4 Halsbury's Statutes of England and Wales 527-650 (1987)), enacted on May 15, 1987, relating to the Bank of England's relationship with auditors and reporting accountants (including sections 8, 39, 41, 45, 46, 47, 82, 83, 85, and 94 of such Act).

(c) FINAL REPORT.—Not later than the close of the 18-month period beginning on the date of the enactment of this Act, the Secretary of the Treasury shall submit to the Congress a final report containing a detailed statement of findings made, and conclusions drawn from, the study conducted under this section, including such recommendations for administrative and legislative action as the Secretary determines to be appropriate.

SEC. 1002. SURVEY OF BANK FEES AND SERVICES.

(a) ANNUAL SURVEY REQUIRED.—The Board of Governors of the Federal Reserve System shall obtain a sample, which is representative by geographic location and size of institution, of—

(1) certain retail banking services provided by insured depository institutions; and

(2) the fees, if any, which are imposed by such institutions for providing such services.

(b) ANNUAL REPORT TO CONGRESS REQUIRED.—

(1) PREPARATION.—The Board of Governors of the Federal Reserve System shall prepare a report of the results of each survey conducted pursuant to subsection (a).

(2) CONTENTS OF REPORT.—Each report prepared pursuant to paragraph (1) shall include—

(A) a description of any discernable trends in the cost and availability of retail banking services; and

(B) a description of the correlation, if any, between—

(i) any increase in the amount of any deposit insurance premium assessed by the Federal Deposit Insurance Corporation against insured depository institutions;

(ii) any increase in the amount of the fees imposed by such institutions for providing retail banking services; and

(iii) any decrease in the availability of such services.

(3) SUBMISSION TO CONGRESS.—The Board of Governors of the Federal Reserve System shall submit—

(A) the first annual report required under paragraph (1) not later than June 1, 1990; and

(B) each subsequent annual report not later than June 1 of each calendar year beginning after 1990.

(c) SUNSET.—The requirements of subsection (a) shall terminate at the end of the 2-year period beginning on the later of—

(1) the 5-year period beginning on the date of the enactment of this Act; or

(2) the date (if any) during the 2-year period beginning at the end of such 5-year period, on which deposit insurance premiums are increased under section 7 of the Federal Deposit Insurance Act.

SEC. 1003. GENERAL ACCOUNTING OFFICE STUDY.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of deposit insurance issues raised by section 1001 emphasizing in particular—

(1) analysis of the policy considerations affecting the scope of deposit insurance coverage;

(2) evaluation of the risks associated with bank insurance contracts both as to the issuing institution and the deposit insurance funds; and

(3) the effect of proposed changes in the definition of "deposit" on—

(A) market discipline; and

(B) the ability of other participants in capital markets to raise funds.

(b) REPORT.—Not later than the close of the 18-month period beginning on the date of the enactment of this Act, the Comptroller General shall submit to the Congress the results of the study required by subsection (a).

SEC. 1004. STUDY REGARDING CAPITAL REQUIREMENTS FOR GOVERNMENT-SPONSORED ENTERPRISES.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the risks undertaken by all government-sponsored enterprises and the appropriate level of capital for such enterprises consistent with—

(1) the financial soundness and stability of the government-sponsored enterprises;

(2) minimizing any potential financial exposure of the Federal Government; and

(3) minimizing any potential impact on borrowing of the Federal Government.

(b) CONSULTATION AND COOPERATION WITH OTHER AGENCIES.—The Comptroller General shall determine the structure and methodology of the study under this section in consultation with and with the cooperation of the Secretary of Agriculture and the Farm Credit Administration (with respect to the Farm Credit Banks, the Banks for Cooperatives, and the Federal Agricultural Mortgage Corporation), the Secretary of Education (with respect to the Student Loan Marketing Association and the College Construction Loan Corporation), the Secretary of Housing and Urban Development (with respect to the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation), and the government-sponsored enterprises.

(c) ACCESS TO RELEVANT INFORMATION.—Each government-sponsored enterprise shall provide full and prompt access to the Comptroller General to its books and records and shall promptly provide any other information requested by the Comptroller General. In conducting the study under this section, the Comptroller General may request information from, or the assistance of, any department or agency of the Federal Government that is authorized by law to supervise or approve any of the activities of any government-sponsored enterprise.

(d) SPECIFIC REQUIREMENTS.—The study shall examine and evaluate—

(1) the degrees and types of risks that are undertaken by the government-sponsored enterprises in the course of their operations, including credit risk, interest rate risk, management and operational risk, and business risk;

(2) the most appropriate method or methods for quantifying the types of risks undertaken by the government-sponsored enterprises;

(3) the actual level of risk that exists with respect to each government-sponsored enterprise, which shall take into account factors including the volume and type of securities outstanding that are issued or guaranteed by each government-sponsored enterprise and the extent of off-balance sheet expense of each government-sponsored enterprise;

(4) the appropriateness of applying a risk-based capital standard to each government-sponsored enterprise, taking into account the nature of the business each government-sponsored enterprise conducts;

(5) the costs and benefits to the public from application of a risk-based capital standard to the government-sponsored enterprises and the impact of such a standard on the capability of each government-sponsored enterprise to carry out its purpose under law;

(6) the impact, if any, of the operation of the government-sponsored enterprises on borrowing of the Federal Government;

(7) the overall level of capital appropriate for each of the government-sponsored enterprises; and

(8) the quality and timeliness of information currently available to the public and the Federal Government concerning the extent and nature of the activities of government-sponsored enterprises and the financial risk associated with such activities.

(e) REPORTS TO CONGRESS.—The Comptroller General shall submit to the Congress 2 reports regarding the study under this section. The first report shall be submitted to the Congress not later than 9 months after the date of the enactment of this Act and the second report shall be submitted to the Congress not later than 21 months after the date of the enactment of this Act. Each report shall set forth—

(1) the results of the study under this section;

(2) any recommendations of the Comptroller General with respect to appropriate capital standards for each government-sponsored enterprise;

(3) any recommendations of the Comptroller General with respect to information that, in the determination of the Comptroller General, should be provided to the Congress concerning—

(A) the extent and nature of the activities of the government-sponsored enterprises; and

(B) the nature of any periodic reports that the Comptroller General believes should be submitted to the Congress relating to the capital condition and operations of the government-sponsored enterprises; and

(4) any recommendations and opinions of the Secretary of Agriculture, the Secretary of Education, the Secretary of Housing and Urban Development, and the Secretary of the Treasury regarding the report, to the extent that the recommendations and views of such officers differ from the recommendations and opinions of the Comptroller General.

(f) DEFINITION.—For purposes of this section, the term "government-sponsored enterprises" means the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Federal Home Loan Bank System, the Farm Credit Banks, the Banks for Cooperatives, the Federal Agricultural Mortgage Corporation, the College Construction Loan Insurance Corporation, the Student Loan Marketing Association.

TITLE XI—REAL ESTATE APPRAISAL REFORM AMENDMENTS

SEC. 1101. PURPOSE.

The purpose of this title is to provide that Federal financial and public policy interests in real estate related transactions will be protected by requiring that real estate appraisals utilized in connection with federally related transactions are performed in writing, in accordance with uniform standards, by individuals whose competency has been demonstrated and whose professional

conduct will be subject to effective supervision.

SEC. 1102. ESTABLISHMENT OF APPRAISAL SUBCOMMITTEE OF THE FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL.

The Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3301 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 1011. ESTABLISHMENT OF APPRAISAL SUBCOMMITTEE.

"There shall be within the Council a subcommittee to be known as the 'Appraisal Subcommittee', which shall consist of the designees of the heads of the Federal financial institutions regulatory agencies. Each such designee shall be a person who has demonstrated knowledge and competence concerning the appraisal profession.".

SEC. 1103. FUNCTIONS OF APPRAISAL SUBCOMMITTEE.

(a) IN GENERAL.—The Appraisal Subcommittee shall—

(1) monitor the requirements established by States for the certification and licensing of individuals who are qualified to perform appraisals in connection with federally related transactions, including a code of professional responsibility;

(2) monitor the requirements established by the Federal financial institutions regulatory agencies and the Resolution Trust Corporation with respect to—

(A) appraisal standards for federally related transactions under their jurisdiction, and

(B) determinations as to which federally related transactions under their jurisdiction require the services of a State certified appraiser and which require the services of a State licensed appraiser;

(3) maintain a national registry of State certified and licensed appraisers who are eligible to perform appraisals in federally related transactions; and

(4) transmit an annual report to the Congress not later than January 31 of each year which describes the manner in which each function assigned to the Appraisal Subcommittee has been carried out during the preceding year.

(b) MONITORING AND REVIEWING FOUNDATION.—The Appraisal Subcommittee shall monitor and review the practices, procedures, activities, and organizational structure of the Appraisal Foundation.

SEC. 1104. CHAIRPERSON OF APPRAISAL SUBCOMMITTEE; TERM OF CHAIRPERSON; MEETINGS.

(a) CHAIRPERSON.—The Council shall select the Chairperson of the subcommittee. The term of the Chairperson shall be 2 years.

(b) MEETINGS; QUORUM; VOTING.—The Appraisal Subcommittee shall meet at the call of the Chairperson or a majority of its members when there is business to be conducted. A majority of members of the Appraisal Subcommittee shall constitute a quorum but 2 or more members may hold hearings. Decisions of the Appraisal Subcommittee shall be made by the vote of a majority of its members.

SEC. 1105. OFFICERS AND STAFF.

The Chairperson of the Appraisal Subcommittee shall appoint such officers and staff as may be necessary to carry out the functions of this title consistent with the appointment and compensation practices of the Council.

SEC. 1106. POWERS OF APPRAISAL SUBCOMMITTEE.

The Appraisal Subcommittee may, for the purpose of carrying out this title, establish advisory committees, hold hearings, sit and act at times and places, take testimony, receive evidence, provide information, and perform research, as the Appraisal Subcommittee considers appropriate.

SEC. 1107. PROCEDURES FOR ESTABLISHING APPRAISAL STANDARDS AND REQUIRING THE USE OF CERTIFIED AND LICENSED APPRAISERS.

Appraisal standards and requirements for using State certified and licensed appraisers in federally related transactions pursuant to this title shall be prescribed in accordance with procedures set forth in section 553 of title 5, United States Code, including the publication of notice and receipt of written comments or the holding of public hearings with respect to any standards or requirements proposed to be established.

SEC. 1108. STARTUP FUNDING.

(a) IN GENERAL.—For purposes of this title, the Secretary of the Treasury shall pay to the Appraisal Subcommittee a one-time payment of $5,000,000 on the date of the enactment of this Act. Thereafter, expenses of the subcommittee shall be funded through the collection of registry fees from certain certified and licensed appraisers pursuant to section 1109 or, if required, pursuant to section 1122(b) of this title.

(b) ADDITIONAL FUNDS.—Except as provided in section 1122(b) of this title, funds in addition to the funds provided under subsection (a) may be made available to the Appraisal Subcommittee only if authorized and appropriated by law.

SEC. 1109. ROSTER OF STATE CERTIFIED OR LICENSED APPRAISERS; AUTHORITY TO COLLECT AND TRANSMIT FEES.

(a) IN GENERAL.—Each State with an appraiser certifying and licensing agency whose certifications and licenses comply with this title, shall—

(1) transmit to the Appraisal Subcommittee, no less than annually, a roster listing individuals who have received a State certification or license in accordance with this title; and

(2) collect from such individuals who perform or seek to perform appraisals in federally related transactions, an annual registry fee of not more than $25, such fees to be transmitted by the State agencies to the Council on an annual basis.

Subject to the approval of the Council, the Appraisal Subcommittee may adjust the dollar amount of registry fees, up to a maximum of $50 per annum, as necessary to carry out its functions under this title.

(b) USE OF AMOUNTS APPROPRIATED OR COLLECTED.—Amounts appropriated for or collected by the Appraisal Subcommittee under this section shall be used—

(1) to maintain a registry of individuals who are qualified and eligible to perform appraisals in connection with federally related transactions;

(2) to support its activities under this title;

(3) to reimburse the general fund of the Treasury for amounts appropriated to and expended by the Appraisal Subcommittee during the 24-month startup period following the date of the enactment of this title; and

(4) to make grants in such amounts as it deems appropriate to the Appraisal Foundation, to help defray those costs of the foundation relating to the activities of its Appraisal Standards and Appraiser Qualification Boards.

SEC. 1110. FUNCTIONS OF THE FEDERAL FINANCIAL INSTITUTIONS REGULATORY AGENCIES RELATING TO APPRAISAL STANDARDS.

Each Federal financial institutions regulatory agency and the Resolution Trust Corporation shall prescribe appropriate standards for the performance of real estate appraisals in connection with federally related transactions under the jurisdiction of each such agency or instrumentality. These rules shall require, at a minimum—

(1) that real estate appraisals be performed in accordance with generally accepted appraisal standards as evidenced by the appraisal standards promulgated by the Appraisal Standards Board of the Appraisal Foundation; and

(2) that such appraisals shall be written appraisals.

Each such agency or instrumentality may require compliance with additional standards if it makes a determination in writing that such additional standards are required in order to properly carry out its statutory responsibilities.

SEC. 1111. TIME FOR PROPOSAL AND ADOPTION OF STANDARDS.

Appraisal standards established under this title shall be proposed not later than 6 months and shall be adopted in final form and become effective not later than 12 months after the date of the enactment of this Act.

SEC. 1112. FUNCTIONS OF THE FEDERAL FINANCIAL INSTITUTIONS REGULATORY AGENCIES RELATING TO APPRAISER QUALIFICATIONS.

Each Federal financial institutions regulatory agency and the Resolution Trust Corporation shall prescribe, in accordance with sections 1113 and 1114 of this title, which categories of federally related transactions should be appraised by a State certified appraiser and which by a State licensed appraiser under this title.

SEC. 1113. TRANSACTIONS REQUIRING THE SERVICES OF A STATE CERTIFIED APPRAISER.

In determining whether an appraisal in connection with a federally related transaction shall be performed by a State certified appraiser, an agency or instrumentality under this title shall consider whether transactions, either individually or collectively, are of sufficient financial or public policy importance to the United States that an individual who performs an appraisal in connection with such transactions should be a State certified appraiser, except that—

(1) a State certified appraiser shall be required for all federally related transactions having a value of $1,000,000 or more; and

(2) 1-to-4 unit, single family residential appraisals may be performed by State licensed appraisers unless the size and complexity requires a State certified appraiser.

SEC. 1114. TRANSACTIONS REQUIRING THE SERVICES OF A STATE LICENSED APPRAISER.

All federally related transactions not requiring the services of a State certified appraiser shall be performed by either a State certified or licensed appraiser.

SEC. 1115. TIME FOR PROPOSAL AND ADOPTION OF RULES.

As appropriate, rules issued under sections 1113 and 1114 shall be proposed not later than 6 months and shall be effective upon adoption in final form not later than 12 months after the date of the enactment of this Act.

SEC. 1116. CERTIFICATION AND LICENSING REQUIREMENTS.

(a) IN GENERAL.—For purposes of this title, the term "State certified real estate appraiser" means any individual who has satisfied the requirements for State certification in a State or territory whose criteria for certification as a real estate appraiser currently meets the minimum criteria for certification

issued by the Appraiser Qualification Board of the Appraisal Foundation.

(b) RESTRICTION.—No individual shall be a State certified real estate appraiser under this section unless such individual has achieved a passing grade upon a suitable examination administered by a State or territory that is consistent with and equivalent to the Uniform State Certification Examination issued or endorsed by the Appraiser Qualification Board of the Appraisal Foundation.

(c) DEFINITION.—As used in this section, the term "State licensed appraiser" means an individual who has satisfied the requirements for State licensing in a State or territory.

(d) ADDITIONAL QUALIFICATION CRITERIA.—Nothing in this title shall be construed to prevent any Federal agency or instrumentality under this title from establishing such additional qualification criteria as may be necessary or appropriate to carry out the statutory responsibilities of such department, agency, or instru nentality.

SEC. 1117. ESTABLISHMENT OF STATE APPRAISER CERTIFYING AND LICENSING AGENCIES.

To assure the availability of State certified and licensed appraisers for the performance in a State of appraisals in federally related transactions and to assure effective supervision of the activities of certified and licensed appraisers, a State may establish a State appraiser certifying and licensing agency.

SEC. 1118. MONITORING OF STATE APPRAISER CERTIFYING AND LICENSING AGENCIES.

(a) IN GENERAL.—The Appraisal Subcommittee shall monitor State appraiser certifying and licensing agencies for the purpose of determining whether a State agency's policies, practices, and procedures are consistent with this title. The Appraisal Subcommittee and all agencies, instrumentalities, and federally recognized entities under this title shall not recognize appraiser certifications and licenses from States whose appraisal policies, practices, or procedures are found to be inconsistent with this title.

(b) DISAPPROVAL BY APPRAISAL SUBCOMMITTEE.—The Federal financial institutions, regulatory agencies, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Resolution Trust Corporation shall accept certifications and licenses awarded by a State appraiser certifying the licensing agency unless the Appraisal Subcommittee issues a written finding that—

(1) the State agency fails to recognize and enforce the standards, requirements, and procedures prescribed pursuant to this title;

(2) the State agency is not granted authority by the State which is adequate to permit the agency to carry out its functions under this title; or

(3) decisions concerning appraisal standards, appraiser qualifications and supervision of appraiser practices are not made in a manner that carries out the purposes of this title.

(c) REJECTION OF STATE CERTIFICATIONS AND LICENSES.—

(1) OPPORTUNITY TO BE HEARD OR CORRECT CONDITIONS.—Before refusing to recognize a State's appraiser certifications or licenses, the Appraisal Subcommittee shall provide that State's certifying and licensing agency a written notice of its intention not to recognize the State's certified or licensed appraisers and ample opportunity to provide rebuttal information or to correct the conditions causing the refusal.

(2) ADOPTION OF PROCEDURES.—The Appraisal Subcommittee shall adopt written procedures for taking actions described in this section.

(3) JUDICIAL REVIEW.—A decision of the subcommittee under this section shall be subject to judicial review.

SEC. 1119. RECOGNITION OF STATE CERTIFIED AND LICENSED APPRAISERS FOR PURPOSES OF THIS TITLE.

(a) EFFECTIVE DATE FOR USE OF CERTIFIED OR LICENSED APPRAISERS ONLY.—

(1) IN GENERAL.—Not later than July 1, 1991, all appraisals performed in connection with federally related transactions shall be performed only by individuals certified or licensed in accordance with the requirements of this title.

(2) EXTENSION OF EFFECTIVE DATE.—Subject to the approval of the council, the Appraisal Subcommittee may extend, until December 31, 1991, the effective date for the use of certified or licensed appraisers if it makes a written finding that a State has made substantial progress in establishing a State certification and licensing system that appears to conform to the provisions of this title.

(b) TEMPORARY WAIVER OF APPRAISER CERTIFICATION OR LICENSING REQUIREMENTS FOR STATE HAVING SCARCITY OF QUALIFIED APPRAISERS.—Subject to the approval of the Council, the Appraisal Subcommittee may waive any requirement relating to certification or licensing of a person to perform appraisals under this title if the Appraisal Subcommittee or a State agency whose certifications and licenses are in compliance with this title, makes a written determination that there is a scarcity of certified or licensed appraisers to perform appraisals in connection with federally related transactions in a State leading to inordinate delays in the performance of such appraisals. The waiver terminates when the Appraisal Subcommittee determines that such inordinate delays have been eliminated.

(c) REPORTS TO STATE CERTIFYING AND LICENSING AGENCIES.—The Appraisal Subcommittee, any other Federal agency or instrumentality, or any federally recognized entity shall report any action of a State certified or licensed appraiser that is contrary to the purposes of this title, to the appropriate State agency for a disposition of the subject of the referral. The State agency shall provide the Appraisal Subcommittee or the other Federal agency or instrumentality with a report on its disposition of the matter referred. Subsequent to such disposition, the subcommittee or the agency or instrumentality may take such further action, pursuant to written procedures, it deems necessary to carry out the purposes of this title.

SEC. 1120. VIOLATIONS IN OBTAINING AND PERFORMING APPRAISALS IN FEDERALLY RELATED TRANSACTIONS.

(a) VIOLATIONS.—Except as authorized by the Appraisal Subcommittee in exercising its waiver authority pursuant to section 1119(b), it shall be a violation of this section—

(1) for a financial institution to seek, obtain, or give money or any other thing of value in exchange for the performance of an appraisal by a person who the institution knows is not a State certified or licensed appraiser in connection with a federally related transaction; and

(2) for the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, or the Resolution Trust Corporation to knowingly contract for the performance of any appraisal by a person who is not a State certified or licensed appraiser in connection with a real estate related financial transaction defined in section 1121(5) to which such association or corporation is a party.

(b) PENALTIES.—A financial institution that violates subsection (a)(1) shall be subject to civil penalties under section 8(i)(2) of the Federal Deposit Insurance Act or section 206(k)(2) of the Federal Credit Union Act, as appropriate.

(c) PROCEEDING.—A proceeding with respect to a violation of this section shall be an administrative proceeding which may be conducted by a Federal financial institutions regulatory agency in accordance with the procedures set forth in subchapter II of chapter 5 of title 5, United States Code.

SEC. 1121. DEFINITIONS.

For purposes of this title:

(1) STATE APPRAISER CERTIFYING AND LICENSING AGENCY.—The term "State appraiser certifying and licensing agency" means a State agency established in compliance with this title.

(2) APPRAISAL SUBCOMMITTEE; SUBCOMMITTEE.—The terms "Appraisal Subcommittee" and "subcommittee" mean the Appraisal Subcommittee of the Federal Financial Institutions Examination Council.

(3) COUNCIL.—The term "Council" means the Federal Financial Institutions Examinations Council.

(4) FEDERALLY RELATED TRANSACTION.—The term "federally related transaction" means any real estate-related financial transaction which—

(A) a federal financial institutions regulatory agency or the Resolution Trust Corporation engages in, contracts for, or regulates; and

(B) requires the services of an appraiser.

(5) REAL ESTATE RELATED FINANCIAL TRANSACTION.—The term "real estate-related financial transaction" means any transaction involving—

(A) the sale, lease, purchase, investment in or exchange of real property, including interests in property, or the financing thereof;

(B) the refinancing of real property or interests in real property; and

(C) the use of real property or interests in property as security for a loan or investment, including mortgage-backed securities.

(6) FEDERAL FINANCIAL INSTITUTIONS REGULATORY AGENCIES.—The term "Federal financial institutions regulatory agencies" means the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporations, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, and the National Credit Union Administration.

(7) FINANCIAL INSTITUTION.—The term "financial institution" means an insured depository institution as defined in section 3 of the Federal Deposit Insurance Act or an insured credit union as defined in section 101 of the Federal Credit Union Act.

(8) CHAIRPERSON.—The term "Chairperson" means the Chairperson of the Appraisal Subcommittee selected by the council.

(9) FOUNDATION.—The terms "Appraisal Foundation" and "Foundation" means the Appraisal Foundation established on November 30, 1987, as a not for profit corporation under the laws of Illinois.

(10) WRITTEN APPRAISAL.—The term "written appraisal" means a written statement used in connection with a federally related transaction that is independently and impartially prepared by a licensed or certified appraiser setting forth an opinion of de-

fined value of an adequately described property as of a specific date, supported by presentation and analysis of relevant market information.

SEC. 1122. MISCELLANEOUS PROVISIONS.

(a) TEMPORARY PRACTICE.—A State appraiser certifying or licensing agency shall recognize on a temporary basis the certification or license of an appraiser issued by another State if—

(1) the property to be appraised is part of a federally related transaction,

(2) the appraiser's business is of a temporary nature, and

(3) the appraiser registers with the appraiser certifying or licensing agency in the State of temporary practice.

(b) SUPPLEMENTAL FUNDING.—Funds available to the Federal financial institutions regulatory agencies may be made available to the Federal Financial Institutions Examination Council to support the council's functions under this title.

(c) PROHIBITION AGAINST DISCRIMINATION.—Criteria established by the Federal financial institutions regulatory agencies, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Resolution Trust Corporation for appraiser qualifications in addition to State certification or licensing shall not exclude a certified or licensed appraiser for consideration for an assignment solely by virtue of membership or lack of membership in any particular appraisal organization.

(d) OTHER REQUIREMENTS.—A corporation, partnership, or other business entity may provide appraisal services in connection with federally related transactions if such appraisal is prepared by individuals certified or licensed in accordance with the requirements of this title. An individual who is not a State certified or licensed appraiser may assist in the preparation of an appraisal if—

(1) the assistant is under the direct supervision of a licensed or certified individual; and

(2) the final appraisal document is approved and signed by an individual who is certified or licensed.

(e) STUDIES.—

(1) STUDY.—The Appraisal Subcommittee shall—

(A) conduct a study to determine whether real estate sales and financing information and data that is available to real estate appraisers in the States is sufficient to permit appraisers to properly estimate the values of properties in connection with federally related transactions; and

(B) study the feasibility and desirability of extending the provisions of this title to the function of personal property appraising and to personal property appraisers in connection with Federal financial and public policy interests.

(2) REPORT.—The Appraisal Subcommittee shall—

(A) report its findings to the Congress with respect to the study described in paragraph (1)(A) no later than 12 months after the date of the enactment of this title, and

(B) report its findings with respect to the study described in paragraph (1)(B) to Congress not later than 18 months after the date of the enactment of this title.

TITLE XII—MISCELLANEOUS PROVISIONS

SEC. 1201. GAO STUDY OF CREDIT UNION SYSTEM.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a comprehensive study of the Nation's credit union system. In conducting the study, the Comptroller General shall examine—

(1) credit unions' present and future role in the financial marketplace;

(2) the financial condition of credit unions;

(3) credit union capital;

(4) credit union regulation and supervision on both the Federal and State levels;

(5) whether the National Credit Union Administration examinations of credit unions are comparable in frequency and quality to supervisory examinations of insured banks and savings associations;

(6) the structure and financial condition of the National Credit Union Share Insurance Fund, including whether supervision of that Fund should be separated from the other functions of the National Credit Union Administration Board; and

(7) whether the common bond rules regarding credit union membership continue to serve their original purpose.

Comparative information with other types of depository institutions should be included.

(b) SUBMISSION.—Before the close of the 18-month period beginning on the date of the enactment of this Act, the Comptroller General shall submit to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a final report which shall contain a detailed statement of findings and conclusions, including recommendations for such administrative and legislative action as the Comptroller General deems advisable.

SEC. 1202. OCC EMPLOYMENT PROVISION.

The 3rd undesignated paragraph of section 5240 of the Revised Statutes (12 U.S.C. 482) is amended—

(1) by striking out the 1st sentence and inserting in lieu thereof the following:

"Notwithstanding any of the preceding provisions of this section to the contrary, the Comptroller of the Currency shall fix the compensation and number of, and appoint and direct, all employees of the Office of the Comptroller of the Currency. Rates of basic pay for all employees of the Office may be set and adjusted by the Comptroller without regard to the provisions of chapter 51 or subchapter III of chapter 53 of title 5, United States Code. The Comptroller may provide additional compensation and benefits to employees of the Office if the same type of compensation or benefits are then being provided by any other Federal bank regulatory agency or, if not then being provided, could be provided by such an agency under applicable provisions of law, rule, or regulation. In setting and adjusting the total amount of compensation and benefits for employees of the Office, the Comptroller shall consult with, and seek to maintain comparability with, other Federal banking agencies."; and

(2) by redesignating the remaining sentences of such undesignated paragraph as a new undesignated paragraph.

SEC. 1203. NCUA EMPLOYMENT PROVISION.

Section 120 of the Federal Credit Union Act (12 U.S.C. 1766) is amended by adding at the end thereof the following new subsection:

"(j) STAFF.—

"(1) APPOINTMENT AND COMPENSATION.—The Board shall fix the compensation and number of, and appoint and direct, employees of the Board. Rates of basic pay for employees of the Board may be set and adjusted by the Board without regard to the provisions of chapter 51 or subchapter III of chapter 53 of title 5, United States Code.

"(2) ADDITIONAL COMPENSATION AND BENEFITS.—The Board may provide additional compensation and benefits to employees of the Board if the same type of compensation or benefits are then being provided by any other Federal bank regulatory agency or, if not then being provided, could be provided by such an agency under applicable provisions of law, rule, or regulation. In setting and adjusting the total amount of compensation and benefits for employees of the Board, the Board shall seek to maintain comparability with other Federal bank regulatory agencies.

"(3) FUNDING.—The salaries and expenses of the Board and employees of the Board shall be paid from fees and assessments (including income earned on insurance deposits) levied on insured credit unions under this Act.".

SEC. 1204. EXPANSION OF USE OF UNDERUTILIZED MINORITY BANKS, WOMEN'S BANKS, AND LOW-INCOME CREDIT UNIONS.

(a) CONSULTATION ON EXPANDED USE.—The Secretary of the Treasury shall consult with the appropriate Federal banking agencies and the National Credit Union Administration Board on methods for increasing the use of underutilized minority banks, women's banks, and limited income credit unions as depositaries or financial agents of Federal agencies.

(b) REPORT TO CONGRESS.—The Secretary of the Treasury shall include, in the 1st annual report submitted to the Congress under section 331(a) of title 31, United States Code, after the completion of the consultation required by subsection (a), a report of the actions taken by the Secretary to increase the use of underutilized minority banks, women's banks, and limited income credit unions as depositaries or financial agents of Federal agencies.

(c) DEFINITIONS.—For purposes of this section:

(1) APPROPRIATE FEDERAL BANKING AGENCY.—The term "appropriate Federal banking agency" has the meaning given to such term in section 3(q) of the Federal Deposit Insurance Act.

(2) MINORITY BANK.—The term "minority bank" means any depository institution described in clause (i), (ii), or (iii) of section 19(b)(1)(A) of the Federal Reserve Act—

(A) more than 50 percent of the ownership or control of which is held by 1 or more minority individuals; and

(B) more than 50 percent of the net profit or loss of which accrues to 1 or more minority individuals.

(3) MINORITY.—The term "minority" means any Black American, Native American, Hispanic American, or Asian American.

(4) LOW-INCOME CREDIT UNION.—The term "low-income credit union" means any depository institution described in section 19(b)(1)(A)(iv) of the Federal Reserve Act which serves predominately low-income members (as defined by the National Credit Union Administration Board pursuant to section 101(5) of the Federal Credit Union Act).

(5) WOMEN'S BANK.—The term "women's bank" means any depository institution described in clause (i), (ii), or (iii) of section 19(b)(1)(A) of the Federal Reserve Act—

(A) more than 50 percent of the outstanding shares of which are held by 1 or more women;

(B) a majority of the directors on the board of directors of which are women; and

(C) a significant percentage of senior management positions of which are held by women.

SEC. 1205. CREDIT STANDARDS ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—There is hereby established the Credit Standards Advisory Committee (in this section referred to as the "Committee").

(b) MEMBERSHIP.—

(1) APPOINTMENT.—The Committee shall consist of 11 members, as follows:

(A) The Chairman of the Board of Governors of the Federal Reserve System, or the Chairman's designee.

(B) The Director of the Office of Thrift Supervision, or the Director's designee.

(C) The Chairperson of the Federal Deposit Insurance Corporation, or the Chairperson's designee.

(D) The Comptroller of the Currency, or the Comptroller's designee.

(E) The Chairman of the National Credit Union Administration, or the Chairman's designee.

(F) 6 members of the public appointed by the President who are knowledgeable with the credit standards and lending practices of insured depository institutions, no more than 3 of whom shall be from the same political party.

(2) TERMS.—Each member appointed under paragraph (1)(F) shall serve for the life of the Committee.

(3) CHAIRPERSON.—The members shall elect a chairperson of the Committee who shall serve for a term of 1 year.

(4) VACANCIES.—Any vacancy on the Committee shall be filled in the manner in which the original appointment was made.

(5) PAY AND EXPENSES.—Members of the Committee shall serve without pay but each member of the Committee shall be reimbursed for expenses incurred in connection with attendance of such members at meetings of the Committee. All expenses of the Committee shall be shared on a pro rata basis, based upon each agency's total budget for the preceding year by the Federal financial regulators specified in subparagraphs (A) through (E) of paragraph (1).

(6) MEETINGS.—The Committee shall meet, not less frequently than quarterly, at the call of the chairperson or a majority of the members.

(c) DUTIES OF THE COMMITTEE.—The Committee shall do the following:

(1) REVIEW CREDIT STANDARDS, LENDING PRACTICES, AND SUPERVISION BY FEDERAL REGULATORS.—Review the credit standards and lending practices of insured depository institutions and the supervision of such standards and practices by the Federal financial regulators.

(2) PREPARE RECOMMENDATIONS.—Prepare written comments and recommendations for the Federal financial regulators to ensure that insured depository institutions adhere to prudential credit standards and lending practices that are consistent for all insured depository institutions, to the maximum extent possible.

(3) MONITOR CREDIT STANDARDS, LENDING PRACTICES, AND SUPERVISION BY FEDERAL REGULATORS.—Monitor the credit standards and lending practices of insured depository institutions, and the supervision of such standards and practices by the Federal financial regulators, to ensure that insured depository institutions can meet the demands of a modern and globally competitive financial world.

(d) ANNUAL REPORT.—

(1) REQUIRED.—Not later than January 30 of each year, the Committee shall submit a report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(2) CONTENTS.—The report required by paragraph (1) shall describe the activities of the Committee during the preceding year and the reports and recommendations made by the Committee to the Federal financial regulators.

(e) CONFLICT OF INTEREST GUIDELINES.—The Committee shall prescribe such guidelines as the Committee determines to be appropriate to avoid conflicts of interest with respect to the disclosure to and use by members of the Committee of information relating to insured depository institutions and the Federal financial regulators.

SEC. 1206. COMPARABILITY IN COMPENSATION SCHEDULES.

The Federal Deposit Insurance Corporation, the Comptroller of the Currency, the National Credit Union Administration Board, the Federal Housing Finance Board, the Oversight Board of the Resolution Trust Corporation, the Farm Credit Administration, and the Office of Thrift Supervision, in establishing and adjusting schedules of compensation and benefits which are to be determined solely by each agency under applicable provisions of law, shall inform the heads of the other agencies and the Congress of such compensation and benefits and shall seek to maintain comparability regarding compensation and benefits.

SEC. 1207. STUDY BY SECRETARY OF THE TREASURY.

Not later than the close of the 18-month period beginning on the date of the enactment of this Act, the Secretary of the Treasury shall conduct a study and report to the Congress on—

(1) whether, and to what extent, the issuance of securities by the United States Government in small denominations benefits small investors, increases the participation of small investors in United States Government securities offerings, and promotes savings and thrift by the average United States taxpayer; and

(2) additional measures the Secretary recommends be taken to expand the availability of securities issued by the United States Government to benefit small investors, increase their participation in United States Government securities offerings, and to promote savings and thrift by the average United States taxpayer.

SEC. 1208. EXPENDITURE OF TAXPAYER MONEY ONLY FOR DEPOSIT INSURANCE PURPOSES.

Funds appropriated to the Secretary of the Treasury pursuant to an authorization contained in this Act, and any amount authorized to be borrowed from the Secretary of the Treasury by any entity pursuant to this Act, may only be used as permitted by law, and may not otherwise be used for making any payment to any shareholder in, or creditor to, any insured depository institution.

SEC. 1209. AMENDMENT TO SECTION 5373 OF TITLE 5, UNITED STATES CODE.

Paragraph (2) of section 5373 of title 5, United States Code, is amended to read as follows:

"(2) sections 248, 482, 1766, and 1819 of title 12, section 206 of the Bank Conservation Act, sections 2B(b) and 21A(e)(4) of the Federal Home Loan Bank Act, section 2A(i) of the Home Owners' Loan Act, and sections 5.11 and 5.58 of the Farm Credit Act of 1971;".

SEC. 1210. FARM CREDIT ADMINISTRATION AND FARM CREDIT SYSTEM INSURANCE CORPORATION EMPLOYMENT PROVISION.

Section 5.11(c)(2) of the Farm Credit Act of 1971 (12 U.S.C. 2245) is amended to read as follows:

"(2) OFFICERS AND EMPLOYEES.—

"(A) APPOINTMENT, COMPENSATION, AND BENEFITS.—The Chairman shall fix the compensation and number of, and appoint and direct, employees of the Administration. The Chairman may set and adjust the rates of basic pay for employees of the Administration without regard to the provisions of chapter 51, or subchapter III of chapter 53, of title 5, United States Code. The Chairman may provide such additional compensation and benefits to employees of the Administration as is necessary to maintain comparability with the total amount of compensation and benefits provided by other Federal bank regulatory agencies. In setting and adjusting the total amount of compensation and benefits for employees of the Administration, the Chairman shall consult with, and seek to maintain comparability with, other Federal bank regulatory agencies.

"(B) OTHER FEDERAL BANK REGULATORY AGENCIES DEFINED.—For purposes of this subsection, the term 'other Federal bank regulatory agencies' has the same meaning given to the term 'appropriate Federal banking agency' in section 3(q) of the Federal Deposit Insurance Act.

"(C) ETHICS IN GOVERNMENT.—The officers and employees of the agency shall be—

"(i) subject to the Ethics in Government Act of 1978; and

"(ii) considered officers or employees of the United States for the purposes of sections 201 through 203, and sections 205 through 209, of title 18, United States Code.".

SEC. 1211. FAIR LENDING OVERSIGHT AND ENFORCEMENT.

(a) INFORMATION REGARDING INCOME LEVEL, RACIAL CHARACTERISTICS, AND GENDER OF MORTGAGORS AND MORTGAGE APPLICANTS.—Section 304(b) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803(b)) is amended—

(1) in paragraph (2), by striking out "and" after the semicolon at the end;

(2) in paragraph (3), by striking out the period at the end and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraph:

"(4) the number and dollar amount of mortgage loans and completed applications involving mortgagors or mortgage applicants grouped according to census tract, income level, racial characteristics, and gender.".

(b) SUBMISSION TO AGENCIES.—Section 304 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803) is amended by adding at the end the following:

"(h) SUBMISSION TO AGENCIES.—The data required to be disclosed under subsection (b)(4) shall be submitted to the appropriate agency for each institution reporting under this title. Notwithstanding the requirement of section 304(a)(2)(A) for disclosure by census tract, the Board, in cooperation with other appropriate regulators, including—

"(1) the Comptroller of the Currency for national banks;

"(2) the Director of the Office of Thrift Supervision for savings associations;

"(3) the Federal Deposit Insurance Corporation for banks insured by the Federal Deposit Insurance Corporation (other than

members of the Federal Reserve System), mutual savings banks, and any other depository institution described in section 303(2)(A) which is not otherwise referred to in this paragraph;

"(4) the National Credit Union Administration Board for credit unions; and

"(5) the Secretary of Housing and Urban Development for other lending institutions not regulated by the agencies referred to in paragraphs (1) through (4),

shall develop regulations prescribing the format for such disclosures, the method for submission of the data to the appropriate regulatory agency, and the procedures for disclosing the information to the public. These regulations shall also require the collection of data required to be disclosed under subsection (b)(4) with respect to loans sold by each institution reporting under this title, and, in addition, shall require disclosure of the class of the purchaser of such loans. Any reporting institution may submit in writing to the appropriate agency such additional data or explanations as it deems relevant to the decision to originate or purchase mortgage loans.".

(c) INFORMATION REGARDING LOAN APPLICATIONS.—

(1) GENERAL REPORTING REQUIREMENT.—Section 304(a)(1) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803(a)(1)) is amended by striking out "originated, or" and inserting in lieu thereof "originated (or for which the institution received completed applications), or".

(2) CONFORMING AMENDMENTS.—

(A) The last sentence of section 304(a)(2) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803(a)(2)) is amended by inserting after "originated or purchased" the following: "(or for which completed applications were received)".

(B) Section 304(g)(1) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803(g)(1)) is amended by inserting after "made" the following: "(or for which completed applications are received)".

(C) Section 304(g)(2) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803(g)(2)) is amended by inserting after "approved" the following: "(or for which completed applications are received)".

(D) The first sentence of section 311 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2810) is amended by inserting after "approved" the following: "(or for which completed applications are received)".

(d) APPLICABILITY OF REPORTING REQUIREMENTS TO ALL MORTGAGE LENDERS.—Section 303(2) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2802(2)) is amended to read as follows:

"(2) the term 'depository institution'—

"(A) means—

"(i) any bank (as defined in section 3(a)(1) of the Federal Deposit Insurance Act);

"(ii) any savings association (as defined in section 3(b)(1) of the Federal Deposit Insurance Act); and

"(iii) any credit union,

which makes federally related mortgage loans as determined by the Board; and

"(B) includes any other lending institution (as defined in paragraph (4)) other than any institution described in subparagraph (A);".

(e) COMPLETED APPLICATION DEFINED.—Section 303 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2802) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (5) and (6), respectively; and

(2) by inserting after paragraph (2) the following new paragraphs:

"(3) the term 'completed application' means an application in which the creditor has received the information that is regularly obtained in evaluating applications for the amount and type of credit requested;

"(4) the term 'other lending institutions' means any person engaged for profit in the business of mortgage lending;".

(f) APPLICABILITY OF HOME MORTGAGE DISCLOSURE ACT.—Section 304(a)(2) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803(a)(2)) is amended by inserting at the end the following new sentence: "For purposes of this paragraph, other lending institutions shall be deemed to have a home office or branch office within a primary metropolitan statistical area, metropolitan statistical area, or consolidated metropolitan statistical area that is not comprised of designated primary metropolitan statistical areas if such institutions have originated or purchased or received completed applications for at least 5 mortgage loans in such area in the preceding calendar year.".

(g) AMENDMENT TO ENFORCEMENT PROVISIONS.—Section 305(b) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2804(b)) is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraph:

"(4) other lending institutions, by the Secretary of Housing and Urban Development.".

(h) REPORT ON UTILITY OF DATA.—Section 308 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2807) is amended to read as follows:

"SEC. 308. REPORT.

"The Board, in consultation with the Secretary of Housing and Urban Development, shall report annually to the Congress on the utility of the requirements of section 304(b)(4).".

(i) CONFORMING AMENDMENT TO FORMAT REQUIREMENT.—Section 304(e) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803(e)) is amended by striking out "The Board" and inserting in lieu thereof "Subject to subsection (h), the Board".

(j) EXEMPTION FROM CERTAIN DISCLOSURE REQUIREMENTS.—Section 304 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803) is amended by inserting after subsection (h) (as added by subsection (b) of this section) the following new subsection:

"(i) EXEMPTION FROM CERTAIN DISCLOSURE REQUIREMENTS.—The requirements of subsection (b)(4) shall not apply with respect to any depository institution described in section 303(2)(A) which has total assets, as of the most recent full fiscal year of such institution, of $30,000,000 or less.".

(k) EFFECTIVE DATE.—The amendments made by this section shall apply to each calendar year beginning after December 31, 1989.

SEC. 1212. AMENDMENT TO THE COMMUNITY REINVESTMENT ACT OF 1977.

(a) CONFORMING AMENDMENT TO DEFINITION OF REGULATED FINANCIAL INSTITUTION.—Section 803(2) of the Community Reinvestment Act of 1977 (12 U.S.C. 2902(2)) is amended by striking out "insured bank as defined in section 3 of the Federal Deposit Insurance Act or an insured institution as defined in section 401 of the National Housing Act" and inserting in lieu thereof "insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act)".

(b) EXAMINATION IMPROVEMENT.—The Community Reinvestment Act of 1977 (12 U.S.C. 2901 et seq.) is amended by adding at the end the following new section:

"SEC. 807. WRITTEN EVALUATIONS.

"(a) REQUIRED.—

"(1) IN GENERAL.—Upon the conclusion of each examination of an insured depository institution under section 804, the appropriate Federal depository institutions regulatory agency shall prepare a written evaluation of the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods.

"(2) PUBLIC AND CONFIDENTIAL SECTIONS.—Each written evaluation required under paragraph (1) shall have a public section and a confidential section.

"(b) PUBLIC SECTION OF REPORT.—

"(1) FINDINGS AND CONCLUSIONS.—The public section of the written evaluation shall—

"(A) state the appropriate Federal depository institutions regulatory agency's conclusions for each assessment factor identified in the regulations prescribed by the Federal depository institutions regulatory agencies to implement this Act;

"(B) discuss the facts supporting such conclusions; and

"(C) contain the institution's rating and a statement describing the basis for the rating.

"(2) ASSIGNED RATING.—The institution's rating referred to in paragraph (1)(C) shall be 1 of the following:

"(A) 'Outstanding record of meeting community credit needs'.

"(B) 'Satisfactory record of meeting community credit needs'.

"(C) 'Needs to improve record of meeting community credit needs'.

"(D) 'Substantial noncompliance in meeting community credit needs'.

Such ratings shall be disclosed to the public on and after July 1, 1990.

"(c) CONFIDENTIAL SECTION OF REPORT.—

"(1) PRIVACY OF NAMED INDIVIDUALS.—The confidential section of the written evaluation shall contain all references that identify any customer of the institution, any employee or officer of the institution, or any person or organization that has provided information in confidence to a Federal or State depository institutions regulatory agency.

"(2) TOPICS NOT SUITABLE FOR DISCLOSURE.—The confidential section shall also contain any statements obtained or made by the appropriate Federal depository institutions regulatory agency in the course of an examination which, in the judgment of the agency, are too sensitive or speculative in nature to disclose to the institution or the public.

"(3) DISCLOSURE TO DEPOSITORY INSTITUTION.—The confidential section may be disclosed, in whole or part, to the institution, if the appropriate Federal depository institutions regulatory agency determines that such disclosure will promote the objectives of this Act. However, disclosure under this paragraph shall not identify a person or organization that has provided information in confidence to a Federal or State depository institutions regulatory agency.".

SEC. 1213. COMPTROLLER GENERAL AUDIT AND ACCESS TO RECORDS.

(a) AUDIT OF AGENCIES OR OTHER PERSONS PERFORMING FUNCTIONS UNDER BANKING LAWS.—

(1) IN GENERAL.—Except as provided in paragraph (2), all agencies, corporations, organizations, and other persons of any description which perform any function or activity under this Act, or any other Act which is amended by this Act, shall be subject to audit by the Comptroller General of the United States with respect to such function or activity.

(2) EXCEPTIONS.—Paragraph (1) shall not apply to—

(A) any function or activity of the Board of Governors of the Federal Reserve System or the Federal Reserve banks that is described in any paragraph of section 714(b) of title 31, United States Code; and

(B) any function or activity of the Federal National Mortgage Association, except as provided in section 309(j) of the Federal National Mortgage Association Charter Act.

(b) AUDIT OF PERSONS PROVIDING CERTAIN GOODS OR SERVICES.—All persons and organizations which, by contract, grant, or otherwise, provide goods or services to, or receive financial assistance from, any agency or other person performing functions or activities under this Act shall be subject to audit by the Comptroller General with respect to such provision of goods or services or receipt of financial assistance.

(c) PROVISIONS APPLICABLE TO AUDITS UNDER THIS SECTION.—

(1) NATURE AND SCOPE OF AUDIT.—The Comptroller General shall determine the nature, scope, and terms and conditions of audits conducted under this section.

(2) COORDINATION WITH OTHER PROVISIONS OF LAW.—The authority of the Comptroller General under this section shall be in addition to any audit authority available to the Comptroller General under other provisions of this Act or any other law.

(3) RIGHTS OF ACCESS, EXAMINATION, AND COPYING.—The Comptroller General, and any duly authorized representative of the Comptroller General, shall have access to, and the right to examine and copy, all records and other recorded information in any form, and to examine any property, within the possession or control of any agency or person which is subject to audit under this section which the Comptroller General deems relevant to an audit conducted under this section.

(4) ENFORCEMENT OF RIGHT OF ACCESS.—The Comptroller General's right of access to information under this section shall be enforceable pursuant to section 716 of title 31, United States Code.

(5) MAINTENANCE OF CONFIDENTIAL RECORDS.—The provisions of section 716(e) of title 31, United States Code, shall apply to information obtained by the Comptroller General under this section.

SEC. 1214. AMENDMENT RELATED TO THE HART-SCOTT-RODINO ACT.

Section 7A(c) of the Clayton Act (15 U.S.C. 18a(c)) is amended—

(1) in paragraph (7), by inserting "section 10(e) of the Home Owners' Loan Act," after "transactions which require agency approval under"; and

(2) in paragraph (8), by striking out ", section 403 or 408(e) of the National Housing Act (12 U.S.C. 1726 and 1730a),".

SEC. 1215. CAPITAL AND ACCOUNTING STANDARDS.

Before the end of the 1-year period beginning on the date of the enactment of this Act, each appropriate Federal banking agency (as defined in section 3(q) of the Federal Deposit Insurance Act) shall establish uniform accounting standards to be used for determining the capital ratios of all federally insured depository institutions and for other regulatory purposes. Each such agency shall report annually to the Chairman and ranking minority member of the Committee on Banking, Housing, and Urban Affairs of the Senate and the Chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs of the House of Representatives any differences between the capital standard used by such agency and capital standards used by any other such agency. Each such report shall contain an explanation of the reasons for any discrepancy in such capital standards, and shall be published in the Federal Register.

SEC. 1216. EQUAL OPPORTUNITY.

(a) IN GENERAL.—For purposes of this Act, Executive Order Numbered 11478, providing for equal employment opportunity in the Federal Government, shall apply to—

(1) the Comptroller of the Currency;

(2) the Director of the Office of Thrift Supervision;

(3) the Federal home loan banks;

(4) the Federal Deposit Insurance Corporation;

(5) the Oversight Board of the Resolution Trust Corporation; and

(6) the Resolution Trust Corporation.

(b) AFFIRMATIVE PROGRAM FOR EQUAL EMPLOYMENT OPPORTUNITY.—For purposes of this Act, sections 1 and 2 of Executive Order Numbered 11478, providing for the adoption and implementation of equal employment opportunity, shall apply to the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(c) SOLICITATION OF CONTRACTS.—The Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Federal Housing Finance Board, the Oversight Board of the Resolution Trust Corporation, and the Resolution Trust Corporation shall each prescribe regulations to establish and oversee a minority outreach program within each such agency to ensure inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, including financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts entered into by the agency with such persons or entities, public and private, in order to manage the institutions and their assets for which the agency is responsible or to perform such other functions authorized under any law applicable to such agency.

(d) REPORT TO CONGRESS.—Before the end of the 180-day period beginning on the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989—

(1) the Federal Deposit Insurance Corporation;

(2) the Comptroller of the Currency;

(3) the Director of the Office of Thrift Supervision;

(5) the Federal Housing Finance Board;

(6) the Oversight Board of the Resolution Trust Corporation;

(7) the Resolution Trust Corporation;

(8) the Federal Home Loan Mortgage Corporation; and

(9) the Federal National Mortgage Association,

shall each submit to the Congress a report containing a complete description of the actions taken by such agency pursuant to subsections (a) and (b) and such recommendations for administrative and legislative action as each such agency may determine to be appropriate to carry out the purposes of such subsection.

SEC. 1217. NCUA POWERS AS LIQUIDATING AGENT AND CONSERVATOR.

(a) IN GENERAL.—Section 207 of the Federal Credit Union Act (12 U.S.C. 1787) is amended—

(1) in subsection (a), by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2);

(2) by striking subsections (d) and (j);

(3) by redesignating subsections (b), (c), (e), (f), (g), (h), and (i) as subsections (j), (k), (l), (m), (n), (o), and (p), respectively;

(4) by inserting after subsection (a) the following new subsections:

"(b) POWERS AND DUTIES OF BOARD AS CONSERVATOR OR LIQUIDATING AGENT.—

"(1) RULEMAKING AUTHORITY OF BOARD.—The Board may prescribe such regulations as the Board determines to be appropriate regarding the conduct of the Board as conservator or liquidating agent.

"(2) GENERAL POWERS.—

"(A) SUCCESSOR TO CREDIT UNION.—The Board shall, as conservator or liquidating agent, and by operation of law, succeed to—

"(i) all rights, titles, powers, and privileges of the credit union, and of any member, accountholder, officer, or director of such credit union with respect to the credit union and the assets of the credit union; and

"(ii) title to the books, records, and assets of any previous conservator or other legal custodian of such credit union.

"(B) OPERATE THE CREDIT UNION.—The Board may, as conservator or liquidating agent—

"(i) take over the assets of and operate the credit union with all the powers of the members or shareholders, the directors, and the officers of the credit union and shall be authorized to conduct all business of the credit union;

"(ii) collect all obligations and money due the credit union;

"(iii) perform all functions of the credit union in the name of the credit union which is consistent with the appointment as conservator or liquidating agent; and

"(iv) preserve and conserve the assets and property of such credit union.

"(C) FUNCTIONS OF CREDIT UNION'S OFFICERS, DIRECTORS, AND SHAREHOLDERS.—The Board may, by regulation or order, provide for the exercise of any function by any member or stockholder, director, or officer of any credit union for which the Board has been appointed conservator or liquidating agent.

"(D) POWERS AS CONSERVATOR.—The Board may, as conservator, take such action as may be—

"(i) necessary to put the credit union in a sound and solvent condition; and

"(ii) appropriate to carry on the business of the credit union and preserve and conserve the assets and property of the credit union.

"(E) ADDITIONAL POWERS AS LIQUIDATING AGENT.—The Board may, as liquidating agent, place the credit union in liquidation and proceed to realize upon the assets of the credit union, having due regard to the conditions of credit in the locality.

"(F) PAYMENT OF VALID OBLIGATIONS.—The Board, as conservator or liquidating agent, shall pay all valid obligations of the credit union in accordance with the prescriptions and limitations of this Act.

"(G) INCIDENTAL POWERS.—The Board may, as conservator or liquidating agent—

"(i) exercise all powers and authorities specifically granted to conservators or liquidating agents, respectively, under this Act and such incidental powers as shall be necessary to carry out such powers; and

"(ii) take any action authorized by this Act,

which the Board determines is in the best interests of the credit union, its account holders, or the Board.

"(3) AUTHORITY OF LIQUIDATING AGENT TO DETERMINE CLAIMS.—

"(A) IN GENERAL.—The Board may, as liquidating agent, determine claims in accordance with the requirements of this subsection and regulations prescribed under paragraph (4).

"(B) NOTICE REQUIREMENTS.—The liquidating agent, in any case involving the liquidation or winding up of the affairs of a closed credit union, shall—

"(i) promptly publish a notice to the credit union's creditors to present their claims, together with proof, to the liquidating agent by a date specified in the notice which shall be not less than 90 days after the publication of such notice; and

"(ii) republish such notice approximately 1 month and 2 months, respectively, after the publication under clause (i).

"(C) MAILING REQUIRED.—The liquidating agent shall mail a notice similar to the notice published under subparagraph (B)(i) at the time of such publication to any creditor shown on the credit union's books—

"(i) at the creditor's last address appearing in such books; or

"(ii) upon discovery of the name and address of a claimant not appearing on the credit union's books within 30 days after the discovery of such name and address.

"(4) RULEMAKING AUTHORITY RELATING TO DETERMINATION OF CLAIMS.—The Board may prescribe regulations regarding the allowance or disallowance of claims by the liquidating agent and providing for administrative determination of claims and review of such determination.

"(5) PROCEDURES FOR DETERMINATION OF CLAIMS.—

"(A) DETERMINATION PERIOD.—

"(i) IN GENERAL.—Before the end of the 180-day period beginning on the date any claim against a credit union is filed with the Board as liquidating agent, the Board shall determine whether to allow or disallow the claim and shall notify the claimant of any determination with respect to such claim.

"(ii) EXTENSION OF TIME.—The period described in clause (i) may be extended by a written agreement between the claimant and the Board.

"(iii) MAILING OF NOTICE SUFFICIENT.—The requirements of clause (i) shall be deemed to be satisfied if the notice of any determination with respect to any claim is mailed to the last address of the claimant which appears—

"(I) on the credit union's books;

"(II) in the claim filed by the claimant; or

"(III) in documents submitted in proof of the claim.

"(iv) CONTENTS OF NOTICE OF DISALLOWANCE.—If any claim filed under clause (i) is disallowed, the notice to the claimant shall contain—

"(I) a statement of each reason for the disallowance; and

"(II) the procedures available for obtaining agency review of the determination to disallow the claim or judicial determination of the claim.

"(B) ALLOWANCE OF PROVEN CLAIMS.—The liquidating agent shall allow any claim received on or before the date specified in the notice published under paragraph (3)(B)(i) by the liquidating agent from any claimant which is proved to the satisfaction of the liquidating agent.

"(C) DISALLOWANCE OF CLAIMS FILED AFTER END OF FILING PERIOD.—

"(i) IN GENERAL.—Except as provided in clause (ii), claims filed after the date specified in the notice published under paragraph (3)(B)(i) shall be disallowed and such disallowance shall be final.

"(ii) CERTAIN EXCEPTIONS.—Clause (i) shall not apply with respect to any claim filed by any claimant after the date specified in the notice published under paragraph (3)(B)(i) and such claim may be considered by the liquidating agent if—

"(I) the claimant did not receive notice of the appointment of the liquidating agent in time to file such claim before such date; and

"(II) such claim is filed in time to permit payment of such claim.

"(D) AUTHORITY TO DISALLOW CLAIMS.—The liquidating agent may disallow any portion of any claim by a creditor or claim of security, preference, or priority which is not proved to the satisfaction of the liquidating agent.

"(E) NO JUDICIAL REVIEW OF DETERMINATION PURSUANT TO SUBPARAGRAPH (D).—No court may review the Board's determination pursuant to subparagraph (D) to disallow a claim.

"(F) LEGAL EFFECT OF FILING.—

"(i) STATUTE OF LIMITATION TOLLED.—For purposes of any applicable statute of limitations, the filing of a claim with the liquidating agent shall constitute a commencement of an action.

"(ii) NO PREJUDICE TO OTHER ACTIONS.—Subject to paragraph (12), the filing of a claim with the liquidating agent shall not prejudice any right of the claimant to continue any action which was filed before the appointment of the liquidating agent.

"(6) PROVISION FOR AGENCY REVIEW OR JUDICIAL DETERMINATION OF CLAIMS.—

"(A) IN GENERAL.—Before the end of the 60-day period beginning on the earlier of—

"(i) the end of the period described in paragraph (5)(A)(i) with respect to any claim against a credit union for which the Board is liquidating agent; or

"(ii) the date of any notice of disallowance of such claim pursuant to paragraph (5)(A)(i),

the claimant may request administrative review of the claim in accordance with subparagraph (A) or (B) of paragraph (7) or file suit on such claim (or continue an action commenced before the appointment of the liquidating agent) in the district or territorial court of the United States for the district within which the credit union's principal place of business is located or the United States District Court for the District of Columbia (and such court shall have jurisdiction to hear such claim).

"(B) STATUTE OF LIMITATIONS.—If any claimant fails to—

"(i) request administrative review of any claim in accordance with subparagraph (A) or (B) of paragraph (7); or

"(ii) file suit on such claim (or continue an action commenced before the appointment of the liquidating agent),

before the end of the 60-day period described in subparagraph (A), the claim shall be deemed to be disallowed (other than any portion of such claim which was allowed by the liquidating agent) as of the end of such period, such disallowance shall be final, and the claimant shall have no further rights or remedies with respect to such claim.

"(7) REVIEW OF CLAIMS.—

"(A) ADMINISTRATIVE HEARING.—If any claimant requests review under this subparagraph in lieu of filing or continuing any action under paragraph (6) and the Board agrees to such request, the Board shall consider the claim after opportunity for a hearing on the record. The final determination of the Board with respect to such claim shall be subject to judicial review under chapter 7 of title 5, United States Code.

"(B) OTHER REVIEW PROCEDURES.—

"(i) IN GENERAL.—The Board shall also establish such alternative dispute resolution processes as may be appropriate for the resolution of claims filed under paragraph (5)(A)(i).

"(ii) CRITERIA.—In establishing alternative dispute resolution processes, the Board shall strive for procedures which are expeditious, fair, independent, and low cost.

"(iii) VOLUNTARY BINDING OR NONBINDING PROCEDURES.—The Board may establish both binding and nonbinding processes, which may be conducted by any government or private party, but all parties, including the claimant and the Board, must agree to the use of the process in a particular case.

"(iv) CONSIDERATION OF INCENTIVES.—The Board shall seek to develop incentives for claimants to participate in the alternative dispute resolution process.

"(8) EXPEDITED DETERMINATION OF CLAIMS.—

"(A) ESTABLISHMENT REQUIRED.—The Board shall establish a procedure for expedited relief outside of the routine claims process established under paragraph (5) for claimants who—

"(i) allege the existence of legally valid and enforceable or perfected security interests in assets of any credit union for which the Board has been appointed liquidating agent; and

"(ii) allege that irreparable injury will occur if the routine claims procedure is followed.

"(B) DETERMINATION PERIOD.—Before the end of the 90-day period beginning on the date any claim is filed in accordance with the procedures established pursuant to subparagraph (A), the Board shall—

"(i) determine—

"(I) whether to allow or disallow such claim; or

"(II) whether such claim should be determined pursuant to the procedures established pursuant to paragraph (5); or

"(ii) notify the claimant of the determination, and if the claim is disallowed, a statement of each reason for the disallowance and the procedure for obtaining agency review or judicial determination.

"(C) PERIOD FOR FILING OR RENEWING SUIT.—Any claimant who files a request for expedited relief shall be permitted to file a suit, or to continue a suit filed before the appointment of the liquidating agent, seeking a determination of the claimant's rights with respect to such security interest after the earlier of—

"(i) the end of the 90-day period beginning on the date of the filing of a request for expedited relief; or

"(ii) the date the Board denies the claim.

"(D) STATUTE OF LIMITATIONS.—If an action described in subparagraph (C) is not filed, or the motion to renew a previously filed suit is not made, before the end of the 30-day period beginning on the date on which such action or motion may be filed in accordance with subparagraph (B), the claim shall be deemed to be disallowed as of the end of such period (other than any portion of such claim which was allowed by the liquidating agent), such disallowance shall be final, and the claimant shall have no further

rights or remedies with respect to such claim.

"(E) LEGAL EFFECT OF FILING.—

"(i) STATUTE OF LIMITATION TOLLED.—For purposes of any applicable statute of limitations, the filing of a claim with the liquidating agent shall constitute a commencement of an action.

"(ii) NO PREJUDICE TO OTHER ACTIONS.—Subject to paragraph (12), the filing of a claim with the liquidating agent shall not prejudice any right of the claimant to continue any action which was filed before the appointment of the liquidating agent.

"(9) AGREEMENT AS BASIS OF CLAIM.—

"(A) REQUIREMENTS.—Except as provided in subparagraph (B), any agreement which does not meet the requirements set forth in section 208(a)(3) shall not form the basis of, or substantially comprise, a claim against the liquidating agent or the Board.

"(B) EXCEPTION TO CONTEMPORANEOUS EXECUTION REQUIREMENT.—Notwithstanding section 208(a)(3), any agreement between a Federal home loan bank or Federal Reserve bank and any insured credit union which was executed before the extension of credit by such bank to such credit union shall be treated as having been executed contemporaneously with such extension of credit for purposes of subparagraph (A).

"(10) PAYMENT OF CLAIMS.—

"(A) IN GENERAL.—The liquidating agent may, in the liquidating agent's discretion and to the extent funds are available, pay creditor claims which are allowed by the liquidating agent, approved by the Board pursuant to a final determination pursuant to paragraph (7) or (8), or determined by the final judgment of any court of competent jurisdiction in such manner and amounts as are authorized under this Act.

"(B) PAYMENT OF DIVIDENDS ON CLAIMS.—The liquidating agent may, in the liquidating agent's sole discretion, pay dividends on proved claims at any time, and no liability shall attach to the Board (in such Board's corporate capacity or as liquidating agent), by reason of any such payment, for failure to pay dividends to a claimant whose claim is not proved at the time of any such payment.

"(11) DISTRIBUTION OF ASSETS.—

"(A) SUBROGATED CLAIMS; CLAIMS OF UNINSURED ACCOUNTHOLDERS AND OTHER CREDITORS.—The liquidating agent shall—

"(i) retain for the account of the Board such portion of the amounts realized from any liquidation as the Board may be entitled to receive in connection with the subrogation of the claims of accountholders; and

"(ii) pay to accountholders and other creditors the net amounts available for distribution to them.

"(B) DISTRIBUTION TO SHAREHOLDERS OF AMOUNTS REMAINING AFTER PAYMENT OF ALL OTHER CLAIMS AND EXPENSES.—In any case in which funds remain after all accountholders, creditors, other claimants, and administrative expenses are paid, the liquidating agent shall distribute such funds to the credit union's shareholders or members together with the accounting report required under paragraph (14)(C).

"(12) SUSPENSION OF LEGAL ACTIONS.—

"(A) IN GENERAL.—After the appointment of a conservator or liquidating agent for an insured credit union, the conservator or liquidating agent may request a stay for a period not to exceed—

"(i) 45 days, in the case of any conservator; and

"(ii) 90 days, in the case of any liquidating agent,

in any judicial action or proceeding to which such credit union is or becomes a party.

"(B) GRANT OF STAY BY ALL COURTS REQUIRED.—Upon receipt of a request by any conservator or liquidating agent pursuant to subparagraph (A) for a stay of any judicial action or proceeding in any court with jurisdiction of such action or proceeding, the court shall grant such stay as to all parties.

"(13) ADDITIONAL RIGHTS AND DUTIES.—

"(A) PRIOR FINAL ADJUDICATION.—The Board shall abide by any final unappealable judgment of any court of competent jurisdiction which was rendered before the appointment of the Board as conservator or liquidating agent.

"(B) RIGHTS AND REMEDIES OF CONSERVATOR OR LIQUIDATING AGENT.—In the event of any appealable judgment, the Board as conservator or liquidating agent shall—

"(i) have all the rights and remedies available to the credit union (before the appointment of such conservator or liquidating agent) and the Board in its corporate capacity, including removal to Federal court and all appellate rights; and

"(ii) not be required to post any bond in order to pursue such remedies.

"(C) NO ATTACHMENT OR EXECUTION.—No attachment or execution may issue by any court upon assets in the possession of the liquidating agent.

"(D) LIMITATION ON JUDICIAL REVIEW.—Except as otherwise provided in this subsection, no court shall have jurisdiction over—

"(i) any claim or action for payment from, or any action seeking a determination of rights with respect to, the assets of any credit union for which the Board has been appointed liquidating agent, including assets which the Board may acquire from itself as such liquidating agent; or

"(ii) any claim relating to any act or omission of such credit union or the Board as liquidating agent.

"(14) STATUTE OF LIMITATIONS FOR ACTIONS BROUGHT BY CONSERVATOR OR LIQUIDATING AGENT.—

"(A) IN GENERAL.—Notwithstanding any provision of any contract, the applicable statute of limitations with regard to any action brought by the Board as conservator or liquidating agent shall be—

"(i) in the case of any contract claim, the longer of—

"(I) the 6-year period beginning on the date the claim accrues; or

"(II) the period applicable under State law; and

"(ii) in the case of any tort claim, the longer of—

"(I) the 3-year period beginning on the date the claim accrues; or

"(II) the period applicable under State law.

"(B) DETERMINATION OF THE DATE ON WHICH A CLAIM ACCRUES.—For purposes of subparagraph (A), the date on which the statute of limitation begins to run on any claim described in such subparagraph shall be the later of—

"(i) the date of the appointment of the Board as conservator or liquidating agent; or

"(ii) the date on which the cause of action accrues.

"(15) ACCOUNTING AND RECORDKEEPING REQUIREMENTS.—

"(A) IN GENERAL.—The Board as conservator or liquidating agent shall, consistent with the accounting and reporting practices and procedures established by the Board, maintain a full accounting of each conservatorship and liquidation or other disposition of credit unions in default.

"(B) ANNUAL ACCOUNTING OR REPORT.—With respect to each conservatorship or liquidation to which the Board was appointed, the Board shall make an annual accounting or report, as appropriate, available to the Comptroller General of the United States or, in the case of a State-chartered credit union, the authority which appointed the Board as conservator or liquidating agent.

"(C) AVAILABILITY OF REPORTS.—Any report prepared pursuant to subparagraph (B) shall be made available by the Board upon request to any shareholder of the credit union for which the Board was appointed conservator or liquidating agent or any other member of the public.

"(D) RECORDKEEPING REQUIREMENT.—After the end of the 6-year period beginning on the date the Board is appointed as liquidating agent of an insured credit union, the Board may destroy any records of such credit union which the Board, in the Board's discretion, determines to be unnecessary unless directed not to do so by a court of competent jurisdiction or governmental agency, or prohibited by law.

"(c) PROVISIONS RELATING TO CONTRACTS ENTERED INTO BEFORE APPOINTMENT OF CONSERVATOR OR LIQUIDATING AGENT.—

"(1) AUTHORITY TO REPUDIATE CONTRACTS.—In addition to any other rights a conservator or liquidating agent may have, the conservator or liquidating agent for any insured credit union may disaffirm or repudiate any contract or lease—

"(A) to which such credit union is a party;

"(B) the performance of which the conservator or liquidating agent, in the conservator's or liquidating agent's discretion, determines to be burdensome; and

"(C) the disaffirmance or repudiation of which the conservator or liquidating agent determines, in the conservator's or liquidating agent's discretion, will promote the orderly administration of the credit union's affairs.

"(2) TIMING OF REPUDIATION.—The conservator or liquidating agent appointed for any insured credit union shall determine whether or not to exercise the rights of repudiation under this subsection within a reasonable period following such appointment.

"(3) CLAIMS FOR DAMAGES FOR REPUDIATION.—

"(A) IN GENERAL.—Except as otherwise provided in subparagraph (C) and paragraphs (4), (5), and (6), the liability of the conservator or liquidating agent for the disaffirmance or repudiation of any contract pursuant to paragraph (1) shall be—

"(i) limited to actual direct compensatory damages; and

"(ii) determined as of—

"(I) the date of the appointment of the conservator or liquidating agent; or

"(II) in the case of any contract or agreement referred to in paragraph (8), the date of the disaffirmance or repudiation of such contract or agreement.

"(B) NO LIABILITY FOR OTHER DAMAGES.—For purposes of subparagraph (A), the term 'actual direct compensatory damages' does not include—

"(i) punitive or exemplary damages;

"(ii) damages for lost profits or opportunity; or

"(iii) damages for pain and suffering.

"(C) MEASURE OF DAMAGES FOR REPUDIATION OF FINANCIAL CONTRACTS.—In the case of any qualified financial contract or agreement to

which paragraph (8) applies, compensatory damages shall be—

"(i) deemed to include normal and reasonable costs of cover or other reasonable measures of damages utilized in the industries for such contract and agreement claims; and

"(ii) paid in accordance with this subsection and subsection (f) except as otherwise specifically provided in this section.

"(4) LEASES UNDER WHICH THE CREDIT UNION IS THE LESSEE.—

"(A) IN GENERAL.—If the conservator or liquidating agent disaffirms or repudiates a lease under which the credit union was the lessee, the conservator or liquidating agent shall not be liable for any damages (other than damages determined pursuant to subparagraph (B)) for the disaffirmance or repudiation of such lease.

"(B) PAYMENTS OF RENT.—Notwithstanding subparagraph (A), the lessor under a lease to which such subparagraph applies shall—

"(i) be entitled to the contractual rent accruing before the later of the date—

"(I) the notice of disaffirmance or repudiation is mailed; or

"(II) the disaffirmance or repudiation becomes effective,

unless the lessor is in default or breach of the terms of the lease;

"(ii) have no claim for damages under any acceleration clause or other penalty provision in the lease; and

"(iii) have a claim for any unpaid rent, subject to all appropriate offsets and defenses, due as of the date of the appointment which shall be paid in accordance with this subsection and subsection (b).

"(5) LEASES UNDER WHICH THE CREDIT UNION IS THE LESSOR.—

"(A) IN GENERAL.—If the conservator or liquidating agent repudiates an unexpired written lease of real property of the credit union under which the credit union is the lessor and the lessee is not, as of the date of such repudiation, in default, the lessee under such lease may either—

"(i) treat the lease as terminated by such repudiation; or

"(ii) remain in possession of the leasehold interest for the balance of the term of the lease unless the lessee defaults under the terms of the lease after the date of such repudiation.

"(B) PROVISIONS APPLICABLE TO LESSEE REMAINING IN POSSESSION.—If any lessee under a lease described in subparagraph (A) remains in possession of a leasehold interest pursuant to clause (ii) of such subparagraph—

"(i) the lessee—

"(I) shall continue to pay the contractual rent pursuant to the terms of the lease after the date of the repudiation of such lease;

"(II) may offset against any rent payment which accrues after the date of the repudiation of the lease, any damages which accrue after such date due to the nonperformance of any obligation of the credit union under the lease after such date; and

"(ii) the conservator or liquidating agent shall not be liable to the lessee for any damages arising after such date as a result of the repudiation other than the amount of any offset allowed under clause (i)(II).

"(6) CONTRACTS FOR THE SALE OF REAL PROPERTY.—

"(A) IN GENERAL.—If the conservator or liquidating agent repudiates any contract (which meets the requirements of each paragraph of section 208(a)(3)) for the sale of real property and the purchaser of such real property under such contract is in possession and is not, as of the date of such repudiation, in default, such purchaser may either—

'(i) treat the contract as terminated by such repudiation; or

"(ii) remain in possession of such real property.

"(B) PROVISIONS APPLICABLE TO PURCHASER REMAINING IN POSSESSION.—If any purchaser of real property under any contract described in subparagraph (A) remains in possession of such property pursuant to clause (ii) of such subparagraph—

"(i) the purchaser—

"(I) shall continue to make all payments due under the contract after the date of the repudiation of the contract; and

"(II) may offset against any such payments any damages which accrue after such date due to the nonperformance (after such date) of any obligation of the credit union under the contract; and

"(ii) the conservator or liquidating agent shall—

"(I) not be liable to the purchaser for any damages arising after such date as a result of the repudiation other than the amount of any offset allowed under clause (i)(II);

"(II) deliver title to the purchaser in accordance with the provisions of the contract; and

"(III) have no obligation under the contract other than the performance required under subclause (II).

"(C) ASSIGNMENT AND SALE ALLOWED.—

"(i) IN GENERAL.—No provision of this paragraph shall be construed as limiting the right of the conservator or liquidating agent to assign the contract described in subparagraph (A) and sell the property subject to the contract and the provisions of this paragraph.

"(ii) NO LIABILITY AFTER ASSIGNMENT AND SALE.—If an assignment and sale described in clause (i) is consummated, the conservator or liquidating agent shall have no further liability under the contract described in subparagraph (A) or with respect to the real property which was the subject of such contract.

"(7) PROVISIONS APPLICABLE TO SERVICE CONTRACTS.—

"(A) SERVICES PERFORMED BEFORE APPOINTMENT.—In the case of any contract for services between any person and any insured credit union for which the Board has been appointed conservator or liquidating agent, any claim of such person for services performed before the appointment of the conservator or the liquidating agent shall be—

"(i) a claim to be paid in accordance with subsection (b); and

"(ii) deemed to have arisen as of the date the conservator or liquidating agent was appointed.

"(B) SERVICES PERFORMED AFTER APPOINTMENT AND PRIOR TO REPUDIATION.—If, in the case of any contract for services described in subparagraph (A), the conservator or liquidating agent accepts performance by the other person before the conservator or liquidating agent makes any determination to exercise the right of repudiation of such contract under this section—

"(i) the other party shall be paid under the terms of the contract for the services performed; and

"(ii) the amount of such payment shall be treated as an administrative expense of the conservatorship or liquidation.

"(C) ACCEPTANCE OF PERFORMANCE NO BAR TO SUBSEQUENT REPUDIATION.—The acceptance by any conservator or liquidating agent of services referred to in subparagraph (B) in connection with a contract described in such subparagraph shall not affect the right of the conservator or liquidating agent to repudiate such contract under this section at any time after such performance.

"(8) CERTAIN QUALIFIED FINANCIAL CONTRACTS.—

"(A) RIGHTS OF PARTIES TO CONTRACTS.—Subject to paragraph (12) of this subsection and notwithstanding any other provision of this Act (other than subsection (b)(9) of this section and section 208(a)(3)), any other Federal law, or the law of any State, no person shall be stayed or prohibited from exercising—

"(i) any right to cause the termination or liquidation of any qualified financial contract with an insured credit union which arises upon the appointment of the Board as liquidating agent for such credit union at any time after such appointment;

"(ii) any right under any security arrangement relating to any contract or agreement described in clause (i); or

"(iii) any right to offset or net out any termination value, payment amount, or other transfer obligation arising under or in connection with 1 or more contracts and agreements described in clause (i), including any master agreement for such contracts or agreements.

"(B) APPLICABILITY OF OTHER PROVISIONS.—Subsection (b)(12) shall apply in the case of any judicial action or proceeding brought against any liquidating agent referred to in subparagraph (A), or the credit union for which such liquidating agent was appointed, by any party to a contract or agreement described in subparagraph (A)(i) with such credit union.

"(C) CERTAIN TRANSFERS NOT AVOIDABLE.—

"(i) IN GENERAL.—Notwithstanding paragraph (11), the Board, whether acting as such or as conservator or liquidating agent of an insured credit union, may not avoid any transfer of money or other property in connection with any qualified financial contract with an insured credit union.

"(ii) EXCEPTION FOR CERTAIN TRANSFERS.—Clause (i) shall not apply to any transfer of money or other property in connection with any qualified financial contract with an insured credit union if the Board determines that the transferee had actual intent to hinder, delay, or defraud such credit union, the creditors of such credit union, or any conservator or liquidating agent appointed for such credit union.

"(D) CERTAIN CONTRACTS AND AGREEMENTS DEFINED.—For purposes of this subsection—

"(i) QUALIFIED FINANCIAL CONTRACT.—The term 'qualified financial contract' means any securities contract, forward contract, repurchase agreement, and any similar agreement that the Board determines by regulation to be a qualified financial contract for purposes of this paragraph.

"(ii) SECURITIES CONTRACT.—The term 'securities contract'—

"(I) has the meaning given to such term in section 741(7) of title 11, United States Code, except that the term 'security' (as used in such section) shall be deemed to include any mortgage loan, any mortgage-related security (as defined in section 3(a)(41) of the Securities Exchange Act of 1934), and any interest in any mortgage loan or mortgage-related security; and

"(II) does not include any participation in a commercial mortgage loan unless the Board determines by regulation, resolution, or order to include any such participation within the meaning of such term.

"(iii) FORWARD CONTRACT.—The term 'forward contract' has the meaning given to such term in section 101(24) of title 11, United States Code.

"(iv) REPURCHASE AGREEMENT.—The term 'repurchase agreement'—

"(I) has the meaning given to such term in section 101(41) of title 11, the United States Code, except that the items (as described in such section) which may be subject to any such agreement shall be deemed to include mortgage-related securities (as such term is defined in section 3(a)(41) of the Securities Exchange Act of 1934, any mortgage loan, and any interest in any mortgage loan; and

"(II) does not include any participation in a commercial mortgage loan unless the Board determines by regulation, resolution, or order to include any such participation within the meaning of such term.

"(v) TRANSFER.—The term 'transfer' has the meaning given to such term in section 101(50) of title 11, United States Code.

"(E) CERTAIN PROTECTIONS IN EVENT OF APPOINTMENT OF CONSERVATOR.—Notwithstanding any other provision of this Act (other than paragraph (12) of this subsection, subsection (b)(9) of this section, and section 208(a)(3) of this Act), any other Federal law, or the law of any State, no person shall be stayed or prohibited from exercising—

"(i) any right such person has to cause the termination, liquidation, or acceleration of any qualified financial contract with a credit union in a conservatorship based upon a default under such financial contract which is enforceable under applicable noninsolvency law;

"(ii) any right under any security arrangement relating to such qualified financial contracts; or

"(iii) any right to offset or net out any termination values, payment amounts, or other transfer obligations arising under or in connection with such qualified financial contracts.

"(9) TRANSFER OF QUALIFIED FINANCIAL CONTRACTS.—In making any transfer of assets or liabilities of a credit union in default which includes any qualified financial contract, the conservator or liquidating agent for such credit union shall either—

"(A) transfer to 1 credit union (other than a credit union in default)—

"(i) all qualified financial contracts between—

"(I) any person or any affiliate of such person; and

"(II) the credit union in default;

"(ii) all claims of such person or any affiliate of such person against such credit union under any such contract (other than any claim which, under the terms of any such contract, is subordinated to the claims of general unsecured creditors of such credit union);

"(iii) all claims of such credit union against such person or any affiliate of such person under any such contract; and

"(iv) all property securing any claim described in clause (ii) or (iii) under any such contract; or

"(B) transfer none of the financial contracts, claims, or property referred to in subparagraph (A) (with respect to such person and any affiliate of such person).

"(10) NOTIFICATION OF TRANSFER.—

"(A) IN GENERAL.—If—

"(i) the conservator or liquidating agent for an insured credit union in default makes any transfer of the assets and liabilities of such credit union; and

"(ii) the transfer includes any qualified financial contract,

the conservator or liquidating agent shall use such conservator's or liquidating agent's best efforts to notify any person who is a party to any such contract of such transfer by 12:00, noon (local time), on the business day following such transfer.

"(B) BUSINESS DAY DEFINED.—For purposes of this paragraph, the term 'business day' means any day other than any Saturday, Sunday, or any day on which either the New York Stock Exchange or the Federal Reserve Bank of New York is closed.

"(11) CERTAIN SECURITY INTERESTS NOT AVOIDABLE.—No provision of this subsection shall be construed as permitting the avoidance of any legally enforceable or perfected security interest in any of the assets of any credit union except where such an interest is taken in contemplation of the credit union's insolvency or with the intent to hinder, delay, or defraud the credit union or the creditors of such credit union.

"(12) AUTHORITY TO ENFORCE CONTRACTS.—

"(A) IN GENERAL.—The conservator or liquidating agent may enforce any contract, other than a director's or officer's liability insurance contract or a credit union bond, entered into by the credit union notwithstanding any provision of the contract providing for termination, default, acceleration, or exercise of rights upon, or solely by reason of, insolvency or the appointment of a conservator or liquidating agent.

"(B) CERTAIN RIGHTS NOT AFFECTED.—No provision of this paragraph may be construed as impairing or affecting any right of the conservator or liquidating agent to enforce or recover under a directors or officers liability insurance contract or credit union bond under other applicable law.

"(13) EXCEPTION FOR FEDERAL RESERVE AND FEDERAL HOME LOAN BANKS.—No provision of this subsection shall apply with respect to—

"(A) any extension of credit from any Federal home loan bank or Federal Reserve bank to any insured depository institution; or

"(B) any security interest in the assets of the institution securing any such extension of credit.

"(d) PAYMENT OF INSURED DEPOSITS.—

"(1) IN GENERAL.—In case of the liquidation of any insured credit union, payment of the insured deposits in such credit union shall be made by the Board as soon as possible, subject to the provisions of subsection (e) of this section, either by cash or by making available to each accountholder a transferred deposit in a new credit union in the same community or in another insured credit union in an amount equal to the insured deposit of such accountholder.

"(2) PROOF OF CLAIMS.—The Board, in its discretion, may require proof of claims to be filed and may approve or reject such claims for insured deposits.

"(3) RESOLUTION OF DISPUTES.—

"(A) RESOLUTIONS IN ACCORDANCE TO BOARD REGULATIONS.—In the case of any disputed claim relating to any insured deposit or any determination of insurance coverage with respect to any deposit, the Board may resolve such disputed claim in accordance with regulations prescribed by the Board establishing procedures for resolving such claims.

"(B) ADJUDICATION OF CLAIMS.—If the Board has not prescribed regulations establishing procedures for resolving disputed claims, the Board may require the final determination of a court of competent jurisdiction before paying any such claim.

"(4) REVIEW OF BOARD'S DETERMINATION.—Final determination made by the Board shall be reviewable in accordance with chapter 7 of title 5, United States Code, by the United States Court of Appeals for the District of Columbia or the court of appeals for the Federal judicial circuit where the principal place of business of the credit union is located.

"(5) STATUTE OF LIMITATIONS.—Any request for review of a final determination by the Board shall be filed with the appropriate circuit court of appeals not later than 60 days after such determination is ordered.

"(e) SUBROGATION OF BOARD.—

"(1) IN GENERAL.—Notwithstanding any other provision of Federal law, the law of any State, or the constitution of any State, the Board, upon the payment to any accountholder as provided in subsection (d) in connection with any insured credit union described in such subsection or the assumption of any deposit in such credit union by another insured credit union pursuant to this section, shall be subrogated to all rights of the accountholder against such credit union to the extent of such payment or assumption.

"(2) DIVIDENDS ON SUBROGATED AMOUNTS.—The subrogation of the Board under paragraph (1) with respect to any insured credit union shall include the right on the part of the Board to receive the same dividends from the proceeds of the assets of such credit union as would have been payable to the accountholder on a claim for the insured deposit, but such accountholder shall retain such claim for any uninsured or unassumed portion of the deposit.

"(f) VALUATION OF CLAIMS IN DEFAULT.—

"(1) IN GENERAL.—Notwithstanding any other provision of Federal law or the law of any State, this subsection shall govern the rights of the creditors (other than insured accountholders) of such credit union.

"(2) MAXIMUM LIABILITY.—The maximum liability of the Board, acting as liquidating agent or in any other capacity, to any person having a claim against the liquidating agent or the insured credit union for which such liquidating agent is appointed shall equal the amount such claimant would have received if the Board had liquidated the assets and liabilities of such credit union without exercising the Board's authority under subsection (n) of this section.

"(3) ADDITIONAL PAYMENTS AUTHORIZED.—

"(A) IN GENERAL.—The Board may, in its discretion and in the interests of minimizing its losses, use its own resources to make additional payments or credit additional amounts to or with respect to or for the account of any claimant or category of claimants. The Board shall not be obligated, as a result of having made any such payment or credited any such amount to or with respect to or for the account of any claimant or category of claimants, to make payments to any other claimant or category or claimants.

"(B) MANNER OF PAYMENT.—The Board may make the payments or credit the amounts specified in subparagraph (A) directly to the claimants or may make such payments or credit such amounts to an open insured credit union to induce the open insured credit union to accept liability for such claims.

"(g) LIMITATION ON COURT ACTION.—Except as provided in this section, no court may take any action, except at the request of the Board of Directors by regulation or order, to restrain or affect the exercise of powers or functions of the Board as a conservator or a liquidating agent.

"(h) LIABILITY OF DIRECTORS AND OFFICERS.—A director or officer of an insured credit union may be held personally liable for monetary damages in any civil action by, on behalf of, or at the request or direction of

the Board, which action is prosecuted wholly or partially for the benefit of the Board—

"(1) acting as conservator or liquidating agent of such insured credit union,

"(2) acting based upon a suit, claim, or cause of action purchased from, assigned by, or otherwise conveyed by such liquidating agent or conservator, or

"(3) acting based upon a suit, claim, or cause of action purchased from, assigned by, or otherwise conveyed in whole or in part by an insured credit union or its affiliate in connection with assistance provided under section 208,

for gross negligence, including any similar conduct or conduct that demonstrates a greater disregard of a duty of care (than gross negligence) including intentional tortious conduct, as such terms are defined and determined under applicable State law. Nothing in this paragraph shall impair or affect any right, if any, of the Board under other applicable law.

"(i) DAMAGES.—In any proceeding related to any claim against an insured credit union's director, officer, employee, agent, attorney, accountant, appraiser, or any other party employed by or providing services to an insured credit union, recoverable damages determined to result from the improvident or otherwise improper use or investment of any insured credit union's assets shall include principal losses and appropriate interest."; and

(5) in subsection (k) (as so redesignated by paragraph (3) of this subsection) by striking out the 1st and 5th sentences.

(b) LIMITATION ON COURT ACTION.—Section 206(h)(3) of the Federal Credit Union Act (12 U.S.C. 1786(h)(3)) is amended by adding at the end thereof the following sentence: "Except as provided in this paragraph, no court may take any action, except at the request of the Board by regulation or order, to restrain or affect the exercise of powers or functions of the Board as conservator.".

SEC. 1218. RISK MANAGEMENT TRAINING.

The Federal Financial Institutions Examination Council Act (12 U.S.C. 3301 et seq.) is amended by adding at the end the following new section:

"SEC. 1009A. RISK MANAGEMENT TRAINING.

"(a) SEMINARS.—The Council shall develop and administer training seminars in risk management for its employees and the employees of insured financial institutions.

"(b) STUDY OF RISK MANAGEMENT TRAINING PROGRAM.—Not later than end of the 1-year period beginning on the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the Council shall—

"(1) conduct a study on the feasibility and appropriateness of establishing a formalized risk management training program designed to lead to the certification of Risk Management Analysts; and

"(2) report to the Congress the results of such study.".

SEC. 1219. CROSS-MARKETING RESTRICTIONS.

Section 4(f)(3)(B) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)(3)(B)) is amended by striking clause (ii) and inserting the following:

"(ii) offer or market products or services of an affiliate that are not permissible for bank holding companies to provide under subsection (c)(8), or permit its products or services to be offered or marketed in connection with products and services of an affiliate, unless—

"(I) the Board, by regulation, has determined such products and services are permissible for bank holding companies to provide under subsection (c)(8);

"(II) such products and services are described in section 20 of the Banking Act of 1933 and the Board, by regulation, has permitted bank holding companies to offer or market such products or services, but has prohibited bank holding companies and their affiliates from principally engaging in the offering or marketing of such products or services; or

"(III) such products or services were being so offered or marketed as of March 5, 1987, and then only in the same manner in which they were being offered or marketed as of that date;".

SEC. 1220. REPORT ON LOAN DISCRIMINATION.

(a) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Secretary of Housing and Urban Development, the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration Board, and the Director of the Office of Thrift Supervision, shall each transmit to the Congress a report containing—

(1) findings, based on a review of currently available loan acceptance and rejection statistics, on the extent of discriminatory lending practices by mortgage lenders subject to regulation or supervision by such agency; and

(2) recommendations for appropriate measures to assure nondiscriminatory lending practices.

(b) SCOPE OF HUD REPORT.—The Secretary of Housing and Urban Development may exclude from the report under subsection (a) any data pertaining to mortgage lenders which are approved mortgages under title II of the National Housing Act if data pertaining to such lenders is or will be included in the other reports under such subsection.

SEC. 1221. SEPARABILITY OF PROVISIONS.

If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of the Act and the application of the provision to other persons not similarly situated or to other circumstances shall not be affected thereby.

TITLE XIII—PARTICIPATION BY STATE HOUSING FINANCE AUTHORITIES AND NONPROFIT ENTITIES

SEC. 1301. DEFINITIONS.

For purposes of this title:

(1) STATE HOUSING FINANCE AUTHORITY.—The term "State housing finance authority" means any public agency, authority, or corporation which—

(A) serves as an instrumentality of any State or any political subdivision of any State; and

(B) functions as a source of residential mortgage loan financing in that State.

(2) NONPROFIT ENTITY.—The term "nonprofit entity" means any not-for-profit corporation chartered under State law that is exempt from Federal taxation under section 501(c) of the Internal Revenue Code of 1986 and no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual (including any nonprofit entity established by the corporation established under title IX of the Housing and Urban Development Act of 1968).

(3) MORTGAGE-RELATED ASSETS.—The term "mortgage-related assets" means—

(A) residential mortgage loans secured by 1- to 4-family or multifamily dwellings; and

(B) real property improved with 1- to 4-family or multifamily residential dwellings, which are located within the jurisdiction of the applicable State housing finance authority or within the geographical area served by the nonprofit entity.

(4) NET INCOME.—The term "net income" means income after deduction of all associated expenses calculated in accordance with generally accepted accounting principles.

SEC. 1302. AUTHORIZATION FOR STATE HOUSING FINANCE AGENCIES AND NONPROFIT ENTITIES TO PURCHASE MORTGAGE-RELATED ASSETS.

(a) AUTHORIZATION.—Notwithstanding any other provision of Federal or State law, a State housing finance authority or nonprofit entity may purchase mortgage-related assets from the Resolution Trust Corporation or from financial institutions with respect to which the Federal Deposit Insurance Corporation is acting as a conservator or receiver (including assets associated with any trust business), and any contract for such purchase shall be effective in accordance with its terms without any further approval, assignment, or consent with respect to that contract.

(b) INVESTMENT REQUIREMENT.—Any State housing finance authority or nonprofit entity which purchases mortgage-related assets pursuant to subsection (a) shall invest any net income attributable to the ownership of those assets in financing, refinancing, or rehabilitating low- and moderate-income housing within the jurisdiction of the State housing finance authority or within the geographical area served by the nonprofit entity.

TITLE XIV—TAX PROVISIONS

SEC. 1401. EARLY TERMINATION OF SPECIAL REORGANIZATION RULES FOR FINANCIAL INSTITUTIONS.

(a) GENERAL RULE.—

(1) REORGANIZATIONS.—Subparagraph (D) of section 368(a)(3) of the Internal Revenue Code of 1986 (as amended by section 4012 of the Technical and Miscellaneous Revenue Act of 1988) is amended to read as follows:

"(D) AGENCY RECEIVERSHIP PROCEEDINGS WHICH INVOLVE FINANCIAL INSTITUTIONS.—For purposes of subparagraphs (A) and (B), in the case of a receivership, foreclosure, or similar proceeding before a Federal or State agency involving a financial institution referred to in section 581 or 591, the agency shall be treated as a court."

(2) NET OPERATING LOSS RULES.—The last sentence of section 382(l)(5)(F) of such Code (as so amended) is amended by striking "after December 31, 1989" and inserting "on or after May 10, 1989".

(3) FINANCIAL ASSISTANCE.—

(A) Section 597 of such Code (as so amended) is amended to read as follows:

"SEC. 597. TREATMENT OF TRANSACTIONS IN WHICH FEDERAL FINANCIAL ASSISTANCE PROVIDED.

"(a) GENERAL RULE.—The treatment for purposes of this chapter of any transaction in which Federal financial assistance is provided with respect to a bank or domestic building and loan association shall be determined under regulations prescribed by the Secretary.

"(b) PRINCIPLES USED IN PRESCRIBING REGULATIONS.—

"(1) TREATMENT OF TAXABLE ASSET ACQUISITIONS.—In the case of any acquisition of assets to which section 381(a) does not apply, the regulations prescribed under subsection (a) shall—

"(A) provide that Federal financial assistance shall be properly taken into account by

the institution from which the assets were acquired, and

"(B) provide the proper method of allocating basis among the assets so acquired (including rights to receive Federal financial assistance).

"(2) OTHER TRANSACTIONS.—In the case of any transaction not described in paragraph (1), the regulations prescribed under subsection (a) shall provide for the proper treatment of Federal financial assistance and appropriate adjustments to basis or other tax attributes to reflect such treatment.

"(3) DENIAL OF DOUBLE BENEFIT.—No regulations prescribed under this section shall permit the utilization of any deduction (or other tax benefit) if such amount was in effect reimbursed by nontaxable Federal financial assistance.

"(c) FEDERAL FINANCIAL ASSISTANCE.—The purposes of this section, the term 'Federal financial assistance' means—

"(1) any money or other property provided with respect to a domestic building and loan association by the Federal Savings and Loan Insurance Corporation or the Resolution Trust Corporation pursuant to section 406(f) of the National Housing Act or section 21A of the Federal Home Loan Bank Act (or under any other similar provision of law), and

"(2) any money or other property provided with respect to a bank or domestic building and loan association by the Federal Deposit Insurance Corporation pursuant to section 11(f) or 13(c) of the Federal Deposit Insurance Act (or under any other similar provision of law),

regardless of whether any note or other instrument is issued in exchange therefor.

"(d) DOMESTIC BUILDING AND LOAN ASSOCIATION.—For purposes of this section, the term 'domestic building and loan association' has the meaning given such term by section 7701(a)(19) without regard to subparagraph (C) thereof."

(B) Subparagraph (B) of section 904(c)(2) of the Tax Reform Act of 1986 is hereby repealed.

(C) The table of sections for part II of subchapter H of chapter 1 of such Code is amended by striking the item relating to section 597 and inserting the following:

"Sec. 597. Treatment of transactions in which Federal financial assistance provided."

(b) TECHNICAL AMENDMENTS.—

(1) Section 904 of the Tax Reform Act of 1986 (other than subsection (c)(2)(B) thereof) is hereby repealed and the Internal Revenue Code of 1986 shall be applied as if the amendments made by such section had not been enacted.

(2) The last sentence of paragraph (3) of section 4012(c) of the Technical and Miscellaneous Revenue Act of 1988 is amended to read as follows:

"In the case of any bank or any institution treated as a domestic building and loan association for purposes of section 597 of the 1986 Code by reason of the amendment made by subsection (b)(2)(B), the amendments made by this subsection shall also apply to any transfer before January 1, 1989, to which the amendments made by subsection (b)(2) apply."

(3) The last sentence of section 593(e)(1) of such Code is amended to read as follows: "This paragraph shall not apply to any transaction to which section 381 applies, or to any distribution to the Federal Savings and Loan Insurance Corporation (or any successor thereof) or the Federal Deposit Insurance Corporation in redemption of an interest in an association, if such interest was originally received by any such entity in exchange for assistance provided under a provision of law referred to in section 597(c).".

(c) EFFECTIVE DATES.—

(1) SUBSECTION (a)(1).—The amendment made by subsection (a)(1) shall apply to acquisitions on or after May 10, 1989.

(2) SUBSECTION (a)(2).—The amendment made by subsection (a)(2) shall apply to transactions on or after May 10, 1989.

(3) SUBSECTION (a)(3).—

(A) IN GENERAL.—The amendments made by subsection (a)(3) shall apply to any amount received or accrued by the financial institution on or after May 10, 1989, except that such amendments shall not apply to transfers on or after such date pursuant to an acquisition to which the amendment made by subsection (a)(1) does not apply.

(B) INTERIM RULE.—In the case of any payment pursuant to a transaction on or after May 10, 1989, and before the date on which the Secretary of the Treasury (or his delegate) takes action in exercise of his regulatory authority under section 597 of the Internal Revenue Code of 1986 (as amended by subsection (a)(3)), the taxpayer may rely on the legislative history for the amendments made by subsection (a)(3) in determining the proper treatment of such payment.

(4) SUBSECTION (b)(1).—The provisions of subsection (b)(1) shall take effect on the date of the enactment of the Tax Reform Act of 1986.

(5) SUBSECTION (b)(2).—The amendment made by subsection (b)(2) shall take effect on the date of the enactment of the Technical and Miscellaneous Revenue Act of 1988.

(6) SUBSECTION (b)(3).—The amendment made by subsection (b)(3) shall take effect on the date of the enactment of this Act.

(7) CLARIFICATION OF PRIOR LAW.—Any reference to the Federal Savings and Loan Insurance Corporation in section 597 of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of this Act) shall be treated as including a reference to the Resolution Trust Corporation and the FSLIC Resolution Fund.

SEC. 1402. TAX EXEMPTION FOR RESOLUTION TRUST CORPORATION AND RESOLUTION FUNDING CORPORATION.

(a) GENERAL RULE.—Subsection (l) of section 501 of the Internal Revenue Code of 1986 (relating to government corporations exempt under subsection (c)(1)) is amended to read as follows:

"(l) GOVERNMENT CORPORATIONS EXEMPT UNDER SUBSECTION (c)(1).—For purposes of subsection (c)(1), the following organizations are described in this subsection:

"(1) The Central Liquidity Facility established under title III of the Federal Credit Union Act (12 U.S.C. 1795 et seq.).

"(2) The Resolution Trust Corporation established under section 21A of the Federal Home Loan Bank Act.

"(3) The Resolution Funding Corporation established under section 21B of the Federal Home Loan Bank Act."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 1403. ANNUAL REPORTS ON TRANSACTIONS IN WHICH FEDERAL FINANCIAL ASSISTANCE PROVIDED.

(a) IN GENERAL.—The Secretary of the Treasury or his delegate shall submit to the Senate and to the Committee on Ways and Means of the House of Representatives annual reports on—

(1)(A) the transactions which occur during the year for which the report is made and with respect to which Federal financial assistance is provided;

(B) the aggregate amount of Federal financial assistance provided with respect to such transactions; and

(C) any tax benefits available by reason of such transactions; and

(2) the aggregate amount of Federal financial assistance provided during such year, and the aggregate tax benefits utilized during such year, which are attributable to such transactions in prior years.

(b) DEFINITION.—For purposes of this section, the term "Federal financial assistance" means any assistance to which section 597 of the Internal Revenue Code of 1986 applies.

SEC. 1404. STUDIES OF RELATIONSHIP BETWEEN PUBLIC DEBT AND ACTIVITIES OF GOVERNMENT-SPONSORED ENTERPRISES.

(a) IN GENERAL.—In order to better manage the bonded indebtedness of the United States, the Secretary shall conduct 2 annual studies to assess the financial safety and soundness of the activities of all Government-sponsored enterprises and the impact of their operations on Federal borrowing.

(b) ACCESS TO RELEVANT INFORMATION.—

(1) INFORMATION FROM GSE'S.—Each Government-sponsored enterprise shall provide full and prompt access to the Secretary to its books and records, and shall promptly provide any other information requested by the Secretary.

(2) INFORMATION FROM SUPERVISORY AGENCIES.—In conducting the studies under this section, the Secretary may request information from, or the assistance of, any Federal department or agency authorized by law to supervise the activities of any Government-sponsored enterprise.

(3) CONFIDENTIALITY OF INFORMATION.—

(A) IN GENERAL.—The Secretary shall determine and maintain the confidentiality of any book, record, or information made available under this subsection in a manner generally consistent with the level of confidentiality established for the material by the Government-sponsored enterprise involved.

(B) EXEMPTION FROM PUBLIC DISCLOSURE REQUIREMENTS.—The Department of the Treasury shall be exempt from section 552 of title 5, United States Code, with respect to any book, record, or information made available under this subsection and determined by the Secretary to be confidential under subparagraph (A).

(C) PENALTY FOR UNAUTHORIZED DISCLOSURE.—Any officer or employee of the Department of the Treasury shall be subject to the penalties set forth in section 1906 of title 18, United States Code, if—

(i) by virtue of his employment or official position, he has possession of or access to any book, record, or information made available under this subsection and determined by the Secretary to be confidential under subparagraph (A); and

(ii) he discloses the material in any manner other than—

(I) to an officer or employee of the Department of the Treasury; or

(II) pursuant to the exceptions set forth in such section 1906.

(c) ASSESSMENT OF RISK.—In assessing the financial safety and soundness of the activities of Government-sponsored enterprises, and the impact of their activities on Federal borrowing, the Secretary shall quantify the risks associated with each Government-sponsored enterprise. In quantifying such risks, the Secretary shall determine the

volume and type of securities outstanding which are issued or guaranteed by each Government-sponsored enterprise, the capitalization of each Government-sponsored enterprise, and the degree of risk involved in the operations of each Government-sponsored enterprise due to factors such as credit risk, interest rate risk, management and operations risk, and business risk. The Secretary shall also report on the quality and timeliness of information currently available to the public and the Federal Government concerning the extent and nature of the activities of Government-sponsored enterprises and the financial risk associated with such activities.

(d) REPORTS TO CONGRESS.—The Secretary shall submit to the Congress—

(1) by May 15, 1990, a report setting forth the results of the 1st annual study conducted under this section; and

(2) by May 15, 1991, a report setting forth the results of the 2nd annual study conducted under this section.

(e) DEFINITIONS.—For purposes of this section:

(1) GOVERNMENT-SPONSORED ENTERPRISE.—The term "Government-sponsored enterprise" means—

(A) the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank System, the Farm Credit Banks, the Banks for Cooperatives, the Federal Agricultural Mortgage Corporation, the Student Loan Marketing Association, the College Construction Loan Insurance Association, and any of their affiliated or member institutions; and

(B) any other Government-sponsored enterprise, as designated by the Secretary.

(2) SECRETARY.—The term "Secretary" means the Secretary of the Treasury or his delegate.

And the Senate agree to the same.

From the Committee on Banking, Finance and Urban Affairs for consideration of the House bill and the Senate amendment, and modifications committed to conference:

HENRY GONZALEZ,
FRANK ANNUNZIO,
WALTER E. FAUNTROY,
BRUCE F. VENTO,
BARNEY FRANK,
ESTEBAN E. TORRES,
CHALMERS P. WYLIE,
JIM LEACH,
JOHN HILER,
TOM RIDGE,
H. JAMES SAXTON,
PATRICIA SAIKI,
BILL PAXON,
STEVE BARTLETT,

From the Committee on Ways and Means for consideration of the House bill and the Senate amendment, and modifications committed to conference:

BILL ARCHER,
GUY VANDER JAGT,
PHIL CRANE,
BILL FRENZEL,
RICHARD T. SCHULZE,
WILLIAM THOMAS,

From the Committee on Rules for consideration of the House bill and the Senate amendment, and modifications committed to conference:

JOE MOAKLEY,
MARTIN FROST,
DAVID E. BONIOR,
JAMES H. QUILLEN,
JERRY SOLOMON,

From the Committee on Government Operations for consideration of the House bill and the Senate amendment, and modifications committed to conference:

GLENN ENGLISH,
FRANK HORTON,
WILLIAM F. CLINGER,
AL MCCANDLESS,
Managers on the Part of the House.

From the Committee on Banking, Housing, and Urban Affairs for consideration of the House bill and the Senate amendment, and modifications committed to conference:

DON RIEGLE,
ALAN CRANSTON,
PAUL SARBANES,
JAKE GARN,
JOHN HEINZ,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1278) to reform, recapitalize, and consolidate the Federal deposit insurance system, to enhance the regulatory and enforcement powers of Federal financial institutions regulatory agencies, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

TITLE I. PURPOSES

The primary purposes of the bill are: (1) to promote, through regulatory reform, a safe and stable system of affordable housing finance; (2) to improve the supervision of savings associations by strengthening capital, accounting, and other supervisory standards; (3) to curtail investments and other activities of savings associations that pose unacceptable risks to the Federal deposit insurance funds; (4) to promote the independence of the Federal Deposit Insurance Corporation through an independent board of directors, adequate funding, and appropriate powers; (5) to put the Federal deposit insurance funds on a sound financial footing for the future; (6) to establish an Office of Thrift Supervision in the Department of the Treasury, under the general oversight of the Secretary of the Treasury; (7) to create a new corporation, to be known as the Resolution Trust Corporation, to deal with failed thrift institutions; (8) to provide funds from public and private sources to deal expeditiously with failed financial institutions; (9) to strengthen the enforcement powers of federal regulators of financial institutions; and (10) to strengthen the penalties for defrauding or otherwise damaging financial institutions and their depository.

TITLE II. FEDERAL DEPOSIT INSURANCE CORPORATION

FDIC AS INSURER BUT NOT PRIMARY REGULATOR OF THRIFTS

Title II gives the Federal Deposit Insurance Corporation ("FDIC") the duty of insuring the deposits of savings associations as well as banks but does not make the FDIC the primary Federal regulator of savings associations of any type. "Savings association" and "bank" are mutually exclusive terms. The term "Depository institution" includes both savings associations and banks. "Savings association" includes federally chartered savings associations and savings banks as well as State chartered savings association.

CHANGE IN COMPOSITION OF FDIC'S BOARD OF DIRECTORS

The Conference Report changes the composition of the FDIC's board of directors from its present number of 3, including the Comptroller of the Currency, to a board of 5, including the Comptroller as well as the Director of the Office of Thrift Supervision. As of March 1, 1993, no more than 3 members of the board may be affiliated with the same political party. The 3 members of the board appointed by the President with the advice and consent of the Senate have 6-year terms, the Chairperson a term of 5 years as Chairperson.

VOTE REQUIRED TO DENY INSURANCE TO FEDERAL SAVINGS ASSOCIATION

Title II requires the FDIC's board to act by a vote of ¾ths of its members (excluding the Director of the Office of Thrift Supervision) in order to deny deposit insurance to a Federal savings association whose charter application has been approved by the Director of the Office of Thrift Supervision.

CONVERSIONS FROM MEMBERSHIP IN ONE INSURANCE FUND TO ANOTHER

The Conference Report requires that the FDIC approve any transaction in which an insured depository institution ceases to be a member of the Bank Insurance Fund (BIF) or the Savings Association Insurance Fund (SAIF) and becomes a member of the other fund. Generally, any savings association other than a Federal savings bank chartered under section 5(o) of the Home Owners' Loan Act is a member of the SAIF, and any bank is a member of the BIF. During the 5 years following enactment of the Act, conversions are prohibited with certain exceptions. The FDIC may approve one or more conversion transactions, if during the 5-year moratorium period the aggregate amount of deposits transferred from insurance by SAIF to insurance by BIF (or vice versa) does not exceed 35 percent of the lesser of (i) the sum of an insured depository institution's total deposits as of May 1, 1989, plus net interest credited to the date or dates of transfer or (ii) the total deposits of the institution on the date or dates of transfer.

During the conversion moratorium the FDIC also may approve a conversion as part of an acquisition of a depository institution in default or in danger of default if the estimated benefits to the fund the institution is leaving (or the RTC, if the institution is a savings association) equal or exceed the estimated lost assessment income to that fund during the years remaining in the moratorium period.

In the event of any conversion transaction the institution involved must pay an exit fee to the fund it is leaving and an entrance fee to the fund it is entering. During the 7-year period following date of enactment of the

Act the Secretary of the Treasury and the FDIC jointly determine the exit fee payable for leaving SAIF.

The conversion provisions permit a savings association to switch to a bank charter so long as it remains a SAIF member during the 5-year moratorium.

The Conferees do not intend for this provision to apply to any institution that has never accepted deposits, and thus has never been insured by either fund.

CROSS-GUARANTEES BY COMMONLY CONTROLLED INSTITUTIONS

The Conference Report establishes liability to the FDIC for the loss or anticipated loss to the FDIC that arises from the default of a commonly controlled insured depository institution or assistance provided to such an institution in danger of default. Institutions are commonly controlled if they have the same holding company or one institution is controlled by another. The FDIC may waive collection on this liability.

The FDIC also may provide exemptions from liability for prospective losses if it determines that such exemption is in the best interests of the SAIF or BIF or both. If it grants such an exemption, the institution or institutions exempted must comply with the affiliated transactions restrictions of sections 23A and 23B of the Federal Reserve Act without regard to the 'sister bank' exemption for as long as FDIC's grant of exemption extends.

The "cross-guarantee" provisions during the 5-year period following date of enactment of the Act also exempt SAIF (or BIF) members from losses attributable to BIF (or SAIF) members acquired by the SAIF (or BIF) member prior to enactment of the Act. The provisions also exclude from liability a depository institution that acquires control of another depository institution through foreclosure of a pledge of stock granted to secure a debt incurred in good faith. The same restrictions on affiliated party transactions apply as in the case of the discretionary grant of exemption described above. Furthermore, an institution is not liable for any loss solely attributable to an affiliate if such affiliate was receiving assistance from the FSLIC and the FSLIC's successor is unable to make such payments and the affiliate's default is solely caused by the failure to make such payments.

FDIC's claim for loss reimbursement under the cross-guarantee is superior to any claim of shareholders of the institution liable or any claim of affiliates of such institution (other than claims on secured debt that existed as of May 1, 1989). FDIC's claim is subordinate to the claims against the depository institution of depositors, general and third party secured creditors, and holders of subordinated debt other than affiliates.

ASSESSMENTS FOR DEPOSIT INSURANCE

Assessment rates for the BIF and the SAIF will be set independently. BIF rates are scheduled to increase from the current 0.083 percent to 0.12 percent in 1990 and to 0.15 percent in 1991. SAIF rates are scheduled to increase from the current 0.208 percent to 0.23 percent in 1991 and recede to 0.18 percent in 1994 and 0.15 in 1998.

The FDIC may increase rates from the scheduled levels for either fund if necessary to restore the fund's ratio of reserves to insured deposits to its target level within a reasonable period of time. The assessment rates for SAIF may not be increased before 1995; those for BIF may not be increased before 1995 unless the reserve ratio falls or the fund has earlier reached its designated reserve ratio. The maximum assessment rate is 0.325 percent, and the maximum year-to-year increase is 0.075 percent.

The designated reserve ratios of the funds will be set independently on an annual basis at 1.25 percent or higher, up to 1.50 percent, if the FDIC Board determines on a year-by-year basis that significant risk of substantial future losses justifies a higher ratio. However, the designated reserve ratio may not exceed 1.50 percent. The conferees chose the Senate requirements of a "significant risk" rather than the House of Representatives' "probable risk" to clarify that losses large enough to justify greater protection need not be judged more likely than not.

There are several provisions designed to prevent the funds from becoming unnecessarily large. Any assets of a fund in excess of 1.25 percent of insured deposits will be treated as a supplemental reserve. Earnings from the supplemental reserve will be distributed to members, as will the supplemental reserve itself if it becomes no longer needed. Assessment income in excess of amounts necessary to maintain the designated reserve ratio will be rebated.

Consistent with current law, a SAIF member may use its share of the FSLIC's secondary reserve to offset insurance premiums.

CHANGE IN CONTROL OF INSURED DEPOSITORY INSTITUTIONS

The Change in Bank Control Act is amended to apply to changes in control of savings associations as well as banks. Title III of the Act repeals the Change in Savings and Loan Control Act. The Director of the Office of Thrift Supervision is the appropriate Federal banking agency for purposes of approving any change in control of a savings association or holding company that controls a savings association.

CONSERVATORSHIP AND RECEIVERSHIP POWERS OF THE FDIC

The FDIC is authorized to act as a conservator or receiver for insured banks and insured savings associations that are chartered under Federal or State law. The title also distinguishes between the powers of a conservator and receiver, making clear that a conservator operates or disposes of an institution as a going concern while a receiver has the power to liquidate and wind up the affairs of an institution.

Title II permits the appointment of the FDIC as conservator for an insured depository institution chartered under Federal or State law. It requires the appointment of the FDIC as receiver for such an institution chartered under Federal law. It permits the appointment of the FDIC as receiver of State chartered institutions pursuant to State law, and requires the appointment of FDIC as receiver for State chartered institutions pursuant to Federal law. The title also empowers the FDIC to appoint itself as sole conservator or receiver for a State chartered insured institution if the appropriate State regulatory agency has acted first to take custody of such institution and either closed the institution or taken custody for 15 days during such period and depositors are unable to withdraw funds.

Title II establishes the manner of conduct of a conservatorship or receivership of an insured depository institution under Federal law. The FDIC is granted rulemaking authority with respect to this subject. The title sets forth in detail the claims procedures that apply with respect to claims against institutions in liquidation. These procedures allow a claimant, after an initial agency determination, the choice of pursuit of judicial adjudication or with the consent of the agency, administrative review.

Title II grants the FDIC as conservator or receiver certain rights and powers of a receiver in equity, including the right to repudiate contracts that the conservator or receiver determines are burdensome and the repudiation of which will promote the orderly administration of the affairs of the institution in conservatorship or receivership. In detailing the repudiation power Title II provides for repudiation of real property leases. The disaffirmance of burdensome leases should take into account the total circumstances of the lease, including whether, in the case of a sale and lease back, the lease was executed as part of an arms-length transaction. Title II also provides specifically for financial instruments contracts (defined as "qualified financial contracts").

It is expressly intended that should the FDIC determine that a transfer of servicing rights relating to mortgages owned by or backing the securities of Government National Mortgage Association, Federal National Mortgage Association and/or Federal Home Loan Mortgage Corporation is appropriate for the conservator, receiver, or FDIC in some other capacity, GNMA, FNMA, FHLMC and FDIC will work together to accomplish such a transfer so that the guarantee agreements, servicing contracts, rules, and program requirements governing such mortgages or securities are binding upon the transferee. Nothing in this Act impairs GNMA's rights under Section 306(g) of the National Housing Act.

Title II also establishes administrative procedures for the determination of claims of insurance deposit coverage and judicial review of administrative determinations.

Current law is clarified with respect to FDIC's liability in the event it elects to arrange an assisted acquisition or transfer of assets and liabilities to a bridge bank in order to preserve or attempt to preserve the going concern value of an institution. In such event the FDIC as receiver or in any other capacity is liable to a claimant only for the amount that the claimant would realize from the liquidation and winding up of the affairs of the institution and the payment of insured depositors.

Title II substantially amends the FDIC's current authority to organize bridge banks as a means of preserving the going concern value of an institution pending a solicitation of offers for or other disposition of the institution. The amendments clarify the circumstances in which the status of a bridge bank ends and distinguish between the status of a bridge bank and its corporate existence as a national bank.

Title II preempts State law with respect to claims brought by the FDIC in any capcity against officers or directors of an insured depository institution. The preemption allows the FDIC to pursue claims for gross negligence or any conduct that demonstrates a greater disregard of a duty of care, including intentional tortious conduct.

FDIC'S ASSISTANCE AND DEFAULT PREVENTION AUTHORITY

The FDIC is empowered to provide financial assistance to prevent the default or failure of insured savings associations as well as insured banks. Assistance payments must be made from SAIF is they are made to or for

the benefit of an insured savings association.

Title II grants to the FDIC authority similar to FSLIC's emergency authority to arrange acquisitions of failing thrifts. The amendments curtail severely the extent to which other Federal law may be waived in such acquisitions. The amendments also remove the procedures under current law that give priority to in-State thrift acquirers of failing thrifts. The acquisition of failing thrifts by banks or bank holding companies is uninsured. A thrift subsidiary of a bank or bank holding company may branch in the same manner as a savings association (not affiliated with a bank holding company) that has its home office in the same state as the home office of such thrift subsidiary. Finally, emergency acquisition authority is amended to grant to the FDIC discretion to provide assistance to certain savings associations located in economically depressed regions.

FUNDING FOR THE SAIF

The SAIF will receive funds, as needed, for administrative and supervisory expenses from the FSLIC Resolution Fund through fiscal year 1991. It is not anticipated that these will amount to more than $150 million. Starting in 1992, the SAIF will receive assessments paid by its members, less amounts needed for interest on FICO bonds. The Treasury will ensure that the SAIF receives at least $2 billion per year from assessments through 1999 by making up any shortfall from Treasury funds.

In addition, the Treasury will provide any funds necessary to ensure that a schedule of steadily increasing minimum net worth levels is met by the fund from 1991 through 1999. For this purpose the Treasury may spend as much as $2 billion in 1991 and in 1992. For the full 9-year period, Treasury may spend up to $16 billion.

FDIC BORROWING

The SAIF may borrow from the Federal home loan banks, with the approval of the Federal Housing Finance Board, and the FDIC may borrow from the Treasury on behalf of either the SAIF or the BIF with the approval of the Secretary. Combined Treasury borrowing by FDIC funds is limited to $5 billion.

The FDIC may also issue other obligations as needed. All borrowings must be attributed to the BIF or the SAIF and total borrowing by either fund is limited by a requirement that no obligation can be issued if its issuance would leave the net worth of that fund equal to less than 10 percent of assets.

In meeting this test, assets held as a result of case resolution activities must be measured at estimated market value less expected management and disposition costs. Guarantees and other obligations must be measured at their estimated cost. Estimates must be adjusted at least quarterly, and transactions subsequent to the most recent audit must be taken into account.

All obligations issued by the BIF or the SAIF subsequent to the date of enactment of this Act that have a stated principal amount and a stated maturity date will be backed by the full faith and credit of the United States.

FSLIC RESOLUTION FUND

The FSLIC Resolution Fund will be managed by the FDIC as a separate fund. It will assume all the assets and liabilities of the FSLIC except for those expressly transferred or assumed by the Resolution Trust Corporation.

To meet its obligations, this Fund may use its assets, returns from receiverships, amounts borrowed by FICO, and insurance assessments on SAIF members through 1991 that are not required for interest on FICO bonds and not required by REFCORP for defeasance of its bonds. Any additional funds needed will be provided by the Treasury. The Fund will terminate when its debts are paid and its assets are sold.

REPORTS BY FDIC

The FDIC is required to submit annual reports to the Congress and certain quarterly financial forecasts and results of the operations to the Secretary of the Treasury and the Director of the Office of Management and Budget.

The FDIC currently provides financial information reports to the Office of Management and Budget and the Corporation will continue to provide such reports. The obligation to provide such reports, however, does not imply any jurisdiction or oversight by OMB over the affairs or operations of the FDIC and, similarly does not affect or alter in any way the FDIC's existing exemption from the apportionment or sequestration provisions of federal budget laws, nor does it affect the FDIC's exemption from the provisions of the Budget and Accounting Act of 1921, the Budget and Accounting Procedures Act of 1950 and the Anti-deficiency Act. Further, OMB's lack of jurisdiction or oversight does not preclude the current practice under which the Director of the Office of Management and Budget may request information necessary to carry out OMB's budget and financial responsibilities for the overall Federal Government.

The Title also requires the FDIC to submit certain special reports, including one on risk-based premiums. The FDIC is authorized to study the imposition of risk based premiums but may not establish such premiums without specific Congressional authorization.

INSURANCE LOGO

Title II establishes the forms of logo that insured banks and insured savings associations may display. Each type of institution may represent that insured deposits are backed by the full faith and credit of the United States Government.

The Conferees recommend that the Federal Deposit Insurance Corporation and the National Credit Union Administration adopt appropriate rules designed to discourage advertising by an insured depository institution which disparages the condition of any Federal deposit insurance fund. The Conferees further recommend that any such rules discourage advertisements that refer to the length of time that an institution has been a member of a fund or that it was formerly a member of another fund.

BANK MERGER ACT

The Bank Merger Act is amended by apply to merger transactions involving insured savings associations as well as insured banks. The Director of the Office of Thrift Supervision is the appropriate Federal regulator with jurisdiction to approve a merger in which the surviving entity is a savings association.

THRIFT POWERS

Title II makes major revisions in the powers of thrift institutions. The heart of these revisions is in a new section 28 of the Federal Deposit Insurance Act, which has four key provisions: (1) a general rule relating to State-authorized activities that are not permissible for a Federal savings association; (2) a modified version of that rule applicable when the only difference between State and Federal powers is that a State savings association may engage in a greater amount of a given activity than can a Federal savings association; (3) a prohibition against equity investments that are not permissible for a Federal savings association; and (4) a prohibition against investing in corporate debt securities not of investment grade (commonly known as "junk bonds").

General Rule

Subsection (a) prohibits a State savings association from engaging as principal, after January 1, 1990, in any type of activity that is not permissible for a Federal savings association unless both parts of the following two-part test are satisfied: (1) the FDIC has determined that the activity in question would pose no significant risk of loss to the deposit insurance fund of which the savings association is a member; and (2) the savings association has enough capital to meet the fully phased-in capital standards prescribed under section 5(t) of the Home Owners' Loan Act (section 301 of the bill). The test of a "significant risk" of loss to the deposit insurance fund is not the relative or absolute size of the potential loss, but whether there is significant risk that the insurance fund will suffer a loss if a State savings association engages in the activity. The "fully phased-in capital standards" are those that will apply after all phase-in periods relating to capital have expired.

Subsection (a) does not apply to activities that a savings association engages in only as its customer's agent. Such activities could, however, be restricted under other provisions of law, such as those authorizing the FDIC to prohibit any activity found to pose a serious threat of loss to the deposit insurance fund.

Differences of Magnitude

Subsection (b) applies when an activity is permissible for a Federal savings association and a State savings association seeks to engage in that activity in an amount greater than that permissible for a Federal savings association. Under subsection (b), the State savings association may engage in that higher amount of the activity so long as both parts of the following two-part test are satisfied: (1) the FDIC has *not* determined that engaging in that higher amount of the activity would pose any significant risk of loss to the deposit insurance fund; and (2) the savings association has enough capital to meet the fully phased-in capital standards prescribed under section 5(t) of the Home Owners' Loan Act.

Subsection (b) does not apply to nonresidential real-estate loans, which are governed by subsection (a).

Prohibition Against Equity Investments

Effective as soon as the bill becomes law, subsection (c) prohibits a State savings association from acquiring or retaining any equity investment of a type or in an amount that is not permissible for a Federal savings association to acquire and retain directly. The prohibition applies to equity investments in real estate, investments in equity securities, and any other equity investment. In applying subsection (c), Federal regulators should look to the substance of the investment and not merely to the form. Any transaction that is in substance an equity investment may be covered by subsection (c), even if the transaction is nominally a loan or other permissible transaction.

There is a limited exception for shares of service corporations. Such shares must, however, meet a two-part test similar to that in subsection (a) if either (1) the aggregate amount of the savings association's investment in service corporations exceeds that permissible for a Federal savings association; or (2) the service corporation engages in any activity that is not permissible for a service corporation of a Federal savings association. By the same token, subsection (c) does not restrict investments in service corporations that are permissible for a Federal savings association.

A State savings association must divest itself of any equity investment that is not permissible either (1) for a Federal savings association directly or (2) under the exception for shares of service corporations. Any such investment must be divested as quickly as can be prudently done, as determined by the FDIC, and in any event not later than July 1, 1994. No such investment may be acquired after the bill becomes law.

Corporate Debt Securities That Are Not of Investment Grade

Subsection (d) prohibits a savings association or its subsidiaries from acquiring or retaining any corporate debt security that, at the time of acquisition, is not rated in one of the four highest rating categories by at least one nationally recognized statistical rating organization. A transition rule provides that any such security held when the bill becomes law must be divested as quickly as can be prudently done (as determined by the FDIC) consistent with safety and soundness and in light of relevant market conditions, and in any event not later than July 1, 1994. No such securities may be acquired after the bill becomes law, other than by an affiliate (or in the case of a mutual savings association, a separately capitalized subsidiary). Affiliates must by definition be separately capitalized, and appropriate firewall protections will apply under other provisions of law, such as Section 23A of the Federal Reserve Act. The Conferees do not intend that securities subject to divestment under subsection (d) be treated, for regulatory accounting purposes, as securities "held for sale."

LOAN TO VALUE RATIOS

Although the Conferees deleted from statutory language the loan to value requirements enacted by the Senate, the appropriate Federal banking agencies are to ensure that general limits or loan to value ratios, for both banks and thrifts are implemented. The appropriate Federal banking agencies shall consider specifically the standards in the Senate bill for loans secured by residential property, loans secured by developed commercial real estate and loans secured by raw land and implement such standards as are consistent with safe and sound business practices.

BROKERED DEPOSITS

Any insured financial institution which does not meet the minimum capital requirements applicable with respect to such institutions and is thus a "troubled" institution may not accept funds obtained directly or indirectly by or through any deposit broker for deposit into one or more accounts. A troubled institution is also prohibited from soliciting deposits by offering rates of interest which are significantly higher than the prevailing rates of interest on deposits offered by other insured financial institutions of the same type, i.e., banks or thrifts, in such financial institution's normal market area. This latter provision prohibits the solicitation of deposits by in-house salaried employees through so-called money desk operations.

The FDIC is also explicitly authorized to impose by regulation or rule additional restrictions on the acceptance of brokered deposits by troubled institutions. Explicitly providing such authority to the FDIC with regard to troubled institutions is not meant to imply that the Corporation does not already have the authority to regulate the use of brokered deposits by fully capitalized and under capitalized institutions.

The provision authorizes the FDIC to waive the prohibition on the acceptance of brokered deposits by troubled institutions, but only after a case-by-case review of applications made by such institutions and then only upon a finding that the acceptance of brokered deposits by a given institution does not constitute an unsafe or unsound practice.

The conferees understand that there are situations where brokered deposits are useful and needed particularly for liquidity purposes. Although the provision requires a case-by-case application by a troubled institution for waiver of the prohibition, the Corporation may indicate by rulemaking the type or types of situations in which the Corporation would consider granting a waiver consistent with the statute. The prohibition, however, could only be waived by a finding that the use of brokered deposits by a particular troubled institution does not constitute an unsafe or unsound practice for it.

Conferees intend that the prohibition imposed by this section should not become effective for 120 days in order to conform it with the effective date of the new capital standard for thrift institutions established by section 314 of the bill. During the 120 day phase in period the FDIC should insure that all currently under-capitalized institutions, or any thrift institutions that will be under-capitalized under the new standard, do not increase their overall holdings of brokered deposits.

CONTRACTS FOR GOODS, PRODUCTS AND SERVICES

Section 225 adds a new section to the Federal Deposit Insurance Act (FDIA) which prohibits an insured depository institution from entering into a written or oral contract with any person to provide goods, products, or services to or for the benefit of such financial institution which would jeopardize the safety or soundness of the institution. Under subsection (b), the FDIC is directed to issue regulations and orders necessary to implement the section and to prevent evasion of its provisions. The provision is enforceable against all institution affiliated parties under section 8 of the FDIA. Corrective actions, which may be ordered for violations of this provision, are found in that section. These may include orders to cease and desist (which may require the recision of agreements or contracts or the disposal of any assets) or civil money penalties.

Subsection (e) directs the Attorney General and the Comptroller General to jointly initiate a study and report to Congress on the extent to which insured institutions have entered into contracts with vendors under which vendors agree to purchase the stock or assets of, or invest capital or make deposits in, such institutions. The study and report must also address the extent to which such practices may be anti-competitive and should be prohibited. The report is to be submitted one year from the date of enactment.

TITLE III—SAVINGS ASSOCIATIONS

DIRECTOR OF THE OFFICE OF THRIFT SUPERVISION

This Title abolishes the Federal Home Loan Bank Board ("Bank Board") and the position of the Chairman of the Bank Board as the chief regulator of the savings and loan industry. The Office of Thrift Supervision is established as an office in the Department of the Treasury subject to the general oversight of the Secretary of the Treasury. However, the Secretary of the Treasury may not intervene in any matter or proceeding before the Director unless otherwise provided by law. The Director is responsible for the examination and supervision of all savings and loans and will have all the powers which were vested in the Federal Home Loan Bank Board or the Chairman of such Board on the day before the date of enactment. The Director shall be appointed by the President for a five year term with the advice and consent of the Senate. The Director is prohibited from maintaining a direct or indirect financial interest in any insured depository institution.

CAPITAL STANDARDS

The Conferees recognize that strong capital standards are essential to protect the safety of our deposit insurance system. Capital represents the investment made by owners of a savings association in that association. Without sufficient capital, the owners have little incentive to limit the risks taken with depositors' funds. Therefore, an adequate capital requirement will provide the self-restraint necessary to limit risk-taking by Federally insured savings associations.

Capital also protects the deposit insurance fund by providing a cushion against losses if the institution's condition deteriorates. Even the most prudently managed savings association may experience losses, such as through changes in interest rates, a downturn in the local economy, or unfortunate investment decisions. An institution with adequate capital should be able to absorb such losses.

In order to provide a benchmark below which the thrift regulator generally cannot fall, the legislation requires that the capital standards prescribed by the Director of the Office of Thrift Supervision (Director) be no less stringent than the capital standards applicable for national banks. Thus, for example, the Director is required under this Act to establish risk-based capital standards that are no less stringent than those applicable to national banks. Also, savings institutions are required to maintain a leverage limit (ratio) of not less than 3% core capital to assets, and a minimum level of tangible capital equal to 1.5% of assets.

Savings associations are required to meet the leverage limit upon the effective date of the capital standards. Savings associations currently including supervisory goodwill in capital are permitted to continue to include supervisory goodwill in capital, with the approval of the Director, but are required to progressively phase-out supervisory goodwill from capital (in accordance with the schedule contained in the report) by January 1, 1995, at which time all savings associations must satisfy the leverage limit without including any supervisory goodwill.

Both banking and thrift institution regulators have devoted considerable effort to the initial development of risk-based capital standards. These efforts have demonstrated that the initial standards will evolve and be refined over time as the regulators and the

regulated institutions gain experience with the appropriate standards applicable to the various investments made by depository institutions.

The legislation requires that the capital standards prescribed by the Director be no less stringent than the capital standards applicable to national banks. This requirement refers not only to the numerical capital-to-asset ratios applicable to national banks, but also to the qualitative factors used by the Comptroller. For example, the Comptroller permits the value attributed to core deposits to be included in calculating core capital, but only if the rights meet certain criteria (e.g., relating to an identifiable stream of cash flows and being separable and marketable). The Director's standards for savings associations should be no less stringent. Likewise, to the extent percentage restrictions apply to including such assets in calculating the capital of a national bank, restrictions at least as stringent must be applied to savings associations. The Director retains the discretion to determine the extent to which, if any, these assets may be counted toward the capital requirements.

Under the OCC's current regulations, such intangible assets may be used for capital purposes so long as such assets are separately identifiable, saleable and marketable, and of an established value. This legislation is not intended to limit the Director's authority to establish the same type of criteria for the computation of the leverage and risk-based requirements established under this legislation.

Where supervisory transactions were approved by the Federal Home Loan Bank Board prior to the enactment of H.R. 1278, and the Bank Board had authorized certain contributed assets, such as land, to be valued at market value for regulatory capital purposes; the Director may, at his discretion, continue to treat those assets as capital to the same extent previously authorized, if such treatment would be no less stringent than the treatment OCC provides for national banks. The Director would be expected to review the appraisals of these contributed assets and determine whether these assets should be included in determining the value of capital.

MORTGAGE SERVICING RIGHTS

In calculating core capital for the purpose of the leverage limit, the 1.5% tangible capital requirement and risk-based standards, a savings association shall treat purchased mortgage servicing rights in a manner no less stringent than they are treated at such time under regulations prescribed by the Corporation with respect to insured State nonmember banks and on terms no less stringent than those imposed under the capital standards prescribed by the Corporation for State nonmember banks. The Corporation has full discretion over the percentage of capital that may be composed of purchased mortgage servicing rights.

The standards prescribed may permit a savings association to include in capital, on terms no less stringent than those prescribed by the Corporation for State nonmember banks, 90 percent of the fair market value of readily marketable purchased mortgage servicing rights. The fair market value of purchased mortgage servicing rights shall be determined not less often than quarterly and qualifying purchased mortgage servicing rights shall meet OCC qualitative standards for marketability, valuation, and separability, but not be limited to OCC quantitative standards for tangible capital.

DATE OF ENACTMENT

The 1.5% tangible capital requirement and the leverage limit go into effect not more than 120 days following the enactment of this Act. Until the capital standards required in this Act become effective, the capital regulations promulgated by the Federal Home Loan Bank Board remain in effect. In defining core capital and prescribing the risk-based capital requirement, the Director is to follow the Comptroller's final regulations for national banks, even if those regulations have not yet taken effect.

In developing the regulations on capital standards, the Director shall consider and shall include a description of the procedure for institutions not in compliance with capital standards to receive timely consideration of applications for an exemption from sanctions resulting from non-compliance with such standards. This description shall include information on required forms, prioritization of applications and other guidelines designed to expedite the application process.

An institution not in compliance with capital standards upon promulgation of applicable regulations may be subject to restrictions on asset growth, at the regulator's discretion. Also, within 60 days of the promulgation of the capital standards regulations, or the date in which the institution falls out of compliance with such standards, whichever is later, an institution not in compliance with capital standards must submit an acceptable business plan to the Director outlining how the institution plans to work towards compliance with capital standards.

TEMPORARY EXEMPTION

Prior to Janaury 1, 1991, the Director has the discretion to exempt from capital standards any institution that has submitted a business plan and meets certain other statutory criteria. Any exceptions granted under this authority must be on an institution-by-institution basis. The authority to grant exemptions under this provision expires on January 1, 1991 and any exemption previously granted under this authority expires at that time.

FAILURE TO COMPLY WITH CAPITAL STANDARDS

Any savings association, which upon the date of enactment of this Act is not in compliance with the new capital standards, shall have 60 days from the effective date of final regulations adopted pursuant to this Act to seek a temporary exception from capital standards. To seek such an exception a savings association must submit a business plan acceptable to the Director addressing how the savings association will work towards compliance with applicable capital standards. Any savings association which has submitted such a completed business plan shall not be deemed to be in violation of capital standards established by the Act until such business plan has been rejected by the Director. However, the Director may place an asset growth restriction on such institution pending review of the institution's business plan.

After January 1, 1991, an institution not in compliance with capital standards shall be subject to mandatory asset growth restrictions specified under Title III of this Act, and is required to adhere to a capital directive issued by the Director which will establish a plan for bringing the institution into compliance with all applicable standards.

An institution may submit an application for an exemption to the Director, and have such application approved by the Director. This application must include a business plan, which must also be approved by the Director prior to the granting of any exemption. The business plan must outline how the institution plans to work toward complying with capital standards by a specified date. If the application for exemption is approved, the Director may not take any enforcement action based on failure to comply with the minimum capital requirements.

After December 31, 1990, as increased capital standards take effect (e.g. with the phase-out of supervisory goodwill from capital), an institution must apply for and receive an exemption before the increased standard takes effect; otherwise, the institution must be placed under a capital directive. Should an institution be placed under a capital directive for failure to comply with capital standards, the Director may remove the imposed capital directive following the approval of an application for an exemption by the institution.

The Director may act upon and approve any application for an exemption from applicable sanctions prior to January 1, 1991. Any application for an exemption approved prior to January 1, 1991, will supersede any previously approved temporary exemption from capital standards.

Approval for an exemption from applicable sanctions for failing to meet capital standards does not exempt an institution from specified restrictions on asset growth or the requirement to submit an acceptable business plan to the Director.

If an exemption is granted by the Director, the institution is only exempted from sanctions resulting from capital noncompliance. Sanctions imposed due to any other violations of safety and soundness are not covered under the exemption. An exemption approved by the Director does not prevent FDIC from imposing sanctions or other enforcement action on the FDIC's authority.

In acting upon a proposed business plan the regulator may give priority consideraton to an institution's tangible capital and the institution's ability to meet the increasing requirements of subsequent periods. An institution that fails capital standards should not be treated more harshly than an institution with identical tangible capital that meets the total core capital requirement only because of intangibles.

Qualified Thrift Lender Test

The qualified thrift lender (QTL) test mandates that a savings association maintain a minimum percentage of its assets in housing finance and related activities. The bill reenacts the current QTL test until July 1, 1991, at which point a new test goes into effect. Assets qualifying under the new test are specifically defined so as to prevent the inclusion of other assets by regulatory interpretation. Penalties for failure to comply with the QTL test are substantially increased, and apply for any failures occurring more than one year after the date of enactment.

Commercial Real-Estate Lending

A Federal savings association may currently devote up to 40 percent of its assets to loans secured by nonresidential real property, regardless of whether the association has any capital. Under the bill, such loans may not, in the aggregate, exceed 400 percent of the savings association's capital. The Director is given limited discretion to allow such loans to account for a higher proportion of a savings association's capital. The Director must, however, find that the additional amount will pose no significant risk

to the safe or sound operation of the institution involved, and that the increased authority is consistent with prudent operating practices. If an institution is permitted to exceed the 400-percent limit, DOTS must closely monitor the institution's condition so as to ensure compliance with all applicable laws. A transition rule provides a more lenient standard under which the Director may permit a savings association to exceed the 400-percent limit until June 1, 1991.

Limits on Loans to One Borrower

The bill generally makes savings associations subject to the same limit on loans to one borrower as apply to national banks. The limits are incorporated by reference, and are self-executing. Exceptions are provided for loans of up to $500,000 and real-estate construction loans. There is a special rule for loans made to finance the sale of property acquired by foreclosure.

Transactions With Affiliates

The bill establishes a uniform approach to regulating transactions with affiliates, based on sections 23A, 23B, and 22(h) of the Federal Reserve Act. The limits in those sections are incorporated by reference, and are self-executing. Under new section 11(a), a savings association must comply with sections 23A and 23B of the Federal Reserve Act in the same manner and to the same extent as if the savings association were a member bank.

Three additional rules apply to savings associations under the bill, reflecting the fact that affiliates of savings associations can engage in a far greater range of activities than affiliates of banks, and can thus expose the savings association to greater risk. First, a savings association may not make any loan or other extension of credit to an affiliate unless that affiliate is engaged only in activities permissible for bank holding companies. Second, a savings association may not purchase or invest in securities issued by an affiliate (other than securities of a subsidiary). Third, the Director may for reasons of safety and soundness impose more stringent restrictions on savings associations, but may not exempt transactions from or otherwise abridge section 23A or 23B. Exemptions from section 23A or 23B may be granted only by the Federal Reserve Board, as is currently the case with respect to all FDIC-insured banks.

TITLE IV. TRANSFERS OF FUNCTIONS, PERSONNEL AND PROPERTY

Title IV of the conference report provides for the transfer of personnel and administrative property of the Federal Savings and Loan Insurance Corporation and the Federal Home Loan Bank Board to the agencies to which other titles of the Act transfer the functions of the FSLIC or the Bank Board. These agencies are the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, the Federal Housing Finance Board, and the Resolution Trust Corporation. This title also defines the rights of the Federal employees who will be transferred.

Title IV also provides for the interim management of the personnel and property of the Bank Board and the FSLIC pending the transfer of such personnel and property within 60 days of enactment of the Act.

The conference report also provides for the continuation of litigation to which the FSLIC, the Board or a Federal Home Bank acting under delegated authority is a party as well as the continued enforceability of orders, resolutions, determinations and regulations of the FSLIC and the Bank Board.

A procedure is established for the reconciliation of the different interpretations by the FSLIC and the FDIC of the scope of deposit insurance coverage for thrift institutions and banks as well as a procedure for the substitution of new indexes used to calculate interest under adjustable rate mortgage instruments.

TREATMENT OF REFERENCES IN ADJUSTABLE RATE MORTGAGE INSTRUMENTS

There are several points the Conferees wish to emphasize regarding the application of this provision.

First, where an ARM contract specifies that, in the event an index is no longer available, a specifically designated alternate will be substituted, that contractual agreement will control, and the alternate index may be employed without resort to the agency approval process.

Second, in the event an agency no longer maintains an index, the contract will govern absolutely until such time as the substitution process is completed. Thus, for example, if the contract allows the lender to substitute a "substantially similar" index for an index that no longer is available, that substitution can be effected until such time as the agency makes a determination of an appropriate substitute.

Finally, where the agency does embark upon an index substitution procedure, its objective should be to develop an index that displays, to the maximum extent possible, the historical movement characteristics of the original index agreed to between the parties. A substitute that was based on substantially similar data but that failed in that key regard would be inappropriate.

TITLE V. FINANCING FOR THRIFT RESOLUTIONS

SUBTITLE A.—RESOLUTION TRUST CORPORATION

Oversight Board and Resolution Trust Corporation Established

CREATION AND STATUS OF OVERSIGHT BOARD AND RESOLUTION TRUST CORPORATION

This section adds a new section 21A to the Federal Home Loan Bank Act establishing the structure under which insolvent savings associations will be resolved. This structure is primarily the Administration's proposal as modified by additional comments made by the Administration during the course of the conference. Section 501 establishes the Oversight Board, a government instrumentality that is ultimately accountable for the operations of the Resolutions Trust Corporation ("RTC"), a mixed-ownership Government corporation.

ADMINISTRATIVE PROCEDURES ACT

Both the RTC and its Oversight Board will constitute an "agency" for purposes of title 5 of the United States Code, provided however that when the RTC is acting in its capacity as conservator or receiver it shall have the same status as the FDIC acting in such a capacity. The Freedom of Information Act, in subsection (b)(8), exempts from disclosure certain information related to the regulation or supervision of financial institutions. Neither the Oversight Board nor the RTC, whether in its corporate capacity or in its capacity as conservator or receiver, act as a supervisor or regulator of insured depository institutions. The appropriate Federal bank regulatory agency retains such status for all purposes, including the Freedom of Information Act.

POWERS AND DUTIES OF THE OVERSIGHT BOARD

The RTC will operate under the direction of an Oversight Board composed of the Secretary of the Treasury who shall serve as Chairperson, the Secretary of Housing and Urban Development, the Chairman of the Board of Governors of the Federal Reserve System, and two independent persons chosen by the President of the United States and confirmed by the Senate. The independent members cannot hold any other appointed position and may be from the private sector. The public officials who are members of the Oversight Board may delegate any activity to another member, officer or employee of such agency or entity, except for attendance at the quarterly meeting required hereunder.

The Oversight Board will review and have overall responsibility for the RTC's activities. The Oversight Board will not, however, be involved in or responsible for case specific matters involving individual institutions, specific asset dispositions or generally the day-to-day operations of the RTC. The Oversight Board has the general power to hire employees, use employees of other agencies, prescribe bylaws, enter into contracts and exercise any incidental powers necessary to carry out its functions. The compensation of Oversight Board employees must be consistent with that of FDIC employees. The Conferees have allowed such hiring authority in reliance upon the Administration's statements that the Oversight Board will hire a small staff because of the limited functions performed by the Oversight Board. Notwithstanding the requirement that the employees of the Oversight Board be paid as if they were employees of a Federal banking regulatory agency, the Oversight Board will only oversee the actions of the RTC. The Oversight Board is not a supervisory or regulatory agency.

The specific duties of the Oversight Board include establishing the strategic plans and overall goals of the RTC, approving periodic financing requests, reviewing the performance of the RTC, establishing national and regional advisory boards, and approving all rules, regulations and guidelines of the RTC. The Oversight Board, after consultation with the RTC, may require modification of any such rule, regulation or guideline so long as the rules and regulations adopted for the operation of conservatorships and receiverships are consistent with the Federal Deposit Insurance Act. The review of such guidelines does not extend to the RTC's internal administrative policies.

Development of Strategic Plan

In consultation with the RTC, the Oversight Board shall develop a strategic plan to be submitted to Congress by December 31, 1989. The strategic plan shall incorporate a sufficiently detailed description of the goals of and methods to be used by the RTC in its case resolution activities to enable Congress to exercise its responsibility to monitor the progress of the Oversight Board and the RTC. The strategic plan, at a minimum, shall include the factors for selecting the priority for the resolution of failed thrifts, the standards for selecting the appropriate resolution method, measurement standards for RTC's overall progress, and the various other procedures to provide for the fair and efficient operation of the RTC. However, by listing some specific areas of concern to be addressed in the strategic plan, the Conferees do not intend to exclude other matters appropriate for oversight, such as disposition of assets in distressed areas.

Structure of the RTC

The FDIC will be the exclusive manager of the RTC unless removed pursuant to subsection (m). The Board of Directors of the

FDIC will be the Board of Directors of the RTC and the Chairperson of the FDIC Board of Directors will be the Chairperson of the RTC Board of Directors.

Powers and Duties of the Resolution Trust Corporation

The RTC's primary purposes are: (1) to resolve cases involving institutions that once were FSLIC-insured and that are placed in a conservatorship or receivership between January 1, 1989, and three years from the date of enactment of this legislation; (2) to liquidate the Federal Asset Disposition Association ("FADA") within 180 days of the date of enactment; and (3) to conduct its operations so as to maximize recovery on assets it acquires, minimize the impact of its activities on local markets, make efficient use of its funds, minimize losses incurred in resolving cases, and maximize preservation of affordable housing.

In dealing with institutions in its custody, the RTC will exercise the FDIC's conservatorship and receivership powers. These include the power to operate an institution as a going concern, to facilitate its acquisition or to liquidate it.

The RTC will exist until December 31, 1996, after which its assets and liabilities will pass to the FSLIC Resolution Fund.

Review of 1988 Deals

The RTC shall review all assisted thrift acquisitions approved by the FSLIC after January 1, 1988, and report to the Oversight Board and the Congress the results of that review. The RTC shall exercise all the rights that FSLIC had to modify, renegotiate, or restructure assistance agreements where savings can be realized. Any gains or losses from exercising such rights would accrue to the RTC or the FSLIC Resolution Fund, as the Oversight Board determines.

Utilization of Private Resources

In carrying out its responsibilities, the RTC shall rely on private-sector services to the extent it determines that such services are available and their use is practicable and efficient. This provision is not intended to create any private right of action. This provision grants the RTC the authority to use private sector resources in order to minimize the reliance upon government sources and is a reflection of the standard by which Congress will measure the performance of RTC.

Performance of RTC Functions

The RTC will have both general corporate powers and certain special powers with which to perform its functions. The RTC will have no employees unless the Oversight Board exercises its removal powers. The RTC may enter into contracts including contracts for insurance, or joint venture agreements, make progress payments, exercise all the usual incidents of ownership with respect to the property it acquires, sue and be sued in its corporate capacity, make loans, take warrants, equity positions or other similar interests in assets or institutions, use the United States mails on the same basis as an agency of the United States, and exercise any incidental power necessary to carry out its duties. The specific delineation or omission of any contractual power is not intended to create any negative inference with regard to the extent of the RTC's general power to contract.

The RTC will have the power under its Federal Deposit Insurance Act powers to create new entities during the course of its case resolution activities. In section 501, this power is expressly recognized in the provisions allowing the RTC to create federal savings associations and bridge banks. During the period these entities are under the RTC's control, the RTC will be able to set certain standards for these entities. A bridge bank may be under the RTC's control during its entire existence; a federal savings association is under RTC's control until there is an actual acquirer and for so long as the RTC is providing assistance to, or has other contractual obligations with, the federal savings association. Except for those standards specifically reserved by statute for the RTC, such institutions will be subject to all laws and regulations generally applicable to them as enforced by the appropriate Federal banking regulatory agency. Once such institution is no longer under RTC's control and RTC's standards become inoperative, the institution will be under the appropriate Federal bank regulatory agency and governed by all the laws and regulations applicable to institutions with similar charters.

The RTC also has special powers and may require the merger or consolidation of an institution in its jurisdiction pursuant to applicable standards.

Regulations and Procedures

The Oversight Board and the RTC shall issue regulations pursuant to the Administrative Procedures Act. Such rules are subject to the review of the Oversight Board as set forth above. Regulations or procedures adopted by the RTC relating to its exercise of the FDIC's rights and powers under the FDI Act must accord with that Act and with the FDIC's regulations.

Documentation of Decisions

The RTC must adopt written procedures for selling or otherwise disposing of insured institutions and their assets, and must document its decisions and reasons. The RTC must document decisions so that any transaction involving the exercise of its statutory powers may be adequately reviewed. These procedures must provide for adequate competition, and fair and consistent treatment of offerors, and minimize the cost to the RTC consistent with the overall goals of the RTC.

Asset Disposal in Distressed Areas

The RTC must adopt special asset-disposition procedures to protect the economies of distressed areas. The RTC must set a minimum disposition price for real property that it owns before it sells that property. The procedures for setting that price, and the discretion to approve specific transactions for lesser amounts, are intended to protect against the dumping of assets while retaining the flexibility needed to make sound business decisions. This provision and the provisions for the disposition of residential properties found in subsection (c) require that the provisions of the latter program apply to the eligible property first. Once the requirements of subsection (c) no longer apply to a particular property, the distressed area property rules apply.

Structure of RTC and Advisory Boards

The FDIC operates as exclusive manager of the RTC unless it is replaced by the Oversight Board. The FDIC shall establish a Real Estate Asset Division to assist and advise the Corporation with respect to the management, sale or other disposition of real property assets. The Real Estate Asset Division will perform asset inventories and such other duties as the FDIC prescribes. The inventory shall identify properties with natural, cultural, recreational or scientific values of special significance. The creation of this inventory does not impose any duty on the RTC with respect to such properties or create any liabilities for the RTC in connection with such properties.

In addition, the Oversight Board shall establish national and regional advisory boards to advise the Oversight Board and the RTC with respect to asset management and disposition. Such boards will bring local expertise and concerns to bear on the Oversight Board's strategic decisions and the RTC's decisions regarding asset disposition.

Funding

To carry out its functions, the RTC will receive the proceeds of up to $50 billion of obligations issued by the Resolution Funding Corporation ("REFCORP"), as well as whatever cash its activities generate. The RTC may also borrow up to $5 billion from the Treasury. The RTC cannot obligate the FDIC or any of its insurance funds. The RTC shall provide the Oversight Board with periodic detailed funding requests.

Federal Asset Disposition Association

The RTC shall liquidate the Federal Asset Disposition Association ("FADA") within 180 days of enactment of this Act. In liquidating the FADA, the RTC should not sell FADA's name.

Exemption From Taxation

The Oversight Board and the RTC will be exempt from taxation, other than taxes on real property.

FSLIC Liabilities

The RTC succeeds to the FSLIC's liabilities as guarantee of certain loans made by the Federal Reserve Banks and Federal Home Loan Banks ("Lenders") to insured savings associations before the bill becomes law. The RTC must, within one year, repay any outstanding indebtedness not repaid by such savings associations to the Lenders. Any claim by a Lender shall have priority over all obligations of the RTC. If the resources of the RTC are insufficient to pay the obligations to the Lenders, then the Secretary of the Treasury shall pay such obligations.

Note Cap

The RTC cannot issue obligations in excess of the total amount of unused REFCORP borrowing, RTC's cash, and 85 percent of the fair market value of RTC's other assets. Obligations of the RTC that have a stated principal amount and a stated maturity date shall be backed by the full faith and credit of the United States.

Reports and Congressional Appearances

The RTC must make both annual and semiannual reports to Congress. Annual reports must include financial statements, as well as the RTC's financial operating plans and forecasts. Semiannual reports must contain the same types of information as annual reports, plus certain items important for Congressional oversight.

The Comptroller General must audit the RTC annually, unless the Comptroller General notifies the RTC at least 180 days before the end of the fiscal year. If the Comptroller General gives such notice, the RTC must arrange to be audited by the independent certified public accountant. The Comptroller General will have access to all books and records of the RTC and its agents.

One of the reports to Congress includes a report on agreement entered into by the RTC with third parties that acquire institutions with assistance from the RTC. Such assistance agreements must also be disclosed

to the public unless the Oversight Board, by unanimous vote, determines that disclosure would be harmful to the public interest. It is the intent of the Congress that these agreements be disclosed and that such public interest exception be rarely used and narrowly construed.

Termination of FDIC as exclusive manager

Because the Oversight Board will be ultimately responsible for the operations of RTC, the Oversight Board will be able to remove the FDIC as exclusive manager, but only under extraordinary circumstances. Such extraordinary circumstances are defined by the statute as: a material figure to adhere to the strategic plan or to meet the RTC's programs or activities; willful violation of the Act or the RTC's policies; or a continuing failure to obtain consideration at least nearly equivalent to the market value for assets sold by the RTC. Neither the disposition of property under subsection (c), the special provisions for eligible residential properties, nor the disposition of property in distressed areas at less than 95% of market value, pursuant to the exceptions provided therein, shall constitute a failure to obtain consideration at least nearly equivalent to market value.

STANDARDS OF CONDUCT FOR RTC INDEPENDENT CONTRACTORS

Unless the Oversight Board exercises its authorities to remove the FDIC, the RTC will have no employees. The FDIC as exclusive manager will use its employees to perform many of the functions of the RTC. The RTC must adopt conflict-of-interest and ethical standards for such persons who are operating in the capacity of an employee that are at least as stringent as those applicable to FDIC employees. In addition, the RTC, through the FDIC will contract with other private persons to provide other services. Such private persons may have responsibility for vast amounts of what are, in substance, Federal resources. To ensure that such persons act for the public good rather than for personal gain, the Oversight Board must adopt ethical standards for independent contractors consistent with Titles 18 and 41 of the United States Code and independent contractors acting on behalf of the RTC will be subject to the same criminal sanctions as FDIC employees for bribery.

The Conferees are mindful of the abuses that have taken place with respect to the awarding of contracts and the consulting arrangements and political favoritism shown by the Department of Housing and Urban Development in its housing programs. The Oversight Board is directly accountable for ensuring that there are no similar problems in the administration of the RTC. Given the large amounts of funds to be expended on this matter, Congress expects the Oversight Board and FDIC as exclusive manager to be vigilant and aggressive in its pursuit of the highest ethical standards at the RTC. A failure to propose, adopt, implement or enforce adequate ethical standards would constitute the extraordinary grounds necessary for dismissal of the FDIC under the Oversight Board's authority to remove the FDIC as exclusive manager.

The FDIC as exclusive manager will be using its personnel to perform the functions of the RTC. Persons who are under the direct supervision of an employee or officer of the FDIC are the functional equivalent of a government employee and shall be subject to the full range of criminal sanctions that are applicable to federal government employees. For the purposes of this section, acting under the direct supervision of an employee would necessarily include, but is not be limited to, any person making or implementing a decision to provide assistance pursuant to the RTC's statutory powers. Other Federal criminal sanctions, such as those for bank fraud and misapplication of funds, would continue to apply to any person acting on behalf of a conservator or receiver for institutions that are covered by such statutes.

The RTC is required to adopt conflict of interest regulations applicable to independent contractors consistent with the goals and purposes of the Ethics in Government Act. Under such standard, the regulations adopted by the RTC shall prohibit a contractor with the RTC from acquiring an interest in an institution with respect to which the contractor has rendered services to the RTC, or advising potential acquirers with respect to that institution. Further, such regulations shall prevent the unauthorized use of non-public information obtained through providing services to the RTC. Such restrictions on the use of information should include items such as: (1) requiring independent contractors to take all reasonable measures to avoid unintentional or inadvertent disclosure of such information; (2) prohibiting the use of any nonpublic information for private gain by the contractor or any person with whom the contractor has on ongoing relationship, such as its counsel; and (3) requiring that the contractor treat all information gained by it as a result of services performed for the RTC as non-public information unless specifically authorized in writing by the RTC. Non-public information does not lose its character as such for a particular contractor until it has become a part of the body of public information from a source other than that contractor.

Inspector General

The RTC will have a presidentially appointed Inspector General who will report to both the Board of Directors of the RTC and the Oversight Board.

Disposition of Residential Properties

The House bill contained a provision not included in the Senate bill that would give nonprofit organizations, public agencies and lower income families a 90-day right of first refusal to purchase eligible residential property which the RTC is required to sell. Eligible residential property means, in the case of single family units, units costing less than $67,500 and, in the case of multifamily units, units ranging from $28,032 to $58,392, depending upon the number of bedrooms. Not less than 20 percent of the dwelling units sold during this period would be reserved for very low-income families (incomes do not exceed 50 percent of median income) and not less than an additional 15 percent would be reserved for lower income families (incomes do not exceed 80 percent of median income). The RTC could sell a property at a price below the net realizable market value and could provide financing at a reduced interest rate to the extent necessary to fulfill the lower income occupancy requirements. If no qualified nonprofit, public agency, or lower income family made a bona fide offer within a 3-month period, then the RTC may offer to sell the property to any qualified purchaser. The RTC would publish a listing of eligible residential properties (for each 3-month period) available to any person upon request and available for public inspection in the central and regional offices of the Federal home loan banks.

The conference agreement contains the House proposal with a number of significant changes.

Disposition of Eligible Single Family Property

For the first three months after a single family property is made available for sale, the RTC would be allowed to sell the property only to two classes of eligible purchasers: (a) homebuyers whose income does not exceed 115 percent of area median and who intend to live in the property as their principal residence and (b) public agencies and nonprofit organizations (including limited equity cooperatives) who agree either to resell the units to lower income families or to provide rental housing affordable to lower income families for the remaining useful life of the property. Eligible single family properties are those single family properties that are appraised at $67,500 or less. After the three month period, if an eligible single family property is not subject to a purchase offer, anyone (including a for-profit investor) may purchase the property. The RTC will develop appropriate guidelines for settlement and closing of sales involving single-family residences.

In order to enhance the purchasing power of eligible purchasers, the conference report provides a mechanism by which such purchasers may be given an early look at eligible residential properties. Within a reasonable time after the Resolution Trust Corporation (RTC), in its corporate capacity or as receiver, acquires title to a single family property, it must provide information on the property's location, condition (including current occupancy and age), and fair market value to certain clearinghouses. It is expected that this initial information will be provided quickly, even before clear title is acquired in some cases. The clearinghouses would be responsible for passing on property information to eligible purchasers. The purpose of this notice process is to alert eligible purchasers of the availability of the property early enough for inspections, rehabilitation estimates and bona fide offers to be prepared. Reasonable access to the properties for purposes of inspection must be given to these eligible purchasers. The lower income occupancy requirements must be included in a deed or other recorded instrument. The conference report makes the lower income occupancy requirements judicially enforceable against owners by affected very low- and lower-income families, State housing finance agencies and agencies, authorities or corporations of the United States. The conferees intend that affected very low- and lower-income families include families who are renting a particular property as well as families who would be eligible to rent. The conference report does not impose resale restrictions on properties sold to lower income households. However, public agencies or nonprofit organizations that purchase single family properties for subsequent resale to lower income households may impose such restrictions to assure long-term availability of the properties for lower income purchasers.

The clearinghouses are entities that have a particular interest in the provision of affordable housing, particularly housing that serves lower income households. They include State housing finance agencies where the properties are located, the Office of Community Investment (or comparable division in the Federal Housing Finance Board) and any national nonprofit organization (including any nonprofit entity established by

the National Housing Partnerships) that the Corporation determines has a capacity to act as a clearinghouse. Organizations such as the Council of State Housing Agencies, the National Low Income Housing Coalition, the Neighborhood Reinvestment Corporation, ACORN, LISC, and the Enterprise Foundation are some of the national nonprofit organizations that might be willing and appropriate to undertaken these functions, under contract with the Resolution Trust Corporation. State housing finance agencies, because of their location in each State, their expertise in the financing of home ownership and lower income rental projects, as well as their role in allocating federal tax credits are particularly well suited to assume the clearinghouse function. To help induce organizations, particularly national nonprofit organizations, to act as clearinghouses, the conference report provides that clearinghouses shall not have legal liability for failure to comply, when acting as clearinghouses, with the requirements of this subsection.

MULTIFAMILY RESIDENTIAL PROPERTY DISPOSITION

Initial Notice Period and Bona Fide Offer

The conferees believe that the disposition of multifamily properties will differ greatly from the disposition of single family property. Most multifamily properties will undergo a natural holding period before they can be made ready for sale. During this period, RTC will most likely need to clear title, repair the properties and establish the market value. Depending on the condition of individual properties and the extent of encumbrances upon title, this period may range from weeks to months to years.

Given these inherent differences between single family and multifamily disposition, the conference report establishes a more detailed early look process for multifamily properties than for single-family residences. The process would operate as follows. Within a reasonable time after the RTC in its corporate or receivership capacity, acquires title to a multifamily property, it must provide information on the property's location, condition (including current occupancy and age) and fair market value to specified clearinghouses. Once again it is expected that this information will be provided in a timely manner even before clear title is acquired and before the RTC is ready to offer the property for sale. (The RTC, however, has the authority to enter into negotiations for sale before a property is formally offer for sale.) The clearinghouses are the same entities that will be providing information about the single family properties. They would be responsible for passing on the property information to "qualifying multifamily purchasers"—public agencies, nonprofit organizations and for-profit organizations that make an upfront commitment to comply with the lower income occupancy requirements described below.

A qualifying multifamily purchaser would be required to express, by written notice, a serious interest in purchasing a particular property (a) within 90 days of the date the clearinghouses receive notice from the RTC or (b) by the time a property is ready for sale, whichever occurs earlier. The RTC may by regulation or order prescribe the required form and content of an expression of "serious interest." In so prescribing, the conferees intend the RTC to protect itself and the overall asset disposition process from frivolous expressions of interest by organizations that may, in fact, be seeking nothing more than to preserve for themselves the widest range of options. At a minimum, "serious interest" should entail a reasonable probability that the organization expressing interest could in fact accomplish a purchase of the subject property, and a good faith commitment on the part of the organization to work toward preparing a bona fide offer for the property.

Upon determining that a property is ready for sale, the RTC would be required to provide written notice to those qualifying multifamily purchasers that have expressed a serious interest in a property. Such purchasers would then be given 45 days to make a bona fide offer to purchase the property. The conferees believe only a limited number of multifamily properties will be ready for sale less than 90 days after the date clearinghouses receive notice from the RTC. The RTC should develop appropriate guidelines for settlement and closing of multifamily properties.

The lower income targeting requirements in the conference report are similar to those included in the House bill. At least 20% of the units must be made available for occupancy by and shall be maintained as affordable to very low income families for the remaining useful life of the property and at least an additional 15% of the units shall be available for occupancy by and shall be maintained as affordable to lower income families. The remaining useful life of the property is not determined by tax law principles but is intended to cover the property as long as it is habitable and assumes good faith efforts by the purchaser to maintain the property and to rehabilitate it as necessary. A rental unit will be considered affordable as long as the rent charged to tenants on a lower-income unit does not exceed 30% of 65% of the area median income and the rent charged to tenants on a very low-income unit does not exceed 30% of 50% of the area median income. The conferees recognize that the established caps on tenant rent contributions might cause hardship in individual circumstances. Yet, these restrictions on tenant contributions to rent are necessary to facilitate the underwriting of private financing for the acquisition of multifamily properties. Subject to the availability of funds, the conferees fully expect Section 8 rental assistance—both tenant-based and project-based—to be used in conjunction with these properties. Where Section 8 rental assistance is available, tenant contributions to rent will be 30 percent of an individual tenant's adjusted income and actual rents will probably exceed the caps contained in the statute. These lower income targeting requirements may be exceeded in any project and preference between substantially similar offers for individual multifamily properties or blocks of single family and multifamily properties will be given to those offers that propose to house more lower income families for longer periods of time. This preference applies to all offers, even those made after the statutory serious interest and bona fide offer periods. All agreements related to lower income targeting must be recorded in a deed or other legal instrument and are, therefore, applicable to subsequent purchasers. The conference report makes the lower income occupancy requirements judicially enforceable against owners by affected very low- and lower-income families, State housing finance agencies and agencies, authorities or corporations of the United States. The conferees intend that affected very low- and lower-income families include families who are renting a dwelling unit in a particular multifamily development as well as families who would be eligible to rent.

The lower income occupancy requirements applicable to multifamily sales may be reduced for a temporary period if the HUD Secretary or the State housing financing agency in the State where the property is located determines that compliance with those requirements is no longer financially feasible. It is expected that such reductions will be given for short time periods. The owner must make good faith efforts to secure the funds necessary to permit continued lower income occupancy and affordability and to reduce costs through refinancing or other means. This exemption must be reviewed annually, no tenant may be displaced if the reduction is granted and the owner must show good faith efforts to restore the lower income occupancy to the levels required by statute. If a property was part of a bulk sale in which occupancy restrictions were applied on an aggregate basis, the HUD Secretary or the State housing finance agency should look at the earnings and costs associated with all properties on an aggregate basis to determine whether compliance with the occupancy restrictions on one property is financially infeasible.

Bulk Sales

The amendment authorizes the sale of properties individually or as a group. Any single or multifamily offers made during the expression of serious interest period or initial purchase offer period must meet the lower income targeting requirements. For single family properties, the restrictions apply to each property. For multifamily properties, the requirements apply in the aggregate so that properties rented at market rate could be used to cross-subsidize properties containing a higher proportion of lower income families. If a multifamily property has been identified during the serious interest period for an individual purchase it may not be considered as part of a bulk sale unless no purchase offer is subsequently made during the bona fide offer period.

The conferees are aware of an interesting proposal made by the National Housing Partnership (NHP), a congressionally chartered organization. Under NHP's proposal, RTC would sell a significant number of multifamily properties at book value to a nonprofit foundation established by the NHP. The nonprofit foundation would subsequently place conventional first mortgages on each property, remitting to RTC a substantial amount of the proceeds of the first mortgage financing and giving RTC a note for the difference between the first mortgage amount and book value. The first mortgages would come from reputable mortgage lenders which use appraisal methods acceptable to RTC. The foundation would sell the properties within a fifteen year period and, upon each sale, RTC (or its successor in interest) will receive sales proceeds, as a first priority after the mortgage holder to cover the difference between the first mortgage and the second note. The foundation would be bound by the lower income occupancy requirements of the conference report. Because RTC would sell each property at book value, which the conferees believe to be far in excess of the market value in most instances, RTC could expedite sales of properties to the foundation, saving itself a significant investment of time and resources which would ordinarily be required to set market value and ready property for sale. The conference report

would permit this type of portfolio sale any time after the serious interest period as long as the properties were not identified for individual purchase by qualified multifamily purchasers.

Financing of Sale

Sale Price

The RTC is directed to establish a market value for each eligible residential property. Through negotiations, the RTC is required to sell a property at the net realizable market value which is the price below the market value that takes into account any reductions in holding costs resulting from expedited sale of a property, including but not limited to forgone real estate taxes, insurance, maintenance expenses, security costs and the loss of use of its funds as well as the avoidance, if applicable, of fees paid to real estate brokers, auctioneers or other individuals usually involved in the sale of RTC property. The conferees intend the term "maintenance expenses" to include repairs or capital costs necessary to ready properties for sale as well as repairs necessary to enable continued occupancy during the period a property is being prepared for sale. The RTC may agree to a sales price that is below the net realizable market value to the extent such a reduction expedites the sale and enables a lower income family to purchase a unit or enables a public agency or nonprofit agency to comply with the lower income occupancy requirement. The RTC may not sell a property below the net realizable market value to enable a for-profit purchaser to meet the lower income targeting requirements. A willingness to negotiate a lower sales price on these properties may be critical to making such properties affordable to lower income homeowners and lower and very low income renters.

Seller Financing

The RTC is also authorized to provide seller financing as a first or second mortgage for all or part of the purchase price of any residential property. This mortgage financing may be provided at a subsidized rate if necessary to meet the lower income occupancy requirement by lower income purchasers or by nonprofit or State or local government purchasers agreeing to meet the lower income occupancy requirements. Once again, this assistance is not available to for-profit purchasers.

Other Federal Assistance

The House bill authorized additional funds for several housing assistance programs administered by HUD and FmHA for use in conjunction with the disposition of these assets. The conference report does not authorize those funds but it does direct the Secretary of HUD to take actions to expedite the processing of applications for assistance under a number of programs: Section 202 elderly and handicapped housing, the homeless assistance programs, the urban homesteading program, all of the programs under the U.S. Housing Act of 1937, including Section 8 and rental rehabilitation grants as well as FHA mortgage insurance under the National Housing Act. Similarly the Secretary of Agriculture is directed to expedite the processing of applications for assistance under any of the FmHA programs. The availability of assistance under any of these programs and from other State or local government sources should be taken into consideration when the RTC agrees on a final purchase price or the provision of subsidized financing.

The HUD urban homesteading program and the FmHA loan guarantee program are amended to assure they may be used in conjunction with the disposition of these properties.

Third Party Rights

The conference report contains a provision designed to protect purchasers of eligible residential property against challenges to their title based upon RTC's failure to comply with the special disposition rules.

TITLE VI. THRIFT ACQUISITION ENHANCEMENT PROVISION

Title VI amends the Bank Holding Company Act in an effort to attract additional private capital to the thrift industry.

The Federal Reserve Board is given the specific authority to permit the acquisition of a savings association by a bank holding company under section IV of the Bank Holding Company Act. All nonbanking restrictions and other criteria under that section will continue to apply. However, the Conferees intend that the Board not impose tandem restrictions on the activities of the savings associations and affiliated companies unless such restrictions are required under law. Prior tandem restrictions imposed by the Board are to be lifted.

The Bank Holding Company Act is also amended to clarify that companies controlling so-called grandfathered nonbank banks may, within certain limits, make strictly passive investments in the shares of a nonaffiliated bank or savings association.

The title also permits companies that control nonbank banks to acquire certain "qualified" shares issued by troubled savings associations or savings and loan holding companies. Such a company will not be deemed to control the troubled association or holding company solely by reason of the control of such shares so long as the holding company observes the limitations for the qualified stock issuance. One of these requires that the thrift not be a subsidiary of the holding company and that the holding company not make the investment with a view towards obtaining control of the thrift. This means that the investment must be strictly passive. The holding company may not directly or indirectly exercise a controlling influence over the management and policies of the thrift.

Certain technical and conforming amendments are made to the Bank Holding Company Act to take into account other changes made by the bill.

TITLE VII. FEDERAL HOME LOAN BANK SYSTEM REFORMS

FEDERAL HOUSING FINANCE BOARD ESTABLISHED

The overall purpose of this Subtitle is to restructure and refocus the thrift industry by separating the deposit insurance, the chartering and the credit allocation functions for housing finance. Under this section, the Federal Home Loan Bank Act is amended by the addition of a new section 2A under which the Federal Housing Finance Board is established as an independent agency in the Executive branch of the Federal government to oversee the Federal Home Loan Banks (Banks). Subsections (b), (c) and (d) provide for the composition and terms of the Board of Directors of the Board. The Board is composed of five members, including the Secretary of HUD and four citizens of the U.S. appointed by the President with the advice and consent of the Senate.

The appointive directors of the Board hold office for a term of seven years; however, the initial members of the Board are appointed for terms of two, three, five, and seven years to provide for staggered board membership in the future. The directors are appointed from among persons with extensive experience or training in housing finance or with a commitment to the provision of specialized housing credit, and at least one director must be chosen from organizations with more than a two-year history of representing consumer or community interests on banking services, credit needs, housing or financial consumer protections. The organizations can be involved in any one of the four areas identified in the Act and the Committee does not intend to require that the consumer representative have experience in all four areas.

No appointive director can hold any other appointive office during his or her term as director. Not more than three directors can be members of the same political party and no more than one of the directors can be appointed from any single Bank district. No appointive member of the Board may, during such director's term of office, be an officer or director of any Bank or a stockholder, officer or director of any member of a Bank. This provision is not intended to preclude an investment in a diversified mutual fund that in turn may own shares of a savings association.

The President designates one of the appointive members to be the Chairperson of the Board. In the Chairperson's absence or disability, the duties of the Chairperson are performed by another member of the Board to be designated in advance by the Chairperson.

This section also adds a new section 2B establishing the powers and duties of the Federal Housing Finance Board. The legislation transfers to the Board the existing authority of the Federal Home Loan Bank Board to supervise the activities of the Banks. The Board is directed to ensure that the Banks carry out their housing finance mission, remain adequately capitalized and able to raise funds in the capital markets, and are operated in a safe and sound manner.

As an independent agency in the Executive branch, the Board is subject to the Administrative Procedures Act, the Freedom of Information Act and the Government in the Sunshine Act. In addition, the Treasury Department's oversight and direction of the Director of the OTS does not extend, directly or indirectly, to the Federal Housing Finance Board, or to any office or joint office of a Bank, with respect to any credit related or correspondent banking activities.

The Federal Housing Finance Board has the authority to fix the compensation of employees, attorneys and agents of the Board without regard to provisions of law applicable to officers or employees of the United States. Nevertheless, the compensation of employees, attorneys and agents of the Board is subject to the comparability provisions of this Act.

The receipts of the Federal Housing Finance Board derived from assessments upon the Banks and from other sources, other than receipts from the sale of consolidated obligations, shall be deposited in the Treasury and may be withdrawn to defray the expenses of the Board and to pay the salaries of the employees of the Board.

The Board of Directors also has the power to suspend or remove for cause any director, officer, employee or agent of any Bank, or any joint office of the Banks. The cause of any such suspension or removal must be communicated in writing, in a timely fashion, to that director, officer, employee or agent, as well as the Bank or joint office.

In addition to the appointment of an inspector general, the Comptroller General of the United States is given the authority to audit and examine the activities of the Federal Housing Finance Board and the Banks, in order to determine the extent to which the Board and the Banks are fairly and effectively fulfilling the purposes of this Act.

TERMINATION OF THE FEDERAL HOME LOAN BANK BOARD

The Federal Home Loan Bank Board and the post of Chairman of the Federal Home Loan Bank Board are abolished consistent with Title IV.

Eligibility for Membership

The purpose of this section is to provide for expanded membership in the Banks to include Federally insured commercial banks and credit unions that engage in mortgage lending. A Federally insured bank or credit union would qualify for Bank membership if its financial condition is acceptable, its management and home-financing policy are consistent with sound economic home financing. Such institutions must have at least 10 percent of their assets in residential mortgage loans; including 1-4 family, multifamily and funded residential construction loans, to qualify for membership. Meeting the specific asset threshold test does not raise any presumption with respect to whether the applicant's policies are consistent with sound economic home financing. The member's access to advances, however, would be limited by that institution's demonstrated commitment to housing as provided under the advance section. This expansion of Bank membership is intended to promote and sustain housing finance and the Banks. The Committee believes that the extension of membership to insured commercial banks and credit unions that engage in mortgage lending will strengthen the Banks and their ability to support the mortgage market.

Repeal of Provision Relating to Rate of Interest on Deposits

This section repeals section 5B of the Federal Home Loan Bank Act (12 U.S.C. § 1425b).

Capital Stock

This section removes outdated provisions relating to the minimum amount of capital stock that must be issued by a Bank, the subscription by the United States for a portion of the capital stock, and the subsequent retirement of the stock owned by the United States. This section further provides that at any time a member's membership in a Bank is terminated, all advances must be repaid and any penalties and other fees applicable to a repayment of such advances would apply.

Election of Bank Directors

Under this section, at least two appointive directors of each Bank must be chosen from organizations with more than a two-year history of representing consumer or community interests on banking services, credit needs, housing or financial consumer protections.

In providing for consumer representation on the Boards of the Banks, the Committee does not intend to force the removal of any existing directors. Instead, consumer representatives will be appointed to fill the earliest vacancies of existing appointive member positions, whether by resignation, removal or expiration of term. In addition, the organizations from which these individuals are selected can be involved in any one of the four identified areas and the Committee does not intend to require that they have experience in all four areas.

Also under this section, no appointive member of the Board of Directors of a Bank shall, during such director's term of office, be an officer or director of the Bank or a stockholder, officer or director of any member of that Bank. This provision is not intended to preclude investment in a diversified mutual fund that in turn may own shares of a savings association.

This section further provides that no person who is an officer or director of a member that fails to meet its applicable capital requirements may seek or hold the office of director of a Bank. The directors of each Bank shall determine the terms and conditions under which the Bank may indemnify its directors, officers, employees, or agents.

Repeal of Provision Relating to Certain Powers of the Federal Home Loan Bank Board

This section repeals section 19 of the Federal Home Loan Bank Act (12 U.S.C. (1439)) regarding the powers of the Federal Home Loan Bank Board.

Powers and Duties of Banks

This section authorizes, but does not require, the Banks to make loans to the FDIC, for use of the Savings Association Insurance Fund. Under this section, any loans by the Banks for this purpose are a direct liability on the insurance fund. As is the case with all advances by the Banks, loans to the FDIC for the SAIF must be adequately secured as determined by the Board and the Bank. In addition, the interest on any such advances must be no less than the Bank's current marginal cost of funds.

Also under this provision, section 11 of the Federal Home Loan Bank Act (12 U.S.C. (1431)), is amended to provide that the Banks are permitted to engage in activities that are incidental to those expressly authorized by the Act. This incidental authority helps ensure that Bank members are able to provide economical housing finance.

For example, these activities include the collection and settlement of checks, and related services that the Banks can provide to or for members. The Banks can also provide courier and custody services for, and can process and transmit information related to these services. The Banks are also able to provide other correspondent banking services for members. This includes the reconciliation of customer accounts and servicing payrolls, as well as the analysis and transmission of such information.

Eligibility of Borrowers to Secure Advances

This provision amends section 9 of the Federal Home Loan Bank Act (12 U.S.C. (1449)) by removing obsolete language relating to nonmember borrowers. Entities that are not members are not eligible to borrow from the Banks.

The provision also amends section 10 of the Federal Home Loan Bank Act (12 U.S.C. (1430)) by adding a community support requirement for access to long-term Bank advances.

Under this section, the Federal Housing Finance Board is required to adopt regulations, within two years after enactment of the Act, establishing standards of community investment or service for members of the Banks to maintain continued access by such members to advances. The section provides that the regulations promulgated by the Board shall take into account such factors as the member's performance under the Community Reinvestment Act of 1977, and that member's record of lending to first-time home buyers.

Administrative Expenses

This section provides the Federal Housing Finance Board with the power to levy, semiannually upon the Banks, an assessment sufficient to provide for the payment of the administrative expenses of the Board.

Under this section, the estimated expenses of the Board are to be allocated among the Banks on an equitable basis. Any surplus at the conclusion of any semiannual period will be deducted from the assessment for the following semiannual period. The Committee recognizes that the Board will need to make an immediate assessment on the Banks for the administrative expenses the Board is likely to incur in the first 60 to 90 days following enactment.

Therefore, this section includes a transitional provision for a one time special assessment on the Banks. Because of the separation of the regulatory and credit functions of the current Federal Home Loan Bank System, neither the Federal Housing Finance Board nor any of the Banks is subject to any assessment for the operation of the Office of Thrift Supervision, except as specifically provided in this Act.

Nonadministrative Expenses

This section repeals section 18 of the Federal Home Loan Bank Act (12 U.S.C. (1438a)) and section 19A of that Act (12 U.S.C. (1439-1)

Federal Savings and Loan Insurance Corportion Industry Advisory Committee

This section repeals section 21(i) of the Federal Home Loan Bank Act (12 U.S.C. (1441(i)) and thereby abolishes the Federal Savings and Loan Insurance Corporation Industry Advisory Committee.

Advances

This section amends section 10(a) of the Federal Home Loan Bank Act (12 U.S.C. (1430(a)) to provide that advances must be made on collateral sufficient, in the judgment of the particular Bank, to fully secure such advances. The section also provides that long-term advances can be made only for the purpose of providing funds for housing finance.

At the time a Bank makes or renews an advance, the Bank must obtain or maintain collateral eligible under certain designated categories. These categories limit the eligible collateral to the following low risk assets: current first residential mortgage loans and securities representing a whole interest in such loans; marketable federal agency securities; deposits at a Federal Home Loan Bank; and a limited basket of other real estate related collateral that is sufficiently liquid to have a readily ascertainable value.

Since these new collateral requirements only apply when an advance is made or renewed, they do not apply to advances existing at the time of enactment unless those advances are renewed. If, at the time an advance is renewed, the member institution meets all the specified collateral requirements except for the 30% restriction of Section 714(a)(4), the advance may be renewed at the discretion of the Federal Home Loan Bank. In such circumstances, the Federal Housing Finance Board shall, in consultation with the Resolution Trust Corporation, determine a repayment schedule for such renewed advances which is consistent with the sound operation of both the Bank and such member.

By allowing the Banks to originate advances based on securities representing whole interests in first mortgage loans, this section enables the Banks to continue to accept privately issued mortgage-backed securities. However, the section precludes acceptance of (i) stripped securities, such as those backed only by the interest payments or the principal payments on such loans, (ii) any security representing a subordinated interest in mortgage loans, or (iii) any security that represents an interest in a residual or other high risk mortgage derivative product. The category for first mortgages on improved residential property includes loans for co-op units secured by the stock in the cooperative.

In addition, this section imposes special eligibility requirements for advances to members that are not qualified thrift lenders. Such members may only receive advances for the purpose of obtaining funds for housing finance. In addition, a member that is not a qualified thrift lender may only receive an advance if it holds stock in its Bank at the time it receives that advance in an amount at least equal to 5% of that member's total advances, divided by that member's actual thrift investment percentage.

The Board, by regulation, must also establish a priority for advances to members who are qualified thrift lenders, and each Bank's advances to members that are not qualified thrift lenders cannot exceed 30% of the Bank's total advances. An exception to the above eligibility requirements is provided for savings banks, a savings association chartered as a savings bank or which acquired its principal assets from an institution chartered as a savings bank prior to October 15, 1982. The section also provides that each member of a Bank must, at a minimum, purchase and maintain stock in that Bank in an amount as if 30% of the member's assets were home mortgage loans.

This section further provides that the Banks may, upon the request of the Director of the OTS make short term liquidity advances to an association that: (1) is solvent but represents a supervisory concern due to its poor financial condition, and (2) has reasonable and demonstrable prospects of returning to a satisfactory financial condition. The section provides that any such advance is subject to all applicable collateral requirements, including those in section 10(a) of the Federal Home Loan Bank Act (12 U.S.C. 1430(a)), as determined by the Board and the Bank, to insure that any such advances are consistent with the principles of prudent lending and that the Bank is not asked to make unsafe or unsound advances. The section also provides that such advances, when made, shall be at an interest rate no less favorable than those made available for similar short-term liquidity advances to associations that do not present such supervisory concerns.

Amendments Relating to Withdrawal From Federal Home Loan Bank Membership

This section amends current section 6(m) of the Federal Home Loan Bank Act (12 U.S.C. 1426(m)) by increasing from five years to ten years the period during which an institution that withdraws from membership in a Bank would be prohibited from rejoining that Bank. Institutions insured by the FSLIC are presently required to maintain membership in their Bank as a condition of their FSLIC insurance. Under the Act, the existing obligation of such agreements remain in effect and institutions would continue to be precluded from terminating their Bank membership as long as they were paying premiums to the Savings Association Insurance Fund. Institutions that withdrew from Federal Home Loan Bank membership prior to the date of enactment may rejoin after 5 years from the date of their withdrawal.

Repeal of Provision Relating to Unlawful Contract Rate

This section repeals section 5 of the Federal Home Loan Bank Act (12 U.S.C. 1425).

Bank Stock and Obligations

This section amends section 23 of the Federal Home Loan Bank Act (12 U.S.C. 1443) relating to Bank stock and obligations.

Thrift Advisory Council

This section repeals section 8a of the Federal Home Loan Bank Act (12 U.S.C. 1428a) to abolish the Thrift Advisory Council.

Examination of Members

Under this section, the Treasury Department, the Office of the Comptroller of the Currency, the Federal Reserve Board, the Office of Thrift Supervision, and the Federal Reserve Banks shall make available to the Banks, upon request by a Bank, in confidence for its use and the use of any other Bank, such reports, records or other information relating to the condition and ownership of any member of a Bank. The Conferees do not intend the Federal Home Loan Banks would needlessly obtain information from these agencies when such information is available from the member or other savings association. These same agencies may also perform, at their discretion, examinations of institutions for the confidential use of the Federal Home Loan Banks.

Liquidity

This section repeals section 5A of the Federal Home Loan Bank Act (12 U.S.C. 1425a).

Community Investment and Affordable Housing Programs

The House bill contained several provisions which established two programs for reinforcing the Federal Home Loan Banks role in supplying mortgage credit and other related assistance for low and moderate income families and neighborhoods through the cash advance system. The Senate agreed to the House provisions with amendments.

The Conferees are aware that a range of forces, including inordinate building and finance costs, shrinking fiscal capacities of governments at all levels and other economic forces have left large numbers of poor and elderly families unable to participate in the national goal of decent, affordable housing and a suitable living environment. Even relatively more affluent families, those just above the lower income housing assistance standards, are increasingly unable to purchase or even to rent housing within their means. The conferees, therefore, have provided the means for assuring that the Federal Home Loan Banks help most critical community investment and affordable housing needs through the utilization of special cash advance programs. The conferees are mindful of the uneven use of similar special advance programs maintained by the Federal Home Loan Banks in the past and the reluctance of some of the banks to actively encourage their member institutions to address critical community investment and affordable housing needs. The conferees wish to make clear that the activities undertaken through the use of these special advances are no less important than any other credit activity undertaken by the banks.

Community Investment Program.—The House bill required each Federal Home Loan Bank to designate a community investment officer to implement the Bank's community lending and affordable housing programs, as well as provide technical assistance and outreach to promote such programs. The bill directed each Bank to establish a program designed to provide funding for member institutions to undertake community-oriented lending for mortgages that lack an established secondary market. Advances under the program would be priced at the Bank's cost of funds plus administrative expenses.

The Conference Report adopts the House provisions with an amendment deleting the requirement that loans under the program be limited to those for which no secondary market is established, requiring instead that loans under the program support community-oriented lending. The Conference Report defines "community-oriented lending" to mean loans for 1) homebuyers whose income does not exceed 115% of area median income, 2) the purchase or rehabilitation of housing occupied by families with incomes not exceeding 115% of area median income, 3) commercial and economic development activities that benefit low- and moderate-income families or are located in low- and moderate-income neighborhoods, and 4) projects that include a combination of these activities. The conferees wish to make clear that among the purposes specified in this provision, the loans should be used for the purpose of providing mortgage financing for qualified projects that would not necessarily meet the customary secondary market standards or for which there is no secondary market. Such financing might involve loans having longer terms than are customary for the secondary market, long-term mortgage loans for small multifamily projects, rehabilitation loans for one to four-family buildings, mortgage loans for mixed use buildings, for buildings that cannot obtain mortgage insurance and loans for community and economic development activities in low and moderate income neighborhoods, especially those activities that will result in employment for low income persons. The conferees expect the HUD Secretary to work with the several secondary market entities to expand existing, or create new, secondary market approaches to provide liquidity for these otherwise non-conforming loans on par with those types of loans that are now purchased by the secondary market. The conferees expect that the Banks will not limit their advance activities to a few projects simply to satisfy the requirements of this section but instead will use their advances on as many projects as is practicable without speading them too thinly.

Affordable Housing Program.—The House bill directed each Bank to establish a program to subsidize interest rates on advances to member institutions that make loans for long-term affordable low- and moderate-income housing at subsidized interest rates. The House bill required each member institution receiving advances under the program to report to the Bank on the use of program advances. The conference report contains the House bill with an amendment that provides standards that limit subsidized advances to (1) loans to finance homeownership purchases or rehabilitation by families with incomes at or below 80% of median; and (2) to finance the purchase, construction or rehabilitation of rental housing in which at least 20% of the units will be occupied by and affordable for very low income households for the remaining

useful life of the property or the mortgage term. The conferees expect that the Board will encourage the use of the longest practicable mortgage term in order to aid in making the housing affordable by very low income families.

Priority.—The House bill required each Bank to give priority for advances for loans for 1) the purchase, rehabilitation or construction of multifamily housing where 40% of the units would be occupied by low- or middle-income households for at least 30 years, 2) the purchase or rehabilitation of housing held by the federal government, and 3) housing sponsored by any nonprofit organization, any State or political subdivision of any State, any local housing authority or State housing finance agency.

The conference report contains the House bill with an amendment which provides that priority will be given to loans for rental or homeownership purposes such as the following: 1) homeownership for families whose income is 80% of the area median income or less, 2) the purchase or rehabilitation of housing owned or held by the federal government, and 3) the purchase or rehabilitation of housing sponsored by nonprofit organizations, State and local governments, local housing authorities and State housing finance agencies. The conferees wish to make clear that the Board is expected to take steps to assure that the preponderance of funds provided herein be utilized in behalf of families having income of 80% or below the area median. Also, these priorities are intended to assure that both multifamily rental as well as homeownership activities receive substantial portions of total funds utilized.

Contributions.—The House bill required each Bank to contribute to its affordable housing program 5% of its net income during calendar years 1990 through 1993, 6% for calendar year 1994, 10% for 1995 and each subsequent year. The bill required annual aggregate contributions to be at least $75 million through 1993, $90 million in 1994, and $150 million in 1995 and subsequent years. The conference report contains the House language with an amendment lowering the minimums to $50 million in 1990 through 1993, $75 million in 1994, and $100 million in 1995 and subsequent years. The percentage contribution for any given year shall be based on the net income of the preceding year.

If a Bank finds that these sums are contributing to its financial instability, it may apply to the Federal Housing Board for a temporary suspension. In determining financial instability, the Board must consider such factors as whether the Bank's earnings are severely depressed, whether there has been a substantial decline in membership capital, and whether there has been a substantial reduction in outstanding advances.

Any suspension is to be temporary and the Board is required to monitor the Bank's financial condition during a suspension. Suspensions shall not be granted where a Bank's earnings decline because of a change not justified by market conditions in the terms on which it makes advances to members, inordinate operating and administrative expenses, or mismanagement. The Board shall review applications for suspension and any supporting financial data and provide approval or disapproval in writing with specific findings and reasons for its action. The suspension shall take place 60 days after notice is provided to the House and Senate Banking Committees unless a joint resolution is enacted to disapprove the suspension.

Reserve Fund.—The House bill required Banks that fail to use or commit the full amount of the required annual contribution to place the excess above 10% of the unutilized amount in an Affordable Housing Reserve Fund to be administered by the Federal Housing Finance Board. Unused or uncommitted amounts were to be fully used or committed in the following year. The Board should provide these reserve funds to any Bank to meet additional eligible affordable housing needs in the Bank's district. The Board is required to establish regulations for any monies remaining in the Reserve Fund. The conference report contains the House provision.

The conferees have also provided that the Federal Housing Finance Board must promulgate regulations to implement the affordable housing program. The regulations are intended to ensure that the program operates in a manner that serves the affordable housing needs of low- and moderate-income households. The conferees also intend that, by establishing some overarching uniformity of program priorities, procedures, and standards, these regulations will minimize the potential for fraud and abuse that might otherwise exist if the Banks were left with unfettered discretion to conduct the affordable housing program.

Other Programs.—The House bill provided that the Community Investment and Affordable Housing Programs do not preclude Banks from establishing other community investment cash advance programs or contributing additional funds to the Affordable Housing Reserve Fund. The conference report contains the House provision.

Advisory Council.—The House bill directed each Bank to appoint an Advisory Council consisting of 7 to 15 persons from community and nonprofit organizations actively involved in providing or promoting low- and moderate-income housing in the Bank's district. The bill instructed the Advisory Council to meet quarterly with representatives of the Bank's board of directors to advise the Bank on low- and moderate-income housing programs and needs in the Bank's district and on the use of cash advances for such purposes. Each Advisory Council is required to submit to the Federal Housing Finance Board at least annually its analysis of the low-income housing activity of the Bank which appointed it. The conference report contains the House provision.

Reports to Congress.—The House bill directed the Board to monitor and submit an annual report to Congress and each Advisory Council on the Banks' support of low-income housing and community development and the Banks' use of advances for these purposes. The bill required the Board to include the Advisory Council's reports in the Board's report to Congress. The conference report contains the House provision with an amendment requiring the Comptroller General to audit and evaluate the Program after two years and report to Congress its conclusions and recommendations.

Definitions.—The House bill included the following definitions: low- or moderate-income household—any household whose income is 80% of the area median income or less; low- or moderate-income neighborhood—any neighborhood in which 51% or more of the households are low- or moderate-income households; and affordable rental housing—any housing in which low- or moderate-income households are not required to pay more than 30% of the monthly adjusted household income for rent.

The conference report contains the House provisions with an amendment adding a definition of very low income household as any household that has an income of 50% or less of the area median income, and further providing that the term "affordable for very low income households" means housing in which the unit rent does not exceed 30% of a family's adjusted income which income equals 50% of the median income of the area with adjustments for family size. This is to conform the definition of very low income households with that required for tax-credit purposes.

Transferred Employees of Federal Home Loan Banks and Joint Offices

The purpose of this section is to equitably address the transfer of employees of the Federal Home Loan Banks (Banks), or joint offices of such Banks, performing supervisory and examination functions and credit allocation functions to the Office of Thrift Supervision and the Federal Housing Finance Board, respectively.

Under this section, each employee of a Bank, or a joint office of such banks, identified under section 403 of this Act for transfer must be transferred to the OTS or the Board for employment no later than 60 days after the date of enactment, and must receive notice of the position assignment no later than 120 days after the effective date of that transfer. These two employee rights parallel those provided for transferred employees of the Bank Board and the FSLIC. Also, like Bank Board and FSLIC employees, each employee of a Bank, or joint office of such Banks, transferred is guaranteed a position at that agency with the same status and tenure as held by that employee prior to the transfer. Also, like transferred Bank Board and FSLIC employees, transferred Bank employees cannot be involuntarily separated or reduced in grade or compensation for a year, except for cause. Where necessary or appropriate to further safety and soundness, the Director of the OTS may continue the pre-transfer compensation of any transferring employee for up to two additional years.

Because of the special circumstances involving the transfer of such employees to the OTS or the Board, an employee may be transferred to the OTS or the Board even if that employee would otherwise be ineligible for employment by the United States because of his or her citizenship.

This section also provides that personnel transferred to the OTS or the Board are entitled to receive, during the one-year period immediately following the transfer, pay and benefits similar to those received by that employee immediately prior to the transfer. However, the pay and benefits received by each such employee during this one-year period are subject to the comparability provisions of this Act. Therefore, each employee would be compensated by his or her new agency at a level which is comparable to other employees of similar status and tenure at the OTS or the Board. To the extent, however, that the transferred employee suffers a reduction of pay or benefits as a result of the comparability provisions during the one-year period, that employee will be compensated for the differential by the particular Bank, or joint office of such Banks, from which that employee was transferred. The obligation of the Banks to compensate former employees for any such differential, however, shall only apply during this initial one-year period. The term "benefits" for purposes of this section means primary benefits such as health in-

surance coverage and life insurance coverage.

The conferees are concerned that the transfer of supervisory and examination employees from the Banks not adversely affect the integrity of the thrift regulatory system. In particular, the conferees are concerned that the primary legislative goals of resolving the current crisis and ensuring the future safe and sound operation of the thrift industry not be compromised by the loss of necessary staff, especially the most senior and experienced employees whose continued participation in the regulatory process is essential to the achievement of these goals. Therefore, the conferees have agreed that the Director of OTS may extend, on a case by case basis, the existing levels of compensation and benefits for employees transferring to OTS from the Banks for two years beyond the initial one year period guaranteed to all transferring employees. If the OTS Director determines to continue the pre-transfer compensation for any employee for up to two years beyond the initial one-year period, the compensation of that employee will not be subject to the comparability restriction during that additional period.

Further, the conferees are aware that some of the most valuable regulatory professionals being transferred are presently federal annuitants that would be financially harmed by the return to federal employee status. Therefore, the conferees have provided for the retention of these employees by giving the Director of OTS the flexibility to avoid statutory penalties that would apply to these employees due to their federal annuitant status. An annuitant who accepts reemployment shall not be subject to the deduction from pay required by 5 U.S.C. § 8344 or 8468.

The level of comparable pay and benefits under this section is not determined solely at the time of the transfer, but may change during the year as salary and benefits at the new agency change during that year. Therefore, the resulting compensation from the particular Bank, or joint office of such Banks, may also vary during that year. The provision of Title VII only applies to a transferred employee while that employee remains with the agency to which that employee is transferred. As a result, if an employee transferred to the OTS or the Board leaves that agency, the Bank from which that employee transferred would no longer be obligated to provide any compensation for that employee under this Act.

Subsection (e) provides that if the health insurance program of a transferred employee is not continued by the agency to which that employee is transferred, the employee is entitled to health insurance coverage notwithstanding health conditions pre-existing at the time of election or enrollment into the alternate pre-existing at the time of election or enrollment into the alternate health insurance program of the agency. Again, because of the special nature of the transfer of such employees to the OTS or the Board, the Committee determined that it would be inappropriate to exclude a transferred employee (or a family member of such an employee) from the new health insurance program because of a health condition which did not preclude that individual's participation in an existing health insurance program, but would otherwise have precluded enrollment into the alternate insurance program of the new agency.

For similar reasons, the Act directs the Director of the OTS or the Chairman of the Board to take such action as is necessary on a case-by-case basis so that employees transferring under this section receive equitable treatment regarding credit for service with a Federal entity or instrumentality, or with a Bank or joint office of such Banks, with respect to his or her retirement accounts, and accrued annual leave or vacation time, in recognition of the supervisory service of such transferring employees.

Transitional Provisions

The purpose of this section is to provide supplemental funding for the supervisory and examination functions, facilities and support services transferred from the Banks, or joint offices of such banks to the new Office of Thrift Supervision during the transitional period immediately following enactment.

Under subsection (a), the Banks continue to pay their current proportionate share of the administrative expenses of operating the regulatory and insurance functions of the Bank Board and the FSLIC until those functions are transferred to the Office of Thrift Supervision, the FDIC, or the Resolution Trust Corporation under this Act. After these functions are transferred, the Banks continue to pay a comparable share of such administrative expenses for the transferred functions until December 31, 1989. All administrative expenses payable by the Banks shall be reduced by the amount of any examination fees and assessments for this period received by the Banks, the Bank Board or the FSLIC before the transfer, or by the Banks or the successor agencies after the transfer of functions under this Act. The expenses payable by the Banks shall also be reduced by the amount of any unexpended funds paid by the Banks to the Bank Board or the FSLIC, or to a joint office of the Banks the functions of which have been transferred to the OTS.

In addition, under subsection (b), the Banks continue to pay the applicable salary of employees of the Banks, or joint offices of such Banks, performing supervisory and examination functions after such functions and employees are transferred to the OTS. Like payments for Bank Board expenses, these payments by the Banks would also be reduced by the allocable amount of the examination fees and assessments received in connection with the activities of these employees. The payment for each transferred employee is to be made by the particular Bank, or joint office of such Banks, from which that employee is transferred. The obligation of the Banks to pay the salaries of these transferred supervisory and examination personnel continues until the later of: (1) 120 days after the transfer of such supervisory and examination functions to the OTS, or (2) March 31, 1990. The subsection also makes it clear that the payment of this compensation by the Banks is in lieu of, and not in addition to, the payment of such compensation by the OTS.

Under subsection (c), the Banks also continue to provide to the OTS, until December 31, 1990, for supervisory and examination functions transferred from the Banks, or joint offices of such Banks, facilities and support services comparable to those presently provided for the employees of the Banks, or joint offices of such Banks, performing those supervisory and examination functions. This provision relates to the facilities and support services that are provided by the Banks themselves, as opposed to those obtained from third parties. For example, the Banks must continue to provide office space, furniture and equipment, computer, personnel and other similar support services with respect to the transferred employees until December 31, 1990. With respect to supervisory and examination functions performed by employees of individual Banks, the section makes it clear that the Bank is only required to provide the facilities and support services for as long as, and to the extent that, the functions continue to be performed in that Bank's offices. For example, the OTS cannot move a particular function from the offices of a Bank to another location and then request payment of the rent or other expenses of that new location.

With respect to other transitional matters, subsection (d) provides that the senior supervisory official in each Bank district (other than the Bank president) remains the Principal Supervisory Agent for that district until the Director of the OTS provides otherwise. The Director has the ability to name a new Principal Supervisory Agent for any district at any time. Also, the supervisory and examination personnel located in each Bank district continue to be responsible for the supervision and examination of savings associations in that district until the Director of the OTS provides otherwise.

Federal Home Loan Bank Reserves

Under this section, the Board of Directors of each Bank may determine the reserve account to be maintained from time to time by such Bank. The section also specifies when dividends may be paid by a Bank, and provides that the dividends paid by each Bank must be approved by the Federal Housing Finance Board.

Special Account

This section specifically directs that all monies and funds remaining in the special deposit account of the Federal Home Loan Bank Board, or other accounts of the Federal Home Loan Bank Board at the time of the dissolution of the Federal Home Loan Bank Board shall become the property of the Federal Housing Finance Board.

Conforming Amendments

This section contains several provisions making miscellaneous conforming amendments to the Federal Home Loan Bank Act or other laws relating to the Federal Home Loan Bank Board or the FSLIC.

Manufactured Housing

Throughout the conference report, there are various provisions specifically relating to housing. The Qualified Thrift Lender test, Capital Standards, home financing offered by the RTC, community support requirements, and the affordable housing program are all housing-related elements of the bill. The conferees believe manufactured housing constitutes a viable source of affordable housing. Therefore, the conferees believe that manufactured housing, for the purpose of this Bill, should be treated similar to site-built housing. For the purposes of this Bill, whenever the term "home" "single-family residence", or other reference to housing is used, it is intended to include a manufactured home as defined in the National Manufactured Home Construction and Safety Standards Act of 1974, as amended. This does *not* include recreational vehicles, travel trailers, campers, or other types of temporary shelter designed to be moved frequently.

FEDERAL HOME LOAN MORTGAGE CORPORATION

The House bill and the Senate amendment contained similar provisions relating

to the restructuring of the Federal Home Loan Mortgage Corporation (FHLMC) and the regulatory standards under which FHLMC would operate. In addition, the House bill and the Senate amendment made a number of technical and conforming amendments to the Federal National Mortgage Association (FNMA) Charter Act.

The House bill contained a provision not included in the Senate amendment that set forth in the statement of purpose for both the FHLMC and FNMA that these two corporations would provide ongoing assistance in the secondary mortgage market to mortgages securing housing for low and moderate income families. The conferees wish to reaffirm FHLMC and FNMA's commitment to assit the housing needs of low and moderate income households by reaffirming in the statement of purposes that their mission to address the housing needs of low and moderate income people is important to their public purpose.

In restructuring the corporate operations of FHLMC the basic purpose of the changes embodied in this legislation is to ensure that FHLMC's existing mortgage purchase and securities sales activities will continue without interruption. FHLMC therefore will not be required to obtain either programmatic or rate and maturity approvals from the Secretary of the Treasury for any future sales of mortgage-related securities which are of the same type as mortgage-related securities which FHLMC has issued or is issuing as of the effective date of this Act.

In addition, this Act will require the initial election of FHLMC directors to occur within six months. The conferees do not intend this requirement to preclude FHLMC from following the typical corporate practice of holding director elections in the spring, following distribution of year-end financial information. Therefore, to the extent necessary to follow typical practice, the initial terms for the directors of FHLMC may exceed one year.

In providing for an interim Board of Directors, the conferees have provided that the Secretary of Housing and Urban Development and the Chairman of the Federal Home Loan Bank Board have authority to designate persons to fulfill their responsibilities as members of the FHLMC's interim Board of Directors. The conferees believe that stability and continuity on the interim Board is essential. Therefore, if the Secretary or the Chairman is unable to serve as a director, the designee should be a person who is expected to serve for the entire term of an interim member. The designee will not be able to subdesignate his responsibility to discharge the functions of a director.

The Conference Report provides that the FHLMC is authorized to conduct its business without regard to any qualification or similar statute in any State. Accordingly, the FHLMC can conduct its activities without compliance with State laws such as doing business and Blue Sky laws. This amendment does not apply to any assertion of priority by the FHLMC with respect to any cause of action or claim filed prior to the effective date of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989. Any cause of action or claim filed prior to such effective date which is subsequently refiled or amended due to the dismissal of the case or some other legal action shall be treated for purposes of the application of this amendment as if it were filed prior to the effective date of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

The Conference Report authorizes FHLMC to have voting common stock on such terms and conditions as the Board of Directors may prescribe. This authorization, including the authority to impose limitations on concentration of ownership, applies to both new issuances of common stock and to the senior participating preferred stock converted into common stock by the FIRRE Act.

Also contained in this part of the Conference Report are various technical conforming amendments, including an amendment to assure that the existing method for determining increases in the balance of conventional loans eligible for purchase under the charters of the FNMA and FHLMC will continue without change, conducted for both FNMA and FHLMC by the Board's successor regarding this responsibility, the new Federal Housing Finance Board.

GAO AUDIT OF THE FEDERAL NATIONAL MORTGAGE ASSOCIATION

The House bill contained a provision not included in the Senate amendment that would provide that the financial transactions of the Federal National Mortgage Association (FNMA) would be subject to an audit by the GAO. The Conference Report contains a House provision with an amendment to provide for a GAO audit of the mortgage transactions of FNMA.

TITLE VIII. BANK CONSERVATION ACT AMENDMENTS

Title VIII grants to the Comptroller of the Currency more clearly articulated powers to appoint a conservator for a national bank or any other depository institution chartered or licensed under Federal law and subject to the Comptroller's supervision.

Title VIII resembles in many respects the provision of Title III of the conference report that amend the Home Owners' Loan Act to grant the Director of the Office of Thrift Supervision's power to appoint a conservator for a Federal or State savings association.

TITLE IX. REGULATORY ENFORCEMENT AUTHORITY AND CRIMINAL ENHANCEMENTS

PERSON SUBJECT TO ENFORCEMENT

Section 901 substitutes the new term "institution-affiliated party" for the many variations of the terms "director", "officer", "employee", "agent", and "other person participating in the affairs of an institution" currently found throughout section 8 of the Federal Deposit Insurance Act (FDIA) and section 206 of the Federal Credit Union Act (FCUA). The new term, which is defined in section 3 of the FDIC as amended, makes uniform the scope of Federal banking agency enforcement and broadens the group of individuals and entities covered. In addition, the term "bank" in the FDIA is replaced by "depository institution" so that the enforcement provisions will be applicable to savings associations as well as banks. Parallel changes are made to the Federal Credit Union Act by all applicable sections of Title IX.

ORDERS TO CEASE AND DESIST

Section 902 clarifies the authority of the agencies to order restitution or reimbursement in a cease and desist order (C&D). It specifies that a C&D order may include restrictions of specific activities of a financial institution or its employees. It also provides that an agency can issue temporary corrective C&D orders whenever an institution's records are so incomplete or inaccurate that the regulatory agency is not able to determine the institution's financial condition. It contains a provision allowing the regulators to issue a temporary C&D that may restrict growth in an institution. The section changes the regulators' burden of proof for obtaining a temporary C&D from a showing of "substantial" dissipation of assets to a showing of a "significant" dissipation of assets. In making this change, the Conferees intend (1) that the term "significant" lower the agencies' burden of proof from the term "substantial"; and (2) that "significant" cover anything more than a minimal or nominal dissipation of assets. The Conferees further intend that an individual who dissipates the assets of an institution cannot circumvent this provision by making the institution whole for the losses that the individual caused by such dissipation. Finally the section makes explicit the applicability of section 8 of the FDIA to savings and loan holding companies, their subsidiaries, and their affiliates.

Removal Orders

Section 903 unifies the removal provisions used by the regulators and allows the regulatory agencies to proceed with a removal or prohibition action when an institution has been harmed or the interests of the depositors have been prejudiced without requiring the agencies to quantify the harm or prejudice.

Industry-wide Removal Orders

Section 904 provides that any removed institution-affiliated party may seek consent to commence or resume any affiliation otherwise prohibited. The Conferees intend that the agencies closely scrutinize any request and review the persons's activity from the time the original order was issued. The Conferees intend that consent should be given only when there is no doubt that such an approval is justified by the complete rehabilitation of an individual. All approvals have to be made public by the agencies.

Enforcement After Separation

Section 905 authorizes the banking agencies to take enforcement actions against culpable institution-affiliated parties who resign or otherwise depart from an institution, within 6 years of their leaving the institution. This section does not create a new offense; it is procedural in nature, and can therefore be applied retroactively to yet undiscovered misconduct and to currently pending supervisory matters that have been stayed awaiting congressional action. For example, assuming that the legislation is enacted on August 26, 1989, a banking agency could initiate and pursue enforcement against any institution-affiliated party who departed an institution in the previous six years dating back to August 26, 1983.

Removal for State Criminal Proceedings

Section 906 expands present law to include State criminal charges as a ground for removal. The term "nolo contendere" was deleted because such a plea results in a judgment of conviction.

Civil Money Penalties

This section increases the maximum amount for civil money penalties ("CMPs"); expands the grounds for imposing them; provides for judicial review under the Administrative Procedure Act; and authorizes the banking agencies to take action to collect CMPs. It creates three tiers of civil penalties, based on the seriousness of the misconduct. By greatly expanding the scope of misconduct covered by the civil penalty provisions and by making substantial increases

to the penalty amounts, the Conferees intend for the Federal banking agencies to aggressively utilize this new authority, whenever it is justified in law and by the facts.

Criminal Penalty for Violation of a Removal

Section 908 increases the criminal penalty for participation in the affairs of a depository institution, a credit union, or a farm credit system bank in violation of a removal order to a maximum of $1 million and the imprisonment to a maximum of five years. An express civil penalty for violations of this section was deleted because the Conferees intend that the general civil money penalty provisions of the FDIA and the FCUA apply.

Supervisory Records

Section 909 requires that the Federal banking agencies make available to the FDIC, in its capacity as a receiver of a closed financial institution, all supervisory records pertaining to that institution. The Conferees intend for all privileges to transfer with the documents and remain applicable. A transfer does not constitute a waiver of any governmental agency, work product, attorney-client, or other privilege recognized by the courts or by statute.

Criminal Penalty for Participation by a Criminal

Section 910 broadens the prohibition against participation in the affairs of insured depository institutions by persons who have been convicted of any criminal offense involving dishonesty or breach of trust. The level of intent needed for conviction is changed from "willful" to "knowing" and the penalty applies to both financial institutions and indivduals. The maximum criminal penalty is increased to five years imprisonment and $1 million per day fine.

Reports

Under this section, civil money penalties may be imposed both for (1) failure to file or the late filing of call reports and other information and (2) filing any false or misleading reports or information. This provision, like section 907, creates three tiers of penalties based on the seriousness of the misconduct. The lowest penalty is to be imposed only for inadvertent and unintentional errors, but only if there were procedures in place to reasonably avoid such errors, and if the insured institution can prove the inadvertency of the error. Otherwise the higher penalty standards must be imposed. The Conferees intend that a legal judgment with respect to a person's obligations under this section should never be considered an inadvertent error. The respondent in all civil penalty proceedings is entitled to a hearing to challenge such assessment.

FDIC Backup Enforcement Authority for Thrifts

Under this provision, the FDIC may request that the Director of the Office of Thrift Supervision ("OTS") take a particular enforcement action concerning any savings association. If the Director does not take such action within 60 days, the FDIC Board may authorize FDIC to take the action itself. In extreme situations, as defined by the agencies, the FDIC would not have to wait 60 days.

The regional offices of the OTS must submit all requests for formal investigations or enforcement actions to the FDIC at the same time such requests are submitted to the Director of the OTS. The Conferees intend that the regional offices of the OTS submit only copies of reports of examination and summaries of requests for enforcement action to comply with this requirement. In addition, the Director of the OTS must provide semiannual reports to the FDIC on the status and disposition of such requests, including reasons for disappoval or approval decisions.

Public Disclosure of Enforcement Actions

Section 913 requires publication of formal enforcement orders, modification of such orders, or termination of such orders by the depository institutions regulatory agencies. Publication required by this provision could be delayed for a reasonable time of public disclosure would seriously threaten the safety or soundness of a financial institution.

Agency Disapproval of Directors and Executive Officers

Troubled financial institutions (and their holding companies), newly chartered institutions (within 2 years), and those which have undergone a change in control (also within 2 years) would have to give 30 days notice to their primary Federal regulatory agency before appointing senior executive officers or directors. The banking agencies would then be able to disapprove, within this 30 day period, such appointments. The agencies must prescribe by regulation those extraordinary circumstances under which the prior notice requirement could be waived, allowing directors to be appointed or senior management to be employed quickly. (The agencies would still have 30 days to disapprove such additions or employments.) In addition, the agencies would define by regulation the terms "troubled" and "senior executive officers". The Conferees intend the following: First, the agencies should not define these terms too narrowly. Second, the banking agencies should consult among themselves before issuing regulations under this section. Third, an agency's decision under section 914 not to disapprove appointment of a senior executive officer of a director not prejudice the agency's ability to take any later enforcement action (including removal action), if such becomes warranted.

NCUA Investigative Authority

Section 915 clarifies the NCUA's authority to monitor and investigate instances where the NCUA suspects noncompliance with its statutes or regulations during or outside of the normal examination process. It also clarifies the NCUA's authority to conduct thorough investigations in determining claims on insured accounts. The Conferees intend for the NCUA to exercise powers similar to the FDIC in such matters.

Improved Administrative Hearings and Procedures

Section 916 requires the Federal banking agencies to jointly establish their own pool of administrative law judges and to develop a set of uniform rules and procedures within 24 months. The Conferees intend for the agencies to improve and expedite administrative proceedings through these new procedures.

Task Force Study of Delegation of Enforcement Actions

Section 917 mandates an interagency task force study of the desirablity and feasibility of the additional delegation of investigation and enforcement authority to the regional offices of the banking agencies. The task force's recommendations and the responses of the heads of the banking agencies must be reported to Congress by September 30, 1990.

Annual Reports to Congress

Section 918 requires the Federal banking agencies and the Attorney General to report annually to Congress on enforcement actions. The Conferees intend that the data required under clause (a)(1) be provided for the following subcategories for each type of informal and formal supervisory, administrative and civil enforcement action: insured institutions, holding companies and subsidiaries (if appropriate), and institution-affiliated parties (broken down for independent contractors, consultants, and agents).

The Conferees intend that each report required under subsection (a)(4) contain comments on any concerns about the Justice Department's handling of these matters, including inadequate responses, unnecessary delays, or other problems.

The Conferees intend that each report required under subsection (a)(5) break down the data on investigations, prosecutions, and convictions (or other dispositions), particularly by seriousness of the offense and also by categories of sources of the information which gave rise to the investigation. For example, the FBI presently provides data on numbers of financial institution fraud and embezzlement investigations, broken down by the dollar loss category (such as $100,000 plus cases, and $250,000 plus cases). The Conferees expect the Justice Department to provide data under these or similar subcategories and to indicate the numbers of referrals from each of the banking agencies. The Conferees also intend that the Department of Justice comment on the quality of agency referrals and on the assistance provided by agency staff.

Credit Union Audit Requirement

Section 919 requires the NCUA, within 120 days after enactment, to prescribe audit standards requiring any insured credit union to be audited by an independent certified accountant for any fiscal year in which the credit union: (1) has not conducted an annual supervisory committee audit; (2) has not received a complete and satisfactory supervisory committee audit; or (3) has had persistent and serious recordkeeping deficiencies. The failure of a credit union to obtain required audits will constitute an unsafe and unsound practice.

Technical Amendments to Administrative Process

Section 920 makes the provisions of 8(h) relating to administrative hearings and judicial review applicable to all agency actions under section 8 of the FDIA, except removals of persons charged with a crime involving dishonesty or breach of trust under section 8(g) of the FDIA. The section also eliminates an inconsistent definition of "order which has become final" from the FDIA. The Conferees intend for enforcement orders against insured depository institutions and institution-affiliated parties to be final once the agency has completed its administrative action (or immediately upon consent). The definition was deleted from section 8(k) to remove the contradiction with section 8(h)(3), which remains operative. Under section 8(h)(3), judicial review of an agency's enforcement order stays the effectiveness of the order only if the court specifically orders such a stay.

Deletion of Section 920 of H.R. 1278

Section 920 of the House bill was deleted because the Conferees believe that it is unnecessary. The provisions of the Federal

Tort Claims Act already provide immunity for banking agency employees while exercising their official duties. The Conferees believe that the activities specified in the House bill are part of an employee's official duties and are therefore covered by the Federal Tort Claims Act. Accordingly, neither the original inclusion nor the later deletion of the House provision is intended to diminish in any way the existing immunities of bank regulatory officials and employees.

Termination of Deposit Insurance

Section 926 shortens the period for agency notice from 120 days to 30 days. This period can be eliminated by the FDIC with the approval of the primary regulator.

The provisions regarding lack of notice that are set forth in subsection 8(G) apply only in the case of a temporary suspension of insurance. The Conferees do not intend clause (ii) of 8(G) to apply, for example, when a person chooses not to collect or read mail (as in the case of a person who refuses to accept the delivery of a certified letter). The Conferees hope that the FDIC will consider the special circumstances of unsophisticated depositors when acting under this section. Insured deposits of each depositor remain insured, less all subsequent withdrawals, for at least six months or up to two years with the approval of the Board.

Submission of Information to Auditors

Section 931 mandates that all Federally insured financial institutions furnish their external auditors with copies of their most recent call reports, State or Federal reports of examination, and all ongoing and final civil enforcement or other supervisory actions issued by Federal or State banking agencies.

Depository Institution Employee Protection

This section creates a new cause of action for financial institution employees who are fired because they provide information about alleged violations to a banking agency or to the Justice Department. Persons who cause the misconduct or who knowingly or recklessly provide substantially false information will not be able to pursue such actions. The Conferees deleted the provision in the House bill which awarded attorneys' fees to defendant financial institutions for those lawsuits brought in bad faith under this section. The removal of this provision should in no way be construed as supporting frivolous lawsuits brought in bad faith by discharged employees. Rather, the Conferees believe that deterrence of such lawsuits can most effectively be accomplished through imposition of sanctions under existing provisions in the Federal Rules of Civil Procedure. Accordingly, the Conferees expect the Federal courts to aggressively apply sanctions under Rule 11 of the Federal Rules of Civil Procedure.

Rewards for Providing Information

Section 933 gives the Federal banking agencies the ability to pay a reward for information which leads to a recovery of a criminal fine, restitution, a civil penalty under the banking statutes or under one of the applicable criminal provisions, or a forfeiture, if the amount of recovery exceeds $50,000. The maximum reward cannot exceed the lessor of 25% of the fine, penalty, restitution, or forfeiture or $100,000.

Definitions

Section 941 expands the list of financial regulators exempted from the Right to Financial Privacy Act to include agencies that supervise the activities of financial institution holding companies and any subsidiary of a financial institution or a financial institution holding company.

Additional Exceptions

Section 942 adds additional exceptions to the Right to Financial Privacy Act to make clear that information relevant to conservatorship or receivership functions concerning failed institutions can be provided to Federal deposit insurance agencies by the banking agencies or law enforcement authorities. It creates similar exceptions for disclosure to and examination by agencies and other entities.

Prohibition

Section 943 prohibits a financial institution from notifying any person that a grand jury has subpoenaed a customer's records in connection with a possible violation of certain financial institution related criminal provisions. Violation of the prohibition can result in a civil enforcement action by the regulatory agencies.

Miscellaneous Provisions

Section 944 includes the SEC as one of the agencies which may share information under Right to Financial Privacy Act exceptions.

Civil Penalties

Section 951 authorizes the Attorney General to bring a civil action to recover a civil penalty for conduct that violates any of 10 banking-related offenses in title 18 of the United States Code. The Attorney General must establish the right to recover the civil penalty by a preponderance of the evidence. Section 951 also authorizes the Attorney General, during a civil investigation of such offenses, to issue subpoenas to summon witnesses and require the production of documents. Once the civil action has begun, the Federal Rules of Civil Procedure would govern the action. The recipient of the subpoena can contest the subpoena in court, and if the recipient does not respond to the subpoena, the Attorney General can get a court order compelling the recipient to respond. The recipient's failure to respond to the court order is punishable as contempt of court.

Increased Criminal Penalties

Section 961 increases to 20 years the maximum prison term for 10 banking-related offenses in title 18 of the United States Code. Section 961 also increases the statute of limitation period for those 10 offenses from 5 to 10 years. Finally, section 961 requires, for those 10 offenses, that the United States Sentencing Commission promulgate sentencing guidelines that "provide for a substantial period of incarceration" if the particular offense "substantially jeopardizes the safety and soundness of a Federally insured financial institution."

This direction will require the Sentencing Commission, for the sentencing guidelines applicable to the 10 offenses covered, to promulgate amendments to those guidelines that add a specific offense characteristic that calls for an increase in the base offense level if the offense "substantially jeopardizes the safety and soundness of a Federally insured financial institution." The result of such a specific offense characteristic will be to increase the final offense level. An increase in the final offense level results in the applicable guideline sentencing range being greater.

Miscellaneous Revisions to Title 18

Section 962 of the Conference Report amends the obstruction of justice offense (section 1510 of title 18, United States Code) to prohibit an officer, director, partner, or employee of, or an agent or attorney for, a financial institution to disclose the existence or contents of certain grand jury subpoenas for bank records. The grand jury subpoenas covered are those issued in connection with an investigation of a possible violation of 10 banking-related offenses in title 18. The maximum prison term is 5 years if the disclosure is made to any person with the specific intent to obstruct a judicial proceeding, including a grand jury proceeding and one year if the disclosure is made to a customer of the financial institution whose records are sought by the subpoena or any to other person named in the subpoena, including targets of the investigation specifically so named.

The House bill uses "knowingly notifies". The Senate bill uses "notifies", but the courts ordinarily would require "knowingly" as the culpability for the offense as set forth in the Senate bill. *See* H.R. Rep. No. 1396, 96th Cong., 2d Sess. 35 (1980). The provision agreed to by the Conferees does not use "knowingly" in subsection (b)(1) because that subsection requires a specific intent, and therefore requires a knowing notification. The provision agreed to by the Conferees does not use "knowingly" in subsection (b)(2) because that is the standard the courts will require, since another standard is not specified. *See id.* Further, the Conferees understand and intend that "knowingly" incorporates the concept of "willful blindness". *See id.* at 35-36.

Civil and Criminal Forfeiture

Section 963(a) provides for civil forfeiture in connection with 8 banking-related offenses in title 18, United States Code. Section 963(b) authorizes criminal forfeiture upon conviction of any of 10 banking-related offenses in title 18 (or a conspiracy to commit any of those 10 offenses).

Grand Jury Secrecy

Section 964(a) amends title 18, United States Code, to permit the disclosure of grand jury information concerning a banking law violation in certain circumstances. First, such information can be disclosed, without a court order, to an attorney for the government, but only for use (1) in enforcing a civil penalty authorized in section 951 of the legislation or (2) in connection with a civil forfeiture proceeding under section 981 of title 18 when the property involved constitutes or is traceable to a violation of any of 10 banking-related offenses in title 18. Second, such information can be disclosed to personnel of a federal agency regulating financial institutions for use in relation to any matter within that agency's jurisdiction, if a court finds that there is a "substantial need" for the disclosure.

The term "substantial need" is explained in the section-by-section analysis of the Senate bill as follows: "Under the substantial need standard, a court could consider a number of factors. . . . In weighing these considerations . . . a court would not be able to deny disclosure merely because the agency for whom disclosure is sought may have alternative discovery tools available to it. On the other hand, the 'substantial need' test does not contemplate that a court would become simply a 'rubber stamp' for the government's request for disclosure. Review under this standard should require a Justice Department attorney to make more than a showing of mere convenience or simple relevance to matters within the jurisdiction of the agency." 135 Cong. Rec. page 3803 (daily ed. Mar. 8, 1989).

Section 964(c) amends the Fair Credit Reporting Act to provide specifically that a credit reporting agency must furnish consumer credit report records when served with a grand jury subpoena for those records.

Criminal Division Fraud Section Office

Section 965 requires the Attorney General to establish a regional office of the Criminal Division's fraud section in the Northern District of Texas. The GAO is also directed to report to Congress on whether additional regional offices should be established. The Conferees intend that the Criminal Division substantially reduce the numbers of fraud section attorneys travelling from Washington, D.C. to Dallas by transferring some senior or supervisory personnel to Dallas and by hiring additional attorneys to work in Dallas. The Justice Department has tentatively planned to hire approximately 24 attorneys for the fraud section with the additional appropriation authorized by this legislation. The Conferees intend that the Department hire a number of these attorneys expressly for the Dallas regional office.

Department of Justice Appropriation

Section 966(a) authorizes for the Department of Justice, for each of the next three fiscal years, $65 million per year for investigations and prosecutions of banking crimes and $10 million per year for civil proceedings involving financial institutions. Section 966(b) precludes supplantation and reallocation of the funds authorized.

Judiciary Appropriation

Section 967 authorizes, for each of the next three fiscal years, $10 million for the Federal judiciary, in anticipation of an increase in the number of financial institution cases litigated in the Federal courts.

Amendment to RICO Statute

Section 968 amends section 1961 of title 18, United States Code, to add a new predicate offense—violation of section 1344 of title 18 (financial institution fraud)—to the definition of the term "racketeering activity", a term used in the RICO chapter of title 18.

Provisions of Senate and House Bills Modified or Deleted

The modification or deletion of any provions in either the House or Senate bills, in this or any other title, regarding the litigation authority of the Justice Department or any federal financial institution regulatory or insurance agency is not intended to, and does not, affect any litigation authority possessed by the Justice Department or any federal financial institution regulatory or insurance agency.

TITLE X. STUDIES OF FEDERAL DEPOSIT INSURANCE, BANKING SERVICES, AND THE SAFETY AND SOUNDNESS OF GOVERNMENT-SPONSORED ENTERPRISES

Title X is devoted to studies and reports. The bill contains a number of reports, studies, and audits, many of them contained in other titles of the bill. Those that are directed to Congress are all summarized here, however, as a * * *

While concern for the cost of the large number of reports was voiced during the Conference, members felt that expenditure is warranted on studies to enhance the safety and soundness of the financial system. Such studies should reduce the probability of future problems in the financial sector that would necessitate Federal outlays. Other studies are included in the report in order to further certain social objectives.

PERIODIC REPORTS AND AUDITS

The Insurance Funds

Title II Requires the FDIC to report annually to Congress on its operations, the condition of the BIF, SAIF, and FSLIC Resolution Fund, the projected needs of these funds, their response to changes in the economic environment, and any findings or recommendation for legislative or administrative action. The FDIC will also report quarterly to Congress, the Treasury Department and OMB on the recent and forecast condition of the insurance funds.

Within 60 days of enactment, the Chairman of the Federal Home Loan Bank Board must submit a final accounting of FSLIC finances and operations to Treasury, OMB and Congress (Title IV).

Regulatory Oversight

The Office of Thrift Supervision (Title III), the Resolution Trust Corporation (Title V), and the Federal Housing Finance Board (Title VII), Resolution Funding Corporation (Title V), shall each submit an annual report to Congress.

The RTC must also send a semi-annual report to Congress each April and October on its financial condition, the progress it is making in resolving thrifts in receivership or conservatorship, its remaining exposure to failed and failing institutions, its asset-manaagement activities, market conditions in distressed regions of the country and the impact of its asset sales on these conditions. The RTC is also required to make a semi-annual appearance before the House and Senate Banking Committees (Title V).

The Department of Housing and Urban Affairs is required to submit an annual report on the activities and conditions of the Federal Home Loan Mortgate Corporation by June 30 each year (Title VII).

The act establishes a new Credit Standards Advisory Committee for two years. The Committee is asked to submit an annual report each year on its activities and include recommendations to help the federal regulators ensure that financial institutions follow prudential credit standards and lending practices (Title XII).

Appraisal Standards

The Appraisal Subcommittee of the Federal Financial Institutions Examination Council is required to report each January on Monitoring the States' requirements for certifying and licensing appraisers and the Federal regulators' and the RTC's appraisal standards, and on its progress toward establishing a national registry of State-certified and licensed appraisers (Title XI).

GAO Audits

The U.S. General Accounting Office is directed to annually audit the financial transactions of BIF, SAIF, and the FSLIC Resolution Fund and is granted access to all books and records needed to facilitate its audit (Title II). GAO is given the authority to audit the Resolution Trust Corporation (Title V), the Resolution Funding Corporation (Title V), the Federal Housing Finance Board (Title XII) and the mortgage transactions of the Federal National Mortgage Association (Title VII).

SAFETY AND SOUNDNESS ISSUES

Deposit Insurance

The Treasury Department, in consultation with OCC, the Federal Reserve, DOTS, FDIC, NCUA and OMB, shall undertake a major study of the system of federal deposit insurance. Topics include risk-based insurance premiums, incentives for market discipline, the scope of coverage and its impact on the liability of the insurance fund, market value accounting, impact on the funds of state and federal bankruptcy exemptions, closure or recapitalization policies for weak or insolvent institutions, the efficiency of housing subsidies through the FHLBS, deposit insurance alternatives, risk-management, the credit union insurance fund, and increasing the use of private audit reports in the supervisory process. The study is due 18 months after enactment and will be submitted to Congress (Title X).

GAO will also conduct a study of deposit insurance issues, including policy considerations affecting the scope of coverage, bank insurance contracts, and the definition of a "deposit." The report is to be submitted to Congress within 18 months of enactment (Title X).

Title II requires the FDIC to undertake three special studies of: the passthrough of deposit insurance to individual investors in unit investment trusts or individual participants in pension or profit sharing plans; the advisability of implementing a system of risk-based insurance premiums; and the availability of liability insurance for the officers and directors of insured depository institutions. The last study is to be undertaken in cooperation with the Secretary of the Treasury and the Attorney General.

The Resolution Trust Corporation

The RTC Oversight Board must appear before the Banking Committees prior to start-up to describe its business plans, any proposed regulations and its case resolution schedule (Title V).

The RTC shall disclose any assisted transaction agreements, first to the Banking Committees and then to the public. If disclosure of such agreements would be contrary to the public interest, the Board must submit an explanation to the Banking Committees and also publish it in the *Federal Register* (Title V).

The Oversight Board is accountable to the RTC and, under extraordinary circumstances the Board can remove the FDIC from its responsibilities undertaken on behalf of the RTC. However, before doing so it must notify Congress of its decision and the reasons for it. In this event, the Oversight Board must develop a management plan that includes policies for employment and retention and submit it to Congress 60 days before removing the FDIC (Title V).

Risk-Management

The Federal Financial Institutions Examination Council shall study the efficacy of establishing a training program in risk-management for the regulators and managers of insured depository institutions.

Other Safety and Soundness Studies

The U.S. General Accounting Office will examine the contracting practices of companies providing services to insured depository institutions (Title II).

The OTS will include a section in its first annual report on the geographic location of its regional offices and the allocation of resources and responsibilities among these offices (Title III).

The act takes significant steps toward establishing common capital standards among the separate sections of banking and thrift industries. It also requires the establishment of uniform accounting standards to be used in determining capital ratios. The act requires the regulatory agencies to report annually any remaining discrepancies in capital standards and the reasons for such

discrepancies to the Banking Committees and publish them in the *Federal Register* (Title XII).

GAO Audit and Access Authority

The Act gives GAO comprehensive authority to audit organizations and persons performing any function under the Act, or any Act amended by the Act, providing goods and services or receiving financial assistance under the Act. It also provides the Comptroller General with access to the information needed to conduct any such audits. There are two exceptions to this very general provision. First, the Act does not change existing law with respect to the Comptroller's audit authority over the Federal Reserve. Second, GAO's audit authority over the Federal National Mortgage Association, is limited to FNMA's mortgage transactions (Title XII).

Govenment Sponsored Enterprises

The House bill contained a provision not included in the Senate amendment directing the Controller General to undertake a study regarding the capital requirements of the FHLMC, the FNMA, the Federal Farm Credit System, the Federal Agriculture Mortage Corporation, the College Construction Loan Insurance Corporation, and the Student Loan Marketing Association, (government-sponsored enterprises). The Conference Report contains the House provision with an amendment to expand this GAO study to include two reports—one to be submitted to Congress 9 months after enactment, one to be submitted 21 months after enactment. The evaluation of risks related to each GSE would include: the volume and type of securities outstanding which are issued or guaranteed by each GSE; the capitalization of each GSE; and the degree of risk involved in the operation of each GSE due to factors such as credit risk, interest risk, management and operations risk, and business risk.

GAO would also report on the quality and timeliness of information currently available to the public and the Federal Government concerning the extent and nature of the activities of GSEs and the financial risk associated with such activities.

GAO would design the study in consultation and cooperation with each GSE and the appropriate agency and department with respect to each GSE (Farm Credit Administration and the Departments of Agriculture, Education, and Housing and Urban Development). If the Administrator or Secretaries disagree with the results of the study, their views would be included as an addendum to the report. The report would be due 9 months after enactment of the Act. When the report is forwarded to the Congress, it is the intention of the conferees that such report be referred to the appropriate Committees of Congress with jurisdiction over such GSEs. In addition, the Comptroller General would be required to consult with each of the government-sponsored enterprises. The GSEs must be active participants in the study and cooperate with the GAO in the development of the study and its conclusions. It is understood that some of the information to which the GAO may be given access in the course of the study may be commercially or financially sensitive. The GAO must assure that it does not make public disclosure of such commercially or financially sensitive information. This consultation requirement is not intended to expand the regulatory rule or authority of any of the GSEs' regulators. It recognizes that Treasury's regulatory role is solely to ensure the orderly function of the securities market with respect to Treasury and GSE securities issuances. The role of the other regulators with respect to the report is solely to ensure the production of a study that will have maximum utility to the Congress.

Credit Unions

GAO shall study the nation's credit union system, including credit unions' capital and condition, their role in the marketplace, the adequacy of their regulation and supervision, rules governing the common bond, and the structure and financial condition of the National Credit Union Share Insurance Fund and report to the Banking Committees within 18 months (Title XII).

Appraisal Standards

The Appraisal Subcommittee of FFIEC shall conduct a study to determine a) whether available real estate sales and financing data are sufficient to permit appraisers to properly estimate the values of properties in federally related transactions, and b) the feasibility and desirability of extending the provisions of the title to personal property appraising and appraisers related to Federal financial and public policy interests. The study is due 18 months after enactment and is submitted to Congress (Title XI).

LIMITING THE COST OF FEDERAL ASSISTANCE

The Secretary of the Treasury shall submit an annual report to the House Committee on Ways and Means and to the Senate on federal financial assistance transactions, the amount of assistance provided, and any tax benefits resulting from these transactions (Title XIV).

RTC shall review insolvent financial institution cases resolved by FSLIC since January 1, 1988, and identify means by which it can reduce costs under these agreements. The report is directed to the Oversight Board and Congress (Title V).

In addition, GAO shall conduct a review of the 1988 FSLIC cases and provide cost estimates for these agreements. The report will be submitted to Congress (Title V).

MINORITY ISSUES

Four studies, three to be included in the appropriate agencies' annual reports, are designed to further the interests of women and/or minorities.

For example, the Treasury Department, OTS and FDIC will include a section in each of their annual reports on actions taken to preserve the present number of minority institutions, and to establish priorities for these institutions in mergers and acquisitions and the resolution of failed thrifts (Title III).

The RTC shall include a section in its annual report on the inclusion of women and minorities in the bidding process for failed institutions (Title V).

A provision in Title XII requires the banking and failure resolution agencies to establish an outreach program to encourage the inclusion of minorities and women in all contracts that they make and requires each agency to report its progress to Congress.

The Treasury Department, in consultation with the appropriate Federal banking agencies and the NCUA, shall also include a section in its annual report on the results of a one-time study of methods for increasing the use of under-utilized minority and women's banks, and limited income credit unions, as depositories or financial agents of federal agencies (Title XII).

HOUSING REPORT AND STUDIES

Five studies reflect Congress' concern over the availability and affordability of housing in the U.S.

In its annual report to Congress, HUD will include a section on RTC use of secondary market agencies to provide housing for low- and moderate-income families, including development of risk sharing structures (Title V).

HUD shall submit to Congress its reasons for denying any FHLMC request for approval (Title VII).

The Federal Housing Finance Board shall annually report on each FHLBank's use of advances for low-income housing and community development. The reports are submitted to the Bank Advisory Councils and Congress (Title VII).

GAO shall audit and evaluate the Affordable Housing Program after it has been operating for two years. GAO shall report to Congress its conclusions and recommended improvements or modifications to the program (Title VII).

The appropriate Federal regulatory agencies (the Federal Reserve, FDIC, OCC, DOTS, NCUA, and HUD) are required by the Act to collect and publish data on mortgage applicants (in addition to mortgagors who are already covered by existing legislation). The data are to be categorized by income levels, racial characteristics, and gender. The Federal Reserve is to report annually to Congress on the utility of these requirements (Title XII).

COMPENSATION COMPARABILITY

FDIC, OCC, NCUA, FHFB, RTC, OTS, and the Farm Credit Administration should try to maintain comparability in compensation schedules, and inform the other agency heads and Congress when establishing and adjusting the schedules (Title XII).

CONSUMER ISSUES

Two studies seek to protect the interests of consumers.

The Federal Reserve will conduct an examination of trends in the provision of retail banking services. To contain the cost of the study and any reporting burden on institutions, the Federal Reserve may focus on certain bank services and the fees charged for their provision at a sample of financial institutions of differing sizes located in different regions of the country. The Federal Reserve shall use these data to determine whether the additional insurance premiums imposed by the act are passed on to consumers or whether they decrease the availability of banking services. The Federal Reserve will report the results of the study annually for seven years (Title X).

The Treasury Department will conduct a study, due 18 months after enactment, on the possibility of issuing U.S. securities in small denominations to benefit the small investor and encourage savings (Title XII).

TITLE XI. REAL ESTATE APPRAISAL REFORM AMENDMENTS

PURPOSES

Establishes that the purpose of this title is to protect Federal financial and public policy interests in real estate related transactions.

APPRAISAL SUBCOMMITTEE OF THE FFIEC

This section establishes an appraisal subcommittee of the Federal Financial Institutions Examinations Council ("FFIEC") consisting of the representatives of the heads of the agencies comprising the FFIEC (the Office of the Comptroller of the Currency,

the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, and the National Credit Union Administration Board.) These representatives shall be persons with demonstrated knowledge and competence in appraisal profession.

FUNCTIONS OF THE APPRAISAL SUBCOMMITTEE

The functions of the Appraisal Subcommittee include: monitoring the State appraiser certification and licensing systems; monitoring appraisal standards and determinations regarding which Federally related transactions will require the use of certified appraisers and which licensed appraisers; maintaining a national registry of certified and licensed appraisers; and monitoring the work of the Appraisal Foundation, a nonprofit corporation of the appraisal industry. The Subcommittee must report annually to Congress on its activities.

Chairperson of the Subcommittee

The Subcommittee will select a chairperson from among its members who will serve a two year term.

Officers and Staff

The Conferees intend for all necessary officers and staff of the Subcommittee to be appointed and compensated in the same manner as other employees of the FFIEC.

Powers of the Appraisal Subcommittee

The Subcommittee will have those administrative powers needed to carry out its functions.

Procedures for Establishing Standards

The establishment of appraisal standards and other requirements will be subject to the publication of notice and receipt of comments or the holding of public hearings and other provisions in accordance with procedures set forth in Section 553 of Title 5 of the United States Code.

Start-up Funding Appropriations

The Appraisal Subcommittee is authorized to borrow from the Secretary of the Treasury $5,000,000 in start up funds on the date of enactment. Any additional funds needed by the Subcommittee would be subject to the normal appropriations process. These funds are to be repaid from fees collected by the Subcommittee under section 1109.

Roster of State Certified and Licensed Appraisers

The Subcommittee is authorized to maintain a roster of all State certified and licensed appraisers eligible for Federally related transactions; and to collect from eligible appraisers who perform or seek to perform Federally related work an annual registration fee of not more than $50. These funds are to be used to fund the activities of the Subcommittee, to repay the Treasury, and to help defray certain expenses of the Appraisal Foundation.

Functions of the Federal Financial Institution Regulatory Agencies Relating to Standards

Each Federal financial institution regulatory agency and the Resolution Trust Corporation are required to establish appraisal standards that meet the minimum requirements adopted by the Appraisal Foundation. Additional standards can be required as well. Section 1110 requires that appraisals for the purposes of the title means "written appraisals". Conferees used the term "written appraisal" and defined the term to be absolutely clear about what is required of the title. In doing so the Conferees do not intend to imply that the term "appraisal" as used elsewhere in laws or regulations means anything other than a written appraisal.

Time for Proposal and Adoption of Standards

Appraisal standards must be proposed within six months and final within twelve months of enactment.

Functions of the Federal Financial Institution Regulatory Agencies Relating to Qualifications

Each Federal financial institution regulatory agency and the Resolution Trust Corporation are required to prescribe which categories of federally related transactions should be appraised by a State certified appraiser and which by a State licensed appraiser.

Transactions Requiring a Certified Appraiser

All federally related transactions involving property with a value over $1,000,000 must be completed by a State certified appraiser. Additional guidelines are provided by the section.

Transactions Requiring A Licensed Appraiser

All federally related transactions not requiring a State certified appraiser must be completed by a State licensed appraiser.

Time for Proposal and Adoption of Rules

Rules pursuant to sections 1113 and 1114 must be proposed within six months and final within twelve months of enactment.

Certification and Licensing Requirements

State certified appraisers must meet the requirements for certification issued by the Appraisal Foundation, including a passing grade on a uniform examination; and licensed appraisers must satisfy State or territory requirements for licensing. Federal agencies and instrumentalities and Federally recognized entities are authorized to establish additional appraiser certification and licensing qualification criteria. Because State licensed appraisers are not required to meet Appraisal Foundation criteria, the Conferees intend that the Appraisal Subcommittee and the Federal agencies should pay particular attention to the adequacy of State appraiser licensing requirements.

Establishment of State Certifying and Licensing Agencies

States are authorized to establish appraiser certification and licensing agencies.

Monitoring of State Agencies

Section 1118 gives the Appraisal Subcommittee the responsibility of monitoring State appraiser certifying and licensing agencies for the purpose of determining whether a State's agency's policies, practices and procedures are consistent with this title. The Appraisal Subcommittee and all agencies, instrumentalities and federally recognized entities under the title are ordered not to recognize appraiser certifications and licenses from States whose appraisal policies, practices or procedures are found to be inconsistent with the title.

Federal agencies, instrumentalities, and entities under the title will accept State approved certifications and licenses unless the Appraisal Subcommittee issues a written finding that, among other things, could assert that State decisions concerning appraisal standards, appraiser qualifications, and supervision of appraiser practices are being made in a manner that does not carry out the purposes of the title. In this regard it is the intention of Conferees that States avoid potential conflicts of interest in licensing and certifying appraisers. Decisions as to whether or not to license and certify, or to discipline or de-license or de-certify appraisers should not be made by the same state officials whose responsibilities include licensing realtors, or engaging in real estate promotion activities, or financing real estate development.

The Conferees do not intend to impose any particular organization upon the States and a State may choose to have appraisal and real estate functions in the same department. The Conferees recognize that each state will have fiscal and other factors to consider when its real estate appraiser licensing and certification system is established. The Conferees do intend; however, that the potential conflicts of interest mentioned above must be avoided. If officials charged with licensing and certifying appraisers are found in the same state agency or department that licenses realtors or promotes real estate development, then adequate safeguards must be established to ensure that conflicts of interest are avoided between these two functions. The Subcommittee should examine the adequacy of such safeguards in making its decisions on whether to disapprove for Federal functions the appraisers licensed and certified by a given state. If such safeguards are not adequate, State certified and licensed appraisers should not be approved for Federal purposes.

Recognition of State Certified and Licensed Appraisers

After July 1, 1991 all appraisals in connection with federally related transactions must be performed by State certified or licensed appraisers. An extension until December 1991 is permitted if the Appraisal Subcommittee finds that a State is making substantial progress in establishing a State certification and licensing system. In addition, the requirements of this title may be waived temporarily if such requirements lead to inordinate delays in the performance of federally related appraisals in a State.

Violations

Violations of this title are punishable by civil fines. The authority for assessment and collection of such fines is found in section 8(i) of the FDIA and section 206(k) of the FCUA.

Definitions

This section provides definitions of terms used in the section, including the term 'written appraisal' referred to in section 1110.

Miscellaneous Provisions

This section provides for recognition, among the States, of each other's certifications and licenses in connection with temporary practice and prohibits discrimination against certified and licensed appraisers solely by virtue of membership or lack of membership in any particular appraisal organization.

TITLE XII. MISCELLANEOUS PROVISIONS

OCC COMPENSATION PROVISIONS

The House version is adopted with modifications. Under this provision, the Comptroller is given the authority to appoint persons as employees of the OCC and to direct their activities. The Comptroller is also authorized to fix the number and compensation of all OCC employees. The term employees is intended to include examiners, attorneys, and all other employees of the Office. The conferees emphasize that, while many of

the activities of the OCC are subject to the general direction of the Secretary of the Treasury, all personnel-related matters, including determinations regarding the number of employees to be hired, their status, pay, and functions to be performed, are within the exclusive authority of the Comptroller to determine. Treasury may not veto or block the implementation of the Comptroller's decisions on these matters.

The authority to fix compensation under this provision includes the authority to fix total compensation, including pay and benefits. (The exemption from chapter 51 and subchapter 3 of chapter 53 confirms OCC's current exclusion from these provisions based on its nonappropriated status.) The guiding standard is comparability in total compensation and benefits with compensation and benefits offered by the other Federal bank regulatory agencies. To further this objective, the Comptroller is given the same authorities as the Federal Reserve System and the Federal Deposit Insurance Corporation to establish compensation and benefits programs. Thus, for instance, a 401k offered like that offered by the Federal Reserve System may be offered by the Comptroller to employees of the Office. In addition like the FDIC, OCC salaries limitations (including, limitations on adjustments, e.g. 5 U.S.C. Sec. 5308) are not applicable. Other provisions of this legislation confirm the OCC's exemption from 5 U.S.C. 5373 and provide, by amendment to 5 U.S.C. Sec. 3132(a)(1), that the OCC is not covered by the Senior Executive Service.

NCUA, FARM CREDIT ADMINISTRATION EMPLOYMENT PROVISIONS

The conferees adopted provisions of Sections 1203 and 1210 which are identical to comparable sections of the House bill.

Credit Standards Advisory Committee

Section 1205 of the Conference Report contains the language of the House bill amended only to conform with the provisions of the Federal Advisory Committee Act which provides for a termination of the Committee after two years. In preparing recommendations to ensure consistent credit standards, and lending practices for all insured depository institutions, the Committee shall take into consideration that credit unions have traditionally made loans to persons unable to obtain them elsewhere and that such lending practices by credit unions should be encouraged in the future.

Comparability of pay of Federal banking regulatory agencies

The House bill contains various sections conforming the authority of the Office of Thrift Supervision, the Oversight Board, the Federal Housing Finance Board, the Office of the Comptroller of the Currency, the National Credit Union Administration to hire and pay their employees.

The conference substitute adopts the House provisions as modified to require that the various federal banking regulatory agencies consult with each other in fixing compensation and benefits for their employees.

It is the conferee's intent in eliminating the restrictions of title 5 that the various federal banking regulatory agencies be able to address identifiable personnel. In requiring consultation, the intention was to ensure the bank regulatory agencies do not compete with each other for these unique personnel.

Limitation on use of taxpayer funds

Section 1208 provides that funds appropriated or borrowed pursuant to an authorization contained in this Act may be used only for purposes permitted in the Act and may not be otherwise used for making any payment to any shareholder in, or creditor to, any insured financial institution. It is the express intent of the conferees that nothing in Section 1208 shall be constructed to mean that funds pursuant to an authorization contained in the Act may not be used by an appropriate Federal regulatory agency, pursuant to its jurisdiction, to arrange or carry out the acquisition, merger or liquidation of any insured depository institution.

Fair Lending Oversight and Enforcement

Section 1213 of H.R. 1278 included amendments to the House Mortgage Disclosure Act of 1979 ("HMDA") that required collection and reporting of data on race, gender, and income characteristics of mortgagors and applicants for mortgage loans. These amendments were intended to provide data to assist in identifying discriminatory lending practices and enforcing antidiscrimination statutes. The Senate bill contained no comparable HMDA amendments, but also sought to address mortgage discrimination by mandating (in section 1406 of S. 774) studies and legislative recommendations by each of the Federal banking regulatory agencies.

The conferees found both provisions meritorious. Accordingly, the House recedes to the Senate on section 1406 of S. 774. In addition, the Senate recedes to the House on section 1213 of H.R. 1278 with an amendment to provide flexibility for regulatory agencies in designing the format for the collection, disclosure, and reporting of the required data. The conferees have also provided an exemption from the new HMDA reporting requirements for depository institutions with less than $30 million in assets.

An especially significant change to HMDA is the new requirement for disclosure of information on completed applications. Collection of data on completed applications will permit comparison of acceptance and rejected statistics. The conferees chose to define "completed application" in a manner similar to that adopted in regulations under the Equal Credit Opportunity Act but to exclude from the definition only approvals or reports by secondary market entities, government entities, and private mortgage insurers. The regulatory agencies should adopt regulations designed to prevent mortgage lenders from evading the requirements of the Act through inordinate delays and information requests that leave applications in the "pending" category rather than the "completed" category, for reporting purposes. Lenders must use diligence in obtaining the information necessary to complete applications.

The conferees placed highest priority on the collection of analytically useful data by means of which to identify and eliminate discriminatory lending practices. The conferees expect that the regulatory agencies will use the flexibility they have been accorded to develop reporting formats that maximize public disclosure of analytically useful data while minimizing reporting burdens for lenders. The conferees recognize the loan application register approach, under which lending institutions keep and make available the appropriate information in an application-by-application format, as one way to efficiently collect and maintain the required data. Such an approach is currently employed by thrift institutions under supervision of the Federal Home Loan Bank Board.

To ensure that lending patterns are as thoroughly and accurately understood as possible, the conference report also would permit lending institutions to submit additional relevant data or explanatory material to the appropriate agency in writing.

The Home Mortgage Disclosure Act, as amended by this Act, requires among other things reporting by mortgage lenders to the appropriate regulatory agencies. A primary purpose of such reporting is to assist regulatory agencies in identifying possible discriminatory lending patterns that warrant closer scrutiny. To accomplish this purpose, it is essential that the data submitted to the agencies be in a form that facilitates the task of identifying any discriminatory lending patterns that disadvantage women, minority borrowers, or predominantly minority or low- or moderate-income neighborhoods. To accomplish this task, cross-tabulation of the loan application and disposition data, stratified at a minimum by (i) applicant race and gender, (ii) racial composition of neighborhood, and (iii) applicant income level is recommended. It should not be necessary to prepare separate reports for each census tract, but the required information could by disclosed category to facilitate regression analysis. The reports submitted by mortgage lenders to the regulatory agencies could neither include cross-tabulated data or present raw data in a form permitting its cross-tabulation by the agencies.

To ensure that there is a complete, accurate and fair picture of lending patterns, the conferees believe it is important to have data on the impact of requirements imposed on mortgage lenders by the secondary market. To develop the necessary data, the conferees considered imposing the new HMDA disclosure requirements on secondary market entities. Ultimately, however, the conferees chose not to impose such requirements out of concern that they could prove unduly burdensome for secondary market entities, and in recognition of the fact that the information necessary to identify discriminatory secondary market requirements could be collected from the originating lender—i.e., those conducting a retail loan or mortgage banking operation for the origination, processing and approval or rejection of mortgage loan applications. Accordingly, the conferees chose to acquire the desired information about secondary market requirements from the primary market, by requiring reporting institutions to disclose the class of purchaser for loans sold. It is recommended that regulators create a sufficiently small number of "classes" to facilitate meaningful analysis but retain sufficient separation to permit identification of potentially discriminatory practices by particularly large secondary market entities. Each of the large government-sponsored enterprises in the secondary market would comprise a distinct class. Additional classes—for example, insurance companies, depository institutions, or private investors—should be established based on common traits and significance, possibly determined on the basis of aggregate market share, in the secondary market.

The HMDA amendments in the conference report will be effective for calendar years beginning after December 31, 1989. Thus, lending institutions reporting under these amendments must begin compiling the required data on January 1, 1990.

Amendment to the Community Reinvestment Act of 1977

Section 1214 of H.R. 1278 amended the Community Reinvestment Act ("CRA") to require disclosure of CRA ratings and evaluation reports. The intent of the section was to promote enforcement of CRA by allowing the public to know both what regulatory agencies are telling depository institutions and what the community reinvestment records of particular depository institutions are. The Senate bill contained no comparable provisions.

The Senate receded to the House with certain amendments. First, in lieu of the existing five-tiered numerical rating system, the conference report provides for a four-tiered descriptive rating system. The report further requires that ratings assigned under the new system be disclosed, along with written evaluations of the institution's performance in meeting community credit needs under the assessment factors set forth in CRA regulations.

Second, although the conferees deleted from statutory language the requirement enacted by the House that CRA evaluations place special emphasis on certain types of credit, the conferees nonetheless intend that the written evaluations, including the statement, discussion, supporting facts, and conclusions shall place special emphasis on the insured depository institution's record of serving the housing credit needs of low and moderate-income persons, small business credit needs, small farm credit needs, and rural economic development. In expressing their intent that CRA evaluations place special emphasis on these particular credit needs, however, the conferees do not intend to indicate that these categories constitute the entire universe of desirable community investment activities.

Third, the conferees clarified the disclosure requirements in the House provision to permit certain confidential communications between examiners and institutions. This provision should be construed narrowly to protect only information potentially harmful to safety and soundness, information relating to recommendations for future community investment performance, and information not directly related to community investment (e.g., strategic plans) whose release might adversely affect an institution's competitive position. The provision is not intended to shield an institution from whatever harm to its competitive position might naturally flow from a purely factual disclosure of its actual community investment performance.

Capital and Accounting Standards

Section 1215 requires the Federal banking agencies to establish, within one year, uniform accounting standards to be used for determining the capital ratios of all federally insured financial institutions and for other purposes. Each Federal banking agency must also report annually to the Senate and House Banking Committees any differences between the capital standard used by such agency and capital standards used by other agencies. The report to the Senate and House Banking Committees must also contain an explanation of the reasons for any discrepancies in such accounting a capital standards.

The report shall include recommendations for simplifying and clarifying the capital and accounting standards used for federally-insured depository institutions and any recommendations deemed appropriate for improved auditing of federally-insured depository institutions.

Equal Opportunity

Section 1216 places the OCC, the FDIC, the Oversight Board of the RTC, the RTC and REFCORP under the provision of Executive Order 11478. The Section limits of the FMLMC and the FNMA's compliance to the first two sections of 11478 to allow FHLMC and FNMA to act under the private employers grievance process rather than two grievance processes. Subsection (b) makes it clear they are not subject to both private employer and government rules in terms of remedies.

This Section also requires that each listed agency develop a minority outreach program to ensure, to the maximum extent possible, the inclusion of minorities and women in all contracts entered into by such agency and requires each agency to report to Congress on its progress.

Cross-Marketing restrictions on grandfathered nonbank banks

Current law generally prohibits a grandfathered nonbank bank from allowing its products or services to be cross-marketed by or through an affiliate unless the affiliate engages only in activities permissible for a bank holding company. This section revises the restriction to permit an affiliate of such a bank to cross-market the bank's products or services with products or services of the affiliate that the Federal Reserve Board has by regulation determined to be permissible for bank holding companies under section 4(c)(8) of the Bank Holding Company Act (other than certain security-related products or services). No other substantive change in current law is intended.

TITLE XIII. PARTICIPATION BY STATE HOUSING FINANCE AUTHORITIES

State Housing Finance Authorities have proven to be effective in the effort to promote affordable housing and home ownership opportunities. The intent of this Title is to provide State Housing Finance Authorities, as defined in the Act, with the authority to purchase mortgage-related assets from the RTC or from a financial institution with respect to which the Federal Deposit Insurance Corporation is acting as a receiver or conservator. The State Housing Finance Authorities will be required to invest any net profits attributable to the ownership of such assets in the financing, refinancing or rehabilitation of low and moderate income housing within the jurisdiction of such State Housing Finance Authority.

TITLE XIV

TAX PROVISIONS

1. REPEAL OF SPECIAL RULES APPLICABLE TO FINANCIALLY TROUBLED FINANCIAL INSTITUTIONS

Present Law

Special tax rules applicable to financially troubled thrift institutions were adopted in 1981. In the Technical and Miscellaneous Revenue Act of 1988 (the "1988 Act"), these special rules were expanded to cover financially troubled banks and certain thrift institutions which did not meet a qualifying asset test. These rules are scheduled to expire for transactions after December 31, 1989.

(1) ASSISTANCE PAYMENTS TO FINANCIALLY TROUBLED FINANCIAL INSTITUTIONS

Payments from the Federal Savings and Loan Insurance Corporation (the "FSLIC") or the Federal Deposit Insurance Corporation (the "FDIC") to a financially troubled financial institution are not included in the income of the recipient institution and no basis reduction is required. However, the 1988 Act provided for a reduction in certain tax attributes equal to 50 percent of the amount of the financial assistance.

(2) TREATMENT AS A TAX-FREE REORGANIZATION

Certain FSLIC- or FDIC-assisted acquisitions involving a financially troubled financial institution may qualify as tax-free reorganizations, without regard to the requirement that the shareholders of an acquired corporation must generally maintain a meaningful ownership interest in the acquiring corporation (the "continuity of interest" requirement).

(3) NET OPERATING LOSS CARRYOVERS

The general limitations on the ability of an acquiring corporation to utilize the net operating losses, built-in losses, and excess credits of a corporation acquired in a tax-free reorganization are relaxed in the case of a tax-free acquisition of a financially troubled financial institution.

House Bill

The House bill repeals the special tax rules applicable to financially troubled financial institutions. The Treasury Department is granted regulatory authority to issue regulations providing rules for the Federal income tax treatment of transactions involving financially troubled financial institutions. The repeal is effective for transactions occurring on or after May 10, 1989.

The House bill also clarifies that the reduction in tax attributes equal to 50 percent of the amount of nontaxable financial assistance received with respect to FDIC transactions and certain FSLIC transactions (involving institutions which did not meet a qualifying asset test) is effective on the same date that the special tax rules relating to financially troubled financial institutions were extended to such transactions (i.e., November 10, 1988). The provision is effective as if included in the 1988 Act.

In addition, the House bill conforms the provisions of the Code to take into account successor entities to the FSLIC established by the bill. The provision is effective on the date of enactment.

Senate Amendment

The Senate amendment contains a sense of the Senate resolution that the House of Representatives should repeal the special tax rules applicable to financially troubled financial institutions.

The repeal should be effective on or after the date of enactment of FIRREA.

Conference Agreement

The conference agreement follows the House bill, with certain clarifications.

Under the interim rules for taxable asset acquisitions set forth in the legislative history of this provision, financial assistance received by, or paid with respect to, financially troubled financial institutions is generally treated as taxable. Such assistance is deemed to be received by the financially troubled financial institution at the time the assets of such institution are sold or transferred. As a result, the financial assistance generally will be offset by the net operating losses and built-in losses of the financially troubled financial institution. Thus, an acquired financially troubled financial institution will generally have no net tax liability resulting from the receipt (or deemed receipt) of financial assistance.

It is possible, however, that the net operating losses and built-in losses of the finan-

cially troubled financial institution may not always be sufficient to offset the amount of financial assistance received (or deemed received) by the troubled institution.[1] In this regard, the conferees intend that the regulatory authority granted by the bill to the Treasury Department may be exercised to limit the potential applicability of section 7507 of the Code [2] in cases where financially troubled financial institutions are acquired in transactions in which Federal financial assistance is provided. Nonetheless, the conferees understand that the Treasury Department may exercise the regulatory authority provided to it by the bill to issue regulations or other guidance providing that, in certain circumstances, no net tax liability would be payable by financially troubled financial institutions as a result of the receipt of Federal financial assistance. It is expected that any such guidance be consistent with the purposes of this provision and with the overall grant of regulatory authority to the Treasury Department.

The conferees also intend that the regulatory authority granted the Treasury Department under the bill would permit the Treasury Department to determine the extent to which an acquiror of a financially troubled financial institution receiving Federal assistance would have transferee liability with respect to any tax liability of the acquired institution. For example, the conferees understand that the Treasury Department may exercise such authority to provide that transferee liability will not be asserted against an acquiror in a taxable acquisition in which Federal financial assistance is provided.

2. TAX EXEMPTION FOR RESOLUTION FUNDING CORPORATION (REFCORP) AND RESOLUTION TRUST CORPORATION (RTC)

Present Law

Federal tax exemptions for instrumentalities of the United States organized on or after July 18, 1984, may be provided only by an amendment to the Internal Revenue Code or by a provision (not amending the Code) enacted as part of a revenue act.

House Bill

The House bill provides exemptions from Federal income tax for REFCORP and RTC in the Internal Revenue Code (rather than in banking law). The provision is effective on the date of enactment.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the House bill.

3. ANNUAL REPORTS ON TRANSACTIONS IN WHICH FEDERAL FINANCIAL ASSISTANCE IS PROVIDED

Present Law

Financially troubled financial institutions may receive financial assistance from governmental entities providing Federal deposit insurance. There is no requirement that the Congress be provided with information concerning such assistance transactions.

House Bill

The House bill requires the Treasury Department to submit annual reports to the House Ways and Means and the Senate Finance Committees concerning the amounts of Federal financial assistance and the availability (and utilization) of any resulting tax benefits. The provision is effective on the date of enactment.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the House bill, except that the reports are to be provided the Senate as well as the House Ways and Means Committee.

4. TAX TREATMENT OF THE FDIC AND ITS OBLIGATIONS

Present Law

Obligations issued by the FDIC are not exempt from Federal tax. The FDIC is exempt from Federal tax.

House Bill

The Houe bill relates present law with respect to the Federal tax treatment of the FDIC, obligations issued by the FDIC, and financial institutions for which the FDIC acts as a receiver. The provisions are effective on the date of enactment.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the House bill.

5. TWO ANNUAL STUDIES OF THE RELATIONSHIP BETWEEN THE PUBLIC DEBT AND ACTIVITIES OF GOVERNMENT-SPONSORED ENTERPRISES (GSES)

Present Law

The Congress has established a number of GSEs which are permitted to issue debt and/or guarantee other securities.

House Bill

The House bill requires the Treasury Department to annually conduct a study to assess the financial safety and soundness of the activities of GSEs and the impact of their operations on Federal borrowing. The results of the study are to be submitted to the House Ways and Means and Senate Finance Committees. The provision is effective on the date of enactment.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the House bill, except that (1) two studies are required, (2) appropriate confidentiality safeguards are provided, and (3) the results of such studies are to be provided to the Congress. The first report is to be provided on or before May 15, 1990, and the second report is to be provided on or before May 15, 1991. The conference agreement requires that the Treasury Secretary determine and maintain the confidentiality of the books, records, and information made available to the Treasury Department under this provision. The Treasury Secretary is authorized to determine what is confidential in a manner that is generally consistent with the level of confidentiality established by the GSE from which the Treasury Secretary received the information. In providing for these studies, the conferees do not intend to expand the traditicnal regulatory role of the Treasury Department with respect to GSEs.

From the Committee on Banking, Finance and Urban Affairs for consideration of the House bill and the Senate amendment, and modifications committed to conference:

HENRY GONZALEZ,
FRANK ANNUNZIO,
WALTER E. FAUNTROY,
BRUCE F. VENTO,
BARNEY FRANK,
ESTEBAN E. TORRES,
CHALMERS P. WYLIE,
JIM LEACH,
JOHN HILER,
TOM RIDGE,
H. JAMES SAXTON,
PATRICIA SAIKI,
BILL PAXON,
STEVE BARTLETT,

From the Committee on Ways and Means for consideration of the House bill and the Senate amendment, and modifications committed to conference:

BILL ARCHER,
GUY VANDER JAGT,
PHIL CRANE,
BILL FRENZEL,
RICHARD T. SCHULZE,
WILLIAM THOMAS,

From the Committee on Rules for consideration of the House bill and the Senate amendment, and modifications committed to conference:

JOE MOAKLEY,
MARTIN FROST,
DAVID E. BONIOR,
JAMES H. QUILLEN,
JERRY SOLOMON,

From the Committee on Government Operations for consideration of the House bill and the Senate amendment, and modifications committed to conference:

GLENN ENGLISH,
FRANK HORTON,
WILLIAM F. CLINGER,
AL MCCANDLESS,

Managers on the Part of the House.

From the Committee on Banking, Housing, and Urban Affairs for consideration of the House bill and the Senate amendment, and modifications committed to conference:

DON RIEGLE,
ALAN CRANSTON,
PAUL SARBANES,
JAKE GARN,
JOHN HEINZ,

Managers on the Part of the Senate.

Mr. GONZALEZ. Mr. Speaker, I call up the conference report on the bill (H.R. 1278) to reform, recapitalize, and consolidate the Federal deposit insurance system, to enhance the regulatory and enforcement powers of Federal financial institutions regulatory agencies, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Pursuant to the order of the House of Thursday, August 3, 1989, and the order of the House of earlier today, the conference report is considered as having been read.

The SPEAKER. The gentleman from Texas [Mr. GONZALEZ] will be recognized for 30 minutes, and the gentleman from Ohio [Mr. WYLIE] will be recognized for 30 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, I rise in opposition to the report and seek time, pursuant to House rule XXVIII.

Mr. WYLIE. Mr. Speaker, I am not opposed to the conference report.

[1] This could occur, for example, in cases in which the financially troubled financial institution was a member of a group of corporations filing a consolidated return and the net operating losses of such institution were used to offset the income of other members of the affiliated group.

[2] Section 7507 generally provides an exemption (or in some cases a deferral) for insolvent banks from any tax that would reduce assets necessary for payment of depositors.

Mr. GONZALEZ. Mr. Speaker, I do not oppose the conference report.

The SPEAKER. Neither manager is opposed to the conference report. Therefore, the gentleman from Texas [Mr. GONZALEZ] will be recognized for 20 minutes, the gentleman from Ohio [Mr. WYLIE] will be recognized for 20 minutes, and the gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Speaker, we return a conference report on H.R. 1278 which incorporates a compromise on the financing of the savings and loan resolution package. The compromise was required by the failure of the other body to gain the necessary 60 votes for a waiver of the Gramm-Rudman Budget Act to make in order the onbudget financing adopted by the conference report and the House of Representatives. While the position of the House is clear, it became necessary to reconvene the conference last night and work on a compromise that would gain approval in the other body and the signature of the President.

The compromise calls for $20 billion onbudget this year, with borrowings of $30 billion placed offbudget in future years. This agreement to place the first $20 billion onbudget will enable the Federal Deposit Insurance Corporation to move ahead immediately to start closing the insolvent thrifts that are currently draining the insurance fund of some $20 to $30 million a day.

That was one of my primary concerns about the offbudget mechanism, the fact that it would delay the resolution of the cases pending on the marketing of bonds. Mr. Speaker, I have favored an onbudget financing from the first day of the long battle over the legislation. The House has twice endorsed the position. However, we must have a bill, and the compromise entered into last night is the best we will be able to do under the circumstances. The President created last-minute problems in both Houses yesterday when he decided to send up a hastly drafted veto threat over the financing proposal adopted by the conference. As a result, we asked Secretary of the Treasury Nicholas Brady and OMB Director Richard Darman to appear before the conference last night, and we discussed the issues with them and gained their endorsement for the package before Members today.

This afternoon I received a letter from the President, and I read the President's letter as follows:

THE WHITE HOUSE,
Washington, August 4, 1989.

Hon. HENRY B. GONZALEZ,
House of Representatives, Washington, DC.

DEAR HENRY: Last night the savings and loan conferees reached a compromise on the financing plan included in the savings and loan legislation. The compromise avoids any amendment of the Gramm-Rudman-Hollings budget process, while including both the Administration's approach to financing and direct Treasury borrowing.

The conferees deserve our thanks and our congratulations. They have worked diligently to fashion a strong and responsible bill to deal with this extraordinarily serious problem. Importantly, the bill includes tough and sensible new capital and accounting standards. Final passage remains critical to the stability and solvency of our financial system.

This legislation has been developed in a bipartisan process. It is badly needed, and must be enacted without further delay. Consequently, I ask that the House and Senate approve this legislation today, and that we pledge to maintain our commitment to resolve this problem.

Sincerely,

GEORGE BUSH.

Therefore, hopefully the President will create, as we say, this environment now of approval and adoption, no matter how critical we may be and whatever the timing was on the veto threat. That is past. He accepts what the conferees agreed to last night. It was an agreement not lightly entered into. We were most fortunate to have the presence of the Secretary and Director of OMB, the two persons in the executive branch most on the cutting edge on the budgetary problems confronting Members.

All the other provisions which were contained in the compromise package voted by the House yesterday remain on the legislation before Members. The strong capital standards, regulatory reforms, restructing of the supervisory agencies, safeguards for the disposing of recoverable assets, affordable housing, antidiscrimination protections. All that has been changed in the financing mechanism.

Mr. Speaker, much of the Federal financial regulatory and credit functions are restructured in the legislation to assure a more workable and responsive machinery to control this vast industry.

The Federal Home Loan Banks, which in recent years have shared a role in the crazy quilt of savings and loan regulation, will revert to their original function as providers of credit for mortgage lenders. They will operate under the supervision of a Federal Housing Finance Board that will include the Secretary of Housing and Urban Development and four public members.

One of the primary functions of the banks will be to carry out the community investment and affordable housing programs incorporated in this legislation. The individual banks and the Federal Housing Finance Board should recognize the affordable housing program as an integral part of the Home Loan Bank System—a program to be affirmatively promoted by all 12 banks.

Specifically, the banks will make annual contributions to support subsidized advances through the affordable housing program. The amount of the contribution will be 5 percent of the bank's preceding year's net income in years 1990 through 1993, 6 percent of the preceding year's net income in year 1994, and 10 percent of the preceding year's net income in year 1995 and beyond. To ensure that the program is viable, the legislation requires that the banks must, at a minimum, contribute $50 million in years 1990 through 1993, $75 million in year 1994, and $100 million in years 1995 and beyond. The net income of the banks is based on their net income after the $300 million annual contribution to REFCORP and FICO, regardless of the dividends the Banks contribute to its legal reserve, but before any dividend payment or other extraordinary items.

The legislation does provide, as an emergency measure, the power for the Federal Housing Finance Board to suspend the program in the event contributions for the program contribute to the severe financial instability of any bank. The power is intended to be used only in extraordinary circumstances where the Board has determined on substantive evidence that there is financial instability. Such a determination cannot be made if the instability is caused by mismanagement, improper terms on advances, high administrative expenses or similar waste of resources. The suspension power is not to be used without solid evidence of need and any suspension must be only for temporary periods with the Board taking all steps necessary to resume the program at the earliest possible time.

The people who oppose using some of the advances for housing apparently have no problem with the advances being used to finance the operations of Vernon Savings, Lincoln Savings, Empire Savings, and the other high flyers.

There are $153 billion of advances outstanding today—a lot of which went to finance the speculative high flying activities.

Now, we say that the Federal Home Loan Banks must get out of the speculative loan business and tie some of their advances to needed housing. And we have objections from the President. Does he really understand what happened in the savings and loan industry?

We make no apologies for restoring the Federal Home Loan Banks to their purpose as generators of mortgage lending. It is difficult to believe that, with this huge cost being imposed on the taxpayers, we would have anyone on this floor talking "business as usual." That's exactly what they are saying when they say let the Federal Home Loan Banks operate as playpens for the industry.

I would like to clarify several technical issues.

First, I want to quickly address a question that has been raised since the conference report was originally filed on Tuesday. This relates to whether the Director of the Office of Thrift Supervision is permitted to set credit-risk weights for purchased mortgage servicing rights which are based upon the credit-risk weight of the underlying asset.

The conference report does not require the Director to include purchased mortgage servicing rights in the 100-percent category in all cases, merely because that is the category they are presently assigned to by the OCC. The conference report contains the necessary administrative flexibility so that the Director can take steps to preserve strong capital standards as well as consider the actual risk

presented to an institution which engages in mortgage servicing.

Second, both the House and Senate bills grandfathered all Federal savings banks as of date of enactment. The reported bill has the date of October 15, 1989. This covers only the FSLIC-insured savings banks. To cover all the banks we need to retain the language that was in both bills—"prior to date of enactment."

Third, one of the purposes of the waiver authority provided to the FDIC in the cross guarantee provisions of section 206 is to give the FDIC sufficient flexibility to facilitate the acquisition of a financially distressed bank by a bank holding company. For example, this authority could be used by the FDIC to provide a waiver from the cross-guarantee provision in connection with a transaction in which a bank holding company is proposing to acquire, without FDIC assistance, another bank holding company which is experiencing serious financial problems.

Under the provisions of the bill, the FDIC may, in its discretion, exempt any insured depository institution from the cross-guarantee provision if it determines the exemption is in the best interest of the BIF or the SAIF, subject to the conditions of that section.

In addition, I want to clarify that, Fourth, the conference report provides that savings associations that are owned by bank holding companies may take advantage of the so-called sister bank exception under section 23A for transactions with a bank or savings association that is 80-percent owned by the same bank holding company.

The conference report also established a general rule permitting savings associations owned by savings and loan holding companies to take advantage of the sister bank exception in section 23A after 5 years. The Federal Reserve Board would, of course continue to have full authority to grant exceptions to the provisions of sections 23A and 23B, either individually or by regulation, that would be consistent with the purposes of sections 23A and 23B. For example, it would be consistent with the provisions of this conferenced report for the Board to determine during the 5-year waiting period that it is appropriate to grant the sister bank exception to savings associations that are fully capitalized and operating in a safe and sound manner, whether or not the savings association is owned by a bank holding company.

Fifth, the conference report reenacts section 408(h) of the National Housing Act, transferring to the Director of the Office of Thrift Supervision the authority to issue rules, regulations, and orders to carry out the purposes of the holding company provisions of the act. The conferees intend that the Director will retain the flexibility needed to respond to the wide variety of situations which may arise in addressing holding company issues by adopting rules and regulations to address recurring situations and orders to deal with specific cases. That the use of this authority to issue orders granting waivers or exemptions from requirements of the holding company regulations may only be granted upon the showing of good cause, and the demonstration that such a waiver would not adversely affect the safety or soundness of the savings association involved.

Finally, under section 912, the FDIC is specifically authorized to take enforcement actions against any savings association based on an examination of the association by the Corporation. Thus, it clearly is contemplated that the Corporation has the authority to examine any savings association to the extent the Corporation deems appropriate in order to exercise its enforcement authority and insure safety and soundness.

I urge adoption of the conference report because no member of the conference, or off the conference, has offered any viable alternative.

□ 2230

Mr. Speaker, I think it would be a tremendous disservice to the national interest for us not to give our final stamp of approval on this conference report.

The SPEAKER. The gentleman from Texas [Mr. GONZALEZ] has consumed 6 minutes.

Does the gentleman from Illinois [Mr. ROSTENKOWSKI] wish to yield time at this point, or does he reserve his time?

Mr. ROSTENKOWSKI. Mr. Speaker, I will reserve my time.

Mr. WYLIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge the adoption of the conference report.

Last night the conferees worked out a compromise on the funding issue, which was the only issue before the conference. I would say again, Mr. Speaker, that Chairman GONZALEZ assumed the role of a statesman. As chairman of the conference last night, HENRY GONZALEZ has indeed risen to the occasion on his first major bill as a chairman, and I am proud to be associated with him.

Mr. Speaker, I would say the same for Chairman RIEGLE, and certainly Senator GARN's role cannot be overstated.

I have spoken on previous occasions to the other issues in this conference report when we had the debate on the bill and the conference report earlier, so in the interest of time I will limit my remarks to the funding issue.

This bill, as the chairman of the committee has said, represents a true compromise. It is pretty close to the one I suggested 3 weeks ago at a leadership meeting at the White House and as offered by Senator CRANSTON and myself during the conference last week. I say that not meaning to be presumptuous but to emphasize again my own strong view and that of my chairman. If we fail to act tonight, the alternative could be the collapse of the savings and loan industry. Indeed, in my opinion, the only reason that has not happened is because depositors have not lost confidence in the Federal Deposit Insurance System.

I for one do not want to take the chance of another bank holiday type crisis.

I favored off-budget funding, and I urged the President to sign the conference report off budget or on budget. He did not take my advice and sent up a veto message just before the vote yesterday. Thank goodness 39 of us Republicans felt strongly enough that we needed to pass the conference report, and we did pass the conference report. Otherwise we would have been in a real mess this evening.

But the President got part of his way, and those who favor on budget got part of their way in the conference report. To say that it has to be all or nothing on the funding issue, I think, is not being responsible, Mr. Speaker, under the circumstances in which we now find ourselves.

It is always easier to vote no, and I have done that a lot of times myself, but I truly feel the responsible vote tonight is an aye vote, and I urge the adoption of the conference report.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER. The gentleman from Ohio [Mr. WYLIE] has consumed 3 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. Mr. Speaker, I thank the chairman of the committee for yielding time to me.

Mr. Speaker, I am, to say the least, extremely disappointed in our conferees, who pledged to this House that they would fight to the bitter end to hold the position of the House. The word is that we have to have a bill. Do we have to have this kind of a bill?

By objective analysis, it will cost us between $30 billion and $40 billion to go off budget, but now we are doing it to the tune of 60 percent, so maybe it will only cost us $20 billion more to go off budget. Is that something we want to do because we want to leave, because we want to get out of here? What kind of crazy priorities are we setting for ourselves,

Money for kids? That is on budget and on Gramm-Rudman.

Money for law enforcement? That is on budget. That is on Gramm-Rudman.

Money for education? That is on budget and on Gramm-Rudman.

Money for hunger? That is on budget. That is on Gramm-Rudman.

Money for drug enforcement? That is on budget, and that is on Gramm-Rudman.

But money to bail out the banks, the savings and loans, and the depositors, That is off budget.

What kind of discipline are we instilling here? The cost, the discipline, the very integrity of this House is at stake, as well as the integrity of the

budget process. We are setting ourselves up to make compromises on the budgetary process, and I think we will live to rue the day.

Mr. Speaker, I strongly urge the rejection of this conference report.

Mr. GONZALEZ. Mr. Speaker, I yield 3½ minutes to the distinguished ranking member of the committee, the gentleman from Illinois [Mr. ANNUNZIO].

Mr. ANNUNZIO. Mr. Speaker, I rise in support of the conference report on H.R. 1278. Yesterday's rejection of the on budget financing by the Senate and the narrow margin by which the House approved the first conference report on this legislation, has convinced me that compromise is the only route available to the conferees. Yesterday, President Bush made it very clear that he would veto any package that included on budget financing waiving the Gramm-Rudman-Hollings Act.

While I supported placing the funding on budget, I have been around politics long enough to know a lost cause when I see one. Certainly, we could have taken a hard-line position of no compromise and stood toe-to-toe with the President on this issue. But the big loser in that battle would have been the American people. With the cost of the savings and loan restructuring package increasing by some $20 million a day, the taxpayer cannot afford further delays.

Quite frankly, I had hoped that this legislation would have been disposed of by the end of April, particularly when the Financial Institutions Subcommittee, which I chair, reported out a bill that was acceptable to the President on April 13. But, we can't look back. We must look forward. We must conclude this legislation quickly and begin the job of rebuilding the savings and loan industry which at one point financed 80 percent of all the new homes in this country.

The President has agreed to a compromise. He did not get everything he wanted, nor did the House or the Senate get everything they wanted. The package before you today is indeed a compromise.

Last night, the administration sent the Secretary of the Treasury and the Director of the Budget to meet with the conferees. Following a spirited discussion, I asked Secretary Brady and Budget Director Darman if the administration was willing to compromise or whether it was totally committed to its position. The Secretary indicated that there was room for compromise. In what I consider a gesture of good faith, he offered to place $10 billion on budget. This was followed by an offer from the House and Senate conferees to place $20 billion on budget, double what the President's first offer had been. The conferees in both the House and Senate agreed on the $20 billion figure, and the Secretary of the Treasury said he could accept the compromise. I feel that this is in the best interest of all parties. I hope we can put this issue behind us today and start rebuilding an industry that helped build America.

Nobody got everything they wanted in this legislation. But, if we continue this battle everyone will come out a loser. We are all winners now. Let us go out as winners.

Mr. Speaker, I urge adoption of the conference report.

Mr. WYLIE. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey [Mr. RINALDO].

Mr. RINALDO. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in reluctant support of the conference report on H.R. 1278, the legislation to resolve the crisis in the savings and loan industry, the matter currently under discussion.

Mr. Speaker, as a practical matter, we must pass this bill because any further delay in resolving this problem adds enormously to the cost that could ultimately be borne by the taxpayer. Savings and loans that are bankrupt have to be closed, and money must be raised to pay individual depositors whose savings are held by failed thrifts. Federal action is required because the deposits at these institutions have been federally insured for the last 50 years. This system has prevented the periodic financial panics and bank runs that frequently occurred during the first 150 years of our history, causing untold numbers of Americans to lose all of their savings. If the Federal Government were to renege on this commitment, not only would individual depositors lose their savings, but customers of other federally insured banks would start a run on the banks such as occurred during the Depression.

In fact, there has already been a so-called silent run on savings and loans, which experienced $3.4 billion in withdrawals during the first quarter of this year. The Federal Savings and Loan Insurance Corporation does not now have sufficient funds to close failing institutions, which continue to lose an estimated $20 to $40 million per day. Allowing this situation to continue would cause a further loss of public confidence in our banking system and endanger the deposits of all Americans.

But while this legislation, on balance, is a necessary bill, I want to express in the strongest terms my dissatisfaction with the lax and nearly criminal enforcement of our banking laws that have led us to this juncture. Clearly, some of the problems in the industry resulted from adverse and unforeseeable economic conditions; but the major share of the current crisis is attributable to incompetence, mismanagement, and outright fraud. Year after year, while the FSLIC's losses continued to mount, Federal regulators refused to take the necessary action to bring the problem under control.

As a result, the American taxpayer is being stuck with a huge tab for a party to which most of them were not invited. My constituents did not get to attend dinners at which antelope and lion were served, nor did they work in offices decorated with priceless works of art, not did they fly around the country and around the world in corporate jets. Nevertheless, they will now have to pay the bill for fixing the system.

I am pleased that every effort was made under the bill to recover the cost of the savings and loan rescue from those who created the problem. The bill provides additional funds for the Justice Department to pursue and prosecute those whose irresponsibility and criminal conduct caused the crisis. The legislation increases the criminal penalties for crimes such as bribery, embezzlement, false bookkeeping, making false reports to bank regulators, and bank fraud to $1 million and 20 years imprisonment. I particularly support provisions of the bill that require assets gained through serious misconduct at financial institutions to be forfeited to the Government. Most importantly, the bill reforms the regulatory structure governing the thrift industry, to ensure that past abuses do not occur again in the future.

On balance, it is clear we must pass the bill. While I deplore the circumstances that made the legislation necessary, it is essential to provide an effective solution to the present problem in the thrift industry and strengthen banking regulations and penalties to ensure that the situation does not recur.

Mr. WYLIE. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. PARRIS].

Mr. PARRIS. Mr. Speaker, I am among those Members who have tried to focus attention on this miserable problem for a very long time now.

Yesterday I took the well indicating my opposition to the bill before the House. I was concerned about the housing provisions. I was distressed with the inclusion of some of the community reinvestment aspects. The right of first refusal provisions are troubling.

The funding is in my view perhaps inadequate, and I say to my colleagues that it is very easy around here to vote no and avoid the responsibilities.

□ 2240

However, Mr. Speaker, last night the funding mechanism was materially improved, and I say to my colleagues that this is not a perfect bill. However it is a better bill than it was, and, sooner or later, all of us have to sit down to a banquet of consequences, and this is our turn.

Mr. Speaker, this is the reason that I am going to support this conference report, because there simply is no responsible alternative. I will support the report. I urge my colleagues to do likewise.

Mr. Speaker, I yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska [Mr. HOAGLAND], a member of the Committee on Banking, Finance and Urban Affairs.

Mr. HOAGLAND. Mr. Speaker, I am first to acknowledge that I am new to

this body. I have only been here for a little over 7 months.

I still have a great deal to learn about the savings and loan crises, even though I am on the Banking Committee.

But people from Nebraska, my home State would simply shake their heads over this financing scheme. They would think it was concocted on Mars.

It unnecessarily adds billions of dollars in financing costs.

It puts the money off-budget, so the deficits will not appear in the 1990 or 1991 fiscal year figures.

It defeats, it does not advance, the purposes of Gramm-Rudman, by further hiding the true size of the deficit.

It simply does not make sense.

And I cannot in good conscience support it.

I was elected to be part of the solution, not part of the problem.

So let us roll up our sleeves once again. I know we'd all like to go home to our families, to our districts. But let us go home proud of an honest approach at solving this problem.

Let us go back to conference, do this financing provision right, and complete a bill that is excellent in every respect.

STATEMENT CONCERNING THE DECISION MADE BY THE HOUSE-SENATE CONFERENCE THURSDAY EVENING, APRIL 3

Mr. Speaker, we have had an opportunity to reflect now for over 20 hours on the agreement reached in conference last night shortly before 11 p.m. between the House and Senate representatives.

I attended the conference last night, listened to the debate, and with all due respect to the chairman and conferees, I must oppose the conference report. And I do so with great reluctance, because most of the bill is directed toward solving the problems that created the mess we are in today.

But the financing provision the conference agreed to is simply unacceptable. In one stroke it sweeps $50 billion of new debt under the carpet, so that it will be hidden from the people, so it will not be shown as part of the 1990 and 1991 deficits.

I was not elected to do that. I was elected to carry to the Congress, a message of fiscal responsibility. That is how we Nebraskans approach these problems. We believe in balanced budgets in Nebraska. We simply don't accept this kind of smoke and mirrors approach to solving our fiscal problems back home.

As we know, the conference decided to place $20 billion of the funds in fiscal year 1989 and $30 billion distributed between fiscal years 1990 and 1991.

I am troubled by the decision to place any money in the 1989 fiscal year. The Gramm-Rudman snapshot date for fiscal year 1989 has long since past. By putting the funds into fiscal year 1989, we are busting the 1989 budget by an additional $20 billion and violating the spirit of the Gramm-Rudman prohibitions.

I believe it is a serious mistake to do that.

I do not believe it is fair to the process or to the taxpayers to simply add $20 billion to the national debt in this fashion.

The 1989 fiscal year, of course, will come to a close at the end of September. If we pass this bill today, it will probably not be signed by the President until mid-August. That means the Federal Deposit Insurance Corporation will have to raise and commit $20 billion in the last 6 weeks of the fiscal year. Maybe FDIC can do that productively and efficiently without wasting any tax dollars. I have serious questions.

The second aspect of the plan which also concerns me deals with the $30 billion to be spent in fiscal 1990 and 1991. Under the conference agreement, the funds are to be distributed over those 2 years in amounts that can be most efficiently used by the FDIC. But those funds are to be raised through the quasi-public, quasi-private corporation by the issuance of 30-year bonds at interest rates higher than similar paper issued by the Treasury Department.

Not one nickel of the principal of those loans will appear on the Federal budget in 1990 and 1991. Those borrowings will be swept under the rug, as if they did not exist, merely as an asterisk in some Government document somewhere. The Gramm-Rudman budget balancing law will be avoided because the $30 billion in borrowing will be placed off budget instead of on budget. And at a cost of $3 billion in extra interest over the 30 years all or more so those funds will not have to appear on the administration's deficit sheets.

This is an equally serious slight of hand tactic as putting funds into the 1989 fiscal year. The appropriate thing to do, the honest thing to do, is to put all of these items on budget subject to public scrutiny for each fiscal year.

But the most fundamental objection I have to this entire plan is the fact that we are not placing all $50 billion on budget and on Gramm-Rudman.

There is no reason we cannot find the funds in a $1.1 trillion annual Federal budget to fund this bailout now. If we did it in this fashion, by cuts or revenue enhancements, or a combination of both, we would save all of the interest charges, now estimated to exceed $100 billion.

In other words, let us pay for the bill now. Let us put what we need to put on the 1990 and 1991 budgets, perhaps in the range of $23 billion a year, and find that money elsewhere, even let sequestration take place if need be.

It simply does not make sense to say that we cannot find $23 billion in the 1990 fiscal year budget of over $1.1 trillion. This is the only approach that makes sense. We have to stop shooting ourselves in the feet on these budgetary matters.

So in conclusion, Mr. Speaker, I believe we should roll up our sleeves and go back to conference. We should iron out the financing provisions in a fashion that will place the deficits out for all to see and which will save billions of dollars in interst expenses. Then we can pass this landmark bill of which we can be proud.

Mr. WYLIE. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Mr. Speaker, I rise in strongest support for this conference report, and I urge a yes vote on a crisis that this Congress has been, all of us have been, dragging our feet on for the last 3 years. The time is long overdue to begin to resolve the savings and loan crisis that has plagued this Nation for over 3 years now, to resolve it on behalf of the depositors, of the savers, of the borrowers, of the home buyers of this country. It is time to pass this bill, and pass it tonight, and to delay no longer.

Mr. Speaker, there are several reasons. First of all, the bill is not perfect, but it is a good bill. The bill gets the job done. Oh, anybody in this body can find one of some 900 legislative pages, 1 page or 2 pages of something they disagree with, but the fact is the bill gets the job done. It closes the insolvent thrifts. It insures the depositors, and that is what it is really all about. We are here to talk about protecting depositors with their money in savings accounts and in checking accounts in banks and savings and loans throughout this country, the deposits that are today only insured in name only and, in fact, with no funds behind it.

Mr. Speaker, it reforms this system. It provides for increased capital standards, for tangible assets; for insurance, an insurance fund that can act like an insurance fund and protect against activities that are unsafe and unsound.

The financing scheme has been spoken of, and I heard the gentleman from Wisconsin, but the fact is that there are two different approaches to a financing scheme, and they both get to the same place. Oh, one side says that over 30 years one will cost $4 billion and the other, but the other side says, the Secretary of the Treasury says, that that approach will cost $7 billion more than the other one over that same 30-year period.

Mr. Speaker, the fact is that both financing schemes work. They both have the funds repaid by the same savings and loans and banks, and ultimately in some part the taxpayers,

and they both in fact will provide insurance for the funds and will save depositors.

Vote yes tonight. The alternatives are unthinkable.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. Mr. Speaker, I must rise in opposition to the conference report, and I do so fully aware that much good work and hard work has gone into this report.

However, Mr. Speaker, I simply cannot support the final funding measure contained in this bill.

I supported the amendment of the gentleman from New York [Mr. LAFALCE] earlier this year along with 170 of my colleagues which would have put the cost of the savings and loan bailout on budget and subject to Gramm-Rudman. Had the President and the Congress agreed to that procedure, it would have saved the American taxpayers some hundred and fifty billion dollars, but, as my colleagues know, the President and the Congress rejected that approach and agreed to what we are doing here this evening.

The fallback position then became putting the funding on budget, but exempt from Gramm-Rudman limits. This approach would have saved the taxpayers at least $5 billion, and probably $20 billion when we take into consideration the debt management costs involved.

My colleagues, we have fallen back even further, and in my judgment too far. This conference committee report will cost the taxpayers at least $3 billion in increased interest payments compared to the House-passed, on-budget plan that passed this body on June 15 with 320 of our colleagues supporting it.

Mr. Speaker, there is absolutely no sensible reason to deal with this problem off budget. Any suggestion that to have this bailout on budget will undermine the Gramm-Rudman limits stands common sense on its head. After all, my colleagues, Gramm-Rudman is the law of the land. It cannot be amended without the President's signature. The Gramm-Rudman limits cannot be avoided without the President's approval. So, any suggestion by the President and by the Secretary of the Treasury that we are running a big freight train through Gramm-Rudman is absolutely ridiculous unless, of course, the President wants to change Gramm-Rudman himself. And I guess when I listen to the President that I cannot help but think that he may be afraid of himself on this particular issue.

So, my colleagues, this is the biggest issue this Congress is going to deal with. We should pay for it. We should be up front with the American taxpayers and not pass the bills on to our kids.

Mr. WYLIE. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, today in a letter signed by four prominent committee chairmen we were urged to vote no on this bill, and we were told "additional costs would reach $20 billion when debt management costs were included."

The $20 billion figure is a just little bit exaggerated. CBO, in a letter to the gentleman from New York [Mr. SCHUMER] of June 9, 1989, and which I will put in the RECORD later, said of the alleged additional costs that:

> In our view the three factors you identified in your letter do not significantly affect the amount of savings when measured in present value terms.

So much for the $20 billion.

Now, with respect to the $3 billion, listen to what Chairman Alan Greenspan said to Senator GRAMM in his letter of July 12, which I put in the RECORD yesterday:

> Little more than $1 billion invested in U.S. Treasuries will finance through interest and amortization the expected nominally higher interest cost on REFCORP bonds relative to on-budget Treasury obligations. This is a small "insurance premium for better budget discipline, which would avoid ultimately greater costs."

Mr. Speaker, tonight we have a compromise. Nearly, half, or about 40 percent, of these bonds are going to be sold and accounted for as the way the House wants to handle them. About 60 percent are going to be done the way the President wanted to deal with them.

I do not like the solution. Neither does anybody else. But it is a true compromise and compromises are always a bit awkward.

□ 2250

The truth is that there is no good financing solution when the taxpayers have got to pony up $50 billion worth of bonds. But we are doing the best we can. What we have done in this solution is make use of a couple of old well-used loopholes, instead of deciding to punch a brand new unprecedented loophole. We avoided that dangerous precedential loophole by not waiving Gramm-Rudman. That's why the bill passes muster.

Mr. Speaker, I urge a vote for the bill. It is absolutely essential.

The two letters referred to herein follow:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 9, 1989.

Hon. CHARLES E. SCHUMER,
Chairman, Task Force on Urgent Fiscal Issues, Committee on the Budget, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am pleased to respond to your request that the Congressional Budget Office evaluate and estimate certain incremental costs that may be associated with off-budget financing of savings and loan resolutions. Your letter mentioned three types of costs: (1) additional interest costs resulting from the use of long-term debt rather than Treasury's selection of maturities; (2) Treasury's additional interest costs on the borrowings needed to finance the extra cost of REFCORP securities; and (3) the administrative and issuing expenses of REFCORP. I will discuss each of these separately.

DEBT MATURITY

Mr. Bert Ely, in his testimony before your task force, indicated that one of the advantages of Treasury financing would be the flexibility to use short-maturity Treasury bills rather than the 30-year REFCORP bonds anticipated in the Administration's plan. He suggested that by using short-term financing for several years, and then shifting to long-term Treasury bonds when low-term rates are presumably lower, the Treasury would save billions of dollars in interest costs.

CBO believes that there is no clear basis for projecting such savings, because the Treasury does not manage the debt in the way that Mr. Ely suggests. That is, the Treasury does not seek to minimize interest costs by shifting large amounts of borrowing among different maturities. Rather, it borrows funds using a wide range of maturities, from three months to 30 years. In managing the debt, the Treasury tries to balance many objectives, taking into account its significant influence on the financial markets resulting from the large size of its offerings and its access to information on future government policies. It has particularly emphasized regularity and predictability. While short-term financing might appear superior on occasion, the Treasury has generally avoided excessive reliance on it, because such debt must be constantly refinanced and heightens the budget's vulnerability to interest rate fluctuations.

While the Treasury borrows in every maturity, it has met the bulk of its financing needs since the early 1980s by selling medium- and long-term securities. Annual totals vary, but the Treasury has typically met about three-fifths of its net marketable financing needs in maturities of five years or more (and about one-third in maturities of 20 to 30 years). For the first seven months of fiscal year 1989, about three-fourths of Treasury's net market borrowing has been in maturities of five years or more. The Treasury has said on many occasions that it seeks to continue lengthening the maturity of the federal debt. (In any event, since the Treasury does not auction debt for specific programs or purposes, it would be impossible even after the fact to scribe specific Treasury issues to the savings and loan legislation.)

There is some question as to whether the Treasury, if it tried, could successfully reduce interest costs by guessing future interest rates and shifting its financing mix accordingly. As a rule, though, it doesn't try.

INTEREST ON INTEREST

CBO has estimated that under H.R. 1278, as reported by the House Committee on Banking, Finance and Urban Affairs, the interest rates on REFCORP securities would exceed the rates on similar Treasury issues by 40 basis points in 1989, by 35 basis points in 1990, and by 30 basis points in 1991. On $50 billion in REFCORP securities, the additional interest costs would come to about $175 million a year. The added costs of the REFCORP securities would amount to $1.5 billion over the fiscal years 1989 through

1999, and such costs would continue to accrue through the year 2022.

In his testimony before your task force, Dr. David Jones pointed out that the Treasury would have to borrow in order to pay these additional costs, further increasing the government's interest costs. CBO estimates that over 1989-1999 period the government would incur another $0.7 billion in interest costs in order to finance the $1.5 billion in added outlays for the REFCORP securities.

While interest costs have become a major component of federal spending, we question how useful it is to measure a program's cost by including financing costs ad infinitum. The cost of dams, aircraft carriers, and the operations of government agencies are not usually measured by including their effect on interest on the public debt. Similarly, a home purchased for $100,000 may result in mortgage payments totaling $400,000 over 30 years, but the cost of that home is usually considered to be $100,000. Finally, the value of a dollar 20 or 30 years from now is vastly different from the value of a dollar today; thus, adding together a stream of dollars over many years produces a total that has little economic meaning.

A more meaningful measure of costs would be a discounted present value calculation, which measures the value today of a future stream of cash flows. Depending on the interest rate differential assumed and the discount rate used, we estimate that the use of REFCORP financing rather than Treasury debt would add between $1.5 billion and $2 billion, measured in 1990 dollars, to the cost of the savings and loan legislation.

ADMINISTRATIVE AND ISSUING EXPENSES

Administrative and issuance costs necessitated by the creation of REFCORP would be negligible in comparison to the other costs involved in the savings and loan legislation. REFCORP would have no employees of its own; its functions would be performed by employees of the Federal Home Loan Banks and its administrative costs would be covered by the banks. Issuance costs would also be small. For example, the Financing Corporation (FICO) in its first 16 months of existence (through December 31, 1988) issued $5.85 billion worth of bonds and incurred issuance and custodial costs totaling less than $0.8 million. Such costs for $50 billion in REFCORP bonds would probably amount to several million dollars, mostly in the next three years.

Dealer concession fees would be more substantial, but they are encompassed by the interest rate spreads assumed for the REFCORP bonds relative to Treasury issues. (About 5-6 basis points of the spread are probably attributable to such fees.) Such costs are therefore already reflected in our estimate of the added interest costs for the REFCORP bonds.

CONCLUSION

CBO believes that the government would save money by financing the savings and loan resolutions through Treasury borrowing rather than REFCORP bonds, because funds could be raised more quickly and at lower interest rates. In our view, the three factors you identified in your letter do not significantly affect the amount of the savings when measured in present value terms.

If you wish further information on these matters, we will be pleased to provide. The CBO staff contact is Robert Sunshine, who can be reached at 226-2860.

Sincerely,

ROBERT D. REISCHAUER,
Director.

FEDERAL RESERVE SYSTEM,
Washington, DC, July 12, 1989.

Hon. PHIL GRAMM,
U.S. Senate,
Washington, DC.

DEAR SENATOR: I am responding to your request of July 11 for my views on the method of financing of the savings and loan rescue plan—in particular, whether I favor the House or Senate budgetary treatment provision. Let me begin by saying that I have and continue to support the position of the Administration on this matter as expressed recently by Secretary Brady. In other words, I favor the Senate version.

In my judgment, the Gramm-Rudman-Hollings (G-R-H) budget process has been very useful in exerting discipline on the federal budget and, more fundamentally, on the federal government's claim on economic resources. We should not at this time threaten that process by setting a precedent that might be used in the future to underline necessary fiscal discipline. The outlays authorized in this bill are not a new commitment. Rather, they reflect the realization of liabilities that have been accumulating over several years in association with the federal government's pledge to preserve the balances of insured depositors. Thus, I do not believe that financing these outlays through private industry borrowing violates the spirit of G-R-H.

The financing proposed by the Administration, and largely incorporated in the Senate bill, poses less risk than on-budget financing, with an exemption from G-R-H, that budgetary discipline will be weakened in the future. The establishment of a separate corporate funding entity using private sector funds would be difficult to replicate should there be an attempt to circumvent G-R-H budgetary discipline in the future. In the contract, treating such financing on-budget with an exemption could easily be followed again and would be more of a temptation for those who wish to avoid the hard budgetary choices that must be made.

Little more than $1 billion invested in U.S. Treasuries will finance through interest and amortization the expected nominally higher interest cost on REFCORP bonds relative to on-budget Treasury obligations. This is a small "insurance" premium for better budget discipline, which would avoid ultimately greater costs.

I should also mention that the Administration's off-budget financing plan ensures that the S&L industry will shoulder a continuing share to the cost of clean-up. It has been rather widely agreed that the industry should appropriately be expected to contribute to the resolution of the problem, with the size of the industry's contribution limited by what it can reasonably afford. The details of the Administration's plan reflect this understanding and ensure that industry resources remain committed to this purpose. Thus, there is no danger that this portion of the resolution costs will in the end be shifted to the taxpayer as there is under the House approach in which the industry's contribution could be given back to the industry.

I hope that you find these comments to be helpful as you attempt to complete work on this most important piece of legislation.

Sincerely,

ALAN GREENSPAN.

The SPEAKER. The gentleman from Texas [Mr. GONZALEZ] has 10½ minutes remaining, the gentleman from Ohio [Mr. WYLIE] has 11½ minutes remaining, and the gentleman from Illinois [Mr. ROSTENKOWSKI] has 15 minutes remaining.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. LAFALCE], a member of the Committee on Banking, Finance and Urban Affairs.

Mr. LAFALCE. Mr. Speaker, there are many good points about this legislation. There are many flaws in it. Unfortunately, I believe there are two flaws that are fatal. One has to do with the question of borrowing or not borrowing.

You see, most everyone in this body has discussed on budget or off budget. That is all the media have reported. I do not want to say that is a phony issue, but it is not all that relevant. What is relevant is whether we are going to borrow the totality of the amount or we are going to pay for it ourselves. If we borrow the money, we foist this problem on our children and grandchildren. There was no compromise on that.

This bill today foists the totality of the cost on our children and grandchildren. In my judgment, that is fiscally irresponsible and morally irresponsible and a fatal flaw.

But there is a second fatal flaw dealing with the financing. The Rules Committee, unfortunately, did not even permit this body to consider the question of whether there should be some modest State contribution toward the cost of solving this problem.

The Northeast-Midwest coalition wanted to offer an amendment to this bill which would have permitted some modest State contribution. You see, we have a system of dual sovereignty. We have a dual banking system. About 75 to 80 percent of the costs of the problem we are confronted with have come about because of the problem of State-chartered institutions operating under the auspices of unbelievably permissive State law, unbelievably permissive state regulation, and either nonexistent or minimalist State supervision.

We were precluded from offering such an amendment. As a result, the taxpayers, especially from the Northeast-Midwest, will be sending a mammoth amount of their resources primarily to the Southwest. We should be contributing significantly toward that effort, but there should be some State contribution. There is none. That, too, is a fatal flaw. Those two fatal flaws require, mandate rejection.

Mr. WYLIE. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. HILER].

Mr. HILER. Mr. Speaker, I will speak initially to my colleagues on the Republican side. Last evening when the President indicated that he would veto the bill that was on the floor yesterday, that gave many of my Republican colleagues an excuse to vote no. If you are looking for an excuse to vote no on this bill, there are 800 pages of excuses to vote no; but I would say to you this is not an optional piece of legislation. This is not the catastrophic health care bill of 1989. This is a piece of legislation that if we do not pass, the costs only go higher; the cost of uncertainty, the cost of indecision, the cost of further bankruptcies, the cost of further S&L's having to be closed down. We must pass this bill.

Several years ago if we had passed the $15 billion recap bill, we probably would not be faced with this vote tonight, but the fact is we got up to the precipice of that vote and we blinked and would not vote for that $15 billion recap. Now we have this vote tonight. If we blink and do not vote affirmatively tonight, 1 month from now, 6 months from now, we will vote again on a bill that will have much higher costs, that will dwarf the $1 or $3 or $5 billion of savings that come, whether or not it is on-budget or off-budget.

So I urge my colleagues on the Republican side to vote yes. Give a solid vote for this.

To my colleagues on the Democratic side, there is not that much savings that come from on-budget, even in the most optimistic scenario, and if the optimistic scenario is wrong, if the Secretary of the Treasury is correct, if the President is correct, instead of saving 25 basis points on $30 billion of financing, or about $3 billion over 30 years, instead we will pay higher interest costs on $2.5 trillion.

My colleagues, vote yes. It is the vote to cast this evening.

The SPEAKER. The gentleman from Texas [Mr. GONZALEZ] has 10½ minutes remaining, the gentleman from Ohio [Mr. WYLIE] has 9½ minutes remaining, and the gentleman from Illinois [Mr. ROSTENKOWSKI] has 13 minutes remaining.

Mr. ROSTENKOWSKI. Mr. Speaker, if my arithmetic is correct, the opponents have as much time as we do.

I reserve the balance of my time.

The SPEAKER. The order in which the Members may close will be the gentleman from Illinois first, the gentleman from Ohio second, and the gentleman from Texas last.

Mr. GONZALEZ. Mr. Speaker, since that is the order and we have the right to close, I would suggest that our distinguished chairman of the Ways and Means Committee proceed and use up a little bit of his time. He has more time than we have.

The SPEAKER. The Chair will inform the gentleman——

Mr. GONZALEZ. Mr. Speaker, we are ready to accept any leftover time the gentleman can give us now.

We have equal time, Mr. Speaker, I respectfully submit.

The SPEAKER. The Chair will inform the Members and the managers that each has the right to reserve one speech each for the closing.

The gentleman from Texas, if he wishes, can reserve all that time at this time and make one speech of 10½ minutes, or he can reserve any part of it until the end of the debate.

If the gentleman from Ohio wishes to do that, he may reserve all of his time to immediately precede the gentleman from Texas. At that point, the gentleman from Illinois would have to expend all of his time in one statement.

The right of the gentleman from Texas will be preserved to end the debate with any amount of time the gentleman wishes.

Mr. GONZALEZ. Mr. Speaker, I thank the Chair. I was merely seeking symmetry in the arrangement.

The SPEAKER. Unfortunately, the rules do not guarantee symmetry.

Mr. GONZALEZ. Mr. Speaker, I am highly honored to yield 1½ minutes to the distinguished chairman of the Committee on Energy and Commerce, the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, I rise in the most reluctant support of the conference report.

I would urge my colleagues to consider, first of all, that the gentleman from Illinois [Mr. ROSTENKOWSKI], is eminently correct in the criticisms which he makes with regard to the theory of the legislation before us; but issues go beyond that, and that is that we have to settle finally the questions which exist with regard to the failures of the savings and loans, and to commence moving forward toward a resolution of this question.

□ 2300

I would tell my colleagues that I join the gentleman from Illinois in urging my colleagues to vote against this measure, and at the time that that went on there were matters not only of the theory but also matters which related to other questions such as questions of protection of investors, exemption from registration of securities, which I believe should be registered in the interests of protecting the investors of this Nation. Those questions have been addressed.

I believe that it is time for us to pass the legislation, even though I believe it would have been better done in other forms, and to send the matter to the President so that we can get about the business of cleaning up the mess that exists with regard to the savings and loan situation in this country.

Mr. WYLIE. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Speaker, first, I would like to congratulate the distinguished chairman of the Committee on Energy and Commerce for making a very tough decision, and I am very pleased that he is supporting this bill.

Mr. Speaker, yesterday I stood in this well and, like my friend from Virginia [Mr. PARRIS], argued against this measure, but today I am just as strongly in favor of it as I was opposed to it yesterday.

The gentleman from New York [Mr. LAFALCE] said maybe the issue of Gramm-Rudman and the budget in question is not the major concern here. If that is the case, Mr. Speaker, I think it is very important that we look at some of the statements which were made in this well yesterday by a number of our colleagues. My good friend, who worked long and hard on this bill, the gentleman from New York [Mr. SCHUMER], said "a tough bill, a tougher bill than anyone would have expected;" our colleagues, the gentleman from Wisconsin [Mr. KLECZKA], said "Member of this House should be proud of the role this body played in devising this tough legislation. Delayed action is not in the taxpayers' best interest," and our friend, the gentleman from Connecticut [Mr. MORRISON], said "one of the best legislative products that has been put together on a tough issue."

The President stood up here and asked us on February 8 to, within 45 days, get legislation to his desk so that we would not continue to the tune of $10 to $40 million a day tapping the taxpayer.

Mr. Speaker, I believe very much that we need to proceed with this action this evening and get this bill passed. So that we can end that unlimited drain.

Mr. Speaker, this bill does not bailout a single S&L or S&L shareholder, it simply ensures that the full faith and credit of the U.S. Government is, as promised, behind those deposits up to $100,000. A vote against this bill abrogates our responsibility.

Mr. KLECZKA. Mr. Speaker, will the gentleman yield? Will the gentleman yield? I think he should yield. The gentleman mentioned my name in debate this evening.

Mr. DREIER of California. I am happy to yield to the gentleman from Wisconsin. That is why I am happy to yield.

Mr. KLECZKA. That was a statement made yesterday prior to the conference which the gentleman and I served on, before the taxpayers got an additional liability of some $3 billion, and I think that now the deal is

changed. My colleague said a deal is a deal. The deal is off.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. GIBBONS].

Mr. GIBBONS. Mr. Speaker, the financing of this is all wrong. It should have been paid for by taxes, current taxes, a very small tax, but the President could not bring himself to say that word. So we have foisted upon our children and grandchildren an unconscionable debt of perhaps $100 to $200 billion which will perhaps never be paid, because we just are not very good at paying off any of our debts.

This is our responsibility, not their responsibility. This mistake was made during our watch, not their watch.

Yes, we owe to the country a good, sound banking system. Let us come to work and have a good, sound banking system, but do not foist off on the children and grandchildren of this Nation this unconscionable debt financed in an unconscionable manner off budget where it will cost at least $20 billion more on them, not us.

Have we lost our minds? Have we lost our conscience? Have we lost our backbone?

The Senate certainly acted that way without ever voting, and by unanimous consent left this place for us to hold the bag.

Mr. GONZALEZ. Mr. Speaker, I yield 2½ minutes to one of the most hard-working and efficient members of the Committee on Banking, Finance and Urban Affairs, the gentleman from Georgia [Mr. BARNARD].

Mr. BARNARD. Mr. Speaker and Members of the House, most of the speeches made tonight have had to do with the on-budget, off-budget issue. Let me say that 6 months ago, Mr. Speaker, the Committee on Banking, Finance and Urban Affairs was handed a challenge. We were handed a challenge to take the President's bill and do something with it, and we have.

Fifty-one Members of the Committee on Banking, Finance and Urban Affairs spent 100 hours, 50 hours in the subcommittee and 50 hours in the full committee, working on this bill. There are a lot of features about this bill. We were handed a mandate to do three or four important things. One is to see that this situation never happened again. We think that we have accomplished that. We were asked to recapitalize the savings and loan industry. I think we have done that. That is very, very important. We were asked to give regulators important enforcement powers so this could not happen again, and we did that. We added to that.

Members of our committee said they wanted to accommodate housing. We accommodated housing. Members of the committee said that they wanted to strengthen the Community Reinvestment Act, and we voted on it here, and we did that. Members of the committee said that they wanted to strengthen the Home Mortgage Disclosure Act. We did that.

We accomplished the mandate and more.

I can understand the controversy on the on budget, off budget. That is understandable. We do have strong feelings about that, and I take nothing away from those who want one side of it or the other, but that cannot be the only issue that controls this bill.

A lot more goes into this bill than just the financing. It is only one part of where we have to go.

Mr. Speaker, it disappoints me tonight to see speaker on speaker come here downing this bill when we have done everything to accommodate their interests in the bill. I have seen one Member speak against it tonight when his State was specially singled out for a special project.

Yes, a lot of us have made valuable contributions, but, Mr. Speaker, let me just say this bill, this conference committee, deserves to be passed not because of one issue, but because of many issues, and the fact is we have tried to do the job that the U.S. citizens have asked us to do in this issue.

Mr. WYLIE. Mr. Speaker, I yield 2½ minutes to the gentleman from Iowa [Mr. LEACH].

Mr. LEACH of Iowa. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, if one were sitting on the Moon, what is impressive is not the differences that are being articulated but the similarities. After all, we are talking about the same amount of money, the same long-term bonding technique, and the conference report is a compromise between the Republican and Democratic approaches.

As for the savings involved, the conclusions can only be described on both sides as conjectural. The majority party properly points out that their approach is more flexible and possibly may save $1 to $3 billion. The Republican Party points out that the administration's approach, which is three-fifths on Gramm-Rudman, will involve in the future less total governmental borrowing and, therefore, lower interest rates for such borrowing; it also will not set the precedent of Congress stepping off Gramm-Rudman with each emergency it faces. The Republicans in the White House suggest their approach my save money.

In essence, therefore, what this debate is all about is setup argumentation, the question of whether the Republican approach to solving the problem is the root difficulty in the bill, and here at the most a $1 billion to $3 billion conjecturing finger can be pointed at President Bush, or whether a Congress controlled largely by the majority party and an administration controlled by a former President is responsible for precipitating the problem, and here the figures are 100 to 400 times greater, that is, in the $100 billion to $400 billion range.

In conclusion, I would stress that all approaches to financing are uncomfortable. The approach of the conference committee is not a compelling reason to support or oppose this bill, just a reason to escape making disciplined judgment on what really matters, whether this bill is adequate to deal with the full scope of the greatest legislative mistake of this century.

□ 2410

Finally, let me just conclude by commending a first-term President in the White House for stepping up and dealing with the problem, and a first-term chairman of the House Committee on Banking, Finance and Urban Affairs for being so forthcoming in his response.

This is a very decent-hearted approach. All of us have our own judgment on the final outcome, but please, let us not make it based upon the funding compromise that the conference committee wrought.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. STARK].

Mr. STARK. Mr. Speaker, I would like to address my remarks this evening to my Democratic colleagues. You have been sold out by your leadership. Vote "no."

You will be here on Thanksgiving being asked to vote for capital gains.

We have had whimpering: on budget, off budget. Tonight you are off budget.

Let me tell my colleagues, they are being asked why? So they can go home and to go home quickly.

It is a $3 billion ticket home, and I want to say it is a $190 ticket to Oakland, CA. Here is 3 billion bucks. For my constituents I will stay and work out a fair compromise for the American people, and I want my colleagues to join with me in voting no.

Mr. WYLIE. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. GRANT].

Mr. GRANT. Mr. Speaker, I did not spend 100 hours, as some of the Members of the Banking, Finance and Urban Affairs Committee did, listening to testimony on this bill. But I want the Members of the House to know that I spent 20 years of my life in the banking business before I came to politics, and I can tell them, do not be deluded into thinking that capital makes financial institutions secure.

Capital does not make the institution secure. It is the confidence that those deposits will be made good when the little widow comes to withdraw her money from the bank. If the banker tells that widow that for her

$100 she is assured that we are going to pay $3 tonight for her $100, do Members really think she is going to go home and sleep good? The answer is an absolute, unreserved no.

The thing that we have to be sure to do is to pass a bill tonight that does not bail out some financial institutions in this country, a few savings and loan institutions. What we are doing here tonight is restoring confidence to the entire financial institutions of this country.

Whatever way we decide to do it is going to take some compromise, sure. I have heard of two compromises tonight. One says that we can raise taxes. The other says we can float bonds.

We can cut expenditures, but I have not heard that discussed yet. There are at least three ways.

Politics is the art of compromise, and compromise has been reached tonight, and I think we ought to go ahead and vote on this bill tonight.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut [Mr. MORRISON], a member of the Committee on Banking, Finance and Urban Affairs.

Mr. MORRISON of Connecticut. Mr. Speaker, it is really a shame that we are here. The President did not know a good deal when he had one. He decided to use the big veto threat. He should have signed the bill that his House passed before. It was a better bill.

It is too bad we have to be here. But now that we are here let us try to do the right thing.

The President's letter did not say anything about on budget or off budget. It said he wanted to save Gramm-Rudman.

This deal does nothing to save Gramm-Rudman. It is off budget all the way around. We missed Gramm-Rudman on the way in and we miss Gramm-Rudman on the way out.

We have to put it on budget if we are going to do something about the deficit, and we have to put it on budget if we are going to be honest about how we are going to pay for this.

Let me ask my Democratic colleagues to remember something. It was the Democrats who made this bill tough and strong, and there was a price. The price was on budget.

The President does not want to pay that price.

Mr. President, read my lips: not on budget, no bill.

Vote "no."

The SPEAKER. The gentleman from Texas [Mr. GONZALEZ] has 6½ minutes remaining, the gentleman from Ohio [Mr. WYLIE] has 3 minutes remaining, and the gentleman from Illinois [Mr. ROSTENKOWSKI] has 9 minutes remaining.

Mr. ROSTENKOWSKI. Mr. Speaker, according to my calculation, I just yielded to two Members, and they have 9½ minutes left. I reserve the balance of my time.

The SPEAKER. The time is divided under the rules which permits one-third of the time to be assigned to a Member opposing the conference report.

Mr. ROSTENKOWSKI. Mr. Speaker, I just yielded to two Members.

The SPEAKER. The Chair will again inform the gentleman from Illinois that at such time as the gentleman from Texas and the gentleman from Ohio reserve all remaining time for final statements——

Mr. ROSTENKOWSKI. Mr. Speaker, could I make an inquiry as to how many speakers the proponents have left?

Mr. WYLIE. Mr. Speaker, I reserve the balance of my time to close.

The SPEAKER. The gentleman from Ohio reserves the balance of his time.

The gentleman from Texas reserves what balance of his time?

Mr. GONZALEZ. Mr. Speaker, I, too, reserve the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, may I inquire as to how many speakers the gentleman has left?

The SPEAKER. The Chair will inform the gentleman from Illinois that the gentleman from Texas and the gentleman from Ohio are entitled to reserve one Member to speak. The gentleman from Ohio has one Member that he wishes to yield to for 3 minutes, is that correct?

Mr. WYLIE. Mr. Speaker, I am going to use the time myself.

Mr. GONZALEZ. Mr. Speaker, I believe if the gentleman from Illinois insists on knowing what we intend to do to divide our time, I would like to know how he is going to divide his time.

Mr. ROSTENKOWSKI. I already announced, Mr. Speaker, I have two speakers plus myself.

The SPEAKER. Perhaps it would be possible for the Chair to be informed as to how much time the gentleman from Illinois and the gentleman from Texas wish to yield themselves. The gentleman from Texas is going to close debate.

Mr. GONZALEZ. Mr. Speaker, I would like to reserve not less than half a minute to close. But I would also like to recognize some Members who wish to speak on this, and therefore I am trying to figure out how to divide that balance and still keep the commitment that we would have the final prerogative to close.

Mr. ROSTENKOWSKI. Mr. Speaker, I have no objection to that. All I want to do is equally divide the debate. The proponents have 9½ minutes and I have 9 minutes.

The SPEAKER. The gentleman will alternate, if the gentleman wishes, between the two of them.

Mr. ROSTENKOWSKI. Mr. Speaker, I just yielded to two speakers in a row.

Mr. GONZALEZ. Mr. Speaker, I believe in free and untrammeled debate, and it is not my intention, I am not trying to play games, I am just trying to preserve the arrangement, that is to where we will not unwittingly recognize Members and use all of our time.

So at this time, Mr. Speaker, I yield 2½ minutes to the distinguished gentlewoman from Ohio [Ms. OAKAR], a hardworking and longstanding member of the Committee on Banking, Finance and Urban Affairs.

(Ms. OAKAR asked and was given permission to revise and extend her remarks.)

□ 1120

Ms. OAKAR. I thank the gentleman.

Mr. Speaker, I do not think my leadership on the Banking Committee has failed me at all. I am proud of the work they did.

I want to compliment Chairman GONZALEZ, Chairman ANNUNZIO, the ranking members, and the gentleman from Ohio [Mr. WYLIE]. I see Senator RIEGLE in the back. I want to compliment them for the work they did.

Let me tell you what is in this bill. The House Banking Committee installed top capital standards far superior to the administration, and we prevailed. The House Banking Committee installed criminal and enforcement penalties far superior to the President's bill, and we prevailed.

The House Banking Committee provided provisions against discrimination toward women and minorities, and we prevailed. The House Banking Committee installed consistent pay-fixing authority for all Federal regulatory agencies in order to retain and maintain talented supervisory staff, and we prevailed.

The House Banking Committee installed affordable housing provisions for the taxpayers of this country.

Mr. Speaker, the House gave the taxpayers one item which they deserved, a chance for home ownership, and we prevailed.

Mr. Speaker, the report of this conference contains many reforms and well deserved. But like any conference session and conference report, compromises are needed to move the legislation. I supported wholeheartedly the House provision requiring the on-budget financing. We have all heard all the economic arguments on why on budget is preferred. But, Mr. Speaker, this is costing, this problem, this crisis is costing $20 million a day to the taxpayers of our country. We cannot afford, my colleagues, if we do not support this conference report tonight

all of the provisions that I have mentioned that the House really truly won on that were true reforms are going to be unraveled.

I say to some of my friends that you are going to see some of your provisions unraveled as well.

The overriding issue is that we must pass this conference report tonight.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. SCHUMER], a member of the committee.

Mr. SCHUMER. Mr. Speaker, I think everybody in this Chamber, in fact everyone in this building, Democrat, Republican, Congressman, Senator, supporter and opponent of this bill will agree that this is a sad evening, an evening where we should not have to be here. This bill, which has shown Congress at its best, which has had a noble way as it wended its way through Congress, has come to this sad ending.

Mr. Speaker, I respect the chairman of the committee, the gentleman from Texas [Mr. GONZALEZ], the ranking member, the gentleman from Ohio [Mr. WYLIE], and the chairman of the subcommittee [Mr. ANNUNZIO].

I have worked long and hard and side by side with them to make this a tough and a good bill. But the sad truth is that while this is a good bill, by just a small bit of resolve we can make it better. And that is the issue before us here tonight.

For the bill before us tonight is considerably worse than the bill we voted on yesterday. It is worse because the compromise, the on/off-budget compromise, is unworkable, it is jerrybuilt, it is less honest and most of all it costs the taxpayers money, $3 billion to $30 billion.

It is bad enough that we have to ask the taxpayers to spend $150 billion to bail out the depositors, but it is obscene, obscene, my colleagues, to vote for an additional $3 billion to $30 billion out of the taxpayers' pockets to simply allow the President, simply because the President does not want the public to know what the real budget deficit is.

My colleagues, should we blink every time the President throws down a veto message, a veto message that comes at the last minute and most importantly a veto message that is substantively wrong?

My colleagues, this is a good bill, but by voting "no" tonight, we can make it better, we can make it more honest and we can make sure that we do not spend $3 billion simply to satisfy the President's whim.

Vote "no" tonight.

The SPEAKER. The time of the gentleman has expired.

The gentleman from Texas [Mr. GONZALEZ] has 4 minutes remaining, the gentleman from Ohio [Mr. WYLIE] has reserved his 3 remaining minutes and the gentleman from Illinois [Mr. ROSTENKOWSKI] has 7 minutes remaining.

Does the gentleman from Texas desire to yield time?

Mr. GONZALEZ. Mr. Chairman, I take great pride and it is quite a privilege to yield 2 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, of course I rise in support of the conference, with a heavy heart. I heard a lot of arguments tonight. I think they are the arguments that should have been made and were made 6 weeks ago, were made yesterday. You know, we have done, I think, the Banking Committee and the conference on this have done a good job. We kept faith with the House. Eighty or ninety percent of the provisions that we passed are in this bill.

We kept faith with regard to the on/offbudget issue. In fact, we pushed it yesterday, we ran that string out.

We got the letter from the President. We are willing to try and call his bluff. But the fact is we never got there, we did not get to second base because the Senate stopped us on the budget waiver and on, perhaps, a cloture vote and in other ways.

So we cannot do it. Now we are back. The question is whether we are going to resolve this problem.

That is why we are sent here, my colleagues, to resolve problems. I know a lot of you would probably like to see this bill with you voting against it all the way, but that is not why we are here. This is an unpleasant task, this is not easy, it is not pleasant for any of us.

But I suggest to you that the President is serious when he says he is going to veto it. The Senators were serious when they did not waive the budget resolution. We kept faith.

I think it is up to us now to bite our teeth, to grit our teeth now, to deal with the subjects that are unpleasant and to pass this. That is why we are where we are at. I did not vote with the majority last night in terms of the type of budget treatment. But that passed. And we are here today. Yesterday's arguments are not good enough. We have to face up to the issue today and we have to be prepared to address and tackle this particular problem.

□ 2330

The savings of the people in the financial institutions and across this country. We cannot go home without solving that. We will not go home without solving it, but it will be a compromise tonight or a compromise you do not like next week. There are all sorts of reasons Members ask, always find reasons in a bill like this to vote against it.

I suggest we look to the positive and look to vote for the job we were sent here, and vote for this tonight.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 3 minutes to the chairman of the Committee on the Budget [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I think all Members regret that we have to have this fight at this late hour over this bill. Each Member will have to weigh the merits of the bill first as the financing mechanism that is now included in the proposal. For me, as chairman of the Committee on the Budget, the issue is very simple: What saves the most money for the taxpayers? This is not a battle over which approach avoids Gramm-Rudman. Very frankly, both approaches avoid Gramm-Rudman. This is not a battle over which one sets a bad precedent. Frankly, both would set a bad precedent.

The issue comes down to two questions: What approach will expedite aid to depositors the fastest; which approach saves the taxpayers the most money? The overwhelming evidence, the indisputable evidence, is that putting it on budget will do exactly that. It will expedite aid to the depositors within 2 to 3 weeks, and it will save anywhere from $3 to $20 billion. I know we have a responsibility, a responsibility tonight to stand by the Deposit Insurance System in the savings and loans, but we have a greater responsibility to conduct the financial operations of the Government in the most cost effective way, and the way that makes the most effective use of market conditions. That is the on-budget approach.

The administration wants Members to pay more to hide more. I will not be a party to that. Over the last few weeks we have spilled blood on this floor over 13 appropriation bills, fighting for funds for space, for defense, for housing, for nutrition. We cannot now take the approach that we are not going to care about saving billions of dollars. There is a right way to do the financing in this bill and there is a wrong way to do it. The right way, the honest way, the smart approach is to do what the House overwhelmingly voted to do just a few weeks ago by a 2 to 1 margin: Put the financing on budget and keep it off the backs of our children. Vote against this conference.

The SPEAKER. The gentleman from Texas [Mr. GONZALEZ] has 2 minutes remaining, the gentleman from Ohio, [Mr. WYLIE] has 3 minutes remaining, and the gentleman from Illinois [Mr. ROSTENKOWSKI] has 4 minutes remaining.

Mr. ROSTENKOWSKI. Mr. Speaker, I have no further requests for time, as I expect to close. I reserve my time.

The SPEAKER. Does the gentleman from Texas have any more speakers?

Mr. GONZALEZ. Mr. Speaker, I have 2 minutes left; I would like to ask my good friend, the gentleman from

Illinois [Mr. ROSTENKOWSKI], if he would be willing to allow me 1 minute to close so I could yield 2 minutes to another member of the committee.

Mr. ROSTENKOWSKI. Mr. Speaker, is the gentleman making a unanimous-consent request?

The SPEAKER. The question of the gentleman from Texas was to the gentleman from Illinois as to whether the gentleman from Illinois would yield 1 minute to the gentleman from Texas.

I think the answer of the gentleman from Illinois is in the negative.

Mr. GONZALEZ. Mr. Speaker, in that case, I will ask my distinguished colleague on the minority side.

Mr. WYLIE. Mr. Speaker, is it possible for me to yield 1 minute to the gentleman from Texas?

The SPEAKER. The gentleman may yield 1 minute of his time to the gentleman from Texas.

Mr. WYLIE. Mr. Speaker, I will reserve 2 minutes to close and yield 1 minute to the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Speaker, for the purposes of closing, do I understand I will be protected on that 1 last minute?

The SPEAKER. The Chair will state its understanding. The Chair's understanding is that the gentleman from Texas will yield 2 minutes to a Member. The gentleman from Texas will then have no time remaining. The gentleman from Illinois will be recognized for 4 minutes. The gentleman from Ohio will be recognized for 2 minutes and then will yield 1 minute remaining of his time to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, it is a privilege to yield 2 minutes to our distinguished, hard-working brilliant member of the Committee on Banking, Finance and Urban Affairs, the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Speaker, we have heard some fascinating speeches here tonight. My friend from California ripped up his ticket. My friend from Iowa said that he was against the bill last night, and I think he is still against the bill tonight, but everybody else should be for the bill. My friend from New York says it is good work and it could be better. I agree. It is good. It could be better.

However, the only way it could be better, you and I would have to have faith in the U.S. Senate. So every Member who believes that, those Members can make a good bill better by trusting in the resolve and courage and conviction of the U.S. Senate, those Members should vote no and pray. Maybe, Mr. Speaker, and I do not mean the Senate sent Members an example tonight, saying by unanimous consent we will not have a rollcall, and let the House stand up and be heard. I wish I had the faith of my colleagues in the Senate. However, I do not.

The President did not veto this bill, and the President has not distinguished himself tonight or last night. However, he never got the bill. The jello never bounced it over to him. The fact is that it did not pass the Senate before, and it will not pass the Senate again. I wish the Senate were different. I wish I were taller, and I could eat more and not gain weight.

The fact is, we are where we are. If we do not pass a good bill tonight, and I agree with the gentleman from New York we did a lot to make it a good bill, tough on capital standards, toughest regulations for businesses, which many of my Democratic friends will get a chance to vote for, better for poor people on low development housing, and people over there are swallowing and not talking about it, and wish it was not there. If we go back to conference, I do not guarantee it will stay. Perhaps we should have had this debate outside, and my colleagues would wish upon a star that in the Senate they would be better. Even so, I do not have that much hope, this late at night. I vote yes because it is a good bill. It is not the best bill, but it is the best we can do. I am not ripping up my ticket.

The SPEAKER. The gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 4 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, I rise in strong opposition to this conference report.

This conference report does not reflect the will of a strong majority of the House with respect to the issue of on-budget financing. On June 15 the House voted by an overwhelming 2-to-1 margin to place the financing on budget. Because of the Budget Act, a minority in the other body is frustrating the will of a bipartisan majority of the House.

According to CBO projections, this conference report will increase the burden of the American taxpayer because of higher borrowing costs by over $3 billion over the next 30 years. In addition, several financial experts have estimated that an off-budget bailout similar to the conference report being considered today, will increase taxpayer costs by an additional $20 to $30 billion. The reason for this additional cost is due to the off-budget corporation's lack of flexibility in managing its debt.

Yesterday I praised the Bush administration for addressing the savings and loan problem and swiftly recommending a proposal to the Congress. The administration should have accepted yesterday's conference report. For most of us and for most of our States, this legislation produces very little benefit. Taxpayers in all States are being asked to shoulder most of the cost to bailout the problems in a few.

I predict that the administration will be back in 2 or 3 years asking for additional dollars to bailout insolvent thrifts. And I hope to be here—here in this well with today's CONGRESSIONAL RECORD—reminding the administration of this terrible off-budget precedent and urging my colleagues to vote "no" again. If we don't draw the line today, soon everything will be off-budget—we'll be fighting drugs off-budget—fighting crime off-budget—we'll be going to Mars off-budget.

For this administration not to be concerned about the additional cost it is imposing on taxpayers—your constituents and mine—is simply intolerable. In the conference last night, I and many of my colleagues were willing to consider alternatives to the financing plan as long as it remained on budget. In the spirit of President Bush's veto letter, we were willing to put the financing on budget and with no waiver of Gramm-Rudman-Hollings. That would have been far more honest than the off-budget sham contained in the conference report. Those suggestions were rejected out of hand in favor of the administration's budgetary shell game.

The administration's insistence on this off-budget financing scheme will be a precedent cited by many Members of Congress as difficult budgetary issues present themselves in the future, such as financing the war on drugs, nuclear waste cleanup and catastrophic health insurance. This is an administration whose budget policy consists of slide by budgets, blue smoke and mirrors, and now off-budget financing.

I know all of us want to go home. However, I urge you to reject this conference report and stick around a few more hours. That's a small price for us to pay to save our constituents billions of dollars over the next several years.

I think that we owe the American taxpayers more than a headlong rush to recess. We owe them fiscal responsibility.

□ 2340

Billions of dollars can be saved with the minimal delay in affirming the original House decision, and I think it is worth the time.

My colleagues, there is a time to fold, and there is a time to be bold. There is a time to be wrong, and a time to be strong. There is a time to take flight, and a time to be right.

Our constituents know that our time is worth their money. I strongly urge upon my colleagues the rejection of this conference report.

Mr. WYLIE. Mr. Speaker, the gentleman from New York [Mr. SCHUMER] who spoke a little earlier said yesterday that this is a tough bill, a tougher

bill than anyone could have expected. The gentleman from Washington [Mr. MORRISON] said that it is one of the best legislative products that has been put together on a tough issue. So, each of these gentlemen are voting against it over the funding mechanism. There has been a representation made that it will cost $30 billion through this new compromise that we have come up with. The Treasury says that the compromise will cost approximately $75 million annually or $2.2 billion over 30 years in excess of the interest cost and that the present value of this is approximately $750 million.

Mr. Speaker, this bill is not perfect. No compromise ever is. But it is the only responsible action we have at this point to take. Experts estimate that insolvent S&L's are losing $10 to $20 million a day, perhaps even as much as a billion dollars per month. This bill will provide the resources necessary to shut down those institutions, stop the hemorrhaging, stop the mounting losses.

We are not bailing out S&L's. We are not bailing out their stockholders or their managers. We are delivering on our promise that the Federal Government stands behind the safety and the life savings of millions of Americans.

Mr. Speaker, this is a good bill. It will restore and maintain confidence in our financial system.

The time is now, and I urge adoption of the conference report.

Mr. Speaker, I yield whatever time I have remaining to the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Speaker, I believe that the gentleman from Ohio [Mr. WYLIE] has struck the one thing I want to remind everybody. This is not a bailout. The bailout was done all last year. This is a workout. It is a workout of a dilemma that is confronting and jeopardizing the entire system of our financial institutions; depository institutions that is, and the insurance fund. Every one of my colleagues' constituents thinks, because it is pledged, that the full faith and credit of their deposits and their shares up to a hundred thousands is protected. That is lying to them. The insurance fund is broke.

Mr. Speaker, this bill will remedy that. That is why we have got to pass it.

The gentleman from Ohio [Mr. WYLIE] was correct. This is not a bailout. It is a workout of the hole that the Congress contributed to, and a lot of people did.

However, Mr. Speaker, I want to close by saying this: I cannot begin to express my admiration, and my thanks and profound respect for the Senate conferees ably chaired by Senator RIEGLE. I know that it is easy to cuss them, but I will be remiss if I did not say that they worked beautifully. So did our Members on our conference.

But above all I wish to recognize the yeoman work done by the staffs of both the minority and the majority.

Mr. CARDIN. Mr. Speaker, I rise in very reluctant support of the conference report on the savings and loans legislation.

The reason I will vote for the conference report is simply that it is necessary to move forward with this bill. This bill is to the thrift industry what Superfund is to the chemical industry. The longer we delay beginning the cleanup, the greater the risk created and the greater the ultimate cost. The last card has been played, the costs to the taxpayers of the bailout continue to mount on a daily basis, let's get on with it.

But I am far from enthusiastic. My reluctance about supporting this bill relates chiefly to the financing package. The administration position, which was yesterday upheld by the other body, is the sheerest hypocrisy.

The administration maintains that on-budget financing will violate the integrity of Gramm-Rudman. Gramm-Rudman's been violated in every way imaginable. We routinely slide pay dates around, and forward fund agriculture deficiency payments, and move trust funds on or off budget depending on whatever's convenient. We don't mind those transgressions, because they help make the deficit look smaller.

The administration's problem with the on-budget financing is that it will make the deficit look larger. Never mind that on-budget financing will save billions of dollars. The proponents of off-budget financing say the financial markets will be panicked if we exempt this refinancing package from Gramm-Rudman. The markets will think we have lost our resolve to reduce the deficit.

That's ridiculous. Will the markets be fooled by this off-budget mechanism into thinking we aren't really spending the money? Of course not. The Government of the United States is going to spend the money necessary to refinance the troubled savings and loans. It will be expensive, but that is our obligation, and we will meet it.

The compromise contained in this conference report is worse than the original House proposal, but it is better than the original administration financing plan. The time to pass the Financial Toxic Waste Cleanup Act of 1989 is now.

Mr. RAHALL. Mr. Speaker, I wish to make it clear as part of the RECORD as to why I voted against the savings and loan conference agreement in the waning hours before Congress left for its August district work period.

Early this year, the House voted overwhelmingly for its version of the savings and loan bill. In it, among other things such as tightening the control over the thrift industry so that history doesn't repeat itself, the House provided for an on-budget bailout, exempt under Gramm-Rudman. I voted for the original House bill.

First I would like to say why it was important to exempt the bill under Gramm-Rudman. If we had put $50 billion on budget without such an exemption, and when it came time to take a snapshot of the budget to determine how close Congress was to reducing the deficit by the targeted amounts for fiscal year 1990, we would have found that in order to get the $50 billion to pay for the S&L bailout, we would have to cut existing Federal programs by that amount. What that usually means is to cut domestic programs, such as educating the young, and feeding the poor. It seldom means cutting defense.

Allowing a one-time waiver of Gramm-Rudman is simply that. It does not mean that we have struck down Gramm-Rudman. It is a waiver such as Congress agrees to from time to time when it is necessary to move quickly and for a good reason that only a waiver would permit under the statutes.

Another reason for keeping the $50 billion on-budget is that it tells the American people that we are not trying to hide anything from them. Indeed, it may cost each American taxpayer $1,000 each, and they have a right to know that up front. What the House has said, in passing a bill that keeps the costs on-budget, and in passing a conference agreement that kept the costs on-budget, is that it says to America, we are not playing games. The House has acknowledged that this bailout still adds to the national debt, for which we are already borrowing in order to pay the national interest. The House even acknowledged that it's a cynical way to do business if you are concerned over budgetary discipline—and most of us are, and most of us are trying to live with Gramm-Rudman each year. But the House was also acknowledging that we cannot let the deposits of innocent taxpayers be lost because we failed to do something about bailing out the industry, tightening controls over them so that there is no future opportunity for this to happen again, and standing behind the Governments original promise and guarantee that their savings were insured by the FSLIC and were not subject to loss.

So what was the problem? In the last minutes and hours of the day we were forced to take final action on the S&L conference agreement so as to stop the massive drain on those institutions that are still solvent, the President precipitated a complete blackade to our "on-budget, Gramm-Rudman exempt" bailout bill by writing a letter to the Republican leadership of the House and Senate threatening to veto the bill if it came to him in that form, as agreed to by both House and Senate conferees.

It was not difficult for me to see the writing on the wall. We were not going to be able to win against a Senate effort, requiring 60 votes, to get a bill that was both on budget and exempt under Gramm-Rudman.

Senate Repubicans wanted it off budget because President Bush wanted it that way. President Bush wanted it that way because he doesn't ever want it to appear on his Record that his massive spending measure took place on his watch. Not the President of "read my lips, no new taxes" fame.

Also, by keeping it off budget and placing the borrowing in the hands of a newly created entity called REFCORP, we pretend that REFCORP is a private entity. As a private entity, it is no more subject to Gramm-Rudman than is General Motors or Chrysler. That is not exactly government in the sunshine, is it?

Even without the S&L bill, next year's budget process is going to be harsh. What

kind of costs are we going to finally end up with using the newly created "private" entity called REFCORP? What kind of tax burden, over and above what we think we know the costs to be, are we creating for the next 30 years. I am not a fiscal conservative, but I am hesitant about giving this new Corporation control over not only the lives of my children, but of their children. We have all heard the figure of $1,000 per taxpaying citizen as the price to be paid for this bailout. I am not sure if that is all it is ever going to be.

We just now are beginning to try to find reasonable ways to reform, if not repeal, the Medicare Catastrophic Coverage Act because of the public outcry from one segment of our population who would have to pay a surtax. They are saying no. What will the taxpayers say when they really get wind of this S&L recovery bill and all that it entails, including their expected contribution?

Is this "tax burden" going to be a one-time thing, or every year or so are we going to hear about the next $50 billion round upon which REFCORP will need congressional approval, because the bailout is going to cost more than we ever thought possible?

Once burned, twice shy. I voted for the Medicare Catastrophic Coverage bill, because I believed it was something that senior citizens needed, were anxious to have the Congress enact. I had it on very good authority from one of their highly respected representative groups, the AARP, that seniors would welcome it. But we all know what happened once they found out about a surtax charge.

The people in my State have been recently burdened by new taxes. This is a State which ranks 49th in the Nation in low per capita income. In my district alone, there are cities and towns where the unemployment rates are as high as 50 percent, certainly in many others the rate is double-digit. I cannot in good conscience vote for a bill, despite the fact that I voted for it the first time around, that I am becoming more and more unsure of every day. Do I want the industry to recover? Yes, I do. Does my State have similar thrift industry problems? No, it does not. The savings and loan institutions in West Virginia are considered to be the healthiest in the Nation. There are not many of them, but they stayed with the original mission established for such institutions, they provided home loans for people. Even when Congress deregulated the industry and allowed the risk-taking practices and high-rolling that led to the failure of so many institutions, West Virginia's industry stayed in the home loan business. Despite the fact that West Virginia's institutions stayed fairly pure in times when anything was possible for them and their directors, they are going to bear the recapitalization burdens imposed on all such thrifts in this bill. They too are losing the goodwill which a few of West Virginia's institutions have as part of their assets, because all thrifts are losing the right to count goodwill beyond 1995.

If there was only one reason allowed to a Member for voting for the bill, mine would be to make the funds available to the Justice Department to prosecute those individuals who lived high on the hog while the people's investments went down the tube, and FSLIC insurance with it.

This bill will at least do that much—prosecute and punish those most responsible for outrageous personal gains made at the expense of the small investor, the family who put their life savings into a thrift account.

I want to restore the faith of the American public in the thrift industry. I want the drain on the thrift industry to stop; also, I don't want the current mistrust of S&L's to spill over to banks where depositors are covered by the FDIC Insurance Guarantee.

But I want to go on record saying that I am opposed to taking $30 billion of this bailout off budget. I want my constituents to remember that the House has twice voted to keep it on budget. All of it, not just part of it.

The conference agreement first approved by the House on August 3 was adopted by a very narrow margin. The more than 100 Republicans who voted for the first passage of the bill, fell to a miserly 39 Republicans in passing the conference report with the House on-budget plan in it. They did so so that the Senate could renege on the deal that their own conferees had made with House conferees to keep this bill on budget.

Why should I vote for a conference agreement that even as we voted to pass it, the House conferees were thinking of the "compromise" to an off-budget bill?

When I learned yesterday that the President had written his veto-threat letter to both House and Senate Members, I suddenly got tired of all the rhetoric we've heard recently about how the President was working so closely with the Congress on this legislation. The conferees on this bill, on both sides of the Capitol, were totally disciplined in the sense that they not only held fast to the notion that we had to impose severe restraints on the industry in the future, but that we would keep it on budget. I applaud them for that. The President knew this was perhaps the most controversial aspect of the bill's provisions. It was only after the fact—after the Senate bolted—and after the bill was sent back to the conference committee that he sent Richard Darman up to the Rayburn Building conference room to say that well, maybe he wouldn't veto it afterall. It was too late. The die was cast.

What I am wondering today is: when the first $50 billion is spent, and should REFCORP find that indeed they need more money, and they come to Congress for more borrowing authority—and I can only assume additional authority to borrow more money requires congressional consent—how many Members will be able to say no? Will they be able to say no after spending the first $50 billion? Is that any way to protect our investment, they will ask themselves? Where might it end?

If this bailout doesn't work in the way we envisioned, the Democratic House will bear the brunt of the blame. Why, because we are in a majority. Forget that the Senate, led by Republicans, placed on roadblock in our path that we were unable to overturn. Forget that without our plurality, the Republicans, including the President, couldn't have obtained a bailout bill in the first place—a bill they wanted very much and upon which President placed the highest first priority of this administration. Forget that Democrats also had a responsibility to defend depositors—constituents—against the loss of their savings by saving the thrift industry from total failure.

In conclusion, Mr. Speaker, there are three things of which I am sure, and three things I want to make clear.

First, the House version was honest; it hid nothing from the public.

Second, the House version would have saved $5 billion up front had it been enacted as an on-budget bill.

Third, I cannot in good conscience now vote for a bill that is full of additional costs; that is off budget; and apt to cost far more than we know at this time, and particularly in the hands of a congressionally chartered "private" corporation which is not subject to as much control as it might have had attached to it had the House bill prevailed.

I can see it coming. I can see the ability and willingness of the Democratic majority in the House to work with the President on this, and to try to do something that did not raise enormous amounts of taxes with which to pay for it, turned against us during election year and we will be charged with calling a bill that, on its face is not a tax, a tax anyway, and it will be called a product of the Democratic majority because it will appear nowhere on the President's record.

As it stands now, the conference agreement, with its partial off-budget financing plan will produce additional costs, due to higher interest rates paid by the off-budget agency, and higher borrowing costs due to the off-budget corporation's inability to be flexible in managing its debt instruments.

I voted last Congress for what turned out to be a pig in a poke called the Medicare Catastrophic Coverage Act. We Members who do not serve on the authorizing committees with jurisdiction over certain subject matter, do not know or fully understand every nuance of legislation placed before the House for a final vote. That was true of the catastrophic bill; I am very much afraid it might be true of this bill.

I will vote no, Mr. Chairman.

Mr. HALL of Texas. Mr. Speaker, again I must rise in opposition to this conference report. The improvements made last night in the conference committee are in fact not improvements at all, but actually increase the total cost of this legislation. I find it difficult to shift the burden of this crisis on our children and grandchildren just to achieve what is politically expedient today.

Of the $50 billion needed to close insolvent thrifts, this plan would raise $30 billion by issuing bonds—off budget—through a new private corporation. Borrowing money to close insolvent thrifts is a bad idea, but borrowing money off budget is the worst idea. This is due to the fact that the interest rates associated with these private corporation bonds would be higher than rates if the plan was left entirely on budget, because these bonds would not be guaranteed by the "full faith and credit of the U.S. Government." You can guess who would have to pay for these higher interest rates—the U.S. taxpayer.

I still believe the best method of solving this crisis is to put the total cost on budget and under Gramm-Rudman. This would force Con-

gress and the President to deal with this problem right now, and save our taxpayers in excess of $150 billion over the next 30 years.

Mr. Speaker, on another point, it is my understanding that conference report redefines and significantly augments the powers of the Federal Deposit Insurance Corporation when the [FDIC] acts as the receiver for a failed financial institution. For example, section 212(a), which addresses the valuation of claims against a financial institution in default, establishes the power of the FDIC to differentiate among uninsured creditors of failed financial institutions. Notwithstanding the [FDIC] failure to effect ratable distributions in certain recent cases (which is along the lines empowered by section 212(a)), the National Bank Act and a long list of court decisions, including First Empire Bank versus FDIC, require the [FDIC] to treat all uninsured creditors in a like manner. Section 212(a) reverses current law, and frankly this concerns me. However, should this legislation become law, I want to point out that there is no stated or implied intent that any new powers to differentiate among uninsured creditors be applied to receiverships that have been established prior to enactment. It seems to me that this Nation once fought to eliminate "ex post facto" actions. Surely we would not revive them today!

Mr. Speaker, I cannot ask my constituents to pay $1,000 each to resolve this financial dilemma when a less expensive alternative exists. I urge my colleagues to reject the conference report.

Mr. TORRES. Mr. Speaker, I would like to rise in support of the conference agreement on H.R. 1278, the savings and loan reform legislation, though somewhat reluctantly. The timely enactment of this legislation is critical in terms of savings to the U.S. taxpayer. For each day that we delay, it is costing another $10 to $20 million. The total package assembled by the House Banking Committee over many months is a viable, long-term solution ensuring that a financial crisis of this nature never again occurs.

However, I want to make it clear that I do not agree with the financing provisions included in this conference agreement. Last night, in the conference negotiations, I voted against the plan to put $30 billion of the total $50 billion off budget as is called for in 1990 and 1991. I believe the entire $50 billion should be put on budget. This would result in even more savings to the U.S. taxpayers and is the honest way to represent the costs of this reform plan.

But I must remind my colleagues that this is a large, complex bill and, taken as a whole, is a sound and responsible plan that will clean up the savings and loan industry. It includes tough new capital standards and enforcement provisions to shut down and penalize those who have abused the system. I'm afraid that our only alternative on the financing issue is impasse with our colleagues in the other body. It appears that the agreement reached last night is the best option we can achieve. We must move forward and adopt the conference report.

Mr. FRENZEL. Mr. Speaker, yesterday I voted against the S&L bailout because of the financing plan which I believed posed devastating, and unnecessary, risks to our economy. The threat to the economy of higher interest rates because of the precedent of punching a hole in the center of the Gramm-Rudman Act was not acceptable to me.

After the Senate rejected the conference report on a point of order, the conferees met again and agreed to another plan which might be called a combination of the House and Senate plan. Like all compromises, it is awkward, and it fully satisfies nobody.

For those who believe that Treasury issues are cheaper, the 40 percent of the bond issue $20 billion, to be issued by Treasury, looks good. I personally don't like it because it shifts $20 billion in outlays back into fiscal 1989 after the threat of sequester has safely passed. Date shifts, in any guise, are gimmicks to be avoided if possible.

For those, like me, who believe the main risk is breaching Gramm-Rudman, this proposal, while far from perfect, is one that is acceptable in these emergency circumstances. The financing system uses an old, well-used loophole, that of date shifting. But it creates no new, unprecedented loophole.

Actually, all of the financing proposals, including the administration's, are subject to a Budget Act point of order. None of them was perfect. None was even close to perfect. But, the country has run out of time. Since the current imperfect compromise is the best likely to be achieved, I shall support it.

As for the bill itself, it is subject to many infinities. I wish it had been stronger. The criticisms raised by many Members are accurate. One point that bothers me greatly is that no restrictions were placed on the multiple $100,000 deposit guarantee of the U.S. Government.

The basic $100,000 deposit insurance may be all right, even though it is much higher than necessary to protect the deposits of moms and pops or small business. However, insuring an infinite number of $100,000 deposits of different institutions is a sheer waste of money, and a threat to the security of the financial system. The U.S. Government has no reason to insure more than one account of huge depositors. They can afford to take a little risk.

Another nagging question about the bill is whether it will do the whole job. Nobody knows that for sure, but there is a growing suspicion that more bonding authority will be needed to back up the deposit guarantees. Much will depend on the economy.

Finally, I don't like the multibillion-dollar housing program that has been attached to the bill. In the heat of the discussions, on the S&L crisis, the housing section got less attention and less debate than it needed. It should have been considered separately, but instead became a superpriviliged hitchhiker on a bill that was bound to pass eventually.

With all its warts, and even with its awkward financing mechanism, the bill is a necessity. S&L losses are a running sore on our economy. We need something to staunch the wound. This bill is all we have for first aid. We must pass it even it may not cure the injury totally. I urge a vote in favor of the conference report.

Mr. GUARINI. Mr. Speaker, I must express my strong opposition to the conference report.

My reason is simple: This bailout should be on budget. That's the honest thing to do. That's the right thing to do. Our taxpayers deserve better than this bill.

The Ways and Means Committee went on budget for one good reason: It was the best deal for the taxpayers of America. It was less expensive by some $5 billion.

Today working men and working women are being asked to pay additional billions of dollars, for one purpose—to finance an accounting gimmick that shows the very lack of political will that created the budget problem in the first place.

Here we are, being asked to support the King Kong of bailouts, and I am willing to do it. But I am not willing to do it in a way that wastes money in a clouded fog of smoke and mirrors.

Off budget is wrong. Half off budget is wrong. Two-thirds off budget is wrong. Three-fifths off budget is wrong. Are we really willing to waste $3 billion of the taxpayers' money, because it's better than wasting $5 billion of the taxpayers' money?

It's funny to see how creative minds find every way to avoid budget discipline. They move pay dates. They put the post office off budget. They use black magic economic forecasts. They dance, they twist, and they turn to avoid the hard choices this country must make. Their lips say Gramm-Rudman, but their heart says copout. And they are asking us today to copout once again.

If Gramm-Rudman is real, we need discipline, honesty, and courage. If Gramm-Rudman is real, we need responsible actions, by the President and Congress, to reduce the deficit. If Gramm-Rudman is real, we ask one simple question: How do we get the job done, at the lowest possible cost?

On budget, off budget, whatever, we ask that one question: How do we get the job done, at the lowest possible cost? The Ways and Means Committee concluded, after great deliberation, that the taxpayers save billions of dollars by going on budget. The committee was right. The full House was right. The first conference agreement was right. And the proposal before us is wrong.

I would argue that establishing off budget REFCORP bonds is even a worse precedent than waiving Gramm-Rudman. Next we will be voting on off-budget bonds for financing our Space Program and the war against drugs.

The fact is, the financial markets will view the off-budget method of financing for what it is—"recess politics" at its best. The President knows the Congress is lacking the political will to stay in session over this "emergency" legislation that has taken 6 months to pass. I don't think the President would veto an on-budget bill that saves the taxpayer billions, accomplishes what the financial markets are looking for, and allows the bailout to begin immediately. It would be the greatest mistake of his political career.

Our former colleague, Senator PROXMIRE, frequently gave out what he called the Golden Fleece Award. In honor of the Senator, I think it is appropriate we award this conference report the alltime 24-carat Fleece Award.

Mr. BRENNAN. Mr. Speaker, I think we all agree that Government has a responsibility to try to get the best bargain for the taxpayers.

In the case of the bailout of the savings & loan industry—the worst financial scandal in the history of this country—we in Congress have a choice to make.

Do we want to save $10 to $20 billion by being honest and put the bailout on budget?

Or do we want to engage in phony accounting and stick the taxpayers with another $10 to $20 billion bill?

To me the answer is easy.

In these hot, muggy days of August, I am looking forward to going home to Maine to enjoy the natural air-conditioning of the Atlantic Ocean.

But, I am prepared to stay here until doomsday before I force on the taxpayers of this country an unnecessary additional cost of $10 to $20 billion.

I hope this House shows resolve and does not kowtow to the administration.

If the administration does not care about getting the best bargain for the taxpayers, this House should.

Let's be straightforward.

Let's get the best bargain for the taxpayers.

Let's borrow the money the cheapest way possible—on budget.

I urge a "no" vote on the conference report.

Mr. PRICE. Mr. Speaker, I rise reluctantly to support this conference report.

I am supporting this bill because it fulfills our Federal commitment to protect depositors at our Nation's financial institutions, maintains the tough capital standards developed by the House, guarantees tough future regulation of the thrift industry, and ensures the investigation and prosecution of S&L operators who have engaged in fraudulent behavior.

My reluctance primarily comes from the financial chicanery the House and Senate budget conferees agreed to under White House pressure last night. The new financing plan is less honest, less straightforward, and will cost taxpayers more money than the original House onbudget plan. But President Bush will not sign the bill, and the Senate cannot pass it, without this deceptive financing plan.

The administration has made it clear that it is willing to obstruct and to delay, in order to get its way, so that it may evade budget discipline. This obstruction is costing taxpayers some $20 million per day. It simply cannot go on. And so it falls to us in the House to pass this bill, despite its flaws, for the alternative is far worse.

I cannot fathom why the administration would do this to the taxpayers of this country. The National Taxpayers Union calls the President's financing plan a "worthless accounting gimmick," and I agree. Today, we are saving taxpayers money by acting without further delay, but we could have saved billions more in interest costs had we left the S&L plan on budget. The President and the Gramm gang in the Senate bear full responsibility for this bill's budget evasions and its unnecessary and excessive expense.

Mr. ALEXANDER. Mr. Speaker, I object to the President's offbudget financing plan whereby about 60 percent of the S&L bailout is deferred to future generations. This has been the financial plan of the Nation for most of the past 20 years. I don't like it and I have offered the Truth in Budgeting Act to correct this "go now, pay later" method of financing the Government. The way to change this policy is to enact my bill, not to address the issue piecemeal as many recommend tonight. Accordingly, I support the conference report.

Mr. GALLO. Mr. Speaker, with great reluctance, I vote today for this—the second report of the conference on H.R. 1278 because it addresses two overriding concerns.

My first reason to support this conference report is based on a very fundamental issue—the Federal Government, by guaranteeing the savings deposited in federally insured savings institutions, has placed the full faith and credit of the United States behind the protection of the individual saver.

We must remember that for every fat cat and cowboy who got us into this mess, there are thousands of families who have put their trust and their savings in protected savings institutions.

My foremost concern is for those ordinary people across this country who have deposited more than $1 trillion in savings and loans based on the assurance of safety.

This is the money that these people have saved for their futures. This is the money that builds new houses for families and is invested in our communities.

These individuals were not responsible for the current crisis, and I firmly believe that the Government must honor its commitment to insure them—just as the Government must honor its commitments to purchasers of savings bonds or commercial bank depositors.

My second reason for supporting this conference report is that we cannot afford further delays.

Without this new law, we remain in limbo at a cost of $20 to $30 million a day. Why? Because we cannot secure the savings and loan insurance system without a workable refinancing plan.

I am reminded, as we talk about the $20-million-a-day cost of delay that in 1987, a number of us strongly supported legislation to provide $18 billion to address what at that time was a relatively manageable situation.

Instead of lancing the boil, it was allowed to fester. Instead of $18 billion, we are talking $300 billion over 10 years. That's a heck of a lot of money for something that started out as a much smaller problem.

At the time, I took a lot of flack for that proposal, but I will tell you today that if the House leadership and the savings and loan industry had listened to us at that time, we would not be here today talking about $20 million a day, Mr. Speaker.

But we are here. And, like it or not, this thing is still growing and we are only now scheduling the treatments.

Mr. Speaker, let us get on with this, understanding that the politics of delay and denial got us where we are today.

Mr. LEHMAN of California. Mr. Speaker, the second conference report on H.R. 1278 is a very responsible bill with a very irresponsible financing mechanism.

Billions of dollars in new costs are not thrust upon the taxpayer, not by the unscrupulous savings and loan operators but by the Department of the Treasury and President Bush.

The $1,000 that this bill has been reputed to cost every American has now been increased by the Bush factor—the cost of a financing scheme so bizarre it makes voodoo economics look like elementary arithmetic.

This new plan to finance the bailout, part-on-part-off the budget, is worse than either plan alone. Moreover, it trivializes the legislative process and makes it appear as if we could not make up our minds.

The architects of this folly have handed us an unresolvable dilemma. This is a "catch-22" personified. The responsible act is to pass the bill. However, that would require doing the irresponsible by including this "now-it-is, now-it-isn't" budget scheme. To do the responsible by passing the bill would be irresponsible because the bill mandates including the funding wizardry.

Mr. Speaker, unfortunately I will not be present for the final vote. I have been forced to return to my district in California to keep commitments made long ago. It appears to me that in a situation like this, it may not be possible to act responsibly.

I regret that I cannot join my colleagues in acting "responsible" by casting a vote on the conference report.

Mr. GRADISON. Mr. Speaker, I rise to explain to my colleagues why I will note "no" on the S&L conference report. I would support this report if it were possible to go home and explain to my constituents that, while they will have to pay a heavy price to bail out FSLIC, the problem will be solved by this legislation. Unfortunately, this is not the case. I think the odds are better than 50–50 that we will be back at this again before the end of the President's first term. Simply put, there is insufficient "reform" in this bill to prevent a recurrence of the problems which have brought us to the point we're at today. Let me briefly cite three examples:

First, the open-ended $100,000 insurance limit will continue to draw large investors into the highest yielding and, therefore, riskiest associations. Insurance should be limited to $100,000 per depositor.

Second, the emphasis on housing investment by S&L's, while socially and politically appealing, greatly increases the risk to the Government as the ultimate insuror if housing prices soften. In other words, rather than encouraging diversified investments, which spread the risks, we have actually increased the risks to the associations and thereby to the taxpayers.

Third, and, finally, the Rube Goldberg plan to administer this program—a mishmash of governmental and nongovernmental activity—will diffuse responsibility and thwart effective congressional oversight.

As for the financing, my support for the earlier House plan is well known. As I listened to the debate yesterday in both the House and Senate, it seemed to focus on which plan would best reassure world credit markets—and on that point reasonable people can and do differ. But the Mickey Mouse scheme before us today pales in comparison with either of the earlier two plans. It is embarrassing to recall the outrage of just a few days ago around here about the Pentagon shifting less than $3 billion of fiscal year 1990 military

pay into the current year, and then realize that this new financing compromise will do the same thing to the tune of $20 billion. What a great precedent for other programs in the future.

I conclude by saying that I hope I'm wrong—but I don't think I am, and I simply am not going to ask my constituents to reach deep into their pockets to pay for a flawed bailout.

Mr. DELAY. Mr. Speaker, I rise in opposition to the conference report on H.R. 1278, the Financial Institutions, Reform, Recovery and Enhancement Act of 1989. The only thing this bill accomplishes is to pay off our obligations to the depositors. However, this legislaton does not address the larger problem of preventing this crisis from happening in the future.

What we have decided to do here tonight is to place restrictions on these financial institutions and ask them to put up a little more of their own money. All this means is that if an institution engages in risky business, they will lose a little more of their own money, but the American taxpayer is still on the hook for a vast amount of money should the institution fail. Further, if an institution is failing, there is nothing in this legislation to prevent it from risking even more taxpayer's dollars to attempt to avoid being closed down by the Government.

Our financial industry is too important to leave in the hands of the Federal Government. Only market forces can instill the fiscal discipline necessary for a healthy industry.

There are two ways to achieve this goal. One is to reduce the amount of insurance for each depositor. Instead of $100,000 per account, only insure $40,000 per person. The average depositor has less than $8,500 in deposits. This would protect the vast majority of depositors and large depositors would have an incentive to monitor the performance of the institution the same way that stockholders monitor publicly traded corporations.

Another way to introduce market forces is to establish risk-based premiums. Those financial institutions using conservative management principles would have low premiums since their probability of default is low. Institutions making riskier investments would pay a higher premium to reflect the exposure of the Government.

Mr. Speaker, I believe that this bill does not address the industry reforms which are desperately needed and I fear Congress will return to the place we are today—asking the American taxpayer for more money to pay off depositors—because we have failed to bring market discipline to the financial industry.

Mr. Speaker, I hope the next time Congress goes further than just pay the debts, but also corrects the problem.

The SPEAKER. All time has expired.

Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the noes appeared to have it.

RECORDED VOTE

Mr. WYLIE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 201, noes 175, answered "present" 5, not voting 50, as follows:

[Roll No. 219]

AYES—201

Ackerman	Green	Patterson
Alexander	Gunderson	Paxon
Annunzio	Hamilton	Pickle
Archer	Hammerschmidt	Porter
Atkins	Hancock	Price
Ballenger	Hansen	Ravenel
Barnard	Hatcher	Ray
Bartlett	Herger	Regula
Barton	Hiler	Rhodes
Bateman	Hochbrueckner	Richardson
Bereuter	Holloway	Ridge
Berman	Horton	Rinaldo
Bilbray	Houghton	Roberts
Boehlert	Hoyer	Rogers
Bonior	Huckaby	Roukema
Borski	Hunter	Rowland (CT)
Brown (CA)	Hutto	Saiki
Bryant	Ireland	Sarpalius
Buechner	Johnson (CT)	Saxton
Callahan	Kasich	Schiff
Campbell (CA)	Kennedy	Schuette
Cardin	Kolbe	Shaw
Chandler	Kyl	Shays
Clarke	Lagomarsino	Shumway
Clay	Laughlin	Skeen
Clinger	Lehman (FL)	Skelton
Coble	Leland	Slaughter (VA)
Coleman (MO)	Lent	Smith (IA)
Coleman (TX)	Lewis (CA)	Smith (MS)
Combest	Livingston	Smith (NE)
Conte	Lowery (CA)	Smith (NJ)
Cooper	Lukens, Donald	Smith (TX)
Coughlin	Manton	Smith (VT)
Craig	Markey	Smith, Denny (OR)
Darden	Martin (IL)	Snowe
de la Garza	Martinez	Solarz
DeWine	Mavroules	Spratt
Dickinson	McCandless	Stallings
Dicks	McCloskey	Stangeland
Dingell	McCrery	Stearns
Dixon	McDade	Stenholm
Dornan (CA)	McDermott	Sundquist
Dreier	McEwen	Swift
Duncan	McMillan (NC)	Thomas (CA)
Edwards (OK)	McMillen (MD)	Thomas (GA)
Emerson	Meyers	Thomas (WY)
Fascell	Mfume	Torres
Fazio	Michel	Udall
Fields	Mineta	Unsoeld
Fish	Moakley	Vander Jagt
Flake	Molinari	Vento
Frank	Mollohan	Volkmer
Frenzel	Montgomery	Vucanovich
Frost	Morella	Walker
Gallegly	Morrison (WA)	Walsh
Gallo	Murtha	Weber
Garcia	Myers	Weldon
Gephardt	Neal (MA)	Wheat
Gillmor	Nelson	Whittaker
Gilman	Nielson	Whitten
Gingrich	Oakar	Wilson
Glickman	Olin	Wolf
Gonzalez	Ortiz	Wylie
Goodling	Oxley	Young (AK)
Goss	Packard	Young (FL)
Grandy	Parker	
Grant	Parris	
Gray	Pashayan	

NOES—175

Akaka	Boggs	Costello
Andrews	Brennan	Cox
Anthony	Browder	Coyne
Applegate	Brown (CO)	Crane
Armey	Bruce	Dannemeyer
Baker	Burton	DeFazio
Bates	Byron	DeLay
Beilenson	Campbell (CO)	Dellums
Bennett	Carper	Derrick
Bentley	Carr	Dorgan (ND)
Bevill	Chapman	Douglas
Bilirakis	Clement	Downey
Durbin	LaFalce	Roybal
Dwyer	Leach (IA)	Russo
Dymally	Levin (MI)	Sabo
Dyson	Levine (CA)	Sangmeister
Early	Lewis (FL)	Savage
Eckart	Lewis (GA)	Sawyer
Engel	Lightfoot	Schaefer
English	Lipinski	Scheuer
Espy	Lloyd	Schneider
Evans	Long	Schroeder
Fawell	Lowey (NY)	Schulze
Feighan	Machtley	Schumer
Foglietta	Marlenee	Sensenbrenner
Ford (MI)	Mazzoli	Sharp
Ford (TN)	McCollum	Shuster
Gaydos	McCurdy	Sikorski
Gejdenson	McGrath	Skaggs
Gibbons	McHugh	Slattery
Gordon	Miller (CA)	Slaughter (NY)
Guarini	Moody	Smith, Robert (NH)
Hall (OH)	Moorhead	
Hall (TX)	Morrison (CT)	Smith, Robert (OR)
Harris	Mrazek	Solomon
Hastert	Murphy	Spence
Hawkins	Nagle	Staggers
Hayes (IL)	Natcher	Stark
Hayes (LA)	Neal (NC)	Stokes
Hefley	Nowak	Studds
Hefner	Oberstar	Stump
Henry	Obey	Synar
Hertel	Owens (NY)	Tallon
Hoagland	Owens (UT)	Tauke
Hopkins	Pallone	Tauzin
Hubbard	Panetta	Towns
Hughes	Payne (NJ)	Traficant
Jenkins	Pease	Traxler
Johnson (SD)	Penny	Upton
Jones (GA)	Perkins	Valentine
Jontz	Petri	Visclosky
Kanjorski	Poshard	Walgren
Kaptur	Rahall	Watkins
Kastenmeier	Rangel	Weiss
Kennelly	Ritter	Wise
Kildee	Roe	Wyden
Kleczka	Rohrabacher	Yates
Kolter	Rostenkowski	Yatron
Kostmayer	Roth	

ANSWERED "PRESENT"—5

Brooks	Pickett	Tanner
Madigan	Sisisky	

NOT VOTING—50

Anderson	Erdreich	Matsui
Aspin	Flippo	McNulty
AuCoin	Florio	Miller (OH)
Bliley	Gekas	Miller (WA)
Bosco	Gradison	Payne (VA)
Boucher	Hyde	Pelosi
Boxer	Inhofe	Pursell
Broomfield	Jacobs	Quillen
Bunning	James	Robinson
Bustamante	Johnston	Rose
Collins	Jones (NC)	Rowland (GA)
Conyers	Lancaster	Smith (FL)
Courter	Lantos	Torricelli
Crockett	Leath (TX)	Waxman
Davis	Lehman (CA)	Williams
Donnelly	Luken, Thomas	Wolpe
Edwards (CA)	Martin (NY)	

□ 0006

The Clerk announced the following pairs:

On this vote:

Ms. Pelosi for, with Mr. Wolpe against.

Mr. Bunning for, with Mrs. Boxer against.

Mr. Bustamante for, with Mr. Conyers against.

Mr. Rowland of Georgia for, with Mrs. Collins against.

Mr. Miller of Washington for, with Mr. Torricelli against.

Mr. Quillen for, with Mr. Erdreich against.

Mr. Bliley for, with Mr. Gekas against.

Ms. SLAUGHTER of New York and Mr. DOUGLAS changed their vote from "aye" to "no."

Mr. McDERMOTT changed his vote from "no" to "aye."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate has passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2712. An act to facilitate the adjustment or change of status of Chinese nationals in the United States by waiving the 2-year foreign residence requirement for "J" nonimmigrants.

WAIVING CERTAIN ENROLLMENT REQUIREMENTS WITH RESPECT TO H.R 1278, FINANCIAL INSTITUTIONS REFORM, RECOVERY AND ENFORCEMENT ACT OF 1989

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H.J. Res. 390) waiving certain enrollment requirements with respect to the bill, H.R. 1278.

Mr. COLEMAN of Texas. Mr. Speaker, I seek to clarify the intent with respect to the prospective application of the Financial Institutions Reform, Recovery and Enforcement Act. I understand this bill redefines and augments the powers of the Federal Deposit Insurance Corporation [FDIC] when the FDIC serves as a receiver for a failed financial institution. The powers set for in this legislation are, in many respects, new, and I understand that there is no stated or implied intent that such powers be applied to receiverships that have been established prior to the enactment of this bill. For example, new subsection 11(i) of the Federal Deposit Insurance Act, authorizing the FDIC to differentiate in making payments to creditors of failed financial institutions, represents a significant departure from current law and is not to be applied to existing receiverships. Under existing law, notwithstanding the FDIC's actions in certain recent cases, all uninsured creditors of failed banks are required to be treated in an identical manner, and the FDIC has absolutely no discretion to favor a single creditor or any single class of creditors over another. I further understand that this subsection is not intended to be applied to litigation that is currently pending.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 390

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. HAND ENROLLMENT AUTHORIZATION.

(a) WAIVER OF CERTAIN LAWS WITH RESPECT TO PRINTING OF ENROLLED BILL.—The provisions of sections 106 and 107 of title 1, United States Code, are waived with respect to the printing (on parchment or otherwise) of the enrollment of the bill H.R. 1278 of the One Hundred First Congress.

(b) CERTIFICATION BY COMMITTEE ON HOUSE ADMINISTRATION.—The enrollment of the bill shall be in such form as the Committee on House Administration of the House of Representatives certifies to be a true enrollment.

SEC. 2. SUBSEQUENT PREPARATION AND CERTIFICATION OF PRINTED ENROLLMENT.

(a) PREPARATION.—

(1) IN GENERAL.—Upon the enactment of the bill following its presentment to the President in the form of a hand enrollment pursuant to the authority of section 1 of this resolution, the Clerk of the House of Representatives shall prepare a printed enrollment of the bill as in the case of a bill to which sections 106 and 107 of title 1, United States Code, apply.

(2) LIMITED STYLISTIC CORRECTIONS.—The printed enrollment prepared pursuant to paragraph (1) may, in order to conform to customary style of printed laws, include corrections in spelling, punctuation, indentation, type face, and type size and other necessary stylistic corrections to the hand enrollment. The printed enrollment shall include notations (in the margins or as otherwise appropriate) of all such corrections.

(b) TRANSMITTAL TO PRESIDENT.—The printed enrollment prepared pursuant to subsection (a) shall be signed by the presiding officer of each House of Congress as a correct printing of the hand enrollment and shall be transmitted to the President.

(c) CERTIFICATION BY PRESIDENT; LEGAL EFFECT.—Upon certification by the President that the printed enrollment transmitted pursuant to subsection (b) is a correct printing of the hand enrollment, such printed enrollment shall be considered for all purposes as the original enrollment of the bill and as valid evidence of its enactment.

(d) ARCHIVES.—The printed enrollment certified by the President under subsection (c) shall be transmitted to the Archivist of the United States, who shall preserve it with the hand enrollment. In preparing the bill for publication in slip form and in the United States Statutes at Large pursuant to section 112 of title 1, United States Code, the Archivist of the United States shall use the printed enrollment certified by the President under subsection (c) in lieu of the hand enrollment.

(e) HAND ENROLLMENT DEFINED.—As used in this section, the term "hand enrollment" means the enrollment, as authorized by section 1, of a bill for presentment to the President in a form other than the printed form required by sections 106 and 107 of title 1, United States Code.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPOINTMENT OF MEMBERS AS DELEGATION TO ATTEND CONFERENCE OF INTERPARLIAMENTARY UNION IN LONDON, ENGLAND

The SPEAKER. Pursuant to the provisions of 22 United States Code 276a-1, the Chair appoints as the delegation to attend the Conference of the Interparliamentary Union to be held in London, England, on September 4 through September 9, 1989, the following Members on the part of the House:

Mrs. BOGGS of Louisiana, Chairman;

Mr. OWENS of Utah, Vice Chairman;

Mr. BROWN of California;

Mr. SCHEUER of New York;

Mr. MOODY of Wisconsin;

Mr. HAMMERSCHMIDT of Arkansas; and

Mr. BLAZ of Guam.

APPOINTMENT AS MEMBERS TO THE NATIONAL COMMISSION ON DRUG-FREE SCHOOLS

The SPEAKER. Pursuant to the provisions of section 5051(b) of Public Law 100-690, the Chair appoints to the National Commission on Drug-Free Schools the following Members on the part of the House:

Mr. MAVROULES of Massachusetts; and

Mr. WILLIAMS of Montana.

COMMUNICATION FROM THE HONORABLE ROBERT H. MICHEL, REPUBLICAN LEADER, APPOINTING MEMBERS OF THE NATIONAL COMMISSION ON DRUG-FREE SCHOOLS

The SPEAKER laid before the House the following communication from the Honorable ROBERT H. MICHEL, Republican leader:

HOUSE OF REPRESENTATIVES,
Washington, DC, August 2, 1989.

Hon. THOMAS S. FOLEY,
Speaker of the House, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to Section 5051(b)(1)(D) of Public Law 100-690, I hereby appoint the following two Republican Members of the House to serve as members of the National Commission on Drug-Free Schools:

Rep. MICHAEL DEWINE of Ohio.

Rep. PAUL HENRY of Michigan.

Sincerly yours,

ROBERT H. MICHEL,
Republican Leader.

RESIGNATION AS MEMBER OF SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES AND APPOINTMENT AS A MEMBER OF THE COMMITTEE ON STANDARDS AND OFFICIAL CONDUCT

The SPEAKER laid before the House the following resignation as a member of the Select Committee on Children, Youth, and Families:

HOUSE OF REPRESENTATIVES,
Washington, DC, August 2, 1989.

Hon. THOMAS S. FOLEY,
Speaker of the House, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Due to my recent appointment to the Committee on Standards and Official Conduct, I hereby resign my seat on the Select Committee on Children, Youth, and Families.

Sincerely yours,

FRED GRANDY,
Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

The SPEAKER. Pursuant to the provisions of section 203, House Resolution 84, 101st Congress, the Chair appoints the gentleman from Arkansas, [Mr. ROBINSON] to the Select Committee on Children, Youth, and Families to fill the existing vacancy thereon.

□ 0010

APPOINTMENT AS MEMBER OF DWIGHT DAVID EISENHOWER CENTENNIAL COMMISSION

The SPEAKER. Pursuant to the provisions of section 4 of Public Law 99-624, The Chair appoints the gentlewoman from Maryland [Mrs. BYRON] to the Dwight David Eisenhower Centennial Commission to fill the existing vacancy thereon.

APPOINTMENT AS MEMBERS TO UNITED STATES HOLOCAUST MEMORIAL COUNCIL

The SPEAKER. Pursuant to the provisions of Public Law 96-388, as amended by Public Law 97-84, the Chair appoints the following Members to the U.S. Holocaust Memorial Council the following Members on the part of the House:

Mr. YATES, Illinois;
Mr. LEHMAN, of Florida;
Mr. SOLARZ, of New York;
Mr. GARCIA, of New York; and
Mr. GREEN, of New York

APPOINTMENT AS MEMBERS TO THE FEDERAL JUDICIAL CENTER FOUNDATION BOARD

The SPEAKER. Pursuant to the provisions of section 301 of Public Law 100-702, the Chair appoints the following Members to the Federal Judicial Center Foundation Board on the part of the House:

Mr. Benjamin Zelenko, Chevy Chase, MD, for a term of 5 years; and

Ms. Laurie L. Michel, Washington, DC, for a period of 3 years.

APPOINTMENT AS MEMBERS OF U.S. GROUP OF THE NORTH ATLANTIC ASSEMBLY

The SPEAKER. Pursuant to the provisions of 22 U.S.C. 1928a, the Chair appoints as members of the U.S. group of the North Atlantic Assembly the following Members on the part of the House:

Mr. FASCELL of Florida, Chairman; and

Mr. ROSE of North Carolina, Vice Chairman.

APPOINTMENT AS MAJORITY MEMBERS TO SELECT COMMITTEE ON AGING

The SPEAKER. Pursuant to the provisions of clauses 6 (f) and (i) of rule 10, The Chair appoints the following majority Members to the Select Committee on Aging to fill the existing vacancies thereon:

Mr. DEFAZIO of Oregon; and
Mr. LEWIS of Georgia.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1594, EXTENDING MOST-FAVORED-NATION STATUS TO HUNGARY FOR 5 YEARS

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 101-223) on the resolution (H. Res. 228) providing for the consideration of the bill (H.R. 1594) to extend nondiscriminatory treatment to the products of the People' Republic of Hungary for 5 years, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1668, NOAA AND COASTAL PROGRAMS AUTHORIZATION ACT OF 1989

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 101-224) on the resolution (H. Res. 229) providing for the consideration of the bill (H.R. 1668) to authorize appropriations for certain ocean and coastal programs of the National Oceanic and Atmospheric Administration, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2427, NOAA ATMOSPHERIC AND SATELLITE PROGRAMS AUTHORIZATION

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 101-225) on the resolution (H. Res. 230) providing for the consideration of the bill (H.R. 2427) to authorize appropriations for certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration, and for other purposes, which was referred to the House Calendar and ordered to be printed.

CHINESE ADJUSTMENT OF STATUS FACILITATION ACT OF 1989

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2712) to facilitate the adjustment or change of status of Chinese nationals in the United States by waiving the 2-year foreign residence requirement for "J" nonimmigrants, with a Senate amendment thereto, and concur in the Senate amendment with an amendment.

The Clerk read the title of the bill.

The Clerk read the House amendment to the Senate amendment, as follows:

House amendment to Senate amendment: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Chinese Immigration Relief Act of 1989".

SEC. 2. STATUS OF CERTAIN NATIONALS OF THE PEOPLE'S REPUBLIC OF CHINA

(a) WAIVER OF FOREIGN RESIDENCE REQUIREMENT FOR "J" NONIMMIGRANTS.—The 2-year home country residency and physical presence period requirement under section 212(e) of the Immigration and Nationality Act (8 U.S.C. 1182(e)) shall not apply in the case of any national of the People's Republic of China who is present in the United States on the date of the enactment of this Act (or who would have been present in the United States but for a brief, casual, and innocent departure from the United States) and who would otherwise be subject to that 2-year home residence requirement because of having had the status of a nonimmigrant described in section 101(a)(15)(J) of such Act (8 U.S.C. 1101(a)(15)(J)).

(b) PRESUMPTION OF CONTINUOUS RESIDENCE FOR CERTAIN PRC NATIONALS.—For purposes of any adjustment of status under section 245 of the Immigration and Nationality Act (8 U.S.C. 1255) or any change of status under section 248 of such Act (8 U.S.C. 1258) in the case of an alien who is a national of the People's Republic of China and who, as of June 5, 1989, was present in the United States in the lawful status of a nonimmigrant (or who would have been present in the United States in the status but for a brief, casual, and innocent departure from the United States), such an alien shall be considered as having continued to maintain lawful status as such a nonimmi-

grant (and to have maintained continuously a lawful status) for the period described in subsection (e).

(c) EMPLOYMENT AUTHORIZATION.—Any national of the People's Republic of China described in subsection (b) who, as of June 5, 1989, was present in the United States in the lawful status of a nonimmigrant described in subparagraph (F), (J), or (M) of section 101(a)(15) of the Immigration and Nationality Act (or who would have been present in the United States in the status but for a brief, casual, and innocent departure from the United States) shall be granted authorization to engage in employment in the United States and shall be provided with an "employment authorized" endorsement or other appropriate work permit during the period described in subsection (e).

(d) DURATION OF STATUS.—The period of time referred to in subsections (b), (c), and (e) is the period during which the Attorney General has in effect a deferral of enforced departure for nationals of the People's Republic of China.

(e) NOTIFICATION.—In the case of any national of the People's Republic of China who is eligible for deferral of enforced departure pursuant to a directive of the Attorney General during the period described in subsection (c) and whose authorized period of stay as a nonimmigrant has expired, the Attorney General shall, instead of initiating deportation proceedings against the alien (including the service of an order to show cause) during the period described in subsection (c), issue to the alien a notice of expiration of nonimmigrant status. Such notice shall be nonadversarial in nature and shall contain an explanation of the options available to such nationals under the directive of the Attorney General and under the Immigration and Nationality Act.

Mr. MORRISON of Connecticut (during the reading). Mr. Speaker, I ask unanimous consent that the House amendment to the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

Mr. SMITH of Texas. Reserving the right to object, Mr. Speaker, I would like to ask the gentleman from Texas, [Mr. BROOKS], chairman of the Judiciary Committee, if he would explain the House amendment to the Senate amendment that he has proposed right now.

Mr. BROOKS. Mr. Speaker, if the gentleman will yield, earlier this week, the House unanimously adopted legislation to provide protection to Chinese students in the United States. That bill, H.R. 2712, would waive the 2-year foreign residency requirement that applies to Chinese exchange visitors who are now in the United States. Absent this waiver, these Chinese students—some 32,000 people—would have to return to China before they could apply for a visa to come here.

The Senate amendment to H.R. 2712 would limit the availability of this waiver to only those students whose exchange visitor visas expire before June 5 of next year. I believe the House bill, which waives the 2-year foreign residency requirement regardless of when it becomes applicable, provides greater assurances to the Chinese students and should be maintained.

The Senate has also added a nongermane provision dealing with U.S. asylum policy concerning forced abortions. It seems to me that the immediate issue of protecting Chinese students here in the United States is utterly unrelated to this Senate provision and can only cause us to become engaged in an unnecessary debate.

Mr. MORRISON of Connecticut. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Texas. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. Mr. Speaker, I would just point out, as the chairman has pointed out, that we had offered to the Senate an agreeable form of this bill which could have been passed and sent to the President. Unfortunately, the Senate insisted on adding nongermane language.

We need to send this back to them, and if they want this bill they need to accept what we offer.

Mr. SMITH of Texas. Mr. Speaker, I encourage my colleagues to support this.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut [Mr. MORRISON]?

There was no objection.

The SPEAKER. Is there objection to the initial request of the gentleman from Texas [Mr. BROOKS]?

There was no objection.

A motion to reconsider was laid on the table.

HOMER THORNBERRY JUDICIAL BUILDING

Mr. CARDIN. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be discharged from further consideration of the bill (H.R. 2334) to redesignate the Post Office located at 300 East Ninth Street in Austin, TX, as the "Homer Thornberry Judicial Building," and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object, under my reservation I yield to the distinguished gentleman from Texas [Mr. PICKLE], the author of the bill.

Mr. PICKLE. Mr. Speaker, today, I am happy to support legislation which will rename the old downtown Post Office in Austin, TX, as the Homer Thornberry Judicial Building.

Homer Thornberry is deserving of this honor because of his 40 years of service to the Federal Government both as a Congressman from the 10th District of Texas and as a judge of the United States 5th Circuit Court of Appeals.

Homer Thornberry was born in Austin, Travis County, TX, on January 9, 1909. He attended the public schools in Austin and went on to receive both a bachelors degree and a law degree from the University of Texas. He was a member of the State House of Representatives from 1936 until 1941, served in the U.S. Navy in World War II from 1942 until 1946 and was a member of the Austin City Council from 1946 until 1949.

He was elected as a Democrat to the 81st Congress and served from January 3, 1949 until his resignation on December 20, 1963, serving until he was sworn in as U.S. circuit judge of the U.S. Court of Appeals of the Fifth Judicial Circuit on July 3, 1965 in which capacity he is still serving.

Homer Thornberry succeeded Lyndon Johnson as the Congressman serving the 10th District of Texas. He served in Congress for 15 years, from 1949 to 1963, and during that time won the respect, admiration and love of the people of central Texas.

Before I came to the 88th Congress, I was privileged to work closely with the then Congressman Homer Thornberry. We were good friends and some of us felt like we were part of his "kitchen cabinet." I knew him to be a hard-working, high-type gentleman with great ability and dedication.

He began as a member of the Rules Committee and rose to a senior appointed position in that committee which showed that he was recognized as a legislative and parliamentary leader indeed, and also a key part of the official leadership in those days.

I believe he was as well liked and respected as any man who ever served in this body. Since coming here as his successor, I have learned, all the more, how much his service meant to the district and what an invaluable contribution he has made to our times.

Serving 15 years in the Congress is a great accomplishment. He worked alongside Senator Lyndon B. Johnson, Sam Rayburn, John McCormack, Carl Albert, Hale Boggs, Charlie Halleck, Joe Martin, and Richard Bolling.

He obtained the reputation of a man of effectiveness and consideration. I assume he was a part of the old "Board of Education Group" so decorously administered by Speaker Rayburn and his colleagues.

He served the people of the 10th District of Texas faithfully and well throughout his term in Congress. He has been just as successful in carrying out his duties as a judge as he was as a U.S. Representative.

In my view, the qualities of a good judge are fairness, good judgment, common sense, truthfulness, integrity and above all, the ability to reconcile different points of view. Homer Thornberry more than fulfills these qualities.

The old downtown Post Office in Austin is no longer being used as a Post Office and is being renovated to serve as an office building for Federal judges, and the building is in need of an appropriate title. I can think of a no more deserving person than Homer Thornberry to receive this recognition.

For his 15 years of unique and unusual service representing the 10th District of Texas in Congress and his 25 years of continuing service to the people as a judge of the Court of Appeals, I consider it a personal privilege to recommend that the old Post Office in Austin be designated as the Homer Thornberry Judicial Building.

Mr. HAMMERSCHMIDT. Mr. Speaker, further reserving the right to object, I yield to my friend, the gentleman from Maryland [Mr. CARDIN] of the Committee on Public Works and Transportation.

Mr. CARDIN. Mr. Speaker, I strongly support H.R. 2334, which would redesignate the Post Office located at 300 East Ninth Street in Austin, TX, as the Homer Thornberry Judicial Building.

Homer Thornberry is from Austin, TX and has made many outstanding contributions to his State and the Nation. He served in Congress for 15 years, from 1949 to 1963. In this capacity, he became a senior member of the Rules Committee and was well known for his legislative and parliamentary skills.

He resigned from Congress in 1963 to accept a position as a U.S. district judge for the western district of Texas.

In 1965, he became a U.S. circuit judge of the U.S. Court of Appeals of the Fifth Judicial Circuit. He assumed senior status in 1979. Today, he continues to serve in that capacity.

Homer Thornberry has been a judge who brings to his cases important character traits: fairness, integrity and wisdom.

Consequently, it is very appropriate that we name the building after this distinguished legislator and judge, Homer Thornberry.

Mr. HAMMERSCHMIDT. Mr. Speaker, H.R. 2334 would redesignate the old Post Office in downtown Austin, TX, as the Homer Thornberry Judicial Building. This building is currently being renovated to house judiciary activities.

Homer Thornberry has a long history of public service, beginning with his election to the State house of representatives in 1936. Following service in the Navy during World War II, he was elected to the Austin City Council.

In 1948, Homer Thornberry was elected to this House where he served as the Representative of the 10th District of Texas for 15 years. He was a senior member of the Rules Committee who was known for his legislative and parliamentary skills.

Judge Thornberry retired from Congress in 1963 when he was appointed as a judge of the U.S. District Court for the Western District of Texas. Less than 2 years later, he began service as a judge of the U.S. Court of Appeals of the Fifth Judicial Circuit, where he continues to serve today.

H.R. 2334 was introduced by our colleague JAKE PICKLE, who is Homer Thornberry's successor and good friend. The bill is sponsored by the entire Texas delegation, which is another indication of the high esteem in which Homer Thornberry is held. In light of his many years of distinguished service, it seems appropriate that the Post Office be designated as the Homer Thornberry Judicial Building.

Mr. PETRI. Mr. Speaker, H.R. 2334 would honor a distinguished public servant, Homer Thornberry, by designating a Post Office in downtown Austin, TX, as the Homer Thornberry Judicial Building. Following renovation, this building will be primarily devoted to judicial uses.

Homer Thornberry began his career in public service over 50 years ago. He has held a number of local and State offices, and in 1948 was elected to represent the 10th District of Texas in the U.S. House of Representatives.

Following 15 years of service, during which time he rose to a senior position on the Rules Committee, Homer Thornberry accepted a Federal judgeship back in his home State of Texas. He later was appointed to the U.S. Court of Appeals, where he continues to serve today.

The entire Texas delegation has chosen to cosponsor H.R. 2334, which was introduced by Judge Thornberry's successor—JAKE PICKLE. Naming this building the Homer Thornberry Judicial Building is a fitting honor to a man who has dedicated his life to public service.

Mr. HAMMERSCHMIDT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the bill, as follows:

H.R. 2334

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REDESIGNATION OF POST OFFICE.

The Post Office located at 300 East Ninth Street, in Austin, Texas, is redesignated as the "Homer Thornberry Judicial Building".

SEC. 2. REFERENCES.

Any reference in a law, rule, map, document, record, or other paper of the United States to the Post Office referred to in section 1 is deemed to be a reference to the "Homer Thornberry Judicial Building".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CARDIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2334, the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

REMOVAL OF NAMES OF MEMBERS AS COSPONSORS OF H.R. 2403

Mr. WYDEN. Mr. Speaker, I ask unanimous consent that two of our colleagues, the gentleman from Virginia [Mr. SLAUGHTER] and the gentleman from South Carolina [Mr. SPRATT] be removed as cosponsors of H.R. 2403. This was due to a computer error.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill and joint resolutions of the House of the following titles:

H.R. 3024. An act to increase the statutory limit on the public debt, and for other purposes;

H.J. Res. 231. Joint resolution designating September 1989 as "National Library Card Sign-Up Month";

H.J. Res. 253. Joint resolution designating September 8, 1989, as "National Pledge of Allegiance Day"; and

H.J. Res. 379. Joint resolution commending the citizens of the Sioux City, Iowa, tri-State area for their heroism and spirit of volunteerism in selflessly providing assistance and life-saving services to the passengers and crew of United Airlines Flight 232.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 67. Concurrent resolution providing for a conditional recess or adjournment of the Senate and a conditional adjournment of the House from Friday, August 4, or Saturday, August 5, 1989 to Wednesday, September 6, 1989.

□ 0020

REPRESENTATIVE FRANK APOLOGIZES TO THE SENATE

Mr. FRANK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, the gentleman from Massachusetts [Mr. FRANK] is recognized for 1 minute.

Mr. ECKART. Mr. Speaker, reserving the right to object, I reserve the right to object because, being so used to the articulate and erudite expressions of the gentleman from Massachusetts, I would on my reservation like to inquire as to why he seeks this extraordinary privilege of the House at this time.

Mr. FRANK. Mr. Speaker, will the gentleman yield to me on his reservation.

Mr. ECKART. For the purposes of his usual explanation on the matter, I yield to the gentleman from Massachusetts.

Mr. FRANK. I thank the gentleman for yielding.

Mr. Speaker, having consulted with the very distinguished and objective parliamentarians and with the Speaker, on reflection it did seem to me that my comparison of the U.S. Senate to Jell-O was not totally in keeping with the traditions of this institution and I thought it would be appropriate for me to indicate that fact to the House.

Mr. ECKART. Continuing my reservation of objection on this matter, Mr. Speaker, perhaps the gentleman should offer his apology to General Foods.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. The gentleman from Massachusetts [Mr. FRANK] is recognized for 1 minute.

Mr. FRANK. Mr. Speaker, as I said in foolish answer to the gentleman from Ohio, while I was not enthralled with the performance of our constitutional equal, the U.S. Senate, my comparison to them as Jell-O did not seem to me, on sober second thought, to be entirely appropriate, and I therefore apologize.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will take this occasion to state that the Chair appreciates the good humor of debate, but the Chair also believes that all Members should observe the rules of comity with respect to the other body. I am glad the gentleman from Massachusetts has made his statement.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO HAVE UNTIL SEPTEMBER 1, 1989 TO FILE REPORTS ON H.R. 1465, OIL POLLUTION LIABILITY AND COMPENSATION ACT OF 1989, AND H.R. 2459, COAST GUARD AUTHORIZATION ACT FOR FISCAL YEAR 1990

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent that the House Merchant Marine and Fisheries Committee have until the close of business, September 1, 1989, to file reports on H.R. 1465, the Oil Pollution Liability and Compensation Act of 1989, and H.R. 2459, the Coast Guard Authorization Act for fiscal year 1990.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

FEDERAL MARITIME COMMISSION AUTHORIZATION FISCAL YEAR 1990

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 840) to authorize appropriations for fiscal year 1990 for the Federal Maritime Commission, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Senate Amendments: Page 3, after line 2, insert:

SEC. 4. (a) Notwithstanding sections 12106 through 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), the Secretary of Transportation may issue a certificate of documentation for employment in the coastwide trade or fisheries, or both, for the following vessels:

(1) African Queen, United States official number 947514 and Florida registration number FL 9357CE;

(2) American Empire, United States official number 553645;

(3) HMS Discovery, Washington State registration number WAZ 9816 F; and

(4) Papa Joe, Florida registration number FL 3900CW.

(b) Notwithstanding sections 508 and 510(g) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1158 and 1160(g)), section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), and United States Department of Transportation Contract Numbered MA-3915 and amendments thereto, the Secretary of Transportation is authorized to allow, and the Secretary of the department in which the Coast Guard is operating may issue a certificate of documentation for, the vessel M/V Northern Victor (ex-Ocean Cyclone, ex-Coastal Spartan), United States official number 248959, to acquire, purchase, process, and transport fish and fish products in the fisheries of the United States: *Provided*, That if the vessel is scrapped, it shall not be scrapped other than in the domestic market without the prior approval of the Secretary of Transportation.

Page 3, after line 2, insert:

SEC. 5. Notwithstanding section 27 of Merchant Marine Act, 1920 (46 U.S.C. App. 883) and sections 12106 and 12107 of title 46, United States Code, the Secretary of the department in which the Coast Guard is operating may issue a certificate of documentation for employment in the coastwide trade of the United States for the vessel M/V South Bass (Registration number 949048).

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. LENT. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Louisiana [Mr. TAUZIN] if he would be good enough to explain for the purpose of the record exactly what the result of the conference was.

Mr. TAUZIN. Mr. Speaker, if the gentleman will yield, this bill is the same as passed by the House on April 25, with the addition of the waivers of the coastwide trade laws for six vessels, including the *African Queen* of movie fame. I believe that these are all noncontroversial, and most have companion bills that have been sponsored by Members of the House.

Some of these vessels are under purchase contracts, and if they are not passed before the House adjourns for the district work period then the owners will suffer serious financial hardship by losing a large part of this tourist season.

So these are the only amendments the Senate adopted. Otherwise the bill is identical to the version of the bill as passed by the House on April 25.

Mr. LENT. Mr. Speaker, I thank the gentleman from Louisiana for his explanation and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

A motion to reconsider was laid on the table.

PROVIDING FOR CONDITIONAL RECESS OR ADJOURNMENT OF THE SENATE AND CONDITIONAL ADJOURNMENT OF THE HOUSE FROM FRIDAY, AUGUST 4, OR SATURDAY, AUGUST 5, 1989, TO WEDNESDAY, SEPTEMBER 6, 1989

The SPEAKER laid before the House a privileged Senate concurrent resolution (S. Con. Res. 67) providing for a conditional recess or adjournment of the Senate and a conditional adjournment of the House from Friday, August 4, or Saturday, August 5, 1989, to Wednesday, September 6, 1989.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 67

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns at the close of

business on Friday, August 4, 1989, or Saturday, August 5, 1989, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand recessed or adjourned until 12:00 o'clock noon on Wednesday, September 6, 1989, or until 12 o'clock noon on the second day after Members are notified to reassemble pursuant to section 2 of this resolution, whichever occurs first; and then when the House adjourns on Friday, August 4, 1989, or Saturday, August 5, 1989, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand adjourned until 12:00 o'clock noon on Wednesday, September 6, 1989, or until 12 o'clock noon on the second day after Members are notified to reassemble pursuant to section 2 of this resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and the House, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

COMMUNICATION FROM CHAIRMAN OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER laid before the House the following communication from the chairman of the Committee on Public Works and Transportation, which was read and referred to the Committee on Appropriations.

COMMITTEE ON PUBLIC WORKS
AND TRANSPORTATION,
Washington, DC, August 3, 1989.

Hon. THOMAS S. FOLEY,
The Speaker, the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Enclosed are corrected copies of a Committee Resolution that was originally forwarded to you as part of a packet of resolutions by the Public Works and Transportation Committee on June 27, 1989. Due to a GSA clerical error, the funding authorization in the original resolution only reflected funding needed for Phase I of the project. Please note the correct funding authorization which is what was approved by the Committee and make the appropriate substitution.

Every best wish.

Sincerely,

GLENN M. ANDERSON,
Chairman.

□ 2430

REMARKS OF THE VICE PRESIDENT

The SPEAKER. Under a previous order of the House, the gentleman from Illinois [Mr. MICHEL] is recognized for 5 minutes.

Mr. MICHEL. Mr. Speaker, on August 1, 1989, Vice President J. DANFORTH QUAYLE addressed the 107th Annual Supreme Council Meeting of the Knights of Columbus, in Baltimore, MD. The Vice President spoke eloquently about family values and about the important role the Knights of Columbus have played and continue to play in the United States. I believe our colleagues will benefit from the chance of reading what the Vice President said.

At this point, I wish to include in the RECORD the text of a speech given by the Vice President of the United States to the 107th Annual Supreme Council Meeting of the Knights of Columbus:

TEXT OF REMARKS BY THE VICE PRESIDENT

It is impossible to appear before you today and not say a few words about what weighs so heavily upon all of us. The President and his senior advisors are monitoring the situation affecting the hostages as closely as is possible. Needless to say, we are trying to confirm just what happened to Colonel Higgins and to determine the exact situation in which the other hostages find themselves.

You will appreciate that I cannot go into great detail about this. What I can say, though, is that we oppose the taking of hostages, that we call upon all those who have taken hostages to release them, and that we will continue to hold responsible any party that takes an American citizen hostage. We are also calling upon all those with an ability to affect the fate of these innocent people to do so to ensure that no harm comes to them.

It's a great honor to be invited to address the Knights of Columbus.

Two hundred years ago, when John Carroll became the first Bishop of the Catholic Church in the United States, his flock was small, scattered, and often scorned. But his extraordinary leadership and impeccable character laid an enduring foundation for the generations to come.

We can learn much from the example of leaders, whether in church or in state, like John Carroll. We can learn to look beyond ourselves, to see goals more important than our personal ambitions, and to envision a future that will stretch beyond our individual advancement. Bishop Carroll lived at a time when this country's leaders—like his cousin, Charles Carroll of Carrolton, the only Catholic signer of the Declaration of Independence—could pledge to a noble cause their lives, their fortunes, and their sacred honor.

Let me share with you some thoughts about decency in politics and about my job and my family. And I also want to talk about some of the problems that confront this great nation of ours.

Many times, during an in-depth interview, journalists will ask what impact my job is having on the family.

My response is always the same. Marilyn and I are veterans when it comes to politics. We've gone through two Congressional campaigns, two Senate campaigns and one Vice Presidential campaign. We've been in the public eye for 13 years—a majority of our adult lives.

My children have virtually grown up in Washington. They have had as a father a public official virtually since day one of their lives.

Marilyn and I have certainly had some challenging and exciting times during our 17 years of marriage, and now is no exception. We have the exhilaration of public service and the challenge of seeking to do the right thing for our nation.

The most difficult aspect of our new responsibility, from a family point of view, is the complete loss of privacy.

Our children are still young—ages 15, 12, and 10. But they have adapted to their new situation with great ease.

Children are strong yet impressionable. They are on a sharp learning curve in school and at home. Parents set the tone, and hopefully Marilyn and I have done the right things in raising our children . . . . Only time will tell.

But I don't think the pressures of public life necessarily hurt a family. As a matter of fact, the day-to-day pressures actually bring you closer. What really hurts a family—any family—with a Mom or Dad in public life is the widespread assumption that politics is a dirty game.

Now we all know it can be. But we should all know it doesn't have to be.

I have the tremendous privilege of working with a man, a leader, a friend, for whom politics has been a lifetime of public service. Service in the old sense of pursuing the public good rather than the private advantage.

George Bush is a strong President, but he knows the difference between being tough and being mean.

In today's world of video retakes and teleprompters, you can fake a lot of things. But you can't fake decency. And an authentic, deep-down decency has been George and Barbara's gift to their fellow Americans.

Sure, that's important to me as his, and your, Vice President. But it's even more important to me as a parent. Because I never want my children to be ashamed of their Father's occupation. My kids—and yours—should be equally proud if they can say: my Dad's a plumber, a painter, a poet or a politician.

We can't overlook the ugly reality of political scandals, and that goes for both parties. (Because, when it comes to throwing stones, both parties live in glass houses.) But we can recognize excellence when we see it. We can hold up real heroes to our youngsters. We can try to teach them by example about what really matters in public life.

I know personally most members of Congress, on both sides of the aisle. And most of them are just like you and me, family folks, trying to do their best, pilgrims on the same journey that, we hope, will end in the safest of destinations. And every once in awhile, one or another of them can teach us something about greatness.

I think of the late speaker of the House of Representatives, John McCormack of Massachusetts. Mr. McCormack was not a member of my political party. Indeed, he probably thought the creator had an off-day when he made Republicans.

But all of us in government—or in other professions, for that matter—can learn from his example as a family man. Every night, no matter how important a social event might be, no matter how late the Congress was in session, every night, John McCormack went home to have dinner with his wife.

And when, in old age, she was hospitalized at length, he went with her, living in the room next to hers. For as those of you from the Bay State will recall, John McCormack respected life—from its very beginning to its natural end.

Let's make that a bipartisan position too.

I should mention that Senator Robert Byrd of West Virginia, the President pro tem of the Senate, is famous for the same kind of loyalty to his family. Although Senator Byrd and I might not see eye-to-eye on many things, his devotion to Erma after

their half-century of marriage is an example for all of us to follow.

Of course, when I come to the Knights of Columbus to talk about family life and loyalty and public service, I'm speaking to the choir. Any way you measure it—by tens of millions of dollars or by tens of millions of working hours—the Knights represent volunteerism at its best.

When I get back to the White House tonight, I can tell the President I have seen his "thousand points of light." They were glinting from the swords of the Knights of Columbus.

For all you have done, and continue doing, to make this country the more humane and more decent land we want it to be, you have my heartfelt thanks, and the President's too.

Decades ago, you helped to secure the addition of the words "under God" to the Pledge of Allegiance to the flag. Now we hope for your help in securing constitutional protection for the Flag against desecration.

For almost two decades, you have worked courageously to restore protection of the law for children before birth. Now, we count on you to help us follow through on the Supreme Court's recent Webster decision, as we press on to secure the right of those very little ones, the least of our brethren.

And on that point, I want to offer special congratulations to the Knights in the Philippines, who assisted President Aquino's inclusion of a human life amendment in your new constitution. Where you have led, may we soon follow.

On another front, too, the Knights of Columbus have my admiration and support. You stand foursquare against bigotry and discrimination.

Your founders knew what discrimination meant. They, and perhaps some of you, had been on the receiving end of it. But they offered a different vision of the future; diversity within national unity. Pride in the things that make us different, and pride in those that bind us together as one.

In the early years of the Knights, prejudice was crude and overt. The Klan, for example, was strong in my home state of Indiana. And the response of many decent Americans could be just as direct. When my Grandfather was confronted by the Klan with demands that he stop doing business with certain Jewish colleagues, he went into the next room, got his gun, and ran the Klan off the property.

Unfortunately, prejudice is still with us, though its tactics are different. And we must continue to stand against prejudice in all its forms.

We must also reassert the fundamental relationship between our civic life and our moral standards. We have here in Baltimore a symbol of that unity in one of the architectural treasures of the early republic: the Old Cathedral, the Basilica of the Assumption, just a few blocks from here.

The man who designed it, Benjamin Latrobe, was the architect of the U.S. Capitol. And in that day, no one thought it unusual that the genius who fashioned our seat of government would turn his hand to crafting a place of prayer. For Americans presumed a harmony between religion and government, between their monuments to freedom and their houses of worship.

Most of us, I think, still do. We believe that government is at its best when it translates into action the ethical commitments of the American people.

And that kind of action will be absolutely necessary if we have any hope of making a better future for our children.

Tom Wolfe, the writer who coined the term, "the me decade" to describe the 1970's, has called the present period in American life "the great re-learning." He means that our country is in the process of rediscovering some fundamental truths that were forgotten or set aside in the 1960's and 1970's.

Truths about the way we live, and the consequences of our behavior. Truths about what makes us happy over the long run, and what happens when we live for the short run.

One of those truths, I believe, is the primacy of the family. On issue after issue, government at all levels is trying to cope with the consequences of the breakdown in family life: in delinquency and drug abuse, in welfare dependency and homelessness, in abandonment of the elderly and abuse of our children.

The problems are staggering, but not unsolvable. And if we want to do more than relieve the symptoms, we are going to have to deal with their one underlying pathology. We are going to have to put the family at the very center of public policy and measure what government does in terms of what it does to the family.

That, I submit, is what one of the biggest battles of this Congress has been about. I'm referring to the child care issue. This is something President Bush and I both feel strongly about:

We want to give families a choice in child care.

We want to help all low-income families, including those whose mothers stay at home to raise the kids.

And we won't tolerate discrimination against church-related day care. America's religious institutions are doing a crucial job in providing safe and loving care for millions of youngsters. We can't let their boys and girls be shut out.

If you feel the same way, you might want to let your representatives in the Congress hear from you.

That's one way we can protect the rights of the family, and together we're going to have to find many more, as part of our long-range effort to get American society back on track and ready for the future.

The promise of that future is my constant concern these days. Early in this Administration, President Bush asked me to chair the National Space Council, to give direction and energy to America's Space Program. For he believes, as I do, that our country has to get back into space, and in a big way.

The research, the science, the technology, the know-how of space exploration and development will be the building blocks of our future here on earth. They have the potential to revolutionize the way we live—the way we all can live—in an expansive, confident society, where economic growth and scientific advance make opportunity possible for those who need it most.

By the way, when I preside over the National Space Council, in my office there is a pedestal behind my chair. And upon it rests a bust of Christopher Columbus, the "Admiral of the Ocean Sea."

America's enterprise in space is the Columbian voyage of our era. A new world awaits us, a world whose blessings we can earn for our children's children, if we have the daring and determination to "sail on."

The 500th anniversary of Columbus' first voyage is less than 3 years away. It is my hope that, by then, the United States of America, that "Columbia, the Gem of the Ocean," will also be well on its way to being Columbia, pioneer of planets, joiner of heavens to the earth.

The upcoming Columbian anniversary has another significance, an international one. For it will be observed by our neighbors throughout this Hemisphere, especially those whose faith and language and culture bear the imprint of the cross and crown for which Columbus claimed the new world.

With them, we are heirs to a culture whose human values have fostered both faith and freedom.

Through Latin America in recent years, there has been remarkable progress toward stability and democracy. But there are exceptions, and we must be realistic about them. In confronting evil—and let me say, without equivocation, that I consider Marxism intrinsically, inherently evil—good intentions are not enough.

Good intentions do not avail against the Cuban-Nicaraguan backed terrorists who gun down public officials in the streets of El Salvador. Good intentions cannot secure fair elections in Nicaragua or release the victims of Sandinista oppression from its prisons.

In this context, we admire and are thankful for the efforts of Cardinal Obando y Bravo. Raised up from obscurity, like one of the judges of ancient Israel, he has sought to shield his people from an alien foe.

I wish I could tell you that the future looks bright in Central America. It does not. The way is dim. The path is uncertain. Many in our country and our Congress look away.

But change must come. As surely as it has come in Poland. In Lithuania. In Hungary. For there is a current in human affairs, and it is sweeping in the direction of liberty.

I realize that, in my official role, I am but a small part of it. But each of us can do something. It has been my honor to press for the rights, including the religious rights, of the people of Timor, against the Indonesian government; to speak out for freedom of the press in Singapore, to visit Cambodian refugees in the camps on the Thai border, where Catholic Relief Services are doing a heroic job.

I have met as well with Armando Valladares, the Cuban poet who suffered so long in Castro's hellholes and who now represents the United States at the UN Commission on Human Rights. That is a humbling experience. It makes you wonder what you could ever do to serve the cause of freedom as well as this man, whose lifetime of torture only reaffirmed his faith and emboldened his defense of human life.

Yes, there are still heroes in the world, if we know where to look for them. A Curate from Krakow can make the world spin in new directions. A steel worker in Gdansk can change the course of history. A housewife in the Philippines can give a whole new dynamic to democracy. The brave men and women of El Salvador, peasants in the countryside and workers in the city, can defy a communist reign of terror to vote in free elections, to reclaim their country and, yes, their future.

It is an honor to stand with them, to stand with all, in places high or lowly, who assert the imperative of justice and the axiom of freedom.

There are heroes as well here at home, in our own midst, in every household where parents are trying to build a better life for their children, often against tremendous

odds. But I need not tell this audience about that. You know that, if Father McGivney were here today, he would be awfully proud of his Knights. And I must say, I am too.

Thank you.

INTRODUCTION OF A DRAFT BILL REFLECTING THE RECONCILIATION PROVISIONS OF THE COMMITTEE ON WAYS AND MEANS TO DATE

The SPEAKER. Under a previous order of the House, the gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, today, I am introducing a bill containing the legislative language of all provisions that have been approved by the Committee on Ways and Means as part of our reconciliation bill, with the exception of the committee's revisions to the Medicare Catastrophic Health Insurance Program. These latter revisions are currently being drafted by staff. In some minor instances, the draft bill reflects technical drafting revisions which the staff intends to officially raise to the committee members' attention when our reconciliation markup reconvenes in September.

Several members of the committee noted during markup that they may wish to offer additional technical corrections to previously enacted legislation. I am also informed that the committee staff will present additional technical corrections for consideration by the committee in September. It is not my intention to preclude consideration of such additional technical corrections.

I want to emphasize that I am introducing this bill today as a courtesy to all Members of the House and the interested public. However, I also want to emphasize that the provisions in this draft bill are considered closed. It is not my intention to reopen or revisit the substantive policy decisions reflected in this bill. Rather, I believe it is appropriate to publish the legislative language so that necessary clarifications or technical modifications can be identified and accommodated prior to the committee's official reporting of these provisions to the House Budget Committee in September.

PERSONAL EXPLANATION

The SPEAKER. Under a previous order of the House, the gentleman from Washington [Mr. MILLER] is recognized for 5 minutes.

Mr. MILLER of Washington. Mr. Speaker, due to the funeral of a close personal friend, I am forced to miss the remainder of today's agenda.

Mr. Speaker, I had hoped the Senate would move quickly today to vote on the savings and loan bill and the debt limit bill. I had hoped that we would have completed our work before I must leave. Unfortunately, I must leave this Chamber before I am able to vote. Mr. Speaker, had I been present, I would have voted for the new conference agreement on H.R. 1278, the Financial Institutions Reform, Recovery, and Enforcement Act: the savings and loan bill.

ATTEMPTED TAKEOVER OF BAT INDUSTRIES

The SPEAKER. Under a previous order of the House, the gentleman from Texas [Mr. BROOKS] is recognized for 5 minutes.

Mr. BROOKS. Mr. Speaker, I rise to express my concern for the continued leveraging of corporate America by takeover raids whose thinly veiled purpose is to enhance the raiders' personal wealth, and not to create any real "wealth" in jobs or productivity for the American economy.

The latest in a seemingly endless wave of noncash leveraged buyouts involves the attempted acquisition of the British holding company BAT Industries by three foreign financiers. If successful, the acquisition would probably lead to the dislocation—and even dismantling—of a number of well-known American companies in BAT's U.S. subsidiary. These companies include Saks Fifth Avenue, Marshall Field's Farmers Insurance Group, Brown & Williamson and Appleton Papers. Together, these companies employ 55,000 American workers, insure over 11.5 million policyholders, and do business in over 40 States.

We are all too familiar with the financial escapades of one of the financiers—Sir James Goldsmith. In previous takeover forays into the U.S. marketplace, Goldsmith succeeded in virtually dismantling Crown Zellerbach and Diamond International, and later, even succeeded in making old-line Goodyear Tire and Rubber Co. pay excessive greenmail to ward off his attack.

The feeding frenzy of coporate raiders must come to an end if America is to overcome its trade and fiscal woes. The laissez-faire attitude of the executive branch toward takeovers during the past 9 years is indeed reaping a sad harvest for American industry. You can be assured that I intend to monitor very closely developments in this new assault on American workers, management, and consumers.

EQUAL FINANCING OPPORTUNITIES FOR SMALL BUSINESS

The SPEAKER. Under a previous order of the House, the gentleman from New York [Mr. LAFALCE] is recognized for 10 minutes.

Mr. LAFALCE. Mr. Speaker, today I am introducing legislation on behalf of myself and several of my colleagues on the Small Business Committee, including the ranking minority member, JOE MCDADE. This bill will provide the same opportunities to small businesses to obtain financing as the Federal Government has long provided to many other sectors of the economy.

Mr. Speaker, the small business sector—the most dynamic sector of our economy—is also the least able to obtain financing on its own. The very nature of small business, being independently owned and operated, separates it from the banking community. Over 35 years ago Congress established the Small Business Administration in 1953 to provide a mechanism to assist in overcoming this financial hurdle.

Over the years, SBA has evolved from an Agency which made loans to small business on a direct basis, that is, the Government itself put up the money needed as loan capital, to one where it simply guarantees part of a loan made by a financial institution.

In the intervening years, the program has worked well. But during this time the number of small businesses has exploded. There are more than 18 million small businesses today, and they are simply too numerous to be financed by the SBA, especially in light of today's budget constraints.

We must establish a mechanism to involve the private sector more directly. Now is the time to establish a Government Sponsored Enterprise for Small Businesses.

In addition to targeted Federal loan programs, other industries have been helped through the establishment of a Government Sponsored Enterprise or GSE. The first of these was the Federal National Mortgage Association, or Fannie Mae, which was established to assist the housing industry in 1938. Since then we have added six other government sponsored enterprises or GSE's: The Federal Home Loan Mortgage Corporation or Freddie Mac, the Federal Home Loan Banks, the Student Loan Marketing Association or Sallie Mae, the Financing Corporation of the Federal Home Loan Bank System, the Banks of the Farm Credit System, and finally last year a new mechanism for financing agriculture, the Federal Agricultural Mortgage Corporation or Farmer Mac.

All of these GSE's are built around the same basic framework. They are chartered by the Federal Government to target financing to a particular industry or for a particular purpose. Although federally chartered, they are owned by their shareholders and are run by a board of directors which generally has some membership on the board selected by the Federal Government to represent the Government's interest.

These entities are not part of the Federal Government. Their activities are not part of the Federal budget process; and their debts are not guaranteed by the Federal Government. Private investors provide money to them with the Federal Government standing ready, if the need arises and is justified, and subject to the appropriation of funds, to possibly step in and provide financial assistance to them. This contingency or backstop has never been utilized for any of the other GSE's and hopefully it never will be.

Mr. Speaker, I believe that a government sponsored enterprise for small business is long past due. There are numerous investors with sufficient

capital to fill the financial needs of our Nation's small businesses, but we need to provide a catalyst to bring together private investors and the small businesses through our Nation's banking system.

Basically what I am proposing is that financial institutions be authorized to make private loans to small businesses. These loans could then be sold to the small business government sponsored enterprise which in turn would resell them or packages of them to private investors. I believe there are a sufficient number of these private investors that we could largely satisfy small business credit needs. It would not be, however, a substitute for the SBA program as there would continue to be a number of small businesses which did not have the financial standing to participate in financial markets without some type of direct government support in the way of a guarantee. Thus I see this new mechansim as a supplement to the current SBA programs.

Finally, the bill would also incorporate a provision which would privatize the system of providing capital to small business investment companies which, in turn, provide venture capital to small businesses and minority small businesses. This part of my bill is very similar to legislation which I introduced in the last Congress, and which was approved by the Small Business Committee, to establish a new Corporation for Small Business Investment or COSBI.

Mr. Speaker, I am attaching to my statement a short summary of the provisions of the bill and I urge my other colleagues to examine it carefully and lend their support. I expect that the Small Business Committee will conduct hearings on this measure after Congress returns from the August break.

SUMMARY

(A bill to facilitate the providing of loan capital to and investments in small business concerns, and for other purposes)

TITLE I—VELDA SUE

The legislation would establish a federally chartered but privately owned corporation called the Venture Enhancement and Loan Development Administration for Smaller Undercapitalized Enterprises (Velda Sue) which would do for small business what Fannie Mae does for housing.

Private lending institutions are basically short-term lenders and are unable to make long-term commitments, and in some cases simply do not have the available capital to make loans to small businesses or in the case of smaller banks have loan limitations which limit loan size. As a result, small business credit needs are going unmet in the private sector. This bill basically would bring together small businesses and their long term credit needs with institutional investors who have funds which could satisfy this need.

The Corporation would be operated by a permanent Board of Directors of 15 members (six being elected by the shareholders, three being elected by the shareholders of COSBI (see title II), one being selected by the Trustees of the MESBIC Trust (see title II), and five being appointed by the President). Stock in Velda Sue would be purchased by financial institutions which would seek capital from Velda Sue.

A minimum of $30 million in stock sales would be required before Velda Sue could commence business.

Basically, Velda Sue would create a secondary market for both small business loans and seed capital provided to small business investment companies under title II. For purposes of loan or venture capital, a small business would be defined as one which, in addition to being independently owned and operated and not dominant in its field of operations, has a net worth of $8 million or less, and annual net, after-tax income of $2.5 million or less.

Velda Sue would create a secondary market either by purchasing the underlying paper and packaging it in pools and issuing its own securities backed by these pools, or by guaranteeing securities issued by loan poolers or by COSBI, provided it is backed either by these loans or by SBIC debentures guaranteed by COSBI. This paper would be sold to institutional private investors such as pension funds probably at an interest rate of less than 1 point more than that paid by the U.S. Treasury.

Velda Sue would develop uniform standards for the loans. In order to establish a market and to promote quality loans, the Board would specify minimum standards for them which would include: a maximum principal amount; a maximum term not to exceed 30 years in the case of land or facilities and 10 years in the case of equipment; a requirement that the loan be fully amortized; a requirement that the loan not be in excess of 90% of the value of the asset; and a requirement that the loan be secured by a first mortgage position on the collateral.

If these conditions were met, the Corporation could buy 80% of the loan with the originating lender retaining 20%.

In addition, the Secretary of the Treasury would be authorized and directed to supervise the financial safety and soundness of Velda Sue. In essence, he would regulate its operations.

Any paper issued by Velda Sue or guaranteed by it would not be federally guaranteed, although its issuance would be subject to the approval of the Secretary of the Treasury. In addition, in his discretion and subject to the appropriation of funds, the Secretary of the Treasury, as a backstop, would be authorized to purchase up to $1.5 billion in Velda Sue paper, i.e., if Velda Sue needed additional federal money, the government might provide it if the need was justified.

The Corporation would be designed to be self supporting and would be required to establish a reserve to pay any losses it might sustain. These reserves would be funded by the imposition of guarantee fees not to exceed 2% of any loan guaranteed, 1% of any SBIC debenture guaranteed, and ½ of 1% of any security representing a pool of these loans or debentures.

In the case of a default in SBIC debentures or COSBI debentures representing a security interest therein, the issuing SBIC would first be liquidated as to all of its private capital, then COSBI would be liable for any shortfall; and only after all COSBI assets and capital were utilized would resort be made to the Velda Sue reserves.

Finally, Velda Sue would be prohibited by statute from incurring more obligations than an amount equal to 30 times the amount of its capital. Since a separate limitation would be imposed upon COSBI obligations, they would not be counted for purposes of this limitation.

TITLE II—COSBI

Under existing law, SBA licenses privately-owned companies to provide venture capital to small businesses. These licensees are known as "SBICs" or Small Business Investment Companies unless they specialize in providing assistance to socially or disadvantaged small businesses in which case they are known as "MESBICs" or Minority Enterprise Small Business Investment Companies. These licensees generally must have at least $1 million in private capital invested, and they then may obtain additional capital by issuing debentures which are guaranteed by SBA and are *now* sold to private investors instead of to the Federal Financing Bank (part of the Treasury Department) as in the past. MESBICs may obtain up to three point subsidy on their debentures and in addition may sell preferred stock to SBA.

In fiscal year 1989, SBA is authorized to guarantee $118 million in SBIC debentures (down from $233 in fiscal year 1988) and to provide MESBIC assistance of another $36 million.

The SBIC/MESBIC industry has two major problems with the current program. First, they complain of over regulation and continual changes in it. Second, they complain of lack of an assured supply of matching capital from the Federal government, particularly in the last decade with its repeated budget cuts. This lack of funding and the threat of more cuts hampers their ability to make the needed long-term investments.

The legislation would establish a federally chartered but privately owned Corporation for Small business Investment (COSBI) which would be operated by a permanent board of directors of fifteen members (nine being elected by the shareholders, one being elected by the MESBIC Trust, and five being appointed by the President). Existing licensees or new companies who wish to affiliate with COSBI would be required to purchase stock in the corporation in an amount equal to 1 percent of their private capital and outstanding debentures guaranteed by SBA, and COSBI would be authorized to require them to purchase more stock in an amount equal to 1% of any increase therein, plus 1% of any new financial assistance provided to them through COSBI. Those existing licensees not electing to affiliate with the new corporation would go out of existence within two years after the repayment of any outstanding debentures guaranteed by SBA, and SBA would cease having regulatory authority over the SBIC/MESBIC industries.

COSBI would contract with SBA to service or handle the collection of outstanding debentures guaranteed by SBA and now held by the Federal Financing Bank or private investors. The fee would be 2% of the principal except that, if the debentures are in liquidation the fee would be 3% of the principal and interest as more work would be involved.

COSBI would be required to sell a minimum of $20 million in stock before it could commence business.

COSBI could obtain capital to provide to its shareholders by issuing securities to private investors. This COSBI paper would not be federally guaranteed, although its issuance would be subject to the approval of

Velda Sue. As an alternative, COSBI could sell the SBIC debentures or pools of these debentures through Velda Sue which would also guarantee the paper. Ultimately these obligations would be sold to private institutional investors at an interest rate probably about 1 point over the rate paid by the U.S. Treasury.

Velda Sue would supervise COSBI as to financial safety and soundness. In essence, COSBI would be regulated by another Corporation which is itself a government sponsored enterprise which would be regulated by the Department of the Treasury.

In order to promote and assist minority small businesses, a MESBIC type trust (governed by five trustees) would be established within COSBI. The trust would be funded by transferring to it the existing portfolio of MESBIC debentures and preferred stock which SBA now holds (about $300 million). It would also be authorized an appropriation of $41 million per year for 10 years. The trust would provide debenture subsidies to and purchase preferred stock from special SBICs, i.e., those which provide assistance to socially or economically disadvantaged small businesses. The trust would terminate in fifty years, at which time its assets would be given to the Secretary of the Treasury.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. PAYNE of Virginia (at the request of Mr. GEPHARDT) for today, on account of illness in the family.

Mr. MILLER of Washington (at the request of Mr. MICHEL) for today after 6 p.m., on account of attending a funeral.

Mr. MILLER of Ohio (at the request of Mr. MICHEL) for today after 3 p.m., on account of an illness in the family.

Mr. GEKAS (at the request of Mr. MICHEL) after 3 p.m. today, on account of death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. AUCOIN, for 5 minutes, today.

(The following Members (at the request of Mr. RIDGE) to revise and extend their remarks and include extraneous material:)

Mrs. BENTLEY, for 60 minutes, today.

Mr. SCHULZE, for 5 minutes, today.

Mr. SHAW, for 5 minutes, today.

(The following Members (at the request of Mr. FRANK) to revise and extend their remarks and include extraneous material:)

Mr. BONIOR, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. SKAGGS, for 5 minutes, today.

Mr. PICKLE, for 60 minutes, today.

Mr. FRANK, for 60 minutes, today.

(The following Member, at his own request, to revise and extend his remarks and include extraneous material:)

Mr. GONZALEZ, for 60 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. BROWN of California, for 60 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. PENNY, for 5 minutes, today.

(The following Members (at the request of Mr. LAUGHLIN) to revise and extend their remarks and include extraneous material:)

Mr. ROSTENKOWSKI, for 5 minutes, today.

Mr. BROOKS, for 5 minutes, today.

Mr. LAFALCE, for 5 minutes, today.

(The following Members (at the request of Mr. GILMAN) to revise and extend their remarks and include extraneous material:)

Mr. MICHEL, for 5 minutes, today.

Mr. MILLER of Washington, for 5 minutes, today.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. FRENZEL, and to include extraneous material after his remarks on the conference report on the bill, H.R. 1278.

(The following Members (at the request of Mr. RIDGE) and to include extraneous matter:)

Mr. CLINGER.

Mr. WYLIE.

Mrs MORELLA.

Mr. MCGRATH.

Mrs ROUKEMA.

Mr. MARLENEE.

Mr. SAXTON.

Mr. HENRY.

Mr. GUNDERSON.

Mr. MICHEL.

(The following Members (at the request of Mr. FRANK) and to include extraneous matter:)

Mr. MARKEY.

Mr. THOMAS A. LUKEN.

Mr. RAHALL in two instances.

Mr. DWYER of New Jersey.

Mr. WYDEN.

Mr. WAXMAN.

Mr. HOCHBRUECKNER.

Mr. LANTOS in three instances.

Mr. FASCELL in four instances.

Mr. ATKINS.

(The following Members (at the request of Mr. GILLMOR) and to include extraneous matter:)

Mr. LOWERY of California in three instances.

Mr. DICKINSON.

Mr. SMITH of New Jersey in three instances.

Mr. PAXON.

Mr. FISH.

Mr. LENT.

Mr. SCHUETTE in two instances.

Mr. GOODLING.

Mr. WOLF.

Mr. CONTE.

Mrs. JOHNSON of Connecticut.

Mr. WALSH.

Mr. RHODES.

Mr. BUECHNER.

Mr. SNOWE.

Mr. MCMILLAN of North Carolina.

Mr. BALLENGER.

Mr. KOLBE.

Mr. BURTON of Indiana.

Mrs. SMITH of Nebraska.

Mr. DANNEMEYER.

Mr. COX.

Mr. GILMAN.

Mr. RITTER.

Mr. CAMPBELL.

Mr. PARRIS.

Mr. GALLO.

(The following Members (at the request of Mr. LAUGHLIN) and to include extraneous matter:)

Mr. GEJDENSON in two instances.

Mr. LEHMAN of California.

Mr. DONNELLY.

Mr. HOCKBRUECKNER.

Mr. NEAL of Massachusetts.

Mr. CROCKETT.

Mr. YATRON.

Mr. LELAND.

Mr. LAFALCE in three instances.

Mr. LANTOS in three instances.

Mr. HALL of Ohio.

Mr. VENTO in two instances.

Mr. GRAY.

Mr. WYDEN.

Mr. KILDEE.

Mr. KOLTER.

Mr. ANTHONY.

Mr. MATSUI.

Mr. CARDIN.

Mr. CLAY.

Mr. ROYBAL.

Mr. TOWNS.

Mr. LEVIN of Michigan.

Mr. MILLER of California.

Mr. COLEMAN of Texas.

Mr. DELLUMS.

Mr. SMITH of Florida.

Mr. DORGAN of North Dakota.

Mr. BOSCO.

Mr. MANTON.

Mr. MAZZOLI.

Mr. FEIGHAN.

Mr. OWENS of New York.

Mr. LEVINE of California.

Mr. BUSTAMANTE in three instances.

Mr. BATES.

Mr. RANGEL.

Mr. GUARINI in two instances.

Mr. TORRES in two instances.

Mr. PEASE.

Mr. STUDDS.

Mr. DYSON.

Mr. RAHALL.

SENATE BILLS AND CONCURRENT RESOLUTIONS REFERRED

Bills and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 303. An act to establish a framework for the conduct of negotiated rulemaking by Federal agencies; to the Committee on the Judiciary.

S. 560. An act to direct the Secretary of the Interior to conduct a study of certain historic military forts in the State of New Mexico; to the Committee on Interior and Insular Affairs.

S. 797. An act to amend the Communications Act of 1934 to improve the education of children by establishing a National Endowment for Children's Educational Television, and for other purposes; to the Committee on Energy and Commerce.

S. 818. An act to commemorate the contributions of Senator Clinton P. Anderson to the establishment of the National Wilderness Preservation System, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 926. An act to improve cash management by executive agencies, and for other purposes; to the Committee on Government operations.

S. 1016. An act to to change the name of "Marion Lake", located northwest of Marion, KA, to "Marion Reservior;" to the Committee on Interior and Insular Affairs.

S. 1153. An act to amend title 38, United States Code, to provide for the establishment of presumptions of service-connection between certain diseases experienced by veterans who served in Vietnam during the Vietnam era and exposure to certain toxic herbicide agents used in Vietnam; to provide for interim benefits for veterans of such service who have certain diseases; to improve the reporting requirements relating to the "Ranch Hand Study"; and for other purposes; to the Committee on Veterans' Affairs.

S. Con. Res. 61. Concurrent resolution in support of basic human rights and democracy in Burma; to the Committee on Foreign Affairs.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles which were thereupon signed by the Speaker:

H.R. 1426. An act to amend the Public Health Service Act to make technical corrections relating to subtitles A and G of title II of the Anti-Drug Abuse Act of 1988, and for other purposes;

H.R. 2799. An act to amend the Agricultural Act of 1949 for the 1990 crops to allow the planting of alternative crops on permitted acreage and to amend the provisions regarding the designation of farm acreage base as acreage base established for oats; and

H.J. Res. 221. Joint resolution to designate the week beginning September 1, 1989, as "World War II Remembrance Week."

SENATE ENROLLED JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled joint resolutions of the Senate of the following titles:

S.J. Res. 55. Joint resolution to designate the week of October 1, 1989, through October 7, 1989, as "Mental Illness Awareness Week;"

S.J. Res. 78. Joint resolution to designate the month of November 1989 and 1990 as "National Hospice Month;"

S.J. Res. 126. Joint resolution commemorating the bicentennial of the U.S. Coast Guard; and

S.J. Res. 136. Joint resolution designating August 8, 1989, as "National Neighborhood Crime Watch Day."

A BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill and joint resolution of the House of the following title:

H.J. Res. 363. Joint resolution to designate 1989 as "United States Customs Service 200th Anniversary Year;" and

H.R. 2705. An act relating to the method by which Government contributions to the Federal employees health benefits program shall be computed for 1990 of 1991 if no Governmentwide indemnity benefit plan participates in that year.

ADJOURNMENT TO WEDNESDAY, SEPTEMBER 6, 1989

Mr. GEPHARDT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER. Pursuant to the provisions of Senate Concurrent Resolution 67 of the 101st Congress, the House stands adjourned until 12 noon, Wednesday, September 6, 1989.

Thereupon (at 12 o'clock and 33 minutes p.m.), pursuant to Senate Concurrent Resolution 67, the House adjourned until Wednesday, September 6, 1989, at 12 noon.)

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports of various House committees concerning the foreign currency and U.S. dollars utilized by them during the second quarter of calendar year 1989.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Visit to Portugal, Greece, and Cyrus, Mar. 24–Apr. 1, 1989:											
Hon. Nicholas Mavroules	3/24	3/27	Portugal		856.00						856.00
	3/27	3/30	Greece		432.00						432.00
	3/30	3/31	Cyprus		144.00						144.00
	3/31	4/1	Greece		125.00						125.00
Military transportation							3,481.00				3,481.00
Ms. Colleen A. Preston	3/24	3/27	Portugal		474.00						474.00
	3/27	3/30	Greece		432.00						432.00
	3/30	3/31	Cyprus		144.00						144.00
	3/31	4/1	Greece		125.00						125.00
Military transportation							3,481.00				3,481.00
Mr. William T. Fleshman	3/24	3/27	Portugal		474.00						474.00
	3/27	3/30	Greece		432.00						432.00
	3/30	3/31	Cyprus		144.00						144.00
	3/31	4/1	Greece		125.00						125.00
Military transportation							3,481.00				3,481.00
Delegation expenses	3/24	3/27	Portugal						157.05		157.05
	3/27	3/30	Greece						158.70		158.70
	3/30	3/31	Cyprus						103.86		103.86
Visit to United Kingdom, France, and Netherlands, Apr. 4–8, 1989:											
Hon. Les Aspin	4/4	4/5	United Kingdom		226.00						226.00
	4/5	4/7	France		434.00						434.00
	4/7	4/8	Netherlands		168.00						168.00
Military transportation							4,055.17				4,055.17
Mr. Archie D. Barrett	4/4	4/5	United Kingdom		226.00						226.00
	4/5	4/8	France		651.00						651.00
	4/8	4/8	Netherlands								
Military transportation							3,410.47				3,410.47
Commercial transportation							175.06				175.06
Mr. Rudy F. de Leon	4/4	4/5	United Kingdom		226.00						266.00
	4/5	4/8	France		651.00						651.00
	4/8	4/8	Netherlands								

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1989—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Military transportation							3,410.47				3,410.47
Commercial transportation							175.06				175.06
Mr. Clark A. Murdock	4/7	4/8	Netherlands		168.00						168.00
Military transportation							1,942.70				1,942.70
Commercial transportation							1,081.00				1,081.00
Delegation expenses	4/5	4/8	France						168.00		168.00
Visit to France and United Kingdom, Apr. 20–24, 1989:											
Hon. Nicholas Mavroules	4/20	4/23	France		651.00						651.00
	4/23	4/24	United Kingdom		226.00						226.00
Military transportation							875.47				875.47
Hon. Earl Hutto	4/20	4/23	France		651.00						651.00
	4/23	4/24	United Kingdom		226.00						226.00
Military transportation							875.47				875.47
Hon. Dennis M. Hertel	4/20	4/23	France		651.00						651.00
	4/23	4/24	United Kingdom		226.00						226.00
Military transportation							875.47				875.47
Hon. Norman Sisisky	4/20	4/23	France		651.00						651.00
	4/23	4/24	United Kingdom		226.00						226.00
Military transportation							875.47				875.47
Hon. Larry J. Hopkins	4/20	4/23	France		651.00						651.00
	4/23	4/24	United Kingdom		226.00						226.00
Military transportation							875.47				875.47
Hon. Jon Kyl	4/20	4/23	France		651.00						651.00
	4/23	4/24	United Kingdom		226.00						226.00
Military transportation							875.47				875.47
Mr. Archie D. Barrett	4/20	4/23	France		651.00						651.00
	4/23	4/24	United Kingdom		226.00						226.00
Military transportation							875.47				875.47
Mr. Peter M. Steffes	4/20	4/23	France		651.00						651.00
	4/23	4/24	United Kingdom		226.00						226.00
Military transportation							875.47				875.47
Ms. Colleen A. Preston	4/20	4/23	France		651.00						651.00
	4/23	4/24	United Kingdom		226.00						226.00
Military transportation							875.47				875.47
Mr. Rudy F. de Leon	4/20	4/23	France		651.00						651.00
	4/23	4/24	United Kingdom		226.00						226.00
Military transportation							875.47				875.47
Mr. Robert S. Rangel	4/20	4/23	France		651.00						651.00
	4/23	4/24	United Kingdom		226.00						226.00
Military transportation							875.47				875.47
Visit to Turkey and Spain, May 26–30, 1989:											
Hon. Patricia Schroeder	5/26	5/28	Turkey		276.00						276.00
	5/28	5/30	Spain		418.00						418.00
Military transportation							2,991.02				2,991.02
Hon. William L. Dickinson	5/26	5/28	Turkey		276.00						276.00
	5/28	5/30	Spain		418.00						418.00
Military transportation							2,991.02				2,991.02
Hon. Dennis M. Hertel	5/26	5/28	Turkey		276.00						276.00
	5/28	5/30	Spain		418.00						418.00
Military transportation							2,991.02				2,991.02
Hon. David O'B. Martin	5/26	5/28	Turkey		276.00						276.00
	5/28	5/30	Spain		418.00						418.00
Military transportation							2,991.02				2,991.02
Hon. Norman Sisisky	5/26	5/28	Turkey		276.00						276.00
	5/28	5/30	Spain		418.00						418.00
Military transportation							2,991.02				2,991.02
Hon. James H. Bilbray	5/26	5/28	Turkey		276.00						276.00
	5/28	5/30	Spain		418.00						418.00
Military transportation							2,991.02				2,991.02
Ms. Alma B. Moore	5/26	5/28	Turkey		276.00						276.00
	5/28	5/30	Spain		418.00						418.00
Military transportation							2,991.02				2,991.02
Mr. Peter M. Steffes	5/26	5/28	Turkey		276.00						276.00
	5/28	5/30	Spain		418.00						418.00
Military transportation							2,991.02				2,991.02
Ms. Ann R. Mondello	5/26	5/28	Turkey		276.00						276.00
	5/28	5/30	Spain		418.00						418.00
Military transportation							2,991.02				2,991.02
Mr. Andrew A. Feinstein	5/26	5/28	Turkey		276.00						276.00
	5/28	5/30	Spain		418.00						418.00
Military transportation							2,991.02				2,991.02
Visit to France, June 7–13, 1989:											
Hon. William L. Dickinson	6/7	6/13	France		1,212.00						1,212.00
Military transportation							1,323.60				1,323.60
Mr. Peter M. Steffes	6/7	6/13	France		1,212.00						1,212.00
Military transportation							1,323.60				1,323.60
Mr. Stephen K. Conver	6/7	6/13	France		1,212.00						1,212.00
Military transportation							1,323.60				1,323.60
Mr. Andrew K. Ellis	6/7	6/13	France		1,212.00						1,212.00
Military transportation							1,323.60				1,323.60
Visit to France, June 8–13, 1989:											
Hon. Marilyn Lloyd	6/8	6/13	France		1,010.00						1,010.00
Military transportation							1,178.50				1,178.50
Hon. David O'B. Martin	6/8	6/13	France		1,010.00						1,010.00
Military transportation							1,178.50				1,178.50
Hon. Albert G. Bustamante	6/8	6/13	France		1,010.00						1,010.00
Military transportation							1,178.50				1,178.50
Hon. Martin Lancaster	6/8	6/13	France		1,010.00						1,010.00
Military transportation							1,178.50				1,178.50
Mr. Archie D. Barrett	6/8	6/13	France		1,010.00						1,010.00
Military transportation							1,178.50				1,178.50
Ms. Rita D. Argenta	6/8	6/13	France		1,010.00						1,010.00
Military transportation							1,178.50				1,178.50
Visit to France and Switzerland, June 8–14, 1989:											
Hon. Robert K. Dornan	6/8	6/12	France		808.00						808.00
	6/12	6/14	Switzerland								
Military transportation							1,178.50				1,178.50

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1989—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
							490.70				490.70
Committee total					34,960.00		78,267.90		587.61		113,815.51

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES ASPIN, Chairman, July 31, 1989.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE BUDGET, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Congressman Bob Wise	6/25	6/26	Venezuela				787.00				787.00
Michael Telson	6/24	7/4	Venezuela		820.00		373.00		250.00		1,443.00
Matt Pinkus [3]	5/27	6/3									
Committee total					820.00		1,160.00		250.00		2,230.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Information currently unavailable. Supplemental report will be filed.

LEON E. PANETTA, Chairman, July 31, 1989.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON EDUCATION AND LABOR, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Carole Stringer	6/6	6/13	Geneva, Switz	1,538.79	910.00		2,312.000				3,247.00
Local transportation							25.00				
Cathleen Johnson	6/9	6/17	Geneva, Switz	2,154.30	1,274.00		623.00				1,897.00
Committee total					2,184.00		2,960.00				5,144.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

AUGUSTUS F. HAWKINS, Chairman, July 20, 1989.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. G. Ackerman	4/5	4/7	Israel		352.00						352.00
Commercial transportation							3,103.90				3,103.90
	5/15	5/15	Canada								
Commercial transportation							276.84				276.84
S. Andross	6/12	6/15	Switzerland		728.00						728.00
Commercial transportation							4,090.00				4,090.00
K. Bolognese	6/18	6/23	France		1,212.00						1,212.00
Commercial transportation							4,474.80				4,474.80
R.K. Boyer	5/28	5/30	Germany		520.00				30.14		550.14
	5/30	6/2	France		651.00						651.00
	6/2	6/3	Belgium		125.00						125.00
Military transportation							2,520.00				2,520.00
T. Bruce	5/29	6/3	France		[3] 759.00						759.00
Commercial transportation							4,552.00				4,552.00
Total					4,347.00		19,017.54		30.14		23,394.68
T. Bruce	6/20	6/30	France		1,602.00						1,602.00
Commercial transportation							4,653.80				4,653.80
E. Daoust	4/11	4/14	Mexico		[3] 496.61						496.61
Commercial transportation							1,066.00				1,066.00
J. Dunman	5/4	5/9	Panama		330.00						330.00
State Department Transportation (military)											
M. Dymally	4/27	4/30	Bahamas		591.00		671.30				1,262.30
Commercial transportation							786.19				786.19
	5/25	5/27	Liberia		[3] 235.00						235.00
	5/27	5/30	Senegal		[3] 597.00						597.00
Commercial transportation							4,857.76				4,857.76
M. Galey	5/19	5/26	France		217.00				66.16		283.16

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1989—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Commercial transportation							2,379.00				2,379.00
Total					4,068.61		14,414.05		66.16		18,548.82
M. Gueye	5/17	5/26	France		332.42				115.42		447.84
Commercial transportation							4,473.78				4,473.78
L. Heyes	6/12	6/15	Switzerland		728.00						728.00
Commercial transportation							4,090.00				4,090.00
V. Johnson	7/7	7/9	Jamaica		312.00						312.00
Commercial transportation							775.00				775.00
Hon. P. Kostmayer	4/14	4/16	Hungary		332.00				271.75		603.75
Military transportation							12,420.00				12,420.00
S. Livingston	4/11	4/14	Mexico		[3] 495.61						495.61
Commercial transportation							1,066.00				1,066.00
F. Marshall	5/8	5/14	Haiti		496.80		56.60				553.40
Commercial transportation							458.00				458.00
K. Nakamura	6/12	6/15	Switzerland		[3] 628.00						628.00
Commercial transportation							4,090.00				4,090.00
Total					3,324.83		27,429.38		387.17		31,141.38
R.S. Oliver	5/24	5/26	England		452.00						452.00
	5/26	5/27	Ireland		184.00						184.00
	5/29	5/30	France		434.00						434.00
	6/1	6/2	Ireland		184.00						184.00
Commercial transportation							3,585.13				3,585.13
Hon. T. Roth	5/27	5/31	Hungary		[3] 765.50						765.50
	5/31	6/1	Germany		[3] 199.10						199.10
Commercial transportation							4,110.00				4,110.00
E. Schwartz	6/11	6/15	Switzerland		728.00						728.00
Commercial transportation							4,090.00				4,090.00
S. Smith	4/27	5/1	Bahamas		[3] 291.00						291.00
Commercial transportation							786.19				786.19
	5/25	5/27	Liberia		[3] 175.00						175.00
	5/27	5/30	Senegal		[3] 497.00						497.00
Total					3,909.60		12,571.32				16,480.92
	5/30	6/1	France		[3] 450.00						450.00
Commercial transportation							4,694.00				4,694.00
M. Tavlarides	4/27	4/29	Mexico								
Commercial transportation							768.00				768.00
Total					450.00		5,462.00				5,912.00
Grand total for 2d quarter											95,477.80

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Represents refunds of unused per diem.

DANTE B. FASCELL, Chairman.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. John Paul Hammerschmidt	6/9	6/12	France		[3] 606.00		2,244.80				2,850.80
Richard J. Sullivan	6/9	6/12	France		[3] 606.00		2,244.80				2,850.80
Dorothy A. Beam	6/9	6/12	France		[3] 606.00		2,244.80				2,850.80
Hon. James L. Oberstar	5/28	5/30	Germany		[3] 520.00				30.14		550.14
	5/30	6/2	France		[3] 651.00						651.14
	6/2	6/3	Belgium		[3] 125.00		2,520.00				2,645.00
Hon. Ron de Lugo	5/28	5/30	Germany		[3] 520.00				30.14		550.14
	5/30	6/2	France		[3] 651.00						651.00
	6/2	6/3	Belgium		[3] 125.00		2,520.00				2,645.00
Hon. Glen Browder	5/28	5/30	Germany		[3] 520.00				30.14		550.14
	5/30	6/2	France		[3] 651.00						651.00
	6/2	6/3	Belgium		[3] 125.00		2,520.00				2,645.00
Hon. James M. Inhofe	5/28	5/30	Germany		[3] 520.00				30.14		550.14
	5/28	5/30	France		[3] 651.00						651.00
	5/28	5/30	France		[3] 651.00						651.00
	6/2	6/3	Belgium		[3] 125.00		2,520.00				2,645.00
Hon. Robert A. Borski	5/28	5/30	Germany		[3] 520.00				30.14		550.14
	5/30	6/2	France		[3] 651.00						651.00
	6/2	6/3	Belgium		[3] 125.00		2,520.00				2,645.00
Caroline Gable	5/28	5/30	Germany		[3] 520.00				30.14		550.14
	5/30	6/2	France		[3] 651.00						651.00
	6/2	6/3	Belgium		[3] 125.00		2,520.00				2,645.00
David Traynham	5/28	5/30	Germany		[3] 520.00				30.14		550.14
	5/30	6/2	France		[3] 651.00						651.00
	6/2	6/3	Belgium		[3] 125.00		2,520.00				2,645.00
David Heymsfeld	5/28	5/30	Germany		[3] 520.00				30.14		550.14
	5/30	6/2	France		[3] 651.00						651.00
	6/2	6/3	Belgium		[3] 125.00		2,520.00				2,645.00
Charles Ziegler	5/28	5/30	Germany		[3] 520.00				30.14		550.14
	5/30	6/2	France		[3] 651.00						651.00
	6/2	6/3	Belgium		[3] 125.00		2,520.00				2,645.00

—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
David Schaffer	5/28	5/30	Germany		[4]520.00				30.14		550.14
	5/30	6/2	France		[4]651.00						651.00
	6/2	6/3	Belgium		[4]125.00		2,520.00				2,645.00
Paul Schlesinger	5/28	5/30	Germany		[4]520.00				30.14		550.14
	5/30	6/2	France		[4]651.00						651.00
	6/2	6/3	Belgium		[4]125.00		2,520.00				2,645.00
Joy Bryson	5/28	5/30	Germany		[4]520.00				30.14		550.14
	5/30	6/2	France		[4]651.00						651.00
	6/2	6/3	Belgium		[4]125.00		2,520.00				2,645.00
Scot Imus	5/28	5/30	Germany		[4]520.00				30.14		550.14
	5/30	6/2	France		[4]651.00						651.00
	6/2	6/3	Belgium		[4]125.00		2,520.00				2,645.00
Vincent Fabrizio	5/28	5/30	Germany		[4]520.00				30.14		550.14
	5/30	6/2	France		[4]651.00						651.00
	6/2	6/3	Belgium		[4]125.00		2,520.00				2,645.00
Alan Slomowitz	5/28	5/30	Germany		[3]520.00				30.14		550.14
	5/30	6/2	France		[3]651.00						651.00
	6/2	6/3	Belgium		[3]125.00		2,520.00				2,645.00
Hon. William F. Clinger Jr	6/9	6/12	France		[5]606.00				30.14		606.00
Committee total					21,864.00		44,534.40		452.10		66,850.50

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military aircraft.
[4] Military transport.
[5] DOT aircraft.

GLENN M. ANDERSON, Chairman, July 25, 1989.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
David Goldston	5/26	5/28	Turkey		414.00						414.00
	5/29	5/30	Spain		418.00						418.00
Military air											2,991.02
Robert Liimatainen	6/16	6/25	U.S.S.R.		2,200.00						2,200.00
	6/25	6/30	Amsterdam								
Commercial air							1,901.00				1,901.00
Hon. Robert A. Roe	6/8	6/13	France	6,706.40	1,010.00					6,706.40	1,010.00
Military air							2,244.80				2,244.80
Hon. Robert S. Walker	6/8	6/13	France	6,706.40	1,010.00					6,706.40	1,010.00
Military air							2,244.80				2,244.80
Hon. Norman Mineta	6/8	6/13	France	6,706.40	1,010.00					6,706.40	1,010.00
Military air							2,244.80				2,244.80
Hon. Tim Valentine	6/8	6/13	France	6,706.40	1,010.00					6,706.40	1,010.00
Military air							2,244.80				2,244.80
Hon. James A. Hayes	6/8	6/13	France	6,706.40	1,010.00					6,706.40	1,010.00
Military air							2,244.80				2,244.80
Hon. Tom McMillen	6/8	6/13	France	6,706.40	1,010.00					6,706.40	1,010.00
Military air							2,244.80				2,244.80
Hon. Jack Buechner	6/8	6/13	France	6,706.40	1,010.00					6,706.40	1,010.00
Military air							2,244.80				2,244.80
Hon. George Brown, Jr	6/8	6/13	France	6,706.40	1,010.00					6,706.40	1,010.00
Military air							2,244.80				2,244.80
Harold P. Hanson	6/8	6/13	France	6,706.40	1,010.00					6,706.40	1,010.00
Military air							2,244.80				2,244.80
Robert W. Maitlin	6/8	6/13	France	6,706.40	1,010.00					6,706.40	1,010.00
Military air							2,244.80				2,244.80
David D. Clement	6/8	6/13	France	6,706.40	1,010.00					6,706.40	1,010.00
Military air							2,244.80				2,244.80
John D. Holmfeld	6/8	6/13	France	6,706.40	1,010.00					6,706.40	1,010.00
Military air							2,244.80				2,244.80
James R. Miller	6/8	6/13	France	6,706.40	1,010.00					6,706.40	1,010.00
Military air							2,244.80				2,244.80
Kathy E. Guilfoy	6/8	6/13	France	6,706.40	1,010.00					6,706.40	1,010.00
Military air							2,244.80				2,244.80
Robert C. Ketcham	6/8	6/13	France	6,706.40	1,010.00					6,706.40	1,010.00
Military air							1,122.40				1,122.40
Commercial air							296.00				296.00
William S. Smith, Jr	6/8	6/13	France	6,706.40	1,010.00					6,706.40	1,010.00
Military air							1,122.40				1,122.40
Commercial air							298.80				298.80
Roger D. Strickland	6/8	6/13	France	6,706.40	1,010.00					6,706.40	1,010.00
Military air							1,122.40				1,122.40
Commercial air							298.80				298.80
Committee total					20,202.00		40,580.02				60,782.02

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

ROBERT A. ROE, Chairman.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Dan Rostenkowski	3/23	3/26	Morocco	5,955.60	709.00						709.00
	3/26	3/29	Hungary	18,891.50	332.00		12.63		78.11		422.74
	3/29	4/2	Germany	1,502.36	802.00		260.79		103.46		1,166.25
Military transportation							6,594.84				6,594.84
Hon. Pete Stark	3/23	3/26	Morocco	5,955.60	709.00						709.00
	3/26	3/29	Hungary	18,891.50	322.00		12.63		78.11		422.74
	3/29	4/2	Germany	1,502.36	802.00		260.79		103.46		1,166.25
Military transportation							6,594.84				6,594.84
Hon. Marty Russo	3/23	3/26	Morocco	5,955.60	709.00						709.00
	3/26	3/29	Hungary	18,891.50	322.00		12.63		78.11		422.74
	3/29	4/2	Germany	1,502.36	802.00		260.79		103.46		1,166.25
Military transportation							6,594.84				6,594.84
Hon. Ronnie G. Flippo	3/23	3/26	Morocco	5,955.60	709.00						709.00
	3/26	3/29	Hungary	18,891.50	322.00		12.63		78.11		422.74
	3/29	4/2	Germany	1,502.36	802.00		260.79		103.46		1,166.25
Military transportation							6,594.84				6,594.84
Hon. Jim Moody	4/5	4/7	Switzerland	,666.10	402.00		2,480.00				2,882.00
Hon. Bill Archer	3/23	3/26	Morocco	5,955.60	709.00						709.00
	3/26	3/29	Hungary	18,891.50	322.00		12.63		78.11		422.74
	3/29	4/2	Germany	1,502.36	802.00		260.79		103.46		1,166.25
Military transportation							6,594.84				6,594.84
Hon. Guy Vander Jagt	3/23	3/26	Morocco	5,955.60	709.00						709.00
	3/26	3/29	Hungary	18,891.50	322.00		12.63		78.11		422.74
	3/29	4/2	Germany	1,502.36	802.00		260.79		103.46		1,166.25
Military transportation							6,594.84				6,594.84
Hon. Phil Crane	6/8	6/13	France		1,010.00		1,178.50				2,188.50
Hon. Dick Schulze	3/23	3/26	Morocco	5,955.00	709.00						709.00
	3/26	3/29	Hungary	18,891.50	332.00		12.63		78.11		422.74
	3/29	4/2	Germany	1,502.36	802.00		260.79		103.46		1,166.25
Military transportation							6,594.84				6,594.84
Charles Brain	3/23	3/26	Morocco	5,955.60	709.00						709.00
	3/26	3/29	Hungary	18,891.50	332.00		12.63		78.11		422.74
	3/29	4/2	Germany	1,502.36	802.00		260.79		103.46		1,166.25
Military transportation							6,594.84				6,594.84
Charles Mellody	3/23	3/26	Morocco	5,955.60	709.00						709.00
	3/26	3/29	Hungary	18,891.50	332.00		12.63		78.11		422.74
	3/29	4/2	Germany	1,502.36	802.00		260.79		103.46		1,166.25
Military transportation							6,594.84				6,594.84
Janet Nuzum	4/3	4/7	Switzerland	1,665.29	1,005.00		1,088.32				2,093.32
Military transportation							1,803.86				1,803.86
Frank Phifer	5/21	5/23	West Germany		516.00						516.00
	5/24	5/27	France		868.00						868.00
	5/28	5/30	Belgium		549.00						549.00
	5/31	6/2	England		678.00						678.00
	6/2	6/6	France		699.00						699.00
Commercial transportation							2,504.49				2,504.49
George Weise	3/23	3/26	Morocco	5,995.60	709.00						709.00
	3/26	3/29	Hungary	18,891.50	332.00		12.63		78.11		422.74
	3/29	4/2	Germany	1,502.36	802.00		260.79		103.46		1,166.25
Military transportation							6,594.84				6,594.84
Mary Jane Wignot	3/28	4/7	Switzerland	3,128.22	1,931.00		2,311.00				4,242.00
Committee total					26,088.00		80,048.77		1,815.70		107,952.47

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DAN ROSTENKOWSKI, Chairman, July 20, 1989.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, SELECT PERMANENT COMMITTEE ON INTELLIGENCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Diane S. Dornan, staff	4/21	4/21	Europe		176.00						176.00
Hon. Bill Richardson	5/4	5/5	West Indies								
	5/5	5/9	Central America		232.00						232.00
Military aircraft							7,497.60				7,497.60
Richard H. Giza, staff	5/4	5/5	West Indies								
	5/5	5/9	Central America		291.40						291.40
Military aircraft							7,497.60				7,497.60
Virginia S. Callis, staff	6/16	6/23	Asia		1,002.00						1,002.00
Commercial air							2,727.00				2,727.00
Committee total				XXXXXXXXXXXXXXX	1,701.40	XXXXXXXXXXXXXXX	17,722.20	XXXXXXXXXXXXXXX	XXXXXXXXXXXXXXX		19,423.60

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

ANTHONY C. BEILENSON, Chairman, July 26, 1989.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMISSION ON SECURITY AND COOPERATION IN EUROPE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Representative Steny H. Hoyer	4/14	4/16	Hungary		332.00		12,420.00	271.75		13,023.75	
Representative Edward Markey	4/14	4/16	Hungary		332.00		12,420.00	271.75		13,023.75	
Jesse L. Jacobs	4/14	4/16	Hungary		332.00		12,420.00	271.75		13,023.75	
Mary Sue Hafner	4/14	4/16	Hungary		332.00		5,826.00	271.75		6,429.75	
Judith Ingram	4/14	4/16	Hungary		332.00		5,826.00	271.75		6,429.75	
Dana L. Crosby	4/14	4/29	England		2,024.00		2,841.00			4,865.00	
Ronald J. McNamara	4/14	5/13	England		2,992.00		599.00			3,591.00	
Judith Ingram	4/17	5/13	England		2,376.00		1,388.00			3,764.00	
Mary Sue Hafner	4/17	5/13	England		2,376.00		1,420.00			3,796.00	
Beth L. Ritchie	4/14	5/13	England		2,552.00		2,764.00			5,316.00	
Samuel G. Wise	4/14	4/24	England		968.00		599.00	291.15		1,858.15	
	5/8	5/14	England		528.00		1,448.00			1,976.00	
	5/14	5/17	Austria		378.00					378.00	
	5/17	5/19	France		334.00					334.00	
R. Spencer Oliver	5/9	5/12	England		678.00		3,039.00			3,717.00	
Representative Steny H. Hoyer	6/17	6/19	France		404.00		10,262.00			10,666.00	
R. Spencer Oliver	6/17	6/19	France		404.00		10,262.00			10,666.00	
Mary Sue Hafner	6/17	6/20	France		606.00		2,378.80			2,984.80	
Committee total					18,280.00		85,912.80		1,649.90		105,842.70

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

STENY H. HOYER, Chairman, July 25, 1989.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1546. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Department of the Navy's proposed letter(s) of offer and acceptance [LOA] to Spain for defense articles (Transmittal No. 89-32), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

1547. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Department of the Navy's proposed letter(s) of offer and acceptance [LOA] to the Coordination Council for North American Affairs (CCNAA) for defense articles (Transmittal No. 89-35), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

1548. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-64, "General Obligation Bond Act of 1989," and report, pursuant to D.C. Code Sec. 1-233(c)(1); the Committee on the District of Columbia.

1549. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter(s) of offer and acceptance [LOA] to the Coordination Council for North American Affairs [CCNAA] for defense articles and services (Transmittal No. 89-35), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1550. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter(s) of offer and acceptance [LOA] to Spain for defense articles and services (Transmittal No. 89-32), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1551. A letter from the Assistant Secretary for International Narcotics Matters, Department of State, transmitting the Department's midyear update on the annual International Narcotics Control Strategy Report, pursuant to 22 U.S.C. 2291(e)(6); to the Committee on Foreign Affairs.

1552. A letter from the Assistant Secretary of State for Legislative Affairs; transmitting copies of the original report of political contributions by Paul Matthews Cleveland, of Virginia, Ambassador Extraordinary and Plenipotentiary-designate to Malaysia, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1553. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant, to 1 U.S.C. 112(a); to the Committee on Foreign Affairs.

REPORTS OF COMMITTEE ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ANDERSON: Committee on Public Works and Transportation. H.R. 1307. A bill to amend the Federal Aviation Act of 1958 relating to general aviation accidents (Rept. 101-218, Pt. 1). Ordered to be printed.

Mr. JONES of North Carolina: Committee on Merchant, Marine and Fisheries. H.R. 1113. A bill to authorize appropriations for the Office of Environmental Quality for fiscal years 1989, 1990, 1991, 1992, and 1993; to ensure consideration of the impact of major Federal actions on the global environment, and for other purposes; with amendment (Rept. 101-219). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROE: Committee on Science, Space, and Technology. H.R. 996. A bill to establish the congressional scholarships for science, mathematics, and engineering, and for other purposes; with an amendment (Rept. 101-220). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAWKINS: Committee on Education and Labor. H.R. 1432. A bill to amend the Age Discrimination in Employment Act of 1967 with respect to the waiver of rights under such act without supervision, and for other purposes; with an amendment (Rept. 101-221). Referred to the Committee of the Whole House on the State of the Union.

Mr. GONZALEZ: Committee of conference. Conference report on H.R. 1278 (Rept. 101-222). Ordered to be printed.

[Aug. 5 (legislative day of Aug. 4), 1989]

Mr. FROST: Committee on Rules. House Resolution 228. Resolution providing for the consideration of H.R. 1594, a bill to extend nondiscriminatory treatment to the products of the Peoples' Republic of Hungary for 5 years (Rept. 101-223). Referred to the House Calendar.

[Aug. 5 (legislative day of Aug. 4), 1989]

Mr. DERRICK: Committee on Rules. House Resolution 229. Resolution providing for the consideration of H.R. 1668, a bill to authorize appropriations for certain ocean and coastal programs of the National Oceanic and Atmospheric Administration (Rept. 101-224). Referred to the House Calendar.

[Aug. 5 (legislative day of Aug. 4), 1989]

Mr. GORDON: Committee on Rules. House Resolution 230. Resolution providing for the consideration of H.R. 2427, a bill to authorize appropriations for certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration, and for other purposes (Rept. 101-225). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LANTOS (for himself, Mr. GEPHARDT, Mr. SHAYS, Mr. DORGAN of North Dakota, Mrs. ROUKEMA, Mr. GUNDERSON, and Mr. PRICE):

H.R. 3136. A bill to place restrictions on the use of Federal funds to influence or attempt to influence officers or employees of

the United States or Members of Congress; to the Committee on Government Operations.

By Mr. ANTHONY:

H.R. 3137. A bill to amend the Internal Revenue Code of 1986 to provide for the treatment of hedge bonds; to the Committee on Ways and Means.

H.R. 3138. A bill to amend the Internal Revenue Code of 1986 to provide an additional exception from the arbitrage rebate requirement for tax-exempt bonds; to the Committee on Ways and Means.

By Mr. LEATH of Texas:

H.R. 3139. A bill to amend title 5, United States Code, to authorize portability of benefits for employees of nonappropriated fund instrumentalities of the Department of Defense when such employees convert to the civil service system, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WAXMAN (for himself, Mr. WALGREN, and Mr. MARKEY):

H.R. 3140. A bill to amend title XVIII of the Social Security Act to provide for coverage of long-term community care and long-term nursing facility care under the Medicare Program, to amend title XIX of such act to provide assistance to underpoverty individuals under the Medicaid Program, and to amend the Public Health Service Act to provide community care to low-income individuals; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. ACKERMAN:

H.R. 3141. A bill to amend the Internal Revenue Code of 1986 to adjust for inflation the income limitations contained in the provisions limiting the deduction for retirement savings in the case of active participants in certain pension plans; to the Committee on Ways and Means.

H.R. 3142. A bill to amend chapters 83 and 84 of title 5, United States Code, to provide that members of the Capitol Police be treated in the same way as law enforcement officers for purposes of the age and service requirements relating to immediate and mandatory retirement, respectively; jointly, to the Committees on House Administration and Post Office and Civil Service.

By Mr. AUCOIN for himself, Mr. FAZIO, Mr. SCHEUER, Mr. RICHARDSON, Mr. COOPER, Mrs. COLLINS, Mr. BRYANT, Mr. KOSTMAYER, Mr. OWENS of Utah, Mr. LANCASTER, Mr. MCDERMOTT, Mr. OWENS of New York, Mr. ACKERMAN, Mr. MARTINEZ, Mr. SIKORSKI, Mr. LANTOS, Mrs. SAIKI, Mr. LEWIS of Georgia, Mr. FALEOMAVAEGA, Mr. DYMALLY, Mr. GARCIA, Mr. PALLONE, Mr. STUDDS, Mr. FUSTER, Mr. WOLPE, Mr. LEHMAN of Florida, Mr. BEILENSON, Mr. GEJDENSON, Mr. RANGEL, Mr. BATES, Mr. AKAKA, Mr. SABO, Ms. PELOSI, Mr. DWYER of New Jersey, Mr. JONTZ, Mr. FROST, and Ms. KAPTUR):

H.R. 3143. A bill to establish a national energy policy to reduce global warming, and for other purposes; jointly, to the Committees on Energy and Commerce; Science, Space, and Technology; Banking, Finance and Urban Affairs; Foreign Affairs; Small Business; Armed Services; Public Works and Transportation; Interior and Insular Affairs; Agriculture; and Ways and Means.

By Mr. BARNARD:

H.R. 3144. A bill to reduce the growing costs imposed on State and local governments by unfunded Federal mandates; jointly, to the Committees on Government Operations, the Judiciary, and Rules.

By Mr. KANJORSKI:

H.R. 3145. A bill to require consultants to applicants for assistance from agencies of the Federal Government to submit to the appropriate inspector general or other officer information regarding consulting services provided for the applications; to the Committee on Government Operations.

By Mr. BATES (for himself, Mr. RICHARDSON, and Mr. FAUNTROY):

H.R. 3146. A bill to establish debt for development programs to encourage the Government of Mexico to promote economic development and preservation of the environment along Mexico's border with the United States; jointly to the Committees on Foreign Affairs and Banking, Finance and Urban Affairs.

By Mr. BENNETT (for himself, Mr. ANNUNZIO, Mr. VENTO, Mr. FASCELL, Mr. HUNTER, Mrs. JOHNSON of Connecticut, Mr. EVANS, Mr. LEWIS of Georgia, Mr. STUDDS, Mrs. BENTLEY, Mr. KOLBE, Mr. FAWELL, and Mr. MORRISON of Connecticut):

H.R. 3147. A bill to amend the Real Estate Settlement Procedures Act of 1974 to require lenders and escrow services who establish mortgage escrow accounts to provide borrowers with statements regarding the accounts; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BEREUTER (for himself, Mr. FAUNTROY, and Mr. LEACH of Iowa):

H.R. 3148: A bill to provide for advocacy by the United States in the multilateral development banks in order to give preference in the allocation of resources to countries which undertake significant efforts to create opportunities for productive and remunerative participation for the poor sufficient to raise standards of living and enable the poor to be economically and socially productive; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BOSCO (for himself, Mr. ROE, Mr. TOWNS, Mr. PALLONE, Mr. DE LUGO, Mr. DEFAZIO, Mr. JONES of Georgia, Mr. MOLINARI, Mr. VISCLOSKY, Mr. MORRISON of Connecticut, Mr. LAUGHLIN, Mr. ROWLAND of Connecticut, Mr. APPLEGATE, Mr. KOLTER, Mr. CARDIN, Mr. RAHALL, Mr. COSTELLO, Mr. KLECZKA, and Mr. LEWIS of Georgia):

H.R. 3149. A bill to amend the Federal Aviation Act of 1958 to provide a 1-year moratorium on the transfer of a certificate to provide foreign air transportation except as part of the sale of the air carrier which holds the certificate; to the Committee on Public Works and Transportation.

By Mr. ROSTENKOWSKI:

H.R. 3150. A bill to amend the Social Security and the Internal Revenue Code of 1986 to provide for budget reconciliation and for fiscal years 1990 and 1991 in accordance with reconciliation instructions to the Committee on Ways and Means; to the Committee on Ways and Means.

By Mr. BROOKS:

H.R. 3151. A bill to clarify the application of the antitrust laws to certain agreements imposing territorial limitations on the distribution of trademarked products for resale; to the Committee on the Judiciary.

By Mr. BROOKS (for himself, Mr. SYNAR, and Mr. GLICKMAN):

H.R. 3152. A bill to amend title 11 of the United States Code to exclude from the estate of the debtor certain interests in liquid and gaseous hydrocarbons; to the Committee on the Judiciary.

By Mr. BROWN of California:

H.R. 3153. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act; to the Committee on Agriculture.

By Mr. BROWN of California (for himself, Mr. ROE, Mr. WALGREN, Mr. BOEHLERT, Mrs. MORELLA, Mr. NOWAK, Mr. WOLPE, Mr. PRICE, Mr. MINETA, Mr. SCHEUER, Mr. BOUCHER, and Mr. BRUCE):

H.R. 3154. A bill to require the National Science Foundation to establish a Science Museum Assistance Program; to the Committee on Science, Space, and Technology.

By Mr. DINGELL (for himself and Mr. WAXMAN):

H.R. 3155. A bill to amend the Federal Food, Drug, and Cosmetic Act to improve and expand the inspection and labeling of fish and fish products and for other purposes; to the Committee on Energy and Commerce.

By Mr. BROWN of Colorado:

H.R. 3156. A bill to amend the Internal Revenue Code of 1986 to revise the application of the wagering taxes to charitable organizations; to the Committee on Ways and Means.

By Mr. CAMPBELL of California (for himself, Mr. DYMALLY, Mr. FUSTER, Mr. SMITH of Vermont, Mrs. BENTLEY, Mr. WOLPE, Mrs. MARTIN of Illinois, Mr. CLINGER, Mr. WALKER, Mr. BURTON of Indiana, Mr. DOUGLAS, Mr. IRELAND, Mr. CRAIG, and Mr. GUNDERSON):

H.R. 3157. A bill to amend title VII of the Civil Rights Act of 1964 with respect to establishing and rebutting a prima facie violation of such title; to the Committee on Education and Labor.

By Mr. CARDIN (for himself and Mr. HOYER):

H.R. 3158. A bill to amend title 17, United States Code, to permit the unlicensed viewing of videos under certain conditions; to the Committee on the Judiciary.

By Mr. CARPER (for himself and Mr. KANJORSKI):

H.R. 3159. A bill to revise the National Flood Insurance Program to further encourage communities to mitigate potential flood damages and limit unwise development in flood-prone areas; to the Committee on Banking, Finance and Urban Affairs.

By Mr. COLEMAN of Missouri:

H.R. 3160. A bill to provide additional food assistance to Poland in the form of donated surplus agricultural commodities held in the Community Credit Corporation; to the Committee on Foreign Affairs.

By Mr. COLEMAN of Texas (for himself, Mr. GARCIA, Mr. ROYBAL, Mr. DE LUGO, Mr. BRYANT, Mr. RICHARDSON, Mr. TRAFICANT, Mr. JONTZ, Ms. KAPTUR, Mr. MILLER of California, and Mr. FORD of Michigan):

H.R. 3161. A bill to require States to increase high school completion rates, to establish a program of grants to States for purposes of increasing such rates, and for other purposes; to the Committee on Education and Labor.

By Mr. COURTER:

H.R. 3162. A bill to authorize appropriations for grants to States to demonstrate whether confinement in boot camp prisons rehabilitates and reduces recidivism of juvenile offenders; to the Committee on the Judiciary.

By Mr. DANNEMEYER (for himself, Mr. BROWN of California, Mr. COX, Mr. DORNAN of California, Mr. LEWIS

of California, Mr. MCCANDLESS, and Mr. PACKARD):

H.R. 3163. A bill to amend title 28, United States Code, to establish a new judicial district in California to be comprised of Orange, Riverside, and San Bernardino counties; to the Committee on the Judiciary.

By Mr. DE LA GARZA:

H.R. 3164. A bill to amend the Rural Electrification Act of 1936 to premit the prepayment and refinancing of Federal Financing Bank loans made to rural electrification and telephone systems; to the Committee on Agriculture.

By Mr. DONNELLY (for himself, Mr. ARCHER, Mr. RUSSO, Mr. BROWN of Colorado, Mr. GIBBONS, Mrs. KENNELLY, Mr. JACOBS, Mr. CRANE, Mr. CHANDLER, Mr. SUNDQUIST, Mr. FAWELL, Mr. ANNUNZIO, Ms. SLAUGHTER of New York, Mr. RAVENEL, Mr. KOLBE, Mr. BARTON of Texas, Mr. SMITH of New Hampshire, Mr. MCCRERY, Mr. SMITH of Mississippi, Mr. BEREUTER, Mr. IRELAND, Mr. ROTH, Mr. ARMEY, Mr. NEAL of Massachusetts, Mr. KYL, Mr. SHAYS, Mr. BLILEY, Mr. ROBERTS, Mr. LEWIS of Florida, Mr. RITTER, Mr. MCNULTY, Mr. COMBEST, Mr. HORTON, Mr. HERGER, Mr. COX, Mr. WELDON, and Mr. GEJDENSON):

H.R. 3165. A bill to repeal titles I and II of the Medicare Catastrophic Coverage Act of 1988, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. DORGAN of North Dakota:

H.R. 3166. A bill to provide for the expenditure of appropriated funds in, and the provision of general economic development grants, loans, and loan guarantees to, rural counties on a per capita basis, to require rural areas experiencing substantial reduction in population to be treated as labor surplus areas, to facilitate rural development through the establishment of Rural Development Investment Zones, and to reorganize the Department of Agriculture and centralize responsiblity for Federal rural development programs in a newly established Agency for Rural Development; jointly, to the Committees on Ways and Means, the Judiciary, and Agriculture.

By Mr. DORGAN of North Dakota (for himself, Mr. SLATTERY, Mr. NAGLE, Mr. KASTENMEIER, Mr. PENNY, Mr. FAUNTROY, Mr. STALLINGS, Mr. INHOFE, Mr. EVANS, Mr. RAY, Mr. JONTZ, Mr. THOMAS of Georgia, Mr. GRANDY, Mr. MCEWEN, Mr. COLEMAN of Missouri, Mr. JOHNSON of South Dakota, Mr. GLICKMAN, and Mr. ECKART):

H.R. 3167. A bill to amend the Internal Revenue Code of 1986 to provide tax relief for farmers who realize capital gains on the transfer of farm property to satisfy an indebtedness, and for other purposes; to the Committee on Ways and Means.

By Mr. DORNAN of Californa:

H.R. 3168. A bill to amend title 10, United States Code, to expand the circumstances under which a member of the Armed Forces is eligible to receive the Prisoner-of-War Medal and to amend title 5, United States Code, to establish a Prisoner-of-War Medal for civilian employees of the Federal Government who are forcibly detained or interned by an enemy government or a hostile force under wartime conditions; jointly, to the Committees on Armed Services and Post Office and Civil Service.

By Mr. GEJDENSON:

H.R. 3169. A bill to support the people of Panama in their transition to democracy; jointly, to the Committees on Foreign Affairs and Banking, Finance and Urban Affairs.

By Mr. GOODLING (by request):

H.R. 3170. A bill to improve the contribution of libraries to the education of economically disadvantaged or handicapped individuals, to increase access to library materials through resource sharing, to support research and assessment necessary to improve library services, and for other purposes; to the Committee on Education and Labor.

By Mr. GUNDERSON:

H.R. 3171. A bill to amend the Communications Act of 1934 to require common carriers to provide improved access for hearing-impaired and speech-impaired individuals to interstate and intrastate telecommunications; to the Committee on Energy and Commerce.

By Mr. HANSEN: (for himself, Mr. FIELDS, Mr. DENNY SMITH, Mr. NIELSON of Utah, Mrs. VUCANOVICH, Mr. PACKARD, Mr. SHUMWAY, Mr. YOUNG of Alaska, Mr. STUMP, Mr. HUNTER, Mr. CRAIG, Mr. ROBERT F. SMITH, Mr. RHODES, Mr. ROGERS, Mr. MARLENEE, Mr. DANNEMEYER, and Mr. LEWIS of Califonia):

H.R. 3172. A bill to amend the Wilderness Act to allow the use of bicycles in wilderness areas; to the Committee on Interior and Insular Affairs.

By Mr. HENRY:

H.R. 3173. A bill to apply the provisions of OSHA to certain Department of Energy nuclear facilities; to the Committee on Education and Labor.

By Mr. JOHNSON of South Dakota:

H.R. 3174. A bill to authorize the planning and construction of the Mid-Dakota Rural Water System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KENNEDY (for himself, Mr. ATKINS, Mr. CONTE, Mr. DONNELLY, Mr. EARLY, Mr. FRANK, Mr. MARKEY, Mr. MAVROULES, Mr. MOAKLEY, Mr. NEAL of Massachusetts, and Mr. STUDDS):

H.R. 3175. A bill to authorize the Cambridge redevelopment Authority to acquire and redevelop land within the Kendall Square urban renewal project area for housing and accessory uses and to direct the Secretary of Transportation to reconvey certain disposable real property in the project area to the Cambridge Redevelopment Authority for such purpose; to the Committee on Banking, Finance and Urban Affairs.

By Mr. KENNEDY (for himself and Mr. RIDGE):

H.R. 3176. A bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to provide reimbursement of certain adoption expenses for married veterans with service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. LAFALCE:

H.R. 3177. A bill to provide for the minting of coins to commemorate the World University Games; to the Committee on Banking, Finance and Urban Affairs.

H.R. 3178. A bill to provide for the striking of medals to commemorate the World University Games; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LAFALCE (for himself, Mr. MCDADE, Mr. SMITH of Iowa, Mr. SKELTON, Mr. MAZZOLI, Mr. MAVROULES, Mr. HATCHER, Mr. WYDEN, Mr. SISISKY, Mr. TORRES, Mr. OLIN, Mr. BILBRAY, Mr. MFUME, Mr. LANCASTER, and Mr. POSHARD):

H.R. 3179. A bill to facilitate the providing of loan capital to and investments in small business concerns, and for other purposes; to the Committee on Small Business.

By Mr. LEHMAN of California:

H.R. 3180. A bill to provide access to check cashing services; to the Committee on Banking, Finance and Urban Affairs.

H.R. 3181. A bill to provide access to basic banking services; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LEHMAN of California (for himself, Mr. LAGOMARSINO, and Mr. HILER):

H.R. 3182. A bill to provide for the striking of medals in commemoration of the centennial of Yosemite National Park; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LEHMAN of California (for himself and Mr. LAGOMARSINO):

H.R. 3183. A bill to commemorate the centennial of the creation by Congress of Yosemite National Park; to the Committee on Post Office and Civil Service.

By Mr. LELAND:

H.R. 3184. A bill to establish within the Office of Minority Economic Impact of the Department of Energy programs involving loans and grants to enhance the development and operation of minority business enterprises with respect to energy-related business, to amend the Nuclear Waste Policy Act of 1982 to permit the investment of certain funds in the Minority Bank Deposit Program of the Department of the Treasury, and for other purposes; to the Committee on Energy and Commerce.

By Mr. LENT (for himself, Mr. JONES of North Carolina, and Mr. DAVIS):

H.R. 3185. A bill to amend the Merchant Marine Act, 1920; to the Committee on Merchant Marine and Fisheries.

By Mr. MCCOLLUM (for himself, Mr. LEWIS of Florida, and Mr. ROBERT F. SMITH):

H.R. 3186. A bill to amend the Immigration and Nationality Act with respect to procedures for adjudications and asylum; to the Committee on the Judiciary.

By Mr. MARLENEE (for himself, Mr. VOLKMER, Mr. DINGELL, Mr. YOUNG of Alaska, Mr. ESPY, Mr. HANSEN, Mr. SCHULZE, Mr. THOMAS of Georgia, Mr. ROBINSON, Mr. RICHARDSON, Mr. STANGELAND, Mr. HOLLOWAY, Mr. KOLTER, Mr. DYSON, Mr. HERGER, Mr. HATCHER, Mr. HARRIS, Mr. JOHNSON of South Dakota, Mr. CHAPMAN, Mr. LIGHTFOOT, Mr. SHUMWAY, Mr. QUILLEN, Mr. HUNTER, Mr. MURPHY, Mr. LAGOMARSINO, Mrs. VUCANOVICH, Mr. CRAIG, Mr. ROBERT F. SMITH, Mr. HANCOCK, Mr. PACKARD, Mr. POSHARD, Mr. DAVIS, Mr. FIELDS, Mr. GRANT, Mr. DANNEMEYER, Mr. DONALD E. LUKENS, Mr. CLEMENT, Mr. PASHAYAN, Mr. PAXON, Mr. SKEEN, Mr. PAYNE of Virginia, Mr. WALSH, Mr. GALLEGLY, Mr. GAYDOS, Mr. OWENS of Utah, Mr. FROST, Mr. NIELSON of Utah, Mr. SCHAEFER, Mr. STUMP, Mr. SMITH of Mississippi, Mr. PARRIS, and Mr. DELAY):

H.R. 3187. A bill to protect persons engaged in a lawful hunt within a National Forest or on other lands affected with a Federal interest, establishing a civil remedy against individuals or groups which intentionally obstruct, impede, or interfere with

the conduct of a lawful hunt, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. OBEY:

H.R. 3188. A bill to amend the Clean Air Act to control acid deposition; to the Committee on Energy and Commerce.

By Mr. SCHEUER:

H.R. 3189. A bill to establish a National Environmental Policy on the participation of the United States in international financing; jointly, to the Committees on Merchant Marine and Fisheries and Banking, Finance and Urban Affairs.

By Mr. SCHUETTE:

H.R. 3190. A bill to require event recorders to be installed in locomotives, and for other purposes; to the Committee on Energy and Commerce.

By Mr. SCHUMER:

H.R. 3191. A bill to prevent abuses of the process for selection for housing assistance under programs administered by the Secretary of Housing and Urban Development; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SCHUMER (for himself and Mr. RUSSO):

H.R. 3192. A bill to amend the Internal Revenue Code of 1986 to impose a 1-percent income tax surcharge on all taxpayers for the purpose of providing revenue for crime prevention programs; jointly, to the Committees on Ways and Means, the Judiciary, Armed Services, Energy and Commerce, and Education and Labor.

By Mr. SHARP:

H.R. 3193. A bill to extend title I of the Energy Policy and Conservation Act, and for other purposes; to the Committee on Energy and Commerce.

By Mr. SIKORSKI:

H.R. 3194. A bill to amend the Railroad Retirement Act of 1974, the Internal Revenue Code of 1986, and the Railroad Unemployment Insurance Act to resolve questions of coverage under those acts, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. SKAGGS (for himself, Mrs. SCHROEDER, Mr. OWENS of Utah, Mr. TORRES, Mr. PANETTA, Mr. LEVINE of California, Mr. EDWARDS of California, and Mr. LANTOS):

H.R. 3195. A bill to amend the Clean Air Act to provide for the control of motor vehicle emissions; to the Committee on Energy and Commerce.

By Mr. SKEEN:

H.R. 3196. A bill to transfer certain rights-of-way to the Elephant Butte Irrigation District of New Mexico, and for other purposes; to the Committee on Interior and Insular Affairs.

By Ms. SLAUGHTER of New York:

H.R. 3197. A bill to suspend temporarily the duty on certain frozen vegetables; to the Committee on Ways and Means.

By Mr. SMITH of Florida:

H.R. 3198. A bill to amend title 28, United States Code, to allow for jury trials in tort actions against the United States involving death or serious bodily injury; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey (for himself, Mr. MONTGOMERY, Mr. STUMP, and Mr. PENNY):

H.R. 3199. A bill to amend title 38, United States Code, to establish a program to provide postsecondary educational assistance to students in health professions who are eligible for educational assistance under the Reserve GI bill program in return for agreement for subsequent service with the Department of Veterans Affairs: to the Committee on Veterans' Affairs.

By Mr. ROYBAL (for himself, Mr. HAWKINS, Mr. CLAY, Mr. MARTINEZ, and Mr. BILBRAY):

H.R. 3200. A bill to amend the Age Discrimination in Employment Act of 1967 to clarify the protections given to older individuals in regard to employee benefit plans, and for other purposes; to the Committee on Education and Labor.

By Mr. STARK:

H.R. 3201. A bill to amend the Internal Revenue Code of 1986 to impose on a telephone company an excise tax equal to 300 percent of the amount it charges customers who request that the company block access from their telephones to certain exchanges; to the Committee on Ways and Means.

By Mr. STARK (for himself, Mr. DELLUMS, Mr. EDWARDS of California, and Mr. MILLER of California):

H.R. 3202. A bill to designate the Federal plaza located between the Twin Towers of the Oakland Federal Building in Oakland, CA, as the "Donald P. McCullum Memorial Plaza"; to the Committee on Public Works and Transportation.

By Mr. STARK (for himself, Mr. ROYBAL, and Mr. MATSUI):

H.R. 3203. A bill to amend title XVI of the Social Security Act to enable individuals to purchase assistance in the activities of daily living in order to maintain a residence in a natural residential setting, and to provide assistance to the States to enable them to ensure that supplemental security income recipients who require a representative or protective oversight care are adequately protected against exploitation, abuse, and neglect; to the Committee on Ways and Means.

By Mr. STENHOLM (for himself, Mr. DE LA GARZA, and Mr. ENGLISH):

H.R. 3204. A bill to amend title VII of the Social Security Act to establish a matching grant program to encourage States to establish State Offices of Rural Health; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. TRAXLER:

H.R. 3205. A bill to amend the Low-Level Radioactive Waste Policy Act to prohibit the location of a low-level radioactive waste disposal facility within 100 miles of any of the Great Lakes; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

By Mrs. UNSOELD:

H.R. 3206. A bill to maintain a national forest system timber base, and for other purposes; jointly, to the Committees on the Judiciary, Agriculture, and Interior and Insular Affairs.

H.R. 3207. A bill to provide additional incentives to nonindustrial private forest land owners in order to increase the supply of merchantable timber for domestic processing, and for other purposes; jointly, to the Committees on Ways and Means and Agriculture.

By Mr. VENTO:

H.R. 3208. A bill to authorize the Secretary of Housing and Urban Development to make grants to States to establish revolving funds to assist low- and moderate-income homeowners and renters; to the Committee on Banking, Finance and Urban Affairs.

By Mr. VISCLOSKY:

H.R. 3209. A bill to modify the boundaries of the Indiana Dunes National Lakeshore, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WAXMAN (for himself, Mr. HAWKINS, Mr. GOODLING, and Mr. MARTINEZ):

H.R. 3210. A bill to provide financial assistance to the Museum of Tolerance at the Simon Wiesenthal Center in Los Angeles, CA, for the operation of education programs concerning the Holocaust at the museum; to the Committee on Education and Labor.

By Mr. WISE:

H.R. 3211. A bill to amend the Clean Air Act to reduce emissions of sulfur dioxide and oxides of nitrogen, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WYDEN (for himself, Mr. EVANS, Mr. SKAGGS, Mr. DELLUMS, Mr. MORRISON of Connecticut, Mr. HERTEL, Mr. WAXMAN, Mr. MARKEY, Mr. THOMAS A. LUKEN, Mr. BRYANT, Mr. LELAND, Mr. SCHEUER, Mr. SIKORSKI, Mr. SLATTERY, Mr. SYNAR, Mr. WALGREN, Mr. BUSTAMANTE, Mr. HOCHBRUECKNER, Mrs. SCHROEDER, and Mr. MAVROULES):

H.R. 3212. A bill to transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of the effects of exposure to radiation and toxic substances, and for other purposes; to the Committee on Energy and Commerce.

By Mr. GONZALEZ:

H.J. Res. 390. Joint resolution waiving certain enrollment requirements with respect to the bill H.R. 1278; considered and passed.

By Mr. DORNAN of California:

H.J. Res. 391. Joint resolution designating November 13 through 19, 1989, as "International Student Appreciation Week; to the Committee on Post Office and Civil Service.

By Mr. ENGEL (for himself, Mr. ANNUNZIO, Mr. CONTE, Mr. FASCELL, Mr. FAZIO, Mr. PANETTA, Mr. COSTELLO, Mr. DYMALLY, Mr. DONALD E. LUKENS, Mr. MACHTLEY, Mr. NEAL of Massachusetts, Ms. PELOSI, Mr. VANDER JAGT, Mr. FUSTER, Mr. AUCOIN, Mr. DWYER of New Jersey, Mr. HAWKINS, Mr. MCGRATH, Mr. OWENS of Utah, Mr. BENNETT, Mr. DE LUGO, Mr. FAUNTROY, Mr. HENRY, Mr. MANTON, Mr. MILLER of California, Mr. TORRICELLI, Mr. VENTO, Mr. WOLF, Mr. YATES, Mr. YOUNG of Florida, Mrs. BOXER, Mr. BUSTAMANTE, Mrs. COLLINS, Mr. FOGLIETTA, Mr. LAGOMARSINO, Mr. LIPINSKI, Mrs. MARTIN of Illinois, Mr. TOWNS, Mr. TRAXLER, Mr. WEISS, Mr. ACKERMAN, Mr. APPLEGATE, Mr. DE LA GARZA, Mr. JONTZ, Mr. RANGEL, Mr. ROE, Mr. SMITH of Florida, Mr. WALSH, Mr. DOUGLAS, Mr. BEVILL, Mr. EVANS, Mr. HORTON, Mr. LELAND, Mr. FLORIO, Mr. GALLO, Mr. GUARINI, Mr. HOCHBRUECKNER, Ms. KAPTUR, Mr. LAFALCE, Mr. LANCASTER, Mr. MAZZOLI, Mr. MOAKLEY, Mr. MCHUGH, Mr. OWENS, of New York, Mr. RINALDO, Mr. TRAFICANT, Mrs. BENTLEY, Mr. MOLINARI, Mr. MCDERMOTT, Mr. PAYNE of New Jersey, Mr. KLECZKA, Mrs. LOWEY of New York, Mr. FISH, Mr. GREEN, Mr. MCEWEN, Mr. SOLARZ, Mr. WAXMAN, Ms. SLAUGHTER of New York, and Mr. FROST):

H.J. Res. 392. Joint resolution designating October 1989 as "Italian-American Heritage and Culture Month"; to the Committee on Post Office and Civil Service.

By Mr. JOHNSON of South Dakota (for himself and Mr. BEREUTER):

H.J. Res. 393. Joint resolution to grant the consent of Congress to the boundary change compact between South Dakota and Nebraska; to the Committee on the Judiciary.

By Mr. JOHNSON of South Dakota (for himself, Mrs. VUCANOVICH, Mr. CAMPBELL of Colorado, Mr. FISH, and Mr. RICHARDSON):

H.J. Res. 394. Joint resolution designating the week of October 2 through 8, 1989, as "America's Gold Week"; to the Committee on Post Office and Civil Service.

By Mr. OWENS of New York:

H.J. Res. 395. Joint resolution to designate the week of October 1 through 7, 1989, as "National Disability Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. RANGEL (for himself, Mr. ORTIZ, Mr. FAUNTROY, Mr. GUARINI, Mr. SCHEUER, Mr. TOWNS, Mrs. COLLINS, and Mr. PAXON):

H.J. Res. 396. Joint resolution designating October 20 through 22, 1989, as "Religious Leadership and Drug Abuse Recognition Weekend"; to the Committee on Post Office and Civil Service.

By Mr. WALGREN (for himself, Mr. MADIGAN, Mr. LELAND, Mr. WHITTAKER, Mr. BILBRAY, Mr. DWYER of New Jersey, Mr. EMERSON, Mr. HORTON, Mr. MATSUI, Mr. RANGEL, Mrs. ROUKEMA, Mr. WALSH, Mr. AKAKA, Mr. HUBBARD, Mr. STOKES, Mr. LAFALCE, Mr. HALL of Ohio, Mr. WAXMAN, Mr. NAGLE, Mr. LEVINE of California, Mr. MOLLOHAN, Mr. OWENS of Utah, and Mr. BROWN of California):

H.J. Res. 397. Joint resolution designating November 12 through 18, 1989, as "National Glaucoma Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. CAMPBELL of California (for himself, Mr. PORTER, and Mr. LANTOS):

H. Con. Res. 187. Concurrent resolution expressing the sense of Congress that the people of Hong Kong should be accorded the right to self-determination; to the Committee on Foreign Affairs.

By Mr. HAYES of Louisiana:

H. Con. Res. 188. Concurrent resolution requiring the Architect of the Capitol to conduct a voluntary pilot program for recycling of expendable materials disposed of within the Capitol grounds; to the Committee on House Administration.

By Mrs. LOWEY of New York (for herself, Mr. GRAY, Mr. WEBER, Mr. MURTHA, Mr. DORNAN of California, Mr. HAWKINS, Mr. MILLER of Washington, Mr. RANGEL, Mr. GILLMOR, Mr. LAFALCE, Mr. LEVINE of California, Mr. DICKS, Mr. WEISS, Mr. DOUGLAS, Mr. TAUZIN, Mr. ERDREICH, Mrs. SAIKI, Ms. PELOSI, Mr. WOLPE, Mr. OBERSTAR, Mr. GILMAN, Mr. KOLTER, Mr. GAYDOS, Mr. HUBBARD, Mr. COSTELLO, Mr. SANGMEISTER, Mr. LIPINSKI, Mrs. MORELLA, Mr. SCHEUER, Mr. PAYNE of New Jersey, Mr. ECKART, Mr. MARTIN of New York, Mr. NEAL of Massachusetts, Mr. MCDERMOTT, Mr. DONNELLY, Mr. OWENS of New York, Mr. BRENNAN, Mr. PAYNE of Virginia, Mr. DORGAN of North Dakota, Mr. MRAZEK, Mr. AUCOIN, Mr. HAYES of Illinois, Mr. FRANK, Mr. PICKETT, Mr. FORD of Michigan, Mr. DURBIN, Mr. DELLUMS, Mr. STUDDS, Mr. GORDON, Mrs. BYRON, Mr. FAUNTROY, and Mrs. MARTIN of Illinois):

H. Con. Res. 189. Concurrent resolution expressing the determination of the United States to act decisively to combat terrorism, and specifying certain immediate actions the President should take, aimed at preventing and responding to terrorism; to the Committee on Foreign Affairs.

By Mr. SCHEUER (for himself, Mr. FRANK, Mrs. LOWEY of New York, Mr. PORTER, Mr. DORNAN of California, Mr. FAZIO, Mr. FROST, Mr. WILSON, Mr. BROWN of California, Mr. HAYES of Illinois, Mr. LIPINSKI, Mr. SANGMEISTER, Mr. DE LA GARZA, Mr. DELLUMS, Mr. SISISKY, Mr. MCMILLEN of Maryland, Mr. COOPER, Mr. ANTHONY, Mr. BILBRAY, Mr. HAWKINS, Mr. CARDIN, Mr. LEWIS of Georgia, Ms. SLAUGHTER of New York, Mr. GRAY, Mr. KILDEE, Mr. PANETTA, Mr. GILMAN, Mr. KYL, Mr. GALLEGLY, Mr. ARMEY, Mr. LAGOMARSINO, Mr. HOCHBRUECKNER, Mr. LEHMAN of Florida, Mr. HEFNER, Mr. NEAL of Massachusetts, Mr. LIGHTFOOT, Mrs. UNSOELD, Mr. ALEXANDER, Mr. KANJORSKI, Mr. ENGLISH, Mr. HANCOCK, Mr. CARPER, Mr. MANTON, Mr. EMERSON, Mr. JONES of Georgia, Mr. PARKER, Mr. ACKERMAN, Mr. VOLKMER, Mr. HARRIS, Ms. KAPTUR, Mr. DARDEN, Mr. MOODY, Mr. HOAGLAND, Mr. FLAKE, Mr. COX, Mr. WYDEN, Mr. SCHIFF, Mr. BERMAN, Mr. SKELTON, Mr. LAUGHLIN, Mr. TALLON, Mr. SYNAR, Mr. JENKINS, Mr. DREIER of California, Mr. WEBER, Mr. STALLINGS, Mr. MAVROULES, Mr. LIVINGSTON, and Mr. CHANDLER):

H. Con. Res. 190. Concurrent resolution expressing the sense of the Congress over the reported murder of Lt. Col. William Higgins and Hezbollah-sponsored terrorism; to the Committee on Foreign Affairs.

By Mr. SCHULZE (for himself, Mr. THOMAS of Georgia, Mr. ROTH, Mr. TANNER, Mr. BROOMFIELD, Mr. CLEMENT, Mr. CLINGER, Mr. GRANT, Mr. HANCOCK, Mr. MCDADE, Mr. QUILLEN, Mr. SHAW, Mr. SMITH of Mississippi, Mr. BUSTAMANTE, Mr. SCHAEFER, Mr. SUNDQUIST, Mr. HASTERT, Mr. RITTER, Mr. LAGOMARSINO, Mr. HATCHER, Mr. POSHARD, Mr. DENNY SMITH, Mr. SHUMWAY, Mr. JONES of Georgia, Mr. MCCRERY, Mr. MURPHY, Mr. WALSH, Mr. PARRIS, Mr. SOLOMON, Mr. DONALD E. LUKENS, and Mr. HORTON):

H. Con. Res. 191. Concurrent resolution calling on all countries which produce high explosives to require that any such explosive produced in that country contain a preblast detection taggant so that the country can truly claim innocence regarding terrorist attacks; to the Committee on Foreign Affairs.

By Mr. SOLOMON:

H. Con. Res. 192. Concurrent resolution expressing the sense of the Congress supporting the Genis family and other Soviet Jewish refuseniks seeking the right to emigrate from the Soviet Union; to the Committee on Foreign Affairs.

By Mr. FAWELL (for himself, Mr. GOSS, Mr. SAXTON, Mr. RITTER, Mr. RHODES, Mr. KOLBE, Mr. SLAUGHTER of Virginia, Mr. WOLF, Mr. ROHRABACHER, Mr. HUNTER, Mr. HASTERT, Mr. KOLTER, Mr. LEWIS of Florida, Mr. BUNNING, Mr. BAKER, Mr. SMITH of New Hampshire, Mr. MADIGAN, Mr. JAMES, Mr. HANSEN, Mr. MCEWEN, Mr. SMITH of Mississippi, Mrs. BENTLEY, Mr. ARMEY, Mr. GINGRICH, Mr. DENNY SMITH, Mrs. MORELLA, Mr. COMBEST, Mr. GRANT, Mr. SCHIFF, Mrs. SAIKI, Mr. BALLENGER, Mr. DANNEMEYER, Mr. SENSENBRENNER, and Mr. COBLE):

H. Res. 231. Resolution to provide for the consideration of the bill (H.R. 2770) to amend title XVIII of the Social Security Act; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

228. By the SPEAKER: Memorial of the Legislature of the State of Oregon, relative to creating a national monument to Japanese-Americans who were interned during World War II; to the Committee on House Administration.

229. Also, memorial of the House of Representatives of the State of Ohio, relative to a commemorative stamp honoring the late John L. Lewis; to the Committee on Post Office and Civil Service.

230. Also, memorial of the Legislature of the State of Ohio, relative to the cleanup of environmental contamination at defense-related facilities of the United States located in Ohio; jointly, to the Committees on Armed Services and Energy and Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CARPER:

H.R. 3213. A bill for the relief of the estate of John F. Schaefer; to the Committee on the Judiciary.

By Mr. MORRISON of Connecticut:

H.R. 3214. A bill for the relief of Bernadette Anne Plaskon; to the Committee on the Judiciary.

H.R. 3215. A bill for the relief of Luis Fernando Bernate Christopher; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 14: Mr. MAZZOLI, Mr. OWENS of Utah, and Mr. GUARINI.

H.R. 23: Mr. RINALDO.

H.R. 39: Mr. HAWKINS and Mr. GORDON.

H.R. 51: Mr. BERMAN, Mr. BUSTAMANTE, Mr. CARPER, Mr. CROCKETT, Mr. DICKS, Mr. DIXON, Mr. DOWNEY, Mr. DYMALLY, Mr. EDWARDS of California, Mr. EVANS, Mr. FLAKE, Mr. HORTON, Mr. KENNEDY, Mr. LEACH of Iowa, Mr. LEWIS of Georgia, Mr. MFUME, Mr. MOODY, Mr. MORRISON of Connecticut, Mr. RANGEL, Mr. ROYBAL, Mr. AUCOIN, Mr. SABO, Mr. STAGGERS, Mr. STOKES, Mr. WOLPE, Mr. GONZALEZ, Mr. SIKORSKI, and Mrs. BOXER.

H.R. 58: Mr. GINGRICH.

H.R. 60: Mr. NIELSON of Utah, Mr. FIELDS, Mr. ROWLAND of Connecticut, Mr. LIGHTFOOT, Mr. SWIFT, Mr. DICKINSON, Mr. SCHAEFER, Mr. HANCOCK, Mr. LEATH of Texas, Mr. SIKORSKI, Mr. THOMAS of Wyoming, Mr. SPENCE, Mr. STENHOLM, Mr. SHAYS, and Mr. MCCOLLUM.

H.R. 63: Mr. LEATH of Texas, Mr. ROHRABACHER, and Mr. WHITTEN.
H.R. 83: Mr. SPRATT.
H.R. 140: Mr. ECKART and Mr. WEISS.
H.R. 169: Mr. PALLONE.
H.R. 173: Mr. ARCHER and Mr. BATEMAN.
H.R. 201: Mr. BORSKI, Mr. SIKORSKI, Mrs. BOXER, and Mrs. MORELLA.
H.R. 211: Mr. BORSKI.
H.R. 215: Mr. OXLEY, Mr. BRYANT, Mr. TOWNS, Ms. KAPTUR, and Mr. MARTIN of New York.
H.R. 222: Mr. BURTON of Indiana.
H.R. 514: Mr. WISE, Mr. STAGGERS, and Mr. HATCHER.
H.R. 540: Mr. MINETA and Mr. GINGRICH.
H.R. 589: Mr. CLAY, Mr. FROST, and Mr. JACOBS.
H.R. 615: Mr. BOEHLERT.
H.R. 694: Mr. HOPKINS, Mr. SANGMEISTER, and Mr. EDWARDS of Oklahoma.
H.R. 718: Mr. PEASE.
H.R. 719: Mr. WOLF, Mr. HANCOCK, Mr. FIELDS, Mr. BALLENGER, and Mr. STENHOLM.
H.R. 746: Mr. YOUNG of Alaska and Mr. HUCKABY.
H.R. 772: Mr. LEATH of Texas and Mr. BRYANT.
H.R. 780: Mr. WISE, Mr. PAYNE of New Jersey, Mr. LEVIN of Michigan, Mr. STOKES, Ms. SLAUGHTER of New York, and Mr. JACOBS.
H.R. 786: Mr. LEWIS of Georgia.
H.R. 796: Mr. KENNEDY, Mr. BOUCHER, Mr. HAYES of Louisiana, Mr. JOHNSTON of Florida, Mrs. BOXER, Mr. LANTOS, Mr. FLORIO, and Mr. SCHIFF.
H.R. 860: Mr. PACKARD.
H.R. 876: Mr. COURTER.
H.R. 911: Mr. FROST, Mr. MARTIN of New York, Mr. THOMAS of California, Mr. CRAIG, and Mr. HORTON.
H.R. 930: Mr. GRAY, Mr. MORRISON of Washington, and Mr. MOAKLEY.
H.R. 931: Mr. MURTHA.
H.R. 956: Mr. BARTLETT.
H.R. 966: Mr. WAXMAN.
H.R. 984: Mr. BURTON of Indiana and Mr. SLATTERY.
H.R. 1024: Mr. SHAYS and Mr. THOMAS of California.
H.R. 1046: Mr. GINGRICH Mr. ARCHER.
H.R. 1055: Mr. GINGRICH and Mr. ROWLAND of Connecticut.
H.R. 1068: Mr. KOSTMAYER, Mr. GILMAN Mr. BORSKI, and Mr. SPRATT.
H.R. 1074: Mr. HAMMERSCHMIDT, Mr. SPENCE, Mr. BOUCHER, and Mr. CALLAHAN.
H.R. 1109: Mr. DENNY SMITH.
H.R. 1136: Mr. CARDIN, Mr. OBERSTAR, Mr. ROWLAND of Connecticut, Mr. EDWARDS of Oklahoma, Mr. HEFNER, Mr. CAMPBELL of Colorado, Mr. WELDON, and Mr. MOAKLEY.
H.R. 1181: Mr. EDWARDS of Oklahoma.
H.R. 1227: Mrs. SAIKI, Mr. BURTON of Indiana, Mr. DICKS, Mr. LAGOMARSINO, and Mr. MCCANDLESS.
H.R. 1235: Mr. DIXON.
H.R. 1268: Mr. MCCURDY, Mr. HALL of Texas, Mr. NAGLE, Mr. PERKINS, Mr. VOLKMER, Mr. STALLINGS, Mr. BROWDER, Mr. COSTELLO, Mr. JOHNSTON of Florida, and Mr. GLICKMAN.
H.R. 1281: Mr. FLORIO.
H.R. 1296: Mr. YOUNG of Alaska, Mr. SCHAEFER, Mr. PALLONE, Mr. HOLLOWAY, and Mr. LAUGHLIN.
H.R. 1356: Mr. BRYANT and Mr. DWYER of New Jersey.
H.R. 1387: Mr. BONIOR.
H.R. 1432: Mrs. MORELLA and Mr. MCDERMOTT.
H.R. 1441: Mr. WISE and Mr. MCNULTY.
H.R. 1470: Mr. AUCOIN.
H.R. 1515: Mr. PALLONE, Mr. JONES of Georgia, Mr. HEFNER, Mr. SMITH of Mississippi, and Mr. HUBBARD.
H.R. 1553: Mr. GONZALEZ, Mr. FIELDS, Mr. BEREUTER, Mr. BOUCHER, Mr. LEATH of Texas, Mr. HUCKABY, Mr. SMITH of Vermont, Mr. HOLLOWAY, Mr. CAMPBELL of California, Mr. SKELTON, Mr. HUBBARD, Mr. CAMPBELL of Colorado, Mr. ROE, Mr. FRENZEL, Mr. GILMAN, Mr. KOLBE, Mr. BALLENGER, Mr. COX, Mr. ROTH, Mr. GIBBONS, Mr. SMITH of Iowa, Mr. CARPER, Mr. LAGOMARSINO, Mr. STANGELAND, Mrs. PATTERSON, Mr. STENHOLM, Mr. WHITTAKER, Mr. ROBERTS, Mr. BARNARD, Mr. PARKER, Mr. SLAUGHTER of Virginia, Mr. FAWELL, Mr. HANCOCK, Mr. TAUKE, Ms. SCHNEIDER, Mr. HUNTER, Mr. MCCOLLUM, Mr. LEWIS of Florida, Mr. GRANT, Mr. FISH, Mrs. SMITH of Nebraska, Mr. PURSELL, Mr. GREEN, Mr. ATKINS, Mr. AUCOIN, Mr. BONIOR, Mr. CARR, Mr. DONNELLY, Mr. ECKART, Mr. FORD of Michigan, Mr. GEPHARDT, Mr. GLICKMAN, Mr. HAYES of Illinois, Mr. JONTZ, Mr. KILDEE, Mr. MAVROULES, Mr. MINETA, Mr. SARPALIUS, Mr. PAYNE of Virginia, Mr. BROWN of California, Mr. COYNE, Mr. HOYER, Mr. WISE, Mr. HOAGLAND, Mr. PRICE, Mr. TORRES, Mr. SIKORSKI, Mr. MOAKLEY, Mrs. LOWEY of New York, Mr. ACKERMAN, Mr. OWENS of Utah, Mr. WOLF, Mr. MARTINEZ, Mr. BRYANT, Mr. LEACH of Iowa, and Mr. DEFAZIO.
H.R. 1565: Mr. THOMAS of California.
H.R. 1586: Mr. FRANK.
H.R. 1599: Mr. HANCOCK.
H.R. 1601: Mr. HANCOCK, Mr. TALLON, Mr. BALLENGER, and Mr. PACKARD.
H.R. 1602: Mr. GEJDENSON and Mr. WALSH.
H.R. 1613: Mr. CLINGER, Mr. BATES, Mr. WATKINS, Mr. SMITH of New Hampshire, Mr. HANCOCK, Mr. BUNNING, and Mr. FAWELL.
H.R. 1632: Mrs. COLLINS and Mr. DOWNEY.
H.R. 1648: Mrs. JOHNSON of Connecticut, Mr. MINETA, Ms. LONG, and Mr. MCMILLAN of North Carolina.
H.R. 1691: Mr. PALLONE, Mr. BATES, Mr. LANTOS, and Mr. FROST.
H.R. 1710: Mr. PAYNE of Virginia.
H.R. 1725: Mr. MARKEY.
H.R. 1730: Mrs. MORELLA.
H.R. 1731: Mr. CLINGER.
H.R. 1746: Mr. RAVENEL, Mr. WALGREN, Mr. RICHARDSON, Mr. LEWIS of Georgia, and Mrs. SAIKI.
H.R. 1863: Mr. HOUGHTON.
H.R. 2025: Mr. BOEHLERT, Mr. DEFAZIO, Mr. AUCOIN, Mr. EVANS, Mr. JONTZ, Mr. KANJORKSI, Mr. STOKES, Mr. FRANK, Mr. BERMAN, Mr. MURTHA, Mr. OBERSTAR, Mr. TORRES, Mr. HOCHBRUECKNER, and Mr. PENNY.
H.R. 2078: Mr. DENNY SMITH.
H.R. 2085: Mr. CONTE, Mr. VALENTINE, and Mr. RHODES.
H.R. 2104: Mr. SKAGGS, Mr. DYMALLY, Mr. WISE, and Mr. BROWN of California.
H.R. 2121: Mr. HUBBARD.
H.R. 2134: Mrs. BOXER, Mr. RINALDO, Mr. KOLTER, Mr. BRUCE, Mr. KILDEE, and Mr. BRYANT.
H.R. 2144: Mr. MAZZOLI and Mr. ROE.
H.R. 2148: Mr. PACKARD AND MR. INHOFE.
H.R. 2158: Mr. DENNY SMITH.
H.R. 2168: Mr. EVANS, Mr. ACKERMAN, Mr. SABO, Mr. SIKORSKI, Mr. MCDERMOTT, Mr. MARKEY, and Mr. EDWARDS of Oklahoma.
H.R. 2186: Mr. EVANS, Mr. ARMEY, and Mr. CLEMENT.
H.R. 2200: Mr. HUTTO.
H.R. 2209: Mr. SUNDQUIST.
H.R. 2222: Mrs. UNSOELD.
H.R. 2259: Mr. THOMAS of Wyoming and Mr. Spence.
H.R. 2265: Mr. BOEHLERT, Mr. WALKER, and Mr. FLORIO.
H.R. 2269: Mr. CAMPBELL of Colorado.
H.R. 2270: Mr. LEWIS of Georgia, Mrs. MEYERS of Kanasas, Mr. FOGLIETTA, Mr. KOLTER, Mr. BROWN of Colorado, Mrs. COLLINS, and Mr. ECKART.
H.R. 2285: Mr. DYMALLY, Mr. IRELAND, and Mr. MCDADE.
H.R. 2302: Mr. PENNY, Mr. MACHTLEY, Mr. WALSH, and Mr. ROWLAND of Connecticut.
H.R. 2303: Mr. PENNY, Mr. WALKER, Mr. KANJORSKI, Mrs. COLLINS, Mr. WALSH, Mr. ROWLAND of Connecticut, and Mr. MORRISON of Connecticut.
H.R. 2323: Mr. OBEY.
H.R. 2348: Mr. HANCOCK, Mr. FALEOMAVAEGA, and Mr. PACKARD.
H.R. 2349: Mr. SCHUETTE.
H.R. 2360: Mr. MCCRERY and Mr. GILMAN.
H.R. 2366: Mr. OWENS of New York and Mr. HERGER.
H.R. 2373: Mr. CAMPBELL of California.
H.R. 2374: Mr. DIXON, Mr. FLORIO, Mr. HORTON, and Mr. FAZIO.
H.R. 2378: Mr. QUILLEN and Mr. WALSH.
H.R. 2380: Mr. ECKART.
H.R. 2388: Mr. BUSTAMANTE, Mr. HUBBARD, Mr. BRUCE, Mr. LANCASTER, Mr. GRANDY, Mr. LEATH of Texas, Mr. RANGEL, and Mr. DEFAZIO.
H.R. 2423: Mr. SWIFT.
H.R. 2437: Mr. JOHNSON of South Dakota, Mr. CHAPMAN, and Mrs. BYRON.
H.R. 2460: Mrs. LLOYD and Mr. MILLER of Washington.
H.R. 2480: Mr. DENNY SMITH.
H.R. 2511: Ms. SNOWE.
H.R. 2522: Mr. HERGER and Mr. GUNDERSON.
H.R. 2525: Mr. NEAL of North Carolina, Mr. TOWNS, Mr. MATSUI, Mr. MORRISON of Connecticut Mr. BONIOR, Ms. SCHNEIDER, Mr. BROWN of California, Mr. SMITH of Florida, Mr. HUGHES, Mr. TORRES, Mr. DYMALLY, Mr. HERTEL, Mr. HAYES of Illinois, Mr. EVANS, and Mr. LIPINSKI.
H.R. 2580: Mrs. BOXER, Mr. DIXON, Mr. FAZIO, Mr. JONTZ, Mr. LEVIN of Michigan, Mr. LEWIS of Georgia, and Mr. MARTINEZ.
H.R. 2584: Mr. FAZIO.
H.R. 2585: Mr. AUCOIN, Mr. OBEY, and Mr. KOSTMAYER.
H.R. 2586: Mr. MCCOLLUM.
H.R. 2589: Mr. HERGER AND Mr. FAWELL.
H.R. 2597: Mr. SKAGGS and Mr. MILLER of Washington.
H.R. 2598: Mr. FUSTER and Mr. SMITH of Vermont.
H.R. 2614: Mr. WALSH, Mrs. BOXER, and Mr. EVANS.
H.R. 2642: Mr. BEVILL.
H.R. 2647: Mr. BEILENSON, Mr. FRANK, Ms. PELOSI, Mr. ROE, Mr. HOCHBRUECKNER, Mr. BORSKI, Mr. SMITH of New Jersey, Mr. MCDERMOTT, Mr. WALSH, Mr. NEAL of Massachusetts, Mr. DWYER of New Jersey, Mrs. COLLINS, Mrs. SAIKI, Mr. ROWLAND of Connecticut, Mr. ECKART, and Mr. SMITH of Florida.
H.R. 2665: Mr. SAWYER, Mr. LEVIN of Michigan, Mrs. LOWEY of New York, and Mr. VENTO.
H.R. 2667: Mr. HAMILTON, Mr. BOSCO, Mr. SKAGGS, Mr. SMITH of Vermont, Mr. ESPY, and Mr. RICHARDSON.
H.R. 2681: Mr. DIXON.
H.R. 2687: Mr. PENNY, Mr. WALKER, Mr. WALSH, Mr. ROWLAND of Connecticut, Mr. KOSTMAYER, Mr. HALL of Ohio, and Mr. WELDON.
H.R. 2699: Mr. WALGREN and Mr. KILDEE.
H.R. 2700: Mr. HASTERT and Mr. MCEWEN.

H.R. 2707: Mr. LAGOMARSINO, Mr. BATES, and Mr. LANCASTER.

H.R. 2708: Mr. SCHAEFER.

H.R. 2711: Mr. SCHAEFER, Mr. DANNEMEYER, and Mr. MORRISON of Washington.

H.R. 2734: Mr. HUGHES Mr. FLORIO, Mr. BOUCHER, Mr. ATKINS, Mr. HORTON, Mr. SMITH of Florida, Mr. HERTEL, Mr. ACKERMAN, Mr. RINALDO, and Mr. JONTZ.

H.R. 2756: Mr. DWYER of New Jersey and Mrs. BOXER.

H.R. 2760: Mr. VISCLOSKY.

H.R. 2761: Mr. LANTOS, Mr. MCHUGH, Mr. INHOFE, Mr. KASICH, Mr. GEJDENSON, Mr. MATSUI, Mr. KASTENMEIER, Mr. HATCHER, Mr. BUNNING, Mr. DIXON, Mr. HUTTON, Mr. SKEEN, Mr. FLORIO, Mr. BORSKI, Mr. JONES of North Carolina, Mr. DENNY SMITH, and Mr. DEFAZIO.

H.R. 2770: Mr. SENSENBRENNER and Mr. COBLE.

H.R. 2801: Mr. WALSH.

H.R. 2813: Mr. PENNY, Mr. NEAL of North Carolina, and Mr. WALSH.

H.R. 2836: Mr. SYNAR and Mr. SCHAEFER.

H.R. 2838: Mr. BILIRAKIS and Mr. IRELAND.

H.R. 2852: Mr. FAUNTROY, Mr. HOCHBRUECKNER, Mr. ACKERMAN, Mr. DWYER of New Jersey, Mr. DYMALLY, Mrs. BOXER, Mr. OWENS of New York, Mr. LEWIS of Georgia, Mr. MORRISON of Connecticut, Mr. EVANS, Mr. STUDDS, and Mr. FAZIO.

H.R. 2856: Mr. TOWNS, Mr. WALSH, Mr. ROGERS, Mr. MADIGAN, Mrs. COLLINS, Mr. SMITH of Mississippi, Mr. KENNEDY, Mr. DWYER of New Jersey, Mr. BILBRAY, Mr. GREEN, Mr. KOLTER, Mr. CAMPBELL of Colorado, Mr. OWENS of New York, Mr. LANCASTER, Mr. DE LUGO, Mrs. BENTLEY, Mr. EMERSON, Mr. FISH, Mr. GARCIA, Mr. BUSTAMANTE, Mr. GOODLING, Mr. WHITTAKER, and Mr. MCEWEN.

H.R. 2857: Mr. TOWNS, Mr. WALSH, Mr. ROGERS, Mr. MADIGAN, Mrs. COLLINS, Mr. SMITH of Mississippi, Mr. KENNEDY, Mr. DWYER of New Jersey, Mr. BILBRAY, Mr. GREEN, Mr. KOLTER, Mr. CAMPBELL of Colorado, Mr. OWENS of New York, Mr. LANCASTER, Mr. DE LUGO, Mrs. BENTLEY, Mr. EMERSON, Mr. FISH, Mr. GARCIA, Mr. BUSTAMANTE, Mr. GOODLING, Mr. WHITTAKER, and Mr. MCEWEN.

H.R. 2867: Mr. OWENS of Utah.

H.R. 2870: Mr. CONTE.

H.R. 2926: Mr. SCHEUER Mr. BOEHLERT, Mr. LIPINSKI, Mr. MORRISON of Connecticut, Mr. RAVENEL, Mr. SAXTON, Mr. WILSON, Mr. DYMALLY, Mr. FASCELL, Mr. BROWN of California, Mr. TRAFICANT, Mr. TRAXLER, Mr. BRYANT, Mr. ECKART, Mr. STARK, Mr. HOCHBRUECKNER, Mr. EDWARDS of California, Mr. JACOBS, Mr. LEVIN of Michigan, Mr. LEHMAN of Florida, Mr. DEFAZIO, Mr. MATSUI, Mr. DIXON, Mr. CARPER, Mrs. SAIKI, and Mr. ROWLAND of Connecticut.

H.R. 2929: Mr. FAUNTROY.

H.R. 2932: Mr. HATCHER, Mr. THOMAS of Georgia, Mr. DONALD E. LUKENS, Mr. WHITTAKER, Mr. RITTER, and Mr. DORNAN of California.

H.R. 2936: Mr. HERGER and Mr. WALSH.

H.R. 2945: Mr. SHAW, Mr. SMITH of Florida, and Mr. JAMES.

H.R. 2948: Mrs. MEYERS of Kansas, Mr. LEWIS of Georgia, and Mr. DWYER of New Jersey.

H.R. 2954: Mr. MARTINEZ.

H.R. 2958: Mr. RICHARDSON and Mr. DENNY SMITH.

H.R. 2966: Mr. MARTINEZ, Mrs. MARTIN of Illinois, Mr. HORTON, Mr. GINGRICH, Mrs. COLLINS, Mr. BILBRAY, Mr. WISE, Mr. TOWNS, Mr. ACKERMAN, Mr. ROE, and Mr. LANCASTER.

H.R. 2979: Mr. BUSTAMANTE, Ms. PELOSI, and Mr. WALSH.

H.R. 2993: Mr. ROBERTS.

H.R. 2995: Mr. LEVINE of California.

H.R. 2996: Ms. PELOSI.

H.R. 3005: Mr. MACHTLEY, Mr. ACKERMAN, Mrs. LOWEY of New York, Mr. WAXMAN, Mr. FROST, Mr. CARR, Mr. SIKORSKI, Mr. GREEN, Mr. GILMAN, Mr. DOUGLAS, Mr. WEBER, and Mr. WEISS.

H.R. 3009: Ms. KAPTUR and Mr. KILDEE.

H.R. 3017: Mr. ECKART and Mr. FAZIO.

H.R. 3028: Mr. PRICE.

H.R. 3030: Mr. TANNER, Mr. SCHIFF, and Mrs. BYRON.

H.R. 3037: Mr. FROST and Mr. KILDEE.

H.R. 3053: Mr. BUSTAMANTE, Ms. PELOSI, Mr. RANGEL, and Mr. TOWNS.

H.R. 3056: Mr. BATES, Mr. BERMAN, Mr. BONIOR, Mr. BORSKI, Mr. BOSCO, Mrs. BOXER, Mr. BRUCE, Mr. BUSTAMANTE, Mrs. COLLINS, Mr. CROCKETT, Mr. DANNEMEYER, Mr. DOUGLAS, Mr. DYSON, Mr. EVANS, Mr. FASCELL, Mr. FAUNTROY, Mr. FAZIO, Mr. FLAKE, Mr. FOGLIETTA, Mr. FROST, Mr. GREEN, Mr. HAMMERSCHMIDT, Mr. HANSEN, Mr. HERTEL, Mr. HORTON, Ms. KAPTUR, Mr. KILDEE, Mr. KOLBE, Mr. LAGOMARSINO, Mr. LEHMAN of Florida, Mr. LEWIS of California, Mr. MCGRATH, Mr. MCNULTY, Mr. MARLENEE, Mr. OXLEY, Mr. PALLONE, Mr. POSHARD, Mr. RAVENEL, Mr. REGULA, Mr. ROGERS, Mr. SCHIFF, Mr. SISISKY, Mr. SLATTERY, Mr. SLAUGHTER of Virginia, Mr. SMITH of Vermont, Mr. SOLARZ, Mr. TORRES, Mrs. UNSOELD, Mr. VALENTINE, Mr. WHITTEN, and Mr. WISE.

H.R. 3068: Mr. KYL and Mr. WHITTAKER.

H.R. 3071: Mrs. SAIKI and Mr. VALENTINE.

H.R. 3073: Mr. WHITTAKER, Mr. HERGER, Mr. EDWARDS of Oklahoma, Mr. MICHEL, Mr. GALLO, Mr. GREEN, Mr. VANDER JAGT, Mr. SPENCE, Mr. HASTERT, Mr. SUNDQUIST, Mr. FRENZEL, and Mr. MCCOLLUM.

H.R. 3093: Mr. NOWAK, Mr. CARPER, Mr. WHEAT, Mr. TALLON, and Mr. SAWYER.

H.R. 3101: Mr. BARTLETT and Mr. RHODES.

H.J. Res. 95: Mrs. BENTLEY, Mr. CARPER, Mr. DWYER of New Jersey, Mr. EARLY, Mr. FRENZEL, Mr. GARCIA, Mr. HEFNER, Mr. LEVINE of California, Mr. MCCOLLUM, Mr. MILLER of California, Mrs. MORELLA, Mr. NATCHER, Mr. MAVROULES, Mr. SMITH of Florida, and Mr. YOUNG of Alaska.

H.J. Res. 104: Mr. WISE, Mr. LENT, Mr. DINGELL, Mr. DENNY SMITH, Mr. HAYES of Louisiana, Mr. MORRISON of Connecticut, Mr. MILLER of Washington, Mr. ROTH, Mr. HUCKABY, and Mr. MCCOLLUM.

H.J. Res. 106: Mr. WILLIAMS, Mr. MILLER of Ohio, Mr. HARRIS, Mrs. BOXER, Mr. PORTER, Mr. KASICH, Mr. OXLEY, Mr. TOWNS, Mr. LEVIN of Michigan, Mr. WALSH, Mr. LANCASTER, Mr. ROBERTS, Mr. ROYBAL, Mr. SABO, Ms. KAPTUR, Mr. GARCIA, Mr. FUSTER, Mr. DICKS, Mr. CONTE, Mr. CARPER, Mr. CAMPBELL of Colorado, Mr. CAMPBELL of California, Mr. BERMAN, Mr. OWENS of New York, Mr. MURPHY, Mr. MCDADE, Mr. WALGREN, and Mr. WATKINS.

H.J. Res. 125: Mr. HEFLEY.

H.J. Res. 126: Mr. FEIGHAN, Mr. MCNUTLY, Mr. LIVINGSTON, Mr. JOHNSON of South Dakota, Mr. ACKERMAN, Mr. GILLMOR, Mr. TORRICELLI, and Mr. MORRISON of Connecticut.

H.J. Res. 133: Mr. ASPIN, Mr. CARPER, Mr. ESPY, Mr. FISH, Mr. GEJDENSON, Mr. GREEN, Mr. HUTTO, Mr. JACOBS, Mr. MAVROULES, Mrs. MEYERS of Kansas, Mr. MORRISON of Connecticut, Mr. ROBINSON, Mr. ROWLAND of Georgia, Mr. SAVAGE, Mr. SHAYS, Mr. SMITH of Florida, Mr. SOLOMON, Mr. STALLINGS, and Mr. WEISS.

H.J. Res. 151: Mr. PANETTA, Mr. CLEMENT, and Mr. EDWARDS of Oklahoma.

H.J. Res. 163: Mrs. MORELLA, Mr. ORTIZ, Mr. BRUCE, Mr. COBLE, and Mr. DUNCAN.

H.J. Res. 164: Mr. STALLINGS.

H.J. Res. 204: Mr. COBLE, Mr. COLEMAN of Texas, Mr. DARDEN, Mr. FLAKE, Mr. FROST, Mr. GRADISON, Mr. HUBBARD, Mr. LOWERY of California, Mr. DONALD E. LUKENS, Mr. OXLEY, Mr. PARRIS, Mr. ROSE, Mr. SKELTON, Mr. CARPER, Mr. FLIPPO, Mr. GEKAS, Mr. GORDON, Mr. HERTEL, Mr. KANJORSKI, Mr. STOKES, Mr. SYNAR, and Mrs. JOHNSON of Connecticut.

H.J. Res. 206: Mr. CHAPMAN, Mr. WOLF, and Mr. DWYER of New Jersey.

H.J. Res. 217: Mrs. ROUKEMA, Mr. PORTER, Mr. RHODES, Mr. NIELSON of Utah, Mr. SLAUGHTER of Virginia, Mr. DAVIS, Mrs. SAIKI, Mr. STANGELAND, Mr. QUILLEN, Mr. DORNAN of California, Mr. COX, Mr. GOSS, Mr. LEVIN of Michigan, Mr. LANTOS, and Mr. BONIOR.

H.J. Res. 230: Mrs. MARTIN of Illinois, Mr. ARCHER, Mr. FROST, Mr. SHAW, Mr. SOLOMON, Mr. PALLONE, Mr. HANCOCK, Mr. DICKINSON, Mr. MOORHEAD, Mr. DINGELL, and Mr. BONIOR.

H.J. Res. 248: Mr. BORSKI, Mr. CARDIN, Mr. COOPER, Mr. FEIGHAN, Mr. HARRIS, Mr. JONES of Georgia, Mr. MCCLOSKEY, Mr. MCMILLEN of Maryland, and Mr. SYNAR.

H.J. Res. 255: Mr. DELAY.

H.J. Res. 257: Mr. LELAND, Mr. WISE, Mr. ESPY, Mr. FLAKE, and Ms. OAKAR.

H.J. Res. 278: Mr. BUNNING.

H.J. Res. 291: Mr. EMERSON.

H.J. Res. 317: Mr. RAVENEL, Mr. SAXTON, Mr. LEATH of Texas, Mr. DARDEN, Mr. SPENCE, Mr. BARNARD, Mr. HUCKABY, Mr. DANNEMEYER, Mr. PAXON, Mr. GALLEGLY, Mr. HUTTO, Mr. LAGOMARSINO, Ms. LONG, Mr. SCHUETTE, Mr. HANSEN, Mr. HARRIS, Mr. PARKER, and Mr. HORTON.

H.J. Res. 354: Mr. BUSTAMANTE, Mr. DARDEN, Mr. EARLY, Mr. ANNUNZIO, Mr. CARDIN, Mr. EVANS, Mr. LAFALCE, Mr. BONIOR, Mr. JONES of Georgia, Mrs. LOWEY of New York, Mr. FRANK, and Mr. JENKINS.

H.J. Res. 361: Mr. DINGELL, Mr. RANGEL, Mr. BERMAN, Mr. HOCHBRUECKNER, Ms. RAHALL, Mr. KAPTUR, Mr. FAZIO, Mr. HORTON, Mr. DE LUGO, and Mr. EVANS.

H.J. Res. 369: Mr. MCEWEN, Mr. SCHIFF, Mrs. BENTLEY, Mrs. LOWEY of New York, Mr. SMITH of Florida, Mr. BROWN of California, and Mr. REGULA.

H.J. Res. 371: Mr. BURTON of Indiana, Mrs. COLLINS, Mr. CONYERS, Mr. DEWINE, Mr. DYMALLY, Mr. ENGEL, Mr. ESPY, Mr. FAUNTROY, Mr. FAZIO, Mr. FOGLIETTA, Mr. FROST, Mr. FUSTER, Mr. HAWKINS, Mr. HAYES of Illinois, Mr. HORTON, Mr. HOYER, Mr. KOLTER, Mr. LEHMAN of California, Mr. LEWIS of Georgia, Mr. MCNULTY, Mr. MRAZEK, Mr. MURPHY, Mr. OLIN, Mr. RANGEL, Mr. SMITH of Florida, Mr. STOKES, and Mr. TOWNS.

H.J. Res. 372: Mr. DORNAN of California.

H.J. Res. 373: Mr. AKAKA, Mr. ATKINS, Mr. BORSKI, Mr. CALLAHAN, Mr. CHANDLER, Mr. COBLE, Mr. COSTELLO, Mr. DARDEN, Mr. DE LUGO, Mr. DERRICK, Mr. DICKS, Mr. DONNELLY, Mr. DORNAN of California, Mr. EMERSON, Mr. FIELDS, Mr. FOGLIETTA, Mr. FUSTER, Mr. GALLO, Mr. GUARINI, Mr. GORDON, Mr. ROE, Mr. GARCIA, Mr. HALL of Texas, Mr. HAMMERSCHMIDT, Mr. HASTERT, Mr. HORTON, Mr. HUNTER, Mr. INHOFE, Mr. IRELAND, Mr. JONES of North Carolina, Mr. KOSTMAYER, Mr. LANCASTER, Mr. LIPINSKI, Mr. PAXON, Mr. SHUMWAY, Mr. TALLON, Mr. TOWNS, Mr. TRAFICANT, Mr. TRAXLER, Mr. WALSH, and Mr. WILSON.

H.J. Res. 378: Mr. FAUNTROY, Mr. DYMALLY, Mr. HORTON, Mr. ESPY, Mr. DWYER of New Jersey, Mr. SMITH of Florida, Mr. MANTON, Mr. WOLPE, and Mr. ROE.

H.J. Res. 380: Mr. RANGEL and Mr. EVANS.

H.J. Res. 381: Mr. COSTELLO, Mr. DARDEN, Mr. DINGELL, Mr. EMERSON, Mr. FAUNTROY, Mr. GILMAN, Mr. HAYES of Louisiana, Mr. JONES of Georgia, Mr. KILDEE, Mr. LANCASTER, Mr. LANTOS, Mr. LEVIN of Michigan, Mr. LIGHTFOOT, Mr. NIELSON of Utah, Mr. OLIN, Mr. ROE, Mr. SKELTON, Mr. SMITH of Mississippi, Mr. WEBER, and Mr. WOLPE.

H. Con. Res. 41: Mr. LEWIS of Georgia and Mr. ROE.

H. Con. Res. 66: Mrs. BOXER.

H. Con. Res. 89: Mr. AKAKA and Mr. DENNY SMITH.

H. Con. Res. 123: Mr. BRENNAN, Mr. STAGGERS, Mr. TORRES, Mr. FLORIO, Mr. STENHOLM, Mr. NEAL of North Carolina, Mr. MAZZOLI, Mr. DYSON, Ms. SNOWE, Mrs. JOHNSON of Connecticut, Mr. WYLIE, Mr. GEJDENSON, and Mr. AKAKA.

H. Con. Res. 140: Mr. WISE.

H. Con. Res. 149: Mr. FOLEY, Mr. SIKORSKI, Mr. WISE, Mr. KASTENMEIER, Mr. WALGREN, Mr. FOGLIETTA, Mr. MCDADE, Mrs. SAIKI, Mr. SMITH of Florida, Mr. PICKLE, Mr. BRYANT, Mr. LENT, Mr. ANNUNZIO, Mr. MARKEY, Mr. CLAY, Mr. DURBIN, Mr. BATES, Mr. ERDREICH, Mr. ROYBAL, Mr. HAWKINS, Mr. LIVINGSTON, Mr. VANDER JAGT, Mr. CLEMENT, Mr. HATCHER, Mr. PICKETT, Mr. GONZALEZ, Mr. FORD of Michigan, and Mr. WHITTEN.

H. Con. Res. 151: Mr. CARDIN, Mr. CARPER, Mr. COLEMAN of Texas, Mr. CONTE, Mr. COSTELLO, Mr. DEFAZIO, Mr. DIXON, Mr. DYMALLY, Mr. GILMAN, Mr. GORDON, Mr. HERGER, Ms. KAPTUR, Mr. LANTOS, Mr. LEWIS of Georgia, Mrs. LLOYD, Mr. MCDERMOTT, Mr. MACHTLEY, Mr. MFUME, Mr. NOWAK, Mr. OWENS of New York, Mr. PARKER, Mr. PAYNE of New Jersey, Mr. SPENCE, Mr. WALGREN, Mr. WALSH, Mr. WISE, and Mr. WYDEN.

H. Con. Res. 161: Mr. MARTIN of New York.

H. Con. Res. 162: Mr. RAY and Mr. SLATTERY.

H. Con. Res. 175: Mr. EVANS, Mr. PENNY, Mr. GARCIA, Mr. HOCHBRUECKNER, Mr. MORRISON of Connecticut, Mr. POSHARD, Mr. WOLPE, Mr. SABO, Mr. MCDERMOTT, Mr. THOMAS of Georgia, and Mr. ROWLAND of Connecticut.

H. Res. 115: Mr. SMITH of Mississippi.

H. Res. 172: Mr. MORRISON of Washington and Mr. PACKARD.

H. Res. 193: Mr. DE LUGO, Mr. JONTZ, Mr. LANCASTER, Mr. YATES, Mr. SMITH of Mississippi, Mr. EVANS, Mr. TAUZIN, Mrs. LOWEY of New York, Mr. BRYANT, Mr. FROST, Mr. HOUGHTON, Mr. TRAFICANT, Mr. LEHMAN of California, Mr. GILMAN, Mr. LEVINE of California, Mr. ENGEL, Mr. ECKART, Mr. SOLARZ, Mr. BOSCO, Mr. BROOMFIELD, Mr. HORTON, Mrs. SAIKI, Mr. MATSUI, and Mr. TALLON.

H. Res. 206: Mrs. BOXER, Mrs. COLLINS, Mr. LANCASTER, Mr. RANGEL, Mr. SCHEUER, Mr. TRAFICANT, Mr. FAUNTROY, Mr. PAXON, and Mr. TOWNS.

H. Res. 216: Mr. ARMEY.

H. Res. 218: Mr. FLIPPO, Mr. BEVILL, Mr. MOODY, Mr. LANTOS, Mr. ARCHER, Mr. RANGEL, Mr. DE LA GARZA, Mr. HOYER, Mr. GREEN, Mr. BOEHLERT, Mrs. MORELLA, Mr. LAGOMARSINO, Mr. SPRATT, Mr. KASICH, Mr. WHEAT, Mr. GINGRICH, Mr. WALSH, Mr. SAXTON, Mr. CALLAHAN, Mr. ROE, Mrs. BOXER, Mr. TOWNS, Mr. TRAXLER, Mr. HORTON, Mr. FAZIO, Mr. MILLER of Washington, Mrs. COLLINS, Mr. JENKINS, Mr. WAXMAN, Mr. SCHAEFER, and Mr. SCHUETTE.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2403: Mr. SPRATT.

PETITIONS, ETC.

Under clause 1 of rule XXII.

81. The SPEAKER presented a petition of the City Council of Lauderhill, FL, relative to offshore drilling and mining; which was referred to the Committee on Interior and Insular Affairs.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS

The following registrations were submitted for the second calendar quarter 1989:

(NOTE.—The form used for reporting is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.....

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
	(Mark one square only)			

Is this an Amendment? ☐ YES ☐ NO

IDENTIFICATION NUMBER

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee".*—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer".*—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have ☐ terminated, place an "X" in the box at the left so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."

STATEMENT OF VERIFICATION

[Omitted in printing]

Organization or Individual Filing	Employer/Client
Luis Acle Jr., 818 Connecticut Avenue, NW, #201 Washington, DC 20006	Barnaby Zall, Law Offices of (For:U.S. English)
Akin Gump Strauss Hauer & Feld, 1333 New Hampshire Ave., NW, #400 Washington, DC 20036	A.E. Staley Manufacturing
Do	Boone Co
Do	Citizens & Southern Corp
Do	Industrial Indemnity Financial Corp
Do	R. Lacey Inc
Do	Sara Lee Corporation
Do	Texas National Research Laboratory Commission
Do	Textron Inc
Do	Union Carbide Corporation
Do	United Gas Pipe Line
Alagia Day Marshall Mintmire & Chauvin, 1000 Thomas Jefferson St., NW, #600 Washington, DC 20007	Duke Power Company
Do	Enserch Corp
Do	Northern Indiana Public Service Co
Do	Sierra Pacific Industries, Inc
Do	Superior National Insurance Group
Do	Texas Oil & Gas Corp
Albanian American Civic League, 1220 19th Street, NW, #400 Washington, DC 20036	
Donald C. Alexander, 1333 New Hampshire Ave., NW Washington, DC 20036	Cadwalader Wickersham & Taft (For:Bechtel Investments, Inc)
Alexander & Associates, Inc, 400 C Street, NE Washington, DC 20002	Investment Company Institute
Laura L. Allendorf, 1101 Vermont Avenue, NW Washington, DC 20005	American Society of Internal Medicine
Susan E. Alvarado, 1440 New York Ave., NW, #320 Washington, DC 20005	Capital Legislative Services (For:Glaxo Inc)
Do	Capital Legislative Services (For:National Environmental Development Assn)
American Life Lobby, Inc, P.O. Box 490 Stafford, VA 22554	
Morris J. Amitay, P.C., 444 N. Capitol Street, NW, #712 Washington, DC 20001	ITT/Gilfillan
Eiji Amito, 955 L'Enfant Plaza, SW, #5300 Washington, DC 20024	American Honda Motor Co, Inc
Paul S. Anderson, 200 West Adams Street, #2625 Chicago, IL 60606	Sonnenberg Anderson O'Donnell & Rodriguez (For:Silvestri Corp)
Andrews & Kurth, 1701 Pennsylvania Avenue, NW, #200 Washington, DC 20006	Secondary Lead Smelters Assn, Inc
Andrews' Associates, Inc, 2550 M St., NW, #450 Washington, DC 20037	Royal Trusto Ltd
Thomas D. Anthony, 1900 Carew Tower Cincinnati, OH 45202	Comprehensive Medical Imaging of Kentucky, Inc
Do	Louisville Imaging Services, Inc
Do	Western Hills Imaging Center, Inc
Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Ave., NW Washington, DC 20036-5339	American Assn of Bioanalysts
Do	
Do	Association of Professeional Flight Attendants
Do	California Steel Industries, Inc
Do	City of San Diego
Do	Mercy Hospital of Des Moines, Iowa
Do	National Nutrition Coalition
Do	Salem Medical Laboratory, Ltd
Argyle & Associates, 1117 G Street, SE Washington, DC 20003	Ford Motor Co
Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036	Jay P. Altmayer
Do	Avis, Inc
Do	Board of Estimate
Aylward & Finchem, 888 17th Street, NW, 12th Floor Washington, DC 20006	Omak Wood Products Co
Do	Unimar International, Inc
APCO Associates, 1155 21st Street, NW, #1000 Washington, DC 20036	J.P. Altmayer
Do	American Indian Trade Development Council
Do	City Utilities of Springfield
Do	Heart of America Northwest
Do	Honeywell, Inc
Edward J. Babbitt, 400 Broadway Cincinnati, OH 45202	Western-Southern Life Insurance Co
Gregory R. Babyak, 1747 Pennsylvania Ave., NW Washington, DC 20006	Municipal Finance Industry Assn
Do	John Nuveen & Co, Inc
David Baime, 122 C Street, NW, #750 Washington, DC 20001	National Ass'n of Independent Colleges & Universities
James A. Baker IV, 555 13th Street, NW, #500 East Washington, DC 20004	Baker & Botts (For:Cabot Corp)
Do	Baker & Botts (For:Sonat, Inc)
Baker & Botts, 555 13th Street, NW, #500 East Washington, DC 20004	Rhone-Poulec
Baker & Hostetler, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	Committee on Problems of Drug Dependence (CPDD)
Do	Elyria Memorial Hospital & Medical Center
Do	Hermann Hospital
Do	INVACARE Corporation
Do	Lorain Community Hospital
Do	St Joseph Hospital & Health Center
Baker Worthington Crossley Stansberry & Woolf, 1001 Pennsylvania Ave., NW #1201 Washington, DC 20004	Contel Corporation
Do	Day & Zimmerman, Inc
Do	International Barrier Corp
Do	Lawler/Wood, Inc
Do	National Corporation for Housing Partnerships
Do	National Label Co., Inc
Stanley W. Balis, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))
William L. Ball III, 1101 16th Street, NW Washington, DC 20036	National Soft Drink Assn
Ball Janik & Novack, 601 Pennsylvania Ave., NW, 9th Floor Washington, DC 20004	City of Portland, Oregon
Do	Oregon Graduate Center
Do	Riedel Environmental Services
Do	Section 8 Housing Group
Barbara A. Bankoff, 3733 Yuma Street, NW Washington, DC 20016	Eli Lilly & Co
Haley R. Barbour, P.O.Box 960 Yazoo City, MS 39194	Americans Against Unfair Gas Taxes
William J. Barloon, 1875 Eye Street, NW, #1250 Washington, DC 20006	United Telecommunications, Inc
Michael D. Barnes, 1050 Connecticut Avenue, NW Washington, DC 20036	Arent Fox Kintner Plotkin & Kahn (For:American Consulting Engineers Council)
Do	Arent Fox Kintner Plotkin and Kahn (For:Temistocles Ramirez De Arellano)
Thomas S. Barrett, 1815 H Street, NW, #600 Washington, DC 20006	Public Resource Associates
Anthony R. Battista, 1307 Duke Street Alexandria, VA 22314	ITT Defense
Lori Baux, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Gas Taxes
Michael Joseph Bayer, 1025 Connecticut Ave., NW, #404 Washington, DC 20036	Panhandle Eastern Corp
Robert G. Beckel, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Taxes
Stacey Beckhardt, 1625 I Street, NW, #911 Washington, DC 20006	Consortium of Social Science Assn
C. Jonathan Benner, 1401 New York Ave., NW, #740 Washington, DC 20005	Haight Gardner Poor & Havens (For:Guam Rate Agreement)
Hu A. Benton, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Ranieri Wilson & Co, Inc)
Douglas L. Berger, 1333 F Street, NW, #710 Washington, DC 20004-1108	Third Class Mail Assn
William Berger, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange
Bergner Boyette & Bockorny, Inc, 1016 16th Street, NW, #700 Washington, DC 20036	Forum Group, Inc
Peter M. Berkery Jr., 1010 N. Fairfax Street Alexandria, VA 22314	National Society of Public Accountants
George K. Bernstein, 1730 K St., NW Washington, DC 20006	Jauch & Hubener, O.H.G.
Do	Nationwide Insurance Companies
Michael J. Bertelsen, 453 New Jersey Ave., SE Washington, DC 20003	Perkinson & Associates, Inc (For:Alliance for America's Homeowner)
Do	Perkinson & Associates, Inc (For:Beneficial Management Corp)
Do	Perkinson & Associates, Inc (For:National Second Mortgage Assn)
Margot Bester, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:Prodigy Services Corporation)
Gerald M. Bestler, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	BMC Industries, Inc
Sander M. Bieber, 1500 K Street, NW Washington, DC 20005	Dechert Price & Rhoads (For:Ryland Acceptance Advisers, Inc)
Gregory J. Bien, 714 Capitol Federal Building Topeka, KS 66603	Slone Listrom Eisesnbarth Sloan & Glassman (For:Kansas Bankers Surety)
Birch Horton Bittner and Cherot, 1155 Connecticut Ave., NW, #1200 Washington, DC 20036	Chugach Alaska Corp
Do	City of Cordova
Do	Grand Targhee Ski Resort
Do	Security Pacific Bank of Alaska
Do	Stebbins-Ambler Air Transport
McNair Bishop, 1725 k Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc
Bishop Cook Purcell & Reynolds, 1400 L Street, NW, #1000 Washington, DC 20005-3502	Center of Industries of the State of San Paulo (CIESP)
Do	CompuServe Incorporated
Do	Government of the US Virgin Islands
Do	Milk Industry Foundation/Internat'l Ice Cream Manufacturers
Do	Population Services International

Organization or Individual Filing	Employer/Client
Black Crotty Sims Hubka Burnett & Samuels, 501 North Grandview Ave. P.O. Box 5488 Daytona Beach, FL 32018	Security First Federal Savings & Loan Assn
Black Manafort Stone & Kelly, P.C., 211 North Union Street, #300 Alexandria, VA 22314	Casino Association of New Jersey
Do	Circle K Corporation
Do	Edison Electric Institute
Do	Home Intensive Care
Do	Large Public Power Council
Do	Partnership for Improved Air Travel
Do	Republic of Kenya
Do	Somali Democratic Republic
Do	South Carolina Economic Development Board
Do	Union for National Action
Julia M. Blankenship, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute
Patricia Blood, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters
Douglas M. Bloomfield, 13712 Wagon Way Silver Spring, MD 20906	VanKloberg & Associates, Ltd (For:Government of Zaire)
Charles H. Blum, 1238 Wisconsin Ave., NW, #204 Washington, DC 20007	International Advisory Services Group, Ltd (For:Steel Service Center Institute)
Michael J. Bolen, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc
Bond Donatelli, Inc, 211 North Union Street, #210 Alexandria, VA 22314	FMC Corporation
Do	Grumman Corporation
Do	Tuscaloosa Steel Corp
Claude P. Boudrias, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn
M. Kenneth Bowler, 1455 Pennsylvania Ave., NW Washington, DC 20004	Pfizer, Inc
Bracewell & Patterson, 2000 K St., NW, #500 Washington, DC 20006	Centex Corporation
Bracy Williams & Company, 1000 Connecticut Avenue, NW, #304 Washington, DC 20036	American Home Satellite Association
Do	Batman Corporation
Do	Rocky Company (For:Daishowa America Co Ltd.)
Do	Fieldstone Co
Do	Millicom, Inc
Martha Braddock, 6808 Hathaway Street Springfield, VA 22152	Electronic Data Systems Corp
Brand & Lowell, 923 15th Street, NW, Fifth Fl. Washington, DC 20005	Seafarers International Union
Bregman Abell & Kay, 1156 15th St., NW, #1212 Washington, DC 20005	Car Rental Coalition
David Bronheim, 1300 Crystal Drive Arlington, VA 22202	CASA, USA
Virginia Brown, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Castine Partners)
Do	Citicorp Mortgage Finance, Inc
Do	Thacher Profitt & Wood (For:Federal Home Loan Mortgage Corp)
Do	Thacher Proffitt & Wood (For:General Electric Mortgage Insurance Cos)
Do	Thacher Proffitt & Wood (For:Standard Federal Savings & Loan)
Clarence J. Brown and Co., Inc, 1101 Connecticut Avenue, NW, #1000 Washington, DC 20036	BHC, Inc
Do	Chris-Craft Industries, Inc
Do	United Television, Inc
Brownstein Hyatt Farber & Madden, 410 17th Street, 22nd Floor Denver, CO 80202	Hertz Corporation
Thomas P. Bruderle, 4630 Montgomery Ave. Bethesda, MD 20814	American Society of Hospital Pharmacists
Susan Buck, 1850 M Street, NW Washington, DC 20036	US Sprint Communications Company, LP
Virginia M. Buckhold, 1722 Eye Street, NW Washington, DC 20006	Sidley & Austin (For:Commerce Clearing House)
Jeremiah S. Buckley, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Citicorp Mortgage Finance, Inc.)
Do	Thacher Proffitt & Wood (For:Massachusetts Bankers Assn)
J. Bruce Bugg Jr., 660 N. Main Ave., #350 San Antonio, TX 78205	J. Bruce Bugg, Jr., P.C. (For:Karnes Savings and Loan Assn)
Thomas J. Bulger, Government Relations, Inc 1620 Eye Street, NW, #300 Washington, DC 20006	County of Fairfax
Do	Metropolitan Transportation Commission
Do	Oakland County
T. Scott Bunton, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp
Burgum and Grimm, Ltd, 106 North Carolina Ave., SE Washington, DC 20003	Newman Signs, Inc
Burson-Marsteller, 1850 M Street, NW, #900 Washington, DC 20036	Pan American World Airways
James J. Butera, 4901 Quebec Street, NW Washington, DC 20016	New Jersey Council of Savings Institutions
Do	River Bank America
Do	Security Savings & Loan
Do	Wilmington Savings Fund Society
BZS Capitol Strategies, LP, 1401 New York Ave., NW, #900 Washington, DC 20005	Commuter Transportation Services, Inc
John R. Cady, 1401 New York Avenue, NW, #400 Washington, DC 20005	National Food Processors Assn
Thomas Cain, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Gas Taxes
Bonnie Caldwell, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn
Antonio J. Califa, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union
Arthur E. Cameron, 1111 14th Street, NW, #1001 Washington, DC 20005	National Greyhound Assn
Do	Potters Industries, Inc
Camp Barsh Bates & Tate, 2550 M St., NW, #275 Washington, DC 20037	Advance Petroleum Inc
Do	Cleveland Clinic Foundation
Do	Columbia Gas Systems
Do	K-Mart Corp
Do	SMS, Inc
Anne D. Campbell, 3050 K Street, NW, #330 Washington, DC 20007	Campbell Falk & Selby (For:Commonwealth of Puerto Rico)
John G. Campbell, 1111 Jefferson Davis Highway, # 508 Arlington, VA 22202	John G. Campbell, Inc (For:ARCO Power Technologies, Inc)
Do	John G. Campbell, Inc (For:3M Company)
Campbell Falk & Selby, 3050 K Street, NW, #330 Washington, DC 20007	Commonwealth of Puerto Rico
Robert P. Canavan, 701 N Fairfax Street Alexandria, VA 22314-7807	United Way of America
Robert E. Capel Jr., 1111 14th St., NW, #500 Washington, DC 20005	
Capitol Associates, Inc, 426 C Street, NE Washington, DC 20002	America Society of Tropical Medicine and Hygiene
Do	Carnation Co
Do	Citizen's for the Treatment of High Blood Pressure
Do	FDA Council
Do	National Center for Health Education
Do	National Coalition for Cancer Research
Do	University of Alabama
Caplin & Drysdale, Chtd, One Thomas Circle, NW, #1100 Washington, DC 20005	Wisconsin Alumni Research Foundation (WARF)
Gerald P. Carmen, 1667 K St., NW, #777 Washington, DC 20006	Financial Institution Services Corp (For:Northeast Savings)
Melinda L. Carmen, 1901 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Carmen & Muss (For:Financial Institution Services Corp (for Northeast Savings))
Carmen & Muss, 1901 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Financial Institution Services Corp (for: Northeast Savings)
William Carney, 217 3rd St., SE Washington, DC 20003	American Nuclear Energy Council
Julia Carol, 2054 University Avenue, #500 Berkley, CA 94704	Americans for Nonsmokers' Rights
Charles T. Carroll, 2011 Eye Street, NW, #601 Washington, DC 20006	National Association of Stevedores
Tristan Carter, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters
Paul S. Caskey, 1700 K Street NW, #1200 Washington, DC 20006	Chevron USA, Inc
Marwin S. Cassel, 175 Northwest First Ave., #2000 Court House Center Miami, FL 33128-9965	Broad and Cassel (For:Cancer Treatment Holdings, Inc)
William E. Casselman II, 1800 M Street, NW, #300-South Washington, DC 20036	Popham Haik Schnobrich & Kaufman, Ltd (For:Ova Noss Family Partnership)
Cassidy and Associates, Inc, 655 15th St., NW, #1100 Washington, DC 20005	Acorn Data Systems, Inc
Do	Association for the Safe Handeling of Biomedical Waste
Do	Biopure
Do	Community College Assn for Technology Transfer
Do	Deleware State Dept of Transportation
Do	ITT Gilfillan
Do	Kerr-McGee
Do	Mutual Interest Transactions
Do	O'Connell Development Corp
Do	PHH Corp
Do	Societa Cavi Pirelli S.p.A.
Do	State of Indiana Dept of Commerce
Do	State of Indiana, Office of the Governor
Do	George D Zamias
O. Donaldson Chapoton, 555 13th Street, NW, #500 East Washington, DC 20004	Baker & Botts (For:Rhone-Poulenc)
Chernikoff & Company, 1826 Jefferson Place, NW, #101 Washington, DC 20036	Buffalo Museum of Science
Do	Meridian House International
Do	National Museum of Women in the Arts
Do	Natural History Museum of Los Angeles County
William W. Chip, 1333 New Hampshire Ave., NW, #700 Washington, DC 20036	Cadwalader Wickersham & Taft (For:Bechtel Group, Inc)
Vernon A. Clark, 555 New Jersey Ave., NW, #255 Washington, DC 20001	RJR-Nabisco Washington, Inc

Organization or Individual Filing	Employer/Client
Do	Vern Clark & Associates
Guy Clough, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America
Coalition for Affordable Home Financing, 1350 New York Ave, NW, #800 Washington, DC 20005	
Coan Couture Lyons & Moorhead, 1625 Eye St., NW, #1015 Washington, DC 20006	FISN, Inc
Don V. Cogman, 1200 19th Street, NW, #606 Washington, DC 20036	RCF Group, Inc
John Cohen, 1331 Penn Ave., NW, #1500-North Washington, DC 20004-1703	National Association of Manufacturers
Timothy R. Cole, 1925 North Lynn Street, #308 Arlington, VA 22209	Sparkman & Cole (For:Delta Air Lines, Inc)
Cole Corette & Abrutyn, P.C., 1110 Vermont Avenue, NW, #900 Washington, DC 20005	Adidas U.S.A.
Do	Louisiana Land & Exploration Co
Collier Shannon & Scott, 1055 Thomas Jefferson St., NW, #306 Washington, DC 20007	American Institute of Steel & Iron
Do	American Soybean Association
Do	Coalition for Safe Ceramicware
Do	Gerico
Do	Shipbuilders Council of America
R. J. Collins, 1667 K Street, NW, #300 Washington, DC 20006	Amdahl Corp
Competitive Telecommunications Assn (COMPTEL), 120 Maryland Ave., NE Washington, DC 20002	
John J. Connolly, 499 South Capitol St., SW, #507 Washington, DC 20003	Hecht Spencer & Association (For:Brown & Williamson Tobacco)
Do	Hecht Spencer & Association (For:BATUS)
David R. Conrad, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation
William Cook, 1346 Chestnut Street, #800 Philadelphia, PA 19107	Greater Philadelphia Chamber of Commerce
Maria C. Cordone, 1300 Connecticut Ave, NW Washington, DC 20036	International Assn of Machinists and Aerospace Workers
Corman Law Offices, 1420 16th Street, NW Washington, DC 20036	American Newspaper Publishers Assn
David L. Cornwell, 2217 Casemont Drive Falls Church, VA 22046	
Michael E. Costello, 1025 Connecticut Ave., NW, #404 Washington, DC 20036	Panhandle Eastern Corporation
Donna J. Costlow, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004	National Assn of Manufactuers
Michael W. Cover, 1020 19th Street, NW, #200 Washington, DC 20036	Recording Industry Assn of America, Inc
Covington & Burling, 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044	Arkansas Department of Human Services
Do	Department of Human Services, Cranston
Do	Department of Human Services, Little Rock
Do	Department of Social Services, Lansing
Do	Michigan Department of Social Services
Do	R.I. Department of Human Services
C. Deming Cowles, 6th Floor 1050 Thomas Jefferson Street, NW Washington, DC 20007	Cordova District Fishermen United
Judy Crockett, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union
Crowell & Moring International L.P., 1001 Pennsylvania Ave., NW Washington, DC 20004-2505	Avon Products, Inc
Philip Cummings, 1455 Pennsylvania Ave., NW Washington, DC 20004	McCutchen Doyle Brown & Enersen (For:Gulf Coast Waste Disposal Authority)
Do	McCuthchen Doyle Brown & Enersen (For:Rohr Industries, Inc)
David E. Danovitch, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions
Mark C. Darrell, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))
John C. David, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters
Davis & Harman, 1455 Pennsylvania Avenue, NW, #1200 Washington, DC 20004	American Insurance Association
Brenda T. Day, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corporation
Marie Dean-Arrington, Broward Correctional Institution P.O. Box #8540 Pembroke Pines, FL 33024	
Willard L. Demory, 2300 M St., NW, #130 Washington, DC 20037	Murphy & Demory, Ltd. (For:American Mobile Satellite Consortium)
Do	Murphy & Demory, Ltd. (For:Prodigy Services Company)
Brian R. Detter, 1199 N. Fairfax Street, #204 Alexandria, VA 22314	International Council of Shopping Centers
Jo Ellen Deutsch, 1625 Massachusetts Avenue, NW Washington, DC 20036	Association of Flight Attendants, AFL-CIO
Dewey Ballantine Bushby Palmer & Wood, 1775 Pennsylvania Ave., NW, #500 Washington, DC 20006	American Iron & Steel Institute
Do	McCown De Leeuw & Company
Do	Paramount Communications, Inc
James E. DeClusin, 14000 San Bernardino Ave. P.O. Box 5080 Fonatana, CA 92335	California Steel Industries, Inc
Mary Elise DeGonia, 1915 17th Street, NW Washington, DC 20009	ACBE, et al.
Do	National Council of La Raza
Do	National Puerto Rican Forum
Dickstein Shapiro & Morin, 2101 L St., NW Washington, DC 20037	BATMAN Corp
Do	Coalition for Competitive Capital
Do	Cordova District Fishermen United, Inc
Do	First Annapolis Savings Bank F.S.B.
Do	Guess, Inc
Do	Newport Group
Do	Sea Hawk Seafoods, Inc
Do	State of Connecticut
Dixon Arnett Associates, 905 16th Street, NW, #310 Washington, DC 20006	Fresno Surgery & Recovery Care Center
Hollye Cappleman Doane, 1725 DeSales Street, NW, #800 Washington, DC 20036	National SSC Coalition
Nancy A. Donaldson, 1313 L Street, NW Washington, DC 20005	Service Employees International Union
Terrie M. Dort, 918 16th Street, NW, #601 Washington, DC 20006	Rowland Government Relations (For:Job Opportunities Business Symposium)
Robert J. Dotchin, 1925 K Street, NW, #504 Washington, DC 20006	Smokeless Tobacco Council, Inc
Dow Lohnes & Albertson, 1255 23rd St., NW Washington, DC 20037	BMC Industries Inc
Do	National Business Aircraft Assn
Dressendorfer-Laird, Inc, 1730 Rhode Island Avenue, NW, #210 Washington, DC 20036	American Newspaper Publishers Assn
Drinker Biddle & Reath, 901 15th Street, NW, #900 Washington, DC 20005	Chubb & Sons, Inc
Dutko & Associates, 412 First St., SE, #100 Washington, DC 20003	Association of Progressive Rental Organizations
Do	International Craniofacial Foundations
Do	Wespar Financial Services
Lloyd L. Duxbury, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare
James W. Dyer, 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris Management Corp
Dyer Ellis Joseph & Mills, 600 New Hampshire Ave., NW, #1000 Washington, DC 20037	International Air Trannsport Assn (IATA)
Mary A. Dyess, 2011 Eye Street, NW, #601 Washington, DC 20006	National Assn of Stevedores
DC Statehood Party, 1742 Massachusetts Ave., SE Washington, DC 20003	
Anthony S. Earl, One South Pinckney Street P.O. Box 2113 Madison, WI 53701-2113	Quarles & Brady (For:Miller Brewing Company)
Do	Quarles & Brady (For:Milwaukee Tanning Coalition)
Stephen Ege, 734 15th Street, NW Washington, DC 20005	Elias Matz Tiernan & Herrick (For:Federal Savings Bank)
Do	Elias Matz Tiernan & Herrick (For:FAIC Security, Inc)
Roy L. Eiguren, 350 North 9th Street, #400 Boise, ID 83702	Lindsay Hart Neil & Weigler (For:Idaho Cooperative Utilities Assn)
John M. Ellis, 1120 Fairfield Avenue Roseville, CA 95678	Alliance of Government Managers
Mark M. Ellison, 1455 Pennsylvania Ave., NW, #1260 Washington, DC 20004	French & Company (For:Int'l Electronics Mnfctrs & Consumers of America, Inc)
Do	French & Company (For:Montgomery Ward & Co., Inc)
Do	French & Company (For:Wheels, Inc)
Judith S. Engelberg, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Gas Taxes
English First, 8001 Forbes Place, #102 Springfield, VA 22151	
Epstein Becker & Green, P.C., 1140 19th St., NW, #900 Washington, DC 20036	Doctors National Homecare Corp
Do	Pfizer, Inc
John n. Erlenborn, 815 Connecticut Ave., NW Washington, DC 20006-4004	Seyfarth Shaw Fairweather & Geraldson (For:Dresser Industries, Inc)
Dave Evans Associates, 4076 Rosamora Court Arlington, VA 22207	Downey Assn
Do	MICA
Evans Group, Ltd, 1010 Wisconsin Ave., #810 Washington, DC 20007	First Federal of Pittsburgh
Do	National Coalition for the Rehab of Fed Insured Institutions
Donald C. Fair, 1346 Chestnut Street, #800 Philadelphia, PA 19107	Greater Philadelphia Chamber of Commerce
Martin T. Farmer, P.O. Box 40789 Jacksonville, FL 32203-0789	Barnett Banks, Inc
Robert C. Fay, 205 The Strand Alexandria, VA 22314	American Amusement Machine Assn
Jack Ferguson Associates, Inc, 203 Maryland Ave., NE Washington, DC 20002	Crystal Cruises, Inc
Donald L. Fierce, Fierce and Associates 600 New Hampshire Ave., NW #1010 Washington, DC 20037	Americans Against Unfair Gas Taxes
Do	Pinnacle Data Corporation
Financial Institution Services Corp, 1667 K Street, NW, #777 Washington, DC 20006	Northeast Savings
David Fine, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp
Patricia M. Fink, 5410 Grosvenor Lane, #120 Bethesda, MD 20814	Mechanical Contractors Assn of America, Inc
Madeline Fishel, 420 C Street, NE, 2nd Fl Washington, DC 20002	Trust for Public Land
Fleishman-Hillard, Inc, 1301 Connecticut Ave., NW, 7th Floor Washington, DC 20036	Automotive Refrigeration Products Institute
Do	Coastal Barrier Relief Fund
Do	Processed Apples Institute
Foley & Lardner, 1775 Pennsylvania Avenue, NW, #1000 Washington, DC 20006-4680	United Savings of America
R. D. Folsom, 1440 New York Ave., NW, #320 Washington, DC 20005	Capital Legislative Services (For:Glaxo Inc)
Do	National Environmental Development Assn

Organization or Individual Filing	Employer/Client
Foreman & Heidepriem, 1751 N Street, NW, #301 Washington, DC 20036	Columbia Hospital for Women Medical Center
Phillip L. Fraas, 2501 M Street, NW, #400 Washington, DC 20037	McLeod & Pires (For:American Soybean Assn)
Robert S. Frank, 206 G Street, NE, #201 Washington, DC 20002	Foley and Company, Inc (For:Coalition Against Noneffective Lightning Protection Tech)
Do	Foley & Company (For:Polyphaser)
Fried Frank Harris Shriver & Jacobson, 1001 Pennsylvania Ave., NW, #800 Washington, DC 20004	Forstmann-Little & Co
Richard L. Fruchterman III, 1850 M Street, NW Washington, DC 20036	U.S. Sprint Communications Co
Fulbright & Jaworski, 1150 Connecticut Ave., NW, #400 Washington, DC 20036	Memorial Hospital System
FMR Group, Inc, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Gas Taxes
Floyd D. Gaibler, 699 Prince Street, #102 Alexandria, VA 22314	American Butter Insitute/National Cheese Insitute
John A. Gannon, 1750 New York Ave., NW, 3rd Floor Washington, DC 20006	International Union of Police Associations
Garvey Schubert & Barer, 1000 Potomac St., NW Washington, DC 20007	Early Winters Resorts, Inc
Karen M. Geers, 370 L'Enfant Promenade, SW, #800 Washington, DC 20024	Concerned Women for America
Craig Gehrke, 1400 Eye Street, NW Washington, DC 20005	Wilderness Society
Jawad F. George, 2033 M Street, NW, #300 Washington, DC 20036	National Assn of Arab Americans
Gerard Byler & Associates, Inc, 1155 Conn., Ave., NW, #300 Washington, DC 20036	Saulte Ste Marie Tribe of Chippewa Indians
John J. Gersuk, 3100 Windwood Farms Drive Oakton, VA 22124	Bechtel Group, Inc
Gibson Dunn & Crutcher, 1050 Connecticut Ave., NW, #900 Washington, DC 20036	Alyeska Pipeline Service Co
Mary E. Gill, 200 West Adams Street, #2625 Chicago, IL 60606	Sonnenberg Anderson O'Donnell & Rodriguez (For:Aplix, Inc)
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:Silvestri Corp)
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:Trek Bicycle Corp)
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:THK America, Inc)
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:West Bend Company)
Mary Ann Gilleece, 1713 Maple Hill Place Alexandria, VA 22302	Bishop Cook Purcell & Reynolds
Do	DynCorp
Do	Lepon McCarthy & Lutkowitz
Michael B. Gillett, 1425 N. 46th Street Seattle, WA 98103	Pacific Lumber & Shipping Co
Brad Gilman, 1050 Thomas Jefferson Street, NW, 6th Fl Washington, DC 20007	Robertson Monagle & Eastaugh (For:Puget Sound Cruiseship Alliance)
Do	Robertson Monagle & Eastaugh (For:Reeve Aleutian Airways)
Jim Gilmore, 1735 New York Avenue, NW, #500 Washington, DC 20006	Alaska Factory Trawler Assn
Ginn Edington Moore & Wade, 803 Prince Street Alexandria, VA 22314	Citizens & Southern National Bank
Ginsburg Feldman & Bress, Chartered, 1250 Connecticut Ave., NW, #800 Washington, DC 20036	United States Telephone Association
Ronald R. Glancz, 901 15th Street, NW, #900 Washington, DC 20005	Drinker Biddle & Reath (For:Chubb & Sons, Inc)
Global USA, Inc, 2121 K St., NW, #650 Washington, DC 20037	Jackson Madison County General Hospital
Do	Murata Machinery, Ltd
Kevin C. Goebel, 2054 University Avenue, #500 Berkeley, CA 94704	Americans for Nonsmokers' Rights
Kerry J. Goforth, 725 15th Street, NW, #500 Washington, DC 20005	National Grain & Feed Assn
Gold & Liebengood, Inc, 1455 Pennsylvania Ave., NW, #950 Washington, DC 20004	American Resort and Development Association
Do	Bausch and Lomb
Do	Fort Howard Corporation
Do	J & B Management Co
Do	Salomon Brothers, Inc
Alan Goodfader, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:Prodigy Services Corportion)
Linda Goold, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors
John Gordley, 1150 Connecticut Avenue, NW, #507 Washington, DC 20036	U.S. Canola Association
Margaret A. Gottlieb, 1101 17th Street, NW, #900 Washington, DC 20036	Direct Marketing Assn
Michael J. Govan, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group
Governmental Affairs, Inc, 100 West 5th Tulsa, OK 74103	Plains Resources, Inc
Frances Turk Granahan, 1025 Connecticut Avenue, NW, #404 Washington, DC 20036	Panhandle Eastern Corporation
Carol J. Gray, 1001 Pennsylvania Ave., NW Washington, DC 20004-2599	American Council of Life Insurance
Judith M. Greenberg, 1825 I Street, NW, #400 Washington, DC 20006	Miller & Steuart (For:Coastal Corporation)
Do	Miller & Steuart (For:E.R. Squibb and Sons, Inc)
Greenwich Capital Markets, Inc, 600 Steamboat Road Greenwich, CT 06830-7149	
R.T. Gregg, 900 19th Street, NW, #800 Washington, DC 20006	United States Telephone Association
Gregory Company, 2300 N Street, NW, #600 Washington, DC 20037	T. Ramirez & Co, Inc
David J. Gribbin IV, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Federation of Independent Business (NFIB)
Griffin Johnson & Associates, 1211 Connecticut Ave., NW, #700 Washington, DC 20036	Motorcycle Industry Council
Do	Specialty Vehicle Institute of America
Edward D. Griffith, 3801 West Chester Pike Newtown Square, PA 19073	ARCO Chemical Co
Steven A. Grossman, 901 31st Street, NW Washington, DC 20007	Hill Knowlton (For:Nintendo of America, Inc)
Z. Lou Guttman, 4 World Trade Center New York, NY 10048	New York Mercatile Exchange
Paul W. Hallam, 600 Pennsylvania Ave., #211 Washington, DC 20003	National Assn of Casualty and Surety Agents
D. Michael Hancock, 20001 S Street, NW, #210, P.O. Box 53396 Washington, DC 20002	Farmworker Justice Fund, Inc
Hannaford Co, Inc, 555 15th St., NW, #200 Washington, DC 20005	Financial Assistance Inequity Relief Coalition
Eric R. Hanson, 3060 Porter Street, NW Washington, DC 20008	U.S. Strategies Corp (For:Cancer Treatment Holdings, Inc)
Do	U.S. Strategies Corp (For:Healthsouth Rehabilitation Corp)
Leslie Harris, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union
Robert L. Harris, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group, Inc (For:Alumax)
Do	Jefferson Group, Inc (For:Doe Run)
Do	Jefferson Group, Inc (For:Horsehead Resource Development Co)
Harris & Ellsworth, 1101 30th St., NW, #103 Washington, DC 20007	Committee of American Axle Producers
Christopher E. Harty, 1250 Conn., Ave., NW, #620 Washington, DC 20036	Winkelman & Associates, Inc (For:Fairfield Communities, Inc)
Arnold L. Havens, 1156 15th Street, NW, #1100 Washington, DC 20005	White Fine & Verville (For:Association of American Railroads)
James W. Hawkins III, 1030 15th Street, NW, #1100 Washington, DC 20005	Health Industry Manufacturers Association (HIMA)
Deanne Watts Hay, 714 Capitol Federal Building Topeka, KS 66603	Sloan Listrom Eisenbarth Sloan & Glassman (For:Kansas Bankers Surety)
David J. Hayes, 555 13th Street, NW Washington, DC 20004	Hogan & Hartson (For:Mayhews Landing Associates)
Richard Helfer, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange
Richard A. Hellman, 2013 Que Street, NW Washington, DC 20009	Christians' Israel Public Action Campaign (CIPAC)
Wade J. Henderson, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union
Charlotte W. Herbert, 555 New Jersey Avenue, NW, #255 Washington, DC 20001	Vern Clark & Associates
Heron Burchette Ruckert & Rothwell, 1025 Thomas Jefferson St., NW, #700 Washington, DC 20007	American Sod Producers Assn
Do	BKK Corp
Do	California League of Food Processors
Do	Chattanooga Neighborhood Enterprise
Do	Carl J. Maggio
Do	National Judicial College
Do	Ogden, Utah
Do	Organization of Professional Employees of USDA
Do	Renselear Development Corp
Do	Stroh Brewing Company
Do	Watsonville Neighborhood Enterprise
David B. Hickerson, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Company
Scott Highleyman, Box 021692 Juneau, AK 99802	Southeast Alaska Conservation Council
Vivian A. Hightower, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters
Sheridan T. Hodges, 23/333 Piedmont Ave. Atlanta, GA 30308	Georgia Power Company
Joseph Michael Hogan Jr., 1701 Clarendon Boulevard Arlington, VA 22209	American Chiropractic Assn
Hogan & Hartson, 555 13th St., NW Washington, DC 20004-1109	C C Distributors, Inc, et al.
Lindsay Hooper, 453 New Jersey Ave., SE Washington, DC 20003	Winburn VanScoyoc & Hooper (For:Kansas City Southern Industries)
Hopkins & Sutter, Three First National Plaza, #4200 Chicago, IL 60602	Cash Station, Inc
Hopkins Sutter Hamel & Park, 888 16th Street, NW Washington, DC 20006	Greenwich Capital Markets, Inc
Richard Leland Hosto, 1025 Connedcticut Ave., NW Washington, DC 20036	Panhandle Eastern Corp
Allynn Howe, 80 F Street, NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America
Susan Howe, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc
Dwight A. Howes, 1819 L Street, NW, #800 Washington, DC 20036	Consolidated Natural Gas Service Company, Inc
David S. Hubbard, 1331 Pennsylvania Ave., NW, #910 Washington, DC 20004	American Cement Alliance
Charles Huffman & Associates, 1127 11th Street, #321 Sacramento, CA 95814	
Gary Hymel, 901 31st Street, NW Washington, DC 20007	Hill and Knowlton (For:Brush/Wellman)
Independent Federation of Flight Attendants, 630 Third Ave., 5th Floor New York, NY 10017	
International Advisory Services Group, 1238 Wisconsin Ave., NW, #204 Washington, DC 20007	Steel Service Center Institute
Raymond K. James, 1625 Eye Street, NW, #1015 Washington, DC 20006	
Jellinek Schwartz Connolly & Freshman, Inc, 1015 15th Street, NW, #500 Washington, DC 20005	Monsanto Agricultural Products Co, et al.
Do	National Assn of Wheat Growers, et al.
David C. John, 3201 Landover Street, #1212 Alexandria, VA 22305	Home Federal Bank for Savings
Bruce Johnson, 655 15th Street, NW, #300 Washington, DC 20005	Benjamin Franklin Federal Savings and Loan Assn

Organization or Individual Filing	Employer/Client
Do	Federal Savings Bank
Do	Financial Northeastern Corp
Michael A. Johnson, 200 West Adams Street, #2625 Chicago, IL 60606	Sonnenberg Anderson O'Donnell & Rodriguez (For:Aplix, Inc)
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:Silvestri Corp)
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:West Bend Company)
Patricia L. Johnson, 413 First Street, SE Washington, DC 20003	Sellers Company (For:Cable Access Legal Action Council (CALAC))
Johnson & Gibbs, P.C., 100 Founders Square 900 Jackson Street Dallas, TX 75202-4499	Republic Health Corp, et al.
Johnson Research Associates, 4429 Yuma Street, NW Washington, DC 20016	City of Virginia Beach
C. Darrell Jones, 1101 King Street, #601 Alexandria, VA 22314	Figueroa South Investment Associates, Inc
James Benny Jones, Lee & Harvey 1212 New York Avenue, NW, 4th Floor Washington, DC 20005	
Jones Day Reavis & Pogue, 1450 G Street, NW, #600 Washington, DC 20005-2088	Castle-Harlan Inc
Do	Centex Corp
Do	Fairfield Communities Inc
Do	International Telecharge, Inc
Do	Kentucky Utilities
Do	Royal Trustco Ltd
Do	Standard Federal Savings Bank
Patricia Jordan, 1730 Rhode Island Ave., NW, #400 Washington, DC 20036	Ferguson Company (For:City of Livermore, California)
Do	Ferguson Company (For:Oceanside Small Craft Harbor)
Do	Ferguson Company (For:VIA Metropolitan Transit)
Andrew P. Jovanovich, 2801 N. Somerset Street Arlington, VA 22213	Technology Services Group, Inc
Steve Kallick, Box 021692 Juneau, AK 99802	Southeast Alaska Conservation Council
Marilyn Kalusin, 7300 NW 35th Terrace, # 105 Miami, FL 33122	Cuban American Foundation
S. Steven Karalekas, 1250 Connecticut Avenue, NW, #318 Washington, DC 20036	Karalekas & McCahill (For:Firestone Tire & Rubber Co, et al.)
Do	Karalekas & McCahill (For:Gates Rubber Company)
Do	Karalekas & McCahill (For:National Agriculture Aviation Assn)
Barbara J. Katz, 1424 16th Street, NW, #604 Washington, DC 20036	Consumer Federation of America
Kaye Scholer Fierman Hays & Handler, 901 15th St., NW, #1100 Washington, DC 20005	City of Newport Beach
Keck Mahin & Cate, 1201 New York Ave., Penthouse Washington, DC 20005	National Coalition for the Rehab of Fed Insured Institutions
Jay C. Keithley, 1875 Eye Street, NW, #1250 Washington, DC 20006	United Telecommunications, Inc
Susan N. Kelly, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))
Stephanie Kennan, 2000 L Street, NW, #200 Washington, DC 20036	American College of Emergency Physicians
Maureen Kennedy, 122 C Street, NW, #875 Washington, DC 20001	Robert A. Rapoza Associates (For:Local Initiatives Support Corp)
Edward B. Kenney & Associates, Inc, 499 S. Capitol St., SW, #520 Washington, DC 20003	Lockheed Aeronautical Systems Co
Do	LTV Aerospace & Defense
Do	Textron, Inc
Henry J. Kenny, 122 C Street, NW, #740 Washington, DC 20001	American League for Exports & Security Assistance
Ray E. Kies, 1591 Lindsey Rd. Sidney, OH 45365	
Kilpatrick & Cody, 2501 M St., NW, #500 Washington, DC 20037	Georgia Tech Research Corp
Do	United Airlines
Marcia Y. Kinter, 10015 Main Street Fairfax, VA 22031-3489	Screen Printing Assn International
Kirkpatrick & Lockhart, 1800 M St., NW, S. Lobby, #900 Washington, DC 20036	American Chipper Knife Coalition
Do	Asociacion de Bancos de Ahorro de Puerto Rico
Do	First Federal Savings Bank of Puerto Rico
Do	Tuscaloosa Steel Corp
David M. Kiser, 1919 Pennsylvania Ave., NW, #705 Washington, DC 20006	Eastman Kodak Co
Mary Jane Klocke, 1025 Connecticut Ave., NW Washington, DC 20036	Shell Oil Co
Kevin T. Knobloch, 1616 P Street, NW, #310 Washington, DC 20036	Union of Concerned Scientists
Mark S. Knouse, 555 Thirteenth Street, NW, #450 West Washington, DC 20004	Union Pacific Corporation
Bart Koehler, Box 876 Laramie, WY 82070	Southeast Alaska Conservation Council
Julie Koheler, Box 021692 Juneau, AK 99802	Southeast Alaska Conservation Council
Joseph M. Kolar, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffit & Wood (For:Ranieri Wilson & Co, Inc)
George S. Kopp, 2121 K Street, NW, #650 Washington, DC 20037	Global USA, Inc (For:Earth Observation Satellite Company (EOSAT))
Kostmayer Communications, Inc, 2300 M Street, NW #920 Washington, DC 20037	Coalition for Auto Repair Choice
Do	Coalition of American Steel Using Manufacturers
Kutak Rock & Campbell, 1101 Connecticut Ave., NW, #1000 Washington, DC 20036	Capital Markets Assurance Corporation
Peter Kyros, Kurrus & Kirchnerway 1055 Thomas Jefferson St., NW, #418 Washington, DC 20007	Association of Administrative Law Judges, Inc
Janice R. Lachance, 80 F Street, NW Washington, DC 20001	American Federation of Government Employees
Kathryn Ann Lachelt, 1615 L Street, NW, #950 Washington, DC 20036	Foley Hoag & Eliot (For:United Savings Bank)
Myron F. Laible, 1212 New York Ave., NW #1210 Washington, DC 20005	Outdoor Advertising Assn of America, Inc
Robert Lamb, 1627 Eye St., NW Washington, DC 20006	McGuire Woods Battle & Boothe (For:Armstrong World Industries, Inc)
Do	McGuire Woods Battle & Boothe (For:Combined Sewer Overflow)
Delbert L. Latta, 516 Hillcrest Dr. Bowling Green, OH 43402	M.G. Zorkin
Kathryn M. Lavriha, P.O. Box 1417-D49 Alexandria, VA 22313	National Association of Chain Drug Stores, Inc
Law Offices of Jonathan W. Cuneo, 1401 New York Ave., NW, #740 Washington, DC 20005	Committee to Support the Antitrust Laws
Do	National Assn of Securities and Commercial Law Attorneys
Do	National Coalition of Petroleum Retailers, Inc
Law Offices of Peter L. Eleey, 304 Victory Road Marina Bay, MA 02171	Dana Farber Cancer Institute
Do	Fox Chase Cancer Center
Do	Fred Hutchinson Cancer Research Center
Do	Kenneth Norris Jr. Comprehensive Cancer Center
Do	Roswell Park Memorial Institute
Jonathan Lawnniczak, 925 15th St., NW Washington, DC 20005	National Council of Senior Citizens
Laxalt Washington Perito & Dubuc, 1120 Connecticut Ave., NW Washington, DC 20036	Standard Federal Savings Bank
Edward R. Leahy, 1500 K Street, NW, #200 Washington, DC 20005	Chicago Board Options Exchange
Gerald B. Leape, 1436 U Street, NW Washington, DC 20009	Greenpeace USA
Cynthia C. Lebow, 1050 Connecticut Ave., NW, #900 Washington, DC 20036	Gibson Dunn & Crutcher (For:Alyeska Pipeline Service Co)
Do	Gibson Dunn & Crutcher (For:First Republic Bank Corp)
Do	Gibson Dunn & Crutcher (For:Prudential Insurance Co of America)
Wendy Lechner, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Federation of Independent Business (NFIB)
Leighton & Regnery, 1667 K Street, NW Washington, DC 20006	American Cordage and Netting Manufacturers
Gilbert B. Lessenco, 1200 New Hampshire Ave., #300 Washington, DC 20036	Wilner & Scheiner (For:Graco, Inc)
Fern Z. Liang, 4630 Montgomery Ave. Bethesda, MD 20814	American Society of Hospital Pharmacists
Roger Lindberg, 901 31st St., NW Washington, DC 20007	Hill & Knowlton (For:Brush Wellman, Inc)
Do	Hill & Knowlton (For:Church of Scientology International)
Do	Hill & Knowlton (For:Nintendo of America, Inc)
Do	Hill & Knowlton (For:Ryder)
Lindsay Hart Neil & Weigler, 1225 19th Street, NW, #200 Washington, DC 20036	Agriculture Ocean Transportation Coalition
Paul E. Linet, World Trade Center, #104 Boston, MA 02210	The Afa Corporation
W. Timothy Locke, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates (For:Boy Scouts of America)
Do	Hecht Spencer & Associates (For:Brown & Williamson Tobacco)
Do	Hecht Spencer & Associates (For:BATUS)
Do	Hecht Spencer & Associates (For:Great Western Financial Corp)
Do	Hecht Spencer & Associates (For:Hong Kong Trade Development Council)
Robert F. Lockhart Jr., 1667 K Street, NW #300 Washington, DC 20006	Amdahl Corporation
Thomas G. Loeffler, 1200 Republic of Texas Plaza 175 E. Houston Street San Antonio, TX 78205	McCamish Martin Brown & Loeffler (For:Central & South West Corp)
Do	McCamish Martin Brown & Loeffler (For:Citicorp)
Do	McCamish Martin Brown & Loeffler (For:Sematech)
Do	McCamish Martin Brown & Loeffler (For:United Services Automobile Assn)
Linda A. Long, 1156 15th Street, NW, #550 Washington, DC 20005	Montgomery McCracken Walker & Rhoads (For:National Check Cashers Coalition)
Robert S. Long, 1130 17th Street, NW Washington, DC 20036	National Coal Assn
Long Law Firm, 8550 United Plaza Blvd., #800 Baton Rouge, LA 70809	Kelso & Co
Ann Looper, 1735 New York Ave. Washington, DC 20006	American Institute of Architects
Rev. Thos E. Lowe, 5946 McPherson Ave. St. Louis, MO 63112	
Stephen R. Lozowick, 9 West 57th Street New York, NY 10019	Avon Products, Inc
Sylvester Lukis, 1155 15th St., NW, #510 Washington, DC 20005	Carey Technical Institute
Carla J. Lunetta, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn
Cliff Madison, 1611 Landfall Drive Wilmington, NC 28403	Greater Cleveland Regional Transit Authority
Catherine Maentanis, 370 L'Enfant Promenade, SW, #800 Washington, DC 20024	Concerned Women for America Legislative Action Committee
Walter B. Maher, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corp
Manatt Phelps Rothenberg & Phillips, 1200 New Hampshire Ave., NW, #200 Washington, DC 20036	EDU-DYNE Systems, Inc
Do	Missouri Assn of Private Career Schools
Do	Occidental Petroleum Corp

Organization or Individual Filing	Employer/Client
Do	Watt-Albrecht
Do	Western Bank
Anne Mancer, P.O. Box 7497 Birmingham, AL 35253	Vulcan Materials Company
Mary Jo Manning, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:American Newspaper Publishers Assn)
Geoffrey Manville, 1249 South Carolina Ave., SE Washington, DC 20003	Technology Services Group, Inc
Marc Associates, Inc., 1030 15th Street, NW, #468 Washington, DC 20005	Affiliated Leadership League of & for the Blind
Do	Am. College of Nuclear Physicians-Soc. of Nuclear Medicine
Do	Am. Urological Ass'n/Am. Ass'n of Clinical Urologists
Do	American Ass'n of Colleges of Oesteopathic Medicine
Do	American Society for Bone and Mineral Research
Do	American Society of Anesthesiologists
Do	American Society of Clinical Pathology
Do	Merck Sharp and Dohme
Do	National Association of Epilipsy Centers
Do	National Coalition on Immune System Disorders
Do	National Hemophilia Foundation
Do	NI Industries
Do	Recording for the Blind, Inc.
Do	Research Society on Alcoholism
Do	Samaritan Health Services
Do	Village of Palentine
Marlowe & Company, 1667 K Street, NW, #660 Washington, DC 20006	City of Venice, Florida
Do	Memphis-Shelby County Airport Authority
Donald F. Massey, 901 31st Street, NW Washington, DC 20007	Hill and Knowlton, Inc (For:Nintendo)
K. Michael Matthews, 629 Constitution Ave., NE, #201 Washington, DC 20002	U.S. Strategies Corp (For:Cancer Treatment Holdings, Inc)
Marion R. Mayer, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons
Mayer Brown & Platt, 2000 Pennsylvania Avenue, NW, #6500 Washington, DC 20006	First Chicago Corp
Do	Nalco Chemical Co
McAuliffe Kelly Raffaelli & Siemens, 555 New Jersey Ave., NW, #880 Washington, DC 20001	American Chiropractic Assn
Do	Browning Ferris, Inc
Do	Coalition for Affordable Home Financing
Susan McCaffrey, 1828 N Meridian Indianapolis, IN 46202	Community Service Council of Central Indiana, Inc
McClure & Trotter, 1100 Connecticut Ave., NW, #600 Washington, DC 20036	Motion Picture Association of America, Inc
Cynthia N. McCormick, 5445 Potter Street Pittsburgh, PA 15232	Oncology Nursing Society
Todd McCracken, 1155 15th Street, NW, #710 Washington, DC 20005	National Small Business United
Edgar H. McCulloch III, 1313 L Street, NW Washington, DC 20005	Service Employees International Union
McDermott Will & Emery, 1850 K St., NW, #500 Washington, DC 20006	American Imaging Assn
Marian E. McDowell, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corporation
Rosemary McFadden, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange
Becky McGee, P.O. Box 2880 Dallas, TX 75221-2880	Oryx Energy Company
Monette McKinnon, 2000 K Street, NW, 8th Floor Washington, DC 20006	(For:National Committee to Proserve Social Security and Medicare)
Michael R. McLeod, 2501 M Street, NW, #400 Washington, DC 20037	McLeod & Pires (For:American Peanut Product Manufacturers, Inc)
Do	McLeod & Pires (For:American Soybean Association)
Do	McLeod & Pires (For:Mushroom Council)
Do	McLeod & Pires (For:State of Florida Department of Citrus)
Thomas J. McLeod, 50 West Publishing Company St Paul, MN 55164	West Publishing Company
McNair Group, Inc, 1155 15th St., NW, #400 Washington, DC 20005	Bombardier Corporation
Do	GTE Corporation
Do	Harmon Industries, Inc
Do	Japonica Partners, L.P.
Do	McNair Law Firm, P.A., (for Gateway Freight Services, Inc)
Do	Riedel Environmental Services, Inc
Do	State of Hawaii/Dept of Transportation
Do	Texas Instruments, Inc
Do	University of Deleware
Do	Virginia Tech
Do	Westinghouse Environmental Services
Kathryn M. McNamara, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Dean Witter Reynolds, Inc
Brose McVey, 1255 23rd Street, NW Washington, DC 20037	Hauck & Associates (For:National Soybean Processors Assn)
Stanley Meierfeld, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange
John Melcher, 2550 M Street, NW, #275 Washington, DC 20037	Fairchild Aircraft Corp
Do	Humane Society of the United States
Do	Marine Engineers Beneficial Assn
Do	National Committee to Preserve Social Security & Medicare
Do	Potomac Marine International, Inc
Do	Society for Aminal Protective Legislation
David Mengebier, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc
Harold E. Mesirow, 1220 19th Street, NW Washington, DC 20036	Leva Hawes Mason Martin & Bebchick (For:Crystal Cruises)
Alden M. Meyer, 1616 P Street, NW Washington, DC 20036	Union of Concerned Scientists
Evan M. Migdail, 888 17th Street, NW Washington, DC 20006	Zuckert Scoutt & Rasenberger (For:Advance Petroleum, Inc)
Bonnie K. Miller, Box 528 Gainesville, VA 22065-0528	Liberty Lobby
Clinton R. Miller, P.O. Box 528 Gainesville, VA 22065-0528	Liberty Lobby
Mikel K. Miller, 5 Bracknell Circle Rockville, MD 20850	U.S. Strategies Corp (For:Cancer Treatment Holdings, Inc)
Do	U.S. Strategies Corp (For:Healthsouth Rehabilitation Corp)
Pamela A. Miller, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation
William T. Miller, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))
Miller & Chevalier, Chtd, 655 15th St., NW, #900 Washington, DC 20005-5701	Export Source Rule Coalition
Do	First American State Bank of Iowa
Do	Hewlett Packard
Do	Hudson City Savings Bank
Miller & Steuart, 1825 I Street, NW, #400 Washington, DC 20006	Coastal Corporation
Do	E.R. Squibb and Sons, Inc
Joseph H. Miltenberger, 2939 Van Ness Street, NW, #839 Washington, DC 20008	U.S. Strategies Corp (For:American Medical EEG Assn)
Do	U.S. Strategies Corp (For:Cancer Treatment Holdings, Inc)
Joseph G. Minish, 66 Sheridan Avenue West Orange, NJ 07052	Caguas Central Federal Savings Bank
Do	Prudential Insurance Co of America
Douglas F. Mitchell, 1901 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Carmen & Muss (For:Financial Institutions Services Corp (for Northeast Savings))
Brian R. Moir, 1255 23rd Street, NW, #800 Washington, DC 20037	Fisher Wayland Cooper & Leader (For:International Communications Assn)
Powell A. Moore, 1818 N Street, NW Washington, DC 20036	DGA International, Inc (For:Societe Nationale d'Dtude et de Const de Moteurs d'Aviation)
Timothy X. Moore, Timothy Moore & Co 2900 M Street, NW, #300 Washington, DC 20007	Design Protection Coalition
Do	Software Rental Coalition
Do	Typeface Design Coalition
Paul Moorehead, 606 Massachusetts Ave., NE Washington, DC 20002	Penco International
Sue Markland Moreland, 918 North Carolina Avenue, SE Washington, DC 20003	Applied Biotreatment Assn
J. Railton Morgan, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co
Morrison & Foerster, 2000 Pennsylvania Ave., NW Washington, DC 20006	Federal Home Loan Bank of Des Moines
Do	Federal Home Loan Bank of Topeka
Do	Matteson Investment Corp
Jack Moskowitz, 701 N. Fairfax Street Alexandria, VA 22314-7807	United Way of America
Shelley R. Moskowitz, 236 Mass. Ave., NE, #608 Washington, DC 20002	Neighbor to Neighbor Action Fund
Barry F. Mountain, 3537 Woodburn Road Annandale, VA 22003	
Muldoon Murphy & Faucette, 5101 Wisconsin Ave., NW, #508 Washington, DC 20016	Goldman Sachs & Company
Do	Merabank, FSB
Do	National City Corporation
Multi-Management Associates, Inc, 304 E. Brunswick Street Sterling, VA 22170	American Assn of Fast Food, Soft Serve, Pizza Operators
Do	International Military Club Executives Assn
Do	Pennsylvania Restaurant Assn
Peggy Roth Murray, 1730 K Street, NW, #1200 Washington, DC 20006	American Business Conference
Rosemary Griffin Murray, Crystal Park Four, 2345 Crystal Drive Arlington, VA 22207	USAir, Inc
Karen Magee Myers, 1331 Pennsylvania Ave., #1300-N Washington, DC 20004	Electronic Data Systems Corp
Karen J. Nardi, 1455 Pennsylvania Avenue, NW, #650 Washington, DC 20004	McCuthchen Doyle Brown & Enersen (For:Southern California Ass'n of Governments)
National Co-Op of Farmers & Laborers, 2718 E. Manford Street Fort Wayne, IN 46806	
National Strategies, Inc, 888 17th Street, NW, 12th Floor Washington, DC 20006	Brownstein Hyatt Farber & Madden (for American West), et al.

Organization or Individual Filing	Employer/Client
Neill & Company, Inc, 815 Connecticut Ave., NW, #800 Washington, DC 20006	General Electric Industrial and Power Systems
Christine V. Nelson, 2501 M Street, NW, #400 Washington, DC 20037	McLeod & Pires (For:United Egg Assn)
Do	McLeod & Pires (For:United Egg Producers)
Mark E. Nelson, 555 13th Street, NW Washington, DC 20004	McCamish Martin Brown & Loeffler (For:Sematech)
Louis H. Nevins, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:American Savings Bank, FSB)
Do	Thacher Proffitt & Wood (For:Apple Bank for Savings)
Do	Thacher Proffitt & Wood (For:Binghamton Savings Bank)
Do	Thacher Proffitt & Wood (For:Boston Five Cents Savings Bank, FSB)
Do	Thacher Proffitt & Wood (For:Castine Partners)
Do	Thacher Proffitt & Wood (For:Dollar Bank, FSB)
Do	Thacher Proffitt & Wood (For:New Hampshire Savings Bank)
Do	Thacher Proffitt & Wood (For:Peoples Westchester Savings Bank)
Do	Thacher Proffitt & Wood (For:Ranieri Wilson & Co, Inc)
Do	Thacher Proffitt & Wood (For:River Bank America)
Do	Thacher Proffitt & Wood (For:Rochester Community Savings Bank)
Do	Thacher Proffitt & Wood (For:Standard Federal Savings & Loan)
Lilian Ann Newby, 2301 M Street, NW Washington, DC 20037	American Public Power Assn
Linton C. Newlin, 577 Mulberry Street Macon, GA 31298	Charter Medical Corp
Thomas Nickels, 1101 14th Street, NW, #200 Washington, DC 20005	American College of Emergency Physicians
James A. Noone, 1250 Connecticut Avenue, NW, #318 Washington, DC 20036	Karalekas & McCahill (For:Firestone Tire & Rubber Co, et al.)
Do	Karalekas & McCahill (For:Gates Rubber Company)
Do	Karalekas & McCahill (For:National Agriculture Aviation Assn)
Nossaman Guthner Knox & Elliott, 1140 19th St., NW, #600 Washington, DC 20036	PKR Foundation
H. James Nunes, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group
Jack O. Nutter II, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group (For:John Morrell Co)
Do	Jefferson Group (For:Pittston Coal Co)
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Orthotic & Prosthetic Assn
Do	Electronic Data Processing Auditors Association
Do	Federal Home Loan Bank of Topeka
Do	Federal Home Loan Bank DesMoines
Do	Homeowners Federal Savings
Do	National Retail Hardware Association
Do	New York State Assembly
Do	Summer Island, Inc
Do	SCS Business and Technical Institute, Inc
Grady O'Cummings III, 198 MacDougal Ct. Brooklyn, NY 11233	Alina C. Caballero
Eileen M. O'Keefe, 1317 F Street, NW Washington, DC 20004	Lisboa Associates, Inc (For:University of the Virgin Islands)
Janet O'Keeffe, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn
James A. O'Malley, 555 New Jersey Ave., NW, #255 Washington, DC 20001	Vern Clark & Assocs (For:RJR Nabisco)
Do	Vern Clark & Associates
John O'Shaughnessy, 1825 K Street, NW, #807 Washington, DC 20006	Greater New York Hospital Assn
Marion Browne Oglesby Jr., 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc
Olsson Frank & Weeda, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Duramed Pharmaceuticals, Inc
Do	Pillsbury Company
Do	Schwan's Sales Enterprises
Do	U.S. Surgical Corporation
Ronald S. Oppenheimer, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange
Oppenheimer Rosenberg Kelleher & Wheatley, Inc, 711 Navarro, #600 San Antonio, TX 78205	First City-Texas
Palumbo & Cerrell, Inc, 1629 K St., NW, # 1100 Washington, DC 20006	American Insurance Assn
Parent's Advocacy for Kids with Cancer, 81 Eastside Circle Petaluma, CA 94954	
Ronald L. Parrish, 1800 One Tandy Center Fort Worth, TX 75102	Tandy Corp
Parry and Romani Associates, Inc, 233 Constitution Avenue, NE Washington, DC 20002	Blue Sea Corporation
Do	Industrial Biotechnology Association, Inc
Do	Stop Substance Abuse Via Education (SSAVE)
Do	Telephonics Command Systems Division
Richard M. Parsons, 1652 Wainwright Dr. Reston, VA 22090	Handgun Control, Inc
Robert D. Partridge, 511 Janneys Lane Alexandria, VA 22302	Burns & McDonnell
Patton Boggs & Blow, 2550 M St., NW Washington, DC 20037	American Assn of Equipment Lessors
Do	Bethlehem Steel Corp
Do	Cherokee Nation Industries, Inc
Do	Corridor Broadcasting Corp
Do	Flexi-Van Leasing, Inc
Do	NCNB Texas National Bank
Do	NMTBA-National Machine Tool Builder's Assn
Do	Reliance Group Holdings, Inc
Do	Royal Trustco, Ltd
Do	Standard Federal Savings Bank
Do	Transamerica Leasing, Inc
Do	USX Corp
Do	Wayne County Michigan
Paul Hastings Janofsky & Walker, 1050 Connecticut Avenue, NW, #1200 Washington, DC 20036	Paul D. Lieb
Penco International, 606 Massachusetts Ave., NE Washington, DC 20002	Penco international
Peyser Associates, Inc, 1000 Vermont Ave., NW, #400 Washington, DC 20005	Mothers Against Drunk Driving (MADD)
James R. Phalen, 1100 Connecticut Ave., NW, #535 Washington, DC 20036	RCF Group
Laura Phelps, 2501 M Street, NW, #400 Washington, DC 20037	McLeod & Pires (For:Mushroom Council)
Pillsbury Madison & Sutro, 1667 K St., NW, #1100 Washington, DC 20006	Geneva Steel
William P. Pitts, 1667 K Street, NW, #300 Washington, DC 20006	Amdahl Corp
Charles P. Pizzi, 1346 Chestnut Street, #800 Philadelphia, PA 19107	Greater Philadelphia Chamber of Commerce
Podesta Associates, Inc, 424 C Street, NE Washington, DC 20002	Genentech, Inc
Do	National Artists Equity Assn
Do	National Conference of Bankruptcy Judges
Porte Stafford & Associates, Inc, 1050 17th Street, NW, #840 Washington, DC 20036	Council on Accreditation of Services for Families & Children
Do	Dietary Managers Assn
David Alan Portnoy, 1331 Pennsylvania Ave., NW, #890-N Washington, DC 20004	General Electric
Powell Goldstein Frazer & Murphy, 1001 Pennsylvania Ave., NW, 6th Floor Washington, DC 20004	Flour Corporation
Do	Hewlett-Packard & Co
Do	Republic of Palau
Preston Thorgrimson Ellis & Holman, 1735 New York Avenue, NW, #500 Washington, DC 20006	Coastal Transportation, Inc
Do	Instituto Latinoamericano del Fierro y el Acero (ILAFA)
Do	Pitney Bowes
Do	Wheelabrator
Preti Flaherity Beliveau & Pachios, 443 Congress Street Portland, ME 04101	Energy Efficient Insulation Manufacturers
Price Waterhouse, 1801 K St., NW, #700 Washington, DC 20006	Celotex Corp
Public Resource Associates, 1815 H Street, NW, #600 Washington, DC 20006	
Ragan & Mason, 1156 15th Street, NW, #800 Washington, DC 20005	Diagnostic/Retrieval Systems, Inc
Do	Marco Shipyard-Seattle
Do	Territorial Savings & Loan Assn
Do	U.S. Telephone Assn
Tanya A. Rahall, 2033 M Street, NW, #900 Washington, DC 20036	American Task Force for Lebanon
Paul Ramos, 206 G Street, NE, #201 Washington, DC 20002	Foley & Company, Inc
Robert A. Rapoza Associates, Inc, 122 C Street, NW, # 875 Washington, DC 20001	Association for Health Services Research
Do	Center for Community Self Help
Do	Coastal Enterprises, Inc
Do	Community Enterprise Development Corp of Alaska
Do	Mississippi Action for Community Education
Do	Mountain Assn for Community Economic Development
Do	Northern Community Investment Corp
Do	Rural Opportunities, Inc
Do	Southern Development Bancorporation
Fred J. Redeker, 811 Rusk, #200 Houston, TX 77002	Houston Bankers Association
Alan D. Reffkin, 2000 L Street, NW, #200 Washington, DC 20036	HHL Financial Services, Inc
Martin A. Regalia, 1101 15th Street, NWn #400 Washington, DC 20005	National Council of Saving Institutions
Reichler, Choate, Appelbaum & Wippman, 1701 K Street, NW, #700 Washington, DC 20006	Rodolfo Zelaya

Organization or Individual Filing	Employer/Client
Mark Joesph Riedy Esq, 1775 Pennsylvania Ave., NW, 7th Floor Washington, DC 20006	Shea & Gould (For:Haiti West Indies, S.A.)
Edward W. Rissing, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute (EEI)
Rivkin Radler Dunne & Bayh, 1575 I Street, NW, #1025 Washington, DC 20005	Public Service Company of Indiana
Liz Robbins Associates, 420 7th St., SE Washington, DC 20003	Access Corporation
Do	Babcock & Brown
Do	Baldwin Company
Do	Carlan Homes
Do	Commercial Cartage
Do	Farmland Dairies
Do	Gaymar Industries, Inc
Do	J.M. Peters Co, Inc
Do	J.P. Rhodes
Do	Lewis Homes
Do	Montifiore Medical Center
Do	Mt. Sinai Hospital
Do	MDC-Hold
Do	New York Hospital
Do	New York Public Library
Do	NYU Medical
Do	Presbyterian Hospital
Do	Presley of Southern California
Do	Spectrascan
Do	Vail/Beaver Creek
Do	Wespray Corporation
Do	William Lyon Co
Do	WTVT-13
Robert Branand International, Four E Street, SE Washington, DC 20003	E.W. Bliss Company
William A. Roberts, 444 North Capitol St., #711 Washington, DC 20001	Keefe Company (For:Seminole Tribe of Florida)
Robins Kaplan Miller & Ciresi, 1627 Eye St., NW, #610 Washington, DC 20006	Madison Public Affairs Group, Inc (for Philip Morris)
Nancy J. Robinson, 7509 Tiffany Spgs. Pkwy. Kansas City, MO 64190-1402	Livestock Marketing Association
Robinson Lake Lerer & Montgomery, 1667 K St., NW, #900 Washington, DC 20006	A.E. Staley
Do	Commission on Self-Determination
Do	Futures Industry Association
Do	Napa Flood Control and Water Conservation District
Do	National Venture Capital Association
Joseph Rodio Esq, 200 Dyer Street Providence, RI 02903	St Germain Rodio & Ursillo, Ltd (For:International Assn of Firefighters, Providence Local 799)
Do	St Germain Rodio & Ursillo, Ltd (For:Old Stone Federal Savings Bank)
Do	St Germain Rodio & Ursillo, Ltd (For:Star-Tron)
Do	St Germain Rodio & Ursillo, Ltd (For:United Assn of Steamfitters, Providence Local 476)
Charles L. Roff, 1100 15th Street, NW, #700 Washington, DC 20005	Sonat Inc
Martha Romans, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn
Batya Roth, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the United States
Robert S. Royer, 1747 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Citizens Savings Bank
Do	Long Island Savings Bank
Kurt Rumsfeld, 606 North Washington Street Alexandria, VA 22314	American Society for Personnel Administration
R.K. Rushin, 1919 Pennsylvania Ave., NW, #705 Washington, DC 20006	Eastman Kodak Co
Diann Rust-Tierney, 122 Maryland Ave. Washington, DC 20002	American Civil Liberties Union
Mary Scheckelhoff, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Gas Taxes
Jeffery M. Schell, 1730 Rhode Island Avenue, NW, #1000 Washington, DC 20036	National Solid Wastes Management Assn
Robert V. Schneider, 901 31rst Street, NW Washington, DC 20007	Hill and Knowlton, Inc (For:Brush/Wellman)
Richard Schum, 1901 N. Moore Street, #1100 Arlington, VA 22209	Gas Appliance Manufacturers Assn, Inc
Linda B. Schwartz, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Gas Taxes
Norman Scott, 1937 E Atlantic Blvd. #14 Pompano, FL 33061	Expeditions Unlimited, Inc (For:Ova Noss Family Partnership)
Seattle 1990 Goodwill Games, 1701 K Street, NW, #400 Washington, DC 20006	Seattle Organizing Committee
Pamela Sederholm, 1919 Pennsylvania Avenue, NW #504 Washington, DC 20006	Foodservice and Lodging Institute
Ruth L. Segal, 1212 New York Avenue, NW Washington, DC 20005	Outdoor Advertising Assn of America
Frances Seghers, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc
Steven K. Selby, 3050 K Street, NW, #330 Washington, DC 20007	Campbell Falk & Selby (For:Commonweath of Puerto Rico)
Richard D. Sellers, 413 First Street, SE Washington, DC 20003	Sellers Company (For:Cable Access Legal Action Council (CALAC))
Seyfarth Shaw Fairweather & Geraldson, 815 Connecticut Ave., NW, 5th Floor Washington, DC 20006	Employers Council on Flexible Compensation
Do	Pitney Bowes
Shaw Pittman Potts & Trowbridge, 2300 N Street, NW Washington, DC 20037	South Central Bell
Shearman & Sterling, 1001 30th Street, NW Washington, DC 20007	Claro Y Cia (for Compania Sud Americana de Vapores SA), et a
Do	Prospect Group, Inc
B. B. Short, 31755 Coast Hwy. Laguna Beach, CA 92677	ASAE
Harold A. Shoup, 1899 L Street, NW Washington, DC 20036	American Association of Advertising Agencies
William H. Shute, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp
William A. Signer, 444 North Capitol St., NW, #711 Washington, DC 20001	Keefe Company (For:Alarm Industry Communications Committee)
Silver Freedman & Taff, 1735 Eye Street, NW Washington, DC 20006	Hiawatha Savings & Loan Assn
Donald M. Simmons, 323 West Broadway, #404 Muskogee, OK 74401	Caltex Petroleum Corp
Skadden Arps Slate Meagher & Flom, 1440 New York Avenue, NW Washington, DC 20005	American Electronics Association
Do	American Medical International
Do	Amoco Corp
Do	Anadarko Petroleum Corp
Do	ATMOS Energy Corp
Do	Boise Cascade Corporation
Do	Carson Pirie Scott
Do	Computer & Business Equipment Manufacturers Association
Do	Council on Research & Technology
Do	General Mills
Do	Merrill Lynch & Co, Inc
Do	Merrill Lynch Capital Markets
Do	Mesa Limited Partnership
Do	Oryx Energy Co
Do	Sonat Exploration Co
Do	South Florida Water Management District
Do	Vista Chemical Co
Jonathan Slade, 444 North Capitol St., NW, #711 Washington, DC 20001	Keefe Company (For:Seminole Tribe of Florida)
Albert J. Slechter, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corp
Sloan Listrom Eisenbarth Sloan & Glassman, 714 Capitol Federal Building Topeka, KS 66603	Kansas Bankers Surety
Carlos C. Smith, 400 Krystal Building, One Union Square Chattanooga, TN 37402	Strang Fletcher Carriger Walker Hodge & Smith (For:Chattanooga Production Credit Assn, et al.)
Caroline A. Smith, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen
Grant Smith, 110 Southeast Sixth Street, 28th Floor Ft. Lauderdale, FL 33301	Tripp Scott Conklin & Smith (For:Alamo Rent-A-Car, Inc)
Kevin R. Smith, 1020 19th Street, NW, #700 Washington, DC 20036	U S West
Smith Somerville & Case, 100 Light Street Baltimore, MD 21202	
Gene Snyder, 205 North Third Street LaGrange, KY 40031	Arthur Cameron
Steven P. Sonnenberg, 200 West Adams Street, #2625 Chicago, IL 60606	Sonnenberg Anderson O'Donnell & Rodriguez (For:Aplix, Inc)
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:Trek Bicycle Corp)
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:THK America, Inc)
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:West Bend Company)
Southeast Alaska Conservation Council, Box 021692 Juneau, AK 99802	
Susan E. Spangler, 1615 L Street, NW, #1350 Washington, DC 20036	Business Roundtable
Jim Speights, 1055 Thomas Jefferson Street, NW, #500 Washington, DC 20007	International Boxing Federation
Spriggs & Hollingsworth, 1015 15th St., NW, 11th Floor Washington, DC 20005	Eagle-Picher Industries, Inc
Fernand J. St Germain, 2550 M Street, NW, #250 Washington, DC 20037	St Germain Rodio & Ursillo, Ltd (For:International Assn of Firefighters, Providence, Local 799)
Do	St Germain Rodio & Ursillo, Ltd (For:Old Stone Federal Savings Bank)
Do	St Germain Rodio & Ursillo, Ltd (For:Star-Tron Corp)
Do	St Germain Rodio & Ursillo, Ltd (For:United Assn of Steamfitters, Providence, RI Local 476)
St Germain Rodio & Ursillo, Ltd, 200 Dyer Street Providence, RI 02903	International Assn of Firefighters, Providence Local 799
Do	Old Stone Federal Savings Bank
Do	Star-Tron Corp
Do	United Assn of Steamfitters, Providence Local 476

Organization or Individual Filing	Employer/Client
Elvis J. Stahr Jr., 1815 H Street, NW, #600 Washington, DC 20006	Public Resource Associates
Jane Sutter Starke, 1818 N St., NW, #700 Washington, DC 20036	Eckert Seamans Cherin & Mellott (For:Media General, Inc)
Daniel M. Steadley, 1117 G Street, SE Washington, DC 20003	Argyle & Associates (For:Ford Motor Co)
Do	Argyle & Associates (For:Mapco, Inc)
Do	Argyle & Associates (For:National Councel of Saving Institutions)
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Western Financial Savings Bank
George C. Steuart, 1825 I Street, NW, #400 Washington, DC 20006	Miller & Steuart (For:Coastal Corporation)
Do	Miller & Steuart (For:E.R. Squibb and Sons, Inc)
Travis B. Stewart, 108 Terranova Drive Warrenton, VA 22186	Stewart & Associates, Inc (For:Hoving Group)
Strang Fletcher Carriger Walker Hodge & Smith, 400 Krystal Building, One Union Square Chattanooga, TN 37402	Chattanooga Production Credit Assn, et al.
R. Keith Stroup, Suite 500A, Box 69 100 Maryland Ave., NE Washington, DC 20002	American Agriculture Movement, Inc
Stryker Weiner Associates, Inc, 737 Bishop Street, #2860 Honolulu, HI 96813	Madison Public Affairs Group, Inc
Ed Stucky, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	Pinnacle Data Corporation
Donald B. Studley, 127 Brookmoor Road Avon, CT 06001	Yankee Gas Services Company
Jay R. Sullivan, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:Korea Tacoma Marine Industries)
Charles Sunderlin, 21480 Pacific Boulevard Sterling, VA 22170	Heckler & Koch, Inc
Paul Suplizio Associates, 5152 Woodmire Lane Alexandria, VA 22311	Targeted Jobs Tax Credit Coalition
Thomas M. Susman, 1001 Pennsylvania Ave., NW, #1200-S Washington, DC 20004	Ropes & Gray (For:Dunkin' Donuts)
Do	Ropes & Gray (For:Eastern Enterprises)
Donald B. Susswein, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:American Savings Bank, FSB)
Do	Thacher Proffitt & Wood (For:Apple Bank for Savings)
Do	Thacher Proffitt & Wood (For:Binghamton Savings Bank)
Do	Thacher Proffitt & Wood (For:New Hampshire Savings Bank)
Do	Thacher Proffitt & Wood (For:Peoples Westchester Savings Bank)
Do	Thacher Proffitt & Wood (For:River Bank America)
Do	Thacher Proffitt & Wood (For:Rochester Community Savings Bank)
Sutherland Asbill & Brennan, 1275 Pennsylvania Avenue, NW, #1000 Washington, DC 20004	Charter Federal Savings & Loan Assn
Swidler & Berlin, Chtd, 3000 K Street, NW, #300 Washington, DC 20007	International Environmental Policy Coalition
Do	Republic of Haiti
Do	Software Rental Coalition
Do	Typeface Design Coalition
Janis Tabor, 1825 K Street, NW, #218 Washington, DC 20006	American Society of Mechanical Engineers
Ronald L. Tammen, 1750 Pennsylvania Avenue, NW, #1201 Washington, DC 20006	Tammen Group (For:Standard Federal Savings Bank)
Targeted Jobs Tax Credit Coalition, 5152 Woodmire Lane Alexandria, VA 22311	
David R. Tatum, 577 Mulberry Street Macon, GA 31298	Charter Medical Corp
Technology Services Group, Inc, 1625 K Street, NW, #375 Washington, DC 20006	
Collins Terrie, 105 East 22nd Street New York, NY 10010	Community Service Society
Sarah A.B. Teslik, 1420 16th Street, NW, #405 Washington, DC 20036	Hiscock & Barclay (for: State of New York Mortgage Agency)
Textbook Authors Association, P.O. Box 535 Orange Springs, FL 32182	
Thacher Proffitt & Wood, 1500 K Street, NW, #200 Washington, DC 20005	Chicago Board Options Exchange
Do	Standard Federal Savings & Loan
Patrick Thompson, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange
Thompson & Company, 529 14th St., NW, #425 Washington, DC 20004	Consolidated Bank
Do	Joesph J. Ritchie
Robert E. Thomson, 59 Maiden Lane New York, NY 10038	Ambase
James L. Thorne, 490 L'Enfant Plaza, SW, #2202 Washington, DC 20024	Tenneco Gas
Gary Thorup, 2564 Wilmington Avenue Salt Lake City, UT 84109	Reese Communications Cos (for: Philip Morris, USA)
Tighe Curhan & Piliero, 1750 Pennsylvania Avenue, NW, #1201 Washington, DC 20006	Standard Federal Savings Bank
Timmons & Co, Inc, 1850 K St., NW Washington, DC 20006	Mutual Fairness Taxation Association
Jeffrey B. Trammell, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:Nintendo of America, Inc)
Travis & Gooch, 1100 15th St., NW, #1200 Washington, DC 20005	Anadarko Petroleum Corp
Gregory A. Troxell, 1800 K Street, NW, #1018 Washington, DC 20006	Public Service Co of Indiana
Laurie K. Tryfiates, 370 L'Enfant Promenade, SW, #800 Washington, DC 20024	Concerned Women for America Legislative Action Committee
Carl R. Tuvin, 2805 Washington Avenue Chevy Chase, MD 20815	Tuvin Associates (For:Mutual Telecommunications Network)
Do	Tuvin Associates (For:Tricil, Inc)
U.S. Strategies Corp, 104 North Carolina Ave., SE Washington, DC 20003	Cancer Treatment Holdings, Inc
Do	Healthsouth Rehabilitation Corp
United States Telephone Association, 900 19th Street, NW, #800 Washington, DC 20036	
David R. Ursillo, 200 Dyer Street Providence, RI 02903	St Germain Rodio & Ursillo, Ltd (For:International Assn of Firefighters, Providence, Local 799)
Do	St Germain Rodio & Ursillo, Ltd (For:Old Stone Federal Savings Bank)
Do	St Germain Rodio & Ursillo, Ltd (For:Star-Tron Corp)
Do	St Germain Rodio & Ursillo, Ltd (For:United Assn of Steamfitters, Providence Local 476)
Reginald T. Valliere, 4212 King Street Alexandria, VA 22302	National Assn of Postmasters of the United States
Van der Voort Associates, Ltd, 1134 Westmoreland Road Alexandria, VA 22308	Pharmaceutical Manufacturers Assn
Van Fleet Metzner and Meredith Corporation, 499 S. Capitol Street, #520 Washington, DC 20003	Electrospace Corporation
Van Ness Feldman Sutcliffe & Curtis, P.C., 1050 Thomas Jefferson St., NW, 7th Floor Washington, DC 20007	Department of Water & Power
Do	Energy Fuels Nuclear Inc
Do	Lower Colorado River Authority
Do	McKesson Corporation
Do	National Nutrition Coalition
Do	Seneca Resources, Inc
Do	Southern California Edison Co
Marjorie Vanderbilt, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Association
Vern Clark & Associates, 555 New Jersey Avenue, NW, #255 Washington, DC 20001	Metromedia Company
Verner Liipfert Bernhard McPherson & Hand, Chtd, 901 15th Street, NW, Suite 700 Washington, DC 20005	National Wildlife Federation
Do	Wings Holdings Inc
Robert J. Vilhauer, 1700 N. Moore Street, #2120 Arlington, VA 22209	Boeing Company
Vinson & Elkins, 1455 Pennsylvania Ave., NW, #800 Washington, DC 20004-1007	E. M. Warburg Pincus & Co, Inc
Vorys Sater Seymour & Pease, 1828 L Street, NW, #1111 Washington, DC 20036	Bell Communications Research
Joan Wages, 630 Third Ave. 5th Floor New York, NY 10017	Independent Federation of Flight Attendants
Marvin Wagner, 21480 Pacific Boulevard Sterling, VA 22170	Heckler & Koch, Inc
Charls E. Walker Associates, Inc, 1730 Pennsylvania Ave., NW Washington, DC 20006	American Pioneer Savings Bank
Do	National Stone Association
Wallace & Edwards, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Avtex Fibers, Inc
Do	Southern Company
Do	U.S. Canola Association
James P. Walsh, Davis Wright & Jones 1752 N St., NW, #800 Washington, DC 20036	(For:F/V American Empire)
Gregg Ward, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects
Susan Warner, Box 021692 Juneau, AK 99802	Southeast Alaska Conservation Council
Betsy R. Warren, 2555 Pennsylvania Avenue, NW Washington, DC 20037	Allied-Signal Inc
Washington Financial Information Services, Inc, 406 Third Street, SE Washington, DC 20003	Downey Savings and Loan Assn
Samuel A. Arthur Watkins, 4300 East Wind Drive, Townhouse #8 Memphis, TN 38116	Tennessee Hunger Coalition
Robert T. Waugh, 801 East Morehead Street P.O. Box 33069 Charlotte, NC 28233-3069	First Federal Savings & Loan Assn of Charlotte
Gerald Weaver, 206 G Street, NE Washington, DC 20002	First Lithotripsy Group
Do	Evergreen Associates, Ltd (For:United Video)
Webster & Sheffield, 2000 Pennsylvania Ave., NW, #7400 Washington, DC 20006	Security Capital Corp
Sandra G. Weis, 445 Hamilton Ave. White Plains, NY 10601	Prodigy Services Company
Kent M. Wells, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp
G. Franklin West, 1530 North Key Blvd., #122 Arlington, VA 22209	Oklahoma Natural Gas
Paul L. Weston, 655 Fifteenth Street, NW Metropolitan Square, #310 Washington, DC 20005	Melchizedek Seminars
Ward H. White, 900 19th Street, NW, #800 Washington, DC 20006	United States Telephone Association
White & Case, 1155 Avenue of the Americas New York, NY 10036	Moody's Investor Services, Inc
Kathleen M. Whyte, 1615 L Street, NW, #920 Washington, DC 20036	Sterling Drug, Inc
Paul H. Wikerd, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Buckbee-Mears Cortland
Horace Wilkins Jr., 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp
David A. Wilkinson, 1331 Pennsylvania Ave., NW, #890-North Washington, DC 20004	General Electric Co
Robert P. Will, 1825 Eye Street, NW, #920 Washington, DC 20006	Will & Muys, P.C. (For:BKK Corp)
Do	Will & Muys, P.C. (For:Central Arizona Water Conservation District)
Do	Will & Muys, P.C. (For:Coachella Valley Water District)
Do	Will & Muys, P.C. (For:Santa Ana Watershed Project Authority)
Jack L. Williams, 451 New Jersey Avenue, SE Washington, DC 20003	American Ins. Ass'n
Do	Electro Com Automation, Inc
Kirk Willison, 707 Broadway, #1200 San Diego, CA 92101	Home Federal Savings & Loan of San Diego

Organization or Individual Filing	Employer/Client
Willkie Farr & Gallagher, Three Lafayette Center 1155 21st St., NW Washington, DC 20036	Golodetz Corporation
Do	Telecommunications Industry Assn
Do	Yamaha Motor Manufacturing Corp of America
Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420	Aetna Life & Casualty Co
Do	Federal National Mortgage Assn
Do	Long Island Savings Bank
Do	McDonald's Corporation
Do	Unisys Corp
Do	World Savings & Loan Assn
Don A. Wilson, 106 Dartmouth Waxahachie, TX 75165	
Joseph B. Winkelmann, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	Winkelmann & Associates, Inc (For:Fairfield Communities, Inc)
Winthrop Stimson Putnam & Roberts, 1133 Connecticut Ave., NW, 1200 Washington, DC 20036	Association of Seat Lift Manufacturers
Do	Queen City Home Health Care
Marcia A. Wiss, 1215 17th Street, NW Washington, DC 20036	Canned and Cooked Meat Importers Association
Cynthia D. Witkin, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America
Hope R. Wittenberg, 1101 Vermont Ave., NW, #604 Washington, DC 20005	College of American Pathologists
S.R. Wojdak and Associates, Inc, 1401 Walnut St., #1000 Philadelphia, PA 19102	Cardinal Glennon Children's Hospital
Do	Children's Hospital of Michigan
Do	Children's Hospital Medical Center of Akron
Do	Children's Memorial Medical Center
Do	Magee-Womens Hospital
Do	St. Louis Children's Hospital
Do	Wyler Children's Hospital
Donna Y. Wood, 577 Mulberry Street Macon, GA 31298	Charter Medical Corp
Joel Wood, 224 8th Street, SE Washington, DC 20003	National Association of Professional Insurance Agents
Cynthia Woodside, 701 N. Fairfax Street Alexandria, VA 22314-2045	(For:United Way of America)
Michele T. Woodward, 5584 Lee Highway Arlington, VA 22207	Communications Satellite Corp (COMSAT)
Andrew S. Wright, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn
Joesph R. Wright Jr., 3631 49th Street, NW Washington, DC 20016	Joesph J. Ritchie
Wunder Ryan Cannon & Thelen, 1615 L St., NW, #650 Washington, DC 20036	American International Group, Inc
Do	Bond International Gold
Do	Business Council on Indoor Air
Do	Falcon Safety Products
Do	Mylan Laboratories, Inc
Do	NYNEX Corp
Do	Pfizer, Inc
Do	Philip Morris Management Corp
Do	Wheelabrator Technologies
Yankee Gas Services Company, 999 West Street Rocky Hill, CT 06067-4002	
Edward R. Zajonc, 16461 Chapin Way Lake Oswego, OR 97034	Tonkon Torp Galen Marmaduke & Booth
Paulette Zakrzeski, 1110 Vermont Ave., NW, #430 Washington, DC 20005	National Cotton Council of America
Albert C. Zapanta, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Company (ARCO)
Arlene Zielke, 3724 West 107th Street Chicago, IL 60655	National Congress of Parents and Teachers
Zuckert Scoutt & Rasenberger, 888 17th St., NW, #600 Washington, DC 20006-3959	Advance Petroleum, Inc

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the second calendar quarter 1989:

(NOTE.—The form used for reporting is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data, and Page 2 deals with financial data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . .

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

IDENTIFICATION NUMBER

Is this an Amendment? ☐ YES ☐ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee".*—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer".*—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have ☐ terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."

STATEMENT OF VERIFICATION

[Omitted in printing]

NOTE on ITEM "D."—*(a)* IN GENERAL. The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In general.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $.....Dues and assessments
2. $.....Gifts of money or anything of value
3. $.....Printed or duplicated matter received as a gift
4. $.....Receipts from sale of printed or duplicated matter
5. $.....Received for services (e.g., salary, fee, etc.)
6. $.....TOTAL for this Quarter (Add "1" through "5")
7. $.....Received during previous Quarters of calendar year
8. $.....TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . *loan* . . ."—§ 302(a).

9. $.....TOTAL now owed to others on account of loans
10. $.....Borrowed from others during this Quarter
11. $.....Repaid to others during this Quarter

12. $....."Expense Money" and Reimbursements received this Quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": .....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("*Period*" from Jan. 1 through....., 19.....)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—*(a)* IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302 (b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) IN CONNECTION WITH LEGISLATIVE INTERESTS:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the spaces following the number.

Expenditures (other than loans)

1. $.....Public relations and advertising services
2. $.....Wages, salaries, fees, commissions (other than Item "1")
3. $.....Gifts or contributions made during Quarter
4. $.....Printed or duplicated matter, including distribution cost
5. $.....Office overhead (rent, supplies, utilities, etc.)
6. $.....Telephone and telegraph
7. $.....Travel, food, lodging, and entertainment
8. $.....All other expenditures
9. $.....TOTAL for this Quarter (Add "1" through "8")
10. $.....Expended during previous Quarters of calendar year
11. $.....TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . *loan* . . ."—§ 302 (b).

12. $.....TOTAL now owed to person filing
13. $.....Lent to others during this Quarter
14. $.....Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More*_____

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7–11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7–15, 8–15, 9–15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Robert J. Aagre, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	110.00	18.00
Paul C. Abenante, 1111 14th St., NW, #300 Washington, DC 20005	American Bakers Assn		
Thomas G. Abernethy Sr., 3973 Stuart Place Jackson, MS 39211	U.S. Cane Sugar Refiners' Assn		
Matthew J. Abrams, CANAMCO 1828 L Street, NW, #660 Washington, DC 20036	CANAMCO (For:Aerospace Industries Assn of Canada)		
Do	CANAMCO (For:Canadian Shipowners Assn)		
Abukari, 322 D Street, NE Washington, DC 20002	Rainbow Lobby, Inc	2,903.50	1,000.00
Elaine Acevedo, 216 7th Street, SE Washington, DC 20003	Florist's Transworld Delivery Assn	2,000.00	
Charles A. Acquard, 2301 M Street, NW, Washington, DC 20037	American Public Power Assn	2,000.00	
Action for Children's Television, 20 University Road Cambridge, MA 02138		13,101.00	2,368.95
Ad Hoc Coalition to Reconsider FS-X, 1924 N Street, NW Washington, DC 20036			
Ad Hoc Comm for Universal Comprehensive Health & Dental Care, Building 10, #310 12151 Bayport Street Garden Grove, CA 92640.			
John J. Adams, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20006	Ethyl Corporation		
Do	Hunton & Williams (For:Vepco)		
John M. Adams, 225 N. Washington St. Alexandria, VA 22314	The Retired Enlisted Association	1,536.00	1,320.00
John R. Adams, One Tabor Center 1200 17th Street, #2500 Denver, CO 80202	Energy Fuels Nuclear, Inc		950.00
Kenneth R. Adams, 2211 Congress Street Portland, ME 04122	UNUM Life Insurance Co	500.00	94.00
Robert O. Aders, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	200.00	
Elmer E. Adkins, 89 East Avenue Rochester, NY 14649-0001	Rochester Gas & Electric Corp	649.00	
Terrance M. Adlhock, 1111 19th St., NW, #303 Washington, DC 20036	Southern California Edison Co	4,500.00	1,500.00
Aerospace Industries Assn of America, Inc, 1250 Eye Street, NW, #1100 Washington, DC 20005		15,098.70	15,098.70
David A. Affeldt, 10404 Joiners Lane Potomac, MD 20854	American Assn of Retired Persons	6,661.20	
Do	Association for Gerontology in Higher Education	750.00	
Agendas International, 820 Second Avenue, #1302 New York, NY 10017	Ministerio del Exterior, Republic of Nicaragua		
Creigh H. Agnew, 2001 L St., NW, #304 Washington, DC 20036	Weyerhaeuser Company	49.26	49.26
David J. Aho, 1667 K Street, NW, #710 Washington, DC 20006	Baxter	2,000.00	280.00
Robert S. Aiken, 1735 I Street, NW, #916 Washington, DC 20006	Pinnacle West Capital Corp	2,000.00	2,257.59
Herbert Allen Ailsworth, 1615 L Street, NW, #420 Washington, DC 20036	Sandoz Corp		50.00
Air Conditioning & Refrigeration Institute, 1501 Wilson Boulevard, #600 Arlington, VA 22209			
Air Products & Chemicals, Inc, 1730 Pennsylvania Ave., NW, #265 Washington, DC 20006			1,834.55
Air Traffic Control Assn, Inc, 2020 North 14th Street, #410 Arlington, VA 22201		3,912.44	3,912.44
Aircraft Owners & Pilots Assn, 421 Aviation Way Frederick, MD 21701		5,232,264.00	76,971.00
Randolf H. Aires, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Sears Roebuck & Co	3,500.00	
Michael A. Aisenberg, 1331 Pennsylvania Ave., NW, #600-2 Washington, DC 20004	Digital Equipment Corp	19,500.00	
Akin Gump Strauss Hauer & Feld, 1333 New Hampshire Ave., NW, #400 Washington, DC 20036	Amerada Hess Corp	320.00	
Do	American Nuclear Energy Council		
Do	American Telephone & Telegraph Co		
Do	Bank of New York		
Do	Bank of Nova Scotia	263.00	
Do	Boone Co		
Do	Buckeye Pipeline Co, L.P	779.00	19.00
Do	Cambridge Information Group	5,129.00	95.00
Do	Citizens & Southern Corp	21,596.00	399.00
Do	Clark/Bardes Organization, Inc	1,121.00	19.00
Do	CRS Sirrine, Inc	1,588.00	19.00
Do	Distilled Spirits Council of the U.S., Inc		
Do	Drexel Burnham Lambert, Inc	12,449.00	228.00
Do	Eastern Air Lines, Inc	941.00	19.00
Do	First City Bankcorporation of Texas, Inc	18,872.00	342.00
Do	Fujitsu America, Inc		
Do	W. R. Grace & Co	1,225.00	19.00
Do	Guardian Savings and Loan Assn	7,500.00	133.00
Do	Houston Oilers		
Do	Peter Kiewit Son's, Inc	3,263.00	57.00
Do	Levi Strauss & Co	600.00	19.00
Do	Lone Star Steel Co		
Do	Long Island Lighting Co	100.00	
Do	MacAndrews & Forbes Holdings, Inc	39,000.00	1,406.00
Do	McDonnell Douglas Corp	3,470.00	57.00
Do	Mesa Petroleum Co	2,000.00	38.00
Do	Metropolitan Transit Authority of Harris County	7,990.00	152.00
Do	Minnesota Power	965.00	19.00
Do	Morgan Stanley & Co, Inc		
Do	Motion Picture Assn of America, Inc	5,675.00	95.00
Do	Mutual Fairness Taxation Assn		
Do	National Football League		
Do	National Health Laboratories	3,268.00	57.00
Do	Nevada Resorts Assn		
Do	News America		
Do	Pepsico, Inc	500.00	
Do	Pillsbury Company	2,071.00	38.00
Do	Population Services International		
Do	R. Lacey Inc	1,670.00	19.00
Do	Reebok International, Ltd		
Do	RJR Nabisco, Inc	1,513.00	38.00
Do	Shell Oil Co		
Do	Southern California Edison Co	5,363.00	95.00
Do	Texas Air Corp	2,125.00	38.00
Do	Texas Education Agency	294.00	
Do	Texas National Research Laboratory Commission		
Do	Textron Inc	508.00	
Do	Union Carbide Corporation		
Do	United Gas Pipe Line	636.00	
Do	United Illuminating Co		
Do	Warner-Lambert Co	1,195.00	19.00
Do	Wertheim & Co		
Julia L. Akins, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Alagia Day Marshall Mintmire & Chauvin, 1000 Thomas Jefferson St., NW, #600 Washington, DC 20007	Dairymen, Inc	10,780.00	1,859.63
Do	Duke Power Company		
Do	Enserch Corp		
Do	Northern Indiana Public Service Co		
Do	Santa Fe Pacific Pipelines, Inc	480.00	
Do	Sierra Pacific Industries, Inc	496.00	
Do	Superior National Insurance Group		
Do	Texas Oil & Gas Corp		
Albanian American Civic League, 1220 19th Street, NW, #400 Washington, DC 20036		12,995.55	9,872.07
William E. Albers, 1731 Connecticut Ave., NW, 2nd Fl. Washington, DC 20009-1146	Albers & Company (For:May Department Stores Co)		
David Alberswerth, 1412 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	2,294.87	
Donald C. Alexander, 1333 New Hampshire Ave., NW Washington, DC 20036	Cadwalader Wickersham & Taft (For:Air Products & Chemicals, Inc)	49.30	
Do	Cadwalader Wickersham & Taft (For:Air Transport Assn of America)		
Do	Cadwalader Wickersham & Taft (For:American Financial Corp)	197.20	
Do	Cadwalader Wickersham & Taft (For:Bechtel Group, Inc)	320.45	
Do	Cadwalader Wickersham & Taft (For:Bechtel Investments, Inc)	98.60	
Do	Cadwalader Wickersham & Taft (For:Family Life Insurance Co)	172.55	
Do	Cadwalader Wickersham & Taft (For:Mortgage Guaranty Insurance Corp)	24.65	
Do	Cadwalader Wickersham & Taft (For:Nationwide Mutual Insurance Co)	368.30	
Do	Cadwalader Wickersham & Taft (For:PepsiCo, Inc)	123.25	
Do	Cadwalader Wickersham & Taft (For:United Brands Co)	121.80	
Nancy C. Alexander, 245 Second Street, NE Washington, DC 20002	Friends Comm on National Legislation	4,904.19	
Alexander & Associates, Inc, 400 C Street, NE Washington, DC 20002	Investment Company Institute	30,000.00	
John D. Allan, c/o Dow Lohnes & Albertson 1255 23rd St., NW Washington, DC 20037	Stelco, Inc		
Alexandra Allen, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	5,394.06	
Barbara Allen, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	9,051.00	314.91

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
William E. Allen, 1111 14th Street, NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
Alliance for Acid Rain Control, 444 N. Capitol Street, #526 Washington, DC 20001		15,000.00	5,596.00
Alliance for Capital Access, 1919 Pennsylvania Ave., NW, #704 Washington, DC 20006		160,000.00	78,991.98
Alliance of American Insurers, 1501 Woodfield Road, #400 West Schaumburg, IL 60195			41,675.35
Alliance of Nonprofit Mailers, 2001 S Street, NW, #540 Washington, DC 20009		2,736.75	2,309.55
Alliance to Save Energy, 1725 K Street, NW, #914 Washington, DC 20006			3,308.16
Robert F. Allnut, 1100 15th St., NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	1,000.00	
James E. Allred, 815 16th St., NW, #511 Washington, DC 20006	Transportation - Communications Union		
Alpha Lyracom d/b/a Pan American Satellite, One Pickwick Plaza Greenwich, CT 06830			2,719.00
Loren J. Alter, 231 Martingale Road Schaumburg, IL 60196	Zurich-American Insurance Companies		
Michael J. Altier, 1000 Connecticut Avenue, NW Washington, DC 20036	National Retail Merchants Assn	2,500.00	136.50
Susan E. Alvarado, 1440 New York Ave., NW, #320 Washington, DC 20005	Capital Legislative Services (For:Uniroyal Chemical Company)	3,750.00	94.96
Do	Capital Legislative Services (For:United States Tobacco)	3,000.00	1,508.67
Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue, NW Washington, DC 20016			5,000.00
Jerome A. Ambro Associates, 4734 Timber Ridge Dr. Mountclair, VA 22026	Associated Universities	9,000.00	8,374.63
American Academy of Family Physicians, 8800 Ward Parkway Kansas City, MO 64114		21,326.92	21,326.92
American Advertising Federation, 1400 K Street, NW, #1000 Washington, DC 20005			6,962.51
American Amusement Machine Assn, 205 The Strand Alexandria, VA 22314		100,000.00	2,777.37
American Arts Alliance, 1319 F Street, NW, #307 Washington, DC 20004-1182			9,669.47
American Assn for Marriage & Family Therapy, 1717 K Street, NW, #407 Washington, DC 20006			28,450.00
American Assn for Respiratory Care, 11030 Ables Lane Dallas, TX 75229		19,401.98	21,372.58
American Assn of Blood Banks, 1117 North 19th St., #600 Arlington, VA 22209		1,250.00	1,250.00
American Assn of Equipment Lessors, 1300 North 17th St., #1010 Arlington, VA 22209			
American Assn of Meat Processors, P.O. Box 269 Elizabethtown, PA 17022		179.39	50.00
American Assn of University Women, 2401 Virginia Avenue, NW Washington, DC 20037			522.81
American Automobile Assn, 8111 Gatehouse Rd. Falls Church, VA 22047			
American Bankers Assn, 1120 Connecticut Avenue, NW Washington, DC 20036		103,154.03	103,154.03
American Camping Association, Bradford Woods Martinsville, IN 46151			
American Cement Trade Alliance, Inc, 1331 Pennsylvania Ave., NW, #1331 Washington, DC 20004		4,252.49	30,561.57
American Cemetery Assn, 5201 Leesburg Pike, #1111 Falls Church, VA 22041			
American Council for Capital Formation, 1850 K Street, NW, #400 Washington, DC 20006		5,690.00	11,019.00
American Council of Life Insurance, Inc, 1001 Pennsylvania Avenue, NW Washington, DC 20004		46,412.89	46,412.89
American Dental Assn, 211 E. Chicago Ave. Chicago, IL 60611			6,000.00
American Family Assn Education and Legal Defense Foundation, P.O. Drawer 2440 Tupelo, MS 38803		12,000.00	12,000.00
American Farm Bureau Federation, 225 Touhy Ave Park Ridge, IL 60068		146,495.00	146,495.00
American Fed of Labor & Congress of Industrial Organizations, 815 16th St., NW Washington, DC 20006			159,068.55
American Feed Industry Assn, 1701 N. Ft. Myer Dr. Arlington, VA 22209		3,240.00	3,240.00
American Fiber Manufacturers Assn, Inc, 1150 17th St., NW, #310 Washington, DC 20036			30,833.28
American Financial Services Assn, 1101 14th St., NW Washington, DC 20005			1,000.00
American Frozen Food institute, 1764 Old Meadow Rd., #350 Mclean, VA 22102		6,000.00	6,000.00
American Health Care Assn, 1201 L Street, NW Washington, DC 20005		235,255.20	43,959.38
American Hellenic Institute Public Affairs Committee, Inc, 1730 K Street, NW, #1005 Washington, DC 20006			
American Hotel & Motel Assn, 1201 New York Ave., NW Washington, DC 20005		23,653.08	11,352.39
American Institute of Merchant Shipping, 1000 16th Street, NW, #511 Washington, DC 20036			3,655.80
American Insurance Assn, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036		4,797.00	4,797.00
American International Group, Inc, 70 Pine Street New York, NY 10270			
American Israel Public Affairs Comm, 500 N. Capitol St., NW, #300 Washington, DC 20001		115,889.00	145,946.60
American Land Title Assn, 1828 L St., NW, #705 Washington, DC 20036			2,475.00
American League for Exports & Security Assistance, Inc, 122 C St., NW, #740 Washington, DC 20001		12,050.00	8,562.35
American Library Assn, 50 E. Huron St. Chicago, IL 60611		521.00	7,539.41
American Lung Assn of Maryland, 1840 York Rd., #K-M Timonium, MD 21093			
American Malting Barley Assn, Inc, 735 North Water Street, #908 Milwaukee, WI 53202		15,538.41	2,592.94
American Meat Institute, P.O. Box 3556 Washington, DC 20007			6,151.51
American Medical Assn, 535 North Dearborn St. Chicago, IL 60610			99,374.85
American Medical Care & Review Assn, 5410 Grosvenor Lane, #210 Bethesda, MD 20814			24.80
American Medical Peer Review Assn, 810 First Street, NE, #410 Washington, DC 20002			
American Movers Conference, 2200 Mill Road Alexandria, VA 22314			2,112.00
American Newspaper Publishers Assn, Box 17407 Dulles International Airport Washington, DC 20041		63,463.92	63,463.92
American Nuclear Energy Council, 410 1st St., SE Washington, DC 20003		82,841.52	150,210.89
American Nurses' Assn, 2420 Pershing Rd Kansas City, MO 64108		32,876.94	32,876.94
American Optometric Assn, 1505 Prince Street, #300 Alexandria, VA 22314			
American Paper Institute, Inc, 260 Madison Ave. New York, NY 10016			8,250.00
American Petroleum Institute, 1220 L St., NW Washington, DC 20005		464,689.12	337,664.22
American Physical Therapy Assn, 1111 N. Fairfax St. Alexandria, VA 22314		9,482.79	9,482.79
American Podiatric Medical Assn, 9312 Old Georgetown Road Bethesda, MD 20814-1621			27,313.17
American Postal Workers Union, AFL-CIO, 1300 L Street, NW Washington, DC 20005		131,400.16	121,783.84
American Public Transit Assn, 1201 New York Avenue, NW Washington, DC 20005		31,072.00	31,072.00
American Pulpwood Assn, 1025 Vermont Avenue, NW Washington, DC 20005			
American Radio Relay League, Inc, 225 Main St. Newington, CT 06111			9,608.00
American Retreaders' Assn, P.O. Box 17203 Louisville, KY 40217		500.00	500.00
American Seed Trade Assn, 1030 15th Street, NW, #964 Washington, DC 20005			29,793.00
American Short Line Railroad Assn, 2000 Massachusetts Ave., NW Washington, DC 20036			
American Soc for Personnel Administration, 606 North Washington Street Alexandria, VA 22314			45,000.00
American Soc of Anesthesiologists, 1111 14th Street, NW, #501 Washington, DC 20005			48,394.25
American Soc of Hospital Pharmacists, 4630 Montgomery Avenue Bethesda, MD 20814			7,500.00
American Soybean Association, 1300 L Street, NW, Suite 950 Washington, DC 20005-4107		11,200.00	5,398.02
American Textile Machinery Assn, 7297 N. Lee Hwy. Falls Church, VA 22042		140.00	140.00
American Textile Manufacturers Institute, Inc, 1801 K Street, NW, #900 Washington, DC 20006		40,418.51	57,492.38
American Veterans of World War II, Korea & Vietnam (AMVETS), 4647 Forbes Boulevard Lanham, MD 20706			20,400.00
American Veterinary Medical Assn, 1023 15th Street, NW, #300 Washington, DC 20005		1,000.00	350.00
American Waterways Operators, Inc, 1600 Wilson Boulevard, #1000 Arlington, VA 22209		400,423.00	240.66
Americans for the High Frontier, 2800 Shirlington Road, #405A Arlington, VA 22206		46,427.17	49,614.09
Americans for Immigration Control, Inc, P.O. Box 738 Monterey, VA 24465		8,072.52	8,072.52
Americans for Nonsmokers' Rights, 2054 University Ave., #500 Berkeley, CA 94704		5,547.00	5,547.00
Joanne Ames, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,500.00	
Morris J. Amitay, P.C., 444 N. Capitol Street, NW, #712 Washington, DC 20001	Coalition for American Energy Security	1,500.00	
Do	International Advisers, Inc	19,333.32	
Do	Nathan Lewin (for 47th Street Photo)	7,500.00	
Do	Northrop Corp	3,000.00	
Do	Thompson Medical Co	2,000.00	
John G. Ams, 1660 L St., NW, #601 Washington, DC 20036	Interstate Natural Gas Assn of America		
Anadarko Petroleum Corp, 16855 Northchase Drive Houston, TX 77251-1330			
Christopher E. Anders, 1667 K Street, NW, #660 Washington, DC 20006	Marlowe & Company (For:Graphic Communications International Union)		
Anthony A. Anderson, 1818 N St., NW Washington, DC 20036	Eckert Seamans Cherin & Mellot (For:Burlington Northern, Inc)		
Do	Eckert Seamans Cherin & Mellott (For:CSX Corp)		
Do	Eckert Seamans Cherin & Mellott (For:Metropolitan Transportation Authority)		
Bette B. Anderson, 1030 15th St., NW, #700 Washington, DC 20036	Anderson Benjamin Read & Haney (For:De La Rue Giori of America, Inc)		
Do	Anderson Benjamin Read & Haney (For:SICPA Industries of America, Inc)		
Do	Anderson Benjamin Read & Haney (For:U.S. Banknote Corp)		
David J. Anderson, 1000 Wilson Boulevard, #2700 Arlington, VA 22209	TRW, Inc	500.00	
H. Kim Anderson, Virginia Petroleum Council 1001 E. Broad Street Richmond, VA 23219	American Petroleum Institute	50.00	
J. Lem Anderson, 4111 Franconia Rd. Alexandria, VA 22310	Temple-Inland		
Kevin N. Anderson, 215 South State Street 12th Floor Salt Lake City, UT 84111	Fabian & Clendenin (For:Nevada Electric Investment Company, Inc)	5,093.57	771.81
Paul S. Anderson, 200 West Adams Street, #2625 Chicago, IL 60606	Sonnenberg Anderson O'Donnell & Rodriguez (For:Silvestri Corp)		
Steven C. Anderson, 1764 Old Meadow Rd, #350 Mclean, VA 22102	American Frozen Food Institute	5,000.00	
Susan S. Anderson, 490 L'Enfant Plaza East, SW, #4200 Washington, DC 20024	Xerox Corp	400.00	
William C. Anderson, 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		20.00
Elaine Andrews, 1455 Pennsylvania Ave., NW, #1250 Washington, DC 20004-0401	National Assn of Life Companies	300.00	74.00
Michael Andrews, 1455 Pennsylvania Ave., NW, #325 Washington, DC 20004	Salomon Brothers, Inc	875.00	361.86
Robert B. Andrews, 1100 Connecticut Avenue, NW, #620 Washington, DC 20036	Mobil Corp	500.00	
William Robert Andrews, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International Corp	3,000.00	1,153.75
Andrews' Associates, Inc, 2550 M St., NW, #450 Washington, DC 20037	Mars, Inc		
Do	Royal Trusto Ltd		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Safeguard America's Family Enterprises		
Owen W. Anglum, 1667 K Street, NW, #650 Washington, DC 20006	Armco, Inc	1,300.00	808.98
Animal Health Institute, 119 Oronoco Street P. O. Box 1417-D50 Alexandria, VA 22313			590.00
J. Donald Annett, 1050 17th St., NW, #500 Washington, DC 20036	Texaco, Inc	500.00	
Philip H. Anns, 1101 Vermont Avenue, NW, #405 Washington, DC 20005	A. H. Robins Co	3,000.00	200.43
Decker Anstrom, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	4,950.00	
Virginia Antos, 2005 Massachusetts Avvenue, NW Washington, DC 20036	Association of American Publishers		
Apartment & Office Building Assn, 1413 K Street, NW, #600 Washington, DC 20005			
Apple Computer, Inc, 1892 Peston White Drive Reston, VA 22091			186.50
Paul W. Arcari, 201 N. Washington Street Alexandria, VA 22314	Retired Officers Assn	2,481.00	
John Archer, 8111 Gatehouse Rd. Falls Church, VA 22047	American Automobile Assn		
R. M. Julie Archuleta, 1747 Pennsylvania Avenue, NW, 3rd Fl. Washington, DC 20006	Occidental Chemical Corp	40.00	6.00
Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Ave., NW Washington, DC 20036-5339	American Assn of Bioanalysts	1,000.00	2,068.18
Do	American Medical Imaging Corp	15,587.60	1,022.26
Do	Ameritech		
Do			220.56
Do	Aris Anagnos Properties	26,667.00	117.95
Do	Association of Professeional Flight Attendants	4,674.11	1,389.37
Do	California Steel Industries, Inc		616.46
Do	Central States SE & SW Areas Health Welfare & Pension Funds	41,778.02	261.18
Do	Colorado River Indian Tribes		603.95
Do	Ethan Allen, Inc		
Do	Guardian Life Insurance Co of America	14,531.29	399.39
Do	Independent Federation of Flight Attendants	7,500.00	912.00
Do	Mercy Hospital of Des Moines, Iowa	2,018.12	58.31
Do	Motor and Equipment Manufacturers Association		
Do	National Assn of College Stores	6,972.00	125.93
Do	National Field Selling Assn	810.00	
Do	National Nutrition Coalition	5,000.00	133.09
Do	National Parking Association	7,151.37	987.55
Do	Salem Medical Laboratory, Ltd	1,134.67	
Do	SO-PAK-CO, Inc	3,569.00	326.75
Do	Toyota Motor Corporation		
Do	Video Software Dealers Assn	13,909.49	1,357.50
John W. Arlidge, P.O. Box 230 Las Vegas, NV 89151	Nevada Power Company	7,000.00	
Fred Armstrong Jr, 1620 Eye Street, NW, #520 Washington, DC 20006	Portland Cement Assn		
John A. Armstrong, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
Carl F. Arnold, 617 Rivercrest Drive McLean, VA 22101	American Iron & Steel Institute	661.47	
Do	Ashland Oil Co	1,101.96	
Do	Corporate Property Investors	540.98	
Do	Quintana Petroleum Corp	686.43	
John E. Arnold, 2001 L Street NW, Suite 1000 Washington, DC 20036	Unisys Defense Systems	1,000.00	33.78
Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036	Jay P. Altmayer		12.40
Do	American Institute of Certified Public Accountants	2,152.50	80.75
Do	Asea AB		
Do	Asocolflores		
Do	Board of Estimate		
Do	Building & Construction Trades Dept, AFL-CIO		
Do	Continental Corporation	77.50	
Do	Donohue & Associates, Inc		
Do	Earthquake Project		
Do	Fluor Corporation		
Do	Grain & Feed Trade Assn		
Do	Hopi Indian Tribe		
Do	International Commodities Clearing House		
Do	London Commodity Exchange (1986) Limited		
Do	London International Financial Futures Exchange, Ltd		
Do	Metal Market & Exchange Co, Ltd		
Do	Mutual of America		
Do	Philip Morris Cos, Inc	463.75	233.06
Do	Recording Industry Assn of America, Inc	243.00	
Do	Republic of Panama		
Do	Sacramento Municipal Utility District	840.25	
Do	State Farm Mutual Automobile Insurance Co	19,245.00	1,563.90
Do	Survival Technology, Inc		
Arnold Grobmyer & Haley, P.O. Box 70 Little Rock, AR 72203	Arkansas Assn of Securities Dealers		
Do	Mid-South International Trade Assn		
Nan Aron, 600 New Jersey Avenue, NW Washington, DC 20001	Alliance for Justice	26.04	
Thomas M. Arrasmith, 1801 K Street, NW, #1200 Washington, DC 20006	IBM Corp	161.00	29.95
Asbill Junkin Myers & Buffone, 1607 New Hampshire Ave., NW Washington, DC 20009	Coalition on Smoking or Health		
Michael Ashford, 2030 M Street, NW Washington, DC 20036	Common Cause	4,160.01	
Milton F. Ashford, P.O. Box 24305 Oakland, CA 94623	Clorox Company		
Thomas Ludlow Ashley, 730 15th St., NW Washington, DC 20005	Association of Bank Holding Companies	5,750.00	
Nicholas J. Ashooh, 1000 Elm Street P.O. Box 330 Manchester, NH 03105	Public Service Co of New Hampshire	800.00	1,838.92
Mark D. Aspinwall, 1627 K Street, NW, #1200 Washington, DC 20006	United Shipowners of America	2,375.00	16.95
Associated Credit Bureaus, Inc, 16211 Park 10 Place Houston, TX 77084		1,500.00	
Associated General Contractors of America, 1957 E St., NW Washington, DC 20006			12,039.00
Association for Commuter Transportation, Inc, 1776 Massachusetts Ave., NW, #521 Washington, DC 20036			
Association of American Foreign Service Women, P.O. Box 70051 Washington, DC 20024-0051		1,610.00	
Association of American Law Schools, One Dupont Circle, NW, #370 Washington, DC 20036			
Association of American Publishers, 1718 Connecticut Avenue, NW Washington, DC 20009-1148		8,770.00	8,770.00
Association of American Veterinary Medical Colleges, 1023 15th Street, NW, 3rd Floor Washington, DC 20005			
Association of Biotechnology Companies, 1120 Vermont Avenue, NW, #601 Washington, DC 20005		3,833.00	5,550.00
Association of Junior Leagues, Inc, 660 First Avenue New York, NY 10016		15,000.00	11,089.00
Association of Maximum Service Telecasters, Inc, 1730 M St., NW, #713 Washington, DC 20036			541.25
Association of Trial Lawyers of America, 1050 31st St., NW Washington, DC 20007		9,434.58	9,434.58
Association of Urban Universities, 501 I St. S.W. Washington, DC 20024			
George J. Aste, 1707 L St., NW, #300 Washington, DC 20036-4202	United Airlines, Inc	500.00	
Michael G. Atieh, 1615 L St., NW, #1320 Washington, DC 20036	Merck & Co, Inc	1,000.00	173.25
Victor Atiyeh & Co, 519 SW Park St., #208 Portland, OR 97205	Fujitsu, Ltd	1,711.66	1,711.66
Do	Seiko Epson		
Atlantic Richfield Co, 515 South Flower Street Los Angeles, CA 90071			1,085.58
Fritz E. Attaway, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc	562.50	208.70
Leslie Aubin, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	3,189.00	200.00
John J. Auciello, P.O. Box 269 Elizabethtown, PA 17022	American Assn of Meat Processors		
Robb Austin, 2500 Virginia Avenue, NW, #1150-S Washington, DC 20037	Robb Austin and Associates (For:Madison PUblic Affairs Group)		
Ronald R. Austin, 1201 16th Street, NW, #210 Washington, DC 20036	Overseas Education Assn, Inc	676.96	
Automotive Parts Rebuilders Acsn, 6849 Old Dominion Drive Mclean, VA 22101		106.00	106.00
John S. Autry, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp	1,000.00	898.65
Rebecca Avila, 2030 M St., NW Washington, DC 20036	Common Cause	7,338.78	
Avon Products, Inc, 9 West 57th St. New York, NY 10019			
Marguerite D. Ayers, 10 Light Street P. O. Box 987 Baltimore, MD 21203	MNC Financial, Inc		
Aylward & Finchem, 888 17th Street, NW, 12th Floor Washington, DC 20006	Omak Wood Products Co		73.08
Do	Unimar International, Inc		73.08
Merribel Symington Ayres, Metropolitan Square #205 655 15th Street, NW, Washington, DC 20005	National Independent Energy Producers		5,911.56
ARCO Chemical Co, 3801 West Chester Pike Newtown Square, PA 19073			235.00
Edward J. Babbitt, 400 Broadway Cincinnati, OH 45202	Western-Southern Life Insurance Co	5,709.00	627.74
Hope M. Babcock, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society		
Gregory R. Babyak, 1747 Pennsylvania Ave., NW Washington, DC 20006	Pfizer, Inc		
Kenneth L. Bader, 777 Craig Road St. Louis, MO 63141	American Soybean Assn		
Richard Anthony Baenen, 1735 New York Avenue, NW, #600 Washington, DC 20006	NANA Regional Corp, Inc		
Do	People's Republic of Angola		
Do	Shee Atika, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Joan N. Baggett, 815 15th St., NW Washington, DC 20005	International Union of Bricklayers & Allied Craftsmen	8,000.00	647.34
Brent A. Baglien, 725 15th Street, NW, #500 Washington, DC 20005	National Grain & Feed Assn.		
Franklin Eugene Bailey, 1110 Vermont Ave., NW #430 Washington, DC 20005	National Cotton Council of America		
William W. Bailey, 1700 Pennsylvania Ave., NW, #500 Washington, DC 20006	Mutual of Omaha Insurance Co	2,000.00	701.92
Sheila Bair, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
Judith L. Baird, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co.	200.00	
Gary H. Baise, 1333 New Hampshire Avenue, NW Washington, DC 20036	Beveridge & Diamond, P.C. (For:Pacific Dunlop-GNB)		
Emil F. Baker, 1303 New Hampshire Ave., NW Washington, DC 20036	Fleet Reserve Assn.		
Gerald E. Baker, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	6,000.00	512.73
James A. Baker IV, 555 13th Street, NW, #500 East Washington, DC 20004	Baker & Botts (For:Cabot Corp)		
Do	Baker & Botts (For:Sonat, Inc)		
James Jay Baker, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,670.70	125.10
Quinter S. Baker, P.O. Box 8091 Falls Church, VA 22041	Friendship Hill Assn		
R. Garrity Baker, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	225.00	78.00
Baker & Botts, 555 13th Street, NW, #500 East Washington, DC 20004	Rhone-Poulec		
Baker & Hostetler, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	Uniden Corp of America		
Do	Western Fuels Assn, Inc		
Baker Worthington Crossley Stansberry & Woolf, 1001 Pennsylvania Ave., NW #1201 Washington, DC 20004	American Airlines, Inc.	26,980.00	41.00
Do	Day & Zimmerman, Inc.		
Do	Dunigan Enterprises	180.00	
Do	Federal Express Corp	7,852.50	162.00
Do	International Barrier Corp	3,197.50	
Do	National Corporation for Housing Partnerships	9,349.00	
Do	Philip Morris Management Corp.	6,573.00	
Do	Public Service Company of New Mexico	360.00	
Do	Warner-Lambert Company		
H. R. Balikov, 333 Thornall St. Edison, NJ 08818	J. M. Huber Corp.		
Stanley W. Balis, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))	648.50	34.08
Helen M. Ball, 1016 16th St., NW, #100 Washington, DC 20036	Brown Bridgman & Co, Inc	6,925.00	
Ball Janik & Novack, 601 Pennsylvania Ave., NW, 9th Floor Washington, DC 20004	AeroLift, Inc	15,000.00	1,478.66
Do	Fujitsu Microelectronics	14,143.00	2,421.27
Do	Greenbrier Leasing, Inc	28,915.00	6,648.06
Do	Lower Columbia Regional Navy Task Force	15,000.00	2,262.32
Do	Mt. Hood Meadows Oregon, Ltd	41,304.00	2,149.43
Do	Northwest Industrial Gas Users	3,479.00	922.43
Do	Northwest Marine Iron Works	25,500.00	3,787.23
Do	Riedel Environmental Services	1,523.50	75.40
Do	Section 8 Housing Group	2,049.50	149.93
Thomas M. Balmer, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Ice Cream Assn		
Charles E. Bangert, P.C., 662 Mallard Court Arnold, MD 21012	Business Roundtable	2,000.00	
Bank of Boston Corporation, 100 Federal St. Boston, MA 02110			
Bank Capital Markets Assn, National Press Building, 2nd Fl. Washington, DC 20045			
Barbara A. Bankoff, 3733 Yuma Street, NW Washington, DC 20016	Eli Lilly & Co	1,000.00	35.00
James T. Banks, 1155 Connecticut Avenue, NW, #800 Washington, DC 20036	Waste Management, Inc.	3,550.00	13.00
Kathryn Bannan, 1050 Connecticut Ave., NW, #401 Washington, DC 20036	Hoffmann-La Roche, Inc.		
Martha G. Bannerman, One Greenwich Plaza P.O. Box 2568 Greenwich, CT 06836-2568	NAC Re Corp		227.50
Samuel J. Baptista, 1225 19th St., NW, #410 Washington, DC 20036	Financial Services Council	4,000.00	
Emory W. Baragar, 1700 N. Moore St., #2120 Rosslyn, VA 22209	Boeing Company	2,797.49	297.64
Haley R. Barbour, P.O.Box 960 Yazoo City, MS 39194	Americans Against Unfair Gas Taxes	20,000.00	
Do	Joint Maritime Congress	22,500.00	1,202.67
Do	A. L. Williams & Company	13,333.34	1,282.90
Rebecca T. Barbour, 1025 Connecticut Ave., NW Washington, DC 20036	Shell Oil Company	500.00	
Betsy Barclay, 1875 Eye St., NW, #1110 Washington, DC 20006	Times Mirror Co		
Leslie A. Barhyte, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn		
Robert H. Barker, 1150 17th Street, NW Washington, DC 20036	American Fiber Manufacturers Assn, Inc	500.00	333.28
William J. Barloon, 1875 Eye Street, NW, #1250 Washington, DC 20006	United Telecommunications, Inc.	4,450.00	
William J. Barnds, 1000 Connecticut Avenue, NW Washington, DC 20036	Japan Economic Institute of America	500.00	
Michael D. Barnes, 1050 Connecticut Avenue, NW Washington, DC 20036	Arent Fox Kintner Plotkin & Kahn (For:American Consulting Engineers Council)	6,097.00	
Do	Arent Fox Kintner Plotkin and Kahn (For:Temistocles Ramirez De Arellano)	2,760.00	
Barnes Richardson & Colburn, 1819 H St., NW, #400 Washington, DC 20006	Texas Citrus and Vegetable Import Association		16.15
Barnett D'Amours Sivon & Shay, P.C., 1090 Vermont Ave., NW, #810 Washington, DC 20005	American Council for State Savings Supervisors	1,440.00	18.00
Do	Citibank, N.A.	2,070.00	78.00
Do	Credit Union National Assn, Inc.		
Do	Investors in Industry		
James C. Barr, 1840 Wilson Blvd Arlington, VA 22201	National Milk Producers Federation	3,300.00	
Terry N. Barr, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
Robert W. Barrie, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co.	3,000.00	
Robert E. Barrow, 1616 H Street, NW Washington, DC 20006	National Grange	5,000.00	
Roger V. Barth, 1735 Eye St., NW, #715 Washington, DC 20006	American Assn for Clinical Chemistry Inc		
Linda L. Bartlett, 1341 G Street, NW, 9th Floor Washington, DC 20005	Kraft, Inc	750.00	
Robert G. Bartlett, 1415 Elliot Place, NW Washington, DC 20007	National Stone Assn	4,000.00	500.00
James E. Bartley, 1090 Vermont Avenue, NW, #410 Washington, DC 20005	National Industrial Transportation League	8,500.00	21.00
Mark A. Bartner, 100 Maryland Avenue, NE Washington, DC 20002	Religious Coalition for Abortion Rights, Inc	4,375.00	27.30
Richard A. Barton, 1101 17th St., NW, #900 Washington, DC 20036	Direct Marketing Assn	1,000.00	1,000.00
Bass and Howes, 1601 Connecticut Ave., NW, #801 Washington, DC 20009	Women's Legal Defense Fund	17,000.00	12,692.00
Stephen R. Bassett, 421 Aviation Way Frederick, MD 21701	Aircraft Owners & Pilots Assn.	2,000.00	
Diane Bateman, 501 2nd Street, NE Washington, DC 20002	Fertilizer Institute	9,000.00	2,221.74
Christopher M. Bates, 1325 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Motor & Equipment Manufacturers Assn	1,500.00	1,512.00
Douglas P. Bates, 1001 Pennsylvania Ave., NW Washington, DC 20004-2599	American Council of Life Insurance	2,000.00	
Robert E. Bates Jr., 1100 Connecticut Ave, NW—#620 Washington, DC 20036	Mobil Corp	1,125.00	
Erica M. Battaglia, 519 C Street, NE Washington, DC 20002	National Assn for Home Care	4,980.04	433.33
Robin Battaglini, 1000 Wilson Blvd., #3000 Arlington, VA 22209	ITT Corporation	1,500.00	50.00
Gary Lee Bauer, 601 Pennsylvania Ave., NW, #901 Washington, DC 20004	Focus on the Family	875.00	
Barbara Bauman, 1990 M Street, NW, #480 Washington, DC 20036	Detroit Edison Company	700.00	30.00
Lori Baux, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Gas Taxes	10,916.00	
Ann F. Bavaria, 35 North Sixth Street Reading, PA 19601	Meridian Bancorp, Inc		10.48
James R. Baxter, 1101 15th St., NW, #1040 Washington, DC 20005	National Construction Employers Council		
Richard 'Sandy' Beach, 805 15th Street NW, #300 Washington, DC 20005-2207	Credit Union National Assn, Inc.		
Tina Marts Beach, 1331 Pennsylvania Avenue, NW, #700-S Washington, DC 20004	General Electric Co.	372.00	
Bruce A. Beam, 1667 K St., NW, #450 Washington, DC 20006	American Electric Power Service Corp	703.12	690.34
Hubert Beatty, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Edward A. Beck III, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	4,675.00	44.07
Robert E. Beck, P.O. Box 6808 Falls Church, VA 22046	National Assn of Plumbing-Heating-Cooling Contractors	65.00	136.25
Robert G. Beckel, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Taxes	6,000.00	
Lee Becker, 1111 14th St., NW Washington, DC 20005	American Bakers Assn.		
Merritt Becker, 1844 Kalorama Rd. NW Washington, DC 20009	Bruce P. Cameron (for Embassy of Mozambique)	7,499.96	
Steven M. Beckman, 1757 N Street, NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	1,620.99	11.00
Elizabeth W. Beckwith, 300 5th Street, NE Washington, DC 20002	American Osteopathic Assn.	1,750.00	
William W. Beddow, 1730 Pennsylvania Ave., NW, #750 Washington, DC 20006	Caterpillar, Inc	2,500.00	84.60
Howard Bedlin, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	508.84	141.50
Beer Institute, 1225 'Eye' Street, NW, #825 Washington, DC 20005			1,454.16
Robert M. Beers, 2101 E Street, NW Washington, DC 20037	American Foreign Service Assn.	6,603.00	
Margaret M. Bees, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp.		
William A. Behan, 1700 N. Moore St., #820 Arlington, VA 22209	Magnavox Government & Industrial Electronics Co	6,389.00	5,010.88
Edwin L. Behrens, 801 18th Street, NW, #400 Washington, DC 20006	Procter & Gamble Manufacturing Co	195.00	
James Beizer, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Mark Belanger, 805 Third Avenue New York, NY 10022	Major League Baseball Players Assn.		
Peter M. Belanger, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	200.00	
Donald K. Belch, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Stelco, Inc.		
Joe Belew, 1300 N. 17th St., #1200 Arlington, VA 22209	Consumer Bankers Assn.		96.00
Denise Bell, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	448.24
Howard H. Bell, 1400 K St., NW, #1000 Washington, DC 20036	American Advertising Federation		
Stephen E. Bell, 1455 Pennsylvania Ave., NW, #350 Washington, DC 20004	Salomon Brothers, Inc	1,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Winston Everett Bell, P.O. Box 26543 Las Vegas, NV 89126			
Mary K. Bellamy, 1800 M St., NW Washington, DC 20036	Investment Company Institute		
Mike Benner, 1300 L St., NW Washington, DC 20005	American Postal Workers Union	2,890.65	1,383.31
John C. Bennison, P.O. Box 23992 Washington, DC 20026-3992	American Soc of Travel Agents	8,500.00	
Benoit Smith & Laughlin, 2001 Jefferson Davis Highway, #501 Arlington, VA 22202	Econopure		
Do	Hughes Aircraft Company		
Frederick S. Benson III, 2001 L Street, NW, #304 Washington, DC 20036	Weyerhaeuser Company		
Hu A. Benton, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Ranieri Wilson & Co, Inc)	2,584.61	
James E. Benton, N. J. Petroleum Council 150 W. State Street Trenton, NJ 08608	American Petroleum Institute	185.00	
Rebecca J. Berg, 1331 Pennsylvania Ave., NW, #560 Washington, DC 20004	Sea-Land Corporation	450.00	
Douglas L. Berger, 1333 F Street, NW, #710 Washington, DC 20004-1108	Third Class Mail Assn	2,625.00	
Bob Bergland, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	980.00	
Martha Bergmark, 7316 Piney Branch Road Takoma Park, MD 20912	Project Advisory Group	1,633.99	24.10
Bergner Boyette & Bockorny, Inc, 1016 16th Street, NW, #700 Washington, DC 20036	Avianca, Inc	1,500.00	400.00
Do	Bell Atlantic Corp	2,000.00	895.00
Do	China External Trade Development Council	2,000.00	1,645.00
Do	Dead Pigeon River Council		
Do	Electronic Industries Assn	3,000.00	2,316.00
Do	Eli Lilly & Company	900.00	720.70
Do	First Boston Corp	3,500.00	3,245.00
Do	Flo-Sun Land Corp	2,000.00	1,990.00
Do	Friendship in Freedom Assn	1,500.00	1,215.00
Do	Investors for US Tax Equity		
Do	Landmark Hotel Corp	1,500.00	1,425.00
Do	Lynmark Group		
Do	McDonnell Douglas Corp	200.00	500.00
Do	Murry's, Inc	2,000.00	
Do	National Assn of Business & Educational Radio	2,000.00	1,051.00
Do	Natural Gas Supply Assn	3,000.00	2,525.00
Do	Okeelanta Corp	2,000.00	2,352.60
Do	Orange & Rockland	1,100.00	1,457.14
Gene S. Bergoffen, 1320 Braddock Place, #720 Alexandria, VA 22314	National Private Truck Council		
Jane W. Bergwin, 1016 16th Street, NW, 5th Floor Washington, DC 20036	Consumers Power Co	3,448.00	6,998.00
Dayle Berke, 519 C Street, NE Washington, DC 20002	National Assn for Home Care	4,971.79	511.35
Nathan R. Berkley, 2200 Mill Road Alexandria, VA 22314	American Movers Conference	400.00	
Pamela M. Berkwitz, Norwest Center-Sixth & Marquette Minneapolis, MN 55479-1032	Norwest Corporation	12,000.00	3,518.97
Peter A. A. Berle, 950 Third Avenue New York, NY 10022	National Audubon Society	1,000.00	
Berliner & Maloney, 1101 17th Street, NW, #1004 Washington, DC 20036-4798	Government of Barbados, Ministry of Finance & Planning	34,549.08	1,847.79
Jason S. Berman, 1020 19th St., NW, #200 Washington, DC 20036	Recording Industry Assn of America, Inc		
Richard B. Berman, 1025 Connecticut Ave. NW, #1010 Washington, DC 20036	Burger King Corp		
Do	Godfather's Pizza, Inc		
Do	Pillsbury Company		
Do	Quik Wok, Inc		
Do	S&A Restaurants Corp		
William R. Berman, 8111 Gatehouse Rd. Falls Church, VA 22047	American Automobile Assn		
Zalman C. Bernstein, Sanford C. Bernstein & Co, Inc 767 Fifth Avenue New York, NY 10153			
Bernstein & Lipsett, 1920 L Street, NW, #602 Washington, DC 20036	National Assn of Police Organizations	18,481.88	4,460.76
Craig A. Berrington, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	590.00	267.00
Max N. Berry, 3213 O St., NW Washington, DC 20007	American Importers Meat Products Group		
Do	Centre National Interprofessionnel de L'Economic Laitiere		
Do	Committee to Assure the Availability of Casein		
Do	Federation des Exportateurs de Vins & Spiritueux de France		
Willard M. Berry, 1625 K Street, NW, #1090 Washington, DC 20006	National Foreign Trade Council, Inc	5,000.00	1,100.00
Bill Bertera, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
Margot Bester, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Co, Inc)		
Do	Murphy & Demory, Ltd (For:United States Telephone Association)		
John F. Betar, 730 15th Street, NW Washington, DC 20005	Association of Bank Holding Cos	6,294.00	
Ed Bethune, 1825 Eye Street, NW, 400 Washington, DC 20006	FBI Agents Assn (FBIAA)	7,500.00	1,600.00
Robert Betz, 1010 Vermont Avenue, NW, #1116 Washington, DC 20005	Robert Betz Associates, Inc (For:Alabama Hospital Association)	15,000.00	559.82
Do	American Assn of Eye & Ear Hospitals	15,000.00	203.37
Beveridge & Diamond, P.C., 1333 New Hampshire Ave., NW Washington, DC 20036	City of Bluefield, WV, et al	325.00	287.18
Do	Pacific Dunlop-GNB	3,961.75	2,715.06
Beverly Enterprises, Inc, 1901 N. Fort Myer Drive, #302 Rosslyn, VA 22209			25,259.75
Cheryl Beversdorf, 1640 Wisconsin Ave., NW, Washington, DC 20007	American College of Surgeons		51.72
Sheldon D. Beychok, P.O. Box 2924 Baton Rouge, LA 70821	Camp Dresser & McKee, Inc		
Do	Community Health Network of Louisiana, Inc		
Do	First Boston Corp		
Do	Lamar Corporation		
Do	Ramsay Hospital Corporation of Louisiana, Inc		
John C. Biechman, 655 15th St., NW, #1200 Washington, DC 20005	Safe Buildings Alliance		
Joan T. Bier, 1726 M Street, NW, #701 Washington, DC 20036	International Minerals & Chemical Corp		
Richard H. Bierly, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp		
Moe Biller, 1300 L St., NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	12,757.73	
Kevin W. Billings, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	1,391.02	296.00
Leon G. Billings, Inc, 901 15th St., NW, #570 Washington, DC 20005	Oxford Energy	1,208.00	
Do	South Coast Air Quality Management District	29,620.06	
David Bilyk, 1750 New York Ave., NW Washington, DC 20006	International Assn of Fire Fighters	5,000.00	
Andrea Bilson, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
Hugh L. Binford, 514-D Parkview Road Ft. Walton Beach, FL 32548			
Stuart Binstock, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Bipartisan Budget Appeal, P.O. Box 9 Bowling Green Station New York, NY 10004			
Birch Horton Bittner and Cherot, 1155 Connecticut Ave., NW, #1200 Washington, DC 20036	Alaska Pacific Refining, Inc		
Do	Alaska Teamsters-Employer Pension Trust		
Do	City of St. George		
Do	Gerry Cooney Enterprises		
Do	Kodiak Island Borough		
Do	North Slope Borough		
Do	Old Harbor Corp		
Do	Sealaska Corp		
Do	St. George Tanaq Corp		
Do	Tanadgusix Corporation		
Do	U.S. Central, Inc		
Do	Westinghouse Electric Corp		
Do	Wildlife Legislative Fund of America		
Do	Yukon Pacific Corp		
Bishop Cook Purcell & Reynolds, 1400 L Street, NW, #1000 Washington, DC 20005-3502	Akhiok-Kaguyak, Inc	2,500.00	
Do	Aleut Corporation	3,500.00	
Do	Aleutian/Pribilof Islands Assn, Inc	3,500.00	
Do	Bonneville Pacific Corp		
Do	City of St. Paul	3,000.00	
Do	Government of the US Virgin Islands	4,500.00	
Do	Milk Industry Foundation/Internat'l Ice Cream Manufacturers	3,750.00	50.00
Do	National Mass Retailing Institute	1,000.00	
Do	Natural Gas Pipeline Coalition		
Do	Tobacco Institute	12,000.00	
Do	Wal-Mart	1,000.00	
Do	Washington Public Power Supply System	2,950.00	
Gerrie Bjornson, 1825 Eye Street, NW, #400 Washington, DC 20006	B.F. Goodrich Co	100.00	
Judy Black, 665 Fifth Ave. New York, NY 10022	International Council of Shopping Centers	100.00	
Wayne V. Black, Keller and Heckman 1150 17th Street, NW, #1000 Washington, DC 20036	INDA, Assn of the Nonwoven Fabrics Industry		
Black Crotty Sims Hubka Burnett & Samuels, 501 North Grandview Ave. P.O. Box 5488 Daytona Beach, FL 32018	Electronic Data Systems Corp		
Black Manafort Stone & Kelly, P.C., 211 North Union Street, #300 Alexandria, VA 22314	Aetna Life & Casualty	7,000.00	723.76
Do	Allied-Signal Corp	22,500.00	1,051.92

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Bethlehem Steel Corp	22,500.00	640.95
Do	Chicago RTA	9,000.00	1,366.02
Do	Clark Construction Group	9,000.00	73.51
Do	Cooper's Ferry Development Assn, Inc	5,000.00	653.93
Do	Diamond-Star Motors Corp	30,000.00	
Do	Financial Security Assurance	22,500.00	629.44
Do	Johnson & Johnson, Inc	30,000.00	616.31
Do	Kaman Aerospace Corp	25,000.00	1,622.55
Do	MacAndrews & Forbes Holdings, Inc / Revlon Group, Inc	6,000.00	2,338.92
Do	Massa Products Corp	15,000.00	652.15
Do	NOVA University	30,000.00	11,357.10
Do	Puerto Rico Federal Affairs Administration	9,000.00	2,460.36
Do	Tobacco Institute	22,500.00	1,078.91
Do	Trans World Airlines, Inc	18,000.00	981.99
Do	U.S. Sprint	12,000.00	
Do	Union Pacific Corp	22,500.00	363.77
Do	UNITA	75,000.00	1,069.53
Robert J. Blackwell Jr., 1025 Connecticut Avenue, NW, #1014 Washington, DC 20036	Enserch Corporation	3,038.00	1,505.77
David A. Blair, 5205 Leesburg Pike, #1600 Falls Church, VA 22041	National Beer Wholesalers Assn	3,000.00	177.45
Stephen Blair, 2251 Wisconsin Ave., NW Washington, DC 20007	National Assn of Trade & Technical Schools	750.00	
Richard R. Blake Jr., 777 14th Street, NW Washington, DC 20005	National Assn of Realtors		
Roy Blake, 900 University Dr. Nacogdoches, TX 75961	Reese Communications Companies	2,250.00	308.09
Helen Blank, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	8,695.08	57.00
Julia M. Blankenship, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	529.62	96.93
Michael E. Bleier, Mellon Bank N.A. One Mellon Bank Center, #3110 Pittsburgh, PA 15258-0001	Mellon Bank N.A.	2,500.00	
Bryant C. Blewett, P.O. Box 24305 Oakland, CA 94623	Clorox Company		
Richard W. Bliss, 3242 Grace Street, NW Washington, DC 20007	Amax, Inc	970.00	85.88
Do	Brother International Corp		
Do	Fluor Corporation		
Do	National Paint & Coatings Assn, Inc	940.00	62.77
Do	Philip Morris Companies Inc	3,310.00	197.61
Do	PB-KBB, Inc		
Do	Textor	70.00	5.92
John R. Block, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Peter L. Blocklin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	3,200.00	
Patricia Blood, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	1,000.00	678.82
Douglas M. Bloomfield, 13712 Wagon Way Silver Spring, MD 20906	VanKloberg & Associates, Ltd (For:Government of Zaire)	12,000.00	55.00
Mark Bloomfield, 1850 K St., NW, #400 Washington, DC 20006	American Council for Capital Formation	1,500.00	
Shirley A. Bloomfield, 2626 Pennsylvania Ave., NW Washington, DC 20037	National Telephone Cooperative Assn	12,000.00	1,014.00
John B. Blount Jr., 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	528.81
Robert S. Bludworth, 5205 Leesburg Pike, #1600 Falls Church, VA 22307	National Beer Wholesaler's Assn		268.38
Charles H. Blum, 1238 Wisconsin Ave., NW, #204 Washington, DC 20007	International Advisory Services Group, Ltd (For:Steel Service Center Institute)	2,275.00	54.60
Jared O. Blum, 1731 Connecticut Ave., NW, 2nd Fl. Washington, DC 20009-1146	Albers & Company (For:Direct Marketing Assn)	13,693.75	284.48
Do	Albers & Company (For:May Department Stores Co)		
Robert A. Blum, 600 Montgomery Street San Francisco, CA 94111	Orrick Herrington & Sutcliffe (For:Permanente Medical Group, Inc)		
Charles R. Blumenfeld, Bogle & Gates 2100 Bank of California Center Seattle, WA 98164	Pacific Seafood Processors Assn		
Patti Blumer, 1667 K Street, NW, #430 Washington, DC 20007	American Dietetic Assn	1,000.00	299.96
Wayne F. Boan, Box 5369 Galveston, TX 77554-0369	Employers Council on Flexible Compensation	200.00	
John A. Boardman, 815 16th Street, NW, #408 Washington, DC 20006	Food & Allied Service Trades Dept, AFL-CIO	2,875.00	
Boat Owners Assn of the U.S., 880 S. Pickett St. Alexandria, VA 22304		90,000.00	90,000.00
Seth M. Bodner, 386 Park Avenue South New York, NY 10016	National Knitwear & Sportswear Assn	1,312.50	
Bogle and Gates, One Thomas Circle, NW, #900 Washington, DC 20005	Alaskan Factory Trawlers Assn		
Do	Northwest Apparel & Textile Assn	5,000.00	
Do	United Sport Fishermen	1,500.00	
Do	University of South Alabama	1,500.00	
Robert Z. Bohan, 1101 16th St., NW Washington, DC 20036	National Soft Drink Assn		
Patricia Boinski, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	245.00	
Carol Bok, 1133 15th St., NW, #640 Washington, DC 20005	American Logistics Association		
Benjamin C. Bolusky, 1250 Eye Street, NW, #500 Washington, DC 20005	American Assn of Nurserymen		
Joseph C. Bonanno Jr., 4068 Keith Drive Campbell, CA 95008			
Bond Donatelli, Inc, 211 North Union Street, #210 Alexandria, VA 22314	Yin Choy Oen	3,200.00	42.45
John E. Bonitt, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Allied-Signal, Inc	900.00	230.00
Brian C. Bonnet, 1199 N. Fairfax Street, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators		
Bonsib, Inc, P.O. Box 1807 Washington, DC 20013			
Gaylon B. Booker, 1918 N. Parkway Memphis, TN 38112	National Cotton Council of America	1,400.00	16.17
Steven A. Bookshester, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	432.00	
John K. Booth, 1001 Pennsylvania Ave., NW Washington, DC 20006	American Council of Life Insurance, Inc	100.00	
Lydia A. Borland, 2300 M Street, NW, #600 Washington, DC 20037	International Advisers, Inc (For:Embassy of Turkey)	2,103.78	120.51
Patricia A. Borowski, 6824 Pacific Lane Annandale, VA 22003	National Assn of Professional Insurance Agents		
William J. Bosies, 1730 Pennsylvania Ave., NW, #900 Washington, DC 20006	Capital Holding Corporation	3,600.00	
G. Stewart Boswell, 2500 Wilson Blvd. #301 Arlington, VA 22201	American Apparel Manufacturers Assn, Inc	6,250.00	27.40
Charles G. Botsford, 1730 M St., NW, #911 Washington, DC 20036	McDonnell Douglas Helicopters, et al	1,500.00	125.00
John C. Bottenberg, 702 Jayhawk Tower 700 S.W. Jackson Topeka, KS 66603	Reese Communications Cos (for: Philip Morris, USA)	2,250.00	273.35
Claude P. Boudrias, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn	400.00	39.70
Mary M. Bourdette, 122 C St., NW, 4th Fl. Washington, DC 20001	Children's Defense Fund of the Washington Research Project	6,375.06	343.50
Albert D. Bourland, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
Laura L. Bourne, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
Wayne A. Boutwell, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	5,600.00	
John Bowers Jr., 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	11,723.40	4,512.15
Michael Bowers, 1717 K Street, NW, #407 Washington, DC 20006	American Assn for Marriage & Family Therapy	250.00	
M. Kenneth Bowler, 1455 Pennsylvania Ave., NW Washington, DC 20004	Pfizer, Inc	3,000.00	2,432.63
Richard P. Bowling, 1020 Princess Street Alexandria, VA 22314	Truck Trailer Manufacturers Assn	1,000.00	
Gina M. Bowman, P.O. Box 7305, Dept. 178 Kansas City, MO 64116	Farmland Industries, Inc		
Joan Costain Bowyer, 1015 15th St., NW, #909 Washington, DC 20005	Phelps Dodge Corp	150.00	
John G. Boyd, 1801 K St., NW Washington, DC 20006	International Business Machines Corp	575.00	81.30
Robert K. Boyd, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	1,500.00	205.42
Paul Boyle, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	6,475.00	76.59
Bracewell & Patterson, 2000 K St., NW, #500 Washington, DC 20006	Centex Corporation	1,290.00	514.71
Do	Chemical Manufacturers Assn, Inc	1,290.00	514.71
Do	Coalition of Funeral Directors		
Do	Enron Corp	430.00	171.57
Do	Graham Resources, Inc		
Do	Liberty Bank & Trust of New Jersey		
Do	Louisiana Land & Exploration Co	740.00	295.26
Do	Massachusetts Mutual Life Insurance		
Do	MEPC American Properties		
Do	National Cable Television Assn, Inc	1,475.00	588.52
Do	Pennsylvania Natural Gas Assn		
Do	Southdown/Pelto Oil Company		
Do	Torch Energy Advisors, Incorporated		
Do	Valero Energy Corporation	2,030.00	809.97
Bracy Williams & Company, 1000 Connecticut Avenue, NW, #304 Washington, DC 20036	American Home Satellite Association	3,000.00	100.00
Do	American Southwest Financial Corp	7,000.00	160.00
Do	Arkla, Inc	7,000.00	245.00
Do	Batman Corporation	10,000.00	455.00
Do	City of Klamath Falls	8,000.00	115.00
Do	City of Tucson	7,000.00	165.00
Do	Coin Coalition	10,000.00	330.00
Do	Emerald Homes		
Do	Energy Absorption Systems, Inc		80.00
Do	Estes Company		
Do	Fieldstone Co	1,000.00	20.00
Do	Millicom, Inc	1,000.00	70.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Pratt & Whitney Aircraft Group	4,000.00	55.00
Do	Satellite Broadcast Network	1,000.00	65.00
Do	Southern Arizona Water Resources Association	2,000.00	55.00
Bradbury Bliss & Riordan, 431 West 7th Ave., #201 Anchorage, AK 99501	Akhiok-Kaguyak, Inc	22,913.93	
Stephen E. Bradley, 600 18th Street North Birmingham, AL 35291	Alabama Power Company	33,354.92	
Wayne W. Bradley, 535 North Dearborn Street Chicago, IL 60610	American Medical Assn		
Dennis M. Bradshaw, 8224 Old Courthouse Road Vienna, VA 22180	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Sarah Brady, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	3,988.45	
Charles G. Bragg, P.O. Box 12285 Memphis, TN 38182	National Cotton Council of America		
Raymond F. Bragg Jr., 1133 21st Street, NW, #500 Washington, DC 20036	Federal Stategies, Inc (For:American Independent Refiners Assn)	50.00	
Do	Federal Strategies, Inc (For:Consolidated Natural Gas Company)	75.00	
Do	Federal Strategies, Inc (For:Enviromental Power Corp)	50.00	
Do	Federal Strategies, Inc (For:National Hydropower Assn)	75.00	
Do	Federal Strategies, Inc (For:Tosco)	75.00	
Stuart J. Brahs, 655 15th St., NW, #950 Washington, DC 20005	Principal Financial Group	1,167.64	
Sally M. Brain, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Brand & Lowell, 923 15th Street, NW, Fifth Fl. Washington, DC 20005	National Assn for Home Care		
Do	Seafarers International Union		
Do	West Group		
Robert M. Brandon, 1300 Connecticut Ave., NW, #401 Washington, DC 20036	Citizen Action	2,000.00	205.00
Do	Citizen/Labor Energy Coalition		
William C. Brashares, Mintz Levin Cohn Ferris Glovsky & Popeo 1825 Eye St., NW, #1201 Washington, DC 20006	Smith Barney Harris Upham & Co, Inc		
Jean A. Brashears, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	250.00	
Christian N. Braunlich, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	125.00	
Roy Braunstein, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	13,938.57	
Donald H. Brazier, P.O. Box 12266 Seattle, WA 98102	Dollar Savings Bank, et al		
Harold E. Brazil, 1900 Pennsylvania Avenue, NW Washington, DC 20068	Potomac Electric Power Co	75.44	
Noel Brazil, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
Edward T. Breathitt, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Roy S. Bredder, 1111 14th St., NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
Bregman Abell & Kay, 1156 15th St., NW, #1212 Washington, DC 20005	Air Transport Assn of America		
Do	American Fed of Labor & Congress of Industrial Organizations		
Do	American Federal Savings Bank		
Do	Committee to Eliminate Equipment Giveaways	2,500.00	
Do	Federal Home Loan Bank of San Francisco	10,000.00	
Do	Temistocles Ramirez		
Do	Trans World Airlines, Inc	2,500.00	
Do	Truck Renting & Leasing Assn	10,000.00	
Carolyn L. Brehm, 1660 L Street, NW Washington, DC 20036	General Motors Corp	3,000.00	3,857.31
Michael J. Brennan, 1750 New York Ave., NW Washington, DC 20006	International Assn of Bridge Struct & Ornamental Iron Wkrs	10,800.00	427.97
Richard Brescia, N.Y.S. Petroleum Council 150 State Street Albany, NY 12207	American Petroleum Institute		
Thomas M. Bresnahan III, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron USA, Inc	1,500.00	
William O. Bresnick, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc	150.00	
Paul J. Breuer, 807 Maine Ave., SW Washington, DC 20024	Disabled American Veterans	13,758.40	332.73
Albert E. Brewster, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp	3,000.00	
Bricker & Eckler, 888 17th Street, NW, #1050 Washington, DC 20006-3967	Commonwealth of Puerto Rico		
Bobbe J. Bridge, 1011 Western Ave., 10th Floor Seattle, WA 98104	Garvey Schubert & Barer (For:Reese Communications Cos (for: Philip Morris, USA))	3,000.00	
Bruce Briggs, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc		
Sue M. Briggum, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	3,550.00	
Karen B. Brigham, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	2,350.00	121.65
Robert J. Brinkmann, 1627 K Street, NW, #400 Washington, DC 20006	National Newspaper Assn	5,000.00	362.38
Stephen W. Broadie, 1629 K Street, NW, #1010 Washington, DC 20006	Alliance of American Insurers	1,500.00	62.70
Brockbank & Associates, Inc, 918 16th Street, NW, Mezzanine Suite Washington, DC 20006	New Progressive Party		
David M. Brockman, 725 15th St., NW, #500 Washington, DC 20005	National Grain & Feed Assn		
Mary Broderick, 1625 K St., NW, 8th Fl. Washington, DC 20006	National Legal Aid & Defender Assn	1,500.00	
William M. Brodhead, 900 Marquette Building Detroit, MI 48226	Plunkett & Cooney (for Blue Cross & Blue Shield of Michigan)	6,000.00	1,271.46
Do	Plunkett & Cooney (for City of Detroit, Michigan)	7,500.00	562.00
Do	Plunkett & Cooney (for Detroit Educational TV Foundation)		
Do	Plunkett & Cooney (for Humane Soc of the U.S.)	1,555.00	278.62
Do	Plunkett & Cooney (for Michigan Consolidated Gas Co)	10,500.00	2,913.34
Do	Plunkett & Cooney (for Michigan Humane Society)	1,930.00	278.62
David A. Brody, 1050 Seventeenth Street, NW Washington, DC 20036	American Fiber Manufacturers Assn		
Do	Anti-Defamation League of B'nai B'rith		
Marcia D. Brody, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn	200.00	
Michael J. Brokovich, 2001 L Street, NW, Suite 1000 Washington, DC 20036	Unisys Defense Systems	1,000.00	
Michael D. Bromberg, 1111 19th St., NW, #402 Washington, DC 20036	Federation of American Health Systems	4,500.00	
David Bronheim, 1300 Crystal Drive Arlington, VA 22202	CASA, USA	15,000.00	125.00
Dale E. Brooks, 1700 K St., NW Washington, DC 20006	Chevron USA, Inc	5,125.00	
E. R. Brooks, 2121 San Jacinto Street, #2500 Dallas, TX 75201	Central & South West Corp		
Mary E. Brooks, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S.	6,325.03	197.75
Robert M. Brooks, 206 G St., NE Washington, DC 20002	Evergreen Associates, Ltd (For:Clover Park School District)	1,987.50	
Do	Evergreen Associates, Ltd (For:Democratic Party of Washington State)		
Do	Evergreen Associates, Ltd (For:DCL Industries)		
Do	Evergreen Associates, Ltd (For:Military Impacted Schools Assn)		
Do	Evergreen Associates, Ltd (For:Suffolk County, NY)	22,000.00	
Do	Evergreen Associates, Ltd (For:SuperComputers, Inc)	4,264.00	
Do	Evergreen Associates, Ltd. (For:Washington State Impact Aid Assn)	3,000.00	
Donald G. Brotzman, 1400 K St., NW Washington, DC 20005	Rubber Manufacturers Assn	10,000.00	
Cynthia A. Brown, 1640 Wisconsin Ave., NW, Washington, DC 20007	American College of Surgeons		
Cynthia L. Brown, 1110 Vermont Ave., NW, #1250 Washington, DC 20005	Shipbuilders Council of America	15,000.00	
Dale E. Brown, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	10,000.00	1,175.26
David C. Brown, 410 First St., SE Washington, DC 20003	American Nuclear Energy Council	837.50	208.00
David S. J. Brown, 1101 17th St., NW, #604 Washington, DC 20036	Monsanto Co	700.00	74.80
Diane R. Brown, 2001 L Street, NW, #506 Washington, DC 20036	Chlorine Institute, Inc	541.42	245.44
Doreen L. Brown, 1001 Connecticut Ave., NW, #800 Washington, DC 20036	Consumers for World Trade		
E. Cooper Brown, 6935 Laurel Ave., #204 Takoma Park, MD 20912			
Gary A. Brown, 1722 Eye Street, NW, 6th Fl Washington, DC 20006	Powers Harsch & Kinder (For:Pyropower Corporation)		
George L. Brown, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corporation	1,250.00	1,114.26
James P. Brown, 5622 Delmar Blvd., #105-W St. Louis, MO 63112	City of St. Louis - City Hall		
Jesse P. Brown Jr., P.O. Box 12285 Memphis, TN 38182	National Cotton Council of America		
Ralph Brown, Suite 107 701 S. 22nd Street Omaha, NB 68102	M.O.A.A.I.O.A. & Subs, Inc		
S. M. Henry Brown Jr., P.O.Box 61000 New Orleans, LA 70161	MSU System Services, Inc	4,502.30	315.15
Vincent D. Brown, Nebraska Petroleum Council P.O. Box 95063 Lincoln, NB 68509	American Petroleum Institute	2,500.00	1,865.55
Virginia Brown, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Castine Partners)		
Do	Citicorp Mortgage Finance, Inc		11.00
Do	Thacher Profitt & Wood (For:Federal Home Loan Mortgage Corp)	5,800.00	147.20
Do	Thacher Proffitt & Wood (For:General Electric Mortgage Insurance Cos)	8,950.00	271.30
Do	Thacher Proffitt & Wood (For:Ranieri Wilson & Co, Inc)	150.00	56.25
Do	Thacher Proffitt & Wood (For:Standard Federal Savings & Loan)	9,400.00	156.60
Will Rolland Brown, 1731 Connecticut Ave., NW Washington, DC 20009	Albers & Company (For:May Department Stores Company)		
William R. Brown, 122 C Street, NW, #200 Washington, DC 20001	Council of State Chambers of Commerce	332.21	
William Y. Brown, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc	3,550.00	60.00
Arthur W. Brownell, 1620 Eye St., NW, #700 Washington, DC 20006	International Paper Co	11,000.00	1,681.00
Brownstein Hyatt Farber & Madden, 410 17th Street, 22nd Floor Denver, CO 80202	Alliance for Capital Access	15,900.00	
Do	American West, et al	177,352.00	288,425.34
Do	Hertz Corporation		91.92
Do	Republic Health Corp	52,618.49	33,070.87
Do	Western Union Corp	12,455.51	
Thomas P. Bruderle, 4630 Montgomery Ave. Bethesda, MD 20814	American Society of Hospital Pharmacists		4,500.00
Wolf Brueckmann, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
Kathryne M. Bruner, 1100 17th Street, NW, #1200 Washington, DC 20036	General Atomics	3,000.00	740.32
William K. Brunette, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	513.46	
J. M. Brunkenhoefer, 400 First Street, NW, #704 Washington, DC 20001	United Transportation Union	6,250.00	405.38

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Michael E. Brunner, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	2,000.00	27.35
J. Charles Bruse, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Allstate Insurance Cos	1,485.00	650.76
Victor A. Bryant, 1801 K Street, NW #900 Washington, DC 20006	American Textile Manufacurers Institute	200.00	77.85
Dawn M. Brydon, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Ice Cream Assn		
Don C. Buchanan, 1750 New York Ave., NW Washington, DC 20006	Sheet Metal Workers International Assn	16,715.00	
Susan Buck, 1850 M Street, NW Washington, DC 20036	US Sprint Communications Company, LP	9,528.00	2,489.78
Robert Buckler, 405 Sibley St., #120 St. Paul, MN 55101	National Board of Fur Farm Organizations	9,000.00	
Jeremiah S. Buckley, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Citicorp Mortgage Finance, Inc.)		
Do	Thacher Proffitt & Wood (For:Massachusetts Bankers Assn)		
Thomas L. Buckmaster, 1301 Connecticut Avenue, NW, #700 Washington, DC 20036	Citizens for Sensible Control of Acid Rain	1,387.50	89.76
Roy C. Buckner, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron	600.00	150.00
J. Bruce Bugg Jr., 660 N. Main Ave., #350 San Antonio, TX 78205	J. Bruce Bugg, Jr., P.C. (For:Karnes Savings and Loan Assn)	31,400.00	13,067.25
Douglas W. Bulcao, 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc.	4,400.00	15.00
Kim H. Bullerdick, 7227 North 16th Street Phoenix, AZ 85020	Giant Industries, Inc		
Darrel D. Bunge, Minnesota Petroleum Council 350 St. Peter Street, #1025 St. Paul, MN 55102	American Petroleum Institute	1,001.16	2,325.29
David A. Bunn, 1211 Connecticut Avenue, NW, #406 Washington, DC 20036	Hearst Corporation	1,000.00	
Do	Parcel Shippers Assn	2,000.00	
T. Scott Bunton, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	10,000.00	400.24
Norman D. Burch, 1101 Vermont Ave., NW, #604 Washington, DC 20005	College of American Pathologists	9,000.00	264.50
Barbara G. Burchett, 1615 L Street, NW, #1220 Washington, DC 20036	Hallmark Cards, Inc		
David G. Burden, 200 E. Randolph Dr. Chicago, IL 60601	Amoco Corporation		
Paul F. Burdett, 1776 Eye Street, NW, #575 Washington, DC 20036	Merrell Dow Pharmaceuticals, Inc		76.50
Burger King Corp, 17777 Old Cutler Road Miami, FL 33157			
Gerard P. Burke, 1117 Spotswood Drive Silver Spring, MD 20904	International Air Leases, Inc		
Kevin M. Burke, 1111 14th St., NW Washington, DC 20005	American Bakers Assn	397.50	180.00
Francis X. Burkhardt, 1750 New York Ave., NW Washington, DC 20006	International Brotherhood of Painters & Allied Trades		
Burley & Dark Leaf Tobacco Export Assn, 1100 17th St., NW Washington, DC 20036		43,395.00	1,075.00
Burness Communications, 7910 Woodmont Ave., #912 Bethesda, MD 20814	Therapeutic Immunology, Inc		
Phillip C. Burnett, P.O. Box 12285 Memphis, TN 38182	National Cotton Council of America	2,596.15	155.50
Mahlon A. Burnette III, 631 Walker Road Great Falls, VA 22066	National Broiler Council	420.00	
David G. Burney, 1101 17th St. N.W., #609 Washington, DC 20036	U.S. Tuna Foundation	12,000.00	3,000.00
Burnham & Heller, 4140 Miller Road Ann Arbor, MI 48103	Accident Fund of Michigan		
Charles S. Burns, 1015 15th St., NW, #909 Washington, DC 20005	Phelps Dodge Corp	1,200.00	
Kevin R. Burns, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Michael Burns, 601 Pennsylvania Ave., NW, #700 Washington, DC 20004-2602	Business Executives for National Security		
Timothy F. Burns, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	2,000.00	56.50
Burson-Marsteller, 1850 M Street, NW, #900 Washington, DC 20036	American Assn of Dental Schools	440.00	28.00
Do	Arthur Andersen & Co		
Do	Chicago & Northwestern Transportation Co	2,500.00	
Do	City of Philadelphia	220.00	14.00
Do	Emhart Corporation		
Do	Hankin Management-Arsenal Business Center Associates		
Do	Independence Blue Cross	660.00	56.00
Do	Lever Brothers Company	1,000.00	
Do	Pennwalt Corp	220.00	14.00
Do	Philadelphia Industrial Development Corp		
Do	Philadelphia Port Corp		
Do	Saudi Refining, Inc		
Do	Specialty Vehicle Institute of America (SVIA)		
Do	Temple University	880.00	70.00
Do	Thomson-CSF, Inc	2,500.00	
Barbara L. Bush, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	200.00	
Donald G. Butcher, c/o N.Y.S. Petroleum Council 150 State Street Albany, NY 12207	American Petroleum Institute	1,250.00	350.17
James J. Butera, 4901 Quebec Street, NW Washington, DC 20016	Howard Savings Bank		
Henry Butler, 3707 Woodview Trace Indianapolis, IN 46268	Crop Insurance Research Bureau		
M. Caldwell Butler, P.O. Box 720 Roanoke, VA 24004	National Conference of Bankruptcy Judges		
Patrick Butler, 1875 Eye Street, NW, #1110 Washington, DC 20006	Times Mirror Co		
Mrs. H. E. Butt, 2700 Ocean Drive Corpus Christi, TX 78411			
Bruce Butterfield, 1745 Jefferson Davis Hwy, #511 Arlington, VA 22202	Manufacturing Housing Institute	152.50	
Mary Jane Butterfield, 1200 19th St., NW, #550 Washington, DC 20036	Harff Butterfield (For:Turkish Republic of Northern Cyprus)	8,437.50	
John J. Byrne, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	3,000.00	
Patrick J. Cacchione, 625 Slaters Lane, #200 Alexandria, VA 22314	National Assn of Medical Equipment Suppliers		
Elizabeth B. Cady, 1919 Pennsylvania Ave., NW Washington, DC 20006	Steel Service Center Institute		
C. Richard Cahoon, 1120 Vermont Ave., NW, #1130 Washington, DC 20005	Petroleum Marketers Assn of America	500.00	69.70
Morrison G. Cain, 1901 Pennsylvania Ave., NW, #200 Washington, DC 20006	International Mass Retail Assn	6,250.00	
Thomas Cain, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Gas Taxes	480.00	
Christopher G. Caine, 1801 K St., NW, #1200 Washington, DC 20006	IBM Corp	10,100.00	2,982.52
Alan Caldwell, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	2,155.25	
Bonnie Caldwell, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	12,500.00	49.20
Antonio J. Califa, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	8,300.00	10.00
John C. Callihan, 299 Park Avenue New York, NY 10171	Westvaco Corporation		
Calorie Control Council, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342			
Cambridge International, Inc, 1600 Wilson Boulevard, #713 Arlington, VA 22209	Eastern Technologies, Inc	500.00	
Do	FMC Corporation	500.00	
Do	General Dynamics Land Systems	1,000.00	
Do	General Dynamics Valley Systems Division	250.00	
Do	McDonnell Douglas Helicopter Company	600.00	
Do	Optic-Electronic Corp	500.00	
Do	Textron Lycoming	500.00	
Arthur E. Cameron, 1111 14th Street, NW, #1001 Washington, DC 20005	Amerace Corporation	1,500.00	
Do	Lukens General Industries, Inc	2,703.00	
Do	National Greyhound Assn	4,500.00	
Do	Potters Industries, Inc	2,250.00	
Do	Safetran Systems Corporation	3,713.00	
Do	Syro Steel Co, et al	2,100.00	
Do	3M Company	7,211.00	
Bruce P. Cameron, 1725 17th Street, NW, #109 Washington, DC 20006	Embassy of the Republic of Guatemala		85.16
Do	Embassy of Mozambique		3,170.18
Nancy Camm, 1800 K Street, NW, #900 Washington, DC 20006	Bank of America	257.70	526.26
Kim Hosch Camp, 7104 Old Stage Road Rockville, MD 20852	Camp Barsh Bates & Tate		
Camp Barsh Bates & Tate, 2550 M St., NW, #275 Washington, DC 20037	Advance Petroleum Inc	477.50	
Do	Associated Financial Corp		
Do	Association of Independent Organ Procurement Agencies		
Do	ARA Services		
Do	Blue Cross & Blue Shield Assn		
Do	Campbell Soup Co		
Do	CenTrust Savings Bank		
Do	Chemical Manufacturers Assn, Inc	1,600.00	
Do	Citgo Petroleum Crop		
Do	Cleveland Clinic Foundation		
Do	Columbia Gas Systems		
Do	Committee for Equitable Compensation	1,093.75	
Do	CIC Enterprises		
Do	EG&G, Inc		
Do	Fashion Accessories Shippers Assn (FASA)		
Do	Goldbelt, Inc		
Do	Hospital Insurance Forum		
Do	K-Mart Corp		
Do	Management Insights, Inc		
Do	Missouri Baptist Hospital of Sullivan		
Do	Mobil Oil Corp		
Do	Stephen Moses Interests		
Do	Natural Gas Supply Assn	1,050.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Occidental Petroleum Corp		
Do	Olin Corporation		
Do	Pennzoil Co		
Do	Pierce Kennedy Hearth		
Do	Presidential Airways, Inc		
Do	PGA Tour		
Do	PPG Industries, Inc		
Do	Russ Berrie & Co, Inc		
Do	Sears Roebuck & Co	1,441.25	
Do	Shell Oil Co	100.00	
Do	Southland Corporation	1,622.00	
Do	SMS, Inc		
Do	Texaco, Inc		
Do	Union Pacific Resources, Inc		
Do	VRAIN Company		
Do	Western Mobil Home Assn		
Do	World Airways		
C. R. Campbell Jr., 1850 M St., NW, #1200 Washington, DC 20036	GTE Corporation	3,000.00	
Carl C. Campbell, 1110 Vermont Avenue, NW, #430 Washington, DC 20005	National Cotton Council of America	600.00	
Charles O. Campbell, 1420 King Street Alexandria, VA 22314-2715	National Society of Professional Engineers	2,000.00	
David Campbell, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation		
Jeanne Campbell, Campbell-Raupe, Inc 1010 Pennsylvania Avenue, SE Washington, DC 20003	Algonquin Gas Transmission		
Do	American Airlines, Inc		
Do	American Nuclear Energy Council		
Do	Invest to Compete Alliance		
Do	LTV Aerospace & Defense Co		
Do	The New England		
Do	Product Liability Alliance		
Do	Securities Industry Assn		
Do	Stone & Webster Engineering Corp		
Do	Texas Utilities Services, Inc		
Do	Union Pacific Corp		
Do	United Illuminating Co		
Do	Westinghouse Electric Corp		
Jerry L. Campbell, 1201 Chestnut St. Chattanooga, TN 37402	Tennessee Valley Public Power Assn		
John G. Campbell, 1111 Jefferson Davis Highway, # 508 Arlington, VA 22202	John G. Campbell, Inc (For:Akin Gump...(Loral Systems Manufacturing Co of NY))		
Do	John G. Campbell, Inc (For:ARCO Power Technologies, Inc)		
Do	John G. Campbell, Inc (For:BDM International, Inc)	1,600.00	
Do	General Electric Co	5,220.00	
Do	General Motors Corp	10,800.00	
Do	Professional Services Council		
Do	West Virginia University		
Do	John G. Campbell, Inc (For:3M Company)		
Kelly A. Campbell, 1667 K Street, NW, #710 Washington, DC 20006	Baxter		
Thomas D. Campbell & Associates, Inc, 113 South Alfred Street Alexandria, VA 22314	Cyprus Minerals Co	5,000.00	935.67
Charles J. Campisi, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security	13,454.00	720.39
Canadian Coalition on Acid Rain, 112 St. Clair Avenue, #401 Toronto, Ontario Canada M4V 2Y3		10,675.00	10,402.43
Canady Law Legislative Group, 310 N. Grand Ave., #110 Lansing, MI 48933-1279			
Anne C. Canfield, 1331 Pennsylvania Ave., NW, #800-South Washington, DC 20004	General Electric Co	450.00	
Sharon F. Canner, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	186.80	
W. Dean Cannon Jr., 9800 S. Sepulveda Blvd., #500 Los Angeles, CA 90045	California League of Savings Institutions	3,000.00	
Howard W. Cannon & Associates, 1919 Pennsylvania Avenue, NW, #800 Washington, DC 20006	Rockwell International Corp		
David L. Cantor, 1233 20th St., NW, #400 Washington, DC 20036	Porter Wright Morris & Arthur (For:Coalition for Environmental-Energy Balance)	240.00	
Charles Hollister Cantus, 555 13th Street, NW, #450 west Washington, DC 20004	Union Pacific Corporation	8,000.00	138.00
Capital Consultants, 1122 Colorado, #307 Austin, TX 78701	Madison Public Affairs Group (for Philip Morris, USA)		
Capital Representation Group, Inc, 1127 11th Street, #1003 Sacramento, CA 95814	Reese Communications Cos (for: Philip Morris, USA)	595.00	150.54
Capitol Associates, Inc, 426 C Street, NE Washington, DC 20002	American Assn for Cancer Research	300.00	
Do	American Foundation for Aids Research	750.00	
Do	Arthritis Foundation	937.50	
Do	Cambridge BioScience	750.00	
Do	Cedars-Sinai Medical Center	1,375.00	
Do	Charles River Laboratories		
Do	Citizens Comm for Medical Research & Health Education	300.00	
Do	Cystic Fibrosis Foundation	450.00	
Do	Endocrine Society	400.00	
Do	Illinois Collaboration on Youth	88.00	
Do	Joint Council of Allergy & Immunology	433.13	
Do	Merck & Co, Inc	1,000.00	
Do	Museum of Science & Industry	300.00	
Do	National Assn of Pediatric Nurse Associates & Practitioners	500.00	
Do	National Coalition for Volunteer Protection		
Do	National Crime Protection Council	675.00	
Do	National Multiple Sclerosis Society	572.50	
Do	National Renal Administrators Assn	300.00	
Do	Polymer Technology Corp		
Do	Rehabilitation Institute of Chicago	812.50	
Do	Technicon Data Systems Corp	750.00	
Do	University of California (San Diego)		
Do	University of California Los Angeles	312.50	
Caplin & Drysdale, Chtd, One Thomas Circle, NW, #1100 Washington, DC 20005	Association of American Publishers		
Do	Children's Television Workshop		
Do	Council on Foundations, Inc		
Do	National Council of YMCA of the USA		
Do	National Wildlife Federation		
Do	Wisconsin Alumni Research Foundation (WARF)		
John M. Capriccioso, 1776 Eye St., NW, #575 Washington, DC 20006	Dow Chemical USA	500.00	5,521.00
Denise A. Cardman, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Norval E. Carey, 1100 17th St., NW, #1200 Washington, DC 20036	General Atomics	24,865.00	1,679.35
Caribbean Trade and Apparel Coalition (C-TAC), 1215 17th Street, NW Washington, DC 20036			
Maurice E. Carino Jr., 1667 K St. N.W., #600 Washington, DC 20006	Bethleham Steel Corp	125.00	
Linda E. Carlisle, 1333 New Hampshire Ave., NW Washington, DC 20036	Cadwalader Wickersham & Taft (For:Clayton & Dubilier, Inc)	470.00	
Do	Cadwalader Wickersham & Taft (For:GAF Corporation)		
Do	Cadwalader Wickersham & Taft (For:Mercedes-Benz of North America, Inc)		
Edward J. Carlough, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers International Assn	25,987.00	
Anne E. Carlson, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	5,375.00	
Catherine A. Carlson, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	1,892.07	
Eileen Shannon Carlson, 2000 M St., NW Washington, DC 20036	Graham & James (For:American Insurance Assn)		
Do	Graham & James (For:Attorney's Title Guaranty Fund, Inc)		
Do	Graham & James (For:R. R. Donnelley & Sons Company)		
Do	Graham & James (For:Federal Administrative Law Judges Conference)		
Do	Federal Judges Assn		
Do	Graham & James (For:Illinois Health Facilities Authority)		
Do	Graham & James (For:Stock Information Group)		
Do	Graham & James (For:Walt Disney Co)		
Robert E. Carlstrom Jr., 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group, Inc (For:Doe Run Company)	9,000.00	
Gerald P. Carmen, 1667 K St., NW, #777 Washington, DC 20006	Federal Asset Disposition Assn		
Do	Financial Institution Services Corp (For:Northeast Savings)	2,500.00	150.02
Melinda L. Carmen, 1901 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Carmen & Muss (For:Financial Institution Services Corp (for Northeast Savings))	5,000.00	
Carmen & Muss, 1901 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Carmen Carmen & Hugel (for CareerCom)		
Do	Financial Institution Services Corp (for: Northeast Savings)	7,137.50	2,188.84
Carmen Carmen & Hugel, Inc, 1667 K Street, NW, #700 Washington, DC 20006	CareerCom		2,000.00
Phyllis D. Carnilla, 1700 17th Street, NW, #301 Washington, DC 20009	Birting Fisheries, Inc	101.25	
Do	JOMM Limited Partnership		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Bertram W. Carp, 111 Massachusetts Ave., NW, 3rd Fl. Washington, DC 20001	Turner Broadcasting System, Inc	6,125.00	
George D. Carpenter, 6110 Center Hill Road Cincinnati, OH 45224	Procter & Gamble Manufacturing Co		
Susan Carr, 1709 New York Avenue, NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	1,350.00	
Charles T. Carroll, 2011 Eye Street, NW, #601 Washington, DC 20006	National Association of Stevedores	650.00	
John R. Carson, 9312 Old Georgetown Rd. Bethesda, MD 20814-1621	American Podiatric Medical Assn	18,000.00	
R. D. Carson Jr., P.O. Box 2021 40 Franklin Rd., SW Roanoke, VA 24022	Appalachian Power Company		
David C. Carter, 1156 15th St., NW, #1019 Washington, DC 20005	U.S. Beet Sugar Assn		
John R. Carter, 1000 Wilson Blvd., #2600 Arlington, VA 22209	TRW, Inc	366.00	
Joseph L. Carter Jr., 50 F Street, NW, #1200 Washington, DC 20001-1564	Association of American Railroads	957.86	816.83
Tristan Carter, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	1,000.00	520.77
James P. Carty, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	500.00	
George L. Cary, 1700 Pennsylvania Ave., NW, #500 Washington, DC 20006	Mutual of Omaha Insurance Co	2,000.00	182.41
Cascade Natural Gas Corp, 222 Fairview Avenue N Seattle, WA 98109			
Paul S. Caskey, 1700 K Street NW, #1200 Washington, DC 20006	Chevron USA, Inc	650.00	45.00
Allen R. Caskie, 1001 Pennsylvania Ave, NW Washington, DC 20004	American Council of Life Insurance, Inc	5,500.00	
Eugene I. Casraiss Jr., 1757 N St., NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	13,783.92	149.80
J. Warren Cassidy, 1600 Rhode Island Avenue, NW Washington, DC 20036	National Rifle Assn of America	2,437.50	
Lawrence J. Cassidy, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers International Assn	13,929.00	
Cassidy and Associates, Inc, 655 15th St., NW, #1100 Washington, DC 20005	Acorn Data Systems, Inc		
Do	Alexander Graham Bell Assn for the Deaf	300.00	22.00
Do	American Dredging Company		
Do	American Hospital in Shanghai Foundation	75.00	
Do	American Science and Engineering, Inc	450.00	
Do	Anatolia College Board of Trustees		
Do	Arizona State University		
Do	Association for the Safe Handeling of Biomedical Waste		
Do	Atlantic Financial	599.80	
Do	Barry University		
Do	Biopure		
Do	Bolt Beranek & Newman, Inc	675.00	37.75
Do	Boston Carmen's Union		
Do	Boston College		
Do	Boston University		
Do	Cardinal Hill Hospital	75.00	
Do	Catholic University of America	262.40	
Do	Centex Communications, Inc		
Do	Challenger Center		
Do	Children's Hospital and Health Center of San Diego	1,350.00	
Do	Children's Hospital in Michigan	137.40	
Do	Children's Hospital National Medical Center	975.00	
Do	Clark-Atlanta University	1,500.00	
Do	Columbia University		
Do	Community Care Systems, Inc		
Do	Community College Assn for Technology Transfer		
Do	Critical Languages & Area Studies Consortium, Inc	700.00	30.50
Do	DataCom Systems Corporation		
Do	Deleware State Dept of Transportation	1,200.00	71.50
Do	Drexel University	75.00	
Do	Emerson College	75.00	
Do	Enid Joint Industrial Foundation		
Do	Experiment in International Living	250.00	
Do	Friends of the American Tel Aviv Museum of Art		
Do	Fudan Foundation	75.00	
Do	Gonzaga University	275.00	
Do	Great Lakes Dredge and Dock Company		
Do	Hawaii Dept of Business & Economic Development	75.00	14.25
Do	Hexagon Technical Company, Inc		
Do	Infirmary Health Systems, Inc		6.50
Do	Institute for Circadian Physiology		
Do	International Data Group		
Do	T.L. James & Company		
Do	Kerr-McGee	150.00	
Do	Kohler, Co		
Do	Thomas H. Lee Co		
Do	Lehigh University	349.80	
Do	Loma Linda University Medical Center, Inc		
Do	Louisiana Public Facilities Authority	1,325.00	
Do	Loyola College (Baltimore)		14.25
Do	Loyola Marymount University		6.50
Do	Loyola University of Chicago	75.00	
Do	Massachusetts Corp for Education Telecommunication		
Do	Massachusetts League of Banks		
Do	Medical College of Ohio, Toledo	300.00	
Do	Medical College of Wisconsin	900.00	12.00
Do	Medical University of South Carolina	150.00	
Do	Michigan Biotechnology Institute		
Do	Michigan Technological University	325.00	
Do	Monterey Institute of International Studies	300.00	
Do	Mt. Sinai Medical Center of Greater Miami	525.00	
Do	Mt. Sinai Medical Center of New York City		6.50
Do	Mutual Interest Transactions		
Do	National Jewish Center for Immunology & Respiratory Medicine	450.00	
Do	NeoRx		
Do	Northwestern University		
Do	O'Connell Development Corp		
Do	O'Connell Management Co, Inc		
Do	Ocean Spray Cranberries, Inc	400.00	6.50
Do	Pennsylvania Turnpike Commission	168.70	
Do	Pirelli Cable Co		
Do	Polytechnic University	562.40	
Do	PHH Corp	75.00	
Do	Rochester Institute of Technology	225.00	30.65
Do	Saint Joseph's University	814.50	
Do	Schutz American School		
Do	Societa Cavi Pirelli S.p.A.		
Do	Spring Garden College		
Do	St. Norberts College	700.00	
Do	State of Indiana Dept of Commerce	75.00	
Do	State of Indiana, Office of the Governor	75.00	
Do	Thomas Jefferson University	175.00	
Do	Tougaloo College	600.00	
Do	Tread Corporation		
Do	Tufts University	375.00	26.00
Do	Twentieth Century Fox		
Do	United Hospital, Inc		
Do	Universal Med Center/U of TX Health Science Center at Dallas		
Do	University of the Arts	645.80	13.00
Do	University of Alabama in Huntsville		
Do	University of Bridgeport		
Do	University of Hawaii	75.00	6.50
Do	University of Kentucky Research Foundation	475.00	
Do	University of Nebraska	825.00	7.00
Do	University of Pennsylvania	708.20	26.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	University of Pittsburgh-Presbyterian Univ. Hospital		
Do	University of Scranton	75.00	
Do	University of Southern Mississippi	200.00	
Do	University of Utah	137.40	
Do	University of Vermont	250.00	18.00
Do	Valley Children's Hospital	575.00	
Do	West Virginia University	125.00	
Do	Western Townships Utilities Authority	425.00	
Do	Wojdak & Assocs, Inc for: Children's Hospital of Pittsburgh	125.00	
Do	World Trade Center Boston		
Do	George D Zamias		
John J. Castellani, 1000 Wilson Boulevard, #2700 Arlington, VA 22209	TRW, Inc		
G. Thomas Cator, 1050 17th Street, NW Washington, DC 20036	Neece Cator & Associates, Inc (For:Association of Small Business Development Centers).		
Harvey E. Cauthen Jr., 2 Dexter Ave. Montgomery, AL 36104	Alabama Power Company	11,600.00	2,653.52
Mary Cavanagh, 305 Third St., SE Washington, DC 20003	Mercury Stainless Corp		
Gordon Cavanaugh, 122 C Street, NW, #875 Washington, DC 20001-2109	Reno Cavanaugh & Hornig (For:Council of Large Public Housing Authorities)	15,833.33	412.53
Red Cavaney, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc	4,500.00	
Rosario Ceballo, 2030 M St., NW Washington, DC 20036	Common Cause	5,288.76	215.15
Cederberg & Associates, 7100 Sussex Place Alexandria, VA 22307	Grumman Corporation	200.00	
Do	Martin Marietta Corp	200.00	
Cendrowski & Selecky, P.C., 2050 N. Woodward, #310 Bloomfield Hills, MI 48013	Taubman Company, Inc	33,220.00	
Centerior Energy Corp, P.O. Box 94661 Cleveland, OH 44101-4661			3,172.76
David Certner, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	521.53	323.72
Chadbourne & Parke, 1101 Vermont Ave., NW, #900 Washington, DC 20005	Amalgamated Metal Corp PLC	2,541.00	
Do	American Paper Institute, Inc		
Do	Napp Chemicals, Inc		
Do	Ormat Energy Systems, Inc		
Do	Oxbow Geothermal Corp		
Do	Ruan Transportation Management Systems		
Chadwell & Kayser, Ltd, 35 West Wacker Drive—#3300 Chicago, IL 60601	Chicago Board Options Exchange		
Do	Corn Coalition	30,000.00	
Do	Harza Engineering Co		
Michael J. Chakarun, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Deborah M. Chalfie, 1319 F St., NW, #300 Washington, DC 20004	Halt, Inc		
Mark G. Chalpin, 1101 15th St., NW, #1000 Washington, DC 20005	National Constructors Association		
Terry M. Chamberlain, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Chambers Associates, Inc, 1625 K Street, NW, #200 Washington, DC 20006	American Assn of Retired Persons		
Do	American Express Co		
Do	American Postal Workers Union, AFL-CIO	13,303.00	
Do	Coalition of Publicly Traded Limited Partnerships	725.00	
Do	Manville Corporation	800.00	
Do	Metcalf & Eddy/KVB Group		
Maxine Champion, 1025 Thomas Jefferson St., NW, #511 Washington, DC 20007	LTV Corporation	3,000.00	975.00
Ed Chandler, 7901 Westpark Drive McLean, VA 22102	National Machine Tool Builders' Assn	12,375.00	500.00
Thomas B. Chapman, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners and Pilots Assn	11,798.00	2,249.04
William C. Chapman, 2801 Fort Scott Drive Arlington, VA 22202	Multinational Business Services, et al.	30,950.00	1,562.95
O. Donaldson Chapoton, 555 13th Street, NW, #500 East Washington, DC 20004	Baker & Botts (For:Rhone-Poulenc)		
Peggy Charren, 975 Memorial Drive, #504 Cambridge, MA 02138	Action for Children's Television	850.00	
Richard A. Charter, 6947 Cliff Ave. Bodega Bay, CA 94923	County Administrative Office County of Santa Cruz	8,000.00	9,072.55
William Chasey Organization, 855 La Jolla Corona Court La Jolla, CA 92037	Industrial Data Link		
Do	Life Insurance Coalition of America		
Do	Professional Asset Management, Inc		
Do	Real Property Services Corp		
Do	Syncrotech Software Corp		
David F. Chavkin, 733 15th Street, NW, #912 Washington, DC 20005	National Center for Clinical Infant Programs	4,403.00	1,147.00
Leslie Cheek III, 1025 Connecticut Avenue, NW, #414 Washington, DC 20036	Crum & Forster Corp	27,750.00	392.35
Chemical Manufacturers Assn, Inc, 2501 M Street, NW Washington, DC 20037			62,327.00
Chemical Specialties Manufacturers Assn, Inc, 1001 Connecticut Avenue, NW, #1120 Washington, DC 20036			1,859.73
William B. Cherkasky, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Chernikoff & Company, 1826 Jefferson Place, NW, #101 Washington, DC 20036	Arena Stage	1,162.00	1,268.75
Do	Buffalo Museum of Science	500.00	
Do	Capital Childrens Museum	1,076.00	1,182.75
Do	Corcoran Gallery of Art	1,205.85	1,312.00
Do	Directors Guild of America	18,983.00	19,964.50
Do	Field Museum of Natural History	4,000.00	
Do	Ford's Theater	1,076.00	1,182.75
Do	Meridian House International	1,032.75	1,139.50
Do	National Museum of Women in the Arts	1,076.00	1,182.75
Do	National Symphony	1,248.50	1,355.25
Do	Natural History Museum of Los Angeles County	4,000.00	
Do	Phillips Collection	1,119.00	1,225.75
Do	Shakespeare Theater at the Folger	1,076.00	1,182.75
Do	Textile Museum	1,032.50	1,139.25
Do	Washington Ballet	1,032.75	1,139.50
Do	Washington Opera	1,119.00	1,225.75
Do	Washington Performing Arts Society	1,119.00	1,225.75
Samuel D. Chilcote Jr., 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute, Inc	775.00	
William W. Chip, 1333 New Hampshire Ave., NW, #700 Washington, DC 20036	Cadwalader Wickersham & Taft (For:Bechtel Group, Inc)	862.45	
Do	Cadwalader Wickersham & Taft (For:Raychem Corp)	187.35	
Joseph L. Choquette III, Vermont Petroleum Assn P.O. Box 566 Montpelier, VT 05602	American Petroleum Institute	4,895.00	646.08
Hal M. Christensen, 317 Massachusetts Ave., NE, #100 Washington, DC 20002	Delta Dental Plans Assn	1,500.00	
Samuel W. Christine III, 1129 20th St., NW, #200 Washington, DC 20036	Greater Washington Board of Trade		
Jack E. Christy, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	847.48	
James T. Christy, 1730 Pennsylvania Ave., NW, #265 Washington, DC 20006	Air Products & Chemicals, Inc	1,800.00	34.55
Chugach Electric Assn, Inc, P.O. Box 196300 Anchorage, AK 99519-6300			3,028.80
Donald T. Chunn, Route 2, Box 89 Columbia, TN 38401	Title Associates, Inc		
Alan L. Chvotkin, 14829 Dufief Drive Gaithersburg, MD 20878	Sundstrand Corporation	8,032.50	104.32
Chwat/Weigend Associates, 400 First Street, NW, #100 Washington, DC 20001	American Home Sewing Assn, Inc	500.00	500.00
Do	American Radio Relay League, Inc	3,000.00	3,000.00
Do	Associated Locksmiths of America	1,200.00	1,200.00
Do	National Licensed Beverage Assn	3,000.00	3,000.00
Do	National Weather Service Employees Organization	300.00	300.00
Do	Texas Truck Safety Alliance (TTSA)	3,150.00	3,150.00
Charisse Victoria Ciambrone, 1705 South 17th Street Las Vegas, NV 89104			
Donna M. Cirolia, 1001 Connecticut Ave., NW, #407 Washington, DC 20036	Water Quality Association		
Citizen Action, 1300 Connecticut Ave., NW, #401 Washington, DC 20036			4,942.50
Citizen/Labor Energy Coalition, 1300 Connecticut Ave., NW, # 401 Washington, DC 20036		1,500.00	1,500.00
Citizens for Sensible Control of Acid Rain (CSCAR), c/o 1301 Connecticut Avenue, NW Washington, DC 20036		525,000.00	137,238.96
Citizens Comm for the Right to Keep & Bear Arms, Liberty Park, 12500 NE Tenth Place Bellevue, WA 98005		628,944.23	280,266.56
Citizens Political Action Committee, P.O. Box 645 228 South A Street, #2 Oxnard, CA 93032			
Donald D. Clancy, 6507 Leeds Lane Cincinnati, OH 45215	Grocery Manufacturers of America, Inc		
Do	Tele-Press Associates, Inc (For:Japan Fisheries Association)		
Fred D. Clark Jr., 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	25.00	
Gilbert Clark, 1117 N. 19th Street, NW, #600 Arlington, VA 22209	American Assn of Blood Banks		
Jordan Clark, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Lynn C. Clark, 1411 K Street, NW, #500 Washington, DC 20005	District of Columbia Chamber of Commerce	1,300.00	
Robert Clark, 400 Madison St., #1908 Alexandria, VA 22314	Ryder Systems, Inc		
Rudy I. Clark, 5342 Woodbury Woods Lane Fairfax, VA 22032	Air Force Sergeants Assn, Inc		
Vernon A. Clark, 555 New Jersey Ave., NW, #255 Washington, DC 20001	Outdoor Advertising Assn of America, Inc	11,013.13	10,781.30
Do	RJR-Nabisco Washington, Inc	5,424.37	565.79
Sara F. Clary, 1629 K Street, NW, #1010 Washington, DC 20006	Alliance of American Insurers	500.00	
Bill Clayton, 1122 Colorado, #307 Austin, TX 78701	Advanced Telecommunication Corp	4,500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Cleary Gottlieb Steen & Hamilton, 1752 N Street, NW Washington, DC 20036	Columbia Savings & Loan Assn	6,984.88	46.00
Do	Crompton & Knowles Corp	211.50	30.00
Do	Day-Glo Color Corp	387.75	30.00
Do	Ministry of Finance & Public Credit of the United Mexican St		
Do	Security Pacific National Bank	4,562.25	
Do	Union Oil Co of California, et al	281.25	
Ronald D. Clements, 1111 19th St., NW, 9th Floor Washington, DC 20036	Edison Electric Institute	4,415.60	1,127.62
Cleveland Electric Illuminating Co, 55 Public Square P.O. Box 5000 Cleveland, OH 44113			
Cleveland-Cliffs, Inc, 1100 Superior Avenue Cleveland, OH 44114-2589			
W. M. Click, 2828 N. Haskell Dallas, TX 75204	Southland Corporation		
Clifford & Warnke, 815 Connecticut Ave., NW Washington, DC 20006	Australian Meat & Live-Stock Corp	7,500.00	3,856.73
Do	J. C. Maxtone-Mailer	600.00	206.50
Do	The Nonprescription Drug Manufacturers Assn		
Clohan & Dean, 1101 Vermont Ave., NW, #400 Washington, DC 20005	Student Loan Funding Corp of Ohio	800.00	
Edward T. Cloonan, 70 Pine Street, 39th Floor New York, NY 10270	American International Group, Inc		
Stephen J. Cloud, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	400.00	
W. Dewey Clower, 1199 North Fairfax, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators, Inc		
Coal & Slurry Technology Assn, 1156 15th Street, NW, #505 Washington, DC 20005		44,500.00	
Coalition for American Energy Security, 1050 Thomas Jefferson St., NW, 6th Floor Washington, DC 20007			
Coalition of American Steel Using Manufacturers, 555 13th Street, NW, #800 Washington, DC 20004			
Coalition of Americans to Protect Sports (CAPS), 200 Castlewood Drive North Palm Beach, FL 33408	Product Liability - Sports		
Coalition to Keep Alaska Oil, AFL-CIO Building 815 16th Street, NW, #309 Washington, DC 20006		8,397.00	185.55
Coalition to Preserve Low Income Housing Tax Credit, 2300 M St., NW Washington, DC 20037		3,000.00	3,000.00
Alan J. Cobb, 1120 Vermont Avenue, NW, #1130 Washington, DC 20005	Petroleum Marketers Assn of America	8,500.00	1,263.94
Richard B. Cobb, Petroleum Council of Ga 230 Peachtree St., NW, #1500 Atlanta, GA 30303	American Petroleum Institute	600.00	1,091.47
Clarissa Coffin, 1400 Eye St., NW Washington, DC 20005	Wilderness Society		
Amy A. Coggin, 1415 Elliot Place, NW Washington, DC 20007	National Stone Assn	4,000.00	500.00
Don V. Cogman, 1200 19th Street, NW, #606 Washington, DC 20036	MAPCO, Inc	4,750.00	
Albert P. Cohen, 405 Kemper Rd. Joppatowne, MD 21085	American Lung Assn of Maryland		
Dan Cohen, 500 North Capitol Street, NW, #300 Washington, DC 20001	American Israel Public Affairs Comm	12,349.98	581.47
Daniel L. Cohen, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	2,000.00	100.00
David Cohen, 1616 P St., NW, #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control	7,353.06	34.00
John Cohen, 1331 Penn Ave., NW, #1500-North Washington, DC 20004-1703	National Association of Manufacturers	80.00	
Joseph L. Colaneri, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California		956.62
George T. Coldeway, 8245 NW 53rd St., #200 Miami, FL 33166-4609	South Florida Hospital Assn		
Douglas Cole, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd	1,500.00	
E. William Cole, 1050 Connecticut Avenue, NW, #760 Washington, DC 20036	Union Oil Co of California	500.00	72.00
Ken W. Cole, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Allied-Signal, Inc		
Randall I. Cole, 50 F St., NW, #1080 Washington, DC 20001	BR Services, Inc	1,000.00	1,426.12
Cole Corette & Abrutyn, P.C., 1110 Vermont Avenue, NW, #900 Washington, DC 20005	Chase Manhattan Bank, N.A		
Do	Government of the Netherlands Antilles		
Do	Louisiana Land & Exploration Co		
Do	Millipore Corporation		
Do	H. H. Robertson Co		
Colette R. Coleman, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Jessie M. Colgate, 51 Madison Avenue New York, NY 10010	New York Life Insurance Company		
Emilio G. Collado III, Collado Associates 1405 Montague Drive Vienna, VA 22180	American Watch Assn		
Collier Shannon & Scott, 1055 Thomas Jefferson St., NW, #306 Washington, DC 20007	Alliance for Capital Access	30,000.00	30,000.00
Do	American Car Rental Assn	1,260.00	1,260.00
Do	American Couplings Coalition	750.00	750.00
Do	American Frozen Food Institute		
Do	American Institute of Steel & Iron	1,620.00	1,620.00
Do	American Meat Institute		
Do	American Soybean Association	80.00	80.00
Do	American Textile Machinery Assn		
Do	Bicycle Mfgrs Assn of Amer, Inc	2,175.00	2,175.00
Do	Coalition for Safe Ceramicware	80.00	80.00
Do	Committee of American Ammunition Manufacturers	2,243.75	2,243.75
Do	Crop Insurance Research Bureau		
Do	Ferrous Scrap Consumers Coalition		
Do	Food Marketing Institute		
Do	Footwear Industries of America	80.00	80.00
Do	Gerico	1,600.00	1,600.00
Do	Independent Lubricant Manufacturers Assn	1,200.00	1,200.00
Do	Inland Steel Corp	1,000.00	1,000.00
Do	Lukens, Inc		
Do	Lykes Brothers, Inc		
Do	Municipal Castings Fair Trade Council	3,450.00	3,450.00
Do	National Assn of Convenience Stores	1,750.00	1,750.00
Do	National Assn of Mutual Insurance Cos	650.00	650.00
Do	National Broiler Council		
Do	National Cosmetology Assn, Inc	80.00	80.00
Do	National Juice Products Assn		
Do	National Pasta Assn		
Do	Norris Industries	520.00	520.00
Do	Outdoor Power Equipment Institute	120.00	120.00
Do	Petroleos de Venezuela, S.A	6,110.00	6,110.00
Do	PetroJam, Ltd	10,000.00	10,000.00
Do	Pittsburgh Corning Corporation		
Do	Shipbuilders Council of America		
Do	Society of Independent Gasoline Marketers of America	10,050.00	10,050.00
Do	Specialty Steel Industry of the United States	1,780.00	1,780.00
Do	Zurich-American Insurance Companies	650.00	650.00
Terese Colling, 1818 N Street, NW, 7th Floor Washington, DC 20036	Eckert Seamans Cherin & Mellott (For:Media General, Inc)	5,582.50	109.57
Michael A. Collins, 13106 Ivy Drive Beltsville, MD 20705	United Assn of Jnymen & Appren of Plmbg & Pipeftg Industry	6,000.00	375.61
Paula J. Collins, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co		
R. J. Collins, 1667 K Street, NW, #300 Washington, DC 20006	Amdahl Corp	1,000.00	
Collins & Associates, 6269 Franconia Road Alexandria, VA 22310	City of Pompano Beach, Florida		
Camilla L. Collova, 1025 Connecticut Ave., NW, #1007 Washington, DC 20036	Armstrong World Industries, Inc		9.20
Mary Colville, 1155 15th St., NW Washington, DC 20005	National Broiler Council	1,250.00	
Lori A. Comeau, 805 15th Street, NW #610 Washington, DC 20005-2207	CF Industries, Inc	500.00	107.22
Comfort Lipe & Green, P.C., 2100 Mid-Continent Tower 401 South Boston Avenue Tulsa, OK 74103	Thrifty Rent-A-Car System, Inc	3,090.00	49.67
Comiskey & Hunt, 4023 Chain Bridge Road Fairfax, VA 22030	Gold Fields Operating Co-Mesquite	300.00	
Committee for America's Copyright Community, 2000 K Street, NW, #600 Washington, DC 20006-1809		2,647.50	2,647.50
Committee for Do-It-Yourself Household Moving, 2011 Eye Street, NW, #500 Washington, DC 20006			
Committee for Fair Trade with China, Evergreen Point Rd., Box 288 Medina, WA 98039			
Committee for Humane Legislation, Inc, 1506 19th Street NW, #3 Washington, DC 20001		4,602.11	19,093.18
Committee on U.S. Business Canadian Life & Health Ins. Assn, c/o Dykema Gossett 1752 N St., NW Washington, DC 20036			1,050.00
Committee to Assure the Availability of Casein, 3213 O St., NW Washington, DC 20007		2,900.00	
Committee to Protect the Family, 8001 Forbes Place, #102 Springfield, VA 22151		31,140.38	45,128.12
Committee to Support the Antitrust Laws, 1401 New York Avenue, NW, #740 Washington, DC 20005		9,500.00	11,250.00
Common Cause, 2030 M St., NW Washington, DC 20036		2,807,241.77	666,066.52
Community Nutrition Institute, 2001 S St., NW, #530 Washington, DC 20009		118,250.06	118,250.06
Community Service Council of Central IN, Inc, 1828 North Meridian Indianapolis, IN 46202			
Competitive Enterprise Institute, 233 Pennsylvania Avenue, SE,#200 Washington, DC 20003		90,245.71	
Competitive Telecommunications Assn (COMPTEL), 120 Maryland Ave., NE Washington, DC 20002		2,000.00	5,100.00
Compressed Gas Assn/Helium Advisory Council, 1235 Jefferson Davis Highway Crystal Gateway #1, Suite 501 Arlington, VA 22202.		28,234.00	16,226.00
Veronica Compton, Reg. #276077 P.O Box 17 Gig Harbor, WA 98335-0017			
Bert M. Concklin, 1500 Planning Research Drive Mclean, VA 22102	Planning Research Corporation		581.20
Gary L. Conkling, P.O. Box 500, 50-705 Beaverton, OR 97077	Tektronix, Inc	10,000.00	2,664.62
Michael Conlon, 1818 N Street, NW, #200 Washington, DC 20036	Automotive Parts Rebuilders Assn		
Jeanne K. Connelly, 1875 Eye St., NW, #540 Washington, DC 20006	Champion International Corp		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
John J. Connolly, 499 South Capitol St., SW, #507 Washington, DC 20003	Hecht Spencer & Association (For:Brown & Williamson Tobacco)		
Do	Hecht Spencer & Association (For:BATUS)		
Do	Hecht Spencer & Oglesby, Inc (For:Hong Kong Trade Development Council)		
Do	Hecht Spencer & Associates, Inc (For:Western Growers Association)		
Brian L. Connor, 1235 Jefferson Davis Hgwy., #606 Arlington, VA 22202	National Utility Contractors Assn	10,000.00	433.00
Richard J. Connor Jr., 1455 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Joseph E. Seagram & Sons, Inc	562.50	
Jerry C. Connors, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202	Manufactured Housing Institute	8,500.00	
David Conover, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,011.05	34.77
David R. Conrad, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	9,950.00	
Conservative Action Lobby, P.O. Box 931602 Los Angeles, CA 90093		25.00	38.84
Consolidated Rail Corporation, P.O. Box 23451 Washington, DC 20026			15,485.87
Consumer Energy Council of America Research Foundation, 2000 L St., NW, #802 Washington, DC 20036			
Consumers for World Trade, 1001 Connecticut Ave., NW, #800 Washington, DC 20036		14,975.00	22,706.72
Consumers Union of U.S., Inc, 256 Washington St. Mount Vernon, NY 10553		135.00	12,638.80
John J. Contney, Suite B 1130 E. Hallandale Blvd. Hallandale, FL 33009	Textile Rental Services Assn of America		
Daniel J. Conway, 1819 L St., 7th Floor Washington, DC 20036	Reinsurance Assn of America		
John A. Conway, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
John J. Coogan, 1776 Eye Steet, NW, #1050 Washington, DC 20006	Eastman Kodak Co	250.00	190.00
Alexandra W. Cook, 1331 Pennsylvania Avenue, NW, #1300N Washington, DC 20004	Electronic Data Systems Corp	192.00	332.00
Cheryl L. Cook, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers' Educational & Co-operative Union of America	7,251.14	124.49
K. Richard Cook, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	225.00	
Thomas M. Cook, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Cook Group, Inc, 925 S. Curry Pike P.O. Box 489 Bloomington, IN 47402-0489			8,962.52
Eileen D. Cooke, 110 Maryland Ave., NE, Suite 101 Washington, DC 20002	American Library Assn	1,845.00	
Robert M. Coon Jr., 65 Pondfield Road Bronxville, NY 10708	National Comm to Preserve Social Security		
Bente E. Cooney, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	1,861.00	9.80
Daniel J. Cooney, 1600 Wilson Blvd., #1000 Arlington, VA 22209	American Waterways Operators	750.00	25.00
Benjamin Y. Cooper Jr., 1730 North Lynn St. Arlington, VA 22209	Printing Industries of America, Inc	10,000.00	
Cherry E. Cooper, 2301 Market Street, S13-1 Philadelphia, PA 19101	Philadelphia Electric Co		
Mark N. Cooper, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	300.00	
Mitchell J. Cooper, 1001 Connecticut Ave., NW Washington, DC 20036	Rubber & Plastic Footwear Manufacturers Assn	19,500.00	84.31
Darrell Coover, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	2,000.00	763.00
Jim Copeland & Associates, 555 New Jersey Ave., NW, #880 Washington, DC 20001	Pacific Mutual Life Insurance Co	800.00	
Michael J. Copps, 901 15th Street, NW, #700 Washington, DC 20005	American Meat Institute	5,625.00	3,765.11
Copyright Remedies Coalition, 2000 K Street, NW, #600 Washington, DC 20006-1809		8,484.75	8,484.75
John F. Corcoran, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Patrick H. Corcoran, 1725 K St., NW, #1205 Washington, DC 20006	Association of Oil Pipelines		
Tom Corcoran, 360 E. Randolph, #2402 Chicago, IL 60601	Wallace Associates Corp		
Frank W. Corley, 8430 Blakiston Lane Alexandria, VA 22308	ITT Electro-Optical Products Div	9,000.00	1,164.16
Do	Pilkington Optronics, Inc	9,000.00	759.00
Do	Spectran	8,250.00	750.00
Corman Law Offices, 1420 16th Street, NW Washington, DC 20036	American Newspaper Publishers Assn	7,875.00	
Do	Kelso & Company	6,500.00	
Do	MCA, Inc	6,550.00	
Do	National Structured Settlements Trade Assn	3,000.00	
Do	Republic National Bank of New York		
Do	Tropicana International, Inc	14,250.00	
Do	U.S. League of Savings Institutions		
Corn Refiners Assn, Inc, 1100 Connecticut Ave., NW, #1120 Washington, DC 20036		5,798.00	2,366.00
David L. Cornwell, 2217 Casemont Drive Falls Church, VA 22046			
Ernest J. Corrado, 1000 16th St., NW, #511 Washington, DC 20036	American Institute of Merchant Shipping	3,591.00	64.80
Mary Marcotte Corrigan, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America		
Richard L. Corrigan, 655 15th Street, NW, Suite #444 Washington, DC 20005	CH2M Hill	2,000.00	
Marty Corry, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	663.46	452.47
Allan D. Cors, 1455 Pennsylvania Avenue, NW, #500 Washington, DC 20004	Corning Glass Works	250.00	
Anthony R. Corso, 150 East 42nd Street New York, NY 10017	Mobil Corp	900.00	
William R. Corson, 1725 K Street, NW, #903 Washington, DC 20006	General Media/P.O.F. Subsidiary Co		
Philip S. Corwin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,500.00	
R. H. Cory, 1005 Congress Avenue, #520 Austin, TX 78701	Central & South West Services, Inc		
Cosmetic Toiletry & Fragrance Assn, Inc, 1110 Vermont Ave., NW, #800 Washington, DC 20005			
Gregory Costa, 1000 Vermont Avenue, NW, #800 Washington, DC 20005	Public Securities Assn	7,500.00	
J. Daniel Costello, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce	1,630.00	120.00
Michael E. Costello, 1025 Connecticut Ave., NW, #404 Washington, DC 20036	Texas Eastern Transmission Corp		1,582.69
Jeffrey Neal Cotton, 329 East Ridgewood Ave., 1F Ridgewood, NJ 07450			
Daniel T. Coughlin, 1155 15th Street, NW, #502 Washington, DC 20005	Bristol Myers Co	25,000.00	
Council for Rural Housing and Development, 2300 M St., NW Washington, DC 20036		4,000.00	4,000.00
Council of Industrial Boiler Owners, 6035 Burke Centre Parkway, #360 Burke, VA 22015			
Council of Institutional Investors, 1420 16th Street, NW, #405 Washington, DC 20036			58.50
Council of State Chambers of Commerce, 122 C St., NW, #200 Washington, DC 20001		2,462.99	728.65
Council on Alternate Fuels, 1225 Eye St., NW, #320 Washington, DC 20005			
James Cousins, 1709 New York Avenue, NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	10,000.00	
Mark J. Covall, 1319 F Street, NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
John F. Cove, 918 16th St., NW, #702 Washington, DC 20006	Cove Associates, Inc (For:Association of U.S. Night Vision Manufacturers)		
Covington & Burling, 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044	American Watch Assn		
Do	Amoco Corporation		
Do	Archer Daniels Midland Company		
Do	Arkansas Department of Human Services		16.30
Do	Association of Maximum Service Telecasters, Inc		
Do	Champion International Corp		
Do	Coalition to Preserve the Integrity of American Trademarks	3,250.00	560.00
Do	Commonwealth of Puerto Rico		74.16
Do	Department of Human Services, Cranston		16.30
Do	Department of Human Services, Little Rock		16.30
Do	Department of Social Services, Lansing		16.30
Do	ERISA Industry Committee		12.00
Do	General Mills, Inc	937.50	
Do	Illinois Department of Public Aid		
Do	International Business Machines Corp		
Do	International Paper Co		
Do	Investment Company Institute		
Do	Kansas Dept of Social & Rehabilitation Service		
Do	Michigan Department of Social Services		16.30
Do	Monarch Capital Corp		
Do	National Football League		
Do	New York State Office of Mental Retardation and Devel		16.30
Do	Post-Newsweek Stations, Inc		
Do	R.I. Department of Human Services		16.30
Do	State of Idaho		16.30
Do	United Technologies Corporation	690.00	18.00
Do	Uranium Producers of America		
Do	Westvaco Corporation		
Mark D. Cowan, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group, Inc (For:Industrial Safety Equipment Assn)		
Do	Jefferson Group, Inc (For:Kelly Services, Inc)		
Eugene S. Cowen, 2759 Unicorn Lane, NW Washington, DC 20015	Capitol Cities/ABC, Inc	256.00	
C. Deming Cowles, 6th Floor 1050 Thomas Jefferson Street, NW Washington, DC 20007	Bering Sea Fishermen's Assn	1,600.00	904.86
Do	Fairbanks/North Star Borough	1,500.00	81.09
Do	Pacific Marine Fisheries Commission	1,200.00	181.35
Do	United Fishermen of Alaska	4,400.00	710.74
Archibald Cox, 2030 M St., NW Washington, DC 20036	Common Cause	6,045.00	378.02
C. Richard Cox, 2801 West Tyvola Road Charlotte, NC 28217-4500	Belk Stores Services, Inc		
Jerry W. Cox, 2300 M Street, NW #130 Washington, DC 20037	Murphy & Demory, Ltd (For:Anglo American Auto Auctions, Inc)		
Rebecca Craford, 1000 Vermont Ave., NW #800 Washington, DC 20005	Public Securities Assn	3,500.00	49.05
Donald Forsyth Craib III, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	50.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Bruce Craig, P.O. Box 677 Harpers Ferry, WV 25425	National Parks & Conservation Association	2,997.00	88.00
James P. Cramer, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects		
William C. Cramer, 2000 L Street, NW, #810 Washington, DC 20036	Cramer & Haber, P.C. (For:Canaveral Port Authority)		
Do	Cramer & Haber, P.C. (For:Dade County International Airport)		
Cramer & Haber, P.C., 2000 L Street, NW, #810 Washington, DC 20036	Canaveral Port Authority	6,750.00	
Do	Dade County International Airport		
Eric F. Craven, P.O. Box 2943 Fort Worth, TX 76113	Texas-New Mexico Power Co		
Kelly Craven, 777 14th St., NW Washington, DC 20005	National Assn of Realtors		
Donald J. Crawford, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn	1,225.00	
Richard L. Crawford, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Robin Crawford, Box M Allentown, PA 18105-5000	Mack Trucks, Inc		
Creative Dynamics, Inc, 1143 N. General Pershing Hammond, LA 70401	Reese Communications Cos (for: Philip Morris U.S.A.)	2,250.00	763.11
John P. Cregan, 220 National Press Building Washington, DC 20045	U.S. Business & Industrial Council	6,000.00	
Richard C. Creighton, 1331 Pennsylvania Ave., NW, #910 Washington, DC 20004	American Cement Trade Alliance, Inc	11,250.02	106.85
Ken A. Crerar, 600 Pennsylvania Ave., SE, #211 Washington, DC 20003	National Assn of Casualty & Surety Agents	4,000.00	3,140.37
Douglas P. Crew, 100 N.E. Adams Street Peoria, IL 61629-1430	Caterpillar Tractor Co	625.00	1,258.40
Joseph M. Cribben, 6900 Valley Brook Dr. Falls Church, VA 22042	United Assn of Jnymen & Appren of Plmbg & Pipeftg Industry	1,750.00	
Mary Dent Crisp, 601 Pennsylvania Ave., NW, #700 Washington, DC 20004-2602	Business Executives for National Security		
Richard E. Cristol, 1101 15th St., NW, #202 Washington, DC 20005	National Assn of Margarine Manufacturers		
Judy Crockett, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	2,314.80	
P. H. Croft, 2000 Massachusetts Ave., NW Washington, DC 20036	American Short Line Railroad Assn		
Robert W. Crolius, 1620 Eye Street, NW, #520 Washington, DC 20006	Portland Cement Assn		
Robert W. Cromartie, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Charles H. Cromwell, Inc, 6709 Georgia Street Chevy Chase, MD 20815	EDO Corp		
Do	McDonnell Douglas Helicopters		
Do	Northrop Corp		
Rae E. Cronmiller, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	100.00	
Crop Insurance Research Bureau, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268			
Mark E Crosby, 1700 North Moore St., #910 Rosslyn, VA 22209	Special Industrial Radio Service Assn, Inc		8.00
David T. Crow, 501 Second Street, NE Washington, DC 20002	Fertilizer Institute	9,000.00	1,543.85
Crowell & Moring, 1001 Pennsylvania Ave., NW Washington, DC 20004-2505	Asarco Inc		
Do	Associated Gas Distributors		
Do	Avon Products, Inc		
Do	Brooklyn Union Gas Co		
Do	Central Nebraska Public Power & Irrigation District		
Do	Chesapeake Utilities Corp		
Do	City of North Miami		
Do	Communications Satellite Corp		
Do	Cook Inlet Region, Inc		
Do	Eagle-Picher Industries, Inc	618.75	10.00
Do	Eli Lilly & Company	1,581.25	10.00
Do	Emery Worldwide		
Do	Meridian Minerals Co		
Do	National Assn of Wholesaler-Distributors	6,235.00	10.00
Do	National Risk Retention Assn	6,000.00	20.00
Do	Nebraska Public Power District		
Do	Pan American World Airways, Inc, et al		
Do	Regional Airline Association		
Do	Sterling Drug, Inc		
Do	Tiffany & Co		
Do	Trust for Public Lands	2,150.00	
Do	United Cities Gas Co		
Do	Western Governors' Assn		
Do	Wyatt Company		
Crowell & Moring International L.P., 1001 Pennsylvania Ave., NW Washington, DC 20004-2505	Avon Products, Inc		
Do	Board of Foreign Trade, Gov't of the Republic of China		
Do	Singapore Trade Development Board		
Crown Communications Consulting Co, 1025 Connecticut Avenue, NW, #405 Washington, DC 20006	National Strategies, Inc	3,307.50	
Cuba Claims Association, P.O. Box 014004 Miami, FL 33101			
Culley-Foster & Co, P.O. Box 17370 Washington, DC 20041			
Philip Cummings, 1455 Pennsylvania Ave., NW Washington, DC 20004	McCutchen Doyle Brown & Enersen (For:American Iron & Steel Institute)		30,896.70
Do	McCutchen Doyle Brown & Enersen (For:Browning-Ferris Industries)		11,087.62
Do	McCutchen Doyle Brown & Enersen (For:Carlsmith Wichman Case... (for Hilo Coast Proscessing), et a).		3,423.50
Do	McCutchen Doyle Brown & Enersen (For:Castle & Cooke, Inc)		13,407.00
Do	McCutchen Doyle Brown & Enersen (For:Gulf Coast Waste Disposal Authority)		13,407.00
Do	McCutchen Doyle Brown & Enersen (For:New York Dept of Environmental Conservation).		307.50
Do	McCuthchen Doyle Brown & Enersen (For:Rohr Industries, Inc)		4,510.00
Do	McCutchen Doyle Brown & Enersen (For:Southern California Assn of Governments)		8,564.50
Do	McCutchen Doyle Brown & Enersen (For:Sterling Drug, Inc)		
Jonathan W. Cuneo, 1401 New York Avenue, NW, #740 Washington, DC 20005	Committee to Support the Antitrust Laws	11,250.00	224.00
Do	National Assn of Securities and Commercial Attorneys	17,085.00	5,028.45
Do	National Coalition of Petroleum Retailers, Inc	5,500.00	230.60
William J. Cunningham, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,088.41	1,196.79
John T. Curran, 905 16th St., NW, Washington, DC 20006	Laborers' Intl Union of North America, AFL-CIO	18,190.50	849.40
Do	National Coordinating Comm for Multiemployer Plans		
Kathleen L. Curry, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	3,225.00	208.00
M. Rupert Cutler, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife	1,442.97	
Cutler & Stanfield, 1850 M Street, NW Washington, DC 20036	General Atomics	500.00	50.00
Do	University of Colorado		60.00
Everett E. Cutter, 620 SW Fifth Avenue Bldg., Suite 300 Portland, OR 97204	Oregon Railroad Assn		
CF Industries, Inc, Salem Lake Dr. Long Grove, IL 60047			1,000.00
CR Associates, 317 Massachusetts Ave., NE, #100 Washington, DC 20002	Alzheimer's Assn	2,100.00	
Do	American Assn for Dental Research	958.50	
Do	Association of University Programs in Health Administration	489.00	
Do	Conjoint Comm on Diagnostic Radiology	1,200.00	
D'Amore & Doyle, Inc, 1156 15th St., NW, #1100 Washington, DC 20005	Gafney Bennett & Associates, Inc	18,000.00	5,687.28
Do	New England Assn of Business Industry & Rehabilitation, Inc	3,000.00	5,714.78
William K. Dabaghi, Arter & Hadden 1919 Pennsylvania Ave., NW, #400 Washington, DC 20006	Central Union of Agricultural Cooperatives (ZENCHU)		
Do	Coalition for Regional Banks		
Do	Houston Clearing House Assn		
Susan Dahlquist, 2000 K St., NW, 8th Foor Washington, DC 20006	National Committee to Preserve Social Security	11,254.00	1,690.23
Stephen J. Daigler, 1601 Duke Street Alexandria, VA 22314	Society of American Florists		
William Kay Daines, 1616 H St., NW Washington, DC 20006	American Retail Federation	400.00	45.00
Dairy Farmers for Responsible Dairy Policy, 517 C Street, NE Washington, DC 20002		10,400.00	10,730.00
Donald W. Dalrymple, 1575 I St., NW Washington, DC 20005	American Cynamid Company (For:Lederle Laboratories)	1,600.00	529.00
James G. Dalton, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	2,500.00	
John M. Damgard, 1825 Eye Street, NW, #1040 Washington, DC 20006	Futures Industry Assn, Inc		
Tracy Danese, P.O. Box 14000 Juno Beach, FL 33408	Florida Power & Light Co	1,695.00	4,863.68
John E. Daniel, 1233 20th St., NW, #701 Washington, DC 20036	International Technology Corporation		
David S. Danielson, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
David E. Danovitch, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	6,000.00	166.84
Cynthia L. Darcy, 245 Second St., NE Washington, DC 20002	Friends Committee on National Legislation	3,923.34	
Richard C. Darling, 1156 15th St., NW Washington, DC 20005	J. C. Penney Co. Inc		
Diane Davenny Darneille, 1850 K Street, NW, Suite 1195 Washington, DC 20006	Schering-Plough Corp	4,650.00	7,678.00
Becky L. Davenport, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation & International Ice Cream Assn		
Theodore S. J. Davi, 624 South Quincy Street Green Bay, WI 54301			
Earl F. David, 1825 K St., NW, #1107 Washington, DC 20006	Phillips Petroleum Co	1,000.00	
James H. Davidson, 1211 Connecticut Avenue, NW, #610 Washington, DC 20036	James H. Davidson & Associates, Inc (For:American Advertising Federation)	5,176.84	
Do	James H. Davidson & Associates Inc (For:American Assn of Advertising Agencies)	5,176.84	
Do	James H. Davidson & Associates, Inc (For:American Newspaper Publishers Assn)	5,176.84	
Do	James H. Davidson & Associates Inc (For:Association of National Advertisers)	5,176.84	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	James H. Davidson & Associates, Inc (For:Direct Marketing Assn)	5,203.35	
Do	James H. Davidson & Associates, Inc (For:Magazine Publishers of America, Inc)	17,003.91	
Do	James H. Davidson & Associates, Inc (For:Miller & Chevalier)	15,527.91	
Do	James H. Davidson & Associates, Inc (For:National Assn of Broadcasters)	20,147.86	
Do	James H. Davidson & Associates, Inc (For:National Assn of Industrial & Office Parks).	13,412.66	
Do	James H. Davidson & Associates, Inc (For:Rouse Co)	3,112.99	
Do	James H. Davidson & Associates, Inc (For:Yellow Pages Publishers Assn)	5,176.84	
Dionne M. Davies, 1120 Connecticut Ave., NW, #727 Washington, DC 20036	American Bankers Assn	1,200.00	
Drew M Davis, 1101 16th St., NW Washington, DC 20036	National Soft Drink Assn	348.34	84.00
Edward M. Davis, 410 First St., SE Washington, DC 20003	American Nuclear Energy Council	9,000.00	852.24
Edwin H. Davis, 2030 M St., NW Washington, DC 20036	Common Cause	9,828.00	
Fred G. Davis, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	3,887.92	498.37
John W. Davis, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	200.00	
Kenneth E. Davis, Suite 1210 1667 K St., NW Washington, DC 20006	Rohm & Haas Co	500.00	17.98
Margaret N. Davis, 1020 16th Street, NW Washington, DC 20036-5754	Enron Corp	2,000.00	
Michael Davis, 735 North Water St., #908 Milwaukee, WI 53202-4105	American Malting Barley Assn, Inc	1,425.00	
Ovid R. Davis, P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company		
Richard S. Davis, 1350 I Street, NW, #700 Washington, DC 20005	Beveridge & Diamond, P.C. (For:City of Bluefield, WV, et al.)	325.00	287.18
Robert Davis, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	1,900.00	534.00
Davis & Harman, 1455 Pennsylvania Avenue, NW, #1200 Washington, DC 20004	Ad Hoc Comm of Life Insurance Companies		
Do	Alcoma Packing Company, Inc	750.00	44.00
Do	American General Life Insurance Co	610.50	27.66
Do	American Horse Council	937.50	67.95
Do	American Insurance Association		
Do	Armco Steel Co	1,560.00	61.40
Do	Bethlehem Steel Corp	1,560.00	61.40
Do	Chicago Board of Trade	3,750.00	72.00
Do	Committee of Annuity Insurers	1,500.00	34.00
Do	Committee of Life Insurers		
Do	Dresser Industries, Inc		
Do	First Penn-Pacific Life Insurance Co		
Do	Florida Power & Light	1,724.50	85.40
Do	Florida Sugar Cane League, Inc		
Do	Hughes & Luce	1,563.30	34.00
Do	James Graham Brown Foundation		
Do	Lincoln National Life Insurance Co	964.80	74.37
Do	National Assn of Life Companies		
Do	National Cattlemen's Assn	150.00	33.95
Do	Stock Information Group	17,176.00	446.04
Do	Travelers Companies		34.37
Do	U.S. Sugar Corp	600.00	61.66
Do	Underwriters of Lloyd's, London	2,923.85	95.00
Davis Hockenberg Wine Brown Koehn & Shors, 2300 Financial Center Des Moines, IA 50309	SKC Associates (for: Southern Company Services)		
Davis Polk & Wardwell, 1575 Eye St., NW, #400 Washington, DC 20005	American Inst of Certified Public Accountants	1,794.00	74.00
Do	Kohlberg Kravis Roberts & Co		
Do	LTV Corp		
Do	Morgan Guaranty Trust Co	850.00	16.00
Do	Morgan Stanley & Co, Inc		
Do	Norwest Corporation	1,450.00	4.50
Do	Occidental International Corp	82.50	14.00
Davis Wright & Jones, 1752 N St., NW, #800 Washington, DC 20036	McCaw Communications Cos	24,000.00	954.96
Do	Pacific Northwest Coalition for Maritime Law Reform		
Do	Tri-City Nuclear Industrial Council, Inc		
Donald S. Dawson, 1133 Connecticut Ave., NW, #1000 Washington, DC 20036	Michael Gaughan		
Do	Opticians Assn of America		
Do	Virgin Islands Gift & Fashion Shop Assn		
Do	Virgin Islands Merchants Assn		
Robert G. Dawson, P.O. Box 2625 Birmingham, AL 35202	Southern Company Services, Inc		
Robert M. Dawson, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Brenda T. Day, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corporation	2,083.00	497.19
Harry F. Day, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
Gaston De Bearn, 1050 Connecticut Avenue, NW, #401 Washington, DC 20036	Hoffmann-La Roche, Inc		
Mark A. De Bernardo, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.		42.00
B. Rey De Castro, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
Ralph De La Cruz, 1201 New York Avenue, NW Washington, DC 20005	American Public Transit Assn	3,234.00	393.00
De La Salle Institute, P.O. Box 4150 St. Mary's College Moraga, CA 94575-1154			8,669.96
O. Mark De Michele, 411 N. Central Avenue Phoenix, AZ 85004	Arizona Public Service Company		
Maryann M. Dean, 1875 Eye Street, NW, #400 Washington, DC 20006	Georgia-Pacific Corp	1,000.00	
John Russell Deane III, 888 17th Street, NW, #500 Washington, DC 20006	Auto Internacional Assn	545.47	257.32
Do	Coalition of Automotive Assns	1,875.94	868.03
Do	Specialty Equipment Market Assn	7,503.75	3,473.14
Debevoise & Plimpton, 555 13th Street, NW Suite 1100E Washington, DC 20004	Sony Corp of America		
Mark O. Decker, 1129 20th Street, NW, #705 Washington, DC 20036	National Assn of Real Estate Investment Trusts, Inc		
Do	Pension Real Estate Assn		
William E. Deegans, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	271.89	
Richard A. Deem, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	25.00	
William R. Deere, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn	5,877.07	2,722.19
Brian Deery, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
George K. Degnon Associates, Inc, 6728 Old McLean Village Drive Mclean, VA 22101	Association of State & Territorial Health Officials		1,000.00
Do	Nurses Organization of the Veterans Administration		1,000.00
Gene A. Del Polito, 1333 F Street, NW, #710 Washington, DC 20004-1108	Third Class Mail Association	1,250.00	
Kathryn A. Delahanty, 206 G Street, NE, #201 Washington, DC 20002	Coalition Against Noneffective Technologies (Can't)		
Delaney Bitonti & Wilhelm, Chtd, 1629 K Street, NW, #1000 Washington, DC 20006	Harcourt Brace Jovanovich, Inc	4,124.82	539.82
Do	National Assn of Independent Insurers	15,000.00	1,198.51
Do	Transamerica Insurance Services	10,051.43	1.43
Regis J. Delmontagne, 1899 Preston White Drive Reston, VA 22091	National Printing Equipment & Supply Association, Inc		
Elizabeth C. Demato, 5201 Auth Way Camp Springs, MD 20746	Seafarers International Union	3,000.00	608.57
Tania Demchuk, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	100.00	
Willard L. Demory, 2300 M St., NW, #130 Washington, DC 20037	Murphy & Demory, Ltd. (For:American Mobile Satellite Consortium)		
Do	Murphy & Demory, Ltd (For:California Energy Co, Inc)		
Do	Murphy & Demory, Ltd. (For:Prodigy Services Company)		
Do	Murphy & Demory Ltd (For:United States Telephone Association)		
George H. Denison, 4801 Massachusetts Ave., NW, #400 Washington, DC 20016	American Nuclear Energy Council		
Do	Edison Electric Institute		
Do	N U S Corporation		
Do	National Office Products Assn		
Do	Westinghouse Electric Corp		
John H. Denman, Missouri Oil Council 428 E. Capital St., #203 Jefferson City, MO 65101	American Petroleum Institute	600.00	1,133.74
Robert A. Denman, 600 Maryland Avenue, SW, #202w Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	7,705.73	133.63
Thomas J. Dennis Sr., 1111 19th St., NW, #303 Washington, DC 20036	Southern California Edison Co	6,375.00	1,500.00
Wells Denyes, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Co	900.00	253.00
Department for Professional Employees, AFL-CIO, 815 16th St., NW Washington, DC 20006			12,093.95
Brian R. Detter, 1199 N. Fairfax Street, #204 Alexandria, VA 22314	International Council of Shopping Centers	50.00	
Samuel L. Devine, 170 Burning Tree Drive Naples, FL 33942	Grocery Manufacturers of America, Inc		
Devine Millimet Stahl & Branch, 111 Amherst Street Manchester, NH 03105	State of New Hampshire, Attorney General		4,656.25
R. Daniel Devlin, 808 17th Street, NW, #520 Washington, DC 20006	Trans World Airlines, Inc	400.00	
Dewey Ballantine Bushby Palmer & Wood, 1775 Pennsylvania Ave., NW, #500 Washington, DC 20006	Bankers Trust Co		
Do	Beneficial Corporation		
Do	Catholic Health Assn of the U.S.		
Do	Digital Equipment Corp		
Do	Disk Drive Consortium		
Do	Duke Endowment		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	General Electric Pension Trust		
Do	Health Insurance Assn of America, Inc		
Do	Household International	5,200.00	
Do	Integrated Resources, Inc	1,300.00	
Do	Intel Corporation		
Do	Man-Made Fiber Producers Assn, Inc		
Do	McCormack Baron & Associates	6,500.00	
Do	Morgan Stanley Group, Inc	1,950.00	150.00
Do	National Assn of Wholesaler-Distributors		
Do	National Trust for Historic Preservation	3,250.00	
Do	NYNEX Corp		
Do	Joseph E. Seagram & Sons, Inc	6,500.00	
Do	SEMATECH	3,860.00	
Do	Teachers Insurance & Annuity Assn of America		
Do	U.S. Coalition for Fair Lumber Imports	342.30	
Do	Union Pacific Corp	3,250.00	
Do	West Indies Rum & Spirits Producers Assn		
Do	Xerox Corp	1,625.00	
Doris J. Dewton, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Kendall P. Dexter, 9 Country Club Road Mobile, AL 36608	MacMillan Bloedel, Inc	1,200.00	1,357.00
James E. DeClusin, 14000 San Bernardino Ave. P.O. Box 5080 Fonatana, CA 92335	California Steel Industries, Inc		5,565.00
Michael DeEmilio, 400 First St., NW, #801 Washington, DC 20001	Brotherhood of Maintenance of Way Employes	10,000.00	
James U. DeFrancis, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	3,187.00	1,201.32
Lisa M. DeFusco, Public Affairs Office 600 New Hampshire Ave., NW, #1111 Washington, DC 20037	Society of Real Estate Appraisers	612.00	
Mary Elise DeGonia, 1915 17th Street, NW Washington, DC 20009	ACBE, et al	505.00	20.00
Do	National Council of La Raza	475.00	20.00
Do	National Puerto Rican Forum	390.00	20.00
Do	US Basics	485.00	20.00
Law Offices of Paul H. DeLaney, Jr., 1920 N Street, NW, #610 Washington, DC 20036	Embassy of Japan	5,000.00	
Martin L. DePoy, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,354.55
Gregory L. DePriest, 1730 M Street, NW, #713 Washington, DC 20036	Association of Maximum Service Telecasters, Inc		
William R. DeReuter, 1828 L Street, NW, #906 Washington, DC 20036	Merrill Lynch & Co, Inc	2,000.00	
Thomas R. DeYulia, 7361 Calhoun Place Rockville, MD 20850	CNA Insurance Cos		
John M. Dickerman, 1015 15th St., NW, #700 Washington, DC 20005	National Lumber & Building Material Dealers Assn		
Chester T. Dickerson Jr., c/o Bernadette Hammond 1101 17th St., NW, #604 Washington, DC 20036	Monsanto Co		77.07
Ann Sanders Dickey, 300 Maryland Avenue, NE Washington, DC 20002	Federal Express Corp	6,000.00	
Elaine Dickinson, 880 S. Pickett Street Alexandria, VA 22304	Boat Owners Assn of the U.S	7,000.00	
Dickinson Wright Moon Van Dusen & Freeman, 1901 L St., NW, #801 Washington, DC 20036	United Technologies Corporation	7,000.00	
Dickstein Shapiro & Morin, 2101 L St., NW Washington, DC 20037	Advance Publications		
Do	American Greyhound Track Operators Assn	1,230.00	
Do	Apple Computer Corp	1,142.63	
Do	Avondale Industries, Inc	24,062.00	
Do	ABD Securities Corp		
Do	Bank of Oklahoma		
Do	Bear Stearns & Co	2,000.00	
Do	Boundary Gas, Inc		
Do	California Assn of Thrift & Loan Companies		
Do	Car Audio Specialists Assn (CASA)		
Do	Embassy of Malaysia	800.00	
Do	Federal National Mortgage Assn		
Do	Federated Cash Management Systems	10,000.00	
Do	Flare, Inc/Seismic Reflections		
Do	Guess, Inc		
Do	Harbour Group Ltd	6,993.75	
Do	Home Box Office, Inc		
Do	Iroquois Gas, Inc	16,450.00	
Do	IPP Working Group	2,528.75	
Do	Marine Engineers' Beneficial Assn		
Do	Medtronic, Inc	1,762.50	
Do	Morgan Guaranty Trust Co		
Do	J. P. Morgan Securities, Inc	1,572.50	
Do	Mudge Rose Guthrie Alexander & Ferndon (for Toshiba Corp)		
Do	National Fed of Societies for Clinical Social Work	7,647.50	
Do	North Carolina Dept of Natural Resources and Community Devlp		
Do	Occidental Petroleum Corp		
Do	Ocean State Power	1,348.75	
Do	Paulucci Enterprises	6,048.75	
Do	Security Life Insurance Co		
Do	States of Arkansas, et al		
Rick Diegel, 1125 15th Street, NW Washington, DC 20005	International Brotherhood of Electrical Workers, AFL-CIO-CLC	2,281.25	150.00
Diepenbrock Wulff Plant & Hannegan, P.O. Box 3034 Sacramento, CA 95812-3034	Methodist Hospital of Sacramento		
Walter E. Diercks, 1730 M St., NW, #412 Washington, DC 20036	Outdoor Advertising Assn of America, Inc		
George Dillard, 5128 Sauer, Suite A Houston, TX 77004	Kaleidoscope Research & Marketing Group		
Thomas A. Dine, 500 North Capitol St, NW, #300 Washington, DC 20001-1510	American Israel Public Affairs Comm	23,299.98	2,656.01
James C. Dinegar, 1575 Eye Street, NW Washington, DC 20005	American Soc of Assn Executives	300.00	
Direct Selling Association, 1776 K Street, NW Washington, DC 20006			
Dale P. Dirks, 511 Capitol Court, NE, Suite 300 Washington, DC 20002	Health & Medicine Counsel of Washington		
Mary Ann Dirzis, 9 West 57th Street New York, NY 10019	Avon Products, Inc		
Disabled American Veterans, 3725 Alexandria Pike Cold Spring, KY 41076		158,412.64	158,412.64
Gloria Dittus, 201 Massachusetts Ave., NE, S-5 Washington, DC 20002	BMc Strategies, Inc (For:New Hampshire Yankee)		
Diversified Energies, Inc, C/O Mr. Carl W. Cummins 201 South 7th Street Minneapolis, MN 55402			
Patsy B. Dix, 1201 16th St., NW Washington, DC 20036	National Education Assn	3,155.25	94.00
Barbara A. Dixon, 1600 Eye Street, NW Washington, DC 20006	Motion Picture Assn of America, Inc	1,290.00	
Dixon Arnett Associates, 905 16th Street, NW, #310 Washington, DC 20006	Fresno Surgery & Recovery Care Center	10,000.00	2,472.16
Charles J. DiBona, 1200 L St., NW Washington, DC 20005	American Petroleum Institute	5,000.00	
Nicholas J. DiMichael, 1275 K Street, NW, #850 Washington, DC 20005-4006	National Industrial Transportation League	525.00	3.00
J. Chris Dobbs, P.O. Box 719 Dallas, TX 75221	Southland Corporation		4,012.75
J. Graham Dodson, P.O. Box 21106 Shreveport, LA 71156	Southwestern Electric Power Co	265.00	20.00
Steven P. Doehler, 805 15th Street NW, Suite 1110 Washington, DC 20005	Mortgage Insurance Companies of America	6,600.00	36.60
Julie Domenick Doerr, 1600 M St., NW Washington, DC 20036	Investment Company Institute	38.46	8.50
Daniel P. Doherty, 2001 S St., NW, #540 Washington, DC 20009	Alliance of Nonprofit Mailers	1,350.00	7.60
John D. Doherty Jr., 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Federal Home Loan Bank of Seattle)		
Do	Federal Leg Assocs, Inc (for Assn of Bank Holding Cos)	800.00	32.00
Robin C. Dole, 1101 Connecticut Avenue, NW, #500 Washington, DC 20036	Century 21 Real Estate Corp		
Dolphin Group, Inc, 1047 Gayley Avenue, 2nd Fl Los Angeles, CA 90024	Madison Public Affairs Group, Inc (for Philip Morris USA)		
Nancy A. Donaldson, 1313 L Street, NW Washington, DC 20005	Women's Action for Nuclear Disarmament, Inc, et al	1,600.00	
Andrew J. Donelson, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	2,500.00	
Mary Elizabeth Donnelly, 1233 20th St., NW, #200 Washington, DC 20036	Newmont Mining Corp		
Thomas F. Donnelly, 955 L'Enfant Plaza, SW, #1202-N Washington, DC 20024	National Water Resources Assn	7,500.00	
Sally S. Donner, 1710 Rhode Island Avenue, NW, #400 Washington, DC 20036	Kraft General Foods, Inc	1,437.50	119.76
Donohue & Associates, Inc, 11445 Isaac Newton Square So. Reston, VA 22090			
Charles Donovan, 601 Pennsylvania Ave., NW, #901 Washington, DC 20004	Focus on the Family	12,750.00	
William Donovan, 3138 N. 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions	2,500.00	85.30
Brad L. Doores, One Tabor Center, #2500 1200 17th Street Denver, CO 80202	Energy Fuels Nuclear, Inc		
Linda L. Doorfee, 1601 Duke Street Alexandria, VA 22314	Society of American Florists	500.00	
Ira Dorfman, 1111 14th St., NW, #300 Washington, DC 20005	American Bakers Assn	338.50	12.00
Doris Day Animal League, 111 Massachusetts Ave., NW, #200 Washington, DC 20001		205,071.00	162,450.00
Dorsey & Whitney, 2200 First Bank Place, East Minneapolis, MN 55402	FilmTec Corporation	1,623.45	
Do	International Electronics Mfgrs & Consumers of America, Inc		
Dean R. Dort II, 1667 K Street, NW, #1230 Washington, DC 20006	Deere & Company	206.25	
W. Carter Doswell, 1825 Eye Stree, NW, #450 Washington, DC 20006	Goldman Sachs & Co	500.00	
Robert J. Dotchin, 1925 K Street, NW, #504 Washington, DC 20006	Smokeless Tobacco Council, Inc		
R. J. Doubrava, 1629 K Street, NW, #501 Washington, DC 20006	Delta Air Lines, Inc	170.00	88.50

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Russell E. Dougherty, 8280 Greensboro Drive, #900 McLean, VA 22102	Military Impacted School Districts Assn		
Sally L. Douglas, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	4,875.00	300.00
Dow Lohnes & Albertson, 1255 23rd St., NW Washington, DC 20037	Algoma Steel Corp, Ltd		
Do	Beeman and Associates		
Do	Canadian Institute of Steel Construction		
Do	Carlyle Group		
Do	Chamber of Commerce of the U.S.	3,043.05	
Do	Chicago City Colleges		
Do	Cox Enterprises, Inc, et al.		
Do	Directors Guild of America		
Do	Dofasco, Inc, et al.	4,393.87	568.75
Do	Harris Steel Group, Inc		
Do	Hercules, Inc		
Do	Home Shopping Network, Inc		
Do	Johnson-Simmons Co		
Do	Lake Ontario Cement, Ltd		
Do	Laurel Steel Products, Ltd		
Do	Life Care Services Corp		
Do	Marriott Corp		
Do	Monarch Wine Co of Georgia, et al.		
Do	Profit Sharing Council of America	171.00	
Do	Sporicidin Company	1,060.00	
Do	State Higher Education Executive Officers Assn		
Charles P. Downer, 7901 Westpark Drive McLean, VA 22102	National Machine Tool Builders' Assn	1,375.00	250.00
John P. Doyle Jr., 8600 Boundbrook Lane Alexandria, VA 22309	J. P. Doyle Enterprises, Inc	1,000.00	
Ronald W. Drach, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	20,972.80	
David P. Drake, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006	Ciba-Geigy Corp	3,000.00	141.77
James E. Drake, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	5,272.00	
Andrea N. Dravo, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	9,100.01	262.07
Dressendorfer-Laird, Inc, 1730 Rhode Island Avenue, NW, #210 Washington, DC 20036	General Dynamics Corp	250.00	
Do	Metropolitan Life Insurance Cos		
Do	Science Applications Int'l Corp	250.00	
Joan Albert Dreux, 1700 Pennsylvania Ave., NW, #500 Washington, DC 20006	Mutual of Omaha Insurance Co	4,000.00	1,161.31
Charles T. Drevna, 7421 Huntland Drive Knoxville, TN 37919	Sun Coal Company	1,000.00	4,000.00
Elizabeth J. Dribben, 2201 Leeland Drive Falls Church, VA 22043	Humane Society of the United States	10,655.51	7,780.97
Stephen D. Driesler, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	8,000.00	
William B. Driggers Jr., 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments, Inc	252.00	52.00
Drinker Biddle & Reath, 901 15th Street, NW, #900 Washington, DC 20005	Chubb & Sons, Inc	8,900.00	
Do	National Union Fire Insurance Co of Pittsburgh, PA	21,967.90	175.57
Alvin Drischler, 3420 Reedy Drive Annandale, VA 22003	PHLCORP	24,000.00	380.36
Kevin J. Driscoll, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Lorraine Driscoll, 1300 Connecticut Avenue, NW, #401 Washington, DC 20036	Citizen Action	1,312.50	565.00
Fran Du Melle, 1029 Vermont Ave., NW, #710 Washington, DC 20005-3517	American Lung Assn	2,890.00	4,193.00
Stan Dublinske, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
Morgan D. Dubrow, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	150.00	
Dana D. Duden, 1819 L St., NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
Tim Dudgeon, 1250 Eye Street, NW, #900 Washington, DC 20005	Distilled Spirits Council of the U.S., Inc	2,000.00	
Michael J. Duff, 1101 16th Street, NW Washington, DC 20036	Scientific Apparatus Makers Assn	1,400.00	7.00
Daniel A. Duffy, 1400 K St., NW, #900 Washington, DC 20005	Rubber Manufacturers Assn	2,500.00	
Stephen C. Duffy, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	3,750.00	599.97
C. Ray Duggan, 815 16th St., NW Washington, DC 20006	Transportation - Communications Union		
Robert H. Dugger, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Evelyn Dukovic, 3 East 85th Street New York, NY 10028	Morality in Media, Inc		
Deborah A. Dull, 2200 Mill Road Alexandria, VA 22314	American Movers Conference	500.00	
Dulles Access Rapid Transit Corp, 8000 Towers Crescent Dr., #801 Vienna, VA 22180			
Mac S. Dunaway, Dunaway & Cross 1146 19th Street, NW Washington, DC 20036	Crown Control Corp		
Do	Industrial Truck Assn		
Do	Walbro Corp		
Amy K. Dunbar, P.O. Box 19230 Washington, DC 20036	National Assn of Bond Lawyers	16,250.01	313.01
Don R. Duncan, 1776 Eye Street, NW, #700 Washington, DC 20006	Phillips Petroleum Co	5,000.00	
William C. Duncan, 1050 17th Street, NW, #410 Washington, DC 20036	Japan Automobile Manufacturers Assn	2,100.00	657.49
Duncan Weinberg Miller & Pembroke, P.C., 1615 M Street, NW, #800 Washington, DC 20036	Kenai Natives Assn, Inc	170.00	
Do	Lake Andes-Wagner Water Systems, Inc	375.00	
Do	Mid-West Electric Consumers' Assn, Inc		
Do	National Assn of State Energy Officials		
Do	Western Fuels Association, Inc		
Pauline Dunlap, 1201 McDuffie #222 Houston, TX 77019			
Mari Lee Dunn, 1850 K St., NW, #400 Washington, DC 20006	American Council for Capital Formation		
Michael V. Dunn, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	13,198.10	1,293.27
John H. Dunne, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
William C. Dunning, P.O. Box 619500 Dallas, TX 75261	Caltex Petroleum Corp		
James A. Dupree, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	3,250.00	1,084.90
B. J. Durham, P.O. Box 2121 Corpus Christi, TX 78403	Central Power & Light Co		
Ed Durkin, 101 Constitution Ave., NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America		
Katherine M. Dutilh, 214 Massachusetts Ave., NE, #420 Washington, DC 20002	Milliken & Company	5,000.00	2,900.00
Dutko & Associates, 412 First St., SE, #100 Washington, DC 20003	Miguel H. Agosto	10,000.00	
Do	Amer..an Free Trade Assn	2,052.50	163.18
Do	Anchor Industries, Inc	2,475.00	
Do	Anesthesia Care Team Society		
Do	Association of Progressive Rental Organizations	15,000.00	
Do	Citgo Petroleum Corp	15,000.00	4,107.56
Do	Communications Satellite Corp	12,000.00	671.18
Do	Council for Solid Waste Solutions	40,000.00	415.24
Do	D & B Wholesale Cosmetics, Inc	500.00	
Do	DSC Communications Corp	18,778.75	741.79
Do	Sims Walker & Steinfeld, P.C. (For:Freight Undercharge League)	28,400.00	186.28
Do	Gulf & Western Industries, Inc	22,500.00	501.76
Do	International Telecharge, Inc	52,500.00	631.13
Do	Jewish National Fund	30,000.00	227.26
Do	Lusk Company	5,000.00	
Do	Midlands Consortium	8,600.00	
Do	Oklahoma State University	6,000.00	
Do	PacifiCare Health Systems	8,501.25	
Do	Rmax, Inc	22,975.00	677.87
Do	Wespar Financial Services	7,950.00	87.66
Lloyd L. Duxbury, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	2,006.00	115.86
Ernest DuBester, 815 16th Street, NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,088.41	399.97
William P. DuBose IV, 1050 17th St., NW, #700 Washington, DC 20036	National Ocean Industries Assn	1,556.00	
Robert F. DuPree Jr., 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute	1,573.60	41.60
Roderick T. Dwyer, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
James W. Dyer, 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris Management Corp	20,000.00	954.76
Mary A. Dyess, 2011 Eye Street, NW, #601 Washington, DC 20006	National Assn of Stevedores	650.00	
Dykema Gossett, 1752 N St., NW, 6th Fl. Washington, DC 20036	Committee on U.S. Business Canadian Life & Health Ins. Assn	500.00	
Do	Military Boot Manufacturing Assn		
Do	Total Petroleum, Inc		
Talis Dzenitis, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	500.00	
DC Statehood Party, 1742 Massachusetts Ave., SE Washington, DC 20003		321.00	247.01
DGA International, Inc, 1818 N Street, NW Washington, DC 20036	Dir Intl Aff of the Gen Del for Armements		
Do	Societe Nationale D'Etude et de Const de Moteurs D'Aviation		3,951.65
Do	Sofreavia	752.00	64.60
Anthony S. Earl, One South Pinckney Street P.O. Box 2113 Madison, WI 53701-2113	Quarles & Brady (For:Miller Brewing Company)	2,800.00	601.40
Do	Quarles & Brady (For:Milwaukee Tanning Coalition)	525.00	
Do	Quarles & Brady (For:Wisconsin Electric Power Company)	5,650.00	849.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Hope B. Eastman, 4800 Hampden Lane, 7th Floor Bethesda, MD 20814	Paley Rothman Goldstein Rosenberg & Cooper (For:National Assn of Women Business Owners).	2,700.00	
George H. Eatman, 1156 15th Street, NW, #500 Washington, DC 20005	Coal & Slurry Technology Assn	1,400.00	
Charles H. Eaton, 1725 K St., NW, #1111 Washington, DC 20006	Eaton Associates, Inc		
Robert E. L. Eaton, 1725 K St., NW, #1111 Washington, DC 20006	Eaton Associates, Inc		
Eaton Associates, Inc, 1725 K St., NW, #1111 Washington, DC 20006			
Robert E. Ebel, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	1,450.00	739.00
Charles J. Eby, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Monsanto)		
N. Boyd Ecker, 1100 Connecticut Ave., NW,#620 Washington, DC 20036	Mobil Oil Corp	1,500.00	119.50
Robert C. Eckhardt, 120 5th Street, NE Washington, DC 20002	Certain Claimants Lawyers		
Patricia K. Economos, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Helen H. Edge, 700 N. Fairfax St. Alexandria, VA 22314	Railway Progress Institute	589.69	
Edison Electric Institute, 9th Floor 1111 19th St., NW Washington, DC 20036		26,403.00	60,191.79
V. Anne Edlund, 1620 Eye St., NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc		
Christine A. Edwards, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Dean Witter Financial Services Group	348.00	
J. Rodney Edwards, 260 Madison Ave. New York, NY 10016	American Paper Institute, Inc		
Jack Edwards, 3000 First Natonal Bank Bldg. P.O. Box 123 Mobile, AL 36601	Fiat USA		
Do	Societe Nationale d'Etude et de Const de Moteurs d'Aviation	2,431.00	
Michael D. Edwards, 1201 16th Street, NW Washington, DC 20036	National Education Assn	3,394.10	201.00
Edwards Associates, 507 Second St., NE Washington, DC 20002	Confederated Tribes of Warm Springs Reservation		
Paul S. Egan, 1325 15th Street, NW, #503 Washington, DC 20005	Vietnam Veterans of America, Inc	11,250.00	321.50
Charles E. Ehrhart, 1101 15th St., NW, #202 Washington, DC 20005	National Assn of Margarine Manufacturers		
Maxine Eichner, 2000 P Street, NW, #400 Washington, DC 20036	Women's Legal Defense Fund		
Roy L. Eiguren, 350 North 9th Street, #400 Boise, ID 83702	Lindsay Hart Neil & Weigler (For:Idaho Cooperative Utilities Assn)		
Phyllis Eisen, 1331 Pennsylvania Ave., #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	500.00	
Albert C. Eisenberg, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects	12,700.00	62.08
Linda S. Eisnaugle, 225 W. 34th Street New York, NY 10122	National Commercial Finance Assn	13,125.00	1,603.00
H. J. Elam III, 1201 Maple St. Greensboro, NC 27405	Cone Mills Corp		
Stephen A. Elbert, 1615 M St., NW, #200 Washington, DC 20036	Amoco Corporation		
Timothy L. Elder, 100 N.E. Adams Street Peoria, IL 61629-1430	Caterpillar, Inc	250.00	606.84
J. Burton Eller Jr., 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Charles W. Elliott, Wisconsin Petroleum Council 25 W. Main St., #703 Madison, WI 53703	American Petroleum Institute	40.50	
Elliott Zweben & Steelman, Chtd, 1140 19th St., NW, #600 Washington, DC 20036	Argus Health Systems, Inc	250.00	125.00
Do	Missouri Blue Cross Blue Shield	250.00	500.00
Do	Pharmaceutical Manufacturers Assn	250.00	250.00
John M. Ellis, 1120 Fairfield Avenue Roseville, CA 95678	Nor-Cal Federal Coalition	2,300.00	2,300.00
Mark G. Ellis, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Gary Elmestad, P.O. Box 3153 St Charles, MO 63302	Industrial Development Auth of St. Charles Co	8,750.00	256.70
Emergency Committee for American Trade, 1211 Connecticut Ave., NW, #801 Washington, DC 20036		46,668.50	43,900.85
John M. Emery, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	25.00	
Michael J. Emig, 1125 15th St., NW Washington, DC 20005	International Brotherhood of Electrical Workers	17,817.25	45.20
Randy Eminger, 5205 West 37th Street Amarillo, TX 79109	Southwestern Public Service Co	1,253.12	
Irene R. Emsellem, 1800 M Street, NW Washington, DC 20036	American Bar Assn	400.00	50.00
End Notch Discrimination, 59 West La Sierra Drive Arcadia, CA 91006			2,017.00
Energy Consumers & Producers Assn, Box 1726 Seminole, OK 74868		7,675.00	
Gary D. Engebretson, 1350 New York Ave., NW, #200 Washington, DC 20005	Contract Services Assn		119.23
Ralph Engel, 1001 Connecticut Ave., NW, #1120 Washington, DC 20036	Chemical Specialties Manufacturers Assn, Inc		
Judith S. Engelberg, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Gas Taxes	2,500.00	
John T. Engelen, 1575 Eye Street, NW, #200 Washington, DC 20005	American Cyanamid Co	400.00	475.00
Patricia A. English, 777 14th St., NW Washington, DC 20005	National Assn of Realtors		
English First, 8001 Forbes Place, #102 Springfield, VA 22151		112,631.42	170,565.48
Christopher Engquist, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Richard Engram Jr., P.O. Box 506 Merchants & Miners Bank Bldg. Welch, WV 24801			
Epstein Becker & Green, P.C., 1140 19th St., NW, #900 Washington, DC 20036	American Medical Care & Review Assn	2,400.00	
Do	Anheuser Busch		
Do	Doctors National Homecare Corp		100.00
Do	Edison Electric Institute		
Do	National Shorthand Reporters Association		
Do	Pfizer, Inc		200.00
Do	Voluntary Hospitals of America, Inc	11,250.00	
Erisa Industry Committee, 1726 M Street, NW, #1101 Washington, DC 20036		3,850.00	12,714.00
James L. Ervin, 499 South Capitol Street, SW, #520 Washington, DC 20003	Baidt, Inc		
Do	Keystone Diagnostics, Inc		
Ingolf G. Esders, 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	9,871.20	868.91
Jane B. Esterly, 729 2nd Street, NE Washington, DC 20002	Karl A. Funke & Associates (For:Ad Hoc Group on Indian Affairs)		
Stephen E. Eure, 1711 King Street Alexandria, VA 22314	Snack Food Assn	4,500.00	45.25
European Travel Commission, 630 Fifth Avenue New York, NY 10111			
Billy Lee Evans, 499 South Capitol St., SW, #507 Washington, DC 20003	Hecht Spencer & Associates (For:Bixby Ranch Co)		
Do	Hecht Spencer & Associates (For:Boy Scouts of America)		
Do	Hecht Spencer & Associates, Inc (For:Brown & Williamson Tobacco Corp)		
Do	Hecht Spencer & Associates (For:BATUS, Inc)		
Do	Hecht Spencer & Associates, Inc (For:Great Western Financial Corp)		
Do	Hecht Spencer & Associates (For:Hong Kong Trade Development Council)		
Do	Hecht Spencer & Associates (For:Western Growers Association)		
C. Lawrence Evans Jr., 51 Louisiana Avenue, NW Washington, DC 20001	Acacia Mutual Life Insurance Company	25,000.00	
Donald C. Evans Jr., 655 15th St., NW, #310 Washington, DC 20005	American Family Corp		
Do	Hoechst Celanese Corp		
Do	IFRB Corp		
Do	Michigan Consolidated Gas Company		
Do	Stepan Company		
Rae Forker Evans, 1615 L Street, NW, #1220 Washington, DC 20036	Hallmark Cards, Inc		
Robert B. Evans, 1101 14th Street, NW Washington, DC 20005	American Financial Services Assn	250.00	
Robert D. Evans, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
William J. Evans Jr., 1200 17th Street, NW, #500 Washington, DC 20036	Pan American World Airways, Inc	730.00	231.52
Dave Evans Associates, 4076 Rosamora Court Arlington, VA 22207	ACA	2,500.00	
Do	Downey Assn	2,500.00	
Do	MICA	1,000.00	
Do	SIA	2,500.00	
Evans Group, Ltd, 1010 Wisconsin Ave., #810 Washington, DC 20007	Cotraco, Inc		
Do	Embassy of Cyprus	4,000.00	
Do	Federal Home Loan Bank of Pittsburgh	3,500.00	
Do	Home Owners Savings Bank	4,250.00	
Do	Matlack, Inc	3,500.00	
Do	Mortgage Bankers Assn of America	6,750.00	
Do	Towers Financial Corp	5,250.00	
Fawn K. Evenson, 1420 K Street NW, #600 Washington, DC 20005	Footwear Industries of America	2,000.00	383.26
Wayne S. Ewing, Associated Petroleum Industries of Pa P.O. Box 925 Harrisburg, PA 17108	American Petroleum Institute		
Paul K. Eyer, 300 5th Street, NE Washington, DC 20002	American Osteopathic Assn	1,500.00	
EDS Corporation, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004			1,281.00
F/P Research Associates, 1700 K St., NW, #404 Washington, DC 20006	American Iron & Steel Institute		
Do	National Cable Television Assn, Inc	500.00	
Dan L. Fager, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron USA, Inc	1,200.00	
Robert R. Fahs, 1101 15th St., NW, #205 Washington, DC 20005	Cargill, Inc	2,500.00	
Leslie Fain, 1506 19th Street, NW, #3 Washington, DC 20036	Committee for Humane Legislation	6,531.25	
Dale W. Fallat, P.O. Box 119 Maumee, OH 43537	Andersons		
Frank J. Farfone, 1776 Eye Street, NW, Suite 575 Washington, DC 20006	Dow Chemical USA		5,546.00
Cheri L. Farha, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners and Pilots Assn	8,000.00	1,673.74
Thomas B. Farley II, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	3,200.00	105.00
David M. Farmer, 1629 K Street, NW, #1010 Washington, DC 20006	Alliance of American Insurers	7,000.00	
Farmers' Educational & Co-Operative Union of America, 600 Maryland Ave., SW, #202w Washington, DC 20024		176,154.00	102,082.13
Dagmar T. Farr, 1750 K Street, N.w. Washington, DC 20006	Food Marketing Institute	300.00	
J. Dent Farr, 2000 M St., NW, #550 Washington, DC 20036	North American Telecommunications Assn	10,761.26	
Christopher G. Farrand, 122 C Street, NW, #240 Washington, DC 20001	Peabody Holding Co, Inc		238.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Michael Farrar, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc	200.00	
Joseph A. Farrell, 1600 Wilson Boulevard, #1000 Arlington, VA 22209	American Waterways Operators, Inc		
Richard T. Farrell, 1133 15th St., NW, #210 Washington, DC 20005	Syntex (USA) Inc	4,125.00	698.71
Marcus G. Faust, 332 Constitution Ave., NE Washington, DC 20002	Central Utah Water Conservancy District	21,900.00	4,635.70
Do	Clark County, Nevada	15,765.00	526.69
Do	Desert Research Institute	5,663.65	130.19
Do	Echo Bay Mining Co	3,968.75	34.95
Do	Kirton McConkie & Bushnell	1,250.00	101.30
Do	Public Service Co of New Mexico	16,312.00	1,388.75
Do	Sierra Pacific Power Co	18,053.75	1,036.93
Do	Standard Oil Co (Ohio)	11,250.00	
Do	University of Nevada School of Medicine	1,405.95	52.69
Jane Fawcett-Hoover, 801 18th St., NW, #400 Washington, DC 20006	Procter & Gamble Manufacturing Co	10.42	
Robert C. Fay, 205 The Strand Alexandria, VA 22314	American Amusement Machine Assn		
William D. Fay, 818 Connecticut Ave., N.W., #900 Washington, DC 20006	Clean Air Working Group	5,250.00	5,092.45
Federal Judges Association, 2188 U.S. Courthouse 75 Spring Street Atlanta, GA 30303		21,850.00	37,636.75
Federation of American Controlled Shipping, 50 Broadway New York, NY 10004		730.78	730.78
Federation of American Health Systems, 1111 19th St., NW, #402 Washington, DC 20036		12,000.00	12,000.00
Federation of American Scientists, 307 Massachusetts Ave., NE Washington, DC 20002		2,659.82	
Federation of Behavioral Psychological & Cognitive Sciences, 1200 17th Street, NW Washington, DC 20036			
Robert Feenstra, 13545 Euclid Avenue Ontario, CA 91761	Milk Producers Council (For:Dairy Farmers for Responsible Dairy Policy)		
Donald M. Fehr, 805 Third Ave. New York, NY 10022	Major League Baseball Players Assn		
Scott Feierabend, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	2,340.03	
Douglas J. Feith, 2300 M Street, NW—#600 Washington, DC 20037	International Advisers Inc (For:Embassy of Turkey)	4,950.00	283.42
Mark B. Feldman, 2300 M Street, NW—#600 Washington, DC 20037	International Advisers Inc	4,950.00	52.90
Claudia Feller, 1200 17th Street, NW Washington, DC 20036	Federation of Behavioral Psychological & Cognitive Sciences		
Kenneth E. Feltman, 927 15th St., NW, #1000 Washington, DC 20005	Employers Council on Flexible Compensation	200.00	
Karen S. Fennell, 1522 K St., NW, #1000 Washington, DC 20005	American College of Nurse-Midwives		
Judith W. Fensterer, 242 E. 80th Street New York, NY 10021	Generic Pharmaceutical Industry Assn		
Fensterwald Alcorn & Vangellow, 2112C Gallows Road Vienna, VA 22180	Concerned Federal Railroad Administration Employees		
George F. Fenton Jr., 1920 N Street, NW Washington, DC 20036	American Mining Congress	105.00	
Edward T. Fergus, 100 Gold St. New York, NY 10292	Prudential-Bache Securities, Inc	750.00	
Denise G. Ferguson, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co		
Stephen L. Ferguson, CFC, Inc 405 N. Rogers St. Bloomington, IN 47401	Cook Group, Inc	2,637.50	50.00
William Ferguson Jr., 1730 Rhode Island Ave., NW, #400 Washington, DC 20036	Ferguson Company (For:Alhambra Redevelopment Agency)		
Do	Ferguson Company (For:Berg-Revoir Corp)	400.00	51.33
Do	Ferguson Company (For:City of Baldwin Park)		
Do	Ferguson Company (For:City of Inglewood)	145.00	
Do	City of Livermore, CA		46.33
Do	Ferguson Company (For:City of Oceanside)		
Do	Ferguson Company (For:City of Provo)		
Do	Ferguson Company (For:City of Redondo Beach)	240.00	
Do	City of Santa Ana	275.00	
Do	Ferguson Company (For:City of South Salt Lake)		
Do	Gavin Associates		
Do	Ferguson Company (For:Imperial Irrigation District)		
Do	Ferguson Company (For:Irvine Company)		
Do	Ferguson Company (For:Long Beach Transit)	200.00	
Do	Ferguson Company (For:Oceanside Redevelopment Agency)	58.33	
Do	Oceanside Small Craft Harbor, California	16.66	
Do	Ferguson Company (For:Santa Cruz Properties, Inc)		
John L. Festa, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Fiber Fabric & Apparel Coalition for Trade, 1801 K Street, NW, #900 Washington, DC 20006		80,219.00	31,784.00
Fred C. Fielding, 1725 Jefferson Davis Hwy, #900 Arlington, VA 22202	AM General Corporation		
Donald L. Fierce, Fierce and Associates 600 New Hampshire Ave., NW #1010 Washington, DC 20037	Americans Against Unfair Gas Taxes	15,000.00	
Do	Pinnacle Data Corporation	9,375.00	
Fierce & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	AB Hagglund & Sonar	12,900.00	281.85
Do	Bollinger Machine Shop & Shipyard, Inc	9,150.00	262.78
Do	Spar Aerospace, Ltd	16,500.00	829.88
Do	A. L. Williams & Company	12,000.00	1,922.69
Manuel D. Fierro, 1901 N. Fort Myer Dr., #202 Rosslyn, VA 22209	Fond Du Lac Reservation		
Do	National Indian Gaming Assn		
Richard G. Fifield, P.O. Box 11000 Montgomery, AL 36198	Alabama Farmers Federation	1,775.00	854.75
Marshall S. Filler, 1330 Connecticut Ave. NW Suite 250 Washington, DC 20036	Continental Airlines, Inc, et al	2,894.50	162.10
Do	Eastern Air Lines, Inc	5,495.00	20.00
Do	Texas Air Corp		
Financial Institution Services Corp, 1667 K Street, NW, #777 Washington, DC 20006	Northeast Savings	15,500.00	9,849.17
Financial Services Council, 1225 19th St., NW, #410 Washington, DC 20036		15,125.00	11,873.00
William J. Finch, 403 East Sixth St. Bloomington, IN 47401	Cook Group, Inc	1,575.00	115.65
Lawrence A. Fineran, 1331 Pennsylvania Ave., NW, #1500 N Washington, DC 20004	National Assn of Manufacturers	125.00	
Matthew P. Fink, 1600 M St., NW Washington, DC 20036	Investment Company Institute		
Nelson L. Fink, 378 Valley Oak Court Waldorf, MD 20601-3500	Air Force Sergeants Assn, Inc		
Patricia M. Fink, 5410 Grosvenor Lane, #120 Bethesda, MD 20814	Mechanical Contractors Assn of America, Inc		
Thomas D. Finnigan, 1100 15th Street, NW, #1200 Washington, DC 20005	Union Carbide Corp		
M. J. Fiocco, 1090 Vermont Ave., NW, #410 Washington, DC 20005	National Industrial Transportation League	6,500.00	43.50
Fire Equipment Manufacturers & Services Assn, Inc, 1776 Massachusetts Avenue, NW, #521 Washington, DC 20036			258.85
First National Bank of Boston, 100 Federal St. Boston, MA 02110			28,196.26
Richard L. Fischer, 1615 M St., NW, #200 Washington, DC 20036	Amoco Corporation		
Deborah A. Fischione, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange		
Carleton W. Fish, P.O. Box 35106 Minneapolis, MN 55435	American Collectors Assn	1,000.00	426.00
Gary K. Fisher, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron USA, Inc	1,025.00	60.46
J. Paris Fisher, 1801 K St., NW, #800 Washington, DC 20006	Westinghouse Electric Corp	1,500.00	
William P. Fisher, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn		
Fisher Wayland Cooper & Leader, 1255 23rd Street, NW, #800 Washington, DC 20037-1125	International Communications Assn		
David H. Fiske, Goodwin & Soble 1300 19th Street, NW, #350 Washington, DC 20036	Software Publishers Assn		
John Fitzgerald, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife	980.18	7.75
Thomas H. Fitzpatrick, Connecticut Petroleum Council 60 Washington Street, #908 Hartford, CT 06106	American Petroleum Institute		
Richard S. Fitzsimmons, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn		
Donald Fix, 2100 Pennsylvania Ave., NW, #710 Washington, DC 20037	Hyjek & Fix, Inc (For:Dallas/Fort Worth International Airport)	1,687.50	246.72
Do	Sinnott Hyjek & Fix, Inc (For:Intermec Corporation)	1,687.50	378.82
Do	Sinnott Hyjek & Fix, Inc. (For:Port of Oakland)	1,687.50	246.72
Hilliard J. Fjord, 602 Main St., #600 Cincinnati, OH 45202	Ohio River Co	3,000.00	924.00
Susan G. Flack, 1320 19th St., NW, #400 Washington, DC 20036	Dayton Hudson Corp	100.00	
Do	National Assn of Chain Drug Stores, Inc	100.00	
Do	Flack, Inc (For:Spiegel, Inc)	300.00	
Robert B. Flagg, 3214 White Flint Ct. Oakton, VA 22124	Chemical Manfacturing Assn	750.00	1,061.64
James J. Flanagan, 25 Research Dr. Westborough, MA 01582	New England Power Service Co	1,980.00	297.65
Fleishman-Hillard, Inc, 1301 Connecticut Ave., NW, 7th Floor Washington, DC 20036	American Ambulance Assn	18,000.00	1,369.29
Do	Apple & Eve	22,500.00	
Do	Automotive Refrigeration Products Institute	29,000.00	2,247.36
Do	Citizens for a Drug Free America	32,500.00	105.35
Do	Coastal Barrier Relief Fund	14,000.00	843.71
Do	Eveready	14,000.00	
Do	Murdock International	689.50	
Do	National Spiritual Assembly of the Baha'is of the U.S.	22,144.00	1,620.00
Do	Pathology Practice Assn	24,000.00	55.13
Do	Processed Apples Institute	31,276.00	
Do	Syva Company	28,000.00	313.19
Do	United Network of Organ Sharing	27,000.00	1,059.53
Michael Fleming, 1300 N. 17th St., # 1010 Arlington, VA 22209	American Assn of Equipment Lessors		
Terry P. Fleming, Ohio Petroleum Council 88 E. Broad St., #1960 Columbus, OH 43215	American Petroleum Institute	1,000.00	922.58
Ruth Flower, 245 Second Street, NE Washington, DC 20002	Friends Committee on National Legislation	4,904.19	
Veronica M. Floyd, 2001 S. Jeff Davis Highway, #1107 Arlington, VA 22202	Brunswick Corp	6,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Focus on the Family, 801 Corporate Center Drive Pomona, CA 91768		38,512.00	30,072.00
David H. Foerster, 1201 16th St., NW Washington, DC 20036	National Education Assn		
Joseph P. Foley, 206 G St., NE, #201 Washington, DC 20002	American Security Fence Corp		
Do	Coalition Against Noneffective Technologies		
Do	East Los Angeles Hospital Foundation, Inc		
Do	PolyPhaser Corp		
Do	Shelson International		
Foley & Lardner, 1775 Pennsylvania Avenue, NW, #1000 Washington, DC 20006-4680	Coldwell Banker Real Estate Group		
Do	Kohlberg Kravis Roberts & Co		
Do	United Savings of America	355.00	93.06
R. D. Folsom, 1440 New York Ave., NW, #320 Washington, DC 20005	Capital Legislative Services (For:Uniroyal Chemical Company)	3,750.00	126.00
Do	Capital Legislative Services (For:United States Tobacco)	3,000.00	
Food & Allied Service Trades Dept, AFL-CIO, 815 16th Street, NW, #408 Washington, DC 20006		16,867.00	16,867.00
Food Marketing Institute, 1750 K St., NW Washington, DC 20006			5,050.00
Foodservice & Packaging Institute, Inc, 1025 Connecticut Ave., NW Washington, DC 20036			
Mari S. Forbes, 1731 Connecticut Ave., NW Washington, DC 20009	Albers & Company (For:May Department Stores Co)		
David Ford, 1250 Connecticut Ave., NW, #200 Washington, DC 20036	National Forest Products Assn	1,200.00	
James E. Ford, 1333 New Hampshire Avenue, NW Washington, DC 20036	Atlantic Richfield Co	50.00	
Foresight Science & Technology, Inc, 2000 P St., NW, #305 Washington, DC 20036	Consortium of Social Science Assns		
Do	Society for American Archaeology		
Forest Farmers Assn, P.O. Box 95385 Atlanta, GA 30347			5,000.00
Mark A. Forman, 8th & Eaton Avenues Bethlehem, PA 18018	Union Pacific Corp	1,250.00	113.82
Sallie H. Forman, 1331 Pennsylvania, NW, #700-South Washington, DC 20004	National Broadcasting Co, Inc	650.00	
James R. Forrester, P.O. Box 94661 Cleveland, OH 44101	Centerior Energy Corp, et al	824.14	3,152.76
Larry Forrester, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268	National Assn of Mutual Insurance Cos		
Fort and Schlefer, 1401 New York Ave., NW, #1200 Washington, DC 20005-2187	Bollinger Machine Shop & Shipyard, Inc		
Alison B. Fortier, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International	19,900.00	317.65
Richard D. Fortin, 1275 K Street, NW, #850 Washington, DC 20005-4006	National Industrial Transportation League	870.00	3.00
Bruce Foster, 1111 19th Street, NW, #303 Washington, DC 20036	Southern California Edison Co	4,437.00	1,500.00
Nancy E. Foster, 1300 L Street, NW, Suite 950 Washington, DC 20005-4107	American Soybean Association	2,775.00	495.57
Stacie Foster, 1100 15th St., NW, #700 Washington, DC 20005	Sonat, Inc		
Donald L. Fowler, P.O. Box 50627 Columbia, SC 29250	Ambase		22,193.77
Do	Chem-Nuclear Systems		1,178.56
Do	Giant Cement Company		2,702.06
Do	Providence Hospital		
Fox Group, USA Ltd, P.O. Box 1831 Charleston, SC 29402	Camp Barsh Bates & Tate (for Sears Roebuck & Co), et al		
Donald Fraher, 777 14th Street, NW Washington, DC 20005	American Symphony Orchestra League	5,488.01	54.00
John R. Frahm, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	3,000.00	
Jacob Fraire, 1010 Vermont Ave., NW, #1100 Washington, DC 20005	Bank of Horton	1,950.00	
Do	Bank One	625.00	
Do	California Student Aid Commission	2,250.00	
Do	Colorado Student Loan Program	4,500.00	
Do	Fame	4,500.00	
Do	Illinois State Scholarship Commission	1,237.50	
Do	Just Kids	2,250.00	
Do	Nebraska Higher Education Loan Program, Inc	1,125.00	
Do	Nebraska Student Loan Program		
Do	Texas Guaranteed Student Loan Corp	1,350.00	
Do	Union Bank		
Do	United Concerned Cosmetology School Owners		
Leslie C. Francis, 1000 Potomac St., NW, #401 Washington, DC 20007	California Dept of Education		
Francis & Mcginnis & Rees, Inc, 1000 Potomac St., NW, #401 Washington, DC 20007	California Dept of Education	34,389.90	21,789.00
Douglas L. Francisco, 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		62.50
Anthony M. Franco, Inc, 400 Renaissance Center, #600 Detroit, MI 48243	Madison Public Affairs Group, Inc	15,000.00	
Richard L. Frank, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Olsson Frank & Weeda (For:Ad Hoc Pizza Standard Rulemaking Group)	660.00	
Robert S. Frank, 206 G Street, NE, #201 Washington, DC 20002	Foley & Company (For:Polyphaser)		
Stephen R. Frank, 607 Azure Hills Drive Simi Valley, CA 93065	Eagle Group (For:Design Systems, Inc)	1,500.00	
Do	Eagle Group (For:Tailored Baby, Inc)	1,500.00	
Faye B. Frankfort, 9312 Old Georgetown Road Bethesda, MD 20814-1621	American Podiatric Medical Assn	3,750.00	
David C. Frankil, 918 16th Street, NW, #402 Washington, DC 20006	American Furniture Manufacturers Assn	750.00	566.08
Walter L. Frankland Jr., 1717 K St., NW Washington, DC 20006	Silver Users Assn, Inc	1,789.00	150.00
Ellis B. Franklin, 5025 Wisconsin Ave., NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Kevin Frankovich, 1350 New York Ave., NW, #200 Washington, DC 20005	Contract Services Assn		13.00
Thomas C. Franks, 1220 L St., NW, #510 Washington, DC 20005	American Resort & Residential Development Assn	1,500.00	221.00
John B. Franz, P.O. Box 10568 Pompano Beach, FL 33061-6568			
Marian C. Franz, 2121 Decatur Place, NW Washington, DC 20008	National Campaign for a Peace Tax Fund	825.00	150.00
Fraternal Order of Police, Legislative Committee, 2100 Gardiner Lane Louisville, KY 40205			
Charles L. Frazier, 475 L'Enfant Plaza, SW, #2250 Washington, DC 20024	National Farmers Organization	4,964.00	4,158.00
Robert M. Frederick, 1616 H St., NW Washington, DC 20006	National Grange	6,000.00	
John S. Fredericksen, 1101 Connecticut Ave., NW, #700 Washington, DC 20036	Regional Airline Association	1,000.00	
Free the Eagle, 25 E Street, NW, 8th Floor Washington, DC 20001		15,980.00	215,234.77
Joel Freedman, 1600 M St., NW, 5th Floor Washington, DC 20036	Hartford Fire Insurance Co	10,000.00	
James O. Freeman, 324 9th Street, SE Washington, DC 20003	U.S. League of Savings Institutions		
Lewis R. Freeman Jr., 1275 K Street, NW, #400 Washington, DC 20005	Society of the Plastics Industry, Inc		
Mary Ann Freeman, 1331 Pennsylvania Ave, NW Washington, DC 20005	General Electric Co	252.00	
Paula D. Freer, 818 Connecticut Avenue, NW, #900 Washington, DC 20006	USX Corp		
French & Company, 1455 Pennsylvania Ave., NW, #1260 Washington, DC 20004	International Electronics Mfgrs & Consumers of America, Inc	695.00	
Do	Montgomery Ward & Co, Inc	1,795.00	
Do	Wheels, Inc	785.00	
Annette P. Fribourg, 3900 Wisconsin Ave., NW Washington, DC 20016	Federal National Mortgage Assn	28,423.00	245.09
G. William Frick, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute		
Ronald A. Fried, 888 17th Street, NW, #900 Washington, DC 20006	Holland & Knight (For:Hialeah Hospital)	1,000.00	
Do	Holland & Knight (For:St. Johns Home Health)	2,000.00	
Fried Frank Harris Shriver & Jacobson, 1001 Pennsylvania Ave., NW, #800 Washington, DC 20004	General Electric Co	1,755.00	0.80
Do	Lonza, Inc	2,257.50	131.97
Do	Virgin Islands Rum Industries, Ltd	1,540.00	
Philip P. Friedlander Jr., 1250 Eye Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn	900.00	
James M. Friedman, 1100 Citizens Bldg. Cleveland, OH 44114	Cleveland Electric Illuminating Co	27,377.00	2,416.57
Do	Coalition for Environmental-Energy Balance	12,368.00	88.46
Do	Reese Communications Cos (for: Philip Morris, USA)	1,875.00	
Friends of the Columbia Gorge, 319 SW Washington, #420 Portland, OR 97204			
Friends Committee on National Legislation, 245 2nd St., NE Washington, DC 20002			45,020.06
Ellen Frishberg, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	5,850.00	233.00
Edward O. Fritts, 1771 N Street Washington, DC 20036	National Assn of Broadcasters	2,500.00	
Charles H. Fritzel, 499 S. Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	400.00	640.00
Jeffrey Fritzlen, 555 13th Street, NW, #450-W Columbia Square Washington, DC 20004	Union Pacific Corp	12,500.00	506.20
Marcy Masters Frosh, 2030 M Street, NW Washington, DC 20036	Common Cause	6,117.48	
Nancy R. Fulco, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce	8,223.00	70.10
Don Fuqua, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	2,950.00	
Claudia R. Fuquay, 727 North Washington Street Alexandria, VA 22314	United Fresh Fruit & Vegetable Assn	3,420.00	455.00
Futures Industry Assn, Inc, 1825 Eye Street, NW, #1040 Washington, DC 20006			
FMR Group, Inc, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Gas Taxes	60,000.00	66,387.00
Do	National Coalition of Burn Center Hospitals	22,500.00	7,138.00
Eric Keith Gabrielle, P.O. Box 12532 Gainsville, FL 32604			
James E. Gaffigan, 1201 New York Ave., NW Washington, DC 20005	American Hotel & Motel Assn	2,650.00	
William C. Gager, 6849 Old Dominion Dr., #352 McLean, VA 22101	Automotive Parts Rebuilders Assn	100.00	6.00
Joe H. Galis 059739, D.C.I., 19000 SW 377 St. D-111-T Florida City, FL 33034	Joe H. Galis		
Janne G. Gallagher, 3373 Rittenhouse Street, NW Washington, DC 20015	Human Services Forum on Government Relations		
Galland Kharasch Morse & Garfinkle, P.C., 1054 31st Street, NW Second Floor Washington, DC 20007	South Africa Sugar Association	3,343.50	161.06
Karl Gallant, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	3,900.00	442.19
Galvin Fox & Palmer, 425 Park Avenue New York, NY 10022	Herman's Sporting Goods, Inc		
Do	Voyager International, Inc		
Bruce Gamble, 122 C St., NW, #580 Washington, DC 20001	National Bankers Assn		175.39

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Cheryl Gannon, 1750 New York Ave., NW Washington, DC 20006	International Assn of Fire Fighters	9,196.00	
John B. Gantt, 2000 Pennsylvania Ave., NW, #900 Washington, DC 20006	Associated Aviation Underwriters	3,412.50	
Nicole Gara, 950 North Washington Street Alexandria, VA 22314	American Academy of Physician Assistants		
Isabella Garcia, 1201 16th St., NW, #624 Washington, DC 20036	National Education Assn	2,339.30	119.00
Raymond Garcia, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International Corp	3,000.00	
Sherwin Gardner, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	100.00	
Gardner Carton & Douglas, 1001 Pennsylvania Ave, NW, #750-N Washington, DC 20004	Alamo Rent-A-Car, Inc		
Do	Andrew Corp	4,000.00	0.25
Do	Ansell, Inc	3,500.00	
Do	Midcon Corp		
Do	Minnesota Mining and Manufacturing Company		
Nancy Garland, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
John C. Gartland, 214 Massachusetts Ave., NE, #210 Washington, DC 20002	Amway Corp	8,250.00	
Ann Lakin Garver, 600 Pennsylvania Ave., SE, #211 Washington, DC 20003	National Assn of Casualty and Surety Agents	1,500.00	73.40
Garvey Schubert & Barer, 1000 Potomac St., NW Washington, DC 20007	American Iron & Steel Institute	30,499.31	
Do	Canadian Embassy	3,326.75	
Do	City of Aberdeen	12,622.50	
Do	Early Winters Resorts, Inc	12,292.12	
Do	J & B Management Company	11,623.88	
Do	Ministry of the Environment	9,502.35	
Do	Province of Manitoba Department of Natural Resources	5,220.00	
Do	Space Industries, Inc	12,333.75	
Do	Totem Ocean Trailer Express, Inc	48,218.10	
Do	Washington Citizens for World Trade	59,223.00	
Gas Appliance Manufacturers Assn, Inc, 1901 North Moore Street Arlington, VA 22209			
Vernon Gasaway, 191 Sands Street, Apt. 5j Brooklyn, NY 11201			
Lillian B. Gaskin, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Frank T. Gasper, Jamison Road East Aurora, NY 14052	Moog, Inc		
Philip Gasteyer, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	4,000.00	
Bruce A. Gates, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Jerome C. Gatto, 01065-081 FPC-57 P.O. Box 700 Yankton, SD 57078			
Fred Gebler, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004	Electronic Data Systems Corp	64.00	68.00
Ruthann Geib, 1156 15th Street, NW, #1020 Washington, DC 20005	American Sugarbeet Growers Assn		
Robert C. Gelardi, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342	Robert H. Kellen Co (For:Calorie Control Council)		
Do	Robert H. Kellen Co (For:Infant Formula Council)		
Morton A. Geller, 100 Federal St. Boston, MA 02110	First National Bank of Boston		
General Aviation Manufacturers Association, 1400 K Street, NW, #801 Washington, DC 20005			12,632.00
General Instrument Corporation, 767 Fifth Avenue New York, NY 10153		2,000.00	
Generic Pharmaceutical Industry Assn, 200 Madison Ave., #2404 New York, NY 10016		2,706.00	2,706.00
Diane J. Generous, 1331 Pennsylvania Ave., NW, #1500 North Washington, DC 20004-1703	National Assn of Manufacturers		
John Gentille, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Jawad F. George, 2033 M Street, NW, #300 Washington, DC 20036	National Assn of Arab Americans	8,749.99	27.00
Nancy Whorton George, 555 13th Street, NW, #1010 E Washington, DC 20004-1109	Natural Gas Alliance for the Generation of Electricity		
Do	Transco, Inc	2,000.00	
George W. Gephart, P.O. Box 1475 Baltimore, MD 21203	Baltimore Gas & Electric Co		
Joseph G. Gerard, 918 16th St., NW, #402 Washington, DC 20006	American Furniture Manufacturers Assn	1,500.00	1,199.45
Ted P. Gerarden, 1275 K Street, NW, #850 Washington, DC 20005	Donelan Cleary Wood & Maser (For:Cascade Natural Gas Corp)		
Louis Gerber, 1925 K St., NW Washington, DC 20006	Communications Workers of America	6,927.09	112.40
Robin Gerber, 101 Constitution Ave. NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America		
Matthew Gerson, 1600 Eye Street, NW Washington, DC 20006	Motion Picture Assn of America, Inc	2,500.00	999.34
Gerst Heffner Foldes & Podgorsky, 1700 K Street, NW, #1107 Washington, DC 20006	Local Railroad Coalition		
Kenneth Gersten, 1116-C West Street Annapolis, MD 21401	Sierra Club	337.50	
Alvin J. Geske, 1016 16th St., NW, 6th Floor Washington, DC 20036	Benchmarks, Inc	1,000.00	
Do	Grupo Industrial Alfa, SA		
David Troy Saxton Getty, 4888 West Cherry Lane Meridian, ID 83642			
Dorothy F. Gevinson, 801 18th Street, NW, #400 Washington, DC 20006	Procter & Gamble Manufacturing Co	36.65	
Danny Ghorbani, 8014 Falstaff Road McLean, VA 22102	Association for Regulatory Reform	2,000.00	136.00
Clair Ghylin, 1700 K Street NW, #1200 Washington, DC 20006	Chevron USA, Inc	7,500.00	
William C. Gibb, 1050 Thomas Jefferson St., NW, 6th Fl Washington, DC 20007	Committee for the Protection of Shippers Shortlines & Equip		
William T. Gibb, 1001 Pennsylvania Ave., NW9 Washington, DC 20004	American Council of Life Insurance, Inc	2,000.00	
Wayne Gibbens, 1919 Pennsylvania Ave., NW, #503 Washington, DC 20006	Mid-Continent Oil & Gas Assn	9,000.00	141.00
Anne Marie Gibbons, Third Floor 2301 M Street, NW Washington, DC 20037	American Public Power Assn	1,500.00	
Robert B. Giese, 3811 Garfield St., NW Washington, DC 20007	BHC, Inc	1,275.00	
Do	Chris-Craft Industries, Inc		
Do	United Television, Inc		
William L. Gifford, 100 Interpace Parkway Parsippany, NJ 07054	GPU Service Corporation		
Lucie Kriste Gikovich, 866 Second Avenue New York, NY 10017	Watts & Company Communications, Inc	45,000.00	
Robert C. Gilardi, 1235 Jefferson Davis Highway Crystal Gateway #1, Suite 501 Arlington, VA 22202	Compressed Gas Assn/Helium Advisory Council		
Pamela Gilbert, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	5,538.48	
Richard Gilbert, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	1,222.00	
James E. Gilchrist, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Michael Gildea, 815 16th St., NW #309 Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,624.53	
Mary E. Gill, 200 West Adams Street, #2625 Chicago, IL 60606	Sonnenberg Anderson O'Donnell & Rodriguez (For:Aplix, Inc)	120.00	
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:Silvestri Corp)	1,476.00	186.03
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:Trek Bicycle Corp)	3,468.00	210.04
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:THK America, Inc)	1,464.00	214.53
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:West Bend Company)		
Mary Ann Gilleece, 1713 Maple Hill Place Alexandria, VA 22302	Astra Holdings Corp	200.00	
Do	IPAC, Inc	200.00	
Annelise Gillespie, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	1,200.00	
Michael B. Gillett, 1425 N. 46th Street Seattle, WA 98103	Pacific Lumber & Shipping Co	8,500.00	94.21
Daniel F. Gilligan, 1701 K Street, NW, #400 Washington, DC 20006	National Manufactured Housing Federation	1,000.00	
Brad Gilman, 1050 Thomas Jefferson Street, NW, 6th Fl Washington, DC 20007	Robertson Monagle & Eastaugh (For:Alaska Loggers Assn)		
Do	Robertson Monagle & Eastaugh (For:Bristol Bay Native Corp)	900.00	
Do	Robertson Monagle & Eastaugh (For:BP America, Inc)		
Do	Robertson Monagle & Eastaugh (For:Municipality of Anchorage)	5,710.00	
Jim Gilmore, 1735 New York Avenue, NW, #500 Washington, DC 20006	Alaska Factory Trawler Assn	15,000.00	515.92
Ginn Edington Moore & Wade, 803 Prince Street Alexandria, VA 22314	Agusta Aviation Corp	1,000.00	3.90
Do	Allied Signal Aerospace Co	3,000.00	15.63
Do	AB BOFORS	10,000.00	62.55
Do	Chrysler Corporation	6,000.00	35.18
Do	Citizens & Southern National Bank	10,000.00	62.55
Do	Equifax		
Do	Lockheed Corporation	20,000.00	125.10
Do	Oglethorpe Power Corp		
Do	Rockwell International Corp	1,200.00	20.57
Do	Turner Broadcasting System, Inc		
Do	U.S. Cane Sugar Refiners' Assn		
Do	Watkins Associated Industries, Inc		
Mark R. Ginsberg, 1717 K Street, NW, #407 Washington, DC 20006	American Assn for Marriage & Family Therapy	5,000.00	
Ginsburg Feldman & Bress, Chartered, 1250 Connecticut Ave., NW, #800 Washington, DC 20036	Chugai-Upjohn, Inc		
Do	United States Telephone Association	4,000.00	124.36
Brenda M. Girton, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	800.00	117.13
Michael J. Giuffrida, 204 E Street, NE Washington, DC 20002	National Frozen Food Association	1,000.00	
Nicholas J. Glakas, 1600 M Street, NW Washington, DC 20036	ITT Corporation	33,750.00	115.00
Ronald R. Glancz, 901 15th Street, NW, #900 Washington, DC 20005	Drinker Biddle & Reath (For:Chubb & Sons, Inc)	3,450.00	
Do	Drinker Biddle & Reath (For:National Union Fire Insurance Company)	16,427.50	
George E. Glasier, One Tabor Center, #2500 1200 Seventeenth Street Denver, CO 80202	Energy Fuels Nuclear, Inc		
Donna Siss Gleason, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp		
Law Offices of Thos Gleason, 26 Broadway, 17th Floor New York, NY 10004	International Longshoremen's Assn, AFL-CIO		269.50
Robert E. Gleason, 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	9,914.40	646.18
Martha Cole Glenn, 4637B S. 36th Street Arlington, VA 22206	Humane Society of the United States	3,375.00	155.50
Sara B. Glenn, 1100 Connecticut Ave., NW Washington, DC 20036	Mobil Corp	1,125.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Global USA, Inc, 2121 K St., NW, #650 Washington, DC 20037	All Nippon Airways Co, Ltd		
Do	Fanuc Ltd		
Do	Hitachi, Ltd	72.11	
Do	Hyundai Motor America		
Do	Jackson Madison County General Hospital	72.11	
Do	Japan Fed of Construction Contractors, Inc		
Do	Komatsu Ltd		
Do	Kyocera Corporation		
Do	Mazak Corporation		
Do	Sisters of Charity of the Incarnate Word	300.48	
Do	South Louisiana Port Commission		
Do	Teco Transport & Trade Corp	23.07	
Stephanie R. Godley, 2500 Wilson Blvd. #301 Arlington, VA 22201	American Apparel Manufacturers Assn, Inc	1,000.00	50.00
James W. Godlove, 1825 K Street, NW, #1107 Washington, DC 20006	Phillips Petroleum Co	1,050.00	21.94
Judith M. Goff, 375 Jackson Street St. Paul, MN 55101	Farm Credit Services	630.00	807.63
A. James Golato, 2300 M St., NW, #800 Washington, DC 20037	H&R Block, Inc		
Harvey S. Gold, 8100 Oak Street Dunn Loring, VA 22027	National Pest Control Assn		
Gold & Liebengood, Inc, 1455 Pennsylvania Ave., NW, #950 Washington, DC 20004	American Academy of Ophthalmology	6,693.00	2,399.00
Do	American Medical Assn	19,500.00	2,399.00
Do	American Resort and Development Association		1,999.00
Do	Bausch and Lomb		
Do	Beretta U.S.A. Corp	7,200.00	2,399.00
Do	BAA plc	2,400.00	2,399.00
Do	Camp Barsh Bates & Tate	2,178.00	2,249.00
Do	Chemical Manufacturers Assn, Inc	3,228.00	2,315.00
Do	College of American Pathologists	5,000.00	2,399.00
Do	Electronic Data Systems Corp	8,750.00	2,323.00
Do	Energy Research Corp	8,400.00	2,330.00
Do	Equitable Life Assurance Society of the U.S	25,000.00	2,399.00
Do	Eye Bank Assn of America	1,875.00	2,362.00
Do	Federal Express Corp	543.00	2,399.00
Do	Federated Investors, Inc	7,500.00	2,389.00
Do	Fiat, USA	42,424.00	2,399.00
Do	Ford Motor Co		
Do	Fort Howard Corporation		
Do	Hopi Tribe	30,000.00	1,999.00
Do	Investment Company Institute	2,025.00	2,360.00
Do	J & B Management Co		
Do	Martin Marietta Corp	403.00	2,047.00
Do	MCI Communications Corp	13,000.00	2,399.00
Do	National Business Aircraft Assn, Inc	1,500.00	2,399.00
Do	National Cattlemen's Assn	628.00	2,163.00
Do	National Football League	5,755.00	2,399.00
Do	National Restaurant Assn	15,750.00	2,399.00
Do	National School Transportation Assn	5,725.00	2,399.00
Do	Pacific Enterprises	9,900.00	2,399.00
Do	Pennzoil Co	2,000.00	2,399.00
Do	Philip Morris Company	30,000.00	2,399.00
Do	Phillips Petroleum Co	5,000.00	2,399.00
Do	Public Securities Assn	2,685.00	2,399.00
Do	Salomon Brothers, Inc	4,000.00	2,219.00
Do	Thomson-CSF, Inc	16,000.00	2,399.00
Do	Ticor Title Insurance Co	3,000.00	2,149.00
Do	Times Mirror Co	9,058.00	2,399.00
Do	Washington Metropolitan Area Transit Authority		1,999.00
Gold Fields Operating Co-Mesquite, HCR 76, Glamis 100 Brawley, CA 92227			300.00
Goldberg & Spector, 1229 19th St., NW Washington, DC 20036	Alpha Lyracom d/b/a Pan American Satellite		
H.P. Goldfield, 3000 K St., NW, #300 Washington, DC 20007	Swidler & Berlin (For:Ferroalloys Association)		
Max Goldman, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc		
Goldman Sachs & Co, 1825 Eye St., NW, #450 Washington, DC 20006			1,550.00
Janice Goldman-Carter, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	2,998.70	
Robert H. Goldsborough, 5508 Lombardy Place Baltimore, MD 21210	Americans for Immigration Control, Inc	6,400.00	
Benson S. Goldstein, 1010 North Fairfax Street Alexandria, VA 22314	National Soc of Public Accountants		
Jack Golodner, 815 16th St., N.W. Washington, DC 20006	Department for Professional Employees, AFL-CIO	4,693.35	
John A. Gonzalez, 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	5,000.00	7,721.05
Ruth Gonze, Third Floor 2301 M Street, NW Washington, DC 20037	American Public Power Assn	2,000.00	
David R. Goode, 8 N. Jefferson Street Roanoke, VA 24042	Norfolk Southern Corp		
Alan Goodfader, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Company, Inc)		
Do	Murphy & Demory, Ltd (For:Prodigy Services Corportion)		
Richard F. Goodstein, 1150 Connecticut Avenue, NW, #500 Washington, DC 20036	Browning-Ferris Industries, Inc	1,200.00	605.03
Lee M. Goodwin, Wickwire Gavin & Gibbs, P.C. 1133 21st Street, NW Washington, DC 20036	National Hydropower Assn	100.00	
Robert F. Goodwin, 1850 K St., NW, Suite 275 Washington, DC 20006	Meredith Corp	22.00	22.00
Linda Goold, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,750.00	99.19
John Gordley, 1150 Connecticut Avenue, NW, #507 Washington, DC 20036	Iowa Pork Producers Assn	4,500.00	717.12
Do	National Sunflower Assn	24,000.00	3,538.47
Do	Nebraska Wheat Board	21,000.00	2,433.23
Do	Renewable Fuels Assn	10,500.00	619.05
Do	U.S. Canola Association	12,500.01	1,999.47
Randall C. Gordon, 725 15th Street, NW Washington, DC 20005	National Grain & Feed Assn		
William Gordon, 1515 Wilson Boulevard Arlington, VA 22209	American Gas Assn	600.00	44.33
John C. Gore, 1776 Eye Street NW Suite 1000 Washington, DC 20006	BP America, Inc		
Millicent Gorham, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
David W. Gorman, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	18,178.40	240.00
Mark S. Gorman, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
James D. Gormley, 1400 K Street, NW, #801 Washington, DC 20005	General Aviation Manufacturers Association	2,289.00	
Ann M. Gosier, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Deborah Gottheil, 812 L N. Kalaheo Avenue Kailua, HI 96734	Artic Slope Regional Corp		
Margaret A. Gottlieb, 1101 17th Street, NW, #900 Washington, DC 20036	Direct Marketing Assn		
John T. Gould Jr., 475 Park Ave. South New York, NY 10016	Soap & Detergent Assn		
Michael J. Govan, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group		
Government Strategies, Inc, 1712 Walnut Street,#300 Philadelphia, PA 19103	Lukens, Inc	19,468.75	6,613.90
Governmental Affairs, Inc, 100 West 5th Tulsa, OK 74103	Plains Resources, Inc		6,375.09
Edmund Graber, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	2,000.00	500.00
James E. Graf II, 555 13th Street NW, #480 W. Washington, DC 20004-1109	Contel Corp	9,000.00	25.00
John R. Graff, 4230 King Street Alexandria, VA 22302	International Assn of Amusement Parks & Attractions		
David W. Graham, 1776 Eye Street, NW, Ste. 575 Washington, DC 20006	Dow Chemical USA		5,540.00
Elaine Z. Graham, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Lawrence T. Graham, 1401 New York Avenue, NW, #400 Washington, DC 20005	National Food Processors Assn	500.00	100.00
Winston S. Graham, 91 Macon Street Brooklyn, NY 11216			
Graham & James, 2000 M Street, NW, #700 Washington, DC 20036	Contact Lens Manufacturers Assn	390.58	13.50
John K. Gram, 610 S.W. Broadway, #608 Portland, OR 97205	Public Timber Purchasers Group		
Frances Turk Granahan, 1025 Connecticut Avenue, NW, #404 Washington, DC 20036	Texas Eastern Transmission Corp		212.00
Grange Mutual Casualty Co, 650 South Front Street Columbus, OH 43206			
Grant Thornton, 1850 M St., NW, #300 Washington, DC 20036			
James L. Granum, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Andrew N. Grass Jr., One World Trade Center, #4511 New York, NY 10048	National Security Traders Assn, Inc	2,000.00	
David C. Gray, 3728 Kanawha Street, NW, Washington, DC 20015	American Camping Association		
Do	Portsmouth-Kittery Armed Services Committee, Inc		
James A. Gray, 7901 Westpark Dr. McLean, VA 22102	National Machine Tool Builders' Assn	2,250.00	25.00
Neil A. Gray, 1776 Massachusetts Ave., NW Washington, DC 20036-1993	Highway Users Federation for Safety & Mobility	2,300.00	96.20
Robert K. Gray, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Bell Atlantic Management Services)		
Do	Hill & Knowlton, Inc (For:Budd Company)		
Do	Hill and Knowlton, Inc (For:Church of Scientology International)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Hill & Knowlton, Inc (For:First American Bank, N.A.)		
Do	Hill & Knowlton, Inc		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)		
Do	Hill & Knowlton, Inc (For:Shaklee Corporation)		
Do	Hill & Knowlton, Inc (For:Tesoro Petroleum Corp)		
Do	Hill & Knowlton, Inc (For:Tobacco Institute)		
Mary R. Grealy, 1111 19th Street, NW, #402 Washington, DC 20036	Federation of American Health Systems	1,500.00	
Greater Wash/MD Service Station & Automotive Repair Assn, 9420 Annapolis Rd., #307 Lanham, MD 20706		500.00	500.00
Greater Washington Board of Trade, c/o Ellie Weilenmann 1129 20th Street, NW, #200 Washington, DC 20036			
James R. Greco, P.O. Box 3151 Houston, TX 77253	Browning-Ferris Industries, Inc		
Donald R. Greeley, 919 18th St., NW, #700 Washington, DC 20006	Hoechst Celanese Corp	4,000.00	157.78
Edward M. Green, 1920 N St., NW Washington, DC 20036	American Mining Congress		
George R. Green, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	450.00	
Gretchen Green, 1000 Connecticut Ave, NW Washington, DC 20036	Japan Economic Institute of America	500.00	
Kaylene H. Green, 2341 Jefferson Davis Highway, #1100 Arlington, VA 22202	Bath Iron Works Corp	600.00	
Micah S. Green, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	12,500.00	517.31
Robert H. Green, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,750.00	1,437.31
David I. Greenberg, 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris Companies, Inc		550.00
Fred Greene, 3434 Pinetree Terrace Falls Church, VA 22041	Denny Miller Associates	2,500.00	
H. Thomas Greene, 412 1st St., SE Washington, DC 20003	National Automobile Dealers Assn	10,000.00	
Howard W. Greene, 205 E. 42nd Street New York, NY 10017	Risk & Insurance Management Society, Inc		
Lynn Greenwalt, 1400 15th St., NW Washington, DC 20036-0001	National Wildlife Federation	727.67	
Greenwich Capital Markets, Inc, 600 Steamboat Road Greenwich, CT 06830-7149		2,000.00	1,592.35
Arthur J. Gregg, 7736 Rockledge Court Springfield, VA 22152	Cable TV Assn of MD, DE & DC	11,875.00	
Sarah Massengale Gregg, 1667 K Street, NW, #710 Washington, DC 20006	Baxter		
Janice M. Gregory, 1726 M St., #1101 Washington, DC 20036	ERISA Industry Committee	6,975.00	64.00
John D. Gregory, P.O. Box 12458 Columbia, SC 29211	Norfolk Southern Corp		
Gregory Company, 2300 N Street, NW, #600 Washington, DC 20037	T. Ramirez & Co, Inc	4,500.00	206.89
William G. Greif, 1155 15th St., NW Washington, DC 20005	Bristol-Myers Co	25,000.00	
Jeffrey J. Grieco, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy, Inc)	10,000.00	
Do	Murphy & Demory, Ltd (For:Korea Tacoma Marine Industries, Ltd)	2,000.00	
Do	Murphy & Demory, Ltd (For:Tridec Westinghouse)		
Ellen Griffee, 1413 K Street, NW, 10th Fl. Washington, DC 20005	Association of Science-Technology Centers		
Robert T. Griffin, 1100 Connecticut Ave., NW, #900 Washington, DC 20035	Chrysler Corporation		
Griffin Johnson & Associates, 1211 Connecticut Ave., NW, #700 Washington, DC 20036	Air Transport Assn of America	200.00	6.00
Do	American Assn of Airport Executives		
Do	American Insurance Assn	200.00	6.00
Do	American Petroleum Institute	400.00	12.00
Do	American Psychological Assn	1,800.00	54.00
Do	Arthur Andersen & Co		
Do	Blue Cross & Blue Shield Association	200.00	6.00
Do	Camp Barsh Bates & Tate		
Do	CBS, Inc		
Do	COMSAT Corp		
Do	Grumman Corporation	800.00	24.00
Do	Gulf Oil Corp		
Do	McCaw Communications Cos	800.00	24.00
Do	Merck & Co, Inc	200.00	6.00
Do	Motorcycle Industry Council		
Do	Pharmaceutical Manufacturers Assn		
Do	Puyallup Tribe of Indians	200.00	6.00
Do	Specialty Vehicle Institute of America	400.00	12.00
Do	Tobacco Institute	600.00	18.00
Do	United Cable Television Corp	200.00	6.00
Edward D. Griffith, 3801 West Chester Pike Newtown Square, PA 19073	ARCO Chemical Co		
A. Jack Grimes, 8100 Oak Street Dunn Loring, VA 22027	National Pest Control Assn		
Craig N. Grimm, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Norman E. Grimm Jr., 8111 Gatehouse Road Falls Church, VA 22042	AAA Potomac		
Mark W. Grobmyer, P.O. Box 70 Little Rock, AR 72203	Arnold Grobmyer & Haley (For:Arkansas Assn of Securities Dealers)		
Do	Arnold Grobmyer & Haley (For:Mid-South International Trade Assn)		
Do	Arnold Grobmyer & Haley (For:VISA USA, Inc, et al.)		
James N. Groninger, 1101 16th Street, NW Washington, DC 20036	Independent Petroleum Assn of America		685.33
Beverly Bennett Groom, 1001 Pennsylvania Ave., NW Washington, DC 20006	American Council of Life Insurance, Inc	2,500.00	
Groom & Nordberg, Chtd, 1701 Pennsylvania Avenue, NW, #1200 Washington, DC 20006	Ad Hoc MGA Group		
Do	Ad Hoc PFIC Group		
Do	American Petroleum Institute		
Do	Chevron Corp	300.00	30.00
Do	Eli Lilly & Company		
Do	Goldman Sachs & Co		
Do	Murphy Oil USA, Inc		
Do	New York City Teachers Retirement System		
Do	Phillips Petroleum Co		
Do	Physicians Mutual Insurance Co	1,500.00	100.00
Do	Principal Financial Group		
Do	Prudential Insurance Co of America	1,000.00	100.00
Do	Prudential-Bache Securities, Inc	100.00	10.00
Do	Puerto Rico, USA Foundation		
Do	Reading & Bates Corporation		
Do	Southern California Edison Co	100.00	10.00
Do	Union Texas Petroleum Corp	100.00	10.00
Do	Westinghouse Electric Corp		
George Gross, 1211 Connecticut Ave., NW, #406 Washington, DC 20036	Magazine Publishers of America	5,000.00	
Steven A. Grossman, 901 31st Street, NW Washington, DC 20007	Hill Knowlton (For:Nintendo of America, Inc)	460.00	
Page Groton, 400 First Street, NW, #814 Washington, DC 20001	International Brotherhood of Boilermakers	298.00	
Walter B. Grubbs, P.O. Box 841 Abilene, TX 79604	West Texas Utilities Co		
John T. Grupenhoff, 6410 Rockledge Drive, #203 Bethesda, MD 20817	American Academy of Dermatology	1,500.00	197.10
Do	American Academy of Otolaryngology-Head & Neck Surgery	1,100.00	162.60
Do	American Gastroenterological Assn	1,300.00	187.40
Do	American Soc of Clinical Oncology	975.00	200.80
Do	Association of American Cancer Institutes	1,925.00	187.30
Do	Cooley's Anemia Foundation	310.00	215.70
Geri A. Guardino, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	6,260.00	32.00
Gerald M. Guarilia, 70 North Main Street Wilkes-Barre, PA 18711	Blue Cross of Northeastern Pennsylvania		
Carlos A. Guerra, 7227 North 16th Street Phoenix, AZ 85020	Giant Industries, Inc		
Mary Scott Guest, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Marketing Service International, Inc		
Do	O'Connor & Hannan (For:Blanchfield & Moore)	400.00	
Do	Dillon Read & Co, Inc		
Do	LF Rothschild Unterberg Towbin, Inc		
Do	Michigan State Housing Development Authority		
Do	Morris Communications	9,400.00	
Do	Naegle Outdoor Advertising	300.00	
Do	O'Connor & Hannan	25,000.00	
Do	Paine Webber Group, Inc		
Do	Riverton Investment Corp	4,600.00	
Do	Simpson Thacher & Bartlett (for Sol Goldman Estate)	13,500.00	
Shannon P. Guiney, 555 13th Street, NW, #1010 East Washington, DC 20004-1109	Sun Company, Inc	1,003.00	
James E. Guirard Jr., 1730 Rhode Island Avenue, NW, #419-19 Washington, DC 20036	BASF Chemicals Corp	3,000.00	150.00
Do	KMS Fusion, Inc	1,225.00	105.00
Do	Walk-Haydel & Associates, Inc	2,000.00	175.00
Gun Owners of America, Inc, 8001 Forbes Place Springfield, VA 22151		207,506.13	219,431.08
Paul D. Guth, Bathgate Wegener Wouters & Neumann Three Gateway Center, 15th Floor Newark, NJ 07102	Philadelphia Stock Exchange		
Do	Wire Pro, Inc		
Robert F. Guthrie, 815 16th St., NW, #608 Washington, DC 20006	Department for Professional Employees, AFL-CIO	6,132.87	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Richard E. Gutting Jr., 2000 M St., NW, #580 Washington, DC 20036	National Fisheries Institute	6,000.00	78.68
Alvin M. Guttman, 1924 N Street, NW Washington, DC 20036	Towing & Recovery Assn of America, Inc	600.00	
Z. Lou Guttman, 4 World Trade Center New York, NY 10048	New York Mercatile Exchange	397.00	543.00
Milton S. Gwirtzman, 1250 24th St., NW, #600 Washington, DC 20037	Lazare Kaplan International, Inc	750.00	25.00
GA Assn of Petroleum Retailers, Inc, 900 N. Hairston Road, Suite D Stone Mountain, GA 30083			
GPIA Animal Drug Alliance, 200 Madison Ave., #2404 New York, NY 10016		2,754.00	2,754.00
Jane Scherer Haake, 1667 K Street, NW, #420 Washington, DC 20006	Mead Corporation	175.00	10.00
Dana W. Haas, 1800 K Street, NW, #1018 Washington, DC 20006	Kansas City Power & Light Co, et al	14,250.00	9,524.17
Charles W. Hackney Jr., 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
William G. Haddeland, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Gene P. Haffich, Indiana Petroleum Council 714 Harrison Building Indianapolis, IN 46204	American Petroleum Institute	1,234.62	1,436.78
Thomas M. Hagan, 1005 Congress Ave., #795 Austin, TX 78701	Central & South West Services, Inc	1,233.00	16,980.20
Tom Hagedorn Associates, 1704 23rd St., So. Arlington, VA 22202	BRS, Inc		
Peter H. Hahn, 10409 La Costa Dr. Austin, TX 78747	Chromalloy American Corp		
John F. Haifley, 8111 Gatehouse Road Falls Church, VA 22047	American Automobile Assn		
Nancy A. Hailpern, 316 Pennsylvania Ave., SE, #200 Washington, DC 20003	American Cancer Society	1,875.00	
Thomas F. Hairston, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California	7,000.00	672.81
Randolph M. Hale, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004	National Assn of Manufacturers		
Hale and Dorr, 1455 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Boston Redevelopment Authority		
Do	Dakota Wesleyan University	1,687.50	209.11
Do	Gay Head Taxpayers Assn		
Do	Metalor USA Refining Corp		
Do	Northeastern University	4,455.00	100.97
Do	Prime Computer, Inc	1,350.00	149.15
Do	State Street Development Corp		
Hale Foundation, 422 First Street, SE, #208 Washington, DC 20003			
George W. Haley, 733 15th Street, NW, #700 Washington, DC 20005	Grocery Manufacturers of America, Inc		
Edwin K. Hall, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	5,000.00	324.00
Elliott S. Hall, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	1,440.00	908.88
Richard F. Hall, 1700 K Street, NW, #502 Washington, DC 20006	Pacific Resources, Inc	500.00	
Marian Hall-Crawford, 316 Pennsylvania Avenue, SE, #301 Washington, DC 20003	San Diego Gas & Electric	1,500.00	2,501.48
Paul Hallisay, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	6,250.00	448.64
Maurice E. Halsey, P.O. Box 190 Aurora, IL 60507	Northern Illinois Gas Company	2,000.00	
Paul T. Haluza, 1325 Pennsylvania Ave., NW, #600 Washington, DC 20004	Motor and Equipment Manufacturers Association	3,000.00	3,234.51
Martha R. Hamby, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	240.00	56.00
David S. Hamilton, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	4,730.76	
J. Lee Hamilton, 1331 Pennsylvania Avenue, NW, #1550N Washington, DC 20004-1703	National Assn of Manufacturers	281.00	
James L. Hamilton III, 818 Connecticut Ave., NW Washington, DC 20006	USX Corporation	637.50	308.15
Joyce Hamilton, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Philip W. Hamilton, 1825 K St., NW, #218 Washington, DC 20006	American Soc of Mechanical Engineers		
Ronald P. Hamm, 1620 Eye St., NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	6,500.00	
Thomas A. Hammer, 2100 Pennsylvania Ave, NW, #695 Washington, DC 20037	Sweetener Users Assn	19,700.00	2,776.50
Timothy A. Hanan, 1100 Connecticut Avenue, NW, #620 Washington, DC 20036	Mobil Corp	1,500.00	
Nolan W. Hancock, 1126 16th St., NW Washington, DC 20036	Oil Chemical & Atomic Workers International Union	6,244.63	
William G. Handfield, 50 F Street, NW Washington, DC 20001	Association of American Railroads	753.87	
Donald K. Hanes, 50 F St., NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
Rose M. Hanes, 1325 G Street, NW, #1003 Washington, DC 20005	Population-Environment Balance	20.00	
Elisabeth Hanlin, 2000 L St., NW, #1000 Washington, DC 20036	Unisys Corp		
Thomas H. Hanna, 7430 Second Ave, #300 Detroit, MI 48202	Motor Vehicle Manufacturers Assn of the U.S., Inc	500.00	
Hannaford Co, Inc, 655 15th St., NW, #200 Washington, DC 20005	Royal Embassy of Saudi Arabia		
Do	Trans World Airlines, Inc		
Do	3M Corporation		
Richard L. Hanneman, 206 North Washington Street Alexandria, VA 22314	Salt Institute		
Frederick J. Hannett, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group, Inc (For:Industrial Safety Equipment Assn)		
M. Arnita Hannon, 1029 Vermont Ave., NW, #710 Washington, DC 20005-3517	American Lung Assn	1,826.40	1,334.70
Brian T. Hanson, 1667 K Street, NW, #1230 Washington, DC 20006	Deere & Company	50.00	
Daniel J. Hanson Sr., 501 School Street, SW, #800 Washington, DC 20024	American Road & Transportation Builders Assn	20,000.00	519.00
Stuart B. Hardy, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
James W. Harff, 1200 19th St., NW, #550 Washington, DC 20036	Harff Butterfield (For:Turkish Republic of Northern Cyprus)	2,812.50	
Harff Butterfield, 1200 19th Street, NW, #550 Washington, DC 20036	Turkish Republic of Northern Cyprus	22,500.00	
Jon Harkavy, 205 East 42nd Street New York, NY 10017	Risk & Insurance Management Society, Inc		
Patricia L. Harmening, 316 Pennsylvania Ave., SE, #301 Washington, DC 20003	San Diego Gas & Electric	850.00	2,406.53
Diane Harper, 1000 Wilson Blvd. Arlington, VA 22209	Grumman Corporation	625.00	486.46
Wiley C. Harrell Jr., 1211 Connecticut Ave., NW, #502 Washington, DC 20036	Anheuser-Busch Companies, Inc		
Toni Harrington, 950 L'Enfant Plaza North, SW, #5300 Washington, DC 20024	Honda North America, Inc	400.00	19.83
W. Brendan Harrington, 1101 15th St., NW, #205 Washington, DC 20005	Cargill, Inc	1,250.00	
A. J. Harris II, 1825 Eye Street, NW, #750 Washington, DC 20006	CIGNA Corp	4,673.00	275.00
Leslie Harris, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	4,600.00	10.50
Marilyn A. Harris, 818 Connecticut Avenue, NW Washington, DC 20006	USX Corporation	150.00	
Milton E. Harris, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Harris Steel Group, Inc		
Teena Harris, 1627 K St., NW, #400 Washington, DC 20006	National Newspaper Assn	2,000.00	64.83
Harris & Ellsworth, 1101 30th St., NW, #103 Washington, DC 20007	American Railway Car Institute		
Do	Association of Food Industries, Inc		
Do	Cheese Importers Assn of America, Inc		
Do	Committee of Domestic Steel Wire Rope & Specialty Cable Mfrs	2,600.00	16.00
Jack E. Harrison, West Virginia Petroleum Council 1250 One Valley Square Charleston, WV 25301	American Petroleum Institute	413.00	722.39
Jim Harrison, 501 I Street, SW Washington, DC 20024	Association of Urban Universities		
Mark Harrison, 711 G Street, SE Washington, DC 20003	SANE/FREEZE, Inc	6,874.98	
Paul M. Harrison, P.O. Box 4079 Gulfport, MS 39502	Mississippi Power Co	4,245.00	1,289.64
Robert W. Harrison, 1213 Jefferson Davis Highway, #1400 Arlington, VA 22202	CAE-LINK Corporation		
Anne Harrison-Clark, 1725 K Street, NW, #814 Washington, DC 20006	March of Dimes Birth Defects Foundation	4,125.00	100.00
Jayne A. Hart, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	3,750.00	55.74
Lynn S. Hart, 1111 19th St., NW, #402 Washington, DC 20036	Federation of American Health Systems	3,000.00	
Thomas D. Hart, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Allied-Signal, Inc		
Hartford Fire Insurance Co, Hartford Plaza Hartford, CT 06115			65,800.00
Vance Hartke, 7637 Leesburg Pike Falls Church, VA 22043	Alliance of Foreign Medical Graduates	6,250.00	
Gabriel A. Hartl, 2020 N. 14th Street, #410 Arlington, VA 22201	Air Traffic Control Assn, Inc		
Arthur W. Hartmann, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Jenifer Hartog, Francis McGinnis & Rees 1000 Potomac St., NW, #401 Washington, DC 20007	California Dept of Education	6,000.00	76.00
Christopher E. Harty, 1250 Conn., Ave., NW, #620 Washington, DC 20036	Winkelman & Associates, Inc (For:Fairfield Communities, Inc)		
Clifford J. Harvison, 2200 Mill Rd. Alexandria, VA 22314	National Tank Truck Carriers, Inc		
Fanny L. Haslebacher, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	400.00	
Holly Hassett, 1730 Rhode Island Avenue, NW, #206 Washington, DC 20036	Hershey Foods Corp		
Edgar Hatcher, 1225 Eye Street, NW, #950 Washington, DC 20005	American Electronics Assn	2,000.00	561.64
Janet S. Hathaway, 1350 New York Ave., NW, #300 Washington, DC 20005	Natural Resources Defense Council	9,906.00	339.35
Hauck & Associates, 1255 23rd Street, NW Washington, DC 20037	National Soybean Processors Assn	5,520.00	5,520.00
Howard M. Haug, 100 East 42nd St. New York, NY 10017	National Foreign Trade Council, Inc	4,500.00	
James N. Haug, 55 E. Erie Street Chicago, IL 60611	American College of Surgeons		
Barbara S. Haugen, 1401 New York Ave., NW, #720 Washington, DC 20005	National Assn of Insurance Brokers, Inc		
Marilyn Beth Haugen, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Barbara J. Haugh, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California		698.88
Arnold I. Havens, 1156 15th Street, NW, #1100 Washington, DC 20005	White Fine & Verville (For:Armstrong World Industries, Inc)	12,112.50	84.72
Do	White Fine & Verville (For:Association of American Railroads)	9,166.66	38.59
Do	White Fine & Verville (For:Burlington Northern Services, Inc)	21,711.25	291.53
Do	White Fine & Verville (For:CSX Corporation)	12,374.17	118.23
Do	White Fine & Verville (For:MetPath, Inc)	24,000.00	299.52
Charles W. Havens III, 1333 New Hampshire Avenue, NW, #1100 Washington, DC 20036	Leboeuf Lamb Leiby & MacRae		
Kathryn Joann Hawes, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Sidney G. Hawkes, 1667 K St., NW, #420 Washington, DC 20006	Mead Corporation	750.00	40.00
James W. Hawkins III, 1030 15th Street, NW, #1100 Washington, DC 20005	Health Industry Manufacturers Association (HIMA)	100.00	380.78
Paul M. Hawkins, 26 Ridgeview Drive Asheville, NC 28804	Colonial Life & Accident Insurance Co		
Edmund S. Hawley, 555 13th St., NW, #450 West Columbia Square Washington, DC 20004	Union Pacific Corp	12,500.00	
John F. Hay, 1801 K Street, NW, #800 Washington, DC 20006	Westinghouse Electric Corp	1,200.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
David J. Hayes, 555 13th Street, NW Washington, DC 20004	Hogan & Hartson (For:American Electronics Assn)	2,500.00	22.24
Do	Hogan & Hartson (For:Semiconductor Industry Association)	937.50	57.72
Do	Hogan & Hartson (For:Tektronix, Inc)	1,125.00	6.75
Peter M. Hayes, 214 Massachusetts Ave., NE #530 Washington, DC 20002	Salt River Project	3,521.00	875.11
Robert G. Hayes, Bogle and Gates One Thomas Circle, NW, #900 Washington, DC 20005	American Fishing Tackle Manufacturers Assn	2,000.00	
Do	Coastal Conservation Assn	2,000.00	
Do	William D. Ray		
R. Michael Haynes, 1156 15th Street, NW, #1101 Washington, DC 20005	National Assn of Small Business Investment Cos	3,000.00	
Robert A. Haynos, 4711 Hunt Circle Harrisburg, PA 17112	Harsco Corporation	24,000.00	1,882.28
Holly Elisabeth Hazard, 111 Massachusetts Ave., NW, #200 Washington, DC 20001	Doris Day Animal League	1,488.00	1,139.00
Do	New England Anti-Vivisection Society	133.00	
Paul Hazen, 1401 New York Ave., NW, #1100 Washington, DC 20005	National Cooperative Business Assn	10,000.00	40.50
Robert (Rob) Healy Jr., 1201 New York Ave., NW Washington, DC 20005	American Public Transit Assn	625.00	
Robert L. Healy, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	245.00	
Anne A. Heanue, 110 Maryland Avenue, NW, #101 Washington, DC 20002	American Library Assn	873.00	
David E. Hebert, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	2,000.00	167.00
William H. Hecht, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates, Inc (For:Bixby Ranch Co)		
Do	Hecht Spencer & Associates, Inc (For:Boy Scouts of America)		
Do	Hecht Spencer & Associates, Inc (For:Brown & Williamson Tobacco Corp)		
Do	Hecht Spencer & Associates, Inc (For:BATUS, Inc)		
Do	Hecht Spencer & Associates, Inc (For:CSX Corporation)		
Do	Hecht Spencer & Associates, Inc (For:Great Western Financial Corp)		
Do	Hecht Spencer & Associates, Inc (For:Hong Kong Trade Development Council)		
Do	Hecht Spencer & Associates, Inc (For:Los Angeles Raiders)		
Do	Hecht Spencer & Associates (For:Traditional Industries, Inc)		
Do	Hecht Spencer & Associates, Inc (For:Western Growers Association)		
Hecht Spencer & Associates, Inc, 499 South Capitol Street, SW, #507 Washington, DC 20003	Bixby Ranch Co	500.00	
Do	Boy Scouts of America	500.00	
Do	Brown & Williamson Tobacco Corp	2,500.00	
Do	BATUS, Inc	1,500.00	
Do	CSX Corporation	500.00	
Do	Great Western Financial Corp	1,000.00	
Do	Harmer-Eyring	250.00	
Do	Hong Kong Trade Development Council	1,500.00	
Do	Los Angeles Raiders		
Do	Marwais Steel Co	500.00	
Do	Texas Clinical Laboratories, Inc		
Do	Traditional Industries, Inc	1,000.00	
Do	Western Growers Association		
Herbert A. Hedden, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Jay Hedlund, 2030 M St., NW Washington, DC 20036	Common Cause	12,551.28	601.60
Mark G. Heesen, 1725 K St., NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		
Edward D. Heffernan, 1019 19th St., NW, Penthouse #1 Washington, DC 20036	Chicago Board Options Exchange	1,000.00	
Do	Ductile Iron Pipe Research Assn		
Do	Harza Engineering Co		
Do	Renewable Fuel Association	3,000.00	50.60
Do	Sealaska Corp	1,000.00	
John Heffner, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
John F. Heilman, 807 Maine Ave., SW Washington, DC 20024	Disabled American Veterans	23,257.60	396.77
Robert M. Heine, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co	102.00	
Scott E. Heisel, 735 N. Water Street, #908 Milwaukee, WI 53202-4105	American Malting Barley Assn, Inc	675.00	
Helicopter Assn International, 1619 Duke Street Alexandria, VA 22314			17,013.00
Richard L. Hellwege, 1225 Jefferson Davis Highway, #402 Arlington, VA 22202	Smiths Industries		
DeWitt F. Helm Jr., 155 East 44th Street New York, NY 10017	Association of National Advertisers, Inc		
Edward A. Helme, 444 N. Capitol Street, #526 Washington, DC 20001	Alliance for Acid Rain Control	3,629.00	147.00
Nancy Ginn Helme, Box 723 Washington Grove, MD 20880	Weil & Howe, Inc (for Champlain Pipeline Co)	12,867.50	170.41
Suzanne C. Helmick, One Nationwide Plaza Columbus, OH 43216	Nationwide Insurance Co	600.00	
Thomas M. Helscher, 1101 17th St., NW, #604 Washington, DC 20036	Monsanto Co		393.06
Mike D. Helton, Kentucky Petroleum Council 305 Ann St., #403 Frankfort, KY 40601	American Petroleum Institute	750.00	1,016.41
Carol C. Henderson, 110 Maryland Ave., NE, #101, Box 54 Washington, DC 20002	American Library Assn	1,185.00	
Leonard N. Henderson, 1615 L St., NW, #1210 Washington, DC 20036	Metropolitan Life Insurance Co	1,000.00	
Wade J. Henderson, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	11,850.00	200.00
Karen Hendricks, 1319 F Street, NW, #604 Washington, DC 20004	Association of Junior Leagues, Inc	4,375.00	715.00
C. Dayle Henington, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange		
George F. Hennrikus Jr., 201 N. Washington St. Alexandria, VA 22314	Retired Officers Assn	7,143.00	
John Hugh Henry, 1735 Eye St., NW, #814 Washington, DC 20006	McDermott, Inc	7,700.00	1,186.88
LeAnn Hensche, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	1,190.00	194.45
Michael T. Henson, #03960-054, P.O. Box 1000 Tallahassee, FL 32301			
Charlotte W. Herbert, 555 New Jersey Avenue, NW, #255 Washington, DC 20001	Vern Clark & Associates (For:Outdoor Advertising Assn of America)		
Do	Vern Clark & Associates	482.62	161.75
William Hermelin, 2215 Constitution Ave, NW Washington, DC 20037	American Pharmaceutical Assn		
Catherine L. Heron, 1600 M St., NW Washington, DC 20036	Investment Company Institute		
Jo-Ann T. Herrick, 1800 K Street, NW, #530 Washington, DC 20006	Tesoro Petroleum Corp	1,500.00	
Barry Alexander Herring, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Laurel Steel Products, Ltd		
Marsha Herzstein, 1133 15th Street, NW, #640 Washington, DC 20005	American Logistics Assn		78.30
John A. Heslip, P.O. Box 781 Herndon, VA 22070	National Concrete Masonry Assn		5,402.51
Dale E. Heydlauff, 1667 K St., NW, #450 Washington, DC 20006	American Electric Power Service Corp	235.68	824.93
David B. Hickerson, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Company		
Paul T. Hicks, Rhode Island Petroleum Assn 154 Francis St. Providence, RI 02903	American Petroleum Institute	300.00	
Barbara L. Hiden, 1101 16th Street, NW Washington, DC 20036	National Soft Drink Assn	14.42	
John S. Hightower, 5700 Florida Blvd., #310 Baton Rouge, LA 70806	Louisiana-Pacific Corp	7,125.00	1,058.00
Clifton T. Hilderley Jr., 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Anne R. Hill, 1101 Connecticut Ave., NW, #500 Washington, DC 20036	Kids Project	13,749.99	18,254.43
Damian P. Hill, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Gerald 'Jerry' Hill, 6 Executive Park Drive, NE Atlanta, GA 30329	Amoco Corporation		
J. Eldred Hill Jr., 600 Maryland Ave., SW, #603 Washington, DC 20024	UBA, Inc	2,000.00	
Pamela Hill, One Tabor Center, #2500 1200 Seventeenth Street Denver, CO 80202	Energy Fuels Nuclear, Inc	360.00	453.06
Patricia Hill, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Shepard William Hill, 11003 Burywood Lane Reston, VA 22094	Rockwell International Corp	18,909.00	2,773.31
Thomas M. Hill, 1726 M St., NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Co	1,275.00	
Edward Joseph Hillings, 1020 16th Street, NW Washington, DC 20036	Enron Corp	7,500.00	
John L. Hills, Rt. 1, Box 645 Purcellville, VA 22132	Sundstrand Corporation	769.50	484.25
Cynthia Hilton, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
John M. Himmelberg, 888 17th Street, NW, #900 Washington, DC 20006	Florida Fruit & Vegetable Assn	3,000.00	
Do	Florida Tomato Exchange	1,500.00	
Grace L. Hinchman, 1331 Pennsylvania Ave., NW, #600-2 Washington, DC 20004	Digital Equipment Corp	17,500.00	
Rick Hind, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	6,230.76	
Robert A. Hirsch, 1320 Braddock Place, #720 Alexandria, VA 22314	National Private Trucking Assn		
J. D. Hittle, 3137 S. 14th St. Arlington, VA 22204	KMS Industries, Inc	1,500.00	153.05
Kenneth Hoagland, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	2,917.00	
Lawrence S. Hobart, 2301 M St., NW, #300 Washington, DC 20037	American Public Power Assn	500.00	
Hobbs Straus Dean & Wilder, 1819 H St., NW, #800 Washington, DC 20006	Alaska Legal Services Corp	90.00	
Do	Aroostook Band of Micmacs	1,040.00	15.90
Do	Association of Navajo Community-Controlled School Boards	40.00	
Do	Bristol Bay Area Health Corp	100.00	6.00
Do	Maniilaq Assn		
Do	Menominee Indian Tribe	320.00	13.95
Do	Metlakatla Indian Community	500.00	28.15
Do	Miccosukee Tribe of Indians of Florida	80.00	21.90
Do	National Indian Education Assn	30.00	
Do	Norton Sound Health Corp	90.00	19.90
Do	Oglala Sioux Tribe		
Do	Oglala Sioux Tribe Public Safety Commission		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Pueblo de Cochiti		
Do	Seminole Tribe of Florida	2,700.00	56.00
Do	Spokane Legal Services Center	120.00	7.95
Do	Tanana Chiefs Conference, Inc.		
Do	Tohono O'odham Nation		
Karen L. Hobert, 2030 M St., NW Washington, DC 20036	Common Cause	6,133.74	99.00
Philip M. Hocker, 20 West Chapman Street Alexandria, VA 22301	Mineral Policy Center	704.00	30.00
Scott Hodes, 180 North La Salle St., #3800 Chicago, IL 60601	Investment Company Institute	15,000.00	
Deanna Hodge, 606 North Washington Street Alexandria, VA 22314	American Society for Personnel Administration	15,000.00	
Ann C. Hodges, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners and Pilots Assn	8,000.00	808.41
Sheridan T. Hodges, 23/333 Piedmont Ave. Atlanta, GA 30308	Georgia Power Company	8,070.00	473.79
Glen D. Hofer, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
Irvin A. Hoff, 20 N. Live Oak Rd. Hilton Head Island, SC 29928	U.S. Cane Sugar Refiners' Assn		
Gail Hoffman, 1225 Eye St., NW #1100 Washington, DC 20005	Handgun Control, Inc	9,461.52	
William L. Hoffman, 516 First Street, SE Washington, DC 20003	American University of Beirut	11,856.00	4,183.63
F. Nordy Hoffmann and Assoc, Inc, 400 N. Capitol St., NW, #327 Washington, DC 20001	Archer Daniels Midland Company		
Do	Coca-Cola Company		
Do	Marine Engineers' Beneficial Assn		
Do	Wilmorite, Inc		
Elizabeth Hogan, 1133 19th St., NW Washington, DC 20036	MCI Communications Corp	7,000.00	310.10
Joseph Michael Hogan Jr., 1701 Clarendon Boulevard Arlington, VA 22209	American Chiropractic Assn		
Hogan & Hartson, 555 13th St., NW Washington, DC 20004-1109	American Physical Therapy Assn	3,705.00	5.75
Do	Amgen, Inc		15.00
Do	C C Distributors, Inc, et al		
Do	Caremark Homecare, Inc		
Do	Coalition of American Steel Using Manufacturers	4,580.00	686.49
Do	Dianon Systems, Inc		
Do	Freightliner Corp		
Do	Manufacturers Hanover Trust Co		
Do	May Department Stores Co		
Do	Mercedes-Benz of North America, Inc	6,130.00	10.00
Do	Mutual Life Insurance Co of New York	3,318.75	
Do	National Hospice Organization	2,299.25	97.90
Do	National Telecommunications Network	5,525.00	105.00
Do	Ontario Ministry of Industry, Trade & Technology		
Do	Payload Systems, Inc		
Do	Software Co Task Force on Foreign Market Penetration	2,000.00	24.23
Do	Telecom USA, Inc		74.43
Do	Timex Corporation	807.50	
Do	Toyota Motor Sales, USA, Inc	2,542.50	87.00
Do	Underwriters at Lloyd's London	4,387.50	115.92
Do	University of Pennsylvania		
Richard F. Hohlt, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	14,625.00	157.00
Bruce E. Holbein, 111 Powdermill Rd. (b79) Maynard, MA 01754	Digital Equipment Corp	21,000.00	
Michele O'Donnell Holbrook, 10 Lafayette Square, Rm. 900 Buffalo, NY 14203	National Fuel Gas Distribution Corp, et al	2,835.00	5,514.52
Phillip C. Holladay Jr., 1025 Connecticut Avenue, NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Holland & Knight, 888 17th St., NW, #900 Washington, DC 20006	General Development Corp	1,254.00	
Do	Indian River Citrus League	500.00	
Do	Pan American Satellite Corp	2,520.00	
Wendell M. Holloway, 815 Connecticut Ave., NW, #900 Washington, DC 20006	Ford Motor Co	2,490.00	2,455.63
Holly Corporation, 2600 Diamond Shamrock Tower 717 North Harwood Street Dallas, TX 75201			
Diane S. Holmes, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	475.00	556.23
Moses D. Holmes Jr., 1201 16th St., NW Washington, DC 20036	National Education Assn	3,155.25	58.00
E. Y. Holt Jr., 3138 North 10th St., Arlington, VA 22201	National Assn of Federal Credit Unions		
Fred H. Holt, 119 Oronoco Street Box 1417-D50 Alexandria, VA 22313	Animal Health Institute	200.00	
John W. Holt, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	350.00	
John F. Holtz, NJ Petroleum Council 150 West State Street Trenton, NJ 08608	American Petroleum Institute		
Home Recording Rights Coalition, P.O. Box 33576 1145 19th Street, NW Washington, DC 20033		30,000.00	11,033.02
Pete Homer Jr., 2015 Wyoming Blvd.. NE, Suite H Albuquerque, NM 87112			
Billy E. Hooper, 1023 15th Street NW 3rd floor Washington, DC 20005	Association of American Veterinary Medical Colleges		
Candice Shy Hooper, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	5,570.00	2,311.31
Helen Hooper, 1785 Massachusetts Avenue, NW Washington, DC 20036	National Trust for Historic Preservation	1,843.41	
Lindsay Hooper, 453 New Jersey Ave., SE Washington, DC 20003	Winburn VanScoyoc & Hooper (For:Hallmark Cards)	12,500.00	
Do	Winburn VanScoyoc & Hooper (For:Kansas City Southern Industries)		
Do	Winburn VanScoyoc & Hooper (For:KKR)		
Do	Winburn VanScoyoc & Hooper (For:Oppenheimer & Co, Inc)		
Do	Winburn VanScoyoc & Hooper (For:Philcorp)	18,750.00	
Karen A. Hoover, 211 Jefferson Davis Highway Apt. 407 Arlington, VA 22202	American Maritime Officers Service		
Marian Hopkins, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S	3,900.00	541.35
Mark Hopkins, 1925 K St., NW, #206 Washington, DC 20006	Alliance to Save Energy	343.41	
Virginia E. Hopkins, 1620 Eye St., NW, #800 Washington, DC 20006	Taft Stettinius & Hollister (For:Great American Broadcasting Co)		
Do	Taft Stettinius & Hollister (For:Kings Entertainment Co)		
Do	Taft Stettinius & Hollister (For:Telephone & Data Systems, Inc)		
Do	Taft Stettinius & Hollister (For:Wald Manufacturing Co, Inc)	548.00	
Hopkins & Sutter, Three First National Plaza, #4200 Chicago, IL 60602	Cash Station, Inc	2,313.00	11.00
Hopkins Sutter Hamel & Park, 888 16th Street, NW Washington, DC 20006	Alaska Joint Venture Seafoods, Inc		
Do	Allan Bruner (for Estate of Elsie Bruner)		
Do	Peter Buyck		
Do	Cook Inlet Land Exchange, Inc		
Do	Estate of Helen Wodell Halbach		
Do	Grand Trunk Corp	5,341.75	75.40
Do	Greenwich Capital Markets, Inc	3,905.00	125.00
Do	Louisiana Pacific Corp	29,620.00	270.00
Do	Martel Laboratory Services, Inc		25.00
Do	Safe Travel America	151.40	1.51
Do	Tandy Corporation	925.00	
Do	United Video		
Darnell K. Horio, 600 Maryland Ave., SW, #520 Washington, DC 20024	GPU Service Corporation	34.97	33.00
Robert Jack Horn, 1990 M St., NW, #480 Washington, DC 20036	Detroit Edison Company	1,250.00	40.00
Sarah Hospodor, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	1,250.00	110.18
Thomas B. House, 1764 Old Meadow Lane #350 Mclean, VA 22102	American Frozen Food Institute	1,000.00	
Jack W. Houston, 900 N. Hairston Road, Suite D Stone Mountain, GA 30083	GA Assn of Petroleum Retailers, Inc		
Hoving Group, 910 17th St., NW, #318 Washington, DC 20006	Eagle-Picher Industries, Inc	115,700.00	50,542.05
Do	Western-Southern Life Insurance	13,900.00	289.82
John Howard, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	300.00	5.00
Roger W. Howard, 3253 E. Chestnut Expressway Springfield, MO 65802	Burlington Northern Railroad		
Allynn Howe, 80 F Street, NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America		
Christopher W. Howe, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron USA, Inc	825.00	
Jonathan Howe, 1200 18th Street NW, #200 Washington, DC 20036	National Business Aircraft Assn	1,250.00	540.00
Gary Howell, 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments, Inc	300.00	
J. William Howell, 1801 K St., NW, #1200 Washington, DC 20006	International Business Machines Corp	93.50	
James P. Howell, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	1,417.00	
Mary Lynch Howell, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	1,500.00	280.00
Dwight A. Howes, 1819 L Street, NW, #800 Washington, DC 20036	Consolidated Natural Gas Service Company, Inc	800.00	343.81
John A. Howes, 1016 16th St., NW, 5th Floor Washington, DC 20036	Consumers Power Co	6,000.00	6,998.00
Clifford T. Howlett Jr., 1875 Eye St., NW, #400 Washington, DC 20006	Georgia-Pacific Corp	5,400.00	
Paul R. Huard, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	4,225.00	
John J. Huber, 2200 Mill Road, #600 Alexandria, VA 22314	Interstate Truckload Carriers Conference		
Walter D. Huddleston, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates, Inc (For:Brown & Williamson Tobacco Corp)		
Do	Hecht Spencer & Associates, Inc (For:BATUS, Inc)		
Margaret Renken Hudson, 600 Maryland Avenue, SW, #700 Washington, DC 20024	National Fed of Independent Business	3,401.75	300.00
Stewart Hudson, 1412 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	4,070.09	
Thomas H. Hudson, P.O. Box 2787 Baton Rouge, LA 70821	Louisiana State University Foundation		6,000.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Madison Public Affairs Group, Inc		16,059.04
Do	United Gas Pipe Line Company		4,082.88
Dana Hughes, 122 C Street, NW, 4th Fl. Washington, DC 20001	Children's Defense Fund		
Gary E. Hughes, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
James R. Hughes, 1020 19th St., NW, #700 Washington, DC 20036	U S West, Inc	2,000.00	
Richard H. Hughes, P.O. Box 880 Valley Forge, PA 19482	Avtex Fibers, Inc		
Sharon M. Hughes, 1735 I St., NW, Suite 704 Washington, DC 20006	National Council of Agricultural Employers	700.00	200.00
Vester T. Hughes Jr., 1717 Main Street, Suite 2800 Dallas, TX 75201	Mrs. H. E. Butt		
Do	Holly Corp		
Do	Sammons Enterprises, Inc		
William Hughes, 1023 15th Street, NW, #300 Washington, DC 20005	National Assn of Federal Veterinarians	23.97	
Helen P. Hull, 1111 19th Street, NW, #303 Washington, DC 20036	Southern California Edison Company	1,425.00	1,500.00
R. Theodore Hume, 1333 New Hampshire Ave., NW Washington, DC 20036	Beveridge & Diamond, P.C. (For:Pacific Dunlop - GNB)		
Do	Philippine Food Processors and Exporters Organization		
Gregory A. Humphrey, 555 New Jersey Ave., NW Washington, DC 20001	American Fed of Teachers	17,671.26	800.00
Margot Smiley Humphrey, 1150 Connecticut Avenue, NW Washington, DC 20036	Koteen & Naftalin (For:Alascom, Inc)		
Do	Koteen & Naftalin (For:Telephone & Data Systems, Inc)		117.55
Frances A. Hunt, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	878.31	
Francis M. Hunt, 1776 Eye Street , N.W. Suite 575 Washington, DC 20006	Dow Chemical Co	500.00	5,546.00
Harriet Hunt-Burgess, 116 New Montgomery Street, 4th Floor San Francisco, CA 94105	Trust for Public Lands	8,269.56	5,988.45
James C. Hunter, 1747 Pennsylvania Avenue, NW, #300 Washington, DC 20006	OXY USA, Inc	92.50	112.11
Michael M. Hunter, 1600 M St., NW Washington, DC 20036	International Telephone & Telegraph Corporation	2,200.00	64.00
William N. Hunter, 2104-A Gallows Road Vienna, VA 22180	W N Hunter & Associates	2,000.00	
W. N. Hunter & Associates, 2104-A Gallows Road Vienna, VA 22180			2,000.00
Milton F. Huntington, Maine Petroleum Assn 283 Water St. Augusta, ME 04330	American Petroleum Institute		
Hunton & Williams, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20036	Edison Electric Institute	25,650.00	293.81
Adele M. Hurley, 112 St. Clair Ave., West, #401 Toronto, Ontario Canada M4V 2Y3	Canadian Coalition on Acid Rain	2,600.00	565.44
Gerard F. Hurley, 1625 I St., NW, #609 Washington, DC 20006	National Club Association		
Ronald A. Hurst, 5410 Grosvenor Lane, #210 Bethesda, MD 20814	American Medical Care & Review Assn		
Geoffrey B. Hurwitz, 1667 K St., NW, #1210 Washington, DC 20006	Rohm & Haas Co	500.00	
Michael Hussey, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,108.06
Philip A. Hutchinson, 490 L'Enfant Plaza, #7204 Washington, DC 20024	Volkswagen of America, Inc	150.00	15.00
Suzanne C. Hutchinson, 805 15th Street NW, Suite 1110 Washington, DC 20005	Mortgage Insurance Companies of America	4,000.00	609.28
James L. Hutchison, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc		
Karen Hutchison, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		
Helena C. Hutton, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	2,500.00	
Randy Huwa, 2030 M St., NW Washington, DC 20036	Common Cause	11,203.11	286.50
B. F. Hyde, Tennessee Petroleum Council 211 7th Avenue, North, 4th Fl. Nashville, TN 37219	American Petroleum Institute	250.00	
Steven M. Hyjek, 2100 Pennsylvania Ave., NW, #710 Washington, DC 20037	Sinnott Hyjek & Fix, Inc (For:Dallas/Ft. Worth International Airport)	1,125.00	55.17
Do	Sinnott Hyjek & Fix, Inc (For:Intermec Corp)	1,125.00	55.17
Do	Sinnott Hyjek& Fix, Inc (For:Port of Oakland)	1,125.00	55.17
Gary Hymel, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Asarco Inc)		
Do	Hill and Knowlton (For:Brush/Wellman)	600.00	
Do	Hill & Knowlton, Inc (For:Budd Company)		
Do	Hill & Knowlton, Inc (For:Church of Scientology International)		
Do	Hill & Knowlton, Inc (For:Colonial Williamsburg)		
Do	Hill & Knowlton, Inc (For:Hoopa Valley Business Council)		
Do	Hill & Knowlton, Inc (For:Newmont Mining Corp)		
Do	Hill & Knowlton, Inc (For:Palm Oil Registration & Authority)		
Do	Hill & Knowlton, Inc (For:Panhandle Eastern Corp)		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)		
Do	Hill & Knowlton Inc (For:Ryder Systems Inc)	1,800.00	
Do	Hill & Knowlton, Inc (For:Shaklee Corporation)		
Robert D. Hynes Jr., 1331 Pennsylvania Ave., NW Washington, DC 20004	National Broadcasting Co, Inc	1,000.00	
Brian M. Hyps, 2215 Constitution Avenue, NW Washington, DC 20037	American Pharmaceutical Assn	500.00	25.00
J. William Ichord, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Unocal Corporation		1,221.63
Richard H. Ichord, 1001 Pennsylvania Ave., NW, #850 Washington, DC 20004	AAI Corporation	287.50	50.39
Kevin J. Igli, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	10.00
Catherine L. Imus, 1112 16th Street, NW, #210 Washington, DC 20036	Braun & Company		
Independent Data Communications Manufacturers Assn, c/o Squire Sanders & Dempsey 1201 Pennsylvania Ave., NW Washington, DC 20004.		3,041.50	3,041.50
Independent Federation of Flight Attendants, 630 Third Ave., 5th Floor New York, NY 10017			16,255.37
Independent Lubricant Manufacturers Assn, 1055 Thomas Jefferson Street, NW Washington, DC 20007			1,200.00
Indiana Hi-Rail Corporation, R.R. 1 Connersville, IN 47331			
Industrial Biotechnology Assn, 1625 K Street, NW, #1100 Washington, DC 20006		1,879.17	18,779.17
Industrial Gas Cleaning Institute, Inc, 1707 L St., NW Washington, DC 20036			
Industrial Truck Association, 1750 K Street, NW, #210 Washington, DC 20006			
Industrial Union Department, AFL-CIO, 815 16th St., NW, #301 Washington, DC 20006		19,265.18	19,265.18
Infant Formula Council, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342			
Charles E. Ing, 1850 M Street, NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc	5,100.00	32.29
Edwin T. C. Ing, 2000 Pennsylvania Ave., NW, #7400 Washington, DC 20006	C. Brewer & Company, Ltd		
Do	Kamehameha Schools/Estate of Bernice P. Bishop		
Do	U.S. Windpower, Inc		
Doug Inkley, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	638.64	
Larry R. Innis, 695 Americana Drive, #23 Annapolis, MD 21403	Marine Retailers Assn of America	17,500.00	3,073.74
Institute of International Container Lessors, Bedford Consultants Building Box 605 Bedford, NY 10506			
International Advisers Inc, 2300 M Street, NW, #600 Washington, DC 20036	Embassy of Turkey	218,750.00	43,931.07
International Advisory Services Group, 1238 Wisconsin Ave., NW, #204 Washington, DC 20007	Steel Service Center Institute	7,034.25	2,344.60
International Assn of Bridge Struct & Ornamental Iron Wkrs, 1750 New York Ave., NW Washington, DC 20006		11,708.55	22,508.55
International Brotherhood of Painters & Allied Trades, 1750 New York Ave., NW Washington, DC 20006			
International Brotherhood of Teamsters, 25 Louisiana Ave., NW Washington, DC 20001			89,577.91
International Business-Government Counsellors, Inc, 818 Connecticut Ave., NW 12th Floor Washington, DC 20006	Totes, Inc	5,800.00	250.00
Do	Uniroyal Chemical Company, Inc	30,725.00	420.00
International Communications Industries Assn, 3150 Spring St. Fairfax, VA 22031		25,795.00	4,850.00
International Computaprint Corp, 475 Virginia Drive Ft. Washington, PA 19034			
International Council of Shopping Centers, 665 Fifth Ave. New York, NY 10022		42,643.00	42,643.00
International Longshoremen's Assn, AFL-CIO, 17 Battery Place, #1500 New York, NY 10004			71,920.30
International Taxicab Assn, 3849 Farragut Avenue Kensington, MD 20895			
International Union of Bricklayers & Allied Craftsmen, 815 15th St., NW Washington, DC 20005			17,756.09
Investment Company Institute, 1600 M St., NW Washington, DC 20036			48,012.43
Peter A. Iovino, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	2,275.00	1,460.10
Kathy D. Ireland, 1600 M Street, NW Washington, DC 20036	Investment Co Institute		
Charles C. Irions, 2200 Mill Rd. Alexandria, VA 22314	American Movers Conference	400.00	
Thomas L. Irmen, P.O. Box 119 Maumee, OH 43537	Andersons		
Iron Ore Lessors Assn, Inc, W-2081 First National Bank Bldg. Saint Paul, MN 55101		17,138.13	13,530.00
William Robert Irvin, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	2,526.88	
William A. Isokait, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Kenneth M. Iwashita, 29400 Lakeland Boulevard Wickliffe, OH 44092	Lubrizol Corp		
III Dimension of Indiana, Inc, 730 Century Bldg. 36 S. Pennsylvania St. Indianapolis, IN 46204	Reese Communications Cos (for: Philip Morris, USA)	500.00	25.62
INTERACT, 1350 Old Bayshore Highway, #750 Burlingame, CA 94010	American Comm for Vietnam Claims Justice		7,680.00
Dennis J. Jackman, 1850 K Street, NW, #1195 Washington, DC 20006	Schering-Plough Corp	3,650.00	3,756.00
Bobby J. Jackson, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Charles R. Jackson, 225 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	8,900.00	22,860.10
Glenn Jackson, 555 13th Street, NW, #300 West Washington, DC 20004	Interstate Natural Gas Assn of America	1,000.00	
Julia Jackson, 2626 Pennsylvania Ave., NW Washington, DC 20037	National Telephone Cooperative Assn	5,000.00	415.14
William P. Jackson Jr., Jackson & Jessup, P.C. 3426 N. Washington Boulevard Arlington, VA 22201	Osborne Truck Line, Inc, et al	975.00	1,167.50
Jeff P. Jacobs, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	1,200.00	
Stephen Jacobs, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	2,000.00	755.75
E. A. Jaenike & Associates, Inc, 777 14th St., NW, #666 Washington, DC 20005	National Cooperative Bank		
Do	University of Kansas	500.00	
Daniel L. Jaffe, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		363.35
Jaffe Snider Raitt & Heuer, P.C., 1800 First National Building Detroit, MI 48226			
Edward L. Jaffee, 1730 Rhode Island Avenue, NW, #713 Washington, DC 20036	PPG Industries, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Claudia James, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	7,500.00	541.38
Raymond K. James, 1625 Eye Street, NW, #1015 Washington, DC 20006			200.00
Jamin Ebell Bolger & Gentry, 323 Carolyn Street Kodiak, AK 99615	Old Harbor Native Corp	20,550.00	9,983.68
Japan Economic Institute of America, 1000 Connecticut Ave., NW Washington, DC 20036		1,466.00	1,466.00
Japanese American Citizens League, 1765 Sutter Street San Francisco, CA 94115			
Joseph J. Jaquay, 5025 Wisconsin Ave., NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Marc R. Jartman, c/o UNC Incorporated 175 Admiral Cochrane Drive Annapolis, MD 21401	UNC, Inc		
T. Destry Jarvis, 1800 N. Kent Street, #1120 Arlington, VA 22209	Student Conservation Association (SCA)	1,178.20	66.20
Jerry J. Jasinowski, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	2,000.00	
Jeford-McManus International, Inc, 513 Capitol Court, NE, #300 Washington, DC 20002	Aerojet-General Corp	75.00	
Do	Garber International Associates, Inc	75.00	
Do	Hazeltine Corp	75.00	
Do	ISC Defense & Space Group	100.00	
Do	John Deere Technologies, Inc	85.00	
Do	Litton Data Systems	50.00	
Do	McDonnell Douglas Corp	100.00	
Do	Piasecki Aircraft Corp	50.00	
Do	Raytheon Corp	100.00	
Joseph S. Jenckes, Suite 300 1710 Rhode Island Ave., NW Washington, DC 20036	Abbott Laboratories	5,000.00	
Jenner & Block, 21 Dupont Circle, NW Washington, DC 20036	Adhesive & Sealant Council, Inc		
Do	American Assn of Electromyography & Electrodiagonosts		
Do	American Dental Trade Assn		
Do	American Diabetes Assn		
Do	American Film Marketing Assn		
Do	American Soc for Cataract & Refractive Surgery		
Do	International Soc for Hybrid Microelectronics		
Do	MCI Communications Corp		
Do	National Glass Association		
Carole P. Jennings, 7812 12th Street, NW Washington, DC 20012	American Academy of Nurse Practitioners	6,000.00	200.00
Rusty L. Jesser, 1120 Connecticut Avenue, NW Washington, DC 20036	American Bankers Assn	4,000.00	
Nancy H. Jessick, 1331 Pennsylvania Ave., NW, #720 Washington, DC 20004	Hiram Walker & Sons, Inc		
Jet, Inc, 1100 Huntington Building Cleveland, OH 44115			
Charles B. Jiggetts, 1331 Pennsylvania Ave., NW, #1300 North Washington, DC 20004	Electronic Data Systems Corp		
Ronald P. Johnsen, 1250 Eye St., NW, #703 Washington, DC 20005	Columbia Gas System Service Corp	175.00	341.65
Calvin P. Johnson, 815 16th Street, NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,088.41	928.00
Carl T. Johnson, 1235 Jefferson Davis Highway Crystal Gateway #1, Suite 501 Arlington, VA 22202	Compressed Gas Assn/Helium Advisory Council		
David H. Johnson, 1200 17th Street, NW Washington, DC 20036	Federation of Behavioral Psychological & Cognitive Sciences		
James W. Johnson Jr., 1156 15th Street, NW, #1019 Washington, DC 20005	United States Beet Sugar Assn		
Jane Leonard Johnson, P.O. Box 19109 Greensboro, NC 27419	Unifi, Inc		
Jess Johnson Jr., 4198 Roberts Pt. Circle Sarasota, FL 34242	Shell Oil Co	15,000.00	
John W. Johnson, P.O. Box 35106 Minneapolis, MN 55435	American Collectors Assn	1,000.00	
Kenneth A. Johnson, 4524 Hillsboro Ave. North New Hope, MN 55428	Pillsbury Company		
Mark R. Johnson, 1667 K Street, NW, #350 Washington, DC 20006	Maersk, Inc	2,500.00	
Michael A. Johnson, 200 West Adams Street, #2625 Chicago, IL 60606	Sonnenberg Anderson O'Donnell & Rodriguez (For:Aplix, Inc)	2,409.00	48.00
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:Silvestri Corp)	792.00	
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:West Bend Company)	4,653.00	42.00
Rady A. Johnson, 200 East Randolph Drive P.O. Box 87703 Chicago, IL 60680-9978	Amoco Corporation		
Richard W. Johnson Jr., 225 N. Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	7,274.88	105.00
Stanley L. Johnson, 5344 29th St., NW Washington, DC 20015	Texaco, Inc		
Susan E. Johnson, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	3,760.00	548.99
Tom L. Johnson, P.O.Box 2185 Austin, TX 78768	Associated General Contractors of Texas		
Johnson & Gibbs, P.C., 100 Founders Square 900 Jackson Street Dallas, TX 75202-4499	Republic Health Corp, et al	15,349.50	8,282.50
Johnson Research Associates, 4429 Yuma Street, NW Washington, DC 20016	City of Virginia Beach	2,558.00	123.75
Barbara W. Johnston, 1700 K Street, NW, #502 Washington, DC 20006	BHP-UTAH International, Inc		
David A. Johnston, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
George A. Johnston, 2000 K St., NW, 8th Foor Washington, DC 20006	National Comm to Preserve Social Security	5,321.00	
James D. Johnston, 1660 L St., NW, #401 Washington, DC 20036	General Motors Corp	3,600.00	7,894.31
Mary K. Jolly, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,117.02	88.51
Herbert A. Jolovitz, 7531 Sebago Road Bethesda, MD 20817	Owens-Corning Fiberglas	2,400.00	
Belva W. Jones, 1101 15th St., NW, #202 Washington, DC 20005	National Assn of Margarine Manufacturers		
Beverly E. Jones, 1819 L Street, NW, #900 Washington, DC 20036	Consolidated Natural Gas Co	1,500.00	319.33
Ernest W. Jones Jr., 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Gerald R. Jones, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp		
James E. Jones Jr., 1315 Albriton Drive Dayton, OH 45408	James E. Jones		
Randall T. Jones, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	2,925.00	
T. Lawrence Jones, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20006	Marsh & McLennan Cos, Inc		
Theodore L. Jones, 412 First St. SE, #60 Washington, DC 20003	Hartford Group		
Do	Lafourche Telephone Company, Inc		
Do	Maxicare Health Plans, Inc		
Do	South Central Bell Telephone		
Do	United Companies Life Insurance Companies		
Do	Zapata Corporation		
Do	Zapata Gulf Marine Corp		
Wiley N. Jones, 816 Connecticut Ave., NW, 8th Floor Washington, DC 20006	Southern Pacific Transportation Co	1,000.00	500.00
William Patrick Jones, 1010 Duke Street Alexandria, VA 22314	American Assn of Port Authorities	10,625.00	2,000.00
Jones Day Reavis & Pogue, 1450 G Street, NW, #600 Washington, DC 20005-2088	AmeriTrust Co, Nat'l Assn		
Do	Castle-Harlan Inc		
Do	Centex Corp		
Do	Chevy Chase Savings Bank	12,795.75	
Do	Cleveland Cliffs Iron Co		
Do	Consumers for Competitive Fuels	5,653.50	30.00
Do	Consumers United for Rail Equity (C.U.R.E.)		
Do	Empire of America Federal Savings Bank	33,242.93	
Do	Fairfield Communities Inc		
Do	Greyhound Lines, Inc		
Do	Health Policy Coalition		
Do	Heron International, Ltd	5,617.00	18.00
Do	Kentucky Utilities		
Do	Laurel Industries, Inc		
Do	Marathon Oil Co	1,687.50	
Do	Morgan Grenfell & Co, Ltd	1,743.75	
Do	National Beer Wholesalers Assn	838.00	6.00
Do	Pfizer, Inc	1,590.00	40.00
Do	Preussag A.G.	2,334.25	
Do	RJR Nabisco, Inc		
Do	Southern California Edison Company		
Do	Standard Federal Savings Bank	1,435.00	
Do	United Savings of America		
Do	USAA Federal Savings Bank		
G. Harris Jordan, 1575 Eye Street, NW Washington, DC 20005	American Soc of Assn Executives	300.00	
Patricia Jordan, 1730 Rhode Island Ave., NW, #400 Washington, DC 20036	Berg-Revoir Corp	400.00	
Do	City of Alhambra	91.66	
Do	City of Baldwin Park		
Do	City of Inglewood	145.00	
Do	Ferguson Company (For:City of Livermore, California)		
Do	City of Oceanside	116.66	
Do	City of Provo		
Do	City of Redondo Beach	240.00	
Do	City of Santa Ana	275.00	
Do	City of South Salt Lake		
Do	Gavin Associates		
Do	Imperial Irrigation District		
Do	Irvine Company		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Long Beach Transit	200.00	
Do	Oceanside Redevelopment Agency	58.33	
Do	Ferguson Company (For:Oceanside Small Craft Harbor)	16.66	
Do	Santa Cruz Properties, Inc		
Do	Ferguson Company (For:VIA Metropolitan Transit)		86.01
Ray Jordan, RR 6 Box 147 Starkville, MS 39759	Roy Jordan	500.00	
David C. Jory, 1275 Pennsylvania Ave., NW, #503 Washington, DC 20004	Citibank, N.A.	500.00	
John J. Joyce, 25 Louisiana Ave., NW Washington, DC 20001	International Brotherhood of Teamsters	3,000.00	
Ardon B. Judd Jr., 1100 Connecticut Ave., NW, #310 Washington, DC 20036	Dresser Industries, Inc		
Amy E. Judy, 2030 M St., NW Washington, DC 20036	Common Cause	5,479.51	
Robert E. Juliano Associates, 2555 M Street, NW, #303 Washington, DC 20037	American Express Co	15,000.00	
Do	ADAPSO, Inc		
Do	Hotel Employees & Restaurant Employees Int'l Union	29,750.00	680.38
Do	International Speedway Corp	9,000.00	
Do	National Academies of Practice	11,000.00	
Do	Stock Information Group	15,000.00	
Justice Fellowship, P.O. Box 17181 Washington, DC 20041			
Sherry F. Kaiman, 122 C Street, NW, #875 Washington, DC 20001	Robert A. Rapoza Associates (For:National Rural Health Assn)	9,624.99	
Marilyn Kalusin, 7300 NW 35th Terrace, # 105 Miami, FL 33122	Cuban American Foundation		
Donald J. Kaniewski, 905 16th St., NW Washington, DC 20006	Laborers' Intl Union of North America, AFL-CIO	12,924.99	446.00
Dennis R. Kanin, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	Cambridge Redevelopment Authority	7,998.00	1,319.90
Do	Humane Society of the U.S., et al.	3,891.50	1,242.59
Do	Iriquois Gas Transmission Systems	5,074.00	416.07
Martin B. Kanner, 2301 M St., NW Washington, DC 20037	American Public Power Assn	4,000.00	
S. Steven Karalekas, 1250 Connecticut Avenue, NW, #318 Washington, DC 20036	Karalekas & McCahill (For:Firestone Tire & Rubber Co, et al.)	1,200.00	18.00
Do	Karalekas & McCahill (For:Gates Rubber Company)	3,600.00	10.00
Do	Karalekas & McCahill (For:National Agriculture Aviation Assn)	3,000.00	12.75
David A. Karcher, 3702 Pender Drive, #250 Fairfax, VA 22030	American Soc of Cataract & Refractive Surgery		3,400.00
Gene Karpinski, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	7,269.24	
Peter J. Kassander, 412 Fifth Street, SE, #1 Washington, DC 20003	Seattle Organizing Committee, 1990 Goodwill Games	2,000.00	
George Kassouf, 600 New Jersey Ave., NW Washington, DC 20001	Alliance for Justice	1,840.63	
Michael E. Kastner, 1350 New York Ave., NW, #800 Washington, DC 20005-4797	National Truck Equipment Assn	3,000.00	289.05
Robert C. Kaufmann, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc		
Everett E. Kavanaugh, 1110 Vermont Ave., NW, #800 Washington, DC 20005	Cosmetic Toiletry & Fragrance Assn, Inc		
Richard F. Keating, 1211 Connecticut Ave., NW, #502 Washington, DC 20036	Anheuser-Busch Companies, Inc		
Keck Mahin & Cate, 1201 New York Ave., Penthouse Washington, DC 20005	American Assn for Marriage & Family Therapy		
Do	General Instrument Corporation		
Robert J. Keefe, 444 N. Capitol Street, #711 Washington, DC 20001	Keefe Company (For:Alarm Industry Communications Committee)		
Do	TKC International (For:International Public Relations Co, Ltd)		
Do	Keefe Co (For:Sanders Associates, Inc)		
Do	TKC International (For:UNIAO Nacional Para Independencia Total DeAngola)		
Do	Keefe Company (For:Westinghouse Electric Corp)		
J. Michael Keeling, Zuckert Scoutt & Rasenberger 888 17th Street, NW, #600 Washington, DC 20006	American Truck Dealers	551.25	
Do	ESOP Association of America	3,600.00	
Do	National Assn of Royalty Owners, Inc	369.00	
Do	Small Business Council of America		
Keith Keeney, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342	Robert H. Kellen Co (For:Calorie Control Council)		
Robin E. Keeney, 1828 L Street, NW, #705 Washington, DC 20036	American Land Title Assn	2,300.00	
Kendell W. Keith, 725 15th Street, NW Washington, DC 20005	National Grain & Feed Assn		
Jay C. Keithley, 1875 Eye Street, NW, #1250 Washington, DC 20006	United Telecommunications, Inc	6,062.00	
William D. Kelleher, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,500.00	
Robert H. Kellen, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 20342	Robert H. Kellen Co (For:Calorie Control Council)		
Keller & Heckman, 1150 17th Street, NW, #1000 Washington, DC 20036	Specialty Advertising Assn Int'l	300.00	30.00
John T. Kelley, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	500.00	
Paul J. Kelley, 2727 North Central Ave. Phoenix, AZ 85004	U-Haul Intl, Inc	4,000.00	
Kelley Drye & Warren, 2300 M Street, NW Washington, DC 20037	City of Baltimore	3,999.99	3,999.99
Do	Coalition to Preserve the Low Income Housing Tax Credit	1,011.20	65.00
Do	Council for Rural Housing & Development	500.00	
Do	Cushman & Wakefield	213.00	8.00
Do	Fuji Electric Co, Ltd		
Do	Great Western Financial Corporation	7,170.00	239.00
Do	GA Technologies, Inc		
Do	National Glass Assn	300.00	300.00
Do	National Independent Automobile Dealers Assn	3,600.00	3,600.00
Do	National Leased Housing Assn	500.00	
Do	Tokyo Electric Co, Ltd		
Do	U.S. League of Savings Assns	827.00	
Joseph T. Kelliher, 410 First St., SE Washington, DC 20003	American Nuclear Energy Council	2,430.00	1,198.54
Stephen S. Kellner, 1001 Connecticut Ave., NW, #1120 Washington, DC 20036	Chemical Specialties Manufacturers Assn, Inc		
Carol A. Kelly, 1700 Pennsylvania Ave, #525 Washington, DC 20006	Equitable Financial Companies	675.00	48.00
Donald E. Kelly, Public Affairs Office 600 New Hampshire Ave., NW, #1111 Washington, DC 20037	Society of Real Estate Appraisers	1,750.00	
Edward L. Kelly, 1319 F Street, NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
Ernest B. Kelly III, 950 L'Enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp	1,500.00	110.15
Harold V. Kelly, 1025 Thomas Jefferson St., NW, #511 W. Washington, DC 20007	LTV Corporation		
John F. Kelly, 1828 L Street, NW # 906 Washington, DC 20036	Merrill Lynch & Co, Inc	2,000.00	
Paul T. Kelly, 1701 Clarendon Boulevard Arlington, VA 22209	American Chiropractic Assn		
Susan N. Kelly, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))	406.00	7.08
William N. Kelly, Norwest Center- Sixth and Marquette Minneapolis, MN 55479-1032	Norwest Corporation		2,095.21
Mark L. Kemmer, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	2,500.00	3,635.34
Coletta Kemper, 1401 New York Avenue, NW, #720 Washington, DC 20005	National Assn of Insurance Brokers, Inc		
Jackson Kemper Jr., 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202	Diagnostic/Retrieval Systems, Inc	8,750.00	
Jonathan Kempner, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	National Multi Housing Council	3,180.00	3,180.00
Kendall & Associates, Inc, 50 E St., SE Washington, DC 20003	ALC Communications Corp	500.00	
Do	Hogan & Hartson (for Timex Group, Ltd)		
Do	Hogan & Hartson (for Volume Shoe Corp)		
Do	Manville Corporation	750.00	
Do	Perkinson and Associates		
Do	Rose Communications		
Do	Toyota Motor Sales, USA, Inc	1,000.00	
Do	Worldwide Information Resources, Inc		
Melanie Kenderdine, 5 Tudor City Place New York, NY 10017	National Machine Tool Builders Assn	5,000.00	
John Kendrick, 1000 Wilson Blvd., #2800 Arlington, VA 22209	Grumman Corporation	625.00	871.12
Sabastian Kenight, 1994-A Woodward Ave., #312 Bloomfield Hills, MI 48013	KF, Inc (For:AFGE - Alliance for Local 1658)		
Stephanie Kennan, 2000 L Street, NW, #200 Washington, DC 20036	American Assn of Retired Persons		
Joseph W. Kennebeck, 490 L'enfant Plaza, SW, #3210 Washington, DC 20024	Volkswagen of America, Inc	350.00	50.00
David Kennedy, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners and Pilots Assn	5,000.00	410.39
James J. Kennedy Jr., 400 First St., NW, #804 Washington, DC 20001	Railway Labor Executives' Assn	11,250.00	
Maureen Kennedy, 122 C Street, NW, #875 Washington, DC 20001	Robert A. Rapoza Associates (For:Local Initiatives Support Corp)	3,420.00	
Michael E. Kennedy, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Patricia Kennedy, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corporation	2,100.00	350.00
Robert P. Kennel, 12500 Fair Lakes Circle, #260 Fairfax, VA 22033	National Wood Energy Assn, Inc		
Do	Ultrasystems, Inc		
Erica G. Kenney, 499 South Capitol St., SW, #520 Washington, DC 20003	Petroleum Marketers Assn of America	1,250.00	
Jeremiah J. Kenney Jr., 1100 15th Street, NW, #1200 Washington, DC 20005	Union Carbide Corp		
Edward B. Kenney & Associates, Inc, 499 S. Capitol St., SW, #520 Washington, DC 20003	Lockheed Aeronautical Systems Co	300.00	74.20
Brendan Kenny, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	5,050.00	512.73
J. H. Kent, Kent & O'Connor, Inc 1825 K Street, NW, #305 Washington, DC 20006	American Soc of Plastic & Reconstructive Surgery	5,000.00	2,512.02
Do	American Supply Association	3,000.00	765.86
Do	International Assn of Airport Duty Free Stores	4,162.50	2,083.12
Do	National Customs Brokers & Forwarders Assn of America	5,800.00	2,955.31
Elizabeth Kepley, 601 Pennsylvania Ave., NW, #901 Washington, DC 20004	Focus on the Family	9,874.98	
Vytautas Kerbelis, P.O. Box 336 Seal Harbor, ME 04675	ARAS		
Michael L. Kerley, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	4,103.00	204.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Susan Akers Kernus, 1330 Connecticut Ave., NW, #300 Washington, DC 20036	Synthetic Organic Chemical Manufacturers Assn, Inc	1,000.00	55.20
Suzanne S. Kerr, 305 7th Street, SE, #204 Washington, DC 20003	Women's Action for Nuclear Disarmament, Inc, et al	1,384.62	
Michael J. Kerrigan, 1925 K Street, NW, #504 Washington, DC 20006	Smokeless Tobacco Council, Inc		
Richard S. Kessler, 250 Tenth Street, SE Washington, DC 20003	Joseph E. Seagram & Sons, Inc		
Dale Rodney Ketcham, 1980 N. Atlantic Ave., #918 Cocoa Beach, FL 32931			
Robert M. Ketchel, 1331 Pennsylvania Ave., NW, #895 Washington, DC 20004	General Electric Co	500.00	
Gilbert W. Keyes, P.O. Box 3999 (Mail Stop 8c-68) Seattle, WA 98124	Boeing Aerospace Co		
G. Chandler Keys III, 1301 Pennsylvania Avenue, NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Richard F. Kibben, 200 Park Ave., #2222 New York, NY 10166	Business Roundtable		
William S. Kies, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	200.00	
Ingolf N. Kiland Jr., 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	3,761.20
Brian M. Kilbury, 815 16th St., NW, #511 Washington, DC 20006	Transportation - Communications Union	3,000.00	
Thomas J. Kilcline, 201 North Washington Street Alexandria, VA 22314	Retired Officers Assn	865.50	
Maryann Kilduff, 2000 M St., NW, #230 Washington, DC 20036	Telocator Network of America	1,132.00	40.00
John J. Killeen, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Mary K. Killorin, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	2,500.00	
Eun Sang Kim, 1030 15th Street, NW, #776 Washington, DC 20005	Korea Foreign Trade Assn	600.00	570.00
Phillips Kimball Jr., 8224 Old Courthouse Road Vienna, VA 22180	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Richard H. Kimberly, 1201 Pennsylvania Avenue, NW, #730 Washington, DC 20004	Kimberly-Clark Corp	1,966.25	105.17
Kimberly-Clark Corp, Texas Commerce Bank Building 545 E. Carpenter Freeway Irving, TX 75062-3931			2,718.59
James L. Kimbie, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036	American Insurance Assn		
Aubrey C. King, 1133 21st Street, NW Washington, DC 20036	Travel & Tourism Gov't Affairs Council	2,000.00	
Lewis O. King, P.O. Box 10045 Austin, TX 78766	National Guard Assn of Texas	7,000.00	107.11
W. Russell King, 50 F St., NW, #1050 Washington, DC 20001	Freeport McMoran D.C., Inc	5,000.00	75.87
King & Spalding, 1730 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Alabama State Docks Department		
Do	Antitrust Remedies Reform Group, et al		
Do	Camberent Financial Group		
Do	Charter Medical Corp		
Do	Fuqua Industries, Inc		
Do	Generic Pharmaceutical Industry Assn		
Do	GPIA-Animal Drug Alliance	1,617.00	25.00
Do			
Do	Lincoln Property Co, et al		
Do	Mercer University		
Do	National Assn of Bond Lawyers		22.69
Do	National Pharmaceutical Alliance	475.00	6.00
Do	National Strategies and Marketing Group		
Do	Trammell Crow Co		
Do	West Point-Pepperell, Inc		
King Shapiro Cohen & Young, 3100 Breckinridge Blvd., Bldg. 1200 Duluth, GA 30136	A. L. Williams Corp		
Ruby King-Williams, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
Kathleen N. Kingscott, 1801 K Street, NW, #1200 Washington, DC 20006	IBM Corp	5,775.00	389.52
Daniel T. Kingsley, 1655 N. Fort Myer Dr., #700 Arlington, VA 22209	National Venture Capital Association		
Roger P. Kingsley, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
Janie A. Kinney, 1615 L Street, NW, #1320 Washington, DC 20036	Merck & Co, Inc	575.00	175.00
Cecilia Anne Kirby, 1201 New York Ave., NW Washington, DC 20005	American Hotel & Motel Assn	1,650.52	
John R. Kirk, Bingham, Dana & Gould 150 Federal Street Boston, MA 02110	First National Bank of Boston		
Sharon Kirk, 1730 Rhode Island Ave., NW.——#1000 Washington, DC 20036	National Solid Wastes Management Assn	200.00	
Kirkland & Ellis, 655 15th Street, NW, #1200 Washington, DC 20005	Corning Glass		
Do	General Motors Corp	8,000.00	
Do	Service Master	17,336.00	
Do	Valhi, Inc	14,448.00	
Kirkpatrick & Lockhart, 1800 M St., NW, S. Lobby, #900 Washington, DC 20036	H. F. Ahmanson & Co		
Do	American Chipper Knife Coalition	380.00	
Do	Asociacion de Bancos de Ahorro de Puerto Rico	3,344.50	
Do	Columbia Pictures Industries, Inc	315.00	
Do	Federal Home Loan Bank of Boston	5,910.34	
Do	Federal Home Loan Bank of Cincinnati	5,910.34	
Do	Federal Home Loan Bank of New York	5,910.34	
Do	First Federal Savings Bank of Puerto Rico		
Do	Goldman Sachs & Co	28.00	
Do	Grocery Manufacturers of America, Inc		
Do	Midlantic Corp		
Do	Tuscaloosa Steel Corp	860.00	
Kirlin Campbell & Keating, One Farragut Square South Second Floor Washington, DC 20006	Council of European & Japanese National Shipowners' Assn		213.60
Robert A. Kirshner, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	500.00	
Mary Brice Kirtley, 888 17th Street, NW, #300 Washington, DC 20006	ConAgra, Inc	600.00	
David M. Kiser, 1919 Pennsylvania Ave., NW, #705 Washington, DC 20006	Eastman Kodak Co	250.00	72.00
Jon Kiser, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
Sam Kito Jr., P.O. Box 210575 Anchorage, AK 99521-0575	Kito, Inc (For:North Slope Borough)	3,000.00	5,322.21
Do	Kito, Inc (For:Sealaska Corporation)	23,937.50	4,933.55
Sandra D. Kjellberg, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Research & Industrial Development	2,697.00	610.00
Dean Kleckner, 225 Touhy Avenue Park Ridge, IL 60068	American Farm Bureau Federation	3,575.00	
Kline & Knopf, Inc, 355 N. 21st Street, #303 Camp Hill, PA 17011	General Public Utilities Corp		
Jeffery L. Klinger, 122 C Street, NW, #240 Washington, DC 20001	Peabody Holding Company, Inc		161.38
Mary Jane Klocke, 1025 Connecticut Ave., NW Washington, DC 20036	Shell Oil Co	500.00	
David M. Klucsik, 1415 Wyckoff Road Wall, NJ 07719	New Jersey Natural Gas Co		
Glenn Knapp, 773 Dartmouth Ave. San Carlos, CA 94070			
John A. Knebel, 1920 N Street, NW, #300 Washington, DC 20036	American Mining Congress	310.00	168.00
Peter E. Knight, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	16,000.00	2,070.11
Knights of Columbus, 1275 Pennsylvania Ave., NW, #501 Washington, DC 20004-2404			4,412.50
Kevin T. Knobloch, 1616 P Street, NW, #310 Washington, DC 20036	Union of Concerned Scientists	6,250.00	30.00
Keith R. Knoblock, 1920 N St., NW Washington, DC 20036	American Mining Congress	60.00	20.50
Albert B. Knoll, 555 13th Street, NW, #1010 East Washington, DC 20004-1109	Sun Co, Inc	2,000.00	937.53
Mark S. Knouse, 555 Thirteenth Street, NW, #450 West Washington, DC 20004	Union Pacific Corporation	13,750.00	326.03
C. Neal Knox, Neal Knox Associates Box 6537 Silver Spring, MD 20906		10,000.00	650.00
Bradley R. Koch, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	127.85	
George W. Koch, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	216.00	
David G. Koenig, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc	60.00	
Gary J. Kohn, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	59.34	74.13
Joseph M. Kolar, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffit & Wood (For:Ranieri Wilson & Co, Inc)	200.00	16.00
Stanley E. Kolbe Jr., 305 4th Street, NE Washington, DC 20002	Sheet Metal & Air Conditioning Contractors National Assn		317.50
Michael S. Koleda, 1225 Eye St., NW, #320 Washington, DC 20005	Council on Alternate Fuels		
Ann Kolker, 1616 P Street, NW, #100 Washington, DC 20036	National Women's Law Center		43.00
Diane J. Koller, 1101 17th St., NW, #600 Washington, DC 20036	American Airlines, Inc	2,500.00	273.83
Nicholas Kominus, 1001 Connecticut Ave., NW Washington, DC 20036	U.S. Cane Sugar Refiners' Assn		77.33
Koniag, Inc, 4300 B Street, #407 Anchorage, AK 99503			62,334.00
Stephen Koplan, 1455 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Joseph E. Seagram & Sons, Inc	1,600.00	
George S. Kopp, 2121 K Street, NW, #650 Washington, DC 20037	Global USA, Inc (For:Earth Observation Satellite Company (EOSAT))	14.42	
Steven Kopperud, 1701 N. Ft. Myer Drive Arlington, VA 22209	American Feed Industry Assn	3,240.00	
Kerrill K. Kornegay, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	2,093.00	2,430.76
Paul A. Korody Jr., 888 17th Street, NW, #300 Washington, DC 20006	ConAgra, Inc	2,500.00	
Ronald W. Kosh, 8111 Gatehouse Road Falls Church, VA 22047	AAA Potomac		
Marilyn S. Koss, 600 New Hampshire Ave., NW Washington, DC 20037	New York Life Insurance Company	316.00	178.91
Kostmayer Communications, Inc, 2300 M Street, NW #920 Washington, DC 20037	Coalition for Auto Repair Choice	247.50	289.99
Do	Coalition of American Steel Using Manufacturers	270.00	1,206.13
Gerald J. Kovach, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	2,000.00	26,434.74
Kenneth S. Kovack, 815 16th St., NW, #706 Washington, DC 20006	United Steelworkers of America	12,095.87	
Mylio S. Kraja, 1608 K St., NW Washington, DC 20006	American Legion	4,056.00	764.25
Joseph H. Kramer III, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Budd Company)		
Do	Hill & Knowlton, Inc (For:HTB Corporation)		
Stephen W. Kraus, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	1,000.00	
Raymond R. Krause, 3771 Pillsbury Center Minneapolis, MN 55402	Pillsbury Company	1,500.00	508.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Robert S. Krebs, 8111 Gatehouse Road Falls Church, VA 22042	AAA Potomac		
Earl R. Kreher, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	235.57	
Hugh A. Krentz, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Canadian Institute of Steel Construction		
Krivit & Krivit, P.C., 50 E Street, SE Washington, DC 20003	City of St. Petersburg, Florida	1,200.00	130.00
Kroger Company, 1014 Vine St. Cincinnati, OH 45201			6,252.29
Krooth & Altman, 2101 L Street, NW, #210 Washington, DC 20037	Healthcare Financing Study Group		
Robin L. Kropf, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	25.00	
Keith R. Krueger, 1527 Wisconsin Avenue, NW Washington, DC 20007	Tele-Systems Assn, Inc	900.00	166.50
Do	US West Communications	9,000.00	761.76
Paul R. Kruse, 1155 15th St., NW, #600 Washington, DC 20005-2770	Pennzoil Co	625.00	
James S. Krzyminski, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
M. J. Kuehne, P.O. Box 11346 Tacoma, WA 98411	Northwest Independent Forest Manufacturers	2,500.00	875.00
Thomas R. Kuhn, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	2,498.10	
Ester Kurz, 440 First Street, NW, 6th Floor Washington, DC 20001	American Israel Public Affairs Comm	22,350.00	
James M. Kuszaj, P.O. Box 31608 Raleigh, NC 27615	Dow Chemical USA		
Kutak Rock & Campbell, 1101 Connecticut Ave., NW, #1000 Washington, DC 20036	America First		2,764.64
Do	Capital Markets Assurance Corporation		
Do	Financial Security Assurance	1,486.25	118.47
Do	Municipal Bond Insurance Assn		283.42
Peter Kyros, Kurrus & Kirchnerway 1055 Thomas Jefferson St., NW, #418 Washington, DC 20007	Cooperative of American Physicians, Mutual Protection Trust		
Do	Uniformed Services Disabled Retirees		
John R. Kyte, 201 Massachusetts Avenue, NE, #5 Washington, DC 20002	BMc Strategies, Inc	2,250.00	3,995.17
James La Sala, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Labor Bureau, Inc, 1101 15th Street, NW, #1010 Washington, DC 20005			
Labor Policy Assn, Inc, 1015 15th St., NW, #1200 Washington, DC 20005			
Laborers' Intl Union of North America, AFL-CIO, 905 16th St., NW Washington, DC 20006			32,410.89
Joseph L. Lach, 1625 K Street, NW, #750 Washington, DC 20006	Manville Corp	1,000.00	
Kathryn Ann Lachelt, 1615 L Street, NW, #950 Washington, DC 20036	Foley Hoag & Eliot (For:United Savings Bank)	924.00	
Marc E. Lackritz, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	12,500.00	210.88
John D. Lacopo, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004	EDS Corporation		
Robert A. Ladig, Scott Plaza Philadelphia, PA 19113	Scott Paper Co	2,850.00	1,222.02
Myron F. Laible, 1212 New York Ave., NW #1210 Washington, DC 20005	Outdoor Advertising Assn of America, Inc		
Robert Lamb, 1627 Eye St., NW Washington, DC 20006	McGuire Woods Battle & Boothe (For:Armstrong World Industries, Inc)	5,000.00	
Do	McGuire Woods Battle & Boothe (For:Combined Sewer Overflow)	5,000.00	
Do	Doe Run Company	5,000.00	
Do	James River Corp	5,000.00	
Do	National Paint & Coatings Assn	5,000.00	
Do	Occidental Chemical Corp	5,000.00	
Do	Occidental Petroleum Corp	5,000.00	
Do	Sun Company, Inc	5,000.00	
David F. Lambert III, 1401 New York Ave., NW, #720 Washington, DC 20005	National Assn of Insurance Brokers, Inc		
David P. Lambert, 1800 K St., NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
David R. Lambert, 1030 15th St., NW, #964 Washington, DC 20005	American Seed Trade Assn	6,000.00	
Stephen K. Lambright, One Busch Place St. Louis, MO 63118	Anheuser-Busch Companies, Inc		
Martha D. Lamkin, P.O. Box 3005 Columbus, IN 47202	Cummins Engine Co, Inc	481.00	
Henry Lancaster Inc, 550 West Seventh Ave., #1395 P.O. Box 10-3461 Anchorage, AK 99510	BP Exploration (Alaska), Inc	15,000.00	25,615.76
Ray H. Lancaster, 1331 Pennsylvania Ave., NW, #565 Washington, DC 20004	Texas Gas Transmission Corp	3,000.00	39.53
L. Charles Landgraf, 1333 New Hampshire Avenue, NW Washington, DC 20036	Leboeuf Lamb Leiby & MacRae	185.00	10.00
Thomas M. Landin, P.O.Box 7929 One Franklin Plaza Philadelphia, PA 19101	SmithKline Beckman Corp		
Landis Cohen Rauh & Zelenko, 1019 19th St., NW, #500 Washington, DC 20036	American Soc of Composers Authors & Publishers		
Do	National Council for Japanese American Redress	3,700.00	
Do	NFL Players Association	7,000.00	
Maria Landolfo, 1126 16th St., NW Washington, DC 20036	Int'l Union of Electronic Electrical Sal Mach & Furn Workers	12,235.00	184.20
David W. Landsidle, 1710 Rhode Island Avenue, NW, #300 Washington, DC 20036	Abbott Laboratories	4,000.00	6.75
Scott H. Lane, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,300.00	
William C. Lane, 100 N.E. Adams Street Peoria, IL 61629-1460	Caterpillar, Inc	1,375.00	2,586.95
Adrienne C. Lang, 1111 14th Street, NW, #501 Washington, DC 20005	American Soc of Anesthesiologists	5,000.00	
Roger W. Langsdorf, 1600 M Street, NW Washington, DC 20036	ITT Corporation	5,000.00	30.00
Robin W. Lanier, 1000 Connecticut Ave., NW Washington, DC 20036	National Retail Merchants Assn	4,000.00	89.00
George D. Lapointe, 444 North Capitol Washington, DC 20001	International Assn of Fish and Wildlife Agencies	12,220.88	206.16
Peter J. Larkin, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	200.00	
Richard Eugene Larochelle, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	250.00	
Mary Ellen Larson, 1420 King Street Alexandria, VA 22314-2715	National Soc of Professional Engineers	1,250.00	
Reed E. Larson, 8001 Braddock Road, #600 Springfield, VA 22160	National Right to Work Committee		
Latham & Watkins, Sears Tower, #5800 Chicago, IL 60606	Ocenco, Inc	510.28	
Delbert L. Latta, 516 Hillcrest Dr. Bowling Green, OH 43402	Calderon Automation, Inc	7,375.00	2,564.70
Do	M.G. Zorkin	1,000.00	325.10
Theodore A. Lattanzio, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America		
Richard A. Lauderbaugh, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn		
Daniel Lauwers, 1840 Wilson Blvd Arlington, VA 22201	National Milk Producers Federation	2,080.00	
Lorraine Lavet, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,100.00	61.00
Charles B. Lavin Jr., 7101 Wisconsin Ave., #1390 Bethesda, MD 20814	Alarm Industry FCC Frequency Advisory Committee		
Do	Central Station Electrical Protection Assn		
Do	National Burglar & Fire Alarm Assn, Inc		
Law Offices of Peter L. Eleey, 304 Victory Road Marina Bay, MA 02171	Dana Farber Cancer Institute	7,500.00	2,673.20
Do	Fox Chase Cancer Center	7,500.00	2,673.20
Do	Fred Hutchinson Cancer Research Center	7,500.00	2,673.20
Do	Kenneth Norris Jr. Comprehensive Cancer Center	7,500.00	2,673.20
Do	Roswell Park Memorial Institute	7,500.00	2,673.20
Lloyd R. Lawrence Jr., Bob Lawrence & Associates 803 Prince Street Alexandria, VA 22314	Valmont Industries, Inc	12,500.00	400.00
Bob Lawrence & Associates, 803 Prince St. Alexandria, VA 22314	Mechanical Technology Incorporated	18,000.00	400.00
Elizabeth Lawson, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S.	5,029.16	62.40
Janie L. Lawson, 1025 Connecticut Avenue, NW, #200 Washington, DC 20036	Shell Oil Co		
Keith Lawson, 1600 M Street, NW Washington, DC 20036	Investment Company Institute		
Laxalt Corporation, 1455 Pennsylvania Ave., NW, #985 Washington, DC 20004	Mesa Limited	2,000.00	
Do	Milliken & Co		
Do	Motion Picture Assn of America, Inc	1,500.00	
Laxalt Washington Perito & Dubuc, 1120 Connecticut Ave., NW Washington, DC 20036	American College of Neuropsychopharmacology	868.00	
Do	Appraisal Foundation	192.50	
Do	AVW Electronic Systems, Inc		
Do	BTS Development Corp		
Do	City of Oakland		
Do	Government of Antigua		
Do	Greenebaum & Rose		
Do	Home Group	315.00	
Do	Martin Marietta Corporation		
Do	Nordisk-USA	800.00	
Do	Optur	1,250.00	
Do	Standard Federal Savings Bank	325.50	
Do	Yukon Pacific Corp		
Sandra L. LaFevre, 1819 L St., NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
Sally Ann LaHue, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	13,125.00	133.29
Wayne R. LaPierre Jr., 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	2,112.50	2,000.00
Clifford C. LaPlante, 1331 Pennsylvania Avenue, NW, #700-S Washington, DC 20004	General Electric Co	1,700.00	
Joseph A. LaSala Jr., 555 13th Street, Suite 450 West Columbia Square Washington, DC 20004	Union Pacific Corp	12,500.00	145.09
Joan H. LaVor, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
League of American Investors, 32123 Lindero Canyon Rd., #300 Westlake Village, CA 91361			
League of Women Voters of the U.S., 1730 M St., NW Washington, DC 20036		55,986.71	55,986.71
League to Save Lake Tahoe, 2197 Lake Tahoe Blvd. P.O. Box 10110 South Lake Tahoe, CA 95731			2,231.73
Alisa J. Learner, 1100 Connecticut Ave., NW Washington, DC 20036	Chrysler Corporation	4,725.00	480.00
Thomas B. Leary, Hogan & Hartson 555 13th St., NW Washington, DC 20004-1109	Business Roundtable	65,535.54	
Richard J. Lease, 2145 Boise Drive Las Cruces, NM 88001			
Cara Lee, 9 Vassar Street Poughkeepsie, NY 12601	Scenic Hudson, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Linda S. Lee, 4 Monroe Street, #301 Rockville, MD 20850	Ataji L. Balos, et al.		
L. Courtland Lee, Inc, 3814 West Street Landover, MD 20785	Minerals Exploration Coalition, Inc	400.00	80.00
Marsha P. Lefkovits, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	1,160.00	1,699.51
Mary James Legatski, 1330 Connecticut Ave., NW, #300 Washington, DC 20036	Synthetic Organic Chemical Manufacturers Assn	500.00	39.50
C. Hoke Leggett, 1875 I St., NW, #800 Washington, DC 20006	Tobacco Institute		
Jack Legler, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
Meric L. Legnini, 10807 Gainsborough Rd Potomac, MD 20854	Scheduled Airlines Traffic Offices, Inc		
Leslie A. Lehmann, 111 SW Columbia, #800 Portland, OR 97201	Nerco, Inc	6,765.00	454.85
Mary Nell Lehnhard, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	424.56	
Leibowitz & Spencer, 3050 Biscayne Blvd., #501 Miami, FL 33137	Curt Gowdy Broadcasting, et al		
G. Timothy Leighton, 1101 14th St., NW Washington, DC 20005	American Financial Services Assn	250.00	
Leighton & Regnery, 1667 K Street, NW Washington, DC 20006	American Cordage and Netting Manufacturers		
Do	American Dairy Products Institute	500.00	
Do	ALPO Petfoods, Inc		
Do	Clorox Company		
Do	Express Foods Co, Inc		
Do	General Instrument Corporation		
Do	GTE Products Corp		
Do	Leprino Foods, Inc		
Do	Merrick's, Inc		
Do	Visiting Nurse Assn of America	500.00	
Terry L. Leitzell, One Thomas Circle, NW, #900 Washington, DC 20005	Bogle & Gates (For:Northern Jaeger)	2,000.00	
Do	Bogle & Gates (For:Wright Schuchart, Inc)	2,000.00	
Joseph L. Leitzinger, Bank of California Building 1201 Third Ave., #4900 Seattle, WA 98101-3009	Simpson Investment Co	337.00	100.00
Robert A. Lembo, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	2,000.00	100.00
Laverne Still Lemen, 1100 Vermont Avenue, NW, Suite 430 Washington, DC 20005	National Cotton Council of America	386.25	28.38
Lynette Lenard, 815 Connecticut Avenue, NW, #900 Washington, DC 20006	Ford Motor Company		1,068.00
Burleigh C. W. Leonard, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	2,720.00	970.39
Earl T. Leonard Jr., P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company	1,144.00	1,767.28
Lloyd Leonard, 1730 M St., NW Washington, DC 20036	League of Women Voters of the U.S.	7,042.27	540.97
Lepon McCarthy & Jutkowitz, 1146 19th Street, NW, Third Floor Washington, DC 20006	Manhattan Apartments, LP	5,000.00	
Charles Leppert Jr., 801 18th Street, NW, #400 Washington, DC 20006	Procter & Gamble Co		
Richard L. Lesher, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce		
William Gene Lesher, 517 C Street, NE Washington, DC 20002	Lesher Russell & Moos, Inc		
Lesher Russell & Moos, Inc, 517 C Street, NE Washington, DC 20002			
Daniel Lesmez, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
William J. Lessard Jr., 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security	3,566.00	
Gilbert B. Lessenco, 1200 New Hampshire Ave., #300 Washington, DC 20036	Wilner & Scheiner (For:Graco, Inc)	1,570.00	17.00
Craig S. Lesser, 23/333 Piedmont Ave Atlanta, GA 30308	Georgia Power Co	8,397.00	8,462.45
Joseph S. Lester Jr., 1201 Pennsylvania Ave., NW, #370 Washington, DC 20004	Control Data Corporation		
Dale Lestina, 1201 16th St., NW Washington, DC 20036	National Education Assn	3,556.45	142.00
Leva Hawes Mason Martin & Bebchick, 1220 19th St., NW, #700 Washington, DC 20036	Finnigan Corporation		
Leventhal Senter & Lerman, 2000 K Street, NW, #600 Washington, DC 20006-1809	Aeronautical Radio, Inc		
Do	Committee for America's Copyright Community	2,647.50	30.00
Do	Copyright Remedies Coalition	8,484.75	60.50
Robert John Levering, 1101 17th St., NW, #900 Washington, DC 20036	Direct Marketing Assn	1,000.00	1,000.00
Betsy Levin, One Dupont Cirle, NW, #370 Washington, DC 20036	Association of American Law Schools		
Morris J. Levin, 1050 17th St., NW Washington, DC 20036	Association of American Railroads	2,500.00	
Barbara W. Levine, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	634.50	
Lawrence E. Levinson, 1875 Eye St., NW, #1225 Washington, DC 20006	Paramount Communications, Inc	2,750.00	320.00
James F. Levy, 215 Assembly Street Columbia, SC 29201	Vista, Inc		
Roger N. Levy, 901 15th Street, NW, #520 Washington, DC 20005-2301	Travelers Companies	2,500.00	
David J. Lewis, 2111 Jefferson Davis Highway Arlington, VA 22202	International Trade & Development Agency, Inc		
Howard Lewis, National Association of Manufacturers 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004-1703	National Association of Manufacturers	850.00	50.00
Jack W. Lewis, 5205 Leesburg Pike, #1600 Falls Church, VA 22041	National Beer Wholesalers Assn	4,000.00	91.92
Michael R. Lewis, 1133 15th St., NW, #640 Washington, DC 20005	International Longshoremen's & Warehousemen's Union	11,400.00	1,234.50
Richard Lewis, 1025 Vermont Ave., NW Washington, DC 20005	American Pulpwood Assn		
Richard W. Lewis, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron USA, Inc	1,081.00	
Robert J. Lewis, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	1,150.00	5.00
William H. Lewis, Morgan Lewis & Bockius 1800 M Street, NW Washington, DC 20036	U.S. Gypsum Co	1,000.00	50.00
John F. Leyden, 815 16th Street, NW, #308 Washington, DC 20006	Public Employee Department, AFL-CIO	4,992.26	
LeBoeuf Lamb Leiby & MacRae, 1333 New Hampshire Ave., NW, #1100 Washington, DC 20036	Maritrans Operating Partners, L.P.		31.20
Do	Physicians Insurers Assn of America		
Do	Underwriters at Lloyd's London	510.00	195.00
Harris W. LeFew, 300 Pratt Street Luke, MD 21540-1099	Westvaco Corporation		
Lawson LeGate, 177 East 900 South, #102 Salt Lake City, UT 84111	Sierra Club	647.43	1,417.33
Lynn H. LeMaster, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	2,602.15	287.62
James M. LeMunyon, 6107 Gardenia Court Alexandria, VA 22310	American Electronics Assn		
William J. Lhota, 215 N. Front Street Columbus, OH 43215	Columbus Southern Power Co	1,160.00	905.58
Fern Z. Liang, 4630 Montgomery Ave. Bethesda, MD 20814	American Society of Hospital Pharmacists		3,000.00
Richard A. Lidinsky Jr., 1440 New York Ave., NW, #430 Washington, DC 20005	Sea Containers America, Inc		
Janet Lieberman, 1012 14th St., NW, #207 Washington, DC 20005	U.S. Student Association	3,000.00	15.00
Lorne O. Liechty, 5080 Spectrum Drive, #1200E Dallas, TX 75248	Federal Asset Disposition Assn	769.24	1,284.93
Ross W. Lillard, 920 Main Street Kansas City, MO 64105	Stinson Mag & Fizzell (For:Farmland Industries, Inc)		4,630.65
Lincoln National Corp, 1300 South Clinton Street Fort Wayne, IN 46801			
Karl W. Lindberg, 2322 Easter Lane New Orleans, LA 70114	Southern Forest Products Assn	2,079.00	
Roger Lindberg, 901 31st St., NW Washington, DC 20007	Hill & Knowlton (For:Brush Wellman, Inc)	239.85	
Do	Hill & Knowlton (For:Church of Scientology International)	342.35	
Do	Hill & Knowlton, Inc (For:Colonial Williamsburg)		
Do	Hill and Knowlton, Inc (For:Kohler Company)		
Do	Hill & Knowlton (For:Nintendo of America, Inc)	51.25	
Do	Hill & Knowlton, Inc (For:Panhandle Eastern Corp)		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)		
Do	Hill & Knowlton (For:Ryder)	137.35	
Do	Hill & Knowlton, Inc (For:Shaklee Corp)		
Victor E. Lindenheim, 1945 Old Gallows Rd., #550 Vienna, VA 22180	American Wood Preservers Institute	784.88	627.42
George E. Lindow, 625 Liberty Avenue Pittsburgh, PA 15222-3197	Peoples Natural Gas Co	685.40	1,061.60
Lindsay Hart Neil & Weigler, 1225 19th Street, NW, #200 Washington, DC 20036	AVIA Footwear, Inc		
Do	Crowley Maritime Corp	487.50	34.00
Do	Oregon Economic Development Dept, Marine Div	8,750.00	34.00
Do	Pacific Coast Council of Freight Forwarders	6,000.00	2,261.66
Do	Port of Portland	7,500.00	382.34
Do	Reebok International Ltd	6,487.50	351.07
Donald Lindsey, 400 First Street, NW, #819 Washington, DC 20001	Brotherhood of Locomotive Engineers (OH)	415.17	53.68
Kathleen M. Linehan, 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris, Inc	1,650.00	230.00
Linda A. Lipsen, 2001 S Street, NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	2,160.00	
Lisboa Associates, Inc, 1317 F St., NW, #202 Washington, DC 20004	University of the Virgin Islands		
Barbara A. Little, 1155 15th St., NW, #611 Washington, DC 20005	Ethyl Corporation	1,500.00	
Charles B. Little, 600 Maryland Ave., SW, #603 Washington, DC 20024	UBA, Inc	1,000.00	
William F. Little, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	520.00	510.30
Roy Littlefield, 15900 Pinecroft Lane Bowie, MD 20716	American Retreaders' Assn	500.00	
Do	Greater Washington/Maryland Service Station Assn	500.00	
E. Geoffrey Littlehale, 1100 15th Street, NW Washington, DC 20005	Pharmaceutical Manufacturers Assn		
E. F. Livaudais Jr., 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	250.00	
Robert W. Lively, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	115.00	
Lobel Novins Lamont & Flug, 1275 K St., NW, #770 Washington, DC 20005	Generic Pharmaceutical Industry Assn	2,080.00	
Paul Locigno, 25 Louisiana Avenue, NW Washington, DC 20001	International Brotherhood of Teamsters		
Gene L. Locke, 3303 Main Street, #300 Houston, TX 77002-6392	Philip Morris USA (For:Reese Communications Companies)	2,100.00	82.69
W. Timothy Locke, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates (For:Boy Scouts of America)		
Do	Hecht Spencer & Associates (For:Brown & Williamson Tobacco)		
Do	Hecht Spencer & Associates (For:BATUS)		
Do	Hecht Spencer & Associates (For:Great Western Financial Corp)		
Do	Hecht Spencer & Associates (For:Hong Kong Trade Development Council)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Robert F. Lockhart Jr., 1667 K Street, NW #300 Washington, DC 20006	Amdahl Corporation	1,000.00	
Stephen G. Lodge, 1401 New York Ave., NW, #400 Washington, DC 20005	National Food Processors Assn	500.00	100.00
Thomas G. Loeffler, 1200 Republic of Texas Plaza 175 E. Houston Street San Antonio, TX 78205	McCamish Martin Brown & Loeffler (For:Central & South West Corp)		
Do	McCamish Martin Brown & Loeffler (For:Citicorp)		
Do	McCamish Martin Brown & Loeffler (For:United Services Automobile Assn)	33.00	
Long Law Firm, 8550 United Plaza Blvd., #800 Baton Rouge, LA 70809	CIGNA Corp		
Do	Greater New York Hospital Assn	4,725.00	
Do	Kelso & Co	5,250.00	
Dennis Longoria, Central Power & Light Co P.O. Box 3400 Laredo, TX 78044	Central Power & Light Co		
Peter A. Loomis, One Commercial Place Norfolk, VA 23510-2103	Sovran Financial Corp		2,750.00
Susan J. Loomis, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	4,000.00	500.00
Loomis Owen Fellman & Howe, 2020 K St., NW, #800 Washington, DC 20006	Association of Bituminous Contractors		
Do	Classroom Publishers Assn		
Do	First Co		
Do	Industrial Diamond Assn		
Do	National Assn of Theatre Owners		
Do	Optical Manufacturers Assn		
Do	Textile Rental Services Assn of America		
Ann Looper, 1735 New York Ave. Washington, DC 20006	American Institute of Architects	250.00	
Gerald D. Lore, 1050 Connecticut Avenue, NW, #401 Washington, DC 20036	Hoffmann-La Roche, Inc		
Philip J. Loree, 50 Broadway New York, NY 10004	Federation of American Controlled Shipping	200.00	
Robert E. Losch, P.C., 1716 New Hampshire Ave., NW Washington, DC 20009	American Dredging Co, et al	30,126.00	5,229.03
Timothy Lovain, 3713 Gunston Road Alexandria, VA 22302	Denny Miller Associates	5,000.00	
Celia C. Lovell, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Stephanie P. Loving, 1101 Vermont Ave., NW, #405 Washington, DC 20005	A. H. Robins Co	8,025.00	485.70
Rev. Thos E. Lowe, 5946 McPherson Ave. St. Louis, MO 63112			
Stephen R. Lozowick, 9 West 57th Street New York, NY 10019	Avon Products, Inc		
Arthur M. Luby, 1300 L Street, NW, #200 Washington, DC 20005-4178	O'Donnell Schwartz & Anderson (For:Transport Workers Union of America, AFL-CIO)	4,000.00	700.00
Paula D. Lucak, 815 16th Street, NW, #308 Washington, DC 20006	Public Employee Department, AFL-CIO	11,025.04	68.00
Mrs. Freddie H. Lucas, 1660 L St., NW Washington, DC 20036	General Motors Corp	3,000.00	686.61
William L. Lucas, 2021 K Street, NW, #300 Washington, DC 20006	Michigan Consolidated Gas Co	500.00	
Leslie G. Ludwick, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	3,750.00	
Thomas A. Luebbers, 425 Walnut Street, #2200 Cincinnati, OH 45202	Reese Communications Cos (for Philip Morris, USA)	450.00	
David R. Lukens, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Lukens, Inc, 50 South First Avenue Coatesville, PA 19320			
Sylvester Lukis, 1155 15th St., NW, #510 Washington, DC 20005	Carey Technical Institute	4,000.00	
Do	City of Miami	11,250.00	
Do	City of Miami Beach	12,500.00	
Do	Cybernectics & Systems, Inc	17,500.00	
Do	Dade County, Florida	7,708.00	
Do	Howard Needles Tammen ... (for Miami Int'l Airport)		
J.C. Luman & Associates, 1030 15th Street, NW, #720 Washington, DC 20005	National Assn of Personnel Consultants	2,000.00	1,028.00
Lund & O'Brien, 1625 Eye St., NW, #406 Washington, DC 20006	Pennsylvania Power & Light Co	1,740.00	195.82
Carla J. Lunetta, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	4,000.00	310.21
Francis M. Lunnie Jr., 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004	National Assn of Manufacturers		
Howard T. Lyman, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	7,494.50	513.39
Jack Lyman, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
David H. Lynch, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors		
Timothy P. Lynch, 1901 N. Fort Myer Dr., #204 Arlington, VA 22209	Roadway Express, Inc	425.00	200.00
Margaret Lyons, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006	Ciba-Geigy Corp	3,625.00	
M.O.A./AIOA & Subs, Inc, 701 S. 22nd, #107 Omaha, NB 68102			
James E. Mack, 9005 Congressional Court Potomac, MD 20854	National Assn of Mirror Manufacturers		
Do	Peanut Butter & Nut Processors Assn		
James H. Mack, 7901 Westpark Dr. Mclean, VA 22102	National Machine Tool Builders' Assn	20,955.00	500.00
Olivia C. Mackin, 1776 Eye St., NW, #700 Washington, DC 20006	Phillips Petroleum Co	1,000.00	
Mackin Sorensen Peizer Richards & Edwards, PS, 2201 Sixth Avenue, #1301 Seattle, WA 98121	Shee Atika, Inc		
Robert A. Macrory, C/O Alabama Petroleum Council P.O. Box 4220 Montgomery, AL 36195	American Petroleum Institute	1,599.90	1,280.36
Mark MacCarthy, 2445 M Street, NW, #480 Washington, DC 20037-1420	Capital Cities/ABC, Inc		
Timothy MacCarthy, 1620 I Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	9,688.00	
Jack A. MacDonald, 1901 N. Fort Meyer Drive, #302 Rosslyn, VA 22209-1606	Beverly Enterprises, Inc	6,250.00	75.00
Alan MacLeod, 2000 K Street, NW 8th Floor Washington, DC 20006	National Committee to Preserve Social Security and Medicare	2,562.00	568.66
Paul MacMurdy, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	685.00	148.71
Cliff Madison Government Relations, Inc, 1611 Landfall Drive Wilmington, NC 28403	Burbank-Glendale-Pasadena Airport Authority	7,500.00	
Do	City of Buenaventura	10,500.00	
Do	Mark Air, Inc	15,000.00	
Do	Quantas Airways, Ltd		
Do	Regency Outdoor Advertising		
Do	Southern California Rapid Transit District	15,000.00	
Do	Ventura Port District	9,000.00	
Madison Public Affairs Group, Inc, 2033 M Street, NW, #900 Washington, DC 20036	GE-Government Services	6,014.75	4,009.84
Do	Philip Morris USA		
Bill Magavern, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	3,692.28	
James N. Magill, 200 Maryland Avenue, NE Washington, DC 20002	Veterans of Foreign Wars of the U.S.	4,500.00	948.34
Paul J. Magliocchetti, 9527 Wallingford Drive Burke, VA 22015	Paul Magliocchetti Associates, Inc (For:United Technologies, Inc)	12,501.00	
James W. Magner, Reg # 38670-019 Box 4000 Springfield, MO 65808	Prisoners With AIDS-Rights Advocacy Group (PWA-PAG)	200.00	
A. John Maguire, 1110 Vermont Ave. NW Suite 430 Washington, DC 20005	National Cotton Council of America	28,000.00	4,145.29
W. Terry Maguire, Box 17407 Dulles International Airport Washington, DC 20041	American Newspaper Publishers Assn	1,125.00	200.80
David L. Mahan, 1818 N St., NW, #600 Washington, DC 20036	DGA International, Inc (For:Societe Nationale D'Etude et de Const de Moteurs D'Aviation).		
Do	DGA International, Inc (For:Sofreavia)		
Linda F. Maher, 9000 Montgomery Ave Chevy Chase, MD 20815	Turner Broadcasting System, Inc	550.00	
Mary Mahon, 380 Second Avenue New York, NY 10010	Planned Parenthood of New York City, Inc		
Kieran Mahoney, Capitol Strategists 1220 19th Street, NW, #400 Washington, DC 20036	Albanian American Civic League	6,000.00	
Terence P. Mahony, 1331 Pennsylvania Ave., NW, #700 South Washington, DC 20004	National Broadcasting Co, Inc	500.00	83.62
Major League Baseball Players Assn, 805 Third Avenue New York, NY 10022			
Anthony S. Makris, 1101 Connecticut Ave., NW, #510 Washington, DC 20036	National Rifle Assn of America		
K. Wayne Malbon, 1250 I Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn	456.00	5.00
Andrew T. Malleck, 400 First Street, NW Washington, DC 20001	Brotherhood of Maintenance of Way Employes	14,922.46	
Conrad L. Mallett Jr., 1800 First National Bldg Detroit, MI 48226	Jaffe Snider Raitt & Heuer, P.C.		
David Mallino, 915 16th Street, NW, #301 Washington, DC 20006	Industrial Union Department, AFL-CIO	8,056.50	1,445.87
Lawrence R. Malone, 1211 Avenue of The Americas New York, NY 10036	Hoechst Celanese Corp		
Manatt Phelps Rothenberg & Phillips, 1200 New Hampshire Ave., NW, #200 Washington, DC 20036	American Assn of Nurse Anesthetists		
Do	American Institute of Real Estate Appraisers		
Do	Bowling Proprietors Assn of America	95.00	
Do	California Bankers Assn		
Do	Centre Pointe Associates		
Do	Chronar Corporation		
Do	Connecticut National Bank		
Do	EDU-DYNE Systems, Inc		
Do	Fairfield Communities, Inc	47.50	
Do	First Bank System, Inc		
Do	Flying Tiger Line, Inc	2,919.50	
Do	Home Group, Inc	4,231.75	
Do	Manufacturers Hanover		
Do	Matlack, Inc		
Do	Melrose Company	142.50	
Do	Money Store	480.00	
Do	National Cable Television Assn, Inc	7,012.50	
Do	North Beach Property Owners' Assn	95.00	
Do	Northrop Corp		
Do	NEC Corporation		
Do	Occidental Petroleum Corp	880.75	
Do	Phillip Morris Management Corp	4,640.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Security First Group, Inc		
Do	Donald T. Sterling & Associates		
Do	Superior Training Services		
Do	United Airlines	825.50	
Do	Vero Beach Oceanfront Investors Limited Partnership	142.50	
Katherine T. Mance, 1616 H Street, NW Washington, DC 20006	American Retail Federation	200.00	113.00
Manchester Associates, Ltd, 1707 L Street, NW, #725 Washington, DC 20036	Nissan Motor Company, Ltd		
Do	Nissan Motor Manufacturing Corp, USA		
Susan Rachel Weiss Manes, 2030 M Street, NW Washington, DC 20036	Common Cause	14,400.00	
Frank Mankiewicz, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Bell Atlantic Management Systems)		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)		
Mary Jo Manning, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:American Newspaper Publishers Assn)	6,875.00	
Do	Hill & Knowlton, Inc (For:Thomson Consumer Electronics)		
Cynthia Mansfield, 600 Maryland Ave., SW, #520 Washington, DC 20024	GPU Service Corporation	3,851.54	486.32
Robert C. Manship, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Defense Systems	1,000.00	
Manufactured Housing Institute, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202			20,428.25
Albert Manville II, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife	1,211.49	9.70
Anthony Manzanares Jr., 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
John V. Maraney, 324 East Capitol St., NE Washington, DC 20003	National Star Route Mail Contractors Assn		
Marc Associates, Inc., 1030 15th Street, NW, #468 Washington, DC 20005	Am. College of Nuclear Physicians-Soc. of Nuclear Medicine	8,000.00	76.80
Do	Am. Urological Ass'n/Am. Ass'n of Clinical Urologists	5,500.00	
Do	American Ass'n of Colleges of Oesteopathic Medicine	1,666.00	
Do	American Society for Bone and Mineral Research	1,000.00	
Do	American Society for Gastrointestinal Endoscopy	2,500.00	33.39
Do	American Society of Anesthesiologists	38,700.00	
Do	American Society of Clinical Pathology	2,000.00	
Do	American Society of Hematology	1,000.00	
Do	Helen Keller National Center	250.00	
Do	Merck Sharp and Dohme	4,000.00	
Do	National Association of Epilipsy Centers		
Do	National Hemophilia Foundation	4,000.00	
Do	Ni Industries	6,000.00	
Do	Recording for the Blind, Inc	1,000.00	
Do	Research Society on Alcoholism	2,000.00	
Do	Village of Palentine		
March for Life, Inc, P.O. Box 90300 Washington, DC 20090		26,010.05	19,128.37
Michael Marchese Jr., 1300 South Clinton Street Fort Wayne, IN 46801	Lincoln National Corp	900.00	520.00
R. V. Mariani, 815 16th St., NW Washington, DC 20006	Transportation - Communications Union	3,000.00	3,000.00
Maritime Institute for Research & Industrial Development, 1133 15th St., NW, #600 Washington, DC 20005			17,379.00
Lawrence D. Markley, P.O. Box 196300 Anchorage, AK 99519	Chugach Electric Assn, Inc	1,103.20	1,925.60
Ramon P. Marks, 400 Park Ave. New York, NY 10022	Japan Steel Works, Ltd		
Luther A. Markwart, 1156 15th St., NW, #1020 Washington, DC 20005	American Sugarbeet Growers Assn		
Ernest Robert Marlow, 1126 16th Street, NW, #200 Washington, DC 20036-1081	International Chemical Workers Union	2,500.00	
Howard Marlowe, 1667 K St., NW, #660 Washington, DC 20006	Marlowe & Company (For:Graphic Communications International Union, AFL-CIO, CLC).		
Do	Marlowe & Company (For:Lazare Kaplan International, Inc)		
Marlowe & Company, 1667 K Street, NW, #660 Washington, DC 20006	City of Venice, Florida	3,000.00	47.00
Do	Coalition to Keep Alaska Oil	8,397.00	185.55
Do	End Notch Discrimination	2,000.00	17.00
Do	Graphic Communications International Union		
Do	Lazare Kaplan International, Inc	2,000.00	24.00
Do	Memphis-Shelby County Airport Authority	3,175.00	134.17
William G. Marqaritis, 1747 Pennsylvania Ave., NW, 3rd Flr Washington, DC 20006	Occidental Chemical Corp		
Chalmers H. Marquis, 3430 Blair Road Falls Church, VA 22041	National Assn of Public Television Stations	600.00	150.00
C. Travis Marshall, 1776 K St., NW, #300 Washington, DC 20006	Motorola, Inc	1,500.00	
Thomas A. Martens, P.O. Box 10110 SO. Lake Tahoe, CA 95731	League to Save Lake Tahoe		
Cynthia L. Martin, 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202	Diagnostic Retrieval Systems, Inc	6,500.00	
Danea Kehoe Martin, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	6,000.00	123.00
Dennis G. Martin, Dow Lohnes & Albertson 1255 23rd St., NW Washington, DC 20037	Dofasco, Inc		
Donald N. Martin, Donald N. Martin & Company, Inc 630 Fifth Ave. #565 New York, NY 10111			
Fred J. Martin Jr., 1800 K Street, NW Washington, DC 20006	Bank of America	692.28	151.50
J. Ross Martin, Kansas Petroleum Council 1005 Merchants Tower Topeka, KS 66612	American Petroleum Institute	813.00	1,065.78
John M. Martin Jr., 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
Katherine E. Martin, 50 F Street, NW Washington, DC 20001	Association of American Railroads	733.44	904.20
Larry K. Martin, 2500 Wilson Blvd. #301 Arlington, VA 22201	American Apparel Manufacturers Assn, Inc	2,600.00	75.00
Maureen A. Martin, 60 Wall Street New York, NY 10260	Morgan Guaranty Trust Co		
Robert F. Martin, 1275 Pennsylvania Ave, NW, 4th Floor Washington, DC 20004	Pacific Telesis Group	15,450.00	
Robert L. Martin, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,500.00	219.36
Stephen I. Martin, Hartford Plaza Hartford, CT 06115	Hartford Fire Insurance Co		
Judith Marty, 85 Ridge St. North Sydney, NSW 2060 Australia			
Joseph J. Martyak, 655 15th Street, NW, #225 Washington, DC 20005	Rhone-Poulenc, Inc		
Merrill D. Marxman, 8213 Terra Grande Avenue Springfield, VA 22153	Marxman & Associates, Inc		
Mike M. Masaoka, Suite 520, The Farragut Bldg. 900 17th St., NW Washington, DC 20006	American Japanese Trade Comm		
Do	Japan Telescope Manufacturers Assn	400.00	
Do	Nisei Lobby		
Do	Toyota Motor Sales, USA, Inc	750.00	
Do	West Mexico Vegetable Distributors Assn	500.00	
Arthur K. Mason, 1220 19th Street, NW, #700 Washington, DC 20036	Leva Hawes Mason Martin & Bebchick (For:Association of the U.S. Army)		
Michael J. Mason, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	10,000.00	129.40
Ned W. Massee, 299 Park Avenue New York, NY 10171	Westvaco Corporation		522.16
Donald F. Massey, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Church of Scientology International)	1,425.00	
Do	Hill & Knowlton, Inc (For:Colonial Williamsburg)		
Do	Hill & Knowlton, Inc (For:Hoopa Valley Business Council)		
Do	Hill & Knowlton, Inc (For:Monsanto Co)		
Do	Hill and Knowlton, Inc (For:Nintendo)	3,450.00	
Do	Hill & Knowlton, Inc (For:Palm Oil Registration & Licensing Authority)		
Do	Hill & Knowlton, Inc (For:Panhandle Eastern Corp)		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)	2,250.00	
Do	Hill and Knowlton, Inc (For:Ryder, Inc)		
Do	Hill & Knowlton, Inc (For:Tesoro Petroleum Corp)		
Do	Hill & Knowlton, Inc (For:Wilfred American Education, Corp)		
Noel D. Matchett, 1001 Spring St., #123 Silver Spring, MD 20910	Information Security, Inc	10.00	
Mary Cheryl Matheis, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	546.92	
Richard D. Mathias, 1200 17th Street, NW, #500 Washington, DC 20036	Pan American World Airways, Inc		
Dawson Mathis, 919 18th Street, NW, #800 Washington, DC 20006	Dawson Mathis & Associates (For:Crowley Maritime Corp)	3,000.00	
Do	Dawson Mathis & Associates (For:Massachusetts Mutual Life Insurance Co)	3,000.00	
Do	United Parcel Service	3,000.00	
Dawson Mathis & Associates, 919 18th Street, NW Suite 800 Washington, DC 20006	Crowley Maritime Corp	3,000.00	
Do	Massachusetts Mutual Life Insurance Co	3,000.00	
Ann H. Mattheis, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc		
Charles D. Matthews, 1050 17th St., NW, #700 Washington, DC 20036	National Ocean Industries Assn	3,250.00	
Robert A. Matthews, 700 North Fairfax St. Alexandria, VA 22314	Railway Progress Institute	1,260.63	
Suzette Matthews, 2020 North 14th Street, #410 Arlington, VA 22201	Air Traffic Control Assn, Inc	3,912.44	
Joseph M. Mattingly, 1901 North Moore Street, #1100 Arlington, VA 22209	Gas Appliance Manufacturers Assn, Inc		
Daniel J. Mattoon, 1133 21st St., NW, #900 Washington, DC 20036	BellSouth Corp		1,043.56
William C. Mattox, 1700 Pennsylvania Avenue, NW Washington, DC 20006	Equitable Financial Companies	2,000.00	54.00
Marshall L. Matz, 888 17th Street, NW, #900 Washington, DC 20006	American School Food Service Assn	9,000.00	546.06
Robert V. Maudlin, 1511 K Street, NW Washington, DC 20005	C.V. & R.V Maudlin (For:Southern Company Services, Inc)	2,400.00	535.00
Alan R. Mauk, 1201 New York Avenue, NW Washington, DC 20005	American Public Transit Assn	500.00	
Michael Mawby, 2030 M Street, NW Washington, DC 20036	Common Cause	12,298.74	
Albert E. May, 1627 K Street, NW, 1200 Washington, DC 20006	United Shipowners of America	5,250.00	15.09
James C. May, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	5,500.00	
Arnold Mayer, 1775 K St., NW Washington, DC 20006	United Food & Commercial Workers International Union	28,384.62	544.74

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Joseph T. Mayer, 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	15,925.00	4,110.63
Mayer Brown & Platt, 2000 Pennsylvania Avenue, NW, #6500 Washington, DC 20006	Accountants' Liability Assurance Co, Ltd		
Do	Attorneys' Liability Assurance Society Ltd		
Do	Brunswick Corp		
Do	Business Roundtable		
Do	Cabot Cabot & Forbes Realty Advisors, Inc		
Do	Comdisco, Inc		
Do	Continental Bank, N.A		
Do	FMC Corporation		
Do	Goldman Sachs & Co		
Do	GATX Corporation	150.00	
Do	Hewlett-Packard Co		
Do	Household Commercial Financial Services, Inc		
Do	Inland Steel Corp		
Do	JMB Realty Corp		
Do	Lasalle Partners, Inc		
Do	Lehndorff & Babson Real Estate Counsel		
Do	Merrill Lynch Capital Markets		
Do	Nalco Chemical Co		
Do	Quaker Oats Company		
Do	RJR Nabisco, Inc		
Do	Sara Lee Corp		
Do	Sears Roebuck & Co		
Do	Shearson Lehman Brothers, Inc		
Do	Smith Barney Harris Upham & Co, Inc		
Do	Solid Waste Agency of Northern Cook County		
Do	Tele-Communications, Inc		
Do	Voluntary Hospital Assn		
Do	Vulcan Materials Company, Midwest Division		
Martin Mayfield, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	850.00	100.80
Maurice W. Maynard, 44 Fifth Avenue Brooklyn, NY 11217			
Jeffrey G. Mays, 1505 Prince Street, Suite 300 Alexandria, VA 22314	American Optometric Assn		
Maryln Lee McAdam, 1010 Vermont Ave., NW, #1100 Washington, DC 20005	Bank of Horton	1,950.00	15.85
Do	Bank One	625.00	1.66
Do	California Student Aid Commission	2,250.00	1,141.54
Do	Colorado Student Loan Program	4,500.00	1,257.17
Do	FAME	4,500.00	98.29
Do	Illinois State Scholarship Commission	1,237.50	803.00
Do	Just Kids	2,250.00	74.88
Do	Nebraska Higher Education Loan Program, Inc	1,125.00	638.33
Do	Nebraska Student Loan Program		658.30
Do	Texas Guaranteed Student Loan Corp		971.91
Do	Union Bank		
Do	United Concerned Cosmetology School Owners		
Michael J. McAdams, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc	4,000.00	
H. Wesley McAden, 1155 15th St., NW, #504 Washington, DC 20005	J. G. Boswell Co	3,000.00	
Do	New York Cotton Exchange	2,000.00	
Do	Supima Association of America	2,000.00	
John H. McAllister, Dow Lohnes & Albertson 1255 Twenty Third St., NW Washington, DC 20037	Dofasco, Inc		
Timothy McAnarney, 312 South 4th Street, #3 Springfield, IL 62701	Reese Communications Cos (for: Philip Morris, USA)	1,875.00	479.38
Jerry McAndrews, 120 Maryland Ave., NE Washington, DC 20012	Competitive Telecommunications Assn		
Mary E. McAuliffe, 555 Thirteenth Street, NW, #450 West Columbia Square Washington, DC 20004	Union Pacific Corporation	13,750.00	959.17
McAuliffe Kelly Raffaelli & Siemens, 555 New Jersey Ave., NW, #880 Washington, DC 20001	American Chiropractic Assn	650.00	
Do	Arlington Cancer Center	1,000.00	
Do	Bay Area Rapid Transit District	1,750.00	
Do	Cellular Telecommunications Industry Assn		
Do	Chicago Mercantile Exchange	740.00	
Do	COSTEP	1,000.00	
Do	D/FW Railtran System		
Do	Dean Witter Realty	1,500.00	
Do	Gulf Coast Waste Disposal Authority	1,000.00	
Do	International Franchise Assn	600.00	
Do	Lawyers' Mutual Insurance Co		
Do	Lincoln Property Co		
Do	Lloyd's U.S	2,000.00	
Do	Philip Morris Co	1,000.00	
Do	Sweetener Users Assn	200.00	
Do	Taylor & Mizell		
Do	Transamarica Corporation	550.00	
Do	U.S. Telephone Assn		
Ann McBride, 2030 M St., NW Washington, DC 20036	Common Cause	16,540.02	256.50
Charlie McBride Associates, Inc, 1101 Connecticut Ave., NW, #906 Washington, DC 20036	American Electric Power Co, Inc	4,500.00	
Do	American Nuclear Energy Council	4,500.00	308.97
Do	Carolina Power & Light Co	4,500.00	
Do	Commonwealth Edison Co	4,500.00	
Do	Consolidated Edison Co of New York, Inc	3,000.00	
Do	Control Data Corporation	2,000.00	331.80
Do	General Atomics	13,000.00	2,207.35
Do	Oxford Energy Co	12,000.00	586.70
Do	Sealaska Corp	9,000.00	337.60
Do	Southern California Edison Co	4,500.00	
Do	Tri-City Industrial Development Council	6,000.00	7.00
Do	United Illuminating Co	7,500.00	1,002.08
Do	Urenco, Inc	9,000.00	253.24
Do	Westinghouse Electric Corp	15,200.00	8,770.75
Stephen C. McCaffrey, 1828 N. Meridian Street Indianapolis, IN 46202	Community Service Council of Central IN, Inc		
Susan McCaffrey, 1828 N Meridian Indianapolis, IN 46202	National Solid Wastes Management Assn	200.00	
John D. McCallum, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co	162.46	
McCamish Martin Brown & Loeffler, P.C., 1200 First Republic Bank Tower 175 East Houston San Antonio, TX 78205	Central & South West Corp		
Do	Citicorp		
Do	U.S. Automobile Assn	625.00	46.00
Katherine S. McCarter, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	2,566.00	
Carolyn Kim McCarthy, 1455 Pennsylvania Ave., NW, #500 Washington, DC 20004	Corning Glass Works	2,000.00	
David J. McCarthy, Baker & Daniels 1920 N Street, NW, #600 Washington, DC 20036	Indiana Electric Assn	2,600.00	
John M. McClung, 727 N Washington Street Alexandria, VA 22314	United Fresh Fruit & Vegetable Assn	1,460.00	132.52
Robin W. McClung, 1667 K St., NW, #1210 Washington, DC 20006	Rohm & Haas Co	500.00	62.00
McClure & Trotter, 1100 Connecticut Ave., NW, #600 Washington, DC 20036	Coca-Cola Company		41.35
Do	Mobil Oil Corp		
Do	Motion Picture Association of America, Inc		30.15
Do	Paramount Communications Inc		23.99
Do	Rank Video Services America		15.58
Robert S. McConnaughey, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Margaret M. McCormick, 236 Hamburg Hall 5000 Forbes Ave. Pittsburgh, PA 15213	Carnegie-Mellon University	11,000.00	2,653.79
Molly McCormick, 2301 Market Street, box 8699 Philadelphia, PA 19101	Philadelphia Electric Company		
Meredith McCoy, 1800 Mass. Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Steven A. McCoy, 1030 15th Street, NW #1020 Washington, DC 20005	North American Export Grain Assn, Inc		
Tidal W. McCoy, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates (For:Harmer-Eyring)		
Do	Hecht Spencer & Associates (For:Marwais Steel Company)		
Edgar H. McCulloch III, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	7,633.78	160.50
John McDavitt, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	2,885.00	
Daniel J. McDermott, 1225 19th St., NW, #410 Washington, DC 20036	Financial Services Council	1,125.00	
Francis O. McDermott, 888 16th Street, N.W. Suite 624A Washington, DC 20006	Association Management Corp		
Frank X. McDermott, Apruzzese McDermott Mastro & Murphy 500 Morris Ave. P.O. Box 329 Springfield, NJ 07081	Reese Communications Cos (for: Philip Morris, USA)	2,750.00	1,011.79

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Marianne McDermott, 1350 New York Avenue, NW, #615 Washington, DC 20005	Resources for Group Management, Inc (For:Greeting Card Assn)		
Mark T. McDermott, Joseph Powell McDermott & Reiner, P.C. 1300 19th Street, NW, #400 Washington, DC 20036	Civil Pilots for Regulatory Reform		
McDermott Will & Emery, 1850 K St., NW, #500 Washington, DC 20006	American Dental Hygienists Assn	11,100.00	
Do	American Soc of Outpatient Surgeons	2,300.00	
Do	Banks of Iowa		
Do	California Assn of Children's Hospitals	5,500.00	
Do	Caterpillar Tractor Co		
Do	Federal Kemper Life Assurance Co		
Do	Hitachi America, Ltd		
Do	Home Intensive Care, Inc		
Do	Juvenile Diabetes Foundation, International	6,200.00	
Do	Kemper Investors Life Insurance Co		
Do	Lumbermens Mutual Casualty Company		
Do	Outpatient Opthalmic Surgery Society	10,200.00	
Do	Peterson & Sullivan	690.00	4.00
Do	Public Employees Retirement Assn of Colorado	1,465.00	4.00
Edward T. McDonald, 815 16th St., NW Washington, DC 20006	Transportation - Communications Union	4,000.00	4,000.00
Jack McDonald, 1001 Pennsylvania Avenue, NW, #625-S Washington, DC 20004	Jack McDonald Co (For:American Express Corp)		
Do	Jack McDoanld Co (For:Belz Enterprises)		
Do	Jack McDonald Co (For:Dow Corning Corp)		
Do	Jack McDonald Co (For:Hitachi America, Ltd)		
Do	Jack McDonald Co (For:Hitachi Sales Corp of America)		
Do	Jack McDonald Co (For:Jacques Borel Enterprises, Inc)		
Do	Jack McDonald Co (For:Minorco Societe Anonyme)		
Do	Jack McDonald Co (For:Royal Zenith Corp)		
Do	Jack McDonald Co (For:Societe Generale de Surveillance, S.A.)		
Do	Jack McDonald Co. (For:WMW Machinery, Inc)		
Michael D. McDonald, Maryland Petroleum Council 60 West St., #403 Annapolis, MD 21401	American Petroleum Institute	175.00	
Patricia McDonald, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Tom McDonald, Arter & Hadden 1100 Huntington Bldg. Cleveland, OH 44115	Jet, Inc		
Jack McDonald Co, 1001 Pennsylvania Avenue, NW, #625-S Washington, DC 20004	American Express Corp		
Do	Belz Enterprises		
Do	Dow Corning Corp		
Do	Hitachi America, Ltd		
Do	Hitachi Sales Corp of America		
Do	Jacques Borel Enterprises, Inc		
Do	Minorco Societe Anonyme	1,090.63	
Do	Royal Zenith Corp	5,000.00	
Do	Societe Generale de Surveillance, S.A.		
Do	WMW Machinery, Inc	7,500.00	
Sandra McDonough, 1730 M St., NW, Suite 900 Washington, DC 20036	Pacific Power & Light Co	499.07	815.43
Marian E. McDowell, 1667 K Street, NW, #1000 Washington, DC 20006	Edison Electric Institute	828.57	112.00
Dinah D. McElfresh, 1255 23rd Street, NW, #850 Washington, DC 20037	Hauck & Associates, Inc (For:Hearing Industries Assn)		
McElroy & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	OAAA	41,665.00	637.87
William S. McEwen, 1101 17th St., NW, #604 Washington, DC 20036	Monsanto Co		149.18
Robert H. McFadden, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc		
Paul J. McGeady, 27 Hampton Place Nutley, NJ 07110	Morality in Media, Inc		
Becky McGee, P.O. Box 2880 Dallas, TX 75221-2880	Oryx Energy Company	500.00	
Dana McGee, 1000 Wilson Blvd. Arlington, VA 22209	Grumman Corp	1,250.00	895.92
Donna Lee McGee, 1001 Connecticut Ave., #701 Washington, DC 20036	Burlington Industries, Inc	800.00	340.00
Gale W. McGee, 901 31st St., NW Washington, DC 20007	Hill & Knowlton, Inc (For:Association for the Advancement of Human Rights)		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)		
Meredith McGehee, 2030 M St., NW Washington, DC 20036	Common Cause	10,101.24	176.00
P. Anne McGhee, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	500.00	
Patricia G. McGinnis, Francis McGinnis & Rees 1000 Potomac St., NW, #401 Washington, DC 20007	California Dept of Education	12,000.00	689.53
Robert M. McGlotten, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	18,282.55	2,399.53
Phyllis M. McGovern, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	93.96	4.80
Richard L. McGraw, 950 L'Enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp	2,500.00	
McGuiness & Williams, 1015 15th Street, NW, #1200 Washington, DC 20005	Borg-Warner Corp		
Do	International Theatrical Agents Assn		
Do	National Assn of Orchestra Leaders		
Do	National Manufactured Housing Assn		
Do	Pony Express Courier Corp		
Do	Wells Fargo Armored Service Corp		
Joseph M. McGuire, 1501 Wilson Boulevard, #600 Arlington, VA 22209	Air Conditioning & Refrigeration Institute		
Monica M. McGuire, 1331 Pennsylvania Ave., NW, #1500 North Lobby Washington, DC 20004-1703	National Assn of Manufacturers	440.00	
Phillip McGuire, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	6,000.00	
McGuire Woods Battle & Boothe, P.O. Box 25047 Alexandria, VA 22313	Aaronson Properties, Inc		
Do	RF&P Railroad		
Do	Savage/Fogarty Companies, Inc		
Do	Vulcan Materials Co		
McHale Cook & Welch, P.C., 1100 Chamber of Commerce Building Indianapolis, IN 46204	Indiana Bell Telephone Co	1,000.00	600.00
McHenry & Staffier, P.C., 1300 19th St., NW, #408 Washington, DC 20036	Foothills Pipe Lines (Yukon) Ltd	585.00	
James E. McInerney Jr., 122 C Street, NW, #740 Washington, DC 20001	American League for Exports & Security Assistance, Inc	7,083.00	42.81
Robert McIntyre, 1313 L St., NW Washington, DC 20005	Citizens for Tax Justice	10,186.66	
McIntyre Kahn & Kruse Co., L.P.A., The Galleria & Towers At Erieview 1301 East Ninth Street, #1200 Cleveland, OH 44114			
John J. McKechnie III, 805 15th St., NW, #300 Washington, DC 20005	Credit Union National Assn, Inc	300.00	61.00
Ira E. McKeever, 1224 17th Street, NW Washington, DC 20036	Western Coal Traffic League	18,375.00	
McKenna Conner & Cuneo, 1575 Eye Street, NW, #800 Washington, DC 20005	Cigar Assn of America		
Jan E. McKenzie, 1111 19th St., NW, #702 Washington, DC 20036	Edison Electric Institute	4,920.00	305.77
Robert T. McKernan, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc	250.00	
William Colm McKeveny, Chadbourne Park Law Firm 30 Rockefeller Plaza New York, NY 10112	American Pulpwood Assn		
C. A. 'Mack' McKinney, 225 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	11,000.00	571.32
Steven G. McKinney, P.O. Box 306 Birmingham, AL 35201	Balch & Bingham (For:Alabama Power Company)		
Do	Balch & Bingham (For:Southern Company Services, Inc)	812.50	204.89
Patrick M. McLain, 1000 Vermont Avenue, NW, #1000 Washington, DC 20005	Rowan & Blewitt Inc (For:Cosmetic Toiletry and Fragrance Assn)	4,235.00	
James D. McLaughlin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	650.00	
John R. McLaurin, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd	5,370.00	
Bob McLean, 490 L'Enfant Plaza, SW, #3200 Washington, DC 20024-2120	National Assn of Postal Supervisors	9,069.00	
Thomas J. McLeod, 50 West Publishing Company St Paul, MN 55164	West Publishing Company	750.00	170.00
Ursula H. McManus, 1707 H St., NW, #602 Washington, DC 20006	G. Heilman Brewing Co, Inc	1,000.00	173.00
William F. McManus, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	400.00	
Sandra H. McMullan, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	4,368.00	28.00
McNair Group, Inc, 1155 15th St., NW, #400 Washington, DC 20005	Clemson University	15,000.00	1,738.44
Do	Correctional Concepts, Inc	741.80	17.63
Do	CSX Corporation		486.69
Do	Illinois Central Railroad	23,440.00	972.02
Do	McNair Law Firm, PA (for GTE)	24,186.06	543.81
Do	Norfolk Southern Corp	10,589.00	91.05
Do	Railstar Control Technology, Inc	4,000.00	90.08
Do	Riedel Omni Products, Inc	7,687.50	190.47
Do	South Carolina State College	2,000.00	662.82
McNair Law Firm, P.A., 1155 15th Street, NW, #400 Washington, DC 20005	Allied-Signal, Inc		
Do	American Insurance Assn	1,327.50	23.42
Do	Americans for Fair Treatment of Alcoholic Veterans		
Do	Association of Independent Television Stations, Inc		
Do	Automobile Importers of America	580.00	60.55
Do	Edison Electric Institute	5,420.00	12.00
Do	Gasoline Alliance to Preserve Competition	345.08	90.33
Do	Georgia-Pacific Corp		3.00
Do	GSX Corporation	188.00	30.67
Do	GTE Government Systems Corporation		963.77
Do	Insurance/Financial Affiliates of America		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	International Assn for Financial Planning	185.00	
Do	International Paper Co		
Do	Milliken Mills		4.70
Do	New York State Bankers Assn	16,000.00	867.58
Do	Norfolk Southern Corp	60.00	23.35
Do	Nuclear Fuel Services, Inc		
Do	Pneumo-Abex		
Do	R.J. Reynolds Tobacco Co		
Do	State of Hawaii		
Do	Times Mirror Co	272.80	7.67
Do	Westinghouse Electric Corp	222.00	4.77
Susan McNally, 1667 K Street, NW, #710 Washington, DC 20006	Baxter		
Kathryn M. McNamara, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Dean Witter Reynolds, Inc	375.00	312.00
Laramie Faith McNamara, 1000 Wilson Blvd., #2700 Arlington, VA 22209	TRW, Inc	1,000.00	
Michael J. McNamara, 2300 M Street, NW, #600 Washington, DC 20037	International Advisers, Inc	5,362.50	52.90
Peter F. McNeish, 1156 15th Street, NW, #1101 Washington, DC 20005	National Assn of Small Business Investment Cos	3,000.00	
John P. McNerney, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Michael J. McShane, 1101 30th Street, NW, #500 Washington, DC 20007	National Computer Systems		125.00
Martha McSteen, 2000 K Street, NW, 7th Floor Washington, DC 20006	National Comm to Preserve Social Security	11,898.00	
Brose McVey, 1255 23rd Street, NW Washington, DC 20037	Hauck & Associates (For:National Soybean Processors Assn)	5,000.00	520.00
George G. Mead, 1500 K St., NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Leslie S. Mead, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	66.00	
Joseph F. Meadow, 7307 Baltimore Avenue, #112 College Park, MD 20740	United Action for Animals, Inc	1,950.00	
Francis X. Meaney, 1825 Eye Street, NW Washington, DC 20006	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Goldman Sachs & Co)		
Do	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Securities Industry Assn)	500.00	
William A. Meaux, 1600 M Street, NW, #702 Washington, DC 20036	ICI Americas, Inc	4,375.00	
Joseph J. Meder, 1730 M St., NW, #515 Washington, DC 20036	Acme Steel Company	1,500.00	
Do	Interlake Corp	3,000.00	
William H. Megonnell, 1111 19th St., NW, 9th Floor Washington, DC 20036	Edison Electric Institute	1,048.00	16.40
Katherine Meier, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn	2,250.00	
Michelle Meier, 2001 S Street, NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	1,000.00	
Susan R. Meisinger, 606 North Washington Street Alexandria, VA 22314	American Soc for Personnel Administration	15,000.00	
John Melcher, 2550 M Street, NW, #275 Washington, DC 20037	Fairchild Aircraft Corp		4,620.00
Do	Humane Society of the United States	3,000.00	1,128.00
Do	Marine Engineers Beneficial Assn	3,200.00	1,128.00
Do	National Committee to Preserve Social Security & Medicare	2,500.00	4,512.00
Do	Potomac Marine International, Inc	12,000.00	6,768.00
Do	Society for Aminal Protective Legislation	4,500.00	3,485.00
Kenneth F. Melley, 1201 16th Street, NW Washington, DC 20036	National Education Assn	4,010.80	23.00
Margaret Mellon, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	438.83	
Howard H. Menaker, 1199 North Fairfax Street, #801 Alexandria, VA 22313	National Assn of Truck Stop Operators, Inc		
John R. Mendenhall, Martin Tower 8th & Eaton Avenues Bethlehem, PA 18018	Union Pacific Corp	5,000.00	
David Mengebier, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	5,096.15	
William P. Mengebier, 655 15th Street, NW, #225 Washington, DC 20005	Rhone-Poulenc, Inc	540.00	64.44
Edward L. Menning, 1023 15th Street, NW, #300 Washington, DC 20005	National Assn of Federal Veterinarians	109.25	
J. Roger Mentz, 1333 New Hampshire Ave., NW Washington, DC 20036	Cadwalader Wickersham & Taft (For:Clayton & Dubilier, Inc)	290.00	
Do	Cadwalader Wickersham & Taft (For:Coalition for Capital Import Neutrality)		
Do	Cadwalader Wickersham & Taft (For:Government of Puerto Rico)	25.00	
Do	Cadwalader Wickersham & Taft (For:Mercedes-Benz of North America, Inc)		
Do	Cadwalader Wickersham & Taft (For:PFIC Group)	50.00	
Jane Mentzinger, 2030 M Street, NW Washington, DC 20036	Common Cause	4,095.00	
Sandra K. Meredith, 1818 N Street, NW Washington, DC 20036	DGA International, Inc. (For:Dir Intl Atf of the Gen Del for Armements)		
Do	DGA International, Inc. (For:Sofreavia)		
Do	DGA International, Inc. (For:SNECMA)		
Edward L. Merrigan, 6000 Connecticut Ave., NW Washington, DC 20815	Central Gulf Lines, Inc		
Do	Rolls-Royce Motors Cars, Inc		4.50
Nancy Jo Merrill, 1725 K St., NW, #814 Washington, DC 20006	March of Dimes Birth Defects Foundation	2,000.00	13.00
Merrill Lynch & Co, Inc, 1828 L St., NW, #906 Washington, DC 20036			69,500.00
Richard P. Merski, 1455 Pennsylvania Avenue, NW, #900 Washington, DC 20004	American International Group, Inc	5,000.00	819.83
Neil T. Messick, 1331 Pennsylvania Ave., NW Washington, DC 20004	General Electric Co	1,200.00	110.45
Jean L. Mestres, 1747 Pennsylvania Avenue, NW, #300 Washington, DC 20006	OXY USA, Inc	963.56	268.92
Matthew S. Metcalfe, P.O. Box 6422 Mobile, AL 36660	American Family Corp		
Jeremy Metz, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc		
David A. Metzner, 499 S Capitol St., SW, #520 Washington, DC 20003	MOVAN Enterprises, Ltd	7,500.00	
Do	Van Fleet Associates	7,749.99	
Alden M. Meyer, 1616 P Street, NW Washington, DC 20036	Union of Concerned Scientists	5,250.00	1,694.24
Ferd. C. Meyer Jr., 2121 San Jacinto Street, #2500 Dallas, TX 75266-0164	Central and South West Corp	3,200.00	3,115.91
M. Barry Meyer, 900 19th Street, NW Washington, DC 20006	Aluminum Assn	100.00	55.00
Larry D. Meyers, 412 First Street, SE #40 Washington, DC 20003	American Beekeeping Federation	1,500.00	
Do	CEPEX Pacific, Inc		
Do	National Agricultural Chemicals Assn	18,000.00	
Do	National Peanut Growers Group	6,000.00	
Do	Rice Belt Warehouse, Inc	4,500.00	
Do	Texas A&M Research Foundation	15,000.00	
Do	Texas Cotton Marketing		
Meyers & Associates, 412 First St., SE, #40 Washington, DC 20003	American Sheep Industry	16,500.00	
Do	Golf Course Superintendents Assn of America	5,000.00	
Do	Texas International Education Consortium	15,000.00	
David R. Mica, Florida Petroleum Institute 215 South Monroe Street, #800 Tallahassee, FL 32301	American Petroleum Institute		
Mark A. Micali, 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	3,750.00	2,890.50
Laurie J. Micciche, 1747 Pennsylvania Ave., NW Third Floor Washington, DC 20006	Occidental Chemical Corp	250.00	250.07
Michael G. Michaels, P.O. Box 150160 Lakewood Station Box PMB Atlanta, GA 30315			
Michaels & Wishner, P.C., 1726 M St., NW, #500 Washington, DC 20036	Medco Containment Services, Inc	2,500.00	468.03
Do	National Assn for Ambulatory Care		
Do	Watts Health Foundation, Inc	13,570.50	16,884.85
James G. Michaux, 6917 Granby Street Bethesda, MD 20817	Federated Dept Stores, Inc		
Frank G. Michelena, 17925 Sky Park Cir. Irvine, CA 92714	Landsdell Co		3,258.89
Kathleen Michels, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	4,415.00	137.60
Michigan Council of Self-Insured Group Administrators, 1351 E. Jefferson Ave. Detroit, MI 48207			
Mid-Continent Oil & Gas Assn, 1919 Pennsylvania Ave., NW, #503 Washington, DC 20006		13,609.88	16,842.85
Mid-West Electric Consumers Assn, 1441 York Street, #305 Denver, CO 80206		80.00	
Michael C. Middleton, Ten Light Street P.O. Box 987 Baltimore, MD 21203	MNC Financial, Inc		
Roger E. Middleton, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,100.00	82.00
Edmund Mierzwinski, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S Public Interest Research Group	4,615.38	
Evan M. Migdail, 888 17th Street, NW Washington, DC 20006	CITGO Petroleum Corp		
Migrant Legal Action Program, Inc, 2001 S St., NW, #310 Washington, DC 20009			
Rene Milam, Box 17407 Washington Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn		
Janice I. Milazzo, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc		
Miles & Stockbridge, 1701 Pennsylvania Ave., NW, #500 Washington, DC 20006	Black and Decker Corp		125.00
Do	PepsiCo, Inc		50.00
Do	Pizza Hut, Inc		275.00
Milgrim Thomajan & Lee, P.C., 1025 Connecticut Ave, NW, #1000 Washington, DC 20036	Lloyds U.S.		
Do	New York Mercantile Exchange (NYMEX)	3,520.00	3,520.00
Military Boot Manufacturers Assn, Belleville Shoe Manufacturing Co P.O. Box 508 Belleville, IL 62222			
Bonnie K. Miller, Box 528 Gainesville, VA 22065-0528	Liberty Lobby		
Carolynn E. Miller, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	3,189.00	200.00
Charles R. Miller, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	
Clinton R. Miller, P.O. Box 528 Gainesville, VA 22065-0528	Liberty Lobby		
Dale Miller, 4000 Reno Road, NW Washington, DC 20008	Texasgulf, Inc		
Deborah Imle Miller, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Denny Miller, 409 South Barton St. Arlington, VA 22204	Denny Miller Associates	7,500.00	
Edward C. Miller, 6269 Franconia Road Alexandria, VA 22310	City of Pompano Beach, Florida		
Francine Miller, 1627 Lamont Street, NW, Apt #41 Washington, DC 20010	Rainbow Lobby, Inc	5,292.50	259.77

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Grant Miller, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Co	2,500.00	125.00
Lawrence E. Miller, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn		
Mikel K. Miller, 5 Bracknell Circle Rockville, MD 20850	U.S. Strategies Corp (For:Cancer Treatment Holdings, Inc)	6,510.50	
Do	U.S. Strategies Corp (For:Healthsouth Rehabilitation Corp)	2,305.95	
Pamela A. Miller, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	1,583.76	
Richard G. Miller, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	3,900.00	413.99
Sandra Miller, 409 South Barton St. Arlington, VA 22204	Denny Miller Associates	1,250.00	
Sarah Miller, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn		
William T. Miller, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))	547.50	7.08
Miller & Chevalier, Chtd, 655 15th St., NW, #900 Washington, DC 20005-5701	Boeing Company		
Do	Electronic Industries Assn		
Do	Gold Fields Operating Co - Mesquite		
Do	Great Northern Insured Annuity Corp	1,744.00	
Do	John Hopkins University		
Do	Martin Marietta Corp		
Do	McDonnell Douglas Corp		
Do	Pacific Medical Center		
Do	Professional Services Council		
Do	United States Fidelity and Guaranty Company	250.00	
Miller & Holbrooke, 1225 19th Street, NW, #400 Washington, DC 20036	City of Sacramento, et al		
Do	Sugar Land Telephone Co		
Denny Miller Associates, Inc, 400 N. Capitol St., NW, #325 Washington, DC 20001	Boeing Company	3,000.00	2,460.00
Do	Makah Tribal Council	300.00	245.00
Do	Marine Engineers' Beneficial Assn	4,000.00	3,265.00
Do	Momentum 88	1,875.00	1,530.00
Do	Olin Corporation	3,000.00	2,460.00
Do	Pacific Nuclear Systems, Inc	1,062.50	862.00
Do	Port of Tacoma	1,125.00	928.00
Do	State of Washington, Dept of Transportation	1,500.00	1,235.00
Do	Tri-City Industrial Development Council (TRIDEC)	4,000.00	3,265.00
Miller Cassidy Larroca & Lewin, 2555 M St., NW, #500 Washington, DC 20037	Independent Insurance Agents of America, Inc, et al	1,487.50	
Do	National Assn of Life Underwriters, et al	4,125.00	
Kenneth Y. Millian, 919 18th Street, NW Washington, DC 20006	W. R. Grace & Co		1,101.25
C.G. Pete Milligan, 1442 S.W. Troon Circle Palm City, FL 33490	American Telephone & Telegraph Co	2,700.00	259.00
Amy J. Millman, 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris, Inc	250.00	400.00
John W. Mills, Tenneco Automotive 100 Tri State Int'l, #300 Lincolnshire, IL 60015	Coalition for Auto Repair Choice		
Richard V. Minck, 1001 Pennsylvania Ave., N.W. Washington, DC 20004	American Council of Life Insurance, Inc	1,750.00	
Dallas Miner, One Thomas Circle, #900 Washington, DC 20005	American Fishing Tackle Manufacturers Assn	19,000.00	
Minimum Wage Coalition to Save Jobs, P.O. Box 28261 Washington, DC 20038		28,525.00	60,730.44
Joseph G. Minish, 66 Sheridan Avenue West Orange, NJ 07052	Caguas Central Federal Savings Bank	2,000.00	234.00
Do	Prudential Insurance Co of America	1,667.00	704.00
J. Robert Minter, 1130 Connecticut Ave, NW, #830 Washington, DC 20036	Southern Company Services, Inc		48.93
Bennett L. Minton, 900 19th Street, NW, #800 Washington, DC 20006-2102	U.S. Telephone Assn		
Mintz Levin Cohn Ferris Glovsky & Popeo, P.C., 1825 I Street, NW, #1200 Washington, DC 20006	Cablevision		
Do	Coalition for High Definition TV		
Do	Communications Industry Assn of Japan	24,000.00	
Do	Home Recording Rights Coalition		
Do	Houghton Mifflin Company	2,064.00	
Do	National Cable Television Assn, Inc	7,500.00	
Do	Siemens Capital Corp	7,650.00	
Do	Smith Barney Harris Upham & Co, Inc		
Do	Turner Broadcasting System, Inc	1,575.00	
Miro Miro & Weiner, P.C., 500 N. Woodward Ave., #200 P.O. Box 908 Bloomfield Hills, MI 48303-0908	Detroit Tooling Assn		
Do	Michigan Council of Self-Insured Group Administrators		
Charles P. Mitchell, 1501 16th Street, NW Washington, DC 20036	Center for Science in the Public Interest	345.00	15.20
Douglas F. Mitchell, 1901 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Carmen & Muss (For:Financial Institutions Services Corp (for Northeast Savings))	150.00	
Edward F. Mitchell, 1900 Pennsylvania Avenue, NW Washington, DC 20068	Potomac Electric Power Co	19.48	
Stacey J. Mobley, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co		
David T. Modi, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co		
John Moehring, 2200 Mill Road Alexandria, VA 22314	American Movers Conference	800.00	
Brian R. Moir, 1255 23rd Street, NW, #800 Washington, DC 20037	Fisher Wayland Cooper & Leader (For:International Communications Assn)		
Peter A. Molinaro, 1100 15th Street, NW, #1200 Washington, DC 20005	Union Carbide Crop		
Robert M. Moliter, 1331 Pennsylvania Ave., NW, #865 Washington, DC 20004	General Electric Co	210.00	
John V. Moller, 1707 L Street NW, #725 Washington, DC 20036	Manchester Associates, Ltd (For:Nissan Motor Company, Ltd)		
Do	Manchester Associates, Ltd (For:Nissan Motor Manufacturing Corp, USA)		
W.W. Collin Moller, 1825 Eye St., NW, #1100 Washington, DC 20006	Lockheed Corporation	1,950.00	469.56
Robert A. Molofsky, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO	5,000.00	186.00
C. Manly Molpus, P.O. Box 3556 Washington, DC 20007	American Meat Institute	1,000.00	
Eric Mondres, 1601 Duke Street Alexandria, VA 22314	Society of American Florists	2,000.00	
Christopher Monek, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
William J. Montwieler, 1750 K Street, NW, #210 Washington, DC 20006	Industrial Truck Assn		
James P. Mooney, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	8,750.00	
Alan J. Moore, 1001 Pennsylvania Ave., NW, #675 Washington, DC 20004	Atchison Topeka & Santa Fe Railway Co	1,000.00	
Albert W. Moore, 7901 Westpark Drive McLean, VA 22102	NMTBA	1,000.00	25.00
Alvis J. Moore, 7227 North 16th Street Phoenix, AZ 85020	Giant Industries, Inc		
Carlos Moore, 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc	213.00	29.50
Frank B. Moore, 3003 Butterfield Road Oak Brook, IL 60521	Waste Management, Inc	5,000.00	3,051.55
Timothy X. Moore, Timothy Moore & Co 2900 M Street, NW, #300 Washington, DC 20007	All-Industry TV Music License Committee	8,500.00	
Do	Swidler & Berlin, Chtd		
Ann Moorhead, 2571 Vernon Drive, NE Palm Bay, FL 32905	Press Television	1,100.00	528.47
Eugene Moos, 517 C Street, NE Washington, DC 20002	Lesher Russell & Moos, Inc		
Richard M. Moose, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co		
Morality in Media, Inc, 475 Riverside Dr., #239 New York, NY 10115		32.96	32.96
Judith Morehouse, 1700 N. Moore Street Rosslyn, VA 22209	Boeing Company	672.00	42.00
Sue Markland Moreland, 918 North Carolina Avenue, SE Washington, DC 20003	Applied Biotreatment Assn	600.00	816.62
Do	Lusk Company	4,575.00	4,575.00
Dudley Digges Morgan III, 4900 Baronne Street New Orleans, LA 70115	Southern Forest Products Assn	13,389.00	
E. Joyce Morgan, 1920 N St., NW Washington, DC 20036	American Mining Congress		
J. Railton Morgan, 815 Connecticut Ave., NW Washington, DC 20006	National Automobile Dealers Assn	3,300.00	
Peter Denis Morgan, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,750.00	60.00
Stephen L. Morgan, 5201 Leesburg Pike, #1111 Falls Church, VA 22041	American Cemetery Assn		
Morgan Lewis & Bockius, 1800 M St., NW, #800 N. Washington, DC 20036	Business Roundtable		
Do	Coalition to Stop the Raid on America		
Do	Consolidated Natural Gas Co		
William G. Morin, 1331 Pennsylvania Avenue, NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	118.00	
James A. Morrill, 1726 M St., NW, #901 Washington, DC 20036	Scott Paper Co	6,000.00	213.71
Gerald D. Morris, 555 New Jersey Ave., NW Washington, DC 20001	American Fed of Teachers, AFL-CIO	17,011.92	140.00
Tom C. Morris, 1825 K St., NW, #1107 Washington, DC 20006	Phillips Petroleum Co	1,800.00	301.97
W. Patrick Morris, 1110 Vermont Avenue, NW Suite 1250 Washington, DC 20005	Shipbuilders Council of America	1,250.00	
James Morrison, 601 Pennsylvania Ave, NW, #700 Washington, DC 20004-2602	Business Executives for National Security		
William C. Morrison, 2001 North Adams St. Arlington, VA 22201	Meat Importers Council of America, Inc		
Morrison & Foerster, 2000 Pennsylvania Ave., NW Washington, DC 20006	California Bankers Clearing House Assn		
Do	City and County of San Francisco	1,627.50	
Do	Federal Home Loan Bank of Des Moines	3,500.00	352.95
Do	Federal Home Loan Bank of Seattle	3,500.00	566.95
Do	Federal Home Loan Bank of Topeka	3,500.00	352.95
Do	Ford Motor Co	15,632.50	406.50
Do	Mastercard International, Inc, et al	3,735.00	326.75
Do	National Electrical Manufacturers Assn	875.00	
Do	RREEF Funds, Inc	2,388.75	12.00
Valerie T. Morse, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co		
Evelyn M. Morton, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	481.15	499.95
George R. Moses, 2033 M Street, NW #300 Washington, DC 20036	National Association of Arab Americans		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Russell N. Mosher, 950 N. Glebe Rd., #160 Arlington, VA 22203	American Boiler Manufacturers Assn, Inc		2,168.10
Laurie A. Moshier, 2001 Eye Street, NW Washington, DC 20006	Electronic Industries Assn	200.00	
Jack Moskowitz, 701 N. Fairfax Street Alexandria, VA 22314-7807	United Way of America	17,156.25	239.83
Shelley R. Moskowitz, 236 Mass. Ave., NE, #608 Washington, DC 20002	Neighbor to Neighbor Action Fund	5,400.00	3,315.00
Dorothy J. Moss, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	25.00	
Moss Associates, Inc, 2450 Virginia Ave., NW Washington, DC 20037	Association of Bank Holding Cos	900.00	
Gerald J. Mossinghoff, 1100 15th Street, NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	1,000.00	
Motion Picture Assn of America, Inc, 1600 Eye Street, NW Washington, DC 20006		25,923.15	27,485.94
John J. Motley, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	9,570.00	300.00
L. A. Motley and Company, 1800 K Street, NW, #1000 Washington, DC 20006	Abecitrus - Brazilian Citrus Assn	50,000.00	84.95
Do	Adical		113.58
Do	ANIC - National Assn of Citric Industries		89.30
Motor and Equipment Manufacturers Association, 1325 Pennsylvania Ave., NW, #600 Washington, DC 20004			4,746.51
Motor Vehicle Manufacturers Assn of the U.S., Inc, 7430 Second Avenue, #300 Detroit, MI 48202		33,423.30	33,583.30
Katharine R. Mountcastle, 2030 M St. NW Washington, DC 20036	Common Cause	5,011.26	
Susan Connolly Moya, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce	2,500.00	
Cheryl L. Moyer, Box 198A Ghaner Road Port Matilda, PA 16870	Pennsylvania Assn of Families	400.00	
Muldoon Murphy & Faucette, 5101 Wisconsin Ave., NW, #508 Washington, DC 20016	Anchor Savings Bank, FSB	98,117.50	7,005.85
Do	Carteret Savings Bank, F.A.	86,415.00	6,785.26
Do	Empire of America, FSB	50,000.00	697.83
Do	Financial Assistance Inequity Relief Coalition (FAIR)	53,057.50	15,159.46
Do	Franklin Federal Savings Bank	14,772.50	380.20
Do	Glendale Federal Savings & Loan Assn	51,563.75	6,234.22
Do	Household International Corp	20,000.00	542.06
Do	Long Island Savings Bank	88,967.56	5,846.64
Do	Merabank, FSB	5,000.00	50.25
Do	National City Corporation	1,000.00	
Do	Northeast Savings, F.A.	83,278.75	7,861.52
Do	Pelican Homestead and Savings Assn	106,743.75	6,181.19
Do	Provident Federal Savings Bank, FSB, et al.	70,000.00	1,303.01
Do	Star States Corp	150.00	268.58
Do	Talman Home Federal Savings and Loan Assn	75,460.00	6,698.10
Do	United Savings of Texas, FSB	39,053.75	598.04
James S. Mulhern, 1840 Wilson Boulevard Arlington, VA 22201	National Milk Producers Federation	4,300.00	
Richard J. Muller, 1100 Connecticut Ave., NW, #930 Washington, DC 20036	Chrysler Corporation	2,000.00	105.00
John A. Mullett, 1627 K St., NW, #500 Washington, DC 20006	FMC Corporation	2,300.00	109.90
Albert E. Mullin Jr, 111 Powdermill Rd. (b79) Maynard, MA 01754	Digital Equipment Corp	15,000.00	
Tracy Mullin, 1000 Connecticut Ave., NW, #700 Washington, DC 20036	National Retail Merchants Assn	4,000.00	50.00
William F. Mullin, 1615 L St., NW, #1210 Washington, DC 20036	Metropolitan Life Insurance Cos	1,000.00	
Betty J. Munis, 1301 Pennsylvania Ave., #300 Washington, DC 20004	Public Lands Council	1,000.00	
James Brian Munroe, 1050 Connecticut Avenue, NW Washington, DC 20036	Hoffmann-La Roche, Inc		
Barbara Munson, 1300 North 17th St., #1200 Arlington, VA 22209	Consumer Bankers Assn	7,218.75	19.44
Daniel J. Murphy, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Co, Inc)	10,000.00	
Do	Murphy & Demory, Ltd (For:Korea Tacoma Marine Industries, Ltd)		
Do	Murphy & Demory, Ltd (For:Tridec Westinghouse)		
Elizabeth A. Murphy, 1901 N. Fort Myer Drive, #204 Arlington, VA 22209	Roadway Express, Inc		
James F. Murphy, 6200 Oaktree Blvd. Independence, OH 44131	Centerior Energy Corp, et al		
James Jackson Murphy, 1720 I Street, NW 7th Floor Washington, DC 20006	American Academy of Actuaries		
James P. Murphy, 485 Lexington Ave., 25th Floor New York, NY 10017	New York State Bankers Assn	1,600.00	655.40
John P. Murphy, 1001 Connecticut Ave., NW, #1120 Washington, DC 20036	Chemical Specialties Manufacturers Assn, Inc	1,800.00	59.73
Lester L. Murphy Jr., 5709 W. 21st St., P.O. Box 4267 Topeka, KS 66604	Kansas Electric Cooperatives, Inc	490.08	724.82
Michael M. Murphy, 1101 17th St., NW, #400 Washington, DC 20036	American President Companies, Ltd, et al	9,300.00	
Paul T. Murphy, P.O. Box 619500 Dallas, TX 75261	Caltex Petroleum Corp		
Daniel H. Murray, 1133 21st St., NW, #900 Washington, DC 20036	BellSouth Corp		2,095.49
James E. Murray, 815 Connecticut Avenue, NW, #701 Washington, DC 20006	Brown & Wood (For:Citicorp Investment Bank, et al.)		
Rosemary Griffin Murray, Crystal Park Four, 2345 Crystal Drive Arlington, VA 22207	Pan American World Airways, Inc		
Do	USAir, Inc		
Murray & Scheer, 2715 M Street, NW, #300 Washington, DC 20007	American Cyanamid Co		
Do	Bear Stearns & Co	500.00	
Do	Cleveland Cliffs Iron Co	250.00	
Do	Connecticut Mutual Life Insurance Co	500.00	
Do	Home Life Insurance Co	500.00	
Do	Industry Council for Tangible Assets	400.00	
Do	Iron Ore Assn	250.00	
Do	Lightning Location & Protection, Inc		
Do	LTV Corporation	450.00	
Do	National Business Aircraft Assn		
Do	National Council of Coal Lessors	300.00	
Do	New England Mutual Life Insurance Co	500.00	
Do	Pacific Mutual Life Insurance Co	500.00	
Do	Penn Mutual Life Insurance Co	500.00	
Do	Provident Mutual Life Insurance Co of Philadelphia	500.00	
Do	PHP Healthcare Corp	600.00	
Do	Shubert Organization, Inc	400.00	
Do	Swaziland Sugar Assn	400.00	
Robert Musil, 1616 P Street, NW, #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control	7,340.10	18,499.32
Robert J. Muth, 180 Maiden Ln. New York, NY 10038	Asarco Inc		
Mutual Life Insurance Co Tax Committee, 720 East Wisconsin Avenue Milwaukee, WI 53202		5,000.00	3,526.00
Gary D. Myers, 501 2nd Street, NE Washington, DC 20002	Fertilizer Institute	4,500.00	284.05
MOVAN Enterprises, Ltd, 499 S Capitol St., SW, #520 Washington, DC 20003	Magnavox Government & Industrial Electronics Co	15,000.00	7,500.00
Alan Y. Naftalin, 1150 Connecticut Avenue, NW Washington, DC 20036	Koteen & Naftalin (For:Alascom, Inc)		
Do	Koteen & Naftalin (For:Telephone & Data Systems, Inc)		
David Scott Nance, 808 17th Street, NW, #300 Wasshington, DC 20006-3910	Stewart and Stewart		
John Francis Nash Jr., 214 Massachusetts Ave., NE, #420 Washington, DC 20002	Milliken & Company	5,000.00	2,900.00
Mark K. Nasseri, 1275 K Street, NW, #850 Washington, DC 20005	Donelan Cleary Wood & Maser (For:Cascade Natural Gas Corp)		
Gary M. Nateman, 1225 'Eye' Street, NW, #825 Washington, DC 20005	Beer Institute		32.00
Frances E. Nathan, 14 East 90 Street New York City, NY 10128	New York Public Library	5,366.25	
Hardy L. Nathan, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	500.00	
National Assn for Biomedical Research, 818 Connecticut Ave., NW, #303 Washington, DC 20006		118,100.00	20,503.84
National Assn for Neighborhood Schools, Inc, 335 Locust St. Pittsburgh, PA 15218		1,567.48	1,885.59
National Assn for Stock Car Auto Racing, Inc (NASCAR), 1801 Speedway Boulevard Daytona Beach, FL 32015			
National Assn of Air Traffic Specialists, 4780 Corridor Pl., Suite B Beltsville, MD 20705			540.00
National Assn of Beverage Importers, 1025 Vermont Avenue, NW, #1205 Washington, DC 20005			
National Assn of Broadcasters, 1771 N Stret, NW Washington, DC 20036		60,872.61	60,872.61
National Assn of Chain Drug Stores, Inc, P.O. Box 1417-049 Alexandria, VA 22313			
National Assn of Federal Employees, 3500 Maple Avenue, Suite 1650 Dallas, TX 75219			
National Assn of Federal Veterinarians, 1023 15th Street, NW, #300 Washington, DC 20005			133.22
National Assn of Independent Colleges & Universities, 122 C St., NW, #750 Washington, DC 20001			59,861.00
National Assn of Insurance Brokers, Inc, 1401 New York Ave., NW, #720 Washington, DC 20005			
National Assn of Life Companies, 1455 Pennsylvania Ave., #1250 Washington, DC 20004			1,000.00
National Assn of Manufacturers, 1331 Pennsylvania Ave., NW, #1500 Washington, DC 20004-1703		127,436.86	127,436.86
National Assn of Margarine Manufacturers, 1101 15th St., NW, #202 Washington, DC 20005			
National Assn of Mutual Insurance Cos, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268		1,400.00	1,400.00
National Assn of Real Estate Investment Trusts, Inc, 1129 20th St., NW, #705 Washington, DC 20036			
National Assn of Securities and Commercial Attorneys, 1401 New York Ave., #740 Washington, DC 20005		33,450.00	21,662.01
National Assn of Stevedores, 2011 I Street, NW, #601 Washington, DC 20006		3,300.00	4,800.00
National Assn of Trade & Technical Schools, 2251 Wisconsin Ave., NW Washington, DC 20007		7,500.00	
National Assn of Truck Stop Operators, Inc, 1199 N. Fairfax Street, #801 Alexandria, VA 22314			
National Automobile Dealers Assn, 8400 Westpark Drive Mclean, VA 22102			22,275.00
National Bicycle Dealers Assn, Inc, 129 Cabrillo Street, #201 Costa Mesa, CA 92627-3006			
National Broiler Council, 1155 15th St., NW Washington, DC 20005		3,170.00	3,170.00
National Business Aircraft Assn, 1200 18th St., NW, #200 Washington, DC 20036-2598			19,241.60
National Cable Television Assn, Inc, 1724 Massachusetts Ave., NW Washington, DC 20036		60,878.14	60,878.14

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
National Cattlemen's Assn, 5420 S. Quebec Street P.O. Box 3496 Englewood, CO 80155			
National Club Association, 1625 Eye St., NW, #609 Washington, DC 20006			
National Co-Op of Farmers & Laborers, 2718 E. Manford Street Fort Wayne, IN 46806			
National Coalition for Fair Trade, 7200 Wisconsin Avenue Bethesda, MD 20814		50.00	7.70
National Coalition of Fresh Potato Processors, c/o Collier Shannon Rill & Scott 1055 Thomas Jefferson St., NW Washington, DC 20007.			
National Coalition to Ban Handguns, 100 Maryland Ave., NE Washington, DC 20002		117,895.00	18,457.00
National Comm to Preserve Social Security, 2000 K Street, NW, 7th Floor Washington, DC 20006		721,669.00	751,669.00
National Comm Against Repressive Legislation, 236 Massachusetts Avenue, NE, #406 Washington, DC 20002		3,393.40	6,037.73
National Commercial Finance Assn, 225 W. 34th St. New York, NY 10122			15,728.00
National Community Action Foundation, Inc, 2100 M Street, NW, #604A Washington, DC 20037		119,728.52	46,131.20
National Cooperative Business Assn, 1401 New York Ave., NW, #1100 Washington, DC 20005		27,500.00	14,238.91
National Cotton Council of America, P.O. Box 12285 Memphis, TN 38182		54,776.18	54,776.18
National Council for Languages & Int'l Studies, 300 Eye Street, Suite 211 Washington, DC 20002		28,298.91	17,486.01
National Council of Agricultural Employers, 499 S. Capitol Street, SW, #411 Washington, DC 20003		3,250.00	1,871.00
National Council of Farmer Cooperatives, 50 F Street, NW, #900 Washington, DC 20001		22,696.30	12,833.12
National Council of Savings Institutions, 1101 15th St., NW, #400 Washington, DC 20005		11,000.00	
National Electrical Manufacturers Assn, 2101 L Street, NW, #300 Washington, DC 20037		4,785.50	4,785.50
National Fed of Independent Business, 150 W. 20th Ave. San Mateo, CA 94403		44,102.75	44,102.75
National Food Processors Assn, 1401 New York Avenue, NW, #400 Washington, DC 20005		1,800.00	1,800.00
National Foreign Trade Council, Inc, 100 East 42nd St. New York, NY 10017		129,242.00	129,242.00
National Grain & Feed Assn, 725 15th St., NW, #500 Washington, DC 20005			
National Grange, 1616 H St., NW Washington, DC 20006		15,875.00	15,875.00
National Grocers Assn, 1825 Samuel Morse Drive Reston, VA 22090		3,000.00	1,655.55
National Guard Assn of the U.S., One Massachusetts Ave., NW Washington, DC 20001		50,489.10	10,876.28
National Industrial Transportation League, 1090 Vermont Ave., NW, #410 Washington, DC 20005		18,000.00	15,869.50
National Knitwear & Sportswear Assn, 386 Park Avenue South New York, NY 10016			2,573.88
National Leased Housing Assn, 2300 M St., NW, #260 Washington, DC 20037		500.00	500.00
National Milk Producers Federation, 1840 Wilson Blvd. Arlington, VA 22201			
National Motorsports Comm of Accus, 1500 Skokie Boulevard, #107 Northbrook, IL 60062			
National Multi Housing Council, 1250 Connecticut Ave., NW, #620 Washington, DC 20036		9,676.96	9,676.96
National Newspaper Assn, 1627 K St., NW, #400 Washington, DC 20006		143,730.00	7,800.00
National Organization for Women, 1000 16th Street, NW Washington, DC 20036			950.00
National Pest Control Assn, 8100 Oak St. Dunn Loring, VA 22027			
National Public Affairs Corp, 6296 Dunaway Court McLean, VA 22101	Westinghouse Electric Corp	300.00	
National Realty Committee, 1250 Connecticut Ave., NW, #630 Washington, DC 20036		1,000.00	1,000.00
National Retail Merchants Assn, 1000 Connecticut Avenue, NW Washington, DC 20036			19,468.08
National Right to Work Committee, 8001 Braddock Rd., #600 Springfield, VA 22160		8,352.89	8,352.89
National Rural Electric Cooperative Assn, 1800 Massachusetts Ave., NW Washington, DC 20036			4,434.45
National Rural Housing Coalition, 122 C Street, NW, #875 Washington, DC 20002		10,265.48	19,571.91
National Security Traders Assn, Inc, One World Trade Center, #4511 New York, NY 10048			7,375.00
National Society of Professional Engineers, 1420 King Street Alexandria, VA 22314		10,100.00	10,100.00
National Soft Drink Assn, 1101 16th St., NW Washington, DC 20036			84.00
National Solid Wastes Management Assn, 1730 Rhode Island Ave., NW, #1000 Washington, DC 20036			
National Stone Assn, 1415 Elliot Place, NW Washington, DC 20007			
National Strategies, Inc, 888 17th Street, NW, 12th Floor Washington, DC 20006	Alliance for Capital Access	30,000.00	
Do	Brownstein Hyatt Farber & Madden (for American West), et al	40,612.50	3,098.10
Do	Columbia Savings & Loan Assn	22,809.38	600.98
Do	Manor Care	2,532.71	3,357.35
Do	PGA Tour, Inc		
Do	Trian Group	1,961.10	
National Telephone Cooperative Assn, 2626 Pennsylvania Ave., NW Washington, DC 20037			
National Tire Dealers & Retreaders Assn, 1250 Eye Street, NW, #400 Washington, DC 20005		7,471.00	7,471.00
National Truck Equipment Assn, 25900 Greenfield Rd. Oak Park, MI 48237		22,916.00	5,768.94
National Venture Capital Association, 1655 N. Fort Meyer Dr., #700 Arlington, VA 22209			51,458.84
National Wildlife Federation, 1400 16th Street, NW Washington, DC 20036-0001			23,694.57
National-American Wholesale Grocers' Assn, 201 Park Washington Court Falls Church, VA 22046		12,000.00	12,000.00
Michael W. Naylor, 1001 Pennsylvania Ave, NW, #700 Washington, DC 20004-2502	Allied-Signal, Inc		
Richard W. Neal, 1301 Pennsylvania Ave., #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Karen J. Neale, 2501 M Street N.w. Washington, DC 20037	Chemical Manufacturers Assn, Inc	750.00	180.10
Jeffrey Nedelman, 1010 Wisconsin Avenue, NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	53.41	
Allen Neece Jr., 1050 17th Street, NW Washington, DC 20036	Neece Cator & Associates, Inc (For:Association of Small Business Development Centers).		
Do	Neece Cator & Associates, Inc (For:National Venture Capital Association)		
Neece Cator & Associates, Inc, 1050 17th Street, NW, #810 Washington, DC 20036	Association of Small Business Development Centers		
Do	Colson Investments		
Do	Design Professionals Coalition		
Do	National Venture Capital Association		
Neighbor-To-Neighbor Action Fund, 2601 Mission Street, #400 San Francisco, CA 94110		69,805.86	69,831.67
Frederick W. Neill, 600 5th Street Aurora, IL 60505			
Neill & Company, Inc, 815 Connecticut Ave., NW, #800 Washington, DC 20006	Arab Republic of Egypt		23,605.80
Do	General Electric Industrial and Power Systems	36,000.00	634.81
Do	Government of Jamaica	150,000.00	2,393.02
Do	Hashemite Kingdom of Jordan	55,000.00	8,152.53
Do	Islamic Republic of Pakistan		1.88
Do	Kingdom of Morocco	300,000.00	11,312.75
Do	Republic of Guinea		743.02
Do	Republic of Kenya	126,289.62	7,607.53
Neill Mullenholz & Shaw, 815 Connecticut Ave. NW Washington, DC 20006	Florida East Coast Railway Co	1,000.00	
Do	National Council Social Security Management Assns, Inc	4,000.00	280.00
Do	North American Equipment Dealers Assn	1,500.00	
Do	PHH Group, Inc		
Do	Senior Executives Assn	5,000.00	415.00
Do	Soo Line Corporation	2,500.00	
Do	TACA International Airlines		
Joseph L. Nellis, 1015 15th Street, NW, #1100 Washington, DC 20005	Pharmacy Freedom Fund	25,000.00	
Mark D. Nelson, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20036	E. I. du Pont de Nemours & Co		
Mark E. Nelson, 555 13th Street, NW Washington, DC 20004	McCamish Martin Brown & Loeffler (For:Central & South West Corp)		
Do	McCamish Martin Brown & Loeffler (For:Citicorp)		
Do	McCamish Martin Brown & Loeffler (For:United Services Automobile Assn)	13.54	
Lynda L. Nersesian, 1100 15th St., NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	32.00
Frederick H. Nesbitt, 1750 New York Avenue NW Washington, DC 20006	International Assn of Fire Fighters	11,250.00	
Mark Nestlen, 1300 L Street, NW, #950 Washington, DC 20005-4107	American Soybean Assn	1,125.00	428.33
Network, 806 Rhode Island Ave., NE Washington, DC 20018		32,863.98	47,297.76
E. John Neumann, 1130 Connecticut Avenue, NW, #830 Washington, DC 20036	Southern Company Services, Inc	5,517.27	5,470.77
Loretta Neumann, Foresight Science & Technology, Inc 2000 P St., NW, #305 Washington, DC 20036	Society for American Archaeology		
Louis H. Nevins, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:American Savings Bank, FSB)		5.50
Do	Thacher Proffitt & Wood (For:Apple Bank for Savings)		
Do	Thacher Proffitt & Wood (For:Binghamton Savings Bank)		
Do	Thacher Proffitt & Wood (For:Boston Five Cents Savings Bank, FSB)		5.50
Do	Thacher Proffitt & Wood (For:Castine Partners)		
Do	Thacher Proffitt & Wood (For:Dollar Bank, FSB)		5.50
Do	Thacher Proffitt & Wood (For:New Hampshire Savings Bank)		
Do	Thacher Proffitt & Wood (For:Peoples Westchester Savings Bank)		
Do	Thacher Proffitt & Wood (For:Ranieri Wilson & Co, Inc)		99.00
Do	Thacher Proffitt & Wood (For:River Bank America)		
Do	Thacher Proffitt & Wood (For:Rochester Community Savings Bank)		
Do	Thacher Proffitt & Wood (For:Standard Federal Savings & Loan)		15.50
New York Comm of Intl Comm of Passenger Lines, 74 Trinity Place New York, NY 10006			
New York State Bankers Assn, 485 Lexington Avenue New York, NY 10017		65,000.00	71,660.00
Lilian Ann Newby, 2301 M Street, NW Washington, DC 20037	American Public Power Assn	1,500.00	17.50
Linton C. Newlin, 577 Mulberry Street Macon, GA 31298	Charter Medical Corp	720.00	644.60
Cynthia E. Newman, 400 North Washington Street Alexandria, VA 22314	Professional Insurance Agents	500.00	200.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
George S. Newman, 7915 Jones Branch Dr. McLean, VA 22102	BDM International, Inc		
William B. Newman Jr., P.O. Box 23451 Washington, DC 20026	Consolidated Rail Corporation	5,500.00	
Newman & Holtzinger, P.C., 1615 L St., NW, #1000 Washington, DC 20036	Utility Nuclear Waste Management Group	3,682.50	
Sharon Newsome, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	4,482.18	
E. Archie NeSmith Jr., 1001 Pennsylvania Ave., NW, #700 Washington, DC 20004	Allied-Signal Aerospace Co		
E. Bruce Nicholson, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Marlene Nicholson, 1722 Eye St., NW, Fifth Floor Washington, DC 20006	Barclays Bank PLC	4,200.00	3,670.89
Patrick J. Nilan, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	13,832.21	2,722.86
Nissan Motor Corporation, U.S.A., 1919 Pennsylvania Avenue, NW, #707 Washington, DC 20006			
Nixon Hargrave Devans & Doyle, One Thomas Circle, NW, #800 Washington, DC 20005	American Free Trade Assn	4,288.75	152.80
Do	Bausch & Lomb		
Do	Thompson Medical Co		
Barbara D. Nocera, 955 L'Enfant Plaza, SW, #5300 Washington, DC 20024	Honda North America, Inc	400.00	
A. Allan Noe, 655 15th Street, NW, #975 Washington, DC 20005	Unilever United States, Inc	1,500.00	115.01
Robert W. Nolan, 1303 New Hampshire Ave., NW Washington, DC 20036	Fleet Reserve Assn	100.00	
Walker F. Nolan, 1111 19th St., NW, 9th Fl. Washington, DC 20036	Edison Electric Institute	11,714.47	413.23
Nonprescription Drug Manufacturers Assn, 1150 Connecticut Ave., NW, #1200 Washington, DC 20036	Proprietary Association		4,212.50
James A. Noone, 1250 Connecticut Avenue, NW, #318 Washington, DC 20036	Karalekas & McCahill (For:Firestone Tire & Rubber Co, et al.)	800.00	115.00
Do	Karalekas & McCahill (For:Gates Rubber Company)	2,400.00	22.00
Do	Karalekas & McCahill (For:National Agriculture Aviation Assn)	3,000.00	35.42
David F. Norcross, 1010 Kings Highway So., #2-C Cherry Hill, NJ 08034	National Check Cashers Coalition	6,000.00	
Julia J. Norrell, 1001 Pennsylvania Avenue, NW Washington, DC 20004	American Council of Life Insurance, Inc	5,325.00	
North American Export Grain Assn, Inc, 1030 15th Street, NW, #1020 Washington, DC 20005			
North American Telecommunications Assn, 2000 M St., NW, #550 Washington, DC 20036		10,761.26	10,761.26
Patrice North-Rudin, 1133 21st Street, NW Washington, DC 20036	Travel & Tourism Gov't Affairs Council	2,280.00	
Northeast Utilities Service Co, Selden St. Berlin, CT 06037			6,603.81
Edward M. Norton Jr., 1400 16th Street, NW, #300 Washington, DC 20036	Grand Canyon Trust		
Nossaman Guthner Knox & Elliott, 1140 19th St., NW, #600 Washington, DC 20036	Aetna Life & Casualty	1,825.00	1,875.00
Do	California Co-Compost Systems		
Do	California Student Loan Finance Corp	625.00	
Do	Northwestern National Life Insurance Co	375.00	1,625.00
Do	Southern California Edison Co	375.00	125.00
Russell C. Notar, 1401 New York Ave., NW, #1100 Washington, DC 20005	National Cooperative Business Assn	2,000.00	88.41
Steven R. Nousen, P.O. Box 3529 Portland, OR 97208	Port of Portland	12,628.00	298.43
Patrick J. Nugent, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	2,000.00	6,503.60
H. James Nunes, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group		
Silas O. Nunn, 1110 Vermont Avenue, NW, #1250 Washington, DC 20005	Shipbuilders Council of America		
Ralph D. Nurnberger, 500 North Capitol Street, NW, #300 Washington, DC 20001	American Israel Public Affairs Comm	14,250.00	920.65
C. D. Nyberg, 103 S.W. 24th Street Austin, MN 55912	Geo. A. Hormel & Co		
Hubert K. O'Bannon, 50 F Street, NW Washington, DC 20001	Association of American Railroads	458.85	102.21
George O'Bea Jr., 815 16th Street, NW, #701 Washington, DC 20006	United Paperworkers International Union		
Dinah K. O'Berry, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	8,579.00	471.88
Coleman C. O'Brien, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	10,000.00	32.00
David D. O'Brien, O'Brien & Associates 600 New Hampshire Avenue, NW, #1010 Washington, DC 20037	Harley-Davidson, Inc	12,000.00	999.02
Mary Eileen O'Brien, 1800 M St., NW, Suite 325-S Washington, DC 20036	Dow Corning Corp		
Raymond V. O'Brien, 1600 M St., NW Washington, DC 20036	ITT Corporation	700.00	100.00
Rosemary L. O'Brien, 805 15th Street, NW, #610 Washington, DC 20005-2207	CF Industries, Inc	500.00	
David O'Brien & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	A. L. Williams & Company	15,289.14	164.67
James J. O'Connell, 1201 Pennsylvania Avenue, NW, #370 Washington, DC 20004	Control Data Corporation		
Richard T. O'Connell, Richard T. O'Connell & Associates, Inc 3208 Traveler Street Fairfax, VA 22030	Chocolate Manufacturers Assn of the USA		
Do	National Confectioners Assn of the U.S.		
Terrence M. O'Connell II, 444 N. Capitol Street, NW, #711 Washington, DC 20001	Keefe Co (For:Sanders Associates, Inc)	5,000.00	
Do	Keefe Company (For:UNIAO Nacional Para Independencia Total DeAngola)	3,000.00	
Do	Keefe Company (For:Westinghouse Electric Corp)		
William B. O'Connell, 111 East Wacker Dr. Chicago, IL 60601	U.S. League of Savings Institutions	1,458.33	3,930.51
James E. O'Connor, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions		
K. James O'Connor Jr., 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	400.00	12.00
Kelley E. O'Connor, 1601 Duke Street Alexandria, VA 22314	Society of American Florists		
Patrick C. O'Connor, 1825 K Street, NW, #305 Washington, DC 20006	American Supply Association	3,000.00	776.37
Do	American Warehousemen's Association		
Do	National Assn of Fleet Administrators	3,931.25	1,987.49
Do	Steel Tank Institute	2,062.50	1,055.84
Do	Transportation Lawyers Assn		
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Bus Assn	3,750.00	
Do	American Clinical Laboratory Assn	1,000.00	
Do	American Health Care Assn	3,181.25	
Do	American Inst of Certified Public Accountants	4,100.00	
Do	American Insurance Assn	500.00	
Do	American Maritime Transport, Inc		
Do	American Orthotic & Prosthetic Assn	5,833.20	
Do	American Soc of Assn Executives	3,273.42	
Do	American Soc of Cataract & Refractive Surgery	1,400.00	
Do	Arthur Andersen & Co	1,000.00	
Do	California Student Loan Finance Corp	1,514.58	
Do	Center for Marine Conservationion, Inc		
Do	ChemWaste Management, Inc		
Do	China External Trade Development Council	5,600.00	
Do	Citizens Savings and Loan	16,820.00	
Do	City of Minneapolis	1,000.00	
Do	Coca-Cola Company		
Do	Connaught Laboratories, Inc	11,593.19	
Do	Crescent Cities Jaycees Foundation, Inc	445.63	
Do	Alfredo Cristiani		
Do	CNA Insurance Co	982.16	
Do	Distilled Spirits Council of the U.S., Inc	1,000.00	
Do	Eastern Michigan University	303.40	
Do	Electronic Data Systems Corp	2,300.00	
Do	Embassy of Bolivia		
Do	Federal Home Loan Bank of Seattle	20,000.00	
Do	Forstmann Little & Co	2,000.00	
Do	Gaming Industry Assn of Nevada, Inc	4,125.00	530.69
Do	Glass Packaging Institute	5,075.00	
Do	Government of Netherlands Antilles	30,149.00	
Do	Health Care Financing Study Group	4,500.00	
Do	Hennepin County	1,000.00	
Do	Historic Landmarks for Living		
Do	Homeowners Federal Savings		
Do	Independent Advertising Council		
Do	Investment Company Institute	3,750.00	
Do	J.C. Penney Company, Inc	10,630.00	
Do	Kawasaki Kisen Kaisha, Ltd		
Do	Martin Marietta Corp	2,200.00	
Do	MasterCard International, Inc	4,250.00	
Do	Mercedes-Benz of North America, Inc		
Do	Mitchell Sweet & Associates	3,000.00	
Do	Morgan Grenfell Group, PLC	3,600.00	
Do	National Apartment Assn	1,500.00	
Do	National Assn of Off-Track Betting		
Do	National Assn of Optometrists and Opticians, Inc	3,000.00	454.83
Do	National Assn of Portable X-Ray Providers	1,000.00	
Do	National Assn of Private Enterprise of El Salvador	2,000.00	
Do	National Funeral Directors Assn	4,017.44	
Do	Nevada Resort Assn	9,625.00	796.06

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	New York State Assembly	750.00	
Do	Pacific Telesis Group	5,820.00	
Do	Perpetual Savings Bank	5,000.00	
Do	Philadelphia Stock Exchange	5,000.00	
Do	Prudential Insurance Co of America	1,780.00	
Do	Joseph E. Seagram & Sons, Inc	663.59	
Do	Securities Industry Assn	9,600.00	
Do	SmithKline Beckman Corp	3,121.16	
Do	State of Alaska	17,679.47	
Do	Summer Island, Inc	2,650.00	
Do	Visa, USA, Inc	4,250.00	
Do	Westinghouse Electric Corp	2,734.90	
Paul T. O'Day, 1150 17th Street, NW Washington, DC 20036	American Fiber Producers Assn, Inc		
Thomas A. O'Day, 1629 K St., NW, #1010 Washington, DC 20006	Alliance of American Insurers	450.00	
John F. O'Donnell, 1111 14th St., NW, #1100 Washington, DC 20005	American Dental Assn	1,000.00	
Karen O'Donnell, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
J. Daniel O'Flaherty, 1625 K St., NW, #1090 Washington, DC 20006	National Foreign Trade Council	5,000.00	400.00
Bridget O'Grady, 955 L'Enfant Plaza, SW, #1202 N Washington, DC 20024	National Water Resources Assn	3,750.00	
Jane O'Grady, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,361.80	703.85
Terri O'Grady, 1600 Rhode Island Avenue, NW Washington, DC 20036	National Rifle Assn of America	1,150.05	177.54
Barbara E. O'Hara, P.O. Box 23992 Washington, DC 20026-3992	American Soc of Travel Agents	75.00	
James G. O'Hara, Patton, Boggs & Blow 2550 M St., NW, #800 Washington, DC 20037	Wayne County Michigan		
Eileen M. O'Keefe, 1317 F Street, NW Washington, DC 20004	Lisboa Associates, Inc (For:University of the Virgin Islands)	250.00	
Charles B. O'Keeffe Jr., 1911 Huguenot Road, #101 Richmond, VA 23235	Sterling Drug, Inc		
Janet O'Keeffe, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	3,000.00	71.00
Kathleen O'Leary, 1250 Eye St., NW, #703 Washington, DC 20005	Columbia Gas Transmission Corp	4,000.00	
James A. O'Malley, 555 New Jersey Ave., NW, #255 Washington, DC 20001	Vern Clark & Associates (For:Outdoor Advertising Assn of America)	4,020.00	1,403.88
Do	Vern Clark & Assocs (For:RJR Nabisco)	1,980.00	27.83
O'Melveny & Myers, 555 13th St., NW Washington, DC 20004	Amax, Inc		
Do	Dulles Access Rapid Transit Corp		
Do	Mobil Oil Corp		13,021.96
Joseph O'Neil, 1000 Wilson Blvd., #3000 Arlington, VA 22209	ITT Defense Technology Corp	1,500.00	50.00
Joseph P. O'Neill, 1616 H Street, NW Washington, DC 20006	American Retail Federation	500.00	61.00
O'Neill and Athy, P.C., 1310 19th Street, NW Washington, DC 20036	Allegheny County Commission		
Do	American Bankers Assn	4,450.00	
Do	Bank of New England	1,100.00	
Do	Beth Israel Hospital		
Do	Brigham and Women's Hospital		
Do	Business Roundtable		
Do	Coalition of Boston Teaching Hospitals		
Do	Connecticut Bank & Trust Corp		
Do	Cruise America Line, Inc		
Do	Glass Packaging Institute		
Do	Massachusetts General Hospital		
Do	Massachusetts Hospital Assn		
Do	Milk Industry Foundation		
Do	National Football League		
Do	National Gas Pipeline Coalition		
Do	New England Deaconess Hospital		
Do	New England Medical Center		
Do	Northwestern Mutual Life		
Do	Pyrotechnic Signal Manufacturers Assn		
Do	Source Data Network		
Do	Texas Utilities Co		
Do	University Hospital		
Do	USTA		
Do	USX Corporation		
Do	Viacom International		
John T. O'Rourke, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn	976.00	
J. Denis O'Toole, 1120 Connecticut Avenue, NW Washington, DC 20036	U.S. League of Savings Institutions	25,000.00	
John E. O'Toole, 1899 L Street, NW Washington, DC 20036	American Assn of Advertising Agencies	2,500.00	
M. Diane O'Toole, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp	1,400.00	285.55
Stephen E. O'Toole, 1660 L St., NW Washington, DC 20036	General Motors Corp	3,000.00	4,921.43
Jana R. Oakley, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	500.00	
Paul C. Oakley, 50 F Street, NW Washington, DC 20001	Association of American Railroads		
Obadal & O'Leary, P.C., 1612 K St., NW, #1400 Washington, DC 20006	Associated Equipment Distributors		
Harry R. Obley, One Mellon Bank Center, #3003 Pittsburgh, PA 15258-0001	Mellon Bank N.A., et al	2,000.00	734.06
Kim M. Oboz, 1020 19th Street, NW, #700 Washington, DC 20036	U S West, Inc	550.00	1,905.04
Ocenco, Inc, 400 Academy Dr Northbrook, IL 60062			510.28
Thomas J. Oden, 1503 N. Filmore St. Arlington, VA 22201	National Milk Producers Federation	4,500.00	
Neil H. Offen, 1776 K Street, NW, #600 Washington, DC 20006	Direct Selling Association		
Donald G. Ogilvie, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,500.00	
Marion Browne Oglesby Jr., 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	1,750.00	
Michael D. Oldak, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	150.00	
R. Teel Oliver, 1615 L Street, NW, #1320 Washington, DC 20036	Merck & Co, Inc	1,375.00	500.00
Lawrence Olsen, 400 W. 15th, #417 Austin, TX 78701	Texas Good Roads/Transportation Assn	1,500.00	1,680.00
Van R. Olsen, 1156 15th St., NW, #1019 Washington, DC 20006	U.S. Beet Sugar Assn		
Richard C. Olson, 2000 Edmund Valley Drive, #400 Reston, VA 22091	Citibank, N.A	24,000.00	
Do	DynCorp	5,756.00	1,157.00
Do	Hydrocarbon Research, Inc		
Olsson Frank & Weeda, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Duramed Pharmaceuticals, Inc	1,500.00	
Do	Pillsbury Company	2,500.00	
Do	Schwan's Sales Enterprises	1,500.00	
Do	U.S. Surgical Corporation	5,000.00	
Omega International, Inc, 11 Carriage House Circle Alexandria, VA 22304	Signal Landmark	500.00	
Do	United Engineers & Constructors	300.00	
Clark Onstad, 901 15th St., NW, #500 Washington, DC 20005	Texas Air Corp, et al	6,750.00	4,183.00
Ronald S. Oppenheimer, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange	990.00	414.00
Oppenheimer Wolff & Donnelly, 1020 19th Street, NW, #400 Washington, DC 20035	Korean Footwear Exporters Assn	45,000.00	
Do	Nishika Corp	1,019.50	102.37
Opperman & Paquin, 1401 New York Ave., NW #730 Washington, DC 20005	West Publishing Company	5,865.00	49.50
Charles J. Orasin, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	9,971.14	
Michel Orban, American Express Company World Financial Center 200 Vesey Street New York, NY 10285-4890	American Express Co		
Elvira J. Orly, 1150 Connecticut Ave., NW, #500 Washington, DC 20036	Browning-Ferris Industries, Inc		
Edward R. Osann, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	7,221.95	
James L. Osborne, 4th & Davis Streets P.O. Box 808 McMinnville, OR 97128	National Assn of Mutual Insurance Cos		
J. F. Otero, 815 16th Street, NW Washington, DC 20006	Transportation Communications Union	1,000.00	
Cliff Ouse, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	25.00	
Arthur R. Ouslander, P.O. Box 23451 Washington, DC 20026	Consolidated Rail Corporation	2,667.00	
Gene E. Overbeck, 1101 17th Street, NW Washington, DC 20036	American Airlines, Inc	2,125.00	46.20
Overseas Education Assn, 1201 16th Street, NW Washington, DC 20036		1,000.00	761.56
Jack W. Owen, 50 F St., NW, #1100 Washington, DC 20001	American Hospital Assn		
Thomas E. Owens, 1111 14th Street, NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
Thomas J. Owens, P.O. Box 12266 Seattle, WA 98102	Continental Savings Bank	106,600.00	12,808.94
Do	Dollar Savings Bank, et al	138,200.00	13,172.98
Do	Pacific First Financial Corp	75,850.00	8,849.68
Do	University Federal Savings & Loan	3,500.00	20.28
William J. Owens, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202	Manufactured Housing Institute	3,116.00	
Joel Packer, 1201 16th Street, NW Washington, DC 20036	National Education Assn	2,992.20	148.35
Eileen E. Padberg, 2081 Business Center Drive, #205 Irvine, CA 92715	Reese Communications Cos (for: Philip Morris, USA)	2,400.00	272.80
Lee W. Paden, P.O. Box 201 Tulsa, OK 74102	Public Service Co of Oklahoma		
Pagonis & Donnelly Group, Inc, 1620 I Street, NW, #202 Washington, DC 20006	Air Products & Chemicals Inc	3,255.00	307.21
Do	Algoma Steel Corp, Ltd, et al		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Americans for National Dividend Act, Inc	18,000.00	208.66
Do	Association of High Medicare Hospitals	18,550.00	26.32
Do	ABB, Inc	1,500.00	155.95
Do	Burroughs Wellcome Co	10,000.00	161.11
Do	Dow Chemical USA	5,813.00	143.72
Do	Harrah's, Inc		
Do	Holiday Corp	22,014.00	812.97
Do	Nord Resources Corp		
Benjamin L. Palumbo, 1629 K St., NW Washington, DC 20006	Atlantic Richfield Co	30,000.00	
Do	European Community	13,200.00	
Palumbo & Cerrell, Inc, 1629 K St., NW, # 1100 Washington, DC 20006	American Soc of Composers Authors & Publishers	30,000.00	
Do	RJR Nabisco, Inc	24,000.00	
Do	Southern California Rapid Transit District	15,000.00	
Peter J. Pantuso, 7900 Westpark Drive, A-320 Mclean, VA 22102	National Confectioners Assn of the U.S.		1,650.00
Marcia M. Pape-Daniels, 655 15th Street NW, Suite #444 Washington, DC 20005	CH2M Hill	750.00	
G. Oliver Papps, N.J. Petroleum Council 150 W. State St. Trenton, NJ 08608	American Petroleum Institute		
Stephen J. Paradise, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
Parent's Advocacy for Kids with Cancer, 81 Eastside Circle Petaluma, CA 94954		260.00	1,747.23
Jonathan R. Paret, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn	2,106.00	
Nancy L. Parke, 210 Little Falls Street Falls Church, VA 22046	American Cong. on Survey. & Mapp./Amer Soc of Photogrammetry	2,692.25	7,365.11
Alan A. Parker, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	5,000.00	100.00
Bruce Parker, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
John N. Parker, 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Corp	375.00	
Kimberly C. Parker, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	10,178.87	165.15
Tom V. Parker, Arkansas Petroleum Council 460 Twin City Bank Bldg. North Little Rock, AR 72114	American Petroleum Institute	702.00	972.18
Carl M. Parks, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	5,000.00	478.00
Ann M. Parman, 1701 K Street NW, Suite 400 Washington, DC 20005	National Manufactured Housing Federation	100.00	
Parry and Romani Associates, Inc, 233 Constitution Avenue, NE Washington, DC 20002	American Family Life Assurance Co	1,750.00	
Do	Bell Helicopter Textron, Inc	3,750.00	
Do	Blue Sea Corporation	1,000.00	
Do	Cardiac Pacemakers, Inc	2,100.00	
Do	Care Enterprises	4,500.00	
Do	Cessna Aircraft Compnay	1,000.00	
Do	Eaton Corp	3,000.00	
Do	Genentech	3,400.00	
Do	Generic Pharmaceutical Industry Assn	1,000.00	
Do	Herbalife International	500.00	
Do	Industrial Biotechnology Association, Inc	5,000.00	
Do	International Brotherhood of Teamsters		
Do	Lockheed Aeronautical Systems Co	2,000.00	
Do	Motion Picture Assn of America, Inc	3,600.00	58.75
Do	National Assn of Independent Insurers	1,500.00	
Do	Pfizer, Inc	1,800.00	
Do	Research Corp Technology, Inc	4,800.00	
Do	Schering Corp		
Do	Stop Substance Abuse Via Education (SSAVE)		
Do	Telephonics Command Systems Division		
Do	United Food & Commercial Workers International Union	3,000.00	
Do	Warner-Lambert Co	3,600.00	
Do	Westinghouse Defense & Electronics Systems Co		
Do	Won Door Corporation	1,125.00	
Amber Parson, 7901 Westpark Drive McLean, VA 22102	National Machine Tool Builders' Assn	1,100.00	500.00
Partnership on Health Benefits and Employment, P.O. Box 27414 Washington, DC 20038		45,985.00	47,481.20
Jack Partridge, 1014 Vine St. Cincinnati, OH 45201	Kroger Company	2,500.00	1,909.29
Robert D. Partridge, 511 Janneys Lane Alexandria, VA 22302	Burns & McDonnell	75.00	
Richard E. Pasco, 1015 15th St., NW, #402 Washington, DC 20005	National Pork Producers Council	2,000.00	9.00
Peter R. Pastre, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	1,250.00	
DeLane Pate, c/o Dow, Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Laurel Steel Products Ltd		
M. Stephanie Patrick, 1101 15th Street, NW, #205 Washington, DC 20005	Cargill, Inc	1,250.00	
Gary B. Patterson, Delaware Petroleum Council P.O. Box 1429 Dover, DE 19903	American Petroleum Institute	61.00	
Jerry M. Patterson, 3200 Park Center Dr., #650 Costa Mesa, CA 90630	City of Bell & Bell Community Redevelopment Agency	780.00	
Do	Burke Williams & Sorensen (For:City of Huntington Beach)	45.00	
Richard M. Patterson, 1776 EYE St., NW, #575 Washington, DC 20006	Dow Chemical Co	500.00	5,546.00
William H. Patterson, 1331 Pennsylvania Ave., NW Washington, DC 20004	General Electric Co		
C. James Patti, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Reseach & Industrial Development	7,543.00	1,780.00
Kenton H. Pattie, 3150 Spring St. Fairfax, VA 22031	International Communications Industries Assn	4,463.00	26.50
Thomas B. Patton, 2000 K Street, NW, #201 Washington, DC 20006	North American Philips Corporation	30,000.00	7,730.00
Patton Boggs & Blow, 2550 M St., NW Washington, DC 20037	Advanced Technology, Inc		
Do	Air Products & Chemicals, Inc	990.00	7.00
Do	Aiwa America, Inc		
Do	Akai America, Ltd		
Do	Alain Wertheimer		
Do	Alaska Crab Coalition		
Do	Alexander & Baldwin, Inc		
Do	American Assn of Equipment Lessors	990.00	7.00
Do	American Congress on Surveying & Mapping		
Do	American Express Co		
Do	American International Automobile Dealers Assn		
Do	American Logistics Assn		
Do	American Maritime Assn	70.00	9.00
Do	American Stock Exchange		
Do	Armco, Inc	990.00	7.00
Do	Association of Professional Flight Attendants		
Do	Association of Trial Lawyers of America	1,128.75	55.83
Do	Avon Products, Inc		
Do	Bath Iron Works Corp		
Do	Bethlehem Steel Corp	990.00	7.00
Do	Bic Corporation		
Do	Biogen		
Do	BATUS, Inc		
Do	Castle & Cooke, Inc	2,135.00	
Do	Charles Center-Inner Harbor Management, Inc	1,500.00	
Do	Chemfix Technologies, Inc		
Do	Cherokee Nation of Oklahoma	6,125.00	
Do	Cherokee Nation Industries, Inc	1,890.00	
Do	Chicago Board Options Exchange	225.00	10.00
Do	Chrysler Corporation	990.00	7.00
Do	City & County of Denver	1,750.00	72.72
Do	Coalition on State Use Taxes		
Do	College Savings Bank	420.00	28.00
Do	Columbia Farm Credit District		
Do	Columbia, Inc		
Do	Corridor Broadcasting Corp	225.00	
Do	Costa Rican Foreign Trade Committee	570.00	8.00
Do	Council of Graduate Schools		
Do	Cryolife, Inc		
Do	CIGNA Corporation		
Do	Dealer Action Association		
Do	Dole Fresh Fruit Co		
Do	Dredging Industry Size Standards Committee (DISSC)		
Do	Duty Free Shoppers Group, Ltd		
Do	DOYON, Ltd		
Do	Fiart Cantieri Italiani, S.P.A.	855.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Fidelity Investors		
Do	Fishing Vessel Owner's Assn		
Do	Flexi-Van Leasing, Inc	321.25	15.00
Do	Freedom to Advertise Coalition	3,006.25	82.00
Do	Fuji Photo Film USA, Inc		
Do	Fundacion de Defensa del Comerio Exterior		
Do	Fundacion Pro Imagen de Columbia		
Do	Gana-A'Yoo, Limited		
Do	Government of Iceland		
Do	Charles Heilbronn, et al		
Do	Hitachi Sales Corp of America		
Do	Hobby Industries Assn		
Do	Immune Response Corp		
Do	Incorporated Research Institutions for Seismology		
Do	Institute of Scrap Iron & Steel, Inc	630.00	16.00
Do	International Thomson, Inc	96.25	3.33
Do	Kaiser Aluminum & Chemical Corp	706.25	10.00
Do	Kenwood USA Corporation		
Do	Loop, Inc	3,355.00	
Do	Marathon Oil Co	5,250.00	
Do	Mars, Inc	2,152.50	116.33
Do	Mass Mutual	2,470.00	125.00
Do	Matson Navigation Co		
Do	Matsushita Electric Corp of America		
Do	Maxell Corp of America		
Do	May Department Stores Co		
Do	Metropolitan Life		
Do	Minerals Marketing Corp of Zimbabwe		
Do	Mitsubishi Electric Sales American, Inc		
Do	Mocatta Metals Corp		
Do	Mutual Benefit Life		
Do	Mutual Legislative Committee	2,090.00	100.50
Do	MCI Telecommunications, Inc	570.00	12.00
Do	Nakajima USA		
Do	Nakamichi USA		
Do	National Assn of Life Underwriters	190.00	10.00
Do	National Assn of Retail Druggists	218.75	8.00
Do	National Cable Television Assn, Inc	558.00	4.00
Do	National Con-serv, Inc	412.50	
Do	National Intergroup, Inc		
Do	National Marine Manufacturers Assn	630.00	25.00
Do	National Soft Drink Assn		
Do	Navajo Nation		
Do	New Process Co		
Do	New York Life Insurance Co		
Do	Newmont Mining Corp		
Do	Northwestern Mutual Life		
Do	NCNB Texas National Bank	70.00	
Do	NEC Electronics (USA) Inc		
Do	NMTBA-National Machine Tool Builder's Assn	990.00	7.00
Do	Olympic Fibers	570.00	19.00
Do	Onkyo USA Corp		
Do	Options Clearing Corp		
Do	OSG Bulk Ships, Inc		
Do	Paine Webber, Inc		
Do	Pioneer Electronics (USA), Inc		
Do	Prince George Center, Inc	5,062.50	
Do	Reader's Digest Assn, Inc		
Do	Reinsurance Assn of America	1,115.00	95.00
Do	Reliance Group Holdings, Inc	225.00	10.00
Do	Republic of the Marshall Islands		
Do	Retail Industry Trade Action Coalition		
Do	Retail Tax Committee	2,330.00	79.00
Do	Rice Millers' Assn		
Do	Royal Trustco, Ltd	3,616.25	1,348.00
Do	Sansui Electronics Corp		
Do	Sanyo Electronics, Inc		
Do	Seafood Wholesalers, Inc	2,035.00	55.00
Do	Sharp Electronics Corp		
Do	Charles E. Smith Companies		
Do	Smokeless Tobacco Council, Inc	2,335.00	46.50
Do	Sony Corp of America		
Do	Specialty Seafoods		
Do	Squibb Corporation		
Do	Standard Federal Savings Bank	1,802.50	5.00
Do	Sultantate of Oman	5,350.00	43.00
Do	Teac Corp of America		
Do	Teknika Electronics Corp		
Do	Toshiba America, Inc		
Do	Transamerica Leasing, Inc	225.00	10.00
Do	TDK USA Corp		
Do	U.S. Air, Inc		
Do	U.S. Tobacco Co		
Do	Union Pacific Corp	990.00	7.00
Do	Universal Lottery Co		
Do	University of Arizona Foundation	6,961.77	
Do	US JVC Corporation		
Do	USX Corp	990.00	7.00
Do	Waste Management Inc	270.00	
Do	Wayne County Michigan	1,780.00	495.00
Do	WWL-TV		
Do	Yamaha Electronics Corp, USA		
Andrew R. Paul, 1875 Eye Street, NW, #1225 Washington, DC 20006	Paramount Communications, Inc	2,500.00	50.40
Paul Hastings Janofsky & Walker, 1050 Connecticut Avenue, NW, #1200 Washington, DC 20036	Allegheny Power System Inc, et al	2,102.50	
Do	Amdahl Corporation	7,860.00	
Do	CalMat Company		
Do	GAF Corporation		
Do	Kawasaki Motors Corp, USA	6,165.00	9,350.00
Do	New Thrift Owners Group	6,487.00	
Do	Security Life of Denver	200.00	
Do	Tobacco Institute	825.00	
Larry E. Paulick, 2111 Eisenhower Avenue Alexandria, VA 22314	National Spa & Pool Institute		
Nell Payne, 111 Massachusetts Ave., NW, 3rd Floor Washington, DC 20001	Turner Broadcasting System, Inc	1,800.00	
Tommy J. Payne, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	2,100.00	522.46
Richard A. Paysor, 1415 Elbridge Payne Rd., #135 St. Louis, MO 63017	First Capitol Associates - Gateway, Inc		
Ronald Pearson, 422 First Street, SE, #208 Washington, DC 20003	Embassy of South Africa		
Russell H. Pearson, 1156 15th Street, NW, #1015 Washington, DC 20005	J. C. Penney Co, Inc		
Pearson and Pipkin, Inc, 422 First Street, SE, #208 Washington, DC 20003	Embassy of South Africa	15,000.00	
Joe P. Peck Jr., 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Shelley Peck, 122 C St., NW Washington, DC 20001	Children's Defense Fund	2,097.60	
Lee Peckarsky, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	37,500.00	339.93
Randall G. Pence, P.O. Box 781 Herndon, VA 22070	National Concrete Masonry Assn	5,000.00	652.51
Nicholas J. Penning, 1801 N. Moore Street Arlington, VA 22209	American Assn of School Administrators	7,800.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Pennsylvania Assn of Families, 1006 West College Ave., #200 State College, PA 16801		36,750.87	1,020.39
Pennsylvania Power & Light Co, 2 North 9th Street Allentown, PA 18101			1,935.82
Pennwalt Corporation, Three Parkway Philadelphia, PA 19102			5,313.05
Joseph M. Penot Sr., 100 Indiana Ave, NW, #311 Washington, DC 20001	Radio Officers Union	13,750.00	
Pension Real Estate Assn, 1129 20th Street, NW, #705 Washington, DC 20036			
Barbara K. Pequet, 609 Bonifant Street Silver Spring, MD 20910	American Soc for the Prevention of Cruelty to Animals	1,500.00	1,500.00
Victor J. Perini Jr., 1776 Massachusetts Ave., NW Washington, DC 20036	Highway Users Federation for Safety & Mobility		
James W. Perkins, 1 Beacon Street, Rm. 2200 Boston, MA 02108	Palmer & Dodge (For:National Assn of Bond Lawyers)		
Robert A. Perkins, 1100 Connecticut Avenue, NW Washington, DC 20036	Chrysler Corporation	15,000.00	450.00
Perkins Coie, 1110 Vermont Ave., NW, #1200 Washington, DC 20005	Boeing Company		
Do	Burlington Northern, Inc		
Do	Cook Inlet Region, Inc		
Do	Kootznoowoo, Inc		
Gary J. Perkinson, 453 New Jersey Ave., SE Washington, DC 20003	Perkinson & Associates, Inc (For:Alliance for America's Homeowners)		
Do	Perkinson & Associates, Inc (For:Beneficial Management Corp of America)		
Do	Perkinson & Associates, Inc (For:National Second Mortgage Assn)		
Perkinson & Associates, Inc, 453 New Jersey Ave., SE Washington, DC 20003	Alliance for America's Homeowners		
Do	Beneficial Management Corp		
Do	National Second Mortgage Assn		
Ernest Michael Perley, 112 St. Clair Avenue, West, #401 Toronto, Ontario M4V 2Y3	Canadian Coalition on Acid Rain	3,000.00	3,274.46
Abigail Perlman, 801 17th Street, NW., #200 Washington, DC 20006	Federal Asset Disposition Assn	5,000.00	100.00
Jeffry L. Perlman, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	3,000.00	197.93
Susan Perry, 1015 15th Street, NW Washington, DC 20005	American Bus Assn	2,687.50	75.00
Mark Pertschuk, 2054 University Ave., #500 Berkeley, CA 94704	Americans for Nonsmokers' Rights	1,550.00	
Phillips S. Peter, 1331 Pennsylvania Avenue, NW, #800-S Washington, DC 20004	General Electric Co	100.00	
Gordon A. Peters, 9191 West Tulip Drive Columbus, IN 47201	Juvenile Products Manufacturers Assn	9,780.00	
Michael W. Peters, 5709 W. 21st St., P.O. Box 4267 Topeka, KS 66604	Kansas Electric Cooperatives, Inc	1,650.00	583.00
Robert Peters, 342 West 15th Street New York, NY 10011	Morality in Media, Inc	32.96	
Robert A. Peters, 1730 Rhode Island Ave., NW, Washington, DC 20036	National Solid Wastes Management Assn	200.00	
Geoffrey G. Peterson, 1250 Eye St., NW, #900 Washington, DC 20005	Distilled Spirits Council of the U.S., Inc	2,000.00	
Kenneth W. Peterson, Kansas Petroleum Council 1005 Merchants Bank Tower Topeka, KS 66612	American Petroleum Institute		
Lars E. Peterson, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	500.00	
Mary Jo Peterson, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	2,000.00	500.00
Sheryl L. Peterson, 1101 14th St, NW Washington, DC 20005	American Financial Services Assn	250.00	
Peterson Engberg & Peterson, 1730 M St., NW, #907 Washington, DC 20036	Federated Research Corp	26,400.00	775.48
Susan F. Petniunas, 1625 K Street, NW, #750 Washington, DC 20006	Manville Corporation	1,000.00	
Michael J. Petrina Jr., 1110 Vermont Avenue, NW, #800 Washington, DC 20005	Cosmetic Toiletry & Fragrance Assn, Inc		
Petroleum Marketers Assn of America, 1120 Vermont Ave., NW, #1130 Washington, DC 20005		20,000.00	19,093.86
Stephan Petry, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	242.00	
Evelyn A. Petschek, 1730 Pennsylvania Ave., NW Washington, DC 20006	Patterson Belknap Webb & Tyler (For:Financial Institutions Retirement Fund)	3,440.00	
C. L. Pettit, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
Brian T. Petty, 1901 L St., NW, #702 Washington, DC 20036	International Assn of Drilling Contractors		
Steven J. Pfister, 1000 Connecticut Avenue, NW Washington, DC 20036	National Retail Merchants Assn	3,000.00	192.58
James R. Phalen, 1100 Connecticut Ave., NW, #535 Washington, DC 20036	MAPCO, Inc	3,570.00	
Pharmaceutical Manufacturers Assn, 1100 15th Street, NW, #900 Washington, DC 20005		19,831.05	19,831.05
Marshall A. Pharr, 6103 Adirondack Amarillo, TX 79106	Southwestern Public Service Co	4,577.25	2,167.42
Dennis J. Phelan, 1101 17th St., N.W., #609 Washington, DC 20036	Pacific Seafood Processors Assn	12,600.00	980.00
Mary Frances Phelps, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California		
William C. Phelps, 2929 Allen Parkway Houston, TX 77019	American General Corporation	6,800.00	6,630.04
William W. Phelps, P.O. Box 2159 Dallas, TX 75221	American Petrofina, Inc	48,805.68	1,253.96
Deborah M. Phillips, 1155 21st Street, NW, #400 Washington, DC 20036	General Instrument Corporation		
Deirdre B. Phillips, 100 Federal Street Boston, MA 02110	Bank of Boston Corporation		
Do	First National Bank of Boston		
Patricia Lynn Phillips, P.O. Box 10891 McLean, VA 22102	National Assn of State Agencies for Food Distribution	2,300.00	
William G. Phillips, 417 Sixth Street, SE Washington, DC 20003	Association of Univ Environmental Health Science Centers	6,000.00	1,262.70
Do	Association of Univ Programs in Occupational Health & Safety	11,050.00	1,182.90
Do	Metal Trades Department, AFL-CIO	3,305.00	255.01
Phillips Nizer Benjamin Krim & Ballon, c/o Tibero Schwartz 40 West 57th Street, 32nd floor New York, NY 10019	Riverbay Corp		
Paul J. Phoenix, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
Dan Phythyon, 1771 N St., NW Washington, DC 20036	National Assn of Broadcasters	3,300.00	1,381.92
Joan Piccolo, 1776 K Street, NW, #300 Washington, DC 20006	Motorola, Inc	4,500.00	
Paulette C. Pidcock, 1100 Connecticut Avenue, NW, #530 Washington, DC 20036	Baltimore Gas & Electric Co	542.99	997.90
Janice Pieper, 1775 K Street, NW Washington, DC 20006	United Food & Commercial Workers Int'l Union	9,625.00	1,642.33
Wayne Pierce, 101 Constitution Avenue, NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America	24,300.00	167.89
Pierson Semmes & Finley, 1054 31st Street, NW Washington, DC 20007	American Land Title Assn		
Do	Mauritius Sugar Syndicate		803.36
Do	Oklahoma Natural Gas Company		
Do	Six Flags Corporation		
Susan G. Pikrallidas, 8111 Gatehouse Road Falls Church, VA 22047	American Automobile Assn		
John H. Pilcher, 1331 Pennsylvania Ave..NW, #1500 Washington, DC 20004-1703	National Assn of Manufacturers	125.00	
Pillsbury Madison & Sutro, 1667 K St., NW, #1100 Washington, DC 20006	D. L. Berger Associates, Inc		
Do	Federal Home Loan Bank of San Francisco		
Do	Geneva Steel		
Do	Grocery Manufacturers of America, Inc		
Do	Pfizer, Inc		
Do	Temis Ramires de Arellano		
Jane Pinsky, 1101 14th St., NW, #200 Washington, DC 20005	American Nurses' Assn	4,625.00	479.80
Valerie F. Pinson, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	1,276.00	
Emily C. Piper, P.O. Box 3556 Washington, DC 20007	American Meat Institute	2,000.00	
Piper & Marbury, c/o A. Carl Kasemen, III 888 Sixteenth Street, NW Washington, DC 20006	Consolidated Rail Corporation	18,278.75	
Do	Edison Electric Institute	665.00	
Robert Pipkin Jr., Pearson & Pipkin, Inc 422 First Street, SE, #208 Washington, DC 20003	Embassy of South Africa		
Suellen Pirages, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Waste Management Assn	200.00	
William P. Pitts, 1667 K Street, NW, #300 Washington, DC 20006	Amdahl Corp	1,000.00	
Peggy Pizzo, 733 15th Street, NW, #912 Washington, DC 20005	National Center for Clinical Infant Programs	54.00	7.00
Plains Cotton Growers, Inc, 4510 Englewood Lubbock, TX 79414			
Reuben C. Plantico, 111 SW Columbia, #800 Portland, OR 97201	Nerco, Inc	5,250.00	1,525.11
Wyll W. Pleger, 1150 Connecticut Ave., NW, #205 Washington, DC 20036	Brown & Root, Inc		
Martha Rachel Plotkin, 2300 M Street, NW, #910 Washington, DC 20037	Police Executive Research Forum	387.75	23.00
E. R. Plourd, 400 First Street, NW, #704 Washington, DC 20001	United Transportation Union	2,500.00	
Podesta Associates, Inc, 424 C Street, NE Washington, DC 20002	American Newspaper Publishers Assn	13,900.00	383.46
Do	Digital Equipment Corp	1,000.00	
Do	Genentech, Inc		19.00
Do	National Artists Equity Assn		563.47
Do	National Conference of Bankruptcy Judges	1,111.50	101.92
Rebecca S. Poe, P.O. Box 2450 Clarksburg, WV 26302-2450	CNG Transmission Corp	500.00	
John A. Poindexter, 3805 West Alabama Houston, TX 77027	Columbia Gulf Transmission Co	15,000.00	
Mindy Pollack, One Greenwich Plaza P.O. Box 2568 Greenwich, CT 06836	NAC Re Corp		
Michele Pollak, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	529.61	1,058.09
Alfred M. Pollard, 1155 Connecticut Ave., NW, #1130 Washington, DC 20036	Security Pacific Corp		
John Pomeranz, 1319 F Street, NW, #300 Washington, DC 20004	HALT		
Amy L. Pompilin, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn		
Edward T. Porcaro, 1615 L Street, NW, #1210 Washington, DC 20036	Metropolitan Life Insurance Cos	1,000.00	
Port of Seattle, P.O. Box 1209 Seattle, WA 98111			2,557.05
Porte Stafford & Associates, Inc, 1050 17th Street, NW, #840 Washington, DC 20036	American Medical Records Assn	3,000.00	
Do	Council on Accreditation of Services for Families & Children	5,000.00	
Do	Dietary Managers Assn	4,000.00	
Do	National Assn of Medical Directors of Respiratory Care	6,000.00	
Do	National Dialysis Assn	6,000.00	
Porter Wright Morris & Arthur, 41 South High Street Columbus, OH 43215	Coalition for Environmental-Energy Balance	90,000.00	2,680.42
John C. Pouland, 5757 Martel, B-9 Dallas, TX 75206	Reese Communications Cos (for Philip Morris, USA)	1,800.00	235.29
Joseph L. Powell Jr., 1901 L Street, NW, #320 Washington, DC 20036	Ogilvy & Mather		
Powell Goldstein Frazer & Murphy, 1001 Pennsylvania Ave., NW, 6th Floor Washington, DC 20004	American Council on Education		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Association of Bank Holding Cos	1,098.00	
Do	Bayley Seton Hospital		
Do	Belz Investment Co	3,000.00	
Do	Committee for Competitive Marketing		
Do	Council of State Housing Agencies		
Do	CORETECH	11,610.00	
Do	Federal National Mortgage Assn		
Do	Flood Control Advisory Committee		
Do	Flour Corporation	9,924.00	
Do	General Cinema Corp		
Do	Hewlett-Packard & Co	17,771.27	
Do	Hitachi Sales Corp of America		
Do	International Telecommunications Satellite Organization	1,380.00	
Do	Jacques Borel Enterprises, Inc		
Do	Massachusetts Housing Finance Agency		
Do	National Multi Housing Council		
Do	Owens-Illinois, Inc	2,130.00	
Do	Public Service Company of Indiana, Inc	450.00	
Do	Republic of Palau	8,290.00	
Do	Starrett Housing Corp		
Do	Sunbelt Corp	2,121.00	
Do	Westinghouse Electric Corp	15,120.00	
John J. Power, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,361.80	340.72
Graydon R. Powers Jr., 1101 16th St., NW Washington, DC 20036	Scientific Apparatus Makers Assn		
Powers Harsch & Kinder, 1722 Eye Street, NW Washington, DC 20006	Aspen Technology, Inc		
Do	City of Cranston (RI)	29,607.20	1,055.94
Do	Pyropower Corp		
Prather Seeger Doolittle & Farmer, 1600 M Street, NW, 7th Floor Washington, DC 20036	Salzgiter, A.G.		10,625.04
David J. Pratt, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	700.00	185.00
Robert L. Pratt, 303 Wyman Street Waltham, MA 02154	Thermo Electron Corporation	7,750.00	2,252.00
Sarah J. Pratt, 1050 17th Street, NW, #700 Washington, DC 20036	National Ocean Industries Assn	750.00	
Preston Thorgrimson Ellis & Holman, 1735 New York Avenue, NW, #500 Washington, DC 20006	Alaska Loggers Assn		
Do	American President Lines		
Do	Bay Tankers Inc		
Do	Bellingham Cold Storage		
Do	Burlington Northern Railroad	23,680.00	
Do	Calista Corp		
Do	Coastal Transportation, Inc		
Do	Council on Research & Technology	3,792.50	
Do	COMPACT		
Do	Data General Corp	2,360.50	
Do	Hewlett-Packard Co		
Do	Instituto Latinoamericano del Fierro y el Acero (ILAFA)	15,000.00	
Do	Intelsat	275.00	
Do	Lutheran Medical Center		
Do	Marine Management, Inc		
Do	Martin's Point Health Care Center		
Do	National Council on Compensation Insurance		
Do	National Private Truck Council	400.00	
Do	OMI Corp	1,675.00	
Do	Pacific Medical Center		
Do	Port of Seattle		
Do	Seaboard Pacific Co		
Do	Seattle Organizing Comm		
Do	South Dakota Dept of Transportation	550.00	
Do	Sunmar Shipping, Inc		
Do	Tele-Communications, Inc		
Do	Transportation Institute		
Do	Tri-City Industrial Development Council		
Do	University of Washington		
Do	Wheelabrator		
James M. Price, 730 Polk Street San Francisco, CA 94109	Sierra Club		
Woodruff M. Price, 1331 Pennsylvania Ave., NW, #560 Washington, DC 20004	CSX Corporation	6,000.00	47.60
Price Waterhouse, 1801 K St., NW, #700 Washington, DC 20006	Celotex Corp		
Do	Investment Company Institute		
Do	John D. & Catherine T. McArthur Foundation		
Patricia Pride, 1129 20th St., NW Washington, DC 20036	Financial Accounting Foundation	216.75	34.92
Sheila M. Prindiville, 1730 Rhode Island Ave., NW, #1000 Washington, DC 20036	National Solid Waste Management Assn	200.00	
William Prindle, 1725 K St., NW, #914 Washington, DC 20006	Alliance to Save Energy		
George W. Pritts Jr., 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	1,875.00	256.67
Sydney Probst, 1250 Eye Street, NW, #900 Washington, DC 20005	Distilled Spirits Council of the U.S., Inc	2,000.00	
Procompetitive Rail Steering Committee, c/o Vuono, Lavelle & Gray 2310 Grant Building Pittsburgh, PA 15219		9,000.00	
Profit Sharing Council of America, 20 N. Wacker Drive Chicago, IL 60606			
Project Advisory Group, 1029 Vermont Ave., NW, #860 Washington, DC 20005			2,751.31
Gerald R. Prout, 1627 K St., NW, #500 Washington, DC 20006	FMC Corporation	1,750.00	
Peter D. Prowitt, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd	11,874.00	
Prudential-Bache Securities, Inc, 100 Gold St. New York, NY 10292			750.00
James C. Pruitt, 1050 17th St., NW, #500 Washington, DC 20036	Texaco, Inc	190.00	
Public Citizen Health Research Group, 2000 P St., NW, #700 Washington, DC 20036			
Public Employee Department, AFL-CIO, 815 16th St., NW Washington, DC 20006		74,228.41	23,878.64
Public Land Users Society, 6824 19th West P.O. Box 282 Tacoma, WA 98466		1,418.95	
Public Relations International, Ltd, 801 S. Detroit Avenue Tulsa, OK 74120	Madison Public Affairs Group, Inc		
Public Strategies, 620 Congress, #310 Austin, TX 78701	Sammons Enterprises, Inc	18,750.00	9,661.00
Do	Southwest Airlines Co	3,000.00	1,575.00
Public Timber Purchasers Group, 610 SW. Broadway, #608 Portland, OR 97205			
Theresa Pugh, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers		
Philip N. Pulizzi Jr., 1667 K Street, NW, #600 Washington, DC 20006	Bethlehem Steel Corp	255.00	
David E. Pullen, 1625 K Street, NW, #750 Washington, DC 20006	Manville Corporation	1,000.00	
Lucius W. Pullen, 1300 St Mary's Street Raleigh, NC 27605	Investment Company Institute		
John R. Purcell, 204 E Street, NE Washington, DC 20002	National Frozen Food Association	500.00	
Thomas W. Purcell, 1730 Noth Lynn Street Arington, VA 22209	Printing Industries of America, Inc	2,500.00	
Sue P. Purvis, P.O. Box 14042 St. Petersburg, FL 33733	Florida Power Corp	2,475.00	590.26
Do	Florida Progress Corp	625.00	147.56
Earle W. Putnam, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Howard Pyle III, 1050 17th Street, NW, #550 Washington, DC 20036	Houston Lighting & Power Company	5,600.00	
Robert N. Pyle & Associates, 3222 N Street, NW, #32 Washington, DC 20007	Elkem Metals Company	4,250.00	
Do	Independent Bakers Assn	3,000.00	150.00
Do	International Investors, Inc	2,000.00	250.00
Do	Stratcor	3,000.00	260.00
Do	Welch Foods, Inc	3,750.00	
John R. Quarles Jr., Morgan Lewis & Bockius 1800 M St., NW Washington, DC 20036	National Environmental Development Assn		
William A. Quinlan, 3045 Riva Rd. Riva, MD 21140	National Candy Wholesalers Assn, Inc		
Do	Retail Bakers of America		
Earl C. Quist, 1850 M Street, NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc		
Mark J. Raabe, 1615 L St., NW, #1320 Washington, DC 20036	Merck & Co, Inc	500.00	300.00
Theresa Rabel, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	4,300.00	423.63
Steve Rabin, 1901 L Street, NW, #320 Washington, DC 20036	Ogilvy & Mather		
Peri Jude Radecic, 1517 U Street, NW Washington, DC 20009	National Gay & Lesbian Task Force (NGLTF)	6,750.00	
Alex Radin, 1200 New Hampshire Ave., NW, #507 Washington, DC 20036	Radin & Associates Inc (For:Washington Public Power Supply System)	637.50	
Do	Washington Public Utility Districts Assn	1,700.00	
W. A. Radziewicz, 400 First Street, NW, #708 Washington, DC 20001	Brotherhood of Railroad Signalmen	350.00	
Tess A. Rae, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Ragan & Mason, 1156 15th Street, NW, #800 Washington, DC 20005	American Bureau of Shipping	5,000.00	54.27

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	American Ship Building Co	5,000.00	133.05
Do	Bechtel Corp	12,757.50	
Do	Childrens Television Workshop		
Do	Government of Bermuda	3,000.00	
Do	National Bulk Carriers, Inc	4,500.00	
Do	R.J. Reynolds Nabisco, Inc		
Do	R.J. Reynolds Tobacco Co		
Do	Sea-Land Industries, Inc	20,000.00	179.95
Do	Security Pacific Leasing Corporation		
Do	Security Pacific National Bank		
Do	Stimson Lumber Co & Miller Redwood Co	3,000.00	
Do	Territorial Savings & Loan Assn	900.00	
Do	U.S. Telephone Assn	16,000.00	
Tanya A. Rahall, 2033 M Street, NW, #900 Washington, DC 20036	National Assn of Arab Americans		
Richard W. Rahn, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	400.00	36.00
Thomas F. Railsback, 2000 M Street, NW Washington, DC 20036	Graham & James (For:American Hawaii Cruises)	3,750.00	
Do	Graham & James (For:American Insurance Association)		
Do	Graham & James (For:Attorneys' Title Guaranty Fund, Inc)		
Do	Graham & James (For:R. R. Donnelley & Sons Company)		
Do	Graham & James (For:Federal Administrative Law Judges Conference)	3,000.00	
Do	Graham & James (For:Federal Judges Association)	3,500.00	
Do	Graham & James (For:Illinois Health Facilities Authority)	750.00	
Do	Graham & James (For:Mutual of Omaha)	250.00	
Do	Graham & James (For:National Council of U.S. Magistrates)	2,000.00	
Do	Graham & James (For:Stock Information Group)	4,700.00	
Do	Graham & James (For:Walt Disney Productions)		
Railway Labor Executives' Assn, 400 First St., NW, #804 Washington, DC 20001		492,554.00	389,583.29
Railway Progress Institute, 700 North Fairfax St. Alexandria, VA 22314			
Rainbow Lobby, 1660 L Street, NW, #204 Washington, DC 20036		334,450.48	360,449.58
John C. Ramig, 1730 M Street, NW, #900 Washington, DC 20036	Stoel Rives Boley Jones & Grey (For:Association of O & C Counties)		
Do	Stoel Rives Boley Jones & Gray (For:Gregory Affiliates, Inc)	7,695.00	412.42
Do	Stoel Rives Boley Jones & Grey (For:Pacificorp)	360.50	2,987.66
Paul Ramos, 206 G Street, NE, #201 Washington, DC 20002	Foley & Company, Inc		
Kristen M. Rand, 2001 S St., NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	1,000.00	
Donald A. Randall, P.C., 321 D Street, NE Washington, DC 20002	Automotive Service Assn	5,691.60	
Do	National Independent Dairy-Foods Assn	6,855.21	
James D. Range, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc	3,550.00	
Rebecca G. Range, 901 15th Street, NW, #500 Washington, DC 20005	Texas Air Corp	18,750.00	6,974.00
Robert A. Rapoza Associates, Inc, 122 C Street, NW, # 875 Washington, DC 20001	Center for Community Self Help	1,250.00	
Do	Coastal Enterprises, Inc	1,250.00	
Do	Community Enterprise Development Corp of Alaska	1,250.00	
Do	Community Transportation Association of America	10,800.00	92.10
Do	Local Initiatives Support Corp	12,000.00	
Do	Mississippi Action for Community Education	2,500.00	
Do	Mountain Assn for Community Economic Development	2,500.00	
Do	National Rural Housing Coalition	12,000.00	
Do	Northern Community Investment Corp	5,000.00	
Do	Policy & Management Associates	7,805.44	9,000.00
Do	Rural Opportunities, Inc		
Do	Southern Development Bancorporation	1,250.00	
D. Michael Rappoport, P.O. Box 52025 Phoenix, AZ 85072	Salt River Project	1,680.00	4,763.25
Magda A. Ratajski, One Commercial Place Norfolk, VA 23510-2191	Norfolk Southern Corp		
Robert Ratliffe, 5808 Lake Washington Blvd., 3rd Fl. Kirkland, WA 98033-7397	McCaw Communications Cos		
John W. Rauber Jr., 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	350.00	477.17
Carol L. Raulston, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc	2,500.00	
G. David Ravencraft, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
William R. Rawson, 950 N. Glebe Road, #160 Arlington, VA 22203-1824	American Boiler Manufacturers Assn	108.00	770.00
Bruce A. Ray, Bruce Ray & Company 420 C Street, NE Washington, DC 20002	American Committee for Shaare Zedek Hospital in Jerusalem	1,500.00	33.65
Do	Bayley Seton Hospital	6,000.00	43.08
Do	Cumberland Packing Company	12,731.25	551.91
Do	Rochester & Southern Railroad	7,500.00	21.97
Do	United Gerer Institutions	2,000.00	176.05
John K. Rayburn, 1801 K Street, NW Washington, DC 20006	Westinghouse Electric Corp	235.00	30.00
Ralph Rayburn, 403 Vaughn Bldg. 807 Brazos Austin, TX 78701	Texas Shrimp Assn	519.00	531.88
Helene Rayder, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Company		
Floyd C. Raynard, 3169 Holcomb Bridge Rd., #505 Norcross, GA 30071	Stellar Technology Enterprises, Inc		
Richard J. Razook, 200 South Biscayne Blvd. 4900 Southeast Financial Center Miami, FL 33131-2363	Thomson Muraro Bohrer & Razook, P.A. (For:Burger King Corp)		
Linda S. Rearick, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Clark E. Rector Jr., 1400 K Street, NW, #1000 Washington, DC 20005	American Advertising Federation	712.50	
John M. Rector, 205 Daingerfield Rd. Alexandria, VA 22314	National Assn of Retail Druggists	700.00	150.00
Robert E Redding, 7315 Wisconsin Ave., #325 E Bethesda, MD 20814	Shippers National Freight Claim Council, Inc		
Donald L. Redfoot, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	471.92	208.31
Dwight C. Reed, 1101 16th St., NW Washington, DC 20036	National Soft Drink Assn		
Jo Reed, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	582.69	57.00
Mary Reed, 600 Maryland Ave., Sw, #700 Washington, DC 20024	National Federation of Independent Business (NFIB)	3,189.00	200.00
Michael L. Reed, 1100 15th Street, NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	35.00
Joseph M. Rees, Francis Mcginnis & Rees, Inc 1000 Potomac Street, NW, #401 Washington, DC 20007	National Coalition Burn Center Hospitals	6,000.00	
J. Mitchell Reese, 1700 K Street, NW, #1204 Washington, DC 20006	Chevron USA, Inc	400.00	25.00
Robert S. Reese Jr., 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris Management Corp	1,200.00	1,583.48
Reese Communications Companies,Inc., 2111 Wilson Boulevard, #900 Arlington, VA 22201	Citizens for Sensible Control of Acid Rain (CSCAR)		
Do	Philip Morris USA	347,898.46	323,712.79
Benjamin F. Reeves, 1100 17th Street, NW Washington, DC 20036	Burley & Dark Leaf Tobacco Export Assn	1,075.00	
J. Ronald Reeves, 2345 Crystal Drive Arlington, VA 22227	U.S. Air, Inc	2,000.00	162.50
Martin A. Regalia, 1101 15th Street, NWn #400 Washington, DC 20005	National Council of Saving Institutions	11,000.10	
Timothy J. Regan, 1455 Pennsylvania Ave., NW, #500 Washington, DC 20004	Corning Glass Works	1,000.00	368.30
John T. Reggitts Jr., 95 Booton Ave. P.O. Box 470 Boonton, NJ 07005			
Regional Airline Association, 1101 Connecticut Ave., NW Washington, DC 20036		2,000.00	1,100.00
David K. Rehr, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	4,875.00	400.00
Reichler, Choate, Appelbaum & Wippman, 1701 K Street, NW, #700 Washington, DC 20006	Republic of Guatemala	29,000.00	906.80
Do	Republic of Nicaragua	16,000.00	13.00
Do	United Coconut Assn of the Philippines	24,000.00	1,475.86
Michael Reid, 1925 K Street, NW, #206 Washington, DC 20006	Alliance to Save Energy	187.21	
Michael W. Reid, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	2,935.49	184.91
Reid & Priest, 1111 19th St., NW, #1100 Washington, DC 20036	Anheuser-Busch Companies, Inc		
Do	City of Philadelphia	60,598.00	2,655.79
Do	Committee of Corporate Telecommunications Users		
Do	CIAC Group	743.00	18.00
Do	Edison Electric Institute	959.00	6.00
Do	National Spa & Pool Institute		
Do	Pennsylvania Shipbuilding Co		
Do	Philadelphia Industrial Development Corp	27,660.28	
Do	Phillip Morris		
Do	Rhode Island, Inc		
Do	SPD Technologies		
Do	Transol USA, Inc		
Do	Utility Decommissioning Tax Group	221.00	22.00
Burke G. Reilly, 815 Connecticut Ave., NW, #900 Washington, DC 20006	Ford Motor Company	2,250.00	1,068.00
Mary Lynn Reilly, 3805 Alton Place, NW Washington, DC 20016	Neighborhood Housing Services of America		
Joseph J. Reilly, Jr, 2414 Leighton Street Fort Lee, NJ 07024	Morality in Media, Inc		
Kathleen Reinburg, 2000 P Street, NW, #305 Washington, DC 20036	Foresight Science & Technology, Inc (For:Society for American Archaeology)		
Reinsurance Assn of America, 1819 L St., NW, 7th Floor Washington, DC 20036			
Religious Coalition for Abortion Rights, Inc, 100 Maryland Avenue, NE Washington, DC 20002		178,873.34	10,984.36
Diane Rennert, 1718 Connecticut Avenue, NW Washington, DC 20009	Association of American Publishers	5,000.00	597.17

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Edward Repa, 1730 Rhode Island Ave., NW Washington, DC 20036	National Sloid Wastes Management Assn	200.00	
Barclay T. Resler, 1627 K St., NW, #800 Washington, DC 20006	Coca-Cola Co	338.00	124.95
Resource Technical Consultants (USA), Inc, d/b/a TECNA 330 Seventh Avenue, #1902 New York, NY 10001			
Resources Fund, Inc, 1535 P Street, NW Washington, DC 20005			
Retired Officers Assn, 201 N. Washington St. Alexandria, VA 22314		94,869.55	86,236.97
John H. Reurs, 74 Trinity Place New York, NY 10006	New York Comm of Intl Comm of Passenger Lines		
Vincent P. Reusing, 1615 L Street, NW, #1210 Washington, DC 20036	Metropolitan Life Insurance Companies	1,000.00	
Alan V. Reuther, 1757 N Street, NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	17,430.63	222.75
Allan R. Rexinger, 1150 Connecticut Ave., NW, #1200 Washington, DC 20036	Nonprescription Drug Manufacturers Assn	4,062.50	150.00
Renee Reymond, 1331 Pennsylvania Ave, NW, #1500 N Washington, DC 20004	National Assn of Manufacturers		
Mary Anne Reynolds, 8111 Gatehouse Road Falls Church, VA 22047	AAA Potomac		
Frederick W. Rhodes, 1111 Jefferson Davis Highway, #811-E Arlington, VA 22202	Loral Corporation	4,250.00	
Lois D. Rice, 1201 Pennsylvania Avneue, NW, #370 Washington, DC 20004	Control Data Corporation		
James E. Rich Jr., 1025 Connecticut Ave., NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Alan H. Richardson, 2301 M St., NW Washington, DC 20037	American Public Power Assn	500.00	
Donna Richardson, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	4,935.00	151.60
John C. Richardson, 101 Park Avenue New York, NY 10178	Morgan Lewis & Bockius (For:Underwriters at Lloyd's, London)		
John G. Richardson, 1130 Connecticut Ave, NW, #830 Washington, DC 20036	Southern Company Services, Inc	187.50	3,967.04
K. O. Richardson, 815 16th Street, NW, #511 Washington, DC 20006	Transportation - Communications Union	3,000.00	165.31
Warren S. Richardson, 325 Pennsylvania Ave., SE Washington, DC 20003	Washington Lobby Group, Inc (For:Preston Corp)	3,000.00	
Wesley S. Richardson, P.O. Box #65 Washington Grove, MD 20880	Washington Lobby Group, Inc (For:Preston Corp)	1,500.00	
Lois Richerson, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	1,375.00	
Les Richter, 1801 Speedway Boulevard Daytona Beach, FL 32015	National Assn for Stock Car Auto Racing, Inc (NASCAR)		
Do	National Motorsports Comm of ACCUS, FIA, Inc		
Max Richtman, 2000 K Street, NW 8th Floor Washington, DC 20006	National Committee to Preserve Social Security and Medicare	19,038.00	627.12
Larry D. Rickards, 600 Maryland Ave., SW, #208 Washington, DC 20024	National Assn of Area Agencies on Aging	2,500.00	31.40
Glenn Wadsworth Riddell, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Laurel Steel Products Ltd, et al		
Lowell J. Ridgeway, North Dakota Petroleum Council P.O. Box 1395 Bismarck, ND 58502	American Petroleum Institute	750.00	973.36
E. George Riedel, 1000 Wilson Blvd., #3000 Arlington, VA 22209	International Telephone & Telegraph Corporation	1,500.00	50.00
Dr. Mark J. Riedy, 1101 15th Street, NW, #400 Washington, DC 20005	National Council for Savings Institutions	10,000.00	
Garth B. Rieman, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	1,500.00	331.15
Siert F. Riepma, 1101 15th St., NW, #202 Washington, DC 20005	National Assn of Margarine Manufacturers		
E. Philip Riggin, 1608 K St., NW Washington, DC 20006	American Legion	14,088.00	227.30
P. Robert Rigney Jr., 1117 North 19th Street, #600 Arlington, VA 22209	American Assn of Blood Banks	1,250.00	
Wesley J. Riker, 4647 Forbes Blvd. Lanham, MD 20706	AMVETS	6,800.00	
Russell C. Ring, 1700 Pensylvania Ave., SE, #500 Washington, DC 20006	Mutual of Omaha Insurance Co	2,000.00	494.42
Dale P. Riordan, 3900 Wisconsin Avenue, NW Washington, DC 20016	Federal National Mortgage Assn		
John S. Rippey, 730 15th St., NW Washington, DC 20005	Association of Bank Holding Cos	8,281.00	
Riselli & Pressler, P.C., 1225 19th Street, NW, #850 Washington, DC 20036	Professional Managers' Assn		
Carol A. Risher, 1718 Connecticut Ave., NW 7th Floor Washington, DC 20009-1148	Association of American Publishers	2,000.00	
Edward W. Rissing, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute (EEI)	461.54	106.50
Jeanne M. Ritchie, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Leslie Sue Ritts, Morgan Lewis & Bockius 1800 M Street, NW Washington, DC 20036	National Environmental Development Assn		
Valentin J. Riva, 1415 Elliot Place, NW Washington, DC 20007	National Stone Assn	4,000.00	500.00
Ivette E. Rivera, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,000.00	
Phillip W. Rivers, 1050 17th St., NW #500 Washington, DC 20036	Texaco, Inc	280.00	
Rivers Trainor Doyle & Leicht, Inc, One Catamore Blvd East Providence, RI 02914	Madison Public Affairs Group, Inc	10,000.00	11,963.89
Rivkin Radler Dunne & Bayh, 1575 I Street, NW, #1025 Washington, DC 20005	Asset Managers Coalition	8,439.75	150.00
Do	ALC Communications Corp	1,090.62	110.00
Do	Chemical Bank	13,750.00	5,300.00
Do	Committee of National Security Cos, Inc		
Do	Cook Group	1,286.00	275.00
Do	National Basketball Assn		
Do	National Foreign Trade Council	1,525.00	810.00
Do	National Soft Drink Assn		
Do	Primerica		
Do	Public Service Company of Indiana		
Do	Texas Savings & Loan League	36,000.00	325.00
Michelle Robbins, 1825 Eye St., NW, #1100 Washington, DC 20006	Lockheed Corporation	2,000.00	344.12
Liz Robbins Associates, 420 7th St., SE Washington, DC 20003	Access Corporation	1,050.00	4,564.93
Do	Authors Guild	12,750.00	4,564.93
Do	Babcock & Brown	3,000.00	4,564.93
Do	Baldwin Company	2,737.80	4,564.93
Do	Carlan Homes	1,404.00	4,564.93
Do	Commercial Cartage		
Do	Farmland Dairies	7,200.00	4,564.93
Do	Gaymar Industries, Inc	1,620.00	4,564.93
Do	J.M. Peters Co, Inc	2,737.80	4,564.93
Do	J.P. Rhodes	912.60	4,564.93
Do	Lewis Homes	2,737.80	4,564.93
Do	Montifiore Medical Center	4,500.00	4,564.93
Do	Morgan Lewis & Bockius	3,000.00	4,564.93
Do	Mt. Sinai Hospital	4,500.00	4,564.93
Do	MDC-Hold	2,737.80	4,564.93
Do	New York Hospital	4,500.00	4,564.93
Do	New York Public Library	3,750.00	4,564.93
Do	New York State Housing Finance Agency	4,050.00	4,564.93
Do	NYU Medical	4,500.00	4,564.93
Do	Phoenix House	900.00	4,564.93
Do	Presbyterian Hospital	4,500.00	4,564.93
Do	Presley of Southern California	2,737.80	4,564.93
Do	Scholastic, Inc	1,800.00	4,564.93
Do	Southern Baptist Press Assn	125.00	4,564.93
Do	Spectrascan	4,500.00	4,564.93
Do	Standard Pacific, LP	1,687.50	4,564.93
Do	Vail/Beaver Creek		
Do	Warburg Pincus Capital Corp	9,600.00	4,564.93
Do	Wespray Corporation		4,564.93
Do	William Lyon Co	2,737.30	4,564.93
Do	WTVT-13	3,750.00	4,564.93
Carole T. Roberts, 901 15th Street, NW, #520 Washington, DC 20005	Travelers Companies	1,995.00	15.91
Richard R. Roberts, 402 8th Street, N.E. Washington, DC 20002	American Council of Highway Advertisers	1,500.00	1,944.38
Steve A. Robertson, 1608 K Street, NW Washington, DC 20006	American Legion	7,386.00	144.55
Robins Kaplan Miller & Ciresi, 1627 Eye St., NW, #610 Washington, DC 20006	City of St. Paul	1,530.00	
Do	Dominium Group, Inc		
Do	Polaris Industries	1,653.00	
Do			
Betty S. Robinson, 1757 N St., NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	13,951.91	63.15
Ernestine S. Robinson, 1575 Eye Street, NW Washington, DC 20005	American Soc of Assn Executives	300.00	
Kenneth L. Robinson, 3138 North 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions		
Thomas E. Robinson, 1129 20th Street, NW, #705 Washington, DC 20036	National Assn of Real Estate Investment Trusts, Inc		
Do	Pension Real Estate Assn		
Tom Robinson, 1400 Eye Street, NW Washington, DC 20005	Sierra Club Legal Defense Fund	2,873.46	2,247.32
Robinson Lake Lerer & Montgomery, 1667 K St., NW, #900 Washington, DC 20006	Atari Games Corp		
Do	Napa Flood Control and Water Conservation District	500.00	
Do	Sun-Diamond Growers of California	1,000.00	
Do	Suzuki Motors of America, Inc	1,000.00	
Nancy Robleski, 1825 K Street, NW, #218 Washington, DC 20006	American Society of Mechanical Engineers		
James Anthony Rock, 1730 M Street, NW, #607 Washington, DC 20036	Montana Power Co, et al	2,000.00	1,681.34
Phillip Rodenberg, 1400 K Street, NW, #801 Washington, DC 20005	General Aviation Manufacturers Assn	8,256.00	
Quincy Rodgers, 1155 21st Street, NW, #400 Washington, DC 20036	General Instrument Corporation	2,000.00	
Joseph Rodio Esq, 200 Dyer Street Providence, RI 02903	St Germain Rodio & Ursillo, Ltd (For:International Assn of Firefighters, Providence Local 799).		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	St Germain Rodio & Ursillo, Ltd (For:Old Stone Federal Savings Bank)		
Do	St Germain Rodio & Ursillo, Ltd (For:Star-Tron)		
Do	St Germain Rodio & Ursillo, Ltd (For:United Assn of Steamfitters, Providence Local 476).		
Raymund Rodriguez, P.O. Box 982 El Paso, TX 79960	El Paso Electric Co		
Terrence L. Rogers, 80 F St., NW Washington, DC 20001	American Fed of Government Employees	13,583.15	29,548.81
Rogers & Wells, 1737 H Street, NW Washington, DC 20006	American Express Co		
Do	Liz Claiborne, Inc		
Do	Compagnie Financiere de Paribas		
Do	Desert Palace, Inc		
Do	Dreyfus Corporation	2,500.00	442.80
Do	Grocery Manufacturers of America, Inc		
Do	Internor Trade, Inc		
Do	Investment Partnership Assn		325.00
Do	Jockey Club		
Do	Kamehameha Schools/Bishop Estate		
Do	Liga Agricola Industrial de la Cana de Azucar	1,200.00	
Do	Merrill Lynch & Co, Inc		
Do	National Assn of Beverage Importers		
Do	Republic National Bank		
Do	Rutgers, The State University of New Jersey		
Do	Teachers Insurance & Annuity Assn/CREF		
Do	Walker Telecommunications Corp		
Do	Wine & Spirits Wholesalers of America, Inc		
Do	Wordperfect Corp		
Carole M. Rogin, 1255 23rd Street, NW, #850 Washington, DC 20037	Hauck & Associates, Inc (For:Hearing Industries Assn)		
Richard A. Rohrbach, 1615 M Street, NW, #570 Washington, DC 20036	Boise Cascade Corp	34,200.00	173.87
Ian M. Rolland, 1300 South Clinton Street Fort Wayne, IN 46801	Lincoln National Corp	900.00	520.00
Jackie Rollins, 1201 16th Street, NW Washington, DC 20036	Overseas Education Assn, Inc		
George L. Rolofson, P.O. Box 18300 Greensboro, NC 27419	CIBA-GEIGY Corp	3,450.00	2,610.32
John F. Rolph III, 1275 Pennsylvania Ave, NW, #503 Washington, DC 20004	Citicorp Washington, Inc	1,000.00	
Kenneth S. Rolston Jr, 1025 Vermont Ave., NW, #1020 Washington, DC 20005	American Pulpwood Assn		
Emil A. Romagnoli, 180 Maiden Lane New York, NY 10038	Asarco, Inc	4,200.00	
Daniel Romanko, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Canadian Steel Producers Assn		
Joseph D. Romer, 304 N. Virginia Avenue Falls Church, VA 22046	Brown Bridgman & Company		
Michael J. Romig, 1001 Pennsylvania Avenue, nw Washington, DC 20004-2599	American Council of Life Insurance, Inc	2,500.00	
Francis P. Rooney, 1400 L Street, NW, #400 Washington, DC 20005	Biscuit & Cracker Mfgrs Assn		
James Roosevelt, 567 San Nicolas Dr, # 106 Newport Beach, CA 92660	National Committee to Preserve Social Security	2,250.00	
Ropes & Gray, 1001 Pennsylvania Ave., NW, #1200 Washington, DC 20004	Digital Equipment Corp		
Clifton Peter Rose, 1825 Eye Street, NW, #450 Washington, DC 20006	Goldman Sachs & Co	500.00	
Rose Communications, Inc, 901 15th Street, NW, #570 Washington, DC 20005	Johnson Matthey, Inc	7,745.00	7,275.00
Rose Schmidt Hasley & DiSalle, 1701 Pennsylvania Ave., NW, #1040 Washington, DC 20006	Equimark Corporation		
Do	Joy Technologies, Inc		
Do	Social Security Protection Bureau		
Burt E. Rosen, 1155 15th St. NW., #502 Washington, DC 20005	Bristol-Myers Co	25,000.00	
Richard Rosen, 5010 Wisconsin Ave., NW, #118 Washington, DC 20016			
Susan D. Rosen, Keller and Heckman 1150 17th Street, NW, 1000 Washington, DC 20036	INDA, Assn of the Nonwoven Fabrics Industry		
Albert B. Rosenbaum III, 2200 Mill Rd. Alexandria, VA 22314	National Tank Truck Carriers, Inc		
Sara Rosenbaum, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	1,488.00	
Gregory M. Rosenberg, 5410 Grosvenor Lane, #120 Bethesda, MD 20814	Mechanical Contractors Assn of America, Inc		
Robert M. Rosenberg, 8100 Oak Street Dunn Loring, VA 22027	National Pest Control Assn		
Herb Rosenbleeth, 1811 R Street, NW Washington, DC 20009	Jewish War Veterans of the USA	11,038.42	
Roger C. Rosenthal, 2001 S St., NW, #310 Washington, DC 20009	Migrant Legal Action Program, Inc		
Roses, Inc, 1152 Haslett Road P.O. Box 99 Haslett, MI 48840			
Joe Ross, P.O. Box 1582 Little Rock, AR 72203-1582			
Lawrence J. Ross, 1700 K Street, NW, #1100 Washington, DC 20006	Ross and Duerk, P.C.		
Nancy Ross, 1830 17th Street NW Washington, DC 20009	Rainbow Lobby	6,300.00	3,187.61
William F. Ross, South Carolina Petroleum Council 1340 Bull Street, #250 Columbia, SC 29201	American Petroleum Institute	1,095.00	1,909.92
Ross & Hardies, 888 16th Street, NW, 3rd Floor Washington, DC 20006	Intertek Services International, Ltd		
Richard Rosser, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	1,261.00	
Barry N. Roth, 1120 20th Street, NW, #700 Washington, DC 20036	Williams Companies	500.00	
Rhond Rudolph Roth, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	National Multi Housing Council	1,625.00	1,625.00
John C. Rother, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	1,292.31	
Linda Rothleder, 315 Bonifant Road Silver Spring, MD 20904	Marconi Electronics, Inc	3,000.00	2,172.16
Emily B. Rothrock, 1455 Pennsylvania Ave., NW, #900 Washington, DC 20004	American International Group, Inc	2,000.00	
Edwin Rothschild, 1300 Connecticut Ave., NW, #401 Washington, DC 20036	Citizen Action	750.00	110.00
Do	Citizen/Labor Energy Coalition	1,500.00	
Donald D. Rounds, South Dakota Petroleum Council 222 E. Capitol, #16 Pierre, SD 57501	American Petroleum Institute	980.00	990.00
Michael O. Roush, 600 Maryland Avenue, SW. #700 Washington, DC 20024	National Fed of Independent Business	4,875.00	300.00
Brigette M. Rouson, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	6,000.00	119.18
Eugene F. Rowan, 2550 M Street, NW Washington, DC 20037	National Assn of Chain Drug Stores, Inc		
George R. Rowan, 1750 New York Ave., NW, #340 Washington, DC 20006	Armed Forces Marketing Council		
J. Patrick Rowland, 1023 15th Street, NW, 7th Fl Washington, DC 20005	Rowland Government Relations Associates (For:Baker Industries)	1,500.00	
Do	Rowland Government Relations Associates (For:Borg-Warner Automotive, Inc)	2,000.00	
Do	Rowland Government Relations (For:Coalition for Uniform Product Liability Law)	2,000.00	
Do	Rowland Government Relations (For:GE Plastics)	2,000.00	
Rowland Government Relations, 1023 15th Street, NW, 7th Fl Washington, DC 20005	GE Plastics	4,000.00	
Do	Security Companies Organized for Legislative Action (SCOLA)	7,810.16	
Roxton, Inc, 2000 S. Eads Street, #1003 Arlington, VA 22202	Medical Identification Card		
Robert S. Royer, 1747 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Chrysler Military Sales Corp		
Do	City of Akron, Ohio		
Do	Financial Security Assurance		
Do	International Futures Exchange		
Do	Intex Holdings (Bermuda) Ltd		
Do	Michigan Trade Exchange		
Do	Morgan Stanley & Co, Inc		
Do	Overseas Military Sales Group		
Do	Pfizer Inc		
Do	Phillips Petroleum Co		
Royer Shacknai & Mehle, 1747 Pennsylvania Avenue, NW, #900 Washington, DC 20006	Municipal Finance Industry Assn		
Do	Pfizer, Inc		
Tobi Z. Rozen, 888 16th St., NW Washington, DC 20006	Milk Industry Foundation/Int'l Ice Cream Assn		
Eric M. Rubin, 1730 M Street, NW, #412 Washington, DC 20036	Outdoor Advertising Assn of America, Inc		
Eldon Rudd, Shimmel Hill Bishop & Gruender, P.C. 3700 North 24th Street Phoenix, AZ 85016	Central Arizona Project Assn		
Barbara A. Rudolph, 1901 N. Fort Myer Drive, #302 Rosslyn, VA 22209-1606	Beverly Enterprises, Inc	3,375.00	125.25
Henry C. Ruempler, 1120 Connecticct Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Nicholas L. Ruggiere, 1667 K Street, NW, #410 Washington, DC 20006	Johnson & Johnson	1,000.00	225.00
Ronald R. Rumbaugh, 5205 Leesburgh Pike, #1600 Falls Church, VA 22041	National Beer Wholesalers of America	500.00	
Kurt Rumsfeld, 606 North Washington Street Alexandria, VA 22314	American Society for Personnel Administration	15,000.00	
John Runyan, 1730 North Lynn St., #409 Arlington, VA 22209	Printing Industries of America, Inc	1,000.00	
Morgan S. Ruph, 4647 Forbes Boulevard Lanham, MD 20706	AMVETS	6,800.00	
Tonda F. Rush, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn		
R.K. Rushin, 1919 Pennsylvania Ave., NW, #705 Washington, DC 20006	Eastman Kodak Co	200.00	42.00
Barry Russell, 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		47.00
Christine Anne Russell, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S	9,875.00	342.41
James A. Russell, 122 C St., NW, #740 Washington, DC 20001	American League for Exports & Security Assistance, Inc	500.00	26.54
Randall M. Russell, 517 C Street, NE Washington, DC 20002-5809	Lesher Russell & Moos, Inc		
Robert M. Russell, 2170 Piedmont Rd., NE Atlanta, GA 30324	Orkin Pest Control		
William Russell & Associates, Inc, 1701 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Golbal Broadcasting System	8,000.00	879.40
Do	Pacific Telecom, Inc		
Jonathan Russin, 1215 17th Street, NW Washington, DC 20036	Caribbean Trade and Apparel Coalition (C-TAC)		
Diann Rust-Tierney, 122 Maryland Ave. Washington, DC 20002	American Civil Liberties Union	2,481.25	
Wally Rustad, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	50.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Herman Max Ruth 71990-158, FCI La Tuna P.O. Box 1000 Anthony, NM 88021			
Frank T. Ryan, 1400 K Street, NW Washington, DC 20005	Rubber Manufacturers Assn	2,500.00	
George J. Ryan, 915 Rockefeller Building Cleveland, OH 44113	Lake Carriers' Assn		
Joseph Ryan, 1155 21st., NW, 4th Fl Washington, DC 20036	General Instrument Corporation		
Patricia Ryan, 1319 F Street, NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
Thomas L. Ryan, 225 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA		
John Ryan Associates, 8447 Portland Place McLean, VA 22102	MPB Corp	130.00	30.80
Ryan-McGinn, Inc, 1110 Vermont Avenue, NW, #820 Washington, DC 20005	Cobot Energy Corporation	19,197.50	942.42
Do	Massey Coal Services, Inc	13,147.50	184.17
Do	(For:Oregon Assn of Hospitals)	9,000.00	496.83
Do	West Virginia Bankers Assn	3,000.00	550.55
Do	West Virginia Hospital Assn	6,000.00	312.86
Do	West Virginia Independent Oil & Gas Assn	7,500.00	920.15
Kermit W. Ryman, 1700 K St., NW, #1200 Washington, DC 20006	Chevron USA, Inc	289.00	41.00
RADAR, 4949 S 25A Tipp City, OH 45371		199,301.22	
RBC Associates, 324 Fourth Street, NE Washington, DC 20002	Ann Arbor Railroad	1,435.00	5,896.68
Do	Bangor & Aroostook Railroad	9,750.00	5,896.68
Do	Chicago & North Western Railroad	38,500.00	5,896.68
Do	Delaware Otsego System	37,000.00	5,896.67
Do	Genesee & Wyoming Industries, Inc	1,600.00	5,896.67
Do	Regional Railroads of America	50,000.00	5,896.67
RJR Nabisco, Inc, 401 N. Main Street Winston-Salem, NC 27102			25,800.81
S.A.F.E.S.T., 1120 G St., NW, #800 Washington, DC 20005			
Lawrence E. Sabbath, 1023 15th Street, NW, 7th Fl Washington, DC 20005	Rowland Government Relations (For:GE Plastics)	2,000.00	
Do	Rowland Government Relations (For:Security Companies Organized for Legislative Action (SCOLA)).	7,810.16	
Susan L. Sadtler, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	5,000.00	616.46
Anthony J. Saggese Jr., 1050 17th St., NW, #500 Washington, DC 20036	Texaco, Inc		
Frank Max Salinger, 1101 14th St., NW, 4th Floor Washington, DC 20005	American Financial Services Assn	250.00	
James H. Sammons, 535 North Dearborn Street Chicago, IL 60610	American Medical Assn	5,000.00	
Sammons Enterprises, Inc, 403 South Akard Dallas, TX 75202			
Brian Sanderoff, 7500 Jefferson St., NE #250 Albuquerque, NM 87109	Reese Communications Companies	2,250.00	
James C. Sanders, 1225 'Eye' Street, NW, #825 Washington, DC 20005	Beer Institute		
Petronella C. Sanders, 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	500.00	
Rose Marie Sanders, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	200.00	24.00
Sanders Schnabel & Brandenburg, P.C., 1110 Vermont Avenue, NW, #600 Washington, DC 20005	American Soc of Assn Executives	3,363.50	93.40
Stuart A. Sanderson, 1920 N Street, NW, Washington, DC 20036	American Mining Congress		
Myron G. Sandifer III, 1001 Pennsylvania Ave., NW, #625-South Washington, DC 20004	Jack McDonald Co (For:Belz Enterprises)		
Do	Jack McDonald Co (For:Dow Corning Corp)		
Do	Jack McDonald Co (For:Hitachi America, Ltd)		
Do	Jack McDonald Co (For:Hitachi Sales Corp of America)		
Do	Jack McDonald Co (For:Jacques Borel Enterprises, Inc)		
Do	Jack McDonald Co (For:Minorco Societe Anonyme)		
Do	Jack McDonald Co (For:Royal Zenith Corp)		
Do	Jack McDonald Co (For:Societe Generale de Surveillance, S.A.)		
Do	Jack McDonald Co (For:WMW Machinery, Inc)		
Charles E. Sandler, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	6,000.00	
Peter G. Sandlund, 1725 Eye St., NW, #315 Washington, DC 20006	Council of European & Japanese National Shipowners' Assn	300.00	
Eric Sapirstein, 1333 H St., NW, #400 Washington, DC 20005	California Assn of Sanitation Agencies	2,500.00	2,036.87
Do	Cure Corp		
Do	In-Situ, Inc		
Do	Las Virgenes Municipal Water District		
Do	ENS Resources, Inc (For:Orange County Sanitation Districts)	1,370.00	50.74
Do	Western Research Institute	2,065.25	1,779.65
Betty O. Sapp, 1601 Duke Street Alexandria, VA 22314	Society of American Florists		
Leslie Sarasin, 1010 Massachusetts Avenue, NW Washington, DC 20001	National Food Brokers Assn		
Ronald A. Sarasin, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Klara B. Sauer, 9 Vassar Street Poughkeepsie, NY 12601	Scenic Hudson, Inc		
Albert C. Saunders, 1100 15th St., NW #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	14.05
Charles P. Saunders, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Southern Company Services, Inc		
Save Our Security, 1201 16th St., NW, #222 Washington, DC 20036		4,275.00	21,370.00
Richard N. Sawaya, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co		
Victoria V. Schaff, Missouri Electric Utitties 1800 K Street, NW, #1018 Washington, DC 20006	Kansas City Power & Light, et al	3,150.00	2,022.40
Schagrin Associates, 1112 16th St., NW, #200 Washington, DC 20036	Committee on Pipe & Tube Imports	6,618.75	
Do	Sprinkler Pipe Producers Group	7,452.25	
Do	Weirton Steel Corporation	15,570.00	
Harold A. Schaitberger, 1750 New York Ave., NW Washington, DC 20006	International Assn of Fire Fighters		
William T. Schapaugh, 1030 15th Street, NW Washington, DC 20005	American Seed Trade Assn	5,000.00	
C. M. Schauerte, 2929 Allen Parkway Houston, TX 77019	American General Corporation		
Jay T. Scheck Jr., Rt. 202-206 North Somerville, NJ 08876	Hoechst Celanese Corp		
Robert H. Scheerschmidt, 490 L'Enfant Plaza East, SW, #4200 Washington, DC 20024	Xerox Corp	750.00	
Jeffery M. Schell, 1730 Rhode Island Avenue, NW, #1000 Washington, DC 20036	National Solid Wastes Management Assn	200.00	
Kenneth D. Schloman, 499 South Capitol, SW, #401 Washington, DC 20003	National Assn of Independent Insurers	400.00	346.40
Richard M. Schmidt Jr., 1333 New Hampshire Ave., NW, #600 Washington, DC 20036	Association of American Publishers	500.00	
Do	National Assn of Trade & Technical Schools	1,250.00	
Robert Richard Schmitt, #12453-047 PO Box 1000 Leavenworth, KS 66048-1000			
John Noehl Schmitz, P.O. Box 501 Licking, MO 65542		3.00	144.37
Schnader Harrison Segal & Lewis, Suite 1000 1111 19th St., NW Washington, DC 20036	Toyota Motor Corporate Services U.S.A., Inc	2,220.00	269.30
Robert V. Schneider, 901 31rst Street, NW Washington, DC 20007	Hill and Knowlton, Inc (For:Brush/Wellman)	1,320.00	
Frank Schneller, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Schnitzer Steel Products Co, 3200 N.W. Yeon Avenue Portland, OR 97210			
Kim Schnoor, 1667 K Street NW, #900 Washington, DC 20006	Robinson Lake Lerer & Montgomery (For:Napa Flood Control and Water Conservation District).		
Paul Schoellhamer, 900 17th St., NW, #526 Washington, DC 20006	Northwest Airlines, Inc	1,000.00	100.00
Martha J. Schoonover, Fulbright & Jaworski 1150 Connecticut Ave., NW Washington, DC 20036	Merichem Company	340.00	
Jack J. Schramm, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc	3,500.00	2,224.00
Charles G. Schreiber, 1 Massachusetts Ave., NW Washington, DC 20001	National Guard Assn fo the U.S.	7,800.00	460.00
H. B. W. Schroeder, 1016 16th Street, NW, 5th Floor Washington, DC 20036	Consumers Power Co	8,000.00	6,998.00
Leah Webb Schroeder, 1030 15th Street, NW, #1100 Washington, DC 20005	Health Industry Manufacturers Assn	600.00	384.20
N. Donald Schroeder, Maryland Petroleum Council 60 West St., #403 Annapolis, MD 21401	American Petroleum Institute	160.00	
Judy Schub, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	610.38	644.45
Mark Schultz, 918 16th Street, NW, #406 Washington, DC 20006	Professional Services Council	1,500.00	24.00
Richard F. Schultz, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	15,416.80	438.07
Robert L. Schulz, c/o Iowa Petroleum Council 1012 Fleming Bldg. Des Moines, IA 50309	American Petroleum Institute	803.75	1,554.06
Ralph D. Schumack, 1800 M Street, NW, #325 South Washington, DC 20036	Dow Corning Corp		20.00
Adam D. Schwartz, 1101 15th St., NW, #400 Washington, DC 20005	National Council of Savings Institutions	2,000.00	
Arthur E. Schwartz, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	1,000.00	
Elinor Schwartz, 318 S. Abingdon Street Arlington, VA 22204	California State Lands Commission	10,800.00	1,886.75
Do	State of Washington Department of Natural Resources	12,350.00	552.05
Linda B. Schwartz, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Gas Taxes	2,500.00	111.50
Richard Schwartz, 880 S. Pickett St. Alexandria, VA 22304	Boat Owners Assn of the U.S.	14,000.00	
Stephen I. Schwartz, 1436 U Street, NW Washington, DC 20009	Greenpeace USA	391.49	50.00
Richard S. Schweiker, 1001 Pennsylvania Ave, NW Washington, DC 20004	American Council of Life Insurance, Inc	900.00	
Scientific Apparatus Makers Assn, 1101 16th St., NW Washington, DC 20036		6,989.57	5,407.00
Michael Sciulla, 880 S. Pickett St. Alexandria, VA 22304	Boat Owners Assn of the U.S.	14,000.00	
Harold B. Scoggins Jr., 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		11.50
David A. Scott, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	8,800.00	493.00
Ellen Scott, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers International Assn	7,423.00	
Gregory R. Scott, 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris, Inc	421.25	348.44
James E. Scott, 906 12th Street , NE Washington, DC 20002			
James L. Scott, 1919 Pennsylvania Ave., NW, #703 Washington, DC 20006	American Healthcare Institute	11,125.00	211.67
John Havens Scott, 1101 Vermont Ave., NW 12th Floor Washington, DC 20005	American Medical Assn	3,750.00	
R. Denny Scott, 101 Constitution Ave., NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Scribner Hall & Thompson, 1850 K Street, NW, #1100 Washington, DC 20006	CNA Financial Corp		
Do	Provident Life & Accident Insurance Co		
Do	Security Life of Denver Insurance Co	11,179.75	
Do	Transamerica Corporation		
Anne Scully, 777 14th Street, NW Washington, DC 20005	National Association of Realtors	1,725.00	1,693.37
Timothy Scully, 25 Louisiana Avenue, NW Washington, DC 20001	International Brotherhood of Teamsters	12,099.09	
Walter J. Sczudlo, 1025 Connecticut Ave., NW Washington, DC 20036	Shell Oil Company	500.00	
Earl W. Sears, P.O. Box 12285 Memphis, TN 38182	National Cotton Council of America		
Seattle 1990 Goodwill Games, 1701 K Street, NW, #400 Washington, DC 20006	Seattle Organizing Committee	30,600.00	1,113.08
Securities Industry Assn, 1850 M Street, NW Washington, DC 20036			444,438.00
Charles M. Seeger III, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange	3,200.00	
Ruth L. Segal, 1212 New York Avenue, NW Washington, DC 20005	Outdoor Advertising Assn of America	22,500.00	773.30
Harold L. Segall, 1350 I Street, NW, #700 Washington, DC 20005	Beveridge & Diamond, P.C. (For:City of Bluefield, WV, et al.)	325.00	287.18
Merrill K. Seggerman, 1025 Connecticut Ave., NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Frances Seghers, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc	274.00	
Carl J. Seiberlich, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd	10,767.00	
H. Richard Seibert Jr., 1331 Pennsylvania Ave., NW, #1500 N Washington, DC 20004-1703	National Assn of Manufacturers	790.00	
George H. Seidel Jr., Associated Petroleum Industries of Pa P.O. Box 925 Harrisburg, PA 17108	American Petroleum Institute	87.00	
Seidman & Associates, P.C., Federal Bar Building, #1001 1815 H Street, NW Washington, DC 20006	National Tooling & Machining Assn		
Marlissa Senchak, 3900 Wisconsin Ave.,NW Washington, DC 20016	Federal National Mortgage Assn	16,000.00	189.39
Stanton P. Sender, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	1,625.00	443.09
Peter M. Seremet, 16 Munson Road Farmington, CT 06034-0338	Heublein, Inc	17,250.00	9,589.50
Terry L. Serie, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Stuart D. Serkin, 1156 15th Street, NW, #505 Washington, DC 20009	Coal & Slurry Technology Assn	1,000.00	
Seven Months Session for Congress, 4210 Spicewood Road, #202 Austin, TX 78759			179.00
Seward & Kissel, 818 Connecticut Avenue, NW, #800 Washington, DC 20006	Merrill Lynch & Co, Inc	120.00	
Do			
J. Richard Sewell, 1800 K St., NW, #1110 Washington, DC 20006	Florida Power & Light Co	3,000.00	986.54
Seyfarth Shaw Fairweather & Geraldson, 815 Connecticut Ave., NW, 5th Floor Washington, DC 20006	Agricultural Producers		
Do	American Soc of Pension Actuaries	13,800.00	61.03
Do	Employers Council on Flexible Compensation	12,500.00	
Do	Flxible Corp		
Victoria McKenzie Shain, 1710 Rhode Island Avenue, NW, #300 Washington, DC 20036	Abbott Laboratories	2,000.00	
Thomas A. Shallow, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	200.00	
James M. Shamberger, 1819 L St., NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
Ali A. Shami, 6863 Calhoun Dearborn, MI 48126	United Lebanese Lobby of America		
Deborah L. Shannon, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,500.00	
Gary J. Shapiro, 2001 Eye Street, NW Washington, DC 20006	Electronic Industries Assn	2,000.00	
Shea & Gardner, 1800 Massachusetts Avenue, NW Washington, DC 20036	Marshall & Stevens, Inc		
Do	Societe Generale de Surveillance, S.A.		
James V. Sheahan, 1666 Manhasset Drive Atlanta, GA 30338	Siemens Energy & Automation, Inc	640.00	149.61
Gail E. Shearer, 2001 S St., NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	4,000.00	
John J. Sheehan, 815 16th St., NW, #706 Washington, DC 20006	United Steelworkers of America	13,088.25	
Peggy A. Sheehan, 1401 New York Avenue, NW, #1100 Washington, DC 20005	National Cooperative Business Assn	1,770.00	40.00
Kathleen Sheekey, 3rd Floor 2030 M Street, NW Washington, DC 20036	Common Cause	14,400.00	1,405.82
C. Douglas Shelby, Florida Petroleum Council 325 John Knox Rd., #F-210 Tallahassee, FL 32303	American Petroleum Institute		
Zack H. Shelley Jr., 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	1,492.00	
Seymour Sheriff, 6910 Blaisdell Road Bethesda, MD 20817	American Fiber Manufacturers Assn, Inc		
Judith C. Sherman, 1111 14th Street, NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
Nancy Sherman, 1025 Connecticut Ave., NW Washington, DC 20036	Foodservice & Packaging Institute, Inc		
Nelson T. Shields, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	5,982.69	
R. Philip Shimer, 444 N. Capitol St., NW, #526 Washington, DC 20001	Western Governors Assn		
Harvey A. Shipman, 1800 Diagonal Road, #500 Alexandria, VA 22314	Penn Central Corporation		
Shippers National Freight Claim Council, Inc, 120 Main Street Huntington, NY 11743			
Julie Shisler, P.O. Box 85608 San Diego, CA 92138	General Atomics	5,278.00	3,486.21
Elaine Shocas, 555 New Jersey Avenue, NW Washington, DC 20001	American Fed of Teachers	13,451.28	140.00
T. V. Shockley III, P.O. Box 2121 Corpus Christi, TX 78403	Central Power & Light Co		
John G. Shortridge, 818 Connecticut Ave., NW Washington, DC 20006	USX Corporation	300.00	
Scott Shotwell, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	2,475.00	
Harold A. Shoup, 1899 L Street, NW Washington, DC 20036	American Association of Advertising Agencies	2,500.00	750.00
A. Z. Shows, 1801 Columbia Rd., NW, #203 Washington, DC 20009			
Eric Shulman, 925 15th Street, NW Washington, DC 20005	National Council of Senior Citizens	11,800.00	100.00
Kathy Shulman, 1730 M St., NW Washington, DC 20036	League of Women Voters of the U.S.	4,583.06	286.34
Walter Shur, 51 Madison Ave. New York, NY 10010	New York Life Insurance Co		
Sidley & Austin, 1722 Eye Street, NW Washington, DC 20006	Donrey, Inc	2,454.71	
Do	Federal Home Loan Bank of Chicago	1,600.00	83.40
Richard D. Siegel, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Guilford Glazer & Assoc		24.60
Susan Siemietkowski, 1730 North Lynn Street Arlington, VA 22209	Printing Industries of America	2,000.00	
Christine Sigler, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	2,736.00	
Stephan Silberfarb, 500 North Capitol St., NW, #300 Washington, DC 20001	American Israel Public Affairs Comm	10,500.00	481.50
Mark Silbergeld, 2001 S Street, NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	4,000.00	20.00
David Silver, 1600 M St., NW Washington, DC 20036	Investment Company Institute		
Steve Silver, 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007	Robertson Monagle & Eastaugh (For:Alaska Loggers Assn)	11,500.00	
Do	Robertson Monagle & Eastaugh (For:Alaska Pulp Corp)		
Do	Robertson Monagle & Eastaugh (For:Bristol Bay Native Corp)	1,250.00	
Do	Robertson Monagle & Eastaugh (For:E* America, Inc)	2,000.00	
Do	Robertson Monagle & Eastaugh (For:BP Minerals America)		
Do	Robertson Monagle & Eastaugh (For:Liberty Shipping Group)		
Silver Freedman & Taff, 1735 Eye Street, NW Washington, DC 20006	Hiawatha Savings & Loan Assn	2,512.00	77.86
Silver Users Assn, Inc, 1717 K St., NW Washington, DC 20006		529.00	4,120.93
Marcia Silverman, 1901 L Street, NW, #320 Washington, DC 20036	Ogilvy & Mather Public Affairs		
Silverstein & Mullens, 1776 K Street, NW, #800 Washington, DC 20006	Association for Advanced Life Underwriting	5,000.00	
Do	Bristol-Myers Co		
Do	Cushman & Wakefield		
Do	Music Corp of America, Inc		
Do	National Assn of Home Builders of the U.S.		
Do	Rolls-Royce Motor Cars, Inc		
Deborah S. Simmons, 1717 K St., NW, #407 Washington, DC 20006	American Assn for Marriage & Family Therapy	7,420.00	
Donald M. Simmons, 323 West Broadway, #404 Muskogee, OK 74401	Caltex Petroleum Corp	1,250.00	1,000.00
Gary D. Simms, 1720 Eye Street, NW, 7th Floor Washington, DC 20006	American Academy of Actuaries		
Michael E. Simon, 1666 K St., NW Washington, DC 20006	Arthur Andersen & Co	2,134.00	10.00
Neil A. Simon, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Simon & Company, Inc, 1001 Connecticut Ave., NW #435 Washington, DC 20036	City of Erie, PA	11,499.96	3,979.84
Do	City of Fresno, CA	8,195.13	4,321.93
Do	City of Portland, OR	8,053.71	4,681.19
Do	Elkhart, IN	5,200.15	4,576.94
Do	Gary, Indiana	7,941.38	4,318.17
Do	Newark, Ca	5,091.96	44,441.75
Do	San Leandro, CA	5,481.16	5,459.73
Do	Tacoma, WA	2,357.23	4,359.02
Do	Water Department in San Bernadino, CA	2,805.14	4,182.24
David C. Simonson, 1627 K St., NW, #400 Washington, DC 20006	National Newspaper Assn		
C. Kyle Simpson, 9 Greenway Plaza, #714 Houston, TX 77046	Coastal Corporation		
Thomas D. Simpson, 700 N. Fairfax Street Alexandria, VA 22314	Railway Progress Institute	574.06	
Ivan E. Sinclair, 1000 Wilson Boulevard, #2700 Arlington, VA 22209	TRW, Inc	1,000.00	
James W. Singer III, 1100 15th Street, NW Suite 900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	
Donna L. Singletary, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Federation of Independent Business (NFIB)	3,189.00	200.00
Constantine Sirigos, 1730 K Street, #1005 Washington, DC 20006	American Hellenic Institute Public Affairs Committee, Inc		
Skadden Arps Slate Meagher & Flom, 1440 New York Avenue, NW Washington, DC 20005	Amoco Corp	133.00	
Do	Anadarko Petroleum Corp	1,384.00	3,713.00
Do	Anheuser-Busch Companies, Inc	4,000.00	221.00
Do	ATMOS Energy Corp		
Do	Bethlehem Steel Corp	3,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Boise Cascade Corporation		
Do	Carson Pirie Scott	1,930.00	460.00
Do	Drexel Burnham Lambert, Inc	5,100.00	345.00
Do	General Development Corp	5,000.00	2,155.00
Do	General Mills		121.00
Do	Government of Jamaica	1,875.00	
Do	Merrill Lynch Capital Markets	134.00	5.00
Do	Mesa Limited Partnership	180.00	
Do	Oryx Energy Co		
Do	Questar Corporation		
Do	Sara Lee		
Do	Sonat Exploration Co		
Do	South Florida Water Management District	2,000.00	356.00
Do	Time, Inc	21,852.00	1,524.00
Edmund J. Skernolis, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	57.00
James H. Skidmore, 1156 15th St., NW, #1201 Washington, DC 20005	NCR Corporation		
Barney J. Skladany Jr., 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Corp	1,125.00	
Scott Sklar, 1730 N. Lynn St., #610 Arlington, VA 22209	Solar Energy Industries Assn	5,421.75	11,083.80
Steven A. Skonberg, 3138 North 10th Street, Arlington, VA 22201	National Assn of Federal Credit Unions	1,250.00	
Dale D. Skupa, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268	National Assn of Mutual Insurance Cos	750.00	750.00
Jonathan Slade, 444 North Capitol St., NW, #711 Washington, DC 20001	Cuban American Foundation	6,750.00	200.50
Do	TKC International (For:Free Angola Information Service)	2,000.00	
Do	Keefe Company (For:Hadassah Medical Relief Organization)	2,500.00	90.00
Do	Keefe Company (For:Seminole Tribe of Florida)	1,000.00	
F. Slatinshek & Associates, Inc, 1102 Belle Vista Dr. Alexandria, VA 22307	Grumman Aero Corp, et al	100.00	
Robert G. Slaughter, 1615 M ST., NW, #200 Washington, DC 20036	Amoco Corporation	1,500.00	362.20
R. Barry Sleight, 5840 Cameron Run Terrace, #1413 Alexandria, VA 22303	CFIDS Assn	1,000.00	782.00
William T. Slider, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Ronald J. Slinn, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc		
Catherine Reiss Sloan, 120 Maryland Ave., NE Washington, DC 20002	Competitive Telecommunications Assn	2,000.00	5,100.00
John E. Sloan Jr., Capital Gallery East, #695 600 Maryland Avenue, SW, #700 Washington, DC 20024	National Fed of Independent Business	1,150.00	200.00
Slover & Loftus, 1224 17th St., NW Washington, DC 20036	Western Coal Traffic League	26,651.25	1,440.20
Stephan K. Small, 1850 M Street, NW, Washington, DC 20036	Securities Industry Assn	1,971.00	
Small Business Council of America, Inc, P.O. Box 4299 Columbus, GA 31904		18,270.13	44,799.47
Smathers Hickey & Smathers, 1050 Connecticut Avenue, NW, #1230 Washington, DC 20036	American Horse Council	3,666.00	
Do	Florida East Coast Railway Co	750.00	
Do	National Hockey League	300.00	
Do	Pennzoil Co	6,000.00	
Robert G. Smerko, 2001 L St., NW, #506 Washington, DC 20036	Chlorine Institute, Inc		
Donald E. Smiley, 1899 L St., NW, #1100 Washington, DC 20036	Exxon Corporation		
C. Douglas Smith, 1850 M St., NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc		
Carlos C. Smith, 400 Krystal Building*** BAD MAG TAPE ***, One Union Square Chattanooga, TN 37402	Strang Fletcher Carriger Walker Hodge & Smith (For:Chattanooga Production Credit Assn, et al.)		1,018.68
Daniel T. Smith, P.O. Box 660074 Dallas, TX 75266	International Airline Passengers Assn, Inc		
Elizabeth M. Smith, 815 16th St., NW, #507 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	6,669.00	446.01
Jeffrey A. Smith, 1600 Wilson Boulevard, #1000 Arlington, VA 22209	American Waterways Operators, Inc		
Jennifer L. Smith, 900 17th Street, NW, #520 Washington, DC 20006	West Mexico Vegetable Distributors Assn	300.00	
Julian H. Smith Jr., 600 North 18th Street Birmingham, AL 35291	Alabama Power Co	20,165.82	5,996.83
Kathryn Smith, 1454 Duke Street Alexandria, VA 22314	American Osteopathic Hospital Assn		
Kern Smith, 400 First St., NW, #710 Washington, DC 20001	Alliance of Foreign Medical Graduates	6,250.00	
Kevin R. Smith, 1020 19th Street, NW, #700 Washington, DC 20036	U S West	460.00	
Marc Smith, 200 Renaissance Place 714 Jackson Street Dallas, TX 75202			
Michael E. Smith, P.O. Box 5000 Cleveland, OH 44101	Cleveland Electric Illuminating Co		
Michael P. Smith, 485 Lexington Ave. New York, NY 10017	New York State Bankers Assn	1,120.00	364.00
Owen T. Smith, 345 Mill River Road Oyster Bay, NY 11771	Reese Communications Cos (for: Philip Morris, USA)	3,000.00	
Patricia Smith, 1909 K St., NW Washington, DC 20049	American Assn of Retired Persons	591.92	773.75
Philip S. Smith, 10900 Wilshire Boulevard Los Angeles, CA 90024	Castle & Cooke, Inc		
Do	Castle & Cooke (For:Dole Fresh Fruit Company)		
Do	Flexi Van Leasing, Inc		
Richard F. Smith, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Robert E. Smith, 1730 K St., NW, #1300 Washington, DC 20006	Olin Corporation	6,000.00	200.00
Susan Snyder Smith, 7900 Westpark Drive, #A320 Mclean, VA 22102	Chocolate Manufacturers Assn of the USA	300.00	225.81
Tim Smith, 410 1st St., SE Washington, DC 20003	American Nuclear Energy Council	3,262.50	20.47
William A. Smith, 453 New Jersey Ave., SE Washington, DC 20003	Perkinson & Associates, Inc (For:Alliance for America's Homeowners)		
Do	Perkinson & Associates, Inc (For:Beneficial Management Corp)		
Do	Perkinson & Associates, Inc (For:National Second Mortgage Assn)		
Smith Dawson & Andrews, Inc, 1000 Connecticut Ave., NW, #304 Washington, DC 20036	Ambrosia Chocolate		
Do	Bank Street College	2,250.00	
Do	City of Eugene, Oregon	9,750.00	
Do	Illinois Diversatech Corp		
Do	N.Y. Metropolitan Transportation Agency	16,666.00	400.00
Do	Power Packaging, Inc		
Do	S & F Warehouses, Inc	3,000.00	
Do	San Francisco Public Utilities Commission	8,250.00	
John W. Smith T, 410 First St., SE Washington, DC 20003	American Nuclear Energy Council	1,181.25	233.19
Smokeless Tobacco Council, Inc, 1925 K Street, NW, #504 Washington, DC 20006		2,431.50	2,431.50
Darlene Snow, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
Larry S. Snowhite, 1825 Eye St., NW, #1201 Washington, DC 20006	Massachusetts Education Loan Authority		
Do	New England Education Loan Authority		
David F. Snyder, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036	American Insurance Assn	450.00	36.00
Edward F. Snyder, 245 2nd St., NE Washington, DC 20002	Friends Committee on National Legislation	6,860.16	
Gene Snyder, 205 North Third Street LaGrange, KY 40031	Arthur Cameron		34.63
Do	Cincinnati Microwave, Inc	15,000.00	3,179.96
Do	Norfolk Southern Corp	15,000.00	3,400.11
Do	United Parcel Service	16,500.00	3,473.52
John M. Snyder, 600 Pennsylvania Ave., SE, #205 Washington, DC 20003	Citizens Comm for the Right to Keep & Bear Arms	9,000.00	
Wallace S. Snyder, 1400 K Street, NW, #1000 Washington, DC 20005	American Advertising Federation	6,250.01	
Snyder Ball Kriser & Assoc, Inc, 499 S. Capitol St., SW, #520 Washington, DC 20003	General Motors Corp	175.00	379.05
Alan C. Sobba, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Society for Animal Protective Legislation, P.O. Box 3719 Georgetown Station Washington, DC 20007		25,923.38	62,195.59
Society of Real Estate Appraisers, Public Affairs Office 600 New Hampshire Ave., NW, #1111 Washington, DC 20037		2,362.00	2,362.00
Thomas J. Soles Jr., 8224 Old Courthouse Road Vienna, VA 22180	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Sandra M. Solowiej, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Nancy C. Somerville, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects	2,500.00	
Judah C. Sommer, 1825 Eye Street, NW, #450 Washington, DC 20006	Goldman Sachs & Co	500.00	
James E. Sommerhauser, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Steven P. Sonnenberg, 200 West Adams Street, #2625 Chicago, IL 60606	Sonnenberg Anderson O'Donnell & Rodriguez (For:Aplix, Inc)		
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:Trek Bicycle Corp)	940.00	
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:West Bend Company)		
William A. Sonntag, 1101 Connecticut Ave., NW, #700 Washington, DC 20036	Smith Bucklin & Associates (For:National Assn of Metal Finishers)	750.00	
Southern Forest Products Assn, P.O. Box 52468 New Orleans, LA 70152		31,215.25	31,215.25
Space Services, Inc of America, 7015 Gulf Freeway, #140 Houston, TX 77087			
Sparber and Associates, Inc, 1325 Pennsylvania Ave., NW, #500 Washington, DC 20006	Appleton Papers, Inc	7,400.00	
Do	National Volunteer Fire Council		
Do	Tobacco Institute	5,000.00	
John S. Sparkman, 1100 Connecticut Ave., NW, #530 Washington, DC 20036	Baltimore Gas & Electric Company	249.15	100.83
Ian D. Spatz, 1785 Massachusetts Avenue, NW Washington, DC 20036	National Trust for Historic Preservation	3,325.08	
Specialized Carriers & Rigging Assn, Inc, 2200 Mill Road, #616 Alexandria, VA 22314			
Sandra Spence, 1776 Massachusetts Ave., NW, #521 Washington, DC 20036	Spence Group (For:Association for Commuter Transportation, Inc)		
Do	Spence Group (For:Fire Equipment Manufacturers & Services Assn, Inc)	250.00	
William C. Spence, 3805 W. Alabama Houston, TX 77027	Columbia Gulf Transmission Co		
William M. Spodak, 1801 K St., NW Washington, DC 20006	Westinghouse Electric Corp	2,500.00	75.00
Lisa M. Sprague, 1615 H Street, NW Washington, DC 20062	United States Chamber of Commerce	2,500.00	137.75

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Spriggs & Hollingsworth, 1015 15th St., NW, 11th Floor Washington, DC 20005	Eagle-Picher Industries, Inc	21,052.50	495.22
Earl C. Spurrier, The Madison Building, #900 1155 15th Street, NW Washington, DC 20005	National Agricultural Chemicals Assn	60.00	
Mark G. Spurrier, 400 Kenilworth Drive Towson, MD 21204	Baltimore County Police Department, et al		
Squire Sanders & Dempsey, 1201 Pennsylvania Ave., NW P.O. Box 407 Washington, DC 20044	American Chamber of Commerce in Germany		
Do	American Soc of Anesthesiologists		
Do	ADAPSO, the Computer Software & Services Industry Assn		
Do	Independent Data Communications Manufacturers Assn	3,013.50	44.80
Do	National Collegiate Athletic Assn	777.50	19.25
Do	Public Securities Assn		
Do	Samaritan Health Services	125.00	
Cecile Srodes, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
John W. Sroka, 8224 Old Courthouse Road Vienna, VA 22180	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Fernand J. St Germain, 2550 M Street, NW, #250 Washington, DC 20037	St Germain Rodio & Ursillo, Ltd (For:International Assn of Firefighters, Providence, Local 799).		
Do	St Germain Rodio & Ursillo, Ltd (For:Old Stone Federal Savings Bank)		
Do	St Germain Rodio & Ursillo, Ltd (For:Star-Tron Corp)		
Do	St Germain Rodio & Ursillo, Ltd (For:United Assn of Steamfitters, Providence, RI Local 476).		
St Germain Rodio & Ursillo, Ltd, 200 Dyer Street Providence, RI 02903	International Assn of Firefighters, Providence Local 799		
Do	Star-Tron Corp		
Do	United Assn of Steamfitters, Providence Local 476		
Janet G. St. Amand, 23 Wall Street New York, NY 10015	Morgan Guaranty Trust Co	150.00	
Connell Stafford, P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company	150.00	563.65
Melvin R. Stahl, 1235 Jefferson Davis Hwy., #1410 Arlington, VA 22202	Motorcycle Industry Council, Inc		
Do	Specialty Vehicle Institute of America, Inc		
Tyrone Stallworth, 220 North Devillers Street Pensacola, FL 32501			
David P. Stang, P.C., 1629 K St., NW, #601 Washington, DC 20006	McDermott, Inc	4,135.79	
Joseph M. Stanton, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Jane Sutter Starke, 1818 N St., NW, #700 Washington, DC 20036	Eckert Seamans Cherin & Mellott (For:Media General, Inc)	1,207.12	99.10
Do	Eckert Seamans Cherin & Mellott (For:Metropolitan Transportation Authority)		
Bette Anne Starkey, 1030 15th Street, NW, #1100 Washington, DC 20005	Health Industry Manufacturers Assn	150.00	250.00
Lois Starkey, Suite 511 1745 Jefferson Davis Hwy. Arlington, VA 22202	Manufactured Housing Institute	8,125.00	196.12
David Michael Staton, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	5,900.00	
James D. Staton, 320 Timberbrook Drive Waldorf, MD 20601	Air Force Sergeants Assn, Inc		
Mick Staton Associates, Inc, 4607 Lillian Drive Alexandria, VA 22310	Delchamps, Inc	80.00	
Randolph J. Stayin, 1815 H Street, NW, Suite 800 Washington, DC 20006	Barnes & Thornburg (For:Empire Resources, Inc)	1,888.00	
Do	Barnes & Thornburg (For:Special Comm for Workplace Product Liability Reform)		
Do	Barnes & Thornburg (For:Westland Oil Development Corp)		
Kathryn A. Steckelberg, 1111 19th Street, NW Washington, DC 20036-3691	Edison Electric Institute	2,117.58	576.29
Steele & Fornaciari, 2020 K Street, NW, #850 Washington, DC 20006	K Mart Corp	1,740.00	1,791.57
Carol Higgins Steenland, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	225.78	63.98
Henry J. Steenstra Jr., 1000 Wilson Boulevard, #2600 Arlington, VA 22209	TRW, Inc	2,725.00	622.00
Allan Stein, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn		
Stein Davidoff & Malito, 100 East 42nd Street New York, NY 10017	Long Island University	9,000.00	365.80
Do	Nassau-Suffolk Hospital Council, Inc	9,000.00	1,376.92
Do	National Passenger Traffic Assn		
Do	SPC Securities Services Corp	22,500.00	1,141.10
Charles W. Steilar, 5410 Grosvenor Lane, #210 Bethesda, MD 20814	American Medical Care & Review Assn		24.80
Jack L. Stempler, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Co	2,500.00	75.00
Stephens Overseas Services, Inc, 114 East Capitol Avenue Little Rock, AR 72201			
Stephens, Inc, 114 East Capitol Avenue Little Rock, AR 72201			
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Bear Stearns & Co	1,438.14	
Do	Citizens Savings Financial Corp	9,718.41	
Do	Co-Operative Central Bank	748.35	
Do	Coast Savings and Loan Assn	3,071.63	
Do	Commercial Federal Savings and Loan Assn	3,071.63	
Do	CSO Company		
Do	Glendale Federal Savings and Loan Assn	3,071.63	
Do	MeraBank	3,071.63	
Do	Mutual Life Insurance Company Tax Committee	290.00	
Do	Western Financial Savings Bank		
Paula Stern, 1133 Connecticut Ave., NW, #1000 Washington, DC 20036	Coalition of American Steel Using Manufacturers		
Richard W. Sternberg, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	90.00	
Michael E. Steward, 1730 M Street, NW, #607 Washington,, DC 20036	Puget Sound Power & Light Co	4,300.00	323.05
Eugene L. Stewart, 808 17th Street, NW, #300 Washington, DC 20006-3910	Floral Trade Council		
Do	Monsanto Co		
Do	Roses, Inc		
Do	Timken Co		
Robert B. Stewart, 1050 17th St., NW, #700 Washington, DC 20036	National Ocean Industries Assn	2,200.00	
Terence P. Stewart, 808 17th Street, NW, #300 Washington, DC 20006-3910	Cabot Corporation		
Do	Floral Trade Council		
Do	Monsanto Co		
Do	PPG Industries, Inc		
Do	Roses, Inc		
Do	Smith Corona Corp		
Do	(For:Stewart & Stewart)	367.50	8.00
Do	Timken Co		
Do	Torrington Company	367.50	
Travis B. Stewart, 108 Terranova Drive Warrenton, VA 22186	Stewart & Associates, Inc (For:Hoving Group)	3,000.00	
Warren E. Stickle, 1220 19th Street, NW, #202 Washington, DC 20036	Chemical Producers & Distributors Assn	600.00	26.00
Do	Cheminova		
Do	International Sanitary Supply Assn	2,175.00	77.00
Don Stillman, 1757 N Street, NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	6,873.29	8.00
Lee J. Stillwell, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	750.00	
Bonny S. Stilwell, 3803 Densmore Ct. Alexandria, VA 22309			
Edward W. Stimpson, Suite 801 1400 K St., NW Washington, DC 20005	General Aviation Manufacturers Association	2,087.00	
David J. Stirpe, 1501 Wilson Blvd., #600 Arlington, VA 22209	Air Conditioning & Refrigeration Institute		
Heidi A. Stirrup, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	2,000.00	525.00
John J. Stocker, 1110 Vermont Avenue, NW Suite 1250 Washington, DC 20005	Shipbuilders Council of America	3,300.00	
Stockholders of America, Inc, 1625 Eye Street, NW, #724A Washington, DC 20006		12,065.00	993.35
Steven F. Stockmeyer, 499 South Capitol Street, SE #103 Washington, DC 20004	Stockmeyer & Company (For:Federal Home Loan Mortgage Corp)	6,510.00	
Do	National Assn of Business PACs	1,750.00	
Do	Springs Industries	2,950.00	
Stoel Rives Boley Jones & Grey, 1730 M Street, NW, #900 Washington, DC 20036	A-dec, Inc	3,645.00	15.00
Do	Capital Markets		
Robin E. Stombler, 1640 Wisconsin Avenue, NW, Washington, DC 20007	American College of Surgeons		82.80
Dena G. Stoner, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	120.00	
Floyd E. Stoner, 1120 Connecticut Avenue, NW Washington, DC 20036	American Bankers Assn	3,800.00	
Stephen E. Storch, 1331 Pennsylvania Ave., NW, #550 Washington, DC 20004	Commodity Exchange Inc		
Harry L. Storey, 8400 E Prentice Ave. 15th Floor Englewood, CO 80111	Alliance for Clean Energy	20,000.00	7,342.00
Richard B. Storey, 304 East Brunswick Street Sterling Park, VA 22170	Multi Management Associates, Inc (For:American Assn of Fast Food Soft Serve Pizza Operators).		
Do	Multi-Management Associates, Inc (For:International Military Executives Assn)		
Do	Pennsylvania Restaurant Assn		
Todd A. Stottlemyer, 7915 Jones Branch Drive McLean, VA 22102	BDM International, Inc		
William M. Stover, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	1,000.00	
John L. Stowell, 1800 K St., NW, #1018 Washington, DC 20006	Public Service Co of Indiana	6,875.00	10,137.48
Michael L. Strang, 218 2nd St., SE Washington, DC 20003	ATR Defense Group		974.76
Strang Fletcher Carriger Walker Hodge & Smith, 400 Krystal Building, One Union Square Chattanooga, TN 37402	Chattanooga Production Credit Assn, et al		
Luther J. Strange III, 1100 15th Street, NW, #700 Washington, DC 20005	Sonat, Inc		
Strategic Resources Corp, 3000 K Street, NW, #300 Washington, DC 20007	Matsushita Electric Corp of America	2,545.00	
Do	National Machine Tool Builders' Assn		
Terrence D. Straub, 818 Connecticut Avenue, N.w. Washington, DC 20006	USX Corporation	250.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Richard H. Streeter, Federal Bar Building 1815 H Street, NW, #800 Washington, DC 20006	Cast North America Ltd		
Stephen P. Strickland, 110 Maryland Ave., NE, #409 Washington, DC 20002	National Peace Institute Foundation	19.23	
George W. Strong, 2242 Bartlett Houston, TX 77098	Enron Corp		
Stroock & Stroock & Lavan, 1150 17th St., NW Washington, DC 20036	J. Aron & Co, Inc	500.00	15.00
Do	Dreyfus Corporation		
William M. Stroud, 231 Martingale Road Schaumburg, IL 60196	Zurich-American Insurance Company		
George Strumpf, 1150 17th St., NW, #600 Washington, DC 20036	Health Insurance Plan of Greater New York	11,900.00	4,780.00
Cory N. Strupp, 60 Wall Street New York, NY 10260	Morgan Guaranty Trust Co	3,476.00	18.00
Ed Stucky, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	Pinnacle Data Corporation	9,375.00	361.70
Donald B. Studley, 127 Brookmoor Road Avon, CT 06001	Northeast Utilities Service Company	1,534.38	1,754.02
Charlene A. Sturbitts, 901 15th Street, #570 Washington, DC 20005	Interstate Natural Gas Assn of America	12,000.00	
John N. Sturdivant, 80 F Street, NW Washington, DC 20001	American Fed of Government Employees	24,297.00	12,658.12
Eugene F. Sturgeon, 182 Crater Lane Kensington, CT 06037	Northeast Utilities Service Co	2,408.67	906.74
Fred Sudak, 230 South Wacker Drive, #1000 Chicago, IL 60606	Dakko Integrated Resources		
Lawrence J. Suffredin Jr., 55 West Wacker Drive #702 Chicago, IL 60601	Harza Engineering Co	2,500.00	
Glenn Sugameli, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation		
Ann Sullivan, 555 13th St., N.W., 300 West Washington, DC 20004	Interstate Natural Gas Assn of America	300.00	
Arthur E. Sullivan Jr., 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202	Diagnostic/Retrieval Systems, Inc	3,250.00	
Austin P. Sullivan Jr., P.O. Box 1113 Minneapolis, MN 55440	General Mills, Inc		
Charles S. Sullivan, 11 15th Street, NE, #6 Washington, DC 20002	Citizens United for Rehabilitation of Errants	4,054.44	3,458.31
Gael M. Sullivan, 1025 Thomas Jefferson St., NW, #511 Washington, DC 20005	LTV Corporation	2,344.00	755.40
Harold R. Sullivan, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	600.00	
Jay R. Sullivan, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:Korea Tacoma Marine Industries)		
Do	Murphy & Demory (For:Parsons Brinckerhoff Quade & Douglas)	3,000.00	
Do	Murphy & Demory, Ltd (For:TRIDEC/Westinghouse)		
Marcia Z. Sullivan, 1300 N. 17th St., #1200 Arlington, VA 22209	Consumer Bankers Assn	4,831.03	249.42
Margaret Cox Sullivan, 1625 Eye St., NW, #724A Washington, DC 20006	Stockholders of America, Inc		
Pauline Sullivan, #11 15th St., NE, #6 Washington, DC 20002	Citizens United for Rehabilitation of Errants	300.00	
Sullivan & Cromwell, 1701 Pennsylvania Ave., NW, #800 Washington, DC 20006	American International Group, Inc		
Do	Securities Industry Assn		
Sullivan & Worcester, 1025 Connecticut Ave., NW Washington, DC 20036	American Petroleum Institute	60,000.00	6.00
Do	Marion Laboratories, Inc	7,500.00	
Bruce W. Sumner, 315 Amethyst Balboa Island, CA 92662	National Comm to Preserve Social Security		
Charles Sunderlin, 21480 Pacific Boulevard Sterling, VA 22170	Heckler & Koch, Inc		225.00
Paul Suplizio Associates, 5152 Woodmire Lane Alexandria, VA 22311	Targeted Jobs Tax Credit Coalition	53,600.00	1,071.31
Thomas M. Susman, 1001 Pennsylvania Ave., NW, #1200-S Washington, DC 20004	Ropes & Gray (For:Digital Equiptment Corp)		
Do	Ropes & Gray (For:Dunkin' Donuts)		
Do	Ropes & Gray (For:Eastern Enterprises)		
Do	Resolve, Inc		
Donald B. Susswein, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:American Savings Bank, FSB)		17.80
Do	Thacher Proffitt & Wood (For:Apple Bank for Savings)		17.80
Do	Thacher Proffitt & Wood (For:Binghamton Savings Bank)		17.80
Do	Thacher Proffitt & Wood (For:New Hampshire Savings Bank)		17.80
Do	Thacher Proffitt & Wood (For:Peoples Westchester Savings Bank)		17.80
Do	Thacher Proffitt & Wood (For:River Bank America)		17.80
Do	Thacher Proffitt & Wood (For:Rochester Community Savings Bank)		17.80
Sutherland Asbill & Brennan, 1275 Pennsylvania Avenue, NW, #1000 Washington, DC 20004	Ad Hoc Comm for a Competitive Electric Supply System		
Do	American Council on Education		33.94
Do	Committee Against Revising Staggers		
Do	Council of Industrial Boiler Owners	8,854.00	
Do	Duke University		
Do	Industrial Oil Consumers Group		
Do	Minnesota Mutual Life Insurance Co	850.00	
Do	Process Gas Consumers Group	40,139.50	
W. Thomas Suttle, 1521 Vermont Avenue, NW Washington, DC 20005	Institute of Electrical & Electronics Engineers	3,212.50	728.46
Stephen Sutton, 1000 Wilson Blvd., #2800 Arlington, VA 22209	Grumman Corporation	625.00	324.00
Douglass W. Svendson Jr., 1730 Rhode Island Avenue, NW, #417-19 Washington, DC 20036	Hollywood Marine Service, Inc	1,500.00	
Do	Shell Oil Co		
David L. Swanson, Craft & Loesch 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007	Clean Coal Technology Coalition		
Do	Combustion Engineering	3,664.78	253.19
Do	Edison Electric Institute	32,725.00	46.10
Do	General Atomics	14,875.00	253.19
Deborah Swartz, 1225 19th Street, NW, #210 Washington, DC 20036	Luggage & Leather Goods Manufacturers of America, Inc	500.00	
Do	Neckwear Assn of America, Inc	500.00	
Do	Non-Ferrous Metals Producers Committee	500.00	
David A. Sweeney, 25 Louisiana Ave., NW Washington, DC 20001	International Brotherhood of Teamsters	21,221.87	
William R. Sweeney Jr., 536 7th Street, SE Washington, DC 20003	China External Trade Development Council		
Do	Embassy of Japan		
Frederic H. Sweet, 720 East Wisconsin Avenue Milwaukee, WI 53202	Northwestern Mutual Life Insurance Co	600.00	
Leland H. Swenson, 10065 East Harvard Avenue Denver, CO 80251	Farmers' Educational & Co-Operative Union of America	9,375.00	951.29
Robert D. Swezey Jr., 1133 19th St., NW Washington, DC 20036	MCI Communications Corp	250.00	
Swidler & Berlin, Chtd, 3000 K Street, NW, #300 Washington, DC 20007	American Hoechst Corporation		
Do	Assn of Data Processing Service Organizations (ADAPSO)	4,076.88	
Do	Business Software Assn	3,613.75	
Do	Design Protection Coalition	2,042.50	
Do	Hyundai Motor Company	4,995.00	
Do	International Environmental Policy Coalition		2,094.00
Do	National Assn of Wholesaler-Distributors		
Do	National Council of Community Hospitals	3,966.25	
Do	New England Power		
Do	Software Publishers Assn	25,838.75	
Do	Software Rental Coalition	25,838.75	
Do	STC PLC		
Do	Typeface Design Coalition	3,440.00	
Do	Warner Communications		
Ivan Swift, P.O. Box 607 Courthouse Station Arlington, VA 22216	New England Anti-Vivisection Society	3,000.00	1,675.00
Tricia L. Swift, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	1,200.00	
Randall Swisher, 2301 M Street, NW Washington, DC 20037	American Public Power Assn	3,000.00	
Ronald G. Sykes, 1660 L Street, NW Washington, DC 20036	General Motors Corp	2,500.00	9,016.11
David A. Sykuta, Illinois Petroleum Council P.O. Box 12047 Springfield, IL 62791	American Petroleum Institute		
Christopher U. Sylvester, 1831 Briar Ridge Court Mclean, VA 22101	Garrison Diversion Conservancy District	3,750.00	399.78
Systematics, Inc, 4001 Rodney Parham Road Little Rock, AR 72212			
Ronald P. Szabat, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	400.00	
Janis Tabor, 1825 K Street, NW, #218 Washington, DC 20006	American Society of Mechanical Engineers		
Robert Taft Jr., 1620 Eye St., NW, #800 Washington, DC 20006	Taft Stettinius & Hollister (For:Dosimeter Corp of North America)		
Do	Taft Stettinius & Hollister (For:Great American Broadcasting Co)		
Do	Taft Stettinius & Hollister (For:Kings Entertainment Co)		
Do	Taft Stettinius & Hollister (For:Special Comm for Workplace Product Liability Reform)		
Do	Taft Stettinius & Hollister (For:Telephone & Data Systems, Inc)		
Do	Taft Stettinius & Hollister (For:Wald Manufacturing Co, Inc)		
Do	Taft Stettinius & Hollister (For:Westland Oil Development Corp)		
George C. Tagg, 300 Maryland Ave., NE Washington, DC 20002	Federal Express Corp	6,000.00	
Taggart & Associates, Inc, 1155 15th Street, NW, #1108 Washington, DC 20005	Animal Health Institute		
Do	Association of American Railroads		
Do	M&M/Mars		
Do	Marion Laboratories, Inc		
Do	Telephone & Data Systems, Inc		
Do	Uniroyal Chemical, Inc		
Ronald L. Tammen, 1750 Pennsylvania Avenue, NW, #1201 Washington, DC 20006	Tammen Group (For:Cray Research, Inc)	3,600.00	
Do	Tammen Group (For:Johnson Controls, Inc)	1,112.50	
Do	Tammen Group (For:Population-Environment Balance)	250.00	
Do	Tammen Group (For:Standard Federal Savings Bank)	7,755.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Tanaka Ritger & Middleton, 1919 Pennsylvania Ave., NW, #303 Washington, DC 20006	Electronic Industries Assn of Japan		
Do	Japan Automobile Tire Manufacturers Assn (JATMA)		
Susan Tannenbaum, 2030 M St., NW Washington, DC 20036	Common Cause	6,642.48	97.10
William E. Tanner, 10803 Norman Ave. Fairfax, VA 22030	Coalition for Environmental-Energy Balance	7,200.00	2,089.64
Targeted Jobs Tax Credit Coalition, 5152 Woodmire Lane Alexandria, VA 22311		30,630.00	30,630.00
Thomas N. Tate, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	7,850.50	
David R. Tatum, 577 Mulberry Street Macon, GA 31298	Charter Medical Corp	720.00	1,007.41
Taubman Company, Inc, P.O. Box 200 Bloomfield Hills, MI 48303-0200			78,416.00
Graca Da Silva Tavares, 17 Perkins Street West Newton, MA 02165			295.00
Charles A. Taylor III, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	1,500.00	
Gene Taylor, 453 New Jersey Ave., SE Washington, DC 20003	Gene Taylor Associates, Inc (For:Associated Electric Cooperative, Inc)	5,000.00	
Do	Gene Taylor Associates, Inc (For:Eagle-Picher Industries, Inc)	15,000.00	
Do	Gene Taylor Associates, Inc. (For:Empire District Electric Company)	15,000.00	
Do	Gene Taylor Associates, Inc (For:FAG Bearings Corporation)	15,000.00	
Do	Gene Taylor Associates, Inc. (For:National Assn of Postmasters of the United States)	6,000.00	
Do	Gene Taylor Associates, Inc (For:Norfolk Southern Corporation)	15,000.00	
Jefferson D. Taylor, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	445.53
Patricia Taylor, 1501 16th St., NW Washington, DC 20036	Center for Science in the Public Interest	245.00	55.00
Peggy Taylor, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,881.67	421.75
R. William Taylor, 1575 Eye Street, NW Washington, DC 20006	American Soc of Assn Executives	300.00	
Sunny Taylor, 6269 Franconia Road Alexandria, VA 22310	Collins & Associates (For:City of Pompano Beach, Florida)		
Randy Teach, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	500.00	
Techlaw - Aica, 14500 Avion Parkway, #300 Chantilly, VA 22021-1300			
James M. Temenak, P.O. Box 16614 Arlington, VA 22215	National Steel & Shipbuilding Company	3,380.00	119.97
Norman J. Temple, 155 Dresden Avenue Gardiner, ME 04345	Central Maine Power Co, et al		
Paul M. Tendler, 1090 Vermont Ave., NW, #1200 Washington, DC 20005	Tendler & Biggins, Chtd (For:American Licensed Practical Nurses Assn)		
Do	Tendler & Biggins, Chtd (For:Bascom, Inc)		
Do	Tendler & Biggins, Chtd (For:Geodesco)		
Do	Tendler & Biggins, Chtd (For:Hugo Boss Fashions, Inc)		
Do	Tendler & Biggins, Chtd (For:Joseph and Feiss, Inc)		
Do	Tendler & Biggins, Chtd (For:Mears International Sales Co)		
Do	Tendler & Biggins, Chtd (For:Rasche Elektroniks)		
Do	Tendler & Biggins, Chtd (For:Solargistics Corp)		
Joshua P. Tenuta, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	133.45	
Cheryl Terio, 1735 New York Avenue, NW Washington, DC 20006	Associated General Contractors of America		
Betty-Grace Terpstra, 1726 M St., NW, #901 Washington, DC 20036	Scott Paper Co	4,000.00	177.03
John H. Terry, P.O. Box 4878 Syracuse, NY 13221	Hiscock & Barclay (For:Niagara Mohawk Power Corp)	2,196.00	385.86
Richard Paul Teske, 1500 K Street, NW, #625 Washington, DC 20005	Burroughs Wellcome Co	25,000.00	450.00
Sarah A.B. Teslik, 1420 16th Street, NW, #405 Washington, DC 20036	Hiscock & Barclay (for: State of New York Mortgage Agency)		
Michelle C. Tessier, 1350 Connecticut Ave., NW, # 200 Washington, DC 20036	National Assn of Public Television Stations	600.00	150.00
Robert D. Testa, 1726 M Street, NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Co	1,502.80	21.50
James G. Tetirick, 1156 15th Street, NW, #1015 Washington, DC 20005	J. C. Penney Co, Inc		
Textron, Inc, 40 Westminster St. Providence, RI 02903		4,650.00	1,030.00
Thacher Proffitt & Wood, 1500 K Street, NW, #200 Washington, DC 20005	American Savings Bank, FSB		1,344.44
Do	Apple Bank for Savings		669.47
Do	Binghamton Savings Bank		669.47
Do	Boston Five Cents Savings Bank, FSB		674.97
Do	Castine Partners	5,000.00	669.47
Do	Citicorp Mortgage Finance, Inc		669.41
Do	Dollar Bank, FSB		674.97
Do	Federal Home Loan Mortgage Corp	6,405.00	6,469.47
Do	General Electric Mortgage Insurance Co	11,000.00	9,619.47
Do	Massachusetts Bankers Assn	2,000.00	669.47
Do	New Hampshire Savings Bank		669.47
Do	Peoples Westchester Savings Bank		669.47
Do	Ranieri-Wilson	20,000.00	819.47
Do	River Bank America		669.47
Do	Rochester Community Savings Bank		669.47
Do	Standard Federal Savings & Loan	30,177.13	10,069.47
Karen E. Theibert, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	400.00	
E. Wayne Thevenot, c/o Concord Associates 1455 Pennsylvania Ave., NW, #560 Washington, DC 20004	National Reality Committee	1,000.00	
Janelle C. Morris Thibau, 1828 L Street, NW, #906 Washington, DC 20036	Merrill Lynch & Co, Inc	1,500.00	
Douglas E. Thierwechter, 818 Connecticut Avenue, NW, #900 Washington, DC 20006	USX Corp		
Third Class Mail Association, 1333 F Street, NW, #710 Washington, DC 20004-1108		7,066.00	7,066.00
Diane Kay Thomas, 2327 Nebraska Ave., NW Washington, DC 20016	National Assn of Investment Companies	9,228.00	
Doris I. Thomas, 15th & M St, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Gordon M. Thomas, 1090 Vermont Avenue, NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
John W. Thomas, 119 Oronoco Street Box 1417-D50 Alexandria, VA 22313	Animal Health Institute	390.00	
Robert L. Thomas, 1319 F St., NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
Michael R. Thomasson, 1005 Congress, #795 Austin, TX 78701	Central & South West Services, Inc		
Bruce E. Thompson Jr., 1828 L Street, NW, #906 Washington, DC 20036	Merrill Lynch & Co, Inc	7,500.00	
Dana S. Thompson, 305 4th Street, NE, Washington, DC 20002	Sheet Metal & Air Conditioning Contractors National Assn		
Duane R. Thompson, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Frank Thompson Jr., 1020 Prince Street Alexandria, VA 22314	Boilermakers Iron Ship Bldrs Blacksmiths Forgers & Helpers	2,500.00	425.51
Do	Sheet Metal Workers International Assn	3,000.00	141.14
Kenneth W. Thompson, 2021 K Street, NW, #300 Washington, DC 20006	Michigan Consolidated Gas Company	200.00	
Law Offices of Fred Thompson, 1919 Pennsylvania Avenue, NW, #850 Washington, DC 20006	Central States SE & SW Areas Health Welfare & Pension Funds	3,810.00	
Do	Westinghouse Electric Corp		
Patrick Thompson, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange	735.00	221.50
Robert L. Thompson Jr., P.O. Box 70 Fort Mill, SC 29715	Springs Industries, Inc		793.65
W. Reid Thompson, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co		
Thompson & Company, 529 14th St., NW, #425 Washington, DC 20004	ALTEC International	6,300.00	5.42
Do	Bear Stearns & Co	62.50	
Do	Reed International		35.61
Thompson & Mitchell, 1120 Vermont Avenue, NW, #1000 Washington, DC 20005	Contact Lens Manufacturers Assn		
Parker D. Thomson, 200 South Biscayne Blvd. 4900 Southeast Financial Center Miami, FL 33131-2363	Thomson Bohrer Werth & Razook (For:Burger King Corp)		
Thomson Muraro Bohrer & Razook, P.A., 200 South Biscayne Blvd., #4900 Miami, FL 33131	Burger King Corp		
Margo Thorning, 1850 K St., NW, #400 Washington, DC 20006	American Council for Capital Formation	337.00	
Gary Thorup, 2564 Wilmington Avenue Salt Lake City, UT 84109	Reese Communications Cos (for: Philip Morris, USA)	100.00	28.13
Julianne S. Thrift, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	3,375.00	128.00
Tighe Curhan & Piliero, 1750 Pennsylvania Avenue, NW, #1201 Washington, DC 20006	Ad Hoc Comm of Mutual Fund Managers	3,375.52	
Do	Coalition for H.R. 2972 (Richardson) Substitute Bill		
Do	Integrated Resources, Inc		
Do	National Fire Protection Assn	1,000.00	
Do	Standard Federal Savings Bank	3,000.00	
Susan K. Till, 955 L'Enfant Plaza, SW, #1202 Washington, DC 20024	National Water Resources Assn	1,500.00	
Rebecca E. Tillet, 1275 K St., NW, #750 Washington, DC 20005	National Women's Political Caucus	7,000.00	
Wallace Tillman, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	148.00	
Patti A. Tilson, Suite 520 900 17th Street, NW Washington, DC 20006	Toyota Motor Sales USA, Inc	500.00	
Gary G. Timmons, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
Timmons & Co, Inc, 1850 K St., NW Washington, DC 20006	American Petroleum Institute	1,187.48	
Do	American Trucking Assns, Inc	375.00	
Do	Amoco Corporation	1,031.25	
Do	Anheuser-Busch Companies, Inc	1,718.75	
Do	Association of Trial Lawyers of America	750.00	
Do	Boeing Company		
Do	Brown Group, Inc	1,500.00	
Do	Capital Cities/ABC, Inc	937.50	
Do	Chrysler Corporation	812.50	
Do	Entergy Services, Inc	687.48	
Do	H. J. Heinz Co	893.75	
Do	Major League Baseball	1,062.50	
Do	Morgan Stanley & Co, Inc	1,306.25	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	National Rifle Assn of America	893.75	
Do	Northern Telecom, Inc	1,306.25	
Do	Northrop Corp	1,062.53	
Do	NutraSweet Co	687.50	
Do	G. D. Searle & Co	550.00	
Do	U.S. League of Savings Institutions	2,612.50	
Alan R. Timothy, 601 Pennsylvania Ave., NW, #500 Washington, DC 20004	Adolph Coors Co	12,109.50	12,892.33
Michael L. Tiner, 1775 K St., NW Washington, DC 20006	United Food & Commercial Workers International Union	15,069.98	788.45
G. Wayne Tingle, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Co	2,500.00	125.00
William C. Tinklepaugh, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Ice Cream Assn		
Constance D. Tipton, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Ice Cream Assn		
E. Linwood Tipton, 888 16th St., NW Washington, DC 20006	Milk Industry Foundation & Int'l Ice Cream Assn		
Eben S. Tisdale, 1550 Wilson Blvd., #600 Arlington, VA 22209	Hewlett-Packard Co	4,500.00	250.00
Title Associates, Inc, Rt.2, Box 89 Columbia, TN 38401			
Francis M. Tivnan, Massachusetts Petroleum Council 11 Beacon Street Boston, MA 02108	American Petroleum Institute	500.00	
Tobacco Associates, Inc, 1725 K Street, NW, #512 Washington, DC 20006			5,971.60
James S. Todd, 535 North Dearborn Street Chicago, IL 60610	American Medical Assn	900.00	
M. Douglas Todd, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp	1,400.00	
David R. Toll, 1155 Connecticut Ave., NW, #400 Washington, DC 20036	Public Service Co of Colorado		
Do	Western Utilities Clean Air Group		
Kathryn R. Tollerton, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife	2,220.81	70.65
Edward Tonat, 6723 Brigadoon Drive Bethesda, MD 20817	Robert Goff & Associates, Inc		
Jean R. Toohey, 655 15th Street, NW #225 Washington, DC 20005	Rhone-Poulenc Inc	1,860.00	244.11
Michael J. Toohey, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	480.17
William D. Toohey, Two Lafayette Centre 1133 21st Street, NW Washington, DC 20036	Travel Industry Assn of America	4,892.00	
Peter W. Tooker, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
William T. Torgerson, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Company		
Total Petroleum, Inc, 999 18th Street, Suite 2201 Denver, CO 80202			
Touche Ross & Co, 1900 M Street, NW Washington, DC 20036-3564	Money Store Investment Co	2,000.00	145.00
Do	Orange County Coalition		1,320.00
Gilbert D. Tough, 70 North Main St. Wilkes-Barre, PA 18711	Blue Cross of Northeastern Pennsylvania		
Wanda Townsend, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	1,375.00	
Joseph P. Trainor, 400 1st Street, NW, #804 Washington, DC 20001	National Assn of Retired Veteran Railroad Employees	1,200.00	300.00
Do	Railway Labor Executives' Assn	2,000.00	500.00
Jeffrey B. Trammell, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:Nintendo of America, Inc)		
Do	Hill & Knowlton Inc (For:Ryder Systems Inc)		
Transportation - Communications Union, 815 16th St., NW, #511 Washington, DC 20006		14,000.00	22,165.31
Travel & Tourism Government Affairs Policy Council, 1133 21st Street, NW Washington, DC 20036		4,280.00	4,300.00
Travel Industry Assn of America, Two Lafayette Centre 1133 21st Street, NM Washington, DC 20036			9,192.00
Eric E. Tressler, 1401 New York Ave., NW, #400 Washington, DC 20005	National Food Processors Assn	500.00	100.00
Sanky Trimble, 328 Enchanted Valley Pl., NW Albuquerque, NM 87107	Distilled Spirits Council of the U.S., Inc	400.00	50.00
Tripp Scott Conklin & Smith, 110 Tower, 28th Floor 110 Southeast 6th Street Fort Lauderdale, FL 33301	Alamo Rent-A-Car, Inc		
Eugene M. Trisko, P.O. Box 596 Berkeley Springs, WV 25411	Stern Bros, Inc		
Michael G. Troop, 1709 New York Avenue, NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	15,000.00	
Robert C. Troup, Box 893 New Canaan, CT 06840			
George G. Troutman, Suite 1100 1090 Vermont Ave., NW Washington, DC 20005	Bell Helicopter Textron, Inc	150.00	
Alexander B. Trowbridge, 1331 Pennsylvania Avenue, NW Washington, DC 20004	National Assn of Manufacturers	500.00	
Gregory A. Troxell, 1800 K Street, NW, #1018 Washington, DC 20006	Public Service Co of Indiana	5,000.00	2,533.00
Thomas L. Trueblood, 401 North Michigan Ave. Chicago, IL 60611	Navistar International Transportation Corp	1,000.00	1,615.26
E.F. Trumble Public Relations Inc, 700 New Hampshire Ave., NW, #1017 Washington, DC 20037	National Investor Relations Institute		
Genevieve W. Tuchow, 1250 Eye St., NW, #703 Washington, DC 20005	Columbia Gas Distribution Companies	4,000.00	
Tucker & Associates, 1701 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Regional Transportation District	500.00	
Shannon B. Tuel, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Stanley F. Turesky, 1250 24th Street, NW, #600 Washington, DC 20037	Van Dyke Associates, Inc (For:American Gas Assn)	500.00	
Do	Van Dyke Associates, Inc (For:Boston Company)		
Do	Van Dyke Associates, Inc (For:USF&G Corp)		
Brian Turner, 815 16th Street, NW Washington, DC 20006	Industrial Union Department, AFL-CIO	8,320.00	142.81
J. Terry Turner, 2200 Mill Road Alexandria, VA 22314	Interstate Truckload Carriers Conference	500.00	1,150.00
Jane L. Turner, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
John H. Turner, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
John M. Turner, 1875 Eye St., NW, #400 Washington, DC 20006	Georgia-Pacific Corp	1,600.00	
Pamela Turner, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn	3,750.00	
William F. Turner, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	300.00	
Turner Broadcasting System, Inc, 111 Massachusetts Ave., N.W. Third Floor Washington, DC 20001		12,375.00	12,375.00
Richard F. Turney, 1725 K St., NW, #710 Washington, DC 20006	Courtney McCamant & Turney	300.00	
Max Turnipseed, 1155 15th Street, NW, #611 Washington, DC 20005	Ethyl Corporation	2,960.00	568.00
St. Clair J. Tweedie, 1575 Eye Street, NW, #200 Washington, DC 20005	American Cyanamid Co	15,000.00	
Jeannine Dowling Twomey, 5 Virginia Place Larchmont, NY 10538	Madison Public Affairs Group, Inc	15,000.00	1,332.54
John R. Tydings, 1129 20th Street, NW Washington, DC 20036	Greater Washington Board of Trade		
Craig Tyle, 1600 M Street, NW Washington, DC 20036	Investment Company Institute		77.33
U.S. Cane Sugar Refiners' Assn, 1001 Connecticut Ave., NW Washington, DC 20036			
U.S. Committee for the Oceans, Route 2, Box 91 Ararat, VA 24053			
U.S. League of Savings Institutions, 111 E. Wacker Dr. Chicago, IL 60601			285,623.20
U.S. Public Interest Research Group, 215 Pennsylvania Avenue Washington, DC 20003		39,455.48	103,769.29
Jerry G. Udell, 1616 H St., NW Washington, DC 20006	American Retail Federation	55.00	42.00
Mark J. Ugoretz, 1726 M Street, NW, #1101 Washington, DC 20036	Erisa Industry Committee	2,824.00	
Craig Ulrich, 1300 N. 17th Street, #1200 Arlington, VA 22209	Consumer Bankers Assn		
Robert D. Umphrey Jr., 919 18th St., NW, #700 Washington, DC 20006	Hoechst Celanese Corp	3,000.00	214.72
Unifi, Inc, P.O. Box 19109 Greensboro, NC 27419			
Unilever United States, Inc, 390 Park Ave. New York, NY 10022			4,754.65
United Brotherhood of Carpenters & Joiners of America, 101 Constitution Ave., NW Washington, DC 20001			24,467.89
United Food & Commercial Workers International Union, 1775 K St., NW Washington, DC 20006		73,278.38	73,278.38
United Fresh Fruit & Vegetable Assn, 727 N. Washington St. Alexandria, VA 22314		4,880.00	587.52
United Gas Pipe Line Co, P.O. Box 1478 Houston, TX 77251-1478			
United International Consultants, 1800 Diagonal Road Alexandria, VA 22314	Republic of South Africa	90,000.00	24,999.00
United Services Automobile Assn, P.O. Box 4525 Reston, VA 22090-1489			
United States Telephone Association, 900 19th Street, NW, #800 Washington, DC 20036		26,787.92	26,787.92
David R. Ursillo, 200 Dyer Street Providence, RI 02903	St Germain Rodio & Ursillo, Ltd (For:International Assn of Firefighters, Providence, Local 799).		
Do	St Germain Rodio & Ursillo, Ltd (For:Old Stone Federal Savings Bank)		
Do	St Germain Rodio & Ursillo, Ltd (For:Star-Tron Corp)		
Do	St Germain Rodio & Ursillo, Ltd (For:United Assn of Steamfitters, Providence Local 476).		
Utility Nuclear Waste Management Group, c/o Edison Electric Institute 1111 19th St., NW Washington, DC 20036			3,682.50
Robert E. Vagley, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036	American Insurance Assn		
Anthony Valanzano, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	6,000.00	423.89
Jack J. Valenti, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc	3,411.40	
R. Thomas Van Arsdall, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
William R. Van Dresser, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn		
Van Dyk Associates, Inc, 1250 24th St.,N.W. Suite 600 Washington, DC 20037	American Gas Assn	7,500.00	500.00
Do	Boston Company		
Do	USF&G Corp		
Laura Van Etten, 1700 Pennsylvania Avenue, NW, #525 Washington, DC 20006	Equitable Financial Companies	1,275.00	24.00
Van Fleet Associates, Inc, 499 South Capitol St., SW, #520 Washington, DC 20003	Cadillac Gage Co	13,813.00	
Do	Cincinnati Electronics	3,300.00	
Do	Cypress International, Inc	6,000.00	
Do	Harsco Corp	30,249.00	9,363.23
Van Fleet Metzner and Meredith Corporation, 499 S. Capitol Street, #520 Washington, DC 20003	Diagnostic/Retrieval Systems, Inc	7,500.00	
Do	Miltope Corp	2,500.00	
Matthew Van Hook, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Van Ness Feldman Sutcliffe & Curtis, P.C., 1050 Thomas Jefferson St., NW, 7th Floor Washington, DC 20007	Alaska Eskimo Whaling Commission		
Do	American Inst of Certified Public Accountants	13,387.50	
Do	American President Lines		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Arctic Slope Regional Corp	382.50	
Do	Bumble Bee Seafoods, Inc	225.00	
Do	BRAE Corporation		
Do	Capital Registry, Inc		
Do	Clean Coal Technology Coalition	787.50	
Do	Collier Company		
Do	Committee of Hydroelectric Dam Owners		
Do	Consumers United for Rail Equity (C.U.R.E.)		
Do	Energy Fuels Nuclear Inc		
Do	Fidelity Management & Research Co		
Do	Geothermal Resources Assn	1,835.00	25.00
Do	Lower Colorado River Authority		
Do	LUZ International Ltd	1,975.00	
Do	McKesson Corporation	2,162.50	
Do	Postal Square Associates		
Do	Seneca Resources, Inc	4,500.00	
Do	Tranquillity Irrigation District	247.50	
Do	Uranium Producers of America		
Do	Wagner & Brown	100.00	
Fred Van Remortel, 1016 16th St., NW, #100 Washington, DC 20036	Brown Bridgman & Co, Inc		
John A. Vance, 1726 M St., NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Co	1,870.00	
Norman C. VanderNoot, New Hampshire Petroleum Council 23 School Street Concord, NH 03301	American Petroleum Institute	48.00	
H. Stewart VanScoyoc, 453 New Jersey Ave., SE Washington, DC 20003	Winburn VanScoyoc & Hooper (For:Champion International Corp)	5,000.00	
Do	Winburn VanScoyoc & Hooper (For:Coalition of EPSCoR States)	21,000.00	
Do	Winburn VanScoyoc & Hooper (For:E. I. Du Pont de Nemours & Co)	5,000.00	
Do	Winburn VanScoyoc & Hooper (For:International Paper)	5,000.00	
Do	Winburn VanScoyoc & Hooper (For:Quanex)	15,000.00	
Do	Winburn VanScoyoc & Hooper (For:Scott Paper Co)	5,000.00	
Do	Winburn VanScoyoc & Hooper (For:University of Alabama System)	21,000.00	
Do	Winburn VanScoyoc & Hooper (For:USF&G Corp)	3,000.00	
Do	Winburn VanScoyoc & Hooper (For:Weyerhaeuser)	5,000.00	
Robert C. Varah, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
George F. Vary, 1667 K St., NW, #650 Washington, DC 20006	Armco, Inc	2,200.00	884.46
Donald R. Vaughan, P.O. Box 2909 Asheboro, NC 27203	Stedman Corporation		
Carol Verby, 7361 Calhoun Place Rockville, MD 20850	CNA Insurance Co		
William P. Verdon, 1627 K Street, NW, #1200 Washington, DC 20006	United Shipowners of America	13,125.00	
Frank Verrastro, 1155 15th Street, NW, #600 Washington, DC 20005	Pennzoil Co	1,084.50	
Verstandig & Associates, Inc, 1455 Pennsylvania Avenue, NW, #1180 Washington, DC 20004	PHH Asset Management	5,000.00	2,024.92
Linda Vickers, 1706 23rd St., South Arlington, VA 22202	Communicating for Agriculture, Inc		
Do	National Assn of Crop Insurance Agents		
Victoria E. Vidal, 1101 15th St., NW, #400 Washington, DC 20005	National Council of Savings Institutions	4,000.00	53.92
David Vienna & Associates, 401 Wythe Street, #2-A Alexandria, VA 22314	California Public Employees' Retirement System	8,050.00	
Do	International Assn of Amusement Parks & Attractions		
Do	Pacific Stock Exchange, Inc	15,101.25	
Do	State Board of Equalization (Calif)	225.00	
Ralph Vinovich, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	1,000.00	221.14
Vinson & Elkins, 1455 Pennsylvania Ave., NW, #800 Washington, DC 20004-1007	Bank Tax Group		2,342.50
Do	Citicorp Washington, Inc		775.00
Do	E. M. Warburg Pincus & Co, Inc		675.00
Do	Goldman Sachs & Co	2,012.50	1,000.00
Do	Merrill Lynch & Co, Inc	2,125.00	775.00
Walter D. Vinyard Jr., Zuckert, Scoutt, Rasenberger & Johnson 888 17th St., NW, 7th Fl. Washington, DC 20006	Continental Insurance Companies	5.00	
Do	National Fraternal Congress of America	7.50	
Virginia Association of Railway Patrons, P.O. Box 867 Richmond, VA 23207		500.00	1.90
George A. Viverette Jr., 8111 Gatehouse Road Falls Church, VA 22047	American Automobile Assn		
M. Allan Vogelson, 35 Kings Highway East Haddonfield, NJ 08033	Reese Communications Cos (for: Philip Morris, USA)	1,800.00	
Nick J. Volcheff, 7325 Del Norte Drive Scottsdale, AZ 85258	AT&T		
Volkswagen of America, Inc, 490 L'Enfant Plaza, SW, #7204 Washington, DC 20024			500.00
Douglas K. Vollmer, 801 18th St., NW Washington, DC 20006	Paralyzed Veterans of America	15,270.74	
Ian D. Volner, 1333 New Hampshire Ave., NW, #600 Washington, DC 20036	National Assn of Trade & Technical Schools	1,250.00	
Volpe Boskey & Lyons, 918 16th Street, NW, #602 Washington, DC 20006	American Assn of Equipment Lessors		
Voluntary Hospitals of America, Inc, 1150 Connecticut Ave., NW, #800 Washington, DC 20036			11,250.00
Marcos Von Goihman, P.O. Box 65475 Washington, DC 20035	Guyana Airways Corp		
Kurt Vorndran, 925 15th Street, NW Washington, DC 20005	National Council of Senior Citizens	7,828.00	
Vorys Sater Seymour & Pease, 1828 L Street, NW, #1111 Washington, DC 20036	Committee of Publicly Owned Companies	677.10	70.17
Do	Dale Michael A/K/A Riviera Bowling Lanes		37.45
Do	Fraternal Order of Police - National Headquarters		
Do	Grocery Manufacturers of America, Inc		
Do	HPM Corporation		
Do	Ohio Deposit Guaranty Fund		
Do	Ohio Manufacturers Assn		
Do	Trustcorp, Inc	6,036.90	1,034.84
Frank J. Voyack, 1750 New York Ave., NW Washington, DC 20006	International Assn of Bridge Struct & Ornamental Iron Wkrs	11,708.55	962.22
John A. Vuono, Vuono Lavelle & Gray 2310 Grant Building Pittsburg, PA 15219	Procompetitive Rail Steering Committee		
Thomas D. Wacker, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	5,000.00	176.89
Rex B. Wackerle, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp	1,400.00	73.00
Sadami Wada, 9 West 57th Street New York, NY 10019	Sony Corp of America		
Robert J. Wade, 1850 M Street, NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc		
Robert Waffle, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects	2,500.00	
Marvin Wagner, 21480 Pacific Boulevard Sterling, VA 22170	Heckler & Koch, Inc		562.50
Wagner Hines & Avary, Inc, 1615 L Street, NW, #750 Washington, DC 20036	Association of Business Publishers		
Do	Charter Federal Savings & Loan Assn	3,487.50	534.75
Do	Kabumoto & Malany		
Do	National Beer Wholesalers of America	13,675.00	3,141.80
Do	National Debt Repayment Foundation		
Do	New MediCo Associates, Inc		
Do	Rainbow Navigation, Inc	4,000.00	632.62
Robert A. Wait, 1710 Rhode Island Ave., #400 Washington, DC 20036	General Foods Corportion	2,000.00	21.50
Frederick P. Waite, 1200 19th Street, NW, #500 Washington, DC 20036	Davis Graham & Stubbs (For:American Wire Producers Assn)		
Herbert R. Waite, 100 Federal Street Boston, MA 02110	Bank of Boston Corporation		
Do	First National Bank of Boston	15,600.00	12,596.26
Angela S. Waldorf, N.C. Petroleum Council P.O. Box 167 Raleigh, NC 27602	American Petroleum Institute		
Robert E. Waldron, Associated Petroleum Industries of Michi 930 Michigan Natl Tower, PO Box 10070 Lansing, MI 48901	American Petroleum Institute	990.00	1,606.29
Barbara J. Walker, P.O. Box 1417-D50 Alexandria, VA 22313	Animal Health Institute		
Jean A. Walker, 122 C Street, NW, #200 Washington, DC 20001	Council of State Chambers of Commerce		
Robert Joseph Walker, 1909 K St., NW Washington, DC 20049	American Assn of Retired Persons	287.07	28.61
Charls E. Walker Associates, Inc, 1730 Pennsylvania Ave., NW Washington, DC 20006	Aluminum Company of America		
Do	American Institute of Certified Public Accountants	12,500.00	
Do	American Pioneer Savings Bank	11,250.00	
Do	American Telephone & Telegraph Co	6,000.00	
Do	Anheuser-Busch Companies, Inc	9,000.00	
Do	Broadcast Music, Inc	3,750.00	
Do	Burlington Northern, Inc		
Do	Consolidated Gold Fields PLC	2,291.65	
Do	CBS Records Group	3,750.00	
Do	CSX Corporation	3,000.00	
Do	Dresser Industries, Inc		
Do	Enron Corp		
Do	Federal Home Loan Mortgage Corp	4,800.00	
Do	Ford Motor Co		
Do	Goodyear Tire & Rubber Co		
Do	International Paper Co		
Do	John Zink Company		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Lone Star Technologies, Inc	6,597.22	
Do	National Assn of Small Business Investment Cos		
Do	Northville Industries Corp	1,500.00	
Do	Northwestern Mutual Life Insurance Co	7,500.00	
Do	NCNB Corp	3,750.00	
Do	Pinnacle West Capital Corp	10,000.00	
Do	Southern Company Services, Inc	7,500.00	
Do	Texas Ozone Task Force	1,500.00	
Do	U.S. Fidelity & Guaranty Co	7,500.00	
Do	Vulcan Materials Co	2,500.00	
Do	Weyerhaeuser Company		
R. Duffy Wall & Associates, Inc, 1317 F Street, NW, #400 Washington, DC 20004	Ad Hoc Comm on Coal Taxation	1,500.00	
Do	Bell Atlantic Corp	500.00	
Do	Footwear Retailers of America	1,500.00	
Do	Hong Kong Trade Development Council	1,500.00	
Do	National Assn of Temporary Services, Inc	1,000.00	
Do	Peabody Holding Company	1,000.00	
Do	Pharmaceutical Manufacturers Assn	1,500.00	
Do	Pittston Group	1,000.00	
Do	Securities Industry Assn	500.00	
Do	Spectrascan Imaging Services		
Do	Torchmark Corporation	1,000.00	
Do	United Company		
Henry Scott Wallace, 1110 Vermont Ave., NW, #1150 Washington, DC 20005	National Assn of Criminal Defense Lawyers	14,000.00	50.00
Nancy Wallace, 1325 G Street, NW, #1003 Washington, DC 20005	Population-Environment Balance		
Raymond C. Wallace, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Wallace & Edwards, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Alabama Farmers Federation	1,500.00	
Do	American Society of Farm Managers and Rural Appraisers	1,250.00	
Do	American Sugar Cane League	4,375.00	35.64
Do	Amstar Corp	3,750.00	
Do	Avtex Fibers, Inc	2,000.00	22.66
Do	Cotton Warehouse Assn of America	4,550.00	
Do	Federal Compress & Warehouse Co		
Do	Fiber Fabric & Apparel Coalition for Trade	3,125.00	
Do	Flue-Cured Tobacco Cooperative Stabilization Corp	2,500.00	
Do	Merchants Grain & Transportation, Inc		
Do	Service Corporation International	1,875.00	275.41
Do	Southern Company		
Do	U.S. Canola Association	1,251.00	
Lionel L. Wallenrod, 260 Madison Ave. New York, NY 10016	American Paper Institute, Inc		
Bethany Waller, 500 23rd Street, NW, B907 Washington, DC 20037	Entrepreneurs of America	3,000.00	
James P. Walsh, Davis Wright & Jones 1752 N St., NW, #800 Washington, DC 20036	American Tunaboat Assn	6,000.00	
Kevin Walsh, 506 East Capitol St., NE Washington, DC 20002	Association for the Advancement of Historical Research		
Richard J. Walsh, 6770 Lake Ellanor Drive Orlando, FL 32859-3330	General Mills Restaurants, Inc	800.00	319.92
Samuel J. Walsh, 1608 K Street, NW Washington, DC 20006	American Legion	10,254.00	41.25
William C. Walsh, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	4,973.04	
John C. Walton, 1401 North Oak Street, #302 Arlington, VA 22209	John E. Chance & Associates, Inc	24,000.00	
Do	General Dynamics Corp	8,333.32	
Do	General Electric Co	9,900.00	785.30
Do	ISC Defense & Space	7,000.00	
Do	Martin Marietta Corp	8,700.00	371.00
Do	Stone & Webster Engineering Corp	14,700.00	
Do	Textron, Inc	13,749.99	3,324.56
Bonnie B. Wan, 1201 Pennsylvania Ave., NW, #730 Washington, DC 20004	Kimberly-Clark Corp		
John F. Wanamaker, 201 N. Washington, St. Alexandria, VA 22314	Retired Officers Assn	2,452.50	
Alan S. Ward, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	Baker & Hostetler (For:Soap & Detergent Assn)		
Gregg Ward, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects		
Stephen E. Ward, 1919 Pennsylvania Avenue, NW, #503 Washington, DC 20006	Mid-Continent Oil & Gas Assn	2,607.69	60.00
Richard D. Warden, 1757 N St., NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	19,321.83	244.00
Jack Ware, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute		
Michael O. Ware, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co	2,500.00	
Peter F. Warker, Suite 2700 1000 Wilson Boulevard Arlington, VA 22209	TRW, Inc	1,250.00	
Ernest R. Warner Jr., 1818 N St., NW Washington, DC 20036	DGA International, Inc (For:Dir Intl Aff of the Gen Del for Armements)		
Do	DGA International, Inc (For:Sofreavia)		64.60
Do	DGA International, Inc (For:SNECMA)		3,951.65
William H. Warner, 1201 Pennsylvania Avenue, NW, #370 Washington, DC 20004	Control Data Corporation		
Barbara J. Washburn, 1201 Pennsylvania Avenue, NW, #370 Washington, DC 20004	Control Data Corporation	212.50	
Washington Gas Light Co, 1100 H St., NW Washington, DC 20080			19,722.98
Washington Independent Writers, Inc, 733 15th St., NW, #220 Washington, DC 20005			100.00
Washington Lobby Group, Inc, 325 Pennsylvania Ave., SE Washington, DC 20003	Preston Corp	9,000.00	
Millie Waterman, 5256 Corduroy Road Mentor, OH 44060	National Congress of Parents & Teachers		1,243.64
Jerry B. Waters, 777 14th Street, NW, #680 Washington, DC 20005	Farmland Industries, Inc	3,400.00	
John L. Watson III, One World Trade Center, #4511 New York, NY 10048	National Security Traders Assn, Inc	5,375.00	
Leroy Watson, 1616 H Street, NW Washington, DC 20006	National Grange	4,875.00	
Carl E. Watt Jr., 1745 Jefferson Davis Hwy, #1200 Arlington, VA 22202	Rockwell International Corp	9,250.00	1,239.40
Carolyn Herr Watts, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	250.00	
Douglas R. Watts, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	2,000.00	
George B. Watts, 1155 15th St., NW, #614 Washington, DC 20005	National Broiler Council	1,500.00	
Norman E. Watts Jr., RR 1, Box 854 Woodstock, VT 05091	Grocery Manufacturers of America, Inc		
William H. Weatherspoon, North Carolina Petroleum Council PO Box 167 Raleigh, NC 27602	American Petroleum Institute	1,500.00	1,436.87
A. Vernon Weaver, 114 East Capitol Ave. Little Rock, AR 72201	Stephens Inc		
Charles R. Weaver, 8990 Springbrook Dr., #250 Coon Rapids, MN 55433	Larkin Hoffman Daly & Lindgren (For:Reese Communications Cos (for: Philip Morris, USA)).	1,875.00	33.97
Gerald Weaver, 206 G Street, NE Washington, DC 20002	First Lithotripsy Group	1,100.00	99.45
Do	Evergreen Associates (For:Gundle Lining Systems)	12,000.00	1,376.97
Do	Evergreen Associates, Ltd (For:United Video)	3,550.00	207.89
Do	Evergreen Associates (For:Zambelli Internationale)		
Rebecca Weaver, 1730 M Street., NW Washington, DC 20036	League of Women Voters of the U.S.	3,137.09	58.31
Andrew H. Webber, 810 First Street, NE, #410 Washington, DC 20002	American Medical Peer Review Assn		
Frederick L. Webber, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	7,500.00	
Webster & Sheffield, 2000 Pennsylvania Ave., NW, #7400 Washington, DC 20006	Asarco Corporation		
Do	Liggett Group, Inc		
Do	Mazda Motor Manufacturing (USA) Corp		
Do	Security Capital Corp	275.00	
Do	Tobacco Institute	550.00	32.00
Webster Chamberlain & Bean, 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006	International Taxicab Assn		
Do	Miller Brewing Co	1,100.00	170.00
Lee J. Weddig, Suite 580 2000 M St., NW Washington, DC 20036	National Fisheries Institute	4,000.00	190.80
Edward L. Weidenfeld, 1155 21st Street, NW, #400 Washington, DC 20036	Pillsbury Madison & Sutro (for Southern Company Services)		
Fred B. Weil, One California Street San Fransisco, CA 94111-5482	Broad Schulz Larson & Wineberg (For:De La Salle Institute)	6,990.00	19.45
Weil & Howe, Inc, Two Central Plaza Augusta, ME 04330	Champlain Pipeline Co	12,867.50	13,037.91
Weil Gotshal & Manges, 1615 L Street, NW, #700 Washington, DC 20036	Marine Shale Processors, Inc	1,250.00	100.00
Steven A. Wein, 1090 Vermont Avenue, NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Mark Weinberg, 11300 Rockville Pike, #1200 Rockville, MD 20852	Mark B. Weinberg, P.C. (For:Coalition for a Free Marketplace of Ideas)		
Nancy Weinberg, 1801 K St., NW, #900 Washington, DC 20006	American Textile Manufacturers Institue, Inc	200.00	5.40
Weinberg & Jacobs, 11300 Rockville Pike, #1200 Rockville, MD 20852	Coalition for a Free Marketplace of Ideas		
Deborah Feldman Weiner, 19 Turnham Court Gaithersburg, MD 20878	American Society for the Prevention of Cruelty to Animals	1,442.29	1,350.00
Donald G. Weinert, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	1,500.00	
Douglas B. Weinfield, 1350 I Street NW, #700 Washington, DC 20005	Beveridge & Diamond, P.C. (For:Pacific Dunlop-GNB)	3,961.75	2,715.06
Sandra G. Weis, 445 Hamilton Ave. White Plains, NY 10601	Prodigy Services Company		150.00
Arthur E. Weisberg, 2200 First Bank Ptace East Minneapolis, MN 55402	Dorsey & Whitney		
Arthur A. Weiss, 1800 First National Building Detroit, MI 48226	Jaffe Snider Raitt & Heuer, P.C.		
Stanley A. Weiss, 601 Pennsylvania Ave., NW, #700 Washington, DC 20004-2602	Business Executives for National Security Education Fund Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Don Welch, P.O. Box 841 Abilene, TX 79604	West Texas Utilities Co		
John F. Welch, 655 15th Street, NW, #1200 Washington, DC 20005	Safe Buildings Alliance		
Jerry Welcome, P.O. Box 3556 Washington, DC 20007	American Meat Institute	2,000.00	
John T. Weller, 1776 Eye St., NE, #1000 Washington, DC 20006	BP America, Inc		
L. H. Wells, Suite 200 1025 Connecticut Avenue, NW Washington, DC 20036	Shell Oil Co	500.00	
Thomas F. Wenning, 1825 Samuel Morse Dr. Reston, VA 22090	National Grocers Assn	500.00	
Fred Wertheimer, 2030 M St., NW Washington, DC 20036	Common Cause	18,136.26	366.00
Charles M. West, 205 Daingerfield Road Alexandria, VA 22314	National Assn of Retail Druggists	1,500.00	300.00
Ford B. West, 501 Second Street, NE Washington, DC 20002	Fertilizer Institute	25,000.00	2,169.90
G. Franklin West, 1530 North Key Blvd., #122 Arlington, VA 22209	Church Alliance	4,500.00	
Do	Oklahoma Natural Gas	2,000.00	
W. P. West Jr., 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	2,500.00	361.10
West Mexico Vegetable Distributors Assn, P.O. Box 848 Nogales, AZ 85621			500.00
J. C. West, P.C., 1511 K Street, NW, #1100 Washington, DC 20005	City of Detroit	48,530.73	10,220.82
Western Coal Traffic League, 1224 17th St., NW Washington, DC 20036		49,625.00	53,478.15
Paul L. Weston, 655 Fifteenth Street, NW Metropolitan Square, #310 Washington, DC 20005	Melchizedek Seminars	2,000.00	740.00
Michelle Westover, 1785 Massachusetts Ave., NW Washington, DC 20036	National Trust for Historic Preservation	1,908.05	
John F. Wetzel Jr., 50 F St., NW Washington, DC 20001	Association of American Railroads	419.42	
Wexler Reynolds Fuller Harrison and Schule, Inc, 1317 F Street, NW, #600 Washington, DC 20004	Foothills Pipe Lines (Yukon) Ltd	2,450.00	10.95
Nancy Katherine Weyl, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,250.00	696.72
Brian B. Whalen Jr., 401 N. Michigan Ave. Chicago, IL 60611	Navistar International Transportation Corp	1,250.00	48.40
Ellan Wharton, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co	52.00	
David W. Wheeler, 600 North 18th Street Birmingham, AL 35291	Alabama Power Company	16,497.00	18,165.66
June M. Whelan, 400 Madison Street, NW Alexandria, VA 22314	Van Ness Feldman... (for Uranium Producers of America)	1,500.00	
Jeffrey T. Whipple, 20 S. Clark Street, #800 Chicago, IL 60603	Reese Communications Cos (for: Philip Morris, USA)	2,625.00	
John C. Whitaker, 2021 L Street, NW, #320 Washington, DC 20036-4909	Union Camp Corporation	1,848.00	26.40
Deborah A. White, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	95.58	
John C. White, White Consulting Group, Suite 380 2000 M Street, NW Washington, DC 20036	Camp Barsh Bates & Tate	6,500.00	
Do	Chicago Mercantile Exchange	4,166.00	
Do	Coastal Corp	12,500.00	
Do	Tobacco Institute	5,600.00	
John Thomas White II, Suite 2202 490 L'Enfant Plaza East, SW Washington, DC 20024	Tenneco, Inc		
Larry White, 1909 K St., NW Washington, DC 20049	American Assn of Retired Persons	508.84	344.90
Leland J. White, 1235 Jefferson Davis Highway, #606 Arlington, VA 22202	National Utility Contractors Assn	7,400.00	433.00
Margita E. White, 1730 M Street, NW, #713 Washington, DC 20036	Association of Maximum Service Telecasters, Inc	520.00	
Raymon M. White Jr., 5501 Seminary Road, Apt. 2211-South Falls Church, VA 22041	Harris Corporation	3,500.00	4,131.58
Richard H. White, 1875 I Street, NW, #800 Washington, DC 20006	Tobacco Institute	600.00	84.63
Sam White, 412 First St., SE, #100 Washington, DC 20003	American Beekeeping Federation	1,500.00	
Do	Concerned Shrimpers of America	4,500.00	
Do	Independent Cattlemen's Assn		
Do	National Agricultural Chemicals Assn	18,000.00	
Do	National Peanut Growers Group	6,000.00	
Do	Sam Kane Packing		
Steven C. White, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
Toni D. White, 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments	411.25	158.72
William R. White, Kaplan, Russin & Vecchi 1215 17th Street, NW Washington, DC 20036	Caribbean Trade and Apparel Coalition (C-TAC)		
Do	Edison Electric Institute	600.00	15.71
White & Associates, 412 First St., SE, #40 Washington, DC 20003	Golf Course Superintendents Assn of America	5,000.00	
Richard M. Whiting, 730 15th Street, NW Washington, DC 20005	Association of Bank Holding Cos	2,862.00	
James A. Whitman, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	500.00	
William F. Whitsitt, 1212 New York Avenue, NW, Suite 1200 Washington, DC 20005-6419	Oryx Energy Company	1,500.00	451.33
Pamela J. Whitted, 1700 K St., NW, #502 Washington, DC 20006	Pacific Resources, Inc	500.00	
Whitworth & Associates, 1455 Pennsylvania Ave., NW, #985 Washington, DC 20004	Mesa Limited Partnership	3,000.00	
Kathleen M. Whyte, 1615 L Street, NW, #920 Washington, DC 20036	Ketchum Public Relations (For:Ormet Corporations)	17,500.00	
William E. Wickert Jr., 1667 K Street, NW, #600 Washington, DC 20006	Bethlehem Steel Corp	450.00	
Wickham & Associates, 2300 N St., NW, #600 Washington, DC 20037	Reliance Group Holdings, Inc & Affiliates, et al		
Wickwire Gavin, PC, 1133 21st St., NW, #500 Washington, DC 20036	ANR Venture Management Co	100.00	
Do	Cogeneration & Independent Power Coalition of America, Inc	100.00	
Do	Consolidated Natural Gas Service Co	100.00	
Do	Energy Factors, Inc	100.00	
Do	Environmental Power Corp	100.00	
Do	Great River Gas Co	100.00	
Do	HYDRA-CO Enterprises, Inc	100.00	
Do	Indeck Energy Services, Inc	100.00	
Do	Mercer Companies, Inc	100.00	
Do	National Hydropower Assn	100.00	
Do	Natural Gas Vehicle Coalition	100.00	
Do	Racquette Hydro, Ltd	100.00	
Do	Solar Turbines, Inc	100.00	
Do	Thermo-Electron Corp	100.00	
Do	Tri-Energy Pipeline Co	100.00	
Do	TBG Cogen Partners	100.00	
Mary Frances Widner, 1455 Pennsylvania Ave, NW Washington, DC 20004	American Inst of Certified Public Accountants	500.00	37,813.43
Helen C. Wiederhorn, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Company	3,000.00	2,699.19
Phillip R. Wiedmeyer, 600 North 18th Street Birmingham, AL 35291	Alabama Power Co	19,300.85	16,800.81
W. Scott Wilber, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	3,975.00	
Brian Wilcox, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	4,000.00	267.52
Thomas D. Wilcox, 2011 Eye Street, NW, #601 Washington, DC 20006	National Assn of Stevedores	2,250.00	
Harry G. Wiles II, 1023 15th St., NW, 4th Fl Washington, DC 20005	Wine & Spirits Wholesalers of America, Inc		473.81
Wiley Rein & Fielding, 1776 K St, NW, 12th Fl. Washington, DC 20006	American Newspaper Publishers Assn		
Do	Association of Telemessaging Services, International		
Do	Chaparral Steel Co	624.00	6.00
Do	Georgetown Industries	676.00	
Do	Operator Service Providers of America		
Do	Pharmaquest		
Do	Prodigy Services Company		
Do	Raritan River Steel Co	2,210.00	43.00
Guenther O. Wilhelm, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation		
Carl B. Wilkerson, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
E. John Wilkinson, 1225 19th Street, NW, #300 Washington, DC 20036	Vulcan Materials Co		
Wilkinson Barker Knauer & Quinn, 1735 New York Ave., NW Washington, DC 20006	Bonneville International Corp	848.00	6.25
Do	Empire Blue Cross & Blue Shield	16,822.52	298.56
Do	Fleet/Norstar Financial Group	62,484.45	2,246.41
Do	Hobbs Straus Dean & Wilder		
Do	Manville Corporation		
Do	J. C. Penney Co, Inc	20,000.00	114.17
Do	Security Pacific National Bank	23,000.00	3,028.63
Do	Solano Water Authority		
Wythe Willey, 4040 First Ave,. NE Cedar Rapids, IA 52402	Reese Communications Cos (for: Philip Morris, USA)	1,875.00	
Ralph E. Williams, 1750 New York Ave., NW Washington, DC 20006	Sheet Metal Workers International Assn	14,220.00	
Charles C. Williams, P.O. Box 3500 M/S 630 Vancouver, WA 98668	Tektronix, Inc	120.00	2,772.00
Faith Williams, 600 New Hampshire Ave., NW Washington, DC 20037	New York Life Insurance Company	150.00	92.97
Floyd L. Williams, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Lee Williams, 1616 H St., NW Washington, DC 20006	American Retail Federation	900.00	95.00
Leonard B. Williams, 1667 K Street, NW, #600 Washington, DC 20006	Bethlehem Steel Corp	120.00	
Loretta Morris Williams, 1725 K Street, NW, #814 Washington, DC 20006	March of Dimes Birth Defects Foundation	1,131.25	24.25
Lucinda L. Williams, 1155 15th Street, NW, #510 Washington, DC 20005	National Medical Enterprises, Inc	4,980.00	
Marcia E. Williams, 1150 Connecticut Avenue, NW, #500 Washington, DC 20036	Browning-Ferris Industries, Inc		
Merrill Williams, 3701 Connecticut Ave., NW, #802 Washington, DC 20008	Freshwater Press, Inc		
Do	Galactica Biochemical		
Do	National Credit Improvement Group		
Patrick H. Williams, 1722 Eye St., NW, #4040 Washington, DC 20006	Telecommunications Industry Assn	3,000.00	776.00
Perry F. Williams, 225 Main St. Newington, CT 06111	American Radio Relay League, Inc	1,055.00	1,053.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Peter Williams, 2030 M St., NW Washington, DC 20036	Common Cause	400.00	
Robert E. Williams, 1707 L Street, NW, #300 Washington, DC 20036-4202	United Airlines, Inc	1,500.00	
Williams & Jensen, P.C., 1101 Connecticut Ave., NW, #500 Washington, DC 20036	American Home Products	675.00	32.58
Do	American Real Estate Committee		
Do	Association of Family Farmers	125.00	8.50
Do	Robert M. Bass Group	2,862.00	199.73
Do	Century 21 Real Estate Corp		
Do	College Construction Loan Insurance Assn		
Do	CIGNA Corporation	692.50	24.08
Do	Estee Lauder, Inc	350.00	24.08
Do	Financial Security Assurance	875.00	
Do	First Boston Corp	1,025.00	72.24
Do	Goldome FSB		
Do	GAMMA Corp	137.50	
Do	Higher Education Assistance Foundation	200.00	15.58
Do	Kelly Appleman Hart & Hallman	287.50	24.08
Do	Keystone Provident Life Insurance Co		
Do	Mustang Fuel Corporation		
Do	National Assn of Rehabilitation Agencies		
Do	National Board for Professional Teaching Standards	1,370.00	96.32
Do	National Soft Drink Assn	11,075.00	1,609.59
Do	Norfolk Southern Corp	225.00	15.58
Do	Paralyzed Veterans of America		
Do	Pharmaceutical Manufacturers Assn		96.32
Do	Recording Industry Assn of America, Inc		32.58
Do	Southwest Airlines		
Do	Southwestern Bell Corp		
Do	Student Loan Marketing Assn	400.00	32.58
Do	Texaco, Inc	225.00	15.58
Do	Texas Air Corp	15,400.00	304.56
Do	Trailer Train Co	200.00	15.58
Do	Turner Broadcasting System, Inc	1,900.00	96.32
Do	U.S. Telephone Assn		
Do	Universal Foods, Inc		
Do	USAA Financial Service Co	200.00	15.58
Alan R. Willis, Box 3529 Portland, OR 97208	Port of Portland		
Wayne D. Willis, 1100 17th Street, NW, #1200 Washington, DC 20036	General Atomics	834.12	46.27
Cindy J. Wilmer, 1455 Pennsylvania Ave., NW, #900 Washington, DC 20004	American International Group, Inc	2,000.00	
Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420	Aetna Life & Casualty Co		30.00
Do	American Broadcasting Co, Inc, et al		
Do	American Honda Motor Co, Inc	2,860.00	143.40
Do	Bank Capital Markets Assn		
Do	Capital Cities/ABC, Inc		
Do	Citicorp		
Do	CPC International, Inc		
Do	Federal Home Loan Bank of San Francisco	6,800.00	18.00
Do	Federal National Mortgage Assn	4,290.00	
Do	Government of Tibet in Exile		45.00
Do	International Swap Dealers Assn	35,783.75	4,592.57
Do	Long Island Savings Bank	9,237.50	45.00
Do	McDonald's Corporation		
Do	National Assn of Broadcasters		
Do	National Corp for Housing Partnerships	1,650.00	
Do	People of Enewetak		994.50
Do	Peoples Heritage Savings Bank	1,635.00	41.50
Do	Shearson Lehman Hutton, Inc		
Do	World Savings & Loan Assn		
Charles D. Wilson, 1919 South Broadway, Box 19130 Green Bay, WI 54307-9130	Fort Howard Corp	2,153.76	752.99
Dena L. Wilson, Suite 1000 1600 Wilson Blvd. Arlington, VA 22209	American Waterways Operators, Inc	7,000.00	240.66
Don A. Wilson, 106 Dartmouth Waxahachie, TX 75165			
Don T. Wilson, 1250 I Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn	1,085.00	25.00
G. Peter Wilson, 249 Maitland Avenue Altamonte Springs, FL 32701-4201	Institute of Internal Auditors, Inc		
H. Graham Wilson, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
Michael J. Wilson, 815 16th St., NW, #507 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	4,375.00	164.15
Robert Gary Wilson, 1730 Rhode Island Avenue, NW, #715 Washington, DC 20036	PPG Industries, Inc	25.00	6.00
Warren A. Wilson III, 624 US Highway 19 South Palm Harbor, FL 34684	Reese Communications Companies	2,250.00	214.88
William F. Wilson, 231 W. Michigan Street Milwaukee, WI 53201	Wisconsin Electric Power Co	153.00	146.00
John P. Winburn, 453 New Jersey Ave., SE Washington, DC 20003	Winburn VanScoyoc & Hooper (For:American Assn of Equipment Lessors)	22,500.00	
Do	American Automotive Leasing Assn	6,000.00	
Do	Winburn VanScoyoc & Hooper (For:American Automotive Leasing Assn)	6,000.00	
Do	Winburn VanScoyoc & Hooper (For:Burlington Northern Railroad Company)	15,000.00	
Do	Winburn VanScoyoc & Hooper (For:Burlington Northern Services, Inc)	15,000.00	
Do	Coalition to Preserve Group Worker's Compensation Funds		
Do	Winburn VanScoyoc & Hooper (For:FAG Bearings Corp)	15,000.00	
Do	Winburn VanScoyoc & Hooper (For:Hartford)	45,000.00	
Do	Winburn VanScoyoc & Hooper (For:Independent Stave Co, Inc)	30,000.00	
Do	Winburn Associates, Inc (For:Leggett & Platt)	12,000.00	
Do	Winburn VanScoyoc & Hooper (For:National Assn of County Office Employees (NASCOE)).	3,000.00	
Do	Winburn VanScoyoc & Hooper (For:Pennzoil)	9,000.00	
Do	Winburn VanScoyoc & Hooper (For:Philip Morris)	75,000.00	
Do	Winburn VanScoyoc & Hooper (For:University of Michigan)	15,000.00	
Stephen H. Wines, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Research & Industrial Development	4,749.00	
Eileen M. Winkelman, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	500.00	146.91
Joseph B. Winkelmann, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	American Resort & Residential Development Assn		
Do	Winkelmann & Associates, Inc (For:Fairfield Communities, Inc)		
Do	National Assn of Industrial & Office Parks		
Kathleen J. Winn, 1155 15th St., NW, #600 Washington, DC 20005-2770	Pennzoil Co	690.00	
Lars Winoy, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects	9,230.00	
David A. Winston, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	656.25	61.00
James L. Winston, 1730 M Street, NW, #412 Washington, DC 20036	National Assn of Black Owned Broadcasters		25,259.75
Winthrop Stimson Putnam & Roberts, 1133 Connecticut Ave., NW, 1200 Washington, DC 20036	Alaska Native Coalition		
Do	America West Airlines, Inc		12.00
Do	Amoco Performance Products, Inc		
Do	Association of Seat Lift Manufacturers	2,280.00	
Do	Brown & Bain		
Do	BASF Structural Materials, Inc		
Do	BASF, Corp		
Do	Fiberite Corp	856.40	
Do	Fusion Systems Corp	856.40	
Do	Hercules Aerospace Co		
Do	Irving Bank Corp	1,435.00	13.00
Do	IBJ Schroder Bank & Trust Co		
Do	Macrovision		70.00
Do	National Vehicle Leasing Assn		
Do	Navajo Nation		50.00
Do	Norsk Forsvarsteknologi A/S		
Do	Queen City Home Health Care	15,331.25	1,478.00
Do	Thrifty Rent-A-Car System, Inc		119.64
Phillip J. Wise Jr., 135 W. Central Blvd., #700 Orlando, FL 32801	American Pioneer Savings Bank		9,828.82
Jim Wise Associates, 1707 Duke St., #300 Alexandria, VA 22314	National Assn of Credit Management	9,000.00	1,322.00
Do	Ogden Martin Systems, Inc	2,500.00	148.00
Marcia A. Wiss, 1215 17th Street, NW Washington, DC 20036	Canned and Cooked Meat Importers Association	345.00	22.15

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Walter J. Witek Jr., 777 14th St., NW Washington, DC 20005	National Assn of Realtors		
Glenn P. Witte, 888 16th St., NW Washington, DC 20006	Milk Industry Foundation/Int'l Ice Cream Assn		
Judith A. Wittig, 1213 Jefferson Davis Hwy., #1414 Arlington, VA 22202	Defense Products Marketing, Inc		
Richard J. Wittig, 1213 Jefferson Davis Highway, #1414 Arlington, VA 22202	Defense Products Marketing, Inc	1,000.00	140.00
Marshall Wittmann, 1533 New Hampshire Ave., NW Washington, DC 20036	National Assn of Retired Federal Employees	12,057.50	
Sandra W. Wobbe, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	3,110.00	
James Wolf, 1925 K St., NW, #206 Washington, DC 20006	Alliance to Save Energy	1,554.61	
James E. Wolf, 2020 14th St., North Arlington, VA 22201	American Standard, Inc	1,000.00	
Wolf Block Schorr & Solis-Cohen, 12th Floor Packard Building 15th & Chestnut Streets Philadelphia, PA 19102	CIGNA Corporation		
Do	Revlon Group, Inc	2,000.00	3,530.00
Do	SmithKline Beckman, Inc		
Sidney M. Wolfe, 2000 P St., NW, #708 Washington, DC 20036	Public Citizen Health Research Group		
Ronald Wolsey, 1615 M Street, #200 Washington, DC 20036	Amoco Corporation	1,200.00	485.10
Christopher C. Womack, 600 North 18th Street Birmingham, AL 35291	Alabama Power Company	8,542.83	7,445.93
Don Womack, Suite 303 1825 K St., NW Washington, DC 20006	Texas Utilities Services, Inc	3,375.00	97.74
Linda Womack, 2100 E. Exchange Place Tucker, GA 30085-1349	Oglethorpe Power Corp	1,875.00	4,958.22
Donna Y. Wood, 577 Mulberry Street Macon, GA 31298	Charter Medical Corp	432.00	747.00
S. Roy Woodall Jr., 1455 Pennsylvania Ave., NW, #1250 Washington, DC 20005	National Assn of Life Companies	1,500.00	12.00
G. Kent Woodman, 1818 N Street, NW, #700 Washington, DC 20036	Eckert Seamans Cherin & Mellott (For:Metropolitan Transportation Authority)		
Michele T. Woodward, 5584 Lee Highway Arlington, VA 22207	Communications Satellite Corp (COMSAT)	1,500.00	60.25
Robert W. Woody, 1333 New Hampshire Ave, NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae		
Perry W. Woofter, Suite 530 1800 K St. NW Washington, DC 20006	Tesoro Petroleum Corp	3,000.00	
Edward A. Woolley, Bedford Consultants Building P.O. Box 605 Bedford, NY 10506	Institute of International Container Lessors		
Howard E. Woolley, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	4,300.00	831.86
Linda Anzalone Woolley, 1600 M St., NW Washington, DC 20036	International Telephone & Telegraph Corporation	6,000.00	136.50
Noel C. Woosley, 4647 Forbes Boulevard Lanham, MD 20706	AMVETS	6,800.00	
Willard A. Workman, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		105.00
Worldwide Information Resources, Ltd, 1717 K Street, NW, #706 Washington, DC 20006	Avon Products, Inc		
Do	Bombardier Corp		
Do	Equitable Life Assurance Society of the U.S.		
Do	Toshiba America, Inc		
Do	Toyota Motor Sales, USA, Inc		
Do	Transportation Group, Inc		
W. Robert Worley, 190 St.Clair Drive St. Simmons Island, GA 31522	Southern Company Services, Inc	2,060.00	1,546.00
Worthington Associates, 2132 Southbay Lane Reston, VA 22091	HRM		
David L. Wray, 20 North Wacker Drive Chicago, IL 60606	Profit Sharing Council of America		
Alan D. Wright, P.O. Box 94661 Cleveland, OH 44101-4661	Centerior Energy Corp, et al		20.00
Andrew S. Wright, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	362.50	100.00
David L. Wright, Anderson Hill Rd. Purchase, NY 10577	Pepsico, Inc		144.00
Wunder Ryan Cannon & Thelen, 1615 L St., NW, #650 Washington, DC 20036	Airship Industries, Ltd	18,637.50	175.74
Do	Alliance of American Insurers		
Do	Association of American Railroads	1,249.95	22.42
Do	BellSouth Corp		
Do	Dominion Resources		
Do	Dresser Industries	2,500.00	
Do	Environmmental Air Control, Inc	723.75	83.27
Do	Federation of Postal Police Officials		
Do	Ford Motor Co		
Do	General Aviation Manufacturers Association		
Do	Georgia-Pacific Corp		
Do	GTE Corporation	1,669.68	
Do	Hook-SuperRx, Inc		
Do	HDTV 1125/60 Group	3,000.00	281.23
Do	Interlocking Directorate Reform Coalition	2,204.80	79.77
Do	Investment Company Institute	1,000.00	31.72
Do	ITT Corporation	2,500.00	
Do	Kelly Assisted Living/Kelly Services	6,000.00	275.89
Do	Kohlberg Kravis Roberts & Co.	14,313.33	1,281.44
Do	Manville Corporation	4,076.40	419.62
Do	Metropolitan Insurance Co	6,000.00	208.38
Do	Mutual Life Insurance Co Tax Committee		
Do	Mylan Laboratories, Inc	4,500.00	830.00
Do	National Assn of Temporary Services	10,000.00	89.61
Do	National Cable Television Assn, Inc	7,083.10	106.08
Do	North American Phillips Corp	25,132.88	1,597.92
Do	Northwestern Mutual Life Insurance Co		
Do	NEC Home Electronics (USA) Inc	2,500.00	
Do	Polaris Industries		
Do	Product Liability Coordinating Committee	2,700.00	47.39
Do	Rohm & Haas	2,500.00	
Do	Shared Medical Systems (SMS)		
Do	Sony Corp of America	10,467.50	228.62
Do	Squibb Corp	300.00	
Do	Thomson Consumer Electronics	2,500.00	
Do	Tobacco Industry Labor Management Committee	23,500.00	1,174.80
Do	U.S. Telephone Assn	3,174.17	
Do	1587 Group		
Thomas L. Wylie, 555 13th St., NW, #1010 East Washington, DC 20004-1109	Sun Co, Inc	1,519.00	25.80
Wyman Bautzer Kuchel & Silbert, 1919 Pennsylvania Avenue, NW, #800 Washington, DC 20006	American Boiler Manufacturers Assn, Inc		
Do	Eklutna, Inc		
David S. Wynett, 1629 K Street, NW, #501 Washington, DC 20006	Delta Air Lines, Inc	110.00	60.00
Marc D. Yacker, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc	800.00	
Deborah K. Yamada, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co		
T. Albert Yamada, Suite 520 900 17th St., NW Washington, DC 20006	Toyota Motor Sales USA, Inc	500.00	
Do	West Mexico Vegetable Distributors Assn	500.00	
Nancy Foster Yanish, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	400.00	
Mary J. Yarrington, 2000 K St., NW, 8th Foor Washington, DC 20006	National Comm to Preserve Social Security	3,198.00	
Edward R. Yawn, 1111 19th St., NW Washington, DC 20036-3691	Edison Electric Institute	1,945.27	339.13
Kim Yelton, 8120 Fenton St. Silver Spring, MD 20910	Americans United for Separation of Church and State	10,423.00	60.44
Jack Yelverton, 1303 New Hampshire Ave., NW Washington, DC 20036	Fleet Reserve Assn		
Edward L. Yingling, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	6,000.00	
Larry E. Yoakam, 650 S. Front Street Columbus, OH 43206	Grange Mutual Casualty Co		
John S. Yodice, 500 E Street, SW, #930 Washington, DC 20024	Yodice Associates (For:Aircraft Owners & Pilots Assn)		
D. Scott Yohe, 1629 K St., NW, #501 Washington, DC 20006	Delta Air Lines, Inc	390.00	147.70
Andrew Yood, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	200.00	
Thane Young, 1730 Rhode Island Ave., NW, #400 Washington, DC 20036	Ferguson Company (For:Berg-Revoir Corp)	400.00	
Do	Ferguson Company (For:City of Alhambra)	91.66	
Do	City of Baldwin Park		
Do	Ferguson Company (For:City of Inglewood)	145.00	
Do	City of Oceanside	116.66	13.36
Do	City of Provo		113.51
Do	City of Redondo Beach	240.00	13.36
Do	Ferguson Company (For:City of Santa Ana)	275.00	
Do	Ferguson Company (For:City of South Salt Lake)		
Do	Gavin Associates		
Do	Ferguson Company (For:Imperial Irrigation District)		13.36
Do	Ferguson Company (For:Irvine Company)		
Do	Ferguson Company (For:Long Beach Transit)	200.00	
Do	Ferguson Company (For:Ocean Small Craft, Harbor, California)	16.66	
Do	Ferguson Company (For:Oceanside Redevelopment Agency)	58.33	
Do	Santa Cruz Properties, Inc		
Thomas F. Youngblood, 1201 New York Ave, NW, #600 Washington, DC 20005	American Hotel & Motel Assn	1,952.20	
Betsy Younkins, 1220 L Street, NW, #1200 Washington, DC 20005	American Petroleum Institute	8,000.00	297.33

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Eugene A. Yourch, 50 Broadway New York, NY 10004	Federation of American Controlled Shipping	200.00	
Elizabeth Ysla, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn		
David E. Yudin, 1225 Eye Street NW, #300 Washington, DC 20005	Bus Transit Caucus		
Do	Regional Transportation District	1,830.00	255.00
Michael Zagorac Jr., 8333 Bryan Dairy Rd. P.O. Box 4689 Clearwater, FL 33518	Jack Eckerd Corp		
Paulette Zakrzeski, 1110 Vermont Ave., NW, #430 Washington, DC 20005	National Cotton Council of America	7,971.01	745.69
John S. Zapp, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	4,900.00	
Thomas K. Zaucha, 1825 Samuel Morse Drive Reston, VA 22090	National Grocers Assn	500.00	
Leo C. Zeferetti, 9912 Fort Hamilton Parkway Brooklyn, NY 11209	Building & Construction Trades Dept, AFL-CIO		
Do	New York Telephone		
Do	Sikorsky Aircraft		
Denis R. Zegar, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Geoffrey Zeh, 12050 Woodward Avenue Detroit, MI 48203-3596	Brotherhood of Maintenance of Way Employes		
Philip F. Zeidman, 1401 New York Ave., NW, #900 Washington, DC 20005	American Business Conference, Inc		
Eugene J. Zeiszler, 7901 Westpark Drive McLean, VA 22102	NMTBA	1,200.00	250.00
Don J. Zeller, 1615 M Street, NW, #200 Washington, DC 20036	Amoco Corporation	1,850.00	449.03
Ronald L. Ziegler, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	1,000.00	
Judith Ziewacz, 1840 Wilson Boulevard Arlington, VA 22201	National Milk Producers Federation	2,816.00	
John H. Zimmerman, 3138 North 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions	1,250.00	
Joseph J. Zimmerman, 1140 Connecticut Ave., NW Washington, DC 20036	Sachs Greenebaum & Tayler (For:Giant Industries Inc)		130.00
Ziontz Chestnut Varnell Berley & Slonim, 2121 Fourth Avenue, #1230 Seattle, WA 98121	Makah Indian Tribe		
Gary M. Zizka, 5205 Leesburg Pike, #1600 Falls Church, VA 22041	National Beer Wholesalers Association	2,000.00	341.89
Zuckert Scoutt & Rasenberger, 888 17th St., NW, #600 Washington, DC 20006-3959	CITGO Petroleum Corp		
Do	National Comm of Cities & States for Airline Service	5,333.75	866.63
Zurich-American Insurance Co, 231 Martingale Road Schaumburg, IL 60196		650.00	650.00
Murray Zweben, 1140 19th St., NW, #600 Washington, DC 20036	General Celluar Corporation		
Do	New Hampshire Yankee	625.00	625.00
Kurt D. Zwikl, 2024 Lehigh Street Allentown, PA 18103	Merchants Bank		
23rd Congressional District Action Comm, 575 Charles St. St. Marys, PA 15857			
31st Pro Life Congressional District Action Comm, 8654 Bonview Terrace Williamsville, NY 14221	31st Pro-Life Congressional District Action Committee		

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the first calendar quarter of 1989 were received too late to be included in the published reports for that quarter:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data, and Page 2 deals with financial data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . .

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

IDENTIFICATION NUMBER

Is this an Amendment? ☐ YES ☐ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee".*—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer".*—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have ☐ terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."

STATEMENT OF VERIFICATION

[Omitted in printing]

NOTE on ITEM "D."—*(a)* IN GENERAL. The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In general.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $.....Dues and assessments
2. $.....Gifts of money or anything of value
3. $.....Printed or duplicated matter received as a gift
4. $.....Receipts from sale of printed or duplicated matter
5. $.....Received for services (e.g., salary, fee, etc.)
6. $.....TOTAL for this Quarter (Add "1" through "5")
7. $.....Received during previous Quarters of calendar year
8. $.....TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . *loan* . . ."—§ 302(a).

9. $.....TOTAL now owed to others on account of loans
10. $.....Borrowed from others during this Quarter
11. $.....Repaid to others during this Quarter

12. $....."Expense Money" and Reimbursements received this Quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": .....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("Period" from Jan. 1 through....., 19.....)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—*(a)* IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) IN CONNECTION WITH LEGISLATIVE INTERESTS:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the spaces following the number.

Expenditures (other than loans)

1. $.....Public relations and advertising services
2. $.....Wages, salaries, fees, commissions (other than Item "1")
3. $.....Gifts or contributions made during Quarter
4. $.....Printed or duplicated matter, including distribution cost
5. $.....Office overhead (rent, supplies, utilities, etc.)
6. $.....Telephone and telegraph
7. $.....Travel, food, lodging, and entertainment
8. $.....All other expenditures
9. $.....TOTAL for this Quarter (Add "1" through "8")
10. $.....Expended during previous Quarters of calendar year
11. $.....TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . *loan* . . ."—§ 302(b).

12. $.....TOTAL now owed to person filing
13. $.....Lent to others during this Quarter
14. $.....Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More*_____

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Paul C. Abenante, 1111 14th St., NW, #300 Washington, DC 20005	American Bakers Assn		
John R. Adams, One Tabor Center 1200 17th Street, #2500 Denver, CO 80202	Energy Fuels Nuclear, Inc		
L. Wayne Addison, 5800 Quantrell Avenue, #310 Alexandria, VA 22003			
David A. Affeldt, 10404 Joiners Lane Potomac, MD 20854	American Assn of Retired Persons	6,093.90	
Do	Association for Gerontology in Higher Education	750.00	
Air Transport Assn of America, 1709 New York Ave., NW Washington, DC 20006		80,214.43	80,214.43
Akin Gump Strauss Hauer & Feld, 1333 New Hampshire Ave., NW, #400 Washington, DC 20036	United Gas Pipe Line		
John D. Allan, c/o Dow Lohnes & Albertson 1255 23rd St., NW Washington, DC 20037	Stelco, Inc		
Nicholas W. Allard, 1714 Massachusetts Ave., NW Washington, DC 20036	Fox Weinberg & Bennett (For:Wireless Cable Assn, Inc)	82.50	10.00
Kenneth B. Allen, 555 New Jersey Ave., NW, #800 Washington, DC 20001	Information Industry Assn	7,500.00	
Marjorie D. Allen, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	4,639.29	234.00
Jerome A. Ambro Associates, 4734 Timber Ridge Dr. Mountclair, VA 22026	Associated Universities	9,000.00	9,217.64
American Amusement Machine Assn, 205 The Strand Alexandria, VA 22314		100,000.00	35,750.00
American Apparel Manufacturers Assn, Inc, 2500 Wilson Blvd., #301 Arlington, VA 22201			14,366.51
American Assn for Respiratory Care, 11030 Ables Lane Dallas, TX 75229		19,739.30	20,140.03
American Assn of Airport Executives, 4224 King Street Alexandria, VA 22302		17,278.00	19,774.00
American Assn of Blood Banks, 1117 North 19th St., #600 Arlington, VA 22209		1,250.00	1,250.00
American Business Conference, Inc, 1730 K Street, NW, #703 Washington, DC 20006		3,360.00	4,741.12
American Conservative Union, 38 Ivy Street, SE Washington, DC 20003			
American Fed of State County & Municipal Employees, 1625 L St., NW Washington, DC 20036			105,618.66
American Gas Assn, 1515 Wilson Boulevard Arlington, VA 22209		48,950.00	48,950.00
American Hospital Assn, 50 F Street NW, # 1100 Washington, DC 20001		140,837.47	140,837.47
American Radio Relay League, Inc, 225 Main St. Newington, CT 06111			8,770.00
American Soc for Personnel Administration, 606 North Washington Street Alexandria, VA 22314			53,000.00
American Subcontractors Assn, 1004 Duke St. Alexandria, VA 22314			3,000.00
Morris J. Amitay, P.C., 444 N. Capitol Street, NW, #712 Washington, DC 20001	International Advisers, Inc		
John G. Ams, 1660 L St., NW, #601 Washington, DC 20036	Interstate Natural Gas Assn of America		
Anadarko Petroleum Corp, 16855 Northchase Drive Houston, TX 77251-1330			6,480.11
Bette B. Anderson, 1030 15th St., NW, #700 Washington, DC 20036	Anderson Benjamin Read & Haney (For:De La Rue Giori of America, Inc)		
Do	Anderson Benjamin Read & Haney (For:SICPA Industries of America, Inc)		
Do	Anderson Benjamin Read & Haney (For:U.S. Banknote Corp)		
James A. Anderson Jr., 1725 K Street, NW, #710 Washington, DC 20006	National Assn of Wholesaler-Distributors		
Scott G. Anderson, 50 F St., NW, #1080 Washington, DC 20001	BN Services Inc	1,900.00	784.73
Anderson Benjamin Read & Haney, Inc, 1020 19th St., NW, #520 Washington, DC 20036	Coalition to Stop the Raid on America		
Anderson Hibey Nauheim & Blair, 1708 New Hampshire Ave., NW Washington, DC 20009	Alamo Rent-A-Car, Inc	2,129.22	136.93
Do	Amerop Sugar Corporation		
Do	Bay Area Rapid Transit District		
Do	Communication Industries Assn of Japan	828.00	44.00
Do	Eco Corporation		
Do	Electronic Industry Assn of Japan	8,712.00	125.95
Do	Enterprise Leasing Co	2,129.23	88.82
Do	Institute for Financial & Fiscal Studies		
Do	Japan Machine Tool Builders Assn	230.40	10.20
Do	Project Orbis, Inc	3,444.40	232.50
Do	Toshiba Corp		
David R. Andrews, Three Embarcadero Center San Francisco, CA 94111	McCutchen Doyle Brown & Enersen (For:Castle & Cooke, Inc)		
Do	McCutchen Doyle Brown & Enersen (For:Rohr Industries, Inc)		
Do	McCutchen Doyle Brown & Enersen (For:Sterling Drug, Inc)		
Owen W. Anglum, 1667 K Street, NW, #650 Washington, DC 20006	Armco, Inc	1,700.00	808.71
Thomas D. Anthony, 1900 Carew Tower Cincinnati, OH 45202	Benesch Friedlander Coplan & Aronoff (For:Comprehensive Medical Imaging, Inc)		
R. M. Julie Archuleta, 1747 Pennsylvania Avenue, NW, 3rd Fl. Washington, DC 20006	Occidental Chemical Corp	120.00	322.45
Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Ave., NW Washington, DC 20036-5339	California Steel Industries, Inc	69,350.85	3,061.05
John A. Armstrong, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036	Asocoflores		
Do	Hopi Indian Tribe		
Do	National Coordinating Comm for Multiemployer Plans	6,562.00	97.08
Do	Sacramento Municipal Utility District	803.25	
Arnold Grobmyer & Haley, P.O. Box 70 Little Rock, AR 72203	Arkansas Assn of Securities Dealers		
Mark D. Aspinwall, 1627 K Street, NW, #1200 Washington, DC 20006	United Shipowners of America	2,375.00	7.30
Associated Builders & Contractors, Inc, 729 15th St., NW Washington, DC 20005		12,500.00	
Robb Austin, 2500 Virginia Avenue, NW, #1150-S Washington, DC 20037	Robb Austin and Associates (For:Madison PUblic Affairs Group)		
Automotive Parts Rebuilders Assn, 6849 Old Dominion Drive Mclean, VA 22101			
ADAPSO - The Computer Software & Services Industry Assn, 1300 North 17th Street, #300 Arlington, VA 22209			2,382.99
AFL-CIO Maritime Committee, 444 North Capitol Street, #820 Washington, DC 20001		5,705.00	2,660.62
APCO Associates, 1155 21st Street, NW, #1000 Washington, DC 20036	Amok, Ltd, et al		
Do	Asocoflores		
Do	Cemai		
Do	Earthquake Project		
Do	Ferroalloys Association		
Do	Japan Fair Trade Center		
Do	Philip Morris Management Corp		
Do	Profilo Holding A.S		
Do	Province of Manitoba		
Do	Recording Industry Assn of America		
Do	Sacramento Municipal Utility District		
Do	Tulane University		49.74
Gregory R. Babyak, 1747 Pennsylvania Ave., NW Washington, DC 20006	Contact Lens Institute		
Do	Municipal Finance Industry Assn		
Do	John Nuveen & Co, Inc		
Do	Pfizer, Inc		
Do	Securities Industry Assn		
Victor Bach, 105 East 22nd Street New York, NY 10010	Community Service Society	610.98	493.03
Baker & Hostetler, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	American Resort & Residential Development Assn	5,000.00	5,000.00
Do	Banc One, Cleveland, NA		
Do	Blue Cross & Blue Shield of Northern Ohio		
Do	Chubb Group of Insurance Cos	500.00	500.00
Do	Cleveland Clinic Foundation	500.00	500.00
Do	Committee for a Just Animal Drug Law		
Do	Continental Insurance Co	500.00	500.00
Do	CIGNA Corp	500.00	500.00
Do	CNA Insurance Cos	500.00	500.00
Do	Edison Electric Institute	2,000.00	2,000.00
Do	Federal Deposit Insurance Corp	5,000.00	5,000.00
Do	Firemans Fund	500.00	500.00
Do	Hartford Insurance Group	500.00	500.00
Do	Hospital Insurance Forum		
Do	Lincoln National Corp		
Do	National Assn of Insurance Brokers	500.00	500.00
Do	National Assn of Professional Insurance Agents	500.00	500.00
Do	North American Co	500.00	500.00
Do	Rouse Company		
Do	St. Paul Fire & Marine	500.00	500.00
Do	Travelers Insurance Co	500.00	500.00
Do	U.S. Fidelity & Guaranty Corp	500.00	500.00
Donald Baldwin, 1140 Connecticut Ave., NW, #804 Washington, DC 20036	Diagnostic/Retrieval Systems, Inc		
Do	Federal Criminal Investigators Assn		
Do	Mack Trucks, Inc		
Do	National Commission Against Drunk Driving		
Stanley W. Balis, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))	1,040.75	58.20
Barnes Richardson & Colburn, 1819 H St., NW, #400 Washington, DC 20006	Commonwealth Garment Manufacturing Co		
Do	Dow Chemical Co		
Do	EHA Ventilfabrik Wilhelm Fritz KG		
Do	Italy-America Chamber of Commerce, Textile & Apparel Comm		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Tartaric Chemical Corp		
Larry P. Barnett, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	14,176.49	
James C. Barr, 1840 Wilson Blvd Arlington, VA 22201	National Milk Producers Federation	3,300.00	
Mark A. Bartner, 100 Maryland Avenue, NE Washington, DC 20002	Religious Coalition for Abortion Rights, Inc	6,562.50	
Richard A. Barton, 1101 17th St., NW, #900 Washington, DC 20036	Direct Marketing Assn	1,000.00	1,000.00
Bass and Howes, 1601 Connecticut Ave., NW, #801 Washington, DC 20009	Women's Legal Defense Fund	5,000.00	4,675.00
John L. Bauer Jr., 1667 K St., NW, #650 Washington, DC 20006	Armco, Inc	2,000.00	1,127.78
Richard 'Sandy' Beach, 805 15th Street NW, #300 Washington, DC 20005-2207	Credit Union National Assn, Inc		
Barbara F. Beatty, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Lee Becker, 1111 14th St., NW Washington, DC 20005	American Bakers Assn		
Merritt Becker, 1844 Kalorama Rd. NW Washington, DC 20009	Bruce P. Cameron (for Embassy of Mozambique)	5,769.20	
Elizabeth W. Beckwith, 300 5th Street, NE Washington, DC 20002	American Osteopathic Assn	1,750.00	
Robert R. Belair, 1800 M Street, NW South Lobby, 9th Floor Washington, DC 20036	Kirkpatrick & Lockhart (For:National Institute for Citizen Education in the Law)	1,847.00	592.81
Donald K. Belch, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Stelco, Inc		
Joe Below, 1300 N. 17th St., #1200 Arlington, VA 22209	Consumer Bankers Assn		
Denise Bell, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	512.45
Daniel J. Bennet, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Alan R. Bennett, 1714 Massachusetts Ave., NW Washington, DC 20036	Fox Weinberg & Bennett (For:Bristol-Myers Co)		
Do	Fox Weinberg & Bennett (For:Hoffmann La Roche, Inc)		
Benoit Smith & Laughlin, 2001 Jefferson Davis Highway, #501 Arlington, VA 22202	Econopure		
Do	Hughes Aircraft Company		
Douglas L. Berger, 1333 F Street, NW, #710 Washington, DC 20004-1108	Third Class Mail Assn		
Martha Bergmark, 7316 Piney Branch Road Takoma Park, MD 20912	Project Advisory Group	2,126.67	
Bill Bertera, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
Margot Bester, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Co, Inc)		
Do	Murphy & Demory, Ltd (For:Com-Land Group, Inc)		
Do	Murphy & Demory, Ltd (For:Prodigy Services Corporation)	5,000.00	
Do	Murphy & Demory, Ltd (For:United States Telephone Association)		
Leonard Bickwit Jr., 655 15th Street, NW Washington, DC 20005	Miller & Chevalier, Chtd (For:American Nuclear Energy Council)		
Do	Miller & Chevalier, Chtd (For:Association of Thrift Holding Cos)		
Do	Chevy Chase Savings & Loan Assn	12,000.00	
Do	Western Savings & Loan Assn	29,050.00	
Moe Biller, 1300 L St., NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	12,706.38	
Robert D. Billings, 25 West Glebe Road, Apt. C-7 Alexandria, VA 22172	American Conservative Union		
Hugh L. Binford, 514-D Parkview Road Ft. Walton Beach, FL 32548			
Robert Bingaman Jr., 1817 Bay Street, SE Washington, DC 20005	National Abortion Rights Action League	3,284.65	
Bipartisan Budget Appeal, P.O. Box 9 Bowling Green Station New York, NY 10004			
Bishop Cook Purcell & Reynolds, 1400 L Street, NW, #1000 Washington, DC 20005-3502	Akhiok-Kaguyak, Inc	2,500.00	
Do	Aleut Corporation	1,000.00	
Do	Aleutian/Pribilof Islands Assn, Inc	1,000.00	
Do	American Honey Producers Assn	1,117.19	100.25
Do	Bonneville Pacific Corp		
Do	City of St. Paul	2,000.00	
Do	Compaq Computer Corp		
Do	Computer & Business Equipment Manufacturers Assn		
Do	CSR, Ltd	5,203.33	7,517.13
Do	Government of the US Virgin Islands	4,500.00	
Do	Mississippi Department of Economic Development	16,104.02	561.98
Do	National Mass Retailing Institute	1,000.00	
Do	Natural Gas Pipeline Coalition		
Do	Tobacco Institute	8,500.00	
Do	U.S. Rice Producers' Legislative Group	11,350.00	1,792.00
Do	Wal-Mart	1,750.00	
Do	Washington Public Power Supply System	3,600.00	
Roger Blacklow, 100 Indiana Avenue, NW Washington, DC 20001	National Assn of Letter Carriers	9,007.14	550.56
Jim Blomquist, 408 C Street, NE Washington, DC 20002	Sierra Club	6,213.45	
John B. Blount Jr., 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	336.88
Joanne Blum, 2010 Massachusetts Avenue, NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc	3,151.59	127.00
Wayne F. Boan, Box 5369 Galveston, TX 77554-0369	Employers Council on Flexible Compensation	200.00	
Carol Bok, 1133 15th St., NW, #640 Washington, DC 20005	American Logistics Association		
Bond Donatelli, Inc, 211 North Union Street, #210 Alexandria, VA 22314	Akin Gump Strauss... (MacAndrews & Forbes Holdings, Inc)	3,000.00	19.85
Do	Yin Choy Oen	2,200.00	168.81
Do	Republic of Panama (Govt of President Eric Arturo Devalle)	2,000.00	6.00
Do	US Sprint	3,000.00	35.00
Mary M. Bourdette, 122 C St., NW, 4th Fl. Washington, DC 20001	Children's Defense Fund of the Washington Research Project	4,736.61	
Gina M. Bowman, P.O. Box 7305, Dept. 178 Kansas City, MO 64116	Farmland Industries, Inc		
Robert K. Boyd, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	2,000.00	481.52
Raymond F. Bragg Jr., 1133 21st Street, NW, #500 Washington, DC 20036	Federal Stategies, Inc (For:American Independent Refiners Assn)	50.00	
Do	Federal Strategies, Inc (For:Consolidated Natural Gas Company)	75.00	
Do	Federal Strategies, Inc (For:Enviromental Power Corp)	50.00	
Do	Federal Strategies, Inc (For:National Hydropower Assn)	75.00	
Do	Federal Strategies, Inc (For:Tosco)	75.00	
Barbara Bramble, 1412 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	1,562.54	
Robert M. Brandon, 1300 Connecticut Ave., NW, #401 Washington, DC 20036	Citizen Action	1,312.50	385.00
Do	Citizen/Labor Energy Coalition	1,500.00	1,970.00
Peter E. Brereton, 900 Euclid Avenue P.O. Box 5937 Cleveland, OH 44107	Ameritrust Co, Nat'l Assn		
Larry K. Brewer, 1235 Jefferson Davis Highway Arlington, VA 22202	Emerson Electric Co		788.08
Nancy B. Broff, 618 D Street, SE Washington, DC 20003	National Abortion Rights Action League	4,611.15	
Robert M. Brooks, 206 G St., NE Washington, DC 20002	Evergreen Associates, Ltd (For:Clover Park School District)	3,450.00	
Do	Evergreen Associates, Ltd (For:Computer Dynamics & Aeronautics Corp)		
Do	Evergreen Associates, Ltd (For:Democratic Party of Washington State)	500.00	
Do	Evergreen Associates, Ltd (For:DCL Industries)		
Do	Evergreen Associates, Ltd (For:Military Impacted Schools Assn)		
Do	Evergreen Associates, Ltd (For:Suffolk County, NY)	22,000.00	
Do	Evergreen Associates, Ltd (For:SuperComputers, Inc)	1,706.60	
Do	Evergreen Associates, Ltd. (For:Washington State Impact Aid Assn)		
Donald K. Brown, 1121 L St., #810 Sacramento, CA 95814	Crowley Maritime Corp		
Do	Summa Corporation		
E. Cooper Brown, 6935 Laurel Ave., #204 Takoma Park, MD 20912			
John J. Brown, 1125 17th St., NW Washington, DC 20036	International Union of Operating Engineers	8,500.00	575.00
Virginia Brown, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Castine Partners)	212.50	10.00
Do	Citicorp Mortgage Finance, Inc	212.50	22.00
Do	Thacher Profitt & Wood (For:Federal Home Loan Mortgage Corp)	903.00	15.00
Do	Thacher Proffitt & Wood (For:General Electric Mortgage Insurance Cos)	903.00	25.00
Do	Thacher Proffitt & Wood (For:Ranieri Wilson & Co, Inc)	903.00	30.00
Brownstein Zeidman & Schomer, 1401 New York Ave., NW, #900 Washington, DC 20005	New York City Housing Development Corp	22,450.82	
Do	New York State Mortgage Loan Enforcement & Admin Corp	12,085.64	
Susan Buck, 1850 M Street, NW Washington, DC 20036	US Sprint Communications Company, LP	9,528.00	2,279.46
Jeremiah S. Buckley, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Massachusetts Bankers Assn)		30.00
Linda Knell Bumbalo, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	7,428.00	66.00
David G. Burden, 200 E. Randolph Dr. Chicago, IL 60601	Amoco Corporation		
William J. Burhop, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	12,434.43	
Diane B. Burke, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	12,299.29	279.50
J. J. Burke Jr., 40 E. Broadway Butte, MT 59701	Montana Power Co		40.55
Kevin M. Burke, 1111 14th St., NW Washington, DC 20005	American Bakers Assn		
Francis X. Burkhardt, 1750 New York Ave., NW Washington, DC 20006	International Brotherhood of Painters & Allied Trades		
Mahlon A. Burnette III, 631 Walker Road Great Falls, VA 22066	National Broiler Council	420.00	
David G. Burney, 1101 17th St. N.W., #609 Washington, DC 20036	U.S. Tuna Foundation	12,000.00	3,000.00
Michael Burns, 601 Pennsylvania Ave., NW, #700 Washington, DC 20004-2602	Business Executives for National Security		
Larry D. Burton, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc	4,400.00	8.00
James J. Butera, 4901 Quebec Street, NW Washington, DC 20016	Drexel Burnham Lambert, Inc		
Do	Federal Home Loan Bank of Boston	400.00	150.00
Do	Federal Home Loan Bank of New York	400.00	150.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
BZS Capitol Strategies, LP, 1401 New York Ave., NW, #900 Washington, DC 20005	National Multi Housing Council	6,000.00	
Do	NY City Housing Development Corp	8,000.00	
Do	NY State Mortgage Loan Enforcement and Admin. Corp	15,000.00	
Do	Related Companies	6,000.00	
Do	Sentinel Holdings Inc		
John D. Cahill, 1310 19th St., NW Lower Level Washington, DC 20036	Massachusetts Port Authority	11,730.00	
Do	Massachusetts Water Resources Authority	3,150.00	
James D. Calaway, 711 West Bay Area Blvd., #320 Webster, TX 77598-4001	Space Industries, Inc		
James Callan, 1421 Prince Street, #310 Alexandria, VA 22314	Electronic Funds Transfer Assn		
Bruce P. Cameron, 1725 17th Street, NW, #109 Washington, DC 20006	Embassy of the Republic of Guatemala	21,000.00	37.88
Do	Embassy of Mozambique	40,000.00	1,806.52
Camp Barsh Bates & Tate, 2550 M St., NW, #275 Washington, DC 20037	Columbia Gas Systems	650.00	
Do	Committee for Equitable Compensation	431.25	
Do	EG&G, Inc		
Do	Goldbelt, Inc		
Do	Sears Roebuck & Co	1,545.00	
Campaign for U.N. Reform-Political Education Committee, 418 7th St., S.E. Washington, DC 20003		18,166.53	14,050.09
Canady Law Legislative Group, 310 N. Grand Ave., #110 Lansing, MI 48933-1279			
Robert P. Canavan, 701 N Fairfax Street Alexandria, VA 22314-7807	American Assn of Retired Persons		
Sharon M. Canavan, 1125 15th St., NW Washington, DC 20005	Mortgage Bankers Assn of America	10,500.00	1,178.00
Capital Consultants, 1122 Colorado, #307 Austin, TX 78701	Advanced Telecommunication Corp	4,500.00	
Eileen Shannon Carlson, 2000 M St., NW Washington, DC 20036	Graham & James (For:American Insurance Assn)		
Do	Graham & James (For:Attorney's Title Guaranty Fund, Inc)		
Do	Graham & James (For:R. R. Donnelley & Sons Company)		
Do	Graham & James (For:Federal Administrative Law Judges Conference)		
Do	Federal Judges Assn		
Do	Finishing Enterprises, Inc		
Do	Graham & James (For:Illinois Health Facilities Authority)		
Do	London Harness Co		
Do	Graham & James (For:Stock Information Group)		
Do	Graham & James (For:Walt Disney Co)		
William Carney, 217 3rd St., SE Washington, DC 20003	Clare Rose, Inc	7,500.00	
Do	Dare County, North Carolina		
Do	Edison Electric Institute	8,000.00	
Do	Lipsen Hamberger & Whitten	12,000.00	
Do	Lipsen Hamberger & Whitten (for Vickers Ship Building Ltd)		
Do	United Illuminating Co		
Charles T. Carroll, 2011 Eye Street, NW, #601 Washington, DC 20006	National Association of Stevedores	650.00	
David C. Carter, 1156 15th St., NW, #1019 Washington, DC 20005	U.S. Beet Sugar Assn		
Cascade Natural Gas Corp, 222 Fairview Avenue N Seattle, WA 98109			1,808.06
Daniel L. Casey, 6622 Dorset Drive Alexandria, VA 22310	American Conservative Union		
Cassidy and Associates, Inc, 655 15th St., NW, #1100 Washington, DC 20005	Bowdoin College	274.80	
Rita L. Castle, 100 NE Adams Street Peoria, IL 61629	Caterpillar, Inc	2,500.00	714.00
G. Thomas Cator, 1050 17th Street, NW Washington, DC 20036	Neece Cator & Associates, Inc (For:Association of Small Business Development Centers).		
Do	Neece Cator & Associates (For:National Assn of Development Companies)		
Gordon Cavanaugh, 122 C Street, NW, #875 Washington, DC 20001-2109	Reno Cavanaugh & Hornig (For:Council of Large Public Housing Authorities)	15,833.33	337.93
Center for Law and Education, Inc, Larsen Hall, 6th Floor 14 Appian Way Cambridge, MA 02138		7,049.11	2,478.24
Michael D. Chapman, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	2,411.17
William Chasey Organization, 855 La Jolla Corona Court La Jolla, CA 92037	Ehrenborg Foundation	9,000.00	9,000.00
Do	Preuss Foundation Inc	6,000.00	6,000.00
Do	Walter Taylor	7,500.00	7,500.00
Do	TAK Communications	6,000.00	6,000.00
Children's Television Workshop, One Lincoln Plaza New York, NY 10023			
Laura Chin, 4415 Fessenden St., NW Washington, DC 20016	National Asian American Telecommunications Assn		
Charisse Victoria Ciambrone, 1705 South 17th Street Las Vegas, NV 89104			
Citizen Action, 1300 Connecticut Ave., NW, #401 Washington, DC 20036		4,062.50	1,440.00
Citizen/Labor Energy Coalition, 1300 Connecticut Ave., NW, # 401 Washington, DC 20036		1,500.00	1,970.00
Citizens for Stabilizing Corporate Taxes & Foreign Policy, P.O. Box 1036 Guthrie, OK 73044-1036			
James F. Clark, P.O. Box 2121l Juneau, AK 99802-1211	Alaska Loggers Assn	1,500.00	
Lynn C. Clark, 1411 K Street, NW, #500 Washington, DC 20005	District of Columbia Chamber of Commerce	1,300.00	7.00
Coal & Slurry Technology Assn, 1156 15th Street, NW, #505 Washington, DC 20005		44,500.00	
Coalition to Oppose Energy Taxes, 1100 15th St., NW, #1200 Washington, DC 20005			
Randall I. Cole, 50 F St., NW, #1080 Washington, DC 20001	BR Services, Inc -	1,000.00	1,069.21
Collier Shannon & Scott, 1055 Thomas Jefferson St., NW, #306 Washington, DC 20007	Alliance for Capital Access	30,000.00	30,000.00
Do	Crop Insurance Research Bureau	400.00	400.00
Do	Footwear Industries of America	220.00	220.00
Do	Lykes Brothers, Inc		
Do	Municipal Castings Fair Trade Council		
Do	National Assn of Convenience Stores	1,610.00	1,610.00
Do	National Broiler Council		
Do	National Coalition of Fresh Potato Processors		
Do	Outdoor Power Equipment Institute	330.00	330.00
Do	PetroJam, Ltd	10,000.00	10,000.00
Eileen M. Collins, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	5,953.72	302.53
William P. Collins, 5055 Seminary Road Alexandria, VA 22311	Southern Company Services, Inc	1,000.00	
Tim Colton, 600 New Hampshire Ave., NW, #1020 Washington, DC 20037-2403	Colton and Company		
Mary Colville, 1155 15th St., NW Washington, DC 20005	National Broiler Council	1,250.00	
Committee for Do-It-Yourself Household Moving, 2011 Eye Street, NW, #500 Washington, DC 20006			
Committee on U.S. Business Canadian Life & Health Ins. Assn, c/o Dykema Gossett 1752 N St., NW Washington, DC 20036			
Committee to Support the Antitrust Laws, 1401 New York Avenue, NW, #740 Washington, DC 20005		69,000.00	5,625.00
Community Service Society, 105 East 22nd Street New York, NY 10010			2,335.68
Concerned Women for America, 370 L'Enfant Promenade, SW, #800 Washington, DC 20024		24,765.30	24,765.30
Conference of State Bank Supervisors, 1015 18th St., NW Washington, DC 20036			4,058.03
Jeanne K. Connelly, 1875 Eye St., NW, #540 Washington, DC 20006	Champion International Corp		
Robert J. Conner, 1100 Connecticut Ave., NW Washington, DC 20036	Chrysler Corporation	500.00	321.05
Kathryn Conroy, 105 East 22nd Street New York, NY 10010	Community Service Society	65.16	
Consortium of Social Science Assns, 1625 I Street, NW, #911 Washington, DC 20006		129,084.00	2,754.40
Consumer Federation of America, 1424 16th St., NW, #604 Washington, DC 20036		79,823.00	60,209.52
Brian D. Cooney, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	8,164.00	679.00
Edward Cooney, 1319 F St., NW, #500 Washington, DC 20004	Food Research & Action Center		
C. William Cooper, 203 Pittsburgh Nat'l Bank Building Sewickley, PA 15143	United Distribution Companies	500.00	200.00
Stephen H. Cooper, 74 North Pearl St. Albany, NY 12207	Hospital Assn of New York State	720.00	3,968.26
Gregory Costa, 1000 Vermont Avenue, NW, #800 Washington, DC 20005	Public Securities Assn		
Walter Couillard, 100 Indiana Avenue, NW Washington, DC 20001	National Assn of Letter Carriers	8,356.19	
Council for a Livable World, 20 Park Plaza, #603 Boston, MA 02116			15,204.87
Council of State Chambers of Commerce, 122 C St., NW, #200 Washington, DC 20001		6,615.99	752.78
Covington & Burling, 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044	Sun Life Assurance Co of Canada (U.S.)	4,350.00	
Eric Cox, 418 7th St., SE Washington, DC 20003	Campaign for U.N. Reform-Political Education Committee	2,250.00	42.00
Jerry W. Cox, 2300 M Street, NW #130 Washington, DC 20037	Murphy & Demory, Ltd (For:Anglo American Auto Auctions, Inc)		
Kevin J. Coyle, 801 Pennsylvania Ave., SE, #303 Washington, DC 20003	American Rivers	602.00	
John P. Cregan, 220 National Press Building Washington, DC 20045	U.S. Business & Industrial Council	6,000.00	
Ken A. Crerar, 600 Pennsylvania Ave., SE, #211 Washington, DC 20003	National Assn of Casualty & Surety Agents	4,000.00	2,659.83
Mary Dent Crisp, 601 Pennsylvania Ave., NW, #700 Washington, DC 20004-2602	Business Executives for National Security		
Judy Crockett, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	2,314.80	
Crowell & Moring, 1001 Pennsylvania Ave., NW Washington, DC 20004-2505	National Risk Retention Assn	4,000.00	20.00
Cuba Claims Association, P.O. Box 014004 Miami, FL 33101			
Jonathan W. Cuneo, 1401 New York Avenue, NW, #740 Washington, DC 20005	Committee to Support the Antitrust Laws	5,625.00	693.65
Do	National Assn of Securities and Commercial Attorneys	2,500.00	
Jay B. Cutler, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	7,685.00	563.43
CPT Corporation, 8100 Mitchell Road P.O. Box 295 Minneapolis, MN 55440			
CR Associates, 317 Massachusetts Ave., NE, #100 Washington, DC 20002	Alzheimer's Assn	2,100.00	
Do	Association of University Programs in Health Administration	489.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
CRS, P.O. Box 118 Cold Spring Harbor, NY 11724-0118			
Stephen J. Daigler, 1601 Duke Street Alexandria, VA 22314	Society of American Florists		
Brian Daly, 1625 I Street, NW, #911 Washington, DC 20006	Consortium of Social Science Associations	625.00	4.80
John M. Damgard, 1825 Eye Street, NW, #1040 Washington, DC 20006	Futures Industry Assn, Inc.		
Linda Daschle, 4224 King Street Alexandria, VA 22302	American Assn of Airport Executives		8,035.00
Theodore S. J. Davi, 624 South Quincy Street Green Bay, WI 54301			
James H. Davidson, 1211 Connecticut Avenue, NW, #610 Washington, DC 20036	James H. Davidson & Associates, Inc (For:Yellow Pages Publishers Assn)	3,318.77	
Ovid R. Davis, P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company		
Gaston De Bearn, 1050 Connecticut Avenue, NW, #401 Washington, DC 20036	Hoffmann-La Roche, Inc		
William E. Deegans, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	126.65	
Gene A. Del Polito, 1333 F Street, NW, #710 Washington, DC 20004-1108	Third Class Mail Association	1,250.00	
Kathryn A. Delahanty, 206 G Street, NE, #201 Washington, DC 20002	Coalition Against Noneffective Technologies (Can't)		
Do	Foley & Company (For:East Los Angeles Doctors Hospital)		
Deloitte Haskins & Sells, 1001 Pennsylvania Ave., NW, #350 Washington, DC 20004-2505	Equitable Life Assurance Society of the U.S.		
Do	U.S. Olympic Committee		440.28
Do	Union Pacific Corp		
William F. Demarest Jr., Holland & Hart 1001 Pennsylvania Ave., NW, #310 Washington, DC 20004	State Street Bank		
Willard L. Demory, 2300 M St., NW, #130 Washington, DC 20037	Murphy & Demory, Ltd. (For:American Mobile Satellite Consortium)		
Do	Murphy & Demory, Ltd (For:California Energy Co, Inc)		
Do	Murphy & Demory, Ltd. (For:Prodigy Services Company)		
Do	Murphy & Demory Ltd (For:United States Telephone Association)		
Edward A. Dent, 3115 N St., NW Washington, DC 20007	Americans for the National Voter Initiative Amendment		
Devine Millimet Stahl & Branch, 111 Amherst Street Manchester, NH 03105	State of New Hampshire, Attorney General	14,610.16	14,610.16
Dewey Ballantine Bushby Palmer & Wood, 1775 Pennsylvania Ave., NW, #500 Washington, DC 20006	Baptist Foundation of Texas		
Do	General Reinsurance Corp		
Do	Hospital Coalition		
Do	Labor-Industry Coalition for International Trade		
Do	Norfolk Southern Corp		
Do	Premark International		
Do	Prudential Insurance Co of America	650.00	
Do	Semiconductor Industry Association	973.50	
Do	Tribune Broadcasting Co		
Do	U.S. Telephone Assn	2,275.00	
George T. DeBakey, 1300 North 17th St., #300 Arlington, VA 22209	ADAPSO, The Computer Software & Services Industry Assn		10.00
Mary Elise DeGonia, 1915 17th Street, NW Washington, DC 20009	Alternative Schools Network	410.00	20.00
Do	National Council of La Raza	450.00	20.00
Do	National Puerto Rican Forum	380.00	20.00
Do	US Basics	480.00	20.00
Beth DeGrasse, 100 Maryland Avenue, NE Washington, DC 20002	Council for a Livable World		
Law Offices of Paul H. DeLaney, Jr., 1920 N Street, NW, #610 Washington, DC 20036	Groth Air Services, Inc		
Michael J. DeLoose, 1015 18th Street, NW Washington, DC 20036	Conference of State Bank Supervisors	753.78	
Martin L. DePoy, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	2,102.32
Dickinson Wright Moon Van Dusen & Freeman, 1901 L St., NW, #801 Washington, DC 20036	Allied Signal, Inc		
Do	Chicago & Northwestern Transportation		
Diversified Energies, Inc, C/O Mr. Carl W. Cummins 201 South 7th Street Minneapolis, MN 55402			
Brad L. Doores, One Tabor Center, #2500 1200 17th Street Denver, CO 80202	Energy Fuels Nuclear, Inc		
Ira Dorfman, 1111 14th St., NW, #300 Washington, DC 20005	American Bakers Assn		
May Del Rio Dorfman, 380 Second Avenue New York, NY 10010	Planned Parenthood of New York City, Inc		
Dorsey & Whitney, 1330 Connecticut Avenue, NW, #200 Washington, DC 20036	Guam Commission on Self Determination	478.00	3,794.66
Do	Texas Assn of Steel Importers		
Russell E. Dougherty, 8280 Greensboro Drive, #900 McLean, VA 22102	Military Impacted School Districts Assn		
Dow Lohnes & Albertson, 1255 23rd St., NW Washington, DC 20037	A.P. Moller-Maersk Line		
Do	Beeman and Associates		
Do	California Wine Commission		
Do	Canadian Institute of Steel Construction		
Do	Carlyle Group		
Do	Chamber of Commerce of the U.S.	2,261.32	
Do	Directors Guild of America		
Do	Dofasco, Inc, et al.	8,424.38	1,137.36
Do	Harris Steel Group, Inc		
Do	Hercules, Inc		
Do	Home Shopping Network, Inc	615.00	
Do	Johnson-Simmons Co		
Do	Lake Ontario Cement, Ltd		
Do	Laurel Steel Products, Ltd		
Do	Life Care Services Corp		
Do	Marriott Corp	1,176.50	
Do	Monarch Wine Co of Georgia, et al		
Do	Profit Sharing Council of America		
Do	Sporicidin Company		
Do	State Higher Education Executive Officers Assn		
Charles T. Drevna, 7421 Huntland Drive Knoxville, TN 37919	Sun Coal Company	1,000.00	5,700.00
Lorraine Driscoll, 1300 Connecticut Avenue, NW, #401 Washington, DC 20036	Citizen Action	1,312.50	385.00
John Dudinsky Jr., 201 Massachusetts Ave., NE, #C-9 Washington, DC 20002	AMSPEC		
Do	Harris/3M Document Products, Inc		
Michael J. Duff, 1101 16th Street, NW Washington, DC 20036	Scientific Apparatus Makers Assn	1,400.00	6.00
Duncan Weinberg Miller & Pembroke, P.C., 1615 M Street, NW, #800 Washington, DC 20036	City of Klamath Falls		
Douglas A. Durante, 1129 20th St., NW, #500 Washington, DC 20036	Clean Fuels Development Coalition	6,000.00	400.00
Dyer Ellis Joseph & Mills, 600 New Hampshire Ave., NW, #1000 Washington, DC 20037	Alliance for Corporate Growth	968.75	105.79
Do	Bobbie Brooks, Inc		
Do	PubCo Corp	76.12	22.30
Do	Smith Corona Corp	4,485.00	308.61
Do	The Pillsbury Company	776.00	85.00
Do	The Torrington Company	6,500.00	650.15
Mary A. Dyess, 2011 Eye Street, NW, #601 Washington, DC 20006	National Assn of Stevedores	650.00	
Dykema Gossett, 1752 N St., NW, 6th Fl. Washington, DC 20036	Committee on U.S. Business Canadian Life & Health Ins. Assn		
Do	Military Boot Manufacturing Assn		
Do	Total Petroleum, Inc		
Hope B. Eastman, 4800 Hampden Lane, 7th Floor Bethesda, MD 20814	Paley Rothman Goldstein Rosenberg & Cooper (For:National Assn of Women Business Owners).	1,800.00	
John D. Echeverria, 801 Pennsylvania Ave., SE, #303 Washington, DC 20003	American Rivers	506.00	
Robert C. Eckhardt, 120 5th Street, NE Washington, DC 20002	Certain Claimants Lawyers		
Charles E. Ehrhart, 1101 15th St., NW, #202 Washington, DC 20005	National Assn of Margarine Manufacturers		
Jill W. Eiland, 121 SW Salmon Portland, OR 97204	Portland General Electric Co		
Electronic Funds Transfer Assn, 1421 Prince Street, #310 Alexandria, VA 22314			
Electronic Industries Assn, 2001 Eye St., NW Washington, DC 20006		71,105.75	84,340.06
George K. Eliades, 7297-P Lee Highway Falls Church, VA 22042	Society of American Wood Preservers, Inc	5,000.00	1,125.00
Elliott Zweben & Steelman, Chtd, 1140 19th St., NW, #600 Washington, DC 20036	Argus Health Systems, Inc	50.00	250.00
Do	Missouri Blue Cross Blue Shield	50.00	250.00
Do	Pharmaceutical Manufacturers Assn	125.00	250.00
Emerson Electric Co, 8000 W. Florissant St. Louis, MO 63136			2,686.22
Employee Relocation Council, 1720 N St., NW Washington, DC 20036			
H. John Endean, 1730 K St., NW, #1200 Washington, DC 20006	American Business Conference	137.50	25.00
Energy Fuels Nuclear, Inc, One Tabor Center, #2500 1200 Seventeenth Street Denver, CO 80202			14,303.72
John T. Engelen, 1575 Eye Street, NW, #200 Washington, DC 20005	Associated Builders & Contractors, Inc		
English First, 8001 Forbes Place, #102 Springfield, VA 22151		187,095.20	207,281.90
Richard Engram Jr., P.O. Box 506 Merchants & Miners Bank Bldg. Welch, WV 24801			
J. Barry Epperson, 324 Main Mall, #900 Tulsa, OK 74103	Associated Wire Rope Fabricators		5,307.62
Cheryl Anthony Epps, 1110 North Glebe Road, #200 Arlington, VA 22201	International Assn of Chiefs of Police	10,483.56	1,024.94
Paul A. Equale, 600 Pennsylvania Ave., SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	28,846.00	
Erisa Industry Committee, 1726 M Street, NW, #1101 Washington, DC 20036			
Sandra Eskin, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	3,205.86	39.00
Evans Group, Ltd, 1010 Wisconsin Ave., #810 Washington, DC 20007	Cotraco, Inc	10,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Fawn K. Evenson, 1420 K Street NW, #600 Washington, DC 20005	Footwear Industries of America	2,000.00	401.61
Family Holding Company Advocacy Group, c/o Mr. R.H. Jeffrey 88 East Broad Street, #1560 Columbus, OH 43215		3,100.00	
David M. Farmer, 1629 K Street, NW, #1010 Washington, DC 20006	Alliance of American Insurers	7,000.00	
William D. Fay, 818 Connecticut Ave., N.W., #900 Washington, DC 20006	National Coal Assn	8,750.00	4,970.65
Frederick Fedeli, 1400 K St., NW Washington, DC 20005	American Psychiatric Assn	2,417.00	871.00
Federal Kemper Life Assurance Co, Kemper Bldg. D-3 Long Grove, IL 60049			360.67
Federation of Behavioral Psychological & Cognitive Sciences, 1200 17th Street, NW Washington, DC 20036	National Wildlife Federation	2,099.10	
Scott Feierabend, 1400 16th St., NW Washington, DC 20036-0001	Middle South Utilities, Inc		
Feingerts & Kelly, PLC, Poydras Center, #2750 650 Poydras Street New Orleans, LA 70130-6161	Federation of Behavioral Psychological & Cognitive Sciences		
Claudia Feller, 1200 17th Street, NW Washington, DC 20036	American Assn of Colleges of Osteopathic Medicine		
Randolph Fenninger, 1030 15th St., NW, #468 Washington, DC 20005	American Gastroenterological Assn		
Do	American Soc for Gastrointestinal Endoscopy		
Do	American Soc of Anesthesiologists		
Do	American Soc of Clinical Pathology		
Do	American Urological Assn/Amer Assn of Clinical Urologists	1,800.00	
Do	National Hemophilia Foundation		
Jack Ferguson Associates, Inc, 203 Maryland Ave., NE Washington, DC 20002	Conoco, Inc	8,000.00	940.82
Do	Dillingham Construction Group	7,593.75	738.98
Do	Foss Maritime Co	500.00	752.22
Do	Global Marine, Inc		
Do	Haida Corporation	1,875.00	644.67
Do	Tacoma Boatbuilding Co	1,500.00	744.98
Do	U.S. Borax & Chemical Corp	8,250.00	914.96
Do	Western Forest Industries Assn		
Do	Williams Companies	4,500.00	796.04
Robert J. Fersh, 1319 F St., NW, #500 Washington, DC 20004	Food Research & Action Center		
Dallas N. Fields, 1448 Duke St., #1000 Alexandria, VA 22314	National Rural Letter Carriers Assn	17,028.00	
Manuel D. Fierro, 1901 N. Fort Myer Dr., #202 Rosslyn, VA 22209	Fond Du Lac Reservation		
Fine Geddie & Associates, 405 S. Hull Street Montgomery, AL 36104	Douglas Oil Co		
Mary Ellen Fise, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	3,578.00	114.00
Mary Clare Fitzgerald, 1155 21st Street, NW, #850 Washington, DC 20036	Secura Group (For:Chase Manhattan Bank, N.A.)	25,000.00	235.00
Do	Secura Group (For:Northeast Bancorp)		
Shira A. Flax, 330 Pennsylvania Ave., SE Washington, DC 20003	Sierra Club	4,504.50	49.40
Felipe M. Floresca, 67 Wall Street, #2509 New York, NY 10005			
Florida Business Associates, 1146 19th St., NW, #400 Washington, DC 20036-3703	CSX Transportation		
Do	ETA Systems, Inc		
Do	MEDCO Containment		
Do	Westinghouse Electric Corp	11,058.84	
Veronica M. Floyd, 2001 S. Jeff Davis Highway, #1107 Arlington, VA 22202	Brunswick Corp	6,000.00	
John J. Flynn, 1125 17th Street, NW Washington, DC 20036	International Union of Operating Engineers	7,500.00	294.00
Joseph P. Foley, 206 G St., NE, #201 Washington, DC 20002	American Security Fence Corp		
Do	Bonded Lightning Protection, Inc		
Do	Century Medi Corp		
Do	Coalition Against Noneffective Technologies		
Do	East Los Angeles Hospital Foundation, Inc		
Do	Falcon Systems, Inc		
Do	PolyPhaser Corp		
Do	Sedima International, Inc		
Do	Shelson International		
Do	Brough E. Treffer & Associates		
Foodservice & Lodging Institute, 1919 Pennsylvania Ave, NW, #504 Washington, DC 20006	Coalition to Protect the Integrity of American Trademarks	200.00	10.00
Foreman & Heidepriem, 1751 N Street, NW, #301 Washington, DC 20036	Columbia Hospital for Women Medical Center	400.00	
Do	United Food & Commercial Workers Int'l Union	400.00	15.00
Allan M. Fox, 1714 Massachusetts Ave., NW Washington, DC 20036	Fox Weinberg & Bennett (For:Bristol-Myers Co)		
Do	Fox Weinberg & Bennett (For:National Coalition for Cancer Research)		
Fox Weinberg & Bennett, 1714 Massachusetts Avenue, NW Washington, DC 20036	Battery Council International		
Do	Bristol-Myers Co		
Do	Courtaulds North America, Inc		
Do	Johnson & Johnson		
Do	Lederle Laboratories		
Do	Memorial Sloan-Kettering Cancer Center		
Do	National Assn for Plastic Container Recovery (NAPCOR)		
Do	National Coalition for Cancer Research		
Do	New MediCo Associates, Inc		
Do	Pickens County Medical Center		
Do	Serono Laboratories, Inc		107.50
Do	Wireless Cable Assn, Inc		111.56
Donald Fraher, 777 14th Street, NW Washington, DC 20005	Handgun Control, Inc	5,488.01	54.00
Jacob Fraire, 1010 Vermont Ave., NW, #1100 Washington, DC 20005	Bank of Horton	1,950.00	
Do	Bank One	625.00	
Do	California Student Aid Commission	2,250.00	
Do	Colorado Student Loan Program	4,500.00	
Do	Fame	4,500.00	
Do	Illinois State Scholarship Commission	1,237.50	
Do	Just Kids	2,250.00	
Do	Nebraska Higher Education Loan Program, Inc	1,125.00	
Do	Nebraska Student Loan Program		
Do	Texas Guaranteed Student Loan Corp	1,350.00	
Do	Union Bank		
Do	United Concerned Cosmetology School Owners	6,750.00	
Leslie C. Francis, 1000 Potomac St., NW, #401 Washington, DC 20007	California Dept of Education		
Francis & Mcginnis & Rees, Inc, 1000 Potomac St., NW, #401 Washington, DC 20007	California Dept of Education	34,389.90	22,837.18
Peter M. Frank, 1667 K St., NW, #250 Washington, DC 20006	Kerr-McGee Corp	2,500.00	
Richard L. Frank, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Olsson Frank & Weeda (For:Ad Hoc Pizza Standard Rulemaking Group)		
Fraternal Order of Police, Legislative Committee, 2100 Gardiner Lane Louisville, KY 40205			861.85
Fran Frazier, 1730 K Street, NW, #1200 Washington, DC 20006	American Business Conference	120.00	25.00
James T. Freeman, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	1,043.00	146.00
Philip P. Friedlander Jr., 1250 Eye Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn		
Jeffrey Fritzlen, 555 13th Street, NW, #450-W Columbia Square Washington, DC 20004	Union Pacific Corp	12,500.00	419.72
Claudia R. Fuquay, 727 North Washington Street Alexandria, VA 22314	United Fresh Fruit & Vegetable Assn	3,420.00	403.81
Futures Industry Assn, Inc, 1825 Eye Street, NW, #1040 Washington, DC 20006			
FMR Group, Inc, 1000 Potomac Street, NW, #401 Washington, DC 20007	National Coalition of Burn Center Hospitals	22,500.00	6,260.08
Galland Kharasch Morse & Garfinkle, P.C., 1054 31st Street, NW Second Floor Washington, DC 20007	Air Jamaica, Ltd	66,836.40	6,289.16
Do	South Africa Sugar Association	825.00	186.98
John Paul Galles, 1155 15th St., NW, #710 Washington, DC 20005	National Small Business United	1,000.00	
Galvin Fox & Palmer, 425 Park Avenue New York, NY 10022	Voyager International, Inc		
Bruce Gamble, 122 C St., NW, #580 Washington, DC 20001	National Bankers Assn		409.05
Nicole Gara, 950 North Washington Street Alexandria, VA 22314	American Academy of Physician Assistants		
David McLane Gardiner, 330 Pennsylvania Ave., SE Washington, DC 20003	Sierra Club	4,111.25	145.43
Gardner Carton & Douglas, 1001 Pennsylvania Ave, NW, #750-N Washington, DC 20004	Andrew Corp	1,300.00	19.37
Do	Ansell, Inc	2,253.00	5.00
Do	Minnesota Mining and Manufacturing Company		
John C. Gartland, 214 Massachusetts Ave., NE, #210 Washington, DC 20002	Amway Corp	8,250.00	
Jerome C. Gatto, 01065-081 FPC-57 P.O. Box 700 Yankton, SD 57078			
Garry Geffert, 2001 S Street, NW, #312 Washington, DC 20009	Farmworker Justice Fund, Inc		
General Instrument Corporation, 767 Fifth Avenue New York, NY 10153		3,500.00	357.78
David Troy Saxton Getty, 4888 West Cherry Lane Meridian, ID 83642			
Anne Marie Gibbons, Third Floor 2301 M Street, NW Washington, DC 20037	American Public Power Assn	1,500.00	
William G. Giery, 1919 Pennsylvania Ave., NW Washington, DC 20006	Foodservice & Lodging Institute		
Richard Gilbert, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	1,222.00	
Maureen Gilman, 1730 K Street, NW, #1100 Washington, DC 20006	National Treasury Employees Union	13,000.00	521.03

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Jim Gilmore, 1735 New York Avenue, NW, #500 Washington, DC 20006	National Fisheries Institute	8,000.00	
Ginn Edington Moore & Wade, 803 Prince Street Alexandria, VA 22314	National Assn of Chain Drug Stores		
Ginsburg Feldman & Bress, Chartered, 1250 Connecticut Ave., NW, #800 Washington, DC 20036	Chugai-Upjohn, Inc	2,622.00	37.00
Do	United States Telephone Association	2,200.00	44.00
Gerard Giovaniello, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	751.95
George E. Glasier, One Tabor Center, #2500 1200 Seventeenth Street Denver, CO 80202	Energy Fuels Nuclear, Inc		
Gold & Liebengood, Inc, 1455 Pennsylvania Ave., NW, #950 Washington, DC 20004	National Business Aircraft Assn, Inc	7,750.00	2,153.00
Patricia R. Goldman, 50 F St., NW, #1100 Washington, DC 20001	American Hospital Assn	6,845.53	212.36
Ruth Gonze, Third Floor 2301 M Street, NW Washington, DC 20037	American Public Power Assn	2,000.00	
Alan Goodfader, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Company, Inc)		
Do	Murphy & Demory, Ltd (For:Prodigy Services Corportion)		
William Gordon, 1515 Wilson Boulevard Arlington, VA 22209	American Gas Assn	1,800.00	288.95
Brenda J. Gore, 1000 Wilson Blvd., 2600 Arlington, VA 22209	TRW, Inc	42.00	3,400.00
Deborah Gottheil, 812 L N. Kalaheo Avenue Kailua, HI 96734	Artic Slope Regional Corp		
George B. Gould III, 100 Indiana Ave., NW Washington, DC 20001	National Assn of Letter Carriers	13,624.52	3,120.75
James E. Graf II, 555 13th Street NW, #480 W. Washington, DC 20004-1109	Contel Corp	9,000.00	25.00
Gerald W. Grandey, One Tabor Center, #2500 1200 Seventeenth Street Denver, CO 80202	Energy Fuels Nuclear, Inc	10,000.00	1,565.47
Neil A. Gray, 1776 Massachusetts Ave., NW Washington, DC 20036-1993	Highway Users Federation for Safety & Mobility	2,300.00	84.25
Kaylene H. Green, 2341 Jefferson Davis Highway, #1100 Arlington, VA 22202	Bath Iron Works Corp		
Robert H. Green, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,750.00	1,172.27
David I. Greenberg, 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris Companies, Inc	2,500.00	
Phyllis Greenberger, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	2,718.00	1,782.59
Robert Greenstein, 236 Massachusetts Ave, NE, #305 Washington, DC 20002	Center on Budget & Policy Priorities	726.33	54.50
Arthur J. Gregg, 7736 Rockledge Court Springfield, VA 22152	Cable TV Assn of MD, DE & DC	11,875.00	
Janice M. Gregory, 1726 M St., #1101 Washington, DC 20036	ERISA Industry Committee	4,850.00	78.00
Jeffrey J. Grieco, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy, Inc)	10,000.00	
Do	Murphy & Demory, Ltd (For:Com-Land Group, Inc)		
Do	Murphy & Demory, Ltd (For:Korea Tacoma Marine Industries, Ltd)	2,000.00	
Do	Murphy & Demory, Ltd (For:Tridec Westinghouse)		
Mark N. Griffiths, Smith Bucklin & Associates 1101 Connecticut Ave, NW, #700 Washington, DC 20036	National Assn of Metal Finishers		
Olga Grkavac, 1300 North 17th St., #300 Arlington, VA 22209	ADAPSO, the Computer Software & Services Industry Assn		207.13
Grocery Manufacturers of America, Inc, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007			137.39
James N. Groninger, 1101 16th Street, NW Washington, DC 20036	Independent Petroleum Assn of America		1,204.97
Jerome Grossman, 20 Park Plaza, #603 Boston, MA 02116	Council for a Livable World	4,705.64	
Gerald M. Guarilia, 70 North Main Street Wilkes-Barre, PA 18711	Blue Cross of Northeastern Pennsylvania		
Milton S. Gwirtzman, 1250 24th St., NW, #600 Washington, DC 20037	Van Dyke Associates, Inc (For:Boston Company)		
Do	Lazare Kaplan International, Inc	250.00	20.00
GA Assn of Petroleum Retailers, Inc, 900 N. Hairston Road, Suite D Stone Mountain, GA 30083			1,917.53
Jay D. Hair, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	5,150.16	
Hale Foundation, 422 First Street, SE, #208 Washington, DC 20003			
Heide Halik, 408 C Street, NE Washington, DC 20002	Sierra Club	303.26	5.00
Angelynn Hall, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	13,432.04	
William F. Hall, P.O. Box 803887 Chicago, IL 60680-3887	Midwest Public Affairs-Management Consulting Group		
Rhonda Lee Halverson, 1730 K St., NW, #1200 Washington, DC 20006	American Business Conference, Inc	165.00	25.00
William W. Hamilton Jr., 2010 Massachusetts Ave., NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc	93.70	
Amy R. Hammer, 1899 L St., NW, #1100 Washington, DC 20036	Exxon Corporation	350.00	308.15
Handgun Control, Inc, 1225 Eye Street NW #1100 Washington, DC 20005		1,899,314.33	319,453.09
Hannaford Co, Inc, 655 15th St., NW, #200 Washington, DC 20005	Royal Embassy of Saudi Arabia		
Do	Trans World Airlines, Inc		
Do	3M Corporation		
Christopher W. Hansen, 1700 N. Moore Street Rosslyn, VA 22209	Boeing Company	2,157.37	1,143.07
Marra Harris, 729 15th St., NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Milton E. Harris, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Harris Steel Group, Inc		
Harris & Ellsworth, 1101 30th St., NW, #103 Washington, DC 20007	Adidas, USA		
J. William W. Harsch, 1722 Eye St., NW, 6th Floor Washington, DC 20006	City of Cranston	1,040.40	209.48
Harter Secrest & Emery, 700 Midtown Tower Rochester, NY 14604-2070	Genesee & Wyoming Industries, Inc		
Vance Hartke, 7637 Leesburg Pike Falls Church, VA 22043	Alliance of Foreign Medical Graduates		
Jenifer Hartog, Francis McGinnis & Rees 1000 Potomac St., NW, #401 Washington, DC 20007	California Dept of Education	6,000.00	196.75
James C. Hassett, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	74.49	
Richard Gordon Hatcher, 2210 Hayes Street Gary, IN 46404	R. Gordon Hatcher & Associates, Inc (For:National Assn of Realtors)	30,000.00	
Charles E. Hawkins III, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Paula Hawkins, P.O. Box 193 Winter Park, FL 32790	Genentech	30,000.00	1,208.44
Edmund S. Hawley, 555 13th St., NW, #450 West Columbia Square Washington, DC 20004	Union Pacific Corp	12,500.00	162.94
Robert T. Hayden, 1120 Connecticut Avenue, NW, #469 Washington, DC 20036	Maurer Anderson Conway Communications (For:Coalition for Safe & Responsible Railroads).	7,500.00	
Peter M. Hayes, 214 Massachusetts Ave., NE #530 Washington, DC 20002	Salt River Project	3,521.00	804.47
James B. Hedlund, 1200 18th St., NW Washington, DC 20036	Association of Independent Television Stations, Inc	5,300.00	
Dan C. Heinemeier, 1722 Eye Street, NW Washington, DC 20006	Electronic Industries Assn	625.00	
Heller Ehrman White & McAuliffe, 6100 Columbia Center Seattle, WA 98104	Arctic Slope Regional Corp		
Donald E. Henderson, 130 E. Washington Street Indianapolis, IN 46204	Indiana Farm Bureau, Inc	6,000.00	1,684.55
Diane Hendricks, 1225 Jefferson Davis Highway, #600 Arlington, VA 22202	Westermann & Hendricks		
Heron Burchette Ruckert & Rothwell, 1025 Thomas Jefferson St., NW, #700 Washington, DC 20007	Ad Hoc Committee on Export Controls		
Do	Aerojet-General Corp		42.23
Do	Agri-Business Corp of America		4.38
Do	Airship International Ltd	5,362.69	502.52
Do	American Meat Institute	3,986.25	267.19
Do	American Medical Technologists	4,818.75	45.97
Do	Claudia Ashton		0.88
Do	Asia Satellite Telecommunications, Ltd		532.77
Do	Asocoflores		3.44
Do	Association of Floral Importers of Florida		
Do	Association of Human Resource Consultants		11.63
Do	ARCO		8.38
Do	Balanced Trade Group	361.25	49.88
Do	Bay Area Rapid Transit District		
Do	Bechtel	1,104.38	10.03
Do	Bramelea Pacific		
Do	C.B.I. Sugar Group, Inc	3,019.88	3,630.12
Do	California Almond Growers Exchange	20,754.38	3,149.07
Do	California Central Valley Project Water Users Assn		210.00
Do	California CH2M Hill		72.94
Do	California Energy Commission	4,133.24	912.47
Do	California Kiwi Commission	5,961.96	1,883.54
Do	California State Teachers' Retirement System	4,736.56	1,148.05
Do	Canada Cement LaFarge, Ltd		6.88
Do	Carteret Savings and Loan Assn		388.94
Do	Central Utah Water Conservancy District	2,000.43	14.16
Do	City of Chattanooga		321.80
Do	City of Newark		76.69
Do	City of Sacramento	2,311.25	1,690.92
Do	Clark County		748.23
Do	Colorado-Ute Electric Assn, Inc		1,364.28
Do	Council of American Overseas Research Centers		46.25
Do	Dalton Construction Co		5.25
Do	Desert Research Institute	1,262.81	99.13
Do	Downey Savings and Loan		2,130.83
Do	East Kentucky Power Cooperative	1,292.19	32.63
Do	Electronic Data Systems Corp	9,061.56	1,120.71
Do	Farm Labor Alliance	2,500.00	1,507.23
Do	Friant Water Users	4,047.50	1,052.85
Do	General Atomics	1,931.86	1,007.87
Do	Girling Health Care, Inc		420.47
Do	Globos International, Inc	577.50	1.75

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Good Sam Club	4,133.24	1,246.48
Do	Government of the Virgin Islands		730.11
Do	Granite Rock Co	2,131.58	339.38
Do	Greenbrier Intermodal	1,877.02	548.95
Do	Halogenated Solvents Industry Alliance		
Do	Home Group, Inc		23.16
Do	Independent Cement Corp		
Do	Inland Cement Limited		11.53
Do	International Apple Institute	1,660.63	1.75
Do	John Hancock Mutual		
Do	Elizabeth (Becky) Johnson	220.62	40.19
Do	Kings River Conservation District	50.63	8.22
Do	Lake Ontario Cement, Ltd		
Do	Las Vegas YMCA		
Do	Massport/Commonwealth of Massachusetts	1,250.00	1,066.81
Do	Metropolitan Dade County Office of County Manager		
Do	Mid-Valley Water Authority	235.31	38.50
Do	Mutual Benefit Life		135.76
Do	National Council on Teacher Retirement	2,500.00	884.03
Do	National Medical Care	6,499.07	2,676.25
Do	National Potato Council	3,500.00	1,184.13
Do	New York University		
Do	Northern California Power Agency	1,169.06	250.13
Do	NTEC - Northeast Texas Electric Cooperative, Inc	10,040.00	235.70
Do	Orion Air	1,490.31	7.88
Do	Phillips Petroleum Company (Phillips 66)	4,761.88	114.66
Do	Riverside Resorts	1,306.88	174.13
Do	Ryder Systems, Inc	2,364.69	256.73
Do	Sabine River Authority	11,492.19	3.50
Do	Sioux Honey Assn		
Do	Solano Water Authority	5,440.35	1,718.26
Do	South Dade Land Corp	6,498.44	868.31
Do	St. Lawrence Cement	60,040.52	544.86
Do	St. Mary's Cement		
Do	Sunkist Growers, Inc	21,271.88	2,837.64
Do	Tex-La	79,818.44	402.25
Do	Thai Steel Pipe Industry Assn		526.40
Do	Trustees of Florida Lime & Avocado		1,428.84
Do	U.S. Mink Export Development Council	3,390.00	162.79
Do	University of California		
Do	University of Medicine and Dentistry of New Jersey		63.91
Do	University of Miami		101.93
Do	University of Nevada/Las Vegas Research Center	1,247.25	1,017.81
Do	University of Nevada/Reno	4,511.84	1,428.96
Do	Vermont Electric Cooperative	17.81	2.63
Do	W.E.S.T.	364.06	21.88
Do	Walnut Street Bridge Commission		
Do	Welch Foods, Inc	2,354.38	102.13
Do	Westlands Water District	494.55	1.75
Barry Alexander Herring, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Laurel Steel Products, Ltd		
Janet E. Hieber, 1436 U Street, NW Washington, DC 20009	Greenpeace USA	1,833.00	400.00
Hal D. Hiemstra, 216 7th Street SE, Washington, DC 20003	Scenic America	1,000.00	35.00
Pamela Hill, One Tabor Center, #2500 1200 Seventeenth Street Denver, CO 80202	Energy Fuels Nuclear, Inc	275.00	299.25
J. D. Hittle, 3137 S. 14th St. Arlington, VA 22204	KMS Industries, Inc	1,500.00	91.20
Hobbs Straus Dean & Wilder, 1819 H St., NW, #800 Washington, DC 20006	Association of Navajo Community-Controlled School Boards	80.00	
Do	Bristol Bay Area Health Corp	100.00	
Do	Maniilaq Assn		
Do	Metlakatla Indian Community	450.00	15.90
Do	Miccosukee Tribe of Indians of Florida		
Do	Norton Sound Health Corp	130.00	23.85
Do	Oglala Sioux Tribe		
Do	Oglala Sioux Tribe Public Safety Commission		
Do	Quinault Indian Tribe/Quinault Allottees Assn	70.00	
Do	Tanana Chiefs Conference, Inc		
Do	Three Affiliates Tribes of the Fort Berthold Reservation		
Do	Tohono O'odham Nation		
Philip M. Hocker, 20 West Chapman Street Alexandria, VA 22301	Mineral Policy Center	192.00	18.00
Deanna Hodge, 606 North Washington Street Alexandria, VA 22314	American Society for Personnel Administration		
Walter F. Hoffmann, 418 7th Street, SE Washington, DC 20003	Campaign for U.N. Reform-PEC	624.99	
Michele O'Donnell Holbrook, 10 Lafayette Square, Rm. 900 Buffalo, NY 14203	National Fuel Gas Distribution Corp, et al	1,499.99	4,701.83
Holt Miller & Associates, 2111 Wilson Blvd., #531 Arlington, VA 22201-3008	Agricultural Producers		
Do	Contra Costa Water District		
Do	Fruit Growers League of Jackson County		
Do	Irish Immigration Reform Movement	3,277.50	563.09
Do	Mountain Plains Agricultural Service		
Do	National Agricultural Coalition	500.00	
Do	National Council of Agricultural Employers		
Do	Snake River Farmers Assn		
Do	Texas & Southwestern Cattle Raisers Assn		
Do	Texas Ranchers Labor Assn		
Do	The Home Group of New York, Inc.	15,776.76	10,149.78
Do	TF Energy Ventures		
Do	U.S. English	1,895.00	140.89
Do	Western Range Assn		
Lois Holwerda-Hoyt, 600 Maryland Avenue, SW, #770 Washington, DC 20024	American Academy of Family Physicians	2,814.50	63.40
Pete Homer Jr., 2015 Wyoming Blvd., NE, Suite H Albuquerque, NM 87112			
Hoog & Associates, 1877 Broadway, #405 Boulder, CO 80302	Colorado State University	7,500.00	7,500.00
Do	McAndrews & Forbes Holdings, Inc	7,500.00	7,500.00
Do	United Technologies Corporation	4,500.00	4,500.00
Marian Hopkins, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	3,900.00	510.87
Hopkins Sutter Hamel & Park, 888 16th Street, NW Washington, DC 20006	Allan Bruner (for Estate of Elsie Bruner)		
Do	Peter Buyck		
Do	Joy B. Carpenter	831.25	
Do	Congaree River Limited Partnership	831.25	
Do	Tandy Corporation		
Hospital Association of New York State, 74 N. Pearl St. Albany, NY 12207		5,067.00	5,067.00
Karen Howard, 1400 K St., NW Washington, DC 20005	American Psychiatric Assn	1,953.00	1,012.35
Allynn Howe, 80 F Street, NW Washington, DC 20001	American Fed of Government Employees	8,454.36	
Terry D. Hudgins, P.O. Box 53999 Station 9910 Phoenix, AZ 85072-3999	Arizona Public Service Company	2,286.00	319.89
Thomas H. Hudson, P.O. Box 2787 Baton Rouge, LA 70821	Coastal Corporation		7,777.66
Hunton & Williams, 2000 Pennsylvania Ave., NW, #9000 P.O. Box 19230 Washington, DC 20036	Copyright Justice Coalition		
Do	Historic Ricefields Assn		
Gerard F. Hurley, 1625 I St., NW, #609 Washington, DC 20006	National Club Association		
Michael Hussey, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	788.57
Steven M. Hyjek, 2100 Pennsylvania Ave., NW, #710 Washington, DC 20037	Sinnott Hyjek & Fix, Inc (For:Dallas/Ft. Worth International Airport)	2,250.00	521.17
Do	Sinnott Hyjek & Fix, Inc (For:Intermec Corp)	2,250.00	521.17
Do	Sinnott Hyjek& Fix, Inc (For:Port of Oakland)	2,250.00	521.17
HCA The Healthcare Co, One Park Plaza P.O. Box 550 Nashville, TN 37202-0550			
Independent Insurance Agents of America, Inc, 100 Church St., 19th Fl. New York, NY 10007		39,594.00	39,594.00
Int'l Union, United Auto Aerospace & Agric Implement Workers, Workers of America (uaw) 8000 E. Jefferson Avenue Detroit, MI 48214.		141,358.44	141,358.44
International Brotherhood of Painters & Allied Trades, 1750 New York Ave., NW Washington, DC 20006			
International Union of Operating Engineers, 1125 17th St., NW Washington, DC 20036		22,500.00	1,147.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Investment Counsel Assn of America, Inc, 20 Exchange Place New York, NY 10005			
John Isaacs, 100 Maryland Ave., NE Washington, DC 20002	Council for a Livable World	3,029.32	
Ivins Phillips & Barker, Chtd, 1700 Pennsylvania Ave., NW, #600 Washington, DC 20006	Borg-Warner Corp		
Do	Family Holding Company Advocacy Group		
Do	Limited, Inc		
Do	Oberlin College		
Do	Rochester Tax Council		
ICI Americas, Inc, 1600 M Street, NW, #702 Washington, DC 20036			69,911.80
Al Jackson, 100 Indiana Avenue, NW Washington, DC 20001	National Association of Letter Carriers	6,946.22	1,513.17
Jeff P. Jacobs, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	1,200.00	
E. A. Jaenke & Associates, Inc, 777 14th St., NW, #666 Washington, DC 20005	University of Kansas	250.00	
Timothy P. James, 1125 17th Street, NW Washington, DC 20036	International Union of Operating Engineers	6,500.00	278.00
Jellinek Schwartz Connolly & Freshman, Inc, 1015 15th Street, NW, #500 Washington, DC 20005	Adolph Coors Co	14,142.00	806.00
Do	ASARCO, Inc	89,023.00	3,164.00
Do	Colorado School of Mines Foundation		
Do	East Bay Municipal Utility District	5,807.00	192.00
Do	Los Angeles County Sanitation District	15,082.00	704.00
Do	Rhone-Poulenc Ag Co	10,668.00	235.00
Do	Union Pacific Corp	9,667.00	880.00
Do	Waste Management Lawncare	7,752.00	319.00
Kempton B. Jenkins, 1667 K St., NW, #650 Washington, DC 20006	Armco, Inc	300.00	631.00
Richard H. Jenrette, 787 7th Avenue New York, NY 10019	Donaldson Lufkin & Jenrette (for Equitable Financial Cos)		
Rusty L. Jesser, 1120 Connecticut Avenue, NW Washington, DC 20036	American Bankers Assn	3,800.00	
Ronald P. Johnsen, 1250 Eye St., NW, #703 Washington, DC 20005	Columbia Gas System Service Corp	175.00	506.81
David H. Johnson, 1200 17th Street, NW Washington, DC 20036	Federation of Behavioral Psychological & Cognitive Sciences		
Kay Johnson, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	966.00	
Johnson & Gibbs, P.C., 100 Congress Ave., #1400 Austin, TX 78701	Reese Communications Companies (for:Philip Morris, USA)	7,500.00	229.42
Barbara W. Johnston, 1700 K Street, NW, #502 Washington, DC 20006	BHP-UTAH International, Inc		
Joint Corporate Comm on Cuban Claims, c/o Lone Star Industries, Inc PO Box 5050 Greenwich, CT 06830			180.00
Allan R. Jones, 2200 Mill Rd. Alexandria, VA 22314	American Trucking Assns, Inc	9,000.00	
Beverly E. Jones, 1819 L Street, NW, #900 Washington, DC 20036	Consolidated Natural Gas Co	1,000.00	77.75
Jones Day Reavis & Pogue, 1450 G Street, NW, #600 Washington, DC 20005-2088	AmeriTrust Co, Nat'l Assn		
Do	Chevy Chase Savings Bank		28.00
Do	Empire of America Federal Savings Bank		1,614.60
Do	Heron International, Ltd		
Do	National Assn of State Auditors Comptrollers & Treasurers		
Do	Teleconnect Co		
Do	USAA Federal Savings Bank		
Diana Jost, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn		
Hans Kaehler, P.O. Box 118 Cold Spring Harbor, NY 11724			
James L. Kane Jr., 1315 Vincent Place Mclean, VA 22101			
Dennis R. Kanin, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	Thermedics, Inc		
James W. Kanouse, 1700 North Moore Street, 21st Floor Rosslyn, VA 22209	Boeing Company	4,781.08	1,224.89
Kevin Kaplan, 13100 Verbena Place, NE Albuquerque, NM 87112	Beer Drinkers of America		
Peter J. Kassander, 412 Fifth Street, SE, #1 Washington, DC 20003	Seattle Organizing Committee, 1990 Goodwill Games	3,000.00	
Anthony P. Kavanagh, 410 First Street, SE Washington, DC 20003	Consolidated Edison Co of New York, Inc	2,115.00	1,055.23
Bronwen A. Kaye, 1575 Eye St., NW, #200 Washington, DC 20005	American Cyanamid Co	301.44	556.15
David L. Keating, 18 9th Street, NW Washington, DC 20002	National Taxpayers Union	3,029.00	
Robert J. Keefe, 444 N. Capitol Street, #711 Washington, DC 20001	TKC International (For:UNIAO Nacional Para Independencia Total DeAngola)		
Paul J. Kelley, 2727 North Central Ave. Phoenix, AZ 85004	U-Haul Intl, Inc	4,000.00	
Kelley Drye & Warren, 2300 M Street, NW Washington, DC 20037	Great Western Financial Corporation	26,664.85	1,303.94
Do	GA Technologies, Inc	234.00	234.00
Carol A. Kelly, 1700 Pennsylvania Ave, #525 Washington, DC 20006	Equitable Financial Companies	525.00	30.00
Richard B. Kelly, Kelly Eckhaus & Mohen 40 Birch Hill Road Locust Valley, NY 11560	National Assn of Catalog Showroom Merchandisers	2,200.00	
Kelly Eckhaus & Mohen, 230 Park Avenue New York, NY 10169	Resource Technical Consultants (USA), Inc		
Kemper Financial Companies, 120 South LaSalle Street Chicago, IL 60603			
Kemper Investors Life Insurance Co, 120 South Lasalle Street Chicago, IL 60603			446.04
Ken Schlossberg Consultants, 1055 Thomas Jefferson St, NW, #500 Washington, DC 20007	Marine Biological Laboratory	10,000.00	8,700.00
Art Kennedy, Box 200576 Anchorage, AK 99520	Koniag, Inc	17,980.00	10,044.74
Patricia Kennedy, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corporation	2,100.00	360.00
T. Michael Kerr, 1625 L St., NW Washington, DC 20036	American Fed of State County & Municipal Employees	11,072.52	279.27
Margaret Kerry, 105 East 22nd Street New York, NY 10010	Community Service Society	260.64	
Earline A. Keyser, 3022 Cedar Hill Road Falls Church, VA 22042	Bechtel Group, Inc		
Kilpatrick & Cody, 2501 M St., NW, #500 Washington, DC 20037	Chicago Research & Trading Group, Ltd		
Do	Flying Tigers Line, Inc	4,648.50	
Do	Forest Farmers Assn	6,750.00	
Do	Granite Industrial Development		
Do	Mitsubishi Electronic America, Inc		
Do	U.S. Sprint Telecommunications Co	9,459.00	877.43
Do	University of Georgia	4,354.50	1,115.71
Gene Kimmelman, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	8,709.00	607.00
King Shapiro Cohen & Young, 3100 Breckinridge Blvd., Bldg. 1200 Duluth, GA 30136	A. L. Williams Corp		
Kirkpatrick & Lockhart, 1800 M St., NW, S. Lobby, #900 Washington, DC 20036	Columbia Pictures Industries, Inc	450.00	
Do	Goldman Sachs & Co	1,271.25	
Do	Grocery Manufacturers of America, Inc		
Do	H. K. Porter Company, Inc		
Do	Search Group, Inc	1,659.00	568.69
Lisa K. Kjaer, 1722 Eye St., NW #300 Washington, DC 20006	Electronic Industries Assn	1,050.00	622.86
Jerry D. Klepner, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	27,450.00	922.99
William Klinefelter, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	4,938.47	
Glenn Knapp, 773 Dartmouth Ave. San Carlos, CA 94070			
C. Neal Knox, Neal Knox Associates Box 6537 Silver Spring, MD 20906		5,000.00	650.00
Nicholas P. Koskores, 1455 Pennsylvania Avenue, NW, #1000 Washington, DC 20004	New England Council, Inc		
Kostmayer Communications, Inc, 2300 M Street, NW #920 Washington, DC 20037	Coalition for Auto Repair Choice	60.00	
Do	Coalition of American Steel Using Manufacturers		635.40
Lawrence E. Kreider, 1015 18th St., NW Washington, DC 20036	Conference of State Bank Supervisors		
Hugh A. Krentz, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Canadian Institute of Steel Construction		
Steven Kroll, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	219.38	
Nicholas M. Kublicki, 1407 North Kenilworth St., #1 Arlington, VA 22205	American Conservative Union		
Herb B. Kuhn, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	3,524.92	505.93
Frederick L. Kumar, 8002 Sleepy View Lane Springfield, VA 22153			
James M. Kuszaj, P.O. Box 31608 Raleigh, NC 27615	Dow Chemical USA		
Janice R. Lachance, 80 F Street, NW Washington, DC 20001	American Federation of Government Employees	11,721.28	
Bruce C. Ladd Jr., 1776 K Street, NW Washington, DC 20006	Motorola, Inc	16,500.00	107.00
Ellen C. Lamb, 1015 18th St., NW Washington, DC 20036	Conference of State Bank Supervisors	275.62	55.00
Paul D. Lamberth, 6701 Democracy Blvd., #300 Bethesda, MD 20817		3,000.00	
Jill Lancelot, 7100 Sycamore Avenue Takoma Park, MD 20912	National Taxpayers Union	4,425.00	
Maria Landolfo, 1126 16th St., NW Washington, DC 20036	Int'l Union of Electronic Electrical Sal Mach & Furn Workers		
Moon Landrieu, P.O. Box 18198 Washington, DC 20036	Coalition to Stop the Raid on America		
Debra L. Larson, 729 15th St., NW Washington, DC 20005	Associated Builders & Contractors, Inc		
Warren Lasko, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America		
Richard A. Lauderbaugh, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn		432.38
Daniel Lauwers, 1840 Wilson Blvd Arlington, VA 22201	National Milk Producers Federation	2,080.00	
Charles B. Lavin Jr., 7101 Wisconsin Ave., #1390 Bethesda, MD 20814	Alarm Industry FCC Frequency Advisory Committee		
Do	Central Station Electrical Protection Assn		
Do	National Burglar & Fire Alarm Assn, Inc		
George H. Lawrence, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	4,000.00	
Richard L. Lawson, 1130 17th St., NW Washington, DC 20036	National Coal Assn	2,800.00	
Wayne R. LaPierre Jr., 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	2,112.50	2,000.00
Leadership Conference on Civil Rights, 2027 Massachusetts Ave., NW Washington, DC 20036			52,577.33
Mary Nell Lehnhard, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	85.40	
Cynthia R. Lenhart, 801 Pennsylvania Avenue, SE, #301 Washington, DC 20003	National Audubon Society	8,000.00	3,248.54
Craig S. Lesser, 23/333 Piedmont Ave Atlanta, GA 30308	Georgia Power Co	8,397.00	10,582.86

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Raymond D. Lett, 201 James Thurber Court Falls Church, VA 22046	Marxman & Associates, Inc		
S. R. Levering, Route 2 Ararat, VA 24053	U.S. Committee for the Oceans		
Barbara W. Levine, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	634.50	
James F. Levy, 215 Assembly Street Columbia, SC 29201	Vista, Inc		
David A. Lewis, 1000 16th St., NW., #810 Washington, DC 20036	Physicians for Social Responsibility	4,127.32	
Stuart A. Lewis, 1919 Pennsylvania Ave., NW, #850 Washington, DC 20006	First Interstate Bancorp	400.00	
Do	Manufacturers Hanover Corp	850.00	
Lawson LeGate, 177 East 900 South, #102 Salt Lake City, UT 84111	Sierra Club	817.80	1,399.94
Janet Lieberman, 1012 14th St., NW, #207 Washington, DC 20005	U.S. Student Association	1,800.00	115.00
William C. Lienesch, 238 10th St., SE Washington, DC 20003	National Parks & Conservation Association	990.00	56.50
Ross W. Lillard, 920 Main Street Kansas City, MO 64105	Stinson Mag & Fizzell (For:Farmland Industries, Inc)		
Victor E. Lindenheim, 1945 Old Gallows Rd., #550 Vienna, VA 22180	American Wood Preservers Institute	1,038.47	
Lipsen Whitten & Diamond, 1725 DeSales St., NW, #800 Washington, DC 20036	American Dehydrated Onion & Garlic Assn	573.34	
Do	Dallas County Utility & Reclamation District		
Do	Dinamo/OVIA	2,253.52	
Do	Enserch Corporation		
Do	McKesson Corp	511.53	
Do	Meridian Bancorp, Inc	913.36	
Do	National Rural Letter Carriers Assn	268.32	
Do	Olivetti USA, Inc		
Do	Perot Group		
Do	Perot Systems	296.30	
Do	Pharmaceutical Card System, Inc	2,040.29	
Do	Pioneer Seed Co, Inc	4,485.92	
Do	Rolls Royce, Inc		
Do	RJR Nabisco, Inc	7,955.68	
Do	Tobacco Institute	84.78	
Do	Westinghouse Electric Corp		
Charles M. Loveless, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	13,978.74	1,080.07
Lukens, Inc, 50 South First Avenue Coatesville, PA 19320			
Sylvester Lukis, 1155 15th St., NW, #510 Washington, DC 20005	Fowler White Gillen Boggs Villareal & Banker (For:National Medical Enterprises, Inc)		
Do	Fowler White Gillen Boggs Villareal & Banker (For:University of Tampa)		
John E. Lynn, 2200 Mill Road Alexandria, VA 22314	American Trucking Assns, Inc	15,000.00	
William T. Lyons, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006	Ciba-Geigy Corp	6,625.00	6,254.00
James E. Mack, 9005 Congressional Court Potomac, MD 20854	Peanut Butter & Nut Processors Assn		
Mackin Sorensen Peizer Richards & Edwards, PS, 2201 Sixth Avenue, #1301 Seattle, WA 98121	Shee Atika, Inc		
Sheila MacDonald, 3231 Beech Street, NW Washington, DC 20015	National Taxpayers Union	2,322.00	
Madison Public Affairs Group, Inc, 2033 M Street, NW, #900 Washington, DC 20036	GE-Government Services	7,053.91	4,702.60
Do	Navajo Nation	4,512.50	3,033.34
Do	Philip Morris USA		
Mimi Mager, 2027 Massachusetts Ave., NW Washington, DC 20036	Leadership Conference on Civil Rights	12,636.40	146.90
Paul J. Magliocchetti, 9527 Wallingford Drive Burke, VA 22015	Paul Magliocchetti Associates, Inc (For:United Technologies, Inc)	4,167.00	
Mary Mahon, 380 Second Avenue New York, NY 10010	Planned Parenthood of New York City, Inc		
James E. Mahoney, 2200 Concord Pike Wilmington, DE 19899	Rollins Jamaica Ltd	3,250.00	233.00
James Timothy Mahoney, 330 Pennsylvania Ave., SE Washington, DC 20003	Sierra Club	8,552.16	31.00
Michael C. Maibach, Intel Corporation, GR1-63 3535 Garrett Drive Santa Clara, CA 95051-8119	Intel Corporation	17,500.00	11,596.53
Anthony S. Makris, 1101 Connecticut Ave., NW, #510 Washington, DC 20036	National Rifle Assn of America		
K. Wayne Malbon, 1250 I Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn	450.00	20.00
Donald W. Mann, 210 The Plaza Teaneck, NJ 07666	Negative Population Growth, Inc	500.00	
Patricia Markey, 1155 15th St., NW, #400 Washington, DC 20005	United Distribution Companies	6,562.00	188.00
Marlowe & Company, 1667 K Street, NW, #660 Washington, DC 20006	Coalition to Keep Alaska Oil	8,662.50	117.00
Chalmers H. Marquis, 3430 Blair Rd. Falls Church, VA 22041	Children's Television Workshop		
Dennis G. Martin, Dow Lohnes & Albertson 1255 23rd St., NW Washington, DC 20037	Dofasco, Inc		
Merrill D. Marxman, 8213 Terra Grande Avenue Springfield, VA 22153	Marxman & Associates, Inc		
Maryland People's Counsel, 231 E. Baltimore Street, 9th Fl. Baltimore, MD 21202			
William A. Maxwell, 311 First Street, NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	2,000.00	424.94
Arnold Mayer, 1775 K St., NW Washington, DC 20006	United Food & Commercial Workers International Union	19,615.38	249.12
Donald S. Mazzullo, 700 Midtown Tower Rochester, NY 14604-2070	Genesee & Wyoming Industries, Inc		
Maryln Lee McAdam, 1010 Vermont Ave., NW, #1100 Washington, DC 20005	Bank of Horton	1,950.00	13.96
Do	Bank One	625.00	40.44
Do	California Student Aid Commission	2,250.00	1,918.28
Do	Colorado Student Loan Program	4,500.00	972.99
Do	FAME	4,500.00	31.78
Do	Illinois State Scholarship Commission	1,237.50	551.98
Do	Just Kids	2,250.00	393.15
Do	Nebraska Higher Education Loan Program, Inc	1,125.00	428.12
Do	Nebraska Student Loan Program		423.04
Do	Texas Guaranteed Student Loan Corp	1,350.00	723.56
Do	Union Bank		
Michael J. McAdams, 1776 Eye Street, NW, #1000 Washington, DC 20006	United Concerned Cosmetology School Owners	6,750.00	9.28
John H. McAllister, Dow Lohnes & Albertson 1255 Twenty Third St., NW Washington, DC 20037	BP America, Inc	4,000.00	
Katherine S. McCarter, 1015 15th Street, NW Washington, DC 20005	Dofasco, Inc		
James R. McCarthy, 1801 K St., NW, Suite 700 Washington, DC 20006	American Public Health Assn	2,566.00	
John M. McClung, 727 N Washington Street Alexandria, VA 22314	Price Waterhouse (For:Sun Co, Inc)		
Frederick D. McClure, 1201 Pennsylvania Ave., NW, #300 Washington, DC 20004	United Fresh Fruit & Vegetable Assn	1,460.00	112.01
Steven A. McCoy, 1030 15th Street, NW #1020 Washington, DC 20005	Texas Air Corp		
McDermott Will & Emery, 1850 K St., NW, #500 Washington, DC 20006	North American Export Grain Assn, Inc		
Do	American Dental Hygienists Assn	11,300.00	
Do	American Imaging Assn	11,000.00	
Do	American Soc of Outpatient Surgeons	2,450.00	
Do	Banks of Iowa		
Do	California Assn of Children's Hospitals	5,900.00	
Do	Caterpillar Tractor Co		
Do	Federal Kemper Life Assurance Co		
Do	Hitachi America, Ltd		
Do	Home Intensive Care, Inc		
Do	Juvenile Diabetes Foundation, International	6,500.00	
Do	Kemper Investors Life Insurance Co		
Do	Lumbermens Mutual Casualty Company		
Do	Outpatient Opthalmic Surgery Society	10,300.00	
Do	Peterson & Sullivan	3,475.00	31.50
Do	Public Employees Retirement Assn of Colorado	1,565.00	17.00
Do	Technicon Instruments Corp		
Dinah D. McElfresh, 1255 23rd Street, NW, #850 Washington, DC 20037	Hauck & Associates, Inc (For:Hearing Industries Assn)		
Christine W. McEntee, 50 F Street, NW, #100 Washington, DC 20001	American Hospital Assn	847.53	
Monica E. McFadden, 2012 Massachusetts Ave., NW Washington, DC 20036	BPW/USA	4,250.00	751.24
Donna Lee McGee, 1001 Connecticut Ave., #701 Washington, DC 20036	Burlington Industries, Inc		
Patricia G. McGinnis, Francis McGinnis & Rees 1000 Potomac St., NW, #401 Washington, DC 20007	California Dept of Education	12,000.00	264.32
Robert McIntyre, 1313 L St., NW Washington, DC 20005	Citizens for Tax Justice	6,635.79	
John J. McKechnie III, 805 15th St., NW, #300 Washington, DC 20005	Credit Union National Assn, Inc	300.00	87.62
Ira E. McKeever, 1224 17th Street, NW Washington, DC 20036	Western Coal Traffic League	17,500.00	
McKenna Conner & Cuneo, 1575 Eye Street, NW, #800 Washington, DC 20005	Savings and Loan League of Colorado, Inc		
James D. McMillan, 1899 L St., NW, #1100 Washington, DC	Exxon Corporation	1,000.00	704.96
Larry McNickle, 1129 20th St., NW, #400 Washington, DC 20036	American Assn of Homes for the Aging	917.30	82.81
Francis X. Meaney, 1825 Eye Street, NW Washington, DC 20006	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Goldman Sachs & Co)		
Do	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Securities Industry Assn)	2,100.00	
Medtronic, Inc, 7000 Central Ave., NE Minneapolis, MN 55432			56.34
Larry Mehlhaff, 23 N. Scott Sheridan, WY 82801	Sierra Club	3,449.42	3,449.42
Susan R. Meisinger, 606 North Washington Street Alexandria, VA 22314	American Soc for Personnel Administration	15,000.00	
Margaret Mellon, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	700.80	
Harold E. Mesirow, 1220 19th Street, NW Washington, DC 20036	Lillick McHose Charles (For:Foss Maritime, Inc)		
Do	Leva Hawes Mason Martin & Bebchick (For:Foss Maritime, Inc)		
John L. Mica, 201 Massachusetts Ave., NE, #C-9 Washington, DC 20002	Harris Government Systems		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Harris-RF Communications		
Do	Harris/3M Document Products, Inc		
Janice I. Milazzo, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc		
Milgrim Thomajan & Lee, P.C., 1025 Connecticut Ave, NW, #1000 Washington, DC 20036	Management Data Communications Corp		
Carol Miller, 2012 Massachusetts Ave., NW Washington, DC 20036	BPW/USA	2,300.00	354.45
Dale Miller, 4000 Reno Road, NW Washington, DC 20008	Texasgulf, Inc		
Marye T. Miller, 1200 East Capitol Street, NE, #6 Washington, DC 20002	Mobil Oil Corp		
Paul J. Miller, 8000 Sears Tower Chicago, IL 60606	Investment Counsel Assn of America, Inc	8.00	
Peggy Miller, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	7,241.52	125.00
William T. Miller, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))	60.75	41.20
Miller & Chevalier, Chtd, 655 15th St., NW, #900 Washington, DC 20005-5701	De La Salle Institute	1,520.00	
Do	Hercules, Inc		
Miller Hamilton Snider & Odom, P.O. Box 46 Mobile, AL 36601	American Pioneer Corporation		
Do	Charter Federal Savings & Loan Assn		
Do	Colonial Bancgroup, Inc		
Do	Honolulu Federal Savings and Loan Assn	1,862.50	7,046.76
Robert G. Mills, 450 Maple Ave., East, #204 Vienna, VA 22180	U.S. Defense Committee	2,400.00	
John H. Miner, Room 1414-South Building, USDA Washington, DC 20250	Organization of Professional Employees of USDA	326.10	
Mintz Levin Cohn Ferris Glovsky & Popeo, P.C., 1825 I Street, NW, #1200 Washington, DC 20006	Houghton Mifflin Company	6,480.00	
David T. Modi, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co		
W.W. Collin Moller, 1825 Eye St., NW, #1100 Washington, DC 20006	Lockheed Corporation	2,100.00	459.84
Elizabeth R. Monro, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America		
Montana Market Development Co, 305 West Mercury St., #307 Butte, MT 59701	Madison Public Affairs Group	675.00	2,066.00
Timothy X. Moore, Timothy Moore & Co 2900 M Street, NW, #300 Washington, DC 20007	All-Industry TV Music License Committee	1,500.00	
Do	Swidler & Berlin, Chtd		
Mark E. Moran, 1129 20th Street, NW Washington, DC 20036	Shawn Berger Mann & Moran (For:Government of Mexico)	2,620.00	1,747.00
Peter Denis Morgan, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,750.00	39.96
James Morrison, 601 Pennsylvania Ave, NW, #700 Washington, DC 20004-2602	Business Executives for National Security		
James W. Morrison Jr., 815 Connecticut Ave., NW, #800 Washington, DC 20006	ARA Services, Inc	6,249.99	
Do	Morrison Associates (For:Blue Cross & Blue Shield Assn)	26,582.00	1,646.03
Valerie T. Morse, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co		
George R. Moses, 2033 M Street, NW #300 Washington, DC 20036	National Association of Arab Americans	5,625.00	173.65
Laurie A. Moshier, 2001 Eye Street, NW Washington, DC 20006	Electronic Industries Assn	200.00	
Shelley R. Moskowitz, 236 Mass. Ave., NE, #608 Washington, DC 20002	Neighbor to Neighbor Action Fund	3,000.00	3,636.00
Mudge Rose Guthrie Alexander & Ferdon, 2121 K Street, NW, #700 Washington, DC 20037	Government of Hong Kong, Trade Dept	1,488.00	110.61
Do	U.S. Assn of Importers of Textile and Apparel (USITA)	1,641.60	264.74
James S. Mulhern, 1840 Wilson Boulevard Arlington, VA 22201	National Milk Producers Federation	4,300.00	
Richard J. Muller, 1100 Connecticut Ave., NW, #930 Washington, DC 20036	Chrysler Corporation	2,000.00	105.00
Betty J. Munis, 1301 Pennsylvania Ave., #300 Washington, DC 20004	Public Lands Council	1,000.00	
Evelyn Fieman Munley, 1129 20th Street, NW, #400 Washington, DC 20036	American Assn of Homes for the Aging		
Barbara Munson, 1300 North 17th St., #1200 Arlington, VA 22209	Consumer Bankers Assn	7,218.75	102.32
Patricia Collins Murdock, 1625 L St., NW Washington, DC 20036	American Fed of State County & Municipal Employees	9,386.32	147.90
Daniel J. Murphy, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Co, Inc)		
Do	Murphy & Demory, Ltd (For:Com-Land Group, Inc)		
Do	Murphy & Demory, Ltd (For:Korea Tacoma Marine Industries, Ltd)	2,000.00	
Do	Murphy & Demory, Ltd (For:Tridec Westinghouse)		
Jeanne Marie Murphy, 805 15th St., NW, #300 Washington, DC 20005	Credit Union National Assn, Inc	300.00	49.56
Margaret R. Murray, McLeod & Pires 2501 M Street, NW, #400 Washington, DC 20037	American Assn of Crop Insurers		
Do	National Rural Telecom Assn		
Do	United Egg Producers		
Murray & Scheer, 2715 M Street, NW, #300 Washington, DC 20007	Sweetner Users Assn	500.00	
Diane M. Nash, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	9,715.00	
Frances E. Nathan, 14 East 90 Street New York City, NY 10128	New York Public Library	2,146.50	
National Abortion Rights Action League, 1101 14th Street, NW, 5th Floor Washington, DC 20005			13,225.06
National Assn for Uniformed Services, 5535 Hempstead Way Springfield, VA 22151		3,859.52	4,328.46
National Assn of Catalog Showroom Merchandisers, C/O Kelly, Eckhaus, Mohen 40 Birch Hill Road Locust Valley, NY 11560			2,922.50
National Assn of Letter Carriers, 100 Indiana Ave., NW Washington, DC 20001		5,576,875.00	186,372.85
National Assn of Securities and Commercial Attorneys, 1401 New York Ave., #740 Washington, DC 20005		32,000.00	2,500.00
National Assn of Wheat Growers, 415 2nd St., NE, #300 Washington, DC 20002		7,900.00	6,412.91
National Broiler Council, 1155 15th St., NW Washington, DC 20005		3,170.00	3,170.00
National Club Association, 1625 Eye St., NW, #609 Washington, DC 20006			
National Coal Assn, 1130 17th Street, NW Washington, DC 20036		1,543,967.08	17,659.97
National Coalition of Fresh Potato Processors, c/o Collier Shannon Rill & Scott 1055 Thomas Jefferson St., NW Washington, DC 20007.			
National Coalition to Ban Handguns, 100 Maryland Ave., NE Washington, DC 20002		147,824.00	6,577.00
National Comm of Cities & States for Airline Service, Transportation Bldg., #417 St. Paul, MN 55156		11,000.00	9,004.13
National Education Assn, 1201 16th St., NW Washington, DC 20036		52,723.35	52,723.35
National Family Planning & Reproductive Health Assn, Inc, 122 C St., NW, #380 Washington, DC 20001		55,521.00	3,616.00
National League of Postmasters of the U.S., 1023 North Royal Street Alexandria, VA 22314			37,946.00
National Milk Producers Federation, 1840 Wilson Blvd. Arlington, VA 22201			
National Rifle Assn of America, 1600 Rhode Island Ave., NW Washington, DC 20036		489,608.79	364,815.21
National Rural Housing Coalition, 122 C Street, NW, #875 Washington, DC 20002		3,439.09	19,405.81
National Rural Letter Carriers Assn, 1448 Duke St., #100 Alexandria, VA 22314		19,129.00	25,325.00
National Strategies, Inc, 888 17th Street, NW, 12th Floor Washington, DC 20006	Brownstein Hyatt Farber & Madden (for American West), et al		276.47
National Taxpayers Union, 325 Pennsylvania Ave., SE Washington, DC 20003		18,356.00	11,900.00
National Telephone Cooperative Assn, 2626 Pennsylvania Ave., NW Washington, DC 20037		27,000.00	2,399.92
National Tire Dealers & Retreaders Assn, 1250 Eye Street, NW, #400 Washington, DC 20005		6,711.00	6,711.00
National Tour Assn, Inc, 546 E. Main Street Lexington, KY 40508		54,685.00	54,685.00
Natural Gas Supply Assn, 1129 20th St. nw #300 Washington, DC 20036		2,147,750.00	27,084.95
Michael W. Naylor, 1001 Pennsylvania Ave, NW, #700 Washington, DC 20004-2502	Allied-Signal, Inc		
Ralph G. Neas, 2027 Massachusetts Ave., NW Washington, DC 20036	Leadership Conference on Civil Rights	16,692.34	303.90
Allen Neece Jr., 1050 17th Street, NW Washington, DC 20036	Neece Cator & Associates, Inc (For:National Small Business United)	4,500.00	505.00
Do	Neece Cator & Associates, Inc (For:National Venture Capital Association)		
Neece Cator & Associates, Inc, 1050 17th Street, NW, #810 Washington, DC 20036	National Small Business United	4,500.00	505.00
Do	National Venture Capital Association		
Do	Southeastern Lumber Manufacturers Assn	12,000.00	1,975.00
Laura C. Nehf, 1101 Connecticut Avenue, NW, #405 Washington, DC 20036	Filler & Nehf, P.C. (For:Association of Progressive Rental Organizations)		9,410.00
Christine V. Nelson, 2501 M Street, NW, #400 Washington, DC 20037	McLeod & Pires (For:United Egg Assn)		
E. Colette Nelson, 1004 Duke St. Alexandria, VA 22314	American Subcontractors Assn	1,800.00	
Janis A. Nero, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn		242.11
Neal Neuberger, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	4,717.48	931.35
David B. Neumeyer, 1319 F St., NW, #500 Washington, DC 20004	Food Research & Action Center		
Louis H. Nevins, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:American Savings Bank, FSB)		6.50
Do	Thacher Proffitt & Wood (For:Boston Five Cents Savings Bank, FSB)		6.50
Do	Thacher Proffitt & Wood (For:Castine Partners)		151.91
Do	Thacher Proffitt & Wood (For:Dollar Bank, FSB)		6.50
Do	Thacher Proffitt & Wood (For:Ranieri Wilson & Co, Inc)		181.91
Newman & Holtzinger, P.C., 1615 L St., NW, #1000 Washington, DC 20036	Utility Nuclear Waste Management Group		
Anne L. Nicoll, 50 F St., NW, #1100 Washington, DC 20001	American Hospital Assn	91.24	210.29
Ellen Nissenbaum, 236 Massachusetts Avenue, NE, #305 Washington, DC 20002	Center on Budget & Policy Priorities	538.44	4.25
North American Export Grain Assn, Inc, 1030 15th Street, NW, #1020 Washington, DC 20005			
Nossaman Guthner Knox & Elliott, 1140 19th St., NW, #600 Washington, DC 20036	Aetna Life & Casualty	2,200.00	1,825.00
Do	California Co-Compost Systems		
Do	California Student Loan Finance Corp	625.00	1,750.00
Do	Northwestern National Life Insurance Co	700.00	375.00
Do	Southern California Edison Co	675.00	375.00
Do	Telesphere International, Inc		
Michael P. O'Brien, 1004 Duke Street Alexandria, VA 22314	American Subcontractors Assn	1,200.00	
Terrence M. O'Connell II, 444 N. Capitol Street, NW, #711 Washington, DC 20001	Keefe Co (For:Sanders Associates, Inc)	1,500.00	
Do	Keefe Company (For:UNIAO Nacional Para Independencia Total DeAngola)	3,000.00	
James E. O'Connor, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	20,000.00	108.72
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Bus Assn		
Do	American Health Care Assn		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	American Inst of Certified Public Accountants	1,130.00	
Do	American Soc of Assn Executives	4,763.14	
Do	American Soc of Cataract & Refractive Surgery	900.00	
Do	Connaught Laboratories, Inc	12,694.19	
Do	Crescent Cities Jaycees Foundation, Inc	871.35	
Do	Health Care Financing Study Group		
Do	Historic Landmarks for Living		
Do	Independent Computer Consultants Assn	5,435.81	
Do	Michigan Consolidated Gas Co	3,446.17	
Do	Morgan Grenfell Group, PLC	4,415.00	
Do	National Funeral Directors Assn	6,532.89	
Do	National Republican Alliance of El Salvador (ARENA)	10,000.00	5,200.00
Do	Pacific Telesis Group	11,500.00	
Do	Prudential Insurance Co of America	800.00	
Do	Securities Industry Assn	10,400.00	
Do	SmithKline Beckman Corp	5,231.78	
Do	Westinghouse Electric Corp	6,191.25	
Kathleen O'Leary, 1250 Eye St., NW, #703 Washington, DC 20005	Columbia Gas Transmission Corp	4,000.00	
Law Offices of John O'Neal, P.C., 1455 Pennsylvania Ave., NW, #1200 Washington, DC 20004	National Rural Telecom Assn	1,925.00	
Lawrence Olsen, 400 W. 15th, #417 Austin, TX 78701	Texas Good Roads/Transportation Assn	3,000.00	4,300.00
Organ. for Protection & Advancement of Small Telephone Cos, 2000 K Street, NW, #205 Washington, DC 20006			
Organization of Professional Employees of USDA, Rm. 1414 S. Building U.S. Dept of Agriculture Washington, DC 20250		3,152.30	1,685.12
David S. Osterhout, 1825 Eye Street, NW, #1000 Washington, DC 20006	Lockheed Corporation	3,000.00	2,216.26
Allen Scott Pack, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Algoma Steel Corp, Ltd, et al	500.00	
Preston R. Padden, 1200 18th St., NW Washington, DC 20036	Association of Independent Television Stations, Inc	3,500.00	
Pagonis & Donnelly Group, Inc, 1620 I Street, NW, #202 Washington, DC 20006	Government of the Republic of Transkei		
Alejandro J. Palacios, 110 Maryland Avenue, NE Washington, DC 20002	U.S. Committee for UNICEF	15,000.00	
Geri Palast, 1313 L St., NW Washington, DC 20015	Service Employees International Union, AFL-CIO, CLC	1,200.00	86.09
Nancy L. Parke, 210 Little Falls Street Falls Church, VA 22046	American Cong. on Survey. & Mapp./Amer Soc of Photogrammetry	2,692.25	10,354.85
Sara Lynn Parker, 1319 F St., NW, #500 Washington, DC 20004	Food Research & Action Center		
Prudence H. Parks, 11301 Popes Head Road Fairfax, VA 22030	Washington Gas Light Co	456.25	
Ken Parmelee, 1448 Duke Street, #100 Alexandria, VA 22314	National Rural Letter Carriers Assn	14,649.00	2,359.00
Charles C. Partridge, 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services	2,625.00	
DeLane Pate, c/o Dow, Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Laurel Steel Products Ltd		
Paul Weiss Rifkind Wharton & Garrison, 1615 L Street, NW, #1300 Washington, DC 20036	McDonnell Douglas Corp		
Do	National Music Publisher's Assn, Inc		
Do	NEC Corp and NEC America, Inc		
Peace Political Action Committee, 100 Maryland Avenue, NE Washington, DC 20002			7,660.58
Elin Peltz, 1511 K St., NW, #723 Washington, DC 20005	Hawaiian Sugar Planters' Assn		
Edward F. Pembleton, 801 Pennsylvania Ave., SE Washington, DC 20003	National Audubon Society	2,200.00	400.00
Nicholas J. Penning, 1801 N. Moore Street Arlington, VA 22209	American Assn of School Administrators	7,800.00	
James C. Pennington, 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services	1,312.50	
Joseph M. Penot Sr., 100 Indiana Ave, NW, #311 Washington, DC 20001	Radio Officers Union	13,750.00	
Pension Rights Center, 918 16th St., NW, #704 Washington, DC 20006			195.55
Monica S. Penwell, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn		
Pepper & Corazzini, 1776 K St., NW Washington, DC 20006	Tempo Enterprises, Inc		
Robert A. Perkins, 1100 Connecticut Avenue, NW Washington, DC 20036	Chrysler Corporation	15,000.00	550.00
Abigail Perlman, 801 17th Street, NW., #200 Washington, DC 20006	Federal Asset Disposition Assn	5,500.00	250.00
Leonard Perlman, 5312 Trailway Drive Rockville, MD 20853	American Assn for Counseling & Development		
Michael J. Petrina Jr., 1110 Vermont Avenue, NW, #800 Washington, DC 20005	Cosmetic Toiletry & Fragrance Assn, Inc		
Evelyn A. Petschek, 1730 Pennsylvania Ave., NW Washington, DC 20006	Patterson Belknap Webb & Tyler (For:Cultural Institutions Retirement Systems)		
Do	Patterson Belknap Webb & Tyler (For:Financial Institutions Retirement Fund)	12,220.00	
Susan M. Pettey, 1129 20th Street, NW, #400 Washington, DC 20036	American Assn of Homes for the Aging		
Pettit & Martin, 1800 Massachusetts Avenue, NW, #600 Washington, DC 20036	American Suzuki Motor Corp	21,013.00	259.32
Do	Nippon Yusen Kaisha (NYK) Line	5,467.00	183.14
Paul J. Phoenix, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
Physicians for Social Responsibility, 1000 16th Street, NW, #810 Washington, DC 20036		11,113.77	10,467.08
Joan Piccolo, 1776 K Street, NW, #300 Washington, DC 20006	Motorola, Inc	4,500.00	
Pierson Ball & Dowd, 1200 18th St., NW, #1000 Washington, DC 20036	American Academy of Pediatrics	10,000.00	
Do	American College of Osteopathic Surgeons	9,000.00	
Do	Amgen	10,752.80	
Do	Contel ASC	2,500.00	
Do	Dun & Bradstreet		
Do	Genentech		
Do	Infectious Diseases Society of America	4,886.25	
Do	National Assn for Biomedical Research	1,523.50	
Do	Securities Industry Assn	2,750.00	
Do	Society of Critical Care Medicine	3,500.00	
Pillsbury Madison & Sutro, 1667 K St., NW, #1100 Washington, DC 20006	Federal Home Loan Bank of San Francisco		
James H. Pissot, 801 Pennsylvania Ave., SE, #301 Washington, DC 20003	National Audubon Society	4,833.00	7,549.54
Planned Parenthood Fed of America, Inc, 2010 Massachusetts Avenue, NW, 5th Fl. Washington, DC 20036		9,918.03	9,918.03
Podesta Associates, Inc, 424 C Street, NE Washington, DC 20002	Chemical Producers & Distributors Assn	835.38	1,691.65
Jean S. Polatsek, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	802.58	421.15
Richard J. Pollack, 50 F Street, NW #1100 Washington, DC 20001	American Hospital Assn	12,896.48	121.69
John Pomeranz, 1319 F Street, NW, #300 Washington, DC 20004	HALT		
Amy L. Pomplin, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn		
Donna Potemken, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	804.72	38.65
Powell Goldstein Frazer & Murphy, 1001 Pennsylvania Ave., NW, 6th Floor Washington, DC 20004	Alliance for Medical Nutrition	2,261.00	
Do	American Council on Education	108.00	
Do	CORETECH	120.00	
Do	General Cinema Corp		
Do	Public Service Company of Indiana, Inc		
Do	Westinghouse Electric Corp	1,980.00	
Graydon R. Powers Jr., 1101 16th St., NW Washington, DC 20036	Scientific Apparatus Makers Assn		
Prather Seeger Doolittle & Farmer, 1600 M Street, NW, 7th Floor Washington, DC 20036	Banker's Assn for Foreign Trade	1,425.00	615.16
Do	John Hancock Mutual Life Insurance Co	1,890.00	373.66
Robert L. Pratt, 303 Wyman Street Waltham, MA 02154	Thermo Electron Corporation	8,250.00	2,843.00
Richard H. Prendergast, 1020 19th St., NW Washington, DC 20036	Anderson Benjamin Read & Haney (For:De La Rue Giori of America, Inc)		
Do	Anderson Benjamin Read & Haney (For:SICPA Industries of America, Inc)		
Woodruff M. Price, 1331 Pennsylvania Ave., NW, #560 Washington, DC 20004	CSX Corporation	6,000.00	326.95
Lesley Primmer, 2010 Massachusetts Avenue, NW, 5th Fl. Washington, DC 20036	Planned Parenthood Fed of America, Inc	1,569.59	
Joel Pritchard, Bogle & Gates One Thomas Circle, NW, #900 Washington, DC 20005	International Telecommunications Satellite Organization		
George W. Pritts Jr., 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	1,875.00	222.58
Project Advisory Group, 1029 Vermont Ave., NW, #860 Washington, DC 20005			3,323.65
Gerald R. Prout, 1627 K St., NW, #500 Washington, DC 20006	FMC Corporation	1,585.00	
Peri Jude Radecic, 1517 U Street, NW Washington, DC 20009	National Gay & Lesbian Task Force (NGLTF)	6,750.00	
Thomas F. Railsback, 2000 M Street, NW Washington, DC 20036	Graham & James (For:American Hawaii Cruises)	575.00	
Do	Graham & James (For:American Insurance Association)		
Do	Graham & James (For:Attorneys' Title Guaranty Fund, Inc)		
Do	Graham & James (For:Federal Administrative Law Judges Conference)	1,575.00	
Do	Graham & James (For:Federal Judges Association)	3,500.00	
Do	Finishing Enterprises, Inc		
Do	Graham & James (For:Illinois Health Facilities Authority)		
Do	Merck & Co, Inc		
Do	Graham & James (For:National Council of U.S. Magistrates)	4,850.00	
Do	Graham & James (For:Walt Disney Productions)	1,075.00	
Kathleen Marie Ramsey, 1010 Wisconsin Avenue, NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
Robert A. Rapoza Associates, Inc, 122 C Street, NW, # 875 Washington, DC 20001	Coastal Enterprises, Inc	1,250.00	
Do	Community Enterprise Development Corp of Alaska	1,250.00	
Do	Community Transportation Association of America		
Do	Local Initiatives Support Corp		47.97
Do	National Rural Housing Coalition	12,000.00	
Do	Policy & Management Associates	22,222.20	1,550.20

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Rural Opportunities, Inc	1,500.00	
Recording Industry Assn of America, Inc, 1020 19th St., NW #200 Washington, DC 20036		7,666.00	9,266.00
Joseph M. Rees, Francis Mcginnis & Rees, Inc 1000 Potomac Street, NW, #401 Washington, DC 20007	National Assn of Personnel Consultants		
Do	National Coalition Burn Center Hospitals	6,000.00	
Robert S. Reese Jr., 1341 G Street, NW, #900 Washington, DC 20005	American Trucking Assns, Inc	9,000.00	
William D. Reese, Annex 6, Room 200 1407 West North Temple Salt Lake City, UT 84140	Utah Power & Light Co		
John T. Reggitts Jr., 95 Booton Ave. P.O. Box 470 Boonton, NJ 07005			
Michael W. Reid, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	2,917.25	312.46
Dale L. Reistad, 1421 Prince Street,#310 Alexandria, VA 22314	Electronic Funds Transfer Assn		
Religious Coalition for Abortion Rights, Inc, 100 Maryland Avenue, NE Washington, DC 20002		390,154.93	13,538.86
Renewable Fuels Assn, 201 Massachusettes Ave, NE, #C-4 Washington, DC 20002			
Reserve Officers Assn of the US, 1 Constitution Ave., NE Washington, DC 20002		4,473.89	15,998.96
Resources Fund, Inc, 1535 P Street, NW Washington, DC 20005			
Paul C. Rettig, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn		
Steve Ricchetti, 655 15th Street NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	1,998.00	429.87
Kevin C. Richardson, 2001 Eye St., NW Washington, DC 20006	Electronic Industries Assn	3,000.00	
Glenn Wadsworth Riddell, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Laurel Steel Products Ltd, et al		
Dr. Mark J. Riedy, 1101 15th Street, NW, #400 Washington, DC 20005	National Council for Savings Institutions	10,000.00	
Siert F. Riepma, 1101 15th St., NW, #202 Washington, DC 20005	National Assn of Margarine Manufacturers		
P. Robert Rigney Jr., 1117 North 19th Street, #600 Arlington, VA 22209	American Assn of Blood Banks	1,250.00	
Susan Riley, 1401 New York Ave., NW, #900 Washington, DC 20005-2102	Capital Strategies, Inc (For:Camera de la Industria de Transformacion de Nueve Leon).	2,000.00	
Do	Capital Strategies, Inc (For:Export Packers Co, Ltd)		
Do	Capital Strategies, Inc (For:Forest City Residential Development, Inc)		
Do	Capital Strategies, Inc (For:Kidder Peabody & Co, Inc)		
Do	Capital Strategies, Inc (For:South Bay Foundry)	4,000.00	
Do	Capital Strategies, Inc (For:Tri-Star Electronics)	1,000.00	
Do	Capital Strategies, Inc (For:Universal Furniture Industries, Inc)		
Do	Capital Strategies, Inc (For:Vitrocrisa Cristaleria, S.A.)	4,000.00	
Rivkin Radler Dunne & Bayh, 1575 I Street, NW, #1025 Washington, DC 20005	Ad Hoc Ethanol Committee		
Do	Akin Gump... (Drexel Burnham Lambert, Inc)		
Do	Allstate Insurance Co	691.25	
Do	American Bakers Assn	572.50	
Do	Business Coalition for RICO Reform	9,785.50	307.62
Do	City of South Bend	150.00	
Do	Energy Contractors Price-Anderson Group		
Do	Gunnar Dana Associates		
Do	Merrill Lynch & Co, Ins		34.50
Do	New Energy Co of Indiana	2,712.50	
Do	Renewable Fuels Assn	3,400.00	
Do	Texas Savings & Loan League	5,000.00	200.00
Michelle Robbins, 1825 Eye St., NW, #1100 Washington, DC 20006	Lockheed Corporation	2,000.00	325.27
Liz Robbins Associates, 420 7th St., SE Washington, DC 20003	Access Corporation	1,050.00	4,564.93
Do	Babcock & Brown	3,000.00	4,564.93
Do	Baldwin Company	2,737.80	4,564.93
Do	Carlan Homes	1,404.00	4,564.93
Do	Commercial Cartage	2,500.00	4,564.93
Do	Farmland Dairies	7,200.00	4,564.93
Do	Gaymar Industries, Inc	1,620.00	4,564.93
Do	J.M. Peters Co, Inc	2,737.80	4,564.93
Do	J.P. Rhodes	912.60	4,564.93
Do	Lewis Homes	2,737.80	4,564.93
Do	Montifiore Medical Center	4,500.00	4,564.93
Do	Morgan Lewis & Bockius	3,000.00	4,564.93
Do	Mt. Sinai Hospital	4,500.00	4,564.93
Do	MDC-Hold	2,737.80	4,564.93
Do	New York Hospital	4,500.00	4,564.93
Do	New York Public Library	3,750.00	4,564.93
Do	NYU Medical	4,500.00	4,564.93
Do	Phoenix House	900.00	4,564.93
Do	Presbyterian Hospital	4,500.00	4,564.93
Do	Scholastic, Inc	3,604.57	8,774.41
Do	Southern Baptist Press Assn	125.00	4,564.93
Do	Standard Pacific, L.P.	1,687.50	4,564.93
Do	Vail/Beaver Creek	13,500.00	4,564.93
Do	Warburg Pincus Capital Corp	9,600.00	4,564.93
Do	Wespray Corporation		4,564.93
Do	William Lyon Co	2,737.80	4,564.93
Do	WTVT-13	3,750.00	4,564.93
Carole T. Roberts, 901 15th Street, NW, #520 Washington, DC 20005	Travelers Companies	1,825.00	
Perry A. Roberts, 8000 W. Florissant St. Louis, MO 63136	Emerson Electric Co		898.14
Richard R. Roberts, 402 8th Street, N.E. Washington, DC 20002	American Council of Highway Advertisers	1,500.00	1,417.27
Do	South Sea Charter Service		
William A. Roberts, 444 North Capitol St., #711 Washington, DC 20001	Keefe Company (For:Broward County Governmental Center)	1,800.00	
Do	Keefe Co (For:City of Tampa)	1,500.00	
Do	Keefe Company (For:Dallas Area Rapid Transit)	1,250.00	
Do	Keefe Company (For:Hillsborough Area Regional Transit)	1,000.00	
Do	Keefe Co (For:Sanders Associates, Inc)	500.00	
Do	Keefe Company (For:Tom Bulger & Co (for County of Fairfax))	500.00	
Do	Keefe Company (For:Tres Grande Vitesse (TGV-USA, Inc))	1,000.00	
Do	Keefe Company (For:University of Miami)	1,000.00	
Do	TKC International, Inc (For:UNIAO Nacional Para Independencia Total DeAngola)	12,500.00	
Do	TKC International, Inc (For:Westinghouse Electric Corp)		
Nathan Robfogel, 700 Midtown Tower Rochester, NY 14604-2070	Genesee & Wyoming Industries, Inc		
Michelle Robinson, 100 Maryland Avenue, NE Washington, DC 20002	Peace Political Action Committee	4,590.54	
Robinson Lake Lerer & Montgomery, 1667 K St., NW, #900 Washington, DC 20006	Napa Flood Control and Water Conservation District	3,000.00	
Michael J. Rock, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	6,970.35	531.68
Michael F. Rodgers, 1129 20th St., NW, #400 Washington, DC 20036	American Assn of Homes for the Aging	231.50	26.00
Terrence L. Rogers, 80 F St., NW Washington, DC 20001	American Fed of Government Employees	11,588.15	31,607.89
Carole M. Rogin, 1255 23rd Street, NW, #850 Washington, DC 20037	Hauck & Associates, Inc (For:Hearing Industries Assn)		
Barry K. Rogstad, 1730 K Street, NW, #1200 Washington, DC 20006	American Business Conference Inc	3,125.00	25.00
George L. Rolofson, P.O. Box 18300 Greensboro, NC 27419	CIBA-GEIGY Corp	3,450.00	2,370.49
Daniel Romanko, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Canadian Steel Producers Assn		
Joseph D. Romer, 304 N. Virginia Avenue Falls Church, VA 22046	Brown Bridgman & Company		
Hilary Rosen, 1020 19th St., NW, #200 Washington, DC 20036	Recording Industry Assn of America	2,900.00	
Gregory M. Rosenberg, 5410 Grosvenor Lane, #120 Bethesda, MD 20814	Mechanical Contractors Assn of America, Inc		
Lawrence J. Ross, 1700 K Street, NW, #1100 Washington, DC 20006	Ross and Duerk, P.C.		
Joseph L. Rosso, 2200 Mill Road Alexandria, VA 22314	American Trucking Assns, Inc	9,000.00	
Edwin Rothschild, 1300 Connecticut Ave., NW, #401 Washington, DC 20036	Citizen Action	750.00	310.00
Do	Citizen/Labor Energy Coalition	1,500.00	1,970.00
Robert S. Royer, 1747 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Drexel Burnham Lambert, Inc		
James S. Rubin, Kleinfeld Kaplan & Becker 1140 19th Street, NW Washington, DC 20036	Research Corp Technologies		
Lois J. Rude, 50 F Street, NW, #1080 Washington, DC 20001	BR Services, Inc	500.00	517.59
Robert A. Rusbuldt, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	20,354.00	
Dorothea L. Russell, 1120 Vermont Avenue, NW, #1120 Washington, DC 20005	National Candy Wholesalers Assn, Inc		
William Russell & Associates, Inc, 1701 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Golbal Broadcasting System	12,000.00	177.56
Do	Pacific Telecom, Inc		
J. T. Rutherford & Associates, Inc, 1301 N. Courthouse Rd., #1802 Arlington, VA 22201	American College of Radiology		241.20
Do	American Optometric Assn		154.20
Do	Association of Federal Investigators		25.50
Anthony J. Saggese Jr., 1050 17th St., NW, #500 Washington, DC 20036	Texaco, Inc		
Felix R. Sanchez, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	1,500.00	690.60
Betty O. Sapp, 1601 Duke Street Alexandria, VA 22314	Society of American Florists		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Leslie Sarasin, 1010 Massachusetts Avenue, NW Washington, DC 20001	National Food Brokers Assn		
Mary Jane Saunders, 1300 N. 17th Street, #300 Arlington, VA 22209	ADAPSO, The Computer Software & Services Industry Assn		
Thomas A. Schatz, 1511 K Street, NW, #643 Washington, DC 20002	Council for Citizens Against Government Waste	1,500.00	14.50
Robert J. Schenk, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Schmeltzer Aptaker & Sheppard, 2600 Virginia Ave., NW, #1000 Washington, DC 20037	American Honda Motor Co, Inc	390.00	
Schnitzer Steel Products Co, 3200 N.W. Yeon Avenue Portland, OR 97210			93.75
H. B. W. Schroeder, 1016 16th Street, NW, 5th Floor Washington, DC 20036	Consumers Power Co	8,000.00	6,998.00
Schwabe Williamson & Wyatt, 2000 Pennsylvania Ave., NW, #8335 Washington, DC 20006	Investment Co Institute	783.06	916.47
Do	Physicians Medical Laboratories	1,370.63	1,603.89
Do	Public Generating Pool	1,354.75	1,585.93
Do	State of Oregon, City of Portland, Oregon Metro	6,513.98	7,624.44
Elizabeth Nash Schwartz, 1700 N. Moore St., #2120 Rosslyn, VA 22209	Boeing Company	2,263.00	1,818.23
Carl F. Schwensen, 415 2nd St., NE, #300 Washington, DC 20002	National Assn of Wheat Growers	1,244.16	
Scientific Apparatus Makers Assn, 1101 16th St., NW Washington, DC 20036		6,989.57	1,406.00
R. Denny Scott, 101 Constitution Ave., NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America		
Debbie Sease, 408 C St., NE Washington, DC 20002	Sierra Club	5,948.80	16.00
Pamela Sederholm, 1919 Pennsylvania Avenue, NW #504 Washington, DC 20006	American Institute of Architects		
George H. Seidel Jr., Associated Petroleum Industries of Pa P.O. Box 925 Harrisburg, PA 17108	American Petroleum Institute	652.50	541.43
M. Mark Seklecki, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	801.97	
Stuart D. Serkin, 1156 15th Street, NW, #505 Washington, DC 20009	Coal & Slurry Technology Assn	1,000.00	
Seven Months Session for Congress, 4210 Spicewood Road, #202 Austin, TX 78759			181.00
Seward & Kissel, 818 Connecticut Avenue, NW, #800 Washington, DC 20006	Merrill Lynch & Co, Inc	918.00	
Do			
John Hunter Sharp, 1129 20th St., NW, #300 Washington, DC 20036	Natural Gas Supply Assn	17,250.00	3,944.36
Shaw Pittman Potts & Trowbridge, 2300 N Street, NW Washington, DC 20037	Alabama Contruction Contractors	74.35	22.77
Do	American Insurance Assn	1,209.06	
Do	Aronov Realty		
Do	Auburn University	3,000.00	427.99
Do	ADDSCO Industries, Inc		
Do	Bristol-Myers Co	750.00	
Do	Citmoco Services, Inc	3,348.75	229.22
Do	Drummond Company, Inc	1,875.00	278.99
Do	Emerson Electric Co		
Do	Federation of Bankers Assn of Japan		
Do	Institute of International Bankers		
Do	Intergraph Corporation	758.75	80.59
Do	Investment Counsel Assn of America, Inc		
Do	Michelin Tire Company	4,410.00	423.69
Do	Minimum Wage Coalition to Save Jobs		
Do	Munitions Carrier Conference	625.00	209.98
Do	National Industries	714.38	88.96
Do	Pfizer, Inc	6,750.00	104.92
Do	Private Child Care Providers	4,776.94	414.06
Do	Rust Engineering	4,703.88	255.10
Do	Southern Company Services, Inc	3,750.00	650.41
Do	Utility Nuclear Waste Management Group		
Do	Vulcan Materials Co	4,776.94	414.06
Shea & Gould, 1775 Pennsylvania Ave, NW, #700 Washington, DC 20006	Group Health, Inc		
Mary Sheckelhoff, 1000 Potomac Street, NW, #401 Washington, DC 20007	California Department of Education		
Do	National Assn of Personnel Consultants		
R. Parker Sherrill, One Park Plaza P.O. Box 550 Nashville, TN 37202-0550	HCA The Healthcare Company		
Carl Shipley, 475 Galleon Dr. Naples, FL 33940	Eagle-Picher Ind., Inc	10,000.00	
John Shuey, P.O. Box 3151 Houston, TX 77253	Browning-Ferris Industries, Inc		
Andrew Siegel, 100 Maryland Ave., NE Washington, DC 20002	Council for a Livable World	1,395.86	
Sierra Club, 730 Polk Street San Francisco, CA 94109		272,491.81	272,491.81
William A. Signer, 444 North Capitol St., NW, #711 Washington, DC 20001	Keefe Company (For:A.P.G. Corp)		
Do	Keefe Company (For:Corporate Growth Concepts)		
Do	Keefe Company (For:CIC Enterprises)		
Do	Keefe Co (For:Foodservices & Lodging Institute)	600.00	
Do	Keefe Company (For:Greater New York Hospital Assn)	2,000.00	
Do	Keefe Company (For:Linnabary & Associates)		
Do	Keefe Company (For:Management Insights, Inc)		
Do	Keefe Co (For:MARC Associates (for American Soc of Anesthesiologists))		
Do	Keefe Co (For:National Restaurant Assn)	500.00	
Do	Keefe Company (For:New York Hospital)	2,500.00	
Do	Keefe Company (For:Pierce Kennedy & Hearth)		
Do	Keefe Company (For:RJR Nabisco, Inc)	7,000.00	
Do	Keefe Company (For:Targeted Management Consultants)	4,000.00	
Do	Keefe Company (For:U.C. Consultants)		
Do	Keefe Company (For:Vrain)		
Howard J. Silver, 1625 Eye St., NW, #911 Washington, DC 20006	Consortium of Social Science Assns	1,325.00	134.60
M. P. Simmons, P.O. Box 860 Valley Forge, PA 19482	CertainTeed Corp		
David J. Simon, 1504 Colonial Terrace Arlington, VA 22209	National Parks and Conservation Assn	300.00	27.00
Marsha J. Simon, 1334 G St., NW, 3rd Fl. Washington, DC 20005	Villers Advocacy Associates	6,126.12	395.81
William G. Simpson, 1155 15th St., NW, #504 Washington, DC 20005	First Mississippi Corp	2,000.00	
Do	Mississippi Power & Light Company	2,000.00	
Do	State of Mississippi	4,000.00	
Skadden Arps Slate Meagher & Flom, 1440 New York Avenue, NW Washington, DC 20005	Drexel Burnham Lambert, Inc	10,000.00	
Do	Mesa Petroleum Co	724.00	
Do	Time, Inc	7,500.00	
Kathleen M. Skrabut, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	7,633.78	104.75
John E. Sloan Jr., Capital Gallery East, #695 600 Maryland Avenue, SW, #700 Washington, DC 20024	National Fed of Independent Business	1,150.00	200.00
Slover & Loftus, 1224 17th St., NW Washington, DC 20036	Western Coal Traffic League		
Daniel T. Smith, P.O. Box 660074 Dallas, TX 75266	International Airline Passengers Assn, Inc		
Debbi L. Smith, 374 Jamie Ct. Glen Burnie, MD 21061	Center for Electrochemical Systems & Hydrogen Research	6,562.50	1,402.15
Edward Del Smith, 905 16th Street, NW Washington, DC 20006	E. Del Smith and Company (For:American Assn of Petroleum Geologists)	2,880.00	255.92
Do	E. Del Smith and Company (For:Bright & Associates)	7,950.00	247.21
Do	E. Del Smith and Company (For:California Independent Oil Producers Assn)	4,500.00	286.70
Do	E. Del Smith and Company (For:Cement Free Trade Assn)	7,500.00	724.74
Do	E. Del Smith and Company (For:City of Anaheim Civic Center)	7,630.00	8,444.45
Do	E. Del Smith & Co (For:City of Anaheim Public Utilities)	5,320.00	3,448.42
Do	E. Del Smith and Company (For:City of Laguna Beach, CA)	2,400.00	
Do	E. Del Smith and Company (For:City of Long Beach, CA, Dept. of Oil Properties)	5,400.00	2,630.36
Do	E. Del Smith and Company (For:City of Long Beach, CA, Intergovernmental Relations).	12,600.00	5,802.82
Do	E. Del Smith and Company (For:City of Santa Monica)	2,400.00	
Do	E. Del Smith and Company (For:County of L.A. Community Development Commission).	2,610.00	
Do	E. Del Smith and Company (For:County of Los Angeles)	9,999.99	3,480.45
Do	E. Del Smith and Company (For:Dalan/Jupiter, Inc)		
Do	E. Del Smith and Company (For:Davis Walker Corp)		
Do	E. Del Smith and Company (For:Hidden Valley Resources Inc)	1,000.00	
Do	E. Del Smith and Company (For:Long Beach Naval Shipyard Employees Assn)	2,100.00	
Do	E. Del Smith and Company (For:Northern California Power Agency)	12,700.00	1,082.94
Do	E. Del Smith and Company (For:Port of Hueneme, CA, Oxnard Harbor District)	8,750.01	1,608.04
Do	E. Del Smith and Company (For:Port of Long Beach, CA)	23,100.00	6,209.51
Do	E. Del Smith and Company (For:Port of Santa Cruz, CA)	1,950.00	
Do	E. Del Smith and Company (For:Prado Oil Company)		
Do	E. Del Smith and Company (For:Rancho Palos Verdes)	720.00	
Do	E. Del Smith and Company (For:Signal Landmark, Inc)	11,600.00	5,229.53
Do	E. Del Smith and Company (For:U.S. Escrow)	8,400.00	939.85
Ellen S. Smith, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	3,083.00	1,297.43
Kern Smith, 400 First St., NW, #710 Washington, DC 20001	Alliance of Foreign Medical Graduates		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Larry S. Snowhite, 1825 Eye St., NW, #1201 Washington, DC 20006	Massachusetts Education Loan Authority		
Do	New England Education Loan Authority	3,550.00	
Laurie J. Snyder-Cavell, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc		
Vincent R. Sombrotto, 100 Indiana Ave., NW Washington, DC 20001	National Assn of Letter Carriers	5,447.88	
Roberta Lee Sorensen, 1101 Vermont Ave., NW, #604 Washington, DC 20000	College of American Pathologists		
Walter Larke Sorg, 1625 Eye St., NW, #204 Washington, DC 20006	American Assn of Small Dredging & Marine Construction Cos	16,800.00	3,329.60
Southern Forest Products Assn, P.O. Box 52468 New Orleans, LA 70152		30,609.14	30,609.14
Space Industries, Inc, 711 West Bay Area Blvd., #320 Webster, TX 77598-4001			20,801.25
Thomas J. Spangler, 1730 K Street, NW, #1100 Washington, DC 20006	National Treasury Employees Union	12,500.00	302.02
Specialized Carriers & Rigging Assn, Inc, 2200 Mill Road, #616 Alexandria, VA 22314			
Spiegel & McDiarmid, 1350 New York Ave., NW Washington, DC 20005-4798	City of Palo Alto		
Do	Connecticut Municipal Electric Energy Coop		
Do	Former Residents of Centralia Pennsylvania		
Do	Manassas Hydro		
Do	Northern California Power Agency		
Do	Service Employees International Union, AFL-CIO		
Vivian Escobar Stack, 2010 Massachusetts Avenue, NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc	485.62	55.70
Melvin R. Stahl, 1235 Jefferson Davis Hwy., #1410 Arlington, VA 22202	Specialty Vehicle Institute of America, Inc		
David P. Stang, P.C., 1629 K St., NW, #601 Washington, DC 20006	McDermott, Inc	2,438.40	
Jane Sutter Starke, 1818 N St., NW, #700 Washington, DC 20036	Eckert Seamans Cherin & Mellott (For:Armstrong World Industries, Inc)		
Do	Eckert Seamans Cherin & Mellott (For:Burlington Northern, Inc)		
Do	Eckert Seamans Cherin & Mellott (For:CSX Corp)		
Do	Eckert Seamans Cherin & Mellott (For:Metropolitan Transportation Authority)		
Henry J. Steenstra Jr., 1000 Wilson Boulevard, #2600 Arlington, VA 22209	TRW, Inc	2,450.00	7,166.00
Rena Steinzor, 1350 New York Ave., NW, #1100 Washington, DC 20005-4798	Spiegel & McDiarmid		
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Alliance for Cannabis Therapeutics		
Do	Caltex Petroleum Corp		
Do	Canadian Sugar Institute		
Do	Cement Importers Assn		
H. Donald Stewart, 188 W. Main Street Penns Grove, NJ 08069			
Travis B. Stewart, 108 Terranova Drive Warrenton, VA 22186	Stewart & Associates, Inc (For:Hoving Group)	1,000.00	
Kenneth F. Stinger, 2200 Mill Rd Alexandria, VA 22314	American Trucking Assns, Inc	9,000.00	
Roger J. Stroh, 727 N. Washington Street Alexandria, VA 22314	United Fresh Fruit & Vegetable Assn		
Dorothy E. Stucke, 1111 14th Street, NW, #900 Washington, DC 20005	National Apartment Assn	7,615.38	
Jay R. Sullivan, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Company, Inc)	3,000.00	
Do	Murphy & Demory, Ltd (For:Korea Tacoma Marine Industries)	3,000.00	
Do	Murphy & Demory (For:Parsons Brinckerhoff Quade & Douglas)	3,000.00	
Do	Murphy & Demory, Ltd (For:TRIDEC/Westinghouse)	1,000.00	
Marcia Z. Sullivan, 1300 N. 17th St., #1200 Arlington, VA 22209	Consumer Bankers Assn	4,831.03	95.46
Patrick J. Sullivan, 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO		
David A. Super, 1319 F Street, NW, #500 Washington, DC 20004	Food Research & Action Center		
David L. Swanson, Craft & Loesch 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007	Combustion Engineering	26,250.00	473.11
Rosemarie Sweeney, Suite 770 600 Maryland Ave., SW Washington, DC 20024	American Academy of Family Physicians	3,750.00	969.82
Swidler & Berlin, Chtd, 3000 K Street, NW, #300 Washington, DC 20007	National Council of Community Hospitals	12,707.50	
Do	Software Rental Coalition	17,888.75	
Carol A. Swift, 311 First St., NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	1,300.00	
Ivan Swift, P.O. Box 607 Courthouse Station Arlington, VA 22216	New England Anti-Vivisection Society	3,000.00	1,600.00
Scott R. Swirling, 122 C St., NW, #380 Washington, DC 20001	National Family Planning & Reproductive Health Assn, Inc	817.00	34.00
Randall Swisher, 2301 M Street, NW Washington, DC 20037	American Public Power Assn	3,000.00	
Systematics, Inc, 4001 Rodney Parham Road Little Rock, AR 72212			
SKC & Associates, 1825 K Street, NW Washington, DC 20006	Seldovia Native Assn		
Do	The state of South Dakota		
Do	Southern Company Services	5,000.00	
Martha Tableman, 1412 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation		
M. Louise Tate, 450 Maple Avenue, E., #204 Vienna, VA 22180	U.S. Defense Committee	900.00	
Jefferson D. Taylor, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	372.45
Sandra E. Taylor, 1600 M St., NW, #702 Washington, DC 20036	ICI Americas	15,000.00	72.24
Tempo Enterprises, Inc, P.O. Box 702160 Tulsa, OK 74170			
Collins Terrie, 105 East 22nd Street New York, NY 10010	Community Service Society	96.52	302.10
Thacher Proffitt & Wood, 1500 K Street, NW, #200 Washington, DC 20005	American Savings Bank, FSB		659.23
Do	Boston Five Cents Savings Bank, FSB		659.23
Do	Castine Partners		814.64
Do	Citicorp Mortgage Finance, Inc.	4,200.00	909.23
Do	Dollar Bank, FSB		659.23
Do	Federal Home Loan Mortgage Corp		1,570.73
Do	General Electric Mortgage Insurance Co		1,580.73
Do	Massachusetts Bankers Assn	652.87	2,201.85
Do	Ranieri-Wilson	83.00	1,767.64
Do	Salomon Brothers, Inc	161.00	652.73
Third Class Mail Association, 1333 F Street, NW, #710 Washington, DC 20004-1108		5,707.00	5,707.00
W. Dennis Thomas, 1620 Eye St., NW, #700 Washington, DC 20006	International Paper Co	4,000.00	663.37
Law Offices of Fred Thompson, 1919 Pennsylvania Avenue, NW, #850 Washington, DC 20006	Central States SE & SW Areas Health Welfare & Pension Funds	7,620.00	
Do	Westinghouse Electric Corp		
Otis N. Thompson, Room 1414-S, Ag. Building Washington, DC 20250	Organization of Professional Employees of the USDA	326.10	
Samuel C. Thompson Jr., Schiff Hardin & Waite 1101 Connecticut Avenue, NW, #600 Washington, DC 20036	Chicago Board Options Exchange		
Thompson & Company, 529 14th St., NW, #425 Washington, DC 20004	ALTEC International	6,300.00	13.27
Do	Bear Stearns & Co	320.81	1.61
Do	CareerCom Corp	7,500.00	527.12
Do	Chicago Research & Trading Group, Ltd	18,750.00	1,258.62
Do	Hinderliter Industries, Inc	160.00	13.15
Do	Mitsubishi Electronics America, Inc	15,000.00	1,478.26
Do	Morse/Diesel	4,200.00	232.75
Do	Reed International	3,684.38	
Do	Suzuki of America Automotive Corp	13,500.00	2,579.09
Do	Trans World Airlines, Inc	10,500.00	948.90
Thompson & Mitchell, 1120 Vermont Avenue, NW, #1000 Washington, DC 20005	Cold Finished Steel Bar Institute	308.00	
Do	Contact Lens Manufacturers Assn		
Parker D. Thomson, 200 South Biscayne Blvd. 4900 Southeast Financial Center Miami, FL 33131-2363	Thomson Bohrer Werth & Razook (For:Burger King Corp)		
David R. Toll, 1155 Connecticut Ave., NW, #400 Washington, DC 20036	Public Service Co of Colorado		
Do	Western Utilities Clean Air Group		
Total Petroleum, Inc, 999 18th Street, Suite 2201 Denver, CO 80202			
Gilbert D. Tough, 70 North Main St. Wilkes-Barre, PA 18711	Blue Cross of Northeastern Pennsylvania		
Transafrica, 545 8th Street, SE, #200 Washington, DC 20003		88,477.11	40,756.51
Travis & Gooch, 1100 15th St., NW, #1200 Washington, DC 20005	Coalition to Oppose Energy Taxes		
Eugene M. Trisko, P.O. Box 596 Berkeley Springs, WV 25411	Stern Bros, Inc		
Robert C. Troup, Box 893 New Canaan, CT 06840			
Paul E. Tsongas, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	Cambridge Redevelopment Authority		
Brian Turner, 815 16th Street, NW Washington, DC 20006	Industrial Union Department, AFL-CIO	8,078.53	
Max Turnipseed, 1155 15th Street, NW, #611 Washington, DC 20005	Ethyl Corporation	2,120.00	201.00
U.S. Committee for the Oceans, Route 2, Box 91 Ararat, VA 24053			
U.S. Recreational Ski Association, P.O. Box 25469 Anaheim, CA 92852-5469			
Mark J. Ugoretz, 1726 M Street, NW, #1101 Washington, DC 20036	Erisa Industry Committee	2,824.00	
Craig Ulrich, 1300 N. 17th Street, #1200 Arlington, VA 22209	Consumer Bankers Assn		
United Food & Commercial Workers International Union, 1775 K St., NW Washington, DC 20006		59,818.46	59,818.46
United Fresh Fruit & Vegetable Assn, 727 N. Washington St. Alexandria, VA 22314		4,880.00	515.82
Robert C. Varah, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
Variable Annuity Life Insurance Co, 2929 Allen Parkway Houston, TX 77019			
George F. Vary, 1667 K St., NW, #650 Washington, DC 20006	Armco, Inc	600.00	731.83
Robert J. Verdisco, 1901 Pennsylvania Avenue, NW, #200 Washington, DC 20006	International Mass Retail Assn	7,500.00	
William P. Verdon, 1627 K Street, NW, #1200 Washington, DC 20006	United Shipowners of America	13,125.00	5.28
Verner Liipfert Bernhard McPherson & Hand, Chtd, 901 15th Street, NW, Suite 700 Washington, DC 20005	Atlantic Richfield Co	1,420.00	
Do	Bell Atlantic Corp		
Do	Brown & Root, Inc	250.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Central Gulf	50.00	
Do	Continental Airlines	41,136.50	
Do	General Aviation Manufacturers Association	4,780.00	
Do	General Dynamics Corp		
Do	GenCorp		
Do	Investment Company Institute	5,982.50	
Do	John F. Kennedy Center for the Performing Arts		
Do	Mars, Inc	14,355.00	
Do	Martin Marietta Corp	5,140.00	
Do	McDonnell Douglas Corp		
Do	National Wildlife Federation	2,972.00	
Do	NYNEX Corp		
Do	Rayburn Country Electric Cooperative, Inc		
Do	STV Engineers		
Do	Travelers Corporation	5,500.00	
Do	TRW, Inc		
Do	UNC, Inc	9,246.25	
David Vienna & Associates, 401 Wythe Street, #2-A Alexandria, VA 22314	California Public Employees' Retirement System	5,745.00	
Do	International Assn of Amusement Parks & Attractions		
Do	Pacific Stock Exchange, Inc	7,350.00	
Do	State Board of Equalization (Calif)	1,890.00	
Volunteer Trustees of Not-For-Profit Hospitals, 1625 Eye St., NW, #810 Washington, DC 20006		184,000.00	11,935.00
Ann Hadley Vom Eigen, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	7,155.00	547.00
Ingrid A. Voorhees, 311 First STreet, NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn		
Frederick P. Waite, 1200 19th Street, NW, #500 Washington, DC 20036	American Wire Producers Assn		
Do	Davis Graham & Stubbs (For:American Wire Producers Assn)		
Victor L. Wallace II, 303 East 17th Ave., #600 Denver, CO 80203	McKenna Conner & Cuneo (For:Savings and Loan League of Colorado, Inc)		
Charles S. Walsh, Fleischmen & Walsh 1400 16th Street, NW Washington, DC 20036	National Cable Television Assn, Inc		
Henry L. Walther, 450 Maple Avenue, E., #204 Vienna, VA 22180	U.S. Defense Committee	3,000.00	
John C. Walton, 1401 North Oak Street, #302 Arlington, VA 22209	Morton Thiokol, Inc		
Jenifer Warkenthien, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Ann D. Warner, 1513 16th St., NW Washington, DC 20036	Air Conditioning Contractors of America		
Lucy R. Watkins, 236 Massachusetts Ave., NE, #504 Washington, DC 20002	Center for Law and Education, Inc	900.18	
Clarke R. Watson, 1111 Ash Street Denver, CO 80220	Westland Companies, Inc		
Jerry B. Watson Jr., P.O. Box 90257 Washington, DC 20090-0096		8,930.00	11,425.00
George B. Watts, 1155 15th St., NW, #614 Washington, DC 20005	National Broiler Council	1,500.00	
Norman E. Watts Jr., RR 1, Box 854 Woodstock, VT 05091	Grocery Manufacturers of America, Inc		
Gerald Weaver, 206 G Street, NE Washington, DC 20002	Evergreen Associates (For:Gundle Lining Systems)	3,000.00	200.01
Do	Evergreen Associates (For:Zambelli Internationale)		
Susan Weber, 1400 16th Street, NW, #320 Washington, DC 20036	Zero Population Growth, Inc		
Paul Weckstein, 236 Massachusetts Ave., NE, #504 Washington, DC 20002	Center for Law and Education, Inc	720.00	
Weil Gotshal & Manges, 1615 L Street, NW, #700 Washington, DC 20036	Marine Shale Processors, Inc	2,500.00	100.00
Daniel Weiss, 330 Pennsylvania Avenue, SE Washington, DC 20003	Sierra Club	7,558.20	154.10
Stanley A. Weiss, 601 Pennsylvania Ave., NW, #700 Washington, DC 20004-2602	Business Executives for National Security Education Fund Inc		
Suzanne Weiss, 1129 20th Street, NW, #400 Washington, DC 20036	American Assn of Homes for the Aging	40.38	3.20
John T. Weller, 1776 Eye St., NE, #1000 Washington, DC 20006	BP America, Inc		
J. C. West, P.C., 1511 K Street, NW, #1100 Washington, DC 20005	City of Detroit	24,376.57	10,806.42
Western Coal Traffic League, 1224 17th St., NW Washington, DC 20036		14,000.00	25,281.00
William Wewer, 7201 Wisconsin Ave., Suite 705 Bethesda, MD 20814	National Comm to Preserve Social Security		
Wexler Reynolds Fuller Harrison and Schule, Inc, 1317 F Street, NW, #600 Washington, DC 20004	ARCO		
Do	Natioanl Assn of Social Workers	604.31	8.50
Curtis E. Whalen, 555 13th Street, NW, Suite 430W Washington, DC 20024	Transco Energy Company	7,000.00	5,361.30
Andrew F. Wiessner, Kogovsek & Associates 1801 Broadway #1420 Denver, CO 80202	Bonneville Pacific Corp	2,925.27	2,925.27
Harry G. Wiles II, 1023 15th St., NW, 4th Fl Washington, DC 20005	Wine & Spirits Wholesalers of America, Inc		644.41
Suzanne C. Wilkins, 801 Pennsylvania Ave., SE, #303 Washington, DC 20003	American Rivers	146.00	
Lawrence F. Williams, 330 Pennsylvania Avenue, SE Washington, DC 20003	Sierra Club	2,600.70	
Perry F. Williams, 225 Main St. Newington, CT 06111	American Radio Relay League, Inc	1,270.00	1,002.00
Williams & Jensen, P.C., 1101 Connecticut Ave., NW, #500 Washington, DC 20036	American Home Products		60.83
Do	American Real Estate Committee		
Do	Association of Family Farmers	225.00	37.43
Do	Robert M. Bass Group	6,375.00	1,609.59
Do	Century 21 Real Estate Corp		
Do	College Construction Loan Insurance Assn		
Do	CIGNA Corporation		37.43
Do	Environmental Processing, Inc		
Do	Estee Lauder, Inc	300.00	79.55
Do	Federation for American Immigration Reform		
Do	Financial Security Assurance		
Do	First Boston Corp	3,375.00	893.69
Do	Goldome FSB		
Do	GAMMA Corp		
Do	Hazel/Peterson Cos, Inc		
Do	Higher Education Assistance Foundation		
Do	Kelly Appleman Hart & Hallman	67.50	18.71
Do	Keystone Provident Life Insurance Co		
Do	Mustang Fuel Corporation		
Do	National Assn of Rehabilitation Agencies		
Do	National Board for Professional Teaching Standards		
Do	Norfolk Southern Corp	225.00	60.83
Do	Paralyzed Veterans of America		
Do	Pharmaceutical Manufacturers Assn	1,425.00	238.64
Do	Recording Industry Assn of America, Inc	950.00	177.80
Do	Southwest Airlines		
Do	Southwestern Bell Corp		
Do	Student Loan Marketing Assn	600.00	177.80
Do	Texaco, Inc	225.00	60.83
Do	Texas Air Corp		1,787.40
Do	Trailer Train Co	225.00	60.83
Do	Turner Broadcasting System, Inc	2,625.00	477.26
Do	U.S. Telephone Assn		
Do	Universal Foods, Inc		
Do	USAA Financial Service Co		
Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420	Handgun Control, Inc		128.88
David W. Wilmot, 1029 Vermont Avenue, NW Washington, DC 20005	Anheuser-Busch Companies, Inc		
D. Reid Wilson, 408 C Street, NE Washington, DC 20002	Sierra Club		
Don T. Wilson, 1250 I Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn	1,125.00	16.00
Dorothy Wilson, 1000 Connecticut Ave., NW, #1107 Washington, DC 20036	Coalition of Concerned Charities		
H. Graham Wilson, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
John P. Winburn, 453 New Jersey Ave., SE Washington, DC 20003	American Automotive Leasing Assn		
Winston & Strawn, 2550 M St., NW, #500 Washington, DC 20037	American Appraisal Associates, Inc		
Do	American Assn of Museums		
Do	City of Tucson		
Do	CNA Financial Corp		
Do	International Council of Shopping Centers	875.00	11.25
Do	Lease Management Corp		
Do	National Council of Health Facilities Finance Authorities		
Do	Staley Continental, Inc		
Do	Syntex Laboratories, Inc		
Marcia A. Wiss, 1215 17th Street, NW Washington, DC 20036	Canned and Cooked Meat Importers Association	600.00	
Lyn M. Withey, 1620 Eye Street, NW, #700 Washington, DC 20006	International Paper Co	2,100.00	1,078.66
Marshall Wittmann, 1533 New Hampshire Ave., NW Washington, DC 20036	National Assn of Retired Federal Employees	12,057.50	91.00
S.R. Wojdak and Associates, Inc, 1401 Walnut St., #1000 Philadelphia, PA 19102	All Children's Hospital	3,000.00	84.45
Do	Cardinal Glennon Children's Hospital	4,762.50	76.30

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Children's Hospital of Buffalo	3,000.00	34.45
Do	Children's Hospital of Los Angeles	3,000.00	84.45
Do	Children's Hospital of Michigan	3,000.00	29.70
Do	Children's Hospital of Pittsburgh	109,500.00	2,144.44
Do	Children's Hospital Medical Center of Akron	3,400.00	472.47
Do	Children's Hospital Research Foundation	3,000.00	84.45
Do	Children's Memorial Medical Center	4,762.50	76.30
Do	Hahnemann University	112,500.00	1,217.68
Do	Henrietta Egleston Hospital for Children	3,000.00	84.45
Do	Medical College of Pennsylvania		
Do	Mercy Catholic Medical Center	28,500.00	852.95
Do	National Assn of Children's Hospitals & Related Institutions	12,000.00	541.64
Do	National League of Nursing	9,600.00	550.16
Do	Spring Garden College	15,000.00	875.93
Do	St. Christopher's Hospital for Children	67,500.00	1,159.04
Do	St. Francis Medical Center		
Do	St. Louis Children's Hospital	4,762.50	76.30
Do	University of Pennsylvania	120,000.00	1,177.74
Do	Wyler Children's Hospital	4,762.50	76.30
Ronald Wolsey, 1615 M Street, #200 Washington, DC 20036	Amoco Corporation	1,200.00	222.91
G. Kent Woodman, 1818 N Street, NW, #700 Washington, DC 20036	Eckert Seamans Cherin & Mellott (For:Burlington Northern, Inc)		
Do	Eckert Seamans Cherin & Mellott (For:Metropolitan Transportation Authority)		
Theresa E. Woody, 730 Polk Street San Francisco, CA 94109	Sierra Club	494.50	328.28
Carol Alice Wynne, 1000 Connecticut Ave., NW, #1002 Washington, DC 20006	Wildlife Legislative Fund of America	6,399.90	
F. Dalton Yancey, 910 16th St., NW, #402 Washington, DC 20006	Florida Sugar Cane League, Inc		
Do	Rio Grande Valley Sugar Growers		
Caryl Yontz, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	9,081.30	270.39
Roberta Lynn Youmans, 122 C Street, NW, #875 Washington, DC 20001-2109	National Housing Law Project	2,312.50	
John Andrew Young, Suite 380 2000 M Street, NW Washington, DC 20036	Coastal Corporation		
Robert A. Young, 12248 Turkey Creek Ct. Maryland Heights, MO 63043	Brown & Associates	1,500.00	
Do	United Assn of Jnymen & Appren of Plmbg & Pipeftg Industry	1,500.00	
Michael Zagorac Jr., 8333 Bryan Dairy Rd. P.O. Box 4689 Clearwater, FL 33518	Jack Eckerd Corp		
Geoffrey Zeh, 12050 Woodward Avenue Detroit, MI 48203-3596	Brotherhood of Maintenance of Way Employes		
Zero Population Growth, Inc, 1400 Sixteenth St.,N.W.,#320 Washington, DC 20036		5,307.00	4,983.00
Elaine Ziemba, 1515 Wilson Boulevard Arlington, VA 22209	American Gas Assn	1,321.00	600.00
Judith Ziewacz, 1840 Wilson Boulevard Arlington, VA 22201	National Milk Producers Federation	2,816.00	
Murray Zweben, 1140 19th St., NW, #600 Washington, DC 20036	General Celluar Corporation		
Do	New Hampshire Yankee		250.00
Zero Population Growth, Inc, 1400 Sixteenth St.,N.W.,#320 Washington, DC 20036		5,307.00	4,983.00
Elaine Ziemba, 1515 Wilson Boulevard Arlington, VA 22209	American Gas Assn	1,321.00	600.00
Judith Ziewacz, 1840 Wilson Boulevard Arlington, VA 22201	National Milk Producers Federation	2,816.00	
Murray Zweben, 1140 19th St., NW, #600 Washington, DC 20036	General Celluar Corporation		
Do	New Hampshire Yankee		250.00

EXTENSIONS OF REMARKS

H.R. 2655—REWRITE OF THE FOREIGN ASSISTANCE ACT

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. FASCELL. Mr. Speaker, I would like to bring to the Members' attention the following summary by our colleagues, LEE HAMILTON and BEN GILMAN, of the status of the efforts by the Committee on Foreign Affairs to update the Foreign Assistance Act of 1961.

In February 1988, BILL BROOMFIELD and I asked LEE HAMILTON and BEN GILMAN to head a task force of the committee to review U.S. foreign assistance policies and programs. Over a period of a year, the Members and staff of the task force reviewed numerous documents and held extensive meetings with a range of experts both within and outside Government. The work of the task force culminated in an excellent report, which was presented to the committee on February 1, 1989. The principal recommendation of the report was to rewrite the Foreign Assistance Act in order to clarify and make comprehensible the objectives of U.S. foreign assistance and remove from the legislation unnecessary and obsolete provisions.

On June 16, the Committee on Foreign Affairs reported legislation (H.R. 2655) rewriting the Foreign Assistance Act, and on June 29, the House passed the bill.

The committee and the House owe LEE HAMILTON and BEN GILMAN a great debt of gratitude for the extensive and thoughtful work they devoted to the review of U.S. foreign assistance programs. I look forward to working with them to see the recommendations written into law.

Following is a letter from Representatives HAMILTON and GILMAN summarizing the status of the recommendations of the task force:

COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, August 2, 1989.

Hon. DANTE B. FASCELL,
Rayburn House Office Building, Washington, DC.

DEAR DANTE: We write to bring you up-to-date regarding the implementation of the recommendations of the Committee on Foreign Affairs Task Force Recommendations. We are pleased to report that roughly two-thirds of the recommendations of the Task Force were included in H.R. 2655, International Cooperation Act of 1989, which passed the House floor on June 29, 1989.

The Task Force had 12 recommendations for military assistance: seven were incorporated in H.R. 2655, four were not and one is appropriately left to the executive branch to implement. On the economic assistance side, the Task Force had nine recommendations: six were incorporated in whole or part in H.R. 2655; one was not and two are essentially for the executive branch to implement.

This summary is detailed a little below:

A. MILITARY PROVISIONS

1. Establish one military assistance account and separate grant and concessional military assistance from cash sales authorities:

Incorporated in H.R. 2655.

Consolidation of all military assistance (FMS and MAP) into one account is intended to enhance achievement of military assistance program objectives and accountability by the executive branch and more effective and meaningful oversight by the legislative branch.

2. Create a new Defense Trade and Export Control Act to replace the Arms Export Control Act:

Created Defense Trade and Export Control Act in H.R. 2655.

This provision clarifies and coordinates the objectives of U.S. cash arms sales policies with that of U.S. foreign policies and national security objectives.

3. Clarify the goals of the Military Aid Program; Incorporated in the new Defense Trade and Export Control Act.

4. Encourage aid graduation:

Incorporated in H.R. 2655.

This provision is intended to encourage movement from military grant assistance to fully cash sales relationships. In order to assure economic independence and self sufficiency of recipient nations of U.S. assistance, it is essential that a concessional component remain available to enable countries near the graduation point in economic development to go from all grant assistance to an all cash arms sales relationship.

5. Replace small military aid programs in individual countries with an unearmarked regional contingency fund:

Incorporated in H.R. 2655.

Established an unearmarked regional contingency fund of 2 percent of the FMS funds authorized. This provision is designed to provide the executive branch greater flexibility in meeting legitimate security needs of countries that do not necessarily have ongoing or long-term security assistance programs with the U.S.

6. Coordinate military assistance with other foreign policy. No explicit provision on such coordination but this is a recommendation for the executive branch to carry out and is implicit in the body of the Committee report.

7. Provide more effective accountability, focused on results:

Incorporated provisions to improve accountability for use of military assistance in H.R. 2655.

Establishes a centralized accounting system for foreign military sales.

Establishes sanctions, including suspension of co-production agreements for one year for illicit third-country transfers.

Improves monitoring of military equipment to foreign countries.

Requires that commercial arms sales using military assistance funds be subjected to monitoring and auditing requirements. No less stringent than those required by the federal acquisition regulations.

8. Streamlining arms export licensing procedures:

Incorporated in H.R. 2655.

This provision will expedite the processing of arms export control licenses by the Department of State and will obtain greater accountability and enforcement of sanctions against illicit or illegal arms export activities that undermines the credibility of the program and negates the foreign policy benefits of military sales.

9. Reduce, if not eliminate, earmarking:

This was not accomplished in H.R. 2655.

98 percent of the FMS account was earmarked last year. Roughly 85 percent of the FMS funds in H.R. 2655 is earmarked.

10. Create a separate line item for police training: This was not incorporated in H.R. 2655 as recommended by the Task Force.

11. Examine alternative financing: This was not incorporated in H.R. 2655.

12. Phase out over a five year period of military assistance as a quid pro quo for base rights access: A separate base rights account was not created in H.R. 2655 and there is no plan to phase out base rights assistance as an explicit quid pro quo, but the report accompanying H.R. 2655 requires a study and a report of base rights assistance and the options for the future.

B. ECONOMIC PROVISIONS

1. Repeal the Foreign Assistance Act of 1961. Enact a new International Economic Cooperation Act:

This was accomplished in H.R. 2655.

H.R. 2655 is a complete rewrite of the Foreign Assistance Act. It consolidates policy language, eliminates outdated provisions and unnecessary reporting requirements, and reduces conditions and restrictions.

2. Specify four main foreign economic policy objectives:

This was accomplished in H.R. 2655.

H.R. 2655 brings together economic assistance policies under four basic objectives: economic growth, sustainable resource management, poverty alleviation, and economic and political pluralism.

3. Draw clear distinctions among various types of economic assistance:

This was partially accomplished in H.R. 2655.

H.R. 2655 shifts projectized ESA ($1 billion) into development assistance.

4. Allow maximum flexibility in developing strategies and programs for pursuing the four objectives:

This was accomplished in H.R. 2655.

H.R. 2655 provides general policy guidance and removes some conditions and restrictions and specific program directives.

5. Require accountability based on the measurement and evaluation of progress toward the achievement of the legislative mandate:

This was accomplished in H.R. 2655.

H.R. 2655 requires evaluation of the impact of U.S. economic assistance (but fails to eliminate earmarking).

6. Encourage cooperative development relationships with advanced developing countries:

This was accomplished in H.R. 2655.

H.R. 2655 explicitly authorizes programs with advanced developing countries.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

7. Establish a new economic cooperation agency to administer U.S. economic cooperation programs: This was not accomplished in H.R. 2655, but will be up to the executive branch to consider and to implement.

8. Improve coordination: This was not accomplished in H.R. 2655, but like recommendation No. 7 above, will require executive branch action.

9. Require a simpler procurement regime for the economic assistance program: This was not accomplished. It was accomplished in draft form, but Government Operations Committee objected.

We want to express our appreciation to all of our colleagues for their help with the work of the Task Force. We also want to insure you that, working with the Chairman, we will work to try to insure that the provisions already in H.R. 2655 become law and that over the coming months we are able to make some progress in the implementation of some of the outstanding issues raised by the Task Force.

We are available to discuss any of these issues with you and we hope we can continue to work together on this important project.

With best regards,

Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

BENJAMIN A. GILMAN,
Ranking Minority Member, Subcommittee on Europe and the Middle East.

VALVOLINE NATIONAL DRIVING TEST AIRS AUGUST 29

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. RAHALL. Mr. Speaker, during the August recess, just prior to the Labor Day weekend, CBS will air the "Valvoline National Driving Test" from 10 to 11 p.m., eastern daylight time.

As a member of the Subcommittee on Surface Transportation which exercises jurisdiction over national highway safety issues, I urge my colleagues and constituents to take the time to watch this important program. In the course of the committee's business, I find myself constantly reminded of the devastating impact which traffic accidents have on the lives and economy of this Nation.

Statistics show that the approximately 21 million traffic accidents each year result in nearly 50,000 fatalities and 1.8 million injuries, and cost this Nation at least $64.7 billion. According to the National Safety Council, 67 percent of all accidents are caused by driver error, such as speeding, failing to yield the right of way, and following too closely, although sometimes those driver errors are combined with other factors.

The airing of the "Valvoline National Driving Test" just prior to the upcoming Labor Day weekend could not be more timely in light of the hundreds of lives traditionally lost over that 3-day period. I would hope that if enough holiday drivers can be encouraged to watch the show, our Nation's highways will be far safer this Labor Day weekend.

HONORING QUEEN OF PEACE CHURCH ON ITS 50TH ANNIVERSARY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. ACKERMAN. Mr. Speaker, I rise today to pay special tribute to an outstanding establishment, the Queen of Peace Church, whose Catholic congregation is celebrating 50 years of faithful service to the Kew Gardens Hills community in Queens County, NY.

Throughout the years, Queen of Peace Church has sponsored many community service programs, including an elementary school, currently run by Sister Delores Ryan, and a "50-plus" club for senior citizens. It warmly embraces all members of the community and shares a harmonious relationship with the community's many other religious denominations.

To honor the 50th anniversary of Queen of Peace Church, its devoted congregation will offer a rededication ceremony on Sunday, September 10. His Excellency, Bishop Francis Mugavero of the Diocese of Brooklyn, will be present. After this formal religious service, the congregation will then have a parade of flags, led by the Stars and Stripes and including heritage flags which represent all the nationalities that make up this vibrant multiethnic community.

Queen of Peace Church was founded by Pastor Eugene Nolan. Father John Riley is the pastor emeritus and Father Celsus Collini is the current pastor for the congregation.

Mr. Speaker, in a time when urban violence and crime are crippling our cities, it is heart warming to see citizens come together to honor their church, their community, and their country. I would like to ask all Members of the U.S. House of Representatives to congratulate Queen of Peace Roman Catholic Church and wish their congregation continued success in the future.

RIGHT TO LIFE OF UNBORN CHILDREN

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. SMITH of New Jersey. Mr. Speaker, on July 25, 1989, two women of northern Virginia, Ellen Commerce and her mother Maryclaire Ishee, presented a petition to me that had nearly 250,000 signatures. The signers were all women and each of them made it very clear that as women they support the right to life of unborn children.

The petition reads: "I am a woman. The National Organization for Women [NOW] does not represent me on the subject of abortion."

Mr. Speaker, it is critical to note that in a short period of time, approximately 2 months, Mrs. Commerce and Mrs. Ishee were able to collect close to 250,000—a number greater than the entire membership established by NOW over the past 23 years. In a purely grassroots, no budget, no overhead effort, these women have said clearly that abortion is not a women's rights issue. It is a human rights issue and the rights of the unborn child should be protected.

When presenting me with the petition, Mrs. Commerce made an eloquent heartfelt statement that I would like to have included in the RECORD:

Congressman Smith, my name is Ellen Commerce. These are my children, Neil, Jasmine, Matt, and Patrick. On April 19th these children's grandmother, Maryclaire Ishee and I started a petition to take issue, somehow, with the full page, paid advertisements appearing regularly in the Washington Post, which stated that "the majority of Americans support abortion."

After the N.O.W. sponsored a march for abortion on April 9th, pro-abortionists gleefully concluded that the male and female marchers represented the majority of Americans. Molly Yard, president of N.O.W. was quoted in the front page Post article the next day as saying "it is time for Congress to understand that we are the majority." Several weeks later, when I approached Mrs. Yard outside of the Supreme Court with the story of the signatures we were collecting, she told me, curiously, that "the National Organization for Women has never claimed to represent the majority of American women."

Indeed, N.O.W. has a membership, nationwide, of about 175,000. I think it is very significant that in a spontaneous, unfunded grass-roots petition drive, my mother and I were able to collect, in just a few weeks' time, the signatures of many more women than the entire membership of the 20-year-old N.O.W. The women who signed our petition are stating, emphatically, that the national organization for women does not represent them on the subject of abortion. We even have several former N.O.W. members among the signatories, who felt moved to identify themselves as womens' rights activists who simply could not stomach N.O.W.'s abortion platform.

One long letter I received, in fact, was from a woman who was publicly resigning from N.O.W. in order to pursue her interest in women's rights issues within the organization called Feminists For Life.

I feel that a strongly biased media has been highly successful in convincing prolifers that there must be a huge majority out there somewhere, who demand abortion as is and that, consequently, we must be somewhat timid and reserved in our advocacy of the most basic and precious right-to-life.

My mother and I, in starting this protest statement just had an intuition; a hunch, that that supposed majority might be an illusion. We knew that we were pro-life, and almost everyone we had ever talked to strongly opposed abortion.

I feel that our results (thus far) have exposed the tip of a very large iceberg of opinion that solidly supports the right of the unborn to live. The hundreds of thousands of women who have signed this petition want our politicians to know that we will enthusiastically support them if their leanings and their actions are pro-life, and that we will decisively oppose them, if they oppose and deny our nation's unborn children the right to live.

This petition drive is continuing, and in fact is gaining momentum. With the strict time limit we had imposed now removed, I

invite all large and small pro-life organizations and churches of whatever denomination to make the wording of this statement available for their women members to sign, and to collect and return these signatures in batches to me, so that I might continue to present them to the pro-life caucus.

Congressman Smith, I truly appreciate your willingness to receive these signatures and all of your activities on behalf of the unborn.

Thank you very much.

ELLEN COMMERCE

SUCCESS IN MEETING THE CHALLENGE OF GLOBAL COMPETITIVENESS

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. NEAL of North Carolina. Mr. Speaker, if the United States hopes to be competitive in the high technology economy of the future, it will be more important than ever that American industry and university researchers have a strong working relationship. We will need to move new technology from the campus laboratory to the private business production line.

At the same time, the increasingly close research relationship between business and academia raises questions and problems. How will the independence and the traditional academic functions of the university be affected?

Duke University has given considerable thought to the business-university relationship and has developed its own set of guidelines defining the partnership. An excellent article on this subject was published in the Winston-Salem Journal by two Duke officials, Michael D. Rierson and Judity K. Argon. Mr. Rierson is director of corporate relations and associate vice provost for research and development. Ms. Argon is director of the office of research support.

Mr. Speaker, to give my colleagues the benefit of these valuable insights, I ask that the article by Mr. Rierson and Ms. Argon in the Winston-Salem Journal of July 22, 1989, be reprinted in full in the RECORD. The article follows:

ACADEMIC RESEARCH AND TECHNOLOGICAL INNOVATION

These are heady times in the world of university/industry research. Multimillion dollar research relationships between business and university scientists are becoming a badge of achievement. Excitement over real scientific breakthroughs (superconductivity) and potential revolutionary advances (cold fusion) have heated to a boil the business of transferring technology from the research lab to the corporate product line.

All this activity raises a red flag that is becoming increasingly prominent in the skies above the changing university/industry relationship: Are we in danger of confusing private profit with the university's academic research and teaching mission?

The university/industry research relationship has grown fast and furiously, surpassing even the most optimistic expectations. During the 1970s and early 1980s this relationship developed from tentative sponsored research and clinical drug trial agreements to multimillion-dollar corporate deals such as the $65 million biomedical research contract between Monsanto and Washington University that has now generated dozens of patents. But the fear many critics expressed—that corporate presence in research universities would cause the education community to lose its academic balance and tilt toward lucrative corporate-oriented research—has not materialized.

Most major universities have instituted policies to govern their corporate research relationships and, thus, safeguard their academic mission. At Duke University, for example, a set of guidelines was adopted in May 1986 that established a clear definition of the university/industry partnership and its purpose.

No company sponsoring research on campus, for example, can require that information be kept confidential for more than 90 days. The decision to publish conclusions will always be determined by the university. The faculty always has final authority over the design and control of research, and no faculty member can be required to participate in a particular research effort as a condition of employment. Graduate students may not participate in proprietary research. A corporate research sponsor cannot restrict a faculty member's freedom to exchange ideas with colleagues or conduct research in related areas.

The point of these guidelines is to remind all parties that the business and academic cultures are different ones. It's the educational partner's responsibility to set down the fenceposts in this relationship. And as the relationship evolves and matures, we must pick up and move the fence accordingly. We now have a relationship whose pace is being set by the relentless forward march of technological change. We are seeing the business of transferring technology between universities and their business partners accelerate to include licenses, patents and joint research partnerships.

In this climate, each university must now have in place a governing body that shoud continually address new, innovative university/industry research partnerships and develop the necessary guidelines to lead us through this uncharted territory. In 1986 Duke formed a Research Policy Committee, composed of faculty from across the campus, to refine and develop additional research policies. What are the academic issues to be address when a faculty member wants to spin-off a promising research project to a start-up company in which he or she has an equity interest? What safeguards need to be built into this new technological world that asks scientists to be entrepreneurs one day and academic researchers the next? As the relationship changes the safeguards must struggle to stay current.

How did we arrive at the delicate balance between academic research and technological innovation? The rules changed in 1980 when a new federal law granted universities the right to retain ownership of and seek patent protection for the technology discovered as a result of federally funded research—the bulk of all research dollars on campus.

The 1980 patent law stipulated that universities must make a good faith effort to license technology to companies, which could develop and market products and technology for the benefit of society. It also provided that the university could receive royalty income from the licensing of its technology with inventors receiving at least 15 percent of the income of those patents. These provisions created a compelling incentive for the transfer of new technology and, in turn, for the creation of a variety of new more complex university/industry relationships.

The federal government continues to play an encouraging and nurturing role by fostering cooperation between federal labs, corporations and universities. For example, complementary corporate support must be demonstrated as a condition of many large federal grants. The National Science Foundation's Engineering Research Center (ERC) grant program requires a demonstration of substantial corporate research interest. Duke's ERC in Emerging Cardiovascular Technology has corporate support from Eli Lilly and General Electric, as well as an educational partners program in which 25 corporations participate.

Post-Sputnik federal support of higher education was substantial into the 1970s when government support lagged behind skyrocketing inflation. Now the federal government has slowed its financial commitment to higher education and quickened its role as matchmaker between education and industry—and that is a catalytic role that could be vital to our economy. How can we expect Zenith to compete head-to-head with the Japanese without the new ideas generated by university research and a vigorous relationship between campus and corporate scientists?

While the Federal government is our matchmaker, the university must set the reasonable guidelines for the business partnerships that will change at a pace equal to the advance of science. And that pace can be blinding. It could blind both parties to the fact that universities are in the business of pursuing education research and public service. We must harness the energy of technological innovation and focus it on progress, not profit. With a firm set of guidelines and an infrastructure that can respond to the changing university/industry relationship, we must constantly reaffirm to faculty, the business community and the public that we are in the business of education.

These trends come at a time when few people doubt that education and research programs are the twin engines pushing ahead the process of technological change and the enhanced competitiveness of American industry. National Science Foundation President Erich Bloch has succinctly defined the equation: "Success in meeting the challenge of global economic competitiveness depends on the vitality of our science and technology base. Technology depends on basic research. Basic research depends on universities, where it combines with education to produce both new knowledge and the people that the country needs in this competitive world." Universities cannot meet the challenge alone; nor can industry.

THE 25TH ANNIVERSARY OF THE DUTCHESS COUNTY COMMUNITY ACTION AGENCY

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. FISH. Mr. Speaker, I rise today to recognize the 25th Anniversary of the Dutchess County Community Action Agency [DCCAA].

The DCCAA serves the low-income, handicapped, and elderly residents of Dutchess County in two basic ways.

First, staff and volunteers at the agency's four multiservice centers help individuals identify and apply for services to which they are entitled. DCCAA advocates help fill out forms, or represent their client's interests in negotiating with public or private agencies. Advocates of the DCCAA are also trained to assist clients in finding the help they need through programs and services both outside and within the agency.

Second, the agency develops and implements its own programs and services which are designed to address the specific unmet needs of the disadvantaged population. These programs include adult day care, transportation, housing, weatherization for low-income homes, advocacy for the developmentally disabled, and a rural dental program.

DCCAA administers a midday meal program for the indigent residents in the southern sector of the county and offers the Carrier Alert/Friendly Pal Program, in which letter carriers or phone volunteers will check on senior or disabled residents to ensure their well-being. There are also seasonal programs which include the distribution of holiday food baskets and the Adopt a Needy Family for Christmas Program.

It is important to note, Mr. Speaker, that the DCCAA is not a county agency. Instead, it is a private, not-for-profit organization which receives funding through government and private grants and contracts. Contributions of services and funds by community businesses, churches, service organizations, and individuals are the life-blood of DCCAA.

"People Helping People"—that is DCCAA's motto and it comes to life everyday for the people served by this agency. The contributions by organizations such as DCCAA enrich our communities and strengthen the fabric of our Nation. I am extemely proud of the Dutchess County Community Action Agency and I send out my sincerest congratulations on its 25th anniversary.

THE DEMOCRACY MOVEMENT IN MAINLAND CHINA—AN INFORMED VIEW FROM TAIWAN

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. LANTOS. Mr. Speaker, the recent tumultuous events in the Peoples' Republic of China have shocked and appalled people around the world. The significance and long-term importance of these developments is being debated and analyzed in many quarters.

One recent important analysis of these events and their significance has been given by Dr. Shaw Yu-ming, the Director-General of the Government Information Office of the Republic of China in Taiwan in a speech at the World Affairs Council in Los Angeles on August 2.

Dr. Shaw brings solid academic credentials to this task. Born in northeast China, he was 10 years old when he came to Taiwan with his parents. He earned a bachelor of law degree from the National Chengchi University and then received his M.A. from the Fletcher School of Law and Diplomacy and his Ph.D. in history from the University of Chicago. He taught history at the University of Notre Dame for 9 years and was a research associate of the University of Chicago's Center for Far Eastern Studies.

In 1982 he returned to Taiwan to a succession of academic positions: Director of the Asia and World Institute, dean of the Graduate School of International Law and Diplomacy of the National Chengchi University, and director of the Institute of International Relations of the same university. He is a recognized scholar and has written widely on United States-East Asian relations, modern Chinese history, and United States foreign policy.

In April 1987, Dr. Shaw was appointed Director-General of the Government Information Office and official Government spokesman.

Mr. Speaker, I ask that Dr. Shaw's address be placed in the RECORD and I urge my colleagues in the Congress to give it serious attention.

THE REVOLUTION HAS DEVOURED ITS OWN CHILDREN: SOME THOUGHTS ON THE DEMOCRACY MOVEMENT IN MAINLAND CHINA

Mr. Chairman, Distinguished Guests, Ladies and Gentlemen:

I am truly impressed and honored that so many of you with such busy schedules found the time to attend this gathering and discuss issues relating to China; this fully reflects your genuine concern for China and the Chinese people.

You all know about the shocking events that took place in mainland China in early June this year: the Chinese Communists mobilized tanks, armored personnel carriers, and other weapons to massacre unarmed students and others who were demonstrating peacefully in Tienanmen Square in Peking, resulting in massive casualties. This was a rare tragedy in the history of mankind, in which a government massacred its own people. As news of the incident spread, the world responded with rage and condemnation, and the international news media launched an unbridled attack against the Chinese Communists' brutal actions. Over the past two months, Chinese people all over the globe have arisen to voice their rejection of the Chinese Communist regime. Chinese both at home and abroad have through this incident not only reached a consensus to do away with the Chinese Communist regime, but have also achieved a high degree of solidarity based on shared nationalistic feeling. This has profound and far-reaching historical significance.

I would like to offer you the following thoughts on this tragedy, for your reference.

Regarding the reasons behind this democracy movement on the mainland, there is no doubt that the political corruption, cultural isolation, and economic backwardness accumulated over 40 years of Communist rule, particularly in the present situation of inflation and wide gaps between rich and poor, has resulted in a high level of popular dissatisfaction. This has caused a feeling of disillusionment and hopelessness in mainland youth, students, and intellectuals, those most sensitive and attuned to events, those with the sharpest sense of justice and mission; to the point where they were ready to risk their own lives for what they believed in. But there was also another important reason: they were influenced by Taiwan's success story, and by the Republic of China's open policy toward the Chinese mainland. Since November 1987, over 500,000 people from Taiwan have been to the mainland for family visits, international conferences, sports competitions, newsgathering, and filmmaking, and have exercised a far-reaching influence on the people of the mainland. Taiwan's success story has been disseminated across the mainland through these channels, and was one of the motivating factors behind the mainland democracy movement.

The mainland democracy movement was launched by youths and students. To avoid giving the Communist authoriities an excuse for suppression, they staged sit-ins and hunger strikes to win the support and sympathy of the general population and people of other countries. Throughout the whole process, they did not use slogans voicing opposition to communism or socialism. They had good reason to stage such a mature and restrained demonstration. In 1956, Mao Tsetung launched the so-called "Hundred Flowers" campaign, whose slogan was "Let the hundred flowers bloom, and the hundred schools of thought contend." Mao used this campaign to get those with anti-communist sentiments to spill out their true feelings so that they could be readily identified and dealt with in one blow. They believed the "promises" of the Chinese Communists that those who spoke out would not be incriminated, and that what they said would be received as constructive criticism. Soon after, however, these intellectuals went from being "fresh flowers" to "poisonous weeds," and were subsequently purged. And the intense and violent political struggle that occurred during the Cultural Revolution of the 1960s and 70s, in which today's hero could well be tomorrow's felon, was an unprecedented phenomenon in human history. These are all reflections of the fickleness, unpredictability, and ruthlessness of the Chinese Communist regime. This is why students in this democracy movement attempted to use the most peaceful methods possible, and avoid the possibility of trumped-up charges against them. Ultimately, however, they did not escape the Chinese Communists' purging of dissidents through brutal suppression. For 40 years, the greatest tragedy of mainland China's intellectuals, has been how they have repeatedly been of the offerings sacrificed on mainland China's political altar, and how they have been unable to realize their ambitions and goals.

I personally believe that this student democratic movement can be considered a revolution to overthrow the communist system, and that it is not an effort at reform within the communist system. Although those demonstrating in mainland China did not, as already mentioned, call for the overthrow of the Chinese Communists, in no case did they voice support for the Chinese Communists. Their use of the slogan, "Give me democracy or give me death," harks back to the American revolutionary Patrick Henry's "Give me liberty or give me death." The "goddess of liberty" they erected in Tiananmen Square is further proof that what they were asking for was Western or American-style democracy. Accordingly, mainland Chinese students and scholars residing abroad, who were not subject to restrictions on their actions, called out slogans demanding the overthrow of the Chinese Communist dictatorship. It is reasonable to assume that the true demands of

the students and others in mainland China are in fact the same as the mainland Chinese living abroad, namely, to overthrow the Chinese Communist dictatorship. Thus this is a revolutionary movement outside of the communist system, and this is the reason why the Chinese Communists had to suppress it with heavy weapons, something the Chinese Communists, including Teng Hsiao-p'ing, openly admit.

Some people in other countries as well as some overseas Chinese have expressed that the statements issued and actions taken by the government of the Republic of China on Taiwan during the period of the democratic movement came too late and were not strong enough. I would like at this time to respond to this. The ROC government has from the beginning followed this movement closely and studied various counterstrategies. However, in order to avoid giving the Chinese Communists a pretext to suppress the movement (for example, on the false grounds that Taiwan instigated the movement from behind the scenes), and bringing harm to the mainland Chinese students and others, we had to take an extremely cautious attitude. For this reason, our government did not make its first formal statement until May 21, one day after the Chinese Communists declared martial law in Peking and sent in troops. Our president, Lee Teng-hui, issued a very strong statement on June 4, after the Chinese Communists launched their all-out bloody suppression of the movement. Our government initiated a series of concrete measures three days later. On June 7, the government passed "Measures to Support the Mainland Chinese Democracy Movement." These measures included using every means available to break through the Chinese Communists' blackout on news regarding the Tienanmen massacre, and providing aid in kind for mainland Chinese students and scholars presently in foreign countries who have been deprived of their passports or stipends due to their anti-communist activities, among other measures. This program fully demonstrates the ROC government's sincerity and resolution in supporting our mainland compatriots.

After the "Peking Massacre," our President Lee Teng-hui pointed out that the concrete response that both the government and people of the Republic of China should adopt toward developments in mainland China is to strengthen political democratization and maintain economic prosperity in Taiwan, so as to further consolidate Taiwan's role as a base for future action. He indicated that we must respond to any disturbances on the Chinese mainland by maintaining a spirit of fighting turmoil by remaining firm ourselves. This will from the heart of the ROC's future mainland policy.

The ROC government's mainland policy will proceed as in the past, continuing to disseminate the "Taiwan Experience," under the premise of protecting our national security. It is our hope to use Taiwan's model of development as a basis for our goal of eventually achieving China's reunification under a free and democratic system with an equitable distribution of wealth.

After graduating from the university in Taiwan, I went to the United States to continue my studies in the areas of international relations and history in 1965. Before I entered governmental service in 1987, I held posts in a number of universities in the U.S. and the ROC for over 20 years. So I would now like, in the capacity of a student of contemporary Chinese politics and history, to make the following points regarding the future of mainland China.

I believe that, in the wake of the Tienanmen massacre, the Chinese Communists' "four modernizations" program faces a very gloomy future. When the Chinese Communists declared over a decade ago that they could "realize the modernization of agriculture, industry, national defense, and science and technology within this century," the ROC government pointed out that the basic condition for the realization of the "four modernizations" was political democratization. Without it, the Chinese Communists would never be more than an oppressive, tyrannical regime. The outbreak of the Tienanmen massacre is attributable to the Chinese Communists' total lack of democratic concepts and a democratic system. At present, intellectuals and Chinese with a sharp sense of conscience on the Chinese mainland have totally abandoned the Chinese Communist regime. Without the cooperation and support of the intellectuals and other angry souls, along with the tightening of foreign investment and technology transfers, plus the nearly unanimous contempt and implementation of sanctions toward the Chinese Communist regime by foreign governments, we can safely predict that the future of the "four modernizations," like the overall outlook for the Chinese Communists, is a dismal one, and the victory the ruling stratum has now temporarily claimed for itself will in the end be reversed.

When at critical moments in history Chinese people come to a consensus and resolution in their thinking and actions, the common wishes of the people will be realized. In 1905, for example, when Dr. Sun Yat-sen founded the T'ung-meng Hui, or Revolutionary Alliance, a predecessor of the Kuomintang, in Tokyo, Chinese intellectuals in China and abroad resolved to overthrow the Manchu government. Seven years later, the Manchu government was overthrown and the Republic of China established. Again in 1919, Peking's students and intellectuals made up their minds to bring down the northern warlords. Nine years later, Generalissimo Chiang Kai-shek led a successful campaign against the warlords, and set up the National Government in Nanking. When the Japanese militarists invaded China in 1937, they incurred the hatred of all the people. Eight years later, China was victorious in the Sino-Japanese War. Chinese in mainland China, Taiwan, Hongkong, Macao, the United States, Canada, Europe, and the Asian-Pacific have all, in the wake of the Tienanmen massacre, come to a consensus, namely, to do away with the Communist Chinese tyranny. Based on historical experience, I personally believe that through the efforts of all the Chinese people, China will eventually be reunited under a free and democratic system.

Over the past 40 years, the government and people of the Republic of China on Taiwan have repeatedly stated that the Chinese Communists are a tyrannical regime that will ultimately be rejected by the people. Some foreign governments, scholars, and specialists have considered this view to be "propaganda motivated by an ulterior purpose." However, the "Peking Massacre" has fully proven our decades-old view to be correct. For this reason, I hope that the free world will in the future pay closer attention to the ROC's views on developments in mainland China, so that they can have a better understanding of the true situation on the mainland, and adjust their responses accordingly.

Ladies and Gentlemen: as mentioned earlier, the democracy movement in mainland China traces its beginnings to the "Hundred Flowers" movement of 1956, after which the democracy movement continued an unbroken development, wave by wave. Another climax in this movement that occurred before the "Peking Massacre" was the "Tienanmen Incident" of April 5, 1976, when students and intellectuals from all over China expressed their resolution to fight the fascist Community Chinese Regime to the bitter end. They once wrote a famous poem that contained the following lines:

Preparing to mourn, we hear the ghosts shriek;
The wolves laugh even as we weep.
Sprinkling blood in memory of the heroes that went before us,
We staunchly drew our swords.

This spirit of being ready to struggle and sacrifice for freedom and democracy brings to mind the words of an American poet who wrote about democracy, Walt Whiteman:

There is no week nor day nor hour,
When tyranny may not enter upon this country;
If the people lost their roughness
and spirit of defiance—
Tyranny may always enter—
There is no charm, nor ban against it—
The only bar against it is a large resolute breed of men."

Ladies and Gentlemen, the Chinese Communist revolution has devoured its own children, but it has also produced countless fighters who have vowed to fight to their deaths to overthrow the Communist Chinese tyranny. The future history of China and of humanity will be written by these heroic fighters, and democracy will in the end conquer tyranny. I believe that because both the American and Chinese people possess countless fighters like these, democracy has a brilliant future ahead of it. Let us all salute our fighters for democracy.

I thank you.

LEGISLATION TO FUND SIMON WIESENTHAL CENTER

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. WAXMAN. Mr. Speakr, today I am introducing legislation to provide a limited, one-time authorization for Federal funding for the Simon Wiesenthal Center's educational outreach programs at the new Museums of Tolerance. These programs will be designed for use in public schools throughout the country. The amount provided in the bill, $7.5 million for fiscal year 1990, will not be used for construction, and total less than 20 percent of the overall cost of the museum. The Wiesenthal Center has already raised over $30 million for the Museum of Tolerance, with a scheduled opening in 1990.

The Holocaust—the genocide of six million Jews in World War II Nazi Germany—continues to shock the conscience of our Nation and the peoples of the world.

One institution in our country, the largest of its kind, was founded in 1977 in Los Angeles, CA., to educate all sectors of society, particu-

larly school-age children, about the events surrounding pre-Nazi Germany and the Holocaust. The Simon Wiesenthal Center, named in honor of the legendary Nazi hunter, is renowned throughout the world for its historical vision and educational endeavors. The Wiesenthal Center's programs do not end with the Holocaust: they seek to provide an understanding of civil rights, justice and morality in our society and in other countries as well.

The Simon Wiesenthal Center, a non-profit institution, contains books, films, videos and computers as resources for comprehending racism and human behavior in this country and abroad. In further fulfillment of its mission, the Simon Wiesenthal Center is currently undergoing a significant expansion, which includes the construction in Los Angeles of the new Beit HaShoah: Museum of Tolerance. In light of recent acts in our country indicating a resurgence in racism, the Wiesenthal Center counteracts intolerance. The Museum of Tolerance will challenge us to embrace tolerance as a means of preserving democracy in our society, and ensuring that the Holocaust will never be repeated.

In addition to its exhibits and educational programs regarding the Holocaust, the Museum of Tolerance will chronicle the Nazi persecution of other minorities during World War II, and contain exhibits addressing modern-day repression and the universal struggle for freedom, from our own civil rights movement to the fight for human dignity in other countries around the world. When completed, the Museum of Tolerance will serve as a major human rights and education resource center for Americans from all walks of life.

I urge my colleagues to support this worthy legislation.

TRIBUTE TO TUSTIN "MIND GAME" WINNERS

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. SCHUETTE. Mr. Speaker, I rise today to congratulate seven young people from the Tustin Elementary School who recently won a State-wide "Odyssey of the Mind" competition. The seven students are sixth-graders Rylan Kahley, Mike Pacola, Lisa Black, Megan Anderson, Kelly Anderson, seventh-grader Cindy Hix, and eighth-grader Wendy Paramenter.

The competition consisted of two parts: problem solving and brainstorming. The problem solving portion of the competition required the students to pick a Greek mythical character and use that character to help sell a product or service. Brainstorming involved thinking creatively to come up with several different solutions to a problem. Principle James Cooper of the Tustin school summed up the valuable lessons learned from the competition when he said, "Our kids have found out that thinking games can be as rewarding as they are fun."

Because of their success, the Tustin elementary students were able to travel to Boulder, CO, in May to take part in the World Odyssey of the Mind competition. There they competed against students their own age from all 50 States as well as China, Canada, Mexico, and the Netherlands. They placed a very respectable 22d.

Mr. Speaker, and my colleagues in the House, please join me in congratulating these young people for a job very well done. It is students like these who give me great confidence in the future of our country and our world.

TO COMMEMORATE THE CENTENNIAL OF YOSEMITE NATIONAL PARK

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. LEHMAN of California. Mr. Speaker, it is a very great honor to represent Yosemite National Park—a premier national park and World Heritage Site. Today I have introduced two pieces of legislation to commemorate Yosemite's 100th birthday. On October 1, 1890 President Benjamin Harrison signed into law an act to set-aside "reserved forest lands" surrounding Yosemite Valley. It is this date which has been formally recognized as the establishment of Yosemite as a national park for all the people of the United States.

My legislation—a joint resolution officially recognizing this centennial event and a bill which authorizes the strking of a Yosemite Centennial medal—pays tribute to what I believe is the finest national park in America. Covering over 1,200 square miles, Yosemite National Park lies in the Sierra Nevada mountains in central California with the San Joaquin Valley to the West and the Great Basin to the East. Yosemite contains the headwaters of the Tuolumne and Merced Rivers and is known worldwide for such landmarks as Half Dome, Bridalveil Fall, El Capitan and, of course, Yosemite Valley itself.

Yosemite's history and its geography are stories of the American people and our relationship to the landscape. As Yosemite's 100th birthday approaches, it is time to reread these stories of our past so that we can apply their lessons to our future.

John Muir came to Yosemite in the 1860's and was among the first to recognize that Yosemite Valley was a product of glacier movement. He described glaciers as nature's landscape architects, saying: "Here are the roots of all the life of the valleys, and here more simply than elsewhere is the eternal flux of Nature manifested. Ice changing to water, lakes to meadows, and mountains to plains." Muir noted: "God's glacial mills grind slowly, but they have been kept in motion long enough in California to grind sufficient soil for a glorious abundance of life * * *."

Historians say that native Americans first inhabited the magnificent landscape of Yosemite and the Sierra about 3,000 years ago. Ancestors of the Sierra Miwok, known as the Ahwahneechee or Yosemite Indians, entered higher elevations of the Sierra from the Central Valley of California. Non-Indian adventurers did not arrive until 1833 when, it is believed, the famous Joseph Walker party skirted the cliffs of Yosemite Valley in search of new furtrapping territory. In 1851 Maj. James D. Savage led the Mariposa Battalion into Yosemite Valley in pursuit of Indians.

The first tourists came to Yosemite in 1855 with a party organized by James M. Hutchings, who was the publisher of California Magazine. Hutchings' visit marked the beginning of Yosemite as an attraction for nature lovers and tourists. One of those early visitors to Yosemite was Horace Greeley, who wrote: "I know no single wonder of Nature on Earth which can claim a superiority over Yosemite." Landscape painters such as Albert Bierstadt and Thomas Moran lent their talents to idealized portraits of Yosemite and photographers such as C.C. Weed and Carleton Watkins exhibit their Yosemite works in New York galleries. It was only a matter of time until both protection and promotion of Yosemite became a cause for California and for the Nation.

Although Yosemite's official birthday is October 1, 1890, when Congress designated the region surrounding Yosemite Valley as a reserve, in a symbolic sense Yosemite is the first and oldest national park in the world. In 1864, a businessman wrote California Senator John Conness to request that he introduce a bill to preserve Yosemite Valley and the Mariposa Grove of Giant Sequoias—"to prevent occupation and especially to preserve the trees in the Valley from destruction." On June 30, 1864, President Abraham Lincoln signed into law the first scenic reservation in America for public enjoyment, which came to be known as the Yosemite Grant. The Federal Government granted Yosemite Valley and the Mariposa Big Trees, covering 60 square miles, to the State of California to preserve the area's outstanding scenic qualities. This first set-aside of land at Yosemite by the U.S. Government was the birth of the National Park System idea and the birth of State park systems throughout America.

California administration of Yosemite Valley and the Mariposa Big Trees continued until 1905–6 when California relinquished its ownership and President Theodore Roosevelt signed a Federal law accepting the return of the Yosemite Grant. The Yosemite Grant was thus combined with the 1890 back-country Federal forest reserve to constitute Yosemite National Park.

The years when Yosemite Valley and the Mariposa Grove were administered by California State commissioners were controversial ones. Yosemite Valley was a laboratory for the development of park management and conservation practices, and the results were often mixed. Frederick Law Olmsted was the first chairman of the Board of Yosemite Commissioners, and in 1866 the California legislature appropriated the sum of $2,000 for the management of the Yosemite Grant. In the decade preceding the grant, total visitation to Yosemite Valley barely exceeded 600 persons for the entire period. Ten years after the Yosemite Grant, visitation rose to 2,700 persons annually.

Complaints about Yosemite management were numerous, and reading about them more than a 100 years later gives one a very strong sense of deja vu. Access to and within the

park was a serious problem, as were visitor accommodations. In order to generate revenue for visitor services and park improvements, lands and buildings were leased to private individuals. Yosemite's manager, known as the Guardian, was accused of favoritism in granting privileges and leases at Yosemite. River courses were changed and meadows were drained to allow cultivation in Yosemite Valley. Magnificent trees were cut to improve vistas and portions of the valley floor were fenced with barbed wire. Enormous controversy arose over the Yosemite Commission's efforts to divest the valley floor of settlers. Hotel proprietors were accused of pooling to boost rates.

Objections were voiced to the Yosemite Commission's park expansion proposal by individuals who feared State control of future central California water sources because of domination on the Yosemite board by southern California and San Francisco interests. John Muir came to Yosemite Valley during the State grant years and condemned the commercialism in Yosemite Valley—from fenced pastures to damage by sheep and lumbermen.

Eventually discontent with California's administration of the Yosemite Grant led to creation of the U.S. forest reserve surrounding Yosemite Valley, and for 16 years dual management coexisted. Yosemite Valley and the Mariposa Grove became a park within a park, with the valley and grove administered by State commissioners and the backcountry administered by the U.S. Army.

On October 1, 1990 we will celebrate the official creation of Yosemite National Park. We will acknowledge that the last 100 years of park administration have not been perfect and that most of today's problems have ancestors dating from the 19th century.

Over the course of the last 100 years at Yosemite, the size of Yosemite has diminished to accommodate mining and timber potential and to eliminate most private inholdings. Management policies at Yosemite have fluctuated—trying to walk the precarious tightrope between visitor use and preservation of the natural environment. In 1907, a bold U.S. Army major at Yosemite received permission from the Secretary of the Interior to ban automobiles from the park. Today, with annual visitation exceeding 3 million people, automobiles probably represent the single biggest threat to Yosemite National Park.

In 1913, the U.S. Congress enacted the Raker Act which allowed the construction of O'Shaughnessy Dam and the massive Hetch Hetchy hydroelectric system within the park. In 1988, Congress enacted new legislation to prohibit any expansion of the Hetch Hetchy reservoirs in Yosemite. Today Yosemite's prime concessioner is criticized for contributing to the urbanization of the park. At various times in the past, Yosemite embraced such anomalies as a petting zoo, a dance hall, a race track for Indian field days and a firefall from Glacier Point during evening park programs.

Through all the variations of State and Federal, military and civilian management, Yosemite National Park has survived the 19th and 20th centuries and has given millions of American families countless hours of enjoyment. The park's interpretive services, its museum, and its education programs have served as models for all of our national parks. Yosemite was said to be the favorite park of Stephen Mather, the first Director of the National Park Service, who set about making Yosemite the showplace of the National Park Service.

Americans have much to celebrate during Yosemite's centennial; as we approach the 21st century at Yosemite, we have even more to contemplate. The challenges of natural preservation in concert with public use at Yosemite have existed from the very beginning. In the late 1920's and 1930's, Yosemite Park Superintendent Charles Goff Thomson summed up these challenges very well. Thomson described it as reconciling two conflicting objectives * * * "First, the National Park Service is controlled by an earnest determination to preserve the parks for posterity * * *" "Our second responsibility," Thomson said, * * * "is to make Yosemite as useful as possible to the people of this generation * * *"

I urge my colleagues to join with me in commemoration of Yosemite National Park and our National Park Service whose very roots lie in this grand Sierra Nevada landscape.

A TRIBUTE TO THE COMMUNITY OF PACIFIC BEACH FOR ESTABLISHING THE ROSE CREEK COTTAGE AND MEETING HALL

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. LOWERY of California. Mr. Speaker, the community of Pacific Beach, in California's 41st Congressional District, has set the standard for volunteerism and public-private partnership.

When the Evans family decided to remodel and expand the Catamaran Hotel in Mission Beach, they were kind enough to donate the 30-year-old wedding chapel to the Pacific Beach Town Council. The only provision was to find a suitable location and help in moving this historic building.

Pacific Beach Town Council President Jeff Sykes and Vice President Jim Moore found a small parcel of unused Navy land. They contacted my office for assistance in obtaining a lease on the property for saving this piece of beach area history.

After securing the lease, the Taylor family, Vern and his sister Emma, donated the financial resources to move and place the building at the new location along the Rose Creek Arboretum.

Once the building was in place, Jim Moore, who had become town council president began coordinating the effort to lay a foundation, landscape, hook up to city services, and complete the restoration.

The Daley family generously provided grading of the entire property and asphalt paving of the parking lot at no charge.

Mr. Speaker, we would be remiss if we did not recognize the assistance from the San Diego Job Corps. Working on weekdays and weekends Jim Moore and Job Corps participants committed themselves to innumerable hours of pure physical labor to make the restoration a reality.

There were many members of the town council and the community who donated time and resources. I would like to acknowledge and thank all of those very special people.

The Pacific Beach community and town council have demonstrated what can be accomplished with volunteer initiative and devotion. The move and restoration of what is not called the "Rose Creek Cottage and Meeting Hall," is a solid symbol of the community pride that makes this country great. Mr. Speaker, please join me in saluting this community, its many valuable unselfish friends and supporters in an outstanding accomplishment.

100TH ANNIVERSARY OF THE RIDGWAY FIRST BAPTIST CHURCH

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. POSHARD. Mr. Speaker, I'm pleased to take this opportunity to congratulate the Ridgway First Baptist Church on its 100th anniversary. Ridgeway is a town of 1,245 people in Gallatin County, IL. Some of you may know it better as the Popcorn Capital of the World, but it's a town well known for caring and giving people.

The First Baptist Church is a fine example of that spirit. The church will begin the celebration of its 100th anniversary this September, and it won't end until August of next year. The members of the Ridgway First Baptist Church have worked hard to achieve this milestone, and are rightfully proud of their accomplishment.

Since its humble beginnings in 1890, the church has grown to be the largest Protestant church in Ridgway. Throughout its 100 years, church members have supported a full-time minister to meet the needs of the congregation. Church members have also given generously enough to send missionaries around the world to share the spirit which keeps the Ridgway First Baptist Church alive.

That spirit can also be seen through support of the annual Popcorn Days Festival, where the church annually sponsors a float in the parade. The church also supports young athletes in the community by holding an annual rabbit fry for the basketball team.

At a time when bigger seems to be better, it's wonderful to see small can at times be stronger, and the Ridgway First Baptist Church shows us the way. When small town America is losing its identity, sometimes unable to support the institutions that are its lifeblood, the church plays an important role in keeping rural America alive. It provides a place for townspeople to meet, worship, and share, and makes life better, and the Ridgway First Baptist Church has been doing that for the last 100 years.

The church is committed to staying together for the next 100 years, and it will at that time be the privilege of some other Member of Congress to congratulate them. But it is certainly a great honor for me now to offer my

congratuations and thanks, and tell the members of the Ridgway First Baptist Church how proud I am to represent them in Congress.

CONGRESSIONAL REFORM

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. PORTER. Mr. Speaker, in late December of 1987, the House and Senate dropped a mammoth $600-plus billion CR and a 1,000-plus page budget reconciliation bill on the President's desk a few days before Christmas. He signed both. The President had won some battles and the Congress had won others. Some taxes were raised, some spending was cut. A senior official at the Department of Agriculture, who had angered a senior Member of Congress, had his job eliminated—a task considered so vital to the welfare of the Union that it tied up the CR conference for 2 days.

It was not long before some of the chicanery hidden in these huge bills bubbled to the surface. One Senator did a favor for a colleague by including a paragraph to force a flamboyant and abrasive publisher to sell his newspaper. A Congressman took two airplanes away from the Defense Intelligence Agency as retribution for their insulting refusal to fly his girlfriend. A powerful Senator was damaged by revelations that he had earmarked $8 million to build Hebrew schools in France, an appropriation he was eventually forced to rescind.

These abuses were widely reported by many newspapers and television networks The stories did not simply tarnish the individuals involved, they were a national embarassment for the Congress as an institution.

Disgust over the CR led to congressional efforts to stop this procedural abuse. A group of House Democrats wrote the Speaker to protest use of the CR. A group of Senators sent a similar letter to the President. On the night of December 22, while the CR was winding its way through Congress, I rounded up 146 signatures on a letter to Mr. Reagan asking him to announce in his State of the Union Address that he would veto any omnibus CR sent to him for fiscal year 1989. For our part, we pledged to uphold any such veto. As a result of all these efforts and attention, the President did make such a pledge in his January address.

Congress moved expeditiously in 1988, and on the last day of September passed the last of the 13 appropriations bills separately and on time. For the first time in 14 years, the use of a Continuing Resolution was avoided, government agencies were funded on time, and the annual spectacle of passing short-term funding extensions, shutting down the government for a day or two, and otherwise acting like schoolyard children was avoided.

Unfortunately, as the August recess approaches it is clear that Congress has decided to return to its bad habits. While the House has awoken from its pay raise and ethics induced lethargy to report out spending bills at a dizzying rate in the last month, we nonetheless lag behind last year's barely adequate pace, and we have failed to meet the deadlines established by law in the Budget Act.

By law, the House was to complete all appropriations bills by June 30, a deadline we will miss by 5 weeks. Last year, by comparison, all 13 were passed by June 29. Unless a redoubled effort is made in September, a CR looms as all but a reality. However, it is neither impossible or unrealistic to meet this deadline. To do so will require the Senate to act expeditiously on all 13 measures, and will require the House to immediately conference these bills, settle all differences, and avoid the instinct to delay and use the weapon of last minute brinksmanship.

The CR is a dangerous and unnecessary device. By combining completely unrelated Federal obligations into one huge bill which no one has read and which is protected from amendment by a closed rule, the CR directly undermines efforts at rational policymaking. Eleventh-hour CR's effectively prevent the Executive from exercising his constitutional responsibility to act as a check against profligacy and waste. CR's present the Executive with an unacceptable dilemma—either sign the bill, or be blamed for shutting down the Government. The President of the United States should never be forced to make such a choice.

It is not impossible to avoid a CR for fiscal year 1990, all it will take is a little hard work, courage, and resolve. Although we are at least 5 weeks behind schedule, we are considerably ahead of the record for the prior 2 years and an all out effort in September could result in Congress meeting its obligations under the law and to the American people. Avoiding the CR is important—to rely again on that expedient device is to admit our incompetence before the Nation and the world.

SHORT HISTORY OF APPROPRIATIONS

FISCAL YEAR 1987

The House of Representatives passed 11 of the 13 appropriations bills as freestanding measures—the first on June 25th, 1986, the eleventh on September 12th. Two measures reported by the full committee in August were never considered on the floor as separate measures but were dumped into an omnibus CR, containing all 13 measures (including three conference reports) which passed the House on September 25th and was cleared for the President on October 17th.

FISCAL YEAR 1988

The House passed 10 of the 13 bills as freestanding measures—the first carried on June 24th, 1987, the tenth on September 22nd. Three measures approved by the full committee were never considered as freestanding measures on the House floor but were dumped in the CR on December 3rd. On December 22nd a CR containing all 13 bills was cleared for the President.

FISCAL YEAR 1989

Working efficiently, the House cleared all 13 bills as freestanding measures—the first carried on May 17th, 1988, the last on June 29th. All thirteen were enacted into law as separate measures by October 1st for the first time in 14 years.

FISCAL YEAR 1990

After doing virtually nothing for six months, the House has begun aggressively passing appropriations bills. The first carried on June 28th, 1989, the last is expected to pass on August 4th. The House is thus running five weeks behind its statutory deadlines and the pace adhered to last year, but doing considerably better than in FY88 and FY87.

THE U.S. DELEGATION WINS ONE AT THE ITU

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. FASCELL. Mr. Speaker, the International Telecommunications Union, a specialized agency of the United Nations, completed its plenipotentiary conference on June 29 after 6 weeks of intense negotiations. Whether it was the new constitution, the election of new officers, the reorganization proposals, or the budget, I am pleased to report that the interests of the United States were very well served.

The perception of the United States as the unheeding giant ignoring the needs of others has been seriously undermined. And while damage control lurked in many a mind, we were able to seize some measure of leadership and participate in the establishment of a new bureau for technical assistance which will serve to focus the talents of this unique agency and hopefully bring to bear the full measure of its potential assistance to serve not only the needs of the developing world but also the interests of the major donors in these activities. At a time when increasing trade opportunities for American business abroad is a paramount national objective, intimate participation of the United States in the implementation of this decision of the conference can turn this new entity into a trade tool for our country.

Besides thwarting premature reorganization of portions of the ITU where U.S. interests principally lie as well as other attempts to shift the direction of the agency in ways most menacing to our interests, the members of the union reelected Mr. Richard Kirby, from the United States, to the head the Consulative Committee on International Radio despite intense pressure from the Secretariat. They enthusiastically supported, by a wider margin, the renewal of U.S. membership on the Administrative Council, and elected a new Secretary General who enjoyed strong and overt U.S. support.

The conference could have gone in a very different direction by granting membership to the Palestine Liberation Organization, by expelling Israel from its midst, or even by forcing the conference to address the so-called 50/50 arrangements governing the apportionment of revenues generated by international telephone traffic. There is no doubt that the majority bloc of developing countries could have forced the adoption of an overall budget that suited their political needs while thumbing their noses at financial concerns of major donors. They could have adopted a technical assistance package that directly threatened the integrity of existing activities.

Needless to say, many factors contributed to the more favorable, perhaps even positive,

outcome of this meeting. However, I believe that the work and determination of Ambassador Travis Marshall made a fundamental difference. As the head of the U.S. delegation, he played a crucial role in convincing key factions of the conference of the necessity to give a little in order to achieve something that everyone could support. His was an arduous task of reconciling a multiplicity of views within our own delegation with the various strains running throughout the membership of the union. His personal style and commitment to the process smoothed many a sharp edge.

As he concludes his work at the Department of State, Ambassador Marshall joins a small group of American citizens who have distinguished themselves by taking precious time from their businesses to share their knowledge and expertise to represent the United States.

In the years to come, communications and information issues will come to dwarf their own relevance today. As our Nation continues to globalize its economy, as we increase our promotion of democratic values around the planet, the edge we enjoy thanks to our leadership in this field will become more dramatically obvious and crucial.

VERY REVEREND JOSEPH T. CAHILL RETIRES AS PRESIDENT OF ST. JOHN'S UNIVERSITY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. ACKERMAN. Mr. Speaker, I rise today to pay special tribute to the Very Reverend Joseph T. Cahill, C.M., who will be leaving the presidency of St. John's University in New York after 24 years of dedicated and meritorious service.

During his time as president of St. John's, Father Cahill directed a major revision of the university's various undergraduate curricula. This resulted in a wide range of career-oriented programs of study, which were offered along with the traditional courses of study in the liberal arts and sciences, and which enabled university graduates to gain immediate access to the complicated American job market. The substantial changes in undergraduate curricula, coupled with the new recruitment operation, yielded steady increases in St. John's enrollment.

In 1970, construction began on a new law building on the Queens campus to house the prestigious law school. The following year Father Cahill was instrumental in acquiring the property of the former Notre Dame College for a new St. John's campus on Staten Island. Originally designed as a facility for 1,000 students, this unit of the university has an enrollment now in excess of 2,500.

Born in Philadelphia, PA, on June 1, 1919, Father Cahill was ordained in 1946 following studies at St. Joseph's College in Princeton, NJ, and at Mary Immaculate Seminary in Northampton, PA. After ordination, Father Cahill spent 7 years at St. Joseph's as a teacher of history and director of dramatics.

In 1953, he was assigned to Niagara University where he continued teaching. He became moderator of athletics at Niagara in 1956, and was named dean of the graduate school and the school of education in 1958. The following year, he became academic vice president and dean of the Niagara University college of liberal arts and sciences.

Father Cahill was named president of St. Joseph's College in 1962, and 2 years later he assumed the presidency of Niagara University. He was appointed president of St. John's University on July 16, 1965, and is the only person to serve as president of three different institutions of higher learning in a single year.

St. John's University's dramatic success story would have been impossible without the keen administrative leadership of the Very Reverend Joseph T. Cahill, C.M. Through it all, he has never lost sight of the purpose of a university. Father Cahill is one of those rare university presidents who, despite a demanding schedule and enormous pressures, finds time every semester to teach courses in Western civilization to maximum capacity classes. We in Queens are proud and lucky to have him among us. I would like all of my colleagues in the House of Representatives to join me in honoring the Very Reverend Joseph T. Cahill and commending him for his outstanding service.

INTRODUCTION OF THE VETERANS HEALTH PROFESSIONALS EDUCATIONAL AMENDMENTS ACT OF 1989

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. SMITH of New Jersey. Mr. Speaker, as the vice chairman of the Veterans' Affairs Subcommittee on Education, Training, and Employment, today I am introducing legislation, the Veterans Health Professionals Educational Amendments Act of 1989, which will add an additional benefit to the existing Montgomery GI Educational Assistance Program for the Selected Guard and Reserve component.

Under the Montgomery GI bill, most reservists are now eligible to receive $5,040 from the Department of Defense to finance their undergraduate studies. The legislation I am introducing will enable the Department of Veterans Affairs [DVA] to provide an additional $400 per month to a reservist who majors in a health-care profession and in return agrees to work in a VA health-care facility for a limited time. The DVA will be given the authority to identify their staffing shortages and target the benefit accordingly.

The bill is intended to provide benefits only for the time period when the student is taking their health related courses—generally for the last 2 years of a 4-year program. The benefit can be awarded to individuals pursuing baccalaureate, associate, or technical degrees.

In order to receive this added benefit, a recipient must sign a contract with the DVA stating that they will serve 1 year in a VA health-care facility for every year of benefits they receive. If the reservist reneges on the agreement, he or she must repay the benefit amount, plus interest and penalty, to the DVA.

The goal of this legislation is to supply the DVA with sufficient recruiting tools to attract much needed health-care professionals—particularly nurses. We are all aware of the difficulty the VA has had in recruiting and retaining nursing personnel, but it is also true that similar shortages exist in other professions. According to the "1988 VA Survey of Health Occupational Staff," VA health-care facilities nationwide are experiencing a 25-percent vacancy rate in physical therapy positions, a 20 percent vacancy rate in occupational therapy positions, and a 8-percent vacancy rate in pharmacy positions, as compared to a 5-percent vacancy rate in nursing staff.

Mr. Speaker, the need to provide incentives for individuals to choose health careers and to work in VA facilities is apparent. The advantages of this program will be threefold: the value of the Selected Guard and Reserve GI Educational Program is increased, the VA is guaranteed employees once they accept the benefit, and the dwindling pool of health care professionals is increased nationwide.

I would like to thank the original cosponsors of this bill, the chairman and vice chairman of the Veterans' Affairs Committee, SONNY MONTGOMERY and BOB STUMP, and the chairman of the Veterans' Affairs Subcommittee on Education, Training, and Employment, TIM PENNY, for their assistance and support in crafting this bill. I would appreciate the support of my colleagues on this legislation and encourage Members to join me in sponsoring the Veterans Health Professionals Educational Amendments Act of 1989.

PERSONAL EXPLANATION

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. FISH. Mr. Speaker, I was absent on July 28 and July 31 and missed votes. Had I been present, I would have voted "yea" on rollcall votes 188, 190, and 192, 191, and "no" on rollcall vote 186.

THE CLEAN CONSULTANTS ACT OF 1989—POLITICAL INFLUENCE PEDDLING AND CONSULTANT ABUSES MUST STOP

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. LANTOS. Mr. Speaker, as chairman of the Employment and Housing Subcommittee which has been conducting the congressional investigation of serious abuses at the Department of Housing and Urban Development [HUD], I have been shocked and outraged at the widespread use of highly paid political consultants by developers and others seeking Federal funds. Political influence peddling and many of the other serious abuses that we

have discovered at HUD have been encouraged, fostered, supported, and—in some cases—caused by consultants.

In our investigation of HUD, we have found a complete distortion of the intention of Congress as political consultants have turned the system on its head. In the moderate rehabilitation program at HUD, for example, local housing authorities should identify the need for this type of housing and then seek Federal funds to get it. What we found is the exact opposite. Developers and their highly paid political consultants identified projects which were highly profitable, secured support for these projects in Washington through influence peddlers, and then told local housing authorities they were developing the project.

We have enacted programs to help Americans of modest means achieve the American dream of adequate, affordable housing, but the system we found at HUD distorted and undermined that dream. Programs that were intended to direct scarce resources to areas of the greatest need, instead were doled out to projects which had the best connected political consultants.

Mr. Speaker, the amendment to the Interior appropriations bill by the distinguished Senator from West Virginia, Mr. BYRD, takes an important step toward eliminating the serious abuses we have found at HUD. Today, together with a number of our distinguished colleagues, I am introducing legislation similar to the Byrd amendment here in the House. Our version includes a number of minor changes which have been suggested by Senator BYRD's staff and by the Office of Management and Budget which supports the legislation.

Mr. Speaker, our legislation makes a number of important changes regarding the use of consultants in dealing with Congress and agencies of the Federal Government.

First, the bill prohibits recipients of Federal grants, contracts, loans, or cooperative agreements from using Federal funds to pay consultants—directly or indirectly—in order to influence executive or legislation decisionmaking in connection with the Federal award.

Second, the bill requires that any person or organization requesting or receiving Federal funds to report each quarter to the Federal agency involved the name of any lobbyist of consultant paid with non-Federal funds, the amounts paid, and the purpose for which they were paid. This information will be made public.

To enforce these provisions, penalties of up to $100,000 may be imposed and the heads of Federal Government agencies will have the authority to cancel contracts, grants, or loans to those who violate the provisions of the bill.

Our legislation does not prohibit reasonable payments to consultants for professional and technical services in connection with meeting the requirements for receiving Federal contracts, grants, or loans, but it does eliminate the use of Federal funds for political influence peddling.

Mr. Speaker, there are many other grave problems that we have uncovered in our investigation of HUD and others continue to arise as our investigation continues. This legislation deals with only one of those problems—political influence peddling—but it is among the most serious and troubling of the problems we have discovered. It is a problem that we can and must correct.

Mr. Speaker, I urge our colleagues in the Congress to join us in cosponsoring this legislation.

TRIBUTE TO HOMER UNITED METHODIST CHURCH

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. SCHUETTE. Mr. Speaker, I rise today to honor the congregation of the Homer United Methodist Church, which is celebrating its centennial anniversary this year. Many special events are planned for the centennial celebration, including the dedication of a new steeple, a homecoming for past pastors of the congregation, and the opening of the 1889 cornerstone, which will then be relayed with updated information.

The church was destroyed in 1890 by a cyclone, but it was soon rebuilt and has since undergone at least four major building programs. Over 50 ministers have served this illustrious congregation, which in some families stretches back to the days when Homer was originally carved out of the Michigan wilderness.

The members of Homer Methodist have performed many community services and religious events over the years. One popular event, held annually in December, is the "holy walk." It is a reenactment of the events in Bethlehem at the time of the birth of Jesus. This event draws over 3,000 people each holiday season.

Mr. Speaker, and my colleagues in the House, please join me in congratulating Homer United Methodist Church on this milestone in its history and wishing the church and its congregation continued prosperity as it pursues the spiritual, intellectual, and physical excellence which make Homer a great place to live and work.

IN HONOR OF MARK WELLMAN AND MIKE CORBETT'S ASCENT OF EL CAPITAN

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. LEHMAN of California. Mr. Speaker, I wish to pay tribute today to two courageous men who exemplify the very best spirit of America. Mark Wellman is a 29-year-old ranger naturalist in Yosemite National Park. He is also a paraplegic who became disabled from a 50-foot fall down a cliff in the John Muir Wilderness 7 years ago. On July 26, 1989 Mark and his companion Mike Corbett, a staff member of the Yosemite medical clinic, made history when they completed their ascent of El Capitan.

As the Congressman who represents Yosemite National Park, I am especially hornored to represent these outstanding Americans. I know that the challenges faced by climbers are difficult under any condition. El Capitan is considered to be one of the most difficult climbs in the world. Mark Wellman, with the assistance of Mike Corbett, faced the challenge of El Capitan and conquered it. In doing so, these men demonstrated that the vistas for disabled Americans are unlimited—that strong spirits are more important than strong bodies.

Mr. Speaker, Mark Wellman and Mike Corbett serve as an inspiration to all Americans. It is a privilege to honor and congratulate them today.

HONORING THE 50TH ANNIVERSARY OF THE B-24 LIBERATOR BOMBER

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. LOWERY of California. Mr. Speaker, I rise today to honor the 50th anniversary of the B-24 Liberator bomber. On September 20, 1989, one of the last flying B-24's will arrive in San Diego at the Convair plant where these historic pieces of World War II lore were first built.

In 1939, on the eve of the Second World War, the Consolidated Aircraft Corp. of San Diego was called upon to design and produce a strategic bomber. This company, later to become Convair brought the B-24 from concept to production in only 9 months, a near industrial miracle.

Over 18,000 bombers were produced, making the B-24 the most extensively produced airplane in American aviation history. The B-24 was widely used by the Navy, Air Force, and RAF. This workhorse was used in every theater of World War II and had 89 confirmed U-boat kills to its credit. Thus, the Liberator not only served a valuable strategic function, but also helped make the shipping lanes safe for essential allied supplies.

The B-24 has had many distinguished pilots. Actor James Stewart was a B-24 pilot, and an 8th Air Force squadron commander. Senator LLOYD BENTSEN served as a B-24 pilot as well. In addition to these famous pilots, Stanly Pace, chief executive officer of General Dynamics, piloted one of these historic planes.

The B-24 that will appear at the anniversary celebration was painstakingly restored by the joint efforts of private individuals, and General Dynamics. This historic celebration has come to fruition due to the dauntless efforts of the International B-24 Liberator Club, Convair, General Dynamics, and the San Diego Aerospace Museum.

Mr. Speaker, distinguished colleagues, please join me in honoring the B-24, and the thousands of people associated with this historic plane as an essential part of the fight for freedom as they gather in San Diego from September 20 to 24 to celebrate the B-24's 50th anniversary.

A TRIBUTE TO MR. BOSCO SIMICH

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. POSHARD. Mr. Speaker, I would like to pay tribute to Mr. Bosco Simich, upon the 50th anniversary of his arrival to the United States.

Mr. Simich, like many other immigrants to this great country, overcame numerous obstacles to reach the United States and become a citizen.

At age 13, he left his homeland of Yugoslavia by boat, to escape Hitler's rampage throughout Europe. His long, lonesome journey across the ocean was soon forgotten as the boat entered New York Harbor and Simich was awestruck by his first sight of the Statue of Liberty.

Soon after his arrival, he joined his father operating the American Bakery in Eldorado, IL. The move to Eldorado was full of firsts for Bosco Simich, including his first taste of ice cream, his first Coca-Cola, and his first chance to live in a house which had electricity. Although he could not speak English, he enrolled in the sixth grade the week following his arrival, and only 5 years later, he was fighting for his new country in the Asiatic Pacific as a member of the U.S. Navy.

Upon his honorable discharge, Simich became a partner in his father's business, and eventually became a U.S. citizen. At about that same time, Mr. Simich was married, and began working to bring members of his family, as well as other Yugoslavians, to the United States. Many immigrants owe their freedom to the efforts of this man.

Mr. Simich not only provided for himself, but provided the opportunity for his son and daughter to go to college and receive advanced degrees, inspiring them to be successful in their own right.

Mr. Bosco Simich is a shining example of the classic American success story which makes our country so great. Against considerable odds, Mr. Simich worked to achieve the dream and promise offered to anyone willing to make the effort and pay the price. His life story is an inspiration to me and any other person who knows the words on the Statue of Liberty are more than letters strung together, that they mean something very real in the lives of millions who now call this country home.

I am honored to represent Mr. Simich in the U.S. Congress.

THE INNOCENT VICTIMS OF THE AFGHAN WAR

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. PORTER. Mr. Speaker, a lot has been written about the current state of affairs in war-torn Afghanistan. News reports depict the nation locked in an intense civil conflict following the pullout of Soviet troops in February. What has not been given enough attention though is the suffering that many innocent Afghans, in particular its women and children, have been subjected to during the 10-year war.

Recent statistics and eyewitness reports from people who have visited the area tell of horrible conditions facing the vast numbers of refugees who have fled the violence and bloodshed. Currently, there are 3 million registered refugees in Pakistan, 2 million in Iran, and 2 million homeless refugees inside the borders of Afghanistan. Of these 7 million refugees, 75 percent are women and children. For the most part, the women and children who are interned in the camps live in squalid and crowded conditions. Families can only consume the staples their ration books will allow, such as edible oil, wheat, sugar, tea, and kerosene.

Their misery in the camps is compounded by limited access to adequate health care and basic schooling. In 1 year alone, Afghanistan had the highest infant mortality rate, the highest under-5 mortality rate, and one of the highest maternal mortality rates in the world. The illiteracy rate among Afghan women is also astoundingly high, at about 90 percent. The tragedy is that these families cannot return to their homes because they fear the presence of millions of antipersonnel mines installed by the Soviets along the 40- to 50-mile Afghan-Pakistan border.

The refugees are not the only victims of this war. A massive number of human rights violations have been committed on thousands of citizens for far too many years. Immediately after the coup which toppled the government of President Daoud, at least 200 former government elites and members of the royal family were arrested and held incommunicado in primitive Afghan prisons. Prisoners were denied a trial and prison officials told their families that they had been killed. Recently, however, several dead prisoners who disappeared after the 1978 coup were found and reunited with their families.

We have heard from the family of Mr. Badruddin Sharafi, who was a University of Texas graduate, president of the Afghan Petroleum Co. and subsequently a member of the Shansab Service until his disappearance on June 9, 1979. No documentation is available on the whereabouts of this Afghan citizen, and his wife, three children, mother and other family members do not know whether to mourn his death or look forward to his homecoming.

In addition, throughout the past decade thousands of children have been taken from their homes and families in Afghanistan and have been deported to the Soviet Union where they have received intensive reeducation against their own culture. Today, there are over 30,000 Afghani children, some as young as 9 years old, being held in these special schools. Despite the Soviet pullout, over 800 children were recently deported in 1 day.

Arbitrary arrests and disappeared persons, torture, executions, the denial of fair trials and the right of citizens to change their government remains commonplace in Afghanistan today. While the freedom fighters battle for control of the country, women and children remain the most adversely affected. While many families anxiously await word about the whereabouts of their loved ones, these same prisoners linger in prisons awaiting their freedom. In addition, thousands of Afghan children are being forcibly taken from their families. These innocent victims are caught in the middle of political chaos that they did not seek nor do they deserve. The illegal Afghan Government must recognize that respect for human rights does not just belong to the women and children in Afghanistan. It belongs to us all.

LAWRENCE E. HITE

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. RAHALL. Mr. Speaker, I rise today to pay tribute to Mr. Larry Hite of Ona, WV, who will soon complete his term as president of the Independent Insurance Agents of America.

President of Insurance Systems Inc., Mr. Hite was elected president of the Independent Insurance Agents of America in September 1988. As cochairman of the Future One Project Supervision Committee, and executive committee liaison to agency contracts, Government affairs, young agents, and IIAA/ISO senior company forum committees, Mr. Hite has been extremely involved in the many substantive changes within the insurance industry in the last year.

He served as chairman of IIAA's political action committee, Insurpac, from 1983 to 1985 and was a member of IIAA's steering committee. He also served as executive committee liaison to the communications, finance, personal lines and planning coordination, technical conference committees.

But being extremely busy and on the go is nothing new to Mr. Hite. He has served as past State national director and is a past president of the Independent Insurance Agents of West Virginia. In 1983, he received the West Virginia IIAA Agent of the Year Award. Mr. Hite is also a past president of the Rotary Club of Huntington, WV.

Mr. Speaker, Larry Hite's dedication to his association should be commended, especially in light of the personal sacrifices he has made for his fellow agents. He has guided the Independent Insurance Agents of America through a turbulent year, both on Capitol Hill and in State capitals across the country.

Mr. Hite's community spirit and civic activism are an inspiration to all. Although his term as president of the IIAA will soon come to a close, his leadership and ability will live on, both in the community and as a member of the executive committee of the Independent Insurance Agents of America.

PROTECTING THE FLAG AND THE CONSTITUTION

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. NEAL of North Carolina. Mr. Speaker, in view of the Supreme Court's recent decision in Texas versus Johnson, many of us are looking for a way to protect the American flag. President Bush and others have proposed constitutional amendments. Some believe that statutory law amendments would be sufficient.

Laurence H. Tribe, a professor of constitutional law at Harvard University, is among those contending that we protect the flag by statute. He made a strong argument for this strategy in a recent article in the New York Times.

Professor Tribe believes that a law prohibiting deliberate flag mutilation would pass constitutional muster if it simply made physical abuse of the flag—for any reason—a crime. Such a law would not make reference to the flag burner's ideas or motivation and thus, in Professor Tribe's opinion, would not raise first amendment free speech issues.

The problem in Texas versus Johnson, he says, is that Texas sought to punish Gregory Lee Johnson for "the views he publicly expressed in burning the flag instead of punishing him for the bare fact of his desecration of that special object."

Protecting the flag by statute would be much preferable to the drastic remedy of a constitutional amendment. For one thing, it could take years to get a constitutional amendment protecting the flag ratified by three-fourths of the State legislatures. A flag-destruction statute could be approved in a matter of days. And Mr. Speaker, we must never forget that our Bill of Rights protects our God-given freedom. Quick passage of a constitutionally sound statute may provide the strongest defense of this freedom and our flag.

Mr. Speaker, for the benefit of those of us who are struggling with this issue, I ask that Professor Tribe's article from the July 3, 1989, New York Times be printed in full in the RECORD.

The article follows:

GIVE OLD GLORY A BREAK: PROTECT IT—AND IDEAS

CAMBRIDGE, MASS.—As we reflect on the meaning of the American flag, who can doubt the importance of a national debate about the pros and cons of a constitutional amendment to protect it?

After all, isn't an amendment the only proper way to overcome a Supreme Court interpretation of that document? And hasn't the Court interpreted the Constitution to mean that Congress and the states are powerless to protect the flag from deliberate mutilation or wanton destruction?

I am convinced that this misstates the issue, that defenders of what the Court actually held in Texas v. Johnson if they think they must defend a supposed "right" to burn the flag as a form of protest, and that crities of the ruling err as seriously if they suppose they must defend existing laws that ban flag desecration.

Properly understood, the Court's decision upheld no right to desecrate the flag, even in political protest, but merely required that Government protection of the flag be separated from Government suppression of detested views.

Texas went astray by punishing Gregory Lee Johnson for the views he publicly expressed in burning the flag instead of punishing him for the bare fact of his desecration of that special object. For the Texas law made it a crime to mistreat the flag so as to "seriously offend" likely observers.

In a little noted passage, the Court majority observed that the case would have been altogether different if the state had punished Mr. Johnson on the simple ground that he had physically mistreated something that the majority of the people had chosen by law to protect.

Just as many people would understandably want to punish individuals who wantonly destroy historical artifacts in private, so could they wish to protect the flag in all places.

Look at how people are rallying against the deliberate poisoning of the Treaty Oak in Austin, a landmark that took root before Columbus set sail of the New World. The point of punishing whoever was responsible for that tragedy need not be to censor the views he or she expressed. The point is simply to give force to the community's shared sense that the object is worthy of special protection.

Thus, if a flag desecration law were written and enforced without regard to the presence or absence of any message, government could defend the values embodied in the flag without addressing the values expressed by its destruction. I believe the Court would uphold such a law.

When government undertakes to protect a special place or symbol, it need not focus on whatever message might be expressed by someone who defaces the object of such protection. The same protective impulse that animates laws against the desecration of a gravesite may properly animate laws against desecration of a flag that might cover a casket.

When government legislates to protect special places or symbols, the Constitution does not require it to ignore emotions, whether of grief or patriotism.

What is vital from a First Amendment perspective is that, when we single out particular symbolic objects for special protection, we avoid singling out those occasions on which such objects are destroyed publicly or in a manner that expresses contempt.

Thus, I believe that the existing Federal statute outlawing flag desecration—which punishes "whoever knowingly casts contempt upon any flag of the United States by publicly defacing it"—could be rendered constitutional easily.

But it is not enough to delete the reference to "contempt," as the Senate did last month. To pass muster under the First Amendment, the statute must extend to anyone who intentionally defaces the flag, in public or in private. Only this step would remove the law's gratituous reference to the speech element.

Thus, if Congress sees in the flag such intrinsic value that it chooses to put all American flags beyond the reach of physical abuse—but leaves all Americans free to say what they will about the flag, and free to display the flag to whatever ends they choose—nothing in the First Amendment need stand in the way.

When a goal may be achieved without constitutional difficulty by the removal of a few words from the U.S. Code, surely it is folly to reach for the heavy artillery of the amending process to achieve that goal.

Why pursue a path that might take months or years when one is available that would take only days? On its 200th birthday, the Bill of Rights deserves a better present than a needless amendment. It is hardly consistent with the flag itself—or the freedom for which it stands—to tamper with the Constitution as a first rather than a last resort.

SSI COMMUNITY LIVING AMENDMENTS OF 1989

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. STARK. Mr. Speaker, today, Congressmen EDWARD ROYBAL, ROBERT MATSUI, and I are introducing a bill, the "SSI Community Living Amendments of 1989". It is a major piece of long-term care legislation that begins with the neediest segments of our population. It differs from other long-term care legislation because it applies a social rather than a medical model.

As its name implies, this bill uses the Supplemental Security Income [SSI] program to identify eligible persons and to provide them with the help they need to stay in their own homes or in small group living situations—a setting which may provide a higher quality of life at a lower cost than institutionalization.

When the SSI program began in 1974, it served poor aged, blind, and disabled persons with a minimum income supplement. The number of SSI recipients (4.3 million people in 1975) has not increased dramatically (4.4 million people in 1988), but there has been a shift among the categories of people receiving SSI. In 1975, 53.4 percent of the persons receiving SSI received it only because they were 65 or older and met the other eligibility criteria. In 1988, only 32.4 percent of SSI recipients received it on the basis of their age only. The number of SSI recipients 80 years old or older did not decrease as much as recipients between the age of 65 and 79. This means that the SSI population today is primarily the frail elderly, the long-term disabled, and disabled children, who need home-based or supported living arrangements, including long-term nonmedical residential care. So, generally using SSI eligibility, this bill targets the poorest of the frail elderly and disabled.

We believe our bill supports a reconstituted Federal/State partnership to do the following: (1) maintain the Federal role of a national minimum income standard for the aged, blind and disabled; (2) create incentives for State assistance to low-income aged and disabled who need additional assistance to maintain themselves in their own home or, if needed, in a supported-living long-term care arrangement; and (3) establish cooperative Federal/State efforts to identify and correct instances where SSI and other vulnerable aged and disabled are living in inadequate and unsafe board and care residences or live in isolation with inadequate protective oversight.

In preparing this bill, the questions which were the most difficult to answer were: (1) How many other people could an individual live with and still be eligible to receive this supplement? (2) Could anyone not receiving SSI be eligible to receive this supplement? (3) Who can be a provider of the regular assistance a person needs with their activities of daily living [ADL's]?

People on SSI reside in all types of living situations: In their own homes, in small and large group residences. We knew our bill would not be able to provide for all SSI recipients needing help with their ADL's. If we could enable people to stay in their own home and receive the help they needed there, the quality of their life would be better and it could be more cost efficient.

Then, we struggled with how we could impose enforcement of standards for board and care homes, if we were targeting our funds to individuals living in their own homes or in other small group living situations.

It became clear that we could offer money to States to help them improve the board and care facilities and if they accepted this challenge, they could be eligible for additional money to help them supplement individuals who needed help with ADL's in order to stay in their homes or in small group residences. So, that's what we did. We set the bill up with two parts: Title I—Income Supplements and Title II—Quality Assurance for SSI Recipients in Group Living Arrangements. If the States fulfill section 1635 of title II, they will receive matching Federal funds to carry out title I.

In discussing the question—"Could anyone not receiving SSI be eligible to receive this supplement?", we knew we could be taking a small pot of money and trying to divide it among a greater number of people than we were when we started. However, we didn't want to limit recipients to just the people now receiving SSI for a number of reasons, including the following:

State supplements already extend beyond SSI recipients;

Persons needing help with ADL's might have a monthly income a few dollars above the $368 or $553 limit but a monthly income below the amount a SSI recipient receiving a supplement provided by this legislation will have.

So, our bill does define eligible individuals to include poor people who have monthly incomes beyond the meager SSI allowance but whose income is not sufficient to meet their needs based on the individual determination of the value of the assistance needed.

The possibility for abuse and/or misuse of funds surfaced when we discussed the question—"Who can be a provider of the regular assistance a person needs with their ADL's?" We conjured up worst case scenarios, for example, a brother-in-law receiving money to provide regular assistance which consists of turning on a TV set and watching it. We knew we didn't want our limited resources going to people we felt would be caring for people anyway. We certainly didn't want to discourage people who help others for noble reasons. But, we also acknowledged that people who were not family or friends could be engaged to provide assistance and then fail to give it. We moved to the question—"If SSI money is personal income and individuals determine how to spend it, shouldn't the supplemental amount be treated in the same way?" In addition, the States are required to have a case management system, a plan of care for each individual and a system for a periodic review of services, which should provide safeguards against providers who do not deliver the needed services.

In many other areas, the bill, on purpose, leaves decisions to the States. States vary widely in what they provide as supplements to SSI. It makes no sense to bring everyone back to the starting line nor can we make sure all arrive at the finish. We can and do encourage all States to continue what they are doing and to move forward. We wanted to use existing structures that work; we didn't want to impose new structures just to have uniform structures.

There are requirements the States must meet in order to receive funds under title I. These requirements identify systems to be developed as part of the comprehensive plan to implement the bill but leaves the development of these systems to the States. We believe the requirements allow flexibility, creativity and accountability, ingredients for a successful program.

Once the systems are in place and the program is operating, the States shall submit two reports yearly to the Secretary of Heatlh and Human Services, one—a financial accounting of the funds and the second—data, in a uniform manner, on the characteristics of the individuals served by this legislation, including the types of residence which they live in and the monthly amount of assistance and the services provided.

While drafting the bill, we were able to consult frequently with the National Association of State Mental Health Program Directors and with staff from the Congressional Research Service, the Center for the Study of Social Policy and the Mental Health Law Project. We are extremely grateful for their interest, input, and encouragement.

Our bill establishes a capped entitlement program. There will be people who will advocate doing more than we have done. We believe our approach is reasonable and responsible.

A summary of our bill follows:

SUMMARY

TITLE I. ASSISTANCE TO INDIVIDUALS IN NEED OF CARE

1. It provides federal matching funds to States to give funds to or on behalf of aged or disabled individuals to assist them in obtaining services to maintain themselves in their own home or a non-medical residence in the community. Fifty percent federal matching would be provided and States would be required to maintain their current level of expenditures for such assistance provided to such individuals.

2. Among the requirements for a State to qualify for federal matching funds are the following:

Have in place a system for establishing the criteria for targetting assistance to those individuals in greatest need for regular assistance.

Provide for a system of assessing the needs of individuals to determine the amount of assistance eligible individuals need on a regular basis for their activities of daily living related to the physical or mental limitations of the individual. Eligibility would be limited to SSI recipients and individuals just above the SSI income standard in a State but whose income is not sufficient to meet their needs based on the individual determination of the value of the assistance needed.

Have in place a case management system with respect to the individuals who would receive assistance which provides for the person managing an individual's case to develop a plan of care for the individual when required.

Have in place a case review system which reviews the appropriateness and amount of services being provided to individuals receiving assistance.

Have in place procedures and enter into an agreement with the Secretary to identify and investigate inadequate group care facilities.

3. Funds provided to the States under the program would be limited to assistance to eligible individuals living in their own homes or in small group living arrangements. The size limitations would include:

For the mentally ill, mentally retarded, or developmentally disabled, group residences not exceeding 16 people;

For the aged, group residences not exceeding 30 people.

(These suggested limitations are included in model board and care standards published by the Center on Legal Problems of the Elderly of the American Bar Association).

4. The program would be an authorized capped entitlement to the States (similar to the title XX Social Services program). The funds would be allocated to the State on the basis of the population of the State. The capped entitlement ceiling would be: FY 91, $250 million; FY 92, $500 million; FY 93, $1 billion; and FY 94, $1.5 billion.

TITLE II. PROTECTIVE SERVICES AND HOUSING QUALITY ASSURANCE AMENDMENTS

1. For the purpose of assisting States in identifying SSI recipients in unlicensed group living arrangements, the Social Security Administration would be required to provide States information which identifies non-medical residences where three or more unrelated SSI recipients reside.

2. It provides the option to the Social Security Administration to contract with a State, at the option of a State, to carry out some part of the Department's responsibilities related to making SSI or OASDI payments through a representative payee. This may include: identifying, investigation, approving and providing for the continuing accountability of representative payees.

3. It provides for grants to States related to the protective services and special housing assistance needs of SSI recipients and other low income aged, blind and disabled individuals. $100 million for each of the four fiscal years 91-93 would be authorized for allocation to the States on the basis of the number of SSI recipients in the State. To qualify for funding a State would:

Be required to have procedures to identify, investigate and take action to protect SSI recipients found living in unlicensed board and care homes or other group living arrangements. The provision in current SSI law which reduces Federal SSI benefits if an individual is living in an unlicensed facility would be repealed. It would be replaced with this new requirement on a State as a condition of receiving these grant funds and

the federal matching funds under Title I of this bill.

A State would have the option to utilize such funds to assist other groups of low income aged, blind and disabled individuals identified as in a particular need of obtaining housing assistance and other related services including, but not limited to the following:

Mentally ill denied care in nursing homes under the new nursing home screening program and those identified with priority housing needs in the federally assisted State Mental Health Planning program; and

Frail elderly with priority housing and protective services needs identified by State and Area Agencies on Aging.

INTERNATIONAL SHIPPING PRACTICES

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. LENT. Mr. Speaker, I have today introduced legislation that is designed to follow and complement the Foreign Shipping Practices Act of 1988, enacted as subtitle A of title X of the Omnibus Trade and Competitiveness Act of 1988 (Public Law 100–418).

This legislation is a refinement and improvement to existing law. Section 19(1)(b) of the Merchant Marine Act, 1920 [46 U.S.C. App. 876(1)(b)], gives the Federal Maritime Commission ("FMC" or "Commission") authority to make rules and regulations affecting shipping in the foreign trade to meet conditions that might be unfavorable to shipping and which arise from practices used by foreign operators that unfairly restrict American vessels in international trade. My bill would simply pick up on that existing responsibility and give the Commission some additional tools that they can use to rectify unfair trade problems. It would broaden their ability to look at trade practices that might involve intermodal movements of cargo and would expand the remedies available to the Commission once they have been through the administrative process to ascertain the extent of any unfair trade practices.

The Commission has successfully employed section 19 on a number of occasions against a wide variety of practices of foreign governments and their agents. The Commission has interpreted section 19 broadly both as to geographic scope and persons protected by it, in order to give full effect to the purposes of the provision.

The ocean transportation industry has changed considerably since the Merchant Marine Act, 1920, was enacted. Moreover, current concepts of administrative procedures have evolved over the years. It is possible that a narrow application of these administrative procedures could undermine the broad remedial purposes of section 19. In addition, the Commission can presently obtain information through compulsory process only from ocean common carriers and not from other affected interests. It is, therefore, appropriate and timely to amend section 19 to reflect the precedent which has evolved and to make section 19 a much more modern and efficient tool to address unfair practices in our waterborne foreign commerce.

The bill would make the following improvements to the Commission's existing authority to address and correct conditions unfavorable to shipping in the foreign trade: (1) clarify the scope of section 19(1)(b) by indicating that shipping includes intermodal movements and certain land-based activities which are integral to shipping; (2) specify those persons to whom section 19 relief is available by expressly stating who may file a petition for relief under that section; (3) empower the Commission to use compulsory process to obtain information concerning unfavorable conditions and, at the Commission's discretion, provide for discovery in section 19 proceedings; and (4) make available a broader range of remedies to correct unfavorable conditions.

This bill is substantially the same as H.R. 1803, that I introduced in the 100th Congress. H.R. 1803 was reported by the Committee on Merchant Marine and Fisheries, but the House never voted on the bill.

The primary difference between this bill and H.R. 1803 is that it incorporates several changes to conform it as closely as possible to the provisions of the Foreign Shipping Practices Act of 1988, as included in the Omnibus Trade and Competitiveness Act of 1988. The Foreign Shipping Practices Act, however, only applies to U.S.-flag ocean common carriers, that is, liner operators, and does not cover bulk or tramp operators. Section 19 encompasses all carriers in U.S. oceanborne trades, regardless of type or where they may be registered. In addition, it applies to trade in general and consequently can be used to protect U.S. shippers and others involved in our foreign commerce by ensuring that access to U.S. trades will not be denied to carriers of their choice. This bill, revised to specifically incorporate provisions recently adopted by Congress for U.S.-flag liner operators, will provide the FMC with an updated, more efficient means to address unfair maritime practices in the U.S. foreign trades.

Mr. Speaker, this bill also confirms another critical point concerning the regulation and control and international shipping in the U.S.-foreign maritime trade. The FMC has authority under section 19 and the Foreign Shipping Practices Act to respond to certain unfair trade practices. These two laws provide the United States significant authority concerning international shipping.

The U.S. Government will soon become involved in discussions on the General Agreement on Tariffs and Trade [GATT] regarding trade-in-services industries. The inclusion of maritime transportation in this GATT negotiation would not be in the best interests of our maritime programs, not to mention the Nation's national security. The legislation I have introduced today recognizes that the United States has the most open international maritime trade in the world and we should continue to regulate this trade through our domestic statutes rather than letting it fall under some kind of international regime under GATT. This bill reflects the intent of House Concurrent Resolution 151, a resolution cosponsored by 120 Members, that opposes including maritime transportation services within GATT.

I urge my colleagues to study this bill carefully and join me in supporting its consideration and enactment. It is consistent with what Congress did in the last Congress and carries forward the intent of seeing that all unfair trading practices are eliminated from the international maritime trade.

SUPPORT FOR SECTION 89 PROVISIONS IN THE TREASURY/POST OFFICE APPROPRIATION BILL FOR FISCAL YEAR 1990

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. BALLENGER. Mr. Speaker, last week the House approved the Treasury, Post Office, and General Government fiscal year 1990 appropriation bill (H.R. 2989) with my support.

The bill included a provision that prevents the Department of the Treasury from using any funds under this act to enforce the current section 89 provisions in the Tax Reform Act of 1986. While this measure is not an outright repeal of section 89, it will help lighten the load for many small businesses.

As you may recall, section 89 is designed to ensure that employee-sponsored benefit plans do not favor top-level employees over other employees. It requires all business owners to conduct a series of complicated tests to determine if their health and life insurance plans are distributed fairly among their highly paid employees and the rank and file.

While the legislation may have been enacted with noble intent, the multiple testing procedures under section 89 will result in massive new paperwork and create so much redtape that many small employers, like those in my district, will likely stop providing some or all health fringe benefits. I believe this is contrary to the purpose and spirit of U.S. health policy and of section 89.

With over 300 Members of Congress supporting repeal of section 89, prohibiting expenditures to enforce the law is clearly the correct action to take.

HAPPY 10TH ANNIVERSARY TO PENOBSCOT JOB CORPS

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Ms. SNOWE. Mr. Speaker, the Penobscot Job Corps is celebrating its 10th year of operation, and I would like to take this opportunity to join with its hundreds of graduates in thanking the corps and its hardworking staff for the fine work they have done in that time.

Over 60 percent of those who enter the program finish their vocational training. And the job placement rate is 92.5 percent. That figure alone says so much about the success of the program, both for the participants and the community.

I would like to share an article from the Bangor Daily News which highlights the 10

years of hard work and the commitment which have gone into making the Penobscot Job Corps such a success.

PENOBSCOT JOB CORPS IN 10TH YEAR

(By Carrol Astbury)

About 6,600 young adults from low-income families, from homes with disruptive lifestyles, or with handicaps have received training from the Penobscot Job Corps. And several regional and national awards have lauded the center's performance.

But the going wasn't always easy for the center, which is marking its 10th year in Bangor.

Don Soucy, a businessman and former chairman of the Bangor City Council, remembers his reaction to the announcement that the Job Corps would come to Bangor.

"I said, 'No way are we going to have them in Bangor.'" and to add to Soucy's original fear, during the first months that Job Corps was in Bangor there were several incidents involving vandalism and general rowdiness.

Charles Tetro, president of the Training and Development Corp., operator of the Penobscot Job Corps center, said that the problems resulted from a quick start-up.

"We had 120 new staff people hired to run something they had never heard of, and there were 385 students who were recruited quickly," Tetro said. "We hadn't established a culture in the program."

A Community Relations Council was formed to help iron out Job Corps' problems. It worked. Soucy has been active on the council from day one. Now, he says, Job Corps has no more problems than any other local school.

"Penobscot Job Corps certainly has become a good neighbor," Soucy said. "It is a very successful program, and I often wonder where these kids would be without Job Corps. The successes have far exceeded any negatives."

Nationally, Job Corps is 25 years old. It survived the cuts in social programs initiated under former President Ronald W. Reagan. In his first two budget proposal, Reagan recommended eliminating Job Corps. In his last budget, he recommended full funding for the program.

What happened? Liberals always supported Job Corps as part of their social agenda. Conservatives have come to support it somewhat out of necessity. With projected shortages in the labor force, practical conservatives came to realize that no one's labor-force potential should be wasted, Tetro said.

Tetro has become a national authority on the Job Corps program. He heads a committee that advises the U.S. secretary of labor on Job Corps. And he has testified at numerous hearings in Washington.

Even if Job Corps were eliminated, Tetro is convinced that something like it soon would emerge. "It (Job Corps) represents a uniquely American concept," Tetro said. "Helping people pull themselves up by their bootstraps is something we all adhere to."

The Penobscot Job Corps' classroom and office complex, now located at the former Dow Lane Elementary School in Bangor, is a pleasant setting for the 16- to 24-year-olds who are giving education another shot. The process is overseen by Thomas Brady, center director.

A veteran teacher and elementary and high school principal, Brady says Job Corps is different from most educational settings because students can work at their own paces, and the relationships with teachers are close.

"We monitor and set performance standards much closer than in public schools," Brady said. "We are much more aware of how students are progressing."

Job Corps students work long periods with single teachers. Most students spend one-half of the day with their basic education teacher and the other half with their vocational instructor. "In terms of pacing, it's almost like an individual program," he said.

John Miller agrees. He dropped out of high school because he didn't get along with the principal. "At Job Corps they don't push you. You go at your own speed and rate," Miller lsaid. "In high school it was do this * * * do that."

The Job Corps formula has worked for Miller. This summer he is working at the Brewer Housing Authority. Brian Stormann, a maintenance foreman at the Brewer agency, says that Job Corps students make a good contribution on the job. Miller and others paint, landscape, and do carpentry and custodial work.

Everyone entering Job Corps doesn't find the formula to their liking. About 60 percent of the entrants finish their vocational training. This percentage is typical for the 106 Job Corps centers in the United States.

For those who complete the program, the outlook is bright. Carol Kulberg is the Job Corps employee responsible for recruitment and placement. Last month, her office was able to place 92.5 percent of the students finishing the program. The placement percentage generally runs between 85 and 95 percent, she said.

The recruitment effort at Job Corps is conducted out of Bangor, Portland and Augusta, with additional efforts by outreach people in Caribou and Houlton.

Kulberg says that aspirations are very important in the recruitment effort. "We want kids who are interested and will give the program their best shot," she said. According to Kulberg, schools and community agencies are very important in the recruitment process.

Kulberg also stresses that her office conducts a thorough search of court records before admitting students. "I probably overdocument the court records, but I think that's necessary," she said. "We can't afford to have people who will be disruptive."

Geeta Balakrishnan, the Training and Development Corp.'s vice president for the Job Corps Division, said the toughest part of running the program is maintaining interest on the part of the students. "We work to keep students motivated enough to keep interested," she said.

To help the motivation process, students are given classes in the development of social skills and employability training. Brady said these factors are necessary complements to the basic education and vocational classes.

Research indicates that the Job Corps works better than other training programs, Balakrishnan said. The research shows Job Corps to be the best performer in terms of how the training affects the long-term prospects of participants.

For some of the Job Corps participants, the rewards come quickly. Wendy Lawler of Carmel graduated from high school, but found that she didn't have any marketable skills. With children to care for, and waitressing her only option, her future didn't look encouraging.

She entered the program, which provided support for the care of her children. She pursued the business program and, after graduation, obtained a job with the Dunlap Agency in Bangor.

"We got an outstanding person when we got Wendy Lawler," said Barbara E. Lawrence, office manager at the Bangor branch of the insurance company. "She'll go places. Job Corps gave her an opportunity to retrain, and that was all she needed."

The basic education curriculum at Penobscot Job Corps has received enough national acclaim that the Training and Development Corp. has received a $500,000 grant to write a curriculum that will be used nationally. A computer-management system for the curriculum also will be developed. Balakrishnan will use three new employees and some consultants to work on the grant.

Meanwhile, the Penobscot Job Corps brings about $4 million a year to the Bangor economy. And the U.S. Department of Labor has purchased a 27-acre site bordering the classroom facility that will be the location for a Job Corps dormitory to be constructed sometime in the next couple of years.

The Job Corps students live in a dormitory at Husson College. Officials at the college and at Penobscot Job Corps admit that the living situation has been less than perfect for Husson and Job Corps students.

But the relationship between the college and Job Corps has been a good marriage of convenience. Until a couple of years ago, Husson was encountering financial difficulties and the rent money from Job Corps was helpful. And, for its part, Job Corps needed a place for its students.

Both nationally and locally, Job Corps would appear to have a solid place in the education and training community. But Tetro, who has worked hard to make the program a success, balks at calling it established.

"No institution is established," he said "Those that think they are, are an endangered species."

TRIBUTE TO LT. COL. AND MRS. THOMAS E. ADAMS

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. ACKERMAN. Mr. Speaker, I rise today to pay special tribute to Lt. Col. Thomas E. Adams and Mrs. Rose Adams. After 7 years of dedicated and meritorius service as the executive director and vice president of the board of trustees of Booth Memorial Medical Center in Flushing, NY, Lieutenant Colonel and Mrs. Adams have received farewell orders to assume new positions at The Salvation Army's Territorial Headquarters, located in Manhattan.

Lieutenant Colonel Adams has been appointed assistant to the chief secretary at the Eastern Territorial Headquarters of the Salvation Army.

Appointed in June 1983, Colonel Adams has full administrative responsibility for the 487-bed Medical Center, which employs over 2,000 people and is the single largest Salvation Army installation in the world.

In 1984, Colonel Adams initiated the "Booth Salutes Queens" Annual Luncheon, bringing together members of the business community to recognize achievements of Queens leaders. Just this past year, the luncheon attracted an

audience of 600 people resulting in $80,000 in proceeds, which were used to support the construction of a new 20-bed unit, opened in December 1988.

Colonel Adams has participated as an active member of many professional and community organizations acting as a strong advocate of the need for more hospital beds in Queens. He is a member of the board of trustees of the Hospital Association of New York State, a member of the executive committee of the City University Medical School, a director of the Greater New York Hospital Association, a nominee of the American College of Healthcare Executives, and a member of the planning board of the Queens Health Systems Agency and the Advisory Board of Queens Public Television.

Among his community affiliations, Colonel Adams is a director of the Queens Chamber of Commerce and chairman of that organization's Health and Safety Committee. He has been a member of the Queens Development Corp., chaired the Health Committee of Queens Festival for 4 years, is a former vice president of the International Rotary Club of Flushing and a member of the Rotary's Board of Directors. In 1987 he received a Paul Harris Fellowship, the Rotary's highest honor. Other honors include receiving community service awards from the Pride of Judea Mental Health Center, Visions, and the Anti-Defamation League.

Mrs. Rose Adams has served with her husband in all appointments since their marriage in 1956. At Booth Memorial, she has held the important position of director of volunteer services, responsible for all the activities and programs of the Women's Auxiliary and Volunteers. During her tenure The Women's Auxiliary has raised $1.2 million. Just during this past fiscal year, the auxiliary has completed over $195,000 in pledges, including the completion of a $500,000 pledge for the Women's Auxiliary Ambulatory Surgery Center. Mrs. Adams will assume the appointment of Territorial Medical Fellowship Secretary at the Eastern Territorial Headquarters of the Salvation Army.

Lieutenant Colonel and Mrs. Adams have dedicated their life to helping others. Their devotion and altruism is an inspiration to us all. We in Queens are proud and lucky to have had them among us and I am fortunate to consider them among my personal friends. I would like all of my colleagues in the House of Representatives to join me in honoring and commending Lt. Col. Thomas E. Adams and Mrs. Rose Adams for their outstanding service, and to wish them God speed in their new assignment.

TRIBUTE TO RAOUL WALLENBERG ON HIS 77TH BIRTHDAY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. LANTOS. Mr. Speaker, today—August 4th—marks the 77th birthday of the ultimate humanitarian and Holocaust hero Raoul Wallenberg. On this anniversary, I invite my colleagues in the Congress to join with me in paying honor and tribute to this great man.

Mr. Speaker, during his recent visit to Budapest, President Bush stopped at the outstanding monument to Raoul Wallenberg in that city to pay tribute. This was a most important and symbolic gesture—Wallenberg became an honorary U.S. citizen 8 years ago, the second person after Sir Winston Churchill to be so honored by the U.S. Congress. His gesture was recognized by Hungarians and Americans alike as an acknowledgment of how much the world owes this great man.

Raoul Wallenberg was a Lutheran Swede who left behind the comfort and safety and security of neutral Sweden and his hometown of Stockholm to go to Hungary at the height of the brutality of the Nazi war machine for the sole purpose of saving his brothers and his sisters, with whom he had nothing in common except his humanity. Through his efforts, over 100,000 Hungarian Jews were saved from Nazi death camps.

On January 17, 1945, after Soviet troops expelled the German Army from Budapest, Wallenberg drove off for a meeting with high-ranking Soviet military officials in eastern Hungary. He never returned, and he has not been seen outside Soviet prisons since that time. In 1957 under Western pressure, Soviet officials claimed that Wallenberg died of a heart attack in a Soviet prison in 1947. Nevertheless, there have been numerous sightings of Wallenberg by Soviet prisoners who have subsequently emigrated to the West, and some of those sightings are as recent as the early 1980's. The possibility that Wallenberg is still alive in a Soviet prison is strong. Many of us in Congress continue to work on his behalf. We cannot rest until Wallenberg is released and the facts of his disappearance have been made known.

In his own lifetime, Raoul Wallenberg has become a legend of the ultimate values of decency to which we all aspire. Wallenberg has given us hope in the perfectibility of man and woman through his example of dignity and courage and determination in the face of incredible obstacles and difficulties.

Mr. Speaker, on the 77th birthday of one of the great men of our age, I ask that my colleagues join me in wishing Raoul Wallenberg a "Happy Birthday." It is my hope and dream that next year we may be able to convey birthday greetings to Wallenberg in person.

A TRIBUTE TO DADS AGAINST DRUGS, DRINKING, AND DRIVING

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. LOWERY of California. Mr. Speaker, I rise today to pay tribute to Joe Ingorvaia, national president of Dads Against Drugs, Drinking, and Driving [DADDD's].

Joe is a single parent concerned with the safety of children and all adults who use our highways and surface streets. DADDD's purpose is to locate intoxicated individuals before they become drivers.

Through a public awareness campaign and personal contact with bartenders in specific geographic areas, DADDD's works to assign designated drivers and offer rides to those who have consumed too much alcohol.

Recently, DADDD's filled a special need. Each weekend, an average of 2,000 young people under the age of 21 venture into Baja California, Mexico without parental supervision. Many of these youths become intoxicated and occasionally engage in disorderly and illegal activities.

This issue has received the attention of the San Diego County Board of Supervisors, County Office of Transborder Affairs, United States and Mexican Consulates, California Highway Patrol, San Diego Police and Sheriff's, and United States Customs.

Joe and DADDD's recently organized a group of volunteers with a donated bus and even a couple of limousines at the United States and Mexican border to meet the young revelers as they entered and returned. From 10 p.m. to 6 a.m. Joe and his group distributed brochures on Mexican laws and offered rides from the border to those who may have been considering driving while intoxicated.

DADDD's can continue to fill a very special need and enhance the relationship with our neighbors to the south with this program of education and rides. The public's safety will benefit from this organization that uses the slogan, "Get the drunk driver off the road before he enters the vehicle."

As no private citizen has attempted to serve the needs of those who go to Mexico for merrymaking and return intoxicated, Mr. Speaker, I ask my colleagues to join me in a salute to this creative guardian, Joe Ingorvaia and DADDD's.

INTRODUCTION OF THE STOP SMUT ACT

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. STARK. Mr. Speaker, today, I am reintroducing legislation which addresses the problems caused by unwanted 976 telephone services. The legislation, entitled the Special Taxation on Pornographic Services and Marketing Using Telephones [STOP SMUT] Act of 1989, would promote the practice of regional telephone companies of offering free blockage of commercial and residential telephones. The measure is unique: it can be seen by everyone as a pro-family, pro-business, and pro-consumer initiative. Most importantly, it doesn't violate our Constitution.

STOP SMUT is an idea whose time has arrived. As Members of the House of Representatives have seen the U.S. Supreme Court overturn last year's effort to ban all dial-a-porn services outright, STOP SMUT is a constitutional answer to this problem.

I have long advocated and supported efforts by the regional telephone companies to offer free blockage to all consumers, parents, and businesses who are telephone customers. Many of the regional telephone companies have had such a policy for many years, and these policies have proved to be a most ef-

fective means to solve a rather complicated problem.

Unfortunately, some of the regional telephone companies, including California's Pacific Bell, have chosen the inappropriate route of forcing customers to pay for blockage. This fee for blockage, up to $15 per telephone line, is blatantly unfair to businesses with multiple numbers of lines.

I know of several charitable hospitals, elementary school systems, and industrial businesses which may be forced to pay upwards of $100 to block their telephones from 976 and dial-a-porn services. Mr. Speaker, this is just not right.

Imagine going into your local McDonald's and ordering a hamburger without ketchup and being charged 50 cents extra for the effort. For Pacific Bell to charge $15 for each line is simply incomprehensible to any parent who doesn't want their children to hear unwanted 976 or dial-a-porn services, or any business which has been forced to pay hundreds of dollars in unwanted 976-related bill charges. To charge any telephone customer, either residential or commercial, for their request to prohibit a 976 or dial-a-porn service they never wanted nor requested, simply goes against rules of fairness or appropriate business policy.

Yet, Pacific Bell will come back to say that each blockage of each line costs their company money, even perhaps more than $15. However, that is not relevant to this debate. Pacific Bell ought to take corrective action to offer free blockage to all customers, and pass the costs along to the 976 service only. Residential and commercial telephone customers should not bear any of the costs of blockage, and should not be forced to subsidize these 976 or dial-a-porn services though paying for any of the blockage.

Last year, Pacific Bell did an about-face and reversed its previous policy of charging residential customers, an estimated 250,000 homes throughout California, for blockage of their telephones. That act was heralded by proconsumer advocates throughout the State of California.

If precedent, consistency, and integrity mean anything to Pacific Bell and its operations, they should act prudently and responsibly to revise its current policy of charging $15 to commercial businesses seeking to block their telephones of 976 and dial-a-porn services. Otherwise, under the STOP SMUT Act, a penalty tax of three times the amount for each blockage charge to customers, or $45 dollars in Pacific Bell's case for each $15 charge placed on customers, would be levied.

Mr. Speaker, I am proud to introduce the STOP SMUT Act and look forward to working with my colleagues for its passage.

ELECTIONS IN MEXICO

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. KOLBE. Mr. Speaker, Mexico, a nation with whom we share more than a 2,000 mile border, and which borders on my own State of Arizona, has been undergoing important and fundamental changes. Most recently, changes have come in the form of political opening, most significantly with the election of the PAN candidate for governor in Baja California Norte. His election represents the first time a state governorship will be occupied by an opposition party in the 60 years of PRI dominance.

Mr. Speaker, the changes in Mexico hold great significance for the United States and we must pay close attention to these changes. Today I am submitting for the RECORD an article which first appeared in the July 19 edition of the Washington Report of the Hemisphere, a biweekly publication of the Washington-based Council on Hemispheric Affairs. I encourage my colleagues to read this article on this timely subject.

PRI CONCEDES BAJA DEFEAT

(By Jose Carrillo)

Amid widespread political tension, accusations of fraud, and threats of demonstrations in the Mexican state of Baja California Norte, the Institutional Revolutionary Party (PRI) conceded the defeat of one of its gubernatorial candidates for the first time since its creation in 1929. Days before official results were to be released by the PRI-controlled state electoral commission, the ruling party, as well as the country's president, announced that its candidate, Senator Margarita Ortega Villa, had lost to the right-of-center National Action Party (PAN) candidate, Ernesto Ruffo Appel.

The PRI's concession is being heralded as a sign of President Carlos Salinas de Gortari's commitment to clean elections, but the depth of this commitment is being questioned by some observers. The PRI has not admitted defeat in other questionable races throughout the country, and fraud continues to be a common practice in many of the contests.

The opposition's accusations of election "irregularities" mounted both before and after the elections. In Baja, the anti-PRI politicians claim that there were delays in opening up the polls, especially in districts that were won by the opposition in last July's presidential race. Charges were also leveled that PRI militants engaged in multiple voting, that thousands of opposition names disappeared from voting lists, and that electoral rolls were inflated with the names of deceased or non-existent voters. In Michoacan, considered a stronghold of Cuauhtemoc Cardenas' left-of-center Democratic Revolutionary Party, state legislative elections were marred by violence, with nine peasant supporters of the PRD being assaulted during the campaign. In both the Baja and Michoacan elections, the opposition continues to dispute claims of a PRI victory in municipal and state legislative races.

A split in the ruling party has mushroomed between the reformers (a group Salinas wants to be an integral part of the party, even though he owes his office to election-fraud tactics) and those regulars who fear losing the patronage that comes with electoral victory. The Baja governor's race suggests that the reformers were victorious in their plan to recognize an opposition victory, or that Salinas directly intervened to have them do so. By promptly acknowledging a possible defeat in Baja, the president effectively closed the door on electoral shenanigans, at least in that particular race. But resentment of the fraudulent and bully-boy tactics favored by PRI militants elsewhere will not disappear overnight, as evidenced by such charges made in most of the other races. And, if the PRI is forced to concede more seats to the opposition, it could open a floodgate of defeats of its candidates in future elections, thereby contributing to its already diminishig base of support in those areas, like Michoacan, where the opposition maintains a strong following, as well as demolishing the myth of the ruling party's electoral invulnerability.

Salinas and top PRI leaders such as Luis Donaldo Colosio, president of the national executive committee of the PRI, were forced to acknowledge defeat in Baja in order to maintain credibility. After Salinas' call for fair elections, his personal involvement in the indictment of the electoral fraud-stained PRI mayor of Hermosillo, Sonora, and Ortega's picking up the president's "with clean hands" injunction as her own campaign theme, it was no surprise that the PRI leadership in Mexico City did not join local party officials in Baja with their prematurely optimistic and erroneous claims of victory.

By sacrificing the governor's seat to the PAN, the PRI has saved itself from having to explain another victory marred by highly visible fraud. At the same time, this opposition victory has given more legitimacy to the Salinas presidency at home and abroad. If the series of local elections had been totally discredited by vote fraud, the international financial community might not feel that Salinas had the necessary stability to make the difficult economic reforms that are essential to Mexico's road to fiscal soundness. Salinas knows that by recognizing a clean PAN victory in Baja, which means a pro-U.S. and pro-business triumph, he might attract more foreign investment, as well as enhance his chances of effectively dealing with the foreign debt, two areas where success has so far eluded him.

At the same time, some Mexican politicians and political analysts have glumly noted that the PRI was forced to sacrifice Baja as a token gesture to maintain a still-tainted system. Although the governorship in Baja has been lost, the ruling party is claiming victory in other races around the country, and indications are that the PRI will not risk alienating local party bosses by sacrificing more offices than is necessary.

BICENTENNIAL OF THE FOUNDING OF THE CONSTITUTION

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. BURTON of Indiana. Mr. Speaker, the national celebration this year of the bicentennial of the founding of the Constitution serves an important national interest in focusing the attention of all Americans on one of the most inspired plans of government ever to spring from the mind of man.

When the constitutional convention met in Philadelphia in 1787 George Washington was chosen to preside. "Let us raise a standard to which the wise and honest can repair," he said, "the event is in the hand of God."

Actually the Constitution is a coat of mail which man himself fashioned for his own protection, and which he has changed from time

to time that the protection might be more complete—protection against the abuse of power by his servants in the Congress, whom he may dismiss at election time or by impeachment, and against whose invasion of his rights he can appeal to the courts; against his executive offices, whom he may dismiss by impeachment or by ballot; against his judges, whom he may remove for lack of "good behavior." His government is not his master, as the king or dictator has always been, but his servant.

"In questions of power, then," wrote Thomas Jefferson, "let no more be heard of confidence in man, but bind him down from mischief by the chains of the Constitution."

Recently the White House and several individual Members of Congress entered into a deal to bypass the Constitution and cut humanitarian aid to the anti-Sandinista insurgents in Nicaragua in violation of a law enacted by Congress providing this assistance to protect the United States against what President Bush has proclaimed to be "an unusual and extraordinary threat to our national security and foreign policy." I and Congressman ROBERT SMITH, Congressman CHARLES DOUGLAS, and Congressman PHILIP CRANE have challenged this unconstitutional deal in Federal court. This matter is so fundamental that I am including our "motion for summary judgment" in the RECORD and I invite the views of all interested persons:

[U.S. District Court for the District of Columbia, Civil Action No. 89-2029, Jackson, J.]

Dan L. Burton, Member of Congress, et al, Plaintiffs versus James A. Baker III, et al, Defendants.

MOTION FOR SUMMARY JUDGMENT

1. Plaintiffs move the Court for a summary judgment and request that it be rendered forthwith in accordance with Rule 56, FRCP, and for cause state that the pleadings, exhibits thereto, and official documents of which this Court is requested to take judicial notice show that there is no genuine issue as to any material fact and that plaintiffs are entitled to a judgment as a matter of law, as appears more fully herein below.

QUESTION PRESENTED

2. The question presented is whether a "side agreement" entered into between defendants and nine members of the House and Senate not to obligate funds appropriated by Congress to provide humanitarian assistance to the Nicaraguan Resistance except upon affirmative approval in writing "from the Bipartisan leadership of Congress and relevant House and Senate authorization committees and appropriation subcommittees" is an impoundment of funds, a legislative veto, or an amendment of Public Law 101-14 (April 18, 1989), in violation of Article I of the Constitution?

BACKGROUND FACTS

3. On April 18, 1989 defendant Bush signed Public Law 101-14 providing up to $49,750,000 for humanitarian assistance "to the Nicaraguan Resistance, to remain available through February 28, 1990". (Ex. 1 hereto)

4. On April 11, 1989 the House Committee on Foreign Affairs favorably reported H.R. 1750 (H. Rep. 101-23, Part 1, 101st Cong. 1st Sess., Ex. 2 hereto), which stated in pertinent part: "H.R. 1750 was introduced on April 10 by Representative Foley, and cosponsored by Messrs. Michel, Coelho, Gingrich, Bonior, Lewis (CA), Fascell, Broomfield, Obey, Edwards (OK), and Lagomarsino. The bill was referred jointly to the Committee on Foreign Affairs and the Committee on Appropriations. The Committee on Foreign Affairs held a hearing and markup on April 11, 1989. Testimony was received from the Honorable David Bonior, Deputy Majority Whip, and Deputy Secretary of State Lawrence Eagleberger. H.R. 1750 was reported by the committee without amendment by a vote of 32 Yeas and 6 Nays."

5. The Report (Ex. 2) is captioned "IMPLEMENTING THE BIPARTISAN ACCORD ON CENTRAL AMERICA OF MARCH 24, 1989", and states that "The purpose of this legislation is to implement the March 24, 1989 Bipartisan Accord on Central America signed by President George Bush, Speaker of the House James C. Wright, Senate Majority Leader George A. Mitchell, House Majority Leader Thomas S. Foley, Senate Republican Leader Robert Dole, and House Republican Leader Robert Michel. Under this agreement, humanitarian assistance to the Nicaraguan Resistance will be continued at current levels for an additional 11 months through February 28, 1990".

6. By a yea-and-nay vote of 309 yeas to 110 nays, Roll No. 27, the House passed H.R. 1750, to implement the Bipartisan Accord on Central America of March 24, 1989. (Cong. Rec. April 13, 1989, Vol. 135, No. 44, p. D349; Ex. 3 hereto) and by 89 yeas to 9 nays (Vote No. 44), the Senate passed H.R. 1750 on April 13, 1989 (Ex. 3, p. D346). H.R. 1750 was signed by defendant Bush on April 18, 1989 and became Public Law 101-14 (103 Stat. 37). The Bipartisan Accord of March 24, 1989 referred hereinabove (Ex. 4) provides in pertinent part: "To implement our purposes, the Executive will propose and the bipartisan leadership of the Congress will act promptly after the Easter Recess to extend humanitarian assistance at current levels to the Resistance through February 28, 1990 . . .".

7. However, in a "draft" letter from defendant Baker to "Chairman of House and Senate Authorization and Appropriation Committees and Senate and House Leadership" (Ex. 5 hereto), which was included in the House Foreign Affairs Committee record (Ex. 6 hereto) and in the Committee report on the bill (H. Rep. 101-23, Part 1, 101st Cong., 1st Sess., p. 4.), in pertinent part made the following undertaking: "This assistance has been authorized and appropriated but will not be obligated beyond November 30, 1989, except . . . if affirmed via letter from the Bipartisan leadership of Congress and relevant House and Senate authorization committees and appropriation subcommittees."

APPLICABLE LAW

8. The principle of separation of powers is expressed in our Constitution in the first section of each of the first three Articles, Article I, par. 1 provides that "all legislative Powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and a House of Representatives". Art. II, par. 1, cl. 1 provides that "the executive Power shall be vested in a President of the United States of America".

The above words do not mean some of the executive power, but all of the executive power. While the courts normally owe deference to Congress' view that what it has done is constitutional, that idea does not apply where the issue is separation of powers. As stated by Madison in Federalist 49, "The several departments being perfectly co-ordinate by the terms of their common commission, neither of them, it is evident, can pretend to an exclusive or superior right of settling the boundaries between their respective powers . . ."

Article II, part. 1 requires the President to "take Care that the Laws be faithfully executed" and Article II, par. 1, cl. 7 requires him to "preserve, protect and defend the Constitution of the United States".

Art. I, par. 1, cl. 2 and 3 provide "Every Bill which shall have passed the House of Representatives and the Senate, shall, before it become a law, be presented to the President of the United States . . . and before the same shall take effect, shall be approved by him. . . ."

In addition to the above referenced provisions of the Constitution, plaintiffs call the Court's attention to the following decisions which bear importantly on the issues which are or may be involved in this lawsuit. These cases, and the citations they contain cover all collateral points, such as standing, case or controversy, political question, alternative relief, jurisdiction, justiciability, and equitable discretion. Plaintiffs rely upon these cases and the citations they include, rather than making the same arguments and burdening the record with a repetition of points and authorities well know to the Court:

Kennedy v. Sampson, 511 F.2d 430; *Bowsher v. Synar*, 106 S.Ct. 3181; *Barnes v. Kline*, 759 F.2d 21; *INS v. Chadha*, 462 U.S. 919; *Marbury v. Madison*, 5 U.S. (1 Cranch) 137; *Coleman v. Miller*, 307 U.S. 433; *Youngstown Sheet & Tube Co. v. Sawyer*, 343 U.S. 579.

ARGUMENT IN SUPPORT OF MOTION FOR SUMMARY JUDGMENT

9. Congressman Chuck Douglas of New Hampshire, a plaintiff herein, former senior justice of the New Hampshire Supreme Court, expressed his expert opinion that the "side agreement" at issue herein is unconstitutional in that "the executive branch cannot give way nor empower to others its power of veto and its power to execute the laws . . . it is obvious it is unconstitutional. The separation of powers is being frustrated by giving a certain select group in this body a vote in November that I will not have. The people of my State elected me. New Hampshire in November will not be voting on whether Contra aid continues because neither of New Hampshire's Congressman happen to be part of this little gang of seven who will be voting in November by writing a letter". (135 Cong. Rec. Vol. 44, 6396; Ex. 6 hereto).

10. When defendant Bush signed Public law 101-14 on April 18, 1989 it became the "supreme law of the land". (Art. VI, cl. 2) The statute provides for humanitarian assistance to the Nicaraguan Resistance "through February 28, 1990". (Ex. 1) The draft letter from defendant Baker to the certain committee chairmen in the House and Senate (Ex. 5) unconditionally undertakes not to obligate, i.e. spend, the funds provided in the statute after November 30, 1989 except upon unanimous affirmative approval in writing from eight members of Congress (Ex. 5).

11. The draft letter is a part of a "deal" made by defendants and certain designated letters of the House and Senate who signed the Bipartisan Accord of March 24, 1989, as set forth in the committee report accompa-

nying H.R. 1750, which became P.O. 101-14. (Ex. 4). The complete history of the "deal" is referred repeatedly in the debate on H.R. 1750, which was rushed through the House in one day, April 13, 1989, under a closed rule which prohibited amendment, and adopted by the Senate the same day. (See 135 Cong. Rec. Vol. 44, April 13, 1989, (pages 6368-6423 and 6440-6423, H. Res. 127)

12. In the course of debate Congressman Douglas, a plaintiff in this action said: "Mr. Chairman, I rise in opposition to this deal because I think it violates Article I of the Constitution. The letter that Secretary Baker intends to send to the chairmen of the House and Senate authorizing and appropriations committees and to the House leadership indicates that any one of nine individuals in the House and Senate has the power to stop a line item in a bill that we will be voting on . . . . We are supposed to trust that these 9 individuals who each represent 500,000 people, the same number of people that I represent, are somehow given this extraordinary power to determine when an appropriation by the Congress of the United States will end." (Ex. 6)

13. As demonstrated by the facts set forth herein above, of which the Court must take judicial notice (FREV.201,803), the terminal date for humanitarian assistance funding for the Nicaraguan Resistance provided in Public Law 101-14 (April 18, 1989) is February 28, 1990.

14. However, defendants Bush and Baker entered into an arrangement with nine members of Congress which in substance and effect amended Public Law 101-14 by substituting a new terminal date of November 30, 1989 for the statutory date of February 28, 1990. (Ex. 4,5 hereto).

15. The Bipartisan Accord of March 24, 1989 and Baker "draft" letter included in the House Foreign Affairs Committee official records of April 11, 1989 (Ex. 2 hereto; see also statement of House Speaker Foley, page 6367, 135 Cong. Rec. Vol. 44, April 13, 1989 (Ex. 8 hereto; page 6369, id. Ex. 8; statement of Congressman Broomfield, a floor manager of H.R. 1750 during debate, page 6379, id., Ex. 9) are in effect not only an unconstitutional amendment of the Act of April 18, but also in substance an unconstitutional legislative veto, and an unconstitutional intrusion by the Executive and Secretary of State into the law making process whereby the Executive has agreed to impound funds appropriated by Congress in contravention of the separation of powers principle on which the Constitution is founded. (INS v. Chadha, 462 U.S. 919)

16. During debate on H.R. 1750 in the Senate on April 13, Senator Armstrong made the following argument (Ex. 10):

"The question has arisen about the constitutional issues in this bill. It has been questioned that perhaps by agreeing to give four Members of Congress a sort of veto power over part of the expenditures contemplated by this legislation, that we might run afoul of the Supreme Court.

"The explanation I have heard in response to that is that this really is not unconstitutional. It would be unconstitutional if we put it in the bill, but since it is not in the bill, but it is just a side agreement, we do not run afoul of any constitutional limitations. . . .

"I do not think it is wise for the administration to bargain with a handful of Members of Congress to cut all the other Members of Congress out of the deal . . .

"I do not think being a Senator ought to be a spectator sport. I think we ought to be involved in the decision to extend this aid if, as, and when that decision is made."

17. The legislative history of the side agreement at issue in this case is important in shedding light on the motives of defendants to evade the constitutional procedures which protect the people from hasty, ill advised, and premature decisions of government which might not be in the long term national interest. (See *INS v. Chadha*, 462 U.S. at 949, quoting the Federalist No. 22, 51, 62, respecting "the bicameral requirement and the Presentment Clauses" as serving "essential constitutional functions".)

18. During the April 13 debate in the Senate, Senator Specter addressed the constitutional issue (Ex. 11 hereto, pages 6510-6511, April 13, 1989, Cong. Rec.) (13 Cong. Rec.) as follows:

"The other issue is the issue about letters from the subcommittee chairman or from the full committee chairman. The Senator from Colorado asks an important question: Is this constitutional? I doubt it. . . .

"But what we have here is the issue of the legislative veto. That has been litigated in the Supreme Court of the United States and we now know that one House cannot have a legislative veto. We know that two houses cannot have a legislative veto. We know that if a joint resolution is passed jointly it has to be approved by the President. Or, if it is vetoed then it has to be passed by two-thirds.

"Now, you have an arrangement where there will be a termination of the proposal by a disapproval by any one of four individual Members of Congress. . . .

"That is effectively stopping executive action on far less than a resolution passed by both Houses of Congress. If a resolution is passed by both Houses of Congress and disapproved and vetoed by the President, then it must obtain, as we all know, two-thirds of the membership. When the Senator from Colorado asks whether the approach can be constitutional, if it has an unconstitutional purpose, my initial answer to that is no, or at least probably not.

"If there is an effort to circumvent or subvert a constitutional provision, then it is immediately suspect and very likely unconstitutional. . . . .

"But it is highly irregular, if not totally unprecedented, to have the cessation of the executive action turn on the disapproval of any one of four individual Members of the Congress. (page 6510, April 13 Cong. Rec.)

"The legislative veto is a very important consideration, a complex term as to how the Congress overrules the President. We have set a variety of ways to do it, and the Supreme Court has put the brakes on and said you cannot do it unless you comply with the slow mechanism of the Constitution . . ."

19. While debating in the Senate on H.R. 17150 (page 6545, Cong. Rec. April 13, Ex. 14 hereto) Senator Helms made the following argument:

"Mr. President, an integral part of this bill, this proposal, even though it does not appear in the text, is the concept that funds authorized and appropriated by Congress will not be obligated by the President unless; "affirmed via letter from the bipartisan leadership of Congress and relevant House and Senate authorization committees and appropriation subcommittees".

"Frankly, the meaning of this clause is vague, but the obvious intent of it seems to be to allow one single chairman of a relevant committee or subcommittee to stop humanitarian aid to the freedom fighters.

"Mr. President, whether we want to or not, we have to look at the logical consequences of this so-called gentleman's agreement, because whether we like it or not, it is an unconstitutional arrangement. In practical terms it amounts to a legislative veto and a veto not just by one House, either the Senate or the House of Representatives, but by one committee, even indeed by one subcommittee, and when you come right down to it, by one chairman of one subcommittee.

"Mr. President, the bottom line is that there are at least five Senate committees and subcommittees that could claim to be "relevant" under this gentleman's agreement."

20. The arguments of Congressman Douglas, and Senators Armstrong, Specter and Helms all go the heart of the issue before the Court, i.e. the involvement of defendants in the legislative proceedings leading to Public Law 101-14. Prior to the prearranged introduction in Congress and enactment of the statute defendants entered into a "side agreement" which changed the terminal date of the appropriation in the bill from February 28, 1990 to November 30, 1989 absent affirmative written approval of 8 individual Members of Congress.

21. In *Youngstown Sheet & Tube Co. v. Sawyer*, 343 U.S. 579 (1952), a principal Supreme Court decision on the division of authority between Congress and the President, the Court ruled:

"In the framework of our Constitution, the President's power to see that the laws are faithfully executed refutes the idea that he is to be a lawmaker. The Constitution limits his functions in the law making process to the recommending of laws he thinks wise and the vetoing of laws he thinks bad. And the Constitution is neither silent nor equivocal about who shall make laws which the President is to execute. . . . .

The Constitution does not subject the law making power of Congress to presidential . . . supervision or control. . . . . .

The Founders of this Nation entrusted the law making power to the Congress alone in both good and bad times."

22. While there is a presumption that when the President acts he does so in an executive or administrative capacity, (See *J.W. Hampton & Co. v. U.S.*, 276 U.S. 394, 406 (1928), that presumption is overcome by the explicit bicameral and presentment procedural requirements of Art. I, par. 1 and 7 of the Constitution. Here the calculated evasion of the bicameral and presentment requirements of the Constitution in the name of "bipartisanship" as expressed in the "side agreement", no matter how well intentioned, must be declared null and void.

23. Defendants have no discretionary power to refuse to execute Public Law 101-14 in accordance with its terms, whether they disagree with its terms or for some other reason, i.e. "bipartisanship". *Kendall v. U.S.*, 37 U.S. (12 Pet.) 524

24. Although the defendants may have some discretion in implementation of Public Law 101-14, they have no discretion to ignore the standards for implementation contained in the statute, i.e. the February 28, 1990 termination date. The clear legislative intent of the law is to provide humanitarian assistance to the Nicaraguan Resistance until February 28, 1990, not November 30,1989.

25. On April 21, 1989, three days after defendant Bush signed Public Law 101-14, he published notice of continuation of the national emergency with respect to Nicaragua. (Weekly Compilation of Presidential Documents, Administration of George Bush 1989

p. 595), stating: "Because the actions and policies of the Government of Nicaragua continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States, the national emergency declared on May 1, 1985, and subsequently extended, must continue in effect beyond May 1, 1989 . . . . ." (Ex. Order No. 12513, May 1 1985, extended on May 1, 1989), Ex. 7).

26. The Congress recognized that emergency by providing funds to assist the Resistance in Nicaragua until February 28, 1989. The President signed the bill on April 18, although he had already joined in a March 24 agreement with several individual Members of Congress that he would not obey the law's command after November 30 without their written approval.

27. It is difficult to imagine a more egregious manipulation of procedures to evade the bicameral and presentment dictates of Art.I. The fact that the President could not get the votes of a majority of the Members of Congress without the "side agreement" does not justify the March 24 "deal".

28. If the "side agreement" is viewed as an impoundment arrangement, it fails to comply with the Impoundment Control Act of 1974 *(included as Title X of the Congessional Budget and Impoundment Control Act of 1974,* signed June 12, 1974 (88 Stat. 332), and must therefore be declared null and void. (See also *Local 2677, American Fed. of Gov. Emp. v. Phillips* 385 F. Supp. 60 (1973) and citations therein on unconstitutionality of Executive impoundment of appropriated funds. (See further *State Highway Commission of Missouri v. Volpe,* 347 F. Supp. 950, aff'd 479 F. 2d 1099, on same point.)

The President must execute an appropriation law enacted by Congress as a constitutional duty, and cannot refuse because he disagrees, or enter into a "side agreement" that he will not execute the law in accordance with its terms, if Art. II and the separation of powers principle are to have meaning.

If Congress or the President want Public Law 101-14 amended to specify November 30, 1989, as the termination date for funding humanitarian assistance for the Nicaraguan Resistance, Art. I provides the exclusive method for changing the date from February 28, 1990, to November 30, 1989. And it matters not whether the "side agreement" is a legislative veto, an impoundment, an amendment, or a trespass against the separation of power principle, it is unconstitutional and thus null and void.

29. It might be argued that the "side agreement" is a useful "political invention" justified by the political realities in the unique circumstances surrounding the Congressional deadlock on aid to the Contras. (e.g. Justice White's dissent, *INS v. Chadha,* 462 U.S. at 1003) However, as the majority in the *Chadha* case ruled, "But policy arguments supporting even useful "political inventions" are subject to the demands of the Constitution which defines powers and, with respect to this subject, sets out just how those powers are to be excercised. Explicit and unambiguous provisions of the Constitution prescribe and define the respective functions of the Congress and of the Executive in the legislative process," citing Art. I, par. 7, cl. 1 and 2.

30. Is this suit premature? The answer is "no", because in the "side agreement" the deal is done. Public Law 101-14 cannot be implemented or appropriated funds obligated after November 30, 1989 except upon unanimous and affirmative approval in writing of several leaders and "relevant" (whoever that might be") committee and subcommittee chairmen, despite the February 28, 1990 termination date in the statute itself.

31. It cannot be speculatively assumed that defendants will violate the "side agreement" they helped craft. So this case is ripe for decision now, and time is of the essence because of the November 30 date which will bring Contra aid to a halt, unless the "side agreement" is declared null and void by the this Court as demanded in the complaint for declaratory judgment which initiated this suit.

32. It cannot be contended that the Court should decline to decide the constitutional question raised in this case because there may be other statutory relief available to plaintiffs. Defendants have forestalled that possibility by agreeing not to comply with an existing statute.

33. As a result of the "side agreement", the vote of plaintiffs Burton, Smith and Crane for the law have been made ineffective, as has plaintiff Douglas, vote against the law. (See "Dear Colleague letter signed by plaintiffs Burton and Douglas, page 6434 April 13 Cong. Rec. at pages 6435 and 6424 for final vote, Ex. 13 hereto).

34. The "side agreement" at issue in this case collides head-on with a basic principle of constitutional law set forth in *Bowsher v. Synar,* 106 S. Ct. 3181 at 3187, as follows: "The Constitution does not contemplate an active role for Congress in the supervision of officers charged with the execution of the laws it enacts."

In the instant case a handful of members of Congress are given the power in the "side agreement" to block the defendants in their constitutional duty to implement Public Law 101-14 in accordance with the terms of its terminal date, i.e. February 28, 1990, not November 30, 1989, and agreement of defendants to fail in their duty does not "constitutionalize" an unconstitutional legislative action.

35. The "side agreement" is in effect a device or strategem permitting eight Members of Congress to share in the execution of Public Law 101-14. As held in *Bowsher v. Synar,* supra: "The structure of the Constitution does not permit Congress to execute the laws; it follows that Congress cannot grant to an officer under its control what it does not possess. Cf. *INS v. Chadha,* 462 U.S. 919, pp 3186-3189."

36. In the *Bowsher* case, supra, the Supreme Court stated the same idea in another way, i.e.: "To permit the execution of the laws to be vested in an officer answerable only to Congress would, in practical terms, reserve in Congress control over the execution of the laws.

37. While the facts in the *Bowsher* case are different, the constitutional principles involved are identical. The record does not indicate that the eight Members of Congress designated in the "side agreement" have been specifically authorized by Congress as a whole to act on its behalf, the execution of Public Law 101-14 is vested in them, thus Congress has reserved to itself control over the execution of the statute, and that is unconstitutional.

38. Based on the facts of record plaintiffs request and this Court must, per Rule 201(d), F.R.EV., take judicial notice of the adjudicative facts set forth in the exhibits attached hereto as a part hereof, as these facts are the kinds of facts which are not subject to reasonable dispute, they are generally known in this jurisdiction and these facts are capable of accurate and ready determination by resort to sources whose accuracy cannot reasonably be questioned. (See Rule 201(b) and 803, F.R.EV.).

39. Time is of the essence in this case, as the "side agreement" at issue blocks funding for the Nicaraguan Resistance on November 30, 1989, 90 days prior to the February 28, 1990 date in the Act.

40. Therefore, plaintiffs request the Court, under Rule 57, F.R.C.P, to order a speedy hearing of this action for a declaratory judgment and advance it on the calendar, and to grant their motion for summary judgment in their favor forthwith.

CARL SHIPLEY,
Attorney for Plaintiffs.

CONCERN OVER CIVILIANS IN THE CONTRA CAMPS IN HONDURAS

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. ATKINS. Mr. Speaker, I rise today to express my concern over civilians in the Contra camps in Honduras. The United States provides all the funding for these camps, and we bear the responsibility for what takes place in them.

The agreement on aid for Nicaragua reached by the Congress and the President earlier this year was in part intended to encourage repatriation into Nicaragua or to other countries. However, there are no procedures that allow civilians within the camps to determine whether they would like to stay with the resistance, be repatriated to Nicaragua, or apply for refugee status.

The United Nations High Commissioner on Refugees has expressed a willingness to conduct interviews to make these determinations, but the Contras apparently will not permit these interviews to take place in a neutral setting.

Reports indicate that there is no mail service into and out of the Contra camps. Without such service inhabitants have no way to communicate with their relatives in Nicaragua, or indeed even to know if they are still alive. Few if any newspapers are permitted in the camps, so the Contras control all access to information. This imposed ignorance only serves to make people increasingly more hesitant to try to leave the camps. They are denied indications what the current situation is within Nicaragua or what their prospects would be if they were to try to return to their homes.

Mr. Speaker, the United States should stand for the free exchange of information, and for the freedom to live where and how you please. By continuing to subsidize the Contra camps while doing nothing to facilitate mail delivery or movement out of the camps, we turn our backs on this principle. We have an obligation to the people living within the camps, and this obligation extends beyond simply providing salaries, food, and shelter for the Contras. We must also provide those who wish to leave the Contra camps with avenues by which they can do so. We must not remain guilty of funding involuntary imprisonment, and

by denying civilians within the Contra camps opportunities to leave, that is precisely what we have been doing.

MX AND MIDGETMAN: A UTILITY TEAM

HON. NORMAN D. DICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. DICKS. Mr. Speaker, I don't expect the House to revisit the issue of ICBM modernization today during the debate on the fiscal year 1990 Defense appropriations bill. But we clearly must consider the implications of our actions last week as we move toward conference both on this bill, and on the authorization bill.

I want to reaffirm my support for the President's two-missile modernization plan. Many have criticized this plan, arguing that it is simply a political expedient. I take issue with that assertion.

Peter Zimmerman, who was a member of the U.S. delegation to the strategic arms reduction talks in Geneva has laid out the reasons that the two-missile program does in fact make sense in a recent article printed in the Los Angeles Times. His conclusion is that:

Since the two missile solution—whether by accident, by design or as a political expedient—is also likely to lead to the best deal in Geneva, it alone is the optimum choice.

I ask unanimous request that the full article written by Mr. Zimmerman be included in the RECORD, and hope that the points he raises will be taken to heart by our conferees, and the House as a whole, as we complete action on the defense funding bills.

MX AND MIDGETMAN: A UTILITY TEAM—DEPLOYING SOME OF EACH IS BEST BET FOR ARMS CONTROL

As Congress and the President near the decision point on the next defense budget, and as the date for new arms-control negotiations approaches, it becomes more necessary than ever to reach a binding decision on which American ICBMs to build and how to deploy them.

Indecision on our intercontinental missile force has endured for a decade; George Bush is the third President to confront it. His Administration's solution: Put 50 MX missiles on trains that will leave their garrisons when an attack is imminent; meanwhile, continue to develop the truck-mounted Midgetman ICBM at a slow pace.

This two-pronged approach in the budget Bush submitted to Congress seems to satisfy everyone and no one. Midgetman is Congress' missile; the MX is the Air Force's bird.

Midgetman is small, has the mobility of a truck, and carries only one warhead; MX is six times larger, can be moved easily only on trains, and carries 10 warheads. Both missiles can survive a Soviet first strike if they can dash fast enough so that the enemy must blindly barrage a huge area.

Arms controllers prefer Midgetman because it carries only one warhead and is not a particularly lucrative target for the other side, which would have to use two warheads to knock out one Midgetman. But Midgetman is expensive to buy and to run. It requires a gigantic "hardened mobile launcher," or HML, to haul it around either the Great Plains of the southwestern desert. HM's, which are tougher than tanks, aren't cheap. In addition, at least two men will be needed in the cab of each HML, 24 hours a day, every day.

The Air Force prefers the rail-garrison MX. Each missile is more deadly because it carries 10 weapons. Trains are cheap to buy or build; 50 special missile and command cars wouldn't cost as much as even a few HMLs. Furthermore, trains could roam the tracks in safety for hours or days waiting for the moment to retaliate after an attack, while HMLs would endure for only a few hours until the personnel in the cabs became fatigued.

Given three hours' advance warning of an attack, and the will to act, rail-garrison MX missiles are at least as survivable as HML's and their Midgetmen. In fact, we can be more confident of the design of the trains, because real trains were once tested against real atomic bombs in the Nevada desert. However, if a bolt-from-the-blue attack caught the trains in their garrisons on Strategic Air Command Bases, they would probably be destroyed.

The effort to choose just one new missile and deployment scheme has failed with good reason. No single missile system is best at meeting all strategic needs: delivering striking power against an enemy, riding out a first strike, providing arms-control stability and coming in at the right price over a 10- or 20-year life cycle. Furthermore, no matter how deployed, no missile system can be sure of survival unless an appropriate new arms-control agreement limits the size of the Soviet missile force that threatens this country.

If cost were no object, building 500 Midgetman missiles might be sufficient. However, the price-tag for such a system is around $40 billion, while putting the MX on trains will cost $5 billion or $6 billion. The MX missiles have already been built and paid for.

If a nuclear Pearl Harbor were an absolute impossibility, and if we were sure that we would always take decisive action to scramble the trains when we had warning of an attack, the rail-based MX alone would be satisfactory. But some of the American land-based missile force must be able to survive a surprise attack. A smaller number of Midgetmen could be deployed in ways that would let a part of the force escape with almost no warning at all, but the price for that survivability is very high.

To some extent, we must also deploy new missiles in order to negotiate away a large portion of our strategic arsenal. The Soviets have a rail-based missile, the SS-24, and a road-mobile one as well, the SS-25. With no mobile missiles in our arsenal, the American side has been severely handicapped in dealing with the Soviets. But the Bush Administration's choice of missile deployment now gives the chief U.S. strategic arms negotiator, Richard Burt, the levers he needs to extract the best possible deal from the Soviet Union when arms reduction talks resume a month from now in Geneva.

The decision to put MX on rails and afterwards to procure small numbers of Midgetmen was reached for political reasons, to satisfy Congress and the Air Force simultaneously. But consider: It will provide a cheap, deadly and moderately survivable new ICBM in the short run; a few years late, it will add a small missile that complements the MX by being stabilizing, highly survivable and, if only 200 are deployed, affordable.

Since the two-missile solution—whether reached by accident, by design or as a political expedient—is also likely to lead to the best deal in Geneva, it and it alone is the optimum choice.

THE RICHMOND BRIEFCASE STORY AND A HOMILY ON EXPECTATIONS

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mrs. JOHNSON of Connecticut. Mr. Speaker, I include the following commencement speech given by Mr. David T. Kearns, the chief executive officer of Xerox Corp., at the Salisbury School in Salisbury, CT, on June 2, 1989.

THE RICHMOND BRIEFCASE STORY AND A HOMILY ON EXPECTATIONS

BRIEFCASE STORY

This is a very special place—special for our family—Todd graduated in 1986 and of course Andrew is graduating today.

Two grandsons, Michael and Ryan Frame, are here today and maybe someday will go to school here as well I hope.

Shirley and I will miss our trips to the hilltop. In fact you may still find us hanging around the rink. In fact, Dick Flood, you may find it more difficult to get rid of us than it was to graduate Todd and Andy.

For me, making a difference is what life is all about.

This school has made a difference for Todd, for Andrew, and for our family and for that we say thank you.

I have been speaking out on the plight of the American public school system for the past few years. As a result of this work, I have a particular perspective of education in this country and how Salisbury fits.

It fits very well indeed.

I would like to quote from the Salisbury Mission statement.

"The Mission of Salisbury School is to instill within the individual student the self-confidence needed to develop intellectually, morally and physically.

"This school seeks to encourage each young man to find satisfaction and take pride in his accomplishments inside and outside the classroom, and to build a sense of self-worth as he formulates goals for the future."

This mission is being carried out by an incredibly competent and dedicated staff and teacher core.

At a time when our country is woefully short of teachers, we have been fortunate to have you with our boys.

What you do is important and what you do will make a difference.

For all the parents and the class of 1989, we say thank you.

I believe Salisbury has fulfilled that Mission for you, the class of 1989.

You appear to me to be a self-confident group of young men ready to take the next step.

The underlying theme of every commencement is the same. They are all about beginnings and endings, and this one is no exception.

You are stepping up from one rung on the ladder of life onto the next one.

That is tough, because, it means leaving behind the security of what you know and love, for the insecurity of the unknown.

But it is something you will have to do over and over again in your lives, and speaking from experience, it does get a little easier—but not much.

The education you have received at Salisbury is absolutely first rate and therefore your opportunities are enormous.

Twenty-five percent of all young people drop out of school each year.

Another 25 percent graduate each year—get a diploma—but cannot read or do even the most rudimentary arithmetic.

Another large group of students go on to college and are not prepared and therefore the colleges spend the first two years doing remedial work.

As a comparison, our Japanese competitors graduate 96 percent of all young people with an education equal to at least two years of college in the United States.

Now what does all this mean to the 1989 graduating class at Salisbury.

First of all, it has been said that most people cannot remember who spoke at their graduation much less remember what was said.

So listen up. There will be a quiz tonight and a real test in ten years.

The world you will have to deal with today is very different from the one I entered when I was your age.

It is different economically, socially, and politically.

But the most disturbing change I see is the erosion of our democratic values and ethical principles.

Today's global economy breeds a particularly destructive brand of amorality, where loyalty to the yen or the mark, or the pounds or the dollar often replaces loyalty to country.

We are producing a generation of Americans that neither understands nor appreciates what it means to be a citizen in a democratic society.

Values like equal rights for all, social and economic justice, the rule of law and tolerance of diversity are the underpinnings of our society.

Everything is not relative.

There are plenty of constants in our American values.

Truth is better than dishonesty—loyalty is better than betrayal—compassion is better than indifference.

At Salisbury you have been taught how to learn, think, discern with a strong sense of value.

That gives you an enormous advantage over the majority of Americans.

And a responsibility.

Most of you are going on to first-rate colleges and universities.

That means an opportunity to leverage your Salisbury experience.

Remember, what you have learned here will allow you to break out into new areas—try new things—new subjects.

The point I am making is that this is the time of your life to challenge yourselves.

I want to leave you with this thought.

HOMILY ON EXPECTATIONS

I am challenging each of you that starting this summer and each year of your life, you examine your level of expectation.

Reset those expectations regularly and I will guarantee that you will startle yourselves with what is possible.

Enjoy yourselves always.

A broad liberal education more than anything else I know will allow you to do that.

And always remember, the successful person will be those of you that believe that one man can make a difference and that everyone must try.

Go for it!

ENERGY POLICY AND CONSERVATION ACT AMENDMENTS

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. SHARP. Mr. Speaker, I am introducing a bill today to assure the future development and increased usefulness of the Strategic Petroleum Reserve [SPR]. The SPR remains the backbone of our policy for dealing with an energy emergency. The SPR's existence, along with similar stockpiles held by other nations, may have helped prevent an oil crisis during the recent tanker war in the Persian Gulf. Few expenditures of our tax dollars have been more farsighted.

Our energy situation has changed since 1975, however, and a good program now needs to be made better. In June, the Congress extended the authorization for the SPR to April 1, 1990. The short extension was intended to give the administration and Congress time to consider and resolve several emerging policy issues related to the use and expansion of the Strategic Petroleum Reserve. These issues were raised in a clear and convincing manner by expert witnesses at a Subcommittee on Energy and Power hearing on April 19, 1989. I was persuaded that a simple extension or expansion of the SPR would restrict its usefulness.

The first issue concerns the use of the Strategic Petroleum Reserve as a response to a shortage of domestic oil. There is clear authority to use the SPR in response to any shortage of foreign oil; however, if the shortage is in domestic oil, the SPR may only be used if the cause is sabotage or an act of God. Following the *Exxon Valdez* oilspill, the Department of Energy [DOE] stated that they felt there was unclear or insufficient authority to use the SPR as a response to the rapid rise in gasoline prices because the shortage was in domestic oil rather than foreign oil.

The bill includes a section that expands the circumstances in which the President can use the SPR as a response to domestic oil shortages. As a result of the *Exxon Valdez* oilspill and the associated reduction in shipments to the west coast, we observed how seriously consumers can be hurt by only a relatively minor, short-lived interruption in supplies. We should learn from the experience and modify the SPR drawdown authority.

A second issue relates to the severity of an energy crisis in which the SPR can be used. Currently, the President may only use the SPR as a response to a severe energy supply interruption. The Energy Policy and Conservation Act [EPCA] currently requires this interruption to be of significant scope and duration, to be emergency in nature, and to have major adverse impact on national safety or national economy.

These restrictive requirements mean that the President may not be able to use the SPR for a regional oil shortage even if it meets the requirements for scope, duration, and impact on safety and economy. Additionally, the President cannot use the SPR as a means to prevent a minor shortage from developing into an emergency or to reduce the possibility of an emergency. Moreover, a Presidential declaration that a troubling situation is a significant national emergency may create the kind of psychological response that can make the problem worse.

Current policy calls for the use of the SPR early in an emergency, but the fear of a psychological response that could offset the economic effect of additional oil supplies is a powerful disincentive to ever use the SPR.

These very restrictive requirements for the use of the SPR were warranted when the SPR was much smaller and it was appropriate to ride out minor shortages and hold the SPR for only the most major oil shortages. Today, however, the SPR holds over 570 million barrels, and I believe the President should have greater flexibility to use the SPR early in a crisis to prevent shortages. The SPR is a strategic reserve, but it can and should be used in circumstances that are less than an energy apocalypse.

To meet the need for greater flexibility in the use of SPR, the bill includes new authority that allows the President to divert oil enroute to SPR for immediate use, use the SPR as a response to a severe regional shortage, and draw down the SPR early at reduced rates as a measure to prevent the development of a severe energy emergency.

The bill provides a range of responses to an energy crisis. This increased flexibility should make it easier to use the SPR earlier in an impending crisis and possibly even prevent a severe energy emergency. The response can also be tailored to an emergency and avoid the appearance of an excessive response to an important, but comparatively small, energy shortage. The bill limits the amount of oil that can be used under this new authority so that the SPR is not depleted to a point that it is unable to respond to a severe energy emergency.

Another issue raised at our hearing is the speed with which the SPR crude oil can make its way into commerce and actually reduce a shortage. Even by DOE's own estimates, they believe that they will take up to 3 weeks to sell and deliver the SPR oil. Then there will be an additional delay while the oil is transported to an oil refinery, refined, and distributed to the consumer. To reduce this delay, the bill requires for the first time that the SPR include refined petroleum products in its inventory. These products can be injected much more quickly into commerce and reduce the effects of an energy shortage.

Energy experts tend to agree that the greatest damage to the economy is done at the start of an oil shortage, when consumers or marketers hoard available products or bid up prices. Therefore, it is vital that products such as gasoline and heating oil be placed in commerce as early as possible in a crisis.

The storage of oil products is not intended to take the place of crude oil storage. Crude oil gives the Nation the greatest flexibility in responding to a variety of circumstances.

Crude oil is also the cheapest form of petroleum to store.

Storage of some product is warranted because refined product can be distributed to consumers more quickly than crude oil. For example, a supply of gasoline on the west coast would be very useful in the event of a disruption of Alaskan supplies, and storage of fuel oil in New England could accelerate the response to an interruption of east coast supplies. This immediate availability should have a significant moderating effect on hoarding and other psychological responses such as those that contributed to the seriousness of the energy crisis of 1973–74 and 1979.

A related issue is where the SPR crude oil and product is stored. Currently, all the oil is stored in caverns along the Texas-Louisiana gulf coast. This has a number of cost and distribution advantages.

EPCA currently requires DOE to evaluate the need for regional storage by considering the specific needs of each Petroleum Administration for Defense Districts [PADD's]. This analysis works well for the contiguous areas of the continental United States. However, it may not properly consider the unique characteristics and problems of the insular parts of the United States.

Specifically, Hawaii's energy distribution requirements are statutorily lumped together with California's and the other Western States when considering the need for a regional reserve. This bill does not require regional storage for insular areas; it simply recognizes their unique resource and transportation problems and allows DOE to consider regional storage for insular areas separate from the rest of their PADD.

Another concern addressed by this bill is the operational testing of the SPR. In 1985 DOE conducted a very successful test drawdown and sale of crude oil from the SPR. This test was done in response to a congressional mandate to test the reserve. DOE has been reluctant to conduct additional full-scale test sales and deliveries of oil. There are three reasons DOE should periodically continue to conduct tests similar to the 1985 test.

The sales and distribution of the oil allows industry to develop and retain a high level of familiarity with DOE procedures and operational requirements which will ease sales during actual crisis.

Sales, distribution, and refining of SPR oil during periodic tests builds public confidence in the SPR. It definitively answers the public's repeated question of whether DOE can really get the oil out of the ground. Confidence in the Government's ability to use the SPR is essential in reducing public anxiety and minimizing oil hoarding in the event of a shortage.

Sale and delivery of oil allows DOE the opportunity to test faster methods of selling oil. Speed of response to a crisis may be essential. Periodic test sales allow DOE to develop more rapid ways of responding to a Presidential mandate to sell SPR oil.

Finally, the bill requires expansion of the Strategic Petroleum Reserve beyond its currently planned size of 750 million barrels. Oil imports are increasing. This Nation needs to have 90 days of supplies simply to meet its commitment to the International Energy Agency. Therefore, we must expand the SPR to 1 billion barrels.

However, this country also has a budget crisis and any expansion will be expensive. We must give consideration to alternative methods of acquiring the oil other than the current practice of direct purchases. The Government cannot give up any control over the timing and circumstances for using the oil. What we can do is evaluate ways of allowing the private sector to finance the acquisition of the oil.

DOE is currently doing a study of these possibilities. My support for the expansion of the SPR to 1 billion barrels under present budget conditions is based on the assumption that the Congress and the Department of Energy can identify and agree on a suitable alternative financing mechanism. Expansion of the SPR must be a national priority, but so must reduction of the deficit.

The bill also includes studies related to export of domestic oil, the need for regional reserves, and the availability of Jones Act shipping waivers needed to better prepare us for use of the SPR during an emergency.

The bill also extends to December 31, 1993, title I of the Energy Policy and Conservation Act, the basic authority to build and use the Strategic Petroleum Reserve.

The Strategic Petroleum Reserve is a national resource; careful thought must go into how we can enhance its usefulness. During the fall, the Subcommittee on Energy and Power will hold hearings on this subject. I welcome constructive criticism and improvements to these proposals.

SECTION BY SECTION FOR ENERGY POLICY AND CONSERVATION ACT AMENDMENTS OF 1989

Section 1. *Short title—Energy Policy and Conservation Act Amendments of 1989*

Section 2. *Extension of Title I of the Energy Policy and Conservation Act*

Title I of the Energy Policy and Conservation Act is extended from its current expiration date of April 1, 1990 to December 1, 1993.

Section 3. *Additional Authority to Divert Oil Enroute to SPR Storage and To Drawdown the SPR*

Section 159 of EPCA is amended to allow the President to divert and sell commercial oil which has been purchased for the SPR and is enroute to the SPR but which has not yet been injected into SPR storage facilities. The President may use this authority under three different circumstances. In the first circumstance three conditions must be met. These conditions are:

1. that a severe energy supply interruption may be imminent,

2. that the price of crude oil may increase because of the supply interruption, and

3. that diverting this oil directly to commercial use would assist in preventing or reducing the severity of the impact of such interruption.

The President may also use this authority if two requirements are met. These requirements are:

1. that conditions exist that constitute or are likely to become a national or regional energy emergency of significant scope or duration, and

2. that diverting this oil directly to commercial use would assist in preventing or reducing the severity of the impact of such interruption.

The third circumstance when the President may use this authority is if there has been a drawdown and distribution ordered under Section 161 of EPCA.

If authority is exercised under the first two circumstances, the diversion may not continue for more than ninety days. The Secretary is required to send a monthly report to the Congress containing an accounting and assessment of these diversion activities.

For the period of SPR oil diversion, the annual fill rate requirement is reduced proportionately.

ADDITIONAL AUTHORITY TO DRAWDOWN THE STRATEGIC PETROLEUM RESERVE

Section 161 of EPCA is modified to expand the circumstances under which the President can order a drawdown of the Strategic Petroleum Reserve.

If either of the first two circumstances under which the President can divert oil enroute to the SPR for commercial sale exist, the President can also order a drawdown of the SPR of not more than 50 million barrels. He may order this drawdown only if there are more than 500 million barrels stored in the SPR. A drawdown under this authority may not exceed 90 days duration.

This section ensures that the SPR may be used as a response to domestic oil shortages as well as imported oil shortages and clarifies that DOE does not have to go through a formal rule making process to modify the SPR distribution plan if modification is necessary during a drawdown.

Section 4. *Enlargement of the SPR*

The ultimate size of the Strategic Petroleum Reserve is expanded to one billion barrels from the current planned size of 750 million barrels.

Section 5. *Refined Product Reserve*

This section requires that starting in FY 1991, 5% of all oil acquisitions for the SPR will be refined products.

Section 6. *Test Drawdown*

This section clarifies that a test drawdown and sale of SPR oil does not constitute a drawdown of the SPR. The Department of Energy is required to conduct a test drawdown and sale of not more than 5 million barrels of oil within one year of enactment.

Section 7. *Increased Authority for Establishing Regional Petroleum Reserves.*

This section requires DOE to evaluate insular areas of the United States separate from the Petroleum Administration for Defense Districts (PADDs) in which these islands are located when considering the need for regional petroleum reserves. This section does not require regional storage for insular areas; it simply recognizes their unique resource and transportation problems for purposes of considering their need for a regional storage.

Section 8. *Studies and Reports*

This section contains studies and reports related to the SPR and crude oil imports and exports. These studies are:

1. *Export of SPR Oil to Obtain Refined Products*—A study by DOE concerning special circumstances when export of SPR oil may be in our national interest.

2. *Regional Reserves*—A study by DOE of ways in which the cost of regional petroleum reserves could be shared with various states.

3. *California and Alaskan North Slope Crude Oil*—A study by DOE of the effects of exports of crude oil from California and the Alaskan Northern Slope.

4. *Exports Under Existing Law*—A study by the Department of Commerce to review

the extent under which export controls could be modified under existing law to provide for additional exportation of domestic petroleum.

5. *Jones Act Waivers*—A study of how Jones Act requirements will affect a drawdown of the SPR.

The first four reports are due within 120 days of enactment. The last report is due within 150 days of enactment.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Energy Policy and Conservation Act Amendments of 1989".

SEC. 2. EXTENSION.

Title I of the Energy Policy and Conservation Act (42 U.S.C. 6211 et seq.) is amended—

(1) is section 171, by striking out "April 1, 1990" each place it appears and inserting in lieu thereof "December 31, 1993"; and

(2) in section 104(b)(1), by striking out "April 1, 1990" and inserting in lieu thereof "December 31, 1993".

SEC. 3. ADDITIONAL AUTHORITY.

(a) DIVERSION.—(1) Section 159 of the Energy Policy and Conservation Act (42 U.S.C. 6239) is amended by adding at the end the following:

"(i)(1) If—

"(A) the President finds that—

"(i) a severe energy supply interruption may be imminent;

"(ii) the price of crude oil may increase substantially as a result of the circumstances on which the finding in clause (i) is based; and

"(iii) action taken under this subsection would assist directly and significantly in preventing or reducing the adverse impact of such interruption;

"(B) the President finds that—

"(i) circumstances, other than those described in subparagraph (A) or section 161(d), exist that constitute, or are likely to become, a national or regional energy emergency of significant scope or duration; and

"(ii) action taken under this subsection would assist directly and significantly in preventing or reducing the adverse impact of such emergency; or

"(C) there is a drawdown and distribution in effect under section 161,

the Secretary may, subject to paragraph (2), suspend or curtail acquiring petroleum product for the Reserve and may sell any petroleum product acquired for storage in and in transit to, but not injected into, the Reserve.

"(2)(A) For each finding made by the President with respect to circumstances comprising any imminent interruption or any emergency under subparagraph (A) or (B) of paragraph (1), the Secretary may carry out this subsection for a period not to exceed 30 days.

"(B) The President may not make more than three findings under such subparagraphs with respect to the circumstances comprising any one imminent interruption or emergency, as the case may be.

"(3)(A) During any period in which there is activity carried out under this subsection, the Secretary shall transmit a monthly report to the Congress containing an account of such activities and an assessment of their effects.

"(B) The Secretary also shall transmit to the Congress a final report on such activities as part of the appropriate annual report made under section 165.".

(2) Section 167(b)(3) of such Act (42 U.S.C. 6247(b)(3)) is amended by inserting after "(g) of such section" the following: ", and from the sale of petroleum product under section 159(i)".

(3) Section 167(d) of such Act (42 U.S.C. 6247(d)) is amended by inserting after "(g) of such section" the following: ", and from the sale of petroleum product under section 159(i)".

(4) Section 160(d) of such Act (42 U.S.C. 6240(d)) is amended by adding at the end the following:

"(4) For any fiscal year in which purchases of petroleum product are suspended or curtailed, or the sale of petroleum product is carried out, under section 159(i), the fill-rate requirements of paragraph (1)(B) shall be reduced by—

"(A) the amount of petroleum product not acquired for such fiscal year as a result of such suspension or curtailment; plus

"(B) the amount of petroleum product sold under such section during such fiscal year.".

(b) DRAWDOWN.—(1) Section 161 of such Act (42 U.S.C. 6241) is amended by adding at the end the following:

"(h)(1) If the President makes a finding described in subparagraph (A) or (B) of section 159(i)(1), the Secretary may, subject to paragraph (2), draw down and distribute the Strategic Petroleum Reserve.

"(2) In no case may the Reserve be drawn down under this subsection—

"(A) in excess of 50,000,000 barrels with respect to any emergency or imminent interruption;

"(B) for more than 90 days with respect to any emergency or imminent interruption;

"(C) if there are fewer than 500,000,000 barrels of petroleum product stored in the Reserve; or

"(D) below the level of 500,000,000 barrels of petroleum product in the Reserve.

"(3) During any period in which there is a drawdown and distribution of the Reserve in effect under this subsection or subsection (c), the Secretary shall transmit a monthly report to the Congress containing an account of the drawdown and distribution and an assessment of its effect.".

(2) Section 3(8)(C) of such Act (42 U.S.C. 6202(8)(C)) is amended by striking out "imported".

(c) DISTRIBUTION IMPLEMENTATION—(1) Section 159(d) of such Act (42 U.S.C. 6239(d)) is amended by inserting the following before the period at the end of the first sentence: ", and in the case of implementing the Distribution Plan, such amendments may be prepared without regard to the requirements of section 553 of title 5, United States Code, section 501 of the Department of Energy Organization Act (42 U.S.C. 7191), and section 523 of this Act".

(2) Section 159(f)(A) of such Act (42 U.S.C. 6239(f)(A)) is amended by inserting before the semicolon the following: ", and in the case of implementing the Distribution Plan or carrying out section 159(i), without regard to the requirements of section 553 of title 5, United States Code, section 501 of the Department of Energy Organization Act (42 U.S.C. 7191), and section 523 of this Act".

(3) Section 161(e) of such Act (42 U.S.C. 6241(e)) is amended by inserting after "by rule" the following: "but without regard to the requirements of section 553 of title 5, United States Code, section 501 of the Department of Energy Organization Act (42 U.S.C. 7191), and section 523 of this Act".

(d) CONFORMING AMENDMENTS.—(1) section 159(e) of such Act (42 U.S.C. 6239(e)) is amended by inserting the following before the period at the end thereof: "or any action carried out as a result of a finding described in subparagraph (A) or (B) of subsection (i)(1)".

(2) Section 161(d) of such Act (42 U.S.C. 6241(d)) is amended by inserting before the period the following: "or by a drawdown and distribution under subsection (h)".

SEC. 4. ENLARGEMENT OF RESERVE.

(a) IN GENERAL.—Section 159 of the Energy Policy and Conservation Act (42 U.S.C. 6239), as amended by section 3(a) of this Act, is amended by adding at the end the following new subsection:

"(j) The Secretary shall, by January 30, 1991, amend the Strategic Petroleum Reserve Plan to provide plans for completion of storage of 1,000,000,000 barrels of petroleum products in the Reserve. Such amendment shall comply with the provisions of this section and shall contain the Secretary's detailed plans for the design, construction, leasing, or other acquisition, and for the fill of, storage and related facilities of the Reserve to achieve such storage. In assessing alternatives in the development of such plans, the Secretary shall consider leasing privately owned storage facilities.".

(b) IMPLEMENTATION.—Section 160 of the Energy Policy and Conservation Act (42 U.S.C. 6240) is amended—

(1) in subsection (c)(3)—

(A) by striking out "fiscal years 1988 and 1989" and inserting in lieu thereof "fiscal year 1995"; an

(B) by striking out "at least 750,000,000" and inserting in lieu thereof "1,000,000,000"; and (2) in subsection (d)(1)—

(A) by striking out "750,000,000" in subparagraph (A) and inserting in lieu thereof "1,000,000,000";

(B) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; or"; and

(C) by adding at the end the following:

"(C) as of January 30, 1991, the Secretary has amended the Strategic Petroleum Reserve Plan as required by section 159 (j).".

SEC. 5. REFINED PRODUCT RESERVE.

Section 160 of the Energy Policy and Conservation Act (42 U.S.C. 6240) is amended by adding at the end the following:

"(f)(1) Using funds appropriated for fiscal year 1991 for the planning, administration, and acquisition and construction of storage and related facilities, the Secretary shall—

"(A) acquire and develop interim storage facilities to the extent necessary to carry out paragraph (2)(A) in fiscal year 1992; and

"(B) amend the Strategic Petroleum Reserve Plan to the extent necessary to carry out this subsection.

"(2) Beginning with fiscal year 1992, the Secretary shall—

"(A) provide that not less than 5 percent of the total volume of petroleum product acquired for the Reserve in each fiscal year is refined petroleum product; and

"(B) develop and acquire (with funds available for the planning, administration, and acquisition and construction of storage and related facilities for the Reserve) interim and permanent storage facilities necessary to carry out this subsection.".

SEC. 6. TEST DRAWDOWN.

(a) IN GENERAL.—(1) Section 161(g)(1) of the Energy Policy and Conservation Act (42

U.S.C. 6241(g)(1)) is amended to read as follows:

"(g)(1) To provide a continuing evaluation of the implementation of the Distribution Plan, the Secretary may carry out test drawdowns and distributions under this subsection through the sale or exchange of not more than 5,000,000 barrels of crude oil from the Reserve during each such drawdown and distribution.".

(2)(A) Section 161(g)(7) of such Act (42 U.S.C. 6241(g)(7)) is amended—

(i) by striking out "such title or" and inserting in lieu thereof "such title,"; and

(ii) by inserting before the period the following: ", or section 501 of the Department of Energy Organization Act".

(B) Section 161(g)(8) of such Act (42 U.S.C. 6241(g)(8)) is amended by striking out "the drawdown" in the first sentence and inserting in lieu thereof "any drawdown".

(C) Section 167(d) of such Act (42 U.S.C. 6247(d)) is amended by striking out "out subsection (g)" and inserting in lieu thereof "out under subsection (g)".

(b) MANDATED TEST DRAWDOWN.—(1) The Secretary of Energy shall, commencing within one year after the date of the enactment of this Act, carry out a test drawdown and distribution under section 161(g) of the Energy Policy and Conservation Act.

(2) In carrying out paragraph (1) the Secretary shall utilize, to the maximum extent practicable, electronic communication devices and services to expedite the transmission of documents so that the Secretary may make findings and conclusions with respect to the feasibility, benefits, disadvantages, and costs of utilizing such devices and services during a drawdown and distribution of the Reserve. The Secretary shall include such findings and conclusions in the report required by paragraph (8) of such section 161(g).

(3) The requirement of this subsection shall not apply if the President determines—

(A) that implementation of the Distribution Plan is required for any reason other than compliance with this subsection; or

(B) that such test drawdown and distribution would have a significant negative economic effect.

SEC. 7. INCREASED AUTHORITY FOR ESTABLISHING REGIONAL PETROLEUM RESERVES.

Section 157(a) of the Energy Policy and Conservation Act (42 U.S.C. 6237(a)) is amended—

(1) by striking out "The" in the first sentence and inserting in lieu thereof "(1) the"; and

(2) by adding at the end the following new paragraph: "(2) For purposes of carrying out this section—

"(A) any State that is an island shall be considered to be a separate Federal Energy Administration Region, as defined in title 10, Code of Federal Regulations in effect on November 1, 1975;

"(B) determinations made with respect to Regions other than States that are islands shall be made as if such islands were not a part of the Regions; and

"(C) with respect to determinations made for any State that is an island, the term 'refined petroleum product' shall include crude oil.".

SEC. 8. STUDIES AND REPORTS.

(a) EXPORT OF SPR OIL TO OBTAIN REFINED PRODUCT.—(1) The Secretary of Energy shall carry out a study to determine the feasibility and desirability of exporting crude oil from the Strategic Petroleum Reserve—

(A) in exchange for foreign refined petroleum product; or

(B) for the purpose of having it refined outside the United States for consumption of the resulting product in the United States.

during a drawdown or a diversion under section 161 or 159(i), respectively, of the Energy Policy and Conservation Act.

(2) In carrying out such study, the Secretary shall determine the changes in existing law or regulation that would be necessary to carry out such exportation.

(3) The Secretary of Commerce shall provide the Secretary of Energy with information and other similar assistance necessary to carry out this subsection.

(b) REGIONAL RESERVES.—The Secretary of Energy shall carry out a study to determine—

(1) the feasibility, desirability, and costs of establishing regional petroleum reserves with Federal and non-Federal funding; and

(2) incentives necessary to obtain participation by States in establishing such reserves.

(c) CALIFORNIA AND ALASKAN NORTH SLOPE CRUDE OIL.—The Secretary of Energy shall carry out a study to determine—

(1) whether exports of crude oil from California and the Alaskan North Slope would raise or lower wellhead prices, and the total production, of such crude oil;

(2) whether the effects of such exportation on prices and production would benefit or harm consumers in the United States;

(3) whether the construction of a new export oil refinery in Alaska would benefit or harm consumers of refined oil product in the United States; and

(4) whether exports of crude oil from the Alaskan North Slope or elsewhere in the United States would increase or decrease the prices and production of crude oil, and the prices of refined petroleum products, on the West Coast or in any other region of the United States.

(d) EXPORTS UNDER EXISTING LAW.—The Secretary of Commerce shall, in consultation with the Department of Justice, carry out a study to determine the extent to which export controls could be expanded under existing law to provide for additional exportation of domestic petroleum.

(e) JONES ACT WAIVERS.—(1) The Secretary of Energy shall carry out a study, with the cooperation of other Federal agencies, to determine the need for a general waiver of the requirements of the Merchant Marine Act, 1920 (commonly known as the "Jones Act") to assure the availability of a sufficient supply of tankers to distribute crude oil from the Strategic Petroleum Reserve at the onset of a severe energy supply interruption involving a disruption in supplies of imported crude oil.

(2) To assist the Secretary in carrying out this subection, the following shall be provided to the Secretary within 90 days after the date of the enactment of this Act:

(A) The Secretary of the Treasury shall provide a legal opinion, concurred in by the Attorney General, on whether and under what circumstances a Presidential finding of a severe energy supply interruption, as defined in section 3(8) of the Energy Policy and Conservation Act (42 U.S.C. 6262(8)), is a sufficient basis for a general waiver of the requirements of the Merchant Marine Act, 1920.

(B) The Secretary of Transportation shall provide a description and analysis of the number, capacity, ownership, and employment status of tankers eligible for the United States coastwise trade—

(i) that meet both environmental requirements for the transportation of crude oil and the size and loading restrictions of Strategic Petroleum Reserve marine terminals and marine terminals at United States discharge ports; and

(ii) that (I) would be available on June 30, 1989, and (II) are projected to be available on January 1, 1995,

to distribute crude oil from the Strategic Petroleum Reserve at the onset of a severe energy supply interruption involving a disruption in supplies of imported crude oil.

(C) The Secretary of Defense shall provide an analysis of the Department of Defense requirements, in a military crisis concurrent with a disruption in supplies of crude oil from the Middle East, for tankers which otherwise might be available to distribute crude oil from the Strategic Petroleum Reserve.

(f) REPORTS.—(1) The Secretary of Energy, and the Secretary of Commerce with respect to subsection (d), shall, within 120 days after the date of the enactment of this Act, transmit to the Congress reports containing the findings and conclusions of the studies carried out under subsections (a) through (d) of this section.

(2) The Secretary of Energy shall, within 150 days after the date of the enactment of this Act, transmit to the Congress the report containing the findings and conclusions of the study carried out under subsection (e).

THE POWER SQUADRONS REACH 75-YEAR MILESTONE

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mrs. MORELLA. Mr. Speaker, I rise today to commemorate the 75th anniversary of the United States Power Squadrons [USPS]. Formed on February 2, 1914, and incorporated about 1 year later, USPS has grown from its initial membership of 477 members in 15 squadrons to a remarkable 66,022 members in 454 squadrons operating in the continental United States, Hawaii, the Panama Canal Zone, Puerto Rico, the Virgin Islands, and Japan. Initially, the primary focus of USPS was on safe boat handling. But as World War I approached, USPS opened classes for the study of seamanship, signaling, navigation, and naval procedures. More than 5,000 persons who attended the classes later entered the armed forces, many receiving naval commissions on the basis of their training with USPS. As peace came and went with the start of World War II, USPS opened navigational classes and many graduates were again commissioned by the Navy based on their USPS training.

With the return of peace, USPS experienced significant growth in popularity as well as expansion into Canada. On October 27, 1947, the Canadian Sail and Power Squadrons was chartered, with USPS figuring heavily into its inception. In July 1962, USPS signed an agreement with the National Ocean Service to provide information concerning discrep-

ancies between information on nautical charts and what USPS members observe. On the occasion of its 60th anniversary in 1974, USPS constructed a new headquarters building. USPS is a nonprofit organization and does not receive funding from Federal, State, or local governments and agencies. I congratulate the United States Power Squadrons on their 75th anniversary and thank them for their continued excellent awareness in the boating world.

RUTH JACOBSON CELEBRATES HER 90TH BIRTHDAY

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. DWYER of New Jersey. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to Mrs. Ruth Jacobson of Perth Amboy, NJ, on the occasion of her 90th birthday.

Ruth Jacobson's life has been marked by a sincere and deep interest in serving others. She has spent more than 60 years giving of herself to her community and has demonstrated compassion and genuine feeling for people less fortunate than herself. She has touched the lives of many, always manifesting ability, sincerity, courage, and love.

Ruth has not sought honors, although she has often been honored. She is that rare combination of a leader and a worker—a person whose reason for being is tied to community service. When her late husband, Isadore Jacobson, passed on, Ruth valiantly pressed forward reflecting both her own dedication to her community as well as his.

Mrs. Jacobson has served with distinction in a wide variety of community organizations. She has been on the board of directors of the Kiddie Keep Well Camp for underprivileged children for 58 years and has been a member of the Perth Amboy Local Assistance Board for more than 50 years. In addition she has been a supporter of the Jewish Family Service; the Jewish Community Council of Perth Amboy; the American Red Cross; the Perth Amboy YM-YWJA; the Jewish Federation of Greater Middlesex County; Hadassah; Deborah Hospital; Shaarey Tefiloh Synagogue in Perth Amboy; Beth Mordecai Temple in Perth Amboy; the National Council of Jewish Women; the Central New Jersey Jewish Home for the Aged—where she was founder; Brandeis Women; Red Feather United Fund—now United Way; the Jewish Community Center in Edison; Hillel Academy; Hebrew Immigrant Aid Society; Solomon Brody Hebrew School; and many, many others.

Ruth Jacobson's commitment to her community transcends the limits of race, creed, color and national origin. Her commitment, enthusiasm, interest, support and effort is worthy of particular note because on this, her 90th birthday, she continues to participate on a variety of boards, committees, and functions that serve has a role mcdel to potential young leaders who are interested in community volunteer work.

I feel privileged, Mr. Speaker, to have known and benefited from Ruth Jacobson's dedication and am honored to represent her in the U.S. Congress. She has touched so many with her love and her willingness to share that the gala birthday party on the occasion of her 90th birthday is an outpouring of thanks from all who have served with her and from those whom she has served.

NURSING HOME VIEWERS' RIGHTS ACT

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. CARDIN. Mr. Speaker, today I am introducing, along with my colleague Senator ROTH, the Nursing Home Viewers' Rights Act. Nursing homes work long and hard attempting to provide a home-like environment for their elderly residents. Recreational activity is just one important element contributing to a high quality of life in a nursing home. The viewing of video cassette films, often included in the activity program of a nursing home, is an activity that brings happiness and enjoyment to elderly residents. This recreational activity is now being threatened.

Nursing homes rent video cassettes to show their residents in common living areas. Residents are not charged for the movie and it is not open to the public. Many nursing homes in my district, and others throughout the country, have received letters asserting that they may be sued for copyright infringement if they do not pay yearly fees to a licensing organization for the privilege of showing video cassettes.

The controlling section of copyright law is, unfortunately, anything but clear. Let me explain. When the Supreme Court, in 1984, wrote its decision in *Sony Corp.* v. *Universal City Studios, Inc.*, 464 U.S. 417 (1984), it created the "home use" exception. As Douglas Reid Weimer, legislative attorney, writes in a CRS report entitled Videocassette Recorders: Legal Analysis of Home Use, "the initial consideration in the application of copyright law to the home use of VCR's is a determination of what constitutes a home for the purposes of copyright law and the application of the home use doctrine." Unfortunately, copyright law does not explicitly define what a home is.

It seems logical to infer that the opposite of a home performance would constitute a public performance. Under clause (1), section 101 of Title 17, "to perform or display a work 'publicly' means to perform or display it at a place open to the public or at any place where a substantial number of persons outside of a normal circle of a family and its social acquaintances is gathered." By this definition, the viewing of a videocassette in a nursing home does not qualify a public performance. It remains unclear whether or not a nursing home would qualify for a home use exception. We believe it should.

I invite my colleagues to join me in making it explicit in law that individuals in nursing homes and similar facilities providing long-term health care, be exempt from copyright infringement if they use a television and a video cassette recorder to display and do not directly charge for the performance.

Mr. Speaker, I believe the elderly and the ailing should have the same opportunity to enjoy great films on videocassette as individuals healthy and wealthy enough to stay in private homes. Nursing homes have no intention of becoming public movie houses. They have no commercial interest in showing videos. It is not too much to ask that nursing home residents be able to gather in a common area, really a living room, of the facility to watch a movie. For many elderly people, a nursing home is home in the fullest sense of the word. While it may not conjure up the traditional idea of home, this Nation's 1.5 million nursing home residents have a right to the same conditions of in-house entertainment as the non-nursing home community.

This is a small bill that could make a big difference in the lives of many. I urge my colleagues to join me in cosponsoring the Nursing Home Viewers' Rights Act.

OLDER WORKERS BENEFIT PROTECTION ACT

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. CLAY. Mr. Speaker, I am pleased to be an original cosponsor of H.R. 3200, the Older Workers Benefit Protection Act. This bill reaffirms the original intent of Congress when it passed the Age Discrimination in Employment Act of 1967 [ADEA]: To preclude employers from discriminating against older workers with respect to all types of employee benefits. It also reaffirms the limited exception to that broad principle: If an age-based differential in benefits under a bona fide employee benefit plan is justified by significant cost considerations, observance of the terms of that plan may protect the employer from what would otherwise be a violation of ADEA.

Recently the Supreme Court, in *Public Employees Retirement System of Ohio* v. *Betts*, —— U.S. ——, 109 S.Ct. 256 (1989), upset nearly 20 years of settled interpretation of ADEA by the courts and two Federal agencies by ruling that employers have nearly unfettered authority to structure employee benefit plans in ways that clearly discriminate against older workers.

Justice Anthony Kennedy, writing for the majority of the Court, turned aside the plain language of the statute and the ample legislative history on this issue to hold that the only way that an employer could violate section 4(f)(2) of ADEA—the exemption for bona fide employee benefit plans that are not a subterfuge to evade the purposes of the law—was if the employer also discriminated in some other nonfringe benefit aspect of the employment relationship.

In addition, the Court reversed the decisions of every appellate court that had ruled on the issue by requiring employees to bear the burden of proving that the employee benefit plan was a subterfuge to evade the act. Prior to Betts, under both Court and Federal agency precedents, the employer had the burden of providing that its plan was not a subterfuge.

Finally, the Court shielded plans that were established prior to the enactment of ADEA—except for subsequent substantive amendments to those plans—from the reach of ADEA. In other words, unlike the legal treatment given to infractions of civil rights laws generally, the Court would permit employers that established discriminatory plans prior to ADEA's enactment in 1967 to continue to discriminate in ways that would clearly violate ADEA were the plan to be adopted today.

As Justice Thurgood Marshall points out in his dissent:

The majority today immunizes virtually all employee benefit programs from liability under the Age Discrimination in Employment Act of 1967. * * * Henceforth, liability will not attach under the ADEA even if an employer is unable to put forth any justification for denying older workers the benefits younger ones receive, and indeed, even if his only reason for discriminating against older workers in benefits is his abject hostility to, or his unfounded stereotypes of them. In reaching this surprising result, the majority casts aside the estimable wisdom of all five Courts of Appeals to consider the ADEA's applicability to benefit programs, of the two federal agencies which have administered the Act, and of the Solicitor General as amicus curiae, all of whom have concluded that it contravenes the text and history of the Act to immunize discrimination against older workers in benefit plans which is not justified by any business purpose. * * *

The Court's outrageous departure from well-settled law under ADEA cannot stand. The Older Workers Benefit Protection Act restores the law to what it was before the Court's decision in Betts. It reaffirms Congress' original intent in enacting the Age Discrimination in Employment Act and clarifies and codifies the traditional interpretation of the statue by the executive branch agencies responsbile for administering the act from its inception.

Congress must move swiftly to correct the tremendous injustice done to the millions of older workers in this country by the Supreme Court. In Betts, the Court gave employers an unsolicited gift they never imagined possible even in their wildest dreams: virtual immunity for their employee benefit plans from ADEA violations. Congress must rescind this gift before employers' dreams become older workers' nightmares.

EXPLANATION OF "NO" VOTE ON FSLIC BAILOUT

HON. PAUL B. HENRY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. HENRY. Mr. Speaker, in all likelihood—depending on the exigencies of the legislative process as it unfolds today—I shall be voting against the S&L recapitalization proposal on final passage. I would like to take a moment to explain my reasons for doing so.

Let me say that I am strongly supportive of the regulatory reforms imposed on the thrift industry in the legislation. When President Bush originally submitted his proposals to the Congress at the beginning of the year, much of the public and the media speculated that Congress would not have the fortitude to enact substantive regulatory reform of the industry. It was generally assumed that special interests would overwhelm the public good in our efforts to end the speculation within the thrift industry which created this massive problem.

The critics, however, were surprised. For at every step of the way, the regulatory reforms adopted by the Congress were in fact tougher and more substantive than even those originally unveiled in the President's proposal. The Senate measure was tougher than the President's proposal. The House measure was tougher than the Senate proposal. In addition, the House stripped out the special provisions the Banking Committee had included to give favored treatment to a few lenders.

By and large, the regulatory reforms were real and meaningful. They will do much to protect the American people against this sort of problem developing again. And the record will show that I voted for the toughest of regulatory reforms: Increased capitalization standards, reforming administrative "good will" practices, toughened criminal sanctions, disallowing speculative investments, et cetera. Why then am I opposing this legislation?

I oppose the legislation, Mr. Speaker, because of the capitalization procedures being utilized—not because of the regulatory reforms. I support the effort of Representative LAFALCE to put the entire recapitalization on budget and on Gramm-Rudman. Roughly 75 percent of the costs of the recapitalization being passed on to taxpayers can be attributed to the debt financing provisions of this recapitalization. I oppose circumventing the budget disciplines we agreed to as a Congress with the adoption of Gramm-Rudman, and I believe that true cash financing of the recapitalization is far preferable in terms of public policy than the long-term debt financing in the current legislation.

The second reason I oppose the bill is that the capitalization distribution is not equitably distributed. When the Northeast-Midwest coalition sought an opportunity to present to the Congress amendatory language which would at least allocate a portion of the recapitalization costs for FSLIC based on assigning costs to those most responsible for the current crisis in the FSLIC system, we were not even afforded the courtesy of presenting our case by the Rules Committee which refused to allow consideration of the issue. We have before us one of the largest capital transfers, on a regional basis, from one region of the country to another in the history of our Nation. Why should each Michigan citizen, for example, be assessed upwards of possibly $1,000 per capita to atone for the sins of the speculators in Texas?

Yes, we have a major problem which cries for immediate relief as costs escalate with each day of debate. But refusal to allocate the fiscal burdensharing on a more equitable distribution basis, as well as the senseless added costs of debt financing, are matters which I must oppose on principle.

THE SCIENCE MUSEUM ASSISTANCE ACT

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. BROWN of California. Mr. Speaker, along with 11 consponsors from the Science, Space, and Technolgy Committee, I am today introducing a bill entitled the "Science Museum Assistance Act."

This legislation would create mechanisms at the National Science Foundation to facilitate the exchange of education programs from one museum to another. It would also create a program of grants at the NFS to encourage science museums to develop innovative approaches to dealing with the problem of science illiteracy in our country. By fostering both formal and informal science education, this legislation would help increase science and technology literacy in America.

Mr. Speaker, science museums are no longer mere collections of scientific and technological memorabilia. They are excellent interpreters of scientific and technological information for the general public. In recent testimony before the House Committee on Science, Space, and Technology, Dr. Charles Howarth of the New Jersey Science and Technology Center spoke of the influence of science museums in local communities. Dr. Howarth stated that "* * * science museums have redefined their relationship to the schools and the community . . . today's museums are powerhouses of education."

These nonprofit institutions provide interactive exhibits, demonstrations, and a range of education programs designed to further public understanding of science and technolgy. Interdisciplinary in nature, with an emphasis on all the sciences and technology and the ways these disciplines interact with society, these institutions are open for use by the general public.

Science museums increase scientific literacy in two ways. One is through informal programs within the museum. Because these programs are voluntary and recreational in nature, they can informally and indirectly communicate vital scientific and technological concepts to a variety of people. These programs frequently involve a "hands on," interactive learning experience. For example, an exhibit on fiber optics at the Franklin Institute in Philadelphia illustrates the variety of exciting ways this technology can be used to transmit information. Participants are able to directly interact with a variety of fiber optic circuits, thereby learning in a first-hand manner the power of this technology to carry sound, light, computer, or television information.

Science museums play an even more direct role in science education by acting in partnership with local school systems. Museum staff members are often involved in traditional formal science education by developing programs and working in close association with teachers and students either in the museum or in the local classroom. Museum staffs often provide assistance in helping teachers develop new scientific concepts for use in their

classrooms. Many science museums have developed curricular material and teaching kits for science teachers to use at all age levels.

Despite the important role they play in science education, these institutions face two major problems today. One has to do with the dissemination of excellent education programs for use by other museums. The second has to do with the problem of funding new museum projects. Both of these problems are addressed in this legislation.

One type of award to be made under this legislation would assist established science museums, with well developed and highly sophisticated educational programs, with replicating and disseminating their best programs to institutions which are less well established. Awards made under this program are designed to facilitate the transfer of educational programs from one institution to others, on a regional or national basis.

A second type of award would be available to assist new science museums to work with established science museums either to acquire the educational programs described above or to develop new educational programs appropriate to their local situation.

Both of these award programs require an involvement in and lasting commitment to development of the museum program by members of the local community, including school authorities, community groups, industries, and local businesses.

Mr. Speaker, the science and technology literacy of our citizens is vital to the continued cultural and economic growth of our Nation. Achieving this literacy can be accomplished through a multitude of paths, and it is vital that we utilize every path available. Science museums are an important path to science and technology literacy, and we should do everything possible to foster their development.

Mr. Speaker, in closing, I would like to briefly summarize the salient features of this bill:

SUMMARY

Section 1. Short Title.—This Act may be cited as the "Science Museum Assistance Act."

Section 2. Findings.—The Congress finds that: (1) science museums play an important role in increasing the scientific literacy of the American people through both informal and formal science education; (2) despite the vital role these museums can play in fostering scientific literacy, they face major problems with the dissemination of excellent educational programs for use by other museums with funding of new museum projects.

Section 3. Purposes.—The purposes of this legislation are to: (1) foster general science literacy in our Nation; (2) encourage science museums to function as liaisons of scientific and technological information between scientific professionals and members of the general public; (3) enable science museums to develop programs which will enhance both formal and informal science education in their regional areas; (4) foster the involvement of the total community, incliding science museums, school authority, academic institutions, industries, and local businesses, in the processes of formal and informal science education.

Section 5. Establishment of Program.—A competitive, merit based, program will be established by the National Science Foundation (NSF) in order to make the services of science museums more widely available and to foster their involvement in local science and technology education. These awards will be made for two purposes:

(1) One type of award would facilitate the dissemination of model educational programs. These awards would assist established science museums, with well developed educational programs, to replicate and disseminate their best programs to institutions which are less well established.

(2) A second type of award would encourage the development of new science museum programs. These grants would be available to assist developing new science museums to work with established science museums either to acquire the educational programs described above or to develop new educational programs appropriate to their local situation.

Section 6. Selection Criteria.—The NSF will establish a peer review process for recipients of these awards.

(1) Selection criteria for the program to disseminate model programs should include, but not be limited to the following: (a) the potential impact of for the educational program on formal or informal science education outside of the immediate region of the developing institution; (b) the capability of the institution to provide wide based dissemination of the material to other institutions; (c) the capability of recipient institutions to properly and effectively utilize the educational program, and to incorporate this into a coherent development pattern, so as to enhance formal and informal science education in the region; (d) the overall excellence of the proposed program.

(2) Selection criteria for grants to encourage development of new science museum programs should include, but not be limited to the following: (a) the involvement and commitment by members of the local community, including museum staff, school authorities, community groups, industries, and local businesses to development of a new museum program; (b) the extent of matching funds provided by the new museum program; (c) the experience and qualifications of staff of the museum program; (d) the overall excellence of the proposed program.

Section 7. Program Management.—Because the intent of this legislation is to have a widespread impact on science education, it should be managed through the Science and Engineering Education (SEE), activity at NSF in close collaboration with the various disciplinary research activities.

Section 8. Authorization of Appropriations.—This bill calls for an appropriation to the NSF of $10 million for fiscal year 1990, and such sums as may be necessary for subsequent fiscal years.

H.R. 3072, DEFENSE APPROPRIATIONS, FISCAL 1990

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. JONES of North Carolina. Mr. Speaker, yesterday, on the Transportation appropriations bill, we debated a $64 million restoration for Coast Guard funding. Eventually, the House voted in favor of that move.

During yesterday's debate, it was made clear that the Defense appropriations bill provides the key to proper funding of the Coast Guard.

This bill contains $300 million for the Coast Guard. JOHN MURTHA, JOE MCDADE, SILVIO CONTE, and others are responsible for this, and they are to be highly commended.

It would be better for all Coast Guard funding to be in the Transportation appropriations, but given the constraints of 302(b) budget allocations, this is the next best thing. There is rationale for the national defense function of the budget to provide Coast Guard funding. The Coast Guard becomes part of the Navy in wartime. It is in charge of port security and the maritime defense zones off our shores. It is a military force in every sense of the word.

How crucial is this $300 million to the Coast Guard?

Without this money, the House would have voted for essentially level funding for the Coast Guard. It would be approving a mere $7 million increase over fiscal 1989 money. Effectively no increase. No increase for inflation. No increase for cost-of-living pay raises. No increase for expanded drug interdiction. No increase to cope with oilspills.

Without this $300 million, we would see curtailed patrols, unfilled billets, closed search and rescue stations, deferred maintenance, and delayed replacement of boats, planes, and equipment.

Without this $300 million, the House would be approving a budget for the Coast Guard of $560 million below President Bush's budget request.

So this $300 million is absolutely crucial. And those on the Appropriations Committee who have brought it to us are to be congratulated.

But this is not the end of the process. It is just as vital that the Senate also commit $300 million in Defense appropriations to the Coast Guard. Every dollar that the Senate drops will curtail Coast Guard effectiveness in some way.

So as I congratulate Mr. WHITTEN and Mr. CONTE and Mr. MURTHA and MR. MCDADE, I urge our appropriators to keep fighting. Be vigilant and strong in conference. Let's make sure the Senate is as responsive as you have been. Let's keep this $300 million in the final bill we send to the President.

CLEAN AIR

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. LEVIN of Michigan. Mr. Speaker, the recent transmittal to Congress of the President's Clean Air Act legislation was a welcome and overdue development in the effort to improve the Nation's air. I am pleased to be an original cosponsor of this legislation.

The debate on overhauling the Clean Air Act has been stalled for more than a decade. The Reagan administration's manifest indifference to clean air legislation, combined with clean air gridlock in Congress, has left this issue dead in the water for too many years. During this time, acid rain, air toxics and urban smog have been devastating our Nation's lakes and forests and endangering the health of millions of Americans.

Mr. Speaker, we can delay no longer. President Bush's clean air package, while imperfect, has broken the stalemate on this issue. Although I do not agree with every aspect of the President's package, this legislation serves as a starting point for reauthorization of an environmentally strong Clean Air Act. I look forward to working to improve this legislation, particularly in the area of air toxics.

Even as the President's package is being introduced in Congress, some are saying that it doesn't go far enough or fast enough. They say there can be no compromise of any kind on clean air issues. The indifference of the Reagan years suffocated action on clean air. It would be tragic if inflexibility on any side prevented reauthorization legislation from reaching the floor during the 101st Congress. After 13 years of delay, we have an opportunity to end the deadlock and move forward on cleaning up the Nation's air. We can work to improve the bill, but we cannot afford further delay.

FIFTEEN YEARS AGO: NIXON KNEW HIS DAYS WERE NUMBERED

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. STARK. Mr. Speaker, tomorrow is the 15th anniversary of the day that Nixon officially knew that his days as President were numbered. Fifteen years ago tomorrow Nixon revealed that he had in fact ordered the Federal Bureau of Investigation to halt its investigation of the break-in of the Democratic Party Headquarters in the Watergate Building.

Transcripts of tapes released on August 5 demonstrate that during conversations with H.R. Haldeman, Nixon had knowingly interfered with the FBI's investigations as early as June 23, 1972, 6 days after the Watergate break-in. In addition Nixon also stated that he had kept his portion of the record hidden from investigating organizations, his own attorneys as well as the public.

This revelation vaporized what little was remaining of Nixon's backing in Congress, which had steadily been dwindling since the House Judiciary Committee approved three strongly bipartisan articles of impeachment to be considered on the floor of the House.

"I cannot in good conscience, turn away from the evidence of evil that is, to me, so clear and compelling," stated Republican Representative Lawrence Hogan. This comment set the mood for other undecided members of the House Judiciary Committee who joined the rest of the committee in resolving that the President should be impeached.

Inside of 2 days after making his statement of collusion, which he remarked did not in his mind warrant "the extreme step of impeachment," the 10 members who had originally voted against impeachment reversed their opinions and stated that based upon the new evidence they would all vote for impeachment. Now the vote for impeachment was essentially unanimous.

At about the time of Nixon's admission of complicity there were major defections from the Republican party leadership and acknowledgement from both parties that a House vote of impeachment was now a predestined conclusion and conviction by the Senate was assured. This evaluation was delivered to Nixon by Republican congressional leaders and soon after Nixon decided to resign.

TIME FOR A SETTLEMENT IN EL SALVADOR

HON. GEO. W. CROCKETT, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. CROCKETT. Mr. Speaker, in a recent article in Commonweal magazine, Robert E. White, former U.S. Ambassador to El Salvador, argues that now is the time for "a United States-backed compromise" in El Salvador, which "offers the only hope for El Salvador to find a framework for political peace and economic development."

As Ambassador White argues, "Any Salvadoran leader who tries to impose a military solution on the country will weaken not only his party, but the forces that party represents."

The guerrillas have publicly committed themselves to a political settlement of the conflict, including free elections. The previous administration steadfastly resisted this outcome. The Bush administration must reverse this policy and take the lead in seeking to broker such a settlement.

I include Ambassador White's article for the information of my colleagues:

COMPROMISE OR LOSE—SETTLING FOR A SETTLEMENT

(By Robert E. White)

Seldom is foreign policy made. First it accumulates; then all too often disintegrates. United States policy toward Central America has moved into the advanced stages of decomposition by the time President George Bush entered the White House this last January.

In concert with Congress and the democratic leaders of Latin America, the new administration has moved to work out political solutions to the crises in Nicaragua and Panama. Even the hawkish ex-Assistant Secretary of State Elliot Abrams has expressed qualified approval. Blessed are the distant for they shall gain perspective.

It is in El Salvador, however, that the Bush administration's commitment to negotiation and compromise will meet its toughest test. The near-total breakdown of the centrist, ruling Christian Democratic party has dealt another shock to a policy that already lacked both coherence and direction. Yet the news is not all bad. The collapse of the center has had the unlooked-for effect of driving the extremist movements toward moderation. Both the Nationalist Republican Alliance (ARENA) and the Farabundo Marti Liberation Front (the FMLN), now profess to believe in negotiation as the preferred means to end the decade-old civil war. In a recent speech, Secretary of State James Baker stated his support for dialogue "between the government of El Salvador and the Marxist guerrillas to end the conflict. . . ."

The one indisputable result of the more than $4 billion of overt and covert assistance we have thrown at the Salvadoran conflict has been the emergence of the most capable, resilient, and resourceful guerrilla movement the Western hemisphere has ever seen. The revoluntionaries have not only survived the high-tech war directed by the U.S., they have extended their military power and political cadres into every province of the country.

Time works against the government. The revolutionaries and the rich collaborate in the destruction of the economic base of the country. The guerrillas blow up bridges and burn warehouses while the wealthy export into their foreign bank accounts every dollar of hard currency they can lay their hands on. Although El Salvador has the most highly trained, best equipped military force in the region, morale is low and confidence eroding. High ranking officers admit privately that the war is unwinnable.

Last month, Alfredo Cristiani took the oath as president of El Salvador. Cristiani won the election under the banner of ARENA, an extreme right-wing party which represents the interests of the industrialists and large landowners. Yet, in his visit to this country, Cristiani came across as a decent, responsible leader committed to human rights and to a peaceful solution to the conflict.

Cristiani, however, may find little tolerance inside his own party for moderation and conciliation. Ex-Major Roberto D'Aubuisson founded ARENA in the image of fascism. In an attempt to justify death squads during the early days of the civil war, D'Aubuisson told European reporters. "You Germans were very intelligent; you realized the Jews were responsible for the spread of communism and you began to kill them." The sick minds that seek a final solution through military massacres and death squads still wield great power. The ARENA campaign chant tells the story: "Cristiani to the presidency, D'Aubuisson to power."

ARENA won the election because President José Napoleon Duarte and his ruling centrist Christian Democratic party simply collapsed under the conflicting pressures of attempting to govern a country torn apart by war. In the eyes of the Salvadoran voters, Duarte had abandoned nationalist imperatives and had adopted a policy of genuflection toward the United States. The party had as its broad base of support, the professional class, small businessmen, landholding peasants, and the working poor.

An experienced, bold, and instinctive politician, President Duarte was the one leader in the country with the skill and credentials to bridge the gap between the center and the left; Duarte was elected in 1984 on a platform calling for dialogue and reconciliation with the revolutionary forces. The refusal of the Reagan administration to back realistic negotiations turned Duarte from a president with an overwhelming mandate to end the war, into a hapless figure whose chief role was to lobby Congress for ever-increasing military assistance.

If there is a leftover cue card in the oval office desk, President Bush might do well to jot down this fundamental fact: Any Salvadoran leader who tries to impose a military solution on the country will weaken not only his party, but the forces that party represents. Unless the Bush administration turns away from the Reagan emphasis on military victory, the failure of the centrist Christian Democrats will be followed by the progressive weakening of the right-wing ARENA party, leaving the military of El Salvador bereft of any plausible political partner. With these two political move-

ments disabled the revolutionaries would become the strongest organized political force in the country.

Just before leaving office, Secretary of State George Shultz set out the reasons why he believed the U.S. must continue to assist the government of El Salvador in its struggle. Shultz's main points hit at the guerrillas' refusal "to test their support at the polls" and their insistence "on power-sharing in a transitional government formed outside the electoral process."

In what appeared to be a direct response to United States concerns, the revolutionaries offered to participate in the electoral process and to abide by the outcome in exchange for a six-month postponement of the election. They also gave up any request for power-sharing as described by Shultz. The Bush administration was impressed enough with the proposals to declare them "serious and worthy of substantive consideration."

In April, a group of concerned American citizens held conversations in Mexico City with the Political-Diplomatic Commission of the revolutionary movement. The commission put in writing its readiness to negotiate a political solution to the conflict and its commitment "to the establishment of a pluralistic and democratic system in both the political and economic spheres."

The commitment of both President Cristiani and the revolutionaries to a political solution remains to be tested. The Bush administration should waste no time in encouraging the parties to move to the negotiating table. This may turn out to be a long and frustrating wrangle. Yet it will prove far more frustrating and expensive to continue to prop up a government that lacks the base to exercise effective power.

In the end, any settlement will require a willingness on the part of the U.S. to accept an outcome that reflects, to some degree, the balance of forces that exists. Such an arrangement will not satisfy those Americans of either the right or the left who seek military victory over the forces of evil. Yet a United States-backed compromise offers the only hope for El Salvador to find a framework for political peace and economic development.

AMERICAN JEWISH COMMITTEE HONORS KENNETH C. JENNE II

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. SMITH of Florida. Mr. Speaker, on August 15, 1989, the Institute of Human Relations of the American Jewish Committee will honor Kenneth C. Jenne II, with the Learned Hand Award for superior contribution to the betterment of society and the legal profession.

I have had the pleasure of calling Ken Jenne my personal friend for many years. For a part of that time, I also called him my colleague. We entered the Florida State Legislature together in 1978: He to serve in the Florida Senate while I took a seat in the House. During the 10 years that he served in the senate, he was the recipient of the Allen Morris Award for Most Effective Member of the senate on three occasions as well as the recipient of the Legislator of the Year Award in 1982 from the Human Services Advocates of Broward County.

Ken also held office on the local level. He has served the community in numerous capacities and continues to play an active role today. He has served as director of the Broward County Charter Commission as well as a member and later chairman of the Broward County Commission. He is currently a senior partner in the law firm of Atkinson, Jenne, Diner, Stone & Cohen in Hollywood, FL. He also serves on the boards of many community and professional organizations.

The many contributions to public service that Ken Jenne has made over the years has earned him the highest respect of the people of South Florida. He continues to be an inspiration to our future leaders. Ken exemplifies the qualities of integrity and commitment by which he has lived his life on a personal, professional and political level. His community work extends to being actively involved in the church and school.

His outstanding leadership and tireless commitment to serving the people of the State of Florida has earned him many well-deserved accolades. He is truly worthy of this latest recognition.

I share the pride of his lovely wife, Caroline, and their two children, Evan and Sarah, in the accomplishments of this extraordinary individual. I ask my colleagues to join me in congratulating Ken Jenne on receiving this prestigious honor.

THE NEW PHYSICIAN—PAYMENT PLAN

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. McMILLEN of Maryland. Mr. Speaker, I rise today to express my concern about the proposal to establish expenditure targets for payments to physicians as contained in the House Ways and Means Committee's sweeping overhaul of part B of Medicare.

Proponents of the House Ways and Means new physician-payment plan insist that it represents an important step in getting a handle on the spiraling costs of Medicare part B. Part B spending, although slowing recently, has grown at a rate of more than 15 percent per year throughout the 1980's, reaching an estimated $26.7 billion in fiscal year 1989.

Under this new plan, physicians would be paid according to a fee schedule based on a resource-based relative value scale [RBRVS] that takes into account the time, training, and skill required to perform a particular service.

To prevent physicians whose fees would decrease—compared with current charges—from making up the shortfall by increasing what they charge their patients, the new Ways and Means plan would limit what physicians may charge over and above the Government-approved fee.

Finally, to prevent physicians from making up the shortfall by increasing the volume of services they perform, Ways and Means has proposed expenditure targets, that is, annual goals for overall Medicare spending on physician services. These expenditure targets would be adjusted each year for inflation, increases in the number and age of beneficiaries, and what policymakers consider an appropriate increase in the volume of services provided. If one year's expenditure target is exceeded, fee increases for the following year would be reduced accordingly.

I understand the necessity for controlling Medicare part B costs. However, I have two concerns about the expenditure targets proposal.

First, I am concerned that expenditure targets could endanger the health of our older Americans who may be denied proper medical treatment due to the economic restraints placed upon physicians. While expenditure targets are intended to be a mechanism to keep physicians from increasing the volume of services in reaction to the RBRVS-based fee scale, they could cause physicians to reduce the amount of services they currently are providing.

I am hopeful this health-care rationing will not occur. But if it does, Ways and Means should quickly rethink and restructure the expenditure targets portion of its new plan.

Second, I am concerned that expenditure targets could be extremely unfair to those "good" physicians who do not increase their volume of services in reaction to the RBRVS-based fee scale. If the targets are breeched, a reduction in the fee increases for the following year would reduce payments to all physicians—including those who acted appropriately. I think this would be very unfair and is a very unfortunate aspect of the new expenditure targets proposal.

The Physician Payment Review Commission, an independent commission established to advise Congress on physician payment reforms, has made several recommendations for reducing physician costs. Many of these recommendations—such as increased effectiveness research and the development of physician practice guidelines—have been included in the Ways and Means physician-payment plan. However, I think it would have been more prudent to explore the efficacy of these options by themselves before imposing expenditure targets on the medical community.

Mr. Speaker, I—like many of my colleagues in the House—have been concerned about rapid growth in Medicare part B spending costs since 1980. I, therefore, am generally supportive of Ways and Means new physician-payment plan. But this Nation must not walk away from its health-care commitment to our elderly. And we must not penalize those who provide our citizens with quality health care.

I will be monitoring the effect of the new physician-payment plan on the providers and receivers of Medicare part B health-care, and will not hesitate to become actively involved if either of these two groups are adversely affected by that plan.

DECEPTIVE MAILINGS PREVENTION ACT OF 1989

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. BALLENGER. Mr. Speaker, I supported passage of H.R. 2331, the Deceptive Mailings Prevention Act of 1989, introduced by Representive MCCLOSKEY. This legislation would require private organizations to put disclaimers on any direct mailing carrying insignia that implies a connection to the Federal Government. The bill would also require disclaimers to be placed on mailings that solicit services or products offered at no cost by the Federal Government.

This legislation is especially important because many times the targets of deceptive mailings are senior citizens. Knowing the importance of Social Security and Medicare to the elderly, companies will solicit donations to save these programs. The use of official looking seals adds legitimacy to the companies' solicitations, and entices seniors into making donations. These mailings are misleading and deceptive.

It is my hope that this legislation will deter companies from using deceptive mailing practices. Regardless, I will continue to advise my constituents to check with the Better Business Bureau before they contribute to any organization with which they are not familiar.

SCHOOL COMPLETION AND INCENTIVES ACT

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. COLEMAN of Texas. Mr. Speaker, today I am introducing a modified version of Congressman Claude Pepper's H.R. 670, the School Completion and Incentives Act.

It has been estimated that each year's class of dropouts costs the Nation more than $240 billion in lost earnings and foregone taxes over their lifetimes. This is shocking enough in itself but consider it in terms of its ultimate effect on the rest of our society. What happens to our democratic ideals when a third of our Nation is trapped within a permanent economic underclass? The success of programs such as Social Security depend on the contributions of well-educated workers, but the growing numbers of the undereducated will make the guarantee of secure retirement an unattainable luxury.

Schools and communities are the front line of defense against the dropout problem. They are the institutions who can best combine a knowledge of the local conditions that worsen the dropout rate with strategies to reduce the problem. Coalitions of educators, businessmen, and parents have the tools to make solutions happen.

I am delighted to see such a community response taking root in El Paso. The El Paso Education Alliance has designed a comprehensive program to address the dropout problem. A partnership between local schools, community groups, the business community, and institutions of higher learning will provide a key ingredient missing in the lives of many at-risk children—access. Access to a good job after graduation can be a powerful incentive for staying in school. Access to postsecondary education where before there was none can make a real difference in a student's decision to finish high school.

I salute this effort and support its goals. At the Federal level I have developed a proposal to complement and encourage efforts such as this one. Students all over America have suffered from a severe contraction in educational opportunities over the past decade. Sharp reductions in the Federal commitment to education have created an environment where State and local governments are being forced to make up the difference while they are being exhorted to set ever higher standards for themselves and their students. Education reform—from a stronger emphasis on the maths and sciences, to effective bilingual education and effective support programs for at-risk children—depends on a strong Federal-State-local partnership. I am afraid, however, that despite rhetoric to the contrary, the Federal Government has fallen down on its side of the deal.

It has been this growing gap between promise and performance that has put education on the defensive. Since the publication of "A Nation at Risk" in the early 1980's, the Federal Government has taken the position that education reform should take place at the local level and the Federal involvement should be restricted.

I believe that the Federal Government plays an essential role in ensuring that a quality education is available to all of our children. The dropout problem exists on such a huge scale that Federal support is essential to solve it. Yet, during the 1980's the Federal commitment to education declined in real dollars by 23.3 percent. This provides support for 1 out of every 5 low-income children in need of preschool education, 2 out of every 5 children in need of remedial education, 1 out of every 4 children in need of bilingual education, and 1 out of every 20 youths in need of job training. These are all components of the dropout problem.

This is not enough. We must renew our Nation's commitment to education at the Federal level. Without this, the sheer number of at-risk youth will inevitably overwhelm fragmented efforts to address the problem seen in individual communities. As a result, I have modified Congressman Pepper's legislation to address the dropout problem to allow for legislation already passed by Congressman HAYES and to bring authorization levels into line with other education programs. In addition, I have included a provision requiring the Department of Education to create a data base on dropout prevention programs for use by schools and educational organizations in the creation or refinement of their own programs.

This legislation creates a national policy on dropouts. It could make an enormous difference to the futures of our growing population of at-risk children. By ensuring that our children have the support necessary to complete a basic education we are ensuring a better future for the entire Nation.

THE MARCHING 100 TAKES PARIS BY STORM

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. TOWNS. Mr. Speaker, before we adjourn for the August recess, I want to acknowledge the fine accomplishments of "the Marching 100" from Florida A&M State University [FAMU], during last month's Bastille Day celebrations in France. As a graduate of a historically black land grant university, North Carolina A&T State University, I am particularly proud of the fact that a sister institution's band, the FAMU Rattlers, were chosen to represent America's marching bands in the Bastille Day parade.

FAMU band members took "Paris by Storm" with their participation in the 200th anniversary Bastille Day celebration. The Rattler Band, which is known for its distinctive marching style, was chosen for the Bastille celebration in a national competition by the French Bastille Day committee.

As we approach the centennial for 1890 land-grant institutions, the performance by the FAMU Rattlers demonstrates the kind of quality performance that these colleges and universities are capable of producing. My congratulations to the marching 100 and their director, Dr. William Foster, on representing the United States, FAMU and the 1890 land-grant tradition in such fine style.

THE PREVENTION OF THE FURTHER DEGRADATION OF THE COASTAL AND ESTUARINE WATERS OF THE UNITED STATES

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. MANTON. Mr. Speaker, yesterday, along with my colleague and good friend from New York, Mr. LENT, I introduced a comprehensive measure to prevent the further degradation of our Nation's coastal and estuarine waters. This legislation also should serve to mitigate past environmental harm to these most valuable waters. We must take effective action now to tighten the regulation of discharges into our near coastal waters, and we must act swiftly to begin to address the pollution problems presented by the overflows from combined sewer systems.

Earlier this summer the Federal Environmental Protection Agency announced that hundreds of factories across our country are violating water quality standards, and that all but a handful of States have at least some waterways which are contaminated. Therefore, we must take effective action to strengthen past efforts to cleanup our waters and look toward new, more stringent regula-

tion of discharges into our waterways. Our Nation's near coastal and estuarine waters, while being the most valuable in the development of marine life, are, unfortunately, also the most sensitive to the adverse effects of pollution. These waters need our protection now, not later.

Mr. Speaker, the summer beach season is almost over. So far we have been lucky. The weather has been grand; the surf has been unsullied and free of floating debris; and, our Nation's beaches—with a few unfortunate exceptions— have not suffered from the washup of trash and medical waste which they experienced over the past two beach seasons. I fear, however, that our luck may not hold. The Nation continues to discharge large volumes of poorly regulated municipal and industrial wastes into our marine waters. CSO's remain as a low priority for most municipalities which are allowing raw sewage and vast amounts of solid waste to enter our marine waters every time there is a heavy rain.

During the last session of the 100th Congress, we took effective action with the passage of the Ocean Dumping Ban Act to address both real and perceived pollution problems. However, because of expressed public concern and press coverage over very visible pollution problems, we did not take action that necessarily addressed the most pressing causes of environmental degradation. Unfortunately, as a result, these real problems continue to persist, while the general public is under the misimpression that all is well.

Many experts repeatedly testified before the Congress that the ocean disposal of treated municipal sewage sludge over 100 miles from our shores is unrelated to many of the problems facing our near coastal waters, such as high levels of bacteria and floating debris. These problems, however, are directly related to permitted discharges and combined sewer overflows into our marine waters.

Mr. Speaker, according to the National Oceanic and Atmospheric Administration [NOAA], pollutant discharges to coastal areas are significant and will increase as population and industry continue to concentrate along our coasts. We are already witness to the systematic deterioration of the quality of our coastal environment from chronic discharges of pollution into coastal waters and the loss of important coastal habitats. Furthermore, while only about 10 percent of the Nation's 66,000 point sources of discharge are located in coastal areas, they contribute more than one-third of the total annual wastewater discharges throughout the country. Simply stated, human development of the coastline with the associated discharge of pollutants and alteration of fishery and wildlife habitats is the major reason for the decline of our coastal waters. We must act now to correct past abuses and limit any further degradation.

Combined sewer overflows [CSO's] present a particularly tenacious problem which will take many years and substantial resources to address. Ten of this Nation's fourteen largest cities will need to expend $500 million or more to correct their CSO problems, and it is estimated $17 to $109 billion will have to be spent in the years ahead to correct CSO's for the 1,200 smaller cities throughout our country. The city of New York has already established a plan for addressing their CSO needs which envisions the expenditure of $1.5 billion over a 10-year period. These cities and towns where CSO's are a problem have many other significant environmental problems to address, and CSO mitigation efforts will impose significant new costs for them. However, we can no longer ignore this pressing problem.

Mr. Speaker, a recent report by the Center for Marine Conservation, entitled "Trash on America's Beaches: A National Assessment," found that in 1988 New York and New Jersey beaches contained the highest percentage of sewage-associated wastes of any area in the country. The report found that the primary source of these wastes was the overflows of combined stormwater and sanitary sewer systems—CSO's. The beaches of Rhode Island and Massachusetts followed closely behind New York and New Jersey.

This report is the result of a first-ever effort to establish a national Marine Debris Data Base. The report's conclusions are the culmination of a massive effort on the part of more than 47,500 citizens in 25 States who canvassed more than 3,500 miles of the U.S. coastline, including the shores of the Great Lakes, and collected nearly 1,000 tons of debris. While plastic tampon applicators were one of the most reported type of pollution and most directly related to CSO's the volunteers found everything from cars to kitchen sinks on our beaches.

Mr. Speaker, now is the time for Congress to take comprehensive action to cleanup our Nation's waters. We must ensure our waters remain productive and safe for human health. I believe this measure is a step in the right direction for addressing the pressing pollution problems presented by marine discharges and CSO's.

DON'T BLAME ISRAEL

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. FEIGHAN. Mr. Speaker, the brutal execution of Col. William Higgins was a sinister and cruel act by an Iranian-backed terrorist group, the so-called Organization of the Oppressed on Earth.

Such brutality, graphically depicted and delivered to the homes of millions of Americans, cries out for some sort of response.

The choice of what type of response leaves President Bush with perhaps the most frustrating and most challenging questions that he has faced since his election.

One issue should be crystal clear. Republicans and Democrats are wholly united when it comes to the protection of American lives abroad. These terrorist acts are abhorred by all of us, across party lines and ideological shadings. And we are prepared to support the President and the decisions he makes in the next few days.

At the heart of this matter lie some very fundamental questions about how a civilized nation responds to uncivilized acts. Some have criticized Israel for seeking to fight terrorism by seizing the Hezbollah terrorist leader, Sheik Obeid. I don't join in that criticism.

Israel's action was not only justified, but responsible, and well within the accepted norms of international law. These terrorists are at war with Israel. They have sworn to drive Israel into the sea. They have seized Israeli soldiers and have held them hostage, along with our own American hostages.

Israel responded first by seeking to negotiate the release of these hostages. When those negotiations failed, Israel responded with an act that was directly proportional to the wrong committed against them, and directed their action against the very person responsible for the kidnaping of their countrymen.

News reports tell us that the only options that we have are bad ones. I say that rather than criticizing the Israelis, we should stand by our ally and work with Israel to exploit every possible avenue available to us for freeing our hostages. After all, the Israelis are the leading fighters against terrorism on the planet. There is a great deal they can teach us. We should be intensifying our intelligence efforts to locate and identify the seven Americans still held captive. And we should be calling on the United Nations to activate any diplomatic channels it may have for responding to the Higgins execution, for Colonel Higgins was fulfilling a U.N. peacekeeping role when he was seized.

I mourn the loss of Colonel Higgins. And my heart goes out to the families of the other hostages still held captive in Lebanon. I hope that the President's decisions over the next few days will give them the hope and the strength to hold out for their families still held captive.

TRIBUTE TO THE INDUSTRIAL BANK OF WASHINGTON ON THE OCCASION OF ITS 55TH ANNIVERSARY CELEBRATIONS

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. DELLUMS. Mr. Speaker, I once again rise to enthusiastically salute the excellent services provided by the Industrial Bank of Washington and its illustrious president and chairman of the board, Mr. B. Doyle Mitchell, Sr. On Sunday, August 20, 1989, the Industrial Bank of Washington in the District of Columbia will observe its 55th year of service to the community in the Nation's Capital.

The Industrial Bank of Washington under the guidance and leadership of my good friend, Mr. B. Doyle Mitchell, has emerged a beacon of hope for the common man of this mighty city. The bank has become a pleasant financial oasis for the small, struggling businessmen, and a boon to the many churches and other institutions that nourish the growth and well-being of the citizenry of the District of Columbia.

I am particularly impressed with the stable growth of this bank, founded in 1934 at the height of the Great Depression by the late Jesse H. Mitchell, first president of the bank.

His son, Benson Doyle Mitchell, has been on the bank's staff from day one of its beginning.

Starting as a bookkeeper and member of the board of directors, Doyle assumed the presidency of the bank in December 1954 upon the retirement of his father. A graduate of Howard University, Mitchell also studied at the Wharton School of Finance, University of Pennsylvania. Under Doyle's leadership the Bank has expanded to four offices with assets of $117 million. No wonder Mr. Mitchell was elected in 1959 as president of the National Banker's Association, the trade association of minority banks. He served in that position for the next 7 years, because of his financial wizardry and leadership qualities.

Naturally, we need to view the 55th anniversary as a twofold celebration for the bank as well as for Mr. Mitchell.

In his most recent annual message to shareholders, Mr. Mitchell precisely and concisely described the mission of a minority bank when he said, "Because we believe that a bank is more than figures and charts, we would like to share with you some of the concerns, challenges and decisions we faced—as well as the achievements."

The achievements are too many to list. However, I would like to invite your attention to the few characteristics that make the Industrial Bank of Washington a unique minority bank.

Since the inception of the bank, it has been very active in mortgage lending to the inner city of Washington, DC, particularly to the churches. As of December 31, 1988, the bank's real estate portfolio included 69 mortgage loans to the churches in the inner city, totaling several million dollars. That alone is a remarkable feat, I think, for a minority owned bank to perform in the commerce canyon of corporate Washington, DC.

Included in this real estate portfolio of the bank are some of the largest and influential local churches, such as the Metropolitan Baptist Church, Shiloh Baptist Church, Florida Avenue Baptist Church, Vermont Avenue Baptist Church, 19th Street Baptist Church, Scripture Church of Christ, Lincoln Temple Congregational Church, Zion Baptist Church, Greater Mount Zion Baptist Church, Church of Jesus Christ, Galilee Baptist Church, Galbraith AME Zion Church, Ashbury United Methodist Church, Walker Memorial Baptist Church, and the Council of Churches of Greater Washington, to name a few among the 69.

I am proud of this unique involvement of a black financial institution with the local churches that provide a haven for many of our destitute and desolute citizens, devastated by poverty, unemployment, drugs, and alcohol, not too far from the shadow of the resplendent dome of the Capitol. The black churches have been historically the last resort of the oppressed among our race. And the Industrial Bank of Washington has played a pivotal role in preserving the spiritual heritage of our past via its bold, farsighted, innovative lending policies and practices.

According to Mr. Mitchell, the Industrial Bank of Washington is a community bank. Its strength comes from the little depositors. The annual mortgage disclosure statement of the bank, revealing the placement of certain residential mortgage loans by census track, reflects the following two significant factors: More than 80 percent of the loans made are concentrated in the District of Columbia; heavy concentration of real estate loans in the inner city of Washington, DC.

The Industrial Bank is truly in partnership with the people, institutions, and businesses of Washington, DC. The bank as well as Mr. Mitchell have left their indelible imprints on this city. For the edification of this august body, may I quote the bank's corporate statement which reads as follows:

INDUSTRIAL BANK OF WASHINGTON,
WASHINGTON, DC

The Industrial Bank of Washington dedicates its resources to improving the quality of life of the citizens of Washington, DC. It is our intention to provide a full range of quality banking and financial services to all people located within the service areas of our offices. We are dedicated to upholding the traditions of the Bank which has been a contributor to the growth and welfare of a significant segment of people of our nation's capital for nearly 55 years. We intend to follow this dedication with increased zeal during the next half century.

We will use to the fullest extent our resources of people, capital and banking facilities to provide quality banking services to the individuals, businesses and organizations living and doing business within our trading areas. We will do this by being aware of the changing needs of our customers and by utilizing our resources to meet these needs. We are particularly dedicated and funded, a competitively priced source of real estate funds is one of the most important components in assuring the continued development and revitalization of our neighborhoods. It is our intention to continue offering these and other types of loans, deposit accounts and investment certificates and other special services to meet the needs of our customers so long as such services are consistent with the financial health of this institution.

We are dedicated to making our bank a pleasant place of employment for our staff and to providing a fair and equitable return to our shareholders. We intend to maintain and strengthen our position as the principal financial institution serving the inner-city neighborhoods of our nation's capital, utilizing the experience, knowledge and expertise acquired during our first half century in banking and applying these capabilities to the present and future needs of our community.

TRIBUTE TO HYMAN J. CARNE

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. HALL of Ohio. Mr. Speaker, I rise to pay tribute to Hyman J. "Mitzi" Carne, who will be 70 years old on August 24, 1989. His birthday will be marked by a special Sabbath service on August 26, 1989, at Beth Abraham Synagogue of Dayton, OH, within my district.

Mitzi has given 37 years of loyal service to our Government as an Army soldier during World War II and later as a civilian employee of the Air Force. He has also made numerous contributions to the community, including volunteer service to Miami Valley Hospital's senior care program, Dayton's Hillel Academy, and a senior citizens food program. He serves on the board of directors of Beth Abraham Synagogue, and chairs its honors committee.

I join Mitzi's many friends and family members—especially his nieces and nephews—in wishing him a happy birthday and many more years of happiness and good health.

RADIATION AND TOXIC SUBSTANCES RESEARCH REORGANIZATION ACT

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. WYDEN. Mr. Speaker, today, with Mr. EVANS, Mr. SKAGGS, and several other of my colleagues, I am introducing a bill to bring openness and credibility to the health research activities at our Federal nuclear facilities.

For decades, the health research at Department of Energy [DOE] facilities has been marked by secrecy and inbreeding—the very hallmarks that have lead to such colossal foulups in the Department's safety and environmental efforts.

Let me give an example of how the Department has treated health-related data in the past. In 1987, Congressman SWIFT, Senator HATFIELD and I asked the General Accounting Office to investigate how the Department handled information showing the presence of Iodine-129, a radioactive material, in deep aquifers beneath the Hanford Reservation.

The GAO reported that DOE's handling of information on iodine–129 detected in Hanford groundwater was dominated by a pattern of activity that generally discouraged disseminating the information within and outside the agency. Even DOE contractors with a legitimate need to know were not told of the information. And even though the information was not classified, only people with security clearances could get access to a catalog or data base that mentioned the study.

The GAO concluded that the reasons the data were so closely held included concerns about the public's reaction to information that might be perceived to impact the environment and/or public health.

With a mindset like that at DOE, is it any wonder that workers and people living nearby distrust pronouncements on how its operations affect public health?

The only way to restore trust is to move the health research functions of the agency to an independent body with appropriate expertise. This bill does exactly that.

The bill transfers the responsibility for epidemiological research on the health effects of exposure to radiation and toxics at DOE facilities to the Department of Health and Human Services [HHS].

HHS will undertake a comprehensive research program to identify the nature and magnitude of the health risk to the public and to DOE's workforce from DOE's activities.

HHS will have access to and will catalog existing health data and records compiled by DOE and its predecessors and make such

data public, subject to confidentiality and security limits.

Besides pursuing its own research, HHS will review the health assessments previously performed by DOE and others, with an eye toward setting priorities for future research.

The bill establishes an advisory panel, made up of representatives from workers, DOE, public interest groups, and the States, to help steer the HHS programs in this area.

Finally, the bill requires DOE to transfer funds to HHS for the programs in the bill.

This bill owes much to the work of our former colleague, Mr. WIRTH, who actively pursued these goals while a Member of the House, and who continues his commitment to this worthy end. I would like to thank him for his advice and support.

I would also like to specially acknowledge the work of Mr. EVANS, who has spearheaded this effort from within the Armed Services Committee, and who has particular concern for the workers and public near those DOE facilities involved in national defense efforts.

And I would note that Mr. SKAGGS has put forth similar proposals in his legislation.

Mr. Speaker, this bill has received strong support from both labor and environmental groups concerned with these facilities. I invite my colleagues to study it closely, and I urge their support.

MEDICARE CATASTROPHIC HEALTH CARE ACT OF 1988

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. BOSCO. Mr. Speaker, today I would like to address the continuing crisis over the Medicare Catastrophic Health Care Act of 1988. Seniors in my district and around the country are demanding that we change this act. Yet Congress has not addressed the very real concerns of our elderly community on this issue.

The purpose in passing the catastrophic program was to ease the burden on the elderly, not increase it. We need to change this program so that it is acceptable to the elderly, or we need to repeal it and start over.

I recently sent a survey to every household in my district, and found that there is broad-based concern about this issue. While catastrophic health care is often approached as a "seniors only" issue, individuals of all ages feel that the surtax should either be broadened or that the Catastrophic Health Care Act should be immediately repealed. Individuals who know what their parents, relatives or friends are experiencing, and what they may be facing in 10 or 15 years, need to know how the Congress will address this crucial issue.

The Ways and Means Committee recently passed a proposal that would cut the surtax and allow seniors to opt out of the catastrophic health care program altogether. In choosing to opt out seniors would be forced to give up their Medicare Part B benefits, and idea I find completely unacceptable.

I hope that the House can save this legislation that was designed to help seniors, and give those approaching retirement some security. I want to be able to tell my constituents that there is hope, that the Congress will ensure that they receive responsible health care benefits in their later years at a fair price.

Right now, however, it seems that this may not be possible. Mr. Speaker, if we cannot resolve the problems associated with catastrophic health care, how will we address long-term health care, and other needs of our seniors? Seniors have been waiting all year for some decisive action on this issue and it's past time to give them some honest answers.

THE FARM DEBT TAX REFORM ACT OF 1989

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. DORGAN of North Dakota. Mr. Speaker, on behalf of myself and 17 cosponsors, I am today introducing legislation that would provide relief for those family farmers who are in desperate need of assistance. It would allow those farmers who have been most severely affected by decreasing commodity prices and rising costs to restructure their debt without suffering devastating tax consequences.

Our Nation's family farmers have suffered through a painful period of sustained economic decline. Our farmers are leaving their farms and rural communities in unprecedented numbers. Mired in debt, many have been forced to deed back their land to creditors in return for forgiveness of the debt to learn that they now owe a massive tax bill. The sad irony is that those families who can no longer afford to farm also cannot afford the tax liabilities attributable to starting over.

Under current law, a farmer in serious economic trouble who conveys his land to a creditor in satisfaction of an outstanding loan may be liable for two separate taxes on the transaction. First, the farmer is liable for a capital gains tax on the difference between his basis—purchase price—in the land and its fair market value. Second, the farmer must pay the ordinary income tax on the difference between the property's fair market value and the amount of the outstanding loan. While section 108 of the Internal Revenue Code currently allows farmers to reduce their taxable income by the taxpayer's outstanding attributes and the basis of the property, this provision is drawn too narrowly and too few farmers are able to take advantage of it. As a result, the farmer who is forced to give up his farm, and who must, without choice, begin a new life for his family, finds himself saddled with such an enormous tax debt that he has no realistic hope for recovery.

My legislation addresses both of these inequities. It provides an exclusion for capital gains income that arises when farm property is conveyed back to the mortgage lender in exchange for forgiveness of the debt. It also broadens the applicability of the section 108 provisions to allow more family farmers to reduce their debt forgiveness income by the amount of their outstanding tax attributes and the basis of the property. Both of these provisions, though, include substantial limitations designed to prevent abuses by taxpayers who do not really need assistance.

Specifically, this legislation would allow qualifying farmers to exclude from gross income up to $350,000 of either gain realized from the transfer of farm property in satisfaction of qualified farm indebtedness, or income that arises from the discharge of indebtedness.

Those in Congress who represent rural communities have seen the decline in the agricultural economy and the havoc it has played on our communities. It is essential that we do all that we can to ease the strain on our farm families who are not only losing their means of making a living, but also their way of life. It is simply wrong to add a large tax liability that is virtually uncollectible on these families that have suffered through a terrible economic crisis.

As many of my colleagues are aware, the 1986 Tax Reform Act included a special "solvent farmer" provision relating to the discharge of farm indebtedness. This provision allows income arising from the discharge of indebtedness owed by a qualifying farmer to an unrelated lender to be treated as income realized by an insolvent taxpayer, if the debt was incurred in the trade or business of farming or is farm debt secured by farm property used in such trade or business.

It is my understanding that a controversy has arisen concerning the solvent farmer provision due to the passage of the Technical and Miscellaneous Revenue Act of 1988 [TAMRA]. Within TAMRA, a technical correction limited the tax free discharge of indebtedness under the solvent farmer provision to the amount the basis and tax attributes remaining in the farm property. Any write-down in excess of that amount is treated as income. As noted above, this so-called technical correction runs contrary to the congressional intent of the 1986 act. Not surprisingly, there has been movement to repeal the objectionable technical correction.

Although this move to repeal has merit given the legislative history, let me emphasize that passage of the bill I have introduced today not only resolves this issue but addresses the entire farming crisis in a far more meaningful manner. Clearly, if Congress were simply to repeal the technical correction, it would ignore other insurmountable shortfalls that remain unanswered in the 1986 provisions.

First, the provisions adopted in 1986 were not targeted to those most clearly in need. By contrast, my bill includes an amendment to section 108(g) to assure that the relief I have requested is targeted solely at low- and moderate-income and equity farmers.

Second, section 108(g) currently provides relief for only those taxpayers who derive at least 50 percent of their average annual gross receipts for the proceeding 3 years from farming. Thus, present law precludes relief for farmers who are forced to sell assets to satisfy farm debts, denied crop financing, or are otherwise forced to scale down their farm operations. In other words, the current provisions provide little relief for the very people who most need help. My legislation rectifies this

problem by redefining gross receipts as to include receipts attributable to both the trade or business of farming or the sale or lease of assets used in such trade or business. Therefore, if a farmer cash rents his farmland during the time it takes to negotiate a debt restructuring agreement with FmHA, or if he is forced to sell off machinery or real property, such income would be included in the gross receipts test.

Third, the existing language in I.R.C. section 108 does not require that the taxpayer materially participate in the farming business, and thus is susceptible to abuse by outside investors. My bill would limit relief only to true farmers who have suffered substantial economic hardship by requiring that they materially participate in farming at the time the debt was incurred.

Finally, this legislation forgives discharge of indebtedness income after the property's basis and remaining tax attributes have been reduced. Consequently, it resolves the problems associated with the technical correction, but only in the context of this bill's narrowly drawn alternative to the existing provisions in I.R.C section 108. I believe that my approach is a sounder and more comprehensive alternative to simple repeal of the technical correction which was unfortunately adopted last year.

I urge my colleagues to support this legislation which is critical to the survival of the family farmer. A severely distressed farm economy has forced thousands of farmers who risk losing their businesses to restructure their existing farm debt as provided in the Agricultural Credit Act of 1987. Unfortunately many restructuring agreements are being held up due to unintended tax impediments. We must act quickly to remove these impediments and allow our farmers to begin the process of rebuilding shattered families, businesses, and rural communities.

Again, I urge you to cosponsor this legislation which targets its relief to those farmers without the ability to pay paper income gains. It allows them equitable relief and the opportunity to make a new start.

The full text of the bill follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Farm Debt Tax Reform Act of 1989".

SEC. 2. CAPITAL GAIN REALIZED FROM TRANSFER OF FARM PROPERTY IN COMPLETE OR PARTIAL SATISFACTION OF QUALIFIED FARM INDEBTEDNESS EXCLUDED FROM GROSS INCOME.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by redesignating section 135 as section 136 and by inserting after section 134 the following new section:

SEC. 135. CAPITAL GAIN REALIZED FROM TRANSFER OF FARM PROPERTY IN COMPLETE OR PARTIAL SATISFACTION OF QUALIFIED FARM INDEBTEDNESS.

"(a) IN GENERAL.—Gross income of any taxpayer described in subsection (d) does not include so much of the gain from the transfer of farm property in complete or partial satisfaction of qualified farm indebtedness as does not exceed $350,000.

"(b) PRIOR GAINS AND DISCHARGES OF INDEBTEDNESS TAKEN INTO ACCOUNT.—

"(1) IN GENERAL.—If for any prior year—

"(A) gain from the transfer of farm property in complete or partial satisfaction of qualified farm indebtedness, or

"(B) a discharge of such indebtedness, is excluded from the taxpayer's gross income under subsection (a) of this section or section 108(g), respectively, subsection (a) of this section shall be applied for the taxable year with respect to such gain by reducing the dollar amount contained in such subsection by the such excluded prior year gains and discharges.

"(2) CURRENT YEAR COORDINATION WITH SECTION 108.—Subsection (a) of this section shall be applied for the taxable year with respect to any gain by reducing the dollar amount contained in such subsection (after any reduction under paragraph (1)) by any amount excluded from gross income under section 108 for such year.

"(c) REDUCTION OF TAX ATTRIBUTES.—

"(1) IN GENERAL.—The amount excluded from gross income under subsection (a) shall be applied to reduce the tax attributes described under section 108(b)(2).

"(2) COORDINATION WITH SECTION 108.—For purposes of this subsection, the amount of tax attributes shall be determined after any reduction under section 108(b) by reason of amounts excluded from gross income under section 108(a)(1).

"(d) TAXPAYER DESCRIBED IN THIS SUBSECTION.—

"(1) IN GENERAL.—A taxpayer is described in this subsection if—

"(A) the average of such taxpayer's modified adjusted gross income for any 3 taxable years of the 5-taxable year period ending with the taxable year in which the transfer of farm property in complete or partial satisfaction of qualified farm indebtedness occurs is less than 100 percent of the average of the national median adjusted gross income for such 3 taxable years,

"(B) more than 50 percent of the gross receipts of the taxpayer for 3 of the 5 taxable years preceding the taxable year in which the transfer of farm property in complete or partial satisfaction of qualified farm indebtedness occurs are attributable to—

"(i) the trade or business of farming (within the meaning of section 2032A(e)(5)), or

"(ii) the sale or lease of assets used in such trade or business, or

"(iii) both, and

"(C) the equity of the taxpayer after such transfer is less than the greater of—

"(i) $25,000, or

"(ii) 150 percent of the excess (if any) of—

"(I) the tax imposed by this chapter determined as if this section and section 108 did not apply to the transfer, over

"(II) the tax imposed by this chapter determined with regard to this section and section 108 (if applicable).

"(2) MODIFIED ADJUSTED GROSS INCOME.—For purposes of this subsection, the term 'modified adjusted gross income' means adjusted gross income—

"(A) determined with regard to this section and section 108, and

"(B) increased by the amount of interest received or accrued by the taxpayer during the taxable year which is exempt from tax.

"(3) EQUITY.—For purposes of this subsection, the term 'equity' means an amount equal to—

"(A) the aggregate fair market value of farm property held by the taxpayer, minus

"(B) the aggregate qualified farm indebtedness of the taxpayer.

"(e) FARM PROPERTY.—For purposes of this section, the term 'farm property' means real and personal property used by the taxpayer in the trade or business of farming (within the meaning of section 2032A(e)(5)).

"(f) QUALIFIED FARM INDEBTEDNESS.—For purposes of this section, indebtedness of a taxpayer shall be treated as qualified farm indebtedness if such indebtedness was incurred—

"(1) directly in connection with the operation by the taxpayer of the trade or business of farming (within the meaning of section 2032A(e)(5)), and

"(2) at a time when such taxpayer materially participated (within the meaning of section 2032A(e)(6)) in such trade or business.

"(g) APPLICATION WITH RECAPTURE PROVISIONS.—In the case of gain which under section 1245, 1250, 1252, or 1255 is treated as ordinary income, this section shall apply first to exclude such gain to the extent thereof and then to other gain."

"(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 135 and inserting in lieu thereof the following new items:

"SEC. 135. Capital gain realized from transfer of farm property in complete or partial satisfaction of qualified farm indebtedness.

"SEC. 136. Cross references to other Acts.".

"(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers occurring after December 31, 1986, in taxable years ending after such date.

SEC. 3. EXCLUSION OF DISCHARGE OF QUALIFIED FARM INDEBTEDNESS FROM GROSS INCOME INCREASED FOR CERTAIN SOLVENT FARMERS.

"(a) IN GENERAL.—Section 108(g) of the Internal Revenue Code of 1986 (relating to special rules for discharge of qualified farm indebtedness) is amended by adding at the end thereof the following new paragraph:

"(4) SPECIAL LIMITATIONS FOR CERTAIN FARMERS.—

"(A) IN GENERAL.—With respect to qualified farm indebtedness which was incurred by a taxpayer described in subparagraph (C) of this paragraph at a time when such taxpayer materially participated (within the meaning of section 2032A(e)(6)) in the trade or business described in clause (ii)(I)—

"(i) the amount excluded under subparagraph (C) of subsection (a)(1) shall not exceed $350,000, and

"(ii) paragraph (2) of this subsection shall be applied without regard to subparagraph (B) thereof.

"(B) PRIOR DISCHARGES OF INDEBTEDNESS AND GAINS TAKEN INTO ACCOUNT.—If for any prior year—

"(i) a discharge of qualified farm indebtedness, or

"(ii) gain from the transfer of farm property in complete or partial satisfaction of such indebtedness,

is excluded from the taxpayer's gross income under this subsection or section 135, respectively, subparagraph (A) shall be applied for the taxable year with respect to such discharge by reducing the dollar amount contained in such subparagraph by the such excluded prior year discharges and gains.

"(C) TAXPAYER DESCRIBED IN THIS SUBPARAGRAPH.—A taxpayer is described in this subparagraph if—

"(i) the average of such taxpayer's modified adjusted gross income for any 3 taxable years of the 5-taxable year period ending with the taxable year in which the discharge of qualified farm indebtedness occurs is less than 100 percent of the average of the national median adjusted gross income for such 3 taxable years,

"(ii) more than 50 percent of the gross receipts of the taxpayer for 3 of the 5 taxable years preceding the taxable year in which the discharge of qualified farm indebtedness occurs are attributable to—

"(I) the trade or business of farming (within the meaning of section 2032A(e)(5)), or

"(II) the sale or lease of assets used in such trade or business, or

"(III) both,

"(iii) the indebtedness of the taxpayer both before and after such discharge is equal to 70 percent or more of the equity in all property held by such taxpayer,

"(iv) the equity of the taxpayer after such discharge is less than the greater of—

"(I) $25,000, or

"(II) 150 percent of the excess (if any) of the tax imposed by this chapter determined as if this section and section 135 did not apply to the transfer, over the tax imposed by this chapter determined with regard to this section and section 135 (if applicable), and

"(v) such taxpayer, in transferring property in connection with the discharge of qualified farm indebtedness, transfers only farm property or other property acquired, produced, or held in connection with the taxpayer's trade or business of farming.

"(D) DEFINITIONS.—For purposes of this paragraph—

"(i) FARM PROPERTY.—The term 'farm property' means real and personal property used by the taxpayer in the trade or business of farming (within the meaning of section 2032A(e)(5)).

"(ii) MODIFIED ADJUSTED GROSS INCOME.—The term 'modified adjusted gross income' means adjusted gross income—

"(I) determined with regard to this section and section 135, and

"(II) increased by the amount of interest received or accrued by the taxpayer during the taxable year which is exempt from tax.

"(iii) EQUITY.—The term 'equity' means an amount equal to—

"(I) the aggregate fair market value of farm property held by the taxpayer, minus

"(II) the aggregate qualified farm indebtedness of the taxpayer."

(b) CONFORMING AMENDMENT.—Subparagraph (A) of section 108(g)(3) of such Code is amended by striking out "The amount" and inserting in lieu thereof "Except as provided in paragraph (4), the amount".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to discharge of indebtedness occurring after December 31, 1986 in taxable years ending after such date.

SUPREME COURT FLAG DECISION INSPIRES PATRIOTISM

HON. CLIFF STEARNS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. STEARNS. Mr. Speaker, whether or not an individual agrees with last month's Supreme Court decision regarding flag-burning and the legislation introduced as a result, it is obvious that recent events have inspired an increasing amount of patriotism in this country.

Since the Supreme Court's decision on July 3, 1989, I have received an abundance of touching and patriotic correspondence from constituents. One of the most memorable is a song, written by Rick Williams of Marion County, FL, entitled "Don't Burn My Flag." Mr. Williams, a Florida native who learned to play guitar at the age of 12, released this song on Independence Day and it has been receiving airplay on radio stations throughout Florida since.

I would like to take this opportunity to share the lyrics of "Don't Burn My Flag" with my colleagues in the House of Representatives by placing the lyrics in the CONGRESSIONAL RECORD along with a note from Mr. Williams.

Thank you very much, Mr. Speaker, I'm sure you and my colleagues will find this song quite inspiring:

DEAR CONGRESSMAN STEARNS: Thank you for the support. I hope this song will help all Americans remember that our freedom was not given to us free, but was earned with the blood and lives of our friends and loved ones. Thanks so much.

RICK WILLIAMS.

DON'T BURN MY FLAG

CHORUS

She is an old friend, that waves in the wind,
She's been through the good times and bad.
She stands for the freedom that we all have,
So don't you dare burn my flag.

VERSE 1

The red white and blue, she's for me and you,
And for those who gave their lives.
To make sure that we, all could be free,
And celebrate on the fourth of July.
From the west Texas skies, to the New England shores,
And to the sands of the Florida keys,
She still stands proud, so say it out loud,
We all love our liberty.

CHORUS (REPEAT)

VERSE 2

He sits in a chair and watches them play,
A game at Yankee field.
He'd sure like to play, but can't today,
You see his chair has wheels.
And there are those even though it don't show,
With scars deep in their souls.
They gave their all, so we wouldn't fall,
The love for their country it shows.

CHORUS (REPEAT)

TERRORISM THREATENS OUR SOCIETY

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. WALSH. Mr. Speaker, I rise today, an angry and frustrated American who is reminded again that terrorism does not threaten people living in troubled lands. It threatens our society.

The apparent murder of Lt. Col. William R. Higgins by terrorists does not accomplish one thing to further the cause of peace or the rights of any group of human beings. Colonel Higgins, as an American working on a U.N. peacekeeping mission, represented the highest ideals and values. The people who murdered him only proved what many have accused them of. That they do not value life, and should not be recognized as representative of any ethnic or cultural group.

As Americans, we are reminded once again that we cannot turn our backs on problem solving. We must take an active interest in what happens in the Middle East, or in any other part of the world where terrorism reigns, because we are leaders in the world.

At the same time, this savagery should only strengthen our resolve. We must recommit ourselves to peace. We must promise the rest of the world, and ourselves, that we will not negotiate with terrorists and that we will never compromise our principles.

I offer condolences to the family of Colonel Higgins. I pray that we will all gather strength from this tragedy, and that God will not abandon the world to the likes of those who executed a man whose mission was peace.

UAW LOCAL 599—50TH ANNIVERSARY

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. KILDEE. Mr. Speaker, it is indeed a great honor and a pleasure for me to bring to the attention of my colleagues in the U.S. House of Representatives the 50th anniversary of the chartering of the United Auto Workers Local 599. On August 19 and 20, 1989, in my home town of Flint, MI, this great union local will celebrate 50 years of tireless work on behalf of the labor movement. Being able to honor local 599, which was my father's local, is a very special privilege for me.

I know from firsthand experience that the quality of life for auto workers improved greatly in the late 1930's because of the union my father belonged to—UAW Local 599. I recall the situation in the factories of Flint before this union was finally recognized, and what it was like after. I remember my father helping one of his coworkers, Jack James, walk down the street. Mr. James had suffered a stroke in the Buick factory. Mr. James was afraid he would be fired if his boss found out and he asked by father to keep his stroke a secret. The very next day following his stroke, Jack James reported back to work at the factory. My father and his friends had to assist him so that the foreman would not notice James' disability. He had no savings, no health insurance, and no retirement benefits. Jack James had to work until he dropped. The UAW changed that.

During the past 50 years, UAW Local 599 and its members have demonstrated the spirit of solidarity in my community and have been in the forefront of progress for civil rights and human dignity. In numerous ways, the members of local 599 exemplify the ideals that unions have always championed. In addition to actively improving working conditions in manufacturing facilities and working diligently

to secure the well-being of its membership, the union has skillfully bargained for decent wages, cost of living increases, health benefits, holiday and vacation pay, insurance, workers' compensation, and unemployment compensation. UAW Local 599 prides itself on its collective bargaining for supplemental unemployment benefits, educational opportunities, and various training programs for its members.

It is for this deep commitment to improving and protecting human dignity for its workers that we pay tribute to this organization. The members have spent years making our city a better place to work and live through their involvement and support of civic programs promoting the welfare of the community. We in Flint are indeed fortunate to have such fine people among us.

Mr. Speaker, during the past 50 years, the United Auto Workers Local 599 of Flint and its members have displayed exceptional leadership and responsiveness to their communities and our Nation. Recently, UAW Local 599 members working at Buick city were honored by J.P. Powers & Associates for building the best American automobile in the United States—the Buick LeSabre. I am confident that the great successes of this organization over the past 50 years will only be surpassed by actions and accomplishments still to come. I would ask my colleagues in the U.S. House of Representatives to join me in paying tribute to the United Auto Workers Local 599, upon the occasion of its 50th anniversary.

ARBITRAGE REBATE

HON. BERYL ANTHONY, JR.

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. ANTHONY. Mr. Speaker, today, I introduce legislation offering a two-pronged attack on the problem of arbitrage rebate which I hope will enjoy the immediate support of my colleagues. This legislation attacks the problem from both sides, from encouraging good behavior and eliminating undesirable behavior. It offers a reward to issuers who do not seek to take advantage of the system—a means of avoiding the complexity of rebate—and it responds to those who are enaging in questionable hedge bond transactions.

The areas of arbitrage rebate is one of the most complex areas of the tax law. Although simple in concept, it has taken the Treasury Department 2½ years to develop 243 pages of regulations which cover only part of the material required to calculate the amount that must be rebated to the Federal Government. Arbitrage rebate became part of the law with the enactment of the 1986 Tax Reform Act. This restriction was enacted because too many tax-exempt bonds were being issued for the purpose of earning arbitrage, not for the purpose of using the proceeds to build legitimate public projects. To eliminate arbitrage motivated transactions Congress took away the arbitrage incentive by requiring that any arbitrage profit earned must be rebated to the Federal Government.

Last year as I began to learn about the complexities of arbitrage rebate, I inserted report language in the Technical and Miscellaneous Tax Act of 1988 instructing Treasury to develop arbitrage rebate regulations which are "workable and understandable to the governmental units that must comply with them." Having seen the regulations, it is clear to me that they are not workable and understandable to the average governmental unit, unless they retain accountants, lawyers, or financial specialists to interpret the regulations and assist with their compliance. Congress' intent in 1986 was to discourage the issuance of bonds for the purpose of earning arbitrage, not to impose further complexity and administrative burden on State and local governments.

The first part of my legislation provides an alternative to the complexities created by the rebate requirement. I want to stress that it does not eliminate the rebate requirement, but is merely an elective alternative for financings that meet certain criteria. The issuer will be allowed to apply investment earnings to the cost of the project if the following spendout test is met. The spendout test requires the issuer to actually spend 25 percent of the proceeds in the first year, an additional 25 percent in the second year, and an additional 45 percent of the proceeds in the third year. If the test is met, the issuer will not have to pay the rebate, track the funds, or calculate the yield on the bonds.

This alternative is based upon the issuer's reasonable expectation that it will meet each of the 3-year requirements at the time the bonds are issued. Rather than complying with the usual tracking and rebate requirements for failure to meet the reasonable expectations test, failure to meet the spend out requirement will result in a penalty equaling 3 percent per annum of the unspent proceeds. The penalty applies to each year the issuer fails to comply.

I think this system is a fair alternative to the complexities created by the rebate law. From the Federal standpoint, it discourages arbitrage motivated transactions and helps to keep the number of bonds outstanding to a minimum. From the perspective of State and local governments, this legislation allows them a less complicated and costly method of complying with Congress' intent. Most importantly, this legislation will reduce the overall borrowing costs of State and local governments.

The second part of my legislation deals with the interest rate hedge bond. A hedge bond is a bond issued today at the current tax-exempt interest rate, the proceeds of which are invested in a guaranteed investment contract at the yield on the bonds so that no arbitrage is earned. The issuer is essentially only at risk for the costs of issuance, which in some cases are put off until the proceeds are actually spent on the project. The issuer locks in today's rates and if interest rates rise then the issuer has cheaper money available at the time it proceeds to build the project. However, if interest rates go down, the bonds will be paid off by the guaranteed investment contract and the issuer will issue another set of bonds at the current lower interest rate to build the project. While it is understandable that issuers would like this flexibility and the possible access to lower interest rate money, it is not understandable that this waiting game be played at the expense of Federal revenues. Issuers of municipal bonds should know by now that one of the abusive practices most offensive to Members of Congress is the issuance of bonds that do not produce a public project.

My proposal would eliminate this practice by requiring issuers to reasonably expect to spend at least 15 percent of the proceeds of an issue during each of its first 4 years and an additional 35 percent by the end of the fifth year. If the reasonable expectation test is not met, the bonds would be characterized as arbitrage bonds under the Internal Revenue Code.

Taken together, these two proposals embody the goals of the Anthony Commission on Public Finance by making existing rules more responsive to the needs of State and local governments and ensuring that the law does not permit questionable transactions.

PROGRAM SPENDING

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. CLINGER. Mr. Speaker, earlier this year I asked my constituents to give me their views on a number of the issues that we will debate in this, the 101st, Congress.

More than 10,000 people responded, and I would like to share the results of this information exchange with my colleagues.

Given the current constraints on the Federal budget, we must reevaluate our spending priorities. Therefore I asked my constituents whether spending for certain program areas should be cut, maintained at current levels or increased.

The war on drugs clearly emerged as the top spending priority, with more than 60 percent expressing support for increased funding. But the fact that we have limited financial resources also came across quite clearly, and I am encouraged that my constituents are prepared to support the tough decisions that we will have to make.

It is often frustrating to be forced to make decisions on complicated questions with just a "yes" or "no". I was gratified that so many of my constituents were willing to do just that. What follows is a series of questions and the tabulated answers. I believe that my colleagues will find it interesting:

Q1: Do you believe that the federal government should require employers to give all employees specific benefits, such as maternity leave, health insurance, so forth?

A1: 48 percent responded yes

52 percent responded no

Q2: Should rural health care be one of my top priorities in the 101st Congress?

A2: 52 percent responded yes

48 percent responded no

Q3: Long-term health care is of great concern to many Americans. Do you think Congress should enact legislation to expand the Medicare program to include long-term care even though such legislation might increase your costs?

A3: 58 percent responded yes, 42 percent responded no

Q4: Should employees in sensitive or safety regulated occupations (i.e. airline

pilots, nuclear energy plant employees) be tested regularly for use of illegal drugs?

A4: 91 percent responded yes, 9 percent responded no

Q5: Are you in favor of preserving (a) parental choice as the key element in child care legislation or (b) having the government require that resources be used to support daycare centers?

A5: 79 percent chose option (a) 21 chose option (b)

Q6: Is the Federal Government doing enough to provide a good public education for the nation's youth?

A6: 48.5 percent responded yes, 51.5 percent responded no

Q7: Would you support the idea of students performing voluntary national service, civilian or military, for one year as a condition of receiving student aid?

A7: 79 percent responded yes, 21 percent responded no

Q8: Both Democrats and Republicans agree that the U.S. must find better ways to share NATO's military and financial burden.

A8: 79 percent responded yes, 21 percent responded no

Q9: Was the Federal Government's response to last summer's drought enough to help our farmers?

A9: 54 percent responded yes, 46 percent responded no

Q10: Would you favor renewed military aid to the Nicaraguan Contras?

A10: 31 percent responded yes, 69 percent responded no

Q11: Would you favor stronger humanitarian aid to the Contras?

A11: 46 percent responded yes, 54 percent responded no

Q12: Do you favor economic sanctions against the government of South Africa?

A12: 54 percent responded yes, 46 percent responded no

Q13: Do you favor a dialogue between the Palestinian Liberation Organization and the United States concerning peace in the Middle East?

A13: 65 percent responded yes, 35 percent responded no

Q14: Do you favor a tax increase to reduce the deficit?

A14: 29 percent responded yes, 71 percent responded no

Q15: Do you think that environmental issues should be near the top of my agenda?

A15: 73 percent responded yes, 27 percent responded no

THE SHORTCHANGING OF WILDLIFE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. MILLER of California. Mr. Speaker, fish and wildlife resources in California are declining rapidly. The losses are staggering. Salmon and steelhead populations have dropped by 90 percent on some rivers, forcing State officials to classify them as "endangered." Waterfowl populations are at their lowest numbers ever.

There is an urgent need to take immediate corrective action.

The Central Valley of California is critically important to the preservation of what is left of the Pacific Flyway's waterfowl. Some 60 percent of the flyway's waterfowl population winters in the Central Valley. Unfortunately, over 90 percent of the Central Valley's wetlands—the habitat for the waterfowl—have been destroyed over the years. The few remaining wetlands are vital for the survival of the Pacific Flyway. Yet, these very wetlands—some of which are part of the National Wildlife Refuge system—are jeopardized.

The key culprit behind the loss of fish, waterfowl, and their habitat is the Bureau of Reclamation's Central Valley project. The Bureau has never mitigated these losses. Instead, it continues to take action after action which will lead to additional losses.

Not only have the fish and wildlife in the Central Valley been shortchanged, but so have the people who enjoy the fish, the wildlife and our waters. The hunters, the people who fish, for a living and for pleasure, the boaters, and the casual visitors to our wildlife refuges are shortchanged as well. Projects, such as the Central Valley project, should be operated for a variety of uses—one of which should be to protect and restore fish and wildlife. But, over the years, fish and wildlife have been at the bottom of the Bureau of Reclamation's list—and that means the people who hunt, fish, boat, and birdwatch are at the bottom of the Bureau's list as well.

One of the more disturbing chapters in this tragic story deals with the National Wildlife Refuges in the Central Valley. Besides the well-known catastrophe at Kesterson, eight other refuges do not have firm water supplies. What this means is that the National Wildlife Refuges—and the waterfowl dependent upon them—do not get the water they need. Biologists estimate the refuges only get about 7 percent of the water they need.

The shortchanging of the wildlife refuges in California is the subject of an excellent article in the most current issue of the Defenders of Wildlife magazine. This compelling article clearly delineates the need for corrective action.

I commend this article to my colleagues:

MORE WATER FOR WILDLIFE?

(By Tom Harris)

Over the years, the wetlands providing winter habitat for North America's millions of waterfowl and many other birds have steadily dwindled under the pressure of agricultural and urban development. No more striking example of this shrinkage can be found than in the sprawling Central Valley of California, where dam and canal building, flood-control projects and agricultural development have reduced once vast marshes, sloughs and seasonally wet floodplains, with their associated uplands, to a meager remnant totaling approximately 280,000 acres. A small chain of nine federal wildlife refuges, four state wildlife management areas and one private wetland area—altogether some 129,000 acres—is a vital part of this remnant.

The Department of the Interior's Bureau of Reclamation is one of the prime agencies involved in water management in the Central Valley. BuRec determines the destinations of much of the water in the two great valley watersheds, those of the Sacramento and San Joaquin rivers, for it is the manager of the Central Valley Project. A huge undertaking, CVP and a similar state project in the last 50 or 60 years have transformed several million acres, stretching for 400 miles between Red Bluff in the north and Bakersfield in the south, from wetland to cropland.

Eighty-five percent of the water diverted by dams, pumping stations and canals from the two river systems goes to agriculture—the corporate and large family farms that supply nearly half of the nation's fresh fruit, vegetables and nuts and much of its rice, cotton and hay. Most of the rest of the water goes to municipal and industrial use in a state where the human population is now soaring toward 30 million. And BuRec has ranked refuges at the bottom of a list of potential customers in a proposed sale of what the agency is calling a "surplus" 1.5 million acre-feet of water. (Each acre-foot contains 325,829 gallons, enough to cover an acre with one foot of water.)

The U.S. Fish and Wildlife Service, however, also under the Interior Department, is manager of the federal refuges. And FWS is responsible for migratory bird management under international treaties and administers the Endangered Species Act and other wildlife statutes. FWS maintains among other things that BuRec is not meeting a requirement of the National Environmental Policy Act (NEPA) that it avert or mitigate the adverse environmental impacts of CVP water diversions. With conservation, commercial fishing and sportsmen's groups, FWS charges that the bureau is undermining the functioning of the refuges and protected wetlands. With reference to the proposed "surplus" sale, some have questioned the bureau's estimate of available water supplies. On the last count, BuRec officials concede that their figures may be 30 percent too high.

Shortchanging the refuges and other protected wetland areas will speed up the already serious depletion of North America's waterfowl. FWS estimates that waterfowl in the Pacific Flyway last January numbered only about 3.4 million, the lowest figure on record and a 46 percent drop since the service began its counts 33 years ago. Persistent droughts in the Central Valley, which winters 60 percent of the flyway's waterfowl, have contributed to this severe decline. Drought and destruction of upland breeding habitat in Canada are other factors. But the biggest culprit is loss of wetlands. In the Central Valley alone, only six percent of the original wetlands remains.

Wildlife biologists estimate that for the 14 valley refuges dependent upon a stable water supply, the need is 505,650 acre-feet. Included in the list are these national wildlife refuges: Sacramento, Delevan, Colusa, Sutter, Merced, Kesterson, San Luis, Kern and Pixley. The other affected areas are Gray Lodge, Los Banos, Volta and Mendota state wildlife management areas and the private Grassland Resource Conservation District.

Under BuRec's proposed marketing system, there are four classifications of water availability: firm (secure and permanent, available in all but the driest years and guaranteed by existing delivery systems), conditional (available, but needing delivery systems built by others), interim (the "firm" water of others, available only until secured customers need it) and intermittent (available only in unusually wet or flood years when there is a surplus beyond all other needs). Most of the water that the bureau has proposed for the refuges is in the intermittent category.

Intermittent flows would be delivered only in those wet years when low-lying refuges would be well watered in any case, which is

60 percent of the time. In drought years, refuges would be entitled to none. Together, the Central Valley refuges now have only 7.6 percent of the water biologists say is needed by the migrating waterfowl for successful wintering. The state has done a relatively better job in securing firm water rights for its wildlife areas. Eight of the nine affected national wildlife refuges totally lack firm water rights. Kesterson National Wildlife Refuge has 3,500 acre-feet of existing firm water, but 10,000 are needed to provide optimally for waterfowl.

The CVP's initial 40-year water contracts negotiated in the 1940s, long before NEPA was enacted in 1969, are now coming up for renewal. In response, the Environmental Protection Agency, conservationists, sportsmen and commercial fishermen all are insisting that before any individual contracts are negotiated, the cumulative impacts of the entire project must be addressed in relation to present wildlife needs.

In March, EPA requested help on the issue from the President's Council on Environmental Quality, and CEQ has held two hearings. In the meantime, Secretary of the Interior Manuel Lujan, Jr., signed the first renegotiated water rights contract in the Friant Unit—for the tiny Orange Cove Irrigation District 25 miles south west of Fresno. The precedent is immense. If dozens of larger contracts are signed before any assessment of the system's overall impact, it will be too late to cause and correct the damage to the environment.

The Natural Resources Defense Council (NRDC) has sued BuRec over the Orange Cove action. But the Interior solicitor's office says a 1956 law gave CVP customers a permanent right to renew contracts when they expire, without any loss of water. Unless NRDC prevails in court, that will be the pattern for 60 agricultural contracts coming up for renewal by 1995 and 206 others for farm and city users by the year 2004. In all, CVP has contracted 7.2 million acre-feet of water in its northern system. That includes the holdings of the Shasta, Trinity, Folsom and San Luis reservoirs. Friant Dam, a separate part of the system, holds another 1.4 million acre-feet.

Until late spring, Secretary Lujan had not agreed to reconsider the current CVP plan. But on May 25 he announced that he was directing BuRec to revise and reissue draft environmental impact statements for public review. "To date, we have received over 2,000 comments on the existing draft EISs from water users, state and federal agencies, environmental organizations and concerned citizens. Many have raised concerns about the technical adequacy of these documents," he explained. The secretary also noted the Interior Department's need to fulfill its obligations "in an environmentally sound manner."

"The future of more than just the Pacific Flyway is at stake here," said Richard Spotts, Defenders' California representative. "What happens in this battle will be a precedent, good or bad, for the refuge system nationwide. It is critical for people in other parts of the country who value waterfowl to get involved in the California issue and press their own congressional representatives to speak up before it is too late.

According to the California Fish and Game Commission, more than half of the 250-plus species listed as endangered, threatened or rare in the state are wetlands-dependent. In the Central Valley, remaining wetland fragments are vital to many imperiled species, including the western yellow-billed cuckoo, southern bald eagle, peregrine falcon, giant garter snake, Swainson's hawk, valley elderberry longhorn beetle and California hibiscus.

When BuRec sought potential contractors for its claimed 1.5 million acre-foot CVP surplus, it received requests for two and a half times that amount. So it pared the so-called "needs" number back to 3 million and then came up with a controversial idea for meeting the remaining gap between demand and supply. Called conjunctive use, the plan proposes that customers with rights and access to underlying groundwater pump that supply up in drought years to ease the shortage burden on those with no access to such subterranean supplies. Surplus water in wet years could be stored in underground aquifers for this dry-year pumping.

But this would force customers to put in dual systems, an expensive proposition, and would sharply increase operating costs because of the electricity required to run the pumps. "We tried to do an imaginative job that is a departure from past Reclamation practices," said John Budd of the bureau's contract repayment office in Sacramento. "In the EIS we told those who wanted the water that we would sell them enough so they would have a full supply all the time but would have to use 100 percent groundwater in critically dry years. The basic premise," he continued, "was that groundwater is a resource that can't be ignored. We can't allow someone to walk away from the resource simply because the alternative—surface water—is cheaper."

But FWS does not have any such groundwater pumping capability now. Neither does it have the funds to drill the wells or pay the huge electricity bills that the pumping would run up. Some 60 percent—more than $80,000—of the 1988-89 electricity and water budget at the state's Gray Lodge Wildlife Management Area was earmarked for pumping groundwater to flood marshlands for waterfowl and nongame wildlife. But the water table is higher and the amount of rainfall is greater at Gray Lodge than at refuges farther south, in the San Joaquin river valley. "We pump from a water table of 20 to 100 feet," said Gray Lodge manager R.B. Reno. The southern refuges would need to go down 200 to 300 feet for water. "They also pay $20 an acre-foot for surface water, when they can get it," Reno added. "We pay $3." If the federal refuges are forced to pump such groundwater, Spotts said, "taxpayers will bear the higher costs."

Budd agrees that the question of who will pay for the refuge water is "one of the big problems we will run into—soon. We have no authority to give it away," he said. "But the important thing to stress is that everyone will get a water supply that is usable and firm, depending on his willingness to participate in the costs. Mother Nature didn't treat the refuges any differently than we are. She didn't supply them in critical dry years, either." But neither did she destroy 3 million acres of wetland habitat that once tided the waterfowl over in such critical periods.

Nevertheless, the California Waterfowl Association and other groups are encouraging the bureau in its recently expressed desire to put more emphasis on projects that benefit rather than damage the environment. "Frankly, we don't care whether the water comes from a hole in the ground, or whether they plant a rain cloud over the refuges, or whether they build another dam, as long as the water is provided," said Dan Chapin, chair of the waterfowl association's resources committee. "What we're seeking is a firm water supply of suitable quality and adequate quantities, delivered to the refuges at the appropriate times of year." Chapin expects the bureau "primarily to get it from uncontracted intermittent water and groundwater in a conjunctive-use program."

But some remain skeptical about the viability of heavy reliance on groundwater as a dry-year bank account. "What concerns me is that the Fish and Wildlife Service doesn't have the wells, the recharge zones, the power sources or the money to operate such a system," said Bill Sweeney, former FWS California supervisor who coordinated several waterfowl habitat studies completed in 1983. "The national and state refuge areas both should be supplied with firm water from the existing CVP yield before more water is sold to anyone else," he added. "The justification for firm water first is the enormous loss of habitat from the construction and operation of the project all these years. Without signed agreements, it is just another staff recommendation. And I have spent my entire adult life watching the bureau back away from things it promised to do, and didn't. So I am skeptical. I have heard it all before."

Unless current water assignments change, the Central Valley's wetlands will have to get by on far less than they need. Even though Kesterson has some firm water, irrigation drainage in its supply has killed off fish, thousands of waterfowl and other birds, and deformed their young with high levels of poisonous selenium, a natural soil element washed into the refuge in agricultural drainage. Ironically, 1,250 acres of ponds at Kesterson have been dewatered to keep waterfowl from using them.

Conservationists predict that BuRec's new environmental impact statements may be a long time in coming. Not only does the bureau need to start from square one in researching CVP's impacts on the environment, but it also must do extended groundwater studies to establish whether a conjunctive-use program is feasible. And those studies are "neither cheap nor quick," said CWA's Chapin. "If they do this right, it could be a long time before they come back with the results," he predicted. In the meantime, without assured additional water in the refuges, there isn't much chance for California to play a significant role in the recently launched North American Waterfowl Management Plan, a 15-year, $1.5 billion effort to restore the continent's wetlands. After decades of assurances that someday, somehow, permanent water rights will be secured before the rest of the Central Valley's wetlands dry up and virtually blow away, conservationists fear that wildlife is destined to be bypassed again.

For much of the nation, the water rights issue is an unseen tragedy far off in the West. But for waterfowl, and for those fighting to uphold their rights, it is reality—a grim threat to the future of one of the nation's four main migratory corridors. If such a threat can't be stopped in a state with the record of California's environmental sophistication and activism, conservationists fear that it can't be stopped anywhere.

AAA AWARDS SCHOOL SAFETY PATROL LIFESAVING MEDALS

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. WOLF. Mr. Speaker, this month the American Automobile Association is presenting six young people the highest award given to members of school safety patrols throughout the United States, the AAA School Safety Patrol Lifesaving Medal.

The Lifesaving Medal Program was initiated in 1949 by the American Automobile Association to recognize and honor selected school patrol members for their heroic lifesaving contribution to their communities. These awards are presented annually to selected members of the school safety patrol who, while on duty, have saved the lives of persons in imminent danger.

Since its inception, more than 280 boys and girls from 30 states and the District of Columbia have been honored with the lifesaving medal.

An award review board composed of representatives from active national organizations in the fields of education, law enforcement, and safety selects deserving medal recipients from those candidates who have been officially nominated for consideration.

The 1989 recipients of the AAA School Safety Patrol Lifesaving Medal are: Edward R. Curiel, age 10, Rose Park Elementary, Salt Lake City, UT; Christopher B. Garner, age 10, Tremont Elementary, Medford, NY; Jason G. Hincka, age 11, Durant Tuuri Mott Community, Flint, MI; Angelique J. Lausch, age 11, Riverside Elementary, Alexandria, VA; Paul M. Smith, age 10, Homewood Elementary, Lorain, OH, and Ian K. Tope, Age 11, Shawnee Elementary, Xenia, OH.

AHMADI VILLAGE ATTACK

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. YATRON. Mr. Speaker, I would like to bring to the House's attention an attack that took place in Punjab Province in Pakistan July 16 and 17. The attack was on an Ahmadi village and from what I can gather, it was unprovoked and involved Muslim fundamentatlists and may have been condoned by the local government and police. Four people were killed and at least 33 out of about 100 houses were burned. Women and children were taken from the village during the attack and have been prevented from returning. The men of the village were removed and are still being detained without charge. It has also been reported that the village is surrounded by hundreds of police who are preventing anyone from entering the village. The information on this incident is still very sketchy, but this is not the first time members of the Ahmadiyya community have been attacked.

A similar attack took place in mid-April on another Ahmadi village in Punjab Province. This time 15 Ahmadi homes were burned. Again, there were reports that the local authorities did not intervene and may have actually supported the attack. If the Punjab Government is turning a blind eye at best, and endorses these actions at worst, a very grave pattern of abuses is developing.

These are aggressive and cruel acts on a religious minority that has lived far too long under the cloud of prejudice. The Ahmadi sect, one of 70 Muslim sects in Pakistan, was founded in northern India in 1889 by Hazrat Mirza Ghulam Ahmad whom some Ahmadis believe was the last prophet or a reformer of Islam. For this reason, they are abhorred in Pakistan. Ahmadis cannot practice their religion, use Islamic terminology, call themselves Muslims, refer to their faith as Islam, call prayers, preach or propagate their faith by words written, spoken or by using gestures.

Freedom of religious expression is a fundamental human right which should not be denied anyone. The Universal Declaration of Human Rights spells out that everyone has the right to freedom of thought, conscience and religion, either alone or with others and in public or private. Under the declaration a person can manifest their religion or belief in teaching, practice, worship and observance. Ahmadis, however, are charged an unlimited fine and imprisonment of up to 3 years if they express their form of Islam. The bias against Ahmadis is codified in Pakistan's constitution and in their Code of Criminal Procedures. Pakistan's Ahmadiyya community has been singled out for this type of intolerance, where Hindus, Sikhs, and Christians can perform their religious rites without transgressing the law.

There are 10 million Ahmadi Muslims throughout the world who live in 120 different countries of which 3 million live in Pakistan. These people are not violent and have not imposed their beliefs on others. They have not brought this upon themselves. I hope that the Pakistani Government in making its new strides toward democracy would guarantee the right of all its citizens to pursue their religious beliefs.

TRIBUTE TO MICHAEL AND GENEVIEVE MURRAY

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. SAXTON. Mr. Speaker, I rise today to honor two fine members of my community on the occasion of their 50th wedding anniversary. On August 26, 1989 Michael and Genevieve Murray will celebrate a half of a century of loving dedication to each other. The Murray's are the parents of three sons, Damian, Michael, and Terrence. In additioin, the Murray's are the proud grandparents of 11 grandchildren. They currently live in Mystics Shores which is a part of Little Egg Harbor Township and have lived in New Jersey for the last 34 years.

Michael Murray, now retired, worked in the Government Corp of Engineers while Genevieve worked as a secretary. In addition to their dedication to their respective jobs, the Murray's have found time to involve themselves in numerous community and civic organizations. Mr. Murray is a member of the Holy Name Society and the Knights of Columbus. Both Michael and Genevieve are members of the Mystic Shores Homeowner's Association. The Murrays dedication to their community through their years of service in their occupations and their civic activities is in and of itself commendable.

Mr. Speaker, the Murrays demonstrate to all members of the community their commitment to each other as well as their neighborhood. It is for this reason that I ask my colleagues to join with me in recognizing this wonderful milestone in the lives of Mr. and Mrs. Michael Murray.

TRIBUTE TO DONALD LAKE—PRESIDENT OF PETER PAN TOURS

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. NEAL of Massachusetts. Mr. Speaker, I would like to take this opportunity to recognize a long-time figure in the business community of my congressional district, Donald Lake.

As president of Peter Pan Tours, Don has been a leader in the travel and tourism industry both in my hometown of Springfield, MA, and across the country for 27 years. In 1964, the then 2-year-old company, Peter Pan World Travel, decided to branch into the motorcoach tour industry, and thus Peter Pan Tours was established under the capable leadership of Don Lake.

A quarter century later, his vision of developing a topnotch tour company has been fulfilled. One can see Peter Pan buses literally anywhere in the United States and Canada. I would like to point out that it gives me great satisfaction and pride when I see a Peter Pan bus in Washington, which, incidentally, is nearly every time I am here. Don Lake's company has brought the city of Springfield to the Nation.

Mr. Speaker, Don Lake's accomplishments are worthy of mention in and of themselves. I am bringing them to my colleagues' attention today, however, because of his impending retirement after 27 years of service. Over those years, Don has become instrumental to the Peter Pan Co. and to the motorcoach tour industry, and I know that his leadership will be sorely missed. I want to extend my best wishes to him as he prepares to meet the new challenges which his future will hold.

H.R. 3030, CLEAN AIR ACT AMENDMENTS OF 1989

HON. JOHN J. RHODES III

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. RHODES. Mr. Speaker, last week I joined 145 of my colleagues in cosponsoring

bipartisan legislation (H.R. 3030) incorporating the President's proposed amendments to the Clean Air Act.

The so-called Dingell-Lent bill proposes major efforts through imposition of deadlines and violation sanctions to reduce health problems created by urban smog (including a significant alternative fuels programs); as well as forthrightly setting a schedule for an enforcement of reduced hazardous air emissions from stationary sources; and would set in law the President's program to achieve a 10-million-ton reduction in sulfur dioxide emissions by the year 2000, to significantly reduce problems caused by acid rain. Tough new penalties would be set in law to enforce these provisions.

While I generally support this sincere effort to address in a comprehensive manner the significant air quality problems that plague many parts of America and impact on our environment and our citizens at large, I do have some significant reservations which need to be addressed as the bill moves through the legislation process.

First and foremost, as I have insisted since coming to Congress, and as a member of the 92 Group Informal Working Group on Acid Rain, there must be no general nationwide utility fee or ratepayers tax which would subsidize the cleanup in eastern states. It simply is not equitable to force utilities in the west, which have spent hundreds of millions of dollars on new facilities, and retrofit of older facilities and who burn low-sulpher coal, to foot the bill to cleanup of older, dirtier facilities in the east.

The legislation recognizes the use of low NO_x burners to meet the President's tonnage reduction goal. These provisions must be maintained. I certainly reserve the right to support amendments that would amend the cap on emissions contained in title 5, in an effort to provide fairness and credit for companies that have already cleaned up their facilities and have maintained low emissions averages.

Also of concern to me is the apparently unbridled discretion the Administrator of the Environmental Protection Agency [EPA] will have to promulgate regulations which may be onerous to western utilities, and the veto power a governor may use to restrict the use of alternative fuels to meet a statewide emissions goal. Flexibility and market drive solutions must be the focus of effort to attain the goals set in the legislation.

It is with these reservations that I cosponsor this legislation. My hope is the forthcoming deliberations and actions in the House Energy and Commerce Committee will be in concert with these concerns, and that when the Committee work is complete, I will be in a position to continue my support for much needed clean air/acid rain legislation when it comes to the House floor.

THE LIBRARY SERVICES IMPROVEMENT ACT OF 1989

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. GOODLING. Mr. Speaker, at the request of the administration, I am introducing today the Library Services Improvement Act of 1989, a legislative proposal designed to restructure Federal support for our Nation's public libraries. This administrative proposal is similar to legislation that was introduced on the administration's behalf in the last Congress.

The Library Services Improvement Act contains three titles. Titles I would authorize $91 million for "Services for the Disadvantaged" to assist States in providing new or expanded library services to economically disadvantaged and physically disabled individuals. Through a State formula grant, State would support local programs, such as literacy training and English instruction in the local public library; summer reading programs; expansion of library collections in rural areas; and the purchase of special materials and equipment for use by handicapped persons.

Title II would authorize $45 million for "Resource Sharing," providing $30 million to the States, as "seed money" for the development of interstate and intrastate networks or for the expansion of existing resource-sharing networks. Funds may be used for the acquisition and maintenance of computer hardware, software, and communications lines. The remaining $15 million would be earmarked for discretionary grants for the development of networks across State lines, thus providing a nationwide sharing of resources.

Finally, title III, "Research and Assessment," would support field initiated research, evaluation, and policy studies needed to improve and strengthen all types of libraries. To date, such data and accountability has been lacking. Nevertheless, the conduct of research and assessment in the field of library and information science is an important Federal role. Accountability will ensure that the Federal dollars spent on library programs are well targeted and effectively used.

Mr. Speaker, this legislative proposal clearly redefines the Federal role with regard to our Nation's libraries. While there is much in the administration proposal which deserves our close attention and consideration, I feel that a major restructuring of the Federal Government's support of public library programs should await the recommendations of the White House Conference on Libraries, which Congress has authorized and partially funded. Such a national conference of librarians, to be held before September 1991, will provide the basis for congressional policymaking for libraries as our Nation prepares to enter the 21st century. I believe, however, that the administration should be able to go on record with its legislative proposal at this time, and I am pleased to introduce this bill on its behalf.

FLORIDA A&M UNIVERSITY'S "MARCHING 100": AMERICA'S BAND

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. GRAY. Mr. Speaker, I rise today to pay tribute to Florida A&M University's marching band, the "Marching 100," which recently participated in the bicentennial celebration of the French Revolution.

On July 14, 1989, France held The Bastille Day Parade as part of the events commemorating its 200th birthday. The "Marching 100", 1 of 16 bands to perform in the spectacle, was the only group from the United States. The 223-member band was invited to represent our country in the parade by the Government of France because, according to bicentennial celebration Director Jean-Claude Goude:

> FAMU was my choice to represent American culture. They combine extraordinary talent, dance talent as well as music skills. They're fresh, they're very young and they represent American culture to me.

The "Marching 100" treated Parisians and a worldwide television audience to the sounds of the "Godfather of Soul", James Brown, and to orchestrated dances such as the moonwalk, made famous by Michael Jackson.

The honor bestowed upon the FAMU band represents years of growth and is the result of a long tradition of musical excellence and showmanship. Founded in 1892 under the guidance of P.A. Van Weller, the group began as an ensemble of 16 instruments. The band has risen to its current level of notoriety under the 43-year leadership of Dr. William P. Foster, director of bands. It was Foster's vision of ". . . 100 bandsmen; proud, uniformed, marching like drum-majors or a crack drill-team—and playing to the highest musical standards anywhere," that has given the band its name and its commitment to excellence. In 1985, the band received the coveted "Sudler Trophy for Collegiate Marching Bands" from The John Philip Sousa Foundation, the highest award an American band can receive. They have also appeared on more than 30 television programs and have been seen by more than 3 billion people worldwide.

The high standards of the "Marching 100" is deeply embedded in its motto, "highest quality of character, achievement in academics, attainment in leadership, perfection of musicianship, precision in marching and dedication to service." The fact that this musical institution was invited to represent the United States of America is indicative not only of striving for such high standards, but achieving them as well.

Mr. Speaker, I am sure you will join me today in congratulating the Florida A&M University band, Dr. William P. Foster and the band's diligent staff on their performance in The Bastille Day Parade. With such an achievement it is no wonder they have been called the best in America. I am proud to stand today in recognition of this great accomplishment and to wish continued success to

Florida A&M's "Marching 100", America's Band.

TRIBUTE TO DOROTHY MELVILLE

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. HOCHBRUECKNER. Mr. Speaker, I rise today to express my heartfelt sorrow at the passing of a dear friend of many years, Mrs. Dorothy Melville. Mrs. Melville, the widow of philanthropist, Ward Melville, died at her home in Old Field, Long Island, on August 1 at the age of 95.

I would like to take this opportunity to share with my colleagues the lifelong dedication and philanthropy of Mr. and Mrs. Ward Melville. For over half a century, The Museums at Stony Brook and the communities of the Three Villages—Old Field, Setauket and Stony Brook—were beneficiaries of the vision, leadership and support of this extraordinary couple. My wife, Carol Ann, and I have been active with The Museums at Stony Brook. We will greatly miss Mrs. Melville's friendship.

Dorothy and Ward Melville married in 1930, the same year that Ward Melville took over the Melville Shoe Corp. from his father, who founded the company in 1892. As president and chairman of the board from 1930 until his death in 1977, Ward Melville guided the growth of the Melville Corp. to become a major retailing company.

With a deep sense of caring for the community in which they lived, Mr. and Mrs. Ward Melville became involved in supporting a wide variety of organizations and projects in health, education, environmental and historic preservation and the arts. In 1939, Mrs. Melville assisted in incorporating and finding a home for the fledgling Suffolk Museum. In 1942, the museum was chartered by the University of New York Education Department, with Mrs. Melville named as president of the board of trustees. She was elected chairperson of the Suffolk Museum in 1983.

Under Mrs. Melville's leadership and philanthropy, the institution and its collections grew. The museum reflected the Melvilles' interest in preserving Long Island history, art, and the vanished era of the horse-drawn transportation. Mr. Melville's collections of the art and writings of the Stony Brook native and noted genre painter, Wiliam Sidney Mount, and of horse-drawn vehicles, for which he built the Carraige House display facility in 1951, were incorporated into the museum's collections over a period of time, attracting other donations and collections. In time, The Museums at Stony Brook, by which name the museum is now known, achieved professioanl stature with collections of national and international importance.

Since the early 1940's Mrs. Melville also served on the board of trustees of the Stony Brook Community Fund, a trust established and led by her husband, that was responsible for the welfare of the Stony Brook Village Center and numerous historic properties which were acquired and restored by Mr. Melville for the public. Mrs. Melville was elected by the fund's directors to succeed Mr. Melville as president upon his death in 1977. As president of the Frank Melville Jr. Memorial Foundation and president of the Three Village Garden Club, Mrs. Melville was actively involved in community beautification efforts, including the establishment of the mill pond and park in Setauket. She was also an active supporter of the restoration of the historic Caroline Church in Setauket.

In 1972, Mr. and Mrs. Ward Melville were inducted into the Long Island Association's Hall of Fame; in December 1979 she was named "Woman of the Decade" by the Village Times newspaper. In 1982, she was the recipient of the Ward Melville Community award from the Three Village Historical Society, and in 1984, she received the Garden Club of America's Zone III award for historic preservation. In 1986, the New York State Legislature adopted a resolution recognizing Mrs. Melville's many contributions to her community and to the preservation of Long Island's history, and commending her for "unremitting concern for the people of the Empire State."

Mrs. Melville's unselfish concerns and lifelong efforts on behalf of the welfare of the Three Vilages were exemplary. The institutions she nurtured, such as The Museums at Stony Brook, the Stony Brook Village Center, the Caroline Church, and the Frank Melville Pond serve to preserve important segments of Long Island's rich heritage for succeeding generations of its citizens. These institutions, as well as Ward Melville High School in Setauket and the Frank Melville Jr. Memorial Library at the State University of New York at Stony Brook, will serve as living memorials to the Melvilles.

Carol Ann and I were honored to call Mrs. Melville our friend.

CONGRESSIONAL REFORM

HON. JAN MEYERS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mrs. MEYERS of Kansas. Mr. Speaker, I would like to take this opportunity to discuss two of the most serious problems of the committee system in the House, scheduling conflicts and proxy voting. The way committee meetings are scheduled here is arbitrary, capricious, inefficient, and aggravating. It diminishes this House, and defeats the purpose of having committees. Members frequently have to be in two or even three committee meetings at once. We dash from hearing to markup, missing the substance of the testimony and content of the legislation, simply because the House of Representatives will not establish a formal committee schedule. I believe that a rational schedule could be developed that would minimize overlap. In most legislatures, there is a standard schedule. Very active committees meet for an hour every day. Other committees meet only twice a week. The schedule is set up so that a committee knows well in advance when it is to meet.

We should try that in the House. Surely the chairmen and vice chairmen can get together at the beginning of a Congress and put together a schedule that would bring to a minimum these conflicts. Both the Democrats and Republicans have restrictions on how many and what kind of committees members can serve on. Work out a schedule so that committees don't all meet at the same time. An important part of scheduling reform would be time limits for the end of committee meetings, especially hearings. The purpose of hearings is to receive testimony and question the witnesses, not to orate for the benefit of the TV cameras. Fixed times for the completion of hearings would do much to limit this abuse. Maybe it can't be done, but it should be seriously looked at.

Ending scheduling conflicts would also eliminate the prime excuse for the practice of proxy voting. The civics books and Capitol tour guides all say, "the real work of Congress is done in the committees." If this is so, how can this practice be tolerated? We would never accept a proposal to allow the floor leader to vote for absent Members on a floor vote, why are committee votes any different?

Mr. Speaker, this is a quality of life issue as well. Improved committee scheduling would allow Members to organize their own schedules more effectively as well. No longer would we have to cancel appointments with constituents to attend committee meetings set on a day or two's notice. No longer would we have to feel the aggravation of having to be in two places at once. We could all represent the people better, which is after all, what we're here for.

IN HONOR OF HAMBURG, NY, THE BIRTHPLACE OF THE HAMBURGER

HON. BILL PAXON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. PAXON. Mr. Speaker, I rise today to honor the town of Hamburg, NY, as the "Birthplace of the Hamburger."

Each year, the town of Hamburg in Erie County, NY, founded in 1812 and known as "The Town That Friendship Built," celebrates a historic occasion—the invention of the ground-beef sandwich which all of us, across the country and around the world, now recognize as America's famous hamburger.

It was over 100 years ago in 1885 at the Hamburg Fair, present site of the famous Erie County Fair and one of the Nation's largest, that the hamburger was created. Two concessionaires, Frank Menches and his brother Charles, came to the fair to cook their specialty, the pork sausage sandwich.

As the day went on, the Menches brothers unexpectedly ran out of pork sausage. When Frank went to the local butcher, his good friend Andrew Stein; the meat market was out of pork sausage too, and so Frank returned to the fair with chopped beef. Charles pressed the beef into patties while Frank prepared the stove which would cook their historic creation.

The brothers worried that the new sandwich would lack taste, so they tried adding a dash of salt, then some brown sugar, and even a

little coffee. The first customer to taste the delicious new sandwich asked Frank what it was called. In honor of the town of Hamburg, NY, Frank named it the hamburger.

In the days that followed, Frank and Charles offered catsup and sliced onions with their hamburgers, along with wild spearmint leaves to freshen the mouths of hungry fairgoers. Word of the new hamburger spread throughout the town of Hamburg, and later to all parts of the country, to eventually become a famous symbol of our rich American culture.

This year, as in years past, the good people of Hamburg celebrate their namesake, the hamburger, with a 3-day summer festival called Burger Days, featuring the Bun Run Classic—a 5-mile race, the Meat Ball—a street dance with live music, and the Burgers, Buns, and Bed Race down the streets of Hamburg.

I am proud, Mr. Speaker, to join the people of Hamburg and especially all those who work so hard to make this wonderful community event possible, in saluting America's most famous food, the hamburger, and the town after which it was proudly named, Hamburg, NY.

THE 100TH ANNIVERSARY OF PUBLICATION OF THE RIDGEWOOD NEWS

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mrs. ROUKEMA. Mr. Speaker, on September 14, 1989, a Bergen County institution will cross a significant milestone. That day will mark 100 years of distinguished service to northeastern New Jersey by the Ridgewood News and its predecessors.

William Tomkin first published the News in 1889, writing the news articles and the editorials as he commuted to and from his job in New York City. A few years later, the paper was sold for $1 to Leonard Taft, who transformed it into a weekly and gave the News its first home—above a village blacksmith shop. In 1894, Frank Baxter took over the News and operated it until he sold it to the Fishler family. Franklin Fishler, Bennett Fishler, and Bennett Fishler, Jr., provided far-sighted leadership to the paper from 1916 into contemporary time.

Walter Lippmann wrote in 1920 that the newspaper "is in all literalness the bible of democracy, the book out of which a people determines its conduct." If this is the measure of a newspaper, the Ridgewood News has indeed been a successful and critical instrument of Bergen County life. For decades, it has taken upon itself the important and sometimes difficult task of monitoring, studying, and covering the actions of our numerous local governmental bodies—bodies that sometimes escape the scrutiny of the other media. Bergen County is a better place for the vigilance of this journalistic watchdog.

But the Ridgewood News has also provided other valuable services. Through its pages, it has kept its editorial finger on the pulse of all facets of Bergen County life.

Today, the Ridgewood News and its various affiliated newspapers provide valuable biweekly service to the residents of Ridgewood, Allendale, Fair Lawn, Franklin Lakes, Glen Rock, Ho-Ho-Kus, Mahwah, Midland Park, Oakland, Ramsey, Saddle River, Upper Saddle River, Waldwick, and Wyckoff.

I urge my colleagues to join me in commending the Ridgewood News and its people, past and present, as they celebrate the 100th anniversary of their first publication.

A TRIBUTE TO JOYCE WILLIAMS

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. DYMALLY. Mr. Speaker, I ask my colleagues to join me in recognizing Joyce Williams, a constituent in my district who has earned a special tribute by her outstanding civic and educational contributions.

The unusual element of this recognition is that since 1984 Joyce has been a functional quadriplegic who is confined to a wheelchair. She must rely on hospital-bed, hoyer lift, electric recliner, speaker phone and many other medical aids. She is totally dependent on others for feeding, dressing, and other personal care. These handicaps have failed to halt Joyce's remarkable accomplishments.

A resident of Harbor City, Joyce E. Doze-Williams is a single, disabled mother who is in the process of raising two highly gifted children, James and Celeste, ages 12 and 10.

Prior to becoming disabled, Joyce had been an elementary school teacher for Los Angeles Unified School District for approximately 16 years. In October 1984, she was diagnosed as having a very rare neurological disorder Arnold-Chiari Malformation of the Cerebellum and Hydromyelia of the spinal cord, both of which are congenital.

Neighbors, friends and acquaintances attest to Joyce's high intellect, knowledge and wit. A verbal give and take with her can be a very rewarding experience since she is always up-to-date on current affairs in government and school matters, and usually has a positive answer when queried about these matters.

Joyce has simply not allowed her handicap to be a detriment. She is a provider and role model for her two wonderfully disciplined children. James is studying at a university level and Celestes is following closely behind. The academic brilliance of her children is a prime example of her motto: "A mind is a terrible thing to waste."

In Harbor City, many of Joyce's former students are neighbors and often drop in just to visit, talk over problems or get help with homework. Being a good listener, Joyce has always had the ability to help others. She exudes confidence, which can change a person from being a failure into one of confidence who could and would do his best.

Joyce has the same positive attitude about her own life. She never dwells on the "whys" or "what ifs" and "what might have been," but is thankful everyday for the blessings she does possess. A truly remarkable woman.

Born in Lynwood, Joyce attended Washington High School and California State University at Los Angeles, where she received her B.A. degree in Sociology and her M.A. degree and Administrative Credentials in 1973. At California State University at Los Angeles, she joined Delta Sigma Theta and is a life member of the University Alumni Association, holding life elementary credentials as well as administration credentials. In addition, she is a member of United Teachers of Los Angeles, National Education Association, California Teachers Association, and Los Angeles, Music Teachers' Association.

Having been listed in outstanding young women of America in 1972 and Who's Who Among Black Women in California in 1981 and 1982, Joyce was an instructor at President Avenue Elementary School, only taking time out to have her two children. In December 1984 she was forced to take leave because of her illiness. This ailment later forced her into early retirement.

Joyce is very active in the church community, having represented her church, Lewis Metropolitan CME Church on several occasions at conferences and has worked many hours on the board of Christian education in that church. Joyce has received honors from Lewis Church and other organizations for her accomplishments. I am now adding my name to that list. Again, I am very honored to pay this tribute to Joyce Williams.

INTRODUCING THE PANAMA DEMOCRACY AND ECONOMIC RECOVERY ACT

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. GEJDENSON. Mr. Speaker, this is a year in which the peoples of the world have given courageous new meaning to the struggle for democracy and freedom. One image that will be forever etched in our minds is the graphic photo of the brutal attack on Panama's democratic opposition in the aftermath of the May 1989 Panamanian elections. We saw the bloodied figures of the winning Panamanian opposition candidates being beaten by paramilitary battalions of the Noriega regime as members of the Panamanian Defense Forces looked on. What we saw in the faces of the opposition was the strength, courage, and conviction of the Panamanian people to use nonviolent means to bring democracy to their country.

Today, I am introducing the Panama Democracy and Economic Recovery Act that pledges United States support for the people of Panama in their efforts to regain democracy and freedom. It provides economic assistance to Panama when Noriega leaves power and when the country has taken concrete steps to restore democracy. The bill underscores the commitment of the United States to a multilateral initiative against the Noriega regime.

There can be no doubt that our past policy of economic sanctions in Panama has been counterproductive. Noriega is still in power. United States and Panamanian businesses have been seriously damaged. The economy of Panama is in a tailspin. With a decline in GDP of 20 percent in 1988, conditions there

resemble those of our Great Depression. Bank lending, foreign and domestic investment, and economic activity in general have fallen dramatically and are continuing to decline. U.S. economic sanctions have contributed to that decline.

Economic sanctions have hurt the very people we want to help. Rather than emphasize the unsuccessful unilateral economic sanctions of the past, this legislation highlights the importance of a multilateral approach to the economic reconstruction and recovery of Panama that will be needed following a transition to democracy. The people of Panama must know that the United States will be ready to forge a multilateral economic recovery effort. Democracy can only thrive within the context of economic freedom.

The Noriega regime has run the Panamanian economy into the ground. The regime has ignored the maintenance of the physical infrastructure of the country and the Panama Canal. Noriega and his cronies have used the resources of the country for their own personal gain. Their actions have resulted in an upsurge in bankruptcies of both small- and medium-size businesses. They have driven out foreign investment, encouraged the departure of international banks, and created significant unemployment and underemployment.

This bill I am introducing today outlines a strategy for addressing the long-term political and economic concerns of the Panamanian people. It offers a practical set of guidelines for United States policy toward Panama and paves the way for an economic recovery in a post-Noriega Panama. The legislation builds on the conditions for aid that are outlined in current law. However, I have adapted current law to reflect today's political and economic realities. The bill requires the President to certify that: General Noreiga is no longer in power; progress has been made in assuring a separation of the civilian and military functions; freedom of the press, due process of law, and other constitutional guarantees have been restored in Panama; and the Government of Panama has agreed to take steps to prevent drug related money laundering.

The Panamanian people need and deserve the moral and economic support of their friends in the hemisphere. This bill begins to address that need.

TELECOMMUNICATIONS SERVICES FOR HEARING AND SPEECH IMPAIRED INDIVIDUALS

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. GUNDERSON. Mr. Speaker, not a day goes by, perhaps not an hour expires, when the majority of us does not pick up a telephone receiver and recreate the technological miracle that first took place as a result of Alexander Graham Bell's efforts. Technology and America have come a long way since then. Today some 200 million Americans enjoy the freedom and universal access assured under the Communications Act of 1934.

There are, however, Mr. Speaker, some 25 million Americans who do not enjoy the freedom and universal access that you and I have come to exercise at will. These neglected 25 million I speak of are the speech- and hearing-impaired of our country.

In the 100th Congress, the Senate and many of the Members of this House joined together in passing a companion bill Senator MCCAIN and I sponsored, the "Telecommunications Accessibility Enhancement Act of 1988." Signed into law on October 28, 1988, Public Law 100-542 has served to expand our national telecommunications systems by requiring that the Federal Telecommunications system be fully accessible to hearing-impaired and speech-impaired individuals. While this law is important in increasing access to the Federal Government, obstacles still remain.

For instance, Franky Ramont, a young deaf woman working in my office is restricted to communicating only with persons possessing and familiar with a TDD. Persons like Franky cannot directly place a reservation at a restaurant, call a business associate across State or contact a relative trans-America. We have the technology, it simply isn't being used. This must change.

Today I am introducing legislation that would amend the Communications Act of 1934 to ensure communication services are available to our speech- and hearing-impaired Americans. Under this bill, the Federal Communication Commission shall ensure that—no later than 2 years after the enactment date—interstate and intrastate telecommunications relay services are available, so far as possible and in the most efficient manner, to hearing-impaired individuals in the United States.

This legislation is a companion to the Senate legislation introduced by my friend, Senator JOHN MCCAIN and it extends optimum flexibility to the common carrier to provide "telecommunications relay services." In initiating this proposal in the private sector, we will ensure that technology and quality will continue to be improved and enhanced.

Furthermore, this bill compliments the American with Disabilities Act and I am pleased that it has become the whole of title IV in the Senate Labor Committee markup of the ADA. I would look favorably to the same inclusion of this bill in the House version of ADA, but will nonetheless pursue this bill if it is not.

While a number of States already have such a system and still others are moving toward a system, Federal legislation will assure similar standards and access. This legislation also provides for an exemption from MFJ regulations as well as an exemption for carriers who would experience undue burden in setting up such a system. Although I remain concerned about this bills effect upon the small carrier, I am pleased to hear that "mom and pop" operations have not been adversely effected.

Let me move quickly to continue to empower hearing and speech-impaired individuals and provide for them the universal access that has become an integral part of American life.

THE ELEPHANT BUTTE IRRIGATION DISTRICT

HON. JOE SKEEN

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. SKEEN. Mr. Speaker, today I am introducing legislation that will result in cost savings and more efficient management of an irrigation district in southern New Mexico. This will be accomplished by transferring certain rights-of-way from the Bureau of Reclamation to the Elephant Butte Irrigation District.

My legislation provides the Secretary of the Interior with the authority to transfer to the Elephant Butte Irrigation District in New Mexico, without cost to the district, title to easements, ditches, laterals, canals, drains and other rights-of-ways which the United States acquired on behalf of the project. The Secretary's authority extends to those rights-of-ways which are used solely for the purpose of serving the Elephant Butte Irrigation District. The transfer of rights-of-ways that are jointly used by the Elephant Butte Irrigation District and other water districts can only be transferred upon the agreement of all parties involved. Finally, any transfer authorized under this legislation is subject to the condition that the Elephant Butte Irrigation District assumes full responsibility for operating and maintaining the portion of the project to be transferred.

This transfer is made possible by the fact that the Elephant Butte Irrigation Districts has repaid in full to the Federal Government its portion of the Rio Grande project, which established the district. Since 1979, the Bureau of Reclamation has contracted with the Elephant Butte Irrigation District for the district to handle operation and maintenance of various parts of the project. This legislation would now transfer title to the district the areas which it has operated and maintained for 10 years.

This proposed transfer provides many advantages to both the Federal Government and the Elephant Butte Irrigation District. The United States reduces some of its administrative costs and potential management responsibilities as well as potential liabilities. The district gains title and a fuller measure of control of lands in which it has the sole remaining interest.

Specifically, the district will have greater ability to deal with encroachments that have been appearing on the rights-of-ways and easements which serve the project. Delays in processing and issuing permits for various utilities and water companies to cross these easements and rights-of-ways should be eliminated.

The Elephant Butte Irrigation District has done an admirable job in keeping operation and maintenance costs down. By taking full responsibility over functions currently performed by the Bureau, it is anticipated that additional savings can be attained. Over the past 10 years, the costs to the Elephant Butte irrigation for the annual operation and maintenance charges requested by the Bureau have increased 141 percent. This is during a time when the duties and responsibilities of the Bureau have decreased. Again, a consolida-

tion of control and full responsibility of the easements and rights-of-ways should lead to further savings.

This proposal makes good sense and I hope my colleagues will offer their support in passing this legislation.

THE SENSELESS KILLING OF LIEUTENANT COLONEL HIGGINS

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. McGRATH. Mr. Speaker, I rise today to join the citizens of New York's Fifth Congressional District and my colleagues here in the House of Representatives, to express my outrage at the brutal murder of Marine Lt. Col. William R. Higgins on Monday past.

The situation involving Lieutenant Colonel Higgins and the other American hostages in the Middle East is indeed sensitive. Our main problem in the region is indentifying the Islamic factions that are holding the Americans, and to develop serious negotiations with them. However, it is impossible to negotiate with nonsovereign groups who employ terrorism as a means of achieving worldwide recognition. Acknowledging these fanatics before they resolve to relinquish their terrorist behavior would be ill policy for the United States to adhere to.

Any U.S. response and action to terrorist violence will cost us, even if we pick and choose carefully from an expanded series of options. However, I believe that a nonexistent response will prove much more costly in the bloodshed of innocent victims and human life. I urge my colleagues to support the initiatives of President Bush in his most difficult task of the young administration. If we here in the Congress resort to harsh criticism and hindsight, we are playing right into the hands of the media hungry Middle East extremists.

Mr. Speaker, Lieutenant Colonel Higgins did not die in vain. He was proud of his position in Lebanon and his United Nation's mission. Regrettably, he is also proof that no one is immune to the wicked winds of terrorism. Until these winds subside, the United States must remain committed to abrogating terrorist activities worldwide.

REFORM IN COMMUNIST COUNTRIES

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. MARKEY. Mr. Speaker, the first half of 1989 has been witness to unparalleled political, social, and economic reforms in Hungary and Poland. In tandem with the changes that are underway in the Soviet Union under Mikhail Gorbachev, there is newfound hope and optimism that the other repressive Communist regimes which have dominated Eastern Europe for the past 45 years will follow the path of change which leads to openness, democracy, and respect for basic human rights.

We focus much attention on those nations for whose progress we have fought hard and which are now moving ahead. Yet we must also remain vigilant in our commitment to bring about the same advances in nations such as Czechoslovakia which lag far behind. Czechoslovakia has shown a serious decline in respect for human rights since the CSCE Vienna followup meeting last January. Czechoslovakian citizens, buoyed in part by the victories of their neighbors, have grown more vocal in publicly condemning the repressive policies of their government. Independent opposition activists, fighting for human rights since Czechoslovakia assumed participatory state status in the Helsinki agreement in 1975, have recently been joined in their protests by vast numbers of average citizens. They no longer grow silent in the face of intimidation. More and more often the Government has been forced to detain, arrest, and convict those who speak out against repression in order to quiet their voices.

August 21, 1989 will mark the 21st anniversary of the Soviet-led invasion of Czechoslovakia. We must use this occasion to demonstrate our solidarity with the growing numbers of Czechoslovakian activists and to promote the dialog which opposition activists have requested with the Czechoslovak Government. We must reinforce our commitment to the Helsinki accords by showing that amidst the dramatic improvements in some countries, we have not lost sight of those governments which maintain only a facade of compliance.

COMMEMORATING THE BICENTENNIAL OF NORTH BEND, OH

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. THOMAS A. LUKEN. Mr. Speaker, today I rise to recognize the bicentennial of the village of North Bend, OH. North Bend was founded by Judge John Cleves Symmes on February 2, 1789. Judge Symmes led the first pioneers down the mighty Ohio River to this area on flatboats, and named the area "North Bend" because of the big bend toward the north in the river.

Two of North Bend's most famous residents were Presidents William Henry Harrison and his grandson, Benjamin Harrison. Benjamin was born at North Bend in his grandfather's home, and William Henry Harrison is now buried in North Bend.

The village of North Bend has banded together to commemorate its bicentennial with a celebration on August 4, 1989. Over the weekend, 10 exhibitions have been planned, each of which will demonstrate the changes that have taken place in North Bend over the past 200 years. Visitors will be able to enjoy a wide-ranging view of life in this community, ranging from Indian teepees to a special preview of the year 2000.

Although the village of North Bend consists of only 564 people, each of them recognizes the value of coming together to celebrate a common history. North Bend is a unique example of a small community dedicated to preserving and honoring a special heritage that has endured for the past 200 years, and hopefully will exist for many hundreds of years into the future. I am pleased to be able to salute their efforts today, and to honor this important time in their history.

STUDENT DEMONSTRATIONS IN CHINA

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. HOCHBRUECKNER. Mr. Speaker, Mr. Philip Goldstein, an outstanding citizen of my district, suggested that a Congressional Medal of Honor be awarded to a student demonstrator in Beijing, China. After researching his worthwhile idea, I have learned that the Congressional Medal of Honor cannot be given to foreign students. in the same spirit, I offer a short statement concerning the importance of the protests.

The recent student demonstrations in Beijing, China, have revealed the extent to which the Chinese people are monitored and controlled by their government. However, the events in Tiananmen Square prove that the desire for personal liberty is too strong to be completely repressed.

The television camera served to bring countless images back from the demonstrations in Beijing. I watched as the Chinese students made tremendous sacrifices for what they believed. Although I saw many images on the television one particular episode made an unforgettable impression, which inspired Mr. Goldstein's suggestion. A young man stood in front of a slow moving column of tanks and raised his hand signalling for the caravan to halt. In fact, the tanks nearly killed the student as they came to a stop right before the brave protestor.

This dramatic incident took place near the Beijing Hotel, home to foreign correspondents, insuring that the eyes of the world would be open. The results serves as a poignant reminder that freedom must be fought for and cherished. Many of the students and citizens who demonstrated are now dead; some died during the protest and others were later rounded up and executed. The protest reaffirmed the notion that one person can make a difference, in particular, the young man who stood up in front of the tank.

I support President Bush's actions toward China. In addition, I support providing all Chinese citizens in the United States the opportunity to extend their visas and stay in this country if necessary. Mr. Speaker, Philip Goldstein has recognized, as we must, that the young man who bravely blocked the tank was a signal that United States must heed in order to remain a beacon of freedom and democracy.

COLUMBUS SCHOOL FOR GIRLS AND PRAIRIE LINCOLN ELEMENTARY SCHOOL PARTICIPATE IN THE NEED PROJECT

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. WYLIE. Mr. Speaker, it is my pleasure to recognize the Columbus School for Girls [CSG] and Prairie Lincoln Elementary School's participation in the National Energy Education Development [NEED] project. The Columbus School for Girls won the State of Ohio's junior level competition for NEED projects and Prairie Lincoln won the State's elementary level award.

NEED was first established in March 1980 by a joint congressional resolution with a 10-year goal to establish a national energy education networking organization. Presently 38 States have NEED committees and operate through approximately 140 regional committees to bring programs and services to a total school membership of 4,000.

The Columbus School for Girls and Prairie Lincoln Elementary School have become active participants in the NEED project. CSG undertook a variety of activities designed to promote energy education. Among these were: an energy scavenger hunt; energy carnival and a play titled "The Energy Mystery Files." The school's science club initiated a schoolwide recycling program and over 14,000 aluminum cans were collected which were donated to the Columbus Zoo.

At Prairie Lincoln Elementary School students decided the best way to accomplish their goal was to become energy educators. They developed a different energy lesson for each grade level. The lessons ranged from acid rain, recycling and various energy sources. A play about solar energy was created and fifth-graders played "Wheel of Energy."

At both schools students and faculty increased their knowledge of energy and its importance to our planet's future while furthering the goals of the NEED project. I want to commend all the students and teachers who participated in these activities for their parts in furthering energy education in our country.

THE 25TH ANNIVERSARY OF FERNWOOD

HON. FREDERICK S. UPTON

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. UPTON. Mr. Speaker, today, I rise in celebration of the 25th anniversary of the Fernwood Nature Center and Botanic Garden in Niles, MI. Coinciding with this silver anniversary event is the equally momentous grand opening of Mary Plym Visitors Center.

Fernwood is a special place where people can go to learn about their environment. It is a sanctuary on the banks of the St. Joseph River where families and individuals can discover and explore the secret beauties of our environs. One can stroll the winding pathways past nearby springs and ponds or attend special events and informational programs.

The completion of a new visitors center and educational facility on the 25th anniversary of the founding of this nature preserve gives cause for quite a celebration. These improvements will nurture the preservation and knowledge of the environment in southwestern Michigan for years to come.

The achievements of Fernwood Nature Center under its capable management is even more remarkable when one considers that Fernwood is supported almost entirely by private donations and patrons. The contributions of Fernwood to our environment, as well as the example it sets for similar voluntary organizations, should not go unnoticed by the Congress or the people of the United States.

NEUROSCIENCE CENTER IN DOD AUTHORIZATION—FISCAL YEAR 1990

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. DICKINSON. Mr. Speaker, during last week's consideration of the Defense authorization bill for fiscal year 1990 (H.R. 2461), an en bloc amendment was approved which contained numerous noncontroversial amendments.

Due to the fact that only 1 hour of total debate time was allowed for all amendments within the en bloc, an explanation of each amendment was impossible.

In order to lay out the legislative intent and an understanding of one amendment, in particular, the Fascell amendment, for a research and training facility for head, neck, and spinal cord injuries, I offer this explanation.

The Fascell amendment earmarks $18 million for a collaborative research and training facility for military medical personnel for head, neck, and spinal cord injuries. The financial contribution of the Federal Government to this collaborative center will not exceed 33 percent of the total cost of the project.

The Department of Defense expressed reservations about the amendment, because it earmarks funds from previously approved projects and did not incorporate recommendations from the Secretary of Defense. Another contributing factor to their reservation was the lack of language which specifies that this contract would be a fully competed bid.

Mr. FASCELL and I discussed these concerns, but in all the confusion on the floor, were unable to engage in an explanatory colloquy. We discussed the purpose of the center and the need for more research and training in the area of neuroscience, and we agreed that the contract or grant would be a fully competitive bid in terms of the site and the institution.

HONORING THE CALVIN COOLIDGE COMMEMORATIVE SOCIETY DISTINGUISHED CITIZEN AWARD RECIPIENT, ROBERT DEAN STETHEM

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. CONTE. Mr. Speaker, I rise today to pay tribute to Robert Stethem, a young man whose bravery, selflessness and determination deserve the respect and recognition of all of us. Every year the Calvin Coolidge Commemorative Society presents its Distinguished Citizen Award to "a distinguished American who most exemplifies and demonstrates the unselfish service and humanitarian principles upon which this Nation was founded." This year, the society has chosen to posthumously honor Robert Stethem.

I can think of no other person more appropriate to receive this award than Mr. Stethem. The 23-year-old Navy diver from Waldorf, MD bravely died at the hands of Shi'ite Moslem hijackers aboard TWA flight 847 out of Athens in 1985. His heroism and dedication to his country and his fellow travelers in those last perilous hours are an inspiration to us all and exemplifies the spirit of the award with which he is to be honored.

Robert Stethem graduated from the Thomas Stone High School in 1980, where he played defensive back on the football team and was active in student government. He is remembered by his classmates and teachers as a bright, open-minded and polite student. Six months after graduating, eager to serve his country, he enlisted in the U.S. Navy. He trained for several years and then joined an underwater construction team in Norfolk, VA. At the time of his death, he was a Navy steelworker 2d class and was rated as a diver.

The sixth annual Calvin Coolidge celebration is scheduled to begin on August 6. Richard and Patricia Stethem, Robert's parents, will accept the award during a dinner, the final event of the weeklong celebration, on August 12. The guest speaker at the dinner will be H. Lawrence Garrett III, the Secretary of the Navy.

Mr. Speaker, Robert Dean Stethem is a hero in the highest tradition, and his memory, his courage and his heroism, will stay with us through the ages. I join my friends at the Calvin Coolidge Society in saluting him as he is posthumously awarded the Distinguished Citizen Award.

TRIBUTE TO THE CALIFORNIA HIGHWAY PATROL

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. MATSUI. Mr. Speaker, it gives me great pleasure to rise today to recognize the leadership and dedication of the California Highway Patrol. On the occasion of the 60th anniversa-

ry of the CHP, I feel it is appropriate to commend those who have contributed to the growth and strength of this organization.

In 1929, legislation went into effect revolutionizing and reorganizing the traffic system by eliminating all the old county squads and putting all the men into a new organization to be known as the California Highway Patrol. Over the last 60 years, the CHP has made some significant, positive changes in their equipment, uniforms, training schools, and car specifications; and with these changes, it has managed to mature and grow professionally.

The dedication of the CHP is exemplified through the many accomplishments they have made in the community and throughout the State. The list of accomplishments that the patrol has achieved are endless, but I would be remiss if I did not highlight a few. [MISTER], the Management Information System of Terminal Evaluation Records, a computerized data base designed to monitor the overall safety performance of motor carriers; the reduction of accidents through the use of radar; the "Batmobile," a mobile blood alcohol testing van; and the growth of the Highway Patrol's Air Operations.

Mr. Speaker, it is a distinct honor to offer my commendations to all those who have dedicated themselves to the safety of the people in our community and the entire State. I salute them for a job well done and I ask that my colleagues join me in offering the California Highway Patrol congratulations on 60 years of outstanding service and best wishes in all of its future endeavors.

INTRODUCING THE WORLD UNIVERSITY GAMES COMMEMORATIVE COIN AND MEDAL ACTS

HON. JOHN J. LaFALCE, M.C.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. LAFALCE. Mr. Speaker, today I am introducing legislation authorizing the Treasury to strike a coin or medal to commemorate the World University games, which will be held in Buffalo in July of 1993. The World University games are second in importance only to the Olympics in international amateur athletic competition, and are expected to draw the participation of 121 nations and over 7,000 athletes. This will be the first time that the games will be held in the United States.

Legislation to strike a coin or medal is important not only to commemorate this historic event, but also to raise money to support this kind of international amateur athletic competition. The proceeds from the coin or medal will go to support local or community amateur athletic programs, to erect facilities for the use of amateur athletes, and to underwrite the cost of sponsoring the World University games.

A CENTURY OF EXCELLENCE

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. KOLTER. Mr. Speaker, I rise today to pay tribute to Slippery Rock University which is celebrating a Century of Excellence.

One hundred years ago, a small group of citizens in Centerville, PA, formed the Slippery Rock State Normal School Association with the expressed intent of raising funds to build a school of higher education for the youth of the region. They acquired land, erected buildings, appointed an administrator, approved a faculty and laid a foundation upon which the future development of the school would proceed. In March 1989, the doors of Slippery Rock Normal School were opened to 168 young men and women seeking an education.

To quote Slippery Rock University President Robert N. Aebersold:

From this well laid foundation the future of the school would proceed, bringing unparalleled changes and opportunities to thousands. In their wildest dreams, the founders could not have imagined that they would begin a tradition of excellence that would become known throughout the country and cherished in the hearts of thirty thousand alumni. What has not changed is the premise on which the university was founded and still stands * * * to furnish the means of acquiring knowledge. The university exists to generate ideas, to create new horizons and to apply our knowledge and insights to enhance the human spirit and improve the human condition.

March 29, 1989, officially marked the opening of Slippery Rock University's centennial year and the launching of a second century of excellence. That a university of this caliber exists within the Fourth Congressional District is a real source of pride to me and I very enthusiastically request that my colleagues join with me in extending to the Slippery Rock University faculty, students, alumni and towns people of Slippery Rock, PA, our congratulations and sincere best wishes for an outstanding second century.

RELIGIOUS LEADERSHIP AND DRUG ABUSE RECOGNITION WEEKEND

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. RANGEL. Mr. Speaker, the National Household Survey, released this week by the National Institute on Drug Abuse, indicates that 72.4 million Americans, aged 12 and above have tried an illicit drug. The overall level of drug use continues at an alarming rate. Moreover, we hear of growing numbers of infants, suffering the effects of drugs used by their mother during her pregnancy. Every possible avenue must be employed to reach every man, woman, and child with the message that drug use is—plain and simple—dangerous.

For that reason I am intoducing the following resolution. It designates October 20 through October 22, 1989, as "Religious Leadership and Drug Abuse Recognition Weekend."

We need the active involvement of all segments of the community in our antidrug efforts. The participation of the religious community, as the moral backbone of society, is especially critical. Therefore, we are asking the President to call on religious leaders and their congregations to observe the weekend of October 20 through 22 by engaging in discussions and activities directed at increasing awareness of the dangers of abuse and preventing drug abusing behavior.

In introducing this resolution I have been joined by select committee members ORTIZ, FAUNTROY, GUARINI, SCHEUER, TOWNS, COLLINS, SHAYS, and PAXON. I would urge you to join us as cosponsors. We would welcome your support.

THE HUNTER PROTECTION ACT OF 1989

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. MARLENEE. Mr. Speaker, today 47 of my colleagues are joining with me in introducing the Hunter Protection Act of 1989 to prevent antihunting activists from disrupting lawful hunts on Federal lands.

America's cherished system of hunting, long admired by people throughout the world, is being seriously threatened by the tactics of a small, but well-organized group of increasingly militant antihunting activities.

From sabotaging desert bighorn sheep hunts on Federal lands in California to unrelenting efforts to disrupt deer hunting on Federal wildlife refuges in New Jersey, the antihunting activists have continued their assaults on the American tradition of hunting.

Because of the dramatic increase in the numbers and nature of these well orchestrated attacks against hunters, 34 States have enacted laws outlawing deliberate acts that disrupt lawful hunts.

Unfortunately, much more remains to be done to reverse these alarming trends. The Federal Government, which owns more than one-third of the land in the United States, needs to protect hunters on Federal lands from the harassment of antihunting saboteurs.

As a result, I am today introducing the Hunter Protection Act of 1989, which is modeled after the best features of similar laws in more than 34 States. This legislation will make it illegal to interfere with lawful hunts and harass hunters pursuing their sport on Federal lands.

The 18 million licensed hunters in the United States have been the major financial supporters of wildlife conservation. Over the last 50 years hunters have contributed over $2.5 billion toward wildlife conservation through excise taxes, duck stamps, and license fees. This legislation will continue this tradition by contributing all moneys collected as fines to the North America Waterfowl Man-

agement Plan and the Pittman-Robertson Act. Both these programs acquire lands to protect wildlife habitat.

If you are interested in stemming the tide of harassment tactics against hunters on Federal lands, I encourage you to cosponsor the Hunter Protection Act.

BRIAN MONAHAN: THE EMBODIMENT OF AMERICAN IDEALS

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. DONNELLY. Mr. Speaker, I rise today to pay a special tribute to an individual from Massachusetts that I believe deserves special recognition. I had the opportunity to meet and speak with Brian Monahan from Waltham, who is a page in the U.S. Senate.

Brian, only 15, greatly impressed me with his historical knowledge of Massachusetts and of the complete legislative process which usually takes years to understand. He is an excellent role model for other youngsters that might have a notion to serve the public.

Brian is a special young man, who had to push one obstacle out of his way, and he has successfully done so. Brian was born with a congenital defect in his left leg which has affected his ability to walk.

Upon his arrival to Washington, the local newspaper in Waltham profiled Brian and described him as an "avid student of history who can discuss Soviet leader Mikhail Gorbachev's policies as easy as he described Charlemagne's efforts to reform and unify the Holy Roman Empire."

Brian should be saluted for his efforts and determination. I believe his desire to serve the public some day as an elected official will be fulfilled. We definitely have not seen the last of Brian Monahan here in Washington.

TRIBUTE TO KRISTIN HUXHOLD, AMERICA'S OUTSTANDING YOUNG WOMAN OF 1989

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. BUECHNER. Mr. Speaker, I rise today to recognize a young woman who has achieved an honor which only a select few have accomplished. Miss Kristin Huxhold of Kirkwood, MO, was recently named America's Outstanding Young Woman of the Year in the competition formerly called America's Junior Miss. The idea of the competition is to select the one young lady who best encompasses all the finest traits of America's youth. To be named America's Outstanding Young Woman goes beyond the mere recognition of excellence; it is to achieve the standard by which excellence can and will be judged. In this Kristin was certainly deserving.

In her 4 years at Kirkwood High, Kristin compiled quite an impressive record. In addition to consistently being on the school's honor roll, she was a member of the National Honor Society, the pom-pom squad, and sang a cappella in the school choir. Kristin also played the lead in Kirkwood High's stellar production of West Side Story.

This coming fall, Kristin will be attending the University of Illinois on the partial scholarship of $30,000 she received from winning the Young Woman of the Year contest. During her study at Illinois, Kristin plans to pursue her ultimate dream—to become a professional vocal performer. In light of her past achievements, I am certain that she will prove successful in this and all future endeavors.

Aside from Kristin's personal achievements, I think that it is most fitting to examine what she truly symbolizes—the vitality, spirit, and hope of our country's younger generations. In a world filled with hatred, fear, and insecurity, it is refreshing to watch our youth—the future of this Nation—asserting the determination and leadership that will guide this country on the path to peace and prosperity into the 21st century. So Mr. Speaker, I ask this assembly to join me in saluting Kristin, who epitomizes the excellence that is American youth.

THE FISH AND FISH PRODUCTS SAFETY ACT OF 1989

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. DINGELL. Mr. Speaker, today, together with my colleague, Congressman HENRY WAXMAN, I am introducing the Fish and Fish Products Safety Act of 1989, a bill to strengthen and increase the current authority of the Food and Drug Administration to inspect fish and fish products to ensure their wholesomeness and to protect the public from chemical and microbial contamination, toxins and parasites.

This bill responds to public concern over the perceived safety of fish and shellfish and to industry's needs for fair regulation which will protect their markets.

At a time when Americans look increasingly to fish in preference to meat and poultry, we need to know that the safety and quality of fish and fish products is ensured. This legislation will mean that fish and shellfish harvested from contaminated waters cannot be sold, and that once harvested, fish are handled in a sanitary fashion. U.S. producers will know that imported fish and fish products are inspected for safety and quality, and that their own products, produced in compliance with the provisions of this bill, will be increasingly acceptable to local and overseas consumers.

The FDA has always had authority over food safety in general, and over fish inspection in particular. The agency has recognized its increased responsibilities in this regard, and the Congress has increased the FDA appropriations for fiscal year 1990 by almost $13 million.

The Fish and Fish Products Safety Act provides the FDA with the authority and guidance the agency will need to implement an effective and efficient fish and fish products inspection program. The agency has a good working relationship with the National Marine Fisheries Service in this area, and I intend to work with my colleagues on the Committee on Merchant Marine and Fisheries to ensure that this continues.

This is an important piece of legislation, and it will be a top priority for the Committee on Energy and Commerce. I look to my colleagues to join with me in support of this bill.

FISH AND FISH PRODUCTS SAFETY ACT

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. WAXMAN. Mr. Speaker, I am pleased to join with the distinguished chairman of the Energy and Commerce Committee, Mr. DINGELL, in introducing H.R. 3155, the Fish and Fish Products Safety Act of 1989. When implemented, this important legislation will provide much needed assurances to the American public that fish and fish products are safe to eat.

The bill requires the Food and Drug Administration [FDA] to establish standards for the regulation of chemical and microbiological contaminants, parasites and toxins which may occur in fish and fish products. These new standards will be set to assure that these potentially hazardous contaminants, parasites and toxins do not occur at levels which make fish and fish products unsafe to consume. The FDA also will set standards for sanitation and quality control for the processing of fish and fish products, and establish an official mark that would signify that the fish and fish products have been processed in accordance with government standards. To determine whether these standards are being met, the FDA will implement a regular monitoring program which will monitor fish and fish products at all stages of harvesting and processing.

In addition, the bill creates a registration and inspection program in the FDA for all processing facilities and importers of fish and fish products. Last, the bill would require all imported fish and fish products to be labeled with the country from which they are imported.

Mr. Speaker, the American public is not satisfied with our current level of enforcement regarding fish safety. There is good reason for their lack of confidence.

While FDA is currently responsible for regulating fish and fish products, including seizing adulterated fish and fish products when they are not safe to eat, and while FDA is currently charged with implementing a voluntary fish inspection program, FDA simply is not doing enough. Current law does not give FDA sufficient authority to guarantee that fish are safe to consume. This bill will restore consumer confidence by giving FDA a mandate and the regulatory muscle to back it up.

Other bills have been introduced to establish mandatory fish inspection programs in other agencies of government. There is no question that the FDA is the proper agency to carry out such a progrm.

The FDA currently is responsible for the safety of all food consumed in the United States with the exception of the meat and

poultry inspection program administered by the Department of Agriculture. But even in the case of meat and poultry, the FDA plays a vital role. The FDA approves all animal drugs for use in animals and in animal feed and determines the residue levels of those animal drugs which may remain in edible animal tissue.

FDA has these important responsibilities for the safety of our food because they involve difficult and complex scientific questions. No other agency of government, including the USDA, has the capability to establish science based standards for fish.

Mr. Speaker, by some accounts including those of the National Fisheries Institute, as many as 15 percent of American consumers have stopped buying fish because of concerns over potential health effects. This bill, by establishing safety standards for contaminants and a rigorous and comprehensive inspection system, will restore the confidence of American consumers by assuring the safety of fish and fish products.

I urge all members to join us in cosponsoring this important legislation.

A CAPITOL RECYCLING PROGRAM

HON. JAMES A. HAYES

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. HAYES of Louisiana. Mr. Speaker, I am pleased today to present House Concurrent Resolution 188, to require the Architect of the Capitol to conduct a study, including a pilot program, for recycling materials disposed of in the Capitol.

Our Nation is currently faced with a critical solid waste disposal problem. For years, the United States had ample space to landfill nearly all its waste. But in the very near future, more than one-third of our landfills will have reached capacity, and others will close because of the severe environmental damage they pose. More efficient, environmentally sound options—like recycling—must be pursued.

Both the Environmental Protection Agency [EPA] and the Office of Technology Assessment [OTA] have established a solid waste hierarchy which includes recycling. Recycling is a positive and constructive answer to the solid waste dilemma. Recycling simultaneously improves utilization of existing resources while decreasing the demand for new materials. And it is environmentally sound.

There are currently a number of bills pending in Congress to reauthorize RCRA. Various solutions include increased reliance on recycling. But before Congress can credibly mandate waste separation and recycling, Congress itself needs to experiment with recycling mechanisms. Experience gained will give Members of Congress the knowledge needed to mandate comprehensive solutions to solid waste disposal problems.

It is time for the Capitol to be a leader for putting into practice what it has been endorsing. In addition to serving as an example for our constituencies to follow, the pilot project required under House Concurrent Resolution 188 could be a useful demonstration for other segments of the Federal Government.

In examining the solid waste situation, it is important to realize that blanket bans of specific packaging materials, which have been proposed in the Senate, can be counterproductive to solving solid waste management needs. When one material is prohibited, it is replaced with other materials that bring environmental and disposal problems of their own.

Recycling is a positive alternative. Communities of all sizes across the country are utilizing recycling with great success. With this resolution, my objective is to include participation of at least one of the House office buildings and one of the Senate office buildings in the demonstration project. Recycling can and will work, and it is time for Congress to take the lead in making it work. House Concurrent Resolution 188 takes the preliminary step toward making recycling a way of life on Capitol Hill. I urge my colleagues to support this important initiative.

MENTAL ILLNESS AWARENESS WEEK

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. WYDEN. Mr. Speaker, on behalf of over 230 of my colleagues and myself, I introduced House Joint Resolution 164, to authorize the President to designate the week of October 1–7, 1989, "Mental Illness Awareness Week."

The purpose of this joint resolution is to focus public attention on concerns surrounding, and the advances made in, the treatment of mental illness. A "Mental Illness Awareness Week" resolution has been introduced, passed, and proclaimed for the past 7 years. Its purpose has been and is to educate the public that no one needs to live with the problems such as debilitating anxiety, panic, phobias, depression, or schizophrenia.

In any 6 months period, 30 million adults and 2 to 10 million children suffer from mental disorders. This includes 1.5 million Americans suffering with schizophrenia, and 9 to 16 million diagnosed with manic-depression, depression, or other depressive disorders. Nearly one-fourth of the elderly who are diagnosed as "senile" actually suffer from a curable mental illness. Additionally, nearly two-thirds of the AIDS patients in the United States will show symptoms of dementia before they die.

Mental illness is an increasingly curable disease. The Institute of Medicine of the National Academy of Sciences states that the personal and social costs of mental illness, alcoholism, and substance abuse disorders are comparable to those of heart disease or cancer. Appropriate treatment of mental illness has been demonstrated to be cost-effective in terms of restored productivity, reduced utilization of health services, and lessened social dependence.

Recovery from mental illness is a reality. Nine of 10 patients suffering from major depression or anxiety can recover; 7 of 10 suffering from manic depression can return to normal lives; 5 of 10 with schizophrenia can improve and 1 in 4 can recover. Much of the progress in treatment can be attributed to major advances in clinical research in psychiatry. Research projects supported by the Alcohol, Drug Abuse and Mental Health Administration have made great strides in numerous areas.

The inspiration for "Mental Illness Awareness Week" comes from such groups as the American Psychiatric Association and the National Alliance for the Mentally Ill. The APA members conduct research and provide treatment necessary for those suffering from mental illnesses. The alliance, which was formed in 1979 for families with a mentally-ill member, supports education, advocacy, and research in the mental health field.

Few diseases have the potential which mental illness does to disrupt the lives of both its sufferers and their family and friends. And no other disease carries such a stigma. This nationwide effort was implemented to draw attention to the burden felt by the family and friends of those suffering from mental illness. Only through an increased understanding of the causes and the treatment programs available for this disease will the fear and ignorance surrounding mental illness be done away with.

"Mental Illness Awareness Week" provides us with the dual opportunity to reach out and help fellow Americans increase their understanding of this disease and help those afflicted with mental illness seek timely and appropriate care. Mental illness is worthy of our attention. I thank my colleagues for their support of this important resolution.

THE DISASTER ASSISTANCE ACT OF 1989

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. SCHUETTE. Mr. Speaker, I rise to say a few words about the disaster assistance bill. The House today agreed to a compromise version worked out between the House and Senate Agriculture Committees. This very important legislation comes none too soon. Too often during the 1980's Michigan's farmers have been hit with natural disaster. In 1986 it was flood, in 1988 it was drought, and now again in 1989 it's flood and related conditions from the excessive moisture that hit much of the State in early summer. Potato and cherry producers in some areas of Michigan have been especially hard hit by the heavy rains, and this bill offers assistance to those farmers.

It is not too much to ask that the Federal Government step in and give some assistance when producers are faced with devastating financial loss due to no fault of their own. I certainly support the 1989 disaster bill.

I am very pleased that the Senate Agriculture Committee agreed to accept the disaster bill passed by the House. I only hope that the Senate will act quickly now in order to have a bill ready for the President's signature before the congressional August recess.

The disaster assistance bill as written by the House and agreed to by the two Agriculture Committees will provide assistance to producers who suffer heavy yield losses as a result of damaging weather or related conditions. Both program and nonprogram crops are covered.

Producers of program crops who participate in the program and who have Federal crop insurance who suffer losses of 35 percent will be eligible for payments based on 65 percent of the target price for the crop. Program participants who do not have crop insurance will be eligible for payments equal to 65 percent of the target price for losses above 40 percent. Soybean and sunflower producers with losses over 45 percent will be eligible for disaster payments equal to 65 percent of the average market price during the previous 5 years.

Producers of nonprogram crops who suffer losses of at least 50 percent will be eligible for payments equal to 65 percent of the average market price during the previous 5 years for that commodity. Producers of program crops who do not participate in the program will be eligible for losses over 50 percent with a payment rate of 65 percent of loan. There are also provisions for loss of orchard trees and Christmas trees due to freeze.

Just as in the 1988 Disaster Act, producers who receive disaster assistance payments for losses over 65 percent will be required to buy Federal crop insurance for 1990, if available in their county. No producers may receive more than $50,000 in disaster payments for crop loss, and no more than $90,000 in crop loss and emergency livestock assistance payments.

ROBERT J. SMITH HONORED

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. GUARINI. Mr. Speaker, on September 19, 1989, the United Way of Hudson County will hold a luncheon honoring Mr. Robert J. Smith for his 36 years of outstanding volunteer service.

Throughout his career with the Joseph T. Ryerson Steel Co., Bob has been a devoted community leader. Through his association with Ryerson Steel, the United Way, the Boys Club, the Woodbridge Township Council, and the Woodbridge Board of Education, Bob has worked tirelessly to help his neighbors, improve his community, and give less fortunate people a chance to succeed.

In 1972, Bob played a major role in uniting nine Hudson County communities into a single organization, the United Way of Hudson County.

As the organization grew, Bob developed plans for the facilities that house the United Way today. He was also instrumental in raising hundreds of thousands of dollars for the United Way, the Boys Club, and many other local community groups.

Bob dedicated himself to improving community services. He gave great support to the Red Cross Chapters of Hudson County and Bayonne, N.J. He also helped the Retired Senior Volunteer Program train hundreds of men and women who volunteered thousands of hours to community agencies, hospitals, and libraries.

One of Bob's most important contributions to Hudson County's United Way was his continued effort to expand its membership. With his assistance, North Hudson Community Action, the Urban League, Franciscan Aids Initiative to Help, and the Alzheimers Adult Day Care Program of the Jewish Home and Rehabilitation Center all joined under the United Way umbrella.

Bob was born and raised in Jersey City. He attended Sacred Heart Grammar School and Henry Snyder High School. He then studied at St. Peter's College and Seton Hall University. Bob served in the U.S. Army Infantry in the South Pacific from 1943–46.

Bob was married in 1949 to Theresa Donohue. He and his wife have 7 children and 15 grandchildren.

Some of the many community leaders who serve with Bob Smith include:

COMMUNITY LEADERS

President, Charles Hawkins, Sec./Treas. Ret. Colgate Union; Vice Presidents, Robert Burstein, Handler & Burstein; Archie Douglas, Deputy Director MOTBY; James Feely, President of Provident Savings Bank; Janet Haynes, Director of Central Service for Hudson County; Norman LaGueux, Director of Hudson Resident Service, NJ Bell; Gloria Esposito, President, Commerce Helpmates Emp. Agency; David Leff, President, Mechanics Finance Co.; Frank Nilan, President, First Savings & Loan Co. of Bayonne; William Thornton, President, Thornwall Realty; Treasurer—LeRoy J. Lenahan, VP, P.J. McGlynn Insurance Co.; Secretary—Mary Stewart, Dean of Students, Ferris High School; Board Members—Walter Adams, Director of Public Safety, City of Jersey City; Hon. Frances Antonin, Municipal Court Judge, City of Jersey City; Dr. David Barus, VP University Relations, Stevens Institute; Kenneth Blane, Attorney, Blane & Frank; William Bogardis, VP, Joseph Cory Warehouse; Richard Brueckner, Managing Director, Pershing; Dr. Paul Cavalli, CEO, Meadowlands Hospital Medical Center; Lisa Cerbone, President, Bayonne Teachers Assn.; Ron Chanda, SVP, National Westminster Bank; Kathrine Cochrane, Plant Manager, Exxon USA; Rick Cohen, Director, Housing & Economic Development, Jersey City; Joseph Cooney, Love, Wanser & Cooney; Cal Darden, District Manager, UPS; John Dashner, VP, Bankers Trust; Edward Davin, III, EVP, Trust Co. of New Jersey; Arthur Davis, Architect; Dr. Jerome Dolan, Physician; Anthony Garguillo, President, Louis Gargiulo Co., Inc.; Rev. Edward Glynn, President, St. Peter's College; Eugene Golia, VP Pension Operations, Equitable Financial Services; Dr. Carol Grasz, Principal, Washington School; Cynthia Harrison, WWOR-TV; Sanford Harwood, President, Square Industries; Louis Hendi, NJ Bell; Bernard Herman, President, Star Video Entertainment; Christopher Hoppin, VP & Dir. of Corp. Relations & Advertising, ITT; Richard Kelly, VP & Gen. Mgr., PATH; Joseph Krajnick, President, Uniformed Firefighters Local 1066; William Lee, Exxon USA; Phyllis Levine, Treasurer of the Jewish Community Council; Lawrence Lewis, Consultant; Xavier Lividini, General Manager, Meadowlands Hilton; Robert Lyons, Director, Lincoln Tunnel, Port Authority NY NJ; Arnold McKinnon, VP, Jersey City Cable TV; Joseph McLaughlin, President, Local 827 IBEW; Michael Macik, VP, Kmart Apparel; Edward Mallaney, President, Statewide Savings & Loan Assn; Peter Mangin, Attorney; Reynaldo Massa, Executive Board Member, CWA; John Mittermaier, General Mgr., NJ International Bulk Mail Ctr.; Peter Murphy, EVP, Midlantic National Bank North; Joan Quigley, VP of Corporate Affairs, St. Francis Hospital; F. Jack Pluckhan, VP, Matsushita Electric Corp. of America; Sal Raia, Chairman, Brotherhood of Railroad Carmen of the US/PATH; Nicholas Saingas, District Manager, PSE&G; Henry Sanchez, Deputy Commander, USAF Water Port Logistics MOT; Thomas Schember, President, Franciscan Health Systems; Joan Scheibener, Manager, Sterns Newport; Al Schub, Advertising Director, The Jersey Journal; Nick Sita, President, Hudson County Building Trades Council; Daniel Solazzo, VP, APA Transport; Linda Stetson, Human Resources Director, UJB/Commercial Trust Co.; Col. Ralph Stocker, Commanding Officer, MOTBY; Samuel Wolgemuth, General Manager, Murdoch Magazines; William Wolverton, EVP, UJB/Commercial Trust.

Bob Smith's tireless efforts touched the lives of thousands of New Jersey residents. I am certain that my colleagues here in the House of Representatives will join me in saluting Bob Smith and the United Way of Hudson County.

JUDGE LAURENCE RITTENBAND

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. LEVINE of California. Mr. Speaker, I rise today to honor Judge Laurence Rittenband, who is retiring after 29 years on the bench. During his tenure as a superior court judge, he has earned the respect of both prosecutors and defense attorneys. Although he has a reputation for being tough on defendants, the attorneys who have come before him unfailingly recognize his ability to get at the truth. He is, as one attorney described him, "the type of judge they don't make anymore." Judge Rittenband is my friend and a very special and competent jurist and human being.

The Los Angeles Times recently carried an article about Judge Rittenband's distinguished and fascinating years on the bench. I ask that it be reprinted at this point, and commend it to my colleagues' attention.

[From the Los Angeles Times, July 2, 1989]

THE JUDGE: RITTENBAND QUITS BENCH AT 83, BUT HIS LAST DAY IS ANYTHING BUT DULL

(By Mathis Chazanov)

Superior Court Judge Laurence J. Rittenband is leaving the bench at age 83, but not because he has lost any of his punch.

"What a lot of nonsense," he growled at a lawyer's inept defense the other day. "Put your client on the stand. I'll ask the questions. In 20 years on the bench that's the most laughable thing I've ever heard."

When the lawyer persisted, the white-haired Rittenband raised his voice. "You're wasting my time," he said.

"I wouldn't waste your time, your honor," said the lawyer.

"That's what you're doing!"

Prosecutors sing his praises; some defense attorneys have their doubts. But fans and detractors alike say that he is still one of the sharpest judges around.

OCCASIONAL TRIALS

The beetle-browed jurist is not hanging up his robe, despite his years. He will hear occasional trials at the busy Santa Monica Courthouse and decide other cases as a privately paid "rent-a-judge".

But for the first time in 28 years, the man known as "The Judge" since age 10 will no longer hold that job on a full-time basis.

"He's a man who doesn't pussyfoot around. He cuts through the b.s. with a quick rake," said Ronald H. Carroll, head of the district attorney's bureau at the Santa Monica Courthouse.

"One of the first trials I ever did before him was an embezzlement case," recalled Ed Gilmore, head of the public defender's office in the Santa Monica Courthouse.

"We had it won," Gilmore said. He said his client "told a good story" and survived the prosecutor's cross-examination. But then, "Judge Rittenband asked him three questions that had gotten by the prosecutor and it was all over. Things like that you don't forget easily."

"He was always respectful toward me even if he thought my client was guilty," said Ron Rose, a deputy public defender. "He . . . enjoyed the challenge of pushing the attorneys and seeing how they'd respond. He's the type of judge they don't make anymore."

Hooray for that, said other lawyers who declined to comment for publication. That reluctance "should let you know what kind of man he is," one said.

But Richard Chier, an attorney who tangled with the judge during the Billionaire Boys Club murder trial in 1987, called him a "gouty old bully."

"He scowled at your client when your client was testifying," he said. "He would say things like, 'Oh, I'd accept their testimony with a grain of salt.' "

Paul Fitzgerald, another defense attorney, called the judge "enormously bright" and credited him for loving his work.

But he said Rittenband would often "grimace and telegraph his emotions" if he thought testimony was preposterous.

"You started with three strikes against him [a defendant] and if you could just get struck out without getting hit in the head, you were lucky," Fitzgerald said.

Rittenband will have none of it. "I've had the reputation of being very tough on defendants," he said. "I will add that they deserved it. If they mean . . . that I don't coddle them, then its true.

"I always diligently try to be impartial and unprejudiced, but once they'd been convicted I was tough on them."

Born in New York on Christmas Day, Rittenband walked into the public library at age 10 and asked for help in reaching his goals—becoming a lawyer and then a judge.

The librarian recommended a reading list that started with the Code of Hammurabi, a set of Babylonian laws noted for their severity but also seen as an improvement over the barbarism of earlier antiquity.

It was "strict but fair," Rittenband recalls, adding that the 4,000-year-old code was "as apt then as it [would be] today."

Graduating from Stuyvesant High School at age 15, he took a job in a law firm and went to law school at New York University by night. He was on the law review and president of the senior class, graduating at 19 only to find that he was too young to practice.

"Then I got bitten by the intellectual bug. I decided to go to Harvard," he said.

It wasn't easy getting in; taking the entrance exam four years after leaving high school, he failed trigonometry, a subject he never studied.

"I was admitted on probation, but I got all A's so they took me off probation," Rittenband said.

QUOTED FROM SHAKESPEARE

He graduated magna cum laude in three years, winning admission to Phi Beta Kappa, an achievement that still makes him feel good 60 years later.

The Harvard diploma hangs on the wall of his chambers near a toy owl dressed in a miniature black robe.

"It was one of the greatest experiences of my life—so far," the judge said. Remembering his studies of English literature, he quoted from Shakespeare about "my salad days, when I was green," and identified the source ["Antony and Cleopatra," Act I, Scene 5].

Finally old enough to take the bar exam, he returned to his old firm, going on to become a federal prosecutor for bankruptcy and fraud cases. He eventually launched a private practice in New York, but interrupted it after the outbreak of World War II to join the Army Air Corps as an intelligence officer.

Commissioned a lieutenant, Rittenband was injured when he fell into a trench during a nighttime air raid on his base in Algeria. He was hospitalized in Massachusetts and reassigned to a supply base in California, where he was discharged in 1947 with the rank of major.

"It was very delightful," he said. "I liked the climate when I was here during the war and decided I would stay."

It was also in 1947 that the young lawyer joined the Hillcrest Country Club, a Westside enclave where he still goes for lunch every day.

"Hello, dearie," he greets old friends there, shaking hands with the likes of Marvin Davis and George Burns.

Burns hasn't forgotten the time Rittenband represented a former associate and cost him $40,000 in a dispute over royalties. Despite that, "if he's in trouble, I'd help him," the entertainer said.

SECOND HOME

Never married, Rittenband has made the club a second home. He lives around the corner in Century City. He played tennis there until his middle 70s and golf until last year.

Rittenband credits the Hillcrest connection for his introduction to Gov. Edmund G. (Pat) Brown, who appointed him to the Los Angeles Municipal Court in 1961 despite his Republican political affiliation.

He was named to the Superior Court bench in 1962 and moved to the West branch, which covers much of the Westside, in 1968. He has stayed there ever since.

My only regret is that I never married and had children," he said. "During the years I met a number of lovely women that I should have married, but I didn't feel myself worthy of them."

Then he laughed and added that he has been seeing at least one of those women for the last 40 years. "She doesn't want to marry me," he said. "She's very bright. We lead a much better life this way."

HIGH-PROFILE CASES

During the last 21 years in Santa Monica he has heard dozens of high-profile cases. He also won respect among attorneys and other judges because he did not restrict himself to criminal trials but also set aside Fridays to rule on often-thorny questions of civil law.

"He brooked no nonsense in his court," said Robert H. Philibosian, the former district attorney now in private practice. He was assigned to Rittenband's court as a young prosecutor.

The two were prominently featured in crime magazines because of a gruesome murder trial in 1972, when defendant Karl Lionel Kearney justified two killings by dismissing the victims as "just an old bag and an old bum."

"The defendant has exhibited no redeemable virtue which might inspire in anyone any compassion for him," the judge said when he pronounced the death sentence. "He himself showed none to his victims."

Philibosian also remembers the day that mass murderer Charles Manson appeared in Rittenband's courtroom.

"Manson came in and he turned his back on Judge Rittenband and said, 'I'm not going to face this court.'" Philibosian recalled. "He was there with his female followers, and Rittenband very calmly, very coolly but very firmly said, 'I will not proceed unless you face this court. You will turn around now.' And Manson turned around. It was almost as if he were hearing the word of a very much higher authority, and he did it."

In addition to the Billionaire Boys Club two years ago, his other famous trials included those of Frederick Jerome Thomas, the killer of newswoman Sarai Ribicoff, the niece of a U.S. senator; of Scottish drifter Arthur Richard Jackson, whose prison term for his attack on actress Theresa Saldana was recently extended, and of film director Roman Polanski, who fled the country rather than serve a jail term on a charge of illicit relations with a minor. He has also presided over a decade of litigation about rent control in Santa Monica.

"He's had a lot of interesting cases over the years," said Richard P. Byrne, presiding judge of the Los Angeles County Superior Court. He said that some of those assignments were random, but that others were probably assigned to Rittenband because of his age and experience.

"Whenever you have a case that is complicated—and most of your high-publicity cases become complicated even if they're not, simply because everybody is looking at them—you want somebody who is experienced to do it, and he had the experience," Byrne said.

BEYOND RETIREMENT

Opting to stay on beyond the usual retirement age of 70 because "it would be difficult sitting at the country club playing bridge," Rittenband actually gave up his seat on Jan. 31, 1988.

But he stayed on until Friday under a provision for senior judges to help the overloaded courts deal with a flood of cases.

"I'd about had it," he said of his decision to give up his temporary position, known as "assignment" because such judges are assigned by the chief justice of the state Supreme Court.

"When you're on assignment you can't take vacation and get paid for it, so I would have to take time off without being paid for it, and I thought if that's going to happen, I

might as well get paid," he said, referring to his pension.

But Rittenband did not go quietly. At a hearing Thursday morning, he listened to landlords' attorneys as they charged the city's Rent Control Board with violating an earlier order.

WITHHELD JUDGMENT

As Joel M. Levy, attorney for the board, began to make his case, Rittenband broke in and challenged him repeatedly, saying: "Didn't you understand this is precisely what I had in mind? . . . I don't care how you denominate it, the intent was that you not make determinations of excessive rent. We don't want you people to make these determinations and to penalize [property owners] . . . You have no business determining whether excess rent has been charged. That's for the courts. You are not supposed to do that."

Despite the firmness of his comments, however, the judge withheld judgment, giving both sides three weeks to come up with better arguments.

He said in an interview that he plans to hear as many cases as he can in the coming years.

"I've done all the traveling I want to do, and I've been active all my life," he said. "As long as I'm in good health, I'll keep it up."

AIDS AND THE HISPANIC COMMUNITY

HON. ALBERT G. BUSTAMANTE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. BUSTAMANTE. Mr. Speaker, the last few years have seen an alarming change in the demographics of acquired immune deficiency syndrome [AIDS] which should be of great concern to the Hispanic community. Whereas AIDS was once considered a disease of white homosexuals, Hispanics now account for more than 16 percent of all cases in the United States.

Acquired immune deficiency syndrome is an illness caused by the human immunodeficency virus [HIV] which attacks white blood cells, T lymphocytes. These cells protect our body against infection. The AIDS virus renders a person's body unable to fight illnesses which are usually not a threat to those whose immune systems are functioning normally. Individuals who are infected with the AIDS virus may or may not manifest any symptoms. However, all persons carrying HIV are capable of transmitting the virus to others. The virus is transferred sexually and by sharing needles with an infected person. In addition, an infected female may transmit the virus to her unborn child.

AIDS was first discovered in the United States in 1981. Since its diagnosis, approximately 85,000 AIDS cases have been reported with nearly 49,000 resulting in death. Some authorities predict that 450,000 people will be infected with the disease by the year 1993 and that this number will continue to increase. Furthermore, between 1 million and 1.5 million people are believed to be currently infected with HIV, although they have not developed AIDS.

Why are these facts particularly important to the Hispanic community? AIDS has disproportionately attacked Hispanics. According to the National Coalition of Hispanic Health and Human Services Organizations [COSSMHO], for every 100,000 Hispanics in the United States, 58.2 have AIDS compared to 21.5 of every 100,000 non-Hispanic individuals. Despite the fact that we compose only 8.1 percent of the U.S. population, Hispanics account for 16.5 percent of all AIDS cases. Moreover, Hispanic women make up 19 percent of all female AIDS cases. AIDS has also infected at least 300 teenagers of whom 17 percent are Hispanic, and of all infants with AIDS, 23 percent are Hispanic children.

Why has AIDS had a disproportionate impact upon the Hispanic community? According to Brenda Taylor-Hines, director of the Southern Christian Leadership Conference, "there is a lot of resistance in the minority community to dealing with AIDS." Poverty, lack of education, machismo—that is hostility toward condoms, homophobia, and sexual taboos have contributed to the misunderstanding by much of the Hispanic community. Of all the Hispanic AIDS cases, 43 percent are linked to homosexual and bisexual behavior among men and 39 percent to intravenous [IV] drug use. Due to the large Hispanic population of IV heterosexual drug users, Hispanic women are 11 times more likely to be infected by HIV than non-Hispanic women. In States such as California, Florida, and Texas, nearly three out of every four Hispanic AIDS cases is related to homosexual and bisexual male behavior. Another important contributing factor is that some Hispanics perceive AIDS as the "I may get-if" disease; hence, they tend to ignore or deny the facts about AIDS.

What must we do to prevent this killer from further infesting our communities? The first step is to create an environment which promotes open discussion of AIDS between adults, parents and their children, and among the youth. Next, we must make the facts available and present them in a manner which does not raise inappropriate fears. We must also support Hispanic community-based organizations which promote education. Our strongest weapon against AIDS is understanding the disease and how it can be transmitted. We must encourage IV drug users to seek out rehabilitative treatment. We must also convince everyone to take a responsible and prudent approach to their sexual life. Our goal must be to let individuals know what places them at risk and to encourage them to change their behavior patterns accordingly.

The face of AIDS is changing. It is no longer white and male. It is becoming darker, less masculine, and younger. According to some authorities, AIDS may become a disease primarily among minorities unless we take appropriate action. We must teach our children about AIDS and about their sexuality. We must encourage them to be more responsible with their actions. We must acknowledge that AIDS is not a "white homosexual problem." It is very much our problem. We can save ourselves from the grip of this dreadful disease, but only if we are willing to educate ourselves and our children.

THE BICENTENNIAL OF THE U.S. COAST GUARD

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. CONTE. Mr. Speaker, today is a day to celebrate with fireworks, parades, pomp, and pageantry, for today begins the bicentennial year of the U.S. Coast Guard.

One hundred ninety-nine years ago, on a hot and muggy day much like today, the Congress created the Revenue Marine, which has developed into the modern Coast Guard. The Revenue Marine was the brainchild of Alexander Hamilton, a founding father of our country and the first Secretary of the Treasury.

Back then the mission was to prevent smuggling and enforce tariff laws. Smuggling had become a necessary and patriotic activity during the Revolutionary War, but it had no place in a newborn Nation struggling to cope with $80 million of debt. The country needed revenue, and Alexander Hamilton, as Secretary of the Treasury, knew that better than anyone.

He convinced the Congess to scrape up enough funds for "10 boats for the collection of revenue," and he set them up as a seagoing police force. Ten cutters on a 2,000-mile coast. Most men would shrink from those kind of odds, but Hamilton knew that the right crews would make it work. And because he didn't have sufficient funds to outfit the crews, he made it work by borrowing a little here and there.

The very first cutter set sail in 1791. It was built in Neburyport, MA, and was christened, most fittingly, the *Massachusetts.*

Lack of money made those early mariners a rag-tag bunch. They had no uniforms, they were outfitted with surplus weapons from the war, and they even had to make their own American flag. But they had gumption, and they were effective. In the face of tremendous adversity, they were remarkably successful.

Success in the face of adversity has been a hallmark of the Coast Guard ever since, and in that, today's Coast Guard doesn't differ from the Revenue Marine at all.

The difference today is in the breadth of the Coast Guard's mission. It's evolved into a dynamic, multi-mission service. There has been no lessening of the original law-enforcement mission, but to that mission has been added search and rescue, marine safety, icebreaking, aids to navigation, and a host of others that have been embraced with energy and dedication. The Coast Guard has also taken the lead in drug interdiction and oilspill response, the two foremost issues of the day.

We live in a world that is every bit as frightening, and more dangerous, than Alexander Hamilton's. Drugs are eating away at the soul of our country, our environment is abused by oilspills and ocean dumping, and political differences have increasingly made us the target of terrorist attack. The Coast Guard is the frontline of defense against all this. They're out patroling our shores, always ready to respond at a moment's notice to the latest threat.

I've heard some people call me the Godfather of the Coast Guard, and I take that to heart. I've been to every Coast Guard base around the world. I've probably talked to more admirals, officers, enlistees, reservists, and retirees than any Member of Congress, and I take great pride in the Coast Guard.

So I am happy to be able to share my pride in the Coast Guard, and I look forward to participating in the bicentennial celebrations over the upcoming year. I wish each and every Coast Guard member—past, present, and future, from the beaches of Alaska to the shores of the Gulf Coast—a happy 199th birthday, and a marvelous bicentennial year. Semper Paratus.

THE WAYS AND MEANS OF CAPITAL GAINS

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. ANDREWS. Mr. Speaker, throughout most of the summer the congressional agenda has mirrored the Washington weather; long stretches of hot, muggy days punctuated by an occasional violent or spectacular storm. Capital gains taxation has taken the Committee on Ways and Means by storm and is at the eye of the most recent controversy swirling through Congress. The logic and powerful appeal of a capital gains rate in a free market economy is apparent from the fact that a majority of House Ways and Means members, 6 Democrats and 13 Republicans, supports the proposal of my colleague ED JENKINS for a temporary cut in the capital gains rate from 28 percent to 19.6 percent. Under the Jenkins proposal, when a taxpayer sells a family business, farm, corporate stock, timber, or real estate, he is taxed at a lower rate on the profit from that sale than under ordinary income rates.

The issue has been characterized by some in partisan terms. Opponents have charged that rate reduction would be unfair and would benefit only a small segment of taxpayers. As a Ways and Means Democrat, I believe a capital gains differential benefits all Americans. The real issues in the debate have nothing to do with privilege or partisanship.

The real issues are economic, and they are important: growth in America's productivity, strengthening our ability to compete for expanding world markets, and the creation of new jobs and opportunities for our workers.

For more than a generation Democrats and Republicans have understood that it makes good economic sense to provide incentives for those who place capital at risk as part of the effort to create a growing, dynamic, competitive American economy. In his 1963 message to Congress calling for a monumental tax reduction bill, President Kennedy asked for a maximum tax on capital gains of 19.6 percent on individuals and 22 percent on corporations. In words that ring true today, President Kennedy pointed out that the existing higher tax on capital gains was "both inequitable and a barrier to economic growth."

Over the years capital gains initiatives in Congress have benefited from strong bipartisan support. For example, in 1978 when the exclusion of capital gains from taxable income was raised from 50 percent to 60 percent, the initiative was not viewed as partisan. In fact it was led in the Senate by Democrats Russell Long and Alan Cranston as well as many Republicans.

Reduced taxation of capital gains has a proven record of success in helping to build a stronger, healthier American economy. Lower capital rates help encourage entrepreneurs to commit their resources to the newer, risky ventures that may fail, but, when successful, can produce the jobs and exports of the future. They will also provide a powerful incentive for savings and investment at precisely the time our economy most needs it. Countries that save less invest less—and gradually lose their ability to compete. Net United States savings averaged only 5.3 percent gross domestic product over the 1973–86 period compared to 10.3 percent in West Germany and 18.6 percent in Japan.

The capital cost of investment in new equipment is an important factor in any country's ability to compete, and restoration of a capital gains tax rate can help bring that cost down in America. Capital costs in this country are currently twice as high as in Japan and substantially higher than those in most other industrial nations.

Our foreign competitors have long recognized the important link between low capital gains taxation, economic growth, and international competitiveness. Most either do not tax capital gains at all or tax them only lightly. In our own country, the potential positive impact of reduced capital gains taxation can be enormous; one recent study suggests that a permanent reduction of the capital gains tax rate to 15 percent would lower the capital cost of investing in new equipment by 14 percent.

For 25 years Republicans and Democrats, in Congress and in the White House, have generally supported a capital gains tax rate and the American economy has benefited as a result. Recently, however, it has been suggested that a capital gains rate is unfair because a disproportionate share of the benefit would go to taxpayers earning over $200,000 a year. In fact, there are many more taxpayers with moderate incomes who realize capital gains than there are in the higher income brackets. Three-fourth of all tax returns with capital gains were reported by taxpayers with wage and salary income of less than $50,000, and nearly half of all capital gains dollars go to the people with incomes under $50,000.

For example, the 25-year-old person who buys a home or some capital stock and sells it 20 years later when inflation and growth has doubled its price, probably needs the money for a family obligation. Indexing and a capital gains rate are important to that average citizen.

Capital gains has unfortunately become a contentious issue, but on one point there is really no dispute: a lower capital gains rate is a proven stimulus to economic growth and job creation. It provides an engine of opportunity that benefits all Americans. In addition, it should be noted that our capital gains tax cut proposal is highly progressive. Most of the revenues gained from our proposed cut in capital gains will come from upper-income taxpayers, but most of the proceeds will be used for programs that benefit those with lower incomes: expansion of the earned income credit to assist child care, the low-income housing credit, employer-provided education assistance, targeted jobs tax credit, and health insurance for the self-employed.

Partisan politics really has no place in the debate over an economic issue as important as reducing the capital gains tax rate. The capital gains proposal supported by a majority in the Ways and Means Committee is not a Republican idea or a Democratic idea. It is an idea that makes sense for America, one that deserves the enthusiastic bipartisan support of a Congress united in a commitment to a more prosperous, competitive American economy that can provide jobs and opportunity for all our people.

DIFFICULT THOUGHTS ON HEALTH CARE

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. PORTER. Mr. Speaker, former Colorado Governor Richard Lamm is well known for his controversial stance on health care issues. I think all Members should consider the questions posed by Mr. Lamm in a recent article in the New York Times, which I wish to share with them:

[From the New York Times, August 2, 1989]

SAVING A FEW, SACRIFICING MANY—AT GREAT COST

(By Richard D. Lamm)

SAN FRANSCISCO.—The ancient Greeks observed that "to know all to ask is to know half." The cost of our inefficient health care system cannot continue to grow at more than twice the rate of inflation. Heretical questions must be asked.

"What chance is there that she will leave this unit alive?" The group of doctors look annoyed at my question. We were clustered around the bed of a 91-year-old woman in the intensive care unit of a university hospital. She had been in intensive care for two weeks, kept alive by a web of tubes and hoses. The attending physician swallowed her personal resentment. "Very small, but every once in a while someone survives," she said. "Medicine must do everything possible as long as there is a chance."

America has approximately 87,000 intensive care beds, far more than any other country. An intensive care bed is the most expensive medical setting possible, usually staffed by one to one and one-half nurses per bed and surrounded by hundreds of thousands of dollars of high-technology equipment. They do save some people who would have been previously lost, but at a very high cost. They are thus symbolic of both our caring and our priorities.

Once people get into the health care system, we will spend fantastic amounts exploring a small chance of survival for them, yet 31 million Americans do not have basic health insurance and 30 percent of the kids in America have never seen a dentist. We have seemingly unlimited resources for patients in the system but painfully few for citizens outside the system. Our health care

spending is reactive and reflexive rather than reflective.

Thirteen percent of our patients, many of them terminal, account for more than 50 percent of our hospital costs, yet Medicaid covers only 40 percent of the people living in poverty and a million American families have one or more members denied health care yearly. Almost 60 percent of Medicare's inpatient expenditures is spent on 12 percent of the recipients, too often for marginal procedures.

In one corner of the hospital, we are squeezing a few more days of pain-racked existence out of people for whom there is clearly no happy outcome; yet 600,000 women gave birth last year with little or no prenatal care.

A hospital alarm goes off and the team rushes to resuscitate a man with prostate cancer. But an alarm has also gone off in our economy, and we ignore it at our peril.

We have among the lowest rates of investment in new plant and equipment in the industrialized world, yet there is a group of our brightest men and women using expensive Japanese machines and large amounts of our limited resources on frail bodies, many of whom everyone concedes will never leave this unit. On this day four of the 12 people in the unit have virtually no chance of leaving the hospital.

In practically every town in America, the best building is the hospital (40 percent empty) and the worst a school (usually overcrowded). The highest paid professionals are doctors; the lowest paid professionals are teachers. We are overtreating our sick and undereducating our kids. We spend more than other industrialized nations on health care, both in total dollars and percent of gross national product devoted to health care, yet we do not keep our citizens as healthy as they do.

The basic dilemma of American medicine is that we have invented more health care than we can afford to pay for, and yet we find it terribly hard to set priorities. We rush to rescue people in intensive care units today whom just yesterday we abandoned. We spend too much money on high-technology care for a few and too little on basic health care for the many.

There is a permanently unconscious woman in Washington, D.C., maintained on an artificial life support system who became comatose and vegetative in 1953. We have spent millions keeping her heart beating in a city whose infant-mortality rate exceeds that of many third world countries.

Health care in America has become a fiscal black hole that can absorb unlimited resources. We have the finest technological means in the world, but all too few are asking, "to what end?" But another alarm sounds in the hospital's intensive care unit, and we must be off on our mission of "mercy."

OLDER WORKERS BENEFIT PROTECTION ACT

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. ROYBAL. Mr. Speaker, today I am introducing legislation that I believe is critical to the employment concerns of this Nation's older workers, the Older Workers Benefit Protection Act, H.R. 3200. This important legislation is necessary to protect older workers from arbitrary age discrimination in employee benefit plans. I am pleased to have my colleagues, Representatives HAWKINS, CLAY, MARTINEZ, and BILBRAY join me in this important endeavor.

I would also like to note that yesterday this legislation was introduced in the Senate by Senator PRYOR, chairman of the Senate Aging Committee, and Senators METZENBAUM, JEFFORDS, KENNEDY, DECONCINI, and BUMPERS.

The sole purpose of this legislation is to address the recent U.S. Supreme Court decision in *Public Employees Retirement System of Ohio* v. *Betts,* No. 88-389 (June 23, 1989), and to reassert Congress' original intent in enacting, in 1967, the Age Discrimination Employment Act [ADEA], the Federal law prohibiting age discrimination in the workplace.

In the Betts decision, the Court significantly limited the scope of the ADEA. The Court held that Congress intended the ADEA to have only very limited applicability to employee benefit plans. The effect of this decision is to essentially permit employers to freely discriminate against older workers in their health and retirement plans and other fringe benefit programs. The Court's view of the ADEA is contrary to what had been the accepted interpretation of the ADEA for the past 20 years, specifically, the interpretations of two Federal agencies and the five Federal circuit courts of appeals to consider this issue.

The legislation I am introducing today, the Older Workers Benefit Protection Act, will reinforce the intent of Congress when it passed the ADEA in 1967, that employers are prohibited from discriminating against older workers in employee benefit plans, except in very limited circumstances, and only when they have provided substantial justification for doing so.

I would like to provide some background on this issue. Prior to the Betts decision, the ADEA was interpreted as requiring an employer who discriminated between older and younger workers in employee benefit plans to prove that the plans did not violate the ADEA. Section 4(f)(2) of the ADEA (29 U.S.C. 623(f)(2)) was interpreted as requiring employers to demonstrate that a plan that did not provide older workers equal benefits to younger workers was not a "subterfuge to evade the purposes" of the ADEA. The Equal Employment Opportunity Commission [EEOC], the Federal agency responsible for enforcing the ADEA, adopted regulations from the Department of Labor, the previous enforcement agency, which interpreted the "subterfuge" requirement as placing the burden on employers to prove that "age based reductions in employee benefit plans" were justified by "significant cost considerations," 29 C.F.R 1625.10. Employers had to show that the cost of providing an equal benefit was greater for an older worker than for a younger worker. This interpretation of the ADEA was supported by five Federal circuit courts of appeals.

In the Betts case, the Court essentially rejected this interpretation of the ADEA and invalidated the EEOC's regulations. As stated by Justice Marshall in his dissent, the Betts case "immunizes virtually all employee benefit programs from liability" under the ADEA. Slip opinion (dissent) at 1. As a result of this decision, Justice Marshall continued, "liability will not attach under the ADEA even if an employer is unable to put forth any justification for denying older workers the benefits younger ones receive, and indeed, even if his only reason for discriminating against older workers in benefits is his abject hostility to, or his unfounded stereotypes of them." Slip opinion (dissent) at 1.

Specifically, the Court held that Congress intended to exempt employee benefit plans from coverage under the ADEA, "except to the extent plans were used as a subterfuge for age discrimination in other aspects of the employee relation"—for example, wages, hiring, firing, promotion, retaliation. Slip opinion at 19. Under Betts therefore a discriminatory employee benefit plan can only be successfully challenged if it is shown that it is associated with unlawful discrimination against an older worker in a nonbenefit area, such as the denial of employment or a reduction of wages.

The Court also put the burden on the employee to prove that the employee benefit plan violates the ADEA. The older employee must prove that the employee benefit plan "actually was intended to serve the purpose of discriminating in some nonfringe benefit aspect of the employment relation." Slip opinion at 20.

Finally, the Court held that employee benefit plans established prior to the enactment of the ADEA in 1967 cannot be a subterfuge to evade the purposes of the ADEA, thus effectively insulating these plans from being held in violation of the ADEA. The Court rejected the argument that Congress, through 1978 amendments to the ADEA, specifically intended to make clear that the ADEA does apply to pre-1967 plans.

The Older Workers Benefit Protection Act, in the words of the legislation, would "restore the original congressional intent in passing and amending the [ADEA], which is to prohibit discrimination against older workers in all employee benefits except when age-based reductions in employee benefit plans are justified by significant cost considerations." The bill basically codifies the EEOC regulations in effect prior to the Betts decision.

Briefly, the bill would do the following. First, it would make in compliance with the ADEA only those employee benefit plans "where, for each benefit or benefit package * * * the actual amount of payment made or cost incurred on behalf of an older worker is no less than that made or incurred on behalf of a younger worker." Second, it would put the burden on the employer to prove that an employee benefit plan that discriminates between younger and older workers does not violate the ADEA. Finally, the legislation would make clear that the ADEA is applicable to employee benefit plans established prior to the enactment of the ADEA in 1967.

Of additional significance is that the bill has retroactive application with regard to all actions and proceedings brought under the ADEA that were pending on June 23, 1989, the date of the Betts decision, and actions or proceedings brought under the ADEA after that date. This is consistent with current case law.

I urge my colleagues to support this much needed legislation. We must reiterate what we intended when we enacted the ADEA, that arbitrary employment discrimination based on age is unlawful, not only in such areas as hiring, firing, wages, and promotion, but also in an area as critical to the employment relationship as employee benefits.

ECONOMIC IMPACT REVITALIZATION ACT

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. LELAND. Mr. Speaker, between now and the year 2000, more than half of all new workers hired will be minorities or females. An alarming percentage of these workers who will be called upon to operate technical equipment and processes will lack the necessary training and skills. If we are to meet the challenge of increased global competition, this Nation must commit itself to end shortages of technically trained workers by increasing opportunities for minority and female owned enterprises.

The Office of Minority Economic Impact [OMEI] was created, in part, to assist in the development of energy-related Minority Business Enterprises [MBE]. If it is to fulfill this mission, the office's resources must be restructured to enhance MBE development and to increase minority involvement in scientific and educational projects conducted by the DOE.

To meet these objectives, I am introducing H.R. 3184, the Economic Impact Revitalization Act. This bill will more effectively coordinate existing programs within OMEI and DOE and establish a venture capital program as well as a working capital program. The goals of these programs are to: First, strengthen the competitive and productive capabilities of MBE's that conduct business with DOE and its related agencies; second, increase the number of minority and women-owned energy-related MBE's; and third, provide technical training for minorities and women.

This bill will establish an Energy Related Minority Business Enterprise Center [MBE Center] which will be composed of Federal, State, and industry representatives. The MBE Center will serve as an intake facility to assess a MBE's management, technology, and capital requirements and then offer technical and managerial assistance where appropriate. Subsequently, the MBE will have the opportunity to enter into a partnership with a university research center and a national lab. The partnership would develop proposals for the commercialization of research and then submit them to the DOE for funding and development.

Furthermore, this bill will convert OMEI's current bid proposal preparation loan program into a grant program. Such a conversion will significantly increase the number of MBE's that are to participate in the bid proposal process. This conversion will not require new funding in fiscal year 1990.

H.R. 3184 would allow moneys in the Nuclear Waste Fund to be deposited in the Minority Bank Deposit Program of the Department of the Treasury. This additional authority will enable OMEI to invest more than $1 billion in minority financial institutions.

These programs will enable OMEI to attract private and State funds. Such moneys would be used to establish mixed loan portfolios which would be offered to MBE's to facilitate their successful operation.

In summary, H.R. 3184 will usher in a new age for energy-related MBE's by providing them with the wherewithal to compete and participate in the high-technology revolution. I encourage my colleagues to support minority development and cosponsor this bill.

PHYSICIAN REIMBURSEMENT

HON. ELIZABETH J. PATTERSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mrs. PATTERSON. Mr. Speaker, because of escalating health care costs and increasing budgetary strains affecting our Medicare Program, it is obvious that changes will have to be made regarding physician reimbursement. Unless we are able to control the spiraling costs, services to our elderly and disabled citizens will be seriously jeopardized.

However, it is essential that any revisions in the payment system do not sacrifice available, accessible medical care as a means of controlling cost and meeting budgetary targets. For this reason, I do not support expenditure targets. I believe that the establishment of annual expenditure targets for payments to physicians would severally affect the ability of senior citizens and disabled persons to obtain needed medical care quickly and adequately.

The goal of enacting expenditure targets is to reduce Federal expenditures for the Medicare Program. However, the result of enacting such targets would be the rationing of medical care for senior citizens and disabled Americans. We must not force those providing health care to choose between honoring their commitment to provide needed services or meeting budgetary goals in which our senior citizens, in effect, become Federal expenditure targets.

HARLEM HOSPITAL—MEETING THE NEEDS OF THE COMMUNITY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. RANGEL. Mr. Speaker, I would like to bring to your attention and to the attention of my colleagues, a nationwide health coalition which was initiated by a hospital which is located in my 16th Congressional District in New York City—Harlem Hospital.

The name of this coalition is the Committee on Improve Minority Health by the Year 2000 and it consists of health care professionals from across the country who are committed to this cause. Dr. Muriel Petioni, who has spent over 50 years of her life working to heal the sick in the Harlem community, understands the critical need for health care for the black community especially at a time when health institutions and hospitals that serve the black and Hispanic communities have been closing their doors. She understands that there needs to be more black and Hispanic doctors serving these communities.

Dr. Petioni and her colleagues are conscious of the fact that there has to be a change. The facts are evident. According to Charles Windsor, executive director of Harlem Hospital, blacks and Hispanics are disproportionately afflicted by all of the major diseases such as cancer, heart disease, and diabetes. And the life expectancy for blacks and Hispanics is a far cry from what the life expectancy is for whites.

The committee held conferences with health care professionals, educators, and community leaders, sponsored jointly by the Harlem Hospital Center and Columbia University's College of Physicians and Surgeons. The agenda for these conferences was to develop recommendations which addressed some of the following vital issues: increased programs to deal with the impact of substance abuse and AIDS, the need for expansion of primary health care services, mental health issues, and health career education. Earlier this year, these recommendations were presented to the black and Puerto Rican caucus in New York State where legislators, including myself, vowed to see that all of these issues be dealt with on every level of government. Something has to be done. Solutions have to be found.

It is for these very important reasons that the Committee to Improve Minority Health by the Year 2000 was formed. It is my hope, as well as the hope of the committee and all those vehemently involved with the health care concerns in the black and Hispanic communities, that one day we can turn these numbers around and that health care for minority people can be a thing of excellence.

RECOGNITION OF CORUNNA PUBLIC SCHOOL AS A HISTORIC MARKER

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. SCHUETTE. Mr. Speaker, it is my honor to rise today to recognize the dedication of the Corunna Public School in Corunna, MI, as a Michigan historic site marker.

The Corunna School District was organized in 1842, and constructed its first school house the same year. It has been an elementary and secondary educational facility in Corunna since 1842. Its architect, Edwyn A. Bowd, is renowned as a specialist in the designing of public, institutional, and civic buildings in southern Michigan between 1902 and 1940.

The growing Corunna School District built new school buildings in 1851, 1866, and 1882 on the same site. A fire on April 14, 1908, completely destroyed the 1882 structure, but the Corunna citizens raised the funds neces-

sary to rebuild the building, which was ready for occupancy again in 1909.

The 2½-story Georgian-revival style school is trimmed in limestone. The bell in the cupola was cast in 1882 and donated by the Corunna Presbyterian Church to the school upon its completion.

The school, which originally held grades K-12, graduated high school students through 1952 and housed elementary classes until 1976. Today it serves as the central office of the Corunna School District and its community education office. Pre-school and adult education classes are also held in the school on a daily basis.

Mr. Speaker and fellow colleagues, it is again my honor to announce the dedication of the Corunna Public School as a Michigan historic site marker.

MRS. LECH WALESA VISITS JERSEY CITY, NJ

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. GUARINI. Mr. Speaker, on July 6, 1989, Danuta Walesa, wife of Polands Solidarity leader, Lech Walesa, came to Jersey City, the former home of her husband's parents.

Mrs. Walesa's visit was inspired by her family's deep roots in Jersey City and Hudson County. Lech Walesa's mother first came to Jersey City in 1971 to live with her second husband, Stanislaw Walesa, and her sister. Stanislaw was the brother of Bolek Walesa, Lech Walesa's father, who died after World War II. Lech Walesa's mother died in 1974 after she was struck by an automobile and killed while crossing a street in Bayonne.

Stanislaw Walesa remained in Jersey City and worked with Mr. Harry Bockner, owner of the Henderson Lumber Mills, until his death in 1981. I attended the funeral of Stanislaw Walesa who died in 1982, just 2 months before he would have been 65 years of age.

Mrs. Walesa came to Jersey City to visit a family friend, Mr. Harry Bockner, at this place of business, to thank him for the support he gave to Lech's mother and stepfather while they lived in America. She also visited the Exchange Place site on the waterfront where a foundation for the Katyn Forest Massacre Memorial is being erected by the mayor and city council as a tribute to those valiant Polish soldiers who fought Hitler's march.

Because I was deeply impressed with Lech's leadership of the struggle for justice and freedom in Poland, I recommended him for the Nobel Peace Prize. My remarks appeared in the CONGRESSIONAL RECORD of February 18, 1981, as follows:

Mr. Speaker, I rise today to discuss a subject which not only gives us great personal pleasure, but is also a subject of great pride in my district.

Lech Walesa, the courageous leader of the Polish Free Trade Union known as Solidarity, has recently been nominated for the 1981 Nobel Peace Prize. I would like to take this occasion to state here on the floor of the House that I can think of no more appropriate recipient for this prestigious award than Mr. Walesa. He has set an example for all persons, regardless of nationality or the political system their nation follows, as one who cherishes freedom and the dignity of working men and women.

Lech Walesa has arrived at his present position of international prominence not as a man seeking personal power, or even a former office in his country's government. He has come to our attention because of spectacular events in Poland, for which he has been the prime catalyst, having galvanized the imagination and respect of peoples throughout the world * * *.

We all fervently pray that awarding the Nobel Peace Prize to Lech Walesa will be the crowning event in a peaceful and successful achievement of his worthy goals. Perhaps such international recognition will give pause for reflection to those who would crush freedom in Poland through force of arms.

It is my hope, Mr. Speaker, in speaking out before the House today, to in some small way, add my own voice, representing the people of Hudson County and New Jersey's 14th Congressional District, in supporting the nomination of Lech Walesa for the 1981 Nobel Peace Prize.

In a letter dated October 7, 1981, from Solidarnosc Headquarters, in Gdansk, Poland, Lech Walesa sent me the following letter:

DEAR MR. GUARINI, Thank you very much for your cordial letter and tribute you paid to me, but first of all I am happy to hear that you approve the activities of our independent, self-governed union.

All of us are very grateful for the moral support of aims and tasks we declared and which must be of concern to all who are interested in justice.

Thanks to your letter and many others from the U.S.A. and all over the world our union is becoming stronger and aware that in our struggle for human rights and dignity we are not alone. It is the source of hope for us that these aims should be achieved not in Poland only but also in other countries.

I am absolutely convinced that the proposal of mutual cooperation you suggested, and I accept with great pleasure, will serve the cause of peace, justice and freedom of all the people.

I hope that visit to the U.S.A. will help to achieve our aims.

I am grateful, Sir, that you supported my nomination for the 1981 Nobel Peace Prize. This is a matter of great importance, particularly for the whole of "Solidarity" as the union, much more than me, personally.

Thank you for the American flag and the photos you enclosed.

I extend our best wishes for you and all the "Solidarity's" friends in the U.S.A., I remain, Sincerely, Lech Walesa, Chairman of NSZZ "Solidarnosn."

During the past few years contact has been maintained by mail and by individuals visiting Poland. Roger Castor, a student at Jersey City State College, studying with the Kosciuszko Foundation in Poland, on two occasions brought messages and gifts of an American flag and Royal Doullon Bunnykins set for their newborn child.

On another occasion, Edward Balarzuk and his wife Dorothy visited Walesa in Gdansk with a message from the people of New Jersey, sent by me, urging Walesa to stay strong.

It was my pleasure during the bicentennial year of the U.S. Constitution to send a copy of our Constitution to Lech Walesa to be signed by him. Because of the tense situation, our emissary could not meet with Mr. Walesa in his office and had to go to the rectory of St. Brigida's Church where he affixed his signature in the presence of Roger Castor and Msgr. Henryk Jankowski, his chief of staff.

Last year we sent a message via Father Leonard Miodowski with another invitation to visit with us, which was matched by a letter from the Hudson County Building Trades Council President Nick Sita.

Several months ago we were advised by Mr. Walesa of his anticipated trip to the United States under the leadership of Lane Kirkland, president of the national AFL-CIO.

Two weeks ago I had the privilege of speaking with Mr. Walesa through a telephone call made by me and Walter Brolewicz, first cousin of the Solidarity leader. Mr. Walesa indicated that he will be visiting the United States on or about November 19, depending on circumstances in his nation.

Since January of this year we have been making plans to honor the valiant labor leader when he visits Jersey City, the "second home of the Walesa family," because of his parents' long residence in our area.

During his stay, Mr. Walesa will visit the Statue of Liberty, attend services at St. Anthony's Church, Jersey City, where his mother worshiped, and receive an honorary degree from St. Peter's College.

A committee of outstanding individuals has been formed to welcome Mr. Walesa with Thomas K. Wojslawowitz, chairman, Mrs. Jean Kozmor, cochairperson, Rev. Leonard Miodowski, treasurer, Joseph Sluka, secretary, Conrad J. Vuocolo, executive director, Michael J. Sluka, Esq., attorney for the committee, and Henry J. Dabrowski, CPA, as fiscal advisor.

I am pleased that the group has named me as honorary chairperson for this historic event.

Archbishop Theodore E. McCarrick, of the Archdiocese of Newark, and Bishop Jerome E. Pechillo, Auxiliary Bishop of Hudson County, will participate at the religious services, with local and other clergy from throughout the State, including Rev. Gereld Bajek, pastor, St. Anthony's Roman Catholic Church, Rev. Stanley Urbanik, pastor, and Rev. Leonard Miodowski, assistant pastor of St. Ann's Church, and Rev. Walter Niedzwiecki, pastor of Our Lady of Czestochowa Church, all of Jersey City; and Rev. Msgr. J. Marjanczyk, pastor of Our Lady of Mount Carmel Church, and Rev. Bernard Nowicki, pastor of Polish National Catholic Church, of Bayonne, and Rev. Rudolf Zubic, pastor of Our Lady of Czestochowa Church, Harrison.

Other members of the committee are:

Edward and Dorothy Baltarzuk, of Toms River; Marion Borek, of Harrison; Marian Marawski, of Lyndhurst; Ziggy Pyka, of West Orange; Lucian Rutowski, of North Arlington; and Edward Melinowski of Carlstadt.

Bayonne members of the committee are: Edward Bawiec, Theresa Chodkiewicz; Stanly Fryczynski, Jr., William Kowalski, City Councilman Joseph L. Makowski; Joseph Michalski, Anthony Podbielski; Richard Rutowski, Steve Rutowski, Albina Swierzbinski, Peter and Irene Szyposzynski, Henry Usowicz, Chester Zebrowski, and Edward Zebrowski.

PAT DREIZLER RETIRES

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. LEVINE of California. Mr. Speaker, I rise today to honor Pat Dreizler who is retiring after a distinguished 30-year career in public service. From the beginning to the end of her career, Pat Dreizler's service to society has been constant, characterized by genuine enthusiasm for her work and dedication to the people of Redondo Beach.

Ms. Dreizler came to California in 1956 with her husband and three children. She soon became deeply involved in volunteer activities in Redondo Beach. Ms. Dreizler's commitment to youth centers, charities, parks and recreation centers made her well suited for the role of community services assistant, a position which she assumed in the midsixties. In this capacity, she was able to confront such pressing issues as drug and alcohol abuse. By running an information service, she provided city residents with information about services and programs which helped combat these growing problems.

Pat Dreizler's dedicated service rose to greater responsibilities when Redondo Beach city officials appointed her director of the newly created department of community resources in 1975. Under her guidance, this fledgling department took on a wide range of invaluable responsibilities for the city. Her office currently supervises three senior citizen clubs, runs the South Bay Juvenile Diversion Project for troubled teenagers, provides staff support for the Redondo Beach Historical Society, all in addition to the department's continued efforts to provide city residents with information about helpful social services in the region.

Pat Dreizler's 30-year commitment to helping her community serves as an example for all of society. On the occasion of her retirement, I commend her for her accomplishments, I congratulate her family and friends, and I wish her much joy and happiness in the future.

TERRORISM

HON. ALBERT G. BUSTAMANTE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. BUSTAMANTE. Mr. Speaker, I, along with my fellow Americans, am appalled by the reported execution of Lieutenant Colonel Higgins earlier this week. In the aftermath of this tragic event, there have been numerous calls by my colleagues for revenge against those who perpetrated this heinous act. I am also supportive of action targeted both at those who engage in terrorist activities, like the Hezballah, and those states such as Libya, Iran, and Syria who aid terrorist efforts.

However, I am quite alarmed by those who have used this tragedy as an opportunity to criticize Israel instead of laying the blame squarely on those like the Hezballah who commit terrorist acts. For example, on Monday, Senator DOLE implied that Israel somehow bears responsibility for Colonel Higgin's murder. It seems to me, to assign blame to Israel for the execution of American hostages in fact serves to implicitly support the terrorist groups which are truly responsible for these reprehensible crimes.

I believe that as a nation that is truly interested in attaining peace in the Middle East, we must put an end to blaming Israel first and instead focus our efforts on punishing those who commit barbaric acts of terrorism. For terrorism will not end as long as those who practice it believe that they can weaken our support for Israel by taking hostages. Sadly, Senator DOLE revealed this week that the incentive for terrorists still exists.

PAYING TRIBUTE TO JUDGE MICHAEL DeMARCO

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. CONTE. Mr. Speaker, I rise to pay tribute to the Honorable Michael DeMarco, a dear friend of mine and a former District Court justice from the Commonwealth of Massachusetts. I have known Judge DeMarco for many years and was saddened to learn of his passing earlier this week.

The memory of Judge DeMarco brings back many fond memories of my days as a Massachusetts State Senator and my early days as a Congressman. Judge DeMarco was a personable, outgoing individual who will be sorely missed by those of us who knew and loved him.

Judge DeMarco loved people! At our many sessions in and around Boston—Judge DeMarco was always the center of lively debate—he epitomized the camaraderie that existed within our circle of friends. Judge DeMarco was always the one who would assemble the group. He was the catalyst for friendship among a wide range of individuals.

Judge DeMarco was a big man! But his stature could not compare to the size of his heart. Everyone who knew Judge DeMarco was familiar with his kind and gentle demeanor and looked forward to the opportunity to spend some time with him. As a legislator from western Massachusetts I spent a great deal of time traveling across the Commonwealth. I always looked forward to the opportunities I had to travel with Judge DeMarco who, at the time, was a member of the industrial accident board.

Mr. Speaker, Judge DeMarco had an illustrious career in service to the Commonwealth of Massachusetts. He was appointed to the accident board in 1953 by Governor Christian A. Herter and reappointed in 1959 by Governor Foster Furcolo. My dear friend, Governor John Volpe, appointed Judge DeMarco to the bench in 1962. In all his charges, he composed himself in a kind and compassionate manner. He was faithful to his oath to the Commonwealth while at the same time honest and fair to all those who came before him.

As I have already stated, Mr. Speaker, Judge DeMarco was a loving man! More than anything else he loved his family. He loved his three children and four grandchildren. Each of these family members should feel great strength in knowing that their father and grandfather left so much of himself in the people around him. Judge DeMarco was a man who was helpful, big-hearted, idealistic, daring, decent, and fair. Family and friends should reflect on the memories we have of him—reflections of unity, affection, and love.

The value of reflection is to inspire us to the future. It is my hope and prayer that the memory of Judge DeMarco will strengthen the lives of all those who knew him and lead us to move forward with the same joy and spirit that Judge DeMarco brought to his own life.

ENHANCED OIL AND GAS RECOVERY

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. ANDREWS. Mr. Speaker, yesterday I had the opportunity to testify before the Senate Finance Committee Subcommittee on Energy and Agriculture Taxation. The topic of the hearing was S. 828, a bill introduced by Senator DOMENICI, Senator BOREN—the chairman of the subcommittee—and others, which provides important incentives for enhanced oil and gas recovery. Soon the House version of the Enhanced Oil and Gas Recovery Tax Act of 1989, will be introduced by Mr. PICKLE, and I am proud to be an original cosponsor.

The Enhanced Oil and Gas Recovery Tax Act of 1989 provides necessary tax incentives for the removal of crude oil and gas through enhanced recovery techniques and a tax credit for research and development to discover or improve tertiary recovery methods. Promoting the recovery of oil and gas "already in place" will certainly help reduce our dependency on imported oil. This bill will stimulate marginal production, including the development of stripper wells and heavy oil.

Such sources represent a good portion of the remaining proven energy reserves in this country. The fact is that regular oil recovery techniques leave 65 to 70 percent of the oil in the ground. Enhanced recovery techniques enable us to get at this remaining oil. Providing incentives for enhanced recovery is a sure fire way to increase domestic production by encouraging the bringing up of oil that we already know is there but which is somewhat more expensive to get at.

While I strongly support the Enhanced Oil and Gas Recovery Tax Act of 1989, I believe that it is only a first step. We must do more to put our domestic oil and gas industry back on its feet again. U.S. oil production is below 8 million barrels a day, the lowest level in a quarter century. More than half the drilling rigs operating 3 years ago are in mothballs or dismantled. In 2 or 3 years 50 percent of the oil we consume will flow from foreign rigs, a dependence we have never experienced before.

Unknown to most, oil and gas is one of the most heavily taxed industries in the United States. The average effective Federal tax rate for U.S. oil companies has been well above

that of firms in other industries during the 1980's. Other nations are lowering their taxes on energy production and attracting capital away from the United States to develop their resources. If our tax system does not stay competitive, U.S. resources will stay in the ground. Our economy will be the loser and our national security will suffer.

Again, the Enhanced Oil and Gas Recovery Tax Act is a good first step. However we must do more. My bill, H.R. 658, the Exploration and Development Incentive Act, and its companion, Senator BOREN's bill, S. 234, are targeted to provide real help to our struggling independent producers who drill 80 to 90 percent of all wells in the United States. Both bills provide a new exploration and development tax credit, a new production credit for marginal well production, remove intangible drilling costs from the minimum tax, extend the nonconventional fuels credit and reinstate tight sands gas qualification for this credit. They also increase percentage depletion, repeal the property transfer rule, and repeal the net income limitation on percentage depletion.

I am cognizant of the challenges that we in the Congress face meeting the deficit reduction targets each year. But we cannot delay. I am working to find a revenue source to pay for these proposals and urge my colleagues in the Senate to do the same. We must enact fiscally responsible legislation which will assist the domestic oil and gas industry. Our economy and our national security depend upon it.

EXPLANATION OF MISSED VOTES

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. PORTER. Mr. Speaker, I regret that I missed recorded votes on July 25 and 28, and on August 3. Accordingly, I wish to state for the RECORD how I would have voted had I been present:

Rollcall No. 157: "No."
Rollcall No. 158: "No."
Rollcall No. 159: "No."
Rollcall No. 160: "Aye."
Rollcall No. 186: "No."
Rollcall No. 187: "Aye."
Rollcall No. 188: "Aye."
Rollcall No. 209: "Aye."

WILLIAM MICHAEL KITZMILLER'S RETIREMENT

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. DINGELL. Mr. Speaker, I rise to mark an occasion which has elements of both sadness and happiness. The Committee on Energy and Commerce is losing a very valued member of the staff.

I feel a great deal of personal sorrow at the retirement of William Michael Kitzmiller, our staff director, but I am glad that Mr. Kitzmiller will remain a friend in the future as he has in the past.

Like everyone on the Energy and Commerce Committee, I am very proud of the committee; I am extremely proud of the colleagues with whom I serve, and of the history and traditions of the committee. It was the first committee of the House of Representatives, then known as the Committee on Commerce and Manufacturers.

Those who have served on this committee have had a great sense of pride in what our committee does to serve the public.

During Mr. Kitzmiller's tenure, our committee has dealt with some of the most important issues of our time: Maintaining and improving the quality of our environment; preserving American jobs; assuring a stable and affordable energy supply; protecting the integrity of our securities markets; and many more.

In all these areas, Mr. Kitzmiller has been here to advise me and guide me and work with me; to work with the members of the committee; to assure that the procedures of the committee are open and fair; and to assure that the responsibilities of the committee are properly carried out. He has had a very great burden of responsibility for the way the committee has been run during the time that I have had the privilege of serving as chairman.

He has been an outstanding staff director and is known and loved, I think, not only by the members of the committee and the staff, but also everyone else throughout the Congress and those who work both on the Hill and off the Hill with our committee.

Though he is moving on to other activities, the committee and the Congress will bear his stamp for some time to come. He has taught me a great deal, and I know that other Members have learned from him as well. And as staff director, he brought in and trained bright, talented people who will help us conduct the committee's business in the future.

Mr. Kitzmiller is an erudite, articulate man who could have been a success in any number of professions. He was—and is—a scholar, a teacher, and a writer. That he chose to join us in our endeavors has been our gain. That he is now retiring is our loss.

Mr. Kitzmiller, my colleagues join me in wishing you God's blessing and good fortune in all of your future affairs. We will miss you, and we love you.

THE 12TH ANNIVERSARY OF THE GULFPORT-BILOXI REGIONAL AIRPORT AUTHORITY

HON. LARKIN I. SMITH

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. SMITH of Mississippi. Mr. Speaker, I would like to take a few minutes to commend to your attention the Gulfport/Biloxi Regional Airport Authority.

Twelve years ago this month, this regional airport authority was chartered by the State of Mississippi as a joint venture of the city of Biloxi, the city of Gulfport and the county of Harrison. This regional airport authority was formed to own and operate what had been the municipal airport of Gulfport, MS.

When the regional airport authority began operations, it was faced with an obsolete passenger terminal, single carrier service, runways in need of refurbishing, a lack of professional management, and a shortage of funds. The three very able charter commissioners of the Gulfport/Biloxi Regional Airport Authority, Mr. Emile Fallo, Mr. Wallace Farragut and Mr. G.B. Werby, working with their very able general counsel, Cy Faneca, Esq., immediately took steps to remedy these deficiencies. Within a few months a professional, certified airport manager was hired and within 4 years a new, modern passenger terminal was completed. Runways and taxiways were refurbished.

The progress of the airport during these past 12 years has been nothing short of amazing. Moreover, this regional airport authority has been a model of outstanding airport management and cooperation among local governments. It is a classic example of what can be accomplished by local governments working together for the common good. It is an example we should seek to duplicate in other endeavors. During these past 12 years, the achievements of this airport authority have reflected the high caliber of its dedicated commissioners and professional staff. Their knowledge, experience and professionalism have guided the Gulfport/Biloxi Regional Airport Authority steadily and expertly. For the last 3 years our airport authority has benefited greatly from the management of Executive Director Bruce Frallic.

Today the Gulfport/Biloxi Regional Airport Authority has three airline carriers serving three major hubs from its modern passenger terminal and runways. Its primary runway is 9,000 feet long, making it one of the longest in the United States, capable of landing any aircraft. Its instrument landing systems provide all-weather capability. Airport revenues and tenant activity are at an alltime high and growing.

The Federal Airport Improvement Program has been a great help to the Gulfport/Biloxi Regional Airport. During these past 12 years the Gulfport/Biloxi Regional Airport Authority has applied for and received $14 million in Federal Aviation Administration grants through the Airport Improvement Program, which is funded by the Aviation Trust Fund. Without these AIP funds, the capital improvements at the airport would not have been possible. The three local governments each contributed $1 million through general obligation bonds, which made possible the construction of the new terminal. The Airport Authority has matched the Federal AIP funds with $1.4 million.

The Mississippi Gulf Coast has every reason to be proud of the Gulfport/Biloxi Regional Airport Authority. It has a 12-year history of progress and success.

THE DORNAN AMENDMENT TREATED DISTRICT OF COLUMBIA RESIDENTS AS SECOND-CLASS CITIZENS

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. OWENS of New York. Mr. Speaker, a few days ago I voted against an amendment offered by Mr. DORNAN to the District of Columbia appropriations bill. The Dornan amendment was not about whether abortion is good or bad. Only a pregnant woman should make that decision. The Dornan amendment was about personal freedom and self-determination in the District of Columbia. It was about legislators trying to force women to do something which they know is not in the best interests of themselves or their children—both born and unborn. It was about the Federal Government trying to say "not only will we not help you do what you feel is right, but we will not allow your neighbors to help you either."

Abortions have already been severely limited throughout the Nation because this body has forbidden the use of Federal funds for poor women who feel they need abortions. For these women, America is not a country of equal opportunity. Women who are able to pay for an abortion can decide that they are not able to care for a child, that bringing a child into this world is against both the interests of her child and herself. They are able to exercise their constitutional rights without hindrance. Poor women do not have this same right. If they get pregnant, they must bear the child, and taxpayers must pay for it.

In the District of Columbia, women who receive AFDC for their children receive an average of $350 a month. There is no extra money to cover the cost of an abortion. The average cost of a Medicaid-funded abortion in the District is $485. For those women who are not allowed to get abortions because Medicaid will not pay for them, Medicaid and the taxpayers end up paying at least $2,190 for the woman to bear her unwanted child.

A woman who does not want her child may not treat her pregnancy seriously. She may not seek out adequate prenatal care, and may not be motivated to cease activities which could harm her fetus such as smoking, drinking alcoholic beverages, or using controlled substances. These babies are at great risk of being born with low birthweight, with AIDS, with drug dependencies, and with fetal alcohol syndrome. These are the babies who will die in the first year of their lives. In 1986 the District of Columbia had the highest rate in the Nation of infant mortality, neonatal mortality, and low birthweight babies, and the second highest rate of postneonatal mortality.

The Dornan amendment was a bad amendment because it would have prohibited the people of the District of Columbia from helping poor pregnant women with its own resources. It is law that States and localities may spend their own Medicaid money on abortion services. However, in the District of Columbia women who know that they cannot provide the financial or emotional support needed to care for their unborn children, must still bear those children at the expense of the Government, her family, and often the health and well-being of her baby.

States in this country have the right to deal with local issues, including health care, locally. According to the law, the District of Columbia is treated like a State for purposes related to Medicaid. In the law, States are allowed to make their own decisions concerning the use of local funds in Medicaid, and 13 States permit the use of their own revenues to fund abortion services for its poor residents. The District of Columbia, though treated like a State under Medicaid, would have been denied this same right of other localities by the Dornan amendment.

This body must stop treating the people of the District of Columbia as second-class citizens of this Nation. They must have the same basic rights as all people in this country. On the issue of the Dornan amendment, that right means being able to decide for themselves whether or not they want their local revenues to help poor women in the District of Columbia. I applaud my colleagues who voted to uphold that basic right of the people of the District of Columbia.

TRIBUTE TO ROLLIN "DOC" WRIGHT, LIEUTENANT, CALIFORNIA HIGHWAY PATROL

HON. CHARLES PASHAYAN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. PASHAYAN. Mr. Speaker, it was almost 30 years ago that Rollin A. "Doc" Wright first donned the uniform of the California highway patrol. In the succeeding years, he served the highway patrol in San Jose, San Leandro, Los Banos, Yuba-Sutter, and Tracy.

In 1975, he became the first member of the California Highway Patrol to be assigned to a foreign country or territory. He spent 1 year with the Territorial Police of American Samoa. For the past 10 years, he was commander of the Mariposa area.

Lieutenant Wright's involvement in community organizations reveals the giving nature of the man: The Mariposa Chamber of Commerce, the John C. Fremont Hospital Foundation, the Emergency Medical Care Committee and Alcohol Advisory Board of Mariposa County, the Mariposa Fish and Game Association, the Mariposa Lions Club, the Yosemite Rotary Club, the Elks Oakhurst Lodge, the Free and Accepted Masons, the Veterans of Foreign Wars, the California Association of Highway Patrolmen, and the Calfornia Peace Officers' Association.

Lieutenant Wright served in the defense of America as an aviation electronics technician in the Navy from 1949 to 1953, and as chief warrant officer and criminal investigator for the California Army National Guard from 1971 until the present.

"Doc" Wright is laying down his badge now. His colleagues honored him in a special retirement dinner on July 29 at the Mariposa County Fairgrounds. Peace officers like "Doc" put their lives on the line every time they put on a uniform. We rely on them every day to maintain order and peace in society.

On behalf of the House of Representatives, I should like to extend a heartfelt thanks to Rollin "Doc" Wright for his many years of unselfish dedication to the noble purposes of the California Highway Patrol. All Californians are the better for his service.

THE RAILROAD EVENT RECORDER ACT OF 1989

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. SCHUETTE. Mr. Speaker, today I am introducing legislation which I believe will go a long way toward improving public safety on trains by significantly enhancing the ability of the National Safety Transportation Board [NTSB] to conduct accident investigations. My legislation will require that all locomotives be equipped with event recorders or so-called black boxes. These event recorders will also be required to meet minimum standards.

Last year the Rail Safety Improvement Act of 1988 was signed into law. Among the many improvements to rail safety brought about by this new law was a requirement that the Federal Railroad Administration [FRA] issue regulations requiring that trains be equipped with event recorders. Unfortunately, the FRA has interpreted the law to say that they are only required to issue regulations "as may be necessary."

The FRA initiated a notice of advanced rulemaking on November 23, 1988, and they held a hearing on this issue on January 10, 1989. While I am pleased that these activities have taken place, I am concerned that the FRA may not take action to issue regulations. In my view, this is clearly contrary to congressional intent in the passage of the Rail Safety Improvement Act. It also concerns me that the FRA is not bound to issue regulations by any specific date. My bill will clarify that all locomotives, not just trains, will be required to have event recorders.

As far back as 1969, the NTSB issued a recommendation to the FRA that requested the FRA to impose regulations requiring that all mainline trains be equipped with speed recorders. The Safety Board issued another recommendation to the FRA in 1977 recommending that the FRA require event recorders on all trains operating on main tracks.

These event recorders are vital to the safety investigations conducted by the NTSB. They are invaluable in assisting the Safety Board to reconstruct the events leading to an accident, which is critical in determining the cause. Without this information the ability of the Safety Board to issue recommendations that would be helpful in preventing future accidents is severely hindered. In 1987 and 1988 there were at least 19 accidents in which the NTSB investigation was frustrated because of the absence of event recorder data.

In a recent accident in Freeland, MI, my home State, the accident investigation by NTSB was severely hampered because of inadequate event recorder data. In this particu-

lar case there were two locomotives, one of which had a very primitive paper tape speed recorder that provided only the speed of the train. The other locomotive had another relatively inferior recorder which, as is often the case, was unfortunately not working.

Mr. Speaker, I think the advantages of event recorders are clear, and the need to have multievent recorders that provide a minimum level of information is equally clear.

JAMES BLACK, REDONDO BEACH FIRE CHIEF

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. LEVINE of California. Mr. Speaker, it is with great pleasure that I rise today to honor James Black, on the occasion of his retirement as fire chief of the city of Redondo Beach. James Black has spent the bulk of his career protecting the people of Redondo Beach from the fires which destroy property and life. On July 14, 1989, he retired. The city will indeed miss him.

Chief Black's career in public service began during the Korean war, where he served with Army intelligence reconnaissance. After he left the Army, he worked with a construction firm, but in the mid-1950's economic conditions forced him to find work elsewhere.

A friend talked him into taking a job as a firefighter. That was the beginning of his career in firefighting, a field in which he found he truly excelled. In 1956, he helped found the city of Covina's first full-time fire department as the city ended its all-volunteer force. He subsequently received numerous promotions from the department because of his high scores on all the promotion tests.

In 1964, at the age of 30, Hermosa Beach asked Black to become its new fire chief. This is generally unheard of—except in the case of James Black. He served with distinction for 5 years. Next, he became deputy fire chief of Redondo Beach. Only a year later, he was appointed the city's fire chief. He has held that post until his retirement last month.

Today, I would like to recognize all that James Black has done. It is because of James Black that Redondo Beach established a program to improve paramedic service at accident sites. It is because of James Black that Redondo Beach now requires fire sprinklers and fire alarms in all new commercial buildings. And it is because of James Black that Redondo Beach received a class 2 fire insurance rating—the second highest given by the Insurance Service Office to cities the size of Redondo Beach.

On behalf of those who reside in Hermosa Beach, Redondo Beach, and others who have ever benefited from the dedication and excellence achieved by this man, I would like to thank Chief James Black for everything he has done. I ask my colleagues to join me in congratulating him on his outstanding service.

A REFLECTION ON THE COURTS

HON. ALBERT G. BUSTAMANTE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. BUSTAMANTE. Mr. Speaker, I rise today in a moment of reflection and introspection. While the House is getting ready to recess, the Supreme Court has already finished their 1988 October term. I feel that now is an appropriate item to take a critical look at the recent decisions of our judicial branch and try to determine for ourselves. The direction in which our Nation is headed.

Of particular concern to me, and I am sure to many of my colleagues, are the recent decisions dealing with various civil rights questions. There were more cases tried under the category of civil rights than any other. This seems to me to be an indication of the importance of civil rights. While I cannot concentrate on all of the cases heard, I would like to cite two as general representative examples. Martin versus Wilks and City of Richmond versus J.A. Croson Co.

In the case of Martin versus Wilks, it was established that a person could challenge programs under title VII of the Civil Rights Act in a subsequent reverse discrimination title VII action. While this seems a reasonable ruling, we must be wary of such action. The Civil Rights Act was established in response to a great inequality that existed and which to a large extent continues to exist in this Nation. We must take care that this act continues to work for the benefit of those it was created.

In the case of City of Richmond versus J.A. Croson Co., the city's requirement that 30 percent of subcontract be awarded to minority business enterprises was ruled to be in violation of the equal protection clause. This decision is inconsistent in itself for it rules that the city's set-asides were unconstitutional but that similar Federal set-asides were not. More importantly however, this decision disregards the fact that these set-asides are the only insurance we have against discriminatory acts in these types of business dealings. However imperfect these programs may be, the solution is not to cut them but to improve upon them.

Both of the aforesaid rulings were decided by a divided Court. This is an indication of the difficulty of the topic and also a signal to us to remain vigilant. While these may seem to be carefully thought out and fair decisions, we must question them. We must do so because they are reversing trends that were considered to be positive and progressive only 20 years ago. We cannot let the shields that were created to protect minorities become weapons which can be used against them.

H.R. 3140, THE ELDER-CARE LONG-TERM CARE ASSISTANCE ACT OF 1989

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. WAXMAN. Mr. Speaker, today, I am introducing with my colleagues, Congressman WALGREN and Congressman MARKEY of the Energy and Commerce Committee, H.R. 3140, the Elder-Care Long-Term Care Assistance Act of 1989. The purpose of this legislation is to establish a comprehensive program under the Medicare statute that offers protection against the devastating costs of in-home long-term care services and nursing facility care.

In introducing this bill today, we wish to honor our late colleague, Senator Claude Pepper of Florida. Senator Pepper understood the terrible financial burden faced by elderly people who are unfortunate enough to need long-term care services. He sought throughout his long and productive life to make sure that America provided its older citizens with the health insurance protection they so richly deserve. Yet, the goal of assuring comprehensive long-term care coverage eluded him.

As was so painfully clear during the debate to expand Medicare to provide catastrophic coverage for acute medical expenses, long-term care is a catastrophic burden that virtually no one can afford. At the insistence of Senator Pepper, the Medicare Catastrophic Coverage legislation created what is now known as the "Pepper Commission" to examine the need for both long-term care coverage and comprehensive health care protection, and to develop recommendations for the Congress on how to address these gaps in our health care system. The bill we are introducing today is a first step in the development of comprehensive long-term care assistance for the American people.

Although long-term care is the real financial catastrophe that Americans fear most, it is not covered under Medicare. In fact, Medicare pays for less than 2 percent of the nursing facility bills of elderly people and provides for only limited and highly skilled home health benefits. The Medicaid Program does pay for nursing facility care, but it provides assistance only for those who impoverish themselves to meet the stringent, means-tested eligibility levels. There is still no adequate, private long-term care insurance market to allow those with the financial resources to purchase secure coverage. Thus, more and more Americans are facing long-term care needs that threaten to force them out of their homes, eat up their savings, and put tremendous financial burdens on their families.

The growing elderly population's need for long-term care affects us all. These in need of long-term care are our parents, our spouses, and our friends. Most Americans have already dealt personally with a spouse or loved one in need of long-term care or expect to confront the situation soon. Most Americans have had firsthand experience trying to find a nursing facility and then arranging to pay for the care. They know long-term care is hard to secure

and even harder to pay for. They know the average cost of nursing facility care now exceeds $25,000 a year. They know they need help with such bills and that they want protection for themselves and their families. And they are tired of the years of inaction on improving long-term care benefits.

When Americans are asked about their priorities, 94 percent say they feel it is important that older Americans be insured against the cost of long-term care. Long-term care is consistently cited as the No. 1 priority for increased government spending against all other issues. By nearly a two-to-one margin, middle-aged and older people prefer a government social insurance program to one based on private financing with government coverage limited to the poor. They want a program that covers home care, but believe any long-term care system must also cover nursing facility services. And taxpayers say they are willing to pay specific additional taxes, such as lifting the cap on the Medicare payroll tax, to finance a Federal, comprehensive long-term care program.

It is time to come to grips with this crisis that threatens so many older Americans. It is time to face the facts and bring real protection against these financial burdens to the American people. It will not be easy to fashion a balanced and comprehensive plan that offers protection to those most in need at a price tag that all can afford, but the elderly and their families cannot and should not wait any longer.

H.R. 3140 is designed to address these problems. It provides much needed assistance to severely impaired elderly and disabled Medicare beneficiaries. It covers both home care and nursing facility services and fills the financial void that now confronts most families when the need for long-term care strikes.

Although broad in scope, the legislation does not address every need or every concern. But it makes a fair start. It expands the Medicare program to provide long-term care coverage for the most severely impaired elderly. It gives the frail elderly and disabled the choice of staying at home, but also provides assistance if nursing facility care is required. It asks frail beneficiaries to shoulder some of the responsibility for care by continuing to pay part of the cost. For the poor and near-poor with inadequate resources, H.R. 3140 directs Medicaid to assist with cost-sharing obligations. And the legislation includes specific sources of revenue, so that the cost of long-term care reform will not add to the Federal deficit.

More specifically, Elder-Care provides coverage for in-home and community-based services to all Medicare beneficiaries with 2 or more limitations in activities of daily living (beneficiaries) or a similar level of cognitive impairment. The Medicare beneficiaries the bill is designed to help are unable to bathe, dress, eat, toilet, or transfer from a bed or chair without substantial assistance. They suffer from the effects of stroke, diabetes, arthritis, and Alzheimer's disease. Because of their impairments, they need substantial assistance from family and friends or paid assistance in order to survive at home, in the community.

Under the legislation, beneficiaries would become eligible for services after being assessed and certified by the long-term care assessment team of a Community Assessment, Review and Evaluation [CARE] agency. Based upon a uniform assessment and methodology established by the Secretary, the CARE organization would evaluate the beneficiary to establish eligibility for receipt of benefits and to determine the beneficiary's impairment level. For those eligible for long-term care assistance, the CARE organization would develop a plan of care to provide for needed services in the community and monitor the provision of those services. The CARE agency would operate under contract with the Secretary and would perform quality audits of both home care and nursing facility services in addition to conducting assessments. Under the provisions of the bill, CARE agencies would be either units of State or local governments or nonprofit organizations.

Once determined to be in need of home care services, impaired beneficiaries would receive financing for such care based on their degree of impairment. H.R. 3140 specifies two levels of benefits based on the severity of impairment. Those with the most severe limitations would receive the most assistance with up to 30 hours of in-home assistance per week covered under the bill. The moderately impaired would receive up to 20 hours per week of in-home care. CARE agencies would develop plans of care for the impaired elderly within these maximum benefit caps. Covered services include homemaker, personal aide care, and adult day health care, as well as skilled nursing services. Home care services are to be provided by federally certified home health and home care agencies.

The beneficiaries receiving home care benefits would be expected to pay for 20 percent of the cost of their care; Medicare would cover the remaining 80 percent. Although the cost-sharing can be steep, Elder-Care provides an expanded package of services that is currently unavailable under Medicare or private insurance at a cost far below and far more manageable than that which an individual would have to pay without Federal assistance. For most families, this level of assistance will make the difference between continued care at home and nursing facility placement. It offers new and needed assistance to those struggling to care for their loved ones with Alzheimer's disease or suffering the disability of stroke.

Recognizing, however, that poor and near-poor beneficiaries are already financially strapped and can hardly shoulder additional cost-sharing requirements, Elder-Care provides Medicaid assistance to cover their cost-sharing obligations. This coverage includes both cost-sharing and premiums for current Medicare benefits as well as the new cost-sharing obligations under Elder-Care. Medicaid would cover all cost-sharing for individuals with incomes below the poverty level and would provide partial assistance to those with incomes between 100 and 200 percent of poverty. Low-income beneficiaries would apply to the State Medicaid office for assistance.

In addition to these Medicaid protections, H.R. 3140 creates a new grant program within the Public Health Service [PHS] Act for the development and operation of community care agencies [CCA's] that would provide home and community-based services in low-income or rural areas. Such communities often have great difficulties in establishing provider organizations and networks that can offer the home care services covered under the Elder-Care Program. Modeled on the PHS Community Health Centers Program, CCA's would provide access to needed home care services and help ensure that Elder-Care benefits are available to all those eligible for community care. Ultimately, such organizations would be have to be certified as home care agencies under Medicare in order to continue to participate in the Elder-Care program.

For those individuals who can no longer cope in the community, Elder-Care also provides nursing facility coverage. In order to be eligible for services, a beneficiary would have to be screened and certified to need institutional care. Preadmission screening would be conducted by the CARE agency that is also used to establish home care eligibility. Individuals seeking nursing facility care would be provided with alternative arrangements in the community, when appropriate. Those who are screened eligible for nursing facility care would be covered for community care as severely impaired while awaiting nursing facility placement or as alternative to entering a nursing facility.

Payment for nursing facility services would be made only to those facilities that are federally certified. Reimbursement would be provided under a prospective payment system that is based on the average Medicare facility cost in an individual State and adjusted to reflect the case mix of the nursing facility's resident population. The Secretary is to specify the methodology for the nursing facility prospective case mix payment system.

H.R. 3140 also requires beneficiaries to share in the cost of nursing facility care. Beneficiaries are responsible for the full cost of the first 2 months of nursing facility care, unless such services are covered by the current Medicare skilled nursing facility [SNF] benefit. For months 3 through 24 of care, the beneficiary is expected to pay one-third of the average national Medicare nursing facility per diem rate. After 24 months of care, the beneficiaries would pay 10 percent of the per diem rate—a rate that permits individuals to finance long-term care using their own Social Security pensions, but without tapping into family resources and savings.

With these cost sharing levels, the maximum out-of-pocket payment an individual in a nursing facility for 2 years would pay for care today would be less than $30,000. This is not a trivial amount to be sure, but it is a manageable and predetermined amount that families could plan for through savings or the purchase of private insurance. The fear of total impoverishment from nursing facility care would be replaced by an insurable risk.

Again, for those with low-incomes for whom even this fixed outlay would represent an impossible burden, the Medicaid program would provide assistance with cost-sharing obligations. Medicaid would pay for all cost-sharing and uncovered care of those with incomes below the poverty level and would offer partial assistance to those with incomes between 100 and 200 percent of poverty.

Elder-care would be financed through a new Medicare Long-Term Care Trust Fund supported by revenues raised from three different tax sources. H.R. 3140 would first eliminate the cap on wages now covered by the OASDHI tax, including the 1.45 percent Medicare payroll tax. Second, the legislation would impose a 10 percent surcharge on the excess of taxable estates and gifts over $100,000. Finally, the bill would require an income surcharge of $3.50 per $100 of income tax liability for all taxpayers. Taken together, these revenues should cover the entire cost of the Elder-Care Program, making it self-financing and deficit neutral.

In addition to the creation of Elder-Care, H.R. 3140 includes expansions in the Medicare Program to extend health care coverage to all individuals with incomes below 100 percent of the Federal poverty line. These improvements are financed through reduced State and Federal spending under Medicaid that would result from the establishment and implementation of the Elder-Care Program.

Although final estimates are not yet available from the Congressional Budget Office [CBO], preliminary reports indicate that the cost of Elder-Care for a full year of implementation will be between $50 to $60 billion in 1992. An outline of the full program follows.

Despite its high cost, Elder-Care is a program that must be enacted. We know that long-term care reform won't be easy, and we know that it won't be cheap. It will take enormous resources. It will take Federal leadership and grassroots support. But Americans want long-term care reform and they tell us they are willing to pay for it. It is time to act on those commitments and bring an end to the years of indecision on this critical health care issue.

We, as a nation, have already made great gains in expanding affordable health services for the elderly. But we cannot stop before the job is done. The time has come to enact a long-term care program that is broadly accessible, progressively financed, and insures quality care for all. Elder-Care provides a good starting point for this long overdue improvement in the social safety net for elderly Americans.

ELDER-CARE LONG-TERM CARE ASSISTANCE ACT OF 1989 H.R. 3140

TITLE I—MEDICARE LONG-TERM CARE BENEFITS

A. Community Care: Eligibility and Benefits

Eligibility: All Medicare beneficiaries unable to perform without assistance 2 or more activities of daily living (ADLs) (bathing, dressing, toileting, transferring and eating) or with a cognitive impairment (such as Alzheimer's disease) that requires the substantial direction, instruction, or supervision of another person.

Eligibility Determination: Made by federally-funded non-profit or public Community Assessment, Review, and Evaluation (CARE) agencies using uniform assessment criteria established by the Secretary. CARE agencies will assess potential beneficiaries, certify eligibility, develop and revise plans of care, and review the quality of care provided. CARE agencies will be designated by the Secretary and must be either a State or local governmental unit or a non-profit organization.

Benefits: Full range of home care services (skilled and unskilled) and adult day health care, as specified in a plan of care. Home care services provided directly or under contract by Medicare-certified home care or home health agencies.

Scope of Benefits: Individuals are entitled to community care benefits based on the degree of impairment (severe or moderate) as determined in the comprehensive assessment by the CARE agency. The Secretary will establish standards for severe and moderate impairment based on severity of ADL and cognitive impairment.

Severe Impairment: up to 30 hours per week of community care services.

Moderate Impairment: up to 20 hours per week of community care services.

Cost-Sharing: 20 percent of the cost of benefits provided under the plan of care.

Community Care Payment: Home care agencies would be reimbursed according to a fee schedule established by the Secretary, adjusted by the area wage index, and updated by the home health market basket. Adult day care services would be reimbursed on a per diem rate established by the Secretary and adjusted for area wage differentials.

Low-Income Protections: For individuals below 100% of poverty, Medicaid pays assessment charge and all cost-sharing requirements. For individuals between 100% and 200% of poverty, Medicaid pays part of the cost-sharing (75% of cost-sharing requirements for those between 100% and 150% of poverty and 50% of cost-sharing requirements for the 150%-200% of poverty group.) States have the option of implementing a more generous cost-sharing system based on a sliding scale for the 100%-200% of poverty group. Individuals apply to State Medicaid program for cost-sharing assistance. State is responsible for eligibility determination.

Private Insurance Incentives: Private insurers can market plans to cover cost-sharing requirements and to provide supplemental benefits.

B. Nursing Facility Care: Eligibility and Benefits

Eligibility: All Medicare beneficiaries who have been screened by a CARE agency and determined to have a severe level of functional or cognitive impairment based upon limitations in ADLs and other risk factors established by the Secretary.

Eligibility Determination: Preadmission screening conducted prior to nursing facility admission by CARE agency. Determinations based upon uniform assessment criteria established by the Secretary. CAREs can recommend alternate services in the community, when appropriate. Individuals determined to be in need of nursing facility care are automatically deemed eligible for the "severe" package of community care services.

Scope of Benefits: All care provided in a federally certified nursing facility.

Cost-Sharing:

Full cost of first 2 months of care, unless covered by Medicare SNF benefit.

⅛ of national per diem nursing facility rate for months 3-24.

10 percent of national per diem nursing facility rate for months 25 and beyond.

Reimbursement: Nursing facilities reimbursed on a prospective basis with two components: personal care services (including nursing care and raw food) and room, board, and capital costs. The personal care component will be updated annually on the basis of the nursing facility market basket and the room and board component will be increased annually by the CPI. The nursing facility payment rate is based on the lesser of 90 percent of the average State Medicare skilled nursing facility per diem or 125 percent of the average State Medicaid nursing facility per diem in 1989, updated to 1992.

Low-Income Protections: For individuals below 100 percent of poverty, Medicaid pays all cost-sharing requirements. For individuals between 100 percent and 200 percent of poverty, Medicaid pays part of the cost-sharing (75 percent of cost-sharing requirements for those between 100 percent and 150 percent of poverty and 50 percent of cost-sharing requirements for the 150-200 percent of poverty group). States have the option of implementing a graduated and more generous cost-sharing system based on a sliding scale for the 100-200 percent of poverty group. Individuals apply to State Medicaid program for cost-sharing assistance. State is responsible for eligibility determination.

Private Insurance Incentives: Private insurers can market plans to cover cost-sharing requirements and to provide supplemental benefits.

C. Financing

Preliminary Cost Estimate: Between $50 and $60 billion for a full year of implementation in 1992.

Financing Mechanisms: Financing revenues to be raised from 3 different tax sources.

Payroll Tax: Eliminate cap on taxable wages covered by OASDHI payroll tax, including the 1.45 percent Medicare payroll tax (revenues raised: approximately $38 billion).

Estate and Gift Tax: Dedicate additional revenues from Federal estate and gift tax receipts gained by imposing a 10% surcharge on the excess of taxable estates and gifts over $100,000 (revenues raised: approximately $5 billion).

Income Related Premium: Impose an income tax surcharge of $3.50 per $100 of income tax liability for all taxpayers (revenues raised: approximately $10 billion).

TITLE II—MEDICAID HEALTH BENEFITS FOR UNDER-POVERTY INDIVIDUALS

Coverage of Under-Poverty Individuals: State Medicaid programs are required to cover basic medical services (including prescription drugs) to all individuals with incomes below 100% of the Federal poverty level.

TITLE III—HOME CARE FOR LOW-INCOME INDIVIDUALS

Grant Program: Establish a Community Care Agency (CCA) grant program in the Public Health Service Act that is modeled after the Community Health Centers program and is designed to provide home and community-based services in low-income or rural areas that may have difficulty establishing provider networks. Agencies are required to become Medicare-certified as home care agencies within 2 years of receiving a grant. Authorization: $200 million in the first fiscal year.

ILLUSTRATIVE MAXIMUM BENEFIT LEVELS FOR NURSING FACILITY CARE [1]

	Total benefit (up to)	Medicare pays (up to)	Beneficiary pays (at most)
Year 1, total	$37,000	$20,550	$16,450
Months 1–2	6,200		6,200
Months 3–12	30,800	20,550	10,250
Year 2	37,000	24,700	12,300

ILLUSTRATIVE MAXIMUM BENEFIT LEVELS FOR NURSING FACILITY CARE [1]—Continued

	Total benefit (up to)	Medicare pays (up to)	Beneficiary pays (at most)
Total 1 and 2	74,000	45,250	28,750
Each subsequent year	37,000	33,300	3,700

[1] Figures based on assumption of $37,000 for the annual cost of a nursing facility stay.

THE RURAL DEVELOPMENT FAIR SHARE DEVELOPMENT ACT

HON. BYRON L. DORGAN
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. DORGAN of North Dakota. Mr. Speaker, today I have introduced legislation that is designed to encourage rural development by assuring rural America its fair share of Federal contracts, grants and economic development assistance. This legislation will also redirect the mission of the Department of Agriculture to devote greater effort to rural development. Finally, this bill will begin to address the issue of rural outmigration by making rural areas that are losing a substantial percentage of their population eligible for the same Federal assistance that is given to areas experiencing high unemployment.

As the U.S. economy begins to slow down, it is becoming even more apparent that rural America did not share in the deficit-induced prosperity of the Reagan years. Worse yet, due to the drought in the West and the Midwest and the decline in energy prices overall, many parts of rural America have seen a real decline in their economic standard of living. All over rural America, small towns are withering and dying as their citizens—especially the young and the college educated—have moved to the already congested urban centers of our Nation. The process feeds on itself as the shrinking population causes other businesses to fail and makes it impossible for the local governments to maintain the infrastructure required to attract new firms.

The Federal Government is not responsible for all the ills that beset rural America but it has exacerbated these trends by its spending patterns and its tendency to view rural problems as solely related to agriculture. Agriculture is and will remain vitally important to rural America. But if rural America is to prosper and become a viable part of the postindustrial economy we must foster diversification into other economic activities.

In this bill, I am proposing a five-pronged approach:

First. Let's have an affirmative action strategy for rural America. In order to help those groups in our society who have been left behind, the Federal Government actively seeks to assist minority firms by designating a share of Federal contracts for these companies. Similarly, I propose that the Congress establish a requirement that a fair proportion of the goods and services procured by the Federal Government should be from companies in rural areas.

This rural content requirement is established as broadly as possible so as to allow Federal Departments and agencies as much leeway as possible. Nobody expects the Navy to build aircraft carriers on the great plains but rural America does have the right to expect the Federal Government to spend a fair share of its aggregate purchasing dollars in rural areas. This requirement would apply to either the major contractors or the subcontractors on a major contract. In either case, I would propose that the relevant proportion of rural content should be tied to the proportion of Americans living in rural communities—about 15 to 20 percent in 1989.

I feel that this approach will result, over time, in a more geographically diversified, more competitive Government contractor base that will also provide a stable foundation for continued rural economic diversification.

Second. Require Federal agencies that make grants and loans to foster general economic development to allocate at least a fair share of their funds to rural areas, Again, this share should be tied to the percentage of Americans living in rural communities.

In a study done by the GAO for Mr. Coleman, the percentage of Small Business Administration loans and grants devoted to rural areas was often far below the fair percentage these areas should receive—sometimes as low as 3 percent. Assuring rural communities their fair share of these funds is the one way to increase the amount of development funds available in this year's tight budgetary climate.

Of course, I understand that some development funding is targeted at certain areas. But for those programs that are aimed to benefit the Nation as a whole, rural America has the right to expect its fair share. Requiring Agencies and Departments to monitor their allocations to rural areas and establishing a criteria for fund allocation is one way to assure that it gets it.

Third. Staunch the outmigration of the rural populace by giving rural areas that are losing population the same assistance that is given to urban areas with high unemployment. For those urban areas that experience a high rate of unemployment, the Federal Government properly provides assistance to stimulate new job creation. Unfortunately, in rural areas economic downturns often lead people to move elsewhere in search of employment opportunities. Consequently, the unemployment rate never reaches the level required to trigger Federal assistance.

My legislation provides that rural areas which have experienced a significant loss of population—5 percent or more over a 5-year period—will be declared to be labor surplus areas. Under this designation, firms bidding on these contracts will be eligible for preferential consideration if they or their subcontractors are located in these areas. Under this approach, rural areas will not be penalized for the fact that the rural unemployed would rather relocate than stay unemployed.

Fourth. Facilitate rural development through the use of rural development investment zones. As you know, one recent proposal for restoring balance in the economy is to create urban enterprise zones. The weakness of this approach is that it leaves the rural depression untouched. A further weakness is that the notion of enterprise or investment zones is meaningless without tangible incentives to attract businesses.

We should put some meat on the bones of the enterprise zones idea with workable tax incentives and provisions for urban and rural investments.

My legislation will stimulate new business development in rural areas, and provide new and challenging employment for their residents. Of equal significance, anticipated expansion and diversification of businesses in these regions will reduce the impact of economic downturns in the future. This legislation complements the prior two proposals I have made today by facilitating the business development which the rural content requirement and rural fair share will help initiate.

My legislation authorizes the Secretary of the Treasury to designate development zones located in certain impoverished rural communities based upon the area's size, its degree of poverty and general economic distress.

The legislation provides employment-related tax incentives to attract new businesses and to retain existing businesses within the nominated areas. The incentives include:

An employer tax credit of 10 percent for increased spending on qualified wages.

An investment tax credit of 10 percent on certain depreciable real property used in a trade or business within a development investment zone.

Other investment provisions are:

Waiver or modification of Treasury rules are permitted in certain circumstances in order to further job creation, community development, and economic revitalization objectives of the zones.

The Foreign Trade Board shall consider any application to establish a foreign trade zone within a development investment zone on a priority basis, and expedite processing.

The additional Federal assistance and tax incentives provided under the act should result in incentives to diversified economic growth that is so desperately needed to improve the quality of life for residents in these areas.

Fifth. Let's redirect the Department of Agriculture to focus more directly on rural development. In order to give proper attention to rural development at the highest level, I am proposing that the Department name be changed to the U.S. Department of Agriculture and Rural Development. To ensure that this will not merely be a meaningless name change, I am also proposing that the Department establish an Under Secretary for Rural Development. This office will oversee the various rural development activities in the Department through the Agency for Rural Development—a new agency that will house the various development programs now located throughout the Department.

In addition, the Agency for Rural Development will provide matching grants to States to foster rural development coordination and planning, encourage technology development in rural areas and establish revolving loan and venture capital fund pools. Finally, I would propose that we establish a Rural Advocacy Office to act on behalf or rural States, small communities and small businesses located in

rural areas when seeking redress from onerous regulations or assistance in seeking Government grants or contracts.

FUNDING OF THE UNITED STATES AND FOREIGN COMMERCIAL SERVICE

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. PEASE. Mr. Speaker, I would like to associate myself with the August 1 remarks of my colleagues Representatives RIDGE, JOHNSON, and ROGERS regarding the funding of the United States and Foreign Commercial Service [US&FCS].

At a time when our Government needs to promote exports aggressively, the Appropriations Committee unwisely recommended a level of funding for US&FCS that was $5.17 million less than the President's budget request. The President asked for a $6 million increase in the US&FCS budget to offset its 20-percent loss of purchasing power caused by the declining value of the dollar.

This loss of purchasing power has cut sharply into the resources of US&FCS, resulting in a reduction in overseas officers, domestic field staff, and export promotion services. While other nations, realizing the benefits of trade-generated economic growth, have expanded their overseas presence, the United States has lagged badly behind. In Egypt, for example, the Japanese have 15 commercial officers; we have only 2.

Given our Nation's trade deficit and our need to get more U.S. companies involved in exporting, we cannot afford to let this trend continue. We need a well-staffed US&FCS with the resources to promote our exports aggressively in overseas markets. By appropriating the President's full budget request, Congress can avoid any further reductions in US&FCS services and pave the way for a stronger overseas presence in the future.

CONFEREES WAGED TO REVIEW ATF FUNDING

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. DENNY SMITH. Mr. Speaker, I rise today to express both my surprise and disappointment with one of the actions taken by the Appropriations Committee on H.R. 3072, the Department of Defense authorization bill that the House passed this morning.

The bill zeroed out the funding for the Advanced Tactical Fighter [ATF] Program. I have reviewed the committee report in search of the logic involved in this decision. I must tell my colleagues, based on my own close personal involvement in this program from visiting both of the contractors several times, that the issues of concern to the committee are being adequately addressed by the Air Force and the contractors in the ATF Demonstration and Validation Program.

From a former combat pilot's point of view, I believe that we cannot, in good conscience, send future American pilots into combat against the expected numerical odds in anything less than the superior airplanes that will result from this competition. The ATF Program has been well-structured. The ongoing Demonstration/Validation Program will prove which designs and systems will perform, and the subsequent full scale development program has been stretched by the Air Force to ensure that adequate testing is accomplished prior to going into production.

I share the Appropriations Committee's concern about both ATF unit and total program cost, but such issues must not override good judgment. Passage of the bill this morning has resulted in our interfering, in the final months of a 50-month program, with a program that had the best possible return on our investment as a result of both competition and contractor investment. The result will be the loss of much of this investment, a delay in the program for a number of years, and a greatly increased cost when we do replace the current Navy and Air Force fighter aircraft—a replacement that we will certainly face in the years ahead.

I encourage my colleagues on the Appropriations Committee to closely examine their actions regarding the ATF Program and to fully fund this program when they enter into joint conference with the other body later this year.

THE 100TH ANNIVERSARY OF CHICAGO BRIDGE AND IRON

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. FAWELL. Mr. Speaker, from the humble wooden bridge building business which Horace E. Horton started soon after the Civil War, Chicago Bridge and Iron Co. [CBI] has grown to become one of the leading companies in the worldwide construction business.

I rise today to congratulate CBI as it approaches its 100th anniversary on August 8, 1989.

CBI is a shining example of the entrepreneurial spirit of America. CBI's history is one of those unheralded success stories of American innovation that contributed to our Nation's rise to the top of the industrial world.

CBI's story is of innovation as the company adapted its products and services to the world's major technical and industrial developments. In the early part of this century, the company moved beyond its original bridge building business. The company followed the paths of the railroads as new communities required special structures such as elevated water storage tanks.

In the early 1920's CBI quickly established itself as a leading supplier to the petroleum industry, furnishing large storage tanks and special purpose structures.

CBI was part of the great industrial machine that helped us win World War II, by building dry docks and landing ships for the U.S. Navy.

Following the war, CBI grew tremendously as its products and services ranged from hydroelectric power projects to the space program, nuclear power, water storage, as well as a premier position in furnishing structures for the oil and gas industry.

Today, CBI is a $1 billion company with diversified projects throughout the world, ranging from storage tanks to new deck sections for the Golden Gate Bridge.

I am proud to represent CBI's headquarters in Oak Brook, IL. Again, my congratulations to CBI for reaching this milestone.

HEALTH CARE FOR VETERANS

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. RAHALL. Mr. Speaker, I rise in strong opposition to the recently released GAO report stating that one-fifth of the disability benefits paid to veterans are for the ordinary diseases of life that have nothing to do with veterans' military service.

There is a current of thought in medical circles that although a person may not have suffered debilitating physical injury during their service to our Nation, the mental and emotional stress caused by killing other humans, or merely trying to live long enough to return to the United States, can create long-lasting mental scars. This extreme anguish, which no one can possibly imagine unless they have lived through a war, can eventually lead to physical illness as the veteran ages, and most of our World War II and Korean war veterans have aged considerably since their service to our country. Furthermore, it is a well-known fact that Vietnam veterans have suffered from indescribable mental anguish, which has hindered their careers and made it difficult for them to care for themselves and their families. This certainly is service-related injury, although there are some who would question the validity of this claim, and continue to deny the veteran his fair share of the benefits earned in defense of our country.

In addition, I cannot and do not care to imagine the day when we shall remove millions of veterans from VA benefits programs and add them to the 37 million Americans who are already without any kind of health care coverage. Is it for us to decide that a veteran can only receive VA benefits if he or she was injured in battle only? Who would benefit from such a situation, certainly not the Federal Government which is already buckling under the stress of providing health care under existing programs.

I am also deeply offended at the report's attempt to create a rift between Vietnam and World War II era veterans. We are not and should not decide who gets health care benefits; they all deserve them. Even more ridiculous is the GAO report's quoting of David Stockman, who has already proven his credibility as a budget expert—he has none.

In conclusion, I would like to restate my adamant opposition to any effort to cut the veterans out of their own benefits programs and pit them against other Americans who also need health care security. We owe our veterans a debt, and by accusing them of fraudu-

lently claiming their rights to health care, the GAO report has wrongfully dismissed the U.S. veteran's position of importance earned through proud service to this Nation.

I would not want to experience the physical and mental torment that our veterans have endured, and no one has the right to deny their rights to health care, whatever the reason.

INDIANA DUNES NATIONAL LAKESHORE

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. VISCLOSKY. Mr. Speaker, during the past 10 years, tremendous changes have occured in Indiana's First Congressional District due to the restructuring of its preeminent industry, steel. Realizing that these changes are upon us, the public officials and citizens of northwest Indiana have been studying options for maintaining economic vitality. It is an exciting time for the area, in essence, it is a rebirth.

Throughout these changes, the Indiana Dunes National Lakeshore has remained a constant source of serene beauty and recreation to all. The boundaries of this unique national park weave through small communities, the urban center of Gary, and cradle two massive steel mills. The Indiana Dunes National Lakeshore is an anchor for the quality of life in northwest Indiana.

As the park is being called upon to meet many new demands created by the region's changing atmosphere, many new challenges have resulted. These challenges must be met.

Today I have introduced the Indiana Dunes National Lakeshore Access and Enhancement Act, a bill to meet these new challenges. The main thrust of this act is to address the problem of access. Existing staging areas are insufficient and additional facilities must be developed. Handicap beach access is also a feature that the park lacks. In addition, alternative recreational possibilities made available by the many river corridors in the parks' vicinity, and a means of utilizing the possibilities, must be considered.

My bill is the result of over 8 months of discussion with concerned citizens, interested organizations, and elected public officials. It is my hope that active participation will continue during the hearing process so that the bill can be improved further.

I want to extend my gratitude to all those who took part in the making of this bill. Without them the Indiana Dunes National Lakeshore Access and Enhancement Act would not exist. I look forward to working with them as this bill proceeds. Thank you.

WHAT IS TO BECOME OF TOMORROW'S LEADERS?

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. GILMAN. Mr. Speaker, over the years I have come to the floor many times, too many times, to commemorate the tragic passing of many brave men and women who have lost their lives in the war against drugs. These courageous law enforcement personnel knew the dangers before them when they stood up before the pushers, the dealers, and smugglers who threaten our society, yet they would not be intimidated. These heroes and heroines paid the ultimate price for their courage—with their lives. Throughout our history we have been blessed by scores of such heroes, but what of tomorrow? Who will our leaders be? We know not for sure. But what we do know is that without them, we are lost.

Drug abuse in and of itself presents a considerable threat to society, but the narcotics trade robs us of our future in many other ways as well. On Sunday, July 23, Derrick Connor was slain in a drug-related battle. Derrick was the student head of the Mentor Program at the Malcom X Elementary School in Washington, DC. The Mentor Program was designed to provide students at that troubled school with positive role models for the future. Derrick was only 13 years old.

A society without leaders will not long survive. In our war on drugs, our Nation is losing too many of our leaders, even before they actually have the opportunity to lead. Derrick at the tender age of 13, was hardly with us before he left us. We cannot help but wonder how much he could have accomplished had he survived?

We take pride in knowing that America has never been short on heroes in public service, but what of tomorrow? Our society is increasingly sacrificing more and more of our young people, and our future, to drugs and to drug peddlers. Some believe that this is a malady affecting only the disadvantaged segments of our society—somebody else's children. Some accept that this loss is painful and tragic, but a loss that we as a nation have little choice but to accept. Some more calloused individuals actually believe that the people we lose to narcotics are expendable, and that they had nothing to offer to society anyway. Obviously, that is simply not true. Derrick Connor had a great deal to offer our country.

While the narcotics trade has had the most obviously devastating effect on our urban areas, in reality it has drained the strength of our Nation at all levels and in all areas. A recent report released by National Drug Policy and Drug Control Director Bennett indicates that while casual use of drugs is down sharply, the indicators of cocaine and heroine abuse have been rising sharply. Furthermore, a recent survey released by the Cocaine Hotline indicates that the percentage of emergency calls received from those with college educations doubled in the last year.

Mr. Speaker, I urge my colleagues and the administration to consider this question: What is the future of our Nation when many of tomorrow's leaders will not have the opportunity to live to see tomorrow, and when many of those who do survive lose their future to cocaine and other illicit narcotics? We must take action—from Wall Street to Watts, across the Nation and around the world, we must intensify our antidrugs campaign. We must give our children the wisdom needed to survive and to protect them from the drug dealers until they understand just who and what these peddlers of poison are.

Our antinarcotics efforts have often been described as a war on drugs, but a war can only be won if we are willing to dedicate desperately needed resources to waging the battle. We are engaged in a war we must not lose. The heart and soul of our Nation is at stake. What better investment for tomorrow than to make certain our leaders of tomorrow can grow up in a drug free society.

EPA NEEDS TO FOCUS ON EDUCATION

HON. MEL HANCOCK

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. HANCOCK. Mr. Speaker, one of the major concerns in the Congress this year centers on the issue of clean air, a subject worthy of extended debate. At the top of the list is the issue of emission standards, specifically, catalytic converters.

Recently, an interesting article on this subject was brought to attention. I would like to share it with my colleagues at this point in the RECORD.

EPA NEEDS TO FOCUS MORE ON EDUCATION

(By Larry Dixon)

For years, the Environmental Protection Agency has been trying to do the will of Congress in helping to clean up our nation's air. The goal of cleaner air is, of course, like Christmas and motherhood—we are all in favor of it.

We don't propose to question motives. The EPA has seemed, at times, to be sensitive to the people who are trying to earn a living in the aftermarket. Even so, the relationship often has been rocky.

We all watched, and many times applauded, as the agency put on a tough face against tampering at the manufacturer and installer levels.

While the rules kept changing, most people in the industry were, and are, giving compliance a good try. At an industry conference a couple of years ago, two representatives of the EPA were on the stage answering questions. After one had given his comments in response to a question from a member of the audience, the other rose and gave a different answer. It was obvious that even they were confused. We don't find fault with this. A certain amount of confusion is inevitable in a complex and changing situation.

Now, the agency seems to have answers for most questions. Much has been written on the EPA's guidelines for exhaust-system repairs. This magazine has devoted a great many pages in recent months to explanations of the agency's guidelines.

Even so, I have lost count of the number of times since the first of this year that

shop people have called the magazine, stopped one of our editors at some public gathering or written letters asking about the EPA standards. The shop operators are not comfortable with converters because they are not sure of what is right and what is wrong. Some have told us that they simply won't sell catalytic converters because they are too confused.

During a recent roundtable discussion organized by Undercar Digest, a distributor related information an EPA official had given him about applications for one style of aftermarket converter. A manufacturer pointed out that what the EPA official told the distributor directly contradicted agency policy.

When not every EPA employee involved in air-quality enforcement understands the agency's own guidelines, it's no wonder that shop owners are confused.

Then, recently, the EPA began an enforcement program that sends agents to shops to investigate and levy funds for violations of the repair guidelines. Between February and April, the agency proposed fines of more than $3 million. Wait a minute! This isn't the way it ought to be. The feds should be working harder on educating shop owners than they are on eradicating shop profits.

This whole thing has been very confusing from the start. The industry has pretty well demonstrated a desire to reduce air pollution, and some impressive gains have been made already. Now is not the time to ride roughshod over an industry that is as big, as important and as widespread as any in this nation.

Education, rather than fines and penalties, will help clean the air. We think the EPA should be spending its energy (and our tax dollars) right now in getting out to trade shows, contacting publications and gaining access to the people in the business through trade associations and meetings. We should be (and would like to be) publishing dates and times of regional seminars conducted by the EPA to answer the many questions that shop owners have about servicing emissions systems and components. We believe the industry sincerely wants to do what is right. The EPA should give it the opportunity.

If the real goal is clean air rather than cleaning out the bank accounts of honest, hard-working shop owners, then let's call a halt to this avalanche of fines and penalties. Let's get the EPA enthused about getting out of Washington and into the countryside—with seminars instead of shotguns.

TRIBUTE TO DERRALD SWANSON

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. DELLUMS. Mr. Speaker, I rise today to give tribute to a true American hero, Derrald Swanson.

On July 29, 1989, Derrald unselfishly sacrificed his own life in an attempt to save a drowing friend. This heroic attempt is indicative of Derrald's caring for others and the character of his humanitarian spirit.

Derrald was born in San Francisco, CA., August 15, 1951, to John and Margaret. He received his Christian baptism on January 27, 1963 and was a faithful member of the Church of All Faiths, located in Oakland, CA. In his Christian life, he was active in young adult activities, a youth usher, and a willing volunteer in various church functions and festivities. As an Oakland resident, Derrald attended Oakland public schools and graduated from Oakland Technical High School in June 1969. Later he attended Laney Junior College where he received his Associate Arts Degree in Sociology. In 1972, he joined and served in the U.S. Army actively for 4 years.

On December 2, 1972, he was joined in holy matrimony with Brenda Joyce Smith. From this union came two sons, Dondrell and Brandon. They remained together as a family until his departure. He leaves to cherish his memory his wife, Brenda, sons, Dondrell, Brandon, LaDrue, his mother, Margaret Lucien, father John Swanson, stepfather, Stanley Lucien, grandparents, Bishop and Mrs. Archie Swanson, brothers, Sandré, Terry, Carlton, Keith, sisters, Belinda, Valerie, and a host of other relatives and loving friends.

Derrald leaves a celebrated life of 37 years—one of caring, sharing, and expressions of love.

Mr. Speaker, thank you for this opportunity to share with the people of the 8th Congressional District, and the Nation, this special tribute to Derrald Swanson, one of our outstanding citizens.

KIWANIS INTERNATIONAL HELPING TO BUILD A DRUG-FREE WORLD

HON. C. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. COX. Mr. Speaker, it is my privilege today to ask my colleagues to recognize the efforts of Kiwanis International to fight drug abuse.

We grow increasingly aware of the scourge of drugs in our Nation and around the world. Moving testimony here on Capitol Hill, tours of neighborhoods destroyed by drugs, and the horror stories of babies born addicted to harmful narcotics, tell us of the tragedy drugs bring.

This Congress has declared war on drugs and has backed tougher laws to fight drug use and drug pushers. But no government can alone win the war on drugs. It is an informed and committed citizenry that will turn the tide of battle and win that war.

That is why I am pleased to share with my colleagues the tremendous efforts of Kiwanis International to combat drug abuse.

Recognized for its far-sighted drug abuse treatment programs with a Private Sector Initiative Award from the White House in 1987, Kiwanis International has now reaffirmed its commitment to fight drug abuse with a resolution adopted at the 74th Annual Convention of Kiwanis International. The language of this important resolution is a guide for the efforts of all who soldier in this war:

BUILD A DRUG-FREE WORLD

Drugs harmful to health pose one of the greatest threats to our existence. Each year, countless thousands of persons worldwide are adversely affected by or die in drug-related incidents. As to our youth—each nation's most precious resource—drug abuse interferes with learning, alters personality, and injures health. For unfortunate infants born to mothers using harmful drugs, life begins with the torturous pain of drug withdrawal and possible permanent disabilities. Family life suffers when any member becomes addicted. For all persons, standards of living decrease as employee absenteeisms and poor workmanship increase the cost of all consumer products. Illicit drugs are closely tied to crimes and other illegal activities. Therefore, be it

Resolved, That; each Kiwanian and Kiwanis club help build a drug-free world and join the battle to prevent the use of harmful, illegal, or addictive drugs by developing and/or promoting programs which:

1. Prevent drug experimentation and abuse.

2. Increase, through community education, the awareness of the dangers of drug use and abuse.

3. Focus public attention on the importance of fostering a widespread attitude of intolerance for harmful, illegal, or addictive drugs and their use throughout all segments of society.

4. Examine and emphasize the essential roles and responsibilities of youth, parents, family, spiritual communities, schools, governments, and society in the prevention of the basic causes of drug abuse and in the provision for successful treatments.

Mr. Speaker, the efforts of Kiwanis International deserve our recognition and support. As we honor this outstanding group here today, we should use this occasion to reaffirm our own commitment to work with groups such as Kiwanis in pursuit of a truly drug-free world. I thank the Kiwanis for providing us with this opportunity and ask my colleagues to join me in supporting their outstanding efforts.

MANOMET VILLAGE CELEBRATES 350TH BIRTHDAY

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. STUDDS. Mr. Speaker, I want to extend my very best wishes to the people of Manomet Village as we celebrate the village's 350th birthday.

The 17th century surveyors sent by Governor Bradford along the Indian trails surrounding Plymouth plantation could not possibly have envisioned the community which would flourish here 300 years later. Exploration led the courageous Plymouth settlers to establish their first trading post at the mouth of the river, and to name their village with an Indian word meaning "the trail of the burden carriers." Today, the Aptucxet Trading Post, a replica of that first post constructed on the original foundation, serves as apt reminder of Manomet's origins.

Nothing boosts our capacity and courage to confront new challenges like the knowledge that those who preceded us also braved—and somehow survived—their own hardships.

Manomet's legacy is rooted in a vibrant history of local people, events and ideas evolving for 350 years—a heritage of which we can all be very proud indeed.

It is with this pride and pleasure that we today salute the past—and future—of Manomet Village. All the best.

RETIREMENT OF REAR ADM. BENNETT S. "BUD" SPARKS

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. COBLE. Mr. Speaker, as a former member of the U.S. Coast Guard and U.S. Coast Guard Reserve, it is my pleasure and honor to recognize a fellow "Coasty" as he retires from service to his country. His name is Rear Adm. Bennett S. "Bud" Sparks. He is a friend of mine, and his is a story worth telling.

Bud Sparks joined the Coast Guard Reserve on December 14, 1942, with the rank of E–1. When he retired on July 8, 1989, he had obtained the rank of O–8. In 46 years of service to the United States, Bud Sparks was a leader. During his distinguished career, he rose from enlisted man to rear admiral. Bud Sparks was the first/last Coast Guard Reserve commodore and the first Coast Guard national president of the Reserve Officers Association.

He has seen how the Coast Guard has evolved over the years. In an interview with the Mariner magazine Bud Sparks remarked:

When I first joined, our nation was at war. The Coast Guard was a key player in that war effort, hunting enemy subs, landing soldiers and marines on hostile beaches, transporting troops to the scene of battle, and other such duties. Today, the Coast Guard clearly is still one of this nation's five armed forces. While military readiness is regaining its importance, we are engaged in a war to enhance safety. Yes, the Coast Guard is a tool of the nation and responds as Congress dictates. As a multi-mission service, we stand ready to meet any new challenges. I only wish the Congress would fund our service to the level of activity Congress mandates.

Bud, I could not agree with you more. My mission in Congress is to see that the Coast Guard receives its fair share of our national budget. If we are requiring the Coast Guard to perform more and more duties, we must provide the necessary funds to do the job right.

In addition to an outstanding Coast Guard career, Bud managed to build a family-owned import/export business. He accomplished all of this with the able assistance of his wife Betty. Bud and Betty Sparks reared six fine children, and they did this because in the words of Bud Sparks, "My wife and I are a team. We work together and most often, commit to the same tasks."

On his retirement from the U.S. Coast Guard Reserve team, I extend my best wishes to Rear Adm. Bennett S. "Bud" Sparks. Thanks for 46 outstanding years of service to the Coast Guard and the Nation.

NATIONAL GLAUCOMA AWARENESS WEEK

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. WALGREN. Mr. Speaker, today Mr. MADIGAN, Mr. LELAND, and Mr. WHITTAKER and I am introducing a joint resolution designating the week of November 12 to 18, 1989, as "National Glaucoma Awareness Week." Through this resolution, we hope to bring attention to the need for early prevention treatment of this very common disease.

Approximately 2 million individuals in the United States have glaucoma and at least 50 percent of these individuals are unaware of it. Because glaucoma can be detected by a routine eye examination, increasing public awareness of the disease can help to reduce the chance of the tragic onset of blindness which is so often the consequence of this disease.

Glaucoma is the second leading cause of blindness in the United States and the leading cause of blindness among black Americans. In addition, the elderly, those with diabetes, and those with a family history of the disease are at an especially high risk of contracting the disease. Eighty thousand individuals in the United States are already blind from glaucoma and 5 to 10 million Americans have undiagnosed and elevated intraocular pressure which puts them at a high risk of developing glaucoma.

Damage to the eye from glaucoma is progressive and there is no cure. For this reason, early detection treatment is important. The earlier the disease is recognized, the more easily it can be treated and controlled. It is our hope that through "National Glaucoma Awareness Week" public understanding of this disease can be increased. We must devote more resources to finding a cure and we must educate those at risk about the danger of glaucoma and the need for regular examinations.

I hope that my colleagues will support us in the effort to pass this resolution.

FIESTA EDUCATIVA HONORS RAUL VARGAS

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. TORRES. Mr. Speaker, I rise today to recognize a very special individual, Mr. Raul Vargas, executive director of the Office for Mexican American Programs at the University of Southern California [USC]. Raul will be honored for his dedication to improving the quality of education for all Hispanics by "Fiesta Educativa," a national community based organization, on Thursday, August 10, 1989.

An executive director of the Office of Mexican-American Programs at USC, Raul Vargas has been instrumental in helping Hispanic students finance their college education at USC. In 1974, Raul, along with eight USC alumni, founded the USC Mexican American Alumni Association, [MAAA]. The USC MAAA was established as a vehicle to provide scholarship assistance to undergraduate Hispanic students at USC. Since then, the organization has awarded more than 2,000 scholarships, totaling $2.4 million. In addition to the undergraduate scholarship program, the MAAA funds four medical school students in a joint venture with the USC School of Medicine and National Medical Enterprise. Currently, MAAA is involved in a campaign to raise $1 million for the USC MAAA Endowment Fund.

Raul was born in Miami, AZ. He attended Arizona State University and has done graduate work at California State University at Los Angeles and at USC. He is married and resides in Upland with his wife, Marcia and their two children, Tracle a senior at USC, and Cesar a sophomore at USC. Raul has taught at the junior high and high school levels and prior to this position at USC he was director of the Manpower Program for the Rio Hondo Areas Action Council.

Raul Vargas is a dedicated community servant with membership in many organizations such as the Variety Boys and Girls Club, and serves on the scholarship committees for the Montebello Town Center, the East Los Angeles Community Union, the USC Skull and Dagger Society, and is a staff advisor to the USC Latino Business Student Association. In addition, Raul has received many honors including, the National Hispanic Scholarship Fund "Hispanic of the Year Award," the National Network of Hispanic Women Leadership Award, the Mexican American Opportunity Foundation Aztec Award and the Society of Hispanic Professional Engineers' Hispanic of the Year Award.

Raul's genuine commitment to improving the quality of education for Hispanic youth motivated him to support the development of Fiesta Educativa, a community group dedicated to assisting Latinos with special developmental needs and their families. Through his efforts, Fiesta Educativa has enjoyed a strengthened relationship with the University of Southern California. Fiesta Educativa, will honor Raul Vargas for his outstanding contributions at a special dinner and roast on Thursday, August 10, 1989 in Glendale, CA.

Mr. Speaker, I ask my colleagues to join me in saluting Raul Vargas for his notable record of leadership and service to the educational needs of the Hispanic community and USC.

ITALIAN-AMERICAN HERITAGE AND CULTURE MONTH, OCTOBER 1989

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. ENGEL. Mr. Speaker, today, along with 79 of my colleagues, I will introduce legislation which will designate October 1989 as "Italian-American Heritage and Culture Month".

Over 20 million American citizens make up the Italian-American community, representing one of the largest ethnic groups in the United States. They are not unlike millions of others who have journeyed great distances to reach America, to start a new life, a better life. This

has been a common dream throughout the history of this great country of ours.

Italian-American Heritage and Culture Month will focus attention on the great contributions and accomplishments that Italians and Italian-Americans have made in all aspects of life in the United States.

Italian-American organizations throughout the United States greatly contribute to the prosperity and progress of our Nation on a yearly basis. Many of these groups throughout the Nation are planning special events during October to commemorate these great men and women, and educate the public of their accomplishments.

I am proud to be the author of this legislation and urge my colleagues to join me in designating October 1989 as "Italian-American Heritage and Culture Month."

JACK LEAHY, VETERAN NEWSPAPERMAN, RETIRES

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. SMITH of New Jersey. Mr. Speaker, Jack Leahy, a good friend of mine for over 15 years, recently retired from the newspaper business after a distinguished 47 years in the profession. An avid reader of Jack's articles, I have always enjoyed his valuable insights, crisp reporting, and no-nonsense approach to public policy issues.

Jack has been a dedicated journalist; deeply committed to accuracy, fairness, and above all, to the truth. A family man who is one of the pillars of the Catholic Church in the Diocese of Trenton, Jack has given incalculable hours in the service to others.

I ask my collegues to take a few minutes to read the excellent article by Jim Lowney in the Irish Echo which highlights just a few of this man's accomplishments.

VETERAN NEWSMAN RETIRES—BUT NOT COMPLETELY

(By Jim Lowney)

TRENTON, NJ.—Veteran newspaperman John M. "Jack" Leahy has been behind a typewriter, and lately, a computer terminal, for 47 years. And after he steps down this month as news editor of The Monitor, the Trenton Catholic Diocesan publication, he still expects to be writing.

I'll remain active in the Right to Life program and will be doing freelance writing and will be a correspondent for the Monitor," said Leahy, a native of Union City, N.J.

The newsman said his venture into journalism was brought about more by World War II rather than by a boyhood dream.

"When I got out of high school in 1941 I was 17 and there were no jobs except those in defense work and you had to be 18 years old. So I wound up being an office boy and "gofer" for $12 a week at the Hudson Dispatch," recalled Leahy.

Soon a well respected newspaperman, A. Bruce Cook, who was managing editor of the Dispatch, took Leahy under his wing and began to teach him the fine points of newswriting.

"He would take short pieces that had already been in the paper and have me rewrite them as practice. He was a great teacher. You could make a mistake once, but if you made the same one the second time you were nailed to the wall," remembered Leahy with a chuckle.

Leahy ultimately served as an assistant deskman and then as rewriteman for the newspaper. His career was interrupted for Army service in World War II and again during the Korean War. He was originally assigned to England with the U.S. Army Air Corps' Eighth Air Force and returned to Europe while serving with the Air Force during the Korean War.

The excitement of covering breaking news in busy Hudson County towns is still not forgotten by Leahy.

"I first covered the town of Secaucus with an old time reporter Newell Davis, who later worked for the Newark News."

After returning from military service, Leahy was assigned to covering Weehawken and half of Union City.

"Anything that happened in that area I covered—from obituaries to fires and local political clubs," he recalled.

Leahy left the Dispatch and joined the Monitor in December of 1956. Under the direction of retired Bishop of Trenton George Ahr, Vincent Weiss, the first editor, Leahy covered the church, school and hospital news of a six-county area of Central New Jersey.

"It was originally a broadsheet but like many other weekly newspapers it was converted to a tabloid size several years ago," mentioned Leahy.

For almost 30 years, Leahy has been active in the Ancient Order of Hibernians. He first joined Hudson County Division 2 in 1950 and later transferred to Msgr. Crean Division 1, in Hamilton Township, a Trenton suburb, where Leahy lives. He was division president from 1965 to 1966 and served as New Jersey state president from 1976 to 1978.

The newsman served as editor of the New Jersey Hibernian, a fraternal newspaper, for 10 years and in 1968 through 1970 when Montclair-resident Michael L. Delahunty served as AOH national president, he was editor of the National Hibernian Digest.

At the moment Leahy is recording secretary of his local division and is New Jersey chairman of Pro-Life activities.

The newspaperman has also dedicated countless hours to veteran organizations over the years. He has held offices on the local, state and national level of the Catholic War Veterans of the United States. He is a member and first vice commander of Holy Cross Post 417, Trenton and a member of Hamilton Township Post 3525, Veterans of Foreign Wars.

In other activities, Leahy is a member of the Catholic Press Association. Moreover, he is a charter member of the Diocesan Pastoral Council, serves on the Trenton Diocese Respect Life Committee and is the Respect for Life chairman on the Pastoral Council of Holy Angels Church, Trenton. In addition he serves as a lector and Eucharistic minister to the sick.

Jack Leahy, whose grandparents emigrated from County Cork, is married to the former Mary K. Downey, a native of Mount Bellew, Co. Galway. Mary retired in March from St. Francis Medical Center in Trenton, after more than 42 years of nursing service.

The Leahys have four children: Catherine Bowen, of Lawrenceville, N.J., Capt. Kevin M. Leahy, a Marine Corps officer at Camp Pendleton, Calif., Brian T. Leahy, of Yardville, N.J. and Patricia A. Leahy, at home. The Leahy's also boast five grandchildren.

We spent a pleasant afternoon recently with Jack and Mary at Bill Sweeney's homey restaurant on South Broad St., in the Garden State capital. They talked mostly about a planned trip.

There was little talk from Jack about slowing down. We got the feeling that the days ahead will be just as busy as the ones behind Jack Leahy, a dedicated journalist, an outstanding Catholic layman and an admirable Irishman.

PERSONAL EXPLANATION

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. DONNELLY. Mr. Speaker, due to the fact that I had to attend a funeral for a dear friend in Boston, and because of the unusual delay in the floor proceedings, I was unable to cast my vote against the savings and loan legislation.

Were I present, I would have cast a nay vote as I did on the last two occasions on this legislation. Quite simply, Mr. Speaker, this legislation is flawed and filled with provisions that are injurious to the taxpayers in my State.

THE INTRODUCTION OF THE RECYCLING EXISTING ASSETS FOR COST-EFFECTIVE HOUSING ACT OF 1989

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. VENTO. Mr. Speaker, today I am introducing legislation that will address two problems that are inextricably related. This legislation, the Recycling Existing Assets for Cost-Effective Housing Act of 1989 [REACH], will help provide housing opportunities to low- to moderate-income people while assisting Federal Government agencies or affiliated agencies in disposing of the thousands of foreclosed properties that are standing empty month after month.

According to recent estimates, over 107,000 single-family properties are being held by FSLIC, FDIC, Farmers Home, the VA, FHA, Fannie Mae, and Freddie Mac. This is in addition to hundreds of multifamily properties, thousands of farms, and millions of acres of farmland. Estimated values of this property range from $50 to $100 billion. This property is a cornucopia of rental and ownership opportunities for affordable housing. This property represents assets that would be better used if it were filled with people, rather than closed and covered with boards. This property should be recycled into homes for people.

The REACH Act of 1989 will authorize $300 million in fiscal years 1990 and 1991 for the Secretary of Housing and Urban Development to make grants on a fair share basis to the State housing finance agencies. The housing finance agencies will establish revolving funds to make grants and loans to assist low- and moderate-income homebuyers and renters. All

Federal funds would be maximized through a dollar-for-dollar matching requirement, thereby doubling funds at the outset.

Through the revolving fund, the agencies would make grants to nonprofits, public housing authorities, and local governments for the development and rehabilitation of multifamily rental housing. The developing entities would also be eligible for loans, at reduced interest rates, for the purchase of the multifamily properties. The properties must have an occupancy of more than 50 percent low- to moderate-income renters in order to qualify. Loans from the revolving funds would also be made to low- to moderate-income homebuyers of single-family properties with a preference for first-time homebuyers and lower income homebuyers. In order to ensure that this housing would continue to provide affordable housing rather than merely serving as a short-term investment vehicle, conveyance of property within 5 years would force some repayment of the grants, or the repayment of loans plus interest and penalties.

Properties eligible under REACH would include but not be limited to those held by FSLIC, the FDIC, FHA, and VA. They would be listed with the Secretary of HUD and updated on at least a monthly basis. Listings would be provided upon request to interested State housing finance agencies and other units of local government.

Mr. Speaker, this program will reach out for the lemons and make lemonade. The REACH Act of 1989 will provide needed revenues both to the Federal Government and to individual Americans who are desperately in need of affordable housing. This legislation will reach the needs of our Nation by providing the bridge to reach from the asset disposition process of agencies to housing ownership for our citizens. I ask my colleagues to join me in supporting, sponsoring, and enacting the REACH Program.

NATIONAL SECURITY, MILITARY STRENGTH, AND ECONOMIC STRENGTH

HON. JOLENE UNSOELD

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mrs. UNSOELD. Mr. Speaker, my position on defense comes down to one very simple principle; peace and strength for America. There are those who claim that we must choose either peace or strength as if the two were mutually exclusive and not, as is the truth, mutually dependent. The American people don't want to choose. They want both.

We know that we must have the defense we need at a cost we can afford. We know that we must have nuclear and conventional forces that are strong enough to deter attack from anyone. We know that we must make ourselves secure not only from nuclear war, but from the use of even a single nuclear weapon by anyone—including terrorists.

Real national security requires both military strength and economic strength. Our daily sense of personal security depends on the health and prosperity of our economy in relation to our family. Our ability to sustain an effective defense and our stature in the world depends on the strength of our economy.

Economic strength is our strongest bargaining lever, whether in arms discussions or trade negotiations or diplomatic discussions. That leverage is at the heart of what makes us a major power in the world today—the economic strength to provide sufficient resources to meet our military needs, but also to feed and clothe and care for our American people. That is what national security is all about—achieving that balance between defense and domestic needs. Soveit President Gorbachev is currently attempting to come to terms with this reality as he tries to choose between a Blackjack bomber and feeding starving coal miners.

As it was so eloquently pointed out by the distinguished gentleman from California, the chairman of the Budget Committee, our greatest weakness as we approach the next decade is not our military arsenal. It is a serious lack of resources—a tremendous debt which is undermining our economy, and worst of all, it is the lack of political courage to make tough choices when it comes to taxes, entitlements, and defense.

In line with these tough choices, I would like to express my concern about the continued support for the strategic defense initiative. Mr. Speaker, I believe SDI, also known as star wars, would not provide our Nation one iota of protection from nuclear attack and would require an expenditure of resources we cannot afford.

It is estimated that SDI would cost the United States between $249 and $452 billion over 10 years. The House Armed Service Committee calculates that the same amount of money could buy: First, as many as 32 aircraft carrier battle groups—including carriers, destroyers, fuel ships, and all other support craft; Second, 49–90 modern armored division; or third, 62–113 F–13 fighter wings—of 3 squadrons each. Given America's staggering budget deficit, common sense tells us that we should not spend such gross amounts of money on fundamentally flawed and unrealistic projects like SDI. Given Soviet superiority in conventional weaponry in Europe, our Nation's defense can be made much more secure with less money by investing in conventional weapons.

Recognizing that America can no longer afford to spend money it doesn't have, Secretary of Defense Cheney cut the administration's budget request for SDI funding from $40 to $33 billion over the next 5 years, an average of almost $7 billion per year. That cut is not large enough. I believe much less money is sufficient for this experimental research program. I support funding at a level which would help us to maintain, and perhaps extend, our technological lead and may eventually yield a technologically and economically feasible, nonthreatening defense. Also, continued research may promote further technological spinoffs, as it has in the areas of computers and sensors, of both military and economic benefit.

President Reagan portrayed SDI as "a defensive system that would make it virtually impossible for nuclear missiles to get through." But numerous experts, including many from the former President's own party, have questioned whether a space-based missile defense shield would, in fact, be workable. On NBC's "Today Show" last March, former Congressman, now Secretary of Defense Richard Cheney said, "If you think about it in those terms, it's going to be a remote proposition."

Proponents of SDI claim that the Soviet Union is deploying its own star wars shield and is even ahead of the United States in developing the necessary technology. These concerns are unwarranted. In developing new technologies for missile defense, the Soviets lag far behind the United States, and it would only be in the next century that they could deploy their own missile defense system.

The United States remain 10 years ahead of the Soviets in computer and sensor technologies, which are the keys to space-based weapons. Particularly significant is the area of infrared sensors, which are useful for both surveillance and weapons guidance. Since the early 1970's, the United States has had global infrared satellite coverage. The Soviets still do not have such coverage. We also have infrared antisatellite and ABM weapons, which the Soviets do not. Also, statistics stating that the Soviets are pouring more money into lasers than we are misleading, because such figures represent the entire Soviet budget for lasers of all types, not simply those for a star wars system.

The Soviets continue to work on lasers that the United States military abandoned long ago. And while it is true that the Soviets will, after 11 years, complete an antimissile defense system around Moscow this year consisting of 100 interceptors, that system is allowed under the Anti-Ballistic Missile [ABM] Treaty of 1972. Last year Lawrence Woodruff, Deputy Undersecretary of Defense under President Reagan, said, "The Soviets have been developing their Moscow defenses for over 10 years at costs of billions of dollars. For much less expense we believe we can penetrate these defenses with a small number of Minuteman missiles equipped with highly effective chaff and decoys." In other words, we already have the technology to overcome their defenses.

There are other compelling reasons why we should not forge ahead with SDI. Investing heavily in SDI will propel the arms race to dizzying new levels and into space. As President Bush's National Security Advisor Brent Scowcroft said, deploying phase I of SDI "would enhance deterrence only in the sense that it would force a very heavy attack" by the Soviets. That is, the Soviets could overwhelm SDI simply by building and launching more missiles. And It would give them the incentive to do so. Clearly, deploying SDI will not make America or the world safer.

In the long run, a vigorous and expanding economy, a productive and well-educated work force, development of important technologies, stable and effective alliances and other nonmilitary factors will contribute more to our real security than trying to beat the Soviets on every front of the arms race. The United States needs a lean, strong military. And at a time of billion dollar budget deficits, it is especially important that we get the most for our defense dollars. To do this, we also need to

develop a coherent defense policy in keeping with a realistic determination of our defense commitments.

As one analyst recently put it, Mr. Speaker, "the patron saints of star wars are now out of Washington." Now we can get down to the business of defending our great Nation realistically, both militarily and economically. The United States of America now has the opportunity and the strength to lead the world to peace and prosperity, and I believe the world is looking to us for this leadership. Cutting money from pie in the sky, unaffordable and destabilizing projects such as the strategic defense initiative will demonstrate to the world that we have the intelligence, character, confidence and desire as well to reach these goals. Thank you, Mr. Speaker.

INTRODUCTION OF GOVERNMENT CHECK-CASHING AND BASIC BANKING LEGISLATION

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. LEHMAN of California. Mr. Speaker, today I am introducing legislation which would address the need for both basic banking accounts and Government check-cashing services.

These consumer proposals with relation to access to financial services have been circulating for serveral years. Time and again both the House and the Senate have tried to fashion a compromise on these issues. The House came very close last year when it included provisions in its version of the expanded bank powers legislation, H.R. 5094, that would have required these services. Because this measure never went to conference, we did not have an opportunity to work out an agreement with the Senate with regard to the consumer provisions.

On the Senate side, Senator METZENBAUM has been instrumental in advocating these financial services, and was successful in requesting a GAO report on Government check-cashing issues in the 1987 CEBA bill. That report reinforced the need to have check-cashing legislation implemented. This year his efforts were successful in bringing about hearings on this subject before the Senate Banking Subcommittee on Consumer Affairs chaired by Senator DIXON. The legislation he has introduced, S. 906 and S. 907, is a reflection of the carefully-structured compromise worked out in H.R. 5094 with the cooperation of both consumer and financial industry respresentatives.

As the new chairman of the House Banking Subcommittee on Consumer Affairs and Coinage, I believe the lack of basic financial services has long been neglected, and I share Senator METZENBAUM's concern that these issues need to be addressed. That is why I have joined him today in introducing companion legislation in the House that would require both check-cashing services and basic checking accounts.

I believe this legislation is necessary for several reasons. In light of the savings and loan bailout currently being considered and the burden it is placing on the taxpayer, this is an appropriate time to reflect on what the financial institutions are giving back to the taxpayer. There has been a growing trend in the banking industry to neglect the needs of lower income and elderly customers and pursue more profitable services benefiting the affluent. Basic banking services were once the mainstay of the banking industry, but they have gradually been replaced by more sophisticated, high return products. What was once a system based on small, community-oriented institutions has become a nationwide operation offering a wide range of services, each more innovative and far-reaching than the last.

What has been lost is the ability of the consumer with simple needs to find the affordable banking services he requires. Those who simply desire to cash a Government check have resorted to expensive check-cashing outlets. Those who only want to keep their limited funds in a safe place at an affordable price have reverted to stuffing their mattress as a less costly alternative. Minimum balances, costly fees, and inconvenient access have all contributed to driving the senior citizen and lower income consumer away from the financial market.

Banks, while having legitimate concerns on the implementation of this legislation, have the option of two approaches. Either they can criticize the intricacies of the bill, or they can perceive the possibilities of an untapped market. While many financial representatives argue that direct deposit of Government checks is enough to provide low-income consumers access to the banks, this is an undeveloped and relatively untested service. In addition, direct deposit faces resistence from those who receive Government checks because of limited access to banks and a basic distrust of the institutions themselves. The focus in the short term should be on how to bring those disinfranchised from the financial market back into the circle. If, in the long term, direct deposit can assist in this effort, it should be developed as a viable option.

Statistics differ on this issue, but clear evidence exists which indicates lower income individuals do not take advantage of bank accounts either because they do not have ready access or they do not feel the amount justifies the cost. Without an account relationship, the ability to cash checks is limited to grocery stores, liquor stores, and Government check cashing centers at a cost of $7 or more per check. While senior citizens have less of a problem, the limited income of many reduces their ability to participate as well. Without a safe and secure place to deposit their money, many are victims of fraud and theft.

Both sides of the issue need to be evaluated in bringing this legislation to fruition. I have planned hearings on October 5 which will give both supporters and opponents of basic banking the opportunity to present their views. The bills I am introducing will serve as a stepping-stone from which to work, so sufficient progress can be made in this Congress to have this legislation passed.

RHETORIC NOT ENOUGH IN DEALING WITH TENSION

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. MAVROULES. Mr. Speaker, I rise to express my utter exasperation with this latest act of terrorism—I am speaking, of course, of the murder of Colonel Higgins by Iranian-backed terrorists.

I traveled to Beirut in 1983, and I witnessed firsthand the death and destruction caused by the vicious terrorist bombing at our Marine barracks in Lebanon. We, as a nation, must settle on a strict policy of zero tolerance when it comes to acts of international violence. We cannot allow those with anti-American agendas to act with impunity, and secure from consequences.

I call upon the free world to unite in opposition to these deplorable terrorist acts, and I speak for unity of action—not of empty rhetoric. As an international community we must not shy away from the use of force, for terrorists understand one language, and one alone—and that is their own.

It is imperative that as a nation and as an international community we act and act decisively.

COL. NICK ROWE: AN AMERICAN HERO

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. RITTER. Mr. Speaker, America and its youth are struggling with the terrible scourge of drugs. Now more than ever, the youth of America need role models that embody self-discipline, self-sacrifice, and courage. Some of the heroes that have appeared in American popular culture in the past several decades have had a negative impact upon our society. It is time the American people stood up and unveiled the facade of these "heroes" who damage our youth and our society. Too often we have ignored those who are truly worthy of honor—the unsung heroes who have sacrificed for the good of their community and their country.

Mr. Speaker, I rise to bring to the attention of my colleagues an important editorial by Stephen T. Banko entitled "Two Kinds of American Hero"—which appeared in the Wall Street Journal on July 5, 1989. It is an incredible testimony to Col. Nick Rowe—who dedicated his life to his family and his country.

Mr. Speaker, America owes a lot to people like Nick Rowe. It has been said that there is no greater love than when one lays down his life for another—Nick Rowe paid that price. It's time American rediscovered its real heroes.

TWO KINDS OF AMERICAN HERO

(By Stephen T. Banko III)

The final democracy of death has provided two departed souls with eternal equality

in recent months. One was the worlds's oldest Yippie, Abbie Hoffman. The other was Col. James Nicholas Rowe, who spent five years in a North Vietnamese prison camp.

Mr. Hoffman died by his own hand and attracted a ream of newsprint attention and miles of videotaped eulogies on television stations across the country. The media's fascination with Mr. Hoffman was a result, no doubt, of Mr. Hoffman's fascination with the media.

And when he died of a drug overdose earlier this year, he was recalled by Mike Royko of the Chicago Tribune as a loveable guy—something akin to the playful puppy who is nice to pet but still does dirt on your best oriental rug. Mr. Royko said that Mr. Hoffman was just having a little fun with America, just joshing and tweaking the country's collective nose with his outrageous behavior. Mr. Royko said the nation would sorely miss Abbie.

But not every nose in America in those crazy days needed tweaking. A lot of 17-year and 18-year noses needed wiping and other Americans went to Vietnam to take care of that chore.

One of them was Col. Rowe. In pre-'60s America, Col. Rowe might have been considered a hero. He graduated from West Point, became one the nation's elite Special Forces and went to Vietnam as an adviser in 1963. He was in Vietnam for three months when he was captured by the Viet Cong after a ferocious firefight. He spent the next five years in prison camps, coping with starvation, disease, torture and thirst—23 of those months in complete isolation. While Mr. Hoffman was immortalized in a box with a 21-inch screen, Col. Rowe was confined in a bamboo cage, three feet by four feet by six feet. Delicacies were the meat he could capture in the form of rats and snakes that ventured too close to his cage. Three of his comrades died of starvation while in captivity.

But worse than the physical isolation of the prison routine was the emotional isolation inflicted by Col. Rowe's captors. They showed him newpaper photographs of teenagers burning the American flag in the shadow of the Washington Monument and college campuses sporting the flag of the Viet Cong.

He escaped three times, only to be recaptured. After each failed attempt, he was severely beaten in retribution. Finally, on his way to his own execution on New Year's Eve, 1968, Col. Rowe escaped when the execution detail was surprised by a flight of American helicopters.

Nick Rowe was an intense, soft-spoken man of firm convictions. None of those convictions were stronger than his love of his country. His years of captivity and deprivation had not robbed him of his sense of humor. In 1983, speaking at a Vietnam veterans luncheon in Buffalo, N.Y., Col. Rowe was served rice.

"Could I speak with the man responsible for today's menu?" he asked, flashing his affable Texas grin. "I want to know if he worked a POW camp in Phuoc Long."

Col. Rowe's speech that day never made the nightly news. Perhaps it was his subject matter. For he spoke not of hate or war or killing, but of love: love of country, love of God, and love of his comrades-in-arms. He spoke in hushed tones about suffering and the price of his love. He spoke with a deep conviction and quiet confidence that radiated through the packed room. Anyone there that day in 1983 knew he was in the company of a true hero; not the comic book, hyperbolized heroism of Rambo and Norris and Schwartzenegger, but heroism in the tradition of real people with real feelings and real courage.

On April 21 of this year Philippine communists did what Vietnamese communists had been unable to do: They killed Nick Rowe, assassinating him as he drove to work, still on active duty.

Abby Hoffman and Nick Rowe; two men on two different paths; one to fame and fortune and the other to duty and sacrifice. One death stylized in print and videotape, the other death commemorated by the mournful notes to "Taps" at Arlington National Cemetery. It's strange how we pick our heroes.

(Mr. Banko is a decorated Vietnam veteran from Buffalo, N.Y.)

NEW FEDERAL JUDICIAL DISTRICT

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. DANNEMEYER. Mr. Speaker, I am pleased to introduce a bill today on behalf of myself, and my California colleagues Mr. BROWN, Mr. COX, Mr. DORNAN, Mr. LEWIS, Mr. MCCANDLESS, and Mr. PACKARD to create a new Federal judicial district in California comprised of Orange, Riverside, and San Bernardino Counties. The new western district would be seated in Santa Ana, while the central district which formerly contained these counties would continue to be seated in Los Angeles.

The central district currently covers a massive 39,921 square miles and serves over 13 million people. It is inequitable and unfair that the growing and thriving areas included in the proposed western district continue to be a part of this huge central district. In fact, the tricounty area contains 4.2 million people while the average Federal court district contains only 2.4 million people. Additionally, the tricounty area that would comprise the proposed western district has experienced a nearly 70-percent increase in population since 1970.

The caseload in the current central district is currently ranked amongst the top four districts in the country for every meaningful category according to the "Annual Report of the Administrative Office of the United States" (1988). The central district bears the single heaviest caseload in the Nation in such categories as civil cases commenced, U.S. civil case pending, and civil cases terminated.

Another important consideration in this issue is the convenience of access to the courts for jurors, witnesses, litigants, and lawyers. Valuable time and resources are being wasted commuting to and from Los Angeles on the congested freeways in southern California.

Fair and easy access to the Federal courts in the tricounty area is a concept that is long overdue to become a reality. The Constitution vests in Congress the power to establish and determine the jurisdiction of lower Federal courts. As Members of Congress whose constituents have been adversely affected by the present district court structure, the sponsors of this legislation believe it is our responsibility to take the initiative and secure passage of this legislation. Any other solution is merely a stopgap.

INTRODUCTION OF DEBT EXCHANGE AND BORDER DEVELOPMENT WITH MEXICO

HON. JIM BATES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. BATES. Mr. Speaker, today I am introducing the United States-Mexico Debt Exchange and Border Development Act of 1989, an important legislative initiative to assist in debt reduction and border improvements for Mexico.

With the announcement of the Brady plan and supportive statements by President Bush, our Government sparked the recent debt agreement between Mexico and its private creditors. While our Government's words of encouragement have resulted in a reduction of Mexico's debt burden to commercial banks, we must demonstrate our true commitment to a resolution of the debt crisis through actions to restructure Mexico's public debt to the United States Government.

Debt reduction alone, however, is not the answer. We have the ability to restructure it to promote development and environmental preservation in an area of tremendous concern to Americans: the United States-Mexico border. With these goals in mind, I am introducing the United States-Mexico Debt Exchange and Border Development Act of 1989.

Mexico's economic difficulties are primary causes of recent population increases in border communities, as well as the immigration of Mexican citizens into our country. In addition to the annual legal immigration of 50 to 60,000 Mexicans to the United States, about 1 million undocumented Mexican immigrants cross the border each year. In recent years, these population increases and flows of immigrants have hindered the ability of public services and facilities in border regions to provide needed and effective assistance to communities.

Our Government must demonstrate true leadership in the effort to address the Mexican debt, while alleviating problems along the United States-Mexico border. The Government of Mexico currently owes our Government approximately $2 billion. While this is a small amount in comparison to Mexico's total external debt of over $100 billion, its significance as an obligation to a government committed to resolving the debt crisis should not be underestimated.

In light of this situation, I am introducing the United States-Mexico Debt Exchange and Border Development Act of 1989, in order to relieve a portion of the Mexican debt to the United States Government, while simultaneously promoting development in communities along the United States-Mexico border. This legislation authorizes debt-for-development swaps, which would permit Mexican repayments due on United States loans to be redirected to development activities in the vicinity of the United States-Mexico border. It

would also permit debt forgiveness, allowing amounts less than which would otherwise consist of debt repayments to be used for these development activities.

Through such a debt swap mechanism, our Government could assist in relieving the Mexican debt burden while improving conditions in border regions. These improvements could be targeted toward environmental improvements, public health needs, community development projects, and other necessary programs.

This legislation would also authorize the use of economic assistance funds for grants to nongovernmental organizations. These grants would be authorized for the purchase of debt obligations owed by the Government of Mexico to commercial lending institutions, and for the cancellation of such debt in exchange for Mexico making available assets or policy commitments to promote development or preservation projects along the United States-Mexico border.

On August 6, the United States-Mexico Binational Commission, chaired by Secretary of State James Baker and his counterpart in the Mexican Government, will meet to discuss a number of bilateral issues, most significantly the debt question and border issues. In anticipation of this meeting, I have asked the Secretary of State to use the mechanisms proposed in the United States-Mexico Debt Exchange and Border Development Act of 1989 as a vehicle for debt reduction and border enhancement. Support for this legislation will strengthen this message, and will demonstrate our desire for a constructive resolution of the debt crisis.

PRIDE FOR THE AMERICAN FLAG

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. DYSON. Mr. Speaker, I rise today to share with my distinguished colleagues the remarkable efforts of one man, Mr. William L. Sinclair of Hurlock, MD. This fine gentleman single-handedly collected nearly 1,000 signatures in a petition opposing the Supreme Court's decision to allow the desecration of the flag.

His fellow Marylander's signed their names to the following words, crafted so eloquently by Mr. Sinclair:

HURLOCK, MD.

Hon. ROY P. DYSON,
Cannon House Office Building, Washington, DC.

DEAR MR. DYSON: The American Flag is a symbol, the sight of which arouses a resurgence of pride in every patriotic American. It is the greatest symbol of freedom anywhere in the world, and an umbrella of protection sought after by people from repressive societies all over the world. It is our ensign, our banner representing honor and glory, and a concept of self government that many thousands have died to protect.

Sincerely,

WILLIAM L. SINCLAIR.

Mr. Sinclair states succinctly and clearly the proud feeling we have for our flag in America. He goes on to describe the terrible feeling we have when someone deliberately mutilates or outright mocks our national symbol. He speaks poignantly of those Americans who have fought so loyally for our way of life and who died in the process or who were terribly wounded. The desecration of the flag is an insult to them, what they fought for and all that for which we stand.

Mr. Sinclair does not understand how a group of people, so prestigious as to represent the entire body of laws in this country, could rule to allow something as abhorrent as mutilation of the flag. He decided to show those people, the Supreme Court, that the people who live by the laws felt they made a mistake.

With supreme dedication to this important cause, William Sinclair collected hundreds of signatures. He respectfully submits them to us so that we in Congress might put an end to wanton disrespect to our national symbol. Gentleman, let us act quickly and decisively to represent Mr. Sinclair and his fellow petitioners and place the flag in the position of reverence it so deeply merits.

A POEM FOR AMERICA

HON. MIKE ESPY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. ESPY. Mr. Speaker, I recently received a letter and a poem from a very thoughtful constituent, Ms. Margie Hall Dorris, who expressed her feelings about American patriotism and what she senses to be a nation adrift.

I was touched by her expressions and the feelings of concern that she conveyed in her poem. I would like to take the liberty of sharing Ms. Dorris' poem with my House colleagues.

WHAT'S THE MATTER, AMERICA?

What's the matter with you, America?
  Are you as sick as you appear to be?
Looks like you're turning red all over,
  Your temperature is rising by degree.
What's the matter with you, America?
  Have you lost your memory?
Have you forgotten the principles you were founded upon?
  Happiness, life and liberty!
That's happiness for everyone,
  Not just a chosen few.
That's life for everyone,
  Those already born, or due.
That's liberty for everyone,
  Freedom to choose what we love to do.
Have some of these things been taken away?
  America, what's happening to you?
Just because a few are not believers
  In the God you've trusted from the start,
Are you giving in to the minority?
  Don't you think majority plays a part?
What's the matter with you, America?
  Say I can burn the red, white and blue?
I can't believe it's happening!
  America, what's the matter with you?
What's the matter with you, America?
  If you are sick, as you seem to be,
Don't you think it's time to see the Doctor?
  Of your pain, He can set you free.
Maybe if you would change position,
  And fall down on your knees,
Call on the Great Physician,
  You would receive that needed ease.
Great nations have risen and fallen,
  You can read it in the history books.
Are we still that Christian nation?
  Seems rather pagan, by the looks.
What's the matter with you, America?
  You're still the greatest nation in the world!
Hearts beat strong with pride and patriotism,
  Everytime we see our flag unfurled.
America, if you are aching and hurting,
  Know your sons and daughters are standing by your side.
They fought to keep you strong and brave,
  And they will never let you lose your pride.
America, please keep your flag from burning,
  Don't take "In God We Trust" from the dime.
You are the grandest nation God ever made,
  You are America, you are mine!

HELP RESTORE FAIRNESS TO TITLE VII DISCRIMINATION CASES

HON. TOM CAMPBELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. CAMPBELL of California. Mr. Speaker, today I am reintroducing the Civil Rights Restoration Act of 1989, to reverse portions of the Supreme Court's decision in Wards Cove versus Atonio.

In this decision the Supreme Court shifted the burden of proof in employment discrimination under title VII of the 1964 Civil Rights Act. Prior to Wards Cove, an employee or job applicant alleging discrimination could establish a prima facie violation of title VII by demonstrating a significant underrepresentation of women or minorities in a given set of job categories, as compared with the pool of qualified applicants for those job categories. Upon such a showing, the burden of proof shifted to the employer, who could defend against the charge by identifying the particular hiring practices that caused the disparate impact, and justify them on the grounds of business necessity.

After Wards Cove, however, finding a statistical underrepresentation of women or minorities in certain job categories, as compared with the qualified applicant pool for those categories, is no longer sufficient to establish a prima facie violation. The plaintiff must now identify the specific practices and show a casual link between them and the disparate impact. This is so despite the fact that the employer knows the selection criteria much better than the employee does.

I believe that this new regime unfairly burdens the victims of discrimination. A scientific statistical analysis as outlined above should be recognized as the powerful evidence that it is: that the probability of a discriminatory pattern occurring randomly is extremely low. H.R. 2598 would restore disparate impact cases to their previous condition. Upon a showing that women or minorities are significantly underrepresented on the work force as compared with the qualified applicant pool, the

burden of proof would shift to the defendant, who would have to persuade the court that the hiring practices that caused the disparate impact are business necessities. This had been the law for 18 years until the Supreme Court's decision this term.

ADELA M. NAVARRO, TEXAS HISTORIAN

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. GONZALEZ. Mr. Speaker, August 16 marks the 85th birthday of my good friend, Adela M. Navarro, who has spent most of her lifetime as a relentless fighter of the distortions found in the written accounts of early Texas history.

Ms. Navarro is the great, great-granddaughter of the Texas patriot Don Jose Antonio Navarro, who was the only native born Texan signer of the 1845 Constitution of the State of Texas, and one of only two native Texans to sign the Texas Declaration of Independence.

After graduation from Brackenridge High School at San Antonio, Adela, or "Adelita," took some social studies courses at Our Lady of the Lake University in San Antonio and at Columbia University in New York City. She also studies history and political science at the University of Pennsylvania and real estate law courses at San Antonio's Trinity University.

Eternally a student and researcher, Adela's studies have taken her not only to all parts of Texas, Louisiana, Connecticut, Spain, and to the Canary Islands, but to many other locations too numerous to mention.

The Texas Legislature has honored her for her historical works, including her successful efforts to obtain the historical costs of arms for the city of San Antonio and the county of Bexar.

Adela Margarita Navarro is a prominent member of the Bexar County Historical Commission, and was active in the plans for the celebration of the 250th anniversary of the arrival of the Canary Islanders to settle San Antonio and to establish San Fernando Cathedral.

In 1965 Adela founded the Canary Islands Descedents' Society and the Texas Hispanic History Foundation, both of which were later chartered by the State of Texas. In 1973 Adela visited the Canary Islands as a special guest of the government in celebration of the 500th anniversary of the founding of the city of Las Palmas of the Gran Canarias where she received the "Medalla de Tenerife," and a Citation of Honor. Also during her visit she was received by the Duchess of Bexar at her palace for dinner.

St. Bernard Parish, Louisiana, proclaimed Miss Adela Navarro as an honorary citizen of New Orleans in 1978 and in 1982 the San Antonio Independence School District Board recognized Adela's contributions in the field of history education. Several other groups have also honored her.

During the Depression of the early 1930's, Adela worked as a casewoker in Freehold, NJ, where her family lived for several years. In 1940, as our country prepared for war, Adela was clerk and registrar of the draft board at Monmouth. Ironically, her duties included sending her own brother, Jose (Joe) L. Navarro, a draft notice, who was subsequently inducted into the service.

Adela went on to serve in the Women's Army Auxiliary Corps [WAC]. At the end of World War II she went to work at the regional office of the Veterans' Administration at Newark, NJ.

It was during this time in her life that her love for literature grew and was nourished by a strong tie of friendship with the famous Broadway playwright, Eugene O'Neill, and his family, particularly his daughter, Oona, who was later to become the wife of Charlie Chaplin. It was also during those years that Adela knew Prof. Albert Einstein, who was teaching during that period at Princeton University.

In 1951 the Navarro family returned to their beloved Texas and San Antonio—"mi pueblo, mi ciudad, mi gente, mi San Antonio," Adela often says in respect to the historical city. Most of Adela's conflict with the history books about Texas revolve around the 1836 conflict at the Alamo. She points out that the conflict did not claim the lives of 160 "Texas" heroes. They were, after all, on Mexican soil. There were legitimate reasons why General Santa Ana issued a decree ordering the lawbreakers, or pistoleros, out of Mexican territory," Adela has often argued with member of the Daughters of the Republic of Texas.

Her love for San Antonio has taken her through endless court battles trying to right the wrongs that have taken place in our beloved city. Adela still holds a judgment against the city because of its defiling of the Catholic Cemetery (the Camposanto) in 1860 by order of the city council which changed the cemetery into what is still called Ben Milam Park.

Adela regrets that she did not learn Spanish as well as she would have liked, and recalls that attempts of her ancestors to establish a college of arts and sciences in San Antonio in the 1830's with emphasis in Spanish instruction were aborted by the Texas Legislature.

But, Adela is nevertheless very competent bilingually, and has used this ability well, including running for public office twice, the first time in 1958. She is considered the first Hispanic woman in Texas to seek elective office. Although not successful at the polls, she paved the way for the Hispanic female officeholders of today.

And, I recall with great pleasure all the support that Adela and her brother, Joe, have given me in my career as a public servant, especially the work they did at the old Houston Building campaign office in the fall of 1961 when I was first elected to Congress in a special election.

Adela Navarro, a very special daughter of Texas, I salute you on your 85th birthday. May it be a very wonderful occasion as you are honored with family and friends, beginning on Sunday, August 13, with a 9 a.m. mass at San Fernando Cathedral, followed by breakfast at La Mansion del Rio.

As your friend, Marge Hall, has written, you have worked endlessly to preserve our heritage and to keep us aware of our Texas history. We are very grateful to you for this work, Adela Navarro, and for being you.

DISASTER ASSISTANCE FOR 1989

HON. VIRGINIA SMITH

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mrs. SMITH of Nebraska. Mr. Speaker, I rise in support of H.R. 2467, to provide assistance to agricultural producers who have been devastated by this year's drought.

It is essential that we bring financial relief to our Nation's farmers and ranchers and to producers in my district who are suffering from the second year of dry weather and the worst conditions since 1934. Each day that fails to bring desperately needed rain adds to the failing financial condition of farmers and ranchers.

While this is not a perfect or ideal piece of legislation, I support the agreement that has been reached, and thank my colleagues on the Senate and House Agriculture Committees who have diligently dedicated themselves to obtaining a responsible compromise for providing reasonable relief.

I am extremely pleased to have a drought assistance bill on the way to the President's desk before we begin our month-long recess, but I do want to express my concern about the procedure we are operating under.

Informal negotiations of the House, Senate, and White House resulted in a compromise that was brought to the floor with no warning, no details were available, and we passed it in a flash with no explanation or debate. Whether the legislation will result in rightful assistance to producers depends on how the U.S. Department of Agriculture interprets and administers the program.

I trust fully my hard-working colleagues on the Agriculture Committee, but I am just concerned that even minor provisions contain the potential for substantial negative effects.

Like many of you, I want to provide the most timely assistance possible, but we should not let our concern of meeting with our constituents during the August recess override the necessity and our responsibility of writing quality legislation.

I have stated that any drought assistance proposal must have fiscal integrity and account for our Federal financial responsibilities as well as provide necessary assistance to producers. The original legislation passed by the House would have cost the American taxpayers an estimated $1.3 billion, while this legislation reduces the total bill to an estimated $885 million.

I would especially like to thank those Members who worked to include nonprogram crops. In Nebraska there are 18,000 farms that grow wheat and 30,000 farms that grow hay and alfalfa, and 32 percent of all crop sales are received from nonprogram crops.

The only way this legislation assists ranchers in my district, who are faced with the worst conditions they have ever experienced, is through relief for nonprogram crops.

I have been pleased with Agriculture Secretary Yeutter's quick, early actions to open live-

stock assistance programs and with ASCS Administrator Bjerke's willingness to listen to the problems that are confronting producers when they are unable to qualify.

They must continue to listen carefully, however, as the drought tightens its grip on our base livestock herds. I hope further steps will be taken to maintain the livestock industry, which supplies 56 percent of total cash receipts for Nebraska agriculture.

I and my good friends, Mr. DORGAN from North Dakota, Mr. MARLENEE from Montana, Mr. BROWN from Colorado, Mr. STENHOLM from Texas, Mr. JOHNSON from South Dakota, and Mr. LIGHTFOOT from Iowa, along with my very good friend Mr. ROBERTS from Kansas, have introduced legislation, H.R. 2923, to provide assistance for producers who have been forced to sell livestock because their grass has dried up, their hay has run out, and they cannot qualify for emergency feed assistance.

While I agree that the Federal Government should not be expected to quarantee a producer's income, we must make certain that farmers and ranchers, as well as our rural communities, are not forced into financial collapse due to natural disasters. I expect that reasonable and desirable revisions will be made in Federal crop insurance to provide a more effective program for agricultural producers.

I am happy that the final legislative package was scaled back to cost only $885 million and designed to include many of the producers who have been afflicted with natural disasters.

I thank my colleagues for supporting this legislation so necessary assistance and proper relief can be made available to our Nation's farmers and ranchers.

HUMAN RIGHTS IN SOUTH AMERICA: THE GRANTING OF AMNESTY TO FORMER MEMBERS OF MILITARY REGIMES

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. KOSTMAYER. Mr. Speaker, the strict observance of human rights is an absolute necessity in this country as well as around the world. Unfortunately, human rights are often abused or outright ignored, as was often the case in the Latin American countries during the just-completed era of dictatorial military rule. Such military regimes have been responsible for tens of thousands of deaths in the Southern Cone of Latin America since 1970, yet these military transgressors remain largely unpunished. Although the cases discussed in the following article have for the most part run their course, they provide valuable examples of the tactics that should or should not be used in the future to enforce strong human rights standards. They send the powerful message that Latin America is trapped in a bloody cycle from which we must help it emerge if its democratic institutions are to survive. This article by Julie Rice, a research associate with the Washington-based Council on Hemispheric Affairs, first appeared in that organization's biweekly publication, the Washington Report on the Hemisphere. I encourage all of my colleagues to read this timely report.

CAN MILITARY REGIMES BE PUT ON TRIAL? LATIN AMERICA IS STILL TRYING TO ESCAPE ITS BLOODY LEGACY

(By Julie Rice, Research Associate, Council on Hemispheric Affairs)

The seemingly endless cycle of harsh military rule alternating with sometime brief interregnums of civilian governments has dominated Latin American politics in the last several decades, in a period during which the military converted itself from being the servitor of the oligarchy to being the new ruling class. When civilian rule succeeds that of the military, the new government has a moral obligation to prosecute the military for its human rights abuses, satisfying the calls for justice by much of the public. However, Latin American democratic leaders often lack the power to exercise this option without evoking a violent reaction from their country's armed forces.

Uruguayan voters bowed to an implicit military threat on April 16, when they voted to uphold a total amnesty law authored by the civilian government that took over in November 1984 from the military, which during its eleven-year rule had amassed the world's largest per capita number of political prisoners. Private citizens filed human rights abuse cases against 200 members of the Uruguayan military, but the Armed Forces High Command flexed its muscles and warned that it would not allow subpoenaed soliders to appear in civilian courts.

Under this pressure, a thoroughly cowed legislature passed the "Full Stop" law in December 1986 aimed at giving complete amnesty to the military, a move protested at the time by an estimated 65 percent of all Uruguayans. Opponents of the law succeeded in winning the right to stage a referendum to reconsider the measure, despite the nearly insurmountable requirement of having to attain signatures from 25 percent of the population.

President Julio Maria Sanguinetti, a pragmatist if nothing else, took the morally equivocal position that "military trials are incompatible with a climate of social stability," acknowledging the military blackmail that is a commonplace in most Latin American countries moving from military to civilian rule. Sanguinetti was able to convince his people that justice for human rights transgressors would wreak havoc in Uruguay, as well as invite another seizure of power by the country's armed forces, as 57 percent of the people voted to retain the amnesty law.

While the amnesty issue appears to have been settled in Uruguay at the lowest common denominator, in other Southern Cone countries it remains a burning political matter. Following Alfonsin's 1983 election as Argentine president, more than 2000 claims were filed by affected citizens against alleged deliquent military officers. In December 1986, Alfonsin attempted to limit the prosecutions with the "Punto Final" law which allowed additional charges to be filed for only the next sixty days. However, this formula did not satisfy the lower ranks of the army, some of whom staged a revolt the following April. As a result of this act of intimidation, the "Due Obedience" law was enacted in June that declared those under the rank of colonel who allegedly committed human rights crimes to be innocent because they were only following what they believed to be lawful orders. This measure pardoned most of those who were directly responsible for the 9,000–12,000 deaths resulting from the 1976–83 "dirty war."

As of June, 1989, five Argentine former heads of state and more than 30 senior officers had been convicted and there are still eighteen defendents before the Supreme Court, but with three recent uprisings by segments of the armed forces, even these pending cases may be dismissed. Defense Minister Italo Luder wants to end the trials, stating "they have prolonged too long a situation which has been handled too carelessly from the legal point of view."

Another country that has shed military rule for civilian control is Brazil. The Brazilian military passed a self-amnesty law in 1978, well before leaving office, and since the 1985 civilian transition there has been no effort to pin responsibility on it for the repressive violence and the 1,000 killings of political dissidents during 20 years of armed forces juntas. In fact, nearly 600—mainly rural residents—have been killed since the military gave up formal control, with ecologist Chico Mendes only the most famous victim. The military continues to hold important positions in the government, illustrated by the clause it had placed in the new constitution that defines the armed forces as the "defenders against foreign or domestic threats."

While in Brazil the military continues as a behind-the-scene power, in Paraguay, a military leader, Gen. Andres Rodriguez, has been approved by elections held after the February 3, overthrow of dictator Gen. Alfredo Stroessner after 34 years in power. Following the coup, Interior Minister Orlando Marchuca Vargas pledged to prosecute the many human rights violations committed under the Stroessner regime. A number of private law suits have been filed against members of the military and close associates of both Stroessner and Rodriguez, although none have yet advanced to court. If Rodriguez, known as a key figure in Stroessner's drug enterprises, allows full prosecution, he could very well find himself a defendent.

Chile is the only member of the Southern Cone group that continues to be directly governed by an unelected military. A transition to a civilian regime is scheduled for 1990, but the 1980 constitution created by Gen. Augusto Pinochet will leave the military with effective veto power over the elected government, despite the constitutional amendments scheduled to be voted on in July 1989. In any case, Pinochet has said he won't step down without an amnesty for those responsible for the estimated 15,000 deaths following the 1973 coup.

The Southern Cone has nearly run the gamut of possible solutions to the problem of prosecuting or amnestying former military governments for human rights abuses. The only tack not seen is one in which full civilian control over the military is demonstrated by complete prosecution. Sanguinetti of Uruguay believes that his country's comprehensive amnesty law will encourage other military leaders to step down without fear of prosecution. At the same time, however, the waiving of standards invites the armed forces, at almost no cost, to continue the damaging cycle of military coups and civilian restorations that has resulted in more than 40,000 deaths in the Southern Cone since 1970.

THE DOCTOR, HIS SECRET AND A LOST MOVIE—THE ALBERT JOHNSTON STORY: A LOST BOUNDARIES REUNION

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. STOKES. Mr. Speaker, "Lost Boundaries" was daring and progressive film when it made its debut in 1949. It also was one of the 10 best films of that year. Since that time, this groundbreaking film has been lost. Howard Mansfield's recent article in the Washington Post is about the second premiere of "Lost Boundaries." The film recounts the life of a black physician, Albert Johnston, who harbors a secret that could end his career.

This is not an ordinary drama about the life of a country doctor in a quiet, New England town. "Lost Boundaries" documents how economic, societal, and racial pressures motivated Johnston to assume the identity of a white man. In the 1920's and 1930's, many hospitals forbade black physician's from treating white patients. After Johnston had difficulty obtaining a residency because of his race, he made the decision to pass for white in order to improve the quality and scope of his life.

Mr. Speaker, Howard Mansfield's feature on the rediscovery of "Lost Boundaries" and the story the film tells is intriguing. I urge my colleagues to take a few moments and read this story about the American Dream.

THE DOCTOR, HIS SECRET AND A LOST MOVIE—THE ALBERT JOHNSTON STORY: A "LOST BOUNDARIES" REUNION

(By Howard Mansfield)

Keene, NH.—Forty years ago this city learned a secret: One of its leading citizens fell into a no man's land outside the boundaries. In the segregated America of the 1930's the lines between the races were drawn hard and fast, and Albert Johnston, a physician who lived as white, was, the records said, one-sixth black.

Eventually, Johnston risked his career by telling his story in the book and movie, "Lost Boundaries." The town didn't rise up; the doctor continued a successful practice. But it was a story tingled with sadness, a story of an ambitious doctor who was spurned by his country.

Johnston himself died a year ago. But yesterday, four generations of the Johnston family gathered with the actors and others who had worked on "Lost Boundaries" to celebrate a breakthrough film—one of the 10 best of 1949—that until last night's sold-out showing had all but vanished from sight. The movie was last shown in Keene 40 years ago to the day.

"It was a very positive movie. It's a beautiful story," says Albert Jr., the eldest of the physician's four children.

"This was a very radical departure from any kind of fiction film anybody was making in the country," says actor Mel Ferrer of his first film. "[It] established a new freedom in making films."

Johnston's life and destiny turned on a fraction—a fraction of inheritance, a fraction of acceptance. And, in the end, it turned on a fraction of his American Dream.

Albert Johnston was one of two blacks who were accepted each year to fulfill the quota at the University of Chicago's Rush Medical School. But finding a hospital for his residency was difficult; in the 1920s and '30s, black doctors were often prohibited from treating whites. At last a hospital in Portland, Maine, accepted him, and did not inquire about his race.

After his residency, he was recommended for a practice in the small town of Gorham, in the White Mountains of New Hampshire. When you spoke of prejudice in all-white Gorham, it was between the Protestants and the Catholic French Canadians.

Gorham welcomed its new doctor in 1929, and in the 10 years he practiced there, Johnston headed the school board, served as a selectman, was president of the county medical society and coached basketball. As chairman of the local Republican Party, he was a power to be reckoned with. The family passed muster with the local Congregational Church, and hosted the Christmas social at their home.

The Johnston house was in the town's rich Prospect Hill section. "The citizens wanted to be sure they had only the 'best' people living there—no Jews or Catholics, for example—so they sold to us at a ridiculous price!" he told Ebony magazine, years later. "They seem to think that since we were Protestant and white, we were just right." In truth, Johnston's wife, the former Thyra Baumann—one-eighth black—was Catholic.

After being certified in radiology, Johnston sold his practice and moved to Keene. He could have continued on in Keene as he had in Gorham and become one of the small city's "leading citizens," as they used to say. But war appeared likely and Johnston wanted to serve his country.

Even before Pearl Harbor, the Navy was desperate for people practicing his specialty. There were only 2,500 certified radiologists in the country, and many were old or essential to their community. The Navy wrote twice to Johnston, asking him to volunteer. Finally he did, knowing well that an investigation could scuttle his entire career. He passed the physical and was commissioned with the rank of lieutenant commander in the Naval Reserve.

But the Navy was segregated. There were no black officers; blacks served as mess attendants. And a Navy investigation discovered that at the University of Chicago, Johnston had belonged to Kappa Alpha Psi, a black fraternity. A Navy investigator was sent to Keene with one question:

"We understand that, even though you are registered as white, you have colored blood in your veins?"

"Who knows what blood any of us has in his veins?" replied Johnston.

That was the end of the interview. Three weeks later the Navy rescinded his commission, citing an "inability to meet Naval physical requirements." He was overweight and an inch and a half too short. He lost the weight and applied again, but his height was "still a disqualifying defect."

After that, Johnston tried everything to serve his country. He wrote the War Department. He tried the Army, which said: "We have more applicants of your type than we have position vacancies." He tried to get an appointment with the "colored troops." He had influential friends push his case. No one would have him.

Shortly after the Navy had rescinded the commission, his son came home from prep school, happily talking about his friends, including one who was "a good guy even if he is colored."

That angered his father, and as Albert Jr. was taking a bath for a date that night, his father came to the bathroom door and told him to run off the water. "Do you know something, boy? Well, you're colored."

He was 16. "I grew up as a boy not knowing my identity," says the 63-year-old Albert, a retired department store buyer and composer. "When I was a little boy, some people would say, 'Gee, if you could be anything in the United States, what would like to be? I said I'd like to be president. I could say that. But a little black child couldn't do it."

Albert Jr. didn't know where the boundaries lay. "I don't know if I belong to any race or not," he said three decades ago. "In my mind I don't. But I guess people just like to pigeon hole you."

At Dartmouth, he felt like an outsider. He dropped out, went to a psychiatrist, and eventually enlisted in the Navy as white—refusing a position as a radio operator in case they might send him South. Left scrubbing decks, he became depressed, jittery—"the whole bottom seemed to fall ouf of my stomach," he said. He was discharged.

Young Albert drifted through jobs. His father was angry with his once promising son. He wanted to have Albert committed to a veterans hospital. Finally Albert took off with a friend, hitchhiking across America to visit relatives in Cleveland, Chicago and Los Angeles.

At his aunt's house in Los Angeles, he met black doctors, lawyers, movie actors—people who had money. "It was a whole different world I was not aware of," he says. "I was like a white boy. I did not know that all these people lived so well. All I'd ever heard of was all the bad things you usually hear in association with Negroes."

The trip settled Albert down. Back home, he enrolled at the University of New Hampshire. With the college's other black male student, he attended a conference of sociology students. The conference produced several resolutions; one was to produce films honoring black Americans who had "made a contribution."

"When you went to a movie, you either saw a shoeshine boy, a jazz musician, a cotton picker, or Aunt Jemima or somebody's maid. We wanted to eliminate that stereotype," says Albert Jr. "So we thought of George Washington Carver."

Through their dean, Albert and the other black student arranged to bring their idea to the movie producer Louis de Rochemont, who lived nearby. De Rochemont politely listened to the students talking about George Washington Carver. De Rochemont understood, recalled Albert, "why the other student was interested in this, being obviously black, and he said, 'Mr. Johnston, how come you're interested in this? Are you studying sociology too?' I said, 'Well, I didn't know that I was black until about two years ago.' He says, 'Is that right?' And I told him the whole story. And he asked me to go home and write an eight-page synopsis of that, and would my family be willing to grant rights to make a motion picture. When I called my father at home, he thought maybe I'd been out on a beer bust or something—he didn't understand what was happening."

De Rochemont then called in William L. White to do the story for Reader's Digest. ("Twenty pages that shocked the world," it said in the movie ads.)

Published in 1947, "Lost Boundaries" became a bestseller, a "masterpiece of insight, intelligence and unsentimental com-

passion," the New Republic said. Today, "Lost Boundaries" is out of print.

The film was produced independently; Hollywood wouldn't back de Rochemont on such a risky topic, so he mortgaged his house to help pay for it. Mel Ferrer's booking agent warned him not to take the part because it could jeopardize his career. After the film came out, Ferrer, who is white, was accused of "passing."

De Rochemont had won an Oscar in 1936 for his "March of Time" newsreels. He took a documentary approach with "Lost Boundaries." He shot it in his hometown of Portsmouth, using as many authentic Yankees as he could round up, including his minister, who had a large role playing a minister. It was filmed in eight weeks for less than $600,000—a third, he said, of what the studios would have spent.

The movie itself uses a voice-over narrator to tell how the town of Keenham (based on Keene and Gorham) comes to like its new doctor. After he is rejected by the Navy, the news is whispered around town.

In one scene, the doctor's daughter runs into her boyfriend. There's an "awful rumor," he says. "They were saying you folks are colored."

"Are they saying bad things about us?" she replies.

In the end, at their minister's urging, the town stands by its doctor.

The first time the film was shown in New York, the audience sat in stunned silence once the lights came on.

The New York Times and Time magazine chose it as one of the 10 best films of 1949, and it was chosen as the best script at the Cannes film festival.

"Lost Boundaries" was banned in Atlanta by the censor employed by the city government, Christine Smith. In Smith's view, the film "contained inferences throughout which created preachments against longstanding customs that also were part of the laws of the south," reported the Atlanta Constitution.

Northerners, Smith said, would not understand. They overlook "the fact that segregation is a matter of law in the south—not just a matter of prejudice."

De Rochemont took the censor to court.

"That banning was good. Everybody wanted to see it after that," says Albert. "Lost Boundaries" played in Miami, San Antonio and 25 other smaller Southern cities. It enjoyed a long run in Los Angeles, and played for six months at the Astor Theater on Broadway. Mel Ferrer says President Truman's decision to desegregate the armed forces was speeded by viewing the film.

"Lost Boundaries" was "a real breakthrough," says Donald Bogle, author of a history of blacks in films. "The black characters you see in 'Lost Boundaries,' it's not the old-style Stepin Fetchit figure. These people do not speak with heavy dialects, they are not shuffling. They are composed, dignified, educated people who have a problem in America because of American discrimination and bigotry."

In Keene, people had lined up around the block to see the film, and except for a few residents, they stood by their doctor. "I feel as if as a great burden has been lifted from my shoulders," Johnston said at the time of the movie's release. Look magazine reported it this way: "The Johnstons . . . last spring let the world know they were Negroes. The reaction? There was none."

This was news in 1949. Two years earlier, Sinclair Lewis had published "Kingsblood Royal," a best-selling novel about a situation similar to the Johnstons': a successful businessman, in midlife, reveals he is black. But in the novel, his friends turn on him and his home is destroyed by an angry mob.

Johnston was proud of the people of Keene. "They are strong and unyielding like the granite foothills surrounding our little city. They respect human rights and are willing to give a man a break regardless of his color. Maybe the world outside feels like we live here like flowers in a florist hothouse, but this is not the truth. We are a part of Keene, part of the pulse and the soul of this city. . . ."

But it was not an entirely happy picture. Four years after the film, he lost his position with the hospital, for reasons that may have had to do with race. And while the family is always positive about Keene (Johnston's daughter Anne was voted most popular girl in her high school class) they acknowledge that it was easy for Keene to face what was then called the "Negro problem": At the start of the 1940s, there was only one other black family in town.

"We never once intended to pass over as white," says 85-year-old Thyra Johnston. "It just happened accidentally." But she adds, "I think if he had gotten into the Navy, I don't think he would have ever told the children. I used to say to him, 'What do we do when the kids grow up? We have to tell them sometime.' And he said, 'Let's just saw wood, say nothing and see what happens.' "

(Johnston's widow was here for the reunion, as were two sons, Albert Jr. and Paul; daughter Anne; Susan Douglas, who played the daughter in the film; Carleton Carpenter, who played the boyfriend; William Greaves, who played a friend; members of the de Rochemont family; and a number of Johnston grandchildren.)

"Americans in general do not want to do anything about race prejudice. They have been pampering their nasty little prejudices for years," Johnston told Ebony in the early 1950s.

At medical conventions he would have to endure Southern doctors telling him that as a northerner he had no idea what Negroes were like, that they "don't have the brains, or any sense of moral values like you and I have."

"I have to sit there silent and take it—feeling like a traitor," Johnston said in the book. He couldn't have achieved as much as he had if he had not "passed," he said, and yet now his achievement seemed hollow. "Whatever I do, my race gets no credit."

"I guess I've become morose," he said in the William White book. He quite the Rotary and the Masons, stopped making new friends at the hospital. He was offered impressive positions: an association with the head radiologist at Wayne University in Detroit, and a post at a large black college in the South. But in Detroit there were race riots and Johnston felt he would have to "pass" to have a successful practice. As for the South, he said, it would take him five years just to learn how to live in a Jim Crow society. There were still boundaries.

He stayed in Keene. And he explained his life by a way of a story: Once there was a woman who taught piano. Ever since she had been a girl, she dreamed of owning a concert grand, white with gold legs. She spent many years giving lessons, listening for hours a day to badly played music. At last she got herself that grand piano, but it was just another piano, even with the gold legs. It didn't sound anything like the piano in her dream.

"I have more or less an empty life," he said in the book. "Sometimes it all seems as disappointing as that white piano with the gold legs."

Johnston and his family moved to Hawaii in 1966, where again he was a successful radiologist and active in the community. He was 87 when he died there last year, and he was buried in Keene.

This year, six months after Johnston's death, a letter arrived at his house in Hawaii:

"Dear Mr. Johnston,

"Why should you be interested in the Air Force Medical Service? . . .

"Find out more about how the Air Force Medical Corps can help you achieve your professional and personal goals. Return the enclosed card, or call today."

A computer-generated form letter, perhaps, but 45 years ago such a letter would have been as magnificent as a white concert grand piano with gold legs.

KATHRYN CAMERON PORTER'S TRIBUTE TO HIS HOLINESS THE DALAI LAMA ON HIS RECEIVING THE RAOUL WALLENBERG CONGRESSIONAL HUMAN RIGHTS AWARD

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. LANTOS. Mr. Speaker, a few weeks ago the Congressional Human Rights Foundation presented the first annual Raoul Wallenberg Congressional Human Rights Award to His Holiness the Dalai Lama of Tibet. He was recognized for his outstanding leadership and his courageous struggle which has distinguished him as a leading proponent of human rights and world peace.

My friend and distinguished colleage from Illinois, JOHN PORTER, and I have the honor of cochairing the Congressional Human Rights Foundation. Mr. PORTER has been a dedicated and effective leader of the foundation, and an outspoken advocate, not only of the Dalai Lama and the Tibetans, but for all victims of human rights abuses around the world.

Kathryn Cameron Porter, a member of the executive board of the Congressional Human Rights Foundation, has also made an extremely important contribution to the foundation and its important activities in behalf of human rights. Her advice and leadership have been invaluable.

JOHN PORTER was unable to participate in the award ceremony in New York honoring the Dalai Lama, and Kathryn Porter made outstanding remarks on that occasion. Mr. Speaker, I include her comments in the RECORD so that they may be shared with my colleagues:

REMARKS OF KATHRYN CAMERON PORTER ON THE PRESENTATION OF THE RAOUL WALLENBERG CONGRESSIONAL HUMAN RIGHTS AWARD TO HIS HOLINESS THE DALAI LAMA OF TIBET

I am here on behalf of my husband, John Edward Porter who is held in Washington by votes on the Foreign Operations Appropriation Bill.

Today we are here to recognize His Holiness the Dalai Lama, a man who not only represents the people of Tibet but also oppressed peoples everywhere. Due to the bravery and perseverance of His Holiness, there is hope that soon the Tibetan people will know true freedom in their native land.

Your holiness, your work to secure a negotiated solution with the Chinese government through non-violent means is an inspiration to us, and we salute you for your unending and dedicated commitment towards achieving this goal.

It is fitting that the 1989 Raoul Wallenberg Congressional Human Rights Award, named after a true hero who courageously rescued thousands of people from death in concentration camps, should go to someone who has distinguished himself as an international symbol for peace and freedom around the world.

Although we honor you today for your contribution to the human spirit, we must remember that there is still work to be done towards the goal of freedom in Tibet. I pledge to you that we will continue to do all we can to assist you in the struggle and that we will not stop the pressure until the human rights of all Tibetans are restored.

May we all keep striving toward the Light.

AMERICA'S WAR AGAINST NICARAGUA

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. WEISS. Mr. Speaker, I would like to commend to the attention of my colleagues an excellent article by Dr. Kevin M. Cahill, the director of the Tropical Disease Center in Manhattan. The article, which is entitled "Our War Against Nicaragua Saps America's Moral Authority," appeared in the July 18 edition of Newsday and describes some of the tragic human costs of our Nation's policy toward Nicaragua.

Dr. Cahill has directed major medical programs in Africa, Asia, and Latin America for more than 30 years. I hope that the Members of the House will consider his thoughtful comments when Congress again returns to the issue of U.S. policy in Central America.

OUR WAR AGAINST NICARAGUA SAPS AMERICA'S MORAL AUTHORITY

(By Kevin M. Cahill)

As an American physician who has worked in troubled parts of the tropics for more than 30 years, I have learned to avoid political comment overseas. There the task is to help the sick and not fan flames of hatred. But back in my own country there can be no excuse for silence, especially if one has seen the scope of suffering and destruction I witnessed recently in Nicaragua. If one believes in the greatness of America, if one hopes for a "kinder, gentler" land, those of us privileged to work among the poor in the Third World have a special obligation to report on what we see.

We must tell our fellow citizens what is being perpetrated in our name, and there is nothing subtle about the carnage in Nicaragua. We must remind—or, maybe, educate—politicians that our own national interests, and even our ultimate security, will be based more on a respect for the rules of international law than on the transient gratification that seems to come with arrogant displays of power. For me it would be un-American to supress the outrage that overwhelms one in Nicaragua, for I believe that current U.S. policy is destroying not only their lives but our souls.

The cowardly accommodation with evil that has characterized our approach in Central America is patently immoral. While we demand the resignations of those in our government who even appear to violate ethical standards, an obsession with overthrowing the Sandinista leadership in Nicaragua has allowed our highest officials to act as open collaborators with kidnapers and rapists and killers of innocent civilians in the name of democracy. These are not exaggerated claims, for the victims are all over the blood-soaked land of Nicaragua for anyone with eyes to see.

The early dreams of the Nicaraguan revolution have faded and mere survival is now a source of pride. The literacy campaigns and public health projects that gave such enthusiasm and glory to the post-Somoza period finally fell victim to our guerrilla war. Today, amputees wait in decaying hospitals for prostheses that cannot be purchased because the nation's currency is almost worthless.

The legless teenagers of Nicaragua have become a part of our American legacy. Thousands of limbs were blown off in the last decade by American mines planted by American-paid contra forces. In our name, and supported by our tax dollars, this mercenary army selectively destroyed schools, health centers, agricultural seed banks and hydroelectric plants. As a coup de grace the United States imposed an economic embargo on Nicaragua, propelling the country into chaos. But the long-term burden of international condemnation, and the eventual isolation, shame and guilt, may have a greater effect on America than even the immediate pain and suffering experienced by Nicaragua.

How many Americans know that our country has been convicted, in the International Court of Justice at the Hague, of acts of terrorism against Nicaragua? How many Americans realize that our illegal mining of Nicaragua's harbors was condemned by almost every country in a formal United Nations vote?

The pattern of lies and deceit that culminated in the Iran-contra affair has damaged the moral credibility of the United States around the world. Those who frittered away our nation's reputation for honesty and integrity may have cost us more than all our foreign aid donations.

We pour billions of tax dollars a year into Central America. The vast majority of it is military assistance propping up right-wing regimes and contra forces that violate every tenet of decency and justice we were once taught to revere in America. I am certain the average American, given the chance to witness the results, would not condone such spending. What if those sums had been devoted to medical projects or education? Would we not be more secure if our investments had led to healthy neighbors with thriving economies? And even if we were not wise and generous enough to do that for other countries, wouldn't it have been at least more humane to invest that largess in our own schools, hospitals and housing for the homeless?

During the past decade, Cuba has annually sent 320 doctors to staff rural Nicaraguan clinics. Today four U.S. physician-volunteers serve our image as a humane and caring nation, and we wonder why the United States is losing the battle for the minds and hearts of mankind.

History is not on the side of those who think they can strangle independence in Nicaragua. For a century and a half we have intervened with armed force whenever a freedom movement flickered there, but times have changed, both around the world and in the United States. There is an almost irrepressible resilience in Nicaragua, and somehow the nation will survive, struggling for those basic sovereign rights we take for granted. We should have enough confidence in our great land to reject foolish fears—tiny Nicaragua never has been and cannot be a threat to us.

There are alternatives that could simultaneously stop the killing and allow us to recapture the nobility of our Founding Fathers. With the wisdom and strength that comes with maturity, we should be able to deal generously with newly independent nations without making them act as supplicant states. We should be able to understand their aspirations, share in their joys and sorrows and, in doing so, renew ourselves before something essential for America is lost forever.

NICARAGUAN ELECTIONS

HON. JOHN J. RHODES III

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. RHODES. Mr. Speaker, in the past, many of us who have supported the Nicaraguan Contras have felt that the peace in Nicaragua resulting from the absence of Contra pressure would not be democratic. Rather it would be the peace we gave Vietnam: A peace of slavery, poverty, and regional war, which endangers all Central American countries.

Yet many Members had last April no other choice but to help put together a meager funding for the Contras as "insurance" of free elections. At that time, and now as well, I was astounded by those who so cheerfully accepted credit for this compromise package which might not have been necessary had Members acted strongly in support of the Contras and their hopes for democracy in Nicaragua in the first place. Members had this chance when the question of Contra aid repeatedly came before the House, yet was repeatedly voted down by the majority. In the meantime, the Sandinista regime consolidated their power and tightened their grip on the people of Nicaragua.

Now, there is serious concern over how "democratic" the elections can be given Sandinista restraints on the opposition's access to television, restrictions on absentee voting, and other actions that threaten to make such elections a sham. A recent Wall Street Journal editorial lamented "Washington's Latin Legacy" noting various Sandinista practices to discourage democratic participation in the upcoming elections, including expelling the first person applying for observer status and confiscation of coffee plantations from three farmers who urged support for the opposition. The State Department is even compiling a list of

such actions, which I would like to insert into the CONGRESSIONAL RECORD.

Mr. Speaker, it is my hope that all Nicaraguans are granted the freedoms of speech and worship, and be allowed the human and civil rights we enjoy here in our Nation. It is also my hope that all those who continually fought against funding of the freedom fighters remember to stand up just as cheerfully for the credit they deserve if the elections turn out to be as rigged and undemocratic as the 1984 elections were; now more than ever, the 1990 elections promise, so far, to be no better.

Despite their promises in the Esquipulas II and Tesoro Beach accords, the Sandinistas have placed restrictions on political participation and international observation of the political process, particularly since the May 7 elections in Panama.

In the Esquipulas II accords, the Sandinistas promised:

to move toward "an authentic democratic process, both pluralistic and participatory."

On June 14, police used tear gas to disperse taxi drivers peacefully protesting Sandinista economic policies.

On June 18, government permission for a private sector "march against hunger and misery" in Leon was denied.

On June 21, three large coffee estates were confiscated following owners' criticism of Sandinista economic policies.

A July 2 opposition march in Masaya was harassed by Sandinista thugs.

In the Tesoro Beach accords, the Sandinistas promised:

to reform the electoral law and "guarantee political organization and action in the broadest sense for political parties."

On April 18, the government passed electoral law reforms without good faith consultations with the opposition.

On May 17, five opposition parties were denied legal status. Four of these finally won legal status June 5.

Opposition leader Alfredo Cesar was not given a passport to travel to the June 20-22 Socialist International conference in Stockholm.

On June 26, Interior Ministry officers broke up a National Opposition Union planning meeting, claiming it was held without permission.

The main 14-party opposition bloc was denied permission for a rally in Ocotol July 9.

to "form a Supreme Electoral Council with a balanced participation of representatives from the opposition political parties."

On June 7, the National Assembly named a five-member Supreme Electoral Council with only one representative of the 14-party National Opposition Union coalition.

to invite international observers to "certify the integrity of the (election) process."

On May 24, two U.S. diplomats who had met with independent union leaders were expelled from Nicaragua.

On June 1, the Foreign Ministry sent a diplomatic note to all foreign missions warning against attendance at political rallies and social contact with the opposition.

On June 6, Foreign Minister D'Escoto told the OAS that its resolution on the Panamanian elections was "deplorable and unfortunate."

A representative of the nonpartisan U.S. group Freedom House who had applied for observer status was expelled from Nicaragua July 5.

Ministry of Interior officers prevented U.S. Congressman and diplomats from observing a July 30 opposition rally in Diriamba, near Managua.

Sandinista officials and the Sandinista-controlled media have stated that the U.S. would not be allowed to monitor the Nicaraguan electoral process.

to "guarantee the free functioning of the communications media."

On June 16, a *La Prensa* reporter was detained for two and a half hours for allegedly "spreading propaganda" on behalf of the opposition.

Foreign journalists at a July 2 opposition march were detained by police and had their credentials checked.

La Prensa is still required to buy its newsprint from the government, at artificially inflated prices.

TRIBUTE TO THE SOCIAL SECURITY DISTRICT OFFICE, CHARLESTON, SC

HON. ARTHUR RAVENEL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. RAVENEL. Mr. Speaker, I am most proud that on August 4 our Social Security district office in Charleston was presented the Commissioner's Award for Office Excellence. This prestigious award is highly competitive—only 5 of the 252 Social Security offices in the Southeast were selected for this recognition.

My staff and I know first hand that the Charleston Social Security office provides outstanding service to our folks in the First Congressional District, for we work with them quite often and I repeatedly witness how dedicated and caring they are about their service.

It is an honor to list the names of the fine individuals who make this such an exceptional office:

Donald Seatter, Barbara Moore, Carl Sohl, Christine Braddock, Gloria Crane, Hazel Lee, Charnette Singleton, Sharon West, Linda Altman, Barbara Simmons, Mary Youngblood, Belinda Ramsey, Sandy Daniels, Pat Turner, Norman Joy, Cedric Jaggers, Robert Baker, Annette Bridgeman, Joyce Heffron, Gene Owens, Hilda Tindall, Jeanne White, Rosa Graham, Wendy Tripp, Virginia Easterling, Joan Ermer, and Dutchin King.

ETHNIC HUNGARIAN REFUGEES FROM ROMANIA WALK FROM BUDAPEST TO PARIS TO CALL ATTENTION TO HUMAN RIGHTS VIOLATIONS BY THE ROMANIAN GOVERNMENT

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1989

Mr. LANTOS. Mr. Speaker, the egregious violations of human rights by the Government of Romania are well known to the Members of Congress, and on many occasions we have adopted resolutions and amendments condemning these actions.

Just over a month ago in connection with the adoption of the foreign assistance legislation approved by the House, we adopted an amendment which noted:

The Government of * * * Romania continues its flagrant abuse of the human rights of its citizens, including the freedom of religion, freedom of speech and press, and the rights of ethnic minorities.

It further notes:

Hungarian, German, and other ethnic minorities have been subjected to a campaign of forced assimilation, including severe restrictions on the use of their own languages in education and in other cultural expressions.

As a result of these unconscionable human rights violations, literally thousands of ethnic Hungarians have fled their homes in Romania's region of Transylvania—homes where they and their ancestors have lived for a thousand years and more. Most of these ethnic Hungarians have fled to Hungary and thousands of them are living in temporary refugee facilities. During the recent historic visit of President Bush to Hungary, Mrs. Barbara Bush called attention to the plight of these tragic refugees by visiting a group of them in one of their camps.

Mr. Speaker, I would like to inform my colleagues of an effort by Hungarian refugees from Transylvania to call the attention of the world to their plight. On the occasion of the bicentennial of the French Revolution and of the Declaration of Rights of Man and the Citizen a group of Hungarian refugees will walk from Budapest to Paris—a distance of hundreds of miles. They are making this trek in the spirit of the motto of the 1703 Hungarian Walk of Independence: "Cum Deo pro patria et libertate"—"With God for country and liberty."

These Hungarian refugees from Transylvania—led by Okos Marton and Fuhos Gabor—are seeking through this dramatic, but peaceful means to call attention to the forced assimilation of the minorities in Transylvania, and the oppression of the people of Romania by their Government.

Mr. Speaker, I urge my colleagues in the Congress to join me in giving moral support to this important effort to call attention to human rights violations and to urge the Romanian Government to accept its international obligations to observe the human rights of its citizens, of whatever nationality.

HOUSE OF REPRESENTATIVES—*Wednesday, September 6, 1989*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We remember, O gracious God, those who seek to serve You by serving others. On this day we specially recall those who labor in this place seeking to bring a measure of justice and mercy and peace to our troubled world.

We remember with gratitude the lives of MICKEY LELAND and LARKIN SMITH, their efforts to provide for other people the necessities and the opportunities of life. May we celebrate their dedication by doing the works of mercy wherever we are and by continuing the work they sought to do.

May Your blessing, O loving God, be with their families and friends, with all who mourn, and may Your spirit encourage us to do justice, love, mercy, and ever walk humbly with You. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. GALLEGLY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GALLEGLY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 267, nays 85, answered "present" 1, not voting 76, as follows:

[Roll No. 220]

YEAS—267

Ackerman	Bateman	Boucher
Alexander	Bates	Boxer
Anderson	Bennett	Brennan
Andrews	Bereuter	Brooks
Annunzio	Berman	Broomfield
Anthony	Bevill	Browder
Applegate	Bilbray	Bruce
Atkins	Bonior	Bustamante
Barnard	Borski	Byron
Bartlett	Bosco	Callahan
Campbell (CA)	Hubbard	Price
Cardin	Huckaby	Pursell
Carper	Hughes	Quillen
Carr	Jenkins	Rangel
Chapman	Johnson (CT)	Ravenel
Clarke	Johnson (SD)	Ray
Clement	Jones (GA)	Regula
Coleman (TX)	Jontz	Rhodes
Collins	Kanjorski	Rinaldo
Combest	Kaptur	Robinson
Conte	Kasich	Roe
Cooper	Kastenmeier	Rostenkowski
Costello	Kennedy	Roth
Crockett	Kildee	Rowland (CT)
Darden	Kleczka	Rowland (GA)
Davis	LaFalce	Roybal
de la Garza	Lancaster	Russo
Dellums	Lantos	Sabo
Derrick	Laughlin	Saiki
Dicks	Leath (TX)	Sangmeister
Dingell	Lehman (FL)	Sarpalius
Dixon	Lent	Savage
Dorgan (ND)	Levin (MI)	Sawyer
Downey	Levine (CA)	Saxton
Dreier	Lewis (GA)	Schiff
Duncan	Livingston	Schneider
Dwyer	Long	Schulze
Dymally	Luken, Thomas	Schumer
Eckart	Manton	Shaw
Edwards (CA)	Markey	Shumway
Edwards (OK)	Martin (NY)	Shuster
Emerson	Matsui	Sisisky
English	Mazzoli	Skaggs
Erdreich	McCloskey	Skeen
Espy	McCollum	Slaughter (NY)
Evans	McCrery	Smith (FL)
Fascell	McCurdy	Smith (IA)
Fazio	McDade	Smith (NE)
Feighan	McDermott	Smith (NJ)
Fish	McEwen	Smith (VT)
Flake	McHugh	Snowe
Flippo	McMillan (NC)	Solarz
Foglietta	McMillen (MD)	Spence
Ford (MI)	Meyers	Spratt
Ford (TN)	Mfume	Stallings
Frank	Miller (CA)	Stark
Frenzel	Mineta	Stearns
Frost	Moakley	Stenholm
Gallo	Montgomery	Stokes
Gaydos	Moody	Studds
Gejdenson	Morella	Swift
Gephardt	Morrison (CT)	Synar
Gibbons	Morrison (WA)	Tallon
Gillmor	Mrazek	Tanner
Gilman	Murtha	Tauzin
Gingrich	Myers	Thomas (GA)
Glickman	Natcher	Thomas (WY)
Gonzalez	Neal (MA)	Torres
Gordon	Nelson	Towns
Gradison	Nielson	Traficant
Grant	Nowak	Traxler
Gray	Obey	Udall
Green	Olin	Unsoeld
Guarini	Ortiz	Valentine
Gunderson	Owens (NY)	Vento
Hall (TX)	Owens (UT)	Visclosky
Hamilton	Pallone	Volkmer
Harris	Panetta	Walgren
Hatcher	Patterson	Walsh
Hayes (IL)	Payne (NJ)	Watkins
Hayes (LA)	Payne (VA)	Weiss
Hefner	Pease	Whitten
Henry	Pelosi	Wilson
Hertel	Penny	Wolpe
Hoagland	Perkins	Wyden
Hochbrueckner	Petri	Wylie
Horton	Pickett	Yates
Houghton	Porter	Yatron
Hoyer	Poshard	Young (FL)

NAYS—85

Armey	Bentley	Brown (CO)
Baker	Bilirakis	Buechner
Ballenger	Billey	Bunning
Barton	Boehlert	Chandler
Clinger	Ireland	Schaefer
Coble	Jacobs	Schroeder
Coleman (MO)	James	Sensenbrenner
Cox	Kyl	Shays
Craig	Lagomarsino	Sikorski
Crane	Leach (IA)	Slaughter (VA)
Dannemeyer	Lewis (CA)	Smith (TX)
DeLay	Lewis (FL)	Smith, Denny (OR)
DeWine	Lightfoot	
Dickinson	Lloyd	Smith, Robert (NH)
Dornan (CA)	Lowery (CA)	
Douglas	Lukens, Donald	Smith, Robert (OR)
Gallegly	Machtley	
Goodling	Madigan	Solomon
Goss	Martin (IL)	Stangeland
Grandy	McGrath	Stump
Hancock	Miller (OH)	Thomas (CA)
Hansen	Moorhead	Upton
Hastert	Murphy	Vucanovich
Hawkins	Oxley	Walker
Hefley	Parris	Weber
Herger	Pashayan	Weldon
Holloway	Roberts	Whittaker
Hopkins	Rogers	Wolf
Hyde	Rohrabacher	
Inhofe	Roukema	

ANSWERED "PRESENT"—1

Jones (NC)

NOT VOTING—76

Akaka	Hall (OH)	Packard
Archer	Hammerschmidt	Parker
Aspin	Hiler	Paxon
AuCoin	Hunter	Pickle
Beilenson	Hutto	Rahall
Boggs	Johnston	Richardson
Brown (CA)	Kennelly	Ridge
Bryant	Kolbe	Ritter
Burton	Kolter	Rose
Campbell (CO)	Kostmayer	Scheuer
Clay	Lehman (CA)	Schuette
Conyers	Lipinski	Sharp
Coughlin	Lowey (NY)	Skelton
Courter	Marlenee	Slattery
Coyne	Martinez	Staggers
DeFazio	Mavroules	Sundquist
Donnelly	McCandless	Tauke
Durbin	McNulty	Torricelli
Dyson	Michel	Vander Jagt
Early	Miller (WA)	Waxman
Engel	Molinari	Wheat
Fawell	Mollohan	Williams
Fields	Nagle	Wise
Florio	Neal (NC)	Young (AK)
Garcia	Oakar	
Gekas	Oberstar	

□ 1224

So the Journal was approved.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. WHEAT. Mr. Speaker, due to illness I was absent on rollcall no. 220. Had I been present, I would have voted "aye".

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Florida [Mr. BENNETT] please come forward and lead the House in the Pledge of Allegiance.

Mr. BENNETT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

IN MEMORY OF MR. LELAND AND MR. SMITH OF MISSISSIPPI

(Mr. GEPHARDT asked and was given permission to address the House for 1 minute.)

Mr. GEPHARDT. Mr. Speaker, I would like to yield such time as he may consume to the minority whip, the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Speaker, let me thank my colleague for yielding, and just say that I rise for our side of the aisle to say that during the break we lost two colleagues, both in the pursuit of their duty, both seeking to serve mankind, and that all Members will remember the gentleman from Texas [Mr. LELAND] and the gentleman from Mississippi [Mr. SMITH] and that we appreciate very much the leadership taking this moment to begin the session by recognizing these two very fine colleagues and Members whose memories will live on for a very long time in this body.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman, and I ask that all Members, with heavy hearts and bowed heads, let Members remember the service and contributions of the gentleman from Texas [Mr. LELAND] and the gentleman from Mississippi [Mr. SMITH] with a moment of silence, and ask on behalf of both parties and all Americans, that we stand and have this moment of silence.

(A moment of silence was had.)

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Kalbaugh, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On July 19, 1989:

H.R. 2848. An act to amend the Computer Matching and Privacy Protection Act of 1988 to delay the effective date of the act for existing agency matching programs.

On July 25, 1989:

H.J. Res. 174. Joint resolution to designate the decade beginning January 1, 1990, as the "Decade of the Brain".

On July 26, 1989:

H.R. 1722. An act to amend the Natural Gas Policy Act of 1978 to eliminate wellhead price and nonprice controls on the first sale of natural gas, and to make technical and conforming amendments to such Act.

H.R. 2214. An act to ratify certain agreements relating to the Vienna Convention on Diplomatic Relations.

On July 31, 1989:

H.R. 1485. An act to direct the sale of certain lands in Clark County, Nevada, to meet national defense and other needs; to authorize the sale of certain other lands in Clark County, Nevada; and for other purposes.

On August 1, 1989:

H.R. 310. An act to remove a restriction from a parcel of land in Roanoke, Virginia, in order for that land to be conveyed to the State of Virginia for use as a veterans nursing home.

On August 3, 1989:

H.R. 999. An act to reauthorize the Advisory Council on Historic Preservation

On August 4, 1989:

H.R. 968. An act to provide for the Federal reimbursement of local noise abatement funds.

On August 7, 1989:

H.R. 3024. An act to to increase the statutory limit on the public debt, and for other purposes.

On August 9, 1989:

H.J. Res. 281. Joint resolution to approve the designation of the Cordell Bank National Marine Sanctuary, to disapprove a term of that designation, to prohibit the exploration for, or the development or production of, oil, gas, or minerals in any area of that sanctuary, and for other purposes.

H.R. 1278. An act to reform, recapitalize, and consolidate the Federal deposit insurance system, to enhance the regulatory and enforcement powers of Federal financial institutions regulatory agencies, and for other purposes.

On August 11, 1989:

H.J. Res. 363. Joint resolution to designate 1989 as "United States Customs Service 200th Anniversary Year".

H.R. 2705. An act relating to the method by which Government contributions to the Federal employees health benefits program shall be computed for 1990 or 1991 if no Government-wide indemnity benefit plan participates in that year.

On August 14, 1989:

H.J. Res. 221. Joint resolution to designate the week beginning September 1, 1989, as "World War II Remembrance Week".

H.R. 2467. An act to provide disaster assistance to agricultural producers, and for other purposes.

H.R. 2799. An act to amend the Agricultural Act of 1949 for the 1990 crops to allow the planting of alternative crops on permitted acreage and to amend the provisions regarding the designation of farm acreage bases as acreage base established for oats.

On August 16, 1989:

H.J. Res. 225. Joint resolution to authorize and request the President to issue a proclamation designating the third Sunday of August of 1989 as "National Senior Citizens Day".

H.J. Res. 231. Joint resolution designating September 1989 as "National Library Card Sign-Up Month".

H.J. Res. 253. Joint resolution designating September 8, 1989, as "National Pledge of Allegiance Day".

H.J. Res. 379. Joint resolution commending the citizens of the Sioux City, Iowa, tri-State area for their heroism and spirit of voluntarism in selflessly providing assistance and life-saving services to the passengers and crew of United Airlines Flight 232.

H.R. 840. An act to authorize appropriations for fiscal year 1990 for the Federal Maritime Commission, and for other purposes.

H.R. 1426. An act to amend the Public Health Service Act to make technical corrections relating to subtitles A and G of title II of the Anti-Drug Abuse Act of 1988, and for other purposes.

H.R. 1860. An act to provide that Federal annuitant or former member of a uniformed service who returns to Government service, under a temporary appointment, to assist in carrying out the 1990 decennial census of population shall be exempt from certain provisions of title 5, United States Code, relating to offsets from pay and other benefits.

H.R. 2727. An act to amend title 38, United States Code, to establish a retirement and survivor benefit program for judges of the new United States Court of Veterans Appeals, and for other purposes.

H.R. 2847. An act to extend by 1 year a program under which the Government is allowed to accept the voluntary services of private-sector executives.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 24. An act to amend the Child Nutrition Act of 1966 and the National School Lunch Act to revise and extend certain authorities contained in such Acts, and for other purposes; and

H.R. 2989. An act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1990, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 2989) "An act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1990, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. DECONCINI, Mr. BYRD, Ms. MIKULSKI, Mr. KERREY, Mr. DOMENICI, Mr. HATFIELD, and Mr. D'AMATO, to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 605. An act to authorize appropriations for the Consumer Product Safety Commission, and for other purposes;

S. 673. An act to amend the National Traffic and Motor Vehicle Safety Act of 1966 and the Motor Vehicle Information and Cost Savings Act to authorize appropriations for fiscal years 1990 and 1991, and for other purposes;

S. 686. An act to consolidate and improve Federal laws providing compensation and establishing liability for oilspills;

S. 819. An act to strengthen the enforcement of motor carrier safety laws, and for other purposes;

S. 1036. An act to improve the economic, community, and educational well-being of rural America, and for other purposes;

S. 1164. An act to authorize appropriations for fiscal year 1990 for the Office of the U.S. Trade Representative, the U.S. International Trade Commission, and the U.S. Customs Service;

S. 1352. An act to authorize appropriations for fiscal years 1990 and 1991 for military functions of the Department of Defense and to prescribe military personnel levels for such Department for fiscal years 1990 and 1991, and for other purposes;

S. 1390. An act to authorize funds to be appropriated for the construction of a mouse research laboratory, and for other purposes;

S. 1446. An act to authorize appropriations for fiscal years 1990 and 1991 for military functions of the Department of Defense and to prescribe military personnel levels for such Department for fiscal years 1990 and 1991, and for other purposes;

S. 1447. An act to authorize appropriations for the Department of Energy for national security programs for fiscal year 1990, and for other purposes;

S. 1448. An act to authorize the end strengths for the Armed Forces for fiscal years 1990 and 1991, to provide for certain matters relating to personnel management, to make certain changes in the pay and allowances and other benefits of members of the uniformed services, and for other purposes;

S. 1449. An act to authorize certain construction at military installations for fiscal years 1990 and 1991, and for other purposes;

S. 1463. An act to provide for certain Department of Defense personnel management initiatives;

S. 1484. An act to amend the Child Nutrition Act of 1966 and the National School Lunch Act to reauthorize child nutrition programs, and for other purposes;

S.J. Res. 16. Joint resolution designating the month of November 1989 as "National Alzheimer's Disease Month," and

S.J. Res. 166. Joint resolution to designate the period of September 16 through October 8, 1989 as "Coastweeks '89."

The message also announced that pursuant to section 276, title 22, of the United States Code, as amended, the Chair on behalf of the Vice President, appoints Mr. ADAMS and Mr. FOWLER, as members of the Senate delegation to the fall Interparliamentary Union meeting during the first session of the 101st Congress, to be held in London, England, September 4 to 9, 1989.

The message also announced that pursuant to Public Law 100-297, the Chair, on behalf of the President pro tempore, appoints Mr. METZENBAUM and Mr. Wendell N. Rollason of Florida, from private life, to the National Commission on Migrant Education.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

Washington, DC, September 5, 1989.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I have the honor to transmit herewith a copy of the certificate of election received from Honorable Jim Smith, Secretary of State, State of Florida, certifying that, according to the official returns of the Special Election held on August 29, 1989 the Honorable Ileana Ros-Lehtinen was elected to the Office of United States Representative in Congress from the Eighteenth Congressional District of Florida.

With great respect, I am,

Sincerely yours,

DONNALD K. ANDERSON,
Clerk.

By W. RAYMOND COLLEY,
Deputy Clerk.

The SPEAKER. The Clerk will read the certificate.

The Clerk read the certificate, as follows:

STATE OF FLORIDA, DEPARTMENT OF STATE

I, Jim Smith, Secretary of State of the State of Florida, do hereby certify that the following person was elected as Representative in Congress at the Special General Election held on the Twenty-ninth day of August, A.D., 1989, as shown by the election returns on file in this office.

Eighteenth Congressional District: Ileana Ros-Lehtinen.

□ 1230

SWEARING IN OF THE HONORABLE ILEANA ROS-LEHTINEN OF FLORIDA AS A MEMBER OF THE HOUSE

The SPEAKER. Will the Member-elect from the State of Florida please come forward?

Mrs. ROS-LEHTINEN appeared at the bar of the House and took the oath of office.

The SPEAKER. Congratulations. You are now a Member of Congress.

EXPRESSION OF APPRECIATION BY THE HONORABLE ILEANA ROS-LEHTINEN, OF FLORIDA

(Mrs. ROS-LEHTINEN asked and was given permission to address the House for 1 minute.)

The SPEAKER. The gentlewoman from Florida [Mrs. ROS-LEHTINEN] is recognized.

Mrs. ROS-LEHTINEN. Thank you, Mr. Speaker, and I thank my colleagues from the Florida delegation, including Senator GRAHAM.

It is indeed a pleasure and an honor to be elected to serve in this distinguished body. As a Cuban-American whose family has fled the horrors of communism, I think that this day serves to solidify the belief and the truth that the United States truly is the land of opportunity where all of our dreams can be made possible if we try hard enough. Thank you very much.

APPOINTMENT OF CONFEREES ON H.R. 2989, TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1990

Mr. ROYBAL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2989) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1990, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California? The Chair hears none, and appoints the following conferees: Messrs. ROYBAL, AKAKA, HOYER, ALEXANDER, EARLY, SABO, WHITTEN, SKEEN, LOWERY of California, WOLF, and CONTE.

APPOINTMENT OF CONFEREES ON H.R. 2883, RURAL DEVELOPMENT, AGRICULTURE, AND RELATED AGENCIES APPROPRIATIONS ACT, 1990

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2883) making appropriations for rural development, Agriculture, and related agencies programs for the fiscal year ending September 30, 1990, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? The Chair hears none, and appoints the following conferees: Messrs. WHITTEN, TRAXLER, MCHUGH, NATCHER, AKAKA, WATKINS, DURBIN, SMITH of Iowa, Mrs. SMITH of Nebraska, Messrs. MYERS of Indiana, SKEEN, WEBER, and CONTE.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
August 7, 1989.

Hon. THOMAS S. FOLEY,
The Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in clause 5 of rule III of the Rules of the U.S. House of Representatives, the Clerk received at 1:22 a.m. on Saturday, August 5, 1989, the following message from the Secretary of the Senate: That the Senate passed without amendment, H.J. Res. 390.

With great respect, I am
Sincerely yours,
DONNALD K. ANDERSON,
Clerk, House of Representatives.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to clause 4 of rule I, and the order of the House of Friday, August 4, 1989, the Speaker signed the following enrolled joint resolution during the recess on Friday, August 4, 1989:

H.J. Res. 390. Joint resolution waiving certain enrollment requirements with respect to the bill H.R. 1278.

And the following enrolled bills and joint resolutions on Monday, August 7, 1989:

H.R. 1278. An act to reform, recapitalize, and consolidate the Federal Deposit Insurance System, to enhance the regulatory and enforcement powers of Federal financial institutions regulatory agencies, and for other purposes;

H.R. 2847. An act to extend by 1 year a program under which the Government is allowed to accept the voluntary services of private-sector executives;

H.R. 3024. An act to increase the statutory limit on the public debt, and for other purposes;

S.J. Res. 67. Joint resolution to commemorate the twenty-fifth anniversary of the wilderness act of 1964 which established the national wilderness preservation system; and

S.J. Res. 127. Joint resolution designating labor day weekend, September 2 through 4, 1989, as "National Drive For Life Weekend."

And the following enrolled bills and joint resolutions on Wednesday, August 9, 1989:

H.R. 840. An act to authorize appropriations for fiscal year 1990 for the Federal Maritime Commission, and for other purposes;

H.R. 1860. An act to provide that a Federal annuitant or former member of a uniformed service who returns to Government service, under a temporary appointment, to assist in carrying out the 1990 decennial census of population shall be exempt from certain provisions of title 5, United States Code, relating to offsets from pay and other benefits;

H.R. 2467. An act to provide disaster assistance to agricultural producers, and for other purposes;

H.R. 2727. An act to amend title 38, United States Code, to establish a retirement and survivor benefit program for judges of the new United States Court of Veterans Appeals, and for other purposes;

H.J. Res. 225. Joint resolution to authorize and request the President to issue annually a proclamation designating the third Sunday of August of 1989 as "National Senior Citizens Day;"

H.J. Res. 231. Joint resolution designating September 1989 as "National Library Card Sign-up Month;"

H.J. Res. 253. Joint resolution designating September 8, 1989, as "National Pledge of Allegiance Day;" and

H.J. Res. 379. Joint resolution commending the citizens of the Sioux City, Iowa, tri-State area for their heroism and spirit of volunteerism in selflessly providing assistance and life-saving services to the passengers and crew of United Airlines flight 232.

□ 1240

APPOINTMENT AS MEMBERS TO COMMISSION ON INTERSTATE CHILD SUPPORT

The SPEAKER. Pursuant to the provisions of section 126(B), Public Law 100-485, and the order of the House of August 4, 1989, empowering the Speaker to appoint commissions, boards, and committees authorized by law or by the House, the Speaker and minority leader on August 11, 1989, did jointly appoint to the Commission on Interstate Child Support the following Members on the part of the House:

From the House of Representatives: Mrs. KENNELLY of Connecticut; and Mrs. Frances Rothschild of Los Angeles, CA; and Mr. Harry L. Tindall of Houston, TX.

REAPPOINTMENT AND APPOINTMENT AS MEMBERS OF FEDERAL COUNCIL ON THE AGING

The SPEAKER. Pursuant to the provisions of section 204 of Public Law 98-459, and the order of the House of August 4, 1989, empowering the Speaker to appoint commissions, boards, and committees authorized by law or by the House, the Speaker on August 11, 1989, did reappoint to the Federal Council on the Aging from the private sector Ms. Tessa MaCaulay of Deerfield Beach, FL, and did appoint Mr. Raymond Raschko of Spokane, WA, to fill the existing vacancy thereon.

APPOINTMENT AS MEMBERS OF HARRY S. TRUMAN SCHOLARSHIP FOUNDATION

The SPEAKER. Pursuant to the provisions of 5(b), Public Law 93-642, and the order of the House of August 4, 1989, empowering the Speaker to appoint commissions, boards, and committees authorized by law or by the House, the Speaker on August 11, 1989, did appoint as members of the board of trustees of the Harry S. Truman Scholarship Foundation the following Members on the part of the House: Mr. SKELTON of Missouri and Mr. COLEMAN of Missouri.

APPOINTMENT AS MEMBER OF BIPARTISAN COMMISSION ON COMPREHENSIVE HEALTH CARE

The SPEAKER. Pursuant to the provisions of section 403 of Public Law 100-360, and the order of the House of August 4, 1989, empowering the Speaker to appoint commissions, boards, and committees authorized by law or by the House, the Speaker on August 11, 1989, did appoint on the part of the House the gentleman from Ohio [Mr. STOKES] to the U.S. Bipartisan Commission on Comprehensive Health Care to fill the existing vacancy thereon.

APPOINTMENT AS MEMBERS OF THE NATIONAL COMMISSION ON MIGRANT EDUCATION

The SPEAKER. Pursuant to the provisions of section 1001, Public Law 100-297, and the order of the House of August 4, 1989, empowering the Speaker to appoint commissions, boards, and committees authorized by law or by the House, the Speaker on August 23, 1989, did appoint to the National Commission on Migrant Education the following Members on the part of the House:

From the House of Representatives: Mr. FORD of Michigan and Mr. GOODLING of Pennsylvania; and Ms. Patricia A. Hayes, Austin, TX and Mrs. Carolina Mata-Woodruff, Petersburg, IL.

APPOINTMENT OF CONFEREES ON H.R. 2696, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS BILL, 1990

Mr. BEVILL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2696) making appropriations for Energy and Water Development for the fiscal year ending September 30, 1990, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? The Chair hears none, and appoints the following conferees: Mr. BEVILL, Mrs. BOGGS, Messrs. FAZIO, WATKINS, THOMAS of Georgia, CHAPMAN, WHITTEN, and MYERS of Indiana, Mrs. SMITH of Nebraska, Mr. PURSELL, and Mr. CONTE.

PROVIDING THE FUNDS FOR THE WAR AGAINST DRUGS

(Mr. SMITH of Iowa asked and was given permission to address the House for 1 minute.)

Mr. SMITH of Iowa. Mr. Speaker, since the program the President announced to speed up the war on drugs is essentially the same program the House passed several months ago as a part of the supplemental appropriations bill, the majority of the House is already on record in favor of the increases needed. The Appropriations Committee, which I subchair, which handles most of the drug funding, welcomes the administration's change of attitude toward the funding needed, but after the administration so vigorously and successfully opposed that $821 million appropriations bill for the

same purpose only a few months ago, we need a positive statement now supporting new funding. Merely proposing to take the money from nonmilitary programs the administration did not support to begin with does not contribute to a funding solution. Since the appropriations for 1990 have already been allocated in compliance with the summit agreement and revising these programs and appropriations would take a lot of time, identifying the additional new revenues for this purpose or temporarily using some unobligated balances would be much faster.

Mr. Speaker, enough valuable time has been lost waiting for the administration's drug program report, instead of moving ahead with the fund, and so I urge the President to join the Congress in a good-faith effort to provide these funds.

SUPPORT THE PRESIDENT'S STRATEGY TO END THE DRUG SCOURGE

(Mr. DONALD E. "BUZ" LUKENS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DONALD E. "BUZ" LUKENS. Mr. Speaker, I am in strong support of the President's strategy to fight the drug scourge facing our Nation today. As Members of this body know, we have had a policy toward drugs for the past few years, but this is the first time we have had an actual strategy to rid the United States of our drug problem.

The President outlined four key areas that we need to focus on and I strongly endorse these priorities.

I have just gotten back from a week in the major coca producing areas of Bolivia and Peru. Again and again, our delegation was told that if the United States did not have such an appetite for cocaine and its derivative, crack, they would not grow the coca. Cutting the demand for drugs in this country requires tougher laws and an unparalleled education program aimed at drug dealers and users, such as that used successfully in Hong Kong.

These countries are committed to helping us end this problem, but we must assist them in converting use of their land to those crops on which they can still earn a living. Destroying the coca crop, which we have the ability to do, is an admirable goal, but we cannot cut these campesinos livelihood alone.

Mr. Speaker, I urge my colleagues to help the President eliminate this problem and support his strategy to end the drug scourge.

TRIBUTE TO MICKEY LELAND AND LARKIN SMITH

(Mr. HUBBARD asked and was given permission to address the House for 1 minute.)

Mr. HUBBARD. Mr. Speaker, first, congratulations to our newest member of the U.S. House of Representatives, ILEANA ROS-LEHTINEN.

Second, President Bush last night outlined a Federal antidrug strategy which seeks a coordinated, cooperative commitment to address the drug problem by all Government agencies. Surely, we in Congress will do our part in this urgent effort to combat dangerous drugs. It is our biggest domestic problem ever.

Last, I want to pay tribute to our beloved colleagues MICKEY LELAND and LARKIN SMITH. MICKEY LELAND was headed toward a leadership role here in the U.S. House of Representatives when his life was cut short at 44.

LARKIN SMITH served only 7 months in Congress, but it was clear to all of us that Trent Lott's successor was definitely marked for prominence here in the U.S. House of Representatives.

The best monument to MICKEY LELAND would be legislation from this Congress to help eliminate poverty, disease and famine worldwide.

The best monument to LARKIN SMITH would be legislation from this Congress to help wipe out the serious drug problem.

It was the sight of an Ethiopian girl dying before his eyes that moved MICKEY LELAND to work against hunger.

It was the sight of Mississippi teenagers hooked on drugs that caused then-Sheriff Larkin Smith to work against drugs in southern Mississippi.

Let's work to keep their causes alive.

TRIBUTE TO A. BARTLETT GIAMATTI

(Mr. CONTE asked and was given permission to address the House for 1 minute.)

Mr. CONTE. Mr. Speaker, last Friday, suddenly, without warning, America lost one of its true superstars, A. Bartlett Giamatti, at 51 years of age. It has been said that all Bart Giamatti demanded of himself was everything.

Bart studied the plays of Shakespeare and the plays of Ozzie Smith. He contemplated the expansion of the universe as well as the expansion of the major leagues. And he was as captivated by the rhythm of a sonnet as he was with the pace of a ball game.

He was passionate, a romantic, a man who greeted his friends with a hearty bear hug.

Above all, Bart Giamatti was a man of integrity. He insisted upon integrity in scholarship and he demanded it in baseball.

He loved the Boston Red Sox, from his youth in South Hadley in my district in western Massachusetts to his presidency of Yale, where he reigned over the campus under a Red Sox cap. Even as president of the National League, he pulled for the Red Sox to win it all in 1986.

Just 5 short weeks ago, Bart joined his friends here in Congress for a reception in his honor. I had the privilege of introducing him at that event. He enjoyed himself and demonstrated the passion for life for which he will always be remembered.

For Bart, baseball was more than a game and academics was more than an exercise. In the game of life, Bart Giamatti hit for the cycle. We salute you Bart, and we'll miss you.

THE PRESIDENT'S DRUG POLICY

(Mr. TORRES asked and was given permission to address the House for 1 minute.)

Mr. TORRES. Mr. Speaker, we all stand ready to work with the President to go to war against the drug menace in this country as well as internationally. It is clear that the American people want action, not just talk, to combat drugs.

The President's new drug plan falls short on a number of fronts. For example, his proposals dealing with money laundering are deficient. The President, in very general terms, proposes expansion of domestic money laundering investigations and provides some additional funding for this effort. That is it; no specific policy recommendations other than increased investigations. His drug plan says that our ability to attack money laundering operations is limited. I must contest that.

I authored the antimoney laundering proposals that were enacted in the 1988 Anti-Drug Abuse Act. I can tell you now, almost 1 year after enactment, that we are still waiting for implementation of provisions to deter money laundering in this country. Immediate implementation and vigorous enforcement of these antimoney laundering statutes is necessary and would go a long way toward stopping the laundering of billions of dollars through our Nation's banks. Disrupting the flow of drug money profits is essential to winning the war on drugs.

While I applaud the tough measures the President is ready to take, he proposes to pay for them by cutting funding for some important domestic programs which the administration has opposed in the past. These include taking $50 million from a Housing Program, $40 million from a Juvenile Justice Program, and $320 million from the State Legalization Impact Assistance Grants Program. This last program, SLIAG, helps States pay for the

education of newly legalized residents. Because California has so many of them, cutting funds for SLIAG would disproportionately affect California taxpayers, in particular. Congress must look at these proposals carefully to see how the budget is being "rearranged" in order to pay for the new drug plan.

Despite continuing rhetoric about the drug problem, the budget proposals presented by both President Reagan and President Bush have, time after time, sought to cut real dollar support for programs that deal with all aspects of the drug problem such as prevention, treatment, law enforcement and international drug control. President Bush's February 1989 budget proposed to fund only half of all the antidrug programs that were enacted in the 1988 Anti-Drug Abuse Act. That law authorized $2.7 billion for the war on drugs.

Major increases in spending will be needed to fund a real war on drugs. Los Angeles has become the cocaine capital of the United States. In L.A. County alone, it will take $3 billion for additional law enforcement, treatment, and counseling programs just to make a dent in this problem.

We will need tough policy initiatives, backed by the necessary resources, to reduce drug abuse and crime. The President's plan may represent a genuine effort to deal with the drug problem; however, the more we study it, I'm afraid the more apparent its limitations, both in terms of resources and policy, will become.

□ 1250

THANKS TO THE PRESIDENT FOR HIS DRUG STRATEGY

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, I say to the President, "Thank you very much for developing a drug strategy to lead America in its war on drugs. As you lead in the development of an absolute and unequivocal social intolerance toward this plague, let us here in the House step aside from the partisanism that is beginning to grow, a partisanism that says we can offer more than someone else."

Let us get on with the business of funding and cooperating in the implementation of a comprehensive drug program that begins to save lives.

As we stand here in the well and play with the idea of who can win votes next November on a drug policy, the more we play with it the more lives we cost. This is not a partisan issue. It is now clearly a No. 1 national priority.

Thank you, Mr. President, for your program.

THERE HAS NEVER BEEN A WAR ON DRUGS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, President Johnson declared war on drugs, President Nixon declared war on drugs, President Ford followed suit, President Carter declared war on drugs, President Reagan did, President Bush did. Congress has declared war on drugs. The Democrats have declared war on drugs. The Republicans have declared war on drugs.

Mr. Speaker, the fact is even Ronald McDonald has declared war on drugs. The truth is that there has never been a war on drugs.

Now, I want to try to support President Bush and I commend him and Mr. Bennett for what they are doing; but the bottom line remains that we should impose the death penalty on drug kingpins who import tons of heroin and cocaine.

Second of all, we have got to give massive amounts of money to the States. They make the bulk of the arrests, not the Feds.

Third of all, we should have mandatory drug education in this country.

And finally, I think we would be better served by putting young nonviolent offenders in a treatment program, not in jail where they are being raped.

So if we are really going to go to war, let us go to war, because Jimmy the Greek is laying odds about 40 to 1 against us again.

OUR NATIONAL DRUG CONTROL POLICY

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker, if President Bush were in the halls of Congress today, he would look at the national drug control strategy and ask each of us to look at the information presented to the American people last night and to begin the task of following through on legislation that we passed a year ago mandating this comprehensive strategy.

If our good friend, Congressman LARKIN SMITH, were in the halls of Congress today, he would ask us to look at the chart to my left, as he did every day when he was here in the Congress, and ask us to begin our commitment, not by criticizing the executive branch, but by eliminating the maze which exists here in the Congress.

A comprehensive drug control strategy cannot be completed with the maze that exists here in the halls of Congress over jurisdiction on this important issue.

The truth lies in what both of them have said. The war on drugs is just simply that. It is a war on drugs. It is not a Republican issue, not a Democratic issue, but an issue for all Americans to join together. We can solve our problems here in the Congress. We can enact for a starter the comprehensive strategy enacted by the President. Then if we want to debate whether we can, whether we should or whether we will fund steps above and beyond the President's request, that time will come, but let us get on with the business at hand.

THE PRESIDENT'S SPEECH ON DRUGS IS MOVING, BUT HIS COMMITMENT IS NOT

(Mrs. BOXER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOXER. Mr. Speaker, first, it is just not the same without MICKEY LELAND here, and I dedicate myself to his unfinished work.

Second, Mr. Speaker and my colleagues, on May 24 an amendment was offered by the gentleman from Oregon [Mr. AUCOIN] to increase drug wars and decrease star wars. It lost by eight votes, and our President opposed it.

In April, our President opposed the supplemental appropriation of the gentleman from Iowa [Mr. SMITH] for drugs. He said we did not need it.

Three months later the President is back with a war on drugs, and I am glad. His speech moved me, but his commitment did not.

Mr. President, your war will not give us the resources to stop the demand. If no one wants drugs in this country, the cartels will go belly-up, just like any business that no longer has any business.

The President proposes a 5-percent increase in drug education for our kids. That is no war, or maybe it is. Maybe it is a 100-year war, but we do not have a 100 years.

Mr. President, if we are going to catch more fish than you did on your vacation, you need to give us more bait and you need to pay for that bait.

A TRIBUTE TO THE LATE HONORABLE LARKIN SMITH

(Mr. COX asked and was given permission to address the House for 1 minute, and revise and extend his remarks.)

Mr. COX. Mr. Speaker, last night as I watched President Bush's drug speech on television, I could not help but think of my friend and fellow freshman fellow classmate, LARKIN SMITH. He was as ardent a champion of a drug-free America as ever served in this House. The discovery just a few weeks ago that he died in a crash in a

Mississippi forest, of course stunned us all. But none are more saddened than we, his freshmen classmates. We share the memory of a man who all of us looked up to. LARKIN was before his election to Congress a Mississippi county sheriff who had spent 23 years in law enforcement. He was a man with strong beliefs, and the will to fight for these beliefs, particularly when it came to the war on drugs. As one of a handful of Congressmen with real experience in fighting a war on drugs, Sheriff SMITH saw the roadblocks in this Congress, and in a series of 28 speeches on this floor he pointed out how more than 80 committees, subcommittees, and task forces claim jurisdiction over the war on drugs.

The best thing that we can do in his memory is to eliminate that maze, to consolidate that oversight function, and to begin once and for all to fight a real war on drugs.

I would like just briefly to quote his admonition to this Congress:

> I urge my fellow soldiers not to grow weary, but to put on the full armor of battle. If we are serious about the scourge of drugs and crime in our Nation, we would be advised to adopt General MacArthur's admonition to Congress in 1951, when he stated: "In war, there is no substitute for victory."

Those were the words of LARKIN SMITH and they loom even larger in his death. Let us do justice to them.

A TRIBUTE TO THE LATE HONORABLE LARKIN SMITH

(Mr. WHITTEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHITTEN. Mr. Speaker, I take this opportunity to pay tribute to the memory of my friend and colleague in the Mississippi delegation, the late Congressman LARKIN SMITH.

LARKIN and I were last together at Mississippi State University, only a short time before his death, where we joined with our colleagues in paying tribute to Senator John Stennis.

Although he had only a brief 7 months to serve in the House, LARKIN had made an impact in several areas. We had worked together on several projects of interest to the people of his district and the State.

With a background in law enforcement, Congressman SMITH brought to the House an expertise in law enforcement, which served him in good stead in the war on drugs.

Although his congressional career was short, LARKIN had a long and dedicated career in public service, starting as a deputy sheriff in 1966 and working his way up to chief of police and then sheriff on the Mississippi gulf coast.

A product of the gulf coast, LARKIN was born in Poplarville, MS, went to school there and graduated from William Carey College in Gulfport. Working for more than 20 years in the field, he gained the respect of law enforcement officers throughout the coast region and the State.

To LARKIN's wife, and his family, we extend our greatest sympathies in their loss. We have lost a valued Member.

□ 1300

OHIOANS SUPPORT CONSTITUTIONAL AMENDMENT ON FLAG BURNING

(Mr. WYLIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYLIE. Mr. Speaker, I applaud the President for making the drug problem the subject of his first talk to the American people from the Oval Office. It is certain to raise the level of awareness among the American people on this, our No. 1 crisis issue.

The President was also right in calling for a constitutional amendment against flag burning. Mr. Paul Gelpe, owner of Swan Cleaners, felt so strongly about this issue that he put out petitions in all of his stores. He presented me with the petitions containing over 10,000 signatures and asked me to tell Members that the people in central Ohio support the President and me, since I introduced a constitutional resolution on this issue. I hold in my hand the petitions.

I think a constitutional amendment would be ratified by the States in less than a year, and if my colleagues do not think so, what is the harm in finding out?

WELCOME REPRESENTATIVE ROS-LEHTINEN

(Mr. BENNETT asked and was given permission to address the House for 1 minute.)

Mr. BENNETT. Mr. Speaker, I am coming to the well because I want to express my feeling of happiness. Our newest Member ILEANA ROS-LEHTINEN, has come to the Florida delegation in Congress, a very competent lady from the State legislature for 8 years. She has a master's degree from Florida International and is getting a Ph.D. now from the University of Miami. She is a very outstanding person.

She is qualified in the field of child care. Members saw that she had her family with her, but she is also a legislator in that field as well, and an outstanding person.

I want her to know when she comes to Congress, as she has now, she comes to a nonpartisan spirit. We are nonpartisan from Florida, and we are for strengthening our country and the things that she and I and all of us stand for. We want to cooperate and make her career a good one here in Congress.

LEGISLATION TO MAKE TECHNICAL CORRECTIONS IN THE 1989 DISASTER ASSISTANCE ACT

(Mr. COMBEST asked and was given permission to address the House for 1 minute, and revise and extend his remarks.)

Mr. COMBEST. Mr. Speaker, today I am introducing legislation to make needed technical corrections in the 1989 Disaster Assistance Act that was recently signed into law. As passed by Congress, the new law was intended to eliminate the possibility of double payments, by reducing disaster payments by the "value" of the second or replacement crop.

However, there has been a gross misinterpretation of the replacement crop provision. Rather than count the "net value" of the second crop, the Department of Agriculture has taken the intent of Congress and twisted it into an unfair provision. USDA's interpretation will penalize those farmers who tried to salvage a crop year by planting a second crop in good faith. Furthermore, USDA will reward those people who did nothing but wait for Federal disaster payments.

My legislation is very simple; it would define the value of the second crop as "net value," and allows the cost of production to be determined on a county-by-county basis. Therefore, you are preventing double payments, while providing much needed relief to U.S. farmers. Let's not penalize the producer who tried to offset losses, and prevent damage to farmland caused by erosion.

In addition to my legislation, I am calling on the Department of Agriculture to make this needed change administratively. I encourage my colleagues to cosponsor this legislation, and bring the intent of Congress back into a very vital law.

KEEPING GUNS OUT OF THE HANDS OF THE DRUG LORDS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute, and revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, Sarah Brady is a very, very courageous woman, and she has pointed out a great, huge gaping hole in the President's whole drug program. That great, huge gaping hole is about where the Colombian drug cartels and drug lords are getting all of their weapons.

Guess where they are getting them? They are getting them from the United States of America, made in the USA.

It seems that the drug lords prefer the United States automatic weapons

because they are easier to hide, they are lighter weight, they shoot faster, and they can wipe out more people. Now a lot of those people are ours.

I think she points out that if we do not do something about this, we are in real trouble. The President stopped the importation of foreign-made automatic weapons. It is now time to stop the exportation of domestic-made automatic weapons to the drug cartels who are shooting our own.

This is a hole, and if it is not filled we are never going to win this war. We cannot stop a war unless we get the weapons away from the other side, rather than providing them with more.

SECRETARY MOSBACHER'S LACK OF ENFORCEMENT OF THE ENDANGERED SPECIES ACT

(Mr. RAVENEL asked and was given permission to address the House for 1 minute, and revise and extend his remarks.)

Mr. RAVENEL. Mr. Speaker, our gutless Secretary of Commerce who caved in to lawless shrimpers in the gulf and refused to enforce the Endangered Species Act as it pertains to sea turtles, now says he will enforce the law. But how many turtles have drowned because of Mosbacher's timidity in the face of threats of violence? And will the law be truly enforced or will the environmental community have to go back to court to ask the judge to see that it is enforced?

Already, this very day, death threats have come in to Department of Commerce and environmental group offices. Over the past month this Member of Congress has received several such threats at home and his local FBI office has been independently alerted as to which shrimpers are making them.

Weakness only breeds violence, Mr. Mosbacher. What a disgraceful mess your indecision and appeasement has brought.

WE NEED A MORE COURAGEOUS APPROACH ON THE DRUG WAR

(Mr. FAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAZIO. Mr. Speaker, last night, President Bush outlined his new plan for the war on drugs. Unfortunately, there is little new about how we are going to pay for the plan.

To offset new drug program spending, President Bush has sent a list of programs to cut, mainly domestic ones. However, these are many of the same proposals which both President Bush and former President Reagan have sent to Congress time and again and which have been overwhelmingly rejected by Members of both parties.

Taking from one program to pay for another is not new to the administration. But what about the other problems which have infected our Nation: homelessness, chronic unemployment, illiteracy, and the economic decline of our inner cities.

Should we rob other important programs which tackle these problems to pay for the war on drugs? No doubt such a course would lead to a shearing of our social fabric, a worsening of the drug problem, and an escalation in drug-related crime.

When are we going to fully fund those programs which help children to lead productive lives and not turn to drugs? Programs like Head Start, which because of a lack of funding, reach less than 20 percent of the 2.5 million eligible children. Or programs like WIC, which feed less than 20 percent of the eligible women, infants, and children. When is the President going to send a plan that attacks the drug problem at its root by offering the underprivileged something more than the hopelessness of drugs?

If we are going to win this war on drugs, then we will need more than a mere reshuffling of domestic funds. Mr. President, the Dooney Waters of this country deserve a more courageous approach.

GENERATING REVENUE FOR THE WAR ON DRUGS

(Mr. SMITH of New Hampshire asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Hampshire. Mr. Speaker, last night, President Bush outlined his strategy for fighting—and winning—the war on drugs. I think we all agree that his proposals for stiffer penalties, more education, and more drug treatment facilities are necessary first steps in what will be a long and committed effort to rid our Nation of the deadly drug plague. However, it is clear from comments in the media and around the Capitol that we all do not agree on how to finance this war on drugs.

Many people around Washington, including the majority party in this Congress, would have the American people believe that the only way to finance such a war is by raising taxes. The archaic liberal ideology of tax and spend is so engraved in their minds that they feel the only way to save our schools and neighborhoods from the evils of drugs, is to punish the American citizen with higher taxes. Mr. Speaker, Americans are paying more than enough taxes. They expect—and deserve—that we allocate this money properly.

In fiscal year 1990, Federal outlays will total over $1.2 trillion. The President's proposal calls for overall spending to increase nearly $2.2 billion. That amount represents less than 1 percent of the total Federal budget. I ask my tax raising colleagues around Washington to ponder those numbers for a moment. Would any of you believe it if your son or daughter told you that they could not save 1 penny out of every dollar? No, of course you wouldn't. The question that then remains is: Why do you expect the American taxpayer to believe it?

Next week, I will hold a special order outlining and discussing several specific ways in which we can generate the necessary revenue to fight—and win—this war on drugs, without raising taxes. In the meantime, I would ask those naysayers around Washington to halt their cries for new or higher taxes. This is a war on drugs—not the taxpayers' pocketbook.

PRESIDENT'S PROPOSAL ON DRUGS DOES NOT GO FAR ENOUGH

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Mr. Speaker, I along with many others want to congratulate the President for his speech last night and for what it is he wants to do as far as drugs are concerned. What he did say was that the drug problem is the gravest domestic threat facing our Nation, and I agree with that.

But while saying that, why are we only spending or finding $700 million in new revenues? This is like trying to bring down a herd of charging elephants with a BB gun. This is all-out war, and we have to be prepared to fight that war.

The drug war lords are killing our children's minds, they are killing our children's bodies. Can we afford not to do all that we can do?

Yes, we can try to transfer money out of some of our favorite domestic programs. But we have a trillion-dollar budget. What about the waste, abuse, and fraud in HUD and in the Defense Department, and in all of these others?

□ 1310

There must be $40 or $50 billion there that we can spend.

We are talking about $8 billion total in the drug program to fight it; the Colombian warlords have tens of billions of dollars in an all-out war.

What we need to do is address this with everything that we can possibly address it with.

Education is going to be the No. 1 thing that we have to deal with. We should start with our children from the time that they are born.

This came upon us in 20 years; it is going to take 20 years to get rid of it.

ANTIDISCRIMINATION STATUS FOR HOMOSEXUALS

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, during the decade of the 1980's the American people witnessed the fact that the leaders of the Democratic Party in America amended their by-laws to establish antidiscrimination status for homosexuals. They also amended their by-laws to make clear that every State Democratic Party in America must establish affirmative action in every committee and subcommittee for homosexuals.

Having done this, any Democratic Member of the House today who may be pursuing that lifestyle can probably ask any of his Democratic colleagues who are criticizing him today: "Why are you doing this to me? Didn't our party welcome this movement into its national standard as a means of achieving acceptability and equality along with the heterosexual lifestyle?" I think that is a question that the American people should be reflecting on today, namely whether we will affirm the homosexual lifestyle on a par with the heterosexual lifestyle.

THE PRESIDENT'S DRUG INITIATIVE

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, the President's narcotics message to our Nation is a reasoned, comprehensive strategy for combating our Nation's public enemy No. 1—those purveyors of poison—the drug peddlers.

I applaud the President's proposals attacking narcotics on all five major fronts: By eradication, interdiction, enforcement, education, and treatment.

Our House Select Committee on Narcotics has long recognized that our drug efforts cannot be successful by focusing on any single aspect of this epidemic, but must be waged on all five of these battlefronts simultaneously and at every level of government and by each and every one of us.

It is now up to us in the Congress, on both sides of the aisle, to get down to business and work together with the administration in making the President's antidrug strategy a reality in overcoming this scourge on our society.

HAZARDOUS MATERIALS TRANSPORTATION

(Mr. THOMAS A. LUKEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS A. LUKEN. Mr. Speaker, I ask Members to consider the subject of hazmat [hazardous materials] transportation.

Recently, a week or two ago, in Michigan there was another derailment and a cloud of a toxic material that caused evacuation of thousands of people there. It happened in Miamisburg, OH, near my district a couple of years ago also. There, a resourceful fire chief who was universally praised for his actions in that situation, even though he was a trusted, tried and true veteran professional, could not find out what toxic materials were in that—it turned out to be sulfur—in that tank car for over 11 hours.

The question that I address to you, and it could happen in any of your districts, your constituents are aware of it: "Where will the next Bhopal actually strike?"

We have hazardous materials transportation legislation, a tame law, a bland one that is ineffective, that is merely confusing and it has not been changed in 15 years.

Mr. Speaker, the subcommittee which I chair has been studying transportation of hazardous materials. We have recommendations. We are introducing a piece of legislation within the next week or two and I earnestly ask Members to consider this because it means so much to all of your citizens, all of your constituents who are intensely interested. We hope you will cosponsor this legislation.

LET US REPEAL THE CATASTROPHIC MESS NOW

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, last June, a few of us voted against the Medicare catastrophic bill. A small group of us saw the problems and as we predicted, it is indeed a catastrophe for the 33 million senior citizens who depend on Medicare.

Now, after hearing from your constituents, I hope every Member of Congress will vote to repeal this legislative mess.

This bill forces seniors to pay a new tax for benefits they can't choose—they don't need—and they do not want.

This bill was Big Brother at its worst—and fortunately America's senior citizens cannot be fooled or bullied into keeping quiet.

It is time to wipe the slate clean. The majority in Congress should listen to the people and join us in repealing this bad law.

COUNTING DOWN TO THE CONTINUING RESOLUTION

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, imagine that it is 3 weeks and 3 days from right now and this House is passing a continuing resolution because we have not enacted all 13 appropriation bills.

□ 1320

What a horrible apparition. What a profound embarrassment that would be.

Mr. Speaker, it does not have to be that way. Last year, with Presidential leadership, we passed all the appropriation bills before September 30. We can enact the spending bills on time this year, too. The House passed all 13. The Senate will soon pass its fifth. There's absolutely no reason why we cannot have 13 conference reports on the President's desk before October 1.

Mr. Speaker, I know that Members of your party have written opposing a continuing resolution. I know that Senator MITCHELL wants to meet the deadline. The gentleman from Michigan [Mr. UPTON], the gentleman from Oklahoma [Mr. EDWARDS] and I recently sent a letter to the President, signed by 150 Members of the House, asking to oppose any continuing resolution, and pledging to support a veto. Let Members not waste these efforts, Mr. Speaker. Let Members not disgrace this institution again. Mr. Speaker, make the timely enactment of the 13 separate appropriations bills your top priority.

AN ALTERNATIVE TO DRUGS

(Mr. POSHARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. POSHARD. Mr. Speaker, I stand ready to assist the President and my colleagues here in Congress in the war on drugs which the President officially proclaimed last night.

I am glad to see that we are facing up to this plague affecting our families, neighborhoods, and schools.

But while we are talking about cracking down on users and sellers, and being tougher on the source of the drug supply itself, we should not forget one very simple thing.

In this war on drugs, while we ask our society to say no, we have to give it something to say yes to.

People who see high unemployment and a lack of opportunity as a disincentive to a productive life, and instead turn to drugs, must be given an alternative.

It starts with giving people the basic skills to compete for a job—offering them the opportunity to use those skills—then rewarding them for their efforts.

We have to do something immediately about the drug crisis which is turning our cities into chaos and disrupting the calm of our rural communities. But we must not forget the long-term remedy: Giving people a real reason to say no to drugs, giving them an education and a job, so they may say yes to their dreams.

NATIONAL DRUG CONTROL STRATEGY

(Mr. OXLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OXLEY. Mr. Speaker, the quarterback called the signals last night in America's largest and most important battle. That signal was the national drug control strategy. It was new. It was bold, it was tough, and it was innovative. We also must realize it is just one of the steps we must take to win the drug fight. As the President stated last night, the best way for America to solve the drug problem is for all Americans to remain drug free.

There is a choice to make on the issue of drug use. The choice for America is simple and straightforward: either use illegal drugs and contribute to the problem, or do not use drugs and become part of the solution.

I was particularly pleased with the President's proposal to more than double the amount of aid sent to State and local law enforcement officials, the frontline troops in the war against drugs. More than doubling of Federal grants to State and local law enforcement, amounting to over $350 million, the maximum level offered by this Congress for 1990, and more on the way in 1991 and 1992.

Finally, Mr. Speaker, we have already heard from some of the naysayers, and undoubtedly we will hear from some more. However, Mr. Speaker, let us be honest. Is the strategy perfect? No. Is the strategy the silver bullet we are looking for? The answer is no. However, is the national drug control strategy, the blueprint and the guiding principle, and appropriate policy statement to fight the war on drugs? The answer, Mr. Speaker, is a resounding yes.

CONGRATULATIONS TO PRESIDENT BUSH

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, I want to join my colleagues in offering my congratulations to the President. The President, I think, made a very significant statement yesterday. The strategy that he proposed is a good one. The very fact that the President, for the first time in at least 10 years, in both Democratic and Republican administrations, put the prestige, the credibility, and the strength of the Presidency behind a comprehensive drug program, that is a significant step forward.

I particularly applaud his commitment of additional resources. From a source country down to the user, a full court press is needed, up and down the chain of foreign countries, where the contraband is grown to the user on the street.

Mr. Speaker, we could debate all day whether or not we need new taxes or do not need new taxes. It is time to put rhetoric aside and find the money. It has been suggested that will be easy, and I submit to Members, Mr. Speaker, we have not fully funded the Anti-Drug Abuse Act of 1988. We could not find the money. We have a $1-billion, almost $500-million shortfall. I would say to my colleagues, we need to find the money. The President, I believe, is committed to that. We need to find the money for the demand reduction side, education, and treatment, and also on the supply side where we can do much more than we have done in years past.

THE PRESIDENT'S DRUG STRATEGY NEEDS OUR SUPPORT

(Mr. HANCOCK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANCOCK. Mr. Speaker, a crisis exists in America today. I join the President in attacking the drug menace sweeping our Nation. I applaud President Bush and Bill Bennett on this effort. Their strategy is a comprehensive plan of attack to focus our resources.

Illegal drugs represent an illegal $200 billion underground industry. Corruption and payoffs are the name of the game. As the country of Colombia can witness, governments are collapsing at their very foundations. Citizens and public officials are being murdered in the streets by the drug lords. More severe penalties need to be implemented immediately, by increasing fines and jail sentences to users and dealers. This must be a coordinated effort involving the administration, Bill Bennett, Congress, and the American people. President Bush has proposed a strategy to lead our Nation away from this evil. Let's increase the criminal fines to help pay for this fight.

We must continue the struggle championed by the late Congressman LARKIN SMITH of Mississippi. His intense passion and prolonged commitment to fight this unending battle is a shining point of light to the American people. A lot of work needs to be done. The President must have our help and I hereby enlist in the citizens army to battle the "war on drugs."

WAR ON THE STREETS

(Mr. GUARINI asked and was given permission to address the House for 1 minute and to revise and extend remarks.)

Mr. GUARINI. Mr. Speaker, there is a war on the streets of America, and there is a war on the streets of Colombia. The American people are ready to fight back. They want their President to lead.

Last night, George Bush took an important first step. Last night our President addressed the Nation, and unveiled a national drug control strategy.

Now George Bush needs to take a second step. The American people need more than just a national strategy, indeed. They need a national commitment.

America needs more than tough law enforcement. We need more emphasis on education, drug treatment, rehabilitation training, and research. We need to refocus our resources on reducing demand.

Our commitment still fails in this important component. Seventy-six percent of the American people say they want the Government to spend more on fighting drugs. Yet this proposal calls for only authorizing what the bipartisan report in Congress authorized 3 years ago in the 1986 omnibus drug bill. It is time for the President, for Congress, for Democrats and Republicans alike, and the American families to win this war together. Our future indeed depends on it.

□ 1330

GETTING SERIOUS ABOUT FIGHTING THE WAR ON DRUGS

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, this Congress last year instructed the President of the United States to appoint a drug czar to coordinate drug programs in the country, and for that drug czar, in coordination with the President to develop a plan for fighting drugs in the country.

President Bush has now done his part. Last night he proposed a strategy which is both comprehensive and tough. What we have heard since that strategy has been proposed is a chorus of criticism. It sounds to me as though some liberals are more interested in spending money and raising taxes than they are in fighting drugs.

What is really needed is for us to begin to mobilize and to get the President what he needs and what he has asked for in order to carry out his strategy.

That would involve a couple of different things. First of all, we ought to get moving on the crime bill that he sent up here earlier this year. A number of the component parts of the strategy is embodied in that crime bill. That bill has been bottled up in the Judiciary Committee and has yet to have a hearing and has yet to see the light of day. We ought to get it out on the floor and get it passed.

Second, we ought to see to it that the President's package as announced last night gets considered as a whole, not divided up among 80 different committees and subcommittees where it can be piecemealed to death but considered as a package.

Third, we ought to begin to obey the laws that are already on the books. This Congress has an obligation under the drug-free workplace provisions passed last year to have drug-free workplace rules in each and every office. Most of us do not have them to this day despite the fact that the law has been on the books for a year.

Mr. Speaker, we ought to be doing all these things if we are really serious about fighting the war on drugs.

A NEED TO TARGET LOS ANGELES IN THE WAR AGAINST DRUGS

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, I want my first words, as we reconvene, to be in memory of our irreplaceable friend, MICKEY LELAND. We will miss him sorely.

Mr. Speaker, last night the President appropriately engaged in the war against drugs. I am pleased that the President is taking a serious stand against this deadly scourge threatening America, but I am frustrated that the strategy still does not target resources and personnel to the source of the Nation's drug problem, southern California.

Mr. Speaker, if we do not target Los Angeles in the war on drugs, we begin our war in retreat. The picture has become tragically clear. Los Angeles leads the Nation in imports of cocaine and heroin and in production of PCP. Over 50 percent of the cocaine coming into the United States comes through Los Angeles. Los Angeles drug gangs have set up shop in over 50 cities around America, from Baltimore to Portland to Washington, DC. It is a sad but unavoidable truth that Los Angeles is now the source supplying the rest of the country. If anybody doubts that, I suggest they just look at the last 3 days of the Washington Post where headline stories have talked about the Los Angeles connection.

Mr. Speaker, I support the President's efforts to help our Andean friends, but support abroad, ignoring southern California at home, is to close our back door while leaving our front door wide open.

Mr. Speaker, in 1988 Los Angeles had 83 DEA agents and New York had over 300. If the administration does not label Los Angeles as a high-intensity drug area, then Congress must do so.

THE PRESIDENT'S DRUG PLAN

(Mr. McMILLEN of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McMILLEN of Maryland. Mr. Speaker, I commend the President for declaring a war on drugs last night, but the plan he outlined seems more like a whimper than a war. His goal of reducing illicit drug use by 5 percent a year is modest, at best, and is even less than the reductions in the last few years without this new initiative.

Mr. Speaker, we received the President's document last night which had the subheading, "National Priorities." The American people are clear in defining their priorities, a new poll shows that 44 percent of all Americans place drugs as the No. 1 problem in this Nation. Yet, the President's plan does not begin to give the drug war the priority it deserves and requires. With the Bush plan in fiscal year 1990, there is committed only $700 million in new resources. Ironically, this Nation still spends more than $50 billion a year to keep troops stationed in the Pacific in Korea and Japan, ostensibly to fight an enemy that was defeated decades ago. But, the President would only commit one-sixth of that to fight an enemy that is on our doorsteps, in our schoolyards, and attacking our children.

Years ago another President used to say he spoke softly and carried a big stick. Well, President Bush seems to be speaking loudly and carrying a twig.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore (Mr. MFUME) laid before the House the following communication from the chairman of the Committee on Public Works and Transportation, which was read and, without objection, referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
Washington, DC, July 27, 1989.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, as amended, the House Committee on Public Works and Transportation approved the following project on July 20, 1989:

Lease Prospectus: Department of Veterans Affairs, Boston, Massachusetts.

The original and one copy of the authorizing resolution are enclosed.

Sincerely,

GLENN M. ANDERSON,
Chairman.

There was no objection.

THE NECESSARY STEPS TOWARD SOLVING AMERICA'S DRUG PROBLEM

(Mr. DERRICK asked and was given permission to address the House for 1 minute, and revise and extend his remarks.)

Mr. DERRICK. Mr. Speaker, I think the President did pitifully little last night, considering the fact that we consider drugs to be our No. 1 domestic problem. If this is our No. 1 domestic problem and we have a budget, why is it only less than 1 percent of our total budget if this is the No. 1 war we are fighting in this Nation domestically today?

I support the President in what he has done in Colombia. I think all the Colombian drug lords ought to be eradicated. It is nice that we are sending them 100 million dollars' worth of used military equipment, but what bothers me, quite frankly, is that we are going to sit back very comfortably after the President has made his statement and think that because we have sent $100 million down there and we have obligated ourselves to send a couple of billion dollars to Central America and South America to eradicate the manufacture of drugs, we have cured the drug problem.

As long as our country has the tremendous appetite that we have for drugs, there is going to be someone who is going to try to satisfy that appetite and make millions of dollars in the process. We as a nation have to recognize that it is not a Colombian problem, it is not a problem in South America, it is not a problem in Central America, it is our problem as a nation.

Mr. Speaker, when we are willing to make drugs socially unacceptable in this Nation—that is to say that when our neighbor takes drugs, we try to get him off of them, but if we cannot do it, he has to suffer the consequences of either public ridicule or being locked up—when we are willing to accept that sort of responsibility, when we are willing to accept the responsibility in our local communities, in our churches, in our homes, and in

our schools, and when we are willing to say, "No more drugs in this country," then is when our drug problem will be solved.

ANNUAL REPORT OF THE NATIONAL CORPORATION FOR HOUSING PARTNERSHIPS AND NATIONAL HOUSING PARTNERSHIP—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Banking, Finance and Urban Affairs.

(For message, see proceedings of the Senate of today, Wednesday, Sept. 6, 1989.)

A CALL FOR A BIPARTISAN APPROACH TO DEALING WITH THE DRUG PROBLEM

(Mr. DREIER of California asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, we have seen in the past 6 months legislative packages proposed from the White House to deal with clean air, the budget deficit, Central America, crime, education, NATO, the savings and loan crisis, and a wide range of packages. Continuing that pattern, last night we saw that the President has offered us a very important program to deal with one of the major crises this Nation is facing, that of course, being the drug problem.

Mr. Speaker, I believe it is important that we deal with this in a bipartisan way, and I have to say that I hope very much that the partisan rhetoric and the criticism we have heard of this program will not continue.

President Bush is a product of this body. He served as a Member of the House of Representatives. He is the first President in 13 years to have been a Member of Congress. I believe that he knows something about the legislative process.

Yes, Mr. Speaker, he knows that we are going to make some modifications in the bill, but let us address the drug crisis in a bipartisan way.

RESULTS, NOT RHETORIC, NEEDED IN THE WAR AGAINST DRUGS

(Mrs. LOWEY of New York asked and was given permission to address the House for 1 minute, and to revise and extend her remarks.)

Mrs. LOWEY of New York. Mr. Speaker, I applauded the President's commitment when I heard him speak last night, but I think it is time for results and not rhetoric.

I just came back from a tour through my district, and I visited schools and drug treatment centers. I went to one in particular, a center called Renaissance. When you see those young people that were given back their lives through programs such as Renaissance, when you visit Renaissance and you meet with people who have given their lives as teachers and who are barely paid as much as that of a person working for McDonald's or a person working for the local hamburger heaven, you realize that there are programs that are working and there are centers that are doing the job.

□ 1340

Mr. Speaker, although I applaud the President's sincerity, unless we are going to put the resources behind the words, we are not going to accomplish anything.

I spoke with people from the programs this morning. How many kids' lives are going to be redeemed with a couple of more dollars? We need millions of dollars throughout the country.

So, Mr. Speaker, I hope that together in a bipartisan fashion we are going to address this war and not just of skirmishes, because our lives are at stake, our families are at stake, and our futures are at stake.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION OCEAN AND COASTAL PROGRAMS AUTHORIZATION ACT OF 1989

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 229 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 229

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1668) to authorize appropriations for certain ocean and coastal programs of the National Oceanic and Atmospheric Administration, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and the amendment made in order by this resolution and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Merchant Marine and Fisheries now printed in the bill as an original bill for the purpose of amendment under the five-minute rule and each section shall be considered as having been read. In lieu of the amendments recommended by the Committees on Public Works and Transportation and Science, Space, and Technology, it shall be in order to consider amendments, if offered by Representative Jones of North Carolina, or his designee. Said amendments may be considered en bloc and shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. MFUME). The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from California [Mr. PASHAYAN] and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 229 provides for the consideration of H.R. 1668, the National Oceanic and Atmospheric Administration Ocean and Coastal Programs Authorization Act of 1989. The rule is open and provides that the first reading of the bill shall be dispensed with. The rule further provides for 1 hour of general debate, which shall be confined to the bill and the amendment made in order by this resolution, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries. After general debate, the rule provides that the bill shall be considered for amendment under the 5-minute rule.

The rule states that it shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Merchant Marine and Fisheries now printed in the bill as an original bill for the purpose of amendment under the 5-minute rule and each section shall be considered as having been read. In lieu of the amendments recommended by the Committee on Public Works and Transportation and the Committee on Science, Space, and Technology, the rule makes it in order to consider the amendments of Representative JONES of North Carolina or his designee. Said amendments may be considered en bloc and shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole.

Finally, Mr. Speaker, the rule provides that at the conclusion of consideration of the bill for amendment, any Member may demand a separate vote in the House on any amendment

adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute and provides for one motion to recommit with or without instructions.

Mr. Speaker, H.R. 1668 authorizes $529 million for certain ocean and coastal programs at the National Oceanic and Atmospheric Administration. This amount includes funding for the National Ocean Service, for oceanic and atmospheric research, and for general program support. House Resolution 229 will provide for the expeditious consideration of this bill and I urge my colleagues to adopt this rule.

Mr. PASHAYAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 229 is an open rule under which the House will consider legislation authorizing appropriations for fiscal 1990 for the National Oceanic and Atmospheric Administration.

The bill made in order by this rule, H.R. 1668, authorizes $529 million in appropriations for fiscal year 1990 for the ocean and coastal programs carried out by the NOAA.

The rule makes in order the Merchant Marine and Fisheries Committee's amendment in the nature of a substitute, that is now printed in the bill, as original text for the purpose of amendment under the 5-minute rule.

Mr. Speaker, the bill as reported from the Committee on Merchant Marine and Fisheries was sequentially referred to four other committees in late June.

Two of those committees, the Committee on Foreign Affairs and the Committee on Interior, did not report amendments to the bill.

The Committee on Public Works and Transportation and the Committee on Science, Space, and Technology, however, did report committee amendments.

In lieu of the amendments recommended by the Committee on Public Works and Transportation and the Committee on Science, Space, and Technology, the rule makes in order amendments to be offered by the gentleman from North Carolina [Mr. JONES], the chairman of the Committee on Merchant Marine and Fisheries.

The amendments to be offered by Mr. JONES may be offered en bloc and are not subject to a demand for a division of the question in the House or in the Committee of the Whole.

Finally, Mr. Speaker, the rule permits one motion to recommit with or without instructions.

Mr. Speaker, this is the first time since the National Oceanic and Atmospheric Administration was created in 1970 that the House will have an opportunity to consider a bill covering all the various programs of the Agency.

Each of the authorization levels reported by the three committees involved, the Committee on Merchant Marine and Fisheries, the Committee on Public Works and Transportation, and the Committee on Science, Space, and Technology exceed the administration's 1990 budget request.

Under this open rule, the Members will be able to consider amendments in a fair manner.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 229 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1668.

The Chair designates the gentleman from Michigan [Mr. CARR] as Chairman of the Committee of the Whole, and requests the gentleman from South Carolina [Mr. DERRICK] to assume the chair temporarily.

□ 1348

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1668) to authorize appropriations for certain ocean and coastal programs of the National Oceanic and Atmospheric Administration, with Mr. DERRICK (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to House Resolution 229, the bill is considered as having been read the first time.

Under the rule, the gentleman from Michigan [Mr. HERTEL] will be recognized for 30 minutes, and the gentleman from California [Mr. SHUMWAY] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Michigan [Mr. HERTEL].

Mr. HERTEL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, oceans are the source and sustainer of life on our planet. Throughout our history, we have been a maritime nation. The vast majority of our country's population lives within 2 hours of our Nation's coasts. We rely on our oceans and coastal resources for security, livelihoods and recreation.

Today, we take up H.R. 1668, The Ocean and Coastal Programs Authorization Act of 1989. This bill represents the first time Congress has considered separate and comprehensive authorization legislation for the National Oceanic and Atmospheric Administration's Ocean and Coastal Programs. For the past 8 years, overall funding for NOAA has been flat, barely keeping pace with inflation. This flat funding profile has placed an unbearable squeeze on ocean and coastal programs.

In 1980, ocean and coastal programs comprised 46 percent of the total NOAA budget. In 1988 and 1989, this share decreased to only 36 percent. Since 1980, ocean programs have lost more than $500 million to inflation. The administration's budget for fiscal year 1990 would result in further reduction to NOAA's budget by 26 percent. Decreases are proposed in mapping and charting ocean circulation programs, ocean assessment activities, acquisition of new estuary research reserves and marine sanctuaries. The biggest cut is the proposed termination of the Coastal Zone Management Grants to States, slashing the budget by $33.9 million H.R. 1668 represents an outstanding bipartisan effort to exert congressional leadership to revitalize a demoralized agency. I would like to take a minute to thank my colleagues across the aisle for their cooperation and leadership. Five committees have reviewed this legislation and made their suggestions which we will incorporate shortly in an en bloc amendment. I particularly want to thank the gentleman from California [Mr. SHUMWAY], the ranking member of the Oceanography Subcommittee. Today's bill is the result of our simultaneous reactions to budget presentations earlier in this spring.

It was clear that 97 percent of NOAA's budget is included in the Operations Research and Facilities [ORF] accounts. Many of the agency's programs are not authorized by statute but are administratively determined with funding drawn from the ORF account. As a result when there is a shortfall, which happened this spring with the weather satellite program, ocean and coastal programs were raided for $29 million dollars. That would have effectively ended all ocean and coastal research by NOAA. Moreover, the Merchant Marine Committee was never notified of this decision.

H.R. 1668 does not seek to micromanage the administration of NOAA. It is a baseline bill which we believe will help the new administrator of NOAA to revitalize this critical agency. We hope to bring this measure annually to the floor to stablize funding and return the United States to world class status in oceanographic research.

There are so many important scientific questions we are only beginning to understand: Global change; biological diversity; the circulation of oceans and the transport of pollution; the cre-

ation and forecasting of storm systems at sea. We must work at these issues and we believe this bill is a good start.

BILL SUMMARY

Authorizes NOAA's ocean and coastal programs for fiscal year 1990 at levels consistent with the Committee on Merchant Marine and Fisheries' views and estimates submitted to the Budget Committee;

Authorizes NOAA's mapping, charting, and geodesy programs at $47,092,000. These programs include nautical and aeronautical charting and survey work on the exclusive economic zone;

Authorizes the agency's observations and assessment programs at a total of $65,920,000. Most of NOAA's pollution assessment work, including its responsibilities under the National Ocean Pollution Planning Act and title II of the Marine Protection Research, and Sanctuaries Act, are conducted under this category;

Authorizes the agency's ocean and coastal management programs at $59,623,000. The Coastal Zone Management Act, the National Marine Sanctuaries Program, and the Deep Seabed Hard Minerals Resources Act are administered under this category;

Authorizes NOAA's atomospheric programs at $42,159,000;

Authorizes the agency's ocean and Great Lakes programs at $100,000,000. This category includes the National Sea Grant College Program, National Undersea Research Program, and the Great Lakes Environmental Research Laboratory. Funds are authorized for the Great Lakes Research Office established under the Clean Water Act;

Authorizes $3 million of Sea Grant funds to be used for priority oyster disease research;

Authorizes NOAA's program support efforts at $158,110,000. This category covers administration and services, facilities, marine and aircraft services and includes restoration and rehabilitation funds for NOAA ships; and

Requires the agency to notify the Committee on Merchant Marine and Fisheries and the Senate Commerce Committee of any reprogramming of funds authorized by the bill.

Mr. Chairman, there are so many speeches that have been made around the country and in this body about the environment, about the problems of global warming, about the problems of pollution, but all these speeches do not always touch on the lack of knowledge that we have, for all the things I have mentioned as far as weather, as far as atmosphere, as far as global warming, the oceans have more to do with all those issues than any other single entity. That is why we are having this authorization. That is why we are fighting the administration's cuts, because they were ill thought out, because we know that the American people and the people of the world have very grave concerns in this area. By having this authorization, the subcommittee and the full committee, joining with the other four standing committees, is called attention to the fact that we have underfunded this research, this basic research, in so many, many areas, that deal with the future of the people of our country and really of the earth itself.

Mr. JONES of North Carolina. Mr. Chairman, H.R. 1668 authorizes all of the ocean and coastal programs of the National Oceanic and Atmospheric Administration for fiscal year 1990 and represents the first time that the Committee on Merchant Marine and Fisheries has reported consolidated legislation for these programs.

I would like to thank the chairman of our Oceanography and Great Lakes Subcommittee, our colleague from Michigan [Mr. HERTEL], for introducing this bill and moving it through the committee. It is an important step for the committee to take.

Mr. Chairman, the bill totals $529.1 million in suggested funding levels for all of NOAA's ocean and coastal programs and for the agency's support costs. The numbers in this bill are consistent with our committee's recommendations to the Budget and Appropriations Committees and represent a bipartisan position in behalf of NOAA.

As reported by the Committee on Merchant Marine and Fisheries, H.R. 1668:

Authorizes NOAA's mapping, charting, and geodesy programs at $47,092,000. These programs include nautical and aeronautical charting and survey work on the exclusive economic zone;

Authorizes the agency's observations and assessment programs at a total of $65,920,000. Most of NOAA's pollution assessment work, including its responsibilities under the National Ocean Pollution Planning Act and title II of the Marine Protection, Research, and Sanctuaries Act, are conducted under this category;

Authorizes the agency's ocean and coastal management programs at $59,623,000. The Coastal Zone Management Act, the National Marine Sanctuaries Programs, and the Deep Seabed Hard Mineral Resources Act are administered under this category;

Authorizes NOAA's climate and air quality programs at $55,473,000. The agency's tropical oceans and global climate change programs are included within this category;

Authorizes NOAA's atmospheric programs at $42,159,000;

Authorizes the agency's ocean and Great Lakes programs at $100 million. This category includes the National Sea Grant College Program, National Undersea Research Program, and the Great Lakes Environmental Research Laboratory. Funds are authorized for the Great Lakes Research Office established under the Clean Water Act;

Authorizes $3 million of Sea Grant funds to be used for priority oyster disease research;

Authorizes NOAA's program support efforts at $158,110,000. This category covers administration and services, facilities, marine and aircraft services and includes restoration and rehabilitation funds for NOAA ships; and

Requires the agency to notify the Committee on Merchant Marine and Fisheries and the Senate Commerce Committee of any reprogramming of funds authorized by the bill.

Recent national concern about the ongoing environmental decline of our coastal areas underscores the importance of this legislation. Unfortunately, the executive budget has not reflected this heightened public concern.

The last administration consistently recommended funding cuts in NOAA's oceans, coastal and fisheries programs, while the agency's atmospheric and satellite side has been receiving greater funding.

In 1980, for example, ocean programs accounted for 46 percent of NOAA's budget—but in 1988 and 1989, they comprised only 36 percent. Since 1981, the Nation's oceans programs have lost more than $500 million to inflation.

The situation is not much better with this administration's fiscal year 1990 proposal. The President's Commerce Department budget would cut National Ocean Service programs by 23 percent compared to the fiscal year 1989 appropriations. Decreases are proposed in mapping, charting, and geodesy; circulatory survey programs; ocean assessment activities; acquisition of new estuarine research reserve sanctuary sites; and the marine sanctuary program. The largest cut is in the proposed termination of Coastal Zone Management grants to States, −$33,900,000. Overall, the administration's budget proposal for 1990 would result in ocean programs being further reduced to 26 percent of NOAA's budget.

The Committee on Merchant Marine and Fisheries is on record in saying that this trend must stop—and that position is clearly reflected in H.R. 1668.

H.R. 1668 represents for the first time in many years that the Congress has considered separate and comprehensive authorization legislation for NOAA's ocean and coastal programs. It represents an effort to exert congressional leadership in certain of the agency's programs faced with proposed terminations or reductions by the administration.

Most of the authorization levels in the bill are based on restoring programs to their fiscal year 1989 appropriations levels with an additional inflation factor of 4 percent. Existing authorization numbers were retained for those programs already authorized for fiscal year 1990—e.g., coastal zone management grants and the National Sea Grant College program.

Mr. Chairman, each of the authorization levels contained in this bill has been thoroughly reviewed by the committee and reflects our best judgment about the fiscal requirements of this Nation's civilian ocean and coastal initiatives.

I urge the House to send a strong message that the time for short-changing our oceans programs is over by passing H.R. 1668.

□ 1350

Mr. SHUMWAY. Mr. Chairman, I yield myself such time as I might consume.

Mr. Chairman, as a cosponsor of H.R. 1668, I rise in support of this legislation. I applaud the subcommittee chairman, Mr. HERTEL, for his leader-

ship on this bill. H.R. 1668 is a new approach in dealing with NOAA's ocean and coastal programs and, I believe, it is a worthwhile approach.

As was demonstrated in the 1988 Presidential campaign, the health of our Nation's ocean and coastal resources is an increasingly important issue to all of our constituencies. The Office of Technology Assessment [OTA] estimates that by 1990, 75 percent of the U.S. population will live within 50 miles of the coast. As a result, Mr. Chairman, the importance of protecting and understanding our ocean and coastal resources is becoming a higher and higher national priority. H.R. 1668 is an important step by Congress to review our Federal programs in this area in an orderly fashion, and to set our priorities in this regard with an eye toward the future.

Historically, NOAA's ocean and coastal programs have been established administratively with their budgets being determined largely by the executive branch or the Appropriations Committee. Passing a NOAA ocean and coastal programs authorization bill will give the Congress and the Merchant Marine and Fisheries Committee greater control and influence over NOAA's specific programs and over their funding levels. In this fashion, we can seek out those programs which we believe are nonessential and strengthen those which we determine to be of greater priority.

Mr. Chairman, the authorization levels in this bill are, in my mind, reasonable. As a general proposition, programs are funded at either last year's appropriation level, at the administration's request, or consistent with current law. Some increases have been provided for to account for inflation.

The bill authorizes National Ocean Service programs such as mapping, charging, and geodesy; ocean observation and assessments; and ocean and coastal management, including marine sanctuaries, deep seabed mining, and coastal zone management. The bill likewise authorizes oceanic and atmospheric research programs within the jurisdiction of the Merchant Marine and Fisheries Committee, including, the Sea Grant Program, the Great Lakes Environmental Research Laboratory, undersea research programs, and global change research. Finally, the bill authorizes program support activities including NOAA agency administration; facility maintenance and construction; oceanographic fleet operations and maintenance; and aircraft operations.

The bill also improves congressional oversight of NOAA ocean and coastal program budgeting by requiring the Secretary of Commerce to notify the appropriate congressional committees regarding any proposal to reprogram funds appropriated pursuant to the authorizations in this act.

While H.R. 1668 is the first consolidated authorizing legislation regarding these NOAA programs, it is certainly envisioned that the committee will go through this reauthorization process again for the next fiscal year and subsequent years after that thereby improving congressional oversight and, in turn, improving our Nation's ocean and coastal programs and capabilities.

When the bill is open for amendment, an en block amendment will incorporate the actions taken by the House Science, Space, and Technology Committee and the House Public Works and Transportation Committee regarding this legislation. These amendments expand the legislation to authorize those additional NOAA programs under their jurisdiction. Likewise, these funding requests are reasonable and consistent with the administration request or last year's appropriation levels. In working with these committees, we have developed a comprehensive approach to authorize NOAA programs and the en bloc amendment should be supported.

Again, I congratulate Subcommittee Chairman HERTEL for his leadership on this legislation, and I reserve the balance of my time.

Mr. HERTEL. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey [Mr. ROE], the distinguished chairman of the Committee on Science, Space, and Technology.

Mr. ROE. Mr. Chairman, I rise in support of H.R. 1668, the NOAA Ocean and Coastal Programs Authorization Act, and in support of the committee amendments to that bill.

Mr. Chairman, the Committee on Science, Space, and Technology shares jurisdiction with the Committee on Merchant Marine and Fisheries on the programs and activities conducted by NOAA's Office of Oceanic and Atmospheric Research.

Mr. Chairman, the Office of Oceanic and Atmospheric Research conducts environmental monitoring and research in a number of critical areas. Their involvement in emerging global climate change research activities will become increasingly important in the future.

The Office of Oceanic and Atmospheric Research also conducts research on tornado forecasting, hurricane forecasting, and interannual and seasonal climate research.

I urge my colleagues to support this important legislation.

Mr. Chairman, the committee amendments include some additions approved by the Committee on Science, Space, and Technology.

We included additional money to augment several programs which were considered particularly critical during hearings held this year by the Subcommittee on Natural Resources, Agricultural Research and Environment.

Specifically, the committee included additions of: $2 million for mezoscale (tornado) severe weather forecasting research; $2 million for hurricane forecasting research; $2 million for PROFS, the program for regional observing and forecast services; $6 million for the Interannual and Seasonal Climate Program; and $2 million for the National Climate Program.

These changes reflect the actions taken by the Committee on Science, Space, and Technology last month in approving H.R. 2427, the NOAA Satellite and Atmospheric Program authorization bill.

Mr. Chairman, I urge adoption of the amendments.

□ 1400

Mr. Chairman, I might close on this point by again complimenting the committee for the extraordinary work they have done and echo the sentiments of the distinguished gentleman from Michigan [Mr. HERTEL] in calling to the attention of the House and the Nation the terrible underfunding and underattention that has been given to this legislation which is critical to the future of this country.

Mr. SHUMWAY. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. PURSELL].

Mr. PURSELL. Mr. Chairman, I rise in support of H.R. 1668—NOAA Authorization and Coastal Programs Authorization Act of 1989 and Congressman's HERTEL's amendment to locate the Great Lakes Research Office [GLRO] at the existing Great Lakes Environmental Research Laboratory [GLERL].

Placing this NOAA research office within GLERL will greatly strengthen Great Lakes research and vastly improve our ability to protect the Lakes.

From a cost-effectiveness standpoint, the Great Lakes Environmental Research Laboratory [GLERL] has an existing Federal Administrative Office through which the Great Lakes Research Office payroll, purchasing, et cetera, could be handled. Ample office space, complete with Government FTS phone lines is available at GLERL for immediate occupancy by GLRO.

Additionally, Ann Arbor, MI, is close to key international organizations including the International Joint Commission Great Lakes Regional Office in Windsor, ON, and the University of Windsor's Great Lakes Center. Interaction with all of these organizations can only compliment the research office and promote the treatment of the Great Lakes as an international resource.

There are several libraries specifically set up in Ann Arbor to deal with Great Lakes research, management, and planning. These are located at GLERL, the U.S. Fish and Wildlife Service, Great Lakes Commission, and

a major one at the University of Michigan.

I commend the committees on their fine work in crafting this legislation.

Mr. HERTEL. Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland [Mr. DYSON].

Mr. DYSON. Mr. Chairman, I thank the gentleman from Michigan for yielding this time to me today.

Mr. Chairman, I commend the excellent work that Chairman HERTEL and the Subcommittee on Oceanography and the Great Lakes have undertaken in preparing H.R. 1668.

This is an important bill. It sets the guidelines and authorizes funding for a broad array of programs that are at the cutting edge of our effort to improve and restore the natural resources of our coastal waters.

I can supply a host of reasons, Mr. Chairman, why this House should support the work that Chairman HERTEL has accomplished. But I wish to draw the House's attention to one particular problem that this legislation addresses.

That problem is the extinction of the American oyster.

If this seems either unlikely or unimportant, I invite skeptical Members to consider for a moment a few basic facts.

In the year 1929, just over 90 million pounds of oysters were harvested in U.S. waters.

In 1988, that harvest had fallen to 40 million pounds, well below half of the weight harvested more than half a century ago.

At one time, nearly ever cove, bay, and bayou along this country's coastline contained at least a few acres of productive oyster beds.

Today, the Delaware Bay is completely barren. No oysters have been harvested in that estuary for years.

There are no oyster harvests worth mentioning along New England's coast.

Pacific Coast oyster harvests come almost exclusively from Alaska. The oyster beds that once crowded the rivers and harbors of Oregon, Washington, and Northern California have simply disappeared.

The gulf coast's oyster harvest is about half of its historic peak. But if all indications are correct, it is headed for further decline.

Mr. Chairman, I have saved the worst news for last. The Chesapeake Bay has always been the single most productive fishery lying entirely in U.S. waters. The oyster was its special bounty. The Bay's waters routinely yielded oyster harvests of 30, 35, and 40 million pounds. The Chesapeake Bay, by itself, could out-produce the oyster harvests of all our other waters combined.

Last year the Cheasapeake Bay yielded only 8.6 million pounds of oysters. This year's harvest is projected to be about the same. But thereafter, the outlook is grim. The harvest next year, and the year after, may be no more than half of this miserly amount.

Mismanagement and pollution are certainly responsible for much of the bay's oyster decline. The same is true of most natural resources found in our coastal waters.

But there is also another, more insidious culprit at work. The American oyster is now under siege by parasitic diseases that we know next to nothing about. We know that they are harmless to humans. And we know that they are lethal to productive oyster beds. And that is about all we know.

The diseases are called as MSX, DERMO, and SSO. They infest an oyster bed, and sometime during the 3 years that it takes oyster larvae to mature, the diseases simply kill their host. We do not know the mechanics of the process, but we know the result. Once productive oyster beds are turned into so many miles of broken shell.

The Chesapeake Bay has 215,000 acres of oyster beds. Three-quarters of these beds are now barren. In the remaining quarter, the diseases are making new inroads. And given the lengthy lag time between the "spatting" of oyster larvae and the harvesting of mature oysters, it is most likely that the Chesapeake's remaining oyster beds will also be transformed into useless rubble.

It doesn't have to be so, Mr. Chairman. We have the capacity to counterattack, and H.R. 1664 offers us the means. This bill contains a provision authorizing $3 million for an intensive, nationwide program of oyster disease research.

That research would be conducted under the auspices of the National Oceanic and Atmospheric Administration's Sea Grant Program. Sea Grant has been energetic in marshaling the best marine science we have on the most pressing problems that confront our coastal and ocean resources.

Their work on oyster disease has already provided most of what little we do know about MSX, DERMO, and SSO. They have begun to identify and analyze the life-cycle of these diseases. They have been able to identify some of the means by which the parasitic diseases actually attack the oysters. Sea Grant sponsored research has begun to experiment with genetically engineered, hybrid oysters that may prove to be substantially resistant to the diseases.

Mr. Chairman, I authored the provision dedicating the $3 million to oyster research because the district that I represent surrounds nearly all of the Chesapeake Bay. The watermen that harvest the bay's oysters, and its other shellfish and finfish, live in the small, isolated communities that dot the shore and inlets of the Chesapeake Bay.

Mr. Chairman, many of the Members of this Congress may not know much about life on the water. It is a solitary life. It is a life built around tradition and fierce self-sufficiency.

Like the hunters and trappers of our frontier folklore, independent watermen, by their wits and their hard work, have earned a fair living and supplied the Nation's dinner tables and restaurants with the delicacies that we take for granted.

The watermen are hardy souls willing to trade the comfort and stability of other occupations for the freedom they enjoy and earn every day they take to their small crafts.

They and the communities that sprang up along the coast have supported themselves for centuries largely on the income they pluck from the icy waters, and the oyster has been their staple. It is the principal source of their winter income.

If the parasitic diseases that now threaten to exterminate the American oyster are allowed to run their course, they will not only make the oyster extinct, they will also take with it the livelihood of these watermen, and extinguish a way of life that they have known and followed for centuries.

The research program that I have included in H.R. 1664 won't, by itself, prevent the watermen's way of life from changing. Nothing can do that. Better resource management practices will be necessary. These will undoubtedly alter the traditional methods of oyster harvesting. But all the resource management improvements, and all the antipollution efforts cannot protect the American oyster from disease, nor prevent the diseases from making the oyster extinct.

For that, we must approve the legislation and my provision to dedicate $3 million for oyster diseases research.

In closing, Mr. Chairman, I once again commend Chairman HERTEL for his work on this legislation, and deeply appreciate his support for the oyster disease research program it will establish.

I urge my colleagues, from coastal States and the land-locked heartland, to support this bill and the Oyster Disease Research Program.

Mr. SHUMWAY. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Chairman, I rise in support of H.R. 1668—NOAA and Coastal Programs Authorization Act. Currently, most of NOAA's programs are drawn from a single large operations and research account. No comprehensive NOAA authorization act exists which targets moneys for specific programs. H.R. 1668 is the first consolidated authorizing legislation for all

of NOAA's ocean and coastal programs.

Therefore if Congress directs NOAA to conduct research on ocean pollution and the necessary funds are appropriated, the funds would be available for that purpose and would not be as vulnerable to fund shuffling by Commerce.

Another important feature of the bill is that it requires the Department of Commerce to notify the pertinent congressional committees of any reprogramming of funds appropriated by the bill.

This bill includes earmarking of a one time sum of $500,000 for NOAA's monitoring and research work at the 106-mile ocean dumping site. Passing legislation to end the ocean dumping of sewage sludge was a high priority of the 100th Congress. Pressing for effective implementation of this law should be a high priority of this Congress. This $500,000 represents important seed money for that purpose.

The bottom line is: This is a good bill. This is a needed bill. The authorized funding levels are reasonable if not conservative. I urge my colleagues to join me in voting for the passage of H.R. 1668.

Mr. HERTEL. Mr. Chairman, I yield such time as she may consume to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY of New York. Mr. Chairman, I rise in strong support of H.R. 1668, the Ocean and Coastal Programs Authorization Act of 1989.

I want to commend the chairman of the Subcommittee on Oceanography and Great Lakes, Mr. HERTEL, for his outstanding work in crafting a reauthorization bill that will make a solid contribution to the preservation of our Nation's coastlines.

In particular, I would like to commend him for his strong support of the Coastal Zone Management Program. I worked extensively with the Coastal Zone Management Program when I was Assistant Secretary of State for New York State. In all of my years involved in State government, I would be hard pressed to find a more efficient program than coastal zone management. With relatively little Federal expense, the States and localities have been able to develop comprehensive coastal management programs that specifically address the needs of the communities.

This bill strengthens the Coastal Zone Management Program and helps to convey to the American people the unparalleled importance of coastal management.

In addition, the report accompanying the bill directs NOAA to begin addressing one of the most important coastal preservation issues that we face today—the threat to our coastal waters that is posed by nonpoint source pollution. The committee report directs that a portion of the CZMA funds be used to prepare a report to Congress exploring how nonpoint pollution control techniques can be encouraged under the Coastal Zone Management Act.

In the Long Island Sound region, nonpoint pollution has been identified as a major contributor to the coastal pollution that continues to threaten the vitality of Long Island Sound. The report that will be prepared as a result of this legislation will provide us with a state-of-the-art assessment of the current technical capability to control nonpoint sources of coastal pollution through the Coastal Zone Management Program. This information will prove extraordinarily invaluable, not only in the Long Island Sound region, where urgent action is needed to begin cleaning up our coastal waters, but also throughout the Nation, where nonpoint source pollution is increasingly recognized as a major factor in the declining quality of our waterways.

I look forward eagerly to receiving the results of this report and also to acting on the information contained in this report to implement those pollution control techniques that are identified as viable and cost-effective.

Once again, I would like to commend the chairman for the fine work he has done in crafting this legislation, and I urge all of my colleagues from both sides of the aisle to support this legislation and ensure its swift passage.

□ 1410

Mr. SHUMWAY. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Chairman, I hate again to be the onion in the petunia patch, and I do not mean to degrade the work of several strong committees of this House and at least the overview of several others. I am sure this is a wonderful bill in its own way, and especially to its promoters.

On the other hand, the administration feels that it is some $205 million over budget, which is pretty good for a bill that is only $529 million in total. As a matter of fact, over what the administration has requested, about $320 million, more or less, it is $205 million more. That means our committees overshot the target by about two-thirds an extraordinary spending achievement by any standard.

I am told there are good and sufficient reasons in the minds of the committees of jurisdiction for those overshoots, and they certainly know the programs more than I. But I must say at a time of severe budget deficits, when we are out talking about priorities, we never get around to setting them.

We are all saying we need to escalate the priority for our war on drugs, but, eventually, we always come back to our position where every item in the budget is a super priority for this Congress. This bill is no exception.

Mr. Chairman, if this bill, and others like it, is passed, there is no alternative for this Congress other than sequester. That is the ultimate destination toward which this kind of bill is taking us.

Mr. SHUMWAY. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. CHANDLER].

Mr. RAHALL. Mr. Chairman, I rise today to speak on one small item in H.R. 1668, the Oceans and Coastal Programs Authorization Act of 1989—the 1 year reauthorization of the Deep Seabed Hard Mineral Resources Act.

As chairman of the Subcommittee on Mining and Natural Resources of the Interior Committee, I had supported an open rule on H.R. 1668 because of the possibility that H.R. 1668, which is 1-year National Oceanographic and Atmospheric Administration reauthorization bill, might be amended to include a 5-year reauthorization of the Deep Seabed Hard Minerals Resources Act. In my opinion, the Deep Seabed Mining Program, as administered by NOAA, is important enough to warrant more than just a 1-year reauthorization.

Stand-alone legislation to reauthorize the Deep Seabed Hard Mineral Resources Act was introduced in the form of H.R. 2120 by the gentleman from Idaho [Mr. CRAIG] and I am a proud to be a cosponsor of this bill. Upon introduction, H.R. 2120 was referred jointly to the Committees on Merchant Marine and Fisheries, Interior and Insular affairs, and Foreign Affairs.

As chairman of the Subcommittee on Mining and Natural Resources, I sought to move as expeditiously as possible to reauthorize this fine program. In order to add stability to the Deep Seabed Program for several years, my colleague, Mr. CRAIG, and I agreed to amend H.R. 2120 to reauthorize the Deep Seabed Act for 5 years, through fiscal year 1994. The bill reported to the House by the Committee on Interior and Insular Affairs on July 26, 1989.

I commend the Committee on Merchant Marine and Fisheries for also moving quickly on this important legislation and for reporting H.R. 2120 on July 31, 1989, also with the 5-year reauthorization.

Out of deference to the distinguished chairman of the Subcommittee on Oceanography and Great Lakes, the gentleman from Michigan [Mr. HERTEL] an amendment to H.R. 1668 to reauthorize the Deep Seabed Hard Mineral Resources Act for 5 years will not be offered at this time.

Yet, I call on my colleagues from the Committee on Merchant Marine and Fisheries to join with me in strongly urging the Committee on Foreign Affairs, which has joint jurisdiction over H.R. 2120, to move as expeditiously as possible to act on this important legislation.

Mr. BORSKI. Mr. Chairman. I rise in strong support of H.R. 1668, National Oceanic and Atmospheric Administration Ocean and Coastal Programs Authorization Act. I would also like to commend Representative HERTEL and Representative SHUMWAY for their leadership

and direction of these NOAA ocean and coastal programs.

It is because of such leadership that a separate and complete authorization for all NOAA ocean and coastal programs now exists.

This bill authorizes $529 million in fiscal year 1990 for ocean and coastal programs carried out by NOAA.

The NOAA budget is composed of several accounts, the primary one being the Operations, Research, and Facilities [ORF] account which accounts for 97 percent of the Administration's fiscal year 1990 funding request.

The ORF account includes: National Ocean Service; Oceanic and Atmospheric Research; National Marine Fisheries Service; National Ocean Service; National Weather Service; and National Environmental Satellite, Data, and Information Services.

If we are going to assure adequate administration of these vital activities we must assure adequate funding of these activities.

Therefore I urge all Members to support passage of H.R. 1668.

Mr. NOWAK. Mr. Chairman, I rise in support of the bill H.R. 1668, the Ocean and Coastal Programs Authorization Act of 1989 and the amendment offered to it.

The provision in the bill which is within the jurisdiction of the Committee on Public Works and Transportation is that portion of section 3(c) which authorizes $3,615,000 to be used for establishing and operating the Great Lakes Research Office, and provides that this Office shall be located at the Great Lakes Environmental Research Laboratory in Ann Arbor, MI. The laboratory is a NOAA facility and the Research Office would be operated by NOAA.

Section 118 of the Federal Water Pollution Control Act, added by the Water Quality Act of 1987, establishes the Great Lakes National Program Office within the Environmental Protection Agency. The responsibilities of the Office include development and implementation of plans to carry out United States responsibilities under the Great Lakes Water Quality Agreement with Canada to improve Great Lakes water quality.

The 1987 act also included as part of new section 118, the establishment within NOAA of the Great Lakes Research Office to develop an environmental research program which would provide research on Great Lakes water quality programs.

Because of a lack of funding and lack of agreement on the location of the Office, it has not been established. H.R. 1668 is intended to resolve these problems by designating a location and providing for a new, direct appropriation to NOAA for the Office.

Our Committee on Public Works and Transportation adopted an amendment to the provisions of the bill relating to the Research Office which provides for coordination with the Great Lakes Program Office and reaffirms the objectives of the Research Office to achieve the goals of the Great Lakes Water Quality Agreement. The provision in H.R. 1668 relating to the Research Office will go far in enabling us to restore and maintain the wate quality of the Great Lakes, and I urge passage of the bill with this important amendment.

Mr. HAMMERSCHMIDT. Mr. Chairman, I rise in support of the en bloc amendment offered by the gentleman from New York (Mr. NOWAK) to H.R. 1668, the NOAA Ocean and Coastal Programs Authorization Act of 1989. The amendment makes changes to the underlying bill which were developed originally by the Committee on Public Works and Transportation and the Committee on Science, Space, and Technology during sequential referral of the bill.

The Merchant Marine and Fisheries Committee reported out the bill in June and the Committee on Public Works and Transportation, as well as the Committee on Science, Space, and Technology, received a sequential referral based on our jurisdiction over provisions in the bill. With respect to the Public Works Committee, our jurisdiction was based on EPA programs and Great Lakes research generally. At full committee markup, the Public Works Committee adopted an amendment relating to the roles and functions of EPA and NOAA in their Great Lakes research efforts.

The amendments adopted by the Public Works Committee are not controversial and we were able to work out differences in language with the Merchant Marine Committee prior to floor action. The amendment by the gentleman from Michigan [Mr. HERTEL] incorporates the substance of our committees' changes and has the support of Members on our side of the aisle. Accordingly, I urge support of the bill and the pending en bloc amendment.

Mr. DAVIS. Mr. Chairman, the members of the Merchant Marine and Fisheries Committee have always prided themselves on their legislative expertise in coastal issues. We have demonstrated this through hundreds of hearings, briefings, and bills authorizing new programs and studies, mostly conducted by the National Oceanic and Atmospheric Administration [NOAA]. We have also appeared before the Appropriations Committee to voice our support for NOAA programs year after year.

Therefore, it is hard to believe that we have never issued a comprehensive authorization bill for NOAA's coastal activities until now. However, with the new leadership of subcommittee Chairman HERTEL, our committee has done so. It must be that Michigan spirit we've seen evidence of lately.

And speaking of Michigan and the Great Lakes, H.R. 1668 confirms NOAA's necessary presence in and along our fourth coast. The bill continues level funding for the Great Lakes Environmental Research Laboratory and for Great Lakes mapping. In addition, funding for important Great Lakes work under the National Sea Grant College Program and Coastal Zone Management Act [CZMA] will be continued. The House should know that continued funding for the CZMA is very important this year, because Ohio is a likely addition to the coastal zone management family.

In addition, H.R. 1668 also addresses a small Great Lakes problem by officially establishing a site in Ann Arbor for the NOAA Great Lakes Research Office—a regional squabble which has hindered the Great Lakes Water Quality Agreement of 1978.

H.R. 1668 represents a great degree of cooperation between majority and minority, especially in setting fair but realistic limits on funding. Congressman SHUMWAY and HERTEL should be applauded for laying this groundwork for the future of our oceans and Great Lakes. I urge support for the bill.

Mr. STANGELAND. Mr. Chairman, I rise in support of H.R. 1668, the NOAA Ocean and Coastal Programs Authorization Act of 1989.

First, let me thank the leadership of our Committee on Public Works and Transportation—Chairman GLENN ANDERSON, ranking minority member, JOHN PAUL HAMMERSCHMIDT, and subcommittee Chairman HENRY NOWAK—for their cooperation in moving this legislation. Let me also congratulate the Merchant Marine and Fisheries Committee, as well as members of the Great Lakes delegation, for their leadership and bipartisan cooperation.

The Merchant Marine and Fisheries Committee reported out the bill in June and we received a sequential referral—expiring August 4—based on our jurisdiction over EPA programs and Great Lakes research generally. At our August 3 markup, the Public Works Committee included language to encourage greater coordination between EPA and NOAA and to give the NOAA Research Office guidance related to the Great Lakes Water Quality Agreement of 1978.

During this process, Water Resources Subcommittee Chairman HENRY NOWAK and I received considerable input and guidance from members of the Great Lakes delegation—particularly regarding the location of the NOAA Office. I think our bill takes a sound approach. Regardless of the final language used, however, I believe we should make use of existing facilties and personnel, select the most central and cost-effective location possible, and avoid duplication between EPA and NOAA. The en bloc amendment would include our committee's changes and, I believe, embody these principles.

Mr. Chariman, I urge my colleagues to support H.R. 1668 and the pending en bloc amendment. It's a relatively noncontroversial, modest effort to increase NOAA's ability to protect and monitor Great Lakes' water quality. It's meant to increase coordination between NOAA and EPA, thereby leading to more environmental protection and greater efficiency.

Mr. HUGHES. Mr. Chairman, I rise in support of H.R. 1668, legislation to authorize NOAA's vital ocean and coastal programs. This bill represents bipartisan effort and cooperation, which has been necessary to ensure the funding of such important programs as Sea Grant, the Coastal Zone Management Program, and the National Undersea Research Program.

This legislation sets funding authorizations using the fiscal year 1989 appropriation level with an inflationary increase of 4 percent.

Among the specific provisions contained in H.R. 1668, is $500,000 for pollution monitoring and research at the 106 mile ocean dump site. This one-time funding will make up NOAA's shortfall in funds, which is necessary to carry out it's responsibilities in implementing the Ocean Dumping Ban Act.

In addition, H.R. 1668 authorizes $20 million for climate and global research. And, it strengthens committee oversight over programs by requiring the Secretary of Com-

merce to notify specific committees of any reprogramming of funds.

It is time for Congress to show its support for an agency whose constituency is the whole Earth. I urge my colleagues to support this legislation.

Mr. HERTEL. Mr. Chairman, I yield back the balance of my time.

Mr. SHUMWAY. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the committee amendment in the nature of a substitute, recommended by the Committee on Merchant Marine and Fisheries now printed in the reported bill, shall be considered by sections as an original bill for the purpose of amendment, and each section shall be considered as having been read.

In lieu of the amendments recommended by the Committee on Public Works and Transportation and the Committee on Science, Space, and Technology, it shall be in order to consider the amendments offered by the gentleman from North Carolina [Mr. JONES] or his designee. Said amendments may be considered en bloc and shall not be subject to a demand for a division of the question.

The Clerk will designate section 1.

Mr. HERTEL. Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 1668

Be it enacted by the Senate and House of Representatives of the Untied States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Oceanic and Atmospheric Administration Ocean and Coastal Programs Authorization Act of 1989".

SEC. 2. NATIONAL OCEAN SERVICE.

(a) MAPPING, CHARTING, AND GEODESY.—There are authorized to be appropriated to the Department of Commerce for carrying out mapping, charting, and geodesy activities of the National Oceanic and Atmospheric Administration (including geodetic data collection and analysis) under the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (33 U.S.C. 883a et seq.), and any other law involving those activities, not more than $47,092,000 for fiscal year 1990.

(b) OBSERVATIONS AND ASSESSMENTS.—There are authorized to be appropriated to the Department of Commerce for carrying out observation and assessment activities of the National Oceanic and Atmospheric Administration—

(1) under the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and or other purposes", approved August 6, 1947 (33 U.S.C. 883a et seq.), and any other law involving those activities, not more than $48,170,000 for fiscal year 1990;

(2) under the National Ocean Pollution Planning Act of 1978 (33 U.S.C. 1701 et seq.), not more than $4,000,000 for fiscal year 1990; and

(3) under title II of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1441 et seq.), not more than $14,500,000 for fiscal year 1990.

(c) OCEAN AND COASTAL MANAGEMENT.—There are authorized to be appropriated to the Department of Commerce for carrying out ocean and coastal management activities of the National Oceanic and Atmospheric Administration under title III of the Marine Protection, Research, and Sanctuaries Act of 1972 (16 U.S.C. 1431 et seq.), the Coastal Zone Management Act (33 U.S.C. 1451 et seq.), the Deep Seabed Hard Mineral Resources Act (30 U.S.C. 1401 et seq.), and any other law involving those activities, not more than $59,623,000 for fiscal year 1990.

SEC. 3. OCEANIC AND ATMOSPHERIC RESEARCH.

(a) CLIMATE AND AIR QUALITY PROGRAMS.—There are authorized to be appropriated to the Department of Commerce for carrying out climate and air quality research activities of the National Oceanic and Atmospheric Administration authorized under any law involving those activities, not more than $55,473,000 for fiscal year 1990.

(b) ATMOSPHERIC PROGRAMS.—There are authorized to be appropriated to the Department of Commerce for carrying out atmospheric research activities of the National Oceanic and Atmospheric Administration authorized under any law involving those activities, not more than $42,159,000 for fiscal year 1990.

(c) OCEAN AND GREAT LAKES PROGRAMS.—There are authorized to be appropriated to the Department of Commerce for carrying out ocean and Great Lakes research activities of the National Oceanic and Atmospheric Administration under the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (33 U.S.C. 833a et seq.), the Act entitled "An Act to increase the efficiency and reduce the expenses of the Signal Corps of the Army, and to transfer the Weather Service to the Department of Agriculture", approved October 1, 1890 (15 U.S.C. 311 et seq.), the National Sea Grant College Program Act (33 U.S.C. 1121 et seq.), and any other law involving those activities, not more than $100,000,000 for fiscal year 1990, including not more than $3,615,000 for use for establishing and operating the Great Lakes Research Office, which shall be located at the Great Lakes Environmental Research Laboratory in Ann Arbor, Michigan.

(d) OYSTER DISEASE RESEARCH.—Pursuant to section 206 of the National Sea Grant College Program Act (33 U.S.C. 1131(b)(3)), $3,000,000 may be appropriated for priority oyster disease research in fiscal year 1990.

SEC. 4. PROGRAM SUPPORT.

(a) ADMINISTRATION AND SERVICES.—There are authorized to be appropriated to the Department of Commerce for carrying out executive direction and administrative activities of the National Oceanic and Atmospheric Administration (including management, administrative support, provision of retired pay of National Oceanic and Atmospheric Administration commissioned officers, and policy development) under the Act entitled "An Act to clarify the status and benefits of commissioned officers of the National Oceanic and Atmospheric Administration, and for other purposes", approved December 31, 1970 (33 U.S.C. 857-1 et seq.), and any other law involving those activities, not more than $76,954,000 for fiscal year 1990.

(b) FACILITIES.—There are authorized to be appropriated to the Department of Commerce for acquisition, construction, maintenance, and operation of facilities of the National Oceanic and Atmospheric Administration under any law involving those activities, not more than $750,000 for fiscal year 1990.

(c) MARINE SERVICES.—There are authorized to be appropriated to the Department of Commerce for carrying out marine services activities of the National Oceanic and Atmospheric Administration (including ship operations, maintenance, and support) under the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (33 U.S.C. 883a et seq.), and any other law involving those activities, not more than $71,960,000 for fiscal year 1990.

(d) AIRCRAFT SERVICES.—There are authorized to be appropriated to the Department of Commerce for carrying out aircraft services activities of the National Oceanic and Atmospheric Administration (including aircraft operations, maintenance, and support) under the Act entitled "An Act to increase the efficiency and reduce the expenses of the Signal Corps of the Army, and to transfer the Weather Service to the Department of Agriculture", approved October 12, 1890 (15 U.S.C. 311 et seq.), and any other law involving those activities, not more than $8,446,000 for fiscal year 1990.

SEC. 5. REQUIREMENT OF NOTICE OF REPROGRAMMING.

The Secretary of Commerce shall not reprogram an amount appropriated under the authority of this Act unless, before carrying out that reprogramming, the Secretary provides notice of that reprogramming to the Committee on Merchant Marine and Fisheries of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate.

AMENDMENTS EN BLOC OFFERED BY MR. NOWAK

Mr. NOWAK. Mr. Chairman, I offer amendments en bloc.

Mr. CHAIRMAN. Is the gentleman from New York the designee of the gentleman from North Carolina [Mr. JONES]?

Mr. NOWAK. I am, Mr. Chairman.

Mr. CHAIRMAN. The Clerk will report the amendments en bloc.

The Clerk read as follows:

Amendments en bloc offered by Mr. NOWAK:

Page 3, line 22, strike "(33 U.S.C. 1451 et seq.)" and insert in lieu thereof "(16 U.S.C. 1451 et seq.)".

Page 4, line 7, strike "$55,473,000" and insert in lieu thereof "$61,347,000".

Page 4, line 13, strike "$42,159,000" and insert in lieu thereof "$46,328,000".

Amend subsection (c) of section 3 as follows:

(1) Page 4, line 16, insert "(1) AUTHORIZATION OF APPROPRIATIONS.—" before "There are authorized".

(2) Page 5, beginning at line 7, strike ", which shall be located at the Great Lakes Environmental Research Laboratory in Ann Arbor, Michigan".

(3) Add at the end of the subsection the following:

(2) LOCATION OF RESEARCH OFFICE.—The Great Lakes Research Office shall be located at the existing Great Lakes Environmental Research Laboratory in Ann Arbor, Michigan.

(3) COORDINATION OF ACTIVITIES.—The Great Lakes Research Office shall coordinate its activities under section 118 of the Federal Water Pollution Control Act with the activities of the Great Lakes National Program Office and the Environmental Research Laboratory—Duluth of the Environmental Protection Agency.

(4) OBJECTIVES OF RESEARCH OFFICE.—The objectives of the Great Lakes Research Office shall be to achieve the goals embodied in the Great Lakes Water Quality Agreement of 1978, as amended by the Water Quality Agreement of 1987 and any other agreements and amendments.

(4) Indent the paragraph created by paragraph (1) of this amendment, and align such paragraph with paragraph (2) as added by paragraph (3) of this amendment.

Page 8, line 2, insert "and the Committee on Science, Space, and Technology" after "Fisheries".

Mr. NOWAK (during the reading). Mr. Chairman, I ask unanimous consent that the amendments en bloc be considered as read and printed in the RECORD.

Mr. CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CHAIRMAN. Pursuant to the rule, the amendments en bloc are not subject to a demand for a division of the question.

The gentleman from New York [Mr. NOWAK] is recognized for 5 minutes.

Mr. NOWAK. Mr. Chairman, this amendment represents a consolidated version of the amendments reported by the Committee on Science, Space, and Technology and the Committee on Public Works and Transportation.

The Science Committee changes include an increase in the authorization level for NOAA's climate and air quality programs of $5.874 million, an increase in its atmospheric programs of $4.169 million, and a requirement that the Committee on Science, Space, and Technology be one of the committees designated to receive reprogramming notices.

The Public Works Committee amendment requires, as does the version reported by the Committee on Merchant Marine and Fisheries, that the Great Lakes Research Office be located at an existing NOAA facility, the Great Lakes Environmental Research Laboratory in Ann Arbor, MI. In addition, the Public Works Committee version requires that the Research Office coordinate its activities with the Great Lakes National Programs Office and the EPA Laboratory and achieve the goals embodied in the Great Lakes Water Quality Agreement of 1978, as amended.

We support this amendment and would like to thank the bipartisan leadership on both committees for their help on the bill and this meritorious amendment.

I urge my colleagues to support this amendment.

Mr. HERTEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to the gentleman from California [Mr. ANDERSON], chairman of the Committee on Public Works and Transportation.

Mr. ANDERSON. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I am pleased to join my colleagues in support of the bill H.R. 1668, the Ocean and Coastal Programs Authorization Act of 1989 and the amendment which has been offered to the bill.

This bill was sequentially referred to the Public Works and Transportation Committee after being reported by the Committee on Merchant Marine and Fisheries.

The provision in the bill which is of interest to our committee is that portion of section 3(c) which authorizes $3,615,000 for use for establishing and operating the Great Lakes Research Office at a NOAA Laboratory in Ann Arbor, MI. This research office was authorized in the Water Quality Act of 1987. Because of a lack of funding and a lack of agreement on the location of the office, it has not been established. H.R. 1668 is intended to resolve these problems by designating the existing NOAA laboratory and providing for a new, direct appropriation to NOAA for the office.

Our Committee on Public Works and Transportation adopted an amendment to the provision of the bill relating to the research office which provides for coordination with the Great Lakes Program Office and reaffirms the objectives of the research office to achieve the goals of the Great Lakes Water Quality Agreement. The Public Works and Transportation amendment is incorporated in the amendment to the bill, and I urge my colleagues to support it.

□ 1420

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. HERTEL. I yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, the Committee on Science, Space, and Technology strongly affirms and supports the legislation, particularly the amendment offered by the gentleman from New York [Mr. NOWAK], to the merchant marine and fisheries legislation.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. HERTEL. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. I thank the gentleman for yielding.

Mr. Chairman, I congratulate the committee on its work. I take this time to announce that the Coral Reef Research and Management Workshop, which was made possible by NOAA, has resulted in notable success.

The Marine Resources Development Foundation of Key Largo, FL, has been successful in administering the Semi-Tropical Research Facility as an important part of the National Undersea Research Programs of NOAA.

Due to the success of the program, the MacArthur Foundation has announced a grant of $789,000 with which to continue sustained ecological research related to the management of the Florida Keys seascape.

Mr. Chairman, this is important because the Coral Reef adjacent to the Florida shore is the only living reef adjacent to the continental United States. It has been neglected for many years—until 1988 when NOAA took the initiative to preserve the reef by sponsoring the research program administered by the Marine Resources Development Foundation.

I applaud NOAA and the Ian Koblick, president of the Marine Resources Development Foundation.

FLORIDA INSTITUTE OF OCEANOGRAPHY,
St. Petersburg, FL, July 27, 1989.

Mr. IAN KOBLICK,
President, Marine Resources Development Foundation, Key Largo, FL

DEAR IAN: We have received a grant in the amount of $789,000. from the MacArthur Foundation for a two year program entitled: "Sustained ecological research related to management of the Florida Keys seascape." This proposal grew out of the workshop of marine scientists held at Marine Resources Development Foundation last year. Enclosed is a brief description of the program to refresh your memory.

Our charge from the Foundation is to be as broadly cooperative as possible. You will see that the program involves the University of Miami, the University of Georgia, Harbor Branch Oceanographic Institution, the Florida Department of Natural Resources, the National Park Service, the NOAA Marine Sanctuaries at Key Largo and Long Key, and a television film producer. It will also involve the MRDF as the Upper Keys support facility for this Keys-wide program.

I invite you to participate in a planning meeting for the program, tentatively scheduled for the latter half of September at Long Key.

The core of our program is the development of a series of interlinked automated environmental monitoring stations. This is not off-the-shelf equipment. We will seek help in design and implementation of this aspect of the program. I appreciate your suggestions and will be contacting the Weather Service in Miami.

Glad to hear that the teacher program is going so well. I will write again in early September regarding the meeting.

Best regards,

JOHN C. OGDEN,
Director.

Mr. HERTEL. Mr. Chairman, I thank the gentleman for his support.

The CHAIRMAN. The question is on the amendments en bloc offered by

the gentleman from New York [Mr. NOWAK].

The amendments en bloc were agreed to.

The CHAIRMAN. Are there further amendments to the bill?

AMENDMENT OFFERED BY MR. MCMILLEN OF MARYLAND

Mr. McMILLEN of Maryland. Mr. Chairman, I offer and amendment.

The Clerk read as follows:

Amendment offered by Mr. MCMILLEN of Maryland: Add at the end of the bill the following:

SEC. 6. CHRISTOPHER COLUMBUS CENTER FOR MARINE RESEARCH AND EXPLORATION.

For establishing, constructing, and supporting a center for marine research and exploration at Baltimore, Maryland, to be known as the Christopher Columbus Center for Marine Research and Exploration, there are authorized to be appropriated to the Secretary of Commerce not more than $54,000,000 for the fiscal years 1990, 1991, 1992, 1993, and 1994.

Mr. McMILLEN of Maryland (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there any objection to the request of the gentleman from Maryland?

There was no objection.

Mr. McMILLEN of Maryland. Mr. Chairman, today I am offering along with Mrs. BENTLEY of the Merchant Marine Committee an amendment to authorize funding for an exciting marine sciences initiative, the Christopher Columbus Center of Marine Research and Exploration. To be located in Baltimore's inner harbor area. This center is sure to be one of the focal points of the Nation's marine science research efforts. Combined with it will be the Nation's if the world's most comprehensive maritime exhibition facility. At the Columbus Center, scientists will probe the vast potential of the oceans in an effort to better the human condition and restore the Earth's environment. They will, among other things, investigate methods of solving the problems surrounding worldwide ocean toxics pollutions study of ways in which we can increase and improve our food supply from the sea, and hopefully develop life-saving drugs and pharmaceuticals that can combat such diseases as AIDS and cancer.

The promise of the Columbus Center, as you can see, is very real especially in terms of its potential to better the human condition. It also has the potential to contribute greatly to our country's economic standing abroad by adding significantly to this Nation's competitiveness in the global marketplace. Currently we have a 5- to 10-year headstart over the Japanese, our nearest competitors, in the area of applied marine biotechnology. However, the Japanese are quickly closing the gap in this economically promising field. Recently the Japanese Ministry of Industry and International Trade disclosed that that country has embarked on a $500-million campaign to shore up their research capabilities in this critical scientific area. This will be accomplished by two state-of-the-art research facilities, both of which are slated for completion in 1990. We cannot let the economic promise of marine biotechnology and its many useful applications go the way of the semiconductor. Decisive action on the part of this body is necessary to safeguard our competitive advantage in this exciting and potentially beneficial scientific area.

Also it is important to consider that we are asking for a relatively minor commitment from the Federal Government—in fact the State of Maryland, the city of Baltimore, and local and private concerns will be footing a lion's share of the $200-million tab for construction and operation of this facility—to be precise, 75 percent of the costs will be borne by funding sources outside the Federal Government. My amendment calls for a $54-million authorization from the Federal Government.

One critical factor that I ask you to consider is that there are at least two Federal executive agencies that come to mind that will be able to utilize the resources of Columbus Center. Both the National Oceanic and Atmospheric Administration [NOAA] and the EPA have expressed strong interest in locating facilities at this Baltimore-based center. NOAA's constructive progress in the field of marine archeology will be greatly enhanced by the work that they could accomplish at the Columbus Center. Additionally, I am pleased to learn that the EPA is considering basing their National Center for Excellence in Coastal Environmental Protection at the Columbus Center.

Representative BENTLEY and I look forward to your support of this exciting marine science endeavor. The Science Committee has lent its support to our efforts since we first approached them earlier this year. The Subcommittee on Natural Resources conducted a very successful field hearing in which maritime experts testified as to the worthiness of our proposal. This, combined with the general support of Federal agencies that might use the facilities led the Science Committee to recommend favorable action on this auhorization request. In 1989, 3 full years prior to out Nation's celebration of the 500th anniversary of the discovery of the New World by Christopher Columbus, I cannot think of anything more appropriate than to begin construction of a marine sciences center dedicated in his memory. It is sure to embody much of the sense of discovery and vision that Columbus himself displayed during his rich and varied life. Ladies and gentlemen, I ask that you support this amendment to H.R. 1668.

Mr. Chairman, I ask all Members to support this amendment to H.R. 1668.

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Philadelphia, PA, July 17, 1989.

Mr. STANLEY HEUISLER,
Chairman, Executive Committee, The Christopher Columbus Center of Marine Research and Exploration, Baltimore, MD.

DEAR MR. HEUISLER: In response to our recent discussions concerning the Christopher Columbus Center, EPA Region III supports the concept and would be pleased to have such a facility located in our Region. Concerning funding, however, please be advised that we must respectfully stress that there are no funds available within our budget, either currently planned or available at the expense of other environmental programs, to contribute to the Center. Any EPA funding which you may obtain must be an add-on to our current budget.

We encourage you to proceed with your plans to begin architectural designs and specifications for the project. As the Center will set a national example as an environmental effort, we encourage you to ensure that all Federal and State environmental regulations are satisfied and that environmental conditions are suitable for a project such as this as part of your evaluation of the site you have selected and all plans for the Center's construction and future use.

I look forward to hearing more about the Center as it becomes a reality. Please contact me if you would like any additional information.

Sincerely,

EDWIN B. ERICKSON,
Regional Administrator.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION,
Washington, DC, July 5, 1989.

Hon. STENY H. HOYER,
House of Representatives, Washington, DC.

Dear Mr. HOYER: I am pleased to comment regarding the specific interests of the National Oceanic and Atmospheric Administration (NOAA) in the proposed Christopher Columbus Center for Marine Research and Exploration. NOAA has testified before the House Committee on Science and Technology regarding our general interest in the Center. We find the project to be both exciting and very relevant to NOAA's progam objectives.

In terms of specific assistance and a NOAA presence in the Center, I offer the following observations:

1. To the extent that resources permit, NOAA is prepared to offer assistance in completing the required Environmental Impact Study. This work would be handled by our Office of Coastal Resource Management, Marine & Estuarine Management Division.

2. In conjunction with the State of Maryland we plan to house the new National Center for Maritime Preservation Technology in the Center for Marine Archeology—one of the major new facilities to be constructed as part of the Christopher Columbus Center.

3. The NOAA Office of Sea Grant has had a long standing interest in marine biotechnology and a history of cooperation with the University of Maryland in this area. While we have not had any direct discus-

sions regarding the Center for Marine Biotechnology, we would certainly envision a direct relationship in this area.

We will be working closely with the Center developers to explore further how NOAA may be of assistance. The idea of a national center devoted to marine research and exploration is very timely, given the mounting problems that we face in our coastal areas and our need to remain competitive in the emerging international arena of marine technology.

Thank you for the opportunity to provide these comments.

Sincerely,

B. KENT BURTON,
Deputy Administrator.

Mrs. BENTLEY. Mr. Chairman, will the gentleman yield?

Mr. McMILLEN of Maryland. I yield to the gentlewoman from Maryland.

Mrs. BENTLEY. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment offered by my colleague from Maryland, Mr. McMILLEN, and myself; but before I speak to it, I want to take a moment to congratulate the leadership on H.R. 1668. It is a most important bill.

The creation of the Christopher Columbus Center of Marine Research and Exploration in Baltimore is charting a course for the future.

The Columbus Center will be comprised of the Center of Marine Biotechnology, the National Oceanic and Atmospheric Administration's National Institute of Maritime Preservation Technology, the Environmental Protection Agency's Center of Excellence for Coastal Environmental Protection, the National Aquarium's Mammal Pavilion, and a Maritime Museum and Conference Center.

Mr. Chairman, it is important to note that a vast majority of the funding of this $200 million center will be borne by the State of Maryland, the city of Baltimore, and private concerns—three-fourths of the funding.

The Columbus Center will be the ideal private-State-local-Federal partnership from which great national benefits will be derived.

The cornerstone of the Columbus Center is the Center of Marine Biotechnology. The center is the world's most prestigious laboratory of its type and is critical to the United States efforts to maintain leadership in this economically promising scientific area.

This is important, as the Japanese have targeted marine biotechnology as a growth industry for the 1990's and beyond.

Recently, the Japanese indicated that they would be committing nearly $500 million to construct their own marine biotechnology facility.

This center in Baltimore will help the United States to maintain the 5-to-10-year jump over competitors that we currently have in the applied marine sciences. In fact, the Center of Marine Biotechnology has already achieved tremendous success in industrial, human health, environmental, and aquaculture applications.

Marine biotechnology undoubtedly is one of the world's most important emerging sciences. It offers exciting possibilities for dealing with problems from disease prevention to pollution cleanup, to enhancing the world's food supply, to improving industrial processes. It offers real hope in dealing with some of man's more intractable problems.

Mr. Chairman, I want to reiterate that the State of Maryland, the city of Baltimore, and private interests will be providing the majority of the funding necessary for this very worthwhile project. Federal involvement, while minimal, is absolutely essential to its success.

And, I might add, Federal participation in the Columbus Center is warranted because of the potential for significant benefits to the Nation.

Mr. Chairman, I want to commend my colleague from Maryland, Mr. McMILLEN, for his assistance in bringing this amendment to the floor of the House today; and I want to pledge my wholehearted support for this project.

Thank you, Mr. Chairman. I yield back the balance of my time.

The CHAIRMAN. The time of the gentleman from Maryland [Mr. McMILLEN] has expired.

(By unanimous consent Mr. McMILLEN of Maryland was allowed to proceed for 5 additional minutes.)

Mrs. MORELLA. Mr. Chairman, will the gentleman yield?

Mr. McMILLEN of Maryland. I yield to the gentlewoman from Maryland.

Mrs. MORELLA. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I thank the gentlewoman from Maryland [Mrs. BENTLEY] for showing the kind of support that Maryland and I believe the Nation have in supporting this particular amendment.

I also want to particularly commend the chairman of the subcommittee, the gentleman from Michigan [Mr. HERTEL] for his work on this bill, and also the ranking member, the gentleman from California [Mr. SHUMWAY] for his work on this bill. I think they put together a great package.

This is a really important amendment.

Mr. Chairman, with the establishment of the Center for Marine Biotechnology, the Christopher Columbus Center of Marine Research and Exploration charts a course for the future. As we know, marine biotechnology is one of the world's most important emerging sciences. It offers exciting possibilities for dealing with problems from disease prevention to pollution cleanup, to enhancing the world's food supply, to improving industrial processes. The Center of Marine Biotechnology is the acknowledged leader in this crucial area.

The center will be part of the Christopher Columbus Center of Marine Research and Exploration at Baltimore's Inner Harbor. Sharing the site with the center will be a new Center of Marine Archeology, a Maritime Museum, a new Marine Mammal Pavilion as an addition to the National Aquarium, and a Center of Marine Archeology. The U.S. Environmental Protection Agency's new National Center for Excellence in Coastal Environmental Protection will also be located at this site. The entire project is expected to cost some $200 million. State and local governments and the private sector are expected to fund three-fourths of this project. Thus, the total $54 million in Federal funding represents a particularly effective use of Federal funds to leverage State, local, and private financing.

Marine biotechnology has emerged as a scientific discipline in the last decade. It offers real hope in dealing with some of man's more intractable problems. In the health sciences, marine pharmacology promises to make substantial contributions. The flora and fauna of the ocean can produce pharmaceutical chemicals, but their use heretofore has been limited by laborious and inefficient methods of collection. Marine biotechnology allows scientists to isolate useful compounds produced by marine organisms and to produce those compounds in large quantities, aiding in the processing of commercial drugs. Another area in which the center is actively involved is the production of diagnostic test kits to measure purity of drinking water. Such kits could prove invaluable in helping stem the thousands of deaths that occur each day in developing countries, deaths attributable to intestinal disorders brought on by unacceptably impure drinking water.

The frighteningly lethal *Exxon Valdez* oilspill which killed tens of thousands of seabirds and sea otters dramatically highlights the importance of another research program at the center. Naturally occurring organisms can be altered to enable them to clean up ocean pollutants. These microorganisms would, in the case of an oilspill, actually eat the toxic chemicals found in oil. They can be programmed with suicide genes which would ensure their destruction once their task was done—also ensuring that the organisms do not cause unintended harm to the environment.

Marine biotechnology can help bring us closer to the goal of feeding the world's hungry. Aquaculture can help grow fish faster and bigger, can rid food fish of disease, and can improve fish harvests. A new bacterium discovered at the center could play a large role in restoring the previously faltering Chesapeake Bay oyster population.

Business Week magazine recently reported on the center's successful experiment in transferring growth genes from one species of fish to another—and producing fish which were 22 percent larger than normal. The center's scientists are working to alter the genetic makeup of native stocks to improve vigor, and to produce fish which spawn on demand, allowing for maximum efficiency in harvests.

Marine biofouling is the encrusting of ship hulls and other structures with barnacles and other organisms. Biofouling slows and damage ships and can ruin piers, docks, and other marine structures. The costs are estimated to be approximately $1 billion annually. Center scientists are studying the genetics of such biofouling in an effort to control it. The Department of Defense is funding studies in this area.

The center is the leading marine biotechnology facility in the world, but is not without competition. A recently announced project by the Japanese Ministry of International Trade and Industry represents the most serious challenge to America's preeminence of this field. The Japanese plan to spend $6 billion yen (some $500 million) to build two research centers by 1990.

The Center of Marine Biotechnology is receiving enthusiastic support from Federal agencies. The Environmental Protection Agency had expressed its support and NOAA testified in support of the project before the House Committee on Science and Technology. The support of the Congress during the coming months is crucial to protect the center's unique position as the world leader in marine biotechnology.

Marine biotechnology is already a proven producer. The benefits of a $50 million Federal contribution to this applied science are enormous, particularly when compared with the massive Federal investment in undoubtedly worthwhile pure research projects—such as the $14 to $15 billion superconducting supercollider—projects which have yet to produce tangible results.

□ 1430

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. McMILLEN of Maryland. I yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, the amendment which Mr. McMILLEN offers today will authorize the necessary funds for the construction and establishment of the Christopher Columbus Center for Marine Research and Exploration.

The Christopher Columbus Center has been sanctioned as an official project for 1992 by the President's Christopher Columbus Quincentenary Commission. The center is expected to open in Baltimore sometime during the fall of 1992 to commemorate the 500th anniversary of Columbus' arrival in America.

The center will be the most comprehensive focus of marine research and public maritime exhibits in the world. The cornerstone of this facility will be the Center of Marine Biotechnology which will be one of five major components of the Christopher Columbus Center.

The Center of Marine Biotechnology was established in 1985 to tap the vast potential of the world's oceans by exploring the technological applications of marine science. The center has only been in existence for several years, yet it has already gained international recognition.

Recently, the President's Commission on Industrial Competitiveness reached the conclusion that the Nation's ability to compete has declined over the last 20 years. The Nation is currently a leader in marine biotechnology, but with this lead dwindling, the Federal Government cannot be complacent.

The Federal Government is being asked to provide only 25 percent of the costs of the Christopher Columbus Center while the remaining costs of this $200 million center will be borne by the State of Maryland, the city of Baltimore, and private interests.

The committee is aware of the value of marine research and is particularly impressed by the potential of the Christopher Columbus Center to contribute to a national marine biotechnology research capability. Marine biotechnology promises to be a significant economic force in the coming years, and the proposed center could enable the United States to gain a competitive edge over its international competitors in the emerging technology.

The committee is further impressed by the willingness of State and local authorities to contribute to the project. The committee supports the development of the center, and encourages the appropriate authorizing and Appropriations Committees to consider ways to support this worthwhile project.

By investing in the Christopher Columbus Center, we are investigating in research and technological development that will improve our international competitiveness and create a new wealth of knowledge in marine science research and application.

Mr. CARDIN. Mr. Chairman, will the gentleman yield?

Mr. McMILLEN of Maryland. I yield to the gentleman from Maryland.

Mr. CARDIN. Mr. Chairman, I want to thank my colleague for yielding, and want to compliment my colleague for introducing this amendment which provides Members a unique opportunity to move forward with the Christopher Columbus Center, and provides a unique opportunity for partnership between the Federal Government, the State and local governments, and between the private sector.

Mr. Chairman, as has been pointed out, the center will be one of several structures, all of which are in some phase of construction, already to be completed, or under substantial construction by 1992, which is the 500th anniversary of Christopher Columbus' discovery of America.

Clearly the Center for Marine Biotechnology is the centerpiece of the Christopher Columbus Center, where we need the Federal partnership, and where my colleague's amendment really addresses the Federal participation. It will house a world class research facility, mainly for applied use research, following scientific advances in the field.

Mr. Chairman, we will talk about the expanded facility, so that we can really take advantage of the opportunities that are there today, so that we can move forward in biotech in the competitive needs of this Nation. The center will operate under the auspices of the University of Maryland. The University of Maryland has five biotechnology centers in the State, and has developed a reputation of excellence around this Nation as being in the forefront in developing the biotechnology research that this Nation so badly needs.

Mr. Chairman, as I have indicated, this is a partnership, as part of the Christopher Columbus Center, of the National Aquarium and Marine Mammal Pavilion is well along in construction and funded through Baltimore City. A private developer is also participating in the center. The center of marine archeology construction is coming from the State of Maryland, and they are putting up their funds in this venture. The conference center will principally be funded through the city of Baltimore. The Maritime Museum, which we built with State and local funds, is also part of this venture.

Mr. Chairman, we have a unique opportunity to move forward in a very important area, and I compliment my colleagues for bringing this issue to the House.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. McMILLEN of Maryland. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I rise in support of the amendment offered by Mr. McMILLEN and Mrs. BENTLEY.

I also want to congratulate the chairman for bringing a bill reauthorizing these programs to the floor. As the chairman knows, NOAA funds many programs critically important to the State of Maryland.

This amendment would authorize a facility that will house the best minds and the best research in the emerging field of marine biotechnology.

The Center for Marine Biotechnology, a component of the Christopher Columbus Center of Marine Research and Exploration at Baltimore's Inner Harbor will house laboratories on the frontiers of a science in which our Nation must maintain its preeminence.

Marine science may hold answers to environmental hazards, like cleaning up oilspills with altered organisms that "eat" toxic chemicals or feeding the world's hungry by improving fish harvests and eliminating marine parasites and diseases. Marine biotechnology holds the promise of producing more effective and efficient pharmaceuticals to improve human health, as well.

The Center for Marine Biotechnology will share the site of the Christopher Columbus Center with the center on marine archeology, a new marine mammal pavilion, the EPA's planned national center for excellence in coastal environmental protection and a maritime museum.

This massive $200 million investment in our Nation's future science and technology base is funded principally by the State of Maryland, the city of Baltimore, and private sources.

The Federal Government is being asked to supplement this effort by supporting the construction of a facility to house the Center for Marine Biotechnology.

The center, which broadly expands the potential for advancing our understanding of the world around us has received enthusiastic support from within Federal agencies. More importantly, the farsighted individuals understand the enormous potential for the practical application of what we are learning in marine science.

But Mr. Chairman, make no mistake, foresight, like the driving force of future economic productivity, knowledge, knows no international boundaries.

The Japanese Ministry of International Trade and Industry has invested $500 million, four times the capital sought under this amendment, for two similar facilities.

This amendment supports an exciting venture in a new science. It is cost-effective and protects a vested national interest in a field that is critically important to our economic future.

Mr. Chairman, I urge my colleagues to approve the amendment offered by the gentleman from Maryland [Mr. MCMILLEN].

□ 1440

Mr. HERTEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am very impressed by the unity of the Maryland delegation on this subject and all the work they have done on it, and especially I am impressed by my colleague the gentleman from Maryland [Mr. MCMILLEN] and my colleague, the gentlewoman from Maryland [Mrs. BENTLEY] for their very hard work in this area.

I am very impressed by the Christopher Columbus Center, the project itself, and all the research and activities it will bring to Maryland and to the Nation.

Unfortunately, this NOAA budget cannot fund it. The Federal involvement appears to require $54 million in new outlays, with $10 million required for this year. The full Committee on Merchant Marine and Fisheries has not yet received and been able to review this amendment at this time.

As we can see, this is an enormous outlay for capital expenditures, $10 million in this year, because H.R. 1668 has a total of only $750,000 for acquisition, construction, operation, and maintenance of NOAA facilities, $3 million less than the administration itself requested. The amount of $10 million this year for construction of a new center at Baltimore is greatly disproportionate in this budget.

The bipartisan consensus behind H.R. 1668 has been for research activities.

In fact, when we looked at the en bloc amendment of the gentleman from New York [Mr. NOWAK] regarding Great Lakes research, we found that that amendment specifically said that new research had to be done and all coordination had to be done in existing facilities because we do not have the money in this budget and the authorization for any new construction.

We need people doing research on the water and under it. We desperately need $400 million to rehabilitate the NOAA oceanographic fleet, and we will soon be moving a bill to the floor on this very matter. Unfortunately, for the purposes of this bill, we could only provide $16 million for full operation of the existing 23 oceanographic ships and the rehabilitation of only 2 vessels. So we are very far behind. The administration has proposed to mothball six of our ships and reduce days at sea for seven additional ships. More than one-half the fleet would have, under the administration's proposal, been idled. Therefore, clearly, $54 million in construction costs is just too great a burden on NOAA at this time, after all the cuts they have had over the last 8 years and the cuts the administration has tried to put upon them again this year.

Mr. Chairman, I really do appreciate the enthusiasm for the project, as shown by the sponsor of the amendment, the gentleman from Maryland [Mr. MCMILLEN] and also the entire Maryland delegation, including the gentlewomen from Maryland [Mrs. BENTLEY]. They have been highly unified and have offered so many good points in this discussion on the amendment today. I want to assure all of them that the subcommittee is interested in this whole matter of marine research centers for this country.

I believe the gentleman from Maine [Mr. BRENNAN], a member of the subcommittee, has legislation on this matter and has worked on it for quite some time, to address the entire question of marine research centers and marine affairs. This proposal could fit into the national scheme of this legislation, I believe, and I have promised him I would conduct hearings on this bill as proposed by the gentleman from Maine. This could easily accommodate the concerns of the Maryland delegation specifically, and we could also have a hearing on the Christopher Columbus Center that the gentleman from Maryland [Mr. MCMILLEN] has proposed.

Mr. Chairman, I think I can assure the gentleman that the committee will move expeditiously on having a hearing this fall on this proposal, and very possibly we could have a hearing in Baltimore itself so we could get a good lay of the land, as outlined by the Members who spoke on this subject this afternoon.

Mr. MFUME. Mr. Chairman, I rise in support of the establishment of the Christopher Columbus Center of Marine Research and Exploration. Marine biotechnology has emerged as one of the world's preeminent sciences. Marine biotechnology offers a plethora of possibilities for man's more obstinate problems such as disease prevention, pollution clean-up, enhancing the world's food supply, and improving industrial processes.

The proposed site of the Christopher Columbus Center—Baltimore's Inner Harbor—will also house a new Center of Marine Archeology, a Maritime Museum, a new Marine Mammal Pavilion as an addition to the National Aquarium and the Environmental Protection Agency's new National Center for Excellence in Coastal Environmental Protection. The entire project is estimated to cost some $200 million. The State of Maryland, Baltimore, and the private sector are expected to fund three-fourths of this project.

In the last decade, Marine biotechnology emerged as a scientific discipline. In the area of health, marine pharmacology stands to make substantial contributions. Marine biotechnology allows scientists to isolate useful compounds produced by marine organisms and to produce these compounds in large quantities, aiding in the processing of commercial drugs. The center is also actively involved in the production of diagnostic kits to measure purity of drinking water. These kits will eventually help stem thousands of deaths that occur each day in the developing world which are largely attributed to intestinal disorders brought on by impure drinking water.

Mr. Chairman, marine biotechnology can also help us achieve our goal of feeding the millions of hungry people of the world. Aquaculture can assist fish to not only grow bigger and faster, but rid fish of disease, improve fish harvests, produce fish which spawn upon demand and allow for maximum efficiency in

harvests. The center is presently experimenting with a new bacterium discovery that could eventually help the previously faltering Chesapeak Bay oyster population.

Presently, the center is the leading marine biotechnology facility in the world, but already we find that there is new competition from the Japanese. Japan's Ministry of International Trade and Industry recently announced their plan to spend $500 million to build two researcher centers by 1990.

In closing, I am pleased that the Center for Marine Biotechnology has received enthusiastic support from key Federal agencies. The Environmental Protection Agency and the National Oceanic and Atmospheric Administration [NOAA] have both expressed their support for this innovative center. The support of the Congress at this juncture is very crucial and I hope that our distinguished colleagues will join me and the champion of the Christopher Columbus Center, Representative TOM MCMILLEN, in funding this worldwide national endeavor.

Mr. McMILLEN of Maryland. Mr. Chairman, I thank the gentleman from Michigan for his indulgence and for his support in suggesting hearings on the Christopher Columbus Center.

Mr. Chairman, I ask unanimous consent that this amendment be withdrawn.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The CHAIRMAN. Are there further amendments to the bill?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the committee rises.

Accordingly the Committee rose, and the Speaker pro tempore (Mr. ALEXANDER), having assumed the chair, Mr. CARR, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1668) to authorize appropriations for certain ocean and coastal programs of the National Oceanic and Atmospheric Administration, pursuant to House Resolution 229, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 343, nays 44, not voting 43, as follows:

[Roll No. 221]

YEAS—343

Ackerman	Dingell	Herger
Alexander	Dixon	Hertel
Anderson	Dorgan (ND)	Hiler
Andrews	Dornan (CA)	Hoagland
Annunzio	Downey	Hochbrueckner
Anthony	Duncan	Horton
Applegate	Durbin	Houghton
Atkins	Dwyer	Hoyer
Baker	Dymally	Huckaby
Barnard	Dyson	Hughes
Bartlett	Early	Hunter
Barton	Eckart	Hutto
Bateman	Edwards (CA)	Hyde
Bates	Edwards (OK)	Inhofe
Bennett	Emerson	Ireland
Bentley	Engel	Jacobs
Bereuter	English	James
Berman	Erdreich	Jenkins
Bevill	Espy	Johnson (CT)
Bilbray	Evans	Johnson (SD)
Bilirakis	Fascell	Johnston
Boehlert	Fawell	Jones (GA)
Bonior	Fazio	Jones (NC)
Borski	Feighan	Jontz
Bosco	Fish	Kanjorski
Boucher	Flake	Kaptur
Boxer	Flippo	Kasich
Brennan	Foglietta	Kastenmeier
Brooks	Ford (MI)	Kennedy
Broomfield	Ford (TN)	Kildee
Browder	Frank	Kostmayer
Bruce	Frost	LaFalce
Bryant	Gallegly	Lagomarsino
Buechner	Gallo	Lancaster
Bustamante	Gaydos	Lantos
Byron	Gejdenson	Laughlin
Callahan	Gekas	Leach (IA)
Campbell (CA)	Gephardt	Leath (TX)
Cardin	Gibbons	Lehman (FL)
Carper	Gillmor	Lent
Carr	Gilman	Levin (MI)
Chandler	Gingrich	Levine (CA)
Chapman	Glickman	Lewis (CA)
Clarke	Gonzalez	Lewis (FL)
Clement	Goodling	Lewis (GA)
Clinger	Gordon	Lightfoot
Coble	Goss	Lipinski
Coleman (MO)	Gradison	Lloyd
Coleman (TX)	Grandy	Long
Collins	Grant	Lowery (CA)
Cooper	Gray	Lowey (NY)
Costello	Green	Luken, Thomas
Coughlin	Guarini	Machtley
Cox	Gunderson	Madigan
Coyne	Hall (TX)	Manton
Crockett	Hamilton	Markey
Darden	Hansen	Martin (NY)
Davis	Harris	Matsui
de la Garza	Hatcher	Mavroules
Dellums	Hawkins	Mazzoli
Derrick	Hayes (IL)	McCloskey
DeWine	Hefner	McCollum
Dicks	Henry	McCrery
McCurdy	Rahall	Smith, Robert (OR)
McDade	Rangel	Snowe
McDermott	Ravenel	Solarz
McGrath	Ray	Spence
McHugh	Regula	Spratt
McMillan (NC)	Richardson	Staggers
McMillen (MD)	Ridge	Stallings
McNulty	Rinaldo	Stangeland
Meyers	Ritter	Stark
Mfume	Roberts	Stearns
Miller (CA)	Robinson	Stenholm
Miller (OH)	Roe	Stokes
Mineta	Rohrabacher	Studds
Moakley	Ros-Lehtinen	Swift
Mollohan	Rostenkowski	Synar
Montgomery	Roth	Tallon
Moorhead	Roukema	Tanner
Morella	Rowland (CT)	Thomas (CA)
Morrison (CT)	Rowland (GA)	Thomas (GA)
Morrison (WA)	Roybal	Thomas (WY)
Mrazek	Russo	Torres
Murphy	Sabo	Towns
Murtha	Saiki	Traficant
Myers	Sangmeister	Traxler
Natcher	Sarpalius	Udall
Neal (MA)	Savage	Unsoeld
Nowak	Sawyer	Upton
Oakar	Saxton	Valentine
Oberstar	Schiff	Vento
Olin	Schneider	Visclosky
Ortiz	Schroeder	Volkmer
Owens (NY)	Schulze	Vucanovich
Owens (UT)	Schumer	Walgren
Pallone	Sharp	Walker
Panetta	Shaw	Watkins
Parker	Shays	Waxman
Parris	Shumway	Weber
Pashayan	Sikorski	Weiss
Patterson	Sisisky	Weldon
Paxon	Skaggs	Whittaker
Payne (NJ)	Skeen	Whitten
Payne (VA)	Slattery	Williams
Pease	Slaughter (NY)	Wilson
Pelosi	Slaughter (VA)	Wise
Perkins	Smith (FL)	Wolf
Pickett	Smith (IA)	Wolpe
Pickle	Smith (NE)	Wyden
Porter	Smith (NJ)	Wylie
Poshard	Smith (TX)	Yates
Price	Smith (VT)	Yatron
Pursell	Smith, Denny (OR)	Young (FL)
Quillen		

NAYS—44

Armey	Hastert	Obey
Ballenger	Hayes (LA)	Oxley
Bliley	Hefley	Penny
Brown (CO)	Holloway	Petri
Bunning	Hopkins	Rhodes
Combest	Hubbard	Rogers
Craig	Kleczka	Schaefer
Crane	Kyl	Sensenbrenner
Dannemeyer	Livingston	Shuster
DeLay	Lukens, Donald	Smith, Robert (NH)
Dickinson	Martin (IL)	Solomon
Douglas	McEwen	Stump
Dreier	Michel	Tauzin
Frenzel	Moody	Walsh
Hancock	Nielson	

NOT VOTING—43

Akaka	Fields	Neal (NC)
Archer	Florio	Nelson
Aspin	Garcia	Packard
AuCoin	Hall (OH)	Rose
Bellenson	Hammerschmidt	Scheuer
Boggs	Kennelly	Schuette
Brown (CA)	Kolbe	Skelton
Burton	Kolter	Sundquist
Campbell (CO)	Lehman (CA)	Tauke
Clay	Marlenee	Torricelli
Conte	Martinez	Vander Jagt
Conyers	McCandless	Wheat
Courter	Miller (WA)	Young (AK)
DeFazio	Molinari	
Donnelly	Nagle	

□ 1500

Messrs. HEFLEY, DONALD E. "BUZ" LUKENS, and HASTERT changed their vote from "yea" to "nay."

Messrs. COX, DORNAN of California, and BARTON of Texas changed their vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. WHEAT. Mr. Speaker, due to illness I was absent on rcollcall no. 221. Had I been present, I would have voted "aye."

□ 1510

GENERAL LEAVE

Mr. HERTEL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1668, the bill just passed.

The SPEAKER pro tempore (Mr. ALEXANDER). Is there objection to the request of the gentleman from Michigan?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2406

Mr. QUILLEN. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of H.R. 2406.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION ATMOSPHERIC AND SATELLITE PROGRAMS AUTHORIZATION

Mr. GORDON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 230 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 230

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2427) to authorize certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science, Space, and Technology, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Science, Space, and Technology now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered for amendment by titles instead of by sections and each title shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Tennessee [Mr. GORDON] is recognized for 1 hour.

Mr. GORDON. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 230 is an open rule providing for consideration of H.R. 2427 to authorize appropriations for certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration.

The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science, Space, and Technology. The bill shall be considered under the 5-minute rule.

Mr. Speaker, House Resolution 230 makes in order the amendment in the nature of a substitute recommended by the Committee on Science, Space, and Technology as original text for the purpose of amendment under the 5-minute rule.

The substitute shall be considered by titles, rather than by sections and each title shall be considered as having been read.

Finally, Mr. Speaker, the rule provides that at the conclusion of consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted.

Any Member may demand a separate vote on any amendment adopted in the Committee of the Whole to the bill or to the Committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. Speaker, as I said this is an open rule affording all Members the opportunity to offer germane amendments. I urge my colleagues to support this rule so we may proceed with consideration of the merits of this legislation.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to begin by commending the committee chairman. The gentleman from New Jersey [Mr. ROE] and the committee vice chairman. The gentleman from Pennsylvania [Mr. WALKER] for their work on this legislation.

I would also like to commend my colleagues on the Rules Committee for providing an open rule with no waivers of the House rules and no waivers of the Budget Act. This is the kind of rule we should be using for most bills. Under the new chairman of the Rules Committee, the gentleman from Massachusetts [Mr. MOAKLEY] we have taken some steps in the right direction. I hope we will move increasingly to this kind of an open amending process, and away from closed rules which deny Members an opportunity to have their ideas considered on the House floor.

Mr. Speaker, the bill made in order by this rule is important legislation. It provides authorization over the next 3 years for programs such as the National Weather Service, which is responsible for weather forecasts along with hurricane, tornado and flash flood warnings and alerts.

Atmospheric research on subjects such as ozone depletion, and climate change is included in this bill.

Provisions for our weather satellites and the establishment of an agricultural weather office are also a part of this bill.

Mr. Speaker, I should note that the administration opposes this bill unless it is amended in several ways. For example, the administration wants to delete title IV which provides for the establishment of a National Agricultural Weather Information System. The administration would also like to reduce the overall cost of the bill.

Mr. Speaker, the rule before us today will allow the House to make any necessary changes in this legislation. I support the rule so that the House can get down to business and move this legislation.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GORDON. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1520

The SPEAKER pro tempore (Mr. ALEXANDER). Pursuant to House Resolution 230 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2427.

□ 1521

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2427) to authorize appropriations for certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration, and for other purposes, with Mr. LANCASTER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from New Jersey [Mr. ROE] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. WALKER] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. ROE].

Mr. ROE. Mr. Chairman, I yield myself the time I may consume.

Mr. Chairman, as Hurricane Gabrielle grows steadily stronger and turns its 135-mph winds toward the east coast, it is appropriate that we consider the agency that provides the advanced warning of this devastating storm, the National Oceanic and Atmospheric Administration [NOAA].

We often take for granted the hurricane tracking research that enables us to project the possible routes of hurricanes, the hurricane reconnaissance aircraft that track and monitor the strengths of hurricanes, and the weather satellites that provide early warning of hurricane development. All these programs are provided through the efforts of the men and women who work for and with the National Oceanic and Atmospheric Administration.

Mr. Chairman, the bill before us today, H.R. 2427, is a fiscally responsible bill. It is well within the Congressional Budget Office's fiscal year 1990 baseline allowance. At the same time, however, the bill clearly provides adequate funding authorization increases for:

Continued operation of all Weather Service offices with simultaneous modernization of weather forecasting technology;

All scheduled weather satellite procurements including additional funding for a planned 1990 launch of the geostationary environmental satellite to replace the weather satellite that failed last January;

Continuation and completion of the Landsat commercialization program and operational support activities;

And expanded atmospheric research in support of the global climate change program.

Mr. Chairman, this bill reflects solid consensus in support of NOAA's activities, yet at the same time it is a realistic compromise given the current budget limitations.

Mr. Chairman, I want to emphasize that this is a 3-year bill. This is critical in order to enable NOAA to plan its research programs, and perhaps even more importantly, to provide for an orderly implementation of their plan to modernize the equipment of the National Weather Service.

The United States experiences more severe weather than any other nation on Earth. On average, we can expect 10 hurricanes or severe tropical storms and over 1,000 tornados every year.

The National Oceanic and Atmospheric Administration operates a system of two geostationary weather satellites, the Geostationary Operational Environmental Satellite [GOES] System.

The satellites produce the images that we see every night on local television weather reports.

Last January, the GOES-west satellite failed. That was the satellite which covered the west coast of the United States. As a result of that satellite failure, due primarily to old age, we have only one operational geostationary weather satellite.

To compensate for the failure of GOES-West, the GOES-East satellite was repositioned over the central Western Hemisphere so that both the west coast and the east coast would have satellite coverage.

Having only one geostationary satellite delays by a day or more our capability to detect hurricane formation beyond Hawaii or near Africa.

The next GOES satellite is not scheduled to be launched before late 1990.

Should the second GOES satellite fail, we would be totally without geostationary weather satellite coverage.

Funding for this program is so tight that money for the GOES satellite was included in the dire emergency supplemental appropriations bill earlier this summer.

Mr. Chairman, H.R. 2427 would provide additional funding authorization so if we are to maintain the Satellite Development Program on schedule and to minimize the possibility of experiencing a period of time with no geostationary weather satellite coverage.

Mr. Chairman, it is also critical that we authorize sufficient funds to enable the National Weather Service to modernize its vintage equipment. The equipment currently in use is representative of the technology of the 1950's. It is outdated, outmoded, and in many cases, unreliable and inoperative. It is essential that we move as rapidly as possible to take advantage of improved forecasting capabilities through modernization of the weather service.

The key component in this modernization effort is the next generation radar system [NEXRAD] which is designed to replace the aged radar systems currently used to provide short-term warnings and forecasts of severe weather and precipitation.

The current radar system has been increasingly troubled by breakdowns, outages, a lack of spare parts, and delay in the delivery of modification kits often needed to enable spare parts to fit outdated and outmoded radar equipment.

For example, on November 28, 1988, tornadoes in North Carolina killed four people, injured 157 people, left 982 people homeless, and caused $77 million in damage. The National Weather Service offices in North Carolina did not provide any advance warning of the tornadoes, and no watch was issued prior to the initial tornado.

In fact, the Raleigh-Durham radar had been out of service for 8 days, due to the lack of spare parts and spare part modification kits, as well as problems with the spare part distribution system.

The National Weather Service's internal investigation of the incident, the natural disaster survey report of the North Carolina tornadoes of November 28, 1988, made a number of recommendations to improve the NWS hazardous weather warning system. The final recommendation in the report concluded:

> Overriding all is a compelling, almost desperate, need to upgrade and replace the nation's aged system of weather radars. These actions must be expedited to prevent another devastating surprise such as we witnessed on November 28, 1988.

Mr. Chairman, the NEXRAD Radar Program and the overall plan to modernize the equipment used by the National Weather Service is a critical national priority.

Mr. Chairman, H.R. 2427 also authorizes the Landsat Program.

As you know, land remote-sensing satellites have been used to provide information on oil and mineral deposits, hydrological patterns, vegetation patterns for agricultural applications and forest management, wildlife habitat analysis, coastal zone management, global climate change research, environmental monitoring, and information on other renewable and nonrenewable resources.

In recent years, Landsat data have also been increasingly useful in the defense and intelligence communities. In fact, civilian land remote-sensing photographs have appeared in Defense Department studies of Soviet military power.

The Science, Space, and Technology Committee played a major role in drafting and passing the Land Remote-Sensing Commercialization Act of 1984 (Public Law 98-365), which provided for a subsidized 10-year transition of Landsat operations from the Government to the private sector.

Since the very day the contract was signed, however, funding for the follow-on system has been a major problem. The administration requested no funding for the EOSAT contract in fiscal year 1986 or fiscal year 1987. The administration did seek funding in the fiscal year 1988 budget for a one-satellite (Landsat 6 only) system, but the plan was rejected as inadequate by the Senate Appropriations Committee in January 1987.

Mr. Chairman, in March 1989, the Landsat Program once again faced a funding crisis. For fiscal year 1989, the administration "zeroed out" funding for Landsat operations, proposing a $26 million reduction in funding for Landsat operations.

Congress, in the conference agreement for the fiscal year 1989 Commerce, Justice, State, and Judiciary appropriations bill had provided only 6 months of funding ($9.4 million) for the operation of the Landsat 4 and Landsat 5 satellites. That funding level was the result of continuing budgetary restraints and the assumption that one or both of the satellites would fail during the first 6 months of the fiscal year.

Both satellites, however, are continuing to operate beyond their designed lives; and recent evaluations indicate that, barring any unforeseen circumstances, one or both of the satellites may continue to operate through 1990 or beyond.

The committee is gratified that the Vice President and the National Space Council were willing to undertake a review of the Landsat Program earlier this year. Through their intervention, the council was able to secure a stable funding profile for Landsats 4 and 5 for fiscal year 1989. Funding for fiscal year 1990, however, is still in doubt since no funding was provided in the House version of the appropriations bill.

The loss of these Landsat satellites would interrupt the availability of remote sensing data for key government, scientific and foreign users; abandon the substantial Federal investment ($1.5 billion) in a highly valuable data acquisition system; and severely damage, if not destroy, the Landsat commercialization initiative.

Mr. Chairman, I urge my colleagues to support the Landsat Program as authorized in H.R. 2427.

Mr. Chairman, I would like to thank: Congressman SCHEUER, the chairman of the Natural Resources, Agricultural Research, and Environment Subcommittee; Congresswoman SCHNEIDER, the ranking Republican of that subcommittee; and Congressman WALKER, the ranking Republican of the Committee on Science, Space, and Technology for their hard work in putting together this bipartisan package.

Mr. Chairman, I reserve the balance of my time.

□ 1530

Mr. WALKER. Mr. Chairman, I yield myself 5 minutes. Mr. Chairman, H.R. 2427 is really a pretty good bill. It is a bipartisan package that was originally negotiated by the Subcommittee on Natural Resources, Agricultural Research and Environment and its chairman, the gentleman from New York, [Mr. SCHEUER] and the ranking Republican on that subcommittee, the gentleman from Rhode Island [Mr. SCHNEIDER].

It is a fiscally responsible bill which meets the CBO 1990 baseline allowance which is approximately $850 million. I want to greatly commend the subcommittee chairman and the vice chairman for working this out.

Mr. ROE and I were very happy to proceed ahead with the work that they originally accomplished. I think amongst us we have come up with a pretty good piece of legislation.

In fact, I think we ought to point out that this bill is fiscally responsible. The fiscal year 1990 level in this bill is $20 million lower than the $880 million currently authorized in 1989.

This is a 3-year authorization which allows for sound, long-term planning and decreases in fiscal year 1992 which would allow for certain fluctuations in satellite costs.

This is a bill that does allow for completion of the land remote sensing satellite system, the commercialization of that system and continuation of Landsat operations consistent with Vice President QUAYLE's National Space Council plan.

It is a bill which meets requested levels for the global climate-to-change research, and it is a bill which I think presents us with a credible, useful blueprint. Such a blueprint was presented to the House Committee on Appropriations back in the spring. It resulted in adequate funding being given in 1990 to the National Weather Service operations, unlike the situation that had held there in recent years.

Unfortunately, in my opinion, there remains one serious shortfall in the House appropriations bill, as passed this House for 1990. That is for the operation of the Landsat system.

That Landsat system is absolutely critical to oil, gas and mineral exploration, agricultural planning, global environmental monitoring, and it seems to me that we ought to restore the system and maintain it until the private sector is able to assume full control.

Passage of this bill today will send a strong message of support to the Senate that the Landsat funding in their appropriations bill should be such that we accomplish all those things.

You know when you look at what you are able to get out of the Landsat satellite, it is phenomenal the amount of technical information we can receive.

For example, information relating to the drought and famine is something which can be gotten from this satellite. When we praise our colleague MICKEY LELAND, who was on his mission to Ethiopia when he was killed, it is interesting to note that some of the information that we can get about the spreading problems in Africa with regard to drought can be obtained from the Landsat satellite.

It is also technology which could help us in the drug war if it was adequately applied.

You can spot certain kinds of drug growth or crop growths that would allow you to pinpoint where drugs are being grown in various parts of the world through use of this satellite technology if we were to use it effectively.

I might also point out that back at the time of Chernobyl, one of the places where our media was able to get information about the extent of the damage at the Chernobyl site was through the images from the Landsat satellite.

To lose such a system would be tragic. I would hope that we would proceed ahead, as this bill that we have before us envisions, and allow that satellite system to continue to remain in operation so that the wealth of information it provides to humanity can continue to be available.

Mr. Chairman, I yield 5 minutes to the gentlewoman from Rhode Island [Ms. SCHNEIDER].

Ms. SCHNEIDER. Mr. Chairman, NOAA is an agency with a mission indispensable to the adequate understanding and management of our world's resources. H.R. 2427 provides adequate funding for important NOAA programs at the CBO-baseline. It is therefore a fiscally responsible proposal which I am glad to support.

This bill contains many valuable programs. However, I want to take a few minutes to briefly discuss three programs in particular: Research on global warming, Landsat, and the weather stations of the National Weather Service.

GLOBAL CHANGE

This bill fulfills the administration request for a substantial increase in the Global Change Program (including studies on the greenhouse effect) from $9 million in fiscal year 1989 to $20 million in fiscal year 1990.

Few issues could affect the state of the world as drastically as extensive global warming: 15 of the world's largest 25 cities are on the coast; 75 percent of the population of the United States lives within 50 miles of the ocean.

In addition to flooding, global warming could result in drought and severe

storms, permanently changing climate patterns.

NATIONAL WEATHER SERVICE

Earlier this year, the administration proposed closing nearly 100 weather stations throughout the country. However this bill authorizes a level of funding sufficient to ensure that we can keep our weather stations open until the badly needed modernization of the Weather Service is completed.

Stations at airports are especially important. Weather has been cited as a factor in a third of all fatal air carrier accidents. This is why I authored an amendment, included in this legislation, which would prevent the closing of any weather station at an airport, unless an air safety appraisal shows there will be no loss of air safety.

LANDSAT

Finally, this bill provides for the continued operation of the Landsat satellites.

Landsat provides us with an eye that watches over the state of the world resources. Without Landsat, we would lose sight of vital events ranging from agricultural production, to mineral exploration, to the spread of tropical deforestation.

In conclusion, I would like to note that this bill is a carefully crafted proposal worked out through the thoughtful hard work of subcommittee Chairman JAMES SCHEUER and full committee Chairman ROBERT ROE. Furthermore, this is a bipartisan compromise made possible in large part by the dedication of BOB WALKER, the Science Committee's ranking Republican. I therefore urge all of my colleagues to join in support of it.

Mr. ROE. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from North Carolina [Mr. PRICE].

Mr. PRICE. Mr. Chairman, I rise in support of H.R. 2427, and want to commend the chairman of the Natural Resources Subcommittee, Mr. SCHEUER, and full committee Chairman ROE, and ranking Republican members WALKER and SCHNEIDER for their work in bringing this bill before the House today.

In my brief remarks, I would like to address one program within the National Oceanic and Atmospheric Administration—the National Weather Service. Over the last 6 months, our subcommittee has conducted a careful investigation of the National Weather Service's ability to detect hazardous weather and issue timely warnings to the affected areas. Our scrutiny was prompted in part by a devastating tornado that tore through 9 North Carolina counties on November 28, 1989, killing 4 people, injuring 157 others and damaging hundreds of homes and businesses. Our subcommittee convened hearings in my district in March and again last month in South Carolina after yet another tornado ripped through the Spartanburg area.

During the course of our hearings, it has become apparent that the weather patterns in the southern coastal plain of the United States are changing. North and South Carolina have had a substantial increase in tornado sightings. By May of this year North Carolina experienced 15 actual tornadoes, and since then, we have had another 21 reported sightings. This is a substantial increase when one considers that in past years North Carolina averaged 10 tornadoes a year.

We also determined that eastern storm cells possess a unique character. They are smaller and much harder to detect than storm cells in the West and Midwest. This is important when we consider that currently all tornado research is conducted in the West and Midwest.

The Congress has made a commitment to implement the most advanced technology available to provide better storm warnings—and save lives. The underpinning of any technology is good research and this bill will allow the National Weather Service to move aggressively forward in this area. To address specifically the needs of the southeast region, my colleague, TIM VALENTINE, and I offered an amendment to focus a portion of severe storm research funding on the particular problem of storms in our region. I commend the committee for strengthening overall research funding for the National Weather Service for severe storms and tornadoes and for specifically allocating funds for research in the southeast.

I also want to commend the committee for the level of funding authorized for the next generation doppler radar or NEXRAD. We have seen, over and over again, incidents where forecast office staff were hamstrung by outdated technology, missing parts, and failures in surrounding weather backup radars. Such failures typify the deplorable condition of our current radar system. There is good evidence that the Doppler radar will detect severe storms and tornadoes more quickly than our current system. In fact, NEXRAD may increase our present lead time of 2 to 3 minutes to 25 or 30 minutes. This increased lead time could save hundreds of lives each year.

It is important that NEXRAD be given adequate funding so we can bring this new technology on line as quickly as possible. I am disappointed at the funding levels provided recently for NEXRAD and hope we can improve this situation with the cooperation of the administration and the appropriations committee in coming months. In the meantime, it is critically important that the National Weather Service and NOAA respect the admonition in our committee report against reprogramming or diverting funds that have been appropriated for NEXRAD development and deployment.

I urge my colleagues to support the passage of this important legislation and I yield back the balance of my time.

□ 1540

Mr. WALKER. Mr. Chairman, I yield 3 minutes to the gentleman from New Hampshire [Mr. SMITH].

Mr. SMITH of New Hampshire. Mr. Chairman, I rise today in support of H.R. 2427, the NOAA atmospheric and Satellite Authorization bill and to commend the leadership of the committee for their efforts in bringing this legislation to the floor.

I also want to alert my colleagues to language in this bill that would help ensure public safety, by preventing the loss of valuable weather services across the country.

Specifically, I refer to a provision of H.R. 2427 which prevents the closure, consolidation, automation, or relocation of National Weather Service offices unless the Commerce Department can first certify that there would be no resulting loss in weather service or aircraft safety. This language would safeguard stations targeted for closure in many States under the administration's new plan to modernize the National Weather Service.

Natural disasters threaten life and property in the United States on a regular basis, making it essential that we maintain adequate weather coverage. Hearings before the House this session have amply demonstrated the value of weather service stations in meeting this goal.

Shutting down weather stations in sole-station States could vastly reduce the reliability and timeliness of weather forecasts that many States now receive. During the particularly severe winters in my home State of New Hampshire, for example, our only weather station in Concord gives highway officials very specific assistance, including information about which ice reducing chemicals to use and when to apply them during a storm. These essential services may not adapt easily to automation or consolidation.

Passage of H.R. 2427 will ensure that State agencies, as well as firemen, policemen, and airline pilots continue to receive the critical information on which they now rely to do their jobs effectively in severe weather and emergency situations. With this in mind, I urge my colleagues to support this important legislation.

Mr. ROE. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from North Carolina [Mr. VALENTINE].

Mr. VALENTINE. Mr. Chairman, H.R. 2427 is important legislation that will be essential to fulfilling NOAA's congressional mandate. The funds re-

quested in the fiscal year 1990 authorization bill will enable NOAA to continue ongoing program activities and program increases in the high-priority areas of weather service modernization, climate and global change, and coastal ocean sciences. There are many significant provisions included in this bill, all of which I support, but I want to speak briefly about a section of the bill that is particularly important to me and to the Southeastern United States.

Because of the lack of existing research on severe storms and tornadoes in the Southeastern United States, the legislation authorizes $650,000 over a 3-year period beginning in fiscal year 1990 for weather research activities in the southeastern coastal plain region of the United States to be conducted by universities in this part of the country. Research into the unusual patterns of severe storm formation in this area will help us to better understand their development and thus provide better and more accurate public warnings.

During my first term in the House, the worst series of tornadoes in the Southeastern United States in 60 years claimed 59 lives and caused hundreds of millions of dollars in damage in both North and South Carolina. This scene has become all too familiar to me and to those of us whose congressional districts in the Southeast have suffered devastation as a result of these natural catastrophes.

Mr. Chairman, certainly we cannot prevent the occurrences of severe and sudden weather outbursts. We can, however, provide mechanisms to ensure that we can forecast these changes accurately and disseminate our predictions in a timely manner. One way is to ensure that we understand weather phenomena in the southeastern part of the country.

It is important to recognize the extent of this problem in North Carolina and neighboring States. For example, from January through the end of May 1989, the National Severe Storm Research Center in Kansas City reported a total of 15 tornadoes in North Carolina. Preliminary data from the Center also indicate that during the period between June and September 4, 1989, a total of 21 tornadoes were reported. The number of tornadoes and severe thunderstorms for the entire Southeast, which includes the States of Alabama, Florida, Georgia, South Carolina, Virginia, and North Carolina, has been unsually high with a total number of 86 occurrences between January and May 1989, compared with actual occurrences and reported sightings in "Tornado Alley," the Midwest.

During field hearings in North Carolina, the Subcommittee on Natural Resources learned that the conditions that produce tornadoes east of the Appalachians are entirely different from conditions that produce tornadoes in the Plains and Midwestern States. In the East, the air is more stable. When severe weather develops in this area, it usually occurs in a low pressure cell, near the weather front, and upper level winds are generally on top of the low pressure. These conditions make it impossible to detect tornado cells and thus prevent advanced warnings using current technology.

In the West and Midwest, on the other hand, moist air traveling up from the Gulf of Mexico and dry air coming in from the desert and West, create conditions conducive to severe storms and tornadoes.

Almost all of our federally funded tornado research has been done at the University of Oklahoma, where the types of tornadoes which occur west of the Appalachians have been studied. Radar criteria used by the National Weather Service to determine if a storm can produce tornadoes was basically developed in the Plains States and used in that area. Storms that produce tornadoes east of the Appalachians do not fit this radar criteria. Because of this, these weather conditions are usually categorized as "nonsevere," when in fact they very well might be developing devastating tornadoes.

The increase in severe storm activities in the Southeastern Plains region of the United States, make the research program authorized by this bill vital. It will help meteorologists understand more about these weather phenomena and, therefore, enable the public to take the necessary precautions to ensure safety.

The legislation before the House is fiscally responsible. In addition, the level of funds authorized will enable both the National Oceanic and Atmospheric Administration and the National Weather Service to modernize equipment and operations to ensure better weather predictions and forecasts. These services are an essential part of our daily lives, and this legislation is critical to maintaining confidence in Government agencies that are directly involved with public safety and emergency preparedness.

I commend the chairman of the full Committee, Mr. ROE, for his diligent and tireless efforts in bringing this matter before the House. I also commend the members of the House Science Committee for their bipartisan cooperation in getting this bill to the floor. I urge my colleagues in the House to support this bill.

Mr. WALKER. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. Mr. Chairman, I rise today in support of H.R. 2427, and congratulate subcommittee Chairman SCHUMER and the ranking Republican, gentlewoman from Rhode Island [Ms. SCHNEIDER] for their work on this bill. H.R. 2427 contains several important measures, including title IV—dealing with agriculture weather stations.

Title IV establishes a national agriculture weather information system within the Department of Agriculture.

This legislation will coordinate information gathering between universities, the National Weather Service, and the private sector, so that farmers may respond more rapidly to weather extremes.

Agriculture weather stations play a vital role within Florida. We consider ourselves fortunate to have one of the Nation's agriculture and fruit frost warning systems.

The weather system offers daily temperature forecasts, weekly weather summaries, and fire weather information. An additional purpose is the improvement of pest management and the efficiency of on-farm use of agriculture chemicals through timely weather information.

Producers will be able to make less frequent chemical applications, thereby reducing potential problems, such as ground-water contamination. I recommend that my colleagues vote in favor of H.R. 2427 and help to establish the national agriculture weather information system.

Mr. ROE. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Chairman, I want to express my strong support for the legislation before the House today to authorize funds for the National Oceanic and Atmospheric Administration [NOAA].

I would like to take this opportunity to point out to my colleagues just how critical some of NOAA's research is to preserving the quality of our global environment—or, more profoundly, to preserving any global environment at all.

Last summer, the growing dangers of global warming and of a possible greenhouse effect became very evident when temperatures reached record highs across the country. It led both the public and researchers to ask—was that simply a classic summer scorcher, or has the greenhouse effect begun?

This is a critical question that affects our economy, the public health, and our international security. Many billions of dollars in agricultural production are at stake just in the United States. The lives of many Americans and of people all around the world could be greatly affected by changes in current global climate patterns. That's particularly true along the coastal areas where so much of the world's population is concentrated and where we're most vulnerable to changes in sea level caused by global warming.

Fortunately, NOAA has been working on key parts of this question for years. It is one of a few Federal and private institutions that has been playing a leading role in providing sound scientific answers to questions about global climate change. Especially as our country begins to take actions to counter undesirable long-term changes in the global climate, it's clear that knowing the exact nature of the challenge that faces us is vital.

I am glad to report that the legislation before us today fully funds the President's request for $20 million in fiscal year 1990 for NOAA's research into global climate change. This is an important program, and well-worth funding.

In addition, I am very encouraged that this legislation would increase funding above the President's request in two other research areas which are also vital to the overall program of global change research.

In particular, the legislation would boost funding for atmospheric research by about $6 million above the President's request, and increase funding for climate and air-quality research by $8 million above the President's request. Research in these areas has been of great significance in understanding the physical and chemical nature of global climate change, which in turn is essential to figuring out how we can act to avoid environmental damage to our atmosphere on a global scale. These are important research programs that should receive more funds even in these times of tight budgets.

I recently met with some of our leading atmospheric scientists. The gripping message they delivered was this: We don't now know whether human activity may have already fouled the biosphere beyond its natural ability to recover and sustain itself—that is, whether we've pushed the planet past the point of no return. There is no more fundamental question to which to apply our scientific resources, and no more fundamental area of public policy to which to devote our public resources.

I urge my colleagues to support this legislation, which is critical to our continued study and understanding of the global climate.

Mr. WALKER. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. GREEN].

Mr. GREEN. Mr. Chairman, as the ranking minority member of the Subcommittee on VA, HUD, and Independent Agencies, which initiates appropriations for NASA, I have taken a great interest in the "Mission to Planet Earth" proposal.

As Members know, that proposal envisions a series of polar and geosynchronous satellites that would monitor environmental changes on Earth. NOAA will play an active role in that program.

Recently, the Congress received two reports that shed some light on the resources needed for the program. "Technology for the Mission to Planet Earth" deals with the needs within NASA. The second report, "Our Changing Planet, Fiscal Year 1990 Research Plan," lists the resources within each Federal agency—there are eight in all—that are needed for global change research.

Within NOAA, the report indicates that a total of $20 million in focused research money is required for fiscal year 1990, more than double that in fiscal year 1989 funding.

□ 1550

The Committee on Science, Space, and Technology has met that target of $20 million in fiscal year 1990 and proposes to go to $30 million in fiscal year 1991 and $40 million in fiscal year 1992. I congratulate them for that.

However, it concerns me that funds for other NOAA programs relevant to the mission to planet Earth seem to be dropping. I note especially that the satellite observing systems line, which is being proposed for an authorization level of $300.2 million in fiscal year 1990, is down from the appropriated level of $350 million in fiscal year 1989, although, in fairness to the committee, the level in the bill is well above the President's request. It seems to me that if we are to be moving forward on programs such as the mission to planet Earth, items such as that should actually be increasing.

This is a serious problem. The distinguished chairman of the committee has already described the difficult situation in which the Geosynchronous Operational Environmental Satellite Program finds itself. I think it is important that NOAA, with its existing infrastructure and experience in remote-observation satellites, play a significant role in mission to planet Earth.

Mr. Chairman, I hope that the Committee on Science, Space, and Technology will keep a benevolent eye on the program as the years go by.

Mr. ROE. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Texas [Mr. SARPALIUS].

Mr. SARPALIUS. Mr. Chairman, earlier this year Wichita Falls, a city in my district in Texas, celebrated a solemn anniversary, the 10th anniversary of a tornado that destroyed homes, businesses, and families.

Scientists say it hit with the force of an atomic bomb, and it cut through the very heart of the city leaving behind a path of destruction unequaled in the history of violent weather.

Yet at the very time the citizens of Wichita Falls were remembering those who lost lives in the terrible tornado, and celebrating the city's amazing recovery from the tragedy, their only defense against future tornadoes was under attack.

The National Weather Service actually was considering closing its station in Wichita Falls. Bit by bit, officials at the Weather Service and the Commerce Department began to realize this wasn't the wisest of moves. By May, we had secured a promise from the Secretary not to close the Wichita Falls station or 130 other threatened stations around the country.

Today, on the floor of this House, we have the opportunity to translate that promise into action. With the passage of H.R. 2427, we will provide the Commerce Department with the funding authorization necessary to keep these vital stations open.

Mr. Chairman, I ask the Members to join me in passing H.R. 2427, so that the citizens of Wichita Falls and many other cities can have the best possible protection against tornados like the one that affected so many lives 10 years ago.

Mr. WALKER. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. Mr. Chairman, I rise in support of the National Agricultural Weather Information System Act, title IV of H.R. 2427 which we are now considering. This act is intended to stimulate cooperation between the States, private weather companies, and various agencies of the Federal Government for the purpose of improving the availability of agricultural weather and climate information for producers. A very similar version of this act passed the House twice in 1988, first as title V of the Drought Relief Act (H.R. 5015), and then as title V of the Agricultural Research Act (H.R. 5056). The weather title was one of several measures dropped from the conference version of H.R. 5015, and H.R. 5056 was never acted on by the Senate in the 100th Congress.

This agricultural weather legislation, sponsored by Mr. BROWN of California, and cosponsored by myself and others, would set up a National Agricultural Weather Information System, to be operated by the USDA. During hearings on this act by my Agricultural Research Subcommittee, we heard that we are not making optimum use of the technology and knowledge currently relevant to agricultural weather and climate information.

Our agricultural sector is tremendously affected by weather extremes. It is thus prudent for the USDA, the States, and the private sector to work together to have the best possible agricultural weather information system. What this bill essentially does is to provide some structure and money for research, planning, developing, and coordinating an information system on

agricultural weather and climate data. The key participants will be the USDA, the National Weather Service, State climate programs, and State agricultural experiment stations, and the private weather sector. The end-users of the information system will be agricultural producers and agribusinesses.

There has been some concern among certain private weather consulting firms that this bill may set up a system which would compete with them. That is not the intent at all. The private weather sector is intended to be an important component of the information system, and the overall information system, including the private weather firms, will then be able to deliver appropriate and useful information to the end-users. None of the funding specified in the bill goes toward hiring Federal or State meteorologists to do forecasting.

By making higher quality weather and climate data available, and making it readily accessible, private companies will be able to spend more time utilizing the data and packaging it in a useful form, and spend less time trying to obtain the data. With a higher quality product, the private sector should be able to develop a larger customer base. Also, this weather and climate information system will fit into the general trend in agriculture to develop management information systems that can be utilized by producers, typically in consultation with specialists.

This legislation, by helping agricultural producers obtain better weather information, will allow producers to apply agricultural chemicals in a more timely and efficient fashion, and to optimize other management decisions in regards to crops and livestock. I urge my colleagues to support the National Agricultural Weather Information System Act, and vote in favor of H.R. 2427.

Mr. ROE. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Delaware [Mr. CARPER].

Mr. CARPER. Mr. Chairman, the bill authorizes a lot of money—a lot of money to modernize our National Weather Service. In 1990, we are authorizing $125 million, in 1991 over $130 million, and in 1992 in excess of $110 million.

Why would we authorize all that money? Well, some of the things we are going to be buying are pretty expensive. State-of-the-art Doppler radars are not cheap, nor are automatic weather observation stations, nor are some of the super computers that are available and that we need; nor is it cheap to install and operate the new computerized display systems.

There are a number of weather stations around the country that the administration has shown some interest in closing. They have looked at about 130 or 132 of them, as I recall. The Secretary of Commerce has withheld, and I think prudently, from closing any of those stations until the new automated systems are in place. The bill that is before us today provides continued funding for these 132 weather stations for now. It does not deny in the future the ability of the Secretary of Commerce to certify some of those stations can be closed as long as those closings do not adversely affect weather services therein.

There are a number of small States, among those small States Vermont, New Hampshire, and Delaware, which have only one station, a single, solitary weather station in the entire State. The residents of our States, as the Members might understand, are particularly sensitive and concerned about those weather stations being precipitously closed by the Secretary of Commerce. This legislation is, I think, appropriately sensitive to those concerns, and I want to thank the chairman and the ranking Republican member and the members of the committee who have crafted this legislation and have structured and demonstrated that sensitivity.

The legislation says that not only must the Secretary certify that a closing of a station in one of those small States would not adversely affect weather services available, but it goes beyond that. It says the Secretary must first evaluate the effect on weather services that are provided to in-State users, and the legislation goes on to mention some of those in-State users, such as State services, civil defense officials, and local public safety officials. And the legislation further requires—and I am especially pleased to see this—that with any certification to close a weather station in a State with only one weather station the Secretary must certify that a comparable level of weather services be provided to in-State users in the future, services that are almost as good, not nearly as good but comparable.

Mr. Chairman, again I want to thank the committee for the way this language has been structured, and I urge adoption of the legislation.

□ 1600

Mr. ROE. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from South Carolina [Mrs. PATTERSON].

Mrs. PATTERSON. Mr. Chairman, today we are considering an important piece of legislation which will authorize the National Weather Service for the next 3 years. As my colleagues know, the Weather Service is in the midst of a modernization plan which will incorporate state-of-the-art Doppler radar systems, automated weather observation stations, supercomputers, and new computerized display systems.

But, Mr. Chairman, as good as this new, modernized weather service plan appears, I have serious concerns about the safety of American lives and property if we come to rely completely on an automated weather system.

Thanks to committee Chairman ROE and subcommittee Chairman SCHEUER, I recently held a hearing in the Fourth Congressional District of South Carolina which sought to gather information about the affect of the weather service modernization program on an area which could lose its local weather forecasting station. At that hearing, we heard from local emergency preparedness officers and airport officials. They expressed the grave importance of accurate, up-to-date weather service information during a severe weather crisis. Neither they, nor I, were convinced that such information could be made available through a completely automated system controlled from a distant location.

At that same hearing, we heard from experts in the field of meteorology who questioned the abilities of the new Nexrad radar system to spot certain types of severe weather at extreme distances. Estimates of the effective range of the new radar systems vary from as high as 125 miles to as low as 30 miles.

That is why I am pleased to note that this bill contains provisions requiring that the Weather Service provide proof to Congress that there will be no degradation of service to any affected area before a weather service office is closed. The bill further prohibits the closure of any office located at an airport until the Commerce Secretary certifies that there will be no degradation of aircraft safety.

I also want to commend my colleagues Mr. PRICE and Mr. VALENTINE for incorporating language in the bill which will provide much needed funding for research into tornadoes and severe thunderstorms in the Southeastern United States. Over the past few years this region has experienced a significant increase in severe weather activity. Already this year, 86 tornadoes have been confirmed in southeastern States, with another 84 unconfirmed sitings still under investigation. Research is desperately needed to help understand and predict the possibility of these hazardous storms. The information gained from this research will help us to predict these storms, saving lives and reducing the millions of dollars in property damage suffered each year.

Mr. Chairman, each of these worthy proposals has my full support. I am committed to seeing that this country continues to get the best possible weather service in the future. I urge my colleagues to support H.R. 2427.

Mr. CHANDLER. Mr. Chairman, I rise today in support of H.R. 2427, the 1990 NOAA authorization bill.

As a pilot, I would like to point out two areas in the bill where the subcommittee's work will save lives.

First, the bill provides that no currently operating weather station, located at an airport, may be closed, unless, after an air safety appraisal, the National Weather Service can certify to Congress that there will be no decrease in aircraft safety.

Second, the subcommittee has recommended that the Weather Service reopen certain contract weather observation stations that were closed in mountain passes of the Pacific Northwest during the last budget crunch. We have already lost one pilot in the area in what appears to be a weather-related accident. His plane has yet to be located. The work of the subcommittee will help prevent further such accidents.

I would like to thank the subcommittee chairman [Mr. SCHEUER], the ranking member [Mrs. SCHNEIDER], and the subcommittee staff for putting together such a farsighted bill. The Natural Resources Subcommittee has an important responsibility and has carried its responsibility very thoughtfully and well.

I would also like to thank the chairman of the full committee [Mr. ROE], and the ranking member [Mr. WALKER], for their followup work with the National Weather Service. Through personal experience, the chairman is familiar with the weather problems in our area. I deeply appreciate his help.

H.R. 2427 is a well-drafted bill that I again emphasize will save lives. I urge my colleagues to support this bill.

Mr. DORGAN of North Dakota. Mr. Chairman, in regard to the proposed NOAA Atmospheric and Satellite Programs authorization, H.R. 2427, I would like to congratulate the committee for its wisdom in providing sufficient funding to keep open the 132 National Weather Service offices that the administration wanted to close. I also would like to point out some concerns that I have about the NWS plans to upgrade their system with the Next Generation Weather Radar—Nexrad.

In the March 1989 Strategic Plan for National Weather Service modernization, I would like to quote the following paragraph from page 3:

> The most deadly of our Nation's weather events—tornados, severe thunderstorms, and flash floods—are also the most difficult to detect and forecast. They form and exist at the small atmospheric scale . . . and are measured in minutes and tens of miles.

Although the Weather Service has put together a map showing the Nation's weather radar coverage—at 10,000 feet—with the Nexrad system in place, as being fairly complete, I worry about the lower level coverage and the potential impact on civil aviation in communities where the distances involved makes air travel an essential component in the transportation infrastructure.

Mr. Chairman, while the National Weather Service does not call for the changes at any NWS facilities in my district in the next fiscal year, the NWS modernization plan calls for the eventual elimination of the NWS weather radar at Williston, ND. This concerns me greatly since the nearest weather service radar will be at Minot—which is over 100 miles from Williston. The next closest Nexrad facility will be at Glassgow, MT—135 miles away. For the communities in this part of North Dakota and Montana the distances between these radars is very troubling indeed.

Mr. Chairman, I hope you will agree that complete weather radar coverage is essential for rural America. Under its modernization plan, I fear that the NWS may be saving money at the expense of adequate coverage for rural America.

Therefore, I urge the Science, Space, and Technology Committee not to allow the administration to close any of the rural NWS facilities unless the Weather Service can clearly demonstrate that these communities will receive adequate Nexrad weather radar coverage.

Mr. ROBERT F. SMITH. Mr. Chairman, today I rise in strong support of H.R. 2427, the National Oceanic and Atmospheric Administration Atmospheric and Satellite Programs authorization. This authorization includes funding to keep open up to 132 weather offices that the administration had considered closing. Although Secretary Mosbacher wisely decreed earlier this year that no Weather Service station would be closed immediately, he would have been compelled to close the stations unless given adequate authorization by Congress. H.R. 2427 provides the funding mechanism to carry out Secretary Mosbacher's pledge. Two weather stations in my district, in Klamath Falls and Burns, OR, have historically been on the Commerce Department's closure list.

The Weather Service stations in Klamath Falls and Burns provide valuable agricultural forecasts to the producers in the area. If these stations are closed, many people are concerned that long-range forecasts from other stations with radically different weather conditions will not give farmers accurate forecasts that are so crucial to their existence.

The weather station in Klamath Falls recently sent out radio warnings to the nearby community of Merrill of pending thunderstorms. One hour later the entire area was ravaged by 100-mile winds and hail, destroying buildings, uprooting trees, and causing major damage to area farmers and ranchers. Furthermore, in areas like Klamath Falls, the station is a help to the local economy, particularly with the increased emphasis on air traffic and development at Klamath Falls International Airport. The airport is one of the major underpinnings of Klamath Falls future economic growth and a weather facility that helps air traffic is a tremendous benefit.

In Burns, the Weather Service station is not only important to agriculture, it is a major asset to its health care system. With a small population in a rural area, Burns is short on doctors and relies on the Air-Life system to transport patients to hospitals hundreds of miles away. Without the weather forecasts, these planes could not safely utilize the airport.

Again, Mr. Chairman, I commend Secretary Mosbacher's understanding of this issue and urge my colleagues to support H.R. 2427.

Mr. KANJORSKI. Mr. Chairman, I rise to share with my colleagues information I recently gathered concerning the National Weather Service's Modernization Program. As chairman of the Post Office and Civil Service Subcommittee on Human Resources, I have had occasion to begin reviewing the modernization plans underway at the Weather Service, particularly as they relate to both staffing levels and the utilization of National Weather Service employees.

Based upon my preliminary review, it seems clear that much of the technology and the new systems planned for utilization by the Weather Service under its modernization plan will make important contributions to the quantity and quality of data collected for weather forecasting.

Nevertheless, I am concerned that the goal of these improvements does not appear to be limited to enhancing our data collection and weather forecasting. There also seems to be a strong motivation to drastically reduce the number of National Weather Service employees. Much of the funding necessary for the procurement of these advanced systems has apparently been earmarked to come from savings to be achieved by major personnel reductions. In fact, it has been estimated that there may be a 75-percent reduction in the number of National Weather Service employees by the time the modernization program is fully implemented.

This raises serious questions about the extent to which we will actually be achieving the full measure of weather forecasting enhancements which could be possible with the introduction of more sophisticated equipment. In addition, concerns have appropriately been raised that while broad-scale forecasting may be improved, it may also be more difficult for citizens to obtain the kind of quality localized weather information upon which they have come to depend.

This may be especially true in areas such as Alaska where weather patterns may be highly localized and timely local information is crucial to public safety. From my subcommittee's investigation, it is clear that in many coastal and interior parts of Alaska, highly variable weather conditions frequently present pilots and fishermen with life-threatening decisions. The shifting of manned weather observation stations, where people can call to obtain up-to-the-minute information and advice, to unmanned automated observation stations may save money, but it may also deprive individuals with the type of area-specific data which could save lives.

The bill before us today contains several important provisions relating to the implementation of the modernization program. For example, section 103 requires the Secretary of Commerce to submit a thorough plan detailing the requirements for the new equipment and technologies to be utilized, the necessary staffing levels, and funding requirements.

Of particular importance are the provisions of section 104 restricting the authority of the Secretary to close field offices. As the com-

mittee report accompanying this legislation notes:

The restrictions in section 104 regarding the Secretary's authority 'to automate' weather offices is not intended to restrict use of modern technology at weather offices, but only to prohibit the substantial or complete reduction of personnel and replacement with machinery operating in a manner essentially independent of external control.

Mr. Chairman, as we move forward with the unquestionably important goal of enhancing our weather forecasting system, we must also be mindful that there are additional important weather services performed by real people at our various weather observation stations. There very well may be personnel reduction which should appropriately accompany the adoption of new technologies. However, our goal should be in providing the best possible weather forecasting and information dissemination system.

The decision should not solely be a dollar and cents one of either updating our technology or protecting the jobs of Weather Service personnel. I am sure that some positions will and should be eliminated as a part of the modernization program. At the same time, however, I am very skeptical that we will not suffer any degradation in our weather services by eliminating 75 percent of the personnel.

The restraints imposed under this legislation make a valuable and extremely important contribution to our goal of improving our weather services, and I commend the committee for its foresight in this area.

Mr. Chairman, in the course of my subcommittee's investigation of the vital role the National Weather Service plays in providing timely information to the residents and key military installations in Alaska, I was interested that many of the comments we heard from Weather Service personnel and concerned citizens in Alaska were precisely the same sentiments expressed in my congressional district in northeastern Pennsylvania when rumors surfaced that our local Weather Service station at the Wilkes-Barre/Scranton International Airport might close. My constituents and I made it clear to the Secretary of Commerce that before we shut the doors of any weather stations, we must make sure that such actions will not result in a degradation of services to the local area.

While weather conditions in Alaska differ significantly from those in Avoca, PA, and the Wyoming Valley, the residents in both areas speak with one voice on this important issue: As plans are underway for technological improvements in Weather Service offices, we must not in the process sacrifice or in any way jeopardize the safety of those who live and travel in the affected regions.

That is why I am especially pleased that this bill before us includes specific language prohibiting the closure or relocation of any Weather Service field office without the Secretary's certification that the action will not adversely affect a particular region.

From Alaska to northeastern Pennsylvania, I have learned first-hand about the importance and work of these Weather Service field offices. I look forward to working further to make sure that we enhance our weather forecasting system without deleteriously affecting Weather Service employees and the communities that rely on this information.

Mr. ROE. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. WALKER. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered by titles as an original bill for the purpose of amendment, and each title shall be considered as having been read.

The Clerk will designate section 1.

Mr. ROE. Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 2427

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—NATIONAL WEATHER SERVICE

SEC. 101. OPERATIONS AND RESEARCH.

(a) There are authorized to be appropriated to the Secretary of Commerce (hereafter in this Act referred to as the "Secretary") to enable the National Oceanic and Atmospheric Administration to carry out the operations and research duties of the National Weather Service, $229,686,000 for fiscal year 1990, $310,406,000 for fiscal year 1991, and $321,090,000 for fiscal year 1992. Such duties include meteorological, hydrological, and oceanographic public warnings and forecasts, as well as applied research in support of such warnings and forecasts, but do not include duties described in section 102.

(b)(1) The Secretary shall direct the Office of the Chief Scientist of the National Oceanic and Atmospheric Administration to establish an advisory committee of tropical cyclone research experts to make recommendations for Atlantic tropical cyclone research activities and Atlantic tropical cyclone reconnaissance procedures.

(2) The Secretary, working jointly with other agencies as appropriate and utilizing the expertise of the advisory committee established under paragraph (1), shall establish a 5-year program for collecting operational and reconnaissance data, conducting research, and analyzing data on Atlantic tropical cyclones to assist the forecast and warning program and increase the understanding of the causes and behavior of Atlantic tropical cyclones.

(3) Within one hundred and twenty days after the date of enactment of this Act, the Secretary shall develop and submit to the Congress a management plan for the program established under paragraph (2) which shall include organizational structure, goals, major tasks, and funding profiles for the five year duration of the program.

(c) Of the sums authorized under subsection (a) of this section, $250,000 for fiscal year 1990, $500,000 for fiscal year 1991, and $250,000 for fiscal year 1992 are authorized to be appropriated for the purposes of implementing subsection (b) of this section.

(d) Of the sums authorized under subsection (a) of this section, $5,000,000 for fiscal year 1990, $4,000,000 for fiscal year 1991, and $3,000,000 for fiscal year 1992 are authorized to be appropriated for the Stormscale Operational and Research Meteorology (STORM) program.

SEC. 102. SYSTEMS ACQUISITION.

There are authorized to be appropriated to the Secretary to enable the National Oceanic and Atmospheric Administration to carry out the public warning and forecast systems duties of the National Weather Service, $125,117,000 for fiscal year 1990, $132,100,000 for fiscal year 1991, and $113,100,000 for fiscal year 1992. Such duties include the development, acquisition, and implementation of major public warning and forecast systems.

SEC. 103. WEATHER SERVICE MODERNIZATION.

(a) The Secretary shall prepare and submit to Congress before October 1, 1989, a National Implementation Plan for the modernization of the National Weather Service. The National Implementation Plan shall include—

(1) an overall schedule for modernization;

(2) detailed requirements for new technologies, facilities, staffing levels, and funding during the next two fiscal years beginning after the date of such submission, in accordance with the overall schedule for modernization;

(3) detailed plans and schedules for facility site procurement and preparation in accordance with the overall schedule for modernization;

(4) special measures to test, evaluate, and demonstrate key elements of the modernized National Weather Service operations before national implementation, including a multistation operational demonstration which tests the performance of all components of the modernization in an integrated manner for a sustained period; and

(5) detailed plans and funding requirements for meteorological research described in title II of this Act to assure that new techniques in forecasting will be developed to utilize the new technologies being implemented in the modernization.

(b) The Secretary shall submit a revised National Implementation Plan to the Congress before the beginning of each successive fiscal year, after consultation, as appropriate, with other Federal and public agencies responsible for providing or utilizing weather services.

(c) The Secretary shall include as part of the National Implementation Plan for fiscal year 1991 a description of the resources needed to conduct a demonstration of modernized weather forecasting technologies at a site in the northeastern United States. The description shall include a schedule for completion of the demonstration, estimates for necessary equipment and personnel, and an assessment of the value of conducting such a demonstration.

SEC. 104. CLOSURE, AUTOMATION, OR RELOCATION OF FIELD OFFICES.

(a) The Secretary shall not close, consolidate, automate, or relocate any National Weather Service Office or National Weather Service Forecast Office unless the Secretary has certified to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate that such action will not result in any degradation of weather services provid-

ed to the affected area. Such certification shall include—

(1) a detailed comparison of services provided to the affected area and the services to be provided after such action;

(2) any recent or expected modernization of National Weather Service operations which will enhance services in the affected area; and

(3) evidence, based upon operational demonstration of modernized National Weather Service operations, which supports the conclusion that no degradation in services will result from such action.

(b) The Secretary shall not close, consolidate, automate, or relocate any National Weather Service Office or National Weather Service Forecast Office located at an airport unless the Secretary first conducts an air safety appraisal to determine the effect of such action on aircraft safety, and includes in the certification required under subsection (a) a certification that such action will not result in a decrease in aircraft safety.

(c) The Secretary shall not close, consolidate, automate, or relocate any National Weather Service Office which is the only office in a State, unless the Secretary first evaluates the effect on weather services provided to in-State users, such as State agencies, civil defense officials, and local public safety offices, and includes in the certification required under subsection (a) a certification that a comparable level of weather services provided to such in-State users will remain.

TITLE II—ATMOSPHERIC RESEARCH

SEC. 201. CLIMATE AND AIR QUALITY RESEARCH.

(a) There are authorized to be appropriated to the Secretary to enable the National Oceanic and Atmospheric Administration to carry out its climate and air quality research duties, $61,347,000 for fiscal year 1990, $74,762,000 for fiscal year 1991, and $83,481,000 for fiscal year 1992. Such duties include interannual and seasonal climate research, long-term climate and air quality research, and the National Climate Program.

(b) Of the sums authorized under subsection (a) of this section, $6,000,000 for fiscal year 1990, $8,000,000 for fiscal year 1991, and $6,000,000 for fiscal year 1992 are authorized to be appropriated for the implementation of a nationwide climate services system and applied climatology program.

(c) Of the sums authorized under subsection (a) of this section, $3,100,000 for fiscal year 1990, $3,700,000 for fiscal year 1991, and $3,700,000 for fiscal year 1992 are authorized to be appropriated for the activities of the National Climate Program and the Regional Climate Centers.

SEC. 202. ATMOSPHERIC PROGRAMS.

(a) There are authorized to be appropriated to the Secretary to enable the National Oceanic and Atmospheric Administration to carry out its atmospheric research duties, $46,328,000 for fiscal year 1990, $48,172,000 for fiscal year 1991, and $49,521,000 for fiscal year 1992. Such duties include research for developing improved prediction capabilities for atmospheric processes, as well as solar-terrestrial services and research.

(b) Of the sums authorized under subsection (a) of this section, $250,000 for fiscal year 1990, $250,000 for fiscal year 1991, and $150,000 for fiscal year 1992 are authorized to be appropriated for tornado and severe thunderstorm weather research activities in the southeastern coastal plain region of the United States.

SEC. 203. CLIMATE SERVICES SYSTEM MODERNIZATION.

(a) The Secretary shall direct the Office of the Chief Scientist of the National Oceanic and Atmospheric Administration to prepare and submit to Congress, not later than one year after the date of enactment of this Act, a plan for the implementation of a nationwide climate services system and applied climatology program. Such plan shall include detailed requirements and schedules for the improvement of (1) the timeliness of climate services, (2) the spatial coverage of weather observational networks, (3) the quality control of climate data, (4) access to climate data, (5) the use of climate data, (6) the coordination of Regional Climate Centers with Federal climate centers, and (7) private sector participation in providing climate services.

(b) Of the sums authorized under section 201(a), $200,000 are authorized to be appropriated for fiscal year 1990 for the purposes of implementing subsection (a) of this section.

TITLE III—NATIONAL ENVIRONMENTAL SATELLITE, DATA, AND INFORMATION SERVICE

SEC. 301. SATELLITE OBSERVING SYSTEMS.

(a) There are authorized to be appropriated to the Secretary to enable the National Oceanic and Atmospheric Administration to carry out its satellite observing systems duties $300,297,000 for fiscal year 1990, $324,055,000 for fiscal year 1991, and $241,789,000 for fiscal year 1992. Such duties include spacecraft procurement, launch, and associated ground station system changes involving polar orbiting and geostationary environmental satellites and land remote sensing satellites, as well as the operation of such satellites.

(b) The authorization provided for under subsection (a) of this section shall be in addition to funds authorized under the Land Remote-Sensing Commercialization Act of 1984 (15 U.S.C. 4201 et seq.) for the purpose of carrying out such duties relating to satellite observing systems.

(c) Of the sums authorized under subsection (a) of this section, $350,000 for fiscal year 1990, $250,000 for fiscal year 1991, and $250,000 for fiscal year 1992 are authorized to be appropriated for geologic sea surface research and basic geologic remote sensing for energy resources at the Cooperative Institute for Applied Remote Sensing.

SEC. 302. ENVIRONMENTAL DATA MANAGEMENT.

There are authorized to be appropriated to the Secretary to enable the National Oceanic and Atmospheric Administration to fund those duties relating to data and information services, $30,000,000 for fiscal year 1990, $31,200,000 for fiscal year 1991, and $32,448,000 for fiscal year 1992. Such duties include climate data services, ocean data services, geophysical data services, and environmental assessment and information services.

TITLE IV—AGRICULTURAL WEATHER INFORMATION

SEC. 401. SHORT TITLE.

This title may be cited as the "National Agricultural Weather Information System Act of 1989".

SEC. 402. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) a major cause of variability and losses in agricultural production is weather and climate factors;

(2) extreme weather conditions, such as drought, appear to be occurring more frequently, and further climate changes are likely;

(3) the Federal Government has repeatedly assumed responsibility for emergency aid to agricultural producers who suffer losses due to weather;

(4) it would be prudent and cost effective to prevent or reduce agricultural losses due to weather factors through better use of weather and climate information;

(5) current agricultural weather and climate information and its delivery to agricultural producers are not adequate; and

(6) better application of weather and climate information will help conserve water resources, allow agricultural chemicals to be applied in a more efficient fashion with less stress on the environment, and reduce energy consumption by improved management decision making.

(b) PURPOSES.—The purposes of this Act are to—

(1) provide a nationally coordinated agricultural weather information system, based on the participation of universities, State programs, Federal agencies, and the private weather consulting sector, and aimed at meeting the weather and climate information needs of agricultural producers;

(2) facilitate the collection, organization, and dissemination of advisory weather and climate information relevant to agricultural producers, through the participation of the private sector and otherwise;

(3) provide for research and education on agricultural weather and climate information, aimed at improving the quality and quantity of weather and climate information available to agricultural producers, including research on short-term forecasts of thunderstorms and on extended weather forecasting techniques and models;

(4) encourage, where feasible, greater private sector participation in providing agricultural weather and climate information, to encourage private sector participation in educating and training farmers and others in the proper utilization of agricultural weather and climate information, and to strengthen their ability to provide site-specific weather forecasting for farmers and the agricultural sector in general; and

(5) ensure that the weather and climate databases needed by the agricultural sector are of the highest scientific accuracy and thoroughly documented, and that such databases are easily accessible for remote computer access.

SEC. 403. AGRICULTURAL WEATHER OFFICE.

(a) ESTABLISHMENT OF THE OFFICE AND ADMINISTRATION OF THE SYSTEM.—The Secretary of Agriculture shall establish in the Department of Agriculture an Agricultural Weather Office to plan and administer the National Agricultural Weather Information System. The System shall be comprised of the Office established under this section and the activities of the State agricultural weather information systems described in section 406(b)(1).

(b) AUTHORITY.—The Secretary, acting through the Office, may—

(1) enter into cooperative projects with the National Weather Service, for support of operational weather forecasting and observation useful in agriculture, for joint workshops to train agriculturalists about the optimum utilization of agricultural weather and climate data, for joint development of improved computer models and computing capacity, and for efforts to enhance the quality and availability of weather and cli-

mate information needed by agriculturalists;

(2) obtain standardized weather observation data collected in near real time through State agricultural weather information systems;

(3) provide, through the Cooperative State Research Service, competitive grants under section 405 for research in atmospheric sciences and climatology;

(4) provide grants to eligible States under section 406 to plan and administer State agricultural weather information systems;

(5) coordinate the activities of the Office with the weather and climate research activities of the Cooperative State Research Service, the National Academy of Sciences, the National Science Foundation Atmospheric Services Program, and the National Climate Program;

(6) encourage private sector participation in the National Agricultural Weather Information System through mutually beneficial cooperation with the private sector, particularly in generating weather and climate data useful for site-specific agricultural weather forecasting; and

(7) represent the Department of Agriculture on agrometeorology and climate matters with the World Meteorological Organization, the Intergovernmental Program on Climate Change, and relevant science and technology agreements.

(c) APPOINTMENT OF DIRECTOR.—The Secretary shall appoint a Director to manage the activities of the Agricultural Weather Office and to advise the Secretary on scientific and programmatic coordination for climate, weather, and remote sensing.

SEC. 404. NATIONAL ADVISORY BOARD ON AGRICULTURAL WEATHER.

(a) ADVISORY BOARD.—

(1) The Secretary of Agriculture shall establish the Advisory Board on Agricultural Weather to advise the Director of the Agricultural Weather Office with respect to carrying out this title.

(2) The Board shall have nine members, appointed by the Secretary in consultation with the Director of the National Weather Service, of which two members shall be from each of the four Cooperative Extension Service Regions. Of the two members from each region, one shall be an agricultural producer and one shall be an agricultural or atmospheric scientist. At least two members of the Board shall be appointed from among individuals who are engaged in providing private meteorology services or consulting with a private meteorology firm.

(3) The Board shall elect a chairperson from among its members.

(4) Each board member shall be appointed for a three year term, except that to ensure that members of the Board serve staggered terms, the Secretary shall appoint three of the original members of the Board to appointments for one year, and three of the original members to appointments for two years.

(5) The Board shall meet not less than twice annually.

(6) Members of the Board shall serve without compensation, but while away from their homes or regular places of business in the performance of services for the Board, members of the Board shall be allowed travel expenses, including a per diem allowance in lieu of subsistence, in the same manner as individuals employed in Government service are allowed travel expenses under section 5703 of title 5, United States Code.

(b) FEDERAL ADVISORY COMMITTEE ACT.—Section 14(a)(2) of the Federal Advisory Committee Act (5 U.S.C. App. 2 section 14(a)(2)) shall not apply with respect to the Board.

SEC. 405. COMPETITIVE GRANTS PROGRAM.

(a) GRANTS.—With funds allocated to carry out this section, the Secretary of Agriculture may make grants, on a competitive basis, to State agricultural experiment stations, all colleges and universities, other research institutions and organizations, Federal agencies, private organizations and corporations, and individuals to carry out research in all aspects of atmospheric sciences and climatology that can be shown to be important in both a basic and developmental way to understanding, forecasting, and delivering agricultural weather information.

(b) PRIORITY.—In selecting among applications for grants under subsection (a), the Secretary shall give priority to proposals which emphasize—

(1) techniques and processes that relate to weather-induced agricultural losses, and to improving the advisory information on weather extremes such as drought, floods, freezes, and storms well in advance of their actual occurrence;

(2) improvement of site-specific weather data collection and forecasting; or

(3) impact of weather on economic and environmental costs in agricultural production.

SEC. 406. STATE AGRICULTURAL WEATHER INFORMATION SYSTEMS.

(a) GRANTS.—

(1) With funds allocated to carry out this section, the Secretary of Agriculture shall make grants to not fewer than 10 eligible States to plan and administer, in cooperation with the Director of the Agricultural Weather Office, the Administrator of the Cooperative Extension Service, the Administrator of the Cooperative State Research Service, and others as appropriate (such as the directors of the appropriate State agricultural experiment stations and State extension programs), advisory programs for State agricultural weather information systems.

(2) For purposes of selecting among applications submitted by States for such grants, the Secretary shall take into consideration the recommendation of the Advisory Board on Agricultural Weather and consult with the Director.

(b) ELIGIBILITY TO RECEIVE GRANTS.—To be eligible to receive a grant under subsection (a), the chief executive officer of a State shall submit to the Secretary an application that contains—

(1) assurances that the State will expend such grant to plan and administer a State agricultural weather system that will—

(A) collect observational weather data throughout the State and provide such data to the National Weather Service and the Agricultural Weather Office;

(B) develop methods for packaging information received from the National System for use by agricultural products (with State extension services and the private sector to serve as the primary conduit of agricultural weather forecasts and climatic information to producers); and

(C) develop programs to educate agricultural producers on how to best use weather and climate information to improve management decisions; and

(2) other assurances and information as the Secretary may require by rule.

SEC. 407. FUNDING.

(a) ALLOCATION OF FUNDS.—Not less than 15 percent and not more than 25 percent of the funds appropriated for a fiscal year to carry out this title shall be used for cooperative work with the National Weather Service entered into under section 403(b)(1). Not less than 15 percent and not more than 25 percent of the funds shall be used by the Cooperative State Research Program for a competitive grants program under section 405. Not less than 25 percent and not more than 35 percent of the funds shall be divided equally between the participating States under section 406. The remaining funds shall be allocated for use by the Agricultural Weather Office and the Cooperative Extension Service in carrying out generally the provisions of this title.

(b) LIMITATIONS ON USE OF FUNDS.—Funds provided under the authority of this title shall not be used for the construction of facilities. Each State or agency receiving funds shall not use more than 30 percent of such funds for equipment purchases. Any use of the funds in facilitating the distribution of agricultural and climate information to producers shall be done with consideration for the role that the private meteorological sector can play in such information delivery.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated $5,000,000 for each of the fiscal years 1990, 1991, and 1992 to carry out this title.

The CHAIRMAN. Are there any amendments to the bill?

AMENDMENTS OFFERED BY MR. LEWIS OF FLORIDA

Mr. LEWIS of Florida. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEWIS of Florida: On 20, following line 17, add the following new title:

TITLE V—TROPICAL CYCLONE RESEARCH PROGRAM

SEC. 501. SHORT TITLE.

This title may be cited as the "Tropical Cyclone Research of 1989".

SEC. 502. FINDINGS.

The Congress finds that—

(1) many areas of the United States, including those bordering the Atlantic Ocean and Gulf of Mexico, rely on data provided by the Department of Defense through the Air Force WC-130 weather reconnaissance aircraft to predict the intensity, speed, and direction of movement of tropical cyclones, including hurricanes and tropical storms;

(2) these same areas also rely on data collected by the Department of Commerce through the National Oceanic and Atmospheric Administration's satellite, radar, aircraft, and buoy technologies to predict tropical cyclone behavior and to conduct research on improving forecasts and warnings;

(3) satellites, including the Geostationary Operational Environmental Satellites, are an important source of tropical cyclone information, but they cannot provide the same quality of information as is supplied by weather reconnaissance aircraft;

(4) there is currently only one Geostationary Operational Environmental Satellite positioned over the United States and the loss of its ability to collect data would severely restrict tropical cyclone information gathering; and

(5) a vigorous research program in tropical cyclone behavior and forecasting is important if the accuracy of prediction of tropical cyclones is to be significantly improved.

SEC. 503. ESTABLISHMENT OF PROGRAM.

The Secretary of Defense and the Secretary of Commerce shall establish a 5-year joint program which expands the plan established in section 101(b) for collecting operational and reconnaissance data, conducting research, and analyzing data on tropical cyclones to assist the forecast and warning program and increase the understanding of the causes and behavoir of tropical cyclones.

SEC. 504. RESPONSIBILITIES.

(a) The Secretary of Defense shall have the responsibility for maintaining, flying, and funding tropical cyclone reconnaissance aircraft to accomplish the program established under section 2 and to transfer the data to the Secretary of Commerce, unless a joint agreement is reached, with the approval of both the Secretary of Defense and the Secretary of Commerce, for the transfer of such responsibility to an appropriate federal agency or department.

(b) The Secretary of Commerce shall have the responsibility of funding and carrying out data gathering and research by remote sensing, ground sensing, and other technologies necessary to accomplish the program established under section 503.

SEC. 505. MANAGEMENT PLANS.

(a) The Secretary of Defense and the Secretary of Commerce shall jointly develop, and, within 120 days after the date of enactment of this Act, submit to the Congress, a management plan for the program established under section 503 and section 101(b), which shall include organizational structure, goals, major tasks, and funding profiles for the 5-year duration of the program.

(b) The Secretary of Defense and the Secretary of Commerce shall jointly development, and, within 4 years after the date of enactment of this Act, submit to the Congress, a management plan providing for continued tropical cyclone surveillance and reconnaissance which will adequately protect the citizens of the coastal areas of the United States.

(c) The management plan and program shall provide for a minimum of the same level and quality of protection as the current tropical cyclone surveillance and reconnaissance program. The management plan and program shall in no way allow any reduction in the level, quality, timeliness, sustainability and area served, including the Hawaiian Islands, of both the existing principal and back-up severe storm reconnaissance and tracking systems.

Mr. LEWIS of Florida (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. LEWIS of Florida. Mr. Chairman, I would like to express my appreciation to Mr. ROE, the chairman of the committee, for his support regarding the field hearing in West Palm Beach this April, and for this program in general.

I also want to thank the subcommittee chairman, Mr. SCHEUER, for his leadership in holding hearings on hurricane surveillance research. Mr. WALKER, Mr. ASPIN, Mr. YOUNG, Mr. HUTTO, and others have also provided strong and valuable support for this program.

The field hearing was the first one ever held to examine hurricane research in depth, and its results were startling. Several expert witnesses testified that the accuracy of hurricane prediction has only marginally improved in the last 20 years.

To address this problem, I introduced H.R. 2479, the Tropical Cyclone Research Act. This bill, which is virtually identical to my amendment today, has attracted the bipartisan support of 22 cosponsors, including three committee chairmen.

My amendment will establish a 5-year interagency program to collect reconnaissance data, conduct research, and analyze data on tropical cyclones to assist in forecasting and increase the understanding of tropical cyclones.

My amendment does not call for any additional funds. It merely calls on the agencies to continue the funding already in place through 1990, and to initiate a study to design a management plan which will be reported to Congress within 120 days.

We need the Hurricane Hunters. We need better * * * more durable weather satellites. We need better land radar. In short, we need whatever it takes to adequately warn more than 100 million Americans living in harm's way.

Mr. Chairman, I strongly urge the passage of this amendment. This research program is essential if we are to improve hurricane forecasting to a level that is acceptable to the millions of coastal residents who rely on this data to warn them of life threatening storms.

Mr. ROE. Mr. Chairman, will the distinguished gentleman from Florida [Mr. LEWIS] yield?

Mr. LEWIS of Florida. I yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, I want to compliment the gentleman from Florida [Mr. LEWIS] extensively on his extraordinary work, not only on this amendment, but other amendments which he has offered over a period of time. I find myself again on behalf of the majority complimenting him on his work and accepting his amendment which he has added to the work of the committee.

Mr. Chairman, we will accept the amendment of the gentleman from Florida [Mr. LEWIS] as it is.

Mr. LEWIS of Florida. Mr. Chairman, I thank the chairman, the gentleman from New Jersey [Mr. ROE].

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of Florida. I yield to the gentleman from Texas.

Mr. ANDREWS. Mr. Chairman, I know that this amendment has been accepted, but I just want to compliment the gentleman from Florida [Mr. LEWIS] for his work on this. What this really means is 30-miles better accuracy in trying to determine where a hurricane is going to hit. Especially along our coast areas this can save lives and mean lots of dollars in saving for citizens that live in those areas that are so vulnerable.

Mr. Chairman, in Mexico last year, Hurricane Gilbert struck and killed over 300 people, and it left destruction of about $5 billion plus. Our ability to get into that hurricane and anticipate where it was going to strike meant so much and saved many lives.

Mr. Chairman, I compliment the gentleman from Florida [Mr. LEWIS].

Mr. Chairman, I want to praise Congressman LEWIS for introducing this amendment. It is urgently needed to insure that the coastal communities of our Nation receive protection from hurricanes. Currently, the Air Force and NOAA operate a Weather Reconnaissance Program which provides vital information regarding the exact location, strength, and wind distribution of hurricanes.

However, this program is in danger—danger we cannot afford. The Air Force—after agreeing to keep flying the Hurricane Hunters for 2 more years—has now indicated that they will drop the funding for these planes after the 1990 hurricane season.

This bill would mandate a 5-year program between the NOAA and the Air Force to monitor and collect data on hurricanes using Air Force aircraft and NOAA satellites.

So far we have been fortunate this hurricane season and have not experienced what is easily the most devastating force in nature. However, Texans and our neighbors along the gulf coast can well remember each of the hurricanes that pounded our shores.

Anyone who has ever lived through a hurricane has a healthy respect for them. In Mexico last year, Hurricane Gilbert left $5 billion in destruction and 318 deaths in its wake. Although this damage was devastating, it would have been worse if we did not have the fair warning. Without the reconnaissance missions flown by the Air Force Hurricane Hunters, the path of Hurricane Gilbert would have been unpredictable. The Hurricane Hunters improve the accuracy of prediction by as much as 30 miles.

It is absolutely essential that we show respect for hurricanes and vote today to ensure that this Government has a plan to keep flying the Hurricane Hunters.

Mr. CHANDLER. Mr. Chairman, I rise today in support of H.R. 2427, the 1990 NOAA authorization bill.

As a pilot, I would like to point out two areas in the bill where the subcommittee's work will save lives.

First, the bill provides that no currently operating weather station, located at an airport, may be closed, unless, after an air safety appraisal, the National Weather Service can certify to Congress that there will be no decrease in aircraft safety.

Second, the subcommittee has recommended that the Weather Service reopen certain contract weather observation stations that were closed in

mountain passes of the Pacific Northwest during the last budget crunch. We have already lost one pilot in the area in what appears to be a weather-related accident. His plane has yet to be located. The work of the subcommittee will help prevent further such accidents.

I would like to thank the subcommittee chairman [Mr. SCHEUER], the ranking member [Ms. SCHNEIDER], and the subcommittee staff for putting together such a farsighted bill. The Natural Resources Subcommittee has an important responsibility and has carried its responsibility very thoughtfully and well.

I would also like to thank the chairman of the full committee, Mr. ROE, and the ranking member, Mr. WALKER, for their followup work with the National Weather Service. Through personal experience, the chairman is familiar with the weather problems in our area. I deeply appreciate his help.

H.R. 2427 is a well-drafted bill that I again emphasize will save lives. I urge my colleagues to support this bill.

Mr. DORGAN of North Dakota. Mr. Chairman, I rise to commend the Committee on Science, Space, and Technology for its leadership in establishing the Agriculture Weather Office and Information System. The program is being initiated as part of the authorization for the National Oceanic and Atmospheric Administration, although it actually will be administered by the U.S. Department of Agriculture, under terms of H.R. 2427.

The committee wisely determined that we need to give increased attention to agriculture weather information because of the variability and losses in agricultural production due to climatic factors. It would certainly make good sense if we could reduce crop losses through a nationally coordinated agricultural weather information system.

I believe this is possible. The University of North Dakota's Center for Aerospace Sciences has pioneered work on cloud seeding and hail suppression, to cite a couple of examples. It has also made strides in predicting lightning and severe storms. Moreover, it has developed coordinated approaches to weather research involving both governmental agencies and the private sector.

UND's leadership has resulted in the establishment of a new Earth Systems Science Institute. The institute will utilize the resources of the nationally recognized Center for Aerospace Sciences to provide agricultural planners and food producers with more complete, timely, and versatile information about climate, weather, and water supply. The center will also take advantage of the presently untapped resource of satellite information and remote sensing for agricultural management and crop production. It further expects to play a key role in helping to track the impact of the greenhouse effect on farming.

As the Agriculture Weather Office gets underway, I certainly urge it to work closely with university programs and State weather agencies in developing accurate and useful agricultural weather information. There presently is no focused way to do this and this bill will help to fill the void. So I ask my colleagues to support this new venture.

Mr. SCHEUER. Mr. Chairman, although the National Oceanic and Atmospheric Administration [NOAA] is a little known agency outside of the Beltway, its activities have a significant positive impact on our lives every day.

Through the weather forecasting and warning network of the National Weather Service, NOAA provides the hurricane, tornado, thunderstorm and flash flood warnings so vital to the safety of all Americans.

Through their satellite information service, NOAA provides early warnings of hurricane development; search and rescue services for downed aircraft and ships in distress; and global environmental monitoring services.

Through the oceanic and atmospheric research conducted by NOAA, we have a better understanding of the impact of ocean pollution on our environment and of the global warming processes which may be causing major changes in our weather and climate.

Yet, this important agency, instead of being allowed to take its proper leadership role at the forefront of atmospheric and environmental science, has been reduced to fighting to maintain its very existence.

Mr. Chairman, NOAA's budget request for fiscal year 1990 is almost $100 million less than the amount that was appropriated for fiscal year 1989. And the funding level for fiscal year 1989 was clearly insufficient as Congress just recently approved dire emergency supplemental appropriations of $13.1 million for the National Weather Service and $13.2 million for the Geostationary weather satellite program.

These dire emergency supplemental appropriations were necessary in order to prevent the closure of 70–132 weather offices in fiscal years 1989–90, and to keep the Geostationary weather satellite program on schedule for a 1990 launch.

Mr. Chairman, H.R. 2427 authorizes us a total of $862 million for NOAA's programs under the jurisdiction of the Committee on Science, Space, and Technology. While that is an increase of $144 million over the budget request, it is only $11 million more than what was appropriated for fiscal year 1989, and is within the Congressional Budget Office's fiscal year 1990 baseline allowance.

H.R. 2427 authorizes appropriations for the progams of the National Weather Service; the National Environmental Satellite, Data, and Information Service, and the Office of Oceanic and Atmospheric Research.

The bill authorizes a number of especially critical programs including first, full funding in support of National Weather Service operations and technology modernization; second, additional funding for the Geostationary Operational Environmental Satellite [GOES] program; third, the Landsat 6 commercialization program and operational support for Landsats 4 and 5; and funding authorization for global climate change research activities.

The details of the funding authorizations contained in H.R. 2427 are shown in the following table:

H.R. 2427—NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

[Thousands]

	Fiscal year—			
	1989 authorization (Public Law 100–685)	1990	1991	1992
NOAA total (SS&T jurisdiction)	880,500	862,775	920,095	841,429
NATIONAL WEATHER SERVICE				
Operations and Research:				
Local Warnings and Forecasts		260,000	270,400	281,216
Central Forecast Guidance		30,042	31,033	31,902
Atmospheric and Hydrological Research		9,644	8,973	7,792
Operations subtotal	279,000	299,686	310,406	321,090
Systems acquisition:				
NEXRAD		86,267	81,600	62,600
ASOS		12,900	16,700	16,700
AWIPS		18,150	26,000	26,000
Class VII supercomputer		7,800	7,800	7,800
Public warning and forecast system subtotal	98,500	125,117	132,100	113,100
NWS total	377,500	424,803	442,506	434,190
NATIONAL ENVIRONMENTAL SATELLITE, DATA, AND INFORMATION SERVICE				
Satellite Observing Systems:				
Polar Orbiting system		21,533	109,975	125,793

H.R. 2427—NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION—Continued

[Thousands]

	1989 authorization (Public Law 100–685)	Fiscal year— 1990	1991	1992
Geostationary system		170,900	100,000	60,000
Landsat Operations		20,000	20,000	—
Landsat Commercialization		36,900	36,500	—
Environmental Observing Services		48,964	50,580	51,996
NOAA–Port		2,000	7,000	4,000
Satellite subtotal	383,000	300,297	324,055	241,789
Environmental Data Management System:				
Data and Information Services	25,000	30,000	31,200	32,448
NESDIS total	408,000	330,297	355,255	274,237
OFFICE OF OCEANIC AND ATMOSPHERIC RESEARCH				
Climate and Air Quality Research:				
Interannual and Seasonal Climate		13,397	15,397	13,397
Long Term Climate and Air Quality		24,845	25,665	26,384
Climate and Global Change		20,005	30,000	40,000
National Climate Program	3,238	3,100	3,700	3,700
Subtotal	51,000	61,347	74,762	83,481
Atmospheric Programs:				
Weather Research		41,862	43,559	44,779
Solar-Terrestrial Services		4,466	4,613	4,742
Subtotal	44,000	46,328	48,172	49,521
OAR subtotal (SS&T jurisdiction)	95,000	107,675	122,934	133,002
Grand total (SS&T jurisdiction)	880,500	862,775	920,695	841,429

While this legislation authorizes less money than I would have preferred, I do think it is a realistic compromise given current budget constraints.

This bill represents a solid consensus and is offered in the spirit of bipartisanship.

Mr. Chairman, I would like to thank Chairman ROBERT ROE, Congresswoman SCHNEIDER, Congressman WALKER, and their staffs for their assistance in putting together this bipartisan package.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of Florida. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I just want to congratulate the gentleman from Florida [Mr. LEWIS] for his amendment and say for the minority side that we certainly support the gentleman's efforts.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. LEWIS].

The amendment was agreed to.

AMENDMENT OFFERED BY MS. SCHNEIDER

Ms. SCHNEIDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. SCHNEIDER: Page 10, after line 22, insert the following new section:

SEC. 303. TRANSFER OF ARCHIVING RESPONSIBILITY FOR LAND REMOTE-SENSING DATA.

(a) FINDINGS.—The Congress finds that—

(1) section 602 of the Land Remote-Sensing Commercialization Act of 1984 (15 U.S.C. 4272) directs the Secretary of Commerce to provide for the archiving of land remote-sensing data for historical, scientific, and technical purposes, including long-term global environmental monitoring;

(2) the Secretary of Commerce currently provides for the archiving of Landsat data at the Department of the Interior's EROS Data Center, which is consistent with the requirement of such section 602(g) to use existing Federal Government facilities to the maximum extent practicable in carrying out this archiving responsibility;

(3) the Landsat data collected since 1972 are an important global data set for monitoring and assessing land resources and global change;

(4) the Secretary of the Interior maintains archives of aerial photography, digital cartographic data, and other Earth science data at the EROS Data Center that also are important data sets for monitoring and assessing land resources and global change;

(5) it is appropriate to transfer authority for section 602 of the Land Remote-Sensing Commercialization Act of 1984 to the Secretary of the Interior; and

(6) the Secretary of the Interior should explore ways to facilitate the use of archiving data for research purposes consistent with other provisions of such Act.

(b) AMENDMENTS.—The Land Remote-Sensing Commercialization Act of 1984 is amended—

(1) in section 402(b)(4), by inserting "of the Interior" after "Secretary";

(2) in section 602 (b), (c), (d), (f), and (g), by inserting "of the Interior" after "Secretary" each place it appears; and

(3) by adding at the end of section 602 the following new subsection:

"(h) In carrying out the functions of this section, the Secretary of the Interior shall consult with the Secretary to ensure that archiving activities are consistent with the terms and conditions of any contract or agreement entered into under title II, III, or V of this Act and with any license issued under title IV of this Act.".

Ms. SCHNEIDER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Rhode Island?

There was no objection.

Ms. SCHNEIDER. Mr. Chairman, I have an amendment to H.R. 2427 that would change the Land Remote-Sensing Commercialization Act of 1984 (P.L. 98-365). This amendment would transfer responsibility for archiving land remote-sensing data from the Department of Commerce to the Department of the Interior.

This amendment is based on a bill, H.R. 2873, which I introduced on July 12 at the request of the administration. H.R. 2873 has been cosponsored by key members of the Science, Space, and Technology Committee and the Interior Committee. These members include Representatives JAMES SCHEUER, BOB WALKER, MORRIS UDALL, DON YOUNG, and NICK JOE RAHALL. I thank them for their support.

Land remote-sensing data is important for a number of reasons including scientific research, environmental monitoring, and natural resource exploration. Any interruption in our ability to store or retrieve such data would be a serious loss. Therefore, the Secretary of the Department of Commerce has been given the responsibility to ensure the reliable and assessable archiving of Landsat data.

Currently, the Secretary of Commerce discharges this responsibility by passthrough funding to the Department of the Interior, which also maintains archives of aerial photography, digital mapping data, and related forms of information.

Because the Department of the Interior has handled this work in a satisfactory manner, the administration, with the support of the Department of Commerce, has requested that the Department be given direct responsibility

for this function. By legislating this transfer in authority, this bill would streamline agency operations, increase efficiency, and help to ensure access to Landsat data in the future.

In conclusion, I believe that this is a good-government amendment on behalf of a very valuable program and urge its adoption.

Mr. ROE. Mr. Chairman, will the gentlewoman yield?

Ms. SCHNEIDER. I yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, again I want to thank the gentlewoman from Rhode Island [Mrs. SCHNEIDER] profusely for her splendid work on this legislation and particularly this amendment. The majority reviewed it, and it is perfectly in accord with what we think should be done, and we thank the gentlewoman and accept her amendment.

Mr. WALKER. Mr. Chairman, will the gentlewoman yield?

Ms. SCHNEIDER. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I thank the gentlewoman from Rhode Island [Ms. SCHNEIDER] for all the work she put in on this bill. This bill is largely the result of a compromise she reached with the gentleman from New York [Mr. SCHEUER], and, as for her amendment, it is an excellent amendment, and the minority is very happy to accept it.

Mr. ROE. Mr. Chairman, will the gentlewoman yield?

Ms. SCHNEIDER. I yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, I also want to take this opportunity to thank the gentlewoman from Rhode Island [Ms. SCHNEIDER] as the ranking member on the subcommittee for the very exceptional job she has done in helping to coordinate and really put together what I believe to be, even though this is the first day back, the opening of the session, and maybe some people are not quite sure about how important a bill this is, but this is an extremely important bill to the country.

Mr. Chairman, I thank the gentlewoman from Rhode Island [Ms. SCHNEIDER] very much.

Mr. RAHALL. Mr. Chairman, I rise in support of the amendment offered by my colleague, the gentlelady from Rhode Island [Ms. SCHNEIDER]. This amendment seeks to transfer the funding responsibility for archiving land remote-sensing data to the Department of the Interior from the Department of Commerce.

Under current law, the National Oceanographic and Atmospheric Administration has funding authority over the archiving of remotely sensed data. But the actual archiving of this data is carried out by the U.S. Geological Survey at their Earth Resources Observation Systems Data Center through a memorandum of understanding with NOAA.

However, in the past few years, NOAA has neglected to include the funding for this activity as a budget item in its annual budget proposals and USGS has to seek other avenues to obtain the funding. Basically, this has become an administrative nightmare with one agency being tied to another for yearly funding requests.

As chairman of the Subcommittee on Mining and Natural Resources which has jurisdiction over the archiving activity of the U.S. Geological Survey, I strongly support adoption of this amendment.

The gentlewoman's amendment is aimed at transferring funding authority over archiving of land remote-sensing data from NOAA to the USGS, which will result in administrative simplicity by placing both archiving authority and operation at the USGS.

This action will also serve to further expedite the budget process by allowing the USGS to include this activity in its annual budget proposals to the Committee on Interior and Insular Affairs.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Rhode Island [Ms. SCHNEIDER].

The amendment was agreed to.

□ 1610

The CHAIRMAN. Are there further amendments? If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore. (Mr. KANJORSKI) having assumed the chair, Mr. LANCASTER, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 2427) to authorize appropriations for certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration, and for other purposes pursuant to House Resolution 230, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. VALENTINE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 380, nays 1, not voting 49, as follows:

[Roll No. 222]

YEAS—380

Ackerman	Dornan (CA)	Hutto
Alexander	Douglas	Hyde
Anderson	Downey	Inhofe
Andrews	Dreier	Ireland
Annunzio	Duncan	Jacobs
Anthony	Durbin	James
Applegate	Dwyer	Jenkins
Armey	Dymally	Johnson (CT)
Atkins	Dyson	Johnson (SD)
Baker	Early	Johnston
Ballenger	Eckart	Jones (GA)
Barnard	Edwards (CA)	Jones (NC)
Bartlett	Edwards (OK)	Jontz
Barton	Emerson	Kanjorski
Bateman	Engel	Kaptur
Bates	English	Kasich
Bennett	Erdreich	Kastenmeier
Bentley	Espy	Kennedy
Bereuter	Evans	Kildee
Berman	Fascell	Kleczka
Bevill	Fawell	Kostmayer
Bilbray	Fazio	Kyl
Bilirakis	Feighan	LaFalce
Billey	Fish	Lagomarsino
Boehlert	Flake	Lancaster
Bonior	Flippo	Lantos
Borski	Foglietta	Laughlin
Bosco	Ford (MI)	Leach (IA)
Boucher	Frank	Leath (TX)
Boxer	Frost	Lehman (FL)
Brennan	Gallegly	Lent
Brooks	Gallo	Levin (MI)
Broomfield	Gaydos	Levine (CA)
Browder	Gejdenson	Lewis (CA)
Brown (CO)	Gekas	Lewis (FL)
Bruce	Gephardt	Lewis (GA)
Bryant	Gibbons	Lightfoot
Buechner	Gillmor	Lipinski
Bunning	Gilman	Livingston
Bustamante	Gingrich	Lloyd
Byron	Glickman	Long
Callahan	Gonzalez	Lowery (CA)
Campbell (CA)	Goodling	Lowey (NY)
Cardin	Gordon	Luken, Thomas
Carper	Goss	Lukens, Donald
Carr	Gradison	Machtley
Chandler	Grandy	Madigan
Chapman	Grant	Manton
Clarke	Green	Markey
Clement	Guarini	Martin (IL)
Clinger	Gunderson	Martin (NY)
Coble	Hall (TX)	Matsui
Coleman (MO)	Hamilton	Mavroules
Coleman (TX)	Hancock	Mazzoli
Collins	Hansen	McCloskey
Combest	Harris	McCollum
Cooper	Hastert	McCrery
Costello	Hatcher	McCurdy
Coughlin	Hawkins	McDade
Cox	Hayes (IL)	McDermott
Coyne	Hayes (LA)	McEwen
Craig	Hefley	McGrath
Crane	Hefner	McHugh
Crockett	Henry	McMillan (NC)
Dannemeyer	Herger	McMillen (MD)
Darden	Hertel	McNulty
Davis	Hiler	Meyers
de la Garza	Hoagland	Mfume
DeLay	Hochbrueckner	Michel
Dellums	Holloway	Miller (CA)
Derrick	Hopkins	Miller (OH)
DeWine	Horton	Mineta
Dickinson	Houghton	Moakley
Dicks	Hoyer	Mollohan
Dingell	Hubbard	Montgomery
Dixon	Huckaby	Moody
Dorgan (ND)	Hunter	Moorhead

Morella	Robinson	Spratt
Morrison (CT)	Roe	Staggers
Morrison (WA)	Rogers	Stallings
Mrazek	Rohrabacher	Stangeland
Murtha	Ros-Lehtinen	Stark
Myers	Rose	Stearns
Natcher	Rostenkowski	Stenholm
Neal (MA)	Roth	Stokes
Nelson	Roukema	Studds
Nielson	Rowland (CT)	Stump
Nowak	Rowland (GA)	Synar
Oakar	Roybal	Tallon
Oberstar	Russo	Tanner
Obey	Sabo	Tauzin
Olin	Saiki	Thomas (CA)
Ortiz	Sangmeister	Thomas (GA)
Owens (NY)	Sarpalius	Thomas (WY)
Owens (UT)	Savage	Torres
Oxley	Sawyer	Towns
Pallone	Saxton	Traficant
Panetta	Schaefer	Traxler
Parker	Schiff	Udall
Parris	Schneider	Unsoeld
Pashayan	Schroeder	Upton
Patterson	Schulze	Valentine
Paxon	Schumer	Vento
Payne (NJ)	Sharp	Visclosky
Payne (VA)	Shaw	Volkmer
Pease	Shays	Vucanovich
Pelosi	Shumway	Walgren
Penny	Shuster	Walker
Perkins	Sikorski	Walsh
Petri	Sisisky	Watkins
Pickett	Skaggs	Waxman
Pickle	Skeen	Weber
Porter	Slattery	Weiss
Poshard	Slaughter (NY)	Weldon
Price	Slaughter (VA)	Whittaker
Pursell	Smith (IA)	Whitten
Quillen	Smith (NE)	Williams
Rahall	Smith (NJ)	Wilson
Rangel	Smith (TX)	Wise
Ravenel	Smith (VT)	Wolf
Ray	Smith, Denny (OR)	Wolpe
Regula	Smith, Robert (NH)	Wyden
Rhodes	Snowe	Wylie
Richardson	Solarz	Yates
Ridge	Solomon	Yatron
Rinaldo	Spence	Young (FL)
Ritter		
Roberts		

NAYS—1

Frenzel

NOT VOTING—49

Akaka	Ford (TN)	Neal (NC)
Archer	Garcia	Packard
Aspin	Gray	Scheuer
AuCoin	Hall (OH)	Schuette
Beilenson	Hammerschmidt	Sensenbrenner
Boggs	Hughes	Skelton
Brown (CA)	Kennelly	Smith (FL)
Burton	Kolbe	Smith, Robert (OR)
Campbell (CO)	Kolter	Sundquist
Clay	Lehman (CA)	Swift
Conte	Marlenee	Tauke
Conyers	Martinez	Torricelli
Courter	McCandless	Vander Jagt
DeFazio	Miller (WA)	Wheat
Donnelly	Molinari	Young (AK)
Fields	Murphy	
Florio	Nagle	

□ 1634

Messrs. CRANE, HANSEN, DANNEMEYER, and NIELSON of Utah changed their vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. WHEAT. Mr. Speaker, due to illness I was absent on rolcall no. 222. Had I been present, I would have voted "aye".

GENERAL LEAVE

Mr. ROE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on H.R. 2427, the bill just passed.

The SPEAKER pro tempore (Mr. KANJORSKI). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

EXPRESSING SORROW OF THE HOUSE AT THE DEATH OF THE HONORABLE LARKIN SMITH, REPRESENTATIVE FROM THE STATE OF MISSISSIPPI

Mr. WHITTEN. Mr. Speaker, I offer a privileged resolution (H. Res. 232) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 232

Resolved, That the House has heard with profound sorrow of the death of the Honorable LARKIN I. SMITH, a Representative from the State of Mississippi.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That when the House adjourns today, it adjourn as a further mark of respect to the memory of the deceased.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. WHITTEN] is recognized for 1 hour.

Mr. WHITTEN. Mr. Speaker, LARKIN and I were last together at Mississippi State University, only a short time before his death, where we joined with our colleagues in paying tribute to Senator John Stennis.

Although he had only a brief 7 months to serve in the House, LARKIN had made an impact in several areas. We had worked together on several projects of interest to the people of his district and the State.

With a background in law enforcement, Congressman SMITH brought to the House an expertise in law enforcement which served him in good stead in the war on drugs.

Although his congressional career was short, LARKIN had a long and dedicated career in public service.

To LARKIN's wife, and his family, we extend our greatest sympathies in their loss. We have lost a valued Member.

Mr. Speaker, I yield to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, I want to thank the gentleman from Mississippi [Mr. WHITTEN], dean of the Mississippi congressional delegation and also dean of House of Representatives, for yielding.

Mr. Speaker, I would inform the gentleman from Mississippi, if he has no objection, that I will call for a special order for LARKIN SMITH on September 12, Tuesday next.

Also, Mr. Speaker, I would like to say that there will be a memorial service today at 6:30 at the St. Peter's Catholic Church which is at 2d and C Streets, about three blocks from the Capitol, in memory of LARKIN SMITH.

I certainly hope on Tuesday next during the special order that Members from both sides of the aisle will participate, and again I appreciate the gentleman yielding.

Mr. WHITTEN. I thank the gentleman, and we are glad to have those remarks from our colleague.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois, the minority leader.

Mr. MICHEL. Mr. Speaker, I appreciate the distinguished dean of the House for yielding.

I regret that earlier in the day when there was a moment of silence given in eulogy to our late departed friends, LARKIN SMITH and MICKEY LELAND, that I was unavoidably called form the floor of the House.

As was indicated by the gentleman from Mississippi [Mr. MONTGOMERY] there will be a memorial service for LARKIN at 6:30 this evening.

□ 1640

Both the gentleman from Mississippi and I were privileged to be present at the funeral itself during the recess. I do not know that I have attended any larger funeral for a Member of Congress than I did the one for the gentleman from Mississippi, LARKIN SMITH.

It was held in the Civic Center in Biloxi. The entire arena was encircled with floral memorabilia from Members and loved ones from around the country. There were visitors from neighboring States in the law enforcement area.

LARKIN was indeed, in his relatively short period of time in this House, the possessor of an outstanding record. It is not always longevity that counts in the House but rather the quality of one's service.

LARKIN certainly demeanored himself beautifully as he served in this body. And those who still serve in this body regret very much that we are not going to be able to continue that valued service.

Mr. Speaker, I appreciate the gentleman yielding.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield again?

Mr. WHITTEN. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. I thank the gentleman for yielding further.

Mr. Speaker, I found out from the dean of the Texas delegation, the gentleman from Texas [Mr. BROOKS] that there has been a request for a special

order for Tuesday for MICKEY LELAND. I think that it would be best if I would probably request mine on Wednesday instead of Tuesday. I will make that request at a later time.

Mr. NIELSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Utah.

Mr. NIELSON of Utah. I thank the gentleman for yielding.

Mr. Speaker, I would like to comment on Representative LARKIN SMITH. I did not notice in the press any comment about his activity on the Committee on Government Operations. As a freshman he became a ranking member on the Human Resources and Intergovernmental Relations Subcommittee, which is a fine achievement for a freshman Representative.

We liked him very much on that committee. I just wanted to add that to the RECORD.

Mr. WHITTEN. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the resolution just adopted.

Mr. Speaker, I realize special services will be held later but numerous of our colleagues have paid tribute today to his memory.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

EXPRESSING SORROW OF THE HOUSE AT THE DEATH OF HON. MICKEY LELAND, A REPRESENTATIVE FROM THE STATE OF TEXAS

Mr. BROOKS. Mr. Speaker, I offer a privileged resolution (H. Res. 233), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 233

Resolved, That the House has heard with profound sorrow of the death of the Honorable Mickey Leland, a Representative from the State of Texas.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That when the House adjourns today, it adjourn as a further mark of respect to the memory of the deceased.

The SPEAKER pro tempore. The gentleman from Texas [Mr. BROOKS] is recognized for 1 hour.

Mr. BROOKS. Mr. Speaker, I offer the resolution because of the great service that MICKEY LELAND has rendered this Congress.

Mr. Speaker, I also will ask unanimous consent that I have a 1 hour special order at the close of business on Tuesday next in which other Members may make their statements and revise and extend them. I advise Members of that request at this time.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

Ther SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT AS MEMBERS OF FUNERAL COMMITTEE OF THE LATE HONORABLE MICKEY LELAND

The SPEAKER pro tempore. Pursuant to the order of the House of August 4, 1989, empowering the Speaker to appoint commissions, boards, and committees authorized by law or by the House, the Speaker did on August 19, 1989, appoint the following Members to attend the funeral of the late Honorable MICKEY LELAND:

Mr. BROOKS of Texas;
Mr. FOLEY of Washington;
Mr. GEPHARDT of Missouri;
Mr. GRAY of Pennsylvania;
Mr. GONZALEZ of Texas;
Mr. PICKLE of Texas;
Mr. DE LA GARZA of Texas;
Mr. ARCHER of Texas;
Mr. WILSON of Texas;
Mr. FROST of Texas;
Mr. LEATH of Texas;
Mr. STENHOLM of Texas;
Mr. FIELDS of Texas;
Mr. HALL of Texas;
Mr. ANDREWS of Texas;
Mr. BARTLETT of Texas;
Mr. BRYANT of Texas;
Mr. COLEMAN of Texas;
Mr. ORTIZ of Texas;
Mr. ARMEY of Texas;
Mr. BARTON of Texas;
Mr. BUSTAMANTE of Texas;
Mr. COMBEST of Texas;
Mr. DELAY of Texas;
Mr. CHAPMAN of Texas;
Mr. SMITH of Texas;
Mr. LAUGHLIN of Texas;
Mr. SARPALIUS of Texas;
Mr. EDWARDS of California;
Mr. CONYERS of Michigan;
Mr. ALEXANDER of Arkansas;
Mr. STOKES of Ohio;
Mr. DELLUMS of California;
Mr. RANGEL of New York;
Mrs. COLLINS of Illinois;
Mr. DOWNEY of New York;
Mr. FORD of Tennessee;
Mr. MINETA of California;
Mr. WAXMAN of California;
Mr. MARKEY of Massachusetts;
Mr. THOMAS A. LUKEN of Ohio;
Mr. BONIOR of Michigan;
Mr. KILDEE of Michigan;
Mr. WALGREN of Pennsylvania;
Mr. GARCIA of New York;
Mr. DIXON of California;
Mr. HALL of Ohio;
Mr. LEWIS of California;
Mr. MAVROULES of Massachusetts;
Mr. SYNAR of Oklahoma;
Mr. WOLPE of Michigan;
Mr. DORGAN of North Dakota;
Mr. DYMALLY of California;
Mr. FRANK of Massachusetts;
Mr. WOLF of Virginia;
Mr. HOYER of Maryland;
Mr. CARR of Michigan;
Mr. BATES of California;
Mr. DURBIN of Illinois;
Mr. EVANS of Illinois;
Ms. KAPTUR of Ohio;
Mr. MOODY of Wisconsin;
Mr. MRAZEK of New York;
Mr. OWENS of New York;
Mr. TOWNS of New York;
Mr. WHEAT of Missouri;
Mr. ACKERMAN of New York;
Mr. HAYES of Illinois;
Mr. ESPY of Mississippi;
Mr. HAYES of Louisiana;
Mr. HOLLOWAY of Louisiana;
Mr. KENNEDY of Massachusetts;
Mr. MFUME of Maryland;
Mr. PAXON of New York;
Mr. FAUNTROY of the District of Columbia; and
Mr. DE LUGO of the Virgin Islands.

APPOINTMENT AS MEMBERS OF FUNERAL COMMITTEE OF THE LATE HONORABLE LARKIN I. SMITH

The SPEAKER pro tempore. Pursuant to the order of the House of August 4, 1989, empowering the Speaker to appoint commissions, boards, and committees authorized by law or by the House, the Speaker did on August 16, 1989, appoint the following Members to attend the funeral of the late Honorable LARKIN I. SMITH:

Mr. WHITTEN of Mississippi; Mr. MICHEL of Illinois; Mr. GINGRICH of Georgia; Mr. MONTGOMERY of Mississippi; Mr. ESPY of Mississippi; Mr. PARKER of Mississippi; Mr. HUGHES of New Jersey; Mr. EDWARDS of Oklahoma; Mr. WEISS of New York; Mr. GUNDERSON of Wisconsin; Mr. DONALD E. "BUZ" LUKENS of Ohio; Mr. GALLEGLY of California; Mr. COX of California; Mr. DOUGLAS of New Hampshire; Mr. GOSS of Florida; Mr. JAMES of Florida; Mr. LAUGHLIN of Texas; Mr. MCNULTY of New York; Mr. SCHIFF of New Mexico; Mr. SMITH of Vermont; and Mr. STERNS of Florida.

THE VANDAL FLEETS OF THE PACIFIC

(Mr. FALEOMAVAEGA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FALEOMAVAEGA. Mr. Speaker, I want to commend the New York Times for its editorial commentary of yesterday concerning a very serious problem affecting marine life and mammals. Mr. Speaker, I am referring to drift net fishing that is now being conducted by some 800 fishing vessels from the countries of Japan and Taiwan.

Mr. Speaker, I do not have to be a mathematician, but if you figure that 1 vessel strings for about 60 miles, with 800 of these vessels doing this every day, that is 48,000 miles of drift net fishing.

Mr. Speaker, the dangers of drift net fishing are obvious—30 feet deep, 60 miles per stretch, this netting does not discriminate whether it catches albacore, dolphins, sharks, whales, whatever there is in existence. These nets are nets of death.

Mr. Speaker, these nets are sometimes broken and released accidentally from the mother vessels. What happens? The net continues to fish without any control since it is made of nylon and almost totally indestructible.

Mr. Speaker, I urge the President to put pressure on Japan and Taiwan to stop this insane method of fishing, and I hope my colleagues will join me in introducing legislation to control this.

[From the New York Times, Sept. 5, 1989]

VANDAL FLEETS OF THE PACIFIC

Driftnets, gigantic traps 30 miles long and 30 feet deep, are being deployed in great numbers by the fishing fleets of Japan, South Korea and Taiwan. These indiscriminate maws threaten to become a scourge of all animals that use the ocean's surface waters. Under pressure from Washington, Japan and Taiwan have at last agreed to station observers on their fishing vessels to measure what the nets do, but South Korea still truculently resists taking even this basic step.

Driftnets are cast in the evening, when fish rise to the surface, and retrieved the next day. Every animal larger than the mesh size is at risk. Seabirds, seals and dolphins are trapped along with the fish. No one yet knows what damage the nets do, but it could be considerable. Driftnets are now cast and retrieved some 50,000 times a year. In areas where fleets concentrate, the waters could be thoroughly depleted of all species caught by the nets, a loss that seems certain to affect the ocean's ecology.

The driftnet fleets seem already to be devastating Alaska's precious salmon fisheries. Though squid are the main target, some vessels deliberately set their nets in places where they take salmon, despite an international convention that migrating fish belong to the country of their home rivers. Alaskan fishermen predicted a catch of 40 million pink salmon last year, but only 12 million were taken. There were no biological reasons to explain the shortfall, and numerous immature salmon appeared for sale on Asian markets.

The uncontrolled behavior of the Japanese, South Korean and Taiwanese fleets suggests a policy of fishing out an area regardless of its sustainable yield and then moving elsewhere. Even if these countries have little respect for nature's balance, it's in their own interest to assess the effect of their fishing practices.

Fortunately Washington has a means of persuasion. In 1987 Congress passed a driftnet fishing law calling for an embargo on the fishery products of any country that undermines international conservation. Under this threat Japan has agreed to take nine observers on its 520 squid vessels. But it insisted on designating the vessels, and refused to accept radio transponders that would indicate if ships were straying into salmon migration routes. Last month, just at the deadline, Taiwan agreed to accept both observers and transponders. South Korea is now the only holdout.

The observers will share data with all countries involved and enable their biologists to assess and mitigate the impact of driftnets. Instead of stalling, the driftnet fishers would do better to take the initiative in agreeing on responsible management practices that respect the environment and foster maximum sustainable yields. The oceans may be large but not large enough to endure unfettered greed.

[From Pacific Islands Monthly, July 1989]

STANDING ALONE

The region is again awash with worries. The assassination of Malipu Balakau in Papua New Guinea and the Bougainville crisis are drawing the country deeper into trouble. Fiji is still striving to find a new constitution. The French are continuing nuclear testing in French Polynesia. The tiny atolls are facing being swamped by rising seas. And a drug haul points to a new heroin route through Vanuatu. But none of these is grabbing as much attention as the attempt to stop the use of driftnets in the rich South Pacific albacore fisheries.

The war against the "wall of death", as driftnets are now commonly known, is uniting the Pacific Island states like never before. Their fear is genuine; a collapse of fisheries in the south will deprive their canneries of stock and deny struggling economies much-needed foreign revenue. But as they unite against Japan and Taiwan they also expose the weakness of the small states to stand alone at a time of over-dependence on foreign economic aid. Japan and Taiwan are big aid donors to the region. Japan, in particular, has acquired a powerful influence. What they failed to conquer in World War Two they now buy with aid. This is why the struggle to remove Asian driftnetters from the South Pacific will be difficult.

It can be argued that Japan and Taiwan are using economic aid as leverage in their stand against a ban on driftnets. But it would be wrong to condemn individual island nations, some of which are among the poorest in the world, when they accept development aid funds from Taiwan and Japan. Albacore tuna is one thing. Financing development in countries where money is scarce, is another.

The Asians view the "wall of death" saga as an overreaction based on no concrete evidence from an indepth study of the southern fisheries. They want such a study made, the result of which can form the framework on an agreement on driftnets. This is one of the things that will be considered at the South Pacific Forum meeting in Tarawa this month. The politicians in that meeting might draw up an agreement for a regional ban on driftnets from the region's Economic Zones. There is little else they can do. Most in the Forum meeting know their countries have other worries. Back home they will be looking for money to fund essential development projects. When the time comes to find that money, it is most likely Japan and Taiwan will be the ones signing the cheques.

[From Pacific Islands Monthly, July 1989]

TRYING TO STOP THE SLAUGHTER

(The Pacific Islands are uniting like never before to eliminate the use of the destructive driftnets from the southern albacore fisheries. The issue will feature in discussions at the Forum meeting in Tarawa this month.)

Imagine if the Pacific fishing fleets of Taiwan and Japan dropped their driftnets end-to-end in one night from west to east. They would stretch from Sydney past Papeete, providing a 15-metre deep curtain that would hook fish, whales, turtles, ships' propellers, and even birds. Such is the frightening ability of the driftnets to "stripmine" the sea and empty it of its stock, hook line and sinker. This is why the nations of the Pacific are uniting like never before against its use in the rich southern albacore fishery and the Tasman Sea.

Now commonly known as the "wall of death", driftnets or gillnets are made of fine mono-multifilament nylon mesh deployed in straight lines to hang in the water like large curtains. They can be eight to 15 metres deep and are up to 60 kilometres long. Small floats keep them perpendicular to the surface and lead weights keep the bottom edge hanging straight down in the water.

Marine environmentalists say this is the most damaging method of fishing and causes irreversible ecological damage. "It's like dropping a bomb in the ocean, killing everything within reach and people come in, take what they want and throw the rest back into the sea," said research biologist Samuel LaBudde, of the international environmental organisation Earthtrust. "Few people can imagine how damaging this technology is to the resources of the sea. It's like stripmining the ocean."

The issue, now so sensitive it has overshadowed French nuclear testing in French Polynesia, will be the focus of the South Pacific Forum meeting in Tarawa this month. Consensus will be sought for a regional treaty backed by all member countries banning the use of driftnets in their economic zones and putting a black ban on all driftnet vessels needing harbour facilities for transhipment, refuelling and other services. Regional canneries will also be asked to stop buying albacore tuna from driftnet vessels.

The islands are getting the full backing of New Zealand and Australia. Both have imposed territorial restrictions including the banning of driftnets from economic zones, the denial of access to foreign driftnet vessels and a ban on transhipment. New Zealand warned that ships could be confiscated if they carried driftnets in New Zealand waters. And the Auckland Harbour Board has voted unanimously to ban driftnet vessels.

In Nairobi on May 29 New Zealand environmental expert John Gilbert told a United Nations environmental panel that driftnet fishing is fast depleting Pacific Is-

lands marine resources and threatening the diversity of life in the sea. "With its large by-catch of unwanted fish marine mammals and birds, drift gillnetting is devastating marine resources," he said. He called for it to be outlawed, and immediately won the support of Australia and the international environmental organisation, Greenpeace. A month later Taiwan succumbed to an American ultimatum and agreed to sign a North Pacific driftnet agreement with the United States. The agreement, among other things, will allow for "high seas boarding" of Taiwanese driftnet vessels and requires satellite transponders placed on all Taiwanese ships so the U.S. can keep track of fishing vessels.

While the United States was able to flex its muscles and force Taiwan to an agreement, the tiny, aid-department Pacific Island nations are finding the battle tougher without the same political and economic advantages. A conference in Suva on June 26-28 between Pacific Island countries, Taiwan, South Korea and Japan magnified the weakness of the small states to stand alone. South Korea agreed in that meeting to withdraw its driftnet research vessel from the South Pacific. But Taiwan and Japan bluntly refused to compromise and forced an impasse in the negotiation.

Both these Asian economic powers enjoy a lot of influence in the region. Japan, for example has become one of the bigger aid donors to the Pacific Islands, providing financial assistance for a variety of projects with particular attention to the development of the fishing industry. Within hours of Japan telling the Suva conference it would not stop the use of driftnets in the South Pacific, Western Samoa announced it was accepting nearly U.S. $11.4 million from Japan to pay for the second phase of the Apia port development. (Japan provides nearly 50 percent of Western Samoa's total aid programme). The same day Japan and the Solomon Islands signed an agreement in Honiara for the Japanese government to provide U.S. $7.4 million to pay for the construction of a fishing project at Noro. The facilities include a cold storage, a wharf, ice-making plant and workshop. It will be the new base for an expanded cannery owned jointly by the Solomons government and a Japanese company. In Tonga, Taiwan is spending U.S. $1.8 million for the construction of an indoor stadium in Nuku'alofa to be used for the Mini South Pacific Games next month.

The list doesn't end there. Last month Taiwan shipped into Suva the first of the Hyundai Sonatas it's giving Fiji for use by government ministers. Japan at about the same time agreed to provide a further grant of U.S. $1.7 million to buy fishing equipment for the rural areas. Fiji's fisheries department is seeking another U.S. $1.6 million, again to buy fishing equipment. Japanese and Taiwanese aid funds are financing projects throughout the Pacific Islands. It was noted at the Suva conference, for example, that Fiji, which usually provides a pivotal role in regional decisions, was non-committal on the driftnet issue.

The albacore fishery between latitude 30 and 40 south, is one of the richest in the world having been newly-discovered by the Asian driftnetters who once concentrated in the North Pacific. The number of driftnet vessels has grown from 10 Japanese and seven Taiwanese in the 1987/88 season to at least 50 Japanese and 130 Taiwanese ships this year. The attraction is the highly-priced albacore tuna whose white flesh is fetching U.S. $1,000 a tonne in the United States. Forum Fisheries Agency estimates, however, predict a collapse of the fishery within five years if driftnetting is allowed to continue at its current rate. Such a situation would be disastrous for the longline industries in Fiji, Tonga, French Polynesia, Solomon Islands, the Cook Islands and Vanuatu.

Japan argues that the Forum Fisheries Agency does not have concrete evidence to back its argument on the albacore stock available and the sustainable level of exploitation. The agency admits such a lack of data and points only at the history of driftnet fishing in the North Pacific to draw parallels in the south. It also accuses Taiwanese and Japanese fleets in the south of not providing complete information on the amount of catch being taken.

For Asians, driftnets are essential. They are economical. Ships do not require the large crews needed by the longliners. Japan pointed out that a workshop on South Pacific Albacore Resource (SPAR) in Suva in June determined that the damage to the albacore fisheries caused by driftnets was "unclear". It is therefore necessary to do an indepth study, which Japan is prepared to help, into "all kinds of fisheries". This was supported by Taiwan which said that while it was "very much concerned about the possibility of over-exploitation of the southern albacore stock" they had very little information on the available stock. "We shall very much like to realize the exact stock status of this species before something on the conservation can be done," a Taiwan statement said. It offered to provide scientists to help in a study to determine the Maximum Sustainable Yield of the stock. Based only on such a scientific evaluation will it go into a conservation and management agreement concerning the southern albacore stock.

[From Honolulu Star Bulletin, July 14, 1989]

PACIFIC NATIONS SEEK HELP TO STOP DRIFT-NETTING

(By B.J. Cutler)

WASHINGTON.—Fifteen South Pacific nations have uttered a cry for help against ecological and economic disaster, but because they are tiny and remote their plea has gone virtually unheard by the rest of the world.

The 15, among them Micronesia, Fiji, Nauru, Tonga and Vanuatu, say their fisheries are being ravaged by high-tech fleets from three economically powerful Asian countries: Japan, South Korea and Taiwan.

Through their regional group—the Pacific Forum—the mini-states complain that their waters are being denuded of fish, birds and mammals by about 160 foreign boats using huge drift nets, which environmentalists call the "wall of death."

Each fishing vessel trails as much as 30 miles of nylon mesh. The 50-foot-deep nets, supported by floats on the surface and held down by lead weights at the bottom, entrap and kill everything they encounter: small whales, sea lions, seals, dolphins, squid, seabirds and their prey, albacore tuna.

Known as "strip mining the sea," the drift-net technique is an efficient but indiscriminate killer. The foreign boats keep the more valuable fish and throw back into the ocean about 40 percent of their catch—dead.

At a recent meeting of the Pacific Forum, Cook Islands Prime Minister Geoffrey Henry said the Southern Pacific albacore tuna would be extinct in two years if driftnet fishing were not halted. He assailed Japan's "intransigence" in refusing to end the destructive practice.

Australia, which keeps a neighborly eye on the island specks to its north, has proposed an international convention banning drift nets, which imperiled members of the forum strongly endorse. The United States and other nations with a distaste for ecocide ought to support the effort.

As North American fishermen can testify, it will be hard to get Japan, South Korea and Taiwan to fold up the death nets. Under international agreements, Pacific salmon belong to their countries of origin, the United States and Canada, and Asian fleets should not be taking them.

But under the guise of fishing for squid, the three countries have sent about 700 boats into the North Pacific that together drift more than 35,000 miles of net. The piracy of salmon heading back to native streams to spawn has cut the North American catch by half.

Threatened with economic sanctions, Japan has agreed to restrict its activities in the North Pacific. But the area in question is vast—the size of the United States—and the Coast Guard has only a few ships and planes to patrol it. West Coast fishermen worry that the future will see piracy as usual.

If the plight of whales in Antarctic waters is a model, the fishermen's fears are well grounded.

Under intense international pressure, Japan reluctantly agreed to a five-year moratorium on commercial whaling.

But each year it sends government-subsidized whalers to kill hundreds of minke whales in a "research" project. South Korea has a similar "scientific" program. Whale meat from both fleets is sold as a delicacy in Japan.

Thus, the nations that care about preserving marine life and preventing the impoverishment of South Pacific islanders have a double challenge: outlawing the wall of death by a treaty and seeing that economic predators abide by it.

REMEMBERING MICKEY LELAND

(Mr. McDERMOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. McDERMOTT. Mr. Speaker, I want to join my colleagues in honoring our friend MICKEY LELAND.

MICKEY will be remembered by millions of people throughout the world whose lives he touched—by bringing nourishment to those without food, concern to those without love, and hope to those without faith. He made a difference—not only to the hungry in Sudan, but to the poor in Seattle too. I want to submit for the RECORD editorials from our Seattle papers recognizing his important work on behalf of the less fortunate everywhere.

Some people wonder these days where our heroes are. They are men and women like MICKEY LELAND, Patrice Johnson, and the others on that tragic mission who, in a 100 daily sacrifices and a 1,000 quiet efforts, devoted themselves to bettering the lives of others. They are men and women of

gentle hearts and ten us spirits whose simple courage a enduring dedication grace our wor too rarely and too briefly. Their wo will be remembered, and their dreams w be honored, and their inspiration will be deeply missed by us all.

[From the Seattle Post-Intelligencer, Aug. 15, 1989]

LELAND AIDED HUNGRY

The death of U.S. Rep. Mickey Leland, 44, killed in a plane crash in Ethiopia, is a loss to the nation and to the suffering refugees on the African continent.

The five-term Texas congressman, former head of the Congressional Black Caucus, spearheaded the formation of the House Select Committee on Hunger, which he chaired. Largely because of his tireless efforts, Congress appropriated $800 million to hunger relief near the height of the Ethiopian famine. His committee also obtained funding for the hungry and homeless at home when the White House was turning a blind eye to such problems.

Leland, born into poverty and deserted as a child by his father, successfully pursued an education as a pharmacist and served in the Texas Legislature.

After he was elected to Congress, the plight of the world's starving made a deep impression on him, and he frequently explained his self-described "passion" for the hungry by recounting watching a 14-year old Ethiopian girl, who appeared to be about 70 years old, die before his eyes.

"In his search to look into the plight of the world's most desperate and hungry individuals, Rep. Leland represented the best in compassion that we as a nation possess," said House Speaker Tom Foley, D-Wash.

Congress could do Leland no more appropriate honor than to continue to carry out the important work he began.

[From the Seattle Times, Aug. 15, 1989]

A LOSS FOR THE NATION

In recent years, Rep. Mickey Leland, D-Texas, had ventured into Ethiopia at least a half-dozen times, entering an environmentally and politically hostile environment not on anyone's destination list for your everyday congressional junket. Leland was not one for pleasure excursions; his trips to famine-stricken African regions were borne of an almost obesssive determination to channel U.S. resources to suffering peoples there.

Now, Leland and 15 others are dead in the crash of an airplane into a western Ethiopian mountain. Leland's death during what a friend called "a mission of the heart" represents a particular loss because black Americans are vastly underrepresented in Congress. Leland's performance there had been effective enough that many expected he might become the first black U.S. senator from Texas in modern times.

But more is involved than the ranks of black leadership. As President Bush noted, Leland's death will be mourned in many places, "from Houston to Addis Ababa." And, as Rep. John Lewis, D-Ga., an important civil-rights figure, pointed out, "it's a loss for black leadership, but it's a loss for American leadership as well."

BUSH STRATEGY ON ILLEGAL DRUGS

The SPEAKER pro tempore (Mrs. SCHROEDER). Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Madam Speaker, I rise today to congratulate President Bush on the initiatives he announced last night in the war against drugs.

I was particularly interested in the President's call for more effort in the area of educating our people to the dangers of illegal drugs.

The President is taking action—an encouraging change from the last 8 years; where we saw more acting than action on illegal drugs preventions.

I believe that the President's proposal is a step in the right direction—although in some respects I don't believe it goes far enough and I am also concerned about the President's plans for funding the initiatives.

Improvements can be made but the plan gives us a basis to work from in the coming days.

The internal threat of illegal drugs—drugs which flow from Latin America, across our borders and into the bloodstreams of our citizens—is currently more dangerous to our country than the threat of any external attack.

We must take the message to our citizens that drug use cannot be tolerated. Until we make clear that drug trafficking and drug abuse are social crimes as well as criminal acts, there can be to final victory in this war.

Put another way, as long as there is demand, there will be supply—from some source.

I believe the President has charted the correct course. And, we have started the trip none too soon.

REMARKS OF THE HON. BILL ALEXANDER, LABOR DAY 1989, RECTOR, AR

I am happy to be here on the day set-aside to honor the American Worker and to celebrate his productivity and contribution to our nation. As one who has labored on the farm and in factories, I know first hand what it is to earn a living by the sweat of your brow.

Our ability to produce goods and services is the engine which keeps our economy running and when it is endangered, our entire system and way of life is threatened—for strength is more than defense, it is economic and moral as well.

Today, our nation's ability to produce is being challenged by drug abuse and, therefore, our national security is also challenged.

The internal threat of illegal drugs—drugs which flow from Latin America, across our borders and into the bloodstreams of American workers—is currently more dangerous to our country than the threat of any external attack.

These drugs not only rob us of productivity, but also of our young people and the future contributions to the welfare of the nation which they might have made, if they had not fallen victim to this vile plague.

Our greatest national asset is our workforce. Our prosperity and future prospects depend on our people. More than technology, capital, plant and equipment our workforce makes possible all of the social and economic progress we enjoy as Americans.

Therefore, it is essential that we protect this asset—that we not allow this precious resource to be wasted in a haze of mind destroying drugs.

Workers have always needed protection from hazards that arise in the course of earning a living. We have done much to protect working men and women from those hazards and to see to it that if an accident does occur their pocketbooks are not drained until they can return to the job.

We can do no less in the area of illegal drug use. It represents a very real hazard, one which we must protect our workforce against if we are to remain competitive in this most competitive world economy.

One of the Columbian drug lords—who holds no love for this country—has said that he can bring America down by flooding it with illegal drugs while growing very rich in the process.

We spend billions and billions of dollars to protect ourselves from external threats but, as one social scientist recently put it, he wouldn't send tanks and airplanes and guns to destroy America, he would simply send more cocaine or crack or marijuana.

The problem is a major one.

According to research made public recently by Attorney General Thornburgh, the cost of drug abuse in this country—including lost productivity, treatment for users, increased law enforcement and more prison space—exceeds $100 billion.

Now, I want you to listen to that figure—more than $100 billion, that's about double this country's net farm income in 1987.

With that $100 billion we could have better educated our children, built rural water systems, highways or new plants to give our people jobs.

While no one has discovered a way in which to do a census of illicit drug use, reliable estimates place the number of drug abusers well into the millions. It is a sad and sickening statistic.

I am tired of hearing about billions of dollars going into the pockets of Columbian drug lords and their confederates like the tinhorn dictator Manuel Noriega in Panama. I want it stopped and I want it stopped now!

In the report complied by the Attorney General he says that drug abuse in the workplace "is a problem of crisis proportions." His report indicates that the annual cost of unrealized productivity due to drug use exceeds $33 billion every year!

And, we cannot comfort ourselves believing that drug abuse is a big city problem. We all know that people are being gunned down in the streets regularly in Washington in the drug wars raging within site of the Capitol Building.

A survey of U.S. Attorneys in all 50 states indicates clearly that the problem has infiltrated the entire country—from the biggest cities to the smallest villages and towns—and that it touches all of us from Wall Street to Main Street.

Let me quote from the Attorney General's report: "We knew the country was awash in cocaine and crack, but we did not expect to find significant cocaine organizations in Wyoming, heroin trafficking in Iowa or LSD consumption in rural Georgia." But find it they did.

You also cannot say that because no one you know has a drug problem that you are untouched by the problem. The drug user must have money to sustain his habit and he is making more and more of us victims of his habit-sustaining crimes.

For example, thefts from the workplace have risen dramatically, according to the Attorney General's report, and many of those thefts are directly related to drug use.

Law enforcement officials have said that if a person uses crack four or five times a day, he may well have to steal four or five times a day.

In 1987, cocaine, heroin and other illegal drugs were identified as the direct cause of death of more than 3,000 Americans and the number is growing. Of course, this figure does not count the hundreds of people murdered in drug-related cases.

It also does not count the lives and families ruined by drugs.

Money is tight in Washington these days. Mr. Reagan left us with the largest deficit in the history of the country and we are living with the consequences of his economic polices every day.

But, we cannot afford to under fund the war on drugs.

How much is a young life worth, how much is the lifetime productivity of a worker lost to a drug-related disability worth? It boils down to how much our country is worth to us.

I am going to work with every ounce of my strength to see that we fight this war on drugs to the fullest extent possible.

We are facing a grave threat to our national security and we must treat it as such.

What can the individual do? He can seek out programs in his community and volunteer to help in the effort. If there is no such program, why not work to found one?

Dropping bombs on Columbia won't solve the problem. Until we in America make clear that illegal drug trafficking and drug abuse are social crimes as well as criminal acts, there will be no final victory in this war.

Put another way, as long as there is demand, there will be supply—from some source.

And we all have a role to play in ending this problem. No one can remain on the sidelines in this war. Daily, more and more of our citizens are injecting or ingesting these deadly drugs. They die a slow death . . . and we are all the worse for it.

Tinhorn, drug dealing dictators like Manuel Noriega and their masters—the Columbian drug lords—seem to think they will continue to operate unfettered forever. I say they are wrong. We won't allow them to continue to kill our young people, rob us of the productivity of our workforce and fill our prisons to overflowing.

Their day is coming. A day when all of their money and guns and private armies won't be able to withstand the wrath of the American people. I say hasten that day—end this plague that threatens us all.

We must reclaim our workers, children, streets, work places, schools and homes from the drug sellers and their death-dealing merchandise.

It's a big job, but together we can do it.

I have offered my congratulations to President Bush for appointing William Bennett as the country's drug czar and I wish him only the best in his task.

Recently at Mr. Bennett's request, I made recommendations for changes at the national level which I believe will help facilitate our war on drugs.

Those recommendations included:

The implementation of a single, clear anti-drug policy. What the nation has now is a multiplicity of directives.

Executive coordination of the nearly three dozen federal agencies and departments having anti-drug jurisdiction.

Improved cooperation among federal agencies and between these agencies and state and local governments. There must be an end to selfish turf fights and bureaucratic road blocks.

U.S. foreign policy and policies of U.S. intelligence agencies must be made compatible with the national interest in winning the war against illegal drugs.

Anti-illegal drug law enforcement efforts must be expanded, including more federal assistance to local government agencies.

Drug abuse resistance education programs must be expanded, including federal aid to local schools.

I might say that the latter recommendation is especially vital in the area of decreasing demand for these drugs.

We have faced many challenges and overcome many problems in this country. I am confident that we will do the same in the area of drug abuse.

ANNUNZIO PREDICTED THAT $50 BILLION WOULD BE INSUFFICIENT FOR S&L BAILOUT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, during the district work period last month, the Bush administration suggested that the $50 billion Congress earmarked to rescue the savings and loan industry may not be enough to cover the necessary costs of the bailout. This is depressing, but not surprising. When Congress debated the legislation, I predicted that the administration's estimates were much too low, and that we would have to come back in the fall to look at the need for additional funds for the industry.

Two weeks after President Bush signed the legislation into law, Federal regulators said they would put 400 thrifts into the Resolution Trust Corporation [RTC] at a cost of $50 billion. However, they admitted that the number of savings and loans they might have to take over may go higher. The chief economist for the Office of Thrift Supervision, the former Federal Home Loan Bank Board, said that upward of 600 institutions may have to be rescued by the RTC. An outside consultant said many more than 700 have been losing money, which he said was a good way to estimate the number of thrifts that will fail.

If an additional 200 institutions are put in the RTC, the cost could easily be an additional $20 billion or more.

Mr. Speaker, we have had rapidly escalating estimates on the cost of the bailout during the past 2 years. In July 1987, we were told that cleaning up insolvent S&L's would be $10.8 billion. That quickly grew to $42.5 billion by July of last year.

Then, 3 weeks after the legislation was signed into law, we learn that the machinery Congress established to manage the assets of the failed savings and loans had become entangled in a turf dispute with regulator L. William Seidman complaining that the RTC Oversight Board was tying his hands.

Mr. Seidman is Chairman of the Federal Deposit Insurance Corporation and Chairman of the Board of the RTC, and is in charge of the day-to-day operations. A nine-member board was established to set general policy. Mr. Seidman complained recently he must go to the oversight board or the Treasury to get the funds he needs to do the job. He wants the oversight board to allocate a lump sum to the RTC for its work. The Treasury said the arrangement for cash transfers between the board and the RTC was reasonable because the board is responsible for the expenditure of the Government funds.

Mr. Speaker, we understand that dispute has been resolved, but it should not occur again. Delays in closing thrifts is costing the American taxpayer millions of dollars. Every day the insolvent thrifts remain open adds upwards of $20 million to the Government's costs. Let's think of the taxpayer and get on with our business.

FLORIDA A&M UNIVERSITY BAND HONORED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. NELSON] is recognized for 5 minutes.

Mr. NELSON of Florida. Madam Speaker, I am pleased today to call attention to the outstanding performance of the Florida A&M University Marching Band in Paris on the 200th anniversary of Bastille Day, July 14.

The excellent musicians of the Marching 100 Rattler band, with their high-stepping style, honored our Nation as the only band representing the United States. Dr. William P. Foster, whose inspired choreography has brought distinction to the band and Florida A&M, has reason to be proud of his achievements and those of his musicians.

As 1 of only 16 bands worldwide invited by the Government of France to join in the celebration, the band has achieved the international recognition it deserves.

All Floridians can be proud that the Marching 100 Rattler band was selected to represent the Sunshine State and the United States during the celebration of 200 years of freedom in France.

My hat is off to you, Marching 100.

CONGRATULATIONS TO PRESIDENT ON SUGGESTED REFORMS IN DRUG REHABILITATION PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Madam Speaker, the President and drug czar Bennett are to be congratulated for the suggested reforms in the Nation's drug rehabilitation programs, outlined on pages 38 through 43 of the "National Drug Control Strategy."

The President's proposal adopts most of the provisions of our bill, H.R. 2456, requiring drug rehab demonstration programs which triage addicts into the most suitable treatment programs and then measure the outcomes to determine what really works. The bill is cosponsored by Representatives STAGGERS, UNSOELD, MCDERMOTT, SCHEUER, LEHMAN of Florida, BOXER, DELLUMS, and myself.

Today, addicts often get treated by whatever rehab center they walk into—even though the treatment may not be the right kind, may be ineffective, and too expensive. We are just throwing money away unless we can develop better rehab programs. Bennett's aides and my staff met this spring and discussed the ideas in H.R. 2456, and I am very pleased that they have been adopted. This could go a long way toward improving the effectiveness of the Nation's rehab programs.

But I also note that the President's proposals do not include nearly enough money to treat everyone who seeks to get off drugs. H.R. 2456 also creates a trust fund through small increases in the alcohol and cigarette excise taxes, in order to pay for the new system of better rehab programs.

I urge Members to support the rehab reform efforts, but to also pay for this vital improvement.

Paying for effective drug rehab programs is the best and fastest way to reduce drug-related street crime.

TRIBUTE TO HOLY CROSS CHURCH, SANTA CRUZ

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I rise today to pay tribute to the historic Holy Cross Church on the occasion of the centennial of the building of the church. The parish was founded in 1791 when the Santa Cruz Mission was built. This beautifully restored building is located on Mission Hill overlooking the city of Santa Cruz. The Holy Cross Church is the third structure to stand on this site.

Holy Cross Church has been a place of worship and public gathering for 100 years. Generations of Santa Cruzans have had the pleasure of celebrating meaningful occasions in their lives enveloped by the warmth and compassion of the congregation within the walls of Holy Cross.

Built on the original site of the Santa Cruz Mission, Holy Cross is a reminder of the mission origin of Santa Cruz and the tremendous efforts by Father Junipero Serra to establish missions along the beautiful coast of California. Its striking English Gothic style and position on Mission Hill makes a beautiful view visible from all points in the city. It is maintained splendidly and is a prominent point of admiration held dear, not only by the Holy Cross parish, but for the Santa Cruz area in whole.

In 1862, the Daughters of Charity founded Holy Cross Elementary School which began as an orphanage. Today, that school still functions. Further, Holy Cross Church houses one of the finest pipe organs in the West. The restored 1889 Felgemaker tracker pipe organ not only serves the worshipping community but also is valued as a magnificent concert instrument.

Mr. Speaker, the people of Santa Cruz take great pride in their lovely and historic church. I am honored to represent and to work with constituents who are so committed to the restoration and maintenance of this monumental structure.

ENERGY CONSERVATION IS RIGHT ON THE MONEY, RIGHT ON ENERGY POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. SHARP] is recognized for 5 minutes.

Mr. SHARP. Mr. Speaker, I commend to my colleagues' attention a first-rate editorial on energy conservation from last month's Los Angeles Times.

Although the editorial refers to recent proceedings before the California Energy Commission to reverse that State's diminishing commitment to conservation, the observations are equally relevant to the Nation as a whole. For example, the Tennessee Valley Authority, once a paragon of utility conservation, just canceled its entire conservation program, effective July 1.

Mr. Speaker, we can ill afford the luxury of wasting the Nation's cheapest energy option. This is particularly so today, where most of our electric utilities have not built substantial new capacity in close to a decade because of the huge expenses and uncertainties surrounding such ventures. In addition, the resurgence of the environmental movement has shown us that every one of the major fuel sources of electricity pose potential risks to our air and water.

All of this requires a renewal of our commitment to conservation as a resource of choice at the Federal, State, and local levels. Conservation is not a panacea, and it is not a long-term substitute for new supplies where such supplies are genuinely needed. But an energy policy that has not incorporated conservation into every aspect of its planning processes is a misnomer.

Mr. Speaker, I ask that this incisive editorial be placed in the RECORD.

[From the Los Angeles Times, Aug. 10, 1989]

ENERGY: A NEW AGE

Someone—or several someones—has been asleep at the switch. Even Reddy Kilowatt should be shocked that California utilities have slackened their energy conservation programs significantly in recent years, apparently because the nation does not happen to be griped by an energy crisis at the moment. Yet down the road there will be more crises. And the ultimate crisis will be when the oil runs out, as it could in the next century. There basically are two ways to prepare for that eventuality. One is to conserve all the energy possible now. The second is to prepare for a transition to a variety of new alternatives to fossil fuels.

Energy conservation makes so much sense on so many counts that it is a wonder that the nation has to be prodded so vigorously to do anything about it. At the moment, there is no such thing as an environmentally benign electric power plant. Those that burn oil or gas consume fuel that is in finite supply. Oil and coal-fired plants emit unacceptable levels of air pollution. And no new nuclear plants will be approved until safer, standardized plant designs are on the market.

But California will need no additional power plants for years if the most basic, sensible conservation programs are pursued with some vigor, as reported in Tuesday's editions of The Times by staff writer Jill Stewart. Billions of barrels of oil can be conserved, billions of dollars saved and pollution levels stabilized or reduced. One utility executive said his firm is not in the business of social engineering. Someone should be. It should not have taken the Natural Resources Defense Council, a private environmental group that took a peek at California Energy Commission records, to point out how lax the state's energy conservation programs had become. And it does not take an engineer or scientist to figure out that any reduction of future power-plant emissions also will benefit the environment and the people's health as well.

But at least the state Public Utilities Commission has responded with some alacrity by calling for an energy conservation blueprint by December. The commission says the plan should include incentives for utilities to promote conservation programs and the reduction of utility bills without the sort of sacrifices that Americans became familiar with in the 1970s. That should be no problem. New-technology light bulbs, insulation devices and heating and cooling systems will save large amounts of energy without any sacrifice at all. The reasonable amount of capital investment will be rapid within months. After that, these devices just go on saving and saving, both money and energy.

There is some question about how to acquaint developers with the latest energy conservation equipment and to get them to install such products in new homes and buildings during the construction process when it is most economical to do so. That is simple. If industry associations do not accept the latest energy conservation standards on their own within a reasonable period of time—during the next year, for instance—state and local governments should adopt the standards as law. If the initial capital outlay seems too high, tax incentives should be reinstated to ease the burden of the initial investment. Low or no-interest loans should be made available to existing home and building owners who want to retrofit.

This is one endeavor that seems too good to be true. But in fact, with energy conservation, everyone wins.

GAS FIRM SEEKS PIPELINE EXPANSION

El Paso Natural Gas Co. said it has filed an application with the Federal Energy Regulatory Commission to expand its interstate pipeline system by up to 600 million cubic feet a day at a cost of $201 million. The company said the expansion is needed to meet present and future natural gas needs in its principal market area of California. It said the California Public Utilities Commission is looking into the need for new interstate pipeline capacity within the state and also the need for increased service levels to existing gas users. The company said the incremental throughout resulting from the proposed system expansion will reduce the average cost of transportation for all present and future customers.

□ 1650

SECRETARY MARSH WAS ONE OF THE BEST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 10 minutes.

Mr. MONTGOMERY. Mr. Speaker, I had the privilege of attending the Army's Farewell Review on the occasion of John Marsh's retirement as Secretary of the Army.

Many of us served in Congress with Jack Marsh. We found him to be a very dedicated public servant for his Virginia constituents. He carried on that fine tradition of service as Secretary of the Army for President Reagan. I think history will record that Jack will be one of the best men to every occupy that job. He knew the issues and he knew how to work with folks on Capitol Hill as well as in the Pentagon. We will miss his experience and leadership and we should all salute Jack Marsh for a job very well done.

I want to share with my colleagues the speech Secretary Marsh delivered at that ceremony on August 24 at Ft. Myer, VA.

REMARKS BY THE HON. JOHN O. MARSH, JR., ARMY FAREWELL REVIEW, CEREMONIAL HALL, FORT MYER, VA, THURSDAY, 24 AUGUST 1989

Acknowledgements: Medal of Honor recipients, Secretary Brady; Senator Thurmond; Congressman Montgomery; Chief Justice Burger; Secretary Atwood; Secretary Stone—Congratulations you'll do a great job; General Herres—representing the JCS and other senior military leaders; Judge Sessons—Director of the FBI; Secretary Weinberger—I thank you and President Reagan for asking me to serve in this post and President Bush for his support as President and Vice President.

Carl, thank you for hosting this ceremony. It has been an honor to serve with you.

Glenn Ann joins in thanking you and Pat for many kindnesses.

I am grateful to you and the Army Staff, as well as Shy Meyer and John Wickham for unfailing help and cooperation.

I want to thank the members of the Army Secretariat with whom I served, for a job well done.

I appreciate everything that has been done by those on my personal staff, who through the years, have served me and the Army so loyally and so well.

Our children join Glenn Ann and me in thanking the Army.

Our oldest son, Rob, a major—medical officer with the Special Forces and his wife Barbara, a 1st lieutenant in the Army Nurse Corps.

Our daughter, Rebecca, a school teacher, and our son Scot, who like myself, has served as a Company Commander in Virginia's 116th Infantry Regiment of the National Guard.

His wife, Susan, knows the demands made on the citizen-soldier's family.

And to: Pershing's Own; the Fife and Drug Corps; the Old Guard; the Salute Battery; and the Army Chorus—I thank you for your continuing Excellence.

I would like to talk to the soldiers in this formation. And through you, speak to the Total Army—the Regulars—the Guard—the Reserve—and all of your families who help you do such an outstanding job.

You are a cross section of America. You represent all the people of the United States.

This Army has been a leader in Equal Opportunity and this we must continue not just because its the law but because it is right.

History tells us the Army of Sparta was in its time the greatest Army in the world—Foreign visitors who came to Sparta did not find any walls around this city. When they inquired of the leaders of Sparta, "Where are the walls?", the leader pointed to the soldiers of Sparta, and said "There are the walls of Sparta."

Today our leaders can point to you and say "You are the walls of America."

What you do is important. You and your units have vital missions in defense of this country.

These missions require soldiers who are not only skilled—but dedicated. Soldiers who will take risks and have courage.

Soldiers who will endure hardships and suffer sacrifice for a great cause.

The Army is constant in its purpose. It has a special place in the hearts of the American people.

It was created before the Declaration. It won our independence at Yorktown.

Its leaders founded the Republic. They vested power in the people—and as civilians they accepted the duties of public service to support our Constitution—which you have sworn to defend.

For two centuries—and 168 battle streamers, the Army has kept that trust. As I speak I know there are elements of this force that are now, and have been for years, on alert status for possible deployment anywhere in the world.

I can tell you if they are called upon to go, they will go and if they go they will win—because this Army is an Army of winners.

There are those in our intelligence service and Special Operation Forces who are willing each day to go in harm's way for this Country. Their service is dangerous and anonymous.

Most Americans do not know what a great Army we have, but our potential adversaries know. This is one of the reasons the winds of freedom are blowing across Eastern Europe.

As Glenn Ann and I and our family say farewell, as a private citizen, I pledge to each of you my steadfast support as you serve your Country in a noble endeavor.

I know that I shall miss the Army—and someday you shall miss it too.

Whatever you do—wherever you go, you will remember these days and duties, the marching columns and convoys, the bivouacs and barracks life, the sounds of jody cadence and commands. At another time these sounds and scenes shall be reminiscences of your youth. You will look back on these days and be very proud.

Wherever I look across your ranks, I see the future of this country. Serving there are the rising leaders of America. The future non-commissioned officers and senior officers—a Chief of Staff—to lead the Army in the next century.

I know that most of your shall leave the Army, but you will be our teachers, our engineers, our craftsmen, our lawyers, and our doctors. Some of you will seek public service and become our mayors—state legislators, governors, Members of Congress, Cabinet officers—perhaps a Commander in Chief.

The Army has helped prepare you for this service.

This is a great Army because it is a part of America. It is a great Army because you are in it.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SKELTON (at the request of Mr. GEPHARDT) for today and the balance of the week, on the account of illness.

Mr. WHEAT (at the request of Mr. GEPHARDT) for today and the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DREIER of California)).

Mrs. BENTLEY, for 60 minutes, on September 19, 20, and 21.

Mr. ROTH, for 60 minutes, on September 12.

Mr. DELAY, for 60 minutes, on September 12.

(The following Members (at the request of Mr. PARKER) to revise and extend their remarks and include extraneous material:)

Mr. ALEXANDER, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. NELSON of Florida, for 5 minutes, today.

Mr. STARK, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. SHARP, for 5 minutes, today.

Mr. MONTGOMERY, for 10 minutes, today.

Mr. GONZALEZ, for 60 minutes, on September 7 and 11.

Mr. RICHARDSON, for 60 minutes, on September 7.

Mr. DINGELL, for 60 minutes, on September 12.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. ALEXANDER, to include extraneous matter on H.R. 1668 in the Committee of the Whole today.

(The following Members (at the request of Mr. DREIER of California) and to include extraneous matter:)

Mr. ARMEY.

Mr. BROOMFIELD in two instances.

Mr. COURTER.

Mr. MCEWEN.

Mr. MILLER of Ohio in two instances.

Mr. DICKINSON.

Mr. MACHTLEY in two instances.

Mr. GREEN.

(The following Members (at the request of Mr. PARKER) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mrs. LLOYD in five instances.

Mr. HAMILTON in 10 instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in six instances.
Mr. DE LA GARZA in 10 instances.
Mr. MCMILLEN of Maryland.
Mrs. KENNELLY.
Mr. MONTGOMERY.
Mr. STARK in four instances.
Mr. CLEMENT.
Mr. FLORIO in two instances.
Mr. STOKES.
Mr. SAWYER.
Mr. SCHEUER.
Mr. BATES.
Mr. FAZIO.
Mr. MCHUGH.
Mr. CLAY.
Mr. NEAL of Massachusetts.
Mr. RICHARDSON.
Mr. MILLER of California in two instances.
Mr. FAUNTROY.
Mr. KLECZKA.
Mr. COLEMAN of Texas.
Mr. GARCIA.
Mr. KENNEDY.
Mr. HUBBARD.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 605. An act to authorize appropriations for the Consumer Product Safety Commission, and for other purposes; to the Committee on Energy and Commerce.

S. 819. An act to strengthen the enforcement of motor carrier safety laws, and for other purposes; to the Committees on Energy and Commerce and Public Works and Transportation.

S. 1390. An act to authorize funds to be appropriated for the construction of a mouse research laboratory, and for other purposes; to the Committee on Energy and Commerce.

S.J. Res. 16. Joint resolution designating the month of November 1989 as "National Alzheimer's Disease Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 166. Joint resolution to designate the period of September 16 through October 9, 1989, as "Coastweeks '89"; to the Committee on Post Office and Civil Service.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee has examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 860. An act to authorize appropriations for fiscal year 1990 for the Federal Marine Commission, and for other purposes;

H.R. 1278. An act to reform, recapitalize, and consolidate the Federal deposit insurance system, to enhance the regulatory and enforcement powers of Federal financial institutions regulatory agencies, and for other purposes;

H.R. 1860. An act to provide that a Federal annuitant or former member of a uniformed service who returns to Government service, under a temporary appointment, to assist in carrying out the 1990 decennial census of population shall be exempt from certain provisions of title 5, United States Code, relating to offsets from pay and other benefits;

H.R. 2467. An act to provide disaster assistance to agricultural producers, and for other purposes;

H.R. 2727. An act to amend title 38, United States Code, to establish a retirement and survivor benefit program for judges of the new U.S. Court of Veterans Appeals, and for other purposes;

H.R. 2847. An act to extend by 1 year a program under which the Government is allowed to accept the voluntary services for private sector executives;

H.R. 3024. An act to increase the statutory limit on the public debt, and for other purposes;

H.J. Res. 225. Joint resolution to authorize and request the President to issue annually a proclamation designating the third Sunday of August of 1989 as "National Senior Citizens Day";

H.J. Res. 231. Joint resolution designating September 1989 as "National Library Card Sign-Up Month";

H.J. Res. 253. Joint resolution designating September 8, 1989, as "National Pledge of Allegiance Day";

H.J. Res. 379. Joint resolution commending the citizens of the Sioux City, IA, tri-State area for their heroism and spirit of voluntarism in selflessly providing assistance and life-saving services to the passengers and crew of United Airlines flight 232; and

H.J. Res. 390. Joint resolution waiving certain enrollment requirements with respect to the bill H.R. 1278.

SENATE ENROLLED JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled joint resolutions of the Senate of the following titles:

S.J. Res. 67. Joint resolution to commemorate the 25th anniversary of the Wilderness Act of 1964 which established the National Wilderness Preservation System; and

S.J. Res. 127. Joint resolution designating Labor Day weekend, September 2 through 4, 1989, as "National Drive for Life Weekend."

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, bills and joint resolutions of the House of the following titles:

On August 11, 1989:

H.R. 840. An act to authorize appropriations for fiscal year 1990 for Federal Maritime Commission, and for other purposes;

H.R. 1860. An act to provide that a Federal annuitant or former member of a uniformed service who returns to Government service, under a temporary appointment, to assist in carrying out the 1990 decennial census of a population shall be exempt from certain provisions of title 5, United States Code, relating to offsets from pay and other benefits;

H.R. 2467. An act to provide disaster assistance to agricultural producers and for other purposes;

H.R. 2727. An act to amend title 38, United States Code, to establish a retirement and survivor benefit program for judges of the new U.S. Court of Veterans Appeals, and for other purposes;

H.J. Res. 225. Joint resolution to authorize and request the President to issue a proclamation designating the third Sunday of August of 1989 as "National Senior Citizens Day";

H.J. Res. 231. Joint resolution designating September 1989 as "National Library Card Sign-Up Month";

H.J. Res. 293. Joint resolution designating September 8, 1989, as "National Pledge of Allegiance Day"; and

H.J. Res. 379. Joint resolution commending the citizens of the Sioux City, IA, tri-State area for their heroism and spirit of voluntarism in selflessly providing assistance and life-saving services to the passengers and crew of United Airlines flight 232.

ADJOURNMENT

Mr. PARKER. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 50 minutes p.m.), pursuant to House Resolutions 232 and 233, the House adjourned until tomorrow, Thursday, September 7, 1989, at 10 a.m. in memory of the late Honorable LARKIN SMITH and the late Honorable MICKEY LELAND.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1554. A letter from the Acting Chairman, Farm Credit Administration, transmitting the annual report of the Administration for calendar year 1988, pursuant to 12 U.S.C. 2252(a)(3); to the Committee on Agriculture.

1555. A letter from the Assistant Secretary of the Army (Financial Management), transmitting a report on the value of property, supplies, and commodities provided by the Berlin Magistrate for the quarter April 1, 1989, through June 30, 1989, pursuant to Public Law 99-190, section 8014 (99 Stat. 1205); Public Law 99-591, section 9010 (100 Stat. 3341-102); Public Law 100-202, title VIII, section 8010; to the Committee on Appropriations.

1556. A letter from the Director, Congressional Budget Office, transmitting the Initial Sequestration Report for Fiscal Year 1990, pursuant to 2 U.S.C. 901; to the Committee on Appropriations.

1557. A letter from the Director, Office of Management and Budget, transmitting the agency's Initial Sequester Report for Fiscal Year 1990, pursuant to 2 U.S.C. 901; to the Committee on Appropriations.

1558. A letter from the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of August 1, 1989, pursuant to 2 U.S.C. 685(e)

(H. Doc. No. 101-91); to the Committee on Appropriations and ordered to be printed.

1559. A letter from the Director, Administration and Management, Office of the Secretary of Defense, transmitting a copy of the Navy's determination and findings indicating the necessity to exclude the clause concerning examination of records by the Comptroller General from a proposal to issue a renewal of an existing contract with Oficinas Gerais de Material Aeronautico [OGMA], Alverca, Portugal, pursuant to 10 U.S.C. 2313(c); to the Committee on Armed Services.

1560. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-83, "Omnibus Narcotic and Abusive Drug Interdiction Amendment Temporary Act of 1989," pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1561. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-85, "Natural Disaster Consumer Protection Temporary Act of 1989," pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1562. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-84, "Youth Offender community Service Amendment Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1563. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-65, "District of Columbia Environmental Policy Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1564. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-71, "Good Time Credits Amendment Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1565. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-66, "District of Columbia Hazardous Waste Management Act of 1977 Amendment Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1566. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-67, "Water and Sewer Services Rates Amendment Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1567. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-68, "Washington Avenue Designation Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1568. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-69, "Commission on Mental Health Services Employees Retention Amendment Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1569. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-70, "Outside Income Limitation Amendment Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1570. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-72, "Closing of Public Alleys in Square 35, S.O. 85-219, Act of 1987 Amendment Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1571. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-73, "Closing of a Public Alley in Square 287, S.O. 87-268, Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1572. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-77, "Armory Board Promotional Expenses Amendment Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1573. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-78, "District of Columbia Public Utility Environmental Impact Statement Requirement Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1574. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-79, "Real Property Tax Rates for Tax Year 1990 Amendment Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1575. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-80, "Public Utilities Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1576. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-81, "Rental Housing Act of 1985 Capital Improvements Amendment Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1577. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-82, "Tenant Opportunity To Purchase Clarification Amendment Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1578. A letter from the Secretary of Education, transmitting a copy of Final Regulations—State Administered Adult Education Programs and Secretary's Discretionary Programs of Adult Education, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1579. A letter from the Secretary of Education, transmitting a copy of Final Regulations—State Grants Program for Technology-Related Assistance for Individuals With Disabilities, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1580. A letter from the Secretary of Education, transmitting a copy of final regulations—Mathematics and Science Education Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1581. A letter from the Secretary of Education, transmitting a copy of final regulations—National Program for Mathematics and Science Education, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1582. A letter from the Assistant Secretary of State, Legislative Affairs, transmitting a copy of Presidential Determination No. 89-22 that it is important to the security interests of the United States to reallocate the economic support fund appropriations for Jordan under the special authority of sec. 614(a)(1) of the FAA of 1961, as amended, pursuant to 22 U.S.C. 2364(a)(1); to the Committee on Foreign Affairs.

1583. A letter from the Assistant Secretary of State, Legislative Affairs, transmitting, a copy of Presidential Determination No. 89-19, authorizing the furnishing of assistance from the Emergency Refugee and Migration Assistance Fund to meet unexpected urgent needs for African, Indochinese, and Palestinian refugees, victims of conflict and displaced persons, pursuant to 22 U.S.C. 2601(c)(3); to the Committee on Foreign Affairs.

1584. A letter from the Assistant Secretary of State, Legislative Affairs, transmitting a copy of the Secretary's determination that it is in the national interest to grant assistance to Peru even though it is in default in payment of certain indebtedness, pursuant to 22 U.S.C. 2370(q); to the Committee on Foreign Affairs.

1585. A letter from the Secretary of State, Legislative Affairs, transmitting the quarterly report concerning human rights activities in Ethiopia, covering the period April 15, 1989-July 14, 1989, pursuant to Public Law 100-456, section 1310(c) (102 Stat. 2065); to the Committee on Foreign Affairs.

1586. A letter from the Assistant Secretary Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1587. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1588. A letter from the Chairman, Council on Environmental Quality, transmitting the report of its compliance with the laws relating to the Government in the Sunshine Act for the calendar year 1988, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1589. A letter from the Director, Morale, Welfare, and Recreation Support Activity, Department of the Navy, transmitting the annual report of the retirement plan for civilian employees of the U.S. Marine Corps exchanges, recreation funds, clubs, messes and the Marine Corps Exchange Service, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1590. A letter from the Benefits Administrator, Farm Credit Bank of Baltimore, transmitting the annual report and financial audit of the Farm Credit District of Baltimore retirement plan, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1591. A letter from the Plan Administrator, Farm Credit retirement plan and PCA retirement plan, transmitting the annual reports for the Farm Credit retirement plan and the Production Credit Associations' retirement plan for the year ending December 31, 1988, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1592. A letter from the Benefits Administrator, Farm Credit Services, transmitting the 1988 annual report and financial audit of the retirement plan for the employees of the Seventh Farm Credit District, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1593. A letter from the Acting Executive Director, Federal Labor Relations Authority; transmitting a copy of the annual report in compliance with the Government in the Sunshine Act for calendar year 1988, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1594. A letter from the Archivist, National Archives, transmitting a report on a planned addition to the John Fitzgerald Kennedy Presidential Library, pursuant to 44 U.S.C. 2112(a)(4); to the Committee on Government Operations.

1595. A letter from the Director, National Park Service, transmitting the 1988 report covering the disposal of surplus Federal property, pursuant to Public Law 100-612, section 5 (102 Stat. 3181); to the Committee on Government Operations.

1596. A letter from the Chairman, Securities and Exchange Commission; transmitting a copy of the annual report in compliance with the Government in the Sunshine Act for calendar year 1988, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1597. A letter from the Vice President of Human Resources, Western Farm Credit Bank, transmitting the 1988 annual report and financial audit of the Sacramento Farm Credit employees retirement plan, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1598. A letter from the Clerk, U.S. House of Representatives, transmitting the quarterly report of receipts and expenditures of appropriations and other funds for the period April 1, 1989, through June 30, 1989, pursuant to 2 U.S.C. 104a (H. Doc. No. 101-92); to the Committee on House Administration and ordered to be printed.

1599. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1600. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1601. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1602. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1603. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1604. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1605. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1606. A letter from the Secretary of the Interior, transmitting the boundary study of Gettysburg National Military Park, pursuant to Public Law 100-132, section 2(b) (101 Stat. 807); to the Committee on Interior and Insular Affairs.

1607. A communication from the President of the United States, transmitting a report pertaining to denial of Federal benefits to drug traffickers and possessors, pursuant to Public Law 100-690, section 5301(g)(1) (102 Stat. 4312); to the Committee on the Judiciary and ordered to be printed.

1608. A letter from the Chairman, Administrative Conference of the United States, transmitting a draft of proposed legislation to authorize appropriations for the Administrative Conference of the United States for fiscal years 1991, 1992, 1993, and 1994, and for other purposes; to the Committee on the Judiciary.

1609. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a report on the actual costs of filing actions in district courts of the United States, pursuant to Public Law 100-702 section 1012(b) (102 Stat. 4669); to the Committee on the Judiciary.

1610. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "Trademark Law Clarification Act of 1989"; to the Committee on the Judiciary.

1611. A communication from the President of the United States, transmitting an alternative plan for a Federal employees' pay adjustment to become effective on the first day of the first applicable pay period on or after January 1, 1990, pursuant to 5 U.S.C. 5305(c)(1) (H. Doc. No. 101-89); to the Committee on Post Office and Civil Service and ordered to be printed.

1612. A letter from the Chairman, Merit Systems Protection Board, transmitting the Board's report entitled: "The Tennessee Valley Authority and the Merit Principles", pursuant to 5 U.S.C. 1205(a)(3); to the Committee on Post Office and Civil Service.

1613. A letter from the Secretary of Transportation, transmitting the National Airway System Annual Report-FY 1988, pursuant to 49 U.S.C. app. 2203(b)(2); to the Committee on Public Works and Transportation.

1614. A letter from the Administrator, National Aeronautics and Space Administration, transmitting notification of the proposed use of up to $500,000 of construction of facilities resources for the acquisition of land needed for ground water contamination assessment and remediation at White Sands test facility, Las Cruces, NM, pursuant to Public Law 100-685, section 203 (102 Stat. 4089); to the Committee on Science, Space, and Technology.

1615. A letter from the Acting Secretary of Commerce, transmitting a study of China's new market orientation and United States trade laws, pursuant to Public Law 100-418, section 1336(a) (102 Stat. 1210); to the Committee on Ways and Means.

1616. A letter from the Chairman, U.S. International Trade Commission, transmitting the 40th report on the operation of the U.S. trade agreements program during 1988, pursuant to 19 U.S.C. 2213(b); to the Committee on Ways and Means.

1617. A letter from the Chairman, U.S. International Trade Commission, transmitting the Commission's 58th quarterly report on trade between the United States and the nonmarket economy countries, pursuant to 19 U.S.C. 2440; to the Committee on Ways and Means.

1618. A letter from the Secretary of Agriculture, transmitting the annual report covering sales and barter of donated commodities from October 1, 1987 through September 30, 1988, pursuant to 7 U.S.C. 1431(b)(9)(B); jointly, to the Committees on Agriculture and Foreign Affairs.

1619. A letter from the Comptroller General, transmitting a report on the financial statements of the Commodity Credit Corporation for the fiscal years ended September 1988 and 1987; reports an internal accounting controls and compliance with laws and regulations (GAO/AFMD-89-83; August 1989), pursuant to 31 U.S.C. 3512(f) and 9106(a); jointly, to the Committees on Agriculture and Government Operations.

1620. A letter from the Secretary of Health and Human Services, transmitting the 1988 annual report of the Federal Advisory Committees which provided advice and consultation in carrying out his functions under the Social Security Act, pursuant to 42 U.S.C. 1314(f); jointly, to the Committees on Energy and Commerce and Ways and Means.

1621. A letter from the Chairman, Nuclear Regulatory Commission, transmitting the report on the nondisclosure of safeguards information for the quarter ending June 30, 1989, pursuant to 42 U.S.C. 2167(e); jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

1622. A letter from the Comptroller General, transmitting a report which presents a proposal for restructuring the current unified Federal budget to include a capital and operating component within the budget (GAO/AFMD-89-52; August 1989); jointly, to the Committees on Government Operations and Public Works and Transportation.

1623. A letter from the Assistant Attorney General, Department of Justice, transmitting a draft of proposed legislation to amend the Marine Protection, Research, and Sanctuaries Act of 1972 [MPRSA] to enhance enforcement; jointly, to the Committees on the Judiciary, Merchant Marine and Fisheries, and Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Pursuant to the order of the House on Aug. 4, 1989, the following report was filed on Aug. 31, 1989]

Mr. ROE: Committee on Science, Space, and Technology. H.R. 1759. A bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes; with an amendment (Rept. 101-226). Referred to the Committee of the Whole House on the State of the Union.

[Submitted Sept. 6, 1989]

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R.

2459. A bill to authorize appropriations for the Coast Guard for fiscal year 1990, and for other purposes; with an amendment (Rept. 101-227). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

[Omitted from the Record of Aug. 4, 1989]

Under clause 5 of rule X:

The Committees on Foreign Affairs and Interior and Insular Affairs discharged from further consideration of H.R. 1668; H.R. 1668 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COMBEST:

H.R. 3216. A bill entitled the "Disaster Assistance Improvements Act of 1989"; to the Committee on Agriculture.

By Mr. FRANK:

H.R. 3217. A bill to improve cash management by executive agencies, and for other purposes; to the Committee on Government Operations.

By Mr. KANJORSKI:

H.R. 3218. A bill to amend the Federal Election Campaign Act of 1971 to eliminate, effective at the beginning of the 102d Congress, a provision that permits certain Members of Congress to use excess campaign funds for personal purposes; to the Committee on House Administration.

By Mrs. KENNELLY:

H.R. 3219. A bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain life insurance contracts; to the Committee on Ways and Means.

By Mrs. MARTIN of Illinois (for herself, Mr. HAYES of Illinois, and Mr. RANGEL):

H.R. 3220. A bill to establish penalties for the possession, sale, manufacture, or advertisement of drug paraphernalia; jointly, to the Committees on Energy and Commerce and the Judiciary.

By Mr. RANGEL:

H.R. 3221. A bill to amend the Internal Revenue Code of 1986 to impose a surtax to provide funds for the war on drugs; to the Committee on Ways and Means.

By Mr. ROBERTS:

H.R. 3222. A bill to amend the Disaster Assistance Act of 1989; to the Committee on Agriculture.

By Mr. ROSE:

H.R. 3223. A bill to amend the Animal Welfare Act to protect animal research facilities, and for other purposes; to the Committee on Agriculture.

By Mr. SCHEUER:

H.R. 3224. A bill to carry out long-term research on the effects of oilspills on the marine and estuarine habitats and living marine resources of Prince William Sound, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries; Public Works and Transportation; Interior and Insular Affairs; and Science, Space, and Technology.

By Mr. LEHMAN of California (for himself and Mr. LAGOMARSINO):

H.J. Res. 398. Joint resolution to commemorate the centennial of the creation by Congress of Yosemite National Park; to the Committee on Post Office and Civil Service.

By Mr. SPENCE:

H.J. Res. 399. Joint resolution to designate the period commencing September 11, 1989, and ending on September 15, 1989, as "National Historically Black Colleges Week"; to the Committee on Post Office and Civil Service.

By Mr. WHITTEN:

H. Res. 232. Resolution expressing the sorrow of the House at the death of Hon. Larkin I. Smith; considered and agreed to.

By Mr. BROOKS:

H. Res. 233. Resolution expressing sorrow of the House at the death of Hon. Mickey Leland; considered and agreed to.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

231. By the SPEAKER: Memorial of the Legislature of the State of California, relative to a constitutional amendment to protect the American flag; to the Committee on the Judiciary.

232. Also, memorial of the Legislature of the State of Texas, relative to a constitutional amendment protecting the American flag; to the Committee on the Judiciary.

233. Also, memorial of the Legislature of the State of Maine, relative to a constitutional amendment protecting the American flag; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DELLUMS:

H.R. 3225. A bill for the relief of Cathleen S. O'Regan; to the Committee on the Judiciary.

By Mr. JAMES:

H.R. 3226. A bill to authorize issuance of a certificate of documentation for employment in the coastwise trade of the United States for the vessel *Camelot*; to the Committee on Merchant Marine and Fisheries.

By Mr. SCHUMER:

H.R. 3227. A bill to authorize issuance of a certificate of documentation for employment in the coastwise trade of the United States for the vessel *Salisa M*; to the Committee on Merchant Marines and Fisheries.

By Mr. VANDER JAGT:

H.R. 3228. A bill for the relief of Eric N. Anderson, David O. Courtney, Jeffrey L. Homant, Timothy R. McCalley, Stephen V. Perez, Michael P. Ramsey, and Cynthia L. Walerych; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 3: Mr. BRENNAN, Mr. BRYANT, Mr. FLAKE, Mr. FOGLIETTA, Mr. MORRISON of Connecticut, Mr. PALLONE, Mr. SWIFT, and Mr. YATES.

H.R. 21: Mr. ENGEL, Mr. SCHUMER, Mr. ROE, and Mr. BONIOR.

H.R. 44: Mr. LAUGHLIN and Mrs. BENTLEY.

H.R. 84: Mr. ENGEL and Mr. PORTER.

H.R. 90: Mr. PARKER.

H.R. 92: Mr. KOLTER, Mr. WALSH, and Mr. YATES.

H.R. 98: Mr. MARTINEZ, Mr. GILMAN, and Mr. TORRICELLI.

H.R. 101: Mr. PANETTA.

H.R. 181: Mr. SCHAEFER.

H.R. 201: Mr. FAZIO.

H.R. 211: Mr. BOSCO.

H.R. 215: Mr. PURSELL, Mr. WALSH, Mr. MCCURDY, Mr. JONES of Georgia, Mr. BILIRAKIS, Mr. MOAKLEY, Mr. MICHEL, Mr. JACOBS, Mr. PAYNE of New Jersey, Mrs. PATTERSON, Mr. BILBRAY, and Mr. STUDDS.

H.R. 216: Mr. WOLPE.

H.R. 239: Mr. BOSCO.

H.R. 303: Mr. CRANE, Mr. WEBER, Mrs. MORELLA, Mr. VANDER JAGT, Mr. FALEOMAVAEGA, and Mr. HUBBARD.

H.R. 368: Mr. SCHUETTE.

H.R. 411: Mr. AKAKA.

H.R. 423: Mr. ENGEL and Mr. SISISKY.

H.R. 458: Mr. DENNY SMITH.

H.R. 488: Mr. PORTER, Mr. LANTOS, and Mr. BROWN of California.

H.R. 539: Mr. JENKINS, Mr. FROST, Mr. RUSSO, Mr. JOHNSTON of Florida, Mr. BENNETT, and Mr. VENTO.

H.R. 563: Mr. SCHIFF and Mr. AUCOIN.

H.R. 581: Mrs. LOWEY of New York, Mr. TOWNS, and Mr. KLECZKA.

H.R. 655: Mr. CAMPBELL of California.

H.R. 658: Mr. COX and Mr. COMBEST.

H.R. 711: Mr. BONIOR, Mr. COSTELLO, Mr. AKAKA, and Mr. FISH.

H.R. 718: Mr. LEVIN of Michigan and Mr. THOMAS A. LUKEN.

H.R. 725: Mr. CLAY, Mr. EVANS, and Mr. KOLTER.

H.R. 746: Mr. MACHTLEY, Mr. SCHUETTE, Mrs. UNSOELD, Mr. BROWDER, Mr. PAYNE of New Jersey, Mr. GILLMOR, and Mr. PANETTA.

H.R. 780: Mrs. COLLINS, Mr. FEIGHAN, and Mr. TORRICELLI.

H.R. 844: Mr. HANSEN, Mr. JAMES, Mr. GINGRICH, Mr. MURPHY, and Mr. YOUNG of Florida.

H.R. 848: Ms. SCHNEIDER.

H.R. 885: Mrs. MORELLA.

H.R. 937: Mr. FEIGHAN, Mr. FLAKE, Mr. BILBRAY, Mrs. BOXER, Mr. HUGHES, Mr. LEHMAN of Florida, Mr. FOGLIETTA, Mr. SMITH of Florida, Mr. STARK, Mr. LEWIS of Georgia, Mr. ACKERMAN, Mr. AUCOIN, Mr. BUSTAMANTE, Mr. MURPHY, Mr. MAZZOLI, Mr. GARCIA, Mr. MILLER of California, and Mr. MCEWEN.

H.R. 969: Mr. RAHALL.

H.R. 993: Mr. GONZALEZ.

H.R. 995: Mr. LANCASTER.

H.R. 1028: Mr. COX, Mr. SCHUETTE, and Mr. LIVINGSTON.

H.R. 1044: Mr. PAYNE of New Jersey.

H.R. 1074: Mr. WILSON, Mr. LOWERY of California, Mr. SHAYS, Mr. COX, Mr. LEATH of Texas, and Mrs. BYRON.

H.R. 1083: Mr. WYLIE, Mr. MORRISON of Washington, Mr. SCHAEFER, Mr. SAVAGE, Mr. MILLER of Ohio, Mr. GUARINI, Mr. MFUME, Mr. WILSON, Mr. MARLENEE, Mr. LEHMAN of Florida, Mr. ANDREWS, Mr. GLICKMAN, Mr. JONES of Georgia, Mr. LAGOMARSINO, Mr. FORD of Tennessee, Mr. BARNARD, Mr. JACOBS, Ms. SCHNEIDER, and Mr. DORGAN of North Dakota.

H.R. 1086: Mr. MCDADE, Mr. GUNDERSON, and Mr. BOEHLERT.

H.R. 1095: Mr. MINETA, Mrs. MORELLA, and Mr. ROTH.

H.R. 1122: Mr. WEISS.

H.R. 1137: Mr. OBERSTAR, Mr. JONTZ, and Mr. DE LUGO.

H.R. 1139: Mr. OBERSTAR.
H.R. 1169: Mr. DWYER of New Jersey.
H.R. 1175: Mr. SYNAR and Mr. DEFAZIO.
H.R. 1232: Mr. MACHTLEY.
H.R. 1250: Mr. SCHEUER, Mr. MARKEY, and Mr. STARK.
H.R. 1280: Mr. BOSCO.
H.R. 1317: Mr. SAXTON, Mr. BARTON of Texas, Mr. BALLENGER, Mr. PAYNE of New Jersey, and Mr. RINALDO.
H.R. 1335: Mr. EDWARDS of California and Mr. LAUGHLIN.
H.R. 1356: Mr. ENGLISH, Mr. ENGEL, Mr. HAWKINS, Ms. SLAUGHTER of New York, Mr. BROWN of California, and Mr. PORTER.
H.R. 1387: Mr. ANTHONY.
H.R. 1416: Mrs. LOWEY of New York, Mr. FLORIO, Mr. HERTEL, Mr. SPRATT, Mr. HEFLEY, Mr. DELAY, Mrs. BENTLEY, Mr. WILLIAMS, Mr. PARKER, Mr. ESPY, Mr. IRELAND, Mr. LEHMAN of California, Mr. LIGHTFOOT, Mr. HAMMERSCHMIDT, Mr. DEWINE, and Mr. HASTERT.
H.R. 1491: Mr. BAKER and Mr. CALLAHAN.
H.R. 1526: Mr. GEKAS.
H.R. 1545: Mr. JENKINS.
H.R. 1582: Mr. STOKES, Mr. LEWIS of Georgia, and Mr. MFUME.
H.R. 1602: Mr. FALEOMAVAEGA, Mrs. LLOYD, Mr. DWYER of New Jersey, Mr. PALLONE, Mrs. BOXER, and Mrs. UNSOELD.
H.R. 1617: Mr. PAYNE of New Jersey and Mr. PERKINS.
H.R. 1662: Mr. FEIGHAN.
H.R. 1684: Mr. SLAUGHTER of Virginia, Mrs. BENTLEY, Mr. RHODES, and Mr. PACKARD.
H.R. 1725: Mr. SHAYS, Mr. MRAZEK, Mr. SCHEUER, and Mr. FOGLIETTA.
H.R. 1899: Mr. MARKEY, Mr. OBERSTAR, Mrs. PATTERSON, and Mr. NEAL of North Carolina.
H.R. 2041: Mr. NEAL of North Carolina, Mr. ARMEY, Mr. STUMP, Mr. JACOBS, Mr. THOMAS of California, Mr. BRYANT, Mr. HERTEL, Mr. HEFLEY, Mr. BILBRAY, Mr. RICHARDSON, and Mr. GOSS.
H.R. 2051: Mrs. JOHNSON of Connecticut and Mr. DORGAN of North Dakota.
H.R. 2055: Mr. HERGER.
H.R. 2080: Mr. PAYNE of New Jersey.
H.R. 2104: Mr. SCHEUER, Mrs. BOXER, and Mr. DORGAN of North Dakota.
H.R. 2126: Mr. PAYNE of New Jersey.
H.R. 2132: Mr. DEFAZIO.
H.R. 2133: Mr. DEFAZIO.
H.R. 2144: Mr. ENGEL and Mr. PORTER.
H.R. 2156: Mr. SAXTON.
H.R. 2192: Mr. EDWARDS of Oklahoma, Mr. STALLINGS, Mr. BATES, and Mr. HUCKABY.
H.R. 2193: Mr. DWYER of New Jersey.
H.R. 2212: Mr. TANNER.
H.R. 2238: Mr. KENNEDY.
H.R. 2269: Mrs. SMITH of Nebraska.
H.R. 2323: Mr. BRENNAN.
H.R. 2336: Mr. BUNNING and Mr. WALSH.
H.R. 2345: Mr. MAVROULES, Mr. MCHUGH, and Mr. BATES.
H.R. 2366: Mr. EDWARDS of Oklahoma and Mr. ATKINS.
H.R. 2479: Mr. GIBBONS, Mr. NELSON of Florida, Mr. BUSTAMANTE, and Mr. ROSE.
H.R. 2549: Mr. MILLER of Washington.
H.R. 2551: Mr. PAYNE of New Jersey and Mr. TOWNS.
H.R. 2575: Mr. DERRICK, Mr. PANETTA, Mr. WALKER, Mr. COBLE, Mr. ROWLAND of Georgia, Mr. SCHUETTE, Mr. MCGRATH, Mr. STOKES, Mrs. SAIKI, Mr. HUNTER, Mr. FALEOMAVAEGA, Mr. NELSON of Florida, Mr. TORRICELLI, Mr. STALLINGS, Mr. SISISKY, Mr. BROOMFIELD, Mr. SABO, Mr. BEREUTER, Mr. WELDON, Mr. BORSKI, Mr. PACKARD, Mr. DYSON, Mr. GINGRICH, Mr. TRAXLER, Mr. WISE, Mr. MYERS of Indiana.
H.R. 2614: Mr. DWYER of New Jersey and Mr. FALEOMAVAEGA.
H.R. 2617: Mr. FAUNTROY, Mr. TOWNS, Mr. AUCOIN, Mr. PEASE, Mr. FRANK, Ms. PELOSI, Mr. RANGEL, Mr. HAYES of Illinois, Mr. SMITH of Florida, Mr. KLECZKA, Mr. FAZIO, Mr. CLINGER, Mr. FOGLIETTA, Mr. DE LUGO, Mr. DELLUMS, Mrs. UNSOELD, Mr. OWENS of New York, and Mrs. COLLINS.
H.R. 2618: Mr. FAUNTROY, Mr. TOWNS, Mr. AUCOIN, Mr. PEASE, Mr. FRANK, Ms. PELOSI, Mr. RANGEL, Mr. HAYES of Illinois, Mr. SMITH of Florida, Mr. KLECZKA, Mr. FAZIO, Mr. CLINGER, Mr. FOGLIETTA, Mr. DE LUGO, Mr. DELLUMS, Mrs. UNSOELD, Mr. OWENS of New York, and Mrs. COLLINS.
H.R. 2648: Mr. FASCELL, Mr. ACKERMAN, Mr. HAWKINS, Mr. FISH, and Mrs. MORELLA.
H.R. 2699: Mr. HAWKINS, Mr. NEAL of North Carolina, Mr. MAVROULES, Mr. SOLARZ, Mr. WALSH, Mr. VALENTINE, and Mr. JOHNSTON of Florida.
H.R. 2707: Mr. EMERSON, Mr. NEAL of North Carolina, Mr. DE LUGO, and Mr. NAGLE.
H.R. 2792: Ms. SNOWE.
H.R. 2807: Mrs. UNSOELD, Mr. BILIRAKIS, Mr. ORTIZ, Mr. EDWARDS of Oklahoma, Mr. MARTIN of New York, Mr. CRANE, and Mr. QUILLEN.
H.R. 2838: Mr. MCCOLLUM.
H.R. 2903: Mr. BROOMFIELD.
H.R. 2929: Mr. KOLBE and Mr. CLAY.
H.R. 2941: Mr. SHAYS.
H.R. 2948: Mr. ENGEL and Mr. DE LUGO.
H.R. 2951: Mrs. JOHNSON of Connecticut, Mr. DWYER of New Jersey, Mr. FAZIO, Mr. LEHMAN of Florida, Mr. PAYNE of New Jersey, Mr. MCDERMOTT, Mr. ATKINS, and Mr. DE LUGO.
H.R. 2952: Mr. PAYNE of New Jersey, Mr. FAZIO, Mr. DWYER of New Jersey, Mrs. JOHNSON of Connecticut, Mr. DE LUGO, and Mr. MCDERMOTT.
H.R. 2957: Mr. ACKERMAN, Mr. ANTHONY, Mrs. LLOYD, Mr. DE LUGO, and Mr. KENNEDY.
H.R. 2968: Mr. ENGEL, Mr. LEHMAN of Florida, Mr. MILLER of Ohio, and Mr. BOSCO.
H.R. 2979: Mr. TOWNS.
H.R. 2996: Mr. DORGAN of North Dakota, Mr. FLAKE, Mr. DWYER of New Jersey, Mr. SAWYER, and Mr. DE LUGO.
H.R. 2997: Mrs. LLOYD, Mr. ATKINS, and Mr. FALEOMAVAEGA.
H.R. 3004: Mr. BOSCO, Mrs. COLLINS, Mr. COSTELLO, Mr. FAZIO, Mr. HAYES of Louisiana, Mr. NEAL of North Carolina, Mr. TORRICELLI, and Mr. WYDEN.
H.R. 3028: Mr. SHAYS.
H.R. 3045: Mr. MORRISON of Connecticut.
H.R. 3053: Mr. BROWN of California, Mr. OWENS of New York, and Mr. WALSH.
H.R. 3079: Mr. BEREUTER, Mr. FROST, Mr. HORTON, Mr. LAGOMARSINO, Mrs. LLOYD, Mr. DONALD E. LUKENS, Mrs. MEYERS of Kansas, Mr. PALLONE, Mr. ROE, Mrs. SAIKI, Mr. SAXTON, Mr. SCHAEFER, and Mr. TOWNS.
H.R. 3087: Mr. TOWNS and Mr. HUGHES.
H.R. 3088: Mr. TOWNS and Mr. HUGHES.
H.R. 3089: Mr. TOWNS and Mr. HUGHES.
H.R. 3090: Mr. TOWNS.
H.R. 3093: Mrs. LLOYD, Mr. OWENS of Utah, Ms. LONG, Mr. TORRICELLI, Mr. MFUME, and Mr. STOKES.
H.R. 3098: Mr. BATES, Mr. WALSH, Mr. DWYER of New Jersey, and Mr. TOWNS.
H.R. 3147: Mrs. COLLINS and Ms. PELOSI.
H.R. 3161: Mr. DYMALLY, Mrs. COLLINS, Mr. BUSTAMANTE, Mr. RANGEL, Mr. FROST, and Mr. GONZALEZ.
H.R. 3163: Mr. ROHRABACHER.
H.R. 3212: Mrs. COLLINS, Mr. ECKART, Mr. OWENS of Utah, Mr. NEAL of North Carolina, Mr. HAYES of Illinois, Mr. FAUNTROY, Mr. KOLTER, Mr. TOWNS, and Mr. HUGHES.
H.J. Res. 23: Mr. VALENTINE.
H.J. Res. 35: Mr. FAZIO, Mr. PASHAYAN, Mr. LEWIS of California, Mr. MORRISON of Washington, Mr. TOWNS, Mr. PURSELL, Mr. HEFNER, Mr. MOAKLEY, Mr. GUNDERSON, Mr. HERTEL, Mr. KLECZKA, Mr. SCHIFF, Mr. WOLPE, and Mr. TORRES.
H.J. Res. 57: Mr. DORNAN of California.
H.J. Res. 204: Mr. HOYER, Mr. HILER, Mr. PORTER, Mr. HENRY, Mr. CHANDLER, Mr. ENGLISH, Mr. MCCLOSKEY, Mr. HAMILTON, Mr. INHOFE, Mr. FEIGHAN, Mr. FRENZEL, Mr. NAGLE, Mr. PAYNE of New Jersey, Mr. MOAKLEY, Mr. WELDON, Mr. VOLKMER, and Mr. TAUKE.
H.J. Res. 214: Mr. BRENNAN, Mr. COUGHLIN, Mr. SHUSTER, and Mr. GEJDENSON.
H.J. Res. 217: Mr. OBERSTAR, Mr. NATCHER, Mr. CLEMENT, Mr. IRELAND, Mr. MOODY, Mr. ESPY, Mr. CHAPMAN, Mr. GRANT, Mr. LENT, Mr. YATES, Mr. SOLOMON, Mr. HOCHBRUECHNER, Mr. MCHUGH, Mr. MANTON, Mr. SHAW, Mr. HUTTO, Mr. MCCOLLUM, Mr. THOMAS of Wyoming, Mr. LEWIS of Florida, Mr. ARCHER Mr. DE LA GARZA, Mr. DELAY, Mr. FIELDS, Mr. LAUGHLIN, Mr. LEATH of Texas, Mr. PICKLE, Mr. STENHOLM, Mr. SMITH of Texas, Mr. LIVINGSTON, Mr. FASCELL, Mr. BATEMAN, Mr. BARTLETT, Mr. BARTON of Texas, Mr. BUSTAMANTE, Mr. HALL of Texas, Mr. HARRIS, Mr. GILLMOR, Mr. POSHARD, Mr. CALLAHAN, and Mr. GEPHARDT.
H.J. Res. 241: Mr. TRAXLER, Mr. LEHMAN of Florida, Mr. CARPER, Mrs. UNSOELD, Mr. COOPER, Mr. MILLER of Washington, Mr. ACKERMAN, Ms. SNOWE, Mr. ROSE, Mr. WOLPE, Mr. COBLE, Mr. STENHOLM, Mr. MCHUGH, Mr. ESPY, and Mr. PAYNE of New Jersey.
H.J. Res. 248: Mr. CRAIG, Mr. LANCASTER, Mr. MANTON, Mr. MARKEY, Mr. MOLINARI, Mr. NELSON of Florida, and Mr. SHAYS.
H.J. Res. 255: Ms. PELOSI, Mr. GUARINI, Mr. EMERSON, Mr. FRANK, Mr. MCNULTY, Mr. BRUCE, Mr. MRAZEK, and Mr. FORD of Tennessee.
H.J. Res. 256: Mr. SKELTON, Mr. RICHARDSON, and Mr. MILLER of Washington.
H.J. Res. 286: Mr. EVANS.
H.J. Res. 294: Mr. HARRIS, Mr. LEWIS of Florida, Mr. CAMPBELL of Colorado, Mr. VALENTINE, and Mr. PAYNE of New Jersey.
H.J. Res. 348: Mr. HOLLOWAY.
H.J. Res. 354: Mr. ROBINSON, Mr. FLAKE, Mr. ACKERMAN, Mr. VANDER JAGT, and Mrs. MORELLA.
H.J. Res. 365: Mr. HOLLOWAY.
H.J. Res. 373: Mr. ASPIN, Mr. BAKER, Mrs. BENTLEY, Mr. BEVILL, Mr. BOSCO, Mr. BURTON of Indiana, Mr. CARPER, Mr. CLARKE, Mrs. COLLINS, Mr. CONYERS, Mr. COUGHLIN, Mr. CRAIG, Mr. DEWINE, Mr. DWYER of New Jersey, Mr. EDWARDS of Oklahoma, Mr. ENGLISH, Mr. APPLEGATE, Mr. BATES, Mr. BERMAN, Mr. BLILEY, Mrs. BOXER, Mr. CAMPBELL of California, Mr. CLINGER, Mr. CONTE, Mr. COURTER, Mr. CROCKETT, Mr. DE LA GARZA, Mr. DYMALLY, Mr. ENGEL, Mr. ERDREICH, Mr. EVANS, Mr. FAWELL, Mr. FLAKE, Mr. FLORIO, Mr. GOODLING, Mr. GRAY, Mr. HATCHER, Mr. HEFNER, Mr. HILER, Mr. HYDE, Ms. KAPTUR, Mr. KENNEDY, Mr. KOLTER, Mr. LANTOS, Mr. LEVIN of Michigan, Mr. LEWIS of Florida, Mr. THOMAS A. LUKEN, Mr. MCCLOSKEY, Mr. MCDERMOTT, Mr. MCNULTY, Mr. MARLENEE, Mr. MATSUI, Mr. MILLER of Ohio, Mr. MURPHY, Mr. ORTIZ, Mr. FAUNTROY, Mr. FAZIO, Mr. FLIPPO, Mr. FROST, Mr. GILMAN, Mr. GRANT, Mr. GUNDERSON, Mr. HANSEN, Mr. HAYES of Illinois, Mr. HENRY, Mr. HUGHES, Mr. JONTZ, Mr. KASTENMEIER, Mr. KLECZKA, Mr. LAGOMARSINO, Mr. LEHMAN of Florida, Mr. LEVINE of

California, Mr. LEWIS of Georgia, Mr. DONALD E. LUKENS, Mr. MCDADE, Mr. MCEWEN, Mr. MANTON, Mr. MARTIN of New York, Mr. MAZZOLI, Mr. MOAKLEY, Mrs. MEYERS of Kansas, Mr. OWENS of New York, Mr. OXLEY, Mr. PANETTA, Mr. PASHAYAN, Mr. PORTER, Mr. RAHALL, Mr. RINALDO, Mr. ROYBAL, Mr. SCHAEFER, Mr. SHAW, Mr. SMITH of New Jersey, Mr. SOLARZ, Mr. SPENCE, Mr. SPRATT, Mr. SWIFT, Mr. WAXMAN, Mr. WOLPE, Mr. YOUNG of Florida, Mr. PACKARD, Mr. PARKER, Mrs. PATTERSON, Mr. PICKETT, Mr. QUILLEN, Mr. RAVENEL, Mr. ROBINSON, Mr. SAVAGE, Mr. SCHEUER, Mr. SKELTON, Mr. DENNY SMITH, Mr. SOLOMON, Mr. STALLINGS, Mr. SYNAR, Mr. WHITTAKER, and Mr. WYDEN.

H.J. Res. 375: Mr. WILSON, Mr. ORTIZ, Mr. PAYNE of Virginia, Mr. FAZIO, Mrs. COLLINS, Mr. EVANS, Mr. WELDON, Mr. BORSKI, Mr. DE LUGO, and Mr. ENGEL.

H.J. Res. 380: Mr. PARRIS.

H.J. Res. 381: Mr. WALSH, Mr. FUSTER, Mr. FAZIO, Mrs. COLLINS, Mr. TOWNS, Mr. JONTZ, Mr. BONIOR, Mr. BRUCE, Mr. OBERSTAR, Mr. BEVILL, Ms. KAPTUR, Mr. SCHUETTE, Mr. HUGHES, Mr. WATKINS, Mr. MONTGOMERY, Mr. DYSON, Mr. MCHUGH, Mr. LEHMAN of Florida, Mr. FALEOMAVAEGA, Mr. HORTON, Mr. SMITH of Iowa, Mr. THOMAS A. LUKEN, Mr. DAVIS, Mr. MCDADE, Mr. KOLTER, Mrs. LLOYD, Mr. CLARKE, and Ms. PELOSI.

H.J. Res. 386: Mr. WALSH, Mr. THOMAS A. LUKEN, Mr. WOLF, Mr. HORTON, Mr. FAZIO, and Mr. FALEOMAVAEGA.

H.J. Res. 389: Mr. ACKERMAN, Mr. BATEMAN, Mr. BOEHLERT, Mr. DORNAN of California, Mr. FROST, Mr. HUGHES, Mr. LANCASTER, Mr. LEVIN of Michigan, Mr. MRAZEK, Mr. PRICE, Mr. SCHUETTE, Mr. STUDDS, Mr. TALLON, and Mr. ASPIN.

H.J. Res. 394: Mr. DENNY SMITH, Mr. AUCOIN, Mr. CARPER, and Mr. LIVINGSTON.

H. Con. Res. 87: Ms. PELOSI, Mr. GARCIA, Mr. SMITH of Florida, Mr. DORGAN of North Dakota, Mr. MARKEY, Mr. WILLIAMS, Mr. KILDEE, Mr. GEKAS, Mr. SHAW, and Mr. WOLPE.

H. Con. Res. 92: Mr. EDWARDS of Oklahoma and Mr. GEJDENSON.

H. Con. Res. 149: Mr. DE LUGO, Mr. EDWARDS of California, Mr. FEIGHAN, Mr. HUCKABY, Mrs. LLOYD, Mr. NEAL of North Carolina, Mr. OXLEY, Mr. RAY, Mr. SAXTON, Mr. TALLON, and Mrs. UNSOELD.

H. Con. Res. 156: Mr. DWYER of New Jersey, Mr. DEWINE, Mr. BALLENGER, Mr. IRELAND, Mr. MACHTLEY, Mr. PALLONE, Mr. FISH, Mr. HUGHES, and Mr. GOSS.

H. Con. Res. 172: Mr. LEHMAN of Florida, Mr. DELAY, Mr. FAZIO, Mr. DWYER of New Jersey, Mrs. JOHNSON of Connecticut, Mr. PAYNE of New Jersey, Mr. PALLONE, Mr. DE LUGO, Mrs. MEYERS of Kansas, and Mr. MCDERMOTT.

H. Con. Res. 175: Mr. TORRES, Mr. ATKINS, Mr. ECKART, Mr. PALLONE, Mr. OWENS of New York, Mr. NOWAK, Mr. GUARINI, and Mr. MRAZEK.

H. Con. Res. 177: Mr. VENTO, Ms. PELOSI, and Mr. SABO.

H. Con. Res. 185: Mr. BEREUTER.

H. Res. 18: Mr. MILLER of Washington, Mr. MONTGOMERY, Mr. HUNTER, Mrs. LOWEY of New York, Mr. NIELSON of Utah, Mr. ROWLAND of Connecticut, Mr. PEASE, Mr. HUTTO, Mr. PAYNE of Virginia, Mrs. SAIKI, Mr. SCHIFF, Mr. CRAIG, Mrs. PATTERSON, Mr. SARPALIUS, Mrs. BENTLEY, Mr. HOLLOWAY, Mr. WALSH, Mr. BARTON of Texas, Mr. COX, Mr. MCCRERY, and Mr. GALLO.

H. Res. 56: Mr. GINGRICH and Mr. MACHTLEY.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2406: Mr. QUILLEN.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

82. By the SPEAKER: Petition of the Legislature of Rockland County, NY, relative to a constitutional amendment to protect the American flag; to the Committee on the Judiciary.

83. Also, petition of the City of Miami Commission, Florida, relative to a constitutional amendment to protect the American flag; to the Committee on the Judiciary.

84. Also, petition of the City of Miami Commission, Florida, relative to civil rights; to the Committee on the Judiciary.

85. Also, petition of the City Council of Toledo, OH, relative to a constitutional amendment to protect the American flag; to the Committee on the Judiciary.

86. Also, petition of the City Council of Erie, PA, relative to a constitutional amendment to protect the American flag; to the Committee on the Judiciary.

87. Also, petition of the Board of Commissioners of Abington Township, PA, relative to a constitutional amendment to protect the American flag; to the Committee on the Judiciary.

88. Also, petition of the City Council of Derry, NH, relative to the protection of the American flag against desecration; to the Committee on the Judiciary.

89. Also, petition of the Douglas County Democratic Central Committee, Minden, NV, relative to the desecration of the American flag; to the Committee on the Judiciary.

SENATE—*Wednesday, September 6, 1989*

The Senate met at 12 noon, and was called to order by the President pro tempore [Mr. BYRD].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

He hath shewed thee, O man, what is good; and what doth the Lord require of thee, but to do justly, and to love mercy, and to walk humbly with thy God?—Micah 6:8.

Holy God, perfect in truth, justice, and love, Father of all who trust Thee, who receive Your love, thank Thee for the burden and blessing of recess—for family time, constituent time, speaking time, and travel. Thank Thee for protection, safety, rest, and renewal.

As the Senate confronts the arduous agenda of these next weeks, infuse all who labor here with wisdom and strength for the task. Help us to hear and take seriously the profound and simple counsel of the prophet Micah. Grant to each of us the will to be just in all things, merciful and compassionate in our relationship with others and a closer than ever walk with Thee. In Jesus' name. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

ORDER TO PLACE CERTAIN ITEMS ON THE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that bills and joint resolutions that have been read the first time now be considered to have received their second readings en bloc, that an objection be then considered to have been lodged against further proceedings with respect to each of these items, and that they be placed on the calendar in accordance with the provision of rule XIV.

The PRESIDENT pro tempore. Is there objection? The Chair hears none and in accordance with the request, the various and sundry items will be placed on the calendar under rule XIV.

ORDER TO PROCEED TO H.R. 3014 AT THE CONCLUSION OF MORNING BUSINESS AND RECESS FROM 1 P.M. UNTIL 2:15 P.M.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 3014, the legislative appropriations bill, today at the conclusion of morning business. I further ask unanimous consent that the Senate stand in recess today from 1 p.m. until 2:15 p.m.

The PRESIDENT pro tempore. Without objection, that will be the order of the Senate.

SCHEDULE

Mr. MITCHELL. Mr. President, today following the time reserved for the two leaders, there will be a period for morning business until 1 p.m. with Senators permitted to speak therein for up to 5 minutes each. At 1 p.m. the Senate will stand in recess until 2:15 p.m. It is my intention to turn to the consideration of H.R. 3014, the legislative branch appropriations bill, once morning business is closed today.

For the information of Senators, rollcall votes on or in relation to the legislative branch appropriations bills are possible during today's session.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I have a lengthy statement to make on the status of nominations. I understand the distinguished Republican leader has another commitment.

Mr. President, to accommodate my friend and colleague, I reserve the remainder of my time for my statement and yield to the distinguished Republican leader.

RECOGNITION OF THE REPUBLICAN LEADER

The PRESIDENT pro tempore. The Republican leader is recognized.

NANCY KASSEBAUM RECOGNIZED AGAIN FOR EXCELLENCE

Mr. DOLE. Mr. President, the people of Kansas know quality and class when they see it, so it is no surprise that they have sent NANCY KASSEBAUM to the Senate to represent them.

They elected her in 1978, reelected her in 1984, and will reelect her again come November 1990—and once again it will be by a landslide.

No doubt about it, she is a Kansas treasure.

Her talent has also been widely recognized beyond the borders of the Sunflower State. The latest honor comes from the Sara Lee Corp., which has chosen Senator KASSEBAUM as one of only four recipients of its prestigious "Frontrunner Award."

It is a national award that recognizes NANCY for her outstanding achievements in Government, and her longtime commitment to excellence.

Mr. President, I want to share with the Senate a fine magazine profile from the Sara Lee Corp. about my distinguished colleague from Kansas. I ask unanimous consent that it be printed in the RECORD at this point; and I recommend my fellow Senators take a look at it.

Members on both sides of the aisle agree: We are fortunate indeed to serve with this great Senator from Kansas.

There being no objection, the profile was ordered to be printed in the RECORD, as follows:

FROM KANSAS TO THE SENATE TO THE LAND

(By Maya Angelou)

"The Land. Someday one must go back to the Land. You understand what I mean, don't you?" Nancy Kassebaum is very direct and very clear. She does not try to disguise the poignancy of her statement nor does she try to modulate her broad mid-western accent. Yet, for all her openness, this woman is undoubtedly contradictory.

She is a Kansan, bred and born. A Kansan mother and a Kansan daughter, yet for ten years she has been in the United States Senate casting or withholding her vote with the undeniable intent of determining the course of this entire country.

She is slight of build and soft-spoken. She has said, "Someday I'm going to hit someone over the head for calling me diminutive and soft-spoken." Then she added, "But then, I am."

On the occasions when she thought the action merited it, she has lifted that soft voice and held it high. In some cases her arguments have been in direct opposition to the stances of her own party members and colleagues. When asked to explain why she has taken an opposing position to the party line, she replied, "I feel better, if I just try to be true to myself." The re-phrasing of Polonius' 16th century advice to his son sounds absolutely right coming from this 20th century senator. That is the same rationale she displays when taking any unpopular position.

Nancy Landon Kassebaum was a beribboned four-year-old in 1936 when her father, Alfred Landon, campaigned unsuccessfully for the presidency, running against the popular incumbent President Franklin Roosevelt. She was a political baby and has been a life-long Republican.

Since Nancy Kassebaum wanted to be a Foreign Service officer while in college, taking a master's degree in diplomatic history, it is poetic justice that she is a major presence on the Senate Foreign Relations Committee.

She has shown an equilibrium usually found only in old philosophers. This equanimity must be in part inherited and in part learned, for she has shown this quality despite political qualifications. She has served on the school board of her town and had

worked for less than a year as legislative aide to Senator James Pearson (Republican, Kansas). When Senator Pearson retired, she set out to win his seat. And did. And went on to win a second term with a staggering 76% of the Kansas Senate election.

Kassebaum returns to Kansas every other week, and there are those who feel that she never really leaves Kansas. One friend who knows her well said, "If she had a chance to go to Rome, Paris, Bangkok, or Topeka, she would choose Topeka."

"The Land. You must go back to the Land."

We are fortunate that Senator Nancy Kassebaum says the Land, and she means Kansas. But she also means the whole United States and all its citizens. She is a courageous, soft-spoken American.

NATIONAL DRUG CONTROL STRATEGY

Mr. DOLE. Mr. President, on October 22 of last year, the Senate gave final approval to the Anti-Drug Abuse Act of 1988. That bill, for the first time, called on the President of the United States to submit a national drug control strategy to the Congress within 180 days of the confirmation of the newly created Director of National Drug Control Policy.

Last night, the President unveiled for the American people this Nation's new comprehensive attack on illicit drugs. The strategy is on time and it is on target.

Let me caution my colleagues from the outset—this is not a fight that will be won overnight, will not be won by mere dollars, and will not be won through partisan politics.

This fight is about commitment, about the freedom of our citizens and the citizens of other democracies who are being held hostage by drug producers, smugglers, dealers, and especially drug users.

The American people are fed-up, frightened, and ready to fight. But, they need our help.

RESOURCES

Mr. President, the fight is not about resources either. The Federal Government has increased spending to combat drug use from $1.1 billion in 1981 to a proposed nearly $8 billion for 1990.

The new strategy calls for an increase of $2.2 billion from this year's level. That is more than the $1.7 billion that the Senate has discussed earlier this year as the amount necessary to accomplish what some call fully funding the war on drugs. So there should not be any disagreement on the amount of resources.

REVENUE

The Administration has also sent the Congress a detailed description of how to pay for the increased resources for drugs. I have heard some of my colleagues already call for tax increases to pay for the war on drugs. The Government now spends about $1 trillion each year, so I believe we can find enough money without raising taxes. If we look around the Congress, we can probably find plenty of fat to cut to help fight drugs. So, let me say loud and clear: This is a war on drugs, not a war on the American taxpayer.

THE STRATEGY

The 1988 drug bill listed four points to be covered by the National Drug Control Strategy: First, long range goals; second, short term goals; third, a description of the balance of resources between supply and demand; and fourth, State and local efforts to ensure cooperation at all levels of government.

The strategy does give us the goals by which we will be able to measure our successes and our failures in the newly coordinated battle. Generally, it calls for reducing illicit drug usage by 10 percent during the next 2 years, and by 50 percent during the next 10 years. That is a big challenge but, if we are united, we can achieve these new goals.

It is important to note that the second strategy is due in just 6 months, so changes will be made as we get a chance to review what is working. In the mean time, the strategy calls for spending about 70 percent of the total funds on supply and 30 percent on demand. We simply need to get control of our neighborhoods and our borders at the outset. As successes mount, more can and should be moved to the demand side.

Finally, the strategy asks States to change their laws to reflect changes Congress made to Federal laws in 1986 and 1988, in the antidrug bills passed in those years—I might say by a large bipartisan majority.

With an increase of police activities involving personnel from Federal, State and local agencies, a uniformity in the drug strategy and laws is essential. To go along with these changes, the strategy proposes to increase grants to State and local governments by 133 percent.

LEGISLATION

Mr. President, the Congress should also congratulate itself. The strategy points out the fact that nearly all of the necessary legal authority for the Government to strike against drugs under the new strategy already exists.

It exists because of the 1986 act—I can recall working with the Presiding Officer on the leadership bill at that time—and because of the 1988 act, when I worked with the distinguished Presiding Officer in the Byrd-Dole drug effort, again supported by Members on both sides of the aisle.

So, we will need to rearrange budget priorities to provide the new funds and make some technical changes to the law. But I guess we can say for the most part, nearly all the law we need is already in place.

However, we can, and must, move on two other fronts. First, in June, the President sent Congress a comprehensive crime bill. Make no mistake about it, the war on drugs is also a war on crime. Two provisions contained in that proposal would give our police and courts new and essential abilities to help in the drug fight—reform of habeas corpus and providing a good faith exemption in the exclusionary rule. The first would help unclog courts which are being swamped by a seemingly unending series of appeals by convicted felons, and the second would keep otherwise guilty criminals from being let free due to technicalities.

Finally, the Congress should follow its own lead by creating one central, high level drug committee. We created a single Federal drug czar to coordinate the activities of the executive branch. We should now show our resolve by ending the turf battles in Congress by agreeing to form either a joint committee on drugs, or at least one in each the Senate and House, one super committee, and I propose the committee be chaired by the majority leader. Make it a leadership committee. Because if this is the No. 1 priority, it deserves the attention as the No. 1 priority from those in leadership positions. Of course, it would include other Members in key committees, whether they be appropriations, judiciary or whatever.

There are currently 54 House committees and subcommittees and 21 Senate committees and subcommittees with jurisdiction over some facet of the drug war, and that does not include appropriations or strictly oversight committees like the House Narcotics Committee. That is 75 committees and subcommittees in the House and Senate that have a little piece of the drug war. That does not count the Appropriations Committee or strictly oversight committees, like the House Narcotics Committee.

I am advised by the drug czar, William Bennett, he is going to be spending about 12 straight days testifying before one committee or another in the next couple of weeks or 3 weeks. I think he is doing an outstanding job. He has a big job ahead of him and we ought to try to cooperate wherever we can in making certain we can streamline the Congress to meet the demands of the drug war.

Surely we want the drug czar, Bill Bennett, to fight drugs rather than spending all his time before congressional committees, so we should take this opportunity to follow our own lead and establish these committees without delay.

SUMMARY

So, we need a coordinated effort. The President mentioned this yesterday in the leadership meeting, if we are to have any success against drugs. And we now have one. We also need to

be united. So I urge my colleagues to take a good look at what the President and Bill Bennett are proposing. It is good, tough medicine. It is worthy of bipartisan support. And it seems to me everything is in place, everyone is going in the same direction.

We may have arguments about how far or whether we should go more on the demand side and less on supply, more on supply, less on demand. But there is no doubt in my mind that everyone in this body is committed to end the scourge of drugs. There is no doubt in my mind that everybody is committed to tough penalties on so-called casual users, those who might use drugs once a month. There is no doubt in my mind that everyone in this body is committed to education, enforcement, treatment. But in all these cases we need accountability because there is a limit on resources.

We have to make certain that drug treatment programs are working, not just that we are appropriating a lot of money and hope they are working. There has to be some accountability. Whether it is enforcement, whether it is education, whether it is treatment, whether it is interdiction, the American taxpayer will demand we make certain we spend the money as wisely as we can, knowing in any event there is also some that slips by the wayside.

So, I congratulate the President. I think, as the majority leader stated yesterday, the President chose in his first televised address to the American people to talk about drugs, and about how we can work together to end this tragic chapter in our history.

So, I pledge my support to the President. I am certain everyone else pledges their support to the President.

As I said, we may have some differences but we are all agreed on one thing, and that is the commitment to end this plague upon our land. I ask unanimous consent that the text of the President's national drug policy address be printed in the RECORD. I thank the majority leader for letting me proceed.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

PRESIDENT'S NATIONAL DRUG POLICY ADDRESS, SEPTEMBER 5, 1989

This is the first time since taking the oath of office that I felt an issue was so important, so threatening, that it warranted talking directly with you, the American people. All of us agree that the gravest domestic threat facing our Nation today is drugs.

Drugs have strained our faith in our system of justice. Our courts, our prisons, our legal system are stretched to the breaking point. The social costs of drugs are mounting. In short, drugs are sapping our strength as a Nation.

Turn on the evening news, or pick up the morning paper and you'll see what some Americans know just by stepping out their front door: Our most serious problem today is cocaine, and in particular, crack.

Who's responsible? Let me tell you straight out.

Everyone who uses drugs.

Everyone who sells drugs.

And everyone who looks the other way.

Tonight, I will tell you how many Americans are using illegal drugs. I will present to you our national strategy to deal with every aspect of this threat. And I will ask you to get involved in what promises to be a very difficult fight.

This is crack cocaine seized a few days ago by Drug Enforcement Administration agents in a park just acrosss the street from the White House. It could easily have been heroin or PCP. It's as innocent looking as candy, but it is turning our cities into battle zones, and it is murdering our children. Let there be no mistake, this stuff is poison. Some used to call drugs harmless recreation. They're not. Drugs are a real and terribly dangerous threat to our neighborhoods, our friends and our families.

No one among us is out of harm's way. When four-year-olds play in playgrounds strewn with discarded hypodermic needles and crack vials—it breaks my heart. When cocaine—one of the most deadly and addictive illegal drugs—is available to school kids—school kids—it's an outrage. And when hundreds of thousands of babies are born each year to mothers who use drugs—premature babies born desperately sick—then even the most defenseless among us are at risk.

These are the tragedies behind the statistics. But the numbers also have quite a story to tell. Let me share with you the results of the recently completed Household Survey of the National Institute on Drug Abuse. It compares recent drug use to three years ago. It tells us some good news and, some very bad news. First, the good.

As you can see in the chart, in 1985, the government estimated that 23 million Americans were using drugs on a "current" basis—that is, at least once in the preceding month. Last year, that number fell by more than a third. That means almost nine million fewer Americans are casual drug users. Good news.

Because we changed our national attitude toward drugs, casual drug use has declined. We have many to thank: Our brave law-enforcement officers, religious leaders, teachers, community activists, and leaders of business and labor. We should also thank the media for their exhaustive news and editorial coverage and, for their air time and space for anti-drug messages. Finally, I want to thank President and Mrs. Reagan for their leadership. All of these good people told the truth—that drug use is wrong and dangerous.

But, as much comfort as we can draw from these dramatic reductions, there is also bad news—very bad news. Roughly eight million people have used cocaine in the past year, almost one million of them used it frequently once a week or more.

What this means is that, in spite of the fact that overall cocaine use is down, frequent use has almost doubled in the last few years. And that's why habitual cocaine users—especially crack users—are the most pressing, immediate drug problem.

What, then, is our plan? To begin with, I trust the lesson of experience: No single policy will cut it, no matter how glamorous or magical it may sound. To win the war against addictive drugs like crack will take more than just a Federal strategy. It will take a national strategy, one that reaches into every school, every workplace, involving every family.

Earlier today, I sent this document, our first such National Strategy to the Congress. It was developed with the hard work of our Nation's first drug policy director, Bill Bennett. In preparing this plan, we talked with state, local and community leaders, law enforcement officials and experts in education, drug prevention, and rehabilitation. We talked with parents and kids. We took a long hard look at all that the Federal Government has done about drugs in the past: What's worked, and—let's be honest—what hasn't. Too often, people in government acted as if their part of the problem—whether fighting drug production, or drug smuggling, or drug demand—was the only problem. But turf battles won't win this war. Teamwork will.

Tonight, I'm announcing a strategy that reflects the coordinated, cooperative commitment of all Federal agencies. In short, this plan is as comprehensive as the problem. With this strategy, we now finally have a plan that coordinates our resources, our programs and the people who run them.

Our weapons in this strategy are: The law and criminal justice system; our foreign policy; our treatment systems, and our schools and drug prevention programs. So the basic weapons we need are the ones we already have. What has been lacking is a strategy to effectively use them.

Let me address four of the major elements of our strategy.

First, we are determined to enforce the law, to make our streets and neighborhoods safe. So to start, I'm proposing that we more than double Federal assistance to State and local law enforcement. Americans have a right to safety in and around their homes.

And we won't have safe neighborhoods unless we are tough on drug criminals—much tougher than we are now. Sometimes that means tougher penalties. But more often it just means punishment that is swift and certain. We've all heard stories about drug dealers who are caught and arrested—again and again—but never punished. Well, here the rules have changed: If you sell drugs, you will be caught. And when you're caught, you will be prosecuted. And once you're convicted, you will do time. Caught. Prosecuted. Punished.

I am also proposing that we enlarge our criminal justice system across the board—at the local, state and federal levels alike. We need more prisons, more jails, more courts, more prosecutors. So tonight, I'm requesting—altogether—an almost billion-and-a-half dollar increase in drug-related Federal spending on law enforcement.

And while illegal drug use is found in every community, nowhere is it worse than in our public housing projects. You know, the poor have never had it easy in this world. But in the past, they weren't mugged on the way home from work by crack gangs. And their children didn't have to dodge bullets on the way to school. That is why I'm targeting $50 million to fight crime in public housing projects—to help restore order, and to kick out the dealers for good.

The second element of our strategy looks beyond our borders, where the cocaine and crack bought on America's streets, is grown and processed. In Colombia alone, cocaine killers have gunned down a leading statesman, murdered almost two hundred judges and seven members of their supreme court. The besieged governments of the drug-producing countries are fighting back, fighting

to break the international drug rings. But you and I agree with the courageous President of Colombia, Virgilio Barco, who said that if Americans use cocaine, then Americans are paying for murder. American cocaine users need to understand that our Nation has zero tolerance for casual drug use. We have a responsibility not to leave our brave friends in Colombia to fight alone.

The $65 million emergency assistance announced two weeks ago was just our first step in assisting the Andean Nations in their fight against the cocaine cartels. Colombia has already arrested suppliers, seized tons of cocaine and confiscated palatial homes of drug lords. But Colombia faces a long, uphill battle, so we must be ready to do more.

Our strategy allocates more than a quarter of a billion dollars for next year in military and law enforcement assistance for the three Andean Nations of Colombia, Bolivia and Peru. This will be the first part of a five-year, $2 billion program to counter the producers, the traffickers and the smugglers.

I spoke with President Barco last week, and we hope to meet with the leaders of affected countries in an unprecedented drug summit, all to coordinate an Inter-American stragtegy against the cartels. We will work with our allies and friends—especially our Economic Summit partners—to do more in the fight against drugs. I'm also asking the Senate to ratify the U.N. Anti-Drug Convention concluded last December.

To stop those drugs on the way to America, I propose that we spend more than a billion-and-a-half dollars on interdiction. Greater interagency cooperation, combined with sophisticated intelligence-gathering, and defense department technology, can help stop drugs at our borders.

Our message to the drug cartels is this: The rules have changed. We will help any government that wants our help. When requested, we will for the first time make available the appropriate resources, of America's armed forces. We will intensify our efforts against drug smugglers on the high seas, in international airspace and at our borders. We will stop the flow of chemicals from the United States used to process drugs. We will pursue and enforce international agreements to track drug money to the front men and financiers. And then we will handcuff these money launderers, and jail them—just like any street dealer. And for drug kingpins, the death penalty.

The third part of our strategy concerns drug treatment. Experts believe that there are two million American drug users who may be able to get off drugs with proper treatment. But right now, only 40 percent of them are actually getting help. This is simply not good enough.

Many people who need treatment won't seek it on their own. And some who do seek it are put on a waiting list. Most programs were set up to deal with heroin addicts, but today, the major problem is cocaine users. It's time we expand our treatment systems and do a better job of providing services to those who need them.

So tonight, I'm proposing an increase of $321 million in Federal spending on drug treatment.

With this strategy, we will do more. We will work with the states. We will encourage employers to establish Employee Assistance Programs to cope with drug use. And, because addiction is such a cruel inheritance, we will intensify our search for ways to help expectant mothers who use drugs.

Fourth, we must stop illegal drug use before it starts. Unfortunately, it begins early—for many kids, before their teens. But it doesn't start the way you might think, from a dealer or an addict hanging around a school playground. More often, our kids first get their drugs free, from friends, or even from older brothers and sisters. Peer pressure spreads drug use. Peer pressure can help stop it.

I am proposing a quarter-of-a-billion-dollar increase in Federal funds for school and community prevention programs that help young people and adults reject enticements to try drugs. And I'm proposing something else. Every school, college and university—and every workplace—must adopt tough but fair policies about drug use by students and employees. Those that will not accept such policies will not get Federal funds. Period.

The private sector also has a role to play. I spoke with a businessman named Jim Burke who said he was haunted by the thought—a nightmare really—that somewhere in America, at any given moment, there is a teenage girl who should be in school, instead of giving birth to a child addicted to cocaine. So Jim did something. He led an anti-drug partnership, financed by private funds, to work with advertisers and media firms. Their partnership is now determined to work with our strategy by generating educational messages worth a million dollars a day—every day for the next three years—a billion dollars worth of advertising, all to promote the anti-drug message.

As President, one of my first missions is to keep the national focus on our offensive against drugs. So next week I will take the anti-drug message to the classrooms of America in a special television address, one that I hope will reach every school, every young American. But drug education doesn't begin in class or on T.V. It must begin at home and in the neighborhood. Parents and families must set the first example of a drug-free life. And when families are broken, caring friends and neighbors must step in.

These are the most important elements in our strategy to fight drugs. They are all designed to reinforce one another, to mesh into a powerful whole. To mount an aggressive attack on the problem from every angle. This is the first time in the history of our country, that we truly have a comprehensive strategy.

As you can tell, such an approach will not come cheaply. Last February, I asked for a $700 million increase in the drug budget for the coming year. Over the past six months of careful study, we have found an immediate need for another billion-and-a-half dollars. With this added 2.2 billion, our 1990 drug budget totals almost eight billion dollars—the largest increase in history.

We need this program fully implemented—right away. The next fiscal year begins just 26 days from now. So tonight, I'm asking the Congress—which has helped us formulate this strategy—to help us move it forward immediately.

We can pay for this fight against drugs without raising taxes or adding to the budget deficit. We have submitted our plan to Congress that shows just how to fund it within the limits of our bipartisan budget agreement.

I know some will still say that we are not spending enough money. But those who judge our strategy only by its price tag, simply don't understand the problem. Let's face it, we've all seen in the past that money alone won't solve our toughest problems.

To be strong and efficient, our strategy needs these funds. But there is no match for a united America, a determined America, an angry America. Our outrage against drugs unites us, brings us together behind this one plan of action, an assault on every front.

This is the toughest domestic challenge we've faced in decades. And it is a challenge we must face—not as Democrats or Republicans, liberals or conservatives—but as Americans. The key is a coordinated, united effort. We have responded faithfully to the request of the Congress to produce our Nation's first national drug strategy. I'll be looking to the Democratic Majority and our Republicans in Congress for leadership and bipartisan support. And our citizens deserve cooperation, not competition; a national effort, not a partisan bidding war.

To start, Congress needs not only to act on this national drug strategy, but also to act on our crime package announced last May; a package to toughen sentences, to beef up law enforcement and build new prison space for 24,000 inmates.

You and I both know the Federal Government can't do it alone. The States need to match tougher Federal laws with tougher laws of their own—stiffer bail, probation, parole and sentencing.

And we need your help. If people you know are users, help them get off drugs. If you are a parent, talk to your children about drugs—tonight.

Call your local drug prevention program. Be a Big Brother or Sister to a child in need. Pitch in with your local Neighborhood Watch program. Whether you give your time or talent, everyone counts.

Every employer who bans drugs from the workplace.

Every school that's tough on drug use.

Every neighborhood in which drugs are not welcome.

And most important, every one of you who refuses to look the other way. Every one of you counts.

Of course, victory will take hard work and time. But together we will win—too many young lives are at stake.

Not long ago, I read a newspaper story about a little boy named Dooney, who, until recently, lived in a crack house in a suburb of Washington, D.C. In Dooney's neighborhood, children don't flinch at the sound of gunfire. And when they play, they pretend to sell to each other small white rocks they call crack.

Life at home was so cruel that Dooney begged his teachers to let him sleep on the floor at school. And, when asked about his future, 6-year-old Dooney answers: "I don't want to sell drugs, but I will probably have to."

Well, Dooney does not have to sell drugs. No child in America should have to live like this. Together, as a people, we can save these kids. We have already transformed a national attitude of tolerance into one of condemnation. But the war on drugs will be hard-won, neighborhood by neighborhood, block by block, child by child.

If we fight this war as a divided nation, then the war is lost. But if we face this evil as a nation united, this will be nothing but a handful of useless chemicals.

Victory. Victory over drugs is our cause, a just cause, and with your help, we are going to win.

The PRESIDENT pro tempore. The majority leader.

STATUS OF NOMINATIONS

Mr. MITCHELL. Mr. President, on August 4, I met with President Bush, at my request, to discuss nominations and recess appointments. His press secretary, Marlin Fitzwater, commented on that meeting, as reported in the New York Times on August 28, by stating that "The President wanted to register his deep concern that these—nominations—were being held up for artificial reasons not related to the candidates themselves." On other occasions over the past few weeks, the President and his press secretary have criticized the Senate for delay in the consideration of the President's nominees.

I have carefully reviewed the record on nominations—both as to vacancies and Senate action on nominations which have been submitted and I now will respond to the President's criticism.

I begin by urging that the President discontinue such criticism. It is unfounded and unfair. Indeed, my review makes it clear that the principal cause of delay is the administration itself. The principal problem is in the slow pace at which nominations are being made, not in the pace at which nominations, once made, are being processed.

According to the Congressional Research Service, there are 432 full-time positions in executive departments and independent agencies which require Senate confirmation, not counting ambassadors, U.S. marshals or U.S. attorneys. At this time, there are 200 positions for which there has been no nomination or no announcement that the incumbent will be retained by the administration.

Thus, nearly 8 months after he took office, the President has failed to make nominations for nearly half of the full-time positions in executive departments and independent agencies which require Senate confirmation. Whose responsibility is that? It is certainly not the Senate's. The Senate cannot act on a nomination until the President makes the nomination and it is received by the Senate.

A study released by the Democratic Study Group in the House lists 48 totally vacant positions in Cabinet departments—no nominations and no holdovers from the previous administration. Out of 14 Cabinet departments only the Department of Transportation has no totally vacant positions. There are five totally vacant positions in the Executive Office of the President and another 20 in major independent agencies.

The Federal civil service has talented professionals in every area of Government service. However, these individuals do not set policy for an administration. When there are no people at the top, the professional civil servant does the best he or she can but policy initiatives await the arrival of Presidentially nominated personnel.

Eight months into this administration, a large number of high-level and vital policy positions remain without any nominations—and thus a lack of policy direction.

For example, education is a stated priority of the administration. yet at the Department of Education, there is no nominee for Assistant Secretary for Elementary and Secondary Education; there is no nominee for Assistant Secretary for Vocational and Adult Education; there is no nominee for Assistance Secretary for Civil Rights. Whose responsibility is that? It is certainly not the Senate's. The Senate cannot act on these nominations until the President makes them and they are received by the Senate.

A number of important policy positions in the health area also remain unfilled. There is no nominee for Surgeon General. There is no nominee for Administrator of the Health Care Finance Administration. There is no nominee to be Commissioner of Aging. Whose responsibility is that? It is certainly not the Senate's. The Senate cannot act on these nominations until the President makes them and they are received by the Senate.

The vital 1990 census is rapidly approaching. There is no nominee to be Director of the Census Bureau. Whose responsibility is that?

The importance of the role of the Inspectors General has been demonstrated in the past years and months. At this time there is no nominee for Inspector General at the Department of Justice, the Department of Treasury or the Department of Veterans Affairs. Deputy Inspector General positions are vacant at the Department of Health and Human Services and the Department of Energy. Whose responsibility is that?

The President must send a formal notice to Congress indicating his intention to replace existing Inspectors General. No such notice has been given for those now serving as Inspectors General, and, according to the Congressional Research Service, none of the existing Inspectors General have been asked to remain. These are important positions. The Inspectors General exist to reduce waste and eliminate fraud. The President should make up his mind, one way or the other: Either reappoint them or replace them. Their current limbo serves no one's interest

A fully staffed judiciary is essential to the operation of our system of Government. There are 46 vacancies on the Federal bench. One judicial nomination is pending and that nomination was submitted on August 4, the very last day in which the Senate was in session. Whose responsibility is that?

Protection of the environment is a bipartisan concern. At this time, at the Environmental Protection Agency, there is no nominee for Assistant Administrator for Research and Development; there is no nominee for Assistant Adminstrator for Solid Waste; there is no nominee for Assistant Administrator for Water; there is no nominee for Assistant Administrator for External Affairs. Whose responsibility is that? It is certainly not the Senate's. The Senate cannot act on these nominations until the President makes them and they are received by the Senate.

Obviously, the administration believes that the Senate should confirm every nominee. A tension is built into the constitutional process which gives the President the power to nominate and the Senate the power of confirmation.

I believe that the Senate's record on nominations submitted by the President is a good and responsible one.

So far during this session, the Senate has confirmed 212 of the President's nominees. Ninety percent were confirmed within 2 months of the date on which they were submitted. All but one of the Cabinet Secretaries were confirmed by March 1.

A total of 107 nominations remain pending. However, of these pending nominations, 33 were received by the Senate between August 1 and August 4—too late for Senate committees to take any action before the August recess.

Of the 74 nominations which were received prior to August 1, 10 nominations have been reported by Senate committees and are pending on the Executive Calendar. Of the remaining 64 nominations, only 8 had been pending longer than 2 months when the Senate recessed in August. One nomination was defeated in committee.

Taking less than 2 months to confirm a Presidential nomination demonstrates the Senate's willingness to act as promptly as possible in confirming those nominees.

It is important to recognize that once the President makes a nomination, each Senate committee, and if the nomination is reported, the Senate itself, must responsibly fulfill its constitutional responsibility to advise and consent on nominations.

Most committees require nominees to submit background material in addition to the information compiled by the administration.

This is a necessary part of the Senate's role in the confirmation process. Each Senate committee is responsible for making its own determination on whether a nominee is sufficiently qualified for the position for which he or she has been nominated.

The recent procurement scandals in the Department of Defense and the ongoing investigation into activities at the Department of Housing and Urban

Development have served to reemphasize the importance of the confirmation process to most Senators.

Careful review of nominations is not simply the product of a Democratic Senate and a Republican President. In 1977, President Carter's nomination of Bert Lance was confirmed by the Senate. Subsequently, Mr. Lance resigned over questions regarding his financial affairs. The Governmental Affairs Committee, which held the hearings on that nomination, subsequently tightened its requirements for nominations. The committee today has a detailed procedure which involves checking tax returns, review of the FBI report by the chairman and ranking member, interviews with the staff and prehearing questions. Other committees have similar procedures.

The administration itself has, in some cases, contributed to the impression that the Senate is taking longer than necessary to consider nominations. The White House announces the President's intention to nominate an individual but the actual submission of the nomination to the Senate can be delayed for several weeks, sometimes months.

One example of this was the nomination of Constance Newman to be Director of the Office of Personnel Management. The intention to nominate was made public on January 18. But the nomination was not actually submitted until April 4. The necessary paperwork was not completed until just prior to June 6, at which time the hearing was held. The nominee was confirmed by the Senate on June 7. The impression might be created that the nomination took 6 months to confirm when, in fact, the Committee on Governmental Affairs and the Senate acted on this nomination within days of the completion of the necessary paperwork.

The confirmation process involves study and decision by the President prior to nominating individuals for important government positions. It involves study and decision by the Senate after the President has submitted nominations. At each stage, careful consideration and deliberation must take place. Presidents do not always submit nominations as rapidly as the Senate would like and the Senate does not always act as favorably or as quickly as the President would like.

These tensions have been in existence for the 200 years that Presidents have submitted nominations to the Senate. The process by which our Government works is one of respect by each of the branches of Government for the powers of the other branches. This can be a cumbersome and contentious process, but it need not be. On balance, it has served our country well.

Shortly after my election as majority leader last November, the then President-elect asked for my cooperation in expediting consideration of his Cabinet nominations. I asked all committee chairmen to move as rapidly as possible. Some committees even held hearings on his nominees prior to receipt of the actual nominations.

I believe the record shows that the Senate has continued to act in a cooperative manner on the President's nominations. The President will be submitting many more nominations this fall and I intend that the Senate continue to move as expeditiously and cooperatively as possible on these nominations, consistent with our responsibilities under the Constitution.

Mr. President, I ask unanimous consent that the following documents be printed in the RECORD at this point:

First, a document prepared by the Congressional Research Service which includes a list of full-time positions requiring Senate confirmation in executive departments and independent agencies for which President Bush has neither made a nomination nor announced retention of an incumbent from previous administration, as of August 10, 1989; and

Second, a list of nominations pending in Senate committees and on the Executive calendar, as of the close of business on August 4, 1989.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE 1.—FULL-TIME POSITIONS REQUIRING SENATE CONFIRMATION IN EXECUTIVE DEPARTMENTS FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMINATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF AUG. 10, 1989

Name of Department [1]	Incumbent	Level
DEPARTMENT OF AGRICULTURE		
Assistant Secretary—Administration	John J. Franke, Jr	IV
Assistant Secretary—Economics	Vacant	IV
Assistant Secretary—Food and Consumer Services.	do	IV
Inspector General	Robert W. Beuley	IV
Administrator—Farmers Home Administration.	Vance Clark	V
Administrator—Federal Grain Inspection Service.	Walter K. Miller	V
Administrator—Rural Electrification Administration [2].	Harold V. Hunter	V
DEPARTMENT OF COMMERCE [3]		
Under Secretary—Technology	Vacant	III
Assistant Secretary—Congressional Affairs	Marc G. Stanley	IV
Assistant Secretary—Economic Development.	Orson G. Swindle, III	IV
Assistant Secretary—Oceans and Atmosphere.	B. Kent Burton	IV
Assistant Secretary—Productivity, Technology and Innovation.	D. Bruce Merrifield	IV
Cmmissioner—Patents and Trademarks	Donald J. Quigg	IV
Director—National Bureau of Standards	Vacant	IV
Chief Scientist—National Oceanic and Atmospheric Administration.	Melvin Peterson	V
Director—Bureau of Census	Vacant	V
Inspector General	Francis D. DeGeorge	V
Assistant Commissioner—Patents	Vacant	GS–18
Deputy Commissioner—Patents and Trademarks.	do	GS–18
Assistant Commissioner—Trademarks	Jeffrey M. Samuels	GS–17
DEPARTMENT OF DEFENSE [4]		
Principal Deputy Under Secretary—Acquisition.	Vacant	III
Assistant Secretary—Command, Control, Communications, and Intelligence.	do	IV
Assistant Secretary—Force Management and Personnel.	do	IV
Assistant Secretary—Health Affairs	do	IV

TABLE 1.—FULL-TIME POSITIONS REQUIRING SENATE CONFIRMATION IN EXECUTIVE DEPARTMENTS FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMINATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF AUG. 10, 1989—Continued

Name of Department [1]	Incumbent	Level
Assistant Secretary—Production and Logistics.	Jack Katzen	IV
Assistant Secretary—Research and Engineering.	Robert C. Duncan	IV
Assistant Secretary—Special Operations and Low Intensity Conflicts.	Charles S. Whitehouse	IV
Inspector General	June G. Brown	IV
Assistant Secretary—Atomic Energy	Robert B. Barker	V
DEPARTMENT OF THE AIR FORCE		
Assistant Secretary—Manpower and Reserve Affairs.	Karen R. Keesling	IV
Assistant Secretary—Readiness Support	Vacant	IV
DEPARTMENT OF THE ARMY		
Assistant Secretary—Civil Works	Robert W. Page	IV
Assistant Secretary—Financial Management	Vacant	IV
Assistant Secretary—Installations and Logistics.	John W. Shannon	IV
Assistant Secretary—Manpower and Reserve Affairs.	Delbert L. Spurlock, Jr	IV
Assistant Secretary—Research Development and Acquisitions.	Jay R. Sculley	IV
DEPARTMENT OF THE NAVY		
Assistant Secretary—Finance Management	Robert H. Comm	IV
Assistant Secretary—Manpower and Reserve Affairs.	Kenneth P. Bergquist	IV
Assistant Secretary—Shipbuilding and Logistics.	Everett A. Pyatt	IV
Assistant Secretary—Research Engineer and Systems.	Thomas F. Faught	IV
DEPARTMENT OF EDUCATION		
Assistant Secretary—Civil Rights	Vacant	IV
Assistant Secretary—Educational Research and Improvement.	do	IV
Assistant Secretary—Elementary and Secondary Education.	do	IV
Assistant Secretary—Vocational and Adult Education.	do	IV
Inspector General	James B. Thomas, Jr	IV
Director—National Institute of Disability Research.	Vacant	V
DEPARTMENT OF ENERGY		
Administrator—Energy Information Administration.	Helmut A. Merklein	IV
Administrator—Economic Regulatory Administration.	Vacant	IV
Assistant Secretary—Fossil Energy	James A. Wampler	IV
Assistant Secretary—Nuclear Energy	Vacant	IV
Director—Office of Alcohol Fuels	David L. Lindahl	IV
Director—Office of Civil Radioactive Waste Management.	Vacant	IV
Director—Office Energy Research	do	IV
Diector—Office Minority Economics Impact	Raymond G. Massie	IV
Inspector General	John C. Layton	IV
Deputy Inspector General	Vacant	V
DEPARTMENT OF HEALTH AND HUMAN SERVICES [5]		
Administrator—Alcohol, Drug, and Mental Administration.	Frederick K. Goodwin	IV
Administrator—Health Care Financing Administration.	Vacant	IV
Assistant Secretary—Family Support Administration.	do	IV
Assistant Secretary—Planning and Evaluation.	do	IV
Director—National Institutes of Health	James B. Wyngaarden	IV
Inspector General	Richard P. Kusserow	IV
Surgeon General	Vacant	NA
Commissioner—Aging	do	V
Deputy Inspector Geneal	do	V
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
Assistant Secretary—Fair Housing and Equal Opportunity.	Vacant	IV
Assistant Secretary—Legislative and Congress.	Timothy L. Coyle	IV
Assistant Secretary—Public and Indian Housing.	Vacant	IV
Inspector General	Paul A. Adams	IV
President—Government National Mortgage Corporation.	Vacant	IV
President—Solar Energy	Walter R. Preysnar	IV
DEPARTMENT OF THE INTERIOR		
Assistant Secretary—Land and Minerals Management.	Vacant	IV
Commissioner—Bureau of Reclamation	C. Dale Duvall	V
Commissioner—Bureau of Indian Affairs	Vacant	V
Director—Bureau of Mines	Thomas S. Ary	V
Inspector General	James R. Richards	V

TABLE 1.—FULL-TIME POSITIONS REQUIRING SENATE CONFIRMATION IN EXECUTIVE DEPARTMENTS FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMINATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF AUG. 10, 1989—Continued

Name of Department [1]	Incumbent	Level
High Commissioner—Trust Territories (Pacific Islands).	Vacant	GS–18
DEPARTMENT OF JUSTICE [6]		
Deputy Attorney General	Vacant	II
Director—Federal Bureau of Investigation [2]	William S. Sessions	II
Assoc Attorney General	Vacant	III
Administrator—Drug Enforce Administration	John C. Lawn	III
Administrator—Office of Juvenile Jusice	Verne L. Speirs	IV
Assistant Attorney General—Administration	Harry H. Flickinger	IV
Assistant Attorney General—Civil Rights Division.	Vacant [7]	IV
Assistant Attorney General—Justice Programs.	Richard B. Abell	IV
Assistant Attorney General—Legal Policy	Stephen J. Markman	IV
Director—Bureau of Justice Statistics	Steven R. Schlesinger	IV
Director—Community Relations Service	Vacant	IV
Director—National Institute of Justice	James K. Stewart	IV
Dep Administrator—Drug Enforcement Administration.	Thomas C. Kelly	V
Special Counsel—Immigration and Unfair Employment Practices.	Lawrence J. Siskind	GS–17
Inspector General	Vacant	V
DEPARTMENT OF LABOR		
Assistant Secretary—Administration and Management.	Thomas C. Komarek	IV
Assistant Secretary—Labaor-Management	William C. White	IV
Assistant Secretary—Mine Safety and Health.	David C. O'Neal	IV
Inspector General	J. Brian Hyland	IV
Commissioner—Labor Statistics	Janet L. Norwood	V
Director—Women's Bureau	Vacant	GS–17
DEPARTMENT OF STATE [8]		
Under Secretary—Security Assistance, Science and Technology.	Vacant	III
Assistant Secretary—Oceans, Environment, and Scientific Affairs.	do	IV
Coordinator—International Communications Policy.	do	IV
Director—Office of Foreign Missions	do	IV
Inspector General	Sherman M. Funk	IV
AMBASSADOR AT LARGE		
Arms Reduction Negotiations	Vacant	II
Cultural Affairs	Daniel J. Terra	II
Non-Proliferation Policy	Richard T. Kennedy	II
DEPARTMENT OF TRANSPORTATION		
Administrator—National Highway Traffic Safety Administration.	Diane K. Steed	III
Administrator—St. Lawrence Seaway Development Corporation [9].	James L. Emery	IV
Assistant Secretary—Administration	Jon Seymour	IV
Deputy Administrator—Foreign Aviation Administration.	Barbara Barrett	IV
Inspector General	John W. Melchner	IV
Associate Deputy Secretary	Robert L. Pettit	V
DEPARTMENT OF THE TREASURY		
Comptroller—Currency [10]	Robert L. Clarke	III
Under Secretary—Monetary Affairs	Vacant	III
Assistant Secretary—Electronic Systems	do	IV
Assistant Secretary—Enforcement	Salvatore R. Martoche	IV
Inspector General	Vacant	IV
Chief Counsel—Internal Revenue Service	William F. Nelson	V
Director—U.S. Mint [11]	Donna M. Pope	GS–18
Treasurer—United States	Vacant	GS–18
Superintendent—U.S. Mint/San Francisco	do	GM–15
Superintendent—U.S. Mint/West Point	Clifford M. Barber	GM–15
Engraver—U.S. Mint/Philadelphia	Elizabeth A. Jones	GM–14
Assayer—U.S. Mint/Denver	Victor Hurtado	GM–13
Assayer—U.S. Mint/Philadelphia	John C. McGraw	GM–13
Assayer—U.S. Mint/San Francisco	Vacant	GM–13
Assayer—U.S. Mint/West Point	Vilma R. Taracido	GM–13
DEPARTMENT OF VETERANS AFFAIRS		
Chief Medical Director [12]	John A. Gronvall	III
Chief Benefits Director [12]	R. John Vogel	IV
Assistant Secretary—Information Resources	Vacant	IV
Assistant Secretary—Human Resources and Administration.	do	IV
Assistant Secretary—Acquisition and Facilities.	do	IV
Inspector General	do	IV

[1] Excluded from the report are positions in the military services, the Foreign Service and overseas commercial and diplomatic posts (including Chiefs of Mission), the offices of U.S. attorney and U.S. marshals, and the 2 civilian uniformed services—the National Oceanic and Atmospheric Administration Officer Corps and the Public Health Service Officer Corps

[2] Fixed 10-yr term of office.

[3] Does not include positions in the commissioned corps of the National Oceanic and Atmospheric Administration and overseas posts in the U.S. and Foreign Commercial Service.

[4] Does not include positions in the military services.

[5] Does not include positions in the commissioned corps of the Public Health Service.

[6] Does not include positions for U.S. attorney and U.S. marshal.

[7] Nominee for this position was rejected by Judiciary Committee on Aug. 1, 1989.

[8] Does not include Foreign Service positions in overseas posts.

[9] Fixed 6-yr term of office (expires Nov. 20, 1990).

[10] Fixed 5-yr term of office.

[11] Fixed 5-yr term of office (expires July 21, 1991).

[12] Fixed 4-yr term of office. If the incumbent is removed before his or her term expires, the President must communicate reasons to both Houses of Congress.

TABLE 2.—FULL-TIME POSITIONS REQUIRING SENATE CONFIRMATION IN INDEPENDENT EXECUTIVE AGENCIES FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMINATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF AUG. 10, 1989

Name of agency	Incumbent	Level
ACTION		
Deputy Director	Jane A. Kenny [1]	IV
Assistant Director—Domestic and Antipoverty Operations.	Vacant	IV
ADMINISTRATIVE CONFERENCE OF THE UNITED STATES		
Chairman [2]	Marshall J. Breger	II
APPALACHIAN REGIONAL COMMISSION		
Federal cochairman	Winifred A. Pizzano	III
Alternative Federal Cochairman	Jacqueline L. Phillips	V
ENVIRONMENTAL PROTECTION AGENCY		
Assistant Administrator—External Affairs	Vacant	IV
Assistant Administrator—Research and Development.	do	IV
Assistant Administrator—Solid Waste	do	IV
Assistant Administrator—Water	do	IV
General Counsel	Lawrence J. Jensen	IV
Inspector General	John C. Martin	V
FEDERAL EMERGENCY MANAGEMENT AGENCY		
Director	Julius W. Becton, Jr.	II
Deputy Director	Robert H. Morris	IV
Administrator—Federal Insurance Administration.	Harold T. Duryee	IV
Administrator—U.S. Fire Administration	Clyde A. Bragdon, Jr.	IV
Associate Director—External Affairs	James P. McNeill	IV
Associate Director—State and Local Programs.	Grant C. Peterson	V
Inspector General	Vacant	V
FEDERAL MEDIATION AND COUNCILIATION SERVICE		
Director	Kay McMurray	III
GENERAL SERVICES ADMINISTRATION		
Administrator	Vacant	III
Inspector General	William R. Barton	V
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION		
Inspector General	Bill D. Colvin	V
NATIONAL ARCHIVES AND RECORDS ADMINISTRATION		
Archivist	Don W. Wilson	III
NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES		
Chairman—National Endowment for the Arts. [3]	Vacant	III
Chairman—National Endowment for the Humanities [3].	Lynne V. Cheney	III
NATIONAL SCIENCE FOUNDATION		
Director [4]	Erich Bloch	II
Deputy Director	John H. Moore	III
OFFICE OF PERSONNEL MANAGEMENT		
Deputy Director	Vacant	II
Director—Office of Government Ethics [5]	do	V
Inspector General	do	V
OFFICE OF THE FEDERAL INSPECTOR OF THE ALASKA NATURAL GAS TRANSMISSION SYSTEM		
Federal Inspector	Theodore J. Garrish	III
PANAMA CANAL COMMISSION		
Administrator	Dennis P. McAuliffe	V
PEACE CORPS		
Deputy Director	Edward A. Curran	IV
SELECTIVE SERVICE SYSTEM		
Director	Vacant	IV
SMALL BUSINESS ADMINISTRATION		
Inspector General	Charles R. Gillum	V
U.S. ARMS CONTROL AND DISARMAMENT AGENCY		
Special Representative—Arms Control	Edward L. Rowny	IV
Special Representative—Intermediate Range Nuclear Weapons.	Vacant	IV
Assistant Director—Verification	Manfred Eimer	V
Assistant Director—Nuclear and Weapons Control.	Vacant	V
Assistant Director—Multilateral Affairs	do	V
Assistant Director—Strategic Programs	do	V
U.S. INFORMATION AGENCY		
Associate Director—Education	Vacant	IV
Associate Director—Programs	Charles E. Horner	IV
Associate Director—Voice of America	Richard W. Carlson	IV
Inspector General	Anthony J. Gabriel	V
U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY		
Agency for International Development [AID]		
Administrator	Vacant	II
Assistant Administrator—Africa	do	IV
Assistant Administrator—Asia and Middle East.	Carol C. Adelman	IV
Assistant Administrator—External Affairs	Vacant	IV
Assistant Administrator—Food for Peace	Philip L. Christenson [6]	IV
Assistant Administrator—Latin America	Vacant	IV
Assistant Administrator—Private Enterprise	Mae N. Peden	IV
Assistant Administrator—Science & Technology.	Nyle C. Brady	IV
Inspector General	Vacant	V

[1] Given recess appointment on Nov. 22, 1988.

[2] Fixed-term of office (5 yr); term expires Oct. 15, 1990.

[3] Fixed term of office (4 yr).

[4] Fixed term of office (6 yr).

[5] Office will become independent entity on Oct. 1, 1989 (Public Law 100–598).

[6] Given recess appointment on Dec. 22, 1988.

TABLE 3.—FULL-TIME POSITIONS REQUIRING SENATE CONFIRMATION IN EXECUTIVE OFFICE OF THE PRESIDENT FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMINATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF AUG. 10, 1989

Entity in Executive Office	Incumbent	Level
COUNCIL ON ENVIRONMENTAL QUALITY		
Member	Vacant	IV
Do	Jacqueline E. Schafer	IV
OFFICE OF MANAGEMENT AND BUDGET		
Administrator—Office Federal Procurement Policy.	Vacant	IV
Administrator—Office Information and Regulatory Affairs.	Jay S. Plager	IV
OFFICE OF SCIENCE AND TECHNOLOGY POLICY		
Associate Director	Thomas P. Rona	III
Do	Vacant	III
Do	do	III
Do	do	III

TABLE 4.—FULL-TIME POSITIONS REQUIRING SENATE CONFIRMATION IN MULTILATERAL ORGANIZATIONS FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMINATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF AUG. 10, 1989

Name of organization	Incumbent	Level
ASIAN DEVELOPMENT BANK		
U.S. Executive Director	Victor F. Frank, Jr.	(1)
INTER-AMERICAN DEVELOPMENT BANK		
U.S. Executive Director [2]	Larry Mellenger [3]	(4)
U.S. Alternate Executive Director [2]	Vacant	(4)
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT		
U.S. Alternate Executive Director [1]	Mark T. Cox IV	(2)

TABLE 4.—FULL-TIME POSITIONS REQUIRING SENATE CONFIRMATION IN MULTILATERAL ORGANIZATIONS FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMINATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF AUG. 10, 1989—Continued

Name of organization	Incumbent	Level
INTERNATIONAL MONETARY FUND		
U.S. Alternate Executive Director [1]	Charles S. Warner	([2])

[1] Salary is slightly higher than Executive Level V.
[2] Fixed term of office (3 yr).
[3] Given recess appointment on Nov. 22, 1988.
[4] Not available.

NOMINATIONS PENDING IN SENATE COMMITTEES AND ON EXECUTIVE CALENDAR (AS OF CLOSE OF BUSINESS, AUGUST 4, 1989)

This list shows on a committee basis the name of nominee, position nominated for, and date nominated by the President.

Nominations pending on the Executive Calendar are listed under the reporting committees with the name of the nominee, position, and Executive Calendar number.

AGRICULTURE

Nominations pending in Committee:

James E. Cason, Assistant Secretary of Agriculture, May 2.

William P. Albrecht, Commodity Futures Trading Commission, Commissioner, August 1.

Harold B. Steele, Member of the Farm Credit Administration Board, August 4.

ARMED SERVICES

Nominations pending in Committee:

Antonio Lopez, Associate Dir. of the Fed. Emergency Management Agency, May 18.

Martin C. Faga to be Assistant Secretary of the Air Force, July 11.

Anne Foreman to be Under Secretary of the Air Force, July 17.

Victor Stello to be Assistant Secretary of Energy, July 24.

Terrence O'Donnell to be Gen. Counsel of the Dept. of Defense, August 1.

Robert C. Duncan, Dir. of Operational Test & Evaluation, Dept. of Defense, August 4.

Edson G. Case, Member Defense Nuclear Facilities Safety Board, August 4.

John W. Crawford, Member Defense Nuclear Facilities Safety Board, August 4.

Herbert Kouts, Member Defense Nuclear Facilities Safety Board, August 4.

A.J. Eggenberger, Member Defense Nuclear Facilities Safety Board, August 4.

John T. Conway, Member Defense Nuclear Facilities Safety Board, August 4.

BANKING

Nominations pending in Committee:

John C. Weicher, Assistant Secretary HUD, May 16.

Qunicy M. Krosby, Assistant Secretary of Commerce, May 31.

Sherrie S. Rollins, Assistant Secretary of HUD, June 7.

Skirma A. Kondratas, Assistant Secretary of HUD, June 9.

Brian W. Clymer, Urban Mass Transportation Administrator, June 16.

Claire E. Freeman, Assistant Secretary of HUD, June 22.

Eugene K. Lawson, First Vice President of the Export-Import Bank, June 22.

Richard Schmalensee, Member of the Council of Economic Advisers, July 20.

John T. Martino, Superintendent of the Mint of the U.S. at Philadelphia, July 25.

Barbara E. McTurk, Superintendent of the Mint of the U.S. at Denver, July 26.

Michael P. Galvin, Assistant Secretary, Dept. of Commerce, August 4.

NOMINATIONS ON CALENDAR

Dennis Kloske, Under Sec. of Commerce, Cal. #297.

COMMERCE

Nominations pending in Committee:

Edward M. Emmitt, Member ICC, June 8.

Deborah Wince-Smith, Assistant Secretary of Commerce for Technology Policy, June 13.

Sue Coughlin, Member of the National Transportation Safety Board, June 21.

Warren G. Leback, Administrator of the Maritime Administration, Dept. of Transportation, August 4.

NOMINATIONS ON CALENDAR

Deborah Owen, Federal Trade Commission, Cal. #285.

ENERGY

Nominations pending in Committee:

John Sayre, Assistant Secretary of Interior for Water and Science, July 25.

NOMINATIONS ON CALENDAR

J. Michael Davis, Assistant Secretary of Energy, Cal. #247.

Stephen Wakefield, General Counsel, Dept. of Energy, Cal. #248.

John A. Easton, Jr., Assistant Secretary of Energy, Cal. #249.

Jacqueline K. Brown, Assistant Secretary of Energy, Cal. #250.

ENVIRONMENT

David C. Williams, Inspector General Nuclear Regulatory Commission, July 24.

James M. Strock, Asst Administrator of EPA for Enforcement and Compliance Monitoring, August 4.

Forrest J. Remick, Member Nuclear Regulatory Commission, August 4.

FINANCE

Nominations pending in Committee:

Sidney L. Jones, Asst. Sec. Dept. of Treasury, August 4.

FOREIGN RELATIONS

Nominations pending in Committee:

C-career NC-non-career.

William A. Brown (C), Amb. to Israel, May 31 (Presently serving as Amb. under Reagan recess appointment).

Richard W. Boehm (C), Amb. to Oman, June 6 (Presently serving as Amb. under Reagan recess appointment).

Michael Ussery (NC), to be Amb. to Morocco, June 6.

Charles W. Freeman, Jr. (C), Amb. to Saudi Arabia, June 15.

Luigi R. Einaudi (C, Sr. Exec. Service), to be U.S. Permanent Representative to the Organization of American States with the rank of Amb., June 16.

Warren A. Lovorel (C), for rank of Amb. during his tenure of service as the U.S. Coordinator for Multilateral Trade Negotiations, June 16.

Eric M. Javits (NC), to be Amb. to Venezuela, July 11.

Evelyn I. H. Teegen (NC) to be Amb. to Fiji & concurrently to Tonga, Tuvalu & Kiribati, July 11.

Thomas F. Stroock (NC), to be Amb. to Guatemala, July 11.

Joy A. Silverman (NC), to be Amb. to Barbados & concurrently to Dominica, St. Lucia, St. Vincent & the Grenadines, July 11.

Jerry A. Moore, Jr. (NC) to be Amb. to Lesotho, July 11.

Thomas C. Dawson (NC), II, to be U.S. Exec. Dir. of the Intl. Monetary Fund, July 17.

Lannon Walker (C), to be Amb. to Federal Republic of Nigeria, July 18.

Glen A Holden (NC), to be Amb. to Jamaica, July 18.

Johnny Young (C), to be Amb. to the Republic of Sierra Leone, July 17.

Edward J. Perkins (C), to be Director General of the Foreign Service, July 11.

Nicolas M. Salgo (NC), for rank of Amb. as Special Negotiator for Property Issues, July 20.

Sally J. Novetzke (NC), to be Amb. to Malta, July 20.

Mark G. Hambley (C), to be Amb. to Qatar, July 24.

Gordon K. Durnil (NC), U.S. Commissioner on the Intl. Joint Commission, U.S. & Canada, July 24.

Charles W. Hostler (NC), to be Amb. to Bahrain, July 24.

Robert R. Randlett (NC), Asst. Administrator for Legislative Affairs, Agency for Intl. Development, July 26.

Paul M. Cleveland (C), to be Amb. to Malaysia, August 1.

James R. Cheeck (C), to be Amb. to Sudan, August 2.

Ronald J. Sorini (NC), for rank of Amb. as U.S. Negotiator on Textile Matters, August 2.

Stephen R. Hanmer, Jr. (C), to be Deputy Director of the U.S. Arms Control & Disarmament Agency, August 3.

Christopher H. Phillips (NC), Amb. to Brunei Darussalam, August 4.

William L. Jacobsen (C), Amb. to the Republic of Guinea-Bissau, August 4.

Penne P. Korth (NC), Amb. to Mauritius, August 4.

Elizabeth M. Tamposi (NC), Asst. Sec. of State for Consular Affairs, August 4.

Reginald J. Brown (NC), Asst. Administrator of the Agency for International Development, August 4.

James D. Berg (NC), Executive Vice President of the Overseas Private Investment Corporation, August 4.

NOMINATIONS ON CALENDAR

Donald P. Gregg (NC), Amb. to Korea, Cal. 188 (Floor consideration September 11).

Della M. Newman (NC), Amb. to New Zealand and concurrently to Western Samoa, Cal. 241.

Melvin F. Sembler (NC), Amb. to Australia and concurrently to Naura, Cal. 240.

Joseph Zappala (NC), Amb. to Spain, Cal. 292.

GOVERNMENTAL AFFAIRS

Nominations pending in Committee:

Jean McKee, Member Federal Labor Relations Authority, July 11.

Kathleen Koch, General Counsel Federal Labor Relations Authority, July 11.

Pamela Talkin, Member Federal Labor Relations Authority, July 31.

JUDICIARY

Nominations pending in Committee:

William Lucas, Asst. Attorney General for Civil Rights, May 1 (defeated in comte. Aug. 1).

Margaret P. Currin, U.S. Attorney for Eastern District of North Carolina, June 16.

Wayne A. Budd, U.S. Attorney for the District of Massachusetts, July 24.

Stanley A. Morris, Deputy Director National Drug Control Policy, July 25.

Stephen J. Markman, U.S. Attorney for the Eastern District of Michigan, July 31.

Gene McNary to be Commissioner of Immigration & Naturalization, August 4.

Stuart M. Gerson to be an Assistant Attorney General, August 4.

Rebecca B. Smith, to be United States District Judge for the Eastern District of Virginia, August 4.

Marvin J. Garbis to be United States District Judge for the District of Maryland, August 4.

Conrad K. Cyr, to be United States Circuit Judge for the First Circuit, August 4.

LABOR AND HUMAN RESOURCES

Nominations pending in Committee:

David G. Ball, Assistant Secretary, Dept. of Labor, April 18.

Jerry M. Hunter, Natl Labor Relations Board, General Counsel, May 12.

Debra R. Bowland, Administrator of the Wage & Hour Division, Dept. of Labor, June 8.

Thomas Collins, Asst. Sec. of Labor for Veterans' Employment and Training (jt referral w/Veterans' Affairs), June 22.

Gerard F. Scannell, Asst. Sec. of Labor, June 22.

Daphne W. Murray, Director, Institute of Museum Services, July 11.

Jane Kenney, Director, ACTION, July 11.

Clifford R. Oviatt, Member, Natl Labor Relations Board, July 20.

Donald Rodgers, Member, Natl Labor Relations Board, July 20.

INDIAN AFFAIRS

Nominations pending in Committee:

No nominations pending.

INTELLIGENCE

Nominations pending in Committee:

No nominations pending.

RULES

Nominations pending in Committee:

John W. McGarry, Member Federal Election Commission, August 4.

Joan D. Aiken, Member Federal Election Commission, August 4.

SMALL BUSINESS

Nominations pending in Committee:

Kyo Jhin, Chief Counsel for Advocacy, Small Business Administration, June 23.

VETERANS' AFFAIRS

Nominations pending in Committee:

Kenneth Kramer, Associate Judge of the U.S. Court of Veterans Appeals, May 5.

Raoul Carroll, General Counsel, Dept. of Veterans Affairs, June 15.

Edward Timperlake, Asst. Sec. Congressional & Public Affairs, Dept. of Veterans Affairs, June 15.

Anthony McCann, Asst. Sec. of Veterans Affairs for Finance and Planning, June 21.

Thomas Collins, Asst. Sec. of Labor for Veterans Employment and Training, June 22. Jt. referral with Labor.

Allen Clark, Jr., Asst. Sec. of Veterans Affairs for Veterans Liaison & Program Coordination, July 17.

JoAnn K. Webb, Director of the Natl Cemetery System, Dept. of Veterans Affairs, July 26.

Mr. MITCHELL. Mr. President, I thank the Chair. I yield the floor.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond 1 p.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from California [Mr. WILSON] is recognized.

Mr. WILSON. I thank the Chair.

THE WAR ON DRUGS

Mr. WILSON. Mr. President, last night the President of the United States made an extraordinary speech. He exhibited great leadership. I think that we took a giant step. It was not, as my friend, the distinguished Republican leader, has observed, perhaps everything for which every Member of Congress would ask. I personally think a plan that has not specifically targeted a high-intensive area such as Los Angeles, which is used by drug producers in Colombia and elsewhere as a distribution center for 50 other cities in the country, is a plan that has a defect.

But over all it is a good plan. It is a sound strategy. And yet there has been criticism from many of us in this Congress that we are not spending enough.

Mr. President, that has a distinctly hollow ring from a Congress which itself has failed to make good on the commitment to honor the obligations we set for ourselves in the 1988 Omnibus Drug Act, a very valuable piece of legislation were it adequately funded. But with repeated opportunities to do so, Congress has failed, finding it impossible, just too painful to cut spending for other matters in order to reallocate the necessary resources to not just talk about but to fight and win a war on drugs.

So the President is right when he says that a $2.2 billion increase is the largest in our history. It is. I would have to say I think that more may be necessary. And if it is necessary, Mr. President, I hope that administration and the Congress will very earnestly consider an opportunity which I think is available to us through the device of issuance of drug war bonds in much the same fashion that in World War II America financed its war effort by liberty bonds and in so doing afforded ordinary citizens the opportunity for individual involvement, for personal participation of a kind that many Americans hunger, in order to enlist in this war on drugs. The President made the appeal last night for all of us as citizens to do so. He is right to do so. It is essential for us to do that if we are to win this war.

Another way that we can fund at least a small portion, Mr. President, is by an amendment that I intend to offer this afternoon to the legislative appropriations bill which will strike the amount that remains for us to spend on congressional newsletters, which our constituents do not ask us to send them, do not want, and I suspect do not read. But whatever their response, I think they would agree it is infinitely more important that we spend the money on what represents the most urgent threat to our national security of anything imaginable.

In one particular, Mr. President, we have definitely not adequately funded a critical need of the war on drugs. In the 1988 bill, we authorized a demonstration program to be administered by the Office of Substance Abuse Prevention within the Department of Health and Human Services. It was aimed at preventing drug abuse by pregnant women.

Mr. President, we have failed in that because today 400,000-plus children are born annually in this Nation addicted, the victims of child abuse through the umbilical cord, because their pregnant mothers have abused a substance, either alcohol or drugs, during their pregnancy, producing an incredible situation where these innocent victims suffer low birth weight, premature birth, the likelihood of stroke, the probability of physical deformity, mental retardation, and other physical development disabilities.

Mr. President, this cannot continue. We have to subject those women to mandatory rehabilitation, not as a penal exercise but as a preventative for the recurrence of this tragedy.

Mr. President, the amount of money that we authorized in 1988, was $10 million. Let me tell you what that has meant. It has meant that we had 130 applications, half of which were deemed worthy. Of that number, only 15 have actually received funding.

Mr. President, the money that we spend on congressional newsletters is misspent. If we instead apply it to expand this program, we offer the States an opportunity to salvage women and their children and to prevent literally a lost generation.

Mr. President, we cannot fail to take the steps necessary because this tragedy, while enormous, is avoidable. It is preventable. But we have not taken the necessary action to prevent it. Throughout the week I will make other statements enlarging upon the necessity for this kind of mandatory rehabilitation.

I thank the Chair and yield the floor.

The PRESIDENT pro tempore. The senior Senator from Mississippi, [Mr. COCHRAN], is recognized for not to exceed 5 minutes.

LARKIN SMITH

Mr. COCHRAN. Mr. President, my State suffered a great loss during the August recess when LARKIN SMITH, who represented the Fifth District of Mississippi in the House of Representatives, was killed in a plane crash. He had been elected last November and he was already making a very fine im-

pression on everyone who observed him at work in the other body. His background and experience in law enforcement gave him unusual insight into many of the issues that came before the House Judiciary Committee, on which he served. It is really unusual for a Member of Congress to establish himself as an influential legislator in his first term; the seniority system can operate against you if you try to do too much too soon. But LARKIN SMITH was an exception to this rule. He spoke out when he felt there were better ways of dealing with criminals such as drug dealers and drug smugglers. He had good ideas. The Nation will miss having the benefit of his experience and judgment on these important matters of concern.

LARKIN SMITH was also a very fine human being. He was a pleasure to be with and to work with in solving problems that faced our State. I do not know of anyone who could have worked harder and more effectively. He gave the job of U.S. Congressman everything he had. As a matter of fact, he gave his life. We miss him very much and our sympathies are extended to his wife Sheila and all his family during this very difficult time in their lives.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Senator from Mississippi suggests the absence of a quorum. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CHARLES "BILL" SNEDDEN

Mr. STEVENS. Mr. President, Alaska lost one of our great contemporary heroes when Charles Willis "Bill" Snedden died in Fairbanks on August 6.

A leader in Alaska's struggle for statehood, publisher of the Fairbanks Daily News-Miner for almost four decades, Bill Snedden was most of all a man of courage who met countless challenges throughout his 76 years.

His contributions to the State of Alaska are documented in our history books and in the libraries of our newspapers.

The articles and editorials from around the State, which I will ask to be included in this tribute, describe how well Bill Snedden's commitment to the 49th State and to his community of Fairbanks.

Bill Snedden was not certain that statehood would be best for Alaska when he first traveled north in the late 1940's. Typically, he decided to research the pros and cons for statehood. He spent many months meeting with Alaskans from all walks of life and with key leaders in the Pacific Northwest. The more he dug into the subject of statehood, the more it made sense to him that Alaska should become a State rather than remain a territory where Alaskans could not vote, and did not have the opportunity to chart their own destiny.

Convinced, then, that statehood was the answer, Bill Snedden announced his prostatehood stand in his newspaper and began a nationwide effort to gain support for the cause.

He conferred often with Bob Bartlett, then Alaska's delegate to Congress, and studied the previous bills that had been introduced for statehood. A nationwide educational effort to alert all U.S. citizens to the advantages of statehood for Alaska would be the most important factor in accomplishing his goal, Bill Snedden determined.

He had many contacts in the newspaper world, because he had been a newspaper consultant before becoming publisher of the News-Miner. In his own words, he "wandered around the United States asking advice from publishers and editors," on how to get the statehood story into the hinterlands and the big cities.

When he found almost all, from the Nation's largest newspapers to its smallest, receptive to the idea of statehood, he sent them Alaska factsheets and reprints of articles detailing the advantages of statehood.

A newspaper publisher friend suggested he send prostatehood editorials to news services that catered to small newspapers. Those news articles would provide an additional education on statehood to Americans in the Lower 48.

That same publisher was later appointed to fill a vacancy caused by a death in this body. The one speech that Senator gave on the floor of the Senate during his term urged statehood for Alaska. That Senator was Bill Snedden's good friend, and my good friend and former employer, Fred Seaton who became the Secretary of Interior during the final stages of the statehood struggle.

Once the nationwide support for statehood was apparent, and the legislation was once more before the Congress, Bill Snedden left his newspaper in capable hands and his comfortable home in Fairbanks and moved to a cramped hotel room in Washington, DC, to help complete the work for passage.

Through all the years, from the time I was a young U.S. attorney in Fairbanks and while I was Solicitor for the Department of the Interior, to my terms in our State legislature and my 21 years in this body, Bill Snedden has been my friend. He was always frank, always candid, and never self-seeking.

His efforts toward statehood are only one small part of the story of Bill Snedden. He was in the forefront in working toward changes in the mineral leasing laws that applied to the Territory of Alaska, paving the way for Alaska's great contribution toward supplying our Nation's energy.

In his home community of Fairbanks, he helped build the hospital, worked with the military to assure that the needs of the personnel on their nearby bases were being met, and supported the businesses and volunteer groups in a hundred different ways. But he preferred to play a behind-the-scenes role in these community endeavors, and give the credit to others.

In the past 8 years, though fighting a new battle—this time for his health—Bill Snedden has continued to work toward the betterment of our State and his fellow Alaskans. When he died on August 6, he left a special legacy: His example of commitment and caring and persistence, which could serve us all when we work toward any goal worth pursuing.

Mr. President, my personal loss is a great one, for Bill Snedden was my friend, and he was a godfather of all my children.

This tribute, however, is in the name of all Alaskans, who owe much to the quiet hard work that Bill Snedden accomplished on their behalf.

He will always be one of the great Alaskans. His efforts will provide inspiration for future generations. His accomplishments have provided a better life for those of us fortunate to have lived in his lifetime. He was, indeed, a man of courage and diversity, of warmth and enthusiasm, and of commitment and caring.

I asked unanimous consent that the following articles and editorials from the Fairbanks Daily News-Miner, the Anchorage Times, the Anchorage Daily News, and the Juneau Empire be printed in the RECORD in their entirety.

Thank you, Mr. President.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Fairbanks Daily News-Miner, Aug. 7, 1989]

NEWS-MINER PUBLISHER, STATEHOOD LEADER DIES

Charles Willis "Bill" Snedden, a key leader in the battle for Alaska Statehood in the 1950s and publisher of the Fairbanks Daily News-Miner for nearly four decades, died Sunday after a years-long battle against throat cancer. he was 76.

Mr. Snedden died at Fairbanks Memorial Hospital. He had been hospitalized earlier in the week. Funeral arrangements are pending but are expected to be private. The family suggests memorial contributions be made to the American Cancer Society, P.O. Box 992, Fairbanks, Alaska, 99707.

Publication of the newspaper will continue uninterrupted, according to President

Charles L. Gray. The newspaper is owned by the Fairbanks Daily News-Miner Inc. Ownership is being transferred to employees, under an Employee Stock Ownership Plan pioneered by Mr. Snedden in 1975.

Mr. Snedden, once a pipe smoker, had battled throat cancer for several years. His fight against the disease led him to institute a building-wide ban against smoking at the Daily News-Miner in 1988.

Mr. Snedden purchased the Daily News-Miner in 1950. In 1953, after conducting extensive research, Mr. Snedden reversed the previous publisher's long-term stand against Statehood for the Territory of Alaska.

He took on the battle on Statehood as a personal campaign, spending 2½ years lobbying in Washington, D.C., and meeting with publishers across the nation to enlist their aid. Today, his strong advocacy of statehood is considered to be a principal catalyst behind passage of the Alaska Statehood Act in 1958.

Mr. Snedden was born in Spokane, Wash., July 20, 1913. He attended Oregon State College, the University of Oregon and Washington State College from 1930 to 1933. In 1967, he was awarded an honorary doctor of law degree from the University of Alaska.

He was married to Helen Elizabeth McNeel on April 11, 1934. He and Helen had one son, Duane "Skip" Snedden, who is assistant publisher of the Daily News-Miner. He is also survived by daughter-in-law Carol Snedden, and four grandchildren, Chuck, Daniel, Lorraine and Lori.

Mr. Snedden started his newspaper career at the age of 13 as an apprentice printer on the Portland Telegram. By 1936 he had combined business with a primary occupation of reorganizing production departments at ailing newspapers. His system was to go to the troubled paper, straighten out the immediate problems and prepare an efficiency program. He applied this plan to projects in Oregon, Washington, California and Montana.

Snedden worked as a supervisor in the Henry Kaiser shipyards in Vancouver, Wash., during World War II from 1942-1944 and nearly lost his life in an accident there.

He described the incident to an interviewer: "The ship was about to go down the ways when we found a rough bearing in a main turbo-generator. I crawled inside the casing and asked the crew to slowly turn the armature by hand while I felt the bearing journal for rough spots. Then someone by mistake closed the main switch. As a result, I was in the hospital three weeks and was laid up for more than a year. I suffered permanent damage to my heart and for three or four years wasn't able to do much more than part-time work."

Mr. Snedden's interest in newspapers brought him to Alaska and the News-Miner.

Gray said Snedden arrived in Fairbanks in 1948 to advise theater owner Austin Lathrop about fixing his ailing Fairbanks newspaper.

"When (Snedden) told him what it would cost, Lathrop threw up his hands and said he'd sell it for that," Gray said.

Lathrop died in a mining accident two years later, and Snedden bought the newspaper. "He said he thought he'd keep it for a few years, then fell in love with Alaska," Gray said.

After his arrival in Alaska in 1950, Snedden became a vigorous advocate for the territory, and later the state. One of his first crusades was a successful effort to change the mineral leasing laws that applied to Alaska, including the North Slope, which became the site of America's richest oil field.

In 1968, Snedden co-chaired the original fund drive to build Fairbanks Memorial Hospital.

Though Snedden preferred to play a behind-the-scenes role, letting credit fall on others' shoulders, Alaskans have come to recognize his accomplishments.

In 1962, he received the Greater Fairbanks Chamber of Commerce's top award, the George Nehrbas Award, given from time to time to an individual making a significant contribution to the chamber.

In 1986, he was named Alaskan of the Year, an award that honors an individual Alaskan who has made outstanding contributions to Alaska life and has significantly affected the character and growth of the state.

In 1989, he was named to the Alaska Business Hall of Fame, a program sponsored by Junior Achievement of Alaska and Alaska Business Monthly Magazine.

U.S. Sen. Ted Stevens, who worked with Snedden as a young lawyer during the Statehood battle, told an interviewer last winter: "I never cease to marvel at his diversity and his strength. Give him a challenge and he'll meet it, from working toward statehood to conquering the high seas, and from selling hardware and Linotypes to publishing a fine newspaper. In my book he's tops as a friend and one of the great Alaskans."

"Bill Snedden did more for this community, for the Territory of Alaska, for Statehood, and for the state of Alaska, than most of the others did intentionally," said veteran Alaska journalist Kay Kennedy.

University of Alaska Fairbanks Professor of Journalism Emeritus Jimmy Bedford wrote in 1986 that "Bill Snedden has never stopped doing his good deed every day. Stories of his generosity are legion, but they are never publicized . . . You run into the stories quietly told in town about how he helped with this person's hospital expenses or that person's dental bills or a youngster's education.

"Bill Snedden is in a class by himself."

[From the Anchorage Times, Aug. 9, 1989]

A Man of Courage

The passing last Sunday of C.W. "Bill" Snedden, owner of the Fairbanks News-Miner, marks the loss of another of the founding fathers of modern Alaska. He was an integral part of the final push that made Alaska a state.

And he was much more than a supporter of statehood. He was among the handful of leaders who made Fairbanks the metropolis of the Interior and gateway to Alaska's vast arctic lands. In his role, he inspired social and civil programs that enhanced living conditions, attracted new residents and projects whose benefits accrued to the city.

Snedden died at the age of 76 after spending more than half of his life in Alaska.

Courage might well be the word that best describes his life and times. Snedden shaped up his philosophies, charted his course of action and proceeded with a courage and persistence that was admired by all who knew him.

One of the moments that tested his courage was when he switched and became an active promoter of statehood. This involved a 180-degree turnabout after his paper had opposed it for about a generation.

Snedden had the courage to face the jolt that he would give his readers. He faced the possibility of earning the disapproval of his advertisers. He offended many of his closest friends in Fairbanks. The city was one of Alaska's biggest centers of anti-statehood sentiment, much of it no doubt resulting from the many years of anti-sentiments expressed in the News-Miner.

When President Eisenhower was elected in 1953, he appointed Fred Seaton as secretary of the Interior. Seaton took an active interest in Alaska, visited the territory several times and made many friends. Snedden was one of his closest friends, and it is believed by Snedden's friends that it was Seaton who helped convert him to the idea of statehood.

When Bill Snedden believed in something, he worked for it hard and constantly. That trait made him an important leader in Fairbanks because he loved his community and worked for anything that would improve it.

When he undertook statehood as a project, he also undertook the task of explaining it to his anti-statehood community. He did it successfully, and by the time the crucial decisions were being made, the people of Fairbanks voted for it.

And Snedden gave liberally of his time and money to win statehood. At one time he rented an apartment and stayed in Washington two months trying to sell it to congressmen.

His community and the people of Alaska have recognized his great contributions and awarded him with top honors. One of the more recent honors was his designation as Alaskan of the Year in 1987.

The passing of Bill Snedden is a loss for the entire state, and especially for Fairbanks. We join other Alaskans everywhere in extending deepest sympathy to his widow and his son. He has left a permanent imprint and they can be proud.

[From the Anchorage Daily News, Aug. 7, 1989]

Fairbanks Publisher Dies at 76

(By Larry Campbell)

One of the Alaska's news sourdoughs and an inside fighter for statehood. Fairbanks Daily News-Miner publisher C.W. "Bill" Snedden, died Sunday morning after an eight-year bout with cancer. He was 76.

Snedden was among a wave of pioneers who came to Alaska after World War II and increased commerce, industry and statehood.

Born and raised in Portland, Ore., Snedden worked shipyards there during World War II, but took up printing after being injured in a shipyard accident. He later worked for Scripps-Howard newspapers as a print operator and specialist in aiding financially troubled newspapers.

According to News-Miner president and general manager Charles Gray, Snedden came to Fairbanks in 1948 to advise theater owner Austin "Cap" Lathrop about fixing his ailing Fairbanks paper.

"When (Snedden) told him what it would cost, Lathrop threw up his hands and said he'd sell it for that," Gray said.

Lathrop died in a mining accident two years later, and Snedden bought the paper. Its circulation was about 4,000 then. Today, circulation is about 16,000, Gray said.

"He said he thought he'd keep it for a few years, then fell in love with Alaska," Gray said.

In the late 1950s, Snedden became known for his lobbying efforts for statehood. He lived in Washington, D.C., for almost two years to button-hole lawmakers.

In the early 1960s, Snedden co-chaired fund-raising organizations to benefit Fairbanks Memorial Hospital. He was also a member of numerous boards and commissions and was active in the state and local chambers of commerce.

In 1987, Snedden was honored as Alaskan of the Year by the State Chamber of Commerce.

Though Snedden's editorial views marked him a conservative, Gray said, "he was not ultra-conservative. Most of the liberals accused him of being conservative, and ultra-conservatives said he was too liberal."

Snedden is survived by his wife, Helen, and his son, Skip, both of Fairbanks. Arrangements are pending at Chapel of Chimes in Fairbanks.

[From the Juneau Empire, Aug. 7, 1989]

C.W. SNEDDEN

The Alaska C.W. "Bill" Snedden came to in 1948 is a far cry from the state he left behind Sunday, when he died of cancer at age 75. He and a handful of his contemporaries made that difference.

As an individual and as publishers of the Fairbanks Daily News-Miner, Mr. Snedden gave voice to Alaska's many dreams during the last 41 years.

But he did more than speak of dreams. He worked to make them reality.

He took the News-Miner from theater tycoon Austin E. Lathrop in 1948 and built it into a prosperous newspaper that serves all of Interior Alaska. For years, it carried news from the Bush, tying Alaskans together before the days of satellite communications.

The effort Mr. Snedden is most prominently remembered for, however, is the drive for Alaska statehood.

From the time the first territorial legislature met in 1913, many leaders believed Alaska was confined to a roll of weak sister to the "lower" states. Alaska was governed by presidential appointees who were often caught between a rock and hard place—the territorial legislature on one side and the powers in Washington, D.C., on the other. While that system was satisfactory to many, it was not for most Alaskans, who believed statehood was the only way to gain a full partnership in the U.S. government.

When the statehood movement gained full steam in the 1950s, Mr. Snedden moved to the nation's capital for two years. There, he tirelessly lobbied Congress—and anyone else who would listen—on behalf of adding a 49th star to the flag.

That Alaska became a state on Jan. 4, 1959, was as much a result of the efforts of Mr. Snedden as any other single person.

Under his ownership, the News-Miner grew from a 4,000-circulation hometown paper to a 16,000-circulation paper that is arguably among the best of its size anywhere. Long a perennial national contest winner for its production work, the News-Miner still sets the standard for color photography in newspapers. In large part, that is because Mr. Snedden was a production man at heart. Though he believed in meat-and-potatoes news reporting, he believed a newspaper must be attractive, too.

Before cancer began taking its toll, Mr. Snedden—his employees called him "C.W."—often made a point to personally welcome new reporters to his staff. He also would talk to reporters about stories and offer suggestions and background on the issues they were writing about. On one occasion, in 1975, when a just-out-of-college reporter was struggling with a particularly difficult story, he sat him down, offered a reassuring word or two, and, noting a misspelled word in the copy, suggested that he buy a pocket dictionary.

"I always had a dictionary in my back pocket when I was in the backshop," he told the rookie. And the rookie took that advice. He is now the managing editor of the Empire.

It's difficult to pass judgment on the contributions a single individual has made to Alaska. But one thing is for sure: C.W. "Bill" Snedden is counted among a handful of giants who helped build the state we know today.

The many Alaskans who knew and respected him will miss him dearly.

FUNDING THE DRUG WAR

Mr. GRAMM addressed the Chair.

The PRESIDENT pro tempore. The Senator from Texas [Mr. GRAMM] is recognized.

Mr. GRAMM. Mr. President, I want to talk this morning about our effort on drugs and to commend our President. Also I want to focus my brief remarks in the debate about funding. I am hopeful that after we each feel out the issue as it faces us legislatively in the Senate that we will see a strong united bipartisan base of support.

Mr. President, there has been much discussion about the funding issue. There are those who continually ask, "When is the President going to provide enough money to deal with the problem?" I thought it might be instructive to go back 2 years and simply look at what the Congress has done compared to what the President has requested for law enforcement as it relates to our drug problems.

In H.R. 4782, the State, Justice, Commerce Appropriations bill for fiscal year 1989—that appropriation will see us through September 30 of this year—the President asked for $6 billion in funding for the Justice Department. The Congress approved $5.4 billion. So compared to the President's request for this year, Congress cut funding for the entire Justice Department by about $600 million.

The President requested $1.5 billion for the FBI. The Congress provides $1.4 billion. So Congress gave the FBI $100 million less than the President requested. The President requested $538 million for the Drug Enforcement Agency. Congress provided $505 million, or a cut of $33 million for DEA below the level requested by the President.

The Federal prison system funding request submitted by the President was $1.5 billion. Congress provided $1.170 billion, or a $330 million cut of the President's request.

In the final version of H.R. 2763, the State, Justice, Commerce Appropriations bill for fiscal year 1988, Congress cut the President's proposed funding level for the Justice Department by $300 million, cut the FBI by $90 million compared to what the President asked for, cut the Drug Enforcement Agency by $28 million, and cut the Federal prison system by $51 million.

So, Mr. President, my point is that while anybody can question how much money is needed, and we can have a debate about what we ought to do and what it is going to take to do the job, the fact still remains that for the last 2 years, as public support for a strong effort to deal with the drug problem has grown, that Congress has reduced the level of funding for such key agencies as the FBI, DEA, and the Federal prison system substantially below the level requested by the President.

I think the President's approach is a good one. It is an approach that says let's get serious, let's get tough, and let's put up the money. But the facts are that while there is a legitimate debate about how much money it is going to take and where the money should come from, the Congress in the last 2 years has not provided the money that the President has requested. I think as we debate these issues it is important to remember that in the last 2 years the President has asked for more money than has actually been provided. We have an opportunity this year, by setting priorities, to provide at least the full level of funding recommended by the President. I hope we can do that.

As a final point, I think it is instructive to note that in the last 2 years $900 million requested by the President for the Department of Justice has not gone to law enforcement, and has not gone to our primary effort to grab drug thugs by the throat. In the last 2 years, funds that were requested by the President were not given back to the taxpayers. They were spent on other programs and other priorities. I do not believe there is any priority that is more important than dealing with this problem. I am hopeful that we can deal with it.

I think everybody is going to find, as we begin to put together our program, that this is clearly a bipartisan problem. I believe we are ultimately going to have a bipartisan solution. I think it is important that we debate how to do it, but I think it is of equal importance that we do it on a bipartisan basis.

I yield the floor.

THE WAR ON DRUGS

Mr. KERRY addressed the Chair.

The PRESIDENT pro tempore. The Senator from Massachusetts [Mr. KERRY] is recognized for not to exceed 2 minutes.

Mr. KERRY. Mr. President, I ask unanimous consent that I be permitted to speak for a period of 10 minutes.

The PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

The Senator is recognized for not to exceed 10 minutes.

Mr. KERRY. I thank the distinguished President pro tempore.

Mr. President, as all of us here and as countless Americans around the country listened last night with anticipation, we waited for an important announcement of the newest declaration of war on drugs. We have listened to this declaration for a period of some 8 years now. And we have only in this past year really come to measure the full extent of what drugs are doing to our beloved country, and the full extent of the gap between the rhetoric and reality of the so-called war on drugs.

I would first of all like to congratulate the President for having, as President for the first time, placed this issue at a higher stake's level than it has been before. I think there were good things in what the President offered the Nation last night, particularly a drug summit, though one might ask why we are not engaged in it at this time or when it is going to occur, but it is at least on the table.

The emphasis was on money laundering, though there were no specifics about how we will proceed, but I think it is important that money laundering has been pointed out to be one of the Achilles' heels in the drug war efforts.

I am delighted that the President will be moving to take this message into the schools though I hope it will not just be by television means but rather by personal visits to schools on a weekly basis. I would have certainly enjoyed hearing that, too, last night. I am delighted that there will be additional money for HUD housing, and I am particularly pleased that the President is going to place a focus on the user. I think that has been long overdue. Last night the President painted an accurate picture of what illegal narcotics are doing to our Nation and our people, our children and to our streets.

He is right when he says that everyone who uses drugs, who sells drugs, and anyone who looks the other way is responsible. He is right when he says that the Federal Government has the responsibility to provide for the common security of all Americans by stopping this scourge. He is right when he said that we need a strategy covering the criminal justice system, the foreign policy, drug treatment, drug education, and prevention. Mr. President, I wish I could say that I agreed that the President has in fact really laid out that strategy.

This is not a partisan issue. It should not become a partisan issue, and I do not want it to be a partisan issue. I am not speaking partisanly, except to the degree that I am partisan for the need for this country to address this war with more than rhetoric.

The simple fact is, Mr. President, that the words that the President of the United States, when he said, "In short, this plan is as comprehensive as the problem." It is not. The problem is far more complex, and the problem is in fact far bigger than what the President has offered us last night.

Mr. President, we are still lacking an overall strategy to fight a war. I spent the last 5 days of this week, the last week, talking with almost every district attorney, every sheriff, many mayors, the attorney general of my State and of Rhode Island, the U.S. attorney, and many of the police chiefs and captains and narcotics officers in our State. We held five hearings of my committee, the Narcotics Terrorism Subcommittee, around the State.

To a person, Mr. President, they pleaded for resources. They talked about how their communities are being absolutely engulfed by drugs from New Bedford to Lowell, Boston, Springfield to Worcester, and how the cross section of people using and selling runs from an 80-year-old grandfather who enlists his son and grandson in the effort to a real estate lawyer who has a million and a half dollar portfolio, to people in the street like the "Dooneys" who were talked about last night.

Mr. President, if we are really declaring war on drugs, then Americans have to know and the criminal element has to know that we are serious. The President said last night that we are serious and that some 40 percent of Americans, I believe it is, are in need of treatment, and he proposed an increase of $321 million in Federal spending on drug treatment. What he said was, "Right now only 40 percent of them are actually getting help. This is simply not good enough."

Well, Mr. President, with $321 million additional for drug treatment, are we going to get it over 50 percent? Will it get to 60 or 70 percent? The answer is no. That is simply not good enough. Because anybody who knows anything about the war on drugs knows that unless you have treatment on demand, so that any addict who comes to the point of deciding they want help can get it, you do not have a complete war on drugs. We are currently servicing 1 out of 7 addicts who need or can seek help. We have waiting lists at every treatment center across this country.

What we promised last night yet again is that those waiting lists can grow longer, that we will not be serious about guaranteeing that we are going to clean up the streets, but that some addict who makes the decision to come forward and seek help will have to wait for 2 weeks, a month, 2 months, and either go out and kill themselves or someone else, or commit a crime before they are going to get help. That, to me, is not a complete war on drugs.

What about education? The President promised additional resources for education. The problem is that the education money we passed last year—I believe an additional amount of money for education is authorized now. If you look at what the President authorized last night or said he would seek from the Congress, you are not in fact finding additional money, and even if you are finding additional money, the amount of money the President proposed is not enough to deal with the question of putting into all of our schools, K through 12, the kind of education program that is really part of a war on drugs.

What about State and local law enforcement assistance, Mr. President? The Congress has already increased the assistance from $150 million to the $350 million in the drug bill that we passed last year. It has not been funded yet as the distinguished Presiding Officer knows, but we have done that. So if you balance what the President promised in additional State and local funds last night against what Congress already passed, which has not been funded, you actually have no increase to the local communities who are supposed to be waging a war.

Now, Mr. President, if you cannot put additional money into the local police, law enforcement, local jails, et cetera, now, you are not fighting a war on drugs. The promise to have prisons 2 or 3 years from now that can house prisoners caught today is an empty promise in terms of fighting the war on drugs.

There is not a police officer out there who has not voiced exasperation with putting his or her life on the line in order to serve a warrant or do their duty and make an arrest and then find the person they arrested is back on the street the next day. You do not have a war on drugs in this country until every person who commits this crime, who ought to go to jail, knows that they are going to go to jail and that the potential for them to be housed in that jail for as long as they ought to be exists.

If we had a real war on drugs, we would have said to those criminals last night that you will be put away immediately and that we will take whatever Federal property is necessary, that we will speed up the process of base closings, if necessary; We will create immediate detention centers, if necessary, and modular housing on our Federal property, if necessary, in order to guarantee that we will end the revolving door of the criminal justice system which has led attorneys general, sheriffs, and district attorneys to call the criminal justice system in which they work bankrupt. Mr. President, that would have been a war on drugs.

It seems to me, moreover, Mr. President, that at a time when the Prime Minister of a foreign country in the Caribbean is asking for a joint interna-

tional multiforce strike force, and that there are other people who are already placing their lives on the line as seriously as they are in Colombia, that it is incumbent on us at this point in time to engage in the kind of considerations and efforts that would produce those kinds of responses to something that is called by everyone now the most significant national security threat that this country has ever faced.

The PRESIDENT pro tempore. The time of the Senator has expired.

Mr. KERRY. Mr. President, what is the business of the Senate at this point?

The PRESIDENT pro tempore. The Senate is transacting morning business. At 1 o'clock p.m., under the order, the Senate is to go into recess.

Mr. KERRY. Mr. President, I ask, since no one else is seeking the floor, if I may proceed for another 2 to 3 minutes.

The PRESIDENT pro tempore. Without objection, the Senator may proceed until 1 p.m.

Mr. KERRY. Mr. President, even if you take the money that has been allocated for the cities and towns, the 50 biggest cities in the United States today are spending more than $11.5 billion on local law enforcement alone. Matched against that $11.5 billion, the $350 million that was requested by the President to assist them, that is a tiny fraction of what is needed in order to wage a full-blown war on drugs. The drug kingpins, in one shipment, in one night, can make $350 million, that which we are now offering to every single American city over the course of an entire year to fight what we say is the most significant national security threat of this country.

Mr. President, I think that this is something that the cocaine barons can see through with significant ease. Finally, the President of the United States talked about a young fellow by the name of Dooney last night. Dooney is now living with friends and apparently is in a treatment center, and Dooney may or may not get a chance not to sell drugs. The hard fact is that the funding for the President's war is going to come from some housing money, from some juvenile justice money.

Over the last years we have seen reductions in the very programs that might have helped Dooney to have a different set of choices. Forty percent of the kids in our inner cities are dropping out of school today. There are 100,000 Dooneys out there. The question has to be asked, What program was there in the President's speech last night to address the choice of what do those other Dooneys do? What does Dooney do if there is not a drug treatment program for every single addict that needs it and if there is not the kind of program to lead those people into some other choices other than selling drugs, where they make far more than the lack of opportunity their community otherwise offers them.

So, Mr. President, I think we have a long distance to go. I think this body has a significant debate yet ahead of it as to how it will adequately close the gap between rhetoric and reality, and how we will finally send a message to the drug barons and lords alike that we are really serious about waging the war on drugs rather than going through yet again another political exercise in rhetoric, and another political process of avoidance of our responsibility as citizens.

DR. ERNEST BOYER, PRESIDENT, CARNEGIE FOUNDATION FOR THE ADVANCEMENT OF TEACHING

Mr. KENNEDY. Mr. President, I have long admired Dr. Ernest Boyer, the president of the Carnegie Foundation for the Advancement of Teaching. I have found his wisdom and insight to be invaluable when I think about education policy. My opinion is widely shared. In a 1983 national survey, Dr. Boyer was identified as the Nation's leading educator. Over the last decade, no one has been a stronger advocate of improved educational opportunities for all Americans than Dr. Ernie Boyer.

Dr. Boyer recently made a speech before the Business Roundtable about the condition of education in America and what we must do to continue the progress we have already made. I found the speech to be thoughtful and provocative and would encourage my colleagues to read it carefully.

Mr. President, I ask unanimous consent that Dr. Boyer's speech be included in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SCHOOL REFORM: A NATIONAL STRATEGY

(By Ernest L. Boyer)

(The Carnegie Foundation for the Advancement of Teaching, the Business Roundtable, Washington, DC, June 5, 1989)

INTRODUCTION

In his first report card on the nation's schools, Secretary of Education Lauro Cavazos concluded that student performance is now "stagnant," a sobering indictment. The Secretary confessed that, "This situation scares me and I hope it scares you, too." And he then offered this apocalyptic view: "We must do better or perish as the nation we know today."

It's been six years since the National Commission on Excellence in Education declared "The nation is at risk," and since that warning hit the headlines, America has been engaged in the most sustained drive for school renewal in its history. Academic standards have been raised, teachers' salaries have gone up, and business leaders have become strong advocates of public education.

But with all of our achievements, there still remains a disturbing gap between rhetoric and results. Many of our students receive a first-class education. But the majority go to schools that range from good to mediocre, and for large numbers of our young people, schooling is a failure.

What's gone wrong? Why is school performance so uneven?

The problem is that our efforts have been more fragmented than coherent. Since 1983, we've had a flood of reports on education, but no comprehensive plan. A variety of model schools have been introduced, but it's a reform strategy best described as "excellence by exception." If school reform has begun to stall, as Secretary Cavazos now concludes, it's not from lack of effort, but from lack of overall direction.

This piecemeal approach is not surprising. It dates back to 1647 when the Massachusetts Bay Colony required every town or village to hire a schoolmaster to teach its own children to read and write. From the very first, our schools have been locally controlled, locally supported, and accountable only to the parents. This "unsystematic" system of public education—some might even say "chaotic"—seemed to work, and, for years, Americans have had great confidence in their schools.

Now, the pendulum has shifted. Today, less than half the support for public education comes from local districts. Voter participation in school elections is low, and, with increased mobility, neighborhoods less stable. America's traditional grass-roots approach to public education has weakened.

Further, Americans are troubled that millions of students are economically and civically ill-prepared. We're shocked that high school graduates cannot confidently read and write, or accurately compute. We're deeply worried that the United States is losing the high-tech race.

"Modern societies," John Gardner said, "run on talent," and there's a growing conviction that the nation's 83,000 schools, 16,000 districts, and 50 states cannot, without coordination, meet the challenge.

Indeed, Americans today seem less concerned about local control than about national results—convinced that if the nation is at risk, the nation must respond.

Consider that, just two years ago, a national board for teacher certification was created.

Consider that the U.S. Department of Education now presents, annually, a national report card on school performance.

Consider that former Secretary of Education William Bennett's James Madison High School contained a proposed national curriculum.

Consider, especially, that we've just elected, to the highest office in the land, a candidate who pledged to be the "Education President"—suggesting national leadership in education.

This is an historic moment. America is moving, in fits and starts, toward a national view of education, but how can we achieve more coherence without sacrificing vitality at the local level? It's a new challenge, something we've never seriously faced before, and our response surely will shape education in this country for years to come.

How do we proceed?

Clearly, we don't need a federal ministry of education to force all schools into a bureaucratic lockstep. We don't need yet one more critical report. We don't need more "patch work" and "tinkering"—as Secretary

Cavazos recently reminded us. We know what works.

What we do need is a national agenda for school reform. We need a strategy that sustains state and local leadership, while giving coherence to the effort, overall. And I'd like to focus on five priorities that are crucial if our push for excellence is to be, not just symbolic, but systemic.

I. GOALS

First, a national strategy for school reform requires a larger vision, and the President himself must lead the way.

If a health epidemic were striking one-fourth of the children in this country, if snow were piling up on city streets, if we had heaps of garbage on the curbs, a national emergency would be declared. But when hundreds of thousands of students leave school, year-after-year, shockingly unprepared, the nation remains far too lethargic.

We need an urgent call to action. And this is where corporate America has a role to play. To paraphrase the TV commercial, "When the Fortune 500 speak out for better schools, politicians listen."

Last fall, I suggested that the next President call a summit meeting of the governors from all fifty states, declaring that this nation is committed to provide, for every student, a solid vocational, civic, and moral education. The goal must be quality for all.

I also suggested that the next President, as a national objective, pledge that by the year 2000—when today's first graders are high school seniors—America will have the best education system in the world.

Over forty years ago, Secretary of State George C. Marshall, in an historic address at Harvard University, announced a bold recovery plan to lift Europe out of the ashes of a devastating war. This was an audacious proposition, wildly optimistic. But let the record show that, within four short years, the European community was miraculously reborn. The Marshall Plan—with a $12 billion assist from the United States—delivered dramatically on its promise.

Dreams can be fulfilled only when they've been defined. As a national strategy, let's commit ourselves to rebuild, within a decade, the nation's schools, just as the Marshall Plan helped rebuild a devastated world.

II. EQUALITY

This leads to priority number two. To rebuild the schools, America must focus, with special urgency, on students who are least advantaged.

To talk about school reform while ignoring poor children is dangerously to misdiagnose the problem. The Harvard School of Public Health recently reported that a child who is nutritionally deficient will have a lower IQ, shorter attention span, and get lower grades in school. Yet, in the United States today, nearly one out of every four school-age children is classified as poor. They're neglected, undernourished. They lack even the most basic care required to have a healthy start, and to disregard the tragedy of poor children is to imperil the future of the nation.

Poverty and schooling are inextricably connected, and it's here that the federal government's obligation is most explicit. Winston Churchill observed that there is no finer investment for any community than "putting milk into babies." and I propose that the federal nutrition program for low-income mothers and babies be fully funded, since better schooling starts with little children.

During the decade of the nineties, let's also incrementally increase support for Head Start, with full funding by the year 2000. This effective program provides preschool education for three- and four-year-old disadvantaged children, and it's a disgrace that twenty years after Head Start was authorized by Congress, only 20 percent of the eligible children are being served.

To give all children a better start, let's also reorganize the first years of formal education—that's kindergarten through grade four—into a single unit called "The Basic School." This school would give top priority to language and have no class with more than 15 students each. Each child would get personal attention and rigid grade levels would be blurred.

Also, in the Basic School, all disadvantaged children would get special help in reading and mathematics, with support from the federal Chapter One program and the school day would be lengthened for afternoon enrichment. The goal is to have every child, by grade four, write with clarity, read with comprehension, compute with accuracy, and effectively speak and listen. If these skills are not well formed, it will be impossible fully to compensate for the failure later on.

Finally, serving the least advantaged means urging states to revise the formulas by which schools are funded. In my home state of New Jersey, the Englewood Cliffs School District spends $9,200 for every pupil, which in East Orange, just 15 miles down the road—where the needs of children are so great, where the ravages of poverty are so apparent—the district spends just $4,500 for each student. Of course, money is not the only answer. But does anyone really believe that East Orange students deserve only half as much support as students in the more affluent suburbs?

Excellence and equality cannot be divided, and as a national strategy, we must focus on the disadvantaged. We must finance, more fairly, the public schools and give priority to early education, since it's here that the battle for excellence will be won or lost.

III. TEACHERS

Third, this nation must give more dignity and more status to its teachers.

Washington Irving, in his popular nineteenth century story, "The Legend of Sleepy Hollow," describes Ichabod Crane as a man who was "Built like a scarecrow. A gangling, pinheaded, flat-topped oaf. But what would anyone expect? He was just a teacher."

It's a paradox. Americans have always had a love affair with education, but we've been enormously ambivalent about teachers. Perhaps it's here that we can borrow something from the Japanese. In Japan, parents are intensely supportive of the schools. In that culture, the term *sensei*, teacher, is a title of great honor.

Last year, at the Carnegie Foundation, we surveyed 22,000 teachers, and I was shocked to discover that 50 percent said that morale in the profession is lower than it was five years ago; only 22 percent said it's gotten better.

We also found that more than 20 percent of today's teachers do not help choose textbooks and instructional materials. Over 50 percent do not participate in planning their own in-service education, and 70 percent are not asked to help shape retention policies at their school. In a word, they're powerless. And then we wonder why our most gifted students do not go into teaching!

There are poor teachers. And for the reform movement to succeed, the teaching profession must more vigorously police itself. We simply cannot tolerate mediocrity in the classroom.

But no profession is made healthy by focusing only on what's bad and, today, we need a national strategy to strengthen teaching, one that focuses on the three R's of recognition, recruitment, and renewal.

First, we need a 1989 version of President Dwight Eisenhower's National Defense Education Act—a program of teacher fellowships and summer institutes in every region of the country, which, incidentally, corporations could help fund.

Second, we need a national campaign to recruit outstanding students into teaching, beginning with those in junior high. Colleges and universities should organize this crusade, focusing especially on black and Hispanic students.

Third, we need, in every state, a full-tuition scholarship program for top students who agree to teach at least three years in disadvantaged schools. A quarter century ago, John Kennedy inspired the nation's youth to join the Peace Corps to serve the needy overseas. Why not inspire the brightest and the best to serve in inner-city schools and in rural districts here at home?

Finally, let's have teacher recognition programs in every state, and nationally, as well. Specifically, I suggest that President Bush, building on his splendid teacher award program, invite the "teachers of the year" from all 50 states to a dinner in the East Room of the White House, with the event televised, prime time. It's a symbolic act, but we live by symbols, and a White House dinner would affirm that classroom teachers are the unsung heroes of the nation.

IV. SCHOOL LEADERSHIP

Fourth, in shaping a national strategy for education, school-based management is crucial.

Thus far, over forty states have drafted tough new regulations. But all too often these mandates focus on bureaucratic procedures rather than on the outcomes of education, forcing teachers and principals to spend more time with paperwork, and less time with these students.

State officials should set goals, provide equitable support, and hold every school accountable for its performance. Here the leadership of governors is crucial. But within this framework, principals and teachers should be given full authority to choose textbooks, shape curriculum, hire teachers, organize the school day, and have discretionary funds to introduce bold innovations.

In other words, we must create, in the nation's 83,000 schools, what industry likes to call "circles of the quality control," with teachers and principals creatively building schools that meet high academic standards and meet the needs of students, too.

In a recent Carnegie survey, we found that half the students in eight grade go home after school to an empty house; 40 percent wish they could spend more time with their mothers and fathers; about a third say their family never sits down together to eat a meal. And many are often lonely.

We also found this sense of loneliness within the school itself, with teen-agers often moving anonymously from class to class, lacking contact with adults, and dropping out of school because no one noticed that they had, in fact, dropped in.

Frankly, if I had just one wish for school reform, I'd break up every junior and senior high school into units of no more than 400 students each. I'd locate these schools as satellite campuses, in shopping malls, in corporate buildings, and at worksites, too. In downtown Atlanta, for example, these's a high school in Rich's Department Store, a place where several hundred students go to study, while mingling with adults.

At these satellite campuses, every student should be assigned to a small "support group" of no more than 25 students each, meeting with a mentor at the beginning of each day to talk about problems, review academic progress, and receive emotional support.

Above all, I'd like to see all students feel needed and have a sense of worth. In our report, *High School,* we proposed a new "Carnegie unit" of high school credit—a community service term to help teen-agers become responsibly engaged in youth clubs, in retirement villages, and in tutoring other kids at school, discovering a connection between what they learn and how they live.

I'm suggesting that, as a national strategy, every state define its goals, and then give freedom to the schools, focusing on outcomes, not procedures. Such a restructing will breathe new life into a suffocating system.

V. ACCOUNTABILITY

Finally, we simply must clarify the content of education and find better ways to measure the results.

It's ironic that after six years of unprecedented school reform, we still can't agree on what it means to be an educated person. Some districts and some states have made great progress in defining goals. But in most schools, the K through 12 curriculum is still a Rube Goldberg arrangement that lacks both quality and coherence.

During the past six years, we've added more Carnegie units, but we've failed to ask "What's behind the labels?" We say "science," but what science should be studied? History, yes. But which history? We require English, but "English" can mean anything from Shakespeare to basic grammar.

As a national strategy, I propose that master teachers and research scholars come together—in a kind of peacetime Manhattan Project—to design, for the twenty-first century, a curriculum that focuses, not just on knowledge acquisition, but on integration, too. If this nation can invest billions in new weapons systems, why can't we invest in a new curriculum for the nation's schools? Specifically, let's have an endowment for this project, supported by both public and private funds.

It's ironic, too, that we still can't agree on how to evaluate school performance, and without reliable yardsticks, no one seems to know for sure if our $180 billion annual investment in public education is paying off. When Secretary Cavazos recently presented his report card on school performance—using dropout rates, SAT scores and the like—he explained that these yardsticks may not be adequate, but they're all we have. It's like an industry that's unclear about its product, and thus is hopelessly confused about quality control.

The President has a Council of Economic Advisors to keep track of the nation's fiscal health, but we don't have an authoritative way to monitor, adequately, the nation's education health. Perhaps the time has come to establish a National Council on Education Trends. Such a nongovernmental panel—comprised of distinguished citizens from all sectors—could develop a framework by which school performance, state-by-state, could be appropriately assessed.

This is an enormously difficult assignment that may take several years. But careful assessment of education is crucial, and here are some of the questions Americans should be asking:

Does each state have clearly defined goals for education? Are schools held accountable for results?

Is school financing adequate? Are states reducing the inequity from one district to another?

What about the dropout rate? Is it going down, especially among black and Hispanic populations?

Do teachers feel good about their work? Are salaries adequate and are working conditions getting better?

What about student performance?

Can all students read with comprehension, write with clarity, and accurately compute?

Have all students learned about the world around them? Do they know about their own heritage, other cultures, and have they discovered the interconnected nature of our world?

Can students think critically and integrate ideas?

Do they know the joy of reading, and have the motivation for lifelong learning?

Are the nonverbal abilities of students—including the aesthetic—being shaped in school?

Is education increasing the students' self-esteem and helping them become tolerant of others?

Are students, through community service projects, learning to become responsibly engaged?

After graduation, how do students perform in college and at the workplace? Are we, in short, preparing our students to be better workers, better citizens, and better people, too?

James Agee wrote that "in every child who is born, under no matter what circumstance . . . the potentiality of the human race is born again." As part of the national strategy, let's develop, during the decade of the nineties, a more coherent curriculum for our schools and a more precise, more humane evaluation of our students.

CONCLUSION

Here, then, is my conclusion. If this nation is to achieve excellence in education, a national strategy is required. This means:

An urgent call to action,

A commitment to the disadvantaged,

A crusade to strengthen teaching,

State standards, with leadership at the local school,

A quality curriculum, and

An effective way to monitor results.

John Gardner said, "A nation is never finished. You can't build it and leave it standing as the Pharoahs did the pyramids. It has to be recreated for each new generation." I'm convinced that the most urgent task our generation now confronts is a crusade to rebuild the nation's schools.

TRIBUTE TO MASSACHUSETTS TEACHERS ASSOCIATION 1989 AWARD FOR EXCELLENCE IN EDUCATION REPORTING WINNER DONALD W. POTTLE

Mr. KENNEDY. Mr. President, we all recognize the importance of truly outstanding teachers, Donald W. Pottle of Shrewsbury High School is one such teacher. Last year Mr. Pottle won the Christa McAuliffe Fellowship in recognition of his "roboteacher" robot. This year Mr. Pottle has been awarded the Massachusetts Teachers Association 1989 Award for Excellence in Education Reporting for Locally Produced Television Programming for Channel 57—Shrewsbury Community Cablevision.

Mr. Pottle, a teacher of biology and human physiology for 20 years at Shrewsbury High School in Shrewsbury, MA, has been recognized time and time again for his dedication to the best in teaching. A graduate of Rutgers University and the University of New Hampshire, Mr. Pottle was named Massachusetts Outstanding Biology Teacher, 1982, and Massachusetts Teacher of the Year 1983.

I salute his dedication to the youth of Shrewsbury and the Nation as a whole. We should all be grateful for teachers such as Mr. Pottle because they serve to remind us that we must remain vigilant in our pursuit of excellence in education. I extend to him, once again, my congratulations and best wishes.

LABOR DAY 1989

Mr. KERRY. Mr. President, the celebration of Labor Day honors the Nation's men and women that provide the productive energy that makes this Nation great. I am always pleased to recognize the true American heroes that provide the basis for one of the highest standards of living in the world. Labor Day—a modest recognition of the role played by American workers, but nonetheless a time for reflection and hope.

In my view, the Nation is truly at a watershed in its strategy of human resource development. Our ability to effectively trade in an increasingly competitive world market will require effective strategies to increase labor's productivity through the development of trained, productive workers. Our ability to expand our domestic self reliance and overall standard of living through rising real income will require an aggressive effort to allow every American the opportunity to be a real contributor to the Nation's output. We no longer can afford the luxury of permitting some of our productive potential to lie untapped and fallow.

I am hopeful that we are entering a new era of recognition for the American worker. The Secretary of Labor, Elizabeth Dole, has made a good start by releasing her commission's report on workplace quality and labor market efficiency. The report is titled, "Investing in People: A Strategy to Address America's Workforce Crisis."

The report covers a broad spectrum of urgent human resource needs, in-

cluding the critical need to upgrade our education and training to provide the critical skills the Nation increasingly needs. I will carefully study the report's many recommendations to improve education and training, resolve work and family conflicts, increase labor-management cooperation and other areas. In the weeks and months ahead, I plan to speak out on these recommendations.

Even today, there is one major recommendation the commission makes that I can wholeheartedly endorse. The commission concluded that far too little research was being done to provide information on which to shape the answers to many vital policy related questions. It found that the dearth of reliable information on many important questions frustrated our paper authors and impeded our deliberations.

Several months ago I proposed an aggressive agenda of policy related research in relation to the Fair Labor Standards Act and the minimum wage, because of the clear deficiencies and cutbacks in that area. This agenda was incorporated into the bill that the Congress passed and the President vetoed, and I am confident it will be included in any final legislation.

But it is clear from the commission's report that minimum wage research is only the tip of the iceberg. The report finds that there have been massive cuts in the overall research and evaluation budgets of the Department of Education and the Department of Labor since 1975, 52 percent in the Department of Labor and 63 percent in the Department of Education. New approaches and experimentation has not kept pace with new labor market problems. In designing new policies and programs, we also need, as former Secretary of Labor William Brock has said about the education area, a new thrust in research. The commission would broaden this to include the Labor Department, and I agree.

My own initial review, apart from the commission's report, indicates that defense-related R&D spending is not only vastly greater than R&D spending on education, training and related areas in absolute dollars, but that the percentage of total agency funds spent for research and development is far greater.

In the mid-eighties, roughly 15 percent of defense and related Federal outlays were spent on research and development. By contrast, only 1.5 percent of all health-related funds were spent on research and development. And in the area that is the most vital part of our national defense against world competition, poverty, illiteracy and drugs—the education, training and productivity of our citizens—only 0.5 percent was spent on R&D. The area of education and training is very small, compared to the defense budget—that we all knew. What was not apparent was how small a part of education and training budget itself was allocated for R&D, and how much it had been cut during a period when the problems were increasing.

On this Labor Day, I congratulate American working men and women and those of Massachusetts in particular. I congratulate them for many jobs well done. At the same time I urge Congress and the administration to seriously review the report of the Secretary's commission and work together to develop new weapons to use in the wars in which we are now engaged—against illiteracy, low productivity, underemployment and unemployment. And as they assess the need for new weapons in these wars, only to find in many cases that good policy-relevant data are lacking, I urge them to institute a new phase of human resource research and development. The Pentagon learned that lesson long ago. We should do no less.

THE 1,635TH DAY OR TERRY ANDERSON'S CAPTIVITY

Mr. MOYNIHAN. Mr. President, today, as we resume Senate business, we also mark the 1,635th day that Terry Anderson has been held in captivity in Beirut.

I ask unanimous consent that a Time article of March 20, 1989, on this subject be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE MAN WHO HOLDS THE HOSTAGES

It is no secret who holds Terry Anderson. Imad Mughniyah is his name. He is a 38-year-old Lebanese leader of the Shi'ite fundamentalist group Hizballah whose history of terrorism is grislier than the record of Palestinian renegade Abu Nidal. Mughniyah's villainy, U.S. officials say, runs from bombings, like the suicide attacks on the U.S. embassy and Marine barracks in Beirut, to hijackings. He is a prime suspect in the U.S. for his alleged role in the 1985 skyjacking of TWA Flight 847 in which a Navy diver was murdered. And he has made a specialty of kidnaping: U.S. officials believe that Mughniyah, under the cloak of cover names like Islamic Jihad and the Revolutionary Justice Organization, has been involved in the kidnaping of at least 31 Westerners since 1984 and that he continues to hold most of the 13 still in captivity.

The kidnapers specifically wanted Terry Anderson. Fatefully, perhaps, the reporter advertised his availability the day before his capture, when he ventured into Beirut's southern suburbs to quiz Hizballah spiritual leader Sheik Mohammed Hussein Fadlallah. But Anderson's colleagues at the Associated Press believe he may have put himself on Hizballah's blacklist as far back as 1983, when he traveled to their stronghold in Baalbek to grill Shi'ite leaders about the bombing of the U.S. Marine barracks.

The grandson of a Shi'ite mullah, Mughniyah trained with Yasser Arafat's Fatah faction of the Palestine Liberation Organization. A high school dropout, he excelled at terrorism; his boldness and quick grasp of explosives and weaponry impressed his commanders. But he fell out with Fatah leaders and in 1982, when Israeli troops invaded Lebanon and occupied his village, Teir Debbe, Mughniyah joined the newly formed and more radical Hizballah (Party of God). He took to wearing religious garb even as he recruited activists and professionals to the Shi'ite cause. He rose quickly to the top of the organization, and as security chief, Mughniyah is thought to be the group's most powerful figure. He continues to hold the Westerners captive despite public pleas from Fadlallah that they be set free.

His original motivation was to avenge the mistreatment of Shi'ites in Lebanon and to vent his hatred of the U.S. and Israel. But U.S sources say he has become obsessed with trying to secure the freedom of his brother-in-law Mustafa Badreddin and 16 other Shi'its jailed in Kuwait after a 1983 bombing blitz. Mughniyah launched his subsequent kidnaping and hijacking spree to spring the 17 in a prisoners-for-hostage swap. Among his victims: William Buckley, the CIA station chief, who died in captivity.

Mughniyah reportedly gets his financing from Tehran, and is considered Iran's man in Lebanon; his closest mentors there include conservative leaders locked in rivalry with Iran's would-be pragmatists. Even so, Mughniyah has been forced to free numerous American, French and West German hostages when it served Iran's interests, while his personal demands have never been met.

Mughniyah seems content to bide his time until the U.S. breaks. But he has not tired of finding ways to press Hizballah's confrontation with the West. Britain's *Guardian* newspaper reported last month that he was busy organizing mas demonstrations in Lebanon. The cause: demanding Salman Rushdie's death for writing *The Satanic Verses.*

ADDITIONAL VIEWS TO THE COMMITTEE REPORT ON THE AMERICANS WITH DISABILITIES ACT OF 1989

Mr. HATCH. Mr. President, I understand that the Senate will shortly be turning its attention to S. 933, the Americans With Disabilities Act of 1989. This is an important piece of legislation that deserves the careful attention of all of our colleagues. Since the committee report became available only last Friday, September 1, I am submitting for today's RECORD a copy of my additional views for the benefit of those who wish to study them. I ask unanimous consent that a copy of those views be printed in the RECORD immediately following these comments.

There being no objection, the additional views were ordered to be printed in the RECORD, as follows:

ADDITIONAL VIEWS OF SENATOR HATCH

The story of America is one of ever growing inclusiveness, as more and more Americans have become able to participate in the great mainstream of American life. Persons with disabilities, no less than other Americans, are entitled to an equal opportunity to participate in the American dream.

Indeed, through their own efforts, and with the benefit of a growing array of programs and antidiscrimination provisions at

the local, state, and federal levels designed to enhance their abilities to lead lives of independence, not dependence, persons with disabilities have long been writing an inspiring chapter in this quintessential American story. Persons with disabilities, through their hard work and determination, have already made great advances and destroyed many stereotypes which have been used to deny them equal opportunities in the past. They have demonstrated they are no "insular minority" in America. But more can still be done to provide equal opportunity for persons with disabilities.

At the outset of the hearings on S. 933, I stated my support for a comprehensive federal civil rights bill banning discrimination against persons with disabilities. Such protection against discrimination is long overdue. At the same time, I also expressed the view that such legislation must be both meaningful and reasonable. Accordingly, I was unable to endorse S. 933, as introduced. There were several serious problems with S. 933, as introduced, including: its excessive penalty scheme; its breadth of coverage of "public accommodations"; its significant departure from the standards of section 504 of the Rehabilitation Act of 1973, which bans disability discrimination in programs or activities receiving federal aid and in federally conducted programs; and its onerous treatment of the private bus industry.

The substitute version, which emerged from a period of negotiations and was adopted unanimously by the Labor and Human Resources Committee, is still not a perfect compromise. It retains features that I believe merit further improvement. But it incorporated enough important changes to enable me to cosponsor it at the mark-up, while I reserved my right to pursue further changes on the Floor.

At the mark-up, the Committee accepted an amendment which I offered, requiring the Attorney General, in consultation with other federal agencies, to develop and implement a plan to assist covered entities in understanding their duties under the bill.

I also have further concerns about the bill in certain areas.

I. SMALL BUSINESS EXEMPTION FOR PUBLIC ACCOMMODATIONS

Title I of the bill bans employment discrimination and is effective in two years. At that time, the employment discrimination provisions will apply to employers with 25 or more employees for each working day in each of 20 or more calendar weeks in the current or preceding year. Two years thereafter—four years after enactment—the employment provisions will apply to employers of 15 or more employees.

Title III of the bill covers "public accommodations and services operated by private entities." Private entities defined as "potential places of employment" are subject only to accessibility requirements concerning new facilities designed and constructed for first occupancy later than 30 months after the bill's enactment. These entities include facilities intended for nonresidential use and whose operations affect commerce. Section 301(s).

Private entities defined as "public accommodations," which include much of the private sector, are subject not only to this new construction requirement but also to a wide variety of prohibitions and obligations with respect to their existing facilities and general policies. These prohibitions and obligations pertain to a business in its treatment of customers, clients, and visitors.

The term "public accommodation" is defined very broadly. It includes not only businesses covered by Title II of the 1964 Civil Rights Act, which bans racial, ethnic, and religious discrimination in public accommodations, defined as places of eating; places of lodging; places of entertainment; and gasoline stations, but it also includes retail stores, service establishments, and other elements of the private sector. Section 301(3).[1]

This ban on discrimination in privately operated "public accommodations" in Title III of the bill is effective 18 months after enactment. In stark contrast to the small business exemption from the bill's employment provisions, however, the bill contains no small business entity exemption whatsoever from these public accommodations provisions.

Thus, the bill creates the following anomaly: a mom-and-pop grocery store is not subject to the bill when it hires a clerk as a new employee, but it is subject to all of the bill's requirements in its treatment of customers, as well as to an extremely onerous penalty scheme when it violates any of those requirements.

Even under the standards of the substitute bill, the costs some small businesses may incur can be significant.[2] In the disability rights area, nondiscrimination requirements, including those in this bill, not only require elimination of outright exclusion based on stereotypes, they often impose additional duties to make reasonable accommodations to the needs of persons with disabilities. I support these requirements. But, we must acknowledge that these accommodations can cost money. Sometimes the cost is not great, but even under the standards of this bill, these costs can be more than de minimus where necessary to provide accessibility. This is a crucial difference between a disability civil rights statute and a civil rights statute in the race area. In order to provide equal treatment to racial minorities, a business need only disregard race and judge a person on his or her merits. To provide equal opportunity for a person with a disability will sometimes require additional actions and costs than those required to provide access to a person without a disability.

For example, under the public accommodations title of this bill, covered entities must seek to provide "full and equal enjoyment of [their] goods, services, facilities, privileges, advantages and accommodations." Section 302(a). Among the specific requirements applicable to the smallest businesses are:

1. The obligation to provide auxiliary aids and services to persons with disabilities, unless to do so would cause either an undue burden to the entity or a fundamental alteration in its activities. Section 302(b)(2)(A)(iii). Auxiliary aids and services are defined in Section 3(1) and can include providing qualified interpreters, qualified readers, signage, taped texts; the acquisition or modifications of equipment or devices; and similar actions and devices.

2. The obligation to make reasonable modifications in policies, practices, and procedures, unless doing so fundamentally alters the entity's activities. Section 302(b)(2)(A)(ii).

3. The obligation to remove "architectural barriers, and communication barriers that are structural in nature, in existing facilities . . . where such removal is readily achievable." Section 302(b)(2)(A)(iv). The term "readily achievable" is defined in section 301(5).

4. The obligation to remove "transportation barriers in existing vehicles used by an establishment for transporting individuals (not including barriers that can only be removed through the retrofitting of vehicles by the installation of a hydraulic or other lift), where such removal is readily achievable." Section 302(b)(2)(A)(iv).

5. Where the removal of a barrier described in paragraphs 3 and 4 is not readily achievable, an obligation "to make [the entity's] goods, services, facilities, privileges, advantages available through alternative methods if such methods are readily achievable." Section 302(b)(2)(A)(v).

6. The elimination of eligibility criteria that screen out or tend to screen out a person or persons with disabilities unless the criteria are shown to be necessary to the conduct of the activity in question. Section 302(b)(2)(A)(i).

While these requirements will, in theory, generally translate into less actual cost the smaller the entity, any financial or administrative impact on the smallest businesses can be very troublesome for those businesses. Even comparatively "lesser" costs can be quite burdensome for a small business struggling to survive. Further, the determination as to whether an accommodation is an undue burden or a barrier removal is readily achievable may ultimately be made by a Federal agency or judge. A small business is less able to absorb an overreaching determination by these authorities than a larger business.

Moreover, government compliance reviews (Section 308(b)(1)), and the costs of private as well as Attorney General litigation, will add further to those expenses small businesses must bear under the bill's public accommodations title. Indeed, in a private enforcement action, a plaintiff can obtain injunctive relief and attorneys fees. For larger businesses, these costs can be more readily absorbed and passed on to a large consumer base. For some smaller businesses, the cost of compliance with injunctive relief combined with attorneys fees might be onerous.

But it is the penalty scheme in an Attorney General action to enforce the public accommodations title that is of particular concern. In an Attorney General action, a court, at the request of the Attorney General, can order the smallest business to pay monetary damages to aggrieved persons. Moreover, the court can order such a business to pay a civil penalty of up to $50,000 for a first violation and up to $100,000 for subsequent violations. This remedy scheme is potentially a very heavy burden, which I will also address as a separate concern.

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[1] Religious organizations and entities controlled by religious organizations are completely exempt from coverage under Title III.

[2] Some persons may assert that costs should not be a factor in designing a disability civil rights law. In the context of a disability rights law, however, costs may have to be incurred in order to provide nondiscriminatory treatment; e.g., putting in a ramp, providing auxiliary aids and services, and other accommodations. Indeed, the failure to incur reasonable costs in order to provide access is regarded as discriminatory. At some point, however, the undertaking of an accommodation can be so costly or represent such a fundamental alteration in the covered entity's program that the failure to undertake the accommodation is simply not discriminatory. This principle reflects Supreme Court caselaw interpreting section 504 of the Rehabilitation Act of 1973. E.g. *School Board of Nassau County* v. *Arline*, 480 U.S. 273, 287 n. 17 (1987); *Alexander* v. *Choate*, 469 U.S. 287 (1985); *Southeastern Community College* v. *Davis*, 442 U.S. 397, 409–414 (1979).

Opponents of a small business exemption in the public accommodations title of S. 933 claim that since title II of the 1964 Civil Rights Act has no small business exemption, neither should S. 933. There are several responses to this argument:

1. S. 933 already departs from title II of the 1964 Civil Rights Act in two important ways:

A. Title II only covers places of eating, lodging, entertainment, and gasoline stations. S. 933 goes well beyond such coverage, encompassing virtually all elements of the private sector as "public accommodations" or "potential places of employment," except religious organizations and entities controlled by religious organizations.

B. Title II provides only for injunctive relief in Attorney General actions; this bill, as mentioned earlier, permits recovery of monetary damages and huge civil fines in Attorney General actions.

Thus, it is inconsistent for the opponents of a small business exemption to rely upon Title II as the basis for their opposition when they have so readily departed from that parallel statute in other important respects.

2. In any case, compliance with title II of the 1964 Civil Rights Act imposes no costs—it simply requires admitting and serving persons without regard to their color, ethnicity, or religion. As mentioned earlier, compliance with S. 933 can result in costs to covered entities. This difference between title II and S. 933 alone justifies a small business exemption in public accommodations.

I favor an exemption of small businesses from the prohibitions and obligations in the public accommodations provisions of the bill, i.e., provisions relating to a business' existing facilities and general policies. I would not, however, exempt any public accommodation from the requirement that its new facilities be accessible. The cost of accessibility to a new facility when "built-in" to the plans and construction of such a new facility is not burdensome. But for businesses in the operation of their existing facilities and in the provision of auxiliary aids and services, modification of policies, procedures, and criteria, a small entity exemption is appropriate.

I also believe that even with an exemption for small businesses, the marketplace will exert pressure on small businesses which will lead to increased accessibility. When a small business operator sees a larger competitor gain customers with disabilities because the latter business is accessible, the small business operator is likely to take steps it can afford to get some of those customers—even if those steps don't meet every single requirement of this title—without exposure to the costs of compliance reviews and litigation.

With this voluntary activity, the requirement that all new facilities be accessible, and the full coverage of all "public accommodations" other than small businesses, I believe we can provide genuine access to public accommodations for persons with disabilities, while assuring that we do not overly burden small businesses in America.

II. EXCESSIVE PENALTIES AGAINST PUBLIC ACCOMMODATIONS

Under title II of the 1964 Civil Rights Act (hereinafter "title II"), as mentioned earlier, a private plaintiff can obtain injunctive relief and attorneys fees. The Attorney General can obtain injunctive relief. No monetary damages or civil penalties are available in either action.

Under S. 933, in an action for a violation of the public accommodations title, a private plaintiff can obtain an injunction and attorneys fees. I believe such relief, paralleling that of title II, is appropriate.

But, in an Attorney General action under this bill the court can award not only an injunction, but also civil penalties of up to $50,000 for a first violation, and up to $100,000 for subsequent violations. Further, the court can award monetary damages to aggrieved persons when requested to do so by the Attorney General. This relief is excessive and unjustifiable.

The threat of litigation, its cost to covered entities, the added expenses of paying the plaintiff's attorneys fees in private litigation, and marketplace factors are all powerful incentives for a business to comply with this bill in the first instance.

Moreover, if an entity is in noncompliance, injunctive relief is significant. An injunction requires the offending entity to cease its discrimination. If a ramp must be put in, a bathroom made accessible, or policies changed, pursuant to the entity's duties under the bill's public accommodations provisions, a court can order such relief.

Everyone knows that 25 years ago black people and other racial and ethnic minorities were routinely denied the opportunity to eat, to lodge, and to be entertained in places they could afford. Today, while there are still instances of racial and ethnic discrimination in public accommodations, we face an entirely different situation. The public accommodations covered by title II are now essentially open on a nondiscriminatory basis. This resulted largely from title II's enactment, with the injunctive relief and attorneys fees enforcement scheme previously described.

Yet, relief in an Attorney General action against a public accommodations under this bill goes well beyond the relief available in an Attorney General action under title II.

Ironically, a private party, in his own action, cannot obtain monetary damages for himself. The court can award monetary damages, however, to an aggrieved person, in an Attorney General action.

There is a further anomaly in the bill. The bill subjects state and local governments to the remedies available under Section 505 of the Rehabilitation Act of 1973. Under Section 505, a federal agency, in an enforcement action, may either terminate federal aid to the part of a covered entity where the discrimination occurs or it may refer the case to the Department of Justice for injunctive relief. Civil penalties are not recoverable by the federal government in an enforcement action. Thus, in an Attorney General action, state and local governments, with their enormous tax resources, are subject to lesser penalties than the private sector, which is not supported by tax revenues or, for the most part, federal aid. The potential for a sole proprietor, a mom-and-pop business, or any other business to be more harshly sanctioned than a state or local government in an Attorney General action requires further consideration.

Our purpose here should not be punitive. Providing for monetary damages and huge civil penalties in Attorney General actions is excessive. To the extent we are trying to provide access by enacting this bill, since such access can impose costs on covered entities, rather than penalize a public accommodation by imposing monetary damages and huge civil penalties, we should keep the money available to the entity for use in providing access pursuant to the injunctive relief.

Proponents of the stiff remedy provisions in S. 933 assert that it parallels remedies now available in an Attorney General action under the Fair Housing Act, as amended last year. This analogy, however, is unpersuasive.

In the field of housing, the original remedies of the 1968 Fair Housing Act proved inadequate to the task of rooting out racial and ethnic discrimination in housing as quickly as hoped. Why? In my opinion, it is because housing discrimination is probably the most persistent form of racial discrimination in the nation today. Thus, toughening the penalties for such discrimination in 1988 made sense and I supported the effort to do so.

But the record in the public accommodations area is much different. As mentioned earlier, the Title II penalties—injunctive relief and attorneys fees—have been adequate to work a revolution of equal opportunity.

If the Fair Housing Amendments Act of 1988 had not added disability discrimination to the list of prohibited conduct under the Fair Housing Act, and a ban on housing discrimination on the basis of disability was being added in this bill, the use of Fair Housing Act remedies for such housing discrimination would be appropriate. It is inappropriate, however, to use the Fair Housing Act, rather than Title II of the 1964 Civil Rights Act, as the analogue for the remedies in the public accommodations context in this bill.

I note that, with respect to employment discrimination, S. 933 uses the remedies available under the parallel civil rights statute, Title VII of the 1964 Civil Rights Act. Unfortunately, this parallelism was not maintained with respect to public accommodations.

I prefer to retain such parallelism in remedies. I am prepared, however, to break the parallelism with Title II and to consider a more modest enforcement scheme in this area that goes beyond Title II relief but is more reasonable than the provision currently in the bill.

III. THE BILL'S THREAT TO THE PRIVATE BUS TRANSPORTATION INDUSTRY

The bill applies to transportation services "provided by a privately operated entity that is primarily engaged in the business of transporting people," except for air carriers. Section 304(a). This coverage includes private rail, limousine, taxi, and bus companies.

I am especially concerned about this bill's impact on the private bus transportation industry. The bill imposes a variety of requirements on these companies, including:

1. The obligation to make reasonable modifications in policies, practices, and procedures, unless to do so would fundamentally alter the company's activities. Section 304(b)(2)(A).

2. The obligation to provide auxiliary aids and services to persons with disabilities, unless to do so would cause an undue burden or fundamentally alter the company's activities. Section 304(b)(2)(B).

3. The obligation to remove "transportation barriers in existing vehicles . . . where such removal is readily achievable." This obligation does not include the addition of a lift. Section 304(b)(2)(C).

4. Where the removal of a barrier described in paragraph 3 is not readily achievable, an obligation "to make [the entity's] goods, services, facilities, privileges, advantages available through alternative methods

if such methods are readily achievable." Section 304(b)(2)(C).

I favor these provisions.

The truly onerous provision, however, is the requirement that all small bus companies must purchase or lease all new over-the-road buses with lifts six years after the bill's enactment; large bus companies must do so beginning five years after enactment. In the meantime, ironically, having imposed this major requirement on the private bus transportation industry, the bill requires a three-year study to determine whether this requirement is, in effect, feasible. The requirement, however, is not contingent on the results of the study—it remains in place under this bill even if the study shows that the requirement is excessive.

The bill, in its present form, presents the strong likelihood that private intercity and charter and tour bus service will be seriously curtailed soon after the bill's new bus requirements become effective, if not virtually eliminated at some point thereafter. The stakes are that high.

Unlike state and local government mass transit, which is heavily subsidized by the federal government, private transportation companies receive virtually no federal aid. Private companies provide virtually all of the intercity bus transportation in the country. There are well over one thousand such private, intercity bus companies, such as Greyhound, Gold Line, East Coast Parlor, and Peter Plan. Some of these companies provide two kinds of services: over the road regular route service—that is, scheduled service between communities—and charter and tour services. Other companies provide only charter and tour services.

These companies serve about 10,000 communities, most of which have no other intercity transportation available to them. The number of communities served has been declining in the last 30 years. According to an Interstate Commerce Commission staff analysis, there was a net loss of nearly 3,400 communities receiving intercity bus service between 1982 and 1986 alone. Ninety percent of the communities losing this service had populations of less than 10,000. This industry operates on a low profit margin. In many rural areas, including in Utah, this private bus service is the only available intercity transportation. There is only token Amtrak service available. Intercity buses provide transportation for those who need a low cost transportation alternative.

The requirement that all new buses have wheelchair lifts would quickly accelerate the loss of private, intercity bus service to our nation's communities, if not entirely end such service, according to the American Bus Association, United Bus Owners of America, and Greyhound (the largest company). Delaying this result by five or six years, in the hope an efficient and economical lift will appear on the scene, is small comfort.

A lift for an intercity bus is more expensive than for an intracity bus, such as the Metrobuses used in the District of Columbia, because with the baggage compartment and other differences, access to the intercity bus is higher off the ground—as much as four or six feet, rather than one foot for an intracity bus.

The added costs for new buses for these private companies include not only the cost of the lift but widening the aisles and making the bathrooms accessible. There are maintenance costs—and there is little experience with maintenance of intercity bus lifts. There will be a loss of as many as four seats, which especially hurts bus companies during their peak periods, such as holiday periods. Moreover, particularly in rural areas, these companies are successful because of their package express service. The room available for carrying such packages, however, is reduced in lift-equipped buses.

Even if the least expensive lift is used on all new buses—and this is, I am told, a lift which has had little use in this country and one which not all bus companies might feel is suited to their operations—the cost of this provision is unreasonable. Indeed, I understand that the principal basis for this provision is information from the Regional Transportation District of Denver, Colorado. According to the Department of Transportation, however, Denver has only 17 buses which use a "less expensive" lift developed in Germany. I understand these buses have been in use in Denver for about one year. Moreover, according to the Department of Transportation, Denver uses these buses on one-way routes of less than 30 miles. This usage is atypical for the private bus industry as a whole, which consists of some 20,000 buses which travel far greater distances on trips.

Representatives of the private bus transportation industry have stated that their lowest annual cost estimate for the bill's requirement regarding new buses, which includes lift and accessible restroom installation, loss of revenue seats for lift and restroom accessibility, maintenance costs, and training costs would be so high as to seriously threaten the viability of the private bus transportation industry. This lowest annual cost estimate is based on a cost of $10,100 per new bus for each year of its service, and assumes a 10-year life span for the industry's 20,000 bus fleet. In other words, under this analysis, each new bus will cost a company $101,000 over the life of the bus. I note that representatives of the industry believe these estimates are unrealistic and actual costs will be higher.

The Committee heard virtually no testimony on this vital issue.

I, along with proponents of the present provision, can point to correspondence from officials of the Denver system and the American distributor of the lift in question citing a variety of different figures and costs related to wheelchair accessibility for these over-the-road buses. Following the hearings on the bill, the cost figures have been flying back and forth concerning costs associated with the lift which has recently begun to be used in Denver. The dispute over the utility of any particular lift and its costs are precisely why a study is most appropriate.

I support a requirement that bans discrimination based on stereotypes against persons with disabilities in their use of privately operated buses. I also support a requirement that private bus companies make reasonable accommodations to the needs of persons with disabilities with respect to their current bus fleet.

The Committee, however, simply has not been presented with enough clear testimony and data to know what is reasonable with respect to requirements such as lifts on new buses purchased or leased by the private bus industry. That is why a study of private bus accessibility, followed by Congressional action based on the study, is the most sensible course of action with respect to any future requirements, such as lifts, concerning new buses.

It might be suggested that this bill will have no significant impact on bus companies for the next five years. Even this suggestion is doubtful. In an August 1, 1989, letter to Roger Porter, domestic policy advisor to the President, Theodore Knappen, a Senior Vice President at Greyhound Lines, Inc., opposed this provision of S. 933. He wrote, "Greyhound Lines Inc. is a new company, which is the result of the merger of two failing bus systems, Greyhound and Trailways. We are highly leveraged with $375 million in debt * * *" Greyhound "lost $17 million last year and will be marginally profitable this year. The annual cost of full implementation of S. 933 will be at a minimum, $40 million. Even if the start up is delayed for five years, the financial institutions upon which we rely are not likely to continue to support us in light of this burden. The system will inevitably crumble with the marginal rural service being the first to go. I should add that most small bus companies are in a similar financial situation."

In summary, the current provision regarding the private bus transportation industry's purchase and lease of readily accessible new buses rests on inadequate and contested data and runs a serious risk of unintentionally causing devastating effects in the private bus industry. The prudent course is to study the issue first and then to impose appropriate requirements based on the study—not the reverse, as currently provided for in the bill.

TRIBUTE TO JOSEPH MOQUIN

Mr. HEFLIN. Mr. President, I rise today to pay tribute to one of Alabama's most outstanding business and community leaders as well as my close friend, Mr. Joseph Moquin from Huntsville, AL.

Joe retired as the chief executive officer of Teledyne Brown Engineering on August 31, 1989, following over three decades of loyal service to his company and to the Huntsville community and the Nation as a whole. It is evident that Joe Moquin has played a role in every worthwhile enterprise in Huntsville for over 30 years.

In 1956, when Joe Moquin traveled to Huntsville to become the chief management engineer for the Army Ballistic Missile Agency, few people could have foreseen the explosive growth the city would experience over the next three decades or the integral role which Joe Moquin would play in this expansion. Following the Soviet Union's launch of the Sputnik I in 1957, Huntsville's Army team escalated the space frenzy by developing the Redstone and Jupiter missile systems. This team of incredibly gifted engineers, scientists, and planners would place Huntsville on the cutting edge of the growing high-technology research and development industries.

As the chief civilian in the Army Ordnance Missile Command's control office, Joe worked closely with General Mendaris and Dr. Wernher von Braun who headed the Army team. Although a brilliant engineer, perhaps Joe Moquin's most important contribution to these efforts came from his managerial and planning ability. He

possesses the incredible ability to see the big picture and manage the numerous disparate aspects of such complicated projects.

Another of Huntsville's visionaries, Milton Cummings, recognized both Moquin's technical strengths in engineering and his managerial ability. In 1959, Cummings hired Joe as the executive vice president of Brown Engineering and ensured the success of what was to become one of Huntsville's most successful and ambitious companies. Working together, Joe Moquin and Milton Cummings transformed a small engineering company into a huge, diverse company employing about 3,000 people and helped transform Huntsville from a sleepy cotton town into a technology center for the entire Nation.

Brown Engineering prospered under the guidance of Moquin and Cummings. From four employees in 1953, Brown Engineering grew to several hundred employees in the early 1960's. Joe Moquin and Milton Cummings knew that the time was right for Brown to move to a new, more spacious, design and production facility.

Fortunately for Huntsville, Joe Moquin saw this as more than a time to find a larger building to house his company. He saw this as an opportunity to place Brown Engineering in the heart of a carefully zoned research park carved out of the cotton fields west of the city. After convincing the city to rezone 3,000 acres for the project, Moquin bought a large tract of land for Brown's new headquarters and the research park was born. This park was named Cummings Research Park in tribute to Milton Cummings following his death in 1973.

Today, Cummings Research Park employs more than 25,000 people and has helped develop what should become the world's first permanently manned space station. These Cummings Research Park residents have been a huge factor in the success of the Marshall Space Flight Center, the Army Missile Command, and the Strategic Defense Command.

One year before Brown Engineering merged with Teledyne Inc., Joe Moquin became the president of the company and continued in this role at Teledyne Brown. He has also served as the chairman and chief executive officer since 1985.

Joe Moquin has spent over three decades promoting Huntsville and promoting Alabama. He has devoted his time and his money as well as his company's resources to ensure that Huntsville has the benefit of outstanding educational, cultural, and professional opportunities to support the technological growth associated with the space and defense industries.

Joe Moquin has been intimately involved with pushing Alabama ahead. Much of his effort has been devoted to business, but he recognizes that business must be supported by an outstanding education system. He has been instrumental in the success achieved by the University of Alabama in Birmingham and Birmingham-Southern, as well as Huntsville's institutions of higher learning—Alabama A&M University and the University of Alabama in Huntsville, and Oakwood College.

Joe Moquin's contributions to professional organizations and community service organizations have earned him many awards, far too numerous for me to list. Some, however, merit special recognition. Joe Moquin received the Huntsville/Madison County Chamber of Commerce's first annual Award for Engineering, Science, and Technology Excellence. He was a member of the Alabama Supercomputer Network Authority Board which established the statewide supercomputer network headquartered in Huntsville. He currently serves as the chairperson for the economic development strategy and implementation task force for Huntsville's Vision 2000 Program.

Joe Moquin represents the ideal for which corporate leaders must strive. He has set an outstanding example and leaves other CEO's with a lofty goal of matching his success. He has provided Huntsville with the corporate and civic leadership it needed in the tumultuous years of the technology boom. Now he is stepping down as chairman and CEO of Teledyne Brown Engineering but not as promoter and civic activist for Huntsville.

Joe Moquin has long been one of the most informed and knowledgeable people in the defense and space industries and one of the first people I seek out for advice in these areas. His support, advice, and friendship have been invaluable to me. I wish him the best of luck in all his endeavors and look forward to his continued success.

Thank you, Mr. President.

CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Under the order, morning business is closed.

RECESS UNTIL 2:15 P.M.

The PRESIDENT pro tempore. The hour of 1 o'clock having arrived, the Senate stands in recess until the hour of 2:15 p.m. today.

Whereupon, the Senate, at 1 p.m., recessed until 2:15 p.m. when called to order by the Presiding Officer [Mr. KOHL].

LEGISLATIVE BRANCH APPROPRIATIONS, 1990

The PRESIDING OFFICER. Under the previous order, the clerk will report H.R. 3014.

The assistant legislative clerk read as follows:

A bill (H.R. 3014) making appropriations for the legislative branch for the fiscal year ending September 30, 1990, and for other purposes.

The Senate proceeded with the consideration of the bill, which had been reported from the Committee on Appropriations, with amendments as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

H.R. 3014

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Legislative Branch for the fiscal year ending September 30, 1990, and for other purposes, namely:

TITLE I—CONGRESSIONAL OPERATIONS

SENATE

MILEAGE AND EXPENSE ALLOWANCES

MILEAGE OF THE VICE PRESIDENT AND SENATORS

For mileage of the Vice President and Senators of the United States, $60,000.

EXPENSE ALLOWANCES

For expense allowances of the Vice President, $10,000; the President Pro Tempore of the Senate, $10,000; Majority Leader of the Senate, $10,000; Minority Leader of the Senate, $10,000; Majority Whip of the Senate, $5,000; Minority Whip of the Senate, $5,000; and Chairmen of the Majority and Minority Conference Committees, $3,000 for each Chairman; in all, $56,000.

REPRESENTATION ALLOWANCES FOR THE MAJORITY AND MINORITY LEADERS

For representation allowances of the Majority and Minority Leaders of the Senate, $15,000 for each such Leader; in all, $30,000.

SALARIES, OFFICERS AND EMPLOYEES

For compensation of officers, employees, and others as authorized by law, including agency contributions, $55,019,000 which shall be paid from this appropriation without regard to the below limitations, as follows:

OFFICE OF THE VICE PRESIDENT

For the Office of the Vice President, $1,216,000.

OFFICE OF THE PRESIDENT PRO TEMPORE

For the Office of the President Pro Tempore, $296,000.

OFFICES OF THE MAJORITY AND MINORITY LEADERS

For Offices of the Majority and Minority Leaders, $1,474,000.

OFFICES OF THE MAJORITY AND MINORITY WHIPS

For Offices of the Majority and Minority Whips, $458,000.

CONFERENCE COMMITTEES

For the Conference of the Majority and the Conference of the Minority, at rates of compensation to be fixed by the Chairman of each such committee, $661,500 for each such committee; in all, $1,323,000.

OFFICES OF THE SECRETARIES OF THE CONFERENCE OF THE MAJORITY AND THE CONFERENCE OF THE MINORITY

For Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority, $290,000.

OFFICE OF THE CHAPLAIN

For Office of the Chaplain, $147,000.

OFFICE OF THE SECRETARY

For Office of the Secretary, $8,852,000.

OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

For Office of the Sergeant at Arms and Doorkeeper, $28,000,000.

OFFICES OF THE SECRETARIES FOR THE MAJORITY AND MINORITY

For Offices of the Secretary for the Majority and the Secretary for the Minority, $983,000.

AGENCY CONTRIBUTIONS

For agency contributions for employee benefits, as authorized by law, $11,980,000.

OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

For salaries and expenses of the Office of the Legislative Counsel of the Senate, $2,079,000: Provided, That $100,000 of the amount appropriated to the Office of the Legislative Counsel of the Senate for fiscal year 1989 shall remain available until September 30, 1990.

OFFICE OF SENATE LEGAL COUNSEL

For salaries and expenses of the Office of Senate Legal Counsel, $676,000.

EXPENSE ALLOWANCES OF THE SECRETARY OF THE SENATE, SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE, AND SECRETARIES FOR THE MAJORITY AND MINORITY OF THE SENATE

For expense allowances of the Secretary of the Senate, $3,000; Sergeant at Arms and Doorkeeper of the Senate, $3,000; Secretary for the Majority of the Senate, $3,000; Secretary for the Minority of the Senate, $3,000; in all, $12,000.

CONTINGENT EXPENSES OF THE SENATE

SENATE POLICY COMMITTEES

For salaries and expenses of the Majority Policy Committee and the Minority Policy Committee, $1,101,500 for each such committee; in all, $2,203,000.

INQUIRIES AND INVESTIGATIONS

For expenses of inquiries and investigations ordered by the Senate, or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, as amended, section 112 of Public Law 96-304 and Senate Resolution 281, agreed to March 11, 1980, $69,442,000.

EXPENSES OF UNITED STATES SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL

For expenses of the United States Senate Caucus on International Narcotics Control, $325,000.

SECRETARY OF THE SENATE

For expenses of the Office of the Secretary of the Senate, $727,200.

SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE

For expenses of the Office of the Sergeant at Arms and Doorkeeper of the Senate, $74,389,000 of which $6,000,000 shall remain available until expended.

MISCELLANEOUS ITEMS

For miscellaneous items, $7,506,000.

SENATORS' OFFICIAL PERSONNEL AND OFFICE EXPENSE ACCOUNT

For Senators' Official Personnel and Office Expense Account, $161,124,000.

STATIONERY (REVOLVING FUND)

For stationery for the President of the Senate, $4,500, for officers of the Senate and the Conference of the Majority and Conference of the Minority of the Senate, $8,500; in all, $13,000.

SENATE OFFICIAL MAIL COSTS

For expenses necessary for official mail costs of the Senate, $32,000,000, to be disbursed by the Secretary of the Senate, to be available immediately upon enactment of this Act, and to remain available until expended.

ADMINISTRATIVE PROVISIONS

SECTION 1. The Chairman of the Majority or Minority Conference Committee of the Senate may, during the fiscal year ending September 30, 1990, at his election, transfer not more than $50,000 from the appropriation account for salaries for the Conference of the Majority and the Conference of the Minority of the Senate, to the account, within the contingent fund of the Senate, from which expenses are payable under section 120 of Public Law 97-51 (2 U.S.C. 61g-6). Any transfer of funds under authority of the preceding sentence shall be made at such time or times as such chairman shall specify in writing to the Senate Disbursing Office. Any funds so transferred by the chairman of the Majority or Minority Conference Committee shall be available for expenditure by such committee in like manner and for the same purposes as are other moneys which are available for expenditure by such committee from the account, within the contingent fund of the Senate, from which expenses are payable under section 120 of Public Law 97-51 (2 U.S.C. 61g-6).

SEC. 2. Funds appropriated to the Conference of the Majority and funds appropriated to the Conference of the Minority for the fiscal year ending September 30, 1990, may be utilized in such amounts as the Chairman of each Conference deems appropriate for the specialized training of professional staff, subject to such limitations, insofar as they are applicable, as are imposed by the Committee on Rules and Administration with respect to such training when provided to professional staff of standing committees of the Senate.

SEC. 3. Subsection (d) of section 2 of Public Law 100-123 (2 U.S.C. 58a-1), is amended by inserting immediately after "by the Sergeant at Arms)," the following: "and all other moneys received by the Sergeant at Arms as charges or commissions for telephone services,".

SEC. 4. (a) The Sergeant at Arms and Doorkeeper of the Senate is authorized to establish an Office of Senate Health Promotion.

(b)(1) In carrying out this section, the Sergeant at Arms and Doorkeeper of the Senate is authorized to establish, or provide for the establishment of, exercise classes and other health services and activities on a continuing and regular basis. In providing for such classes, services, and activities, the Sergeant at Arms and Doorkeeper of the Senate is authorized to impose and collect fees, assessments, and other charges to defray the costs involved in promoting the health of Members, officers, and employees of the Senate. For purposes of this section, the term "employees of the Senate" shall have such meaning as the Sergeant at Arms, by regulation, may prescribe.

(2) All fees, assessments, and charges imposed and collected by the Sergeant at Arms pursuant to paragraph (1) shall be deposited in the revolving fund established pursuant to subsection (c) and shall be available for purposes of this section.

(c) There is established in the Treasury of the United States a revolving fund within the contingent fund of the Senate to be known as the Senate Health Promotion Revolving Fund (hereinafter referred to in this section as the "fund"). The fund shall consist of all amounts collected or received by the Sergeant at Arms and Doorkeeper of the Senate as fees, assessments, and other charges for activities and services to carry out the provisions of this section. All moneys in the fund shall be available without fiscal year limitation for disbursement by the Secretary of the Senate for promoting the health of Members, officers, and employees of the Senate.

(d) Disbursements from the revolving fund shall be made upon vouchers signed by the Sergeant at Arms and Doorkeeper of the Senate.

(e) The provisions of section 4 of the Act of July 31, 1946 (40 U.S.C. 193d) shall not be applicable to any class, service, or other activity carried out pursuant to the provisions of this section.

(f) The provisions of this section shall be carried out in accordance with regulations which shall be promulgated by the Sergeant at Arms and Doorkeeper of the Senate and subject to approval at the beginning of each Congress by the Committee on Rules and Administration of the Senate.

SEC. 5. (a) Paragraph (3) of section 506(a) of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58(a)) is amended to read as follows:

"(3)(A) postage on, and fees and charges in connection with, mail matter sent through the mail under the franking privilege in excess of amounts provided from the appropriation for official mail costs, upon certification by the Senate Sergeant at Arms and subject to such regulations as may be promulgated by the Committee on Rules and Administration, (B) postage on, and fees and charges in connection with official mail matter sent through the mail other than the franking privilege upon certification by the Senate Sergeant at Arms and subject to such regulations as may be promulgated by the Committee on Rules and Administration, and (C) reimbursement to each Senator for costs incurred in the preparation of required official reports, and the acquisition of mailing lists to be used for official purposes, and in the mailing, delivery, or transmitting of matters relating to official business;".

"(b) Receipts paid to the Sergeant at Arms from sales of postage on, and fees and charges in connection with mail matter sent through the mail by Senators, Senate committees, or other Senate offices (including joint committees and commissions funded from the contingent fund of the Senate), other than under the franking privilege, as cash or check payments directly from such Senators, committees, or offices, or as reimbursement from the Financial Clerk of the Senate pursuant to certification by the Sergeant at Arms of charges to be made to such funds available to such Senators, committees, or offices for such postage, fees and charges shall be used by the Sergeant at Arms for payment to the United States Postal Service for such postage, fees, and charges.".

SEC. 6. On and after the date this Act becomes law, the Secretary of the Senate, subject to the approval of the Committee on Appropriations of the Senate, is authorized to provide up to $1,000,000 for capitalization purposes to the revolving fund established by the last paragraph under the heading "Contingent Expenses of the Senate" appearing under the heading "SENATE" in chapter XI of the Third Supplemental Appropriation Act, 1957 (2 U.S.C. 46a-1), by

transferring to such revolving fund any funds available from any Senate appropriation account, with respect to which he has disbursement authority, for the fiscal year in which the transfer is made (or for any preceding fiscal year) or which have been made available until expended; and any moneys so transferred shall be available for use in like manner and to the same extent as the moneys in such revolving fund which were not transferred thereto pursuant to this section.

SEC. 7. The Secretary of the Senate may enter into an agreement with the Secretary of Education to provide closed captioning of the Senate floor proceedings, subject to the approval of the Senate Committee on Rules and Administration. The Senate authorizes the Secretary of Education to have access to the audio and video broadcast of the Senate floor proceedings for the purpose of captioning. Such funds as may be necessary to carry out the purposes of this section are authorized to be paid from the appropriation account for "Miscellaneous Items" within the contingent fund of the Senate.

SEC. 8. (1) The Secretary of the Senate and the Sergeant at Arms and Doorkeeper of the Senate are authorized to acquire goods, services, or space from government agencies and units by agreement under the provisions of the Economy Act, 31 U.S.C. 1535, and to make advance payments in conjunction therewith, if required by the providing agency or establishment.

(2) No advance payment may be made under paragraph (1) unless specifically provided for in the agreement. No agreement providing for advance payment may be entered into unless it contains a provision requiring the refund of any unobligated balance of the advance.

(3) No agreement may be entered into under paragraph (1) without the approval of the Senate Committee on Rules and Administration and the Senate Committee on Appropriations.

SEC. 9. The provisions of Senate Resolution 89, of the One Hundredth Congress, agreed to January 28, 1987, are hereby enacted into law, effective on the date such Senate Resolution 89 was agreed to.

SEC. 10. The second proviso, under the headings "SENATE" and "OFFICE OF THE CHAPLAIN", of the Legislative Branch Appropriation Act, 1970 (Public Law 91-145) is amended by striking out "a secretary" and inserting in lieu thereof "such employees as he deems appropriate, except that the amount which may be paid for any fiscal year as gross compensation for personnel in such Office for any fiscal year shall not exceed $147,000".

SEC. 11. (a) For purposes of subchapters I and II of chapter 37 of title 31, United States Code (relating to claims of or against the United States Government), the United States Senate shall be considered to be a legislative agency (as defined in section 3701(a)(4) of such title), and the Secretary of the Senate shall be deemed to be the head of such legislative agency.

(b) Regulations prescribed by the Secretary of the Senate pursuant to section 3716 of title 31, United States Code, shall not become effective until they are approved by the Senate Committee on Rules and Administration.

TITLE I—CONGRESSIONAL OPERATIONS

HOUSE OF REPRESENTATIVES

PAYMENTS TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS

For payment to the Estate of Claude Pepper, late a Representative from the State of Florida, $89,500.

MILEAGE OF MEMBERS

For mileage of Members, as authorized by law, $210,000.

SALARIES AND EXPENSES

For salaries and expenses of the House of Representatives, $536,907,000, as follows:

HOUSE LEADERSHIP OFFICES

For salaries and expenses, as authorized by law, $4,409,000, including: Office of the Speaker, $1,019,000, including $25,000 for official expenses of the Speaker; Office of the Majority Floor Leader, $940,000, including $10,000 for official expenses of the Majority Leader; Office of the Minority Floor Leader, $1,041,000, including $10,000 for official expenses of the Minority Leader; Office of the Majority Whip, $755,000, including $5,000 for official expenses of the Majority Whip and not to exceed $166,560, for the Chief Deputy Majority Whip; Office of the Minority Whip, $654,000, including $5,000 for official expenses of the Minority Whip and not to exceed $84,060, for the Chief Deputy Minority Whip.

MEMBERS' CLERK HIRE

For staff employed by each Member in the discharge of his official and representative duties, $188,074,000.

COMMITTEE EMPLOYEES

For professional and clerical employees of standing committees, including the Committee on Appropriations and the Committee on the Budget, $55,000,000.

COMMITTEE ON THE BUDGET (STUDIES)

For salaries, expenses, and studies by the Committee on the Budget, and temporary personal services for such committee to be expended in accordance with sections 101(c), 606, 703, and 901(e) of the Congressional Budget Act of 1974, and to be available for reimbursement to agencies for services performed, $354,000.

CONTINGENT EXPENSES OF THE HOUSE

STANDING COMMITTEES, SPECIAL AND SELECT

For salaries and expenses of standing committees, special and select, authorized by the House, $57,716,000.

ALLOWANCES AND EXPENSES

For allowances and expenses as authorized by House resolution or law, $187,099,000, including: Official Expenses of Members, $76,341,000; supplies, materials, administrative costs and Federal tort claims, $19,577,000; net expenses of purchase, lease and maintenance of office equipment, $9,276,000; furniture and furnishings, $1,130,000; stenographic reporting of committee hearings, $800,000; reemployed annuitants reimbursements, $1,380,000; Government contributions to employees' life insurance fund, retirement funds, Social Security fund, Medicare fund, health benefits fund, and worker's and unemployment compensation, $77,973,000; and miscellaneous items including, but not limited to, purchase, exchange, maintenance, repair and operation of House motor vehicles, interparliamentary receptions, and gratuities to heirs of deceased employees of the House, $622,000.

Such amounts as are deemed necessary for the payment of allowances and expenses under this heading may be transferred among the various categories of allowances and expenses under this heading, upon the approval of the Committee on Appropriations of the House of Representatives.

COMMITTEE ON APPROPRIATIONS (STUDIES AND INVESTIGATIONS)

For salaries and expenses, studies and examinations of executive agencies, by the Committee on Appropriations, and temporary personal services for such committee, to be expended in accordance with section 202(b) of the Legislative Reorganization Act, 1946, and to be available for reimbursement to agencies for services performed, $4,660,000.

SALARIES, OFFICERS AND EMPLOYEES

For compensation and expenses of officers and employees, as authorized by law, $39,595,000, including: Office of the Clerk, including not to exceed $1,000 for official representation and reception expenses, $17,514,000; Office of the Sergeant at Arms, $1,001,000; Office of the Doorkeeper, including overtime, as authorized by law, $8,747,000; Office of the Postmaster, $3,028,000, including $112,560 for employment of substitute messengers and extra services of regular employees when required at the salary rate of not to exceed $17,802 per annum each; Office of the Chaplain, $81,000; Office of the Parliamentarian, including the Parliamentarian and $2,000 for preparing the Digest of Rules, $772,000; for salaries and expenses of the Office of the Historian, $279,000; for salaries and expenses of the Office of the Law Revision Counsel of the House, $1,032,000; for salaries and expenses of the Office of the Legislative Counsel of the House, $3,400,000; six minority employees, $543,000; the House Democratic Steering Committee and Caucus, $967,000; the House Republican Conference, $967,000; and other authorized employees, $1,264,000.

Such amounts as are deemed necessary for the payment of salaries of officers and employees under this heading may be transferred among the various offices and activities under this heading, upon the approval of the Committee on Appropriations of the House of Representatives.

ADMINISTRATIVE PROVISIONS

SEC. 101. Of the amounts appropriated for fiscal year 1990 for salaries and expenses of the House of Representatives, such amounts as may be necessary may be transferred among the headings "HOUSE LEADERSHIP OFFICES", "MEMBERS' CLERK HIRE", "COMMITTEE EMPLOYEES", "CONTINGENT EXPENSES OF THE HOUSE (STANDING COMMITTEES, SPECIAL AND SELECT)", "CONTINGENT EXPENSES OF THE HOUSE (ALLOWANCES AND EXPENSES)", and "SALARIES, OFFICERS AND EMPLOYEES", upon approval of the Committee on Appropriations of the House of Representatives.

SEC. 102. (a) One additional employee is authorized for each of the following:

(1) the House Democratic Caucus;

(2) the House Republican Conference;

(3) the Minority Leader; and

(4) the Chief Deputy Majority Whip.

(b) The annual rate of pay for the positions established under subsection (a) shall not exceed the annual rate of pay payable from time to time for level V of the Executive Schedule under section 5316 of title 5, United States Code.

SEC. 103. (a) Section 104(a) of the Legislative Branch Appropriations Act, 1987 (as incorporated by reference in section 101(j) of

Public Law 99-500 and Public Law 99-591) (2 U.S.C. 117e) is amended—

(1) by striking out "SEC. 104. (a)" and inserting in lieu thereof "SEC. 104. (a)(1)";

(2) by striking out the last sentence; and

(3) by inserting after paragraph (1), as so redesignated by paragraph (1) of this subsection, the following new paragraphs:

"(2) If disposal in accordance with paragraph (1) is not feasible because of age, location, condition, or any other relevant factor, the Clerk may donate the equipment to the government of a State, to a local government, or to an organization that is described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code. A donation under this paragraph—

"(A) shall be at no cost to the Government; and

"(B) may be made only if the used equipment has no recoverable value because disposal in accordance with paragraph (1), under the most favorable terms available to the Government, would result in a loss to the Government.

"(3) The Committee on House Administration of the House of Representatives shall have authority to prescribe regulations to carry out this subsection.

"(4) As used in this section—

"(A) the term 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and a territory or possession of the United States; and

"(B) the term 'used equipment' means such used or surplus equipment (including furniture and motor vehicles) as the Committee on House Administration of the House of Representatives may prescribe by regulation.".

(b) The first section of the Act entitled "An Act to authorize the disposition of certain office equipment and furnishings, and for other purposes", approved October 20, 1974 (2 U.S.C. 59a), is repealed.

(c) The amendments made by subsection (a) and the repeal made by subsection (b) shall take effect on October 1, 1989.

JOINT ITEMS

For joint committees, as follows:

CONTINGENT EXPENSES OF THE SENATE

JOINT ECONOMIC COMMITTEE

For salaries and expenses of the Joint Economic Committee, $3,518,000.

JOINT COMMITTEE ON PRINTING

For salaries and expenses of the Joint Committee on Printing $1,191,000.

CONTINGENT EXPENSES OF THE HOUSE

JOINT COMMITTEE ON TAXATION

For salaries and expenses of the Joint Committee on Taxation, $4,372,000, to be disbursed by the Clerk of the House.

For other joint items, as follows:

OFFICE OF THE ATTENDING PHYSICIAN

For medical supplies, equipment, and contingent expenses of the emergency rooms, and for the Attending Physician and his assistants, including (1) an allowance of $1,500 per month to the Attending Physician; (2) an allowance of $1,000 per month to one Senior Medical Officer while on duty in the Attending Physician's office; (3) an allowance of $500 per month each to two medical officers while on duty in the Attending Physician's office; (4) an allowance of $500 per month each to two assistants and $400 per month each to not to exceed nine assistants on the basis heretofore provided for such assistance; and (5) $921,000 for reimbursement to the Department of the Navy for expenses incurred for staff and equipment assigned to the Office of the Attending Physician, such amount shall be advanced and credited to the applicable appropriation or appropriations from which such salaries, allowances, and other expenses are payable and shall be available for all the purposes thereof, $1,405,000, to be disbursed by the Clerk of the House: *Provided,* That, upon enactment of this Act, the Office of the Attending Physician Revolving Fund established by the first undesignated paragraph under the center heading "OFFICE OF THE ATTENDING PHYSICIAN REVOLVING FUND" in title III of the Legislative Branch Appropriation Act, 1976 (89 Stat. 283) is abolished and all monies in the Fund on such date or subsequently received by the Attending Physician from the sale of prescription drugs or from any other source shall be deposited in the Treasury as miscellaneous receipts.

CAPITOL POLICE BOARD

CAPITOL POLICE

SALARIES

For the Capitol Police Board for salaries, including overtime, and Government contributions to employees' benefits funds, as authorized by law, of officers, members, and employees of the Capitol Police, [$56,253,000] *$56,298,000,* of which $27,548,000 is appropriated to the Sergeant at Arms of the House of Representatives, to be disbursed by the Clerk of the House, [$28,105,000] *$28,150,000* is appropriated to the Sergeant at Arms and Doorkeeper of the Senate, to be disbursed by the Secretary of the Senate, and $600,000, to be disbursed by the Clerk of the House, shall be available for reprogramming upon the approval of the Committees on Appropriations of the House of Representatives and the Senate.

GENERAL EXPENSES

For the Capitol Police Board for necessary expenses of the Capitol Police, including purchasing and supplying uniforms; the purchase, maintenance, and repair of police motor vehicles, including two-way police radio equipment; contingent expenses, including advance payment for travel for training, protective details, and tuition and registration, and expenses associated with the awards program not to exceed $900, expenses associated with the relocation of instructor personnel to and from the Federal Law Enforcement Training Center as approved by the Chairman of the Capitol Police Board, and including $85 per month for extra services performed for the Capitol Police Board by such member of the staff of the Sergeant at Arms of the Senate or the House as may be designated by the Chairman of the Board, $1,884,000, to be disbursed by the Clerk of the House: *Provided,* That the funds used to maintain the petty cash fund referred to as "Petty Cash II" which is to provide for the prevention and detection of crime shall not exceed $4,000: *Provided further,* That the funds used to maintain the petty cash fund referred to as "Petty Cash III" which is to provide for the advance of travel expenses attendant to protective assignments shall not exceed $4,000: *Provided further,* That, notwithstanding any other provision of law, the cost involved in providing basic training for members of the Capitol Police at the Federal Law Enforcement Training Center for fiscal year 1990 shall be paid by the Secretary of the Treasury from funds available to the Treasury Department.

OFFICIAL MAIL COSTS

For expenses necessary for official mail costs, [$124,532,000] *$48,000,000,* to be disbursed by the Clerk of the House, to be available immediately upon enactment of this Act: *Provided,* That funds appropriated for such purpose for the fiscal year ending September 30, 1989, shall remain available until expended.

CAPITOL GUIDE SERVICE

For salaries and expenses of the Capitol Guide Service, [$1,335,000] *$1,397,000,* to be disbursed by the Secretary of the Senate: *Provided,* That none of these funds shall be used to employ more than thirty-three individuals: *Provided further,* That the Capitol Guide Board is authorized, during emergencies, to employ not more than two additional individuals for not more than one hundred twenty days each, and not more than ten additional individuals for not more than six months each, for the Capitol Guide Service.

[Special Services Office

[For salaries and expenses of the Special Services Office, $237,000, to be disbursed by the Clerk of the House.]

STATEMENTS OF APPROPRIATIONS

For the preparation, under the direction of the Committees on Appropriations of the Senate and House of Representatives, of the statements for the first session of the One Hundred First Congress, showing appropriations made, indefinite appropriations, and contracts authorized, together with a chronological history of the regular appropriations bills as required by law, $20,000, to be paid to the persons designated by the chairmen of such committees to supervise the work.

OFFICE OF TECHNOLOGY ASSESSMENT

SALARIES AND EXPENSES

For salaries and expenses necessary to carry out the provisions of the Technology Assessment Act of 1972 (Public Law 92-484), including official representation and reception expenses (not to exceed [$2,000] *$3,000* from the Trust Fund) to be expended on the certification of the Director of the Office of Technology Assessment, expenses incurred in administering an employee incentive awards program (not to exceed [$900] *$1,800*), rental of space in the District of Columbia, and those necessary to carry out the duties of the Director of the Office of Technology Assessment under 42 U.S.C. 1395ww, 42 U.S.C. 1395w-1, and Public Law 100-360, [$18,705,000] *$19,000,000*: *Provided,* That none of the funds in this Act shall be available for salaries or expenses of any employee of the Office of Technology Assessment in excess of 143 staff employees: *Provided further,* That no part of this appropriation shall be available for assessments or activities not initiated and approved in accordance with section 3(d) of Public Law 92-484, except that funds shall be available for the assessment required by Public Law 96-151: *Provided further,* That none of the funds in this Act shall be available for salaries or expenses of employees of the Office of Technology Assessment in connection with any reimbursable study for which funds are provided from sources other than appropriations made under this Act, or be available for any other administrative expenses incurred by the Office of Technology Assessment in carrying out such a study.

BIOMEDICAL ETHICS BOARD
AND
BIOMEDICAL ETHICS ADVISORY COMMITTEE

SALARIES AND EXPENSES

For salaries and expenses necessary to carry out the duties of the Biomedical Ethics Board and the Biomedical Ethics Advisory Committee, as authorized by the Health Omnibus Programs Extension of 1988 (Public Law 100-607), including not to exceed $500 to be expended on the certification of the Chairman of the Biomedical Ethics Board in connection with official representation and reception expenses, and rental of space in the District of Columbia, $1,500,000: *Provided, That no part of these funds may be obligated or expended until the Biomedical Ethics Board has selected a Chairman and Vice Chairman and all members of the Biomedical Ethics Advisory Committee: Provided further,* That effective October 1, 1988, and to continue thereafter, the Disbursing Officer of the Library of Congress is authorized to—

(1) disburse funds appropriated for the Biomedical Ethics Board;

(2) compute and disburse the basic pay for all personnel of the Biomedical Ethics Board; and

(3) provide financial management services and support to the Biomedical Ethics Board, in the same manner as provided with respect to the Office of Technology Assessment under section 101(c) of Public Law 97-51 (2 U.S.C. 142f).

CONGRESSIONAL BUDGET OFFICE

SALARIES AND EXPENSES

For salaries and expenses necessary to carry out the provisions of the Congressional Budget Act of 1974 (Public Law 93-344), including not to exceed $2,300 to be expended on the certification of the Director of the Congressional Budget Office in connection with official representation and reception expenses, $19,580,000: *Provided,* That none of these funds shall be available for the purchase or hire of a passenger motor vehicle: *Provided further,* That none of the funds in this Act shall be available for salaries or expenses of any employee of the Congressional Budget Office in excess of 226 staff employees: *Provided further,* That any sale or lease of property, supplies, or services to the Congressional Budget Office shall be deemed to be a sale or lease of such property, supplies, or services to the Congress subject to section 903 of Public Law 98-63.

ARCHITECT OF THE CAPITOL

OFFICE OF THE ARCHITECT OF THE CAPITOL

SALARIES

For the Architect of the Capitol; the Assistant Architect of the Capitol; and other personal services; at rates of pay provided by law, $6,860,000.

TRAVEL

Appropriations under the control of the Architect of the Capitol shall be available for expenses of travel on official business not to exceed in the aggregate under all funds the sum of $20,000.

CONTINGENT EXPENSES

To enable the Architect of the Capitol to make surveys and studies, and to meet unforeseen expenses in connection with activities under his care, $100,000[,—which shall remain available until expended].

CAPITOL BUILDINGS AND GROUNDS

CAPITOL BUILDINGS

For all necessary expenses for the maintenance, care and operation of the Capitol Building and electrical substations of the Senate and House Office Buildings, under the jurisdiction of the Architect of the Capitol, including furnishings and office equipment; not to exceed $1,000 for official reception and representation expenses, to be expended as the Architect of the Capitol may approve; purchase or exchange, maintenance and operation of a passenger motor vehicle; security installations, which are approved by the Capitol Police Board, authorized by House Concurrent Resolution 550, Ninety-Second Congress, agreed to September 19, 1972, the cost limitation of which is hereby further increased by $192,000; for expenses of attendance, when specifically authorized by the Architect of the Capitol, at meetings or conventions in connection with subjects related to work under the Architect of the Capitol, [$15,938,000] *$16,190,000,* of which [$525,000] *$625,000* shall remain available until expended.

CAPITOL GROUNDS

For all necessary expenses for care and improvement of grounds surrounding the Capitol, the Senate and House Office Buildings, and the Capitol Power Plant, [$4,049,000] *$4,331,000.*

SENATE OFFICE BUILDINGS

For all necessary expenses for maintenance, care and operation of Senate Office Buildings; and furniture and furnishings, to be expended under the control and supervision of the Architect of the Capitol, $35,320,000, of which $7,800,000 shall remain available until expended: Provided, That none of the funds made available herein for improvements to the Senate subway system shall be obligated or expended until a design and financing plan for such system improvements have been approved by the Committee on Appropriations.

HOUSE OFFICE BUILDINGS

For all necessary expenses for the maintenance, care and operation of the House Office Buildings, including the position of Superintendent of Garages as authorized by law, $27,875,000, of which $2,465,000 shall remain available until expended.

CAPITOL POWER PLANT

For all necessary expenses for the maintenance, care and operation of the Capitol Power Plant; for lighting, heating, and power (including the purchase of electrical energy) for the Capitol, Senate and House Office Buildings, Library of Congress Buildings, and the grounds about the same, Botanic Garden, Senate garage, and for air conditioning refrigeration not supplied from plants in any of such buildings; for heating the Government Printing Office and Washington City Post Office and heating and chilled water for air conditioning for the Supreme Court Building, Union Station complex and the Folger Shakespeare Library, expenses for which shall be advanced or reimbursed upon request of the Architect of the Capitol and amounts so received shall be deposited into the Treasury to the credit of this appropriation; $25,613,000: *Provided,* That not to exceed $2,300,000 of the funds credited or to be reimbursed to this appropriation as herein provided shall be available for obligation during fiscal year 1990.

ADMINISTRATIVE PROVISIONS

SEC. 104. Notwithstanding any other provisions of law, the Architect of the Capitol is hereby authorized to (1) develop a pilot program to determine the economic feasibility and efficiency of centralizing certain maintenance functions, to assign and reassign, without increase or decrease in basic salary or wages, any person on the employment rolls of the Office of the Architect of the Capitol, for personal services in any buildings, facilities, or grounds under his jurisdiction for which appropriations have been made and are available; (2) maintain appropriate cost and productivity records for the program; and (3) report to appropriate authorities, including the Committees on Appropriations, on the results of the program, together with recommendations for continuation or expansion of the program.

SEC. 105. The Architect of the Capitol, under the direction of the Joint Committee on the Library, is authorized to accept donations to restore and display the Statue of Freedom model.

SEC. 106. (a) The position of Executive Assistant to the Architect of the Capitol is abolished.

(b) The provisions—

(1) under the center subheadings "OFFICE OF THE ARCHITECT OF THE CAPITOL" and "SALARIES", and

(2) of section 303, of H.R. 7593 of the second session of the Ninety-Sixth Congress, as enacted into permanent law by section 101(c) of the Joint Resolution of December 16, 1980 (40 U.S.C. 166b-1), which relate to the salary of the Executive Assistant to the Architect of the Capitol, are repealed.

(c) The third paragraph under the center subheadings "OFFICE OF THE ARCHITECT OF THE CAPITOL" and "SALARIES" in the Legislative Branch Appropriation Act, 1960 (40 U.S.C. 166b-3) is amended—

(1) by striking out "three positions" and inserting in lieu thereof "four positions", and

(2) by striking out ", Assistant Architect," and all that follows and inserting in lieu thereof "or Assistant Architect.".

(d) The proviso in the first undesignated paragraph under the center subheadings "OFFICE OF THE ARCHITECT OF THE CAPITOL" and "SALARIES" in the first section of the Legislative Branch Appropriation Act, 1971 (40 U.S.C. 164a) is amended by striking out ", and, in case of the absence or disability of the Assistant Architect, the Executive Assistant shall so act".

(e) Subsection (b) of section 308 of the Legislative Branch Appropriations Act, 1988 (40 U.S.C. 166b-3a(b)) is amended to read as follows:

"(b) The positions referred to in subsection (a) are—

"(1) the position of assistant referred to in the proviso in the first undesignated paragraph under the center subheadings 'OFFICE OF THE ARCHITECT OF THE CAPITOL' and 'SALARIES' in the first section of the Legislative Branch Appropriation Act, 1971 (40 U.S.C. 164a), and

"(2) the eight positions provided for in the third and fourth undesignated paragraphs under the center subheadings 'OFFICE OF THE ARCHITECT OF THE CAPITOL' and 'SALARIES' in the first section of the Legislative Branch Appropriation Act, 1960 (40 U.S.C. 166b-3).".

LIBRARY OF CONGRESS

CONGRESSIONAL RESEARCH SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of section 203 of the Legislative Reorganization Act of 1946, as amended by section 321 of the Legislative Reorganiza-

tion Act of 1970 (2 U.S.C. 166) and to revise and extend the Annotated Constitution of the United States of America, [$46,670,000] *$47,518,000*: *Provided*, That no part of this appropriation may be used to pay any salary or expense in connection with any publication, or preparation of material therefor (except the Digest of Public General Bills), to be issued by the Library of Congress unless such publication has obtained prior approval of either the Committee on House Administration or the Senate Committee on Rules and Administration: *Provided further*, That, notwithstanding any other provisions of law, the compensation of the Director of the Congressional Research Service, Library of Congress, shall be at an annual rate which is equal to the annual rate of basic pay for positions at level IV of the Executive Schedule under section 5315 of title 5, United States Code.

GOVERNMENT PRINTING OFFICE

CONGRESSIONAL PRINTING AND BINDING

For authorized printing and binding for the Congress; for printing and binding for the Architect of the Capitol; expenses necessary for preparing the semimonthly and session index to the Congressional Record, as authorized by law (44 U.S.C. 902); printing and binding of Government publications authorized by law to be distributed to Members of Congress; and for printing, binding, and distribution of Government publications authorized by law to be distributed without charge to the recipient, [$77,830,000] *$79,230,000*: *Provided*, That funds remaining from the unexpended balances from obligations made under prior year appropriations for this account shall be available for the purposes of the printing and binding account for the same fiscal year: *Provided further*, That this appropriation shall not be available for printing and binding part 2 of the annual report of the Secretary of Agriculture (known as the Yearbook of Agriculture) nor for copies of the permanent edition of the Congressional Record for individual Representatives, Resident Commissioners or Delegates authorized under 44 U.S.C. 906: *Provided further*, That, to the extent that funds remain from the unexpended balance of fiscal year 1984 funds obligated for the printing and binding costs of publications produced for the Bicentennial of the Congress, such remaining funds shall be available for the current year printing and binding cost of publications produced for the Bicentennial: *Provided further*, That this appropriation shall be available for the payment of obligations incurred under the appropriations for similar purposes for preceding fiscal years.

This title may be cited as the "Congressional Operations Appropriations Act, 1990".

TITLE II—OTHER AGENCIES

BOTANIC GARDEN

SALARIES AND EXPENSES

For all necessary expenses for the maintenance, care and operation of the Botanic Garden and the nurseries, buildings, grounds, and collections; purchase and exchange, maintenance, repair, and operation of a passenger motor vehicle; all under the direction of the Joint Committee on the Library, $2,638,000.

LIBRARY OF CONGRESS

SALARIES AND EXPENSES

For necessary expenses of the Library of Congress, not otherwise provided for, including $1,033,000 for the Civic Achievement Award Program in Honor of the Office of Speaker of the House of Representatives, subject to reauthorization, development and maintenance of the Union Catalogs; custody and custodial care of the Library Buildings; special clothing; cleaning, laundering and repair of uniforms; preservation of motion pictures in the custody of the Library; operation and maintenance of the American Folklife Center in the Library; preparation and distribution of catalog cards and other publications of the Library; purchase of one passenger motor vehicle; and expenses of the Library of Congress Trust Fund Board not properly chargeable to the income of any trust fund held by the Board, [$164,075,000] *$166,046,000*, of which not more than $5,700,000 shall be derived from collections credited to this appropriation during fiscal year 1990 under the Act of June 28, 1902, as amended (2 U.S.C. 150): *Provided*, That the total amount available for obligation shall be reduced by the amount by which collections are less than the $5,700,000: *Provided further*, That, of the total amount appropriated, $6,888,000 is to remain available until expended for acquisition of books, periodicals, and newspapers, and all other materials including subscriptions for bibliographic services for the Library, including $40,000 to be available solely for the purchase, when specifically approved by the Librarian, of special and unique materials for additions to the collections: *Provided further*, That, hereafter, the balance remaining from the $11,500,000 appropriation in Public Law 98-396, dated August 22, 1984, shall be used to purchase equipment, supplies and services as needed to deacidify books and other materials from the collections of the Library of Congress.

COPYRIGHT OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Copyright Office, including publication of the decisions of the United States courts involving copyrights, [$20,373,000] *$20,556,000*, of which not more than $7,000,000 shall be derived from collections credited to this appropriation during fiscal year 1990 under 17 U.S.C. 708(c), and not more than $1,139,000 shall be derived from collections during fiscal year 1990 under 17 U.S.C. 111(d)(3), 116(c)(1) and 119(b)(2): *Provided*, That the total amount available for obligation shall be reduced by the amount by which collections are less than the $8,139,000: *Provided further*, That $100,000 of the amount appropriated is available for the maintenance of an "International Copyright Institute" in the Copyright Office of the Library of Congress for the purpose of training nationals of developing countries in intellectual property laws and policies.

BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

SALARIES AND EXPENSES

For salaries and expenses to carry out the provisions of the Act approved March 3, 1931, as amended (2 U.S.C. 135a), $37,801,000.

FURNITURE AND FURNISHINGS

For necessary expenses for the purchase and repair of furniture, furnishings, office and library equipment, $2,579,000.

ADMINISTRATIVE PROVISIONS

SEC. 201. Appropriations in this Act available to the Library of Congress shall be available, in an amount not to exceed $145,390, of which $46,200 is for the Congressional Research Service, when specifically authorized by the Librarian, for expenses of attendance at meetings concerned with the function or activity for which the appropriation is made.

SEC. 202. (a) No part of the funds appropriated in this Act shall be used by the Library of Congress to administer any flexible or compressed work schedule which—

(1) applies to any manager or supervisor in a position the grade or level of which is equal to or higher than GS-15; and

(2) grants the manager or supervisor the right to not be at work for all or a portion of a workday because of time worked by the manager or supervisor on another workday.

(b) For purposes of this section, the term "manager or supervisor" means any management official or supervisor, as such terms are defined in section 7103(a) (10) and (11) of title 5, United States Code.

SEC. 203. Appropriated funds received by the Library of Congress from other Federal agencies to cover general and administrative overhead costs generated by performing reimbursable work for other agencies under the authority of 31 U.S.C. 1535 and 1536 shall not be used to employ more than 65 employees.

SEC. 204. Not to exceed $2,500 of any funds appropriated to the Library of Congress may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for the annual Library of Congress incentive awards program.

SEC. 205. From and after October 1, 1988, the Library of Congress is authorized to—

(1) disburse funds appropriated for the John C. Stennis Center for Public Service Training and Development;

(2) compute and disburse the basic pay for all personnel of the John C. Stennis Center for Public Service Training and Development; and

(3) provide financial management services and support to the John C. Stennis Center for Public Service Training and Development, in the same manner as provided with respect to the Office of Technology Assessment under section 101(c) of Public Law 97-51 (2 U.S.C. 142f).

(4) collect from the funds appropriated for the John C. Stennis Center for Public Service Training and Development the full costs of providing the services specified in (1), (2), and (3) above, as provided under an agreement for services ordered under 31 U.S.C. 1535 and 1536.

SEC. 206. From and after October 1, 1989, the Librarian of Congress shall take appropriate action to assure that no legislative branch employee whose salary is disbursed by the Library of Congress disbursing office is adversely affected by alternative ways of performing the personnel/payroll processing function.

ARCHITECT OF THE CAPITOL

LIBRARY BUILDINGS AND GROUNDS

STRUCTURAL AND MECHANICAL CARE

For all necessary expenses for the mechanical and structural maintenance, care and operation of the Library buildings and grounds, [$7,167,000] *$7,287,000*.

COPYRIGHT ROYALTY TRIBUNAL

SALARIES AND EXPENSES

For necessary expenses of the Copyright Royalty Tribunal, $674,000, of which $573,000 shall be derived by collections from the appropriation "Payments to Copyright Owners" for the reasonable costs incurred in proceedings involving distribution of royalty fees as provided by 17 U.S.C. 807.

GOVERNMENT PRINTING OFFICE

OFFICE OF SUPERINTENDENT OF DOCUMENTS

SALARIES AND EXPENSES

(REAPPROPRIATION AND TRANSFERS)

For expenses of the Office of Superintendent of Documents necessary to provide for the cataloging and indexing of Government publications and their distribution to the public, Members of Congress, other Government agencies, and designated depository and international exchange libraries as authorized by law, $24,500,000, of which $4,312,000 representing excess receipts from the sale of publications and receipts from the sale of land authorized by Public Law 100-458 shall be derived from the Government Printing Office revolving fund, and, of which $3,000,000 in unexpended funds representing excess receipts from the sales of publications that were transferred from the revolving fund in fiscal year 1986, shall be derived from the salaries and expenses appropriation M account: *Provided,* That travel expenses shall not exceed $117,000.

GOVERNMENT PRINTING OFFICE REVOLVING FUND

The Government Printing Office is hereby authorized to make such expenditures, within the limits of funds available and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs and purposes set forth in the budget for the current fiscal year for the "Government Printing Office revolving fund": *Provided,* That not to exceed $2,500 may be expended on the certification of the Public Printer in connection with official representation and reception expenses: *Provided further,* That during the current fiscal year the revolving fund shall be available for the hire of twelve passenger motor vehicles: *Provided further,* That expenditures in connection with travel expenses of the advisory councils to the Public Printer shall be deemed necessary to carry out the provisions of title 44, United States Code: *Provided further,* That the revolving fund shall be available for services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for grade GS-18: *Provided further,* That the revolving fund shall be available to acquire needed land, located in Northwest D.C., which is adjacent to the present Government Printing Office, and is bounded by Massachusetts Avenue and the southern property line of the Government Printing Office, between North Capitol Street and First Street. The land to be purchased is identified as Parcels 45-D, 45-E, 45-F, and 47-A in Square 625, and includes the alleys adjacent to these parcels, and G Street, N.W. from North Capitol Street to First Street: *Provided further,* That the revolving fund and the funds provided under the paragraph entitled "Office of Superintendent of Documents, Salaries and Expenses" together may not be available for the full-time equivalent employment of more than 5,000 workyears: *Provided further,* That the revolving fund shall be available for expenses not to exceed $500,000 for the development of plans and design of a multi-purpose facility: *Provided further,* That notwithstanding the limitations of 5 U.S.C., section 5901(a), as amended, the cost of uniforms furnished or allowances paid for uniforms to each uniformed special policeman appointed under the authority of 44 U.S.C. 317, shall not exceed $400 during the first year in which the employee is required to wear a prescribed uniform: *Provided further,* That the revolving fund shall not be used to administer any flexible or compressed work schedule which applies to any manager or supervisor in a position the grade or level of which is equal to or higher than GS-15, nor to any employee involved in the in-house production of printing and binding: *Provided further,* That expenses for attendance at meetings shall not exceed $95,000.

GENERAL ACCOUNTING OFFICE

SALARIES AND EXPENSES

(TRANSFER OF FUNDS)

For necessary expenses of the General Accounting Office, including not to exceed $7,000 to be expended on the certification of the Comptroller General of the United States in connection with official representation and reception expenses; services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for grade GS-18; hire of one passenger motor vehicle; advance payments in foreign countries in accordance with 31 U.S.C. 3324; benefits comparable to those payable under sections 901(5), 901(6) and 901(8) of the Foreign Service Act of 1980 (22 U.S.C. 4081(5), 4081(6) and 4081(8), respectively); and under regulations prescribed by the Comptroller General of the United States, rental of living quarters in foreign countries and travel benefits comparable with those which are now or hereafter may be granted single employees of the Agency for International Development, including single Foreign Service personnel assigned to A.I.D. projects, by the Administrator of the Agency for International Development—or his designee—under the authority of section 636(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2396(b)); $364,720,000: *Provided,* That an additional amount of not to exceed $5,564,000 is made available without fiscal year limitation from the fund established pursuant to 31 U.S.C. 782 (as added by Public Law 100-545, October 28, 1988): *Provided further,* That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the Joint Financial Management Improvement Program (JFMIP) shall be available to finance an appropriate share of JFMIP costs as determined by the JFMIP, including but not limited to the salary of the Executive Director and secretarial support: *Provided further,* That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the National Intergovernmental Audit Forum or a Regional Intergovernmental Audit Forum shall be available to finance an appropriate share of Forum costs as determined by the Forum, including necessary travel expenses of non-Federal participants. Payments hereunder to either the Forum or the JFMIP may be credited as reimbursements to any appropriation from which costs involved are initially financed: *Provided further,* That to the extent that funds are otherwise available for obligation, agreements or contracts for the removal of asbestos, and renovation of the building and building systems (including the heating, ventilation and air conditioning system, electrical system and other major building systems) of the General Accounting Office Building may be made for periods not exceeding five years: *Provided further,* That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the American Consortium on International Public Administration (ACIPA) shall be available to finance an appropriate share of ACIPA costs as determined by the ACIPA, including any expenses attributable to membership of ACIPA in the International Institute of Administrative Sciences: *Provided further,* That this appropriation shall be available to finance a portion, not to exceed $50,000, of the costs of the Governmental Accounting Standards Board: *Provided further,* That $100,000 of this appropriation shall be available for the expenses of planning the triennial Congress of the International Organization of Supreme Audit Institutions (INTOSAI) to be hosted by the United States General Accounting Office in Washington, D.C., in 1992, to the extent that such expenses cannot be met from the trust authorized below: *Provided further,* That the General Accounting Office is authorized to solicit and accept contributions (including contributions from INTOSAI), to be held in trust, which shall be available without fiscal year limitation for the planning, administration, and such other expenses as the Comptroller General deems necessary to act as the sponsor of the aforementioned triennial Congress of INTOSAI. Monies in the trust not to exceed $10,000 shall be available upon the request of the Comptroller General to be expended for the purposes of the trust.

TITLE III—GENERAL PROVISIONS

SEC. 301. No part of the funds appropriated in this Act shall be used for the maintenance or care of private vehicles, except for emergency assistance and cleaning as may be provided under regulations relating to parking facilities for the House of Representatives issued by the Committee on House Administration *and for the Senate issued by the Committee on Rules and Administration.*

SEC. 302. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 303. Whenever any office or position not specifically established by the Legislative Pay Act of 1929 is appropriated for herein or whenever the rate of compensation or designation of any position appropriated for herein is different from that specifically established for such position by such Act, the rate of compensation and the designation of the position, or either, appropriated for or provided herein, shall be the permanent law with respect thereto: *Provided,* That the provisions herein for the various items of official expenses of Members, officers, and committees of the Senate and House, and clerk hire for Senators and Members shall be the permanent law with respect thereto.

SEC. 304. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 305. (a) The Architect of the Capitol, in consultation with the heads of the agencies of the legislative branch, shall develop an overall plan for satisfying the telecommunications requirements of such agencies, using a common system architecture for

maximum interconnection capability and engineering compatibility. The plan shall be subject to joint approval by the Committee on House Administration of the House of Representatives and the Committee on Rules and Administration of the Senate, and, upon approval, shall be communicated to the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate. No part of any appropriation in this Act or any other Act shall be used for acquisition of any new or expanded telecommunications system for an agency of the legislative branch, unless, as determined by the Architect of the Capitol, the acquisition is in conformance with the plan, as approved.

(b) As used in this section—

(1) the term "agency of the legislative branch" means, the Office of the Architect of the Capitol, the Botanic Garden, the General Accounting Office, the Government Printing Office, the Library of Congress, the Office of Technology Assessment, and the Congressional Budget Office; and

(2) the term "telecommunications system" means an electronic system for voice, data, or image communication, including any associated cable and switching equipment.

SEC. 306. (a) Hereafter, notwithstanding the applicable statutes described in subsection (b), an agency of the legislative branch to which those statutes apply is authorized to use telecommunications systems and services provided by the Architect of the Capitol or the House of Representatives or the Senate under the approved plan required by section 305 of Public Law 100-202 (101 Stat. 1329-308) if such systems and services—

(1) have been acquired competitively; and

(2) have been determined by the Architect of the Capitol to be at least equal in quality to, and not greater in cost than, the systems and services available under the procurement conducted by the Administrator of General Services known as "FTS2000".

(b) The applicable statutes described in this subsection are—

(1) section 111 of the Federal Property and Administrative Services Act of 1949; and

(2) the Treasury, Postal Service and General Government Appropriations Act of 1990.

(c) As used in this section, the term "agency of the legislative branch" means the office of the Architect of the Capitol, the Botanic Garden, the General Accounting Office, the Government Printing Office, the Library of Congress, the Office of Technology Assessment, and the Congressional Budget Office.

SEC. 307. The pay for the positions described in section 308(b) of the Legislative Branch Appropriations Act, 1988, as contained in section 101(i) of Public Law 100-202—

(1) shall be subject to any applicable adjustment during fiscal year 1990 under, or by reference to any applicable adjustment during fiscal year 1990 under, subchapter I of chapter 53 of title 5, United States Code; and

(2) with respect to the position of Assistant Architect of the Capitol, shall be subject to any recommendation of the President that, pursuant to section 225 of the Federal Salary Act of 1967 (2 U.S.C. 351 et seq.), takes effect during fiscal year 1990.

SEC. 308. (a) None of the funds appropriated for fiscal year 1990 by this Act or any other law may be obligated or expended by any entity of the executive branch for the procurement from commercial sources of any printing related to the production of Government publications (including forms), unless such procurement is by or through the Government Printing Office.

(b) Subsection (a) does not apply to (1) individual printing orders costing not more than $1,000, if the work is not of a continuing or repetitive nature, (2) printing for the Central Intelligence Agency, the Defense Intelligence Agency, or the National Security Agency, or (3) printing from commercial sources that is specifically authorized by law or is of a kind that has been routinely procured by or through the Government Printing Office.

(c) As used in this section, the term "printing" means the process of composition, platemaking, presswork, binding, and microform, and the end items of such processes.

SEC. 309. Section 309(a) of title 44, United States Code, is amended by striking out "not to exceed $3,000 in any fiscal year" after "attendance at meetings".

[SEC. 310. There is established, as a joint office of Congress, the Special Services Office, which (under the supervision and control of a board, to be known as the Special Services Board, comprised of the Clerk of the House of Representatives, the Sergeant at Arms and Doorkeeper of the Senate, and the Librarian of Congress) shall provide special services to Members of Congress, and to officers, employees, and guests of Congress. In the operation of the Office, the Board may provide for not more than 6 employees. The Office and the Board shall be subject to the oversight of the Committee on House Administration of the House of Representatives and the Committee on Rules and Administration of the Senate, which, acting jointly, shall have approval authority over employee positions, appointments, and pay, with respect to the Office.]

SEC. [311] *310.* Such sums as may be necessary for fiscal year 1990 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. [312] *311.* Section 6121(1) of title 5, United States Code, is amended by inserting "the Government Printing Office," after "military department,". Also, section 6133(c) of such title is amended by inserting "(1)" after "(c)"; and by adding at the end thereof the following new paragraph: "(2) With respect to employees in the Government Printing Office, the authority granted to the Office of Personnel Management under this subchapter shall be exercised by the Public Printer."

SEC. [313] *312.* (a) The first section of House Resolution 21, Ninety-Ninth Congress, agreed to December 11, 1985, as enacted into permanent law by section 103 of the Legislative Branch Appropriations Act, 1987 (as incorporated by reference in section 101(j) of Public Law 99-500 and Public Law 99-591) (40 U.S.C. 184b) is amended by striking out "educationally enriching child care" and all that follows through the end of the section, and inserting in lieu thereof the following: "educationally enriching child care—

"(1) for children of Members, officers, employees, and support personnel of the House of Representatives; and

"(2) if places are available after admission of all children who are eligible under paragraph (1), for children of Senators, children of officers and employees of the Senate, and children of employees of agencies of the legislative branch.".

(b) Section 4 of such resolution, as so enacted (40 U.S.C. 184e), is amended—

(1) in subsection (a), by striking out the second sentence; and

(2) in the first sentence of subsection (b), by striking out "to make the reimbursements required by subsection (a) and".

(c) Section 5 of such resolution, as so enacted (40 U.S.C. 184f), is amended—

(1) in the matter before paragraph (1), by striking out ", the term"; and

(2) by striking out paragraphs (1) through (3) and inserting in lieu thereof the following:

"(1) the term 'employee of the House of Representatives' means an employee whose pay is disbursed by the Clerk of the House of Representatives;

"(2) the term 'employee of the Senate' means an employee whose pay is disbursed by the Secretary of the Senate;

"(3) the term 'Member' means, with respect to the House of Representatives, a Representative in, or a Delegate or Resident Commissioner to, the Congress;

"(4) the term 'agency of the legislative branch' means the Office of the Architect of the Capitol, the Botanic Garden, the General Accounting Office, the Government Printing Office, the Library of Congress, the Office of Technology Assessment, the Congressional Budget Office, and the Copyright Royalty Tribunal; and

"(5) the term 'support personnel' means, with respect to the House of Representatives, any employee of a credit union or of the Architect of the Capitol, whose principal duties are to support the functions of the House of Representatives.".

[SEC. 314. Section 506(a)(3) of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58(a)(3)) is amended to read as that section was in effect on September 30, 1988.

[SEC. 315. (a) No part of the funds appropriated in this Act may be used in the mailing of any mail matter by a Senator or Member of the House of Representatives as franked mail under section 3210(d) of title 39, United States Code

[(1) if, in the then-current calendar year, the total number of pieces of mail mailed by such Senator or Member as franked mail under such section 3210(d) is equal to or greater than the amount described in subsection (b); or

[(2) to the extent that such mailing would cause the total number of pieces of mail mailed by such Senator or Member as franked mail under such section 3210(d) in the then-current calendar year to exceed the amount described in subsection (b).

[(b) The amount under this subsection is, for any calendar year, two-thirds the maximum amount established under section 3210(d)(5) of title 39, United States Code, with respect to Senators or Members (as applicable) as of July 31, 1989.

[(c) For purposes of subsection (a), mail matter mailed by a Senator or Member shall not be counted if it would not be counted in applying any limitation under section 3210(d)(5) of title 39, United States Code, applicable with respect to such Senator of Member.

[(d) For purposes of this section, the term "Member of the House of Representatives" or "Member" means a Member of the House of Representatives, a Delegate to the House of Representatives, and the Resident Commissioner from Puerto Rico.

[SEC. 316. None of the funds made available by this Act shall be used for any mass mailing of franked mail by a Member of Congress, or a Member-elect to Congress, which would be in violation of section 3210(a)(6) of title 39, United States Code, if,

for purposes of section 3210(a)(6), such mailing were considered to have been mailed—

[(1) on the date as of which it is postmarked; or

[(2) if the mail matter is of a type which is not customarily postmarked, on the date as of which it would have been postmarked if it were of a type customarily postmarked.

[SEC. 317. (a) No part of the funds appropriated in this Act may be used to establish or maintain any officer in the United States Capitol as a personal office of a Member.

[(b) For purposes of this section, the term "Member" means a United States Senator, a Member of the House of Representatives, a Delegate to the House of Representatives, and the Resident Commissioner from Puerto Rico.]

SEC. [318] *313.* No department, agency, or instrumentality of the United States receiving appropriated funds under this Act for fiscal year 1990, shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its work places are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such department, agency, or instrumentality.

SEC. 314. Effective in the case of this act and any subsequent Act making appropriations for the Legislative Branch, for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), as amended, the accounts under the general heading "Senate" shall be considered to be one appropriation account and one "program, project, and activity".

SEC. 315. (a) The Senate Committee on Rules and Administration and the House Commission on Congressional Mailing Standards shall prescribe for their respective Houses rules and regulations governing any franked mail. Such rules and regulations shall include an allocation among Senators and among Members of the House of Representatives of the amount appropriated for the Senate and the House, respectively, for official mail. The costs for postage for such franked mail mailed by or for a Senator or a Member in excess of the amount of his allocation shall be charged to such Senator or Member and shall be paid by him (in the case his allocation is from the Senate) in accordance with rules and regulations as may be prescribed by the Senate Committee on Rules and Administration, and (in the case his allocation is from the House) in accordance with such rules and regulations as may be prescribed by the House Commission on Congressional Mailing Standards.

(b)(A) The total number of pieces of mail which may be mailed as franked mail under section 3210(d) of title 39, United States Code, during any calendar year by a Senator entitled to mail franked mail may not exceed an amount equal to two multiplied by the number of addresses two which such mail may be delivered in the State from which the Senator was elected (as determined on the basis of the most recent statistics, from the United States Postal Service, available prior to such calendar year). Any mail matter which relates solely to a notice of appearance or a scheduled itinerary of a Senator or such Senator's personal staff representative in the State from which such Senator was elected shall not count against the limitation set forth in the preceding sentence.

(B) The total number of pieces of mail which may be mailed as franked mail under section 3210(d) of title 39, United States Code, during any calendar year by a Member of the House of Representatives entitled to mail franked mail may not exceed an amount equal to two multiplied by the number of addresses to which such mail may be delivered in the area from which the Member was elected (as determined on the basis of the most recent statistics, from the United States Postal Service, available prior to such calendar year). Any mail matter which relates solely to a notice of appearance or a scheduled itinerary of a Member of such Member's personal staff representative in the area from which such Member was elected shall not count against the limitation set forth in the preceding sentence.

(c)(A) Two weeks after the close of each calendar quarter, or as soon as practicable thereafter, the Sergeant at Arms and Doorkeeper of the Senate shall send to each Senator a statement of the cost of postage and paper and of the other operating expenses incurred as a result of mass mailings processed for such Senator during such quarter. The statement shall separately identify the cost of postage and paper and other costs, and shall distinguish the costs attributable to newsletters and all other mass mailings. The statement shall also include the total cost per capita in the State. A compilation of all such statements shall be sent to the Committee on Rules and Administration. A summary tabulation of such information shall be included in the semiannual Report of the Secretary of the Senate. Such summary tabulation shall set forth for each Senator the following information: the Senator's name, the total number of pieces of mass-mail mailed during the quarter, the total cost of such mail, and the cost of such mail divided by the total population of the State from which the Senator was elected.

(B) Two weeks after the close of each calendar quarter, or as soon as practicable thereafter, the House Commission on Congressional Mailing Standards shall send to each Member of the House of Representatives a statement of the cost of postage and paper and of the other operating expenses incurred as a result of mass mailings processed for such Member during such quarter. The statement shall separately identify the cost of postage and paper and other costs, and shall distinguish the costs attributable to newsletters and all other mass mailings. The statement shall also include the total cost per capita in the area from which such Member was elected. A compilation of all such statements shall be sent to the House Committee on House Administration. A summary tabulation of such information shall be inlcuded in the quarterly Report of the Clerk of the House. Such summary tabulations shall set forth for each Member of the following information: the Member's name, the total number of pieces of mass-mail mailed during the quarter, the total cost of such mail, and the cost of such mail divided by the total population of the area from which the Member was elected.

(d) Effective October 1, 1989, section 3216 of title 39, United States Code, is amended by striking out "by a lump sum appropriation to the legislative branch" and inserting in lieu thereof "by appropriations for the official mail costs of the Senate and the House of Representatives".

SEC. 316. Section 3216(c) of title 39, United States Code, is amended to read as follows:

"(c) Payment under subsection (a) or (b) of this section shall be deemed payment for all matter mailed under the frank and for all fees and charges due the Postal Service in connection therewith. If, at any time during a fiscal year, the Postal Service determines that the postage on and fees and charges in connection with matter mailed under the frank during that year have exhausted the full amount appropriated for payment to the Postal Service during that fiscal year under subsections (a) and (b) of this section, then no more franked mail may be accepted by the Postal Service during the remainder of that fiscal year unless additional funds are appropriated under subsection (a) or (b) of this section and paid to the Postal Service.".

SEC. 317. Section 3210(a)(6) of title 39, United States Code, is amended—

(1) in subparagraph (A)(i) by striking cut "is mailed fewer" and inserting in lieu thereof "is postmarked fewer"; and

(2) in subparagraph (A)(ii)(II) by striking out "is mailed fewer" and inserting in lieu thereof "is postmarked fewer";

(3) in subparagraph (c) by striking out "is mailed fewer" and inserting in lieu thereof "is postmarked fewer"; and

(4) by adding at the end thereof the following new subparagraph:

"(F) For purposes of subparagraphs (A) and (C) if mail matter is of a type which is not customarily postmarked, the date on which such matter would have been postmarked if it were of a type customarily postmarked shall apply.".

SEC. 318. (a) The Architect of the Capitol shall be appointed, for a term of 10 years, by the President by and with the advice and consent of the Senate. An individual appointed to the office of Architect of the Capitol shall be eligible for reappointment to such office.

(b) The provisions of subsection (a) shall be effective in the case of appointments made to fill vacancies in the position of Architect of the Capitol which occur on or after the date of enactment of this Act. If no such vacancy occurs within the 6-year period which begins on the date of enactment of this Act, no individual shall, after such period, hold the position of Architect of the Capitol unless he is appointed in accordance with the provisions of subsection (a).

SEC. 319. Section 119 (a)(7) of Public Law 100-458 is amended to read as follows: "To make other necessary expenditures including official reception and representation expenses.".

This Act may be cited as the "Legislative Branch Appropriations Act, 1990".

The PRESIDING OFFICER. The Chair recognizes the Senator from Nevada.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending question is the first committee amendment of the pending bill on page 2.

Mr. REID. Mr. President, the legislative appropriations bill for fiscal 1990 which the committee is recommending to the Senate contains a total of approximately $1,952,000,000 in new discretionary budget authority. This is below the Legislative Subcommittee's 302(b) allocation by $48 million and, according to the latest CBO scoring, is just within our outlay ceiling.

The bill is also about $70 million below the House in budget authority and outlays when considered on a comparable basis.

Increases over the enacted level for fiscal year 1989 total over $140 million in budget authority and $137 million in outlays which is a little over 7 percent. This is less than the 10.3-percent outlay growth allowed under the Budget Summit Agreement for domestic discretionary programs. So the legislative branch is pulling its share of the load and more in our effort to cut the Federal deficit.

IMPACT OF FUNDING CONSTRAINTS

It is important to keep in mind, too, that the preceding summit agreement limited total discretionary spending growth to 2 percent and required agencies, including those in the legislative branch, to pay for a 4.1 percent COLA within that amount. This hit the agencies funded in this bill especially hard, because their functions are personnel intensive. So they do not have much flexibility in adjusting to a reduction in real dollars while absorbing increases in mandatory pay costs. They can defer nonessential maintenance, equipment, and supplies. But this is typically only 20 to 25 percent of their budget. About the only thing they can realistically do is cut their staff.

The Library of Congress is a good example. Currently about 10 percent of its authorized positions are vacant for lack of funding. Over $14 million of the $35 million increase requested by the Library was to fill about half of these vacancies and keep its workforce intact. We were able to provide only about half of the requested increase, $16 million, and only 80 out of the 224 vacant positions.

SENATE

Mr. President, the amount provided for the Senate for fiscal year 1990 is $406 million. This represents an increase of $61,484,000 over the enacted level and is a reduction of $6,763,000 from the request. These comparisons, however, include $32 million for the Senate share of franking costs which was not reflected in the budget request. This is due to the fact that the committee has recommended the establishment of separate appropriations for the official mail costs of the Senate and House of Representatives. The net increase subtracting official mail costs for all Senate items is $29,484,000.

Within this amount, the committee has provided funding of $1 million to support closed captioning of Senate floor proceedings. Another $1,555,000 is to cover agency contributions as an employer to cover costs of civil service retirement, Federal employee group life insurance, Federal employee health insurance programs, and FICA. The remainder of the increase is accounted for in the main by inflation, salary and the additional costs associated with the continuing computerization of Senate operations.

AGENCY HIGHLIGHTS

Mr. President, a lot of people seem to think that the legislative branch appropriations bill just funds the salaries of Members of Congress and their staffs. That is just plain wrong. Many of the organizations funded in this bill not only provide support to the Congress; they also provide services that affect directly or indirectly every citizen of this Nation.

As I indicated, with the exception of the Architect of the Capitol most of the accounts in the legislative bill are for salaries and expenses. By and large, the increases we are providing for the agencies in the legislative branch cover their mandatory personnel costs, inflationary increases, and a few selected workload related requirements.

But I want to take a few moments here to talk about some of the substance that lies behind the numbers we are used to dealing with in the appropriations process. The organizations funded in this legislation—leaving aside the Congress itself—have very significant functions and responsibilities. And the record ought to be clear on that point.

LIBRARY OF CONGRESS

Let me begin with the Library of Congress. We are recommending a total of $260,661,000 along with authority to spend $13,839,000 in receipts for the Library.

Mr. President, the Library of Congress is not just a library for the Congress. It is in fact the world's premier library. It is the largest collection of knowledge accumulated anywhere in the world. Its foreign area collections—Russian, Asian, Hispanic, Middle and Far Eastern—are the largest outside their countries of origin. Its international law and American law collections number nearly 2 million.

I recently had occasion to view some of the music treasures in the Library's collections—the original manuscripts of a Brahms violin concerto, a piano concerto by Mozart with his writing on it, signed by him, and Gershwin's "Porgy and Bess." It is inspiring to view personally the works of these musical geniuses. And I have talked only about a small part of this library.

The Manuscript Division also houses the papers of 23 Presidents of the United States, the personal papers of a majority of our Chief Justices, the papers of leading American statesmen, literary and scientific figures, and other prominent figures in American history. Included in this collection, for example, is Thomas Jefferson's rough draft of the Declaration of Independence, with marginal notes by Benjamin Franklin and John Adams.

The task of preserving these irreplaceable treasures is truly formidable. But for the expertise and care of the Library staff, they would be lost forever to the ravages of time. The resources we provide the Library in this bill help to assure the conservation of these priceless artifacts of our culture—both for the millions of readers who view them each year and for succeeding generations. What are we providing is only the bare minimum.

Moreover, the Library of Congress reaches out to every State in the Nation in its multitude of national services. Our public, school, and university libraries depend on the Library of Congress' cataloging information in over 350 languages. It is estimated that libraries on this country save $360 million a year using the Library's cataloging system—more than the entire appropriation to the Library of Congress. There is currently a growing backlog in cataloging new materials. This costs other libraries money because, if the Library of Congress has not yet catalogued an item, they have to do it. The recommended bill includes funding to fill vacancies in this area in order to reduce this arrearage.

The National Library Service for the Blind and Physically Handicapped circulates 20 million talking books and books in braille to more than 700,000 readers through regional libraries in the 50 States and in the territories. These materials open the doors to realms of learning, culture, and experience that might otherwise remain permanently closed to sight-impaired persons. Each of us, I am sure, have had experiences where people are not sighted read through these talking books. But for the Library of Congress, they would not be able to do that.

I do not need to elaborate, in this Chamber, upon the value of the work performed by the Congressional Research Service [CRS]. CRS provides the kind of quick response analysis and information for which there is simply no substitute in the legislative process. CRS, of course, also embodies an accumulation of long-term, institutional expertise across the entire spectrum of policy and program. In addition, CRS is especially adept at helping our staffs respond to requests and inquiries from our constituents and they do it quickly.

Today, I am sure each of us has staff members working on requests from our constituents that are extremely important to those constituents, and

our staffs are able to get a quick response because of the CRS. We tend to take them for granted and we should not.

The Copyright Office, which is also a part of the Library, processes over 600,000 claims to copyright a year and is the central register for all of this countries' creative works. The importance of this function goes well beyond the encouragement of artistic creativity per se. Intellectual property rights are increasingly a key factor in our trade policy. The experts at the Copyright Office have a major role to play in this arena, where the outcomes will have an impact on our economic fortunes for years to come.

As the distinguished chairman of our committee, Sentor BYRD, observed in one of his exceptional addresses on the history of the Senate:

> The enlightenment of the people has been the abiding concern of the Congress and of the Library throughout our history. * * * True to this ideal, the Library has become, in the words of the American Council of Learned Societies, "an indispensable instrument on the American continent for the promotion of learning and the increase of knowledge" taking its place among the greatest libraries of civilization, past and present.

The only thing that I would add to the words of the President pro tempore of the Senate, the chairman of this committee, is that I believe the Library of Congress is the greatest library in the history of civilization.

In sum, the Library of Congress is a genuine national treasure and we owe it to all Americans to make the investments necessary to assure its continued preeminance.

GENERAL ACCOUNTING OFFICE

Mr. President, another extremely important organization funded in this bill is the General Accounting Office. The GAO provides valuable services not only to Congress but to the entire Government. GAO staff investigate and report on the use of public funds by the executive departments; they settle claims and rule on questions related to disbursement of Federal funds; they set accounting principles and standards for the Federal Government to follow; they evaluate Federal programs and report to Congress on the effectiveness and efficiency of Government operations.

The GAO is one of those few agencies that has measurable financial benefits. In 1988 GAO contributed to legislative and executive branch actions that resulted in administrative, management, and programming improvements worth billions of dollars. By GAO's estimates, these savings represented about $72 in financial benefits for every $1 we appropriated GAO.

GAO directly assists the Congress in exercising its oversight responsibilities. The agency supports committees and individual Members by gathering information and analyzing data on the entire spectrum of public policy issues. Recent reports and ongoing investigations center on such controversial matters as the budget process, the deteriorating financial condition of depository institutions, military weapons acquisition programs, nuclear safety and waste disposal, security problems in Federal information systems, and the continuing threats to our Nation's public health and environment.

In fiscal year 1990 we are recommending $364,720,000 to finance GAO's activities. This is $17,381,000 more that the fiscal year 1989 base but will require GAO to absorb 100 percent of the fiscal year 1990 pay raise and funds about 85 percent of their uncontrollable cost increases. It is a very lean budget, but one that the committee believes will adequately fund essential operations of the agency while permitting them to proceed with important initiatives.

OFFICE OF TECHNOLOGY ASSESSMENT

Science and technology figure prominently in most of the questions facing Congress today. Yet scientific experts disagree on the answers and interested parties making conflicting claims. The Office of Technology Assessment [OTA] helps chart a course through these complex areas of disagreement with its impartial assessment reports, technical memoranda, and testimony. During the last year, OTA has examined many short- and long-term consequences of technological development: from monitoring the Nevada nuclear test site, to maintaining the defense technology base; from managing municipal solid waste, to climate change; from adolescent health, to the potential neurological effects of toxics in the environment.

OTA's governing body—the Congressional Technology Assessment Board—makes sure the agency remains responsive to our overall needs. Importantly, OTA convenes a panel of experts and interest group from outside Government to advise each assessment project team, which assures Congress of access to the best possible scientific and technical information, written up in a way easily understood by laymen. OTA's products are valuable not only to Congress, but also to the public whose economic and physical well being may be at stake in the policy issues created by technological and scientific change.

The recommended bill contains $19,000,000 for OTA activities in fiscal 1990.

CONGRESSIONAL BUDGET OFFICE

The Congressional Budget Office is a nonpartisan analytic organization that furnishes the Congress with information and analyses on issues relating to the U.S. economy, the Federal budget, and Federal programs. The committee bill includes $19,580,000 for CBO.

CBO does not make specific policy recommendations, but presents the Congress with options and alternatives in a wide range of subject areas, all of which have economic and budget impact. CBO's annual analysis of the President's budget and its semiannual updates of the budget and economic outlook are of particular value to the overall work of this committee. But CBO studies help to inform policymaking in almost every domain, from defense and national security to agriculture and human resources. As my colleagues know, the uncertainties of fiscal and monetary policy in the emerging world economic order make the services provided by the CBO all the more critical to our work here in the Senate.

ARCHITECT OF THE CAPITOL

The first Architect of the Capitol, Dr. William Thornton, was appointed by President George Washington in 1793 after his design for the Capitol Building was selected in a national competition. His responsibilities were confined to planning and supervising the construction of the new Capitol Building.

In the intervening years, the role of the Architect has expanded to reflect the development of the physical infrastructure of the Congress and the other public institutions located near the Capitol Square. He is now responsible for the supervision of all structural and mechanical improvements, additions, alterations, and repairs to:

The Capitol Building and surrounding Grounds; Senate office buildings; House office buildings; Library of Congress buildings and grounds; U.S. Supreme Court building and grounds; Senate garage; Robert A. Taft Memorial; and U.S. Botanic Garden.

These facilities, aside from their intrinsic historical and architectural significance, constitute invaluable capital investments. Their care, maintenance, and enhancement is a public trust of the highest order.

The bill includes $123,576,000 to support the Architect's activities for the coming fiscal year. I have here a sheet summarizing the major changes from the fiscal 1989 appropriation base included in this funding and ask unanimous consent that it be inserted in the RECORD as if read at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Architect of the Capitol, Fiscal Year 1990 Increases, Senate Bill

	Amount
Salaries:	
Mandatory pay and related costs	$328,000
Capitol Buildings:	
Mandatory pay and related costs	631,000
New positions (7)	161,000
Annual recurring maintenance items	529,000
Replace dishwashing machine	84,000

Replace House and Senate east front sidewalk lift	214,000
Repair building exhaust system ductwork	200,000
Conservation of wall paintings	125,000
Additional magnetometers and x-ray machine, House side	192,000
CADD data base development	150,000
Additional CADD equipment	68,000
Telecommunications funding for Capitol complex	75,000
Capitol Grounds:	
Mandatory pay and related costs	115,000
Annual recurring maintenance items	165,000
Replace of bitumimous paving	137,000
Restoration of Peace Monument and Fountain	145,000
Replace sidewalks at various locations	325,000
Replace equipment	85,000
Senate Office Buildings:	
Mandatory pay and related costs	965,000
Annual recurring maintenance items	249,000
Purchase of scrubber sweeper and other equipment	60,000
Replace sections of air-conditioning units, RSOB	781,000
Refurbish and redecorate caucus room, SR-325	183,000
Replace sections of roofing, RSOB	152,000
Replace D Street delivery entrance door, HSOB	27,000
Renovation of facilities	255,000
Purchase of specialty furniture	500,000
Purchase of storage racks and shelving	74,000
Main kitchen remodeling, DSOB	491,000
Replenishment of reprogrammed funds	550,000
Senate subway system improvements	3,000,000
Renovation of south cafeteria, DSOB	676,000
Additional legislative clocks	110,000
Additional computer systems installations and power conditioners	2,000,000
Install and modify fire alarm systems	300,000
Modular furniture for the RSOB and DSOB	500,000
Design for additional elevators	600,000
Electrical system renovations and modernization, RSOB	1,000,000
Frequency inverters for VAV fans, HSOB	93,000

Mr. REID. Now, Mr. President, last year we deferred funding for improvements to the Senate subway system pending final selection of a design and formulation of a reliable cost estimate. This year, we have approved $3 million of the $10 million requested contingent upon the selection of an appropriate final design and financing plan for the project. These funds will not be released until the committee is fully satisfied with respect to the scope, costs, and benefits of the proposed system and financing plan.

At the same time, it is clear that the Hart-Dirksen-Capitol subway needs to be renovated and modernized as soon as it is practicable to do so. The cars are obsolete and costly to maintain. The manufacturer has long since gone out of business. So repair parts have to be specially machined. And service is poor to inadequate, especially during periods of heavy demand and especially for the public. Moreover, it is estimated that a replacement system would save about $100,000 a year in operating and maintenance costs.

The bill also includes a provision changing the terms of the appointment and tenure in the Office of the Architect. Currently, the Architect is appointed by the President without participation by the Congress but is, of course, an officer of the legislative branch. His term, moreover, is unlimited. Section 318 of the bill would require Senate confirmation of persons nominated to the Office of the Architect of the Capitol and establish a term of 10 years. These changes would take effect in 6 years from the date of enactment or whenever the Office next becomes vacant.

This arrangement, I believe, better reflects the institutional status of the Architect as an officer of the legislative branch and should make the lines of accountability in the performance of his duties much less ambiguous.

CAPITOL POLICE

Mr. President, it has been my experience that the Capitol Police are among the best trained law enforcement officers in the country. The Federal Law Enforcement Training Center in Glynco, GA, provides top-notch training for Federal officers and the result of this training is reflected in the performance of the Capitol Police in providing security in the Capitol, surrounding grounds, and office buildings.

During the past several years, Members of Congress, their staffs, and the general public have been forced to reckon with an increasingly violent environment. For those of us who have been here in the Capitol for a number of years, it is almost unbelievable to see the change that has taken place in how you get to the Capitol and into the Capitol complex.

With the rise of terrorism worldwide, Capitol Hill has become increasingly aware of the dangers posed by potential bombings and other threats of peace and good order. The Capitol Police have responded by developing additional capabilities to deal with these risks. These include the creation of canine units for detection of explosives, formation of a multifunctional Containment Emergency Response Team [CERT], establishment of an offsite delivery facility, and the provision of enhanced protective details.

Too often, we as Members of Congress and the people who work in this great Capitol complex, take the services provided by the Capitol Police for granted. They are here long before and long after our working days are over—24 hours a day, 7 days a week. The Capitol Police Force now patrols a 40-block, 200-acre area which includes 20 buildings. Policing an area of this character poses distinctive problems. A delicate balance has to be struck between maintaining adequate security and public order and preserving the constitutional rights of all citizens to peaceable assembly and free political expression.

Over the last year the Capitol Police have provided law enforcement coverage for 226 public demonstrations, 1,493 official visits by foreign dignitaries and others, and 192 special events such as the bicentennial celebration on the west front. During the last year over 1,800 items of contraband were seized, an increase of over 50 percent of the previous year. And 415 threats and nuisance contacts directed toward Members of Congress were investigated. Arrests were up 105 percent over the previous year of 1988.

During my time as a law student at George Washington University, I worked as a member of the Capitol Police Force, a full-time member of the Capitol Police Force. And with my limited experience things have become much more difficult since I was a member of the Capitol Police Force. I am convinced that they have responsibilities that are really awesome. I recognize that these people are alert, well trained, and ready for crisis at any moment. Unpredictable threats to an officer's personal safety are always possible and to the personal safety of the people that work in this Capitol complex.

Mr. President, I want to commend the Capitol Police for their dedicated and effective work and assure them they have the appreciation and support of the Senate, and I am certain that of the House as well.

The bill before the Senate contains a total of $58 million approximately to finance the Capitol Police in fiscal year 1990. This will support a total of 1,262 sworn officers and 81 civilians. Additionally, the legislation provides for a study to be conducted by the General Accounting Office aimed at facilitating the consultation of the House and Senate divisions of this force.

MAIL PROVISIONS

An important provision of this bill relates to mail. And with respect to items considered by the House and the Senate, the major difference in funding is in official mail costs.

The House bill contains $124.5 million for official mail, an increase of $70.6 million over last year. The recommended bill cuts the total appropriation to $80 million. Our bill does that. This would mean, assuming the Congress keeps mailing volumes within the limits of funding, a cutback in the amount of mail currently sent out. But it provides plenty of money

for what is actually necessary to keep in touch with our constituents. And given the alternatives, there's no better place to tighten our belts a notch or two than here. We simply do not need to continue mailing out more and more material and piling up higher and higher costs.

That has clearly been the trend. From 1975 to 1988, the cost of the frank has exploded from about $36 million to $113.4 million. During that same time—lest anyone think this is purely a result of postage increases and inflation—the actual volume of mail sent has almost tripled—from 312.4 million pieces to 805 million pieces. We cannot afford to keep on going in this direction. The American taxpayers who foot the bill are not going to tolerate it. And they shouldn't.

What is more, continued growth in franking costs comes at the expense of higher priorities. We have some very valuable national assets funded in this bill. We are fortunate that the chairman of our committee also serves as cochairman of the U.S. Capitol Preservation Commission. He appreciates what a marvelous treasure the Capitol Building and complex is. We fund its essential maintenance in this bill. The same is true for the Library of Congress, which has no equal anywhere else in the world, or has it ever.

In an environment where real funding for domestic discretionary programs is declining, the care and preservation of this invaluable national patrimony is going to be difficult at best. In my judgment, it makes much better sense to put the mail monster on a serious diet. If we do not, we will in effect be using up a significant part of our national inheritance to feed him.

The bill includes a number of reforms that will enable us to accomplish this. The credit for these reforms—let me hasten to add—really belongs to several of my colleagues who have been involved with this issue for a long time. Senator EXON introduced a bill, S. 762, earlier this year, which contains many of the provisions we have incorporated in this bill. I have had a number of discussions with Senator EXON and he has written the subcommittee on the issue. We have benefited from his interest and advice.

Many of these same provisions were also included in Senate Resolution 98, which was reported by the Rules Committee under the leadership of Senator FORD and Senator STEVENS. So there is broad consensus in the Senate on how to deal with the problem.

Let me briefly summarize what we have in the bill in this regard.

First, we establish separate mail appropriations for the House and Senate. Since 1954, when the Congress first provided funds to reimburse the Postal Service for the costs of free or franked mail, the appropriation for mail costs has been a joint House-Senate item. Presumably, these funds were to cover the costs of the respective Houses on a more or less 50-50 basis. Half would be available for Senate mail expenses and half would be available for House mail expenses.

That, unfortunately, is not the way it has worked in practice. The House mail costs are typically a good deal more than half the amount provided. I have here a table comparing House and Senate expenditures for mail over the last decade. I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

HOUSE AND SENATE EXPENDITURES FOR OFFICIAL MAIL, 1978–89

[Dollars in millions]

Fiscal year	Total	House		Senate	
		Amount	Percent	Amount	Percent
1978	$48.9	$35.1	72	$13.8	28
1979	42.9	27.7	65	15.2	35
1980	61.9	43.4	70	18.5	30
1981	53.9	29.7	55	24.2	45
1982	100.0	59.9	60	40.1	40
1983	72.4	40.3	56	32.1	44
1984	111.0	67.3	61	43.6	39
1985	85.2	45.3	53	39.9	47
1986	95.9	60.4	63	35.5	37
1987	63.6	44.2	69	19.4	31
1988	113.4	77.9	69	35.5	31
1989 (6 mos)	26.5	19.6	74	7.0	26

Mr. REID. The House percentage share ranges from a low of 53 percent to a high of 72 percent. For fiscal 1988, the House incurred 69 percent of the cost of the frank, while Senate costs were 31 percent of the total.

These differences are, of course, obscured by the single joint appropriation. As a result, the Senate has received as much blame and criticism as the House for the soaring costs of franked mail. Worse yet, restraints imposed by the Senate on itself with respect to the use of the frank have not arrested the growth in mail costs. Instead, the House has in effect spent the savings and more as its volume of mail has continued uncontrolled expansion.

In 1987, for example, combined mail costs were held to $63.6 million, $27.8 million less than the amount appropriated for that year. This was due to the adoption of Senate reforms; for example, restricting mass mailing by Senate officers to an allocation, proportionate to population, of approximately half the amount appropriated and the sobering effect of the 1986 sequester on the mailing proclivities of the House.

The latter quickly wore off, however. And in fiscal 1988, when the amount appropriated was $82 million, House mail costs rose sharply to almost $78 million or 95 percent of the appropriation for that year. Senate costs for fiscal 1988 were $35.5 million or about 43 percent of the amount appropriated for that year. Combined mail costs for fiscal 1988 thus came to over $113 million, more than absorbing the $27.8 million carryover from 1987.

While this was going on, the fiscal 1989 legislative bill was in process. The conference committee on the bill, faced with the Summit Agreement 2 percent-ceiling on spending increases, assumed the availability of the fiscal 1987 carryover for mail and reduced the appropriation to $53.9 million. As a result, the allocation to Senators was sharply cutback to a level precluding even one Statewide mailing. In the meantime, of course, House mailings kept on increasing.

This was clearly intolerable. And so last February, the Senate abandoned its more restrictive approach in favor of guidelines paralleling those of the House. Then in April the Rules Committee reported Senate Resolution 98, mandating reforms in both Houses, all of which are included, with some modifications, in this bill.

This history, Mr. President, shows why we need separate appropriations for each House of the Congress. Each House should decide on the level of mailing this is necessary and then pay the bill within the amount appropriated. This bill includes $32 million for Senate mail costs and leaves $48 million in the old joint account for the House. This represents a 60-40 split between the two Houses. Although we believe the Senate is entitled to half the mail appropriation, we recognize that historically the House has utilized the frank more heavily. This division accommodates that reality.

Second, the bill would reduce the number of postal patron or unaddressed mass mailings allowed to two per year. The present limit is six. An amendment adopted on the House floor cuts the limit to four.

Third, the bill would require both Houses to establish procedures for allocating the amount appropriated for mail costs among individual Members and Senators. This will, assuming Members and Senators abide by their allocation, assure that franking costs do not exceed the appropriation.

Fourth, a related provision would require that, if a Senator or Member were to send more mail than his/her allocation would pay for, the excess cost would be charged to his or her personal office expense accounts. In other words, Senators and Members who exceed their allocation would have to make up the difference out of their office expense accounts and we would not increase the appropriation for mail.

Fifth, the bill would mandate public disclosure of the mass mail costs incurred by the individual members of both Houses of Congress. This infor-

mation is already available with respect to mass mailings by Senators.

These provisions are all basically the same as those incorporated in the Exon bill and Senate Joint Resolution 98.

Finally, the bill also requires the Postal Service to stop receiving franked mail once the amount appropriated for a fiscal year is exhausted. As it is now, the Postal Service just continues sending out franked mail so long as Members and Senators drop it in the box, regardless of the costs and the amount appropriated to cover them. The Postal Service then bills the Congress for the arrearage and we either have to pay for it or postal ratepayers have to absorb it. This provision would stop this kind of open-ended entitlement spending for mail.

This provision that I just spoke about, the ending of the entitlement program, is an idea that Senator NICKLES first originated. That is now part of this bill. Senator NICKLES has worked very hard on this subcommittee. He has been very active. We have worked out a procedure where we confer with each other. There is not anything that goes out from the majority that the ranking member does not have his signature on. This is the procedure that we have established, and I think it has worked well.

Senator NICKLES has been tireless in his efforts to bring down the costs of this bill. This bill now before this body has had a number of rough drafts. Senator NICKLES has, on various occasions, said this is too much here, can we adjust this, and we have been able to work things out. I would like to also, in addition to giving my accolades to Senator NICKLES, thank the other members of the subcommittee, Senators MIKULSKI, ADAMS, and HATFIELD.

I spoke a lot about the Library of Congress. Senator HATFIELD is the patron of the Library of Congress, literally. He has a special interest in that beautiful facility, and there is not a meeting that comes up that relates to the Library of Congress that Senator HATFIELD is not involved in. In appreciate his encouragement and support this entire year.

All of these individuals that I have mentioned have been very helpful in the development of this legislation. I think that this bill strikes the right balance between squeezing every penny of the taxpayers' money and making the investments necessary to protect and enhance the national treasures that have been entrusted to our care.

I also, Mr. President, want to thank Senator BYRD, our distinguished chairman, for his assistance in moving this bill through the committee and to the floor. His commitment to the welfare of this institution needs no elaboration. His record—and his addresses on the subject—speak volumes. And we are extremely fortunate that the distinguished ranking member of the full committee, Senator HATFIELD, continues to serve on this subcommittee. His excellence and insight are invaluable.

Finally, I wish to acknowledge the contributions and hard work of the committee staff. Jerry L. Bonham is the majority clerk and Keith Kennedy serves the minority.

I would like to take just a minute publicly here, Mr. President, to extend my condolences to Keith, who, in a very tragic accident, very recently lost his father. Keith is somebody that we on this side of the aisle have come to depend on. Knowing him as I do, it is difficult to express my sorrow and sympathies to him in an adequate fashion, but I do that at this time.

There, in fact, in his bill has really been no partisan difference insofar as the staff of the committee is concerned. Both majority and minority serve the members. Keith, who is also minority staff director for the full committee, has done this bill for a number of years now by himself. His counsel and institutional memory are extremely valuable and the subcommittee has depended on his advice throughout this process.

Mark Walker has taken over for minority now that Keith is moving to defense and is also doing a credible job, and with Keith being his monitor and teacher, I am sure he will become outstanding. And of course none of the subcommittee's work would get done were it not for the support of the subcommittee's capable assistants Lula Joyce and Juanita Rilling.

I yield the floor.

Mr. NICKLES. Mr. President, I wish to thank and compliment the chairman of the committee, Senator REID, for the outstanding job that he has done in the committee and also in the presentation before the Senate. He has given a very good explanation of the bill that I certainly will not repeat.

Mr. President, I will just highlight a couple of comments that Senator REID mentioned. The legislative branch appropriation bill is $1.95 billion. That is an increase of $143 million over the amount that was enacted for this current fiscal year. It provides funding of $405 million for the Senate, $537 million for the House, $118 million in joint items, $47 million for the Congressional Research Service, $79 million for the Government Printing Office, and $213 million, as mentioned by Senator REID, for the Library of Congress, for a total appropriation of $1.95 billion.

Senator REID mentioned some of the reforms that were made in congressional mail. Congressional mail cost is probably the fastest growing entitlement in Government. It needs reform. It needs to be fixed. Unfortunately, the changes that were made earlier this year in the Senate made the Senate equally as bad as the House. And I think that was a serious mistake. It increased the number of mailings we could do in the Senate, basically from two to six. That was a mistake. In this bill we fixed not only the Senate, but we also fixed the House. We reduced the number of unsolicited mass mailings from six to two for both the House and the Senate. That makes sense.

We also, as Senator REID mentioned, require separate House and Senate accounts. So we have individual accounts. We have not had that in the past and obviously it has been needed. We also have allocation amongst Members. We have had that in the past in the Senate. They do not have it in the House. We need it in both Houses. But we even go further in the Senate bill. We say if a Member exceeds his allocation then the excess postage will be counted against his office expense account. So it has a self-governing mechanism that I think is very valuable, very important because we also put another provision in that said the Senate and the House could not spend any more for mail than the amount of money that is appropriated.

Now every other agency, every other business has that account but there was a little provision in the statutes that said, well, the Post Office would have to assume that whatever amount was appropriated was sufficient regardless of how much mail Congress mailed. And that was and has been abused by Congress, year after year after year.

And so now we have separate accounts between the House and Senate. We have allocation amongst Members and if a Member exceeds his allocation it is charged against his individual office expense. So that is very significant, very positive reform that needs to be made.

We also have additional reform that is needed and that is public disclosure. We now have public disclosure of mail expenses in the Senate. We do not have it in the House. We need it in both. So that is important.

We also strengthened a statute prohibiting mailing within 60 days of election. A lot of us are well aware of the fact that that has been abused election after election. We put a statutory prohibition against mailing within 60 days of an election. So I think that is positive.

I compliment Senator REID for his courage, really, in taking this on. A lot of people said, "Well, do not bother. It is just going to make the House mad." I think House Members and Senate Members are well aware of the fact of the growing cost and volume of mail that needs to be curbed. It has been abused. It has been abused by both sides by both parties. So now is the time for us to make some reforms. I

think the reforms that are called for in this appropriation bill are long overdue and very much needed. I strongly support them and I hope that the Senate will concur, with the passage of this bill, with the reforms today.

Again I thank the chairman for his leadership and his courage in taking on the mail issue and several other difficult issues in the bill.

As the chairman has noted, the total amount recommended by the committee to the Senate is $1,952,136,200 in new budget authority, an increase of $143,680,000 over the amount enacted for the current fiscal year, but a substantial reduction from the amounts requested for fiscal year 1990. Our recommendations are within the allocation given the legislative branch subcommittee under section 302(b) of the Budget Act.

I would like to highlight a few items of particular interest to Senators:

OFFICIAL MAIL

As I have outlined, we are recommending sweeping changes to the official mail account. We recommend replacing the current joint account for official mail with separate accounts for the House and the Senate, with full disclosure by both houses, a reduction in the number of postal patron mailings, and a strict limit on the funds available. As Senators may know, there is a provision of the United States Code that requres the postal service to deliver congressional mail regardless of funds available to do so. We recommend repeal of that provision, so when the money runs out, the mail stops.

We believe these reforms will realize substantial savings, and we have recommended a reduction in the request for official mail costs from $134,731,000 to a total of $80 million—$48 million for the House and $32 million for the Senate, in keeping with historical trends in mail costs.

SENATE SUBWAY

The committee has recommended $3 million for replacement of the subway system between the Capitol and the Hart and Dirksen Senate Office Buildings. This is a reduction of $7 million from the request. The money may not be obligated, however, until the Committee on Rules and Administration has selected a final design and the Committee on Appropriations has approved the cost of that design. This project bears watching, Mr. President. Some of the proposals that have been submitted are far too costly. The present system only requires $26,000 a year in material costs to maintain. At that rate, we can keep the existing system going for a long, long time before reaching the cost of some of the proposed replacements.

CAPITOL SECURITY

The committee has not taken any action in this bill to proceed with implementation of the Capitol security plan. Funds requested by the Sergeant at Arms for additional personnel associated with that plan have been denied, and prior year funds have not been released. The Committee on Rules and Administration has not approved the security plan, and without their approval and that of the Committee on Appropriations and three committees in the other body, the plan cannot go forward.

ARCHITECT OF THE CAPITOL

The committee is making a number of recommendations relative to the office and work of the Architect of the Capitol, in addition to the recommendation relative to the Senate subway system, described earlier.

First, the committee is recommending a general provision establishing a fixed term of office for the Architect, and requiring Senate confirmation of the President's appointment to the office. The provision applies to appointments made to fill vacancies occurring after enactment of this bill. If no vacancy occurs within 6 years of enactment, then the incumbent in the office would be subject to confirmation.

The committee is recommending this provision to conform appointment to this office with that of other offices, such as Comptroller General.

BIOMEDICAL ETHICS BOARD

The committee is recommending $1.5 million for the Biomedical Ethics Board, a reduction of $859,000 from the request and the same as the House allowance. Funds may not be obligated, however, until the board selects its chairman and vice chairman and all vacancies on the advisory committee have been filled. I am a member of the Biomedical Ethics Board, and believe we should not proceed with the expenditure of any funds until these matters have been settled.

Section 7 of the committee bill authorizes the Secretary of the Senate to enter into an agreement with the Secretary of Education to provide for the closed captioning of Senate floor proceedings. This is long overdue and I trust the Secretary will move expeditiously once authority is granted.

Section 11 authorizes the Secretary of the Senate to withhold salaries due employees who have defaulted or are delinquent in the repayment of student loans.

Mr. President, I hope our colleagues will support the committee as we adopt this bill and go to conference with the other body.

Mr. BYRD. Mr. President, H.R. 3014, the legislative branch appropriations bill for fiscal year 1990, provides funding for the operation of the Congress, as well as the library of Congress, the Architect of the Capitol, and Congressional Budget Office, the Office of Technology Assessment, the Botanic Garden, and the Government Printing Office.

The bill as recommended by the Committee on Appropriations provides total obligational authority of $1,952,246,700. This represents a decrease of $257,636,500 from the President's budget estimate. With respect to the subcommittee 302(b) allocation, the bill as recommended is below the budget authority ceiling by $48 million and is at its outlay ceiling.

I commend Mr. REID, the chairman of the subcommittee, and I commend Mr. NICKLES, the ranking member for their excellent work in accommodating the priorities of the Senate with respect to congressional operations within the constraints of the budget agreement.

Mr. President, this is not one of the plum offerings when it comes to subcommittee assignments in the Appropriations Committee. I think we would all agree that it is one of the smaller subcommittees and the budget that it handles is of course probably the smallest of all.

But that is not to say that it is not important, because it provides the funding for the legislative branch, which is the people's branch, the branch that is mentioned in the very first article of the Constitution of the United States. And these two Senators and their colleagues on both sides of the aisle have tackled this assignment with just as much vigor and enthusiasm and dedication as if they were handling one of the larger appropriation bills. They are following the admonitions in the scriptures, which say, "Whatsoever thy hand findeth to do, do it with thy might."

I congratulate them and I express thanks, as chairman of the full Appropriations Committee, and on behalf of all the other members of the Appropriations Committee for their diligence and their dedication. I also want to thank them for the teamwork that they have demonstrated as they have worked this bill through subcommittee, through the full committee and here now presenting it on the floor of the Senate.

It is not a easy task, even though it is a very small committee.

So, my gratitude to them is rather feebly expressed, but I say thank you.

I also wish to extend my thanks to the staff of the subcommittee, Jerry Bonham, Lula Joyce, and for the minority, Keith Kennedy and Juanita Rilling. Their good work makes the task of the subcommittee members and the full committee members much less arduous.

And while I am thanking others, let me thank my ranking member on the Appropriations Committee, Senator HATFIELD, who is always most cooperative and courteous and understanding and helpful. He is a very able member

of the committee, having been the chairman of the Appropriations Committee in time past, and I lean on him increasingly, which means I lean on him heavily, because I leaned on him from the time I became chairman of the committee. But even when I was majority leader, I always found that Senator HATFIELD was most helpful. And when I was minority leader and he was the chairman of that committee, he was always very understanding and agreeable in all of his dealings with me.

The managers have explained in much greater detail the contents of the measure as recommended to the Senate. I will not attempt to review those highlights so that we can get down to the business, now, of considering and passing the bill today.

The bill as reported by the Appropriations Committee, deserves the support of the Senate.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, I take this opportunity to not only commend the chairman and the ranking member of this Subcommittee on Legislative Affairs in performing an extraordinary task. Because, as our chairman, Senator BYRD, has indicated, I do not know anyone on this committee who puts as their preference, as far as subcommittees are concerned, their No. 1 preference, this particular committee.

Yet, this function is vital to the operation of the Senate, the Congress as a whole, and many of its agencies.

I have heard a number of presentations over a number of years of my service on this committee but I want to say today I think I heard the most comprehensive presentation of any chairman and ranking member of the legislative Subcommittee on Appropriations. Former members have performed well. I think today was a stellar performance, showing the dedication, commitment, and the exhaustive amount of thinking and planning and processing that has gone into this report. I want to compliment the chairman and the ranking member for their outstanding contributions.

Mr. President, I think it is also important to note that on every one of these reports that the subcommittee has presented before the Senate, Senator BYRD, our chairman, is here, physically, to not only give support to these subcommittees but to also indicate his vast knowledge of the details with which all of the subcommittees are involved. I want to thank him for that kind of leadership for our full committee.

I would like to add my support in every way possible to our committee structure and to the committee's performance, and I want to say again how proud I am of this outstanding report today, indicating the hours and hours of effort, the time of hearings, the time of study, and the staff work that has made up this report. I think the Senate as a whole can with confidence adopt this report and we can be about the business of getting our 13 bills enacted in regular order before October 1, and avoid that most onerous of all Senate procedures known as a continuing resolution.

I want to thank the distinguished chairman for his kind remarks as well.

The PRESIDING OFFICER. the Senator from Nevada.

Mr. REID. Mr. President, I ask unanimous consent that the committee amendments be temporarily set aside in order to consider an amendment to be offered by the junior Senator from the State of California [Mr. WILSON].

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from California is recognized.

AMENDMENT NO. 698

Mr. WILSON. Thank you, Mr. President.

I thank the managers for their courtesy.

Mr. President, we have before us a legislative appropriations bill. Last night the President of the United States gave what he feels and what I quite agree is one of the more important speeches he will make. It had to do with the crisis in the United States of drug use. In that speech the President expressed a strategy and programs that are intended to implement that strategy.

By and large, the response of the Nation, I think, has been one of gratitude that, finally, belatedly, there seems to be leadership of the magnitude that is necessary to deal with this problem, which is not to say that everybody has been entirely happy with all aspects of the plan. That is too much to hope for, too much to expect.

The chief criticism that has been made on the part of some from the Congress is that, while they agree with the strategy in the main, they are concerned that what the President has proposed is not enough; that we are not spending enough. If we were to ask of the people who expressed that point of view, they might not be in agreement as to what it is they think is the most urgent of all of these compelling priorities. Is it treatment? Is it rehabilitation? Preventative education? More for interdiction? They might have a different view, but they think that there should be more spent.

Well, I do not necessarily argue with that, though I think, frankly, it has something of a hollow ring for Congress to make that criticism, to say that about the $2.2 billion increase which the President correctly characterized as the largest in the history of the effort we have made as a nation to combat this drug menace.

It is distinctly hollow, given the history of the Congress having repeatedly failed to honor the commitments that we have made, to meet our obligations, those that we imposed on ourselves under the 1988 Omnibus Drug Act. We have fallen far short, though we have been given repeated opportunity in a variety of different amendments, a good dozen or so come to mind, in the time since we defaulted on the responsibility to not simply authorize that funding but actually provide it through appropriations.

So, today, to those who feel that more should be spent, I offer a opportunity which I hope they will readily embrace. Specifically what I propose, Mr. President, by amendment to the legislative appropriations bill, is to strike the amount of money that we presently spend upon ourselves, we, the Members of Congress, in the sending of congressional newsletters for the use of our franking privilege, and to see that instead that money, so much as is in fact available for the purpose, be spent, instead, in fighting the war on drugs in a very specific way.

First, let me deal with just some detail. What we are saying is that, of the amount of money that has been set forth in the House bill and in a different figure provided by the Senate, we will take the amount of money that is available after deducting the arrearages for what we already owe the post office and, of the remaining $50 million, we will take out the necessary 8 percent required for us to make response to the letters that we receive from our constituents. But that under the definition of a mass mailing as described at 39 U.S.C. 3210(a)(6)(E), we will prohibit that use of fund for that purpose, prohibit the U.S. Postal Service from expending any funds extended to us for that purpose, creating the kind of arrearage that now exists.

The House proposed that we spend $125 million for congressional mail costs and, as we all know, most of that, the vast majority of it, is for congressional newsletters which I submit are not eagerly sought by most of our constituents. They do not ask for them. I am not sure that they are altogether certain they receive them. Many, I am convinced, never read them.

But my purpose is not to denigrate the newsletter. It is, instead, to point out that there is a far more urgent, far more compelling, priority making a claim upon those same funds.

And, as we have filled the air repeatedly and filled the pages of the CONGRESSIONAL RECORD with rhetoric that I take to be sincere, about the necessity that we finally combat and not just talk about, but wage and win a war on drugs, then in simplest terms, Mr.

President, what we are faced with is the opportunity to not spend on newsletters and instead to put this money into one of the least well-funded of all of the programs that we have presently authorized in the 1988 Omnibus Drug Act.

That has to do with the tragedy that has befallen all too many, and the next generation already. I am talking about the 400,000 crack babies who are born in the United States each year. More than 1,000 a day, Mr. President; more than 1 in 106 all live births annually in the United States. That is an incredible number.

If people do not understand what it is that is so tragic about this phenomenon of crack babies and others suffering fetal alcohol syndrome, what we are talking about, putting it simplest terms, is child abuse through the umbilical cord. We are talking about the resultant condition of an innocent victim born addicted because of substance abuse of the mother during her pregnancy.

What we are talking about, Mr. President, very simply stated, is a condition that includes mental retardation, physical deformity, the likelihood of stroke, other serious developmental disabilities, emotional disabilities and dysfunctions. In short, we are talking about addiction and impairment and, very likely, most probably in most of these cases where there has been use throughout the pregnancy, permanent, irreversible damage of the kind that that child not only fails to start life with a decent break, but will go through life with distinctly diminished capacities.

Mr. President, that is nothing less than a horrible personal tragedy for each of those children. It is a mortal shame upon this society.

The good news is that it is preventable. Not easily. It will be a very difficult thing to bring young women who are users, who discover that they are pregnant, to the kind of mandatory rehabilitation that most will require in order to clean themselves up and avoid that kind of terrible damage to their child.

The happy news is that a number of young women who are users do have a sufficient maternal instinct so that they will seek treatment. If they are strong enough to come in early, they may avoid this kind of service, grave and irreversible damage to their child, but in many cases, Mr. President, they are not that strong. Unless a mechanism exists that will allow us to take a woman who has given birth to an addicted child and impose upon her for her own good and that of other children that she may bear the kind of mandatory rehabilitation that is not intended to be penal but preventive, then we are simply going to see the kind of recurrence that in one instance, reported in the Wall Street Journal, resulted in a woman named Cheryl giving birth to seven, Mr. President, addicted children.

In Los Angeles County between 1981 and 1987 there was an 1,100-percent increase in the incidence of placement in foster homes of children who had been afflicted by the drug use or the alcohol abuse of their mother during pregnancy.

Mr. President, we cannot as a society professing to decency and caring and concerning, as in fact every Member of this Congress does, continue to make it an inadequate response. Last night in his address, the President said that those upon whom he calls to participate are those who have been guilty of looking the other way and, unhappily, that includes too many. No longer can anyone look the other way. The evidence is not only compelling and abundant; it is irresistable to anyone who does not choose to turn a blind eye or to make, incredibly, the kind of selfish decision that will prevent us from making the response necessary to win the war on drugs.

I can think of no more pathetic instance, no more compelling offer of proof that drug use is not a victimless crime than the innocent victims of this kind of substance abuse by young pregnant women. And there is no realistic hope, Mr. President, that those who have given birth to one child, particularly those so much addicted to this fiercely addictive substance, are not likely to repeat that tragedy with another child. The costs are absolutely beyond comprehension. If you go through the neonatal care wards in the large cities of America, and in some not so large—not just Chicago or Los Angeles or New York, but many, many smaller cities—you will find that the cost of dealing with so-called border babies, those who have been abandoned by their crack-smoking mothers whose maternal instinct has been all but destroyed, the cost of trying to deal with that phenomenon is horrendous. But it is the tip of the iceberg, Mr. President, as compared to the cost society will experience as these damaged children go through life. So however great the cost that we are talking about in providing for mandatory rehabilitation, I will tell you they will pale into insignificance by comparision with the costs of not making this effort.

What we are talking about here today is almost symbolic. It is a demonstration program in the 1988 drug legislation. We authorized the expenditure of a demonstration program which was to be administered by the Office of Substance Abuse Prevention within the Department of Health and Human Services. We authorized a grand total of about $10 million. The fact of the matter is, 130 applicants sought that funding. Half those applications were deemed worthy, but because of the limit on the funding, 15 were finally funded. Fifteen.

Mr. President, the volume, the magnitude of this problem greatly exceeds the $4.5 million that we have spent on those 15 applicants. So I think the time has come for us to take this step as a beginning step, and that is what it is. It would give a tenfold increase to what we have spent thus far; it would allow States as successful applicants to do what they must do at the State level, and that is to impose a program, not penal, but preventive; one that mandates rehabilitation because while we hope that through outreach and education, we can appeal to these young women to come in early enough in their pregnancy, specifically during the first trimester, so they avoid even more severe damage to their children, many will not be strong enough and those who are not and actually give birth to an addicted child must, in fact, be given the help they need through mandatory rehabilitation. That is what all this is about.

We all know what newsletters are about. This is not a question of the worth of newsletters. I will say to my colleagues that in my own mind I have adjudged them to be not worth the money, but even if you thought they performed a vital function, I would submit that in the context of the crisis that has compelled the President's reaction that has joined the massed attention of the media, rightly and belatedly, that we are required if, in fact, we are going to say that this program, this strategy that has been offered is not enough to do more when we can do so in a way that costs us little.

Mr. President, I cannot think of any that will cost us less than for us to give up one of our perks and put it into the necessary beginning of demonstrations around this Nation to show that we are able to prevent this tragedy. Because if we fail to prevent it, I will say to my colleagues that the costs we have seen thus far will be only the beginning. I am not talking just about the cost of the tax dollars. I am talking about the incredible human misery of these infants in these cribs in these neonatal wards. I am talking about children who cry 24 hours a day, who are writhing so violently in their cribs as they experience withdrawal that they must be swaddled in order to avoid doing injury to themselves.

I am talking about premature birth, low birth weight, mental retardation, physical deformities. Mr. President, talk to a nurse in one of those neonatal wards, and I think you will get some impression of the anguish that they are experiencing. Better yet, walk through one. Hold in your hand, as you easily can, a premature crack baby weighing a pound and a half.

Mr. President, I do not think we need to go much further with this. There is an amendment at the desk, and what it would do is prohibit the U.S. Postal Service from expending money upon congressional newsletters. That includes notices of town meetings. And it does so that the moneys that will be made available thereby can be appropriated, and this does appropriate, $45 million. That is what will be left after we pay what we already owe, the arrearage, at the post office, and set aside enough so that we can answer the mail. Forty-five million, a tenfold increase over what we have spent thus far, would be made available to the Department of Health and Human Services through the Office of Substance Abuse Prevention to go forward with the kind of effort that we must begin to prevent this preventable, unspeakable tragedy.

Mr. President, I ask that the clerk read the amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from California [Mr. WILSON] for himself and Mr. DOLE, proposes an amendment numbered 698.

Mr. WILSON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place add the following:

Notwithstanding any other provision of this Act, upon enactment of this Act, there is hereby prohibited the use of the franking privilege for unsolicited mass mailings, as described in 39 U.S.C. 3210(a)(6)(E), and any use of the funds of the United States Postal Service for this purpose is hereby prohibited.

All monies heretofore appropriated for this purpose are hereby rescinded, but they may be made available for the purpose only of funding any program authorized by the Congress to fight the "war on drugs," and specifically $45,000,000 are hereby appropriated for Model Projects Program for Pregnant and Post Partum Women and their Infants to be spent pursuant to 42 U.S.C. 290aa-13 to remain available until expended.

All House language in this Act, which is interpreted under the precedents of the Senate as being legislation under rule 16, shall become effective one day after the date of enactment of this Act.

Mr. WILSON. Mr. President, the end of the amendment simply states, as I told you, that $45 million would be hereby appropriated. It is specifically appropriated to the Model Projects Program for Pregnant and Post Partum Women and their Infants to be spent pursuant to existing law, specifically Section 42, United States Code, 290aa-13.

That is, I should add, not only an existing program; it is the one I described as having expended only the $45 million. The criteria that govern its administration do not require mandatory rehabilitation. In my judgment, we need to do so, but that is the subject of another day for a separate piece of legislation.

This simply takes the money that we would otherwise spend upon newsletters and makes it available instead to prevent substance abuse to pregnant women so that we will not have this dismal, frightening, tragic statistic, 1,000 plus crack babies a day, every day of the year; 11 percent of all the live births in this Nation.

Mr. President, I submit this amendment for myself, for Mr. DOLE, for Mr. GRAMM of Texas, for Mr. COATS, for the distinguished Republican manager, Mr. NICKLES, of Oklahoma, and for Mr. HELMS. At this point I yield the floor. I thank the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, I rise in support of the amendment of the Senator from California. I commend the Senator for getting to the heart of what I think is a very important issue.

Mr. President, I rise as one who is a substantial user of the frank, one who is new to the Senate, appointed to the Senate, not elected, given the vacancy created when the former junior Senator from Indiana moved to the Vice Presidency.

As a new Senator, I am unknown in many parts of the State and many people have asked many questions about what it is I am about in the Senate, how I am conducting their business, and I also am interested in knowing what their positions are on a number of issues, so I have utilized in a substantial way mailings to constituents throughout Indiana, to, No. 1, ask them their opinions on issues that are of importance to them, to ask them their thoughts about how I should represent their interests in the Senate. I felt that this was an appropriate exercise, given the unusual circumstances under which I arrived in the Senate, not having had the benefit of a long and substantial campaign in which I could determine the issues that people were interested in and which they wanted represented on the Senate floor.

By the same token, I have used newsletters to inform them of my activities in the Senate, issues on which I am working, the work of my committee, issues that I think are important. I have asked their opinions through surveys as to the areas of their priority, their concern, things on which they think I should be working.

I have used notices to inform my constituents of town meetings I have held throughout Indiana, of agricultural listening sessions, of drug meetings, meetings convened to determine the opinions of Hoosiers as to how they think we ought to address the drug problem.

So I stand as one who has utilized the franking privilege that is available to Members of the Senate and Members of Congress and the privilege that the Senator from California is wishing to eliminate with this amendment.

As I said, it has been of benefit to me and I hope it has been of benefit to my constituents as we have exchanged views on issues I feel have been very important. They have welcomed the opportunity to visit me at town meetings, to sit in on my agricultural listening sessions, to express their views on drugs and a number of other subjects. Many have publicly expressed their thanks for my willingness to travel around the State and inform them of my availability and to allow them to take the opportunity to meet with me.

I happen to represent an area that is reached only by television and media generated outside the State. As such, it would be almost impossible for me to notify many of my constituents through the media. That is one of the principal reasons why I have used mail, notices, and so forth, to notify them of my presence in a particular area. Nearly a million people in northwest Indiana receive most of their news from Chicago television and Chicago radio and newspapers. I venture to say that that media would not carry the notice of a particular town meeting of a Senator from Indiana. They might as a public service but it would certainly be buried deep into the paper and probably not noticed by most of my constituents.

Nevertheless, today we have been presented with a situation that I think demands a clear stand by all of us. It certainly demands that I examine the priority of my mission in the Senate.

Last evening, the President of the United States presented this country with the facts on a national crisis, a crisis of epidemic portions, one which is beginning to touch the lives of nearly every American. The tragedy is before us. We see it on TV each night. We read about it in the paper each morning. We discuss it almost daily on the Senate floor: What can we do?

One of the most difficult and one of the most excruciating parts of the drug problem facing our Nation is the question of drug-babies. The Senator from California outlined in some detail the tragedy that exists, as now nearly 400,000 infants a year are born drug addicted.

Those who have visited neonatal clinics, those who have seen firsthand, as I have, the suffering that these young infants go through, low birth rate, poorly formed internal organs, suffering from violent drug addiction seizures, so sensitive to the skin that they cannot be held, crying literally 24 hours a day, crying out for some relief which medical science has not been able to provide even though heavily

sedated, they are still suffering terrible consequences of the addiction obtained in the womb.

I have been informed by medical personnel that a dosage of drugs in a mother magnifies ten times as it transfers through the placenta into the blood of the child, ten times the effects that the mother suffers.

So these more than 30,000 a month babies are crying out for our help. And the Senator from California has addressed a means to provide some of that assistance. It is a program that has shown some success, and a program that deserves our funding.

The Senator from California has presented us a choice: continue to communicate with our constituents, many times in effective ways, necessary ways, or direct those funds to provide real help to suffering infants and suffering mothers.

I should point out it is not really a choice. It is not something that we should deliberate on long. It is not something that even a new Senator attempting to do—communicate with his new constituents—should pause more than a moment before deciding.

So I am proud to cosponsor the amendment that is before us. I think it is absolutely necessary that we look for ways to prioritize our work here in the Senate, and clearly the suffering of these infants, the scourge of drugs in our country, ought to lead each of us to decide that this is a far more important use of our time and effort and money than unsolicited mass mailings to our constituents.

I will miss those surveys. I will miss the ability to inform my constituents of meetings that I want to hold with them. I will do the best I can with the media notices that the existing media allows me. This allows us to answer letters sent to us by constituents. But it is a small price to pay for our ability to direct some much needed funds to people who are hurting in a way that most of us cannot imagine.

So I again thank the Senator from California, and am proud to be a cosponsor of this bill.

I yield the floor.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. DOLE. Mr. President, last night President Bush sounded the alarm for America fed up with drugs and crime. I think he provided the leadership we need to galvanize the Nation and take on one of the toughest foes we have ever encountered.

It is time to get tough, to stay tough, and to win. We seem to declare war on a lot of different things around here. Sometimes we succeed; more often we do not.

Last night, before the President spoke there were critics wringing their hands and saying:

> We can't pay for it. We can't cut spending anymore. We have to raise taxes.

I do not believe I have heard any outcry from the American people that we ought to raise taxes even though they know how important this issue is.

What Senator WILSON has given us is an opportunity to help those of us in Congrerss fund the war on drugs. This is an opportunity less than 24 hours after the President unveiled his plan where we can all sign up. We can all enlist in this war on drugs and say, "OK, we are willing to make a sacrifice."

The Senator from Indiana pointed out that it can be very helpful to have surveys and constituents, and sometimes it is very helpful to mail out 70,000 post cards saying you are going to be in a certain spot in our own State on a certain day at a certain time, and tell constituents that if they want to drop in, they are welcome. It is also a good way to get your name in every household at the taxpayers' expense.

We have a chance to help fund the President's war on drugs right now, right out of the chute, right on day one. To those who are screaming for funding—here is an opportunity. It is only $45 million. But we can find $45 million here and there. I bet we can take a look at executive consultants. I know the distinguished Senator from Arkansas Senator PRYOR has been doing that. I bet we could look at executive travel and find another $45 million, $50 million or more. That is just the beginning. This is an opportunity for those of us in Congress to make a contribution to the war on drugs.

These funds will come from our budget, out of our pockets for a change. Instead of adding to the congressional purse, we are going to take a little away.

I do not want to go back and tell people in Kansas:

> I do not want to give up the franking privilege even though you do not want that mail, because I want to raise your taxes. If I raise your taxes, then I can keep sending out all this mail. We cannot cut anything in Congress, especially in our own Senate budget.

The House and the Senate have been overdosing our constituents with junk mail for years. It is time for some withdrawal and treatment. It is time to tell our constituents that the war on drugs is more important than our war on their mailboxes.

It is the best recycling program I can think of—turning congressional junk mail into our fight against junk in our streets and schools.

So again, I commend Senator WILSON for his initiative, his common sense, his compassion. His proposal is a signal to the American people that we are not going to be hypocrites on the drug issue.

If the critics want a downpayment on the war on drugs, vote for this amendment. It is only $45 million, but that is a start. We only need to find $740 million more. I doubt that anyone will write in and complain if they do not get our newsletter. Maybe when the war on drugs has ended, we can reinstitute unsolicited mailing privileges.

As the Senator from California has pointed out, we take care of direct responses to constituents, letters to congressional colleagues, Federal, State, and local government officials, and press releases. So there is still plenty of opportunity for all of us to keep in touch with our constituents. These exceptions are provided to ensure the constituent concerns may be directly addressed, and I think they obviate the need for the town meeting notices and some of the other things.

The real question is about priorities. Are newsletters and notices for town meetings as important as what the President outlined last night in the war on drugs?

I have heard a number of speeches over the year, a number in the past few weeks, some today, saying over and over that we have to find the money. This is an opportunity to indicate to our constituents in a bipartisan way that certainly we are willing to cut our budget if it is going to make a difference. If we are not willing to cut our budget, why should we ask any other agency in the Government to cut theirs? And, believe me, this is not the end of it. There may be other places in our budget where we can find additional savings.

It seems to me that we have to set an example. We are the elected representatives. We cannot have it both ways. The war on drugs should not become an excuse for raising taxes. I know the media likes to talk about it. They just cannot have a press conference and say, do you not have to raise taxes? They have a fix on raising taxes. I suggested several months ago maybe there ought to be a special media tax. Maybe we ought to give the media a tax increase. They talk about it all the time. Nobody talks about it in my district. They do not want a tax increase. They have had enough taxes, and they know that Congress does when they raise taxes. They spend it for something else.

So the President is right. He does have strong bipartisan support and has had strong bipartisan support. I think it is a compliment to Congress that the President said last night the basic drug laws are on the books. They have been put on the books by Democrats and Republicans in the Senate and the House working together. What we need to do now is to fund those basic laws. Oh, there will be some minor changes, and there should be. I certainly commend the distinguished Senator from California, and I hope that his amendment will be ac-

cepted, and if not, that it will be adopted on a rollcall vote.

The PRESIDING OFFICER. Is there further discussion? The Senator from Connecticut.

Mr. DODD. Mr. President, I want to commend our distinguished colleague from Nevada for his handling of this legislation before us and his colleague from Oklahoma, Senator NICKLES, as well. I understand that most of the items here have been resolved, and we have a few amendments to be debated over the next several days regarding this bill, but a good many of them have been resolved. This is one that obviously has not, the question of dealing with the mass mailings that go out.

My intention would be to support some amendment that would reduce that because, frankly, aside from wherever the money may end up going, I think it is a mistake. It has been abused in the past. Aside from where the resources are allocated, I think the issue stands on its own merits. I will support some amendment—I presume that there may be alternatives offered, but at some point we will have an opportunity to vote on language that would reduce the proliferation of these mass mailings.

I would take advantage of this opportunity to comment, Mr. President, on the President's proposal last evening regarding the, once again, declaration of war on drugs. This is the sixth time in the last 20 years we have declared war on drugs, third time in the last decade. It is beginning to lose its sting, I suggest, a bit. You can only declare war so many times, I suppose, before people wonder whether or not we are serious about it.

I guess since the fall months have arrived again, the brisk days of September and October upon us, it must be that time of year again to declare war on drugs in this country.

I commend the President, Mr. President, for focusing much attention; clearly, the American public wants this issue addressed. The President is right in his statement that drug dealing and drug use are intolerable. There is no disagreement over that. We all know that this plague is wrecking families in this country, destroying neighborhoods and robbing children of their health and safety and future. That is not debatable. We all agree on that. I say, as well, that the President is correct when he says that the war against drugs must be fought on all fronts. We all agree on that. The strongest part of the President's program is his emphasis on coordination of Federal resources.

Now, Mr. President, there are now some 36 Federal agencies involved in one way or another in the war on drugs. There are tremendous duplication of resources and wasteful turf battles when you have drug enforcement agents arresting FBI agents and FBI agents arresting drug enforcement agents, and one agency confiscating planes that belong to another agency.

As I said a while ago, it is sort of a keystone cop program in many ways. The coordination of the agencies, if the President did not do anything else, would be a major step in the right direction. Coordination of these agencies' efforts is essential and is precisely why Congress created the position of the Federal drug czar.

What the President must do, in my view, is give Bill Bennett the tools and authority to organize and coordinate this war. Mr. President, I am not convinced that the program enunciated by the President last evening does that. As you know, there is nothing new in a President declaring war on drugs. As I mentioned, it happened six times since the Kennedy administration, three times in the last 8 or 9 years. Declarations, Mr. President, do not win wars. Resources, materials, and actual commitment do. The President has declared this war, and I commend him for that. But if he does not provide the weapons to win it, then the declaration is meaningless.

There are two ways to attack the drug epidemic: as a problem, a tragedy in and of itself with its law enforcement treatment and prevention components, or as a symptom of larger societal problems. The President falls short, I suggest, on the first score, providing inadequate resources to prevent and treat drug use and punish drug criminals, with too few drug educators, too few beds and treatment facilities, too few prosecutors and judges, and far too few prison cells.

On the second point, the President regrettably is completely silent, without even a nod toward the context of this terrible problem. Let me take these one at a time very briefly.

First, the resources are inadequate. Carefully thought out Federal programs are already in place to wage this war. In 1986 and 1988, the omnibus drug bills, we saw the problem in terms of funding, and yet, today, Mr. President, the problem is that we have not fully funded what has already been on the books. We are spending now $1.7 billion less than is authorized in current law.

The President said last evening, in addition to new resources, we are going to appropriate every nickel that has been authorized in this battle. For the last year or so we have found the authorization levels for this war on drugs at one level and the appropriation almost $2 billion less than what this Congress and the previous President called for. If you are going to wage war, you are going to have to do it with all the resources available. When you do not even appropriate the funds that have been authorized and declare war again, one has to question whether or not you are serious about all of this.

Mr. NICKLES. Will the Senator yield?

Mr. DODD. After I finish the statement, I will be happy to yield.

We are spending $1.7 billion less in the current law. The President's new outlay—listen to this staggering sum—is $715 million, which would not even close half the current gap.

Let me put $715 million into context. There are three major drug kingpins operating in Colombia. The net worth of each one of those kingpins exceeds what the President is going to wage war with on this battle against drug abuse in this country. The average net worth of those three kingpins is in excess of $2 billion per leader, not to mention their underlings and others. They are accumulating vast fortunes.

We are going to wage war with an additional new $715 million? Who is kidding whom? When we start talking about this great war and battle, we need full funding, Mr. President, of these prevention and enforcement programs. Strategy outlined last evening also continues, in my view, a very wrong-headed emphasis on the supply side of the drug equation, ignoring experts who tell us to focus on the demand side. Some 70 percent of the resources in President Bush's program are devoted to cutting supply, and only 30 percent would go to treat those who use drugs or prevent their use before it starts. And those demand side funds would just barely restore the funds cut during the Reagan years, I might add, producing roughly the same level of inflation-adjusted spending as existed in 1980. As it is now, only 15 percent of serious drug users get the treatment that they need. Mr. President, that is simply inadequate.

Let me put it in more concrete terms for you. I listened to Senator COATS from Indiana talk about the innocents, the truly innocents, being affected by this problem. There are an estimated 400,000 pregnant women in this country whose babies are exposed to drugs. It is estimated that to treat those women and their innocent infants would require $1.8 billion in funding. Mr. President, that is more than twice the total spending under the President's program for all forms of treatment for all categories of users.

It is just that one problem cannot even be met halfway with the resources that we are talking about in terms of this war on drugs.

Mr. President, we need treatment on demand for all serious drug users, starting with pregnant women and juvenile offenders, and that ought not to be a debate. These people are the innocent victims of this problem and

they need to be given the proper kind of care and treatment they deserve.

From a broader perspective of course, this program just tragically misses the point. It treats drug use as discrete sociological phenomenon and argues, essentially, that if we make drugs hard enough to come by people will stop using them.

That may be true in some cases, but I believe as a general proposition it is nonsense. If drugs are harder to get, they will become more expensive, and the plague of crime and fear that feeds the drug epidemic will only spread. Drugs are never the first choice; they are the last resort from failed expectations and broken dreams in too many cases.

We need an approach to the drug problem that understands its roots. In too many cases we need to target efforts particularly to our inner cities. This is not a popular constituency. Unfortunately, too few of them vote. We are not considering debating these questions. If you want to get at this problem you are going to have to recognize that the lost expectations the frustrations that are felt by millions of Americans in the ghettos of this country are manifested in drug use and addiction to narcotics.

Until you really begin to deal with some of those underlying problems, you are only going to casually deal with this plague on our society.

Until we give those in our inner cities something to live for, some hope for a job, a decent place to live, some hope of a sane or healthy environment, some chance for a stable family structure, they will continue to squander their days and their lives in a drug induced stupor. And the crime that supports their drug habits will escalate and the fear and trepidation so many Americans have today as a result of this scourge on our society will only grow.

While I commend the President for focusing attention, I commend the President for calling for a coordination of the resources that are needed, and so forth, in this area, I must say that tragically in terms of the tools the kind of resources and the focus of the symptom that drug abuse is in terms of other problems that our society faces the President's program comes far short.

Having said that, we have before us, of course, an amendment that is going to solve all that because we are going to cut out newsletters and fund the war on narcotics and drugs. Let us not have any illusions about this.

I said at the outset I think there is a good case to be made for streamlining or cutting back or doing away with, if you will, of some of the mass mailings. They cost an awful lot of money.

Do not have any illusions about if you stop sending newsletters you are not going to stop the war on drugs. We ought not to be kidding ourselves that that is going to be the case.

We have to decide whether or not you really want to be effective in this contest, whether you really want to wage war, whether we are going to go through this process year in and year out and as the fall months arrive engage in the rhetorical declarations of war. I am beginning to think the enemy is not going to take us seriously.

I mentioned the worth individually of some of the individuals involved with these cartels. To cite statistics for the Medellin and cartel, they made an offer to the Colombian government to retire their external debts. The drug cartel in Colombia is the single highest provider of scholarships in that country. That is provided by drug cartels. The single largest builder of public housing are drug cartels in that country. The are worth hundreds of billions of dollars. With the $2.2 billion we will not even appropriate the money we authorized last year in this great war, this great crusade is a joke.

The American people, I suspect, are going to discover that all too quickly and the law enforcement officials and prosecutors and judges are on the streets and in the trenches every single day. We are not giving anybody the resources. Those who work in the treatment and the education field are just not getting the kind of equipment necessary to even make any kind of headway in this contest, in this war.

So I would say the amendment is maybe fine, but let us not delude ourselves. You are going to even afford a day's worth of rations in this war against drugs with the money that we save with this amendment.

Mr. President, I saw my colleague from Oklahoma.

I yield the floor at this point.

The PRESIDING OFFICER (Mr. KERREY). The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I appreciate the comments made by my friend and colleague, Senator DODD, from Connecticut.

I would like to point out that Congress appropriates the money.

I heard a lot of people talking about the war on drugs, saying the President did not do enough; we have not spent enough money. But it is Congress that is spending the money. We have the Appropriations Committees and Congress. Really, if that is the sentiment of most of the Members of the body, Congress has not collectively spent enough money. That is not the President's responsibility.

He has submitted budgets. He has called for full funding of the drug package that passed a year or so ago. Congress has not funded it.

We authorize a lot of money around this place that we do not spend. We do it every year in most appropriations bills.

The Senator from California is trying to reallocate, trying to set a different priority. Instead of mass mailings let us put some of the money to help victims of drug abuse.

I think it is a good amendment. I want to compliment him because Senator WILSON has been a leader in the Senate trying to curtail mass mailing, congressional abuse of the frank.

I compliment him. It is not the first time he has been on the floor doing it. He was involved earlier this year when there was a move to change the Senate rules. We had restrictive rules in the Senate on mass mailings and those rules were changed.

We fought those rules and I fought with the Senator from California. We were unsuccessful by maybe one or two votes.

So instead of reforming and curtailing congressional mail costs, we actually expanded it in the Senate. We made it as bad as in the House. Two evils make a right. Maybe it makes it easier to negotiate, I do not know, but we actually expanded mail privilege and mail expense earlier this year.

Senator WILSON is trying to change that.

I compliment Senator REID. We made a lot of reforms in the bill that I hope we will pass in the near future. We made significant reforms. We reduced the amount from 6 to 1. We put individual itemized accounts for both the House and Senate and Members of the House and Senate.

We made it if it goes above that amount, it is going to come out of my personal account.

We did not have that in the past.

Those are good things. We said you cannot make use of the frank within 60 days of election. That is a positive thing. We have several good provisions in our bill.

Senator WILSON wants to go further. He said we want to eliminate unsolicited use of mass mailings, unsolicited mass mailings. He did not say you could not respond to constituents or mail letters or news releases, and so on. But you could not have a mass mailing to every constituent in your district or State.

He is going further than what the committee did. I compliment him for it.

This is not a new subject for Senator WILSON. He worked hard on this issue for several years. I compliment him for it and compliment him for saying where the money should go, where we take the saving, instead of having it in the legislative account where we spend it on other legislatives uses. He said use it for the war to combat drugs. It is a small step, $45 million, it is a step toward the $700 million spending that the President called for last night. It is

a significant step. It is a small appropriation bill. We are going to have 12 other appropriations bills, and I am sure we can find an additional amount in those bills, larger appropriations bills, where we can actually enact the President's program calling for increased spending but not increasing taxes but actually reducing spending on items of less priority.

So I compliment the Senator from California.

I understand the Senator from Alaska has an amendment. I would encourage him to bring it forth at this time so we can wrap up passage of this bill.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I join in commending the Senator from California in seeking to allocate money to the model projects program for pregnant and post partum women and their infants.

I want to say that the amendment ingnores the facts regarding the cost of congressional mail. The Senator from California comes from a State that has an abundance of interest group computers. His constituents can sign up and become a member of the Sierra Club, and the Sierra Club will send a letter to those constituents of the Senator from California expressing points of view. The Senator from California answers the resulting mail on his computers.

If he answers it in direct mail through his office it costs about $1 an answer. He has 20 million people there in that State. I happen to be a former Californian, so I think I know a little bit about California. He has more than 20 million now. How many do you have now?

Mr. WILSON. Twenty-eight million.

Mr. STEVENS. Twenty-eight million. They added a few when I left.

Let me say to the Senate in all seriousness that I represent a State where a great number of people have no daily newspapers. They get their news by radio once in a while about what is going on in the Nation's Capital.

Beyond that, the problem with this is that the mail the Senator from California uses to answer his unsolicited mail is costing the Senate about $1, as I said, a letter. When we send out a postal patron newsletter to people who have no other source of information on what is going on in the Nation's Capital, it costs us 13 cents.

It is prepared automatically. It is mailed automatically. It does not use stenographers. It is Zip Code addressed and therefore it is 13-cent mail.

The Senator's amendment would say we cannot send out unsolicited mail. I can show the Senate where if I have a small town in Alaska that I know has got a single issue it is really interested in, the oil spill right now for example—I have sent several reports to those small communities on what was going on in Washington to see what was happening in this massive disaster that hit my State.

Mr. President, people who have an interest in issues here ought to be notified by their Representatives and their Senators before they have to write and ask, "What is the status of legislation that affects me? What are you doing, Mr. Senator, about the great oil spill that just hit our State?"

We moved in with unsolicited newletters, specifically targeted issues that we knew would concern these people, and we were able to calm some of thier fears by the use of the kind of mail the amendment of the Senator from California would absolutely forbid.

Now I understand the target of the money and I will be happy to find other sources of money for that purpose. But my point is in heavily populated areas of this country in answering mail that comes to a Senator's office, they spend a lot more in responding to that mail, generated by public interest groups, than those of us who represent small population States do in notifying our people on what is going on, keeping them informed, keeping them in touch with their Government in isolated places throughout this country.

The amendment of the Senator from California is not good for States that have small populations. It is not good for the areas that have no daily newspapers. It is not good for those people who live in small villages such as exist in my State which get 15 minutes of daily television news subsidized by the State government. The State pays for the transmission time on the satellites to get that news to them.

The precedent that the Senator from California would set would be that taxpayers should not pay for that kind of distribution of news to an area that has no infrastruture that would support it otherwise.

I understand full well the concepts that are involved. I tell the Senate that this is wrong. This is a Nation that has been kept together by communication. You might as well say, "Let's do away with the postage stamp rate because California can mail a lot more mail than Alaskans can." Maybe, because Alaskans generate mail that is higher cost for the system, we ought to pay more. But communication kept us together as a Nation over these 200-plus years. I think that correspondence from the people who have been sent here from a long distance, such as this Senator, keeps my people involved in this Nation, keeps him informed of what we are doing to try to meet their needs, keeps them informed sometimes of things we could not do to meet their needs.

I think this amendment is wrong. It is touched with so much goodness that it is going to be hard to defeat. But if there is only one vote against it, this Senator will vote against it, because it is wrong in principal. In my judgment, this amendment does not stand on its merits.

This Senator has waged a battle with the House of Representatives over trying to control the spending for newsletters. This year, through the action of the two managers of this bill, once again they have devised another means to try and limit the expenditure of money under the frank. I commend them. I think it is an excellent bill, an excellent approach. I wish them success as they go to conference with the Members of the House, because I know how much success we have had in the past. I know, despite the limitations that were put in the bill last year, once again the amount of money that has been spent by the Congress exceeds the allocation for the franking privilege. There ought to be something different. There ought to be some different way to handle this money.

In the Rules Committee, I have suggested now twice that we allocate money the way we do our telephones. If any Senator does not want to spend his telephone allowance, he does not have to spend it. He can turn it back to the Treasury. And I know a lot of people that do that every year. They do not use that money.

We use it and more. In my State I add to it in moneys I raise for my campaign years before I am up for reelection. I spend the money to keep my people informed because it is not enough money to begin with, nor is this money enough to begin with. We have sent out additional mailings already this year paid for out of campaign accounts and it is official business mail because of the limitations we have already imposed on ourselves.

But, in terms of this bill, it assumes that there are other means of obtaining news of what is going on in Washington than to receive it from your Senator or your Representative that you have voted for to come to Washington and represent you as an American. I think the assumption is false. It cannot be upheld. And I do not think legislation like this should be adopted by the U.S. Senate.

Again I say I may be one person standing here saying, "Let's approach this issue rationally. Give the money to each Senator, as we do transportation costs, as we do telephone allowances, and say, 'Here is the money that you can spend to communicate with your constituents.'"

Mail ought to be treated the same way. If it is time to do away with the franking privilege, I am more than willing to do that, so long as we have a source of funding to communicate

with our constituents that does not force them first to write and say, "What are you doing down there? You have not told us what you are doing. What are you doing?" Then if they do that, we can write back and say, "By the way, this is what I was doing but I couldn't tell you because we are not allowed to send you a letter unless you write first."

Well, my people send me down here to represent them. And when I have done something or don't do something, I like to tell them. I think they deserve that knowledge. They deserve that information. And this amendment would take it away from them and I oppose it.

I do not think we have had a chance yet to discuss this in full in the Rules Committee, in terms of the new type of funding I am suggesting. When the proper time comes I will provide the Senate with an opportunity to fund each Senator with an amount of money that that Senator may use to buy stamps, and do away with the franking privilege, if it has raised such a problem. However, it would cost the taxpayers more money.

As I say today, with proper use of the frank and proper use of a postal patron type delivery and a message to an area that is concerned with a particular subject, we can save the taxpayers money by sending to those people in a particular category the information they need.

I really believe we ought to approach this thing from the point of view of not spending the money if we do not have to. But I also think we ought to approach it from the basis of how does a person out in the hinterlands of the United States get information about what is going on in Washington.

My people just want some information and this amendment of the Senator from California would take it away from them.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Mr. President, I thank the Senator from Alaska for his kind words. As I listened to him, it occurred to me that perhaps some of those folks who have traveled to those remote locales where they are afflicted with only 15 minutes a day of television have done so by choice so that they would not hear from people here in Washington.

But, as a matter of fact, I think some of the remarks he made, tongue in cheek, with respect to California, miss the basic point of this whole argument. I do not think that the problem is the franking privilege. I think it is the abuse of the franking privilege. But that is not the point of this. What we are talking about was what he alluded to when he made the comment about sex appeal. The sex appeal, as he terms it, of this issue is that there is a tragedy unfolding in this country because we have neglected to deal with the problem of substance abuse by pregnant women. That is what we are talking about.

Yes, it is true that I, personally, do not feel that there is anything remotely like the value for the taxpayer and the citizen from the receipt of newsletters that there will be from our making some beginning upon this tragedy.

What is wrong with California, to use my friend's phrase, will very soon be wrong with Alaska. And it will not be a lack of information from elected officials. It will be the fact that his constituents, as have too many of mine, have succumbed to the temptation to use drugs and that as a result, totally innocent victims, those to whom they give birth, are abused by substance abuse during pregnancy. That is what this amendment is all about. Let us not make any mistake.

My point is not to deprive the Senator's constituents from hearing from him. I will even resist the straight line that that debate affords. Because this is not a very funny subject. It is, unhappily, incredible in its dimensions, and it has mushroomed. Anybody who has spent time in any of those neonatal wards finds little to be cheered by and, as a result of that, we need to make this beginning.

I want to say a word in response to the very generous remarks of my friend from Oklahoma. He is more than generous. In fact, it was through his leadership that we focused upon the fact that the Post Office simply runs a tap for the Congress and does not worry, in particular, about when we will get around to paying. As though we were, somehow, members of a happy and exclusive club with infinite credit. But, as a matter of fact, it costs the taxpayers. The Senator focused on that issue with an absolutely gem-cutting brilliance some years back.

He has been my partner in this effort and he has been a great leader in terms of attempting to reform the abuse of the franking privilege. My colleague, the distinguished Republican leader who was also most generous, I think has put things with characteristic clarity and force. The choice we are facing is newsletters or dealing with the problem of crack babies. It is that simple.

Mr. President, I ask Senator DECONCINI be added as a cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. I do not think we need to take more time. I think it is important, given the history of efforts to reform the use of the frank for congressional newsletters, that we send a very loud, clear message to the House because the House has been guilty of an abuse that far exceeds anything that this house has done.

For that reason I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, this amendment presents some problems. For example, what is Senator HARKIN's subcommittee to do? Separate and apart from that, I think this amendment will strengthen Senator NICKLES' hand and my hand during the conference with the House. Because of that, I am prepared to accept it on behalf of the majority.

Mr. NICKLES. Vote.

Mr. REID. We are prepared to vote.

Mr. NICKLES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. Mr. President, I ask unanimous consent to speak for 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Illinois is recognized.

Mr. SIMON. I thank the Chair.

(The remarks of Mr. SIMON pertaining to the introduction of S. 1582 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SIMON. If no one seeks the floor, Mr. President, I question the presence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SIMON). Without objection, it is so ordered.

Mr. REID. I ask unanimous consent that the amendment now before the body be set aside temporarily.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENTS NOS. 699 AND 700

Mr. REID. Mr. President, I send two noncontroversial amendments to the desk and ask that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes amendments numbered 699 and 700.

Mr. REID. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

On page 13, after line 17, insert the following:

SEC. 12. (a) There is established in the Treasury of the United States a revolving fund within the contingent fund of the Senate to be known as the "Senate Office of Public Records Revolving Fund" (hereafter in this section referred to as the "revolving fund").

(b) All moneys received on and after October 1, 1989, by the Senate Office of Public Records from fees and other charges for services shall be deposited to the credit of the revolving fund. Moneys in the revolving fund shall be available without fiscal year limitation for disbursement by the Secretary of the Senate for use in connection with the operation of the Senate Office of Public Records, including supplies, equipment, and other expenses.

(c) Disbursements from the revolving fund shall be made upon vouchers approved by the Secretary of the Senate.

(d) The Secretary of the Senate is authorized to prescribe such regulations as may be necessary to carry out the provisions of this section.

(e) To provide capital for the revolving fund, the Secretary of the Senate is authorized to transfer, from moneys appropriated for fiscal year 1990 to the account "Miscellaneous Items" in the contingent fund of the Senate, to the revolving fund such sum as he may determine necessary, not to exceed $30,000.

AMENDMENT No. 700

At the appropriate place in the bill, insert the following new section:

SEC. . There shall be available to meet any unpaid expenses incurred by any duly authorized individual, prior to the first day of the 101st Congress, under authority of section 31a-1 of title 2, United States Code, (1) any unexpended and unobligated funds appropriated for the fiscal year ending September 30, 1988, which were available to such individual as an expense allowance under section 31a-1 or section 31a-3 of such title, plus (2) in case such individual was authorized to incur expenses under authority of section 31a-1 of such title 2 on the last day of the 100th Congress but was not authorized to incur expenses under such authority on the first day of the 101st Congress, 25 percent of the funds appropriated for the fiscal year ending September 30, 1989, under authority of section 31a-2 and section 31a-3 of such title 2.

Mr. REID. Mr. President, as to the first amendment, the Office of Public Records currently charges fees for the reproduction of reports required by law to be filed with this Office. Currently, these funds are returned to the U.S. Treasury. By establishing the Office of Public Records revolving fund, these funds will remain available to this Office to offset the cost of providing reproductions of reports on file with this Office.

The second amendment simply makes unobligated fiscal 1988 and 1989 funds in leadership offices available for obligations incurred in prior fiscal years. It has no budgetary impact whatsoever.

I know of no objection to these amendments. I urge that they be adopted.

The PRESIDING OFFICER. Is there objection or any further discussion. If not, the question is on agreeing to the amendments.

The amendments (Nos. 699 and 700) were agreed to.

Mr. REID. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I rise in support of the legislative branch appropriations bill for fiscal year 1990, H.R. 3014.

The bill as reported provides $2 billion in new budget authority and $1.9 billion in outlays for the Congress and other legislative branch agencies, including the Library of Congress, the Government Accounting Office, and the Government Printing Office, among others.

I want to commend the distinguished chairman and ranking member of the Legislative Branch Subcommittee for producing a bill that is within their 302(b) allocation.

I would also like to urge my colleague not to offer amendments which would increase outlays, since the subcommittee is basicaIly at their outlay allocation.

I do have one concern relating to this bill. As the chairman and ranking member know, I have been concerned about the role that GAO seems to be taking lately. I have expressed my concerns to the Governmental Affairs Committee, the Legislative Branch Subcommittee, and I am again expressing my concerns now to the entire Senate.

Over my 16 years in the U.S. Senate, I have come to respect and depend upon much of the work of the GAO. Recent actions by the GAO, however, have made me question whether GAO has maintained that role as a nonpartisan, technical agency.

During debate on the financial institutions reform conference report, the distinguished majority leader quoted a letter from the Comptroller General regarding his views on the on-budget versus off-budget financing issue.

I do not know how GAO can advocate on-budget status for this legislation, when, last summer during Postal Service legislation, it advocated off-budget status for that agency. I would expect GAO to be consistent, at least, in its views on the structure of the Federal budget.

I am concerned that GAO has stepped over the line from being a technical expert to acting in a more political manner, and I believe that is contrary to the mission of the agency.

During subcommittee hearings, there were a few questions to GAO, which I had asked to be answered for the record. So far, I have not gotten any responses. Therefore, I would like to submit these questions for the record again.

First. In fiscal year 1987, the GAO requested and received a funding increase to hire more personnel to perform the tasks required under Gramm-Rudman Holdings. Even though GAO no longer plays a major role in the sequestration process, funding levels for the agency were never reduced. Can GAO tell me for what purposes this money was reallocated?

Second. In April of this year, GAO published their annual report, as required by Congress. I would like to know how much it cost to publish this report, and how the cost compares with similar reports published by other Federal agencies?

Third. I understand that GAO is currently not audited by an outside agency, and that GAO was trying to arrange for an audit by one of the inspectors general from another Federal agency. Has anything been scheduled yet?

Mr. HARKIN. Mr. President, I rise today in support of the fiscal year 1990 legislative branch appropriations. I am especially pleased that through this measure, the Senate is taking steps to provide access for individuals with disabilities. I want to thank the chairman of the Legislative Branch Appropriations Subcommittee for his sensitivity and commitment to improving opportunities within these walls for individuals with disabilities.

First, this legislation provides the resources necessary to implement Senate Resolution 13 which the Senate passed in June. Senate Resolution 13 calls for the close captioning of the Senate's televised floor proceedings. As you know, the Senate's floor proceedings have been televised since 1986. At that time, we decided that it is important that we be accountable to our constituents and that they have the opportunity to partake in the legislative process via television. I am pleased that the Senate has recognized that deaf and hard of hearing Americans be afforded the same opportunity. Not only will the implementation of this resolution bring the Senate floor proceedings into the homes of millions of deaf and hearing-impaired Americans, but it will allow also deaf and hearing-impaired Senate staffers the opportunity to more closely follow floor debates.

Second, the legislative branch appropriations bill also requires the Senate to hire one certified sign language interpreter and to provide funds to hire outside interpreters when needed. It is my understanding that the Senate's interpreter will be available to Member's offices for meeting with deaf constituents as well as to provide services to deaf Senate staffers so they can fully participate in staff meetings and other activities required by their jobs.

Mr. President, providing these services, captioned Senate proceedings, and interpreter services, can mean the difference between career development and career stagnation. As chairman of the Subcommittee on the Handicapped, I want to thank my colleagues for their support of these measures.

Mr. PRYOR. Mr. President, I have offered amendments to the previous appropriations bills to cap each department's consultant spending. The Congress and the legislative support agencies such as the General Accounting Office [GAO] and the Office of Technology Assessment [OTA] are not required by section 1114 of title 31 to report their request for consultant spending. Therefore, I will not be offering an amendment to cap the consultant spending of the Congress because there is no budget request on which to focus.

However, I do think it is important to have our own house in order. I want to urge the Senate Rules Committee and the Committee on House Administration to review the way in which Congress uses consultants and ensure that there are thorough guidelines and oversight in this issue. I would also ask that these committees consider whether requiring Congress to submit a budget request for consulting services would be appropriate.

Mr. President, I also want to take this opportunity to focus attention not only on the way Congress uses consultant services, but the way in which GAO uses consultants. GAO, Congress' investigatory arm, relies very heavily on consultants and contractors for a variety of services. I understand GAO's need to have access to experts with specialized expertise as it has to carry out a governmentwide oversight mission. However, it is my understanding that GAO is considering using consultants to assist them in performing audits and reviews of executive branch programs. This would cause me a deal of concern. Congress has to be able to rely on GAO for unbiased assessments of Government programs. Whenever the Government turns sensitive tasks over to private contractors, questions regarding the appropriate delegation and potential conflicts of interest always come up.

I am a great supporter of GAO and its work. However, I urge them to move cautiously toward any expansion in the use of contractors or consultants to carry out actual program work.

AMENDMENT NO. 701

Mr. REID. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 701.

At the end of the bill, add the following new section:

GENERAL PROVISIONS AMENDMENT

SEC. . For payment to Alison Leland, widow of Mickey Leland, late a Representative from the State of Texas, $89,500. For payment to Shelia A. Smith, widow of Larkin Smith, late a Representative from the State of Mississippi, $89,500.

Mr. REID. Mr. President, this amendment is also one that is not controversial. It adds the funds necessary for payment of survivor benefits to the widows of Representative MICKEY LELAND and Representative LARKIN SMITH, both of whom were victims of air crashes during the August recess.

This is a mandatory act, and so the addition of these funds has no impact on our 302(b) ceiling. I know of no objection to this amendment and ask that the amendment be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada.

The amendment (No. 701) was agreed to.

Mr. REID. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. Mr. President, I ask unanimous consent that the committee amendments and the Wilson amendments be set aside.

The PRESIDING OFFICER (Mr. KERREY). Without objection, it is so ordered.

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, I have three amendments to offer which I understand are acceptable to the managers on both sides. Before I do that, I want to commend our colleague from California, Mr. WILSON, for the outstanding amendment which he has offered the Senate and on which we will be voting I trust soon.

Mr. President, I suppose it is easier for me and for that matter Senator WILSON to be critical of the franking issue, the use of the frank, the abuse of the frank because neither he nor I are running for election. We are both leaving the Senate. So it is a lot easier for us to address the franking privilege.

Before anyone accuses me of hypocrisy, I want to acknowledge that, like I suppose virtually everyone in this Chamber, I have overly used the frank from time to time, and to be even more honest I have abused the frank. And if there is a Senator in this Chamber who has not I would like to nominate that Senator for sainthood because he or she is a noble Senator indeed.

The fact of the matter is the frank is grossly overly used, and frankly it is abused. Let us face it. It is one of the prerogatives Members of Congress use to get reelected. It is one of the reasons why the reelection rate in the House of Representatives, for example, for those who seek reelection is 98.5 percent. At least it was in the last election. That is outrageous.

We used to hear about the imperial Presidency. Now it is imperial Congress, or if you will the invisible Congress, the unconquerable Congress. One of the reasons we have such a sluggish and almost nonexistent turnover in the membership of this body, and in particular the House, is that the incumbents have such enormous advantages over challengers. One of those enormous advantages, let us be honest, is the frank, the ability to use that frank, to save it up, and to use it heavily prior to an election cycle so that we can get our name out there before the American people. I did it. I think most Members have done it. It is an enormous temptation. So let us deal with it sensibly removing the temptation.

That is what the amendment of the Senator from California would do. It would simply zero out funds for mass mailings and devote the savings to a very praiseworthy and humanitarian effort—namely, the relief of these distressed children who are born to mothers who have abused drugs. It would devote the savings to that and to other programs in the area of dealing with this terrible problem of drug abuse in our society.

We will hear a lot of rhetoric in the next few weeks about the so-called war on drugs and the new battle plan, if you will. Here is a way for us to get off on the right foot. Here is a way for us to set an example.

President Bush, in his address, said it is essential that everyone get involved—everyone. Well, we are not used to thinking of ourselves as every man. We like to exempt ourselves from the laws that we pass and the regulations that we force upon everyone else. But maybe it is time to turn over a new leaf. I certainly think it is, and here is the good opportunity to do just that.

So I commend the Senator from California, and it is an outstanding, excellent amendment. I hope it will be adopted. I urge him to stick to his

guns and insist upon a rollcall vote so that in conference our negotiators, our conferees, will have a strengthened hand in keeping the Wilson amendment intact and making it a part of the appropriations bill as it comes out of the conference.

AMENDMENT NO. 702

Mr. HUMPHREY. Mr. President, I have a number of amendments again dealing with the frank. I send this first one to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY] proposes an amendment numbered 702. On page 60, line 10, strike "included" and insert "published quarterly in the Congressional Record and included".

On page 61, line 5, strike "included" and insert "published quarterly in the Congressional Record and included".

Mr. HUMPHREY. Mr. President, the essence of this amendment is very simple indeed. That is to require publication of the report which this legislation anticipates in the CONGRESSIONAL RECORD. If reporting is a good thing, if divulging information about Members and their use of the frank is a good thing, then it is a better thing to widely disseminate that report.

As the legislation now stands absent my amendment, that information will be published in the report of the Clerk of the House and the report of the Secretary of the Senate. In any event, that report is thousands of pages long. This particular element of the report—the use of the frank which is broken down by each Member—would be buried in thousands of pages.

In any event, that entire report has rather limited circulation whereas the CONGRESSIONAL RECORD is well known, and is widely circulated among reporters and other members of the news media. It is sent to the public libraries and thousands of communities across our country. It is very widely read.

The point is that by publishing it in the CONGRESSIONAL RECORD it would get wider dissemination. Is that good? I think so because the whole point, the whole rationale, in producing this report is to put the spotlight on the use of the frank and to put the spotlight on each and every Member of the Congress, each Member of the Senate, each Member of the House, and let the public know just how much that Member has used the frank or abused the frank, as the case may be.

So if reporting is a good thing, then wider dissemination of the report is that much better.

Mr. President, first, I commend the efforts of the two managers, the Senator from Nevada [Mr. REID] and the Senator from Oklahoma [Mr. NICKLES] for the language contained in the pending bill intended to restrict the use of congressional mass mailings.

The amendment I am offering will complement the work of the managers. This amendment will require that the Clerk of the House and the Secretary of the Senate shall submit for publication in the CONGRESSIONAL RECORD a quarterly tabulation of the mail costs for each Member. This tabulation shall include the Member's name, the total number of pieces of mass-mail mailed during the quarter, the total cost of such mail, and the cost of such mail divided by the total population of the area from which the Member was elected.

While the Secretary of the Senate currently reports similar information for the Senate, the House does not. This change, combined with the publication in the RECORD, will ensure increased accountability with regard to the use of the frank and thus, it is hoped, curb some abuses.

There have been abuses. Congress' penchant for self-promotion has created a mass mail monster which has invaded millions of American mailboxes. We have created a congressional franking-stein.

According to the Congressional Research Service, over the last 18 years, Congress has spent over $1 billion for official mail. The cost of congressional mailings has escalated from $54 million in fiscal year 1981 to $114 million in fiscal year 1988. During fiscal year 1988, the House of Representatives received 157 million pieces of mail, and sent out 549 million pieces for a total cost of $77.9 million. The Senate received 54 million pieces of mail, and sent out 257 million pieces, for a total cost of $35.5 million.

Thus, last year, Congress spent a total of $114 million on mail costs, and sent out approximately 5 pieces of mail for each letter it received.

If you divide the 806 million pieces of mail sent out by Congress in 1988 by the number of working days in a year, this works out to slightly over 3 million pieces of mail per working day. If you divide that number by the 535 Members of Congress, this means that in 1988, Congress sent out an average of 5,765 pieces of mail, per day, per Member.

Yet, the problem of overzealous congressional mailings does not end when the newsletters are sent on their merry way. According to figures compiled by the U.S. Postal Service, from January 1, 1988 to July 1, 1989—an 18-month period—the U.S. Senate spent over $1.8 million on mass mailings which were returned because they were undeliverable. The total volume of this mail was approximately 8.3 million pieces.

Indeed, over a 3-month period ending last December 1988, two Senators spent a total of $300,000 without having sent out a single mass mailing during that period. How was this done? This money was used to pay for postage due mail from their previous month's mass mailings.

I believe that the American people have a right to be told about this outrageous waste of their tax dollars. This is why I believe that it is imperative that this information be printed in the CONGRESSIONAL RECORD.

Under the pending bill, mass mail costs would be printed in the report of the Secretary of the Senate and the report of the Clerk of the House. I do not believe that these documents will allow for the greatest distribution of this information. According to the Government Printing Office, only 2,853 copies of the Secretary of the Senate's report are printed twice a year. Likewise, only 2,603 copies of the report of the Clerk of the House are distributed. In contrast, 21,500 copies of the RECORD are printed each and every day we are in session.

Further, I would suggest that the RECORD is a much easier document to read. I would welcome my colleagues to page through the Secretary of the Senate's latest report. The last version printed in May was two volumes, and totaled 1,779 pages. For the Senator's information, the quarterly mass mail report was on pages 1,562 and 1,563.

Finally, the RECORD has a wide and relatively diverse distribution. During the House hearing on legislative branch appropriations, it was reported that 6,100 copies of the RECORD are distributed for congressional use; 8,600 copies are distributed to correspondents, ex-Members, agencies, judges and other designated recipients, and 6,700 copies are sold to the general public.

For those Senators who are concerned about what type of additional cost which this would impose, a single page in the CONGRESSIONAL RECORD is $507. The quarterly mass mail costs for all Members of Congress could easily be printed on 1 or 2 pages of the RECORD—a small sum to pay for the efficient distribution of this information.

I believe that this modest proposal will improve on the package the committee has presented to the Senate. I urge support for my amendment.

The amendment, I am told, is acceptable to the managers on both sides.

Mr. REID. The Senator from New Hampshire is correct. The committee accepts the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment (No. 702) of the Senator from New Hampshire [Mr. HUMPHREY].

The amendment (No. 702) was agreed to.

Mr. HUMPHREY. I move to reconsider the vote by which the amendment was agreed to.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. I trust that the managers on both sides would make a good faith effort, notwithstanding the absence of a rollcall vote, inasmuch as they have accepted the amendment——

Mr. REID. Will the Senator yield?

Mr. HUMPHREY. Good faith effort to ensure that these amendments are retained in the conference report.

Mr. REID. Will the Senator yield?

Mr. HUMPHREY. Of course.

Mr. REID. I have spoken at great length to Senator NICKLES. We have indicated that if these amendments help us in conference, we will do what we can to preserve our position.

Mr. HUMPHREY. I am heartened to hear that, Mr. President.

AMENDMENT NO. 703

(Purpose: To require that Congressional mass mailing clearly state that they are mailed at taxpayer expense)

Mr. HUMPHREY. I send a second amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY] proposes an amendment numbered 703.

On page 61, between lines 11 and 12, insert the following:

(C) A mass mailing (as defined in section 3210(a)(6)(E) of title 39, United States Code) by a Senator or a Member of the House of Representatives shall contain the following notice in a prominent place on the cover page of the document: "PREPARED, PUBLISHED, AND MAILED AT TAXPAYER EXPENSE."

Mr. HUMPHREY. Mr. President, again this is a very simple amendment. In a sense, these mass mailings are political advertising, so let us call this the truth-in-advertising amendment. Let us state on the first page of these mass mailings sent out at taxpayers expense that in fact they are, as the amendment requires, and that they be stated to say, "prepared, published, and mailed at taxpayer expense," right there on the front page where the taxpayers, before they fall asleep reading this stuff, will get the message about who is sending it and at whose expense.

The PRESIDING OFFICER. Is there further debate on the amendment.

Mr. REID. The committee accepts the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of Mr. HUMPHREY.

The amendment (No. 703) was agreed to.

Mr. HUMPHREY. I move to reconsider the vote by which the amendment was agreed to.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 704

(Purpose: To limit franked Congressional mass mailings to 2 sheets of paper)

Mr. HUMPHREY. Mr. President, I have a third amendment I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY] proposes an amendment numbered 704.

On page 61, between lines 11 and 12, insert the following:

(C) A mass mailing (as defined in section 3210(a)(6)(E) of title 39, United States Code) by a Senator or a Member of the House of Representatives shall be limited to 2 sheets of legal size paper (or their equivalent), including any enclosure that—

(i) is prepared by or for the Senator or Member who makes the mailing; or

(ii) contains information concerning, expresses the views of, or otherwise relates to the Senator or Member who makes the mailing.

Mr. HUMPHREY. Mr. President, under the legislation of the bill that is now before us, Senators are limited to two mass mailings per year. As I understand it, House Members are limited to four. But there is no limit to the number of sheets of paper that each of those mailings may contain. In other words, where the Senate would be limited now to two mass mailings, a Senator, if he chose, could send out 6, 8, 10, 12, 20 pages in each of those mass mailings. Obviously, the cost of such a mailing, multipage mailing, would be very great indeed. With respect to the cost-savings features of this bill, it would largely defeat them.

The purpose of the amendment which I have now offered is to limit the number of pages which may compromise each of these mass mailings in either House, to limit it to two legal-sized sheets of paper printed on both sides. In other words, four printed pages, legal-sized pages. If you cannot say it in four pages, then you are in big trouble.

I suspect there are a few, indeed many, who are seeking to make the motion of the frank, who will, in fact, send out huge catalogs called newsletters, full of pictures and self-aggrandizing. Therefore, I think it is prudent to nail the door a little more tightly closed and ensure that these mass mailings, limited now under this bill—two and four, respectively—that it will not compromise more than two sheets of legal-sized paper printed on both sides.

Mr. REID. Mr. President, we have reviewed in detail the amendment offered by the Senator from New Hampshire and feel that it is a good amendment. Certainly this sets guidelines that we can all live with. It would, in effect, be a four-page letter. I think it is good, and the committee would accept the amendment.

The PRESIDING OFFICER. Is there objection? The question is on agreeing to the amendment of the Senator from New Hampshire.

The amendment (No. 704) was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Hampshire.

Mr. HUMPHREY. I thank Senator REID and Senator NICKLES for their cooperation. We did not have to twist their arms at all. We are very happy with the meeting of the minds. These are some fairly substantive matters. They are not going to change, probably, the fate of the Nation by themselves, but they are significant. I appreciate the cooperation of the Senators in this.

There really and truly is something wrong with our system when we have such a sluggish turnover in the membership of Congress. It is a bad thing, because power corrupts. I do not care how noble and well-meaning an individual may be. The longer he or she is around, the more likely it is that subconsciously, insidiously, that person will be corrupted by all the power and the glory forever, as some would like to have it forever, it seems, of this institution. It is pretty powerful and breathtaking, and it turns your head. It sways your judgment, and it would be a lot better for this country if we had a more frequent, rapid, and regularized turnover in the membership of this body, this Congress. I think there would be a good deal more intellectual honesty in our legislation and vastly more political courage in our conduct if that were the case. Because Members nowadays are increasingly confident of reelection because they have increasing powers to secure reelection relative to challengers, the quality of our stewardship, in my opinion—and I have watched it for 11 years—is growing decidedly worse year after year. These proposals curb that to some little extent and are only to the good.

I congratulate the Senators for their positive efforts in this area.

Mr. GRAHAM. Mr. President, I was pleased to learn that this bill as reported by the Subcommittee on Legislative Branch Appropriations and the full Appropriations Committee includes an earmark of $30,000 to support the employment of one certified sign-language interpreter. I commend

my colleague from Nevada, Senator REID, for this initiative.

This body is on the verge of voting on major, comprehensive legislation to address discrimination against disabled individuals. It is imperative that the Senate provide leadership by example.

In 1984 the Senate took an important step toward breaking the barriers between this institution and disabled citizens. The Senate created a special office within the Sergeant-at-Arms office to assist disabled tourists. In the past year, that office has experienced a 57-percent increase in service requests.

The office simply cannot respond to staff requests when it must assist over 3,000 visitors a year. Senate staffs have tried, usually unsuccessfully, to obtain the assistance of this office for their own internal needs. In the month of January, over 100 requests for services had to be denied due to staff and resource limitations.

This office provides a wonderful and necessary service, Mr. President, but we must do better. Disabled citizens should not only have every chance to tour our great Capitol, but to work in it as well.

For these reasons, this new appropriation should be available to assist hearing-impaired Senate staff. The appropriation of funds for a sign-language interpreter is one small, but very important way we can ensure the hiring and promotion of qualified, hearing-impaired employees.

Mr. President, I am a cosponsor of the Americans with Disabilities Act largely because it will open the doors for employment opportunities to millions of disabled citizens. The Senate must open its doors also.

Mr. REID. Mr. President, I agree with the Senator from Florida that the Senate must be a leader by example. It is my intention that, through this additional appropriation of $30,000 for a sign-language interpreter, the Senate will more aggressively seek qualified, hearing-impaired job candidates and more aggressively serve, train, and promote hearing impaired staff.

(By request of Mr. REID, the following statement was ordered to be printed in the RECORD:)

● Mr. SASSER. Mr. President, the Senate Budget Committee has examined, H.R. 3012, the legislative branch appropriations bill and has found that the bill is under its 302(b) budget authority allocation by $48 million and is under its 302(b) outlay allocation by less than 1 million.

I compliment the distinguished manager of the bill, Senator REID, and the distinguished ranking member of the Legislative Branch Subcommittee, Senator NICKLES on all of their hard work.

Mr. President, I have a table from the Budget Committee showing the official scoring of the legislative branch appropriations bill and I ask that it be printed in the RECORD.

The table follows:

SENATE BUDGET COMMITTEE SCORING OF H.R. 3014—LEGISLATIVE BRANCH COMMITTEE—SPENDING TOTALS
(Senate Reported)

[In billions of dollars]

	Fiscal year 1990	
	Budget authority	Outlays
302(B) Bill Summary		
H.R. 3014, Senate Reported, (new Budget Authority and outlays)	2.0	1.7
Enacted to date	0.1	0.3
Adjustment to conform mandatory programs to resolution assumptions	+(*)	+(*)
Scorekeeping adjustments		
Bill total	2.0	2.0
Subcommittee 302(b) allocation	2.1	2.0
Difference	−(1)	−(1)
Bill total above (+) or below (−):		
President's request	−0.3	−0.2
House-passed bill	+(1)	−(1)
House 302(b) allocation	−(1)	−(1)
Summit Cap Summary		
Defense (050) spending in bill	0.0	0.0
Allocation under defense cap	0.0	0.0
Difference	0.0	0.0
International affairs spending in bill	0.0	0.0
Allocation under international affairs cap	0.0	0.0
Difference	0.0	0.0
Domestic discretionary spending in bill	2.0	1.9
Allocation under domestic cap	2.0	1.9
Difference	−(1)	−(1)

Details may not add to totals due to rounding.
(1) Less than $50 million.
Source: Prepared by Senate Budget Committee Staff.●

Mr. BOSCHWITZ. Mr. President, today's legislative appropriations report includes strong support for an important plan to implement a recycling program in the U.S. Senate. The report language instructs the Architect of the Capitol to proceed with a plan that would help the Senate recycle paper more efficiently.

According to the EPA Americans generate 160 million tons of trash every year. Only 10 percent of this waste is recycled, and 15 percent used for waste combustion. That means 75 percent of our Nation's solid waste is dumped in landfills. With one-third of our Nation's landfills scheduled to close by 1991, it is imperative that we encourage the American people to step up efforts to recycle products after use.

While I am pleased to see the number of bills introduced in Congress to promote recycling, I feel that we as a Congress must set the example for the rest of the Nation. Capitol Hill currently produces 20,000 tons of trash every year, of which only 30 percent is recycled. To no one's surprise, much of the Hill's trash is high-grade paper for which there is currently a large demand. Instead of paying people to dump our paper, along with wrappers, food, and other trash, in landfills, we could be responding to this market demand with recycled high-grade paper.

That is why I introduced Senate Resolution 99, which would implement a voluntary paper separation and recycling program in the Senate. On August 1, the House of Representatives passed a similar bill in the House, and my office is currently working with the Architect of the Capitol's Office to start a pilot project on the fifth and sixth floors of the Hart building. By separating our high-grade paper from newspaper and other waste, we can profit economically as well as environmentally from improved recycling.

This resolution is now included in the legislative appropriations report, and I would urge all of my fellow Senators to support this measure and encourage their staffs to participate in this program.

Mr. REID. Mr. President, I ask unanimous consent that the Senate return to the consideration of the committee amendments.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc, provided that no points of order under rule XVI be waived thereon and the measure, as amended, be considered as original text for the purpose of further amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments were agreed to en bloc.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I withdraw my unanimous-consent request to adopt the committee amendments en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, that the only amendment remaining in order to the bill be the Wilson amendment, No. 698, that it be in order, that the bill, H.R. 3014 be laid aside until 12 noon tomorrow.

The PRESIDING OFFICER. Is there objection?

Hearing none, it is so ordered.

Mr. MITCHELL. Mr. President, for the information of Senators, we will remain briefly to move toward the Americans With Disabilities Act, which will be a subject of a meeting shortly among the distinguished Republican leader and other interested Senators.

It is my hope that I will be able to indicate shortly, following advice from the distinguished Republican leader, our plans in that regard for the evening and for tomorrow. It is my hope that we will be able to complete action on the legislative appropriations bill sometime tomorrow, as indicated in the unanimous consent request, which was approved. We will go back to it at noon tomorrow with only the Wilson amendment remaining.

Mr. DOLE. If the majority leader will yield.

Mr. MITCHELL. Yes.

Mr. DOLE. We are having meetings as we speak on the Americans With Disabilities Act. It is our hope that we can obtain consent tonight and bring that bill up tomorrow after consultation with the two leaders, following disposition of the legislative appropriations bill. As I understand it, if we cannot work it out, the majority leader has no other choice but to do what he has to do, to move to proceed to the legislation.

Mr. MITCHELL. The Senator is correct. If I might say, it is my hope that if we can do that, we can start on that in the morning and begin to work toward it and then set this aside and come back to it after this is disposed of. I thank the distinguished Republican leader.

Mr. President, I yield to the distinguished Republican leader.

The PRESIDING OFFICER. The Republican leader is recognized.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a withdrawal which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE NATIONAL CORPORATION FOR HOUSING PARTNERSHIPS AND THE NATIONAL HOUSING PARTNERSHIP—MESSAGE FROM THE PRESIDENT—PM 59

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report: which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

I herewith transmit the 20th annual report of the National Corporation for Housing Partnerships and the National Housing Partnership for the fiscal year ending February 28, 1989, in accordance with the provisions of section 3938(a)(1) of title 42 of the United States Code.

GEORGE BUSH.

THE WHITE HOUSE, *September 6, 1989.*

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he had approved and signed the following enrolled joint resolutions:

On July 21, 1989:

S.J. Res. 95. Joint resolution to designate the week of September 10, 1989, through September 16, 1989, as "National Check-Up Week".

On July 25, 1989:

S.J. Res. 137. Joint resolution designating January 7, 1990, through January 13, 1990, as "National Law Enforcement Training Week".

On July 26, 1989:

S.J. Res. 85. Joint resolution to designate the week of July 24 to July 30, 1989, as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War".

On July 27, 1989:

S.J. Res. 93. Joint resolution to designate October 1989 as "Polish American Heritage Month".

S.J. Res. 110. Joint resolution designating October 5, 1989, as "Raoul Wallenberg Day".

On July 28, 1989:

S.J. Res. 129. Joint resolution to provide for the designation of September 15, 1989, as "National POW/MIA Recognition Day".

S.J. Res. 142. Joint resolution designating the week beginning July 23, 1989, as "Lyme Disease Awareness Week".

On August 2, 1989:

S.J. Res. 150. Joint resolution to designate August 1, 1989, as "Helsinki Human Rights Day".

On August 10, 1989:

S.J. Res. 136. Joint resolution designating August 8, 1989, as "National Neighborhood Crime Watch Day".

On August 11, 1989:

S.J. Res. 78. Joint resolution to designate the month of November 1989 and 1990 as "National Hospice Month".

S.J. Res. 126. Joint resolution commemorating the bicentennial of the United States Coast Guard.

S.J. Res. 127. Joint resolution designating Labor Day weekend, September 2 through 4, 1989, as "National Drive for Life Weekend".

On August 14, 1989:

S.J. Res. 55. Joint resolution to designate the week of October 1, 1989, through October 7, 1989, as "Mental Illness Awareness Week".

S.J. Res. 67. Joint resolution to commemorate the twenty-fifth anniversary of the Wilderness Act of 1964 which established the National Wilderness Preservation System.

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of January 3, 1989, the Secretary of the Senate, on August 5, 1989, during the adjournment of the Senate, received a message from the House of Representatives announcing that the House agrees to the amendments of the Senate to the bill (H.R. 840) to authorize appropriations for fiscal year 1990 for the Federal Maritime Commission, and for other purposes.

The message also announced that the House agrees to the further report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1278) to reform, recapitalize, and consolidate the Federal deposit insurance system, to enhance the regulatory and enforcement powers of Federal financial institutions regulatory agencies, and for other purposes.

The message further announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 390. Joint resolution waiving certain enrollment requirements with respect to the bill H.R. 1278.

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 67. Concurrent resolution providing for a conditional recess or adjournment of the Senate and a conditional adjournment of the House from Friday, August 4, or Saturday, August 5, 1989 to Wednesday, September 6, 1989.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker has signed the following enrolled bills and joint resolutions:

H.R. 1426. An act to amend the Public Health Service Act to make technical corrections relating to subtitles A and G of title II of the Anti-Drug Abuse Act of 1988, and for other purposes;

H.R. 2799. An act to amend the Agricultural Act of 1949 for the 1990 crops to allow the planting of alternative crops on permitted acreage and to amend the provisions regarding the designation of farm acreage base established for oats;

S.J. Res. 55. Joint resolution to designate the week of October 1, 1989, through October 7, 1989, as "Mental Illness Awareness Week";

S.J. Res. 78. Joint resolution to designate the month of November 1989 and 1990 as "National Hospice Month";

S.J. Res. 136. Joint resolution designating the week beginning August 8, 1989 as "National Neighborhood Crime Watch Day"; and

H.J. Res. 221. Joint resolution to designate the week beginning September 1, 1989, as "World War II Remembrance Week".

Under the authority of the order of the Senate of January 3, 1989, the enrolled bills and joint resolutions were signed on August 7, 1989, during the adjournment of the Senate, by the President pro tempore [Mr. BYRD].

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Under the authority of the order of the Senate of January 3, 1989, the Secretary of the Senate, on August 7, 1989, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bills and joint resolutions:

H.R. 1278. An act to reform, recapitalize, and consolidate the Federal deposit insurance system to enhance the regulatory and enforcement powers of Federal financial institutions regulatory agencies, and for other purposes;

H.R. 2847. An act to extend by 1 year a program under which the Government is allowed to accept the voluntary services of private-sector executives;

H.R. 3024. An act to increase the statutory limit on the public debt, and for other purposes;

S.J. Res. 67. Joint resolution to commemorate the twenty-fifth anniversary of the Wilderness Act of 1964 which established the National Wilderness Preservation System;

S.J. Res. 127. Joint resolution designating Labor Day weekend, September 2 through 4, 1989, as "National Drive for Life Weekend"; and

H.J. Res. 390. Joint resolution waiving certain enrollment requirements with respect to the bill H.R. 1278.

Under the authority of the order of the Senate of January 3, 1989, the enrolled bills and joint resolutions were signed on August 7, 1989, during the adjournment of the Senate, by the President pro tempore [Mr. BYRD].

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Under the authority of the order of the Senate of January 3, 1989, the Secretary of the Senate, on August 10, 1989, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bills and joint resolutions:

H.R. 840. An act to authorize appropriations for fiscal year 1990 for the Federal Maritime Commission, and for other purposes;

H.R. 1860. An act to provide that a Federal annuitant or former member of a uniformed service who returns to Government service, under a temporary appointment, to assist in carrying out the 1990 decennial census of population shall be exempt from certain provisions of title 5, United States Code, relating to offsets from pay and other benefits;

H.R. 2467. An act to provide disaster assistance to agricultural producers, and for other purposes;

H.R. 2727. An act to amend title 38, United States Code, to establish a retirement and survivor benefit program for judges of the new United States Court of Veterans Appeals, and for other purposes;

H.J. Res. 225. Joint resolution to authorize and request the President to issue annually a proclamation designating the third Sunday of August of 1989 as "National Senior Citizens Day";

H.J. Res. 231. Joint resolution designating September 1989 as "National Library Card Sign-Up Month";

H.J. Res. 253. Joint resolution designating September 8, 1989, as "National Pledge of Allegiance Day"; and

H.J. Res. 379. Joint resolution commending the citizens of the Sioux City, Iowa, tri-State area for their heroism and spirit of volunteerism in selflessly providing assistance and life-saving services to the passengers and crew of United Airlines Flight 232.

Under the authority of the order of the Senate of January 3, 1989, the enrolled bills and joint resolutions were signed on August 11, 1989, during the adjournment of the Senate, by the Vice President.

MESSAGES FROM THE HOUSE

At 12:59 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has agreed to the amendment of the Senate to the bill (H.R. 2712) to facilitate the adjustment or change of status of Chinese nationals in the United States by waiving the 2-year foreign residency requirement for "J" nonimmigrants; with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2334. An act to redesignate the Post Office located at 300 East Ninth Street in Austin, Texas, as the "Homer Thornberry Judicial Building";

H.R. 3015. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1990, and for other purposes;

H.R. 3026. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1990, and for other purposes; and

H.R. 3072. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 1990, and for other purposes.

The message further announced that pursuant to the provisions of 22 U.S.C. 276a-1, the Speaker appoints to the delegation to attend the conference of the Interparliamentary Union to be held in London, England, on September 4 through September 9, 1989, the following Members on the part of the House: Mrs. BOGGS, chairman, Mr. OWENS of Utah, Mr. BROWN of California, Mr. SCHEUER, Mr. MOODY, Mr. HAMMERSCHMIDT, and Mr. BLAZ.

The message also announced that pursuant to the provisions of section 5051(b) of Public Law 100-690, the Speaker appoints to the National Commission on Drug-Free Schools the following Members on the part of the House: Mr. MAVROULES and Mr. WILLIAMS.

The message further announced that pursuant to the provisons of 22 U.S.C. 1928(a), the Speaker appoints as members of the U.S. Group of the North Atlantic Assembly the following Members on the part of the House: Mr. FASCELL, chairman, and Mr. ROSE, vice chairman.

The message also announced that pursuant to the provisions of section 301 of Public Law 100-702, the Speaker appoints to the following individuals from private life to the Federal Judicial Center Foundation Board on the part of the House: Mr. Benjamin Zelenko of Chevy Chase, MD, for a term of 5 years, and Ms. Laurie L. Michel of Washington, DC, for a period of 3 years.

The message further announced that pursuant to the provisions of section 5051(b)(1)(D) of Public Law 100-690, the minority leader appoints the following two Republican Members of the House to serve as members of the National Commission on Drug-Free Schools: Mr. DEWINE, and Mr. HENRY.

The message also announced that pursuant to the provisions of Public Law 96-388, as amended by Public Law 97-84, the Speaker appoints the following Members to the U.S. Holocaust Memorial Council on the part of the House: Mr. YATES, Mr. LEHMAN of Florida, Mr. SOLARZ, Mr. GARCIA, and Mr. GREEN.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2334. An act to redesignate the Post Office located at 300 East Ninth Street in Austin, Texas, as the "Homer Thornberry Judicial Building"; to the Committee on Governmental Affairs.

H.R. 3015. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1990, and for other purposes; to the Committee on Appropriations.

H.R. 3026. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said

District for the fiscal year ending September 30, 1990, and for other purposes; to the Committee on Appropriations.

H.R. 3072. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 1990, and for other purposes; to the Committee on Appropriations.

MEASURES PLACED ON THE CALENDAR

The followed bills and joint resolution were read the second time, and placed on the calendar:

S. 1. A bill to amend section 207 of title 18, United States Code, to prohibit Members of Congress and officers and employees of any branch of the United States Government from attempting to influence the United States Government or from representing or advising a foreign entity for a proscribed period after such officer or employee leaves Government service, and for other purposes;

S. 71. A bill to control the spread of AIDS;

S. 72. A bill to direct the Federal Communications Commission to proscribe all obscene and indecent material transmitted by means of intrastate telephone communications by amending section 223 of the Communications Act of 1934;

S. 73. A bill to protect the lives of unborn human beings;

S. 74. A bill to restore the right of voluntary prayer in public schools and to promote the separation of powers;

S. 75. A bill to amend the Federal Election Campaign Act of 1971 to prohibit the use of compulsary union dues for political purposes;

S. 546. A bill to permit the Oakwood Child Development Center, Inc. to use funds received under a grant made under the Community Services Block Grant for certain services for senior citizens, and for other purposes; and

S.J. Res. 88. Joint resolution to establish that it is the policy of the United States to reduce the generation of carbon dioxide, and for other purposes.

ENROLLED JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on August 7, 1989, he had presented to the President of the United States the following enrolled joint resolutions:

S.J. Res. 55. Joint resolution to designate the week of October 1, 1989, through October 7, 1989, as "Mental Illness Awarenesss Week";

S.J. Res. 67. Joint resolution to commemorate the twenty-fifth anniversary of the Wilderness Act of 1964 which established the National Wilderness Preservation System;

S.J. Res. 78. Joint resolution to designate the month of November 1989 and 1990 as "National Hospice Month";

S.J. 127. Joint resolution designating Labor Day weekend, September 2 through 4, 1989, as "National Drive for Life Weekend"; and

S.J. Res. 136. Joint resolution designating August 8, 1989, as "National Neighborhood Crime Watch Day".

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1509. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the financial statements of the Commodity Credit Corporation for the fiscal years ended September 30, 1988 and 1987; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1510. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the fourth quarterly commodity and country allocation table showing current programming plans for commodity assistance; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1511. A communication from the President of the Federal Agricultural Mortgage Corporation, transmitting, pursuant to law, a report on the loan diversification standards for qualified loans to be pooled as collateral for securities issued in the agricultural mortgage secondary market with the guarantee of "Farmer Mac"; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1512. A communication from the Director of the Office of Management and Budget, transmitting, pursuant to law, the cumulative report of the Congressional Budget and Impoundment Control Act of 1974; jointly per the order of January 30, 1975, to the Committee on Agriculture, Nutrition and Forestry, the Committee on Appropriations, the Committee on Armed Services, the Committee on Banking, Housing, and Urban Affairs, the Committee on the Budget, the Committee on Commerce, Science, and Transportation, the Committee on Energy and Natural Resources, the Committee on Environment and Public Works the Committee on Finance, the Committee on Foreign Relations, the Committee on the Judiciary, and the Committee on Labor and Human Resources.

EC-1513. A communication from the Secretary of the Army, transmitting, pursuant to law, the Annual Report of the United States Soldiers' and Airmen's Home for fiscal year 1987; to the Committee on Armed Services.

EC-1514. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, information concerning the Department of the Navy's proposed letters of Offer and Acceptance to the Coordination Council for North American Affairs for Defense Articles estimated to cost $50 million or more; to the Committee on Armed Services.

EC-1515. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, information concerning the Department of the Navy's proposed Letters of Offer and Acceptance to Spain for Defense Articles estimated to cost $50 million or more; to the Committee on Armed Services.

EC-1516. A communication from the Secretary of the Air Force transmitting, pursuant to law a unit cost report on the LANTRIN program, which has increased in cost by more than 15 percent over the total program acquisition cost as reflected in the baseline Selected Acquisition Report, December 31, 1987; to the Committee on Armed Services.

EC-1517. A communication from the Secretary of the Navy, transmitting pursuant to law, a unit cost report on two Navy acquisition programs, the F 14D and the Phoenix missile, which have increased in cost more than 15 percent; to the Committee on Armed Services.

EC-1518. A communication from the Chief, Program Liaison Division, Office of Legislative Liaison, of the Department of the Air Force, transmitting, pursuant to law the Air Force Report on Experimental, Developmental and Research Contracts of $50,000 or more; to the Committee on Armed Services.

EC-1519. A communication from the Deputy General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend title 10, United States Code, to modify the restrictions on the level of compensation allowed on contracts for direct health care providers; to the Committee on Armed Services.

EC-1520. A communication from the Secretary of Defense transmitting pursuant to law a report on U.S. strategic interests, the threats to those interests, and military strategies and elements which foster those interests; to the Committee on Armed Services.

EC-1521. A communication from the Acting Administrator of the General Services Administration, transmitting, pursuant to law, the eighth quarterly report on Federal actions taken to assist the homeless; to the Committee on Banking, Housing, and Urban Affairs.

EC-1522. A communication from the Chairman of the National Advisory Committee on Semiconductors transmitting, pursuant to law, an interim recommendation on High Definition Television; to the Committee on Commerce, Science, and Transportation.

EC-1523. A communication from the Secretary of the Interstate Commerce Commission, transmitting, pursuant to law, notification of an extension of the time period for acting on the appeal in Case No. 38301S; to the Committee on Commerce, Science and Transportation.

EC-1524. A communication from the Secretary of Commerce, transmitting, pursuant to law, a report on the effects of plastic materials on the marine environment; to the Committee on Commerce, Science, and Transportation.

EC-1525. A communication from the Assistant Director, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, a report on the Federal Lands Day activities for 1988; to the Committee on Energy and Natural Resources.

EC-1526. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on expenditures of rebates from the low-level radioactive waste surcharge escrow account for Calendar Year 1988; to the Committee on Energy and Natural Resources.

EC-1527. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1528. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore

lease revenues; to the Committee on Energy and Natural Resources.

EC-1529. A communication from the Secretary of Energy, transmitting a draft of proposed legislation entitled "The Oil Pipeline Regulatory Reform Act of 1989"; to the Committee on Energy and Natural Resources.

EC-1530. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1531. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1532. A communication from the Acting Federal Inspector of the Alaska Natural Gas Transportation System, transmitting, pursuant to law, a report on significant project developments that occurred from March through June, 1989; to the Committee on Energy and Natural Resources.

EC-1533. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1534. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1535. A communication from the Assistant Attorney General of the Department of Justice, transmitting a draft of proposed legislation to amend the Marine Protection Research and Sanctuaries Act of 1972 [MPRSA] to enhance enforcement; to the Committee on Environment and Public Works.

EC-1536. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report on indoor air quality; to the Committee on Environment and Public Works.

EC-1537. A communication from the Chairman of the Prospective Payment Assessment Commission, transmitting, pursuant to law, a report entitled "Adjustment to the Nonlabor-Related Portion of the Standardized Amounts; to the Committee on Finance.

EC-1538. A communication from the Chairman of the Prospective Payment Assessment Commission, transmitting, pursuant to law, a report entitled "Payment Rates for Hospitals Redesignated from Rural to Urban, Analysis and Recommendations; to the Committee on Finance.

EC-1539. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled "COBRA Medicare Prevention Demonstration"; to the Committee on Finance.

EC-1540. A communication from the Secretary of Health and Human Services, transmitting a draft of proposed legislation entitled "AFDC Quality Control Improvement Amendments of 1989"; to the Committee on Finance.

EC-1541. A communication from the Secretary of Commerce, transmitting, pursuant to law, a report entitled "The Service Industries Development Program"; to the Committee on Finance.

EC-1542. A communication from the Assistant Legal Adviser for Treaty Affairs, U.S. State Department, transmitting, pursuant to law, international agreements other than treaties entered into by the United States; to the Committee on Foreign Relations.

EC-1543. A communication from the Chairman of the Council on Environmental Quality, Executive Office of the President, transmitting, pursuant to law the annual report of the Council under the Government in the Sunshine Act for the Calendar Year 1988; to the Committee on Governmental Affairs.

EC-1544. A communication from the Vice President, Human Resources, of the Western Farm Bank, transmitting, pursuant to law, the annual pension report for the period January 1, 1988 through December 31, 1988; to the Committee on Governmental Affairs.

EC-1545. A communication from the Director of Morale, Welfare and Recreational Support Activity, Department of the Navy, transmitting, pursuant to law, the annual report of the Retirement Plan for Civilian Employees of the United States Marine Corps Exchanges, Recreation Funds, Clubs, Messes and the Marine Corps Exchange Service; to the Committee on Governmental Affairs.

EC-1546. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-85 adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1547. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-84 adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1548. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-83 adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1549. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-77 adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1550. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-81 adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1551. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-82 adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1552. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-79 adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1553. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-78 adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1554. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-80 adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1555. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-65 adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1556. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-71 adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1557. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-73 adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1558. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-72, adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1559. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-66, adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1560. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-67, adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1561. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-68, adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1562. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-69, adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1563. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-70, adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1564. A communication from the Acting Executive Director of the Federal Labor Relations Authority, transmitting, pursuant to law, the annual report of the Authority under the Government in the Sunshine Act for calendar year 1988; to the Committee on Governmental Affairs.

EC-1565. A communication from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the annual report of the Commission under the Government in the Sunshine Act for calendar year 1988; to the Committee on Governmental Affairs.

EC-1566. A communication from the Plan Administrator of the Federal Intermediate Credit Bank of Jackson, transmitting, pursuant to law, the annual pension plan reports for the plan year ending December 31, 1988; to the Committee on Governmental Affairs.

EC-1567. A communication from the Director of the Office of Personnel Management, transmitting, a draft of proposed leg-

islation to extend and increase the flexibility of the Performance Management and Recognition System, and for other purposes; to the Committee on Governmental Affairs.

EC-1568. A communication from the Benefits and Risk Manager of the Farm Credit Bank of Louisville, transmitting, pursuant to law, the GAO 1988 annual report for the farm credit institutions in the fourth district amended retirement plan; to the Committee on Governmental Affairs.

EC-1569. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-64, adopted by the Council on July 11, 1989; to the Committee on Governmental Affairs.

EC-1570. A communication from the Benefits Administrator of the Farm Credit Services, transmitting, pursuant to law, the annual report on the retirement plan for the employees of the Seventh Farm Credit District; to the Committee on Governmental Affairs.

EC-1571. A communication from the Chairman of the Federal Energy Regulatory Commission, transmitting, pursuant to law, the annual report on the Commission under the Government in the Sunshine Act; to the Committee on Governmental Affairs.

EC-1572. A communication from the Director of the National Park Service, Department of the Interior, transmitting, pursuant to law, a report on the disposal of surplus Federal real property, under the public benefit discount program for parks and recreation purposes; to the Committee on Governmental Affairs.

EC-1573. A communication from the Director of the Administrative Office of the United States Courts, transmitting a draft of proposed legislation to reauthorize drug treatment for Federal offenders; to the Committee on the Judiciary.

EC-1574. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "Patent Term Restoration Act of 1989"; to the Committee on the Judiciary.

EC-1575. A communication from the Secretary of Education, transmitting, pursuant to law, a document entitled "Final Regulations—Mathematics and Science Education Program"; to the Committee on Labor and Human Resources.

EC-1576. A communication from the Secretary of Education, transmitting, pursuant to law, a document entitled "Final Regulations—State Grants Program for Technology-Related Assistance for Individuals with Disabilities"; to the Committee on Labor and Human Resources.

EC-1577. A communication from the Acting Assistant Secretary for Food and Consumer Services, Department of Agriculture, transmitting, pursuant to law, the 1988 biennial report of the National Advisory Council on Child Nutrition; to the Committee on Labor and Human Resources.

EC-1578. A communication from the Executive Director of the Committee for Purchase from the Blind and Other Severely Handicapped, transmitting, pursuant to law, the 1988 annual report for the Committee; to the Committee on Labor and Human Resources.

EC-1579. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the types of diseases and injuries for which veterans receive disability compensation; to the Committee on Veterans' Affairs.

EC-1580. A communication from the Director of the Office of Management and Budget, Executive Office of the President transmitting, pursuant to law, the Initial OMB Sequester Report to the President and the Congress for Fiscal Year 1990; pursuant to the order of January 30, 1975, as modified, referred jointly to the Committee on Agriculture, Nutrition, and Forestry, the Committee on Appropriations, the Committee on Armed Services, the Committee on Banking, Housing, and Urban Affairs, the Committee on the Budget, the Committee on Commerce, Science, and Transportation, the Committee on Energy and Natural Resources, the Committee on Environment and Public Works, the Committee on Finance, the Committee on Foreign Relations, the Committee on Governmental Affairs, the Committee on the Judiciary, the Committee on Labor and Human Resources, the Committee on Rules and Administration, the Committee on Small Business, the Committee on Veterans' Affairs, the Select Committee on Intelligence, the Select Committee on Indian Affairs, and the Special Committee on Aging.

EC-1581. A communication from the Director of the Congressional Budget Office, transmitting, pursuant to law, the Initial Sequestration Report for Fiscal Year 1990; pursuant to the order of January 30, 1975, as modified, referred jointly to the Committee on Agriculture, Nutrition, and Forestry, the Committee on Appropriations, the Committee on Armed Services, the Committee on Banking, Housing, and Urban Affairs, the Committee on Budget, the Committee on Commerce, Science, and Transportation, the Committee on Energy and Natural Reources, the Committee on Environment and Public Works, the Committee on Finance, the Committee on Foreign Relations, the Committee on Governmental Affairs, the Committee on the Judiciary, the Committee on Labor and Human Reources, the Committee on Rules and Administration, the Committee on Small Business, the Committee on Veterans' Affairs, the Select Committee on Intelligence, the Select Committee on Indian Affairs, and the Special Committee on Aging.

EC-1582. A communication from the President of the United States, transmitting, pursuant to law, recommendations for adjustment to the pay rates on the General Schedule and related statutory pay systems; to the Committee on Governmental Affairs.

EC-1583. A communication from the President of the United States, transmitting, pursuant to law, the Administration's 1989 National Drug Control Strategy; to the Committee on the Judiciary.

REPORTS OF COMMITTEES RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of August 2, 1989, the following reports of committees were submitted on August 30, 1989:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources with an amendment in the nature of a substitute and an amendment to the title:

S. 558. A bill to authorize a study on methods to protect and interpret the internationally significant Lechuguilla Cave at Carlsbad Caverns National Park in the State of New Mexico (Rept. No. 101-109).

S. 855. A bill to direct the Secretary of the Interior to establish a cave research institute at Carlsbad Caverns National Park (Rept. No. 101-110).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with amendments:

S. 931. A bill to protect a segment of the Genesee River in New York (Rept. No. 101-111).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 940. A bill to designate segments of the East Fork of the Jemez River and of the Pacos River as components of the National Wild and Scenic Rivers System, and for other purposes (Rept. No. 101-112).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with amendments:

S. 974. A bill to designate certain lands in the State of Nevada as wilderness, and for other purposes (Rept. No. 101-113).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

H.R. 419. A bill to provide for the addition of certain parcels to the Harry S Truman National Historic Site in the State of Missouri (Rept. No. 101-114).

H.R. 1529. A bill to provide for the establishment of the White Haven National Historic Site in the State of Missouri, and for other purposes (Rept. No. 101-115).

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 933. A bill to establish a clear and comprehensive prohibition of discrimination on the bases of disability (Rept. No. 101-116).

By Mr. KENNEDY, from the Committee on Labor and Human Resources, without amendment:

S. 1182. A bill to amend the Fair Labor Standards Act of 1938 to restore the minimum wage to a fair and equitable rate, and for other purposes (Rept. No. 101-117).

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

H.R. 838. A bill to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the Peninsula Airport Commission for airport purposes (Rept. No. 101-118).

H.R. 1486. A bill to authorize appropriations for fiscal year 1990 for the Maritime Administration and for other purposes (Rept. No. 101-119).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 712. A bill to provide for a referendum on the political status of Puerto Rico (Rept. No. 101-120).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BOSCHWITZ:

S. 1581. A bill for the relief of Stella Ubgoajah; to the Committee on the Judiciary.

By Mr. SIMON (for himself, Mr. PELL, Mr. CRANSTON, Mr. HARKIN, Mr. REID, and Mr. ROBB):

S. 1582. A bill to amend the Foreign Assistance Act of 1961 to provide for certain forms of assistance to Poland to ensure the success of freedom and democracy in Poland; to the Committee on Foreign Relations.

By Mr. BENTSEN:

S. 1583. A bill to amend the Disaster Assistance Act of 1989 to ensure that the net value of any crop planted to replace a crop for which disaster payments were received is considered when reducing the amount of such payments to avoid double payments; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. CRANSTON:

S. 1584. A bill regarding the reliquidation of certain extracorporeal shock wave lithotripter.

By Mr. BINGAMAN:

S. 1585. A bill to amend the Resource Conservation and Recovery Act to improve procedures for the implementation of State compacts providing for the establishment and operation of regional disposal facilities for municipal and industrial solid waste, and for other purposes; to the Committee on Environment and Public Works.

By Mr. GRAMM (for himself and Mrs. KASSEBAUM):

S. 1586. A bill to clarify a provision of the Disaster Assistance Act of 1989 in order to avoid penalizing producers who planted a replacement crop on disaster affected acreage, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HELMS:

S. 1587. A bill to amend the Internal Revenue Code of 1986 to provide for the designation on income tax forms of overpayments of tax and contributions to reward the return of a Vietnam POW/MIA; to the Committee on Finance.

By Mr. D'AMATO:

S.J. Res. 195. Joint resolution proclaiming Christopher Columbus to be an honorary citizen of the United States; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. GRAMM (for himself and Mr. BENTSEN):

S. Res. 172. Resolution to acknowledge the high achievement, commitment, and vision of Mickey Leland; to the Committee on the Judiciary.

By Mr. DOLE (for himself and Mr. MITCHELL):

S. Res. 173. Resolution to express gratitude to David A. Brody; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SIMON (for himself, Mr. PELL, Mr. CRANSTON, Mr. HARKIN, Mr. REID, and Mr. ROBB):

S. 1582. A bill to amend the Foreign Assistance Act of 1961 to provide for certain forms of assistance to Poland to ensure the success of freedom and democracy in Poland; to the Committee on Foreign Relations.

INVESTMENT IN FREEDOM AND DEMOCRACY IN POLAND ACT OF 1989

Mr. SIMON. Mr. President, I am introducing at this point a piece of legislation that will be known as the Investment in Freedom and Democracy in Poland Act of 1989. Initial cosponsors are Senator PELL, chairman of the Foreign Relations Committee; Senator CRANSTON, who just headed a group going to Poland; and Senator HARKIN. I welcome colleagues on both sides joining in cosponsoring this legislation.

It is extremely important that we act and act quickly in the Polish situation. I just spent 6 days in Poland. I met with the leaders of Solidarity, Lech Welesa, and the new Prime Minister. I met with just a broad spectrum of people there. For the first time in the history of modern civilization, we have a country that is moving from Communist totalitarianism to a free system. It is delicate. We have the government in the hands of Solidarity. You have the guns still in the hands of the Communists.

No one can be sure what can happen. But what we do know is there is a window of opportunity here that we ought to move into and seize and seize quickly.

What my bill does is basically three things. One is it says we will, subject to the approval of the President, postpone the payment of interest on the debt of Poland to the United States for 3 years, and then the following 2 years it be cut in half. So there is a 5-year period where the interest would be applied to the principal. It does mean some temporary loss of income, but if the United States can lead, then other nations can follow.

The Polish debt to the rest of the world is roughly $39 billion. Eight percent of that is owed to the United States.

I talked while I was in Warsaw with one ambassador of a major lender country to Poland, and he indicated they would be interested. I talked to another diplomat from another lending country and he indicated they would be interested.

I think it is extremely important that the United States act and act swiftly and generously.

The President has suggested a program that is, frankly, more modest than the program I have suggested. But it is interesting even in a little editorial in Time magazine—and I do not recall that kind of an editorial comment before—it said the President's program is inadequate.

Now, in fairness to the President, his program was introduced before Solidarity emerged as the government there, so we have a different situation.

My proposal is basically postponement of interest on debt. You capitalize that, make that part of the principal. No. 2, that we create a revolving fund of $300 million a year, up to $100 million of which could be food grains to help meat production in Poland, but $300 million for each of 3 years would be available for Poles or Americans who would want to get going on a free market system. Of the Polish agriculture, roughtly 75 percent is free, 25 percent state run; but in the industrial sector only 5 percent is free, roughly 95 percent is state run. And if Poland can shift over to a free enterprise system and a freely elected system of governance, then inevitably that is going to affect Hungary, it is going to affect the Soviet Union, it is going to change the political back of the world. We are at one of those crucial junctions in history where things really can change.

There is a third factor in my bill that I should have mentioned. It is a 1-year $25 million grant to the Government of Poland where they would on a competitive bid basis ask for a modernization of the telephone system; an American company should get the contract for that.

What you have is a very critical time period in which we have to move. Lech Walesa, in my talks with him, said it is really up to the United States to lead to make sure we can preserve our freedom.

I think that is not an exaggeration. We have to move. From meeting with the various leaders of Solidarity, I think the new leaders of the Government in Poland are probably the most exceptional leaders of a new government since the people who founded our Government 200 years ago. That is a strong statement, but I think it is true. With the possible exception of when President Sadat visited the Knesset in Jerusalem, this is the most important political change that has come about on the face of the Earth since World War II. We must take advantage of it and take advantage of it quickly.

I would add that my bill has safeguards. The President at any point can suspend what has happened. It is not a substitute for Poland facing her own problems. She has some very severe inflation problems. They have to make some tough decisions. But the United States must come through, and I hope that my colleagues will act and act quickly.

Again, I am open to other ideas, but what I have outlined here I have checked with the leaders of Solidarity as well as others who are knowledgeable on the Polish situation. I think what I am suggesting is sound. I hope we move quickly.

By Mr. BENTSEN:

S. 1583. A bill to amend the Disaster Assistance Act of 1989 to ensure that the net value of any crop planted to replace a crop for which disaster pay-

ments were received is considered when reducing the amount of such payments to avoid double payments; to the Committee on Agriculture, Nutrition, and Forestry.

PROHIBITION OF DOUBLE PAYMENTS ON REPLANTED ACREAGE

Mr. BENTSEN. Mr. President, the bill which I am introducing today will correct a major error which was made by the Secretary of Agriculture last week.

Just before the August recess we passed, and the President signed into law, a disaster bill to help farmers who have lost crops to drought, hail, and a wide variety of other extreme weather conditions which have hit major parts of our country this year. One of the provisions of that bill, section 110, provided that the value of any second crop should be deducted from the disaster assistance payment. These second crop acres are sometimes referred to as "ghost acres" because farmers had been assured by the local ASCS offices that crops planted on those acres would not be counted for purposes other than farm program provisions such as acreage bases.

The President has a signing ceremony to announce that help was coming to our hard-pressed farmers, but last week the Secretary of Agriculture jerked the rug out from under many of those farmers when he issued rules for implementing section 110. The new rules do not make sense. They will deny disaster program benefits to many farmers who were expecting help and were counting on that help.

The press release issued by the Secretary states:

> The value of a replacement crop will be used to determine the producer's disaster payment for losses on the first crop. However, the value will be determined by reducing the actual replacement crop production by 25 percent, then multiplying the result by an average market price.

Mr. President, the Secretary is saying that he will assume that the farmer's profit margin on his replacement crop is 75 percent of the crop. This decision is arbitrary, capricious, and unreasonable.

In other words, this decision looks like a typical bureaucratic compromise. I had written to Secretary Yeutter last week concerning a major argument which was taking place behind the scenes over those rules. One faction with the USDA was arguing that the gross, not net, value of the crop should be deducted from the disaster payment. That was ridiculous. The intent in that bill was not to pay full disaster payments to farmers who made a profit from their second crop. Using the gross value for purposes of section 110 would have denied disaster payments to most farmers who planted a second crop and rewarded those farmers who did nothing. That is wrong, and I told the Secretary that.

Well, the Secretary apparently has decided that the law did indeed intend that the section 110 adjustment be done on the basis of the net value of the crop. That, at least, is good news.

However, the Secretary has also apparently sided with those who were trying to gut the disaster bill. He has ruled that 75 percent of the total value of the second crop will be considered to be net income for purposes of section 110. That is ridiculous. A number of farmers have pointed out to me that if they had any crop that would yield them a net return of 75 percent of total sales that they would have no need for farm programs, let alone disaster programs. That crop would also be their primary crop, not a secondary crop.

I hope that the Secretary can show the farmers in Texas a crop which they can grow and on which they can make a profit of 75 percent of sales. I might add that it should be a crop which will not get them sent to jail.

The fact of the matter, however, is that Texas farmers did not have any such profitable second crop. When they lost their primary crop, most farmers put in a second crop to try to make a little money. Many were required to do that by Federal Crop Insurance. Some will make a little money on that second crop. Many will not. However, none will make a profit of 75 percent of sales.

This requirement is simply confiscatory. It is also very bad policy. It makes no sense to reward farmers who did nothing and punish farmers who worked hard to produce a second crop.

The bill which I am introducing today will remedy that by requiring the Secretary of Agriculture to do what he should have done already—use the true net value of the second crop in calculating the disaster payment.

Mr. President, I urge my colleagues to join with me in seeking prompt solution to this problem. The importance of this legislation is magnified by the fact that this is the first time this Secretary has issued regulations to carry out a major piece of farm legislation signed by this administration. I believe that we should work together to develop, pass, and implement legislation for the good of our country. That requires a high degree of cooperation, understanding, and trust. We cannot do that if implementing regulations are going to be used to cripple programs.

We will be writing a major farm bill next year. In the best of times that is a very lengthy piece of legislation. If we are going to have to write every little section of that bill in a way that will make it bullet-proof against foulups like this then it will be a truly massive undertaking. I do not want that. I do not want to force such a burden upon the Agriculture Committee or upon the staff at the USDA.

I again urge the Secretary to come forth with a real net value rule. If not, then I will seek to have this provision included in the upcoming budget reconciliation bill if no earlier vehicle is available.

I ask unanimous consent that a copy of the bill be inserted in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1583

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROHIBITION ON DOUBLE PAYMENTS ON REPLANTED ACREAGE FOR PURPOSES OF DISASTER PAYMENTS.

Section 110 of the Disaster Assistance Act of 1989 is amended—

(1) in subsection (a), by striking out "value" and inserting in lieu thereof "net value";

(2) in subsection (c)(1), by striking out "value" and inserting in lieu thereof "net value"; and

(3) by adding at the end thereof the following new subsection:

"(d) NET VALUE.—For purposes of this section, the net value of a crop shall be the product of—

"(1) the amount of the replacement crop harvested in 1989; multiplied by

"(2) the market price for such crop; less

"(3) the average cost per acre for the production of such crop in the area in which such crop is produced, as determined by the Secretary.".

By Mr. CRANSTON:

S. 1584. A bill regarding the reliquidation of a certain extracorporeal shock wave lithotripter; to the Committee on Finance.

REGARDING EXTRACORPOREAL SHOCK WAVE LITHOTRIPTER

Mr. CRANSTON. Mr. President, today I am introducing a bill which would correct an inequitable situation. In 1985, a nonprofit medical center in California imported a kidney lithotripter. Under the Educational, Scientific, and Cultural Materials Importation Act of 1966, this entry should have been duty free. The center submitted a duty-free application to the Commerce Department, but due to administrative delays, decided to pay the duty in order to have the entry released. Unfortunately, by the time the center's application was approved, the Customs Service had already liquidated the entry and refused to refund the duty payment.

In the interest of fairness, this entry should be reliquidated and the duty payment refunded to the center. In the past, refunds have been made to other organizations which paid import duties on kidney lithotripters. Moreover, this course would be cost effective for the government. The duty refund will be applied to the capital cost of the lithotripter, thus reducing

the amount by which the center is reimbursed by Medicare.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1584

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, upon proper request filed with the appropriate Customs officer within 90 days after the date of the enactment of this Act entry numbered 86-707943-6, dated November 10, 1985, shall be reliquidated as duty-free and the appropriate refund of duty made.

By Mr. BINGAMAN:

S. 1585. A bill to amend the Resource Conservation and Recovery Act to improve procedures for the implementation of State compacts providing for the establishment and operation of regional disposal facilities for municipal and industrial solid waste, and for other purposes; to the Committee on Environment and Public Works.

SOLID WASTE COMPACT ACT OF 1989

● Mr. BINGAMAN. Mr. President, I rise today to introduce legislation that would greatly enhance the States' ability to address substantively and responsibly our growing solid waste problem. With the upcoming reauthorization of the Resource Conservation and Recovery Act [RCRA], now is the time to develop a comprehensive plan for handling this increasingly serious problem. I believe my legislation, the Solid Waste Compact Act of 1989, is a crucial step toward providing a solution to the solid waste disposal problem in the Nation.

Americans generate over 160 million tons of solid waste each year. This is more than one-half ton per person. There are several alternatives available to communities for managing solid waste. Landfills have become the preferred method in many areas, such as New Mexico, where the costs of landfill disposal are cheaper than other options. However, many areas of the Nation are now experiencing shortfalls of permitted landfill capacity as the amount of waste increases. The Environmental Protection Agency estimates that 80 percent of existing permitted landfills will close within 20 years. The problems associated with the disposal of solid waste are rapidly becoming evident across the country, causing local communities major difficulties.

New Mexico has not escaped this crisis. I chaired a forum in Las Cruces, NM, in April on the solid waste issue. I heard from local, county, and State officials on the tremendous challenge facing our State in dealing with the waste dilemma. The declining number of landfills has caused communities in New Mexico and throughout the United States to transport their wastes greater distances for disposal which has increased disposal costs. Siting new landfills is difficult because of the potential environmental risks involved. As siting becomes more difficult and as the volume of waste increases, solid waste disposal, once considered a local problem, has become a national concern.

I hope the development of compacts will assist States such as New Mexico by focusing needed attention on other alternatives for solid waste management, including recycling and incineration. Recycling is one area that clearly deserves increased attention and Federal support. Recycling saves energy and conserves natural resources by reducing the use of raw materials.

My legislation would amend the Resource Conservation and Recovery Act to provide a mechanism for States to enter into whatever compacts that may be necessary to provide for the disposal of solid waste which can be most safely and effectively managed on a regional basis. Each State would be responsible for providing, either by itself or in cooperation with other States, a plan to satisfactorily dispose of all solid waste that is generated within their State. Within 12 months of the enactment of the Solid Waste Compact Act of 1989, each State would submit its plan to the United States EPA for approval. Each compact that is developed must be approved by Congress. Compacts must be ratified every 5 years. Additionally, the Environmental Protection Agency would be required to identify potential alternative management programs for the control of solid waste, and establish and publish technical guidance regarding the implementation of such programs.

With the reauthorization of RCRA, we in Congress have a great opportunity to take a creative approach to answering the serious problems associated with solid waste. This legislation represents an important effort to develop a comprehensive strategy for solid waste management. I am pleased that Congressman KANJORSKI has introduced similar legislation in the House. I urge my colleagues to support this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1585

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 101. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the "Solid Waste Compact Act of 1989".

SEC. 102. AMENDMENT TO THE RESOURCE CONSERVATION AND RECOVERY ACT.

The Resource Conservation and Recovery Act (42 U.S.C. 6903) is amended by inserting at the end of section 6903 the following:

"(40) COMPACT—The term 'compact' means a compact entered into by two or more States pursuant to this act.

"(41) COMPACT COMMISSION—The term 'compact commission' means the regional commission, committee, or board established in a compact to administer such compact.

"(42) COMPACT REGION—The term 'compact region' means the area consisting of all States that are members of the compact.

"(43) SOLID WASTE DISPOSAL—The term 'solid waste disposal' means the recycling, incinerating, depositing into landfills, or burning of solid waste pursuant to the requirements established by the Environmental Protection Agency, or any State environmental agency in which a compact is physically located.

"(44) NON-SITED COMPACT REGION—The term 'non-sited compact region' means any compact region that is not a sited compact region.

"(45) REGIONAL DISPOSAL FACILITY—The term 'regional disposal facility' means a non-Federal municipal or solid waste disposal facility in operation January 1, 1990, or subsequently established and operated under a compact.

"(46) SOLID WASTE—The term 'solid waste' pertains to any nonhazardous waste generated by a municipality, industry, or community.

"(47) STATE—The term 'State' means any State of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.".

SEC. 103. The Resource Conservation and Recovery Act (42 U.S.C. 6904) is amended by striking subsections (a) and (b) and inserting in lieu thereof the following:

"(a) STATE RESPONSIBILITIES.—Each State shall be responsible for providing, either by itself or in cooperation with other states, a plan to adequately dispose of all solid waste that is generated within their state. Within 12 months of the enactment of the Solid Waste Compact Act of 1989 each State shall submit their plan to the United States Environmental Protection Agency for approval.

"(b) REGIONAL COMPACTS FOR SOLID WASTE DISPOSAL.—(1) IN GENERAL.—

"(A) FEDERAL POLICY.—It is the policy of the Federal Government that the responsibilities of the States under section (a) for the disposal of solid waste can be most safely and effectively managed on a regional basis.

"(B) INTERSTATE COMPACTS.—To carry out the policy set forth in paragraph (A) the States may enter into such compacts as may be necessary to provide for the establishment and operation of regional disposal facilities for solid waste.

"(2) APPLICABILITY TO FEDERAL ACTIVITIES.—

"(A) EFFECT OF COMPACTS ON FEDERAL LAW.—Nothing contained in this Act or any compact may be construed to confer any new authority on any compact commission or State—

"(i) to regulate the package, generation, treatment, storage, disposal, or transportation of solid waste in a manner incompatible with the regulations of the Environmental Protection Agency or inconsistent with the Department of Transportation;

"(ii) to regulate health, safety, or environmental hazards from source or byproduct material.

"(B) FEDERAL AUTHORITY.—Except as expressly provided in this Act, nothing contained in this act or any compact may be construed to limit the applicability of any Federal law or to diminish or to otherwise impair the jurisdiction of any action taken pursuant to any compact.

"(C) STATE AUTHORITY PRESERVED.—Except as expressly provided in this Act, nothing contained in this Act expands, diminishes, or otherwise affects State law.

"(3) RESTRICTED USE OF REGIONAL SOLID WASTE DISPOSAL FACILITIES.—Any authority in a compact to restrict the use of regional solid waste disposal facilities under the compact to the disposal of solid waste generated within the compact region shall not take effect before each of the following occurs:

"(1) January 1, 1991; and

"(2) the Congress by law consents to the compact.

"(4) CONGRESSIONAL REVIEW.—Each compact shall: *Provide,* That every 5 years after the compact has taken effect the Congress may by law withdraw its consent.

"(c) ALTERNATIVE SOLID WASTE DISPOSAL METHODS.—

"(1) Not later than 12 months after the date of enactment of the Solid Waste Compact Act of 1989, the Environmental Protection Agency shall, in consultation with the States and other interested persons, identify potential alternative management programs for the control of solid waste, and establish and publish technical guidance regarding the implementation of such programs.

"(2) Not later than 24 months after the date of the enactment of the Solid Waste Compact Act of 1989, the Environmental Protection Agency shall, in consultation with the States and other interested persons, identify and publish all relevant technical information regarding the technologies pursuant to subsection (1) that a State or compact must provide to the Agency in order to pursue such programs, together with the requirements that such facilities must meet, in the judgment of the Agency, if pursued as an alternative to traditional solid waste management.●

By Mr. HELMS:

S. 1587. A bill to amend the Internal Revenue Code of 1986 to provide for the designation on income tax forms of overpayments of tax and contributions to reward the return of a Vietnam POW/MIA; to the Committee on Finance.

VIETNAM POW/MIA RESCUE FUND

Mr. HELMS. Mr. President, the question of whether any American might still be held captive in Southeast Asia is one that is deeply troubling in the mind of the American public. The official policy of the United States Government—as stated in a report in the outgoing days of the Reagan administration—is that the United States Government has found "no evidence" that North Vietnam held American prisoners of war after 1973. Nevertheless, in July 1989, Secretary of Defense Richard Cheney reaffirmed a previously longstanding policy in the following words:

Although we have thus far been unable to prove that Americans are still being held against their will, the information available to us precludes ruling out that possibility. Actions to investigate live sighting reports receive and will continue to receive necessary priority and resources based on the assumption that at least some Americans are still held captive.

Therefore, despite official assurances, deep-seated doubts remain in the minds of many Americans. These issues must be resolved once and for all if the American mind is to be satisfied.

Mr. President, a national poll taken in 1987 by Arthur Finkelstein & Associates showed that 84.9 percent of the American public in his sample, which had a margin of error of plus or minus 3 percent, believed that there are Americans still being held captive in Southeast Asia. Another national poll taken by the Wirthlin Group in 1987 found that 82 percent of the Americans polled said yes when asked: "Now, do you believe there are living U.S. prisoners of war held against their will in Vietnam and Laos?"

On June 8 of this year, the Associated Press reported that:

Five or six American POW's were sighted in Vietnam by a Japanese Buddhist monk who spent 14 years in Vietnamese reeducation camps before being freed in January, a Japanese news report said today.

Mr. President, I ask unanimous consent that the Associated Press article be printed in the RECORD at the conclusion of my remarks.

On August 11, 1987, the Washington Times, published a front page story titled: "Vietnam Hints MIA's May Be In Bush Areas." The lead paragraph of the story read:

Vietnam insists it has no live American prisoners under its control but indicates there are wild areas of the country where missing Americans could be living, Presidential envoy Gen. John Vessey said yesterday at the White House.

The story went on to report that—

General Vessey said the Vietnamese agreed to pursue 200 discrepancy cases of which 70 are considered urgent because of compelling evidence the individuals were alive within enemy territory.

Mr. President, I ask unanimous consent that the article quoted above titled: "Vietnam Hints MIA's May Be In Bush Areas," be printed in the RECORD at the conclusion of my remarks.

Moreover, Mr. President, a special Pentagon panel—chaired by Lt. Gen. Eugene F. Tighe, Jr., a former director of the Defense Intelligence Agency—concluded in September 1986 after a 5-month review of intelligence files, that American servicemen are still being held in captivity in southeast Asia.

Mr. President, I ask unanimous consent that a New York Times article of September 30, 1986, titled: P.O.W.'s Alive in Vietnam, Report Concludes," be printed in the RECORD at the conclusion of my remarks.

In 1986, the ABC news magazine "20/20" devoted an entire program to the issue of Americans still captive in Vietnam. The CBS news magazine "60 Minutes" also devoted one segment to this issue. The producer of that "60 Minutes" segment, Monika Jensen Stevenson, and her husband, William Stevenson, are presently completing a book on the POW/MIA issue. Mr. Stevenson is the author of "The Man Called Intrepid," among other nonfiction, intelligence-related books. Both Monica and William Stevenson are convinced, Mr. President, that American servicemen are alive and are still being held captive in Southeast Asia.

In October 1985, the Wall Street Journal reported that Robert C. McFarlane told "a private business group that he believes United States prisoners of war are still being held in Indochina and that the United States should step up efforts to gather conclusive information about any POW's there." The report went on to say that McFarlane said: "There is quite a lot of evidence given by people who have no ulterior motives and no reason to lie, and they're telling things that they have seen."

Mr. President, I ask unanimous consent that the article titled "McFarlane Tells Group He Believes Some U.S. POW's Remain in Indochina" from the Wall Street Journal of October 15, 1985, and the article titled "McFarlane Says POW's 'Have To Be' in Indochina," from USA Today, be printed in the RECORD at the conclusion of my remarks.

I do not know, and I doubt that any of us here knows for certain whether there are American servicemen still being held in Southeast Asia. However, Mr. President, reports that must be taken seriously continue to come to my attention that indicate Americans are still being held in Southeast Asia. Among the most credible reports are some that put the number of Americans being held prisoner in Southeast Asia in the hundreds.

Mr. President, the U.S. Congress must develop a creative and effective policy to resolve this issue. If there are American servicemen being held in Southeast Asia, then the U.S. Senate has the responsibility to see that they are brought home.

Mr. President, one possible way to bring this about is to provide a financial incentive to individuals who might have knowledge of the whereabouts of any American serviceman who may be alive to bring that person home.

Mr. President, the bill before the Senate today provides that incentive. It specifically targets the incentive at any national of Burma, Laos, Cambodia, and Vietnam, in the assumption that such persons would be most likely to have first-hand information.

That is why this bill proposes to create a POW/MIA Rescue Fund. Specifically, this bill would provide a fund to reward any successful rescue of U.S. prisoners of war or persons missing in action by an individual or group of individuals from the countries specified.

It should be noted, Mr. President, that any reward could go only to individuals who are citizens of Burma, Laos, Cambodia, or Vietnam. That means that only citizens from Burma, Laos, Cambodia, or Vietnam are eligible as rescuers to receive the reward. This bill, Mr. President, is not an attempt to encourage American citizens to go off on "Rambo" missions on their own.

The amount of the reward given to any successful rescuer would be determined at the end of the calendar year by the total value in the fund at that time. The fund would be raised and regenerated each year by a $1 checkoff on taxpayer's individual income tax form.

Mr. President, from a budget standpoint this $1 checkoff provision is revenue-neutral, that is, the $1 will come from the taxpayer's own pocket, and not create a deficiency in U.S. Treasury receipts. Functionally, the $1 would be deducted from the taxpayer's refund, if any, or the taxpayer would add it to any amounts due.

The process set forth in this bill is as follows: Participating taxpayers would contribute directly to the establishment of the POW/MIA Rescue Fund. The Secretary of Veteran Affairs would be authorized to establish the regulations for dispersal of any reward and to publicize those terms.

The whole sum in the fund available at the end of the calendar year would then be made available as a reward to any individual or individuals who accomplish a successful rescue pursuant to the regulations established by the Secretary of Veteran Affairs.

All of the funds accumulated at the end of the calendar year would be awarded—based on the number of American servicemen brought out—to any individual or divided among those individuals who had accomplished a successful rescue during that year. For example, suppose that in one year there are two separate successful rescues; and the first rescue team brings back two American POW's, and the second team brings back one American POW. At the end of the year, the team that rescued two POW's would get two-thirds of the reward money in the fund, and the second team would get one-third of the money in the fund.

Needless to say, Mr. President, the proposal includes necessary safeguards. No one is eligible for a reward who is acting in any official or unofficial capacity for any government or agency. This includes both the United States Government, the Vietnamese Government, or indeed any other government.

Furthermore, a rescuer who rescues a person determined by the Secretary of Veteran Affairs who: First, is absent without leave [AWOL]; or second, is a civilian United States Government employee who remained in Southeast Asia voluntarily, the rescuer would not receive any reward. This would insure that no reward would be given on behalf of persons who may have collaborated with their captors.

Further, the American rescued must be positively identified, as defined by regulations established by the Secretary of Veteran Affairs, as a combatant in the Vietnam war, or as an individual in a missing status as a result of the Vietnam conflict.

The bill authorizes the Attorney General of the United States to grant political asylum to any defector who escapes from Southeast Asia with an American POW.

Finally, the program would sunset at the end of the year 2003, a date marking 30 years after the close of the Vietnam war. By the year 2003 the American people could definitely assume the POW/MIA chapter in our history could be closed, after having made a good-faith effort to explore all avenues. If any moneys remain in the POW-MIA Rescue Fund on January 1, 2004, then they would be used to reduce the Federal deficit.

Thus, Mr. President, this bill will assure that the United States will have a policy that:

First, makes the prudent and humane assumption that we should not exclude the possibility that Americans may still be held captive in Southeast Asia;

Second, creates an incentive which may contribute to their discovery and release;

Third, is not funded with imposed taxes but allows each taxpayer to decide personally whether to participate in this national program;

Fourth, does not reward the captors, or any government that may or may not be involved in the holding of the American servicemen;

Fifth, gives the executive branch flexibility to pursue its own policies on this issue; and

Sixth, will resolve this issue, over time, in the mind of the American public.

Mr. President, this bill will provide the incentive to any citizen of Burma, Vietnam, Cambodia, or Laos, who has the bravery and ability to find and bring out of Southeast Asia any American servicemen who may be held as prisoners.

Mr. President, this bill is the least we can do for servicemen who may still be held captive. If there are any such captives, we must keep faith with them. We must not abandon them to live as prisoners for the rest of their lives.

Mr. President, until Americans are certain that all of our POWs have come from Southeast Asia, our peace with Vietnam will appear to be a peace without honor.

Mr. President, I ask unanimous consent that the official list of the 60 servicemen from North Carolina listed as "MIA" be printed in the RECORD at the end of my remarks.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD along with the previous referred to material.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1587

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF OVERPAYMENTS OF TAX AND CONTRIBUTIONS TO VIETNAM POW/MIA RESCUE FUND.

(a) IN GENERAL.—Subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to returns and records) is amended by adding at the end thereof the following new part:

"PART IX—DESIGNATION OF OVERPAYMENTS OF TAX AND CONTRIBUTIONS TO VIETNAM POW/MIA RESCUE FUND

"Sec. 6097. Designation by individuals.

"SEC. 6097. DESIGNATION BY INDIVIDUALS.

"(a) IN GENERAL.—Every individual (other than a nonresident alien) may designate that—

"(1) $1 of any overpayment by such individual of the tax imposed by chapter 1 for the taxable year, or

"(2) $1 cash contribution by such individual who does not overpay such tax,

be paid over to the Vietnam POW/MIA Rescue Fund. In the case of a joint return of husband and wife, each spouse may designate that $1 be paid over to the Rescue Fund.

"(b) OVERPAYMENTS TREATED AS REFUNDED.—For purposes of this title, any overpayment of tax designated under subsection (a)(1) shall be treated as being refunded to the taxpayer as of the last date prescribed for filing the return of tax imposed by chapter 1 (determined without regard to extensions) or, if later, the date the return is filed.

"(c) MANNER AND TIME OF DESIGNATION.—A designation under subsection (a) may be made with respect to any taxable year only at the time of filing the return of the tax imposed by chapter 1 for such taxable year. Such designation may be made either on the first page of the return or on the page bearing the taxpayer's signature.

"(d) TERMINATION.—This section shall not apply to any taxable year beginning after December 31, 2002 and no designation may be made under this section after December 31, 2003."

(b) CLERICAL AMENDMENT.—The table of parts for subchapter A of chapter 61 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new item:

"Part IX. Designation of overpayments of tax and contributions to Vietnam POW/MIA Rescue Fund."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1988.

SEC. 2. ESTABLISHMENT OF VIETNAM POW/MIA RESCUE FUND.

(a) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 (relating to the trust fund code) is amended by adding at the end thereof the following new section:

"SEC. 9511. VIETNAM POW/MIA RESCUE FUND.

"(a) CREATION OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the 'Vietnam POW/MIA Rescue Fund', consisting of such amounts as may be appropriated or credited to the Rescue Fund as provided in this section or section 9602(b).

"(b) TRANSFER TO VIETNAM POW/MIA RESCUE FUND OF AMOUNTS DESIGNATED.—There is hereby appropriated to the Vietnam POW/MIA Rescue Fund amounts equivalent to the amounts designated under section 6097 and received in the Treasury.

"(c) EXPENDITURES FROM RESCUE FUND.—

"(1) IN GENERAL.—The Secretary shall pay, on the order of the Secretary of Veterans Affairs, amounts to eligible individuals specified by the Secretary of Veterans Affairs.

"(2) ADMINISTRATIVE EXPENSES.—Amounts in the Vietnam POW/MIA Rescue Fund shall be available to pay the administrative expenses of the Department of the Treasury directly allocable to—

"(A) modifying the individual income tax return forms to carry out section 6097,

"(B) carrying out this chapter with respect to such Rescue Fund, and

"(C) processing amounts received under section 6097 and transferring such amounts to such Rescue Fund.

"(d) TERMINATION.—

"(1) IN GENERAL.—The Secretary of the Treasury shall use any money remaining in the Rescue Fund on January 1, 2004, to pay at maturity, or to redeem or buy before maturity, an obligation of the Government included in the public debt.

"(2) TREATMENT OF OBLIGATIONS.—Any obligation of the Government which is paid, redeemed, or bought with money from the Rescue Fund shall be cancelled and retired and may not be reissued."

(b) CLERICAL AMENDMENT.—The table of sections for subchapter A of chapter 98 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new item:

"Sec. 9511. Vietnam POW/MIA Rescue Fund."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1988.

SEC. 3. VIETNAM POW/MIA REWARD PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—

(1) IN GENERAL.—The Secretary of Veterans Affairs shall authorize payments by the Secretary of the Treasury from the Vietnam POW/MIA Rescue Fund on behalf of eligible individuals.

(2) AUTHORIZATION OF PAYMENTS.—Payments under paragraph (1) shall be available—

(A) to reward an eligible individual (or individuals) who, during any calendar year, personally delivers (or collectively deliver) into the custody of the United States Government a living Vietnam POW/MIA, and

(B) to pay the costs of notifying potential eligible individuals of the availability of the Rescue Fund, except that payments under this subparagraph for any fiscal year shall not be less than 5 percent nor more than 10 percent of the balance in the Rescue Fund at the end of such fiscal year.

A reward shall be paid under subparagraph (A) for each living Vietnam POW/MIA delivered and shall be made only at the end of such calendar year (except for the reimbursement of expenses of such eligible individual (or individuals) not exceeding $50,000). The total of all rewards for such calendar year shall equal the total amount in the Rescue Fund available at the end of such calendar year.

(b) DEFINITIONS.—For purposes of this section—

(1) ELIGIBLE INDIVIDUAL.—The term 'eligible individual' means any national of Laos, Vietnam, Cambodia, or Burma who is not acting in any official or unofficial capacity on behalf of any government or agency.

(2) VIETNAM POW/MIA.—

(A) IN GENERAL.—The term "Vietnam POW/MIA" means any individual—

(i) who is a member of a uniform service (within the meaning of section 101(3) of title 37, United States Code) in a missing status (as defined in section 551(2) of such title 37) as a result of the Vietnam conflict, unless it is officially determined under section 552(c) of such title 37 that such individual is officially absent from such individual's post of duty without authority, or

(ii) who is an employee (as defined in section 5561(2) of title 5, United States Code) in a missing status (as defined in section 5561(5) of such title 5) as a result of the Vietnam conflict.

Such term shall not include any individual the Secretary of Veterans Affairs determines remained in Vietnam, Laos, or Cambodia voluntarily.

(B) PERIOD OF CONFLICT.—For purposes of this paragraph, the Vietnam conflict began February 28, 1961, and ended on the date designated by the President by Executive order as the date of the termination of combatant activities in Vietnam. For purposes of this paragraph, an individual is in a missing status as a result of the Vietnam conflict if immediately before such status began he was performing service in Vietnam or was performing service in Southeast Asia in direct support of military operations in Vietnam.

(c) PROTECTIONS FOR ELIGIBLE INDIVIDUALS.—The Attorney General of the United States is authorized to grant political asylum in the United States to any eligible individual who receives a reward under this section, upon the request of such individual.

(d) RIGHTS TO SUE OR BENEFIT ENTITLEMENT NOT CREATED BY SECTION.—This section shall not be construed to create any private right to sue by or on behalf of any eligible individual, and shall not be construed to create an entitlement on behalf of any individual.

(e) REGULATIONS.—The Secretary of Veterans Affairs shall prescribe by regulation the procedures, terms, and conditions for the determination of eligible individuals and the verification of the awarding of the reward described in subsection (a)(2)(A).

APN 06/08 0134 JAPAN-VIETNAM

TOKYO.—Five or six American POWs were sighted in Vietnam by a Japanese Buddhist monk who spent 14 years in Vietnamese re-education camps before being freed in January, a Japanese news report said today.

Ganshin Yoshida, 65, now in a Sapporo hospital being treated for ailments resulting from his detention, told Kyodo News Service on Wednesday that "five or six" American prisoners of war were at the camp where he was last held.

The location of the camp was not disclosed.

Kyodo quoted Yoshida as saying he did not know what the living conditions of the POWs were like because they lived in a separate building from him.

An official of the Vietnamese Embassy in Tokyo called Yoshida's remarks "groundless."

"Our government has repeatedly discussed that issue in the past. There are no more American POWs" in Vietnam, the official told The Associated Press.

Yoshida, formerly a city councilman on Japan's northernmost main island of Hokkaido, became a monk in 1966 and emigrated to Vietnam, where he set up a temple in Saigon, now called Ho Chi Minh City.

Yoshida was granted citizenship in 1973 by the former South Vietnamese government but arrested in 1975 following the takeover of Vietnam by communist forces and detained without trial in re-education camps and jails.

On Jan. 20, Vietnam released Yoshida for humanitarian reasons after appeals filed by himself and international human rights groups such as Amnesty International.

Kyodo said U.S. government officials received the information about the POWs through Yoshida's daughter in Tokyo on Wednesday.

An official of the U.S. Embassy in Tokyo would not confirm that the information had been conveyed. "All reports and information concerning MIAs (missing in action) in Vietnam will be sent to the home government for analysis by experts," he said.

A total of 1,730 Americans are still listed as missing in action in Vietnam, while 634 others are missing in action in Vietnam, while 634 others are missing in Cambodia, Loas and China, according to U.S. figures. The Indochina War ended in 1975 with communist victories over U.S.-supported governments in Vietnam, Cambodia and Laos.

[From the Washington Times, Aug. 11, 1987]

VIETNAM HINTS MIA'S MAY BE IN BUSH AREAS

(By Jeremiah O'Leary)

Vietnam insists it has no live American prisoners of war under its control but indicates there are wild areas of the country where missing Americans could be living, presidential envoy Gen. John Vessey said yesterday at the White House.

He reported to President Reagan yesterday after returning from three days of talks in Hanoi with Foreign Minister Nguyen Co Thach and other officials.

Gen. Vessey, who served in Vietnam and was chairman of the Joint Chiefs of Staff before his retirement, said the Vietnamese insisted "there are no live American prisoners under the control of the Vietnamese government.

"The Vietnamese have acknowledged that there are some wild parts of their country. . . .

"The suggestion is that it is possible for there to be live Americans in Southeast Asia, not under the control of the Vietnamese government," he said. "That is the inference that I draw. They did not say that."

Gen. Vessey said the Vietnamese agreed to pursue 200 "discrepancy" cases, of which 70 are considered urgent because of compelling evidence the individuals were alive within enemy territory.

In return, he said, the United States will send experts on what he termed "humanitarian considerations" such as problems of rehabilitating severely wounded Vietnamese.

The U.S. delegation agreed that America will accept Amerasian children of American GIs and Vietnamese women when a system is established.

"We agreed that we would address these as humanitarian concerns and not link them to broader political issues, such as normalization of diplomatic relations, resumption of trade or economic aid," he said.

There are 2,413 Americans unaccounted for in Vietnam, Laos and Cambodia, of whom 1,776 were in Vietnam, Gen. Vessey said. "I don't know if there are any there, but there is evidence some might be there. But it's a long time since the end of the war.

"We made it very clear there are a number of questions to be answered before the American people, and particularly the families, will be satisfied that there are no live POWs or that they're not holding out on the issue of remains," he said.

Gen. Vessey said he told the Vietnamese, "We have people who were seen parachuting near Vietnamese forces during the war, who were probably confined and who did not return to the U.S."

In another case, a Vietnamese newspaper published a photo of a wounded American during the war, but that person did not return nor were his remains recovered.

"Those sorts of questions have to be answered. The Vietnamese have acknowledged the importance of answering those questions," Gen. Vessey said.

There will be meetings of two groups of experts from each side this month in Hanoi to go further into the MIA-POW situation and the humanitarian concerns of Vietnam.

The Defense Department has said, "There is much evidence to indicate that the Vietnamese have knowledge concerning the fate of many U.S. personnel lost over North Vietnam. In the south, representatives of the former Provisional Revolutionary Government should have information on many unaccounted for U.S. personnel."

He was accompanied on the trip by Anne Mills Griffiths of the National League of Families, who remained in Southeast Asia, as did Richard Childress, the specialist on MIA-POW affairs on the staff of the National Security Council.

Mr. Childress was in Bangkok yesterday, completing the first round of talks with Laotian officials about the fate of 549 Americans missing there since the Indochina war ended. Laos has provided little information on unaccounted-for Americans.

The communist government in Cambodia recently claimed it has some knowledge of U.S. personnel missing in that country.

[From the New York Times, Sept. 30, 1986]

POW'S ALIVE IN VIETNAM, REPORT CONCLUDES

(By Richard L. Benke)

WASHINGTON, September 29.—A Pentagon panel, after a five-month review of intelligence files, has concluded that American prisoners of war are still alive in Southeast Asia.

The head of the group, Lieut. Gen. Eugene F. Tighe, Jr., a former director of the Defense Intelligence Agency, said in an interview today that "a large volume of evidence points" to the likelihood that Americans are being held by the Vietnamese Government.

He said he doubted that the evidence was strong enough to give the United States added leverage to win the release of any prisoners. He suggested Vietnam might accept war reparations in return for the Americans.

The group's report, to be released at a briefing Tuesday at the Pentagon, found that there was no cover-up of evidence that there are still prisoners, according to General Tighe.

Last March, the current director of the Defense Intelligence Agency, Lieut. Gen. Leonard H. Perroots, told a House subcommittee on Asian and Pacific affairs that he had appointed General Tighe, at the request of Congress, "to come in for as long as necessary to get updated on follow-up actions" by the Government on missing servicemen.

General Tighe said his task force could not say how many missing. Americans were alive. Government officials have estimated that the number could be at least 100.

General Tighe said the best evidence came from many reports by refugees who said they had seen Americans.

"There were as many differences as you could imagine," he said of the refugee reports. "They ran the gamut from first-hand sightings to hearsay. But when you have that large volume of evidence that points in those directions, why that's what you conclude."

The review panel included Lyman Kirkpatrick, former inspector general of the Central Intelligence Agency; Gen. Russell Dougherty of the Air Force, who is a former head of the Strategic Air Command; Gen. Bob Kingston of the Army, who is a former commander of the United States Central Command; Brig. Gen. Robbie Risner of the Air Force, who was a prisoner of war in Vietnam, and Lieut. Gen. John Peter Flynn of the Air Force, who was a leader of prisoners of war.

The actual search of intelligence files was conducted by Maj. Gen. John S. Murray of the Army, former chief of United States military interests in Vietnam; Col. Lester E. McGee Jr. of the Army, former intelligence specialist; John Francis McCreary of the national strategic warning staff, and Roberta Carper Maynard, a management specialist of the Defense Intelligence Agency.

[From the Wall Street Journal, Oct. 15, 1985]

MCFARLANE TELLS GROUP HE BELIEVES SOME U.S. POW'S REMAIN IN INDOCHINA

(By Bill Paul)

President Reagan's national security adviser has told a private business group that he believes U.S. prisoners of war are still being held in Indochina and that the U.S. should step up efforts to gather conclusive information about any POWs there.

The comments, by Robert C. McFarlane, leave a different impression from previous White House statements that the U.S. was using all applicable intelligence capabilities to determine what happened to the missing Americans, whose fate has been debated ever since the nation ended its combat involvement in the Vietnam War in 1973.

The national security adviser's remarks came in response to questions last Wednesday at a semiannual forum for business executives and political consultants The sessions, sponsored by syndicated columnists Rowland Evans and Robert Novak, are held under ground rules that require that all remarks made at them by public officials are off the record, according to Mr. Evans. But former Congressman John LeBoutillier, a conservative Republican from New York, recorded the talk and made the tape available to this newspaper.

Mr. LeBoutillier and another symposium participant, John L. Thornton, a vice president of a Wall Street investment banking firm, said they weren't told the session was off the record.

Karna Small, spokeswoman for the national security adviser, said, "This account is a gross misrepresentation of Mr. McFarlane's views." She declined to elaborate in any way on the ground the session was off the record.

On the tape recording, Mr. McFarlane emphasized that he was expressing his personal feeling. "How I really feel about it," Mr. McFarlane said to the group. "I think there have to be live Americans there." He acknowledged that there wasn't any conclusive proof that U.S. military or civilian personnel are being held by communist-governments in the region but said, "There is quite a lot of evidence given by people who have no ulterior motives and no reason to lie, and they're telling things that they have seen."

Mr. McFarlane was critical of U.S. efforts to find out what happened to nearly 2,500 Americans still unaccounted for. "What we need to do is to have better human intelligence in Vietnam," Mr. McFarlane said. "Now we don't. It takes time to get it. But I wouldn't pretend to you that we have done enough to even start. And that's bad. And that's a failure."

In the past, the administration has maintained that resolving the issue of Americans missing in action was a high priority, with President Reagan telling a gathering of MIA relatives in January 1983 that "the intelligence assets of the U.S. are fully focused on this issue."

Mr. McFarlane did say that he believed the Reagan administration has made progress by continuing to press the Vietnamese government for an accounting of the missing Americans. He also indicated that U.S. efforts to collect better intelligence on the subject would be stepped up. "We are doing more, (but) there is more that we ought to be doing than we are. And I think we shall very soon."

[From USA Today, Oct. 16, 1985]

MCFARLANE SAYS POW'S "HAVE TO BE" IN INDOCHINA

The question arose again Tuesday whether U.S. servicemen remain prisoners in Indochina. National Security Adviser Robert McFarlane has told a private business group that U.S. efforts to find the prisoners have been inadequate, *The Wall Street Journal* reported. "I think there have to be live Americans there," McFarlane was quoted as saying last week in remarks he intended to be off the record. "There is quite a lot of evidence given by people who have no ulterior motives and no reason to lie, and they're telling things that they have seen," he added. The Pentagon said it continues to keep an open mind on the issue and checks out each reported sighting. A McFarlane spokesman declined to elaborate Tuesday.

POW/MIA LIST—NORTH CAROLINA

1. Captain Robert Douglas Avery—Morgantown.

2. Ensign Harry John Belknap—Jonas Ridge.

3. Major Murray Lyman Borden—Goldsboro.

4. Lieutenant Eric Parker Brice—Rocky Mount.
5. Captain Earl Carlyle Brown—Stanely.
6. Lieutenant Jr. Grade Edward Dean Brown, Jr.—Charlotte.
7. Major Wilbur Ronald Brown—Wilmington.
8. CWO James E. Butler—Buies Creek.
9. EM II Franklin Harlee Canup, Jr.—Concord.
10. CWO Frederick L. Cristman—Salisbury.
11. CMF Fred Lee Clarke—Troutman.
12. Captain William Clifton Clay III—Henderson.
13. Captain Glenn R. Cook—Charlotte.
14. SFC Andrew J. Craven—Wilmington.
15. Captain John Hunter Crews III—Asheville.
16. Staff Sgt. Robert Lee Curlee, Jr.—Monroe.
17. LCdr Donald Vance Davis—Salisbury.
18. Colonel Edgar F. Davis—Goldsboro.
19. Lieutenant Carl Louis Doughtie—Tarboro.
20. Commander Frank C. Elkins—Bladenboro.
21. Captain John G. Gardner—Hot Springs.
22. Captain Robin F. Gatwood, Jr.—Hickory.
23. MM I Paul Edwin Gore—Faison.
24. Captain Connie Mack Gravitte—Cavel.
25. Captain Frederick M. Hall—Waynesville.
26. LCpl Joseph N. Hargrove—Mont Olive.
27. PFC Harold Lee Harris—Durham.
28. Staff Sgt. Larry Gene Harris—Williamston.
29. SP IV Joel Clinton Hapley—Albermarle.
30. SP IV Luther Harris Howard—Hamlit.
31. Captain Carter A. Howell—Fayetteville.
32. Lieutenant Litchfield Patterson Huie—Warsaw.
33. Captain Charles J. Huneycutt—Charlotte.
34. SP VI Larry C. Jamerson—Rosman.
35. SFC William Darrell Johnson—Rocky Mount.
36. SFC Charlie Gray Lewis—Fayetteville.
37. Lieutenant Larry Gene Lewis—Asheville.
38. SFC James M. Luttvell—Fayetteville.
39. Major John Lewis McDaniel—Gibsonville.
40. Captain Eugene Thomas Meadows—Hiddenite.
41. CWO Charles Worth Millard—Wilson.
42. Staff Sgt. Jerry Lawrence Moore—Cleveland.
43. CMF Edwin E. Morgan—Salisbury.
44. Sgt. Larry K. Morrow—Lowell.
45. CWO Dennis William Omelia—Smithfield.
46. Colonel Edwin D. Palmgren—Winston-Salem.
47. Staff Sgt. Bunyan Durant Price—Belmont.
48. Master Sgt. Ralph Joseph Reno—Fayetteville.
49. SFC Donald Monroe Shue—Kannapolis.
50. SP IV Robert Milton Staton, Jr.—Jamesville.
51. Lt. Col. Robert A. Stubberfield—Richmond.
52. Master Sgt. William Carl Sutton—Goldsboro.
53. Staff Sgt. Wilbert Walton—Fayetteville.
54. CWO Jimmy L. Watson—Lucama.
55. PFC Melvin Lee Weaks—Concord.
56. Major Phillip Rogerson Wellons—Raleigh.
57. Cdr. George Henry Wilkins—Goldsboro.
58. SMF James R. Williams—Charlotte.
59. Staff Sgt. Wayne V. Wilson—Thomasville.
60. Lt. Cdr. Walter Sutton Wood—Fort Bragg.

By Mr. D'AMATO:

S.J. Res. 195. Joint resolution proclaiming Christopher Columbus to be an honorary citizen of the United States; to the Committee on the Judiciary.

PROCLAIMING CHRISTOPHER COLUMBUS TO BE AN HONORARY CITIZEN OF THE UNITED STATES

● Mr. D'AMATO. Mr. President, I rise to introduce a joint resolution proclaiming Christopher Columbus to be an honorary citizen of the United States. This resolution was introduced in the other body by the Honorable THOMAS FOGLIETTA.

Christopher Columbus was a man of great vision, talent, and persistence who overcame insurmountable odds to embark on a journey that would lead him to a new world. Since the year 1992 will mark the quincentennial of this historical voyage to the Americas, I can think of no better time to honor and pay tribute to the founder of our home by giving him honorary citizenship.

During this quincentennial of this historical voyage, a reenactment of his trip will take place in that year. Spain has invested $4 million to construct models of the *Nina*, *Pinta*, and *Santa Maria*; which are scheduled to land in America on Columbus Day, 1992. The passage of this resolution will amplify interest in this simulation, and pay a deserved tribute to the man who linked Europe with the Americas.

Mr. President, Christopher Columbus' determination to overcome the many obstacles facing him makes him a model for us all. He was not deterred by France's, England's, and Portugal's rejection of his plan, nor by Spain's 6-year delay in its funding of his journey. The four expeditions he led eventually spurred the immigration that made our country what it is today. His persistence and talent made him an indelible part of our heritage, and we should pay tribute to this great explorer by giving him honorary citizenship status.●

ADDITIONAL COSPONSORS

S. 16

At the request of Mr. CRANSTON, the names of the Senator from Rhode Island [Mr. PELL] and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of S. 16, a bill to require the executive branch to gather and disseminate information regarding, and to promote techniques to eliminate, discrimatory wage-setting practices and discriminatory wage disparities which are based on sex, race, or national origin.

S. 51

At the request of Mr. CRANSTON, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 51, a bill to amend title II of the Social Security Act to provide that the combined earnings of a husband and wife during the period of their marriage shall be divided equally and shared between them for benefit purposes, so as to recognize the economic contribution of each spouse to the marriage and ensure that each spouse will have Social Security protection in his or her own right.

S. 100

At the request of Mr. ROCKEFELLER, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 100, a bill to amend title XVIII of the Social Security Act with respect to coverage of, and payment for, services of psychologists under part B of Medicare.

S. 172

At the request of Mr. PRESSLER, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 172, a bill to amend the Soil Conservation and Domestic Allotment Act to extend the date for entering into contracts under the Great Plains Conservation Program.

S. 223

At the request of Mr. MOYNIHAN, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 223, a bill to establish a grant program for research, treatment and public education with respect to Lyme disease.

S. 253

At the request of Mr. BINGAMAN, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 253, a bill to establish a coordinated National Nutrition Monitoring and Related Research Program, and a comprehensive plan for the assessment of the nutritional and dietary status of the U.S. population and the nutritional quality of food consumed in the United States, with the provision for the conduct of scientific research and development in support of such program and plan.

S. 447

At the request of Mr. BOSCHWITZ, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 447, a bill to require the Congress and the President to use the spending levels for the current fiscal year—without adjustment for inflation—in the preparation of the budget for each new fiscal year in order to clearly identify spending increases from one fiscal year to the next fiscal year.

S. 511

At the request of Mr. INOUYE, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 511, a bill to recognize the organization known as the National Academies of Practice.

S. 570

At the request of Mr. DANFORTH, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 570, a bill to amend the Internal Revenue Code of 1986 to enhance the incentive for increasing research activities.

S. 656

At the request of Mr. GRASSLEY, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 656, a bill to amend the Internal Revenue Code of 1986 to restore the deduction for interest on educational loans.

S. 670

At the request of Mr. ARMSTRONG, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 670, a bill to recognize the organization known as the Retired Enlisted Association, Inc.

S. 714

At the request of Mr. MCCLURE, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 714, a bill to extend the authorization of the Water Resources Research Act of 1984 through the end of fiscal year 1993.

S. 727

At the request of Mr. HEFLIN, the names of the Senator from Texas [Mr. BENTSEN] and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of S. 727, a bill to amend the Aminal Welfare Act to provide protection to animal research facilities from illegal acts.

S. 785

At the request of Mr. ROCKEFELLER, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 785, a bill to amend title XIX of the Social Security Act to provide States the option of providing quality home and community care to the elderly under their Medicaid Program.

S. 891

At the request of Mr. REID, the names of the Senator from Colorado [Mr. WIRTH], the Senator from Vermont [Mr. JEFFORDS], and the Senator from Maine [Mr. COHEN] were added as cosponsors of S. 891, a bill to provide for the modernization of testing of consumer products which contain hazardous or toxic substances.

S. 933

At the request of Mr. HARKIN, the names of the Senator from Oklahoma [Mr. BOREN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from South Dakota [Mr. DASCHLE], the Senator from New Hampshire [Mr. RUDMAN], and the Senator from Oregon [Mr. HATFIELD] were added as cosponsors of S. 933, a bill to establish a clear and comprehensive prohibition of discrimination on the basis of disability.

S. 969

At the request of Mr. MOYNIHAN, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 969, a bill to establish the President's Award for Addiction Research.

S. 977

At the request of Mr. DOMENICI, the names of the Senator from Washington [Mr. GORTON] and the Senator from New York [Mr. D'AMATO] were added as cosponsors of S. 977, a bill entitled the "White House Conference on Small Business Authorization Act."

S. 1060

At the request of Mr. PRYOR, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 1060, a bill to amend the Internal Revenue Code of 1986 to provide refundable income tax credits to primary health services providers who work in rural health manpower shortage areas, and for other purposes.

S. 1129

At the request of Mr. BENTSEN, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of S. 1129, a bill to amend the Internal Revenue Code of 1986 to simplify the antidiscrimination rules applicable to certain employee benefit plans.

S. 1199

At the request of Mr. CHAFEE, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 1199, a bill to amend the Social Security Act to improve Medicare and Medicaid payment levels to community health clinics.

S. 1207

At the request of Mr. PACKWOOD, the name of the Senator from Wyoming [Mr. WALLOP] was added as a cosponsor of S. 1207, a bill to amend the Communications Act of 1934 to reform the radio broadcast license renewal process and for other purposes.

S. 1216

At the request of Mr. SIMON, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 1216, a bill to amend the National Labor Relations Act to give employers and performers in the live performing arts, rights given by section 8(e) of such act to employers and employees in similarily situated industries, to give to such employers and performers the same rights given by sections 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 1225

At the request of Mrs. KASSEBAUM, her name was added as a cosponsor of S. 1225, a bill entitled the "Comprehensive Violent Crime Control Act of 1989."

S. 1303

At the request of Mr. BENTSEN, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 1303, a bill to amend the Internal Revenue Code of 1986 to restrict the partial exclusion from income of interest on loans used to acquire employer securities to cases where employees receive a significant ownership interest in a corporation, and for other purposes.

S. 1323

At the request of Mr. KOHL, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 1323, a bill to temporarily reduce the duty on certain timing apparatus.

S. 1384

At the request of Mr. DASCHLE, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 1384, a bill to amend title XVIII of the Social Security Act to provide direct reimbursement under part B of Medicare for nurse practitioner or clinical nurse specialist services that are provided in rural areas.

S. 1427

At the request of Mr. BOSCHWITZ, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 1427, a bill to amend the Federal Meat and the Poultry Products Inspection Act to authorize the distribution of wholesome meat and poultry products for human consumption that have been seized and condemned under such acts to charity and public agencies, and for other purposes.

S. 1430

At the request of Mr. KENNEDY, the names of the Senator from Hawaii [Mr. INOUYE] and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of S. 1430, a bill to enhance national and community service, and for other purposes.

S. 1458

At the request of Mr. WALLOP, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 1458, a bill to amend chapter 6 of title 5, United States Code, relating to regulatory flexibility analysis.

S. 1483

At the request of Mr. CRANSTON, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1483, a bill to amend the Stewart B. McKinney Homeless Assistance Act to authorize the Secretary of Housing and Urban Development to provide assistance for child care services programs for the residents of transitional housing.

S. 1506

At the request of Mr. BENTSEN, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 1506, a bill to amend the Internal Revenue Code of 1986 to limit the ability of corporations to obtain a refund of taxes by carrying back net operating losses arising from excess interest deductions allocable to transactions reducing corporate equity.

S. 1525

At the request of Mr. BUMPERS, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 1525, a bill to amend the Small Business Investment Act of 1958 to encourage private investment in debentures issued by investment companies financing businesses owned by disadvantaged persons.

S. 1559

At the request of Mr. WARNER, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 1559, a bill to expand the boundaries of the Fredericksburg and Spotsylvania County Battlefields Memorial National Military Park near Fredericksburg, VA.

S. 1560

At the request of Mr. BURNS, the names of the Senator from Mississippi [Mr. COCHRAN], and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of S. 1560, a bill to suspend the enforcement of certain regulations relating to underground storage tanks, and for other purposes.

SENATE JOINT RESOLUTION 106

At the request of Mr. BOND, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of Senate Joint Resolution 106, a joint resolution to authorize a commemorative stamp to be issued on January 18, 1991, to honor Dr. Thomas Anthony Dooley III, and commemorate the 30th anniversary of his death.

SENATE JOINT RESOLUTION 160

At the request of Mr. LAUTENBERG, the names of the Senator from Georgia [Mr. NUNN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Virginia [Mr. WARNER], the Senator from New York [Mr. MOYNIHAN], the Senator from Nebraska [Mr. EXON], the Senator from Indiana [Mr. LUGAR], and the Senator from Maryland [Mr. SARBANES] were added as cosponsors of Senate Joint Resolution 160, a joint resolution to designate December 7, 1989, as "National Pearl Harbor Remembrance Day" on the occasion of the anniversary of the attack on Pearl Harbor.

SENATE JOINT RESOLUTION 164

At the request of Mr. NICKLES, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of Senate Joint Resolution 164, a joint resolution to designating 1990 as the "International Year of Bible Reading."

SENATE JOINT RESOLUTION 168

At the request of Mr. REID, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of Senate Joint Resolution 168, a joint resolution to designate the week of October 2 through 8, 1989, as "America's Gold Week."

At the request of Mr. MCCLURE, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of Senate Joint Resolution 168, supra.

SENATE JOINT RESOLUTION 173

At the request of Mr. RIEGLE, the names of the Senator from Maine [Mr. MITCHELL], and the Senator from Delaware [Mr. ROTH] were added as cosponsors of Senate Joint Resolution 173, a joint resolution to designate the decade beginning January 1, 1990, as the "Decade of the Brain."

SENATE JOINT RESOLUTION 194

At the request of Mr. LAUTENBERG, the names of the Senator from Texas [Mr. BENTSEN], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Indiana [Mr. COATS] were added as cosponsors of Senate Joint Resolution 194, a joint resolution designating November 12-18, 1989 as "National Glaucoma Awareness Week."

SENATE CONCURRENT RESOLUTION 52

At the request of Mr. HATFIELD, the names of the Senator from Wisconsin [Mr. KASTEN], the Senator from Delaware [Mr. ROTH] were added as cosponsors of Senate Concurrent Resolution 52, a concurrent resolution to express the sense of the Congress that science, mathematics, and technology education should be a national priority.

SENATE CONCURRENT RESOLUTION 56

At the request of Mr. MCCAIN, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as cosponsor of Senate Concurrent Resolution 56, a concurrent resolution relating to the establishment of new comprehensive national aviation policy for the United States.

SENATE RESOLUTION 99

At the request of Mr. BOSCHWITZ, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of Senate Resolution 99, a resolution requiring the Architect of the Capitol to establish and implement a voluntary program for recycling paper disposed of in the operation of the Senate.

SENATE RESOLUTION 155

At the request of Mr. LOTT, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of Senate Resolution 155, a resolution to establish a temporary special committee of the Senate to provide oversight and guidance with respect to the responsibilities of the Director of National Drug Control Policy.

SENATE RESOLUTION 172—ACKNOWLEDGING THE ACHIEVEMENT, COMMITMENT, AND VISION OF MICKEY LELAND

Mr. GRAMM (for himself and Mr. BENTSEN) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 172

Whereas Mickey Leland gave unstintingly to the people of Houston, Texas, and to all America as a legislator and Member of Congress, as a humanitarian, and as an activist;

Whereas Mickey Leland provided the poor of America and Africa, especially the children, with special compassion, inspiration, and leadership;

Whereas Mickey Leland served as the progenitor and chairman of the Select Committee on Hunger of the House of Representatives and as two-term chairman of the Congressional Black Caucus;

Whereas Mickey Leland was effective in winning the hearts of his colleagues for the famine relief efforts of the 1980's in Ethiopia and other nations of Africa;

Whereas Mickey Leland secured the freedom of Americans being subjected to harsh imprisonment in Cuba and the freedom from Vietnam for children of Americans;

Whereas Mickey Leland worked tirelessly to assure freedom for the people of Israel, especially for Ethiopian Jews, and to improve relations between the United States and Israel; and

Whereas throughout his career Mickey Leland exemplified the ideal of public service in terms of the highest qualities of dedication, integrity, and rectitude: Now, therefore, be it

Resolved, That the Senate acknowledges the high achievement, commitment, and vision that characterized Mickey Leland's career of service on behalf of the people of the United States and expresses profound sorrow at the loss of Mickey Leland to his family, to the House of Representatives of the United States, and to the people of America and the world.

Mr. GRAMM. Mr. President, today I am submitting a resolution, cosponsored by the distinguished senior Senator from Texas, Senator BENTSEN, which expresses the appreciation of the Senate for the work that was done by our colleague from Texas, Congressman MICKEY LELAND, and which expresses our sorrow at his loss.

MICKEY was a man of special dignity and compassion. Our hearts go out to his family. I urge all of my colleagues to add their names to the resolution and I look forward to working with the Senate leadership in an effort to obtain swift approval of the resolution.

SENATE RESOLUTION 173—EXPRESSING GRATITUDE TO DAVID A. BRODY

Mr. DOLE (for himself and Mr. MITCHELL) submitted the following resolution; which was considered and agreed to:

S. RES. 173

Whereas David A. Brody is an American of uncommon wisdom and vision;

Whereas David A. Brody has served this country faithfully, as an officer in the United States Navy during World War II, as an attorney in the Department of Agriculture, and as a distinguished lawyer and lobbyist in Washington, D.C.;

Whereas David A. Brody has devoted more than 40 years of his life to the promotion of issues that concern not only the Jewish-American community, but also Americans;

Whereas such issues include the security and prosperity of Israel, Soviet Jewry, civil rights, civil liberties, and social welfare;

Whereas David A. Brody has been an exemplary representative of the Anti-Defamation League of the B'Nai B'Rith, particularly as the Director of the Washington Office of such League;

Whereas during the past 40 years, the advice and judgment of David A. Brody has proven to be an invaluable and welcome resource to the Senate;

Whereas many past and present members of the Senate consider David A. Brody to be a dear and trusted friend; and

Whereas David A Brody has often been described as the "101st Senator": Now, therefore, be it

Resolved, That—

(1) the Senate commends David A. Brody for his years of exemplary and faithful service to the Anti-Defamation League of the B'Nai B'Rith and to the United States, and

(2) the Senate expresses its gratitude to David A. Brody for the wise counsel he has provided to the Senate during the past 40 years.

AMENDMENTS SUBMITTED

LEGISLATIVE BRANCH APPROPRIATIONS, FISCAL YEAR 1990

WILSON (AND DOLE) AMENDMENT NO. 698

Mr. WILSON (for himself, Mr. DOLE, Mr. GRAMM, Mr. COATS, Mr. NICKLES, Mr. PRESSLER, Mr. DECONCINI, and Mr. HELMS) proposed an amendment to the bill (H.R. 3014) making appropriations for the legislative branch for the fiscal year ending September 30, 1990, and for other purposes, as follows:

At the appropriate place add the following:

Notwithstanding any other provision of this Act, upon enactment of this Act, there is hereby prohibited the use of the franking privilege for unsolicited mass mailings, as described in 39 U.S.C. 3210(a)(6)(E), and any use of the funds of the United States Postal Service for this purpose is hereby prohibited.

All money heretofore appropriated for this purpose are hereby rescinded, but they may be made available for the purpose only of funding any program authorized by the Congress to fight the "war on drugs," and specifically $45,000,000 are hereby appropriated for Model Projects Program for Pregnant and Post Partum Women and their Infants to be spent pursuant to 42 U.S.C. 290aa-13 to remain available until expended.

All House language in this Act, which is interpreted under the precedents of the Senate as being legislation under rule 16, shall become effective one day after the date of enactment of this Act.

REID AMENDMENT NOS. 699 THROUGH 701

Mr. REID proposed three amendments to the bill H.R. 3014, supra, as follows:

AMENDMENT No. 699

On page 13, after line 17, insert the following:

SEC. 12. (a) There is established in the Treasury of the United States a revolving fund within the contingent fund of the Senate to be known as the "Senate Office of Public Records Revolving Fund" (hereafter in this section referred to as the "revolving fund").

(b) All moneys received on and after October 1, 1989, by the Senate Office of Public Records from fees and other charges for services shall be deposited to the credit of the revolving fund. Moneys in the revolving fund shall be available without fiscal year limitation for disbursement by the Secretary of the Senate for use in connection with the operation of the Senate Office of Public Records, including supplies, equipment, and other expenses.

(c) Disbursements from the revolving fund shall be made upon vouchers approved by the Secretary of the Senate.

(d) The Secretary of the Senate is authorized to prescribe such regulations as may be necessary to carry out the provisions of this section.

(e) To provide capital for the revolving fund, the Secretary of the Senate is authorized to transfer, from moneys appropriated for fiscal year 1990 to the account "Miscellaneous Items" in the contingent fund of the Senate, to the revolving fund such sum as he may determine necessary, not to exceed $30,000.

AMENDMENT No. 700

At the appropriate place in the bill, insert the following new section:

SEC. . There shall be available to meet any unpaid expenses incurred by any duly authorized individual, prior to the first day of the 101st Congress, under authority of section 31a-1 of title 2, United States Code, (1) any unexpended and unobligated funds appropriated for the fiscal year ending September 30, 1988, which were available to such individuals as an expense allowance under section 31a-1 or section 31a-3 of such title, plus (2) in case such individual was authorized to incur expenses under authority of section 31a-1 of such title 2 on the last day of the 100th Congress but was not authorized to incur expenses under such authority on the first day of the 101st Congress, 25 percent of the funds appropriated for the fiscal year ending September 30, 1989, under authority of section 31a-2 and section 31a-3 of such title 2.

AMENDMENT No. 701

At the end of the bill, add the following new section:

SEC. . For payment to Alison Leland, widow of Mickey Leland, late a Representative from the State of Texas, $89,500. For payment to Shelia A. Smith, widow of Larkin Smith, late a Representative from the State of Mississippi, $89,500.

HUMPHREY AMENDMENTS NOS. 702 THROUGH 704

Mr. HUMPHREY proposed three amendments to the bill H.R. 3014, supra, as follows:

AMENDMENT No. 702

On page 60, line 10, strike "included" and insert "published quarterly in the Congressional Record and included".

On page 61, line 5, strike "included" and insert "published quarterly in the Congressional Record and included".

AMENDMENT No. 703

On page 61, between lines 11 and 12, insert the following:

(C) A mass mailing (as defined in section 3210(a)(6)(E) of title 39, United States Code) by a Senator or a Member of the House of Representatives shall contain the following notice in a prominent place on the cover page of the document: "PREPARED, PUBLISHED, AND MAILED AT TAXPAYER EXPENSE".

AMENDMENT No. 704

On page 61, between lines 11 and 12, insert the following:

(C) A mass mailing (as defined in section 3210(a)(6)(E) of title 39, United States Code) by a Senator or a Member of the House of Representatives shall be limited to two sheets of legal size paper (or their equivalent), including any enclosure that—

(i) is prepared by or for the Senator or Member who makes the mailing; or

(ii) contains information concerning, expresses the views of, or otherwise relates to the Senator or Member who makes the mailing.

AMERICANS WITH DISABILITIES ACT

HATCH AMENDMENTS NOS. 705 THROUGH 709

(Ordered to lie on the table.)

Mr. HATCH submitted five amendments intended to be proposed by him to the bill (S. 933) to establish a clear and comprehensive prohibition of discrimination on the basis of disability, as follows:

AMENDMENT No. 705

On page 76, between lines 9 and 10, insert the following new subsection:

(c) EXEMPTION.—An entity or an agent of such entity shall not be required to meet the requirements of this section if such entity or agent is engaged in an industry affecting commerce and has less than 15 employees for each working day in each of 20 or more calendar weeks in the current or preceding calendar year, except that, for 2 years following the effective date of this title, an entity or an agent of such entity shall not be required to meet the requirements of this section if such entity or agent is engaged in an industry affecting commerce and has less than 25 employees for each working day in each of 20 or more calendar weeks in the current or preceding year.

AMENDMENT No. 706

On page 83, line 21, insert "and" after the semicolon.

On page 83, beginning with line 22, strike through page 84, line 7, and insert the following:

(B) may, to vindicate the public interest, assess a civil penalty against the entity in an amount—

(i) not exceeding $1,000 for a first violation;

(ii) not exceeding $5,000 for a second violation; and

(iii) not exceeding $50,000 for any subsequent violation.

AMENDMENT No. 707

On page 78, line 9, insert "and" after the semicolon.

On page 78, line 23, strike "; and" and insert a period.

On page 78, beginning with line 24, strike through page 79, line 6.

On page 80, line 23, strike "36" and insert "18".

AMENDMENT No. 708

On page 95, after line 14, insert the following new section:

SEC. 507. FEDERAL WILDERNESS AREAS.

(a) STUDY.—The National Council on Disability shall conduct a study and report on the effect that wilderness designations and wilderness land management practices have on the ability of individuals with disabilities to use and enjoy the National Wilderness Preservation System as established under the Wilderness Act (16 U.S.C. 1131 et seq.).

(b) SUBMISSION OF REPORT.—Not later than 1 year after the enactment of this Act, the National Council on Disability shall submit the report required under subsection (a) to Congress.

AMENDMENT No. 709

At the appropriate place, insert the following new section:

SEC. . REFUNDABLE TAX CREDIT FOR COSTS ASSOCIATED WITH PUBLIC ACCOMMODATIONS REQUIREMENTS.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

"SEC. 35. COSTS OF PROVIDING NONDISCRIMINATORY PUBLIC ACCOMMODATIONS TO DISABLED INDIVIDUALS.

"(a) GENERAL RULE.—In the case of an eligible small business, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the lesser of—

"(1) the eligible public accommodations access expenditures for the taxable year, or

"(2) $5,000.

"(b) ELIGIBLE SMALL BUSINESS.—For purposes of this section, the term 'eligible small business' means a person—

"(1) engaged in the trade of business of operating a public accommodation to which the requirements of title III of the Americans with Disabilities Act of 1989 applies,

"(2) the gross recipts of which for the preceding taxable year did not exceed $1,000,000,

"(3) which employs fewer than 15 employees, and

"(4) which elects the application of this section for the taxable year.

"(c) ELIGIBLE PUBLIC ACCOMMODATIONS ACCESS EXPENDITURES.—For purposes of this section—

"(1) IN GENERAL.—The term 'eligible public accommodations access expenditures' means amounts paid on incurred.

"(A) for the purpose of removing architectural, communication, or transportation barriers which prevent a public accommodation from being accessible to, or usable by, an individual with a disability, or

"(B) for providing auxiliary aids and services to individuals with a disability who are employees of, or using, the public accommodation.

"(2) EXPENSES IN CONNECTION WITH NEW CONSTRUCTION ARE NOT ELIGIBLE.—The term 'eligible public accommodations access expenditures' shall not include expenses described in paragraph (1)(A) which are paid or incurred in connection with the design and construction of any facility the first occupancy of which occurs after December 31, 1989.

"(d) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) AUXILIARY AIDS AND SERVICES AND DISABILITY.—The terms 'auxiliary aids and services' and 'disability' have the meanings given such terms by paragraphs (1) and (2) of section 3 of the Americans with Disabilities Act of 1989.

"(2) PUBLIC ACCOMMODATION.—The term 'public accommodation' has the meaning given such term by section 301(3) of the Americans with Disabilities Act of 1989.

"(3) CONTROLLED GROUPS.—

"(A) IN GENERAL.—All members of the same controlled groups of corporations (within the meaning of section 52(a)) and all persons under common control (within the meaning of section 52(b)) shall be treated as 1 person for purposes of this section.

"(B) DOLLAR LIMITATION.—The Secretary shall apportion the dollar limitation under subsection (a)(2) among the members of any group described in subparagraph (A) in such manner as the Secretary shall by regulations prescribe.

"(4) PARTNERSHIPS AND S CORPORATIONS.—In the case of a partnership, the limitation under subsection (a)(2) shall apply with respect to the partnership and each partner. A similar rule shall apply in the case of an S corporation and its shareholders.

"(5) COST-OF-LIVING ADJUSTMENT.—In the case of any taxable year beginning in calendar year 1991 or thereafter, this section shall be applied by increasing the $5,000 amount under subsection (a)(2) and the $1,000,000 amount under subsection (b)(2) by the cost-of-living adjustment for the calendar year. The cost-of-living adjustment for any calendar year shall be determined under section 1(f)(3), except that subparagraph (B) thereof shall be applied by substituting '1990' for '1987'.

"(6) NO DOUBLE BENEFIT.—No deduction or credit shall be allowed under this chapter with respect to any amount for which a credit is allowed under subsection (a).

"(e) REGULATIONS.—The Secretary shall prescribe regulations necessary to carry out the purposes of this section, including regulations for determining what expenditures are to be treated as eligible public accommodations access expenditures."

(b) CONFORMING AMENDMENT.—The table of sections for subpart C of part IV of subchapter A of chapter 1 of such Code is amended by striking the item relating to section 35 and inserting:

"Sec. 35. Costs of providing nondiscriminatory public accommodations to disabled individuals.

"Sec. 36. Overpayments of tax."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1989.

VETERANS COMPENSATION ACT

CRANSTON (AND OTHERS) AMENDMENT NO. 710

(Ordered referred to the Committee on Veterans' Affairs.)

Mr. CRANSTON (for himself, Mr. MATSUNAGA, Mr. DECONCINI, and Mr. GRAHAM) submitted an amendment intended to be proposed by them to the bill (S. 13) to amend title 38, United States Code, to increase the rates of disability compensation and dependency and indemnity compensation for veterans and survivors, to increase the allowances paid to disabled veterans pursuing rehabilitation programs and to the dependents and survivors of certain disabled veterans pursuing programs of education, and to improve various programs of benefits and health-care services for veterans; and for other purposes, as follows:

At the end thereof, add the following new title:

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. EXPANSION OF SELECTION COMMISSIONS.

Section (3) of the Department of Veterans Affairs Act (Public Law 100-527; 102 Stat. 2635) is amended—

(1) in subsection (b)(2)(B)—

(A) by striking out "Two" in clause (ii) and inserting in lieu thereof "Four"; and

(B) by adding at the end the following new clause:

"(vii) One person, selected by the Secretary at the Secretary's discretion, from among persons in categories described in clauses (i), (ii), (iii), or (vi),"; and

(2) in subsection (c)(2)(B)—

(A) by striking out "Two" in clause (ii) and inserting in lieu thereof "Four"; and

(B) by adding at the end the following new clause:

"(vii) One person, selected by the Secretary at the Secretary's discretion, from among persons in categories described in clauses (i), (ii), (iii), or (vi).".

Mr. CRANSTON. Mr. President, I am today submitting, along with my good friends and colleagues on the Veterans' Affairs Committee, Senators MATSUNAGA, DECONCINI, and GRAHAM, amendment No. 710 to S. 13, a measure which, if enacted, would amend the Department of Veterans Affairs Act, Public Law 100-527, so as to provide that any commissions established pursuant to section 3 of that act for the purpose of recommending individuals for appointment to the position of Chief Medical Director [CMD] or Chief Benefits Director [CBD] of the Department of Veterans Affairs would be comprised of up to 13 members, to include 4 persons representing veterans served by VA. Under current law, as enacted last October, such commissions are comprised of up to 10 members, with only 2 being specified as persons representing veterans served by VA.

Earlier this year, a commission was established to recommend individuals

to fill the position of Chief Benefits Director. In setting up that entity, VA Secretary Edward Derwinski appointed four representatives from veterans' service organizations. Despite my concerns that this action did not accord with the law, I did not voice any formal objection then because I was aware of questions which were raised at the time within VA as to whether there was, under the statute, the need for such a search commission for that task since there was no vacancy in the CBD position; rather, the current CBD, John Vogel, had not resigned or announced his intention to resign—indeed, he is a leading candidate for appointment as the first CBD under the new Department.

More recently, Secretary Derwinski appointed a commission to seek recommendations for the position of Chief Medical Director following the announcement by Dr. John Gronvall, VA's current CMD, of his intention to step down as soon as a replacement has been selected. In accordance with section 3(b)(2)(B) of Public Law 100-527, which clearly applies in the situation of an "anticipated" vacancy, Secretary Derwinski appointed only two representatives of veterans' service organizations—one from the American Legion and one from the Veterans of Foreign Wars.

Mr. President, many members of the Disabled American Veterans have contacted me to express their very strong disappointment about their organization not being represented on the CMD search commission, noting the fact that all of their members have service-connected disabilities and, as such, as primary consumers of VA's health-care system. I have also been made aware of substantial unhappiness among other organizations, including the Paralyzed Veterans of America which has a very active and effective medical program.

I am generally sympathetic to the concerns expressed, but, at the same time, I recognize that Secretary Derwinski was able to appoint only two veterans' service organization representatives, thus ensuring that he would have to exclude some important organizations. The measure we are introducing today is designed to avoid a recurrence of this unfortunate situation.

Mr. President, our amendment would also provide for the addition of a 13th commission member in order to achieve three purposes: First, to make the commission membership an odd number; second, to help keep the role of representatives of service organizations in appropriate balance; and third, to give the Secretary a little more discretion in comprising the commissions. Under our amendment, the Secretary would appoint a 13th member from among four statutory categories—persons representing program activities affected by the VA entity concerned, either the Veterans' Benefits Administration or the Veterans Health Service and Research Administration; persons representing veterans served by VA; persons who have experience in the management of VA programs or of programs of similar content and scope; or an individual who is a former CMD or CBD.

Mr. President, I note that the provisions in Public Law 100-527 relating to the establishment of these CMD/CBD search commissions and the composition thereof originated in S. 533 as reported by the Committee on Governmental Affairs and passed by the Senate, in H.R. 3471, on July 12, 1988, and arose out of recommendations made by the Veterans' Affairs Committee to that committee. The provisions originally reported in and passed by the Senate would have required the appointment of commissions of up-to-14 members, including 4 representatives of veterans served by VA. The provisions finally enacted relating to the size and composition of these commissions represent the end point of extensive negotiations on this issue, among others, between House and Senate conferees, one of whom I was privileged to be. Thus, our amendment now represents a further effort to put forward, and secure House reconsideration of, the original Senate position as to the makeup of these search commissions.

Mr. President, I intend to offer this measure as an amendment to S. 13 when that measure, soon to be reported by the Veterans' Affairs Committee, comes before the Senate later this month. I urge all of our colleagues to support this measure and solicit their cosponsorship.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the public that an oversight hearing has been scheduled before the Subcommittee on Mineral Resources Development and Production of the Committee on Energy and Natural Resources.

The hearing will take place on September 14, 1989, at 10:15 a.m. in room 366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony from the Federal Energy Regulatory Commission concerning the potential producing sector impacts of the Commission's proposed policy statement on gas inventory charges [GIC's].

Those wishing to submit written statements for the hearing record should address it to the U.S. Senate Committee on Energy and Natural Resources, Dirksen Senate Office Building, room 364, Washington, DC 20510. For further information, please contact Donald Santa of the subcommittee staff at (202) 224-4820.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. LEVIN. Mr. President, I wish to announce that the Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, will hold a hearing on oversight of oilspill protections for the Great Lakes on Wednesday, September 6, 1989, at 9 a.m., in room 342 of the Dirksen Senate Office Building.

COMMITTEE ON SMALL BUSINESS

Mr. BUMPERS. Mr. President, I would like to announce that the Small Business Committee will hold a full committee hearing on Wednesday, September 13, 1989, to examine the impact of certain current tax laws on small business. The hearing will be held in room 428A of the Russell Senate Office Building and will commence at 9:30 a.m. For further information, please call Marja Maddrie at 224-8488.

SUBCOMMITTEE ON AGRICULTURAL PRODUCTION AND STABILIZATION OF PRICES

Mr. LEAHY. Mr. President, I wish to announce that the Subcommittee on Agricultural Production and Stabilization of Prices of the Committee on Agriculture, Nutrition, and Forestry will hold a hearing on the preparation for 1990 farm bill: Rice. The hearing will be held on September 26, 1989, at 10 a.m. in room 332, Russell Senate Office Building.

Senator DAVID PRYOR will preside. For further information please contact Miles Goggans of the subcommittee staff at 224-2353.

SUBCOMMITTEE ON AGRICULTURAL PRODUCTION AND STABILIZATION OF PRICES

Mr. LEAHY. Mr. President, I wish to announce that the Subcommittee on Agricultural Production and Stabilization of Prices of the Committee on Agriculture, Nutrition, and Forestry will hold a hearing on the preparation for 1990 farm bill: Cotton. The hearing will be held on October 26, 1989, at 10 a.m. in room 332, Russell Senate Office Building.

Senator DAVID PRYOR will preside. For further information please contact Miles Goggans of the subcommittee staff at 224-2353.

ADDITIONAL STATEMENTS

KENAI PENINSULA CUSTOMS INSPECTORS

● Mr. DECONCINI. Mr. President, during the Committee on Appropriations consideration of H.R. 2989, the Treasury, Postal Service, and general government appropriations bill for fiscal year 1990, report language, sponsored by Senator STEVENS concerning Customs inspectors at seaports in

Kenai Peninsula, AK, was approved for inclusion in the committee report accompanying the fiscal year 1990 Treasury bill. However, in the rush to get the committee report together for floor action, the report language which was approved by the committee was inadvertently left out. Therefore, Mr. President, at this time, I would like to identify the language which was approved and state on the record that it is the intent of the committee that this language be treated as any other language included in the Senate report on H.R. 2989 for the purpose of agency compliance with committee directives. The language is as follows:

The committee notes that the Customs Service responded to a request in the conference report on the fiscal year 1989 dire emergency supplemental appropriations bill for a study of the feasibility of providing reimbursable services to ports along the Kenai Peninsula, AK, with specific emphasis on inplace presence. The report advised that the authorizing statute—19 U.S.C. 58b—would have to be changed in order to apply reimbursable customs services to vessel activity.

The committee is aware of efforts being made to amend the authorizing statute to apply reimbursable services to seaports and other facilities. Consequently, the committee recommends that when the Customs Service places additional inspectors on a user fee basis, consideration be given to locating an inspector on Kenai Peninsula, AK, to service the Kenai Municipal Airport, as well as seaports and trucking facilities on the Kenai Peninsula.●

FOUNDATION FOR ETHNIC UNDERSTANDING

● Mr. D'AMATO. Mr. President, I rise today to recognize the efforts of the New York-based Foundation for Ethnic Understanding in the critical struggle against the hostility and discrimination that, sadly, still exists within our society.

The evils of discrimination have existed for generations within our country. In the last several decades, great strides have been made to create a positive society for all. Important legislation enacted by this body over the years has carved into stone the civil rights of all Americans. Still, there remain many obstacles to overcome the animosity that lingers in the pockets of American society. As we enter the 1990's, we cannot be complacent about these issues. We, as Americans, must take action.

The Foundation for Ethnic Understanding is on the front line of this battle. Led by Rabbi Marc Schneier of the Park East Synagogue in New York, and presided over by a group of prominent and distinguished New Yorkers, the foundation's board has joined forces with the New York City Commission on Human Rights in this necessary battle. The commission has been in existence within the structure of New York City government for many years. Through education of the public, support of community efforts and individual case investigations, the commission has fostered more positive interracial relations and taken great strides toward the goal of wiping out discrimination of every kind. Together the two groups launched a major media and advertisting campaign on June 21, 1989, appealing to all New Yorkers for ethnic understanding. The campaign is dedicated to strengthening ties between all people, stimulating interest in issues pertaining to the variety of cultures within the great American melting pot, and reducing the existing tensions among New York's diverse racial and ethnic groups. Most of all, the campaign urges New Yorkers to address head-on, the dangers of prejudice and bigotry.

This campaign will alert New Yorkers and all Americans to the need to deal with the challenges of living in a pluralistic society. It will allow us to recognize the strength that comes from sharing and celebrating our differences and similarities. I am hopeful that the Foundation for Ethnic Understanding will act as a catalyst, propelling others to join in this inspiring effort.

Mr. President, in recognition of their outstanding efforts I would like to honor the Foundation for Ethnic Understanding by having this statement read into the CONGRESSIONAL RECORD. By honoring them we show support for their hard work and dedication in eliminating discrimination. It is important for all Americans to understand the importance of racial and ethnic understanding.●

SMALL BUSINESS EXPORTS

● Mr. BOSCHWITZ. Mr. President, with the United States still facing a trade deficit, we often focus upon the difficulties and barriers which American companies face in trying to sell overseas. Entering the export market is certainly challenging, and can be particularly so for small businesses. Nevertheless, many American small and medium-sized companies are getting into exporting and are achieving success in the international marketplace. A recent article in the Wall Street Journal by Barbara Marsh, entitled "Small Businesses Aren't So Little When It Comes to Role in Exports," presents some encouraging information.

In June of this year, the United States reached a record level of $30.91 billion in exports for the month. Small businesses, many new to exporting, appear to be responsible for a large share of the increase in export activity. Mr. Noor Doja, executive director of the Minnesota Export Finance Authority, estimates that of the 1,000 exporters in Minnesota, 200 to 300 of them began exporting just within the last year. Almost all of them were small and medium-sized companies.

One new and successful exporter cited in the article is Jaechul Ahn of Minneapolis. Mr. Ahn exports timber products to the Far East. Even though he started the company only 2 years ago, Mr. Ahn had an international outlook right from the start. Already, he is exporting over $2 million worth of goods a year, with even greater prospects for this year.

As ranking minority member of the Committee on Small Business, I am pleased to see American small businesses looking beyond our national borders to the vast potential markets overseas. The success so far should lead us to redouble the efforts of the Congress and the administration to encourage American businesses to export and to ensure that they have open markets to enter. There remain many small businesses with the potential to export which do not yet do so. These small businesses should be encouraged by the achievements of Mr. Ahn and others, and I hope to hear of further successes in the future.

Mr. President, I submit for the RECORD the article from the Wall Street Journal.

The article follows:

[From the Wall Street Journal, Aug. 18, 1989]

SMALL BUSINESSES AREN'T SO LITTLE WHEN IT COMES TO ROLE IN EXPORTS

(By Barbara Marsh)

Small-business owners are playing a bigger role in U.S. export activity. Just add up the people like Bob Knosp.

When Mr. Knosp started producing computerized sign-making systems in his garage three years ago, he never expected that his products would soon be selling well overseas, even though he advertised in a few international trade journals.

In fact, within the past year, more than half of his $500,000 business has come from abroad. He's been surprised by the number of customers from England, Australia and Switzerland seeking out his Bellevue, Wash., company. In some ways, he even prefers doing business with his new European dealers: Unlike their American counterparts, they promote and advertise his product themselves, rather than relying on him to do so.

Untold numbers of small exporters like Mr. Knosp are now a critical, albeit quiet, component of American exports, foreign trade experts say. Because specific statistics on small exporters aren't kept, it's impossible to know exactly how much they contributed to the unexpected jump in U.S. exports, which hit a record $30.91 billion in June, and in the narrowing of the trade deficit, reported yesterday by the U.S. Commerce Dept. Even so, export specialists say there's both indirect and anecdotal evidence to suggest that small exporters constitute a larger part of the export trade than is often supposed, and their portion is growing.

Indeed, small businesses far outnumber large companies in the export arena. A recent Commerce Department study shows that 80 percent of the 100,000 American exporters in 1987 had shipments totaling less than $25,000 that year. Most of the firms making such limited shipments are probably small companies, surmises Tony Radspieler, an economist with the Commerce Department's foreign-trade division.

What's more, in the manufacturing sector, there's evidence that small companies may account for a larger share of the nation's manufactured exports than once thought. A recent study by the Small Business Administration estimates that manufacturers with fewer than 500 employees accounted for half of the value of U.S.-made goods exported by manufacturers in 1985.

Foreign trade experts say small-business owners are showing increased interest in opportunities overseas. Lawrence Harper, a consultant in Price Waterhouse's international trade group, detects a "heightened awareness" among small-business owners that they should be developing internationally.

He says that much of the small-business interest focuses on the prospects for expanding in Western Europe, anticipating the removal of nearly all trade barriers there in 1992. "That's doing as much for the small exporter as anything else right now," he says.

In addition, he says, small businesses are seeing prospective clients from Japan, Taiwan and China. He says that wood products are particularly in demand in the Pacific Rim.

Korean-born Jaechul Ahn, a Minneapolis-based exporter of timber products, says he's running rings around his larger American competitors in sales to Korea, Taiwan and Japan. Basswood is particularly hot in Korea right now. He says he's been racking up basswood sales while his larger U.S. competitors have been holding on to their stocks, in hopes prices will rise.

Though he started his company only two years ago, he says he expects to have sales of between $2 million and $3.5 million this year.

Small companies, hankering for their first bits of export business, are calling up trade consultants for advice. Noor Doja, executive director of Minnesota's export finance authority, says the increase in such inquiries has been "dramatic" this year. He estimates that over the past 12 months or so, 200 to 300 businesses with sales of less than $10 million have dipped their toe in international waters for the first time. Those small concerns have accounted for "virtually all" of the companies that have joined the ranks of Minnesota's 1,000 exporters since last year, he adds.

What's driving this interest? Two factors, says Mr. Doja. First, there are the export benefits of the dollar's modest value in comparison to the early Reagan years. Secondly, entrepreneurs view exporting as a way to build profits that will carry them through the seasonal swings in their domestic markets.

Most of the Minnesota activity is coming from the state's major food and packaging industries, computer and software businesses, and medical equipment companies. But, Mr. Doja says, there's also growing interest from more off-beat enterprises, such as a fresh crayfish company in Duluth that ships to Sweden.

"A few years ago, we would have laughed" if a crayfish seller had asked the state for advice on marketing overseas, he says.

Still, there's a possibility that first-time exporters are feeling less adventurous now, than, say, a year ago. Hank Selby, who heads the Richmond, VA., branch of Schenkers International Forwarders Inc., says he had a lot more requests last year to put on trade seminars for small businesses. Export fervor ran high last year after the dollar reached its lowest level against the yen since the late 1940s. He says the slacker interest he sees from would-be, first-time exports these days probably reflects the 20 percent gain the dollar has shown against the yen since that low point in January 1988.●

AL BREWSTER—A PATRIOT

Mr. SYMMS. Mr. President, as we wrapped up our business for the August recess, a dedicated American completed his last day of formal employment in service to our Nation's security. Brig. Gen. A.E. Brewster, USMC (Ret.), known to many of us as Al, retired as the vice president, legislative affairs of the Northrop Corp. after an illustrious 37-year career.

Prior to joining Northrop, Al Brewster served for 28 years with distinction in the Marine Corps, with combat tours in both Korea and Vietnam. Those who have been in the Senate since before 1980 probably first became acquainted with him in his capacity as legislative assistant to the commandant from 1977 to 1980. They will recall the constructive role he played in communications between the Marine Corps and the Congress and in supporting congressional requirements in deliberations on all manner of concerns related to the Corps.

More recently, we have known Al Brewster as a senior representative of one of this country's major defense contractors, the Northrop Corp. In this capacity he has demonstrated expertise and professionalism in informing the Congress about the many important programs Northrop produces or has under development to bolster deterrence and fulfill other national security requirements.

His latest commendable effort was with regard to the B-2/Stealth bomber when we had that proposal on the Senate floor. Those who have had occasion to work with Al Brewster will miss him. He brought integrity, balance, and humor to his dealings, but most fundamentally is a fine American. We wish him and his lovely wife Suzanne much well-deserved pleasure in retirement. I salute this American patriot.

WHITE HOUSE CONFERENCE ON SMALL BUSINESS AUTHORIZATION ACT, S. 977

● Mr. D'AMATO. Mr. President, I rise today as a cosponsor of the White House Conference on Small Business Authorization Act, S. 977.

The White House Conference on Small Business is important in that it acts as a barometer indicating the major issues affecting small businesses and setting the tone of Government small business policy for years to come. In 1980, its delegates produced a list of 60 recommendations, of which some 60 percent were enacted wholly or in part, ranging from action on the Federal budget deficit to providing adequate Government research spending. The most recent conference, in 1986, produced a 60-item priority list including 10 top issues that were presented to the President and Congress.

The frequency of the last two conferences appears to demonstrate an awareness on the part of the small business community of its impact upon Government policy. The 1980 conference was the first to be held since the original meeting called by President Franklin Roosevelt in 1938.

S. 977 authorizes a White House conference on small business in 1991, and additional conferences at least every 6 years thereafter. The impending institutionalization of these conferences would abolish the spontaneity of past conferences and would provide the necessary visibility to the needs and concerns of small businesses in our rapidly changing world economy.

I urge my colleagues to join in cosponsoring this worthy legislation.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

● Mr. HEFLIN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 for G. Robert Wallace, a member of the staff of Senator WALLOP, to participate in a program in the People's Republic of China, sponsored by the Chinese People's Institute of Foreign Affairs, from August 26–September 8, 1989.

The committee has determined that participation by Mr. Wallace in the program in the People's Republic of China, at the expense of the Chinese People's Institute of Foreign Affairs, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Mr. Cesar Conda, a member of the staff of Senator KASTEN, to partici-

pate in a program in Taiwan, sponsored by the Soochow University, from August 21-29, 1989.

The committee has determined that participation by Mr. Conda in the program in Taiwan, at the expense of the Soochow University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Mr. Michael C. Mitchell, a member of the staff of Senator ROTH, to participate in a program in Korea, sponsored by the A-san Foundation, from August 6-13, 1989.

The committee has determined that participation by Mr. Mitchell in the program in Korea, at the expense of the A-san Foundation, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Mr. James O. Ratliff, a member of the staff of Senator SIMPSON, to participate in a program in the People's Republic of China, sponsored by the Chinese People's Institute of Foreign Affairs in conjunction with the Far East Studies Institute, from August 26-September 8, 1989.

The committee has determined that participation by Mr. Ratliff in the program in the People's Republic of China, at the expense of the Chinese People's Institute of Foreign Affairs in conjunction with the Far East Studies Institute, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Mr. Martin J. Gruenberg, a member of the staff of the Subcommittee on International Finance and Monetary Policy, to participate in a program in Taiwan, sponsored by the Soochow University, from August 21-29, 1989.

The committee has determined that participation by Mr. Gruenberg in the program in Taiwan, at the expense of the Soochow University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Ms. Kathleen Harrington, a member of the staff of Senator DODD, to participate in a program in Taiwan, sponsored by the Soochow University, from August 21-30, 1989.

The committee has determined that participation by Ms. Harrington in the program in Taiwan, at the expense of the Soochow University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Dr. Robert McArthur, a member of the staff of Senator COCHRAN, to participate in a program in the People's Republic of China, sponsored by the Chinese People's Institute of Foreign Affairs, from August 25-September 8, 1989.

The committee has determined that participation by Dr. McArthur in the program in the People's Republic of China, at the expense of the Chinese People's Institute of Foreign Affairs, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Mr. Bruce Marks, a member of the staff of Senator SPECTER, to participate in a program in Taiwan, sponsored by the Tunghai University, from August 7-13, 1989.

The committee has determined that participation by Mr. Marks in the program in Taiwan, at the expense of the Tunghai University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Mr. Timothy Bergreen, a member of the staff of Senator BREAUX, to participate in a program in Taiwan, sponsored by the Chinese Culture University, from August 19-27, 1989.

The committee has determined that participation by Mr. Bergreen in the program in Taiwan, at the expense of the Chinese Culture University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Mr. Thomas Hill Moore, a member of the staff of Senator BREAUX, to participate in a program in the People's Republic of China, sponsored by the Soochow University, from August 22-29, 1989.

The committee has determined that participation by Mr. Moore in the program in the People's Republic of China, at the expense of the Soochow University, is in the interest of the Senate and the United States.●

RURAL HOUSING REVITALIZATION ACT

● Mr. D'AMATO. Mr. President, I am pleased to support legislation introduced by Senator SANFORD, S. 1371, the Rural Housing Revitalization Act of 1989. This bill builds upon the rural housing provisions contained in the National Affordable Housing Act which Senator CRANSTON and I introduced in March of this year. S. 1371 focuses additional attention and resources on the housing programs of low- and moderate-income families of rural America.

Contrary to popular opinion, housing problems are not focused solely in our large urban centers. The rate of poverty and unemployment is now higher in rural areas than in the big cities, and the depression of the rural economy has had a devastating effect upon housing in these areas. In an 8-year period from the mid-1970's to the mid-1980's, housing costs of low-income rural households increased 64 percent. More than 7 million rural households across the country are struggling with serious housing problems. They are faced with inadequate living conditions, overcrowding, and the inability to manage their financial burdens.

Because the rural poor live in areas where there is a vast shortage of decent housing, urban solutions are inapplicable. Where rent and mortgage supplements are a necessity for low-income urban dwellers, low-income families in rural areas may need much more. Rural housing can be so inadequate that assistance for housing rehabilitation and development is needed in addition to rent and mortgage supplements.

An estimated 44 percent of the Nation's occupied substandard housing units are located in rural areas. It is a struggle for low- and moderate-income families in rural areas to afford safe, decent, and sanitary shelter. These families often live without plumbing, running water, weatherproofing, or electricity. It is not unheard of for a family with several children to live in a one-room house. The children may not have a safe place to play. Appalachia, the Deep South, the Ozarks, Indian reservations, and the Hispanic Southwest are the areas where these substandard conditions are the most prevalent, but such conditions are not limited to these regions. These depressed rural areas exist throughout the country.

The situation has been exacerbated by a decline in Federal funds. The U.S. Department of Agriculture's Farmer's Home Administration [FmHA], which provides primary assistance to low- and moderate-income rural families, has had its funds severely cut. Funding for the Section 502 Program, which provides assistance for single families to buy a home, has decreased from $2.9 billion in 1979 to $1.3 billion in 1989. New York State received $38.6 million of these funds in fiscal year 1989. Funding for the Section 515 Program, providing multi-family housing loans, has been reduced from $821 million in 1979 to $555 million in 1989. New York received $18.5 million of these funds in fiscal year 1989. The number of new loans made during this period has dropped substantially.

The Rural Housing Revitalization Act aims to turn these trends around by providing expanded funding levels and services to the rural communities. The bill reauthorizes FmHA at increased levels (an increase of $100 million for fiscal year 1990 to an estimated total of $2.4 billion, and an increase of $300 million for fiscal year 1991 to an estimated total of $2.7 billion), sets aside FmHA loans for specifically underserved areas, authorizes a grant

program to develop housing assistance capacity and authorizes a guaranteed loan program to families who have demonstrated a severe lack of mortgage credit. In addition, the legislation will create a demonstration program providing grants to nonprofit public and private organizations to develop partnerships to create low-income rental housing.

As the demand for decent, affordable housing in rural areas exceeds the supply, we must continue to support those programs which have a proven track record of providing safe and decent housing in our rural areas. The Rural Housing Revitalization Act establishes realistic goals to build upon our experience of the past. By making resources available to provide homeownership affordability to rural residents and improve substandard living conditions, we are able to improve the overall quality of life in rural America. A revitalization of rural housing is directly linked to a greatly needed increase in rural prosperity.●

CHILDREN HELD HOSTAGE BY TERRORISTS ON PLAYGROUNDS

● Mr. HATFIELD. Mr. President, a cartoon recently appeared in the Oregonian which expressed a sad, but realistic portrayal of life for America's children. The cartoon pictured two young friends headed to the neighborhood park to play. One says "Mom! Can I go to the park with Billy?!" His mother replies, "Alright, but be careful crossing the street * * * and watch out for hypodermic needles, used condoms, junkies, drug dealers, and sex perverts!" The children grimace at each other and Billy says "Let's just watch TV, OK?"

While this message went unnoticed by many in my region, one of my constituents, Mr. Thom Thompson of Beaverton took the liberty of responding with a letter to the editor written in hope for our children. Mr. Thompson is a consultant in playground safety and supervision. He currently serves as a member of the National Task Group on Playground Safety, a committee of the American Society for Testing and Materials. He and I agree that attention to our youngest citizens is not only the mark of a thoughtful society, but crucial to our continual development as caring and compassionate people.

A familiar quotation notes that "A society is not known for what it does for its greatest, but what it does for its least able." Children are dependent upon society and its demands and attitudes toward early intervention and development. As leaders, we must realize this is one of our greatest trusts. Children are not political or partisan. As Mr. Thompson notes, they only ask that their friends be "nice."

I am pleased to bring Thom Thompson's letter, entitled "Children Held Hostage by Terrorists on Playgrounds" to the attention of my colleagues. I ask that it be printed in the RECORD.

CHILDREN HELD HOSTAGE BY TERRORISTS ON PLAYGROUNDS

(By Thom Thompson)

Horsey's editorial cartoon, Oregonian, Wednesday, August 23rd, would be humorous if it wasn't so tragically true. It was the good old days when all children had to do to be safe was look both ways when they crossed the street. Now they are in peril when they play in a place we designated for them. This sad commentary is not unique to urban parks or school yards on the East Coast. It is the condition of well-heeled suburban playgrounds as well.

Now a major factor in the current design or renovation of any play site is safety and security. You cannot meet the serious liability issues without a strict adherence to make sure children are not injured needlessly. Loose material for a safety surface under equipment used to be common. However, the first comment now is, ". . and we have a problem with hypodermic needles or crack vials, so we can't have sand under equipment," and "drug dealers hang out on the playground so what we need to talk about is lighting or fences or no closed areas." Children have been injured by knives deliberately stuck in the ground or at the end of slides.

Then, as the cartoon mentions, there is the problem of "sex perverts." It is standard curriculum in safety programs to warn children to watch out for strangers, especially around playgrounds. Sex offenders state that a common area they watch is a playground and look for the uninvolved child.

If executives had to wander past drug dealers in the corridors of their office buildings or remove needles, condoms and crack vials from the reception area, you can bet that building would be staffed with armed security 24 hours a day. If receptionists had to run to their cars past strangers lurking in shadows, there would be thousands of dollars in lighting outside that building.

Playgrounds are so unsafe in some areas that children are better off to stay at home. The very territory we have designated for their fun is being held by captives. Play is essential to the wholesome, total development of children. It is, in fact, their work place. It is where they test their skill, build their muscles, learn social skills, practice getting along with others and play magic games. We would never surrender our work place to the terrors or terrorists that freely hold the children's.

We make grand speeches about how we will never give in to terrorists in the Middle East. We increase security to nearly the point of inconvenience at airports to make certain no dangerous objects get on our planes. Yet with a wink, we surrender our most valuable territory to terror at home. This holds the children hostage in their own homes, for safety's sake, as surely as if we guarded the door.

Their blindfolds and ropes are all those lost opportunities to learn a new skill, to test their strength against another, to run and jump and climb, to play in a magic place with a friend, to marvel at a park filled with leaves. Without a speech, we have surrendered a children's place to terrorists. Those opportunities, once missed, are gone forever. Gone as surely as the missed years of growing up a prisoner in the Middle East doesn't see in his own children. Children can never recapture those lost developmental years.

This missed development is paid for in every classroom. Play is critical to inner-ear development; this affects reading. Play with others is an essential social skill; this affects group behavior. Taking turns on equipment and playing fair teaches patience and values. Instead of these positive learning environments, the children are held captive in front of televisions and repeating video games. Ask an educator if we don't pay for that in the classroom. This is not the only price we pay. We pay when school and park budgets increase to meet the rising cost of insurance, or when they pay triple for a manufactured safety surface. We pay when health costs rise to meet the influx of injuries. 185,000 children a year are sent to emergency rooms due to playground injuries. That is one child every two minutes. That would constitute an epidemic in nearly any disease.

Are there solutions? The first solution is a commitment from neighborhoods to take back the valuable land they have lost, to take back the rights to their children's informal education, to commit to watching playgrounds when their child is there, to report people hanging out around playgrounds. If we need a reason to address solutions, other than the sheer joy of a neighborhood's reclaiming its rightful territory, then we can look to our legal responsibilities. Children are recognized under the Constitution as "persons." Therefore, the compelling state interest to provide for the health and safety of citizens applies to children. A right to an equal education is a battle currently being fought in this state in relation to schools. Play spaces are no less learning environments then classrooms. This is a responsibility we carry legally and morally.

What are the costs in dollars? The answer to a good start is almost ironic. With a $10,000 investment for each of the nearly 50,000 public school playgrounds, you come up with the total for one B-2. The question then becomes, does part of our commitment to national defense start at home? This $500 million would put some pretty good safety surface on almost all of these playgrounds, or this money would put some good developmentally appropriate equipment on a lot of these playgrounds. This money would get rid of a lot of sterile concrete playgrounds; sterile for safety's sake, and show more than a lip service attitude toward our greatest resource—children. If children are our future, the question is where and when do we protect them from terrorists?●

INTERPRETING AVAILABLE FOR HEARING-IMPAIRED STAFF

● Mr. SIMON. Mr. President, I want to thank the Committee on Appropriations for approving the funding necessary to have interpreting services available on a permanent basis for our deaf and hearing-impaired Senate staff.

As a Senator who has experienced hearing loss, I have my own personal understanding of what it means to be hearing impaired. I also have a deaf person on my Senate staff, Marci Wolfangle, and because there has not been

an official policy in the Senate to provide interpreting services, I was forced to make arrangements for an outside interpreter to be available to my staff on an as-needed basis. Marci has told me that interpreting is essential for deaf staff to be able to actively participate in the functioning of a Senate office. I am proud to have her on my staff.

The committee approved $30,000 for one certified full-time interpreter and $12,500 to be placed in a fund to be available to hire outside interpreting services when needed. Mr. President, this is a very small amount when we consider the benefits this money will provide. Without interpreting available, deaf people have little, if any, access to Senate services, such as computer training classes, seminars, demonstrations, et cetera. Deaf persons have had little or no opportunity to participate in staff meetings or to even apply for a job in the Senate. The denial of this access for the deaf has been unfair. As we are now considering action on the Americans with Disabilities Act [ADA], I cannot think of a more appropriate time to approve this funding.

We will be doing a great service for our deaf constituents and the deaf community at large by approving this funding. But we will be doing a great service for the Nation as this will result in more people understanding and communicating with the deaf. And we will be doing a great service to the institution of the Senate by now having deaf persons and their contributions to our staffs.

Mr. President, I strongly urge my colleagues to approve this level of funding in the legislative appropriations bill.●

THE BUSINESS-EDUCATION COMPACT OF WASHINGTON COUNTY, OR

● Mr. HATFIELD. Mr. President, I rise today to recognize an excellent example of private sector involvement in education: The Business-Education Compact of Washington County, OR.

Washington County has a population of 287,000, and is home to rural and farming communities, as well as some of the finest wineries in the State. Companies such as Nike, Tektronix, Intel, Sequent, Mentor Graphics, and NEC America also call Washington County home.

There are 13 school districts, with 100 public schools, 17 private schools and approximately 4,000 educators.

The Business-Education Compact is a nonprofit organization designed to assist educators and business people within Washington County to exchange information regarding current developments in business and technology. The goal of the compact is to help teachers apply practical knowledge acquired from the information exchange to the classroom setting. The businesses also benefit from the added skills the students receive by having a better educated work force.

As many of my colleagues are aware, I am very concerned about the emerging crisis in math-science education in our country. The United States is falling behind other nations in technological literacy. A recent study entitled "The National Assessment of Education Progress" disclosed some alarming statistics regarding the relative competitiveness of the United States in math-science education. Among college-bound high school seniors, the United States ranked 9th out of 13 countries in physics proficiency, 11th in chemistry, and 13th in biology. The study also reported that only 7 percent of our Nation's 17-year-olds have the basic scientific knowledge required fo them for a college education, and that the average proficiency of our black and Hispanic students is 4 years behind that of other students. These bleak figures are a call to action for both the traditional education community and the private sector. The Business-Education Compact of Washington County is a positive example of a public-private partnership, which work together to provide hope for our seemingly technologically illiterate society.

A report entitled "Nation at Risk" raised some concern amongst the leaders of Washington County. After much effort and research, and examining similar programs around the county, the collective chambers of commerce in Washington County came up with what is now the Business-Education Compact. The compact is especially impressive in that it has enhanced both businesses and schools without spending additional tax dollars. It is staffed mainly by volunteers, and is funded through business contributions and membership fees, with over 60 percent of the budget funded by donations.

The Business-Education Compact is divided into seven working groups: Educator assistantships, business-school partnerships, math-science curriculum, East Asian studies, higher education working group, work force preparation—also referred to as Workforce 2000—and funding. These working groups are designed to focus on specific areas in which the compact can be of most use. The educator assistantship places educators in businesses for 3 to 9 weeks during the summer to learn practical applications of subjects and skills they are teaching, and to introduce the educators to new resources for their classrooms. The assistantship is simply a hands-on approach to education, a means of nontraditional professional growth. Educators are required in some way to use their assistantship experience in the classroom.

The remaining programs are making great strides toward increasing the level of awareness in the schools. The business-school partnership links schools and businesses for special projects, and the East Asian studies program promotes better student awareness of the Pacific Rim countries. The higher education working group is a watchdog group that identifies gaps in Washington County's postsecondary education offerings. The higher education group established the Oregon Center for Advanced Technology and the Lintner Center, which serves as an information clearinghouse for high-tech companies in search of additional employee training.

One of the most important programs of the compact is the work force preparation group, or Workforce 2000, which was created to identify future needs of the business community and discover ways to better prepare the future work force for the changing times. The math/science group involves identifying ways to make math and science learning more practical and interesting, to enhance math and science teacher training—with a special interest in applied instructional skills—and recommended ways to expand and improve curiosity-based math and science instruction at the primary level. Finally, the funding working group is responsible for identifying funding for the activities and expenses of the compact.

The Business-Education Compact of Washington County involves students from kindergarten age to those pursuing postgraduate work. In the future, math and science education improvement will be of tremendous importance, and the compact will focus largely on the need for increased math and science education at the elementary level, as well as practical applications at the high school level. Recently, the Washington County Compact received $50,000 from the State of Oregon to design tool kits in order to replicate similar educator assistantship programs, programs which will be tailored to the needs of local school administrations. The compact also benefits from a 3-grant from the National Science Foundation, which amounts to $8,000 annually, and has submitted a twofold grant request to the NSF, which involves receiving funds to borrow an outstanding math/science teacher and create a computer network in which the business community and educators could exchange information.

The Business-Education Compact of Washington County is a highly successful effort to better inform educators of the changing needs in the business future, and thus better prepare

tomorrow's work force. I commend this program, which includes over 80 educators this summer alone. I would especially like to commend visionary Gary Conkling, who works on the business end with Tektronix, and executive director Tamra Busch-Johnsen. I share their enthusiasm for this program and encourage further efforts of this kind.●

RECYCLING WASTE

● Mr. SIMON. Mr. President, while I was back in my State during the recess I had the opportunity to visit two communities that have taken a leading role in recycling garbage. Champaign and Urbana have set an example for a country too comfortable with throwing its garbage in a landfill and at the same time throwing away valuable resources. I have outlined their fine program in a column I write for newspapers in my State. I ask that it be reprinted in the RECORD.

The column follows:

ILLINOIS SOLUTIONS TO FULL LANDFILLS

I have had a chance to look at an important part of our future: what we do with our trash.

In 1970, Illinois had 1,200 landfills. Today, we have 146. Because of the growing national problem, we will soon face tighter and tighter regulations on garbage disposal. And even if that were not coming, just the practical problem of running out of places to put out trash would be forcing change.

I had heard from Mayor Dannel McCollum of Champaign about what his community was doing together with Urbana and Champaign County officials so I went to take a look at their operation.

In the process of disposal, people separate cans, newspapers, plastic bottles, glass bottles and what is called yard waste from the rest of the garbage. And it works!

Evanston and Naperville and other Illinois communities have similar programs.

Newspapers are sold to paper companies for reprocessing, though a stronger market for old newspapers is needed. I'm trying to get the Government Printing Office to use more recycled paper.

The metal cans are magnetically separated and crushed; glass bottles are broken up; plastic bottles are shredded. All of these processed products are then sold to companies to be manufactured into new products.

Twenty percent of what we call garbage is yard waste, much of which is diverted to a special processing facility. In Urbana, leaves and grass clippings are put into special degradable bags made in part from corn starch (which also helps farmers). Unlike the plastic bags with a petroleum base normally used, these disintegrate. The compost from the leaves and grass is sold for $2.50 a yard.

Brush and smaller limbs and Christmas trees are chewed up by a grinder that spits them out as wood chips, which are sold for $3.50 a yard.

Larger limbs and three stumps are also taken to the yard waste site. There they are sawed by students or unemployed people and sold as firewood for $70 a cord. Or you can come and saw your own firewood and get it free.

Individuals or families really struggling to get by can make a few extra dollars by picking up cans and bottles, and then bringing them to the recycling center.

According to an article by Eileen Ogintz in the Chicago Tribune, Evanston had 50 fewer truckloads of waste for its landfill the first 3½ weeks of the Evanston program, saving that city $12,000.

What I saw in Champaign and Urbana is similar to what I remember we did when I was a boy during World War II. We knew it was patriotic not to waste the nation's resources. Once again we must learn that same lesson.

In Woodbury, N.J., you can be fined as much as $500 for not separating your trash. And while there have been few fines there, the message to the citizens is clear.

In the next five years one-third of the remaining landfills in the nation will be filled. We'll have to change some of our literally wasteful habits.

What Champaign and Urbana and other communities have shown is a view of our future. And once we get accustomed to it, it should not be difficult.●

TRUMBULL CAPTURES LITTLE LEAGUE CHAMPIONSHIP

● Mr. DODD. Mr. President, on August 26, as the summer wound down and the major league pennant races heated up, 15 young men from Trumbull, CT, realized the dreams of millions of 11- and 12-year-olds the world over. By defeating a tough squad from Kaosiung, Taiwan, the youngsters from Trumbull captured the 1989 Little League World Series championship.

Trumbull's success was the result of an all-around team effort. Simply to earn a trip to Williamsport, PA, home of the world series, Trumbull played a total of 13 games in district, State, and regional tournaments. No one player was solely responsible for the fact that Trumbull outscored its opponents 155 to 29 in these games, or that Trumbull slugged nine home runs in the four regional games alone. Trumbull won because all its players contributed when called on to do so.

Likewise, in the championship game, the Trumbull club turned in a fine all-around performance. There was good pitching, as the Kaosiung squad managed only five hits. There was clutch hitting, as a two-out single in the third inning put Trumbull on top to stay. There were also more of the long ball, as a solo shot in the bottom of the fifth sealed the victory for Trumbull. And finally, there was solid fielding—including, in the fifth, a perfect strike from the left fielder that nailed a Kaosiung runner at the plate and dampened a major scoring threat.

Mr. President, I would like to take this opportunity to salute the 15 young men on the Trumbull team: Matt Basztura, Dan Brown, Paul Coniglio, Chris Drury, Chris Fasano, Dave Galla, Todd Halky, Jason Hairston, Chris Kelly, Cody Lee, Harlan Marks, Ken Martin, Dan McGrath, Andy Paul, and Matt Sewell. I would also like to pay special tribute to manager Tom Galla and to coaches Ed Wheeler and Bob Zullo, whose wise guidance was responsible in no small measure for Trumbull's success in tournament play.

Mr. President, in many ways, Trumbull's success story was an appropriate final chapter for the 1989 Little League season. Just as the Trumbull squad began its campaign for the world championship with the modest goal of winning one game at a time, so Little League began in 1939, with a simple goal—to enable 30 Williamsport youngsters to play organized baseball on a regular basis.

Little League was the brainchild of Mr. Carl Stotz, who still resides in Williamsport. As the Associated Press has reported, Mr. Stotz came up with the idea while playing catch with his nephews in August 1938. He envisioned a league in which his nephews could play organized ball on a good field, in uniforms, with bats designed for young hitters. Through the fall and winter, Mr. Stotz worked hard to transform his dream into reality, overcoming a number of obstacles on the way. He had to call on 57 businesses before he found one that would agree to sponsor a team, and he was forced to make up some of the league's expenses that first year out of his own pocket. Nonetheless, the inaugural season, which began on June 6, 1939, must have convinced Mr. Stotz that his hard work had paid off. The youngsters beamed as uniforms were distributed, and played the games, as little leaguers have ever since, with considerable gusto.

From such modest beginnings, grew an organization that is today active in the United States and 33 other nations. In total, 2.5 million youths play on 140,000 teams in 6,000 leagues. In America of course, Little League serves as an introduction to our national pastime. All over the world, however, Little League baseball teaches young people the value of teamwork, and channels youthful energy into a productive pursuit.

Mr. President, the Trumbull team's victory in the World Series, and Little League's 50th anniversary, are welcome nuggets of good news. Increasingly, as adults, we try to keep our youngsters away from destructive influences by telling them to say no to things—to music with lyrics that endorse violence and destruction, to sex, and of course, to drugs. It is good to remember that there are still some things that American youth can say yes to. Little League baseball is one of them. It encourages kids to dream grand dreams. And as the 15 young men from Trumbull have learned, some of those dreams do come true.●

HIROSHIMA

● Mr. SIMON. Mr. President, I noted the 44th anniversary of the bombing of Hiroshima.

What is a nuclear attack like? Why is it so vital that we make sure it never happens again, particularly in a world where we have many thousands of times more nuclear power than was dropped on Hiroshima?

To get some feel of that you have to look at the lives of people.

The Chicago Tribune recently ran four interviews of women who were at Hiroshima, who managed to survive. The articles were written by Chieko Kuriki of the Chicago Tribune's Tokyo Bureau.

I ask to insert all four in the RECORD at this point, and I urge my colleagues to read these moving stories.

On the same day, the New York Times carried a story by Yasuo Takeyama, the retired chief editorial writer of Nihon Kazai Shimbun, one of Japan's largest newspapers, on his recollections of Hiroshima.

It is also a moving account. I hope my colleagues will read this, as well as the four interviews that appeared in the Chicago Tribune. At this point, I ask that his article be inserted into the RECORD.

The articles follow:

[From the Chicago Tribune, Aug. 6, 1989]

ALTERED LIVES

(They survived the blast of an atomic bomb only to face the scorn of their society.)

Monday, Aug. 6, 1945, dawned hot and clear in Hiroshima. A bomb alert, issued in the early hours, was lifted at 7:31 a.m. Workers headed for their offices, and children gathered in school yards. Citizens and students already were at work removing buildings in the densely populated central area of the city to create a fire belt. Shops were about to open.

At 8:15 a.m. the first atomic bomb was detonated over the city on the Inland Sea.

Fire storms, which lasted several hours, followed the initial explosion and ravaged the city center. Moisture condensed on the rising ash and dust and fell in a deadly radioactive rain that became known as black rain. Thermal radiation—estimated to be 5,400 to 7,200 degrees—burned people as far away as 2.2 miles.

Exact casualty figures are unknown, but the city of Hiroshima estimates that, by Nov. 1, 1945, at least 130,000 had died. Many continued to die from the after-effects decades later.

Most of the victims were women. Many men were away at the front lines. Those women who survived were doubly injured. In a society in which women were treated as second-class citizens, the A-bomb victims were viewed as damaged goods. Families demanded that their sons divorce injured wives.

Many of the survivors—marked by scars, often ill—became social outcasts. Those who bore children lived with fear, of birth defects and life-threatening illnesses, such as leukemia.

Today, an estimated 109,000 A-bomb survivors, known as *hibakusha*, live in Hiroshima—more than 66,000 of them are women. Chieko Kuriki of the Chicago Tribune's Tokyo Bureau talked with four of those women.

TOYOKO YOSHINO

(Toyoko Yoshino, then 21, and her brother were 1.3 miles from ground zero. Miraculously, both of them suffered only minor injuries. Because she worked in a military office, she was engaged to give first aid to victims right after the bombing. In 1949, she married Takaai Yoshino, who is also an A-bomb survivor. They have one daughter, Ikuko.)

I was on a local train that morning reading a book. As the train was approaching Hiroshima Station, the page turned yellow. At the same time I looked back and a deafening sound came from beneath my feet. The train rolled. The ceilings and baggage racks collapsed.

The next thing I remember was 1st Lt. Kubo, my boss, who happened to be on the same train, dashing water on my face. I was lying between the railroad tracks.

As we stepped out from the station, we found all the buildings had collapsed as far as the eye could see.

Grotesque looking people, all seriously burned and injured were walking south on bare feet. All remained silent and appeared absent-minded. Something dreadful had happened. "Are we going to win the war?" I asked my boss. He said nothing.

I heard a voice calling my name. Someone was waving not far from me. The person, almost naked, was sitting among the wounded. The face looked like one made of clay with one horizontal line about the eyes. Dark red blood oozed out of the peeling skin. When she touched me, black peeled skin adhered there.

"Who are you?" I asked. "It's me. Hisako Yoshida," relied a weak voice. It was a colleague of mine. She had been walking toward home after the night shift. I put my jacket over her shoulder. I promised her that I would send help and we hurried on to the office.

I was assigned to medical care. I reported about Hisako Yoshida and returned to my duties. Two of our buildings were used as an emergency shelter. We put blankets on the concrete floor.

Most of the victims brought there were 12- to 13-year-old-students who had been assigned to help remove buildings to prevent fires in the downtown area. It was hard to judge their features and sex from their appearances. They asked us to give them medicine.

What we had was a bucketful of mercurochrome and cooking oil. The students told me their names and asked me to contact their families. I promised them to do so. But it was impossible.

The dead were cremated.

I resigned from the office at the end of 1945 and stayed at home. I married Takaaki Yoshino in 1949, who used to serve in the army. He was also an A-bomb victim one mile from ground zero. Our daughter was born two years later.

It was a difficult time. Everyone struggled to live. I tried to think I was fortunate, but my white blood cells began increasing when I was 33. I prayed every day to be allowed to live until my daughter became 18. She married 13 years ago and has a son and daughter.

Mr parents received a notice from the village office in 1965 that they had my bones. They discovered later that they were those of my colleague, Hisako, as I had given her my uniform jacket, which had my name on the lining. As no one from her family reported to the office (all of them were supposed dead), the office had kept them until her cousin came to pick them up six years later.

As for myself, I had a cerebral blot clot in 1986. My speech ability is much better after six months training, but a slight paralysis has remained in my right arm and leg.

I think of Hisako especially when I'm not feeling well. I can't forget her voice. "Hurry back. Help me." were her last words. but I couldn't help her.

The desperate eyes of the students looking for their family members is also my lifelong regret. How much they wanted to see their mothers before dying. How much they had sacrificed for the country. Please forgive me. I lied.

ETSUKO KANEMITSU

(Etsuko Kanemitsu, then a 15-year-old student at the all-girls Shintoku Senior High School, one mile from ground zero. Her face, back, arms and legs were seriously burned, but she managed to return home. Only 5 of the 250 girls (including Kanemitsu) survived. A sister died. She married Akiji Kanemitsu in 1959, and they have one child, a daughter, Masae.)

We were assigned to help remove rows of houses that morning. The bell rang around 8 a.m., so I dashed into the school yard with my friends. It was such a beautiful morning. The sky was blue and clear without any clouds. An airplane (a B-29 bomber) was glittering in the sun leaving a vapor trail across the sky.

Then a blinding yellow light pierced my eyes. When I first became conscious, it was completely dark. The second time (I came to), the air was clear again. People were running around. Babies were crying madly. People were bloody, almost naked with dark peeled skins. I had no idea what had happened. Someone shouted to run away. So I stood up. But to run where? All the buildings had collapsed.

My neighborhood, on the other side of the hill, was intact. My sister (then 4) burst into tears when she saw me. Mother rushed from the house. She couldn't recognize me. My face was swollen. My hair was gone. I was naked. The skin peeled from my arms and legs and hung loosely. I don't recall any pain at this time, but I do remember the heat all over me.

Mother took me to an uncle's in Fuchu, a Hiroshima suburb. It had been arranged between us to escape to his place in case of emergency. It was a long journey. We stooped by a relative's on the way. As I was like that, they didn't let me in. I rested at the entrance. The next time when I recovered consciousness, I found myself at the uncle's.

There was no medicine available. People were saying potato was good. So mother grated them and placed them on my exposed, raw flesh. She also used grated cucumbers. Removing dried potatoes was so painful, causing bleeding. The moisture from the cucumbers caused my wounds to fester.

My red arms and legs made me anxious to see my face. Every time I asked mother to bring me a hand mirror, she didn't. I made my way to the washroom when no one was at home. What I found was unbelievable. My black hair—I was proud of it—was all gone. It was like a monk's head. The face was red. I saw a keloid already on my right cheek. How could I live like this? Impossible.

Cooking oil was the best treatment for burns in those days. The problem was how to get it. Mother managed to obtain oil with much effort. My face was cured by my mother only with cooking oil.

We returned to Hiroshima in mid-September. I was miserable. People avoided me at the public bathhouse. When I was in the common bathtub, the other women gathered at the other side, I didn't notice this until the bathhouse owner told me not to come after a couple of visits "You scare others," she said. I returned home crying. Father bought a small wooden tub. So I bathed at home.

About two months after the bombing, bleeding from my gums began. If I used a toothbrush, this made my mouth all red with blood. Then dark purple spots appeared all over. Those who were A-bombed died every day in my neighborhood in those days. The purple spots were considered a sign of death. When I was tired, the spots darkened. That condition lasted for several years.

I had also severe anemia. Cloudy weather gave me a headache. When it was fine, I felt dizzy and couldn't go out, I felt a constant fatigue and used to catch cold easily. It took a decade to improve my overall physical condition. I'm still anemic.

I returned to school in the winter of 1946. Though I loved learning, I was bullied by my classmates calling me akamen (red face) and sarumen (monkey face). As my hair didn't grow for one year, I covered my head with a pink scarf, a memento of my sister who died in Hiroshima on that morning.

As Hiroshima was destroyed, many people from other areas came into the city. They showed no sympathy toward the A-bomb survivors. It was rare to see surivors in five years, as many of them had died by then. But my school principal, who had lost his daughter to the A-bomb, was very supportive. The day of my graduation, he called me to his office and encouraged me, saying, "You are an eyewitness of the A-bomb. So you must live long to tell the others your experience." I didn't understand at the time.

It was impossible for me to find employment. I didn't want to go out either. After graduation, I studied kimono sewing for four years and supported myself. I had three unsuccessful omiai, marriage meetings. Each time I told them that I had been A-bombed, which was usually kept secret. I thought it was unfair not to tell.

Then the fourth offer of omiai came to me. I wanted to decline, but this time the person didn't mind my A-bomb experience. So I met him in December 1958. We married in March, 1959, when I was 27.

My husband worked for a bus company. He is a hard worker and was very supportive. Marriage eased my depression. I had Masse, our only child, two years later. I was so happy to know that she was a normal, healthy baby.

My husband, who was not A-bombed, entered Hiroshima on the same day, as he was assigned to help put the city in order. He stayed there for three days. He is in the hospital now.

As for myself, I had a tumor on my right shoulder last year and received chemotherapy, which damaged my liver and gallbladder.

I now understand the principal's words. Living eyewitness of the A-Bomb. This is probably why I am alive today.

SUZUKO NUMATA

(Suzuko Numata, then 22, worked in an office building 0.6 miles from ground zero. Now 66, she lives with her sister, Fusako, 64, who also suffers from A-bomb after-effects. She has been vice chairman of the Association of the Atomic Bomb Victims in Hiroshima since it was formed in 1984.)

I left home earlier than usual with my father and sister for the Communications Ministry. We all worked there. It was hot and I was tired. I was going to get married within a few days. It was my job to wash the desks at the office before the boss and coworkers came in. I went to the washroom on the fourth floor to wash out the cloths. All of a sudden there was a flash all over the huge glass window [of the washroom]. It was a mixture of yellow, red, orange, green and blue. But orange was the most impressive. It was so beautiful. Then I fainted.

When I became conscious, I found myself under fallen fragments of the building. Two men helped me out and carried me to a nearby playground. My office was burning.

I was lucky. My father found me. He was safe, as he was between bookshelves. My foot was almost severed. The bleeding didn't stop. Father managed to bring a tatami mat in which to carry me to a safer place. I was temporarily deafened.

Then the sky darkened. Huge rain drops, as big as a tip of a little finger, began falling. I felt I was being constantly beaten by soybeans. It was the radioactive "black rain," but we had no idea what it was at that time. Struggling voices asking for help continued around me.

Later that night my left foot was removed by a doctor without anesthesia under candlelight. I don't remember any pain. I guess I couldn't feel anything. The open wound became infected; the doctor cut off my leg four days later, again, without anesthesia. How painful it was this time. I remember I shouted and then I became unconscious.

It was on one of those days that I was informed about my fiance's death. I was in the middle of the struggle with pain; I couldn't think of anything else. It was much later when I grieved.

A United States medical team came to the hospital in March, 1946, to take photos of the A-bomb patients. I was taken to the roof for the photo session and saw the city for the first time since the bombing. Hiroshima was gone. The department stores, schools and office buildings, all familiar to me, had disappeared. Only the remains of the [railroad] station were recognizable to me.

Despite four operations before I left the hospital in March, 1947, my overall physical condition didn't improve for a long time. My period, which restarted a few months after the operations, was terribly painful. I was often hospitalized. I was uneasy even after my period was over worrying about the next month. This limited my daily activities: There was only a week or two of the month I could go out freely. This condition lasted until a tumor was removed when I was 50.

For two months, I practiced walking on an artificial leg, wearing a kimono to hide it. But this leg made a noise when I walked. The noise never disappeared. I also couldn't walk without leaning to the left. Children mimicked my walk. Adults stared at me on the street. Father and my sister used to escort me to the office.

But I soon quit my job. I didn't want to go out anymore. So I stayed at home and thought about killing myself many times.

I kept asking myself what I could do to make a living and decided to become a teacher. I love learning and children. I reentered Hiroshima YDM College [for sewing and dressmaking]. After graduation (in 1949), I became a teacher at Yasuda Women's Senior High School in 1951, teaching sewing and home management.

It was widely believed at that time that the A-bomb survivors could not bear healthy children. In addition to this, I had lost my leg. So I gave up hope to marry. My parents worried about me a lot. But we avoided talking. It was too painful for us.

I never told my experience to anyone, not even my students.

Eight years ago, Hideaki Nagai, then a theoretical physics professor at Hiroshima University, visited me with the photo of my wound. He was making a film of the A-bomb survivors. He asked me to tell my story in the film. I declined his offer and asked him not to use my photo in the film.

Prior to his visit I used to go to the nursing home every day to take care of my mother. I resigned from school in 1979 for this purpose. There were 250 aged A-bomb people at the home. We became friendly and they used to tell me their stories, which made me think I should do something for them. After many days of consideration, I finally accepted the professor's proposal to tell my experience. The film was completed in 1982.

Many of my students who saw the film called or wrote to me. They asked, "Why didn't you tell us? We could have been of help. Please come and talk to us. We want to understand."

They were right. So I told my story in front of 25 students for the first time in 38 years the following year (1983).

People say time heals everything. But while talking, I burst into tears. I was ashamed of myself, so I tried not to cry the next time. But I couldn't. No, time doesn't heal my experience.

I love children and wanted to become a good mother. If I had married, I would have had grandchildren by now. So I speak to the students as if they are my own grandchildren.

SHIZUKO ABE

(Shizuko Abe, then 16, was on a house roof, one mile from ground zero. When her husband, who was in Manchuria during the war, returned, his relatives asked him to divorce her. He declined. They have three children.)

While I was attending sewing school, my aunt arranged an "omiai," a marriage meeting. I met a gallant lieutenant, Saburo Abe, in January, 1944. My father accepted his proposal. We married Jan. 30 in Hiroshima wearing ordinary (everyday) clothing, but we had our picture taken dressed in traditional wedding costumes at a photo studio as proof of our marriage.

It was common in those days to wait for a considerable time [usually until a child was born], before entering the new bride's name in the family register. Women's status was low. We lived together for one week before he returned to Manchuria. He used to write to me every day.

I can never forget that morning. I was on the roof helping to tear down rows of houses [to prevent fires from spreading], when I heard a sound like air escaping from a huge balloon. I don't remember what happened after that. When I woke up, I had been thrown about 30 feet from the roof. It was dark and the smell was horrible.

I must have been badly burned. The skin had peeled from my arms and legs, and

hung loosely at my nails. When I put my arms down, this only intensified the stinging burns. So I had to raise my arms in front of me, though it was very exhausting, and walk. We surely looked like ghosts.

I reached a huge factory site. People waited for treatment in a long line. Soldiers applied cooking oil to the wounds from a bucket with a brush. It was so crowded, I couldn't get any treatment. I had no more strength. I laid down and soon after I slept deeply.

People in my neighborhood panicked as their family members, looking like ghosts, returned from Hiroshima around noon. They had seen a huge mushroom cloud over the city, while we (at ground zero) didn't see it. My parents began searching for me, visiting schools and temples that were used as temporary shelters. [Her father found her three days later.]

Our family doctor couldn't help as he had no medicine. My parents applied grated potatoes to my wounds.

I was quite optimistic, believing in my full recovery until I saw my face in the mirror. The skin was so reddened that it made me look like a Japanese monkey. Why couldn't I have died in Hiroshima at that time? A-bomb victims died every day in my neighborhood. I wanted to die, too.

The keloid [an excessive growth of scar tissue] beneath my mouth screwed it up, making it difficult to eat. My right eye wouldn't shut properly due to the keloid around it. The keloids kept appearing for 10 years, one after another even after they were surgically removed.

I usually stayed at home except for going out for treatment, as people used to call me akaoni, or red devil.

My husband came back unexpectedly at the end of 1945, when my skin condition was at its worst.

I wanted to have health children for my husband. I am fortunate to have two boys and one daughter, all grown up and independent, although they were all bullied at school as "the A-bomb children." My daughter, who has been married for 10 years, still has no children.

I decided to have plastic surgery to improve my daily life. A hole in my right ear, which was almost closed, caused a hearing problem. I couldn't use my right hand properly.

Most people I knew who had been exposed by the A-bomb have died. I had no idea that I could live to be 62. I am indebted to my husband for this. So I'm praying every day to let me live longer than him. I want to sustain him when he's dying. That's probably the only thing I can do in return.

[From the New York Times, Aug. 6, 1989]

I WAS REBORN AT HIROSHIMA

(By Yasuo Takeyama)

TOKYO.—Forty-four long years have passed since that fateful day in Hiroshima.

For three years, I lived in utter debility and lethargy, suffering from all the aftereffects of atomic bomb disease. "Tomorrow and tomorrow and tomorrow" crept at a painful pace, each night prolonging the agony of imminent death.

The sun was a ball of fire in a cloudless sky on that Aug. 6 morning. I was serving as an officer of the Imperial Fleet and Naval Air Force headquarters staffs. Due to report to a 10 A.M. staff meeting at the Kure regional headquarters of the Imperial Navy, I boarded the 8 o'clock train on the Kure line at Hiroshima station, took off my military jacket, threw the window wide open and began reading as I waited for the train to leave.

At 8:15 A.M., out of the corner of my eye I caught sight of an incandescent pillar of magnesium flash about one foot wide and reaching as far up in the sky as I could see. I have no memory of the roar of the explosion.

The next moment, it got pitch dark and I was dashed to the aisle. "Another engine boiler blowing up, for heaven's sake!" I thought, until an officer shouted, "It's an air raid!"

I grabbed my jacket, bayonet and briefcase, crawled to the end of the car and jumped out onto the tracks. Box cars were toppled sideways and the station building was ablaze, the smoke obscuring the bright sun. I glanced back and saw the train catch fire and burn uncontrollably. Had I been knocked senseless by the blast, I would have been incinerated.

I clawed my way out of the station precincts and ran to seek the designated shelter at the Imperial Army's east drill ground, only to step right into an inferno of piles and piles of dead bodies, with their thin summer clothes ripped off and their faces, heads, backs and torsos scorched, some of them half-immersed in muddy pools of water, and faint dying groans of "water, water" rising on all sides.

I was bleeding profusely, all the way down to my belt, and my throat burned. As I tried to plug the hole in my throat with my handkerchief, suddenly large drops of a summer shower began to fall on the scene.

The next thing I knew, I found myself in one of the shelters the Army had managed to set up all across the city, in the company of a young girl cradling herself in tattered shreds of what must have been a white summer blouse, and miserably sobbing at the reflection of her terribly burned face in her hand mirror.

I waited until her tears subsided and asked her to let me use her mirror. I was shocked to find a gaping cut about an inch across my throat, exposing the pinkish vertical line of my trachea and the dark column of the artery throbbing beside it.

I made my way back to the Red Cross sign of a field hospital station that the Kure naval hospital ambulance team had set up in one corner of the drill ground. I identified myself and asked for emergency care. The medic said, "It's going to hurt like hell, sir, but try and hold on!" He yanked off the blood-soaked handkerchief I had stuffed into the hole in my throat and poured in some tincture of iodine.

I almost fainted. My knees gave way and I fell into one of the trenches dug for drills in antitank warfare. They pulled me out, and I looked around, only to find rows and rows of dead bodies under the shelter of a makeshift tin roof.

I looked in the direction of the downtown area and saw the city shrouded by dark clouds and the fumes of death, while roaring flames licked across the apocalyptic landscape.

It was no use trying reaching my office at the center of Hiroshima, and I began to trudge back to my boarding house. I later learned that the blast center was not far from my office.

I carefully picked my way across the Sanyo trunk line, crossed several bridges until I reached Koi station, the second stop from Hiroshima, which had burned down and was still smoldering.

As I went on, singing marching songs to cheer myself up, I was stopped by the sight of a man wrapped in a straw mat laboriously picking himself up from the rice paddy by the tracks, and falling down again as he called my name.

He was first secretary Kuzuhara, who was under my direct control at the office. He was stripped and terribly burned from the waist up. With great difficulty, I held him in my arms and carried him along, until, thank heaven, a small Datsun picked us up not far from the Koi station.

The driver happened to be working at Mitsubishi's Hiroshima shipyard, then under my supervision. We took Kuzahara to my boarding house and for three days and three nights I did all I could to save him. Alas, I lost one of the most personable and dependable, careful and faithful of my men, and returned him to ashes in the confused aftermath of the Pika-Don—the Big Bang.

I commandeered a truck the next day and began to go daily to the burned-down office in the city. I gathered the remains of my colleagues—charred pieces of bone scattered above the ground and several bodies stifled to death in the basement—which soldiers helped me to burn with gasoline on the banks of the Ota River. The ghastliness of reducing the naked bodies to ashes without so much as a makeshift coffin is indelibly imprinted in my mind's eye even today.

Army soldiers used firemen's hooks to pull ashore the naked bodies that floated down the river, piled them up and burned them day and night.

(For about six months after I was discharged from the Navy in October 1945, I used to feel sick at the harmless sight of a broiled fish, and my stomach refused to take it.)

The same grisly rites were repeated on block after block, which all had been reduced to rubble. Day and night, the air was filled with the putrid smell of death, and the eery flickers of cremations created a hell on earth.

Within two weeks of the fateful day, my throat wound began to granulate, and I survived a life-or-death crisis. It must have been the hands of God that had sustained me. I also have to thank the youthful recuperative vigor of my 22-year-old body and, more importantly, the precious supply of badly needed nutritious food provided by the late Taro Kawakami and his wife Shigeko.

Brimming with love for me as if I had been their kid brother, the Kawakamis looked after me with the tenderest care and allowed me to quaff nightly cups of unheated sake, presumably as a final gesture to a young man facing imminent death.

Hiroshima represented my second birth. I was reborn that fateful morning to devote the rest of my life as a journalist, to be a living testament to survival and to fulfill my duty to make this world more peaceful. I keep telling myself, "I died in Hiroshima, and I live by Hiroshima."●

NATIONAL ACADEMIES OF PRACTICE

● Mr. D'AMATO. Mr. President, I rise today to cosponsor S. 511, legislation which will provide a Federal charter for the National Academies of Practice. I commend my colleague from Hawaii, Mr. INOUYE, for bringing this legislation to the attention of the Senate.

The National Academies of Practice is an organization representing distinguished practitioners from each of the various health care disciplines. These individuals have been selected by their peers for their significant contributions to the practices of applied medicine, dentistry, osteopathy, podiatry, optometry, psychology, nursing, social work, and veterinary medicine.

Brought together under the umbrella of the National Academies of Practice, these practitioners will serve as a vital source of policy expertise for the Congress and the executive branch. Given the numerous health care decisions that are being made on the Federal level, it is essential that policymakers in Washington have access to qualified and exemplary practitioners.

Again, I commend Mr. INOUYE for supporting interdisciplinary activity in the health care industry, and I encourage my colleagues to join me in supporting S. 511.●

IMPEACHMENT TRIAL COMMITTEE ON THE ARTICLES AGAINST JUDGE WALTER L. NIXON, JR.

● Mr. FOWLER. Mr. President, on May 11, 1989, the Senate agreed to Senate Resolution 128, providing for the appointment of a committee, pursuant to rule XI of Rules of Procedure and Practice in the Senate When Sitting on Impeachment Trials, to take evidence and report to the Senate a certified record of evidence taken in the impeachment trial of Judge Walter L. Nixon, Jr., chief judge of the Southern District of Mississippi.

At an organizational meeting of the committee, Senator HATCH was designated vice chairman and I was named chairman. The committee has, since then, been engaged in pretrial proceedings to get this matter ready for trial. The case is now ready for trial, and the committee will begin hearing evidence this Thursday, September 7, at 9:30 a.m. in the Central Hearing Facility, room SH-216 of the Hart Senate Office Building. The committee will receive evidence from 9:30 a.m. in the morning until approximately 12:30 in the afternoon and from 2 until approximately 5 in the afternoon on the 7th and 8th of September and from September 12 through September 15 the following week at these same times, or until the parties complete the presentation of their evidence.

All Members of the Senate are welcome to attend any of the committee's proceedings. In addition, with the assistance of the Senate Recording Studio, the proceedings will be broadcast live to all offices on channel 12 of the Senate's closed circuit television system and will be videotaped for Members' subsequent viewing at their convenience. At the conclusion of the committee's proceedings, the committee will file with the Senate a complete record of its evidentiary proceedings and a summary of the issues and evidence involved in this matter.

I would like to take this opportunity, on the eve of the committee's proceedings, to remind all Senators of the Senate's important constitutional responsibility in this case and to encourage Members to take advantage of these various means of familiarizing themselves with the evidentiary record on which the Senate will take up the questions of whether the House has proven its charges and whether Judge Nixon should be removed from office.

To ready this case for trial, the committee has been conducting pretrial proceedings with the parties. In the course of that process the committee has issued pretrial orders disposing of a number of motions filed by the parties. So that all Members will be able to familiarize themselves with the actions of the committee that have brought this case to the hearings that are about to commence, I would like the committee's pretrial orders to be printed in the RECORD at this point.

The orders follow:

IMPEACHMENT TRIAL COMMITTEE, DISPOSITION OF PRETRIAL MOTIONS, FIRST ORDER

The parties have filed several motions on pretrial issues, which they have supported and opposed by the submission of written memoranda and oral argument before the Committee. In disposition of these motions, the Committee has authorized the Chairman and Vice Chairman to issue the following rulings on its behalf:

MOTION FOR TRIAL BY THE FULL SENATE

Judge Nixon has requested reconsideration of the decision to appoint this Committee to compile an evidentiary record pursuant to Senate Impeachment Rule XI. His motion for a full live evidentiary proceeding on the floor of the Senate, without the assistance of this Committee, rests on claims of both constitutional requirement and fairness. The constitutional arguments about the use of a Committee have recently been considered thoroughly by the Committee on Rules and Administration during the Hastings impeachment matter. The Committee's studied conclusion that the Constitution permits the Senate to appoint a Rule XI committee underlay the Senate's decision both in the Hastings matter and in this one to use a committee to compile an evidentiary record. The courts have confirmed the Senate's discretion to use a committee to assist it in impeachment matters.

To the extent that Judge Nixon's objection to the use of a committee rests on the existence in this case of important issues of credibility of witnesses, we note that Judge Hastings' case presents no less important issues of witness credibility. The Hastings Impeachment Trial Committee accepted the recommendation of the Committee on Rules and Administration to provide all Members of the Senate with as much opportunity as possible to view the Impeachment Committee's proceedings, including observing witnesses' demeanor, by broadcasting them live to all Senate offices and by videotaping them for later viewing. This Committee will adopt the same practice.

In short, by the adoption of Senate Resolution 128 establishing this Committee, the Senate has already determined that Rule XI is constitutional and that it should be used in this proceeding. This Committee does not have jurisdiction to alter the Senate's decision, and no useful purposes would be served by requesting the Senate to revisit its determination at this point. Rule XI preserves the right of the Senate, following the conclusion of this Committee's proceedings, to send for any witness and hear his testimony in open Senate or to have the entire trial in open Senate. Accordingly, to the extent that Judge Nixon's motion should be interpreted as a request that the Committee desist from its pending proceedings, the motion will be denied, without prejudice to his renewing it in accordance with Rule XI following this Committee's report of an evidentiary record to the Senate as mandated by Senate Resolution 128.

MOTION TO DISMISS ARTICLE III

Judge Nixon has moved to dismiss Article III on the grounds that it fails to state an impeachable offense, is duplicative, and is confusing. In recognition that the Committee lacks jurisdiction to dismiss any of the Articles of Impeachment, he has requested that the Committee refer this motion to the full Senate. Because the Senate recently denied a similar motion by Judge Hastings to dismiss the culminating Article in his case, no useful purposes would be served by referring Judge Nixon's motion to the Senate for resolution. To the extent that Judge Nixon's motion to dismiss rests on the repetition of elements of earlier articles in Article III or on the inclusion of allegations of violation of general standards of misconduct warranting conviction in the view of the House, his motion seeks to present issues rejected by the Senate in the Hastings case.

The House's inclusion of statements of violations of general standards of misconduct in impeachment articles, like the initial two paragraphs of Article III, has never been understood to constitute factual allegations intended to be subject to evidentiary proof. The Committee similarly understands that the initial two paragraphs of Article III are prefatory and the allegations in Article III that are to be the subject of the evidence adduced by the parties are the allegations of false statements contained in Article III.

To the extent that the motion rests on the House's inclusion of fourteen distinct allegations of false statements in one article, we believe that Article III states an intelligible and adequately discrete charge of an impeachable offense by alleging that Judge Nixon concealed information concerning several conversations in which he had engaged by making "one or more" false statements to investigatory officials and "one or more" false statements to a grand jury. The House has substantial discretion in determining how to aggregate related alleged acts of misconduct in framing Articles of Impeachment and has historically frequently chosen to aggregate multiple factual allegations in a single impeachment article. The House's itemization of the fourteen particular statements whose knowing falsity it is alleging serves to give Judge Nixon fair notice of the contours of the charge against him without reducing the intelligibility of the article's essential accusation that Judge Nixon knowingly concealed material information from the government's law enforcement agents. Because the Committee believes that evidentiary proceedings may fairly be conducted on Article III as it is presently drafted, Judge Nixon's motion to

refer his motion to dismiss Article III to the Senate at this time is denied. Judge Nixon may press his effort to dismiss Article III before the full Senate after the conclusion of the Committee's proceedings. If the House wishes to redraft or revise Article III in light of Judge Nixon's objections and the possibility that he will renew them before the Senate, it is free to do so.

MOTIONS RELATING TO USE OF PRIOR TESTIMONY

The parties have crossed motions on the use of prior testimony. Judge Nixon has sought to exclude all use of prior testimony, whether from his criminal trial or from the House's impeachment proceedings, unless needed to impeach or refresh a witness or to substitute for an unavailable witness. The House has moved to accept into evidence the record of all prior testimony and exhibits in its entirety. The Committee believes that introduction of the record of prior testimony and exhibits will be useful to enable the Committee to focus the live testimony that it hears on the most critical witnesses. The prior testimony has been the subject of adverse cross-examination, and its use will not prejudice any party. In accordance with the House motion and in the interest of a thorough and fair proceeding, all testimony and exhibits in Judge Nixon's criminal proceeding, including the post-trial proceeding (as requested by Judge Nixon), will be admitted, as well as all testimony and exhibits admitted in the House impeachment proceeding.

MOTIONS TO EXCLUDE EVIDENCE

Both Judge Nixon and the House Managers have moved to exclude particular areas of inquiry from the evidentiary proceedings. Judge Nixon seeks to exclude evidence of his oil and gas investments with Wiley Fairchild. The House seeks to exclude evidence of prosecutorial misconduct or vindictiveness. These motions are premature. Neither party has yet had an opportunity to specify what evidence, if any, in the disputed categories it wishes to present. Each party will have such an opportunity when it files its pretrial statement.

In addition to the other material that should be included in the pretrial statements, Judge Nixon shall include a particular issue proffer for the categories of prosecutorial vindictiveness and prosecutorial misconduct, in which he indicates what facts, if any, he intends to prove and how they are relevant to these allegations and to the Articles of Impeachment, what witnesses he desires to call, what he specifically expects them to testify to, and how long he anticipates their testimony will take.

In light of the Committee's ruling admitting prior testimony, the House shall include in its pretrial statement a particular issue proffer in which it indicates what facts it intends to prove relating to Judge Nixon's oil and gas investments, which of those facts may be established through prior testimony or stipulations, which of these facts require live testimony, which witnesses it desires to call, specifically what it expects them to testify to, and how long he anticipates their testimony will take. The Committee will defer disposition of these motions pending these submissions.

MOTION FOR DEFENSE FUNDS

Judge Nixon has moved for the Senate to reimburse him for the costs of his defense, including all out-of-pocket costs and his attorney's fees at the rate of $75 an hour. The Committee has no authority to grant this request. In accordance with unbroken Senate practice, the Committee declines to recommend to the Senate that it grant Judge Nixon's request for funds with which to conduct his defense. Judge Nixon may renew his request for defense funds at the close of the Senate's proceedings on the Articles of Impeachment. The Senate will follow its usual practice of paying the costs of bringing the witnesses for whom it issues subpoenas to Washington to testify in this proceeding.

MOTION TO IMMUNIZE A WITNESS

Judge Nixon has advised that he may wish to call as a witness Robert Royals, who declined to testify at Judge Nixon's criminal trial on the basis of his privilege against self-incrimination. The Committee will defer determining whether to obtain an immunity order until it has become clearer whether Royals' testimony will be necessary. If Judge Nixon determines to place Royals on his witness list, he should accompany that designation with a formal description of the effort that he has made to determine whether Royals will assert a Fifth Amendment privilege. In the meantime, the Committee will take the necessary action to enable it to obtain an immunity order in an expeditious manner at a later date should that prove necessary.

STIPULATIONS

The parties have made some progress in stipulating to uncontested facts, but additional progress is expected. Judge Nixon has objected to a number of the House's proposed stipulations on the grounds that they are biased, inaccurate, or incomplete. With regard to the proposed stipulations that are the subject of such objections, the House should determine whether it is possible to reformulate them to meet Judge Nixon's objections. Judge Nixon should assist the House in that effort by detailing the specific bases for his objections. The parties should work together in this process to achieve additional progress, rather than simply exchanging fixed positions. The Committee's deferral of Judge Nixon's motion seeking to exclude evidence on his oil and gas investments should not prevent the parties from attempting to make progress on these stipulations, as well as the others. Any stipulations agreed to in this area will be understood to remain subject to Judge Nixon's objection as to relevance, until the Committee rules on that issue.

PRETRIAL STATEMENTS

The Committee has authorized the Chairman and Vice Chairman to issue a further order detailing the specifications, in addition to those described earlier and in this order, of the pretrial statements due on July 31.

WYCHE FOWLER, Jr.,
Chairman.
ORRIN G. HATCH,
Vice Chairman.

July 25, 1989.

IMPEACHMENT TRIAL COMMITTEE, ORDER DESIGNATING CONTENTS OF FINAL PRETRIAL STATEMENTS, SECOND ORDER

By letter from the Senate Legal Counsel on June 9, 1989, the Committee informed the parties of the required contents of pretrial statements, due on July 31, 1989, and indicated that those specifications would be supplemented in greater detail. The Committee's First Order provided some additional requirements for the pretrial statements. This order contains further guidance from the Committee concerning the preparation of pretrial statements.

The parties' Final Pretrial Statements should do the following:

1. Statement of the Case.—Provide a brief and general statement of the case as the party intends to present it at the impeachment trial proceedings.

2. Witnesses.—List the names and addresses of witnesses whom the party wishes to call, with a statement of the nature of their testimony sufficient to illustrate the relevance of that testimony to these proceedings. If any expert witnesses are listed, provide a brief statement of the subject of their testimony and their qualifications as experts.

The Committee shall treat the inclusion of an individual's name on the witness list as a request to the Senate that a subpoena be issued to that individual requiring his or her appearance at the impeachment trial proceedings. Upon receipt of the Final Pretrial Statements, the Committee will determine which subpoenas shall issue.

Unless good cause be shown for failure to include a witness on the Final Pretrial Statement, the parties shall not be permitted to call as witnesses persons not listed on the Final Pretrial Statement. If a party believes that there is good cause for naming additional witnesses after the Final Pretrial Statement has been filed, it shall, as soon as such witnesses become known, file with the Committee, and serve on opposing counsel, the names and addresses of those witnesses, the subject matter of their testimony, and show good cause for their late addition to the witness list. The requirements of this paragraph shall not apply to rebuttal witnesses.

Information concerning the parties' intended order of proof will facilitate the Committee's orderly issuance of subpoenas. The House is requested to indicate, to the extent currently possible, the order in which it intends to call its witnesses during the direct presentation of its case, and the estimated duration of each witness' direct testimony. In the event that this information should change in time before commencement of the impeachment trial proceedings on September 6, 1989, the House shall promptly advise the Committee of that fact.

Judge Nixon is similarly requested to estimate the duration of the direct testimony of each witness and, to the extent that he is able, the order in which he anticipates calling them. He also shall timely inform the Committee of any changes in these expectations. If Judge Nixon determines to place Robert Royals on his witness list, he shall accompany that designation with a description of the effort that he has made to determine whether Royals will assert a Fifth Amendment privilege and the results of that effort.

3. Issue Proffer.—Include an issue proffer as described in the First Order. For each of the categories of prosecutorial vindictiveness and prosecutorial misconduct, Judge Nixon shall state separately what facts, if any, he intends to prove and how any such facts are relevant to his affirmative defenses and to the Articles of Impeachment. Judge Nixon shall identify any witnesses through whose testimony, live or prior, he seeks to prove those facts, and provide as specific a statement as possible as to what he expects each witness' testimony to show.

The House shall state in its issue proffer what facts it intends to prove relating to Judge Nixon's oil and gas investments, which of those facts may be established through prior testimony or stipulations,

which of those facts require live testimony, which witnesses it desires to call, and specifically what it expects each witness' testimony to show.

4. Prior Testimony.—Supplement each party's witness list with statements identifying any particular prior testimony on which it wishes to rely. In accordance with the Committee's ruling in its First Order, the record of prior testimony from Judge Nixon's criminal proceeding and from the House's impeachment proceeding is being admitted into evidence in this proceeding in its entirety. The parties are encouraged to rely on such prior testimony, in lieu of seeking subpoenas for live witnesses, as they believe will achieve economies in the presentation of their case, without jeopardizing the fairness of these proceedings. For the witnesses from whom the parties seek live testimony, the parties shall also identify any prior testimony of those witnesses to which they wish particularly to direct the Committee's attention.

5. Exhibits.—Provide a numbered index of exhibits which the party intends to offer at the evidentiary hearings. The index should provide a specific description of each listed document or item of evidence, and, if the document or item of evidence has previously been introduced in related prior proceedings, such as in *United States* v. *Nixon* or in the House impeachment proceedings, a citation to the particular location in the prior record where the document or item of evidence was introduced.

Both parties shall, on or before August 4, 1989, file and serve a statement for each document or item or evidence listed on the opposing party's exhibit list unequivocally stating whether objection is made to admission of that document or item without need for formal proof as to its authenticity or genuineness, and where appropriate, its status as a record of a regularly conducted activity or a public record. In the event that such objection is made, the basis for the objection and the reason therefore shall be specifically stated.

The Committee will review the foregoing statements and will enter an order stating whether, for each particular piece of evidence, the party offering the evidence need submit formal proof as to its authenticity, genuineness, or status as a record of a regularly conducted activity or a public record. Failure by the opposing party to make a reasoned and specific objection to any particular document or item of evidence will result in a finding by the Committee that formal proof need not be made, but will leave the evidence subject to all other objections. It whould also be noted that a finding that formal proof need not be made does not relieve the offering party of the need to explain the content or meaning of the document, should the party believe that such explanation is necessary.

Unless good cause be shown for failure to include a document or other item of evidence on the index of exhibits, documents or items not listed thereon shall not be introduced at the impeachment trial proceedings. If a party believes that there is good cause for amending its index of exhibits, it shall, as soon as the need for the amendment becomes known, file with the Committee, and serve on opposing counsel, an amendment to the index together with copies of any new exhibits and a showing of good cause for their late inclusion on the index. The opposing party shall, three days after receipt of any such amendment, file and serve its objections regarding matters of formal proof to the exhibits included in the amended index.

The House shall provide copies of its numbered exhibits to Judge Nixon and to the Committee, on or before August 7, 1989. Judge Nixon shall provide copies of its numbered exhibits to the House and to the Committee on or before August 10, 1989.

6. Conduct of Evidentiary Proceedings.—State the amount of time which each party intends to allocate to direct testimony, whether by prior or live testimony, and state whether its preparation has caused it to anticipate any particular difficulties in the presentation of its case of which the Committee should be made aware.

7. Legal Matters.—Set forth the legal principles which each party believes is applicable to each article of impeachment and which the party believes should guide the Committee in determining the relevance and assessing the importance of particular evidence.

WYCHE FOWLER, JR.,
Chairman.
ORRIN G. HATCH,
Vice Chairman.

JULY 27, 1989.●

AMERICA'S DRUG EPIDEMIC

● Mr. BAUCUS. Mr. President, American's drug epidemic is touching us all. Drugs are devastating our society. A generation of our children is falling victim to the scourge of drugs. Our senior citizens avoid walking on the street, fearing they may be mugged for money to buy drugs. We talk about drugs. We worry about drugs. But so far, we've given only lipservice to a war against drugs.

I hope the plan President Bush outlined last night takes us to the next step—a significant commitment from Government to stop drug trafficking. I believe the President has suggested several good ideas:

First, his strategy places an emphasis on strengthening the criminal justice system. Under the President's plan, State and local law enforcement authorities, as well as their Federal counterparts, would receive additional funding.

He would also include more money for prison construction. The idle threat of incarceration isn't enough to deter drug-related crime; we must be able to follow through.

Second, the President's plan would reduce the cocaine supply in the United Stated through enhanced cooperation with countries where cocaine is produced. Widespread cocaine use in the United States has catastrophic effects not only in our country, but in the countries where it is grown as well. There is no better example of this than the current situation in Colombia.

Members of Colombian drug cartels have declared war on their nation's government. They are committing terrorist acts and showing no mercy to anyone who stands in the way of their drug trade. This terrorism is the direct result of how lucrative the cocaine trade has become, in part because of the huge demand from the United States. Our inability to stop cocaine usage in this country is having profound international effects. We must get it under control.

Third, the President also calls for more money for treatment and education. Interdiction alone isn't enough. Treatment and education must be integral parts of our national drug strategy.

All of these ideas are good steps forward.

In addition to these steps which he outlined last night, the President also has included items in his strategy which are of special interest to Montana:

First, he plans to double the funding allocated for marijuana eradication. This should help the Montana National Guard and other State agencies which are concerned with eradication.

Second, he called for increases in the drug interdication portion of the budgets for the Bureau of Land Management, the U.S. Park Service and the Bureau of Indian Affairs. We must crack down on illegal drug-related activities occurring on Federal land.

Although I am generally pleased with the President's proposal, I do have a central concern:

I'm not convinced that the administration plan takes fully into account the problem of drugs in rural areas.

Rural areas need money, just like the cities do, to fight the invasion of illegal drugs.

Last week, in a statement before the Senate Judiciary Committee, U.S. attorney Pete Dunbar documented the dramatic increase in drug-related crime in Montana and asked the Federal Government for more resources.

Although the President has made an effort to look at the problems we face in rural areas by increasing funding for the BLM, the BIA and the Park Service, he has also overlooked an important need we have: funding for international border control.

The President wants to keep funding for the Customs Service at approximately the current level, while increasing the share of this money which will go to the Southwest land border. This means there will be less money available for other parts of the United States border, including the 500-mile section we share with Canada. This could pose problems for our State because of the increase in methamphetamine trafficking between Canada and Montana.

The President's proposal to increase funding for State and local law enforcement grants is a good idea in principle, but I would like to know how he'll distribute the funding.

The current law enforcement block grant formula is skewed. It favors urban areas over their rural counter-

parts because it is based on population without taking geography into consideration. For instance, this year Rhode Island received more money than Montana because its population is slightly larger. This ignores the costs incurred in patrolling the thousands of miles we have in Montana, compared to the much smaller area in Rhode Island.

That is why I introduced a bill to create a funding set-aside to help large rural States. The inequities in the current system must be corrected.

I would like to see this change incorporated in the President's plan. We not only need more money, we need it more equitably distributed.

In addition, my bill would require the Director of National Drug Control Policy to designate someone in his office to focus solely on the needs of rural States. This would help to ensure that we're not shortchanged by Federal policy.

The President has submitted his plan. Now it's up to us in Congress to enact legislation which incorporates the best parts of the President's strategy—and much of it is very good—along with other ideas which will give us the weapons we need to win the war on drugs.

The war on drugs will not be easily won. But the stakes are too high to lose.●

THE 20TH ANNIVERSARY OF THE UNITED COMMUNITY MINISTRIES

● Mr. ROBB. Mr. President, I rise today to pay special tribute to a unique community organization that celebrated its 20th year of service to poor and low-income families in northern Virginia's Fairfax County in July of this year.

For those who believe we have become a "me" generation, United Community Ministries offers an example of something entirely different: people who care about other people. In fact, over 500 volunteers gave more than 15,000 hours last year to United Community Ministries helping people to help themselves. That is an impressive statistic by any standard of measurement.

If there's a job to be done or a need to be met, United Community Ministries will do the job or meet the need. In addition to providing needed emergency services, United Community Ministries has created a number of innovative programs all designed to help its clients become independent. For example, it provides transitional housing for 38 men, women, and children who are progressing from temporary shelter to permanent housing. Its child development center has 65 children of working parents enrolled, with training programs offered, and a new program for 20 infants of teenage mothers will be opened this year. It has youth, elderly, and Hispanic outreach programs, a child care provider referral program, and a thrift shop which is a job training site for the mentally handicapped and manpower clients. Through programs such as these, United Community Ministries served 17,224 people last year alone.

But for United Community Ministries, it is not enough to help people only on an emergency basis; rather it targets the systemic causes which generate the need for assistance in the first place. Its advocacy efforts are respected by others in the community. That is because its mission is very simple and straightforward: To lend assistance and to promote human dignity and self-sufficiency in the community of which it is a part.

Woven into the fabric of United Community Ministries' success is enthusiastic and widespread community support. Churches, schools, boy scouts, girl scouts, businesses, PTA's, women's clubs, civic associations, service groups, and thousands of individuals all pitch in. And this support grows each year as the difficulties for the poor in the community become more visible.

United Community Ministries is realistic, too. It recognizes that it cannot meet all the needs all the time. There is far too much that needs to be done. So, it supports and helps organize others dedicated to community service. And, when a program becomes successful, and is ready for independence, it is spun off into a new entity.

To me, the true test of the merit of a group like United Community Ministries can best be measured by asking those who the program serves if it is meeting their needs.

Please let me read you a letter recently received by the staff which, I believe, captures the spirit—the essence really—of this very special group:

> I just wanted you to know * * * we are now able to feed our kids and pay a few bills. We'll never forget the food, gas, and rent money given to us to help us out during a very difficult time. To set the record straight, we have gladly donated $168 this year to United Community Ministries via the Combined Federal Campaign Fund. We realize it is hardly a drop in the bucket, but we have long memories for kindnesses granted large and small. God bless you all. Thanks for the help when we really needed it.

That to me, says it all.●

APPOINTMENT BY THE REPUBLICAN LEADER

Mr. DOLE. I ask unanimous consent that the Senator from Idaho [Mr. SYMMS] be appointed to the Impeachment Trial Committee, in re Walter L. Nixon, Jr., in lieu of the Senator from Utah [Mr. HATCH], resigned.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXPRESSING GRATITUDE TO DAVID A. BRODY

Mr. DOLE. I send a resolution to the desk on behalf of myself and the distinguished majority leader and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 173) to express gratitude to David A. Brody.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. MITCHELL. Mr. President, I am pleased, today, to pay tribute to David Brody for more than 40 years of service to the Anti-Defamation League of the B'nai B'rith, and to his country.

David Brody's value to the Members of this body, as a resource for information and guidance, has earned him the nickname "the 101st Senator." Those of us who know David Brody can attest that he is deserving of this title.

His commitment to the American-Jewish community, and moreover, his commitment to civil rights and civil liberties for all Americans has contributed to our efforts to ensure that every citizen is guaranteed an equal opportunity to succeed.

I rise to join the distinguished minority leader, Senator DOLE, in submitting a resolution which expresses the gratitude of the Senate to David Brody for his efforts on behalf of his Nation as well as the good judgment he has offered to the Senate and its Members over the past 40 years.

Mr. DOLE. Mr. President, last February—after more than 40 years of service—David Brody retired as the Washington representative of the Anti-Defamation League of the B'nai B'rith.

As a result of his effectiveness over the years as a spokesman for the ADL, David Brody has earned the reputation as the "101st Senator." I can tell you that this reputation is well-deserved. I know that many here in this Chamber, as well as many former Members of the Senate, have found David Brody to be an invaluable resource on a wide range of issues—issues of concern not only to the American-Jewish community but also to all Americans. And I know that I count myself among those who have come to rely upon David Brody's considered judgment and warm friendship.

So I am proud to join today with the distinguished majority leader, Senator MITCHELL, in submitting a resolution expressing the Senate's gratitude to

David Brody for the wise counsel he has offered to the Senate and its Members over the past 40 years.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 173

Whereas David A. Brody is an American of uncommon wisdom and vision;

Whereas David A. Brody has served this country faithfully, as an officer in the United States Navy during World War II, as an attorney in the Department of Agriculture, and as a distinguished lawyer and lobbyist in Washington, DC;

Whereas David A. Brody has devoted more than 40 years of his life to the promotion of issues that concern not only the Jewish-American community, but also all Americans;

Whereas such issues include the security and prosperity of Israel, Soviet Jewry, civil rights, civil liberties, and social welfare;

Whereas David A. Brody has been an exemplary representative of the Anti-Defamation League of the B'Nai B'Rith, particularly as the Director of the Washington Office of such League;

Whereas during the past 40 years, the advice and judgment of David A. Brody has proven to be an invaluable and welcome resource to the Senate;

Whereas many past and present members of the Senate consider David A. Brody to be a dear and trusted friend; and

Whereas David A. Brody has often been described as the "101st Senator": Now, therefore, be it

Resolved, That—

(1) the Senate commends David A. Brody for his years of exemplary and faithful service to the Anti-Defamation League of the B'Nai B'Rith and to the United States, and

(2) the Senate expresses its gratitude to David A. Brody for the wise counsel he has provided to the Senate during the past 40 years.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agree to.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR THURSDAY, SEPTEMBER 7, 1989

RECESS UNTIL 9:30 A.M. AND MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9:30 a.m. on Thursday, September 7, and that following the time for the two leaders there be a period for morning business not to exceed beyond 10 a.m. with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROCEED TO CONSIDERATION OF S. 933 AT 10 A.M.

Mr. MITCHELL. Mr. President, I further ask unanimous consent that at 10 a.m. the Senate proceed to the consideration of Calendar Order No. 216, the Americans with Disabilities Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MITCHELL. Mr. President, under the unanimous-consent request granted earlier, the Senate will resume consideration of the legislative branch appropriations bill at 12 noon tomorrow with the Wilson amendment No. 698 on congressional mailing as the only remaining amendment to the bill. Senators should be on notice that votes are likely during tomorrow's session and will extend into the evening beyond 7 p.m. tomorrow.

Mr. DOLE. Mr. President, will the majority leader yield briefly?

Mr. MITCHELL. I certainly will.

Mr. DOLE. It is my understanding that we will proceed to the ADA bill at 10 o'clock. I assume there may be a number of opening statements and most of that time between 10 a.m. and noon will be consumed by opening statements and we probably would not be getting any controversial amendment until the afternoon part; is that correct?

Mr. MITCHELL. That is correct. That is my understanding. I consulted with the principal author and manager of the bill, Senator KENNEDY, who is here at this time and I ask him to confirm that.

Mr. KENNEDY. Mr. President, it is the intention of Senator HARKIN and myself that the first 2 hours would be taken up with an exposition on the legislation and then we would welcome the opportunity to move toward the amendments. We have been notified of five amendments, some of which have been listed in the committee report, and a few others. But we are prepared to address those in a timely fashion. We do not believe it should take a great deal of time to dispose of those. So we would be eager, for those of our colleagues that do have amendments, that they get them in to us at an early time tomorrow so we can proceed.

Mr. President, I want to express my appreciation—I am sure I speak for Senator HARKIN—to both the leaders for the timely attention they have given to this legislation. This is legislation of enormous importance to some 43 million Americans. It is appropriate that we deal with it this year. It is the 25th anniversary of the first civil rights legislation.

This legislation has had the strong support of the majority leader, and I think all of us who have followed the work of the disability movement know of the very specific interest Senator DOLE has had in this area as well. We also recognize that we would not be at this point tonight if we did not have the strong support of the President of the United States.

I am very hopeful that we will be able to move in a timely fashion. As chairman of the committee I want to express our very deep personal appreciation to both the leaders for bringing us to this point this evening.

Mr. HARKIN. Mr. President, I want to thank the majority leader for his accommodation on bringing the Americans with Disabilities Act to the floor in such a timely fashion. I also want to thank the minority leader, Senator DOLE for his leadership which has helped bring us to this historical moment. Finally, I want to thank President Bush for his endorsement of this landmark legislation which will allow all Americans share in the American dream. I look forward to its swift passage.

AUGUSTA, ME, BECOMES 50TH STATE CAPITAL WITH C-SPAN

Mr. MITCHELL. Mr. President, on September 5, Augusta, ME, become the 50th State capital in the United States to make C-SPAN available to its cable television viewers. With the addition of Augusta's 18,000 cable subscribers, that means every State capital now has a front-row seat at political events that affect them in Washington, DC.

To celebrate this new service, C-SPAN spent September 5 in Augusta, televising live interviews with Governor McKernan, Representatives BRENNAN and SNOWE, Senator COHEN and myself. The network also aired interviews with dozens of other Maine citizens who talked about the everyday issues that are important to them.

In addition to Augusta, C-SPAN went on the air that day for the first time in Maine communities including Bangor, Eastport, Belgrade, Rumford, Saco, Lincolnville, Unity, and Hermon.

On behalf of Senator COHEN and all of my colleagues, I want to extend a warm welcome to each and every one of those new viewers.

C-SPAN, the Cable-Satellite Public Affairs Network, has been televising live, unedited proceedings on the House floor since March 1979 as a nonprofit public service of the cable TV industry. Senate proceedings have been on C-SPAN II since June 1986.

The two networks also air live and recorded congressional hearings, speeches, political conventions, call-in

programs and other public affairs programming from Washington and other parts of the world that are unavailable anywhere else.

This fall, for example, C-SPAN begins televising selected proceedings from the British House of Commons, offering a view of a European country's government. Next year, the network plans to take a look at the French Parliament.

C-SPAN has been called "America's Town Hall" because it allows viewers around the country to witness firsthand how their representatives make laws and run the Federal Government.

And for 3 hours each day, it allows viewers from around the country and the world to call in with their comments and questions to lawmakers, journalists, and public officials.

That kind of informative, interactive television is an important part of the democratic process in this modern age of telecommunications. I am very proud to be a part of that process, and again, I want to welcome our new Maine viewers to "America's Town Hall."

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 9:30 A.M.

Mr. MITCHELL. If the distinguished Republican leader has no further business and if no other Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess under the previous order until 9:30 a.m., on Thursday, September 7, 1989.

Thereupon, the Senate, at 7:51 p.m., recessed until Thursday, September 7, 1989, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate September 6, 1989:

DEPARTMENT OF STATE

KENNETH L. BROWN, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF COTE D'IVOIRE.

CHARLES E. COBB, JR., OF FLORIDA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ICELAND.

JOHN GIFFEN WEINMANN, OF LOUISIANA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF FINLAND.

DEPARTMENT OF DEFENSE

CHRISTOPHER JEHN, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF DEFENSE, VICE GRANT S. GREEN, JR., RESIGNED.

CRAIG S. KING, OF VIRGINIA, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF THE NAVY, VICE LAWRENCE L. LAMADE, RESIGNED.

JAMES R. LOCHER, III, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF DEFENSE, VICE CHARLES S. WHITEHOUSE, RESIGNED.

BARBARA SPYRIDON POPE, OF MISSISSIPPI, TO BE AN ASSISTANT SECRETARY OF THE NAVY, VICE KENNETH P. BERGQUIST, RESIGNED.

DEPARTMENT OF THE INTERIOR

DENNIS B. UNDERWOOD, OF CALIFORNIA, TO BE COMMISSIONER FOR RECLAMATION, VICE C. DALE DUVALL, RESIGNED.

DEPARTMENT OF TRANSPORTATION

JERRY RALPH CURRY, OF VIRGINIA, TO BE ADMINISTRATOR OF THE NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, VICE DIANE K. STEED, RESIGNED.

DEPARTMENT OF ENERGY

MELVA G. WRAY, OF CONNECTICUT, TO BE DIRECTOR OF THE OFFICE OF MINORITY ECONOMIC IMPACT, VICE RAYMOND G. MASSIE, RESIGNED.

DEPARTMENT OF VETERANS AFFAIRS

RONALD E. RAY, OF FLORIDA, TO BE AN ASSISTANT SECRETARY OF VETERANS AFFAIRS (HUMAN RESOURCES AND ADMINISTRATION). (NEW POSITION)

APALACHIAN REGIONAL COMMISSION

JACQUELINE L. PHILLIPS, OF MARYLAND, TO BE FEDERAL COCHAIRMAN OF THE APPALACHIAN REGIONAL COMMISSION, VICE WINIFRED ANN PIZZANO, RESIGNED.

COPYRIGHT ROYALTY TRIBUNAL

CINDY SHINGA DAUB, OF NEBRASKA, TO BE A COMMISSIONER OF THE COPYRIGHT ROYALTY TRIBUNAL FOR A TERM OF SEVEN YEARS FROM SEPTEMBER 27, 1989, VICE EDWARD W. RAY, TERM EXPIRING.

FEDERAL LABOR RELATIONS AUTHORITY

TONY ARMENDARIZ, OF TEXAS, TO BE A MEMBER OF THE FEDERAL LABOR RELATIONS AUTHORITY FOR THE REMAINDER OF THE TERM EXPIRING JULY 29, 1992, VICE JERRY LEE CALHOUN, RESIGNED.

JAMES MADISON MEMORIAL FELLOWSHIP FOUNDATION

CARROLL A. CAMPBELL, JR., OF SOUTH CAROLINA, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE JAMES MADISON MEMORIAL FELLOWSHIP FOUNDATION FOR A TERM OF FOUR YEARS. (NEW POSITION)

NATIONAL CONSUMER COOPERATIVE BANK

FRANK B. SOLLARS, OF OHIO, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE NATIONAL CONSUMER COOPERATIVE BANK FOR A TERM OF THREE YEARS. (REAPPOINTMENT)

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

JOHN E. FROHNMAYER, OF OREGON, TO BE CHAIRPERSON OF THE NATIONAL ENDOWMENT FOR THE ARTS FOR A TERM OF FOUR YEARS, VICE FRANCIS S. M. HODSOLL, RESIGNED.

OFFICE OF PERSONNEL MANAGEMENT

BILL R. PHILLIPS, OF TEXAS, TO BE DEPUTY DIRECTOR OF THE OFFICE OF PERSONNEL MANAGEMENT, VICE HUGH HEWITT, RESIGNED.

UNITED STATES COURT OF VETERANS APPEALS

JOHN J. FARLEY, III, OF MARYLAND, TO BE AN ASSOCIATE JUDGE OF THE UNITED STATES COURT OF VETERANS APPEALS FOR THE TERM OF FIFTEEN YEARS. (NEW POSITION)

DEPARTMENT OF DEFENSE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT AS CHAIRMAN OF THE JOINT CHIEFS OF STAFF UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 152(A):

CHAIRMAN OF THE JOINT CHIEFS OF STAFF

To be general

GEN. COLIN L. POWELL, [redacted], UNITED STATES ARMY.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be general

GEN. LOUIS C. WAGNER, JR., [redacted], UNITED STATES ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A), IN CONJUNCTION WITH ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be general

LT. GEN. WILLIAM G.T. TUTTLE, JR., [redacted], UNITED STATES ARMY.

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. JERRY M. BUNYARD, [redacted], UNITED STATES ARMY.

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. SIDNEY T. WEINSTEIN, [redacted], UNITED STATES ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A), IN CONJUNCTION WITH ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. JEROME B. HILMES, [redacted], UNITED STATES ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A), IN CONJUNCTION WITH ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. LEON E. SALOMON, [redacted], UNITED STATES ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A), IN CONJUNCTION WITH ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. CHARLES B. EICHELBERGER, [redacted], UNITED STATES ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A), IN CONJUNCTION WITH ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. ELLIS D. PARKER, [redacted], UNITED STATES ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY NATIONAL GUARD TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 593(A), 3385, AND 3392:

To be major general of the line

BRIG. GEN. JOSEPH C. BOYERSMITH, [redacted]
BRIG. GEN. JAMES MILLER, [redacted]
BRIG. GEN. WILLIAM C. WILSON, [redacted]

To be major general, Adjutant General's Corps

BRIG. GEN. ROBERT L. MOOREHEAD, [redacted]

To be brigadier general of the line

COL. JACK C. CLARK, [redacted]
COL. WOODROW D. BOYCE, [redacted]
COL. DONALD R. CRUTCHER, [redacted]
COL. JAMES R. DANIEL, [redacted]
COL. RANDY J. ENCE, [redacted]
COL. RONALD O. HARRISON, [redacted]
COL. JAMES M. HUTCHENS, [redacted]
COL. BILLY R. NORMAN, [redacted]
COL. VELTON R. STEVENS, [redacted]
COL. SAM C. TURK, [redacted]
COL. PETER E. WHEELER, [redacted]
COL. JAMES K. CORLEY, [redacted]
COL. JAMES W. EMERSON, [redacted]
COL. GARY G. HARBER, [redacted]
COL. JAMES H. LONG, [redacted]
COL. RODNEY W. MCNEIL, [redacted]
COL. GERALD A. MILLER, [redacted]
COL. DON M. OGG, [redacted]
COL. STANLEY W. PETRIK, [redacted]
COL. WILLIAM F. STEWART, [redacted]
COL. WILLIAM F. TRAXLER, [redacted]
COL. BOBBY G. WEBB, [redacted]

To be brigadier general, Adjutant General's Corps

COL. FRED R. FLINT, xxx-xx-xxxx
COL. GERALD F. JANELLE, xxx-xx-xxxx
COL. JACK E. YEAGER, xxx-xx-xxxx
COL. TOM BREWER, xxx-xx-xxxx
COL. MICHAEL E. BYRNE, xxx-xx-xxxx

IN THE NAVY

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370.

To be vice admiral

VICE ADM. JOHN T. PARKER, JR., xxx-xx-xxxx /1210, UNITED STATES NAVY.

THE FOLLOWING NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE APPOINTED TO THE GRADE OF VICE ADMIRAL WHILE SERVING IN A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. RONALD M. EYTCHISON, U. S. NAVY, x... xxx-x.../1120.

IN THE AIR FORCE

THE FOLLOWING OFFICERS FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTION 531, TITLE 10, UNITED STATES CODE, WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF SECTION 8067, TITLE 10, UNITED STATES CODE, TO PERFORM DUTIES INDICATED WITH GRADE AND DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE PROVIDED THAT IN NO CASE SHALL THE FOLLOWING OFFICERS BE APPOINTED IN A HIGHER GRADE THAN THAT INDICATED.

MEDICAL CORPS

To be colonel

CHARLES W. GUISE, xxx-xx-xxxx
JOHN A. HUCKER, xxx-xx-xxxx
DUANE F. MABEUS, xxx-xx-xxxx
THOMAS P. MASSELLO, xxx-xx-xxxx
JERRY L. SCHULL, xxx-xx-xxxx

To be lieutenant colonel

JOHN E. ANTHOUSIS, xxx-xx-xxxx
DON A. LAWRENCE, xxx-xx-xxxx
GUALBERT M. SANCHEZ, xxx-xx-xxxx
PETER K. SENECHAL, xxx-xx-xx...

To be major

CARLA A. BEECHIE, xxx-xx-xx...
CONLEY B. GAINER, xxx-xx-xxxx
THOMAS J. O'DONNELL, xxx-xx-xxxx

DENTAL CORPS

To be lieutenant colonel

WILLIAM L. DAVENPORT, xxx-xx-xx...
ERIK D. LANGSJOEN, xxx-xx-xxxx
LAWRENCE C. PARRISH, xxx-xx-xxxx

To be major

DONALD M. BELLES, xxx-xx-xxxx
E. MICHAEL DUCKWORTH, xxx-xx-xxxx
RICHARD C. EDWARDS, xxx-xx-xxxx
MARK E. ESSICK, xxx-xx-xxxx
FRANK J. FOREMAN, xxx-xx-xxxx
DANIEL D. GAMMAGE, xxx-xx-xxxx
DAVID R. GORE, xxx-xx-xxxx
BRUCE A. JOHNSON, xxx-xx-xxxx
THOMAS E. LONG, xxx-xx-xxxx
MICHAEL W. MARTIN, xxx-xx-xx...
BRENT E. NELSEN, xxx-xx-xxxx
JOHNIE D. OVERTON, xxx-xx-xx...
DAVID C. RUPP, xxx-xx-xxxx
SCOTT W. WIGGINS, xxx-xx-xxxx

To be captain

DAVID B. KEMP, xxx-xx-xxxx
CARROLL A. PALMORE, JR., xxx-xx-xxxx
KIMSEY K. PETKOVIC, xxx-xx-xxxx
JOSEPH A. TEMPLE, xxx-xx-xxxx

THE FOLLOWING INDIVIDUALS FOR APPOINTMENT AS RESERVE OF THE AIR FORCE, IN GRADE INDICATED, UNDER THE PROVISIONS OF SECTION 593, TITLE 10, UNITED STATES CODE, WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF SECTION 8067, TITLE 10, UNITED STATES CODE, TO PERFORM THE DUTIES INDICATED.

MEDICAL CORPS

To be lieutenant colonel

ROBERT ALLAN BRIGHT, xxx-xx-xxxx
VINCENT E. CARR, xxx-xx-xxxx
LILY TAN CHING, xxx-xx-xxxx
DAVID A. DIORIO, xxx-xx-xxxx
LAWRENCE A. PERIN, xxx-xx-xxxx
JAVIER A. VASQUEZ, xxx-xx-xxxx
ARTURO D.P. VILLA, xxx-xx-xxxx

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR PERMANENT PROMOTION IN THE UNITED STATES AIR FORCE, UNDER THE PROVISIONS OF SECTION 628, TITLE 10, UNITED STATES CODE, AS AMENDED, WITH DATES OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE.

LINE OF THE AIR FORCE

To be lieutenant colonel

KENNETH W. BIGBEE, xxx-xx-xxxx
ZOLLIE W. HARRIS, JR., xxx-xx-xxxx
ALAN L. KUSHIN, xxx-xx-xxxx
ROGER T. MARTIN, xxx-xx-xxxx
CECIL R. MEADOR, xxx-xx-xxxx
JOHN SHERFESEE, xxx-xx-xxxx
JAMES A. SMITH, xxx-xx-xxxx
FREDERICK F. WILLISTON, xxx-xx-xxxx

To be major

WILLIAM M. SHEDD, xxx-xx-xxxx

THE FOLLOWING OFFICER FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTION 531, TITLE 10, UNITED STATES CODE, WITH GRADE AND DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE PROVIDED THAT IN NO CASE SHALL THE OFFICER BE APPOINTED IN A GRADE HIGHER THAN CAPTAIN:

LINE OF THE AIR FORCE

MARIA L. CORDERO, xxx-xx-xxxx

IN THE NAVY

THE FOLLOWING LIEUTENANT COMMANDER, U.S. NAVY, RETIRED, TO BE REAPPOINTED PERMANENT LIEUTENANT COMMANDER FROM THE TEMPORARY DISABILITY RETIRED LIST, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 1211:
NORMAN K. SHIMABUKURO

THE FOLLOWING-NAMED DISTINGUISHED NAVAL GRADUATES TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OR STAFF CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

TIMOTHY G. ACKERMAN	JOHN W. HOLBROOK, II
GREGORY T. BARBEAULD	MICHAEL D. KENNEY
JOHN H. BOCOCK	GLENNON J. KERSGIETER
DONALD F. CATELLO	EDWARD W. KNELLER
THOMAS W. CLARK	CHRISTOPHER W. KOUTALIDIS
SHAUN M. DEANGELIS	LAWRENCE R. LINTZ
OMAR S. DY	NATHAN H. MARTIN
STEVEN C. FINCO	KENNETH W. MCKINLEY
GEORGE A. FREDERICKSON	PETER G. OLSON
PATRICK J. FRESNEDA	RICHARD A. PATTERSON
RODNEY B. HANNERS	BENJAMIN J. PEARSON, III

THE FOLLOWING-NAMED U.S. NAVY OFFICERS TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 593:

WARREN V. AYERS	JONATHAN T. LORD
COLLEEN M. COUNIHAN	RONALD L. SOLLOCK

THE FOLLOWING-NAMED NAVAL RESERVE OFFICERS TRAINING CORPS PROGRAM CANDIDATES TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

STEVEN C. CINTRON	SCOTT B. LAPAGE
DAVID M. CONDRON	LANCE MONTGOMERY

THE FOLLOWING-NAMED DISTINGUISHED NAVAL GRADUATES TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OR STAFF CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

ROBERT M. AKIN	PETER W. MATISOO
KERRIGAN R. BENNETT	CHRISTOPER P. MURDOCH
EDWARD M. BUTLER	TIMOTHY M. NASH
PETER M. CAWLEY	WILLIAM F. RUEHLE
SHAWN E. DUANE	
SEAN P. HENSLER	

THE FOLLOWING-NAMED U.S. NAVY OFFICERS TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 593:

VICENTE A. GUECO, JR.	PAUL S. MASSIMIANO
CHARLES A. LARSON	

THE FOLLOWING-NAMED U.S. NAVY OFFICERS TO BE APPOINTED PERMANENT COMMANDER IN THE DENTAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 593:
GERALD A. CIOFFI

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICERS FOR PERMANENT PROMOTION IN THE UNITED STATES AIR FORCE, UNDER THE APPROPRIATE PROVISIONS OF SECTION 624, TITLE 10, UNITED STATES CODE, AS AMENDED, WITH DATES OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE:

LINE OF THE AIR FORCE

To be colonel

NICHOLAS ABATE, xxx-xx-xxxx
IRA R. ABBOTT, III, xxx-xx-xxxx
JAMES E. ACKERT, xxx-xx-xxxx
STEVEN D. ACUFF, xxx-xx-xxxx
DENNIS W. ADAMS, xxx-xx-xxxx
WILEY F. ADAMS, xxx-xx-xxxx
JAMES G. AITKEN, xxx-xx-xxxx
GABRIEL J. ALCALA, xxx-xx-xx...
CHARLES L. ALDRICH, xxx-xx-xxxx
DEAN C. ALEXANDER, xxx-xx-xxxx
ROBERT W. ALEXANDER, xxx-xx-xxxx
WILLIAM D. ALEXANDER, JR., xxx-xx-xxxx
WILLIAM S. ALEXANDER, xxx-xx-xxxx
NICK ALEXANDROW, xxx-xx-xxxx
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THE FOLLOWING CADETS, UNITED STATES AIR FORCE RESERVE OFFICERS TRAINING CORPS, FOR APPOINTMENT IN THE REGULAR AIR FORCE IN THE GRADE OF SECOND LIEUTENANT UNDER THE PROVISIONS OF SECTION 531, TITLE 10, UNITED STATES CODE, WITH DATES OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE.

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TAYLOR, KAREN L, xxx-xx-xxxx
TAYLOR, KIMBERLY L, xxx-xx-xxxx
THEIN, KIM E, xxx-xx-xxxx
THOMAS, ANTHONY A, xxx-xx-xxxx
THOMASSON, PAT W, xxx-xx-xxxx
TODD, DARLENE S, xxx-xx-xxxx
TOLLIVER, WADE G, xxx-xx-xxxx
TORRES, ANMY D, xxx-xx-xxxx
TOUSSAINT, GREGORY J, xxx-xx-xxxx
TOWNSEND, MARCIA M, xxx-xx-xxxx
TUBBS, RICHARD S, xxx-xx-xxxx
TURNER, KEVIN L, xxx-xx-xxxx
VITZTHUM, CARMELLA J, xxx-xx-xxxx
VOLK, TAMI L, xxx-xx-xxxx
WADE, PATRICK M, xxx-xx-xxxx
WAGNER, MICHAEL D, xxx-xx-xxxx
WARD, PAUL F, xxx-xx-xxxx
WEILACHER, LESTER A, xxx-xx-xxxx
WELCH, BRIAN L, xxx-xx-xxxx
WELDON, KERI J, xxx-xx-xxxx
WEPPNER, CHRISTOPHER M, xxx-xx-xxxx
WEST, CHARLES, xxx-xx-xxxx
WILKEY, BRIAN, xxx-xx-xxxx
WILLIAMS, GERALD R, xxx-xx-xxxx
WIRFEL, JOEL A, xxx-xx-xxxx
WOOD, RALPH M, xxx-xx-xxxx
WU, DOUGLAS J, xxx-xx-xxxx
WYATT, DAVID A, xxx-xx-xxxx
YANCEY, CHRISTOPHER F, xxx-xx-xxxx
YOUNT, GARY L, xxx-xx-xxxx

THE FOLLOWING OFFICERS, UNITED STATES AIR FORCE OFFICER TRAINING SCHOOL, FOR APPOINTMENT AS SECOND LIEUTENANTS IN THE REGULAR AIR FORCE, UNDER THE PROVISIONS OF SECTION 531, TITLE 10, UNITED STATES CODE, WITH DATES OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE.

BALCH, BRADLEY V, xxx-xx-xxxx
CARRELL, MICHAEL W, xxx-xx-xxxx
CHUNG, CHADWYCK T, xxx-xx-xxxx
COLLINS, DAVID M, xxx-xx-xxxx
CRISCIONE, VINCENT M, xxx-xx-xxxx
DEHAES, WILLIAM D, xxx-xx-xxxx
DONAHUE, DEBORA S, xxx-xx-xxxx
FESSLER, BRYON R, xxx-xx-xxxx
FICHTEMAIER, TODD M, xxx-xx-xxxx
FITZGERALD, PAUL C, xxx-xx-xxxx
FURMAN, KENT B, xxx-xx-xxxx
GASNER, JOHN A, xxx-xx-xxxx
GILDEA, DAVID L, xxx-xx-xxxx
GILL, RAWLD C, xxx-xx-xxxx
GRAVELLE, TIMOTHY G, xxx-xx-xxxx
GUMBS, ERIC C, xxx-xx-xxxx
HADLEY, ROBERT D, xxx-xx-xxxx
HAM, RICHARD G, xxx-xx-xxxx
HAWKINS, TERRY K, xxx-xx-xxxx
HOLIFIELD, JEFFREY K, xxx-xx-xxxx
HOLTER, JOSEPH L, xxx-xx-xxxx
HUNKINS, THAD A, xxx-xx-xxxx
KALIS, SHAWN A, xxx-xx-xxxx
KANGAS, NICHOLAS P, xxx-xx-xxxx
KING, KENT B, xxx-xx-xxxx
KRAUT, GREGORY J, xxx-xx-xxxx
LUTTSCHWAGER, MARK, xxx-xx-xxxx
MATHEWS, MICHAEL J, xxx-xx-xxxx
MCCALLAN, CHRISTOPHER P, xxx-xx-xxxx
MCKEON, MICHAEL xxx-xx-xxxx
MOLES, BRIAN P, xxx-xx-xxxx
MORRIS, MICHAEL E, xxx-xx-xxxx
MOTLONG, BLAKE H, xxx-xx-xxxx
ORBELL, JOSEPH W, xxx-xx-xxxx
PANARO, GLENN A, xxx-xx-xxxx
PIETRZAK, ERROL S, xxx-xx-xxxx
POPPELL, JAMES E, JR, xxx-xx-xxxx
QUALLS, ROY V, xxx-xx-xxxx
RABENS, MARK H, xxx-xx-xxxx
READ, DOUGLAS M, xxx-xx-xxxx
RODETSKY, GORDON L, xxx-xx-xxxx
SOUTHERLAND, WILLIAM G, SR, xxx-xx-xxxx
STRETCH, TIMOTHY I, xxx-xx-xxxx
SWEENEY, ZACHARY S, xxx-xx-xxxx

THOMPSON, DARWIN J.
THOMSEN, RANDALL L.
WALROD, MITCHELL D.
WARFEL, PATRICIA A.
WASHBURN, LON C.
WENUM, JOSEPH B.

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10, UNITED STATES CODE. THE OFFICERS INDICATED BY ASTERISK ARE ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE:

MEDICAL SERVICE CORPS

To be colonel

ELDON W. ASKEW,
THOMAS N. BELLAMY,
FREDERICK W. BOECHER,
DONALD D. CONKRIGHT,
JERRY D. DAVIS,
CHARLES E. DAY, III,
ROBERT D. DEADERICK,
CHESTER E. DUNCAN,
CHARLES E. DYER, II,
OTIS D. EVANS,
RICHARD J. FERRELL,
RICHARD L. FOX,
DAN E. HAMMACK,
JOSEPH R. HENRY,
WILLIAM G. KAVANAGH,
MYUNG H. KIM,
GERALD P. KRUEGER,
ROY J. LEATHERBERRY, III,
JACOB LOZADA,
EARL B. MALLY, JR.
ROBERT A. MAYS, JR.
ROBERT J. MCAULEY, JR.
OTHA G. MILES,
WALTER J. MITCHELL, JR.
TEOFILO ORTIZ, JR.
HERBERT K. REAMEY, III,
ROBERT E. RICHARDS,
JAMES L. RITCHIE, IV,
JACK R. RODEN, JR.
JOHN D. SHOBERG,
WALTER J. SKEISTAITIS,
MERLE J. SNYDER,
CHARLES G. STEVENS,
JEFF R. TURNER,
SAMUEL R. WETHERILL, III,

ARMY MEDICAL SPECIALIST CORPS

To be colonel

RONALD J. FRANKLIN,
DAVID G. GREATHOUSE,
ELENA W. GUINN,
RICHARD F. LYNCH,
DOROTHY F. MCKENNETT,
RICHARD C. SCHRECK,
JANE K. SWEENEY,

VETERINARY CORPS

To be colonel

PAUL L. BARROWS,
DONALD G. HARRINGTON,
BERNARD P. SALAMONE,
GARY L. STAMP,
BYRON L. WILSON,

ARMY NURSE CORPS

To be colonel

CAROL S. BEALL,
MARTHA R. BELL,
PAMELA K. BURNS,
CATHERINE K. CHIMINELLO,
CAROL J. DEEN,
KATHRYN P. DEUSTER,
ELISE M. GATES,
JOAN A. GILLIES,
JERI I. *. GRAHAM,
ROCHELLE I. GYSLER,
RUSSELL G. HARDAWAY,
JOHN C. HARTOON,
MARY E. HUBBS,
STANLEY H. JACQUES,
JO A. JOLIVET,
ROSALIE N. *. LORD,
SUSAN C. MCCALL,
ROBERT C. MCDONNELL,
THEORA L. MITCHELL,
NANCY C. MOLTER,
MARIE G. MOORE,
KENNETH F. MORRILL,
DORCAS M. MOSKOWITZ,
JUDITH R. PESETSKI,
CHARLENE D. PETERSON,
DONALD S. RENNIE,
ANTHONY C. RIESTER,
BROOKE I. SERPEINGOLD,
JOHN H. SHERNER, JR.
JOANNE M. SPENCER,
ANN C. *. STANTON,
PATRICIA F. TROUMBLEY,
DONNA L. VANDELL,

IN THE ARMY

THE FOLLOWING-NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTIONS 593(A) AND 3385:

ARMY PROMOTION LIST

To be colonel

JOHN E. ABAIR,
BERNARD D. BUTLER,
MICHAEL W. DAVIDSON,
RICHARD J. DREIMAN,
BOBBY S. DUNCAN,
WILLIAM G. FRANCIS,
JAMES E. HALL, JR.
JERALD R. HELGESON,
RICHARD L. JENKINS,
JAMES H. NELSON,
JOSE A. NOLLA,
KEITH A. SAVIDGE,
WILLARD B. SNYDER,
JOHN A. TAYLOR,
JAMES E. WALKER,

ARMY NURSE CORPS

To be colonel

SHIRLEY L. JONES,

DENTAL CORPS

To be colonel

GEORGE A. GOULD,

MEDICAL CORPS

To be colonel

THOMAS M. CANFIELD,
RENE F. RODRIGUEZ,

ARMY PROMOTION LIST

To be lieutenant colonel

ROGER D. ADAMSON,
MICHAEL G. AMRHEIN,
BOYD W. ANDERSON,
THOMAS P. ANGLIM,
CHARLES A. BOIVIN,
MAURICE K. BURNAM,
DENNIS A. DIETZ,
GREGORY B. ENGLISH,
DALLAS W. FANNING,
FRANK P. GRAHAM,
BOYD R. GRAY,
CHARLES V. GUY, JR.
ROBERT P. HARMON,
TOMMY V. HOOTON,
JIMMY S. MARTIN,
THOMAS J. MCCARRAN,
ROBERT D. MCVEY,
RANDALL D. MOSLEY,
MOSES OWEN,
JOHN F. PUGH, JR.
STEVE I. RUSHING,
STEPHEN R. SANDS,
PAUL R. STEMBLER,
LYNN R. STREMME,
RICHARD H. SWEAT,
DAVID D. THOMPSON,
JOHN W. WALLACE, JR.
DANIEL O. WINDHAM,
CLARENCE E. WORKMAN,

CHAPLAIN

To be lieutenant colonel

DEAN E. BAER,

ARMY NURSE CORPS

To be lieutenant colonel

CAROLYN JOHNSON,

MEDICAL CORPS

To be lieutenant colonel

JONATHAN P. HALCOVAGE,
KERRY E. WYCHE,

MEDICAL SERVICE CORPS

To be lieutenant colonel

DANIEL S. FLOREY,
JOHN J. HASSETT,
BRUCE D. METCALFE,

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10, UNITED STATES CODE. THE OFFICERS INDICATED BY ASTERISK ARE ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE:

ARMY MEDICAL SPECIALIST CORPS

To be lieutenant colonel

BRIGITTE T. BERG,

JOSEPH R. DETTORI,
ROXANNE R. EVANS,
KRISTIN D. KING,
PHYLLIS R. MCDONALD,
NANCY Y. MURPHY,
JOHN P. PETERSON,
DENISE A. ROTERT,
JOSEPH F. STAEHELI,

VETERINARY CORPS

To be lieutenant colonel

CHARLES B. *. CLIFFORD,
CLAYTON L. HADICK,
DANIEL L. JARBOE,
MICHAEL J. LANGFORD,
DALE G. MARTIN,
ALBERT H. MCCULLEN,
LUANN MCKINNEY,
ROBERT B. MOELLER, JR.
DAVID H. MOORE,
CARLIN V. *. OKERBERG,
GERALD W. *. PARKER, JR.
JAMES R. STEWART, JR.
JOHN V. WADE,
MICHAEL W. *. YEHLE,

ARMY NURSE CORPS

To be lieutenant colonel

STEVEN C. ACKERMAN,
ELLEN V. ADAMS,
MADYLIN H. *. AVENT,
CARL R. BARGABOS,
STANLEY D. *. BARGER,
CLAIRE *. BECK,
MARCIA BEST,
SELMA M. *. BEVANS,
ROBERT D. BLEDSOE,
HAROLD S. BOOKER,
BETTINA G. BOYD,
MARY C. BRADSHAW,
DEBORAH Z. CARLSON,
LINDA E. CASEY,
LINDA S. CHANCEY,
LORNA R. CHATMON,
SALVATORE A. *. CIRESI,
SUSAN G. CONNER,
MARY P. CRAIG,
RUTH E. *. CRUTCHFIELD,
LAURIE J. DAVIS,
SHIRLEY A. DAVIS,
DEBORAH J. *. DUNCAN,
JOANNE M. DUNSMORE,
ROBERTA E. DYER,
DEBORAH J. FAHEY,
KAREN T. FERGUSON,
MARCIA J. FLOYD,
JOHANNA W. FREEMAN,
ROSE A. *. GATES,
REGINA M. *. GIRLANDO,
JANET D. GRAVES,
LESSIE A. GRIFFITH,
RAYMOND W. GRIFFITH,
TIMOTHY H. HAHN,
CAROLYN A. HASKELL,
CHARLES B. *. HAUSER,
LAWRENCE D. HERRINGTON,
ROBIN A. HIGHTOWER,
KATHLEEN M. HINSON,
MARY M. HOKE,
RONALD J. *. HOWES,
JANE H. INJETY,
DOROTHY M. JAEGER,
SALLIE J. JOLLY,
BETTY C. *. JONES,
KAREN R. KIDDER,
STEPHEN H. KUTZ,
DEBORAH J. *. LEANDER,
REBECCA LOOMIS,
MARY T. LOTHERY,
MARTHA C. *. LUPO,
LYNNE M. *. MANOGUE,
WILLIAM J. MATHIA,
BARBARA L. MAYES,
MARY D. MAYNARD,
SHERRY L. MCCAUSLIN,
LAWRENCE J. *. MCDADE, JR.
DEBORAH L. MCMILLAN,
ANTHONY S. MELLO,
CAROLE A. MELTON,
EDWARD R. MEYER, JR.
PEGGY A. MICHEL,
CHANTAL K. MIDDLETON,
MARY L. MOSERGAUTREAUX,
ANNIE *. MOTONKORNEGAY,
JOSEPH M. MUCHA, JR.
MONICA A. NATHAN,
KAREN L. OSTRANDER,
PATTI L. PAIGE,
JOHN M. PAULEY,
MARK K. PETERSEN,
MARK L. PHIPPEN,
JEANNE M. *. PICARIELLO,
TERESA Y. PIERCE,
MAUREEN C. POTTER,
JUDITH L. POWERS,
PATRICIA F. PRATHER,
KAREN E. PUGSLEY,
PATRICIA A. RABON,
JIMMY W. REDWINE,
ROSLYN S. RILEY,

ROSEMARIE RITCHIE, xxx-xx-xxxx
JOSE F. RIVERA, xxx-xx-xxxx
RENEE V. ROBB, xxx-xx-xxxx
ARLEEN E. ROOTS, xxx-xx-xxxx
VALERIE E. ROSENBERG, xxx-xx-xxxx
ELIZABETH W. SAMPSON, xxx-xx-x...
JANET L. SATTERWHITE, xxx-xx-xxxx
FRANCES B. SCHLESINGER, xxx-xx-xxxx
CLARISSA L. *. SCOTT, xxx-xx-xxxx
PATRICIA A. *. SEXTON, xxx-xx-xxxx
STEPHEN I. SHERER, xxx-xx-xxxx
RICHARD D. SNYDER, xxx-xx-xxxx
LAURIE K. SZOKA, xxx-xx-xxxx
JOSEPH *. TAYLOR, xxx-xx-xxxx
PAULA K. TRIVETTE, xxx-xx-xxxx
SUSAN A. VAIRIN, xxx-xx-xxxx
MICHAEL V. WALSH, xxx-xx-xx...
CHRISTINA E. WEBER, xxx-xx-xxxx
DIANA M. *. WEBSTER, xxx-xx-xxxx
DONNA M. WENDT, xxx-xx-xxxx
DEBORAH A. *. WICKER, xxx-xx-xxxx
JULIE K. *. ZADINSKY, xxx-xx-xxxx

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES, IN THEIR ACTIVE DUTY GRADES, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 531, 532, AND 533:

ARMY NURSE CORPS

LIEUTENANT COLONEL

BRENDA L. BRACE, xxx-xx-xxxx
JEAN M. COBB, xxx-xx-xxxx
KAREN A. SEIPP, xxx-xx-xxxx
EDDY A. SMITH, xxx-xx-xxxx
THERESA A. WASHBURN, xxx-xx-xxxx

MAJORS

SALVATORE A. CIRESI, xxx-xx-xxxx
CAROL A. FLYNN, xxx-xx-xxxx
MELLISSA A. FORSYTHE, xxx-xx-xxxx
PATRICIA M. GILL, xxx-xx-xxxx
PATRICIA GONZALVES, xxx-xx-xxxx
PATRICIA A. HARVEY, xxx-xx-xxxx
DANIEL J. JERGENS, xxx-xx-xxxx
JACQUELINE JOHNSON, xxx-xx-xxxx
JOSEPH H. KELLY, xxx-xx-xxxx
JANICE K. LEVINE, xxx-xx-xxxx
GAIL M. MASESTAS, xxx-xx-xxxx
LINDA W. MCKINNEY, xxx-xx-xxxx
KATHLEEN MCANALLEN, xxx-xx-xx...
JOEL M. MESSING, xxx-xx-xxxx
JEANNE PICARIELLO, xxx-xx-xxxx
CAROL J. PIERCE, xxx-xx-xxxx
ARMIDA SHARPE, xxx-xx-xxxx
JAN W. SMITH, xxx-xx-xxxx
ELIZABETH STEWART, xxx-xx-xxxx
GAIL J. WILLIAMSON, xxx-xx-xxxx
DIANA WISNESKI, xxx-xx-xxxx

CAPTAINS

JANET L. BABB, xxx-xx-xxxx
DEBRA L. BROWN, xxx-xx-xxxx
LAUREN A. BURNEY, xxx-xx-xxxx
ALFREDO O. CHAVEZ, xxx-xx-xxxx
DOUGLAS E. CHING, xxx-xx-xxxx
PAUL T. ESCOTT, xxx-xx-xxxx
BETH B. FOLEY, xxx-xx-xxxx
JANICE A. FULTON, xxx-xx-xxxx
CHARLES F. HATHAWAY, xxx-xx-xxxx
ANNIE J. HOFFMAN, xxx-xx-xxxx
DEBORAH L. JULIAN, xxx-xx-xxxx
RICHARD F. MAHONEY, xxx-xx-xxxx
LEEANN MOLINI, xxx-xx-xxxx
MICHAEL L. MOORE, xxx-xx-xx...
WILLIAM PAWLYSHYN, xxx-xx-xxxx
EUGENE C. PEASE, xxx-xx-xxxx
CHANTALLE RAHAMAN, xxx-xx-xx...
MICHELE R. STONE, xxx-xx-xxxx

FIRST LIEUTENANTS

KENNETH R. HIXSON, xxx-xx-xxxx
MINTA A. MILLER, xxx-xx-xxxx
MICHAEL W. NEFT, xxx-xx-xx...

MEDICAL SERVICE CORPS

LIEUTENANT COLONEL

JEREMIAH MCCARTHY, xxx-xx-xxxx

MAJORS

DAVID J. BRAITMAN, xxx-xx-xxxx
ANGEL E. CINTRON, xxx-xx-xxxx
ROGER A. COOK, xxx-xx-xxxx
AARON J. JACOBS, xxx-xx-xxxx
ROBERT J. LANDRY, xxx-xx-xxxx
PAUL V. LEMLEY, xxx-xx-xxxx
MILTON MANDEVILLE, xxx-xx-xx...
DAVID M. PENETAR, xxx-xx-xxxx

CAPTAINS

JEFFREY H. ALLAN, xxx-xx-xxxx
GARY L. CAGLE, xxx-xx-xxxx
RICHARD E. CALDWELL, xxx-xx-xx...
LISA P. CHISHOLM, xxx-xx-xxxx
ALLISON P. CLARK, xxx-xx-xxxx
MARCUS W. CRONK, xxx-xx-xxxx
ERIK DAVIS, xxx-xx-xxxx
LAWRENCE E. FINLEY, xxx-xx-xxxx
TERESA K. GRADEK, xxx-xx-xxxx
STEVEN M. HARTMANN, xxx-xx-xxxx
DWANE A. HUBERT, xxx-xx-xxxx
DAVID F. HURLBERT, xxx-xx-xxxx
JOHN F. JESSOP, xxx-xx-xxxx
MICHAEL E. KIEFFER, xxx-xx-xxxx
GEORGE W. KORCH, xxx-xx-xxxx
MICHAEL D. LYNCH, xxx-xx-xx...
GEORGE J. MAGNON, xxx-xx-xxxx
RODNEY F. MCBRIDE, xxx-xx-xxxx
JUDITH K. MILLER, xxx-xx-xxxx
MARK A. MILLER, xxx-xx-xxxx
ALBERT W. MORAN, xxx-xx-xxxx
DARYL S. MOYER, xxx-xx-xxxx
JEFFREY L. NAUSS, xxx-xx-xxxx
CHARLES P. OLIVER, xxx-xx-xxxx
DOREEN M. PETREE, xxx-xx-xxxx
DAVID H. PRATT, xxx-xx-xxxx
WAYNE R. SMETANA, xxx-xx-xxxx
JAY F. STILL, xxx-xx-xxxx
TONY L. STORY, xxx-xx-xxxx
DAVID K. TURGEON, xxx-xx-xxxx
WREN H. WALTERS, xxx-xx-xx...
CLARK H. WEAVER, xxx-xx-xxxx
JAY M. WEBB, xxx-xx-xxxx
THOMAS B. WILLIAMS, xxx-xx-xxxx

FIRST LIEUTENANTS

CORWIN N. HARPER, xxx-xx-xxxx
MICHAEL K. PODOJIL, xxx-xx-xxxx
DAVID K. RHINEHART, xxx-xx-xxxx
STEVEN D. ROTH, xxx-xx-xxxx
JAMES J. SCOTT, xxx-xx-xxxx
GREGORY A. SWANSON, xxx-xx-xxxx
CARMINE F. TAGLIERI, xxx-xx-xxxx
CHERYL L. TAYLOR, xxx-xx-xxxx
RICHARD D. THWAITES, xxx-xx-xxxx
DEBORAH B. WESLOH, xxx-xx-xxxx
ELLIS J. WILLIAMS, xxx-xx-xx...

SECOND LIEUTENANTS

JOY R. HOWARD, xxx-xx-xxxx
WILLIAM B. HOWARD, xxx-xx-xxxx

MEDICAL SPECIALIST CORPS

MAJOR

NANCY E. HENDERSON, xxx-xx-xxxx

CAPTAINS

GEORGE A. DILLY, xxx-xx-xxxx
LEO H. MAHONY, xxx-xx-xxxx

VETERINARY CORPS

MAJORS

PAUL C. BAIRD, xxx-xx-xxxx
GORDON D. RAHMES, xxx-xx-xxxx
CATHERINE D. SMITH, xxx-xx-xxxx

CAPTAINS

ANDREW E. BRADLEY, xxx-xx-xxxx
THOMAS W. MAYER, xxx-xx-xxxx
MARK G. MENSE, xxx-xx-xxxx
DAVID L. RUBLE, xxx-xx-xxxx
STANLEY E. SMITH, xxx-xx-xxxx
DALE L. WILLIAMSON, xxx-xx-xx...

JUDGE ADVOCATE GENERAL'S CORPS

CAPTAINS

ELWOOD A. CHANDLER, JR., xxx-xx-xxxx
JONATHAN M. HARRISON, xxx-xx-xxxx
STEPHEN R. HENLEY, xxx-xx-xxxx
RUSSELL S. JOKINEN, xxx-xx-xxxx
MICHAEL P. KELLY, xxx-xx-xx...
KEVIN LACHANCE, xxx-xx-xx...
STEVEN A. LAMB, xxx-xx-xxxx
JAMES E. MACKLIN, xxx-xx-xxxx
MICHELE M. MILLER, xxx-xx-xx...
KATHRYN STONE, xxx-xx-xxxx

FIELD ARTILLERY

MAJOR

MARY E. FARLEY, xxx-xx-xx...

FIRST LIEUTENANT

MARC C. DONNELLY, xxx-xx-xx...

MEDICAL CORPS

CAPTAIN

DEAN C. TAYLOR, xxx-xx-xxxx

INFANTRY

FIRST LIEUTENANT

CARL J. ZAISER, xxx-xx-xxxx

SECOND LIEUTENANT

DOUGLAS J. MORSE, xxx-xx-xxxx

MILITARY INTELLIGENCE

SECOND LIEUTENANT

SCOTT L. HAWMAN, xxx-xx-xxxx

IN THE ARMY

THE FOLLOWING NAMED RESERVE OFFICERS TRAINING CORPS CADETS FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES, IN THE GRADE OF SECOND LIEUTENANT, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 531, 532, AND 533:

JOHN T. ABT, xxx-xx-xxxx
EDMUND M. ACKERMAN, xxx-xx-xxxx
JAMES H. ADAMS, III, xxx-xx-xxxx
JAY R. ADAMS, xxx-xx-xxxx
MARK A. ADAMS, xxx-xx-xxxx
MICHAEL H. ADAMS, xxx-xx-xx...
ROBERT S. AGEE, xxx-xx-xxxx
JOHN S. AGOR, xxx-xx-xxxx
MARIO S. AGUILAR, xxx-xx-xxxx
PATRICK J. AHEARNE, xxx-xx-xxxx
DARRELL R. AHERRON, xxx-xx-xxxx
CHESTER K. AHN, xxx-xx-xxxx
JONATHAN E. ALBERTSON, xxx-xx-xxxx
PATTY ALCORN, xxx-xx-xxxx
STEPHEN P. ALCORN, xxx-xx-xxxx
KATHERINE R. ALDERMAN, xxx-xx-xxxx
GARY F. ALDERSON, II, xxx-xx-xxxx
JESSE D. ALEXANDER, xxx-xx-xxxx
NELSON N. ALGARRA, xxx-xx-xxxx
ANDREW L. ALGERMISSEN, xxx-xx-xxxx
MICHAEL F. ALIANIELLO, xxx-xx-xx...
PAUL R. ALLEN, xxx-xx-xx...
STEVEN L. ALLEN, xxx-xx-xx...
GEORGE W. ALLWES, xxx-xx-xxxx
JASON A. ALTIERI, xxx-xx-xxxx
KIRA ALVARADO, xxx-xx-xxxx
ANTHONY E. AMERSON, xxx-xx-xx...
ANDREW W. ANDERSON, xxx-xx-xxxx
CHET R. ANDERSON, xxx-xx-xxxx
MATTHEW D. ANDERSON, xxx-xx-xxxx
PATRICK S. ANDERSON, xxx-xx-xxxx
SAM ANDERSON, JR, xxx-xx-xxxx
THOMAS J. ANDERSON, xxx-xx-xxxx
KAREN L. ANDREEKO, xxx-xx-xxxx
ROBERT B. ANDREW, xxx-xx-xxxx
LAURA C. ANIBAL, xxx-xx-xx...
KEITH W. ANTHONY, xxx-xx-xxxx
ANGELA M. AQUINO, xxx-xx-xxxx
RICHARD I. ARIAS, xxx-xx-xxxx
JOSEPH D. ARMSTRONG, xxx-xx-xxxx
SCOTT C. ARMSTRONG, xxx-xx-xxxx
PATRICK J. ARNEAULT, xxx-xx-xxxx
ERIC D. ARNOLD, xxx-xx-xxxx
JOE E. ARNOLD, JR, xxx-xx-xxxx
WARREN S. ARONSON, xxx-xx-xxxx
TIMOTHY J. ARSENEAU, xxx-xx-xxxx
DANIEL J. ASHE, xxx-xx-xxxx
JAMES M. ASHFORD, xxx-xx-xxxx
JAMES L. ATKINS, xxx-xx-xxxx
KIMBERLY A. AUDETTE, xxx-xx-xxxx
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DAVID G. WORTMAN, xxx-xx-xxxx
KAREN J. WRIGHT, xxx-xx-xxxx
ROBERT L. WRIGHT, xxx-xx-xxxx
ROGER E. WRIGHT, xxx-xx-xxxx
TONY L. WRIGHT, xxx-xx-xxxx
WILLIAM M. WYATT, xxx-xx-xx...
JOHN P. WYMAN, xxx-xx-xxxx
CHARLES S. YAGER, xxx-xx-xxxx
EMMETT M. YATES, xxx-xx-xxxx
PAUL L. YINGLING, xxx-xx-xxxx
ANDREW R. YOUNG, xxx-xx-xxxx
CHARLES L. YOUNG, xxx-xx-xxxx
LELAND O. YOUNG, xxx-xx-xxxx
WILLIAM K. YOUNG, xxx-xx-xxxx
BARTON L. YOUNGKIN, xxx-xx-xxxx
STEVEN R. ZAHN, xxx-xx-xxxx
MATTHEW W. ZAJAC, xxx-xx-xx...
NANCY R. ZAPATA, xxx-xx-xxxx
CHRISTOPHER C. ZEITVOGEL, xxx-xx-xxxx
ERIC F. ZELLARS, xxx-xx-xxxx
PAUL B. ZEPERNICK, JR., xxx-xx-xxxx
ANDREW G. ZIMMERMAN, xxx-xx-xxxx
ERIC V. ZIMMERMAN, xxx-xx-xxxx
TROY A. ZIMMERMAN, xxx-xx-xxxx
ROY C. ZIMMERMANN, xxx-xx-xxxx
MICHAEL J. ZINNO, xxx-xx-xx...
TIMOTHY W. ZURN, xxx-xx-xxxx

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICERS OF THE MARINE CORPS RESERVE FOR PERMANENT APPOINTMENT TO THE GRADE OF COLONEL UNDER TITLE 10, UNITED STATES CODE, SECTION 5912:

JEFFREY L. ABATE, xx...
JOHN J. ABBATTISTA, xx...
WARNER E. ALLEN, xx...
VICTOR D. ALT, xx...
LAWRENCE O. ANDERSON, xx...
TIMOTHY G. ANDERSON, xx...
JAY R. BAILEY, xx...
TIMOTHY J. BALCH, xx...
EDWARD L. BISHOP, III, xx...
CHARLES R. BLAICH, xx...
RUSSELL N. BRAHM, xx...
FRANCISCO P. BRISENO, xx...
LOUIS E. BROSSY, JR., xx...
GEORGE E. CADMAN, III, xx...
ERIC L. CHASE, xx...
JAMES P. CLARK, JR., xx...
WALTER F. CONNER, xx...
MILLARD COX, III, xx...
JACK A. DAVIS, xx...
LEONARD E. DECHANT, xx...
CHARLES L. DUNDAS, xx...
CHARLES R. EDWARDS, xx...
JOSEPH F. EGAN, xx...
WALTER G. FALLMAN, xx...
THOMAS J. FLAHERTY, xx...
VINCENT J. FORTE, xx...
DANIEL L. GROOTHUIS, xx...
ROGER C. HADDIX, xx...
DOUGLAS A. HALE, xx...
DAVID A. HALLIN, xx...
LOUIS M. HANAVAN, xx...
HERBERT N. HARMON, xx...
WILMER K. HARPER, xx...
MICHAEL T. HARRIGAN, xx...
MARY J. HARRIS, xx...
KLAUSPETER HEINEMEYER, xx...
SCOTT R. HENDRICKSON, xx...
GARY J. HILL, xx...
JOHN W. HILL, xx...
WILLIAM L. HOLAHAN, III, xx...
STEVEN E. IPSON, xx...
GORDON W. JACOBSON, xx...
JOHN A. JANEGA, xx...
KENNETH W. JOHNSON, xx...
ROBERT W. JOHNSON, JR., xx...
RICHARD V. JORDAN, xx...
MICHAEL A. KALASHIAN, xx...
LAWRENCE H. KENER, xx...
RAYMOND R. KIELHOFER, xx...
DAVID J. KINGSBURY, xx...
JIMMY L. KLINE, xx...
WARD W. KLINK, JR., xx...
DOUGLAS J. KULIG, xx...
CHARLES O. LANE, xx...
MALCOLM V. LANE, xx...
FRANCIS E. LEWIS, xx...
JAMES C. LIEBER, JR., xx...
FREDERICK R. LOPEZ, xx...
GARY L. LUMPKIN, xx...
ROBERT C. LUNDELL, xx...
RICHARD J. MARIEN, xx...
HAROLD M. MARSH, xx...
DENNIS M. MCCARTHY, xx...
DANIEL J. MCCRARY, xx...
JOHN D. MCCULLOUGH, xx...
JAMES C. MCGARIGLE, JR., xx...
JAMES R. MCGRATH, xx...
STEPHEN N. MELGAARD, xx...
PHILIP A. MESSER, xx...
BOBBY W. MILLER, xx...
LOREN R. MILLER, III, xx...
STEPHEN S. MITCHELL, xx...
EDWARD F. MURPHY, JR., xx...
JOHN L. OKERMAN, xx...
CHARLES R. OLESZYCKI, xx...
BARRY D. PENCEK, xx...
JERROLD N. PIERCE, xx...
JOHN C. POWERS, xx...
JAMES J. PRESTON, xx...
JAMES R. PROMBO, xx...
MAURICE J. QUINLAN, xx...
DOUGLAS R. RAUPP, xx...
WARNER T. REID, xx...
HENRY J. REIFKE, xx...
JOSEPH E. RICE, JR., xx...
ROBERT M. RICHARDS, JR., xx...
JOE D. ROBINSON, xx...
CHRISTIAN A. RODATZ, xx...
ROGER R. SAFT, xx...
DENNIS R. SHAW, xx...
RONALD R. SIKES, xx...
LOUIS B. STEFAN, xx...
NORMAN R. STOCKER, xx...
RICHARD A. STOTZ, xx...
WILLIAM F. TOOHEY, III, xx...
JOHN B. URMSTON, xx...
DOUGLAS C. VASSY, xx...
ANTHONY A. VERTUNO, xx...
CHARLES R. VROOMAN, xx...
RUDY J. WADLE, JR, xx...
THOMAS E. WALLIS, xx...
DAVID H. WHITE, JR., xx...
WILLIAM R. WHITTINGTON, xx...
JOHN B. WILKES, I, xx...
JAMES D. WILSON, JR, xx...

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICERS OF THE REGULAR MARINE CORPS DESIGNATED FOR LIMITED DUTY FOR APPOINTMENT AND DESIGNATION AS UNRESTRICTED OFFICERS IN THE REGULAR MARINE CORPS UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE,SECTION 531 AND 5589:

To be lieutenant colonel

DONALD L. SCANLON JR., xxx-xx-xxxx

To be major

BOYETTE S. HASTY, xxx-xx-xxxx

THE FOLLOWING NAMED OFFICERS OF THE MARINE CORPS RESERVE FOR TRANSFER INTO THE REGULAR MARINE CORPS UNDER TITLE 10, UNITED STATES CODE, SECTION 531:

To be major

STEVEN J. CASH, xxx-xx-xxxx

To be captain

TIMOTHY C. ABE, xxx-xx-xxxx
WILLEM ACHTERBERG, xxx-xx-xxxx
DALE M. ATKINSON, xxx-xx-xxxx
ANDREW C. AUER, xxx-xx-xxxx
DAVID BEDWORTH, xxx-xx-xxxx
JOSEPH R. BERNARD, JR, xxx-xx-xxxx
NICHOLAS G. BERRYMAN, xxx-xx-xxxx
LEROY L. BLAHNA, xxx-xx-xxxx
JAMES C. BRADER, xxx-xx-xxxx
MICHAEL T. CARIELLO, xxx-xx-xx...
CAMILO CHINEA, xxx-xx-xx...
STUART W. CLARKE, xxx-xx-xxxx
CHRISTOPHEM CLAYTON, xxx-xx-xxxx
ALLAN M. COLLIER, xxx-xx-xx...
CHARLES C. DANIELS, xxx-xx-xxxx
TIMOTHY DANIELS, xxx-xx-xxxx
TIMOTHY E. DASCHBACH, xxx-xx-xxxx
ROBERT D. DEFORGE, xxx-xx-xxxx
DANIEL DENEHER, JR, xxx-xx-xxxx
HENRY C. DEWEY, III, xxx-xx-xxxx
RONALD A. DINGER, xxx-xx-xxxx
PETER A. DRAIN, xxx-xx-xxxx
BRADLEY R. EADS, xxx-xx-xxxx
TIMOTHY J. EVANS, xxx-xx-xxxx
ADAM B. FIRESTONE, xxx-xx-xxxx
LARRY FULWILER, xxx-xx-xxxx
ROBERT C. GASKO, JR, xxx-xx-xxxx
ALEJANDRO GIERBER, xxx-xx-xxxx
MICHAEL J. GOLLWITZER, xxx-xx-xx...
GARY S. GRAHAM, xxx-xx-xxxx
KENNETH L. GROSSMAN, II, xxx-xx-xxxx
DAVID C. HAMIL, xxx-xx-xxxx
TIMOTHY C. HANLEN, xxx-xx-xxxx
GREGG C. HARNEY, xxx-xx-xxxx
SCOTT K. HARRISON, xxx-xx-xxxx
STEPHEN M. HEFT, xxx-xx-xxxx
MAYNARD M. HENRY, xxx-xx-xxxx
JON E. HUGGINS, xxx-xx-xxxx
GREGORY A. JACKSON, xxx-xx-xxxx
PERRY G. JACKSON, xxx-xx-xxxx
PETER A. JANDA, xxx-xx-xxxx
CHESTER E. JOLLEY, xxx-xx-xxxx
THOMAS R. JONES, xxx-xx-xxxx
EDWIN T. KING, xxx-xx-xxxx
DARRYL E. KNIGHT, xxx-xx-xxxx
FREDERICK A. KOEHMSTEDT, xxx-xx-xxxx
JAY J. KRAIL, xxx-xx-xxxx
DAVID R. LANCE, xxx-xx-xxxx
THOMAS S. LARSEN, xxx-xx-xxxx
RAYMOND S. LASHIER, xxx-xx-xxxx
DARRELL K. LAWLEY, xxx-xx-xxxx
ROBERT F. LEARY, xxx-xx-xxxx

STERLING A. MANN, xxx-xx-xxxx
JOSEPH A. MAUNEY, xxx-xx-xxxx
JAMES D. MCCARY, xxx-xx-xxxx
MICHAEL B. MCCLARY, xxx-xx-xx...
LAWRENCE J. MCENROE, JR., xxx-xx-xxxx
STEPHEN B. MCFARLIN, xxx-xx-xxxx
DAVID W. MCLAWHORN, xxx-xx-xxxx
STUART B. MCMILLAN, xxx-xx-xxxx
WILLIAM R. MCREYNOLDS, xxx-xx-xxxx
BRIAN A. MURPHY, xxx-xx-xxxx
STEPHEN P. NICHOLSON, xxx-xx-xxxx
PRESTON E. PIANTINO, xxx-xx-xxxx
JOSEPH C. POLACH, xxx-xx-xxxx
LESLIE H. REED, JR., xxx-xx-xxxx
STEPHEN F. ROSENTHAL, xxx-xx-xxxx
JAMES J. SCHULTZ, xxx-xx-xxxx
DOUGLAS C. SMITH, xxx-xx-xxxx
MARCUS R. SMITH, xxx-xx-xxxx
KENNETH L. SNYDER, xxx-xx-xxxx
KEVIN P. SPILLERS, xxx-xx-xxxx
GARY A. STRASMANN, xxx-xx-xxxx
CORWIN L. THOMAS, xxx-xx-xxxx
PAUL L. TOMLINSON, xxx-xx-xxxx
TIMOTHY M. TRESSLER, xxx-xx-xxxx
BLAKE B. TURNER, xxx-xx-xxxx
JOHN G. VINCE, xxx-xx-xxxx
SERGIO R. VIVALDI, xxx-xx-xxxx
DAVID L. WALLENBURN, xxx-xx-xxxx
WILLIAM R. WALSH, xxx-xx-xx...
RONALD B. WAYMAN, xxx-xx-xxxx
JAMES W. WILLETT, xxx-xx-xxxx
JUSTIN B. WRIGHT, xxx-xx-xxxx

To be lieutenant

ALBERT R. ADLER, xxx-xx-xxxx
JOHN R. ARMOUR, xxx-xx-xxxx
JOHN D. AUGSBURGER, xxx-xx-xxxx
LOUIS B. AVILA, JR., xxx-xx-xxxx
KEVIN K. BAGGOTT, xxx-xx-xxxx
ROBERT S. BAKER, xxx-xx-xxxx
NATHANIEL BARBOSA, JR., xxx-xx-xxxx
TIMOTHY M. BARROW, xxx-xx-xxxx
MICHAEL S. BEGUELIN, xxx-xx-xxxx
MICHAEL J. BERGERUD, xxx-xx-xxxx
SHERMAN L. BIERLY, xxx-xx-xxxx
JEAN BINKMCGRATH, xxx-xx-xxxx
ANDREW K. BLACKHURST, xxx-xx-xxxx
BENJAMIN S. BLANKENSHIP, xxx-xx-xxxx
DAVID J. BOILY, xxx-xx-xxxx
DONALD R. BOLENDER, xxx-xx-xxxx
GREGORY F. BOND, xxx-xx-xxxx
MICHAEL R. BOWERSOX, xxx-xx-xxxx
KEVIN M. BRADY, xxx-xx-xxxx
MICHAEL W. BRAHAM, xxx-xx-xx...
CARTER H. BRANDENBURG, xxx-xx-xxxx
KIRK E. BRUNO, xxx-xx-xxxx
MARTIN J. BURNS, xxx-xx-xxxx
SHAWN W. BURNS, xxx-xx-xxxx
BRENNAN T. BYRNE, xxx-xx-xxxx
RAFEAL D. CHEATHAM, xxx-xx-xxxx
MICHAEL S. CHMIELEWSKI, xxx-xx-xxxx
JAMES P. CHRISTOPHERSON, xxx-xx-xxxx
PHILLIP C. CHUDOBA, xxx-xx-xxxx
DONALD G. CLARK, II, xxx-xx-xxxx
WILLIAM J. COLON, xxx-xx-xx...
GEOFFREY A. CORSON, xxx-xx-xxxx
SCOTT E. CORWIN, xxx-xx-xxxx
SCOT D. DEABENDERFER, xxx-xx-xxxx
MONTE P. DEBEL, xxx-xx-xxxx
LYMAN P. DENIORD, xxx-xx-xxxx
JOSEPH G. DENNISON, xxx-xx-xxxx
MARK D. DERICKSON, xxx-xx-xxxx
MICHAEL G. DERR, xxx-xx-xxxx
KURT E. DIEHL, xxx-xx-xxxx
KEVIN R. DOLVIN, xxx-xx-xxxx
SHON M. DRISCOLL, xxx-xx-xxxx
RICHARD J. ELDER, xxx-xx-xxxx
MARK C. FELSKE, xxx-xx-xxxx
IAN FERGUSON, xxx-xx-xxxx
BRIAN P. FITZGIBBONS, xxx-xx-xxxx
ERIC A. FOLLSTAD, xxx-xx-xxxx
MICHAEL M. FRAZIER, xxx-xx-xxxx
HUGO R. FRECH, xxx-xx-xxxx
JOHN W. FREDA, xxx-xx-xxxx
KARL F. FROST, xxx-xx-xxxx
KEITH M. FULLER, xxx-xx-xxxx
JOHN R. GAMBRINO, xxx-xx-xxxx
THOMAS A. GILCHRIST, xxx-xx-xxxx
LAUREL D. GLENN, xxx-xx-xxxx
ROBERT G. GOLDEN, III, xxx-xx-xxxx
JOHN M. GOODE, JR., xxx-xx-xxxx
JUSTIN T. GREEN, xxx-xx-xxxx
BRETT J. GROSSHANS, xxx-xx-xxxx
TERRENCE L. HANNIGAN, xxx-xx-xxxx
RICHARD S. HARPER, xxx-xx-xxxx
RANDY L. HEBERT, xxx-xx-xxxx
JEFFREY J. HEDERER, xxx-xx-xxxx
WILLIAM E. HICKEY, JR., xxx-xx-xxxx
DANIEL C. HODGES, xxx-xx-xxxx
STEVEN T. HOFFMAN, xxx-xx-xxxx
JAMES A. HOGBERG, xxx-xx-xxxx
ROBERT H. HOLMAN, xxx-xx-xxxx
WILLIAM J. INSERRA, xxx-xx-xxxx
KEITH M. JENSEN, xxx-xx-xxxx
JAY E. JOHNSON, xxx-xx-xxxx
MONTY C. JOHNSON, xxx-xx-xxxx
CHARLES A. JOHNSON, JR., xxx-xx-xxxx
CHRISTOPHEM JOHNSTON, xxx-xx-xxxx
TODD A. KAMINSKI, xxx-xx-xxxx
MICHAEL K. KAUSE, xxx-xx-xxxx
CHRISTOPHEP KEANEY, xxx-xx-xxxx
WILLIAM H. KEIRNAN, xxx-xx-xxxx
GEORGE A. KELLING, xxx-xx-xxxx
MICHAEL W. KELLY, xxx-xx-xx...
TODD G. KEMPER, xxx-xx-xxxx
PHILLIP W. KENOYER, xxx-xx-xxxx
ROBERT F. KILLACKEY, JR., xxx-xx-xxxx
DARRIC M. KNIGHT, xxx-xx-xxxx
WILLIAM L. KRAMER, xxx-xx-xx...
JAMES W. LARUE, xxx-xx-xxxx
SHELDON H. LEAVITT, xxx-xx-xxxx
PAUL J. LEBLANC, xxx-xx-xx...
RAYMOND J. LIDDY, xxx-xx-xxxx
MATTHEW A. LOPEZ, xxx-xx-xx...
BRADLEY L. LOWE, xxx-xx-xxxx
GREGG L. LYON, xxx-xx-xxxx
JOHN D. MACARTHUR, III, xxx-xx-xxxx
ANDREW D. MACOIT, xxx-xx-xxxx
MICHAEL A. MAGLIO, xxx-xx-xx...
MICHAEL W. MANZER, JR., xxx-xx-xx...
WILLIAM D. MARTIN, xxx-xx-xxxx
KENNY J. MATHIS, xxx-xx-xxxx
ANTONIO J. MATTALIANO, JR., xxx-xx-xxxx
WILLIAM G. MATTHEWS, xxx-xx-xx...
JOHN F. MAY, xxx-xx-xxxx
JOHN H. MAYLES, xxx-xx-xxxx
GARY J. MCCARTHY, xxx-xx-xxxx
KEVIN P. MCCLERNON, xxx-xx-xxxx
JOHN G. MCGONAGLE, xxx-xx-xxxx
ARTHUR R. MCINTOSH, JR., xxx-xx-xxxx
JAMES P. MCKINLAY, xxx-xx-xxxx
SCOTT H. MCVAY, xxx-xx-xxxx
KEITH A. MEISENHEIMER, xxx-xx-xxxx
DANIEL D. MENDIOLA, xxx-xx-xxxx
MARC J. MILBURN, xxx-xx-xxxx
THOMAS P. MUDGE, xxx-xx-xxxx
WARNER A. MYERS, xxx-xx-xxxx
PAUL D. NEUBERT, xxx-xx-xxxx
CHRISTEN A. NIELSEN, xxx-xx-xxxx
BOBBY E. OBRYANT, JR., xxx-xx-xxxx
CHARLES E. ODONNELL, xxx-xx-xxxx
DONALD R. OGLE, JR., xxx-xx-xxxx
MICHAEL R. ORR, xxx-xx-xxxx
KAREN D. OSTROWSKI, xxx-xx-xxxx
KEITH W. PANKHURST, xxx-xx-xxxx
DOUGLAS A. PARIS, xxx-xx-xxxx
RAYMOND M. PARLATO, xxx-xx-xxxx
DEAN A. PENKETHMAN, xxx-xx-xxxx
SCOTT J. PHOEBUS, xxx-xx-xxxx
TIMOTHY J. PIERSON, xxx-xx-xxxx
JOHN M. PIOLI, xxx-xx-xxxx
ARCH H. POEPPEL, III, xxx-xx-xxxx
RICHARD A. PRZYBYSZEWSKI, xxx-xx-xxxx
NEAL F. PUGLIESE, xxx-xx-xxxx
PAUL L. PUGLIESE, xxx-xx-xxxx
JOHN T. QUINN, II, xxx-xx-xxxx
EDWARD J. QUINONEZ, xxx-xx-xxxx
MICHAEL J. RADAN, xxx-xx-xxxx
THOMAS J. REID, xxx-xx-xxxx
GLEN M. REINHOLD, xxx-xx-xxxx
SCOTT J. REYNOLDS, xxx-xx-xxxx
JOSEPH P. RICHARDS, xxx-xx-xxxx
ROGER E. ROBINSON, JR., xxx-xx-xxxx
ROBERT A. ROSLAWSKI, xxx-xx-xxxx
STANLEY W. SALAMON, xxx-xx-xxxx
TODD W. SCHLUND, xxx-xx-xxxx
TIMOTHY B. SEAMON, xxx-xx-xxxx
TIMOTHY P. SEGNERI, xxx-xx-xxxx
CARL W. SIMONS, xxx-xx-xxxx
JAY C. SMITH, xxx-xx-xxxx
MARK A. SMITH, xxx-xx-xxxx
TERRY P. STAUTBERG, xxx-xx-xxxx
CHRISTOPHEW STODDARD, xxx-xx-xxxx
LESLIE E. STRICKLAND, xxx-xx-xxxx
JAMES M. SULLIVAN, xxx-xx-xxxx
THOMAS G. SULLIVAN, xxx-xx-xxxx
DELSIE L. SWEARINGEN, xxx-xx-xxxx
CHARLES D. TAPPA, xxx-xx-xxxx
JAMES R. TAYLOR, xxx-xx-xxxx
JOSEPH L. TERRY, xxx-xx-xxxx
JOHN S. THOMAS, xxx-xx-xxxx
MICHAEL D. THOMAS, xxx-xx-xxxx
WILLIAM G. TREVARTHEN, xxx-xx-xxxx
ELVIS F. VASQUEZ, xxx-xx-xxxx
BRADLEY C. VICKERS, xxx-xx-xxxx
MONTY A. VOLD, xxx-xx-xxxx
WALTER R. WATSON, xxx-xx-xxxx
DARRYL S. WEEKLEY, xxx-xx-xxxx
THEODORE R. WENRICH, JR., xxx-xx-xxxx
WES S. WESTON, xxx-xx-xxxx
AREND G. WESTRA, xxx-xx-xxxx
MILTON L. WICK, xxx-xx-xxxx
HIRAM D. WILLIAMS, xxx-xx-xx...
BRADY G. WILLIAMS, xxx-xx-xxxx
MICHAEL R. WOOD, xxx-xx-xx...
PETER D. WOODMANSEE, xxx-xx-xxxx
GEORGE T. WRIGHT, JR., xxx-xx-xxxx
JOHN G. ZUPPAN, xxx-xx-xxxx

To be chief warrant officer

MICHAEL H. GAMBLE, xxx-xx-xx...

IN THE NAVY

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICER, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE LINE OF THE U. S. NAVY PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, LINE, LIEUTENANT COMMANDER

To be lieutenant commander, line, USN, permanent

RANDY ALBERT CASON

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE LINE OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, LINE, LIEUTENANT

To be lieutenant, line, USN, permanent

ROBERT LEE ALTEMUS
PHILIP GEORGE ALVAREZ
ROBERT VINCENT AQUINO
RICHARD LOUIS ARCHEY
MICHAEL PATRICK ARGO
WAYNE D. ATWOOD
CRAIG W. BALDWIN
MICHAEL GERALD BARRINGTON
RANDALL A. BARTLETT
RICHARD CHARLES BATTAGLIA
STEVEN BAXTER
JEFFREY LOUIS BAY
THOMAS JAMES BELTZ
MARK WILLIAM BENSON
SCOTT DOUGLAS BERG
BART ALAN BODTKE
TIMOTHY EDWARD BOOTHE
KENNETH H. BOTHWELL, III
WILLIAM CHARLES BRAKER
TODD RUSSELL BREESE
WILLIAM SCOTT BRINKMAN
ANDREW BROWN, III
JAMES ROBERT BROWN
WILLIAM R. BRUNET
DENNIS BRYANT
JOHN LINWOOD BRYANT, JR
EDWARD J. BUCKLEY
ROBERT EDMUND BURDA, JR
GEOFFREY RAY BURKE
DAVID HARD BURR
ALAN B. CAMPBELL, JR
CHRISTOPHER T. CERVANTES
CURTIS SCOTT CHESNUTT
FLORENCE MARIE CHICHESTER
WILLIAM MARK CHUBB
MICHAEL JOSEPH CIARDELLO
KEVIN MICHAEL CLANCY
JEFFREY DOW CLARKSON
DANNY JOE COHN
ARNOLD EUGENE COLLINS
BARRY MICHAEL COMERFORD
ROBERT FRANCIS COOKE
LOWELL SCOTT COOPER
RAYMOND BRIAN CORRIGAN
DARRYL KENT CREASY
GERALD LEN CROWDER
JOEL ROBERT CUGINI
RALPH MICHAEL CUMMINGS
STANLEY CUNNINGHAM
MICHAEL CHARLES DAVIDSON
GEORGE WILLIAM DAVIS
DARREL SCOTT DEHAVEN
RENE RECENO DELROSARIO
TIM L. DENNING
CRISTINA ELAINE DUNCHESKIE
JAMES RICHMAN DUWVE
JAMES RICHARD ECHOLS, JR
ANDREW WAYNE EDDOWES
STEWART GREGORY ELLIOTT
JOHN ELLSWORTH
CHARLES GENE EMMERT
DEIRDRE MIGNON EMMES
RANDY ALAN EVANS
MARK GRAHAM FEILMANN
RICHARD JOSEPH FINNEGAN
LARRY NEAL FLINT
DEBRA ANN FORD
MARK FRANEY
PETER SANDE FRANO
ROLF EARL FREDRICK
MORGAN BLAKEY FURLONG
MARK A. J. GARCIA
WILLIAM JONATHAN GARDNER
JEFFREY MARC GLICKSMAN
JEFFERY DAVID GRADECK
KENNETH RICHARD GRANT
MAURY JAYNE GRIMM
JEFFREY K. GRUETZMACHER
JOHN DAVID GUGLIELMI
JEFFREY M. HABIB
SCOTT W. HALE
JOHN ROBERT HALL
GREGORY ALAN HAMMOND
DAVID BRUCE HANSON
JOEL SIDNEY HAWK, JR
ROGER GORDON HERBERT, JR
MICHAEL WILLIAM HEWITT
TIMOTHY J. HOWINGTON
MICHAEL WAYNE INZER
TERRELL DWAYNE ISLEY
ROBERT LEONARD JOBRACK
DOUGLAS DARRELL JOHNSON
THOMAS EDWARD JOHNSTON
BRIAN KEITH JONES
FRANK ERNEST KEENEY, JR
HOWARD CURTIS KEESE
RICHARD DWAYNE KELTNER
COLIN JAMES KILRAIN
JOHN ALLEN KOEPKE
MATTHEW JOSEPH KOHLER
KEITH DION KOWALSKI
ANDREW HARRIS KRAUSKA
SUZANNE LYNN KRUPPA
BRUCE NEAL KUYATT
STEPHEN MAC LARDNER
STEPHEN ALAN LARSEN
DAVID PAUL LEBEAU
KEVIN MICHAEL LENEHAN
JAY SCOT LEWIS
LISA MONICA LUCERO
KENNETH EMIL LUCHKA
JOSEPH HOWARD LUGINSLAND
JAMES EARL MADARIS, JR
THOMAS ALLAN MAGNO
JEFFREY P. MARQUARDT
JOSEPH WILLIAM MARX
KEVIN JEFFREY MASON
MARTIN NEIL MAY
STEPHEN DUANE MCCASLIN
PATRICK F. J. MCCORMACK
MELODIE ELAINE MCCRIMONE
CHRISTOPHER JOHN MCDONALD
JAMES FENTON MCDOUGALL
EVELYN KATHLEEN MCHUGH
STEVEN ARTHUR MCLAUGHLIN
JOSEPH FRANCIS MCNAMARA
JOHN DOUGLAS MEIER, JR
ROBERT CHARLES MENCHES
JOHN WARREN MENGEL, JR
MARK FRANCIS MEYER
STEPHEN TRISTAN MILLER
SUSAN LYNN MORESI
PAUL JEFFREY MULLOY
MICHAEL GERARD MURPHY
DAVID ANDREW MURRAY
WILLIAM N. NAGY
MICHAEL SEAN NEE
BRADLEY D. NELSON

GARY MICHAEL NEUMAN
JOSEPH GORMAN OBRIEN, JR
FREDERICK WILLIAM OCONNELL
THOMAS CHRISTOPHER OREILLY
DAVID M. OSMUNDSEN
ROBERT LAWRENCE PACKER
DANTE PAGANUCCI, II
DENNIS JAMES PALZKILL
MICHAEL MCKINLEY PARHAM
JAMES PAULSEN
JOHN B. PECHINEY, JR
JAMES A. PINAIRE
ERFORD EDWIN PORTER, III
STEPHEN M. PRESCOTT
WILLIAM KEITH QUIGLEY
LINDA OSBORNE RATSEP
JAMES THOMAS REYNOLDS
KEVIN D. REYNOLDS
MARY KATHERINE RICH
JOHN NORBERT ROGERS
KENNETH BUDD ROSS
RICHARD PAUL ROTTIER
ALEXANDER EDWARD RYAN
JOSEPH ANTHONY RZESZOTKO
GEORGE JOSEPH SALITSKY
JOHN POWELL SAVAGE
EDWARD SCHAEFER
ROBERT B. SCHULTZ
CHARLES HENRY SEWALL
CAMPBELL POPE SHANNON
CLIFFORD SEAWELL SHARPE
MARK STEPHEN SHARPE
JAMES JOHN SHAW
JAY PAUL SHERMAN
GARY SHOMAN
CLIFTON KIRBY SHULTZ
MICHAEL GENE SHUMA
RUTH BYRNE SILVIA
RITA GAYE SIMMONS
HENRY VERNARD SIMON
MILLARD SMITH, JR
CHARLES EDWIN SOMERS, III
RUSSELL E. STALTERS
JOHN ASHLEY STEVENS, JR
WILLIAM FREDERICK STEWART
JEFFREY A. STILLWAGON
JEFFREY AUSTIN TAYLOR
RICHARD LEE TERRELL, JR
SUSAN LYNN THEODORELOS
GREG ALAN THOMAS
DAVID KRISTIAN THOMPSON
STEPHEN NORRIS THOMPSON
DAVID ROGER THORNTON
CURTIS WAYNE TOOMER
PAUL WARD TRUESDELL
GREGORY GLENN VANDYKE
RAUL ANTONIO VELEZ
FRED O. P. VOLLWEILER, JR
MICHAEL JOHN WAGNER
SIDNEY JULIUS WEGERT, II
ANNE LAURA WESTERFIELD
KEVIN JAMES WILGUS
KEVIN ASHLEY WILLIAMS
MARK RUSSELL WILLIAMSON
DANIEL ERIC WISE
MICHAEL C. WISNIEWSKI
STEPHEN PAUL WITOWSKI
JAMES LORETZ WORKING
PATRICK CARY WORKING
JAIME YSLAS
SAID EDWARD ZIYANI
JAMES S. ZMYSLO

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE LINE OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, LINE, LIEUTENANT (JUNIOR GRADE)

To be lieutenant (junior grade), line, USN, permanent

GARY ROBERT ABEL
DANNY LEE ADAMSON
JAMES HERBERT ALEXANDER
MICHAEL DEAN ANGOVE
ROSEMARIE SUE ASTWOOD
GREGORY L. ATCHASON
KIRK NORRIS AURANDT
MARK GILLIAM AYERS
JON T. BARNHILL
SCOTT ANTHONY BEAUREGARD
RICHARD EDWARD BECK, II
KAMIN ADRIENNE BELL
DON EUGENE BERRY, JR
MARK ANDREW BERRY
KAYE MICHELLE BIGGS
JEFFREY M. BOCCHICCHIO
SUSAN BOLTON
JOHN EDWARD BOONE, JR
ELLIS WILLIAM BOWLER
PETER GERARD BRACCIO
EDWARD C. BRAY, JR
JAMES LEE BROWN, JR
JEFFREY R. BRUNER
THEODORE JAMES BURGE
DOUGLAS EDWARD BURNS
JEFFREY ERIC CARLSON
DAVID WAYNE CASTLE
MARY ABIGAIL CHAMBERLIN
JOSEPH R. CHIARAVALLOTTI
LINDA VEE CONGER
MAURICE COSSETTE, JR
KARL KONDUCT DAMON, JR
CATHERINE ADAMS DAVIS
MARY CAROL DEWITT
EDWARD MICHAEL DONOHOE
SHIRLEY ELAINE DRIVER
PAMELA RAE DURRANT
ANDRE SINCLAIR DUVAL
CHARLES SHERMAN ELLSWORTH
RICHARD JAMES FEURA
JOHN R. FIELDER, III
NATALIE ANN FILION
EDWARD JOSEPH FOURNIER
PHILIP GARDNER
MARTIN C. GARVEY
DAVID M. GEICK
PETER LEE GIBSON
YOHN CASSIUS GIDEON
KERRY SPENCER GILPIN
JANET GAIL GOLDSTEIN
PETER MICHAEL GONYA
ROBERT FRANCIS GRANAHAN
CHARLES LEE GROVES
KATHARINE ANN MARIE HALE
MARKUS KEITH HANNAN
MICHAEL KELLY HARGETT
JOHN HERMAN HARTSELL
RAYMOND GERARD HEINEMAN
ROBERT MCKEE HERRINGTON
SUSAN LIDKA HEYTLER
JOSEPH CURTIS HOCHWALT
DONALD DWIGHT HODGE
SHERYL MARIE HOFFMAN
ABBY BEARD HOGAN
KEVIN M. HORAN
LAWRENCE DAVID HUNT
JAMES ALLAN HURTON
SCOTT IRVING JACOBSON
PETER E. JEFFERSON
DAVID EDWARD JOSHUA
SANDRA ANNE KAWAGUCHI
JOSEPH JASON KINDER
MERRILL FRANCIS KING
TODD PETER KLIPP
KENNETH CHARLES KLOTHE
MARK TODD KOHLHEIM
ROBERT HARVEY KULP, JR
LISA LAMARRE
EDWARD DALE LANGFORD
CARY GORDON LARSON
JOHN TONER LAUER, III
LORI ANN LEE
JEFFREY OWEN LEWIS
JON PATRICK LILES, JR
MATTHEW EDWARD LOUGHLIN
WILLIE LOVELACE, JR
DANIEL JOSEPH LUERS
WARREN PAUL LUNDBLAD
STEVEN EUGENE LUNDHOLM
THOMAS A. LUONGO
JAMES L. MADDEN
DAVID ROBERT MAIER
MARTIN ANDREW MAKELA
ANTHONY EDWARD MARTIN
RAFAEL EDGARDO MATOS
MICHAEL THOMAS MCALPIN
DEIRDRE ERIN MCGRATH
MICHAEL RALPH MCGUIRE
DENNIS THOMAS MCMARR
MELVA R. MCMILLAN
MARK PATRICK MCNARY
JOHN PAUL MIHALKOVIC, JR
JEFFREY SCOTT MUNSON
WILLIAM CHARLES MURPHY
SUSAN MELINDA MURRAY
MICHAEL ALAN NELSON
ERNEST EUGENE NIX, JR
MICHAEL JOHN POHLKAMP
SHELDON TODD PROSSER
DEBRA DENISE PULLEN
JAMES LAWRENCE RAYMOND
HUGH KENDRICK REECE
LANE RICHARDSON REED
JOANNE REESE
JOHN DEREK REESE
CHARLES PURDY ROBINSON
JOHN ANTHONY ROBUSTO
ROBERT THOMAS ROSS
JERRY MEADOWS SADLER
EUGENE VAPOR SAGARAL, JR
RHETTA RAY SANDERS
MARTIN DAVID SCHICKEL
BERNADETTE MARIE SEMPLE
DONALD J. SHEEHAN
RONALD EUGENE SHIREY
TODD WILLIAM SITLER
MICHAEL JAY SLOTSKY
JEFF A. SPRECHER
STEVEN MIKE STANDEFER
PATRICK WILLIAM STANTON
STEPHEN BRUCE STEWART
FRANK ANTHONY STICH
MICHAEL GREY STOCKWELL
LORI DANETTE SWINNEY
SPENCER CAMERON TABBUT
DEBORAH OLDFATHER TESKE
CHRISTOPHER B. THARRINGTON
JAMES KIRTLEY TIPPENS
BRETT WILLIAM TRIMBATH
PAUL OWEN TRIPONEY
KENNETH LEE CURTIS UNGER
DAVID NEAL VALENTE
JONATHAN EDWARD VANSCOY
TIMOTHY LAWRENCE VESCHIO
DEAN THOMAS WACKERMAN
WILLIAM THOMAS WAGNER
JONATHAN EDWARDS WALKER
ALEXANDER WEATHERALL
DAVID HART WEEKS
STEPHEN PAUL WHITE
JACQUELINE IRENE WILCOX
JAMES HARRINGTON WIMBERLY
MARK STANLEY YOUNG

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, LINE, ENSIGN

To be ensign, line, usn, permanent

GEORGE ROBERT ADAMS
JOHN J. ANCIAUX
TIMOTHY C. ANDERSON
MARK S. ANDREWS
ELTON RUSSELL ANGE, III
LAYNE M. K. ARAKI
CLINTON L. ASHLEY
THOMAS ALONZO BALISH
KEVIN SCOTT BANACH
DAVID LOWELL BEATTY
CHRISTOPHER WALTER BECKER
ELLIS SAMUEL BELFER
STEVEN MICHAEL BENKE
JOHN JOSEPH BENOIT
STEVEN C. BEUERMAN
ALBION PIERSON BEVERAGE
JEFFREY RYAN BIER
JOHN FREDRICK BISKUP
CHRISTOPHER JOSEPH BLASIO
KENNETH WILLIAM BOND
MICHAEL ARNOLD BRENNER
RONALD EWING BRITZIUS
JEFFREY F. BROKOB
JEFFREY SCOTT BROWN
STEVEN PATRICK BROWNE
MARK GRENELLE BUNKER
LAWRENCE D. CALHOUN
ROBERT ALLEN CAMPBELL
MICHAEL G. CANTALOUB
EDWIN ARTHUR CARLSON
JEFFREY MICHAEL CARSWELL
PETER PATRICK CEBULL
MICHAEL J. CIPRIANO
STEVEN LYNN CLARK
CHRIS A. CLINE
RICHARD GORDON COLBURN
SCOTT WILLIAM COLSON
JOHN MICHAEL COTTINGHAM
JOE MILES CROSSETT
NORMAN SAMODIO CRUZ
DANIEL MICHAEL DABERKOE
KARL VINCENT DAMBROSIO
STEPHEN M. DEBRUYNKOPS
DANIEL HENRI DECOEUR
KEVIN A. DEGRAW
STEVEN MCLEAN DEWITT
WILLIAM BRYAN DONAHUE
STEVEN ROGER DOUGLASS
DONALD DEAN DUDENHOEFFER
JAMES J. DUFFY
SCOTT C. DYSERT
SIDNEY L. FABER
FRANK ANDREW FELDER
KARL ERIC FENDER
TIMOTHY FINAN
KRIS ROBIN FRANQUI
GARY E. FREIJE
DANIEL WILLIAM FROST
JOSEPH S. GATTONE
JEROME EDWARD GORMLEY
CHARLES FREDERICK GOVIER
JOHN PAUL GRAY
KEVIN LEE GRETEMAN
ERIC FOSTER GRIFFITH
EDMOND MICHAEL HARRIGAN
KYLE LOUIS HARRINGTON
MARCUS EDWARD HARRINGTON
PETER BRIAN HEIRENDT
THOMAS W. HELD
TIMOTHY PATRICK HILES
JONATHAN M. HOCHMAN
MICHAEL PAUL HOLLAND
JOHN WARREN HOLSHOUSER
TIMOTHY PATRICK HOWARD
WARREN GLEN HUELSNITZ
BRIAN SEAN HURLEY
THOMAS EDWARD ISHEE
ROBERT CHARLES ISLER
JEFFREY TODD JABLON
PAUL J. JARRETT
DAVID EDWARD JOHNSON
MICHAEL PATRICK JOYCE
DOUGLAS S. KAUCIC
STEVEN ARTHUR KERNAHAN
ALAN ROBERT KERSEY
JOSEPH HOSU KIM
JOEL DON KIRKES
BENJAMIN U. KITTRELL
HAROLD JAMES KLEI
DOUGLAS HENDRIK KOEKKOEK
DAVID ANDREW KUCHTA
JAMES PETER LEDOGAR
DAVID LYLE LEWIS
PHILIP ANTHONY LOPEZ
JOSEPH WILLIAM MAGALOTTI
CHARLES ANTHONY MARQUEZ
LOUIS EDWARD MAYER, IV
WILLIAM KENT MCALLISTER
RONALD DEAN MCCALL, JR
KEVIN LEIGH MCCREIGHT
KENNETH JOHN MCLAUGHLIN
RICHARD B. MCMULLEN, JR
MARK HOWARD MERRICK
HARRY CROSBY MILLER
RONALD LEE MITCHELL
RAY EUGENE MORGAN
ROBERT H. MUNSON
TIMOTHY JON MURPHEY
KURT KARL NITZ
CHRISTOPHER M. NORTON
TONY NEIL NORWOOD
BRETT OWENS NOURRCIER
DAVID E. ODONNELL
LAWRENCE GERARD OSSOWSKI
STEVEN SCOTT OVERWAY
TIMOTHY MICHAEL PARKINSON
MATTHEW JAMES PEAK
JAMES TIMOTHY PIERCE
MICHAEL BRYAN PORTLAND
DANIEL THAD POTTS, JR
MARK D. PROTIVA
JAMES EDWARD READ
ROBERT A. RICHARD
MITCHELL OLIN ROBINSON
BRIAN SCOTT RUSSELL
EDWARD J. RUSSMAN, JR
ROLANDO JOSE SAAVEDRA
DUANE ERVIN SALSBURY
MIGUEL GONZALES SANPEDRO
ROBERT DOUGLAS SAVAGE
PAUL J. SCHMUGGE
DAVID REED SCHUCK
ERIC JOHN SCHULDT
WILLIAM ALAN SCHWALM
JONATHAN GOLDSMITH SCHWARZ
CHRISTOPHER JOSEPH SCORSE
JAMES WILLIAM SCROFANI
HOWARD NEIL SHIPLEY
WILLIAM RICHARD SIEREDZKI
EUGENE PAUL SIEVERS
DAVID MARK SILVERSTEIN
SCOTT MATTHEW SLONE
KEITH LAMONT SMITH
ALLEN E. SMOLENSKI
LAWRENCE MINORU SPIWAK
DAVID ALLEN STAFFORD
PAUL J. STOLARCZUK
TIMOTHY J. SWIFT
SHAREEF ZAHEER TAYARA
EUGENE G. THOMPSON
PATRICK MICHAEL TIERNEY
TIMOTHY PATRICK TOVAR
EDWIN A. TYLER, JR
NADIR JUNIOR UDDIN
GARY ALAN ULRICH
ERIC RAY UTZ
KEVIN ANDREW VANNOY
KEITH H. VOIGT
MARK ALAN WARGELIN
CHRISTOPHER LANE WARREN
JOHN PATRICK WATKINS
JOHN JOSEPH WELSH
TODD ERIC WILLS
MICHAEL JOHN WOOD
JEFFREY ALLAN WRIGHT
TIMOTHY ALLEN WROE

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICER, TO BE APPOINTED PERMANENT CAPTAIN IN THE MEDICAL CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, MEDICAL CORPS, CAPTAIN

To be captain, medical corps, USN, permanent

TERRANCE L. RILEY

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, MEDICAL CORPS, COMMANDER

To be commander, medical corps, USN, permanent

CARL GAGE BUSH
NADER KAMEL TAKLA

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE MEDICAL CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, MEDICAL CORPS, LIEUTENANT COMMANDER

To be lieutenant commander, medical corps, USN, permanent

DAVID JOHN BARNETTE, JR
LAWRENCE STILWELL BETTS
RICHARD JAMES BURTON
RALPH WILLIAM RENKEN
STEPHEN LAVALLE ROBINSON
ANGUS HARRISON RUPERT
JOHN BRENNAN STOCKEL

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE MEDICAL CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, MEDICAL CORPS, LIEUTENANT

To be lieutenant, medical corps, USN, permanent

STEPHEN M. BANE
BRUCE B. BOSWELL
MICHAEL CHARLES MCCARTHY
DREW ALAN PETERSON
JAMES CARVILLE POWERS
EDWARD GEORGE ROHALY
ROBERT BRUCE SORENSON
ROBERT PAUL THIEL
MARK STEVEN WRIGHT

THE FOLLOWING NAMED REGULAR OFFICER, TO BE REAPPOINTED PERMANENT LIEUTENANT IN THE SUPPLY CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

LINE, LIEUTENANT

To be lieutenant, supply corps

HUGH CHATLEY SMITH

THE FOLLOWING NAMED LINE OFFICER, U. S. NAVAL RESERVE, TO BE APPOINTED PERMANENT LIEUTENANT IN THE SUPPLY CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531 AND 5582(B):

LINE, LIEUTENANT

To be lieutenant, supply corps

JOSEPH ACEVEDO

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE SUPPLY CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, SUPPLY CORPS, LIEUTENANT

To be lieutenant, supply corps, USN, permanent

JOHNNY LEE CARR
SHERMAN ARTHUR DANIELSON
DARBY J. DUCHOW
PEDRO JUAN FIGUEROA
DONALD LEWIS HERTIG
DAVID D. HOLLOWAY
ISAGANI GARCIA JIMENEZ
ANDREW SCOTT MORGAN
DREW KENDRICK MULLIN
TERENCE SEAN PURCELL
KARL LEANDER SANDERS
MARLON CEASAR SMITH
MICHAEL PATRICK UVA

THE FOLLOWING NAMED REGULAR OFFICER, TO BE REAPPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE SUPPLY CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

LINE, LIEUTENANT (JUNIOR GRADE)

To be lieutenant (junior grade), supply corps

ANDREW SCOTT MORGART

THE FOLLOWING NAMED LINE OFFICERS, U. S. NAVAL RESERVE, TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE SUPPLY CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

LINE, LIEUTENANT (JUNIOR GRADE)

To be lieutenant (junior grade), supply corps

WILLIAM PAUL JENNINGS
KATHRYN MAE RING

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE SUPPLY CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, SUPPLY CORPS, LIEUTENANT (JUNIOR GRADE)

To be lieutenant (junior grade), supply corps, USN, permanent

BRYCE ERIC BERG
DEBORAH L. BIENEMAN
ANTHONY PAUL BRAZAS
ANDREW STEVEN CALSMER
DUANE ALLEN CHILDRESS
DAVID LAWRENCE CRANE
JAMES PATRICK DAVIS
DALE ARCH DIMICK
WESLEY MICHAEL EVANS
MICHAEL LANE FULTON
DANIEL THOMAS GAGE
ARTHUR LOUIS GARCIA
JOHN SCOTT GONZALEZ
KELLY JAMES GROSSKOPF
STEVEN J. HAVERANECK
MARK CHARLES HENRY
BARRY E. HUGHES
ROBERT FERRIS JANSON
CARY DEVON JOHNSON
STUART SHANNON JONES
MICHAEL DANAHER KELLY
BRIAN LEE KNOTT
AMY LUELLA LAUER
VICTOR LOPEZ
DAVID JOHN MAILANDER
DONALD RAY MARANELL
JOHN RICHARD MCKONE, II
THOMAS ROY MCMURDY
MICHAEL FRANCIS METZGER
DAVID COLE MEYERS
SHARON ROSE MORROW
DANIEL J. MOTHERWAY
JOHN MULLINS MURDOCK
MARK SCOTT NEWELL
ERIC CHRISTIAN NIEMANN
JOHN JOSEPH PAPE
TIMOTHY GERALD PETERSEN
JAMES N. PHILLIPS, JR
JOHN DAVID PICKERING
CHARLES THOMAS RACE
MARK EDWARD ROSIN
DOUGLAS MARK ROUSELL
MARK NMN SANTACROCE
DAVID PAUL SCARSELLA
CURTIS DUANE TEETERS
KENNETH BRIAN TITCOMB
ROBERT FORREST TUCKER
FRANCIS K. VREDENBURGH, JR

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICER, TO BE APPOINTED PERMANENT LIEUTENANT IN THE CHAPLAIN CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, CHAPLAIN CORPS, LIEUTENANT

To be lieutenant, chaplain corps, USN, permanent

JUDY ALAIDE LAMB

THE FOLLOWING NAMED REGULAR OFFICERS, TO BE REAPPOINTED PERMANENT LIEUTENANT IN THE CIVIL ENGINEER CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

LINE, LIEUTENANT

To be lieutenant, civil engineer corps

ANDREW JAMES GRAZIANO
BRUCE EDWARD MCDUFFEE

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE CIVIL ENGINEER CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, CIVIL ENGINEER CORPS, LIEUTENANT

To be lieutenant, civil engineer corps, USN, permanent

ROBERT DONALD BAKER
MICHAEL JOHN BERNS
TIMOTHY WALTER BURNS
RANDY JEAN GULIUZZA
CHRISTOPHER HARVEY KIWUS
GREGORY SCOTT LANG
STUART NIEL MANNING
JOHN MICHAEL POTTER
PAUL MATTHEW ROSE
FRANK WILLIAM TITUS

THE FOLLOWING NAMED REGULAR OFFICERS, TO BE REAPPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE CIVIL ENGINEER CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

LINE, LIEUTENANT (JUNIOR GRADE)

To be lieutenant (junior grade), civil engineer corps

WILLIAM W. ANDERSON, JR
THOMAS MICHAEL BOUCHER
KENNETH JOSEPH MELCHIORRE
ARTHUR JOSEPH PAIVA, JR

THE FOLLOWING NAMED LINE OFFICER, U. S. NAVAL RESERVE, TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE CIVIL ENGINEER CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

LINE, LIEUTENANT (JUNIOR GRADE)

To be lieutenant (junior grade), civil engineer corps

JAY VINCENT BASSETT

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE CIVIL ENGINEER CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531: U. S. NAVAL RESERVE, CIVIL ENGINEER CORPS, LIEUTENANT (JUNIOR GRADE)

To be lieutenant (junior grade), civil engineer corps, USN, permanent

EDWARD WALTER BROWN
STEVEN GARY CHALLEEN
DENNIS LEE DUREN
STEVEN CONRAD FISCHER
SUSAN PRISTOU GLOBOKAR
SCOTT ROBERT LISTER
DANIEL THOMAS MAGRO
TYLER MICHAEL VASSAR
GREGORY JOHN ZIELINSKI

THE FOLLOWING NAMED REGULAR OFFICERS, TO BE REAPPOINTED PERMANENT ENSIGN IN THE CIVIL ENGINEER CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

LINE, ENSIGN

To be ensign, civil engineer corps

JULIE ANNE NORMAN
BRANT DOUGLAS PICKRELL

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE JUDGE ADVOCATE GENERAL'S CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, JUDGE ADVOCATE GENERAL'S CORPS, LIEUTENANT

To be lieutenant, judge advocate general's corps, USN, permanent

BRYCE STUART BAKER
WILLIAM LARSON BOULDEN
JAMES W. CRAWFORD, III
DANIEL GRAY DONOVAN
LINDA ELLEN FITZGERALD
OTIS KENNEDY FORBES, III
CAROLE J. GAASCH
MATTHEW KIRK GAGELIN
TERRY CRAIG GANZEL
REBECCA L. GILCHRIST
DAVID FRANCIS HAYES
DONALD EUGENE KOENIG
MARC GASTON LAVERDIERE
CHRISTOPHER NELSON MORIN
PATRICK JOSEPH NEHER
ROBERT JAMES ORR, III
RICKEY P. ROECKER
ORLANDO RUIZROQUE
JOHN P. TAVANA
GLENN THOMAS VANDEWATER
CHARLOTTE OWENS WISE
TIMOTHY WILLIAM ZELLER

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE DENTAL CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, DENTAL CORPS, LIEUTENANT COMMANDER

To be lieutenant commander, dental corps, USN, permanent

MICHAEL E. LEVINE
JAMES SCOTT MATTHEWS

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE DENTAL CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, DENTAL CORPS, LIEUTENANT

To be lieutenant, dental corps, USN, permanent

ANDREW SCOTT ALAMAR
DONNA JEAN ALLISON
DAVID RICHARD BRAJDIC
DANIEL PETER CLIFFORD
NORMAN B. COOK
DAVID ARTHUR DEPAS
KIM EDWARD DIEFENDERFER
CAROL JOAN DIENER
JOHN EDWARD FREEMAN
MICHAEL JOSEPH GENTILE
GLEN STEVEN GERDES
THU PHAN GETKA
JAMES H. GHERARDINI, JR
WALTER JAMES GLEASON, JR
MARTIN FRANCIS HICKEY
LISA GAY HOYT
KIMBERLY JAYE HUETHER
BENJAMIN DALE HUNTER, II
MICHAEL JOHN KUCSERA
DONNA S. LEE
LESLIE KATHERINE MARR
MICHAEL RICHARD MCGRAW
DAVID SCOTT MEHLHAFF
GARY D. MILLARD
RICHARD CLYDE MONTZ
STEVEN DALE NACK
RANDOLPH PATRICK OCONNOR
NATHAN RONALD PATTERSON
MATTHEW W. POMMER, JR
ROBERT CHARLES RAFFETTO
PAUL E. RICHARDSON
AUGUSTO DENNIS RIVERA
TIMOTHY ROGER ROHDE
JAMES MARSHALL STROTHER
DOUGLAS J. TRENOR
MATT G. VANDERMOLEN
MARTA L. WALCHESSEN
PHILIP SCOTT WALERKO
GEOFFREY ROBERT WARDA
GREGORY L. WATFORD
KEVIN LEE WEBER
ROSCOE C. WILLIAMS, JR
MICHAEL MAURICE WRAY

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE MEDICAL SERVICE CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, MEDICAL SERVICE CORPS, LIEUTENANT

To be lieutenant, medical service corps, USN, permanent

WILLIAM J. ADAMS, JR
GARY LEWIS BAKER
THOMAS M. BALESTRIERI
MITCHELL CHARLES BROWN
LARRY ROBERT CIOLORITO
KEVIN DOUGLAS COOK
JEFFREY ALLEN CORNEIL
ANDREW LEE CORWIN
MU YING HOM DOW
ANDREW TOBIAS ENGLE
CARROLL DOUGLAS PORCINO
GLENN M. GOLDBERG
DENISE MARIE GRAHAM
RICHARD L. HABERBERGER
RANDAL JOSEPH HALTER
GREGORY MCCASLIN HUET
MARK EDMUND KANE
KENNETH CHARLES KERNS
CHARLES D. KIMSEY, JR
KENNETH JOSEPH MAMOT
MICHAEL O. MANN
FABIO M. MARTINEZ
NANCY LEIGH MILLER
JAMES THOMAS MORROW
GARY WILLIAM MOSMAN
CHERYL LYNN PATZER
AMJAD MOHAMMAD QURESHI
JOSE ALBERTO RAMOS
DAVID BRYAN SERVICE
MARTHA M. SLAUGHTER
JOHN DAVID SMITH
VIRGINIA MAY TORSCH
AMILCAR VILLANUEVA
KEITH STEHMAN WOLGEMUTH
ALFRED B. WOODHEAD, III

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE MEDICAL SERVICE CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, MEDICAL SERVICE CORPS, LIEUTENANT (JUNIOR GRADE)

To be lieutenant (junior grade), medical service corps, USN, permanent

JAN RUDELOFF BEAUJON, III
LISA ANN CARBAUGH
DAVE EUGENE GIBSON
PAUL ANDREW HENSON
GARY LEE HOOK
WILSON GREGORY KNIGHT
KENNETH ALAN LAUBE
DAVID JAMES MAROTTA
STEVE MARTINEZ, JR
TERRY STEPHEN MOLNAR
THOMAS JOSEPH PETRILAK
DEBRA KAY SMITH
SUSAN ELIZABETH SPRENKLE
GARY DALE WERTZ

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICER, TO BE APPOINTED PERMANENT ENSIGN IN THE MEDICAL SERVICE CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, MEDICAL SERVICE CORPS, ENSIGN

To be ensign, medical service corps, USN, permanent

SUSAN K. BOBO

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE NURSE CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, NURSE CORPS, LIEUTENANT

To be lieutenant, nurse corps, USN, permanent

MARY LOUISE ALLEN
DEBRA D. BASSETTMITCHELL
JUANITA IRENE BISHOP
TERESA ANN BOHUSZ
MARGARET ANNE BOWIE
ELLA FRANCES BRADSHAW
KERRY ELBERT CHILDERS
LAFRANCIS D. FRANCIS
WAYNE FREDRIC HANSEN
KEVIN WILLIAM HAWS
GREGORY BRYAN JACOB
ANN MARIE KIRKPATRICK
DANIEL VINCENT KNOERL
THERESA M. LAVOIE
KATHERINE MARIE LOVELESS
JANINE L. MAISONNEUVE
MADELINE ANN NASH
KATHLEEN D. RANEY
CARRIE LEE ROBINSON
DAVID THOMAS RUPERT
SUSAN MILLS SCOTT
PAMELA MAE SOWELL
ALLISON SOWLES
CATHERINE E. TURNER
ROBERT LEE WITTMANN
MICHAEL F. WOELKERS

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE NURSE CORPS OF THE THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, NURSE CORPS, LIEUTENANT (JUNIOR GRADE)

To be lieutenant (junior grade), nurse corps, USN, permanent

HERBERT C. ARMSTRONG
PAUL EDWARD BUCK
MARY WALKER CADY
ALICE ANN CAGNINA
DEAN PAUL CARY
JUANA MARIA COLLINS
VIOLETA PADORA COOPER
ANITA KAY CROUCH
ROBERT L. DEKEULENAERE
DONNA MARIE EINHORN
STEPHEN R. FITZGERALD
CYNTHIA D. GILLIAM
ABELARDO PADILLA GODOY
MARY ROXANNA HALL
EVAN KEMPER JOHNSTON
JOSEPH ANTHONY KELLY
CHRISTINE MARIE KOELBL
HAROLD DANNY JESSY MAY
MICHELLE DENISE MILES
JOSEPHINE MUSTELIER
LINDA JANE NAILE
ROCHELLE ANN OWENS
KEITH DOUGLAS ROBERTS
AUDREY RENEE SIMMONS
GAIL ROBERTA SWEET
JILL MARIE SZYMANSKI
JEAN CELESTE THURSTON
FRANK ROBBIN WATKINS

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICER, TO BE APPOINTED PERMANENT ENSIGN IN THE NURSE CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

U. S. NAVAL RESERVE, NURSE CORPS, ENSIGN

To be ensign, nurse corps, USN, permanent

RICHARD ALAN BRADLEY

THE FOLLOWING NAMED LIMITED DUTY OFFICER, TO BE REAPPOINTED PERMANENT LIEUTENANT COMMANDER AS A REGULAR OFFICER IN THE LINE OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODES 531 AND 5589(E):

LIMITED DUTY OFFICER, LINE, LIEUTENANT COMMANDER

To be lieutenant commander, line, USN, permanent

HUBERT F. WOODS, JR

THE FOLLOWING NAMED LIMITED DUTY OFFICERS, TO BE REAPPOINTED PERMANENT LIEUTENANT AS REGULAR OFFICERS IN THE LINE OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

LIMITED DUTY OFFICERS, LINE, LIEUTENANT

To be lieutenant, line, USN, permanent

JAMES ROY EATON, JR
STEPHEN EDWARD NESTHUS
JOSEPH VALENTINE STREER
GREGORY ALLAN THOMAS

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE LINE OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(E):

LIMITED DUTY OFFICER, LINE, LIEUTENANT (JUNIOR GRADE)

To be lieutenant (junior grade), line, USN, permanent

DONALD EUGENE CHANEY, JR
MICHAEL ALAN HEGARTY

THE FOLLOWING NAMED LIMITED DUTY OFFICER, TO BE REAPPOINTED PERMANENT LIEUTENANT IN THE SUPPLY CORPS OF THE U. S. NAVY, PURSUANT TO UNITED STATES CODE, SECTIONS 531 AND 5589(E):

PERMANENT LIMITED DUTY OFFICER, LIEUTENANT

To be lieutenant, supply corps, USN, permanent

ROBERT ERLING BJELLAND

IN THE NAVY

THE FOLLOWING NAMED PERMANENT LIMITED DUTY OFFICERS, TO BE REAPPOINTED PERMANENT LIEUTENANT AS LIMITED DUTY OFFICERS IN THE LINE OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

PERMANENT LIMITED DUTY OFFICERS, LINE, LIEUTENANT

To be lieutenant, limited duty officers, line, USN, permanent

GERARD PAUL AREL
JAMES DONALD ATHERTON
DETLEV ANDREW BARANN
THOMAS PRINCE BARNES
MICHAEL GENE BARRETT
NEIL HOWARD BJELLA
JOHN DAVID BOOTH
GERALD WAYNE BRADLEY
DENNIS LEE BROKAW
ROCKY LEE BROOKS
CHARLES BUIE
JOHN TIMOTHY BURNETT
JOHN H. BURROWSJOHNSON
LARRY DALE CARGILL
PAUL ALLEN CASTLE
ROLANDO ALDAVE CEDO
ROBERT LEE CHAMBLISS
MICHAEL GERARD CHEMAN
BROOKS FLEMI CLAYTON
TIMOTHY MIC CONNOLLY
JAMES S. COOPER
GEORGE T. COPES
DANIEL MARIO COSTANZO
JOHN EDWARD CRANDALL
JAMES THOMAS CROTTY
ALBERT LEE CRUTCHFIELD
FRANCISCO QUIDA CRUZ
STEVEN VICT CSEREPES
DONALD LEE CUPIT
JOHN FRANCIS CURLEY
RANDY VAUGHN CURREY
DAVID DUANE CYWINSKI
JOHN LE DAUGHENBAUGH
FRANCIS CURTIS DAVIS
JERRY PAUL DAVIS
JONATHAN CARL DEWIRE
JOHN DALTON DOBBS
THOMAS GEORGE DOUGHTY
JAMES ROY EATON, JR
NORMAN DOUGLAS EATON
ROBERT ELDON I. EVANS
TERRY LAMAR EVERETTE
GREGORY DONNELL FISHER
DALE CLINTON FLOWERS
STEVEN JOHN GAGNE
STEVEN FRANC GANIERE
THEODORE PAUL GILTZ
RONALD P. GORMAN
GARY LEE GRAY
BARRY MALC GRINSTEAD
ROBERT EUGEN GUNNETT
LONNIE JAMES GUNTER
WILLIAM JOHN HALL
MARK DOUGLAS HAMMOND
JAMES ARTHUR HARKER
DAVID EARL HARRAH
RANDALL EDWARD HARRIS
MARVIN BRUCE HART
GERALD EDWARD HASTINGS
GEORGE M. HEIDENREICH
GARY TIMOTHY HEIDER
WILLIAM JOS HENNESSY
RANDY L. HENRY
THOMAS ROY HILBISH
ROY CLIFFORD HILBORN
LEONARD ANDREW HINES, JR
CHESTER D. HOLLEMBEAK
JAMES WALTER HOLLIS
JAMES MILTON HOPPER
WILLIAM JOSEP HUGHES
LARRY MAYLAN JONES
TOMMY PAUL JONES
GEORGE RAYMOND KARABINOS, JR
MICHAEL JAMES KEEGAN
WILLIAM LLOYD KEIDEL
MICHAEL T. KELLEY
CHARLES MITCHELL KELLY
JAMES FREDER KENNEDY
WAYNE ALFRE LAFLAMME
GEORGE MATTH LEASURE
STEVEN ALLAN LISTER
ROBERT EDWARD LOKEN
SIMON LEE LONG
JAMES OTT LOOS
CHARLES RONALD MACH
ALEXANDER NAZARENO MALINAO
GARY STEPHEN MANGUS
STEVE P. MANNING
DAVID JACKSON I. MANS
LENE SU EUGA MANUMA
ALAN RICHAR MARSHALL
DANIEL COBUS MARTENS
DANIEL THO MASKELONY
KENNETH ARMAND MAVES
LAWRENCE ROBERT MCKEOUGH
MALCOLM LYN MCKINNEY
MICHAEL JOSE MCSHANE
STEPHEN FREDRICK MERZ
EDWARD RAYMOND MIGALA
DALE LEE MILLER
WILLIAM DANI MINNICH
DENNIS L. MISTLER
DOUGLAS MICHAEL MITCHELL
JAMES C. MITCHELL
JAMES FLOYD MITCHELL
LAWRENCE CARROL MODLIN
GERALD WILLIAM MOORE
JUAN RAMON MORENO
MICHAEL GRANT MYERS
ANTON NAHITCHEVANSKY
KENNETH GEORGE NEUBERT, JR
HERBERT LLOYD NEWTON
JOSEF SYLVESTER OBRIEN
JOSEPH MARK OMEARA
DAVID PAUL OSTRANDER
JOHN ROCCO PASTIN
JOSEPH SETTLE PECK
MARION GAIL PINE, JR
ALFRED DOUGL PINKHAM
ROY ALTON PIPER
JERRY GALE POWERS
MICHAEL QUINN
GEORGE MICHAEL RALEY
KENNETH R. REDD
THOMAS CLAUDE REED
DONALD JOHN ROOF
ROBIN GEORGE RUNNE
VIRGINIA BL RUTLEDGE
JERRY DON SATTERFIELD
RAYMOND LE SCHAEFFER
LARRY WAYNE SMALL
LEONARD WYNFRED STANFIELD
LAWRENCE J. STRACK
GARY ALLEN STROTHMAN
ROGER LEE TAYLOR
PATRICIA ANN TEZAK
ALEXANDRO TYLER TIJERINA, JR
ROBERT J. TOTH
DOUGLAS GLENN TOZER
ROBERT ALLEN TYLER
EUGENE JOHN VAHEY
FRANCIS DAVID VANEECKHOUTE
RONALD LEE WALSH
FRANKLIN ALB WALTERS
ROGER DALE WARDELL
DONALD LEROY WARE
GARY LEE WASSON
JOHN EDWAR WHITFIELD
ARTHUR BARRY WILDBERGER
JOHN EDWARD WILEY, IV
DENNIS LEE WILSON
VICTOR MALCOL WILSON
WOODROW TERRY WINDHAM
JOHN PAUL WOJTYTO
NICKY SPENCER WOOD
WILLIAM ARTHUR WOOD
GARY GOODW WRAALSTAD
PHILLIP WAYNE WROBEL
ALAN NORMAN ZELIFF

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT AS LIMITED DUTY OFFICERS IN THE LINE OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

TEMPORARY LIMITED DUTY OFFICERS, LINE, LIEUTENANT

To be lieutenant, limited duty officers, line, USN, permanent

DONALD ROBERT ADAMS
ROY EDWARD ADAMS
DARWIN MCKINLEY ADKINS, JR
JIMMY DALE ADKINS
ROBERT JOHANNES AGRICOLA
MERLON TERRY ALCORN
JAMES HILLIARD ALLEN
RONALD RAY ALLEN
WILLIAM LISTON ALVEY, JR
WILLIS ANDREWS
MARK ALFRED ARNSTAM
PURVIS ATKINSON, JR
TERRY WAYNE AUBERRY
GREGORY PAUL BAIR
BILLY WAYNE BAKER
DOUGLAS GORDON BAKER
JAMES EDWA BALLENGER
EUGENE MAU BALSMEIER
ROBERT ALLEN BARKER
BRYAN WILLIA BARTSCH
JACKSON SCOTT BEAZLEY
ROY MARVI BECKERDITE
WILLIAM LEWIS BELL, JR
JOSEPH MICHAEL BENEDETTO
STEVEN ROL BERKEBILE
CHARLES GRAHAM BEST
LESTER NORM BIRTCHET
JAMES ELDEAN BISHOP
KENNETH LEROY BLACK
SAMUEL KENDALL BLACK
LEONARD LEROY BOGLE
RICKY DEAN BOGLE
DAVID BRUCE BOONE
ROBERT ED BORGERDING
JAMES SUTHERLAND BOWEN
RAYMOND CON BRACKMAN
RANDALL LEE BRADDOCK
WILLIAM D. BRADFORD
GARY RAY BRIGHTBILL
JAMES MICHAEL BRINK
JAMES EDGAR I. BROKAW
ROGER DALE BROOKS
KENNETH ALAN BROWN
GARY ALLEN BRUMFIEL
JOSEPH VINCENT BRUNO
RHONDA LOUIS BUCKNER
LESTER PAUL BUSH
DONALD EUGENE BUTCHERINE
ALBERT FRANCIS BUTLER
DANIEL IRVING BUTLER
GARY LYNN BUTTERBAUGH
GARY WAY BUTTERWORTH
ORLANDO GILBERT CABALLERO
JOSEPH CABREIRA
WILLIAM ANTHONY CALE
EDUARDO PEREZ CALLAO
KATHRYN DIANE CAMPBELL
PATRICK ALLEN CARD
WILLIAM JACK CARMAN
STEPHEN EDWARD CARPENTER
MICHAEL PAUL CARROLL
GORDON LYNN CAYLOR, II
EMMANUEL CAR CENIZAL
RONALD EDWARD CENTER
CASH CENTERS, JR
DONALD EUGENE CHANEY
THOMAS WILLIS CHAPMAN
JOHN ALBERT CHASE
MARK CHARLES CHAYER
DWIGHT FRAN CHRISMER
MARC K. CHRISTENSEN
CRAIG PETER CHRISTOFFERSEN
MICHAEL JOE CHURCH
JAMES LARRY CLARK
SHERRY LYNN CLARK
CLARENCE CLIFFORD CLOSE
WILLIAM GERARD COCKERHAM
RICHARD JOHN COFFELT
GEORGE H. COFFEY
JERRY ALLEN COLE
RICHARD ELLIOTT COLE

STEVEN RUSSELL COLE
EDMUND BURKE COLLINS
GEORGE CONNORS
THOMAS OWEN COOLEY
DONALD CHES COPELAND
ROLAND GARCIA CORPUS
RICHARD FLORES CORTEZ
PATRICIA LEE COSTA
BRUCE VERNON COX
CARL ANTHONY CREASON
CHARLES THOMAS CRONIN
VALENTIN CUMBERBATCH
DENNIS ALLEN DAMMANN
KEVIN WAYNE DANIELS
LAURENCE DICKSON DANIELS
BILLY KEITH DAVIS
FREDDIE LEE DAVIS
MARK KEVIN DAVIS
ROGER NEAL DAVIS
TERRY KEY DAVIS
JEROME FRANCIS DEDERICH, JR
RAY RANDOLPH DEESE
SYLVAN LEE DEJARDO
JAMES PAUL DELANEY
JOE CONRAD DENBY
MARK EDWARD DENIS
ROBERT WILL DESANTIS
PHILIP VINCENT DESOTTO
THOMAS GER DESROSIER
DEXTER DIESTA DETERA
BEN NELSON DEWITT
DANIEL ALAN DICK
GEORGE E. DIEHL
RICHARD KARL DIETZ
BRUCE DEWAYNE DILLOW
RICHARD STUART DIVER
JOHN WILLIAM DODSON
TIMOTHY PATR DONAHUE
HARRY DOROFEE, JR
JAMES ELBERT DOVE
ROBERT JOSEPH DOYON
DOUGLAS DEAN DRAKE
JAMES M. DUKE, JR
KENNETH RAY DUNBAR
MICHAEL JAMES DUNN
DAVID LEON DYSON
JOSEPH BERNA EASTMAN
CRAIG LAVERN EATON
DAVID ALLAN EATON
JAMES DONALD EATON
JOHN RICHARD ECKERT
BRUCE WAYNE EICHMAN
JOHN EUGENE EILER
WILLIAM DAL ERICKSON
LLOYD GEORGE EUKERS, III
ROBERT ALTON EVERETT
CHRIS ALLAN FAKES
FRED WILLIAM FEURING
ROBERT KIMBA FINDLEY
ROBERT STEPHE FINLEY
CHRIS TUCKER FITZGERALD
KENNETH CARL FLETCHER
ROBERT FRANK FLETCHER, JR
DONALD JA FORTMULLER
THOMAS DUANE FOSTER
FOREST JAY FOX
DENNIS LEE FRANKLIN
JERRY FRANKLIN
JEFFERY ALAN FREEMAN
HENRY LYONS FRENCH
JANET LOU FRENCH
MARK STEVEN FRENCH
RONNIE LINC FRETWELL
TIMOTHY LEE FRIDLEY
THOMAS EDWARD FUNK
MITCHELL LEROY FURR
JOHN EUGENE FURST
GEORGE JOSEPH GAGNON, JR
DAVID EDWARD GANN
EDWARD ALLEN GARDNER
PETER DOUGL GARRIGAN
ROBERT ALLEN GATTERER
SAMUEL JOSEPH GAUDRY
VIRGINIA MAE GEBO
STANLEY RAY GEDELMAN
EUGENE BURNS GILLIS
MICHAEL EDWA GILMORE
JOHN FRED GIRARDIER
DANIEL ERNEST GLYNN
WILLIAM JOSEPH GOEHNER
PELAGIO BAJ GONZALES
RICHARD LEE GREATTING
ROBERT WILLIAM GREFE
CLIFFORD HAR GREGORY
LINDA KAY GREGORY
RICHARD FRE GRIFFITH
DIANE TILTON GUIDRY
LAURO ANGELES GUZMAN
RANDALL JAMES HAGER
RICK ANTHON HAKEMIAN
GEORGE RAYMOND HALL
PATRICK STEWART HALVERSON
STUART DOUGLAS HAMBLIN
JEROME JOHN HAMILL
PAUL DAVID HAMMER
PHILIP LYLE HAMNER
WILLIAM JAMES HANNEY, III
JULIE KAY HANSON
HAROLD LEON HARBESON
DAVID DELWYN HARPER
JERRY LEE HARRELSON
ARTHUR GERARD HARRINGTON
WILLIAM K. HARRIS
TIMOTHY BEE HARVEY
BILLY DWIGHT HAYNES
RAYMOND DAVIS HEART
JAMES JOSEPH HENKEL
CHARLES HERB HENNING
DOUGLAS VERNON HERATH
HAROLD CLARE HERMANN
MARTHA LYNN HEUSER
ROBERT BENEDICT HICKEY
STEVEN JOE HILL
SANDRA LEA HOLICKY
WILLIAM DAVID HOLLEY
JERRY ONEAL HOLLINGSWORTH
GARY DALE HOLM
DONALD CHARLE HOLMES
EDWARD JOHN HOLTMAN
LEWIS N. HOMAN
KIM KEVIN HOOVER
ROBERT STEPHEN HORNE
MICHAEL JO HOTCHKISS
ROBERT NEIL HOUSKER
FREDERICK IRV HOWARD
JAMES SCOTT HOWARD
JAMES THOMAS HOWARD
DONALD OWEN HOYT
RONALD EUGENE HUDSON
JOHN RONALD HULL
JAMES CHARLES HUMMEL
LANCE KAYE HUMPHREY
FREDERICK MICH HUTTO
THOMAS JEFFER ISRAEL
JAMES LARRY IVES
PATRICK JACKS
CRAIG JAMES JACKSON
PHILLIP JACKSON
CHARLES WINFI JACOBI
BRUCE ALLEN JACOBSON
WANDA STEPHANI JANUS
ROBERT RANKI JENKINS
DAVID ALAN JESSEN
CHARLES WILL JOHNSON
GREGORY LEWI JOHNSON
STEPHEN EARL JOHNSON
HAYES PLUMMER JOHNSTON
JIMMIE GEORG JOLLIFF
BENJAMIN RAY JONES
JOHN MICHAEL JONES
WINSTON EUGENE JONES
MARK RICHARD JUDY
ALBERT JOSEPH KAUSEK
PAUL LUTHER KEENEY
CORINNE EMORY KELLY
KEVIN MARTIN KELLY
WEYMAN EDGAR KEMP, JR
ALBERT EDWAR KENNEDY
GREGORY JOSEPH KENNEY
GLENN PAUL KINDERMAN
MICHAEL SCOTT KINSEY
CHARLES EDWARD KIRSTINE
GARRY KEITH KISER
RONNIE LAVA KNIGHTON
RICHARD DA KOLODZIEJ
WILLIAM BLAKE KRAMER
ROBERT JAMES KRASS
EDWARD THOMA KRIEBEL
TIMOTHY JOHN KROHA
EDWARD JOHN KRUER, JR
ROBERT WILL KUESTER
THOMAS JAMES KUHN
RICHARD ALAN KUHR
DAVID CARL KURTZ
KEVIN NEIL LAMB
EDWIN LEE LANCASTER
MICHAEL LOUIS LANDI
STEPHEN ART LANGLAIS
BRIAN KEITH LAURSEN
CHRISTOPHER JAY LAWSON
DAVID ALAN LAWSON
JOHN COMERFOR LAWTON
WILLIAM BYRON LAWTON
THOMAS JOSEPH LEDOUX
RICK ERNEST LEDTJE
STEVEN MICHA LEHMANN
BRUCE ALAN LEITNER
ROBERT DEAN LEONARD
DAVID HAROLD LEPARD
RICHARD ROLAND LESSARD
BRADLEY JOHN LETTS
JERRY GLENN LEWIS, JR
RODNEY EUGENE LIGHT
GEORGE KENNET LITTLE
GLEN MELVON J. LITTLE
JAMES MICHAEL LITTLE
PATRICK KIRWOOD LITTLE
JOHN MICH LIVINGSTON
WAYNE MAURICE LOFLIN
JOSEPH KEVIN LOFY
WILLIAM GEORGE LOGOTHETY
JOHN IRVING LOVE
JEFFREY ST MACARTHUR
JAMES BRAD MACDONALD
BOBBIE LYNN MANN
MARK ALLEN MARCH
JERRY HAWK LING MARK
ALEX CARL MARR
ARTHUR LAWRENCE MARR
THOMAS EDWARD MARSHALL
TODD ROBERT MARX
JOHN MASAVEG
GARY LEE MATTHEWS
CLYDE IRVING MATTSON
RONALD CHARLE MAUPIN
JESSE CHARL MAYFIELD
AARON LEWIS MCADAMS
MARION KEITH MCCLELAND
DEWEY DWANE MCCOLLOUGH
JANE ANNE MCCOMBS
DAVID ERNEST MCCOOL
WALTER PATRICK MCCOURT, III
KELLY GEO MCGLAUFLIN
DONALD GEOR MCHATTIE
DOLPHUS RED MCKENZIE
ROBERT KEVIN MCKINNEY
DONOVAN SCOT MCMANUS
RICHARD CARLOS MCMINN, JR
JOSEPH RONALD MELTON
ROBERT GORDON MERRILL
EDWIN MARVIN MEYER
PAUL BRUCE MILLEN
ERIC CHARLES MILLER
GLENN WESLEY MILLER
EDWARD EUGENE MILLS
GREGORY LEE MILLS
DERRICK ALO MITCHELL
EDWARD FRANCI MOLLOY
KEVIN SCOTT MOORE
NORMAN THEODORE MORAN
DANIEL MORENO
NORBERT DAVID MORIN
DALE JAMES MORSE
TIMOTHY GERA MUELLER
DAVID JOSEPH MUGRAGE
PETER JOSEPH MULLIN
BOBBY ROSS MULLINS
WILLIAM ALTON MURPHY
WILLIS ROBERT MYERS
DAVID ANTHONY NAGEL
MARTIN ALBERT NAGLE
WARREN GUY NASH
MICHAEL LEE NAUS
RICHARD LEE NEASE
DONALD FREDER NELSON
WALTER JAMES NERI
STEPHEN EDWARD NESTHUS
MARC CHRIST NEUFFER
ROBERT LAWRE NIELSEN
GEORGE RAYMOND NILES, JR
DONALD JOE NOLAN
THOMAS CARTHIE NORWOOD, JR
JAMES ROBERT OAKES
KENNETH EUGENE OCONNOR
RAYMOND CORBETT ODONNEL, III
BRENT DOUGLA OLDLAND
MILTON HARRISON ONEILL, JR
JAMES RALPH OTTO
OZKAN OZKOSAR
JOHN LEROY PAGONA, JR
DANIEL RAY PANTER
TROY CECIL PAPPAS
ANTHONY ROBERT PARKER
JEFFERY LYNN PATRICK
JASON LEE PATTERSON
WILLIAM REE PAULETTE
FRANCIS LEWIS PAYNE
LAURENT MARC PEREZ
LARRY N. PETERS
GEORGE M. PHILLIPS
TIMOTHY LEE PIERCE
ROGER DALE PINKLEY
MARK WILLIAM PIVERAL
ARNOLD LOUIS PON
DAVID MANUEL PREMO
PAUL BRYAN PRESCOTT
STEPHEN BLUE PRESTON
RICHARD BRANSON PRICE
LAWRENCE JACOB PRINZEL, JR
KEVIN JOSEPH QUINN
ARTHUR PAUL RADER
CARL DENNIS RALSTON
GARY PETER RANNO
THEODORE ALAN RATZ
WILLIAM HENRY RAYBURG
HOMER ALEX REAGAN, JR
BUDDY VAN WALT REED
RICHARD JOHN REED
CURTIS ARTHUR RENFRO
JAMES O. REYNOLDS
VICTOR SCOTT RHOADES
LARRY LEE RICHARDSON
MARK HAYWARD RIGHTER
STEPHEN GEORGE RILEY, III
JOSEPH RAYMON RIVERS
THOMAS WALTER RIZER
CHUCK DAVID ROBBINS
PAUL MICHAE ROBERSON
MICHAEL JEROME ROBERTSON
ALAN KARL RODE
SUSAN GAIL RODEN
JOSEPH BERNARD RODGERS
JESUS MANU RODRIGUEZ
ALEXANDER ZAMORA ROGAYAN
STEVEN WENDELL ROSS
LARRY JOHN ROTH
VERNON RAY ROWAN
HOWARD ANTHONY RUBLE
RONALD MILTON RUSEK
NORMAN ERNEST SAARI
PAUL RANDALL SALYER
MICHAEL LEE SANDERS
RICHARD BRYAN SANDERS
DEAN ALBERT SARAGIAN
KEITH WELDON SARVIS
JEFFREY PAUL SASSONE
MARK ANTHONY SCHIAVONI
KENT FORREST SCHMIDT
MARK RANDALL SCHMITT
JON PAUL SCHULTZ
RONALD ALLE SCHURMAN
MICHAEL L. SCHWARTZER
SERGEY MARK SCOLLAN
CHARLES THOMAS SCOTT
KENNETH LEE SCRUGGS
STEVEN HERB SEARL
ANTHONY EARL SEIVERS
BARRY JOE SHARP
FRANK EDWARD SHEARMAN, IV
JERRY EUGENE SHEDD
WAYNE E. SHEPARD
JAMES WILLIAM SHIELDS
JAMES JESS SHIRLEY
SAMUEL DAVID SHIVELY
JAMES LEROY SIGAFOOSE
VINCENT ADAM SIKORA
BILLY GRAHAM SIMMONS
WILLIAM JAME SKIPPER
VLADIMIR SKLIBA
GERARD ANTHON SLEVIN
WALTER HENRY SLUSARSKI, JR
ANDREW ANTHONY SMITH
GARY ALDEN SMITH
ROBERT ROANE SMITH
ORVAL CLYDE SNIDER, JR
KENNETH DEWANE SNYDER
JACK WALTER SOBER, JR
RALPH C. SOUTHALL
STUART LEONARD SPATZ
MARTIN BERLIE SPELL
ROBERT SPENCER
JOSEPH CURTIS SPIKES
DOUGLAS ERI SPONTAK
MICHAEL LAUR SPROULL
MICHAEL DOUGLAS STAFFORD
THOMAS DALE STALLARD
LOREN LEE STAUFFER
LAVERNE LOUIS STELLA
ALLEN CHRIS STEPHENS
GLEN JAMES STETTLER
STEVEN WILLIAM STEUER
MICHAEL HAYW STEWART
ROBERT CARL STEWART
STEPHEN DEAN STEWART
JON EDWI STRAUSBAUGH
MARC EUGENE STRAWN
JOSEPH VALENTINE STREER
JAMES BEVAN STRUBECK
GARY WILLIAM STUBBS
BRUCE PETER SUPALLA
MARC DALE SVILAND
ALBERT EDWARD SWALLA
LYNN CONDY SWANGIN
LUTHER RAY SWATZELL
JIMMY GLYNN SWINSON
JAMES KENNET SWITZER
KAROLY SZASZ
BENNY KAY TACKETT
CYNTHIA JEAN TALBERT
MICHAEL JAMES TAYLOR
JAMES EDW TERPENNING
MARGAR TESSINGBROOKS
JOHN JAMES THERIAULT
MARCUS LOWEL TIBESAR
ROBERT BRYAN TOBIN
WAYNE ABRAHAM TOBIN
JOHN PAUL TODD, JR
JAMES ROBERT TOOLE, JR
DEBORAH ANN TRAVERS
EARL KENNETH TRAXLER
JAMES WILLIAM TUGGLE
REX FULTON TULLOS
JACK HOOKS VANZANDT
ROBERT BRUCE WAGNER
LARRY ELBERT WALLACE
STUART CAUDIL WARREN
EUGENE HAMPTO WATERS
DONALD ALVIN WEBBER
JOHN MICHAEL WEIDNER
ROBERT LEE WELLER, II
DENNIS CHARLE WESNER
JOHN PAUL WEYAND
ROBERT LYNN WHITE
SCOTT WILLIAM WHITE
JAMES LLOYD WHITSON
DONALD NMN WIGGINS
TERRY RAY WILDS
JOHN WESLEY WILEY
DARRYL WILLIAMS
JOHNNY WILLIAMS
THOMAS EDWARD WILSON
JAMES CHUNMOO WONG
LUTHER AUGU WOODRUFF
JOHN EDWARD WRIGHT
FORREST EDWARD YASTE
GARY LYNN YOUNG
PETER HAYES YOUNG
JERRY LEE ZUMBRO
ALLAN KAY ZWEIFEL

THE FOLLOWING NAMED PERMANENT LIMITED DUTY OFFICERS, TO BE REAPPOINTED PERMANENT LIEUTENANT IN THE SUPPLY CORPS AS LIMITED DUTY OFFICERS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

PERMANENT LIMITED DUTY OFFICERS, SUPPLY CORPS, LIEUTENANT

To be lieutenant, limited duty officers, supply corps, USN, permanent

DALLAS HERBE CLAVIER
ROBERTO BUHAY COLADA
REYNALDO GERON DELMUNDO
JIMMIE LEE KING
LINDBERGH KOCK, JR
OVEL PERKINS
THOMAS DANIEL PONKO
FELIX A. RESOLME, JR
HENRYK BRONISLAW ZALESKI

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE SUPPLY CORPS AS LIMITED DUTY OFFICERS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

TEMPORARY LIMITED DUTY OFFICERS, SUPPLY CORPS, LIEUTENANT

To be lieutenant, limited duty officers, supply corps, USN, permanent

KENNETH JEROME BROWN
MICHAEL JAMES BURR
BONIFACIO AQ CABLING
PAMELA DEE CHARBONEAU
WILLIAM CARL DAVIS
RODNEY ELLIS DUGGINS
DWIGHT LEMAR FERGUSON
ROBERT CARL FUCHS
CHRISTINE RUTH HANDING
MARC CORDEL HEIMBACH
MICHAEL HARK JOHNSON
LARRY STEVEN LEE
LORETO L. MAURICIO
MICHAEL RICHA MILLER
IGNACIO A. MUNAR
JOSE ABERGOS NAVEA, JR
GEORGE EARL PIEPER
DWIGHT LEONARD PURVIS
VICENTE TUDELA RUFFY
MARK IRA SULLIVAN
BYRON CRAIG WILLIAMS

THE FOLLOWING NAMED PERMANENT LIMITED DUTY OFFICERS, TO BE REAPPOINTED PERMANENT LIEUTENANT IN THE CIVIL ENGINEER CORPS AS LIMITED DUTY OFFICERS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

PERMANENT LIMITED DUTY OFFICERS, CIVIL ENGINEER CORPS, LIEUTENANT

To be lieutenant, limited duty officers, civil engineer corps, USN,

To be permanent

MCLEOD BANKS, JR
THOMAS RAY LINENBERGER
EARL DON RAMSEY
CONRAD RANKINE SPENCE

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE CIVIL ENGINEER CORPS AS LIMITED DUTY OFFICERS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

TEMPORARY LIMITED DUTY OFFICERS, CIVIL ENGINEER CORPS, LIEUTENANT

To be lieutenant, limited duty officers, civil engineer corps, USN,

To be permanent

LEE ELLSWORTH BRADFORD WILLIA PLOM
MICHAEL EDWARD LADD

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE LAW AS LIMITED DUTY OFFICERS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

TEMPORARY LIMITED DUTY OFFICERS, LAW, LIEUTENANT

To be lieutenant, limited duty officers, law, USN, permanent

DAVID SEEL COCHRANE STANLEY SYLVE TAYLOR
SCOTT SEXTON

WITHDRAWAL

Executive nomination withdrawn by the President from further Senate consideration, September 6, 1989:

DEPARTMENT OF DEFENSE

LAWRENCE L. LAMADE, OF MARYLAND, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF THE NAVY, (NEW POSITION) WHICH WAS SENT TO THE SENATE ON JANUARY 3, 1989.

EXTENSIONS OF REMARKS

IMPORTANT ISSUES IN SOUTHEAST ASIA

HON. WM. S. BROOMFIELD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. BROOMFIELD. Mr. Speaker, from August 11–27, Congressman DANTE FASCELL and I led a House Foreign Affairs Committee delegation to discuss important trade and security issues with top officials in the ASEAN nations of Southeast Asia. Also on the trip were two Foreign Affairs Committee members, BEN GILMAN and BEN BLAZ, as well as SANDER LEVIN and BILL RICHARDSON, both of whom have a keen interest in issues in this area.

The trade issue, in particular, confronted us every day we drove around the streets of the cities we visited. In city after city, we saw Hondas and Toyotas and precious few American automobiles.

In Bangkok, we met with members of the American chamber of commerce in Thailand. These are businessmen with long experience in the area. They told us that unless something is done to recapture America's competitiveness in this area, U.S. business would lose its foothold in Southeast Asia within 5 years.

That would be a major loss to the United States. Southeast Asia has some of the most dynamic economies in the world today. Should we be unable to compete in those markets, American workers will lose jobs, American businesses will lose the income necessary to invest in rebuilding its competitive position, and America itself will suffer a great loss of prestige.

During the trip we discussed what to do about this situation. While much of the burden of rebuilding our trade with this area lies with American business, the Federal Government has a role to play as well.

In meetings with a number of Government officials we stressed the importance we place on creating a level playing field for trade. We encouraged all of these nations to lower their trade barriers, and in particular, urged Indonesia, Singapore and Thailand to improve their protection of intellectual property rights.

Our economic presence in this area goes hand-in-hand with our role in providing military security for the region.

Lee Kuan Yew, the Prime Minister of Singapore, has been quite open in his support of the United States role in providing for regional security. He candidly told us that America's participation in the Vietnam war gave most of the nations in the area the time to bolster their defenses against the Communist threat. Without that assistance, Mr. Lee said, virtually all of Southeast Asia would have fallen to the Communists.

While in Southeast Asia, we impressed on President Aquino of the Philippines and other area leaders the importance the U.S. places on its two major bases in the Philippines: Subic Bay Naval Station and Clark Air Base.

These two bases simply cannot be replicated. But if the Philippine Government places conditions on our continued use of the bases that are too costly or too restrictive, we will simply have to walk away from them. We made this clear to Mrs. Aquino and other Philippine officials, as well as other leaders in the area.

Virtually every leader we met agreed either publicly or privately that it is important for America to maintain these bases. They know that the presence of American power provides much-needed stability in the region, and benefits them every bit as much as it benefits the United States. They welcome our presence in the area because they know that we protect them from others whose intentions toward their countries might not be so benign.

These and other key issues were at the top of the agenda in our meetings, and I believe the following account of what we learned from those meetings might be of interest to fellow members who are also concerned about America's future role in Southeast Asia.

REGIONAL SECURITY AND THE PHILIPPINE BASES

The most important issue discussed on the trip was the question of regional security as it related to the U.S. air and naval facilities at Clark Field and Subic Bay Naval Station in the Philippines. These two facilities are key elements in the U.S. military presence in the region. Not only are they major facilities for U.S. forces stationed in the Philippines but also for the transit and training of our armed services. American military and diplomatic officials in the area agreed that if we were to leave Clark and Subic, we could not replicate them.

This past October, the United States completed a scheduled review of the agreement covering the facilities. It was a protracted and acrimonious negotiation, with ill-considered words said on both sides of the Pacific. An agreement was finally reached with the United States agreeing to increase its assistance levels to the Philippines to approximately $485 million during 1989 and 1990, the remaining 2 years of the current agreement.

This November President Corazon Aquino will be coming to the United States for a State visit. It is hoped that negotiations for a new base agreement can start in December of this year. The current agreement will expire by September 1991. These negotiations will certainly be difficult, and will be affected by deep-seated feelings of Philippine nationalism. The Philippine Government will work hard to get the best terms possible.

During our visit in the Philippines, the Chairman of the Philippine Senate Foreign Relations Committee introduced legislation calling for the phase-out of U.S. bases in the Philippines. At the same time President Lee Kuan Yew of Singapore announced that he believed the U.S. presence in Southeast Asia was important and that he would provide enhanced access for U.S. forces into Singapore if the United States were to leave the Philippines. The U.S. is now considering the Singapore offer.

In our discussion with Philippine leaders and the leaders of the other Southeast Asian nations, we explained that in our view, the bases in the Philippines were extremely important for both United States and Philippine security interests and for the security of the Southeast Asian region. We also expressed the view that we were not locked into any position but we also would not be "blackmailed" over the bases. Ulitmately, we said, the decision would be up to the Philippines: if they wanted us to leave, we would leave; if they wanted us to stay, we would stay.

Many of the ASEAN leaders agreed, publicly or privately, that our presence in the Philippines was crucial for regional security interests. But, except for Singapore's Lee Kuan Yew, they would not speak out publicly at this time in support of our bases remaining in the Philippines.

CAMBODIA AND THE PARIS PEACE TALKS

As part of our discussion on regional security, the delegation also sought the views of the ASEAN leaders regarding a possible Cambodia settlement. Many said that a comprehensive peace settlement could not be reached during the first round of negotiations, although considerable progress was being made. Views were expressed that the provision of U.S. lethal aid at this time could exacerbate the situation there. We were also told that the United States must realize that all four parties—the Vietnam-installed Hun Sen Government, the factions led by Prince Sihanouk, Son Sam, and the Khmer Rouge—must be party to any agreement and an interim government.

Thai leaders also raised the point that the United States must look beyond a Cambodian settlement and devise a post-settlement policy. It was their view that we should join in partnership with Thailand to increase trade and development in Southeast Asia, including Vietnam. They argued that with development, there would be greater assurances of peace in the region.

TRADE RELATIONS AND THE FUTURE OF U.S. BUSINESSES IN SOUTHEAST ASIA

Trade issues were also a major interest to the delegation. The Asian region is an economic dynamo. Its growth rates in some countries are as high as 10–11 percent. The area is changing from an agricultural economy to an industrial economy, and requires a great deal of internal and foreign investment. As peace gradually comes to Indochina, that area, too, will provide great opportunities for U.S. business.

In response to this economic growth, U.S. trade levels with Asia are now greater than

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

our trade with Europe. However, while the U.S. presence in Asia is large, the Japanese presence is larger. As part of our inquiry, the delegation met with the leaders of the American Chamber of Commerce in Thailand. Their message was clear that without changes in U.S. policy, and in the policies of many American companies, the United States could basically be closed out of the Southeast Asian markets in 5 years or less. The United States once led the field in foreign investments in Thailand; today, we have fallen far behind Japan and Taiwan.

U.S. companies face competitors that have the benefits of concessional, low-interest, long-term financing and tax laws that do not punish their businessmen for working overseas. These U.S. businessmen with long experience in the area also said that more Foreign Commercial Attachés need to be stationed in these countries to help identify and exploit opportunities for U.S. businesses, and that expenditures of U.S. promotional funds should be shifted to provide less emphasis on agricultural exports and more on industrial exports. They also urged that there was a need for continued pressure on foreign countries to make the playing field level by reducing trade barriers, and by respecting intellectual property rights such as copyrights, patents, and trademarks.

We also heard of problems with U.S. businesses—of an impatience to invest capital over the long-term to develop markets, of an unwillingness to adapt products to meet the needs of the foreign consumer, of the lack of both regular and adequate sales visitation, and followup and product support. We were also told of U.S. businesses that were unwilling to go after countries with smaller markets.

These concerns were made abundantly clear when we saw streets jammed with Japanese cars and stores lined with few, if any, products made in the United States.

Whether the problems lie with U.S. laws or with American business practices, it is clear that changes must be made for U.S. business to maintain its important role in Asia. There are major opportunities in Asia for U.S. businesses. Should we be unable to compete in those markets, American workers will lose jobs, American business will lose the income necessary to invest in rebuilding its competitive position, and America itself will suffer a great loss of prestige.

Increased trade contacts, however, also present problems in our relations with our trading partners. Among the nations of Southeast Asia there is universal concern with what they perceive to be an increasing protectionism in the United States. Likewise the United States has been urging these governments, in the face of their own domestic opposition, to reduce and eliminate their trade barriers, and particularly in Indonesia, Singapore, and Thailand, to improve their protection of intellectual property rights. While steps are being taken in these areas, laws still have to be passed and strict enforcement implemented.

BILATERAL ISSUES

While there were important issues common to the region, aspects of U.S. relations with each of the ASEAN nations also required special focus.

PHILIPPINES

Since 1986 with the beginning of her administration, Philippine President Corazon Aquino has made major gains in the political and economic development of her nation. When she took office in March 1986, the Philippines had a negative economic growth, a growing Communist insurgency, and a government that had lost the political mandate of its people. In contrast, today, the economy has been expanding at a rate of 5 to 7 percent; the insurgency, while still extremely dangerous, suffered major setbacks; and the government has become more stable with each succeeding year.

The Aquino government has had and continues to have the strong endorsement of the United States. Along with supporting major increases in base-related assistance to the Philippines, the House has also authorized $1 billion as the U.S. portion of a 5-year, multinational assistance program to the Philippines known as the Multi-lateral Assistance Initiative [MAI]. To start the MAI program, 19 nations and seven international financial institutions met in Tokyo, from July 3–5, 1989, to discuss administrative and economic reforms, policy objectives and specific projects proposed by the Philippines. At the end of the session, $3.5 billion in assistance was pledged to the Philippines for this year.

This assistance is definitely needed by the Philippines. However, there was concern about the ability of the Philippines to effectively absorb this large amount of assistance. The Philippines currently has about a $4 billion backlog in its international assistance pipeline. To be fair, a large amount of these funds consists of funds for projects that are paid out over several years, and the utilization rate for the pipeline is now a respectable 25 percent per year. However, even with these considerations, there is an estimated underutilization of about $800 million to $1 billion.

We were assured that major economic and administrative reforms would be made by the Philippines as part of the MAI, and that funds would be used for improvement of the infrastructure, such as communications, energy generation, transportation, poverty alleviation, and rural development. Further, a cabinet-level coordinating council, headed by businessman Roberto Villanueva, has been put in charge of administering and facilitating the MAI program. With changes in the Aquino Cabinet, all of the Cabinet members on the Coordinating Council now agree on the purpose and direction of the program. However, even with these changes, a larger backlog in the pipeline is expected initially because of a lack of well prepared and viable projects and programs. During the Tokyo meeting this past July, the World Bank also identified the lack of projects and programs as one of the most serious contributors to the backlog. The Bank stated:

Unless there is an adequate stock of good projects, investment will not take place, and the growth will not be sustained. . . . Thus if the Philippines is going to achieve the levels of public investment that it requires, there is an urgent need for a massive effort of project preparation.

We expressed our concerns about the backlog. We explained that our own budget difficulties created greater competition between worthwhile domestic and foreign uses of the funds and that authorization for foreign assistance programs were being examined very carefully.

The delegation also made an investigative tour of the island of Corregidor. Two years ago, our colleague, Congressman SONNY MONTGOMERY found that the historic sites and war monument that honor the memory of the American and Philippine defenders of the island had fallen into serious disrepair. In some areas, parts of gun emplacements and the steel reinforcing rods in the barracks were being cut up and sold for scrap.

The United States has been negotiating with the Philippine Government to have the American Battle Monuments Commission [ABMC] assume responsibility for a historic area of Corregidor, known as Topside. This location holds the memorial, parade ground, and what remains of many of the original buildings. The negotiations have come to a halt over questions of administrative authority and sovereignty.

However, while the negotiations have been going on, we were pleased to see that the Philippine Government has undertaken a major restoration program on Corregidor. The Philippine Government has spent $7 million to improve the area and restore the memorial. They have rebuilt 5.9 kilometers of the 7 kilometer road that runs through the memorial area, as well as the area where several batteries were located. They are working on the reconstruction of the three piers, the restoration of part of the Malinta tunnel system, and the provision of a new water system to supply the "Topside" area. The Government has also added an air-conditioning system to the Corregidor Museum and cut back much of the overgrown vegetation.

INDONESIA

Indonesia, the fifth largest country in the world, is going through economic and political liberalization. We were told in our country team briefing that Indonesians have begun to wonder if the United States was becoming less concerned about the developments in Indonesia. While Indonesia sees itself, quite rightly, as one of the leaders in the nonaligned movement, Indonesia has been friendly toward the United States and looks upon the United States as a benign power in the area.

While in Indonesia, the delegation met with President Soeharto and Speaker of the Parliament Kharis Sahud. In these meetings, we discussed Indonesia's political and economic reforms, the need for such trade reforms as the protection of intellectual property rights, and the human rights situation in East Timor. While the issue of East Timor's annexation by Indonesia is still in dispute between Indonesia and Portugal, two nations with which we have friendly relations, the United States should not feel any compunction about insisting that the people of East Timor are entitled to the basic considerations of human decency that everyone on this planet deserves.

SINGAPORE

In Singapore, the delegation met with Prime Minister Lee Kuan Yew, one of the outstanding leaders in Southeast Asia. Several areas of regional importance were discussed.

When asked about his views on Soviet intentions in the Pacific, the Prime Minister said that he believes President Gorbachev is sincere, but wonders whether the Soviet leader can succeed in his efforts to implement his policies. The Prime Minister believes that the Soviets want to improve their relations in the area and to attract foreign investment. If Glasnost and perestroika should succeed, he said, the Soviet Union may become a real competitor in Asia, and relations may take a different turn. But at this time, he said, the Soviet efforts are just "sweetness and light."

In terms of the developments in China, Mr. Lee said that Americans are being very emotional and unrealistic about China. He said that the Chinese have never pretended to be democrats, and that they could never go to a one-man-one-vote concept. It was to be expected, he said, that the Government would take action against this summer's democracy movement. The surprise, however, was the degree of brutality that was used. Mr. Lee offered an interesting conjecture as to the violent nature of the Chinese crackdown. He said the Central Government realized it could not control democratic uprisings in all of China's cities, so it decided to use Beijing as an example of what was in store for democratic movements elsewhere that had the termerity to challenge the Central Governments.

Prime Minister Lee advised the delegation that the Chinese cannot be coerced by sanctions. He believes that ultimately a power struggle will take place, and that it is advisable for the United States to keep its lines of communications open. The United States has made its point about its repulsion over the violence. The Chinese economy has been hurt by the sanctions. The question, he asked, is does the United States want a China in upheaval.

Concern was expressed about the human rights situation in Singapore. The Prime Minister said that he hoped the United States would show Singapore the courtesy of looking at the situation from Singapore's point of view. He argued that Singapore does not have the traditional attributes of a nation, such as an indigenous language, and a common cultural and historical background. Since the beginning of Singapore's history, the Communists have tried to take advantage of these divisions. The Communists are infiltrating all types of groups including professional associations and even the Catholic Church. He felt that in some respects, certain political situations could not be handled as they are in the United States, or Singapore could fall apart. The Government will have to work at integrating the different elements of the country to keep Singapore progressing. "But there are limits, there are boundaries," the Prime Minister said.

In his concluding remarks, the Prime Minister said that he did not start off as an admirer of America, He was trained in Great Britain and said he shared a certain distain for what he called "American crudity." But he also realized that if the United States had not won World War II, the world would have been an extremely different place. He added that no other nation would have eased themselves out of a position of ultimate supremacy. Any other nation would have seized the opportunity without a second thought. Even though the United States was sucked into the Vietnam war, he said, it was important that we were there. Without the United States fighting in Vietnam during those many years, and without the assistance and the time that our presence there provided, virtually all of Southeast Asia would have fallen to the Communists, and America should be thanked for that.

THAILAND

Because United States relations with Thailand have been generally good, one can forget what an important nation Thailand is to United States interests in Southeast Asia. We have an expanding trade program with Thailand, we have important military training exercises there, and we have a joint program to fight the movement of drugs from the "Golden Triangle" to the rest of the world. Further, we work together seeking solutions on the Indochinese refugee problem, the settlement of the Cambodian situation, and countless other programs important to the region and the United States.

As in any relationship, there are some problems. With Thailand, it falls in the area of trade. The Thais are concerned about protectionism in the United States, and we have been urging Thailand to improve its record in lowering trade barriers, and in protecting intellectual property. These areas are under discussion between the two Governments, and we are certain that agreements could be achieved.

The delegation met with Prime Minister Chatchai and Foreign Minister Sitthi. During these meetings, many areas of mutual interest were explored, including their views on steps that might lead to a settlement in Cambodia and the importance of the bases in the Philippines.

Part of the delegation also went to the ancient city of Chiang Mai, near the Thai-Burmese border, to look at the Royal Thai crop substitution program, an effort to encourage Thai farmers to substitute regular cash crops for the poppies they currently produce for the trade in heroin. The Royal program, which also has the support of U.S. assistance funds, provides agricultural advice and market assistance. We saw many areas that once were poppy fields that now grow cabbage, carrots, and other types of regular agricultural products. The program is obviously doing well and deserves continued support. The enormity of the drug problem, however, continues to be extremely frustrating, and many-faceted U.S. approach continues to be required to fight the drug problem.

Southeast Asia continues to be an extremely important area for the United States in terms of economic growth and political activity. The economic dynamism that started in Northeast Asia with Japan, Korea, and Taiwan is clearly spreading to Southeast Asia. Opportunities are opening up for U.S. businesses, but it is clear that we will have to compete to take advantage of those opportunities. Likewise, these nations are in different stages of developing democratic institutions. Important transitions of power could be forthcoming in the early 1990's in the Philippines, Indonesia, and Singapore. The United States must not assume that the trend in these nations toward democratization is irreversible. We cannot take the nations of Southeast Asia for granted. The United States must continue to have an active presence in this region of the world, to help these nations in their development, and to help provide stability for the region. In doing so, we will all benefit.

TRIBUTE TO MILDRED WOOD

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. PEASE. Mr. Speaker, I rise today to pay tribute to a staff person who will leave my congressional office this week after 22½ years of service to the House of Representatives and to the people of Ohio's 13th Congressional District.

Mildred Wood began her career as a congressional caseworker in 1967 on the staff of my predecessor, the late Charles A. Mosher. When Congressman Mosher retired, Mildred stayed on to become a member of my staff in 1977.

Mr. Speaker, to me Mildred epitomizes the very best that Congress has to offer as we attempt to serve the interests of our constituents who encounter troubles with a large, complex, sometimes bewildering and occasionally unfeeling Federal establishment.

Mildred Wood is professionalism with a human face. In casework ranging from the military to the Veterans' Administration to service academies to Medicare and Social Security, she has made it her business to gain a commanding knowledge of each subject area; to cultivate contacts in each agency; to listen to each constituent carefully and sympathetically; to pursue agencies with a mixture of tenacity and reasonableness; and to stick with each case until it was resolved or until it was clear we had done everything possible.

Mildred has gone far beyond ordinary problem resolution by forming genuine friendships, by welcoming constituents to Washington and by visiting them in my Ohio District, by keeping in touch with them over a period of years; by paying visits to agencies like VA hospitals to investigate complaints; and by suggesting legislation to me.

On top of that, MIldred has been a delightful coworker in my office, even tempered and steady, bright and congenial. She has been an exemplary wife and mother of three, active in her church and community.

In short, Mr. Speaker, Mildred Wood is an altogether remarkable person and a professional in the truest sense of the word. We will miss her, and so, I know, will the people of Ohio's 13th Congressional District.

SUPPORT FULL FUNDING OF THE NATIONAL ENDOWMENT FOR THE ARTS WITHOUT RESTRICTIONS

HON. JIM BATES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. BATES. Mr. Speaker, the following statement was formally adopted by the California Arts Council during its annual 2-day August meeting. The statement affirms the value of Government support for the arts and urges continued funding for the National Endowment for the Arts without restrictions on subject matter for grants. For the benefit of my colleagues, I request that the statement be reprinted immediately following my remarks.

RESOLUTION ADOPTED BY THE CALIFORNIA ARTS COUNCIL

Since 1965, the National Endowment for the Arts has funded tens of thousands of artists, arts organizations, and artistic projects. Despite the immeasurable good that has grown from this small agency, some now attack the NEA. Despite the benefits it accomplishes in large and small communities throughout the United States, some would reduce its meager funding and curtail its ability to support top quality artistic endeavors. We at the Arts Council think this is a serious mistake.

Two small parts of two exhibits, indirectly funded by the Endowment, have caused anger. Because some feel outraged, they want to punish the NEA and the funded arts organizations. But such actions are a greater outrage than a few supposedly offensive photos. These actions would undermine the actual and potential good carried out by the NEA and the struggling institutions. They would, ironically, give undue weight and power to the objectionable materials.

We of the California Arts Council are alarmed at the extreme measures being considered. The National Endowment for the Arts, and its work, has been a major contributing factor in our maturing as a nation. It represents the ideals and adventurousness of the people of the United States. It responds to a citizenry that is energetic and diverse and whose creativity explores new paths. Such exploration and innovation is a part of our tradition. Yes, the NEA will make mistakes at times, but we know that mistakes are part of every purposeful endeavor. To not make mistakes is to become moribund.

We urge the House and the Senate to be judicious in their final resolution of the NEA budget, to withdraw the language of repression and censorship, and to restore the threatened funding. This brief tempest will soon pass and artworks that lack quality will be forgotten, but the timeless good the NEA does should not be lost in the fury of the moment.

MR. AND MRS. WARD MELVILLE HELPED PRESERVE LONG ISLAND'S HISTORY

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. HOCHBRUECKNER. Mr. Speaker, I rise today to express my heartfelt sorrow at the passing of a dear friend of many years, Mrs. Dorothy Melville. Mrs. Melville, the widow of philanthropist, Ward Melville, died at her home in Old Field, Long Island, on August 1 at the age of 95.

I would like to take this opportunity to share with my colleagues the lifelong dedication and philanthropy of Mr. and Mrs. Ward Melville. For over half a century, the Museums at Stony Brook and the communities of the Three Villages—Old Field, Setauket, and Stony Brook—were beneficiaries of the vision, leadership, and support of this extraordinary couple. My wife, Carol Ann, and I have been active with the Museums at Stony Brook. We will greatly miss Mrs. Melville's friendship.

Dorothy and Ward Melville married in 1930, the same year that Ward Melville took over the Melville Shoe Corp. from his father, who founded the company in 1892. As president and chairman of the board from 1930 until his death in 1977, Ward Melville guided the growth of the Melville Corp. to become a major retailing company.

With a deep sense of caring for the community in which they lived, Mr. and Mrs. Ward Melville became involved in supporting a wide variety of organizations and projects in health, education, environmental, and historic preservation and the arts. In 1939, Mrs. Melville assisted in incorporating and finding a home for the fledgling Suffolk Museum. In 1942, the museum was chartered by the University of New York Education Department, with Mrs. Melville named as president of the board of trustees. She was elected chairperson of the Suffolk Museum in 1983.

Under Mrs. Melville's leadership and philanthropy, the institution and its collections grew. The museum reflected the Melvilles' interest in preserving Long Island history, art, and the vanished era of the horse-drawn transportation. Mr. Melville's collections of the art and writings of the Stony Brook native and noted genre painter, William Sidney Mount, and of horse-drawn vehicles, for which he built the carriage house display facility in 1951, were incorporated into the museum's collections over a period of time, attracting other donations and collections. In time, the Museums at Stony Brook, by which name the museum is now known, achieved professional stature with collections of national and international importance.

Since the early 1940's Mrs. Melville also served on the board of trustees of the Stony Brook Community Fund, a trust established and led by her husband, that was responsible for the welfare of the Stony Brook Village Center and numerous historic properties which were acquired and restored by Mr. Melville for the public. Mrs. Melville was elected by the fund's directors to succeed Mr. Melville as president upon his death in 1977. As president of the Frank Melville, Jr. Memorial Foundation and president of the Three Village Garden Club, Mrs. Melville was actively involved in community beautification efforts, including the establishment of the mill pond and park in Setauket. She was also an active supporter of the restoration of the historic Caroline Church in Setauket.

In 1972, Mr. and Mrs. Ward Melville were inducted into the Long Island Association's Hall of Fame; in December 1979 she was named "Woman of the Decade" by the Village Times newspaper. In 1982, she was the recipient of the Ward Melville Community Award from the Three Village Historical Society, and in 1984, she received the Garden Club of America's Zone III Award for Historic Preservation. In 1986, the New York State Legislature adopted a resolution recognizing Mrs. Melville's many contributions to her community and to the preservation of Long Island's history, and commending her for "unremitting concern for the people of the Empire State."

Mrs. Melville's unselfish concerns and lifelong efforts on behalf of the welfare of the Three Villages were exemplary. The institutions she nurtured, such as the Museums at Stony Brook, the Stony Brook Village Center, the Caroline Church, and the Frank Melville Pond serve to preserve important segments of Long Island's rich heritage for succeeding generations of its citizens. These institutions, as well as Ward Melville High School in Setauket and the Frank Melville, Jr. Memorial Library at the State University of New York at Stony Brook, will serve as living memorials to the Melvilles.

Carol Ann and I were honored to call Mrs. Melville our friend.

GERMAN HERITAGE SHOWCASED IN NEW JERSEY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. FLORIO. Mr. Speaker, it is with pride that I bring to the attention of my colleagues a special event that will be taking place in New Jersey on September 10, 1989. On this day, the German-American community of New Jersey will host the 16th annual German Heritage Festival at the New Jersey Garden State Arts Center.

This year's festival will showcase a meaningful event in the lives of all German-Americans—the 40th anniversary of the creation of the Federal Republic of Germany. In an effort to share with the rest of New Jersey the rich cultural traditions and heritage of Germany, the German Heritage Festival will feature a number of promising activities including cultural exhibits, band concerts, soccer, and a gymnast tournament. In addition, festival goers will be entertained by a variety of German folk and classical music.

One of the traditions of the German Heritage Festival has been to feature well-known talent from Germany. This year, the festival will showcase Hansel Kronauer, Lydia Huber,

and Volker Bengl, three unique individual performers from Germany.

Every year, the Garden State Arts Center hosts a number of festivals that are sponsored by the diverse ethnic communities that are represented in the state of New Jersey. The money that is raised by these festivals goes directly to the cultural fund which, in turn, sponsors free cultural activities at the Garden States Arts Center. Groups that benefit from these activities include senior citizens and school children, the handicapped and the disabled, the veterans, and the disadvantaged. These activities represent a commendable effort to shine a bright light in the lives of these people.

The festival is being put together with the help of many volunteers who give their time and their labor in an effort to share with their fellow New Jerseyans the richness and diversity of the German Heritage. Chairing this year's festival will be Mr. Hierl who will be assisted by the German Heritage Council in this worthwhile effort.

As a cosponsor of legislation to designate October 6, 1989 as German-American Day, I am proud of the accomplishments of New Jerseyans of German heritage. I hope my colleagues will join me in commending the German-American community of New Jersey on their efforts and wishing them a successful festival.

THE QUESTION IS NOT ONLY MORE PRISONS, BUT BETTER RUN PRISONS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. STARK. Mr. Speaker, the question on many of our minds is how to improve our criminal justice system, increase law enforcement resources, and find the appropriate revenue sources to pay for these needed programs.

Prisons? Absolutely, but let's guarantee that these prisons produce lower recidivism rates. Bigger ought to be followed by the words "and better." Our current revolving-door prison system is in dire need of reform, and soon.

"Shock probation"? Interesting, but let's be convinced of the produced results of existing programs before we commit ourselves to a full-blown program.

In the State of California, as in the United States, the total prison population has more than doubled since 1980. Are we better off now than we were 9 years ago?

The following article from the Christian Science Monitor is worth considering. I recommend it to my colleagues.

"TOUGH" ISN'T ENOUGH

President Bush's anticrime package flows right from his campaign rhetoric. Its keynotes are more cells in the federal prison system and more use of the death penalty. Coming on the heels of drug czar William Bennett's recommendation of boot camp for drug users, the $1.7 billion proposal has "tough on crime" written all over it.

Nothing wrong with that, perhaps, if the prescribed toughness will actually decrease crime. Prisons are a huge growth industry in the United States already. In 1980, there were 139 inmates per 100,000 Americans; as of last year, the ratio had jumped to 237 per 100,000. In 1987 and '88 alone, the US spent nearly $4 billion on new prisons. Tough-on-crime politics, always in vogue but particularly popular during the Reagan years, has certainly helped build and fill prisons.

But has it lessened crime? At best, it's helped manage it. With the recidivism rates in state prisons—which house the bulk of inmates—at 60 percent, incarceration is clearly not the complete answer to crime. It only takes criminals out of circulation for a while; it doesn't reduce their numbers.

And the death penalty, which the President would like to extend to murder for hire and murder with automatic or semiautomatic weapons? Unquestionably such crimes demand strict punishment. But capital punishment remains a legal and moral morass. There is no evidence that state-sanctioned killing does anything to deter murderers; if anything, it heightens a climate of violence and revenge.

And Mr. Bennett's boot camp idea? "Shock probation," as it's sometimes called, has been applied in a number of Southern states and has shown itself a cost-effective alternative to incarceration for first-time offenders. A boot camp option—involving discipline, physical exercise, and little free time—might at least teach some young drug users that their behavior will have consequences. It could be particularly effective for the white, casual, sububan users whose dollars keep the drug markets prospering. Will it reach the root problems of drug use—aimless lives, distorted values? No.

The problem with the traditional get-tough-on-crime approach is its narrowness. Sure, new prison space and clear penalties are needed. It's just that a lot more is needed, too—and we don't hear much about that from elected leaders. They're too afraid of appearing "soft."

What about better drug education and treatment? They are at least as central to the so-called demand side of the drug problem as disciplinarian punishments are. What about the alternatives to incarceration—intensive supervision, house arrest, community-based corrections—that are beginning to show promise of cutting back on recidivism and easing prison overcrowding? What about an intensive effort to provide inmates with credible work experience?

Getting tough on crime should include these things, too.

"MICHAEL HERZ 'EYES, EARS AND NOSE' OF BAY"

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. MILLER of California. Mr. Speaker, I rise today to share with members of the House the efforts of one man to prevent the fouling and consequential destruction of the San Francisco Bay.

Michael Herz appointed himself the "eyes, ears and nose" of San Francisco Bay when he organized Baykeeper, a pollution patrol program.

As a former research biologist, Mr. Herz' work involves monitoring a disposal site for sediment dredged from bay harbors, looking for oil spills from tankers as they move their loads to barges, and testing the bay waters for bacterial contamination from houseboats inadequately connected to the sewer system. Through his knowledge in environmental law and with the help of $150,000 in grants, Mr. Herz plans to go further than just referring the violators to the Federal Environmental Protection Agency, he plans to take them to court.

Michael Herz's program has brought him recognition beyond the helicopter pilots, boat owners, scientists and computer experts who have offered their services. His work captured the attention of Governor Steve Cowper of Alaska, who appointed Mr. Herz to a commission investigating the *Exxon Valdez* oilspill. He has also received the support of organizations like the Regional Water Quality Control Board, the California Department of Fish and Game, the EPA and the U.S. Army Corps of Engineers.

Mr. Speaker, I would like to take this opportunity to thank Michael Herz for his role as protector of the San Francisco Bay and wish him continued success in his extraordinary efforts with his project Baykeep.

RURAL DEVELOPMENT CHALLENGES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 16, 1989, into the CONGRESSIONAL RECORD.

RURAL DEVELOPMENT CHALLENGES

Wherever I go in the 9th District, I hear people talking about the importance of economic growth. Retaining jobs and attracting businesses have become vital to the continued survival of many small communities. Rural development is a major challenge for Indiana and the rest of the nation.

Rural incomes traditionally lag behind urban ones, a gap that has widened in the 1980s. Meanwhile, rural unemployment rates have averaged at least 2 percentage points higher than urban rates. Agriculture and other resource-based industries have become less important as sources of employment. While most of the land in rural America is still involved in resource-based activities like farming, logging, and mining, most of the people are not. The primary source of rural employment is now manufacturing, followed by service industries.

The lack of jobs—especially for college-educated young adults—is a major factor in the net out-migration from rural areas. Although more people moved to rural areas than left in the 1970s, that trend reversed in the 1980s. There has been persistent underinvestment in education in much of rural America, reflected in lower test scores by rural youth than their urban counterparts. The rural poverty rate, now 16.9%, is approaching the 18.6% rate of major cities.

Rural residents also have below-average housing, limited access to social and medical services, and a higher incidence of job-relat-

ed disability. In many small communities, the sewer and water systems, roads, and bridges do not meet national standards. Yet efforts to improve rural infrastructure are handicapped by the huge federal budget deficit and resulting high interest rates. Projects that would be attractive if interest rates were 5% or 6% are impossible with rates over 10%. Rural businesses are similarly discouraged from making capital investments.

The federal government has tried a number of strategies to encourage development in rural areas, some with more success than others. For most of our nation's first 200 years, rural policy was synonymous with agricultural policy. The first strategy was to make land in the West available to settlers. In the early 1800s, Congress set aside modest funds for internal improvements—roads, canals, and harbors. The Department of Agriculture (USDA) was established in 1862 to coordinate research and education programs for farmers. Believing that higher farm incomes would lead to better conditions for all rural residents, the USDA began experimenting in the 1920s with various policies to control commodity surpluses and stabilize crop prices.

Modern rural development policy started to take shape under President Eisenhower. Realizing that off-farm employment could be part of the solution to the low income of farmers, policymakers started looking at the wider rural economy. The Kennedy Administration expanded rural development beyond agriculture assistance—with new rural job-training, housing, and water programs. Johnson-era programs sought to slow migration to the cities by improving the skills of rural workers and enhancing rural employment opportunities.

Although President Nixon preferred block grants and revenue sharing to a direct federal role in programs, Congress expanded planning assistance, credit availability, and other programs. The final years of the Nixon Administration and the Ford Administration were marked by disagreements over whether states or the federal government should administer rural development programs. While President Carter gave rural development policy high visibility in his administration, limited funds prevented the introduction of new programs. President Reagan believed that the federal government should not actively participate in this area. Instead, he maintained that state and local governments and the private sector should carry out economic development initiatives.

As the federal role in rural economic development has diminished, states have experimented with a variety of strategies including; assistance in marketing rural products overseas, tax incentives for companies that locate in rural areas, and business "incubators" to provide technical assistance to fledging companies. Future federal strategy must take into account the diversity of rural economies and changing patterns of rural employment; a fundamental restructuring of national policy may be necessary.

In 1989, Congress is beginning to struggle again with the question of how best to stimulate rural economies. One bill would create a revolving loan fund for investments in rural enterprises; establish an insurance fund for lenders and investors; provide additional funding for sewer and water projects; and improve telecommunications links for rural hospitals and schools.

I have come to the view that legislation at the federal level will at best have only a marginal impact on rural development. Assistance from the federal government is not the key to economic growth. Far more important than legislative programs is local leadership, with a willingness to invest in the future. The initiative for change must come from local communities, where many tactics can be effective. The first step is an inventory to identify a community's strengths and weaknesses and to determine where investments are needed. Communities can then develop plans that build upon their attributes. Investment in research will identify future opportunities for economic growth in rural areas. For example, research on manufacturing techniques may make it easier for small and medium-sized rural businesses to compete with large corporations and may also suggest ways to better integrate rural residents into the national workforce.

Investments in human and physicial infrastructure—such as education, training, roads, and water systems—are also vital to attracting businesses. Because almost all new jobs in rural areas are created by small businesses, new ventures can benefit from technical advice and access to capital. But, from my perspective, there is no substitute for old-fashioned entrepeneurship. The success of a community will only be as great as the energy and skills of its members.

HONORING GEORGE T. SPRAGUE

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. MACHTLEY. Mr. Speaker, today it is my distinct pleasure to honor Mr. George T. Sprague who was awarded an Outstanding Contribution Award for his contributions to the take pride campaign at the Sachuest Point National Wildlife Refuge.

George began his volunteer work at the refuge in 1986 and through the years, has taught over 80 educational programs involving approximately 2,500 people. George typically leads groups through the refuge and allows the visitors to achieve both a keener awareness of the refuge as well as a better understanding of the U.S. Fish and Wildlife Service.

George also performs daily wildlife surveys of Sachuest Point Refuge as well as maintaining the refuge's 5,000-square-foot visitor center. Furthermore, George's previous volunteer experience with the Appalachian Mountain Club has allowed him to improve the trail system.

On behalf of the people of Rhode Island, I would like to thank George for his continuing service and work at the Sachuest Point Refuge. With volunteers like George, the refuge will surely endure for the enjoyment of many future generations. I wish him all the best in his work.

BOYERTOWN BEARS WIN STATE TITLE

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. YATRON. Mr. Speaker, I rise today to recognize the achievements of an outstanding organization made up of people who are dedicated to achieving excellence. The Boyertown Bears of Boyertown, PA, recently ended another fine season by capturing the State championship title in the American Legion baseball league.

Saturday, August 12, 1989, marked the culmination of another year of hard work and dedication as the Bears captured their 3d straight title and their 12th title in the last 20 years. The Bears latest success is the continuation of a winning tradition that has been the trademark of the Boyertown Bears.

Mr. Speaker, it is indeed an honor to share the successes of the Boyertown Bears organization with you and with my colleagues. Boyertown area residents have long been proud to be the home of "Bear Ball" and the young men who make up the Boyertown Bears have our deepest admiration and most sincere congratulations.

WANTED: A CREDIBLE HUMAN RIGHTS POLICY IN YUGOSLAVIA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. BROOMFIELD. Mr. Speaker, I want to share with my colleagues in the Congress the tragic and heroic story of Mr. Dobroslav Paraga, a young Yugoslav-Croatian human rights activist who has risked his life for the cause of human rights in his native country. After meeting this brave man, and hearing his moving story, I am convinced that Yugoslavia will never know real peace until the human rights policies of that government are changed.

As a university student in 1980, Mr. Paraga drafted a petition calling for amnesty for political prisoners and an end to the use of torture by the Government of Yugoslavia. His "Zabreb Petition" was an effort to end the appalling human rights abuses in Yugoslav prisons and improve the basic human freedoms of prisoners from all of Yugoslavia's many ethnic groups.

After receiving Mr. Paraga's petition, Yugoslav authorities arrested him and charged him with distributing hostile propaganda. He was found guilty and sentenced to jail. He spent 4 years in prison and 2 of those years were spent on Naked Island. While in prison he was intimidated and tortured. He had his leg broken, and was subjected to frequent beatings. For 10 days, he was stripped naked during cold weather and was locked in a filthy cage. When he protested this brutal treatment by going on a hunger fast, he was forcibly fed by having a hose put down his throat.

His friend, a young university student named Ernst Brajder, was also arrested for his involvement in circulating the petition and died under what the Department of State called mysterious circumstances. Mr. Paraga believes that his friend was killed by prison officials.

After Mr. Paraga was released from jail, he learned that his health was permanently damaged as a result of his sufferings while in prison. He bravely filed a lawsuit against the Government of Yugoslavia and accused it of violating his human rights and maltreating him. He was then given a suspended sentence by a judge and prohibited from speaking openly until 1991. He was later banished from Croatia and now resides in more liberal Slovenia. Yugoslav agents, however, still constantly monitor Mr. Paraga's daily activities.

It is important to note that the Department of State's recent "Country Reports On Human Rights Practices for 1988" included the following information concerning Yugoslavia:

Although the Yugoslav Constitution and law forbid torture, various sources, including former prisoners and Amnesty International [AI], report that people are sometimes beaten, mistreated, or threatened during pretrail detention, while serving sentences, or while being questioned as possible witnesses. Reports of such abuses, including occasional deaths that result, emerge in the press, as do reports of steps taken by authorities to deal with unwarranted use of force. Croatian dissident Dobroslav Paraga is still under a conditionally suspended sentence imposed in 1987. At that time, he was tried because of articles he wrote about abuse he had experenced in prison. In December, Paraga was denied a passport to attend the 40th anniversary of the U.N. Declaration on Human Rights. Authorities finally granted his request, but only after Paraga staged a 17-day hunger strike.

Mr. Paraga is now in America and is telling the world his tragic story. Through his brave revelations about the Yugoslav Government's human rights abuses, he has painted a true picture of today's Yugoslavia. The Helsinki accords and other international human rights conventions appear to matter little to the Yugoslav officials who oversee prisons in that country. America cannot sit back and ignore the horrible human rights practices of Yugoslavia.

Congressmen YATRON, BEREUTER and I recently forwarded a letter to the Secretary of State urging him to encourage the Yugoslav Government to respect the basic freedoms of its citizens and not take action against Mr. Paraga when he returns home. I am also considering introducing legislation in the House which would express the sense of the Congress about the ongoing human rights abuses in Yugoslavia and the terrible mistreatment of Mr. Paraga.

In a world that is growing increasingly aware of human rights and the need to protect those basic human freedoms, all of us are shocked to learn that Yugoslavia, a country that is trying to project a good image here in the United States, is permitting the torture and abuse of its prisoners. This primitive and barbaric treatment of prisoners must end if Yugoslavia is to join the family of responsible nations that treat their prisoners humanely.

ONE HUNDRED AND ONE MORE REASONS NOT TO CUT CAPITAL GAINS TAXES

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. PEASE. Mr. Speaker, as we return to the unfinished business of this first session of the 101st Congress, one prominent item pending before us is what, if anything, to do about capital gains. Many of us thought that the issue had been settled quite fairly in the Tax Reform Act of 1986 by drastically cutting marginal tax rates in conjunction with eliminating the distinction between capital gains and ordinary income. Not only did this compromise promote fairness, it was a significant simplification of the Tax Code.

The fact is that the arguments of the proponents of a rate cut in capital gains are not persuasive, either politically or economically. I commend to my colleagues the following article by Alan S. Blinder from the September 4, 1989, issue of Business Week, which summarizes very well the fallacies of rate cutters' arguments.

101 MORE REASONS NOT TO CUT CAPITAL GAINS TAXES

(By Alan S. Blinder)

The recent debate over reducing capital-gains taxes has inspired an idea. I call it the PITS for Personal Incentive Tax System. It's not only simple but also captures the spirit of recent goings-on in Washington.

Investors would be assigned capital-gains tax rates by adding the digits of their birthdays and then multiplying by three. (I was born on the 14th. Since the digits sum to 5, my tax rate would be 15%—just as in the Bush plan.) But investors would have a choice: Those who hold assets through the next Presidential election could choose between paying their PITS rate or including in regular income a fraction of their gains equal to the age of the new President. Had this option been in effect when President Bush was elected, it would have created strong incentives to realize gains. It probably would have raised revenue.

MYOPIC

You will note that my idea shares many of the virtues of the plans now being promoted along Pennsylvania Avenue—which is precisely the problem. As politics works its usual magic over economics, we seem to have lost sight of what we are doing and why.

First, people seem to have forgotten that good investments are already munificently rewarded by our capitalist system. Richard G. Darman, director of the Office of Management & Budget, argued that indexing was not enough because "we want something that would also reward the true job creators and innovators, the risk-takers and sweat-equity people who are key to keeping America No. 1." What do we do now, punish them? Don't those who reap huge profits keep 72 percent of the spoils under the present tax code—and live fabulously well?

Second, we seem to have forgotten that capital gains are still tax-advantaged, despite the 1986 reforms. The reason is that recipients of capital gains get to choose when they realize, and pay tax on, their gains—a privilege not granted to recipients of wages, dividends, or interest. The deferral privilege can be extremely valuable. Using a 4 percent real after-tax interest rate, for example, a 10-year deferral reduces the effective tax rate from 28 percent to 18.9 percent. A 20-year deferral cuts it to 12.8 percent. And taxes are entirely forgiven on assets held until death and bequeathed.

Most important, we seem to have forgotten that society should demand a good reason for offering a tax break. One possible reason is fairness. That is why we excuse poor people from paying income tax. But this rationale hardly applies to capital gains—except as it argues for indexing to end the taxation of illusory "gains" due to inflation.

Another possible reason is efficiency. Supporters of lower capital-gains taxes argue that society's high rollers deserve special subsidies for the good they do the economy. I remain skeptical—especially when timber and real estate creep onto the list of favored investments. When scrutinized closely, the efficiency argument for favoring capital gains falls apart for at least four reasons:

Believers in free markets should wonder about investments that are made only because of tax subsidies. When the tax system, rather than economic merit, guides the allocation of capital, the invisible hand disappears.

The recent debate has made it clear that a perferentially low tax rate for capital gains helps short-term investments more than long-term ones, while indexing does just the reverse. Does anyone seriously believe that U.S. investors need even shorter time horizons than at present?

The argument for cutting capital-gains taxes to encourage venture capital is probably wrong, for the reasons just given, and certainly beside the point. Venture capital accounts for but a small fraction of total captial gains. And most of it comes from investors not subject to U.S. taxes, such as foreigners, pension funds, and college endowments.

It's hard to imagine a coherent rationale for showering tax benefits retroactively on old investments. After all, the gains to society already have been realized. The truth, I'm afraid, is that the capital-gains lobby is after lower taxes on the rich.

SHELL GAME

When equity and efficiency arguments fail, proponents of tax breaks turn to the Laffer Curve. Can a lower tax rate on capital gains really bring in more revenue? It certainly can, if the low rate is seen as temporary. But robbing tax revenues from future budgets to pay today's hardly constitutes good tax policy. And capital-gains taxes are not the only taxes. A preferentially low tax rate on capital gains encourages taxpayers—aided by legions of lawyers and accountants—to convert ordinary income into capital gains. So total tax receipts may go down, even as capital-gains revenues go up.

Where does this discussion leave us? With the conclusion I reached a year ago (BW—Aug. 1, 1988): We should index capital gains and tax them as ordinary income. That approach is fair, efficient, and will not lose much revenue—unless we apply it retroactively to existing as sets. Should we? Only If recipients of the windfall give society something in return. Taxation of accured capital gains at death would be a fair trade for retroactive indexing.

INTRODUCTION OF THE HUD EQUITY RESTORATION ACT

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. HOCHBRUECKNER. Mr. Speaker, I have introduced legislation in response to a very unfortunate situation in my district. The legislation, entitled the "HUD Equity Restoration Act," is intended to rectify problems created by housing program abuses involving the U.S. Department of Housing and Urban Development and the town of Brookhaven, NY.

The abuses involve Brookhaven's Save-a-House Program, an unorthodox version of the HUD Urban Homesteading Program. The HUD urban homesteading program was designed by Congress to enable low-income Americans to own a home for a nominal fee provided that they remain as residents in the home for at least 3 years.

On July 12, 1989, a grand jury indicted 13 individuals in connection with the Brookhaven Save-a-House scandal. These indictments followed a 2-year investigation by the Suffolk County, NY, district attorney's office.

Of the 18 HUD properties handled under the Save-a-House Program, 14 went to developers, not to low-income families as required by Federal law. After this abuse was initially discovered, New York regional HUD officials fined Brookhaven town a mere $500 per house. No subsequent action was taken by HUD either to investigate the Save-a-House Program or to recover the houses.

On June 28, 1989, I joined with colleagues TOM DOWNEY and BOB MRAZEK in writing HUD Secretary Jack Kemp to urge an investigation of the Brookhaven Save-a-House Program. A copy of our letter follows:

CONGRESS OF THE UNITED STATES,
Washington, DC, June 28, 1989.

Hon. JACK F. KEMP,
Secretary of Housing and Urban Development, Washington, DC.

DEAR MR. SECRETARY: We are writing to request that your agency investigate alleged criminal activities involving HUD in Suffolk County, New York.

It is believed that ten houses originally owned by HUD and purchased in 1984 for low income familes through the Town of Brookhaven's Save-a-House program were somehow acquired by realtors and rented at exorbitant rates. After this abuse was initially discovered, HUD's urban homesteading program was repaid a mere $500 per house in Brookhaven. No subsequent action was taken by HUD either to investigate the Save-a-House program or to recover a reasonable market value for the HUD houses. Although the Suffolk County Attorney's office has been investigating this scandal for the past two years, little action has been taken to bring the parties involved to justice.

Reports of local criminal activity involving federal funds are very disturbing to us and to our constituents. In an area where the cost of housing is well above the national average, it is especially tragic that homes intended for low income families could be acquired by developers. Five years after the alleged abuses occurred, the subsidized houses in question are apparently still being rented at high rates. We believe it is high time that the federal government investigated this matter.

In addition, we ask that you conduct a review of existing statutes and HUD regulations to determine what means you may have at your disposal (1) to reclaim HUD housing (or its market value) that has fallen into the hands of ineligible individuals; and (2) to reincorporate such housing (or the profits unlawfully gained from such housing) into low income housing assistance programs. Please report back to us as soon as possible on your findings.

Thank you for your attention to this matter.

Sincerely,

GEORGE HOCHBRUECKNER,
ROBERT J. MRAZEK,
THOMAS J. DOWNEY,
Members of Congress.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, THE SECRETARY,
Washington, DC, July 24, 1989.

Hon. GEORGE HOCHBRUECKNER,
House of Representatives, Washington, DC.

DEAR MR. HOCHBRUECKNER: This is in reply to the joint letter dated June 28, 1989, from you and Congressmen Mrazek and Downey requesting that this Department conduct an investigation of the alleged criminal activities involving the Save-a-House program in Suffolk County, New York.

Thirteen people were indicted on July 12, 1989, on charges that they defrauded the Town of Brookhaven involving the properties obtained through the Save-a-House program. The properties sold to the Town of Brookhaven were done so under HUD's Urban Homesteading Program. The investigation of the disposal of those properties was conducted by the Suffolk County District Attorney's office.

The Office of Inspector General provided assistance to the Suffolk County District Attorney. Discussions have also taken place between the Office of the Inspector General and the United States Attorney for the Eastern District of New York. The office of the United States Attorney is reviewing all HUD related matters on Long Island, New York, and has been in contact with the Suffolk County District Attorney to ensure that Federal interests are protected.

This matter has also been referred for review to the Associate General Counsel for Program Enforcement for consideration of appropriate civil recovery action. We have also sent similar letters to Congressmen Downey and Mrazek.

I am committed to ensuring that Federal housing programs work for the people they are intended to serve. I will continue to act promptly to correct any abuses of HUD programs wherever they are found.

Very sincerely yours,

JACK KEMP.

Secretary Kemp failed to state in his response what tools he had at his disposal to get HUD homes back from speculators. While I am anxious to see a Federal investigation of the Save-a-House Program proceed, I believe the more important and immediate goal is to recover the 14 houses held by these speculators and grant the ownership to low-income working families as orginally intended.

Under the legislation I have introduced, the Secretary of Housing and Urban Development would be empowered to reclaim HUD Urban Homesteading properties that fall into the hands of ineligible individuals—speculators and the like. If it were infeasible to reclaim such a house, the Secretary could seek to recoup funds at least equal to the profits unlawfully gained. The houses or equity recovered would then be transferred back to low-income housing assistance programs. This bill is cosponsored by Congressmen DOWNEY, MRAZEK, and SCHUMER.

Mr. Speaker, the victims of this scandal in my district are the working men and women of Long Island who dream of owning their own home, but are denied this dream by the high cost of housing and the greed of speculators. With each month that passes while these HUD homes are kept from qualified low-income families, about $10,000 in rental money passes into the pockets of these speculators. My constituents have been denied participation in urban homesteading due to fraud. I believe that the Congress must respond by rectifying this injustice and by giving affordable housing a new start on Long Island.

TECHNICAL CORRECTION TO MODIFIED ENDOWMENT CONTRACTS

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mrs. KENNELLY. Mr. Speaker, today I am introducing a technical correction to the single premium life insurance contract provisions of the Technical and Miscellaneous Revenue Act of 1988 [TAMRA].

As you recall, this section of TAMRA was designed to close down the practice of selling single-premium life insurance for its investment component rather than for its insurance value. In order to curb this abuse, Congress created a class of life insurance products known as modified endowment contracts—policies that fail to satisfy a seven-pay test—and subjected distributions and loans from those contracts to income tax, and a special excise tax under certain circumstances. Single-premium policies can continue to be sold under these new rules, but will be purchased for the insurance value rather than for purely investment purposes. Indications, to date, point to the fact that Congress was successful in curbing this abuse.

However, it has come to my attention that certain companies have recently developed and are marketing a new insurance policy which can be called single premium II. This policy, by using a type of insurance contract common in estate planning known as a last survivor policy, allows policyholders to withdraw tax-free accumulated interest through zero net-interest loans after policy year one, but still meet the seven-pay test of TAMRA. In other words, it subverts the purpose of traditional last survivor insurance by converting it into purely an investment vehicle for investors who care little or nothing about the insurance component.

The legislation I am introducing today will close this down by means of a modification of the material change rules to provide that where a contract that insures multiple lives experiences a reduction in death benefits after the first seven contract years, such a reduc-

tion will be a material change. Further, committee report language in TAMRA would have to be clarified to indicate that excess cash value in a multiple insured contract would, in effect, be treated as new premiums when such a contract is materially changed in the manner described above and the contract is retested under the seven-pay rules. In such a case, the recomputed seven-pay premium limit for the contract will cause the contract's reclassification as a modified endowment contract. Such an approach would directly attack the mechanism by which the current rules are being avoided. These changes are all that is necessary to solve the problem and protect the integrity of the seven-pay rule now and in the future.

This change will be effective, as is the case with all technical corrections, as of the effective date of the modified endowment contract provisions; that is for contracts entered into on or after June 21, 1988.

Mr. Speaker, I believe this legislation is needed and necessary, and hopefully it can be approved expeditiously.

H.R. —

A bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain life insurance contracts

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TREATMENT OF CERTAIN DECREASES IN FUTURE BENEFITS.

(a) GENERAL RULE.—Paragraph (3) of section 7702A(c) of the Internal Revenue Code of 1986 (relating to treatment of material changes) is amended by adding at the end thereof the following new subparagraph:

"(C) TREATMENT OF CERTAIN DECREASES IN FUTURE BENEFITS.—For purposes of subparagraph (A), in the case of any contract which simultaneously insures more than one life and which provides for the payment of a substantial portion of the death benefit under the contract upon the death of the last life so insured, the term 'material change' includes any decrease in future benefits under the contract after the 1st 7 contract years."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to contracts entered into on or after June 21, 1988.

BROOMFIELD WANTS FULL VALUE FOR OUR SUNKEN ASSETS

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. DICKINSON. Mr. Speaker, once again Congress fights the battle of the budget with Members lining up on both sides of the aisle. However, there is one commitment which all Members can stand solidly behind, the elimination of needless Government waste.

I was very pleased to learn that my colleague, BILL BROOMFIELD has discovered one area of waste which we can do something about. The August 28 issue of Newsweek contained an article entitled "Millions of Dollars on the Ocean Floor." Written by Eleanor Clift, this article deals with the practice of sinking decommissioned vessels as targets and artificial reefs. Surprisingly, the authorities charged with the maintenance of these vessels have given little though to the presence of valuable material aboard. Ships are going to the bottom of the ocean with a host of machines, spare parts, scrap materials, furniture, and the list goes on and on.

BILL has introduced legislation which would correct this problem. In our constant fight to tighten the Federal belt this is one battle we can win.

[From Newsweek, Aug. 28, 1989]

MILLIONS OF DOLLARS ON THE OCEAN FLOOR

(By Eleanor Clift)

When the U.S. Navy looks at its aging ships, it sees rusting hulks destined for deep-sixing as missile-practice targets or artifical reefs. But Florida salvager William Justen sees a floating bounty of fluorescent-lighting fixtures, file cabinets, galley grills, aluminum bunks, mattresses and ice machines. Awarded a government contract last year to sink the USS Rankin for use as a reef off the Florida coast (to foster fish breeding), Justen was astounded to find the 44-year-old cargo carrier stocked with an inventory he estimated at $300,000. His whistle-blowing prompted a Defense Department investigation which concluded that the Navy had been "derelict" in the management of its surplus, allowing $17 million worth of salvageable goods to go under with old vessels.

Navy brass say they've been sinking surplus ships without stripping them for as long as anyone can remember. The Defense investigation, conducted by the Pentagon's inspector general, has angered critics already fed up with the military's profligate, more-where-that-came-from attitude toward parts and supplies. "It's time to have a garage sale," says Michigan Rep. William Broomfield, who is sponsoring legislation that would require the Navy to hire outside contractors to strip out-moded ships. "America may be the most wealthy nation in the world, but we are not so wealthy that we can afford to dump millions of dollars worth of sophisticated equipment to the bottom of the ocean floor."

Officials play down the magnitude of the waste. "You'd think they found gold bricks in the bilges," says one administrator. They argue that extensive salvage would not be cost-effective because of EPA regulations requiring removal of the cancer-causing asbestos that lines many of the older ships. The expense of asbestos removal, and the marginal value of the equipment, they contend make it a losing proposition. "I bet you wouldn't make a dime on it," says an official of the Maritime Administration, which oversees the scuttling of some Navy ships. The inspector general's report acknowledged the asbestos problem, but still estimated the salvage value of old vessels, at $300,000 to $1 million. One vessel alone, an Army dredge with extensive brass and copper on board, has a scrap value of $2.3 million. Broomfield compares the stock of the surplus ships to the contents of an over-stuffed attic. "[The] do-it-yourselfer who spends his Saturday mornings at the hardware store would not believe what the Navy is throwing away," he says.

Stung by the bad publicity, the Navy plans to begin a pilot program in the fall to allow competitive bidding on it's old ships by commercial salvagers. Privately, military brass think the idea will sink of its own weight; some salvagers agree. "The material you get off them is such vintage stuff, there's not a ready market for it," says Joe Farrell, president of Resolve Towing in Miami. He suspects that the only operators who will make money are in the Third World, where labor is cheap and there are no EPA regulations. Nevertheless, the inspector general's report has identified 64 old Navy ships with estimated $40 million in usable equipment and goods. Justen hopes his loose lips have kept the Navy from sinking ships before they are scrutinized for parts. "Just because they've done it for 20 years this way doesn't mean it's the best way to do it today," Justen says. "Times change."

SOCIOLOGICAL THEORIES MAKE ADOPTION HARD

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. McEWEN. Mr. Speaker, I would like to bring to the attention of my colleagues the following article concerning adoption which was in a recent edition of the Columbus Dispatch:

SOCIOLOGICAL THEORIES MAKE ADOPTION HARD

(By Thomas Sowell)

We have all heard that "Johnny can't read." Those who teach college often discover that Johnny can't think. The cover of the current issue of *Policy Review* magazine, published by the Heritage Foundation, lists an article on "Why Johnny Can't Be Adopted."

The number of childless couples wishing to adopt children is 40 times as great as the number of children actually adopted. Some couples are willing to remain on a waiting list for years and pay thousands of dollars in fees just to adopt a child.

Then why can't Johnny be adopted?

It is a tangled and complicated story, but Charlotte Low Allen put her finger on one of the biggest obstacles: "constantly shifting fads in sociological theory."

One couple who adopted a child and later wanted to adopt another ran into flak because there was only a two-year difference in age between the two children and some social worker thought there ought to be at least three.

Who made three years a magic number? Like so many of the things that are said by social workers, there is not the slightest evidence behind it that would stand up under any scrutiny.

Sometimes a social service agency puts a child in a home for temporary foster care and then the foster parents fall in love with the child, whom they now want to adopt. But what could be a happy ending for an otherwise unfortunate child turns out to be a big no-no to social workers and bureaucrats.

The state or federal government can cut off the agency's funding if they let a foster parent adopt a child—even though the child is available to be adopted by others. Small children who have known only one set of parents from infancy have been torn away from the only security they know. Foster parents and children may both break down in bitter tears in court, but they have to be separated because of somebody's theory.

Almost anything seems to take precedence over the well-being of the child. A man who

has gotten a girl pregnant and then skipped out without marrying her can nevertheless come back and prevent the baby from being adopted by exercising his legal "rights."

One fellow like this was in a California state prison. He got a free trip to San Francisco to voice his objections to the adoption of his child, in whom he had never shown the slightest interest.

The real horror stories occur when the child and the couple who want to adopt him or her are of different races. In one case, an American Indian girl was raised from infancy to adolescence by a white couple. Nevertheless, on the insistence of tribal authorities, she was forced legally to "return" to an Indian reservation she had never seen and knew nothing about.

She also was treated as an outcast when she got there. When U.S. Civil Rights Commission Chairman William B. Allen met with her privately on the reservation last Feb. 9 to get her story, there was great outrage—at Allen, for violating the "sovereignty" of the tribe.

Some black activists and social workers have attempted to get similar legal clout to prevent white couples from adopting black orphans. They haven't yet succeeded completely. But their political pressures have led to various rulings and policies that have reduced white adoptions of black children to less than half of what they were in 1971.

Obviously, children in general tend to be better off with families that are more like themselves—other things being equal. In the real world, however, other things are seldom anywhere close to being equal.

The question is not what kind of home is ideal for black children. The question is what kind of home is better than spending childhood in an institution or foster home.

Sociological theories say that all sorts of terrible things will happen to black children raised by white couples. Factual studies show the opposite. But here as elsewhere, the facts don't seem to matter to judges and legislators. The theories are what matter—and the noisemakers behind them.

AFRICAN AMERICAN HERITAGE SHOWCASED IN NEW JERSEY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. FLORIO. Mr. Speaker, it is with pride that I bring to the attention of my colleagues a special event that will be taking place in New Jersey on September 16, 1989. On this day, the African-American community of New Jersey will host the second annual Festival of the Arts and Heritage of African-Americans at the New Jersey Garden State Arts Center.

This year's festival will showcase the many contributions that African-Americans have made to our Nation and to our society. Our Nation is made up of people from many ethnic and cultural backgrounds. It is important that we all learn to understand and appreciate the richness and diversity of the heritage of all Americans. This festival will hopefully go a long way toward helping New Jerseyites appreciate the heritage of African-Americans and will certainly be an excellent opportunity to celebrate that heritage.

The festival will showcase the culture of African-Americans by featuring a variety of music, including gospel, jazz, rap, and rhythm and blues. In addition, the festival will also feature a historic art exhibit on the making of the Martin Luther King mural as well as highlight the contributions of black women and children to American society.

Every year, the Garden State Arts Center hosts a number of festivals that are sponsored by the diverse ethnic communities that are represented in the State of New Jersey. The money that is raised by these festivals goes directly to the cultural fund which, in turn, sponsors free cultural activities at the Garden States Arts Center. Groups that benefit from these activities include senior citizens and school children, the handicapped and the disabled, the veterans, and the disadvantaged. These activities represent a commendable effort to shine a bright light in the lives of these people.

The Festival of the Arts and Heritage of African Americans is being put together with the help of many volunteers who give their time and their labor in an effort to share with their fellow New Jerseyites the richness and diversity of the African-American Heritage.

I hope my colleagues will join me in wishing success to the chairman of this year's festival, Mr. Clinton Crocker, and the many people involved in putting together this important event.

THE TOBACCO INDUSTRY'S SMOKE SCREEN

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. STARK. Mr. Speaker, the Surgeon General's most recent report on smoking placed the cigarette habit in its rightful place alongside such other fatal attractions as cocaine and heroin. While concerned Americans are alarmed by the mounting evidence of this addiction, the tobacco industry has chosen to exploit its unwitting army of addicted smokers; R.J. Reynolds and others have spared no expense in an effort to mobilize these captive purchasers in an alleged "grassroots" campaign to preserve so-called Smokers' Rights.

I am pleased to report that one of our colleagues, Dick Durbin of Illinois, has seen through this smoke screen. His article, printed in the August 16, 1989, issue of the Christian Science Monitor, exposes this facade of rights as nothing more than the tobacco industry's shameless exploitation of addicted smokers. The article follows:

THE TOBACCO INDUSTRY'S SMOKE SCREEN

(By Richard J. Durbin)

In my hometown of Springfield, Ill., a small group of residents recently attended their first "smokers' rights" meeting. The meeting demonstrated a shrewd new tactic by the tobacco industry to defend the product and its profits.

It was sponsored by R. J. Reynolds Tobacco USA, which compiled a list of local smokers; mailed out the invitations; rented a room at a local hotel; provided free soda, cookies, cigarette lighters, ashtrays, pens, and campaign literature; and coughed up the speakers.

R. J. Reynolds is working to organize 239 of these meetings across the country. To avoid confrontations with local health groups, the meetings are not advertised. Rather, the company uses its own mailing lists generated from cigarette rebate coupons and other merchandising gimmicks.

Smokers sit through a carefully scripted program and videotape that portrays them as a persecuted minority. The speakers dwell on the tax revenue generated by tobacco, brag about the economic clout of smokers, and encourage political activity against smoking restrictions. The health effects of smoking and the rights of nonsmokers are never mentioned.

The audience then is asked to sign up for the next monthly meeting, and a new local smokers' rights group is off and running. To help its brainchild on its way, the tobacco industry also provides:

A toll-free nationwide "hotline" and a detailed political "action guide" to help militant smokers organize against local antismoking ordinances, courtesy of R. J. Reynolds.

A free newsletter for smokers, also from R. J. Reynolds, containing highly localized "action alerts" about smoking issues in major states.

A glossy "Passport to Smokers' Rights" kit, complete with talking points, draft letters and preprinted postcards to public officials and government agencies, produced by the Tobacco Institute.

An "editorial service" that sends out pro-tobacco editorials to local newspapers and a massive "American Smokers' Manual," both produced by Philip Morris.

In addition, a new national clearinghouse called the "Smokers' Rights Alliance" (SRA) has been created by the tobacco industry to help coordinate the local groups that R. J. Reynolds is setting up. SRA claims to be a nonprofit group which operates on "limited resources" that come from membership dues and private donations, including "some in-kind assistance from the Tobacco Institute." In fact, SRA receives substantial amounts of help from tobacco sources besides the Tobacco Institute.

The goal is to create what appears to be a grass-roots movement of smokers fighting for their civil rights. Some individuals no doubt believe this, and in a few cases their groups have managed to generate resistance to local health initiatives. But in reality these smokers' rights organizations are little more than an economic tool of the tobacco industry.

This campaign illustrates a telling weakness of the tobacco lobby. The Tobacco Institue, which represents only one industry, has the luxury of money, staff, and access in Washington; but politically, its grassroots loyalty is shallow.

The tobacco industry, stung by the airline smoking ban, is spending millions to create a smokers' rights 'movement.'

By comparison, the "health lobby" in Washington is small and underfunded, but extremely dedicated. Among the most active health groups on smoking issues are the American Cancer Society, the American Lung Association, and the American Heart Association—all non-profit organizations that are prohibited from making political contributions. Their effectiveness is due to the medical evidence they present and the grass-roots activism of their members.

The first major battle between these groups has already begun over renewal of the 1987 law that bans smoking on airline flights of two hours or less. The ban automatically expires next April unless renewed by Congress.

The Federal Aviation Administration, flight attendants, and a recent national opinion poll of airline passengers all indicate the law is an overwhelming success. Even a strong majority of smoking passengers support the ban.

When the airline smoking ban first squeaked through Congress two year ago, the national coalition of local health groups provided crucial political support. The tobacco industry, stung by the loss, is spending millions of dollars to create its own version of that weapon in the form of a smokers' rights "movement." During a recent congressional hearing into the airline smoking ban, its Smokers' Rights Alliance dutifully submitted a statement demanding a return to the smoky skies.

But the tobacco lobby is being less than candid when it points to such groups as an independent, grass-roots initiative. Such groups are a cover for one of the most powerful, well-financed special interests in the US. They were invented to protect profits—not personal rights.

Mr. Speaker, let's keep the tobacco industry's reprehensible behavior in mind as we continue our efforts to hold down spiraling health care costs and put an end to this deadly addiction.

RECYCLING CFC'S FROM AUTO AIR-CONDITIONERS CAN HELP SAVE THE OZONE LAYER

HON. JIM BATES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. BATES. Mr. Speaker, for over a decade, scientists have been warning of the dangers of the use of chlorofluorocarbons [CFC's] which destroy the Earth's protective ozone layer. Continued destruction of ozone from the use and production of CFC's will increase UV radiation, causing an increase in skin cancers and eye cataracts and a decrease in production of many important crops.

One of the worst contributors to this global environmental crisis is the automobile air-conditioner. Releases of CFC's from mobile air-conditioners are the largest single source of ozone-destroying CFC emissions in the United States—responsible for as much as 25 percent of the ozone depletion problem. Nearly 90 percent of all new cars have factory installed air-conditioners and American automobiles account for three quarters of all CFC emissions by auto air-conditioners. In 1985, 54,000 metric tons of CFC's were either intentionally or unintentionally vented into the atmosphere. Most of these emissions occur during repair servicing of the air-conditioners.

However, it is possible to greatly reduce this source of ozone-destroying chemicals by recycling them. EPA's Stephen Anderson stated that recycling is the "single largest opportunity to protect the ozone layer". Recently I introduced H.R. 2699, the Stratospheric Ozone Protection Act. This legislation, among its many other provisions, requires the use of approved recycling equipment when servicing automobile air-conditioners. In addition, the bill requires service station personnel to be properly trained in servicing auto air-conditioners. EPA agrees that recycling is the best way to minimize CFC emissions by auto air-conditioners and would cut emissions by over half.

The idea of recycling has already been accepted by the General Motors Corp., which recently announced that by 1991 it will require its car dealers to recycle CFC's from air-conditioners during service. Nissan Motor Co. also said that by 1993 it would replace CFC's in air-conditioners with an alternative that does not destroy the ozone layer. These are both very important steps in the right direction, but they are far from enough. Strong legislation is necessary in order to reverse the destruction of our ozone layer.

Please join me and 123 colleagues in supporting the only House bill to deal with the issue of CFC's in automobile air-conditioners.

DELTA LEARNING CENTER CELEBRATES GRAND OPENING

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. MILLER of California. Mr. Speaker, I rise today to invite my colleagues to join me in celebrating the grand opening of the new home of the Delta Learning Center in Antioch, CA. The center offers hope and help to both children and adults who have learning disabilities and deficiencies.

The first phase of Director Julia "Bess" Combs' dream to provide one-on-one teaching services to anyone having learning problems came true in July 1975, when the Delta Learning Center opened with two retired teachers and a speech therapist. A nine-member board of directors was formed soon afterward, followed by incorporation, non-profit status and certification by the California State Department of Education. Strong initial support from the Soroptimist and Lions Clubs was critical to the center's early success. Since the beginning, approximately 3,000 students have received instruction.

The second phase of director Combs' dream—to have a new building—was brought a giant step closer in December 1987, when the Antioch City Council leased city land to the center for $1 a year. An economic development grant, generous donations from many community organizations and individuals made the dream a reality.

I am proud to have the Delta Learning Center in my district, and commend all of the organizations and individuals who have contributed so much toward this fine project.

THE 101ST CONGRESS AT MIDYEAR

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, September 6, 1989 into the CONGRESSIONAL RECORD.

THE 101ST CONGRESS AT MIDYEAR

This has not been an easy year for the United States Congress. It got off to one of its slowest starts in years as it reeled from controversies over ethics and pay struggles, faced budget constraints, and waited for the Bush administration to get its people and its programs in place.

Throughout the first half of the year the Congress has operated under a cloud of ethics troubles. In 7 months time, a House Speaker has been forced by scandal to resign midterm, for the first time in history, and a new generation of Democratic leaders has come to power. House Republicans lost one of their leaders to the Cabinet, Defense Secretary Cheney, and they have installed a new political leadership with emphasis on partisanship. The Senate denied President Bush his choice of John Tower for Secretary of Defense. The Congress took an enormous public beating when it sought a big pay raise at the beginning of the year.

Even so, important legislative work has been done. Without a doubt the most important action by the Congress this session has been the savings-and-loan bailout bill, recently signed into law by the President. The Congress reached bipartisan agreement with the President on the budget and on U.S. policy toward Central America. The Congress has spent much time investigating the misdeeds of the Department of Housing and Urban Development under the Reagan Administration. It has faced a lot of fire from older Americans to repeal or overhaul the catastrophic health insurance law that has passed last year. It is now engaged in a fight over the President's proposal to cut the taxes on capital gains.

It is much too early to make any judgement about the success or failure of the 101st Congress. A long agenda faces the Congress when it reconvenes. It will have to finish work on the thirteen appropriations bills. All have been passed by the House, but only four have been approved by the Senate. If not completed in four weeks, a stop-gap continuing resolution will have to be passed. The Congress has to act on a reconciliation bill to bring Federal spending and revenues in line with the budget drafted in the spring. It also needs to increase the ceiling on the Federal debt. It still must deal with legislation against burning the American flag and proposal to overhaul congressional ethics rules.

Clearly the biggest issue remaining will be next year's budget. The country continues to overspend and overborrow in every direction. We are a huge debtor nation and the internal politics of Washington do not provide prospects for reversing that circumstance. This year the President and the Congress agreed to a relatively small amount of deficit reduction for 1990, much of it phony, and are having trouble producing even that. The 1991 budget will require real pain in order to reduce the deficit to the level required by Gramm-Rudman.

The Congress seems to be moving toward significant increases in federal aid to the poor. This includes an expanded tax credit for working poor with children, a new child care program, an expansion of Medicaid to cover low-income pregnant women and children, and perhaps also a modest increase in the minimum wage. It could also enact a major cut in the capital gains tax which would be helpful to the well-to-do. A major proposal pending is to change the way doctors are reimbursed under Medicare. The Congress will likely act on a clean air bill,

and an agreement seems to have been reached on an extension of rights for the disabled. Ethics dominates much of the discussion in the Congress but there has been no floor action yet. The major issues include honoraria, congressional pay, and campaign finance.

The war against drugs certainly looms large. The Congress will hear early in September from the President on his program. The principal fight will be over money. Major decisions remain on whether to continue strategic weapons like the Midgetman and the B-2 bomber. The Congress is still struggling for direction on defense and how to respond to the changes in the Soviet Union.

Despite the political conflict over John Tower and Jim Wright, it seems to me the Congress is less ideological this year. The ideological fights which characterized the relationship between the Congress and President Reagan certainly have less of an edge to them now, and the arguments have moved from big issues to battles over small spending increases and marginal changes in programs. Relationships between the Congress and the Bush Administration remain quite good, and are marked by amiability and civility. But there are inevitable frictions. The principal one now is that the President seems unwilling to back his good intentions with money.

The Congress has been increasingly concerned about the recent record of government waste. This includes decades of carelessness and underestimated radiation risks in the nuclear weapons plants. It also includes the Pentagon procurement scandals, the collapse of the savings-and-loan industry, the farm credit system bailout, and the Housing and Urban Development scandals. All of these raise questions about congressional and executive scrutiny, which, if done properly, would have saved taxpayers, hundreds of billions of dollars.

So a demanding agenda looms ahead for the Congress. One possible source of satisfaction is that the worst distractions are behind us with the innervating struggles over Tower and Wright completed. The 101st Congress is still young and its leadership is new. That leadership will grow stronger as it becomes more experienced. The biggest failure of the Congress thus far is that it has done virtually nothing to attack the budget deficits.

After the difficult beginning I think the Congress has now got its footing back. It does not yet have a clear sense of direction, and there is a lot of legislative business to come. But Members welcome the change from the paralyzing obsession with scandal and ethics, and they are ready for the challenge.

TRIBUTE TO JEANIE NATALIZIA

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. MACHTLEY. Mr. Speaker, I rise today in remembrance of Ms. Jeanie Natalizia of Providence who passed away on June 12, 1989.

Jeanie was an inspiration to those around her and will be dearly missed by all. I am certain that her spirit and energy will live on our memories and will continue to bring happiness to those she reached during her life.

I wish to offer my condolences to her family and I hope they strive to celebrate life with the same intensity which Jeanie lived.

CENTRAL CATHOLIC HIGH SCHOOL CELEBRATES 50TH ANNIVERSARY

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. YATRON. Mr. Speaker, today I would like to take a moment to recognize Central Catholic High School in Reading, PA. On Sunday, September 10, 1989, Central Catholic High School will celebrate its golden anniversary.

For 50 years, Central Catholic High School has played an active role in providing educational opportunities to thousands of young people in the Reading area. Central Catholic has maintained high academic and athletic standards throughout its existence. In addition to excelling in these traditional areas of education, Central Catholic High School has also provided its students with valuable spiritual guidance.

For its golden anniversary year, Central Catholic has appropriately adopted the motto "A Golden Past—A Glorious Future." This motto reflects the many successes that Central Catholic High School has enjoyed over the years. It also represents the continuing commitment of Central Catholic to providing its students with the instruction and guidance that will enable them to become responsible citizens in their community and country.

Central Catholic High School can be justifiably proud of the positive impact that it has had on its many students and on the Reading community. I congratulate the faculty and students of Central Catholic High School and wish them continued success in the future.

CARL DILLON CLEMENT RECOGNIZED FOR DISTINGUISHED SERVICE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. FLORIO. Mr. Speaker, it is with great pleasure that I bring to the attention of my colleagues a gentleman who is being honored by his community for his distinguished 30-year career in municipal law enforcement. I am speaking of Carl Dillon Clement of Paulsboro, NJ.

Mr. Clement began his public career with his service in the U.S. Navy in World War II. He began his employment, as a civilian clerk dispatcher with the Paulsboro Police Department more than 20 years ago. In addition to his tenure with the department, he has also participated with borough youth, civic, and veterans groups. In further illustration of his commitment to the community, he served as a supervisor and counselor at the Gloucester County Children's Shelter. Through his dedicated efforts, many troubled young people have been both assisted and befriended. Mr. Clement has continually brought an extraordinary professionalism to all of the positions he has held and has contributed to the tradition of excellence which has always been a part of this South Jersey Police Force.

It is indeed apparent that the modern, efficient, and responsive force that is the Paulsboro Police Department has greatly benefited from the outstanding efforts of Carl Clement. In recognition and appreciation, he will be honored at a retirement dinner held on Friday, October 27, 1989. He is truly a professional and a role model for members of both the public and law enforcement communities. Therefore, Mr. Speaker, it is a privilege for me to join with the family, friends and colleagues, at the Paulsboro Police Department, of Carl Dillon Clement in extending to him my most sincere best wishes for much success and happiness in all of the years to come.

FIFTEEN YEARS AGO: NIXON RESIGNS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. STARK. Mr. Speaker, August 8, 15 years ago President Nixon went before the Nation in a televised 16-minute press conference that had an estimated viewing audience of between 110 to 130 million viewers.

In this famous address Nixon admitted to the American public that he had made some bad decisions. Because of these bad decisions he decided that the proper thing for him to do was to resign from office. He stated that he was resigning not because he was guilty of any crimes but because he "no longer possessed a strong enough political base in Congress" to fulfill the duties of the office of President.

After the announcement of Nixon's resignation Special Prosecutor Leon Jaworski released a statement saying that the possibility of immunity from prosecution had not played a part in Nixon's decision to leave office. "There has been no agreement or understanding of any sort between the President and his representatives and the special prosecutor relating in any way to the President's resignation," the statement read. No understanding of this sort had been asked for or offered.

The resignation marked the defeat of Nixon's attempt to concentrate power into his own hands. Nixon and his aids all considered themselves above the law, unhindered by constitutional limitations.

By resigning for what he termed bad judgment, Nixon highlighted the reason why he had to leave office. Nixon was unable to see the office of President as an arm of government under the Constitution. He was unable to understand that as President he had to obey all laws just as all other citizens do. He was unable to see that he was guilty of crimes, not just bad judgment that led to the commission of crimes for which he was ultimately responsible.

What eventually did Nixon in was his all-consuming quest for power that warped his judgment.

Nixon forgot that we are a nation of laws, not men, and that Americans believe deeply in their Constitution.

ISSUES OF THE 1990'S

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 9, 1989, into the CONGRESSIONAL RECORD.

ISSUES OF THE 1990's

Members of Congress are often accused of failing to look beyond the next election. So much of our legislative agenda is occupied with immediate problems—the savings-and-loan crisis, this year's budget deficit, and so forth—that we fail to take a long-term approach to policy-making. As the nation nears the beginning of another decade, it may be worthwhile to note some of the emerging domestic issues that could shape the political discussion in the decade of the 1990s.

Recognizing that it is impossible to identify all the issues that will be on the future national agenda, here are some issues that could pose major policy challenges for the Congress:

Environment: On such issues as population growth and the environment, the decade of the 1990s is being called a "turnaround decade"—a period of critical decisions before our problems worsen, perhaps irreversibly. One scientists says most of the great environmental struggles will be either won or lost in the 1990s. As nations discover the importance of ecological stability to their security, there could be more international cooperation to address climate change, ozone depletion, and air pollution that crosses national boundaries.

Energy: As the United States seeks an energy policy that will reduce air pollution and dependence on imported oil, it needs to assess the vulnerability of the nation's electrical power system. One economist predicts that if there is an energy crisis in the 1990s, it will involve electricity, not oil. Americans take a cheap, reliable supply of electricity for granted. But without construction of new power plants and replacement of overloaded transmission lines, or a reduction in demand through conservation, shortages may become more common.

Food Production: The "green revolution" that has boosted agricultural output could be set back by concerns over the health effects of the nearly 600 chemicals used by U.S. farmers to kill insects and weeds. Some insects are developing immunity to chemicals, too, putting crops at risk. One solution may be greater use of naturally occurring substances to control pests. Genetic engineering may produce plants resistant to bugs and diseases. Meanwhile, the changing dietary habits of Americans, such as the shift to poultry and low-fat milk, may require farmers to adapt their production.

Economy: As countries realize that their security cannot be guaranteed through military means, they may choose to spend less money on weapons and more on improving their economies security. Although a "peace dividend" resulting from arms-control agreements is unlikely for several years, U.S. funds may eventually be freed up for such things as infrastructure and education. In response to concerns about U.S. competitiveness, pressures may increase for a greater role for the federal government in research and development of new technology. The major uncertainty is whether the nation will be able to maintain sustained economic growth without inflation.

Trade: Integration of the economies of the 12 members of the European Community (EC) will have major policy implications for the U.S. When the EC's last remaining non-tariff barriers are removed in 1992, goods, services, and capital will be able to move freely throughout Europe. Although a unified Europe may be a formidable competitor for the U.S. in some fields, others may benefit from access to new markets. Meanwhile, U.S. policymakers may take a tougher line in trade with Japan, perhaps seeking guaranteed market shares in Japan for certain American products and reciporicity in fields like banking and insurance.

Education: An increasingly complex workplace will demand higher levels of literacy. Even entry-level jobs will need reasoning, computer, and communications skills. By the year 2000, nearly one-third of the nation's jobs will require a college degree. To meet the need for a highly skilled workforce, educators foresee year-round schools, computer-assisted instruction, and more teachers who come from other professions. A major challenge for educators will be to meet the needs of lower-income, minority, and non-English speaking students whose job opportunities will be limited unless they acquire additional skills.

Employment: The U.S. work force, which grew at 2.9% a year during the 1970s, will slow to 1% annually in the 1990s as a result of demographic trends. One study predicts that nearly two-thirds of new entrants will be women and another 20% will be nonwhite or immigrant males. Public and private employers may have to intensify recruiting from non-traditional sources to fill out their payrolls. Women, who made up 31% of the labor force in 1950 and 55% in 1986, are expected to hold 60% of U.S. jobs by 2000. To keep working mothers on the job, more companies may provide onsite day-care centers and offer job-sharing arrangements, and government may be asked to regulate or support these programs.

Health: Policymakers need to find ways to provide access to medical care to the more than 30 million Americans who lack health insurance. Government and the private sector may join together to establish a comprehensive care system to assure that a high standard of treatment is available to all citizens at affordable cost. At the same time, America's aging population is expected to place huge demands on the U.S. health-care system. Currently, one-third of the national health care bill is spent on Americans over 65; that figure is expected to rise to one-half by 2000.

Pensions: The graying of the U.S. population will be felt in another way—greater outlays for retirement benefits. For example, the federal government has not put aside enough money to cover its ultimate retirement needs for federal civilian and military workers. The unfunded liabilities—taking into account employees already retired and those likely to—now exceeds $1 trillion. State, local, and private pension funds also have unfunded liabilities of an undetermined magnitude.

Americans—citizens and policymakers alike—should overcome the tendency to look at issues only in the short term and do some critical thinking about the nation's future. Many of the challenges the nation faces would be simpler and less costly to solve if addressed early on.

DENNIS BITTLE EARNS EAGLE SCOUT AWARD

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. YATRON. Mr. Speaker, today I want to give special recognition to a young man from the Sixth Congressional District of Pennsylvania who distinguished himself as a member of Cressona Boy Scout Troop No. 130 of Cressona, PA. The young man I am speaking of is Dennis A. Bittle, who will be awarded the Eagle Scout Award on September 24, 1989, for his outstanding achievements as a Boy Scout.

Dennis has been in scouting for about 9 years and his pursuit of the Eagle Scout Award is highlighted by his earning all 12 skill awards as well as 34 merit badges, including those required for Eagle without waiver. In addition, Dennis served his troop as quarter master, bugler, assistant patrol leader, patrol leader, assistant senior patrol leader, and senior patrol leader. Dennis is presently serving as a junior assistant scoutmaster and intends to become an adult leader on his birthday in December.

Mr. Speaker, as you know, the Eagle Scout Award is the highest honor a scout can earn and is illustrative of Dennis Bittle's ability to excel in a given situation. I commend Dennis for his many accomplishments as a Boy Scout and congratulate him for earning this high honor. Dennis' commitment to excellence is manifest in the Eagle Scout Award and he can be proud of the distinction to be bestowed upon him on September 24.

ZEIGLER, IL, IS 75 AND GOING STRONG

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. POSHARD. Mr. Speaker, if you need any proof that small-town America is alive and well, just take a look at Zeigler, IL.

The city is celebrating its 75th anniversary, and during this recent recess I was honored to take a small part in helping the city mark this occasion.

I was struck by the pride the 1,800 or so residents of Zeigler have in their community. They are proud to be southern Illinoisans, proud to be Illinoisans, and most of all, proud to be Americans. And this is not some idle boast, but a sincere conviction they have about the freedom they enjoy and the opportunity that presents itself as citizens of this great country.

This is not to say Zeigler got to this point without a struggle, nor to suggest that very real challenges don't lie ahead. Resting in the middle of coal country, Zeigler rides the tides of the coal market, and as you know that can be a very bumpy trip, for 75 years now, the people in Zeigler have hung on to enjoy the ride, most of the time, and now look ahead with hope and promise for something better for the next generation.

I'll tell you what kind of town Zeigler is. When the decision is made to honor someone who has passed, or to commemorate an anniversary, the people here band together to erect a marker or raise a flag. That may appear simple to some observers. It's simply moving to me.

I congratulate the people of this community who have brought us to this point, who thought it important enough to observe, and who are now charged with the responsibility to keep that tradition alive. I know they will not fail us, because they are the real American heroes.

POLITICAL DECLARATION ISSUED

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. FAUNTROY. Mr. Speaker, I have two items that I would like to enter into the RECORD which, I believe, have a crucial bearing on how we evaluate the South African regime of F.W. de Klerk following the September 6 election, and hence, how effective diplomacy is likely to be in accomplishing what, I think, would be more decisively accomplished by enhanced sanctions. And I do feel, very strongly, that we cannot afford to allow democracy to be deferred in South Africa for another decade. As the current Defiance Campaign in South Africa demonstrates, repression still appears to take precedence over negotiation in Pretoria's response to the nonviolent resistance to the disenfranchised majority.

The first item is the Political Declaration of the Organization of African Unity Ad Hoc Committee on Southern Africa issued in Harare, Zimbabwe, on August 21, 1989. This declaration, which addresses the issue of establishing meaningful negotiations to end apartheid in South Africa, is based on a set of principles submitted to the OAU ad hoc committee by the banned African National Congress [ANC] of South Africa. These principles are contained in the declaration.

The second item reports on an historic "Conference for a Democratic Future" being planned inside South Africa for October 7—a month following the September 6 election—that will bring together extraparliamentary groups allied to the ANC with the Black Consciousness Movement [BMC] for the purpose of addressing the issue of negotiations. This conference, if it comes off, should complement the ANC-inspired OAU declaration which the Financial Times, in an August 24 editorial said: "Deserves to be taken seriously" as it "raises the prospect of a suspension of violence by the African National Congress [ANC] in return for concessions by the South African Government" and sets out "a reasonable and practical framework for constitutional negotiations."

If de Klerk is sincere about promoting an era of "negotiation politics," then the international community has every right to expect from him some unambiguous signals to that effect soon after the September 6 election. Following the election, the Bush administration should seek from Pretoria a timely and forthright response as to when and how it plans to respond to the OAU/ANC declaration on negotiations.

One very clear and early signal will be whether or not Pretoria allows the "Conference for a Democratic Future" to go forward. Will this planned conference be banned as was a similar conference that was attempted last year? Will key participants in terms of individuals and organizations involved in the conference be banned or otherwise restricted thereby undermining the conference, even if it is not banned? Or will Pretoria resort to any number of other methods that it has employed before to disrupt this historic conference? What happens leading up to and on October 7 with respect to this conference should be watched very closely as an indication of de Klerk's intentions as a guide to how quickly we accelerate the next phase in the anti-apartheid legislative campaign. I now submit these two items for the RECORD.

[NC2208120089 Cairo MENA in Arabic 1600 GMT Aug. 21, 89]

POLITICAL DECLARATION ISSUED

["Text" of political declaration issued by the OAU Ad Hoc Committee on Southern Africa in Harare, Zimbabwe at the end of its meetings on 21 August.]

I. PREAMBLE

1. The African peoples are exerting—individually, collectively, and through the OAU—serious efforts to establish peace all over the African Continent by resolving all differences through negotiations on the basis of the principle of justice and peace for all.

2. We reiterate our belief, which is confirmed by history, that there can be neither peace nor justice wherever colonial and racist hegemony and apartheid [al-fasi al-'unsuri] are present.

3. Hence we reiterate that as long as the apartheid regime in South Africa remains, the peoples of the entire continent cannot achieve their principal aims of justice, human dignity, and peace which are in themselves important and fundamental for stability and development in Africa.

4. Regarding the southern African region, the entire continent is very eager to ensure as soon as possible the success of the actions in which they are taking part and which will lead to Namibia's complete and true independence and to the establishment of peace in Angola and Mozambique. Equally, Africa is so deeply concerned with South Africa's acts of destabilization against all the countries in the region—whether through direct aggression, or supervision of its aggressive agents, or economic (sabotage), or through other means—that these must cease immediately.

5. We understand the fact that lasting peace and stability in southern Africa can only be achieved when the apartheid regime in South Africa is extirpated and when South Africa becomes a united, democratic, and nonracist country. Hence, we reiterate that the necessary measures must be taken now to put a quick end to the apartheid regime in the interest of all the peoples in southern Africa, or continent, and in the whole world.

6. We believe that as a result of the struggle for liberation, the international pressure against apartheid, and the overall efforts to resolve regional disputes, the outlook is now better for more action toward resolving the problems facing the people in South Africa. In order for the hopes for a basic change in South Africa to materialize, the Pretoria regime should abandon its hideous concepts and practices of racial hegemony and improve its pitiable record of honoring its agreements. The South African regime should reverse practices which led to massive losses of life and wide-scale destruction of property in the countries of southern Africa.

7. We reiterate our commitment to the rights of all nations, including the people of South Africa, for self-determination, for deciding by public consensus on their institutions and system of government, and for working together toward the creation of a harmonious society. The OAU is determined to take every possible and necessary measure to help the people of South Africa achieve this goal by every means specified by the representatives of the oppressed communities. We are confident that the rest of the international community is willing to help bring an end to the criminal system of apartheid and that it will offer every possible assistance to the people of South Africa in this regard.

8. We make these pledges out of our belief that all peoples are equally entitled to human dignity and respect, regardless of color, race, sex, or religion. We also believe that all men and women have the right and obligation to participate in the government of their countries, as equal members of society. No individual or group of individuals has the right to govern without the public consent of the rest of the society. These are all basic and immutable principles which are being violated by apartheid, a system which constitutes a crime against humanity and which is responsible for the death of countless numbers of people in South Africa. The South African regime has been seeking to subjugate whole nations. It has waged a devastating war against the entire region, causing unprecedented loss of human life, destruction of property, and massive dislocation of innocent men, women, and children. Its practices and the affront they represent to humanity should be confronted and eliminated.

9. Therefore, we have always supported and will continue to support all those who endeavor to attain this noble goal in South Africa, through political and armed struggle and other means. This, we believe, is a duty which we should undertake in homage to the entire human race.

10. While extending our backing to all those fighting for a non-racist and democratic society in South Africa—and this is a point over which there can be no bargaining—we have repeatedly expressed our preference for reaching a solution through peaceful means. We know that the majority of the people in South Africa and its liberation movements—who have been forced to carry arms—have also supported this position for decades and still support it.

11. The stands implied in this declaration are in line with ones detailed in the Lusaka statement which was issued 20 years ago

and are also a continuation of it. They take into account the changes that have taken place in South Africa from the time the OAU and the rest of the international community approved that statement. These stands also represent a new challenge for Pretoria's regime to join the noble efforts aimed at putting an end to the apartheid regime, an objective to which the OAU has remained committed since its inception.

12. Hence, we will continue to do all we can to help intensify the struggle for liberation and to exert international pressure on the apartheid regime until the latter is eliminated and South Africa is turned into a united, democratic, and non-racist country where all its citizens enjoy justice and security.

13. In line with this decisive determination and in direct response to the desires of the representatives of the majority of the people in South Africa, we declare openly our commitment to the stands implied in this declaration. We are also confident that the implementation of these stands will lead to a quick end to the apartheid regime and consequently will introduce a new horizon of peace for all peoples in Africa which will put a speedy end to racial discrimination, colonial hegemony, and the rule of white minority in our continent.

II. THE STATEMENT OF PRINCIPLES

14. We believe that the existing conditions—if the Pretoria regime has a clear willingness of participate really and seriously in the negotiations—can provide the possibility for ending the apartheid regime through negotiations. Such a possibility could be an expression of the option that the majority of the people in South Africa have continued to yearn for in order to reach a political settlement.

15. Hence, we encourage the people of South Africa to unite their ranks as part of their overall struggle so that they can negotiate about putting an end to the apartheid regime and agree on all necessary measures to turn their country into a democratic and non-racist one. We support the stand taken by the majority of the people in South Africa that these must be the objectives of the negotiations and not changes or reforms in the apartheid regime.

16. We agree with them that such a process should result in a constitutional system based inter alia on the following principles:

A. South Africa should become a united, democratic, and non-racist state.

B. All its people should enjoy equal rights of citizenship regardless of race, color, sex, or religion.

C. All its citizens should have the right to participate in the country's government and administration on the basis of a general election which will be carried out in line with the principle of one vote for each person.

D. All will have the right to form or join any political party of their own choosing provided that this does not consolidate apartheid.

E. All will enjoy universally acknowledged human rights and civil freedoms that are protected by a firm declaration of rights.

F. South Africa will have a new legal system guaranteeing the equality of all before the law.

G. South Africa will have an independent and non-racist judicial system.

H. Democratic South Africa will respect the rights, sovereignty, and territorial integrity of all countries and will pursue a policy of peace, friendship, and joint cooperation with all peoples.

17. We believe that an agreement on the above principles will constitute an internationally acceptable settlement which will enable South Africa to assure its right place as an equal partner among the African and world states.

III. THE ATMOSPHERE OF THE NEGOTIATIONS

18. We and the rest of the world believe that it is important to create the appropriate atmosphere for holding the elections. It is the urgent responsibility of the racist regime to respond in a realistic manner to this universal demand and consequently to create this atmosphere.

19. From this premise, the present regime should at least do the following:

A. It should unconditionally set free all political prisoners and detainees and refrain from imposing any restrictions on them.

B. It should lift the ban and restrictions on all banned and restricted organizations and persons.

C. It should withdraw all military divisions from the various areas.

D. It should end the state of emergency and repeal all legislation such as that drawn up to restrict political activity, including the internal security law.

E. It should Halt all political trials and executions.

20. These measures are necessary for preparing the conditions that would allow a free political debate to be held. This is an important condition for guaranteering the people's participation in the process of reconstructing their country. Hence the above measures must precede the holding of negotiations.

IV. GUIDELINES FOR THE PROCESS OF HOLDING NEGOTIATIONS

21. We support the view of the liberation movements in South Africa that once these conditions are in place, the negotiation process should start in accordance with the following guidelines:

A. Discussions must be held between the liberation movements and the South African regime to halt the aggressive actions on both sides by agreement on a joint and binding cease-fire.

B. Negotiations should then start by laying down the basis for approving a new constitution by agreeing, among other things, on the above principles.

C. After agreeing on these principles, the parties must then negotiate on the necessary apparatus for formulating the new constitution.

D. The parties shall define and agree on the role which the international community must perform to guarantee a successful transitional phase for a democratic system.

E. The parties shall agree on the formation of a provisional government to supervise the process of formulating and approving a new constitution, to administer and govern the country, and also to turn the transitional phase into a democratic system, including the holding of elections.

F. All armed acts of aggression shall be officially considered at an end following the approval of the new constitution.

G. For its part, the international community shall lift the sanctions imposed on racist South Africa.

22. The new South Africa will be fit for OAU membership.

V. PROGRAM OF ACTION

23. The OAU, in keeping with the objectives outlined in this document, undertakes to:

A. Inform governments and intergovernmental organizations, including the Nonaligned Movement, the UN General Assembly, and Security Council, and the Commonwealth, of these objectives and solicit their support.

B. Instruct the frontline countries which are acting on behalf of the OAU to continue their mission concerning the search for a political solution to the South African problem.

C. Increase the overall backing to liberation movements in South Africa and launch a worldwide campaign to promote that support.

D. Intensify the campaign aiming at enforcing full sanctions against the racist South African regime. Such a campaign will involve efforts to block rescheduling of Pretoria's external debts, to impose a full oil embargo, and to enforce a total ban on arms exports to that country.

E. Ensure that the African Continent will not soften its current measures to impose total isolation on the racist regime in South Africa.

F. Continue to monitor the situation in Namibia and provide all possible assistance to the South-West African People's Organization in its struggle for a genuinely independent Namibia.

G. Provide every assistance requested by the Governments of Angola and Mozambique in order to secure peace for their people.

H. Provide every possible help to the frontline countries to enable them to withstand Pretoria's campaign of aggression and disruption and maintain their backing of the peoples of Namibia and South Africa.

24. We call on all compassionate nations to support this program of action as a necessary step to eliminate the system of apartheid and to turn South Africa into a unified, democratic, and nonracist country.

JOINT NATIONAL RESISTANCE INITIATIVE ANNOUNCED

[MB1808140889 Johannesburg The Weekly Mail in English 18-24 Aug 89 p 1,2]

(By Cassandra Moodley)

In an historic move this week rival extra-parliamentary organisations set aside their ideological differences and for the first time announced a joint national resistance initiative—an "all-in" conference for a democratic future.

This week's move is seen as crucial since similar attempts in the past have ended in failure.

At a press conference in Johannesburg representatives of the "mass democratic movement" (MDM), the black consciousness movement (BCM), the Congress of South African Trade Unions (COSATU) and church bodies shared a platform to announce the historic conference to be held on October 7.

The Conference for a Democratic Future is seen as significant—if it succeeds it will be the first time major liberation organisations from different ideological camps will have cooperated in a united front against the government.

The plan was jointly initiated two months ago by the three groupings on the convening committee—the churches, the MDM and the BCM.

The three have also asked other extra-parliamentary organisations, including the Cape Action League (CAL), the Unity Movement and the National Council of Trade Unions (NACTU), to participate. The Weekly Mail was unable to obtain comment from the CAL or Unity Movement. NACTU

second assistant general secretary leadership, Mahlomola Skhosana told The Weekly Mail he could not comment on NACTU's position "because the issue is still being discussed by the structures within the organisation".

The idea of such a conference is not new. It was expressed by the United Democratic Front (UDF) two years ago and was debated as COSATU's special national congress last year.

Last year the BCM strongly rejected the holding of the proposed September conference, which was subsequently banned by the government.

Azanian People's Organisation president Nkosi Molala, speaking in his personal capacity, said: "Last year the method adopted by the UDF/COSATU alliance was to lay down the parameters for such a conference.

"This time the alliance has accepted the basic principle that joint action can only be achieved if all the different parties are given an equal opportunity to decide on the form and content of the conference."

However, one of the members of the convening committee and MDM representative Mohammed Valli, said: "We have stipulated our unifying principle and all organisations that subscribe to that principle are free to join."

The involvement of non-charterists in the planned conference is notable.

When the BCM was asked why it had decided to participate this conference after voicing strong objections to last year's banned anti-apartheid conference, Molala said: " Each organisation is participating on a mandate from its members and each organisation will retain its own independent hegemony in keeping with the principle of strategic alliance."

He added: "During the planning of this year's conference the criticisms expressed by the BCM and other leftwing organisations of last year's banned conference were noted. Negotiations proceeded on the basis that the conference would succeed only if all parties agreed on the essential principles governing who would participate, the agenda, the convenorship of the conference and agreement on action to be taken by participants."

Another convenor, Harun Patel, said the timing of the conference was linked to the heightened debates over a negotiated settlement, rather than the mass defiance campaign or the September elections. And Valli reiterated the conference was conceived long before the mass defiance campaign was launched.

Referring to the differing views of the various ideological groups about negotiations Valli said: "This is precisely why we are coming together—to look at our common positions on negotiations. It is a way of arriving at some kind of understanding on negotiations."

Said Molala: "We believe the only solution—as far as a negotiated settlement is concerned—is provided by the BCM. That is why it is ironic the latest African National Congress peace plan actually mimics the state position of the BCM over the last 10 years. A concrete example of this is the acceptance of the need for a constituent assembly."

A key issue to be addressed is the role of international governments in assisting South Africans to achieve their liberation, Patel said.

"It is crucial that the indigenous people decide the nature of the action as far as any international contribution is concerned," he added.

Valli agreed that the Commonwealth conference, which will be attended by heads of the Commonwealth states and where British Prime Minister Margaret Thatcher is expected to announce "her peace plan" for South Africa, was one of the issues to be dealt with by the conference.

Other key issues to be addressed at the conference are united mass action and an acceptance of the minimum demands vis-a-vis negotiations, Molala said.

FLORIO HAILS CHERRY HILL BABE RUTH CHAMPIONS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. FLORIO. Mr. Speaker, I am very pleased to take this opportunity to bring to the attention of my colleagues a team of young men from Cherry Hill, NJ, who, on Saturday, August 26, became the 1989 Babe Ruth World Champions. Knowing that 2,600 teams from all around the United States participated in this tournament, the Cherry Hill Babe Ruth team can be extremely proud of this victory and the honor they bring to themselves, their families, and their community.

The team—Tom Bianco, Kevin Brickner, Walt Clymer, Chad Crovetti, Dan Farling, Kevin Foley, Bo Gray, John Heller, Rob Kurtz, Mike Moriarity, Chris Querns, Mark Ricci, Ron Sochacki, Mike Terzaghi, Steve Young along with Manager, Ed Foley, and Bat Boy, Doug Freymark—displayed an unstoppable determination throughout their 15 consecutive wins beginning in the districts and regionals to the World Series in Cranston, RI. Undefeated throughout the tournament, the enthusiasm and talents of each of the players was visible from inning to inning, game to game. Proof of the talent of the team, to cite one example, is evident in the fact that only two errors were committed in the entire tournament.

Of course, the success of the team can be attributed to a large degree to the highly motivated coaching staff of Pierce Pelouze, Gene Emenecker, and Kelly Young. Their guidance and stewardship allowed the individual players to shine throughout the summer and carry them to victory in the final 6 to 3 win over the Sarasota, FL, team.

Mr. Speaker, it is the sportsmanship and teamwork of the Cherry Hill Babe Ruth team that prevailed in this tournament and in which the players can be most proud. I respectfully ask that my colleagues join with me in congratulating the team and wishing them similar success in all of their future endeavors.

A TRIBUTE TO ROY FOUCHE

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. STARK. Mr. Speaker, I rise today to pay tribute to an outstanding citizen of California's Ninth Congressional District, Mr. Roy Fouche. Roy was born in July 1921 in San Leandro, CA. As a young boy, Roy sold newspapers on the streets of Oakland. At the age of 17, he joined the Civilian Conservation Corps and worked in the mountains of northern California until the outbreak of World War II.

At the advent of the war, the entire Fouche family enlisted in the Armed Services. Roy served on the light cruiser, the U.S.S. *Oakland* from 1942 to 1944. During that time, the cruiser received nine battle stars. Roy also received a commendation from the U.S. Navy while on board for staying with a "hot torpedo" on the deck of the ship. Roy remains in touch with his Navy buddies by organizing reunions for those who served with him on the U.S.S. *Oakland.*

After the war, Roy followed in his father Benjamin's footsteps when he joined the Carpenter's Local 1622 in Hayward, CA in 1950. Benjamin Fouche had been a member of the Pile Driver's Local 34 from 1906 until his death in 1962. After serving as an apprentice, Roy worked as a journeyman carpenter until 1975. He was then elected business agent. During that time, Roy was chosen to develop the Bay Counties District Council of Carpenter's organizing program. In 1980, Roy became the director of organizing for the Bay Counties. In 1988, he was appointed senior business representative of Carpenter's Local 1622 and served the United Brotherhood of Carpenter's in this capacity until his retirement. Throughout his membership, Roy served the local union both on committees and in offices of the chair and, was a delegate to both the district council and the general conventions.

Roy married the former Ann Alloco in 1945. They have four children; Tecla Marshall, Rene Gatley, Leslie Munoz, and Robert Fouche. Robert continued the family tradition by joining the Carpenter's Local 1622 in 1969. Roy and Ann also have four grandchildren; Patricia Marshall, Debra Marshall, Ann Gatley, and Patrick Gatley.

Roy continues to serve his community by being actively involved in the Native Sons of the Golden West and the Foothill Sportsmen Club.

I pay tribute to Roy Fouche for dedicating his life to his family, his country, his community, and the United Brotherhood of Carpenters and Joiners of America.

FUTURE GOALS OF SPACE PROGRAM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 23, 1989 into the CONGRESSIONAL RECORD.

FUTURE GOALS FOR THE U.S. SPACE PROGRAM

Twenty years after the first Apollo Moon landing, President Bush has declared that the U.S. should establish a permanent base on the Moon and then send a manned mission to Mars. That raises questions about the goals of the U.S. space program, and the expected benefits for the nation.

Congress created the National Aeronautics and Space Administration (NASA) in 1958. Three years later, President Kennedy announced the objective of sending a man to the Moon within a decade. That goal was achieved July 20, 1969, by Apollo XI. The twentieth anniversary of the Moon landing, President Bush's speech on that occasion, and the possibility of a rivalry with the U.S.S.R. and our allies for use of space have all contributed to renewed public interest in space. The President's proposed space program for the next thirty years consists of five main components:

Space Station.—The space station, christened "Freedom" by President Reagan in 1988, is to be a configuration of facilities placed in Earth orbit providing the infrastructure needed for humans to operate in space. Rather than a single structure, the space station will consist of various modules and platforms for housing, electrical power, communications, life-support systems, transportation, and scientific experiments. NASA envisions the space station as an assembly point for spacecraft to the Moon and Mars. It hopes to launch the first element of the space station in early 1995 and complete assembly in 1998. Components are designed to be carried in the cargo hold of the space shuttle, and it will take at least 20 shuttle flights to haul them into space. By the time it is complete, the station may cost as much as $32 billion.

Earth observation.—This proposal is to launch a series of observation satellites in the 1990s to collect weather and environmental data. Called "Mission to Planet Earth," this initiative is designed to provide a detailed picture of the planet's climate, land, crops, forests, and ocean temperature and currents. The goal is to improve our understanding of global problems such as ozone depletion, global warming, and desertification. The program is expected to cost $15-30 billion.

Unmanned probes.—The U.S. has launched a series of unmanned spacecraft to increase our knowledge of the solar system. Past missions have included the Viking spacecraft that landed on Mars. This year, the Magellan probe to Venus was launched in May; Voyager 2 is scheduled to pass by Neptune in August and send data back to Earth; and the Galileo mission to Jupiter is scheduled to be launched in October. The Mars Observer is planned for launch in 1992. Future probes would rendezvous with a comet and orbit Saturn.

Moon base.—A permanent Moon base has been recommended by several studies. At first, the primary function of a Moon base would be that of an astronomical observatory. Both optical and radio telescopes could be directed at nearby planetary systems. Later, workers on the Moon might explore for minerals and tap gases trapped under the surface. Astronauts could experiment with living quarters that would recycle air and water. Cost estimates for a lunar base vary widely depending on its size and mission.

Mars mission.—A manned expedition to Mars remains the holy grail of space explorers. It would require refinement of orbital construction methods and development of new propulsion techniques, such as advanced solid rocket motors and liquid rocket boosters. A journey to Mars would take from six to eight months each way. One variation calls for astronauts to land on the Martian moon Phobos and send robots to the planet's surface. Cost estimates for a full-scale Mars program range from $150-400 billion.

The cost of carrying out all of these programs could approach one-half trillion dollars over the next 30 years. Undoubtedly that would require increases in NASA's budget, currently $10.7 billion. That represents less than 1 percent of federal spending, down from a high of 4 percent during the height of the Apollo program. For 1990, President Bush has requested a 22 percent increase, to $13.3 billion. In listing Mars and the Moon as U.S. targets, the President did not announce a timetable or a budget. Space exploration, especially manned space exploration, requires an enormous infusion of new money and new technology that will be extremely difficult to find at a time of budget stringency.

The United States has proceeded well into the space age without a bold vision of where it is going and what it wants to achieve. It has been without a coherent, comprehensive national policy to guide its diverse endeavors. The question is where does the space program go from here.

My view is that we must pick our space activities selectively, with less emphasis on spectacular events. I would like to see more emphasis on the study of changes in the Earth's atmosphere, ocean, and other life support systems. I am concerned that the manned space program is taking away funds from unmanned scientific probes which are cheaper, more efficient in some ways, and do not involve the likelihood of future loss of life. While I believe we should continue to send people into space, we must cast a finer eye towards the cost of putting people in space relative to the scientific results.

I am doubtful that it is good policy for the United States to select a single initiative and to pursue it exclusively. Before sprinting towards Mars, it seems prudent to me to develop the technology and experience we need for an orderly expansion outward from Earth. We should increase our knowledge and gain operational experience with the space station and a permanent astronomical observatory on the Moon, and use an evolutionary approach to begin to build a bridge between the Moon and Mars.

I agree with the basic view that the United States cannot remain a leading force in technology, industry, and science unless it is in the forefront of space exploration. America has always been a nation of discoverers and achievers. If it fails to take the next major steps in space it may give up an essential part of its national character.

THE EDUCATION OF HOMELESS CHILDREN: SALT LAKE CITY'S "SCHOOL WITHOUT A NAME" IS A NATIONAL MODEL

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. LANTOS. Mr. Speaker, the growing tragedy of our country's homeless is now striking and injuring our most valuable national treasure—our children. According to experts, families with children constitute the fastest growing segment of the homeless population. The U.S. Conference of Mayors now estimates that one-third of all homeless are families with children. These innocent homeless youngsters not only suffer from the many indignities that homeless adults suffer, but they also have one critical additional problem—that of being unable to receive an adequate education.

The right to an education should not be denied those in greatest need. Though public schools are available, proof of residency requirements often prevent the children from attending. Furthermore, necessary immunization and previous schooling records often are lost because of the children's highly mobile lifestyle. Unfortunately, these children often face the difficulty in adapting to the comfortable security of the public schools and may end up falling through the cracks.

Mr. Speaker, I would like to call your attention to one very promising pilot program which addresses this crucial problem of meeting the educational needs of this country's homeless children. In 1984 the Salt Lake City, UT, public school system, in conjunction with Traveler's Aid International, established a school specifically to serve homeless children living in an adjacent public shelter. At that time it was the only program of its kind in the Nation.

Marilyn Treshow, the daughter of Mr. and Mrs. Rodney A. McCoy who are constituents from my congressional district in California, has been heavily involved with this work. She will be in Washington this month with the "Children's Caravan"—a group of 12 children from the Salt Lake City Homeless Shelter will visit with Members of Congress. I plan to meet with Ms. Treshow and the children, and I hope that other Members will also have that opportunity.

Ms. Treshow and this outstanding school program have contributed greatly to national awareness of the educational problems homeless children face and possible ways these special needs can be met. Salt Lake City's Deseret News notes that:

When Marilyn Treshow arrives each morning at the corrugated metal building that houses her tiny classroom, she never knows if every student she taught yesterday will be there today. Treshow teaches the children of the homeless who stop by for a day, a week or a few months at a cluster of trailers called the Family Shelter. Armed with tattered textbooks and scrounged supplies, she offers the children a humble chance to restore the broken threads of their education in reading, writing and arithmetic at "The School with No Name"—Any day, her students range from 5-year-olds just learning their letters to sixth- and seventh-graders straining to retain their math and writing skills. Older children generally are referred to public schools.

People Magazine quotes Treshow as saying:

Most of them do well. They just need continuity. But it's difficult. The best thing I can do is try to let them know that nothing lasts forever.

In the New York Times, Treshow notes that:

They're just like other children except they know more about life and learn it sooner than other kids. I'm consistently amazed by how many places they have seen and the troubles they've had, but what really comes through is the strength. These are very strong kids.

Mr. Speaker, this pilot program, now in its fifth year, has encouraged a few other school districts to adopt similar programs, but these educational outreaches have been few and far

between. The "School With No Name" fills a void which should never exist in the life of any child—that of obtaining an education. This program can serve as a model for schools throughout our country. It provides an outstanding example of a pragmatic solution to this urgent and disturbing problem which should be addressed by school boards around our Nation.

THE NEXT BHOPAL COULD BE IN YOUR DISTRICT: PREVENT DISASTER-ON-WHEELS

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. THOMAS A. LUKEN. Mr. Speaker, every day and night each one of our constituents is at least somewhat concerned that a Bhopal-like toxic cloud might descend on the neighborhood. After all, 4 billion tons of hazardous materials are transported by truck, train, barge, and aircraft annually throughout this country.

The crazy quilt of State, Federal, and local hazardous material regulations is so confusing that no American can feel insulated from the potential disaster of derailment, explosion, and conflagration. Half a million shipments of hazardous materials which run the gamut from gasoline, to radioactive materials, to poisonous gases, leave all of us vulnerable.

When a toxic cloud caused the evacuation of 30,000 residents from their homes in Miamisburg, OH in 1987 due to a derailment and rupture of tank cars carrying sulfur, the fire chief was virtually helpless. The chief was an extremely competent professional whose handling of the emergency was universally praised, but he was frustrated by the fact that, despite his best efforts, he could not determine what chemicals were involved in the resulting fire for over 11 hours.

The transport of nuclear materials and radioactive waste is another catastrophic threat, especially in view of the disarray in that regulatory field. Even though rail transport is clearly the safest, nuclear waste repositories are located, and are being located, far from rail lines.

In 1986, several hundred thousand residents of a midwestern city held their breath when a hydrogen-laden tank truck overturned right downtown. And, trains of tank cars loaded with chlorine regularly travel across the country. Nothing disastrous has happened yet, but we need the utmost in protection.

Despite the thousands of potentially deadly shipments that occur daily, laws governing hazardous materials transportation remain largely unchanged from 15 years ago when Congress passed the Hazardous Materials Transportation Act. No significant amendments to the act have been enacted since that time. But during the past 15 years, the volume and frequency of hazardous materials shipments have increased dramatically.

I will introduce the Hazardous Materials Transportation Act—Uniform Safety Amendments Act of 1989 shortly. The HMTA—USA Act is a comprehensive bill which will better ensure the safe transportation of hazardous materials. It will:

Clarify that hazardous materials regulations apply to the Federal Government and its agencies, as well as all private parties involved in transporting hazardous materials.

Expand the jurisdiction of the HMTA to include intrastate transportation of hazardous materials.

Require uniform Federal guidelines in key areas of regulation thereby eliminating conflicting laws which cause confusion and danger.

Direct States and cities to designate highway routes for hazardous materials in accordance with Federal guidelines.

Require shippers of hazardous materials to disclose information regarding the materials they are transporting and appropriate responses to emergencies.

Make it unlawful for any person to: First, misrepresent that a hazardous materials package or container meets Federal requirements, and second, misrepresent that a hazardous material is present in any shipment.

Require the Secretary of Transportation to implement a registration program for persons involved in transporting hazardous materials, thus improving enforcement, identification, and compliance with hazardous materials laws and regulations.

Require the Secretary of Transportation to implement a safety permit program for trucks which carry ultrahazardous materials—such as explosives, poisons, and radioactive materials.

Beef up enforcement against violators of hazardous materials regulations by: First, giving the Secretary of Transportation greater powers to direct compliance with regulations and to impose civil penalties for any violations; and second, allowing the Secretary to go after companies who knew or should have known that their actions violated hazardous materials regulations.

Allow cities and States to adopt hazardous materials restrictions which are not specifically governed by Federal requirements, if such laws are not contrary to Federal laws and if they further the purposes of the HMTA.

Direct Federal agencies to make recommendations, in association with all the States, regarding: First, ways to better identify hazardous materials flow routes; second, the existing capabilities of each State to respond to hazardous materials emergencies; and third, the existing training programs for responders which are available in each State.

Require drug and alcohol testing of carriers transporting hazardous materials.

Require Federal guidelines for the transportation of highly radioactive materials, including requirements to ensure that such materials are transported in the safest and most secure manner.

Require the Secretary, in consultation with police, fire, and industry organizations, to issue new guidelines on how to improve the present placarding system.

Require the Secretary to issue regulations governing the speed, track priority, and qualification of train crews, in connection with trains which carry ultrahazardous materials.

Include funds for additional hazardous materials inspectors.

I am introducing this bill as chairman of the Subcommittee on Transportation and Hazardous Material. The subcommittee will be holding hearings in September and October on HMTA—USA Act of 1989.

CENTRAL JERSEY WOMEN'S BOWLING WEEK

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. COURTER. Mr. Speaker, there has been a rash of commemorations recently, most marking 50-year-old events that heralded the beginning of World War II. I rise today to recognize another 50th anniversary commemoration, not a bellicose one, however, but rather one rooted in years of Americans enjoying a simple pleasure, the pastime of bowling. The Central Jersey Women's Bowling Association is the first women's local bowling association in New Jersey to celebrate its 50th anniversary. The Central Jersey WBA, through its bowling programs, has promoted the sport of bowling in New Jersey and has involved women of all age groups in this athletic activity.

In light of the upcoming anniversary celebration, Mayor Arthur Haney of the township of Old Bridge, NJ, has proclaimed the week of September 10–16, 1989, as "Central Jersey Women's Bowling Week." I would like to offer my congratulations to the Central Jersey WBA for this honor, and I wish them continued success in the coming years.

RECOGNIZING MRS. MARINA CLARDY FOR OUTSTANDING VOLUNTEER WORK

HON. RICHARD K. ARMEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. ARMEY. Mr. Speaker, for the last 18 years, the Retired Senior Volunteer Program of Tarrant County, TX, has provided volunteer service for senior centers, hospitals, nursing homes, and schools. Today, I wish to call attention to one special RSVP volunteer—Marina Clardy.

A little over a year ago, Mrs. Clardy, a retired advertising solicitor, realized the need for a literacy teacher in a senior center located in a downtown housing project. She consulted with her local librarian, developed a curriculum, and began teaching six elderly women to read and write. Two months later Mrs. Clardy became a certified Raubach tutor. Using her own personal funds, Mrs. Clardy duplicated study materials for her students and expanded her efforts to include a class of severely disabled students.

Mrs. Clardy voluntarily devotes 5 hours a week to tutoring the elderly and handicapped. She believes teaching someone to read is like giving a blind person sight. I am very pleased to honor a woman of Mrs. Clardy's rare cali-

ber who has enriched the lives of the handicapped and elderly beyond measure.

MINOT LIGHTHOUSE

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. STUDDS. Mr. Speaker, it is with special fondness that I congratulate all those responsible for the successful renovation and relighting of Minot Light. I have many wonderful memories of growing up in Cohasset, but among the best are those of sailing through these beautiful waters, with Minot Light as a faithful landmark.

The skill and daring of the original construction crew is especially remarkable. Their determination to construct a beacon which would weather the storms in this dangerous location indicates a healthy respect for the sea and a solemn commitment to protecting all of us fortunate enough to live and work near her. The fact that their work has stood for 127 years is ample testament to their skill. It is most appropriate that Minot is one of the few lighthouses to retain a unique flash signal, and the 1–4–3, "I Love You" pattern reflects just how we feel about our lighthouse.

CHARLES P. WANG, LEADER OF THE CHINESE-AMERICAN COMMUNITY IN NEW YORK CITY

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. GREEN. Mr. Speaker, it is with great pride that I call to the attention of my colleagues, Charles P. Wang, who has served the Chinese-American community in New York with great distinction through his work at the Chinese-American Planning Council. CPC, a nonprofit social services and educational agency, with the leadership provided by Charles and its board of directors, has been a major force in helping Chinese-American citizens of all ages make the transition into our city and culture.

Charles Wang has been with the Chinese-American Planning Council for 21 years and has served as its executive director since 1982. His tenure in this capacity coincides with my representation of Manhattan's Chinatown in Congress and as such I and my staff have been afforded the opportunity to work closely with Charles and the board of CPC on the many issues of mutual concern. I commend Charles for his leadership role at CPC.

I have greatly valued Charles' counsel over these years and I know that our association will continue through his new position as president of the China Institute in America, which is also located within my congressional district. So it is that I say thank you to Charles Wang for his service with one organization and welcome his association with another—both of which demonstrate his continued commitment to the Chinese-American community. Charles, may you have continued success and good fortune.

THE 50TH ANNIVERSARY OF THE OUTBREAK OF WORLD WAR II

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. KLECZKA. Mr. Speaker, I take this opportunity to inform my colleagues that September 1, 1989, was the 50th anniversary of the Nazi invasion of Poland, which marked the beginning of World War II.

The inspiring courage and great effort in pursuit of freedom so evident in Poland today is not unlike that shown in 1939 when this small nation bravely tried to defend itself against a much larger aggressor. Just as today's Poland, in transition from Communist dictatorship to democracy and free enterprise, symbolizes hope and steadfastness to all around the globe, so did Poland 50 years ago shine among the nations of the world.

I am placing in the RECORD an article on this event by my friend and noted scholar of Eastern European politics, Prof. Donald Pienkos of the University of Wisconsin-Milwaukee. I urge my colleagues to read the following interpretation of this most historic anniversary:

REFLECTION ON THE WAR ANNIVERSARY

September first marks the fiftieth anniversary of the start of the Second World War, an event of special significance to Poland and its people, as well as to the millions of individuals outside of its borders who claim Polish birth or heritage.

It was on September 1, 1939, that Nazi Germany launched its unprovoked assault upon Poland. By month's end, the country had been partitioned between Germany and its fellow aggressor, Soviet Russia. Through the next six years, in spite of its subjection to merciless occupation policies, imposed by both Hitler and Stalin, the Polish nation continued its resistance at home and on all fronts abroad. Poland was the only country to oppose Hitler from the first day of the war to its last.

For the Poles, the costs of the war were cataclysmic—six million of its citizens lost their lives because of the conflict. More than five million inhabitants were deported to Germany or to the far reaches of the Soviet Union.

Despite Poland's sacrifices on behalf of the allied cause, the nation did not emerge free and independent from the war. Instead, a Soviet-imposed Communist regime was forced upon the Poles following the Great Power conferences of the Allies at Tehran and Yalta. From the start, this regime enjoyed only miniscule support. Incredibly, it generated little additional approval through the next forty-five years. Yet an America anxious to preserve stable relations with the Soviet Union accepted Moscow's control over Poland and all of Eastern Europe. That despite the best efforts that Polish Americans could muster to represent Poland's cause to the governments of the free world.

In the decades since the war, the Poles have nonetheless industriously rebuilt their country and demonstrated to the world a remarkable intellectual and spiritual vitality. Clearly this is nowhere more evident than in the person of Pope John Paul II and the men and women of the Solidarity movement today. Still, despite their heroic wartime contributions and their achievements since, the Polish people continue to be deeply affected by the aftershocks of a conflict which they did not cause and by a victory in which they did not share.

For nearly all of us in America, the Second World War can be viewed as an event of the past. For the Poles, however, it still casts a giant shadow upon their country. Even today, the Soviet Union seeks to determine the fate of Eastern Europe and its peoples' long repressed aspirations for democracy and economic progress.

In planning a variety of events to commemorate this anniversary, the Wisconsin State Division of the Polish American Congress seeks to inform all of our citizens of Poland's significant place in the Second World War. We further wish to underscore the Polish people's rightful claim to the benefits of victory, for so long justly enjoyed by the Western European nations and America. After all, spiritually, culturally, and historically, the Polish people are a Western nation.

COMMEMORATING THE 125TH ANNIVERSARY OF MT. ZION CONGREGATIONAL CHURCH

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. STOKES. Mr. Speaker, I am pleased to salute Pastor F. Allison Phillips and the members of the Mt. Zion Congregational Church in Cleveland, OH. This historic institution which is celebrating its 125th anniversary, has the distinction of being one of the oldest African American churches in America. Mt. Zion was founded in September, 1864, the year following the issuance of the Emancipation Proclamation.

Mr. Speaker, I would like to share with my colleagues the history of the Mt. Zion Congregational Church.

HISTORY OF MT. ZION CONGREGATIONAL CHURCH

When Cleveland was sixty-eight years old, nineteen men and women, meeting in Plymouth Congregational Church and supported by pastors and representatives of other churches took "upon themselves the solemn convenant of the church," and organized Mt. Zion Church and Society. This was on September 11, 1864. Under its first pastor, the Reverend Russell H. Muse, a brick meeting house was erected on Erie Street (now East 9th Street). Later, it was sold and another church was built on Maple Street (now East 31st Street). It was debt free at its dedication. Despite a slow growth, with only seventy-nine members on June 1, 1885, its battle for its faith and against odds facing blacks in the 1880's vitality and survival characterized its life. In 1885, the Reverend Sterling Brown, an Oberlin graduate of marked talents and energy, became pastor. The church prospered, and the following year its membership numbered one hundred nine persons. They remodelled the building and re-dedicated it in 1888. A number of dedicated ministers served during the next thirty-five years. Meanwhile, many

members participated in civic and other community activities, and their high esteem by the community was attested to by the gift of an organ by the Andrew Carnegie Fund during the Rev. George V. Clark's pastorate. The church's fifty-fifth anniversary was celebrated while the Reverend Irving Merchant was pastor.

After the arrival of the Reverend Harold Kingsley in 1921, serious consideration was again given to providing community services to many neighbors who had migrated from the South. But on Thanksgiving night 1923, the building on East 31st Street was completely destroyed by fire. Other facilities were required and in 1924 the former Fifereth-Israel Temple at East 55th Street and Central Avenue was purchased. The large facility with its many rooms would lend itself to a worship center as well as to community services. But its constant and increasing need for repairs, the onset of the Depression and loss of members resulted in failure, despite the Rev. Brown's and the congregation's efforts. Mortgage, upkeep, and salaries could not be sustained, and the Reverend Brown moved on.

The Reverend Horace White and various interim pastors served before the arrival of the Reverend Grant Reynolds in 1938. Earlier, the decision had been made to vacate the Temple, and a former children's home at 9014 Cedar Avenue was purchased. Members remodelled it into sanctuary, kitchen and dining room, offices and meeting rooms. It was at the time of the Reverend Reynolds' entry into the Armed Forces during World War II that the Rev. John Mickle accepted Mt. Zion's call. Community involvement was promoted, new groups were organized, and Mt. Zion "gathered strength and moved forward with faith reborn."

Upon Reverend Mickle's acceptance of a call to a church in California, the Reverend Joseph Evans became Mt. Zion's pastor in 1947. Under his pastorate a new constitution was written and a major decision made to secure more adequate facilities. The church building was sold but the search for another facility was unsuccessful. Services were held in the Cedar YMCA for six years. Meanwhile, the Reverend Evans accepted a call elsewhere. In 1953, the Reverend Richard T. Andrews and his wife, Marjory, came with a program of music, worship, and service within the fellowship and in the community, as well as participation in the wider Congregational Church, later the United Church of Christ. Priority was given to the building of a new church home and property at 10723 Magnolia Drive was purchased in March, 1954. The bombing of the property during negotiations spurred the congregation to fuller support of the project. The 17 room house, now Fellowship House, would house offices, meeting rooms, pastor's study, library, and a gift shop. On the surrounding land, a sanctuary was built with a social hall downstairs. This sanctuary was dedicated to the glory of God on September 30, 1956. An adjoining property was purchased, and, as Pilgrim House, accommodates the Katharine P. Williamson Chapel, ceramics classrooms, Heritage rooms and the Inner City Renewal Society's Friendly Town. The membership grew as did individual and group participation. Rev. Andrews' pastorate ended with his death in 1974.

The Rev. Dr. Elam Wiest served as interim pastor until the Rev. Dr. Vernie Bolden's arrival in 1976. A major decision made during Dr. Bolden's pastorate was to purchase a pipe organ. Following Dr. Bolden, the Rev. Dr. John Blackwell served as interim pastor.

After the arrival of the present pastor, the Rev. Dr. F. Allison Phillips in 1982 the congregation accepted the challenge and accomplished the installation of a Hemry Organ "worthy of praise to the glory of God." Dr. Phillips and current members follow Mt. Zion's custom of community service, concerns for the needy, civic and educational activities as well as participation in Western Reserve Association, Ohio Conference and national boards and committees. Special concerns among members for one another and between them and the pastor characterize this period in the church's history.

Our congregation has among its present members, surviving family members: James Goode and Janetta Thompson, grandchildren of the Reverend Clark; Calvin Merchant, son of the Reverend Merchant; Stephen and Richard Andrews, sons and Alma Andrews, widow of the Rev. Andrews; and Eleanor Askew, sister of the Rev. Kingsley.

Some groups, TMTM, Missionary Society and Philathia Class were organized before the 1940's; and since then, Youth Fellowship, Youth In Action, young People's Forum, Cheerful Givers, Chimes, Three Arts, Junior League, Boy and Girl Scouts (the first black Girl Scouts in Cleveland) Men's and Women's Fellowships, Pastor's Club, Ladies Guild, Circle 10, Pairables, Birthday, Ekklesia, Leisure Plus, Bible Reflections I & II, Renaissance, Ceramics and Gift Ship were organized. While many no longer exist, many remain active and most supportive of Mt. Zion and its mission.

And so, God continues to bless Mt. Zion as a worshipping community, seeking to serve Him and His people. It has sought, during one hundred twenty-five years to fulfill its objective which is "to bind together followers of Jesus Christ for the purpose of sharing in the worship of God and in making His will dominant in the lives of men, individually and collectively, especially as that will is set forth in the life and teachings of Jesus Christ."

Sources: Centennial Observance Booklet, 115th Church Anniversary Observance Booklet, Dr. F. Allison Phillips and Harvey M. Williamson in cooperation with the Historian, Mrs. Ella Mae Johnson.

Mr. Speaker, it is a great honor to salute Pastor Phillips and the Mount Zion membership on this momentous occasion. The church has been a beacon of light and source of support for the community. I hope my colleagues will join me in this salute to Mount Zion.

A TRIBUTE TO EGENIA MARSHALL

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. PAYNE of New Jersey. Mr. Speaker, I would like to ask my colleagues here in the U.S. House of Representatives to join me in offering best wishes to a very special person, Mrs. Egenia Marshall of Orange, NJ, on the occasion of her 100th birthday.

Born on September 8, 1889, in Bedford County, VA, "Ms. Eugie", as she is affectionately called by her friends and neighbors, settled in New Jersey over 65 years ago.

It was in New Jersey that she met and married the late Theodore Marshall, who played baseball for the old Black Stars Minor League. They were married for 51 years.

As she approaches her 100th birthday, this remarkable woman continues a lifetime tradition of service to others. She is an active member of the Union Baptist Church and also holds the distinction of being the oldest active member of the National Council of Negro Women in Orange and Maplewood.

Mrs. Marshall has acquired a reputation as a gracious hostess and an articulate conversationalist who maintains a youthful outlook on life. Her enduring spirit and enthusiasm inspire all those who surround her.

A birthday party is being planned for "Ms. Eugie" this weekend. Mr. Speaker, as her many friends and loved ones gather for this celebration, I know my colleagues join me in sending this outstanding woman our very best wishes for continued success and happiness.

REPRESENTATIVE MICKEY LELAND KEPT VOW PROMPTED BY A FAMINE DEATH

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. BENNETT. Mr. Speaker, I and all Members of the House of Representatives lost a true friend in the tragic passing of Representative MICKEY LELAND in a mission of mercy. There are really not words adequate to express our sorrow, or greatly sustain his beloved family in their grief. However, when a person has given of himself, in fact, given his life, in a quest for helping those in distress, it provides us all with the inspiration to do the best we can in our time, and of our opportunities, to follow the rich example of his service to others. May this give some comfort to his loved ones. The Florida Times-Union in its August 15 editorial voiced the following impressive tribute:

REP. MICKEY LELAND KEPT VOW PROMPTED BY A FAMINE DEATH

U.S. Rep. Mickey Leland, D-Texas, was a top officer in the war against hunger but he served on the front lines—facing danger and exhaustion—by choice.

It wasn't bravado or self-aggrandizement that drove him to fight the battle against starvation with unrelenting zeal. It was the image, etched in his memory, of a little girl he tried to help and couldn't.

Five years ago, Rep. Leland was in an Ethiopian refugee camp during one of the periodic famines that have plagued that unhappy land. Among the dusty refugees who caught his eye was a starving 14-year-old girl.

"A skeleton of a person," he recalled later, "with a thin layer of brown skin draped on her, [she] had just a faint breath of life left in her." Shaken to the core, Rep. Leland turned to a relief official to see what could be done for her.

"While I was talking to him," the congressman said, "she died. I can see her face right now. Every day, I see her face."

The vision transformed a determination to alleviate hunger into a passion that was to energize the Select Committee on Hunger with Rep. Leland in the chairmanship.

A political firebrand in his youth, Rep. Leland made the transition to the political establishment, becoming an effective champion of the poor as well as an eloquent one. He helped awaken the United States to the plight of the famine-stricken people of East Africa.

There was no political posturing in his trips to the refugee camps of Ethiopia and Sudan. They were by no means junkets. They were missions of mercy to remote outposts where he helped unload sacks of grain to feed the starving.

Rep. Leland saw the grim face of starvation and did not turn away. He acted upon what he saw. Through him and those who worked with him—some of them dying with him—the United States became a more effective participant in the war against hunger.

It was on an errand of mercy that he died, along with members of his staff and other hunger fighters when the plane that was ferrying him to a refugee camp slammed into a cliff.

To the end, he kept the vow that formed when he saw the young hunger victim die. And in the process, his interest and support undoubtedly made the difference between life and death for thousands.

CONGRESSIONAL SUPPORT AGENCIES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 30, 1989, into the CONGRESSIONAL RECORD.

CONGRESSIONAL SUPPORT AGENCIES

Like everyone else, Members of Congress sometimes complain about their work. While very few of them quit because of poor conditions, they often complain that the workload is unrelenting, the issues are frustratingly complex, and the solutions do not come easily. Often overlooked is that Members of Congress have a lot of help.

Members receive daily reports and briefings from staff, and seek the counsel of other Members who have recognized expertise in a field. But for specialized or technical information, they frequently turn to experts at one of the four major congressional support organizations: the Congressional Research Service (CRS), the General Accounting Office (GAO), the Office of Technology Assessment (OTA), and the Congressional Budget Office (CBO). Roughly speaking, CRS tells us what something is, GAO finds out how much it costs, OTA determines how it works, and CBO tells us whether we can afford it. Together, these agencies have a combined annual budget approaching ½ billion dollars. Last year they issued 2,300 major reports, and responded to 490,000 congressional requests for information.

CRS

The Congressional Research Service, a special unit of the Library of Congrerss, has 850 staff members, including attorneys, economists, scientists, engineers, and other professionals. The CRS budget for 1989 is $45 million. The agency's primary mission is to provide accurate and balanced information to Congress. It is charged with describing and analyzing policy alternatives without advocating any particular policy, bill, or point of view. CRS also provides research support to congressional committees.

The vast majority of congressional requests for information are directed to CRS. About two-thirds of the inquiries are for factual information, such as the population of a state or the Consumer Price Index. The service also provides in-depth policy analysis, such as a comparison of possible ways to provide long-term care to older Americans. For frequently requested subjects, CRS publishes a series of "issue briefs" that are revised regularly. These reports can be quickly called up on the computers in congressional offices. CRS analysts also provide personal briefings to Members of Congress and their staffs.

GAO

With 5,750 employees and an annual budget of $347 million, the General Accounting Office is the largest of the congressional support agencies. Founded in 1921 as a Washington-based organization of accountants, GAO today has 12 operating divisions, 15 regional offices, and 4 overseas branches. Its mission is to assist Congress in oversight of federal programs and to carry out legal, accounting, and auditing functions. Besides accountants, its staff includes statisticans, actuaries, social scientists, and other specialists.

Nicknamed the congressional watchdog, the office does more than audit agencies for financial purposes. It reviews programs and operations of all U.S. agencies and recommends improvements to make them more efficient and effective. Because it can audit across agency lines, the office can provide a valuable measure of the effectiveness of government programs. For example, one GAO division is responsible for evaluating environmental programs in all federal departments. GAO is not a law enforcement agency; if it uncovers criminal wrongdoing, it refers its findings to others.

OTA

The desire to stay abreast of rapidly changing science and technology led Congress in 1972 to set up the Office of Technology Assessment. Members often remark that in making decisions on legislative proposals that must make judgments on technical and scientific questions which are disputed by the experts, such as the feasibility of new energy production technologies or the Strategic Defense Initiative. The Office's main function is to help Members of Congress understand and plan for the consequences of technological change. It also examines the many ways—physical, economic, and social—that technology affects people's lives. It has 230 employees, organized in nine program areas ranging from energy and materials, to oceans and environment, to food and renewable resources.

Most of OTA's work consists of comprehensive, in-depth assessments that may take up to 18 months to complete. For such major projects, OTA often turns to the private sector. Contractors and consultants are drawn from universities, industry, private think tanks, and public interest groups. OTA is distinguished from other congressional study groups by the relatively small number of projects it undertakes—only about 15 to 20 studies are released each year. The office's current budget is $18 million.

CBO

In an attempt to assert its constitutional authority over the federal budget, Congress in 1974 created budget committees in the House and Senate and established a nonpartisan organization to assist them. The principal duty of the Congressional Budget Office is to provide Congress with budget information and reports on fiscal and budgetary issues. For example, CBO is charged with "scorekeeping"—tracking congressional taxation and spending actions against the targets contained in budget resolutions. The office also prepares estimates of the five-year costs of proposed legislation. Since the federal budget both affects and is affected by the national economy, CBO provides periodic analyses and forecasts of economic trends. Each year, CBO issues a report outlining spending and revenue options for reducing the federal budget deficit. CBO has 220 employees and a budget of $18 million.

In my experience with these four organizations, their studies and reports have been accurate, thorough, and unbiased. Together they provide indispensable help to Members of Congress. Without accurate information, good legislation is not possible. Congress needs all the help it can get in dealing with its agenda. Fortunately, it has access to genuine expertise.

PRINCE WILLIAM SOUND NEEDS MONITORING

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. SCHEUER. Mr. Speaker, today I am pleased to introduce a bill that will authorize the National Oceanic and Atmospheric Administration [NOAA] to carry out a 10-year comprehensive monitoring and research program to determine the long-term effects of oil contamination in Prince William Sound, AK. The study will examine the effects of the spill on the diverse marine and estuarine habitats as well as on the living marine resources of the Sound.

On March 24, 1989, the supertanker, *Exxon Valdez* ran aground on Bligh Reef in Prince William Sound, spilling more than 11 million gallons of oil. The resulting contamination has adversely affected valuable natural resources in Alaska's Prince William Sound and more than 1,000 miles of coastline. A large number of sea birds, sea otters, and commercially important species of fish have been lost due to either ingestion of oil or suffocation. The effects of this spill have been far reaching and include contaminated primary food sources for many of the shore birds and otters. Long-term contamination of the prey will continue to subject otters and birds to the ingestion of toxic petroleum compounds for years.

Three months after the Alaskan oilspill, spills occurred in Galveston Bay, Narragansett Bay, and the Delaware River. If there is a lesson to be learned, it is that there is currently no technology available to prevent or truly clean up the damages from oil discharges. In Prince William Sound, natural evaporation appears to have been more effective at removing oil than our current cleanup technologies. This is truly deplorable, a national disgrace and embarrasment.

The timing and location of the spill dramatically contributed to the environmental catas-

trophe that occurred. Prince William Sound alone accounts for 50 percent of Alaska's total commercial harvest of pink salmon; however, since the concentration of oil in primary nursery areas is so great, the harvest of these salmon will be affected for many years to come. The timing of the spill has also been devastating, for it occurred when spring reproduction of shore birds and other wildlife was just beginning.

The long-term effects of the spill on Alaskan food chains and habitat need to be better understood, especially in light of the risk that is inherently involved with the transporttion of oil. Alaska is responsible for a great deal of our domestic oil production, and without a better understanding of the long-term damages to the natural environment, the costs of future oil development in environmentally sensitive areas could easily be underestimated.

The legislation amends the Trans-Alaskan Pipeline Authorization Act to authorize an appropriation of $2 million for each fiscal year through 1999, to the Secretary of Commerce to provide NOAA with the resources to carry out this essential study.

The bill which I have introduced today will be companion legislation to the bill introduced in the Senate by Mr. KERRY. This is truly an important piece of legislation, and I urge my colleagues to support the long-term research initiative which I have introduced today.

FRANK LORENZO EARNS A PAY RAISE

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. CLAY. Mr. Speaker, earlier in this Congress we experienced a raging debate over the question of increasing the salaries of Members of Congress and other high level Government officials. A majority in this body rejected the Presidential Commission's recommended salary increase. I found this action perplexing, but at least in some ways comprehensible.

However, Frank Lorenzo's recent salary increase involves issues far more perplexing and not quite comprehensible. Mr. Lorenzo heads a company which lost over $700 million last year alone. Yet, he managed to realize a 17-percent salary increase in 1988 when he earned $1.25 million. Mr. Lorenzo is among the highest paid in the airline industry even though Texas Air Corp. is in dire financial trouble. Even the executives of the more successful airlines earned far less than Mr. Lorenzo. As the following report reveals, sometimes job performance and compensation are at least as convoluted in the private sector as they can be in public service:

LORENZO EARNED $1.25 MILLION IN 1988

MIAMI.—Frank Lorenzo, whose Texas Air Corp. lost $719 million last year and whose Eastern Airlines subsidiary is in bankruptcy, made $1.25 million in 1988.

Lorenzo's pay included $977,225 in salary and $275,000 in relocation expenses, according to Texas Air's recently released proxy statement.

The 1988 salary was up 17 percent from the previous year, when Lorenzo guided Texas Air to a $466 million loss. In 1987, he made $808,712, including $787,476 in salary and bonuses and $21,236 in relocation expenses.

Lorenzo's salary is at the high end for airline executives, even those who work for profitable companies.

Industry leader American Airlines paid its chairman, Robert Crandall, salary and bonsues of $1 million last year. Stephen Wolf, chairman of the holding company for United Airlines, made $575,000. Delta chairman Ronald W. Allen earned $456,683 in fiscal 1988.

GROWING SUPPORT FOR THE INTERNATIONAL FUND FOR IRELAND

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. McHUGH. Mr. Speaker, as we reflect on the continuing tragic events in Lebanon, we should recognize that senseless violence and barbarism can be overcome if people of good will are prepared to challenge those who preach only the gospel of hatred.

Northern Ireland has sometimes been compared to Lebanon. A decade ago many Americans concluded that nothing could be done to end the violence there, that the Catholic and Protestant communities were incapable of ever resolving their differences peacefully.

Now, there is growing evidence that this conventional wisdom may be wrong and that a new spirit of tolerance and reconciliation could be taking hold in Northern Ireland. In 1985, the Government of Great Britain and Ireland signed an accord in which they pledged to work together to address the many problems in that troubled land. One of the concrete achievements of that agreement was the creation of the International Fund for Ireland.

Recently, the Irish News, the main daily newspaper read by nationalists in northern Ireland, carried an editorial suggesting that support for the Fund is growing in both communities, The United States has been a generous contributor to the Fund, and I think the American people can be proud that our financial assistance is making a difference.

As the editorial notes, however, "better community relations is slow and arduous work * * * It takes time and endless patience." That is why I am pleased that the House has now voted to approve an additional modest U.S. contribution to the Fund.

Mr. Speaker, for the benefit of those who may not have seen it, I am inserting a copy of the Irish News editorial into the RECORD at this point.

[From the Irish News, Aug. 3, 1989]

FUND HAS WON WIDE APPROVAL

It was encouraging, earlier this week, to hear Councillor Paddy McManus, a prominent member of Sinn Féin, speak favourably about the International Fund for Ireland. Councillor McManus welcomed the grant of £387,000 from the Fund to the Ashton Street Centre in the New Lodge district of Belfast. Could this be a sign that Sinn Féin's so far hostile attitude to the Fund is being modified?

Sinn Féin, like the two Unionist parties, has regarded the International Fund as a sort of bribe, offered for the purpose of making the Anglo-Irish Accord more acceptable in Northern Ireland. Other politicians go further. Mr. Harold McCusker, for example, said recently in parliament that the Fund was nothing but a begging bowl. These are undoubtedly strong words, but they are not nearly so damaging as earlier Unionist denunciations of the Fund as "blood money."

One of the oddities of Northern Ireland politics is the way in which political parties so diverse as the Unionists and Sinn Féin can agree wholeheartedly on some things. Their common hostility to the Anglo-Irish Accord and to the International Fund for Ireland is one obvious example.

The International Fund has, of course, been criticised severely, and some believe justly, for the ways in which it was distributed during the first year or so after its inception. It seemed then that individuals and single enterprises were given more consideration than communities or community enterprises.

Indeed, a report published in August 1987, the chairman of the Fund, Mr. Charles Brett, announced that a total of £28m, about half of all the Fund, had been given to investment companies, business enterprises and tourism, all of which were already generously aided from state funds. By contrast, according to some of the critics, a mere five percent of the Fund had been allocated to West Belfast and to the Foyle district of Derry.

Since then, it has to be admitted, the fund has been spread out more. Grants have been given towards university research projects, to co-operative societies, to worthwhile charities, towards the cost of student travel and development, and to cross-community projects of many different kinds.

Indeed only yesterday, the Fund announced quite generous grants to four organizations devoted entirely to the promotion of better inter-community relations within Northern Ireland and between people on both sides of the border. The Presbyterian Youth Centre near Dublin, the YMCA in Belfast, the Irish School of Ecumenics, and the long established Irish Association will receive altogether a total of more than £200,000.

Such grants will undoubtedly meet with general approval since the money will be spent solely on promoting better community relations. But promoting better community relations is slow and arduous work, especially in Northern Ireland. It takes time and endless patience. Without the kind of help that is forthcoming from the International Fund, and from other sources, it would perhaps be almost impossible.

The board of the International Fund has stated that it is often overwhelmed by requests for grants, from all sorts of organizations. If that is so, then it is evident that the public, irrespective of political feelings one way or the other, does not disapprove of the Fund or regard it as a bribe, as alms, or as blood money.

WARM WELCOME TO NEW U.S. CITIZENS

HON. TOM SAWYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. SAWYER. Mr. Speaker, I rise today to extend a warm welcome to 32 residents of my district who took the oath of allegiance as U.S. citizens on August 11, 1989, in Akron, OH.

Coming from Europe, Asia, Africa, North America, Central America, and the Middle East, these 32 new citizens represent a true cross-section of our world's peoples, cultures, and traditions. I would like to include their names in this RECORD so that my colleagues can join me in offering our congratulations to them on this special occasion:

Hung Ngoc Pham, Angela Mellas, Mohamad Odeh Hamayel, Ching-Chian Chang, Sharley Chang, Mona Gary Hagen, Ernst Helmuth Mayer, Soua Vue, Roberto Jose Almenar, Janos Simonyi, Benjamin Jung Soo Beesing, Josephine Preysler Nuss, Mohammad Ibrahim Suleiman, Patricia Elizabeth Hodson, Graeme Richard Denniss Hodson, John Franco Berbakov, Zsofia Horvath, Michael Bernard Castor, Mohsen Esfandiari, Rickey Patel, Socorro Dipagan Ramiento, Fernanda Testa, Else Anna Mathilde Livick, Anthony Livick, Esdras Furtado Cantao, David William Abell, Omer Ceyhun Ozgur, Lourdes Bolanos, Panethong Rassavong, Khamla Rassavong, Carlos Jorge Vela, and Marie Cole.

Few people have the chance to choose the nation to which they will bestow their allegiance, yet these people have chosen to become citizens of our country. As a nation, the United States has always drawn its greatest strengths from the diverse backgrounds and traditions of its people, and I am sure that these new citizens will add to the strength and prosperity of their new country.

IRS SECTION 89 EFFECT ON AMERICAN SMALL BUSINESS

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. ROTH. Mr. Speaker, the Congress cannot continue to play poker with IRS section 89 affecting America's small businesses. They view the lack of action in Washington with alarm. Indeed, some liken the situation to a card game where after the cards were dealt the IRS takes a pass, the committee draws one card and the leadership folds.

If we let the cards fall where they may, section 89 imposes compliance costs of over $4 billion—more than the cost of one Stealth bomber; reduces employment by 89,000 jobs—just about the population of Green Bay, WI; loses $800 million in 1990 tax revenues thru lost employment and productivity, and penalizes lower income workers vulnerable to layoff and intrudes upon free choice of health insurance options.

Why stack the deck against American small businessmen and women, who represent 98 percent of all United States businesses and employ 115 million; contribute one-third of United States Gross National Product—equaling the economies of West Germany and Canada combined; creates two out of three new jobs and provides first job training to 67 percent of America's workers, and provides health coverage for nearly 80 percent of all workers.

Small business holds the aces and deserves a chance to play their hand. And we all know they're calling for a fair game.

Let's reshuffle and deal again.

It's time for either the committee with jurisdiction to ante up and act on H.R. 634 or the leadership must cash in their cards and act on Discharge Petition No. 1.

A CONGRESSIONAL TRIBUTE TO MONSIGNOR ERNEST J. GUALDERON

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. ANDERSON. Mr. Speaker, I rise today to bring to my colleagues attention the long and distinguished career of an outstanding citizen in the community, Msgr. Ernest J. Gualderon. The Long Beach branch of the American Lung Association will honor Monsignor Gualderon with its 1989 Humanitarian Award, at a testimonial dinner at which I have the privilege of serving as honorary vice chairman.

Monsignor Gualderon has had a long, distinguished career in southern California. In 1945, he was ordained a priest by the late Cardinal James Francis McIntyre, and has served the church for over 40 years.

He is involved in many community and national organizations such as the National Conference of Christians and Jews, the City of Long Beach Redevelopment Agency, City of Long Beach Community Development Advisory Commission, Rotary Club, and was the honorary chaplain for the University of Southern California football team.

Monsignor Gualderon also sits on the board of directors of St. Mary Medical Center and the Los Angeles Archdiocese. He serves as chaplain to the Newman Club and is a member of the St. Anthony High School Foundation. In 1983, he was the recipient of the Humanitarian Award from the National Conference of Christian and Jews.

My wife, Lee, joins me in extending our congratulations to Monsignor Gualderon today. He is a remarkable individual. On behalf of the entire community, we wish him all the best in the years to come.

A TRIBUTE TO SAMUEL A. DONALD

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. FAZIO. Mr. Speaker, I rise today to pay tribute to my constituent Samuel A. Donald upon his retirement from the Air Logistics Center at McClellan Air Force Base in Sacramento, CA. Since 1950, he has coupled his unique gift of aviatory excellence with selfless leadership to provide a tremendous record of logistic and management operations. I am sure that my colleagues will join with me today in honoring an individual who has championed the role of civil servant, and has done so with dedication and pride.

In his tenure at the Air Logistics Center, Mr. Donald has demonstrated his outstanding aptitude for planning, organizing and directing activities at several levels. Within the past two decades, he has served as chief to each of the following areas of the ALC: The technical services section, the technical data section, the cataloging and standardization branch, the engineering reliability section and the aircraft production branch. Most recently, since 1982, Mr. Donald has served as chief of the aircraft engineering planning branch where he supervises activities of the branch in order to assure that the assigned mission of the aircraft repair and modification programs are properly met. In all of these disciplines, Mr. Donald has demonstrated a superior capacity to manage his personnel and lead them to higher levels of satisfaction and production. Among other noteworthy accomplishments, Mr. Donald was one of the first in his field to initiate a program which encouraged the employment of women as equipment specialists.

Noted universally for his managerial ingenuity, adaptability and harmonious relations with his staff, Mr. Donald has also received countless awards and commendations for his service. As early as 1967, he was recognized with the Sustained Superior Performance Award. During 1975 and 1978 he received the Outstanding Performance Rating for accomplishments as equipment specialist supervisor. For 2 successive years, 1981 and 1982, he was also acknowledged by the Special Achievement Award for his accomplishments as aircraft production chief.

As one might expect of an individual of this stature his gifts to society go far beyond the workplace. His outside interests and activities include the National Organization Supporting Hospitals for Crippled Children, service as substitute teacher for a local church active in community improvements, a life sponsor of Knights Templer Eye Foundation Inc. and vice president to a local high school booster club.

Samuel A. Donald has provided McClellan AFB invaluable service during his stay and will most certainly be missed. I know my colleagues join me in extending best wishes to him and his family upon his retirement.

HOME BUILDERS ASSOCIATION OF GREATER SPRINGFIELD, MA, MARKS A HALF-CENTURY OF ACHIEVEMENT

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. NEAL of Massachusetts. Mr. Speaker, for much of our history, housing opportunity has been a cornerstone of the American dream. Efforts to ensure that our Nation's

housing stock has been sufficient to meet the ever-increasing demands of a growing society have been a preoccupation of government at all levels. Those efforts have been supported and encouraged by generations of Americans.

The value of high-quality, affordable, housing to a community cannot be overstated. The availability of desirable units of housing does much to define the quality of life in a community, and in so doing, serves to attract jobs and the workers to fill them. My hometown of Springfield, MA, is proudly known as the "City of Homes", a testament to the character of the dwellings which make up its neighborhoods, and the craftsmanship of the men and women whose labor built them.

For 50 years these men and women, through the Home Builders Association of Greater Springfield, have taken a leadership role in ensuring that the home building industry is able to meet the housing needs of the people of western Massachusetts. Members of the association have made significant contributions to the economies in Hampden, Hampshire, and Franklin Counties by producing thousands of affordable housing units. As Congress wrestles with the difficult problems associated with maintaining the housing component of the American dream, we will need to rely even more heavily on groups with proven expertise in the field, groups like the Home Builders Association of Greater Springfield.

Mr. Speaker, I salute the association on its accomplishments over the past 50 years, and wish it continued success in the years to come. I look forward to working with the association's membership to preserve the vitality of the home building industry as we strive to meet the housing challenges which lie ahead.

NATIONAL COLLABORATION FOR YOUTH

HON. JOSEPH P. KENNEDY II

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. KENNEDY. Mr. Speaker, we are all to tragically aware of the drug epidemic sweeping across our Nation and being consumed in its wake are many of our young people through addiction, drug-related crime, and violence. We also know that the lives of many youth are ruined because they dropped out of school; did not learn basic reading, writing, and mathematical skills, while they were in school; cannot find a job; or became pregnant. Rarely, however, do we link these problems and see them as a comprehensive pattern of social failure.

The National Collaboration for Youth [NCY], a coalition of 15 of our major youth service organizations—including the American Red Cross, Big Brothers/Big Sisters of America, Boy Scouts of America, Boys Clubs of America, Camp Fire, Child Welfare League of America, 4-H, Future Homemakers of America, Girl Scouts of the USA, Girls Clubs of America, the National Network of Runaway and Youth Services, the Salvation Army, United Neighborhood Centers of America, YMCA of the USA, YWCA of the USA, and the National Board—has illustrated this link for us. In a Nation Report Card released today, NYC shows the ways in which six main youth problems are woven into a web, trapping far too many of our young people in a cycle of poverty and despair. These problems and their consequences also threaten the future of the economic prosperity of America because, if current trends continue, we will not have enough young people adequately prepared to fill the jobs of tomorrow. The National Report Card concluded that America is failing or just barely passing in its efforts to eradicate these problems. The National Report Card results included:

We are failing in solving the problems of functional illiteracy: 13 percent of our high school graduates read below a sixth grade level.

We received a F+ for our juvenile crime prevention programs—almost 1.8 million youths were arrested in 1987.

Another F+ was awarded for our ability to keep young people in school—one in four students drop out.

We are barely passing with a D− for our ability to discourage teenage pregnancy—40 percent of young women become pregnant before they reach age 20.

Our best grade, a D+, was awarded for youth unemployment—the rate for youth employment is three times higher than the adult rate.

My fellow Members of Congress, this is a dismal record. But, the National Collaboration for Youth, supported by a broad coalition of other business, government, social service, education, and volunteer organizations, has begun a campaign to improve this report card. Called "Making the Grade," this program is designed to stimulate national, State, and local cooperative efforts to resolve these problems by recognizing their interrelationships and addressing them comprehensively.

At the heart of "Making the Grade" is a program of "Town Summit Meetings." In these meetings, community leaders from all sectors—education, business, media, voluntary, social service, and government—as well as parents and young people are being brought together to develop collaborative solutions for resolving community youth programs. Over 400 town meetings in communities across the country are already planned.

The National Collaboration for Youth, its member organizations, and its supporting groups deserve the appreciation of all the people of this country for launching this campaign to save America's youth. This worthy effort deserves the help and support of each and every one of us who cares about our country, its future, and the future of our children.

TRIBUTE TO THE MACOMB LITERACY PROJECT

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to the Macomb Literacy Project.

In 1984, the Macomb Literacy Project [MLP] was jointly initiated by the Library Cooperative of Macomb and the Utica Community Schools Adult Education Program. Ms. Linda Bejma became the first coordinator of MLP, a position which she held for 3 years. Through Ms. Bejma's efforts, as well as those who helped her, the MLP developed a firm base of support.

The project was created in response to a critical problem in the community, and throughout the country—the needs of the adult nonreader. There were an estimated 74,000 adult nonreaders in Macomb County, MI when the project began. A better understanding of the adult nonreader was, and is, necessary to successfully satisfy the unique needs of these people.

Ms. Janice Corace and Mr. Victor Dene began to design the first student assessment package; a package which firmly defines the needs of each individual student. Ms. Corace became the first assessment coordinator of MLP and Mr. Dene served as a reading consultant from the Macomb Intermediate School District.

With the mission of training volunteer tutors and an established infrastructure in place, the project was well on its way. It now celebrates its fifth anniversary, September 9, as a leading support group in the community. It has seen its program double in size every year since 1984.

MLP is currently under the direct supervision of the Library Cooperative, which also acts as its fiscal agent and houses the project in its offices at the Macomb County Library. The project uses fully certified trainers that are registered with Michigan Literacy Inc., a nonprofit statewide literacy coordinating agency. Under its current coordinator, Ms. Marsha DeVergilio, MLP plans to continue its growth by developing new funding sources, promoting collaboration with all the community service providers in Macomb County, developing stronger partnerships with business, and establishing a relationship with State and national literacy programs.

A greater public awareness is necessary for us all to work together in advancing the cause of adult nonreaders. It is through the efforts of organizations such as the MLP, that success in this cause can be achieved.

I commend Ms. Bejma, Ms. Corace and Mr. Dene, as well as the many who have helped them, on their efforts in establishing the Macomb Literacy Project.

Above all Mr. Speaker, I pay tribute to those students who have demonstrated that you are never too old to learn. At an age where most adult nonreaders have given up, these students are accepting new challenges and increasing their understanding of humankind's greatest gift—language.

DEPARTMENT OF VETERANS AFFAIRS HONORS VOCATIONAL REHABILITATION EFFORTS

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. MONTGOMERY. Mr. Speaker, in 1987, the Veterans Benefits Administration of the Department of Veterans Affairs [DVA] established an awards program to formally recognize outstanding accomplishments within the Department's nationwide vocational rehabilitation effort and to commend individuals within the rehabilitation community for performing their duties in an exemplary manner. The award also recognizes a severely disabled veteran who, against great odds, has completed his or her rehabilitation program. Three individuals have received this year's award:

Mr. Alfred Daiber, a counseling psychologist at the DVA Regional Office in Providence, RI, is being cited for his expertise in counseling severely disabled veterans, many of whom could never have hoped to obtain suitable and gainful employment. Mr. Daiber's tireless efforts have resulted in many of these veterans making significant contributions to their communities.

Mr. Robert Neville, a vocational rehabilitation specialist at DVA's Regional Office in Phoenix, AZ, received the award for his outstanding accomplishments in providing rehabilitation serivces to disabled veterans. His genuine compassion and caring for those he serves exemplifies his commitment to excellence in the rehabilitation community.

Finally, Mr. Bernard "Dale" Jensen is DVA's Disabled Veteran of the Year. Mr. Jensen served in the Air Force for nearly 10 years and departed military service in 1986. Because of his exposure to harmful chemicals and severe allergic reactions to sunlight, he has to completely cover himself with clothing and wear sunglasses at all times. Many wondered how he would ever be capable of holding a job. Professional rehabilitation staff at the DVA Regional Office in Seattle, WA, say that no veteran has shown more tenacity and courage in working to complete a rehabilitation program than has Dale Jensen. A 12-month training program was extremely difficult for Mr. Jensen, but he chose to persevere. He typifies the positive outcome of such rehabilitation efforts.

Mr. Speaker, as chairman of the House Veterans Affairs Committee, I am especially proud of these fine Americans. I know my colleagues will want to join me in offering our deep appreciation to Mr. Daiber and Mr. Neville. We also congratulate and applaud Mr. Jensen's determination in overcoming the limitations of his disability.

TRIBUTE TO MANUEL G. MARTINEZ

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. RICHARDSON. Mr. Speaker, I rise today to pay special tribute to Manuel G. Martinez, of Belen, NM, who has been recognized in a nationwide program by the Department of Energy for outstanding volunteer service to his community.

Mr. Martinez, an engineer at the DOE Albuquerque Operations Office, speaks to students throughout the State of New Mexico emphasizing the importance of education. With his one man show he stresses the importance of math, science, and English to elementary, junior high, and high school students.

Mr. Martinez has been active with the Department of Energy in the areas of education, recruitment, and outreach programs. In addition, he is considered an unsung hero among his coworkers and is an inspiring example of benevolent activism.

Mr. Martinez has been and continues to be an excellent role model for young men and women in New Mexico. I would like all of my colleagues in the House of Representatives to join me in honoring and commending Manuel G. Martinez for his extraordinary service to America's most valuable resource—our young people.

TRIBUTE TO DAVID LEWIN

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. GARCIA. Mr. Speaker, born a Russian, reared in Poland, schooled in Israel, before migrating to the United States, where he completed his education in 1971, David Lewin is a true representative of the American dream.

A hard working, diligent, young man, who successfully transformed, a $3,000 loan into a financially thriving dry cleaning chain, with nothing more than contribute to its apparent success, other than his own body sweat, and hardened muscle.

The profits generated by the sale of this 10 store, minichain, were utilized to formulate Sound Machinery Inc., which today, has to be considered one of the largest dry cleaning, and laundry equipment firms in the metropolitan area.

Sound Machinery, considered by many financial institutions, as a major, turnkey, industrial operation, is directly involved with the sale, and installation of professional dry cleaning, and coin operated laundry establishments.

The amazing, almost unbelievable, rapid growth of this specialized conglomerate, is in it self, a tribute to a relatively young man, whose unwavering personal conviction was solely responsible for one of the most prosperous sagas in South Bronx history.

When others fled the horrid masonry and steel canyons, created by hundreds of vacant, abandoned buildings, in a county seat, that was once referred to as the "Borough of Parks, and Universities," David Lewin decided to dig in, and fight the decay.

Sound Machinery was born in the devastated borough of the Bronx, and its founder, David Lewin, honestly believed he had a debt to the neighborhood, as well as the people that nurtured its birth.

Utilizing community self help organizations such as OBD and their human Resources Development Program, Lewin proceeded to train a working staff, and in concert with the ideas fostered by groups such as the Bronx Overall Economic Development Corp. [BOEDC], and the Small Business Administration [SBA], Lewin was able to develop a number of joint venture programs, that afforded, many striving, neighborhood individuals, the opportunity to open, and successfully operate their own dry cleaning, and coin operated laundry plants.

Sound Machinery is currently the first corporate structure, in the service industry, to enter into a joint venture with the Soviet Union.

David, livingly dubbed cowboy by members of the Soviet Ministry for Consumer Services, due to his extensive use of a Texan chapeau, is presently finalizing a contract to construct 300 professional dry cleaning and coin operated laundry establishments throughout Russia; the first of which is scheduled to open by the end of this year in Leningrad.

Companies in Israel, as well as the service Ministry in Poland, are keeping a watchful eye on Lewin's Russian adventure, and appear to be extremely interested in developing a working relationship with this extremely enterprising South Bronx corporation.

Dave's volunteer and civic commitments are as far reaching as is his company's worldly philosophy. He was among the founding members of the South Bronx Board of Trade; a contributing sponsor of the "Cop Shot" foundation; an active member in the Bronx Rotary Club, and financial secretary of the American Jewish Congress.

He sits on the boards of the Salvation Army; RAIN; the Bronx Albert Einstein Council; and the BOEDC.

He has been the honoree of the police department's honor legion; the Boy Scouts of America; the Bronx Boy's Club; the Neighborhood Cleaners Association; and the Korean Dry Cleaners Association.

Dave and his lovely wife Flora, are the proud parents of their only son Erik, who recently celebrated his Bar Mitzva, at the Beth El Synagogue, in New Rochelle.

Dave enjoys spending his very limited, spare time fingering a trumpet. A throwback to his first trumpet days with the William Howard Taft High School. A musician, he laughingly asserts, in his usual, good natured, straightforward manner, is something, he'll never be considered, in this or any other life God may have in store for him.

FINANCIAL INSTITUTIONS REFORM, RECOVERY, AND ENFORCEMENT ACT

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. McMILLEN of Maryland. Mr. Speaker, today I rise in support of the conference report on the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 [FIRREA].

As a conferee, I am proud to say that the key elements of the House bill are included in this agreement:

A 3-percent tangible capital requirement to protect the deposit insurance fund and the American taxpayer from future bailouts. These capital standards are tougher than those past by the Senate, which only had a 1.5-percent tangible capital requirement and those of the administration's proposal itself, which lacked any clear tangible capital requirement until 10 years after the enactment of FIRREA.

An affordable housing program, and a new qualified thrift lender test that recommits the savings and loan industry to its original purpose of providing accessible mortgage financing for middle- and working-class Americans.

The creation of a lean Resolution Trust Corporation with sound conflict of interest provisions and an explicit directive to utilize the private sector in the disposition of troubled thrift assets. As the recent scandals with the Department of Housing and Urban Development prove, we need strict accountability when our public agencies contract out with private resources.

A review of the 1988 "December Deals" put together by the Federal Home Loan Bank Board which committed the U.S. Treasury to billions in tax breaks and notes without congressional approval. Furthermore, the legislation allows the Resolution Trust Corporation to restructure those agreements as legally permissible and to report to the Congress its findings. Finally, FIRREA puts a cap on the notes that the Resolution Trust Corporation can issue so that the RTC cannot repeat the questionable financial dealings of the Bank Board.

One glaring deficiency of this legislation is that the financing of the bailout was only placed partially on-budget and exempted from Gramm-Rudman. Had the full amount been placed on-budget the American taxpayer would have been saved at least $5 billion at least. This is based on the interest rate spread and by giving Treasury the flexibility to issue different kinds of maturities for the bonds. But the issue we are missing is that the bailout is being underestimated by the Treasury Department because many of the assumptions that the administration has used to calculate the cost of financing the bailout are dubious. These questionable assumptions include:

There will be no recession over the next 10 years.

Savings and loans, despite record withdrawals, will have a deposit growth rate of 7 percent per year.

No inflation will occur.

The "December Deals" orchestrated by the Bank Board will cost less than that of liquidating those institutions. The General Accounting Office has essentially stated that in many cases the Government would have saved money by liquidating institutions rather than encouraging with tax concessions and notes their merger with healthy institutions.

Short-term Treasury bills will fall to 4.4 percent by 1994 from the current 7.5 percent. It should be noted that each percentage-point rise in interest rates could pile up another $10 billion to $12 billion in S&L losses that could ultimately befall taxpayers.

So while I supported the conference report because of the need to put a stop for now to this crisis and end the $20 million per-day losses in the industry, I would like to state my continued preference for on-budget treatment of the Refcorp bonds. Furthermore, I feel compelled to criticize this administration for its shortsightedness regarding this important legislation. The Congress worked in a bipartisan manner to produce a bill which in my opinion goes a long way toward reforming the savings and loan industry as well as taking steps to ensure that a crisis of this magnitude does not occur again. The Congress, and particularly my colleagues on the Committee on Ways and Means and the Committee on Government Operations, practiced fiscal responsibility by placing the Refcorp bonds on-budget and thus cutting the cost of this bailout. The administration, despite its recognition that on-budget financing would save at least $5 billion nevertheless was willing to delay the enactment of this much needed legislation for essentially political purposes. It had been my hope that in the spirit of bipartisanship and good public policy that the President would have accepted the House proposal for on-budget financing of the bailout. It is still my belief that this would have been the more honest, fiscally responsible, and economical approach to this problem.

FORT BLISS COMMANDER CAPS DISTINGUISHED CAREER

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. COLEMAN of Texas. Mr. Speaker, Maj. Gen. Donald J. Infante, the post commander of Fort Bliss, TX, retired yesterday in a ceremony that recognized his accomplishments on behalf of the U.S. Army, Fort Bliss, the Nation's air defense system, and our community of El Paso, TX, of which Fort Bliss is an integral part.

We all felt the same emotion of sadness when we heard the news that General Infante was retiring from the Army, which he had served with honor and distinction for so many years. The position of the commander of Fort Bliss is more than a military post in our community. Because of the unique and special relationship that has grown over the years between the base and the community, the commander of Fort Bliss becomes a member of our greater El Paso family, and we look to him for leadership in community affairs.

General Infante's career in the U.S. Army has been heralded. He is the architect of this Nation's current air defense doctrine, which seeks to protect our ground forces from air attack, especially at the forward edge of battle. He is renowned for the development of the Forward Area Air Defense System, and I have had the privilege of working with him on these and other programs important to Fort Bliss. His career has been one of noted accomplishment, dedication and sacrifice, an effort that was aided by the many contributions of his wife. Service spouses are unsung heroes, and we all salute their vital if all-too-unnoticed efforts.

I have worked closely with General Infante on a number of issues, but nothing has meant more to Donald Infante than the quality of life for the men and women who serve in the uniformed services. Year after year, we have worked to build up the post from that perspective. Replacing barracks and modernizing other facilities has not been glamorous work, but it has demonstrated his commitment to every one of the 20,000 soldiers on this installation, without regard to rank. He has been uncommonly fair and considerable to these vitally important aspects of a post commander's varied duties.

I am certain, however, that El Paso will always be able to count on his friendship. I would like to add my personal congratulations to those of the 16th Congressional District of Texas for a job well done. We wish this soldier's soldier the best of luck and success in the future for him and his family, and I salute his accomplishments to my colleagues in the House of Representatives.

A TRIBUTE TO G. SAM MILAM

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. HUBBARD. Mr. Speaker, I want to take this opportunity to pay tribute to a man who was a dear friend and an outstanding constituent of mine in Russellville, KY, and whose contributions to his community will never be forgotten.

G. Sam Milam, who died December 10, 1988, at the age of 83, would have recently celebrated his 60th anniversary of practicing law in the community he loved and served so unselfishly.

Sam Milam was a native of Beechland, KY, and a graduate of Bethel College in Russellville. He studied arts and sciences at the University of Kentucky and law at the University of Florida and the University of Chicago.

This great man, who would go on to earn the title of "Dean of the Logan County Bar Association," started his career as a young attorney by serving for 12 years in the Kentucky General Assembly—8 as a State representative and 4 as a Senator.

He enjoyed over 50 years of marriage to his lovely wife Justine Cook Milam, who died only 9 months before her devoted husband. Together, they reared three sons and left lasting impressions upon eight grandchildren and three great-grandchildren.

In addition to his devotion to his family and his career, Sam Milam loved God and he loved Russellville's First Baptist Church where he was men's Bible class teacher for 52 years. His teachings were so highly respected in the community that they were broadcast over Russellville's WRUS radio station for over 30 years.

Sam Milam was a well-thought-of and highly respected man in his community. This was reflected in 1986 when the News Democrat, the local newspaper, named him "Man of the Year" for his cumulative service to the community since beginning his law practice there in 1929. Upon granting this honor to Sam Milam, the News Democrat cited his outstanding advice to corporations considering locating in Logan County as well as to the groups of citizens who worked to attract them; his advice to politicians before and after they entered office; and to individuals seeking fairness with their own legal affairs.

He was praised for and will perhaps be best remembered by many for his fair and unbiased handling of the deGraffenried legacy, a gift of $1 million left to the citizens of Russellville by a New York attorney "for the education of the people at large." Because of Sam Milam's wise investments with this fortune, the people of Russellville will continue to enjoy educational opportunities that might otherwise not have been possible.

Sam Milam is survived by his three sons, George S. Milam, Jr., of Benton, KY, James C. Milam of Russellville, KY, and William T. Milam of West Chester, OH; eight grandchildren and three great-grandchildren.

James Milam, an outstanding attorney in Russellville, has been my Logan County cochairman in previous successful political campaigns including my first race for Congress in 1974.

Sam Milam has been called a wise man, a lawyer's lawyer, and a community leader, but I'm most proud to have known him as my friend.

"THE DESECRATION," A POEM BY ANNE JOHNSON

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1989

Mr. CLEMENT. Mr. Speaker, I recently received a copy of a heartfelt poem entitled "The Desecration." The poem was written by Mrs. Anne Johnson, a wife and mother, who lost both her husband and son to war.

This poem captures the feelings and emotions of many individuals following the Supreme Court's recent decision regarding the physical desecration of the American flag and, as such, I would like to share it with my colleagues.

THE DESECRATION

She prays, "Dear God have mercy
on one who'll burn the flag.
That draped both the coffins,
of Billy and his dad.
She brought them home together,
to rest in eternal peace.
A loving wife and mother,
with a torture never to cease.
They called my Jim a hero,
on Iwo Jima he died.
And twenty-five years later,
son, Billy sleeps by his side.
A mother has her memories,
a wife, alone, so sad.
Purple hearts, Dog tags,
and two American Flags.
They fought two wars a world apart,
a father and a son.
Big Jim on Iwo Jima,
little Billy in Viet Nam.
They gave their lives for freedom,
for a Flag that made them one.
Jim died on Iwo Jima,
little Billy in Viet Nam.
She prayed, "God in Heaven,
I Gave them all I had.
My son Billy to Viet Nam,
to Iwo Jima, Billy's dad."
In loving Memory of:
M/Sgt. Michael Delaine Johnson, Sr.
Lt. Michael Delaine Johnson, Jr.
Viet Nam 1966-1972
Age 17 at enlistment.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, September 7, 1989, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 8

9:00 a.m.
Governmental Affairs
To hold hearings with the Committee on the Judiciary on organized crime strike forces.
SD-106

Judiciary
To hold hearings with the Committee on Governmental Affairs on organized crime strike forces.
SD-106

9:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on the Commodity Futures Trading Commission's review of the July emergency in the soybean futures market and to review the General Accounting Office study of futures trading abuses.
SR-332

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on protecting Antarctica's environment.
SR-253

Special on Impeachment Trial Committee
To continue hearings in the matter relating to the impeachment of Judge Walter L. Nixon, Jr.
SH-216

10:00 a.m.
Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee
To hold hearings on proposed legislation authorizing funds for community and urban development programs.
SD-538

Foreign Relations
To hold hearings on international aspects of the national drug control strategy.
SD-419

10:15 a.m.
Armed Services
To hold hearings on the nomination of Martin C. Faga, of Virgina, to be Assistant Secretary of the Air Force for Space.
SR-222

2:00 p.m.
Banking, Housing, and Urban Affairs
To hear and consider the nominations of John C. Weicher, of the District of Columbia, Sherrie Sandy Rollins, of Virginia, and Skirma Anna Kondratas, of Virginia, each to be an Assistant Secretary of Housing and Urban Development, Quincy Mellon Krosby, of New York, to be an Assistant Secretary of Commerce, and Brian W. Clymer, of Pennsylvania, to be Urban Mass Transportation Administrator, Department of Transportation.
SD-538

Foreign Relations
To hold hearings on the nominations of James Richard Cheek, of Arkansas, to be Ambassador to the Republic of Sudan, Lannon Walker, of Maryland, to be Ambassador to the Federal Republic of Nigeria, and Johnny Young, of Pennsylvania, to be Ambassador to the Republic of Sierra Leone.
SD-419

Special on Impeachment Trial Committee
To continue hearings in the matter relating to the impeachment of Judge Walter L. Nixon, Jr.
SH-216

SEPTEMBER 11

9:30 a.m.
Governmental Affairs
To hold hearings on the threat of terrorism and the Federal government's response to terrorism.
SD-342

2:30 p.m.
Labor and Human Resources
To hold hearings on the proposed Disadvantaged Minority Health Improvement Act of 1989.
SD-430

SEPTEMBER 12

9:00 a.m.
Labor and Human Resources
To hold hearings on S. 580, to require institutions of higher education receiving Federal assistance to provide cer-

tain information with respect to the graduation rates of student-athletes.
SD-430

9:30 a.m.
Energy and Natural Resources
To hold hearings on H.J. Res. 175, to authorize entry into force of the Compact of Free Association between the United States and the Government of Palau.
SD-366

Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings to examine the structure of the international drug cartel.
SD-106

Special on Impeachment Trial Committee
To resume hearings in the matter relating to the impeachment of Judge Walter L. Nixon, Jr.
SH-216

Joint Economic
To hold hearings on U.S. economic policy making.
2247 Rayburn Building

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 319, S. 374, S. 393, S. 620, S. 1230, and H.R. 2783, miscellaneous public lands measures.
SD-366

Special on Impeachment Trial Committee
To continue hearings in the matter relating to the impeachment of Judge Walter L. Nixon, Jr.
SH-216

SEPTEMBER 13

9:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings to examine the structure of the international drug cartel.
SD-342

Small Business
To hold hearings to examine certain current tax laws on small business.
SR-428A

Veterans' Affairs
To hold hearings on the nominations of Kenneth B. Kramer, of Colorado, and John J. Farley III, of Maryland, each to be an Associate Judge of the U.S. Court of Veterans Appeals.
SR-418

Special on Impeachment Trial Committee
To continue hearings in the matter relating to the impeachment of Judge Walter L. Nixon, Jr.
SH-216

10:00 a.m.
Banking, Housing, and Urban Affairs
International Finance and Monetary Policy Subcommittee
To hold oversight hearings on the status of the tied aid credit warchest of the Export-Import Bank of the United States.
SD-538

Foreign Relations
Terrorism, Narcotics and International Operations Subcommittee
To hold hearings to review the war on drugs in Colombia and Panama.
SD-419

Judiciary
To resume hearings on proposals to protect the physical integrity of the flag of the United States.
SR-325

2:00 p.m.
Special on Impeachment Trial Committee
To continue hearings in the matter relating to the impeachment of Judge Walter L. Nixon, Jr.
SH-216

SEPTEMBER 14

9:30 a.m.
Governmental Affairs
To hold hearings on S. 1165, to provide for fair employment practices in the Senate and the House of Representatives.
SD-342

Special on Impeachment Trial Committee
To continue hearings in the matter relating to the impeachment of Judge Walter L. Nixon, Jr.
SH-216

10:00 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD-226

2:00 p.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 53, the Cedar Bluff Unit Reformulation, S. 486, authorizing funds for the construction of the Lake Meredith Salinity Control Project in New Mexico and Texas, S. 202, the Lake Andes-Wagner/Marty II Project, S. 1121, authorizing additional funds for the Buffalo Bill Dam, and S. 1275, the Leadville Mine Water Drainage Treatment Act of 1989.
SD-366

Judiciary
To continue hearings on proposals to protect the physical integrity of the flag of the United States.
SR-325

Special on Impeachment Trial Committee
To continue hearings in the matter relating to the impeachment of Judge Walter L. Nixon, Jr.
SH-216

2:30 p.m.
Select on Indian Affairs
To hold hearings on S. 1270, to provide an Indian mental health demonstration grant program.
SR-485

SEPTEMBER 15

9:30 a.m.
Select on Indian Affairs
Business meeting, to mark up S. 321, to clarify and strengthen certain provisions of the Buy Indian Act, to establish certain preferences for Indians under Federal grants to Indian organizations, H.R. 498, to clarify and strengthen the authority for certain Department of the Interior law enforcement services, activities, and officers in Indian country, and S. 1364, to establish a joint Federal commission on policies and programs affecting Alaska natives; to be followed by hearings on S. 1096, to provide for the use and distribution of funds awarded to the Seminole Indians.
SR-485

Special on Impeachment Trial Committee
To continue hearings in the matter relating to the impeachment of Judge Walter L. Nixon, Jr.
SH-216

9:45 a.m.
Select on Indian Affairs
To hold hearings on S. 496, to increase the percentage of amounts allocated for vocational training for Indian and Native Hawaiians under funds reserved for State vocational education assistance.
SD-562

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Production and Stabilization of Prices Subcommittee
To resume hearings on proposed legislation to strengthen and improve U.S. agricultural programs, focusing on livestock and poultry.
SR-332

2:00 p.m.
Special on Impeachment Trial Committee
To continue hearings in the matter relating to the impeachment of Judge Walter L. Nixon, Jr.
SH-216

SEPTEMBER 19

9:00 a.m.
Agriculture, Nutrition, and Forestry
Conservation and Forestry Subcommittee
To hold hearings on the protection of water quality.
SR-332

9:30 a.m.
Governmental Affairs
To hold hearings on S. 971, to authorize and encourage Federal agencies to use certain techniques for the prompt and informal resolution of disputes.
SD-342

10:00 a.m.
Foreign Relations
To hold hearings on U.S. policy options toward South Africa.
SD-419

SEPTEMBER 20

10:00 a.m.
Foreign Relations
To hold hearings on U.S. policy options toward South Africa.
SD-419

SEPTEMBER 21

9:30 a.m.
Governmental Affairs
To hold hearings to review the Administration's national drug control strategy as it affects State and local governments.
SD-342

Rules and Administration
To hold hearings on the nominations of Joan D. Aikens, of Pennsylvania, and John Warren McGarry, of Massachusetts, each to be a Member of the Federal Election Commission.
SR-301

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Production and Stabilization of Prices Subcommittee
To hold hearings on proposed legislation to strengthen and improve U.S. agri-

cultural programs, focusing on livestock and poultry.
SR-332

Foreign Relations
East Asian and Pacific Affairs Subcommittee
To hold hearings on proposals for a Pacific basin forum.
SD-419

SEPTEMBER 26

8:30 a.m.
Office of Technology Assessment
The Board, to meet to consider pending business.
EF-100, Capitol

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings to examine U.S. Government antinarcotics activity in South America.
SD-342

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Production and Stabilization of Prices Subcommittee
To resume hearings on proposed legislation to strengthen and improve U.S. agricultural programs, focusing on rice.
SR-332

Foreign Relations
To hold hearings on the Convention Against Torture and Other Cruel, Inhuman, or Degrading Treatment or Punishment (Treaty Doc. 100-20).
SD-419

2:15 p.m.
Energy and Natural Resources
Mineral Resources Development and Production Subcommittee
To hold oversight hearings on natural gas supply and deliverability.
SD-366

SEPTEMBER 27

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings to examine U.S. Government antinarcotics activity in South America.
SD-342

SEPTEMBER 28

9:30 a.m.
Governmental Affairs
To hold oversight hearings on the implementation of the Inspector Generals Act.
SD-342

10:00 a.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold oversight hearings on hydroelectric regulation under the Federal Power Act.
SD-366

SEPTEMBER 29

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to examine U.S. Government antinarcotics activity in South America.
SD-342

OCTOBER 26

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Production and Stabilization of Prices Subcommittee
To resume hearings on proposed legislation to strengthen and improve U.S. agricultural programs, focusing on cotton.
SR-332

POSTPONEMENTS

SEPTEMBER 12

10:00 a.m.
Foreign Relations
Business meeting, to mark up S. 195, to require the imposition of specified sanctions against any foreign country which uses chemical or biological weapons in violation of international law or against its own citizens.
SD-419

HOUSE OF REPRESENTATIVES—*Thursday, September 7, 1989*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Teach us, O God, to learn the true values of life that point the way to freedom and to service to others. Encourage us to use the abilities You have given to help our neighbors and all people with honesty, courage, patience, and courtesy. As each of us has received unique talents from Your hand, so may we use those gifts, however large or small, so that "justice flows down as waters and righteousness like an ever-flowing stream." This we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Iowa [Mr. GRANDY] please lead the Members in the Pledge of Allegiance?

Mr. GRANDY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

UNITED STATES-JAPANESE TRADE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, last week Japan's Prime Minister, Toshiki Kaifu visited the United States of America. He was not here just to see the sights. He came to court the American public, can you believe that, to convince them that Japan is not really a threat to America.

Japan is concerned; Japan is worried. The reason is very simple. Polls here in America show that Americans fear Japan more than the Soviet Union or communism.

It is no wonder that Americans are concerned. Six years ago America had the top two banks in the world. Today we do not have a bank in the top six.

Japan is buying America out at a record pace, and Congress and the administration has yet to slow it with a fair trade program.

The truth of the matter is the day will come when we see a big sign on Wall Street that will say, "Made by Japan," and maybe another one below that that will say, "Owned by Japan." So the Prime Minister should be concerned, and America should be concerned, and Congress should be doing something about it.

IT IS TIME TO HAVE HEARINGS ON THE PRESIDENT'S CRIME PACKAGE

(Mr. McCOLLUM asked and was given permission to address the House for 1 minute.)

Mr. McCOLLUM. Mr. Speaker, the other night when the President gave us his drug war strategy, he did not send up a new legislative package, but he did ask us to act on his crime package that he sent up several months ago. That crime package includes such things as restoring the death penalty for many things we have not allowed it to be applied to in recent years. It includes an authorization for many more Federal prisons and new prosecutors and new investigators. It involves a request for us to modify the exclusionary rule to keep so many criminals from getting off on technicalities, and changing the habeas corpus law so we can stop the continuous appeals when people get convicted and try to stop their sentences from being carried out, and many other things are in that bill.

Unfortunately, the bill that was referred to the Judiciary Committee has not been referred to a subcommittee. Unfortunately, no hearings have been held on any portion of that bill to date.

I urge my chairman of the Judiciary Committee and the chairmen of the four key subcommittees which cover this bill to proceed with hearings on the bill, to get the bill appropriately referred, to let the crime package have its day and its hearing. It is the one legislative initiative that we can take on the war on drugs and on the severe criminal problems we have going on in this country that this body has an obligation to do, and that we can do this term of Congress.

So let us hope that we do not let this thing stick around for a long time. I urge action on the President's crime package.

TRIBUTE TO COMMISSIONER OF BASEBALL DR. A. BARTLETT GIAMATTI

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ANNUNZIO. Mr. Speaker, like so many Americans, I was shocked to learn of the untimely death last Friday afternoon of A. Bartlett Giamatti, the commissioner of baseball. Bart Giamatti was my friend, and America truly has lost one of the greatest fans of the game.

The last time I saw Bart was just a few short weeks ago at a congressional reception in his honor, and he will always be remembered by those of us who knew him as a man of great wit and humor who enjoyed life to the fullest.

Though his tenure in baseball was a short one, Bart compiled an outstanding record of achievement as a scholar, as president of Yale University and as commissioner of baseball. To his students, he will always be remembered as a devoted and inspiring teacher who challenged them to fulfull their academic potential. To his colleagues, he was a respected scholar and a caring and creative administrator, sensitive to their needs and always accessible. To the fans of baseball, Bart left his mark on the sport, adhering to the highest standards of professional conduct and preserving the integrity of the game.

Angelo Bartlett Giamatti was born in Boston, and attended Yale University, where he began his distinguished academic career as a scholar of renaissance literature. He received his B.A. degree magna cum laude from Yale in 1960, and obtained his Ph.D. from Yale in comparative literature in 1964. He joined Yale's faculty in 1966, and quickly moved up through the academic ranks. In 1978, he became the youngest president of Yale in 200 years, and served as the 19th president of the school until 1986.

As president of Yale, Bart Giamatti rescued the school from a more than $10 million deficit, and then built the endowment fund to over $1.5 billion. He inspired the Yale community and received the respect and admiration of both students and faculty. His captivating and friendly personality was legendary, and almost every student who attended Yale during his tenure, has memories of personal experiences on how their lives were touched by Bart Giamatti.

In 1982, the National Italian American Foundation, an organization dedicated to promulgating the positive contributions and achievements of Italian Americans, presented A. Bartlett Giamatti its Career Achievement Award in Education, in recognition of his outstanding achievements in the field of educational administration as president of one of the premier universities in America, and for his contributions to human knowledge through his personal scholarship in the field of renaissance literature.

Bart Giamatti left Yale in 1986 to become commissioner of the National League, and just a few short months ago, on April 1, he became commissioner of baseball. As commissioner, he was a great fan of the game, and his death is a tremendous loss to the game of baseball. At this point in the RECORD, I would like to share with my colleagues in the House of Representatives an editorial which appeared in the September 3, edition of the Washington Post, in tribute to Bart Giamatti, and a copy of that editorial follows:

[From the Washington Post, Sept. 3, 1989]

ANGELO BARTLETT GIAMATTI

When A. Bartlett Giamatti, former professor of comparative literature and president of Yale University, was named to head the National League three years ago, a baseball fan had good reason to ponder an important question: How is this guy going to go over with The Sporting News? The Sporting News, for the uninitiated, is a hard-core weekly for the baseball set (although it now does devote attention to other sports, too) that has little room for the many highfalutin writers currently rhapsodizing about the game. It wasn't hard to imagine the snide cracks about "the professor" that would emanate from its crusty editorialists, columnists and especially its letter writers, as cantankerous a lot as ever sat cursing a radio and studying box scores one hot night after another in some place a thousand miles from the closest major league stadium.

But this bedrock constituency took to Mr. Giamatti just as did almost everyone else who ever encountered him. When he was named commissioner of baseball, even The Sporting News praised the choice.

Mr. Giamatti had a way of charming the socks off people—not by being a glad-hander but by being honest and interested. As a professor he was a tough grader but one whose classes were always oversubscribed because, as one student put it, "He makes you excited about the subject even if you're not." When he became president of Yale at the tender age of 39, he acknowledged that it wasn't quite the summit of his ambitions: the only presidency he really wanted was of the American League, locus of his beloved Red Sox.

Seven years later the professor who had written his doctoral thesis on the theme of the idyllic garden in Renaissance literature got his call to the idyllic gardens of baseball, as president of the other league. When Peter Ueberroth stepped down as commissioner this year, after a period during which he helped solidify baseball's financial status, there may have been a feeling that the master businessman should be followed by someone with a touch of the poet. In choosing Mr. Giamatti, the game got that and more—a commissioner who had the courage and honesty in the Pete Rose case to act as he felt necessary against one of the most popular figures in baseball history, and who had earned sufficient respect in his short time in the game to make his verdict stand up with the public.

After Mr. Giamatti's death on Friday, Mr. Ueberroth called him "the finest commissioner in history," a superlative that might must be right: the most well-remembered commissioners have been not those who made the game pay but rather those who protected its integrity. But Mr. Giamatti would probably have been just as pleased by the words of St. Louis Cardinals manager Whitey Herzog, the ulitmate chew-spit-and-cuss dugout denizen. "For being book smart, I thought he had a lot of street smarts," Mr. Herzog reflected Friday. "Which is tough to find sometimes."

Bart Giamatti was a man of enormous ability and talent, who not only made a significant contribution to academic excellence in this country, but also left his mark on the great American past-time—baseball. Mrs. Annunzio and I extend our deepest sympathy to his wife, Toni, his children, Marcus, Elena, and Paul, and the other members of his family who survive him.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 2696, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1990

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 2696) making appropriations for energy and water development for the fiscal year ending September 30, 1990, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

EXPANDING THE DEATH PENALTY FOR THE WAR ON DRUGS

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, every citizen of our country knows that America is under seige by the drug warlords of the world. That entitles us, absolutely commands us to use every device, every weapon at our disposal to fight the war on drugs.

The death penalty for proper cases where drug warlords kill in the furtherance of their enterprise is an appropriate response. Yet we must expand the use of the death penalty in proper cases to cover all the other circumstances connected with drugs, like kidnaping and murder for hire, murder at whim, as it were, and other situations in which death comes about as a result of the illegal acts of these drug kingpins.

So we must do something immediately about full debate on this issue through the proposal that President Bush sent to the Congress, which includes an expansion of capital punishment in proper cases. We cannot afford any longer to do anything but get as tough as possible on the war on drugs, and to punish where punishment is due.

MORE TREATMENT FACILITIES NEEDED FOR DRUG ADDICTS

(Mr. SARPALIUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SARPALIUS. Mr. Speaker, the President announced his program on drugs. Let us be realistic. The real problems of drugs in this country is based on supply and demand, and as long as there is a demand there is going to be a supply.

Of the drug addicts in this country who go to seek help, 95 percent are turned away. I know of a man in my district that I visited and who is a social worker and who pulled open his drawer and gave me some pictures and said, "Congressman, this boy right here was killed by his father, was beaten to death with a ball peen hammer." But the sad thing about the story was he had gone three times seeking help and three times he was turned away.

Eighty percent of child abuse cases in this country are caused by a person who is either on alcohol or drugs at the time when they commit the crime.

Seventy-seven percent of all crimes in this country are caused by a person who is either on alcohol or drugs at the time they commit the crime.

Talk is cheap. The President has given us an idea, but he has not given us a plan as to how we are going to pay for these programs. I challenge the President, I challenge Members of this Congress to let us get serious about the problems of drug abuse.

□ 1010

CHILD SAFETY ABOARD AIRPLANES

(Mr. LIGHTFOOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIGHTFOOT. Mr. Speaker, the crash of United flight 232 in Sioux City, IA, raised the issue of child and infant safety aboard airline flights. As most people are aware, children under age 2 are not required to be restrained on aircraft. Rather, parents are encouraged to hold their toddlers and infants on their laps.

As a flight instructor and volunteer FAA safety counselor, I am well aware of the possible hazards of flying. The

unrestrained children aboard United flight 232 were compared to launched missiles by survivors of that crash.

Adults are required to wear seat belt restraints aboard aircraft. There is no reason we should not afford our children the same protection. This means safety seats should be required for toddlers and infants.

I invite my colleagues to join me in sending a letter to FAA Administrator James Busey requesting the FAA to issue regulations mandating increased protection for air traveling children.

PLASTIC BULLETS WILL NOT BRING PEACE IN NORTHERN IRELAND

(Mr. NEAL of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Mr. Speaker, a recent announcement by the British Government that plastic bullets are to be issued to the Ulster Defense Regiment should be a source of great concern to everyone interested in a peaceful resolution of the seemingly intractable troubles in Northern Ireland.

Placing plastic bullets in the hands of the Ulster Defense Regiment will clearly be viewed as a provocation by the Catholic population in Northern Ireland. Plastic bullets in the employ of the Royal Ulster Constabulary and the British Army have had a shameful history. Their use has produced 14 deaths in Northern Ireland, the most recent a 15-year-old boy killed on August 9 of this year. In view of this history, it would seem to me to make far more sense for the British to concentrate on ways to restrict the use of plastic bullets, rather than to take actions which have the potential for increasing it.

Mr. Speaker, I urge the British Government to reconsider this decision. It is not one likely to further the cause of peace in Northern Ireland, and it certainly does not reflect a policy designed to generate confidence that the rights of both the Protestant and Catholic communities will be equally protected.

TRIBUTE TO OUR SERGEANT AT ARMS, JACK RUSS

(Mr. ACKERMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ACKERMAN. Mr. Speaker, on behalf of Congressman ALAN WHEAT and myself I would like to thank you very much for allowing us to participate in what proved to be a very, very difficult mission and to thank all of the Members of this body who offered us the kind of encouragement that we received.

But I would like especially to call the attention of the Members of this body to the actions of another individual who was also with us in a very, very quiet way. That is the Sergeant at Arms of this body, Jack Russ.

Mr. Speaker, his tremendous expertise and professionalism as well as his professional courage was really demonstrated on this particular trip.

He is an individual, I think everybody should know, who was willing literally to go to the ends of this Earth to help any Member of this body who has found himself in any kind of difficulty.

So, Jack, on behalf of all of us, including Mickey, thank you very much.

JAPAN AND TAIWAN ARE PROTECTED BY A "BUNCH OF AMERICAN FOOLS OR TOOLS"

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. APPLEGATE. Mr. Speaker, I spent August in my district talking to my people. They are concerned with many things, but the No. 1 thing that they are concerned with is the local economy.

They are worried about jobs, they are worried about where the good manufacturing jobs have gone. They have gone overseas and they know that.

They have been left with low-wage jobs. They have lost health insurance, they have lost pension rights, they have lost the quality of life that they once had.

Our foreign trading partners are stealing jobs and we are letting them get away with it. They stop or slow trade and American productivity by establishing quotas or tariffs or subsidies.

America's free traders, you know what they say? They say what they are doing is free competitive spirit. But when we propose the same thing, they call it protectionism.

Japan and Taiwan are in fact protected by a bunch of American fools or tools, many of which are in this Congress.

Let us get America back on the job, in the job market, let us bring those jobs back to Americans.

ESTABLISHING A NATIONAL COMMISSION TO AID HOMELESS MENTALLY ILL INDIVIDUALS

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, today I am introducing legislation that would focus attention and resources on the problems of America's homeless mentally ill by establishing a National Commission to Aid Homeless Mentally Ill Individuals.

Homelessness is a serious problem in our Nation and has received a great deal of attention from policymakers, public interest groups and the academic community. At the same time, however, little attention has been focused on the plight of homeless mentally ill individuals who comprise a significant portion of the overall homeless population.

While a majority of individuals with severe mental illness receive necessary treatment and are able to live independently with family or friends, a large portion of these individuals are homeless and live in precarious and life-threatening circumstances.

While homeless mentally ill individuals share many characteristics in common with the general homeless population, the presence of mental illness heightens their individual vulnerability and requires special intervention to end their homelessness. Multiple service needs of the homeless include the need for mental health treatment, physical health care, alcohol and drug abuse treatment, employment assistance, job training and housing.

Given these special needs, if we hope to effectively address the homelessness problem in America, we must recognize that mentally ill individuals represent a significant portion of the homeless population and have special needs which must be met. Failure to recognize and address these needs will limit our ability to succeed in addressing the larger problem of homelessness in general.

The legislation I am introducing would focus attention and resources directly on the problems that are faced by the homeless mentally ill by creating a national commission known as the Commission to Aid Homeless Mentally Ill Individuals.

□ 1020

HOME MORTGAGE OVERCHARGE PREVENTION ACT

(Mr. PRICE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PRICE. Mr. Speaker, today I am introducing legislation, the Home Mortgage Overcharge Prevention Act, to stop a practice that is unfair to consumers in this country: interest charges after a mortgage is paid-off.

Currently, under Federal Housing Administration [FHA] regulations, FHA lenders are able to charge interest on a loan for an entire month if the date of payoff is after the regular installment date. This means that a homeowner who pays off his loan today, and whose installment date was

September 1, can be charged interest on the loan until the end of September.

This extra interest charge can be very expensive. I have had constituents contact my office on this matter because they have been charged over $500 extra. At a time when homeowners are already facing unprecedented housing costs, this unreasonable expense should be eliminated.

My bill will simply ensure that payoffs are treated fairly. Interest can accrue up to, and including, the date of the payoff. It seems to me that this is a fair solution for both consumers and lenders.

I urge my colleagues to join me in cosponsoring this legislation. It is time to correct this practice that unfairly profits lenders and investors at the expense of the consumer.

CONGRATULATIONS TO TRUMBULL, CT, NATIONAL ALL-STARS

(Mr. ROWLAND of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROWLAND of Connecticut. Mr. Speaker, I rise today to salute the Trumbull, CT, National All-Stars who on August 26 captured the title of Little League World Champions at the 43rd annual Little League World Series in Williamsport, PA.

On that Saturday afternoon, a dream came true for these young Americans. The Trumbull All-Stars handily defeated the formerly dominant Taiwanese team to bring the championship title back to the United States after a 7-year absence. In pursuit of their dream, these young players brought honor to their families, their community, and their country.

I would also like to pay a special tribute to Victoria Brucker who was the first girl to play for an American team in the Little League World Series. Victoria serves as a great source of inspiration for all women athletes.

The Trumbull National All-Stars demonstrated that dedication to the game of baseball can turn dreams into reality. Love of American's game certainly can produce America's heroes, and I am honored to be able to applaud these young people for their extraordinary achievement.

FOCUS DRUG WAR ON SOUTHERN CALIFORNIA

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, yesterday I emphasized here on this floor how disappointed I was that the President's drug speech did not focus on the hemorrhage in southern California and the need, if we are to prosecute a national drug war, for an intensive focus on what has tragically become the drug capital of America, southern California.

Any drug war that does not focus heavily on southern California is a drug war that begins in retreat.

I learned yesterday, Mr. Speaker, that during the very hour that the President of the United States was delivering his speech with regard to the war on drugs, the Narcotics Unit of the Los Angeles Police Department made 128 drug-related arrests—128 drug-related arrests just during the single hour that the President was delivering his speech on drugs, in the Los Angeles area.

Mr. Speaker, again I urge our colleagues, if the administration will not do it, to alter the drug program by emphasizing that any drug prosecution that will be effective nationally needs to focus special and urgent attention on southern California.

FUNDING THE WAR ON DRUGS

(Mr. DONALD E. "BUZ" LUKENS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DONALD E. "BUZ" LUKENS. Mr. Speaker, I rise today once again to reiterate the President's call to reduce the rhetoric and fund the fight in our new strategy on the war on drugs.

We in this House are responsible for appropriating the money to fight this scourge on our Nation. The President has set down a list of programs which can take minimal cuts so that we can put money toward this important drug fighting effort. He has not gutted any domestic program, but has offered an equitable funding solution divided between defense and domestic spending.

I agree with some of my colleagues that this is just the beginning, but we can and will find more ways to fund our efforts. This is our responsibility and we as Members of the House must accept that responsibility.

I would like to enter in the RECORD the President's blueprint for funding the war on drugs and I urge my colleagues to look at it carefully. This is not a duty we should take lightly.

FREEDOM FOR SOVIET JEWS

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, for years we have been saying to the Soviets "Let your people go." We have been promising Soviet Jews they may come to our country to live in freedom.

Now we are reneging on those promises.

Recently, articles in the Washington Post and New York Times reported that the United States will shut its doors to the same Soviet Jews we have been working so long to free.

Mr. Speaker, this embarassing situation must be corrected. The irony of it has not been lost on the Soviet officials I have met with.

We must not reverse the United States policy of the last 15 years to release Soviet Jews and Pentacostals, and welcome them to freedom.

PRAY FOR HOSTAGES

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, we now begin the turn into the final stretch, three hot months of legislating here. I did not want my colleagues coming back from a long, and in many ways a very tragic break, to forget about the hostages in Beirut. There are still 8 Americans in Beirut. Their families suffer the scenes of the murder of the librarian, T. Peter Kilburn, and then the tragic mock lynching and murder of Lieutenant Colonel Rich Higgins.

It was March 16 of 1985 that Terry Anderson was taken; and June 9 of 1985 that Tom Sutherland was taken. That is over 4½ years for one, almost 4½ years for another. That is a year longer than it took to whip Adolp Hitler in World War II. This is intolerable that American citizens have to suffer along with their families. There must be some way that we can crack this before this year is out. Please, if nothing else, pray for the 8 American hostages.

PROVIDING FOR CONSIDERATION OF H.R. 1594, EXTENDING MOST-FAVORED-NATION STATUS TO HUNGARY FOR 5 YEARS

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 228 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 228

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1594) to extend nondiscriminatory treatment to the products of the People's Republic of Hungary for five years, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having

been read for amendment under the five-minute rule. No amendment to the bill shall be in order except amendments recommended by the Committee on Ways and Means, which shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from New York [Mr. SOLOMON], and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 228 is a modified closed rule providing for the consideration of the bill H.R. 1594, a bill to extend non-discriminatory treatment to the products of the People's Republic of Hungary for 5 years. H.R. 1594 was considered June 27 under suspension of the rules, but despite a vote of 242 to 172, the bill did not receive a two-thirds affirmative vote and must therefore now be considered under a rule.

The rules provides for 1 hour of general debate which is equally divided between the chairman and ranking minority member of the Committee on Ways and Means. The rule further provides that no amendments shall be in order to the bill except those amendments recommended by the Committee on Ways and Means and those amendments are not subject to an amendment.

Finally, Mr. Speaker, the rule provides for one motion to recommit.

Mr. Speaker, H.R. 1594 would supercede the provisions of the Jackson-Vanik amendment of the Trade Act of 1974 to extend most-favored-nation status to the People's Republic of Hungary for 5 years.

The Jackson-Vanik amendment restricts the grant of most favored nation tariff status to Communist nations unless the President has determined that the country does not restrict emigration, in which case the President may extend most-favored-nation status for a period of 3 years.

Since adoption of the Jackson-Vanik amendment, no Communist nation has been granted most-favored-nation status for a 3-year period, but Hungary has been granted most-favored-nation status on an annual basis each year since 1978 by virtue of a provision of the Jackson-Vanik amendment which allows the President, subject to congressional disapproval, to extend most-favored-nation status if he determines such action would promote freedom of emigration.

However, Mr. Speaker, in recognition of the dramatic political changes underway in Hungary, and in recognition of that nation's emigrations policies in recent years, H.R. 1594 proposes to grant most-favored-nation status to Hungary for 5 years.

Mr. Speaker, granting most favored nation trading status of Hungary will encourage the evolution of its emerging politically pluralistic society and will assist in the development of a free market economy. While these changes are in their infancy I believe it is the prudent course of action to encourage free market development in Hungary by promoting stable trade between the United States and the People's Republic of Hungary.

Mr. Speaker, I would like to point out to my colleagues that under this rule the Ways and Means Committee will be allowed to offer an amendment that would reduce the period of time for which Hungary could receive most-favored-nation status. This should satisfy those Members who are concerned with the 5-year period.

Mr. Speaker, I urge adoption of the rule in order that the House may consider this most important legislation.

□ 1030

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, at the outset let me just say how much I respect and admire the new chairman of the Committee on Rules. He is certainly doing an outstanding job.

However, having said that, let me say that I rise in opposition to this rule. I am tempted to say, in spite of some improvements that the new committee chairman is making in the Rules Committee, "Here we go again."

I know that this rule has been advertised in the whip notices and elsewhere as "modified closed." But it is a closed rule, period, by any definition of the term. I would hope that the Members listening back in their offices would take note of the fact that the administration is opposed to this bill, and that organized labor is opposed to this bill. I ask the Members on that side of the aisle to listen to this, because they should be voting to defeat this rule. You cannot have a modified obituary notice any more than you can call this rule a modified closed rule.

I know, of course, that Members may come back and say that the Ways and Means Committee requested a closed rule and the Committee on Rules was more than happy to oblige. There are 36 Members on the Ways and Means Committee. What about the other 399 Members of this House? Are we to be gagged on this floor here today on this important issue?

I guess what they are really telling us in the Ways and Means Committee is that the legislative calendar this week is so time consuming and the burdens of this week's schedule are so crushing on us that the House simply cannot spare the time to consider germane amendments to this bill.

I ask the Members to look at the schedule. Where are we on this floor? Look at this crushing schedule that we have here today. I guess we are going to adjourn in the middle of the week and go home for another vacation.

Mr. Speaker, what is the point? It is this kind of compulsive desire to control everything around here that has made such a mockery of the legislative process. I would like to point out this little flier that we made up quoting our good new Speaker, Mr. FOLEY, on all the reforms he was going to make. I ask you, Mr. FOLEY, where are the reforms? This is another closed rule. No plausible reason has been given as to why a closed rule is necessary on this bill. Indeed, the chairman of the Ways and Means Committee, the gentleman from Illinois [Mr. ROSTENKOWSKI], and the ranking Republican, the gentleman from Texas [Mr. ARCHER], indicated to the Rules Committee that they had no personal objection to this bill having a thorough examination on the floor of the House. In other words, they would accept an open rule.

But here we go again. We must have closed rules for the sake of having closed rules, I guess. There seems to be no other rationale. If anybody has come up with a plausible reason for doing business this way, they certainly have not said so in public.

So I am asking that this rule be defeated. Let us send H.R. 1594 back to the Rules Committee for a new rule which would allow germane amendments. We certainly have the time, and that would allow the other 399 Members of the House to at least have some kind of input. We certainly have the time, and we have that right.

Turning now, Mr. Speaker, to the substance of the bill itself, there are some serious concerns about this bill that all of us should be taking note of. That is why preserving the rights of Members to offer amendments is so terribly important.

This bill, if enacted in its present form, would extend, unconditionally, most favored nation trade status to Hungary for the next 5 years. That is unconditional. But before our Government commits itself to such a course of action, I believe we should remind ourselves of several things.

First, let us not forget that Hungary remains a member in good standing of the Warsaw Pact. Yes; we may take some encouragement from some of the economic and political changes taking place in Hungary—and personally, I am very pleased with that—but the fact remains that Hungary is part of a hostile alliance which is opposed to the free world.

Second, let us not forget that most favored nation is essentially an import issue, not an export strategy. We are going to export dollars to Hungary, and they are going to import goods into our country. We just heard the gentleman from Ohio [Mr. APPLEGATE] and other Members asking us, where do our jobs go? They are going overseas. This is an export jobs bill, and let us not forget it.

Under its present conditional MFN status, Hungary enjoys a trade surplus with the United States in excess of $200 million annually. This bill would not solve that problem. As a matter of fact, our present trade deficit with Hungary can more likely be expected to increase if this bill is enacted without the President's having the right to rescind this power should he see fit to do it.

Later in the debate some of the other Members will be presenting the facts and the figures concerning Hungary's investment climate. These facts will show conclusively that the present provision of MFN to Hungary on a conditional basis for 1-year renewable periods has not been an impediment to businessmen desiring to invest in Hungary.

Again let me say that MFN is not an export bill. Furthermore, we cannot export the kind of big ticket, high technology items Hungary wants, because of the very reason I mentioned a moment ago, that is, that Hungary is a Warsaw Pact nation and they cannot get those kinds of technology transfers.

Mr. Speaker, I would just note in conclusion that the administration is opposed to this bill, labor is opposed to this bill, and the reason why is clear. The present law is working well. Overriding the Jackson-Vanik amendment, as this bill does, just simply does not make any sense today, and the bill should not be on this floor.

That is the crux of this entire issue before us today. Make no mistake, this bill is the opening salvo in what is going to become a concerted effort aimed at undermining the Jackson-Vanik amendment. If Members do not believe in Jackson-Vanik, then they should go ahead and vote for the rule and vote for this bill. If they believe in it, if Members want people to have the right to emigrate throughout this world, then they will vote to defeat this rule.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, it is not like me to vote for a closed rule or a modified-closed rule, but I will vote for this rule. I think Congress will have to vote on this measure and we will make our intentions known by casting this particular vote. To be quite honest, I do not think there is any other thing we can do about it. That is the problem with trade in America.

I am going to oppose this bill. I do not care how many years they bring it back, I oppose the bill, and I want to echo the comments of the gentleman from New York [Mr. SOLOMON]. I would hope that the Republican Party and the President would start to listen a little bit to some of the opinions and suggestions of some of our Republican colleagues who are now starting to look pragmatically at trade. The truth of the matter is that we have driven down the dollar, we have passed resolutions, we have negotiated, and we have passed incentives. But none of those things worked. Our trade deficit is still about $150 billion a year, and we cannot solve America's financial problems without looking at our balance of trade.

□ 1040

Mr. Speaker, anybody who buys more than they sell goes bankrupt. I say to my colleagues, You try and do it. The sheriff will come out and take your car, and then they'll take your home. If you're in business, and you spend more, you buy more than you earn, you lose your business.

Mr. Speaker, States, municipalities; they cannot restrain by charter law, most of them, spend more than they bring in, but we go ahead, and we draft new money.

However, my colleagues, we did not stop there. In addition to this trade imbalance we have cut almost every American program. We are now beginning to see the fruits of that policy out on the streets. Americans are starting to take to the streets that they had taken to 25 years ago, and no one is seeing the handwriting.

Congress bailed out pension and loan by bolstering the Pension Benefit Guaranty Corporation. Now Congress has bailed out the savings and loan industry. No one knows how much it is going to be yet. Now the banks are posturing, and they are saying, "Let's throw our bad banks into this mess while Congress is bailing everybody out."

What is this? Going to buy out the banks? How many Americans have a solid pension plan they feel comfortable with?

Mr. Speaker, the bottom line is things are getting so bad; I maintain it here today, that McDonald's will start home deliveries with rickshaws because Congress has done nothing.

Now here is what we are doing today; $218 million of a trade imbalance with Hungary. I am part Hungarian. Today I am on the floor talking about Hungarian Americans. We are going to lose jobs.

The gentleman from New York [Mr. SOLOMON] is correct. What are we trying to do? Are we rewarding people who are seeking a little democracy? They have to. They cannot keep toilet paper on their store shelves. Communism does not work. Let us not give them any more money. They might change their opinion.

Mr. Speaker, the Committee on Ways and Means is going to come back, probably, with 2 or 3 years because 5 years probably will not pass. I am not going to vote for it under any circumstances because I think the American worker is getting screwed, and I think Congress better take a look at trade. If Congress and the administration move towards a fair trade program, we would have success.

As my colleagues know, I have been a big critic of Ronald Reagan, but there was no President in American history that commanded enough respect internationally, and, if Ronald Reagan would have taken a pragmatic step on trade, this country would have straightened out.

Now I think President Bush is doing a good job. That is coming from a Democrat. However I am hoping he looks at trade because it is not just my workers losing all those steel jobs. I say to my colleagues, It's your workers next, and the third biggest line item that the taxpayers have in this country is $150 billion payment of interest on the national debt.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, as my colleagues know, I have listened to the gentleman from Ohio [Mr. TRAFICANT] ever since he came to this Congress, and he stands in that well, and he speaks from his heart, whether he is right or wrong, but he does, and I admire and respect him for it.

My colleagues know I have gone against my side of the aisle on many occasions, especially on these trade issues, because I believe that free trade has to be fair trade, and I know the gentleman from Ohio [Mr. TRAFICANT] does, and a lot of people on that side of the aisle do.

However, Mr. Speaker, the gentleman from Ohio [Mr. TRAFICANT] said that he is going to vote for this rule and against the bill. I say to my colleagues, If we don't start putting politics aside and forget that we are Republicans or Democrats and vote the way we feel, we're never going to accomplish anything around here, especially as far as these trade deficits are concerned.

Mr. Speaker, that is why in order to defeat this rule, to do what the gentleman wants to say, we have got to have

Democrat votes over there, and I hope the AFL-CIO has made a few phone calls and gives us some support to defeat this rule.

However, Mr. Speaker, we are not going to defeat this rule if the gentleman in the well votes for the rule, and others like him, and then we go and vote against the bill. We will lose by 5 or 10 votes, and we will have lost everything.

Mr. Speaker, I thank the gentleman from Ohio [Mr. TRAFICANT] for yielding.

Mr. TRAFICANT. Mr. Speaker, I can buy that rationale except to say that in all honesty, knowing the chairman, I think he has fashioned probably the best bill he could with our own leadership. However, I am not going to put anybody on the spot.

The SPEAKER pro tempore (Mr. GLICKMAN). The time of the gentleman from Ohio [Mr. TRAFICANT] has expired.

Mr. MOAKLEY. Mr. Speaker, I yield 3 additional minutes to the gentleman from Ohio.

Mr. TRAFICANT. In addition, Mr. Speaker, I firmly believe in my heart, if my colleagues will, that the best possible deal on the rule has probably been fashioned within the structure of our leadership. I am not going to question our leadership. But I will say this, and on this issue I am not going to question the President anymore, nor am I going to question the Republican Party. I think it is quite clear that both the Democrats and the Republican leadership in America for the last 25 years have moved forward with laissez-faire policy that is unilateral, and it is all one way. And there are no two-way trade bridges. There are one-way trade bridges, and the goods are coming in, and the taxpayers are building those bridges. How stupid can it be?

In fact, Mr. Speaker, I made this statement a couple of times. There is a lot of talk about Republicans who look forward to taking the majority in the House. I firmly believe that, if the Republican leadership moved to a fair trade program, they would take control of the House and the Senate. That is the only thing holding them back.

My colleagues, the American people are fed up, absolutely fed up. I think I am more or less shouting in the wilderness, and I am ashamed that not more Members have taken a look at our balance of trade. I do not see how we can separate it from the huge financial problems we have, but I am going to vote for the rule. If I did not think that the best possible rule was fashioned by the chairman, I would stand here on the floor and would have asked the other side for the time.

So, Mr. Speaker, in yielding back the balance of my time I say, I am going to vote against the bill. I would hope that Members of this body would send a signal across because now we are opening it up to an Eastern bloc country, and they've done some things that look favorable in the near recent past. But we'd seen a lot of headway in China, too, and let's not be taken astray. Let's hold to our ground and take care of America first, and I think these problems will all work out.

Mr. Speaker, 1 year is good enough. In fact, I think that that annual review process has led to more democratization than a 5-year or a lesser plan.

Mr. Speaker, I thank the gentleman from Massachusetts [Mr. MOAKLEY] for yielding this time to me, and I yield back the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield 5 minutes to the distinguished ranking member of the Committee on Foreign Affairs the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Speaker, I thank the gentleman from New York [Mr. SOLOMON] for yielding this time to me.

Mr. Speaker, I cannot find a sound foreign policy reason to support this rule before us today. This is truly an embarrassment to this body and certainly a slap at President Bush. This closed rule providing for consideration of H.R. 1594 should be defeated.

Last July President Bush visited Hungary. This was the first Presidential visit to that country since World War II, and the President was certainly encouraged by the progress he saw in democratic reforms, economic liberalization, and respect for basic human rights including the rights of all citizens to emigrate.

In fact, because the Hungarian Parliament will soon consider legislation to confirm their already liberal emigration practice, the President has indicated he will support a finding that Hungary meets the criteria for a waiver of the Jackson-Vanik amendment.

Mr. Speaker, Members should keep in mind we have already been doing this for 12 years. Under the Jackson-Vanik amendment to the Trade Act of 1974 Hungary, as with all other Communist countries, it is awarded the most-favored-nation status on a year-to-year basis pending an annual review of its policies and practices toward those citizens who seek to emigrate.

The President's ability to annually review MFN status of Communist countries is a very integral part of United States foreign policy. It is through this process that Communist countries are rewarded or even punished for their human rights policies. By going outside of the Jackson-Vanik formula this legislation fails to accomplish any foreign policy goals. It places future restrictions on the President's ability to respond to developments in that country, and, Mr. Speaker, I think everybody would agree, our relationship with the country of Hungary today has never been better.

Once again Congress in its impatience and desire to set foreign policy will be sending confusing signals to those who thought that they understood U.S. expectations.

My colleagues, since 1974 the Jackson-Vanik amendment has embodied a consistent and very clear policy that has been supported by a large majority in this Congress toward achieving free emigration in Communist countries. This provision allows the President to grant MFN status to Communist countries on a case-by-case basis, revoke MFN status from countries who fail to allow open emigration, or permanently provide MFN status to Communist countries which enact and enforce laws that guarantee free and open emigration for all citizens.

Finally, Mr. Speaker, let me just say this: Why are we tampering with the time-rested principle of the Jackson-Vanik amendment? Pure and simple this legislation undermines our bipartisan U.S. foreign policy goals, and embarrasses our Government. I think that is unfortunate.

□ 1050

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Pennsylvania [Mr. MURPHY].

Mr. MURPHY. Mr. Speaker, I thank the gentleman for yielding me this time.

Reluctantly, I rise to oppose this rule. I generally vote for all of the rules from the committee, believing that issues should be heard here on the floor of the House; however, this is one issue that we in western Pennsylvania feel very strongly about. If this rule is adopted and we go to a vote and allow the nation of Hungary to have 5 years of free trade with the United States, when nations in the Communist bloc and even those of us in the Western bloc do not give us that same fair trade, we are not being then fair to the American worker.

It is unconscionable that at this time with escalating trade deficits that we can possibly reach out to any nation, let alone a Communist nation, and say now our doors and windows are open, continue to build up our imbalance of trade. This does not make sense and I encourage the Members to join me in opposing the rule and requesting the Rules Committee to come back with perhaps a lesser term, a lesser time, then it can be reviewed. Once we are locked in for 5 years, there will be no other rule on this floor, there will be no other opportunity on this floor to oppose the measure.

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. MURPHY. I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Speaker, the Ways and Means Committee is coming in with an amendment that will reduce it to 2 or 3 years and have some report language on some of the President's prerogatives.

Mr. MURPHY. Mr. Speaker, I thank the gentleman for that information and can assure the gentleman that if that amendment is offered I will certainly support it, but I still intend to oppose the bill.

Mr. SOLOMON. Mr. Speaker, I yield myself 1 minute.

I would like to just elaborate on why the administration is opposed to the bill. The bill overrides existing law. There is no question about it, it overrides existing law, including the authority and flexibility of the President of the United States that he now has to withdraw MFN status from Hungary if conditions should warrant.

The gentleman from Pennsylvania who just spoke who has so much unemployment in his district, as I do in mine in the mill towns along the Hudson River in upstate New York, ought to pay attention to that. This bill is a slap in the face to the President, coming hard on the heels of his successful visit to Hungary. He worked out an agreement with the Hungarians whereby they will meet certain conditions in order for their existing MFN to be extended, which the President is willing and planning to do. This bill would give MFN status to Hungary unconditionally, without question, and it removes the Presdent's current authority to withdraw that MFN status if they do renege. We all should be paying attention to that.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding me this time.

I just learned something here that I did not know, and that is that the Ways and Means Committee is evidently presently working on an amendment that they are going to bring to the floor, that they are now in hearings on, that we will have no notice about on the floor. This bill is evidently so controversial that they are now afraid of defeat, so we are not going to have any notice about what that amendment may contain. It may be 2 years. It may be 3 years. Is that the gentleman's understanding of what is going on here?

Mr. SOLOMON. Mr. Speaker, if the gentleman will yield, we were just informed about that by a staff member from the Ways and Means Committee who came over here a few minutes ago and told us.

Mr. WALKER. Well, I will tell the gentleman, this is exactly the kind of process that a number of us have protested over the years, that we bring a rule to the floor, it is a closed rule so that the Members do not have a chance to react to the bill, and then the Ways and Means Committee goes behind closed doors and they come up with something that they are evidently going to bring to the floor. No one knows what is going to be in that amendment to the bill. It seems to me that is precisely the kind of thing I thought we were trying to get away from in the House.

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Massachusetts.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

Mr. SOLOMON. Mr. Speaker, I yield 1 additional minute to the gentleman from Pennsylvania.

Mr. MOAKLEY. Mr. Speaker, the gentleman from Pennsylvania, I am sure, who is skilled in parliamentary procedure, knows that the rule allows the Committee on Ways and Means to have an amendment to bring to the floor to reduce the time allowed. It is in the rule. It is not something that people on the floor did not have notice of.

Mr. WALKER. Well, I thank the gentleman for making the point. The problem is, of course, that the Rules Committee should have had the amendment before it so that the House could be informed so that we do not have the gentleman representing this, that it may be a 2-year amendment, it may be a 3-year amendment, no one is quite certain.

I mean, there is a big difference between 2 and 3 years when we are talking about the President's power here.

I would suggest to the gentleman that most of the time when the Rules Committee grants that kind of rule, they require us to have our amendments before them so that we know exactly what it is they are granting.

All of a sudden we have here evidently a special circumstance where the Rules Committee grants an amendment to come to the floor without having any idea at all what is going to be in it.

Mr. MOAKLEY. Mr. Speaker, if the gentleman will yield further, we granted that rule because we knew that the Ways and Means Committee will have to work out the terms of the agreement. That is why we granted the rule. They are currently working it out. They will come to the floor with a 2- or 3-year proposal. I am sure that it will not take a lot of reading to decide what a 2- or 3-year proposal will do in this bill.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I will join with the gentleman from New York in opposing the rule because of my understanding fully that the administration opposes it.

What I would like to know is this. If we should be successful in defeating the rule, are we then going to be left with a year-by-year consideration of the renewal of the waiver of Jackson-Vanik, is that what is going to happen?

My question, and I would like the gentleman from New York to answer it, is if we are successful in defeating the rule, do we then revert back to a year-to-year Presidential review of the status of Hungary, or where are we if we defeat the rule?

Mr. SOLOMON. Mr. Speaker, if the gentleman will yield, if we defeat the rule and the bill does not come back before this House and it is not enacted into law, the law would stay the same as it is now, which lets the President at his discretion renew the MFN status; or it allows him to make it permanent if he so sees fit. Should he see fit to make it permanent, as some on this side and that side of the aisle want, then he would still be able under existing law to rescind that at any time.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. GEKAS] has expired.

Mr. SOLOMON. Mr. Speaker, I yield 1 additional minute to the gentleman from Pennsylvania.

Mr. GEKAS. Mr. Speaker, the gentleman from New York has amply explained in the answer to the question why it is absolutely necessary to defeat this rule. It will preserve the present law, which has worked very well. It will preserve the sanctity of the Presidential impetus in all of this, and it serves the American public best.

I would join with everyone to defeat the rule.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. COX].

Mr. COX. Mr. Speaker, I intend if the rule passes to speak against the bill, but I would like now to speak against the rule for the reason that the rule itself makes no sense. We originally considered the extension of the most-favored-nation status to Hungary for 5 years under a suspension of the rules. We were unsuccessful at that time in achieving a two-thirds vote, and the measure failed.

We are now bringing it back under what is essentially a closed rule.

This is an important foreign policy matter for the United States. There is no reason in the world not to consider germane amendments.

Most importantly, without amendments what we are going to be voting upon is a measure that would fundamentally alter the foreign policy of the United States toward Hungary. It has been alluded to here on this floor

that President Bush traveled to Hungary and made a speech at the Karl Marx University in which he promised Hungary permanent most-favored-nation status—permanent most favored-nation status, not year-by-year, not 2 years, not 3 years, if the Hungarian Government would liberalize its restrictive immigration laws, which I would point out are probably the most restrictive in Eastern Europe.

□ 1100

Hungary, we are told, promised the President, promised the United States that it would liberalize its immigration laws as early as September 1989. That action has not been forthcoming. Instead we have had the wholesale confiscation of passports of returnees from the West.

There is great prospect of reform of Hungary's immigration laws. There is change in Hungary being led by a reform element within the Communist Party itself.

The President of the United States is offering a carrot. The President of the United States is offering permanent MFN status. If one of these bills passes with 2 years or 3 years in it, it would take away from the President's right to grant permanent MFN status. All he could do is cut it off. In other words, hit them with a stick, and he would no longer have a carrot.

That is a fundamental alteration in the foreign policy of the United States. I think this is a perfect opportunity for bipartisanship in our foreign policy. We should support the farsighted policy of George Bush toward Hungary. There is great change afoot in Eastern Europe. We can do wonderful things for these people. We can be part of constructive change.

Let us not get in the way, and if, for God's sake, we are going to do something as serious as this with the foreign policy of the United States, if this House of Representatives is going to rip that power away from the President, let us at least have a rule that permits germane amendments.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, we are not going to carry this debate any further. I am sure all of the Members on the floor know the issue.

This bill is an embarrassment to the people of Hungary who have been fighting for their freedom. They want the pressure kept on their Government to allow them to live where they want to live, work where they want to work, to move where they want to move.

We should defeat this bill and we should defeat the rule right now.

Mr. Speaker, I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BROOMFIELD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 220, nays 173, not voting 37, as follows.

[Roll No. 223]

YEAS—220

Ackerman	Gonzalez	Morrison (CT)
Alexander	Gordon	Mrazek
Anderson	Gradison	Murtha
Andrews	Gray	Nagle
Annunzio	Guarini	Neal (MA)
Anthony	Hall (OH)	Neal (NC)
Archer	Hamilton	Nowak
Atkins	Hatcher	Oakar
Bates	Hawkins	Oberstar
Bennett	Hayes (IL)	Obey
Berman	Hayes (LA)	Olin
Bevill	Hefner	Ortiz
Bilbray	Hertel	Owens (NY)
Boggs	Hoagland	Owens (UT)
Bonior	Hochbrueckner	Pallone
Borski	Hoyer	Panetta
Bosco	Huckaby	Parker
Boucher	Hughes	Patterson
Boxer	Jenkins	Payne (NJ)
Brennan	Johnson (CT)	Payne (VA)
Brooks	Johnson (SD)	Pease
Bruce	Johnston	Pelosi
Bryant	Jones (GA)	Penny
Bustamante	Jones (NC)	Perkins
Byron	Jontz	Pickett
Cardin	Kanjorski	Pickle
Carper	Kaptur	Poshard
Clarke	Kastenmeier	Price
Coleman (TX)	Kennedy	Rahall
Collins	Kennelly	Rangel
Cooper	Kildee	Ray
Costello	Kleczka	Richardson
Coyne	Kostmayer	Roe
Crockett	LaFalce	Rose
Darden	Lancaster	Rostenkowski
de la Garza	Lantos	Rowland (GA)
Dellums	Laughlin	Roybal
Derrick	Leath (TX)	Russo
Dicks	Lehman (FL)	Sabo
Dingell	Levin (MI)	Sangmeister
Dixon	Levine (CA)	Savage
Downey	Lewis (GA)	Sawyer
Durbin	Lipinski	Schroeder
Dwyer	Long	Schulze
Dymally	Lowey (NY)	Schumer
Dyson	Luken, Thomas	Sharp
Early	Manton	Shaw
Eckart	Markey	Sikorski
Edwards (CA)	Martinez	Sisisky
Engel	Matsui	Skaggs
Espy	Mavroules	Slattery
Evans	Mazzoli	Slaughter (NY)
Fascell	McCloskey	Smith (FL)
Fazio	McCurdy	Smith (IA)
Feighan	McDermott	Solarz
Flippo	McEwen	Spratt
Foglietta	McHugh	Staggers
Ford (MI)	McMillan (NC)	Stallings
Ford (TN)	McMillen (MD)	Stark
Frank	McNulty	Stenholm
Frenzel	Miller (CA)	Stokes
Gaydos	Mineta	Studds
Gejdenson	Moakley	Sundquist
Gephardt	Mollohan	Swift
Gibbons	Moody	Synar
Tallon	Unsoeld	Williams
Tanner	Valentine	Wilson
Thomas (GA)	Vento	Wise
Torres	Visclosky	Wolpe
Torricelli	Volkmer	Wyden
Towns	Walgren	Yates
Traficant	Watkins	Yatron
Traxler	Waxman	
Udall	Weiss	

NAYS—173

Applegate	Hancock	Quillen
Armey	Hansen	Ravenel
Baker	Harris	Regula
Ballenger	Hastert	Rhodes
Barnard	Hefley	Ridge
Bartlett	Henry	Rinaldo
Barton	Herger	Ritter
Bateman	Hiler	Roberts
Bereuter	Holloway	Robinson
Bilirakis	Hopkins	Rogers
Bliley	Horton	Rohrabacher
Boehlert	Houghton	Ros-Lehtinen
Broomfield	Hubbard	Roth
Browder	Hunter	Roukema
Brown (CO)	Hutto	Rowland (CT)
Buechner	Hyde	Saiki
Bunning	Inhofe	Sarpalius
Callahan	Ireland	Saxton
Campbell (CA)	Jacobs	Schaefer
Carr	James	Schiff
Chandler	Kasich	Schneider
Clement	Kyl	Schuette
Clinger	Lagomarsino	Sensenbrenner
Coble	Leach (IA)	Shays
Coleman (MO)	Lent	Shumway
Combest	Lewis (CA)	Shuster
Conte	Lewis (FL)	Skeen
Coughlin	Lightfoot	Slaughter (VA)
Cox	Livingston	Smith (NE)
Craig	Lloyd	Smith (NJ)
Crane	Lowery (CA)	Smith (TX)
Dannemeyer	Lukens, Donald	Smith (VT)
Davis	Machtley	Smith, Denny (OR)
DeLay	Madigan	
DeWine	Martin (IL)	Smith, Robert (NH)
Dickinson	Martin (NY)	
Dornan (CA)	McCollum	Smith, Robert (OR)
Douglas	McCrery	
Dreier	McDade	Snowe
Duncan	McGrath	Solomon
Edwards (OK)	Meyers	Spence
Emerson	Michel	Stangeland
English	Miller (OH)	Stearns
Erdreich	Miller (WA)	Stump
Fawell	Moorhead	Tauke
Fish	Morella	Tauzin
Gallegly	Morrison (WA)	Thomas (CA)
Gallo	Murphy	Thomas (WY)
Gekas	Myers	Upton
Gilman	Natcher	Walker
Gingrich	Nelson	Walsh
Glickman	Nielson	Weber
Goodling	Oxley	Weldon
Goss	Parris	Whittaker
Grandy	Pashayan	Whitten
Grant	Paxon	Wolf
Green	Petri	Wylie
Gunderson	Porter	Young (FL)
Hall (TX)	Pursell	

NOT VOTING—37

Akaka	Donnelly	McCandless
Aspin	Dorgan (ND)	Mfume
AuCoin	Fields	Molinari
Bellenson	Flake	Montgomery
Bentley	Florio	Packard
Brown (CA)	Frost	Scheuer
Burton	Garcia	Skelton
Campbell (CO)	Gillmor	Vander Jagt
Chapman	Hammerschmidt	Vucanovich
Clay	Kolbe	Wheat
Conyers	Kolter	Young (AK)
Courter	Lehman (CA)	
DeFazio	Marlenee	

□ 1122

The Clerk announced the following pair:

On this vote:

Mr. Akaka for, with Mr. Marlenee against.

Mr. LOWERY of California and Mr. HALL of Texas changed their vote from "yea" to "nay."

Mr. McMILLAN of North Carolina and Mr. SHAW changed their vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. WHEAT. Mr. Speaker, due to illness I was absent on rollcall No. 223. Had I been present, I would have voted "aye".

PERMISSION FOR COMMITTEE ON AGRICULTURE TO FILE REPORT ON H.R. 2869, COMMODITY FUTURES IMPROVEMENT ACT OF 1989

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight Thursday, September 7, 1989, to file the report on H.R. 2869, the Commodity Futures Improvements Act of 1989.

The SPEAKER pro tempore (Mr. GLICKMAN). Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENDING MOST-FAVORED-NATION STATUS TO HUNGARY FOR 5 YEARS

The SPEAKER pro tempore. Pursuant to House Resolution 228 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1594.

□ 1124

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1594) to extend nondiscriminatory treatment to the products of the Peoples' Republic of Hungary for 5 years, with Mr. SKAGGS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 30 minutes and the gentleman from Texas [Mr. ARCHER] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, on June 27, the Committee on Ways and Means asked the House's support for H.R. 1594, a bill to extend most-favored-nation [MFN] trading status to Hungary for 5 years. On that day, a strong bipartisan majority of the House, 242 members, voted for the bill on the suspension calendar. At the appropriate time, I will be offering an amendment recommended by the Committee on Ways and Means to reduce the duration of the bill from 5 years to 3 years.

I rise before you today to ask that you support this bill, as amended, and send a strong message of support to the people of Hungary who have been working to reform the economic and political systems of that country.

Every President since 1978 has extended MFN status to Hungary under the waive authority of title 4 of the Trade Act of 1974, the so-called Jackson-Vanik amendment. They have done this after assessing Hungary's positive record on emigration and judging that extension of MFN status would promote even greater progress in this area.

Hungary's record on emigration matters is excellent. But equally impressive are the efforts underway in that country to liberalize the economy and political system. Private sector activity has been on an upswing and policies are being put into place to promote even greater growth of privately owned businesses. The Hungarian Communist party is negotiating with emerging opposition parties about the terms of a new election law, under which free elections are expected to take place next year unlike developments in some other Communist-led countries, the impetus for these economic and political reforms is the reform wing of the ruling party itself, backed by reformers in various walks of life.

These changes are dramatic, and they merit our support. We have every expection that the reforms in Hungary will continue. However, if for some reason, progress is delayed or reversed, it is our understanding that the President has authority under general trade laws which he could use to suspend MFN treatment for Hungary, as was demonstrated in 1982 in the case of Poland.

The House has an opportunity in H.R. 1594 to set United States policy toward Hungary on a more positive track, to recognize and reward the equally positive steps being taken by the leaders and people of Hungary. I urge my colleagues to once again vote for H.R. 1594.

□ 1130

Mr. ARCHER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I join the distinguished chairman of the Ways and Means Committee in supporting H.R. 1594. This bill is an attempt to reward the policies of the Hungarian Government with respect to emigration laws and practices and to recognize its ongoing efforts to base its economy on free-market principles.

Indeed, President Bush recently announced his intention to extend permanent MFN to Hungary. This action is expected sometime this fall following certain actions by the Hungarian Parliament to bring the law into conformance with their current liberal emigration practices.

Since no legislation is necessary to implement permanent MFN tariff treatment, I hope this bill will be seen as an endorsement of the President's initiative. Also, I hope our action will serve as a signal to those countries struggling for democratic principles and a higher standard of living that the United States has something to offer them in return.

The House has already taken steps to reward Hungary by passing recently an extension of OPIC loans to that country, as well as legislation to promote cultural and educational exchanges. Also, we have extended, for a number of years, tariff benefits to Hungary under the generalized system of preferences [GSP]. The bill before us today, therefore, is consistent with our past actions and consistent with progress made by Hungary over the years.

I believe there is merit in the President's proposal, under which the President would have complete discretion, along with oversight by the Congress, to continue to monitor Hungary's behavior and to respond rapidly should policies change. In contrast, the bill before us extends MFN for 5 years, and any withdrawal from that would require Congress to act again. Both are positive approaches in dealing with Hungary, and we need not oppose this bill because the President has his own plan, or view this bill as in conflict with the goals of the President.

I feel obliged to make note of the fact that the administration opposes this legislation, although it is strongly sympathetic to what this bill is trying to do. However, I believe their opposition to be mild, and is based primarily on their desire to have sole discretion to give or take away MFN. The Congress clearly has a role to play in reviewing Hungary's record and in deciding appropriate incentives like the ones included in this bill.

Mr. Chairman, I believe that we can feel confident about our relationship with Hungary. This country has taken the courageous step of pulling down its barbed wire and employing a civilized concept of open borders. They have refused to stop East Germans from attempting to find a route to the West through Austria. It is important to encourage and support such progressive actions.

I believe H.R. 1594 is desirable trade policy and in the national interest of

the United States. The Committee on Ways and Means will have an amendment to limit MFN status to 3 years, with an assurance from the chairman that the President's existing authority to remove MFN at any time is preserved. I intend to support this amendment. I urge my colleagues to vote yes on H.R. 1594, as amended, as the first step to permanent status when the President's proposal goes into effect.

Mr. Chairman, the balance of my time will be controlled by the gentleman from Illinois [Mr. CRANE].

Mr. GIBBONS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in order to understand the full significance of what we are doing today, one has to go back quite some time in Hungary. At the end of World War I Hungary was a country of about 21 million people. At the end of World War II Hungary was a country of about 10 million people. About 50 years ago, in fact, 50 years ago on August 25 of this year, Hitler and Stalin divided Europe. In that division of Europe, which was called a nonaggression pact between Russia and Germany, the fates of many of the people in Europe were decided by those 2 leaders.

Those people were not Europeans; they are largely westerners. They were western-oriented. They had contributed much to our society. Some of our greatest intellectual minds in the field of physics, in the field of medicine, and in the arts and in the sciences had come from Hungary. They had made a great contribution to our whole society.

But in the confusion of ending World War II—and, unfortunately, a great portion of the fault is our own—Hungary was really assigned to the Russians, and the Russians moved in and took over and took control. They had been there by occupation since the end of the war, and they took control of Hungary and imposed upon Hungary a Communist government.

That government has never been popular in Hungary. The Hungarians in the 1950's rose against that government. They fought against the government bare-handed against the Russian tanks, and they were crushed. As a result of that, not only did many, many Hungarians lose their lives but many more fled to the West. Ever since that time, and right up until today, among the oppressed nations that have been a part of imperialist Russia, Hungary has been the leader in seeking freedom.

Unfortunately, our attitude toward Hungary has not been a constructive one. First, we felt bound to the Russians by our participation in World War II. We did not feel that we ought to disturb the boundaries that had been established de facto by World War II. Those were the times of peace between the United States and Russia.

Then, as the cold war entered, it became obvious that a mistake had been made and that the freedom of Hungary must come from the Hungarians themselves. No one had done more to establish freedom for themselves in this century than the Hungarians. They have fought and they have bled, they have died, they have emigrated, they have done everything possible to become a free nation and a westernized nation.

Today, right at this moment, they are acting as an open door to the people who are concentrated behind that Iron Curtain, particularly the people from East Germany. Thousands of refugees are waiting in Hungary today for West Germany and East Germany to work out an accord so that the East Germans who are situated in Hungary as temporary refugees can be admitted to freedom in Western Europe.

So what we do today is of great significance. Frankly, I would have supported 5 years. When we reach the amendment process in the Committee of the Whole, the chairman of our committee is going to submit an amendment calling for a 3-year limitation rather than a 5-year limitation, and I think that needs to be addressed. I am going to support his move. He made that move based upon the assumption that he would have support from some of our brethren here who are opposed to this bill. They apparently had importuned him that if he would reduce the limit to 3 years, they would support him. But somebody backed out on that promise and I regret it.

This is too important to rise or fall on anything like that. We are talking about human freedom.

Why is it important that these people have most favored nation status? As I said, we have done less for the Hungarians than for anybody on Earth. We have treated the Russians better, we have almost treated the Cubans better, and we have treated the Nicaraguans better. We have treated everybody else better, but we have really let down the Hungarians. We have done nothing to help them. When they begged for help in the 1950's, we turned our backs on them and said: "Help yourselves," after we had encouraged them to fight.

What does MFN mean? It means simply that these people do not have to fight every year the possibility of having the old Smoot-Hawley tariffs raised against them. We cannot build trade between two countries unless there is some infrastructure built, and it would largely have to be Americans to build that infrastructure, because they are unwilling to take the substantial risks that must be taken to build trade if every year Congress can jerk back those non-MFN tariffs, those old Smoot-Hawley tariffs.

These are horrible tariffs. Sometimes they are 100 percent ad valorem of the product. So our trade between the United States and Hungary has not increased substantially since the end of World War II. In fact, it has decreased.

I have visited factories in Hungary, and I saw many American tools and many things being produced for export around the world and to America. Unfortunately, the manager of that factory told me, in order to get modern tools, they were going to have to turn to the Japanese. And they did. He was turning to the Japanese to replace those tools and that machinery in his factory because he could not get any kind of solid agreement from the United States that we would help him in any of this.

These people are seeking freedom. They have, by putting their lives on the line, expanded freedom in their own country. The least we can do is to help them, to extend a helping hand and say: We will guarantee to you that if you continue to act right for the next 5 years, we will not take away these low tariffs that practically everybody else we trade with has, and we won't impose these horrible Smoot-Hawley tariffs on you.

□ 1140

Mr. Chairman, that is what we are talking about. That is all that we are talking about.

Now does Congress have that power? Why certainly it has that power and that responsibility. Article I of the Constitution of the United States places upon the Congress of the United States the power, and the authority and the responsibility to control external trade, and that is all we are doing.

Certainly we will work with the President, and, if he thinks the situation is bad and that we ought to reverse what we are doing here, then we can repeal all of this. However, Mr. Speaker, I do not think it is going to happen.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. Mr. Chairman, the gentleman from Michigan [Mr. BROOMFIELD] has plenty of time on his side, and I hope he will seek time on that side.

So, my colleagues, I think it is most important, most important, that today we extend a helping hand to Hungary, to the people of Hungary, not to the government of Hungary, but to the people of Hungary, so they can trade with us, so that they can earn dollars, so that they can sell their products in this country, and so that they can raise their standard of living and help the strong thrust for freedom that has

been going on in Hungary which has been going on for many years and we have never ever helped.

Mr. Chairman, I cannot think of anything we can do on this fiftieth anniversary of World War II that is more important right now than taking this one symbolic, but important, step. I hope that all the Members, and I know that some of them did not vote for the rule, but the chairman is going to make a compromise. He is going to try to reduce the 5 years to 3 years in hoping to pick up some votes, and I hope that he will. I doubt that he will, but I hope that he will, and I am going to vote for it, and I hope all the other Members will vote for his amendment and will vote for this bill on final passage.

Mr. CRANE. Mr. Chairman, I yield 5 minutes to our distinguished colleague on the Committee on Ways and Means, the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Chairman, we have before us today H.R. 1594 which provides, in its original form, the 5-year MFN for Hungary rather than the 1 year which we have been granting since 1978. The bill will be, I believe, amended to a 3-year form to make it less frightening and more acceptable to Members of the House who fear the permanency of a 5-year bill. I am going to support the 3-year amendment, and I would urge the Members of the House to do so.

Mr. Chairman, when we talk about MFN for Hungary, we have to take the matter into historical perspective. Hungary, of all the East Bloc nations, has been the country which has had the best record with respect to those items of personal freedom that the United States has always valued.

Hungary has always had a good record in family unification cases. It has during the period not only which it has enjoyed MFN, but in the periods before that, had a splendid emigration record. It has given its people freedoms previously unknown in Eastern Europe. It was the one nation behind the Iron Curtain that had a Jewish theological seminary long before it was given MFN status under our laws.

Hungary has tried its best to provide personal freedoms for its people, and, when compared to the standards of Jackson-Vanik, it has met the test. Compared to its Comecon neighbors, it is a shining example.

But, review of the economic record in Hungary is also instructive. If my colleagues do that, they will see a familiar style of economic system. Since early in the 1970s Hungary's businesses have been organized in a way in which they are accessible to American businesses. Americans can understand how to deal with the Hungarian business entities themselves, and are not required to work through central planning agencies. Direct contacts can be made through the Chamber of Commerce of Hungary.

Hungary has been a long time member of the GATT, and of the World Bank. It is a good international citizen. We have no unresolved trade disputes. Despite a huge debt burden, Hungary pays its bills.

So, Mr. Chairman, both in the record of personal freedoms and in the record of economic freedom, Hungary has earned its MFN. Since it was first granted under President Carter in 1978, we have renewed it every year under two succeeding Presidents. Every year the Congress has, in effect said, "Yes, Hungary has had a wonderful record." That wonderful record has earned extended MFN treatment.

Mr. Chairman, 12 1-year MFN periods are not like a 1-year period, a 3-year period or anything that has more permanence. Business institutions and business people cannot plan for a 1-year period. Yes, we expect MFN to be extended each year, and it has been. Nevertheless, if businesses are going to sign long-term contracts, if they are going to make substantial business investments, they need more security than a 1-year MFN. That is why this bill ought to be passed.

The Committee on Ways and Means, and its Subcommittee on Trade, which has looked at this program for years and years, and every year held hearings on it, have said Hungary deserves this treatment. The business people in Hungary and the United States, and the consumers in both countries all deserve a longer extension. Three years is a good start, although I would have preferred a 5-year period.

Mr. Chairman, I prefer a permanent change to MFN for Hungary, and I believe that when Hungarian law is changed, as it is inevitably going to be changed, this President, who recently returned from Hungary, where he was emotionally affected by a demonstration of the removal of the barbed wire on its northen border, will bring to us a request for permanent MFN. Only then will we enjoy normal trading relations with Hungary. Just as his predecessor, Jimmy Carter, had the courage and foresight to extend MFN and to return some very precious historical relics to the nation of Hungary, I think we will see a permanent MFN proposal coming from George Bush.

In the meantime, Mr. Chairman, I believe that it is wholly appropriate under the terms described by the chairman to extend MFN for 3 years. As the chairman indicated, the President, under prior law, has the ability to terminate these agreements at any time.

I urge for Hungary, for freedom, for the United States, that this bill be adopted by a strong vote.

Mr. GIBBONS. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. PEASE].

Mr. PEASE. Mr. Chairman, I would like to express my support for a multiyear extension of most-favored-nation [MFN] status to Hungary. Of all East European countries covered under the Jackson-Vanick amendment, Hungary has made the greatest progress toward reforming its emigration practices and its political and economic system. As the world's primary advocate of democracy and market-oriented economies, the United States should reward Hungary for taking these steps.

I believe that offering Hungary extended MFN status is a sensible way to reward this East European nation, especially given our own budgetary limitations and the high cost of alternative measures, such as direct grants and low-interest loans. Since Hungary has received a Jackson-Vanick waiver every year since 1978, extending its MFN status beyond 1 year would not impose any new costs, that is, lost tariff revenue, on the Treasury. In addition, if the tide turns in Hungary and MFN status is no longer appropriate, Congress could always limit or revoke this MFN status.

By extending Hungary's MFN status beyond 1 year, we are signaling that we approve of Hungary's policies while still maintaining our leverage and avoiding the use of scarce financial resources. I urge my colleagues to support this proposal.

□ 1150

Mr. CRANE. Mr. Chairman, I yield 6½ minutes to our distinguished colleague, the gentleman from Pennsylvania [Mr. SCHULZE], a member of the Ways and Means Committee.

Mr. SCHULZE. Mr. Chairman, I thank the gentleman from Illinois for yielding me this time.

Mr. Chairman, let us discuss for a minute the difference between column 1 and column 2 treatment for countries that have received MFN, or most-favored-nation status, and that is what it is. There are two columns on the tariff schedule. The column that is for non-MFN countries, and I say non-MFN countries because it is termed nonmarket economy countries. We used to say that column 2 treatment was for Communist countries, but we have changed that to nonmarket economy countries.

Now, why have we done that? We have done that, first of all, because it is extremely difficult to determine a rational price for a nonmarket economy country.

Let me give you an example. If there is a light bulb factory and it is owned by the state, the power is supplied by the state, the transportation for the products is supplied by the state, the number of workers is dictated, various other products and input are provided by the state, if not difficult, it is

almost impossible to determine a true market value of that product. As a consequence, it is difficult, if not impossible, to determine whether that product is then being sold on the world market at some relatively fair market value, or whether it is just being dumped or sold around the world as an opportunity to secure hard currency.

Now, this is not an esoteric argument. These are arguments and situations in which we have been involved in the past, so that there is and there are rational reasons for the differential in treatment in nonmarket economy countries.

Now, do we have a policy or do we have a method of dealing with countries under transition? The answer is no, we do not, and Hungary is a nation under transition.

I can remember visiting Hungary when Charlie Vanik was the chairman of the Trade Subcommittee of the Ways and Means Committee, which was quite some time ago, and of a manager of a factory saying to me, "Congressman, in the last month I have been given the privilege or the right or the opportunity to fire people who do not work," and he was all enthused and excited. We knew then that Hungary was beginning this opening process.

I do not want you to get me wrong and think that I am opposed to this, because we want to encourage them. We want to say to them, yes, we want this process to continue.

Right now Hungary is sort of under the gun. There are literally thousands of East Germans pouring into Hungary. I wish, quite frankly, Mr. Chairman, that we were not having this debate today. I had urged the leadership to put it off for a week or two and I think it would have been much better at that time, because this is not really the time for us to be arguing back and forth whether they should be having MFN. This should be a time of quiet encouragement for them to continue the open immigration policies they have had in the past. They have strongly stated that they are going to pass what has been a policy into law in the near future. I hope they do, but quite frankly, as hardheaded legislators, I believe we should wait until they have done that.

Now, again, that does not mean I am going to oppose this legislation, but I think that we could have delayed this just a little bit and it would have been much better.

In the newspapers currently, Government officials are stating that perhaps the East German problem will not be resolved for 5 or 6 weeks. I think this is entirely too long, that we cannot allow that to happen.

I want to take just a minute to talk about the committee amendment. This has been negotiated within the last hour. I strongly urge the committee to support the Ways and Means Committee amendment, which does the following: It changes the 5 years to 3 years, and in the chairman's statement which is an integral part of this legislation, the chairman stated that the President has the power of waiver, as in previous law. This preserves the Presidential prerogative. I do not think under any stretch of the imagination that it will be used, but I think that we need the preservation of that power.

Let me state, Mr. Chairman, that that is an integral part of this legislation, that it is important, and it is a key to the support of many of us, that change of 5 years to 3 years and of the Presidential waiver policy.

Let me also say that Hungary has been extremely successful and that of over 110 of the 166 total East-West joint ventures located on its soil, over 66 percent are located in Hungary. This is pre-eminent in East-West cooperation.

United States investors are today more active in Hungary than 75 percent of our European trading partners. Why? Because they do have faith in the future, that they do think it is going to work.

What we want to do is encourage that kind of investment.

Let us not kid ourselves by saying that 3 years or 5 years or 1 year will make the difference. The policies and programs in Hungary are what make the difference, and we would urge them and hope for our future and their future that those policies continue.

Mr. CRANE. Mr. Chairman, I yield 3 minutes to our distinguished colleague, the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Chairman, I rise in opposition to H.R. 1594 and I join with the administration in opposing this bill to extend most-favored-nation status to Hungary for 3 years. The rising tide of democracy in Eastern Europe gives us reason for hope. It is obvious that the spirit of glasnost and perestroika are contagious, and we in the West should do whatever we can to encourage these dramatic changes. But in our anticipation let us not act too hastily.

The Jackson-Vanik amendment to the Trade Act of 1974 gives the President the authority to waive the prohibition on the grant of MFN status to any nation which restricts emigration if such a waiver would further the amendment's goals. Since 1978, several Presidents have invoked this clause with respect to Hungary.

There is no question that Hungary has made substantial progress in democratizing its government. The Hungarian Parliament has indicated that they are considering a new emigration law which would formalize Hungary's already liberal emigration policy. If that legislation is adopted, the administration has indicated that our Nation would support a determination that Hungary meets the Jackson-Vanik criteria, and would not longer require an annual waiver.

Most important, if the Government of Hungary were to reimpose restrictions on emigration, the President would be empowered to withdraw MFN status. This bill, while certainly well intentioned, does not provide that flexibility. Current law provides a preferable annual waiver in order to extend most-favored-nation [MFN] status to Hungary. Accordingly, Mr. Speaker, I urge the defeat of H.R. 1594.

□ 1200

Mr. CRANE. Mr. Chairman, I yield 4 minutes to our colleague, the gentleman from California [Mr. COX].

Mr. COX. Mr. Chairman, I rise in opposition to H.R. 1594, offered by the distinguished chairman of the Committee on Ways and Means.

The fact is that this legislation, as reported by the committee, makes no sense. It makes no sense to disregard section 402 of the Trade Act, which is the existing law of the United States. It makes no sense, more importantly, to disregard President Bush's foreign policy vis-a-vis the Government of Hungary.

In his speech at Karl Marx University in Hungary, President Bush held out the promise to Hungary of permanent MFN status if they would liberalize their most restrictive emigration policies.

I agree with the debate that has taken place here in substantial measure. Hungary is liberalizing its regime. Reform elements within the Communist Party itself are liberalizing the regime in Hungary, but the recent mass confiscation of passports by returnees from the West suggests that the precise change that President Bush is seeking to obtain in Hungary is not taking place and, of course, the annual extensions of MFN status to Hungary have not yet been successful in bringing about the change in emigration policies that we would like to see.

The most important question before us, particularly given the amendments by the Committee on Ways and Means, is who is going to conduct American foreign policy. President Bush has gone to Hungary and cut a deal. The deal, in fact, is one that Hungary seems willing to accept. Hungary has said:

> As early as September of 1989, we may liberalize our emigration policies. We may bring about the changes in law that you seek.

The President's carrot that he is holding out is a permanent grant of

MFN status, and what we are going to do with a 2-year regime or a 3-year regime or a 5-year regime is take away the President's opportunity to grant permanent MFN status without first coming hat in hand to this Congress and asking permission.

Section 402 permits the President to take Hungary out of that regime of requiring annual waivers, but this bill, for a period of 3 years, would say, "Sorry, the President no longer has that authority. Sorry, the deal the President already cut when he was in Hungary is gone. We, the House of Representatives, are going to usurp that Presidential power."

That is why George Bush will veto this measure. That is why we should vote against this measure and sustain, in a bipartisan fashion, the foreign policy conducted by this President in this most important matter.

All of us have a great opportunity to do wonderful things for the people of Hungary whose regime will be liberalized under continued pressure by the United States, and it is presently a policy of carrots, not sticks.

The only remaining tool the President will have if this measure passes is a stick. It is argued that under existing trade law the President will have the power to cut off MFN status notwithstanding that we are granting it for 3 years. So what? We do not want to use sticks. We want to use carrots. We do not want the President to have to say that, "Your country looks like China and we are going to cut it off."

Thus far it has all been a policy of carrots. I think it is most important that we support the visionary policy of President Bush.

Mr. GIBBONS. Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I am a little surprised at the reason for this debate. There probably is not a single person in this Chamber, in this Congress, who does not agree that Hungary is entitled to most-favored-nation status.

What we are dickering over here in kind of a Winston Churchill way is the number of years that we are going to give it, and apparently some agreement has been made that it will go from 5, which is in the original bill, to 3 by way of an amendment.

This 3-year period is very interesting, because the President of the United States himself just 2 months ago was in Hungary waving the friendship of the United States, 25 million dollars' worth of credits or other form of some unspecified foreign policy dollars and talking about all of the great and significant gains that Hungary has achieved and will achieve and what democracy now means in Hungary, but now we are telling them, "Oh, yes, but you still have to jump through hoops if you want to take the side of those who are opposed to this bill."

The President of the United States went over there and put his Good Housekeeping Seal of Approval on it, and now those who would oppose this bill say, "Oh, no, you still have more hoops to jump. We know you have been apart and separate for 10 years from the orb of the Soviets, and we know you took that independent stance, and we saw what you did a few months ago in taking down 150 miles of border with East Germany, and we know all of those things, but you still have to jump through some more hoops." That is silly.

We know very well what the reality is. A country that has proven over and over again that it really wants to be free, open, and democratic, it has been sitting under the heel of the Soviets, but it has inch by inch pulled itself out, and we now have a chance to demonstrate in a very tangible way that the United States stands behind the open process, the human-rights process, the movement to freedom, all of the things that have occurred, the democratization, and we are now arguing over the matter of years.

My friends on the other side know very well that if, in fact, something happened and they returned to the old style Soviet way, we could come back in a week and pass a bill revoking the 3 years and give the President the discretion that those who oppose this bill now claim he will no longer have if this bill passes.

Many of us have been in Hungary. I have been privileged to have been there. I am telling the Members that I was so impressed. I could not believe it. I saw a yearning for freedom, for democracy, for human rights in people who have at the very threat of their own safety been pushing that in a country that was attached to, but not dedicated to, communism. These people want what we have in this country, and they are willing to stand up and put themselves on the line for it.

Mr. Chairman, the least we can do is give them a little bit of help so that economically they can retain themselves in a strong position. The President of the United States himself said so. We are only following what the President has said and what he said he wanted for Hungary.

I urge the Members to vote for this bill.

Mr. GIBBONS. Mr. Chairman, I yield 6 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of H.R. 1594 and the amendment thereto, which will change from 5 years to 3 years, as I understand it, the period of time during which MFN will be granted.

As I think most of the Members of this body know, I have cochaired the Helsinki Commission now for the past 4 years.

One of the things, of course, the Commission is charged with is overseeing the implementation of the Helsinki Final Act. One of the most important provisions of that act, from the perspective of the United States and the free world, is the ability of people to travel from their own country to any other place of their choosing and to return to that country from which they left if they so choose.

A previous speaker has said that Hungary has the worst human rights performance or worst record with reference to emigration of any Eastern bloc nation. That is categorically incorrect. In fact, just the opposite is true. It has the best record of any of the Warsaw Pact nations with respect to emigration policy. Only Poland, very frankly, is in its league.

I want to say something that is interesting. Just a couple of years ago, we had a debate on this floor as to whether we ought to terminate the MFN status of Romania, which has the worst human-rights performance of any Eastern bloc nation. It was the administration's position at that point in time that we ought not to take away the MFN status. Notwithstanding that fact, the House of Representatives voted to do so, and shortly thereafter, all of the Members will recall, Romania on its own decided to withdraw its request for MFN status and unilaterally terminate that relationship.

□ 1210

So neither the Congress nor the President had to act.

The point, however, that the gentleman made, based upon I think erroneous information, was that we wanted a carrot policy, and indeed we do, and this is indeed a carrot policy because it says to the best performer we are going to give you more than what we have been giving you over the last 11 years because you are doing better.

There is no Member who can deny that in the last 2 or 3 years Hungary has made significantly greater steps along the road to an open and freer nation. And if that is the case, we need to say to its six allies there is a benefit, there is a carrot as a result of that performance, and that carrot in this case is the extension to multiyear MFN status. In this case 3 years has been agreed upon.

So I suggest to the previous speaker that this is the carrying out of that carrot policy. But that carrot policy needs to continue as performance be-

comes better, and in fact this is what is happening.

I share the view I think of every Member on this floor, including the distinguished gentleman from New York [Mr. GILMAN], who spoke in opposition, and who is as strong an advocate of human rights I think as anybody we have in the House of Representatives. I want to say as cochairman of the Helsinki Commission that I believe this bill will further the cause of human rights. Why? Because it says to a nation that in fact is now at some risk to itself with an ally, East Germany, taking a policy that we want to encourage, that we want to congratulate, to applaud your actions. I think by the House taking this action today we say exactly that, and I do not believe we diminish in any way the President's prerogative by this act. I do not think we diminish in any way certainly the President's position vis-a-vis Hungary, and indeed perhaps at some future time Poland.

We say as the Congress of the United States, that has stood on this floor to a person in resolution after resolution saying we want a more open, a more democratic, a freer Eastern Europe, that Hungary and Poland courageously have taken steps to respond to those resolutions. For us not to respond to what they have done I think would send the wrong message.

This is a carrot. This is an appropriate step. It is a limited step, and we will continue to monitor the human rights performance of Hungary because we need to keep pressure on them for the advocates of freedom to rely on.

By doing that, what we will do is give those advocates of human rights in Hungary the ability to say see, the steps we are taking have borne fruit. Let us take more steps for permanent status.

I thank the chairman and support his effort.

Mr. Chairman, I rise in support of H.R. 1594, to extend multiyear most-favored-nation status to Hungary. I am pleased that there is an MFN amendment to provide that the trading status extension be for 3, rather than 5, years.

In view of the uncertain state of affairs in Hungary today—where the pace of reform seems quick, especially if judged by its rhetoric, while the sense of economic crisis and consequent pessimism runs deep—I realize that a decision to grant multiyear MFN to Hungary might seem premature, even risky.

Yet I feel that such a decision is a risk worth taking to encourage further reform. The policies we shape toward Hungary must take into account not only immediate United States and Hungarian interests, but also the message we will send to Hungary's laggard neighbors. We should stand ready to support the steps we see being taken toward greater pluralism and democracy in Eastern Europe.

For several years we have urged a change in Hungarian emigration laws to reflect more liberal practice. Now we see our concerns being answered. New laws to institutionalize advances in the areas of human rights and human contacts have been drafted and, in some cases, promulgated. We have observed encouraging signs of a renewed commitment to establish the rule of law, and to lay the groundwork for pluralism.

Most importantly, we see the concerns of Hungarian citizens being addressed in a serious manner. Hungary's small, but articulate and forward-looking independent opposition members have embarked on roundtable talks with Hungarian officials to set the terms of upcoming multiparty elections. The combination of new legislation and opposition pressure has contributed to an atmosphere in which citizens enjoy broadened opportunities for participation in Hungarian political and social life.

Mr. Chairman, extension of multiyear MFN does not mean that the human rights situation in Hungary is no longer a matter of concern; reform and the institutionalization of human rights in that country still have a long way to go before they approach the standard set out in the Helsinki Final Act and subsequent documents of the Conference on Security and Cooperation in Europe.

In some areas, in fact, they have some way to go before they meet in practice the so far theoretical standards set by Hungarian lawmakers. I was disturbed to learn that this summer, for example, Hungarian police have seized passports from Hungarians who have returned to their country after leaving it some years ago, and have barred them from leaving again for up to 5 years. Such seizures have occurred despite the Hungarian leadership's solemn promise that returnees would not be punished.

But the forward strides made to date in Hungary deserve recognition and a palpable gesture of support.

I would emphasize that my support for H.R. 1594 is based on the premise and the hope that the Congress will continue to keep a watchful eye on the state of human rights in Hungary.

Mr. CRANE. Mr. Chairman, I yield 4 minutes to our distinguished colleague, the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Chairman, first I want to thank the gentleman from Illinois for yielding this time to me.

Mr. Chairman, the Democratic leadership has long called for improved executive-congressional consultation on foreign policy matters. The President has worked closely with Congress on formulating a bipartisan United States foreign policy toward Hungary. Our relations with Hungary have never been better. Why are we now putting new restrictions on this relationship.

H.R. 1594 is an embarrassment to this body and a slap at President Bush. Under current law the President has the flexibility to fully respond to an improving United States-Hungary relationship.

Under the Jackson-Vanik amendment to the Trade Act of 1974, Hungary, as with all other Communist countries, is awarded most-favored-nation status on a year-to-year basis pending an annual review of its policy and practices toward those citizens who seek to emigrate.

The President's ability to annually review the MFN status of Communist countries is an integral part of U.S. foreign policy,. It is through this process that Communist countries are rewarded or punished for their human rights policies.

By going outside of the Jackson-Vanik formula this legislation fails to accomplish any U.S. foreign policy goals. It places future restrictions on the President's ability to respond to developments in that country.

Once again, Congress, in its impatience and desire to set its own foreign policy will send confusing signals to those who thought they clearly understood U.S. intentions.

While some amendments have now been made in order in an attempt to improve the bill, the State Department continues to oppose this legislation. The President's flexibility is still violated and I want to emphasize that no specific authority is written into this measure which would allow the President to wave or extend MFN for reasons contained in the Jackson/Vanik amendment.

Mr. Chairman, while I can't speak for the President, I will strongly recommend that he veto this bill if it passes. What we need is a bipartisan foreign policy not a new foreign policy.

Mr. GIBBONS. Mr. Chairman, I yield myself such time as I may consume to respond to the gentleman who just spoke.

Mr. Chairman, as the author of this bill, and as one who wants to improve relations, I disagree completely with the gentleman from Michigan [Mr. BROOMFIELD]. There is nothing in here that prohibits the President from coming anytime and saying give them full MFN. He can go ahead and do that, and we are not attempting to take away that power from him. And I will tell him right now, and anyone within sound of my voice, as long as conditions continue to improve in Hungary as they are, do not worry about my vote or about the vote of most of us here.

Mr. Chairman, I yield my last remaining part of our time to the gentleman from California [Mr. LANTOS].

The gentleman from California is a naturalized American. He chose America. He is not here by accident of birth.

He was a Hungarian, born in Hungary and raised and educated in Hungary. He saw the atrocities of World War II and of Hitler, and of the Russians, and he chose freedom, and he came here, and he and his wife, Annette, both having suffered the same upbringing and the same cruelties, have done more than any people that I

know of in this United States to help the people of the United States understand their responsibility toward the Hungarians.

I cannot say enough in the time that I have before I yield to him about what Mr. LANTOS has done.

So, I yield the remainder of our time to the gentleman from California, [Mr. LANTOS].

The CHAIRMAN. The gentleman from California [Mr. LANTOS] is recognized for 5 minutes.

Mr. LANTOS. Mr. Chairman, I first want to thank my good friend and colleague, the gentleman from Florida, Chairman GIBBONS, for his most generous comments.

Let me say to my colleagues on the other side who have spoken against this legislation that I rise in sorrow because what should be a joyous and bipartisan celebration has become regrettably an acrimonious debate. So let me set the record straight on the facts.

Let me comment that, in my judgment, President Bush cannot have the faintest notion of what some people in the State Department are representing as his foreign policy. Let me indicate my strongest support for this legislation.

We have a great historic opportunity. We should be rejoicing that our form of government and our form of economic system is sweeping through Eastern Europe, and no country is leading that parade more forcefully and more effectively than Hungary.

One of my colleagues on the other side indicated Hungary has the most restrictive emigration policy. Hungary has a free emigration policy. No one is denied the right to leave that country. Hungary has freedom of religion. It now has freedom of speech. It has freedom of the press. As a matter of fact, having just returned from there 2 days ago, there is nothing that MacNeil/Lehrer's debate forum has over the program debating public issues on Radio Budapest today.

□ 1220

So let us get rid of the shibboleths and the arguments of the Cold War era. There has been a historic surge toward freedom.

Second, I must say that this debate reminds me of a debate we had a year ago when the same forces opposed the legislation extending Overseas Private Investment Corporation privileges for Hungary that some of us fought for, only to have the administration come in a little bit later arguing for those same privileges.

This legislation will not cost the American taxpayer one dime.

What we are dealing with is giving Hungary the opportunity of earning its way in international trade. The only privilege it will have is the privilege that scores of countries from Japan to West Germany have today in selling to the United States; not at preferential rates but at nondiscriminatory rates.

In a few years we will see an international exhibit, a world's fair which for the first time will involve two great cities, the city of Vienna and the city of Budapest. This will be the first bifurcated world's fair involving two countries and capital cities.

Our move here today will provide an impetus to the reintegration of Hungary economically into the Western World.

Hungary has been the easternmost outpost of Western civilization since the year 1001. To quibble as to when we will grant it most favored nation treatment for more than 1 year today or a month from now when the administration will see fit to come in with its proposal is an absurdity.

We are at a hinge of history, Mr. Chairman. We are connected to the past but we are swinging in new directions.

It seems that some people cannot give up their connections to the Cold War past, the Stalinism of an era which is forgotten in Hungary.

There are democratic forces putting their lives on the line, risking retribution, crying out for political freedom for other Eastern European countries.

Let us make no mistake about it, what we do here today will be watched by those countries of Eastern Europe that have not yet gone the way of Poland and Hungary.

Bulgaria will be watching what we are doing, Czechoslovakia, East Germany, and so will the Soviet Union.

The very least we can do is to make this small, simple gesture toward a people and a country which is desperately struggling to be free and to be integrated into Europe.

Mr. Chairman, I strongly urge my colleagues to vote for this legislation.

Mr. CRANE. Mr. Chairman, I yield myself the remainder of my time.

Mr. Chairman, I rise in strong opposition to H.R. 1594 extending, unconditionally, most-favored-nation [MFN] trade status to Hungary for the next 5 years. By superseding the Jackson-Vanik administrative waiver procedure in current law, this bill would be a 5-year, "no questions asked" economic benefit to the Hungarian regime.

This bill is ill-conceived and ignores the fact that the electoral process in Hungary is still very much controlled by the Communists and its foreign policy guided by the Warsaw Pact. We must be vigilant with respect to countries that have been unwilling to guarantee the political and social freedoms we find essential even while making progress economically.

The question today is not whether the Hungarians have made progress in democratization, and toward an economy more influenced by market forces. They have. I am strongly supportive of these changes and believe there is some cause to be optimistic that the status of political and economic life in Eastern Europe will continue to improve.

Hungary also has made progress over the years on free emigration and other social goals. These steps have been taken under the watchful eye of U.S. policymakers and the U.S. Congress, and we have been able to influence and encourage such progress because preferential tariffs have never been granted unconditionally.

The Congress has reviewed the status of Hungary's progress in the areas of emigration and human rights every year under the Jackson-Vanik amendment. This oversight has all but guaranteed that Hungary continue to improve its protection of fundamental human rights and freedom of emigration. We should not repeal this effective annual review procedure by unconditionally extending MFN to Hungary for 5 years.

If Hungary continues on a progressive path, they have no reason to fear that MFN will be taken away from them. However, if the situation were to change in that part of the world, as it has done recently in China, H.R. 1594 would provide no authority to the President to respond by downgrading their tariff treatment. Under this bill, Congress would have to enact a new bill and delay any response by the length of time of our legislative process.

The Hungarian regime today is not governed by the will of the people in any significant way. It is governed by the Communist party. An open and democratic Hungary is a long way off. Removing the possibility of close scrutiny under a Jackson-Vanik annual review would be imprudent trade and foreign policy.

Furthermore, it would subject American firms and workers to imports produced in the murky world of a mixed economy where subsidies and government ownership are the norm. Hungarian firms do not necessarily have to compete under free market guidelines, especially if they are good earners of foreign exchange.

Mr. Chairman, when the Hungarian Government shows us its best face, our first instinct is to embrace their yearnings for democracy with open arms. I urge my colleagues to be cautious. We have seen many times in the history of Eastern Europe that repression occurs as the solution to instability or dissent.

Mr. Chairman, this bill is a premature and unconditional grant of our most prized economic incentive. At the very least, the bill should have reduced the time period for this special MFN treatment to 1 year. For myself,

I prefer continued annual Jackson-Vanik review.

I urge my colleagues to vote no on H.R. 1594 in its current form.

Mr. Chairman, I yield back the balance of my time.

Mr. HAMILTON. Mr. Chairman, I rise in support of H.R. 1594, to extend most-favored-nation status to Hungary for 5 years.

The bill is a signal of support in the Congress for the process of political and economic change now underway in Hungary, and I believe it is an important step to reinforce the momentum created by President Bush's visit to Poland and Hungary in July.

I support this bill for several reasons:

First, Hungary has considerably relaxed its laws with respect to emigration. Since 1986 there have been no pending family reunification cases, and since January 1, 1988 valid passports for worldwide travel have been available on demand to nearly all Hungarians. Hungary is in the process of complete liberalization of its emigration laws. its officials have drafted legislation which they plan to bring before the Hungarian Parliament at the end of September. These officials have consulted with the Department of State, and the proposed legislation would enable the President to inform the Congress that Hungary is in full compliance with the Jackson-Vanik Amendment to the 1974 Trade Act.

Should the Hungarian Parliament complete its new draft legislation, and should the President so inform the Congress, then this bill, a 5-year extension of most-favored nation status, may be overtaken by events. But in the meantime passage of this bill is an important signal that the Congress strongly supports these emigration reforms as well as the political and economic reform process in Hungary.

Second, a long-term extension of most-favored nation status is important to help create a climate of investment certainty and business confidence. A key goal of our policy is to build strong economic ties between Hungary and the West, to help support Hungary as it continues the difficult process of reform from a centrally-planned economy to an open, market economy. The extension of a 5-year most-favored nation waiver can help give United States investors and businessmen confidence to pursue a long-term economic relationship to the mutual benefit of Hungary and the United States.

Third, a long-term extension of most-favored nation status to Hungary sends an important signal throughout Eastern Europe. This step tells reformers in Eastern Europe that the United States is prepared to respond, to take steps toward normal trade relations with governments that themselves take steps toward reform. This step also places pressure on those coutnries in Eastern Europe that oppose reform—East Germany, Romania, Czechoslovakia and Bulgaria, the so-called Gang of Four. This step tells the Gang of Four that opposition to reform means economic isolation, that opposition to reform means that they will fall further and further behind the economies of the West.

Fourth, long-term extension of most-favored-nation status is also an important signal to Western Europe. It indicates to our allies that we are prepared to work for constructive change in Eastern Europe, that we want our allies to take steps to join us in bringing Hungary into a closer relationship with the West.

Finally, I want to speak to a broader concern. Hungary is under increasing pressure from its neighbors in Eastern Europe. It has accepted some 30,000 Hungarian-minority refugees from Romania, and has called on the U.N. to investigate human rights abuses in Romania. It has growing tensions with its northern neighbor Czechoslovakia, which, like Romania, opposes reforms in Hungary. Perhaps Hungary's most serious differences right now are with East Germany, because East Germans are using Hungary as a means of escape to the West over the now open border between Austria and Hungary. Some 6,000 East Germans have used this escape route, and another 6,000 are in camps in Hungary awaiting exit from Hungary to the West. Perhaps a total of 20,000 East Germans will use this exit route rather than return to East Germany after their summer vacations in Hungary. These delicate issues put Hungary in a difficult position with its neighbors.

The point here is that Hungary not only faces the difficulties of internal reform, but is facing external pressure as well. To the extent that the United States can support reform in Hungary, it is important that we act to do so.

Mr. Chairman, failure to pass H.R. 1594 would send a wrong signal to Hungary, to Eastern Europe, and to our allies in Western Europe. The administration may quarrel with the timing of this bill, but I would argue that a defeat of it would negate much of the good will and momentum generated over the last few months. Defeat of this bill would signal that the United States is not willing to support Hungary's reform efforts.

Members should realize that passage of this bill by the House must be followed by Senate passage and there may be a conference. This means that we do have time to see how emigration legislation evolves in Hungary.

A yes vote today is a vote to enhance U.S. interests.

Therefore, I would urge my colleagues to support H.R. 1594.

Mr. LAGOMARSINO. Mr. Chairman, I rise in opposition to H.R. 1594, legislation to provide most-favored-nation status to Hungary for 5 years, although it may be amended to 3 years. I just voted against the closed rule for this bill because I strongly believe this measure should be amended to give the President the authority, and therefore the flexibility, to revoke this trade status if warranted.

I agree that the significant political and economic reforms that have recently occurred in Hungary should not go unnoticed. Just last year, I joined with the majority of my colleagues in supporting the Roth amendment to the fiscal year 1989 miscellaneous international affairs authorization bill in striking Hungary and Romania from OPIC authorizations. Since that time, substantial and serious reforms have been made in Hungary warranting a change in United States policy. The House, with my support, has passed H.R. 2550, extending OPIC coverage to Hungary.

Along those same lines, the liberalizing movement in Hungary also warrants a change in this Eastern European maverick's MFN status. In 1974, title IV of the Trade Act tied MFN treatment of Communist countries to their emigration policies. The Jackson-Vanik amendment, as it is called, lists specific criteria which Communist countries must meet in order to receive MFN status. The Jackson-Vanik amendment does allow the President to waive the prohibition on MFN status to countries not meeting the criteria if such a waiver would help better promote the amendment's objectives. Hungary, for the past 11 years, has received such a waiver annually.

Today, Hungary is close approaching total compliance with the provisions of the Jackson-Vanik amendment. For example, many of the restrictions on travel to neighboring Western countries, like Austria, have been lifted. The result has been massive weekend traffic jams to Vienna where the shopping is still much better, despite Budapest's economic reforms. Interestingly, unlike in the past, these Hungarians are willing to return home—a sure sign that real changes have been made in Hungary. Another sign of change is Hungary's protest in the conference on cooperation and security in Europe [CSCE] of neighboring Romania's construction of border barricades, Eastern Europe's newest wall. Again, it is telling that Romania's wall is to keep its citizens from fleeing to Hungary. Hungary has taken positive and exemplary action toward increasing emigration. Hungary has also been the main escape route for East Germans, formerly contained by the wall, now fleeing in great numbers to the West through Hungary. Hungary could have halted this movement, but it has not.

Since my eye-opening visit to Hungary in January of this year with H.R. 1594's sponsors, Messrs. FRENZEL, GIBBONS, and LANTOS, additional progress has been realized. Two months ago, special tribute was paid to former leader Imre Nagy, who was deposed by the Red Army after it brutally crushed the 1956 uprising—a popular revolt spurred in part by Nagy's liberalizing movements. The hard-liners who followed Nagy had branded him a traitor. In June, the ruling leadership was again shuffled with those favoring greater economic and political reforms gaining additional power.

Our previous carrots to Hungary, in the form of Western economic assistance, have helped to promote this change. While there are still many internal and external obstacles, the private sector is beginning to flourish. There is genuine and vast support for the free enterprise system—even among those in the ruling Communist Party. They know that Hungary's economic survival depends on the success of this Western-style economic reform. The state-controlled Soviet style planned economy has been a dismal failure. Real economic reform naturally prompts political reform. This axiom is true to Hungary. There has been a relaxation of political controls and political pluralism is on the rise. Clearly, more must be done. However, as a further signal of our support for these efforts and to promote continued progress, I believe we should reward Hungary by changing its MFN status. But it should be done when the immigration statutes are enacted. To help the people of Hungary achieve political and economic freedom we should keep the pressure on.

Despite all of this encouraging change, Hungary is still a Communist country within the Warsaw Pact Alliance. Economic and political liberalization were crushed by Soviet tanks 33 years ago. Sixty thousand Soviet troops still occupy Hungary today. As we have been witnessing in China, a country until just recently we praised for progressive reforms, the repression and brutality of communism can swiftly return. However, positive incremental actions, if they provide the flexibility to meet any changes, are helpful. This proposal does not give the President authority to revoke it should there be a setback or reversal.

If there is a possibility of removing the Iron Curtain, or at least drawing it open to let the light of freedom and liberty penetrate, that possibility best exists in Hungary. An important, yet often overlooked benefit of the steady pattern of reform in Hungary is the difficulty that would be incurred in repealing it. Certainly, we can help strengthen the reform movement and further solidify its foundations by providing the aid needed to make it successful. But it should, as I said, give the President authority to repeal it.

Mr. GREEN. Mr. Chairman, I rise today in opposition of H.R. 1594, a bill which seeks to extend most-favored-nation status to Hungary for the next 5 years. Although I had originally voted in support of the 5-year extension in June, important changes have occurred since that vote and I think it wise at this point to reconsider the issue.

As we all know, the Jackson-Vanik amendment of 1974 generally forbids the extension of MFN status to Communist countries which have restrictive emigration policies. Since 1978, the President has annually extended MFN treatment to Hungary in response to that country's commendable record on emigration. Ultimately, of course, the goal is to encourage Hungary to enact the institutional changes which will bring that nation fully in compliance with section 402 of the Trade Act of 1974.

President Bush's historic trip to Hungary on July 12 established a stronger relationship between our governments and a concrete plan for permanent MFN status was outlined, making H.R. 1594 untimely given present circumstances. The President offered permanent MFN status if the Hungarian Government makes the institutional steps to comply with section 402 of the Trade Act of 1974. The Hungarian Government stated that steps toward compliance would begin in September. That process should be allowed to play out.

My understanding at this moment is that the Hungarian Ministry of Justice has completed work on a bill which is ready for submission to their parliament which contains all the necessary elements to fulfill the requirements of the 1974 Trade Act. A House vote at this point would be preemptive and sends the wrong signal to Hungary—and other nations—that they can get MFN status at no cost from Congress. The Hungarian Government has promised a specific course of action and that government should be pressured to stay the course.

In short, I commend the administration for their efforts to achieve lasting change in Hungary, and I urge my colleagues to support those efforts by voting "no" on H.R. 1594. The situation in Eastern Europe in general, and Hungary specifically, is extremely dynamic. Let us not undermine a real plan for democratic change that the governments of both countries have just recently agreed to by confusing their discussions with a mixed signal from the Congress.

Mr. DREIER of California. Mr. Chairman, I am pleased that Hungary has moved to a position where the House is considering a bill (H.R. 1594) to extend most-favored-nation [MFN] trading status to Hungary for a period of 5 years. As you will recall, this proposal received a majority of votes when it was brought to the floor under suspension last June.

Taking into consideration that emigration is the sole focus of the Jackson-Vanik amendment, Hungary has done far better than its Warsaw Pact neighbors in encouraging emigration. The Twenty-fifth Semiannual Report of the Implementation of the Helsinki Final Act reports good progress by Hungary on implementation of Basket III of the act which focuses on human contacts. In particular, the section on family reunification reads:

As part of the new passport regulations [effective January 1, 1988], the Hungarian Government expanded the categories of persons whom a Hungarian may apply to emigrate to join. These now include brothers, sisters, and grandparents (as well as spouses, children, and parents). The U.S. Embassy in Budapest processed 66 applications by local nationals for immigrant visas for family reunification during the reporting period, including applicants processed to join refugees. There were no cases of refusals of emigration permission for family reunification.

In addition, we cannot fail to recognize Hungary's contribution to the new wave of East Germans who are seeking to emigrate to West Germany. Hungary stands to play an increasingly important role as these and many other Eastern Europeans seek to emigrate to the West.

Despite these encouraging signs, I recognize President Bush's concerns over removing his authority to grant MFN status to Hungary and certain other Communist countries on a conditional basis for 1-year renewable periods. This system of waivers has worked well for Hungary since 1978. In light of the ever-changing domestic situation in Communist countries around the world, a strong case can be made for allowing the President to retain this flexible policy in regard to Hungary.

I wish to applaud my colleagues on the Ways and Means Committee for bringing this debate before the House once again. The discussion is a positive sign to the Hungarian Government that the United States stands ready to assist them in their historic political and economic reforms.

Mr. PACKARD. Mr. Chairman, I rise today to say that I applaud the steps toward democracy that Hungary has taken. I am encouraged by recent actions taken by the Hungarian people and Government. The willingness Hungary has shown to break away from satellite status under the Soviet Union is to be commended. The removal of fences surrounding their nation and restoration of freedom of movement are, without question, positive steps.

I support freedom. I support aid to countries that make strides toward freedom and democracy. I do not support H.R. 1594. This is ill-conceived legislation that attempts to take Presidential authority and turn it over to the legislative branch. This bill is not a matter of aid to Hungary, it is a power grab from the Congress.

While I support aid to Hungary in its quest for democracy, H.R. 1594 is not the correct means. The legislation prevents the executive branch, the President, the power to withdraw most-favored-nation [MFN] status in the unfortunate consequence that events take a change for worse in Hungary.

My opposition to this bill is in no way a slight against the progress of Hungary. Neither is it a stand against granting MFN status to Hungary for an additional year or, for that matter, years to come if democracy and economic development continue. However, I strongly believe that the flexibility of a Presidential revocation of MFN status to any nation is essential in order to maintain a consistent, effective foreign policy.

The lesson of Tiananmen Square, still fresh in our minds, vividly accentuates how fragile democracy is at its inception. To remove Presidential prerogative in granting MFN status is potentially dangerous. I urge my colleagues to recognize this fact and vote against H.R. 1594.

The CHAIRMAN. All time has expired.

Pursuant to the rule, the bill is considered as having been read for amendment under the 5-minute rule.

The text of H.R. 1594 is as follows:

H.R. 1594

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF NONDISCRIMINATORY TREATMENT TO THE PRODUCTS OF HUNGARY.

Subject to section 2, during the 5-year period beginning on July 4, 1989, nondiscriminatory treatment (most-favored-nation treatment) applies to the products of the Peoples' Republic of Hungary.

SEC. 2. REQUIREMENT FOR BILATERAL COMMERCIAL AGREEMENT.

The nondiscriminatory treatment provided for under section 1 shall apply only during such time within the 5-year period referred to in that section that there is in effect between the United States of America and the Peoples' Republic of Hungary a commercial agreement that meets the requirements set forth in section 405(b) of the Trade Act of 1974 (19 U.S.C. 2435(b)).

SEC. 3. COORDINATION WITH JACKSON-VANIK AMENDMENT.

During the 5-year period referred to in section 1, the provisions of section 401, 402, 404, 405(a) and (c), and 407 of the Trade Act of 1974 are suspended with respect to the Peoples' Republic of Hungary except to the extent necessary for the inclusion of that country within the appropriate waiver procedures of section 402(d) for purposes of extending nondiscriminatory treatment (if the President decides to recommend such extension) to Hungarian products after July 3, 1994.

The CHAIRMAN. No amendments to the bill are in order except amend-

ments recommended by the Committee on Ways and Means which shall not be subject to amendment.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 15, insert the following before the period: ; except that, notwithstanding the provisions of paragraph (1) of such section, the renewal of the commercial agreement after the date of the enactment of this Act shall be for a period ending not sooner than July 4, 1994.

The CHAIRMAN. Does any Member wish to debate the committee amendment?

If not, the question is on the committee amendment.

The committee amendment was agreed to.

AMENDMENT OFFERED BY MR. ROSTENKOWSKI

Mr. ROSTENKOWSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROSTENKOWSKI: Page 2, lines 3, 10, and 21, strike out "5-year period" and insert "3-year period".

Mr. ROSTENKOWSKI. Mr. Chairman, this amendment reduces the duration of the extended MFN treatment for Hungary from 5 to 3 years.

I believe this committee amendment represents a reasonable compromise between supporters of H.R. 1594, who want to send a strong, positive message to the people of Hungary in recognition of the advancements that Hungary is making, and those who have expressed concerns that H.R. 1594 is moving too far too fast. I urge my colleagues to adopt the committee amendment and support H.R. 1594, as amended.

Mr. SCHULZE. Mr. Chairman, will the gentleman yield?

Mr. ROSTENKOWSKI. I yield to the gentleman from Pennsylvania.

Mr. SCHULZE. I thank the gentleman for yielding.

Mr. Chairman, I take this time just to thank the chairman for this compromise, to praise him for the work he has done on this bill and urge support of the amendment.

Mr. FRENZEL. Mr. Chairman, I move to strike the last word and I rise in support of the amendment of the distinguished chairman, the gentleman from Illinois [Mr. ROSTENKOWSKI], which amendment reduces the 5-year term to 3 years. I previously indicated that I would like to see a permanent bill or a permanent order by the President at some time soon, but in order to get this bill passed, I think 3 years is a responsible compromise.

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Mr. Chairman, I would also like to speak at a little greater length on the President's authority under existing legislation to terminate this special status.

This particular bill is silent on that subject. It is my judgment, and the judgment of the chairman, that if the President, if there would be some good reason for him to do so, and the President would invoke the Trade Act of 1962 and 1974, that the President would certainly be able to revoke it. If Members have some nervousness on that subject, I think they at least ought to consider that particular aspect.

It is my hope that the chairman's amendment will be adopted and that the bill be passed.

Mr. COLEMAN of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, my understanding as to what is going on here is that the amendment is an attempt to make this more acceptable to the body. I certainly support that, because I want this bill to pass.

Since I did not have time in the general debate, I struck the last word and would like to say a few words about the merit of this bill. Perhaps the timing of bringing this bill to the floor is not the best. If the President is, in fact, considering extension, permanent extension, we should let him do that. At the same time, we have this bill before us. We are going to have to vote, and as we vote, we are sending a message, a very strong message to the world, who may not be well-versed as we in the nuances of our extension, and what we are doing here—the legislative, and the executive branch.

As I remember, Mr. Chairman, we are talking about extending this most-favored-nation status to a country that has torn down barbed wire of the Iron Curtain. These are the people who are out in front, the people who have the reputation, political and indeed their real lives on the line, making these reforms, changing from communism to a pluralist democratic system, writing the constitution to be able to provide the freedoms that these people want. Also, to provide a free market economy. These are the very people that we need to give this kind of assistance to. We need to encourage this.

A vote against this bill today, because we are supporting our President or because he is going to do this next week or next month or in 3 or 4 months, misses the point. We have got to stand up as an independent, legislative branch, make our statement, give our encouragement, and hope that it will be successful in the reforms that are being implemented in Hungary.

I stand, like I did on suspension, in support of this bill, and in support of the amendment, in order to get this thing passed today.

Mr. COX. Mr. Chairman, I move to strike the requisite number of words. The language of the amendment, knowing for certainty that we are talking about 3 years, as opposed to 2, 5, whatever, I think it is important for the Members to know before we vote that I just got off the phone with the White House. Others have been in touch with the White House also. The White House remains opposed to this bill. There are a number of reasons for this opposition.

First and foremost, the President of the United States is in the midst of conducting our foreign policy in Hungary, conducting negotiations on this subject, and as has been noted, the President has promised the extension of permanent most-favored-nation status to Hungary, wiping out section 402, vis-a-vis Hungary, would have the effect of taking away from the President the power to fulfill the commitment that he has made. Therefore, this really is a question of supporting the President in an arrangement he has already made with Hungary.

Second, since the President's visit, things have devolved. There has been a breakdown between the opposition round table and the Hungarian Socialist Workers' Party. I think that, in light of this and the charges leveled against the latter by the Hungarian democratic opposition, it would send a particularly bad signal for this House of Representatives to pass a bill that grants more favors than the President himself was willing to do, willing to grant, without more concessions first from the government on the subject of immigration.

The President does oppose this bill. We, in a bipartisan support of the President's rather high profile conduct of our foreign policy vis-a-vis Hungary, ought to support him in this matter, and keep in mind, as has been noted in the debate, that the President of the United States has very far-sighted policy toward Hungary, and he is most interested in granting MFN status to Hungary on the terms that they have already agreed to, but not before. We ought not to have promises substitute for deeds.

Mr. SOLOMON. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Is there objection?

PARLIAMENTARY INQUIRY

Mr. ROSTENKOWSKI. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ROSTENKOWSKI. Mr. Chairman, what rules are we proceeding under?

The CHAIRMAN. The Committee is proceeding under a closed rule in which the Ways and Means amendment is not amendable, but if there is no objection, the gentleman may move to strike the last word and be recognized for 5 minutes.

Mr. ROSTENKOWSKI. The chairman of the committee will serve notice this is the last Member that I am going to allow to speak without objection.

The CHAIRMAN. The Chair recognizes the gentleman from New York.

Mr. SOLOMON. Mr. Chairman, I appreciate the consideration of the chairman of the Committee on Ways and Means, but the truth of the matter is that we are under the 5-minute rule, and I would suggest that there had better not be any objections to further speakers or else things are going to break loose here.

Mr. ROSTENKOWSKI. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Illinois.

Mr. ROSTENKOWSKI. Mr. Chairman, what this gentleman is doing is following regular procedure, and the minority and the majority have had 5 minutes to debate the amendment. We are ready to vote here.

PARLIAMENTARY INQUIRY

Mr. SOLOMON. Mr. Chairman, I have a parliamentary inquiry, if I may interrupt my time.

The CHAIRMAN. The gentleman will state his inquiry.

Mr. SOLOMON. I am a member of the Committee on Rules. When the gentleman from Illinois [Mr. ROSTENKOWSKI] appeared before the committee, as I read the rule, we were allowed the gentleman was allowed a committee amendment to be offered on this floor. It is to be offered under the 5-minute rule. No question of objections, no unanimous consent needed, and if we want to limit debate on amendment, we should do so either by unanimous or we should have a vote on it, one way or the other. I will not belabor or even ask an answer for this parliamentary inquiry.

The CHAIRMAN. The Chair recognizes the gentleman from New York.

Mr. SOLOMON. Mr. Chairman, the argument is being made that this bill was asked for by the Hungarian people. Mr. Chairman, the people who want this bill are the Soviet Government and the Hungarian Government, not the Hungarian people.

I was in Budapest not too long ago and I talked to the Hungarian Government representatives; I also talked to the people on the streets of Budapest. Those people said to me, as I am sure they said to others on that side of the aisle, and I see some sitting there who have recently returned from Hungary, that they want all the pressure they can get kept on the Hungarian Government and on the Soviet Government, so that they can get the reforms and a movement toward democracy.

This bill does not do that. This bill has the absolute opposite effect. That is why people like myself are standing here begging Members to pull the bill off the floor. This is an embarrassment to the Hungarian people themselves. If the President of the United States can continue, under the existing law, to grant them preferential treatment; just MFN, and if we leave the law the way it is, the President of the United States can follow through with his suggestions that he made to the Soviet and to the Hungarian Government. He will grant permanent MFN status to them if they go ahead and enact into law the right of the Hungarian people to work where they want to work, live where they want to live, move where they want to move, to come to America if they want to. He has the right to rescind that if he wants to.

Under this bill, the President cannot grant permanent status. He cannot rescind any status at all. Therefore, I would just beg Members. I am going to vote for this amendment. I hope it is just accepted by the House, but I would hope that the people of this House vote down the bill on behalf of the Hungarian people.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. ROSTENKOWSKI].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ROSTENKOWSKI

Mr. ROSTENKOWSKI. Mr. Chairman, I offer a conforming amendment.

The Clerk read as follows:

Amendment offered by Mr. ROSTENKOWSKI: Page 2, line 19, and page 3, line 3, strike out "1994" and insert "1992".

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. ROSTENKOWSKI].

The amendment was agreed to.

□ 1240

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. DELLUMS) having assumed the chair, Mr. SKAGGS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1594) to extend nondiscriminatory treatment to the products of the Peoples' Republic of Hungary for 5 years, pursuant to House Resolution 228, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SCHULZE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 221, nays 169, not voting 40, as follows:

[Roll No. 224]

YEAS—221

Ackerman	Gejdenson	Mineta
Alexander	Gephardt	Moakley
Anderson	Gibbons	Moody
Andrews	Glickman	Morrison (CT)
Annunzio	Gonzalez	Mrazek
Anthony	Gordon	Murtha
Archer	Gradison	Nagle
Atkins	Grandy	Neal (MA)
Barton	Gray	Neal (NC)
Bates	Guarini	Nowak
Bennett	Hall (OH)	Oakar
Bereuter	Hamilton	Oberstar
Boggs	Hatcher	Obey
Bonior	Hawkins	Olin
Borski	Hayes (IL)	Ortiz
Bosco	Hertel	Owens (UT)
Boucher	Hoagland	Panetta
Boxer	Hochbrueckner	Parris
Brennan	Houghton	Payne (VA)
Brooks	Hoyer	Pease
Bruce	Huckaby	Pelosi
Bryant	Jacobs	Pickett
Bustamante	Johnson (CT)	Pickle
Campbell (CA)	Johnson (SD)	Porter
Cardin	Johnston	Poshard
Carper	Jones (GA)	Price
Carr	Jones (NC)	Rangel
Chapman	Jontz	Ravenel
Clarke	Kaptur	Ray
Clement	Kastenmeier	Richardson
Clinger	Kennedy	Roe
Coleman (MO)	Kennelly	Rose
Coleman (TX)	Kildee	Rostenkowski
Collins	Kleczka	Rowland (CT)
Cooper	Kostmayer	Roybal
Costello	LaFalce	Russo
Coughlin	Lancaster	Sabo
Coyne	Lantos	Saiki
Crockett	Leach (IA)	Sangmeister
de la Garza	Lehman (FL)	Savage
Dellums	Levin (MI)	Sawyer
Derrick	Levine (CA)	Schneider
Dickinson	Lewis (GA)	Schroeder
Dicks	Lipinski	Schuette
Dingell	Long	Schulze
Dixon	Lowery (CA)	Schumer
Dorgan (ND)	Lowey (NY)	Shays
Downey	Luken, Thomas	Shuster
Durbin	Lukens, Donald	Sikorski
Dwyer	Machtley	Sisisky
Dymally	Madigan	Skaggs
Eckart	Manton	Slattery
Edwards (CA)	Markey	Slaughter (NY)
Engel	Martinez	Smith (FL)
Espy	Matsui	Smith (IA)
Evans	Mavroules	Smith (NE)
Fascell	Mazzoli	Smith (NJ)
Fazio	McCloskey	Smith (VT)
Feighan	McCurdy	Snowe
Fish	McDermott	Solarz
Flippo	McEwen	Spratt
Foglietta	McHugh	Stallings
Ford (MI)	McMillan (NC)	Stark
Ford (TN)	McMillen (MD)	Stokes
Frank	Meyers	Studds
Frenzel	Michel	Swift
Gaydos	Miller (CA)	Synar

Thomas (CA)	Vento	Williams
Torres	Visclosky	Wilson
Torricelli	Volkmer	Wise
Towns	Walgren	Wolpe
Traxler	Waxman	Wyden
Udall	Weber	Yates
Unsoeld	Weiss	

NAYS—169

Applegate	Hayes (LA)	Rahall
Armey	Hefley	Regula
Baker	Hefner	Rhodes
Ballenger	Henry	Ridge
Barnard	Herger	Rinaldo
Bartlett	Hiler	Ritter
Bateman	Hopkins	Roberts
Bentley	Horton	Robinson
Berman	Hubbard	Rogers
Bevill	Hughes	Rohrabacher
Bilbray	Hunter	Roth
Bilirakis	Hutto	Roukema
Bliley	Hyde	Rowland (GA)
Boehlert	Inhofe	Sarpalius
Broomfield	James	Saxton
Browder	Jenkins	Schaefer
Brown (CO)	Kanjorski	Schiff
Buechner	Kasich	Sensenbrenner
Bunning	Kyl	Shaw
Byron	Lagomarsino	Shumway
Callahan	Laughlin	Skeen
Chandler	Leath (TX)	Slaughter (VA)
Coble	Lent	Smith (TX)
Combest	Lewis (CA)	Smith, Denny (OR)
Conte	Lewis (FL)	Smith, Robert (NH)
Cox	Lightfoot	Smith, Robert (OR)
Craig	Livingston	Solomon
Crane	Martin (IL)	Spence
Dannemeyer	McCollum	Staggers
Darden	McCrery	Stearns
Davis	McDade	Stenholm
DeLay	McGrath	Stump
DeWine	McNulty	Sundquist
Dornan (CA)	Miller (OH)	Tallon
Douglas	Miller (WA)	Tanner
Dreier	Mollohan	Tauke
Duncan	Montgomery	Tauzin
Dyson	Moorhead	Thomas (GA)
Edwards (OK)	Morella	Thomas (WY)
Emerson	Morrison (WA)	Traficant
English	Murphy	Upton
Erdreich	Myers	Valentine
Fawell	Natcher	Vucanovich
Gallegly	Nelson	Walker
Gallo	Nielson	Walsh
Gekas	Owens (NY)	Watkins
Gilman	Oxley	Weldon
Gingrich	Pallone	Whittaker
Goodling	Parker	Whitten
Goss	Pashayan	Wolf
Grant	Patterson	Wylie
Green	Paxon	Yatron
Gunderson	Payne (NJ)	Young (FL)
Hall (TX)	Penny	
Hancock	Perkins	
Hansen	Petri	
Harris	Pursell	
Hastert	Quillen	

NOT VOTING—40

Akaka	Flake	McCandless
Aspin	Florio	Mfume
AuCoin	Frost	Molinari
Bellenson	Garcia	Packard
Brown (CA)	Gillmor	Ros-Lehtinen
Burton	Hammerschmidt	Scheuer
Campbell (CO)	Holloway	Sharp
Clay	Ireland	Skelton
Conyers	Kolbe	Stangeland
Courter	Kolter	Vander Jagt
DeFazio	Lehman (CA)	Wheat
Donnelly	Lloyd	Young (AK)
Early	Marlenee	
Fields	Martin (NY)	

□ 1300

The Clerk announced the following pairs:

On the vote:

Mr. Akaka for, with Mr. Florio against.

Mr. Donnelly for, with Mr. Marlenee against.

Messrs. HALL of Texas, BROWN of Colorado, and MOLLOHAN changed their vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to extend nondiscriminatory treatment to the products of the Peoples' Republic of Hungary for 3 years."

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. WHEAT. Mr. Speaker, due to illness I was absent on rollcall No. 224. Had I been present, I would have voted "aye".

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1594, the bill just passed.

The SPEAKER pro tempore (Mr. DELLUMS). Is there objection to the request of the gentleman from Illinois?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1759, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION MULTIYEAR AUTHORIZATION ACT OF 1989

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 101-228) on the resolution (H. Res. 234) providing for the consideration of the bill (H.R. 1759) to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2869, COMMODITY FUTURES IMPROVEMENT ACT

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 101-229) on the resolution (H. Res. 235) providing for the consideration of the bill (H.R. 2869) to amend the Commodity Exchange Act to improve the regulation of futures and options traded under rules and regulations of the Commodity Futures Trading Commission, establish registration standards for all exchange floor traders, restrict practices which may lead to the abuse of outside customers of the marketplace, reinforce development of exchange audit trails to better enable the detection and prevention of such practices, establish higher standards for service on governing boards and disciplinary committees of self-regulatory organizations, enhance the international regulation of futures trading, regularize the process of authorizing appropriations for the Commodity Futures Trading Commission, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1659, AVIATION SECURITY ACT OF 1989

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 101-230) on the resolution (H. Res. 236) providing for the consideration of the bill (H.R. 1659) to improve aviation security by requiring the installation and use of certain explosive detection equipment at certain airports located outside the United States and by providing assistance for the acquisition of such equipment, and for other purposes, which was referred to the House Calendar and ordered to be printed.

NATIONAL ALCOHOL AND DRUG TREATMENT MONTH

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 132) designating September 1 through 30, 1989 as "National Alcohol and Drug Treatment Month" and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Reserving the right to object, Mr. Speaker, I take this time in order to give our friend and colleague, the gentleman from the District of Columbia [Mr. FAUNTROY], an opportunity to speak on this matter, since he is the primary sponsor, and I yield to the gentleman from the District of Columbia.

Mr. FAUNTROY. Mr. Speaker, I rise in support of Senate Joint Resolution 132, a bill to designate September 1, through 30, 1989, as "National Alcohol and Drug Treatment Month."

On March 23, 1989, I introduced House Joint Resolution 217, a bill which is identical to Senate Joint Resolution 132. Congresswoman CONSTANCE A. MORELLA joined me as an original cosponsor of this legislation. With true bipartisan effort, together

we have guided this bill to its present status on the floor.

I also want to thank Senator JIM SASSER and his staff, Bruce Singleton, for the speedy action initiated in the Senate which moved this legislation quickly.

At a time when our Nation is searching for answers to the tragedy of drug and alcohol addiction, this bill is the result of a nationwide effort—now occurring in each of our States—to call attention through statewide and local events to the need for, and effectiveness of, treatment. Throughout the month of September, there will be over 1,000 events across the country demonstrating that treatment works. Recovering and recovered individuals will participate in discussion of treatment programs, as well as self-help group meetings. These are but a few of the benefits that will be featured as a result of this month of emphasis on treatment that works for the addict.

Alcohol and drug treatment provides an effective means toward independence from substance dependence and is a critical element in solving the problems associated with drug and alcohol abuse. Treatment will reduce criminality caused by addiction, increase stable employment, improve school performance, build healthy family relationships, and, in general, return an individual to a life of worthwhile achievement.

I want to pay tribute to the efforts of the "Ad Hoc Coalition on National Alcohol and Drug Issues" which has organized and stressed the need for this month of observance. By bringing together service providers and counselors, State alcohol and drug abuse administrators, biomedical researchers, public health professionals, and many concerned citizens, together with relevant agencies of the Federal Government, the Ad Hoc Coalition has made a significant contribution to the initiatives relating to alcohol and drug abuse prevention, treatment, and research. Special thanks must go to two people who have organized the nationwide events in each State. Jeffrey T. Kramer, of the Alcohol and Drug Problems Association, and Jeffrey P. Jacobs of the American Public Health Association. These two people were the chairs of the Ad Hoc Coalition. Members of the coalition include the following organizations:

Alcohol and Drug Problems Association of North America.
American Academy of Pediatrics.
American Council for Drug Education.
American Medical Society on Alcoholism and Other Drug Dependencies, Inc.
American Psychological Association.
American Public Health Association.
Americans for Substance Abuse Prevention and Treatment.
American Youth Work Center.
Association of Labor-Management Administrators and Consultants on Alcoholism.
Center for Science in the Public Interest.
Children of Alcoholics Foundation, Inc.
Committee on Problems of Drug Dependence.
Families in Action Drug Information Center.
Health and Medical Council of Washington.
Legal Action Center.
National Association of Alcohol and Drug Abuse Counselors.
National Association of Addiction Treatment Providers.
National Association of Black Substance Abuse Workers, Inc.
National Association of State Alcohol and Drug Abuse Directors.
National Black Alcoholism Council.
National Council on Alcoholism.
Northeast Methadone Coalition.
Therapeutic Communities of America, Inc.

As Members of Congress, we will all benefit in our local jurisdictions from the heightened emphasis on treatment. The theme "Treatment Works!" must be our rallying cry.

I ask you to join with me, with Congresswoman MORELLA, and with the 223 cosponsoring Members of this legislation in support for this important joint congressional resolution. Thank you.

Mr. RIDGE. Mr. Speaker, continuing my reservation, I want to say that there were several other Members who wanted to speak on this matter. I do not see them present. I am sure they will have the opportunity to insert their remarks.

Mr. Speaker, I withdraw my reservation of objection.

Mrs. MORELLA. Mr. Speaker, I rise today in support of Senate Joint Resolution 132 and its companion bill, House Joint Resolution 217, a resolution to designate September 1989 as "National Alcohol and Drug Treatment Month."

As my colleagues know, the problem of drug and alcohol abuse is a growing one. Dependence on alcohol and/or drugs is a chronic relapsing disease. While education, prevention, and law enforcement efforts can help discourage the use and abuse of drugs, only through treatment can we hope to reach those severely dependent abusers who have not responded to other approaches. Treatment centers can also control the impact of these severe cases on society and reduce the market for illicit drugs.

During this month, treatment centers will hold open their doors and invite the general public, as well as their elected officials, to see the kind of work that they are doing. The observance of this month gives us the welcome opportunity to focus attention on the positive contributions that alcohol and drug treatment centers can make. Those suffering from alcoholism and other drug addiction can recover and rebuild their lives.

Mr. Speaker, alcohol and drug abuse is of critical concern to our Nation today. I thank the Ad Hoc Coalition on National Alcohol and Drug Issues for highlighting September 1989 as National Alcohol and Drug Treatment Month, and I urge my colleagues to join in support of Senate Joint Resolution 132 and to take part in the open houses and local events across the country.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 132

Whereas alcohol and other drug abuse and dependence are major public health problems that are preventable and treatable;

Whereas the economic costs to society of alcohol and drug abuse in 1983 alone were over $176,000,000,000;

Whereas alcohol and drug abuse treatment provides an effective means toward independence from substance dependence and is a necessary element in solving the problems associated with alcohol and other drug abuse;

Whereas more than one-third of the families of the Nation are affected by alcoholism and an estimated 10,000,000 Americans are problem drinkers or alcoholics;

Whereas alcohol abuse during pregnancy is one of the leading causes in the Nation of mental retardation in infants and is the only preventable cause;

Whereas over 70 percent of the pediatric acquired immunodeficiency syndrome cases are related to intravenous drug use by one or both parents of the infant;

Whereas drug abuse treatmet is an effective way of preventing the spread of AIDS among intravenous drug abusers;

Whereas alcoholism and drug dependence are illnesses requiring prevention, treatment, and rehabilitation through the assistance and cooperation of a broad range of Federal, State, and local health, law enforcement, and social service agencies, families, employers, employees, and organizations concerned about alcohol and other drug abuse; and

Whereas despite our national policy goal of making treatment available to all who request it, the existence of waiting lists highlights the need to increase the availability and quality of alcohol and other drug treatment services; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 1 through 30, 1989 is designated "National Alcohol and Drug Treatment Month", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that month with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on

Senate Joint Resolution 132, the Senate joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I have asked to proceed for this minute for the purpose of inquiring of the distinguished majority leader the program for next week, and I yield to the distinguished gentleman from Missouri.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman from Illinois for yielding to me.

It would be my intention to explain the schedule for next week.

On Monday, September 11, the House will be in session, but there will be no legislative business. It will be a pro forma session. There will not be votes.

On Tuesday, September 12, the House will meet at noon. There will be suspensions. Recorded votes on the suspensions will be postponed until the end of the day. The bills on suspension are as follows:

H.R. 2978—Flag Protection Act.

H.R. 2358—Reauthorization of Speaker's Civic Achievement Award Program.

H.R. 2346—American Folklife Center reauthorization.

H.R. 737—To amend the Stock Raising Homestead Act.

H.R. 982—Postal Service Reorganization Act Amendments of 1989.

H.R. 2986—Senior Executive Service Performance Board Revision Act.

H.R. 996—Congressional Scholarships for Science, Mathematics, and Engineering Act.

H.R. 2666—To establish the Mildred and Claude Pepper Scholarship Fund.

H.R. 2742—To extend and amend the Library Services and Construction Act.

On Tuesday, the House will meet at noon. I would suspect that votes would likely start in the 3 or 4 o'clock period.

On Wednesday, September 13, the House will meet at noon to consider H.R. 1659, the Aviation Security Act. There is an open rule with 1 hour of general debate, as well as consideration of the bill.

On Thursday, September 14, the House will meet at 10 a.m. On Wednesday the House will meet at noon, and on Thursday again at 10 a.m. to consider H.R. 2869, the Commodity Futures Improvement Act with an open rule and 1 hour of general debate. There will be votes on Wednesday and Thursday.

On Friday, September 15, the House will not be in session.

□ 1310

Mr. MICHEL. The votes will come clustered, will they not, on the suspensions on Tuesday at the end of their consideration?

Mr. GEPHARDT. Mr. Speaker, if the gentleman will yield further, that is correct.

Mr. MICHEL. I should also advise the majority leader that there are some indications that there might be competing motions to instruct on sending the Interior appropriation bill to conference. If that were to take place, would that come after the votes on the suspensions?

Mr. GEPHARDT. It would.

Mr. MICHEL. I thank the gentleman. I then note that on Wednesday that rather than coming in at 10 we are coming in at noon. Is there a reason for that?

Mr. GEPHARDT. The reason for that change is that there is a memorial service for Congressman Leland in the Statuary Hall at 10 o'clock on Wednesday morning.

Mr. MICHEL. Mr. Speaker, I thank the gentleman.

HOUR OF MEETING ON WEDNESDAY, SEPTEMBER 13, 1989

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, September 12, 1989, it adjourn to meet at noon on Wednesday, September 13, 1989.

The SPEAKER pro tempore (Mr. DELLUMS). Is there objection to the request of the gentleman from Missouri?

There was no objection.

ADJOURNMENT TO MONDAY, SEPTEMBER 11, 1989

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourn today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

FLAG LEGISLATION IS "A PIECE OF GARBAGE"

(Mr. DOUGLAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DOUGLAS. Mr. Speaker, next Tuesday supposedly we are going to be taking up the flag under suspension of the rules, H.R. 2978. It comes out of my Committee on the Judiciary.

Mr. Speaker, I oppose it as I did at the committee level because it is a piece of garbage. It would defend flag-burners and create in Federal law a defense to desecrating the flag. Mr. Speaker, I am pleased to announce that the American Legion, which I was privileged to address on Tuesday, has voted unanimously and has sent a letter which I will be circulating today to every Member of this House urging a "no" vote on H.R. 2978.

The American Legion urges a "no" vote. They want a constitutional amendment. The people are being gagged because we will not be able to offer that amendment.

Mr. Speaker, I would also point out that the Reserve Officers Association of the United States urges that we vote against the statute and in favor of a constitutional amendment.

Mr. Speaker, I hope you will permit us to be able to offer amendments such as the constitutional amendment rather than to bring this under a gag rule, under suspension, on Tuesday.

THE AMERICAN LEGION,
Washington, DC, August 29, 1989.

DEAR REPRESENTATIVE: The American legion is convinced that the only sure way to protect the U.S. flag from desecration is ratification of a constitutional amendment. We believe that the June 21 Supreme Court decision could be used as the basis, in any future court ruling, to declare the pending bill (H.R. 2978) unconstitutional. We, therefore, urge you to vote against the bill.

In a Gallup Poll completed three weeks ago about two-thirds of those interviewed stated their support for an amendment. Therefore, your vote against H.R. 2978 would be in line with public opinion on this issue.

Some opponents of our position have argued that there should be no "tampering" with the Constitution, while others have expressed concern that the amendment process is a laborious one. There's no doubt that the amendment process was envisoned by those who drafted the Constitution—a document that has been officially modified 26 times. In fact, there are several proposed amendments even now pending in Congress. Although amendment ratification is a somewhat complex procedure, it was appropriately designed that way. It would certainly be unfortunate if any congressional member opposed a flag amendment for that reason. It would be even more unfortunate if American citizens and their elected state representatives were effectively denied the opportunity to participate in this undertaking because of any House failure to vote on an amendment.

Amendment opponents have also argued that ratification would lead to restriction of First Amendment freedoms. We disagree, and the American public shares our view. Other results of the survey noted above show that 70 percent of the polled group be-

lieve that a flag protection amendment would not place their freedom of speech in jeopardy.

In view of these facts and on behalf of our three million members whose opinions on this issue are shared by a large majority of Americans, I urge you to vote against H.R. 2978 and to demand a House vote on a proposed constitutional amendment to protect the U.S. flag from desecration.

Sincerely,

H.F. "SPARKY" GIERKE,
National Commander.

CONSTITUTIONAL AMENDMENT NEEDED TO PROTECT U.S. FLAG FROM DESECRATION, RESERVE OFFICERS SAY

WASHINGTON, Sept. 1.—Only a constitutional amendment will provide adequate protection for the United States flag, according to an editorial in the September issue of the monthly magazine of the Reserve Officers Association of the U.S.

The editorial in "The Officer" magazine quoted jurists and congressmen that "the matter cannot be cured by statute and that any such attempt would surely be defeated by a holding of unconstitutionality by the Supreme Court."

The ROA passed a resolution June 24 during its national convention calling for a constitutional amendment. This was the same week that the Supreme Court ruled that desecration of the flag was protected by the first amendment of the Constitution as a form of freedom of expression.

The editorial notes several Congressional bills that would provide protection but insists that only a Constitutional amendment would be effective. Some bills that would attempt statutory remedies "actually would weaken current laws rather than strengthen it," the editorial suggests.

"The Stars and Stripes represents the noble accomplishments of our people, the will of many peoples to live and strive together, and the dreams of those whose only hope is in the fulfillment of American ideals," the editorial comments.

The editorial asks readers to urge rejection of statutory efforts and support of the Congressional amendment route.

"We urge all our members to reinforce the message to their senators and representatives that ROA favors a Constitutional Amendment to restore the proper dignity and protection to our nation's Flag," the editorial concludes.

Capitol Hill-based ROA was founded in 1922 at the suggestion of General of the Armies John J. Pershing and chartered by Congress in 1950 to support an adequate national security. It includes 120,000 officers of all branches of service, reserve and regular.

TRIBUTE TO MICHEL T. HALBOUTY

(Mr. MILLER of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, I would like to take this opportunity to recognize Mr. Michel T. Halbouty as one of the world's outstanding geoscientist. His many honors in the field as well as his extensive service to the industry and the Nation in many different capacities, is testimony to his standing in the scientific arena. Mr. Halbouty had the distinction of testifying before Secretary James Watkins and other Department of Energy officials a short time ago with valuable information toward the establishment of a national energy strategy. I would like to extend my remarks today to include his valuable testimony. In addition to this honor, Mr. Halbouty was recently reappointed as a member of the Office of Technology's Assessment Advisory Council. This advisory council is made up of 10 public members eminent in science, technology, and education, appointed by the Board of OTA. These members advise the Board on OTA assessments and other matters and provide us with invaluable experience from the scientific community.

STATEMENT OF MICHEL T. HALBOUTY [1]

I would like to begin my remarks by commending our Secretary of Energy, Admiral James Watkins, for having a hearing such as this regarding the United States' critical need for an energy policy strategy. The United States, unlike other major world powers, has never had a comprehensive national energy policy that worked. Each presidential administration that has tried to put together a plan of action to provide greater energy security has failed.

All too often, if the executive branch suggested a policy of action, the legislative branch refused it and did not offer a substitute that was acceptable to the executive branch. Likewise, congressional suggestions have often been ignored by the executive branch. They have see-sawed back and forth and up and down, and have accomplished nothing. I should not say nothing, because they have placed this nation's economic and strategic securities in jeopardy, and that is something—very serious.

It is long overdue for the Congress and the administration to put aside special interests and look only toward providing a comprehensive energy policy, a workable plan, that will lead to constructive and meaningful legislation. Such action must begin at the top of our federal government. Even though we have the knowledge, the technological advances, and the expertise to collate and produce our domestic energy supplies, it cannot be accomplished without proper federal management to set the guidelines. Calls for a firm national energy policy have intensified amid increased public attention to prospects for a renewed oil squeeze caused by falling U.S. production, rising consumption, and rising imports.

All of our vast domestic energy resources—petroleum, coal, nuclear, solar, hydropower, wind, and biomass, to name only a few—should be continuously researched for improved usage. However, our key resources—petroleum, coal, and nuclear energy—are not being produced in quantities or in manners adequate to meet our energy demands. I want to speak briefly on the importance of each of these resources.

Our petroleum resource base has a special place in the hierarchy of domestic energy sources. Crude oil and natural gas today supply about 66% of our entire fuel mix. Yet, unfortunately, our domestic crude oil production declining at a precipitous rate, and our supplies of natural gas in most cases cannot immediately be substituted for oil usage. As a result, our crude oil and product imports are dramatically rising almost daily.

I will now reveal some frightening stratistics. I known that the Department of Energy has all that I will cite, but it is proper and appropriate that they be emphasized and stated in this public hearing.

The impact of increased imports is demonstrated by the fact that our domestic production has dropped from 8.9 million barrels a day in 1985 to our current production of 7.5 million barrels a day, a drop of 1.4 million barrels a day. Of our production, some 1.9 million barrels a day comes from Alaska. Therefore, we are producing less than 6 million barrels a day in the conterminous U.S. and the drop is accelerating. We are now producing 500,000 barrels a day less than we did in 1988. Our imports have risen from an average of 5.1 million barrels a day in 1985 to today's average of 7.9 million barrels a day. This is a negative turnaround of an astrounding 4.2 million barrels a day in just 4 years! It is incongrous that this situation can be further tolerated!

Currently, our demand is 17.2 million barrels per day. We are producing 7.5 million barrels per day and we are now importing 7.9 million barrrels per day—a combined total of 15.4 million barrels a day. Our imports represent 46% of our demand. We now have a 1.8 million barrel per day deficit which must be made up from our existing crude oil stocks and our natural gas liquids production. In addition, it is possible that we could be importing close to 9 million barrels per day before the end of this year! Furthermore, it is estimated that in the lower 48 states, production has been dropping at the rate of 40,000 barrels per day each month. In a year or so, a decline will finally set in on the North Slope, which will further accentuate the import dependence. And it is estimated that by the end of 1990 the United States will be importing from 9 million to 10 million barrels per day. This is indeed frightening! This could approximate 60% of our total daily consumption.

We cannot continue to just produce our remaining reserves without trying to replace them through more exploration. It is most evident that when imports increase, exploration decreases, which in turn reduces the strength of our petroleum industry and thus jeopardizes our economic and national security.

Let me cite a few more statistics: In 1981 we drilled 91,600 wells. Last year we drilled 25,186. For the first quarter of 1989, the total was 5529, and there are estimates of only about 20,000 wells drilled for the year. Today there are fewer than 800 rigs running. Because of these very low rate of exploration, the independent segment of the industry has not only been decimated but virtually wiped out.

I should here remind you that the independents throughout the history of the petroleum industry have drilled 80 percent of the wells and discovered 75 percent of all the oil and gas in this country. Where there were once 60,000 independents actively drilling for oil and gas, there are now less than 1,000. Where there were once more than 40 major companies, there are now less than a dozen.

For more than 30 years, from one administration to another, the government has thrust one disincentive after another at the industry. These disincentives did not appear

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[1] Chairman of the Board and Chief Executive Officer, Michel T. Halbouty Energy Co., Houston, Texas (Geoscientist and Petroleum Engineer).

suddenly. Rather, it was a gradual process which caused a deterioration, particularly in the exploration and production segments. It is really baffling that a nation that is considered to have the most intelligent people on earth can permit this deterioration of the industry when they—the people—realized that in the long-run that whatever hurts the petroleum industry will eventually hurt them. Such thinking is irrational.

Yet there are those, many even in high places, who say "don't drill," "don't explore anymore," meaning let the U.S. petroleum exploration and production segments of the industry die. They say just keep an increasing imports—the oil is cheaper. This concept is most dangerous in that it does not take into account where our dependency lies, and how it could affect our economic and strategic securities. Those who favor greater imports do not realize that we just cannot ever place this nation's destiny in the hands of others who have their own interests above ours. But, unfortunately, this is exactly what is happening. We are gradually ceding some of our liberties to those who control and own the supplies of oil that are shipped to this country.

It is evident that the appropriate and obligatory role of the federal government is our guest for energy supplies is to create an atmosphere and an energy policy which will encourage the private sector to seek, produce and develop all our energy sources without undue interference. The policy must provide core pieces of legislation through which we can rationally evaluate our energy-resources options. Such a policy should be truly bipartisan, formulated solely for the protection and best interests of the national welfare. It must be viewed as a means of survival for this country.

From geoscientific studies of our land and water areas, it is evident that there is the potential to find as much oil and gas as we have produced to date. Much of our petroleum potential lies in our federal lands and waters. Yet we have been prevented from exploring for energy and minerals on some of these lands because of federal restraints. For example, geoscientists from industry, academia and government are in common agreement that the Coastal Plain of the Arctic National Wildlife Refuge (ANWR) is the most promising onshore petroleum frontier in the United States. Yet federal restraints prevent drilling in this region.

Our growing energy needs indicate that nuclear energy and coal will progressively have to be substituted for petroleum in the post-petroleum era. The proper long-range development of these sources has been sorely neglected.

Nuclear-generated electricity has already saved America over three billion barrels of oil, with billions more to be saved before the turn of the century. Our existing nuclear plants are preventing more than 2 million barrels of oil per day from being imported into the country. Public fear has prevented the construction of additional plants. I firmly believe reform of nuclear permitting regulations and standardization of design could revive the industry. If we were to establish one, and only one design, we could rapidly build the 100 new plants we now need, which could save us another 3 million barrels per day and thus solidify our domestic energy base.

Now let's talk about coal. Coal is the most abundant yet least utilized of our domestic energy resources. We should be using more coal than we are today, and, therefore, should be planning to use more in the future. In terms of proven reserves, we have 60 times more coal than oil on an energy equivalent basis and more than 40 times more coal than natural gas on an energy equivalent basis. Considerable research is necessary to determine the most efficient use of coal and its compliance with approved environmental standards. Coal also can make a positive contribution by becoming a major export which would be a boon to reducing our foreign deficits.

In addition to what nuclear energy and coal can provide, if we could increase our energy supply from other sources equivalent to another 2 to 3 million barrels of oil per day, we would be energy secure, and that security would increase year by year.

The invitation to participate here today stated we should give our opinion on "what should the priorities be for National Energy Strategies."

Therefore, my recommendations for priorities for the creation of an Integrated National Energy Strategy which would also serve as guidelines to form a most constructive national energy policy are as follows:

1. Enhancement of federal leasing policies to provide for more energy and minerals exploration.

2. Completion of the filling of the Strategic Petroleum Reserve.

3. Environmental controls and regulatory policies based on a scientific cost-benefit basis. Government should encourage and strongly recommend that environmentalists and industry leaders get together and both parties use every possible means to arrive at a compatible understanding and solution to a dispute or a problem or a situation instead of one or the other adopting a "go to hell" attitude or a standoffish impasse attitude.

4. Increased efforts to provide safe and economic nuclear power and encourage industry to build 100 new, standard-design plants.

5. Development of clean coal technology, greater utilization of our coal resources, and promotion of U.S. coal exports.

6. More research and development programs to fully exploit our energy alternatives, energy conservation, and enhanced oil recovery technology.

7. And, most importantly, reasonable tax measures such as:

(a) Removing oil and gas preference items from Alternative Minimum Tax computations.

(b) Providing investment tax credits for research and development activity, especially in the area of enhanced oil recovery.

(c) Allowing immediate expensing of 100% of Intangible Drilling Costs in tax calculations, and expanding the definition to include geological and geophysical costs and unrecovered surface casing.

(d) For increasing the depletion percentage for oil and gas to 22½%.

(e) Returning temporarily abandoned stripper wells to production under a 22½% preferential tax credit on all production and equipment costs.

(f) Providing a 20% exploration incentive credit on all drilling and equipment costs expended for a discovery well and for subsequent development of the new field.

If the above mentioned tax incentives are granted, it is my opinion that within 18 months of enactment there will be 2,500 rigs operating in this country, searching for, discovering and producing oil and gas from new fields and, thereby, reducing our import levels and our foreign deficit with each new discovery.

Furthermore, if all of the above mentioned recommendations are adopted, they will materially restore and sustain the nation's energy strength and security as well as set the permanent foundation for a viable, effective national energy plan for now and in the future.

I appreciate the invitation from Secretary Watkins to participate in this hearing.

WE PASSED REGULATORY GUIDEPOSTS, NOT A FORBEARANCE STANDARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa [Mr. LEACH] is recognized for 5 minutes.

Mr. LEACH of Iowa. Mr. Speaker, the heart of the recently passed savings and loan legislation relates to capital ratios.

In the past week controversy has arisen among Federal regulators about certain ambiguities in the statute relating to the capacity of thrifts to leverage private-sector investments with insured deposits.

I voted against the bill because I feared that the capital ratios stipulated would serve as a forbearance standard, inviting institutions to repel prudential regulation, rather than as a serious effort to impose prudent regulation on the industry.

My view—although I must stress that I do not presume I am in a position to describe the legislative intent of the majority—is that the statute just passed must be looked at in combination with a panoply of legislation crafted over five decades establishing a regulatory mandate for the Government to develop standards to protect the safety and soundness of the industry and, implicitly, the taxpayer.

In this context I would urge the strongest possible capital standards be imposed at the earliest possible date.

While the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 is rife with ambiguity, it is clear Congress intended to move Federal thrift regulation as rapidly as possible to the same standards that apply to commercial banking. It is also clear Congress intended the guidelines it established to represent a regulatory floor rather than a statutorily sufficient standard.

For instance, subparagraph (1)(c) of the capital standards section of H.R. 1278 states:

The standards prescribed under this paragraph shall be no less stringent than the capital standards applicable to national banks.

The statute leaves no doubt but that there is regulatory leeway for establishing more stringent standards than those suggested in the bill; No leeway is contemplated for more lenient standards. See, in this regard, subparagraph (9)(a) which stipulates that:

Unless the director prescribes a more stringent definition, the term 'core capital' means core capital as defined by the Comp-

troller of the Currency for national banks
• • •

The time for weakling regulatory oversight is over. The taxpayer should not be asked to dip again into the till for another multi-billion-dollar, or multi-hundred-billion-dollar, relief package based upon industry excesses sanctioned by regulatory undersight.

I rise to speak on this issue because I believe that the message coming from Congress at this time to the regulators should be one of maximal protection to the taxpayer rather than one of minimalist posturing to a powerful industry.

The fundamental principle undergirding the S&L bill is a desire of Congress to establish firm regulatory guideposts rather than forbearance standards that excuse regulators from requiring more stringent standards and greater private-sector capitalization from the industry.

THE 50TH ANNIVERSARY OF THE INVASION OF POLAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, the month of September marks the 50th anniversary of the invasion of Poland. On September 1, 1939, the forces of nazism invaded Poland from the West, and 16 days later, on September 17, the forces of communism from the East. Almost overnight during this beginning of World War II, the country of Poland became a persecuted nation, deprived of half of its territory and millions of its people.

During the last 50 years of domination, the Polish people fought against overwhelming odds to achieve personal liberty and freedom from the Nazis and from the Communists. After the war, the Communist regime began a systematic campaign to destroy the culture and identity of the Polish people. Yet the Poles commitment to achieve freedom never wavered.

Today, the Polish people are witnessing the fruits of their persistence. Fifty years after the invasion of Poland, extraordinary events are occurring in this country. Solidarity joined with two smaller political parties to form a majority in the Parliament, and for the first time in half a century, a non-Communist, Tadeusz Mazowiecki, has been elected prime minister.

This new government faces enormous challenges in its quest to institute reforms and revitalize Poland's economy. However, it is also a time of great hope and expectations for the Polish people. For they now face the real possibility finally of living in personal and economic freedom with the right to determine the course of their own destinies.

Mr. Speaker, on this 50th anniversary of the invasion of Poland I join with Americans of Polish descent in the 11th Congressional District of Illinois, which I am honored to represent, and Polish Americans all over this Nation, in their hopes and prayers that the concessions made by the Communists will be the beginning of true democracy in Poland, and that the new non-Communist government will succeed in its efforts to have Poland join the community of free nations.

INTRODUCTION OF A DRAFT BILL REFLECTING PROPOSED REVISIONS TO THE CATASTROPHIC HEALTH INSURANCE PROGRAM APPROVED BY THE COMMITTEE ON WAYS AND MEANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, today, I am introducing a bill containing the legislative language of the proposed revisions to the Catastrophic Health Insurance Program approved by the Committee on Ways and Means as part of our reconciliation bill. On August 4, 1989, I introduced H.R. 3150 which contained the legislative language of all of the committee's reconciliation provisions, with the exception of the committee's revisions to the Medicare Catastrophic Health Insurance Program. These latter revisions were drafted by staff over the recess, and are now reflected in the bill that I am introducing today.

As in the case of H.R. 3150, I want to emphasize that I am introducing this bill today as a courtesy to all Members of the House and the interested public. However, I want to emphasize again that the provisions of H.R. 3150 and today's bill are considered closed. It is not my intention to reopen or revisit the substantive policy decisions in either bill. Rather, I have introduced both draft bills so that appropriate clarifications or technical modifications can be identified and accommodated prior to the committee's official reporting of its reconciliation recommendations to the House Budget Committee later this month.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. KYL] is recognized for 60 minutes.

[Mr. KYL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

[Mr. GONZALEZ addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

AMENDMENT TO THE CONSTITUTION NEEDED TO PROTECT THE FLAG

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, I have here the petitions containing some 10,000 signatures of Marylanders and other citizens of the United States who are asking that the Congress of the United States pass an amendment that would prevent the desecration of the flag of the United States in the future.

Mr. Speaker, we are having a vote next Tuesday, and that is not what our citizens are asking for, that particular vote. That is a vote on the law, and it is just another delay that would prevent the permanent protection of the flag of the United States.

Mr. Speaker, I will make these petitions available to the Speaker and to this whole Congress to see that this is what the American citizens want. These petitions were gathered on the eastern shore of Maryland by Louis Luna.

Coincidentally, Mr. Speaker, this morning we kicked off in Baltimore and we began the proceedings honoring the 175th anniversary of the writing of "The Star-Spangled Banner," that national anthem that accompanies our flag, that beautiful red, white, and blue emblem. In addition to observing the 175th anniversary of the writing of "The Star-Spangled Banner" by Francis Scott Key, we are also observing the 175th anniversary of the successful battle of the defense of North Point and of the Battle of Baltimore, the defense of Fort McHenry.

It was because of the volunteers who defended North Point and Baltimore so bravely in the War of 1812 that the United States was able to remain a free country. I would like to point out right here, Mr. Speaker, that Baltimore was the only city in the colonial period which was not taken over by foreign interests, and it was because of the defense by those volunteers.

At that dedication this morning, the opening gun, you might say, of the observance of this 175 years of freedom that we have been able to enjoy and have been able to proclaim as we sing "The Star-Spangled Banner," we were very proud to have President George Bush in attendance.

Mr. Speaker, earlier in the day he had attended the American Legion convention where he spoke to the Legionnaires about the importance of the amendment, and where the Legionnaires emphasized to him that they had collected well over 1 million names of people throughout the United States who want an amendment to the Constitution to protect the flag.

□ 1320

Since we began the observance there this morning, Mr. Speaker, I would like to note a little of the history of Fort McHenry which in 1812 sat at the entrance to the then Port of Baltimore.

At the time that Fort McHenry was defended so bravely, those defenders were mostly volunteers. They were

men whose desire to keep America free was payment enough. That was all they asked for, to keep their freedom and to keep this country free. They built the original fort which still stands today.

Those defenders are the spirit and the legacy from which today's thousand points of light now burn. We might say that a thousand points of light, Mr. Speaker, a thousand citizen soldiers who defended Fort McHenry after another thousand had defended North Point. If their defense had not burned as brightly as it did, the light of freedom could have been snuffed out forever in the United States of America.

Fort McHenry and North Point each are still one of those thousand points of light, restored and preserved by a dedicated team of volunteers headed up by a number of individual Baltimoreans and Marylanders. I should include Marylanders because Tom Clancy, the famous author is one of them, Radio Commentator Alan Waldron is another, private citizens Joe Ayd, another, Blair Cross from the American Legion, another, and so on down the line. Their volunteer efforts should serve as an example of what private volunteer efforts can do.

They have secured funds for the new seawall. They have replaced the 90-foot flagpole from which the new star spangled banner flies, and they have organized a celebration lasting some 10 days. It will begin formally on Saturday morning. This was a preliminary kickoff this morning because the President could be there. And on Saturday morning there will be a reenactment of the Battle of North Point with the citizens of Dundalk and the southeast portion of my district participating in this battle. We will have some Canadian visitors who will play the part of the British soldiers down at North Point. And on through the week there will be an event every day.

I would like to point out, Mr. Speaker, that in order to finance their activities, the volunteers, the Patriots of Fort McHenry are selling pins at $2 and $3 each, and from this activity alone they have already raised well over $100,000. But they are doing other things as volunteers to help preserve this national monument that is so important to all of us.

I might again point out that that beautiful flag that flew over Fort McHenry on the morning of September 12, 1814, when Francis Scott Key who was a prisoner on a British ship offshore saw the flag still flying after the all-night bombardment, that that original flag is now in the Smithsonian where it is preserved and can be seen on display. We do fly replicas of that gigantic symbol of freedom over the fort at regular intervals. This morning was one of those, and when citizens see this tremendous 15 by 30 foot, red, blue, and white symbol billowing in the wind, they will know what it has meant to the people throughout this land, and, in particular, to our veterans as they have fought on shores all the way from Bastogne and Iwo Jima to Montezuma, as we hear in the Marine Corps song.

Mr. Speaker, I say today that we should take into consideration the desires of the peoples of the United States, those who have written and who have signed these petitions. Well over a million have said let us amend the Constitution to make certain that no longer will a flag be laid on the floor for people to trample on as a symbol of art, as was done at an art institute in Chicago, or that it will be burned, as a Communist did in Texas at the Republican National Convention, and then he dared to challenge this so-called freedom of speech to be able to burn that flag. We were very disappointed that our Supreme Court overturned the existing law.

Mr. Speaker, once again I appeal to this body, please bring forth the amendment for a vote when you bring forth the law. Do not try to pull the wool over the eyes of Americans that the vote on Tuesday is the vote that they really want. Let us try it both ways. Let us try both the law and the amendment.

Mr. Speaker, once again I want to point out that we started in Baltimore this morning, the observance of the 175th anniversary of "The Star Spangled Banner," and we would like to see during that week-long celebration the amendment to the Constitution passed in this very Hall.

Mr. Speaker, I yield back the balance of my time.

TRIBUTE TO MICKEY LELAND

The SPEAKER pro tempore (Mr. EVANS). Under a previous order of the House, the gentleman from New Mexico [Mr. RICHARDSON] is recognized for 1 hour.

Mr. RICHARDSON. Mr. Speaker, I am here to talk about Mickey Leland. Every person in this body has their own way of mourning the dead, and tragically we lost another colleague, Larkin Smith, and several members of Mickey Leland's staff, Patrice Johnson and Hugh Johnson, Joyce Williams from RON DELLUMS' staff, and each one of us have our own way of mourning special friends.

Mickey Leland was a special friend of mine, and for the last month I have been literally miserable in terms of being able to account for the fact that Mickey is no longer with us. Like many other Members of this body, I knew Mickey well. We went to movies together. Our families socialized together. We traveled together. We were on the Committee on Energy and Commerce together. We played basketball together. We shared in many legislative victories and defeats.

But Mickey Leland touched my life the way he touched many others in the country and the world. My purpose in coming here and speaking is not to add to the chorus of individuals who have already eloquently spoken about Mickey, but in my own personal way show to whoever might be listening, from Mickey's son Jarett, his wife, Alison, to many across the country, that Mickey Leland was special, and I wanted to share that specialness that I saw with anybody that has heard the name: Mickey Leland.

First of all, Mickey Leland, the legislator. We know what he accomplished. We know that through his efforts the Select Committee on Hunger was started. It has made a major effort in attacking hunger issues domestically and internationally.

We know that singlehandedly or almost singlehandedly he persuaded the House and the Senate to appropriate $800 million for aid to Ethiopia for the starving, and everybody knows the story about Mickey having that dying woman in Ethiopia in his hands, shutting here eyes, and Mickey never forgetting.

Hunger issues, African issues were his passion. He leaves a tremendous record in that area.

Mickey Leland also was going to have some very important initiatives surface in the next year. He was the author in the budget reconciliation bill of a major increase in funds for infant mortality. These are babies who have not been born. These are mothers who need care.

Mickey Leland was also thinking about the babies in this country. He was looking at something that is becoming a problem of incredible magnitude. His bill on infant mortality was on its way to becoming law.

□ 1330

And I think it will become law after we deal with the budget reconciliation bill. The extra funds in there are Mickey Leland's funds on infant mortality.

Air toxics; on the debate on clean air, the Energy and Commerce bill that most likely will emerge will contain an air toxics provision offered by none other than Mickey Leland, a very strong clean air component.

Mickey's versatility shone in that arena too.

Others may forget the work he did on the Communications Committee to insure that minorities had more of a role in ownership of media outlets, placing more minorities in the communications business, having the CBS's, NBC's, ABC's of the world recognize that they should not typecast minorities in their programs, that they should hire minority anchors.

Mr. Speaker, he and CARDISS COLLINS are authors of very important legislation, across the board, that help all minorities. Mickey Leland was interested in his fellow human beings. He did not have to be black, red, white, whatever ethnic stripe, Mickey Leland was their ally, especially if they were in need.

On energy issues Mickey Leland, the gentleman from Texas, active on the decontrol of natural gas, active in the bill to repeal the Fule Use Act and in efforts to bring some kind of economic stability to his district, torn by the energy shortfalls, by oil and gas individuals going broke.

Mickey realized that that was the bread and butter of his community, that is energy. But if you went to his congressional district, which I did many times, you also saw that Mickey Leland commanded respect not only from his own constituents, not only from the minorities in his district, but from those in the business community, from those across the board that dealt with legislation, because Mickey Leland was a humanitarian.

Mr. Speaker, he was a coalition builder. He brought the blacks and Hispanics together, blacks and Jews together, whites and blacks.

Only recently he was getting Members with extremely divergent ideological differences, Democrats and Republicans, to sit down and have dinner and talk about the major differences that they may have, but also about ways that the gap could be bridged.

Mickey Leland will go down in history as a prodigious legislator. Yes, like many of us he was into too many issues; yes, like many of us sometimes perhaps he did not attend all the sessions he should have, but nonetheless the impact that Mickey had across the board, in Africa, in the Third World, in the Congress of the United States, in the State of Texas, I think he will be remembered as a man who legislatively cared, and also as a man who legislatively delivered, that he has brought forth to this country an awareness of the problems of hunger in Africa and across the world.

Before the media go involved in publicizing this cause, Michael Jackson and many other artists sang "We Are the World," Mickey Leland was already there. He was already fighting for the causes that are so important to feeding the hungry, toward helping those who have been left behind.

Mickey Leland, the politician: What was he like? He was superb, he was one of the best. He was the only politician who could go against you, he is the only politician who could attack you, he is the only politician who could go across the board and oppose literally everything that you have done but still end up loving him because you knew that he deeply cared.

You knew that he stood for something. You knew that when he endorsed Walter Mondale in the last Presidential campaign 5 years ago that it was out of conviction. It was very tough for him, being a member of the Black Caucus, a black national leader, but Mickey stood his ground with that commitment. He kept it.

He then moved into very active circles in the Democratic Party and insured, in the Democratic National Committee, that the party did not divert from its traditional values of the importance of equal rights, of justice, of health care, of civil rights, of women's rights, of human rights, foreign policy which reflects our values.

The only fault I often told Mickey that he had was that he involved himself in too many primaries in his own State, in his own district. Every primary Mickey Leland was in there for somebody.

But looking back I now realized that this was an essential part of his character, that he cared deeply about personal loyalty, that he cared deeply about candidates that reflected his views on issues, and he would either back the establishment or buck them and then act accordingly. That was because of the verdict, that verdict was his own conscience. Every primary in Houston, from alderman to mayor, Mickey Leland was involved in those primaries.

He would end up once again virtually unscathed with 97 percent in one of his elections.

He had a special communication with his voters.

Mickey Leland, the person: What was he like as an individual? I think if you look at Mickey Leland you will see somebody who was in love with life. He was in love with people. He was enormously generous.

We were watching a prize fight together, and I had several of my staff people from New Mexico. We had to go to this fight after a rough election. We did not have enough tickets to enter this prize fight. And when we were going around, myself and my staff, trying to find and purchase some tickets, 15 minutes after I told Mickey, he came up to me with an envelope. It was tickets to the fight which he had purchased.

I asked him why he did it. He said because he did not think that any individual who had worked so hard for me and had stood so much for the values that he shared should be denied this opportunity to participate in watching this fight. That was out of his own pocket that he did this.

Mickey Leland is the kind of person that if you wanted to borrow money, he would forget about you paying him back.

Management, accounting, punctuality were not his strengths. But nonetheless in pursuit of why he was not punctual, in pursuit of why he was not superbly organized, there was a cause, and that cause was bringing people together. That cause was bringing the entertainment world together with the Congress on behalf of a cause.

Many times he would walk into this body with a celebrity, be it a Donna Sommer, Mike Love, of the Beach Boys, celebrities, Mickey felt could be channeled and properly used to convince Members of Congress that the cause, whether it be environmental or hunger or civil rights in foreign policy, always had a noble result.

Mickey operated effectively within the Congress and outside of the Congress. He was somebody who deeply cared about his issues and used his enormously strong and generous personality to pursue those goals.

Mickey Leland is somebody that I will never forget. I am sure many in this body will not, either.

I thought that after I heard of the tragedy, that the pain somehow would subside. But the pain, at least for me, has not subsided, and I do not think it will subside because as I walk around here and wish that Mickey would bolt through a door in his Armani suit, in a hurry for a vote, spinning a number of tales about his day which could have included a meeting with a head of state, a constituent, or calling his mother, talking to his wife, who is going to bear him another child, Mickey Leland was in love with life.

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I look through these doors and wait for him to come by, and the recognition hits me, that it will not happen.

I think as we look at Mickey Leland's legacy, we can always remember Mickey, every time somebody talks about hunger, every time somebody talks about civil rights, every time somebody talks about infant mortality, or clean air, every time somebody talks about humanity, we can think of this brilliant young man who was struck down in his prime.

My good friend, the gentleman from New York [Mr. ACKERMAN], and the gentleman from Missouri [Mr. WHEAT], both of whom did great, noble, humane jobs in trying to find Mickey Leland's plane, told me that one consoling factor was that the crash was sudden, so the suffering was minimal. Mickey Leland was an enormously lucky man, and it could be said he was even lucky in the way he died. I ask my colleagues and all those that remember Mickey, not to let him die in vain, not to let Members go on with life, 1 or 2 or 10 years from now, thinking that time goes by, and great men and women can be forgotten. I think the worst thing we can do is to forget about Mickey Leland, forget about what he stood for, and what he did, forget about his personal kindnesses

and his loyalty, forget about the inspiration he gave to millions of Americans, especially black Americans, and remember his wife, Alison, who is a very exciting and noble and caring individual on her own, and remember that young Jarrett Leland, 3 years old, will only know about Mickey Leland through what he reads, but also of what those Members in the Congress, those that were his friends, tell him about his father. He has a great legacy, that young man who will not see his father. He has a tremendous anchor, and a tremendous record that his father has built.

I do not mean to be presumptuous here and stand before this body indicating that my grief is only mine, the grief is for every Member of this House, many people in the country, but we also think, how can I express this? Like Mickey Leland, in expressing my grief in my position, maybe reach a few people? I am choosing to do it this way with this special order. The pain is inescapable. I cannot wake up every morning without thinking about him. My wife, Barbara, cannot either. It is not because we were Mickey's best friends. I am sure he had many people that ranked as close or closer than Barbara and I were. However, we shared something together. We shared that bond that made Mickey Leland the great man that he is and the great legislator that he is. I say "he is," because I think Mickey is up there right now, in Heaven, organizing, plotting, generating support for the hungry, if there are some up there. He is trying to make Heaven if that is possible, a better place to live.

So as I continue my term in Congress, my tenure in this body will never be the same. My life will never be the same. I just hope that the greatest legacy we can keep in Mickey Leland is that we remember something about Mickey every day: What he stood for, what he accomplished, what he may have said to Members.

I have debated very much. We had a personal rapport that crossed ethnic and party lines. Mickey Leland loved to joke. Even though he was somebody that did more for minorities, he liked to joke about minorities. He could never take something seriously, and he said, "Never take yourself too seriously." I am Hispanic. Mickey always used to have a favorite joke, and I say it to everybody because I think it will come forth when I tell this joke, about Mickey Leland's personality. The first thing about Mickey, when he would tell a joke is that he would be so engulfed with joy he would start laughing before the joke was told. He would ask me, "Bill, at the Alamo, why were there only 30,000 Mexicans?" He would start guffawing and laughing, and I would say, "Mickey, I do not know. Tell me why." He would say, "Because they only had three cars." He would tell that joke almost every other day, to somebody, and I would hear him tell it. I would hear him snickering toward me as he told this joke. I remember this joke, more about Mickey Leland, than about almost anything else, and it is not because I felt bad about that joke. It was because of Mickey Leland being able to tell something like this that would be denounced on the media. However, we all loved him for it, because of who he was and who he stood for.

Mickey, I love you. We all do here. I will miss you. I hope you will do as much in Heaven as you did on Earth.

CONFERENCE REPORT ON H.R. 2696

Mr. BEVILL submitted the following conference report and statement on the bill H.R. 2696 making appropriations for energy and water development for the fiscal year ending September 30, 1990, and for other purposes:

CONFERENCE REPORT (H. REPT. 101-235)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2696) "making appropriations for energy and water development for the fiscal year ending September 30, 1990, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 16, 20, 26, 32, 33, 51, 58, 61, 62, 68, 69, and 71.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 5, 6, 21, 27, 29, 30, 34, 43, 45, 46, 48, 49, 54, 63, 65, 66, and 67, and agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

Restore the matter stricken amended to read as follows: *Provided further, That $50,000 of the funds herein appropriated shall be used by the Secretary of the Army, acting through the Chief of Engineers, to initiate and complete a reconnaissance phase study of roadway access problems at Fishtrap Lake, Kentucky, and the purchase of property from willing sellers and relocation of owners of property so purchased: Provided further, That with funds appropriated in the Energy and Water Development Appropriations Act, 1989, Public Law 100-371, the Secretary of the Army, acting through the Chief of Engineers, is directed to initiate preconstruction engineering and design for construction of a bridge at Floyd's Fork, on Routt Road at Taylorsville Lake, Kentucky: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use, immediately upon enactment of this Act, $125,000 of the funds appropriated herein to accomplish detailed planning of the Wabash Valley Scenic Corridor at Lafayette, Indiana, under the authorized Wabash River Basin Comprehensive Study: Provided further, That within available funds, the Secretary of the Army, acting through the Chief of Engineers, is directed to initiate and complete a reconnaissance study for the Saint Lawrence Seaway and Great Lakes-Financing Navigational Improvements Study, as authorized in section 47(d) of Public Law 100-676, in accordance with the cost sharing provisions of Public Law 99-662*; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$4,000,000*; and the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows:

Restore the matter stricken amended to read as follows: *Provided further, That with $1,000,000 of the funds herein appropriated the Secretary of the Army, acting through the Chief of Engineers, is directed, notwithstanding section 903(a) of the Water Resources Development Act of 1986, to construct the Mound State Park, Moundville, Alabama, project, authorized by section 608(a) of the Water Resources Development Act of 1986, in accordance with the General Design Memorandum Number 1 (April 1988) of the Mobile District Engineer, and the non-Federal share of this project shall be 25 percent: Provided further, That with $1,000,000 of the funds herein appropriated the Secretary of the Army, acting through the Chief of Engineers, is directed, notwithstanding section 903(a) of the Water Resources Development Act of 1986, to construct the Fort Toulouse, Elmore County, Alabama, project, authorized by section 608(b) of the Water Resources Development Act of 1986, in accordance with the General Design Memorandum Number 1 (April 1988) of the Mobile District Engineer, and the non-Federal share of this project shall be 25 percent : Provided further, That, notwithstanding section 903(a) of the Water Resources Development Act of 1986, $500,000 of the funds herein appropriated shall be used by the Secretary of the Army, acting through Chief of Engineers, for construction of the Satilla River Basin, Georgia, project, authorized by section 1151 of Public Law 99-662*; and the Senate agree to the same.

Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows:

Restore the matter stricken amended to read as follows: *Provided further, That using funds appropriated in the Energy and Water Development Appropriation Act, 1988, Public Law 100-202, the Secretary of the Army, acting through the Chief of Engineers, shall make $150,000 available to the Kankakee River project in Illinois to acquire an icebreaking boat and equipment to be loaned to the city of Wilmington, Illinois, for a period of at least three years in accordance with section 1101(b) of the Public Law 99-662 (100 Stat. 4224): Provided further, That, notwithstanding section 903(a) of the Water Resources Development Act of 1986, the Secretary of the Army, acting through the Chief of Engineers, is directed to construct the Hamlet City Lake, Hamlet, North Carolina, project using $3,200,000 of the funds herein appropriated*; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$336,000,000*; and the Senate agree to the same.

Amendment numbered 28:

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted insert the following: *: Provided further, That, $750,000 of the funds herein appropriated shall be used by the Secretary of the Army, acting through the Chief of Engineers, for maintenance dredging of the Los Angeles River portion of the Los Angeles—Long Beach Harbors project: Provided further, That $50,000 of the funds herein appropriated shall be used by the Secretary of the Army, acting through the Chief of Engineers, to continue the Sauk Lake, Minnesota, project*; and the Senate agree to the same.

Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows:

In lieu of the Section number stricken and inserted by said amendment, insert *108*; and the Senate agree to the same.

Amendment numbered 36:

That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows:

In lieu of the section number stricken and inserted by said amendment, insert *109*; and the Senate agree to the same.

Amendment numbered 50:

That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *$2,215,466,000 to remain available until expended, of which $20,000,000 shall be available only for the following facilities: the Biomedical Research Institute, LSU Medical Center at Shreveport, Louisiana, and the Oregon Health Science University: Provided, That of the amount appropriated herein, $2,500,000 shall be provided to the Midwest Superconductivity Consortium at Purdue University*; and the Senate agree to the same.

Amendment numbered 53:

That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,431,000,000*; and the Senate agree to the same.

Amendment numbered 57:

That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$9,656,034,000*; and the Senate agree to the same.

Amendment numbered 59:

That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$355,056,000*; and the Senate agree to the same.

Amendment numbered 60:

That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$205,056,000*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 7, 8, 9, 10, 12, 13, 14, 17, 19, 22, 24, 25, 31, 37, 38, 39, 40, 41, 42, 44, 47, 52, 55, 56, 64, and 70.

TOM BEVILL,
LINDY (MRS. HALE) BOGGS,
VIC FAZIO,
WES WATKINS,
ROBERT LINDSAY THOMAS,
JIM CHAPMAN,
JAMIE L. WHITTEN,
JOHN T. MYERS,
VIRGINIA SMITH,
CARL D. PURSELL,
SILVIO O. CONTE
(Except for No. 22),
Managers on the Part of the House.
J. BENNETT JOHNSTON,
ROBERT C. BYRD,
ERNEST F. HOLLINGS,
QUENTIN N. BURDICK,
JIM SASSER,
DENNIS DECONCINI,
MARK O. HATFIELD,
JAMES A. MCCLURE,
JAKE GARN,
THAD COCHRAN,
PETE V. DOMENICI,
ARLEN SPECTER,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two houses on the amendments of the Senate to the bill (H.R. 2696) making appropriations for energy and water development for the fiscal year ending September 30, 1990, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effects of the action agreed upon by the managers and recommended in the accompanying conference report.

Report language included by the House which is not changed by the report of the Senate, and Senate report language which is not changed by the conference is approved by the committee of conference. The statement of the managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein.

TITLE I—DEPARTMENT OF DEFENSE—CIVIL

The summary tables at the end of this title set forth the conference agreement with respect to the individual appropriations, programs and activities of the Corps of Engineers. Additional items of conference agreement are discussed below.

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

GENERAL INVESTIGATIONS

Amendment No. 1: Appropriates $131,086,000 for general investigations as proposed by the Senate instead of $123,312,000 as proposed by the House.

The conference agreement includes $750,000 for the initiation of planning, engineering and design of the McCook and Thornton Reservoirs, which are features of the Chicagoland Underflow Plan. The conferees are aware that the site of the McCook Reservoir is an active quarry that has many years of remaining life. The conferees are concerned about the loss of that valuable resource and, therefore, agree that no funds will be appropriated for construction of McCook Reservoir until the Corps of Engineers submits to the Congress a complete economic reevaluation of the project that includes an analysis of the remaining life and value of the quarry and a thorough examination of alternative sites for the reservoir. While the reevaluation is underway, the conferees direct the Corps to continue planning, engineering and design of McCook and Thornton Reservoirs.

The conference agreement includes the amounts proposed by the Senate for Flood Plain Management Services and Section 22 planning assistance to the states. The conferees concur with the language contained in the House report relating to proposals by the Administration to cost-share these programs. The conferees direct that the Corps of Engineers continue these programs at 100% Federal cost as intended under current law.

The conferees agree with the language in the Senate report relating to the South Carolina Shores, South Carolina, project.

Under authority provided under the Flood Control Act of 1962 (P.L. 87-874), the conferees direct the Army Corps of Engineers to initiate a reconnaissance study of flood protection for the west side of the Yolo Bypass in Yolo and Solano Counties, California. Such a study will evaluate the existing levees and other flood control facilities on the west side of the Bypass and adjacent streams, including Cache Creek, Putah Creek and Willow Slough, and suggest appropriate measures of providing a high level of flood protection in the area west of the bypass, particularly near the cities of Woodland, California and Davis, California. Within available funds for General Investigations, the conferees direct that $150,000 be used to initiate work on this study.

Amendment No. 2: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

Rillito River, Arizona, $350,000;

Antelope Creek, Lincoln, Nebraska, $100,000;

Elm Creek, Nebraska, $75,000;

Jeffersonville, Indiana, $125,000;

Red River Waterway, Shreveport, Louisiana, to Dangerfield, Texas, $750,000;

Sainte Genevieve, Missouri, $50,000;

Missouri River Fish and Wildlife Mitigation, Iowa, Nebraska, Kansas, and Missouri, $300,000;

Lake George, Hobart, Indiana, $100,000;

: Provided further, That not to exceed $25,500,000 shall be available for obligation for research and development activities

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides a limitation of $25,500,000 for research and development activities instead of $26,500,000 as proposed by the Senate.

Within the amount provided for research and development, the conference agreement includes $1,000,000 for magnetic levitation transportation research and development as described in the Senate report.

The conference agreement includes the funds requested for the Construction Productivity Advancement Program (CPAR). In addition, the conferees have no objection to

the Corps of Engineers proposal to reprogram $2,800,000 of currently available funds to initiate CPAR in 1989.

Amendment No. 3: The conference agreement: deletes House language stricken by the Senate relating to the Caliente Creek, California, project; restores House language stricken by the Senate relating to the Fishtrap Lake, Kentucky, study amended to provide $50,000 for the study instead of $110,000 as proposed by the House; restores House language stricken by the Senate relating to the Taylorsville Lake, Kentucky, project; restores House language stricken by the Senate relating to the Wabash River Basin Comprehensive Study; and restores House language stricken by the Senate relating to the Saint Lawrence Seaway and Great Lakes-Financing Navigational Improvements study amended to provide that the reconnaissance study shall be performed in accordance with the cost-sharing provisions of Public Law 99-662.

Amendment No. 4: Restores House language stricken by the Senate earmarking $100,000 for the Big and Little Sallisaw Creeks, Oklahoma, project.

Amendment No. 5: Deletes House language stricken by the Senate earmarking Section 22 planning assistance.

For the Section 22 planning assistance to the states program, the conferees direct the Corps' attention to the following States where additional assistance is warranted: Alabama, Colorado, Louisiana, Minnesota, Nebraska, New Jersey, North Dakota, Virginia, Kentucky and Indiana.

Amendment No. 6: Earmarks $90,000 for a study of coastal erosion controls for the Portuguese Bend landslide in the Los Angeles, California, area as proposed by the Senate instead of $45,000 as proposed by the House.

Amendment No. 7: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, is directed to utilize funds previously appropriated under the Flood Control, Mississippi River and Tributaries account to prepare the most cost effective plan to provide the authorized level of protection for flood damage reduction for the entire city of West Memphis, Arkansas, and vicinity, without regard to frequency of flooding, drainage area, and amount of runoff: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, is directed to utilize previously appropriated funds together with funds appropriated herein to complete in fiscal year 1990 the engineering and design on the Port Sutton Channel, Tampa Harbor, Florida, project: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $500,000 of the funds appropriated herein for preconstruction engineering and design of structures to restore the riverbed gradient in the vicinity of Mile 206 of the Sacramento River, California, in accordance with the plan contained in a Final Feasibility Report, dated 1989, by the Glenn Colusa Irrigation District and the California Department of Fish and Game, on Fish Protection and Gradient Control Facilities

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement deletes language proposed by the House and stricken by the Senate earmarking funds for the Miami Harbor, Florida, project and establishing a completion date for engineering and design work. The conference agreement does include $605,000 for engineering and design of the Miami Harbor project as proposed by the House and Senate. The conferees direct the Corps of Engineers to proceed as expeditiously as possible with the Miami Harbor project and to provide a report on March 30, 1990, to the House and Senate Appropriations Committees on the status of the project.

The conference agreement amends Senate language directing the use of previously appropriated funds for the West Memphis, Arkansas, project to clarify that those funds were previously appropriated under the Flood Control, Mississippi River and Tributaries account and includes language proposed by the Senate directing the Corps of Engineers to complete engineering and design on the Port Sutton Channel, Tampa Harbor, Florida, project in fiscal year 1990.

The conference agreement provides $500,000 for the Sacramento River Flood Control Project, Glenn Colusa Irrigation District, as proposed by the Senate instead of $180,000 as proposed by the House.

Language under General Provisions, Corps of Engineers, which was approved in identical form by both the House and Senate, authorizes construction to restore the riverbed gradient of the Sacramento River, California, in the vicinity of Mile 206 at an estimated cost of $6,000,000. The provision states that the work be performed generally in accordance with the plan contained in a report prepared by the Glenn Colusa Irrigation District and the California Department of Fish and Game, dated December 1988.

The Senate also proposed additional statutory language under General Investigations, which the conferees have adopted, directing the Secretary of the Army to use $500,000 during fiscal year 1990 for preconstruction engineering and design (PED) of the authorized project in accordance with the plan contained in a Final Feasibility Report, dated 1989, by the Glenn Colusa Irrigation District and the California Department of Fish and Game, on Fish Protection and Gradient Control Facilities.

The conferees would like to clarify that the December 1988 report cited in the authorizing provision is an early version of the Final Feasibility Report cited in the statutory requirement to perform PED in fiscal year 1990. Therefore, in proceeding with construction of the gradient restoration facilities, the Secretary should construct them substantially in accordance with the plan presented in greater detail in the more recent document, issued as the Final Feasibility Report in 1989.

Amendment No. 8: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks $250,000 for a study of water quality and environmental enhancement for Onondaga Lake, New York.

CONSTRUCTION, GENERAL

Amendment No. 9: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum stricken and inserted by said amendment, insert: *$997,400,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $997,400,000 for construction, general exclusive of the Red River Waterway project instead of $1,026,112,000 as proposed by the House and $1,022,770,000 as proposed by the Senate.

The conferees have been advised of the severe coastal erosion threatening Grand Isle, Louisiana. The Town of Grand Isle is undertaking emergency measures to halt the erosion and the conferees agree that the Corps of Engineers is to provide $100,000 of the appropriation for the Grand Isle project to the Town of Grand Isle to assist in the interim emergency measures being carried out by the Town, and the Corps is to provide such other technical assistance to the Town's project as may be necessary.

Within funds available for the Pinellas County, Florida, project, $100,000 has been provided for a re-evaluation of the Treasure Island jetty and nourishment portion of the project.

The conferees agree with the language contained in the Senate report relating to the aquatic plant control program and reprogramming procedures for construction funds.

The conferees direct that from within available funds, the Corps initiate and complete the design of a visitors center to be constructed at Lock "C" in Fulton, Mississippi.

The conference agreement includes funding for the projects in the Continuing Authorities Programs listed in the House and Senate reports.

Amendment No. 10: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

Beaver Lake (Arkansas Water Quality Enhancement), $1,100,000;

Red River Emergency Bank Protection, Arkansas and Louisiana, $2,000,000;

Manatee County, Florida, $5,000,000;

Maalaea Small Boat Harbor, Hawaii, $600,000;

Little Calumet River, Indiana, $2,400,000;

Ouachita River Levees, including Bawcomville Levee, Louisiana, $400,000;

Westwego to Harvey Canal, Louisiana, Hurricane Protection, $1,100,000;

Atlantic Coast of Maryland, Maryland, $8,200,000;

Cape Girardeau-Jackson, Missouri, $500,000;

Missouri National Recreation River, Nebraska and South Dakota, $620,000;

Papillion Creek and Tributaries, Nebraska, $2,500,000;;

Great Egg Harbor Inlet and Peck Beach, New Jersey, $250,000;

Shinnecock Inlet, New York, $5,300,000;

Roanoke River Upper Basin, Virginia, $200,000;

Kissimmee River, Florida, $4,000,000;

Sarasota County, Florida, $2,000,000;

Roseau River (Duxby Levee), Minnesota, $200,000;

Trimble Wildlife Area, Smithville Lake, Little Platte River, Missouri, $1,570,000;

Acequias Irrigation System, New Mexico, $2,000,000;

Grays Harbor, Washington, $13,000,000;

Small Boat Harbor, Buffalo Harbor, New York, $1,000,000:

Provided further, That notwithstanding Section 902 of the Water Resources Development Act of 1986, the Secretary of the Army,

acting through the Chief of Engineers, is directed to construct the Guadalupe River flood control project in the San Jose area using $750,000 of the funds herein appropriated

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes $4,000,000 for the Kissimmee River demonstration project. The conferees also direct that the Corps of Engineers utilize funds previously appropriated in fiscal years 1988 and 1989 for work on this important project during fiscal year 1990.

Amendment No. 11: Earmarks $4,000,000 for the Barbourville, Kentucky, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project instead of $6,000,000 as proposed by the House and $2,700,000 as proposed by the Senate.

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum stricken and inserted by said amendment, insert: *$17,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $17,000,000 for the Harlan, Kentucky, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project instead of $20,000,000 as proposed by the House and $18,200,000 as proposed by the Senate.

Amendment No. 13: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate that directs the Secretary of the Army to utilize $7,850,000 of the funds appropriated in the Act for structural and nonstructural flood protection measures at Matewan, West Virginia.

Amendment No. 14: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing that no fully allocated funding policy shall apply to construction of the Matewan, West Virginia, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project.

Amendment No. 15: Restores House language stricken by the Senate earmarking funds for the Mound State Park, Moundville, Alabama, project; the Fort Toulouse, Elmore County, Alabama, project; and the Satilla River Basin, Georgia, project and deletes House languages stricken by the Senate providing funding for the Miami River Sediments, Florida, project.

Amendment No. 16: Restores House language stricken by the Senate directing the Secretary of the Army to initiate construction of the O'Hare Reservoir, Illinois, project.

Amendment No. 17: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate that directs the use of funds appropriated in fiscal year 1988, in addition to fiscal year 1989 funds as proposed by the House, for design and construction of the Waterloo bridges in Waterloo, Iowa, and directs the Secretary of the Army to utilize $9,900,000 of the funds appropriated in the Act for design, testing, and construction of juvenile fish bypass facilities on the Columbia and Snake Rivers.

The conferees agree with the language contained in the Senate report relating to the Columbia River basin fish bypass program.

Amendment No. 18: Restores House language stricken by the Senate directing the Secretary of the Army to use previously appropriated funds for the Kankakee River project in Illinois and directing the Secretary of the Army to construct the Hamlet City Lake, Hamlet, North Carolina, project. The conference agreement also deletes House language stricken by the Senate directing the Secretary of the Army to undertake the Kanawha River, Charleston and Kanawha River, Saint Albans, projects in West Virginia.

The conferees agree that the Kankakee River provision is a one-time use of the authority contained in Section 1101(b) of the Water Resources Development Act of 1986 and further agree that this type of activity will not be funded in the future.

Amendment No. 19: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate earmarking $500,000 for a reassessment of the Manteo (Shallowbag) Bay, North Carolina, project.

Amendment No. 20: Earmarks $13,000,000 for construction of Highway 415, Segment "C" at Saylorville Lake, Iowa, as proposed by the House instead of $3,000,000 as provided by the Senate.

Amendment No. 21: Corrects a date of a contract between the Corps of Engineers and the State of Iowa contained in the House bill as proposed by the Senate.

Amendment No. 22: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

: Provided further, That with $1,000,000 of the funds herein appropriated the Secretary of the Army, acting through the Chief of Engineers, is directed to initiate and complete the one-time repair and rehabilitation of the Maeystown Creek gravity drainage structure through the project levee of the Harrisonville and Ivy Landing Drainage and Levee District, Number 2, Illinois, subject to the cost-sharing provisions of Public Law 99-662: Provided further, That with $4,000,000 of the funds herein appropriated the Secretary of the Army, acting through the Chief of Engineers, is directed to resume construction on the Wallisville Lake project in Texas, and to award continuing contracts until construction is complete under the terms and conditions signed in 1967 between the Trinity River Authority of Texas, the city of Houston, the Chambers-Liberty Counties Navigation District, and the Corps of Engineers, and as provided for in Public Law 98-63: Provided further, That with $5,000,000 heretofore or herein appropriated for the Cooper Lake and Channels project in Texas, the Secretary of the Army, acting through the Chief of Engineers, is directed to award continuing contracts in fiscal year 1990 at full Federal expense for additional recreation facilities at an estimated cost of $17,000,000 not exclusive to South Sulphur and Doctors Creek Parks, as is acceptable to the State of Texas: Provided further, That the Secretary of the Army is authorized and directed to immediately begin a reconnaissance study of the Cuyahoga River in accordance with the provisions of Public Law 99-662 using funds previously appropriated for the Cleveland Harbor, Ohio, project: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, shall use $300,000 of the funds appropriated under this heading for a flood control project on Loves Park Creek, Loves Park and vicinity, Illinois, as authorized by Public Law 99-662, Sec. 401; and, in addition, $101,800,000, to remain available until expended, is hereby appropriated for construction of the Red River Waterway, Mississippi River to Shreveport, Louisiana, project and for compliance with the directions given to the Secretary of the Army in the fiscal years 1988 and 1989 Energy and Water Development Acts, Public Laws 100-202 and 100-371, respectively, regarding the construction of this project, and the Secretary is directed to use $2,000,000 to award continuing contracts in fiscal year 1990 for construction and completion of Lock and Dam 4, Phase I, and Lock and Dam 5, Phase I; and of which $2,500,000 shall be used to acquire up to five thousand acres of land in the vicinity of the Stumpy Lake/Swan Lake/Loggy Bayou Wildlife Management area as part of the lands for the Red River Waterway project; and with funds provided in this title or previously appropriated to the Corps of Engineers, the Secretary further is directed to fund previously awarded and directed construction contracts and to award continuing contracts in fiscal year 1990 for construction and completion of each of the following features of the Red River Waterway: in Pool 1, Vick Revetment Extension; Saline Bend Dikes, Blakewood, Pump Bayou, and Grand Lakes Reinforcement and Dikes. The Federal cost for construction of the Louisiana and Arkansas Railway Bridge near Alexandria, Louisiana, authorized in Public Law 98-181 shall be increased to a limitation of $25,770,000 (July 1, 1983, price levels) in order to avoid disruption of the Colfax Creosoting Company

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement: restores House language stricken by the Senate directing the Corps of Engineers to repair the Maeystown Creek drainage structure through the levee of the Harrisonville and Ivy Landing Drainage and Levee District, Illinois, amended to clarify that the work to be performed is a one-time repair; restores House language stricken by the Senate directing the Corps of Engineers to resume construction of the Wallisville Lake, Texas, project amended to provide that the project is to be constructed in accordance with all the terms and conditions of a 1967 agreement between the local sponsors and the Corps of Engineers; restores House language stricken by the Senate relating to construction of recreation facilities at the Cooper Lake, Texas, project amended to provide for $5,000,000 of additional facilities instead of $10,000,000 as proposed by the House; restores House language stricken by the Senate relating to a reconnaissance study of the Cuyahoga River amended to provide that the study be performed in accordance with the provisions of Public Law 99-662; restores House language stricken by the Senate relating to the Loves Park Creek, Illinois, project amended to provide $300,000 for the project instead of $600,000 as proposed by the House; and includes bill language proposed by the Senate for the Red River Waterway project instead of the language proposed by the House.

The conferees direct that $1,500,000 of available funds be used by the Corps of Engineers for construction of the Dutch John

Bottom revetment feature of the Red River Levees and Bank Stabilization below Denison Dam project in Louisiana.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES, ARKANSAS, ILLINOIS, KENTUCKY, LOUISIANA, MISSISSIPPI, MISSOURI, AND TENNESSEE

Amendment No. 23: Appropriates $336,000,000 for Flood Control, Mississippi River and Tributaries instead of $342,186,000 as proposed by the House and $335,970,000 as proposed by the Senate.

The conferees are in agreement with the language contained in the House report regarding the Yazoo Basin, Mississippi, Demonstration Erosion Control Program.

It is the intention of the conferees that during the conduct of the St. Francis River, Arkansas and Missouri, (Fish and Wildlife) study consideration will be given to determining the need for additional fish and wildlife conservation measures that will not damage existing stands of bottomland timber, cultivated farmlands, or wetlands, nor increase the possibility of additional seepage problems.

The conferees agree with the Senate report language regarding the water balance study for the Northwest Mississippi area.

Amendment No. 24: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, is directed to proceed with design and construction of a replacement for the Motor Vessel MISSISSIPPI using funds available under this appropriation in order to complete construction of the replacement vessel by the end of calendar year 1991: Provided further, That using previously appropriated funds, the Secretary of the Army, acting through the Chief of Engineers, is directed to reimburse the local interests for the Federal share of the cost of relocation of U.S. Highway 71 bridge in St. Landry Parish, Louisiana, carried out by local interests as authorized by section 824 of Public Law 99-662: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, is directed to utilize $2,500,000 of previously appropriated funds to initiate and complete construction of a land side seepage berm to correct a project deficiency at the Mississippi River, Memphis Harbor, Tennessee

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

OPERATION AND MAINTENANCE, GENERAL

Amendment No. 25: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum stricken and inserted by said amendment, insert: *$1,377,504,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $1,377,504,000 for operation and maintenance instead of $1,382,081,000 as proposed by the House and $1,396,104,000 as proposed by the Senate.

The conference agreement restores the $84,000,000 reduction in the Corps of Engineers operation and maintenance program proposed by the Administration. Both the House and Senate Committees received overwhelming testimony from Members of Congress, state and local government officials and private citizens in opposition to the proposals to not dredge small boat harbors and close over 600 recreation sites.

The conferees agree with the Senate report language regarding the Oceanside sand bypass project in California.

The conferees are aware of the need to construct a replacement for St. George's bridge in Delaware. However, the Corps' authority to participate with the State of Delaware and the limit of Federal responsibility are not clear. Therefore, within available funds for the Intracoastal Waterway, Delaware River to Chesapeake Bay project, the conferees direct the Corps to undertake a review of legislative authority and alternative proposals for Federal participation. The Corps should undertake a review of the design developed by the state of Delaware for a new bridge when the Federal Government's role in construction of a replacement bridge has been clarified.

It is the view of the conferees that the resolution of dredged material disposal problem in the San Francisco Bay region is in the national interest and of increasing urgency. In order to provide for economically viable and environmentally sound regional solutions to the dredging problems, the conferees direct the Corps of Engineers to fully fund the necessary studies from its Operation and Maintenance account for the development of a long-term dredge material disposal plan for the San Francisco Bay region.

Within funds made available for operation and maintenance of the Eufaula Lake, Oklahoma, project, the conferees direct the Secretary of the Army, acting through the Chief of Engineers, to make improvements and perform maintenance of the Bug Tussle Road at Lake Eufaula, Oklahoma.

The conferees direct the Corps of Engineers to assume responsbility for 100 percent of the cost associated with the restoration and renourishment of the beach between groin number one and groin number two in the Ventura Pierpont Groin field, as long as such renourishment can be accomplished at a cost which does not exceed the costs which has been allocated for beach renourishment and the dumping of dredge material under the Corps' current plan for providing the maintenance dredging of Ventura Harbor.

Amendment No. 26: Provides that $20,000,000 shall be available for construction, operation and maintenance of outdoor recreation facilities from the account established by the Land and Water Conservation Act as proposed by the House instead of "such sums estimated at $60,000,000" as proposed by the Senate.

Amendment No. 27: Corrects a code citation contained in the House bill as proposed by the Senate.

Amendment No. 28: Restores language proposed by the House and stricken by the Senate earmarking $750,000 for dredging of the Los Angeles River portion of the Los Angeles-Long Beach Harbors project, restores language proposed by the House and stricken by the Senate earmarking $50,000 to continue the Sauk Lake, Minnesota, project, and deletes language proposed by the House and stricken by the Senate providing that not more than $500,000 may be used for payments to parties adversely affected by the closing of the Cape Cod Railroad Bridge for repairs.

The conference agreement also deletes language proposed by the Senate relating to the use of revenues received from additional use fee collections at Corps of Engineers recreation sites.

Under General Provisions, the Senate proposed legislation expanding the authority of the Corps of Engineers to collect fees at recreation sites nationwide. The conference agreement also deletes that language. The Administration has submitted similar legislation to the Congress for consideration. Until these proposals can be thoroughly reviewed by the Congress, the conferees believe it is premature to include the authorizing language in this Act.

The conferees direct that the Corps not undertake the operation and maintenance study described in the Senate report until the conceptual study of the Corps' organizational structure described in the Senate report under General Expenses has been completed and reviewed by the Congress.

REVOLVING FUND

Amendment No. 29: Appropriates $10,000,000 for the Revolving Fund for continued acquisition of the Corps of Engineers Automation Plan (CEAP) as proposed by the Senate.

This appropriation will allow the Corps to proceed with the Pilot Test of the system. However, no further funding will be provided beyond that included in this Act for additional acquisitions for CEAP. The conferees also direct that funds available to the Corps from within the Revolving Fund shall not be used for acquisitions beyond the Pilot Test.

GENERAL EXPENSES

Amendment No. 30: Appropriates $128,800,000 for General Expenses as proposed by the Senate instead of $127,300,000 as proposed by the House.

The conferees agree with the language contained in the Senate report directing the Chief of Engineers to initiate a conceptual study of potential Corps of Engineers field organization structures. The conferees emphasize that this study is to be conceptual in nature only, and shall not recommend specific geographic changes to the existing organization nor shall the Corps make any such changes during fiscal year 1990. Any proposals made for changes in the Corps organizational structure shall be submitted to the appropriate Committees of Congress for review.

GENERAL PROVISIONS

CORPS OF ENGINEERS—CIVIL

Amendment No. 31: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

SEC. 101. The project for flood control, Wyoming Valley, Pennsylvania, authorized by Section 401(a) of the Water Resources Development Act of 1986, is modified to direct the Secretary of the Army, using $1,300,000 appropriated herein under the General Investigations account and funds appropriated hereafter, to complete the design of the project so as to provide flood protection to the area protected by the existing projects from flood conditions which would occur as a result of the recurrence of Tropical Storm Agnes of 1972.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement restores House language stricken by the Senate relating to

the Wyoming Valley, Pennsylvania, project amended to delete specific references to cost sharing requirements. The conferees agree that it was the intent of Congress that the authorized Wyoming Valley, Pennsylvania, project should provide protection against levels on the Susquehanna River equal to those produced by Tropical Storm Agnes of 1972 and directs the Corps of Engineers to proceed with the project accordingly.

Amendment No. 32: Deletes language proposed by the Senate that authorized increased recreation use fees at Corps of Engineers projects.

Amendment No. 33: The conference agreement restores House language stricken by the Senate relating to reconstruction and repair of the Walnut and Cherry Street bridges in Massillon, Ohio, subject to the concurrence of the appropriate authorizing committees.

Amendment No. 34: Deletes language proposed by the House and stricken by the Senate relating to the cost sharing requirements for the Lake Erie-Ohio River Canal, Ohio and Pennsylvania.

The conferees agree that this issue will be addressed when the study moves to the feasibility phase.

Amendment No. 35: Changes a section number.

Amendment No. 36: Changes a section number.

Amendment No. 37: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amending the authorization for the Roanoke River Upper Basin, Virginia, project to reflect increased estimates of project cost with an amendment as follows:

In lieu of the section number named in said amendment, insert: *"110"*.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 38: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate that authorizes the Secretary of the Army to dispose of surplus excavated material from the Bonneville Lock and Dam, Oregon and Washington, project at five public ports on the Columbia River with an amendment as follows:

In lieu of the section number named in said amendment, insert: *"111"*.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 39: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate that relieves the City of Aberdeen, Washington, of unanticipated costs associated with the transfer of responsibility for operation and maintenance of the Wynoochee Dam project from the Corps of Engineers to the City of Aberdeen with an amendment as follows:

In lieu of the first section number named in said amendment, insert: *"112"*.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 40: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate that renames Dam Site 18 of the Papillion Creek Basin project in Nebraska, the "Ed Zorinsky Lake and Recreation Area" with an amendment as follows:

In lieu of the section number named in said amendment, insert: *"113"*.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 41: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate modifying the authorization for the Rillito River, Arizona, project with an amendment as follows:

In lieu of the first section number named in said amendment, insert: *"114"*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES INVESTIGATIONS	BUDGET ESTIMATES PLANNING	CONFERENCE ALLOWANCE INVESTIGATIONS	CONFERENCE ALLOWANCE PLANNING
	ALABAMA				
(N)	BAYOU LA BATRE, AL	---	134,000	---	134,000
	CHICKASAW CREEK, AL	---	---	50,000	---
(FDP)	VALLEY CREEK, WARRIOR RIVER AND TRIBUTARIES, AL	100,000	---	100,000	---
	ALASKA				
(SP)	BETHEL BANK STABILIZATION	---	---	---	150,000
(FC)	HOMER SPIT FLOOD DAMAGE PREVENTION, AK	---	102,000	---	102,000
(N)	KODIAK HARBOR, AK	---	419,000	---	419,000
(FDP)	RIVERS AND HARBORS, AK	620,000	---	620,000	---
(FDP)	SEWARD FLOOD DAMAGE PREVENTION, AK	137,000	---	150,000	---
(FDP)	UNALASKA FLOOD DAMAGE PREVENTION, AK	200,000	---	200,000	---
	ARIZONA				
(RCP)	ALAMO LAKE, AZ	200,000	---	200,000	---
(FC)	CLIFTON, AZ	---	650,000	---	650,000
(FDP)	GILA RIVER AND TRIBS, SALT-GILA, AZ	100,000	---	100,000	---
(FDP)	GILA RIVER INDIAN COMMUNITY, AZ	200,000	---	100,000	---
(FDP)	LOWER SANTA CRUZ RIVER, AZ	400,000	---	400,000	---
(FC)	NOGALES WASH, AZ	---	350,000	---	350,000
	RILLITO RIVER, AZ	---	---	---	350,000
(FDP)	TUCSON DRAINAGE AREA, AZ	500,000	---	250,000	---
	ARKANSAS				
(FDP)	ARKANSAS RIVER BASIN, AR & OK	195,000	---	195,000	---
(FDP)	CENTRAL ARKANSAS STUDY, AR	200,000	---	200,000	---
(FDP)	HOT SPRINGS, GARLAND COUNTY, AR	250,000	---	250,000	---
	RED RIVER WATERWAY, INDEX, AR TO DENISON DAM, TX	---	---	---	200,000
	AMERICAN SAMOA				
(COM)	TERRITORIES DEVELOPMENT STUDY, AS	218,000	---	218,000	---
	CALIFORNIA				
(FC)	CACHE CREEK BASIN (OUTLET CHANNEL), CA	---	300,000	---	300,000
(FC)	CALIENTE CREEK, CA	---	600,000	---	600,000
(SPE)	COAST OF CALIFORNIA, STORM AND TIDAL WAVES, CA	573,000	---	573,000	---
(FC)	COYOTE & BERRYESSA CREEKS, CA	---	800,000	---	800,000
(FC)	DRY CREEK, ROSEVILLE, CA	---	320,000	---	320,000
(FC)	GUADALUPE RIVER, CA	---	400,000	---	400,000
(N)	HUMBOLDT HARBOR AND BAY (DEEPENING), CA	315,000	---	315,000	---
(FDP)	IMPERIAL AND SAN DIEGO COUNTY STREAMS - SALTON SEA, CA	375,000	---	375,000	---
(FC)	LOS ANGELES COUNTY DRAINAGE AREA REVIEW, CA	---	---	---	750,000
	LOS ANGELES - LONG BEACH HARBORS, CA	---	---	---	750,000
(FC)	LOWER MISSION CREEK, CA	---	550,000	---	275,000

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES INVESTIGATIONS	BUDGET ESTIMATES PLANNING	CONFERENCE ALLOWANCE INVESTIGATIONS	CONFERENCE ALLOWANCE PLANNING
(FDP)	MARIN COUNTY SHORELINE, SAN RAFAEL, CA	50,000	---	50,000	---
(N)	MONTEREY HARBOR, CA	310,000	---	155,000	---
(N)	MORRO BAY HARBOR, CA	---	200,000	---	100,000
(FC)	NAPA RIVER, CA	---	1,178,000	---	1,178,000
(FDP)	NORTHERN CALIFORNIA STREAMS, AMERICAN RIVER WATERSHED	265,000	---	390,000	---
(FDP)	NORTHERN CALIFORNIA STREAMS, SACRAMENTO METRO AREA, CA	375,000	---	375,000	---
(FDP)	NORTHERN CALIFORNIA STREAMS, YUBA RIVER BASIN, CA	375,000	---	375,000	---
(N)	NOYO RIVER AND HARBOR (BREAKWATER), CA	---	137,000	---	137,000
(N)	OCEANSIDE HARBOR, CA	---	450,000	---	450,000
(FDP)	PINE FLAT DAM, KINGS RIVER, CA	400,000	---	400,000	---
	RANCHO PALOS VERDES, CA	---	---	90,000	---
(N)	REDONDO BEACH (KING HARBOR), CA	---	120,000	---	120,000
	SACRAMENTO RIVER FLOOD CONTROL (GCID), CA	---	---	---	500,000
(FDP)	SACRAMENTO-SAN JOAQUIN DELTA, CA	400,000	---	400,000	---
(FDP)	SAN FRANCISCO BAY SHORELINE, CA	65,000	---	65,000	---
(SP)	SAN FRANCISCO COUNTY, OCEAN BEACH, CA	---	---	150,000	---
(FDP)	SAN JOAQUIN RIVER BASIN, CALAVERAS RIVER, CA	300,000	---	300,000	---
(FDP)	SAN JOAQUIN RIVER BASIN, KAWEAH RIVER, CA	120,000	---	120,000	---
(FDP)	SAN JOAQUIN RIVER BASIN, MOKELUMNE RIVER & TRIBS, CA	490,000	---	245,000	---
(FDP)	SAN JOAQUIN RIVER BASIN, TULE RIVER, CA	90,000	---	90,000	---
(FDP)	SAN LORENZO, CA	300,000	---	300,000	---
(FDP)	SANTA ANA RIVER & ORANGE CO, CA	255,000	---	255,000	---
(SP)	SANTA BARBARA COUNTY, CA	250,000	---	250,000	---
(RDP)	SANTA BARBARA HARBOR, CA	63,000	---	63,000	---
(SP)	SANTA MONICA BREAKWATER, CA	140,000	---	140,000	---
(FDP)	UPPER GUADALUPE RIVER, CA	320,000	---	320,000	---
(N)	VENTURA HARBOR, CA	---	440,000	---	440,000
(FDP)	WALNUT CREEK BASIN, CA	150,000	---	150,000	---
	COLORADO				
(FC)	ALAMOSA, CO	---	240,000	---	120,000
(FDP)	BOX ELDER CREEK BASIN, CO	90,000	---	90,000	---
(FDP)	BOXELDER, SPRING & DRY CREEKS, FT COLLINS, CO	168,000	---	168,000	---
(FC)	COLORADO SPRINGS, FOUNTAIN CREEK, CO	---	220,000	---	110,000
(FDP)	GOOSE CREEK, BOULDER, CO	120,000	---	60,000	---
(FDP)	RALSTON AND LEYDEN CREEKS, CO	100,000	---	100,000	---
	CONNECTICUT				
(COM)	WEST CENTRAL CONNECTICUT COASTAL FLOODING, CT	75,000	---	75,000	---
	DELAWARE				
(N)	CHESAPEAKE & DELAWARE CANAL (DEEPENING), DE & MD	430,000	---	430,000	---
(SP)	DELAWARE BAY COASTLINE, DE & NJ	---	---	100,000	---
(SP)	DELAWARE COAST FROM CAPE HENLOPEN TO FENWICK ISLAND	750,000	---	375,000	---
	DISTRICT OF COLUMBIA				
(FC)	WASHINGTON, DC & VICINITY	---	273,000	---	273,000

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES		CONFERENCE ALLOWANCE	
		INVESTIGATIONS	PLANNING	INVESTIGATIONS	PLANNING
	FLORIDA				
(FDP)	BROWARD COUNTY, FL	150,000	---	150,000	---
(N)	CANAVERAL HARBOR, FL	---	300,000	---	150,000
	CANAVERAL HARBOR (SAND BYPASS), FL	---	---	---	100,000
(FDP)	COAST OF FLORIDA EROSION AND STORM EFFECTS STUDY, FL	750,000	---	750,000	---
	FROG POND, FL	---	---	77,000	---
(FDP)	HILLSBORO CANAL, FL	200,000	---	200,000	---
(FDP)	LOWER HILLSBORO RIVER & CURIOSITY CREEK, FL	175,000	---	87,000	---
(N)	MIAMI HARBOR CHANNEL, FL	---	605,000	---	605,000
(BE)	PANAMA CITY BEACHES, FL	---	600,000	---	600,000
	PANAMA CITY HARBOR, FL	---	---	---	100,000
	PORT EVERGLADES HARBOR, FL	---	---	---	100,000
	ST JOHNS RIVER, FL	---	---	75,000	---
(FDP)	ST PETERSBURG AND VICINITY, FL	200,000	---	200,000	---
	ST PETERSBURG HARBOR, FL	---	---	50,000	---
	SOUTH CENTRAL FLORIDA SIMULATION MODEL, FL	---	---	50,000	---
	TAMPA BAY (PORT SUTTON), FL	---	---	---	125,000
	TAMPA HARBOR, ALAFIA RIVER AND BIG BEND, FL	---	---	100,000	---
	GEORGIA				
(N)	BRUNSWICK HARBOR, GA	---	600,000	---	600,000
	GLYNN COUNTY BEACHES, GA	---	---	400,000	---
(FDP)	METROPOLITAN MACON AREA, GA	200,000	---	200,000	---
(N)	SAVANNAH HARBOR COMPREHENSIVE, GA	---	300,000	---	150,000
(N)	SAVANNAH HARBOR EXTENSION, GA	200,000	---	200,000	---
(FDP)	SAVANNAH RIVER BASIN, GA, SC & NC	155,000	---	155,000	---
	HAWAII				
(FC)	ALENAIO STREAM, HI	---	259,000	---	259,000
(N)	HILO HARBOR, HI	---	150,000	---	75,000
(N)	KAWAIHAE SMALL BOAT HARBOR, HI	---	95,000	---	95,000
(FDP)	URBAN FLOOD CONTROL - HONOLULU, HI	300,000	---	200,000	---
	IDAHO				
(FDP)	COLUMBIA RIVER & TRIBS, ID, MT, OR, & WA	427,000	---	427,000	---
(FC)	LITTLE WOOD RIVER, VICINITY OF GOODING AND SHOSHONE, I	---	200,000	---	100,000
(RDP)	MUD LAKE, ID	100,000	---	100,000	---
(FDP)	PALOUSE RIVER AND TRIBUTARIES, ID & WA	100,000	---	100,000	---
(FDP)	UPPER SNAKE RIVER & TRIBUTARIES, ID & WY	470,000	---	470,000	---

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES INVESTIGATIONS	BUDGET ESTIMATES PLANNING	CONFERENCE ALLOWANCE INVESTIGATIONS	CONFERENCE ALLOWANCE PLANNING
	ILLINOIS				
(FDP)	DES PLAINES RIVER, IL	250,000	---	250,000	---
	ILLINOIS BEACH STATE PARK, IL	---	---	---	100,000
(RCP)	ILLINOIS WATERWAY NAVIGATION STUDY, IL	400,000	---	200,000	---
	MCCOOK AND THORNTON RESERVOIRS (CUP), IL	---	---	---	750,000
(N)	OLMSTED LOCKS & DAM, IL & KY	---	3,800,000	---	3,800,000
(FDP)	SOUTH FORK SANGAMON RIVER, IL	155,000	---	155,000	---
(RCP)	UPPER MISS RIVER NAVIGATION STUDY, IL, IA, MN, MO, WI.	600,000	---	300,000	---
(FDP)	WEST FRANKFORT AND VICINITY, IL	150,000	---	150,000	---
	INDIANA				
(FC)	FORT WAYNE METROPOLITAN AREA, IN	---	215,000	---	215,000
(BE)	INDIANA SHORELINE EROSION, IN	---	195,000	---	95,000
	JEFFERSONVILLE, IN	---	---	125,000	---
	LAKE GEORGE, HOBART, IN	---	---	---	100,000
(FDP)	ST. JOSEPH RIVER BASIN, IN & MI	300,000	---	300,000	---
(FDP)	WABASH RIV BASIN COMP STUDY, IN & IL (MID WABASH INTER	200,000	---	325,000	---
	IOWA				
	BLACK HAWK COUNTY, IA	---	---	75,000	---
	MISSOURI R FISH & WILDLIFE MITIGATION, IA, NE, KS, MO..	---	---	---	300,000
(RCP)	MISSOURI RIVER LEVEE SYSTEM RE-EVALUATION, IA, NE, MO.	93,000	---	93,000	---
(FC)	PERRY CREEK, IA	---	187,000	---	187,000
(FDP)	THURMAN TO HAMBURG, IA	10,000	---	10,000	---
(FC)	WEST DES MOINES-DES MOINES, IA	---	285,000	---	285,000
	KANSAS				
(FC)	ARKANSAS CITY, KS	---	370,000	---	370,000
(FDP)	ARK RIVER AND TRIBS, GREAT BEND, KS TO TULSA, OK	400,000	---	400,000	---
(FDP)	CANEY RIVER, KS & OK	150,000	---	150,000	---
(RCP)	SOLDIER CREEK DIVERSION UNIT (MOD), TOPEKA, KS	100,000	---	100,000	---
(FDP)	TURKEY CREEK BASIN, KS & MO	140,000	---	140,000	---
(FC)	UPPER LITTLE ARKANSAS RIVER WATERSHED, KS	---	150,000	---	150,000
(FC)	WINFIELD, KS	---	200,000	---	200,000
	KENTUCKY				
(N)	CUMBERLAND-TENNESSEE RIVERS, KY, GA, AL, MS, NC, TN &.	1,000,000	---	1,000,000	---
	FISHTRAP LAKE, KY	---	---	50,000	---
(N)	GREEN & BARREN RIVERS, KY	200,000	---	200,000	---
(FC)	HAZARD, KY	---	300,000	---	150,000
(FDP)	KENTUCKY RIVER AND TRIBUTARIES (JACKSON INTERIM), KY..	---	---	210,000	---
(FDP)	LICKING RIVER, KY	600,000	---	600,000	---
(N)	MCALPINE LOCKS AND DAM, IN AND KY	---	350,000	---	175,000
(FDP)	METRO LOUISVILLE, KY	100,000	---	100,000	---
(FDP)	OHIO RIVER MAIN STEM, KY, IL, IN, OH, PA & WV	700,000	---	700,000	---
	SALT RIVER BASIN, KY	---	---	175,000	---
	SOUTH FRANKFORT, KY	---	---	---	200,000
(N)	UNIONTOWN LOCKS AND DAM, KY, IL & IN	800,000	---	500,000	---

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES		CONFERENCE ALLOWANCE	
		INVESTIGATIONS	PLANNING	INVESTIGATIONS	PLANNING
	LOUISIANA				
(FC)	ALOHA RIGOLETTE, LA	---	400,000	---	400,000
(FDP)	AMITE RIVER & TRIBUTARIES, LA	189,000	---	189,000	---
(N)	BAYOU LAFOURCHE AND LAFOURCHE - JUMP WATERWAY, LA	80,000	---	80,000	---
(FC)	COMITE RIVER, LA	---	400,000	---	400,000
(N)	GULF INTRACOASTAL WATERWAY, LA & TX SECTION	210,000	---	210,000	---
(FDP)	LOUISIANA COASTAL AREA, COMPREHENSIVE COASTAL WETLANDS	350,000	---	350,000	---
(FDP)	LOUISIANA COASTAL AREA, HURRICANE PROTECTION, LA	67,000	---	67,000	---
(FDP)	LOUISIANA COASTAL AREA, LAND LOSS & MARSH CREATION, LA	157,000	---	157,000	---
(FDP)	LOUISIANA COASTAL AREA, MISSISSIPPI RIVER DELTA, LA	305,000	---	305,000	---
(N)	MERMENTAU RIVER, GIWW TO THE GULF, LA	230,000	---	230,000	---
(FDP)	MERMENTAU, VERMILION AND CALCASIEU RIVERS & BAYOU TECH	550,000	---	550,000	---
(COM)	RED RIVER BASIN, AR & LA, COMPREHENSIVE STUDY	400,000	---	400,000	---
	RED RIVER WATERWAY, SHREVEPORT, LA TO INDEX, AR	---	---	---	55,000
(FC)	TANGIPAHOA, TCHEFUNCTE, & TICKFAW RIVERS, LA	---	524,000	---	524,000
(FC)	UPPER BAYOU TECHE, LA	---	300,000	---	300,000
(FDP)	VERMILION RIVER & BAYOU TIGRE, LA	150,000	---	150,000	---
(FDP)	WEST BANK OF THE MISS R IN THE VICINITY OF NEW ORLEANS	146,000	---	146,000	---

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES		CONFERENCE ALLOWANCE	
		INVESTIGATIONS	PLANNING	INVESTIGATIONS	PLANNING
	MAINE				
(FDP)	ANDROSCOGGIN RIVER, ME & NH	150,000	---	150,000	---
(FDP)	KENNEBEC RIVER, ME	150,000	---	150,000	---
(FDP)	PENOBSCOT RIVER, ME	150,000	---	150,000	---
(FDP)	SACO RIVER, ME & NH	150,000	---	150,000	---
	MARYLAND				
(FDP)	ANACOSTIA RIVER & TRIBUTARIES, MD & DC	260,000	---	130,000	---
(SP)	CHESAPEAKE BAY (SHORELINE EROSION), MD & VA	262,000	---	262,000	---
(SPE)	CHESAPEAKE BAY TIME VARIABLE MODEL, MD, VA, PA & DC	175,000	---	175,000	---
(RCP)	JENNINGS RANDOLPH LAKE REALLOCATION, MD & WV	150,000	---	75,000	---
(FDP)	MONONGAHELA RIVER BASIN, MD, PA & WV	200,000	---	200,000	---
	MASSACHUSETTS				
(N)	BOSTON HARBOR, MA	---	400,000	---	200,000
(SP)	COASTAL BREACH AT NAUSET BEACH, CHATHAM, MA	100,000	---	100,000	---
	CONNECTICUT RIVER, MA	---	---	150,000	---
(COM)	CONN RVR BSN, WESTFIELD RIVER FLOOD CONTROL	100,000	---	100,000	---
(FC)	SAUGUS RIVER & TRIBUTARIES, MA	---	1,000,000	---	500,000
(FDP)	SPICKET RIVER, MA & NH	100,000	---	100,000	---
	MICHIGAN				
(FC)	ECORSE CREEK, MI	---	125,000	---	62,000
(N)	GREAT LAKES CONNECTING CHANNELS & HBR FINAL RPT, MI, M	---	100,000	---	100,000
	MENOMINEE HARBOR, MI & WI	---	---	---	70,000
(N)	MONROE HARBOR, MI	---	400,000	---	400,000
(N)	ST JOSEPH HARBOR, DEEP DRAFT, MI	136,000	---	136,000	---
	ST LAWRENCE SEAWAY & GREAT LAKES, MI, MN, WI, NY	---	---	125,000	---
(FDP)	SOUTHERN WAYNE COUNTY, MI	200,000	---	200,000	---
	MINNESOTA				
(FDP)	CROOKSTON, MN	150,000	---	150,000	---
(N)	DULUTH - SUPERIOR HARBOR, MN & WI	---	154,000	---	154,000
(FC)	HOUSTON, MN	---	280,000	---	280,000
(FDP)	RAINY RIVER BASIN, MN	200,000	---	200,000	---
	RED LAKE AND CLEARWATER RIVERS, MN	---	---	50,000	---
(FC)	ST. PAUL, MN	---	450,000	---	450,000
(RDP)	WAHPETON, ND - BRECKENRIDGE, MN	100,000	---	100,000	---
	MISSISSIPPI				
(FDP)	CANEY CREEK, JACKSON, MS	160,000	---	160,000	---
(FDP)	JACKSON METROPOLITAN AREA, MS	100,000	---	100,000	---
(N)	LOWER PEARL RIVER BASIN, FLOW DISTRIBUTION, MS & LA	100,000	---	100,000	---
(FDP)	MISSISSIPPI GULF COASTAL AREAS, MS	83,000	---	83,000	---
(N)	PASCAGOULA HARBOR, MS	---	275,000	---	275,000
(FDP)	TOMBIGBEE RIVER AND TRIBUTARIES, MS & AL	123,000	---	123,000	---

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES		CONFERENCE ALLOWANCE	
		INVESTIGATIONS	PLANNING	INVESTIGATIONS	PLANNING
	MISSOURI				
(FDP)	BLUE RIVER BASIN, KANSAS CITY, MO	100,000	---	100,000	---
(FC)	BRUSH CREEK, KANSAS CITY, MO	---	215,000	---	215,000
(FC)	COLDWATER CREEK, MO	---	600,000	---	300,000
(FDP)	CUIVRE RIVER AREA, MO	45,000	---	45,000	---
(FDP)	DARDENNE CREEK, MO	259,000	---	129,000	---
(RDP)	DRY FORK AND EAST FORK LAKES, FISHING RIVER, MO	205,000	---	102,000	---
(FDP)	GRAND RIVER BASIN, MO	80,000	---	80,000	---
(FC)	MALINE CREEK, MO	---	900,000	---	900,000
	PLATTIN CREEK, MO	---	---	125,000	---
(FC)	RIVER DES PERES, MO	---	500,000	---	500,000
(FDP)	ST. JOSEPH AND VICINITY, MO	160,000	---	160,000	---
	STE. GENEVIEVE, MO	---	---	---	50,000
	NEBRASKA				
(FDP)	ANTELOPE CREEK, LINCOLN, NE	10,000	---	100,000	---
	ELM CREEK, NE	---	---	75,000	---
(FDP)	WOOD RIVER, GRAND ISLAND, NE	62,000	---	62,000	---
	NEVADA				
(FDP)	LOWER TRUCKEE RECONNAISSANCE STUDY	---	---	50,000	---
(FDP)	LAS VEGAS WASH & TRIBS (DUCK CREEK/BLUE DIAMOND WASH)	---	---	300,000	---
(FDP)	LAS VEGAS WASH & TRIBS (TROPICANA/FLAMINGO WASH), NV	474,000	---	260,000	---
(FC)	TRUCKEE MEADOWS, NV	---	1,000,000	---	1,000,000
	NEW HAMPSHIRE				
(FDP)	ASHUELOT RIVER, NH	100,000	---	100,000	---
(FDP)	MASCOMA RIVER, NH	125,000	---	125,000	---
	NEW JERSEY				
(FDP)	PASSAIC RIVER VICINITY OF BEATTIES DAM, NJ	200,000	---	200,000	---
(N)	DELAWARE RIVER COMPREHENSIVE NAVIGATION STUDY, NJ, PA	475,000	---	475,000	---
(N)	DELAWARE RIVER VICINITY OF CAMDEN, NJ (BECKETT STREET)	---	50,000	---	50,000
(N)	DEL RIV PHIL, PA - TRENTON, NJ SEC 201, 1976, TIOGA MA	---	150,000	---	150,000
(FDP)	HACKENSACK RIVER BASIN, NJ & NY	600,000	---	600,000	---
(FC)	LOWER SADDLE RIVER, NJ	---	900,000	---	900,000
(FC)	MOLLY ANN'S BROOK, NJ	---	350,000	---	350,000
(N)	NEW JERSEY IWW, MIDDLE THOROFARE HARBOR, NJ	---	100,000	---	50,000
(N)	NEW JERSEY IWW, OTTENS HARBOR, NJ	---	100,000	---	50,000
(SP)	NEW JERSEY SHORE PROTECTION, NJ	240,000	---	240,000	---
(N)	NY HARBOR & ADJACENT CHANNELS PORT JERSEY CHANNEL(DEEP	---	600,000	---	600,000
(SP)	PASSAIC RIVER EAST BANK STABILIZATION, NJ	150,000	---	150,000	---
(FC)	PASSAIC RIVER MAINSTEM, NJ	---	3,900,000	---	3,900,000
(FC)	RAMAPO RIVER AT OAKLAND, NJ	---	200,000	---	200,000
(FC)	RARITAN RIVER BASIN, GREEN BROOK SUB-BASIN, NJ	---	1,200,000	---	1,200,000
(N)	SALEM RIVER, NJ	---	250,000	---	125,000

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES		CONFERENCE ALLOWANCE	
		INVESTIGATIONS	PLANNING	INVESTIGATIONS	PLANNING
	NEW MEXICO				
(FC)	ABIQUIU DAM (EMERGENCY GATES), NM	---	50,000	---	50,000
(FDP)	ALBUQUERQUE ARROYOS FLOODING	---	---	150,000	---
(FDP)	LAS CRUCES, NM, EL PASO AND VICINITY	370,000	---	185,000	---
(FDP)	ROSWELL, PECOS RIVER, NM	100,000	---	100,000	---
(FDP)	RIO GRANDE AND TRIBUTARIES, NM & CO	286,000	---	286,000	---
(FC)	RIO GRANDE FLOODWAY, SAN ACACIA TO BOSQUE DEL APACHE	---	300,000	---	300,000
	NEW YORK				
(BE)	ATLANTIC COAST OF NYC, ROCKAWAY INL-NORTON PT, NY	---	300,000	---	400,000
(FDP)	BUFFALO METRO AREA, NY	120,000	---	120,000	---
(N)	HUDSON RIVER CHANNEL, NY	250,000	---	250,000	---
(SP)	LONG BEACH ISLAND, NY	200,000	---	200,000	---
(FDP)	MOOSE AND BLACK RIVERS, NY	100,000	---	100,000	---
(N)	OLCOTT HARBOR, NY	---	300,000	---	300,000
	ONONDAGA LAKE, NY	---	---	250,000	---
(FC)	WESTCHESTER CNTY STREAMS, SHELDRAKE R TWN OF MAMARONEC	---	200,000	---	200,000
	NORTH CAROLINA				
(FC)	BRUNSWICK COUNTY BEACHES, NC-LONG BEACH PORTION	---	300,000	---	300,000
	CAPE FEAR - NORTHEAST (CAPE FEAR) RIVER, NC	---	---	100,000	---
(FDP)	EASTERN NORTH CAROLINA ABOVE CAPE LOOKOUT, NC	223,000	---	373,000	---
(N)	MOREHEAD CITY HARBOR, NC	25,000	---	25,000	---
	NEW HANOVER COUNTY BEACHES, WRIGHTSVILLE BEACH, NC	---	---	75,000	---
(FC)	SUGAR CREEK BASIN, NC & SC	---	331,000	---	165,000
(BE)	WEST ONSLOW BEACH & NEW RIVER INLET, NC	---	200,000	---	100,000
(N)	WILMINGTON HARBOR - NORTHEAST (CAPE FEAR) RIVER, NC	---	75,000	---	75,000
	NORTH DAKOTA				
(FDP)	GRAND FORKS, ND	310,000	---	155,000	---

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES		CONFERENCE ALLOWANCE	
		INVESTIGATIONS	PLANNING	INVESTIGATIONS	PLANNING
	OHIO				
	LAKE ERIE - OHIO RIVER CANAL, OH & PA	---	---	250,000	---
(N)	LORAIN HARBOR, OH	---	85,000	---	85,000
(FDP)	METROPOLITAN REGION OF CINCINNATI, OH, KY & IN	235,000	---	235,000	---
	MUSKINGUM RIVER WATERWAY	---	---	100,000	---
(SPE)	TRUMBALL COUNTY, OH	150,000	---	75,000	---
(FDP)	VERMILION RIVER, OH	75,000	---	75,000	---
(FC)	WEST COLUMBUS, OH	---	700,000	---	700,000
	OKLAHOMA				
	BIG AND LITTLE SALLISAW CREEKS, OK	---	---	---	100,000
(FDP)	CRUTCHO CREEK, OK	110,000	---	110,000	---
(FC)	FRY CREEKS, BIXBY, OK	---	450,000	---	450,000
(FDP)	KEYSTONE DAM TO TULSA, ARKANSAS RIVER, OK	130,000	---	130,000	---
(FDP)	MIAMI, OK & VICINITY	250,000	---	250,000	---
(FDP)	NORTH CANADIAN RIVER ABOVE LAKE OVERHOLSER, OK	75,000	---	75,000	---
	OREGON				
	COLUMBIA RIVER CHANNEL DEEPENING, OR & WA	---	---	700,000	---
(N)	COOS BAY, OR (DEEP DRAFT NAVIGATION)	103,000	---	103,000	---
(FDP)	JOHNSON CREEK, OR	160,000	---	160,000	---
(COM)	WILLAMETTE RIVER BASIN, OR	200,000	---	200,000	---
	WILLAMETTE RIVER BASIN (SYSTEM), OR	---	---	300,000	---
	PENNSYLVANIA				
(FDP)	CURWENSVILLE LAKE, PA- REALLOCATION	112,000	---	112,000	---
	JUNIATA RIVER BASIN FLOOD WARNING & RESPONSE SYS, PA	---	---	60,000	---
(FDP)	LACKAWANNA RIVER, PA	240,000	---	240,000	---
(FDP)	MONONGAHELA-YOUGHIOGHENY RIVER BASIN, MD, PA & WV	450,000	---	450,000	---
(FDP)	RAYSTOWN LAKE, PA - REALLOCATION	300,000	---	300,000	---
(FC)	SAW MILL RUN, PITTSBURGH, PA	---	300,000	---	300,000
(FDP)	SCHUYLKILL RIVER BASIN, PA	285,000	---	285,000	---
(FDP)	SUSQUEHANNA RIVER BASIN (FLOOD DAMAGE PREV), PA, NY, &	176,000	---	176,000	---
	WYOMING VALLEY (FABRIC DAM), PA	---	---	100,000	---
(FC)	WYOMING VALLEY LEVEE RAISING, PA	---	1,300,000	---	1,300,000
	PUERTO RICO				
(FDP)	ARECIBO RIVER, PR	100,000	---	100,000	---
(N)	GUAYANES, LAS MAREAS & GUAYANILLA HARBORS, PR	135,000	---	67,000	---
(FDP)	GUAYANILLA RIVER BASIN, PR	130,000	---	130,000	---
(FC)	RIO DE LA PLATA, PR	---	700,000	---	700,000
(FDP)	RIO NIGUA AT SALINAS, PR	150,000	---	150,000	---
(FC)	RIO PUERTO NUEVO, PR	---	1,300,000	---	1,300,000
(N)	SAN JUAN HARBOR, PR	---	500,000	---	500,000

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES INVESTIGATIONS	BUDGET ESTIMATES PLANNING	CONFERENCE ALLOWANCE INVESTIGATIONS	CONFERENCE ALLOWANCE PLANNING
	SOUTH CAROLINA				
(BE)	FOLLY BEACH, SC	---	216,000	---	400,000
(FC)	GILLS CREEK, SC	---	100,000	---	50,000
(BE)	MYRTLE BEACH, SC	---	400,000	---	300,000
(SP)	SOUTH CAROLINA SHORES, SC	300,000	---	300,000	---
	SOUTH DAKOTA				
(FDP)	BIG SIOUX RIVER, SIOUX FALLS, SD	89,000	---	89,000	---
(FDP)	JAMES RIVER BASIN, SD	175,000	---	175,000	---
(FDP)	WATERTOWN AND VICINITY, SD	171,000	---	171,000	---
	TENNESSEE				
(FDP)	METROPOLITAN REGION OF NASHVILLE, TN	150,000	---	150,000	---
(FC)	MILL CREEK, TN	---	375,000	---	187,000
	TEXAS				
(FDP)	ABILENE, TX (BRAZOS RIVER BASIN)	185,000	---	185,000	---
(RCP)	BARDWELL LAKE, TX	60,000	---	60,000	---
(FC)	BEAL'S CREEK, BIG SPRING, TX	---	200,000	---	200,000
(FC)	BRAYS BAYOU (HOUSTON), TX	---	500,000	---	250,000
(N)	BRAZOS ISLAND HARBOR, TX (42-FOOT PROJECT)	---	307,000	---	307,000
(N)	BRAZOS RIVER DIVERSION CHANNEL, TX	50,000	---	50,000	---
(FDP)	CAMERON COUNTY, TX	86,000	---	86,000	---
(FDP)	CENTRAL COLORADO RIVER BASIN, COLORADO RIVER & TRIBS,	200,000	---	200,000	---
(N)	CHANNEL TO VICTORIA, TX	---	300,000	---	300,000
	CYPRESS CREEK, TX	---	---	---	250,000
(RCP)	DALLAS FLOODWAY, TX	60,000	---	60,000	---
(FDP)	DENISON DAM-LAKE TEXOMA, TX & OK	124,000	---	124,000	---
(FC)	FALFURRIAS, TX	---	200,000	---	200,000
(FC)	FIVE MILE CREEK, DALLAS, TX	---	145,000	---	145,000
(FDP)	FT.BEND & BRAZORIA COUNTIES, BRAZOS RIVER & TRIBS, TX.	200,000	---	200,000	---
(FC)	GREENS BAYOU (HOUSTON), TX	---	500,000	---	250,000
(RCP)	GULF INTRACOASTAL WATERWAY, TX	350,000	---	350,000	---
(N)	HOUSTON-GALVESTON NAVIGATION CHANNELS, TX	---	700,000	---	500,000
(FC)	LOWER RIO GRANDE BASIN, TX	---	350,000	---	175,000
(SP)	MATAGORDA COUNTY SHORE, TX	160,000	---	80,000	---
(RCP)	MATAGORDA SHIP CHANNEL, TX	250,000	---	250,000	---
(FC)	MC GRATH CREEK, WICHITA FALLS, TX	---	300,000	---	300,000
(N)	PORT LAVACA TO RED BLUFF, TEXAS	---	---	50,000	---
	RED RIVER WATERWAY, SHREVEPORT, LA TO DANGERFIELD, TX	---	---	---	750,000
(FDP)	SAN BERNARD RIVER WATERSHED, TX	250,000	---	125,000	---
(FC)	SHOAL CREEK, AUSTIN, TX	---	400,000	---	200,000
(FDP)	UPPER TRINITY RIVER BASIN, TX	280,000	---	280,000	---

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES		CONFERENCE ALLOWANCE	
		INVESTIGATIONS	PLANNING	INVESTIGATIONS	PLANNING
	UTAH				
(FDP)	BEAR RIVER AND TRIBUTARIES, UT, ID & WY	225,000	---	225,000	---
(FC)	UPPER JORDAN RIVER, UT	---	400,000	---	200,000
(FDP)	WEBER RIVER AND TRIBUTARIES, UT	400,000	---	200,000	---
	VERMONT				
(SPEC)	CONNECTICUT RIVER BASIN, TOWNSHED AND BALL MOUNTAIN DAMS	---	---	---	100,000
	VIRGINIA				
(RCP)	AIWW BRIDGE AT GREAT BRIDGE, VA	---	---	150,000	---
(FC)	BUENA VISTA (LP), VA	---	---	---	150,000
(N)	JAMES RIVER CHANNEL, VA	250,000	---	250,000	---
(FDP)	ROANOKE RIVER, UPPER BASIN, VA	50,000	---	50,000	---
(FC)	ROANOKE RIVER UPPER BASIN, VA, HEADWATERS AREA	---	289,000	---	289,000
(FDP)	UPPER JAMES RIVER BASIN, VA & WV	250,000	---	125,000	---
(FDP)	WAYNESBORO, VA	200,000	---	200,000	---
	WASHINGTON				
(FC)	CENTRALIA, WA	---	590,000	---	590,000
(RCP)	HOWARD HANSON DAM, ADDITIONAL WATER STORAGE, WA	100,000	---	100,000	---
	LACONNER, WA	---	---	---	125,000
(FDP)	LOWER SNOHOMISH RIVER, WA	150,000	---	75,000	---
(N)	OLYMPIA HARBOR, WA	134,000	---	134,000	---
(N)	SNOHOMISH RIVER, WA (EVERETT HARBOR)	110,000	---	110,000	---
	TRI-CITIES LEVEES MODIFICATION, WA	---	---	150,000	---
	WEST VIRGINIA				
(FC)	ISLAND CREEK BASIN IN AND AROUND LOGAN, WV	---	200,000	---	200,000
(N)	KANAWHA RIVER NAVIGATION STUDY, WV	715,000	---	715,000	---
(FDP)	LITTLE KANAWHA RIVER BASIN, WV	50,000	---	50,000	---
(FDP)	MOOREFIELD, WV	88,000	---	88,000	---
(FC)	MOOREFIELD, WV	---	150,000	---	150,000
(FDP)	PETERSBURG, WV	42,000	---	42,000	---
(FC)	PETERSBURG, WV	---	500,000	---	500,000
	WISCONSIN				
(RCP)	FOX RIVER, WI	200,000	---	200,000	---
(N)	FOX RIVER CHANNEL GREEN BAY, WI	---	150,000	---	75,000
(FDP)	LA CROSSE, WI	150,000	---	150,000	---
	MILWAUKEE METROPOLITAN AREA, WI	---	---	100,000	---
(FC)	PORTAGE, WI	---	300,000	---	300,000

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES INVESTIGATIONS	BUDGET ESTIMATES PLANNING	CONFERENCE ALLOWANCE INVESTIGATIONS	CONFERENCE ALLOWANCE PLANNING
	NATIONAL STUDIES				
(SPE)	NATIONAL WATER MANAGEMENT DURING DROUGHT	500,000	---	500,000	---
	REVIEW OF AUTHORIZED PROJECTS				
	COORDINATION STUDIES WITH OTHER AGENCIES	7,725,000	---	8,975,000	---
	COLLECTION AND STUDY OF BASIC DATA				
	COASTAL FIELD DATA COLLECTION	2,500,000	---	2,500,000	---
	ENVIRONMENTAL DATA SYSTEMS	270,000	---	270,000	---
	FLOOD PLAIN MANAGEMENT SERVICES	4,950,000	---	7,450,000	---
	HYDROLOGIC STUDIES	260,000	---	260,000	---
	INTERNATIONAL WATER STUDIES	1,100,000	---	1,100,000	---
	PRECIPITATION STUDIES (NATIONAL WEATHER SERVICE)	410,000	---	410,000	---
	SCIENTIFIC AND TECHNICAL INFORMATION CENTERS	130,000	---	130,000	---
	STREAM GAGING (U.S. GEOLOGICAL SURVEY)	570,000	---	570,000	---
	TRANSPORTATION SYSTEMS	800,000	---	800,000	---
	TOTAL	10,990,000	---	13,490,000	---
	RESEARCH AND DEVELOPMENT	25,500,000	---	25,500,000	---
	SUBTOTAL, GENERAL INVESTIGATIONS	86,746,000	47,830,000	92,273,000	49,592,000
	REDUCTION FOR ANTICIPATED SAVINGS AND SLIPPAGE	-8,468,000	---	-10,779,000	---
	TOTAL, GENERAL INVESTIGATIONS	126,108,000		131,086,000	

TYPE OF PROJECT:
- (N) NAVIGATION
- (FC) FLOOD CONTROL
- (BE) BEACH EROSION CONTROL
- (MP) MULTIPLE-PURPOSE, INCLUDING POWER
- (FDP) FLOOD DAMAGE PREVENTION
- (SP) SHORELINE PROTECTION
- (SPEC) SPECIAL
- (COMP) COMPREHENSIVE
- (RDP) RESTUDY OF DEFERRED PROJECT
- (RCP) REVIEW OF COMPLETED PROJECT
- (PHASE I) AUTHORIZED FOR PHASE I STAGE OF ADVANCE ENGINEERING AND DESIGN IN THE WATER RESOURCES DEVELOPMENT ACT OF 1974 OR 1976

CORPS OF ENGINEERS - CONSTRUCTION, GENERAL

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	ALABAMA		
{N}	BLACK WARRIOR AND TOMBIGBEE RIVERS, VICINITY OF JACKSO	75,000	75,000
	FORT TOULOUSE, AL	---	1,000,000
{N}	MOBILE HARBOR, AL	2,196,000	2,196,000
	MOUND STATE PARK, AL	---	1,000,000
{FC}	THREEMILE CREEK, MOBILE, AL	3,500,000	3,500,000
{FC}	VILLAGE CREEK, JEFFERSON COUNTY, AL	10,000,000	10,000,000
{N}	WILLIAM BACON OLIVER LOCK AND DAM, AL	25,000,000	25,000,000
	ALASKA		
{N}	ST PAUL HARBOR, AK	7,405,000	7,405,000
	ARIZONA		
{FC}	PHOENIX ARIZONA AND VICINITY, AZ (STAGE 2)	28,400,000	28,400,000
	ARKANSAS		
	BEAVER LAKE, AR	---	1,100,000
{FC}	FOURCHE BAYOU BASIN, LITTLE ROCK, AR	6,600,000	6,600,000
{N}	MCCLELLAN-KERR ARK RIVER NAV SYSTEM LOCKS AND DAMS, AR	7,700,000	7,700,000
{N}	OUACHITA AND BLACK RIVERS, AR & LA	3,600,000	3,600,000
	RED RIVER EMERGENCY BANK PROTECTION, AR & LA	---	2,000,000
	CALIFORNIA		
{FC}	CACHE CREEK SETTLING BASIN, CA	5,500,000	5,500,000
{FC}	CORTE MADERA CREEK, CA	1,100,000	1,100,000
{FC}	DRY CREEK (WARM SPRINGS) LAKE, CA	3,950,000	3,950,000
{FC}	FAIRFIELD VICINITY STREAMS, CA	2,945,000	2,945,000
	GUADALUPE RIVER, CA	---	750,000
{FC}	HANSEN DAM, CA	780,000	780,000
{FC}	LOWER SAN JOAQUIN RIVER, CA	2,000,000	2,000,000
{FC}	MERCED COUNTY STREAMS, CA	1,100,000	1,100,000
{N}	OAKLAND HARBOR, CA	3,500,000	3,500,000
{FC}	REDBANK AND FANCHER CREEK, CA	11,300,000	11,300,000
{N}	RICHMOND HARBOR, CA	900,000	900,000
{FC}	SACRAMENTO RIVER FLOOD CONTROL PROJECT, CA (DEF CORR)	1,600,000	4,600,000
{FC}	SACRAMENTO RIVER BANK PROTECTION PROJECT, CA	7,500,000	7,500,000
{N}	SACRAMENTO RIVER DEEPWATER SHIP CHANNEL, CA	2,800,000	2,800,000
{N}	SAN FRANCISCO BAY TO STOCKTON, CA	2,650,000	2,650,000
{FC}	SAN LUIS REY RIVER, CA	10,000,000	10,000,000
{FC}	SANTA ANA RIVER MAINSTEM, CA	20,000,000	20,000,000
{BE}	SURFSIDE-SUNSET-NEWPORT BEACH, CA	4,470,000	4,470,000
{FDP}	SWEETWATER RIVER, CA	---	2,500,000
{FC}	WALNUT CREEK, CA	3,618,000	3,618,000
{FC}	WILDCAT AND SAN PABLO CREEKS, CA	1,000,000	1,000,000
	COLORADO		
{FC}	CHATFIELD LAKE, CO	756,000	756,000
{FC}	FOUNTAIN CREEK, PUEBLO, CO	1,036,000	1,036,000
{FC}	WESTERLY CREEK, CO	4,000,000	4,000,000
	DELAWARE		
{FC}	DELAWARE COAST PROTECTION, DE	130,000	130,000
	FLORIDA		
{FC}	CENTRAL AND SOUTHERN FLORIDA, FL	24,500,000	24,500,000
{FC}	FOUR RIVER BASINS, FL	800,000	800,000
{BE}	INDIAN RIVER COUNTY, FL	4,055,000	500,000
	KISSIMMEE RIVER, FL	---	4,000,000
{BE}	MANATEE COUNTY, FL	---	5,000,000
{N}	MANATEE HARBOR, FL	8,662,000	8,662,000
{BE}	PALM BEACH COUNTY, FL (REIMBURSEMENT)	1,600,000	1,600,000
{BE}	PINELLAS COUNTY, FL	3,700,000	3,700,000
{BE}	SARASOTA COUNTY, FL	---	2,000,000
{N}	TAMPA HARBOR BRANCH CHANNELS, FL	2,700,000	2,700,000
	GEORGIA		
{FC}	OATES CREEK, RICHMOND COUNTY, GA	4,900,000	4,900,000
{MP}	RICHARD B RUSSELL DAM AND LAKE, GA & SC	24,000,000	24,000,000
	SATILLA RIVER BASIN, GA	---	500,000

CORPS OF ENGINEERS - CONSTRUCTION, GENERAL

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	HAWAII		
{N}	MAALAEA SMALL BOAT HARBOR, MAUI, HI	---	600,000
	ILLINOIS		
{FC}	ALTON TO GALE ORGANIZED LEVEE DISTRICTS, IL & MO	1,400,000	1,400,000
	HARRISONVILLE & IVY LANDING LEVEE DISTRICT NO. 2, IL	---	1,000,000
{FC}	EAST ST LOUIS, MO	3,500,000	3,500,000
{FC}	LOVES PARK, IL	---	300,000
{N}	MELVIN PRICE LOCK AND DAM, IL & MO	35,000,000	35,000,000
{N}	MELVIN PRICE LOCK AND DAM, SECOND LOCK, IL & MO	65,000,000	65,000,000
{FC}	NORTH BRANCH CHICAGO RIVER, IL	4,550,000	4,550,000
	O'HARE RESERVOIR, IL	---	1,500,000
{FC}	SOUTH QUINCY LEVEE AND DRAINAGE DISTRICT, IL	1,406,000	1,406,000
{N}	UPPER MISS RIVER SYSTEM ENV MGT PROG, IL, IA, MO, WI	14,860,000	14,860,000
	INDIANA		
{FC}	EVANSVILLE, IN	5,000,000	5,000,000
{FC}	LITTLE CALUMET RIVER, IN	---	2,400,000
	IOWA		
{FC}	CLINTON, IA {DEF CORR}	335,000	335,000
{FC}	DES MOINES RECREATION RIVER AND GREENBELT {DRAG}, IA	249,000	1,049,000
{FC}	MISSOURI RIVER LEVEE SYSTEM, IA, NE, KS, & MO	500,000	500,000
	SAYLORVILLE LAKE, IA	---	13,000,000
	KANSAS		
{FC}	GREAT BEND, KS	7,400,000	7,400,000
{FC}	HALSTEAD, KS	300,000	300,000
	KENTUCKY		
{FC}	PAINTSVILLE LAKE, KY	1,650,000	1,650,000
{FC}	TAYLORSVILLE LAKE, KY	1,500,000	1,500,000
{FC}	YATESVILLE LAKE, KY	8,500,000	8,500,000
	LOUISIANA		
{FC}	GRAND ISLE AND VICINITY, LA	2,900,000	2,900,000
{FC}	LAKE PONTCHARTRAIN AND VICINITY, LA {HURRICANE PROTECT	39,898,000	39,898,000
{FC}	LAROSE TO GOLDEN MEADOW, LA {HURRICANE PROTECTION}	3,900,000	3,900,000
{N}	MISSISSIPPI RIVER - GULF OUTLET, LA	1,270,000	1,270,000
{N}	MISSISSIPPI RIVER SHIP CHANNEL, GULF TO BATON ROUGE, L	3,000,000	3,000,000
{FC}	NEW ORLEANS TO VENICE, LA {HURRICANE PROTECTION}	13,600,000	13,600,000
{FC}	OUACHITA RIVER LEVEES INCLUDING BAWCOMVILLE	---	400,000
{FC}	PEARL RIVER, SLIDELL, ST TAMMANY PARISH, LA	550,000	550,000
{N}	RED RIVER WATERWAY, MISSISSIPPI RIVER TO SHREVEPORT, L	97,000,000	101,800,000
{FC}	WESTWEGO TO HARVEY CANAL, LA {HURRICANE PROTECTION}	---	1,100,000
	MARYLAND		
{BE}	ATLANTIC COAST OF MARYLAND, MD	---	8,200,000
{N}	BALTIMORE HARBOR AND CHANNELS, MD & VA {50-FT DEEPENIN	26,633,000	26,633,000
	MASSACHUSETTS		
{BE}	REVERE BEACH, MA	1,790,000	1,790,000
{FC}	TOWN BROOK, QUINCY AND BRAINTREE, MA	10,615,000	10,615,000
	MINNESOTA		
{FC}	BASSETT CREEK, MN	8,700,000	8,700,000
{FC}	CHASKA, MN	4,300,000	4,300,000
{FC}	ROCHESTER, MN	5,800,000	5,800,000
	ROSEAU RIVER, DUXBY LEVEE, MN	---	200,000
	MISSISSIPPI		
{FC}	SOWASHEE CREEK, MERIDIAN, MS	5,000,000	5,000,000
{FC}	TOMBIGBEE RIVER AND TRIBUTARIES, MS & AL	615,000	615,000

CORPS OF ENGINEERS - CONSTRUCTION, GENERAL

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	MISSOURI		
(FC)	BLUE RIVER CHANNEL, KANSAS CITY, MO	5,300,000	5,300,000
(FC)	CAPE GIRARDEAU-JACKSON METRO AREA, MO	---	500,000
(FC)	HANNIBAL, MO	1,940,000	1,940,000
(MP)	HARRY S TRUMAN DAM AND RESERVOIR, MO	3,900,000	3,900,000
(N)	MISS RIVER BTWN THE OHIO AND MO RIVERS (REG WORKS), MO	6,300,000	6,300,000
	TRIMBLE WILDLIFE AREA, SMITHVILLE LAKE, MO	---	1,570,000
	NEBRASKA		
(FC)	MISSOURI NATIONAL RECREATIONAL RIVER, NE & SD	620,000	620,000
(FC)	PAPILLION CREEK AND TRIBUTARIES LAKES, NE	2,000,000	2,500,000
	NEW HAMPSHIRE		
(N)	PORTSMOUTH HARBOR AND PISCATAQUA RIVER, NH & ME	4,425,000	4,425,000
	NEW JERSEY		
(N)	BARNEGAT INLET, NJ	7,000,000	7,000,000
(BE)	CAPE MAY INLET TO LOWER TOWNSHIP, NJ	2,560,000	2,560,000
(FC)	GREAT EGG HARBOR INLET & PECK BEACH, NJ	---	250,000
(FC)	RAMAPO AND MAHWAH RIVERS, MAHWAH, NJ AND SUFFERN, NY	330,000	330,000
(N)	NEW YORK HARBOR COLLECTION AND REMOVAL OF DRIFT	---	1,900,000
(BE)	SANDY HOOK TO BARNEGAT INLET, NJ	5,600,000	5,600,000
	NEW MEXICO		
	ACEQUIAS IRRIGATION SYSTEM, NM	---	2,000,000
(FC)	PUERCO RIVER AT GALLUP, NM	1,659,000	1,659,000
(FC)	RIO GRANDE FLOODWAY, TRUTH OR CONSEQUENCES UNIT, NM	6,000,000	6,000,000
	NEW YORK		
(N)	HEMPSTEAD HARBOR, NY	1,200,000	1,200,000
	SMALL BOAT HARBOR, BUFFALO HARBOR, NY	---	1,000,000
(N)	SHINNECOCK INLET, NY	---	5,300,000
	NORTH CAROLINA		
(N)	AIWW-REPLACEMENT OF FEDERAL HIGHWAY BRIDGES, NC	800,000	800,000
(FC)	B EVERETT JORDAN DAM AND LAKE, NC	3,012,000	3,012,000
(FC)	CAROLINA BEACH AND VICINITY, NC	330,000	330,000
(FC)	FALLS LAKE, NC	10,000,000	10,000,000
	HAMLET CITY LAKE, NC	---	3,200,000
	MANTEO (SHALLOWBAG) BAY, NC	---	500,000
(FC)	WRIGHTSVILLE BEACH, NC	830,000	830,000
	NORTH DAKOTA		
(FC)	LK ASHTABULA & BALDHILL DAM, SHEYENNE R, ND (DAM SAFET	2,000,000	2,000,000
(FC)	SHEYENNE RIVER, ND	5,500,000	5,500,000
(FC)	SOURIS RIVER BASIN, ND	10,220,000	10,220,000
	OHIO		
(FC)	MILL CREEK, OH	10,700,000	10,700,000
(FC)	NELSONVILLE, OH	2,415,000	---
(FC)	RENO BEACH - HOWARD FARMS, OH	1,680,000	1,680,000
(FC)	SENECAVILLE LAKE, MUSKINGUM RIVER LAKES, OH (DAM SAFET	1,400,000	1,400,000
	OKLAHOMA		
(FC)	MINGO CREEK, OK	13,000,000	13,000,000
(FC)	PARKER LAKE, OK, MUDDY BOGGY CREEK	200,000	200,000
	OREGON		
(N)	BONNEVILLE NAVIGATION LOCK, OR & WA	34,000,000	34,000,000
(MP)	BONNEVILLE SECOND POWERHOUSE, OR & WA	4,800,000	4,800,000
(FC)	ELK CREEK LAKE, OR	650,000	650,000
(FC)	LOWER COLUMBIA RIVER BASIN BANK PROTECTION, OR & WA	100,000	100,000
(MP)	MCNARY LOCK & DAM, LAKE WALLULA, OR	---	1,600,000
(FC)	WILLAMETTE RIVER BASIN BANK PROTECTION, OR	100,000	100,000

CORPS OF ENGINEERS - CONSTRUCTION, GENERAL

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	PENNSYLVANIA		
(FC)	FRANCIS E WALTER DAM, PA (MODIFICATION)	4,100,000	---
(N)	GRAYS LANDING, LOCK AND DAM 7, MONONGAHELA RIVER, PA	25,600,000	25,600,000
(FC)	LOCK HAVEN, PA	7,600,000	7,600,000
(N)	POINT MARION, LOCK AND DAM 8, MONONGAHELA RIVER, PA &	17,900,000	17,900,000
(BE)	PRESQUE ISLE PENINSULA, PA (PERMANENT)	6,500,000	6,500,000
(FC)	TAMAQUA, PA	3,300,000	3,300,000
(FC)	TURTLE CREEK, PA	715,000	715,000
	PUERTO RICO		
(FC)	PORTUGUES AND BUCANA RIVERS, PR	18,800,000	18,800,000
	SOUTH CAROLINA		
(N)	CHARLESTON HARBOR, SC	14,000,000	14,000,000
(MP)	COOPER RIVER SEISMIC MODIFICATION, SC	1,900,000	1,900,000
	TEXAS		
(FC)	CLEAR CREEK, TX	6,100,000	6,100,000
(FC)	BOGGY CREEK, AUSTIN, TX	4,200,000	4,200,000
(FC)	COOPER LAKE AND CHANNELS, TX	31,000,000	31,000,000
(FC)	EL PASO, TX	5,300,000	5,300,000
(N)	FREEPORT HARBOR, TX	13,300,000	13,300,000
(FC)	JOE POOL LAKE, TX	351,000	351,000
(FC)	LAKE WICHITA, HOLLIDAY CREEK AT WICHITA FALLS, TX	7,600,000	7,600,000
(N)	MOUTH OF COLORADO RIVER, TX	6,200,000	6,200,000
(FC)	RAY ROBERTS LAKE, TX	19,000,000	19,000,000
(FC)	SAN ANTONIO CHANNEL IMPROVEMENT, TX	17,000,000	17,000,000
(FC)	SIMS BAYOU AT HOUSTON, TX	4,000,000	4,000,000
(FC)	TAYLORS BAYOU, TX	5,600,000	5,600,000
(FC)	TEXAS CITY & VICINITY, TX	845,000	845,000
	WALLISVILLE LAKE, TX	---	4,000,000
	UTAH		
(FC)	LITTLE DELL LAKE, UT	11,300,000	11,300,000
	VIRGINIA		
	JAMES RIVER 35-FT CHANNEL (1962 ACT), VA	---	25,000
(N)	NORFOLK HARBOR AND CHANNELS, VA	1,880,000	1,880,000
(FC)	RICHMOND, (LOCAL PROTECTION), VA	18,000,000	18,000,000
	ROANOKE RIVER UPPER BASIN, HEADWATERS AREA, VA	---	200,000
	WASHINGTON		
(MP)	CHIEF JOSEPH ADDITIONAL UNITS, WA	7,000,000	7,000,000
(N)	GRAYS HARBOR, WA (1986 WRDA)	---	13,000,000
	ICE HARBOR LOCK & DAM, WA	---	100,000
(MP)	LITTLE GOOSE LOCK AND DAM, LAKE BRYAN, WA	---	4,100,000
(MP)	LOWER GRANITE LOCK & DAM, WA	---	3,000,000
(MP)	LOWER MONUMENTAL LOCK AND DAM, WA	---	100,000
(MP)	LOWER SNAKE RIVER FISH AND WILDLIFE COMP, WA, OR, & ID	11,400,000	12,261,000
(FC)	MT ST HELENS SEDIMENT CONTROL, WA	6,000,000	6,000,000
(FC)	MUD MOUNTAIN DAM, WA (DAM SAFETY)	5,000,000	5,000,000
	THE DALLES LOCK & DAM, WA	---	1,000,000
	WEST VIRGINIA		
(N)	GALLIPOLIS LOCKS AND DAM, WV & OH	78,900,000	78,900,000
(FC)	LEVISA AND TUG FORKS AND UPPER CUMBERLAND RIVER, WV, V	25,000,000	51,300,000
(FC)	STONEWALL JACKSON LAKE, WV	13,434,000	13,434,000
(N)	WINFIELD LOCK AND DAM, WV	20,800,000	20,800,000
	WISCONSIN		
(FC)	STATE ROAD AND EBNER COULEES, WI	5,700,000	5,700,000

CORPS OF ENGINEERS - CONSTRUCTION, GENERAL

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	MISCELLANEOUS		
	ALTERATION OF BRIDGES	2,000,000	---
	AQUATIC PLANT CONTROL (1965 ACT)	7,900,000	8,300,000
	BEACH EROSION CONTROL PROJECTS (SECTION 103)	2,500,000	2,500,000
	EMERGENCY STREAMBANK & SHORELINE PROTECTION (SECTION 1	10,000,000	10,000,000
	EMPLOYEES' COMPENSATION	13,237,000	13,237,000
	FLOOD CONTROL PROJECTS (SECTION 205)	30,000,000	30,000,000
	INLAND WATERWAYS USERS BOARD - BOARD EXPENSES	20,000	20,000
	INLAND WATERWAY USERS BOARD - CORPS EXPENSES	100,000	100,000
	MITIGATION OF SHORE DAMAGES (SECTION 111)	500,000	500,000
	NAVIGATION PROJECTS (SECTION 107)	15,000,000	15,000,000
	SMALL SNAGGING AND CLEARING PROJECTS (SECTION 208)	1,000,000	1,000,000
	REDUCTION FOR ANTICIPATED SAVINGS AND SLIPPAGE	-95,112,000	-114,188,000
	REDUCTION FOR ANTICIPATED UNOBLIGATED BALANCES	---	-200,000,000
	TOTAL CONSTRUCTION, GENERAL	1,201,790,000	1,099,200,000

TYPE OF PROJECT:
(N) NAVIGATION
(FC) FLOOD CONTROL
(BE) BEACH EROSION CONTROL
(MP) MULTIPLE-PURPOSE, INCLUDING POWER

CORPS OF ENGINEERS - FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	GENERAL INVESTIGATIONS		
	SURVEYS:		
	GENERAL STUDIES:		
(FDP)	BOEUF TENSAS BASIN, COMPREHENSIVE STUDY	---	300,000
(FDP)	EASTERN ARKANSAS REGION (COMPREHENSIVE STUDY), AR.	209,000	209,000
(FC)	HELENA ARKANSAS AND VICINITY, AR	500,000	500,000
(FC)	WEST MEMPHIS ARKANSAS AND VICINITY, AR	138,000	138,000
(FC)	WHITEMANS'S CREEK, AR	250,000	250,000
(FDP)	ATCHAFALAYA BASIN (WATER AND LAND RES), LA	64,000	64,000
(FDP)	YAZOO RIVER BASIN, MS	39,000	39,000
(FDP)	BIRDS POINT, NEW MADRID ALTERNATE STUDY, MO	300,000	300,000
(FDP)	ST. FRANCIS RIVER MO. & AR. (FISH AND WILDLIFE)	---	50,000
(FC)	HARRIS FORK CREEK, TN & KY	230,000	230,000
	COLLECTION AND STUDY OF BASIC DATA	270,000	270,000
	PRECONSTRUCTION ENGINEERING AND DESIGN:		
(FC)	LOWER WHITE RIVER (BIG CREEK AND TRIBS), AR	400,000	400,000
	SUBTOTAL, GENERAL INVESTIGATIONS	2,400,000	2,750,000
	CONSTRUCTION		
(FC)	CACHE RIVER BASIN, AR	227,000	227,000
(FC)	CHANNEL IMPROVEMENT, AR, IL, KY, LA, MS, MO & TN	95,200,000	95,200,000
(FC)	EIGHT MILE CREEK, AR	736,000	736,000
(N)	HELENA HARBOR, PHILLIPS COUNTY, AR	5,500,000	5,500,000
(FC)	L'ANGUILLE RIVER, AR	1,100,000	1,100,000
(FC)	MISSISSIPPI & LOUISIANA ESTUARINE AREAS, LA & MS	---	500,000
(FC)	MISSISSIPPI RIVER LEVEES, AR, IL, KY, LA, MS, MO & TN.	24,400,000	24,400,000
(FC)	MISSISSIPPI DELTA REGION, LA	4,650,000	4,650,000
(FC)	ST. FRANCIS BASIN, AR & MO	10,500,000	10,500,000
(FC)	TENSAS BASIN, AR & LA:	{ 6,700,000 }	{ 6,700,000 }
(FC)	RED RIVER BACKWATER, LA	6,700,000	6,700,000
(FC)	ATCHAFALAYA BASIN, LA	32,800,000	32,800,000
(FC)	ATCHAFALAYA BASIN, FLOODWAY SYSTEM, LA	11,700,000	11,700,000
(FC)	SARDIS DAM, MS (DAM SAFETY ASSURANCE)	550,000	550,000
(FC)	YAZOO BASIN, MS:	{ 37,500,000 }	{ 37,500,000 }
(FC)	BACKWATER	25,000	25,000
(FC)	BIG SUNFLOWER RIVER	5,100,000	5,100,000
(FC)	DEMONSTRATION EROSION CONTROL	17,000,000	17,000,000
(FC)	MAIN STEM	1,600,000	1,600,000
(FC)	TRIBUTARIES	10,545,000	10,545,000
(FC)	UPPER YAZOO PROJECTS	3,230,000	3,230,000
(FC)	NONCONNAH CREEK, TN & MS	1,500,000	1,500,000
(FC)	WEST TENNESSEE TRIBUTARIES, TN	1,400,000	1,400,000
	SUBTOTAL, CONSTRUCTION	234,463,000	234,963,000

CORPS OF ENGINEERS - FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	MAINTENANCE		
{FC}	CHANNEL IMPROVEMENT, AR, IL, LA, MS, MO & TN	61,535,000	61,535,000
{FC}	LOWER ARKANSAS RIVER - NORTH BANK, AR	657,000	657,000
{FC}	LOWER ARKANSAS RIVER - SOUTH BANK, AR	830,000	830,000
{FC}	MISS RIVER LEVEES, AR, IL, KY, LA, MS, MO, TN	7,422,000	7,422,000
{FC}	ST FRANCIS RIVER BASIN, AR & MO	8,504,000	8,504,000
{FC}	TENSAS BASIN, BOEUF & TENSAS RIVERS, AR & LA	1,728,000	1,728,000
{FC}	WHITE RIVER BACKWATER, AR	827,000	827,000
{FC}	LAKE NO. 9 PUMPING PLANT, KY	25,000	25,000
{FC}	ATCHAFALAYA BASIN, LA	7,147,000	7,147,000
{FC}	BATON ROUGE HARBOR - DEVIL SWAMP, LA	160,000	160,000
{FC}	BAYOU COCODRIE & TRIBS, LA	120,000	120,000
{FC}	BONNET CARRE, LA	706,000	706,000
{FC}	LOWER RED RIVER - SOUTH BANK LEVEES, LA	147,000	147,000
{FC}	OLD RIVER, LA	4,871,000	4,871,000
{FC}	TENSAS BASIN, RED RIVER BACKWATER, LA	1,525,000	1,525,000
{FC}	WAPPAPELLO LAKE, MO	2,783,000	2,783,000
{N}	GREENVILLE HARBOR, MS	182,000	182,000
{N}	VICKSBURG HARBOR, MS	171,000	201,000
{FC}	YAZOO BASIN, MS:	{ 16,003,000 }	{ 20,609,000 }
{FC}	ARKABUTLA LAKE	2,506,000	2,866,000
{FC}	BACKWATER	465,000	465,000
{FC}	BIG SUNFLOWER	94,000	94,000
{FC}	ENID LAKE	2,514,000	3,965,000
{FC}	GREENWOOD	595,000	595,000
{FC}	GRENADA LAKE	3,375,000	5,041,000
{FC}	MAIN STEM	1,365,000	1,365,000
{FC}	SARDIS LAKE	2,741,000	3,870,000
{FC}	TRIBUTARIES	1,601,000	1,601,000
{FC}	WILL M WHITTINGTON AUX CHAN	461,000	461,000
{FC}	YAZOO CITY	286,000	286,000
{N}	MEMPHIS HARBOR {MCKELLAR LAKE}, TN	1,250,000	1,250,000
{FC}	INSPECTION OF COMPLETED WORKS	1,138,000	1,138,000
{FC}	MAPPING	783,000	783,000
	SUBTOTAL, MAINTENANCE	118,514,000	123,150,000
	REDUCTION FOR ANTICIPATED SAVINGS, SLIPPAGE, AND PRIOR YEAR UNOBLIGATED BALANCES	-18,377,000	-24,863,000
	TOTAL, FLOOD CONTROL, MISSISSIPPI RIVER & TRIBUTARIES	337,000,000	336,000,000

TYPE OF STUDY OR PROJECT:
{FC} FLOOD CONTROL
{FDP} FLOOD DAMAGE PREVENTION
{N} NAVIGATION

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

	ALABAMA		
{N}	ALABAMA - COOSA RIVER, AL	4,708,000	5,462,000
{N}	APALACHICOLA BAY, AL	29,000	29,000
{N}	BLACK WARRIOR AND TOMBIGBEE RIVERS, AL	12,264,000	14,372,000
	DAUPHIN ISLAND BAY, AL	---	433,000
{N}	GULF INTRACOASTAL WATERWAY {MOBILE DISTRICT}, AL	3,921,000	5,262,000
	LOWER ALABAMA REHABILITATION, AL	---	850,000
{MP}	MILLERS FERRY LOCK & DAM - WILLIAM "BILL" DANNELLY LAK	2,679,000	2,953,000
{N}	MOBILE HARBOR, AL	6,695,000	9,161,000
{MP}	ROBERT F. HENRY LOCK AND DAM, AL	2,421,000	2,608,000
{N}	TENNESSEE-TOMBIGBEE WATERWAY, AL & MS	16,858,000	19,733,000
{MP}	WALTER F GEORGE LOCK AND DAM, AL & GA	6,379,000	7,365,000
	ALASKA		
{N}	ANCHORAGE HARBOR, AK	1,643,000	1,643,000
{FC}	CHENA RIVER LAKES, AK	944,000	944,000
	DILLINGHAM SMALL BOAT HARBOR, AK	---	391,000
{N}	HOMER SMALL BOAT HARBOR, AK	426,000	426,000
	NINILCHIK HARBOR, AK	---	256,000
{N}	NOME HARBOR, AK	433,000	433,000
	OLD HARBOR, AK	---	40,000
	STIKINE RIVER SNAGGING, AK	---	18,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	ARIZONA		
(FC)	ALAMO DAM, AZ	678,000	678,000
(FC)	PAINTED ROCK DAM, AZ	632,000	632,000
(FC)	WHITLOW RANCH DAM, AZ	55,000	55,000
	ARKANSAS		
(MP)	BEAVER LAKE, AR	9,273,000	9,644,000
(MP)	BLAKELY MT DAM - LAKE OUACHITA, AR	3,368,000	3,756,000
(FC)	BLUE MOUNTAIN LAKE, AR	776,000	823,000
(MP)	BULL SHOALS LAKE, AR	3,717,000	4,517,000
(MP)	DARDANELLE LOCK AND DAM, AR	4,201,000	4,404,000
(MP)	DEGRAY LAKE, AR	2,890,000	2,890,000
(FC)	DEQUEEN LAKE, AR	687,000	753,000
(FC)	DIERKS LAKE, AR	663,000	706,000
(FC)	GILLHAM LAKE, AR	798,000	840,000
(MP)	GREERS FERRY LAKE, AR	3,885,000	4,155,000
(N)	HELENA HARBOR, AR	447,000	447,000
(N)	MCCLELLAN - KERR ARKANSAS RIVER NAVIGATION SYSTEM, AR	19,704,000	20,366,000
(FC)	MILLWOOD LAKE, AR	1,606,000	1,783,000
(MP)	NARROWS DAM - LAKE GREESON, AR	2,275,000	2,519,000
(FC)	NIMROD LAKE, AR	846,000	897,000
(MP)	NORFORK LAKE, AR	2,398,000	3,794,000
(N)	OSCEOLA HARBOR, AR	560,000	560,000
(N)	OUACHITA AND BLACK RIVERS, AR & LA	4,925,000	5,714,000
(MP)	OZARK-JETA TAYLOR LOCK AND DAM, AR	2,956,000	3,052,000
(N)	WHITE RIVER, AR	2,275,000	2,275,000
	CALIFORNIA		
(FC)	BLACK BUTTE LAKE, CA	1,274,000	1,409,000
(FC)	BUCHANAN DAM - H.V. EASTMAN LAKE, CA	1,021,000	1,131,000
	CHANNEL ISLANDS HARBOR, CA	---	3,604,000
(FC)	COYOTE VALLEY DAM - LAKE MENDOCINO, CA	1,967,000	2,077,000
(N)	CRESCENT CITY HARBOR, CA	1,415,000	1,415,000
	DANA POINT HARBOR, CA	---	143,000
(FC)	DRY CREEK - WARM SPRINGS LAKE AND CHANNEL, CA	1,849,000	1,989,000
(FC)	FARMINGTON DAM, CA	129,000	129,000
(FC)	HIDDEN DAM - HENSLEY LAKE, CA	1,069,000	1,194,000
(N)	HUMBOLDT HARBOR AND BAY, CA	2,364,000	2,364,000
(FC)	ISABELLA LAKE, CA	1,733,000	1,953,000
(FC)	LOS ANGELES COUNTY DRAINAGE AREA, CA	2,521,000	2,521,000
	LOS ANGELES - LONG BEACH HARBORS, CA	---	750,000
(N)	LOS ANGELES - LONG BEACH HARBOR MODEL, CA	930,000	930,000
	MARINA DEL REY, CA	---	135,000
(FC)	MERCED COUNTY STREAMS, CA	122,000	122,000
(FC)	MOJAVE RIVER RESERVOIR, CA	118,000	118,000
	MORRO BAY HARBOR, CA	---	2,126,000
	MOSS LANDING HARBOR, CA	---	607,000
(FC)	NEW HOGAN LAKE, CA	1,189,000	1,319,000
(MP)	NEW MELONES LAKE, CA	635,000	635,000
	NOYO RIVER AND HARBOR, CA	---	1,255,000
(N)	OAKLAND HARBOR, CA	1,734,000	1,734,000
	OCEANSIDE EXPERIMENTAL SAND BYPASS SYSTEM, CA	---	2,600,000
	OCEANSIDE HARBOR, CA	---	775,000
(N)	PETALUMA RIVER, CA	1,200,000	1,200,000
(FC)	PINE FLAT LAKE, CA	1,411,000	1,561,000
(N)	RICHMOND HARBOR, CA	2,056,000	2,056,000
(N)	SACRAMENTO RIVER - SHALLOW DRAFT CHANNEL, CA	75,000	75,000
(N)	SACRAMENTO RIVER AND TRIBUTARIES (DEBRIS CONTROL), CA	670,000	670,000
(N)	SACRAMENTO RIVER - 30' CHANNEL, CA	610,000	610,000
(N)	SAN FRANCISCO BAY - DELTA MODEL STRUCTURE, CA	1,713,000	1,713,000
(N)	SAN FRANCISCO HARBOR, CA	2,290,000	2,290,000
	SAN FRANCISCO HARBOR AND BAY (DRIFT REMOVAL), CA	1,937,000	1,937,000
(N)	SAN JOAQUIN RIVER, CA	1,063,000	1,063,000
	SAN LEANDRO MARINA, CA	---	859,000
(N)	SAN PABLO BAY AND MARE ISLAND STRAIT, CA	1,737,000	1,737,000
(FC)	SANTA ANA RIVER BASIN, CA	1,737,000	1,737,000
	SANTA BARBARA HARBOR, CA	---	965,000
(FC)	SUCCESS LAKE, CA	1,079,000	1,229,000
(N)	SUISUN BAY CHANNEL, CA	1,354,000	1,354,000
	SUISUN CHANNEL (SLOUGH), CA	---	813,000
(FC)	TERMINUS DAM - LAKE KAWEAH, CA	1,031,000	1,361,000
(N)	VENTURA HARBOR, CA	1,554,000	1,554,000
(N)	YUBA RIVER, CA	25,000	25,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	COLORADO		
{FC}	BEAR CREEK LAKE, CO	434,000	434,000
{FC}	CHATFIELD LAKE, CO	1,047,000	1,047,000
{FC}	CHERRY CREEK LAKE, CO	798,000	798,000
{FC}	JOHN MARTIN RESERVOIR, CO	1,377,000	1,377,000
{FC}	TRINIDAD LAKE, CO	573,000	573,000
	CONNECTICUT		
{FC}	BLACK ROCK LAKE, CT	267,000	267,000
{FC}	COLEBROOK RIVER LAKE, CT	188,000	188,000
{N}	CONNECTICUT RIVER BELOW HARTFORD, CT	1,048,000	1,048,000
	GUILFORD HARBOR, CT	---	502,000
{FC}	HANCOCK BROOK LAKE, CT	197,000	197,000
{FC}	HOP BROOK LAKE, CT	672,000	672,000
{FC}	MANSFIELD HOLLOW LAKE, CT	320,000	320,000
	NORTH COVE (CONNECTICUT RIVER), CT	---	582,000
{FC}	NORTHFIELD BROOK LAKE, CT	157,000	157,000
{FC}	STAMFORD HURRICANE BARRIER, CT	405,000	405,000
{FC}	THOMASTON DAM, CT	319,000	319,000
{FC}	WEST THOMPSON LAKE, CT	340,000	340,000
	DELAWARE		
	INDIAN RIVER INLET AND BAY, DE	---	835,000
{N}	IWW, CHINCOTEAGUE BAY TO DELAWARE BAY, DE	17,000	17,000
{N}	IWW, DELAWARE RIVER TO CHESAPEAKE BAY, DE	18,596,000	18,596,000
	IWW, REHOBOTH BAY TO DELAWARE BAY, DE	---	833,000
{N}	MURDERKILL RIVER, DE	177,000	177,000
	WATERWAY FROM INDIAN RIVER INLET TO REHOBOTH BAY, DE	---	130,000
{N}	WILMINGTON HARBOR, DE	7,222,000	7,222,000
	DISTRICT OF COLUMBIA		
	POTOMAC & ANACOSTIA RIVERS (DRIFT REMOVAL), DC	500,000	500,000
{N}	POTOMAC BELOW WASHINGTON, DC	1,000,000	1,000,000
{N}	WASHINGTON HARBOR, DC	21,000	21,000
	FLORIDA		
{N}	CANAVERAL HARBOR, FL	3,408,000	3,408,000
{FC}	CENTRAL & SOUTHERN, FL	5,249,000	5,249,000
{N}	CHARLOTTE HARBOR, FL	1,027,000	1,027,000
{N}	CROSS FLORIDA BARGE CANAL, FL	1,816,000	1,816,000
{N}	ESCAMBIA-CONECUH RIVERS, FL	793,000	793,000
{N}	FERNANDINA HARBOR, FL	805,000	805,000
{N}	FORT PIERCE HARBOR, FL	495,000	495,000
{N}	INTRACOASTAL WATERWAY, CALOOSAHATCHEE R. TO ANCLOTE R.	791,000	791,000
{N}	INTRACOASTAL WATERWAY, JACKSONVILLE TO MIAMI, FL	1,785,000	1,785,000
{N}	JACKSONVILLE HARBOR, FL	2,298,000	2,298,000
{MP}	JIM WOODRUFF LOCK AND DAM, LAKE SEMINOLE, FL, AL & GA.	4,643,000	4,787,000
{N}	LA GRANGE BAYOU, FL	8,000	8,000
{N}	MIAMI HARBOR, FL	308,000	308,000
{N}	OKEECHOBEE WATERWAY, FL	2,015,000	2,015,000
{N}	OKLAWAHA RIVER, FL	63,000	63,000
{N}	PALM BEACH HARBOR, FL	1,011,000	1,011,000
{N}	PANAMA CITY HARBOR, FL	520,000	520,000
{N}	PENSACOLA HARBOR, FL	1,080,000	1,080,000
	PONCE DE LEON, FL	---	70,000
{N}	PORT ST. JOE HARBOR, FL	529,000	529,000
	REMOVAL OF AQUATIC GROWTH, FL	2,835,000	2,835,000
{N}	TAMPA HARBOR, FL	2,516,000	2,516,000
	GEORGIA		
{N}	APALACHICOLA, CHATTAHOOCHEE & FLINT RIVERS, GA, AL & F	4,936,000	5,002,000
{MP}	ALLATOONA LAKE, GA	4,712,000	5,439,000
{N}	ATLANTIC INTRACOASTAL WATERWAY (SAVANNAH DISTRICT), GA	1,105,000	1,105,000
{N}	BRUNSWICK HARBOR, GA	3,702,000	3,702,000
{MP}	BUFORD DAM AND LAKE SIDNEY LANIER, GA	5,011,000	6,172,000
{MP}	CARTERS DAM AND LAKE, GA	2,568,000	2,841,000
{MP}	J. STROM THURMOND LAKE, GA & SC	9,032,000	10,784,000
{MP}	HARTWELL LAKE, GA & SC	7,029,000	7,439,000
{MP}	RICHARD B. RUSSELL DAM AND LAKE, GA & SC	3,835,000	3,899,000
{N}	SAVANNAH HARBOR, GA	5,578,000	5,578,000
{N}	SAVANNAH RIVER BELOW AUGUSTA, GA	307,000	307,000
{MP}	WEST POINT DAM AND LAKE, GA & AL	4,029,000	4,249,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	HAWAII		
{N}	BARBER'S POINT HARBOR, HI	50,000	50,000
{N}	HILO HARBOR, HI	403,000	403,000
{N}	HONOLULU HARBOR, HI	532,000	532,000
{N}	KAHULUI HARBOR BREAKWATER, HI	541,000	541,000
{N}	NAWILIWILI HARBOR, HI	934,000	934,000
	IDAHO		
{MP}	ALBENI FALLS DAM, ID	4,686,000	4,686,000
{MP}	DWORSHAK DAM & RESERVOIR, ID	7,199,000	7,446,000
{FC}	LUCKY PEAK LAKE, ID	760,000	835,000
	ILLINOIS		
{N}	CALUMET HARBOR AND RIVER, IL	1,132,000	1,132,000
{FC}	CARLYLE LAKE, IL	2,595,000	3,064,000
{N}	CHICAGO HARBOR, IL	1,595,000	1,595,000
{N}	CHICAGO RIVER, IL	881,000	881,000
{FC}	FARM CREEK RESERVOIRS, IL	147,000	147,000
{N}	ILLINOIS WATERWAY, IL {LMVD PORTION}	1,600,000	1,600,000
{N}	ILLINOIS WATERWAY, IL & IN	15,333,000	15,333,000
{N}	KASKASKIA RIVER NAVIGATION, IL	1,517,000	1,517,000
{FC}	LAKE SHELBYVILLE, IL	3,651,000	4,792,000
{N}	MISS RVR BTWN MISSOURI RVR & MINNEAPOLIS, IL, MN, WI	46,657,000	46,657,000
{N}	MISS RVR BTWN MISSOURI RVR & MINNEAPOLIS, IL, MN {LMVD	9,623,000	9,623,000
	NORTH BRANCH CHICAGO RIVER, IL	---	150,000
{FC}	REND LAKE, IL	3,206,000	4,098,000
{N}	WAUKEGAN HARBOR, IL	1,775,000	1,775,000
	INDIANA		
{FC}	BROOKVILLE LAKE, IN	593,000	598,000
{N}	BURNS WATERWAY HARBOR, IN	13,000	13,000
{N}	BURNS WATERWAY SMALL BOAT HARBOR, IN	165,000	165,000
{FC}	CAGLES MILL LAKE, IN	610,000	614,000
{FC}	CECIL M HARDEN LAKE, IN	655,000	658,000
{FC}	HUNTINGTON LAKE, IN	524,000	527,000
{N}	INDIANA HARBOR, IN	600,000	600,000
{N}	MICHIGAN CITY HARBOR, IN	192,000	1,187,000
{FC}	MISSISSINEWA LAKE, IN	522,000	525,000
{FC}	MONROE LAKE, IN	570,000	580,000
{FC}	PATOKA LAKE, IN	470,000	473,000
{FC}	SALAMONIE LAKE, IN	444,000	454,000
	IOWA		
{FC}	CORALVILLE LAKE, IA	2,409,000	2,662,000
{FC}	MISSOURI RIVER - KENSLERS BEND, NE TO SIOUX CITY, IA	50,000	50,000
{N}	MISSOURI RIVER - SIOUX CITY TO MOUTH, IA, NE, KS & MO	6,878,000	6,878,000
{FC}	RATHBUN LAKE, IA	1,217,000	1,364,000
{FC}	RED ROCK DAM - LAKE RED ROCK, IA	2,769,000	2,971,000
{FC}	SAYLORVILLE LAKE, IA	3,718,000	4,120,000
	SIOUX CITY, IA	---	5,000
	KANSAS		
{FC}	CLINTON LAKE, KS	1,212,000	1,330,000
{FC}	COUNCIL GROVE LAKE, KS	710,000	873,000
{FC}	EL DORADO LAKE, KS	566,000	566,000
{FC}	ELK CITY LAKE, KS	675,000	675,000
{FC}	FALL RIVER LAKE, KS	807,000	862,000
{FC}	HILLSDALE LAKE, KS	609,000	609,000
{FC}	JOHN REDMOND DAM AND RESERVOIR, KS	1,322,000	1,409,000
{FC}	KANOPOLIS LAKE, KS	2,046,000	2,104,000
{FC}	MARION LAKE, KS	723,000	811,000
{FC}	MELVERN LAKE, KS	1,191,000	1,334,000
{FC}	MILFORD LAKE, KS	2,107,000	2,263,000
{FC}	PEARSON - SKUBITZ BIG HILL LAKE, KS	974,000	1,024,000
{FC}	PERRY LAKE, KS	1,677,000	1,837,000
{FC}	POMONA LAKE, KS	1,061,000	1,198,000
{FC}	TORONTO LAKE, KS	315,000	315,000
{FC}	TUTTLE CREEK LAKE, KS	1,620,000	1,684,000
{FC}	WILSON LAKE, KS	1,038,000	1,158,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	KENTUCKY		
{MP}	BARKLEY DAM AND LAKE BARKLEY, KY	5,024,000	5,479,000
{FC}	BARREN RIVER LAKE, KY	1,003,000	1,204,000
{N}	BIG SANDY HARBOR, KY	1,000,000	1,000,000
{FC}	BUCKHORN LAKE, KY	682,000	739,000
{FC}	CARR FORK LAKE, KY	914,000	961,000
{FC}	CAVE RUN LAKE, KY	601,000	621,000
{FC}	DEWEY LAKE, KY	967,000	1,012,000
{FC}	FISHTRAP LAKE, KY	938,000	988,000
{FC}	GRAYSON LAKE, KY	686,000	746,000
{N}	GREEN & BARREN RIVERS, KY	1,137,000	1,137,000
{FC}	GREEN RIVER LAKE, KY	1,023,000	1,155,000
{N}	HICKMAN HARBOR, KY	497,000	497,000
{N}	KENTUCKY RIVER, KY	1,297,000	1,297,000
{MP}	LAUREL RIVER LAKE, KY	715,000	734,000
{N}	LICKING RIVER OPEN CHANNEL WORK, KY	13,000	13,000
{FC}	MARTINS FORK LAKE, KY	616,000	616,000
{FC}	MIDDLESBORO CUMBERLAND RIVER BASIN, KY	37,000	37,000
{FC}	NOLIN LAKE, KY	1,001,000	1,147,000
{N}	OHIO RIVER LOCKS AND DAMS, KY, IL, IN, OH, PA & WV	47,026,000	47,026,000
{N}	OHIO RIVER OPEN CHANNEL WORK, KY, IL, IN, OH, PA & WV	4,319,000	4,319,000
{FC}	PAINTSVILLE LAKE, KY	726,000	726,000
{FC}	ROUGH RIVER LAKE, KY	1,006,000	1,116,000
{FC}	TAYLORSVILLE LAKE, KY	673,000	693,000
{MP}	WOLF CREEK DAM - LAKE CUMBERLAND, KY	3,305,000	3,381,000
{FC}	YATESVILLE LAKE, KY	300,000	300,000
	LOUISANA		
{N}	ATCHAFALAYA RIVER & BAYOUS CHENE, BOEUF & BLACK, LA	4,320,000	4,320,000
{N}	BARATARIA BAY WATERWAY, LA	948,000	948,000
{FC}	BAYOU BODCAU RESERVOIR, LA	341,000	341,000
{N}	BAYOU LAFOURCHE AND LAFOURCHE - JUMP WATERWAY, LA	370,000	370,000
{FC}	BAYOU PIERRE, LA	38,000	38,000
{N}	BAYOU TECHE, LA	460,000	460,000
{FC}	CADDO LAKE, LA	126,000	126,000
{N}	CALCASIEU RIVER & PASS, LA	4,450,000	4,450,000
{N}	FRESHWATER BAYOU, LA	760,000	760,000
{N}	GULF INTRACOASTAL WATERWAY, LA	11,550,000	11,575,000
{N}	HOUMA NAVIGATION CHANNEL, LA	2,280,000	2,280,000
{N}	LAKE PROVIDENCE HARBOR, LA	209,000	209,000
{N}	MADISON PARISH PORT, LA	63,000	63,000
{N}	MERMENTAU RIVER, LA	1,350,000	1,450,000
{N}	MISSISSIPPI RIVER, OUTLETS AT VENICE, LA	3,090,000	3,090,000
{N}	MISSISSIPPI RIVER - BATON ROUGE TO GULF OF MEXICO, LA	44,650,000	44,650,000
{N}	MISSISSIPPI RIVER - GULF OUTLET, LA	6,100,000	6,100,000
{N}	PEARL RIVER, MS	191,000	596,000
{N}	RED RIVER WATERWAY - MISSISSIPPI RIVER TO SHREVEPORT,	5,112,000	5,112,000
	REMOVAL OF AQUATIC GROWTH, LA	1,500,000	1,500,000
{FC}	WALLACE LAKE, LA	139,000	139,000
	MAINE		
{N}	KENNEBEC RIVER, ME	748,000	748,000
	WELLS HARBOR, ME	---	1,137,000
	MARYLAND		
{N}	BALTIMORE HARBOR & CHANNELS, MD & VA	4,399,000	4,399,000
	BALTIMORE HARBOR {PREV. OF OBSTRUCTIVE DEPOSITS}, MD	415,000	415,000
	BALTIMORE HARBOR {DRIFT REMOVAL}, MD	287,000	287,000
{N}	BALTIMORE HARBOR & CHANNELS 50 FT, MD	700,000	700,000
	CRISFIELD HARBOR, MD	---	600,000
{FC}	CUMBERLAND, MD AND RIDGELEY, WV	72,000	72,000
	FISHING BAY, MD	---	464,000
	FISHING CREEK, MD	---	450,000
	HONGA RIVER AND TAR BAY, MD	---	850,000
{FC}	JENNINGS RANDOLPH LAKE, MD & WV	1,243,000	1,299,000
	MUDDY HOOK AND TYLER COVES, MD	---	500,000
{N}	NANTICOKE RIVER NORTHWEST FORK, MD	650,000	650,000
	NEALE SOUND, MD	---	505,000
{N}	OCEAN CITY HARBOR & INLET & SINEPUXENT BAY, MD	426,000	426,000
{N}	POCOMOKE RIVER, MD	600,000	600,000
{N}	WICOMICO RIVER, MD	1,000,000	1,000,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	MASSACHUSETTS		
(FC)	BARRE FALLS DAM, MA	574,000	574,000
(FC)	BIRCH HILL DAM, MA	493,000	493,000
(FC)	BUFFUMVILLE LAKE, MA	260,000	260,000
(N)	CAPE COD CANAL, MA	5,302,000	5,302,000
(FC)	CHARLES RIVER NATURAL VALLEY STORAGE AREA, MA	150,000	150,000
(FC)	CONANT BROOK DAM, MA	143,000	143,000
(FC)	EAST BRIMFIELD LAKE, MA	433,000	433,000
(FC)	HODGES VILLAGE DAM, MA	250,000	250,000
(FC)	KNIGHTVILLE DAM, MA	394,000	394,000
(FC)	LITTLEVILLE LAKE, MA	441,000	441,000
(FC)	NEW BEDFORD FAIRHAVEN ACUSHNET HURRICANE BARRIER, MA	273,000	273,000
(FC)	TULLY LAKE, MA	448,000	448,000
(FC)	WEST HILL DAM, MA	276,000	276,000
(FC)	WESTVILLE LAKE, MA	287,000	287,000
	MICHIGAN		
	ARCADIA HARBOR, MI	---	83,000
(N)	CHANNELS IN LAKE ST. CLAIR, MI	138,000	138,000
(N)	CHARLEVOIX HARBOR, MI	24,000	24,000
(N)	DETROIT RIVER, MI	3,835,000	3,835,000
(N)	FRANKFORT HARBOR, MI	197,000	197,000
(N)	GRAND HAVEN HARBOR, MI	656,000	656,000
(N)	HARBOR BEACH HARBOR,MI	2,276,000	2,276,000
(N)	HOLLAND HARBOR, MI	2,494,000	2,494,000
(N)	INLAND ROUTE, MI	11,000	11,000
(N)	KEWEENAW WATERWAY, MI	3,048,000	3,048,000
	LELAND HARBOR, MI	---	109,000
(N)	LEXINGTON HARBOR, MI	38,000	38,000
	LITTLE LAKE HARBOR, MI	---	143,000
	MANISTIQUE HARBOR, MI	---	406,000
(N)	MENOMINEE HARBOR, MI & WI	45,000	45,000
(N)	MONROE HARBOR, MI	1,029,000	1,029,000
(N)	MUSKEGON HARBOR, MI	201,000	201,000
(N)	ONTONAGON HARBOR, MI	779,000	779,000
	PENTWATER HARBOR, MI	---	126,000
(N)	PORT SANILAC HARBOR, MI	33,000	33,000
(N)	PRESQUE ISLE HARBOR, MI	89,000	89,000
(N)	ROUGE RIVER, MI	123,000	123,000
(N)	SAGINAW RIVER, MI	3,224,000	3,224,000
(FC)	SEBEWAING RIVER (ICE JAM REMOVAL), MI	15,000	15,000
(N)	ST. CLAIR RIVER, MI	1,885,000	1,885,000
(N)	ST. JOSEPH HARBOR, MI	1,282,000	1,282,000
(MP)	ST. MARYS RIVER, MI	10,623,000	10,623,000
(N)	SOUTH HAVEN HARBOR, MI	39,000	39,000
(N)	WHITE LAKE HARBOR, MI	45,000	45,000
	MINNESOTA		
(FC)	BIGSTONE LAKE WHETSTONE RIVER, MN & SD	138,000	138,000
(N)	DULUTH - SUPERIOR HARBOR, MN & WI	2,981,000	2,981,000
(FC)	LAC QUI PARLE LAKES, MINNESOTA RIVER, MN	359,000	363,000
(FC)	LAKE TRAVERSE AND BOIS DE SIOUX, SD & MN	277,000	291,000
(N)	MISSISSIPPI R. BETWEEN MISSOURI & MPLS, MN	33,627,000	33,894,000
(N)	MINNESOTA RIVER, MN	325,000	325,000
(FC)	ORWELL LAKE, MN	179,000	179,000
(FC)	RED LAKE RIVER, MN	75,000	75,000
(N)	RESERVOIRS AT HEADWATERS OF MISSISSIPPI RIVER, MN	1,669,000	1,939,000
	SAUK LAKE, MN	---	50,000
(N)	TWO HARBORS, MN	1,429,000	1,429,000
	MISSISSIPPI		
(FC)	ARKABUTLA LAKE, MS	70,000	70,000
(N)	BILOXI HARBOR, MS	400,000	400,000
	CLAIBORNE COUNTY PORT, MS	---	146,000
(FC)	EAST FORK, TOMBIGBEE RIVER, MS	394,000	394,000
(N)	GULFPORT HARBOR, MS	2,954,000	2,954,000
(N)	MOUTH OF YAZOO RIVER, MS	164,000	164,000
(FC)	OKATIBBEE LAKE, MS	1,035,000	1,232,000
(N)	PASCAGOULA HARBOR, MS	2,730,000	2,730,000
(N)	ROSEDALE HARBOR, MS	376,000	376,000
(N)	YAZOO RIVER, MS	274,000	274,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	MISSOURI		
(N)	CARUTHERSVILLE HARBOR, MO	368,000	368,000
(MP)	CLARENCE CANNON DAM & MARK TWAIN LAKE, MO	4,448,000	4,905,000
(FC)	CLEARWATER LAKE, MO	2,037,000	2,297,000
(MP)	HARRY S TRUMAN DAM AND RESERVOIR, MO	8,238,000	8,509,000
(FC)	LITTLE BLUE RIVER LAKES, MO	805,000	805,000
(FC)	LONG BRANCH LAKE, MO	559,000	559,000
(N)	MISSISSIPPI RIVER BETWEEN THE OHIO & MISSOURI RIVERS,	10,931,000	10,931,000
(FC)	POMME DE TERRE LAKE, MO	1,169,000	1,315,000
(FC)	SMITHVILLE LAKE, MO	1,054,000	1,054,000
(N)	SOUTHEAST MISSOURI PORT, MISSISSIPPI RIVER, MO	49,000	49,000
(MP)	STOCKTON LAKE, MO	2,547,000	2,705,000
(MP)	TABLE ROCK LAKE, MO	3,313,000	3,722,000
(FC)	UNION LAKE, MO	4,000	4,000
(FC)	WAPPAPELLO LAKE, MO	100,000	100,000
	MONTANA		
(MP)	FT PECK DAM AND LAKE, MT	4,348,000	4,491,000
(MP)	LIBBY DAM, MT	4,217,000	4,217,000
	NEBRASKA		
(MP)	GAVINS POINT DAM, LEWIS & CLARK LAKE, NE & SD	4,125,000	4,225,000
(FC)	HARLAN COUNTY LAKE, NE	1,073,000	1,178,000
	MISSOURI NATIONAL RECREATION RIVER, NE & SD	---	100,000
(FC)	PAPILLION CREEK & TRIBUTARIES LAKES, NE	512,000	512,000
(FC)	SALT CREEK AND TRIBUTARIES, NE	737,000	737,000
	NEVADA		
(FC)	MARTIS CREEK LAKE, NV & CA	339,000	339,000
(FC)	PINE-MATHEWS CANYONS DAMS, NV	58,000	58,000
	NEW HAMPSHIRE		
(FC)	BLACKWATER DAM, NH	310,000	310,000
(FC)	EDWARD MACDOWELL LAKE, NH	338,000	338,000
(FC)	FRANKLIN FALLS DAM, NH	445,000	445,000
	HAMPTON HARBOR, NH	---	308,000
(FC)	HOPKINTON-EVERETT LAKES, NH	869,000	869,000
(FC)	OTTER BROOK LAKE, NH	309,000	309,000
	RYE HARBOR, NH	---	460,000
(FC)	SURRY MOUNTAIN LAKE, NH	482,000	482,000
	NEW JERSEY		
(N)	ABSECON INLET, NJ	20,000	20,000
	BARNEGAT INLET, NJ	---	619,000
	CHEESEQUAKE CREEK, NJ	---	60,000
	COHANSEY RIVER, NJ	---	1,235,000
(N)	COLD SPRING INLET, NJ	200,000	200,000
(N)	DELAWARE RIVER, PHILADELPHIA, PA TO TRENTON, NJ	1,820,000	1,820,000
(N)	DELAWARE RIVER - PHILADELPHIA TO THE SEA, PA, NJ & DE	13,465,000	13,465,000
	MATAWAN CREEK, NJ	---	125,000
(N)	NEW JERSEY IWW, NJ	2,215,000	2,215,000
(N)	RARITAN RIVER, NJ	1,540,000	1,540,000
	SHREWSBURY RIVER, NJ	---	1,050,000
	NEW MEXICO		
(FC)	ABIQUIU DAM, NM	1,147,000	1,147,000
(FC)	COCHITI LAKE, NM	1,557,000	1,640,000
(FC)	CONCHAS LAKE, NM	1,078,000	1,078,000
(FC)	GALISTEO DAM, NM	159,000	159,000
(FC)	JEMEZ CANYON DAM, NM	303,000	303,000
(FC)	SANTA ROSA DAM AND LAKE, NM	661,000	661,000
(FC)	TWO RIVERS DAM, NM	275,000	275,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	NEW YORK		
(FC)	ALMOND LAKE, NY	303,000	303,000
(FC)	ARKPORT DAM, NY	157,000	157,000
(N)	BAYRIDGE & RED HOOK CHANNELS, NY	120,000	120,000
(N)	BLACK ROCK CHANNEL AND TONAWANDA HARBOR, NY	3,672,000	3,672,000
(N)	BUFFALO HARBOR, NY	1,790,000	1,790,000
(N)	BUTTERMILK CHANNEL, NY	800,000	800,000
(N)	EAST ROCKAWAY INLET, NY	800,000	800,000
(FC)	EAST SIDNEY LAKE, NY	1,358,000	1,358,000
	FIRE ISLAND INLET TO JONES INLET, NY	---	4,150,000
(N)	HUDSON RIVER, NY	1,150,000	1,150,000
(N)	HUDSON RIVER, NY (O&C)	2,633,000	2,633,000
	JONES INLET, NY	---	900,000
	LAKE MONTAUK HARBOR, NY	---	30,000
(FC)	MT MORRIS LAKE, NY	1,424,000	1,424,000
(N)	NARROWS OF LAKE CHAMPLAIN, NY	82,000	82,000
(N)	NEW YORK & NEW JERSEY CHANNELS, NY	1,115,000	1,115,000
	NEW YORK HARBOR (DRIFT REMOVAL), NY	2,810,000	2,810,000
(N)	NEW YORK HARBOR, NY	4,187,000	4,187,000
	NEW YORK HARBOR (PREVENTION OF OBSTRUCTIVE DEPOSITS)	600,000	600,000
(N)	OSWEGO HARBOR, NY	395,000	395,000
(N)	ROCHESTER HARBOR, NY	912,000	912,000
(FC)	SOUTHERN NEW YORK PROJECTS, NY	2,568,000	2,568,000
(FC)	WHITNEY POINT LAKE, NY	414,000	414,000
	NORTH CAROLINA		
(N)	ATLANTIC INTRACOASTAL WATERWAY (WILMINGTON DISTRICT)	4,180,000	4,180,000
(FC)	B EVERETT JORDAN DAM AND LAKE, NC	933,000	964,000
(N)	BEAUFORT HARBOR, NC	354,000	354,000
	BOGUE INLET AND CHANNEL, NC	---	675,000
(N)	CAPE FEAR RIVER ABOVE WILMINGTON, NC	708,000	770,000
	CAROLINA BEACH INLET, NC	---	264,000
	CHANNEL FROM BACK SOUND TO LOOKOUT BIGHT, NC	---	107,000
(FC)	FALLS LAKE, NC	923,000	923,000
	LOCKWOODS FOLLY RIVER, NC	---	535,000
	MANTEO -SHALLOWBAG BAY, NC	---	5,186,000
	MASONBORO INLET AND CONNECTING CHANNEL, NC	---	590,000
(N)	MOREHEAD CITY HARBOR, NC	1,825,000	1,825,000
	NEW RIVER INLET, NC	---	538,000
	NEW TOPSAIL INLET AND CONNECTING CHANNELS, NC	---	681,000
	OCRACOKE INLET, NC	---	278,000
	SILVER LAKE HARBOR, NC	---	40,000
(FC)	W. KERR SCOTT DAM AND RESERVOIR, NC	2,722,000	2,847,000
(N)	WILMINGTON HARBOR, NC	4,464,000	4,464,000
	NORTH DAKOTA		
(FC)	BOWMAN HALEY LAKE, ND	212,000	212,000
(MP)	GARRISON DAM, LAKE SAKAKAWEA, ND	6,110,000	6,563,000
(FC)	HOMME LAKE AND DAM, ND	102,000	108,000
(FC)	LAKE ASHTABULA AND BALDHILL DAM, ND	703,000	732,000
(FC)	PIPESTEM LAKE, ND	446,000	446,000
	OHIO		
(FC)	ALUM CREEK LAKE, OH	552,000	567,000
(N)	ASHTABULA HARBOR, OH	959,000	1,259,000
(FC)	BERLIN LAKE, OH	1,449,000	1,591,000
(FC)	CAESAR CREEK LAKE, OH	683,000	693,000
(FC)	CLARENCE J BROWN DAM, OH	451,000	461,000
(N)	CLEVELAND HARBOR, OH	5,755,000	5,755,000
(N)	CONNEAUT HARBOR, OH	520,000	520,000
(FC)	DEER CREEK LAKE, OH	496,000	519,000
(FC)	DELAWARE LAKE, OH	444,000	464,000
(FC)	DILLON LAKE, OH	434,000	434,000
(N)	FAIRPORT HARBOR, OH	987,000	987,000
(N)	HURON HARBOR, OH	934,000	934,000
(N)	LORAIN HARBOR, OH	1,534,000	1,534,000
(FC)	MASSILLON LOCAL PROTECTION PROJECT, OH	20,000	20,000
(FC)	MICHAEL J KIRWAN DAM & RESERVOIR, OH	732,000	732,000
(FC)	MOSQUITO CREEK LAKE, OH	789,000	810,000
(FC)	MUSKINGUM RIVER RESERVOIRS, OH	4,978,000	5,003,000
(FC)	NEWARK LOCAL PROTECTION PROJECT, OH	20,000	20,000
(FC)	NORTH BRANCH KOKOSING RIVER LAKE, OH	226,000	256,000
(FC)	PAINT CREEK LAKE, OH	482,000	495,000
(FC)	ROSEVILLE LOCAL PROTECTION PROJECT, OH	20,000	20,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
{N}	SANDUSKY HARBOR, OH	740,000	740,000
{N}	TOLEDO HARBOR, OH	5,247,000	5,247,000
{FC}	TOM JENKINS DAM, OH	453,000	458,000
{FC}	WEST FORK OF MILL CREEK LAKE, OH	397,000	401,000
	WEST HARBOR, OH	---	275,000
{FC}	WILLIAM H HARSHA LAKE, OH	573,000	588,000
	OKLAHOMA		
{FC}	ARCADIA LAKE, OK	391,000	391,000
{FC}	CANDY LAKE, OK	14,000	14,000
{FC}	BIRCH LAKE, OK	676,000	752,000
{MP}	BROKEN BOW LAKE, OK	1,428,000	1,465,000
{FC}	CANTON LAKE, OK	1,502,000	1,639,000
{FC}	COPAN LAKE, OK	816,000	863,000
{MP}	EUFAULA LAKE, OK	3,367,000	3,501,000
{MP}	FORT GIBSON LAKE, OK	2,597,000	2,697,000
{FC}	FORT SUPPLY LAKE, OK	704,000	745,000
{FC}	GREAT SALT PLAINS LAKE, OK	425,000	444,000
{FC}	HEYBURN LAKE, OK	510,000	511,000
{FC}	HUGO LAKE, OK	1,128,000	1,236,000
{FC}	HULAH LAKE, OK	563,000	727,000
{FC}	KAW LAKE, OK	1,329,000	1,421,000
{MP}	KEYSTONE LAKE, OK	2,327,000	2,452,000
{FC}	OOLOGAH LAKE, OK	1,305,000	1,426,000
{FC}	OPTIMA LAKE, OK	476,000	531,000
{FC}	PENSACOLA RESERVOIR - LAKE OF THE CHEROKEES, OK	9,000	9,000
{FC}	PINE CREEK LAKE, OK	718,000	742,000
{MP}	ROBERT S. KERR L&D AND RESERVOIRS, OK	2,463,000	2,590,000
{FC}	SARDIS LAKE, OK	720,000	720,000
{FC}	SKIATOOK LAKE, OK	1,291,000	1,294,000
{MP}	TENKILLER FERRY LAKE, OK	2,385,000	2,598,000
{FC}	WAURIKA LAKE, OK	879,000	934,000
{MP}	WEBBERS FALLS LOCK AND DAM, OK	2,630,000	2,642,000
{FC}	WISTER LAKE, OK	7,010,000	7,169,000
	OREGON		
{FC}	APPLEGATE LAKE, OR	558,000	558,000
{FC}	BLUE RIVER LAKE, OR	164,000	164,000
{MP}	BONNEVILLE LOCK & DAM-LAKE BONNEVILLE, OR	11,277,000	11,277,000
{N}	CHETCO RIVER, OR	472,000	472,000
{N}	C&LW RIVERS BELOW VANCOUVER, WA & PORTLAND, OR	11,221,000	11,221,000
{N}	COLUMBIA RIVER AT MOUTH, OR & WA	7,282,000	7,282,000
{N}	COLUMBIA RIVER BETWEEN VANCOUVER, WA & THE DALLES, OR.	358,000	358,000
{N}	COOS & MILLICOMA RIVERS, OR	170,000	170,000
{N}	COOS BAY, OR	3,992,000	4,121,000
	COQUILLE RIVER, OR	---	269,000
{FC}	COTTAGE GROVE LAKE, OR	656,000	686,000
{MP}	COUGAR LAKE, OR	932,000	932,000
{MP}	DETROIT LAKE, OR	1,589,000	1,589,000
{FC}	DORENA LAKE, OR	348,000	348,000
{FC}	FALL CREEK LAKE, OR	368,000	373,000
{FC}	FERN RIDGE LAKE, OR	568,000	614,000
{MP}	GREEN PETER-FOSTER LAKES, OR	2,057,000	2,109,000
{MP}	HILLS CREEK LAKE, OR	523,000	523,000
{MP}	JOHN DAY LOCK & DAM - LAKE UMATILLA, OR	14,006,000	14,074,000
{MP}	LOOKOUT POINT LAKE, OR	2,664,000	2,664,000
{MP}	LOST CREEK LAKE, OR	2,755,000	2,755,000
{MP}	MCNARY L&D, OR	10,641,000	10,867,000
	PORT ORFORD, OR	---	233,000
	ROGUE RIVER AT GOLD BEACH, OR	---	414,000
{N}	SIUSLAW RIVER, OR	881,000	881,000
{N}	SKIPANON CHANNEL, OR	233,000	233,000
{N}	UMPQUA RIVER, OR	1,066,000	1,066,000
{FC}	WILLAMETTE RIVER BASIN BANK PROTECTION, OR	95,000	95,000
{N}	WILLAMETTE RIVER AT WILLAMETTE FALLS, OR	585,000	585,000
{FC}	WILLOW CREEK LAKE, OR	383,000	383,000
{N}	YAQUINA BAY & HARBOR, OR	1,486,000	1,486,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	PENNSYLVANIA		
{N}	ALLEGHENY RIVER, PA	5,946,000	5,946,000
{FC}	ALVIN R BUSH DAM, PA	417,000	417,000
{FC}	AYLESWORTH CREEK LAKE, PA	148,000	148,000
{FC}	BELTZVILLE LAKE, PA	582,000	582,000
{FC}	BLUE MARSH LAKE, PA	1,370,000	1,370,000
{FC}	CONEMAUGH RIVER LAKE, PA	1,057,000	1,117,000
{FC}	COWANESQUE LAKE, PA	1,138,000	1,245,000
{FC}	CROOKED CREEK LAKE, PA	1,122,000	1,416,000
{FC}	CURWENSVILLE LAKE, PA	428,000	428,000
{N}	ERIE HARBOR, PA	520,000	520,000
{FC}	EAST BRANCH CLARION RIVER LAKE, PA	886,000	926,000
{FC}	FOSTER JOSEPH SAYERS DAM, PA	497,000	497,000
{FC}	FRANCIS E. WALTER DAM, PA	588,000	588,000
{FC}	GENERAL EDGAR JADWIN DAM & RESERVOIR, PA	321,000	321,000
{FC}	JOHNSTOWN, PA	6,000	6,000
{FC}	KINZUA DAM AND ALLEGHENY RESERVOIR, PA	1,033,000	1,091,000
{FC}	LOYALHANNA LAKE, PA	797,000	847,000
{FC}	MAHONING CREEK LAKE, PA	582,000	604,000
{N}	MONONGAHELA RIVER, PA	11,315,000	11,315,000
{FC}	PROMPTON LAKE, PA	335,000	335,000
{FC}	PUNXSUTAWNEY, PA	5,000	5,000
{FC}	RAYSTOWN LAKE, PA	1,947,000	2,260,000
{N}	SCHUYLKILL RIVER, PA	1,400,000	1,400,000
{FC}	SHENANGO RIVER LAKE, PA	1,983,000	2,222,000
{FC}	STILLWATER LAKE, PA	229,000	229,000
{FC}	TIOGA-HAMMOND LAKES, PA	1,904,000	1,979,000
{FC}	TIONESTA LAKE, PA	855,000	987,000
{FC}	UNION CITY LAKE, PA	275,000	282,000
{FC}	WOODCOCK CREEK LAKE, PA	620,000	649,000
{FC}	YORK INDIAN ROCK DAM, PA	1,180,000	1,180,000
{FC}	YOUGHIOGHENY RIVER LAKE, PA	1,366,000	1,628,000
	RHODE ISLAND		
	GREAT SALT POND, BLOCK ISLAND, RI	---	201,000
	HARBOR OF REFUGE, BLOCK ISLAND, RI	---	200,000
	SOUTH CAROLINA		
{N}	ATLANTIC INTRACOASTAL WATERWAY {CHARLESTON DISTRICT}	3,261,000	3,261,000
{N}	CHARLESTON HARBOR, SC	3,701,000	3,701,000
{N}	COOPER RIVER, CHARLESTON HARBOR, SC	3,297,000	3,297,000
	FOLLY RIVER, SC	---	469,000
{N}	GEORGETOWN HARBOR, SC	1,892,000	1,892,000
	JEREMY CREEK, SC	---	20,000
	LITTLE RIVER INLET, SC	---	672,000
	MURRELLS INLET, SC	---	141,000
{N}	PORT ROYAL HARBOR, SC	827,000	827,000
{N}	SHIPYARD RIVER, SC	600,000	600,000
	TOWN CREEK, SC	---	407,000
	SOUTH DAKOTA		
{MP}	BIG BEND DAM - LAKE SHARPE, SD	5,148,000	5,249,000
{FC}	COLD BROOK LAKE, SD	168,000	182,000
{FC}	COTTONWOOD SPRINGS LAKE, SD	149,000	158,000
{MP}	FT. RANDALL DAM - LAKE FRANCIS CASE, SD	6,278,000	6,666,000
{MP}	OAHE DAM - LAKE OAHE, SD & ND	8,071,000	8,545,000
	TENNESSEE		
{MP}	CENTER HILL LAKE, TN	2,556,000	2,776,000
{MP}	CHEATHAM LOCK AND DAM, TN	3,518,000	3,640,000
{MP}	CORDELL HULL DAM AND RESERVOIR, TN	2,543,000	2,696,000
{MP}	DALE HOLLOW LAKE, TN	2,605,000	2,711,000
{MP}	J PERCY PRIEST DAM AND RESERVOIR, TN	1,553,000	1,703,000
{MP}	OLD HICKORY LOCK AND DAM, TN	3,969,000	4,164,000
{N}	TENNESSEE RIVER, TN	12,614,000	12,614,000
{N}	WOLF RIVER HARBOR, TN	657,000	657,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	TEXAS		
{FC}	AQUILLA LAKE, TX	792,000	792,000
{FC}	ARKANSAS-RED RIVER CHLORIDE CONTROL - AREA VIII, TX	760,000	760,000
{FC}	BARDWELL LAKE, TX	838,000	1,056,000
{FC}	BELTON LAKE, TX	1,814,000	1,974,000
{FC}	BENBROOK LAKE, TX	1,191,000	1,305,000
{N}	BRAZOS ISLAND HARBOR, TX	1,745,000	1,745,000
{FC}	BUFFALO BAYOU AND TRIBUTARIES, TX	1,528,000	1,528,000
{FC}	CANYON LAKE, TX	1,022,000	1,244,000
{N}	CHANNEL TO PORT MANSFIELD, TX	1,110,000	1,110,000
	CHANNEL TO RED BLUFF, TX	---	250,000
{N}	CHANNEL TO VICTORIA - GIWW, TX	525,000	525,000
{N}	CORPUS CHRISTI SHIP CHANNEL, TX	4,890,000	4,890,000
{MP}	DENISON DAM - LAKE TEXOMA, TX	3,887,000	4,157,000
{FC}	ESTELLINE SPRINGS EXPERIMENTAL PROJECT, TX	8,000	8,000
{FC}	FERRELLS BRIDGE DAM - LAKE O'THE PINES, TX	1,655,000	1,813,000
{N}	FREEPORT HARBOR, TX	1,100,000	1,100,000
{N}	GALVESTON HARBOR AND CHANNEL, TX	45,000	45,000
{FC}	GRANGER DAM AND LAKE, TX	860,000	950,000
{FC}	GRAPEVINE LAKE, TX	1,357,000	1,397,000
{N}	GULF INTRACOASTAL WATERWAY, TX	15,779,000	15,779,000
{FC}	HORDS CREEK LAKE, TX	605,000	720,000
{N}	HOUSTON SHIP CHANNEL, TX	5,510,000	5,510,000
{FC}	JOE POOL LAKE, TX	556,000	556,000
{FC}	LAKE KEMP, TX	156,000	156,000
{FC}	LAVON LAKE, TX	1,899,000	2,017,000
{FC}	LEWISVILLE DAM, TX	1,909,000	2,030,000
{N}	MATAGORDA SHIP CHANNEL, TX	1,460,000	1,460,000
{FC}	NAVARRO MILLS LAKE, TX	1,020,000	1,093,000
{FC}	NORTH SAN GABRIEL DAM AND LAKE GEORGETOWN, TX	952,000	1,065,000
{FC}	O C FISHER DAM AND LAKE, TX	732,000	901,000
{FC}	PAT MAYSE LAKE, TX	886,000	1,081,000
{FC}	PROCTOR LAKE, TX	1,027,000	1,203,000
{FC}	RAY ROBERTS LAKE, TX	551,000	551,000
{N}	SABINE-NECHES WATERWAY, TX	3,125,000	3,125,000
{MP}	SAM RAYBURN DAM AND RESERVOIR, TX	2,578,000	2,749,000
{FC}	SOMERVILLE LAKE, TX	1,344,000	1,682,000
{FC}	STILLHOUSE HOLLOW DAM, TX	1,102,000	1,237,000
{N}	TEXAS CITY CHANNEL, TX	1,725,000	1,725,000
{MP}	TOWN BLUFF DAM - B.A. STEINHAGEN LAKE, TX	1,305,000	1,369,000
{N}	TRINITY RIVER & TRIBUTARIES, TX	20,000	20,000
{FC}	WACO LAKE, TX	1,532,000	1,697,000
{FC}	WALLISVILLE LAKE, TX	225,000	225,000
{MP}	WHITNEY LAKE, TX	2,654,000	2,860,000
{FC}	WRIGHT PATMAN DAM AND LAKE, TX	1,389,000	1,645,000
	VERMONT		
{FC}	BALL MOUNTAIN LAKE, VT	365,000	365,000
{FC}	NORTH HARTLAND LAKE, VT	419,000	419,000
{FC}	NORTH SPRINGFIELD LAKE, VT	348,000	348,000
{FC}	TOWNSHEND LAKE, VT	444,000	444,000
{FC}	UNION VILLAGE DAM, VT	441,000	441,000
	VIRGINIA		
	APPOMATTOX RIVER, VA	---	500,000
{N}	ATLANTIC INTRACOASTAL WATERWAY, VA	1,849,000	1,849,000
{N}	ATLANTIC INTRACOASTAL WATERWAY - DSC , VA	464,000	464,000
{N}	CHANNEL TO NEWPORT NEWS, VA	100,000	100,000
{N}	CHINCOTEAGUE INLET, VA	817,000	817,000
	DEEP CREEK, VA	---	687,000
{FC}	GATHRIGHT DAM AND LAKE MOOMAW, VA	954,000	954,000
	HAMPTON ROADS, NORFOLK & NEWPORT NEWS HBR{DRIFT REMOVA	200,000	200,000
	HORN HARBOR, VA	---	142,000
	HOSKINS CREEK, VA	---	640,000
{N}	JAMES RIVER NAVIGATION, VA	1,537,000	1,537,000
{MP}	JOHN H. KERR DAM AND RESERVOIR, VA & NC	5,574,000	5,837,000
{FC}	JOHN W FLANNAGAN DAM AND RESERVOIR, VA	889,000	979,000
	LYNNHAVEN INLET, VA	---	692,000
{N}	NORFOLK HARBOR AND CHANNELS, VA	3,280,000	3,280,000
	NORFOLK HARBOR {PREVENTION OF OBSTRUCTIVE DEPOSITS}, V	500,000	500,000
{FC}	NORTH FORK OF POUND RIVER LAKE, VA	388,000	388,000
{MP}	PHILPOTT LAKE, VA	1,478,000	1,539,000
	RUDEE INLET, VA	---	880,000
{N}	THIMBLE SHOAL CHANNEL, VA	1,095,000	1,095,000
{N}	WATERWAY ON THE COAST OF VIRGINIA, VA	1,160,000	1,160,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	WASHINGTON		
(N)	BELLINGHAM HARBOR, WA	57,000	57,000
(MP)	CHIEF JOSEPH DAM, WA	9,664,000	9,664,000
	COLUMBIA RIVER AT BAKER BAY, WA	---	441,000
(N)	ELOCHOMAN SLOUGH, WA	65,000	65,000
(N)	EVERETT HARBOR AND SNOHOMISH RIVER, WA	130,000	130,000
(N)	FRIDAY HARBOR, WA	16,000	16,000
(N)	GRAYS HARBOR AND CHEHALIS RIVER, WA	4,889,000	4,889,000
(FC)	HOWARD A HANSON DAM, WA	978,000	978,000
(MP)	ICE HARBOR L&D, WA	4,466,000	4,643,000
(N)	LAKE WASHINGTON SHIP CANAL, WA	4,144,000	4,144,000
(N)	LEWIS RIVER, WA	85,000	85,000
(MP)	LITTLE GOOSE L&D, WA	3,891,000	3,891,000
(MP)	LOWER GRANITE L&D, WA	5,015,000	5,069,000
(MP)	LOWER MONUMENTAL L&D, WA	4,303,000	4,303,000
(FC)	MILL CREEK LAKE, WA	522,000	522,000
(FC)	MT ST HELEN SEDIMENT CONTROL STRUCTURE, WA	95,000	95,000
(FC)	MUD MOUNTAIN DAM, WA	5,146,000	5,146,000
(N)	PUGET SOUND AND TRIBUTARY WATERS, WA	670,000	670,000
(N)	SEATTLE HARBOR, WA	550,000	550,000
(FC)	STILLAGUAMISH RIVER, WA	91,000	91,000
(N)	SWINOMISH CHANNEL, WA	522,000	522,000
(FC)	TACOMA - PUYALLUP, WA	38,000	38,000
(N)	TACOMA HARBOR, WA	28,000	28,000
(MP)	THE DALLES LOCK & DAM - LAKE CELILO, WA	7,732,000	7,804,000
	WILLAPA RIVER AND HARBOR, WA	---	545,000
(FC)	WYNOOCHEE LAKE, WA	1,346,000	1,346,000
	WEST VIRGINIA		
(FC)	BEECH FORK LAKE, WV	613,000	632,000
(FC)	BLUESTONE LAKE, WV	928,000	1,043,000
(FC)	BURNSVILLE LAKE, WV	1,064,000	1,124,000
	CHARLESTON RIVERFRONT	---	250,000
(FC)	EAST LYNN LAKE, WV	974,000	999,000
(FC)	ELKINS, WV	12,000	12,000
(N)	KANAWHA RIVER LOCKS AND DAMS, WV	7,765,000	7,765,000
(FC)	R D BAILEY LAKE, WV	1,324,000	1,364,000
(FC)	STONEWALL JACKSON LAKE, WV	682,000	682,000
(FC)	SUMMERSVILLE LAKE, WV	1,003,000	1,063,000
(FC)	SUTTON LAKE, WV	1,194,000	1,269,000
(N)	TYGART LAKE, WV	626,000	641,000
	WISCONSIN		
(N)	ASHLAND HARBOR, WI	261,000	261,000
(FC)	EAU GALLE RIVER LAKE WISCONSIN, WI	326,000	351,000
(N)	FOX RIVER, WI	1,124,000	1,124,000
(N)	GREEN BAY HARBOR, WI	914,000	914,000
(N)	GREEN BAY HARBOR, WI - DIKE DISPOSAL	2,160,000	2,160,000
(N)	KENOSHA HARBOR, WI	884,000	884,000
(N)	KEWAUNEE HARBOR, WI	166,000	166,000
(FC)	LA FARGE LAKE, WI	31,000	31,000
(N)	MANITOWOC HARBOR, WI	157,000	157,000
(N)	MILWAUKEE HARBOR, WI	987,000	987,000
(N)	SHEBOYGAN HARBOR, WI	367,000	367,000
(N)	STURGEON BAY, WI	143,000	143,000
	WYOMING		
	JACKSON HOLE, SNAKE RIVER	---	400,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	MISCELLANEOUS		
(N)	DREDGING RESEARCH PROGRAM	7,500,000	6,000,000
	INSPECTION OF COMPLETED WORKS	6,257,000	6,257,000
	MONITORING OF COMPLETED COASTAL PROJECTS	1,800,000	1,800,000
	NATIONAL EMERGENCY PREPAREDNESS PROGRAM (NEPP)	10,000,000	8,000,000
	PROJECT CONDITION SURVEYS	8,852,000	8,852,000
	PROTECTION, CLEARING, AND STRAIGHTENING OF CHANNELS (S	50,000	50,000
	REMOVAL OF SUNKEN VESSELS	1,000,000	1,000,000
	RECREATION PARTNERSHIP INITIATIVE	1,000,000	1,000,000
	SCHEDULING OF FLOOD CONTROL RESERVOIR OPERATIONS	2,620,000	2,620,000
	SURVEILLANCE OF NORTHERN BOUNDARY WATERS	2,500,000	2,500,000
	WATERBORNE COMMERCE STATISTICS	3,260,000	3,260,000
	REDUCTION FOR ANTICIPATED SAVINGS & SLIPPAGE	-19,570,000	-19,570,000
	TOTAL, OPERATION AND MAINTENANCE	1,282,622,000	1,377,504,000

TYPE OF PROJECT:
- (N) NAVIGATION
- (FC) FLOOD CONTROL
- (BE) BEACH EROSION CONTROL
- (MP) MULTIPLE-PURPOSE, INCLUDING POWER

TITLE II—DEPARTMENT OF THE INTERIOR

The summary tables at the end of this title set forth the conference agreement with respect to the individual approriations, programs and activities of the Bureau of Reclamation. Additional items of conference agreement are discussed below.

BUREAU OF RECLAMATION

GENERAL INVESTIGATIONS

Amendment No. 42: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $11,530,000 for general investigations instead of $11,230,000 as proposed by the House and $11,330,000 as proposed by the Senate, as follows:

In lieu of the sum stricken and inserted by said amendment, insert: *$11,530,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Within the amount provided for the Colorado River Water Quality Improvement Program, the conference agreement includes $150,000 for advance planning work on the Uinta Basin Unit, Utah.

CONSTRUCTION PROGRAM

Amendment No. 43: Appropriates $662,120,000 for the construction program as proposed by the Senate instead of $661,008,000 as proposed by the House.

The conferees concur with the Senate report language relating to the Columbia Basin project, Washington.

The conferees are concerned with the losses in hatchery production being experienced at the Coleman National Fish Hatchery in California. Therefore, the conferees strongly urge the Bureau of Reclamation to establish the responsibility and a definite schedule for this most important rehabilitation and repair work and provide adequate funds for this vital program.

Amendment No. 44: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

: Provided further, That in accordance with P.L. 100-563, there is authorized to be appropriated under Section 8, of the Act of April 11, 1956 (70 Stat. 110; 43 U.S.C. 620g), $15,000,000 as compensation to the Strawberry Water Users Association which shall be available only for such compensation and must be used for Strawberry Valley Reclamation Project purposes. Of the amounts appropriated hereafter (including funds previously appropriated for FY 1989) under section 8 of such Act, the first $15,000,000 shall be paid to the Association. Upon receipt of such compensation, the Association shall relinquish all of its contractual surface rights and interests, including sand and gravel, in the 56,775 acres of Project Lands.

Nothing in this Act shall delay the transfer of Strawberry Valley Project lands under the terms and conditions of Section 4 of P.L. 100-563.

During the Fiscal Year 1990, the Bureau is authorized to utilize funds surplus to construction needs under Section 5 of the Act of April 11, 1956 (70 Stat. 107; 43 U.S.C. 620d), if available, (Bonneville Unit only), to accomplish the purposes and objectives of Sections 3 and 4 of P.L. 100-563.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to accept bill language to compensate the Strawberry Water Users Association and to move forward with scheduled mitigation programs in the Bonneville Unit of the Central Utah Project in accordance with provisions of P.L. 100-563.

The Bureau of Reclamation has assured the conferees that sufficient unexpended funds from FY 1989 and funds surplus to construction needs in FY 1990 are available to meet the requirements of both Sections 3 and 4 of P.L. 100-563.

OPERATION AND MAINTENANCE

Amendment No. 45: Makes a technical correction to the code citation in the House bill as proposed by the Senate.

The conferees agree that any costs associated with maintaining the McCune Creek Siphon Crossing as described in the House report under General Administrative Expenses shall be derived from the Bureau's Operation and Maintenance account.

The conference agreement includes $736,000 for the Franklin D. Roosevelt Lake, Columbia Basin Project in Washington. The conferees direct the Bureau of Reclamation to give priority to providing shoreline erosion control and providing cleanup efforts to remove the accumulation of debris along the lake.

The conferees further urge the Bureau to restore the natural area for tourists and wildlife and to provide improved lake access for fishing and boating interests. The Bureau should include a progress report and a schedule of remaining work for these efforts in their testimony before the House and Senate Subcommittees on Energy and Water Development on the FY 1991 Budget.

SPECIAL FUNDS

Amendment No. 46: Makes a technical correction to the code citation in the House bill as proposed by the Senate.

ADMINISTRATIVE PROVISIONS

Amendment No. 47: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate permitting the use of volunteers by the Bureau of Reclamation.

DEPARTMENT OF THE INTERIOR

GENERAL PROVISIONS

Amendment No. 48: Deletes language proposed by the House and stricken by the Senate relating to compensation to the Strawberry Water Users Association.

Amendment No. 49: Changes a section number.

BUREAU OF RECLAMATION

TYPE OF PROJECT		PROJECT TITLE	FY 1990 BUDGET ESTIMATE	CONFERENCE ALLOWANCE
		GENERAL INVESTIGATIONS		
		CALIFORNIA		
PROJ.INV.	M&I	INDIAN WELLS VALLEY WATER MANAGEMENT STUDY	175,000	175,000
ADV.PLNG.	WQ	KELLOGG UNIT	25,000	25,000
		OFFSTREAM STORAGE INVESTIGATION	---	62,000
ADV.PLNG.	MC	REFUGE WATER SUPPLIES	25,000	13,000
ADV.PLNG.	I	SAN JOAQUIN CONVEYANCE	25,000	137,000
		SANTA ANA WATERSHED MANAGEMENT STUDY	---	138,000
		COLORADO		
SP.INV.	MP	HIGH MOUNTAIN AQUIFER STUDY	30,000	30,000
		SOUTH PLATTE RIVER OPERATIONS STUDY	---	38,000
PROJ.INV.	MP	UPPER GUNNISON-UNCOMPAHGRE BASIN PROJECT	200,000	200,000
		IDAHO		
SP.INV.	M&I	TETON DAM REAPPRAISAL	---	150,000
		KANSAS		
SP.INV.	MP	ARKANSAS RIVER WATER MANAGEMENT IMPROVEMENT STUDY	400,000	400,000
		MONTANA		
SP.INV.	MC	FLATHEAD RIVER BASIN STORAGE OPTIMIZATION STUDY	95,000	48,000
		NEVADA		
PROJ.INV.	M&I	NORTHERN NEVADA WATER AUGMENTATION PROGRAM	215,000	215,000
		OREGON		
PROJ.INV.	MC	DESCHUTES RIVER BASIN WATER SALVAGE PROJECT	160,000	80,000
PROJ.INV.	MP	JOSEPHINE COUNTY WATER MANAGEMENT IMPROVEMENT STUDY	290,000	290,000
PROJ.INV.	MP	NORTHERN DOUGLAS CO. COOP. WATER RESOURCES STUDY	200,000	200,000
PROJ.INV.	MP	UPPER JOHN DAY WATER OPTIMIZATION PROJECT	215,000	215,000
PROJ.INV.	MP	WILLAMETTE RIVER BASIN WATER OPTIMIZATION STUDY	190,000	190,000
		TEXAS		
SP.INV.	MP	LOWER COLORADO RIVER BASIN TOTAL WATER MGMT STUDY	200,000	200,000

BUREAU OF RECLAMATION

TYPE OF PROJECT		PROJECT TITLE	FY 1990 BUDGET ESTIMATE	CONFERENCE ALLOWANCE
		UTAH		
SP.INV.	MP	SEVIER RIVER WATER MANAGEMENT STUDY	100,000	100,000
SP.INV.	MC	UTAH AREA WATER DEMAND MODEL	100,000	50,000
		WASHINGTON		
PROJ.INV.	I	YAKIMA RIVER BASIN WATER ENHANCEMENT PROJECT	740,000	740,000
		WYOMING		
SP. INV.	MP	SEMINOE DAM MODIFICATION	100,000	100,000
		VARIOUS		
PROJ.INV.	M&I	COLORADO RIVER RECHARGE STUDY	100,000	100,000
PROJ.INV.	WQ	COLORADO RIVER WATER QUALITY IMPROVEMENT PROGRAM	1,235,000	1,235,000
		SPECIAL INVESTIGATIONS:		
SP.INV.		ENVIRONMENTAL & INTERAGENCY COORDINATION ACTIVITIES	2,969,000	2,969,000
SP.INV.	MC	FOUR CORNERS WATER ASSESSMENT	125,000	63,000
SP.INV.		GENERAL PLANNING STUDIES	775,000	775,000
SP.INV.		INVESTIGATION OF EXISTING PROJECTS	622,000	622,000
SP.INV.		MINOR WORK ON COMPLETED INVESTIGATIONS	444,000	444,000
SP.INV.		TECHNICAL ASSISTANCE TO STATES	1,570,000	1,570,000
SP.INV.	WQ	TOXIC CONSTITUENT STUDIES	200,000	100,000
SP.INV.	I	UPPER SNAKE RIVER BASIN STORAGE OPTIMIZATION	155,000	155,000
PROJ.INV.	MP	VEGETATION MANAGEMENT ALONG THE COLORADO RIVER	150,000	---
		REDUCTION FOR ANTICIPATED SAVINGS & SLIPPAGES	-280,000	-299,000
		TOTAL, GENERAL INVESTIGATIONS	11,550,000	11,530,000
		CONSTRUCTION PROGRAM		
		CONSTRUCTION AND REHABILITATION AND COLORADO RIVER BASIN SALINITY CONTROL PROJECTS		
		ARIZONA		
		HEADGATE ROCK HYDROELECTRIC PROJECT	9,250,000	9,250,000
		INDIAN WATER RIGHTS SETTLEMENT PROJECT -SAWRSA	6,000,000	6,000,000
		CALIFORNIA		
		CENTRAL VALLEY PROJECT:		
		AUBURN-FOLSOM SOUTH UNIT	1,700,000	1,700,000
		MISCELLANEOUS PROJECT PROGRAMS	7,850,000	7,850,000
		SACRAMENTO RIVER DIVISION	6,325,000	6,325,000
		SAN FELIPE DIVISION	2,500,000	2,600,000
		SAN LUIS UNIT	5,428,000	5,428,000
		TRINITY RIVER RESTORATION PROGRAM	12,280,000	12,280,000
		COLORADO		
		GRAND VALLEY UNIT, TITLE II, CRBSCP	8,239,000	8,239,000
		LAS VEGAS WASH, TITLE II, CRBSCP	---	50,000
		LOWER GUNNISON BASIN WINTER WATER, TITLE II, CRBSCP	---	2,500,000
		PARADOX VALLEY UNIT, TITLE II, CRBSCP	2,461,000	2,461,000
		SAN LUIS VALLEY PROJECT, CLOSED BASIN DIVISION	7,755,000	7,755,000

BUREAU OF RECLAMATION

TYPE OF PROJECT	PROJECT TITLE	FY 1990 BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	NEBRASKA		
	NORTH LOUP DIVISION, P-SMBP	6,030,000	23,030,000
	O'NEILL UNIT, P-SMBP	700,000	700,000
	NORTH DAKOTA		
	GARRISON DIVERSION UNIT, P-SMBP	8,750,000	30,000,000
	OREGON		
	UMATILLA BASIN PROJECT	---	650,000
	SOUTH DAKOTA		
	BELLE FOURCHE UNIT, P-SMBP	6,765,000	6,765,000
	WEB RURAL WATER DEVELOPMENT PROJECT	14,304,000	14,304,000
	MNI WICONI RURAL WATER SUPPLY PROJECT	---	500,000
	WASHINGTON		
	COLUMBIA BASIN PROJECT:		
	IRRIGATION FACILITIES	5,210,000	5,210,000
	THIRD POWERPLANT	11,153,000	11,153,000
	YAKIMA FISH PASSAGE & PROTECTIVE FACILITIES	400,000	400,000
	WYOMING		
	BUFFALO BILL DAM MODIFICATION, P-SMBP	15,957,000	15,957,000
	VARIOUS		
	BOULDER CANYON PROJECT	12,000,000	12,000,000
	MEASURES BELOW IMPERIAL DAM, TITLE I, CRBSCP	19,060,000	19,060,000
	SUBTOTAL, REGULAR CONSTRUCTION	170,117,000	212,167,000
	DRAINAGE AND MINOR CONSTRUCTION:		
	ALL AMERICAN CANAL PROJECT, ARIZONA	560,000	560,000
	ARBUCKLE PROJECT	---	25,000
	BOISE PROJECT, PAYETTE DIVISION, IDAHO	1,268,000	1,268,000
	BRANTLEY PROJECT, NEW MEXICO	3,286,000	3,286,000
	CHIEF JOSEPH DAM PROJECT, OROVILLE-TONASKET UNIT, WA	2,150,000	2,150,000
	COLORADO RIVER FRONT WORK & LEVEE SYSTEM, AR, CO	8,400,000	8,400,000
	CULTURAL RESOURCES ACTIVITIES, ND, NE, MT, SD, WY	200,000	200,000
	FRYINGPAN-ARKANSAS PROJECT, COLORADO	6,034,000	6,034,000
	GILA PROJECT, ARIZONA	830,000	830,000
	KLAMATH PROJECT, OREGON-CALIFORNIA	1,898,000	1,898,000
	LEADVILLE MINE DRAINAGE TUNNEL, COLORADO	4,550,000	4,550,000
	MCGEE CREEK, PROJECT, OKLAHOMA	2,770,000	2,770,000
	NEWLANDS PROJECT, NEVADA	800,000	800,000
	PICK-SLOAN MISSOURI BASIN PROGRAM:		
	EAST BENCH UNIT, MONTANA	50,000	50,000
	FARWELL UNIT, NEBRASKA	460,000	460,000
	GLENDO UNIT, WYOMING	1,200,000	1,200,000
	OAHE UNIT, SOUTH DAKOTA	65,000	65,000
	OWL CREEK UNIT, WYOMING	15,000	15,000
	VELARDE COMMUNITY DITCH PROJECT, NEW MEXICO	7,525,000	7,525,000
	WASHOE PROJECT, CALIFORNIA-NEVADA	405,000	405,000
	WEBER BASIN PROJECT, UTAH	1,005,000	1,005,000
	SUBTOTAL, DRAINAGE AND MINOR CONSTRUCTION	43,471,000	43,496,000

BUREAU OF RECLAMATION

TYPE OF PROJECT	PROJECT TITLE	FY 1990 BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	SAFETY OF DAMS PROGRAMS:		
	CACHUMA PROJECT, BRADBURY DAM, CALIFORNIA	100,000	100,000
	CENTRAL VALLEY PROJECT, LITTLE PANOCHE DAM, CA	225,000	225,000
	CENTRAL VALLEY PROJECT, LOS BANOS DAM, CALIFORNIA	675,000	675,000
	CENTRAL VALLEY PROJECT, O'NEILL DAM, CALIFORNIA	45,000	45,000
	COOLIDGE DAM, AZ	---	1,400,000
	DEPARTMENT DAM SAFETY PROGRAM	450,000	450,000
	HYRUM PROJECT, UTAH	145,000	145,000
	INITIATE SOD CORRECTIVE ACTION	7,955,000	6,555,000
	MINIDOKA PROJECT, JACKSON LAKE DAM, IDAHO-WYOMING	691,000	691,000
	MODIFICATION REPORTS AND PRECONSTRUCTION ACTIVITY	8,000,000	8,000,000
	SALT RIVER PROJECT, BARTLETT DAM, ARIZONA	1,700,000	1,700,000
	SALT RIVER PROJECT, HORSESHOE DAM, ARIZONA	1,700,000	1,700,000
	SALT RIVER PROJECT, STEWART MTN. DAM, ARIZONA	5,578,000	5,578,000
	SAN ANGELO PROJECT, TWIN BUTTES DAM, TEXAS	800,000	800,000
	SEEDSKADEE PROJECT, FONTENELLE DAM, CRSP, WYOMING	250,000	250,000
	WASHITA BASIN PROJECT, FOSS DAM, OKLAHOMA	500,000	500,000
	W.C. AUSTIN PROJECT, ALTUS DAM, OKLAHOMA	470,000	470,000
	SUBTOTAL, SAFETY OF DAMS	29,284,000	29,284,000
	REHABILITATION AND BETTERMENT:		
	HIGHLAND-HANOVER DIV, HANOVER-BLUFF UNIT, WY	---	150,000
	HYRUM PROJECT, UTAH	1,101,000	1,101,000
	MILK RIVER, GLASGOW DIVISION, MT	---	100,000
	MILK RIVER, MALTA DIVISION, MT	---	250,000
	OGDEN RIVER PROJECT, UTAH	2,050,000	2,050,000
	UPPER BLUFF DIVISION, HANOVER-BLUFF UNIT, WY	---	110,000
	WEBER BASIN PROJECT, UTAH	1,100,000	1,100,000
	SUBTOTAL, REHABILITATION AND BETTERMENT	4,251,000	4,861,000
	APPLIED ENGINEERING:		
	GROUNDWATER RECHARGE DEMONSTRATION PROGRAM	7,323,000	7,323,000
	PROGRAM RELATED ENGINEERING & SCIENTFIC STUDIES	4,500,000	4,500,000
	SUBTOTAL, APPLIED ENGINEERING	11,823,000	11,823,000
	TOTAL, CONSTRUCTION AND REHABILITATION AND COLORADO RIVER BASIN SALINITY CONTROL PROJECTS	258,946,000	301,631,000
	COLORADO RIVER STORAGE PROJECT		
	UPPER COLORADO RIVER BASIN FUND		
	PARTICIPATING PROJECTS		
	COLORADO		
	ANIMAS-LA PLATA PROJECT	3,727,000	5,900,000
	DOLORES PROJECT	41,146,000	41,146,000
	UTAH		
	CENTRAL UTAH PROJECT, BONNEVILLE UNIT	116,170,000	116,170,000
	CENTRAL UTAH PROJECT, UINTAH UNIT	50,000	50,000
	DRAINAGE AND MINOR CONSTRUCTION		
	PARTICIPATING PROJECTS:		
	CENTRAL UTAH PROJECT, JENSEN UNIT, UTAH	122,000	122,000
	DALLAS CREEK PROJECT, COLORADO	265,000	265,000

BUREAU OF RECLAMATION

TYPE OF PROJECT	PROJECT TITLE	FY 1990 BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	RECREATIONAL AND FISH AND WILDLIFE FACILITIES:		
	RECREATIONAL FACILITIES	9,143,000	9,143,000
	FISH AND WILDLIFE FACILITIES	19,128,000	19,128,000
	TOTAL, COLORADO RIVER STORAGE PROJECT	189,751,000	191,924,000
	COLORADO RIVER BASIN PROJECT		
	CENTRAL ARIZONA PROJECT		
	ARIZONA		
	CENTRAL ARIZONA PROJECT, WATER DEVELOPMENT (LCRBDF)	188,823,000	188,823,000
	CENTRAL ARIZONA PROJECT, NON-INDIAN DISTR. SYSTEMS	15,932,000	15,932,000
	CENTRAL ARIZONA-SAFETY OF DAMS	13,843,000	13,843,000
	TOTAL, COLORADO RIVER BASIN PROJECT	218,598,000	218,598,000
	ASSOCIATED ITEMS		
	UNDISTRIBUTED REDUCTION BASED ON ANTICIPATED DELAYS	-22,988,000	-50,033,000
	TOTAL, CONSTRUCTION PROGRAM	644,307,000	662,120,000
	LOAN PROGRAM		
	CALIFORNIA		
	ELSINORE VALLEY IRRIGATION DISTRICT	10,821,000	10,821,000
	SAN BERNARDINO COUNTY-DAY CREEK	9,160,000	9,160,000
	UNITED WATER CONSERVATION DISTRICT	6,247,000	6,247,000
	COLORADO		
	STAGECOACH PROJECT	2,437,000	2,437,000
	MONTANA		
	MIDDLE CREEK DAM REHABILITATION PROJECT	---	830,000
	TEXAS		
	HIDALGO COUNTY IRRIGATION DISTRICT NO. 1 SUPPL	3,742,000	3,742,000
	VARIOUS		
	ADMINISTRATION OF THE LOAN PROGRAM	885,000	885,000
	TOTAL, LOAN PROGRAM	33,292,000	34,122,000

TITLE III—DEPARTMENT OF ENERGY

The summary tables at the end of this title set forth the conference agreement with respect to the individual appropriations, programs and activities of the Department of Energy. Additional items of conference agreement are discussed below.

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

Amendment No. 50: Appropriates $2,215,466,000 for Energy Supply, Research and Development Activities as proposed by the Senate instead of $2,140,816,000 as proposed by the House.

The amendment also restores language proposed by the House and stricken by the Senate relating to the Midwest Superconductivity Consortium at Purdue University and concurs in the amendment of the Senate relating to the Biomedical Research Institute, LSU Medical Center at Shreveport, Louisiana, and the Oregon Health Science University.

Amendment No. 51: Deletes language proposed by the Senate appropriating $3,300,000 for the Reduced Enrichment in Research and Test Reactors.

SOLAR AND RENEWABLE ENERGY

Solar Building Systems.—The Department should prepare a report on the Solar Buildings Program and the Community Buildings Systems Program justifying why these parallel programs should not be merged.

Ocean Energy Systems.—The conferees provide that of the $4,178,000 for the ocean energy program, not less than $2,100,000 shall be made available to PICHTR, an organization established by the State of Hawaii pursuant to section 3 of Act 152 of the 1983 Hawaii State legislative session, to continue work on the PICHTR-OTEC project.

Other Solar Programs.—The conferees approve $500,000 for the last contribution for PACSAT from within the total available solar funds.

GEOTHERMAL

The conference agreement does not include funding for the State of Hawaii geothermal resource verification.

ELECTRIC ENERGY SYSTEMS AND STORAGE

The conference agreement does not include funds to initiate a High Phase Order electric transmission demonstration project or the continuation of a laboratory-industry initiative in electrochemical research and proton exchange membrane (PEM) fuel cell technology.

NUCLEAR ENERGY RESEARCH

Advanced Reactor Research and Development.—The conferees agree to provide an increase of $15,000,000 over the budget request for the Argonne National Laboratory (ANL) in Idaho for the integral fast reactor program.

In addition, $4,000,000 is included for the Advanced Control Test Operation (ACTO) Program.

Funds are not included for the additional shielding work at the Oak Ridge National Laboratory.

Space and Defense Power Systems.—The conferees recommend $32,090,000 for space and defense power systems. Budget allocation constraints will require other departments and agencies to come up with their fair share of the costs of these activities.

Advanced Nuclear Systems.—The conferees recommend $50,200,000. These funds are used to provide support for NASA and DOD missions. Budget allocation constraints will require other agencies to help offset the cost of these efforts.

Facilities.—The conferees agree to provide $12,100,000 for the Energy and Technology Engineering Center (ETEC) in California from funds available to the Nuclear Energy and Atomic Energy Defense Activities. The conference allowance includes the budget request for the Fast Flux Test Facility (FFTF) in Richland, WA.

BIOLOGICAL AND ENVIRONMENTAL RESEARCH

Global Change.—The conferees provide $6,000,000 for the contract for the Laboratory for Environmental Health Research in California as described in the House Report. In addition, the Department is directed to accelerate research in the area of early detection of the greenhouse effect in the atmosphere and in the determination of definitive quantitative links between the increase of greenhouse gases and the symptoms of global warming.

MAGNETIC FUSION

The conferees are concerned about the course and progress of the fusion research program. The date that magnetic fusion might become a commercial reality continues to be extended. The conferees are concerned about this very long-term commitment and the vast amount of funding necessary to prove the scientific feasibility of fusion.

The conferees provide $330,750,000 for the fusion program. In order to provide the Department with the flexibility to develop a meaningful program, the conferees are recommending that these funds be provided without further allocation between program components, projects, and activities within the fusion program. The Secretary may reserve a modest portion of such funds which shall be available to carry out any new policy directions only after prior approval of the Subcommittees on Energy and Water Development Appropriations of the House of Representatives and the U.S. Senate after review by the Committee of the result of the fusion program policy review.

In addition, the Department is directed to provide to the Committees on Appropriations a full accounting of the policy review, a statement outlining any redirections within the fusion program, and the budgetary impacts of such redirections.

SUPPORTING RESEARCH AND TECHNICAL ANALYSIS

Materials Science.—The conferees recommend $9,500,000 in fiscal year 1990 to continue research and development and preliminary engineering work leading to an Advanced Neutron Source at Oak Ridge National Laboratory. No construction funding is proposed or approved.

Cooperative and Other Programs.—Since 1981, the Lawrence Berkeley Laboratory, the Ana G. Mendez Educational Foundation and Jackson State University have enjoyed a productive relationship. The conferees provide $2,500,000 in FY 1990 to maintain and support this relationship.

The conference agreement includes $3,000,000 for the programs of the Advanced Technology Research Center at Oklahoma State University. In addition, $300,000 has been included for Rural Enterprises, Inc., in Oklahoma and $300,000 for the Industrial Technology Institute in Ann Arbor, Michigan.

University Research Support.—The conference recommendation provides $6,000,000 to be made available, on a competitive basis, to university nuclear engineering programs. In addition, $1,000,000 is provided for upgrading and operating of university nuclear research and training reactors.

The conferees are aware of the work being done at Mississippi State University to scale up to industrial use many optically-based diagnostic instruments developed in DOE laboratories. The conferees urge the Department to explore the possibility of entering into a cooperative agreement with Mississippi State to accelerate the transfer of this instrumentation technology to the private sector.

Because of budgetary constraints, the conference agreement includes a general reduction of $21,000,000. This reduction should be applied so as not to significantly disrupt any program and should not be applied to activities cited in the statement of the managers accompanying the conference report.

URANIUM SUPPLY AND ENRICHMENT ACTIVITIES

Amendment No. 52: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate dealing with the purchase of enriched uranium from the Federal Republic of Germany.

The Department of Energy has advised that the uranium enrichment program has the opportunity to purchase material at prices that would be less than the cost of production. The conferees intend that the Department purchase this material only in amounts that the Department determines results in power cost savings but in no event shall such purchases increase costs.

Amendment No. 53: Appropriates $1,431,000,000 instead of $1,428,000,000 as proposed by the Senate and $1,445,000,000 as proposed by the House.

The conferees direct the Department to accelerate the completion of the AVLIS technology and assure industrial perspective is incorporated into the deployment.

GENERAL SCIENCE AND RESEARCH ACTIVITIES

Amendment No. 54: Appropriates $1,114,431,000 as proposed by the Senate instead of $1,062,431,000 as proposed by the House.

The conferees have included a $5,000,000 reduction in Facility Operations in operating expenses under High Energy Physics for the Alternating Gradient Synchrotron (AGS) at the Brookhaven National Laboratory. While this reduction is identified in this manner, the Secretary, at his discretion, may shift this reduction to other programs that involve the AGS or to plant or capital equipment for the AGS.

The conferees agree to include $225,000,000 for the Superconducting Super Collider, $125,000,000 of which is to initiate the first tunnel sector contract as proposed by the Senate.

Amendment No. 55: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate that limits foreign participation in the Superconducting Super Collider.

The conferees agree that foreign participation in the Superconducting Super Collider may negatively impact the development of high technology in this country and foster further development outside the U.S. On the other hand, foreign contributions may make a significant reduction in the cost of the SSC. The conferees agree that a report on such participation is necessary prior to finalizing any foreign participation agreements. Using this report, Congress can then make a decision on how much and

what type of foreign participation is appropriate.

The conferees agree that the Department may have full discretion in allocating the General Reduction for this appropriation account.

NUCLEAR WASTE DISPOSAL FUND

Amendment No. 56: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted, insert the following:

For nuclear waste disposal activities to carry out the purposes of Public Law 97-425, as amended, including the acquisition of real property or facility construction or expansion, $346,000,000, to remain available until expended, to be derived from the Nuclear Waste Fund. To the extent that balances in the fund are not sufficient to cover amounts available for obligation in the account, the Secretary shall exercise his authority pursuant to section 302(e)(5) to issue obligations to the Secretary of the Treasury: Provided, That any proceeds resulting from the sale of assets purchased from the Nuclear Waste Fund shall be returned to the Nuclear Waste Fund: Provided further, That of the amount herein appropriated not to exceed $5,000,000, may be provided to the State of Nevada, for the conduct of its oversight responsibilities pursuant to the Nuclear Waste Policy Act of 1982, Public Law 97-425, as amended, of which $1,000,000 is to be available for the University of Nevada-Reno to carry out infrastructure studies related to nuclear waste, and of which not more than $1,000,000 may be expended for geology and hydrology studies carried out by the University of Nevada system and not more than $1,000,000 may be expended for socioeconomic and transportation studies: Provided further, That not more than $6,000,000, may be provided to the State of Nevada, at the discretion of the Secretary of Energy, to conduct appropriate activities pursuant to the Act: Provided further, That not more than $5,000,000, may be provided to affected local governments, as defined in the Act, to conduct appropriate activities pursuant to the Act: Provided further, That none of the funds herein appropriated may be used directly or indirectly to influence legislative action on any matter pending before Congress or a State legislature or for any lobbying activity as provided in 18 U.S.C. 1913: Provided further, That of the amount appropriated herein, up to $10,000,000 shall be made available to the University of Nevada, Las Vegas (UNLV), to provide computing resource to the State of Nevada to carry out its independent analyses and oversight responsibilities under the Nuclear Waste Policy Act of 1982 and for use by UNLV. The funds shall be made available by direct payment to UNLV in the amount of the purchase price of a supercomputer or coupled minisupercomputers. UNLV shall take title to and assume ownership of the computer hardware and software that are purchased with these funds.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment appropriates $346,000,000 instead of $424,700,000 as proposed by the House and $350,000,000 as proposed by the Senate. In addition, the amendment provides certain direction with regard to the implementation of the Nuclear Waste Disposal Fund.

ATOMIC ENERGY DEFENSE ACTIVITIES

Amendment No. 57: Appropriates $9,656,034,000 for Atomic Energy Defense Activities instead of $9,692,300,000 as proposed by the House and $9,554,098,000 as proposed by the Senate.

The conferees agree that accomplishing R&D in the weapons program outside the National Laboratories creates problems because of the highly classified nature of the program. The conferees understand that the Rochester Institute of Technology is a high caliber institution conducting work in microelectronic engineering and imaging sciences. The Department is urged to consider use of this facility in accomplishing this type of work in the weapons program.

The conferees agree to defer without prejudice initial funding of an upgrade to the Omega Laser at the University of Rochester. The conferees agree that improvements to major fusion facilities should be postponed until the results of the previously directed independent review of the Inertial Confinement Fusion program is completed.

The conferees agree that no funding is included for phase I transportation improvements at Lawrence Livermore National Laboratory and Sandia-Livermore Laboratory.

Amendment No. 58: Deletes language proposed by the Senate regarding the amount of funding for environmental restoration and waste operation. These allocations are addressed in the summary table at the end of this title.

DEPARTMENTAL ADMINISTRATION

Amendment No. 59: Appropriates $355,056,000 for Departmental Administration expenses instead of $358,734,000 as proposed by the House and $354,297,000 as proposed by the Senate.

Amendment No. 60: Provides final appropriation of $205,056,000 for Departmental Administration instead of $208,734,000 as proposed by the House and $204,297,000 as proposed by the Senate. The conference agreement includes not less than $417,000 for the minority honors training program.

POWER MARKETING ADMINISTRATIONS

BONNEVILLE POWER ADMINISTRATION

The conferees agree with the Senate report language on BPA's borrowing authority.

SOUTHWESTERN POWER ADMINISTRATION

Amendment No. 61: Restores language proposed by the House and stricken by the Senate dealing with below average hydropower generation.

Amendment No. 62: Restores language proposed by the House and stricken by the Senate dealing with below average hydropower generation.

GENERAL PROVISIONS—DEPARTMENT OF ENERGY

Amendment No. 63: Deletes language included by the House and stricken by the Senate removing a centerhead.

Amendment No. 64: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate that expands the application of minority involvement in the SSC.

Department of Energy

	FY 1990 Budget Request	Conference
ENERGY SUPPLY RESEARCH AND DEVELOPMENT		
SOLAR ENERGY		
I. Solar applications		
A. Solar building energy systems		
Operating expenses	4,055,000	4,055,000
Capital equipment	150,000	150,000
Subtotal, Solar building energy systems	4,205,000	4,205,000
B. Photovoltaic energy systems		
Operating expenses	24,650,000	34,600,000
Capital equipment	400,000	900,000
Subtotal, Photovoltaic energy systems	25,050,000	35,500,000
C. Solar thermal energy systems		
Operating expenses	13,232,000	15,232,000
Capital equipment	150,000	150,000
Subtotal, Solar thermal energy system	13,382,000	15,382,000
D. Biofuels energy systems		
Operating expenses	8,480,000	15,780,000
Capital equipment	600,000	800,000
Subtotal, Biofuels energy systems	9,080,000	16,580,000
E. Wind energy systems		
Operating expenses	8,150,000	9,150,000
Capital equipment	200,000	200,000
Subtotal, Wind energy systems	8,350,000	9,350,000
F. Ocean energy systems		
Operating expenses	2,078,000	4,078,000
Capital equipment	100,000	100,000
Subtotal, Ocean energy systems	2,178,000	4,178,000
Subtotal, Solar applications	62,245,000	85,195,000
II. Other solar energy		
A. International solar energy program - OE	554,000	1,054,000
B. Solar technology transfer		
Operating expenses	1,823,000	1,823,000
C. Solar Energy Research Institute		
Capital equipment	482,000	482,000
Construction:		
General plant projects	175,000	175,000
Subtotal, Solar Energy Research Institute	657,000	657,000
D. Resource assessment		
Operating expenses	772,000	772,000
E. Program support - OE	900,000	900,000
F. Program direction - OE	4,205,000	4,205,000

Department of Energy

	FY 1990 Budget Request	Conference
Subtotal, Other solar energy	8,911,000	9,411,000
TOTAL, SOLAR ENERGY	71,156,000	94,606,000
(Operating expenses)	(68,899,000)	(91,649,000)
(Capital equipment)	(2,082,000)	(2,782,000)
(Construction)	(175,000)	(175,000)
GEOTHERMAL		
I. Geopressured research		
Operating expenses	2,900,000	6,000,000
II. Geothermal technology development		
Operating expenses	11,233,000	11,233,000
Capital equipment	450,000	450,000
Subtotal, Geothermal technology development	11,683,000	11,683,000
III. Program direction - OE	826,000	826,000
TOTAL, GEOTHERMAL	15,409,000	18,509,000
(Operating expenses)	(14,959,000)	(18,059,000)
(Capital equipment)	(450,000)	(450,000)
ELECTRIC ENERGY SYSTEMS AND STORAGE		
I. Electric energy systems		
A. Electric field effects research		
Operating expenses	2,200,000	3,000,000
B. Reliability research		
Operating expenses	2,494,000	2,494,000
C. System and materials research		
Operating expenses	12,122,000	12,122,000
D. Program direction - OE	497,000	497,000
Subtotal,Electric energy systems	17,313,000	18,113,000
II. Energy Storage Systems		
A. Battery storage		
Operating expenses	6,407,000	10,407,000
Capital equipment	27,000	27,000
Subtotal, Battery storage	6,434,000	10,434,000
B. Thermal and chemical storage		
Operating expenses	1,750,000	1,750,000
C. Program direction - OE	405,000	405,000
Subtotal, Energy storage systems	8,589,000	12,589,000
TOTAL, ELECTRIC ENERGY SYSTEMS AND STORAGE	25,902,000	30,702,000
(Operating expenses)	(25,875,000)	(30,675,000)
(Capital equipment)	(27,000)	(27,000)

Department of Energy

	FY 1990 Budget Request	Conference
NUCLEAR		
I. Nuclear Energy R&D		
A. Light water reactor		
Operating expense	24,000,000	25,000,000
B. Advanced reactor R & D		
Operating expense	30,685,000	58,185,000
Capital equipment	2,000,000	2,000,000
Subtotal, Advanced reactor R & D	32,685,000	60,185,000
C. Space & defense power systems		
Operating expense	26,930,000	21,930,000
Capital equipment	6,370,000	2,460,000
Construction:		
86-N-105 SP-100 fac. mods - HEDL	11,700,000	7,700,000
Subtotal, Space & defense power systems	45,000,000	32,090,000
D. Advanced nuclear systems		
Operating expense	40,200,000	30,200,000
Capital equipment	4,000,000	4,000,000
Construction:		
89-N-111 RPSF	16,000,000	16,000,000
Subtotal, Advanced nuclear systems	60,200,000	50,200,000
E. Facilities		
Operating expense	165,200,000	165,200,000
Capital equipment	4,100,000	4,100,000
Construction:		
90-N-201 GPP	3,700,000	3,700,000
90-N-202 Mod to Reactors	5,250,000	5,250,000
89-N-115 Fire suf. imp., ANL	1,750,000	1,750,000
Subtotal, construction	10,700,000	10,700,000
Subtotal, Facilities	180,000,000	180,000,000
F. Program direction - OE	8,800,000	8,800,000
Subtotal, Nuclear Energy R & D	350,685,000	356,275,000
(Operating expense)	(295,815,000)	(309,315,000)
(Capital equipment)	(16,470,000)	(12,560,000)
(Construction)	(38,400,000)	(34,400,000)
II. Remedial actions & waste technology		
A. Formerly utilized sites		
Operating expenses	14,900,000	14,900,000
Capital equipment	100,000	100,000
Subtotal, formerly utilized sites	15,000,000	15,000,000
B. Uranium program mill tailings		
Operating expenses	95,000,000	95,000,000
Capital equipment	1,000,000	1,000,000
Subtotal, uranium program mill tailings	96,000,000	96,000,000
C. Surplus facilities		
Operating expenses	29,500,000	29,500,000
Capital equipment	500,000	500,000
Subtotal, surplus facilities	30,000,000	30,000,000

Department of Energy

	FY 1990 Budget Request	Conference
D. West valley		
Operating expenses	90,000,000	90,000,000
E. Low level waste		
Operating expenses	5,000,000	5,000,000
G. Program direction - OE	2,600,000	2,600,000
Subtotal, Remedial actions & waste technology	238,600,000	238,600,000
III. Civilian waste R&D		
A. Spent fuel storage R&D		
Operating expenses	800,000	800,000
B. Program direction	200,000	200,000
Subtotal, Civilian waste R&D	1,000,000	1,000,000
TOTAL, NUCLEAR	590,285,000	595,875,000
(Operating expenses)	(533,815,000)	(547,315,000)
(Capital equipment)	(18,070,000)	(14,160,000)
(Construction)	(38,400,000)	(34,400,000)
ENVIRONMENT, SAFETY AND HEALTH		
I. Environment, safety and health		
Operating expenses	121,526,000	111,526,000
Capital equipment	3,100,000	3,100,000
TOTAL, ENVIRONMENT, SAFETY AND HEALTH	124,626,000	114,626,000
LIQUIFIED GASEOUS SPILL TEST FACILITY		
I. Spill test facility		
Operating expenses	1,050,000	1,050,000
ENVIRONMENT R & D		
I. Biological and Environmental Research		
Operating expenses	250,865,000	280,865,000
Capital equipment	12,500,000	12,500,000
Construction:		
90-R-120 GPP	3,500,000	3,500,000
90-R-121 Biomedical Research Institute, LSU Medical Center, LA	---	10,000,000
88-R-124 Oregon Health Science Univ., OR	---	10,000,000
Subtotal, Construction	3,500,000	23,500,000
Subtotal, Biological and environ. research	266,865,000	316,865,000
II. Program direction - OE		
A. Bio and env. research - PD	4,600,000	4,600,000
TOTAL, ENVIRONMENT R & D	271,465,000	321,465,000
(Operating expenses)	(255,465,000)	(285,465,000)
(Capital equipment)	(12,500,000)	(12,500,000)
(Construction)	(3,500,000)	(23,500,000)

Department of Energy

	FY 1990 Budget Request	Conference
FUSION		
I. Magnetic fusion		
A. Confinement systems	168,150,000	---
B. Development and technology	56,700,000	---
C. Applied plasma physics	73,215,000	---
D. Planning and projects	4,900,000	---
E. Program direction - OE	5,000,000	---
F. Capital equipment	13,185,000	---
G. Construction:		
90-E-900 GPP	9,300,000	---
89-R-800 Confinement physics res facility	13,300,000	---
88-R-92 Compact ignition tokamak, PPPL, Princeton, NJ	5,500,000	---
Subtotal, Construction	28,100,000	---
TOTAL, FUSION	349,250,000	330,750,000
(Operating expenses)	(307,965,000)	(330,750,000)
(Capital equipment)	(13,185,000)	---
(Construction)	(28,100,000)	---
SUPPORTING RESEARCH AND TECHNICAL ANALYSIS		
I. Basic energy sciences		
A. Materials sciences	202,252,000	208,552,000
B. Chemical sciences	147,917,000	147,917,000
C. Applied mathematical sciences	44,877,000	44,877,000
D. Engineering and geosciences	34,093,000	34,093,000
E. Advanced energy projects	14,936,000	14,936,000
F. Energy biosciences	21,200,000	21,200,000
G. Program direction - OE	5,450,000	5,450,000
H. Capital equipment	37,587,000	37,587,000
I. Construction:		
90-R-400 GPP	5,588,000	5,588,000
90-R-401 AIP	4,600,000	4,600,000
90-R-402 Partial Decon. & Protective Storage of the ANL CP-5 Research Reactor	1,000,000	1,000,000
89-R-402 6-7 GeV Syn. Radiation Source	40,000,000	40,000,000
88-R-403 3 GeV Spear Injector, SSRL	4,500,000	4,500,000
87-R-406 1-2 GeV Synch Rad Sc, LBL	26,000,000	26,000,000
Subtotal, Construction	81,688,000	81,688,000
Subtotal, Basic energy sciences	590,000,000	596,300,000
(Operating expenses)	(470,725,000)	(477,025,000)
(Capital equipment)	(37,587,000)	(37,587,000)
(Construction)	(81,688,000)	(81,688,000)

Department of Energy

	FY 1990 Budget Request	Conference
II. Energy oversight, research analy. & Univ support		
A. Energy research analysis - OE	3,980,000	3,980,000
B. University research support - OE		
Operating expenses:		
1. University reactor fuel assistance	2,265,000	3,115,000
2. Laboratory Coop Science Education Ctrs	9,370,000	17,370,000
3. Energy manpower development program	2,761,000	2,761,000
4. R&D Laboratory Tech Transfer	1,675,000	2,275,000
Subtotal, University research support	16,071,000	25,521,000
C. Advisory and oversight - OE	3,373,000	3,373,000
D. University research instrumentation	5,000,000	5,000,000
Subtotal, Energy oversight, res analy, & Univ sup	28,424,000	37,874,000
(Operating expenses)	(28,424,000)	(37,874,000)
III. Multiprogram Energy Laboratories - Fac. Sup.		
A. Multiprogram general purpose facilities		
Construction:		
90-R-100 Trans. Fac. Replacement, ANL	350,000	350,000
90-R-121 Rehab Fire, Water, Pumping & Storage Systems, ANL	150,000	150,000
90-R-107 Boiler Replacement, BNL	324,000	324,000
90-R-108 Ctrl. Shops Alteration & Add., BNL	310,000	310,000
90-R-109 Building Addition, BNL	1,700,000	1,700,000
90-R-110 Instrumentation Sup. Lab. Rehab, LB	200,000	200,000
90-R-111 Original Labsite Substation, LBL	250,000	250,000
90-R-112 Measurements and Controls Support Facility, ORNL	1,100,000	1,100,000
90-R-113 Elec. Syst. Upgrade, ORNL	855,000	855,000
90-R-115 Laboratory & Sanitary Sewer Collection System Rehab., ANL	500,000	500,000
90-R-116 Hazardous Waste Management Projects, BNL	160,000	160,000
90-R-117 Slope/Seismic Stabilization LBL	500,000	500,000
90-R-118 Fire Protection Upgrade, ORNL	1,340,000	1,340,000
90-R-119 Sanitary Wastewater Treatment Plant Improvements, ANL	500,000	500,000
89-R-102 Fire Protection III, BNL	2,355,000	2,355,000
89-R-108 Roads & Parking Rehab., ORNL	870,000	870,000
89-R-111 Building utilities, PNL	2,168,000	2,168,000
89-R-112 Replace PCB Transformers, ANL	1,380,000	1,380,000
89-R-113 Environmental Upgrades, BNL	3,262,000	3,262,000
88-R-805 Environmental improvements, BNL	1,489,000	1,489,000
88-R-806 Environmental health & safety project, LBL	4,837,000	4,837,000

Department of Energy

	FY 1990 Budget Request	Conference
88-R-807 Electrical system rehab, ANL.....	3,000,000	3,000,000
88-R-812 Hazardous waste handling fac, LBL..	1,350,000	1,350,000
87-R-753 Rehabilitate Laboratory Space (Building 200), ANL.....	2,611,000	2,611,000
87-R-756 Waterline Replacement, ANL.....	537,000	537,000
84-ER-103 Road repair (various locations)...	399,000	399,000
Subtotal, Construction.....	32,497,000	32,497,000
Subtotal, Multiprogram facilities.....	32,497,000	32,497,000
(Construction).....	(32,497,000)	(32,497,000)
B. Environmental compliance		
Operating expenses.....	9,000,000	9,000,000
Construction:		
90-R-770 GPP.....	1,000,000	1,000,000
88-R-830 Liquid low level waste collection and transfer sys upgrade, ORNL.....	10,500,000	10,500,000
Subtotal, Construction.....	11,500,000	11,500,000
Subtotal, Environmental Compliance Program	20,500,000	20,500,000
Subtotal, Multiprogram energy laboratories.....	52,997,000	52,997,000
(Operating expenses).....	(9,000,000)	(9,000,000)
(Construction).....	(43,997,000)	(43,997,000)
TOTAL, SUPPORTING RESEARCH AND TECHNICAL ANALYSIS.....	671,421,000	687,171,000
(Operating expenses).....	(508,149,000)	(523,899,000)
(Capital equipment).....	(37,587,000)	(37,587,000)
(Construction).....	(125,685,000)	(125,685,000)
POLICY AND MANAGEMENT		
I. Policy and Management		
A. Policy and management - ER.....	674,000	674,000
B. Policy and management - NE.....	2,200,000	2,200,000
C. Policy and management - CE.....	1,563,000	1,563,000
TOTAL, POLICY AND MANAGEMENT.....	4,437,000	4,437,000
ENERGY APPLICATIONS		
I. Technical information management program		
Operating expenses.....	13,850,000	13,850,000
Capital equipment.....	950,000	950,000
Construction.....	200,000	200,000
Subtotal, Technical information mgmt program.....	15,000,000	15,000,000
II. In-house energy management		
Operating expenses.....	2,020,000	2,020,000
Construction:		
90-A-601 Modifications for energy mgmt.....	15,810,000	15,810,000
90-A-602 Convert Boiler No. 4 (ANL).....	2,270,000	2,270,000
Subtotal, Construction.....	18,080,000	18,080,000
Subtotal, In-house energy management.....	20,100,000	20,100,000

Department of Energy

	FY 1990 Budget Request	Conference
III. Strategic facilities utilization program		
Operating expenses	1,977,000	1,977,000
Construction:		
90-A-101	198,000	198,000
Subtotal, Strategic facilities utilization prog	2,175,000	2,175,000
TOTAL, ENERGY APPLICATIONS	37,275,000	37,275,000
Subtotal, Energy supply research and development	2,162,276,000	2,236,466,000
Adjustments:		
General reduction	---	-21,000,000
TOTAL, ENERGY SUPPLY RESEARCH AND DEVELOPMENT	2,162,276,000	2,215,466,000
(Operating expenses)	(1,859,987,000)	(1,941,672,000)
(Capital equipment)	(87,951,000)	(71,556,000)
(Construction)	(214,338,000)	(202,238,000)
URANIUM ENRICHMENT		
I. Uranium enrichment activities		
A. Gaseous diffusion operations and support		
Operating expenses	1,184,300,000	1,184,300,000
Capital equipment	10,000,000	10,000,000
Construction:		
90-N-501 Cooling tower mods	300,000	300,000
90-N-502 General plant projects	8,300,000	8,300,000
89-N-501 UF6 cylinders	5,900,000	5,900,000
88-N-502 Process inventory control system, Pa	25,000,000	25,000,000
82-N-413 Improved UF6 containment	7,600,000	7,600,000
Subtotal, Construction	47,100,000	47,100,000
Subtotal, Gaseous diffusion operations & support	1,241,400,000	1,241,400,000
B. Atomic vapor laser isotope separation		
Operating expenses	136,900,000	124,900,000
Capital equipment	10,100,000	8,100,000
Construction:		
90-N-503 General plant projects	1,000,000	1,000,000
Subtotal, Atomic vapor laser isotope separation	148,000,000	134,000,000
C. Environmental restoration		
Operating expenses	50,500,000	50,500,000
D. Program direction - OE	5,100,000	5,100,000
Subtotal, Uranium enrichment activities	1,445,000,000	1,431,000,000
Revenues	-1,445,000,000	-1,500,900,000
TOTAL URANIUM ENRICHMENT ACTIVITIES	---	-69,900,000
(Operating expenses)	(-68,200,000)	(-136,100,000)
(Capital equipment)	(20,100,000)	(18,100,000)
(Construction)	(48,100,000)	(48,100,000)

Department of Energy

	FY 1990 Budget Request	Conference
GENERAL SCIENCE AND RESEARCH		
I. High energy physics		
A. Physics research		
Operating expenses	133,070,000	133,070,000
B. Facility operations		
Operating expenses	277,670,000	272,670,000
Capital equipment	81,200,000	81,200,000
Construction:		
90-R-101 AIP	14,855,000	14,855,000
90-R-104 Fermilab Linac Upgrade Project	4,700,000	4,700,000
GP-E-103 General plant projects, various locations	13,410,000	13,410,000
86-R-105 AGS Accumulator/Booster	4,985,000	4,985,000
Subtotal, Construction	37,950,000	37,950,000
Subtotal, Facility operations	396,820,000	391,820,000
C. High energy technology		
Operating expenses	82,040,000	77,040,000
D. Other capital equipment - CE	4,300,000	4,300,000
Subtotal, High energy physics	616,230,000	606,230,000
(Operating expenses)	(492,780,000)	(482,780,000)
(Capital equipment)	(85,500,000)	(85,500,000)
(Construction)	(37,950,000)	(37,950,000)
II. Nuclear physics		
A. Medium energy physics		
Operating expenses	93,700,000	94,700,000
B. Heavy ion physics		
Operating expenses	71,500,000	71,500,000
C. Low energy physics		
Operating expenses	27,400,000	27,400,000
D. Nuclear theory		
Operating expenses	12,700,000	12,700,000
E. Capital equipment	18,500,000	18,500,000
F. Construction:		
90-R-AIP	4,600,000	4,600,000
GP-E-300 General plant projects, various locations	4,400,000	4,400,000
87-R-203 Continuous electron beam accelerator facility, Newport News, Virginia	65,000,000	65,000,000
Subtotal Construction	74,000,000	74,000,000
G. Other capital equipment - CE	1,500,000	1,500,000
Subtotal, Nuclear physics	299,300,000	300,300,000
(Operating expenses)	(205,300,000)	(206,300,000)
(Capital equipment)	(20,000,000)	(20,000,000)
(Construction)	(74,000,000)	(74,000,000)

Department of Energy

	FY 1990 Budget Request	Conference
III. General Science program direction - OE.....	3,901,000	3,901,000
IV. Superconducting Super Collider		
A. Research and development		
Operating expenses.....	69,000,000	69,000,000
Capital equipment.....	21,000,000	21,000,000
Construction:		
90-R-106 Superconducting Super Collider.....	160,000,000	135,000,000
Subtotal, Superconducting super collider.....	250,000,000	225,000,000
(Operating expenses).....	(69,000,000)	(69,000,000)
(Capital equipment).....	(21,000,000)	(21,000,000)
(Construction).....	(160,000,000)	(135,000,000)
Subtotal, General science and research.....	1,169,431,000	1,135,431,000
General Reduction.....	---	-21,000,000
TOTAL, GENERAL SCIENCE AND RESEARCH.....	1,169,431,000	1,114,431,000
(Operating expenses).....	(770,981,000)	(740,981,000)
(Capital equipment).....	(126,500,000)	(126,500,000)
(Construction).....	(271,950,000)	(246,950,000)
ISOTOPE PRODUCTION AND DISTRIBUTION FUND		
A. Isotope Production.....	16,243,000	16,243,000
ATOMIC ENERGY DEFENSE ACTIVITIES		
I. WEAPONS ACTIVITIES		
A. Research and development		
1. Research and development - Core		
Operating expenses.....	807,770,000	802,770,000
Capital equipment.....	93,875,000	93,875,000
Construction:		
90-D-101 General plant projects, various locations.....	20,730,000	20,730,000
90-D-102 Nuclear weapons research, development, & testing facilities revitalization, Phase III, various locations.....	1,000,000	1,000,000
88-D-105 Special nuclear materials R&D laboratory replacement, LANL, Los Alamos, N	44,000,000	44,000,000
88-D-106 Nuclear weapons research, development, & testing facilities revitalization, Phase II, various locations.....	75,400,000	75,400,000
Subtotal, Construction.....	141,130,000	141,130,000
Subtotal, Research and development - Weapons....	1,042,775,000	1,037,775,000
2. Nuclear directed energy weapons		
Operating expenses.....	117,700,000	97,000,000
Capital equipment.....	8,430,000	6,000,000
Construction:		
88-D-106 Nuclear weapons research, development and testing facilities revitalization, Phase II, (NDER facility at LLNL).....	19,000,000	19,000,000
Subtotal, Nuclear directed energy weapons.....	145,130,000	122,000,000

Department of Energy

	FY 1990 Budget Request	Conference
3. Inertial fusion		
Operating expenses	160,200,000	165,200,000
Capital equipment	8,740,000	8,740,000
Subtotal, Inertial fusion	168,940,000	173,940,000
4. Environment, safety & health		
Construction:		
90-D-103 ES&H Improvements various locations	10,700,000	10,700,000
88-D-102 Sanitary wastewater systems consolidation, LANL, Los Alamos, NM	3,100,000	3,100,000
86-D-103 Decontamination and waste treatment facility, LLNL, Livermore, CA	5,200,000	5,200,000
Subtotal, Environment, safety & health	19,000,000	19,000,000
5. Safeguards & security		
Construction:		
88-D-104 Safeguards and security upgrade, Phase II, LANL, Los Alamos, NM	1,000,000	1,000,000
87-D-104 Safeguards and security enhancement II, LLNL, Livermore, CA	7,000,000	7,000,000
Subtotal, Safeguards & security	8,000,000	8,000,000
Subtotal, Research and development	1,383,845,000	1,360,715,000
B. Testing		
1. Testing - Core		
Operating expenses	421,700,000	421,700,000
Capital equipment	40,420,000	40,420,000
Construction:		
90-D-101 General plant projects, various locations	7,400,000	7,400,000
Subtotal, weapons program	469,520,000	469,520,000
2. Nuclear directed energy weapons		
Operating expenses	110,900,000	90,000,000
Capital equipment	10,075,000	8,000,000
Subtotal, Nuclear directed energy weapons	120,975,000	98,000,000
3. Safeguards & security		
Construction:		
85-D-105 Combined device assembly facility, Nevada Test Site, NV	9,460,000	9,460,000
Subtotal, Testing	599,955,000	576,980,000
Subtotal, Research, development and testing	1,983,800,000	1,937,695,000
(Operating expenses)	(1,618,270,000)	(1,576,670,000)
(Capital equipment)	(161,540,000)	(157,035,000)
(Construction)	(203,990,000)	(203,990,000)
C. Production and surveillance		
Operating expenses	2,104,097,000	2,100,000,000
Capital equipment	125,600,000	125,600,000
Construction:		

Department of Energy

	FY 1990 Budget Request	Conference
Decision costs - construction:		
90-D-122 Production capabilities for the nuclear depth/strike bomb (ND/SB), various locations	8,000,000	8,000,000
90-D-123 Follow on to lance warhead production facilities, various locations	3,000,000	---
87-D-122 Short-range attack missile II (SRAM II) warhead production facilities, various locations	41,200,000	41,200,000
Subtotal, Decision costs - construction	52,200,000	49,200,000
Production base - construction:		
Facilities capability assurance program:		
88-D-122 Facilities capability assurance program (FCAP), various locations	83,099,000	83,099,000
Production support facilities:		
90-D-121 General plant projects, various locations	30,850,000	30,850,000
90-D-124 High explosives (HE) synthesis facility, Pantex Plant, Amarillo, TX	1,800,000	1,800,000
89-D-122 Production waste storage facility, Y-12 Plant, Oak Ridge, TN	9,200,000	9,200,000
89-D-125 Plutonium recovery modification project (Bldg. 371), Rocky Flats Plant, Golden, CO	45,000,000	45,000,000
88-D-125 High explosive machining facility, Pantex Plant, Amarillo, TX	36,000,000	36,000,000
86-D-130 Tritium loading facility replacement, Savannah River Plant, Aiken, SC	24,025,000	24,025,000
Subtotal, Production support facilities	146,875,000	146,875,000
Subtotal, Production base - construction	229,974,000	229,974,000
Environment, safety & health:		
90-D-125 Steam plant ash disposal facility, Y-12 Plant, Oak Ridge, TN	1,500,000	1,500,000
90-D-126 ES&H Enhancements various locations	26,700,000	26,700,000
89-D-126 Environmental, safety, & health upgrade, Phase II, Mound Plant, Miamisburg, OH	3,500,000	3,500,000
88-D-124 Fire protection upgrading, various locations	5,400,000	5,400,000
Subtotal, Environment, safety & health	37,100,000	37,100,000
Safeguards & security:		
88-D-123 Security enhancement, Pantex Plant, Amarillo, TX	5,500,000	5,500,000
Subtotal, Construction	324,774,000	321,774,000
Subtotal, Production and surveillance	2,554,471,000	2,547,374,000
D. Program direction		
Operating expenses		
1. Weapons program	88,853,000	88,853,000

Department of Energy

	FY 1990 Budget Request	Conference
2. Community assistance	9,050,000	9,050,000
Subtotal, Operating expenses	97,903,000	97,903,000
Capital equipment	1,735,000	1,735,000
Subtotal, Program direction	99,638,000	99,638,000
TOTAL, WEAPONS ACTIVITIES	4,637,909,000	4,584,707,000
(Operating expenses)	(3,820,270,000)	(3,774,573,000)
(Capital equipment)	(288,875,000)	(284,370,000)
(Construction)	(528,764,000)	(525,764,000)
II. MATERIALS PRODUCTION		
A. Reactor operations		
Operating expenses	578,049,000	578,049,000
Construction:		
Environment, safety & health projects:		
90-D-142 Coal storage facility environmental upgrade, Feed Materials Production Center, Fernald, OH	920,000	920,000
90-D-150 Reactor safety assurance, Savannah River, SC	12,700,000	12,700,000
89-D-141 M-Area waste disposal, Savannah River, SC	7,800,000	7,800,000
89-D-142 Reactor effluent cooling water thermal mitigation, Savannah River, SC	40,000,000	40,000,000
89-D-148 Improved reactor confinement system Savannah River, SC	7,100,000	7,100,000
86-D-152 Reactor electrical distributicn system, Savannah River, SC	3,164,000	3,164,000
Subtotal, ES&H projects	71,684,000	71,684,000
Subtotal, Construction	71,684,000	71,684,000
Subtotal, Reactor operations	649,733,000	649,733,000
B. Processing of nuclear materials		
Operating expenses	589,609,000	589,609,000
Construction:		
Programmatic projects:		
86-D-148 Special isotope separation projec', Idaho Falls, ID	115,000,000	40,000,000
Environment, safety & health projects:		
90-D-141 Idaho chemical processing plant fire protection, Idaho Falls, ID	3,500,000	3,500,000
90-D-143 Plutonium finishing plant fire safety and loss limitation, Richland, WA	800,000	800,000
Subtotal, ES&H projects	4,300,000	4,300,000
Subtotal, Construction	119,300,000	44,300,000
Subtotal, Processing of nuclear materials	708,909,000	633,909,000

Department of Energy

	FY 1990 Budget Request	Conference
C. Supporting services		
Operating expenses	282,868,000	282,868,000
Construction:		
Programmatic projects:		
90-D-146 General plant projects, various locations	36,802,000	36,802,000
90-D-151 Engineering Ctr, Savannah River, SC	7,000,000	7,000,000
86-D-149 Productivity retention program, Phase I, II, III, IV and V, various location	81,780,000	81,780,000
85-D-139 Fuel processing restoration, Idaho Fuel Processing Facility, INEL, ID	55,000,000	75,000,000
Subtotal, programmatic projects	180,582,000	200,582,000
Environment, safety & health projects:		
90-D-149 Plantwide fire protection, phase I, Savannah River, SC	4,900,000	4,900,000
87-D-159 Environmental, health, and safety improvements, Phases I, II, III, & IV, Feed Materials Production Center, Fernald, OH	55,111,000	55,111,000
Subtotal, ES&H projects	60,011,000	60,011,000
Safeguards & security projects:		
89-D-140 Additional separations safeguards, Savannah River, SC	10,300,000	10,300,000
88-D-153 Additional reactor safeguards, Savannah River, SC	6,400,000	6,400,000
86-D-156 Plantwide safeguards systems, Savannah River, SC	6,181,000	6,181,000
Subtotal, safeguards & security projects	22,881,000	22,881,000
Subtotal, Construction	263,474,000	283,474,000
Subtotal, Supporting services	546,342,000	566,342,000
D. Enriched material	168,900,000	168,900,000
E. Capital equipment	104,425,000	104,425,000
F. Program direction	35,265,000	35,265,000
TOTAL, MATERIALS PRODUCTION	2,213,574,000	2,158,574,000
(Operating expenses)	(1,654,691,000)	(1,654,691,000)
(Capital equipment)	(104,425,000)	(104,425,000)
(Construction)	(454,458,000)	(399,458,000)
III. DEFENSE WASTE AND ENVIRONMENTAL RESTORATION		
A. Environmental restoration - operating expenses	401,293,000	572,000,000
B. Waste operations and projects		
Operating expenses	568,167,000	699,696,000
Construction		
Programmatic projects:		
90-D-170 GPP, various locations	29,036,000	29,036,000
89-D-171 INEL road renovation, ID	7,400,000	7,400,000
89-D-174 Replacement high level waste evaporator, Savannah River, SC	9,360,000	9,360,000

Department of Energy

	FY 1990 Budget Request	Conference
88-D-173 Hanford waste vitrification plant (HWVP), Richland, WA	29,100,000	29,100,000
87-D-173 242-A Evaporator crystallizer upgrade, Richland, WA	700,000	700,000
87-D-181 Diversion box and pump pit containment buildings, Savannah River, SC	2,790,000	2,790,000
Subtotal, programmatic projects	78,386,000	78,386,000
Environment, safety & health projects:		
90-D-171 Laboratory ventilation and electrical system upgrade, Richland, WA	1,100,000	1,100,000
90-D-172 Aging waste transfer line, Richland, WA	1,300,000	1,300,000
90-D-173 B-plant canyon crane replacement, Richland, WA	1,500,000	1,500,000
90-D-174 Decontamination laundry facility, Richland, WA	2,800,000	2,800,000
90-D-175 Landlord program safety compliance-I, Richland, WA	4,200,000	4,200,000
90-D-176 Transuranic (TRU) waste facility, Savannah River, SC	3,100,000	3,100,000
90-D-177 RWMC Transuranic (TRU) waste treatment and storage facility, Idaho	5,000,000	5,000,000
90-D-178 TSA retrieval containment building, Idaho	6,000,000	6,000,000
89-D-172 Hanford environmental compliance, Richland, WA	27,600,000	27,600,000
89-D-173 Tank farm ventilation upgrade, Richland, WA	15,400,000	15,400,000
89-D-175 Hazardous waste/mixed waste disposal facility, Savannah River, SC	6,440,000	6,440,000
83-D-148 Non-radioactive hazardous waste management, Savannah River, SC	14,140,000	14,140,000
Subtotal, ES&H projects	88,580,000	88,580,000
Subtotal, Construction	166,966,000	166,966,000
Subtotal, Waste operations and projects	735,133,000	866,662,000
C. Waste research and development	90,225,000	115,225,000
D. Hazardous waste and compliance technology	10,163,000	40,163,000
E. Transportation management	11,841,000	11,841,000
F. Capital equipment	50,126,000	50,126,000
G. Program direction	2,950,000	2,950,000
TOTAL, DEFENSE WASTE & ENVIRONMENTAL RESTORATION	1,301,731,000	1,658,967,000
(Operating expenses)	(1,084,639,000)	(1,441,875,000)
(Capital equipment)	(50,126,000)	(50,126,000)
(Construction)	(166,966,000)	(166,966,000)

IV. NEW PRODUCTION REACTORS

A. New production reactor support

Department of Energy

	FY 1990 Budget Request	Conference
Operating expenses	203,500,000	203,500,000
Construction:		
88-D-154 New production reactor capacity, various locations (design only)	100,000,000	100,000,000
TOTAL, NEW PRODUCTION REACTORS	303,500,000	303,500,000
(Operating expenses)	(203,500,000)	(203,500,000)
(Construction)	(100,000,000)	(100,000,000)
V. NAVAL REACTORS DEVELOPMENT		
A. Plant development		
Operating expenses	87,000,000	87,000,000
B. Reactor development		
Operating expenses	245,300,000	245,300,000
C. Reactor operation and evaluation		
Operating expenses	217,000,000	217,000,000
D. Capital equipment	54,000,000	54,000,000
E. Construction:		
90-N-101 General plant projects, various locations	8,500,000	8,500,000
90-N-102 Expended core facility dry cell project, Naval Reactors Facility, ID	3,600,000	3,600,000
90-N-103 Advanced test reactor off-gas treatment system, INEL, ID	200,000	200,000
90-N-104 Facility renovations, Knolls Atomic Power Laboratory (KAPL), Niskayuna, NY	3,900,000	3,900,000
89-N-102 Heat transfer test facility, KAPL, Niskayuna, NY	6,500,000	6,500,000
89-N-103 Advanced test reactor modifications Test Reactor Area, INEL, ID	3,100,000	3,100,000
89-N-104 Power system upgrade, Naval Reactors Facility, Idaho Falls, ID	6,400,000	6,400,000
88-N-102 Expended core facility receiving station, Naval Reactors Facility, ID	3,000,000	3,000,000
Subtotal, Construction	35,200,000	35,200,000
F. Program direction	13,500,000	13,500,000
TOTAL, NAVAL REACTORS DEVELOPMENT	652,000,000	652,000,000
(Operating expenses)	(562,800,000)	(562,800,000)
(Capital equipment)	(54,000,000)	(54,000,000)
(Construction)	(35,200,000)	(35,200,000)
VI. OTHER NATIONAL SECURITY PROGRAMS		
A. Verification and control technology		
Operating expenses	139,146,000	159,146,000
Capital equipment	9,732,000	9,732,000
Construction:		
90-D-186 Center for national security and arms control, SNL, Albuquerque, NM	1,000,000	1,000,000
Subtotal, Verification and control technology	149,878,000	169,878,000
(Operating expenses)	(139,146,000)	(159,146,000)
(Capital equipment)	(9,732,000)	(9,732,000)
(Construction)	(1,000,000)	(1,000,000)

Department of Energy

	FY 1990 Budget Request	Conference
B. Nuclear safeguards and security		
Operating expenses	82,241,000	82,241,000
Capital equipment	4,967,000	4,967,000
Subtotal Nuclear safeguards and security	87,208,000	87,208,000
(Operating expenses)	(82,241,000)	(82,241,000)
(Capital equipment)	(4,967,000)	(4,967,000)
C. Security investigations - OE	41,200,000	41,200,000
TOTAL, OTHER NATIONAL SECURITY PROGRAMS	278,286,000	298,286,000
(Operating expenses)	(262,587,000)	(282,587,000)
(Capital equipment)	(14,699,000)	(14,699,000)
(Construction)	(1,000,000)	(1,000,000)
TOTAL, ATOMIC ENERGY DEFENSE ACTIVITIES	9,387,000,000	9,656,034,000
(Operating expenses)	(7,588,487,000)	(7,920,026,000)
(Capital equipment)	(512,125,000)	(507,620,000)
(Construction)	(1,286,388,000)	(1,228,388,000)
DEPARTMENTAL ADMINISTRATION		
I. Office of the Secretary - Salaries and expenses	2,140,000	2,100,000
II. General management - Personnel Compensation and Benefits	154,138,000	154,100,000
III. General management - other expenses		
A. Travel	6,100,000	6,000,000
B. Services	131,299,000	131,299,000
C. Capital equipment	3,273,000	3,273,000
Subtotal, Other expenses	140,672,000	140,572,000
IV. Program Support		
A. Policy analysis and system studies	2,600,000	2,600,000
B. Consumer Affairs	65,000	65,000
C. Public Affairs	269,000	269,000
D. Competition	50,000	50,000
E. International Policy Studies	1,000,000	1,000,000
F. Office of Minority Economic Impact	2,741,000	3,500,000
Subtotal, Program support	6,725,000	7,484,000
Subtotal, administrative operations	303,675,000	304,256,000
V. Cost of work for others	134,562,000	83,899,000
VI. Miscellaneous revenues	-228,715,000	-150,000,000
Subtotal, Departmental administration	209,522,000	238,155,000
Use of unobligated balances - (MA)DA	-29,599,000	-33,099,000
TOTAL, DEPARTMENTAL ADMINISTRATION	179,923,000	205,056,000
(Operating expenses)	(176,650,000)	(201,783,000)
(Capital equipment)	(3,273,000)	(3,273,000)
OFFICE OF THE INSPECTOR GENERAL		
Office of the Inspector General	22,959,000	22,959,000
ALASKA POWER ADMINISTRATION - OPERATION AND MAINTENANCE		
I. Power marketing - Alaska Power Administration		
A. Operating expenses	3,145,000	3,145,000
TOTAL ALASKA POWER ADMINISTRATION	3,145,000	3,145,000

Department of Energy

	FY 1990 Budget Request	Conference
SOUTHEASTERN POWER ADMINISTRATION - OPERATION AND MAINTENANCE		
I. Power marketing - Southeastern power administration		
A. Operating and maintenance	2,337,000	2,337,000
B. Purchase power and wheeling	40,032,000	16,132,000
TOTAL SOUTHEASTERN POWER ADMINISTRATION	42,369,000	18,469,000
SOUTHWESTERN POWER ADMINISTRATION - OPERATION AND MAINTENANCE		
I. Power marketing - Southwestern Power Administration		
A. Operation and maintenance	17,316,000	17,316,000
B. Purchase power and wheeling	7,020,000	7,020,000
C. Construction	9,236,000	9,236,000
Use of prior year balances	-8,400,000	-8,400,000
TOTAL SOUTHWESTERN POWER ADMINISTRATION	25,172,000	25,172,000
WESTERN AREA POWER ADMINISTRATION - CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE		
I. Power marketing - Western Area Power Administration		
A. Construction and rehabilitation	93,517,000	93,517,000
B. System operation and maintenance	99,093,000	99,093,000
C. Purchase power and wheeling	118,623,000	98,623,000
Transfer of permanent authority from DOI	(3,564,000)	(3,564,000)
TOTAL WESTERN AREA POWER ADMINISTRATION	311,233,000	291,233,000
FEDERAL ENERGY REGULATORY COMMISSION		
I. Federal Energy Regulatory Commission	116,550,000	116,550,000
II. Offsetting Revenues	-116,550,000	-116,550,000
TOTAL, FERC	---	---
NUCLEAR WASTE DISPOSAL FUND		
I. Nuclear waste disposal fund	500,000,000	346,000,000
GEOTHERMAL RESOURCES DEVELOPMENT FUND		
I. Program direction	75,000	75,000
ENERGY AND WATER DEVELOPMENT ACCOUNTS:		
Energy supply research and develmt		
Operating expenses	1,859,987,000	1,941,672,000
Plant and capital equipment	302,289,000	273,794,000
Total energy supply research and development	2,162,276,000	2,215,466,000
Uranium enrichment -		
Operating expenses	-68,200,000	-136,100,000
Plant & capital equipment	68,200,000	66,200,000
Total uranium enrichment	---	-69,900,000
General science and research activities -		
Operating expenses	770,981,000	740,981,000
Plant & capital equipment	398,450,000	373,450,000
Total general science and research activities	1,169,431,000	1,114,431,000
Isotope production and distribution fund	16,243,000	16,243,000
Atomic energy defense activities -		

Department of Energy

	FY 1990 Budget Request	Conference
Operating expenses	7,588,487,000	7,920,026,000
Plant & capital equipment	1,798,513,000	1,736,008,000
Total atomic energy defense activities	9,387,000,000	9,656,034,000
Departmental administration		
Operating expenses	176,650,000	201,783,000
Capital equipment	3,273,000	3,273,000
Total departmental administration	179,923,000	205,056,000
Office of the inspector general	22,959,000	22,959,000
Power marketing administrations:		
Alaska power administration - Operating & maintenance	3,145,000	3,145,000
Southeastern power administration - Operation & maintenance	42,369,000	18,469,000
Southwestern power administration - Operation & maintenance	25,172,000	25,172,000
Western area power administration - Construction, rehabilitation	311,233,000	291,233,000
Total power marketing administrations	381,919,000	338,019,000
Federal energy regulatory commission	---	---
Nuclear waste disposal fund	500,000,000	346,000,000
Geothermal resources development fund	75,000	75,000
TOTAL, ENERGY AND WATER DEVELOPMENT ACCOUNTS	13,819,826,000	13,844,383,000

TITLE IV—INDEPENDENT AGENCIES

APPALACHIAN REGIONAL COMMISSION

Amendment No. 65: Appropriates $150,000,000 as proposed by the Senate instead of $110,000,000 as proposed by the House.

The conferees agree that an additional $20,000,000 is provided for Corridors G and H in West Virginia above the amount planned, an additional $10,000,000 is provided for Corridor X in Alabama above the amount planned, and an additional $10,000,000 is provided for Corridor V in Mississippi above the amount planned.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Amendment No. 66: Appropriates $7,000,000 as proposed by the Senate instead of $10,000,000 as proposed by the House.

Interstate Commission on the Potomac River Basin

CONTRIBUTION TO INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

Amendment No. 67: Appropriates $300,000 for the Contribution to the Interstate Commission on the Potomac River Basin as proposed by the Senate instead of $100,000 as proposed by the House.

TENNESSEE VALLEY AUTHORITY

Amendment No. 68: Appropriates $121,000,000 for the Tennessee Valley Authority as proposed by the House instead of $113,000,000 as proposed by the Senate.

Consistent with the mission of TVA and the activities it conducts, the agency has custody of a wide variety of public lands, physical facilities, and natural resources. The conferees feel that adequate stewardship of these facilities and resources is needed to preserve the Federal investment and ensure that the property and facilities yield their intended public benefits on an ongoing basis.

Because a backlog of maintenance and operational deficiences has accumulated over a period of years, the conferees have provided additional funding to better operate and maintain the system of dams, reservoirs, and navigation facilities; refurbish outmoded public facilities and other structures and resume adequate routine and cyclic maintenance; combat encroachments on public lands; suppress a burgeoning aquatic weed population; and demolish unused and unsafe facilities at the National Fertilizer Development Center.

NUCLEAR WASTE TECHNICAL REVIEW BOARD

Amendment No. 69: Deletes language proposed by the Senate dealing with official reception and representative expenses.

TITLE V—GENERAL PROVISIONS

Amendment No. 70: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate dealing with the distribution of general reductions.

Amendment No. 71: Deletes language proposed by the Senate dealing with the procurement of advisory or assistance services.

CONFERENCE TOTAL--WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1990 recommended by the Committee of Conference, with comparisons to the fiscal year 1989 amount, the 1990 budget estimates, and the House and Senate bills for 1990 follow:

New budget (obligational) authority, fiscal year 1989	$ 16,457,995,000
Budget estimates of new (obligational) authority, fiscal year 1990	18,378,373,000
House bill, fiscal year 1990	18,543,010,000
Senate bill, fiscal year 1990	18,449,472,000
Conference agreement, fiscal year 1990	18,555,427,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1989	+2,097,432,000
Budget estimates of new (obligational) authority, fiscal year 1990	+177,054,000
House bill, fiscal year 1990	+12,417,000
Senate bill, fiscal year 1990	+105,955,000

TOM BEVILL,
LINDY (MRS. HALE) BOGGS,
VIC FAZIO,
WES WATKINS,
ROBERT LINDSAY THOMAS,
JIM CHAPMAN,
JAMIE L. WHITTEN,
JOHN T. MYERS,
VIRGINIA SMITH,
CARL D. PURSELL,
SILVIO O. CONTE
(Except for No. 22),
Managers on the Part of the House.
J. BENNETT JOHNSTON,
ROBERT C. BYRD,
ERNEST F. HOLLINGS,
QUENTIN N. BURDICK,
JIM SASSER,
DENNIS DECONCINI,
MARK O. HATFIELD,
JAMES A. MCCLURE,
JAKE GARN,
THAD COCHRAN,
PETE V. DOMENICI,
ARLEN SPECTER,
Managers on the Part of the Senate.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. ROWLAND of Connecticut) to revise and extend their remarks and include extraneous material:)

Mr. DOUGLAS, for 60 minutes, on September 13.

Mr. LEACH of Iowa, for 5 minutes, today.

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ROSTENKOWSKI, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MCNULTY) and to include extraneous matter:)

Mr. CLAY.

Mr. RICHARDSON.

Mr. ECKART.

Mr. ROSTENKOWSKI.

Mr. DYMALLY in two instances.

Mr. KANJORSKI in two instances.

(The following Members (at the request of Mr. ROWLAND of Connecticut) and to include extraneous matter:)

Mr. PAXON.

Mr. GRADISON.

Mr. WOLF.

Mr. WYLIE.

Mr. HORTON in two instances.

Mr. MCGRATH.

Mrs. VUCANOVICH.

Mr. LAGOMARSINO.

Mrs. MORELLA.

ADJOURNMENT

Mr. RICHARDSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 47 minutes p.m.), under its previous order, the House adjourned until Monday, September 11, 1989, at 12 noon.

OATH OF OFFICE TO MEMBERS, RESIDENT COMMISSIONER, AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members, Resident Commissioner, and Delegates of the House of Representatives, the text of which is carried in 5 U.S.C. 3331:

> "I, Ileana Ros-Lehtinen, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfuly discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the 101st Congress, pursuant to the provisions of 2 U.S.C. 25:

Hon. ILEANA ROS-LEHTINEN, 18th District, Florida.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1624. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to improve the administration of the Food Stamp Program, and for other purposes; to the Committee on Agriculture.

1625. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Department of the Air Force's proposed letter(s) of offer and acceptance [LOA] to Turkey for defense articles (Transmittal No. 89-31), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

1626. A letter from the Principal Deputy Comptroller, Department of Defense, transmitting the supplemental contract award report for the period September 1, 1989, to October 31, 1989, pursuant to 10 U.S.C. 2431(b); to the Committee on Armed Services.

1627. A letter from the Secretary of Defense, transmitting a copy of the selected acquisition reports (SAR's) for the quarter ending June 30, 1989, pursuant to 10 U.S.C. 2432; to the Committee on Armed Services.

1628. A letter from the Acting Administrator, General Services Administration, transmitting the agency's eighth report on its administration of the Personal Property Donation Program and the identification and use of Federal real property to assist the homeless, pursuant to Public Law 100-77, section 501(e) (101 Stat. 510); to the Committee on Banking, Finance and Urban Affairs

1629. A letter from the Chairman of the Board, National Credit Union Administration, transmitting the annual report of activities regarding the prevention of unfair or deceptive acts or practices by Federal credit unions, for the period August 1, 1988 to August 1, 1989; to the Committee on Banking, Finance and Urban Affairs.

1630. A letter from the Acting Assistant Secretary for Food and Consumer Services, Department of Agriculture, transmitting a copy of the 1988 Biennial Report of the National Advisory Council on Child Nutrition, pursuant to 42 U.S.C. 1763(f); to the Committee on Education and Labor.

1631. A letter from the Acting Assistant Attorney General—Civil Rights Division, Department of Justice, transmitting a report on the activities of the Interagency Coordinating Council, pursuant to 29 U.S.C. 794c; to the Committee on Education and Labor.

1632. A letter from the Acting Chairman, National Endowment for the Arts, transmitting documents relevant to claims for losses filed under the Arts and Artifacts Indemnity Act, pursuant to 20 U.S.C. 975(b); to the Committee on Education and Labor.

1633. A letter from the Assistant Vice President, Government and Public Affairs, National Railroad Passenger Corporation, transmitting the 1989 criteria performance review of Amtrak's routes, pursuant to 45 U.S.C. 564(c)(4)(C); to the Committee on Energy and Commerce.

1634. A letter from the Chairman, Federal Trade Commission, transmitting the 73d annual report of the Commission for the fiscal year ending September 30, 1987, pursuant to 15 U.S.C. 46(f); to the Committee on Energy and Commerce.

1635. A letter from the Acting Assistant Secretary of State for Legislative Affairs, transmitting notification that the President intends to authorize the furnishing of up to $65 million in emergency military assistance to Colombia in its fight against narcotics traffickers, with a copy of justification; final determination to be transmitted at a later date, pursuant to 22 U.S.C. 2318(b)(2); 22 U.S.C. 2364(c); 22 U.S.C. 2411; to the Committee on Foreign Affairs.

1636. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's proposed letter(s) of offer and acceptance [LOA] to Turkey for defence articles and services (Transmittal No. 89-31), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1637. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's proposed letter(s) of offer and acceptance [LOA] to Thailand for defense articles and services (Transmittal No. 89-36), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1638. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the price and availability report for the quarter ending June 30, 1989, pursuant to 22 U.S.C. 2768; to the Committee on Foreign Affairs.

1639. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's

proposed letter(s) of offer and acceptance [LOA] to Bahrain for defense articles and services (Transmittal No. 89-39), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1640. A letter from the Assistant Secretary for Legislative Affairs, transmitting a copy of Presidential Determination No. 89-23, authorizing the furnishing of assistance from the Emergency Refugee and Migration Assistance Fund to meet unexpected urgent needs of Southeast Asia, Africa, Central America, Hungary, and the Middle East refugees, pursuant to 22 U.S.C. 2601(c)(3); to the Committee on Foreign Affairs.

1641. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting a copy of Presidential Determination No. 89-17, authorizing the furnishing of assistance from the Emergency Refugee and Migration Assistance Fund for unexpected urgent needs of Afghan refugees and displaced persons, pursuant to 22 U.S.C. 2601(c)(3); to the Committee on Foreign Affairs.

1642. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions by Penne Percy Korth, Ambassador Extraordinary and Plenipotentiary-designate to Mauritius; by Christopher H. Phillips, Ambassador Extraordinary and Plenipotentiary-designate to Brunei Darussalam; and by William Ludwig Jacobsen, Jr., Ambassador Extraordinary and Plenipotentiary-designate to the Republic of Guinea-Bissau, and members of their families, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1643. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions by James Richard Cheek, Ambassador Extraordinary and Plenipotentiary-designate to the Republic of Sudan; and by Ronald J. Sorini, the United States Negotiator-designate for Textile Matters, and members of their families, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1644. A letter from the Chairman, Federal Election Commission, transmitting proposed regulations governing affiliated committees, transfers, prohibited contributions, annual contribution limits and earmarked contributions, pursuant to 2 U.S.C. 438(d); 26 U.S.C. 9039(c); to the Committee on House Administration.

1645. A letter from the Assistant Director, Fish and Wildlife Service, transmitting a report on Public Lands Cleanup Day activities for 1988, pursuant to 36 U.S.C. 169i-1(c)(1); to the Committee on Interior and Insular Affairs.

1646. A letter from the Secretary of the Interior, transmitting a biennial report on the quality of water in the Colorado River basin, pursuant to 43 U.S.C. 1596; to the Committee on Interior and Insular Affairs.

1647. A letter from the Chief, Forest Service, transmitting the boundary description and classification of the north and south forms of the Kern Wild and Scenic River within the Sequoia and Inyo National Forests, California, pursuant to 16 U.S.C. 1271-1287; to the Committee on Interior and Insular Affairs.

1648. A communication from the President of the United States, transmitting certification by the Secretary of Commerce that the Republic of Korea and Taiwan have failed to enter into cooperative scientific monitoring and enforcement agreements called for by the Driftnet Impact Monitoring, Assessment and Control Act of 1987, pursuant to 22 U.S.C. 1978(b) (H. Doc. No. 101-93); to the Committee on Merchant Marine and Fisheries and ordered to be printed.

1649. A letter from the Chairman, Merit Systems Protection Board, transmitting a report titled, "Who Is Leaving the Federal Government? An Analysis of Employee Turnover", pursuant to 5 U.S.C. 1205(a)(3); to the Committee on Post Office and Civil Service.

1650. A letter from the Director, Office of Personnel Management, transmitting a draft of proposed legislation to extend and increase the flexibility of the performance management and recognition system, and for other purposes; to the Committee on Post Office and Civil Service.

1651. A letter from the Acting Director, Office of Personnel Management, transmitting a report titled, "Performance Management and Recognition System—FY 1987 Performance Cycle", pursuant to 5 U.S.C. 5408; to the Committee on Post Office and Civil Service.

1652. A letter from the Assistant Secretary of the Army (Civil Works), transmitting his review of the proposed plan of project for Red Lake River, Gentilly, MN, submitted by the Army Corps of Engineers, pursuant to Public Law 99-662, section 903(a)(2) (100 Stat. 4184); to the Committee on Public Works and Transportation.

1653. A letter from the Secretary of Agriculture and Administrator, Agency for International Development, transmitting their second quarterly report on progress made in implementing the recommendations of the Agricultural Trade and Development Missions, pursuant to 7 U.S.C. 1736bb-4; jointly, to the Committees on Agriculture and Foreign Affairs.

1654. A letter from the Acting Assistant Secretary of State for Legislative Affairs, transmitting a report on progress of negotiations on an international agreement concerning prohibiting illicit payments in commercial transactions, pursuant to Public Law 100-418, section 5003(d) (102 Stat. 1424); jointly, to the Committees on Energy and Commerce and Foreign Affairs.

1655. A letter from the Assistant Secretary of State for Legislative Affairs and Assistant Secretary of the Treasury for Legislative Affairs, transmitting the 11th annual report on the progress in enhancing human rights through U.S. participation international financial institutions, pursuant to 22 U.S.C. 262d(c)(1); jointly, to the Committees on Foreign Affairs and Banking, Finance and Urban Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HALL of Ohio: Committee on Rules. House Resolution 234. Resolution providing for the consideration of H.R. 1759, a bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes. (Rept. 101-228). Referred to the House Calendar.

Mr. BONIOR: Committee on Rules. House Resolution 235. Resolution providing for the consideration of H.R. 2869, the "Commodity Futures Improvements Act of 1989" (Rept. 101-229). Referred to the House Calendar.

Ms. SLAUGHTER of New York: Committee on Rules. House Resolution 236. Resolution providing for the consideration of H.R. 1659, a bill to improve aviation security by requiring the installation and use of certain explosive detection equipment at certain airports located outside the United States and by providing assistance for the acquisition of such equipment, and for other purposes (Rept. 101-230). Referred to the House Calendar.

Mr. BROOKS: Committee on the Judiciary. H.R. 2978. A bill to amend section 700 of title 18, United States Code, to protect the physical intergrity of the flag; with an amendment (Rept. 101-231). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 644. A bill to amend the Wild and Scenic Rivers Act by designing segments of the East Fork of the Jemez and Pecos Rivers in New Mexico as components of the National Wild and Scenic Rivers System; and an amendment (Rept. 101-232). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 737. A bill to amend the Stock Raising Homestead Act to resolve certain problems regarding subsurface estates, and for other purposes; with an amendment (Rept. 101-233). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAWKINS: Committee on Education and Labor. H.R. 2666. A bill to establish a Mildred and Claude Pepper Scholarship Program (Rept 101-234). Referred to the Committee of the Whole House on the State of the Union.

Mr. BEVILL: Committee on conference. Conference report on H.R. 2696 (Rept. 101-235). Ordered to be printed.

Mr. DE LA GARZA: Committee on Agriculture. H.R. 2869. A bill to amend the Commodity Exchange Act to improve the regulation of futures and options traded under rules and regulations of the Commodity Futures Trading Commission, establish registration standards for all exchange floor traders, restrict practices which may lead to the abuse of outside customers of the marketplace, reinforce development of exchange audit trails to better enable the detection and prevention of such practices, establish higher standards for service on governing boards and disciplinary committees of self-regulatory organizations, enhance the international regulation of futures trading, regularize the process of authorizing appropriations for the Commodity Futures Trading Commission, and for other purposes; with amendments (Rept. 101-236). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X, the following action was taken by the Speaker:

H.R. 3. Referral to the Committee on Ways and Means extended for a period ending not later than September 13, 1989.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON (for himself (by request) Mr. HAMMERSCHMIDT, Mr. MINETA, Mr. SHUSTER, Mr. DINGELL, Mr. LENT, Mr. THOMAS A. LUKEN, and Mr. WHITTAKER):

H.R. 3229. A bill to amend the Hazardous Materials Transportation Act to authorize appropriations for fiscal years 1990 and 1991, and for other purposes; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

By Mr. ROSTENKOWSKI:

H.R. 3230. A bill to amend title XVIII of the Social Security Act and the Internal Revenue Code of 1986 with respect to revising benefits and financing provided under the Medicare Catastrophic Coverage Act of 1988; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. DWYER of New Jersey:

H.R. 3231. A bill to provide for the temporary suspension of duty on certain types of veneer; to the Committee on Ways and Means.

By Mr. FRENZEL:

H.R. 3232. A bill to suspend temporarily the duty on p-Hydroxybenzaldehyde; to the Committee on Ways and Means.

By Mr. HAYES of Louisiana:

H.R. 3233. A bill to require the Secretary of the Army, acting through the Chief of Engineers, to take such actions as may be necessary to ensure the removal of any hazardous substance stored in or discharged from any underground storage tank or pipeline at Chennault Airpark, formerly known as Chennault Air Force Base, in Lake Charles, LA; to the Committee on Public Works and Transportation.

By Mr. PRICE:

H.R. 3234. A bill to amend the National Housing Act to limit the amount of interest paid by a homebuyer upon the prepayment of a mortgage insured under the Department of Housing and Urban Development single-family mortgage insurance program; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ROBINSON:

H.R. 3235. A bill to amend the Solid Waste Disposal Act to provide financial assistance to States and localities for the construction of solid waste management facilities and to prohibit the Environmental Protection Agency from enforcing certain regulations in the absence of Federal funding; to the Committee on Energy and Commerce.

By Mr. WOLF:

H.R. 3236. A bill to establish the National Commission to Aid Homeless Mentally Ill Individuals; jointly, to the Committees on Energy and Commerce and Banking, Finance and Urban Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

234. By the SPEAKER: Memorial of the General Assembly of the State of Arkansas, relative to the program for weather related disaster assistance to farmers; to the Committee on Agriculture.

235. Also, memorial of the Legislature of the State of Nevada, relative to expediting review by the Federal courts of capital cases originating in the State courts; to the Committee on the Judiciary.

236. Also, memorial of the Legislature of the State of Alabama, relative to the repeal of its 1976 joint resolution to convene a constitutional convention proposing an amendment to the Constitution requiring that Federal spending not exceed estimated Federal revenues; to the Committee on the Judiciary.

237. Also, memorial of the Legislature of the State of California, relative to Southeast Asia emigres; to the Committee on the Judiciary.

238. Also, memorial of the Legislature of the State of Alaska, relative to its ratification of an amendment to the Constitution concerning the compensation of Members of the U.S. Congress; to the Committee on the Judiciary.

239. Also, memorial of the Legislature of the State of Nevada, relative to allowing Vietnam-era veterans a period of 10 years to use educational benefits; to the Committee on Veterans' Affairs.

240. Also, memorial of the Legislature of the State of California, relative to military base closures; jointly, to the Committees on Armed Services and Veterans' Affairs.

241. Also, memorial of the Legislature of the State of Nevada, relative to the use of differing rates for reimbursement of Medicare providers; jointly, to the Committees on Energy and Commerce and Ways and Means.

242. Also, memorial of the Senate of the State of Illinois, relative to the Catastrophic Medicare Act; jointly, to the Committees on Energy and Commerce and Ways and Means.

243. Also, memorial of the Legislature of the State of Nevada, relative to the transfer of Federal land near Apex to Clark County for use by heavy industry; jointly, to the Committees on Merchant Marine and Fisheries and Interior and Insular Affairs.

244. Also, memorial of the Legislature of the State of Michigan, relative to its support of the U.S. Senate's uranium revitalization legislation, S. 83; jointly, to the Committees on Energy and Commerce; Interior and Insular Affairs; and Science, Space, and Technology.

245. Also, memorial of the Legislature of the State of Texas, relative to the Federal definition of the term "wetlands"; jointly, to the Committees on Public Works and Transportation, Merchant Marine and Fisheries, Interior and Insular Affairs, and Agriculture.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 3: Mr. FASCELL.
H.R. 8: Mr. ANDREWS and Mr. HORTON.
H.R. 71: Mr. BOEHLERT.
H.R. 169: Mr. BROOMFIELD.
H.R. 181: Mr. BURTON of Indiana.
H.R. 182: Mr. FISH.
H.R. 403: Mr. MRAZEK.
H.R. 485: Mr. HOCHBRUECKNER.
H.R. 496: Mr. DYMALLY.
H.R. 557: Mrs. LLOYD, Mr. BATEMAN, and Mr. COX.
H.R. 586: Mr. RANGEL.
H.R. 854: Mr. FROST, Mr. DERRICK, Mr. WILSON, Mr. MOLLOHAN, and Mr. NEAL of North Carolina.
H.R. 1136: Mr. THOMAS of Georgia, Mr. CLEMENT, Mr. MCDADE, Mr. DIXON, Mr. ROBERT F. SMITH, Mr. DAVIS, Mr. MCMILLAN of North Carolina, Mr. POSHARD, and Mr. ROWLAND of Georgia.
H.R. 1243: Mr. LAFALCE, Mr. DICKS, and Mr. MACHTLEY.
H.R. 1305: Ms. SCHNEIDER.
H.R. 1499: Mr. EDWARDS of Oklahoma.
H.R. 1515: Mr. HARRIS, Mr. GORDON, Mr. WALSH, Mr. RHODES, Mr. SIKORSKI, Mr. SHAYS, Mr. EARLY, Mr. MACHTLEY, Mr. TOWNS, Mr. SMITH of New Jersey, Mr. PAYNE of New Jersey, Mr. LIVINGSTON, Mrs. MORELLA, Mr. COX, Ms. PELOSI, Mr. TAUZIN, and Mr. MADIGAN.
H.R. 1633: Mr. BONIOR.
H.R. 1646: Mr. MRAZEK.
H.R. 1730: Mr. RITTER, Mr. HYDE, Mr. DOWNEY, and Mr. EDWARDS of Oklahoma.
H.R. 2098: Mr. HALL of Texas, Mrs. BENTLEY, Mr. INHOFE, and Mr. TORRICELLI.
H.R. 2181: Mr. BUECHNER, Mr. LEHMAN of Florida, and Mr. DANNEMEYER.
H.R. 2191: Mr. FISH and Mr. MRAZEK.
H.R. 2228: Mrs. SCHROEDER and Mr. PENNY.
H.R. 2258: Mr. MCCRERY.
H.R. 2319: Mr. MCNULTY, Mr. GALLO, Mr. SAXTON, Ms. OAKAR, and Mr. BOUCHER.
H.R. 2335: Mr. YATES.
H.R. 2360: Mr. SUNDQUIST and Mr. JONES of Georgia.
H.R. 2374: Mr. LEHMAN of Florida, Mr. SAVAGE, Mr. AKAKA, Mr. OBERSTAR, Ms. SLAUGHTER of New York, and Mr. HENRY.
H.R. 2380: Mr. ERDREICH.
H.R. 2418: Mr. CARPER, Mr. MYERS of Indiana, and Mrs. SAIKI.
H.R. 2546: Mr. NEAL of North Carolina.
H.R. 2549: Mr. RINALDO.
H.R. 2584: Mr. UPTON, Mr. QUILLEN, Mr. FLAKE, Ms. SCHNEIDER, Mr. ROWLAND of Connecticut, Mr. ENGEL, Mr. MILLER of Washington, Mr. DANNEMEYER, Mr. DYMALLY, Mr. DEFAZIO, Mr. CARDIN, Mr. TORRICELLI, Mr. GOSS, and Mr. CLARKE.
H.R. 2588: Mr. MARTINEZ.
H.R. 2609: Mr. ENGEL and Mr. FISH.
H.R. 2613: Mr. WOLPE, Mr. HERGER, and Mr. BUSTAMANTE.
H.R. 2756: Mr. MACHTLEY, Mr. PAYNE of New Jersey, Mr. ENGEL, Mr. MRAZEK, Mr. GUARINI, and Ms. SLAUGHTER of New York.
H.R. 2801: Mr. PAYNE of New Jersey, Mr. HEFLEY, and Mr. BILBRAY.
H.R. 2869: Mr. DE LA GARZA, Mr. BROWN of California, Mr. ROSE, Mr. HUCKABY, Mr. GLICKMAN, Mr. STENHOLM, Mr. VOLKMER, Mr. HATCHER, Mr. TALLON, Mr. STAGGERS, Mr. OLIN, Mr. STALLINGS, Mr. NAGLE, Mr. JONTZ, Mr. JOHNSON of South Dakota, Mr. ESPY, Mr. DYSON, Mr. MARLENEE, Mr. PANETTA, Mr. ROBERTS, Mr. EMERSON, Mr. WALSH, and Mr. LANCASTER.
H.R. 2870: Mr. PARKER and Mr. MRAZEK.
H.R. 2930: Mr. WOLPE.
H.R. 2944: Mr. PARKER.
H.R. 2966: Mr. TAUZIN, Mr. BUSTAMANTE, Mr. UPTON, Mr. PAYNE of New Jersey, Mr. DE LUGO, Mr. FAZIO, Mr. MCNULTY, Mr. ATKINS, Mr. OWENS of New York, Mr. BUECHNER, and Mr. BROOMFIELD.
H.R. 2978: Mr. GEPHARDT, Mr. GRAY, Mr. HUGHES, Mr. SYNAR, Mr. GLICKMAN, Mr. FEIGHAN, Mr. SMITH of Florida, Mr. BOUCHER, Mr. STAGGERS, Mr. BRYANT, Mr. AKAKA, Mr. BROWN of California, Mr. CAMPBELL of Colorado, Mr. CHAPMAN, Mr. COLEMAN of Texas, Mr. DINGELL, Mr. ESPY, Mr. FASCELL, Mr. FAZIO, Mr. FUSTER, Mr. GUARINI, Mr. HOCHBRUECKNER, Mr. HUCKABY, Mr. HUTTO, Mr. KILDEE, Mr. LEHMAN of Florida, Mrs. LOWEY of New York, Mr. THOMAS A. LUKEN, Mr. MCMILLEN of Maryland, Mr. MCNULTY, Mr. MANTON, Mr. MARTINEZ, Mr. MINETA, Mr.

MRAZEK, Mr. NELSON of Florida, Mr. OBERSTAR, Mr. PAYNE of New Jersey, Mr. PENNY, Mr. POSHARD, Mr. RAHALL, Mr. ROSE, Mr. SHAYS, Mr. SIKORSKI, Mr. SKELTON, Mr. STARK, Mr. TANNER, Mr. TORRES, Mr. VALENTINE, Mr. WILSON, Mr. WISE, and Mr. WOLPE.

H.R. 3002: Mr. VISCLOSKY.

H.R. 3031: Mr. MONTGOMERY, Mr. BEVILL, Mr. LEWIS of California, Mr. CHAPMAN, Mr. FASCELL, Mr. BROWDER, and Mr. LOWERY of California.

H.R. 3068: Mr. LAGOMARSINO, Mr. DORNAN of California, and Mr. PORTER.

H.R. 3101: Mr. DONALD E. LUKENS, Mr. BATES, and Mr. WHITTAKER.

H.R. 3126: Mr. MILLER of California.

H.R. 3136: Mr. FAUNTROY, Mr. FROST, Mr. HOCHBRUECKNER, Mrs. MORELLA, Mr. FUSTER, and Mr. MORRISON of Connecticut.

H.R. 3216: Mr. STENHOLM.

H.J. Res. 54: Mr. ATKINS, Mr. KLECZKA, Mr. NEAL of North Carolina, and Mr. PAYNE of New Jersey.

H.J. Res. 104: Mr. HALL of Ohio, Mr. YOUNG of Alaska, Mr. HAMMERSCHMIDT, Mr. RICHARDSON, Mr. HUBBARD, Mr. MRAZEK, Mr. COURTER, Mr. NELSON of Florida, Mr. DANNEMEYER, Mr. STANGELAND, Mr. WHITTAKER, and Mr. OLIN.

H.J. Res. 204: Mr. CLEMENT, Mr. MCNULTY, and Mr. MORRISON of Connecticut.

H.J. Res. 206: Mr. WALSH, Mr. RANGEL, Mr. JONTZ, Mr. BEVILL, Mr. EMERSON, Mr. SAVAGE, and Mr. FALEOMAVAEGA.

H.J. Res. 210: Mr. FALEOMAVAEGA, Mr. POSHARD, Mr. DENNY SMITH, Mr. ESPY, Mr. AUCOIN, Mr. ROBERT F. SMITH, Mr. NELSON of Florida, Mr. PETRI, Mr. ROE, Mr. DAVIS, Mr. WYDEN, Mr. KOSTMAYER, Mr. HUTTO, Mr. CLINGER, Mrs. MORELLA, Mr. MORRISON of Connecticut, Mr. SHAYS, Mrs. SAIKI, Mrs. VUCANOVICH, Mr. CALLAHAN, Mr. MCDADE, Mrs. JOHNSON of Connecticut, Mr. GORDON, Mr. WALSH, Mr. ROBERTS, Mr. DORGAN of North Dakota, Mr. HOCHBRUECKNER, Mr. MOLLOHAN, Mr. NEAL of North Carolina, Mr. SKELTON, Mr. KASICH, Mr. BILIRAKIS, Mr. TRAFICANT, Mr. CARPER, Mr. MCNULTY, Mr. PORTER, Mr. DEFAZIO, Mr. LEWIS of California, Mr. DELLUMS, Mr. ROWLAND of Georgia, Mr. FORD of Michigan, Mr. PALLONE, Mr. LAGOMARSINO, Mr. BROOMFIELD, Mr. VANDER JAGT, Mr. RAHALL, Mr. TOWNS, Mr. FAUNTROY, Mr. MONTGOMERY, Mrs. PATTERSON, and Mr. HARRIS.

H.J. Res. 217: Mr. FISH, Mr. ROWLAND of Georgia, Mr. MARTIN of New York, and Mr. PANETTA.

H.J. Res. 223: Mr. KASTENMEIER, Mr. PAXON, Mr. WYDEN, Mr. SABO, Mr. MRAZEK, Mr. NEAL of North Carolina, Mr. MCDADE, Mr. SOLOMON, Mrs. BOXER, Mr. VALENTINE, Mr. NELSON of Florida, and Mr. PRICE.

H.J. Res. 240: Mr. MRAZEK, Mr. COX, and Mr. SMITH of New Jersey.

H.J. Res. 320: Mr. BRENNAN, Mr. DELAY, Mr. ENGEL, Mr. FEIGHAN, Mr. FISH, Mr. HOPKINS, Mr. HUBBARD, Mrs. LLOYD, Mr. MCCLOSKEY, Mr. PALLONE, Ms. SNOWE, Mr. WALGREN, and Mr. YATES.

H.J. Res. 396: Mr. HUGHES, Mr. GRAY, Mr. ROE, Mr. COSTELLO, Mr. CHAPMAN, Mr. FALEOMAVAEGA, and Mr. FROST.

H. Con. Res. 23: Mr. OLIN.

H. Con. Res. 152: Mr. FEIGHAN and Mr. SMITH of New Hampshire.

H. Con. Res. 185: Mr. RICHARDSON.

H. Res. 139: Mr. BOEHLERT, Mr. GRANT, Mr. LANCASTER, Mr. STUMP, Mr. HERGER, Mr. CAMPBELL of Colorado, Mr. JOHNSON of South Dakota, Mr. TALLON, Mr. SPENCE, Mr. DONALD E. LUKENS, Mr. SCHUETTE, Mr. JONES of Georgia, Mr. ROHRABACHER, Mr. BUNNING, Mr. HASTERT, Mr. GILMAN, Mr. UPTON, Mr. VOLKMER, Mr. ROBERTS, Mr. KOLTER, Mr. CRAIG, Mr. SHAYS, Mr. WILSON, Mr. NEAL of North Carolina, Mr. BALLENGER, Mr. HALL of Texas, Mr. QUILLEN, Mr. WYDEN, Mr. COMBEST, Mrs. UNSOELD, and Mr. DYSON.

H. Res. 219: Mr. MANTON, Mr. DWYER of New Jersey, Mr. PALLONE, Mr. AUCOIN, Mr. ACKERMAN, Mr. AKAKA, Mrs. BOXER, Mr. HAWKINS, Mr. MARKEY, Mr. DEFAZIO, Mr. KLECZKA, Mr. LANTOS, Mr. MATSUI, Mr. BEREUTER, Mr. MCNULTY, Mr. FROST, Mr. GOODLING, Mr. MACHTLEY, Mrs. MEYERS of Kansas, Mr. LAGOMARSINO, Ms. PELOSI, Mr. WALSH, Mr. FALEOMAVAEGA, Mr. BOSCO, Mr. CARDIN, Mr. BERMAN, Mr. CARPER, Mr. HERTEL, and Mr. LIPINSKI.

H. Res. 231: Mr. WELDON, Mr. HYDE, Mr. KYL, Mr. HERGER, Mr. RAVENEL, and Mr. BATEMAN.

PETITIONS

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

90. By the SPEAKER: petition of the National Governors Association, Washington, DC, relative to a 2-year freeze on the enactment of further Medicaid mandates; to the Committee on Energy and Commerce.

91. Also, petition of residents of the city of Baltimore and the State of Maryland, relative to proposing an amendment to the Constitution to prohibit the desecration of the flag of the United States of America; to the Committee on the Judiciary.

92. Also, petition of the Council of the City and County of Honolulu, HI, relative to legislation to modify the financing provisions of the Medicare Catastrophic Coverage Act of 1988; jointly, to the Committees on Energy and Commerce and Ways and Means.

93. Also, petition of the City Council, Toledo, OH, relative to passage of the Americans With Disabilities Act; jointly, to the Committees on Education and Labor, Energy and Commerce, the Judiciary, and Public Works and Transportation.

SENATE—*Thursday, September 7, 1989*

(Legislative day of Wednesday, September 6, 1989)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable JOHN F. KERRY, a Senator from the State of Massachusetts.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

** * * Thou shalt love the Lord thy God with all thy heart, and with all thy soul, and with all thy mind. This is the first and great commandment. And the second is like unto it, Thou shalt love thy neighbour as thyself. On these two commandments hang all the law and the prophets.*—Matthew 22:37-40.

Eternal God, perfect in wisdom, knowledge, power and love, thank Thee for these penetrating words of Jesus which comprehend all law. Grant to each of us the will to heed these two great commandments which, if obeyed, would transform the social order. Forgive us for diminishing love as mere sentiment when, in actuality, it is the most powerful force in life. Infuse us with Your love—for God, neighbor, and self.

In Jesus' name, who demonstrated preeminently selfless, sacrificial love. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 7, 1989.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN F. KERRY, a Senator from the State of Massachusetts, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. KERRY thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The distinguished majority leader, the Senator from Maine.

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, following the time reserved for the two leaders, there will be a period for morning business until 10 o'clock a.m., with Senators permitted to speak therein for up to 5 minutes each. At 10 a.m., the Senate will begin consideration of S. 933, the Americans With Disabilities Act.

Between the hours of 10 and 12 noon today, there will be opening statements and general debate on the subject of S. 933. Under the previous order, the Senate will resume consideration of the legislative branch appropriations bill, H.R. 3014, at noon today with the Wilson amendment No. 698 on the matter of congressional mailings as the only remaining amendment to the bill. Upon disposition of that appropriations bill, the Senate will return to S. 933.

As I indicated yesterday, rollcall votes are expected today, both in relation to the legislative appropriations bill and the Americans With Disabilities Act. Senators should be alerted to the likely possibility of votes occurring into the evening beyond 7 p.m. and should arrange their schedules accordingly.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time, and I reserve the time for the Republican leader.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for not to extend beyond 5 minutes.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

POLAND AT THE CROSSROADS

Mr. DOLE. Mr. President, during the August recess, I had the opportunity to visit Morocco, Soviet Armenia, The Netherlands, and Poland. Unofficially, it was a joint congressional-executive delegation—I was accompanied by a distinguished member of the President's Cabinet, the Secretary of Labor.

REPORT TO THE PRESIDENT

The President wrote me, prior to our departure, asking that Elizabeth and I report back to him on our return, in particular on our observations in Armenia and Poland.

Mr. President, I ask unanimous consent to print the text of the President's letter in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, August 16, 1989.

DEAR BOB: I understand that you and Elizabeth are departing later this week on a trip which will take you to Morocco, Soviet Armenia and Poland. I would like to take advantage of your travels to ask that you convey my best wishes to King Hassan, His Holiness Catholocos Vazgen, President Jaruzelski, Lech Walesa and other Polish leaders with whom I met last month. I am delighted that the two of you are undertaking such an important journey at this time, and I look forward to a firsthand report of your impressions as soon as you return.

Sincerely,

GEORGE BUSH.

Mr. DOLE. Mr. President, as it turned out, we did have the chance to stop in Kennebunkport last week, en route back to Washington—so we were able to give the President an immediate, in-person account of our visit. Over the next several days, I want to share some of those same observations and thoughts with the Senate—starting today with Poland.

HISTORYMAKERS IN POLAND

We arrived in Warsaw on a historic and exciting day—the day that great nation elected its first democratically chosen leader in more than a half century. Prime Minister Mazowiecki was extraordinarily gracious in taking time from his first full day in office to meet

with Elizabeth and I—the first foreign officials he received after his election.

During our stay in Warsaw, we also met with many of the other top leaders of Solidarity, including the head of its parliamentary bloc, Mr. Geremek; and Solidarity's articulate and well-known media spokesman, Mr. Onyszkiewicz.

Later, in Gdansk, we met, too, with Lech Walesa—truly a hero, not only to Poles but to freedom loving people around the world. Let me tell you: It takes about 2 minutes to realize this hero is not the creation of a bunch of media handlers. He is the real article: dynamic, charismatic, and articulate.

SOLIDARITY CAUCUS

As stimulating and informative as were all those meetings, though, the emotional highlight of our stop turned out to be our attendance at a Solidarity parliamentary caucus—where Polish leaders openly debated the future of the people and country they had been democratically elected to represent.

Everyone in our delegation had the same visceral reaction: We were observing something akin to what happened in our country—in the halls of Philadelphia, and Boston, and Williamsburg—more than two centuries ago.

Consider this simple fact—only three in that gathering of several hundred Solidarity parliamentarians had ever served in Parliament before; but countless numbers among them had served long sentences in jail, as political prisoners of the Communist regime. It gives you an idea of both the promise, and the problems, that Solidarity and Poland will face in the days ahead.

MEETING WITH JARUZELSKI

Let me underscore one part of what I just said: The future is not just Solidarity's but Poland's. Solidarity is now the leading player—but there are other powerful forces still very much on the scene.

So we met, too, with President Jaruzelski, Poland's Communist Chief of State, for a frank and far-reaching discussion. And we came away convinced that President Jaruzelski, dedicated Communist that he may well be, is even more a patriotic Pole. I believe he is trying to do what is best for Poland; that he understands Solidarity's success is now intertwined with Poland's success; and that he is sincerely committed to helping the Solidarity-led Government succeed.

DAUNTING CHALLENGES

One thing is certain: The challenges faced by the Mazowiecki government will be enormous. Poland's economy is in shambles, with runaway inflation, growing unemployment, an oppressive debt burden, and a touch-and-go food situation. Its population, though basking now in a kind of political euphoria, remains deeply restive. The environment has been ravaged by decades of massive industrial pollution and Government neglect.

"HONEYMOON" WILL BE SHORT

Every Polish leader we met made the same point: The new Government's "honeymoon" will be short. Unless it can show some quick results, it could lose the almost universal popular goodwill and strong political momentum it now enjoys.

In those circumstances, it will just not have the political clout to implement critically needed economic reforms, or to sell more belt-tightening and sacrifice to an already long-suffering public.

That unhappy evolution of events is not inevitable. But every Pole we talked to believes that the first weeks and months of the new Government will be critical, to its medium-term strength and long-term success. They know it is basically their responsibility. The wisdom, the courage, the leadership to get through these critical days—Poles know all those things must be "made in Poland."

SUPPORT FROM ABROAD

But all of them also believe that one key to the Polish Government's ability to meet the challenge of these next weeks is the support it receives from abroad—especially from the democracies of the Western alliance.

We in the United States, and our allies in Western Europe and Japan, have a big security, political, and economic stake in what happens in Poland.

If Solidarity remains in power and succeeds in governing, the threat of war in Central Europe will go down; democratization in Hungary, elsewhere in Eastern Europe and even in the Soviet Union will get a big boost; and the prospects for expanded private investment in and trade with Poland will grow.

So we not only want Solidarity to succeed. It is in our own self-interest to do everything we reasonably can to help it succeed.

BUSH INITIATIVE

That is why the President has already announced an important aid initiative for Poland—encompassing about $119 million in private sector, environmental, and labor training assistance; and $59 million in food aid. I understand that part of that package may be available for introduction today. Every Polish leader we met asked that we express their real appreciation to President Bush for those initiatives, which have already sent an important signal of American support for Poland at a critical time.

REQUEST FOR ANOTHER SIGNAL

Each of those leaders also asked us to take another message to the President: That a further signal of American support, beyond that which had already been pledged when Poland still faced the prospect of continued Communist rule, could be extremely important in helping the Mazowiecki government through these first critical weeks and months.

I have reported this to the President during our meeting in Kennebunkport, and on that occasion delivered to him a letter from Lech Walesa, urging one particular American initiative. I discussed the matter further with the President at the White House this week—in fact, as recently as yesterday.

The President understands as well as anyone the high stakes in Poland. He made clear to me that he attaches an extremely high priority to responding to Poland's real needs—both for the psychological and political boost which Western aid can provide, and for the concrete impact our aid can have on hard economic and social problems.

I know that he and his senior advisers are working around the clock on this matter. So there is no question the points made by Poland's leaders to me have been "taken on board" very seriously by the President. Hopefully, sometime soon, we may have an announcement from the White House.

URGING FURTHER JAPANESE ACTION

I might add that I took the opportunity the end of last week, during a meeting the majority leader and I had with Japan's new Prime Minister Kaifu, to give him a letter on Poland. I urged that Japan, too, take another look at providing some additional aid, and encouraging expanded Japanese private investment, in Poland. I ask unanimous consent that the text of my letter to Prime Minister Kaifu be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE REPUBLICAN LEADER,
Washington, DC, September 1, 1989.

His Excellency TOSHIKI KAIFU,
Prime Minister,
Government of Japan.

DEAR MR. PRIME MINISTER: I want to extend a warm welcome to you upon your first visit to the United States as Prime Minister. I know that I reflect the sentiments of all of us in the Congress in expressing appreciation for the vital importance of U.S.-Japanese relations, and a determination to see those relations remain strong.

I also wanted to take this occasion to raise with you one particular issue which is very much on my mind—the future of Poland. I have just returned from a visit to Poland, and I am convinced that country is truly at an historic crossroads. The next weeks and months can be decisive, in determining whether Poland remains on the path toward democracy and a free market economy. I can think of no more important contribution that we in the Free World can make to the global quest for democracy, nor to the peace and stability in Europe which is essential to our own security, than signaling clear support for the new Mazowiecki government at this vital moment.

Earlier this week, I reported to President Bush on my observations in Poland, and urged that our government give absolute top priority to providing some additional timely signal of our own support. I would ask that you, too, consider some additional action by your government, to send the same kind of signal

In addition, in the longer term, I would hope that both of our governments would attempt to encourage our own private sectors to look seriously at the possibility of new private investment in Poland. Every Polish leader with whom I spoke, including President Jaruzelski, Prime Minister Mazowiecki, and Lech Walesa, indicated Poland very much needed and wanted major new infusions of foreign investment. We will be sending an American team, led by Commerce Secretary Mosbacher, to explore investment opportunities. I hope that your government, too, will be supportive of Japanese private sector interest in investment opportunities in Poland.

I can assure you that actions such as these would be seen by the Congress and the American people as a significant Japanese contribution to our common burden of supporting freedom around the world.

In closing, Mr. Prime Minister, let me offer my personal congratulations upon your election, and my best wishes in the days ahead.

Sincerely yours,

BOB DOLE,
U.S. Senate.

Mr. DOLE. I also note in this week's press that Walesa has been in West Germany, urging a further aid initiative on the Bonn government.

My own view is that all of us in the Western alliance ought to seriously consider sending further signals of support for the Mazowiecki government—whether in the form of speeded up and visible delivery of aid we have already pledged; the allocation and announcement of new aid; or some other political signal.

LONG-TERM PROBLEMS

Let me be clear: such quick action is not intended to be the answer to Poland's long-term, structural economic and social problems. Addressing those problems requires a wholly different approach—with three essential elements: debt relief, structural reform, and infusions of new capital and technology.

Poland desperately needs debt relief. The Paris club is the vehicle through which such relief can be provided, in a way that meets the needs of both Poland and its creditors. I hope that our administration will be urging others to take quick action.

I join the administration in urging that the Paris club meet now and not wait until the IMF undertakes its mission to Poland. The very fact that the Paris club is working on the debt problem in a sympathetic and constructive way can be an important "shot in the arm" for Poland's economy and for Mazowiecki's government.

Clearly, too, massive structural adjustments will be necessary for Poland's economy. The IMF rightly will have the lead role. But we may have some bilateral input we can make, too.

I would note in that connection our distinguished colleague from New Mexico, Senator DOMENICI, has written to the President, urging that we explore the possibility of forming an advisory team of economic and technical experts, to help Poland's new government grapple with its problems.

In fact, some of the Polish leaders I met asked about the possibility of just such American help. I think it is a good idea, and I commend Senator DOMENICI for taking this initiative; I certainly will be supportive of his effort in any way that I can.

Above all, Poland needs new, major, long-term infusions of Western capital and technology. Every Polish leader understands that any real economic future the country has will be built on free market forces and resources. Every Polish leader understands that such a prescription for economic development can only be filled in the United States, Western Europe and Japan.

Polish's leaders, including its Communist leaders, are wide open to new American investment. Lech Walesa told me that, more than anything, he would like to see American banks open branches in Poland, offering capital for the development of Poland private sector.

GETTING THROUGH THE SHORT TERM

So all of these things—structural adjustments, debt relief, expanded investment and new technology—all of them are vitally needed to address Poland's fundamental, long-term problems. But the immediate point I would stress again is that there cannot be a long-term approach—unless Poland's new government makes it through the short term. That is where an immediate American signal of support can be critical.

AN HISTORIC CROSSROADS

In my view, Poland stands at an historic crossroads. It has taken a bold step in the direction of democracy and free market economics. The whole world is watching to see whether that bold step succeeds, or fails.

People in Hungary, in the Baltics, around the Black Sea—people throughout the Communist world—are waiting to see what happens in Poland; some in hope, some in fear.

People throughout the free world are watching, in the certain knowledge that what happens in Poland will affect our own security, and will shape the future of the global struggle between freedom and tyranny.

Poland today is making the most fundamental choices a nation can make: Communism versus freedom, a statist economy versus a free economy. Americans do not want our country, America, to stand on the sidelines and just watch as those choices are made. I know the President is determined that America meets its responsibility and serves its own best interests. I am, too.

I believe it is in our interest, America's interest, to take some additional step now on behalf of freedom in Poland. I believe we should send some additional, immediate signal of American support for the Mazowiecki government—perhaps food aid, perhaps some other signal.

TIME TO ACT, NOW

Some have raised the question of the Soviet reaction to further American involvement in Poland. I am convinced that America can take some further action now on aid or through a political signal of support for the Mazowiecki government without alarming Moscow in the slightest. No Polish leader I met said or even hinted that this might be a problem.

Some rightly might raise the question of our budget deficit. It is severe and urgent, and it must condition all of our spending decisions. But I am convinced we can take some additional steps at no cost, and perhaps also find some additional resources within existing budgets and programs. I know that is one matter being examined carefully as I speak within the executive branch, and I know they had a meeting as recently as yesterday afternoon.

Mr. President, we should help Poland—now, and in the longer run. We should do so because we believe in freedom. We should do so because it is America's interest. We should do so because it is the right thing to do.

Mr. DOMENICI addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, let me first congratulate my good friend, the Republican leader, Senator DOLE, for his involvement in this issue, his foresight, and for the comments that he will make today with reference to the historic events that are taking place in Poland.

Frankly, Mr. President, I do not think any of us, my good friend, Senator DOLE, or even Senators who came here before he and I did, would have believed 16 years ago that we would be standing on the floor of the Senate today talking about an opening for democracy in Poland. The events that are occurring around the world, in particular in the Eastern bloc countries that have been part of the Communist bloc for so long, are simply amazing.

All Americans hoped that there would be a triumph of our principles and our ideas, basically democracy, capitalism, and free enterprise. We achieved that outcome in almost a miraculous way in the free industrial nations, many of which were in shambles after the Second World War. Two of which were our enemies. And we watched them adopt many of our concepts and ideas—ideas of governance

and ideas of economics. By now, the free industrial nations form the most significant source of economic wealth and prosperity that the world has ever seen.

Little did we think back then that the other economic and political system, one that was the antithesis of our own, would begin to unravel. For so long we were worried about the system that existed in that other part of the world because of its ideas—collectivism instead of individualism—and its own people decided it didn't work.

Individual opportunity was absent. Ownership was by the Government instead of the people, and yet we are now seeing a revolution. The revolution is occurring because better ideas are natural to human beings, and they can produce a kind of freedom that produces achievement. And achievement produces good things—produces capabilities beyond any other system.

So I stand here today congratulating the Republican leader and our President for what they have been saying, and what they have have been doing, in an effort to help this movement along.

I would like today to further amplify on the remarks my good friend, Senator DOLE, to discuss an idea that I shared with the President some days ago. I hope to hear from him and others in the administration soon.

It seems to me that aid and assistance to a country like Poland—or any country that has had a Communist, a nonenterprise-type system—is a very delicate matter. We should not just willy-nilly decide that we will grant Poland aid.

First, we need the conclusions of a team of American experts. It could be headed by a distinguished business leader, the dean of one of our business schools, one of our distinguished economists, or some labor leaders of real repute.

Such a team of experts would do both Poland and America a great service if they were asked to analyze quickly the status of any Communist economy that desires to change, and then in a very simple but profound way make a kind of an inventory of basic principles and concepts without which economic prosperity and economic growth will not occur. They would enlighten both donors and those who seek our aid. Their report would list the basic notions without which a system cannot move from communism toward democratic capitalism, or toward some aspect of democracy and economic prosperity.

I believe this could be done. It would be historic, although the findings would not necessarily be accurate in every respect because this type of effort has never before occurred.

We would have to be looking at the Polish economy indepth, and there would have to be a priority list of reforms. These are the kinds of changes that must occur for the new Polish Government to succeed. Perhaps it starts with a banking or monetary system. Perhaps it starts with some way to raise capital. Perhaps it starts with some way to make sure that mortgages and financing is avilable. We are just, in my opinion, shooting in the dark if we try to help without an excellent analysis by our best experts so are the Poles as they seek our help.

I would like to put in the RECORD the letter that I sent to the President, the Secretary of State and others in the administration, and summarize the two or three points that I made.

First of all, I congratulated the President because my communication with him occurred after he made a historic speech at the Karl Marx University in Budapest indicating this country supports the political and economic change under way in Eastern Europe under peaceful and orderly circumstances.

I indicated that it might be presumptive of me to discuss this subject because obviously there are many in the executive branch and elsewhere that are more involved than I. But I suggested the following:

The creation of a team of American experts from academia, business, and labor to examine thoroughly an existing Communist economy that is now in transition toward a more open and market-related system.

Second, that team should include a variety of experts including financial, monetary, human development and management personnel.

Finally, after evaluating this economy they should make recommendations as to the appropriate sequencing of transition activities.

Since these transitions are historic, and unique, we should work with our free industrial partners to aid Communist regimes in taking steps toward more free and entrepreneurial economies. All of our Governments should address the most propitious sequencing of this change.

I ask unanimous consent that my letter be made a part of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMITTEE ON THE BUDGET,
Washington, DC, July 17, 1989.

Hon. GEORGE BUSH,
President, The White House, Washington, DC.

DEAR MR. PRESIDENT: Welcome home, Mr. President, and congratulations on your most successful trip.

There can be no clearer evidence of the triumph of the American principles of democracy and free enterprise than your reception in Poland and Hungary. As you indicated in your speech at Karl Marx University, the world has never before experienced the extent of political and economic change underway in Eastern Europe under peaceful and orderly circumstances.

Your trip has intensified the general optimism both here and abroad that free and democratic economic systems can work in countries that have never experienced free and open development. Nonetheless, it would be tragic if we, and the other Western nations, raised expectations of economic well-being that the economic institutions in those countries were ill-prepared to fulfill. The result could well be renewed political unrest and a return to totalitarian government.

It may be presumptive of me to discuss the following because you may already have such an evaluative process in place. Nevertheless, permit me to suggest the following:

1. The creation of a team of American experts from academia, business, and labor to examine thoroughly an existing Communist economy, hopefully with the full cooperation of one or more of the Communist countries that are now in transition.

2. The team should include a variety of experts, including financial, monetary, human development, and management personnel. After evaluating a Communist economy, they should make recommendations as to the most appropriate sequencing of transition activities.

Since these transitions are an historic first, it seems to me that, if we, and our free industrial partners are going to aid the Communist regimes in taking steps toward more free-entrepreneurial economies, our involvement should at least address the most propitious sequencing of this change.

I am sure that there are many American experts who, if asked, would respond to this unprecedented challenge. Their analysis and recommendations might be very revealing. Certainly the Communist regimes in Eastern Europe and the Soviet Bloc are embarking on a major new experience for them. Such a group might end up being as beneficial to us as to them, in at least pinpointing significant shortcomings in any bona fide attempt to achieve the economic change we all desire.

Let me conclude, Mr. President, by commending your historic efforts. America has the initiative in foreign policy as never before, and I am enormously enthusiastic at the thought of what we might accomplish.

Sincerely,

PETE V. DOMENICI,
U.S. Senator.

Mr. DOMENICI. Mr. President, it has occurred to me within the last 2 or 3 weeks that perhaps even the concept in that letter is a little narrow. Let me just take a minute and amplify. Obviously, the free industrial nations, from Japan to the European countries, and Korea should all be part of helping any Communist regime that wants to make a bona fide transition. No one thinks it is just an American responsibility. After all, we helped many of these countries achieve the economic prosperity that is now theirs. If they want a growing world economy, if they want second and third world countries to develop and help create a much larger world economy, then they ought to be partners.

Today I would say to my good friend, Senator DOLE, that I have concluded that the notion of a team of American experts to analyze the basic essentials is too narrow. Perhaps we

should invite some of our free industrial partners to join that team of experts.

It ought to be more than just an American effort. The recommendations would not be America telling anybody what to do, but the free world concluding that these are essential reforms for Poland to consider.

With a sound economic strategy, we can get started a solid program of assistance. Working together we can tell the Poles, "we will help you achieve both freedom and the kind of economic growth you desire. Without a sound economy freedom has little or no chance."

I yield the floor.

ADDRESS OF THE U.S.S.R. CONGRESS OF PEOPLES' DEPUTIES

Mr. MITCHELL. Mr. President, on behalf of the distinguished minority leader and myself, I ask unanimous consent that the full text of the "Address of the U.S.S.R. Congress of People's Deputies to the Peoples of the World" be placed in the RECORD. Ambassador Dubinin was kind enough to relay this message from the new Soviet Congress to the United States Congress.

The message is one of hope. Based on realism, the address outlines the ideals toward which the Soviet Congress plans to strive both internally and internationally.

The People's Deputies describe their task as laying the legal foundation for the democratic renewal of their socialist society. They frankly state that the problems facing the nation leave no alternative but to radically restructure all areas of Soviet life.

In the Deputies' view, perestroika is part of the democratization of the world order, the Soviet contribution to solving the global problems facing humanity. This ackowledgment of the crucial relationship between internal and international reform is an important and encouraging development.

The People's Deputies regard their role as assuming responsibility for Soviet behavior in accordance with the "principles of peaceful coexistence." The very concept of legislative responsibility for actions of the Soviet Government is a positive one.

Those principles—that nations should strive to ensure their security by political rather than military means, that they should work toward disarmament and that their defensive forces should reflect "reasonable sufficiency"—clearly correspond with many of President Gorbachev's stated goals and with the hopes of people across the globe.

One can hardly take issue with the Deputies' stated belief that no state can consolidate its own security while neglecting the interests of others, or the assertion that we all share a common destiny. There is little doubt that if all nations were to respect these principles, the world would be very much improved.

The Address of the People's Deputies reflects the expanded interest and role of the Soviet Congress in both internal and international developments. I warmly welcome these comments, and I believe that we in the U.S. Congress share many of these goals. We look forward to expanding our dialogue with the Soviet Congress of People's Deputies as we work together to advance common interests and improve relations between our two countries.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF THE U.S.S.R. CONGRESS OF PEOPLES' DEPUTIES TO THE PEOPLES OF THE WORLD

We, U.S.S.R. People's Deputies, gathered for our first Congress in an atmosphere of glasnost and openness in order to lay the legal foundation for the all-round democratic renewal of our socialist society. As full-fledged representatives of the multimillion Soviet people we are fully aware of the historic responsibility resting upon us. We realize that the problems facing our motherland today are huge, and we proceed from the view that there is no alternative to radical restructuring in all areas of our life. We have chosen this road firmly after thorough consideration, and we shall not abandon it.

Man with his joys and sorrows, hopes and cares, is at the center of our attention. We are convinced that socialist society does not have, nor can it have, any other moral orientation than the interests of the people, the aspirations and rights of free men.

Perestroika is an internal matter for the peoples of the Soviet Union. It was prompted by vital needs of the country. But we do not separate ourselves from the world community, from the processes that determine the contemporary civilization, and we regard freedom of the individual, democracy and social justice as fundamental values on which the life of our society must be based.

We view perestroika as part of the progressing democratization of the world order, as the Soviet Union's contribution to solving the global problems facing humanity. These problems are all inter-related and form a dangerously tight knot. It can and must be united, but in order to do so, it is necessary for the world community to pool its efforts for the sake of its survival.

Perestroika radically alters our attitude toward the world today. We are now open to the world and are prepared to cooperate with everyone for whom human life and dignity are supreme values, and we count on mutual understanding.

One cannot live by old rules and standards in the rapidly changing world. One cannot hope to consolidate one's security and ensure well-being, while neglecting the interests of others. It is pointless to turn international relations into an arena of ideological wars. It is criminal to deplete the world economy by the arms race and to neglect to care for the preservation of the environment. No matter what barriers might divide us, we are all children of Mother Earth, and we have a common destiny.

Therefore, we call for an end to animosity and strife among peoples. A new peaceful period in the history of humanity is possible, and this possibility must be translated into reality.

The Congress solemnly assures the peoples of the world that it assumes the responsibility for strict observance by the Soviet state of the principles of peaceful coexistence in respect to all states and peoples of the world.

On the basis of the new political thinking, the USSR Congress of People's Deputies established the principles by which our state must be guided in international affairs. They are, essentially, that:

The security of our country must be ensured, above all, by political means as part of universal and equal security in the process of demilitarization, democratization and humanization of international relations with the reliance on the prestige and potentials of the United Nations;

Nuclear arms must be eliminated as a result of talks aimed at disarmament and reduction of defense potentials of the states to limits of reasonable sufficiency;

The threat of or the use of force to achieve some political, economic or other purposes are impermissible. Respect for sovereignty, independence and territorial integrity are indispensable in relations with other countries;

Dialogue and talks aimed at the balance of interests—and not confrontation—must be the sole way of solving international problems, settling conflicts;

The Soviet economy must be included organically in the world economy on a basis of equality and mutual advantage, and must actively participate in the shaping and observance of the rules of contemporary international division of labor, scientific and technical exchange, and trade.

Our Congress as the supreme body of state authority declares that the Soviet Union intends to adhere strictly to these principles in its foreign policy. Such is the strategy of our foreign policy from now on. Such is the open and honest policy of the Soviet Union and perestroika in the international arena. Such is the Soviet people's choice.

We call on the peoples of the world, on world public opinion, to develop to the utmost the exchange of ideas and people, cultural and spiritual values, contacts and dialogue at every level and in every area; to look jointly and to find mutually acceptable compromise to safeguard peace on earth for the sake of well-being and progress of all of humanity.

MOSCOW, KREMLIN, *June 9.*

COMMAND PERFORMANCE IN BEIJING

Mr. HELMS. Mr. President, a little over 3 weeks from now, October 1, will mark the 40th anniversary of the establishment of the People's Republic of China. The bloody history of Communist China does not constitute an occasion for celebration. Indeed, according to the testimony of a distinguished economist before the Senate Foreign Relations Committee, more people died in one insane political campaign by the Communists—the great leap forward—than on all sides in World War II.

Just 3 months ago, at Tiananmen Square, the Chinese Communists dem-

onstrated again that they are prepared to kill in order to maintain their tyranny over the Chinese people. Since June 4, the cycle of repression, arrest, torture and death has expanded far out into mainland China's countryside. No one in communist China can feel safe today.

Mr. President, since the June 4 massacre in Beijing, the free world, led by President Bush, has maintained a restriction on contacts with high level Chinese Communist officials. It has not been business-as-usual with those who would murder their own unarmed citizens.

Frustrated at their treatment as international outcasts and their inability to perpetrate the big lie beyond their borders, the Chinese Communists have now decided to attempt to strong-arm the international business community. That is why I am on my feet today. I am reliably informed that late this month, and carrying over into early October, the Chinese Communist Government-owned China International Trust and Investment Corporation, known as CITIC, has scheduled a seminar in Beijing. Invitations, if we want to call them that, have been sent to the chief executive officers of all the major international firms with investments in Communist China. In reality, it is a command performance. No other face can be put on it. Several American and European businessmen may be planning to attend.

That, I say again, Mr. President, is why I am on my feet at this moment in this Senate Chamber, because I cannot believe that the businessmen have any desire to attend this meeting. They are bound to know that the Communists want to use them to spread their big lie and their propaganda. The businessmen will be put on display, and the Communists will try to tell the world that all is back to normal.

If this happens, the businesmen will be submitting to Communist manipulation. There is another choice. The international business community can simply say no. They can decline to attend this farce in Beijing.

First, it is morally repugnant to contribute to the system that is so blatantly oppressing the Chinese people.

Second, the Communists' days are numbered; freedom and justice will eventually triumph in China. When that day happens, the Chinese people will remember who was with them in their hour of need and who was not.

Last, free and democratic China is a far better place to do business. If you want a comparison, try Taiwan with mainland China. Now, there is safety in numbers, I say to the international business community. If no one goes to Beijing, no one can be singled out for reprisal by the Communist Chinese. It is far better to back a winner, democratic China, than a loser, the Communist government of mainland China.

Mr. President, I ask unanimous consent that a letter to the President of the Chamber of Commerce of the United States on this subject be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I thank the distinguished managers of the bill for yielding this time to me.

I yield the floor.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMITTEE ON FOREIGN RELATIONS,
Washington, DC, September 7, 1989.

Dr. RICHARD L. LESHER,
President, Chamber of Commerce of the USA, Washington, DC.

DEAR DICK: Since the massacre at Tiananmen Square on June 4, the Free World, led by President Bush, has refused contact with high-ranking Chinese communist officials. Frustrated in their drive for international respectability, and unable to sell the Big Lie propaganda, the communists are trying to extort support from the international business community.

Beginning late this month and extending into early October the Chinese communist government-owned China International Trust and Investment Corporation is holding a command performance seminar in Beijing. Invitations have gone out to a large number of firms doing business in China. Some of your members may be among the recipients.

The 40th Anniversary of the founding of the People's Republic of China will be held October 1, during the seminar. Undoubtedly the communists intend to put the international businessmen on display trying to show that all is normal in mainland China.

I cannot believe that your members want to participate in any activity which furthers the system of repression being imposed on the Chinese people. However, intimidation and manipulation have long been prime tools of the communists and your members may become victims of this.

Nonetheless, the invited firms can choose not to attend. First, it is morally repugnant to further the communists' campaign of repression. The Chinese people have long memories: They will remember who was with them and who was with their enemies. Second, it makes good business sense to back a winner. The communists' days are running out. A free and democratic China is a far better place to do business.

There is safety in numbers: If no one goes, no one can be singled out for reprisal.

I hope that you will bring this issue to the attention of any of your members who are trying to make a decision.

Sincerely,

JESSE HELMS.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today is the 1,636th day that Terry Anderson has been held captive in Beirut.

I ask unanimous consent that a related New York Times article of August 20, 1988, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OUR HOSTAGES AREN'T PERSIAN RUGS

(By Bruce Laingen)

WASHINGTON.—Hojatolislam Hashemi Rafsanjani, Speaker of the Parliament in Iran, has given us a classic example of Persian rug merchant bargaining—whatever the clerical wrappings.

Release Iran's assets, he tells us, and we will intercede in Beirut to solve the hostage problem.

America should be equally direct and resourceful. We should take care to keep the channel open but should remind him of fundamentals that matter to us and, indeed, to the hostages themselves.

For starters, he should be reminded that those held so cruelly and for so long in Beirut are totally innocent of any wrongdoing and should never have been taken hostage.

They should be released now, and Hojatolislam Rafsanjani has made it crystal clear that Iran can make that possible.

Their detention is an offense to the human condition everywhere, and—not least—a glaring abuse of the humanitarian traditions of Islam.

Second, there is no linkage between these hostages and Iranian assets held in this country. In the case of myself and the other embassy hostages taken by Iran in 1979 in Teheran, part of President Jimmy Carter's response was to freeze Iranian assets here. There was not only a linkage, but that linkage rightly (and honorably) formed part of the resolution of the hostage crisis in 1981.

In the case of the Beirut hostages, however, their captors have asserted a variety of grievances that they say caused them to seize innocent victims, but Iranian assets in the United States have not been among them.

Third, Hojatolislam Rafsanjani should be told that we have no intention of diminishing the dignity of our citizens held in Beirut by making them bargaining chips in the larger context of United States-Iranian relations.

The Administration made it clear in the aftermath of the arms-for-hostages affair that it has returned to what is vital in countering terrorism: no deals. We now have an important test case, we should be true to our word.

There is also the honor of the hostages themselves. No one can know how Associated Press correspondent Terry Anderson and the others feel after years of imprisonment. Freedom and reunion with loved ones are surely uppermost in their minds, but I suspect that they want their release to be an honorable one.

Hojatolislam Rafsanjani should be told—and told again—that this country is always open to dialogue. There is a great deal to talk about between two countries that have shared interests in larger strategic terms. That agenda indeed includes certain Iranian assets held in this country. It also includes financial claims of our own against Iran, as well as a clear insistence that Teheran demonstrate by action and rhetoric, that it has abandoned support of terrorism as an instrument of policy.

If, in the course of the probes and contacts that have begun, the Iranians choose to act independent of any assurances from

us—as they should—to achieve a release of the hostages, they will make a signal contribution to a more positive atmosphere.

No one should assume that getting such a process moving will be easy. But neither should anyone underestimate the significance of what appears to be happening in Teheran. The Reagan Administration is right in making it clear that we are open to dialogue with those who can speak for that regime. For the moment pragmatists—and Hojatolislam Rafsanjani is . . . one—have the upper hand, and that is a plus.

America's larger interests in the region and the fate of those held in Beirut have for two long been held hostage to the absence of a direct and frank dialogue.

EBDC—A HEALTH RISK TO THE CONSUMER

Mr. LIEBERMAN. Mr. President, there is news today that manufacturers of a fungicide called EBDC has voluntarily withdrawn the chemical from the market for use on certain foods, and I commend the manufacturers for doing that.

The fact is that we know that concentrations of EBDC in tomatoes and other fruits and vegetables pose an unacceptable risk to the American consumer and especially to American children. The industry announcement about a cutback in EBDC production does not go far enough to adequately protect public health.

EBDC is the most widely used fungicide in the world. Approximately one-third of all our fruits and vegetables are treated with the chemical. The threat of EBDC first came to light as far back as 1970. Despite recommendations from EPA staff in 1971 that EBDC be banned, the Government delayed taking any action on the pesticide.

Like Rip Van Winkle, our Government has slept for two decades, taking no action on EBDC. The EPA received the latest data demonstrating the health risk of EBDC from the National Toxicology Program in late August of this year. I know from personal knowledge that EPA has data showing a significantly higher risk associated with EBDC than previously estimated by the agency. EPA should go beyond the industry's voluntary actions and take stronger steps to insure that our food supply is safe.

EPA's data shows that EBDC is more dangerous, in fact, than Alar. And, like Alar, EBDC should be off the market if it is harmful to our health. EBDC fungicides concentrate in processed foods as ETU, which can cause cancer.

The industry suspension does not apply to EBDC use on such important crops as: bananas, cranberries, grapes, onions, almonds, asparagus, peanuts, potatoes, corn, wheat, and tomatoes.

A number of these crops pose a significant threat to human health when EBDC is used on them. But the worst risk comes from tomatoes. Fresh tomatoes pose a substantial risk, and the danger of processed tomatoes is even higher. This risk is particularly troubling because of the large numbers of tomatoes consumed by Americans every year. Children face greater risks from pesticides because they eat more fruits and vegetables per pound of body weight, and with their bodies still developing therefore, the effect of the chemicals is more toxic on them.

The Natural Resources Defense Council estimates that half the risk from EBDC's harmful agent to preschoolers comes from processed tomatoes. The pizza, ravioli, and spaghetti are part of the regular menu items in school cafeterias across this country. According to a 1987 National Academy of Sciences study, "under EPA's worst-case assumptions the estimated dietary oncogenic—cancer—risk from tomato products may be 15 percent of the total dietary oncogenic risk from pesticide residues."

One study showed there was a risk of 7 in 10,000; that is to say, 7 of 10,000 people consuming a normal diet of fruits and vegetables would get cancer as a result of the use of this fungicide.

The amount of this chemical that remains on the market represents twenty times the level that the EPA considers as safe. Therefore, I believe strongly that EPA should promptly step in where industry fears to tread.

Mr. President, I urge my colleagues to join with me in seeking effective and speedy action by the Environmental Protection Agency to eliminate the health risk of this fungicide, EBDC, on the foods most Americans love to eat.

TWO OF NEVADA'S MOST EXEMPLARY YOUTHS

Mr. REID. Mr. President, I rise today to salute two of Nevada's most exemplary youths, Chris O'Brien and Eddie Brooks. Their selfless compassion and extraordinary bravery helped save the lives of two California accident victims.

O'Brien and Brooks, both students at Gorman, were participating in a baseball tournament in Union City, CA, over the July Fourth weekend. On their return from a nearby 7-Eleven, the boys heard loud noises, initially dismissed as fireworks. Upon closer inspection, they found the wreckage of a 1987 Corvette, which plummeted over 40 feet into a ravine. The boys quickly descended the steep hill, hoping to find the victims alive.

"When we got to the bottom of the hill and saw what happened, I thought to myself, 'here we go—this is what we've got to do,'" Brooks said.

While Brooks applied medical procedures he learned from his father, O'Brien spoke to the other victim, seeking to soothe her nerves. Once the victim regained composure, O'Brien sought help, bringing rescue workers to the remote area.

Chris O'Brien and Eddie Brooks are modern heroes in every sense of the word. Thanks to their quick thinking and grace under pressure, the victims escaped an otherwise life-threatening situation. I am proud of their heroic rescue, and applaud their exemplary behavior. They are truly an asset to their State and to the entire country.

Izzy Marion, the boys' coach, heartily applauds their efforts. "It was like fate that they came along and knew enough to take care of the people. That shows a lot of good upbringing in their families. We're very proud."

We are all proud of Chris and Eddie and the example of courage they showed at a moment's notice.

I close by urging my colleagues to join me in acknowledging two real-life heroes, Chris O'Brien and Eddie Brooks.

DR. TIRSO DEL JUNCO

Mr. REID. Mr. President, I rise today to pay tribute to an outstanding individual, Dr. Tirso del Junco. On October 20, the Hispanic Business and Professional Women's Club of Las Vegas will honor Dr. del Junco as the "1989 Hispanic Man of the Year."

Dr. del Junco's outstanding accomplishments document a long history of service and dedication. Dr. del Junco came to the United States from Cuba in 1949, already armed with his medical degree. Thanks to his compassion and professionalism, he soon became a respected member of the medical community and established a very successful practice. Del Junco also enjoys continued success as an entrepreneur, making great contributions to the business community.

Dr. del Junco is involved in numerous civic organizations, including Hollywood Park Charities, Inc., where he currently serves as president. The Salesian Boys Club is also honored to have del Junco serve on the board of directors. All of these accomplishments are testament to Dr. del Junco's selfless compassion.

Despite his accomplishments in the United States, Dr. del Junco has not forgotten his Cuban roots. In 1961, del Junco joined the Cuban Army of Liberation as a medical officer in the ill-fated Bay of Pigs. Undeterred by the mission's failure, del Junco continues to fight communism at every turn. He was, in fact, one of the guiding forces behind the creation of Radio Marti. His invaluable service is a benefit to us all.

Dr. Tirso del Junco is an outstanding choice for the "1989 Hispanic Man of the Year." It is my honor to pay tribute to this exemplary individual, a man very worthy of this high award.

I'm sure my distinguished colleagues join me in heartfelt thanks.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is now closed.

AMERICANS WITH DISABILITIES ACT

The ACTING PRESIDENT pro tempore. The hour of 10 a.m. having arrived, the Senate will now proceed to the consideration of S. 933 under the previous order. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 933) to establish a clear and comprehensive prohibition of discrimination on the basis of disability.

The Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Human Resources, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Americans with Disabilities Act of 1989".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.

TITLE I—EMPLOYMENT

Sec. 101. Definitions.
Sec. 102. Discrimination.
Sec. 103. Defenses.
Sec. 104. Posting notices.
Sec. 105. Regulations.
Sec. 106. Enforcement.
Sec. 107. Effective date.

TITLE II—PUBLIC SERVICES

Sec. 201. Definition.
Sec. 202. Discrimination.
Sec. 203. Actions applicable to public transportation provided by public entities considered discriminatory.
Sec. 204. Regulations.
Sec. 205. Enforcement.
Sec. 206. Effective date.

TITLE III—PUBLIC ACCOMMODATIONS AND SERVICES OPERATED BY PRIVATE ENTITIES

Sec. 301. Definitions.
Sec. 302. Prohibition of discrimination by public accommodations.
Sec. 303. New construction in public accommodations and potential places of employment.
Sec. 304. Prohibition of discrimination in public transportation services provided by private entities.
Sec. 305. Study.
Sec. 306. Regulations.
Sec. 307. Exemption for private clubs and religious organizations.
Sec. 308. Enforcement.
Sec. 309. Effective date.

TITLE IV—TELECOMMUNICATIONS RELAY SERVICES

Sec. 401. Telecommunication services for hearing-impaired and speech-impaired individuals.

TITLE V—MISCELLANEOUS PROVISIONS

Sec. 501. Construction.
Sec. 502. Prohibition against retaliation and coercion.
Sec. 503. State immunity.
Sec. 504. Regulations by the architectural and transportation barriers compliance board.
Sec. 505. Attorney's fees.
Sec. 506. Technical assistance.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) some 43,000,000 Americans have one or more physical or mental disabilities, and this number is increasing as the population as a whole is growing older;

(2) historically, society has tended to isolate and segregate individuals with disabilities, and, despite some improvements, such forms of discrimination against individuals with disabilities continue to be a serious and pervasive social problem;

(3) discrimination against individuals with disabilities persists in such critical areas as employment, housing, public accommodations, education, transportation, communication, recreation, institutionalization, health services, voting, and access to public services;

(4) unlike individuals who have experienced discrimination on the basis of race, sex, national origin, religion, or age, individuals who have experienced discrimination on the basis of disability have often had no legal recourse to redress such discrimination;

(5) individuals with disabilities continually encounter various forms of discrimination, including outright intentional exclusion, the discriminatory effects of architectural, transportation, and communication barriers, overprotective rules and policies, failure to make modifications to existing facilities and practices, exclusionary qualification standards and criteria, segregation, and relegation to lesser services, programs, activities, benefits, jobs, or other opportunities;

(6) census data, national polls, and other studies have documented that people with disabilities, as a group, occupy an inferior status in our society, and are severely disadvantaged socially, vocationally, economically, and educationally;

(7) individuals with disabilities are a discrete and insular minority who have been faced with restrictions and limitations, subjected to a history of purposeful unequal treatment, and relegated to a position of political powerlessness in our society, based on characteristics that are beyond the control of such individuals and resulting from stereotypic assumptions not truly indicative of the individual ability of such individuals to participate in, and contribute to, society;

(8) the Nation's proper goals regarding individuals with disabilities are to assure equality of opportunity, full participation, independent living, and economic self-sufficiency for such individuals; and

(9) the continuing existence of unfair and unnecessary discrimination and prejudice denies people with disabilities the opportunity to compete on an equal basis and to pursue those opportunities for which our free society is justifiably famous, and costs the United States billions of dollars in unnecessary expenses resulting from dependency and nonproductivity.

(b) PURPOSE.—It is the purpose of this Act—

(1) to provide a clear and comprehensive national mandate for the elimination of discrimination against individuals with disabilities;

(2) to provide clear, strong, consistent, enforceable standards addressing discrimination against individuals with disabilities;

(3) to ensure that the Federal Government plays a central role in enforcing the standards established in this Act on behalf of individuals with disabilities; and

(4) to invoke the sweep of congressional authority, including its power to enforce the fourteenth amendment and to regulate commerce, in order to address the major areas of discrimination faced day-to-day by people with disabilities.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) AUXILIARY AIDS AND SERVICES.—The term "auxiliary aids and services" includes—

(A) qualified interpreters or other effective methods of making aurally delivered materials available to individuals with hearing impairments;

(B) qualified readers, taped texts, or other effective methods of making visually delivered materials available to individuals with visual impairments;

(C) acquisition or modification of equipment or devices; and

(D) other similar services and actions.

(2) DISABILITY.—The term "disability" means, with respect to an individual—

(A) a physical or mental impairment that substantially limits one or more of the major life activities of such individual;

(B) a record of such an impairment; or

(C) being regarded as having such an impairment.

(3) STATE.—The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

TITLE I—EMPLOYMENT

SEC. 101. DEFINITIONS.

As used in this title:

(1) COMMISSION.—The term "Commission" means the Equal Employment Opportunity Commission established by section 705 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-4).

(2) COVERED ENTITY.—The term "covered entity" means an employer, employment agency, labor organization, or joint labor-management committee.

(3) EMPLOYEE.—The term "employee" means an individual employed by an employer.

(4) EMPLOYER.—

(A) The term "employer" means a person engaged in an industry affecting commerce who has 15 or more employees for each working day in each of 20 or more calendar weeks in the current or preceding calendar year, and any agent of such person, except that, for two years following the effective date of this title, an employer means a person engaged in an industry affecting commerce who has 25 or more employees for each working day in each of 20 or more calendar weeks in the current or preceding year, and any agent of such person.

(B) EXCEPTIONS.—The term "employer" does not include—

(i) the United States, a corporation wholly owned by the government of the United States, or an Indian tribe; or

(ii) a bona fide private membership club (other than a labor organization) that is exempt from taxation under section 501(c) of the Internal Revenue Code of 1986.

(5) ILLEGAL DRUG.—The term "illegal drug" means a controlled substance, as defined in

schedules I through V of section 202 of the Controlled Substances Act (21 U.S.C. 812), the possession or distribution of which is unlawful under such Act. The term "illegal drug" does not mean the use of a controlled substance pursuant to a valid prescription or other uses authorized by this Act.

(6) PERSON, ETC.—The terms "person", "labor organization", "employment agency", "commerce", and "industry affecting commerce", shall have the same meaning given such terms in section 701 of the Civil Rights Act of 1964 (42 U.S.C. 2000e).

(7) QUALIFIED INDIVIDUAL WITH A DISABILITY.—The term "qualified individual with a disability" means an individual with a disability who, with or without reasonable accommodation, can perform the essential functions of the employment position that such individual holds or desires.

(8) REASONABLE ACCOMMODATION.—The term "reasonable accommodation" may include—

(A) making existing facilities used by employees readily accessible to and usable by individuals with disabilities; and

(B) job restructuring, part-time or modified work schedules, reassignment to a vacant position, acquisition or modification of equipment or devices, appropriate adjustment or modifications of examinations, training materials or policies, the provision of qualified readers or interpreters, and other similar accommodations for individuals with disabilities.

(9) UNDUE HARDSHIP.—

(A) IN GENERAL.—The term "undue hardship" means an action requiring significant difficulty or expense.

(B) DETERMINATION.—In determining whether an accommodation would impose an undue hardship on a covered entity, factors to be considered include—

(i) the overall size of the business of a covered entity with respect to the number of employees, number and type of facilities, and the size of the budget;

(ii) the type of operation maintained by the covered entity, including the composition and structure of the workforce of such entity; and

(iii) the nature and cost of the accommodation needed under this Act.

SEC. 102. DISCRIMINATION.

(a) GENERAL RULE.—No covered entity shall discriminate against a qualified individual with a disability because of the disability of such individual in regard to job application procedures, the hiring or discharge of employees, employee compensation, advancement, job training, and other terms, conditions, and privileges of employment.

(b) CONSTRUCTION.—As used in subsection (a), the term "discrimination" includes—

(1) limiting, segregating, or classifying a job applicant or employee in a way that adversely affects the opportunities or status of such applicant or employee because of the disability of such applicant or employee;

(2) participating in a contractual or other arrangement or relationship that has the effect of subjecting a qualified applicant or employee with a disability to the discrimination prohibited by this title (such relationship includes a relationship with an employment or referral agency, labor union, an organization providing fringe benefits to an employee of the covered entity, or an organization providing training and apprenticeship programs);

(3) utilizing standards, criteria, or methods of administration—

(A) that have the effect of discrimination on the basis of disability; or

(B) that perpetuate the discrimination of others who are subject to common administrative control;

(4) excluding or otherwise denying equal jobs or benefits to a qualified individual because of the known disability of an individual with whom the qualified individual is known to have a relationship or association;

(5) not making reasonable accommodations to the known physical or mental limitations of a qualified individual who is an applicant or employee, unless such covered entity can demonstrate that the accommodation would impose an undue hardship on the operation of the business of such covered entity;

(6) denying employment opportunities to a job applicant or employee who is a qualified individual with a disability, if such denial is based on the need of such covered entity to make reasonable accommodation to the physical or mental impairments of the employee or applicant;

(7) using employment tests or other selection criteria that screen out or tend to screen out an individual with a disability or a class of individuals with disabilities unless the test or other selection criteria, as used by the covered entity, is shown to be job-related for the position in question and is consistent with business necessity;

(8) failing to select and administer tests concerning employment in the most effective manner to ensure that, when such test is administered to a job applicant or employee who has a disability that impairs sensory, manual, or speaking skills, such test results accurately reflect the skills, aptitude, or whatever other factor of such applicant or employee that such test purports to measure, rather than reflecting the impaired sensory, manual, or speaking skills of such employee or applicant (except where such skills are the factors that the test purports to measure).

(c) MEDICAL EXAMINATIONS AND INQUIRIES.—

(1) IN GENERAL.—The prohibition against discrimination as referred to in subsection (a) shall include medical examinations and inquiries.

(2) PREEMPLOYMENT.—

(A) PROHIBITED EXAMINATION OR INQUIRY.—Except as provided in paragraph (3), a covered entity shall not conduct a medical examination or make inquiries of a job applicant or employee as to whether such applicant or employee is an individual with a disability or as to the nature or severity of such disability.

(B) ACCEPTABLE INQUIRY.—A covered entity may make preemployment inquiries into the ability of an applicant to perform job-related functions.

(3) EMPLOYMENT ENTRANCE EXAMINATION.—A covered entity may require a medical examination after an offer of employment has been made to a job applicant and prior to the commencement of the employment duties of such applicant, and may condition an offer of employment on the results of such examination, if—

(A) all entering employees are subjected to such an examination regardless of disability;

(B) information obtained regarding the medical condition or history of the applicant is collected and maintained on separate forms and in separate medical files and is treated as a confidential medical record, except that—

(i) supervisors and managers may be informed regarding necessary restrictions on the work or duties of the employee and necessary accommodations;

(ii) first aid and safety personnel may be informed, when appropriate, if the disability might require emergency treatment; and

(iii) government officials investigating compliance with this Act shall be provided relevant information on request; and

(C) the results of such physical examination are used only in accordance with this title.

(4) EXAMINATION AND INQUIRY.—

(A) PROHIBITED EXAMINATIONS AND INQUIRIES.—A covered entity shall not conduct or require a medical examination and shall not make inquiries of an employee as to whether such employee is an individual with a disability or as to the nature or severity of the disability, unless such examination or inquiry is shown to be job-related and consistent with business necessity.

(B) ACCEPTABLE INQUIRIES.—A covered entity may make inquiries into the ability of an employee to perform job-related functions.

SEC. 103. DEFENSES.

(a) IN GENERAL.—It may be a defense to a charge of discrimination under this Act that an alleged application of qualification standards, tests, or selection criteria that screen out or tend to screen out or otherwise deny a job or benefit to an individual with a disability has been shown to be job-related and consistent with business necessity, and such performance cannot be accomplished by reasonable accommodation.

(b) QUALIFICATION STANDARDS.—The term "qualification standards" may include a requirement that an individual with a currently contagious disease or infection shall not pose a direct threat to the health or safety of other individuals in the workplace.

(c) DRUG ADDICTS AND ALCOHOLICS.—

(1) IN GENERAL.—A covered entity—

(A) may prohibit the use of alcohol or illegal drugs at the workplace by all employees;

(B) may require that employees not be under the influence of alcohol or illegal drugs at the workplace;

(C) may require that employees conform their behavior to requirements established pursuant to the Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq.) and that transportation employees meet requirements established by the Secretary of Transportation with respect to drugs and alcohol; and

(D) may hold a drug user or alcoholic to the same qualification standards for employment or job performance and behavior to which it holds other individuals, even if any unsatisfactory performance or behavior is related to the drug use or alcoholism of such individual.

(2) CONSTRUCTION.—Nothing in this title shall be construed to encourage, prohibit, or authorize conducting drug testing of job applicants or employees or making employment decisions based on such test results.

(d) RELIGIOUS ENTITIES.—

(1) IN GENERAL.—This title shall not prohibit a religious corporation, association, educational institution, or society from giving preference in employment to individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution, or society of its activities.

(2) QUALIFICATION STANDARD.—Under this title, a religious organization may require, as a qualification standard to employment, that all applicants and employees conform to the religious tenets of such organization.

SEC. 104. POSTING NOTICES.

Every employer, employment agency, labor organization, or joint labor-management

committee covered under this title shall post notices in an accessible format to applicants, employees, and members describing the applicable provisions of this Act, in the manner prescribed by section 711 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-10).

SEC. 105. REGULATIONS.

Not later than 1 year after the date of enactment of this Act, the Commission shall issue regulations in an accessible format to carry out this title in accordance with subchapter II of chapter 5 of title 5, United States Code.

SEC. 106. ENFORCEMENT.

The remedies and procedures set forth in sections 706, 707, 709, and 710 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-5, 2000e-6, 2000e-8, and 2000e-9) shall be available, with respect to the Commission or any individual who believes that he or she is being subjected to discrimination on the basis of disability in violation of any provisions of this Act, or regulations promulgated under section 105, concerning employment.

SEC. 107. EFFECTIVE DATE.

This title shall become effective 24 months after the date of enactment.

TITLE II—PUBLIC SERVICES

SEC. 201. DEFINITION.

As used in this title, the term "qualified individual with a disability" means an individual with a disability who, with or without reasonable modifications to rules, policies, and practices, the removal of architectural, communication, and transportation barriers, or the provision of auxiliary aids and services, meets the essential eligibility requirements for the receipt of services or the participation in programs or activities provided by a department, agency, special purpose district, or other instrumentality of a State or a local government.

SEC. 202. DISCRIMINATION.

No qualified individual with a disability shall, by reason of such disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination by a department, agency, special purpose district, or other instrumentality of a State or a local government.

SEC. 203. ACTIONS APPLICABLE TO PUBLIC TRANSPORTATION PROVIDED BY PUBLIC ENTITIES CONSIDERED DISCRIMINATORY.

(a) DEFINITION.—As used in this title, the term "public transportation" means transportation by bus or rail, or by any other conveyance (other than air travel) that provides the general public with general or special service (including charter service) on a regular and continuing basis.

(b) VEHICLES.—

(1) NEW BUSES, RAIL VEHICLES, AND OTHER FIXED ROUTE VEHICLES.—It shall be considered discrimination for purposes of this Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) for a public entity to purchase or lease a new fixed route bus of any size, a new intercity rail vehicle, a new commuter rail vehicle, a new rapid rail vehicle, a new light rail vehicle to be used for public transportation, or any other new fixed route vehicle to be used for public transportation and for which a solicitation is made later than 30 days after the date of enactment of this Act, if such bus, rail, or other vehicle is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(2) USED VEHICLES.—If a public entity purchases or leases a used vehicle to be used for public transportation after the date of enactment of this Act, such individual or entity shall make demonstrated good faith efforts to purchase or lease such a used vehicle that is readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(3) REMANUFACTURED VEHICLES.—If a public entity remanufactures a vehicle, or purchases or leases a remanufactured vehicle to be used for public transportation, so as to extend its usable life for 5 years or more, the vehicle shall, to the maximum extent feasible, be readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(c) PARATRANSIT AS A SUPPLEMENT TO FIXED ROUTE PUBLIC TRANSPORTATION SYSTEM.—

(1) IN GENERAL.—If a public entity operates a fixed route public transportation system to provide public transportation, it shall be considered discrimination, for purposes of this Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), for a public transit entity that is responsible for providing public transportation to fail to provide paratransit or other special transportation services sufficient to provide a comparable level of services as is provided to individuals using fixed route public transportation to individuals with disabilities, including individuals who use wheelchairs, who cannot otherwise use fixed route public transportation and to other individuals associated with such individuals with disabilities in accordance with service criteria established under regulations promulgated by the Secretary of Transportation unless the public transit entity can demonstrate that the provision of paratransit or other special transportation services would impose an undue financial burden on the public transit entity.

(2) UNDUE FINANCIAL BURDEN.—If the provision of comparable paratransit or other special transportation services would impose an undue financial burden on the public transit entity, such entity must provide paratransit and other special transportation services to the extent that providing such services would not impose an undue financial burden on such entity.

(3) REGULATIONS.—

(A) FORMULA.—Regulations promulgated by the Secretary of Transportation to determine what constitutes an undue financial burden, for purposes of this subsection, may include a flexible numerical formula that incorporates appropriate local characteristics such as population.

(B) ADDITIONAL PARATRANSIT SERVICES.—Notwithstanding paragraphs (1) and (2), the Secretary may require, at the discretion of the Secretary, a public transit authority to provide paratransit services beyond the amount determined by such formula.

(d) COMMUNITY OPERATING DEMAND RESPONSIVE SYSTEMS FOR THE GENERAL PUBLIC.—If a public entity operates a demand responsive system that is used to provide public transportation for the general public, it shall be considered discrimination, for purposes of this Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), for such individual or entity to purchase or lease a new vehicle, for which a solicitation is made later than 30 days after the date of enactment of this Act, that is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, unless the entity can demonstrate that such system, when viewed in its entirety, provides a level of service to individuals with disabilities equivalent to that provided to the general public.

(e) TEMPORARY RELIEF WHERE LIFTS ARE UNAVAILABLE.—With respect to the purchase of new buses, a public entity may apply for, and the Secretary of Transportation may temporarily relieve such public entity from the obligation to purchase new buses of any size that are readily accessible to and usable by individuals with disabilities if such public entity demonstrates—

(1) that the initial solicitation for new buses made by the public entity specified that all new buses were to be lift-equipped and were to be otherwise accessible to and usable by individuals with disabilities;

(2) the unavailability from any qualified manufacturer of hydraulic, electro-mechanical, or other lifts for such new buses;

(3) that the public entity seeking temporary relief has made good faith efforts to locate a qualified manufacturer to supply the lifts to the manufacturer of such buses in sufficient time to comply with such solicitation; and

(4) that any further delay in purchasing new buses necessary to obtain such lifts would significantly impair transportation services in the community served by the public entity.

(f) CONSTRUCTION.—

(1) IN GENERAL.—Any relief granted under subsection (e) shall be limited in duration by a specified date and the appropriate committees of the Congress shall be notified of any such relief granted.

(2) FRAUDULENT APPLICATION.—If, at any time, the Secretary of Transportation has reasonable cause to believe that such relief was fraudulently applied for, the Secretary of Transportation shall—

(A) cancel such relief, if such relief is still in effect; and

(B) take other steps that the Secretary of Transportation considers appropriate.

(g) NEW FACILITIES.—For purposes of this Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), it shall be considered discrimination for a public entity to build a new facility that will be used to provide public transportation services, including bus service, intercity rail service, rapid rail service, commuter rail service, light rail service, and other service used for public transportation that is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(h) ALTERATIONS OF EXISTING FACILITIES.—With respect to a facility or any part thereof that is used for public transportation and that is altered by, on behalf of, or for the use of a public entity in a manner that affects or could affect the usability of the facility or part thereof, it shall be considered discrimination, for purposes of this title and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), for such individual or entity to fail to make the alterations in such a manner that, to the maximum extent feasible, the altered portions of the facility are readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs. If such public entity is undertaking major structural alterations that affect or could affect the usability of the facility (as defined under criteria established by the Secretary of Transportation), such public entity shall also make the alterations in such a manner that, to the maximum extent feasible, the path of travel to the altered area, and the bathrooms, telephones, and drinking fountains serving such area, are readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(i) EXISTING FACILITIES, INTERCITY RAIL, RAPID RAIL, LIGHT RAIL, AND COMMUTER RAIL SYSTEMS, AND KEY STATIONS.—

(1) EXISTING FACILITIES.—Except as provided in paragraph (3), with respect to existing facilities used for public transportation, it shall be considered discrimination, for purposes of this Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), for a public entity to fail to operate such public transportation program or activity conducted in such facilities so that, when viewed in the entirety, it is readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(2) INTERCITY, RAPID, LIGHT, AND COMMUTER RAIL SYSTEMS.—With respect to vehicles operated by intercity, light, rapid, and commuter rail systems, for purposes of this title and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), it shall be considered discrimination for a public entity to fail to have at least one car per train that is accessible to individuals with disabilities, including individuals who use wheelchairs, as soon as practicable but in any event in no less than 5 years.

(3) KEY STATIONS.—

(A) IN GENERAL.—For purposes of this title and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), it shall be considered discrimination for a public entity to fail to make stations in intercity rail systems and key stations in rapid rail, commuter rail, and light rail systems readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(B) RAPID RAIL, COMMUTER RAIL, AND LIGHT RAIL SYSTEMS.—Key stations in rapid rail, commuter rail, and light rail systems shall be made readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, as soon as practicable but in no event later than 3 years after the date of enactment of this Act, except that the time limit may be extended by the Secretary of Transportation up to 20 years for extraordinarily expensive structural changes to, or replacement of, existing facilities necessary to achieve accessibility.

(C) INTERCITY RAIL SYSTEMS.—All stations in intercity rail systems shall be made readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, as soon as practicable, but in no event later than 20 years after the date of enactment of this Act.

(D) PLANS AND MILESTONES.—The Secretary of Transportation shall require the appropriate public entity to develop a plan for compliance with this paragraph that reflects consultation with individuals with disabilities affected by such plan and that establishes milestones for achievement of the requirements of this paragraph.

SEC. 204. REGULATIONS.

(a) ATTORNEY GENERAL.—Not later than 1 year after the date of enactment of this Act, the Attorney General shall promulgate regulations in an accessible format that implement this title (other than section 203), and such regulations shall be consistent with this title and with the coordination regulations under part 41 of title 28, Code of Federal Regulations (as promulgated by the Department of Health, Education, and Welfare on January 13, 1978), applicable to recipients of Federal financial assistance under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) except, with respect to "program accessibility, existing facilities", and "communications", such regulations shall be consistent with regulations and analysis as in part 39 of title 28 of the Code of Federal Regulations, applicable to federally conducted activities under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

(b) SECRETARY OF TRANSPORTATION.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall promulgate regulations in an accessible format that include standards applicable to facilities and vehicles covered under section 203 of this title.

(2) CONFORMANCE OF STANDARDS.—Such standards shall be consistent with the minimum guidelines and requirements issued by the Architectural and Transportation Barriers Compliance Board in accordance with section 504.

SEC. 205. ENFORCEMENT.

The remedies, procedures, and rights set forth in section 505 of the Rehabilitation Act of 1973 (29 U.S.C. 794a) shall be available with respect to any individual who believes that he or she is being subjected to discrimination on the basis of disability in violation of this Act, or regulations promulgated under section 204, concerning public services.

SEC. 206. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this title shall become effective 18 months after the date of enactment of this Act.

(b) FIXED ROUTE VEHICLES.—Section 203(b)(1), as regarding new fixed route vehicles, shall become effective on the date of enactment of this Act.

TITLE III—PUBLIC ACCOMMODATIONS AND SERVICES OPERATED BY PRIVATE ENTITIES

SEC. 301. DEFINITIONS.

As used in this title:

(1) COMMERCE.—The term "commerce" means travel, trade, traffic, commerce, transportation, or communication—

(A) among the several States;

(B) between any foreign country or any territory or possession and any State; or

(C) between points in the same State but through another State or foreign country.

(2) POTENTIAL PLACES OF EMPLOYMENT.—The term "potential places of employment" means facilities—

(A) that are intended for nonresidential use; and

(B) whose operations will affect commerce.

Such term shall not include facilities that are covered or expressly exempted from coverage under the Fair Housing Act of 1968 (42 U.S.C. 3601 et seq.).

(3) PUBLIC ACCOMMODATION.—The following privately operated entities are considered public accommodations for purposes of this title, if the operations of such entities affect commerce—

(A) an inn, hotel, motel, or other similar place of lodging, except for an establishment located within a building that contains not more than five rooms for rent or hire and that is actually occupied by the proprietor of such establishment as the residence of such proprietor;

(B) a restaurant, bar, or other establishment serving food or drink;

(C) a motion picture house, theater, concert hall, stadium, or other place of exhibition or entertainment;

(D) an auditorium, convention center, or lecture hall;

(E) a bakery, grocery store, clothing store, hardware store, shopping center, or other similar retail sales establishment;

(F) a laundromat, dry-cleaners, bank, barber shop, beauty shop, travel service, shoe repair service, funeral parlor, gas station, office of an accountant or lawyer, pharmacy, insurance office, professional office of a health care provider, hospital, or other similar service establishment;

(G) a terminal used for public transportation;

(H) a museum, library, gallery, and other similar place of public display or collection;

(I) a park or zoo;

(J) a nursery, elementary, secondary, undergraduate, or postgraduate private school;

(K) a day care center, senior citizen center, homeless shelter, food bank, adoption program, or other similar social service center; and

(L) a gymnasium, health spa, bowling alley, golf course, or other similar place of exercise or recreation.

(4) PUBLIC TRANSPORTATION.—The term "public transportation" means transportation by bus or rail, or by any other conveyance (other than by air travel) that provides the general public with general or special service (including charter service) on a regular and continuing basis.

(5) READILY ACHIEVABLE.—

(A) IN GENERAL.—The term "readily achievable" means easily accomplishable and able to be carried out without much difficulty or expense.

(B) DETERMINATION.—In determining whether an action is readily achievable, factors to be considered include—

(i) the overall size of the covered entity with respect to number of employees, number and type of facilities, and the size of budget;

(ii) the type of operation of the covered entity, including the composition and structure of the entity; and

(iii) the nature and cost of the action needed.

SEC. 302. PROHIBITION OF DISCRIMINATION BY PUBLIC ACCOMMODATIONS.

(a) GENERAL RULE.—No individual shall be discriminated against on the basis of disability in the full and equal enjoyment of the goods, services, facilities, privileges, advantages, and accommodations of any place of public accommodation.

(b) CONSTRUCTION.—

(1) GENERAL PROHIBITION.—

(A) ACTIVITIES.—

(i) DENIAL OF PARTICIPATION.—It shall be discriminatory to subject an individual or class of individuals on the basis of a disability or disabilities of such individual or class, directly, or through contractual, licensing, or other arrangements, to a denial of the opportunity of the individual or class to participate in or benefit from the goods, services, facilities, privileges, advantages, and accommodations of an entity.

(ii) PARTICIPATION IN UNEQUAL BENEFIT.—It shall be discriminatory to afford an individual or class of individuals, on the basis of a disability or disabilities of such individual or class, directly, or through contractual, licensing, or other arrangements with the opportunity to participate in or benefit from a good, service, facility, privilege, advantage, and accommodation that is not equal to that afforded to other individuals.

(iii) SEPARATE BENEFIT.—It shall be discriminatory to provide an individual or class of individuals, on the basis of a disability or disabilities of such individual or class, directly, or through contractual, licensing, or other arrangements with a good, service, facility, privilege, advantage, or accommodation that is different or separate from that provided to other individuals,

unless such action is necessary to provide the individual or class of individuals with a good, service, facility, privilege, advantage, or accommodation, or other opportunity that is as effective as that provided to others.

(B) INTEGRATED SETTINGS.—Goods, facilities, privileges, advantages, accommodations, and services shall be afforded to an individual with a disability in the most integrated setting appropriate to the needs of the individual.

(C) OPPORTUNITY TO PARTICIPATE.—Notwithstanding the existence of separate or different programs or activities provided in accordance with this section, an individual with a disability shall not be denied the opportunity to participate in such programs or activities that are not separate or different.

(D) ADMINISTRATIVE METHODS.—An individual or entity shall not, directly or through contractual or other arrangements, utilize standards or criteria or methods of administration—

(i) that have the effect of discriminating on the basis of disability; or

(ii) that perpetuate the discrimination of others who are subject to common administrative control.

(E) ASSOCIATION.—It shall be discriminatory to exclude or otherwise deny equal goods, services, facilities, privileges, advantages, and accommodations, or other opportunities to an individual or entity because of the known disability of an individual with whom the individual or entity is known to have a relationship or association.

(2) SPECIFIC PROHIBITIONS.—

(A) DISCRIMINATION.—As used in subsection (a), the term "discrimination" shall include—

(i) the imposition or application of eligibility criteria that screen out or tend to screen out an individual with a disability or any class of individuals with disabilities from fully and equally enjoying any goods, services, facilities, privileges, advantages, and accommodations, unless such criteria can be shown to be necessary for the provision of the goods, services, facilities, privileges, advantages, or accommodations being offered;

(ii) a failure to make reasonable modifications in policies, practices, procedures, when such modifications are necessary to afford such goods, services, facilities, privileges, advantages, and accommodations to individuals with disabilities, unless the entity can demonstrate that making such modifications would fundamentally alter the nature of such goods, services, facilities, privileges, advantages, and accommodations;

(iii) a failure to take such steps as may be necessary to ensure that no individual with a disability is excluded, denied services, segregated or otherwise treated differently than other individuals because of the absence of auxiliary aids and services, unless the entity can demonstrate that taking such steps would fundamentally alter the nature of the good, service, facility, privilege, advantage, or accommodation being offered or would result in undue burden;

(iv) a failure to remove architectural barriers, and communication barriers that are structural in nature, in existing facilities, and transportation barriers in existing vehicles used by an establishment for transporting individuals (not including barriers that can only be removed through the retrofitting of vehicles by the installation of a hydraulic or other lift), where such removal is readily achievable;

(v) where an entity can demonstrate that the removal of a barrier under clause (iv) is not readily achievable, a failure to make such goods, services, facilities, privileges, advantages, and accommodations available through alternative methods if such methods are readily achievable;

(vi) with respect to a facility or part thereof that is altered by, on behalf of, or for the use of an establishment in a manner that affects or could affect the usability of the facility or part thereof, a failure to make alterations in such a manner that, to the maximum extent feasible, the altered portions of the facility are readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, and where the entity is undertaking major structural alterations that affect or could affect the usability of the facility (as defined under criteria established by the Attorney General), the entity shall also make the alterations in such a manner that, to the maximum extent feasible, the path of travel to the altered area and the bathrooms, telephones, and drinking fountains serving the remodeled area, are readily accessible to and usable by individuals with disabilities, except that this paragraph shall not be construed to require the installation of an elevator for facilities that are less than three stories or that have less than 3,000 square feet per story unless the building is a shopping center, a shopping mall, or the professional office of a health care provider or unless the Attorney General determines that a particular category of such facilities requires the installation of elevators based on the usage of such facilities.

(B) FIXED ROUTE SYSTEM.—

(i) ACCESSIBILITY.—It shall be considered discrimination for an entity that uses a vehicle for a fixed route system to transport individuals not covered under section 203 or 304, to purchase or lease a bus or a vehicle that is capable of carrying in excess of 16 passengers, for which solicitations are made later than 30 days after the effective date of this Act, that is not readily accessible to and usable by individuals with disabilities (including individuals who use wheelchairs), except that over-the-road buses shall be subject to section 304(b)(4) and section 305.

(ii) EQUIVALENT SERVICE.—If such entity purchases or leases a vehicle carrying 16 or less passengers after the effective date of this title that is not readily accessible to or usable by individuals with disabilities, it shall be discriminatory for such entity to fail to operate a system that, when viewed in its entirety, ensures a level of service to individuals with disabilities, including individuals who use wheelchairs, equivalent to the level of service provided to the general public.

(C) DEMAND RESPONSIVE SYSTEM.—As used in subsection (a), the term "discrimination" shall include, in the case of a covered entity that uses vehicles in a demand responsive system to transport individuals not covered under section 203 or 304, an incident in which—

(i) such entity purchases or leases a vehicle carrying 16 or less passengers after the effective date of this title, a failure to operate a system that, when viewed in its entirety, ensures a level of service to individuals with disabilities, including individuals who use wheelchairs, equivalent to the level of service provided to the general public; and

(ii) such entity purchases or leases a bus or a vehicle that can carry in excess of 16 passengers for which solicitations are made later than 30 days after the effective date of this Act, that is not readily accessible to and usable by individuals with disabilities (including individuals who use wheelchairs) unless such entity can demonstrate that such system, when viewed in its entirety, already provides a level of service to individuals with disabilities equivalent to that provided to the general public, except that over-the-road buses shall be subject to section 304(b)(4) and section 305.

SEC. 303. NEW CONSTRUCTION IN PUBLIC ACCOMMODATIONS AND POTENTIAL PLACES OF EMPLOYMENT.

(a) APPLICATION OF TERM.—Except as provided in subsection (b), as applied to a—

(1) public accommodation; and

(2) potential place of employment;

the term "discrimination" as used in section 302(a) shall mean a failure to design and construct facilities for first occupancy later than 30 months after the date of enactment of this Act that are readily accessible to and usable by individuals with disabilities, except where an entity can demonstrate that it is structurally impracticable to meet the requirements of such subsection in accordance with standards set forth or incorporated by reference in regulations issued under this title.

(b) ELEVATOR.—Subsection (a) shall not be construed to require the installation of an elevator for facilities that are less than three stories or have less than 3,000 square feet per story unless the building is a shopping center, a shopping mall, or the professional office of a health care provider or unless the Attorney General determines that a particular category of such facilities requires the installation of elevators based on the usage of such facilities.

SEC. 304. PROHIBITION OF DISCRIMINATION IN PUBLIC TRANSPORTATION SERVICES PROVIDED BY PRIVATE ENTITIES.

(a) GENERAL RULE.—No individual shall be discriminated against on the basis of disability in the full and equal enjoyment of public transportation services provided by a privately operated entity that is primarily engaged in the business of transporting people, but is not in the principal business of providing air transportation, and whose operations affect commerce.

(b) CONSTRUCTION.—As used in subsection (a), the term "discrimination against" includes—

(1) the imposition or application by an entity of eligibility criteria that screen out or tend to screen out an individual with a disability or any class of individuals with disabilities from fully enjoying the public transportation services provided by the entity;

(2) the failure of an entity to—

(A) make reasonable modifications consistent with those required under section 302(b)(2)(A)(ii);

(B) provide auxiliary aids and services consistent with the requirements of section 302(b)(2)(A)(iii); and

(C) remove barriers consistent with the requirements of section 302(b)(2)(A) (iv), (v), and (vi);

(3) the purchase or lease of a new vehicle (other than an automobile or an over-the-road bus) that is to be used to provide public transportation services, and for which a solicitation is made later than 30 days after the date of enactment of this Act, that is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs (except in the case of a vehicle used in a demand response system, in which case the new vehicle need not be

readily accessible to and usable by individuals with disabilities if the entity can demonstrate that such system, when viewed in its entirety, provides a level of service to individuals with disabilities equivalent to the level of service provided to the general public); and

(4) the purchase or lease of a new over-the-road bus that is used to provide public transportation services and for which a solicitation is made later than 6 years after the date of enactment of this Act for small providers (as defined by the Secretary of Transportation) and 5 years for other providers, that is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

SEC. 305. STUDY.

(a) PURPOSE.—The Architectural and Transportation Barriers Compliance Board established under section 502 of the Rehabilitation Act of 1973 (29 U.S.C. 792) shall undertake a study to determine—

(1) the access needs of individuals with disabilities to over-the-road buses; and

(2) the most cost effective methods for making over-the-road buses readily accessible to and usable by individuals with disabilities, particularly individuals who use wheelchairs.

(b) CONTENT.—The study shall analyze issues, including—

(1) the anticipated demand by individuals with disabilities for accessible over-the-road buses;

(2) the degree to which over-the road buses are readily accessible to and usable by individuals with disabilities;

(3) the cost of providing accessibility to over-the-road buses to individuals with disabilities, including recent technological and cost saving developments in equipment and devices providing such accessibility;

(4) possible design changes in over-the-road buses that could enhance such accessibility; and

(5) the impact of accessibility requirements on the continuation of inter-city bus service by over-the-road buses, with particular consideration of impact on rural service.

(c) ADVISORY COMMITTEE.—In conducting the study required by subsection (a), the Architectural and Transportation Barriers Compliance Board shall establish an advisory committee, of which—

(1) 50 percent of the members shall be selected from among private operators using over-the-road buses, bus manufacturers, and lift manufacturers; and

(2) 50 percent of the members shall be individuals with disabilities, particularly individuals who use wheelchairs, who are potential riders of such buses.

(d) DEADLINE.—The study required by subsection (a), along with recommendations by the Board, shall be submitted to the President and the Congress within 36 months from the date of enactment of this Act.

SEC. 306. REGULATIONS.

(a) ACCESSIBILITY STANDARDS.—Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall issue regulations in an accessible format that shall include standards applicable to facilities and vehicles covered under section 302(b)(2) (B) and (C) and section 304.

(b) OTHER PROVISIONS.—Not later than 1 year after the date of enactment of this Act, the Attorney General shall issue regulations in an accessible format to carry out the remaining provisions of this title not referred to in subsection (a) that include standards applicable to facilities and vehicles covered under section 302.

(c) STANDARDS.—Standards included in regulations issued under subsections (a) and (b) shall be consistent with the minimum guidelines and requirements issued by the Architectural and Transportation Barriers Compliance Board in accordance with section 504.

SEC. 307. EXEMPTIONS FOR PRIVATE CLUBS AND RELIGIOUS ORGANIZATIONS.

The provisions of this title shall not apply to private clubs or establishments exempted from coverage under title II of the Civil Rights Act of 1964 (42 U.S.C. 2000-a(e)) or to religious organizations or entities controlled by religious organizations, including places of worship.

SEC. 308. ENFORCEMENT.

(a) IN GENERAL.—

(1) AVAILABILITY OF REMEDIES AND PROCEDURES.—The remedies and procedures set forth in section 204 of the Civil Rights Act of 1964 (42 U.S.C. sec. 2000a-3(a)) shall be available to any individual who is being or is about to be subjected to discrimination on the basis of disability in violation of this title.

(2) INJUNCTIVE RELIEF.—In the case of violations of section 302(b)(2)(A)(iv) and (vi) and section 303(a), injunctive relief shall include an order to alter facilities to make such facilities readily accessible to and usable by individuals with disabilities to the extent required by this title. Where appropriate, injunctive relief shall also include requiring the provision of an auxiliary aid or service, modification of a policy, or provision of alternative methods, to the extent required by this title.

(b) ENFORCEMENT BY THE ATTORNEY GENERAL.—

(1) DENIAL OF RIGHTS.—

(A) DUTY TO INVESTIGATE.—The Attorney General shall investigate alleged violations of this title, which shall include undertaking periodic reviews of compliance of covered entities under this title.

(B) POTENTIAL VIOLATION.—If the Attorney General has reasonable cause to believe that any person or group of persons is engaged in a pattern or practice of resistance to the full enjoyment of any of the rights granted by this title or that any person or group of persons has been denied any of the rights granted by such title, and such denial raises an issue of general public importance, the Attorney General may commence a civil action in any appropriate United States district court.

(2) AUTHORITY OF COURT.—In a civil action under paragraph (1), the court—

(A) may grant any equitable relief that such court considers to be appropriate, including granting temporary, preliminary, or permanent relief, providing an auxiliary aid or service, modification of policy or alternative method, or making facilities readily accessible to and usable by individuals with disabilities, to the extent required by this title;

(B) may award such other relief as the court considers to be appropriate, including monetary damages to persons aggrieved when requested by the Attorney General; and

(C) may, to vindicate the public interest, assess a civil penalty against the entity in an amount—

(i) not exceeding $50,000 for a first violation; and

(ii) not exceeding $100,000 for any subsequent violation.

SEC. 309. EFFECTIVE DATE.

This title shall become effective 18 months after the date of enactment of this Act.

TITLE IV—TELECOMMUNICATIONS RELAY SERVICES

SEC. 401. TELECOMMUNICATIONS SERVICES FOR HEARING-IMPAIRED AND SPEECH-IMPAIRED INDIVIDUALS.

(a) TELECOMMUNICATIONS.—Title II of the Communications Act of 1934 (47 U.S.C. 201 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 225. TELECOMMUNICATIONS SERVICES FOR HEARING-IMPAIRED AND SPEECH-IMPAIRED INDIVIDUALS.

"(a) DEFINITIONS.—As used in this section—

"(1) COMMON CARRIER OR CARRIER.—The term 'common carrier' or 'carrier' includes any common carrier engaged in interstate communication by wire or radio as defined in section 3(h), any common carrier engaged in intrastate communication by wire or radio, and any common carrier engaged in both interstate and intrastate communication, notwithstanding sections 2(b) and 221(b).

"(2) TDD.—The term 'TDD' means a Telecommunications Device for the Deaf, which is a machine that employs graphic communication in the transmission of coded signals through a wire or radio communication system.

"(3) TELECOMMUNICATIONS RELAY SERVICES.—The term 'telecommunications relay services' means telephone transmission services that provide the ability for an individual who has a hearing impairment or speech impairment to engage in communication by wire or radio with a hearing individual in a manner that is functionally equivalent to the ability of an individual who does not have a hearing impairment or speech impairment to communicate using voice communication services by wire or radio. Such term includes services that enable two-way communication between an individual who uses a TDD or other nonvoice terminal device and an individual who does not use such a device.

"(b) AVAILABILITY OF TELECOMMUNICATIONS RELAY SERVICES.—

"(1) IN GENERAL.—In order to carry out the purposes established under section 1, to make available to all individuals in the United States a rapid, efficient nationwide communication service, and to increase the utility of the telephone system of the Nation, the Commission shall ensure that interstate and intrastate telecommunications relay services are available, to the extent possible and in the most efficient manner, to hearing-impaired and speech-impaired individuals in the United States.

"(2) REMEDIES.—For purposes of this section, the same remedies, procedures, rights, and obligations under this Act that are applicable to common carriers engaged in interstate communication by wire or radio are also applicable to common carriers engaged in intrastate communication by wire or radio and common carriers engaged in both interstate and intrastate communication by wire or radio.

"(c) PROVISION OF SERVICES.—Each common carrier providing telephone voice transmission services shall provide telecommunications relay services individually, through designees, or in concert with other carriers not later than 2 years after the date of enactment of this section.

"(d) REGULATIONS.—

"(1) IN GENERAL.—The Commission shall, not later than 1 year after the date of enactment of this section, prescribe regulations to implement this section, including regulations that—

"(A) establish functional requirements, guidelines, and operations procedures for telecommunications relay services;

"(B) establish minimum standards that shall be met by common carriers in carrying out subsection (c);

"(C) require that telecommunications relay services operate every day for 24 hours per day;

"(D) require that users of telecommunications relay services pay rates no greater than the rates paid for functionally equivalent voice communication services with respect to such factors as the duration of the call, the time of day, and the distance from point of origination to point of termination;

"(E) prohibit relay operators from refusing calls or limiting the length of calls that use telecommunications relay services;

"(F) prohibit relay operators from disclosing the content of any relayed conversation and from keeping records of the content of any such conversation beyond the duration of the call; and

"(G) prohibit relay operators from intentionally altering a relayed conversation.

"(2) TECHNOLOGY.—The Commission shall ensure that regulations prescribed to implement this section encourage the use of existing technology and do not discourage or impair the development of improved technology.

"(3) JURISDICTIONAL SEPARATION OF COSTS.—

"(A) IN GENERAL.—The Commission shall prescribe regulations governing the jurisdictional separation of costs for the services provided pursuant to this section.

"(B) RECOVERING COSTS.—Such regulations shall generally provide that costs caused by interstate telecommunications relay services shall be recovered from the interstate jurisdiction and costs caused by intrastate telecommunications relay services shall be recovered from the intrastate jurisdiction.

"(C) JOINT PROVISION OF SERVICES.—To the extent interstate and intrastate common carriers jointly provide telecommunications relay services, the procedures established in section 410 shall be followed, as applicable.

"(4) FIXED MONTHLY CHARGE.—The Commission shall not permit carriers to impose a fixed monthly charge on residential customers to recover the costs of providing interstate telecommunication relay services.

"(5) UNDUE BURDEN.—If the Commission finds that full compliance with the requirements of this section would unduly burden one or more common carriers, the Commission may extend the date for full compliance by such carrier for a period not to exceed 1 additional year.

"(e) ENFORCEMENT.—

"(1) IN GENERAL.—Subject to subsections (f) and (g), the Commission shall enforce this section.

"(2) COMPLAINT.—The Commission shall resolve, by final order, a complaint alleging a violation of this section within 180 days after the date such complaint is filed.

"(f) CERTIFICATION.—

"(1) STATE DOCUMENTATION.—Each State may submit documentation to the Commission that describes the program of such State for implementing intrastate telecommunications relay services.

"(2) REQUIREMENTS FOR CERTIFICATION.—After review of such documentation, the Commission shall certify the State program if the Commission determines that the program makes available to hearing-impaired and speech-impaired individuals either directly, through designees, or through regulation of intrastate common carriers, intrastate telecommunications relay services in such State in a manner that meets the requirements of regulations prescribed by the Commission under subsection (d).

"(3) METHOD OF FUNDING.—Except as provided in subsection (d), the Commission shall not refuse to certify a State program based solely on the method such State will implement for funding intrastate telecommunication relay services.

"(4) SUSPENSION OR REVOCATION OF CERTIFICATION.—The Commission may suspend or revoke such certification if, after notice and opportunity for hearing, the Commission determines that such certification is no longer warranted.

"(g) COMPLAINT.—

"(1) REFERRAL OF COMPLAINT.—If a complaint to the Commission alleges a violation of this section with respect to intrastate telecommunications relay services within a State and certification of the program of such State under subsection (f) is in effect, the Commission shall refer such complaint to such State.

"(2) JURISDICTION OF COMMISSION.—After referring a complaint to a State under paragraph (1), the Commission shall exercise jurisdiction over such complaint only if—

"(A) final action under such State program has not been taken on such complaint by such State—

"(i) within 180 days after the complaint is filed with such State; or

"(ii) within a shorter period as prescribed by the regulations of such State; or

"(B) the Commission determines that such State program is no longer qualified for certification under subsection (f).".

(b) CONFORMING AMENDMENTS.—The Communications Act of 1934 (47 U.S.C. 151 et seq.) is amended—

(1) in section 2(b) (47 U.S.C. 152(b)), by striking "section 224" and inserting "sections 224 and 225"; and

(2) in section 221(b) (47 U.S.C. 221(b)), by striking "section 301" and inserting "sections 225 and 301".

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. CONSTRUCTION.

(a) REHABILITATION ACT OF 1973.—Nothing in this Act shall be construed to reduce the scope of coverage or apply a lesser standard than the coverage required or the standards applied under title V of the Rehabilitation Act of 1973 (29 U.S.C. 790 et seq.) or the regulations issued by Federal agencies pursuant to such title.

(b) OTHER LAWS.—Nothing in this Act shall be construed to invalidate or limit any other Federal law or law of any State or political subdivision of any State or jurisdiction that provides greater or equal protection for the rights of individuals with disabilities than are afforded by this Act.

(c) INSURANCE.—Titles I through IV of this Act shall not be construed to prohibit or restrict—

(1) an insurer, hospital or medical service company, health maintenance organization, or any agent or entity that administers benefit plans, or similar organizations from underwriting risks, classifying risks, or administering such risks that are based on or not inconsistent with State law; or

(2) a person or organization covered by this Act from establishing, sponsoring, or observing the terms of a bona fide benefit plan that are based on underwriting risks, classifying risks, or administering such risks that are based on or not inconsistent with State law;

Provided, that paragraphs (1) and (2) shall not be used as a subterfuge to evade the purposes of titles I, II, and III.

SEC. 502. PROHIBITION AGAINST RETALIATION AND COERCION.

(a) RETALIATION.—No individual shall discriminate against any other individual because such other individual has opposed any act or practice made unlawful by this Act or because such other individual made a charge, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under this Act.

(b) INTERFERENCE, COERCION, OR INTIMIDATION.—It shall be unlawful to coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of, or on account of his or her having exercised or enjoyed, or on account of his or her having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by this Act.

(c) REMEDIES AND PROCEDURES.—The remedies and procedures available under sections 106, 205, and 308 of this Act shall be available to aggrieved persons for violations of subsections (a) and (b).

SEC. 503. STATE IMMUNITY.

A State shall not be immune under the eleventh amendment to the Constitution of the United States from an action in Federal court for a violation of this Act. In any action against a State for a violation of the requirements of this Act, remedies (including remedies both at law and in equity) are available for such a violation to the same extent as such remedies are available for such a violation in an action against any public or private entity other than a State.

SEC. 504. REGULATIONS BY THE ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD.

(a) ISSUANCE OF GUIDELINES.—Not later than 6 months after the date of enactment of this Act, the Architectural and Transportation Barriers Compliance Board shall issue minimum guidelines that shall supplement the existing Minimum Guidelines and Requirements for Accessible Design for purposes of titles II and III.

(b) CONTENTS OF GUIDELINES.—The guidelines issued under subsection (a) shall establish additional requirements, consistent with this Act, to ensure that buildings, facilities, and vehicles are accessible, in terms of architecture and design, transportation, and communication, to individuals with disabilities.

SEC. 505. ATTORNEY'S FEES.

In any action or administrative proceeding commenced pursuant to this Act, the court or agency, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee, including litigation expenses, and costs, and the United States shall be liable for the foregoing the same as a private individual.

SEC. 506. TECHNICAL ASSISTANCE.

(a) PLAN FOR ASSISTANCE.—The Attorney General, in consultation with the Secretary of Transportation, the Chair...an of the Federal Communications Commission, and the Secretary of Commerce shall, within 180 days of the enactment of this Act, develop and implement a plan to assist entities covered under this Act in understanding the responsibilities of such entities under this Act.

(b) AGENCY ASSISTANCE.—The Attorney General is authorized to obtain the assistance of other Federal agencies in carrying out the responsibilities as described in subsection (a).

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. DOLE. If the Senator from Iowa has no objection, I would like to make a 2-minute statement on a very important disabled person who is in our midst today.

WELCOMING REMARKS—ILYA ZASLAVSKI

Mr. DOLE. I want to welcome to the United States Senate and to the United States this morning a distinguished member of the Soviet National Legislature—a man who carries an extraordinary message of hope to his fellow Soviet citizens and the rest of the world as well.

Ilya Zaslavski was elected to the Soviet National Legislature last March. He defeated a cool and smooth television commentator who had the backing of the Communist Party in an election that occurred in Mikhail Gorbachev's own Moscow voting district.

His message was so powerful that none other than Andrei Sakharov bowed out of the race and backed him.

This would be an amazing accomplishment for any person. But for a 29-year-old textile research scientist from Moscow there were even more obstacles to overcome. Because Ilya Zaslavski is disabled—and has been since childhood.

Now he has taken up the cause of the disabled in a country where wheelchair ramps are practically nonexistent and public policy toward the disabled has amounted mostly to shunting them off to special homes in faraway places.

Ilya Zaslavski is the man who stands before the Kremlin powerful and quietly, passionately, asks the questions:

Why not defend the weak? How long shall we forget about the sick, the old, the abandoned children? How long will hospital patients have to go without food and medicine?

He is a man of courage and perseverance. Those around the country who will hear his words in the coming weeks should consider themselves privileged.

To Ilya Zaslavski I can only say welcome to America—we are glad you are here.

Your message—your life story—will serve as an inspiration to each and every American you will meet.

We are also privileged this morning to have with us a man with a long record of accomplishment in the area of disability rights. A man I have had the pleasure to work with on occasion—recognized around the country for his work in this important public policy area. The president of the National Organization on Disability—Alan Reich.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BREAUX). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICANS WITH DISABILITIES ACT

The Senate continued with the consideration of the bill.

Mr. HARKIN. Mr. President, I rise in support of the bill now before the Senate, the substitute amendment, S. 933, the Americans with Disabilities Act of 1989, which I was proud to introduce in this session of Congress.

Mr. President, today in a very real sense, 43 million Americans with disabilities say with one voice that "Our time has come." To my 63 colleagues, Republican and Democrat, who have cosponsored this legislation, I want to take this opportunity to say thank you for your help in making history. To my colleagues who have not yet cosponsored—and I want to again extend the invitation to join us in order to ensure rapid and successful passage of the Americans With Disabilities Act—I want to thank particularly three individuals; first, the chairman of the full Committee on Labor and Human Resources, Senator KENNEDY, for his very strong and courageous leadership through the long hours, days, weeks, and months—that it has taken to get us to this point. His leadership was crucial in bringing the various groups interested in this legislation, disability from groups to business groups and one Administration, together to make sure we had a reasonable compromise that could be agreed upon by all sides in the best interests of our disabled community.

I also want to thank the ranking member on the Labor and Human Resources Committee, Senator HATCH, for all of his work on this bill. When we first started meeting on this last year, we worked together closely, he and I personally, and our staffs. Finally, I want to thank Senator DURENBERGER, the ranking minority member of the Handicapped, for his unfailing efforts on behalf of disabled Americans and his strong support of this historic legislation.

I want to take this opportunity to thank Senator HATCH for all of his work and his staff's work on this bill. This has been very much a good-faith effort on all sides, because I believe that all of us, Republican, Democrat, conservative, liberal, whatever stripes we may have or people tend to give us to wear, we all believe very deeply.

The time has come to extend broad civil rights coverage to people with disabilities in our society.

So I want to thank Senator HATCH for all of his work and his effort to again pull us together, to reach this point where we have a compromise that has so many cosponsors and the backing of the Administration.

To the 180 national organizations, including disability organization in the country, along with a host of religious organizations and the Leadership Conference on Civil Rights, who have spent countless hours building support for the ADA, I can only say we could not have done it without you.

Mr. President, I ask unanimous consent to print in the RECORD at this point the list of the major disability groups in this country that have worked on this bill and supported it and also the list of the various religious organizations that have supported this legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SEPTEMBER 6, 1989.

U.S. SENATE,
Washington, DC.

DEAR SENATOR: This week you will likely be voting on the Americans With Disabilities Act of 1989 (S. 933). We, the undersigned, leaders of denominational and religious-based agencies, call upon you to support fully the passage of ADA as reported out of the Committee on Labor and Human Resources on August 2, 1989 and to vote against any amendments that will weaken the protections the current version provides.

The time for full civil rights protection for our fellow disabled Americans is long overdue. The passage of ADA in its present form will mean that all Americans will be able to enjoy the opportunities this nation provides its citizens by empowering people living with disabilities to move from lives of dependency to lives of self-fulfillment and productivity.

Months of negotiations between the Administration and Senate leadership produced a bipartisan bill which was unanimously reported out of committee. President Bush has announced his full support for ADA in its current form and opposes any amendments during consideration by the full Senate. In addition, the bill already has 57 cosponsores in the Senate as well as 223 cosponsors in the House.

We are grateful for the resolution of problems in the bill during the committee markup process that concerned issues of separation of church and state.

The religious community is committed to the passage of this landmark legislation which would ensure the civil liberties for disabled Americans. We testify to this unity by our signatures below.

Robert W. Tiller, Director, Office of Governmental Relations, American Baptist Churches, USA; Herbert Blinder, Director, Washington Ethical Action Office, American Ethical Union; Asia A. Bennett, Executive Secretary, American Friends Services Committee; Sally Timmel, Director, Washington Office, Church Women United; Kay S. Dowhower, Director, Lutheran Office for Governmental Affairs, Evangelical Lutheran Church in America; Father Robert J. Brooks, Presiding Bishop's Staff Officer, Washington Office of the Episcopal Church; Joseph R. Hacala, S.J., Director, Jesuit Social Ministries, National Office; Mary Anderson Cooper, Acting

Director, Washington Office, National Council of Churches.

Mary Anderson Cooper, Acting Director, Washington Office, National Council of Churches; Mary Jane Patterson, Director, Washington Office, Presbyterian Church (USA); Rabbi Irwin M. Blank, Washington Representative, Synagogue Council of America; Rabbi Lynne Landsberg, Associate Director, Religious Action Center of Reform Judaism, Union of American Hebrew Congregations; Robert Z. Alpern, Director, Washington Office, Unitarian Universalist Association of Congregations in North America; Rev. Jay Lintner, Director, Washington Office, Office for Church in Society, United Church of Christ; Joyce V. Hamlin, Director, Washington Office, Women's Division, The United Methodist Church; Jane Hull-Harvey, Director, Department of Human Welfare, General Board of Church and Society, The United Methodist Church.

NATIONAL ORGANIZATIONS ENDORSING THE AMERICANS WITH DISABILITIES ACT OF 1989

(Updated 9/7/89 Total Count: 180)

ACLD, An Association for Children and Adults with Learning Disabilities.
Affiliated Leadership League.
AIDS Action Council.
AIDS National Interfaith Network.
Alcohol and Drug Problems Association of North America.
Alexander Graham Bell Association for the Deaf.
American Academy of Child and Adolescent Psychiatry.
American Academy of Otolaryngology Head and Neck Surgery.
American Academy of Pediatrics.
American Academy of Physical Medicine and Rehabilitation.
American Association for Counseling and Development.
American Association for Marriage and Family Therapy.
American Association of the Deaf-Blind.
American Association on Mental Retardation.
American Association of University Affiliated Programs.
American Baptist Churches, USA.
American Bar Association.
American Civil Liberties Union.
American College Health Association.
American Congress of Rehabilitation Medicine.
American Council for Drug Education.
American Council of the Blind.
American Deafness and Rehabilitation Association.
American Diabetes Association, Inc.
American Ethical Union.
American Federation of Labor and Congress of Industrial Organizations (AFL-CIO).
American Federation of State, County, and Municipal Employees, AFL-CIO.
American Foundation for AIDS Research (AmFAR)
American Foundation for the Blind.
American Friends Service Committee.
American Hospital Association.
American Medical Society on Alcoholism and Other Drug Dependencies, Inc.
American Nurses' Association.
American Occupational Therapy Association.
American Orthotic and Prosthetic Association.
American Psychiatric Association.
American Public Health Association.
American Social Health Association.
American Society for Deaf Children.
American Speech-Language-Hearing Association.
American Youth Work Center.
Americans for Democratic Action.
Americans for Substance Abuse Prevention and Treatment.
Association for Education and Rehabilitation of the Blind and Visually Impaired.
Association for the Education of Rehabilitation Facility Personnel.
Association for Retarded Citizens of the United States.
Association of Labor-Management Administrators and Consultants on Alcoholism.
Austism Society of America.
Blinded Veterans Association.
Center for Population Options.
Center for Science in the Public Interest.
Child Welfare League of America.
Children of Alcoholics Foundation, Inc.
Christian Church (Disciples of Christ).
Chronic Fatique Syndrome Information Institute, Inc.
Church of the Brethren.
Church Women United.
Committee for Children.
Committee on Problems of Drug Dependence.
Common Cause.
Conference of Educational Administrators Serving the Deaf.
Consortium for Citizens with Disabilities.
Convention of American Instructors of the Deaf.
Council for Exceptional Children.
Deafness Research Foundation.
Disabled But Able to Vote.
Disability Focus, Inc.
Disability Rights Education and Defense Fund.
Epilepsy Foundation of America.
Episcopal Awareness Center on Handicapped.
Evangelical Lutheran Church in America.
The Lutheran Office for Governmental Affairs.
Families in Action Drug Information Center.
Friends Committee on National Legislation.
Gallaudet University Alumni Association.
Gazette International Networking Institute.
Goodwill Industries of America, Inc.
Health and Medicine Council of Washington.
Human Rights Campaign Fund.
International Association of Parents of the Deaf.
International Polio Network.
International Ventilator Users Network.
Iowa Civil Rights Commission.
Jesuit Social Ministries.
Juvenile Diabetes Foundation.
Lamda Legal Defense and Education Fund.
Leadership Conference on Civil Rights.
Learning How, Inc.
Legal Action Center.
Mental Health Law Project.
National AIDS Network.
National Alliance for the Mentally Ill.
National Association of Alcohol and Drug Abuse Counselors.
National Association of Addiction Treatment Providers.
National Association of Attorneys General.
National Association of Black Substance Abuse Workers, Inc.
National Association of Community Health Centers.
National Association of Counties.
National Association for Music Therapy.
National Association of the Deaf.
National Association of Developmental Disabilities Councils.
National Association of People With AIDS.
National Association of Private Residential Resources.
National Association of Protection and Advocacy Systems.
National Association of Rehabilitation Facilities.
National Association of Rehabilitation Professionals in the Private Sector.
National Association of Social Workers.
National Association of State Alcohol and Drug Abuse Directors.
National Association of State Mental Retardation Program Directors.
National Black Alcoholism Council.
National Center for Law and the Deaf.
National Coalition for Cancer Survivorship.
National Council of Churches.
National Council of Community Mental Health Centers.
National Council of Jewish Women.
National Council on Alcoholism.
National Council on Alcoholism-Michiana.
National Council on Disability.
National Council on Independent Living.
National Council on La Raza.
National Council on Problem Gambling.
National Council on Rehabilitation Education.
National Council on the Handicapped.
National Down Syndrome Congress.
National Easter Seal Society.
National Education Association.
National Family Planning and Reproductive Health Association.
National Federation of the Blind.
National Fraternal Society of the Deaf.
National Gay and Lesbian Task Force.
National Handicapped Sports and Recreation Association.
National Head Injury Foundation.
National Hospice Organization.
National Industries for the Severely Handicapped, Inc.
National Mental Health Association.
National Mental Health Consumers' Association.
National Minority AIDS Council.
National Multiple Sclerosis Society.
National Network of Learning Disabled Adults.
National Network of Runaway and Youth Services.
National Organization for Rare Disorders.
National Organization on Disability.
National Ostomy Association, Inc.
National P.T.A.
National Prevention Network.
National Puerto Rican Coalition.
National Recreation and Park Association.
National Rehabilitation Association.
National Spinal Cord Injury Association.
Northeast Regional Methadone Treatment Coalition.
Paralyzed Veterans of America.
People First International.
Presbyterian Church (U.S.A.).
Rainbow Lobby.
Self Help for Hard of Hearing People, Inc.
Southern California Rapid Transit District.
Spina Bifida Association of America.
Synagogue Council of America.
Telecommunications for the Deaf, Inc.
The Association for Persons with Severe Handicaps (TASH).
The Episcopal Church.

Washington Office of the Episcopal Church.
The Gray Panthers.
The United Methodist Church.
Therapeutic Communities of America.
Tourette Syndrome Association.
Union of American Hebrew Congregations.
Unitarian Universalist Association of Congregations.
United Cerebral Palsy Associations, Inc.
United Church of Christ.
Office for Church in Society.
United Church Board for Homeland Ministries.
United Methodist Church.
Women's Division.
General Board of Church and Society.
Issue Developmental and Advocacy Unit.
United States Student Association.
Women's Equity Action League.
Women's Legal Defense Fund.
World Institute on Disability.

Mr. HARKIN. Let me just read from a letter that we received just yesterday from the office of General Secretary of the U.S. Catholic Conference. It says:

DEAR SENATOR: The U.S. Catholic Conference, the public policy agency of the nation's Roman Catholic bishops, offers its general support for S. 933, the Americans with Disabilities Act, as it was reported by the Committee on Labor and Human Resources. More than ten years ago in their Pastoral Statement on Handicapped Persons, the bishops called on Americans to protect the rights of persons with handicaps:

"Defense of the right to life, then, implies the defense of other rights which enable the handicapped individual to achieve the fullest measure of personal development of which he or she is capable. These include the right of equal opportunity in education, in employment, in housing, as well as the right to free access to public accommodations, facilities, and services."

S. 933 puts the weight of the federal government in support of these rights of persons with handicapped conditions. Passage of the bill will mean that discrimination solely on the basis of handicaps will be not only immoral, but illegal. The Conference of Bishops urges you to support the bill in the hopes that new federal protection will result in fuller participation of handicapped persons in our society. In the words of the bishops' pastoral statement:

"It is not enough merely to affirm the rights of handicapped people. We must actively work to realize these rights in the fabric of modern society."

I ask unanimous consent that this letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. CATHOLIC CONFERENCE,
Washington, DC, September 6, 1989.

DEAR SENATOR: The U.S. Catholic Conference, the public policy agency of the nation's Roman Catholic bishops, offers its general support for S. 933, the Americans with Disabilities Act, as it was reported by the Committee on Labor and Human Resources. More than ten years ago in their Pastoral Statement on Handicapped Persons, the bishops called on Americans to protect the rights of persons with handicaps:

"Defense of the right to life, then, implies the defense of other rights which enable the handicapped individual to achieve the fullest measure of personal development of which he or she is capable. These include the right to equal opportunity in education, in employment, in housing, as well as the right to free access to public accommodations, facilities, and services."

S. 933 puts the weight of the federal government in support of these rights of persons with handicapping conditions. Passage of the bill will mean that discrimination solely on the basis of handicaps will be not only immoral, but illegal. The Conference of Bishops urges you to support the bill in the hopes that new federal protection will result in fuller participation of handicapped persons in our society. In the words of the bishops' pastoral statement:

"It is not enough merely to affirm the rights of handicapped people. We must actively work to realize these rights in the fabric of modern society."

Sincerely,

REV. ROBERT N. LYNCH,
General Secretary, NCCB/USCC.

Mr. HARKIN. Since we introduced the legislation last May, the months have dragged by and there has been a comprehensive and exhausting set of hearings, meetings and negotiations with the administration and many interested parties.

Compromise, carefully crafted and painstakingly wrought, has resulted in a bill that takes into account the very real concerns of the business community while advancing the cause of equal justice and equal opportunity for our citizens with disabilities.

In other instances, business concerns were sparked by inaccurate information. With the facts in hand, I believe our business proprietors are just as committed, often more committed, to wiping out discrimination against people with disabilities.

The American dream is the dream of opportunity for all. And when any American is denied the opportunity to contribute, we all lose. When we free the talents and the abilities of millions of Americans with disabilities, we all win.

Who are these 43 million Americans with disabilities, one out of every six of our citizenry?

First of all, they are not strangers to us.

It could be an elderly grandmother with arthritis, but determined to fend for herself and live her retirement years in dignity.

A proud American veteran, who risked life but lost limb defending our freedoms. He only seeks an opportunity to contribute to the country he fought for.

It could be a young boy, born with Down syndrome, but thanks to loving parents and enlightened school officials, will graduate from high school, now wants to work—but fears the door will be barred in his face.

A woman with cerebral palsy who wants to see a local movie but is rudely refused by an owner who says, "I don't want her in here, and I don't have to let her in."

It could be my brother, deaf from birth, who has spent a lifetime of work and service proving that the only thing deaf persons cannot do in the words of Dr. I. King Jordan, president of Galluadet University, is hear.

My brother and millions like him are Americans with disabilities, but they are not disabled.

Indeed, by extension, it follows that the only thing a person who uses a wheelchair cannot do is walk.

The only thing a blind person cannot do is see.

There are things that all of us cannot do. Who among us can play basketball as well as Larry Bird? Who can pitch a baseball as fast as Orel Hershier? Who can tell a joke like Jay Leno?

Does the lack of any one of these abilities constitute a disability? Of course not.

It is just as silly to focus on the disability of a person who cannot hear, when there is so much that that person can do.

Who are these 43 million Americans with disabilities? They are our brothers and sisters, our parents and grandparents, our friends and neighbors, our proud veterans, our older citizens who carry themselves with dignity, our youth who look to the future with hope.

Those who are nondisabled by the conventional definition today could be disabled tomorrow by fate or accident—or years from now from the natural process of aging.

Indeed, disability is a part of life in every community across America, in virtually every family in our country.

Yes, disability poses limitation.

But ask any person with a disability: Most often, it is not his or her own disability that is limiting; it is the obstacles placed in the way by an indifferent society.

As Senator Lowell Weicker, a great champion of Americans with disabilities and my predecessor as chairman of the Subcommittee on the Handicapped, the first sponsor of this legislation in the last Congress, so aptly put it, people with disabilities spend a lifetime "overcoming not what God wrought but what man imposed by custom and law."

And what man and woman have created, we can also change.

Initiative stifled, dreams dampened, opportunity denied—this is not the stuff of which America is made.

From our founding, Americans have seen not insurmountable obstacles—but challenges to be met.

In seeking passage of the ADA, we are not asking for an uncertain venture into uncharted waters. We are demanding a return to the tried and

tested values that have guided our Nation for two centuries.

We do not seek a change in the American political and economic contract, only an extension to bring more Americans under the protections of rights that should be afforded to all.

As Sandy Parrino, chairperson of the National Council on Disability, testified, "Martin Luther King had a dream." We have a vision. Dr. King dreamed of an America "where a person is judged not by the color of his skin, but by the content of his character." ADA's vision is of an America where persons are judged by their abilities and not on the basis of their disabilities.

And so, to my colleagues I say, the ADA is about abilities, not disabilities.

It is about unleashing the talents, skills, enthusiasms and commitment of 43 million Americans who want to contribute but are denied basic access that will enable them to contribute to our society.

With the passage of this historic legislation, this 20th century emancipation proclamation for people with disabilities, we will deny them that opportunity no longer.

The ADA extends civil rights protections for people with disabilities to cover employment in the private sector, public accommodations, activities of State and local governments, public and private transportation, and telecommunications for persons with hearing impairments and communication disorders.

The ADA is, without exaggeration, the most critical legislation affecting persons with disabilities ever considered by Congress.

For too long, individuals with disabilities have been excluded, segregated, and otherwise denied equal, effective, and meaningful opportunity to participate in the economic and social mainstream of American life. It is time we eliminate these injustices.

The history of the United States has been a constant evolution of opening more doors, breaking down more barriers, and extending basic human rights to more and more people. In the Declaration of Independence and our Bill of Rights, we said that all Americans were created equal.

Yet, it took almost a century for black Americans to break the yoke of slavery. It took another 60 years for women to earn the right to vote, it took another 45 years to pass the historic Civil Rights Act of 1964. But, today, because of this law, an employer can no longer say to a prospective employee: "I will not hire you because of the color of your skin, or because you're a woman or Irish or Jewish or Catholic."

Because, if that employer did, that applicant has a right under Federal law to stop the discrimination and secure a remedy.

Yet, today, 25 years after the passage of the Civil Rights Act of 1964, there is still one group of Americans who do not enjoy this basic right. To this day, no Federal law prevents an employer in the private sector or an owner of a hotel or restaurant or transportation or communications company from excluding, segregating, or otherwise discriminating against 43 million Americans with disabilities.

Some may ask whether discrimination against persons with disabilities is a problem in contemporary American society of significant magnitude to warrant the enactment of Federal legislation. The unfortunate answer to this question is yes.

Testimony presented to the Committee on Labor and Human Resources chaired by Senator KENNEDY and the Subcommittee on the Handicapped, which I chair, two recent reports by the National Council on Disability, a report by the Civil Rights Commission, polls taken by Louis Harris and Associates, a report of the Presidential Commission on the Human Immunodeficiency Virus Epidemic, and the report by the Task Force on the Rights and Empowerment of Americans with Disabilities all reach the same fundamental conclusions:

First, historically, people with disabilities have been isolated and subjected to discrimination and such isolation and discrimination is still pervasive in our society;

Second, discrimination still persists in such critical areas as employment in the private sector, public accommodations, public services, transportation, and telecommunications;

Third, current Federal and State laws are inadequate to address the discrimination faced by people with disabilities in these critical areas;

Fourth, people with disabilities as a group occupy an inferior status socially, economically vocationally, and educationally; and

Fifth, discrimination denies people with disabilities the opportunity to compete on an equal basis and costs the Federal, State and local governments, and the private sector billions of dollars in unnecessary expenses resulting from dependency and nonproductivity.

Let us look at the different areas that are covered by the bill now before us. First, let us look at the employment area.

Individuals with disabilities experience staggering levels of unemployment and poverty. According to a recent Lou Harris poll not working is perhaps the truest definition of what it means to be disabled in America. Two-thirds of all disabled Americans between the age of 16 and 64 are not working at all; yet 66 percent of those not working say they want to work. This means that about 8.2 million people with disabilities want to work but cannot find a job.

The Lou Harris' poll also found that large majorities of top managers (72 percent), equal opportunity officers (76 percent), and department heads/line managers (80 percent) believe that individuals with disabilities often encounter job discrimination from employers and that discrimination by employers remains an inexcusable barrier to increased employment of disabled people.

All Americans, not just our citizens with disabilities, bear the cost of this discrimination. According to the Lou Harris poll, the majority of those individuals with disabilities not working and out of the labor force, must depend on insurance payments of Government benefits for support. Eighty-two percent of people with disabilities said they would give up their government benefits in favor of a full-time job.

Let me repeat that. Eighty-two percent of the people polled with disabilities who are getting Government benefits said they would voluntarily give up those Government benefits if they could get a full time job.

Without corrective action, discrimination against Americans with disabilities will only worsen. The trend of the eighties has not been positive. According to a report released just a few weeks ago by the U.S. Bureau of the Census entitled "Labor Force Status and Other Characteristics of persons with a Work Disability: 1981 to 1988," the percentage of persons with disabilities with full-time jobs decreased during the 1980's. The report also found that earnings of persons with disabilities have fallen significantly in the 1980's compared with workers who did not have disabilities.

Second, let us look at the accessibility of public accommodations and what that means for people with disabilities.

Based on testimony presented at the hearings and recent national surveys and reports, it is clear that an overwhelming majority of individuals with disabilities lead isolated lives and do not frequent places of public accommodation.

The National Council on Disability summarized the findings of a recent Lou Harris poll:

> The survey results dealing with social life and leisure experiences paint a sobering picture of an isolated and secluded population of individuals with disabilities. The large majority of people with disabilities do not go to movies, do not go to the theater, do not go to see musical performances, and do not go to sports events. A substantial minority of persons with disabilities never go to a restaurant, never go to a grocery store, and never go to a church or synagogue.* * * The extent of nonparticipation of individuals with disabilities in social and recreational activities is alarming.

In answer to the question "Why don't people with disabilities frequent places of public accommodations and stores as often as other Americans?" three major reasons were given by Senate witnesses. First, people with disabilities do not feel they are welcome and can participate safely in such places. Second, many persons with disabilities are fearful or self-conscious stemming from degrading experiences they or their friends with disabilities have had.

And I can tell you from firsthand experience what that means when a person with a disability once, twice, three times has had some demeaning or degrading experience in some place of public accommodation, what that does to dampen their enthusiasm to ever return to a place like that. It only takes one time when a disabled person, who may be young, when his concept of society is forming, to have one, just one thing happen to him which degrades him as an individual. That builds a shell around that person for the rest of his life.

The third reason that was given for not frequenting these places was the existence of architectural, communication, and transportation barriers that keep people with disabilities out.

Witnesses also testified about the need to define places of public accommodations to include all places open to the public, not simply restaurants, hotels, and places of entertainment which, I might add, are the types of establishments covered by title II of the Civil Rights Act of 1964. We extend it beyond that because discrimination against people with disabilities is not limited to specific categories of public accommodations.

When you are in a wheelchair and you want to go someplace and you cannot get over the curb or you cannot get in the door or if you are a person perhaps with another disability and there is no means of assistance, no means of handrails or other kinds of assistance to help you, well, then, pretty soon you get pretty discouraged about going out. So people with disabilities tend to stay at home, cooped up, isolated from the rest of society.

As Robert Burgdorf, Jr., vice president of the Easter Seal Society of America, testified:

> It makes no sense for a law to say that people with disabilities cannot be discriminated against if they want to buy a pastrami sandwich at the local deli but that they can be discriminated against next door at the pharmacy where they need to fill a prescription. There is no sense to that distinction.

Third, let us look at the public services aspect.

Currently, Federal law prohibits recipients of Federal assistance from discriminating against individuals with disabilities. Witnesses testified about the inequity of limiting protection based on the receipt of Federal funding, while exempting State and locally funded government institutions.

Dr. Mary Lynn Fletcher, the director of disability services in a rural area of Tennessee testified that access to all public services is particularly critical in rural areas, because State and local government funded-entities are frequently the major employers and service providers in small towns. Fairness dictates that all publicly funded entities, whether their funding source be Federal, State or local, should be accessible to people with disabilities.

Fourth, let us look at the area of transportation.

Transportation is the linchpin which enables people with disabilities to be integrated and mainstreamed into society. Timothy Cook, director of the National Disability Action Center, testified that,

> Access to transportation is the key to opening up education, employment, recreation; and other provisions of the [ADA] are meaningless unless we put together an accessible public transportation system in this country.

Witnesses also testified about the need to pursue a multimodal approach to ensuring access for people with disabilities providing that all new buses used for fixed routes are accessible and paratransit is made available for those who cannot use the fixed route accessible buses.

With respect to intercity transportation, the committee learned about the deplorable isolation of people with disabilities residing in rural areas, the lack of accessible private transportation serving these rural areas, and at the same time the existence of reasonably priced lifts that can be installed on buses which will enable people using wheelchairs to have access to these buses. This is particularly critical in rural areas where these buses are often the only mode of transportation that is available.

Again, I reemphasize that transportation is really the linchpin. If we open up public accommodations and break down barriers in employment, what does it really mean to disabled people if they cannot get from their homes to their jobs, from their jobs to a restaurant, from the restaurant to a place of entertainment and from that place back home again just like people without disabilities? This, really, is the key to making sure that society is opened up to people with disabilities.

TELECOMMUNICATIONS

Dr. I. King Jordan, president of Gallaudet University, noted to the committee that more than 100 years ago Alexander Graham Bell invented the telephone in the hope that he could close the communication gap between deaf and hearing people. According to Dr. Jordan:

> Not only did the telephone not help close that gap, but in many ways it widened it and has become one more barrier in the lives of deaf people.

Several witnesses testified about the critical need to establish relay systems. Relay systems will enable hearing impaired and communication-impaired persons who use telecommunication devices for the deaf, or TDD's, to make calls to and receive calls from individuals using voice telephones.

Dr. Jordan summed up the need for a national relay system:

> The phone is a necessity, and it is a necessity for all of us, not just people who can hear. * * * By requiring nationwide telephone relay service for everyone, it will help deaf people achieve a level of independence in employment and public accommodations that is sought by other parts of the ADA.

Again, I will just give a recent example, when I was home over the break period. I have a TDD in my office, I have one at home, by which I communicate with my brother who is deaf. I happened to be driving around in a car and I needed to get in touch with him to make a appointment with him to get him to go someplace but obviously I didn't have the TDD in the car. That is a little bit difficult.

But, in Iowa we have a relay system. So I was able to pick up the phone, call the relay operator, give her my brother's number, ask her to call him, get him on the phone and relay a message.

Well, this operator, who happened to be a woman, took my call, called my brother. She took my vocal instructions, typed them on a TDD to my brother, he typed them on the TDD back to her and she relayed it to me vocally. That way we had communications. That is what we are talking about on a national basis so that people with hearing difficulties can have the same kind of access to communications that all of us have.

I would like to talk just a little bit about the effects of discrimination on our society.

THE EFFECTS OF DISCRIMINATION ON SOCIETY

Discrimination not only has adverse consequences for people with disabilities; it also has significant adverse consequences for our economy. As I noted earlier, the committee heard testimony and reviewed reports concluding that discrimination results in dependency on social welfare programs costing taxpayers unnecessary billions of dollars each year.

President Bush has said:

> On the cost side, the National Council on the Handicapped states that current spending on disability benefits and programs exceeds $60 billion annually. Excluding the millions of disabled who want to work from the employment ranks costs society literally billions of dollars annually in support payments and lost income tax revenues.

Attorney General Thornburgh added that:

> We must recognize that passing comprehensive civil rights legislation protecting

persons with disabilities will have direct and tangible benefits for our country. * * * Certainly, the elimination of employment discrimination and the mainstreaming of persons with disabilities will result in more persons with disabilities working, in increased earnings, in less dependence on the Social Security system for financial support, in increased spending on consumer goods, and increased tax revenues.

Thus, enactment of the ADA will save billions of dollars per year that are currently being expended on social welfare programs. The ADA will allow people with disabilities to become taxpayers and consumers.

Discrimination also negates the billions of dollars we invest each year to educate our children and youth with disabilities and train and rehabilitate adults with disabilities. Sylvia Piper, a parent of a child with developmental disabilities from Ankeny, IA, testified that:

We have invested in our son Dan's future. The Ankeny Public School District has made an investment in Dan's future. * * * Are we going to allow this investment of time, energy, and dollars, not to mention Dan's ability and quality of life, to cease when he reaches age 21?

In sum, there is a compelling need to provide a clear and comprehensive national mandate for the elimination of discrimination against individuals with disabilities and for the integration of persons with disabilities into the economic and social mainstream of American life.

Mr. President, we are going to hear a lot of talk, I am sure, as we debate this bill on the floor about how much it is going to cost. What is it going to cost our businesses to comply? What is it going to cost our transportation sector and our communications sector? What is it going to cost State and local governments to comply?

Well, we know what it is costing society right now, upward of maybe $60 billion a year that we are spending in welfare payments, not to mention the unemployment these people face and the fact that they are not even paying income taxes.

So again, I believe, in sum, the passage of this bill will turn out to save us all, businesses, transportation, communication—everyone—it will save us money and it will be in the best economic interests of America.

Today, we are considering the substitute amendment to S. 933, the Americans With Disabilities Act, reported out of the Labor Committee by unanimous vote.

The substitute amendment is the product of extensive and intense negotiations between myself, Senators KENNEDY, DOLE, HATCH, and MCCAIN, and representatives from the administration, including Governor Sununu, Attorney General Thornburgh, Secretary of Transportation Skinner, and Roger Porter, head of the Domestic Policy Council.

Again, I want to point out, contrary to an editorial that appeared in a newspaper yesterday, this has not been rushed through. This bill is the result of years of investigation and consultation by the President's National Council on Disability beginning in 1984. The bill was first introduced last year. We have held well over five hearings on this bill, as I said earlier, plus countless hours, days, weeks, and months of negotiations and compromise. Nothing has been hurried about this bill. Indeed, it has been scrutinized to an extent that the vast majority of legislation that comes through here is never scrutinized.

The substitute amendment is a compromise. No party to the negotiations got everything they wanted. I believe the compromise provides an appropriate balance between the rights of people with disabilities and the legitimate concerns of the business community, particularly small businesses.

For people with disabilities, the ADA sends a clear message that they are entitled to be treated with dignity and respect and that they can and will be judged as individuals on the basis of their abilities; not on the basis of ignorance, irrational fears, or patronizing attitudes.

The ADA gives power to individuals with disabilities to make choices, to decide for themselves what kind of life they want to lead, and provides a meaningful and effective opportunity to become independent and productive members of our society. It guarantees individuals with disabilities the right to be integrated into the economic and social mainstream of society; segregation and isolation by others will no longer be tolerated.

For the business community, the substitute recognizes the appropriateness of recognizing cost in devising particular standards for inclusion in the bill. For example, cost was a factor in the decision that the bill should not mandate the retrofitting of existing buses; only new buses must be fully accessible. With respect to public accommodations, only modest changes to existing facilities are required; that is, those that are easily accomplishable without much difficulty or expense. If the provision of special service results in an undue burden, it need not be provided.

Senator KENNEDY and I are committed to this compromise. We will oppose all weakening amendments. We will also oppose any amendments that are intended to strengthen the substitute, if these amendments do not have the support of the administration and Senator DOLE. We are pleased that the administration and Senator DOLE share this commitment. We hope that other Senators will understand how fragile this compromise is and will support it.

The major component of the compromise was the agreement by the chief Senate sponsors to cutback the remedies included in the original bill in exchange for a broad scope of coverage under the public accommodations title of the bill; in other words to extend protections to most commercial establishments large and small open to the public. We would thus consider any amendment that pertains to either of these two aspects of the legislation an amendment designed to destroy this fragile compromise.

More specifically, with respect to employment, the substitute delays the effective date for 2 years from the date of enactment; includes a phasedown in coverage from 25 employees for the first 2 years down to 15 employees thereafter; it adopts many standards and interpretations from the original HEW regulations implementing section 504 of the Rehabilitation Act of 1973, including the obligation to provide a reasonable accommodation unless it would result in an undue hardship. The compromise clarifies that the bill does not protect, and let me repeat, the bill does not protect current drug users and alcoholics. The bill incorporates by reference the remedies set out in title VII of the Civil Rights Act of 1964, which includes injunctive relief and limited back pay, and it deletes the authority to seek compensatory and punitive damages for acts of intentional discrimination.

With respect to public transportation, the substitute authorizes the Secretary of Transportation to grant limited relief to the obligation that all new fixed route buses must be accessible when no lifts are available from manufacturers. It includes an undue financial burden limitation to the general rule that a public transit authority must make available paratransit services to supplement the mainline accessible buses; and provides 20 years for Amtrak to make its stations accessible.

With respect to public accommodations, the substitute delays implementation for 18 months from the date of enactment. It exempts from coverage private clubs and religious organizations and entities controlled by religious organizations; and includes a special rule regarding the installation of elevators in new construction and where the entity is making major structural alterations. Elevators need not be installed if the building has fewer than three stories or fewer than 3,000 square feet per floor except in specified circumstances.

The substitute also deletes references to the enforcement scheme for private parties set out in the Fair Housing Act; that is, compensatory and punitive damages, and instead incorporates by reference the provisions

in title II of the Civil Rights Act of 1964. The substitute authorizes the Attorney General to bring pattern and practice suits and seek civil penalties, with a cap, to vindicate the public interest. The Attorney General may also request monetary but no punitive damages on behalf of an aggrieved party.

With respect to transportation services provided by private entities, the bill delays for 5 years, and 6 years for small entities, the obligation to make new over-the-road buses accessible and requires a study to determine how best to achieve accessibility in the most cost effective manner and to review the impact of the obligation on the provision of services in rural areas.

In closing, let me say that the Americans With Disabilities Act is a landmark statement of basic human rights that will make the promise of equal opportunity a reality for 43 million Americans with disabilities. Enacting the ADA is the right thing to do for people with disabilities. It is also the right way to help strengthen our economy and enhance our international competitiveness. The ADA will save the Government and society billions of dollars by getting people off the dependency/social welfare rolls and into jobs, into restaurants, into shopping centers and into community activities.

Mr. President, I close by laying down the challenge issued by Perry Tillman, a Vietnam veteran who testified before my subcommittee:

I did my job when I was called on by my country. Now it is your job and the job of everyone in Congress to make sure that when I lost the use of my legs, I didn't lose my ability to achieve my dreams. Myself and other veterans before me fought for freedom for all Americans. But when I came home and found out that what I fought for applied to everyone but me and other handicapped people, I couldn't stop fighting. I have fought since my injury in Vietnam to regain my rightful place in society. I ask that you now join me in ending this fight and give quick and favorable consideration to the ADA to allow all Americans, disabled or not, to take part equally in American life.

I urge my colleagues to support this historic legislation.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I will not take a long time in my opening remarks because I think the distinguished Senator from Iowa has spoken very eloquently and I believe has summarized this bill and the substitute, about as well as can be done. I want to personally commend him for his efforts.

Mr. President, this is an important bill. This is a bill that really enfranchises 43 million Americans who have not had the type of coequal treatment in our society that persons with disabilities really deserve. It is a bill that recognizes that the Federal Government does have a role in seeing that their rights are enforced, and it does have a role in helping people with disabilities to be able to help themselves to become independent and productive citizens.

Many persons with disabilities, of course, do more with their lives than many of us who have no disabilities at all.

Mr. President, the time has come for the Senate to send a loud, clear message across this country—individuals with disabilities, no less than all other Americans, are entitled to an equal opportunity to participate in the American dream. It is time for that dream to become a reality.

We now have before us the most sweeping piece of civil rights legislation since the Civil War era. This bill covers public and private employment, State and local government agencies, public and private transportation, public accommodations, and access to telecommunications services. For the first time, these areas of coverage will exist, regardless of whether an entity receives Federal dollars or is a Federal contractor.

Let me say at the outset that much effort has gone into crafting this legislation. The list of those who deserve credit is too long to cover in its entirety. But I think I would be remiss, however, if I failed to recognize the genuine personal commitment President Bush has brought to this issue. The President made a commitment to the citizens of our Nation with disabilities that legislation assuring them equal opportunity would become law. We are on the verge of seeing this Presidential commitment fulfilled. I want to compliment him for it. This is a major, landmark piece of legislation. In spite of what all of us in the Senate and other areas of Congress have tried to do, the bill would not be here today without the efforts of the President of the United States.

In this bipartisan spirit, I want to recognize the outstanding leadership of the chairman of the Subcommittee on the Handicapped, Senator HARKIN, the ranking Republican member of the subcommittee, Senator DURENBERGER, and, of course, the chairman of the Labor and Human Resources Committee, Senator KENNEDY. These congratulations, it seems to me, must also go to their respective staffs who have put in long hours of work as have the Senators, and have shown remarkable dedication to this cause. Although not on our committee, Senator MCCAIN has also played a significant role in this bill, as have many others. I think that all is clearly reflected by this legislative product.

There is an individual who should be remembered as a driving force behind this legislation, and that is my good friend Justin Dart, former Commissioner of the Rehabilitation Administration. More recently, as the chairperson of the Task Force on the Rights and Empowerment of Americans with Disabilities, Mr. Dart has done yeoman work to get us where we are on this legislation, and I am very proud to call him a friend.

Mr. President, I am a cosponsor of this legislation because I firmly believe in its objective—establishing a clear, comprehensive prohibition of discrimination on the basis of disability.

Why I believe this so strongly is summed-up best in an article which appeared in the New York Times a few days ago. The article was written by James Brady, the former White House press secretary under President Reagan, who now continues his service to our Nation as vice chairman of the National Organization on Disability.

He wrote, "People with disabilities—the largest minority of the United States—were left out of the historical Civil Rights Act of 1964. Twenty-five years later, discrimination against disabled people is still pervasive. Congress has a chance to correct this injustice." We could not have said it better.

Today we do have a chance to correct the injustices. Persons with disabilities I have talked to stress that their entire desire is only to be given the same opportunity to work and fend for themselves like anyone else. They are looking for what this bill provides—equal opportunity, not equal results.

Indeed, through their own efforts and with the benefit of a growing array of programs and antidiscrimination provisions at the State and Federal levels—designed to enhance their abilities to lead lives of independence, not dependence—persons with disabilities have long been writing an inspiring chapter in this Nation's history of bringing more and more people into the mainstream of this country.

People with disabilities, through their hard work and self-determination, have already made great advantages and successfully destroyed many of the stereotypes which have been used in the past to deny them equal opportunities. But more can still be done to provide equal opportunity for persons with disabilities. That is why we are here today.

Mr. President, my enthusiasm for this legislation does not, however, mean that I think it is perfect. It is not. There is room to make this legislative product even better, and let me explain that.

Since the beginning of the year, Senator HARKIN and I have discussed the need for this legislation and the overwhelming importance of making it meaningful and reasonable. I have been concerned from the beginning about ensuring that the ability of small business to continue competing

successfully was not compromised by this bill; that the relief against businesses is not unreasonable, and that costly obligations more suited to urban mass transit systems, with their massive Federal subsidies and local tax sources, not be imposed upon the private bus transportation industry, which is basically unsubsidized.

If we place unreasonable, suffocating obligations on these businesses, everyone loses—persons with or without disabilities that currently patronize those businesses and the employees at those businesses who may lose their jobs.

For these and other reasons, I was unable at the outset to cosponsor S. 933 as originally introduced, despite my desire to see the objective of this legislation fulfilled. Senator HARKIN and I have talked about these concerns for several months, and other members of the committee and the administration joined in these talks this summer. Enough changes were made in this legislation during the process that I was pleased to cosponsor this legislation at the time of the committee markup.

Despite my desire to get this legislation passed and despite my cosponsorship of this bill, I feel strongly that we can still make further reasonable adjustments in the bill in the areas I have just mentioned. I think that we can make these adjustments and pass the most sweeping civil rights bill since the Civil War era. I will elaborate on these improvements at the appropriate time during our debate.

However, let me just add that there is one concern that I raised in committee that I will not raise on the floor by way of amendment. That concern is the failure of the bill to cover the Congress. I just want to say to all my colleagues that I believe it is about time Congress recognizes the hypocrisy of subjecting others to obligations that we do not subject ourselves to or that we do not impose upon ourselves. It is with great reluctance that I have decided to refrain from offering that particular amendment. I only do so because of personal requests from various leaders in the Senate and on the committee.

Mr. President, I do think it is important to mention one amendment that needs to be brought up. It is an amendment of some controversy that may cause some heartburn to various people in the Senate. The purpose of the amendment is to provide a refundable tax credit for the costs of very small businesses who have to comply with the public accommodation requirements of the Americans with Disability Act. It is in the form of a refundable tax credit.

The amendment provides for a refundable credit so that complying small businesses can receive an immediate payback from the Federal Government for the costs of complying with this act. If we are going to impose these obligations upon small businesses, we than ought to have some obligation to help them pay for it, because many of these small businesses clearly will not be able correct these problems without irreparably harming their businesses or terminating the employment of people in our society.

The amount of this refundable credit is the lesser of the actual amount of costs incurred by the small business or $5,000. The credit is available every taxable year up to the $5,000 limit, but no business electing the credit will be allowed a deduction for the same expenses giving rise to the credit. This credit would only apply to small businesses required to provide public accommodations, as defined by S. 933 and which has annual gross receipts of not over $1 million and employ fewer than 15 employees. Both the gross income figure and the $5,000 limitation are to be indexed to the Consumer Price Index. So, we are limiting this tax credit to true small businesses.

To explain further, costs eligible for the credit are those paid or incurred for: First, the purpose of removing architectural communication or transportation barriers which prevent public accommodation from being accessible to, or usable by, an individual with a disability; and second, providing auxiliary aids and services to individuals with a disability who are employees or customers of the public accommodation.

Now, costs paid for or incurred in connection with new construction are not eligible for the credit. New construction costs are defined as those in connection with the design and construction of any facility, the first occupancy of which occurs after December 31, 1989.

This amendment will be effective for the taxable years beginning after December 31, 1989. I think it is a reasonable amendment.

Originally, my first idea was merely to exempt businesses with 15 or fewer employees, but I felt that some businesses are so small that we should not be placing this type of a burden upon them. The cost of accommodation might result in forcing them out of business and losing employment opportunities. I also understand that there are some in the disability community and elsewhere, who are concerned about allowing certain small businesses who really can afford it to escape some of the responsibilities this bill requires. This is not my intent. At this time I do not want to go to the small business exemption amendment because of my regard for persons with disabilities and for others who have fought so hard for this bill.

Today, however, we should take into consideration the burdens that are going to be placed upon small businesses. I think the tax credit approach is an appropriate remedy. The reason it is appropriate is because the Federal Government is imposing these obligations. Therefore, I also want the Federal Government to take some responsibility in sharing the obligations.

There is some logic behind that. If the Federal Government has to give a tax credit to the small business persons as defined by this amendment, then, number one, it acknowledges that it is placing some burdens on them and it is acknowledging its obligation to share in the cost of those burdens. It seems to me, that this is significant enough to have my colleagues in this Chamber want to support the amendment.

But there is second good reason for supporting it. We all have lived with the heavy hand of the Federal Bureaucrats. By and large, I think our Federal bureaucracies in this country over the last number of years have been improved immeasurably. I think they are taking into consideration the effects of the regulations they have passed. But we always have the exceptions. We always have those who through zeal or excessive conduct or just plain stupidity put burdens on the small business community that literally are too heavy to bear. Then we have to go through all kinds of anguish, costs, loss of business, elimination of jobs, and impairment to our society before we repeal those particular onerous and burdensome regulations.

This amendment makes sense because what it says to every one of these bureaucrats, who basically may have a tendency to overdo it is that we better be reasonable in our regulations, or we are going to have to pay for it. These costs to the Federal Government will have to come from somewhere, and under Gramm-Rudman, will have to be accounted for. My Amendment will make our bureaucracy more responsive to the needs of our society as a whole, and more responsive to make this act work in a decent way in which people can comply without undue burden and undue pain, and without the heavy hand of the bureaucracy.

I know this amendment makes sense. I imagine there will be those who will come on the floor and say you do not know what this is going to cost. I suggest to them, neither do they. The fact of the matter is there are going to be expenses as a result of this very important bill. I am willing to impose those costs. I am willing to go ahead with this bill. But I share some of the concerns raised in the New York Times editorial that appeared yesterdsay. They raised some legitimate concerns that all of us should be aware of when the Government imposes costs upon others.

If we know that, we ought to provide some means where there is some responsibility for the Federal Government as well as small businesses in these areas. Keep in mind, I am trying to limit the tax credit to the very small business. I would not like to go back to the other amendment that would exempt all small businesses with 15 or fewer employees although there is a lot of pressure for me to do so.

I do not know a small business in this country or small business organization that does not want that other amendment. On the other hand, I think there are some good arguments against that amendment. The question is, does the amendment outweigh those arguments? I do not know. I would prefer to do it through tax credits because it is fair. But it means that the changes will have to be made. It means that business will have to comply with this comprehensive bill. By the way, this bill goes far beyond the Civil Rights Act of 1964, but I support it. I am willing to go far beyond it with regard to assisting persons with disabilities to access the mainstream of our society.

What this tax credit amendment would do is provide a balance that is fair and says to the Federal Government, OK, you can impose these burdens, but you will also have to fulfill and carry them out. It will benefit the whole community not just of persons with disabilities. The Federal Government is going to have share in the burdens. We are going to have to recognize that some of these burdens are very expensive and the Federal Government has some obligation, especially to the small business community, to assist in this area.

The amendment which I intend to bring up—regardless of what happens to it, is an important amendment. I hope my colleagues will defeat any motion to table, and defeat any motion that raises a point of order, because I think it will make this bill acceptable to a much larger group of people, and I think it would have a tendency to have strong support by the small business community as well, even though they would prefer to have a 15 employee exemption. I would not like to go to that, but I do understand their interests. I understand their concerns.

My heart is with the community of persons with disabilities. I have worked with this community all of my professional lifetime. I have helped to establish nonprofit corporations to assist this community in certain parts thereof.

I had a brother-in-law who contracted both types of polio. He become a paraplegic. He did have some use of his hands. That brother-in-law went on and finished his undergraduate, got a masters degree in electrical engineering, and worked right up to the time of his death. He was one of the most heroic people I ever met in my life. He never let this get him down. I personally carried him to the Los Angeles Temple with my faith so he could go there. I was glad to do it, and I was proud to do it. I felt deeply toward him. I love him.

I can transfer the love and affection that I have to all persons with disabilities. They did not ask for these problems in most cases. Frankly, some of the most heroic people and the most outstanding people in our society are persons with disabilities. I mentioned Justin Bart. What a powerful force for good he has been.

I can mention many others as well, the brother of our distinguished chairman of the subcommittee. This is an emotional thing but I am not doing this just because of emotions. I think it is the right thing to do. I also think this amendment that I discussed is the right amendment. I hope our colleagues will consider it. I think it is something that should been done.

I want to close, Mr. President—I have taken enough time—by just reading a statement made by James Brady in the article I referenced earlier in my remarks. He said: "Passage of the Americans With Disabilities Act will increase the acceptance, dignity and full participation of citizens with disabilities.

We do not want pity or sympathy. All we want is the same civil rights and opportunities that all citizens have. We want fairness, acceptance, and the chance to contribute fully to our Nation just like everyone else.

Well, Mr. President, I can think of no better way than through this bill. I really believe that we can do this society a great service by passing this bill. I hope we can improve it. If Senators have amendments that will improve this bill, we will certainly consider them. I know there is going to be some controversy over certain segments of this bill.

The fact of the matter is all of these communities deserve support, regardless of our own personal points of view whether we like or dislike various communities where disabilities exist. I intend to fight for those rights and intend to fight for them on the floor.

Mr. President, again, I pay tribute to those who have worked so long and hard on this bill, especially the distinguished Senator from Iowa, members of our committee, the chairman, Senator DURENBERGER, and others who have played noble roles in this regard.

Above all, when George Bush said he wanted a kinder and gentler Nation, I think if there is ever a bill, outside of the child care bill that we passed in the Senate this year, that meets those needs, that will help to accomplish what the President indicated in his campaign, it has to be this bill. And he will deserve, I think, a lion's share of credit for it.

I think he will deserve the plaudits of all Americans for his efforts in trying to get this bill done. And the efforts of those in the White House who have worked so hard in various meetings to try and bring this about, such as Governor Sununu and others.

I think it is a very, very important thing we are doing here today. I intend to do everthing I can to see that it passes. I hope consideration will be given to this amendment that I have. It would go a long way in resolving most of the problems I have with this bill. It is a reasonable thing, and I personally believe we can find a few hundred million dollars that it probably will take.

If it does not, it is going to be imposed on small business who may not be able to afford it. The fact of the matter is no one knows what it will cost, but it is fair because the Federal government ought to have some responsibility here, if it is going to impose these types of burdens. I am willing to impose them, but I want equity with regard to the imposition of those burdens.

I hope my colleagues will give some consideration to that. We have come a long way to where we are today, with the help to the President and the good faith of all 15 members of the Labor and Human Resources Committee, from the far left to the far right, and everything in between. Every one of them voted for this bill, and every one of them voted to bring this bill to the floor of the U.S. Senate.

We are here, and it is an opportunity to do what is right. It is an opportunity to set the record straight for people who have not had these benefits for years. I am grateful for those who have paid the price and done so much to bring it to the floor. I thank each of them, and I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER (Mr. KERREY). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, today, the Senate begins consideration of legislation to end segregation and discrimination against the 43 million individuals with disabilities in our society.

We have reached this point today because of the commitment and dedication of many people, in particular the President's National Council on the Disabled, which provided the roadmap for this legislation, and Senator Lowell Weicker, our former colleague who first introduced this measure in the 100th Congress.

In this Congress, Senator TOM HARKIN has provided unparalleled leadership as the chief sponsor of this measure. Senator HARKIN's tireless efforts and determination have been

critical to reporting this legislation from the Senate Labor and Human Resources Committee by a unanimous vote.

Senator DURENBERGER and Republican Leader DOLE also have worked hard to bring this legislation expeditiously to the Senate floor.

I also want to make special mention of the leadership of President Bush on this important legislation.

His administration is committed to integrating individuals with disabilities into the mainstream of our society. The compromise bill which the sponsors and the administration have agreed to and which is on the Senate floor today, reflects that basic principle.

The Americans with Disabilities Act represents a partnership between Congress and the President which is an historic breakthrough for millions of disabled citizens who deserve an equal chance to participate in the mainstream of American life.

The road to discrimination is paved with good intentions. For years, because of our concern for the less fortunate, we have tolerated a status of second class citizenship for our disabled fellow citizens.

The Americans with Disabilities Act will end this American apartheid. The act has the potential to become one of the great civil rights laws of our generation.

Disabled citizens deserve the opportunity to work for a living, ride a bus, have access to public and commercial buildings, and do all the other things that the rest of us take for granted.

Mindless physical barriers and outdated social attitudes have made them second class citizens for too long. This legislation is a bill of rights for the disabled, and America will be a better and fairer nation because of it.

The Americans with Disabilities Act is the culmination of a quarter of a century of efforts by the U.S. Congress to provide basic protections to our Nation's physically and mentally challenged citizens.

As early as 1962, President Kennedy established a panel to study the status of the mentally retarded in our Nation. The panel offered sweeping recommendations on the need for health and education programs to guarantee the civil rights of the mentally retarded.

In 1963, President Kennedy sent to Congress a landmark national program to combat mental illness and mental retardation, which Congress enacted with strong bipartisan support. The Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 and the Maternal and Child Health and Mental Retardation Planning Amendment of 1963 constituted the first comprehensive Federal effort to address the needs of persons with mental illness and mental retardation.

In 1970 the Congress passed the Developmental Disabilities Services and Facilities Construction Amendments of 1970. The statute constituted the first congressional effort to address the needs of a group of persons with handicaps designated as developmentally disabled.

Chief among the later accomplishments of this statute was to provide protection and advocacy programs for persons with development disabilities.

In 1971, Senator Jacob Javits sponsored legislation that extended priority in Government contracts in goods and services to the severely handicapped.

In 1973 the Congress passed the Rehabilitation Act which included section 504—the first civil rights bill for disabled persons. This effort was led by the first chairman of the Labor and Public Welfare Subcommittee on the Handicapped, Senator Jennings Randolph.

In 1975, the Congress passed the Education for All Handicapped Children Act which guaranteed a free and appropriate education for all handicapped children.

In 1985 the Congress passed the Handicapped Children's Protection Act.

This legislation authorized an award of attorneys fees to parents who prevail in lawsuits brought under the Education of the Handicapped Act.

In 1988, after a 4 years struggle, the U.S. Congress overturned the Supreme Court's Grove City decision and once again restored the broad based ban on discrimination against the disabled by those who receive Federal funds.

Also in the 100th Congress, the Congress passed the Fair Housing Amendments of 1988 which strengthened and expanded the rights of the disabled to adequate housing.

Over the past 25 years, the Senate Labor and Human Resources Committee has been at the forefront of legislation to provide a decent life for our Nation's disabled citizens.

I am honored to have had the opportunity as a Member of the Senate and of the Labor Committee to witness and contribute to these historic developments.

The timing of this bill has special significance in the history of civil rights. This year we celebrate the 25th anniversary of the Civil Rights Act of 1964. That legislation helped bring about one of the greatest peaceful transformations in our history for millions of Americans who were victims of racial discrimination, and this legislation can do the same for millions of citizens who are disabled. The Civil Rights Act of 1964 also gave us a stronger, more open-minded society that we are rightfully proud of, and this legislation can make us more proud.

The major provisions of the bill are the following:

In employment, the bill prohibits discrimination by employers with 15 or more employees.

It requires that employers provide reasonable accommodations to disabled employees unless the accommodation would be an undue hardship for the employer.

In public services, the bill contains provisions similar to those in section 504, which are applicable to recipients of Federal aid.

The ADA prohibits disability discrimination by all State and local governments in all of their operations. In public transportation, it requires that all new buses and trains be accessible. It also requires that key stations of subways and railroads be accessible within 20 years.

In public accommodations, the ADA provides that all privately owned restaurants, hotels, stores, service establishments and other businesses open to the public shall not discriminate on the basis of disability. The bill prohibits exclusion of disabled persons, and requires auxiliary aids, such as reading a menu to a blind person in a restaurant, unless such an aid would be an undue burden for the business. It requires that existing facilities be made accessible if it would be "readily achievable" to do so. Readily achievable means easily accomplishable and not involving much difficulty or expense.

For private transportation, ADA requires that, after 5 years, all new buses must be accessible, with small providers having 6 years to comply. The bill provides for an interim study to be completed within 3 years.

Finally, the ADA requires that all telephone common carriers establish relay services to enable hearing impaired persons to communicate with nonhearing impaired persons via regular telephone service.

This bill implements the key recommendation of the Presidential Report on the HIV Epidemic. In his report, Adm. James Watkins referred to antidiscrimination protections for people with AIDS and HIV as the linch-pin of our ability to control the spread of this virus.

Coverage of people with AIDS and HIV infection under the ADA is patterned after the provisions in the Civil Rights Restoration Act and the Fair Housing Amendments Act enacted during the 100th Congress. Including this population of disabled Americans under the bill's scope is not only simple justice—it is sound public health policy.

I hope that we can move expeditiously to approve this important legislation. Our Nation prides itself on op-

portunity for all; individuals are limited only by their own talents and ambition. For too long, the American way of life has been unavailable to the tens of millions of Americans who have disabilities.

During consideration of the Americans with Disabilities Act, the Senate Labor and Human Resources Committee heard testimony from numerous witnesses who have suffered more from prejudice than from disability.

Judith Heumann of the World Institute on Disability, a victim of polio, described several dramatic instances in her lifetime of discrimination:

> When I was 5 my mother proudly pushed my wheelchair to our local public school, where I was promptly refused admission because the principal ruled that I was a fire hazard. * * * As a teenager, I could not travel with my friends on the bus because it was not accessible. * * * In 1981, an attempt was made to forcibly remove me and another disabled friend from an auction house because we were "disgusting to look at." In 1983, a manager at a movie theater attempted to keep my disabled friend and myself out of his theater because we could not transfer out of our wheelchairs.

In March 1988 the Washington Post reported the story of a New Jersey zoo keeper who refused to admit children with Downs syndrome because he feared they would upset the chimpanzees.

In its 1985 decision in Alexander versus Choate, the Supreme Court described an example of discrimination in which

> A court ruled that a child with cerebral palsy, who was not a physical threat and was academically competitive, was excluded from public school, because his teacher claimed his physical appearance 'produced a nauseating effect' on his classmates.

In 1987, in School Board of Nassau County versus Arline, The Supreme Court cited remarks of Senator Mondale describing a case in which a woman "crippled by arthritis" was denied a job not because she could not do the work but because "college trusteed [thought] 'normal students shouldn't see her.'"

The committee heard testimony about a woman from Kentucky who was fired from the job she had held for a number of years because the employer found out that her son, who had become ill with AIDS, had moved into her house so she could care for him.

Justin Dart, the chairperson of the Task Force on the Rights and Empowerment of Americans with Disabilities, testified that after 63 public forums held in every State, he had found overwhelming evidence that:

Although America has recorded great progress in the area of disability during the past few decades, our society is still infected by the ancient, now almost subconscious assumption that people with disabilities are less than fully human and therefore are not fully eligible for the opportunities, services, and support systems, which are available to other people as a matter of right. The result is massive, society-wide discrimination.

The U.S. Attorney General, Dick Thornburgh, on behalf of the Bush administration, testified that:

Despite the best efforts of all levels of government and the private sector and the tireless efforts of concerned citizens and advocates everywhere, many persons with disabilities in this Nation still lead their lives in an intolerable state of isolation and dependence.

In human terms, the cost of discrimination against people with disabilities is staggering. In financial terms, the cost is no less staggering. In 1986, the Nation spent $169.4 billion in dependent care expenditures for working age people with disabilities, including Federal, State, local, and private expenditures. Of that amount, $77.8 billion, or almost half, was paid by the private sector. If we open up job opportunities for people with disabilities, provide accessible transportation, permit them to communicate via telephone relays, and open the doors of restaurants, stores, and other public accommodations to them, people with disabilities will be independent, rather than dependent members of our society. They will pay taxes and contribute to our economy, rather than receiving benefits. And we will all be better off for it.

The Americans with Disabilities Act reported by the Committee on Labor and Human Resources strikes a careful balance between eliminating discrimination and removing barriers to full participation by individuals with disabilities in our society, without posing undue burdens on American business.

Americans with disabilities deserve to participate in the promise of America. May the enactment of this legislation be the first of many steps in a new effort by Congress and the administration to redeem that promise. I urge the Senate to approve this measure.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Utah is recognized.

Mr. HATCH. Mr. President, I have offered a tax credit amendment and I hope my colleagues will support it. I am very pleased to announce that the distinguished Senator from Nebraska, Senator KERREY, and Senator MCCAIN from Arizona have asked to be cosponsors of my amendment which would allow for a tax credit not to exceed $5,000 for businesses with 15 or fewer employees who have $1 million or less in gross profit.

I would ask my other colleagues throughout the Senate to consider cosponsoring this amendment because I think it is a reasonable one. It sets the record straight, and it is appropriate. We do not know what it will cost but if the price tag is too expensive then the Federal Government ought to share the burden if it is going to make this kind of imposition on small businesses.

I do not mind requiring the public accommodations. I do not mind requiring the ramps and other changes that will be needed to provide various public accommodations. This we must do. But I do mind imposing it upon the smallest of the small businesses without any compensation.

Frankly, I think it is time that we have the Federal Government assume its responsibility with regard to passage of legislation. I am very pleased to announce that the distinguished Senators from Nebraska and Arizona are cosponsors. It means a lot to me that they support my amendment. I hope that other colleagues will cosponsor it as well. We will call it up at some time before this debate is over.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I am proud to offer my continued support for the Americans With Disabilities Act [ADA], S. 933, of which I am an original cosponsor, and look forward to seeing its final passage. We all know that equal opportunity is a cornerstone of our Nation. Throughout the history of this Nation, we have fought hard to maintain that goal. The Americans With Disabilities Act is a logical progression toward making sure that America remains the world leader in ensuring equality for her citizens.

The ADA, I believe, will serve to more fully open the American landscape to the disabled. We have an obligation to make available to those who are differently abled the resources of our communities. I believe that we will all benefit from doing this.

When this legislation was introduced, I voiced concerns regarding many of the provisions of the bill. I commend the Labor and Human Resources Committee for their hard work in crafting the significantly improved bill that is being considered here today. I look forward to seeing debate unfold on this bill and any remaining issues of concern discussed.

I am particularly pleased that the Labor and Human Resources Committee has chosen to adopt the language of amendment No. 541 introduced by myself, Mr. HARKIN, and Mr. KENNEDY, and known as the McCain-Harkin amendment. The language of this

amendment was incorporated as title IV in the Americans With Disabilities Act and requires that all telephone companies provide hearing- and speech-impaired individuals with telephone service that is equivalent to that enjoyed by all other Americans. The measure is a major step toward better integrating the hearing- and speech-impaired community into our ever advancing information age society.

Mr. President, over 125 years ago Alexander Graham Bell invented a device to assist his hearing-impaired wife to better communicate. What he invented instead we now know as the telephone. Ironically, this invention has proved to be the single greatest barrier to communication that over 26 million hearing- and speech-impaired individuals now face daily.

In 1934, Congress passed the Communications Act which ensured that all Americans would receive the benefits of Mr. Bell's invention. Since that time, the development of our phone network has been governed by the goal of universal telephone service. Yet, the special needs of this country's hearing- and speech-impaired community have received inadequate attention over the years. The inability of over 26 million hearing- and speech-impaired Americans to fully access the Nation's telephone system is a serious threat to our goal of connecting all Americans to the Nation's telephone system.

The inability to use the telephone has also hindered the deaf community's successful integration into today's world. Without access to the telephone, without the ability to call friends, family, businesses, and employers, one cannot participate actively or effectively in our society. Most of us take the phone for granted and countless times a day reach for it to conduct our daily business. It is hard to even imagine a single day without a telephone. But for over 26 million Americans, this fundamental necessity has been denied.

Title IV of the ADA now seeks to correct this inequity. The measure adds a new section to title II of the Communications Act of 1934 and imposes on all telephone companies nationwide an obligation to provide telephone service to hearing- and speech-impaired individuals. Now, communications-impaired individuals will be able to call someone across the street, upstate, or across the country. Equally important, hearing people will now be able to reach those with hearing or speech impairments. The measure requires that service be provided by all telephone companies whether local or interstate. It is essential to a hearing- or speech-impaired individual's well-being, independence, and full integration into society to be able to call, or be called by, anyone, anywhere, anytime. The gap between communications-impaired individuals and society at large will finally be bridged.

Current technology allows for a hearing- or speech-impaired individual to communicate with a hearing individual through the use of a relay system. This arrangement involves an operator who literally relays messages back and forth. The communications-impaired individual uses a telecommunications device for the deaf [TDD], a typewriter-style device that sends a typed message over the network. The operator reads the typed message to the hearing person and spoken messages are typed back to the TDD user. But technological advances, particularly ones less labor intensive, surely are possible and nothing in this measure is intended to discourage innovation in this area. This country has the finest and most sophisticated telephone system in the world and the hearing- and speech-impaired communities should benefit from advancing technology as well.

The Federal Communications Commission is granted sufficient enforcement authority in this legislation to ensure that telephone services for the hearing- and speech-impaired are provided across the Nation and that certain minimum Federal standards are met by all providers. The States are granted the flexibility, however, to certify to the FCC that services within the State meet the minimum Federal Standards. Once certified, States retain authority over these services. In this way, initiatives to provide service within individual States are not only preserved but encouraged.

By requiring telephone service to be truly universal throughout the country, this measure continues the goals begun in S. 2221, a bill that I introduced last year and that became Public Law 100-542 on October 28, 1988. There, we required that our Federal Government telephone system be accessible to hearing- and speech-impaired individuals. Here, we require the whole Nation to be accessible. In passing this new legislation, we take an even greater step toward granting the hearing- and speech-impaired community the type of independence and greater opportunities sought by other sections of the ADA.

Mr. President, I would like to point out support for this measure by the Competitive Telecommunications Association or "CompTel." This association, comprised of 130 competitive telephone companies from across the country, has submitted a letter applauding the McCain-Harkin telecommunications amendment to ADA and supporting as a worthy goal, the requirement that all telephone companies provide telecommunications services for individuals with hearing and speech impairments. I ask unanimous consent to have Comptel's letter of endorsement printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. McCAIN. Because of my belief in the importance of access to the telephone system by all Americans, I have also introduced the language of the McCain-Harkin amendment as an independent piece of legislation, S. 1452. I commend my colleague in the House, Congressman STEVE GUNDERSON, who has introduced companion legislation, H.R. 3171, which I hope will be added to the House version of the Americans With Disabilities Act.

I wish to take this opportunity to thank the Labor and Human Resources Committee, especially Mr. HARKIN, who has been of enormous assistance to me in this effort. His commitment to hearing-impaired and speech-impaired Americans is without equal.

I also wish to thank Senator HATCH and Senator KENNEDY for their assistance.

Mr. President, if we are to live up to those immortal words, that all of our citizens are entitled to life, liberty, and the pursuit of happiness, then we must truly understand that our hearing-impaired and speech-impaired citizens must have the ability to use the telephone in this modern age. I am, therefore, pleased that this has been made part of this legislation. I know that it will bring a new day and new opportunities for life, liberty, and the pursuit of happiness for our hearing impaired and speech impaired citizens.

EXHIBIT 1

COMPETITIVE TELECOMMUNICATIONS ASSOCIATION,
Washington, DC, September 1, 1989.

Hon. JOHN MCCAIN,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR MCCAIN: CompTel applauds and supports your amendment No. 541 which provides for telecommunications relay services in the context of S. 933, the Americans with Disabilities Act. Universal access to TDD relay operator services is a very worthy goal. It is important that the obligation to provide this service is equitably shared by all common carriers, as your legislation provides, so that the burden does not fall primarily on interexchange carriers.

While the FCC will ultimately determine questions of funding for the relay operator/translator service, we caution that any rate regulation of underlying interexchange transport services would be a mistake and could foreclose economically efficient private sector initiatives in this area.

It has been a pleasure working with you and your staff on this matter of national public importance in telecommunications.

Sincerely,

JERRY MCANDREWS,
President.
CATHERINE R. SLOAN,
Legislative Director.

Mr. HARKIN. Mr. President, I just want to thank the distinguished Sena-

tor from Arizona for all of his work, his efforts, and his diligence in ensuring that—I guess it is now section 4; it was title 5—section 4 is in the bill regarding a relay system for telecommunications. Senator MCCAIN has been a leader in this area. It was his interest in this area and his efforts that really brought to fruition this whole section 4 that really will provide a national system of relay systems for the deaf and the hearing impaired so that they can communicate not only with each other but with those who are not hearing impaired.

I wish to publicly thank the distinguished Senator from Arizona for all of his work in this area and compliment him on it.

Mr. DURENBERGER. Mr. President, I regret not being able to be here earlier in the morning for the opening statements of my colleagues, but we were involved in the Finance Committee on a hearing on catastrophic health insurance in which the Senator from Arizona has also been very involved, as have others in this body.

But I rise, Mr. President, as the first Republican cosponsor of this legislation to indicate that we have labored hard and long to build bipartisan support as well as President Bush's endorsement for the Americans With Disabilities Act. None of that came very easy. I am sure that there are still some who believe that we did not do enough in this bill.

But, as for me, I think the product before us today is as carefully a balance of the needs and concerns of all of the parties involved as I have seen in the 11 years that I have been here in the U.S. Senate. I think it is a balance that at least I hope will be maintained through the amendment process or the potential amendment process today on the floor.

The bill before us is truly one of the most significant pieces of legislation for any American but, obviously, especially for people with disabilities.

The need for the legislation is clear and was articulately stated by those who have been the pioneers in this area, the chairman of the Labor and Human Resources Committee, the chairman of the subcommittee on which I am the ranking member, and my colleague from Utah, who has committed a good part of his career to civil rights in the Senate, as well.

People with disabilities remain the only major segment of our society who can be outrightly discriminated against. We heard much testimony to this fact before this committee. A young woman with cerebral palsy was turned away from a movie theater. When her mother called the theater to find out why, she was told outright by the theater owner that "I don't want her in here, and I do not have to let her in." And he was absolutely right. Today, he can refuse admission to his theater to a person with a disability. Current law allows every theater owner, restaurant owner in this country not receiving Federal aid to turn away a person simply because they have a disability. This bill would say such conduct will not be tolerated.

As I have traveled around Minnesota discussing this bill with my constituents, and having hearings in all parts of the State, I have become increasingly aware of the subtle—and sometimes not so subtle—means of discrimination against persons with disabilities. I have heard stories about how persons with disabilities will only apply for positions in firms that are wheelchair accessible—about the woman with a master's degree in food science and nutrition who ranked in the top 10 percent on the registered nutritionist examination who—because she had cerebral palsy—was told she was not qualified for a job in a metropolitan hospital. They said her fellow employees would not be comfortable working with her.

It is clearly time that we as a society say that behavior and discrimination of this type will not be tolerated Period.

But this bill is not only about making those of us without disabilities aware and accountable for our actions toward persons with disabilities. This bill is about changing the lives of persons with disabilities. It is about opening opportunities for persons with disabilities by removing the shades that those of us without disabilities wear mostly out of ignorance. It is a statement of our social values. The United States values the contributions made to this country, its part, its present, and particularly its future, by persons with disabilities.

I have heard from many people about what it means and how it can change a person's life when they are judged not by their disabilities but by their abilities and are given a chance to prove themself in a job or in an independent setting.

A constituent of mine told me about his job with the Thein Well Co. in Rochester, MN, doing janitorial work. He talked particularly about the willingness and the patience of his employer in helping him deal with perceived and real barriers in the workplace and how that employer increased his confidence to do his job and to live independently even outside of work. He said, and I quote, "one of the best benefits I have noticed is that my coworkers treat me like 'one of the guys' and my disability seems to disappear."

Mr. President, it is hopes and opportunities like these that this bill will create by opening up all aspects of life to persons with disabilities—from employment to transportation to as seemingly simple a task as getting a sandwich at the corner deli.

The bill before us today is the product of many hours of work between the administration, the business community, the disability community, and others in an effort to establish comprehensive civil rights for persons with disabilities.

The bill's genesis is in the proposals by the National Council on the Handicapped—a 15-member commission appointed by President Reagan. They were introduced as a bill last year by Senator Lowell Weicker. The changes since then have been many. We have eliminated many of the cost concerns that were troublesome to small businesses. In doing so we have won the support of President Bush. We were able to do this while still maintaining the basic principle of this legislation—to provide a clear and comprehensive prohibition against discrimination against persons with disabilities.

Much of the credit for the bill before us today should be given to the chairman of the Labor and Human Resources Committee and especially the chairman of the Subcommittee, Senator HARKIN and to his very special staff. Senator HATCH and Senator BOB DOLE have worked many hours to get us where we are today.

I want to express, on behalf of all of us in this body, a special gratitude to a Member who is no longer here. There has been no Senator in the time I have been in the U.S. Senate who has not only cared as much about people with disabilities, but actually stood on the floor and in committee meetings until we did something to rectify the injustices against people with disabilities.

I regret very much that Lowell Weicker is not here as the ranking member of this subcommittee and member of the Labor and Human Resources Committee, as chairman and then ranking member of the Subcommittee on Appropriations, who has done incredible things to lay the groundwork for not only this bill, but to make Americans raise their values for people with disabilities.

I think the substitute package, Mr. President, is a very good one.

The key to a good bill is a series of good compromises with the result that both sides feel that they have won. To the credit of all involved, I believe we have accomplished this. The compromise bill before us today strikes a sound balance between the needs of the disability and the business communities. Mr. President, it is a delicate balance, a balance that I believe must remain intact during the course of this debate.

BILL BACKGROUND AND CONTEXT OF THE COMPROMISE

The compromise legislation has taken significant steps to address the concerns individuals had with the bill as introduced.

The business community raised concerns that the bill as originally introduced would provide relief to persons who believe they are about to be discriminated against and a business inability to guard against such speculative complaints. This language was eliminated.

The original language of the ADA found the failure to make reasonable accommodations an act of discrimination. Concerns were raised about the lack of distinction between intentional and unintentional discrimination under this language. The term "failure" was deleted to show the committee's intent that those making good faith efforts with the unintended wrong results not be penalized.

Concerns were raised about the meaning of a number of terms within the bill including reasonable accommodation, undue burden, and readily achievable. These terms were better defined to give entities covered under this bill a clearer understanding of their obligations.

Concerns were raised that the bill as introduced did not give employers enough time to adjust to the requirements of the bill—especially for small business. To address these concerns, the effective date was extended to 18 months after enactment. The regulations are due 12 months after the enactment date in order to provide time to educate covered entities about their obligations under the act. Also, for the first 2 years after the effective date, employers with 25 or less employees are exempt from coverage. This exemption drops to 15 thereafter to comform with existing civil rights practice.

Mr. President, we also took great effort to address the concerns many had over the punitive nature of the remedies section. Instead of allowing punitive and compensatory damages as originally introduced, the bill before us today parallels current civil rights legislation under title II and VII of the Civil Rights Act of 1964. In addition, under the public accommodations title of this bill the Attorney General is given authority to bring pattern and practice cases and award civil penalties. This change will help avoid some of the excessive and unnecessary litigation the original bill would have caused.

Because of the uncertainties of cost and manufacturing capabilities of requiring every new over-the-road bus to be accessible to persons in a wheelchair, the time period for compliance was extended to 5 years for large companies and 6 years for smaller companies. A study was also included to review the access needs and the most cost effective methods of making over-the-road buses accessible. In addition, an entity operating a demand response system need not meet the requirements of every new bus being readily accessible if it can prove that its current operations meet a level of service equivalent to that provided to the general public. It is important to note that the requirements in the bill before us are a far cry from the bill's original requirement to retrofit all existing buses.

These are but a few of the changes we have made to this bill. I believe we have overall developed a fair, balanced, and equitable approach to providing civil rights protections to persons with disabilities.

Mr. President, in 1964, we passed civil rights protections based on race, color, religion, sex, or national origin. In 1967, under the Age Discrimination and Employment Act we added age. Nearly a quarter of a century later, it is time to complete that commitment to individual rights we began so long ago and add persons with disabilities to the list of those protected from unjust discrimination. I urge my colleagues to join me in support of S. 933.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I want to thank my friend and colleague from Minnesota who is also the ranking member on the subcommittee for the handicapped for his strong support of this legislation right from the beginning. I have known Senator DURENBERGER a long time and consider him a friend and, indeed, one who really has the interest of the disabled community at heart. He has always been a strong fighter for social justice and economic justice. I know personally he is very deeply committed to this bill and to the prospect that we will pass this legislation and bring disabled individuals into the full measure of our economic and social life in America. I just want to publicly thank Senator DURENBERGER for his efforts and his strong leadership in this area and for his continuing friendship to all in the disabled community.

Mr. DURENBERGER. I thank my colleague very much.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I rise in strong support of the Americans With Disabilities Act. I wish at the very outset to commend our colleague from Iowa for his distinguished leadership in this matter as chairman of the Subcommittee on the Handicapped and, of course, Senator KENNEDY who is the chairman of the full Committee on Labor and Human Resources, for their leadership in bringing this historic, and it is historic, piece of legislation to the floor of the U.S. Senate.

Mr. President, I also would be remiss if I did not take a moment to recognize as well the tremendous contribution of our former colleague in this Chamber, Senator Lowell Weicker who for years—literally years—fought in support of this legislation. I think it is highly appropriate that during the markup of this legislation before the Labor Committee that virtually every member of the Senate Labor and Human Resources Committee recognized the contribution of Senator Weicker over the years in fighting for the disabled and fighting particularly for what is included in this bill. I wanted to take a moment to thank him and I know I thank him on behalf of all of us.

Mr. President, as chairman of the Subcommittee on Children and Families, I would like to address the important changes that this bill will bring about in the daily lives of children with disabilities and their families. The Americans With Disabilities Act will create an expanded community for children with disabilities and their families. The bill is a statement that we want their participation and that they have a place among all of us. The ADA requires that children with disabilities, regardless of the severity of their disabilities, be permitted to utilize the same public services that others without disabilities utilize as a matter of course.

They are to be permitted to utilize the same health clinics, day care centers, playgrounds, schools, restaurants, and stores that they would normally utilize, in their communities, if they were not disabled. Children will have new social and recreational and educational opportunities that most Americans take for granted. No longer will children be subjected to forced busing to programs outside of their neighborhoods because that is where the "handicapped" program is located.

Such practices severely stigmatize children with disabilities and their families. While it may be more cost efficient in some cases to congregate services for children with disabilities in a centralized location, it has been determined that such costs are outweighed by the benefits to children with disabilities and their families of being able to obtain services in their neighborhoods with their friends and family around.

Discrimination affects not only people with disabilities themselves, but tends to have an effect on the entire family. If a parent with multiple sclerosis who uses a wheelchair is unable to get into a restaurant because of steps, or if a child with cerebral palsy or retardation is refused service at a restaurant, a family activity can be ruined for all.

The Task Force on the Rights and Empowerment of Americans with Disabilities received countless letters from parents, grandparents, siblings, and spouses of persons with disabilities. One such letter, from a person living in Illinois, typifies the hardships suffered by families of people with disabilities:

As a spouse of a person with a disability, I am offended by the constant choice we have to make concerning our family activities. There are too many instances where we as a family are denied because we wouldn't be separated from our disabled family member. Our children and myself are just as much victims of discrimination as my wife. I am appalled that we are put in the position of destroying family unity, to enjoy commonplace activities. Pass the ADA and bring families together.

It is precisely that kind of discrimination that the ADA is intended to eradicate. These opportunities and choices are fundamental to the lives of all persons with disabilities and their families.

Children with disabilities and their families need the Americans With Disabilities Act. I hope that our colleagues would give this their strongest support when it comes up for final passage.

I also point out, Mr. President—I should have at the outset—that Senator ORRIN HATCH, of course, of Utah played an instrumental role. President Bush has been tremendously supportive. The recommendations of the Commission established by President Reagan in no small measure are included in this legislative proposal. So we are bringing together disparate political voices once again about a matter that will undo a tremendous amount of hardship and pain of families and individuals across this country. I am honored and pleased to be a cosponsor of this effort.

Mr. CRANSTON. Mr. President, it is with great pride in our progress so far and with great hope for what is yet to be accomplished that I speak in strong support of the Americans With Disabilities Act of 1989.

Let me first congratulate the sponsor of the bill, the chairman of the Subcommittee on the Handicapped, the Senator from Iowa [Mr. HARKIN], for the outstanding job he has done in developing this legislation. I know that he and the chairman of the Labor and Human Resources Committee, the Senator from Massachusetts [Mr. KENNEDY] have spent countless hours developing this legislation and negotiating with a wide array of interested parties regarding its provisions.

As a result, the measure before us is an excellent compromise that has wide bipartisan support and that sets forth a strong and comprehensive statement against discrimination of individuals with disabilities. It is fair and it is reasonable. Contrary to claims by some, it would not force businesses to make alterations at great expense. Rather it challenges them to develop creative ways to afford people with disabilities every opportunity to participate in American society. The managers of the bill have once again displayed their tremendous skill and knowledge—as well as their commitment—in crafting this legislation.

Mr. President, this bill represents a major advance. It is the culmination of efforts throughout the 1970's and 1980's—beginning with the development and enactment of the Rehabilitation Act of 1973, and its landmark section 504, of which I was a principal author—to secure the civil rights for disabled persons. Section 504, has been highly successful in opening up thousands of educational and employment opportunities to people with disabilities in federally funded programs and activities. But it clearly does not go far enough.

S. 933 would build on 16 years of successful experience with section 504 to eliminate disability discrimination in the private sector and all levels of units of Government. This legislation says to millions of Americans who are disabled that it will no longer be allowable or acceptable for you to be discriminated against—that you will enjoy the same rights and access to jobs, transportation, public accommodations, and housing as do all other Americans.

Mr. President, as we approach the 1990's, people with disabilities are still too often brushed aside and pushed down—and not permitted to use their capabilities to the fullest. When given the opportunity, people with disabilities have made great contributions to the United States and, indeed, to the world. Unfortunately, so many barriers and obstacles exist that those opportunities are still too few and too far between. That has been society's great loss.

We have a great opportunity before us to rectify this situation, and we must seize it.

Mr. President, there are two issues, in particular, with regard to the ADA that I would like to highlight.

MAKING TRANSPORTATION ACCESSIBLE

Mr. President, people with disabilities are particularly dependent on transportation services. Full participation in our society requires the ability to move freely within it—to work, shop, or attend cultural and sporting events. This ability has too often been denied to disabled individuals by transportation systems that fail to provide adequate, accessible services. As the chairman of the Subcommittee on Housing and Urban Affairs of the Banking Committee, which has jurisdiction over mass transit issues, I have long sought to make mass transit more available to disabled individuals and believe that the ADA would go a long way toward achieving that goal.

Specifically, the ADA would require that, when transit operators buy new buses, they must be accessible to people with disabilities, including people who use wheelchairs. Such lift-equipped buses would be required to be maintained and operational as much as possible. No retrofitting of existing buses would be required. The underlying principle is that it is reasonable to require purchase of wheelchair lifts when buses are new and that through attrition—over a 10- or 12-year period—our Nation's bus fleets will gradually become completely accesible.

My home State of California has had such a mandate for lift purchase on new buses for many years. Bus systems in California are increasingly providing a greater degree of accessible service to people with disabilities. With the ADA, residents of all States will enjoy the same freedom of movement.

The bill would also require public transit authorities to provide paratransit services for those who cannot use mainline transit unless the provision of these services would impose an undue financial burden on the transit authority. The bill would also require that rail cars and key rail stations be made accessible to persons with disabilities.

Mr. President, the office of the Parliamentarian informs me that the Banking Committee's jurisdiction is not in any way altered by inclusion of mass transit provisions in this bill. Since 1964, Congress has sought, through the Urban Mass Transportation Act [UMTA], to require that special attention be given to the needs of persons with disabilities in the planning and design of mass transit facilities and services. When the Senate Banking Committee considers reauthorization of UMTA early next year, I am confident that the issue of access by disabled persons will continue to receive close review by the committee. I am also confident that the Banking Committee will maintain active oversight of the mass transit provision in the bill now before us.

COVERAGE OF PEOPLE WITH AIDS AND INDIVIDUALS WHO ARE INFECTED WITH THE HUMAN IMMUNODEFICIENCY VIRUS

Mr. President, I am particularly pleased that this bill covers individuals with AIDS and individuals who are infected with the HIV virus. Over the last 8 years I have heard countless tragic stories of people with AIDS losing their jobs and their homes, being refused services, and being made to feel like outcasts. The absence of the experience of some form of discrimination often appears to be the exception not the rule.

The discrimination is predominantly the result of fear—unfounded fear—about AIDS. Over and over again, our public health officials have told us that AIDS cannot be casually transmitted. As the epidemic continues into the 1990's, it is more important than ever that people with AIDS be protected from discrimination in order that they may be able to continue to work and participate as long as they are able. In addition, the Presidential

Commission on the HIV Epidemic, as well as numerous public health officials, concluded that Federal protection from discrimination is essential to furthering public health efforts to stop the spread of AIDS.

The ADA builds on strong legislative, judicial, and administrative history with regard to coverage of people with AIDS and those who are infected with the HIV virus under antidiscrimination statutes. Consistent with that history, S. 933 would provide—as described in the committee report (S. Rept. No. 101-116 pps. 22-24)—that people with AIDS and those who are infected with the virus are covered under the first prong of the definition of disability as people with impairments that substantially limit major life activities.

For all persons with contagious diseases and infections, however—as section 103(b) of S. 933 as reported makes clear—an employer may have a qualification standard requiring that a person with such a disease not pose a direct threat to the health or safety to others—that is, must not pose a significant risk of transmitting the infection to others—which cannot be eliminated by reasonable accommodation. As medical evidence concerning HIV has shown, however, AIDS carries very low risks of transmission. Therefore, the applicability of such a standard to an individual infected with the HIV virus should be rare.

CONCLUSION

Mr. President, over the last two decades, people with disabilities have made great advances and are increasingly being recognized for their abilities, not their disabilities. But the progress needs to be accelerated. Although I recognize that we cannot legislate attitudes, we can make sure that unenlightened attitudes no longer find support in the law.

Mr. President, expanding our civil rights laws to encompass disabled Americans will profoundly change American society. This bill would not only impact the lives of 40 million disabled Americans, but rather all Americans—because we will all be enriched by the active participation of disabled Americans in all aspects of society.

Enactment of S. 933 would be a major stride forward toward our goal of a United States where all citizens have an equal opportunity to pursue the American dream. I urge all my colleagues to support this landmark legislation.

LEGISLATIVE BRANCH APPROPRIATIONS, 1990

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 3014, which the clerk will report.

The bill clerk read as follows:

A bill (H.R. 3014) making appropriations for the legislative branch for the fiscal year ending September 30, 1990, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Wilson amendment No. 698, regarding reduction of congressional newsletter costs.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, under the consent agreement that was entered yesterday, the only amendment in order to the bill is the Wilson amendment, which relates to mass mailings.

I understand that Senators STEVENS and MOYNIHAN wish to address this issue raised by the pending amendment. After that, I hope we can vote on the amendment, if necessary, and on the bill because we do not have a lot of time to go to conference and resolve some of the contentious issues in this bill with the House. We do not have much time. The fiscal year is quickly drawing to a close. I hope all Members will keep that in mind.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from New York [Mr. MOYNIHAN].

Mr. MOYNIHAN. Mr. President, I believe the distinguished senior Senator from North Carolina is on the floor and is standing. Is it his wish to make a brief statement with respect to another matter that the distinguished managers might accommodate?

Mr. REID. Will the Senator from North Carolina yield for a brief inquiry?

Mr. HELMS. I do not have the floor.

Mr. MOYNIHAN. I yield to the distinguished manager.

Mr. REID. Will the Senator from New York yield to the Republican manager of this bill for a brief statement?

Mr. MOYNIHAN. It is an opportunity which rarely comes to the Senator from New York, and an honor and a pleasure.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oklahoma.

Mr. NICKLES. Mr. President, I appreciate the Senator's accommodation.

I would like to echo what Senator REID has said. We have one amendment pending. That is Senator WILSON's amendment. I understand Senator STEVENS wishes to speak on the amendment. I understand Senator MOYNIHAN wishes to speak on the amendment. I do not know if others do. I think it is important that we finish the bill, and as quickly as possible. I understand Senator HELMS wants to speak on another issue for a few moments. But I hope our colleagues who have an interest in this amendment would come to the floor, speak on it, and that we would vote on the amendment; that then we would vote on final passage, pass this bill, and allow us to go to conference and work out the differences with the House. We are going to have a very significant conference because we have significant differences on mail and other issues. So I hope we will comply with Senator REID's request, and my request, and move as quickly as possible.

I thank the Chair.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York [Mr. MOYNIHAN].

Mr. MOYNIHAN. Mr. President, with the kind of indulgence of the most distinguished managers of the legislation before us, I rise to offer an historical note to the debate that we are now engaged in concerning the amendment of the distinguished Senator from California. I do this with a more than average concern that we may be dealing with a faux pas of congressional activity.

At stake is a congressional effort that has been going on from the very beginning of the American Congress. One which is integral to the relations between Members of Congress and the citizens of their respective States, or their districts, in the case of the House of Representatives. In part, we may tend to minimize its importance, and, indeed, sometimes to trivialize its importance by deprecation, if I might put it that way.

Certainly, we have heard suggestions on this floor that the printed mailings from Members of Congress to their constituents can somehow be represented as an abuse of office or an offense against the good reputation of this body. No, sir. The printed newsletter, known at the time as a circular letter, is as old as our Constitution, minus 2 years, and as old as Congress.

In the very earliest hours of the American Congress, we learned something which no other representative body had before. We came upon a system of communication between Members of the body—then in Philadelphia, now in Washington—and a great continent that would grow greater as it expanded westward into the Pacific and up to the Arctic.

This is no small thing. This has been a form of teaching in our democracy, a form of informing, a form of learning what persons in constituences thought. This is a form of congressional speech.

I ask the distinguished managers to take note. This is a form of congressional speech. To strike this privilege, to impair this privilege—which is a privilege of the American people, not of the Members of this body—to hear directly about events they would otherwise not know of or would have

great difficulty to learn about, to infringe on a right of speech. And this at some considerable peril, because freedom of speech is an absolute, or as near as we can come, with Justice Holme's conditions. With great care ought we tamper with such speech.

Here is a fact, Mr. President: The circular letters, printed on a page and mailed under the frank to persons with addresses but not individually addressed, began with the beginning of the American political system. We have a record of them.

The University of North Carolina Press, under the prodigious efforts and energies of Noble E. Cunningham, Jr., has published a three volume collection of circular letters of Congressmen to their constituents, 1789 to 1929. This is published for the Institute of Early American History and Culture at Williamsburg, VA.

The first such letter, Mr. President, I am going to take the liberty of reading into the RECORD. As I do so, I send a message of fraternal greeting over 2 centuries to Representative John Sevier of North Carolina, who on the 10th of January 1791 sent this printed letter from Philadelphia, where Congress was sojourning for 10 years.

"Dear Sir: The news of this place is not very material. Many things are before the Congress, but not much finished." If I may interject, Mr. President, they did not get their work done as expeditiously then as we do now. "A land office bill is before the House, and 30 cents per acre is proposed to be the price of our Federal lands." Thirty cents an acre for the Northwest Territory is what we were talking about, much of which was claimed by the State of Connecticut. But this claim did not prevail, as the distinguished presiding officer, the former chief legal officer of that commonwealth knows. "An excise bill is also on the carpet, for imposing duties on distilled spirits, stills, et cetera, though this, I hope, will not reach us."

That was Mr. Hamilton's excise bill, and it directed attention to distilled spirits and stills.

"The news from Europe is, that Britain and Spain continue indefatigably their preparations for war; and it is thought, by many, that blows will inevitably follow."

"I am of the opinion, should the excise bill be passed—" back to real matters, excise bills, taxes of course,—"we shall derive great benefits from it, (proviso) we can keep clear ourselves," because Mr. Hamilton had plans for import tariffs which was a tax on external goods as well as excise taxes, a tax on internal goods.

Sevier continued, "as it would have a great tendency to encourage emigration into our country, and enable us to sell the production of our own distilleries, lower than our neighbors."

This is a somewhat indirect allusion, Mr. President, which no citizen of North Carolina would have failed to note in those days. The largest distilled product consumed on the Atlantic Seaboard, where 80 percent of the population lived, was rum from the West Indies. Its main competitor was whiskey from the hills farther inland. The only way to bring grain to market was in that form. And it was a great concern of this decade, the first decade of our Congress, to prepare a market for, as he says, "the production of our own distilleries."

We do not think in such grossly parochial terms any longer in our newsletters. They did so in those days and perhaps some even do today.

The simple point was that we had a Member of the House saying, "I think it would be better to put a tax on foreigners than to put a tax on Americans." We do not think like that any longer of course, but they did in those days.

Notice, he mentions emigration. For if there were high tariffs, people who made things would come inside the United States in order to continue to make them. It is an idea that had never occurred to me. I clearly did not know it was an idea at the time that a high tariff wall would encourage emigration because people who are on the other side would want to come on this side. You learn. You learn what is on the minds of the Congress in ways you would never otherwise do so.

I will quickly conclude Mr. Sevier's letter. He says in the second paragraph—and there are only two:

"General Harmer's expedition is much debated by many here, and it is generally believed, that the Northern Indians will be very troublesome the ensuing summer."

This is General Harmer's expedition against the Miami Indians which was thrown back by the Indians with the loss of some 180 soldiers in Harmer's group. It was the beginning of the assault on the Miami Indians in the Northwest territories and is not a particularly honorable episode in American history, in my view.

"A very cold winter here, which in great measure prevents the sending of letters; but shall do myself the honor of communicating to you, every thing of importance that occurs, on every suitable opportunity. Kentucky is to be admitted a member of the Union in June 1782." And then, in that nice flourish of the 18th century, it takes four lines in the printed letter, Mr. President to conclude. "I have the honor to be, sir, with sentiments of esteem, and much regard, your most obedient and humble servant, John Sevier."

Mr. President, I ask unanimous consent that the full text of John Sevier's letter to his constituents be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PHILADELPHIA, *10th January, 1791.*

DEAR SIR,

The news for this place is not very material. Many things are before Congress, but not much finished—A land office bill is before the house, and 30 cents per acre is proposed to be the price of our Federal lands. An excise bill is also on the carpet, for imposing duties on distilled spirits, stills, &c. though this, I hope, will not reach us. The news from Europe is, that Britain and Spain continue indefatigably their preparations for war; and it is thought, by many, that blows will inevitably follow. I am of opinion, should the excise bill be passed, we shall derive great benefits from it; (proviso) we can keep clear ourselves, as it would have a direct tendency to encourage emigration into our country, and enable us to sell the production of our own distilleries, lower than our neighbours.

General Harmer's expedition is much reprobated by many here, and it is generally believed, that the Northern Indians will be very troublesome the ensuing summer. A very cold winter here, which in a great measure prevents the sending of letters; but shall do myself the honor of communicating to you, every thing of importance that occurs, on every suitable opportunity. Kentucky is to be admitted a member of the union in June, 1792. I have the honor to be, sir, with sentiments of esteem, and much regard, your most obedient and humble servant,

JOHN SEVIER.

Mr. MOYNIHAN. Mr. President, there arose on occasion a problem which I think is still very much among us. It is a perfectly legitimate problem. You sent out your letter but you were never able to send it to everyone. You missed some. Those you missed wondered what was going on: "Why did you send a letter to a neighbor and not to me?" As it is today, that was a formula for losing votes, which even then was a matter of concern to Members of Congress.

How to deal with this question. Well, we have the testimony of Congressman Matthew Lyon of Kentucky. I quote him from the introduction of the Editor.

Lyon says, "I manage it in this way. When I am canvassing my district—" and canvasisng districts was a term even then, sir,—"and I come across a man who looks distantly and coldly at me, I go up cordially to him and say 'my dear friend, you got my printed letter last session, of course?' 'No, sir,' replies the man, with offended dignity, 'I got no such thing.' 'No!' I cry out with passion, 'No!' Damn that post office.' "Then I make a memorandum of the man's name and address, and when I get back to Washington I write him an autographed letter, and all is put to rights." Blaming the bureaucracy did not begin with the Reagan administration, Mr. President.

Just one last point, if I may ask the indulgence of the managers: These were no trifling things. These were the

first statements of Members of a democratically elected body to their constituents. They were much more important than newspaper stories, which were then always anonymous. For at this time, the press was partisan and news accounts were no more objective than speeches on this floor.

As we all know, Thomas Jefferson and John Adams reconciled toward the end of their lives after long and bitter disputes in the 1780's. They began a correspondence which is one of the treasures of American political history and of the world. In 1813, John Adams was reflecting on how history might view his Presidency and he wrote Jefferson. Above all, Jefferson wanted to help. And there is old John Adams in Quincy, way up North and, of course, Jefferson is now retired. He has just retired to Monticello in the Piedmont, in the South.

"But above all," writes Adams, "shall I request you, to collect the circular Letters from Members of Congress in the middle and southern States to their Constituents? I would give all that I am worth for a complete collection of all those circular Letters."

Five years later, Adams tried to acquire sources for early American history. He called attention to these letters. He said, "You inquire for sources. I know of none better than American Journals' Newspapers and Pamphlets; next to them the like kind of Publications in France, Spain, Holland, and England; but the best of all, are the circular Letters from Members of Congress to their Constituents in the Southern and Western States with Some Reinforcements from the middle States."

That is John Adams—John Adams, second President of this Republic.

Can the frank be misused? Of course. Can newsletters be trivial? Yes. But they are a form of speech and communication from Members of this Senate and the other distinguished body that has been in place for two centuries, never impaired. A right of speech as free as the speech on this floor. And we have John Adams' testimony that if you wanted to know what was going on in those days, you read those letters.

I hope this body would not casually impair a right of speech for a serious, but in the life of the Republic we hope, a transient purpose. Nor harm a form of communication that is as old as this Republic and is as important as any of the forms of political address with which I am aware. Perhaps other Members share that view.

Mr. President, I rise simply to state that if it becomes necessary to vote on this matter, as a matter of concern for the principles involved, I shall vote, "no."

Mr. BRADLEY. Mr. President, the amendment before us is nothing more than posturing.

We all know, Mr. President, that we need to increase the ante in the war against drugs. I have proposed several ways to pay for the war on drugs. Tuesday night's speech by the President gives me hope that more attention will be focused on this devastating national problem. But the way to fight drugs is not by finger pointing or by grandstanding on the floor of the U.S. Senate. The challenge is to get results, and to get results the administration and Congress must work together to make sure that the President's proposal—and a lot more—happens. It is time for our Nation to rally around our families, our communities, our law enforcement agencies, and those State and local officials who are on the frontlines fighting the drug wars.

Mr. President, let us get on with the war on drugs.

As to the value of communicating with our constituents, Mr. President, I believe that eliminating funding for congressional mailings of 500 or more pieces is not in the best interests of the public. If this amendment passed, I would not be able to inform New Jerseyans about a variety of issues that directly affect their lives. For example, to support this amendment would mean that:

I could not have informed New Jerseyans about "How To Protect Themselves From Toxic Chemicals."

I could not have informed New Jerseyans "How To Protect Your Home From Radon Contamination," a serious health problem for many parts of our State.

I could not have informed older New Jerseyans how to protect themselves from overpayment of income taxes, nor could I have given them important consumer information about common-consumer frauds targeted against senior citizens, nor new information prepared by the Senate Aging Committee on prescription drugs.

I could not have informed New Jersey parents how to protect their children from abduction—information which was reprinted and widely distributed in New Jersey schools.

I could not have invited New Jersey high school students each year, as I have done, to participate in the high school leadership conferences. I could not have invited New Jersey male and female students who received college athletic scholarships to conferences that help them better prepare to get a real education in school. I could not have challenged elementary schools in the State to participate in the New Jersey Geography Bee I initiated or the geography class projects competition which I sponsor which have engaged thousands of New Jersey's young people in getting more out of their education.

I could not have informed New Jersey health professionals about how to safely dispose of medical waste so they do not inadvertently contribute to the problems that have plagued our beaches and shoreline.

I could not have notified New Jerseyans about the opportunity for them to meet with me in their own communities to discuss matters of concern to them.

These mailings must be used judiciously. I have supported limitations on the use of mass mailings, but I cannot support efforts to eliminate all funding for this valuable service for constituents. I believe constituents have a right to be informed about laws that affect them and be given an opportunity to ask questions, get answers, and have access to information developed by the Federal Government which affects their daily lives.

In sum, Mr. President, this amendment would distance a Senator from his or her constituents, and that is a big mistake for a representative democracy.

Mr. SIMON. Mr. President, I had not intended to speak on this and I know the politically prudent thing is to just go along on this. But I believe it is fundamentally unsound. We talk about the melting pot strength of this country. I think some people think it is some kind of a breeding process where people from Sweden and Germany and Italy and other countries came here and intermingled and that is what America became.

The melting pot strength of America is the cross fertilization of ideas. Anything that discourages the free flow of ideas in this country weakens the fabric of this country. It is for that reason that I have opposed consistently increases in second-class postage rates for newspapers and magazines and increases in book rates. Yes, I voted for increases in other major packages in other things. But anything that causes less of a free flow of ideas is something that is not in the national interest.

Now, have there been abuses? No question about it. And where there are abuses, let us deal with those abuses. I do not have the answers just off the top of my head, but I know the answer is not to stop the flow of mail and information to our constituents.

Then there is one other thing that I have to add here. There is an assumption that if we stop the mass mailings we are going to have all kinds of savings. In fact, this is kind of a disguised subsidy for the Postal Service and if we do not have this, we are just going to have to vote direct subsidies to the Postal Service. I think that is the reality and we should not fool ourselves.

Now, I do not question the motivation of my colleague from California, for whom I have great respect, but I

think this is not in the national interest.

You ask a very fundamental question really posed by my colleague from New Jersey in outlining some of the things that he has done: Will the people of New Jersey be better off or worse off if those things do not reach them? And I think the answer is they will be worse off. And then you ask the second question: Does this discourage or encourage the free flow of ideas in this country? The answer has to be it discourages them. I think it is not a sound amendment. I am going to vote against it.

Mr. WILSON. Mr. President, I feel compelled to respond to at least some of the statements that have been made by friends and colleagues with whom I clearly entertain an honest disagreement. I have no wish to offend them, but I will have to say that I can think of nothing more presumptuous than to suppose that were the American people suddenly denied congressional newsletters they would be struck ignorant. The idea that the free flow of ideas depends upon congressional newsletters strikes me as absurd.

Let me point out there are dozens of Members of this body who do not send newsletters. I doubt that very many of them have been overwhelmed with complaints from their constituents. Indeed, I will warrant that there have been far more complaints sent to the senders of newsletters protesting what many conceive to be a waste of taxpayers' dollars.

But the purpose here is not really to denigrate the kind of congressional newsletters that are being sent out, because, inevitably in doing that, though I think there is abundant evidence to suggest abuse, we will include some who have made a conscientious effort to use their newsletters in a very careful way for the benefit of their constituents.

I am reminded of a bumper sticker that I saw not too long ago that said, "Do something about junk mail. Tell your Congressman to quit sending it."

But the fact of the matter is there are very conscientious Members who seek to use newsletters to inform their constituents of matters not just of interest but of importance to them. However, I hope no one deludes themselves that that is the sole or even the primary means by which people gain information in this Nation. It is not.

It strikes me ironic that my friend from Illinois, whose motivation I certainly do not challenge, comes to us with a background in the news media. My friend from New Jersey has been most effective in holding news conferences. They are well attended. He seems fully capable of getting across his message. There are newspapers in his State as there are in mine as there are in every State. There are radio stations, there are television stations.

Not only is this gallery active and energetic in its efforts to report the news, insofar as this body makes it, but let us be perfectly honest: The American people do not depend, their lives do not depend, upon the receipt of congressional newsletters.

There have been abuses. There have been congressional newsletters, and in my observation, far more from the other House than from this one, but neither of us can escape the charge that they have been thinly veiled campaign pieces.

But really the whole point, Mr. President, is that they cost a great deal of money, money that could be spent for a variety of much more worthwhile purposes. And one of the most worthwhile, one that we have adjudged to be a priority, to which we have rhetorically referred to as a "war on drugs," requires that we make an effort to reallocate resources in order to provide new prosecutors, new drug enforcement agents, assistance to State and local governments in their law enforcement efforts, new money for expanded education and rehabilitation, to simply generalize the different facets of the approaches that must be taken in what can be called a war on drugs.

So, the purpose is to take money from this function, not simply because it has been abused, though many think that that is reason enough. But, specifically this amendment would seek to take the money from that function and not, I repeat, from the sending of responsive mail, individual letters, even press releases so that people can communicate with their constituents.

It is to, instead, deal with the phenomenon of the mass mailings, and to take that money and spend it instead on the rehabilitation of crack mothers, mothers who engage in substance abuse during pregnancy, producing children, as a result, who will go through a lifetime of diminished capacity, permanently, severely impaired. By that I have specific reference to conditions of mental retardation, physical deformity, susceptibility to stroke, emotional and developmental disorders of a serious nature.

Mr. President, what we are talking about is the fact that annually in this Nation, almost 400,000 crack babies, or babies suffering fetal alcohol syndrome, are born. They constitute, at a rate of more than 1,000 a day, more than 1 in every 10 live births in America annually. I think that is an incredible and a tragic statistic.

The good news, Mr. President, is that it is preventable by a program of aggressive outreach and education so that pregnant women who are using can be informed that they are risking grave peril to their unborn children; by seeking to persuade them to come in early enough in their pregnancy to avoid that kind of serious, irreversible damage, by seeking treatment and becoming drug free, at least for the period of the balance of their pregnancy.

And, in the tragic situations where they are not strong enough to do so, to seek that early treatment, to deal with those mothers who have in fact given birth to an addicted child, to provide the kind of rehabilitation that hopefully will prevent the recurrence of that personal tragedy.

Mr. President, what it is costing us to deal with these children is an incredible amount of money. It costs about $30,000 on the average to provide the neonatal intensive care required to deal with an addicted baby.

The estimate is that in the United States, we are spending in excess of $13 billion just on the care of these children as infants, not to mention projected costs which make it clear that these neonatal expenditures are just the tip of the iceberg.

These are children who face a lifetime of diminished capacity. In my State, in California, school districts are suddenly finding that the cost of special compensatory education is skyrocketing, because suddenly they are confronted with a new population in the schools that require this kind of special attention because of learning disabilities associated very clearly with the substance abuse of their mothers during pregnancy.

Mr. President, the purpose of this amendment is to provide a tenfold increase in the pathetically inadequate amount of money that Congress has thus far authorized and spent for the purpose of dealing with these crack mothers, these substance-abusing mothers who are producing, on an enormously and frighteningly increasing basis, what may very well be a lost generation.

We cannot afford that, Mr. President. And I am referring not just to the tax dollars or the charitable dollars that could otherwise be spent for other purposes. How much better, Mr. President, to spend money in educational ways that allow a child, a healthy child, to make full use of his or her capabilities. How much better to prevent drug use than to have to do this.

But in this instance, rehabilitation is prevention; it is a prevention of the recurrence of this tragedy. And it is a prevention of not only the expenditure of dollars, but the prevention of the incalculable, immeasurable human misery that begins with the penetrating, shrill cry of these babies as they writhe so violently in their cribs, experiencing withdrawal after birth, that they must be swaddled in order to

avoid damaging themselves in their cribs.

Well, that is only the beginning. And there are many in this Nation in a position to know who have made the statement, in full compassion, that perhaps the most fortunate of these children do not survive.

In a hearing before the subcommittee that was chaired by my friend from Wisconsin, the junior Senator from Wisconsin, one of the witnesses from his home State, the director of Public Health for the city of Milwaukee, made the prediction that America will soon see the return of the orphanage as one of our fundamental institutions because of the difficulty, if not the impossibility, of placement in foster care homes of this growing population of damaged children who will be all but impossible to place.

Let me confirm his judgment in that, at least to the extent that one statistic, taken from my State, from the county of Los Angeles, makes terribly clear the increase, and it makes it clear why he predicts the return of the orphanage. Between 1981 and 1987, in Los Angeles alone, there was an 1,100-percent increase in the placement of addicted babies in foster homes. But the experience in those foster homes has been that foster parents really are not equipped to deal with the special problems of those children.

Mr. President, there is already in the pages of America's newspapers, in the commentary on nightly television news, on morning radio broadcasts, an abundance of evidence that this problem which we have thus far ignored, at least to the extent of addressing it adequately, is one that the American people are, in fact, learning about.

But in the 1988 omnibus drug bill, we recognized it to the extent of authorizing a demonstration program. But the dimensions of that program, Mr. President, are so grossly inadequate to the need that the time has come for us to do something serious about it, and this is not posturing, I will say to my friend from New Jersey; it is a tenfold increase, and it is only the beginning.

But what we have done thus far, if the world is interested in knowing, is we have spent $4.5 million in response to 130 applications, half of which were found worthy and only 15 of which could actually be funded because of the inadequacy of the funds which the Congress had made available.

Mr. President, this is a beginning. It is a tenfold increase over that $4.5 million. It is a downpayment on the kind of investment in preventing human misery and God knows what costs in tax dollars that this Nation will otherwise surely suffer if we do not make that beginning. That is what this amendment is about. It simply says there are more important things than sending congressional newsletters and one of those that calls out for immediate response is the funding of a program to deal with the prevention of the addicted and damaged child whose mother engages in substance abuse during pregnancy.

Let us not make it more complicated than it is. Let us understand that this is an opportunity for Congress to do something that we have talked about doing. We talked at great length, but I must say that the talk, I am sure, to our constituents has begun to have a very hollow ring. There are people in this House and in the other one who have criticized President Bush's program as not spending enough. Well, I would simply point out that it is spending more than Congress has authorized under the 1988 omnibus bill. But what we seem to fail to understand is that for all the rhetoric, Congress has repeatedly wasted every opportunity to vote more money by allocating funds from some other spending. I would also say that even when faced with the opportunity to increase taxes, Members of this body rejected that.

So it seems that they are not willing to engage in even what is a beginning step to address what is clearly a critical need, one that calls out in the name of humanity for a beginning that hopefully will lead to the prevention of an incredible personal human tragedy and a national mortal shame.

Mr. President, I will just have to say to you that it would appear that congressional junk mail is not only self-indulgent as the drug use that is so often condemned in it, it seems as if it is almost as addictive. It is time we broke the habit; it is time that we spent taxpayers' dollars in a way that they think a priority. I will tell you that it does not induce great euphoria in the recipients. But the real point is simply that we must, if we are to have any credibility, begin to address what is one of the most urgent aspects of the overall problem of drug use in America and one, which in terms of the kind of concern that has been expressed often on this floor, is especially poignant because the victims are themselves entirely blameless. They are the innocent infants who enter the world not by choice but through the choice of their mothers addicted in a way that means that they will never enjoy the kind of life that they might otherwise have expected.

If this be posturing, Mr. President, then I think Congress needs to do more of it. There are abundant opportunities for us to communicate with our constituents, and I note that among the dozens who send newsletters, the vast majority, if not all, have been returned by their constituents.

If someone is concerned about inviting participation of schoolchildren in a spelling bee or in some other educational opportunity, under this amendment, 499 letters could be sent to 499 school districts making such an appeal. If someone wants to warn his constituents of the dangers of toxic chemicals, let me just say, as commendable as I find that, I think his constituents will find it more valuable if we begin to work on programs that prevent the ingestion of toxic chemicals, the most toxic of which I can think of at the moment is crack.

So let us break the habit, Mr. President, and let us begin to help those who need help in a way that will prevent the recurrence of this tragedy of addicted infants.

Mr. President, I ask unanimous consent that Senators BOREN and KASSEBAUM be added as cosponsors. It is appropriate, I might add, that Senator BOREN be involved in this legislation because he has repeatedly demonstrated great leadership in efforts to reform the abuse of congressional newsletters.

The PRESIDING OFFICER (Mr. CONRAD). Without objection, it is so ordered.

Mr. KOHL addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. Mr. President, I would like briefly to address the problem of substance abuse by women of childbearing years.

Tuesday evening the President mentioned this issue and I would like to take a moment to commend him for his attention to this particular population.

I chaired a Governmental Affairs hearing on this issue in July. Those hearings documented what we all feared: there are no easy ways to solve this problem. To prevent this substance abuse will take incredible coordination of services: Research, education, housing, nutrition programs, job training, job placement and, perhaps most importantly, health care and residential treatment for both women and their children. There are many pressure points.

After the July hearing, I joined with 29 of my colleagues from both sides of the aisle in sending a letter to President Bush, asking that the drug strategy include plans for preventing and treating substance abuse by women of childbearing years.

This week, a bipartisan, bicameral group of Senators and Representatives sponsored a briefing on the issues surrounding substance abuse by pregnant women. Health care, social service, and legal experts fielded questions regarding the present crisis and the policies needed to respond. Their message was clear: policies that encourage these women to come in to the system—as opposed to policies that are punitive or that drive them away from serv-

ices—are critical. And, as with so many things these days, additional resources are desperately needed.

Yesterday, there was a great deal of talk here on the floor about this particular problem. There was a commendable effort to increase the money available for demonstration programs to treat pregnant and postpartum women and their children. It is a start, and it is something that is under consideration by the chairman and ranking minority member of the Labor, Health, and Human Services Subcommittee on Appropriations.

As the President said in his address to the Nation, winning this war demands everyone's involvement and cooperation. That is precisely why so many Members of Congress have come together to form a bipartisan, bicameral coalition to attack this problem on all fronts. We welcome the help of all of our colleagues in this effort.

Mr. President, I ask unanimous consent that a copy of the letter to President Bush be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, August 7, 1989.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: We are writing to focus your attention on the public health crisis of drug and drug-related alcohol use—particularly "crack" cocaine addiction—among women of childbearing years and their infants.

The National Institute of Drug Abuse household survey underscores the need for strong federal leadership in prevention and treatment of substance abuse in this particular population. Across the nation, the sharp rise in alcohol and drug abuse among women of childbearing age is overwhelming our health care and child welfare system, crippling a generation of children and undermining our economic future.

According to the recent survey, ten percent of all babies are exposed to cocaine prior to birth. Combined with the impact on infants of maternal use of alcohol, marijuana, heroine and metaamphetamines, the figures are staggering. These families, caught in the clutches of poverty and addiction, are also at high-risk of AIDS. Nearly 80% of women and children with AIDS became infected as a direct result of drug use. Further, here in the District of Columbia, the skyrocketing infant mortality rate—twice the national average—has been directly linked to maternal alcohol and drug abuse during pregnancy.

Richard Schweiker, former Secretary of the Department of Health and Human Services, in testimony before a Presidential Commission on Drunk Driving, said that, ". . . in the 1950's it was considered a national emergency when 200 young Americans a year aged 15 to 19 died from polio. At the height of the polio epidemic in 1952, 3,000 Americans in all succumbed to the disease, and we rushed to develop a vaccine . . ." The public health problem we are facing today kills seven times more neonates every year than the total number who died at the height of the polio epidemic. Yet, there is no sense of urgency or outrage surrounding this preventable tragedy!

Neither is there any focus on the fiscal costs associated with these tragedies. Even by conservative estimates, maternal drug abuse adds at least $3 billion a year to hospital bills. The combined effect of AIDS and drugs has many inner-city health care systems on the verge of collapse. Add the additional health care, special education, and social services necessary to prepare infants exposed to drugs for kindergarten, and the budget costs are truly overwhelming. The cost-effectiveness of comprehensive treatment services for pregnant addicted women, by comparison, cannot be disputed.

Federal agency coordination and increased financial support for model treatment programs for pregnant substance abusing women and their infants must be a key component of your comprehensive drug strategy to be released September 5, 1989. In addition to increased funding for fiscal years 1990 and 1991, serious consideration should be given to funding more of the approved applications for grants under the Office of Substance Abuse Prevention model demonstration program for fiscal year 1989.

In order to meet the special needs of this population, programs must be family-oriented and community-based. Providing treatment and support services needed to keep families intact must be among our top priorities. And when family systems have disintegrated, we must develop foster care networks and foster group homes that are far more humane and cost-effective than long term acute care. It is our hope that as you consider allocating scarce resources among the various weapons critical to our war on drugs, you will keep the care needs of our children and families in the forefront of your mind.

It is also our hope and expectation that you will give national priority to preventing and treating maternal alcohol problems. Fetal alcohol syndrome is the known leading cause of mental retardation in this country. Several times the number of infants born with fetal alcohol syndrome have fetal alcohol effects, and the related costs are also significant.

Our nation's children are our most valuable resource. By preventing and effectively treating drug abuse, thereby reducing exposure of infants and children to this public health crisis, we will be taking the first of many steps on our Nation's road to recovery.

We urge you to make a strong commitment to financial support of coordinated, comprehensive prevention and treatment services for women of childbearing years who are addicted to drugs and alcohol. It is critical that this commitment be reflected in your comprehensive drug plan. We assure you that such immediate action will receive our full support.

Our children, and millions of American families, deserve no less.

Sincerely,

Herb Kohl, John Glenn, William V. Roth, Jr., Edward M. Kennedy, Sam Nunn, Paul Simon, Nancy Kassebaum, Orrin Hatch, Bill Bradley, Mark Hatfield, Bob Graham, Terry Sanford, Dennis DeConcini, David Pryor, Joseph I. Lieberman, Alan Cranston, Barbara Mikulski, Claiborne Pell, Don Riegle, Jr., Brock Adams, Richard C. Shelby, Christopher J. Dodd, Carl Levin, John D. Rockefeller IV, Dave Durenberger, Jeff Bingaman, William Cohen.

Mr. KOHL. Mr. President, Americans now rank drug abuse as the No. 1 problem facing us today. The President echoed this concern 2 days ago as he announced his comprehensive, national strategy to fight the war on drugs. The President's plan may not be perfect, but we can all applaud his attempt to take comprehensive, coordinated action.

In particular, I wish to commend the President for recognizing the public health emergency posed by pregnant addicted women and their infants. From Washington, DC, to Wisconsin to Washington State, as many as 375,000 infants a year are born exposed to illegal drugs. And, the National Institute on Drug Abuse recently released a survey showing that 10 out of every 100 pregnancies in this country involve exposure to cocaine alone.

During a July 31 Governmental Affairs Committee hearing I chaired on this issue, health, child welfare, and drug treatment experts testified about the serious repercussions of substance abuse during pregnancy. Addiction to crack cocaine has triggered a resurgence of maternal deaths in this country. Infants born exposed to crack and other illegal drugs are at much higher risk of poor health, developmental delays, and even death. Here in our Nation's Capital, the soaring infant mortality rate is directly tied to maternal drug and alcohol abuse. And, fetal alcohol syndrome remains the leading known cause of mental retardation nationwide.

The vast majority of drug dependent pregnant women identified in hospitals have been the victims of physical, sexual, and emotional abuse. The family center in Philadelphia asserts that 80 percent of the drug addicted mothers they treat have been severely battered by their spouses. Such women need housing, food, job training and education. Many lack access to prenatal care. Most need to learn parenting skills and basic facts about child development. Some lack the social support and networks that could propel them into treatment. Even after treatment, others must return to housing where there is constant exposure to drugs and threats to physical safety.

Added to the human tragedies for these mothers and babies are staggering social and fiscal costs. Maternal drug abuse adds at least $3 billion to hospital bills alone. Abandoned infants are flooding an already overburdened foster care system. And, when you take into account the health care, special education, and social services essential to preparing infants exposed to drugs for kindergarten, the budget costs go right off the charts. By comparison, the cost effectiveness of comprehensive treatment programs for

pregnant addicted women cannot be refuted.

Last month, the distinguished chairs of the Governmental Affairs and Labor and Human Resources Committees, Senators GLENN and KENNEDY joined me in sending a letter to President Bush. Along with 26 of our colleagues from both sides of the aisle, we asked the President to make increased financial support for maternal drug treatment programs and coordination of family support services a key component of his drug plan.

And earlier this week, I joined with Senators GLENN, KENNEDY, HEINZ, KASSEBAUM, DECONCINI, SIMON, SPECTER, MOYNIHAN, and MIKULSKI as well as Representatives MILLER, RANGEL, DOWNEY, MORELLA, and VENTO in organizing a congressional briefing on the crisis posed by pregnant addicted women and their children. These Members represented Senate Committees including Governmental Affairs, Labor and Human Resources, Finance, and Judiciary; and House committees including the Select Committee on Children, Youth and Families, the Select Committee on Narcotics, Ways and Means, Education and Labor, and the Congressional Caucus for Women. Organizations participating in the briefing included the Association of Junior Leagues International, the National Council on Alcoholism, the National Association for Perinatal Addiction, Research and Education; the American Public Welfare Association, the American Bar Association, the National Commission to Prevent Infant Mortality, and a wide range of health, child welfare, and legal groups.

Thus, there can be no doubt about the serious concern over drug addicted mothers and children in both Congress and the White House. But this concern must lead to immediate steps toward putting prevention, outreach, and treatment programs into place. Despite approving 72 applications for model drug treatment programs for pregnant women, the Office of Substance Abuse Prevention was only able to fund 18 grants for fiscal year 1989. In the most optimistic scenario, those 18 projects will serve 900 women and infants on an outpatient basis. Yet in Milwaukee County in my State of Wisconsin alone, there are 500 pregnant addicted women who will need residential drug treatment this year.

An additional $20 million appropriated for these programs in fiscal year 1990 would allow OSAP to fund all those applications with merit. And, by authorizing and appropriating $45 million for OSAP pregnancy drug treatment demonstrations in 1990, an additional 5,000 women and infants could be served in both residential and outpatient settings.

Mr. President, I urge my colleagues to join me in addressing this complex issue.

Mr. STEVENS. Mr. President, the Senator from California has said let us not make this more complicated than it is. I am of the opinion that that is a good approach to this amendment. Let me describe the amendment. The first portion of this amendment deals with mass mailings. It would prohibit the use of the franking privilege for unsolicited mass mailings.

The precedents of the Senate in this area of mass mailings are very interesting. This amendment does not cover junk mail, as the Senator from California indicates. It covers mass mailings. Mass mailings mean any mailing within a 30-day period of more than 500 pieces in which the content of the matter mailed is substantially identical.

Let us take, for example, the catastrophic health issue. My understanding is I have received about 10,000 letters so far on that issue.

I see the distinguished Senator from Texas on the floor. It is coincidental. The Finance Committee is exploring this issue and is proceeding to find a way to deal with this issue. As a consequence, my response has been to my constituents—we have your letter and we understand your problem. We are waiting for action from the Finance Committee. We believe they will come up with a new solution and we will report to you what they decide. If you do not like that, let us know. There will be a second letter going out.

Now, mass mailings under the definition of the Senate include followup responses to prior mail. This is what chapter, section 1, of the ethics handbook says with regard to mass mailing. I hope the people managing these Senate offices try to understand that the amendment of the Senator from California will make things much more complicated than they are now. Because it says no unsolicited mass mailings can use the frank.

Now, a franked mailing sent to persons who have sent letters or postcards is not a mass mailing. That is the first response. Any subsequent franked mailing sent to these persons after the initial response would be a mass mailing if the mailing is more than 500 pieces of substantially identical content and is sent within a 30-day period. In other words, if I send out more than 500 followup letters to people on one issue in a 30-day period, that is a mass mailing, and the amendment of the Senator from California makes the whole mailing illegal, prohibited during the 30-day period. I send out 250 the first day, maybe 150 the next and 100 the third day. Anything after the third day makes the whole thing wrong. It is any mass mailing that exceeds 500 pieces. It is not junk mail. It is not newsletters.

I think the Senator from New York has made a great contribution to our understanding of the history of this body by his reference to the circular letters. I enjoyed his presentation. That is the history of newsletters.

The amendment of the Senator from California deals with mass mailings. I currently have pending in my office a whole series of mass mailings that I intend to make. They are issues that are of great concern to Alaskans, and as the Senator from New Jersey has pointed out, we have problems that we have to deal with subjectively. One of them, as I mentioned yesterday, is the oilspill. I have received literally thousands and thousands of questions from Alaskans on the oilspill. We have responded to those once.

A bill has now been passed by the Senate. At the time that bill passed I sent a followup letter to those people telling them what the Senate had done. We will go to conference and bring back a final bill. Ultimately, I will be able to report to them what the final action of Congress has been which I hope the President will approve. Throughout the stages of the legislative process we have a duty to report to our people. Those are not newsletters, but they are mass mailings. I do not think the Senate understands the amendment of the Senator from California because he is again saying they are subject to the precedents of the Senate. Unsolicited mass mailings under the precedents of the Senate mean a followup letter to anyone on the same issue. If you write to more than 500 people, that is a mass mailing. And the amendment of the Senator from California says that is specifically prohibited. It is not simply newsletters he is talking about. Anything that involves any more than 500 mailings on the same subject within 30 days is mass mailing.

I think the Senator from California has made this issue much more complicated than it really is. If he wants to prohibit newsletters, he should say so. Maybe he wants to prohibit junk mail. However, I find it hard to interpret junk mail in relationship to the mailings that go from the Senate. Maybe some things these people send out could be referred to as junk. I have sent out copies of the CONGRESSIONAL RECORD, not the whole RECORD but statements made in the CONGRESSIONAL RECORD, not only just made by myself but by other Senators that are of great interest in the debate, to people in my State who do not receive the CONGRESSIONAL RECORD. We reproduce a page or a single statement that has been made and send it to people who have written to me about specific issues.

Now, to me that is a matter of communication.

Let me talk about the second portion of this amendment, and I would hope that the Senator from California would be willing to enter into a little

dialog about this. The first part of the second section says, "All moneys heretofor appropriated for this purpose are hereby rescinded."

That purpose is unsolicited mass mailing. However, there is no funding specifically for the unsolicited mass mailing. There is funding for total use of the frank.

The only fund that is out there now that is undesignated is the one for mailings. Currently it has been overdrawn. There are no surpluses available. The House and the Senate have spent more money actually than was appropriated for this year.

The amendment goes on to say that these appropriations may be made available for the purpose only of funding any program authorized by Congress to fight the war on drugs. Since there is no money left, how does that get money to the pregnant and post partum women and their infants, as the Senator suggests?

The third portion of that single section, it is all one sentence by the way, says specifically that $45 million is hereby appropriated for the Model Projects Programs for Pregnant and Post Partum Women and their Infants, to be spent pursuant to 42 U.S.C. 290 aa-13 to remain available until expended. That is strictly legislation in an appropriations bill dealing with matters to be covered by another bill that will come before the Senate.

One of the interesting things about this debate to some people should be that we have divided appropriations for the Federal Government into 13 separate bills.

There are rules that exist to prevent what the Senator from California is trying to do. The Senator from California wants to defeat unsolicited mass mailings. So he says he wants to transfer that money, and specifically $45 million of that money to a purpose I think we would all support. As a matter of fact, I have amendments on other bills that specifically deal with these issues and with the fetal alcohol syndrome. I think they have general support, and I do not remember anyone ever taking money away from those programs. As a matter of fact, the Appropriations Committee on two occasions so far has added money to those programs this year.

But what this amendment does is to appropriate in a legislative branch appropriations bill money for a model projects program that is covered by the Labor-HHS appropriations bill.

There is a rule against legislating in an appropriations bill. Unfortunately, because of the way the time agreement was entered into last night, I am informed I cannot raise that point of order now. I regret that. I want the Senate to know that I am going to explore later with the leadership this concept of waiving all points of order with a statement that the amendment of the Senator from California will be "in order." We had no objection to the amendment of the Senator from California being in order to be presented. But that did not mean that we intended to waive all points of order against it, and there is a specific point of order, and it is the one that the Senate ought to think about. I want to say to the Senate that in the whole time I have served on the Appropriations Committee, which I believe is now 20 years, I have never seen this done in the Senate.

Regarding the substance of the amendment, I think we ought to consider it carefully what we are doing. I can see the B-2 issues before the Senate from the Defense bill with people saying, "We don't quite have enough votes to defeat the B-2, but if we put that money into AIDS, maybe we can defeat the B-2. I can see people who do not like the wild horse program in the Bureau of Land Management funding saying, "We do not like that money in there, but we can't defeat it. It's a traditional program. But if we put the money into the fetal alcohol syndrome, maybe we can pick up enough votes to do it."

Sugarcoating ought not to determine the passage of an amendment. I do not mind facing the issue of mass mailings or the issue of newsletters. But to tell people that what is really presented here is an amendment to provide $45 million for the model projects program for pregnant and post partum women and their infants, on a legislative branch appropriations bill; how would you get it before the Senate on a legislative branch appropriations bill without an amendment?

The first thing you do is delete something that you do not like, as I said, and then try to do that. Look at Rule XVI—and I urge Members of the Senate to do that. We ought to be on our guard against such concepts.

I do not have any disrespect for my friend from California. He is my friend. I hope he will be after this is over. I believe that some people question our debates on the floor, why we are antagonistic, and whether we mean what we say when we say our friends are our friends. The Senator from California is my friend, but I could not disagree more with the tactic that he has used. I think it is my right and duty to say so to the Senate, and try to make the Senate understand what it is doing if it passes this amendment.

In the first place, it is going to say that any Senator who writes a letter and asks the staff to send that letter to every person who in the past corresponded on that subject—and there are more than 500 such letters mailed in 1 month—he is going to be subject to the prohibition under this which means he is subject to disciplinary action by the Ethics Committee for having violated the law that pertains to mass mailings. It is not just newsletters. This will circumscribe the way we do business in responding to our constituents. If the Members of the Senate do not understand it, they are going to make a very serious mistake.

If the Senator from California would modify his amendment and say that upon enactment of this act, use of the franking privilege for any newsletters is prohibited, that might be another matter. If he wants to hit newsletters, he should say so. If he wants to hit junk mail—and I would like to have him define that—he should say so. But when he uses the phrase "unsolicited mass mailings," he is going right into the handbook that we give out to everyone of our new employees, talking about what is a mass mailing.

We have defined it. We have presented some decisions for the Ethics Committee on it, and this is wrong. The Senator from New Jersey is absolutely right. This will prevent a Senator from responding to his constituents in the manner that he should.

A person who has written to me on this problem of catastrophic health care to whom I have written, "I will keep you informed as this issue is decided by the Senate," under the amendment of the Senator from California, is not going to get an answer if that person writes to me again. He will not hear from me on the same subject unless he or she writes to me again. Why should we put that burden on a constituent who has asked? Incidentally, the Constitution protects correspondence of a constituent. It would have been an interesting thing for people to refer to that.

But why should we put an additional burden on them? Why should we put an additional cost on our system? I tried to explain this yesterday, too—a mass mailing in the sense I am talking about now where we already received thousands of letters. The response goes through our computers, their names and addresses are there, and we do not have to have anyone go back and type them again. We can take a followup letter and put it into the system. Those go out through the mass mailing process. They are the least expensive way of dealing with that subject.

If we can't send followup letters and even only half of them write back to us again, we have to have people open the mail, log them in, and have us respond to them individually. Again, the cost to the Senate and the taxpayers is more than dealing with the way we do it.

I was pleased to see that the Senator from New Jersey handles his mail the same way my office does, and I presume a great many Senate offices handle it in the same way. We try to be cost efficient in responding to con-

stituent mail. But those followup responses are, under the amendment of the Senator from California, unsolicited mass mailings, and prohibited.

I still do not know how to deal with the second portion of this amendment. It is subject to a point of order, which I cannot raise. It would make available $45 million for a program that I have supported, continued to support, and want to support.

I wonder if it is going to work. I wonder if the mere fact that the Senator from California, who has been an opponent of newsletters for years, coming in here now with an amendment dealing with all mass mailings and attempting to put the money that was previously appropriated for that use into the postpartum program that I presume all of us support, I wonder if we would pass an amendment. I wonder if we are going to respond to that kind of sugarcoating.

If we do, we are going to set a precedent around here that we will hear time and time and time again. I have to say to the Senate that if it works for the Senator from California, the Senator from Alaska is going to attempt the same thing. I have several programs that I do not really support, have voted against, and I think maybe if we tied it to something else, we might finally defeat them. Is that the way we want to do business? However, I do not ever remember doing that. I am reluctant to start down that line. If that is what the Senate wants, it has the chance to decide it today.

I have to commend the Senator from California. He deals with both at once. His second provision not only makes money available to fight the war on drugs, but specifically makes $45 million available to help pregnant and postpartum women and their infants. I know that is a double sugarcoated pill.

I have to say to my friend from California, as a practical matter, I do not like this procedure, Mr. President. I think we ought to face up to the question of how do we communicate with our constituents.

I would be willing to bet that the Senators who represent massive States have FAX banks now. I saw one the other day. It is possible to feed into a FAX bank the telephone numbers of FAX machines in big offices and to send to that FAX bank a FAX of a mass mailing. However, I have to tell you that a FAX bank would not do much good in Alaska.

You know what that costs, Mr. President, to send one FAX on that basis? You are making a telephone call, in effect, to all of the numbers that are fed in there, and it is sending out over the Senate telephone lease lines these FAX's to all those FAX machines in populous States.

Maybe this Senator ought to come in and limit the use of FAX's in Senate offices. They are no good to me. I understand the Senator from California does not use newsletters. He does not use them. I do not blame him if he does not want to use them. He probably uses a FAX a lot more than I do, and I will bet he uses the telephone a lot more than I do. Maybe I should look at the telephone records and find out how much his telephone bill is and decide whether that is fair as compared to my telephone bill, which are both paid by the taxpayers.

I have an analysis of mass mailings. It is interesting to see who uses the frank in terms of mass mailings. This does not talk simply about newsletters. It talks about mass mailings. I am glad to show it to any Member of the Senate. It is a document analyzing mass mailings by postage cost and per capita cost. It shows that the people who used it most in terms of the number of times to constituents, different constituents, are the people from small States. They are the people from North Dakota, South Dakota, Nevada, Montana, Wisconsin, Minnesota, Alaska, Idaho. They are the smaller States.

If you want to look at the other thing, though, in terms of the total cost of mass mailings, the people who spent the most money are the people from the larger States, although they use it less frequently, obviously. When they have one mailing, it costs more money than most small States spend all year. It is a communications device, and that is my point, not something used uniformly throughout the Senate, not any more uniform than the use of transportation money. That is one reason I commend the members of the committee for having put into the report the provision that is there.

I had a lot of calls last night from members of the press that indicated perhaps I was going to filibuster this bill. If this is a filibuster, you ain't seen nothing yet. But I did not want to try to delay and prevent passage of this bill. I have no intent to do that.

Mr. NICKLES. Will the Senator yield?

Mr. STEVENS. Yes.

Mr. NICKLES. I would echo the Senator's comments. He has not filibustered. He has discussed this amendment. There are several Senators that are supposed to be at the White House at 2 o'clock, this Senator included. We would like to have a vote on the amendment. It is the Senator's intention to discuss this bill further.

Mr. STEVENS. I am almost finished. I would be happy to have a vote at your convenience, as far as I am concerned. I think in fairness the Senator from California should have an opportunity to respond. It is not my intention to delay the vote. I leave it to your—if you can get a unanimous consent to vote between now and 2 o'clock, it is all right with me.

Mr. NICKLES. I think it is our hope that we would vote in the next few minutes or possibly postpone the vote for another hour or so. That would be my hope, that we would vote within the next 5 minutes.

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Frankly, I already responded to much of what the Senator from Alaska has said.

The PRESIDING OFFICER. The Chair reminds the Senator from California that the Senator from Alaska retains the floor.

Mr. STEVENS. The Senator from Oklahoma wants some time.

(Disturbance in the gallery.)

The PRESIDING OFFICER. The Sergeant at Arms is asked to restore order in the gallery.

The Senate proceedings will continue and the Senator from Alaska may proceed.

Mr. STEVENS. Mr. President, I make this final point. I respect my friend the manager, and his colleague from Oklahoma wants to speak. I want the Senate to know that in the report the committee has directed the Senate Rules Committee and the House Commission on Congressional Mailing Standards to prescribe additional rules and regulations with respect to official mail in the Chambers. The Rules Committee has agreed with this. The bill also directs such rules and regulations to provide for allocation of the franking appropriations for the two Chambers among their respective Members and for charging a Member's official office expense account for the cost of official mail sent by the Member in excess of his or her allocation.

In other words, we have set up a mechanism now in this bill to assure that each Member who exceeds the allocation that is made to him or her will be charged against that Member's official expense account. It will for the first time put an absolute ceiling on mailing costs. I think we have been extremely responsive and responsible in presenting this legislative appropriations bill.

I would urge the Members of the Senate to oppose the amendment of the Senator from California. It is not a drug amendment. It is not an amendment for post partum women or infants. It is not an amendment dealing with newsletters. It is an amendment that is so confused it is hard to interpret.

Mr. NICKLES. Mr. President, for information of Members I think they should be aware it is our intention to have a vote in the next few minutes.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Mr. President, I certainly do not want to delay my col-

leagues, and I know we are fast closing to a time for a vote on this particular amendment. I simply want to add my voice in support of those who are offering this amendment.

I am proud to cosponsor this amendment. I think that we simply cannot face the taxpayers when we have something in terms of $2 million a year on mail cost back to the Senate when we are spending approaching $70 million a year on mass mailings that have not been solicited by the public themselves.

An analysis of those Senators that most use the mass mail and newsletter services indicates that a much higher proportion of the mass mailing and sending out of newsletters is done by those who are up for reelection, those in the election cycle.

That is a coincidence. I do not think that the public thinks that a coincidence.

The citizens are saying to us: "We want you to do your job. We do not want you to campaign for reelection using the taxpayer money."

I think this is a very good opportunity for us to take a very positive step forward in terms of the image of responsibility and integrity for this body to say that we are no longer going to add millions of dollars to the cost of operating the Government to send out mailings that have been unsolicited by the general public.

I followed this practice myself. April 1984 was the last time that I sent out newsletters to my constituents. I have had no complaints from them for not sending out newsletters. In fact, I have had commendation for not spending their tax dollars to send them something they not need to receive.

We have many channels of communication open to use that do not cost the taxpayers money, many ways we can inform constituents about what we are doing.

It is time for us to set an example in these tough budgetary times; it is time for us to do away with what is literally privilege for us, time for Congress to stop using taxpayers' funds to campaign for reelection.

This amendment is a step in the right direction. I hope it will be adopted.

The PRESIDING OFFICER. Is there further debate on the amendment?

The Senator from California.

Mr. WILSON. Mr. President, I will take less than 1 minute. There is little confusion on the floor, except in the mind of the Senator from Alaska, that this is a bill about newsletters and it is a bill about the tragedy of addicted children and those suffering the addiction of their mothers.

The time has come for us to deal with this problem. The Senator from Alaska has serious questions. I refer him to the CONGRESSIONAL RECORD and to the legislative counsel who also disagrees with his analysis.

We should not wait. We should vote and we should vote to end these newsletters and hopefully to begin to end the tragedy of babies born in this Nation innocently addicted and facing a life incapacitated as a result of substance use of mothers during pregnancy.

Mr. DOLE. Mr. President, just 2 days ago, the President of the United States unveiled a plan to fight the war on drugs. The critics immediately began screaming for more money. In looking over the stories in today's news, the value of the President's initiative has been lost in squabbles over the number of dollars going into this or that program.

As I said yesterday, the war on drugs should not become an excuse for raising taxes. We are facing a crisis of epic proportions—every single one of us realizes that the future of our country is at stake.

This is no time to throw budgetary restraint out the window. Americans want us to live within our means. They do not want more taxes! They want us to make the tough choices about spending priorities.

I do not argue with the distinguished Senator from Alaska that these mailings have value. Communicating with constituents is important. But, the real issue here is about priorities. The Senator from Alaska knows that there are Members in both Houses, on both sides of the aisle that take full advantage of the frank, and those who abuse it.

I am convinced that the people in my home State would rather help a newborn baby who is an innocent victim of her mother's drug problem than pay to have a stack of self-promoting mail from the members of the Kansas congressional delegation clog their mailboxes.

This is a golden opportunity for us to show Americans that we are willing to make a sacrifice—to tighten our own belts—to help in the fight against drugs.

The President's program contains a funding plan and additional sources of funds suggested by the Office of Management and Budget. We should not feel limited by that list. I want to put my colleagues on notice that we will be looking for additional sources of funds—in executive travel, for example, or child-care credits for wealthy individuals—to fund a comprehensive assault on the drug problem.

I support Senator WILSON's amendment and hope that we will have a chance to vote on this issue shortly.

Mr. LEVIN. Mr. President, I support the Wilson amendment, which would eliminate unsolicited mass mailings by Members of Congress. The amendment would transfer the $45 million saved by eliminating these mass mailings and would direct it toward helping to pay for the 1988 ominbus drug bill, in particular for substance abuse treatment for pregnant women and their infants.

I believe that the House and Senate should be on an equal footing when it comes mailing privileges. I also think it is important in light of the Federal budget deficit and in light of the competing demands for Federal resources that both the House and the Senate be more frugal in how much they spend on mass mailings. This amendment achieves equity between the House and Senate at the same time that it revises our priorities, and for those reasons, I support it.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment of the Senator from California.

On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. ADAMS], the Senator from Montana [Mr. BAUCUS], the Senator from North Carolina [Mr. SANFORD], and the Senator from Tennessee [Mr. SASSER] are necessarily absent.

Mr. SIMPSON. I announce that the the Senator from Colorado [Mr. ARMSTRONG], the Senator from Montana [Mr. BURNS], the Senator from Idaho [Mr. MCCLURE], the Senator from Delaware [Mr. ROTH], and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

The PRESIDING OFFICER (Mr. PRYOR). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 83, nays 8, as follows:

[Rollcall Vote No. 169 Leg.]

YEAS—83

Bentsen	Fowler	Mack
Biden	Garn	McCain
Bingaman	Glenn	McConnell
Bond	Gore	Metzenbaum
Boren	Gorton	Mikulski
Boschwitz	Graham	Mitchell
Breaux	Gramm	Nickles
Bryan	Grassley	Nunn
Bumpers	Harkin	Packwood
Burdick	Hatch	Pell
Byrd	Hatfield	Pressler
Chafee	Heflin	Pryor
Coats	Heinz	Reid
Cochran	Helms	Riegle
Cohen	Humphrey	Robb
Conrad	Jeffords	Rockefeller
Cranston	Johnston	Rudman
D'Amato	Kassebaum	Sarbanes
Danforth	Kasten	Shelby
Daschle	Kennedy	Simpson
DeConcini	Kerrey	Specter
Dixon	Kerry	Symms
Dodd	Kohl	Thurmond
Dole	Lautenberg	Wallop
Domenici	Leahy	Warner
Durenberger	Levin	Wilson
Exon	Lott	Wirth
Ford	Lugar	

NAYS—8

Bradley	Lieberman	Simon
Hollings	Matsunaga	Stevens
Inouye	Moynihan	

NOT VOTING—9

Adams	Burns	Roth
Armstrong	McClure	Sanford
Baucus	Murkowski	Sasser

So the amendment (No. 698) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. REID. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KASTEN. Mr. President, one of the functions of GAO is providing an objective, independent, and impartial forum for the resolution of disputes concerning Federal procurements. I am concerned that GAO in its bid protest process is creating, or may already have created, an atmosphere wherein they are no longer viewed as an effective forum.

Increasingly, even though they feel a protest is justified, frustrated contractors are choosing not to exercise the protest procedures because they feel there is little chance of success. In their view, the GAO bid protest process is not conducive to getting all the facts out.

I understand that the bid protest process must be controlled, so that the procurement process is not unduly hampered by protest actions. But I also recognize the need for and importance of a credible and accessible process to review questionable procurement actions. It is important that these two concerns remain in balance. I question whether that balance exists today.

In light of this concern it would be appropriate for GAO to reassess the bid protest process. It may be appropriate to establish a more effective screening process to quickly identify and rule on those cases that can be decided on the available record and to take a greater role in those cases that merit further investigation.

Mr. NICKLES. Mr. President, I would like to associate myself with the comments of my colleague, the Senator from Wisconsin. It is important that smaller companies, who seek to do business with their government, have confidence that the GAO is an effective forum for the resolution of problems concerning the bid process. I thank my colleague for his helpful observations, and I assure him that our subcommittee will take steps to see to that any problems associated with the GAO bid protest process are rectified.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, a Senator has asked for a rollcall vote on final passage and I therefore request the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the vote on final passage of this bill, H.R. 3014, occur at 7 p.m. this evening and that the bill be laid aside until that time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMERICANS WITH DISABILITIES ACT

The PRESIDING OFFICER. The clerk will report the pending business.

The assistant legislative clerk read as follows:

A bill (S. 933) to establish a clear and comprehensive prohibition of discrimination on the basis of disability.

S. 933

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Americans with Disabilities Act of 1989".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.

TITLE I—EMPLOYMENT

Sec. 101. Definitions.
Sec. 102. Discrimination.
Sec. 103. Defenses.
Sec. 104. Illegal drugs and alcohol.
Sec. 105. Posting notices.
Sec. 106. Regulations.
Sec. 107. Enforcement.
Sec. 108. Effective date.

TITLE II—PUBLIC SERVICES

Sec. 201. Definition.
Sec. 202. Discrimination.
Sec. 203. Actions applicable to public transportation provided by public entities considered discriminatory.
Sec. 204. Regulations.
Sec. 205. Enforcement.
Sec. 206. Effective date.

TITLE III—PUBLIC ACCOMMODATIONS AND SERVICES OPERATED BY PRIVATE ENTITIES

Sec. 301. Definitions.
Sec. 302. Prohibition of discrimination by public accommodations.
Sec. 303. New construction in public accommodations and potential places of employment.
Sec. 304. Prohibition of discrimination in public transportation services provided by private entities.
Sec. 305. Study.
Sec. 306. Regulations.
Sec. 307. Exemptions for private clubs and religious organizations.
Sec. 308. Enforcement.
Sec. 309. Effective date.

TITLE IV—TELECOMMUNICATIONS RELAY SERVICES

Sec. 401. Telecommunication services for hearing-impaired and speech-impaired individuals.

TITLE V—MISCELLANEOUS PROVISIONS

Sec. 501. Construction.
Sec. 502. Prohibition against retaliation and coercion.
Sec. 503. State immunity.
Sec. 504. Regulations by the Architectural and Transportation Barriers Compliance Board.
Sec. 505. Attorney's fees.
Sec. 506. Technical assistance.
Sec. 507. Federal wilderness areas.
Sec. 508. Transvestites.
Sec. 509. Congressional inclusion.
Sec. 510. Illegal drug use.
Sec. 511. Definitions.
Sec. 512. Amendments to the Rehabilitation Act.
Sec. 513. Severability.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) some 43,000,000 Americans have one or more physical or mental disabilities, and this number is increasing as the population as a whole is growing older;

(2) historically, society has tended to isolate and segregate individuals with disabilities, and, despite some improvements, such forms of discrimination against individuals with disabilities continue to be a serious and pervasive social problem;

(3) discrimination against individuals with disabilities persists in such critical areas as employment, housing, public accommodations, education, transportation, communication, recreation, institutionalization, health services, voting, and access to public services;

(4) unlike individuals who have experienced discrimination on the basis of race, sex, national origin, religion, or age, individuals who have experienced discrimination on the basis of disability have often had no legal recourse to redress such discrimination;

(5) individuals with disabilities continually encounter various forms of discrimination, including outright intentional exclusion, the discriminatory effects of architectural, transportation, and communication barriers, overprotective rules and policies, failure to make modifications to existing facilities and practices, exclusionary qualification standards and criteria, segregation, and relegation to lesser services, programs, activities, benefits, jobs, or other opportunities;

(6) census data, national polls, and other studies have documented that people with disabilities, as a group, occupy an inferior status in our society, and are severely disadvantaged socially, vocationally, economically, and educationally;

(7) individuals with disabilities are a discrete and insular minority who have been faced with restrictions and limitations, subjected to a history of purposeful unequal treatment, and relegated to a position of political powerlessness in our society, based on

characteristics that are beyond the control of such individuals and resulting from stereotypic assumptions not truly indicative of the individual ability of such individuals to participate in, and contribute to, society;

(8) the Nation's proper goals regarding individuals with disabilities are to assure equality of opportunity, full participation, independent living, and economic self-sufficiency for such individuals; and

(9) the continuing existence of unfair and unnecessary discrimination and prejudice denies people with disabilities the opportunity to compete on an equal basis and to pursue those opportunities for which our free society is justifiably famous, and costs the United States billions of dollars in unnecessary expenses resulting from dependency and nonproductivity.

(b) PURPOSE.—It is the purpose of this Act—

(1) to provide a clear and comprehensive national mandate for the elimination of discrimination against individuals with disabilities;

(2) to provide clear, strong, consistent, enforceable standards addressing discrimination against individuals with disabilities;

(3) to ensure that the Federal Government plays a central role in enforcing the standards established in this Act on behalf of individuals with disabilities; and

(4) to invoke the sweep of congressional authority, including its power to enforce the fourteenth amendment and to regulate commerce, in order to address the major areas of discrimination faced day-to-day by people with disabilities.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) AUXILIARY AIDS AND SERVICES.—The term "auxiliary aids and services" includes—

(A) qualified interpreters or other effective methods of making aurally delivered materials available to individuals with hearing impairments;

(B) qualified readers, taped texts, or other effective methods of making visually delivered materials available to individuals with visual impairments;

(C) acquisition or modification of equipment or devices; and

(D) other similar services and actions.

(2) DISABILITY.—The term "disability" means, with respect to an individual—

(A) a physical or mental impairment that substantially limits one or more of the major life activities of such individual;

(B) a record of such an impairment; or

(C) being regarded as having such an impairment.

(3) STATE.—The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

TITLE I—EMPLOYMENT

SEC. 101. DEFINITIONS.

As used in this title:

(1) COMMISSION.—The term "Commission" means the Equal Employment Opportunity Commission established by section 705 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–4).

(2) COVERED ENTITY.—The term "covered entity" means an employer, employment agency, labor organization, or joint labor-management committee.

(3) EMPLOYEE.—The term "employee" means an individual employed by an employer.

(4) EMPLOYER.—

(A) The term "employer" means a person engaged in an industry affecting commerce who has 15 or more employees for each working day in each of 20 or more calendar weeks in the current or preceding calendar year, and any agent of such person, except that, for two years following the effective date of this title, an employer means a person engaged in an industry affecting commerce who has 25 or more employees for each working day in each of 20 or more calendar weeks in the current or preceding year, and any agent of such person.

(B) EXCEPTIONS.—The term "employer" does not include—

(i) the United States, a corporation wholly owned by the government of the United States, or an Indian tribe; or

(ii) a bona fide private membership club (other than a labor organization) that is exempt from taxation under section 501(c) of the Internal Revenue Code of 1986.

(5) ILLEGAL DRUG.—The term "illegal drug" means a controlled substance, as defined in schedules I through V of section 202 of the Controlled Substances Act (21 U.S.C. 812), the possession or distribution of which is unlawful under such Act. The term "illegal drug" does not mean the use of a controlled substance pursuant to a valid prescription or other uses authorized by this Act.

(6) PERSON, ETC.—The terms "person", "labor organization", "employment agency", "commerce", and "industry affecting commerce", shall have the same meaning given such terms in section 701 of the Civil Rights Act of 1964 (42 U.S.C. 2000e).

(7) QUALIFIED INDIVIDUAL WITH A DISABILITY.—The term "qualified individual with a disability" means an individual with a disability who, with or without reasonable accommodation, can perform the essential functions of the employment position that such individual holds or desires.

(8) REASONABLE ACCOMMODATION.—The term "reasonable accommodation" may include—

(A) making existing facilities used by employees readily accessible to and usable by individuals with disabilities; and

(B) job restructuring, part-time or modified work schedules, reassignment to a vacant position, acquisition or modification of equipment or devices, appropriate adjustment or modifications of examinations, training materials or policies, the provision of qualified readers or interpreters, and other similar accommodations for individuals with disabilities.

(9) UNDUE HARDSHIP.—

(A) IN GENERAL.—The term "undue hardship" means an action requiring significant difficulty or expense.

(B) DETERMINATION.—In determining whether an accommodation would impose an undue hardship on a covered entity, factors to be considered include—

(i) the overall size of the business of a covered entity with respect to the number of employees, number and type of facilities, and the size of the budget;

(ii) the type of operation maintained by the covered entity, including the composition and structure of the workforce of such entity; and

(iii) the nature and cost of the accommodation needed under this Act.

SEC. 102. DISCRIMINATION.

(a) GENERAL RULE.—No covered entity shall discriminate against a qualified individual with a disability because of the disability of such individual in regard to job application procedures, the hiring or discharge of employees, employee compensation, advancement, job training, and other terms, conditions, and privileges of employment.

(b) CONSTRUCTION.—As used in subsection (a), the term "discrimination" includes—

(1) limiting, segregating, or classifying a job applicant or employee in a way that adversely affects the opportunities or status of such applicant or employee because of the disability of such applicant or employee;

(2) participating in a contractual or other arrangement or relationship that has the effect of subjecting a qualified applicant or employee with a disability to the discrimination prohibited by this title (such relationship includes a relationship with an employment or referral agency, labor union, an organization providing fringe benefits to an employee of the covered entity, or an organization providing training and apprenticeship programs);

(3) utilizing standards, criteria, or methods of administration—

(A) that have the effect of discrimination on the basis of disability; or

(B) that perpetuate the discrimination of others who are subject to common administrative control;

(4) excluding or otherwise denying equal jobs or benefits to a qualified individual because of the known disability of an individual with whom the qualified individual is known to have a relationship or association;

(5) not making reasonable accommodations to the known physical or mental limitations of a qualified individual who is an applicant or employee, unless such covered entity can demonstrate that the accommodation would impose an undue hardship on the operation of the business of such covered entity;

(6) denying employment opportunities to a job applicant or employee who is a qualified individual with a disability, if such denial is based on the need of such covered entity to make reasonable accommodation to the physical or mental impairments of the employee or applicant;

(7) using employment tests or other selection criteria that screen out or tend to screen out an individual with a disability or a class of individuals with disabilities unless the test or other selection criteria, as used by the covered entity, is shown to be job-related for the position in question and is consistent with business necessity; and

(8) failing to select and administer tests concerning employment in the most effective manner to ensure that, when such test is administered to a job applicant or employee who has a disability that impairs sensory, manual, or speaking skills, such test results accurately reflect the skills, aptitude, or whatever other factor of such applicant or employee that such test purports to measure, rather than reflecting the impaired sensory, manual, or speaking skills of such employee or applicant (except where such skills are the factors that the test purports to measure).

(c) MEDICAL EXAMINATIONS AND INQUIRIES.—

(1) IN GENERAL.—The prohibition against discrimination as referred to in subsection (a) shall include medical examinations and inquiries.

(2) PREEMPLOYMENT.—

(A) PROHIBITED EXAMINATION OR INQUIRY.—Except as provided in paragraph (3), a covered entity shall not conduct a medical examination or make inquiries of a job applicant or employee as to whether such applicant or employee is an individual

with a disability or as to the nature or severity of such disability.

(B) ACCEPTABLE INQUIRY.—A covered entity may make preemployment inquiries into the ability of an applicant to perform job-related functions.

(3) EMPLOYMENT ENTRANCE EXAMINATION.—A covered entity may require a medical examination after an offer of employment has been made to a job applicant and prior to the commencement of the employment duties of such applicant, and may condition an offer of employment on the results of such examination, if—

(A) all entering employees are subjected to such an examination regardless of disability;

(B) information obtained regarding the medical condition or history of the applicant is collected and maintained on separate forms and in separate medical files and is treated as a confidential medical record, except that—

(i) supervisors and managers may be informed regarding necessary restrictions on the work or duties of the employee and necessary accommodations;

(ii) first aid and safety personnel may be informed, when appropriate, if the disability might require emergency treatment; and

(iii) government officials investigating compliance with this Act shall be provided relevant information on request; and

(C) the results of such physical examination are used only in accordance with this title.

(4) EXAMINATION AND INQUIRY.—

(A) PROHIBITED EXAMINATIONS AND INQUIRIES.—A covered entity shall not conduct or require a medical examination and shall not make inquiries of an employee as to whether such employee is an individual with a disability or as to the nature or severity of the disability, unless such examination or inquiry is shown to be job-related and consistent with business necessity.

(B) ACCEPTABLE INQUIRIES.—A covered entity may make inquiries into the ability of an employee to perform job-related functions.

SEC. 103. DEFENSES.

(a) IN GENERAL.—It may be a defense to a charge of discrimination under this Act that an alleged application of qualification standards, tests, or selection criteria that screen out or tend to screen out or otherwise deny a job or benefit to an individual with a disability has been shown to be job-related and consistent with business necessity, and such performance cannot be accomplished by reasonable accommodation.

(b) QUALIFICATION STANDARDS.—The term "qualification standards" may include a requirement that an individual with a currently contagious disease or infection shall not pose a direct threat to the health or safety of other individuals in the workplace.

(c) RELIGIOUS ENTITIES.—

(1) IN GENERAL.—This title shall not prohibit a religious corporation, association, educational institution, or society from giving preference in employment to individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution, or society of its activities.

(2) QUALIFICATION STANDARD.—Under this title, a religious organization may require, as a qualification standard to employment, that all applicants and employees conform to the religious tenets of such organization.

SEC. 104. ILLEGAL DRUGS AND ALCOHOL.

(a) QUALIFIED INDIVIDUAL WITH A DISABILITY.—For purposes of this title, the term "qualified individual with a disability" shall not include any employee or applicant who is a current user of illegal drugs, except that an individual who is otherwise handicapped shall not be excluded from the protections of this Act if such individual also uses or is also addicted to drugs.

(b) AUTHORITY OF COVERED ENTITY.—A covered entity—

(1) may prohibit the use of alcohol or illegal drugs at the workplace by all employees;

(2) may require that employees shall not be under the influence of alcohol or illegal drugs at the workplace;

(3) may require that employees behave in conformance with the requirements established under the Drug-Free Workplace of 1988 (41 U.S.C. 701 et seq.) and that transportation employees meet requirements established by the Secretary of Transportation with respect to drugs and alcohol; and

(4) may hold an employee who is a drug user or alcoholic to the same qualification standards for employment or job performance and behavior that such entity holds other employees, even if any unsatisfactory performance or behavior is related to the drug use or alcoholism of such employee.

(c) DRUG TESTING.—

(1) IN GENERAL.—For purposes of this title, a test to determine the use of illegal drugs shall not be considered a medical examination.

(2) CONSTRUCTION.—Nothing in this title shall be construed to encourage, prohibit, or authorize the conducting of drug testing of job applicants or employees or making employment decisions based on such test results.

SEC. 105. POSTING NOTICES.

Every employer, employment agency, labor organization, or joint labor-management committee covered under this title shall post notices in an accessible format to applicants, employees, and members describing the applicable provisions of this Act, in the manner prescribed by section 711 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-10).

SEC. 106. REGULATIONS.

Not later than 1 year after the date of enactment of this Act, the Commission shall issue regulations in an accessible format to carry out this title in accordance with subchapter II of chapter 5 of title 5, United States Code.

SEC. 107. ENFORCEMENT.

The remedies and procedures set forth in sections 706, 707, 709, and 710 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-5, 2000e-6, 2000e-8, and 2000e-9) shall be available, with respect to the Commission or any individual who believes that he or she is being subjected to discrimination on the basis of disability in violation of any provisions of this Act, or regulations promulgated under section 106, concerning employment.

SEC. 108. EFFECTIVE DATE.

This title shall become effective 24 months after the date of enactment.

TITLE II—PUBLIC SERVICES

SEC. 201. DEFINITION.

As used in this title, the term "qualified individual with a disability" means an individual with a disability who, with or without reasonable modifications to rules, policies, and practices, the removal of architectural, communication, and transportation barriers, or the provision of auxiliary aids and services, meets the essential eligibility requirements for the receipt of services or the participation in programs or activities provided by a department, agency, special purpose district, or other instrumentality of a State or a local government.

SEC. 202. DISCRIMINATION.

No qualified individual with a disability shall, by reason of such disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination by a department, agency, special purpose district, or other instrumentality of a State or a local government.

SEC. 203. ACTIONS APPLICABLE TO PUBLIC TRANSPORTATION PROVIDED BY PUBLIC ENTITIES CONSIDERED DISCRIMINATORY.

(a) DEFINITION.—As used in this title, the term "public transportation" means transportation by bus or rail, or by any other conveyance (other than air travel) that provides the general public with general or special service (including charter service) on a regular and continuing basis.

(b) VEHICLES.—

(1) NEW BUSES, RAIL VEHICLES, AND OTHER FIXED ROUTE VEHICLES.—It shall be considered discrimination for purposes of this Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) for a public entity to purchase or lease a new fixed route bus of any size, a new intercity rail vehicle, a new commuter rail vehicle, a new rapid rail vehicle, a new light rail vehicle to be used for public transportation, or any other new fixed route vehicle to be used for public transportation and for which a solicitation is made later than 30 days after the date of enactment of this Act, if such bus, rail, or other vehicle is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(2) USED VEHICLES.—If a public entity purchases or leases a used vehicle to be used for public transportation after the date of enactment of this Act, such individual or entity shall make demonstrated good faith efforts to purchase or lease such a used vehicle that is readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(3) REMANUFACTURED VEHICLES.—If a public entity remanufactures a vehicle, or purchases or leases a remanufactured vehicle to be used for public transportation, so as to extend its usable life for 5 years or more, the vehicle shall, to the maximum extent feasible, be readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(c) PARATRANSIT AS A SUPPLEMENT TO FIXED ROUTE PUBLIC TRANSPORTATION SYSTEM.—

(1) IN GENERAL.—If a public entity operates a fixed route public transportation system to provide public transportation, it shall be considered discrimination, for purposes of this Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), for a public transit entity that is responsible for providing public transportation to fail to provide paratransit or other special transportation services sufficient to provide a comparable level of services as is provided to individuals using fixed route public transportation to individuals with disabilities, including individuals who use wheelchairs, who cannot otherwise use fixed route public transportation and to other individuals associated with such individuals with disabilities in accordance with service criteria established under regulations promulgated by the Secretary of Transportation unless the public transit entity can demonstrate that the provision of paratransit or other special transportation

services would impose an undue financial burden on the public transit entity.

(2) UNDUE FINANCIAL BURDEN.—If the provision of comparable paratransit or other special transportation services would impose an undue financial burden on the public transit entity, such entity must provide paratransit and other special transportation services to the extent that providing such services would not impose an undue financial burden on such entity.

(3) REGULATIONS.—

(A) FORMULA.—Regulations promulgated by the Secretary of Transportation to determine what constitutes an undue financial burden, for purposes of this subsection, may include a flexible numerical formula that incorporates appropriate local characteristics such as population.

(B) ADDITIONAL PARATRANSIT SERVICES.—Notwithstanding paragraphs (1) and (2), the Secretary may require, at the discretion of the Secretary, a public transit authority to provide paratransit services beyond the amount determined by such formula.

(d) COMMUNITY OPERATING DEMAND RESPONSIVE SYSTEMS FOR THE GENERAL PUBLIC.—If a public entity operates a demand responsive system that is used to provide public transportation for the general public, it shall be considered discrimination, for purposes of this Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), for such individual or entity to purchase or lease a new vehicle, for which a solicitation is made later than 30 days after the date of enactment of this Act, that is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, unless the entity can demonstrate that such system, when viewed in its entirety, provides a level of service to individuals with disabilities equivalent to that provided to the general public.

(e) TEMPORARY RELIEF WHERE LIFTS ARE UNAVAILABLE.—With respect to the purchase of new buses, a public entity may apply for, and the Secretary of Transportation may temporarily relieve such public entity from the obligation to purchase new buses of any size that are readily accessible to and usable by individuals with disabilities if such public entity demonstrates—

(1) that the initial solicitation for new buses made by the public entity specified that all new buses were to be lift-equipped and were to be otherwise accessible to and usable by individuals with disabilities;

(2) the unavailability from any qualified manufacturer of hydraulic, electro-mechanical, or other lifts for such new buses;

(3) that the public entity seeking temporary relief has made good faith efforts to locate a qualified manufacturer to supply the lifts to the manufacturer of such buses in sufficient time to comply with such solicitation; and

(4) that any further delay in purchasing new buses necessary to obtain such lifts would significantly impair transportation services in the community served by the public entity.

(f) CONSTRUCTION.—

(1) IN GENERAL.—Any relief granted under subsection (e) shall be limited in duration by a specified date and the appropriate committees of the Congress shall be notified of any such relief granted.

(2) FRAUDULENT APPLICATION.—If, at any time, the Secretary of Transportation has reasonable cause to believe that such relief was fraudulently applied for, the Secretary of Transportation shall—

(A) cancel such relief, if such relief is still in effect; and

(B) take other steps that the Secretary of Transportation considers appropriate.

(g) NEW FACILITIES.—For purposes of this Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), it shall be considered discrimination for a public entity to build a new facility that will be used to provide public transportation services, including bus service, intercity rail service, rapid rail service, commuter rail service, light rail service, and other service used for public transportation that is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(h) ALTERATIONS OF EXISTING FACILITIES.—With respect to a facility or any part thereof that is used for public transportation and that is altered by, on behalf of, or for the use of a public entity in a manner that affects or could affect the usability of the facility or part thereof, it shall be considered discrimination, for purposes of this title and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), for such individual or entity to fail to make the alterations in such a manner that, to the maximum extent feasible, the altered portions of the facility are readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs. If such public entity is undertaking major structural alterations that affect or could affect the usability of the facility (as defined under criteria established by the Secretary of Transportation), such public entity shall also make the alterations in such a manner that, to the maximum extent feasible, the path of travel to the altered area, and the bathrooms, telephones, and drinking fountains serving such area, are readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(i) EXISTING FACILITIES, INTERCITY RAIL, RAPID RAIL, LIGHT RAIL, AND COMMUTER RAIL SYSTEMS, AND KEY STATIONS.—

(1) EXISTING FACILITIES.—Except as provided in paragraph (3), with respect to existing facilities used for public transportation, it shall be considered discrimination, for purposes of this Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), for a public entity to fail to operate such public transportation program or activity conducted in such facilities so that, when viewed in the entirety, it is readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(2) INTERCITY, RAPID, LIGHT, AND COMMUTER RAIL SYSTEMS.—With respect to vehicles operated by intercity, light, rapid, and commuter rail systems, for purposes of this title and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), it shall be considered discrimination for a public entity to fail to have at least one car per train that is accessible to individuals with disabilities, including individuals who use wheelchairs, as soon as practicable but in any event in no less than 5 years.

(3) KEY STATIONS.—

(A) IN GENERAL.—For purposes of this title and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), it shall be considered discrimination for a public entity to fail to make stations in intercity rail systems and key stations in rapid rail, commuter rail, and light rail systems readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(B) RAPID RAIL, COMMUTER RAIL, AND LIGHT RAIL SYSTEMS.—Key stations in rapid rail, commuter rail, and light rail systems shall be made readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, as soon as practicable but in no event later than 3 years after the date of enactment of this Act, except that the time limit may be extended by the Secretary of Transportation up to 20 years for extraordinarily expensive structural changes to, or replacement of, existing facilities necessary to achieve accessibility.

(C) INTERCITY RAIL SYSTEMS.—All stations in intercity rail systems shall be made readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, as soon as practicable, but in no event later than 20 years after the date of enactment of this Act.

(D) PLANS AND MILESTONES.—The Secretary of Transportation shall require the appropriate public entity to develop a plan for compliance with this paragraph that reflects consultation with individuals with disabilities affected by such plan and that establishes milestones for achievement of the requirements of this paragraph.

SEC. 204. REGULATIONS.

(a) ATTORNEY GENERAL.—Not later than 1 year after the date of enactment of this Act, the Attorney General shall promulgate regulations in an accessible format that implement this title (other than section 203), and such regulations shall be consistent with this title and with the coordination regulations under part 41 of title 28, Code of Federal Regulations (as promulgated by the Department of Health, Education, and Welfare on January 13, 1978), applicable to recipients of Federal financial assistance under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) except, with respect to "program accessibility, existing facilities", and "communications", such regulations shall be consistent with regulations and analysis as in part 39 of title 28 of the Code of Federal Regulations, applicable to federally conducted activities under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

(b) SECRETARY OF TRANSPORTATION.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall promulgate regulations in an accessible format that include standards applicable to facilities and vehicles covered under section 203 of this title.

(2) CONFORMANCE OF STANDARDS.—Such standards shall be consistent with the minimum guidelines and requirements issued by the Architectural and Transportation Barriers Compliance Board in accordance with section 504.

SEC. 205. ENFORCEMENT.

The remedies, procedures, and rights set forth in section 505 of the Rehabilitation Act of 1973 (29 U.S.C. 794a) shall be available with respect to any individual who believes that he or she is being subjected to discrimination on the basis of disability in violation of this Act, or regulations promulgated under section 204, concerning public services.

SEC. 206. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this title shall become effective 18 months after the date of enactment of this Act.

(b) FIXED ROUTE VEHICLES.—Section 203(b)(1), as regarding new fixed route vehicles, shall become effective on the date of enactment of this Act.

TITLE III—PUBLIC ACCOMMODATIONS AND SERVICES OPERATED BY PRIVATE ENTITIES

SEC. 301. DEFINITIONS.

As used in this title:

(1) COMMERCE.—The term "commerce" means travel, trade, traffic, commerce, transportation, or communication—

(A) among the several States;

(B) between any foreign country or any territory or possession and any State; or

(C) between points in the same State but through another State or foreign country.

(2) POTENTIAL PLACES OF EMPLOYMENT.—The term "potential places of employment" means facilities—

(A) that are intended for nonresidential use; and

(B) whose operations will affect commerce.

Such term shall not include facilities that are covered or expressly exempted from coverage under the Fair Housing Act of 1968 (42 U.S.C. 3601 et seq.).

(3) PUBLIC ACCOMMODATION.—The following privately operated entities are considered public accommodations for purposes of this title, if the operations of such entities affect commerce—

(A) an inn, hotel, motel, or other similar place of lodging, except for an establishment located within a building that contains not more than five rooms for rent or hire and that is actually occupied by the proprietor of such establishment as the residence of such proprietor;

(B) a restaurant, bar, or other establishment serving food or drink;

(C) a motion picture house, theater, concert hall, stadium, or other place of exhibition or entertainment;

(D) an auditorium, convention center, or lecture hall;

(E) a bakery, grocery store, clothing store, hardware store, shopping center, or other similar retail sales establishment;

(F) a laundromat, dry-cleaners, bank, barber shop, beauty shop, travel service, shoe repair service, funeral parlor, gas station, office of an accountant or lawyer, pharmacy, insurance office, professional office of a health care provider, hospital, or other similar service establishment;

(G) a terminal used for public transportation;

(H) a museum, library, gallery, and other similar place of public display or collection;

(I) a park or zoo;

(J) a nursery, elementary, secondary, undergraduate, or postgraduate private school;

(K) a day care center, senior citizen center, homeless shelter, food bank, adoption program, or other similar social service center; and

(L) a gymnasium, health spa, bowling alley, golf course, or other similar place of exercise or recreation.

(4) PUBLIC TRANSPORTATION.—The term "public transportation" means transportation by bus or rail, or by any other conveyance (other than by air travel) that provides the general public with general or special service (including charter service) on a regular and continuing basis.

(5) READILY ACHIEVABLE.—

(A) IN GENERAL.—The term "readily achievable" means easily accomplishable and able to be carried out without much difficulty or expense.

(B) DETERMINATION.—In determining whether an action is readily achievable, factors to be considered include—

(i) the overall size of the covered entity with respect to number of employees, number and type of facilities, and the size of budget;

(ii) the type of operation of the covered entity, including the composition and structure of the entity; and

(iii) the nature and cost of the action needed.

SEC. 302. PROHIBITION OF DISCRIMINATION BY PUBLIC ACCOMMODATIONS.

(a) GENERAL RULE.—No individual shall be discriminated against on the basis of disability in the full and equal enjoyment of the goods, services, facilities, privileges, advantages, and accommodations of any place of public accommodation.

(b) CONSTRUCTION.—

(1) GENERAL PROHIBITION.—

(A) ACTIVITIES.—

(i) DENIAL OF PARTICIPATION.—It shall be discriminatory to subject an individual or class of individuals on the basis of a disability or disabilities of such individual or class, directly, or through contractual, licensing, or other arrangements, to a denial of the opportunity of the individual or class to participate in or benefit from the goods, services, facilities, privileges, advantages, and accommodations of an entity.

(ii) PARTICIPATION IN UNEQUAL BENEFIT.—It shall be discriminatory to afford an individual or class of individuals, on the basis of a disability or disabilities of such individual or class, directly, or through contractual, licensing, or other arrangements with the opportunity to participate in or benefit from a good, service, facility, privilege, advantage, and accommodation that is not equal to that afforded to other individuals.

(iii) SEPARATE BENEFIT.—It shall be discriminatory to provide an individual or class of individuals, on the basis of a disability or disabilities of such individual or class, directly, or through contractual, licensing, or other arrangements with a good, service, facility, privilege, advantage, or accommodation that is different or separate from that provided to other individuals, unless such action is necessary to provide the individual or class of individuals with a good, service, facility, privilege, advantage, or accommodation, or other opportunity that is as effective as that provided to others.

(B) INTEGRATED SETTINGS.—Goods, facilities, privileges, advantages, accommodations, and services shall be afforded to an individual with a disability in the most integrated setting appropriate to the needs of the individual.

(C) OPPORTUNITY TO PARTICIPATE.—Notwithstanding the existence of separate or different programs or activities provided in accordance with this section, an individual with a disability shall not be denied the opportunity to participate in such programs or activities that are not separate or different.

(D) ADMINISTRATIVE METHODS.—An individual or entity shall not, directly or through contractual or other arrangements, utilize standards or criteria or methods of administration—

(i) that have the effect of discriminating on the basis of disability; or

(ii) that perpetuate the discrimination of others who are subject to common administrative control.

(E) ASSOCIATION.—It shall be discriminatory to exclude or otherwise deny equal goods, services, facilities, privileges, advantages, and accommodations, or other opportunities to an individual or entity because of the known disability of an individual with whom the individual or entity is known to have a relationship or association.

(2) SPECIFIC PROHIBITIONS.—

(A) DISCRIMINATION.—As used in subsection (a), the term "discrimination" shall include—

(i) the imposition or application of eligibility criteria that screen out or tend to screen out an individual with a disability or any class of individuals with disabilities from fully and equally enjoying any goods, services, facilities, privileges, advantages, and accommodations, unless such criteria can be shown to be necessary for the provision of the goods, services, facilities, privileges, advantages, or accommodations being offered;

(ii) a failure to make reasonable modifications in policies, practices, procedures, when such modifications are necessary to afford such goods, services, facilities, privileges, advantages, and accommodations to individuals with disabilities, unless the entity can demonstrate that making such modifications would fundamentally alter the nature of such goods, services, facilities, privileges, advantages, and accommodations;

(iii) a failure to take such steps as may be necessary to ensure that no individual with a disability is excluded, denied services, segregated or otherwise treated differently than other individual because of the absence of auxiliary aids and services, unless the entity can demonstrate that taking such steps would fundamentally alter the nature of the good, service, facility, privilege, advantage, or accommodation being offered or would result in undue burden;

(iv) a failure to remove architectural barriers, and communication barriers that are structural in nature, in existing facilities, and transportation barriers in existing vehicles used by an establishment for transporting individuals (not including barriers that can only be removed through the retrofitting of vehicles by the installation of a hydraulic or other lift), where such removal is readily achievable;

(v) where an entity can demonstrate that the removal of a barrier under clause (iv) is not readily achievable, a failure to make such goods, services, facilities, privileges, advantages, and accommodations available through alternative methods if such methods are readily achievable;

(vi) with respect to a facility or part thereof that is altered by, on behalf of, or for the use of an establishment in a manner that affects or could affect the usability of the facility or part thereof, a failure to make alterations in such a manner that, to the maximum extent feasible, the altered portions of the facility are readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, and where the entity is undertaking major structural alterations that affect or could affect the usability of the facility (as defined under criteria established by the Attorney General), the entity shall also make the alterations in such a manner that, to the maximum extent feasible, the path of travel to the altered area and the bathrooms, telephones, and drinking fountains serving the remodeled area, are readily accessible to and usable by individuals with disabilities, except that this paragraph shall not be construed to require the installation of an elevator for facilities that are less than three stories or that have less than 3,000 square feet per story unless the building is a shopping center, a shopping mall, or the professional office of a health care provider or unless the Attorney General determines that a particular category of such facilities requires the installation of elevators based on the usage of such facilities.

(B) FIXED ROUTE SYSTEM.—

(i) ACCESSIBILITY.—It shall be considered discrimination for an entity that uses a vehicle for a fixed route system to transport individuals not covered under section 203 or 304, to purchase or lease a bus or a vehicle that is capable of carrying in excess of 16 passengers, for which solicitations are made later than 30 days after the effective date of this Act, that is not readily accessible to and usable by individuals with disabilities (including individuals who use wheelchairs), except that over-the-road buses shall be subject to section 304(b)(4) and section 305.

(ii) EQUIVALENT SERVICE.—If such entity purchases or leases a vehicle carrying 16 or less passengers after the effective date of this title that is not readily accessible to or usable by individuals with disabilities, it shall be discriminatory for such entity to fail to operate a system that, when viewed in its entirety, ensures a level of service to individuals with disabilities, including individuals who use wheelchairs, equivalent to the level of service provided to the general public.

(C) DEMAND RESPONSIVE SYSTEM.—As used in subsection (a), the term "discrimination" shall include, in the case of a covered entity that uses vehicles in a demand responsive system to transport individuals not covered under section 203 or 304, an incident in which—

(i) such entity purchases or leases a vehicle carrying 16 or less passengers after the effective date of this title, a failure to operate a system that, when viewed in its entirety, ensures a level of service to individuals with disabilities, including individuals who use wheelchairs, equivalent to the level of service provided to the general public; and

(ii) such entity purchases or leases a bus or a vehicle that can carry in excess of 16 passengers for which solicitations are made later than 30 days after the effective date of this Act, that is not readily accessible to and usable by individuals with disabilities (including individuals who use wheelchairs) unless such entity can demonstrate that such system, when viewed in its entirety, already provides a level of service to individuals with disabilities equivalent to that provided to the general public, except that over-the-road buses shall be subject to section 304(b)(4) and section 305.

SEC. 303. NEW CONSTRUCTION IN PUBLIC ACCOMMODATIONS AND POTENTIAL PLACES OF EMPLOYMENT.

(a) APPLICATION OF TERM.—Except as provided in subsection (b), as applied to a—

(1) public accommodation; and

(2) potential place of employment;

the term "discrimination" as used in section 302(a) shall mean a failure to design and construct facilities for first occupancy later than 30 months after the date of enactment of this Act that are readily accessible to and usable by individuals with disabilities, except where an entity can demonstrate that it is structurally impracticable to meet the requirements of such subsection in accordance with standards set forth or incorporated by reference in regulations issued under this title.

(b) ELEVATOR.—Subsection (a) shall not be construed to require the installation of an elevator for facilities that are less than three stories or have less than 3,000 square feet per story unless the building is a shopping center, a shopping mall, or the professional office of a health care provider or unless the Attorney General determines that a particular category of such facilities requires the installation of elevators based on the usage of such facilities.

SEC. 304. PROHIBITION OF DISCRIMINATION IN PUBLIC TRANSPORTATION SERVICES PROVIDED BY PRIVATE ENTITIES.

(a) GENERAL RULE.—No individual shall be discriminated against on the basis of disability in the full and equal enjoyment of public transportation services provided by a privately operated entity that is primarily engaged in the business of transporting people, but is not in the principal business of providing air transportation, and whose operations affect commerce.

(b) CONSTRUCTION.—As used in subsection (a), the term "discrimination against" includes—

(1) the imposition or application by an entity of eligibility criteria that screen out or tend to screen out an individual with a disability or any class of individuals with disabilities from fully enjoying the public transportation services provided by the entity;

(2) the failure of an entity to—

(A) make reasonable modifications consistent with those required under section 302(b)(2)(A)(ii);

(B) provide auxiliary aids and services consistent with the requirements of section 302(b)(2)(A)(iii); and

(C) remove barriers consistent with the requirements of section 302(b)(2)(A) (iv), (v), and (vi);

(3) the purchase or lease of a new vehicle (other than an automobile or an over-the-road bus) that is to be used to provide public transportation services, and for which a solicitation is made later than 30 days after the date of enactment of this Act, that is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs (except in the case of a vehicle used in a demand response system, in which case the new vehicle need not be readily accessible to and usable by individuals with disabilities if the entity can demonstrate that such system, when viewed in its entirety, provides a level of service to individuals with disabilities equivalent to the level of service provided to the general public); and

(4) the purchase or lease of a new over-the-road bus that is used to provide public transportation services and for which a solicitation is made later than 7 years after the date of enactment of this Act for small providers (as defined by the Secretary of Transportation) and 6 years for other providers, except as provided in section 305(d), that is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

SEC. 305. STUDY.

(a) PURPOSE.—The Office of Technology Assessment shall undertake a study to determine—

(1) the access needs of individuals with disabilities to over-the-road buses; and

(2) the most cost effective methods for making over-the-road buses readily accessible to and usable by individuals with disabilities, particularly individuals who use wheelchairs.

(b) CONTENT.—The study shall analyze issues, including—

(1) the anticipated demand by individuals with disabilities for accessible over-the-road buses;

(2) the degree to which over-the road buses are readily accessible to and usable by individuals with disabilities;

(3) the cost of providing accessibility to over-the-road buses to individuals with disabilities, including recent technological and cost saving developments in equipment and devices providing such accessibility;

(4) possible design changes in over-the-road buses that could enhance such accessibility; and

(5) the impact of accessibility requirements on the continuation of inter-city bus service by over-the-road buses, with particular consideration of impact on rural service.

(c) ADVISORY COMMITTEE.—In conducting the study required by subsection (a), the Office of Technology Assessment shall establish an advisory committee, which shall consist of—

(1) members selected from among private operators using over-the-road buses, bus manufacturers, and lift manufacturers;

(2) members selected from among individuals with disabilities, particularly individuals who use wheelchairs, who are potential riders of such buses; and

(3) members selected for their technical expertise on issues included in the study.

The number of members selected under each of paragraphs (1) and (2) shall be equal, and the total number of members selected under paragraphs (1) and (2) shall exceed the number of members selected under paragraph (3).

(d) DEADLINE.—The study required by subsection (a), along with recommendations by the Office of Technology Assessment, including any policy options for legislative action, shall be submitted to the President and the Congress within 36 months after the date of enactment of this Act. If the President, after reviewing the study, determines that compliance with the requirements of section 304(a) on or before the applicable deadlines specified in section 304(b)(4) will result in a significant reduction in intercity bus service, each such deadline shall be extended by one additional year.

(e) REVIEW.—In developing the study required by subsection (a), the Office of Technology Assessment shall provide a preliminary draft of such study to the Architectural and Transportation Barriers Compliance Board established under section 502 of the Rehabilitation Act of 1973 (29 U.S.C. 792). The Board shall have an opportunity to comment on such draft study, and any such comments by the Board made in writing within 120 days after the Board's receipt of the draft study shall be incorporated as part of the final study required to be submitted under subsection (d).

SEC. 306. REGULATIONS.

(a) ACCESSIBILITY STANDARDS.—Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall issue regulations in an accessible format that shall include standards applicable to facilities and vehicles covered under section 302(b)(2) (B) and (C) and section 304.

(b) OTHER PROVISIONS.—Not later than 1 year after the date of enactment of this Act, the Attorney General shall issue regulations in an accessible format to carry out the remaining provisions of this title not referred to in subsection (a) that include standards applicable to facilities and vehicles covered under section 302.

(c) STANDARDS.—Standards included in regulations issued under subsections (a) and (b) shall be consistent with the minimum guidelines and requirements issued by the Architectural and Transportation Barriers Compliance Board in accordance with section 504.

SEC. 307. EXEMPTIONS FOR PRIVATE CLUBS AND RELIGIOUS ORGANIZATIONS.

The provisions of this title shall not apply to private clubs or establishments exempted from coverage under title II of the Civil Rights Act of 1964 (42 U.S.C. 2000-a(e)) or to religious organizations or entities controlled by religious organizations, including places of worship.

SEC. 308. ENFORCEMENT.

(a) IN GENERAL.—

(1) AVAILABILITY OF REMEDIES AND PROCEDURES.—The remedies and procedures set forth in section 204 of the Civil Rights Act of 1964 (42 U.S.C. sec. 2000a-3(a)) shall be available to any individual who is being or is about to be subjected to discrimination on the basis of disability in violation of this title.

(2) INJUNCTIVE RELIEF.—In the case of violations of section 302(b)(2)(A) (iv) and (vi) and section 303(a), injunctive relief shall include an order to alter facilities to make such facilities readily accessible to and usable by individuals with disabilities to the extent required by this title. Where appropriate, injunctive relief shall also include requiring the provision of an auxiliary aid or service, modification of a policy, or provision of alternative methods, to the extent required by this title.

(b) ENFORCEMENT BY THE ATTORNEY GENERAL.—

(1) DENIAL OF RIGHTS.—

(A) DUTY TO INVESTIGATE.—The Attorney General shall investigate alleged violations of this title, which shall include undertaking periodic reviews of compliance of covered entities under this title.

(B) POTENTIAL VIOLATION.—If the Attorney General has reasonable cause to believe that any person or group of persons is engaged in a pattern or practice of resistance to the full enjoyment of any of the rights granted by this title or that any person or group of persons has been denied any of the rights granted by such title, and such denial raises an issue of general public importance, the Attorney General may commence a civil action in any appropriate United States district court.

(2) AUTHORITY OF COURT.—In a civil action under paragraph (1), the court—

(A) may grant any equitable relief that such court considers to be appropriate, including granting temporary, preliminary, or permanent relief, providing an auxiliary aid or service, modification of policy or alternative method, or making facilities readily accessible to and usable by individuals with disabilities, to the extent required by this title;

(B) may award such other relief as the court considers to be appropriate, including monetary damages to persons aggrieved when requested by the Attorney General; and

(C) may, to vindicate the public interest, assess a civil penalty against the entity in an amount—

(i) not exceeding $50,000 for a first violation; and

(ii) not exceeding $100,000 for any subsequent violation.

(3) JUDICIAL CONSIDERATION.—In a civil action under paragraph (1), the court, when considering what amount of civil penalty, if any, is appropriate, shall give consideration to any good faith effort or attempt to comply with this Act by the entity.

SEC. 309. EFFECTIVE DATE.

This title shall become effective 18 months after the date of enactment of this Act.

TITLE IV—TELECOMMUNICATIONS RELAY SERVICES

SEC. 401. TELECOMMUNICATIONS SERVICES FOR HEARING-IMPAIRED AND SPEECH-IMPAIRED INDIVIDUALS.

(a) TELECOMMUNICATIONS.—Title II of the Communications Act of 1934 (47 U.S.C. 201 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 225. TELECOMMUNICATIONS SERVICES FOR HEARING-IMPAIRED AND SPEECH-IMPAIRED INDIVIDUALS.

"(a) DEFINITIONS.—As used in this section—

"(1) COMMON CARRIER OR CARRIER.—The term 'common carrier' or 'carrier' includes any common carrier engaged in interstate communication by wire or radio as defined in section 3(h), any common carrier engaged in intrastate communication by wire or radio, and any common carrier engaged in both interstate and intrastate communication, notwithstanding sections 2(b) and 221(b).

"(2) TDD.—The term 'TDD' means a Telecommunications Device for the Deaf, which is a machine that employs graphic communication in the transmission of coded signals through a wire or radio communication system.

"(3) TELECOMMUNICATIONS RELAY SERVICES.—The term 'telecommunications relay services' means telephone transmission services that provide the ability for an individual who has a hearing impairment or speech impairment to engage in communication by wire or radio with a hearing individual in a manner that is functionally equivalent to the ability of an individual who does not have a hearing impairment or speech impairment to communicate using voice communication services by wire or radio. Such term includes services that enable two-way communication between an individual who uses a TDD or other nonvoice terminal device and an individual who does not use such a device.

"(b) AVAILABILITY OF TELECOMMUNICATIONS RELAY SERVICES.—

"(1) IN GENERAL.—In order to carry out the purposes established under section 1, to make available to all individuals in the United States a rapid, efficient nationwide communication service, and to increase the utility of the telephone system of the Nation, the Commission shall ensure that interstate and intrastate telecommunications relay services are available, to the extent possible and in the most efficient manner, to hearing-impaired and speech-impaired individuals in the United States.

"(2) REMEDIES.—For purposes of this section, the same remedies, procedures, rights, and obligations under this Act that are applicable to common carriers engaged in interstate communication by wire or radio are also applicable to common carriers engaged in intrastate communication by wire or radio and common carriers engaged in both interstate and intrastate communication by wire or radio.

"(c) PROVISION OF SERVICES.—Each common carrier providing telephone voice transmission services shall provide telecommunications relay services individually, through designees, or in concert with other carriers not later than 3 years after the date of enactment of this section.

"(d) REGULATIONS.—

"(1) IN GENERAL.—The Commission shall, not later than 1 year after the date of enactment of this section, prescribe regulations to implement this section, including regulations that—

"(A) establish functional requirements, guidelines, and operations procedures for telecommunications relay services;

"(B) establish minimum standards that shall be met by common carriers in carrying out subsection (c);

"(C) require that telecommunications relay services operate every day for 24 hours per day;

"(D) require that users of telecommunications relay services pay rates no greater than the rates paid for functionally equivalent voice communication services with respect to such factors as the duration of the call, the time of day, and the distance from point of origination to point of termination;

"(E) prohibit relay operators from refusing calls or limiting the length of calls that use telecommunications relay services;

"(F) prohibit relay operators from disclosing the content of any relayed conversation and from keeping records of the content of any such conversation beyond the duration of the call; and

"(G) prohibit relay operators from intentionally altering a relayed conversation.

"(2) TECHNOLOGY.—The Commission shall ensure that regulations prescribed to implement this section encourage the use of existing technology and do not discourage or impair the development of improved technology.

"(3) JURISDICTIONAL SEPARATION OF COSTS.—

"(A) IN GENERAL.—The Commission shall prescribe regulations governing the jurisdictional separation of costs for the services provided pursuant to this section.

"(B) RECOVERING COSTS.—Such regulations shall generally provide that costs caused by interstate telecommunications relay services shall be recovered from the interstate jurisdiction and costs caused by intrastate telecommunications relay services shall be recovered from the intrastate jurisdiction.

"(C) JOINT PROVISION OF SERVICES.—To the extent interstate and intrastate common carriers jointly provide telecommunications relay services, the procedures established in section 410 shall be followed, as applicable.

"(4) FIXED MONTHLY CHARGE.—The Commission shall not permit carriers to impose a fixed monthly charge on residential customers to recover the costs of providing interstate telecommunication relay services.

"(5) UNDUE BURDEN.—If the Commission finds that full compliance with the requirements of this section would unduly burden one or more common carriers, the Commission may extend the date for full compliance by such carrier for a period not to exceed 1 additional year.

"(e) ENFORCEMENT.—

"(1) IN GENERAL.—Subject to subsections (f) and (g), the Commission shall enforce this section.

"(2) COMPLAINT.—The Commission shall resolve, by final order, a complaint alleging a violation of this section within 180 days after the date such complaint is filed.

"(f) CERTIFICATION.—

"(1) STATE DOCUMENTATION.—Each State may submit documentation to the Commission that describes the program of such State for implementing intrastate telecommunications relay services.

"(2) REQUIREMENTS FOR CERTIFICATION.—After review of such documentation, the Commission shall certify the State program if the Commission determines that the program makes available to hearing-impaired and speech-impaired individuals either directly, through designees, or through regulation of intrastate common carriers, intra-

state telecommunications relay services in such State in a manner that meets the requirements of regulations prescribed by the Commission under subsection (d).

"(3) METHOD OF FUNDING.—Except as provided in subsection (d), the Commission shall not refuse to certify a State program based solely on the method such State will implement for funding intrastate telecommunication relay services.

"(4) SUSPENSION OR REVOCATION OF CERTIFICATION.—The Commission may suspend or revoke such certification if, after notice and opportunity for hearing, the Commission determines that such certification is no longer warranted.

"(g) COMPLAINT.—

"(1) REFERRAL OF COMPLAINT.—If a complaint to the Commission alleges a violation of this section with respect to intrastate telecommunications relay services within a State and certification of the program of such State under subsection (f) is in effect, the Commission shall refer such complaint to such State.

"(2) JURISDICTION OF COMMISSION.—After referring a complaint to a State under paragraph (1), the Commission shall exercise jurisdiction over such complaint only if—

"(A) final action under such State program has not been taken on such complaint by such State—

"(i) within 180 days after the complaint is filed with such State; or

"(ii) within a shorter period as prescribed by the regulations of such State; or

"(B) the Commission determines that such State program is no longer qualified for certification under subsection (f).".

(b) CONFORMING AMENDMENTS.—The Communications Act of 1934 (47 U.S.C. 151 et seq.) is amended—

(1) in section 2(b) (47 U.S.C. 152(b)), by striking "section 224" and inserting "sections 224 and 225"; and

(2) in section 221(b) (47 U.S.C. 221(b)), by striking "section 301" and inserting "sections 225 and 301".

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. CONSTRUCTION.

(a) REHABILITATION ACT OF 1973.—Nothing in this Act shall be construed to reduce the scope of coverage or apply a lesser standard than the coverage required or the standards applied under title V of the Rehabilitation Act of 1973 (29 U.S.C. 790 et seq.) or the regulations issued by Federal agencies pursuant to such title.

(b) OTHER LAWS.—Nothing in this Act shall be construed to invalidate or limit any other Federal law or law of any State or political subdivision of any State or jurisdiction that provides greater or equal protection for the rights of individuals with disabilities than are afforded by this Act.

(c) INSURANCE.—Titles I through IV of this Act shall not be construed to prohibit or restrict—

(1) an insurer, hospital or medical service company, health maintenance organization, or any agent, or entity that administers benefit plans, or similar organizations from underwriting risks, classifying risks, or administering such risks that are based on or not inconsistent with State law; or

(2) a person or organization covered by this Act from establishing, sponsoring, observing or administering the terms of a bona fide benefit plan that are based on underwriting risks, classifying risks, or administering such risks that are based on or not inconsistent with State law;

(3) a person or organization covered by this Act from establishing, sponsoring, observing or administering the terms of a bona fide benefit plan that is not subject to State laws that regulate insurance:

Provided, That paragraphs (1), (2), and (3) are not used as a subterfuge to evade the purposes of title I and III.

SEC. 502. PROHIBITION AGAINST RETALIATION AND COERCION.

(a) RETALIATION.—No individual shall discriminate against any other individual because such other individual has opposed any act or practice made unlawful by this Act or because such other individual made a charge, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under this Act.

(b) INTERFERENCE, COERCION, OR INTIMIDATION.—It shall be unlawful to coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of, or on account of his or her having exercised or enjoyed, or on account of his or her having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by this Act.

(c) REMEDIES AND PROCEDURES.—The remedies and procedures available under sections 107, 205, and 308 of this Act shall be available to aggrieved persons for violations of subsections (a) and (b).

SEC. 503. STATE IMMUNITY.

A State shall not be immune under the eleventh amendment to the Constitution of the United States from an action in Federal court for a violation of this Act. In any action against a State for a violation of the requirements of this Act, remedies (including remedies both at law and in equity) are available for such a violation to the same extent as such remedies are available for such a violation in an action against any public or private entity other than a State.

SEC. 504. REGULATIONS BY THE ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD.

(a) ISSUANCE OF GUIDELINES.—Not later than 6 months after the date of enactment of this Act, the Architectural and Transportation Barriers Compliance Board shall issue minimum guidelines that shall supplement the existing Minimum Guidelines and Requirements for Accessible Design for purposes of titles II and III.

(b) CONTENTS OF GUIDELINES.—The guidelines issued under subsection (a) shall establish additional requirements, consistent with this Act, to ensure that buildings, facilities, and vehicles are accessible, in terms of architecture and design, transportation, and communication, to individuals with disabilities.

SEC. 505. ATTORNEY'S FEES.

In any action or administrative proceeding commenced pursuant to this Act, the court or agency, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee, including litigation expenses, and costs, and the United States shall be liable for the foregoing the same as a private individual.

SEC. 506. TECHNICAL ASSISTANCE.

(a) PLAN FOR ASSISTANCE.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Attorney General, in consultation with the Chairman of the Equal Employment Opportunity Commission, the Secretary of Transportation, the National Council on Disability, the Chairperson of the Architectural and Transportation Barriers Compliance Board, and the Chairman of Federal Communications Commission, shall develop a plan to assist entities covered under this Act, along with other executive agencies and commissions, in understanding the responsibility of such entities, agencies, and commissions under this Act.

(2) PUBLICATION OF PLAN.—The Attorney General shall publish the plan referred to in paragraph (1) for public comment in accordance with the Administrative Procedure Act (5 U.S.C. 551 et seq.).

(b) AGENCY AND PUBLIC ASSISTANCE.—The Attorney General is authorized to obtain the assistance of other Federal agencies in carrying out subsection (a), including the National Council on Disability, the President's Committee on Employment of People with Disabilities, the Small Business Administration, and the Department of Commerce.

(c) IMPLEMENTATION.—

(1) AUTHORITY TO CONTRACT.—Each department or agency that has responsibility for implementing this Act may render technical assistance to individuals and institutions that have rights or responsibilities under this Act.

(2) IMPLEMENTATION OF TITLES.—

(A) TITLE I.—The Equal Employment Opportunity Commission and the Attorney General shall implement the plan for assistance, as described in subsection (a), for title I.

(B) TITLE II.—

(i) IN GENERAL.—Except as provided for in clause (ii), the Attorney General shall implement such plan for assistance for title II.

(ii) EXCEPTION.—The Secretary of Transportation shall implement such plan for assistance for section 203.

(C) TITLE III.—The Attorney General, in coordination with the Secretary of Transportation and the Chairperson of the Architectural Transportation Barriers Compliance Board, shall implement such plan for assistance for title III.

(D) TITLE IV.—The Chairman of the Federal Communications Commission, in coordination with the Attorney General, shall implement such plan for assistance for title IV.

(d) GRANTS AND CONTRACTS.—

(1) IN GENERAL.—Each department and agency having responsibility for implementing this Act may make grants or enter into contracts with individuals, profit institutions, and nonprofit institutions, including educational institutions and groups or associations representing individuals who have rights or duties under this Act, to effectuate the purposes of this Act.

(2) DISSEMINATION OF INFORMATION.—Such grants and contracts, among other uses, may be designed to ensure wide dissemination of information about the rights and duties established by this Act and to provide information and technical assistance about techniques for effective compliance with this Act.

(e) FAILURE TO RECEIVE ASSISTANCE.—An employer, public accommodation, or other entity covered under this Act shall not be excused from meeting the requirements of this Act because of any failure to receive technical assistance under this section.

SEC. 507. FEDERAL WILDERNESS AREAS.

(a) STUDY.—The National Council on Disability shall conduct a study and report on the effect that wilderness designations and wilderness land management practices have on the ability of individuals with disabilities to use and enjoy the National Wilderness Preservation System as established under the Wilderness Act (16 U.S.C. 1131 et seq.).

(b) SUBMISSION OF REPORT.—Not later than 1 year after the enactment of this Act, the National Council on Disability shall submit the report required under subsection (a) to Congress.

SEC. 508. TRANSVESTITES.

For the purposes of this Act, the term "disabled" or "disability" shall not apply to an individual solely because that individual is a transvestite.

SEC. 509. CONGRESSIONAL INCLUSION.

Notwithstanding any other provision of this Act or of law, the provisions of this Act shall apply in their entirety to the Senate, the House of Representatives, and all the instrumentalities of the Congress, or either House thereof.

SEC. 510. ILLEGAL DRUG USE.

(a) For purposes of this Act, an individual with a "disability" shall not include any individual who uses illegal drugs, but may include an individual who has successfully completed a supervised drug rehabilitation program, or has otherwise been rehabilitated successfully, and no longer uses illegal drugs.

(b) However, for purposes of covered entities providing medical services, an individual who uses illegal drugs shall not be denied the benefits of such services on the basis of his or her use of illegal drugs, if he or she is otherwise entitled to such services.

SEC. 511. DEFINITIONS.

Under this Act the term "disability" does not include "homosexuality", "bisexuality", "transvestism", "pedophilia", "transsexualism", "exhibitionism", "voyeurism", "compulsive gambling", "kleptomania", or "pyromania", "gender identity disorders", "current psychoactive substance use disorders", "current psychoactive substance-induced organic mental disorders", as defined by DSM-III-R which are not the result of medical treatment, or other sexual behavior disorders.

SEC. 512. AMENDMENTS TO THE REHABILITATION ACT.

(a) HANDICAPPED INDIVIDUAL.—Section 7(7)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 706(8)(B)) is amended—

(1) in the first sentence, by striking out "Subject to the second sentence of this subparagraph, the" and inserting in lieu thereof "The"; and

(2) by striking out the second sentence and inserting in lieu thereof the following:

"Notwithstanding any other provision of law, but subject to subsection (C) with respect to programs and activities providing education and the last sentence of this paragraph, the term 'individual with a handicap' does not include any individual who currently uses illegal drugs, except that an individual who is otherwise handicapped shall not be excluded from the protections of this Act if such individual also uses or is also addicted to drugs. For purposes of programs and activities providing medical services, an individual who currently uses illegal drugs shall not be denied the benefits of such programs or activities on the basis of his or her current use of illegal drugs if he or she is otherwise entitled to such services.

"(C) For purposes of programs and activities providing educational services, local educational agencies may take disciplinary action pertaining to the use or possession of illegal drugs or alcohol against any handicapped student who currently uses drugs or alcohol to the same extent that such disciplinary action is taken against nonhandicapped students. Furthermore, the due process procedures at 34 CFR 104.36 shall not apply to such disciplinary actions.

"(D) For purposes of sections 503 and 504 of this Act as such sections relate to employment, the term 'individual with handicaps' does not include any individual who is an alcoholic whose current use of alcohol prevents such individual from performing the duties of the job in question or whose employment, by reason of such current alcohol abuse, would constitute a direct threat to property or the safety of others.".

(b) Section 7 of such Act (29 U.S.C. 706) is further amended by adding at the end thereof the following new paragraph:

"(22) The term 'illegal drugs' means controlled substances, as defined in schedules I through V of section 202 of the Controlled Substances Act (21 U.S.C. 812), the possession or distribution of which is unlawful under such Act. The term 'illegal drugs' does not mean the use of a controlled substance pursuant to a valid prescription or other uses authorized by the Controlled Substances Act or other provisions of Federal law.".

SEC. 513. SEVERABILITY.

Should any provision in this Act be found to be unconstitutional by a court of law, such provision shall be severed from the remainder of the Act, and such action shall not affect the enforceability of the remaining provisions of the Act.

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, the Senate will now resume consideration of the Americans With Disabilities Act. The managers are present, ready to proceed.

All Senators who intend to offer amendments should be prepared to do so immediately. The managers are ready to accept amendments and to proceed to the consideration of this important legislation in the hopes of completing action on it as soon as possible.

With respect to this legislation, Mr. President, I intend momentarily to ask unanimous consent that during the debate on this legislation, the Americans With Disabilities Act, that the substance of the debate be transmitted to the hearing impaired in the television audience by means of signing.

This will mark the first time that a signing interpreter will be present on the Senate floor during debate and it is appropriate that this interpretation be provided as the Senate considers landmark civil rights legislation that will finally extend to all disabled Americans the rights that all of us should be able to take for granted: The right to be treated with respect and dignity, to be valued for our abilities and our merits, not to be judged by the things we cannot do.

Earlier in today's debate, the principal sponsor of this legislation, Senator HARKIN, observed that the only thing a deaf person cannot do is hear. That observation applies to all Americans with disabling conditions.

It is a matter of justice and fairness that we take the first step now to make it public policy that we will not, in our Nation, measure human beings by what they cannot do. We should, instead, value them for what they can do.

Indeed, we could all reflect with some humility on the many talents and abilities that each of us lacks. If we were to be judged by the things we cannot do, few of us would escape censure.

It is as irrational to limit a person's rights or a person's contribution because of one condition as it would be to classify persons by hair color or eye color.

And it is as unjust as limiting a person's rights by reason of skin color—a tragedy that for too long was permitted in our Nation.

Indeed, the extension of fundamental civil rights to the disabled among us represents the logical extension of our society's commitment to the essential worth and dignity of each human being.

I am pleased that debate has begun on this bill; I am pleased that the administration and President Bush support it; and I am particularly pleased that with the admission of the signing interpreter for this debate, we will share with all our citizens the substance of Senate debate on this landmark bill.

Accordingly, Mr. President, I ask unanimous consent that Jean Lindquist be granted floor privileges during consideration of the pending legislation, S. 933, Americans With Disabilities Act.

The PRESIDING OFFICER. Is there objection to the request of the majority leader? If not, the request is agreed to.

Mr. DOLE. Mr. President, I joined the majority leader in requesting the privilege of the floor which will allow hearing impared persons equal opportunity to share in further proceedings on this legislation by providing sign language interpreting services. If the intent of the Americans With Disabilities Act is to assure equal access and opportunity to people with disabilities—then let us start right here in this Chamber—these proceedings are too important to all Americans and therefore should be available as we act to pass this landmark legislation.

COMMENDING THE CREW OF UNITED FLIGHT 232 AND PERSONNEL FROM THE FEDERAL AVIATION ADMINISTRATION

Mr. MITCHELL. Mr. President, in behalf of Senator DOLE and myself and others, I send a resolution to the desk and ask unanimous consent that it be immediately considered.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 174) comending the crew of United flight 232 and personnel from the Federal Aviation Administration.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, on July 19 of this year, a United Airlines DC-10, flight 232 from Denver, CO, to Chicago, IL, experienced a major failure in its No. 2 engine.

Evidently, parts of the failed engine pierced the metal skin of the aircraft and severed hydraulic lines which controlled wing flaps and, therefore, the aircraft itself.

United Airlines Capt. Alfred Hayes immediately declared an emergency and requested rerouting to the nearest airport. Federal Aviation Administration air controllers directed the crippled aircraft to Sioux City, IA, Municipal Airport.

Captain Hayes, First Officer William Records, and Second Officer Dudley Dvorak were joined in the cockpit by flight instructor Dennis Fitch who was a passenger on the flight.

After determining that no procedure had been previously been written on how to fly a DC-10 which was so damaged, the cockpit crew devised a method to steer the aircraft toward the Sioux City airport.

In the meantime, flight attendants Janice Brown, Georgeann Delcastillo, Barbara Gillaspie, Rene Louise LeBeau, Donna McGrady, Virginia Murray, Timothy Owens, Kathy Yeoung Shen, and Susan White helped prepare the passengers for the emergency landing.

FAA air traffic control personnel William, Bachman and Mark Zielezinski and FAA airway facilities personnel Samuel Gochenour, Timothy Norton and Randy Youngberg directed the flight crew to Sioux City and to flight 232's approach for landing.

Without the aid of any hydraulics, the crew was able to bring the aircraft down at the airport.

Mr. President, we have all seen the horrifying pictures of flight 232 breaking apart upon landing.

In what is truly a miracle, 184 persons survived in the tragedy.

The professional manner and superb talents of the flight crew and FAA personnel were responsible for saving these lives, and today we are honoring these individuals with this resolution.

In addition, Mr. President, along with the majority leader, and Senators HOLLINGS, DANFORTH, FORD, and MCCAIN, I am hosting a reception for the crew and their families from 4:30 to 5:30 p.m. today in S-211 of the Capitol. I urge all my colleagues to come to the reception and help pay tribute to this remarkable demonstration of a job more than well done.

Mr. DANFORTH. Mr. President, it is appropriate that the President of the United States and the U.S. Senate are commending today the crew of United Airlines flight 232.

On July 19, 1989, United Airlines flight 232 left Denver. It was bound for Chicago. Enroute the plane developed trouble and was routed to the Sioux City, IA Municipal Airport. The aircraft experienced a near total loss of hydraulic pressure, due to catastrophic engine failure. This event forced the flight crew into a flying environment so unique that no established procedures for this condition existed.

The plane's cockpit crew showed great poise and skill in communicating with airport personnel, devising previously unknown flight procedures, and attempting a difficult emergency landing. The flight attendants performed courageously in preparing the passengers for the landing and assisting them in exiting the aircraft. The brave actions of these crew members were critical to the survival of 184 of those board.

Mr. President, I want to take a moment to commend one of the plane's flight attendants, Barbara Gillaspie. Ms. Gillaspie is from Moberly, MO. She could not come to Washington to receive our commendation in person, as she is recovering still. Mr. President, Ms. Gillaspie's courage and professionalism contributed to the saving of so many lives aboard United flight 232. I want to express to her my appreciation, and that of the Senate, for her heroism. We wish her a speedy and full recovery.

Mr. GORTON. Mr. President, on July 19, 1989, the cockpit crew and flight attendants aboard United flight 232 made history.

Faced with the loss of their number 2 engine and the hydraulic systems critical for maneuvering the aircraft, the cockpit crew—Captain Alfred Haynes, First Officer William Records, Second Officer Dudley Dvorak, and Flight Instructor Dennis Fitch—began a series of in-flight experiments as to how they might control their plane in an upcoming emergency landing at the Sioux City Municipal Airport in Sioux City, IA.

Meanwhile, the flight attendants—Janice T. Brown, Georgeann Delcastillo, Barbara Gillaspie, Rene Louise LeBeau, Donna McGrady, Virginia J. Murray, Timothy Owens, Yeoung Shen, and Susan White—prepared the passengers for the upcoming emergency landing and evacuation procedures.

As the crippled plane approached, members of the Federal Aviation Administration Air Traffic Control—William K. Bachman and Mark W. Zielezinski—and FAA airway facilities personnel—Samual N. Gochenour, Timothy Norton, and Randy Youngberg—performed with poise as they guided United Airlines flight 232 to its emergency landing.

Together, this team of professionals put aside their fear and trepidation and performed the heroic actions which saved the lives of 184 of the people aboard flight 232.

I am especially proud that three of the members of the cockpit crew call Washington State their home. As we gather to commemorate the courageous efforts of this crew, I want to convey my congratulations, respect and heartfelt thanks for their lifesaving efforts on July 19. The people of the State of Washington and our great Nation salute you.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the resolution.

The resolution (S. Res. 174) was agreed to.

The preamble was agreed to.

The resolution, and its preamble, are as follows:

S. RES. 174

Whereas, on July 19, 1989, the lives of 184 people on board United Flight 232 were saved, in large part, because of the heroic actions of the crew;

Whereas, the flight's cockpit crew, Captain Alfred Haynes, First Officer William Records, Second Officer Dudley Dvorak and Flight Instructor Dennis Fitch, performed with poise and courage in communicating with Sioux City, Iowa, airport personnel and in attempting a difficult emergency landing at the airport;

Whereas, the flight's cabin crew, Janice T. Brown, Georgeann Delcastillo, Barabara Gillaspie, Rene Louise LeBeau, Donna McGrady, Virginia J. Murray, Timothy Owens, Kathy Yeoung Shen and Susan White, performed with poise and courage in advising passengers prior to the crash and then assisting them in exiting the aircraft;

Whereas, Federal Aviation Administration (FAA) Air Traffic Control personnel, William K. Bachman and Mark W. Zielezinski, and FAA Airway Facilities personnel, Samuel N. Gochenour, Timothy Norton and Randy Youngberg, performed with poise and courage in assisting United Airlines Flight 232 make an emergency landing at Sioux City, Iowa; Now, therefore, be it

Resolved, That the United States Senate wishes to commend the crew members of the United flight 232 and the Federal Aviation Administration personnel involved with United flight 232 for their exemplary efforts on behalf of the passengers of that flight.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. LIEBERMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I yield the floor.

RECESS

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Senate stand in recess for 3 minutes in order to welcome three of the recently elected Members of the Supreme Soviet.

There being no objection, the Senate, at 2:19 p.m. recessed until 2:23 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. PRYOR].

AMERICANS WITH DISABILITIES ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Who seeks recognition?

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 708

(Purpose: To end discrimination on the basis of disability in Federal wilderness areas)

Mr. HATCH. Mr. President, I call up amendment No. 708 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Utah [Mr. HATCH] proposes an amendment numbered 708.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 95, after line 14, insert the following new section:

SEC. 507. FEDERAL WILDERNESS AREAS.

(a) STUDY.—The National Council on Disability shall conduct a study and report on the effect that wilderness designations and wilderness land management practices have on the ability of individuals with disabilities to use and enjoy the National Wilderness Preservation System as established under the Wilderness Act (16 U.S.C. 1131 et seq.).

(b) SUBMISSION OF REPORT.—Not later than 1 year after the enactment of this Act, the National Council on Disability shall submit the report required under subsection (a) to Congress.

Mr. HATCH. Mr. President, more than 90 million acres of Federal land are managed as wilderness by the Forest Service, Bureau of Land Management, Fish and Wildlife Service, and the National Park Service. Each of these agencies has been mandated to administer these wilderness areas for the use and enjoyment of the American people in such a manner as to leave the land unimpaired for the future use and enjoyment of wilderness.

In keeping with the intent to keep the land untrammeled the Wilderness Act prohibits the use of motor vehicles, motorized equipment and other forms of mechanical transport. While well-intentioned these wilderness management policies have made it very difficult for persons with disabilities, particularly those confined to wheelchairs, to participate in any kind of a wilderness experience. The opportunity of spending time in an area where human influence does not impede the free play of natural forces or interfere with the natural processes in the ecosystem is an unforgettable and very uplifting experience. This opportunity is very seldom available to persons with disabilities.

I am concerned that our wilderness designations may discriminate against the handicapped by denying them access to our most pristine environments. While the Federal land managers generally but not always allow individuals in wheelchairs into protected lands, they may only travel a short distance before encountering a barrier that makes it impossible to proceed.

I believe we need better to understand the impact of wilderness designation on the disabled. Consequently, this amendment would require the National Council on Disability to study and prepare a report on the effects that wilderness designations and wilderness land management practices have on the ability of individuals with disabilities to use and enjoy the National Wilderness Preservation System. It is my understanding that the majority managers are willing to accept this amendment. If that is so, then I will be happy to urge it as soon as they decide to.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I urge the Senate to accept this amendment. I think it is a very constructive amendment. Basically, what we will be addressing here is the accessibility of people with disabilities to Federal wilderness areas. There have been some issues which have been raised in the past, and I think the suggested study which will be made by a competent group, the National Council on the Disabled, will be extremely helpful and useful.

Included in the objectives of this legislation is accessibility to all aspects of our society including the park lands of this Nation and wilderness areas. So I commend the Senator from Utah for this amendment. I would hope the Senate would accept it, and I urge the Senate to do so.

Mr. HATCH. I thank my distinguished colleague from Massachusetts for his kind words, and I urge the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Utah.

The amendment (No. 708) was agreed to.

Mr. HATCH. I move to reconsider the vote by which the amendment was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Chair recognizes the Senator from Utah.

Mr. HATCH. Mr. President, I believe the intent and purpose of this bill, the Americans With Disabilities Act, to be important in providing people with disabilities with the rights and opportunities necessary to enjoy full participation in our society.

However, there are some questions in my mind regarding the practical implications of the requirements of the legislation on certain situations. Specifically, I am thinking of the employment section of the bill, title I, and how the standards of "reasonable accommodation" and "undue hardship" would be applied across the board to the various industries and businesses in our Nation.

I would like to enter into a colloquy with my friend from Iowa in hopes that he would clarify some of the mechanisms created in S. 933 to prohibit discrimination against people with disabilities in various employment settings.

It is my understanding that a reasonable accommodation, as required in section 102(b)(1)(E), would take into consideration the nature of a particular industry for the purposes of determining what type of accommodation would, or would not, constitute an undue hardship. In other words, the Americans With Disabilities Act would not require that a specific accommodation, which could be easily made in a traditional office setting, be implemented in a nontraditional work setting, such as a construction worksite, if it posed an undue hardship.

Would my colleague please comment on whether or not my interpretations of the language and intent of this legislation is correct, with regards to different industries employing different types of accommodation?

Mr. HARKIN. I would say to my friend from Utah that he has correctly interpreted the "reasonable accommodation" requirement of title I of the ADA bill. Just as each person with a

disability is unique in his or her requirements for accommodation to help meet their potential in the workplace, each industry, and indeed, each separate business, may be unique in the type of accommodation employers are able to provide without significant difficulty or expense. As outlined in the committee report, no action on the part of an employer that is "unduly costly, extensive, substantial, disruptive, or that will fundamentally alter the nature of the program" is required under S. 933. This is the basic framework that is to apply to all types of different covered industries and workplaces under the bill.

Mr. HATCH. To follow up on this question, I would ask my colleague if I may logically, and correctly deduce that if a specific industry or business finds that it cannot provide certain types of accommodations, because such action would impose an undue hardship on that business or industry, the employer in that business or industry may not be able to hire a person with a certain type of disability; is that so?

Mr. HARKIN. Yes, my colleague is correct. It is clearly stated in the bill and in the committee report that an employer is not required to hire a qualified person with a disability if the employer cannot provide the needed accommodation for the person, because providing the accommodation would cause the employer undue hardship. The exception to this situation is in the case of an employee who offers to provide such an accommodation for himself or herself. In this case, the employer cannot refuse employment to the disabled individual using the "reasonable accommodation requirement" as a reason for the rejection.

Mr. HATCH. If my colleague would be so good as to indulge me for one last inquiry, I would like to bring to his attention a specific example, that of the construction jobsite.

I have heard from several contractors who do not wish to exempt themselves from doing their part in assisting people with disabilities find meaningful employment in the construction field who are confused as to what latitude they will have under the ADA. To state the obvious, construction is physically demanding work. The construction site is a place of employment where permanence and consistency are virtually unknowns. From the digging and pouring of the foundation, to painting and decorating, a project undergoes metamorphosis in which a plot of land may be transformed into a highway, an office building, an apartment complex, or perhaps a single-family house. Points of accessibility for the workers may change daily as a project enters different stages of completion.

My final question to the Senator from Iowa is would, having to make constant different accommodations at different points on the site as would often be the case on temporary worksites, be a factor taken into consideration in assessing which accommodations would pose an "undue hardship" for an employer?

Mr. HARKIN. To answer, I would refer my colleague to the definition of "undue hardship" in the bill and the factors outlined for covered entities to use as a guide in determining whether a particular accommodation would impose an undue hardship on the covered entity's business. To quote the committee report language, these factors include:

(1) the overall size of the business of the covered entity with respect to number of employees, number and type of facilities and size of the budget; (2) the type of operation maintained by the covered entity, including the composition and structure of the entity's workforce; and (3) the nature and cost of the accommodation needed.

The second factor I listed would include consideration of the special circumstances incurred on the temporary worksite for purposes of determining whether or not an accommodation would post an undue hardship for the employer. Construction is unlike manufacturing, and most other types of industries, in that an employer is usually confronted with monitoring multiple worksites at remote locations, and this would be taken into account under these factors.

It is not the intent of the Americans With Disabilities Act to ignore the economic realities of our Nation's businesses. The provisions of the ADA legislation are simply to provide a framework or guide for employers and other entities to use in removing barriers, where possible, that prevent people with disabilities from working, traveling, enjoying public services, and generally living full, equal lives free from discrimination.

Mr. HATCH. I want to thank my colleague for his comments on this matter and for his time on this matter. I think we have clarified this about as well as we can.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Iowa.

AMENDMENTS NOS. 711 AND 712

(Purpose: To provide a technical amendment)

Mr. HARKIN. Mr. President, I have two technical amendments which I send to the desk on behalf of myself and the other members of the committee and I ask that they be considered en bloc.

The PRESIDING OFFICER. Is their objection to the consideration of the amendments en bloc? There being no objection, they will be so considered, and the clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN] proposes en bloc amendments numbered 711 and 712.

Mr. HARKIN. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT No. 711

On page 92, line 18, insert a comma after "agent".

AMENDMENT No. 712

On page 86, line 22, strike "2" and insert "3".

Mr. HARKIN. Mr. President, the first amendment simply adds a comma that was inadvertently left out, which may change the meaning or understanding of the sentence in the bill. The second one that I sent up regarding title IV C, provision of services. The provision of services section has been changed from allowing 2 years for the full implementation of services by the carriers to 3 years.

This accomplishes as the bill previously was written and it mandated that the carriers implement an interstate and intrastate relay system within 2 years' time. This did not allow for any time for the State regulatory process to occur.

As amended, the carriers will have 3 years to commence operation of the nationwide relay system. This allows ample time for the FCC to issue its regulations and for the State regulatory process to occur.

This legislation seeks to preserve State and grassroot efforts in the implementation of intrastate relay systems. States must be given time to either devise regulations or legislate for such systems, and then have time to seek and be granted certification by the FCC.

We must preserve the opportunity for the hearing and speech impaired to comment as individual States seek certification. Comments from the valuable insights of the hearing impaired community must be taken into consideration by the FCC as it grants States certification, and this process takes time.

As the State regulatory process and certification process ends, the carriers would then have sufficient time to fully implement any State and Federal regulations in the most efficient manner possible.

So this amendment which I send up helps to ensure that the relay system established by the carriers is the most efficient and highest quality possible. It also gives the carriers time to work in conjunction with each other to make the relay system more economical.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. We agree with these amendments and we urge that they be accepted here on the Senate floor.

The PRESIDING OFFICER. The question occurs on the amendment.

The question is on agreeing to the amendments of the Senator from Iowa.

The amendments (No. 711 and No. 712) were agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. HARKIN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Utah.

AMENDMENT NO. 709

(Purpose: To provide a refundable tax credit for the costs of small businesses complying with the public accommodations requirements.)

Mr. HATCH. Mr. President, I call up Amendment No. 709 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Utah [Mr. HATCH], for himself, Mr. KERREY, Mr. MCCAIN, Mr. MCCONNELL, and Mr. THURMOND proposes an amendment numbered 709.

Mr. HATCH. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . REFUNDABLE TAX CREDIT FOR COSTS ASSOCIATED WITH PUBLIC ACCOMMODATIONS REQUIREMENTS.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

"SEC. 35. COSTS OF PROVIDING NONDISCRIMINATORY PUBLIC ACCOMMODATIONS TO DISABLED INDIVIDUALS.

"(a) GENERAL RULE.—In the case of eligible small business, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the lesser of—

"(1) the eligible public accommodations access expenditures for the taxable year, or

"(2) $5,000.

"(b) ELIGIBLE SMALL BUSINESS.—For purposes of this section, the term 'eligible small business' means a person—

"(1) engaged in the trade or business of operating a public accommodation to which the requirements of title III of the Americans with Disabilities Act of 1989 applies,

"(2) the gross receipts of which for the preceding taxable year did not exceed $1,000,000,

"(3) which employs fewer than 15 employees, and

"(4) which elects the application of this section for the taxable year.

"(c) ELIGIBLE PUBLIC ACCOMMODATIONS ACCESS EXPENDITURES.—For purposes of this section—

"(1) IN GENERAL.—The term 'eligible public accommodations access expenditures' means amounts paid or incurred—

"(A) for the purpose of removing architectural, communication, or transportation barriers which prevent a public accommodation from being accessible to, or usable by, an individual with a disability, or

"(B) for providing auxiliary aids and services to individuals with a disability who are employees of, or using, the pubic accommodation.

"(2) EXPENSES IN CONNECTION WITH NEW CONSTRUCTION ARE NOT ELIGIBLE.—The term 'eligible public accommodations access expenditures' shall not include expenses described in paragraph (1)(A) which are paid or incurred in connection with the design and construction of any facility the first occupancy of which occurs after December 31, 1989.

"(d) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) AUXILIARY AIDS AND SERVICES AND DISABILITY.—The terms 'auxiliary aids and services' and 'disability' have the meanings given such terms by paragraphs (1) and (2) of section 3 of the Americans with Disabilities Act of 1989.

"(2) PUBLIC ACCOMMODATION.—The term 'public accommodation' has the meaning given such term by section 301(3) of the Americans with Disabilities Act of 1989.

"(3) CONTROLLED GROUPS.—

"(A) IN GENERAL.—All members of the same controlled group of corporations (within the meaning of section 52(a)) and all persons under common control (within the meaning of section 52(d)) shall be treated as 1 person for purposes of this section.

"(B) DOLLAR LIMITATION.—The Secretary shall apportion the dollar limitation under subsection (a)(2) among the members of any group described in subparagraph (A) in such manner as the Secretary shall by regulations prescribe.

"(4) PARTNERSHIPS AND S CORPORATIONS.—In the case of a partnership, the limitation under subsection (a)(2) shall apply with respect to the partnership and each partner. A similar rule shall apply in the case of an S corporation and its shareholders.

"(5) COST-OF-LIVING ADJUSTMENT.—In the case of any taxable year beginning in calendar year 1991 or thereafter, this section shall be applied by increasing the $5,000 amount under subsection (a)(2) and the $1,000,000 amount under subsection (b)(2) by the cost-of-living adjustment for the calendar year. The cost-of-living adjustment for any calendar year shall be determined under section 1(f)(3), except that subparagraph (B) hereof shall be applied by substituting '1990' for '1987'.

"(6) NO DOUBLE BENEFIT.—No deduction or credit shall be allowed under this chapter with respect to any amount for which a credit is allowed under subsection (a).

"(e) REGULATIONS.—The Secretary shall prescribe regulations necessary to carry out the purposes of this section, including regulations for determining what expenditures are to be treated as eligible public accommodations access expenditures."

(b) CONFORMING AMENDMENT.—The table of sections for subpart C of part IV of subchapter A of chapter 1 of such Code is amended by striking the item relating to section 35 and inserting:

"Sec. 35. Costs of providing nondiscriminatory public accommodations to disabled individuals.

"Sec. 36. Overpayments of tax."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1989.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, this is an important amendment and I would add in addition to the Hatch-Kerrey amendment Senators MCCAIN, MCCONNELL, and THURMOND as cosponsors.

Mr. President, while I share the desire of my colleagues to pass a bill as broad and reasonable as possible, I am concerned with the economic consequences this bill may have on some small businesses. S. 933 covers businesses as employers. It also covers businesses as public accommodations, that is as businesses which serve the public by serving customers, clients and visitors.

The employment provisions of S. 933 are contained in title I of the bill. They are effective 2 years after enactment when they apply to employers with 25 or more employees. Two years after that, employers with 15 or more employees will be covered under this bill. So the figure of 25 will reduce down to 15 on the employment side of this bill.

The purpose of that, of course, is to help small small businesses, because this bill is going to be very expensive. It is going to impose a lot of expenses and rightly so. It is time that we did these things. It is time that we brought persons with disabilities into full freedom, economic and otherwise, with other citizens in our society. This bill will do that. In doing so we should be aware that it is going to be costly and it is going to be difficult and there will be some complaints.

If we do not solve the other point I am about to make now, we are really going to have problems. S. 933 requirements imposed on public accommodations are contained in title III of this bill. S. 933 defines public accommodations much more broadly than they are defined in any parallel civil rights statute, specifically title II of the 1964 Civil Rights Act.

Title II of the 1964 Civil Rights Act bans racial, ethnic and religious discrimination in public accommodations. There, public accommodations are defined as places of eating, places of lodging, places of entertainment, and gasoline stations. That is title II of the most broad-sweeping Civil Rights Act in history up until now.

In other words, public accommodations are defined that narrowly; places of eating, lodging, and entertainment and gasoline stations.

S. 933 in turn, the bill which I am for, defines public accommodations to include not only these businesses but all retain businesses, all service busi-

nesses, and more. From sole proprietorships all the way up, beyond 15-employee businesses. In contrast to the employment provisions, however, S. 933 contains no exemption whatsoever from its public accommodations provision.

In other words, we have chosen to exempt businesses that have 25 employees for the first 2 years, then we reduce it down to 15 employees from that point on, from any of the burdens of this bill with regard to employment.

But there is absolutely no consideration given to small small businesses, similarly situated with regard to the public accommodations aspect.

Thus a rural grocery store—and you better get this—a rural grocery store may not be covered by S. 933 when it hires a clerk, but it would be subject to all the bill's requirements with respect to the treatment of its customers. Now I think it should be, and I am prepared to vote for that. But let us all be aware that if we do not have some sort of accommodations, some way of resolving this problem for the small small businesses, "the moms and pops," if you will, the sole proprietorships in our society, then you are going to find a lot of people going out of business because they will not be able to meet the burdens of this particular bill unless we find some way of alleviating that.

Mr. President, as I have said, I want every business in America to serve persons with disabilities. I strongly stand for that. I mean it. This is important. But at the same time, we have to recognize that Federal requirements cost money and some of these people cannot afford to come up with that money.

Someone has to pay for our desire, Congress' desire, if you will, to accommodate persons with disabilities where such accommodations increase costs. In the case of small businesses, they are required to provide auxiliary aids and services for their customers when necessary and to provide them with access so long as doing so does not cause undue burden. Moreover they must remove architectural communication and transportation barriers in existing facilities, areas, or businesses and vehicles, when such barrier removal is "readily achievable."

The terms "undue burden" and "readily achievable" are defined in the bill. Even though in theory these requirements impose less costs, these costs will be more than de minimis where necessary to provide access. For some small businesses, any additional cost or administrative burden can be very troublesome.

Now I am concerned about those small small businesses, and that is why I support this amendment. Traditionally, Mr. President, we attempted to resolve such dilemmas by setting exemptions. A business that falls within the exemption is not bound by the requirements of the act. We have done that with regard to the employment record of this act. Unfortunately, with regard to the services record, which is called public accommodations in this act, such a step would be incompatible with the desire to have coverage applied as broadly as possible.

There is, however, Mr. President, another way. We can cover all small small businesses and mitigate the cost of compliance with Federal requirements by granting certain small businesses a tax credit for the cost of steps they take to make their businesses accessible to persons with disabilities.

Currently, section 190 of the Tax Code provides a deduction of up to $35,000 a year for architectural and transportation barrier removal. My amendment authorizes a tax credit for removal of architectural, transportation, and communication barriers as well as for other accommodations to provide access for persons with disabilities.

The tax credit is available when undertaken to accommodate an employee or a customer and it is limited to $5,000 a year and it is refunded. The credit would only apply to small businesses which are public accommodations as defined by S. 933, have less than 15 employees and a gross income of $1 million or less, really small small businesses.

This gross income figure and the $5,000 credit figure will be indexed annually so that these small small businesses have a break.

Mr. President, such a proposal would retain the bill's broad coverage in public accommodation without penalizing small employers who barely get by as it is. We would not have to wait for lawsuits and the courts to determine the meaning of terms like "undue burden" and "readily achievable" in the context of a small business. And most importantly we would be helping those who want to comply instead of simply penalizing those who do not.

We have a responsibility, Mr. President, to insure that persons with disabilities are accommodated in public accommodations. At the same time, Mr. President, we have a responsibility to ensure that we in Congress address the economic realities of the requirements we impose. My amendment balances those responsibilities and avoids the need to use an exemption.

Mr. President, it is no secret that the small small businesses of this country, the National Federation of Independent Businesses and a whole raft of others want an exemption similar to the exemption with regard to employment. They want 25 employees for the first 2 years of the operation of this bill, reduced down to 15 employees thereafter, which would give accommodation time to meet these burdens.

The disability community would not like that because they feel that would exclude an awful lot of businesses that should not be excluded from the coverage of this bill. I am not so sure about that.

But the only way I could think of coming up with a way of resolving this dilemma is through the tax credit approach.

Look, if the Federal Government is going to impose these kinds of burdens on small small businesses, then the Federal Government ought to help them. It is one thing for us to meet the needs of persons with disabilities. I want to do that. It is another thing to put all kinds of moms and pops out of business and sole proprietorships out of business and small small businesses out of business or to put undue burdens on them that bureaucrats might not feel are undue burdens. Five hundred dollars for a ramp, which is probably the minimum it is going to cost today if it is put in by somebody, is too much money for some small businesses. If they then have to have restroom facilities modified and put bars in the restrooms and if those walls are not solid enough to handle bars, it may cost $2,000 or $3,000 to make those changes, and they may be ordered to make them under this bill. If they do not make them and if they fail to do what this bill says, they might wind up with huge fines and costs of $50,000 for the first infraction and up to $100,000 for the second.

Now, Mr. President, if the Federal Government is going to impose some kind of requisites, then the Federal Government has some kind of responsibility to help with the cost. And I hope my colleagues on the Finance Committee will give some consideration to that.

Now I know they are a little upset because of the change in the tax code. But this is the appropriate place to do it. We have got to solve this problem. Some want it to be with a 15-employee exemption, 25 down to 15 employee exemptions. The community of persons with disabilities do not want that. I am trying to accommodate everybody concerned here, while still having a strong bill that allows for public accommodations in all businesses.

I might add that under title 2 of the Civil Rights Act of 1964, it is nowhere near as broad as this bill is going to be or as this bill is written. We are really giving wholesale, widespread responsibilities to all businesses with regard to meeting the public accommodations section in this bill. They go far beyond section 2, title 2 of the 1964 act.

Mr. President, I think this is a reasonable approach. I think it should be done now on this bill before we get into unnecessary litigation problems. I think it would solve the problems for

all sides. No one presently knows how much it is going to cost, although I think we all know that it probably is not going to cost all that much. If it costs too much, then that is every reason why we ought to have the Federal Government help. If it costs too little, then it is not that important.

The fact of the matter is that the Federal Government should help when it imposes these kinds of burdens. These are mandatory burdens on business. It is not fair if we do not do something to try and alleviate those burdens at least with regard to those who are in the most vulnerable businesses in our society. That is what we are trying to do here. That is what we want to do here.

I hope that my colleagues will consider supporting this amendment regardless of what form it takes here on the floor, but let us understand it. If the amendment is defeated, it is going to be looked upon as the one that was meant to help small businesses in that society, especially those most vulnerable to the need.

So this is an important amendment. It may be the most important amendment brought on this bill today. I think it is. And I hope our colleagues will support it.

In that regard, I ask unanimous consent to add Senator KASTEN as a cosponsor to this amendment.

The PRESIDING OFFICER. Without objection it is so ordered.

(Mr. DODD assumed the chair.)

Mr. BENTSEN. Mr. President, my friend from Utah says this is an important amendment. It is. I am sympathetic to his concerns. I started with a small business. I am still invested in small family businesses. I understand his concerns.

But I am also a sponsor and a supporter of the Americans with Disabilities Act.

I think it is good legislation, something we ought to bring to fruition. But this is a killer amendment. This amendment will stop this piece of legislation dead in its tracks because it is an S-numbered bill.

The House is very jealous of its jurisdiction.

Any time you add tax legislation to a piece of legislation that is an S-numbered bill and it gets over there, it is blue-slipped, period. You have done yourself in.

A great deal of work has been done on this bill. It is much too important to Americans with disabilities and we have to see to its successful passage.

The Budget Act clearly stipulates that it is not in order for the Senate to consider any amendment that reduces revenues below the level in the budget resolution. Yet I just heard my friend from Utah say he does not know what this amendment is going to cost. And we do not know the cost either. He is proposing a tax credit that would be indexed to inflation. And, historically, those credits really escalate. So I do not know what the cost is going to be.

The Finance Committee currently is facing the problem of trying to raise the $5.3 billion of new revenues that we are charged with under the budget, and probably another $2 billion or $3 billion on top of that, for expiring tax credits such as the low-income housing and research and development credits.

So, we have an exceedingly difficult task. This task would be made even more diffucult if we're forced to pay for an amendment which may be very expensive. The Joint Tax Committee has yet to tell us how much it is going to cost. That is not the way to legislate. This clearly comes within the jurisdiction of the Finance Committee. We have the tools, we have the expertise, we have the background to deal with these issues. That is the purpose of the Committee system.

When the appropriate time comes, I will make the point of order, that this amendment violates the Budget Act. This point of order can only be waived with the approval of 60 Senators.

I want to further state that the ranking minority member of the Finance Committee, the distinguished Senator from the State of Oregon, BOB PACKWOOD, is also in opposition to this amendment and will support the point of order.

Current law already provides some help for companies that have to make these expenditures to give proper access to their facilities. Section 190 provides that—

> A taxpayer may elect to treat qualified architectural and transportational barrier removal expenses which are paid or incurred by him during the taxable year as expenses which are not chargeable to capital account. The expenditures so treated shall be allowed as a deduction.

This section allows a deduction of up to $35,000. The problem with tax credits is that, historically, they have tended to grow and grow and grow.

So, I strongly urge my colleagues to oppose this amendment if you are a supporter of the Americans with Disabilities Act.

In the next couple of weeks we are going to be working on reconciliation in the Finance Committee. We will be dealing with many issues that involve the tax concerns of small business. That would be a much more appropriate time to consider the concerns of my friend from the State of Utah.

But, in the meantime, let us be fiscally responsible. We are all aware of our budget problems. Let us not pass an amendment that we do not know the cost of.

I yield back the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I do not think this amendment is a killer amendment. I do not see that in any way, shape or form.

First of all, the House would have no reason to object because under article I, section 7 of the Constitution, it basically says that all bills for raising revenue shall originate in the House of Representatives, but the Senate may propose or concur with amendments on other bills.

This is not a bill that raises revenue. This is not a tax amendment, in the sense of raising revenue. So it is not a killer amendment. It is not going to cost the House of Representatives one ounce of its jurisdiction.

And I can say that we have requested an estimate on what it would cost from the Joint Committee on Taxation, which I believe will be difficult for them to provide because nobody knows what the final regulation is going to be here. That is precisely the reason why we should solve this problem right now on the floor, in this very important bill for a very important community that cannot live with this kind of language that presently exists in the bill without some relief or some protection.

If we are going to impose all these requirements, let us impose them. But let us not have the almighty Federal Government come down and say you have to do all this stuff, but we are not going to help you with it because we might possibly overintrude on the jurisdiction of the Finance Committee. This is precisely what should be done on the floor, because it is an accommodation to try to resolve a problem that I would like to resolve, not in a bad way, but in a good way.

If the almighty Federal Government is going to start dumping all over small businesses, which this bill could be interpreted as, in the sense of requiring all kinds of public accommodation requisites, then the Federal Government ought to pay for it, or at least give a tax credit to help to do it.

We have requested an estimate, so do not use the constitutional argument with me, because it does not apply.

This is not an intrusion on the right of the House to consider all revenue bills first. We have a right to bring this up.

Yes, it would always be better if we could get the advice and consent of the Finance Committee. I have to admit I wish we had been able to do that. But we did not think of this idea until this bill was scheduled for floor debate. We were prepared to come with an exemption of 25, down to 15 employees. And that exemption is offensive to the very people I would like to please with this bill.

That does not mean we will not go with that if this happens to go down in defeat. It is going to take, apparently, 60 Senators to stand up and say:

We are for small businesses. Even though we understand the desire of the Finance Committee to resolve these issues themselves, this is the time to do it, on this particular bill. Because no one knows what impact this is going to have on these small businesses.

Mr. President, we have requested an estimate of the revenue impact of this amendment from the Joint Committee on Taxation. We have not yet received back this estimate. We have not given them enough time, I am sure, because we just recently thought of this idea.

However, Mr. President, we now have to focus on the real economics of this situation. The legislation is extremely important for persons with disabilities. We need this legislation. We need to make sure that our society does not add to the burden of these people by discriminating against them.

However, in providing for the disabilities of our citizens, we must not put the small business person out of business.

This amendment provides a method of ensuring that the requirements of this bill do not do that. Most of our small businesses want to accommodate persons with disabilities.

In order to correct these problems, however, the small business person must spend some money. Sometimes they do not have the money to spend. In some cases, this may be a great deal of money in relation to the gross profit or gross receipts of that particular business.

Do we want to put these people out of business? Do we want to burden them with requirements they cannot afford to comply with?

Members of the Finance Committee will say that this tax credit will cost too much. They will say that we as the Federal Government cannot pay for the cost of removing these barriers for the handicapped. They will say this is the responsibility of the business persons, and I agree to that, generally. It is the responsibility of the business to pay for these changes.

However, we cannot force the small enterprise out of business by forcing them to comply with regulations which they cannot possibly afford to comply without a layoff of personnel or even worse a shutdown of business.

The cost of this tax credit, whatever it turns out to be, will be a cost borne by the American people, regardless of whether it is paid by consumers, by businesses, or by taxpayers via the tax credit. We must recognize that we have lost far more than the revenue loss of this tax credit if these small businesses are forced out of business because of the 1988 bill requirements.

The taxpayer is going to pay for this one way or the other. We might as well do it straight up and help these businesses.

We will have lost jobs if they go out of business. We will have lost the ongoing Federal revenues from those jobs. We will have lost much from the job producing and taxpaying enterprises which they presently provide. This loss will not be merely for 1 year. A loss of business is, in most cases, forever. I submit that as expensive to the Federal Treasury as this tax credit may be, and I doubt it is going to be that expensive, it is by far a better buy in the long run to save the small business that may be forced to lay off employees because of the requirements we are forcing on them.

Let me say one other thing. There is another alternative purpose for my drawing up this amendment, and it is a good one. If we pass this amendment, if I can get the necessary 60 votes, I hope I can talk my distinguished colleague and very good friend from Texas out of not bringing up his point of order, but if he does, it is certainly his right, and I admire him for doing whatever he decides to do. I know he does what he believes right. I would like to mention to him that there is an alternative purpose on my part, and that is, if my amendment passes, than it says to the bureaucrats who have to come up with these regulations, you better be reasonable because it is going to cost the Federal Government some revenues. I would rather have them do that in the confines of this bill than by having a study or doing something in the Finance Committee. It will be a better situation if we put this in the bill, and we do it on the basis of equity. "Look, Federal Government, you are requiring all these requisites; You stand up and participate and help to pay for it," because we are going to pay for them anyway. We might as well do it so businesses do not go out of business. In the process, you are sending a message to our bureaucracy. You are saying, "Look, we are going to go with reasonable approaches here. We are going to go with ramps; We are going to go with certain reasonable approaches, but if you do unreasonable approaches and they cost too much, it is going to cost the Federal Government money."

There will be an incentive for them to be reasonable under the circumstances. Yes, it is a 100-percent tax credit. That is what it should be. If we are imposing these obligations, we ought to be willing to participate in helping to pay for it. Do not you worry, we will not be paying for the large businesses. I am talking about small businesses, businesses with less than 15 employees and less than $1 million total gross receipts and businesses which really are small. I want to solve these problems in advance, and the only way to do it is in the bill. If you do not put it in the bill, even if we try to do it later, it is not going to work as effectively, it is not going to be as good and we have no guarantee it will be done later.

I see others want to speak. I will yield the floor at this time.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Mr. President, I only say I wish my good friend from Utah looked as charitably on tax credits when we were doing the child care bill as we do in the disability bill.

Mr. HATCH. I did. I was the cosponsor of the very tax credit that passed. I might add that I have been a cosponsor of tax credits from the beginning. I am not a Johnny-come-lately to that. Not only did I look favorably, I did not think it was the only way of solving the problem.

Mr. PACKWOOD. I should have known that, Mr. President.

I was intrigued listening to him. He said the reason we did not go to the Finance Committee is we just thought this up. This idea came to us just like this. That is how bad legislation is created. You have $35,000 already in expenses right off the top to put in things for the disabled. It is in the law now, $35,000 off the top, one. Two, clearly, it is a Finance Committee issue? No.

Mr. HATCH. Will the Senator yield on that?

Mr. PACKWOOD. No.

Mr. HATCH. $35,000 is a tax deduction, not a tax credit, and it does not help small businesses.

Mr. PACKWOOD. Sure it does.

Mr. HATCH. Sure it does not if they do not have any income.

Mr. PACKWOOD. It does not help anybody if they do not have any income.

Mr. HATCH. We are talking about the people who bear the burden.

Mr. PACKWOOD. $35,000 in expenses, if you do not have income, my hunch is you are not going to be in business to take the credit. If you get to $35,000 in expenses in business, it is a deduction off the top. Two, nobody has thought this idea up until just a few days ago, maybe a few minutes ago when it came on the floor with this bill.

Three, it is a 100-percent credit. Why not for OSHA? Why not for emissions? Why not for anything else the Federal Government imposes, I might say, on small business and big business? I think what it is, is that the Senator from Utah favors it here because it is his bill. I understand that. Whenever we have a paternal interest in a bill, then we are inclined to do things that we would not normally do in any other bill that was not our own. I would hope very much when the chairman of the Finance Committee makes the point of order, the Senate

would remember what the Senator from Utah said, "We just thought it up." We do not know what it costs. It is clearly in the Finance Committee's jurisdiction, but he likes it because it is his bill. Mr. President, that is not a good enough reason to adopt this provision.

Mr. HATCH. Mr. President, that is not quite what I said, but I will say this: It is easy to come out here and say why do we not apply it across the board in all small businesses and all mandated things the Federal Government imposes on us? Maybe that is a good idea. Keep in mind, we are not just talking about a civil rights bill. We are talking about a civil rights bill that goes beyond the parallel bill, the Civil Rights Act of 1964. We are talking about a bill that leaves it wide open where the Government can impose. It does not define what it imposes, or what it can impose upon small small businesses. We all know what happens when the Federal Government is given full sway to do whatever it wants to do. It generally becomes an oppressive institution. I think it is one of the reasons why Jimmy Carter won the election in 1976. People were fed up with a bureaucracy that was ignoring their needs, which had gotten too arrogant, which had too much power, where there was no way of clipping their wings.

Yes, this is not a new idea, but it is certainly a new idea in the context of this bill. And it is an idea to get around the 15-person exemption that small business really wants addressed here. They think it is just as fair as a 15-person exemption on the employment side of it. Those who argue for civil rights say, "Well, we have never had an exemption on a public accommodation section," but you have never had a public accommodation section like this one. It has never been as broad. It has never applied to so many people. It has never had the crushing effect it could have on small business, especially small small business. Frankly, it has never had the potential for harm and loss of jobs that this one does.

It is nice to stand up here and act like this is some new concept that we do not understand. I am honest in saying I do not think anybody can tell you what the revenue impact will be from this because we do not know what the bureaucrats are going to do or going to impose upon small business. Therefore, this is precisely the type of an issue where we ought to resolve the problem on the floor now so that we do not have people oppressed all over the country; and, if we do not resolve it now and let it go the way it is, and hundreds of thousands of small businesses go out of business because they cannot meet the requirements that are imposed by bureaucracy entrusted with the imposition of those requirements, then we cannot get those small businesses back by amending or changing it later. That is why we have to do it now.

I am sorry to intrude upon the jurisdiction of the Finance Committee. Nobody respects that committee more than I do. Nobody wants to intrude less than I do and nobody has intruded less, in my opinion, than I have, except for possibly the Catastrophic bill. But this is an appropriate place and appropriate time and appropriate statute which is going to appropriately pass to solve this problem. We are doing it in the best interest of the small business of this country. I am talking about small small business, not small business. If we talked about small business, the 15-employee exemption would exempt an awful lot of small business. It may be better, I do not know, but my friends in the persons-with-disabilities community do not want that.

I personally do not want to be pushed into the position of having to fight for that because it is right or because there has to be some equity here.

This is an appropriate way to do it. We are not going to know any more about it later than we know now. All the studying in the world is not going to tell us any more. But we do know one thing. If I am right, and I am right with regard to the widesweeping context of this bill in connection with its parallel bill, the Civil Rights Act of 1964; It goes far beyond this. It imposes the requisites on far more businesses. That being the case, if I am right that we might lose a lot of businesses in this country and a lot of employment in this country, it would be a shame because we worry more about jurisdiction of the committee than we worry about doing what is right on the floor.

I cannot blame anybody. I have seen the Labor Committee lose jurisdiction, and there is nothing more frustrating. But this is not going the hurt the jurisdiction of the Finance Committee, nor is it going to hurt the statutory work of this Senate. In fact, I kind of resent the implication that that is the worst way to legislate. I think it is the best way to legislate when you have an idea that is literally fair. If the Federal Government is going to make these impositions, then, let the Federal Government participate in alleviating some of the problems it is going to create by its mandated approach.

If we are going to start telling small businesses what they can or cannot do, then, let us stand up and help them. Otherwise, let us not tell them what to do. Let us not put on onerous burdens and burdens that are open-ended as to what the ultimate requisites are going to be. Let us not put them on small business.

I have respect for my friends on the Finance Committee, and certainly I could not have more respect for two people than I have for the distinguished chairman and ranking minority member on that committee. They are both articulate, work hard and are outstanding Senators. That is why they are in those positions. They have my respect.

Do not tell me that this amendment is a frivolous amendment. Do not tell me that this amendment should not be passed right now on this bill to help solve these problems that will exist the minute this bill is passed and cannot be solved later, in some instances. They may never be solved if we do not face the problems now. I think we should face them. This is the way to do it. There is a cost to mandating things on the backs of small business in this country. If there is not, there ought to be. But this is one way of making this cost a reality.

I have run this by some of the people in the disability community and they think it is a good idea. They do not want to hurt small business. They do not want to hurt small small businesses. They want to help them. They want to participate. They want to have jobs. They want small businesses hiring them and giving them opportunity and they want to use their services. They do not want to be resented when they come around because that small business has been forced to do something it does not have the money to do.

Let us be honest about it. This is an important issue. I think it is time we face this music. If we are going to start mandating on the Federal Government then let us stand and do what is right by the Federal Government. Let us have them take their responsibility, too, and not just sock it to the small business people, which happens all the time around here.

I want this bill to pass. I want persons with disabilities treated like everybody else. I want to see opportunities for them, which this bill will provide, but I also want to alleviate problems in advance, not later. I think we can do it if we pass this amendment, and I hope all my colleagues will consider this amendment because this is the small business amendment on the Americans with Disabilities Act. It is the one that counts.

If anybody thinks they are going to hide behind a point of order, they better think twice. This is the only time you can help small businesses. If this amendment is gone, that time is past. I am going to vote for this bill regardless, and that may undermine my point because I believe in what is happening in this bill. I have for a long time. I have worked hard to try to help those who deserve the credit for this bill to get it done. But there also

has to be some reason to it, and that is why we are doing this. So I hope that my colleagues will consider these arguments and consider small business today. I hope they will help us to override any point of order that comes up. If they do not, I do not think we are going to be able to hide behind the fact it is a point of order. Everybody is going to know that this is the chance to help protect small business from onerous, intrusive, burdensome bureaucratic intermeddling that all of us have seen and the reason many of us ran for the Congress in the first place.

I have talked long enough. My distinguished colleague from Arkansas wants to talk.

Mr. PRYOR. Mr. President, I thank the distinguished Senator from Utah.

Mr. President, it is my understanding that the distinguished chairman of the Finance Committee, Senator BENTSEN, is awaiting the presence on the floor of the distinguished Senator from Kansas, Senator DOLE, and I have asked Senator BENTSEN if I might make a short statement while that wait is in progress and then maybe ask some questions of the distinguished Senator from Utah and the Senator from Iowa relative to some concerns I have about this bill.

First, Mr. President, I would like to say that I am a cosponsor of this particular piece of legislation. Second, I would like to say that I must admit—and I do not think that this is an admission many of us have not made at some point in our legislative lives—I had not fully read what is in this piece of legislation and in the committee report and begun to reflect on the enormous possible impact and consequence on small business that is embodied in this very large and very aggressive piece of legislation until sometime today. I have read the committee report. I have read the bill. I have many questions. I hope that there are some answers which will enable me to support this piece of legislation.

It is very difficult, Mr. President, as all of us know, to even be perceived as possibly questioning any type of legislation that would be of assistance to the blind, the handicapped, the disabled, the elderly, the physically and the mentally impaired, but I think at the same time we must be very responsible and begin to look between the covers of this bill at what we are about to do and the potential consequence of what we could do to small business across this country.

Mr. President, first let me take the committee report. Let us look at the definition that the ADA bill has for disability with respect to an individual. I quote. "A physical or mental impairment that substantially limits one or more of the major life activities of such individual, a record of such impairment or being regarded as having such an impairment."

That is the definition which, in my opinion, is extremely loose. In my opinion, also, it is going to be the subject of literally countless issues of litigation in the courts across this country.

Mr. President, also, I was somewhat shocked—and I must say grieved—to learn that in our country—and I am reading, Mr. President, from page 88 of the committee report, the final paragraph—"approximately 43 million persons with disabilities will be entitled to the protections of this legislation as employees, job applicants, clients and customers of places of public accommodation and users of telephone services."

"This bill furthers"—and I am reading from the committee report, middle of page 88, Mr. President—"would regulate all units of State and local government. S. 933 would also"—and this is critical—"regulate private businesses engaged in commerce and open to the general public of which Census Bureau bureau figures indicate that today there are approximately 3.9 million."

This legislation basically preempts all State and local laws and regulations regarding the access for the disabled. Maybe we want to make such a decision like that today.

Mr. President, this legislation is so far-reaching, with such harsh penalties, I think that we ought to reexamine first some of the penalties. For example, we find a very unique situation that is covered on page 100 of the committee report. Mr. President, I will read that section that relates to penalties. "Under S. 933 in an action for a violation of a public accommodation"—we are not talking about a bus or a train or a plane; we are talking about a shoe store, about a grocery store. If they have 15 employees or more—"a private plaintiff"—and I continue quoting from the committee report—"can obtain an injunction and attorneys' fees."

Second, Mr. President, in that same section, but only through the attorney general's action—I believe, if I am not mistaken, this section of the report is Senator HATCH's own language—it is, as a matter of fact. It is in his observations or comments at the conclusion of the views entitled "Additional Views of Senator Hatch," and I commend Senator HATCH for those views. In this section Senator HATCH states that the court can award "civil penalties of up to $50,000 for a first violation and up to $100,000 for subsequent violations."

Mr. President, if I were a lawyer practicing law today in Magnolia, AR, or Corpus Christi, TX, or wherever it might be, I think that I could very easily find a few plaintiffs, find a technical breach of a small business, one, go to court, get an injunction, get attorneys' fees and ultimately stick that small business on a first offense, whether there was ever an intention to discriminate against that individual or not, with a first penalty of $50,000, and a second penalty for a second offense of $100,000.

Mr. President, I fear that what we are passing—and the intentions, once again, are wonderful; they are absolutely beyond reproach or question—but we are passing, I think, a lawyers' dream. This is a bill that is going to create thousands of court cases in these instances that we have just discussed, and I do not know whether we are prepared to make this sort of a leap forward at this time doing as much as we are about to do.

Mr. HATCH. Will the Senator yield?

Mr. PRYOR. I am glad to yield.

Mr. HATCH. Let me correct the Senator on one thing. I agree with what he says, but with regard to the civil penalties they can only be assessed pursuant to an attorney general action.

We need to get that clarified because the bill, we went through that bill. We decided that we will knock out the private action. Only through an attorney general's action can those kind of penalties be set. But the point that the Senator is making, he is allowing up to $50,000 for the first offense and up to $100,000 for any subsequent offense. So it is a very, very tough penalty section, and something that does not exist under the parallel statute of the Civil Rights Act of 1964.

The Senator is correct in raising the importance of that issue, and people should know that. This bill is a tough bill. It is going to protect the rights of the persons with disabilities like they have never been protected before. I am glad the distinguished Senator supports the bill in spite of that.

Mr. PRYOR. Let me say I hope I can support this bill I have some questions. I am not going to be labor and take all the time of the Senate this afternoon asking those questions. I think the Senator from Massachusetts may want to comment or maybe straighten me out on something I have said.

Mr. KENNEDY. I appreciate it. I appreciate my colleague from Utah mentioning this point that, under this bill, there are no damages in individual cases, except those involving public services, as under section 504. For individual suits for violations of the employment or public accommodations provisions, relief is limited to injunctive relief with attorneys' fees. To get injunctive relief, you have to be found to have violated the act, otherwise, the injunctive relief is not available.

So what we are basically talking about is injunctive relief when you have that restaurant that says, "No, you're drooling at the mouth," and the person says "I want to be able to go in there like someone else, even

though I have a disability." Under this bill, that person can get injunctive relief.

If the Attorney General finds reasonable cause to believe there is a pattern and practice of discrimination, he is empowered to bring this matter to the court. Then only if he is successful and prevails he can seek damages, and the court can impose civil penalties.

Finally I just say to the good Senator that I do not know whether he supported the fair housing legislation, but the fair housing legislation had damages in addition to the same penalties that are included in here.

Finally, I would just say, Mr. President, if you look back at the history of section 504, you do not find many individuals who have mental and physical disabilities that have the time or the resources to go down to the courthouse to be able to get that injunction and bring the case.

For the most part, they are spending their full time just coping with the difficulties and challenges of life. What we have seen in the areas of the disability movement is a different pattern in terms of litigation than has been in the case of some of the other violations of the basic civil rights.

So I want to give the assurance to the Senator from Arkansas that the points that have been raised by the Senator from Arkansas are legitimate concerns if we had gone in different directions on this bill. I, personally, would have preferred that we go in that direction because we have seen in the past that where we do not provide an adequate remedy we do not get compliance. That was the trouble with the 1968 Fair Housing Act. That is why we had to revisit it in 1988.

But nonetheless, this judgment has been made, and I think it is a fair judgment. And I accept the statements of the President of the United States, and the Attorney General that if these remedies are not effective he will support making them stronger.

So this is the balance we struck. But I thought we were primarily focused on the amendment of the Senator from Utah, and the matter of the Finance Committee's jurisdiction. So I was reluctant to get into the basic substance of these measures now. But I wanted to assure the Senator from Arkansas because he has spoken with us about these matters previously, and he is a staunch defender of small business.

I thank the Senator.

The PRESIDING OFFICER. The Chair would inform the Senator that the Senator from Arkansas has the floor.

Mr. PRYOR. Mr. President, I thank the Chair.

I want to commend my friend from Massachusetts and thank him. He has been a long time leader in this fight to protect those people who are disabled, those citizens who are disabled, to guarantee them their rights and they must have these rights. We, as a public policy, have waited too long to grant them those rights. The Senator from Arkansas knows this. All I am attempting to say this afternoon is exactly what are we doing? Are we going too far in some of these areas of penalty? Do need to tighten up the definition of disability? Are we creating a lawyer's mecca here? I do not know these answers. I think the General Motors and IBM's and Fords and Chryslers can deal with these issues, Mr. President. However, I imagine that 85 percent of all of the employers in my State definitely are small business people, and they are working 25 people, or less, along in that number somewhere. Some of these penalties will put them out of business.

I do not know whether they have to show intent, if they are discriminating or not. It is extremely loose, in my opinion, as to the damages the penalties, and how we are going to assess those penalties.

Mr. HATCH. Will the Senator yield?

Mr. PRYOR. Yes.

Mr. HATCH. I believe the Senator is making some very appropriate points. I am for this bill. It has to be tough. We have to do what is right for the persons with disabilities. Let us not deceive ourselves. This can be a tough bill, because it applies across the board to all businesses. The Civil Rights Act of 1964 does not. It limits its published accommodations sections. This bill does not.

In that regard, to make his point, because my State also is a State primarily of small business—I think most States probably are—I have a letter written today by the National Federation of Independent Businesses, the organization that represents 570,000 small business owners, 570,000 of them. I ask unanimous consent that this letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL FEDERATION OF INDEPENDENT BUSINESS,
Washington, DC, September 7, 1989.

Hon. ORRIN HATCH,
Ranking Minority Member, Senate Labor and Human Resources Committee, U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: On behalf of the 570,000 business owner members of the National Federation of Independent Business, I am writing to offer our support of your amendment to provide a refundable tax credit for $5,000 for small businesses to comply with the provisions of the Americans with Disabilities Act (S. 933).

The ADA bill requires business owners to pay for the entire cost of accommodating the disabled. Since the desire to provide greater access to the disabled is a societal goal, the cost of providing the access should not be the sole responsibility of business owners, but rather shared by the general public. Sharing the costs of compliance equitably can be accomplished in some degree by a refundable tax credit.

Proponents of the ADA bill have claimed that accommodating the disabled will entail little expense. If this is indeed true, the Hatch amendment will not require significant funds. However, if expenses are more than anticipated by proponents of the bill, small business owners will not be so heavily penalized by requirements of the ADA bill if this amendment were to be passed.

NFIB would prefer a small business exemption due to the ambiguities in the ADA bill, the excessive penalties, and other provisions that make compliance particularly difficult for small business owners. However, your tax credit amendment begins to address some of the concerns of small business owners.

Sincerely,

JOHN J. MOTLEY III.

Mr. HATCH. I think that makes the distinguised Senator from Arkansas' case even more important. I also add that the advantage of this tax credit approach is that it also encourages small businesses to go ahead and make accommodations, if there are requirements under the letter of the law or the regulations are uncertain. They are going to want to make these changes. That is the purpose of this amendment. They will want to comply in advance. It will be that much quicker to help our people with disabilities in this country. It is a good idea. We literally should not defeat this on the floor of the Senate today. Now is the time to do it. This is the place to do it. I just wanted to make those points while the distinguished Senator had the floor.

Mr. PRYOR. I thank my friend from Utah. Mr. President, I understand that Senator DOLE has arrived on the floor, and I know there was a discussion about committee jurisdiction, and other items. So at this point, Mr. President, I will yield to the Senator from Kansas, Senator DOLE.

Mr. DOLE. I will just take 1 minute to indicate my opposition to the amendment. I think it is well-intentioned. I can see why the business groups are for it—the Government pays the bill. It is a 100-percent tax credit, a new entitlement program, and it is refundable. Why not be for it? Nobody knows how much it will cost. As far as I know, there is no estimate of the cost, and I do not know how we offset it. It is subject to a 311 budget point of order.

I say to the Senator from Utah, I do not disagree with what he wants to do. We are going to include small business, and certainly there will have to be some changes made by small business and some are going to be painful. However, we have a provision in the statute now—section 190 of the Internal Revenue Code—in fact, it is an amendment offered years ago by myself and the distinguished Senator from Minnesota at that time, Senator

Mondale, which allows a tax deduction up to $35,000 for the removal of architectural barriers for the handicapped. It has been working very well.

Mr. President, I ask unanimous consent that a copy of section 190 be printed in the RECORD.

There being no objection, the section was ordered to be printed in the RECORD, as follows:

[Sec. 190]

SEC. 190 EXPENDITURES TO REMOVE ARCHITECTURAL AND TRANSPORTATION BARRIERS TO THE HANDICAPPED AND ELDERLY.

[Sec. 190(a)]

(a) TREATMENT AS EXPENSES.

(1) IN GENERAL.—A taxpayer may elect to treat qualified architectural and transportational barrier removal expenses which are paid or incurred by him during the taxable year as expenses which are not chargeable to capital account. The expenditures so treated shall be allowed as a deduction.

(2) ELECTION.—An election under paragraph (1) shall be made at such time and in such manner as the Secretary prescribes by regulations.

[Sec. 190(b)]

(b) DEFINITIONS.—For purposes of this section—

(1) ARCHITECTURAL AND TRANSPORTATION BARRIER REMOVAL EXPENSES.—The term "architectural and transportation barrier removal expenses" means an expenditure for the purpose of making any facility or public transportation vehicle owned or leased by the taxpayer for use in connection with his trade or business more accessible to, and usable by, handicapped and elderly individuals.

(2) QUALIFIED ARCHITECTURAL AND TRANSPORTATION BARRIER REMOVAL EXPENSE.—The term "qualified architectural and transportation barrier removal expense" means, with respect to any such facility or public transportation vehicle, an architectural or transportation barrier removal expense with respect to which the taxpayer establishes, to the satisfaction of the Secretary, that the resulting removal of any such barrier meets the standards promulgated by the Secretary with the concurrence of the Architectural and Transportation Barriers Compliance Board and set forth in regulations prescribed by the Secretary.

(3) HANDICAPPED INDIVIDUAL.—The term "handicapped individual" means any individual who has a physical or mental disability (including, but not limited to, blindness or deafness) which for such individual constitutes or results in a functional limitation to employment, or who has any physical or mental impairment (including, but not limited to, a sign or hearing impairment) which substantially limits one or more major life activities of such individual.

[Sec. 190(c)]

(c) LIMITATION.—The deduction allowed by subsection (a) for any taxable year shall not exceed $35,000.

[Sec. 190(d)]

(d) APPLICATION OF SECTION.—This section shall apply to—

(1) taxable years beginning after December 31, 1976, and before January 1, 1983, and

(2) taxable years beginning after December 31, 1983.

Mr. DOLE. I have now been working on a revision of that provision which will be revenue neutral, and will do what the distinguished Senator from Utah wants to do—that is, to give small businessmen and small businesswomen some incentive and some relief as to meet some of the requirements in this bill.

I intended to propose this amendment at a later time in the discussion of this bill, and describe it in full, at that time. Code section 198 is going to be revised, and we are going to lower the annual deduction to $25,000 and we are going to make deductible all the expenditures required in this bill. By doing that—this amendment will be budget neutral, and there is not going to be any cost to the Federal Treasury. It has been discussed with staff at the Finance Committee who prefer that the amendment not go in this bill because that committee has no jurisdiction here. I hope to be able to put it in reconciliation, which will be following along here in about 30 days, because I believe and the Senator from Utah believes this is a very important concept. Nevertheless, I could not support a 100-percent refundable tax credit. What is the limit on the size of the business?

Mr. HATCH. Totally limited to small businesses less than 15 employees. The tax credit is up to $5,000, and for those that have less than $1 million in total gross receipts.

It is also limited only with regard to existing structures, because under this bill all future structures are going to have to meet all of these requisites. We are talking about a very limited situation here that is going to be a tremendous encouragement for small businesses to move ahead and comply and help persons with disabilities to utilize their services. This is a credit, not a deduction, which many small businesses would not benefit that much from.

Mr. DOLE. I think there always is that argument, credit or deduction. Credit always sounds better. However, in many cases, a $25,000 deduction, is even better than the proposal of the Senator from Utah.

It seems to me that you have a jurisdictional problem here, a cost problem here, and I would say—with respect to the Senator from Utah in his support of this legislation—that I am compelled to oppose the amendment.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I wanted to thank my colleague from Kansas for his remarks. Something else occurred to me, and I discussed this earlier with the Senator from Utah. That is, that we have already in the bill that any changes have to be reasonable, and accomplished without any undue burden; we have all of that in the bill.

My concern is that if you had a $5,000 refundable tax credit, a small business of the type that the Senator from Utah is talking about but maybe it would only require a $100 modification, such as a change in the hinges on a door, or something that may require $250 or $50, for example.

If the business person says, "Gosh, I can get $5,000 back from the Government; I will put in a whole new front to my store," That is what bothers me about this.

I think there can be very modest changes that can be made that may cost $25, $50, $100. What the heck if I can go to the trough, and I can get $5,000 back in refundable tax credits, I might modify a whole bunch of things.

OPPOSITION TO HATCH TAX CREDIT AMENDMENT

Mr. DURENBERGER. Mr. President, I rise to oppose the amendment offered by the distinguished Senator from Utah [Mr. HATCH]. Although I am sympathetic to the idea of helping companies meet the financial costs associated with complying with this legislation, the constraints of the budget deficit make it very difficult, if not impossible, to find additional Federal revenues to help offset these costs.

One of the main problems associated with this legislation is that we have absolutely no idea what the cost to the Federal Government will be if we adopt this amendment. We have held no hearings on this matter in the Finance Committee. Nor do we have any idea of whether the proposed $5,000 tax credit bears any relation to the costs associated with this legislation. In fact, it appears that this tax credit provides money far in excess than would be needed for most small businesses to comply with this legislation. According to one estimate, 51 percent of the accommodations that must be made will bear nominal costs, and an additional 30 percent of company expenses will cost less than $100.

More importantly, if we adopt this amendment, we will endanger any realistic chance that this important legislation will be adopted by the House this year. As all of my colleagues know, the Americans With Disabilities Act is legislation that has originated in the Senate. Any effort to add a tax component to this legislation will almost guarantee that this legislation will be procedurally set aside when it reaches the floor of the House.

Mr. HATCH. First, after all, the treasurer would issue regulations and, second, those responsible under this bill would have to move on under regulation to show what is reasonable. We would be putting the pressure where it should be—on the bureaucracy and not on the small business person. There is no way they are going to get away with remodeling the front of their building.

The fact of matter is I am afraid what we think in the Federal Government as a relatively modest cost, to them may be monumental under the circumstances.

So the advantage of this amendment is that it is not going to be a very costly amendment. I think it is going to force the bureaucracy to face the music that they cannot make it costly. They cannot put too much onerous burdens on these small business people. It means the Federal Government can no longer hand it to the small business people and say, "We pass it; you guys take care of it yourself."

I know the distinguished Senator does not want to do that. I do not want to do that.

A tax deduction will not solve it. Whatever way you look at it, it is only a partial reimbursement at a later date to the small business person who may be suffering untold business disadvantages because of the burden that is placed upon them.

I just do not see why it is such a big problem.

Mr. HARKIN. Mr. President, I retain a little bit of my time here. I am going to have more to say before the close of the debate on this amendment.

I sympathize with the Senator from Utah. I have a lot of small businesses in my State, too. I want to reach some kind of area where we can address those legitimate concerns of modifications that they may have to make.

As I keep pointing out, the bill specifies that they have to be readily achievable, easily accomplishable, no difficulty, no undue burden, not costly. Those are all things that are in the bill.

I want to make sure that we are not doing something here with this amendment that will really cost the taxpayers a lot of more money in terms of this refundable tax credit.

This ought to be an issue which is brought up on the finance bill at some point down the road but certainly not on this legislation.

The PRESIDING OFFICER (Mr. ROCKEFELLER). The Senator from Texas.

Mr. BENTSEN. Mr. President, the Budget Act clearly stipulates that if you cut the revenue below the levels established in budget resolution it is subject to a point or order. That is the way it ought to be. It is incredibly difficult for us to meet the Gramm-Rudman targets. We are striving to meet them. We are making a lot of sacrifices and shifting priorities. But this amendment is a killer amendment that jeopardizes the Disabilities Act.

The House is exceedingly jealous about their constitutional prerogatives. We have experienced it time and time again when we have tried to attach a tax provision to an S. numbered bill. Watch them blue slip it. How many times do they have to do it before we begin to understand that?

The Tax Code already provides a tax deduction to encourage businesses to make their facilities accessible to the handicapped. Under current law, businesses may deduct up to $35,000 of the costs they expend to remove these barriers.

Now my colleague from Utah says that he wants to add $5,000, a refundable tax credit that would be indexed to inflation. The cost of the credit is likely to escalate year after year.

My friend from Utah does not even give us an estimate. I appreciate his candor. He says he does not know what it is going to cost. He has no idea what it is going to cost. Do you think that is the way we ought to be legislating around here, at a time when we are in a real budget crunch? When we are trying to make ends meet for the taxpayers of this country? Is that a responsible way to legislate? The Finance Committee will be putting together a reconciliation package. We will consider many tax questions involving small businesses. The Finance Committee is the appropriate place to address this issue. We have jurisdiction over this issue. In addition, we have the expertise and staff with experience in dealing with these problems.

I stated an hour or so ago, that I was going to raise a point of order against this amendment. Mr. President, I now make the point of order that the Hatch amendment No. 709——

Mr. HATCH. Mr. President, will the Senator withhold the point of order for a few final remarks?

Mr. BENTSEN. I will withhold my point of order.

Mr. HATCH. I appreciate that.

Mr. BENTSEN. We have been discussing this one for approximately 2 hours.

Mr. HATCH. It is an important amendment.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I appreciate the accommodation by my colleague. I will be brief because I believe we have exhausted some of the aspects of this amendment.

Mr. President, this is not a killer amendment. If it passes, it is going to be encouragement to small businesses to comply ahead of time. It is going to cause a lot of small businesses to not go out of business. It is going to be a basis for stopping the loss of jobs in our society. I think it is the appropriate thing to do since the Federal Government is making these band-aided approaches.

Mr. President, when one offers an amendment that affects the Tax Code, I think you have to expect arguments from the members of the Finance Committee. Nothing in this Chamber is more forcibly guarded than that committee's jurisdiction. I only wish such loyalty were given to the jurisdiction of other committees as well.

The fact is, for the record, I have requested an estimate of the revenue impact of my amendment from the Joint Committee on Taxation. I have yet received a response. I would be surprised if an accurate estimate can be made because we really have no idea what it will cost a small business to comply with this bill.

Some of my colleagues on the Committee on Labor and Human Resources have repeatedly asserted that the cost to small business will be de minimus, and I am perfectly willing to take them at their word.

I might mention I heard complaints by representatives of the administration. They thought it would cost maybe a couple hundred billion dollars. If that is so, so be it. It is a modest cost compared to the pain we are going to put small business owners through if we pass this bill without this type of an amendment.

We as an institution, at some point, have to come to terms with the simple fact that Federal requirements on the private sector cost money. Even the most meritorious requirement providing access to those with disabilities cost money. What is wrong with helping the small business person meet the requirements that we as the Government impose upon him or her?

Instead of waiting for a court or bureaucracy to determine what is a reasonable cost or undue burden, why not provide assistance and incentive for small business to comply affirmatively with this bill? We are told this idea may have merit, but this is the wrong bill, the wrong time, anything which addresses the Tax Code must originate from the Finance Committee. Regardless of the merits of the proposal we have to wait until the committee acts.

This was the argument that was used when we tried to address the problems with catastrophic health care. This was the argument used when some of us wanted to address the problems with section 89, and this is the argument that was used when some of us wanted to provide a realistic solution to problems facing the working poor through use of an earned income tax credit.

There is nothing barring this body from acting today on this issue. There is nothing barring us except the will to take responsibility for the requirements we are going to impose upon American business.

Mr. President, the Tax Code helps those with gambling debts. It helps those who want to throw lavish parties for clients. It helps persons pay for exotic business meetings. But it will not help small businesses that must abide by a new law by rules we are just

making. Why not? Some have argued we already provided tax reduction from some of the cost of helping those with disabilities by a tax reduction is meaningless to a small store in rural Utah that has to build a ramp and widen its doors so those with disabilities can use the store. Such charges may cost only $500 or $600 but that may be a lot of money to that poor little store in rural Utah.

Today, we are creating a brandnew expense. A tax reduction is meaningless, with all due respect. In order to help those with disabilities become more fully mainstreamed into society, a tax credit is needed.

Mr. President, we are asked to wait until the future to consider this issue. We are asked to wait until the Finance Committee decides this is an appropriate issue to be addressed.

What better time is there than now to help those who must pay these costs, than on the legislation that creates the cost and the one that creates these new requirements?

Mr. President, this is an important issue. I really believe that this is the time to do this or I would not bring this up. I feel badly that the distinguished chairman of the committee had to be here for 2 hours. But this is important. This is landmark legislation. This is legislation that is so sweeping that it is going to affect every business in America, something with regard to public accommodation that the Civil Rights Act of 1964 does not do and with good reason.

I suppose there will be those, once this passes, who will come in and say now we have to do it also under title II of the Civil Rights Act. Well, there is good reason why we did not do it then and good reason why we do not want to do it today. The bill is sweeping and it covers every business in America. It provides burdens that are mandated on the backs of those business people. If they do not comply with them and if they are found guilty and subjected to the penalties provisions of this act it could be very, very costly.

This is a small business amendment. It is hard for me to see why anybody would vote against it. And it may go down to defeat. But I want all of our colleagues to understand that this is the small business amendment. This is the amendment that I believe provides equity to persons with disabilities and it provides equity to small business people throughout this country, especially the small small business people for whom it is intended. I think it also provides equity by forcing the Federal Government to be responsible. The Federal Government often does not take any responsibility. We say, "Well, that is tough." "That is your problem." Well, I am tired of hearing that. I came here to try to change that. That is why I am offering this amendment. And, frankly, it is not a killer amendment.

I have a personal belief that the House would gladly take this amendment because it makes sense. It encourages people to comply with the law. It says to the Federal Government, "You may not make the laws too ambiguous. You better not make them too burdensome. You better not pour it on our small small business people. You better do what is right. And you bureaucrats, you are going to cost us a lot of money if you do not." To me that makes good sense and provides good legislation by proposing solutions in advance. It is such language that occasionally is going to have to be added to major pieces of legislation like the ADA bill because it needs to be done at the time the legislation is passed. So everybody knows that small business is going to have a break but that people with disabilities will also be better off because this amendment will make that happen. It is a lot better than having a 15-person exemption that may unnecessarily exempt businesses that really should not be exempted.

I just think that we ought to vote for this amendment. But since the distinguished Senator from Texas is going to raise the point of order, I will then move to waive the appropriate section of the Budget Act and hope that we can resolve the matter with a final vote.

Make no mistake, if you are for small business, then you should be for this amendment and we have to defeat this point of order or the ruling of the Chair, whichever the case may be. It seems to me only through doing that could we protect the interest of both the disability community and the small, small business sector, all of them, pursuant to a bill that is going to be enacted hopefully today. A bill that is sweeping, that is broad, and that provides tremendous obligations. I do not want anybody to misconstrue it. I know that is what is going to happen. And I think anybody who read this bill or worked on it knows that is going to happen. Frankly, I am going to be for the bill regardless of what happens here. But I hope my colleagues will support me on this.

Mr. BENTSEN. Mr. President, while I am sympathetic to the concerns raised by Senator HATCH, I strongly disagree with his approach.

Make no mistake about it, a vote against this amendment is a vote for fiscal responsibility in budgeting. We are trying to meet very stringent budget objectives. Eventually we want to balance the budget and eliminate our enormous deficit. So we must have the courage to oppose amendments where the sponsor doesn't know or care about the cost.

People that vote for this amendment are voting for a change in law that may cost a significant amount of revenue. We do not know the precise amount but rest assured the taxpayers of this country would have to pay. In addition it would make our task of meeting the Gramm-Rudman targets even more difficult. We wrote several provisions into the Budget Act to make it very difficult for the Senate to adopt provisions that will reduce the revenue below the levels set forth in the budget resolution. So it takes 60 Senators to waive the point of order that I am prepared to raise.

I heard the Senator from Utah say a $35,000 tax deduction is meaningless. I disagree. A $35,000 tax deduction provides businesses with a significant cost savings. It's not meaningless. It was enacted to help businesses that remove architectual barriers to the handicapped. And it was done in the Finance Committee which has the jurisdiction over this issue.

The Constitution provides that revenue bills must originate in the House, and the House insists on that prerogative. Time and time again when someone has successfully attached a revenue measure on a Senate bill, the House has sent the bill back. Keep in mind that we are dealing with a very important piece of legislation. Many Senators have worked hard on this legislation, but this amendment would kill the bill and all that work would go down the drain. That must not happen.

I am a strong supporter of this bill and I do not want to see this piece of legislation "blue-slipped." That is why I must raise this point of order.

Mr. President, that is also why you saw the minority leader, Senator DOLE, and the ranking minority member of the Finance Committee, Senator PACKWOOD, opposing this amendment. I have also been advised that the administration opposes this amendment.

Mr. KERREY. Will the Senator yield?

Mr. BENTSEN. Yes. However, I have been trying to make a point of order for almost 2 hours.

Mr. KERREY. I appreciate the patience of the Senator. I have been trying as well to just make a couple of comments in support of this amendment.

I would just ask for a few minutes to make a comment.

Mr. BENTSEN. I have no objection.

Mr. KERREY. Mr. President, I have tried as a freshman Senator to adhere to the procedures of the Senate. Earlier during debate on the catastrophic protection bill upon which I did not vote, I was asked to wait and I have respectfully, out of respect for the chairman of the Finance Committee, I have waited. And I believe that the chairman of the Finance Committee with the Finance Committee is apt to make

a proposal that will solve the problems that we are currently having with catastrophic protection, set aside what I normally have opted for and tried to adhere to procedures. I attempted to do that.

My difficulty here is I have a personal stake in this bill. I believe the bill is not only needed but it enables the United States of America with pride to stand in the world community and say that when we say we are for liberty and justice for all, we mean it, not just for those who have great resources and strength, but we mean it for everyone. And I hear in remarks of the Senator from Texas that he supports that conceptually. He does not oppose this bill. He supports the bill and its intent strongly.

However, I am also in the position of understanding what small businesses are apt to face by this. The Senator from Utah asked me if I would cosponsor his amendment. I did so gladly because I understand that it is going to be difficult for us to explain that we are voting against this amendment out of our concern for a balanced budget and fiscal responsibility at the moment, in this fiscal year, when we were borrowing in excess of $200 million to pay for fiscal bills.

We are going to be borrowing from Americans, driving the interest up for these small businesses that are trying to stay alive and then we come up with a proposal that will mandate for them to make a variety of adjustments in their physical plant.

The first thing each and every one of them are going to say is, "What does this do? What does it mean?"

We should understand, as I am sure most of my colleagues do, that the very small business that this amendment addresses, will not have the resources to be able to hire an attorney or some other specialist to be able to figure it out. They are going to be wondering whether or not they are in compliance with the law and they are going to have to incur, if not some expense, certainly some of their principal operating officer's time to try to figure out what to do.

Then, once they found out what to do, they will unquestionably have to incur some expenses. The thing I find the most appealing about this amendment, with all due respect, is the procedure that says we are going to provide the assistance to those who are least able to afford it. The larger businesses of the United States of America are apt to have already made adjustments and they are apt to have not only been able to figure out what this means, but they will be able to apply their resources to adjust to the rules accordingly.

This particular amendment does, in fact, provide equity, I think, for those who need it the most. So as not to divide this Nation between employers and small business people and the handicapped community, it seems to me, this amendment needs to be adopted.

I appreciate again very much the patience of the Senator from Texas in permitting me to make these remarks. I urge my colleagues to give this amendment full consideration and to vote for it accordingly.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, I have great respect for the distinguished Senator from Nebraska. I am a cosponsor of this piece of legislation. However, I have seen a number of important pieces of legislation "blue-slipped." I do not want that to happen to the Disabilities Act.

So, Mr. President, I make the point of order that the Hatch amendment, No. 709, violates section 311(a) of the Budget Act.

Mr. KOHL. Mr. President, I rise in reluctant support of the budget point of order raised by Senator BENTSEN against the amendment offered by Senator HATCH.

The Hatch amendment represents a good idea: The Federal Government should not force businesses to pay for all of our social legislation. I believe the Americans With Disabilities Act has been carefully drafted to minimize that burden. The bill makes it clear, for example, that business may be required to make modifications in existing facilities only if the cost of doing so is reasonable and does not create an undue burden. If, as the advocates of the bill claim, most of those costs would be in the range of a couple of hundred dollars, then clearly that is a cost which business can reasonably absorb. In fact, it might well cost them more to fill out the paperwork to get a tax credit than the cost of the alterations.

Despite the good efforts of the authors of the bill, I can understand why Senator HATCH is concerned. Good efforts have resulted in bad results in the past.

Unfortunately, I have some problems with the particulars of the Hatch amendment. First, it is dangerous to adopt any legislation that has not been carefully reviewed. This amendment has been through no review; the first time I saw the details was when it was offered today on the floor. Adopting it today would be the kind of mistake we got into with section 89, a mistake no one wants to repeat.

Second, we have no estimate of how much the amendment will cost the Federal Government. It may be a good idea to provide some economic relief to small businesses. But before we ask the taxpayers of America to provide that relief, we should know what the cost will be.

Finally, the bill will not help those businesses who have to undertake extraordinary expenditures. If costs run over $5,000, the business will have to pay for everything. Their liability is open ended. I think these extraordinary expenditures are precisely the ones the Government should help pay.

All of these problems can be addressed, but they take time. The problem of incentives can be addressed with modifications to the Hatch legislation. For example, we could provide an 80-percent tax credit for expenditures over $3,000 or some other appropriate amount. This would provide small businesses with some relief without encouraging wasteful spending.

The problem of cost will be addressed as soon as cost estimates are provided by the Joint Committee on Taxation.

And the unforeseen problems could be corrected through the normal hearing process.

I understand that Senator DOLE may seek to insert language in the reconciliation bill which would address some of these issues. Other Members have introduced bills which also seek to provide the protection that business is entitled to. I will work to see that those efforts are fully considered so that adoption of this legislation does not create unfair burdens on businesses.

I regret that the weight of Gramm-Rudman has fallen on the amendment today. But I believe we would serve this Nation best by waiting until a more careful review of the legislation is undertaken. I will do everything I can to speed that review and assure that businesses in Wisconsin and throughout the Nation get any relief that is needed.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I move to waive section 311(a) of the Budget Act pursuant to section 904(b) of the act and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Utah.

The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. ADAMS], the Senator from Montana [Mr. BAUCUS], the Senator from Ohio, [Mr. GLENN], the Senator from North Carolina [Mr. SANFORD], and the Senator from Tennessee [Mr. SASSER] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Montana [Mr. BURNS], the Senator from Alabama [Mr. MURKOWSKI], and the Senator from Delaware [Mr. ROTH] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 48, nays 44, as follows:

[Rollcall Vote No. 170 Leg.]

YEAS—48

Armstrong	Garn	McCain
Biden	Gorton	McClure
Bingaman	Grassley	McConnell
Bond	Hatch	Nickles
Boren	Heflin	Nunn
Boschwitz	Helms	Pressler
Breaux	Humphrey	Reid
Bumpers	Jeffords	Rockefeller
Coats	Johnston	Shelby
Cochran	Kassebaum	Simpson
Cohen	Kasten	Specter
Conrad	Kerrey	Symms
DeConcini	Kerry	Thurmond
Dixon	Lott	Wallop
Exon	Lugar	Warner
Fowler	Mack	Wilson

NAYS—44

Bentsen	Gore	Metzenbaum
Bradley	Graham	Mikulski
Bryan	Gramm	Mitchell
Burdick	Harkin	Moynihan
Byrd	Hatfield	Packwood
Chafee	Heinz	Pell
Cranston	Hollings	Pryor
D'Amato	Inouye	Riegle
Danforth	Kennedy	Robb
Daschle	Kohl	Rudman
Dodd	Lautenberg	Sarbanes
Dole	Leahy	Simon
Domenici	Levin	Stevens
Durenberger	Lieberman	Wirth
Ford	Matsunaga	

NOT VOTING—8

Adams	Glenn	Sanford
Baucus	Murkowski	Sasser
Burns	Roth	

The PRESIDING OFFICER. On this vote, the yeas are 48, the nays are 44. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The Chair would rule at this point that the adoption and enactment into law of the Hatch amendment to S. 933 would increase the amount by which revenues are less than the appropriate level of total revenues set forth in the concurrent resolution on the budget for fiscal year 1990 in violation of section 311(a) of the Budget Act, and as a result the point of order is well taken and the amendment falls.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, I commend the managers of the legislation for the dispatch with which they have handled that matter—all of the Senators who are interested in what is obviously important and, in many respects, controversial legislation.

I now am advised by the managers that the number of remaining amendments has been significantly reduced with just a relatively few remaining. It is my hope, noting the presence on the floor of the distinguished Republican leader, that he will join me in urging all Senators who have possible amendments to be prepared now to come forward and present them so that we may be able to complete action on this matter this evening. Notice of this matter being brought up today was provided Senators over a month ago. Senators should have had the opportunity to prepare themselves for this debate and action, and it will be much to the convenience of all Senators if we could complete action giving everyone the opportunity to be heard and giving everyone the opportunity to present whatever amendment each Senator wishes. I do not want to suggest cutting off anyone in that regard, but we are on the bill, and I hope those who have amendments will bring them forward for full debate and decision on them.

I am pleased to yield now to the distinguished Republican leader.

Mr. DOLE. Mr. President, I want to agree with the distinguished majority leader. I think a number of the amendments are being worked out or have almost been worked out. Some have been worked out and some will be offered very quickly in that modified fashion.

It seems to me there is no reason we cannot complete action on this bill early this evening. There is one area—transportation—under negotiation. Perhaps that can be resolved, which will expedite the process.

But as the majority leader indicated, nobody should be surprised that the bill is on the floor because we have had about 30 days' notice that it would come up this week.

So I join the majority leader. If anybody on this side has an amendment if they would notify staff, or Senator HATCH, the manager on our side, we can take up those amendments as quickly as possible to complete action on this bill hopefully early this evening.

FLOOR PRIVILEGES

Mr. MITCHELL. Mr. President, I ask unanimous consent that Shawna Davies, Susan Newberger, Sally Dunn, and Lisa Gorove be granted floor privileges during consideration of the pending legislation, S. 933, Americans with Disabilities Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, will the majority leader yield?

Mr. MITCHELL. Yes.

Mr. HELMS. Incidentally, I say hello to him. I hope he had a good recess.

Mr. MITCHELL. Yes. I had the good fortune to spend it entirely in Maine.

Mr. HELMS. That is almost as good as North Carolina.

I will say to the distinguished majority leader and the distinguished Republican leader that we have been able to work out definitely two of the three major concerns I had about this bill. I do not know how to describe this for the printed RECORD but we are very close to understanding the third thoroughly. If we are not able to reach that, we will have debate on it and a vote, but I think we will work it out.

I say that to explain why I am not going to call up the amendment right now. But I hope we can work it out. The staff of the distinguished Senator from Massachusetts [Mr. KENNEDY], and my staff worked on it last night, and this morning.

I thank the majority leader.

Mr. MITCHELL. I thank the Senator from North Carolina, and I appreciate his informing us of the progress on the matters with which he is concerned.

I think the managers intend to deal with other pending amendments in the hopes that this can be worked out. If it cannot be, when the others are completed, we can take that up and complete action.

Mr. HELMS. I thank the distinguished majority leader.

Mr. MITCHELL. I thank all Senators, and yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. HATCH. Mr. President, I have to say I was pleased that we had a vote on that point of order. It was apparent to 48 Senators against 44 who decided that amendment was a worthwhile amendment.

Mr. President, I think we made a terrible mistake. What we have done here is left the public accommodations section alive without any protection to the small, small businessperson.

It is just typical of the work that we do here in the U.S. Congress. I do not blame the distinguished Senator from Iowa. He was in a box and I know it. The fact of the matter is we typically decimate business, especially small business, and act like it is their problem.

We do it by loading them up with Federal Government burdens in so many ways, and this is not an insignificant way. I can see many mom and pop stores, I can see many sole proprietorships, and I can see many small businesses with just a few employees who are going to get rid of those employees, and who are going to quit serving the public. They simply cannot afford to meet what really are reasonable accommodations. For businesses that make a lot of money, they can meet that burden. But it is a very serious burden for businesses that do not.

I did not expect to win on a point of order because the Finance Committee members all coalesced behind unity in the Finance Committee.

That is a smart thing to do in a lot of ways because it has a degree of uniformity and a degree of unity in a very important committee. But really I do not see why the rest of the Senators have to also fall in line.

This amendment was defeated not because it lost up and down, or won up and down, but that it has so much basis as the small business amendment. Those who voted not to waive the Budget Act voted against small business, and those who voted with us voted for it. Yes, I do not want to break the budget. If there is anybody that has a reputation around here for trying to balance the budget, I suppose I have to be one of them, especially as one of the leading proponents of the balanced budget constitutional amendment. But there comes a limit to all things.

When the Federal Government starts loading up the burdens for small businesses like this, even though it is justifiable from an ethic, moral, and societal standpoint, then the Federal Government has an obligation to help with the cost. I think it is what the vote shows, whether it becomes law or not is relatively unimportant as far as I am concerned. What is important is that there was a majority who thought the way I did; that small business is being taken advantage of unnecessarily by people here who are inconsiderate to their needs.

I am disappointed that we lost the amendment, however, I am elated that we got the majority of the votes on the amendment. It is unfortunate that we had to have 60 votes, but I myself am a supporter of the Gramm-Rudman-Hollings Act, and I am supportive of the Budget Act to the extent that it works. So I cannot complain that it worked in this instance to prevent this particular amendment.

I think it is going to cost us a lot more than approximately $100 million to $200 million which it probably would cost in the tax credit area. It is going to cost us a lot more in loss of jobs and businesses, and perhaps downright hostility to those who are persons with disabilities.

I am not a Johnny-come-lately to the persons with disabilities area either. I have worked intimately and have been on every bill for the disabled since I have been here. I think I voted for virtually every bill that passed since I have been here and is now law. I have been a principal cosponsor of most of that legislation.

It is not like I am trying to cause a problem here, because I voted for this bill in committee without this language and saying straight up in committee I would try to amend it on the floor. Well, I did and I lost. That is OK. But it is not OK that hundreds of thousands of small businesses across this country are going to be in a bind, and in the process, the handicapped, and the small business people are hurt.

I think ultimately the Federal Government will be hurt because it will lose a lot of revenue it would have otherwise received. We will pay for it in the end. That is why, in very few instances, I would use a refundable tax credit to try to solve these problems.

Let me say that I think this bill is a monumental bill. I am for it. I am going to do whatever I can to get it passed today. There are things I wish we could change. There are things I wish we could do to make it better. I think in many respects it is long overdue.

This is the most sweeping piece of civil rights legislation possibly in the history of our country, but certainly since the Civil War era. It is pretty tough to say it is more sweeping than the 13th, 14th and 15th amendments to the Constitution. Again, I am talking about legislation, not constitutional amendments. It is important.

I personally believe every Member of this Senate ought to vote for it. That does not mean it is perfect. We are going to find that certain aspects of this bill are going to be very, very difficult upon implementation. I worry about that, because I really feel that in the end it hurts the very people we are trying to help here. In the end, perhaps, we are going to do more harm to those with disabilities, in some instances, than we do good.

The Senate has spoken, and I can live with that. I have lived with it for more than 13 years.

I want to compliment the distinguished Senator from Iowa on the work he has done on this particular bill and tell him I am going to stand here until we get this bill done. I hope we get it done soon.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. I have stood here and listened to the remarks of my distinguished colleague and friend, because we have worked very closely on this bill, and I listened closely to the words he just said. I must say I am a little upset with the characterization of the Senator from Utah on the vote that was cast on the point of order that was raised by the distinguished chairman of the Finance Committee. The reading of the record would show that the Senator from Utah said this was a small business vote, and a vote against his amendment was a vote against small business.

Well, now, perhaps my friend, the distinguished Senator from Utah, really did not mean it that way, but if he did and if he wants to characterize that vote, maybe I can characterize the vote also.

A vote in favor of the amendment offered by the Senator from Utah was a vote to kill this bill. Make no mistake about it, it was a vote to kill this bill. Every Senator knows, just as Senator BENTSEN pointed out, that the Constitution provides that bills of revenue originate in the House of Representatives, not in the Senate of the United States.

Second, we know if this had been attached to this bill and went to the House, this bill would have gone nowhere, it would be dead. We have to go back to committee again and everything else after we worked painstakingly for a year and a half to bring this bill to the floor.

I do not care how much anybody wants to say how much they support this bill and want it passed; that vote was a vote that could have killed this bill and ended all of the work and effort that we have put into it painstakingly.

I am a little disturbed. I am disturbed by this characterization that somehow this was an anti-small-business vote. Nonsense. This was a vote to get this bill through and not to have it killed in the House of Representatives, because of constitutional requirements of where bills of revenue originate.

If the Senator wants to bring up this amendment on a Finance Committee bill or a reconciliation bill, then he will see some different votes, but I did not believe that we should vote on something like this here, because it would have killed this bill. People can embrace the bill and say how they love it, how they want to make sure it passes, and they are for individuals who are handicapped, and yet this amendment would have killed it.

I would also point out that this amendment was never offered in committee. It could have been, but it was not. It was offered here on the floor. Perhaps the Senator from Utah has a good reason why it was not offered in committee. I do not know. But it was not. We could have debated it there.

The Senator from Utah also said that—to use the phrase about falling in line—somehow Senator BENTSEN, the chairman of the Finance Committee raised a point of order and everybody fell in line. I want to make it clear that this Senator did not fall in line behind anybody. The only thing I did was to stand up for this bill, stand up for the Americans With Disabilities Act, to make sure that all of the work and compromises that have gone into this bill was not thrown away because of an amendment dealing with a tax issue which would have been attached to this bill, had it carried.

The Senator from Utah can characterize the vote as he wants to characterize it. I take slight umbrage about it—more than slight umbrage—the characterization of the last vote as an anti-small-business vote. That is nonsense. It was a vote to get this bill through, to make sure that the Ameri-

cans With Disabilities Act could get through to the floor of the House of Representatives and get to the President so the President can sign it.

This is a bill that has the support of President Bush, the support of 63 cosponsors, on both sides of the aisle, and as I mentioned earlier today, over 180 different organizations in the United States, including major religious organizations.

Are we going to jeopardize all of this work and effort because of a tax measure that is not going to stand on the floor of the House of Representatives? Many of us served in the House. I served over there for a whole decade. It would not stand 1 day over there. Maybe the Senator from Utah did not understand that. I do not know.

But the characterization of this vote as an anti-small-business vote is nonsense. There will be times in the near future, on finance bills, on reconciliation bills, when amendments to help small businesses legitimately to meet their responsibilities under this act will arise on the floor. This Senator intends to support them because that is the proper place and the proper time for it but not in this bill, which would have killed it.

Let us take it up on a finance bill. Let us take it up on the reconciliation bill. That is the time and place to do it.

So I think this comity that we have developed over the last several months in working together in an atmosphere of cooperation, mutual respect, and mutual support for this bill should not be attacked and destroyed at the last minute by a characterization of votes that tend to cast a pall or tend to cast a view on a person's vote that is not in keeping with what the individual person himself or herself may have wanted to do on that vote.

I think each person can characterize the vote for himself or herself. I do not think we ought to be about characterizing them as either antibusiness, and quite frankly I do not want to characterize those who voted for the amendment as going to kill the bill.

I am just saying that is the kind of quid pro quo you get into around here when you raise those kinds of issues and start characterizing votes around here. I think we should forget the business about this antibusiness vote or a vote to kill the bill. Let us move on. Let us keep this spirit of comity and mutual respect we had in the past.

Mr. HATCH. I will only take a minute, because I know the distinguished Senator from Minnesota wants to speak, and perhaps has an amendment.

Let me make the record clear; I am sorry the Senator took umbrage because I characterized that as a small business vote. It was a small business vote, and there is nobody who looked at it and listened to the arguments and understood what was going on who could think otherwise.

Does that mean he voted against small business? It depends on what was in his mind. I acknowledge that. Do not misconstrue it; it was a small business vote. I am not going to destroy our comity, either. I respect what the distinguished Senator has done. I take umbrage when I hear an argument that the House is going to reject this because it is unconstitutional, because all these bills have to originate in the House, or this kind of amendment has to originate in the House.

Come on. I trust that the House of Representatives understands the Constitution. It is explicity in this area. In article I, section 7 of the Constitution it says that "All bills for raising revenue shall originate in the House."

This is not an amendment for raising revenues, and anybody who understands the basis of constitutional law understands that. It would cost them revenues, perhaps. We do not know. But it certainly does not fit this particular description of the Constitution of the United States, and it was not a killer amendment.

I might also add that the majority of the Senators here disagreed with the distinguished Senator from Iowa. Had it not been for this Budget Act point of order, it would have passed, and rightly so, because it would help every small business in our country with less than 15 employees that has less than $1 million in gross income or gross receipts, that does not spend more than $5,000 trying to reach the accommodation mandates that a nameless, faceless bureaucracy will put on this bill.

To try to imply that I am trying to ruin this bill or scuttle this bill because I have come up with a legitimate amendment, is pretty offensive to me.

Mr. HARKIN. It is offensive to me that I am voting against small business, too.

Mr. HATCH. Let me just say this and maybe reduce the heat in this room. I repeat it again: I am on this bill not because I want to play games with it. Every once in a while I think that happens to be the case around here. I have been here for 13 years, on every disability bill that has passed. I helped work on them, write them, and fight them through the committee, and on the floor.

This one is no exception, and I am going to fight for this one. Do not tell me that that amendment was a killer amendment. There is no way it was.

I am happy to lick my wounds and admit I lost. I do not care; that is the way life is around here. If you want to win, you want to win; do not tell me it will kill this bill. I would not let it kill the bill. Before I let that happen in conference, I would have stripped it out myself, if that were the case. But it could not possibly be the case.

What it would have done is caused everybody in the Congress of the United States to start thinking it through when we start putting the burdens on the backs of small business. We are not just working for the persons with disabilities here. We have to work for the community as a whole.

When you can benefit them as well as small small business by an amendment like that, it makes sense. It is hardly an amendment that is going to fall because it offends the House of Representatives. I think the House of Representatives would have been glad to have that amendment in there.

Be that as it may, it passed because of majority vote but lost because of technicalities of procedures in the Budget Act. I am sorry I offended the distinguished Senator from Iowa. Make no mistake that was a small business vote.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. HATCH. I do not doubt for a minute his very sincere feeling for him and he was sincere in misconstruing the Constitution and believing the House would not take this. But I thought I made that clear during the debate with the distinguished Senator from Texas who did not refute my point once I made it, and once I read the exact language out of the Constitution.

So I am sorry if I have caused some discomfort to my dear friend from Iowa because I have not wanted to do that. I want to assist him and help him on this bill and not hurt him.

I have had my shot, and we have lost, so let it go at that. But I know what the small business community is going to do. They are going to say——

Mr. KENNEDY. Mr. President, will the Senator be good enough to yield?

Mr. HATCH. I yield.

Mr. KENNEDY. As one working with the Senator from Minnesota, Senator BOSCHWITZ, and the Senator from New Hampshire, I did not get a vote on the floor. I understand they are ready to offer their amendments.

Mr. HATCH. I am, too. Let me finish my remarks, and I will immediately turn it over to whichever Senator gets the floor.

Mr. KENNEDY. I thank the Senator.

Mr. HATCH. Let me say this. We are going to go from here and see what we can do to pass this bill. I hope we will be able to have those who have amendments come to the floor and go over those amendments and dispose of them one way or another, whether up or down, and go from here. At the end of this day I hope we have this bill. If we do, I think it is a great tribute to the distinguished Senator from Iowa, among others, and I will be one of the first to say it. I appreciate everything he has done.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, I would like to ask a few questions of the managers of the bill. I must tell you I feel this bill has come without much notice before the Senate. The report was ordered to be printed on August 30, 1989, and it just became available to us upon arrival back at the Senate. Now this very broad, far-reaching bill is immediately before us.

I might say that I interpreted the vote on the amendment of the Senator from Utah to be a small business vote. I do not know how else to interpret it. It was indeed a tax credit.

So while it is within the jurisdiction of the Finance Committee, certainly it is not going to make the bill any less invalid.

I wonder if I might ask the Senator from Iowa a couple questions about this bill, and if I could gain his attention.

The PRESIDING OFFICER. The Chair suggest: Does the Senator from Iowa wish to answer the question of the Senator from Minnesota.

Mr. BOSCHWITZ. I might say the Small Business Committee has held no hearings on this bill. I see the distinguished Chairman of the Small Business Committee. I hope we would be able to hold hearings on this bill at some future time even though it may have passed the Senate. We need to get an idea of what its impact will be on small business. It is an extraordinarily far-reaching bill, as the Senator from Iowa knows.

I very frankly think that most Senators do not understand the implications of some of the provisions.

Let me first, ask when you talk about employment, does the 15 or less employees mean full time or part time employees?

Mr. KENNEDY. I say to the Senator, I believe it is full time employees, those who work more than 22 hours a week.

Mr. BOSCHWITZ. Is there a definition of employees that the Senator from Iowa wants to answer?

Mr. HARKIN. The term employer means a person engaged from industry effecting commerce who has 15 or more employees for each working day in each of 20 or more calendar weeks in the current or preceding calendar year, and any agent of such person except that for 2 years following the effective date of this title and employer means a person engaged in industry affecting commerce who has 25 or more employees for each working day in each of 20 or more calendar weeks in the current or preceding year and any agent of such person. It is the same definition as in title 7.

Mr. BOSCHWITZ. But it includes part-time employees. I gather from that definition, they do not all have to be there at once is that right? Fifteen or more employees for each working day. So they may have four or five in the morning and five in the evening and six or eight in the middle of the day.

Mr. HARKIN. It says 15 or more employees for each working day.

Mr. BOSCHWITZ. But do they have to all be there at one time, I say to the Senator. Your staff is nodding their heads yes. Does that mean they will have to all be there at one time?

Mr. HARKIN. Well, if the Senator would just withhold for just a moment I will find out the exact answer. This is the same language that has been used in Title 7 for 25 years. So there must not be too much of a problem with it. If the Senator would just hold for a second we will find out if there has been any problem with it for 25 years.

Mr. BOSCHWITZ. I will ask another question.

Mr. HARKIN. Do you have another question?

Mr. BOSCHWITZ. I do. I ask whether or not it would apply to townships, municipal governments, and counties and so forth?

Mr. HARKIN. Yes, it does affect local governments.

Mr. BOSCHWITZ. It does effect all local governments?

Mr. HARKIN. Yes.

Mr. BOSCHWITZ. So even some people who are paid just a few dollars by a local government are included? This may well include even some very small localities?

I would like to ask a question regarding public services while the Senator is looking up the 15 employees. The bill says it requires public entities to purchase new buses and rail vehicles—I am reading, I must say, from the legislative notice not from the act—to assure that they are accessible to people with disabilities including people who use wheelchairs. I would like to know if that applies——

Mr. HARKIN. What section is that?

Mr. BOSCHWITZ. Well, you see now you're asking me the questions. I am supposed to be asking you. Which section is that? As I say I am reading from a legislative notice.

My question is whether or not school buses are included in this. It is not clear to me from reading either the notice or the legislation. I found the section—page 54 of the bill, section 203:

> As used in this title, the term "public transportation" means transportation by bus or rail, that provides the general public with general or special service on a regular and continuing basis.

Then it goes on to talk about vehicles.

Mr. HARKIN. If the Senator would yield on that point, in the report accompanying the bill, on page 45, I believe that would answer the Senator's question regarding school buses. If you will look at the bottom of the page, it says, with regard to school bus operations by public entities, "it is not the intent of this committee to require anything different under this legislation than is currently required of school systems and other entities receiving Federal financial assistance under section 504 of the Rehabilitation Act of 1973."

Mr. BOSCHWITZ. It is not clear to me whether or not they have to do it from what you have just read to me.

Mr. HARKIN. If the Senator would want me to continue reading.

Mr. BOSCHWITZ. Yes.

Mr. HARKIN. The next four paragraphs really outline that. I can read that if the Senator would like.

Mr. BOSCHWITZ. Go ahead.

Mr. HARKIN. I would be glad to read it.

> Agencies of a State, or a political subdivision of a State that provide school bus transportation are required to provide bus service to children with disabilities equivalent to that provided to children without disabilties (whether provided directly or by contract or other arrangement with a private entity).
>
> The school bus transportation provided to children with disabilities must be provided in the most integrated setting possible. This means that when a child with a disability requires transportation, the school bus that serves his/her route should be accessible. This does not mean that all school buses need to be accessible; only that equal nonsegregated opportunities are provided to all children.
>
> School bus operations, as defined in 49 CFRT 605.3(b) and the asssociated revisions established in Highway Safety Program Standard No. 17, means transportation by Type I and II school bus vehicles of school children, personnel, and equipment to and from school or school-related activities.

Mr. BOSCHWITZ. I confess to the Senator I am not familiar with type 1 and type 2 school bus vehicles.

Mr. HARKIN. I must say to the Senator I am not either.

Mr. BOSCHWITZ. This does not mean that all school buses need to be accessible; only that equal nonsegregated opportunities are provided to all children.

Consider a rural community or a suburban community for that matter. Is it adequate that the school district provide a separate vehicle that is not segregated, only that equal nonsegregated opportunities are provided to all children? Would that not be a segregated opportunity? They only need to send out a van of some type?

Mr. HARKIN. It says it must be provided in the most integrated setting possible.

Mr. BOSCHWITZ. In any case, it is not the intention of this bill to provide that each school bus running around my State or yours requires a lift for a person who has a wheelchair?

Mr. HARKIN. The Senator is correct. Our intention basically is to con-

tinue the provisions in law that have already been there for many years.

Mr. BOSCHWITZ. Has the Senator determined whether the employees are full-time or part-time yet? Otherwise, I will get on with another question.

Mr. HARKIN. We are finding that out.

Mr. BOSCHWITZ. Is an apartment House a public accommodation?

Mr. HARKIN. Anything that is covered by the Fair Housing Act is not covered by this; it would be covered by the Fair Housing Act.

Mr. BOSCHWITZ. This bill does not cover dwellings where people live; is that correct?

Mr. HARKIN. As I understand it, that is correct, because those are covered under the Fair Housing Act amendments.

Mr. BOSCHWITZ. Is it correct to say that this bill does not cover dwellings?

Mr. KENNEDY. If the Senator from Iowa would yield. It does not cover dwellings that are covered or excluded by the Fair Housing Act.

Mr. HARKIN. If I might, if the Senator would look at title III of the bill, section 301(3), the term, "potential places of employment," and also "public accommodations," later, "such term shall not include facilities that are covered or expressly exempted from coverage under the Fair Housing Act of 1968."

Mr. BOSCHWITZ. Could the Senator from Iowa, or perhaps the Senator from Massachusetts, describe to me how mental handicaps are covered by this, and how an employer is affected? I am trying to put myself in this position. I have hired a lot of people in my business career. What happens if somebody comes and has some mental infirmity? How does the employer, the small businessman, treat that person when he comes and applies for a job?

Mr. HARKIN. Just as any other person that comes and applies for a job.

Mr. KENNEDY. Will the Senator yield?

Mr. BOSCHWITZ. Yes.

Mr. KENNEDY. I think, if my good friend from Iowa would yield, first of all we have the definition of a disability, which the Senator is familiar with. It is spelled out, on page 41 of the bill, as follows:

> The term "disability" means, a physical or mental impairment that substantially limits one or more of the major life activities of an individual; or the record of such an impairment; or being regarded as having such an impairment.

So I would see the situation where, if there were someone who was mentally retarded and was going in to apply for a job as a laser scientist, and the employer said he is not——

Mr. BOSCHWITZ. That is not going to happen.

Mr. KENNEDY. I cannot hear the Senator.

Mr. BOSCHWITZ. That is not what happens. I do not employ laser scientists. I never did. How about a warehouse man——

Mr. KENNEDY. If I can try to answer the Senator's question, maybe it will not be an adequate answer but if I may be permitted to try to complete the answer? What he is basically talking about is if that individual has the ability or capacity to perform the job and the reason that employer says no is because that person is mentally retarded, then this act provides protection.

If the job description is going to be one in which that individual does not have the capability because of said mental retardation or mental illness, he cannot perform the essential functions, then the decision by the employer not to hire that individual would not be a violation of the act, if there was no possible reasonable accommodation.

Mr. BOSCHWITZ. I must confess to the Senator from Massachusetts that in my business I not only did not hire laser scientists, in most instances, I did not even have a job description for people who came in to be hired. It is a very subjective type of judgment that I made—that most businessmen make—unless they are looking for laser scientists or unless they are looking for a schoolteacher or unless they are looking for people who have specific skills.

My business was a retail business. I would say to the Senator from Massachusetts, a business person makes a pretty subjective judgment as to whether or not a person has the ability to sell, or do warehouse work. These are the things that we got involved in. Those kinds of subjective judgments that employers have been making can still be made under this act. Is that correct?

Mr. KENNEDY. The Senator is correct. "Qualified individual with a disability" is someone with a disability who with or without reasonable accommodation can perform the essential functions of the employment position that such individual holds or desires. Essential functions is defined as meaning "job tasks that are fundamental and not marginal."

Mr. BOSCHWITZ. I thank the Senator from Massachusetts. I would say the legislation that has been passed here, in Congress, over the years, has given greater access to people who have disabilities of various types. It is very rewarding to see people who have disabilities able to lead fuller lives. I have been blessed to not have had disabilities, nor my children, thankfully. So I do not have, perhaps, as direct experience as some. But to see people being able to live fuller and richer lives is indeed one of the better things that I have observed in recent years.

I just must say, Mr. President, it is difficult to make out the scope of this act. When I have some more time to look at the bill, I may make more comments here on the floor. Or I will ask my friend, the Senator from Arkansas, who I see has now left, to hold some hearings in the Small Business Committee. We need to get a better understanding of the scope of this bill and how it impacts small business and business in general.

As I understand it, the bill really was negotiated during this past recess. The report was printed, or ordered to be printed, on the 30th of August, and it is now the 7th of September. As a result we have had, if I may say so, inadequate time to consider this bill. Perhaps the Senator from Iowa, who has been working assiduously on this bill for a period of time, does not think so. The Senator from Minnesota, however, feels that he has not yet had a very good opportunity to examine the bill.

AMENDMENT NO. 713

(Purpose: To require a judge to consider if a defendant who is accused of discrimination on the basis of disability has acted in good faith)

Mr. BOSCHWITZ. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. BOSCHWITZ] proposes an amendment numbered 713.

On page 84, between lines 7 and 8, insert the following new paragraph:

(3) JUDICIAL CONSIDERATION.—In a civil action under paragraph (1), the court, when considering what amount of civil penalty, if any, is appropriate, shall give consideration to any good faith effort or attempt to comply with this Act by the entity.

Mr. BOSCHWITZ. Mr. President, as the ranking minority member of the Senate Small Business Committee, I am concerned about the effect of this legislation on small business. Frankly, I am afraid many Members do not fully understand the impact of this bill. Yet it is probably going to go to final passage this evening, a day or two after we reconvene after a recess. It may well be that small business will find itself least able to afford the changes that are mandated by the pending legislation.

I do not mean to suggest for a moment that handicapped people should not receive all the consideration they need in order to live meaningful lives. My amendment would amend title III of this bill, the public accommodations section of the Americans With Disabilities Act. Currently in title III, when an individual believes he or she has been discriminated against on the basis of a disability, the

Attorney General—and it is my understanding that that is the United States Attorney General—can file a civil action in Federal court, seeking an injunction and monetary damages.

I'd like to turn to the act once again and ask my friend from Iowa another question.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. If the Senator will yield, is the Senator through offering his amendment?

Mr. BOSCHWITZ. No. I am not through offering the amendment. On page 83, section B says, "If the Attorney General has reasonable cause to believe that any person or group of persons is engaged in the pattern or practice of resistance," so forth.

This is the Attorney General of the United States, as I understand it; is that correct?

Mr. HARKIN. That is true; it is the Attorney General of the United States.

Mr. BOSCHWITZ. Often there is a right of referral or there is a concurrent authority that is given to a State attorney general so that the State attorney general can initiate these lawsuits. Is that anticipated or is that possible under these provisions?

Mr. HARKIN. This does not preempt the State from adopting those kinds of provisions.

Mr. BOSCHWITZ. I understand it is not preempting the State from passing the same kind of law, but there would not be a referral to the State attorney general or the State attorney general would not have concurrent jurisdiction granted him by the Attorney General of the United States so that he could move forward with this kind of litigation; am I correct in that?

Mr. HARKIN. The Senator is correct.

Mr. BOSCHWITZ. I thank the Senator. In any case, under title 3, when an individual believes that he or she has been discriminated against on the basis of a disability, the Attorney General can file a civil action in Federal court seeking an injunction in monetary damages. The damages could take the form of a civil penalty for as much as $50,000 for a first time violator or up to $100,000 for a repeat offender. In addition, the Attorney General is authorized to seek monetary damages for the individual harmed by the discrimination.

My amendment will specify that during the process of assessing that injury, if any, that has been caused an individual, a court must take into consideration the good faith effort on the part of the defendant to comply with this act.

Clearly, the Americans With Disability Act is a complicated piece of legislation. Employers are going to be required to spend billions of dollars, regretfully, in modifying their facilities in order to comply. The majority of businesses start out with a total capital in the beginning of under $20,000.

It will be virtually impossible for many of these small businesses to immediately accommodate all types of disabilities. The point to this legislation is that they should comply, but during the period leading up to full compliance, they should be given the benefit of reasonable, good faith efforts to comply.

My amendment will not deter efforts to prevent discrimination based on a handicap. It would, however, be beneficial to small business who are attempting to comply but are still caught in a civil action that results in large financial penalties.

I urge my colleagues to support this amendment to S. 933.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Is the Senator making a request for the yeas and nays?

Mr. BOSCHWITZ. I make the request for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. ADAMS], the Senator from Montana [Mr. BAUCUS], the Senator from Ohio [Mr. GLENN], the Senator from North Carolina [Mr. SANFORD], and the Senator from Tennessee [Mr. SASSER] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Montana [Mr. BURNS], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Mississippi [Mr. LOTT], the Senator from Alabama [Mr. MURKOWSKI], and the Senator from Delaware [Mr. ROTH] are necessarily absent.

The result was announced—yeas 90, nays 0, as follows:

[Rollcall Vote No. 171 Leg.]

YEAS—90

Armstrong	D'Amato	Hatch
Bentsen	Danforth	Hatfield
Biden	Daschle	Heflin
Bingaman	DeConcini	Heinz
Bond	Dixon	Helms
Boren	Dodd	Hollings
Boschwitz	Dole	Inouye
Bradley	Domenici	Jeffords
Breaux	Durenberger	Johnston
Bryan	Exon	Kassebaum
Bumpers	Ford	Kasten
Burdick	Fowler	Kennedy
Byrd	Garn	Kerrey
Chafee	Gore	Kerry
Coats	Gorton	Kohl
Cochran	Graham	Lautenberg
Cohen	Gramm	Leahy
Conrad	Grassley	Levin
Cranston	Harkin	Lieberman
Lugar	Nunn	Shelby
Mack	Packwood	Simon
Matsunaga	Pell	Simpson
McCain	Pressler	Specter
McClure	Pryor	Stevens
McConnell	Reid	Symms
Metzenbaum	Riegle	Thurmond
Mikulski	Robb	Wallop
Mitchell	Rockefeller	Warner
Moynihan	Rudman	Wilson
Nickles	Sarbanes	Wirth

NAYS—0

NOT VOTING—10

Adams	Humphrey	Sanford
Baucus	Lott	Sasser
Burns	Murkowski	
Glenn	Roth	

So the amendment (No. 713) was agreed to.

Mr. BOSCHWITZ. I move to reconsider the vote by which the amendment was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOSCHWITZ. Mr. President, I would like to clarify with my friend from Iowa the question of part-time employees. He was able to do so for me on the floor here and perhaps we can get him to do so on the RECORD. I would also like to put into the RECORD a lead editorial from the New York Times of yesterday. Perhaps it was already put into the RECORD.

Mr. KENNEDY. May we have order, Mr. President? The Senator is entitled to be heard.

The PRESIDING OFFICER. The Senate will be in order.

Mr. BOSCHWITZ. I would like to put into the RECORD the lead editorial from yesterday's New York Times and before I do so, I would like to read just a little bit from it. The first paragraph says: "With surprisingly narrow public scrutiny, Congress is moving swiftly to extend broad civil rights protection to the Nation's 40 million disabled citizens."

Mr. HARKIN. May we have order in the Senate? I cannot hear.

The PRESIDING OFFICER. We will have order in the Senate. The staffs will take their seats in the back of the room.

The Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, "The sentiment is laudable," the editorial continues. I certainly agree with that. "To bring the disabled closer to the mainstream of American society. But the legislation is vague; not even its defenders are able to calculate its benefits and costs. Those costs could be monumental. The proposal thus requires patient, unemotional examination." And that is something that I have not yet had the time to do, I say to the President. But it is true that with surprisingly narrow public scrutiny, as the New York Times lead editorial says, we are adopting a very, very broad bill.

The editorial also states that the bill calls for a study after the bill is passed, not before, to determine how much this would cost the companies. And that is why I asked that the Small Business Committee perhaps hold hearings after the passage of the bill here in the Senate to get a better understanding of what would be imposed on business in general and small business most particularly.

"The bus companies are angry," the editorial continues. "Most businessmen are simply fretful and confused. That's partly because the bill's language is so vague."

So we are considering a major piece of legislation, I say to the President of the Senate. And we are doing so with narrow public scrutiny, and narrow scrutiny here in the Senate itself.

My friend, the Senator from Iowa, points out that because of the very low rates of employment among the handicapped, 25 percent among men and 13 percent among women, perhaps this bill will improve that and perhaps there will be broad savings to the Government and to society if the handicapped were able to work, and they would be able to live fuller, richer, more meaningful lives.

I certainly agree with that, and I hope that this bill achieves those goals. But just as the editorial writers of the New York Times felt there was rather narrow scrutiny of this legislation, so do I, and it is because of that that I have made the statements and asked the questions that I have asked. Would the Senator from Iowa now tell us a definition of what 15 employees means?

Mr. HARKIN. If the Senator would yield, after checking the full definition, as I understand it, the definition is that the 15 employees, each of the 15 employees have to work 20 hours per week. That is really the definitive point, and that is the 20 hours per week. So that as I understand it, if you had 14 employees that worked for 20 hours, but you only had 1 who worked for 10 hours, then you are not covered. It has to be 15 that work 20 hours each per week.

Mr. BOSCHWITZ. It is not very clear because it says 15 or more employees for each working day and each for 20 or more calendar weeks in the preceding calendar year.

Mr. HARKIN. It has been in effect for 25 years. We copied that language.

Mr. BOSCHWITZ. That is what it intends to mean.

Mr. HARKIN. Yes.

The PRESIDING OFFICER (Ms. MIKULSKI). The Senator from Tennessee.

Mr. GORE. I rise in support of S. 933. This bill represents a long-overdue declaration by our country that people with disabilities deserve fair and equal treatment in our society. Discrimination against such persons can no longer be tolerated. It is a statement of a very basic concept: People with disabilities are full and equal citizens of America, and they shall no longer be locked out, harassed, shunned, abused or otherwise deprived of opportunities that other Americans take for granted.

Madam President, in hearings before the Subcommittee on the Handicapped of the Senate Committee on Labor and Human Resources, Dr. Mary Lynn Fletcher of Lenoir City, TN, gave very graphic descriptions of the types of discrimination she and other people with disabilities face on a daily basis. She spoke eloquently about what she termed "the benign neglect and outright discrimination we face every day." In her testimony, Dr. Fletcher stated:

> I live in agony from week to week as to how I shall be able to get my groceries or how I can gas my car at the self-service stations. When I am able to go to Knoxville to hear our orchestra, I am unable to get into the building. When I do get inside the building, if I need to go to the bathroom, I would have to crawl up a flight of stairs.

One of the key rights of Americans is the right to exercise judgment to select the officers and officials who will make up our Government. That is the right to vote.

Hear again, the right of access to the ballot box is one of the cornerstones of our American system, and as Dr. Fletcher testified,

> We who are mobility impaired or sensory impaired do not yet have the right to vote by virtue of inaccessibility.

As a practical matter, many Americans with disabilities find it impossible to vote. Obviously, such a situation is completely unacceptable and unconscionable. We must take strong action to end the tradition of blatant and subtle discrimination that has made people with disability second-class citizens.

No one can tell who might have a disability someday as a result of accident, illness, or simply as an aspect of the aging process. Prohibiting discrimination on the basis of disability is an investment in the future of all individuals and our Nation as a whole. This act would establish a clear prohibition against discrimination on the basis of disability and would promote the development of reasonable, definitive, and effective standards for assuring access for people with disabilities.

By requiring only modifications that are readily achievable and providing that employers do not have to take actions that are unduly burdensome, the bill establishes flexible, workable, and realistic obligations to eliminate discrimination against persons with disabilities. The time has come for enactment of such legislation that says to all persons with disabilities, "You are a welcome and valued member of our society. Henceforth, discrimination against you shall be unlawful."

So, Madam President, to do less would be unfair, imprudent and un-American. I am proud to support this vital legislation, and I compliment the sponsors and the authors of the bill and urge my colleagues to support it.

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. Today we are discussing a landmark piece of legislation, the Americans With Disabilities Act of 1989. This bill is thought-provoking in that it calls to mind many real, and unmet, needs of our disabled citizens.

As I watched this floor debate this morning, we realized an alarming fact, that our debate was completely inaccessible to hearing-impaired Americans. Nobody had considered providing an interpreter for the hearing-impaired citizens who will be so vitally affected by this legislation, by our deliberations today.

So I scrambled along with the leadership and the floor managers to arrange for an interpreter, and our debate is now being simultaneously translated into sign language. I sincerely hope that we can extend our use of this service and further integrate hearing-impaired Americans into our national legislative process.

Mr. ARMSTRONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. I wonder if I could seek the assistance of a manager or somebody who is knowledgeable about the contents of this bill. I am concerned because it has come to my attention today that there are provisions in this bill that I do not understand. I came to work this morning thinking that we are going to vote on a bill to help the handicapped, and I would certainly be sympathetic to that.

I would not think you would have to be very smart to know that the ideals of our country certainly call upon the Senate to do whatever it can to be helpful to people in wheelchairs or who have some kind of a physical disability or handicap of some sort and who are trying to overcome it. I am concerned because it has been brought to my attention by counsel that there is doubt about some of the provisions.

Specifically, as I understand it, this bill intends to prohibit discrimination on the basis of disability in employment, public accommodation, public services and telecommunication. It defines disability as a physical or mental impairment that substantially limits one or more of the major life activities of such an individual.

What concerns me is the thought that this disability might include some things which by any ordinary defini-

tion we would not expect to be included. When my staff drew my attention to this—and I guess they must have spent most of August working on it, because they came in armed with cases and memos and so forth, which I have not fully digested. They are concerned that we will not cover such things as illegal drugs.

For example, if a person is a consumer of illegal drugs, does he gain a protected status under this bill?

Mr. HARKIN. I can answer definitively to the Senator that current users of illegal drugs are not, and we are working out a couple of amendments with the Senator from North Carolina and a couple of others to better clarify that.

Mr. ARMSTRONG. I appreciate that.

Would the same apply to alcohol abuse?

Mr. HARKIN. The same thing applies to alcohol abuse.

Mr. ARMSTRONG. I thank the Senator.

May I read a list of related items? I think perhaps the Senator is going to allay some of my fears.

Mental disorders, such as alcohol withdrawal, delirium, hallucinosis, dementia with alcoholism, marijuana, delusional disorder, cocaine intoxication, cocaine delirium, disillusional disorder.

I have a whole list of these.

Am I correct in assuming that these would not be covered as disabilities?

Mr. HARKIN. Well, obviously I am not familiar with these disorders.

Mr. ARMSTRONG. Can I submit this list and ask that the staff look at it overnight?

When my people brought it to my attention, my first reaction is, come on, you guys have had too much time and not enough to do to come up with this list.

But in fact, they responded by saying that the list was drawn from court cases under other legislation which has similar definitions. I could not imagine the sponsors would want to provide a protected legal status to somebody who has such disorders, particularly those who might have a moral content to them or which in the opinion of some people have a moral content.

What I would like to do is submit this list for the Senator and his staff to look at overnight; so if that is the case, we ought to address it and straighten it out if we could.

Mr. HARKIN. I will be forthright to the Senator from Colorado. I am hopeful we will finish the bill tonight. The majority leader said that. I said we are looking to clarify the intent of the legislation. Some people brought things to my attention earlier that I think do need clarification, that current users or illegal drugs are not covered by this bill.

Mr. ARMSTRONG. How about homosexuality and bisexuality?

Mr. HARKIN. That is not covered by this bill.

Mr. ARMSTRONG. How about exhibitionism, pedophilia, voyeurism, and similar?

Mr. HARKIN. That is not covered by this bill.

Mr. ARMSTRONG. That is not covered?

Mr. HARKIN. I can state definitively that is not covered.

Mr. ARMSTRONG. How about compulsive kleptomania, or other impulse control disorders?

Mr. HARKIN. Those are not covered.

Mr. ARMSTRONG. I beg your pardon. You say you are sure?

Mr. HARKIN. They are not.

Mr. ARMSTRONG. How about conduct disorder, any other disruptive behavior disorder; not covered?

Mr. HARKIN. There we are a little uncertain, because some may be mental disorders or may be closely connected with a mental disorder; they could be covered.

Mr. ARMSTRONG. I think this has been helpful. I will submit a list and will be grateful if we could return to the subject, because I would feel uncomfortable if there were some doubt and Senators then found themselves in a situation where, for example, someone who abused alcohol or abused marijuana or something, tried to seek protection under this act and employers were put to a test and there was doubt about it.

If there is any doubt, I would like to offer an amendment. If there is not any doubt, I am perfectly satisfied to clarify the record.

Could I, while I have the managers' attention, ask one other question, and perhaps we could just solve that problem without an amendment as well.

I am told that in the bill there is a provision which says in effect that a party who brings litigation under this bill, if the party is successful, may recover attorneys' fees from the other party to the case. Is this correct?

Mr. HARKIN. The only way that applies, is getting injunctive relief. I tell the Senator that the first draft of the bill when it was introduced last year provided for the recovery of compensatory damages, punitive damages. We have taken that out.

The only cause of action now for an individual is injunctive relief. If injunctive relief is granted, then the individual can get relief.

Mr. ARMSTRONG. What happens, could the Senator tell me, if an individual seeks such relief? As I understand, what they do is go to the EEOC, and the EEOC actually prosecutes the case for them. If there is a finding against the employer, that is, the EEOC prevails and gets an injunction of some kind, as I understand it, EEOC could seek and under the statute be given some compensation for attorney fees. Is that correct?

Mr. HARKIN. Would the Senator repeat that last statement?

Mr. ARMSTRONG. As I understand the way this works, if I am an employee and I think I am unfairly and illegally discriminated against——

Mr. HARKIN. On the basis of handicap——

Mr. ARMSTRONG. I go to the EEOC and tell them my story. If they agree, they actually then bring the case?

Mr. HARKIN. I am informed by the staff that in that situation, you do not get attorneys' fees.

Mr. ARMSTRONG. You do not?

Mr. HARKIN. No.

Mr. ARMSTRONG. Could you then clarify under what circumstances fees might be payable by the losing party to the party that prevails?

Mr. KENNEDY. Will the Senator yield?

Mr. HARKIN. Yes.

Mr. KENNEDY. It is private parties. This is standard language included in all civil rights. There is no variation, I understand. It is limited to the private parties, as the Senator from Iowa pointed out.

Mr. HARKIN. If I could give an example. If a private person, an individual with a handicap, let us say, was discriminated against either in employment or let us say in public accommodations, maybe once, twice, has been discriminated against and not allowed into a place because of disability, and that person went out and hired a private attorney to go to court to seek injunction against the place of business to keep them from doing that again and that person prevails, that is when they would be able to recover attorney fees.

Mr. ARMSTRONG. If the handicapped person prevails, then the person against whom they prevail should pay the attorney fees to the person who brought the case?

Mr. HARKIN. In that case, if injunctive relief is granted.

Mr. ARMSTRONG. I appreciate that. My question is, suppose the person who is being sued prevails. Can they also get attorney fees paid?

To take an example, if a person is seeking access to public accommodation, if they prevail against the provider of the accommodation, they can get the attorneys' fees.

Suppose the reverse is right. The provider of the public accommodation proves they did not violate the law. Can they get the attorney fees paid?

Mr. HARKIN. No.

Mr. KENNEDY. I wonder if the Senator would yield on this point, as a matter of practice the answer is "no." If considered by the judge to be frivolous, then there can be no award of at-

torney fees for the defendant and that is following the other civil rights legislation.

Mr. ARMSTRONG. Mr. President, let me point out that in a lot of analogous cases where there is good faith on both sides there is heavy litigation expense often over quite technical points of law. My concern is that the burden of bearing those attorneys' fees should not be a factor in the outcome. In other words, if it is fair that the plaintiff's get their attorney fees if they prevail, then it ought to be equally fair that the defendants get their attorney fees if they prevail whether before the EEOC or the district court or whatever.

My question is, would that not be a reasonable provision to include in here whichever side is entitled to attorney fees if they prevail that the other side be entitled?

Mr. HARKIN. As a practical matter we know the demographics of the handicapped people. Most of them are very low-income people. They do not have a lot of assets.

As I said, this was a compromise that we worked out in this bill to take out the damages that preclude the kind of actions I think the Senator sort of at least obliquely is talking about where someone might bring a case, get attorneys, go out and prosecute and go out and pay attorney fees, that kind of thing. That is not in the bill. The only thing is injunction.

You take a handicapped person as the distinguished chairman of the committee pointed out earlier, and they have enough just to get through the day. They have enough of a tough time just to keep themselves together to get through, day by day, and do not have the financial resources to go out and frivolously try to prosecute a case.

I think the instances in which, practically speaking, instances in which cases could be brought for injunctive relief would be very few and will involve egregious cases of multiple types of discrimination, probably against more than one person with a disability.

Suppose an individual with a disability goes into a place of public accommodation and is told he cannot come in or something, is that person going to go to court and get an injunction? No, they will just go someplace else. They will say, "Heck, we will not go back to that place of business again."

Practically speaking the cases you find will be the egregious cases and multiple kinds.

Mr. ARMSTRONG. Mr. President, then if that is the case then I think I would agree with the argument of the Senator from Iowa. I think the more likely instance is a little different. I think it is more likely sort of at margins at the frontier of the law where we are litigating some question as what is reasonable, what kind of accommodation must be made to a handicap and it might involve some very technical issues and it might not involve some poor person who is just trying to buy a cup of coffee in the neighbor coffee shop or might involve much larger actors on the Nation's stage than that.

I guess I want to think about it. I urge the Senator from Iowa to think about it.

My intention is if it is fair on one side it is fair on the other. I would be willing to take it on both sides or put in both sides.

It does not seem fair to me if someone's side is entitled to get attorney fees if they prevail the other side should not have the same right to attorney fees if they prevail.

While I appreciate what the Senator said about the plight of the handicapped, I also have firsthand knowledge of a bunch of people who get harassed by lawsuits all the time. I am not worried about General Motors. They can afford to hire a battalion of lawyers. I am worried about a typical case involving small public entities, small companies. They do not have full-time lawyers nor can hire a part-time lawyer. The lawsuit is a heavy burden for them to bear. In a lot of cases they end up caving in.

I am not talking about an employment issue. I am talking about tax matters and environmental issues, and the threat of lawsuits becomes a serious problem whether a public or private entity.

I am saying we ought to equalize the law particularly so where it involves prosecution of the case by a public agency.

Although I understand the Senator's explanation that would not be a case under this bill. If it is an EEOC proceedings they cannot get compensation back for attorney fees, that is a great reassurance because it is particularly unfair if you have the government taking some private individual or some school district or some fire district or some local jurisdiction to court.

I thank the Senator for his explanation. I will send these items over.

Mr. HELMS. Will the Senator yield?

Mr. ARMSTRONG. I am happy to yield.

Mr. HELMS. I am interested in the Senator's statement that this bill is aimed at the egregious violators. Was the Senator saying that is the intent of the bill?

Mr. HARKIN. No; I am sorry. The Senator misunderstood what I said. I think in 99.9 percent of the cases where a case would be brought for injunctive relief, those would be in very egregious cases of discrimination, probably on a multiple basis.

Mr. HELMS. I would say to the Senator, once a horde of bureaucrats descends upon a small businessman, then he is hooked.

Is there not some way that the Senator can make legislative history to emphasize that you do not intend for these bureaucrats to go out and look for victims—and that is what I think they would be—can you make some sort of legislative history on that point? You almost made it in what you said.

Mr. HARKIN. There is nothing in the bill that provides for any agency of Government to go out and do that kind of thing. This is left as a private right of action for a disabled person. The only provision in the bill that provides for the Attorney General of the United States in pattern and practice cases to vindicate the public interest, then the Attorney General then can go out on his own and prosecute a case. But that is the only provision in the bill. There is no other area there.

Mr. HELMS. There is going to be some agency in the Government administering this legislation if and when it is enacted and signed into law. Is the Senator telling the Senator from North Carolina that no effort by the Government will be made, short of the Justice Department, the Attorney General, to go out and look into these things? Will there not be any other agency?

Mr. HARKIN. In the employment sector, the Commissioner of EEOC would be empowered to hear cases that would be brought by a disabled person in the employment sector. And the Commissioner of EEOC could, in pattern and practice cases, also bring a case against someone in a pattern and practice case. But those are the only two.

First of all, as the Senator from Colorado pointed out, if a disabled person brought a case under employment, it would go through the administrative remedies of EEOC first and, of course, that would go to the Commissioner of EEOC. But he would not, in that kind of situation, be able to proceed on his own.

Mr. HELMS. If the distinguished Senator from Colorado would yield further to me, I would say to the Senator that on all three matters that the Senator from Iowa and the Senator from Utah and I, along with the Senator from Massachusetts, have discussed and we have been able to reach a pretty good accommodation. But I am still concerned about the tendency of this Government, the IRS for example, to focus in and say we are going to get this guy's hide. I want to be sure or as sure as I can be that this legislation is not implemented in that fashion. Is there something the Senator could say for legislative history as to the intent with respect to—well, let us call it what it is—the persecution of some small businessman.

Mr. HARKIN. I can assure the Senator that it is not this Senator's intent. I trust after reading the bill myself and the report and the colloquy that we have had here on the floor, the amendments that have been accepted, and those are still being worked on, I want to make it perfectly clear that there is no intention in this bill whatsoever to persecuting small business people in any way whatsoever.

Let me clarify two points.

First, regarding the availability of damages as a remedy for private individuals enforcing the act, the Senator from Colorado raised this question in the context of employment and public accommodations covered by titles I and III of the act. It is true that the employment provisions of title I make available the rights and remedies of title VII of the 1964 Civil Rights Act, which provides for backpay and equitable relief. Also, under the public accommodations provisions of title III, the bill expressly limits relief to equitable remedies. However, title II of the act, covering public services, contains no such limitation. Title II of the bill makes available the rights and remedies also available under section 505 of the Rehabilitation Act, and damages remedies are available under that provision enforcing section 504 of the Rehabilitation Act and, therefore, also under title II of this bill.

Second, let me clarify the extent to which administrative remedies are available. Under title I of the bill, the EEOC is authorized to investigate complaints of discrimination in employment. Under title III of the bill, covering public accommodations, the Attorney General is authorized to investigate alleged violations of title III, and is authorized to undertake periodic reviews of compliance of covered entities. Under title II of the bill, covering public services, administrative enforcement is available to the same extent it is available under section 504 of the Rehabilitation Act.

Mr. HELMS. I thank the Senator.

Madam President, I will seek the floor if the Senator from Colorado has yielded.

Mr. BOSCHWITZ. Would the Senator from Colorado yield? I would like to ask a question.

Mr. ARMSTRONG. I would be glad to yield, but the simplest thing is for me to yield the floor and let the Senator from North Carolina and the Senator from Minnesota continue. I do yield the floor.

Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado had the floor. The Chair was lenient in order that questions could be answered.

Who does seek recognition?

Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. I ask the Senator from Iowa what kind of relief does someone who was injured received? Are there any kind of damages that they can receive? Let us say that a handicapped person is discriminated against under this bill. Can that handicapped person sue for damages?

The reason I ask this question—and it is kind of in response to the question of the Senator from Colorado—the Senator from Iowa said that this was not going to generate a great deal of legal business. Most of the stuff we pass around here—and the Senator from Colorado and the Senator from North Carolina and I are three of the nonlawyers in the place—but most of what we do around here seems to generate a lot of legal business. My question is: Is there any kind of court relief? Is there any kind of damages that a person can sue for under this bill?

Mr. HARKIN. No. I assure the Senator from Minnesota the whole nature of the compromise that was worked out with the administration provides that there are no damages in this bill. There was in the initial draft. There is not in here. In the employment section, there is only injunctive relief and back pay.

Mr. BOSCHWITZ. In the event it was an employer——

Mr. HARKIN. That is right.

Mr. BOSCHWITZ. But that would not apply to a person who was applying——

Mr. HARKIN. No. In the public accommodation title it is only injunctive relief.

Mr. BOSCHWITZ. So that we should not expect under this legislation that people are going to go out and get a lawyer and say I will take a third of whatever we recover because this legislation would not do that.

Mr. HARKIN. It would not.

Mr. BOSCHWITZ. I thank the Senator and I thank the Senator from North Carolina.

AMENDMENT NO. 714

(Purpose: To amend sections 304 and 305 relating to the accessibility of over-the-road buses to individuals with disabilities)

Mr. HOLLINGS. Madam President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for himself and Mr. CHAFEE, proposes an amendment numbered 714.

Mr. HOLLINGS. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(1) Amend section 304(b)(4) by inserting "except as provided in section 305(d)," immediately after "Other providers,"; by striking "6 years" and inserting in lieu thereof "7 years"; and by striking "5 years" and inserting in lieu thereof "6 years".

(2) Amend section 305(a) by striking "Architectural and Transportation Barriers Compliance Board established under section 502 of the Rehabilitation Act of 1973 (29 U.S.C. 792)" and isnerting in lieu thereof "Office of Technology Assessment".

(3) Amend section 305(c) to read as follows:

"(c) ADVISORY COMMITTEE.—In conducting the study required by subsection (a), the Office of Technology Assessment shall establish an advisory committee, which shall consist of—

"(1) members selected from among private operators using over-the-road buses, bus manufacturers, and lift manufacturers;

"(2) members selected from among individuals with disabilities, particularly individuals who use wheelchairs, who are potential riders of such buses; and

"(3) member selected for their technical expertise on issues included in the study.

The number of members selected under each of paragraphs (1) and (2) shall be equal, and the total number of members selected under paragraphs (1) and (2) shall exceed the number of members selected under paragraph (3).".

(4) Amend section 305(d) by striking "Board," and all that follows and inserting in lieu thereof "Office of Technology Assessment, including any policy options for legislative action, shall be submitted to the President and the Congress within 36 months after the date of enactment of this Act. If the President, after reviewing the study, determines that compliance with the requirements of section 304(a) on or before the applicable deadlines specified in section 304(b)(4) will result in a significant reduction in intercity bus service, each such deadline shall be extended by one additional year.".

(5) Amend section 305 by adding at the end the following new subsection:

"(e) REVIEW.—In developing the study required by subsection (a), the Office of Technology Assessment shall provide a preliminary draft of such study to the Architectural and Transportation Barriers Compliance Board established under section 502 of the Rehabilitation Act of 1973 (29 U.S.C. 792). The Board shall have an opportunity to comment on such draft study, and any such comments by the Board made in writing within 120 days after the Board's receipt of the draft study shall be incorporated as part of the final study required to be submitted under subsection (d).".

Mr. HOLLINGS. Madam President, this amendment has been worked out I think on both sides of the aisle.

Madam President, I appreciate this opportunity to offer an amendment to S. 933, the Americans with Disabilities Act of 1989, which relates to the study required by this bill on the access needs of individuals with disabilities to intercity buses.

Currently, this study is to be conducted by the Architectural and Transportation Barriers Compliance Board. My amendment seeks to change the author of this study from the Architectural and Transportation

Barriers Compliance Board to the Office of Technology Assessment [OTA]. OTA has a proven track record in studying issues related to technology and in helping to develop consensus on critical issues such as this. In addition, OTA can assemble the experts necessary to address both aspects of the study mandated by S. 933.

This is a critical study which is to address the specific problems and costs that may be associated with the requirement in the bill that new intercity buses be readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

In addition to studying the access needs of individuals with disabilities to over-the-road buses and the most effective methods for making these buses accessible, the study is to include an examination of the impact of accessibility requirements on the continuation of intercity bus service, in particular the impact on rural service. I believe OTA is best equipped to perform this type of economic analysis which is critical to making a determination of whether accessibility requirements in this legislation might impose so great a burden on private bus companies as to have the unintended effect of hastening the deterioration of private bus service, and in particular, rural service.

A second component of my amendment would increase by 1 additional year, the timeframe for compliance of the requirement in the bill that within 6 years after enactment for small providers—to be defined by the Department of Transportation—and 5 years for other providers, all new over-the-road buses purchased or leased to provide public transportation services must be accessible to and usable by individuals with disabilities. These numbers would change to 7 years and 6 years, respectively.

I believe it is important that the bus industry as well as the Congress have at least 3 years between the time the study is completed and the date by which the lease/purchase requirements would become effective to assess the findings of the study.

The final component of my amendment would provide for another 1-year delay in implementing the lease/purchase requirement if the President finds, after reviewing the OTA report, that a significant amount of intercity bus service would be endangered if providers were compelled to comply with the accessibility requirement. This additional year would provide more time for Congress, if it deemed it necessary, to propose additional legislation to address these concerns.

The economic health of the intercity bus industry and the continuation of intercity bus service are both of vital importance to me and to the Commerce Committee, which I chair. While I am a cosponsor of S. 933, and applaud the members of the Labor Committee for their commitment and diligence in crafting this comprehensive legislation, it is with the above concerns in mind that I urge my colleagues to support this amendment.

I would try to answer any questions.

I thank both sides, Senator DOLE and Senator HARKIN, and particularly Senator KENNEDY, for their understanding of the concerns that we have had in the Commerce Committee.

Mr. KENNEDY. Mr. President, I want to say that I will support the amendment of the Senator from South Carolina. I hope that the membership will accept it.

I had felt, quite frankly, that the committee substitute in the areas of transportation, which is a key element in this whole legislation, provided for a period of study but also provided for the implementation in a 5-year period, in terms of private intercity buses, and 6 years for small providers. This amendment extends that time by 1 year.

But what it will do is it will permit what I consider to be the best technical agency that exists, really, in our country, the OTA, to do the very technical work in terms of the technical complexities for transportation. It then permits the Architectural and Transportation Barriers Compliance and Review Board to comment on that particular study.

I have complete confidence, as I know the Senator from South Carolina has, that the OTA really is perhaps the best agency to be able to make this judgment. I know he and I are always reluctant to mandate studies upon that body. But I think given the uniqueness of this particular challenge, and given their expertise, that this is appropriate.

My own belief, having been at the hearings and studied the issue, is with this kind of study we are going to find that concerns by the bus companies are going to be dramatically eased.

The new technologies which are coming on line and which are being utilized, for example, in a number of the European countries, and some new technologies in Denver, CO, and Johnstown, PA, indicate that many of the concerns which had been expressed previously have not been a problem. I think that is going to be demonstrated again with this bill.

So, though I felt that what is in the committee substitute was a preferable way of doing this, I understand the concerns. I am very hopeful that in the interim, between now and those 6 and 7 years, that we are going to be able to demonstrate that the kinds of objective that we had hoped to achieve in the legislation are going to be easy to accomplish and that the companies themselves were not going to wait until the deadline but will take the opportunity to buy accessible vehicles sooner. That is my own firm belief, having talked to some of those in the transportation industry who are also on the cutting edge of technology.

The Senator has worked on this issue. I know the members of the Commerce Committee have special expertise and interest in these areas of transportation. It seems to me this is a satisfactory solution.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Madam President, I want to say I think the amendment by the Senator from South Carolina makes a lot of sense and I would like to be added as a cosponsor, if I might.

Mr. HOLLINGS. I appreciate it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. I think he is directing the study to the proper group and furthermore, he is dealing with a problem that is a real one.

I am familiar in our State with relatively small bus companies, privately owned, that go intercity, and they are deeply concerned.

The technology, I think, is going to astonish us with the developments that take place in the next several years. I cannot help but believe that we are going to see the brains of America turn toward developing ramps and lifts that are far less expensive than those currently existing, and far more efficient.

But I do think we have to give them a chance. Therefore, I think the amendment of the Senator from South Carolina is a good one. I believe that we want these privately owned bus companies to continue. They are providing the service, and with the decline of rail service in so many instances and certainly with the expense that is going to come about with air transportation, in many instances, or no air transportation at all, we are dependent upon these intercity buses. So we want them to succeed. And we also want to them to be able to provide for the handicapped in a sensible fashion.

I think it is a good amendment and hope it is accepted.

Mr. HOLLINGS. Madam President, I thank my distinguished colleague from Rhode Island. I appreciate very much his support and comments.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. WIRTH. Madam President, I rise in support of this bill as it was reported out of committee. It is a good bill, solidly written, and one that will finally bring long-deserved civil rights to those among us with physical or mental impairments. I am proud to be a cosponsor of S. 933.

The Americans With Disabilities Act of 1989 will provide a long-needed comprehensive ban against disability-based discrimination, which is still a

pervasive problem across the United States. The ADA is based, in part, on the successful experiences of some States and localities, including Colorado, which have made great progress against particular aspects of disability discrimination.

I am proud of what the State of Colorado, particularly the Denver area, has accomplished in both transportation and public accommodations. This bill is crucial so that people nationwide can receive the same protections.

In Denver, we recognize that public transportation is essential to a true integration of people with disabilities into our community, as well as to successful employment. The Denver Regional Transportation District has long had a commitment to accessible public transit, and we know that it is reasonable, regardless of climate, to require that newly purchased buses be equipped with lifts.

Equally important is access to private transportation to facilitate traveling from city to city. It is very important that both intracity buses and intercity over-the-road coaches be accessible to people with disabilities, whose travel needs do not stop 5 miles from their houses anymore than yours or mine. I support both requirements fully.

The transit industry is concerned over what it sees as financial drawbacks to making private intercity service accessible, but an objective look at the facts amply demonstrates that there are not genuine obstacles.

The bus industry says that providing accessibility to an over-the-road coach costs an extra $35,000, takes up a third of the baggage space, and results in a loss of 11 or 12 seats. The truth is, however, that accessible over-the-road coaches have been and are manufactured which do not pose such problems. The Stewart & Stevenson Power Co. of Commerce City, CO, outfits buses with little or no loss of passenger or baggage space. These are the ones we use in Denver. In the Denver area, 17 accessible coaches are successfully operating today, with more coaches on order, for which the purchase price is only an extra $11,000—not $35,000. On these buses the lifts take up no baggage space—not a third—and result in the loss of only one seat—not 11 or 12. Moreover, maintaining these lifts has proven extremely cheap, and we have seen that as refinements are made to the design of the buses, the cost is going down.

It is simply a distortion for the over-the-road coach industry to pretend that this technology does not exist, or to deny that technology in general cannot adapt. When a market is created for accessible over-the-road coaches—which it will be by this bill—companies will race to outdo each other for the chance to offer evermore inexpensive accessible coaches.

The Americans with Disabilities Act already includes a special exemption to assist this specific industry in the transition to nondiscrimination. While publicly funded transit entities have 30 days to stop purchasing inaccessible vehicles, and most private entities have 2 years, large private intercity providers are given 5 years, and small ones are given 6 years. This is more than ample time to gear up and to refine methods for compliance.

In addition, the act requires a study to decide the best method for making intercity service accessible and describes how the study will be carried out. The purpose of this study is to decide how the service can best be made accessible, not whether it should be made accessible. The intention of the Americans with Disabilities Act is that newly purchased vehicles will provide accessible intercity service within the time limits specified, in order to comply with the law.

It is not only fair and just, but reasonable from a fiscal perspective, to end disability discrimination. Let it be this year that our Nation takes a firm stand against one of the last bastions of intolerance: the one which besieges 43 million Americans, our largest minority. Let us pass a comprehensive ban against unnecessary barriers, and facilitate an end to segregation and exclusion for our disabled citizens. Let us enact the Americans with Disabilities Act of 1989.

I think this is a good amendment. I do not think the problem was as grave as was suggested earlier. I just want to cite very briefly the experience of the regional transportation district in Colorado.

In the Denver metropolitan area, it has already done a great deal of retrofitting of buses. They have not found this. We have been working on this issue for 15 years. They have not found this to be the kind of onerous problem that was suggested 15 years ago in Denver. The adaptation of these buses has been done and it has been done at a very reasonable price.

The comments by the distinguished Senator from Rhode Island are exactly correct. The ingenuity is moving out and moving out very smartly and I think we will find this kind of access to the handicapped of transportation is going to work all across the country as it is now working in Denver.

I want to thank the distinguished chairman, Senator HARKIN, for the very good job he has done to work this out, and I yield the floor.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Madam President, I want to rise also in support of the amendment and to say that we are going to accept the amendment. Obviously, we have worked this out with the distinguished Senator from South Carolina.

I share with the Senator from South Carolina, and I know a number of other Senators here, a real concern about the effect of this bill on intercity bus transportation. I spent about an hour in my office the other day with the president of Greyhound and, quite frankly, he raised a lot of concerns in my mind.

I did not mean to single out that company but that company serves a lot of small towns in my State and I am sure in South Carolina and everyplace else.

The president of that company pointed out some real concerns which I took to heart.

I have a great concern what effect this might have on intercity bus service, especially in small towns and communities in rural America. So, I have been trying to find some middle ground, some way of balancing these interests, the legitimate interests of trying to get from this point to some point in the future when we do have buses that are accessible but doing it in a way that does not put an onerous burden on these bus companies that is going to drive them out of business or make them take away some of the service they give to small towns and communities.

So I believe the amendment that the Senator from South Carolina has crafted strikes that balance, and I want to also reassure those bus companies, the large ones and the small ones—we have some in our State, two small bus companies—that we are going to monitor this very closely. I believe the Senator from South Carolina has correctly identified the agency that should do the study and with the residual input from the architectural barriers review committee.

He is right in having the OTA do the study. I want to assure those bus companies, and I am sure the Senator from South Carolina would assure they will also, that we are going to monitor this as we go along. If we see any kind of harmful impact out there, we are going to take remedial action. We are going to do something here to make sure that there is no deregulation of those bus services to those small towns and communities in our States. I believe this amendment has really balanced those interested and struck a good middle ground. I want to compliment the Senator from South Carolina for coming up with this amendment, and we are not only more than ready, we are very happy to accept it.

Mr. HOLLINGS. I thank the distinguished Senator from Iowa. Madam President, I urge the adoption of the amendment.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 714) was agreed to.

Mr. HOLLINGS. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HARKIN. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLINGS. I thank the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Madam President, we only have 7 or 8 minutes before I understand there is going to be a vote on the legislative appropriations bill; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. BUMPERS. I want to engage the distinguished floor manager in a colloquy involving some things that may have already been clarified, but they were not clarified in my mind. First of all, there is a provision in here that says, for example, all buses purchased within 30 days or after 30 days from the enactment of this provision must meet these standards.

Does that mean that any buses on order at that time would not be included in that? Is that correct?

Mr. HARKIN. The Senator is correct.

Mr. BUMPERS. So that only if you issue a purchase order for buses after 30 days would you have to put the lifts on, for example.

Mr. HARKIN. The Senator is correct.

Mr. BUMPERS. And have a modified rest room on it, and so on; is that correct?

Mr. HARKIN. No. Let me clarify for the Senator. We are only talking about public transit.

Mr. BUMPERS. I understand that. We are talking about public transportation.

Mr. HARKIN. The other ones we are talking about were private transportation.

Mr. BUMPERS. We have two classifications here as I understand it. The criteria of this bill has always been applicable to public transportation where Federal funds were involved, is that not correct, under the Rehabilitation Act?

Mr. HARKIN. Yes; the Senator is correct.

Mr. BUMPERS. What we are doing now is extending this to all public accommodations; that is, owned by cities, counties, States, and so on, whether Federal funds are involved or not, as well as private intercity carriers.

Mr. HARKIN. The Senator is correct.

Mr. BUMPERS. With respect to public transit, the bill provides that people in those categories provide buses 30 days after the enactment of this bill must order buses that come into compliance with the bill; is that correct?

Mr. HARKIN. I must say to the Senator, only buses that are purchased by public transit authorities and used for fixed route public transportation.

Mr. BUMPERS. I am not talking about Greyhound. That is a privately owned company. We are talking about city buses and publicly owned buses, owned by the State, county, city, and so on.

Mr. HARKIN. Yes.

Mr. BUMPERS. In that provision, does not this 30-day provision apply to them?

Mr. HARKIN. Yes; it does.

Mr. BUMPERS. We will come back to the privately owned bus companies in a moment. So my question is, and I am trying to clarify the record, I do not want to be argumentative, a lot of people want to know the answers to these things and the record may be silent if we do not clarify it. The question is if you have issued a purchase order for a bus prior to 30 days after the enactment of this bill, you will not be required to make that bus comply with the terms of this bill?

Mr. HARKIN. If I might read from the report to the bill on page 47.

Mr. BUMPERS. Page what?

Mr. HARKIN. Page 47 of the report.

Mr. BUMPERS. I am with you.

Mr. HARKIN. Down toward the bottom of the page:

> The term "new" means buses which are offered for first sale or lease after manufacture without any prior use. Buses for which a solicitation is made within 30 days after enactment of this legislation are not subject to the accessibility requirement and thus are not required to have wheelchair lift equipment.

Mr. BUMPERS. That part of the report now answers my question, I say to the Senator. If they get a fleet of buses delivered to them within that 30-day period, they are not obligated to retrofit them or do anything else to them.

Mr. HARKIN. The Senator is correct.

Mr. BUMPERS. When it comes to the regulations which probably will be written in the area of public accommodations—we are talking about hotels, restaurants, so on—the Justice Department, as I understand it, will enforce that; is that correct?

Mr. HARKIN. Excuse me, what will the Justice Department enforce?

Mr. BUMPERS. Let me ask the question. Who will enforce this law regarding public accommodations for the disabled—hotels, restaurants, grocery stores, Wal-Marts, all those?

Mr. HARKIN. There will be two entities: Individuals with disabilities who at some point would want to bring an injunctive case, a case for injunction against a business or the Attorney General in a pattern and practice case are the only two that would be enforcing this.

Mr. BUMPERS. The Attorney General and who?

Mr. HARKIN. Any private individual.

Mr. BUMPERS. A private individual can sue, that is true. We can assume, can we not, that the Justice Department will write the regulations to implement the terms of this bill?

Mr. HARKIN. That is true.

Mr. BUMPERS. I assume DOT will write the regulations for the public transportation part.

Mr. HARKIN. I think the Senator is correct.

Mr. BUMPERS. We have this provision in here which really causes me more problems than anything else. I am going to vote for the bill. I am a cosponsor. I am also chairman of the Senate Small Business Committee. However, this term "readily achievable" is a very, very indefinite term. My question is this: When I look at the report and I look at that term, who will decide what is readily achievable? You have some criteria set out here in the bill and in the committee report, but it seems to me that readily achievable is like beauty; this is going to wind up being in the eye of the beholder. For example, in looking over the legislative bulletin of the Democratic Policy Committee, and I do not mind sharing this with our friends on the other side of the aisle, it says on readily achievable, "factors to be considered in determining whether an action is readily achievable include, one, the overall size of the covered entity, such as the number of employees, number and type of facilities and the budget size; two, the type of operation, including the composition and structure of the entity and, three, the nature and cost of the action needed."

I say to the Senator, if you will agree with me that when you have this kind of criteria out here, that these can only be considered a partial list of factors to be considered. It is not considered to be an exhaustive list, is it, of what is readily achievable? Let me give you an example. If I am in the hardware and furniture business, which I was once, and somebody says, "Your business does not comport with this bill and with the regulations promulgated thereunder by the Department of Justice. Now that person can bring a suit against me at that time, can they not?

Mr. HARKIN. A qualified person, yes, could bring a suit against you.

Mr. BUMPERS. If somebody comes into my place of business and looks around and says, "Look, I cannot use your restroom, I had to get my brother to help me up the steps"——

The PRESIDING OFFICER (Mr. BRYAN). The hour of 7 o'clock has arrived. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I understand under the previous order the vote on the legislative branch appropriations bill is to occur at 7 p.m.; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. MITCHELL. Mr. President, I ask unanimous consent that I be allowed to address the Senate for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, we are near completion of this bill. If any Senator has an amendment that he or she wishes to offer, that Senator should be prepared to do so immediately after the vote that is now about to occur on the legislative branch appropriations bill, or if any Senator wishes to speak on the subject of the disabilities bill, that Senator should be prepared to do so, so that we can complete action if all amendments are offered and disposed of this evening.

So I ask all Senators, those who wish to address the subject matter of this bill, or who wish to offer an amendment, or both, be prepared to do so immediately following the completion of the vote on the legislation branch appropriations bill.

I thank all Senators for their courtesy.

Mr. BUMPERS addressed the Chair.

Mr. MITCHELL. If Senators are prepared to proceed, this will facilitate our disposition of this matter finally.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. I thank the Senator.

Mr. KENNEDY. Will the Senator yield.

Mr. MITCHELL. Yes.

Mr. KENNEDY. Without cutting off the Senator from Arkansas, at the termination of the vote the Senator from North Carolina—we have been working with him for about 5 hours on his particular amendments. I think we have an agreement. It should not take long. I would like to see the vote process move forward and to accommodate the Senator from North Carolina. I wonder if that would be appropriate.

Mr. BUMPERS. Mr. President, I do not know that it makes a lot of difference whether the Senator from North Carolina goes first or second. I want to accommodate the managers. If they prefer to get that amendment disposed of and have an agreement, then I would like to get recognized immediately after that amendment. Either way.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I would prefer for Senator BUMPERS to proceed with his colloquy because he had a train of thought going and I am going to be here anyhow.

Mr. BUMPERS. I am, too. So, with that understanding, I will just proceed with this colloquy. As I say, 10 minutes is about all I want and it might not even take that long.

Mr. HELMS. Mr. President, I would prefer to say that the staff of Senator KENNEDY and others are working with my staff right now and I think it will be completed by that time.

Mr. MITCHELL. I thank the Chair.

The PRESIDING OFFICER. The 1 minute of the majority leader has expired.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, if I can have the attention of the distinguished floor manager, I will try to be as brief as possible. I cannot be brief unless I have the attention of the floor manager.

Mr. HARKIN. I apologize to the Senator from Arkansas. I was covering a couple of other things. I will be glad to respond as best I can to the questions.

Mr. BUMPERS. Mr. President, to continue the colloquy before we were interrupted by the vote, let me ask and clarify something before we go on. Is it correct to say that one who is aggrieved by failure of anybody to comply with this act must exhaust, as we lawyers say, his or her administrative remedies before they proceed to file suit.

Mr. HARKIN. That is affirmative.

Mr. BUMPERS. In that connection, Senator, if somebody who is disabled goes into a place of business, and we will just use this hypothetical example, and they say, "You do not have a ramp out here and I am in a wheelchair and I just went to the restroom here and it is not suitable for wheelchair occupants," are they permitted at that point to bring an action administratively against the owner of that business, or do they have to give the owner some notice prior to pursuing a legal remedy?

Mr. HARKIN. First of all, Senator, there would be no administrative remedy in that kind of a situation. The administrative remedies only apply in the employment situation. In the situation you are talking about——

Mr. BUMPERS. That is true. So one does not have to pursue or exhaust his administrative remedies in title III if it is title III that is the public accommodations.

Mr. HARKIN. Title III.

Mr. BUMPERS. Title II is employment.

Mr. HARKIN. That is correct.

Mr. BUMPERS. That has the small business exemption also and it is also in title II where you must exhaust your administrative remedies before you go to court?

Mr. HARKIN. Title I.

Mr. BUMPERS. What title is it that covers public accommodations, restaurants and—title III? In that case, the same example, if a person feels aggrieved because a business is not up to the standards of the bill, according to someone who is disabled, what do they do? Do they write the Attorney General or go down to the courthouse and file a lawsuit?

Mr. HARKIN. If the Senator will permit me, I think the practical outcome of a situation like that would be that a handicapped person would talk to the owner of the business and say, "Look, I would like to come to your establishment, I would like to eat or shop here or buy things here. But quite frankly I cannot get into your business, I cannot use your facilities because they are nonaccessible, and we would like you to make some changes so it can be accessible."

Mr. BUMPERS. That is all well and good, but is there any prohibition against that person filing a lawsuit at that time because they are not in compliance, indeed, in violation of this bill?

Mr. HARKIN. I would have to answer to the Senator that that would depend upon the kind of violation and whether or not the provisions of the bill that outline what readily achievable means, easily accomplishable, without much difficulty or expense. Now, if the Senator is talking about a business that employs several hundred people, that may not have a ramp or something like that, that is nonaccessible, that is one thing. If the Senator is talking about a small business, that mom and pop establishment, that is quite a different story.

Mr. BUMPERS. Senator, what I want to know is, does the bill distinguish between those two as far as remedies are concerned? There is no distinction between somebody with 3 employees and 30,000 employees in this bill.

Mr. HARKIN. Turning to injunctive relief, the Senator is right, there is no difference. But in terms of what the court would find based upon the legislation, based upon the record that we have made and the report and the regulations that will be promulgated, then the court would decide whether or not what the plaintiff was seeking in that case is readily achievable, easily accomplishable, carried out without much expense, in accordance with the size of the business.

Mr. BUMPERS. But my question is this: Is there anything in the bill that would preclude any person who feels aggrieved by the lack of accessibility to a mom and pop grocery store with three employees from immediately

going to the courthouse and filing a lawsuit?

Mr. HARKIN. First of all, I will say to the Senator, and let me repeat again and again and again, there is no provision for damages in this bill.

Mr. BUMPERS. Wait a minute.

Mr. HARKIN. The aggrieved party cannot go down and sue for damages.

Mr. BUMPERS. Is the Senator absolutely sure of that; in both title I and title III, you cannot sue for damages?

Mr. HARKIN. Absolutely; that is out of the bill.

Mr. HATCH. Could I add something, if that is possible, to the distinguished Senator from Arkansas? There is no right to sue for damages on a private basis?

Mr. HARKIN. That is right.

Mr. HATCH. The Attorney General can sue to implement the civil penalty damages.

Mr. HARKIN. In pattern and practice cases.

Mr. HATCH. That is right. The Attorney General can also ask for monetary damages, but it is limited to the Attorney General.

Mr. HARKIN. That is right.

Mr. BUMPERS. So the Attorney General would have to give permission before you could sue for damages?

Mr. HATCH. No; the Attorney General could sue for damages.

Mr. BUMPERS. But not an individual?

Mr. HARKIN. Let me make this clear. The Attorney General in a pattern and practice case can find a violation, and can then levy a fine—it is not damages—levy a fine. He can also request monetary damages—not punitive damages, only monetary damages—on behalf of the aggrieved person, whatever monetary damages may have accrued to that person. That is only the Attorney General who can do that.

Mr. BUMPERS. The term "readily achievable," does that apply to both transportation and public accommodations? You have some criteria set out in the report as to what is considered to be readily achievable.

My question is, Does that term apply to both title I and title III; public transportation and public accommodations?

Mr. HARKIN. No. It only applies in title III, I would respond to the Senator. It does not apply to transportation.

Mr. BUMPERS. Now, I understand. "Readily accessible" applies to transportation; does it not?

Mr. HARKIN. I does apply.

Mr. BUMPERS. Readily achievable in title III applies to public accommodations. Going back to readily accessible, we discussed a moment ago the question of buses, and the Senator from Iowa has said that any buses owned by a public entity prior to 30 days after enactment of this bill would not have to be retrofitted.

Mr. HARKIN. The Senator is correct.

Mr. BUMPERS. If I am a disabled person and I complain about a bus not having a chair lift for my wheelchair, my question is, What does readily accessible mean? Does it mean that the bus company is obligated to make that bus readily accessible to me?

Mr. HARKIN. If the Senator is talking about old buses and buses which they have purchased or put in a purchase order for prior to 30 days after enactment of this bill——

Mr. BUMPERS. The answer is "No."

Mr. HARKIN. The answer is "No."

Mr. BUMPERS. I think this is a very important point. I want to be sure we are right on that. The Senator is telling me that even the term "readily accessible" does not apply to any bus purchased prior to 30 days after the enactment of this bill.

Mr. HARKIN. That is absolutely correct.

Mr. BUMPERS. That is what the colloquy is all about. I want to get things like that clarified.

Mr. HARKIN. I understand.

Mr. BUMPERS. Now when it comes to the regulations, for example, to implement title III of this bill, the public accommodations part, you have this question of "readily achievable." You have this rather indefinite term "readily achieveable" in here, you are saying that the size of the building, the number of employees, the cost of all those things go into determining whether it is readily achievable or not. Is that correct?

Mr. HARKIN. The Senator is correct.

Mr. BUMPERS. So readily achievable is a term that I am not familiar with as a term of art. I practiced law for 20 years before I got into this business and I never heard that term before. So this is a new term that is in this bill, and "readily achievable," that sort of is like beauty. It is in the eye of the beholder, is it not?

Mr. HARKIN. Would the Senator repeat the question?

Mr. BUMPERS. I said the term "readily achievable" is like the term beauty. Beauty is in the eye of the beholder and readily achievable means that some judge says it means, does it not?

Mr. HARKIN. Again, if I could direct the Senator's attention to a further reading on page 65 of the report.

Mr. BUMPERS. Page 65 of the committee report.

Mr. HARKIN. Of the report. I think the Senator was reading from part of that earlier in terms of readily achievable.

Mr. BUMPERS. I read that. We are in agreement on this: You have some criteria set out here.

Mr. HARKIN. I do not know if the Senator read on down to the end of this page and clear onto the next page because it further defines what readily achievable means and what it does not mean.

"It is important to note—" I would read on for the Senator—"that readily achievable is a significantly lesser or lower standard than the 'undue burden' standards used in this title and the 'undue hardship' standard used in title I * * *" "The concept of readily achievable should not be confused with the phraseology of 'readily accessible.'" "The phrase 'readily accessible to and usable by individuals with disabilities' focus on the person with a disability." On the other page, page 66:

> Readily achievable, on the other hand focuses on the business operator and addresses the degree of ease or difficulty of the business operator in removing a barrier, if barrier removal cannot be accomplished readily, then it is not required.

I can read the whole thing there.

Mr. BUMPERS. Is it fair to say then that if there is a barrier that cannot be readily removed, that its removal cannot be readily achieved, then that operator is not obligated to furnish access to his place of business to a handicapped person? Is that correct?

Mr. HARKIN. Just a moment.

The Senator is correct; unless the operator of that establishment can make the services readily available without undue burden.

Mr. BUMPERS. It seems to be that the Senator is giving with the right hand and taking away with the left.

Mr. HARKIN. No. It is the same. What I am saying is if you have a barrier that cannot be removed, readily achievable, cannot be removed, the operator of that establishment does not have to do anything else unless they can provide the services under the same criteria.

Mr. BUMPERS. What you are saying then is that even if he cannot readily achieve a removal of the barrier, he still has to provide access to the handicapped person through some other method.

Mr. HARKIN. If it is readily achievable.

Mr. HATCH. That is right.

Mr. HARKIN. If it is readily achievable.

Mr. BUMPERS. I am getting confused here. Let us walk through this so I understand what we are talking about.

Mr. HARKIN. Maybe I could read on to page 66 to the Senator.

Mr. BUMPERS. All right.

Mr. HARKIN [reading].

> * * * the legislation specifies that where an entity can demonstrate that removal of a barrier is not readily achievable, discrimination includes a failure to make such goods, services, facilities, privileges, advantages, and accommodations available through alternative methods if such methods are readily achievable.

With respect to the adoption of alternative methods, examples of "readily achievable" include: coming to the door to receive or return drycleaning; allowing a disabled patron to be served beverages at a table even though nondisabled persons having only drinks are required to drink at the inaccessible bar; providing assistance to retrieve items in an inaccessible location; and rotating movies between the first floor accessible theater and a comparable second floor inaccessible theater.

Those are the kinds of examples we included in there to show what we mean by readily achievable.

Mr. BUMPERS. Let's walk through this example. This may seem a bit bizarre, so let me clarify what I believe to be a contradiction in this bill.

Let us assume that you have 40 steps in front of a business. I used to attend the First Methodist Church in Charleston, AR, and it had 30 steps. It never occurred to me until my father's funeral that this was a big problem to a lot of people.

Let us assume you have that and let us assume that it is determined that removal of that barrier would not be readily achievable under the criteria of this bill.

Now what I understand you to be saying, I say to the Senator, is even though it is determined that it is not readily achievable to provide access under those conditions, that there must be some alternative method designed. Maybe the regulations of the Justice Department say you have to have a ramp, which is in this case would be, we will say, 20 feet high and 75 feet long. But my point is this: If it is determined that it is not readily achievable because of its costs you are saying that he is still obligated to provide services through some other alternative if that is readily achievable.

Mr. HARKIN. The Senator is correct.

Mr. BUMPERS. Well, it is readily achievable or it is not.

Mr. HARKIN. No, access may be readily achievable or may not. The providing of services again may be readily achievable or it may not. As I said, I gave an example. For example, let us say there are three or four or five steps going up to a dry-cleaning establishment, the mom and pop operation on the corner. To put a ramp up and remove the steps might come as an undue amount. But if a handicapped person came to the door and said, I want to leave my dry cleaning and go to the door, fine.

Mr. BUMPERS. That is all well and good. That is an easy example. The one I gave you is not so easy. I am not talking about where somebody who can drive up to the drive-in window and come up to the first step and hand in their dry cleaning. I am talking about a case where the cost of providing access may very well cost as much as that businessman is going to take in in the next 30 days.

Mr. HARKIN. Well then, if that is not really achievable he would not have to do it.

Mr. BUMPERS. But you are telling me if that is not readily achievable then he must provide similar services if it is readily achievable.

Mr. HARKIN. If the service is readily achievable.

Mr. BUMPERS. Let us go further. Let us assume there is no alternative that is readily achievable. Then what happens?

Mr. HARKIN. He has no obligation.

Mr. BUMPERS. He is free.

Mr. HARKIN. Yes.

Mr. BUMPERS. So the disabled just do not have access to his place of business, is that correct?

Mr. HARKIN. That is correct.

Mr. BUMPERS. That is all I was trying to get at.

Let me ask you another question. I do not want to belabor this. I am for the bill. I hate to get personal. My daughter was paralyzed in a wheelchair for 6 months, and it sensitized me to something I would never have been nearly as sensitive to if I had not had that experience. So I am going to vote for the bill, and I must tell you I want these people to have access. I will do anything in the world to accommodate them. But as a former small businessman and chairman of the Small Business Committee of the U.S. Senate, I am concerned. I am concerned about what I think may put some people out of business. And the reason we are here debating this bill, the reason we are talking about it, is that we are obligated here to weigh the interest of the rights of the handicapped, which ought to be total, against what is obviously going to be quite a burden for a lot of small business people.

And what I am trying to do is to set this record straight so that these small business people who do not want to pay a penalty and who want to come into compliance have some understanding of what their rights are.

Now my question is this: going back to the same illustration. Somebody is going to write some regulations and say, for example, you will provide a ramp for wheelchair people if the building is less than three stories high. Somebody is going to go to have to make some kind of a regulation about what you do to provide accessibility and what you do not do. And I am assuming that the Justice Department is going to write some regulations. Is that a fair statement?

Mr. HARKIN. That is a fair and accurate statement.

Mr. BUMPERS. OK. Let us assume that some businessman gets out there and he says, "Look, this is a crazy regulation. I know that the Senator from Florida and the Senator from Arkansas did not take leave of their senses, and they did not intend for me to have to comply with such an onerous burden. It would bankrupt me if I did it."

But you know what the administrative law is on regulations, do you not? The courts almost always defer to the "expertise" of the regulation writers. In hundreds of cases where the court writes a decision, the judge says, "I think this regulation is crazy, too, and if it were a case of first impression for me, I would rule it invalid. But the case law is that we always defer to the expertise of the regulation writer."

So you have got this same old problem that we have hassled with for years in the business community, where they feel so terribly put upon when they find an onerous regulation and then find that the court feels an obligation to defer to the regulation writers. Is that not correct?

Mr. HARKIN. I want to respond to the Senator by saying that I am every bit as sensitive to the plight of small businesses as the Senator is. I have never been a small business operator, but the district I used to represent when I was in the other body and the State that I now represent is a State of many small businesses. That is basically the backbone of our State's economy. Many of my relatives were small business operators in the State of Iowa. I can assure the Senator that this Senator paid due diligence to every aspect of this bill as it was drafted, redrafted, negotiated, hammered out, compromised, amended to make sure that the burden on small businesses is modest, as we say in the legal profession, to make sure that we strike a balance. Again, I would just tell the Senator that we were basically faced with two options. One, we could say, do not do anything. Well, what does that say to handicapped persons—do not do anything? Well, that is not acceptable. I am sure the Senator would not want to stick to that—do not do anything, leave things as they are.

On the other hand, we could have gone completely the other way saying, retrofit everything, make everything accessible, no exceptions. That would have bankrupted the small businessman. We did not want to do that. So we crafted this language with this readily achievable standard, with the standards that we put in it to ensure that the regulation writers from the Justice Department cannot go off on some tangent and write regulations that would be onerous, burdensome, and disastrous to small businesses.

I can assure the Senator that this Senator, because I am so interested in this area and because of my interest in small business—and I serve on the distinguished Senator's Small Business Committee—that I am going to be paying very close attention to this as these regulations come out.

Now, again, we are going to have a chance to review those here. We will get a chance to review those. And we are going to make sure that they follow our intent in these regulations. When they promulgate or propose regulations, the business community is going to get them. They are going to be able to talk to us and let us know whether or not those are burdensome, whether or not they are going to run them out of business. At that point we can go in and we can make the necessary changes. The Senator knows the regulatory process just as well as I do and the way they promulgate regulations.

So I just want to state that this is not the end of it. It is not the end of our oversight responsibilities either. So when they promulgate those regulations, and put them out for review and comment, we are the ones that are going to look at them to make sure they are responsible regulations.

Mr. BUMPERS. Senator, why are school buses exempt from the public transportation part of this?

Mr. KENNEDY. If the Senator would permit, there are provisions in here to provide that those children that are going to be of school age that are going to need transportation will be provided it in a way that will also permit other children to be involved in it.

This was an accommodation that was worked out with the various school boards, school districts, school teachers, and the disability groups, reviewing the kinds of needs that those within the disability groups had that were attending school.

Mr. HARKIN. I did not hear the response of my distinguished chairman, but these entities are all covered under section 504. That has been in law for 15 years. That law covers school buses right now anyway.

Mr. KENNEDY. And has worked in a satisfactory way.

Mr. BUMPERS. Are public schools exempt? In other words, if there is a school building out here with three flights of stairs, do they have to come into compliance?

Mr. HARKIN. I would reply to the Senator, again, schools are covered under section 504 of the Rehabilitation Act.

Mr. KENNEDY. The schools, as you know, get title I funds and other kinds of Federal funds.

Mr. BUMPERS. They were supposed to have been covered a long time ago under the Rehabilitation Act; is that correct?

Mr. HARKIN. Yes.

Mr. BUMPERS. Have they been?

Mr. KENNEDY. By and large, I think the overwhelming majority have been.

Mr. BUMPERS. I just have two quick questions. Does my colleague know by what percentage the Greyhound Corp. says that this bill is going to increase the price of Greyhound bus tickets?

Mr. HARKIN. I would respond to the Senator I do not know the exact amount. What did they say?

Mr. BUMPERS. I understand they say it is going to increase the cost of tickets by as much as 25 percent. That is going to be an incentive for people to take the plane rather than a bus, is it not?

Mr. HARKIN. That is based on what assumption for the cost of the lift?

Mr. BUMPERS. I do not know what their assumptions are. But they say a new bus costs about $200,000 and that these lifts would cost as much as $30,000. Then they have to retrofit—not retrofit, but they are going to have to buy a different kind of a restroom to accommodate these folks.

Mr. HARKIN. I would respond to the Senator, I spent over an hour in my office the other day with the president of the Greyhound Corp.

As I said earlier to the Senator from South Carolina, he raised some very grave concerns in my mind about the provision of bus services to small towns and communities. That is why we accepted the amendment offered by the Senator from South Carolina, because I believe that amendment struck a good compromise and a good balance. Again, in this area, we will be reviewing, after 3 years, the study that OTA comes up with.

That study will address, some of the concerns the Senator has raised.

Mr. BUMPERS. How many cities in Iowa are dependent on bus service for transportation? Does the Senator know the answer to that?

Mr. HARKIN. I would say in excess of 200.

Mr. BUMPERS. That would be a good guess. In my State it is about 149.

Mr. HARKIN. I would say in excess of 200. That is why I am very concerned about this.

I point out, in testimony we always hear the price of lifts is between $30,000 and $35,000. I do not know if the Senator heard the statement of the Senator from Colorado earlier. Currently there are lifts being installed on buses in Denver, CO, for less than $12,000. These lifts take out only one seat and take no baggage area whatsoever. So, it really is not a $30,000 or $35,000 cost.

I would also reiterate what the Senator from Rhode Island said earlier. When West Germany mandated lifts on their buses, it is amazing what happened. Some entrepreneurs went to work and they developed this lift that only cost $8,000 or $9,000. That is the one being used in Denver. It is made in West Germany. West Germany.

I will tell the Senator this and I will stake a lot of money on this bet with the Senator. If we pass this bill we will find businesses out there looking at 4,000 buses that the Greyhound Corp. has, plus a lot of others, it is going to be about 16 years from now when the new buses will be phased in. We can bet our bottom dollar someone is going to be out there, the new technology is going to come along and these new lifts will be cheaper. There is just no one looking for the way now because there is no demand for it.

We all know we can get the lifts for less than $12,000 installed. I bet my bottom dollar in a couple or 3 years we will get it lower than that.

I think Greyhound was using as a basis their $30,000 or $35,000 lifts. I know that is not going to be the case in the future.

Mr. BUMPERS. One further question. I heard this alluded to earlier in the evening and I do not know how it was resolved.

Let us assume that somebody brings an action against a business and they make 20 counts of violations of this act. Let us assume that the judge determines that 19 of those counts are specious, frivolous, and throws them out and finds for the plaintiff on one ground and provides injunctive relief on that one ground.

Is the plaintiff entitled to attorney's fees?

Mr. HARKIN. The best answer I can give the Senator, and I really do not know, I honestly have to say I do not know the answer to that.

But from a legal background, and having practiced in court, as the Senator has, I would say that would be to the court to determine the legal fees, I suspect.

Mr. BUMPERS. Let us assume the court throws out 15 allegations as being specious and finds for the plaintiff on 5. Do you know whether or not that changes anything?

Mr. HARKIN. Well, again maybe those five are the most important. Maybe those cases involve the ones that caused the harm in the first place. Again, I do not know. I have to think this will be left to the court to determine: A, whether or not they should get attorney's fees and, B, how much attorney's fees they should get.

Mr. BUMPERS. I think the Senator is probably right. There is a substantial body of case law that says that if any substantial portion of the complaint is sustained, then they are entitled to attorney's fees.

How about the guy running a hardware store, if he is a defendant? What if the judge throws all 20 allegations out? Is the hardware store owner entitled to attorney's fees?

Mr. HARKIN. Well, again if it is a frivolous lawsuit the hardware store owner could go after them for attorney's fees; if it is a frivolous suit. Obviously, if all 20 are thrown out that almost seems to be a prima facie case,

but I do not know. That is up to the court.

Mr. BUMPERS. The Senator from New Mexico and I and a lot of us passed these equal access to justice bills here, saying that the businessman whom the Government wrongfully sues ought to be entitled to attorney's fees just like the prevailing plaintiff is entitled to attorney's fees. In the case of the prevailing defendant, the rule is, as I understand it, in the case where all 20 allegations were found to be specious and frivolous, the court still has to find that they were brought in bad faith before the hardware store owner can get attorney's fees. So the standard is quite different for the two. And the businessman is put at a very distinct disadvantage on attorney's fees in those cases.

Mr. HARKIN. I think in the case the Senator is talking about, the Government is on one side of that case. I agree with the Senator on that.

Mr. BUMPERS. I am not talking about a case where the Government brings it. I am talking about where an individual brings it.

Mr. HARKIN. In this case the individual here, a disabled person, my colleague is right, would be able to get attorney's fees. Again, it would be up to the court to decide how much and what was a fair and reasonable amount of attorney's fees that person could receive.

Mr. BUMPERS. I thank the Senator for accommodating me. We may have just muddied up the record worse than it already was.

Mr. HARKIN. I do not believe so. I think the Senator made a good contribution tonight. I think there were some things that needed to be clarified and I think they were clarified, and I appreciated that.

Mr. BUMPERS. I commend the Senator for all the work he has done on this. I know it has been a labor of love for him. He and the Senator from Massachusetts, the chairman, both worked diligently on it and are to be commended.

I must say, I am not torn to the extent that I am not going to vote for the bill. But I am so concerned that I am going to watch the regulations being written very carefully and get my two bits worth in, in the comment period.

Mr. HARKIN. I can assure the Senator that as a member of his Committee on Small Business, I will be right behind him in that endeavor.

Mr. BUMPERS. I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

LEGISLATIVE BRANCH APPROPRIATIONS, FISCAL YEAR 1990

The Senate continued consideration of the bill.

The PRESIDING OFFICER. Under the previous order, the clerk will report H.R. 3014.

The legislative clerk read as follows:

A bill (H.R. 3014) making appropriations for the legislative branch for the fiscal year ending September 3, 1990, and for other purposes.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been previously ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. ADAMS], the Senator from Montana [Mr. BAUCUS], the Senator from Ohio [Mr. GLENN], the Senator from Ohio [Mr. METZENBAUM], the Senator from North Carolina [Mr. SANFORD], and the Senator from Tennessee [Mr. SASSER] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Montana [Mr. BURNS], the Senator from Mississippi [Mr. LOTT], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Delaware [Mr. ROTH] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 81, nays 9, as follows:

[Rollcall Vote No. 172 Leg.]

YEAS—81

Bentsen	Fowler	Matsunaga
Biden	Gore	McCain
Bingaman	Gorton	McClure
Bond	Graham	Mikulski
Boren	Gramm	Mitchell
Boschwitz	Grassley	Moynihan
Bradley	Harkin	Nickles
Breaux	Hatch	Nunn
Bryan	Hatfield	Packwood
Bumpers	Heflin	Pell
Burdick	Heinz	Pressler
Byrd	Hollings	Pryor
Chafee	Humphrey	Reid
Coats	Inouye	Riegle
Cochran	Jeffords	Robb
Cohen	Johnston	Rockefeller
Cranston	Kassebaum	Rudman
D'Amato	Kasten	Sarbanes
Danforth	Kennedy	Shelby
Daschle	Kerrey	Simon
DeConcini	Kerry	Simpson
Dodd	Kohl	Specter
Dole	Lautenberg	Stevens
Domenici	Leahy	Thurmond
Durenberger	Levin	Warner
Exon	Lieberman	Wilson
Ford	Lugar	Wirth

NAYS—9

Armstrong	Garn	McConnell
Conrad	Helms	Symms
Dixon	Mack	Wallop

NOT VOTING—10

Adams	Lott	Sanford
Baucus	Metzenbaum	Sasser
Burns	Murkowski	
Glenn	Roth	

So the bill, (H.R. 3014), as amended, was passed.

Mr. REID. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. NICKLES. I move to lay that on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Arkansas [Mr. BUMPERS] is recognized.

Mr. REID. Will the Senator yield until we finish a matter on this bill?

Mr. BUMPERS. I will be happy to yield to the Senator from Nevada.

Mr. REID. Mr. President, I move that the Senate insist on its amendments and request a conference with the House and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. REID, Ms. MIKULSKI, Mr. ADAMS, Mr. BYRD, Mr. NICKLES, Mr. HATFIELD, and Mr. STEVENS, conferees on the part of the Senate.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. I wish to again congratulate Senator REID for the outstanding work he has done on this bill. It has been a pleasure to work with him.

Mr. HELMS. Mr. President, for the record, I wish to ask the distinguished manager a few questions about this bill, the Americans With Disabilities Act of 1989.

In the bill, the definition of "individuals with disabilities" includes anyone with a physical or mental impairment limiting one of life's major activities, and anyone regarded as having such an impairment.

The report lists many mental and physical disorders and therefore it must have been the intent of S. 933's authors that it be an all-encompassing bill; is that correct?

Mr. HARKIN. Well, the Senator's question was, Did we intend for the bill to be all-encompassing?

Mr. HELMS. Yes.

Mr. HARKIN. Within the definition the Senator just read, that is correct.

Mr. HELMS. I thought the Senator would say that, so I will be specific. Does the list of disabilities include pedophiles?

Mr. HARKIN. What?

Mr. HELMS. P-e-d-o-p-h-i-l-e-s?

Mr. HARKIN. I can assure the Senator no.

Mr. HELMS. How about schizophrenics?

Mr. HARKIN. Schizophrenics, yes.

Mr. HELMS. Kleptomania?

Mr. HARKIN. Well, I am not certain on that.

Mr. HELMS. Manic depressives?

Mr. HARKIN. Manic depressives, yes. I can state that.

Mr. HELMS. People with intelligence levels, as measured on standardized tests such as the IQ test, which are so far below standard average levels as to limit substantially one or more major life activities, but who do

not have any identifiable mental disease?

Mr. HARKIN. It is my understanding that they would be covered in this bill. If I understood the Senator correctly to say that it was so low that it did limit one or more, I do think I heard the Senator say that. I did hear the Senator say the IQ is so low that it limited one or more life activities.

Mr. HELMS. Correct.

Mr. HARKIN. Yes; in that case.

Mr. HELMS. How about a person with psychotic disorders?

Mr. HARKIN. I am told, yes. I am informed by staff it covers that.

Mr. HELMS. Homosexuals?

Mr. HARKIN. No; absolutely not.

Mr. HELMS. The Senator is certain about that?

Mr. HARKIN. I am absolutely certain.

Mr. HELMS. Transvestites?

Mr. HARKIN. Absolutely not.

Mr. HELMS. People who are HIV positive or who have active AIDS disease?

Mr. HARKIN. Just a moment, I may have misspoken.

Let us back up to transvestite. I said no, but I am told by staff that one court at one time held that a transvestite was mentally impaired, and I further understand the Senator from North Carolina added an amendment to the fair housing amendments last year that took care of that, and it was accepted.

Mr. HELMS. Where does that leave us with respect to this bill?

Mr. HARKIN. I do not know. Just a minute.

If the Senator would like to offer an amendment, we will accept it. If can I ask the Senator, if it could be drafted the same way you did last year on the Fair Housing Act.

Mr. HATCH. I agree. I think the Senator is doing a service by pointing that out.

Mr. HELMS. I thank the Senator.

Mr. HATCH. If we can also work on other similar problems, we can work them out as fast as we can.

Mr. HELMS. I will ask the managers of the bill, with respect to the categories I have identified which meet the act's definition of disabilities, will this act make it unlawful to take those conditions into account in making employment decisions if the employer cannot prove that the condition in question will prevent the employee from performing the functions of the job in question?

Mr. HARKIN. I am sorry, could the Senator repeat that? It is a legal question, and I have to make sure I understand it.

Mr. HELMS. Let me give the Senator the short form. Does an employer's own moral standards enable him to make a judgment about any or all of the employees identified in our previous question?

Mr. HARKIN. Are you talking about transvestites?

Mr. HELMS. Pardon?

Mr. HARKIN. Are you talking about transvestites?

Mr. HELMS. Right, or kleptomaniacs or manic depressives. You said they are covered and that schizophrenics are covered as well. How far does your covered list of individuals go in denying the small businessman—so often referred to on this floor—the right to run his company as he sees fit?

Mr. HARKIN. All we are saying in this bill is that those persons who are identified as being covered by this act, and we just talked about some of them, they are covered by the act, that just means—we are talking about title I employment—that these people have to be judged on the basis of their abilities and not on the basis of a disability, taking into account what they can do and how they can perform on a job and are they qualified for the job.

Mr. HELMS. Who makes that judgment?

Mr. HARKIN. The employer.

Mr. HELMS. And you think he ought to have a right to make that judgment? Is that the intent of this act?

Mr. HARKIN. He should have the right to make that judgment in the manner in which the act provides for such judgments.

Mr. HELMS. I thank the manager of the bill for stating that for purposes of the legislative history on this act.

Mr. HARKIN. The Senator is right.

Mr. HELMS. So the employer makes the judgment. Does the Senator also say the employer should not, under this act, be hauled into court for making that judgment?

Mr. HARKIN. The employee would have the right. If the employees feel they were discriminated against on the basis of their handicap, then they would have the right first to go to EEOC. They have to exhaust their administrative remedies first. They would go to EEOC and file a complaint.

Mr. HELMS. I understand, but the EEOC is not exactly a dispassionate, disinterested party in this. These questions and your answers are meant to give some guidance to the EEOC and everybody else involved as to the intent of this legislation. So what does the legislation intend to do in the instances I have mentioned?

Mr. HARKIN. In which case?

Mr. HELMS. All of them the individuals whose handicaps you said were covered under this bill.

Mr. HARKIN. The act intends, if you are talking about the employment section—and that is what we are talking about—that employers will treat employees or prospective employees based on their abilities to perform the job or jobs in question, not based upon any disability that that person might have had at one time or may have had previous to that one point in time.

Mr. HELMS. Which means according to the Senator's answers that an employer cannot really exercise his judgment in the case of schizophrenia or with a manic-depressive; that is what I understand the Senator to have just said.

Mr. HARKIN. That is not exactly what the Senator said.

Mr. HELMS. What exactly did my friend say?

Mr. HARKIN. What this Senator said, in cases where a person has a disability, let us say schizophrenia, the employer has obviously every right to determine what that disability is and whether or not it would affect the performance of that person's job, the ability of that person to perform the job or the jobs in question. If it did, then the employer could say this person was not qualified. If, however, the disability in question, whether schizophrenia, manic-depressive or whatever it might be is, let us say, controlled by drugs, the person is under a doctor's care, and the person is qualified for the job, then the employer can say, "Well, I am not going to hire you based on your disability," but the employee then would be able to go to the EEOC and file a complaint and show, A, that that employee is qualified; B, that the disability in question does not inhibit his or her performance on that job. Then it would be up to the employer to respond.

Mr. HELMS. Then this bill runs full tilt into more and more bureaucracy. How is an employer, or prospective employer, supposed to find out whether a man is a pedophile or schizophrenic. An employer cannot even inquire about such a handicap under this act, can he?

Mr. HARKIN. I think I have it clear, if the Senator will ask the question.

Mr. HELMS. Is it true that under this bill, a prospective employer is prohibited from even inquiring of a job applicant whether or not that applicant is a schizophrenic or a manic-depressant or if he has any of the other disabilities the Senator says are covered in S. 933. So how is an employer supposed to know when he cannot ask? An employer cannot ask, correct?

Mr. HARKIN. It is my understanding that that would not be permissible as a first step in the employment process. But after a conditional offer of employment is made—I understand that is the term of art—after a conditional offer of employment is made, then the employer can ask that they fill out a medical history and all that kind of thing and they can inquire into that. The point is that in the initial stages the approach would be that the employer wants to find out: Is this

person qualified for the job? Can this person perform the job in question?

After that, then there comes a conditional offer of employment based upon other things. And that is when they fill out the medical history.

Mr. HELMS. Let me go to title III, covering public accommodations which as used in this bill includes an adoption agency. Can an adoption agency, for example, take any of the disabling conditions into consideration before allowing the completion of an adoption?

Mr. HARKIN. Under title III, is the Senator talking about under public accommodations?

Mr. HELMS. Yes.

Mr. HARKIN. Can an adoption agency do what?

Mr. HELMS. Take any of the disabling conditions that the Senator and I have been discussing into consideration in connection with a proposed or requested adoption?

Mr. HARKIN. I am sorry, I just do not understand the question. I have to be honest, I do not understand.

Mr. HELMS. The Senator has said that the long word that I used for one who has had relations with a child, a pedophile, is not covered by this act. Is that correct?

Mr. HARKIN. That is correct.

Mr. HELMS. But a schizophrenic is covered, the Senator said. But I want to know if an adoption agency is forbidden to take that into consideration if the prospective adopter is a schizophrenic or manic-depressive.

Mr. HARKIN. Let me rephrase it and see if I understand. The Senator is saying, let us say, there is an adoption agency and a couple comes in that want to adopt a child.

Mr. HELMS. Right.

Mr. HARKIN. Can the adoption agency inquire? Is that what the Senator is asking? Can they inquire as to whether or not——

Mr. HELMS. First, I am asking if they may inquire. And second, if the adopters are otherwise qualified to adopt, does the adoption agency—under the definitions of this act—have the right to say, "No, sorry about that, but you are a manic-depressive by your own acknowledgment; we cannot let you have the child?" Will the adoption agency be able to do that without being hauled into court?

Mr. HARKIN. I would respond that I do not believe so just as a general rule. I think they would have to do that on an individual basis.

When the Senator uses the term manic-depressive, that is like an IQ level. There are various stages of being a manic-depressive; it may be a slight manic-depressive completely controlled by prescription drugs, or it could be a manic-depressive so severely impaired they just cannot handle themselves any longer. Each case has to be handled on its own merits and that is what the adoption agency, I am sure, would look at.

I am sure there are plenty of manic-depressives in this country—I know some. I have met some who are completely controlled under doctors' orders as long as they are on prescription drugs. They may have a slight case of it. But each case would have to be handled on its own merits.

Mr. HELMS. The Senator said that homosexuals are not covered in the definitions.

Mr. HARKIN. That is correct. Homosexuality is not a disability.

Mr. HELMS. I want to be sure about that.

Mr. HARKIN. Yes.

Mr. HELMS. We have an amendment in process with respect to transvestites. But the Senator says that—well, the committee report says, as a matter of fact, if I recall correctly, that those who are HIV positive or who have active AIDS disease are covered.

Does that mean that an adoption ageny cannot inquire about HIV infection under this bill? I apologize for raising all these questions but I need to know the answers.

Mr. HARKIN. Again, I would ask what is the relevancy to an adoption agency whether or not a person has tested HIV positive? What is the relevancy of that to whether or not they can be good parents?

Mr. HELMS. If I understood the Senator's question, I hope he is not serious. What is the relevancy of somebody who tests HIV positive or who has AIDS with respect to the adoption of a child, is that what the Senator is asking me?

Mr. HARKIN. Is this something that is absolutely relevant to whether or not one or both parents can be good parents? I am asking the Senator.

Mr. HELMS. I think it is absolutely relevant.

Mr. HARKIN. In that case, if it is relevant, and that is proven, the adoption agency can take that into account.

Mr. HELMS. What does the bill say, though? What is the intent of the bill with regard to this?

Mr. HARKIN. Maybe I should ask the Senator, and again I ask the Senator why it would be relevant if someone tests HIV positive? Maybe there is something I do not understand.

Mr. HELMS. I think the Senator does understand.

Mr. HARKIN. No. I do not understand.

Mr. HELMS. You want to put a child up for adoption and subject him to a terrible risk. Bear in mind, Senator that approximately 85 percent of the HIV-positive people in this country are drug users and/or homosexuals.

Mr. HARKIN. Then they can take that into account.

Homosexuals are not covered by this on the basis of their homosexuality. And current drug users, I might add, are not covered by this, either on the basis of their current illegal drug use. It is people who have AIDS and HIV infection who are covered on the basis of those disabilities.

Mr. HELMS. I thank the Senator. I think we have made some important legislative history today.

Mr. HARKIN. Because they are HIV-positive, I point that out, that makes them covered.

Mr. HELMS. Mrs. Helms and I were blessed many years ago with the privilege of adopting a child who has been the biggest blessing to us. And you will not believe the questions that the adoption agency asked. The questions were endless.

So the Senator is telling me, I hope, that nothing will be changed about that, that the adoption agencies can continue to ask the questions, and that they can continue to refuse to assign a child to prospective adopters. Is that what the Senator is saying, under this bill?

Mr. HARKIN. If I understand the Senator's question correctly, the Senator is correct. What the bill is saying is they just cannot refuse to go forward simply because someone has a disability. They can take a lot of factors into account; but not on the basis of disability.

Mr. HELMS. I hope this act is not going up one side of the street and down the other on its definitions.

But let me move on. Under section 102(c), preemployment screening is virtually eliminated. Would the Senator agree with that?

Mr. HARKIN. As I said before, a preemployment type of screening is not permitted, but as a possible condition of employment, it is.

Mr. HELMS. Then could a hospital, for example, or other health care provider, or a day care provider for that matter, be permitted to make inquiries regarding the following factors before offering a person employment as a physician.

Mr. DOMENICI. Mr. President, could we have order?

The PRESIDING OFFICER. The Senate will be in order. Those who have business other than that before the Senate at this time will please remove themselves from the floor.

The Senator from North Carolina.

Mr. HELMS. I thank the Chair. I hate to inconvenience my colleagues, but I am interested in the answers I am getting.

Let me start again. Could a hospital or other health care provider or day care provider be permitted to make inquiries regarding various disabling conditions before offering a person employment as a physician, or a psychiatric or psychological counselor,

nurse, paramedic, hospital orderly, or a teacher?

Mr. HARKIN. Could the hospital do what?

Mr. HELMS. Make inquiries regarding these various conditions. Let me state three or four such factors.

Can they ask, for example, whether the applicant is infected with any contagious disease, such as HIV? Can they ask that question?

Mr. HARKIN. Again, after a conditional offer of employment is made, the answer is yes.

Mr. HELMS. May they ask regarding a history of psychosis, neurosis, or other mental, psychological disease or disorder?

Mr. HARKIN. If I might be a little bit more specific on this, the purpose of this prohibition—that is, the prohibition on initial asking of these questions—is to ensure that employers do not inappropriately screen out people with disabilities at the initial stage of the application process by simply reacting to a prejudice or stereotype about a person's disability.

Of course, in some jobs, medical examinations are necessary or useful prerequisites for a job. Therefore, the amendment allows employers completely at their discretion to institute medical examinations of job applicants after such applicants have received conditional offers of employment. There is no restriction on the scope of these medical examinations. Therefore, if an employer chooses, this examination may include a test for HIV. There are three requirements on the use of these medical exams. The tests must be given to all job applicants, the results must be kept confidential, as described in the Act, and the results may be used only in accordance with the amendment. That is, if test results show an applicant is in fact not qualified for the job, the results may then legitimately be used to justify withdrawing the conditional job offer. And this way, applicants know why the job offer has been withdrawn and can contest it if necessary. These requirements all derive from the basic concepts underlying the amendment, and have been in place for 15 years under section 504.

Mr. HELMS. So the Senator is saying that if a job applicant comes into the Tom Harkin Pharmacy, in Iowa, and he would like to talk to you about a job, you say OK. Let us go back in the office. You cannot ask that applicant any of these questions at that point. It is only at the time, according to my understanding of the Senator's answer, that you offer him a job that you can ask him these legitimate questions? Is that correct?

Mr. HARKIN. Well, no. It is a conditional offer of employment.

Mr. HELMS. Which is what I said.

Mr. HARKIN. That is right. Then you ask the questions.

Mr. HELMS. Will the Senator tell me what is the purpose of that? Why take Tom Harkin, the pharmacist Tom Harkin, who says, "Look, I don't want any drug user, I don't want anybody with a history of psychosis, neurosis, or mental or psychological difficulties or disorder—do you have any of those problems?" This is before a conditional job offer is made. He is prohibited at that point from even asking the question.

Mr. HARKIN. I will respond to the Senator by saying that at that point you can ask about the applicant's ability to do the job. If I had a pharmacy, and the person came in for a job, you name the job. What job is it, Pharmacist?

Mr. HELMS. I use that as an example.

Mr. HARKIN. Let us say they came in to be a pharmacist. You want a job as a pharmacist.

Mr. HELMS. Not necessarily. It can be a clerk.

Mr. HARKIN. OK. They want to be a checkout clerk. Well, I might inquire as to their experience, what job they have held before. They know how to run a cash register. What is your job history? What is your previous job? Have you ever had any experience working at a checkout counter? I might check into all of that. Are you qualified for that position? And if, first of all, I determine they are not qualified, they have never had a job like that, I would say, well, I need someone who is qualified. But if I determine that they are qualified, at that point I can then say, "OK, I will offer you this job conditionally." Now I have to know some other things.

The idea, if I might respond to the Senator quite frankly, is that the testimony that we have received in our committee demonstrates instances when individuals were judged on the basis of their disabilities and not their abilities. I can tell the Senator it happens every day all over this country.

There is a wellspring of fears and unfounded prejudices about people with disabilities, unfounded fears, whether people have mental disorders, whether they are manic-depressives or schizophrenia or paranoia, or unfounded fears and prejudices based upon physical disabilities. The point of the bill is to start breaking down those barriers of fear and prejudice and unfounded fears, to get past that point so that people begin to look at people based on their abilities, not first looking at their disability.

That is really what the point of this legislation is, is to get past that initial barrier. Certainly, at the point of conditional offer of employment, of course, an employer can inquire about all sorts of things, as long as all applicants are asked. I thought I would clarify that as to the intent of what this bill is seeking to do.

Mr. HELMS. If the Senator will forgive me, I know everybody has a different idea about how to draft a piece of legislation. If this were a bill involving people in a wheelchair or those who have been injured in the war, that is one thing. But how in the world did you get to the place that you did not even include transvestites? How did you get into this business of classifying people who are HIV positive, most of whom are drug addicts or homosexuals or bisexuals, as disabled?

BOB DOLE in an expression said something about disabled. It does not mean unable. Now, everybody in this Chamber has an abiding interest in handicapped people. But I do not know how you got so far afield in definitions of who is going to be covered by this. I will not ask you to comment on that.

Mr. HARKIN. If I might respond, some people only think of people who are physically disabled as being handicapped. People can be mentally handicapped as well.

There may be physical handicaps people have that are not readily apparent to people. There are all kinds of handicaps that in one way or another limits one of the major life activities of an individual. So I mean, we obviously could not restrict it and say just those people who use wheelchairs. We had to cover all kind of disabilities, mental as well as physical.

Mr. HELMS. Two of the finest Senators we have ever had in this Chamber, the Senator served with, as did I, Senator Stennis of Mississippi, and the late John East, both in wheelchairs, and I marveled at their ability and intelligence. If anybody tried to discriminate against John Stennis or John East, I would be right on them.

I do not understand why, for example, you went down the road of including in your definitions people who are HIV positive, because 85 percent or more of the HIV positive people in this country are known to be drug users or homosexual or both.

Mr. HARKIN. Then I respond to the Senator that they are not covered under this bill on the basis of their homosexuality or drug use.

Mr. HELMS. The Senator better read his committee report, because it says they are covered.

Mr. HARKIN. They are covered on the basis of their HIV infection but not on the basis of being current drug users.

Mr. HELMS. I am talking about the HIV positive.

Mr. HARKIN. I beg your pardon?

Mr. HELMS. I am talking about those who are HIV positive. You include them as handicapped, and you protect them, and the guy that runs that pharmacy we were talking about, if he dares to ask a question about it before there is a conditional job offer,

he is in the soup, according to this; is that not correct?

Mr. HARKIN. If he did it after the conditional job offer, then he can ask.

Mr. HELMS. What was the point in making him go that far? Why could he not sit down and say, son, I want to talk to you about several things that are important to me as the owner of this drugstore. Are you HIV positive? Are you this or that? Because your condition and beliefs are important to me in the operation of my drugstore. Why can the employer not do that? Why does he have to go through all this rigamarole and get down to making a conditional job offer, at which point he has the right to ask the question? Why was that done? Why was that scenario set up?

Mr. HARKIN. Because even though the person may be HIV positive, he may still be qualified for that clerk job of running that cash register. He may be fully qualified, and not a current drug user.

Mr. KENNEDY. Will the Senator yield?

Mr. HELMS. Sure.

Mr. KENNEDY. I would like to point out, if we can go back a little bit, about the conclusion that we were going to follow our decision. As the chairman of the President's Commission on the HIV epidemic has pointed out, the linchpin of our ability to control the spread of this virus is protection against discrimination. If we fail to provide this protection, we will continue to drive this epidemic underground.

Now, continued inaction may be satisfactory to certain individuals in this body, but the President's Commission on HIV, the new congressional AIDS Commission, and a wide array of public health and medical organizations have repeatedly stated that in terms of a public health policy protection under the act is extraordinarily important in terms of bringing this epidemic under control. So, individuals have lived up to 8 years after testing HIV positive, and we are thankfully making medical advances with each passing day.

The most recent Public Health Service report that was released 2 weeks ago, has demonstrated that AZT has had a positive impact on those that have tested positive but do not have the disease. Now, the question is, if you are going to encourage individuals to come forward for counseling and testing and crucial medical care—if you are going to get them to go out and pursue voluntary testing, we must not limit their protection under this act. If we do, we are going to find out about the countless individuals that have lost their jobs, their homes. They are going to be subject to discrimination in various other aspects of society, then you are going to find out that you "ain't" going to be able to provide much testing and counseling, and the disease is going underground.

Now, in the particular provision of the legislation we have pointed out very clearly, if you are asymptomatic and HIV positive, you are protected; if you have full-blown AIDS, you are also protected. I think this is completely consistent with public health policy, and reflects the bipartisan consensus that brought us to this day.

It is the recommendation of the President's Commission. And it certainly, I think, is a compassionate and wise public policy. Now, the Senator from North Carolina may not agree with that judgment, but that is at least some of the background of why we have included people in all stages of HIV diseases in the legislation.

I ask unanimous consent that these letters of support for this provision be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL COMMISSION ON AIDS,
Washington, DC, September 6, 1989.

STATEMENT OF SUPPORT FOR AMERICANS WITH DISABILITIES ACT

We, the Members of the National Commission on Acquired Immune Deficiency Syndrome strongly support passage of the Americans with Disabilities Act, legislation which would implement the key recommendation of the Presidential Commission on the Human Immunodeficiency Virus Epidemic.

People living with AIDS and HIV infection, and those regarded as such, deserve the same discrimination protections as all people with disabilities. Such protections from discrimination are not only necessary to enhance the quality of life for people with AIDS and HIV infection, they are—as the Presidential Report and the Institute of Medicine have reported—the linchpin of our nation's efforts to control the HIV epidemic.

Thousands of Americans who should seek voluntary counseling and testing services and many who need life-prolonging medical treatment will not come forward if they believe that doing so could result in the loss of their job or lack of access to public accommodations. Legislation that is based not only on compassion but sound public health principles is a must if we are to reach and assist these individuals.

We are extremely pleased that the majority of the United States Senate and the White House have made a bipartisan commitment to enact the Americans with Disabilities Act. We oppose any efforts to reduce the scope of coverage of the present bill, particularly with respect to HIV, the specific focus of this commission. The ADA will provide a clear and comprehensive mandate to greatly extend discrimination protections for people with disabilities. We are proud to endorse this landmark legislation.

While the political process can play a positive role in any successful resolution of the AIDS crisis, we must fight to keep the focus on public health. Fear and division must be dissolved through understanding and cooperation. Compassion must rule the day.

Finally, I must add that discrimination against individuals infected with the virus is unacceptable. This is a point that has been made again and again, especially in the final report of the President's Commission on the HIV Epidemic and by President Bush. HIV infection cannot be spread by casual contact. There is no medical reason for discrimination.

This Administration is committed to enacting legislation that will prohibit such discrimination. For example, we are working with Congress on legislation, the Americans with Disabilities Act, which includes under its scope Americans with HIV infection. Passage of this law will protect these people from discrimination.

Compassion, not prejudice, is needed. AIDS began early in this decade as a disease that threatened to divide Americans. It threatens to divide us today. It has been said before, and I will say it again: there can be no "us" and "them" in confronting AIDS—only "us," all of us, together.

In the end, the AIDS epidemic, painful and difficult as it may be, can offer us lessons—in science and in spirit, generosity and compassion. AIDS must not "divide and conquer." To the contrary, it must bring all of us together. We must care about one another, and help care for one another. We must learn one another's problems. We must, in a profound sense, speak one another's language.

Louis Sullivan, MD, is the secretary of health and human services.

ORGANIZATIONS SUPPORTING THE INCLUSION OF PEOPLE WITH AIDS INTO THE AMERICANS WITH DISABILITIES ACT

ACLD, An Association for Children and Adults with Learning Disabilities;
AIDS Action Council,
AIDS National Interfaith Network,
Alexander Graham Bell Association for the Deaf,
American Academy of Child and Adolescent Psychiatry,
American Academy of Otolaryngology Head and Neck Surgery,
American Academy of Physical Medicine and Rehabilitation,
American Association for Counseling and Development,
American Association of the Deaf-Blind,
American Association for Marriage and Family Therapy,
American Association on Mental Retardation,
American Association of University Affiliation Programs,
American Baptist Churches, U.S.A.,
American Civil Liberties Union,
American College Health Association,
American Council of the Blind,
American Congress of Rehabilitation Medicine,
American Deafness and Rehabilitation Association,
American Diabetes Association,
American Federation of Labor and Congress of Industrial Organizations (AFL-CIO),
American Foundation for AIDS Research,
American Foundation for the Blind,
American Medical Association,
American Nurses Association,
American Occupational Therapy Association,
American Public Health Association,
American Psychiatric Association,
American Psychological Association,
American Speech-Language-Hearing Association,
American Social Health Association,
American Society for Deaf Children,
American Speech-Language-Hearing Association,

Americans for Democratic Action,
Arkansas Department of Health,
Association for Education and Rehabilitation of the Blind and Visually Impaired,
Association for the Education of Rehabilitation Facility Personnel,
Association for Retarded Citizens of the United States Autism Society of America,
Black Coalition on AIDS,
Blacks Educating Blacks about Sexual Health Issues,
Blinded Veterans Association,
Bronx Lebanon Hospital,
Brooklyn AIDS Task Force,
Camden County Red Cross,
Center for Population Options,
Central Navajo AIDS Coalition,
Child Welfare League,
Christian Church (Disciples of Christ),
Chronic Fatigue Syndrome Information Institutes, Inc.,
Church of the Brethren,
Church Women United,
Colorado Department of Health,
Committee for Children,
Common Cause,
Community Service Council of Greater Harlem,
Conference of Educational Administrators Serving the Deaf,
Convent House,
Convention of American Instructors of the Deaf,
Council for Exceptional Children,
Deafness Research Foundation,
Disabled But Able to Vote,
Disability Focus,
Disability Rights Education and Defense Fund,
Epilepsy Foundation of America,
Episcopal Awareness Center on Handicapped,
Federation of Community Planning,
Friends Committee on National Legislation,
Gallaudet University Alumni Association,
Gazette International Networking Institute,
Harvest America Corporation,
Health Education Resource Organization,
Health Issues Task Force,
Hispanic Office Catholic Center,
Human Rights Campaign Fund,
International Association of Parents of the Deaf,
International Polio Network,
International Ventilator Users Network,
Juvenile Diabetes Foundation,
Lamda Legal Defense And Education Fund,
Latinas AIDS Research Project,
Leadership Conference on Civil Rights,
Learning How, Inc.,
The Lutheran Office for Government Affairs, Evangelical Lutheran Church in America,
Mental Health Law Project,
Merrimach Valley AIDS Project,
Midwest Hispanic AIDS Coalition,
Milwaukee Indian Health Board,
National AIDS Information Clearing House,
National AIDS Network,
National Alliance for the Mentally Ill,
National American Women's Health Education Resource Center,
National Association for Music Therapy,
National Association of Community Health Centers,
National Association of Counties,
National Association of the Deaf,
National Association of Developmental Disabilities Councils,
National Association of People with AIDS,
National Association of Private Residential Resources,
National Association of Protection and Advocacy Systems,
National Association of Rehabilitation Facilities,
National Association of Rehabilitation Professionals in the Private Sector,
National Association of Social Workers,
National Association of State Alcohol and Drug Abuse Directors,
National Association of State Mental Retardation Program Directors,
National Coalition for Cancer Survivorship,
National Council on Alcoholism,
National Council of Churches,
National Council of Community Mental Health Centers,
National Council on Disability,
National Council on Independent Living,
National Council on La Raza,
National Council on Rehabilitation Education,
National Down Syndrome Congress,
National Easter Seal Society,
National Education Association,
National Family Planning and Reproductive Health Association,
National Fraternal Society of the Deaf,
National Gay and Lesbian Task Force,
National Handicapped Sports and Recreation Association,
National Head Injury Foundation,
National Hospice Organization,
National Industries for the Severely Handicapped,
National Mental Health Association,
National Minority AIDS Council,
National Multiple Sclerosis Society,
National Network of Learning Disabled Adults,
National Network of Runaway and Youth Services,
National Organization for Rare Disorders,
National Organization on Disability,
National Ostomy Association, Inc.,
National P.T.A.,
National Puerto Rican Coalition,
National Recreation and Park Association,
National Rehabilitation Association,
National Spinal Cord Injury Association,
Native American AIDS Prevention Center,
Nevada Treatment Center,
New Jersey Department of Health,
Niagara Frontier AIDS Alliance,
Paralyzed Veterans of America,
Pascua Yagu Tribe,
People First International,
Phoenix Indian Service,
Presbyterian Church, (U.S.A.),
Private Paralyzed Veterans of America,
People First International,
Rainbow Lobby,
Self-Help for Hard of Hearing People, Inc.,
Spina Bifida Association of America,
Synagogue Council of America,
Telecommunications for the Deaf, Inc.,
The Association for Persons with Severe Handicaps,
The Epsicopal Church,
The Gray Panthers,
Tourette Syndrome Association,
Union of American Hebrew Congregations,
Unitarian Universalist Association of Congregations,
United Cerebral Palsy Associations, Inc.,
United Church Board for Homeland Ministries,
United Church of Christ, Office for Church in Society,
United States Student Association,
Issue Development and Advocacy Unit, General Board of Church and Society, The United Methodist Church,
Women's Equity Action League,
Women's Legal Defense Fund, and
World Institute on Disability.

U.S. SENATE,
Washington, DC, September 6, 1989.

DEAR SENATOR: This week you will likely be voting on the Americans With Disabilities Act of 1989 (S. 933). We, the undersigned, leaders of denominational and religious-based agencies, call upon you to support fully the passage of ADA as reported out of the Committee on Labor and Human Resources on August 2, 1989 and to vote against any amendments that will weaken the protections the current version provides.

The time for full civil rights protection for our fellow disabled Americans is long overdue. The passage of ADA in its present form will mean that all Americans will be able to enjoy the opportunities this nation provides its citizens by empowering people living with disabilities to move from lives of dependency to lives of self-fulfillment and productivity.

Months of negotiations between the Administration and Senate leadership produced a bipartisan bill which was unanimously reported out of committee. President Bush has announced his full support for ADA in its current form and opposes any amendments during consideration by the full Senate. In addition, the bill already has 57 cosponsors in the Senate as well as 223 consponsors in the House.

We are grateful for the resolution of problems in the bill during the committee markup process that concerned issues of separation of church and state.

The religious community is committed to the passage of this landmark legislation which would ensure the civil liberties for disabled Americans. We testify to this unity by our signatures below.

Robert W. Tiller, Director, Office of Governmental Relations, American Baptist Churches, USA;

Herbert Blinder, Director, Washington Ethical Action Office, American Ethical Union;

Asia A. Bennett, Executive Secretary, American Friends Service Committee;

Sally Timmel, Director, Washington Office, Church Women United;

Kay S. Dowhower, Director, Lutheran Office for Governmental Affairs, Evangelical Lutheran Church in America;

Father Robert J. Brooks, Presiding Bishop's Staff Officer, Washington Office of the Episcopal Church;

Joseph R. Hacala, S.J., Director, Jesuit Social Minitries, National Office;

Mary Anderson Cooper, Acting Director, Washington Office, National Council of Churches;

Mary Jane Patterson, Director, Washington Office, Presbyterian Church (USA);

Rabbi Irwin M. Blank, Washington Representative, Synagogue Council of America;

Rabbi Lynne Landsberg, Associate Director, Religious Action Center for Reform Judaism, Union of American Hebrew Congregations;

Robert Z. Alpern, Director, Washington Office, Unitarian Universalist Association of Congregations in North America;

Rev. Jay Lintner, Director, Washington Office, Office for Church in Society, United Church of Christ;

Joyce V. Hamlin, Director, Washington Office, Women's Division, The United Methodist Church; and

Jane Hull-Harvey, Director, Department of Human Welfare, General Board of Church and Society, The United Methodist Church.

May 10, 1989.

DEAR SENATOR: We, the undersigned representatives of denominations and faith groups in the United States, are deeply concerned about the discrimination daily faced by individuals with physical or mental disabilities. Such discrimination can be found in every segment of life in this society. Although there have been some improvements in the last few years, largely due to protections afforded by section 504 of the Rehabilitation Act of 1973, such discrimination remains a pervasive problem for over 42 million disabled Americans.

As members of faith groups, it is our responsibility to strengthen and heal one another within the human family. The unity of the family is broken where any are left out or are subject to unequal treatment or discrimination. "If one member suffers, all suffer together; if one member is honored, all rejoice together" (1 Corinthians 12:26). Those with physical and mental disabilities have for too long been the target of such suffering, prejudice and discrimination effectively denying them the opportunity to compete on an equal basis for all of the rights, privileges and opportunities that are afforded to others as members of this society.

We write today to express our support for strong federal legislation addressing these issues, particularly in the private section where much of that discrimination now takes place. We urge that you support legislation to protect the rights of persons with disabilities including particular attention to the problem of discrimination in employment, communications, access to public services, and public accommodations. One such piece of legislation introduced in Congress which appears to us to meet our principles is the Americans With Disabilities Act of 1989. This legislation provides protection against discrimination for individuals with disabilities similar to protection provided other minorities in current civil rights law.

We also want to make clear our support for inclusion of those infected by the Human Immunodeficiency Virus and people living with AIDS. We concur with the report of the Presidential Commission on the HIV Epidemic:

As long as discrimination occurs, and no strong national policy with rapid and effective remedies against discrimination is established, individuals who are infected with HIV will be reluctant to come forward for testing, counseling, and care. This fear of potential discrimination will limit the public's willingness to comply with the collection of epidemiological data and other public health strategies, will undermine our efforts to contain the HIV epidemic, and will leave HIV-infected individuals isolated and alone. Discrimination against persons with HIV infection in the workplace setting, or in areas of housing, schools, and public accommodations is unwarranted because it has no public health basis. Nor is there any basis to discriminate against those who care for or associate with such individuals.

The Americans With Disabilities Act provides that an individual with a disability must be given equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement in the most integrated setting appropriate to the individual's needs. We urge you to support this bill, or similar legislation, that protects the rights of the disabled by helping to insure that all members of this society are allowed to participate on an equal basis.

Thank you for your consideration of this important issue.

Sincerely,

Dr. Daniel E. Weiss, General Secretary, American Baptist Churches, USA;

Dr. John O. Humbert, General Minister and President, Christian Church (Disciples of Christ);

Dr. Donald E. Miller, General Secretary, Church of the Brethren;

Dr. Claire Randall, President, Church Women United;

The Most Reverend Edmond L. Browning, Presiding Bishop, The Episcopal Church;

The Reverend Dr. Herbert W. Childstrom, Bishop, Evangelical Lutheran Church in America;

Edward F. Snyder, Executive Secretary, Friends Committee on National Legislation;

The Reverend Arie R. Brouwer, General Secretary, National Council of Churches;

The Reverend James Andrews, Stated Clerk of the General Assembly, Presbyterian Church (U.S.A.);

Rabbi Irwin M. Blank, Past President, Synagogue Council of America;

Rabbi Alexander Schindler, President, Union of American Hebrew Congregations;

Dr. William F. Schultz, President, Unitarian Universalist Association;

Dr. Avery D. Post, President, United Church of Christ; and

Bishop Robert C. Morgan, President, General Board of Church and Society, The United Methodist Church.

CONSORTIUM FOR CITIZENS WITH DISABILITIES,
September 5, 1989.

Hon. EDWARD KENNEDY,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: Today is an historic day for America's largest minority—43 million citizens with disabilities. This afternoon, the Senate will begin consideration of S. 933, the Americans With Disabilities Act of 1989, a comprehensive bill to eliminate discrimination against all persons with disabilities.

The Consortium for Citizens with Disabilities (CCD) and scores of other national organizations that are supporting this legislation have worked long and hard with the Senate and the Bush Administration to achieve a bill that provides people with disabilities comprehensive civil rights protections while still addressing concerns of the business community.

This is a bi-partisan bill which has the full support of the Bush Administration. However, we expect that some amendments will be offered that will nullify the protections the bill seeks to provide. The Bush Administration is committed to oppose all weakening amendments. We ask you to join the Administration in opposing all such amendments.

As President Bush has stated:

"I am going to do whatever it takes to make sure the disabled are included in the mainstreams. For too long the disabled have been left out of the mainstream, but they're not going to be left out anymore".

On behalf of America's 43 million citizens with disabilities, we urge you to support this long overdue legislation and oppose all weakening amendments to the Americans With Disabilities Act.

Thank you.

Sincerely,

ACLD, An Association for Children and Adults with Learning Disabilities,

AIDS Action Council,

AIDS National Interfaith Network,

Alexander Graham Bell Association for the Deaf,

American Academy of Child and Adolescent Psychiatry,

American Academy of Otolaryngology Head and Neck Surgery,

American Academy of Physical Medicine and Rehabilitation,

American Association for Counseling and Development,

American Association for Marriage and Family Therapy,

American Association of the Deaf-Blind,

American Association on Mental Retardation,

American Association of University Affiliated Programs,

American Baptist Churches U.S.A.,

American Civil Liberties Union,

American College Health Association,

American Council of the Blind,

American Congress of Rehabilitation Medicine,

American Deafness and Rehabilitation Association,

American Diabetes Association,

American Federation of Labor and Congress of Industrial Organizations (AFL-CIO),

American Foundation for AIDS Research,

American Foundation for the Blind,

American Nurse Association,

American Occupational Therapy Association,

American Psychiatric Association,

American Psychological Association,

American Public Health Association,

American Social Health Association,

American Society for Deaf Children,

American Speech-Language-Hearing Association,

Americans for Democratic Action,

Association for Education and Rehabilitation of the Blind and Visually Impaired,

Association for the Education of Rehabilitation Facility Personnel,

Association for Retarded Citizens of the United States,

Autism Society of America,

Blinded Veterans Association,

Center for Population Options,

Child Welfare League of America,

Christian Church (Disciples of Christ),

Chronic Fatigue Syndrome Information Institute, Inc.,

Church of the Brethren,

Church Women United,

Committee for Children,

Common Cause,

Conference of Educational Administrators Serving the Deaf,

Convention of American Instructors of the Deaf,

Council for Exceptional Children,

Deafness Research Foundation,

Disabled But Able to Vote,

Disability Focus,

Disability Rights Education and Defense Fund,

Epilepsy Foundation of America,

Episcopal Awareness Center on the Handicapped,

The Lutheran Office for Governmental Affairs, Evangelical Lutheran Church in America,

Friends Committee on national legislation,

Gallaudet University Alumni Association,

Gazette International Networking Institute,
Human Rights Campaign Fund,
International Association of Parents of the Deaf,
International Polio Network,
International Ventilator Users Network,
Juvenile Diabetes Foundation,
Lamda Legal Defense and Education Fund,
Leadership Conference on Civil Rights,
Learning How, Inc.,
Mental Health Law Project,
National AIDS Network,
National Alliance for the Mentally Ill,
National Association of Counties,
National Association for Music Therapy,
National Association of the Deaf,
National Association of Developmental Disabilities Councils,
National Association of People with AIDS,
National Association of Private Residential Resources,
National Association of Protection and Advocacy Systems,
National Association of Rehabilitation Facilities,
National Association of Rehabilitation Professionals in the Private Sector,
National Association of Social Workers,
National Association of State Alcohol and Drug Abuse Directors,
National Association of State Mental Retardation Program Directors,
National Association for Law and the Deaf,
National Association for Cancer Survivorship,
National Association on Alcoholism,
National Association of Churches,
National Association of Community Mental Health Centers,
National Association on Disability,
National Association on Independent Living,
National Association on La Raza,
National Association on Rehabilitation Education,
National Down Syndrome Congress,
National Easter Seal Society,
National Education Association,
National Family Planning and Reproductive Health Association,
National Fraternal Society of the Deaf,
National Gay and Lesbian Task Force,
National Handicapped Sports and Recreation Association,
National Head Injury Foundation,
National Hospice Organization,
National Industries for the Severely Handicapped,
National Mental Health Association,
National Mental Health Consumers' Association,
National Minority AIDS Council,
National Multiple Sclerosis Society,
National Network of Learning Disabled Adults,
National Network of Runaway and Youth Services,
National Organization for Rare Disorders,
National Organization on Disability,
National Ostomy Association, Inc.,
National P.T.A.,
National Puerto Rican Coalition,
National Recreation and Park Association,
National Rehabilitation Association,
National Spinal Cord Injury Association,
Paralyzed Veterans of America,
People First International,
Presbyterian Church (U.S.A.),
Rainbow Lobby,
Self Help for Hard of Hearing People, Inc.,
Spina Bifida Association of America,
Synagogue Council of America,
Telecommunications for the Deaf, Inc.,
The Association for Persons with Severe Handicaps,
The Episcopal Church,
The Gray Panthers,
Tourette Syndrome Association,
Union of American Hebrew Congregations,
Unitarian Universalist Association of Congregations United Cerebral Palsy Associations, Inc.,
United Church Board for Homeland Ministries,
United Church of Christ, Office for Church in Society,
United States Student Association,
Issue Development and Advocacy Unit, General Board of Church and Society, The United Methodist Church,
Women's Equity Action League,
Women's Legal Defense Fund, and
World Institute on Disability.

NATIONAL ORGANIZATIONS
RESPONDING TO AIDS,
September 6, 1989.

DEAR SENATOR: The undersigned members of the NORA coalition urge swift consideration and passage of S. 933, the Americans with Disabilities Act (ADA). This Act extends non-discrimination protection for people with disabilities, including people with AIDS and HIV infection, in the areas of private employment, public accommodations, and public services.

It is our understanding that an effort may be made to exclude people with contagious diseases, or to exclude solely people with AIDS and HIV infection, from the coverage of this Act. We strongly oppose any such exclusion.

As a coalition of national organizations whose constituencies have been touched by the AIDS epidemic, we know that people with AIDS and HIV infection are people with disabilities, just like all other individuals with disabilities covered under the ADA. Individuals with AIDS or HIV infection often experience completely unjustified discrimination in the areas of employment, public accommodations and public services—discrimination often based on fears, myths and stereotypes concerning AIDS and HIV infection. The ADA is of critical importance in ensuring that such individuals are protected against unjustified discrimination.

The public health concerns that have been raised regarding coverage of people with AIDS or HIV infection are completely unfounded. The ADA clearly provides that any entity covered under the bill may require that a person with a currently contagious disease or infection may not pose a direct threat to the health or safety of others. Such a requirement meets any valid public health concern. Indeed, under the current best medical evidence, people with AIDS or HIV infection would not pose such a threat.

We strongly urge you to oppose any effort to exclude people with AIDS or HIV infection from coverage under the Americans with Disabilities Act, or to limit coverage for such individuals in any fashion.

Thank you for your attention to this important matter.

Sincerely,
AIDS Action Council,
AIDS National Interfaith Network,
American Association for Counseling and Development,
American Association for Marriage and Family Therapy,
American Civil Liberties Union,
American College Health Association,
American Foundation for AIDS Research,
American Jewish Committee,
American Medical Student Association,
American Nurses' Association,
American Psychiatric Association,
American Psychological Association,
American Public Health Association,
American Social Health Association,
Americans for Democratic Action,
Association for Retarded Citizens,
Center for Population Options,
Child Welfare League of America,
Chronic Fatigue Syndrome Information Institute Inc.,
Committee for Children,
Disability Rights Education and Defense Fund,
Human Rights Campaign Fund,
National AIDS Network,
National Association of Community Health Centers,
National Association of Counties,
National Association of People with AIDS,
National Association of Protection and Advocacy Systems,
National Association of Social Workers,
National Association of State Alcohol and Drug Abuse Directors,
National Association of State Arts Agencies,
National Council on Alcoholism,
National Council on La Raza,
National Family Planning and Reproductive Health Association,
National Gay and Lesbian Task Force,
National Hospice Organization,
National Minority AIDS Council,
National Network of Runaway and Youth Services,
National P.T.A.,
National Puerto Rican Coalition,
Planned Parenthood,
Rainbow Lobby,
Synagogue Council of America, and
United Church Board for Homeland Ministries.

Mr. HELMS. Well, all that is well and good. What I get out of all of this is here comes the U.S. Government telling the employer that he cannot set up any moral standards for his business by asking someone if he is HIV positive, even though 85 percent of those people are engaged in activities that most Americans find abhorrent. That is one of the problems I find with this bill.

How about asking if this employee would come in to see the pharmacist, TOM HARKIN; he cannot say, look I feel very strongly about people who engage in sexually deviant behavior or unlawful sexual practices. He cannot ask about that, can he? Because these people are covered.

Mr. HARKIN. Homosexuality is not covered in this bill.

If I might respond to the Senator further a little bit on the issue of HIV positivity.

Mr. KENNEDY. Mr. President, if the Senator will yield. No matter how those who may not want to support this legislation attempt to distort its intent, no matter how many times these issues are raised on the Senate

floor, they do not apply. The definitions are clear.

Now I know the Senator from Colorado has a long list of various kinds of conduct that has been extracted from the DSM III and we are trying to review it. We received it late this afternoon. We are trying to determine the best approach for proceeding.

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. KENNEDY. I apologize.

Mr. HELMS. No apology is necessary.

We are making some important legislative history and frankly the Senator has given me more and more reason not to support a bill that I would like to support.

Mr. HARKIN. If the Senator could just yield I would like to finish my statement on the HIV matter.

Mr. HELMS. Yes, I yield for that purpose.

Mr. HARKIN. I just want to read, Mr. President, the statement that came out here by the Secretary of Health and Human Services, Dr. Louis Sullivan. He said that:

While the political process can play a positive role in any successful resolution of the AIDS crisis, we must fight to keep the focus on public health. Fear and division must be dissolved through understanding and cooperation. Compassion must rule the day.

Finally, I must add that discrimination against individuals infected with the virus is unacceptable. This is a point that has been made again and again, especially in the final report of the President's Commission on the HIV Epidemic and by President Bush. HIV infection cannot be spread by casual contact. There is no medical reason for discrimination.

This Administration is committed to enacting legislation that will prohibit such discrimination. For example, we are working with Congress on legislation, the Americans With Disabilities Act, which includes under its scope Americans with HIV infection. Passage of this law will protect these people from discrimination.

Compassion, not prejudice, is needed.

I am not going to continue the other ones. I want to point out that this is a letter from Dr. Louis Sullivan, the Secretary of Health and Human Services.

Mr. HELMS. I thank the Senator. Dr. Sullivan is a fine man. I like him personally. He admitted he was wrong on a position he initially took, for example, on the clean needle issue. He took the position that we ought to give out needles. Now he is saying we ought not to do it. So who knows what his position will be or anybody else who professes to know what the risk of HIV positive is.

Mr. ARMSTRONG. Mr. President, will the Senator yield for a moment.

Mr. HELMS. I yield.

Mr. ARMSTRONG. Mr. President, I was intrigued by the discussion a moment ago between the Senator from Massachusetts and the Senator from North Carolina.

The Senator from Massachusetts pointed out that I was concerned about voyeurism and assured the Senate that voyeurism is not a protected classification under this proposed bill.

I would be relieved to think that is true but in fact there is no basis that I can find for that because the definition which is contained in this bill is exactly the same definition that appears elsewhere in the law. Cases which have been litigated have referred to what the Senator described as some book and which I will now identify, if I may, as the Diagnostic and Statistical Manual of Mental Disorder published by the American Psychiatric Association. This is the book which the courts have looked to to define what constitutes a mental impairment under statutory language which is identical to this proposed in this bill.

On page 289 of that book, the report of the American Psychiatric Association, is described the mental impairment of voyeurism. Voyeurism is in unless we take it out.

In due course, I am going to have an amendment that will take voyeurism and some other things out.

My concern is not just to try to imagine everything that might be in and try to make a list and take it out, although I could do that. My concern is that the big underlying premise of the bill is far too broad.

I do not want to impose on the Senator from North Carolina.

Mr. HELMS. The Senator is not imposing.

Mr. ARMSTRONG. If I could elaborate on this point a moment, historically Congress has extended the certain protected classifications of persons protected under the civil rights law.

We have said that it is and shall be against the law for a person to discriminate in employment, promotion, public accommodation, and so on, because of race, religion, and sex.

These are easily discernible factual situations. A person is or is not a man or a woman. A person is or is not a Catholic, a Jew, a Mormon, whatever, a Baptist, a Presbyterian. That is something we can readily determine. A person either is or is not Irish, Italian, and so on.

This bill proceeds from an entirely different point of view, and I hope Senators will take a moment to just refer to the bill at page 41 and read what the definition selection is.

The term "disability" means, with respect to an individual (A) a physical or mental impairment that substantially limits one or more of the major life activities of such individuals.

That is a very broad vague definition.

I think the proper way to proceed and I am simply not learned enough or well enough informed to suggest an amendment to do so, but the proper way to proceed, as I have suggested to the managers of the bill, is for them to list the specific protected categories that they——

Mr. HELMS. Precisely.

Mr. ARMSTRONG. Wish to afford civil rights protection. That is what we have done in the past when dealing with very clear-cut, readily discernible categories.

Now we are extending in a very broad and in an unquantified way this civil rights protection in a manner which is appealing to the heart but which should give our heads some concern because we do not know for sure what these words mean.

The best way to determine what "necessity" might mean is go to the court cases and the court cases when I seek recognition to offer my amendment I will cite to say specifically, but I will tell a story at that time about an FBI agent that was found to be a compulsive gambler.

In that particular case when the Government brought its motions they tried to say, look compulsive gambling is not a protected classification, and the judges said that is not right.

I will tell you all about it when we get to it, but I make the point that his reference in determining whether or not compulsive gambling was or was not covered was this document, what the Senator from Massachusetts described as some book.

That book, let me tell Senators again, is a diagnostic and statistical manual of mental disorders of the American Psychiatric Association.

I do not know if it is a good reference. I do not know if it is the best source of information.

It is the source of information which the courts use; therefore, if they say voyeurism is in, if they say pedophilia is in, then I think we have very little room to expect that in the future if we adopt the same statutory language that some other court will arrive at a different conclusion.

I apologize to the Senator from North Carolina for imposing on his time, but since the issue arose I wanted to speak to it before the subject got cold and when the Senator has completed his statement, which I followed with interest, I will arise to seek recognition and offer an amendment.

Mr. HELMS. I thank the Senator.

Mr. President, I want to say this to the distinguished managers of the bill, with all due respect, nobody knows what this bill is going to cost. It may be we do not care what it is going to cost.

But I will tell you this much: I predict that 12 months after the implementation of this bill you are going to have a furor in this country which will

make the catastrophic insurance issue look like a tea party. You wait until the flood tide of restrictions and demands rolls down upon the small business men and women of this country.

This bill is too broad. Nobody and I mean, nobody has any idea what it will cost.

I was interested in the estimated or average annual cost of providing just some of the types of accommodations or auxiliary aids required under this act.

Can either managers of the bill tell me, for example, what the provisions of a full-time reader required to assist a blind executive, accountant, attorney, or other professional whose job requires extensive reading are? Does anybody have any idea about the cost of just that?

Mr. HARKIN. If the Senator would just bear with me for 1 minute.

Mr. HELMS. Certainly.

Mr. HARKIN. The Senator wants to know what it would cost for a full-time reader.

Mr. HELMS. No, for providing full-time readers to assist blind executives, accountants, attorneys, or anybody who has to have and do extensive reading in connection with his job.

Mr. HARKIN. Let me just answer the Senator that again it really depends upon whether or not this is undue hardship for the employer or the business in question. If it is IBM, perhaps that is not a big deal. But if it is a small pharmacy, as the Senator said earlier, that's a different story.

What I presume you mean, is, if a blind person came in for a job, and said, "You must provide a reader for me." Well, if I had TOM HARKIN'S pharmacy out in Adel, IA, I could not afford that. That would probably be an undue hardship so I would not have to do that. On the other hand, if it was IBM, maybe that would be something that could be done.

Let me just read from the report here:

Witnesses also explained that there will also be a need for more expensive accommodations, including readers for blind persons and interpreters for deaf persons. But even costs for these accommodations are frequently exaggerated. Dr. I. King Jordan, President of Gallaudet University, explained to the Committee:

Often, interpreters can be hired to do other things as well as interpret—administrative secretaries or professional staff, even, who interpret on an only-as-needed basis. Most of the time, people hired who are deaf function without an interpreter except when they are in a meeting or except when they are attending a workshop or except when there is a very essential need for one-to-one communication. But, I think it needs to be made clear to people that the accommodations are not nearly as large as some people would lead us to believe.

That is the testimony of Dr. Jordan. So, again, as I said earlier, it depends upon the situation.

Mr. HELMS. Well, nevertheless, section 102(b)(1)(e) provides that an employer's failure to make "reasonable accommodations"—and the Lord only knows what that means because that will be decided in court—the employer's failure to make these reasonable accommodations for the disabilities of a qualified applicant for employment constitutes illegal discrimination under section 102(b)(1)(e). And the committee report itself specifically mentions the provision of readers for blind people. That is the reason I brought it up.

The committee report also mentions personal assistance for wheelchair-bound people, so forth and so on. Now the provision of some accommodations may cost small business people many thousands of dollars and send them down the chute.

The act may even require the hiring of additional personnel to achieve an accommodation, as the Senator himself said.

So to wind up my question, does this bill contemplate any point at which the accommodation of a disabled employee poses an undue hardship? Does it do so if these costs exceed 5 percent of the employee's salary, paid for by the employer for the performance of the job in question, or 10 percent or 20 percent? Can the Senator enlighten me at what point it becomes an undue hardship on a small business man or woman.

Mr. HARKIN. Let me read from the report:

The weight given to each factor in making the determination as to whether a reasonable accommodation nonetheless constitutes an "undue hardship" will vary depending on the facts of a particular situation and turns on both the nature and cost of the accommodation in relation to the employer's resources and operations. In explaining the "undue hardship" provision, the Department of Health, Education, and Welfare explained in the appendix accompanying the section 504 regulations (42 Fed. Reg. 22676 et seq., May 4, 1977):

Thus, a small day-care center might not be required to expend more than a nominal sum, such as that necessary to equip a telephone for use by a secretary with impaired hearing, but a large school district might be required to make available a teacher's aide to a blind applicant for a teaching job. Further, it might be considered reasonable to require a State welfare agency to accommodate a deaf employee by providing an interpreter, while it would constitute an undue hardship to impose that requirement on a provider of foster home care services.

Let me also say this about attendants. The definition of auxiliary aids and services in section 3 specifically includes interpreters and readers. Subsection (d) refers to "other similar services and actions." It is critical to make clear that "similar services" includes the services of attendants and personal assistance providers. Many severely physically disabled workers who are qualified for employment are not hired or are forced to quit their jobs because they may need some assistance during the work day. It makes no sense for a talented person who has skills to contribute, to sit idly at home receiving benefits because he needs assistance in the rest room twice a day, or needs someone to provide some assistance to him on out-of-town business trips. The question, as in any other accommodation, is whether it poses an undue hardship on the employer given the size of the employer's operation and the cost of the accommodation. This accommodation has been provided by employers under section 504 for over a decade without difficulty. Attendant care can usually be arranged easily and will not be an undue hardship on most employers.

Mr. HELMS. You know, I bet you the person—and I say this with no disrespect to him or her—who wrote that has never run a small business in his or her life. That is a bunch of senseless verbiage.

Let me say this to the Senator—and I will conclude and I thank him for his patience—the bottom line is that every question I have brought up is going to be decided in a Federal court after thousands of employers are sued under this act if it becomes law.

The distinguished Senator from Arkansas said a while ago, if I remember correctly, that this bill ought to be retitled and called the Lawyers' Relief Act of 1989, because there is going to be a lot of people in law offices and a lot of people in Federal courts.

But I have an amendment, and I think I am going to step aside for the time being because the Senator from Colorado said he would be caught up in a moment.

I would inquire of the Senator if he is ready to proceed with an amendment.

Mr. ARMSTRONG. Mr. President, if the Senator would yield, we are ready in principle, but we have a couple little loose ends we would like to take care of before we offer the amendment.

Mr. HELMS. I think we are about to reach an agreement with all of the players in the negotiations on the third matter which I discussed with the distinguished Republican leader. I appreciate the manager of the bill taking care of two of them already and agreeing with my suggested changes.

AMENDMENT NO. 715

(Purpose: To clarify the definition of handicapped under the Rehabilitation Act of 1973)

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 715.

Mr. HELMS. Mr. President, in the interest of time, I am reluctantly going to ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in Title I, insert the following new section:

SEC. . AMENDMENTS TO THE REHABILITATION ACT.

(a) HANDICAPPED INDIVIDUAL.—Section 7(7)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 706(8)(B)) is amended–

(1) in the first sentence, by striking out "Subject to the second sentence of this subparagraph, the" and inserting in lieu thereof "The"; and

(2) by striking out the second sentence and inserting in lieu thereof the following: "Notwithstanding any other provision of law, but subject to subsection (C) with respect to programs and activities providing education and the last sentence of this paragraph, the term 'individual with a handicap' does not include any individual who currently uses illegal drugs, except that an individual who is otherwise handicapped shall not be excluded from the protections of this Act if such individual also uses or is also addicted to drugs. For purposes of programs and activities providing medical services, an individual who currently uses illegal drugs shall not be denied the benefits of such programs or activities on the basis of his or her current use of illegal drugs if he or she is otherwise entitled to such services.

(C) For purposes of programs and activities providing educational services, local educational agencies may take disciplinary action pertaining to the use or prossession of illegal drugs or alcohol against any handicapped student who currently uses drugs or alcohol to the same extent that such disciplinary action is taken against nonhandicapped students. Furthermore, the due process procedures at 34 CFR 104.36 shall not apply to such disciplinary actions."

(D) For purposes of section 503 and 504 of this Act as such sections relate to employment, the term 'individual with handicaps' does not include any individual who is an alcoholic whose current use of alcohol interferes with such an individual's performance of the duties on the job in question or whose employment, by reason of such current alcohol abuse, would constitute a direct threat to property or the safety of others.".

(b) Section 7 of such Act (29 U.S.C. 706) is further amended by adding at the end thereof the following new paragraph:

"(22) The term 'illegal drugs' means controlled substances, as defined in schedules I through V of section 202 of the Controlled Substances Act (21 U.S.C. 812), the possession or distribution of which is unlawful under such Act. The term "illegal drugs" does not mean the use of a controlled substance pursuant to a valid prescription or other uses authorized by the Controlled Substances Act or other provisions of federal law.'"

Mr. HELMS. Mr. President, this has been carefully worked out and agreed to by all sides in this matter.

If I may ask the Senator if he would incorporate in his remarks his assurances to me this amendment will not be dropped in this conference?

Mr. HARKIN. I was going to engage in that colloquy with the Senator on the amendment.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I hoped our technical amendment clarifying the applicability of the ADA to illegal drug users would have been sufficient to allay the concerns of the Senator from North Carolina. I must say to the Senator I would have preferred not to amend any other statute during the consideration of S. 933; a position, which I might add, with which the administration concurs.

However, since I know of the Senator's commitment to further the effort to combat illegal drugs in our society, we will not oppose this amendment to the Rehabilitation Act of 1973, clarifying its applicability to individuals who currently use illegal drugs.

I do think we have provided some important safeguards in key areas and I appreciate the willingness of the Senator from North Carolina to accommodate some of our more serious concerns.

So, therefore, we do accept the amendment. I want to assure the Senator and to reassure the Senator—because I assured him before—that this amendment will be kept in conference.

I give him my commitment on that, that we will maintain this as we go into conference with the House on any differences that may arise in other parts of the bill or even in this part—but we will keep this in.

Mr. KENNEDY. Mr. President, I would like to make some important points about this act's approach to individuals who use or are addicted to illegal drugs must be emphasized, as a result of this amendment.

First, in general, the act does not protect persons who use illegal drugs when a covered entity acts against such persons on the basis of their illegal drug use. However, there is one significant exception to this general exclusion of individuals who currently use illegal drugs from the act's protection. The act specifies that covered entities that provide medical services may not deny the benefits of those services to an individual who currently uses illegal drugs on the basis of his or her illegal drug use, if that individual is othewise entitled to such medical services. Thus for example, a medical care provider may not refuse to treat an individual for a broken bone or for HIV-related illnesses simply because that person happens to use or be addicted to illegal drugs.

Second, the act does protect individuals who once used illegal drugs but no longer do so. The act expressly includes individuals who have successfully completed a supervised drug rehabilitation program or who have otherwise been rehabilitated, and no longer use illegal drugs, within the definition of individuals with a "disability." Therefore, persons who are subjected to discriminatory actions because of a history of illegal drug use which they have successfully overcome are fully protected by the ADA.

This protection not only extends to people who overcome their drug problems by completing two supervised treatment programs, but also extends to those who overcome such problems without the help of formal treatment—including individuals who are able to stop using illegal drugs on their own or through participation in self-help groups such as Narcotics Anonymous.

In addition, the act's protections extend to rehabilitated individuals who no longer use illegal drugs, but who continue to participate in treatment programs—such as a methadone maintenance treatment program—or continue to receive after-care counseling or participate in self-help groups. This reflects our recognition that these activities can be crucial to many individuals' ability to successfully sustain their recovery.

In this connection, it is important to note that the definition of "illegal drugs" in this act does not include controlled substances that are taken pursuant to a medical prescription. This includes all kinds of drugs taken under medical supervision, including experimental drugs. One example of such a controlled substance is methadone taken as part of a course of methadone maintenance treatment.

Retaining these protections for persons who formerly used or were addicted to illegal drugs, but who have successfully been rehabilitated and no longer use illegal drugs, is an absolutely essential component of our national war against drugs.

It also helps to carry out our national commitment to encourage all those who need it to come foward for treatment, and to ensure that individuals who have successfully overcome drug problems will not face senseless or irrational barriers that work to impede their full reintegration into society.

One final point must be emphasized. If an individual who uses or is addicted to illegal drugs also has a different disability, and is subjected to discrimination because of that particular disability, that individual remains fully protected under the ADA.

Mr. HELMS. Mr. President, this amendment amends section 504 of the Rehabilitation Act of 1973 by deleting current drug users from the definition of handicapped.

Drug users are currently protected against discrimination by the Rehabilitation Act of 1973. Sections 503 and 504 of that law provide that no Federal agency or federally subsidized pro-

gram may discriminate against disabled Americans. That is fine on its face, but as with many Federal laws it's the underlying language that hits the average American where it hurts.

Mr. President, you cannot walk outside and pull one person off the street who will tell you that a drug user is handicapped. Yet, that is precisely what the Rehabilitation Act says. For purposes of Federal programs and assistance, Uncle Sam considers abusers to be handicapped. They are protected by the same law that serves the mentally retarded, the deaf, the blind, and those with muscular dystrophy.

On Tuesday night we launched a war on drugs. Both President Bush and our colleague, Mr. BIDEN, committed themselves and their parties to eliminating the scourge of drugs from our streets.

I think there is no better time than now to start this bipartisan battle for the very soul of our Nation. It is time to put our rhetoric into action. We can start by getting tough and smart with drug addicts.

I did not pull this amendment out of the blue. This amendment has a long history. A version of it was first offered by the distinguished Republican leader, Mr. DOLE, on September 23, 1986, as part of the Drug Free Federal Workplace Act. During the Reagan administration both Education Secretary William Bennett and his successor, Lauro Cavazos, strongly endorsed this position.

Mr. President, can you imagine a federally subsidized day care program being forced to hire a person on drugs? Ridiculous, correct? Wrong. Mr. President, the U.S. Government has the power to force that day care center or school to hire a drug abuser to care for our children.

As my good friend, Mr. COATS, pointed out on May 10, the results of the Rehabilitation Act are "shocking." That is the word Mr. President, shocking. In a drug free America our Government cannot get rid of users in the Federal work force or from programs which get Federal money because they are "individuals with handicaps."

Our schools have to keep the addicts and the pushers in class or on the payroll because according to this law they deserve the same treatment as children with unwanted disabilities.

My amendment puts an end to the abuse of our civil rights laws.

In September 1986, former Assistant Attorney General Richard Willard testified in favor of this change before the House Post Office and Civil Service Subcommittee. He stated clearly that the Reagan Justice Department agreed with the language of this amendment because of the propensity of some courts to adopt an overly broad reading of the Rehabilitation Act, requiring repeated offers of rehabilitation before allowing the Government to take action against the drug addict who cannot do his job. It is wiser policy for the Government to discipline the addict.

As I said earlier, Secretary Cavazos supports this amendment. Many public schools have adopted get tough policies against drug addicts, but as a consequence of the Rehabilitation Act, they have been forced by the Federal authorities to change their policies and to even take back students and employees whom they have expelled or fired for repeated drug violations. If they do not take the abusers back they risk the loss of Federal funds.

In 1985, for example, the Department of Education's Office of Civil Rights received a complaint from a school janitor who had been fired after becoming addicted to pain killers prescribed for another member of his family. This janitor also tested positive for heroin and cocaine.

After a 6-month investigation, this drug addict was found to be a handicapped person. The school would have had to keep the janitor on the job even though he had not tested clean and even though the school did not want this individual in contact with young children.

This is a classic example of how difficult it is to get the drug addicts and abusers out of the schools because of the Rehabilitation Act. This is not an isolated incident. Many other departments of the Government can catalog the countless times they have been called upon to mainstream drug addicts at the expense of common sense.

As more and more people become aware of how the Rehabilitation Act can be stood on its head to protect drug abusers, the money Congress spends on education and drug enforcement and rehabilitation goes down the drain along with the confidence the American people have in their basic institutions.

Under current law the drug abuser cannot be isolated. It is exceedingly difficult to confront and discipline a member of a "protected class" who is subject to the extensive and complete procedural safeguards of the Rehabilitation Act.

Mr. President, let me finally address the issue of compassion for those who have fallen into the narcotic and alcohol trap. Anyone who wants to help himself break the cycle of drug addiction should be given that chance. We should not hinder those who legitimately want to make their life better. My amendment does not threaten the ability of drug abusers to participate in federally conducted or assisted drug rehabilitation programs.

In fact, Mr. President, the Rehabilitation Act contains no funding whatsoever for drug rehabilitation services. That act only authorizes vocational rehabilitation as part of titles I, II and III.

My amendment does not even affect these vocational rehabilitation provisions—much less drug rehabilitation services—because I am amending title V of the act not titles I, II or III. Title V deals with federally supported programs or activities.

Let me also emphasize that I have incorporated the same language for the Rehabilitation Act that Senators HARKIN and KENNEDY agreed to put in title I of the Americans With Disabilities Act. That means current—and that is a very important word—current abusers of illegal drugs do not qualify as handicapped for the purposes of Federal programs.

In addition, the amendment ensures that expectant mothers who are currently abusing drugs and alcohol will be able to get federally assisted care for their babies who are born into this world as victims of drug abuse.

Mr. President, the war on drugs will be lost if those who abuse drugs are allowed to hide behind laws designed to help those who are seriously handicapped.

For these reasons, I urge the adoption of my amendment to the Rehabilitation Act.

Mr. President, I ask unanimous consent that a letter to Senator DOLE from Secretary Cavazos on this subject be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF EDUCATION,
Washington, DC, October 12, 1988.

Hon. ROBERT DOLE,
Minority Leader, U.S. Senate, Washington, DC.

DEAR SENATOR DOLE: I write to urge your support of an amendment to S. 2852, the Omnibus Anti-Substance Abuse Act of 1988. The amendment would make clear that illegal drug abusers are not defined as "individuals with handicaps" due solely to their illegal use of drugs.

Section 504 of the Rehabilitation Act of 1973 prohibits discrimination on the basis of handicap in programs or activities receiving Federal financial asssistance. Because the current definition of "individual with handicaps" in the Rehabilitation Act includes the term "drug abuser", it is difficult for school districts to impose effective disciplinary measures upon students who abuse drugs.

Virtually every public school in the country is covered by this anti-discrimination statute, the practical (and presumably unintended) effect of which—when combined with the present definition of "individual with handicaps"—is to make it virtually impossible to establish a drug-free educational environment.

The amendment is supported by the Administration and is the same as that contained in Section 103 of S. 2849 of the 99th Congress which you introduced on September 23, 1986 on behalf of the Administration.

This amendment is vitally important. The goal of a drug-free environment in American public schools will be very difficult to achieve without enactment of this amend-

ment. I strongly urge you to make every effort to gain its enactment. The Office of Management and Budget advises that there is no objection to the submission of this report to the Congress from the standpoint of the Administration's program.

Sincerely,

LAURO F. CAVAZOS.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from North Carolina.

The amendment (No. 715) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

The PRESIDING OFFICER. Without objection, the motion to reconsider is laid on the table.

AMENDMENT NO. 716

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Carolna [Mr. HELMS] proposes an amendment numbered 716.

At the appropriate place in the bill, add the following:

"For the purposes of this Act, the term 'disabled' or 'disability' shall not apply to an individual solely because that individual is a transvestite.".

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, without losing my right to the floor, I would like to inquire of the Senator is this the same language that is in 504?

Mr. HELMS. The Senator is correct. My instruction to the staff was that. It is exactly the same wording.

Mr. HARKIN. With those assurances then, Mr. President, we have no problems with the amendment and readily accept it.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from North Carolina.

The amendment (No. 716) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

The PRESIDING OFFICER. Without objection, the motion to reconsider is laid on the table.

Mr. HELMS. Mr. President, I want to thank the distinguished managers of the bill for their patience in helping me try to understand the technicalities of the bill as now written.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

AMENDMENT NO. 717

Mr. HARKIN. Mr. President, I have a technical amendment I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN] proposes an amendment numbered 717.

Mr. HARKIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 92, line 24: strike "or" before "observing," and add "or administering" after "observing."

On page 93, lines 3-4: strike lines 3-4; insert the following:

"(3) a person or organization covered by this Act from establishing, sponsoring, observing or administering the terms of a bona fide benefit plan that is not subject to State laws that regulate insurance."

"Provided that paragraphs (1), (2), and (3) are not used as a subterfuge to evade the purposes of title I and III.

Mr. HARKIN. Mr. President, there are two technical amendments to section 501(c), the provision regarding insurance.

First, the term "administering" has been added to section 501(c)(2).

Second, a new section 501(c)(3) has been added to address one particular concern. There was some concern raised on the part of those who administer self-insurance plans that the language of section 501(c)92) could be read to affect the preemption doctrine of the Employee Retirement Income Security Act of 1974. Congress does not intend in this bill to affect in any way such preemption doctrine and therefore the following technical change has been made.

The provisions of the committee's report language in this area of course still apply.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Iowa.

The amendment (No. 717) was agreed to.

Mr. HARKIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

The PRESIDING OFFICER. Without objection, the motion to reconsider is laid on the table.

AMENDMENT NO. 718

(Purpose: To exclude an employee or applicant who is a current user of illegal drugs from the definition of "qualified individual with a disability")

Mr. HARKIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN] proposes an amendment numbered 718.

Mr. HARKIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 50, strike line 21 and all that follows through page 51, line 21.

On page 51, line 22, strike "(d)" and insert "(c)".

On page 52, between lines 9 and 10, insert the following new section:

SEC. 104. ILLEGAL DRUGS AND ALCOHOL.

(a) QUALIFIED INDIVIDUAL WITH A DISABILITY.—For purposes of this title, the term "qualified individual with a disability" shall not include any employee or applicant who is a current user of illegal drugs, except that an individual who is otherwise handicapped shall not be excluded from the protection of this Act if such individual also uses or is also addicted to drugs.

(b) AUTHORITY OF COVERED ENTITY.—A covered entity—

(1) may prohibit the use of alcohol or illegal drugs at the workplace by all employees;

(2) may require that employees shall not be under the influence of alcohol or illegal drugs at the workplace;

(3) may require that employees behave in conformance with the requirements established under the Drug-Free Workplace of 1988 (41 U.S.C. 701 et seq.) and that transportation employees meet requirements established by the Secretary of Transportation with respect to drugs and alcohol; and

(4) may hold an employee who is a drug user or alcoholic to the same qualification standards for employment or job performance and behavior that such entity holds other employees, even if any unsatisfactory performance or behavior is related to the drug use or alcoholism of such employee.

(c) DRUG TESTING.—

(1) IN GENERAL.—For purposes of this title, a test to determine the use of illegal drugs shall not be considered a medical examination.

(2) CONSTRUCTION.—Nothing in this title shall be construed to encourage, prohibit, or authorize the conducting drug testing of job applicants or employees or making employment decisions based on such test results.

On page 52 line 10, strike "104" and insert "105".

On page 52 line 17, strike "105" and insert "106".

On page 52 line 22, strike "106" and insert "107".

On page 53 line 4, strike "105" and insert "106".

On page 53 line 6, strike "107" and insert "108".

On page 93 line 20, strike "106" and insert "107".

RELATING TO ILLEGAL DRUGS AND ALCOHOL

Mr. HARKIN. Mr. President, as a result of the discussion with the White House and numerous Senators, including Senators COATS and DANFORTH, we have drafted an amendment pertaining to the problem of illegal drug use and alcohol abuse that is wholly consistent with our national drug strategy, meets every legitimate concern of the business community, and promotes the national effort to maintain drug free workplaces. The amendment includes four points:

First, the amendment provides that any job applicant or employee who is a current user of illegal drugs will be expressly excluded from title I's definition of a "qualified individual with a disability." Therefore, no one who cur-

rently uses illegal drugs is entitled to any employment protections under the ADA, regardless of whether that person is a casual user of drugs or an addict and regardless of whether his or her illegal drug use has any adverse impact on job performance. Employers may thus refuse to hire and may discipline or fire any person who currently uses or is addicted to illegal drugs without violating the ADA. Of course, any person who has another disability, covered under the Act, is not excluded from the protections of the act if such individual also uses or is addicted to drugs.

Second, in addition to explicitly removing current illegal drugs users from the act's employment protections, the amendment also expressly allows employers to: prohibit the use of illegal drugs or alcohol by all employees; require that employees not be under the influence of illegal drugs or alcohol at the workplace; require that employees conform their behavior to requirements established pursuant to the Drug Free Workplace Act; and hold a drug user or alcoholic to the same qualifications, performance, and behavioral standards to which all employees are held, even if unsatisfactory performance or behavior is related to the individual's drug use or alcoholism. This is explained in detail in the committee report at pages 40–42.

Third, the amendment explicitly states that nothing in the act prohibits or restricts employers from conducting drug testing or from making employment decisions based on such test results. Therefore, the act allows drug testing before and during employment, and applicants who are tested and denied jobs and employees who are tested and disciplined or fired on the basis of test results showing illegal drug use have no protection under the ADA.

Fourth, the amendment does not require employers to make any reasonable accommodations for current illegal drug users—including those addicted to illegal drugs—and does not require employers to offer such accommodations to any individual who violates any of the rules or requirements set out in the statute. This is because employers' obligations to make reasonable accommodations extend only to those who have a disability within the scope of the title. Since current illegal drug use—including addiction—does not constitute such a disability, no duty of reasonable accommodation exists with respect to any applicant or employee who currently uses illegal drugs.

At the same time, the ADA retains employment protections for applicants and employees who have overcome drug or alcohol problems, including those who are participating successfully in treatment programs and are refraining from illegal drug use or alcohol abuse.

Mr. COATS. When S. 933 was first taken up by the Labor and Human Resources Committee, I was concerned by the language of the original bill relating to illegal drug and alcohol users. Because I believe that there should be a clear and unequivocal statement in the Americans With Disabilities Act that a person who uses illegal drugs and alcohol is not entitled to any protection under the ADA and that illegal drug use should not be considered a disability, I offered an amendment to S. 933 which would have provided a complete exclusion of users from the provisions of the bill. Although this amendment was not accepted, what finally emerged from the lengthy negotiations that produced this much improved version of S. 933 is language which I believe substantially incorporates the intent of my original amendment, at least as far as the employment provisions of title 1 are concerned.

I am pleased that the sponsors of S. 933, the White House, and the representatives of the various business and civil rights organizations that participated in these negotiations settled on the language contained in the new section 104 of S. 933. I am satisfied that this provision makes it clear that employers can implement a zero tolerance policy and maintain a drug-free workplace.

I wish to thank Senators HARKIN, KENNEDY, HATCH, DURENBERGER, the minority leader, and the others who negotiated on S. 933 for fashioning a legislative solution to the issue of drugs and alcohol which meets my own concerns and greatly strengthens this legislation.

Understandably there has been some confusion and concern in the business community and elsewhere over the degree of protection from employment discrimination under the ADA for individuals who continue to use illegal drugs or alcohol and an employer's rights to take action in the case of drug and alcohol use. Senator DANFORTH, for instance, was prepared to offer an amendment to S. 933 to make sure that the bill offered no such protection. Accordingly I would ask the chairman to clarify the legislative intent with regard to the question of illegal drug and alcohol use and the language in the new section 104.

For the record, I would like to address several specific questions to Senator HARKIN to help to clarify the situation.

Under section 104 of the ADA can an employer refuse to hire a job applicant or discharge an employee who is a current user of illegal drugs without facing a charge of illegal discrimination?

Mr. HARKIN. Yes.

Mr. COATS. Can an employer refuse to hire a job applicant or discharge or discipline an employee who is an addict who is also currently using illegal drugs or alcohol without violating the act?

Mr. HARKIN. Yes.

Mr. COATS. Is an employer protected if he or she fires or disciplines an employee who is a casual illegal drug user?

Mr. HARKIN. Yes.

Mr. COATS. I realize that the act does not take a position endorsing employee testing, but under the ADA can an employer use drug testing as a means of determining whether the employee is currently using illegal drugs? Can the employer fire or discipline the employee if through testing it is determined that the employee is using illegal drugs?

Mr. HARKIN. Yes.

Mr. COATS. Can an employer use drug testing as part of the pre-employment screening process? Can the employer then refuse to hire that applicant if it is found that he or she is using illegal drugs without being charged with discrimination?

Mr. HARKIN. Yes.

Mr. COATS. What if the addict has been rehabilitated or is under treatment for addiction—can that employee be fired if he or she no longer uses illegal drugs or alcohol?

Mr. HARKIN. No.

Mr. COATS. Is the employer under a legal obligation under the act to provide rehabilitation for an employee who is using illegal drugs or alcohol?

Mr. HARKIN. No; there is no such legal obligation.

Mr. COATS. Thank you, Senator.

Mr. DANFORTH. I would appreciate it Mr. Chairman, if I could have clarification of an issue of particular concern to many employers. There is currently an effort underway to establish drug-free workplaces in our Nation. Will anything in the ADA inhibit such efforts? In particular, what is the impact of technical changes made to the bill with respect to the issue of illegal drugs and alcohol?

I would also appreciate it if the Senator would address the impact of the act on drug testing by employers. For instance, if an employer administers a test for illegal drug use, and refuses to hire any applicants who test positive and fires any employees who test positive, would such individuals have a claim of discrimination under the ADA? That is, can we assure employers that they will not face litigation under the ADA by current users of illegal drugs and alcohol?

Mr. HARKIN. Let me state it as clearly as I can. Users of illegal drugs, including those addicted to illegal drugs, are not protected by the ADA, regardless of whether the employee or applicant is otherwise qualified and

the employee is meeting performance standards.

The technical amendment with respect to illegal drugs and alcohol was made to remove any question about the meaning of the statutory language. Although many of us believe that the language of the bill, as reported, was clear, others criticized the bill as being too vague with respect to the issue of the use of illegal drugs.

The new language assures employers that they need not worry about having to defend actions brought by casual drug users, who are not covered under the act. The act does protect drug addicts who are not current users. And we all agree that people who use controlled substances under medical supervision are unaffected by this provision of the act.

With respect to drug testing, the ADA explicitly states that nothing in the act prohibits or restricts either drug testing or employment decisions taken on the basis of such drug tests. Therefore, an applicant who is tested and not hired because of a positive test result for illegal drugs, or an employee who is tested and is fired because of a positive test result for illegal drugs, does not have a cause of action under the ADA. If an employer performed a test which actually measured the current use of illegal drugs and the test was positive for the use of illegal drugs, the applicant or employee has no protection under the ADA. It is not a question of the employer having a defense in an action by the applicant or employee. The employer needs no such defense because the applicant or the employee has no cause of action.

So, I think we can assure the Senator and employers, without hesitation, that employers will not face litigation under the ADA on the part of current users of illegal drugs and alcohol either for testing or for taking disciplinary action against such individuals based on such testing.

Mr. ARMSTRONG. Mr. President, I have not had a chance to see the amendment. This is a matter of interest to me. Do we have a copy of the amendment?

Mr. HARKIN. It is at the desk. We tried to clear this with both sides. I thought it had been cleared.

Mr. President, in the meantime, I ask unanimous consent that we can move ahead in the interest of time to accommodate the distinguished minority leader. I move to set aside the amendment.

The PRESIDING OFFICER. Without objection, the amendment will be set aside.

The Senator from Kansas.

AMENDMENT NO. 719

(Purpose: To provide a plan to provide entities with technical assistance)

Mr. DOLE. Mr. President, I send an amendment on behalf of myself and Senator DOMENICI and Senator GRASSLEY to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for himself, Mr. DOMENICI, and Mr. GRASSLEY, proposes an amendment numbered 719.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 95, strike lines 4 through 14 and insert the following new subsections:

(a) PLAN FOR ASSISTANCE.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Attorney General, in consultation with the Chairman of the Equal Employment Opportunity Commission, the Secretary of Transportation, the National Council on Disability, the Chairperson of the Architectural and Transportation Barriers Compliance Board, and the Chairman of the Federal Communications Commission, shall develop a plan to assist entities covered under this Act, along with other executive agencies and commissions, in understanding the responsibility of such entities, agencies, and commissions under this Act.

(2) PUBLICATION OF PLAN.—The Attorney General shall publish the plan referred to in paragraph (1) for public comment in accordance with the Administrative Procedure Act (5 U.S.C. 551 et seq.).

(b) AGENCY AND PUBLIC ASSISTANCE.—The Attorney General is authorized to obtain the assistance of other Federal agencies in carrying out subsection (a), including the National Council on Disability, the President's Committee on Employment of People with Disabilities, the Small Business Administration, and the Department of Commerce.

(c) IMPLEMENTATION.—

(1) AUTHORITY TO CONTRACT.—Each department or agency that has responsibility for implementing this Act may render technical assistance to individuals and institutions that have rights or responsibilities under this Act.

(2) IMPLEMENTATION OF TITLES.—

(A) TITLE I.—The Equal Employment Opportunity Commission and the Attorney General shall implement the plan for assistance, as described in subsection (a), for title I.

(B) TITLE II.—

(i) IN GENERAL.—Except as provided for in clause (ii), the Attorney General shall implement such plan for assistance for title II.

(ii) EXCEPTION.—The Secretary of Transportation shall implement such plan for assistance for section 203.

(C) TITLE III.—The Attorney General, in coordination with the Secretary of Transportation and the Chairperson of the Architectural Transportation Barriers Compliance Board, shall implement such plan for assistance for title III.

(D) TITLE IV.—The Chairman of the Federal Communications Commission, in coordination with the Attorney General, shall implement such plan for assistance for title IV.

(d) GRANTS AND CONTRACTS.—

(1) IN GENERAL.—Each department and agency having responsibility for implementing this Act may make grants or enter into contracts with individuals, profit institutions, and nonprofit institutions, including educational institutions and groups or associations representing individuals who have rights or duties under this Act, to effectuate the purposes of this Act.

(2) DISSEMINATION OF INFORMATION.—Such grants and contracts, among other uses, may be designed to ensure wide dissemination of information about the rights and duties established by this Act and to provide information and technical assistance about techniques for effective compliance with this Act.

(e) FAILURE TO RECEIVE ASSISTANCE.—An employer, public accommodation, or other entity covered under this Act shall not be excused from meeting the requirements of this Act because of any failure to receive technical assistance under this section.

Mr. DOLE. Mr. President, let me explain this amendment. It has been cleared on both sides. It is a technical assistance amendment.

It is important that both the employers and businesses and the handicapped fully understand this legislation, once it is passed, if it is to be implemented. So that is precisely what the amendment does. It will enable the responsible Federal agencies to establish a strong Governmentwide technical assistance program. Such a program will help to educate the public about the requirements of this bill.

Entities in the private sector need to be aware of what accommodations are both necessary and cost effective, as well as what is the best suited for particular disabled individuals.

Since many of these accommodations will be made in areas which traditionally have not been covered under the Rehabilitation Act—that is, other than universities or Federal contractors in excess of $2,500—a longstanding expertise can be applied in implementing the ADA in these new areas.

The same standards exist in the ADA that have existed for over a decade in the Rehabilitation Act. For example, reasonable accommodations which do not provide an undue burden and are limited by business necessity and safety are principles which can be defined by a decade of experience.

Technical assistance is instrumental in providing these definitions to the private sector. A thorough understanding of these principles will greatly hasten the implementation and practice of this important piece of legislation.

Given the comprehensive nature of the ADA, I believe it is our obligation to see that people with disabilities understand their new rights under the bill and that employers and businesses understand the nature of their new obligations.

The PRESIDING OFFICER. Is there further debate?

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, unless the distinguished minority

leader is in an extreme hurry, I wonder if I might just take 3 or 4 minutes and comment on the amendment I just cosponsored. I want to make some views and observations about this bill, as well as some of the new definitions with reference to disability.

Mr. President, far be it from the standpoint of the Senator from New Mexico to understand this bill as well as those who have worked on it for many, many months, if not for years. It may be that some Senators who have concerns about definitions and breadth of definitions may have a point. But I would like to point out just one very precise aspect of this bill that I am very, very laudatory of the committee about, and hopeful that it will work.

It has to do with mental illness. I am not aware of the total series of definitions that come within the term "mental illness," but what I hear most of the time here on the floor of the Senate and in public discussions, are references to one, two or three of the most serious mental illnesses that are around. As soon as you talk about mental illness somebody says what about somebody who is schrizophrenic or manic-depressive or bipolar effective.

Let me suggest to the Senate that if Winston Churchill were alive today and was applying for a job and somebody wanted to eliminate from the workforce a manic-depressive, they may very well not hire Winston Churchill because it is almost universally accepted by those who diagnose the illness today that Winston Churchill was a manic-depressive.

I might also suggest that if Abraham Lincoln were to walk in and ask for a job, he might face the same problem. About 90 percent of those who look back and diagnose, would say Abraham Lincoln would today be carrying around a diagnosis of manic-depressive. I could go on and on with reference to names that are from bygone eras.

I tell you, there are hundreds of thousands of Americans today who have been diagnosed or are being treated for manic-depression, bipolar effective disease or schizophrenia, and I do believe we have to make a serious effort to eliminate the automatic stigma attached to those ailments. Think back in all our lives when we used terminology like "schizophrenia" or "that is schizophrenic." We all perceive some idea in our minds about people who have those kinds of ailments. It turns out that more times than not, we are wrong in our perception of their abilities. We certainly overstate their disabilities.

As I said, I am not informed enough on the broad diagnostic use of words that come within mental illness, but I submit that the time has arrived in the United States when people who have mental illnesses that are clearly defined, such as the three I have talked about here this evening, that they not be automatically discriminated against for employment in this country.

That is not to say that for certain types of jobs and under certain observations by the experts in this country, be they psychologists, psychiatrists or even the new more combined professional people who work with these kind of illnesses in the United States, individuals with these illnesses may not be right for the job. But, clearly the time has come when they deserve an unbiased evaluation of their capability based upon the disease rather than some subjective disability attached to just the use of the name.

I think it is going to be difficult to implement legislation like this, and I understand, perhaps as well as most here, that the marketplace in the United States on the private sector side is a marketplace that responds to performance. Certainly I do not want to be part of forcing employers, especially those that are small, minimize their capability of succeeding in a very competitive American marketplace. But I do believe we have to make a start and we have to make a start in applying the term disability beyond some of those very easily defined and easy to see disabilities that come to our mind rather automatically when we think of disability.

I might suggest that there may have been a time in history when if you had diabetes somebody asked you, do you have diabetes and they could have said to you, we cannot hire you.

Certainly that is not the case today. Certaintly you can have a disease as grave as that and fit more jobs. You are either in the process of being maintained, or we are coming close to finding a cure, or your disability is sporadic.

I think the time will come because of giant strides in understanding mental illness and the brain when somebody who walks in to seek employment will find no more prejudice. They will find that people will understand that it is a disease rather than some figment of the imagination or some subjective bias. There will come a time when somebody says, "I have suffered from schizophrenia," that people will then sit down and talk intelligently about that situation as it applies to that human being and their ability to get a job and hold a job in the American marketplace.

In that respect, it appears to me that we are making a very positive stride in the right direction if we really are concerned about job prejudice in the United States. It is very simple to say it is only a matter of sex discrimination and perhaps race and perhaps religion, as some have suggested. Those are easy ones.

But they just scratch the surface in terms of the suffering that goes on in the lives of people who are assumed to be disabled because of some of the niches that they are put in, especially when it comes to serious mental illness properly diagnosed and, currently, rather well understood.

In that respect, it is obvious to the Senator from New Mexico and with respect to this bill, that the employers of this country are going to have to get a lot of help and we are going to have to go slow and watch the regulations as they are developing.

Because of that I am pleased to cosponsor Senator DOLE's amendment which will provide a very significant opportunity to inform the employers of the United States in an orderly, well-defined, proper manner of "do's and don'ts" of this new law. I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. Who seeks recognition? The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I am a cosponsor of this bill. I think it is a good bill. I hope the passage of this legislation will end the years of discrimination for millions of Americans.

Mr. President. I know there are concerns about it. All of us have been involved in the past with the passage of other antidiscrimination legislation, whether it is fair housing or whatever it might be. I think when it is all said and done, we have learned from experience that these matters have been worked out and worked out successfully for the majority of Americans.

We look back on the passage of that legislation which was, in many cases, accompanied with a good deal of anger and dismay on the part of some. I can remember when I was in the State house. There were marches on the State house involving those who were opposed to the fair housing legislation. Now people look back and say what was all the fuss about?

Indeed, I think that is going to be a similar situation in connection with the Americans With Disabilities Act.

Mr. President, the Americans with Disabilities Act, ADA, holds out the hope of ending an era of discrimination for millions of Americans with disabilities. What we are considering today is not whether to make the commitment to fully integrate individuals with physical or mental impairments into our society. I believe that every Senator is eager to make that commitment. The question is how to make such a commitment, and most importantly, how to allow every American and business to join us in this effort. The answer is to enact the compromise legislation before us.

ADA, as it is currently drafted, will integrate fully those with disabilities into everyday American life.

The bill will break the barriers of discrimination faced by those who are unable to climb the stairs and walk into a store.

It will allow the talents and contributions of Americans to flourish, particularly for those people who choose and are able to join the workforce.

The legislation will ensure that adequate transportation is available, so that mobility and independence are not hampered.

Furthermore, it will allow people with speech and hearing impairments to effectively use telephone systems.

Tremendous barriers exist for many individuals with handicaps, preventing them from functioning as full partners in America. Someone who uses a wheelchair cannot go into a store if there is only a flight of stairs and no entrance ramp, or if the door is not wide enough to allow the wheelchair to pass through. Those using wheelchairs may not be able to get on the bus to get to that store, and may be unable to work in that store. Discrimination against those with disabilities is not just in our minds and attitudes, it also lies in the physical environment, which is geared toward non-disabled people. ADA signals to the Nation that we must all contribute toward changing not only attitudes but also the physical environment, so that full integration will finally be achievable.

We are asking the transportation industry, the telephone industry, and other American businesses, large and small, to join in this effort. What we are are asking in this bill is reasonable. It is the product of intense negotiations and shows a willingness to compromise on the part of many. I wholeheartedly commend those who were involved in the discussions, particularly the authors of this bill, Senators HARKIN, DURENBERGER, and KENNEDY, as well as other concerned Senators, including the distinguished Republican leader. Moreover, the consensus package before us would not have been possible without President Bush's strong commitment to end discrimination toward those with disabilities.

The Americans with Disabilities Act is critical to ensuring that individuals with disabilities will be embraced by mainstream America. Yet, it is not the only reform we need to make. I have introduced the Medicaid Home and Community Quality Services Act, S. 384, to amend the Medicaid Program to provide people with disabilities with options for care. S. 384 will create a system of services so that people with disabilities can live and work in their communities. For too many years, individuals with physical or mental impairments have been locked away in institutions. My legislation would enable many Americans with disabilities to remain in their communities and still receive assistance from the Medicaid Program. Community placement allows many to gain independence and a sense of self-worth.

Full integration of those with disabilities requires a concerted effort from us all. Our Nation must work together to change our past discriminatory behavior and create a future of hope for all Americans, including those with disabilities. I urge my colleagues to support the compromise measure. Thank you, Mr. President.

Mr. HARKIN. Mr. President, might I ask the status, what amendment are we considering on the floor?

The PRESIDING OFFICER (Mr. LEVIN). The pending amendment is the amendment of Senator DOLE, No. 719.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HARKIN. If the Senator will withhold.

AMENDMENT NO. 715, AS MODIFIED

Mr. HELMS. Mr. President, inadvertently the text of the amendment that was approved earlier did not include some stylistic language changes. I ask unanimous consent that this version be substituted for the version that was sent inadvertently to the desk.

The amendment, as modified, is as follows:

AMENDMENT NO. 715, AS MODIFIED

At the appropriate place in Title I, insert the following new section:

SEC. . AMENDMENTS TO THE REHABILITATION ACT.

(a) HANDICAPPED INDIVIDUAL.—Section 7(7)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 706(8)(B)) is amended—

(1) in the first sentence, by striking out "Subject to the second sentence of this subparagraph, the" and inserting in lieu thereof "The"; and

(2) by striking out the second sentence and inserting in lieu thereof the following: "Notwithstanding any other provision of law, but subject to subsection (C) with respect to programs and activities providing education and the last sentence of this paragraph, the term 'individual with a handicap' does not include any individual who currently uses illegal drugs, except that an individual who is otherwise handicapped shall not be excluded from the protections of this Act if such individual also uses or is also addicted to drugs. For purposes of programs and activities providing medical services, an individual who currently uses illegal drugs shall not be denied the benefits of such programs or activities on the basis of his or her current use of illegal drugs if he or she is otherwise entitled to such services.

(C) For purposes of programs and activities providing educational services, local educational agencies may take disciplinary action pertaining to the use or possession of illegal drugs or alcohol against any handicapped student who currently uses drugs or alcohol to the same extent that such disciplinary action is taken against nonhandicapped students. Furthermore, the due process procedures at 34 CFR 104.36 shall not apply to such disciplinary actions."

(D) For purposes of sections 503 and 504 of this Act as such sections related to employment, the term 'individual with handicaps' does not include any individual who is an alcoholic whose current use of alcohol prevents such individual from performing the duties of the job in question or whose employment, by reason of such current alcohol abuse, would constitute a direct threat to property or the safety of others.".

(b) Section 7 of such Act (29 U.S.C. 706) is further amended by adding at the end thereof the following new paragraph:

"(22) The term 'illegal drugs' means controlled substances, as defined in schedules I through V of section 202 of the Controlled Substances Act (21 U.S.C. 812), the possession or distribution of which is unlawful under such Act. The Term "illegal drugs" does not mean the use of a controlled substance pursuant to a valid prescription or other uses authorized by the Controlled Substances Act or other provisions of federal law.".

Mr. HELMS. I thank the Chair.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 715, as modified) was agreed to.

Mr. HARKIN. I move to reconsider the vote by which the amendment was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 720

(Purpose: To include Congress as a beneficiary of this Act)

Mr. GRASSLEY. I send an amendment to the desk and ask for its immediate consideration. It is an amendment by Senators DOLE, SPECTER, and HUMPHREY.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY], for himself, Mr. DOLE, Mr. SPECTER, and Mr. HUMPHREY, proposes an amendment numbered 720:

At the appropriate place add the following:

Notwithstanding any other provision of this Act or of Law, the provisions of this Act shall apply in their entirety to the Senate, the House of Representatives, and all the instrumentalities of the Congress, or either House thereof.

Mr. GRASSLEY. Mr. President, you have just heard the amendment read in its entirety.

This amendment is very straightforward. It says that, starting today, and at long last, Congress will begin to live by the same laws it passes for others.

It goes to a simple question: Are there two sets of laws in this country—one that applies to Congress and one for the rest of America?

I am frank to note that Congress has been, historically, quite good at exempting itself from the laws it passes for others.

Mr. President, this breeds contempt among the public—the practice says that Congress somehow thinks it's above the law.

At a minimum, it goes to a lack of public accountability. At its worst, it is raw hypocrisy.

The practice ought to stop, and today is as good a time as any to start.

Here is a short list of some of the major laws—laws imposing substantial obligations on the American public—all passed by the Congress, on which Congress has exempted itself: This list is by no means inclusive, I may have missed some, and the list was recently published in a book called, aptly enough, "The Imperial Congress."

They are: The Social Security Act of 1933, the National Labor Relations Act of 1935, the Minimum Wage Act of 1938, the Equal Pay Act of 1963, the Civil Rights Act of 1964, the Freedom of Information Act of 1966, the Age Discrimination Act of 1967, the Occupational Safety and Health Act of 1970, the Equal Employment Opportunity Act of 1972, Title 9 of the Higher Education Act of 1972, the Rehabilitation Act of 1973, the Privacy Act of 1974, the Age Discrimination Act Amendments of 1975, the Ethics in Government Act of 1978, and the Civil Rights Restoration Act of 1988.

Mr. President, make no mistake: I agree that it is important to end any discrimination against individuals with disabilities—and that we end discrimination nationwide. Indeed, I find the goals of this bill to be laudable, and I commend its sponsors.

But nationwide means just that—it does not, or should not, exempt this little enclave up here on Capitol Hill.

Discrimination is wrong—no matter who practices it.

Who here wants to say that Congress should have any more reason to discriminate against people with disabilities than any other entity or person?

Does this Chamber have any more right to make second-class citizens of certain people, while prescribing it if done by any other person, or business?

Why can't Congress stand up and say, "We believe so strongly in anti-discrimination that we will apply all the bill's sanctions and remedies to us, as well"?

If it's too burdensome for the U.S. Senate to live by this bill's command, then why it is any less burdensome for a small business to comply with it?

So, Mr. President, as I said, it is a very straightforward amendment. It is about starting to apply the laws that we apply around the country to us and this is the time to start it. This amendment will do it to this very important bill.

Mr. FORD. Mr. President, I do not want to take exception to the amendment of the distinguished Senator from Iowa, but this amendment puts us in a very peculiar position. The executive branch will then have control of the legislative branch. What you are doing is taking away the separation of the three branches of Government. So under this seemingly straightforward amendment, it puts the executive branch in charge of the legislative branch, and I do not think we want this.

Now, I am willing to work with the Senator, and if the managers of the bill want to accept his amendment, maybe we can work something out in conference. The Rules Committee would have jurisdiction. The Rules Committee ought to have an opportunity to try to work it out. We have had other things referred to us for a period of time to try to work out the problems. We need something to function outside of the executive branch to control this basically as the Senator from Iowa would like to have it. But I want to bring to the attention of my colleagues that we are now passing an amendment that gives the executive branch control over the legislative branch.

If that is what you want, go right ahead. But it begins to break down, and I am not sure it is constitutional. So if we want to do something to comply with the law, we will have to set up the mechanism to do that so that the executive branch would not be the dominant figure over the legislative branch.

I thank the Chair.

The PRESIDING OFFICER. Is there further debate? If not, the question is on——

Mr. FORD. Mr. President, is there any way that the Senator from Iowa would agree that in conference we begin to try to work out something? I would like for him to set his amendment aside so that we might be able to work out something overnight. This is another one of those sugar-coated amendments that the distinguished Senator from Alaska was talking about earlier today, and we have now stepped into a deep mire that is not going to fly, in my opinion. So if we are going to accept this without a vote, I think we ought to at least have some discussion with the proponents of the amendment to be sure that there is some agreement that we work it out in conference and we do not leave it to the executive branch to take over the legislative branch.

Can I get some assurance from the Senator from Iowa?

Mr. GRASSLEY. If the distinguished Senator from Kentucky is asking me, at the point this is adopted, to work something out in conference, I am always ready, willing, and able to do that. But I want this amendment adopted now. If we want it opened up for discussion later on, yes. I am always willing to do that.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, am I correct that the pending business is the amendment offered by Senator GRASSLEY?

The PRESIDING OFFICER. The Senator is correct.

Mr. HARKIN. Mr. President, I know there were some concerns raised about this by the distinguished Senator from Kentucky, the chairman of the Rules Committee. I do understand the problem of having the executive branch having jurisdiction over the legislative branch, but in the interest of time and in the interest of moving this along, conceptually I support the amendment.

I was surprised, frankly, that we did not cover Congress. I think Congress ought to be covered by this act. However, I am always sensitive to the constitutional problem of not having the executive branch run the legislative branch or vice versa. I am told that Senator HATCH had an amendment earlier dealing with this matter which did not have that kind of a problem. But I think in the interest of moving the bill along, and with the understanding that as we go to conference on this bill, we are going to have to address the particular problem of not giving the executive branch jurisdiction over the legislative branch, that we will have to work on this in conference. First of all, to make sure that Congress is covered, but also to make sure that it is Congress, the legislative branch, that enforces the provisions of the act. I just say on our side we are willing to accept the amendment with that understanding, and we will work on that in conference.

Mr. GRASSLEY. Will the Senator yield?

Mr. HARKIN. Yes.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. The way my colleague laid it out, Mr. President, Members of this body, is very satisfactory to me, and I think these problems can be worked out to everybody's satisfaction.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. I understand that we are pushed for time. It is quarter of 10 at night. So we want to get it over with and go on and make a mistake and hope that we can take care of it at the conference. I think that I brought it to the attention of my colleagues, and apparently my colleagues are so anxious to get the bill passed tonight,

they will swallow camels and choke on gnats.

I will not discuss the amendment. I think you are wrong. I think the procedure is wrong. I am for the amendment. I am for the content of the amendment and what it attempts to do. I have no problem with that. I have no problem in complying with the amendment in my office here or back in my State.

I think what we are doing now is allowing something to transpire that the Senate has approved, knowing full well it is wrong, that it is the executive branch in control now of the legislative branch and, in my opinion, that is not proper under the framework of the Constitution or the way the Senate should operate.

So, Mr. President, I want the record to show my violent objection to the content of the amendment, because it does not contain the portion that was similar to the Hatch amendment earlier that would not have brought this similar problem on.

I know it sounds good, that we ought to be doing the same thing the small businessmen should do. I have no problem with us doing that, or my office being required to follow these standards. But I think that under the procedure, a longstanding agreement here, that we should not allow the executive branch to start taking over and telling the Senate what they should and should not do. We are supposed to pass legislation. The executive branch will either sign or veto it and carry it out, based on a court case.

I am not a lawyer. It makes my problem a little difficult for me to quote the law. With my limited knowledge, I say that we are making a mistake here tonight. And I promise my colleagues one thing: If it does not come back in the agreement as I have described it here, then it will take much longer to pass it the second time from conference than it did the first time to go through the Senate.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment of the Senator from Iowa.

All those in favor, say "aye."

Opposed, "no."

Mr. GRASSLEY. I ask for a rollcall.

The PRESIDING OFFICER. The Senator from Iowa.

Did the Senator request a rollcall?

Mr. GRASSLEY. A division, Mr. President.

The PRESIDING OFFICER. A division is requested. Senators in favor of the motion will rise and stand until counted. (After a pause.) Those opposed will rise and stand until counted.

On a division, the amendment was agreed to.

Mr. GRASSLEY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HARKIN. I move to lay that on the table.

The motion to lay on the table was agreed to.

Mr. HARKIN. Mr. President, I inadvertently forgot to add Senator NUNN as a cosponsor to the bill. I ask unanimous consent that his name be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 718

Mr. HARKIN. Mr. President, I understand that we have worked out our amendment with Senator HUMPHREY.

Mr. HUMPHREY. Yes. If the Senator will yield.

Mr. HARKIN. I yield the floor.

The PRESIDING OFFICER. Senator HUMPHREY.

Mr. HUMPHREY. Is not Senator ARMSTRONG next on the informal lineup?

Mr. ARMSTRONG. I appreciate the courtesy of the Senator from New Hampshire, but I am glad to have him proceed.

May I inquire of the Chair if the amendment would automatically recur, the amendment in which Senator HUMPHREY is interested?

The PRESIDING OFFICER. The amendment of the Senator from Iowa is pending.

Mr. ARMSTRONG. I asked at the time that it be laid aside so I could read the amendment to be sure I understood the meaning and purpose of it. I have no objection to it, though there is a question or two that inspires my curiosity, and I will direct my inquiry to the Senator from Iowa or the Senator from New Hampshire.

There is not anything I object to, but it is not clear what happens if a person is an abuser of alcohol who does not abuse alcohol on the job, but regularly, perpetually, perhaps flagrantly and publicly abuses it every night; but he shows up for work the next morning.

Am I in some way precluded from taking into account, if I am an employer, his offsite drinking, as one of the issues that I might evaluate him on for employment or promotion or continued tenure?

Mr. HARKIN. If the Senator will indulge just a second. I might say to the Senator this was an amendment worked on with Senator DANFORTH and Senator COATS which we had agreed to and the administration agreed to it.

Mr. ARMSTRONG. Senator, if you would use the mike, I think all Senators would want to hear.

Mr. HARKIN. I am sorry. This is an amendment we worked out with Senator DANFORTH and Senator COATS and the administration. We had agreed to it. Right now, I am sorry to say that I do not have it in front of me. I do not seem to have the amendment in front of me right now. I will try in good faith to answer the Senator's question, if he would repeat it for me.

Mr. ARMSTRONG. The question is, as I said a moment ago, I have no objection to anything I read in this amendment, but it is not clear to me how a likely factual situation might be handled. It is very clear in this that if a person shows up drunk on the job, that that person may be discharged and that there is nothing in this bill that would prevent an employer from doing so.

My question was a more likely factual situation where someone perhaps is an abuser of alcohol off the job, maybe even—and this is not a farfetched or even unusal situation—a person who abuses alcohol regularly, even flagrantly, even publicly night after night is seen out in public making a fool of himself, staggering, but somehow managing to come to work sober the next day.

If I am an employer and wish to take that factual circumstances into account, is there anything in this bill or amendment which would prevent me from doing so? In other words, may I make that one of the factors I take into account as to whether I wish to hire or promote such a person?

Mr. HARKIN. I believe you can take that into account, because I believe that reflects on the person's performance on the job. Obviously, if a person works for someone and they are out getting drunk every night, that reflects also upon the employer's workplace.

Mr. ARMSTRONG. Because it might bring disgrace?

Mr. HARKIN. Exactly. So I believe the employer could take that into account, because it affects the employer's workplace.

Mr. ARMSTRONG. I appreciate that explanation. I have no objection to the amendment.

Mr. HARKIN. I think that would be the case.

Mr. ARMSTRONG. I thank the Senator.

The PRESIDING OFFICER (Mr. BINGAMAN). Is there additional debate?

The question is on agreeing to the amendment of the Senator from Iowa.

The amendment (No. 718) was agreed to.

Mr. HARKIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, the bill before us is one of the most radical pieces of legislation I have encountered in my 11 years in the Senate. Like most radical legislation, it has laudable policy goals. We all want

to improve the lot of the handicapped, and I would gladly support reasonable and cost-effective legislation to achieve that goal.

But this bill treads so heavily on individual liberty, private property rights, and the legitimate concerns of employers that I cannot support it. I am equally concerned with the enormous hidden costs of this legislation. The New York Times, which is normally the first to endorse civil rights legislation, has just published an editorial stating that the costs of the ADA "could be monumental," but "nobody has even tried to spectulate about its costs." The reason for this is clear: the more that is disclosed about the bill's price tag, the more likely that Congress will feel the heat from the public about this spendthrift legislation.

I do not expect that many other Senators will oppose this bill, or even seriously question its provisions. Not many Senators enjoy the prospect of being protrayed as unsympathetic to the plight of the handicapped. And that is exactly what occurs when Members break from the pack and point out the excesses and flaws of these bills, as I can attest from past experience.

Nonetheless, after a thorough review of this extremely complex legislation, I feel it is important to call the Senate's attention to some of its major flaws and excesses.

EMPLOYMENT PROVISIONS

Other equal employment opportunity laws have required employers to treat applicants and employees on an evenhanded and nondiscriminatory basis. This bill departs from that principle. It requires employers to extend special treatment to accommodate the special needs or disabilities of the 43 million Americans the bill classifies as disabled.

And we are not simply talking about the blind, the deaf, or persons confined to wheelchairs. Under this bill, drug addicts and alcoholics are classified as "disabled persons" and given special employment protection. So are schizophrenics, manic depressives, and persons with extremely low IQ's. So are persons with deadly infectious diseases, like AIDS. In fact, the definition of protected "disabilities" in this bill is so broad that virtually any mental or physical shortcoming can be invoked as grounds for demanding the special "accommodations" which the bill requires employers to provide.

The bill compels employers to make "reasonable accommodations" to the "physical or mental limitations" which would otherwise render a person unfit for a job. It is anybody's guess how this radical new rule will be applied, because the bill provides inadequate guidance.

The committee report gives a few examples of what it regards as clear-cut cases of mandatory accommodations. For example, a business or agency can be required to hire a hand-sign interpreter to enable a deaf person to perform a job he could not perform without one. Of course, the committee report fails to tell us that the employer's annual cost for such a sign-language interpreter is $21,000 to $23,500.

Similarly, an accounting firm or other business would be required to hire a special reader to assist a blind accountant or executive who is "otherwise qualified." In other words, the bill will sometimes require an employer to hire two employees to get one job done. That's not an antidiscrimination law. It's a confiscatory law.

The bill also requires employers to provide auxiliary aids and devices which are necessary to enable disabled persons to perform a job. One example: computers with speech synthesizers and special software for blind persons. Cost? $5,000. And this bill will make it an act of illegal "discrimination" for a small businessman to decline to acquire such costly equipment to accommodate a disabled applicant for a job. That's outrageous.

While the committee report gives examples of clear-cut accommodations for the disabled, it studiously avoids the more bizarre accommodation requirements imposed by the bill. What are employers expected to do to accommodate alcoholics, the mentally retarded, or persons with neurotic or psychotic disorders? This Senator has no idea, and I doubt that other Senators do either. Of course, we don't have to comply with the bill, because as usual Congress is exempt from the law in question. But for the small businessman throughout America who will have to comply, the vagueness and complexity of this bill's requirements will constitute a legal nightmare.

The only concession the bill makes to small, hard-pressed businesses is that they need not make an accommodation if it constitutes an "undue burden." But again, the bill gives no meaningful guidance as to what this means. Employers will simply have to guess at how much money they must spend for readers, interpreters, and special equipment to accommodate the countless varieties of "disabled persons" protected by this act. If they guess wrong, they face the prospect of litigation, injunctions, and $50,000 fines for violations. And on top of everything else, the bill will require them to pay the attorney's fees of those who sue them, as well as their own.

The bill also prohibits employers from making entirely legitimate inquiries regarding the fitness of prospective employees prior to making an offer of employment. For example, police departments and school boards are barred from prescreening applicants for jobs as policemen and schoolteachers to find out if they have a history of drug addiction, mental illness, or emotional instability. After the job has been formally offered, the act permits some limited inquiries of this kind but these are only permitted if the employer can establish that its inquiries meet a strict test of "job-relatedness" and "business necessity."

It is obvious that these unprecedented Federal restrictions on employee qualifications will deter employers from preserving high standards of fitness, safety, and efficiency within their work force. It is nothing short of outrageous to prohibit police departments, hospitals, and other employers responsible for public health and safety from applying strict and selective hiring standards. But that is precisely what this bill does.

PUBLIC ACCOMMODATIONS

In its effort to reshape the structural landscape of America in the name of handicapped accessibility, the ADA will require even the smallest shops, offices, and clubs to struggle with a complex and incomprehensible set of structural and architectural regulations.

The most sweeping requirements of this title concern the construction of new facilities. Any business, club, school, shop, or office which plans to construct or acquire a new building or facility must comply with complex Federal accessibility requirements which are at once strict and imprecise.

Any newly constructed facilities must comply with the strict Federal standard of "ready accessibility" for the handicapped. This means that no new shops or offices can be built which require climbing or descending stairs to enter the facility. We all know that there are many thousands, perhaps millions, of facilities throughout America which do not meet this standard of accessibility. Compliance with this new nationwide handicapped building code will require a drastic revolution in the design of commercial and office construction and design. Construction on elevated or depressed terrain will have to be avoided, since access to such buildings would clearly require stairs for access. The commonplace design of office basement space for "walk-down" shops will be illegal. The use of popular townhouse-style designs for small office and professional buildings will be greatly restricted because of accessibility problems.

The accessibility requirements will require greater space per office unit, and thereby increase construction and rental costs. All restroom facilities will have to be larger to accommodate wheelchair access and maneuverability requirements. Wider doorways and corridors will require more office space. Split-level designs in shops and stores will violate accessibility require-

ments, unless ramps or elevators are provided.

One of the most costly aspects of the bill will be its requirement for the installation of elevators in any building with over two stories. Three-story buildings without elevators are commonplace in American society and commerce today. Small office buildings, college dormitories and fraternity houses, clubhouses, boarding houses, and numerous other small business or association facilities are housed in three-story buildings. While many three-story buildings are equipped with elevators, many are not. And the reason for not including elevators is invariably the same: elevators are very expensive.

Installation of elevators in basic three-story buildings will generally add in the range of $35,000 to $45,000 to the cost of construction. For commercial buildings, the cost of elevators for a three-story building would be $75,000. Proponents might argue that many contemporary buildings of more than two stories would be built with elevators even without this legislation. Some are and some aren't, but that is not the point. This bill prohibits small businesses, clubs, and other private organizations from exercising their right to choose a far less costly form of building. For many businesses and organizations, the benefit to handicapped persons from this costly requirement will be marginal and speculative. But the increased building costs for businesses, associations, schools, clubs, and other organizations will be very real and very substantial.

In this regard, it needs to be said that the cost and economic impact assessment in the committee report is laughable. It says that the costs of these new accessibility requirements for new constructions and renovations "are generally between zero and 1 percent of the construction budget." This claim is bogus on its face. The cost of elevators alone—$35,000 to $75,000 for a small three-story building—totally refutes the report's assertion. So does the fact that these new accessibility requirements have never been applied to the unlimited range of private sector facilities covered by this legislation. As the New York Times has stressed, the fact is that no one knows the extent of the costs entailed by this bill. The mandatory installation of elevators alone will entail enormous extra construction costs. So will the need to design buildings in a manner that will eliminate stairs as a necessary mode of entrance. The committee report's economic impact "assessment" simply avoids addressing the real cost impacts, and that is a real disservice to the paying public.

Like the bill's employment section, the bill's public accommodations section is riddled with vague terms and requirements which will make compliance virtually unachievable. The bill requires removal of all architectural barriers from existing facilities if such removal is "readily achievable," which the bill defines as something that can be done "without much difficulty or expense." Alterations of existing facilities must incorporate handicap accessibility to the "maximum extent feasible." Auxiliary aids and special services must be provided for the handicapped except if the cost would constitute an "undue burden."

No one will really know what these terms mean until the courts have thoroughly interpreted them. In the meantime businesses, schools, and other organizations will have to make their best guess at what the law requires of them. The penalties for guessing wrong will be harsh, including $50,000 fines, injunctions, and payment of the plaintiff's lawyers' exorbitant attorney's fees.

I could continue with other examples of this bill's excesses, such as the costly requirements for equipping all buses with lifts, but the point is the same. In the name of a good cause, this bill imposes unreasonable restrictions on individual and economic liberty. It treats sensible business decisions, based on efficiency and frugality, as invidious discrimination. It imposes radical changes on the construction and design of commercial and private buildings throughout America without confronting the economic consequences. And it prohibits employers from applying the most basic standards of fitness in making hiring decisions.

The New York Times editorial may have put it best when it said this about the ADA:

> It requires little legislative skill • • • to write blank checks for worthy causes with other people's money.

For all these reasons, I will vote against this legislation.

AMENDMENT NO. 721

Mr. HUMPHREY. Mr. President, I will send an amendment to the desk which I understand is agreeable to both sides.

Frankly I am astounded that this bill has arrived on the floor in the shape we find it. There is a glaring loophole in the bill as it is now written which this amendment seeks to address the amendment which I will offer in a moment. The loophold creates benefits for drug addicts, of all classes of people, at a time when we are trying to deal effectively with the scourage of drug use in our society.

Mr. President, I will cite one example. As the bill is now written if a private school should expel a student because of drug use that student under the bill would have recourse to a suit claiming discrimination.

The committee report makes it quite clear that drug addiction is to be considered a handicap and falls under the scope of this bill. I will read what the committee report says:

It says: "It is not possible to include in the legislation a list of all the specific conditions, disease or infections that would constitute physical or mental impairment," et cetera.

It goes on to say the term includes, however, such conditions as, and skipping over a whole list of conditions, drug addicts.

So clearly, according to the committee report the bill in its original form, a form which is now before us, is intended to create benefits for drug addicts, right at a time when we are trying to fight this scourage of drugs in our society. I think that is one example on how poorly and hastily written this bill is.

Nonetheless, I want to thank Senator HARKIN, Senator KENNEDY and all involved for their cooperation in coming to an agreement on an amendment which I will now send to the desk.

AMENDMENT NO. 721

The PRESIDING OFFICER. The Senator will suspend. As I understand it the Senator has offered the amendment and that being the case the clerk will read the amendment.

The legislative clerk read as follows:

> The Senator from New Hampshire [Mr. HUMPHREY], proposes amendment numbered 721.
>
> At the end of the bill, add the following:
>
> For purposes of this Act, an individual with a "disability" shall not include any individual who uses illegal drugs, but may include an individual who has successfully completed a supervised drug rehabilitation program, or has otherwise been rehabilitated successfully, and no longer uses illegal drugs.
>
> However, for purposes of covered entities providing medical services, an individual who uses illegal drugs shall not be denied the benefits of such services on the basis of his or her use of illegal drugs, if he or she is otherwise entitled to such services.

Mr. President, this business of drug abuse and the loophole in this bill which we are now seeking to close is very serious business indeed and I am sure the Senator from Iowa will agree and it would be most unfortunate just as we are launching a new phase in this effort against the drugs in our society it creates special protection for the drug users. That ought not be the intent and effect of the amendment. It should be to close the loophole and take away the protection that a drug user would have absent this amendment.

It is a serious amendment, and I am grateful I have the support of the floor manager and others in formulating this compromise amendment.

I want some assurance and I am not going to seek a rollcall vote on this given the lateness of the hour. I want some assurance from the Senator that this is not just a sop to this side that his acceptance in this amendment is

not just a sop and this thing is going to fall by the wayside in conference.

I want assurance that the Senator take this seriously and will make a good faith effort to retain it in the conference report.

Mr. HARKIN. If I might respond to the Senator, we have looked at this amendment and we accept the amendment. It has been worked on.

Quite frankly, I believe that the bill as drafted did answer adequately the concern raised by the Senator from New Hampshire. However, if more clarifying language or stricter language can be incorporated as the Senator has drafted here that is fine with this Senator.

I can assure the Senator from New Hampshire that we will maintain this language because quite frankly I feel the language in this amendment really does what we did in the beginning. But if the Senator from New Hampshire feels it did not, that is fine; we will accept this language to allay any fears, apprehensions, or misgivings that this Senator or others might have that we did not accomplish this in the beginning. So I assure him we are going to keep this language because I think it does what we initially wanted to do anyway.

Mr. HUMPHREY. I thank the Senator for that assurance.

I find his remarks strange in light of the clear language in the committee report which says that drug addiction is one of the conditions which is to be regarded as a handicap condition under this bill. That is what the report says.

The Senator is entitled to his interpretation but that to my way of thinking is a wide open loophole to create protections for persons addicted to drugs. The purpose of this amendment is to close that loophole. I think the language is clear and explicit, and I thank the floor manager for his assurances that this language will be retained in conference.

Mr. HATCH. If the Senator will yield, I will fight for that language as well and we will try to make sure it is kept in any conference we have on this issue.

I appreciate the Senator in his efforts and work and ability to compromise on this matter.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from New Hampshire.

The amendment (No. 721) was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH. Mr. President, we are about ready to conclude this matter. I believe that we have reached an accommodation with the distinguished Senator from Colorado.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, the distinguished Senator from Colorado has worked long and hard this evening with the majority floor managers and the minority floor manager to try and resolve what really are very difficult problems. We have arrived at a compromise amendment that is a very good amendment, much to the credit of the distinguished Senator from Colorado.

Should this amendment pass, by voice vote, and I believe it will, I will personally commit to keep this amendment in conference, if there be any conference. I would like to ask my colleagues, both the majority floor manager, the distinguished Senator from Iowa, and the distinguished Senator from Massachusetts, the chairman of the committee, if they also would be willing to give assurances that we will keep this amendment in any conference or in any final version of this bill.

Mr. KENNEDY. Mr. President, I would accept this amendment. It has been the result of many long hours of negotiations. I feel that there has been a good deal of good faith given and take on this amendment. It really represents a compromise. It is certainly not one that I would have wanted in the legislation, but we have divisions and concerns that have been expressed on this floor and in previous debates.

I think that this is a compromise which we can live with. I will do everything I can to ensure that it be maintained in the conference. Realistically, I know that if it is not, we will be facing this issue down the road in the course of further debate and discussion on some of the other matters that are not unrelated to the measures which we have been debating this evening.

So I want to say that we appreciate the position of the Senator from Colorado. I cannot say that I agree with it, but I know that he cannot agree with the way that we have framed the various definitions. Of course, I do want to point out that some of the behavior characteristics listed such as homosexuality and bisexuality are not, even without this amendment, considered disabilities.

This does represent a compromise. I still firmly believe that the basic, fundamental integrity of the measure is maintained. I hope we have addressed the most obvious concerns of the Senator from Colorado and have done it in a way which is consistent with the integrity of the legislation.

Mr. HATCH. Could I also have the comments of the distinguished Senator from Iowa as well?

Mr. HARKIN. I join my distinguished chairman in saying that this has been worked out long and hard. I think that it is a meaningful amendment. The language in the amendment is something I agree with. We certainly will make sure that it stays in the bill as it winds its way through the other body and through conference.

AMENDMENT NO. 722

Mr. ARMSTRONG. Mr. President, in view of the statements that have just been made, I send to the desk an amendment and ask for it is immediate consideration. Under the circumstances, since it is very brief, I ask that the clerk read the amendment.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. ARMSTRONG] for himself and Mr. HATCH, proposes an amendment numbered 722.

Under this act the term "disability" does not include "homosexuality," "bisexuality," "transvestism," "pedophilia," "transsexualism," "exhibitionism," "voyeurism," compulsive gambling," "kleptomania," or "pyromania," "gender identity disorders," current "psychoactive substance use disorders," current "psychoactive substance-induced organic mental disorders," as defined by DSM-III-R which are not the result of medical treatment, or "other sexual behavior disorders."

Mr. ARMSTRONG. I have known Senators from time to time who come to the floor and have an amendment which has been agreed to and then made a lengthy speech and talked themselves out of it.

I think the amendment speaks for itself. It is, as the Senator from Utah and the Senator from Massachusetts have described, a product of a compromise which we have been working on through the evening. It seems to me that it expresses pretty well what would be the common wisdom of the body. So I commend it to the attention and the approval of my colleagues.

Mr. President, I also want to make this point, however, and I would invite the attention of anyone who wants to be involved in making the RECORD on this. The fact that we have enumerated what is not included is really for the comfort of Senators and it should not be assumed by anybody, including someone who might read the RECORD of this proceeding, that because we have failed to exclude something that it is necessarily included.

What we are adopting here is an amendment which is a practical com-

promise to avoid a protracted debate, to avoid a series of rollcalls, and to address, as the Senator from Massachusetts has accurately expressed it, the most obvious concerns. But no one should assume that because we have failed to mention something that it is necessarily covered by this admittedly broad bill.

Mr. President, with that word of explanation, I think we are ready to go to a vote. And while it had been my intention to ask for a rollcall, in light of the assurances that the managers of the bill have been kind enough to extend, I see no reason to have a rollcall on this.

I assume it would pass by a large margin and perhaps unanimously, and that there is no need for that under the circumstances.

I appreciate their willingness to support the amendment through conference and look forward to this being included in the final version of the bill.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I want to compliment the distinguished Senator from Colorado for his willingness to work this out.

I would also like to ask him to list me as a principal cosponsor, on this amendment, because I think he has done the Senate a singular service. I think these are areas that basically have been ignored in the bill, which, had they not been resolved by the distinguished Senator from Colorado, might have led to, I think, all kinds of misunderstandings with regard to rather sweeping language of this bill.

So I want to personally thank the distinguished Senator from Colorado. I think his workmanship is excellent. And I think we all owe him a debt of gratitude. I think the country will owe him a debt of gratitude when this bill is implemented.

So, with the Senator's permission I would like to be a principal cosponsor of this amendment.

Mr. ARMSTRONG. I would be honored and I ask unanimous consent the Senator be listed in that way, but I want to note in passing it is his skill that enabled us to work out the amendment in such an amicable fashion. I am grateful to him and the Senator from Massachusetts particularly for helping us put together some words that everyone could readily agree to.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Utah is listed as a cosponsor of the amendment.

Mr. HARKIN. Mr. President, we have here a compromise amendment to deal with various concerns that have been raised. I do not believe that this amendment is necessary or even particularly appropriate for this bill. Nevertheless, in order to deal with particular concerns raised, we are including this amendment.

First, I would like to point out that some of the behavior characteristics included on this list are not disabilities to begin with and individuals with such characteristics would not be considered people with disabilities even without this amendment. For example, homosexuality and bisexuality are not disabilities under any medical standards.

In addition, I would like to point out that for individuals with many of the other behavior characteristics included on this list, which would have been considered disabilities under this act, in many situations, such individuals would not have been qualified for various employment positions, for example. Therefore, this amendment was particularly unnecessary.

However, at the very least, this amendment is narrowly focused. That is, if a person exhibits only a sexual behavior disorder, that person is not a disabled person under this act and cannot bring a cause of action for discrimination based on that disorder. Of course, this provision cannot be used as a pretext for discrimination based on other disabilities.

In addition, the intent of the Senate is that only those who have one of the behaviors listed in this provision, and do not have a disability that is covered under this act, are to be excluded from protection. So, for example, a community health program which serves mentally retarded adults in its program, may not expel that adult solely on the basis of the fact that he exhibits a sexual behavioral disorder. Instead, the program must treat the individual as a person with a covered disability under the act—that is, mental retardation—and the program may then, of course, apply the eligibility criteria recognized under the act.

Finally, I would like to point out that this amendment excludes only current psychoactive substance use disorders and current psychoactive substance-induced organic mental disorders. Therefore, any individual who has recovered from, or is perceived as having, such disorders would still be covered by the act.

As I noted before, I do not think this amendment was necessary in any form. However, I wished to make these points clear regarding the compromise amendment that we have agreed upon.

The PRESIDING OFFICER. Is there further debate?

If not, the question is in agreeing to the amendment.

The amendment (No. 722) was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ARMSTRONG. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I wonder if I might ask the Senator from Colorado a question. I was listening when he quickly summarized this amendment and he indicated that while he had a list of exceptions to a general definition, that it was not intended to be exclusive. That did not mean that anything that was not in your excluded list was not automatically included.

I wonder, was my colleague just expressing his opinion or is there something in the amendment that says that?

Mr. ARMSTRONG. No, Mr. President, I was simply expressing my opinion and reporting for the benefit of the RECORD what has occurred.

Had we not been able to reach an agreement on this particular list of excluded items, there would have been a protracted debate and series of rollcalls and the convenience of the Senators would have been disrupted and maybe the bill would have been postponed or perhaps it would have passed. It is nothing more than a practical accommodation. But I am saying no Senator should vote for the amendment or for the bill feeling that because we forgot to mention some form of disability, that it is in or out. That is a separate question.

What we do know is that this specific list of categorical exceptions do not form the basis for a discrimination claim under this bill.

In all other respects, we are silent. In other words, there is no presumption that something is in or out as a result of this amendment except for those things which are mentioned.

Mr. DOMENICI. The only reason I raise the question is I think the normal legal interpretation is, when you start listing things, and you do not list some things, then anything that is not listed is presumed to have not been intended. It just appears to me that the Senator is doing a little more than he thinks.

If legislative history is being made here, you are trying to say this is not intended to be anything other than a list that we are voting on. It is not inclusive or exclusive. It does not thoroughly define the entire prospect for inclusion or exclusion?

Mr. ARMSTRONG. Mr. President, the problem with this bill, and I had not expected to be diverted into a lengthy discussion of this but since the Senator raised it, let me just say to the Senator and anybody else interested, on page 40 the purpose of the bill is expressed in the following terms "provide a clear and comprehensive national mandate for the elimination of discrimination against individuals with diabilities and to provide clear,

strong, consistent enforceable standards," and so on.

It does not do that. What it expresses is a point of view, a value system, and sets up a standard which is so vague that it is going to be the subject of lengthy and somewhat unpredictable litigation, in my opinion.

I have clarified it to some extent by my amendment, but I do not represent to Senators or anybody else that I have provided clarity on subjects that I have not directly addressed. I am telling you my amendment does not solve that problem.

As a matter of fact, I am told there are lines of cases on both sides. Sometimes when statutes enumerate things as being excluded, that means other things are included, and sometimes it has worked the other way. My intention, my belief, what I think the legislative intent is, is that we are silent on that question. The fact that we have excluded some items does not automatically put something else in.

Mr. DOMENICI. I thank the Senator.

I wonder if either Senator HARKIN or Senator HATCH would engage in just a brief colloquy with the Senator from New Mexico?

Perhaps Senator HATCH.

I have been in contact in the last couple of days with those who represent and serve the blind people in this country and in my State. As one would expect, they clearly are in favor of this bill. But there is a concern that they have and I think we ought to share it here and make sure that everybody understands what we are trying to do.

In section 302(b)(1)(c) I think we are making an effort to say that as public accommodations for those who are disabled within the context of this bill began to flourish in this country, we are apt to have more specialized programs for the disabled. This might involve a special accommodation in a museum program, or we might even begin to have certain classes within an academic institution that are specially equipped for the disabled.

We might have any number of specialized programs or approaches to accommodating those who are disabled. The blind particularly feel that frequently, accommodations are thrust upon them because they are blind when, as a matter of fact, they would very much like presented to them the option to either take the special approach that is provided for the disabled or take the usual approach which is there for the nondisabled.

There is an example, referred to in the report language, of the experience a blind person has had recently at a museum. The museum has a special program for the disabled and this blind person was directed into the line for the special program because he is blind and they wanted to put him over there. He may very well rather be in the line with the rest of the people and go through the museum in a manner that is not especially tailored for the disabled.

I am sure, as this law is implemented, there are going to be major changes in the efforts on the part of public institutions to accommodate to the disabled. I am concerned because I think the National Federation for the Blind and others from around the country, including people from my State who are with the New Mexico Commission for the Blind, want to make it clear that this bill is not intended to force the optional disabled program on them, but quite to the contrary that we want a policy that up front, they should be provided with the option. They should not be automatically herded into the disabled opportunity or program, but rather that it is the intention that our society move in the direction of making this optional, and know to be optional so long as there is not some other fact that is prevailing, like safety or the like. That is pretty obvious.

Mr. HATCH. The Senator raised an excellent issue. This bill requires they be given the option.

The Senator has raised the issue, has raised it correctly. His fears are not justified. The bill requires that the blind be given the option so they can make that option.

Mr. DOMENICI. I thank the Senator. Frankly, I am not sure. I was trying to improve on this language to give it even more of a positive thrust, so that they would not always be put in the position that they are pushed in the direction of the disabled program and they have to kind of force their way out of it. I cannot quite draft that without getting myself into some kind of a bind with reference to an accepted definition.

But I hope we are really sincere about this being an up-front option.

Mr. HATCH. We are.

Mr. DOMENICI. And those who are providing this kind of a new accommodation to a program or an opportunity such as that for the education of the disabled, will understand that we do not intend this to be the exclusive way that the disabled will be treated under those circumstances.

Mr. HARKIN. If the Senator would yield, I would support what my distinguished colleague, the Senator from Utah said. It is not only in the report. It is also right in the legislation itself.

If I might read from the appropriate section, section 302, subsection (c), "opportunity to participate." It says:

Notwithstanding the existence of separate or different programs or activities provided in accordance with this section, an individual with a disability shall not be denied the opportunity to participate in such programs or activities that are not separate or different.

So it is right in the legislation, and then we clarify it even further in report language, which the Senator alluded to.

Mr. DOMENICI. I thank the Senator.

Mr. HARKIN. I agree that it should be up front and they should be allowed that opportunity right up front to participate in an activity that is not separate.

Mr. DOMENICI. I thank the Senator.

The PRESIDING OFFICER. Are there further amendments to the bill? The Senator from Iowa.

Mr. HARKIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 723

(Purpose: To allow certain capital expenditures of small businesses for auxiliary aids and services and reasonable accommodations to be treated as expense items, and for other purposes)

Mr. DOLE. Mr. President, I am going to offer an amendment and then withdraw the amendment in keeping with what I said earlier today in reference to deductions, which I think is an important concern for small businesses. There is a deduction provision now in the statute. You can deduct $35,000 a year for removal of architectural barriers. I had an estimate from the Joint Tax Committee, and if we reduce $35,000, your allowable expenses under section 190 of the IRC is $21,000, then we can make expenditures for auxiliary aids and services and reasonable accommodation for the handicap expensing as long as they occur in the taxpayers' business. We can broaden that scope of the particular section. By reducing it from $35,000 to $25,000, we can cover what may happen under this bill. In other words, it is revenue neutral, no cost. I hope we might consider it when we take up reconciliation. I send the amendment to the desk on behalf of myself and the Senator from Utah, Senator HATCH.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for himself and Mr. HATCH proposes an amendment numbered 723.

Mr. DOLE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . EXPENSING OF CERTAIN CAPITAL EXPENDITURES TO ASSIST DISABLED.

(a) ADDITIONAL ITEMS ELIGIBLE FOR EXPENSING.—Section 196(b) of the Internal Revenue Code of 1986 (relating to definitions) is amended by adding at the end thereof the following new paragraph:

"(4) CERTAIN ITEMS INCLUDED.—The term 'qualified architectural and transportation barrier removal expense' shall include any of the following expenses in connection with a trade or business which are chargeable to capital account:

"(A) Expenses for auxiliary aids and services (as defined in section 3(1) of the Americans With Disabilities Act of 1989).

"(B) Expenses in connection with providing reasonable accommodations (as defined in section 3(8) of such Act) to individuals with disabilities."

(b) DECREASE IN MAXIMUM AMOUNT WHICH MAY BE EXPENDED.—Section 190(c) of the Internal Revenue Code of 1986 is amended by striking "$35,000" and inserting "$25,000".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1989.

Mr. DOLE. Mr. President, I will pursue in the Finance Committee budget reconciliation bill, to ensure that small businesses will be entitled to deduct the expenditures necessary to provide the reasonable accommodations and auxiliary aids and services that are required under this law. In this way, smaller employers for whom these costs are disproportionately severe will be protected.

Unlike the amendment offered by the Senator from Utah, however, my amendment will be made revenue neutral by reducing the total amount of such expenditures which are eligible for immediate expensing by larger firms each year from $35,000 to $25,000. Even with this reduction, however, the maximum tax savings to which businesses are entitled will exceed the $5,000 credit proposed by my colleague from Utah.

Mr. President, my amendment and the amendment of the Senator from Utah have the same important goal—to help small businesses help the disadvantaged. I believe this goal is important and I intend to pursue it vigorously.

Nevertheless, because it is possible that the addition of a tax measure could impede the progress of the Americans with disabilities legislation, I will withdraw the amendment at this time.

The amendment (No. 723) was withdrawn.

The PRESIDING OFFICER. The Senator has that right.

Mr. BUMPERS. Will the Senator from Kansas yield for a question?

Mr. DOLE. Let me finish my statement. I believe any delay in this vitally important legislation is unwarranted. However, I pledge to my colleagues that I will raise this issue again in the Finance Committee at the earliest opportunity.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. I thank the Senator from Kansas for yielding. Earlier this evening when I got into a colloquy with the Senator from Iowa on this subject I failed to mention one question I had and that is this $35,000 tax deduction. I want to clarify that. If a business operator spends $100,000 to remove barriers from his business in order to accommodate this bill, does this bill say he may only deduct $35,000 of that $100,000?

Mr. DOLE. This bill will be silent on the matter. Section 190 of the revenue code amendment I offered with Senator Mondale years ago says $35,000 in the first year. And the rest is eligible for depreciation.

Mr. BUMPERS. In the case I gave, if the business operator spends $100,000, he can write off $35,000 of it the first year and the rest of it would be depreciable in accordance with the depreciation standards.

Mr. DOLE. The Senator is correct.

Mr. BUMPERS. The Senator is suggesting if we reduce that off to $25,000, what?

Mr. DOLE. Then we can broaden the amendment because it is somewhat limited under section 190. It relates to removal of architectural barriers. There can be many other obligations imposed on small businessmen and women. If we lower it from $35,000 to $25,000 where it was a few years back, we can cover everything in this bill. And it is revenue neutral, so we do not have the budget problem as the Senator from Utah had earlier today.

Mr. BUMPERS. Mr. President, I appreciate the explanation of the Senator from Kansas. I want to study it a little further. I would be reluctant to reduce that advantage that that does give small business, when you reduce it from 35 to 25 the first year, that is still a further encumbrance on small business.

But I do not want to prolong this debate here this evening. I was just curious about that because I did not understand that. I read the bill and it did not make much sense to me.

Mr. DOLE. I might say in most cases it would exceed the $5,000 credit imposed earlier by the Senator from Utah.

Mr. BUMPERS. Yes, it would that. If you took 28 percent of $35,000, obviously that is going to be more than $5,000. We asked the Joint Tax Committee if we could keep the 35 and still broaden the base. They advised we could not do that. To lower it to $25,000, to find some offset, I will be glad to keep it at $35,000. I do believe there are things in this bill popping up in the next 6 months or a year, and I want to be able to tell my businessmen and women, as you do, that we have some provision in the Tax Code that will help ease that, as far as what they are required to do as far as public accommodations are concerned.

Mr. DOLE. It is important. I do hope to follow this up in the reconciliation bill. I will be happy to work with the Senator from Arkansas and others to see if we can come up with a better formula.

Mr. BUMPERS. I thank the Senator from Kansas.

The PRESIDING OFFICER. Are there further amendments to the bill?

Mr. BUMPERS. Third reading.

Mr. HARKIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BRYAN). Without objection, it is so ordered.

AMENDMENT NO. 724

Mr. HARKIN. Mr. President, I am going to send a technical amendment to the desk. Basically, it is a severability clause which states that if any provision in this act would be found to be unconstitutional, that such provisions shall be severed from the remainder of the act, and such action shall not affect the enforceability of the remaining provisions of the act. It has been cleared on both sides. I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN] proposes an amendment numbered 724:

At the appropriate place insert the following:

Should any provision in this Act be found to be unconstitutional by a court of law, such provision shall be severed from the remainder of the Act, and such action shall not affect the enforceability of the remaining provisions of the Act.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 724) was agreed to.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ARMSTRONG. Mr. President, I wonder if I could have the attention of

the Senator from Utah to just discuss an amendment that we adopted early in the day on access to wilderness areas for handicapped persons.

Mr. President, it is my understanding that earlier today the Senator from Utah offered and the Senate accepted an amendment which would provide for a study to determine the extent to which handicapped persons have access to these wilderness areas and what provision ought to be made for them in the future.

I was not present on the floor when that amendment was adopted, but first I would like to compliment the Senator from Utah for thinking of this and getting it included in the bill. But I express my hope that there be included in the study sort of a broad-guaged look at the recreational opportunities in these wilderness areas that are made available to people who may be blind or who may be in wheelchairs or in some other way have a physical handicap. Am I correct that that is the intention and purpose of the Senator's amendment?

Mr. HATCH. That is the intention. I think it is time for us to consider the needs of persons with disabilities with regard to wilderness areas and, frankly, other areas as well, but my amendment was limited to the wilderness.

Mr. ARMSTRONG. Mr. President, if the Senator will yield further, I want to pin down two specific things.

Would the study include the effect of Federal policies, practices, and procedures for access of individuals with disabilities? In other words, would we look specifically at what the rules are governing access to wilderness and get some recommendations?

I understand the Commission would not have the authority to make changes but come back with recommendations with respect to how we could open these wilderness areas up to people particularly in wheelchairs.

Mr. HATCH. The answer to the Senator's question is yes, that is one of the purposes of the amendment, and I believe they have to come back with that kind of recommendation.

Mr. ARMSTRONG. I thank the Senator, and again I compliment him for having the foresight to add this to the bill.

Mr. HATCH. I thank my colleague.

The PRESIDING OFFICER. Are there further amendments?

Mr. HARKIN. Mr. President, I know of no further amendments, and I urge adoption of the committee substitute to the bill.

Mr. President, today we have come together in support of a common goal and a common vision—stopping discrimination against persons with disabilities. This is one of the proudest days of my life: as the chief sponsor of the Americans with Disabilities Act, I know that soon all Americans will have access to the American dream.

I want to give special thanks to President Bush, Governor Sununu, and Attorney General Thornburgh for working with us in formulating the compromise package passed here today. I also want to thank Senators KENNEDY, DOLE, DURENBERGER, MCCAIN, and HATCH for their tireless efforts which have lead us to this moment in history.

I want to say a special thanks to a good friend, former Senator Lowell Weicker, without whom we would not be here today. His unflagging commitment to improving the quality of life for persons with disabilities and all those in our society who are too often ignored and discriminated against, still inspires us all. It was Lowell Weicker who first brought this bill forward last year.

Within the Bush administration, I want to thank Bill Roper, Grace Mastelli, Mary Ann McGettigan, Hans Kuttner, David Sloan, and John Wodatch.

Within the business community, I want to thank Sue Messinger, the National Association of Manufacturers, Dick Crawford, of the Restaurant Association, and many others which I know I am forgetting.

And for the staff of the Senate who have worked to make this day a reality for 43 million Americans with disabilities. First, and foremost, I want to thank Bobby Silverstein, my staff director on the Subcommittee on the Handicapped. We would not be here today without the commitment and sensitivity that Bobby has demonstrated over the past months. He has educated us all about what this bill will really do for America: ensure equal opportunity for all. He has helped bring forces together who under many other circumstances, would never appear in the same room. But Bobby's persistence made it all work. I must also thank Bobby's wife, Lynne, and their two sons, Mark and Evan, for sharing Bobby with us.

Thanks must also go to the rest of my staff for their efforts: Terry Muilenburg, Katy Beh, Chris DeGraw, Sarah Huber, and Stacy Racine, as well as Carolyn Osolinik, Michael Iskowitz of Senator KENNEDY's staff, Carolyn Boos with Senator DURENBERGER, Maureen West with Senator DOLE, Mark Disler and Chris Lord with Senator HATCH, Judy Wagner with Senator SIMON, and Mark Powden with Senator JEFFORDS.

To the disability community, my friends, I thank all of the 180-plus organizations who worked with me on this historic legislation. I want to especially thank Justin Dart, Sandy Parrino, Jim Brady, Harold Russell, Jay Rochlin, Ralph Neas and the leadership conference on civil rights, Liz Savage, Chai Feldblum, Bob Burgdorf, Tim Cook, Dave Capozzi, Dennis Smurr, Paul Marchand, Marca Bristo, Lex Frieden, Carleton Lee, Tom Sheridan, Randy Rutta, Karen Franklin, Phil Calkins, Bonnie O'Day, Eric Griffin, Steve Pardieck Denise Rozelle, and the hundreds of others who have contributed so much.

Very, very special thanks goes to Pat Wright at the Disability Rights Education and Defense Fund [DREDF]. Pat, along with MaryLou Breslin, Arlene Mayerson, Marilyn Goldern, and the rest of the crew, kept the rest of us going when the hour seemed late and the discussion seemed futile. Pat's commitment to disability rights is unwavering, her passion for equality, unsurpassed, and her determination is what really got all of us here.

Mr. KENNEDY. Mr. President, today's action by the Senate marks a historic step in the long journey to complete the unfinished business of America and bring full civil rights and fair opportunity to all our citizens.

In a sense, this legislation is an emancipation proclamation for the disabled, and America will be better, fairer, and a stronger nation because of it.

Forty-three million disabled men, women, and children will benefit from our action. For too long they have been invisible Americans, denied opportunity, victimized by prejudice, excluded from everyday activities of society.

Our message to America today is that disabled people are not unable. With the challenge facing the country, we cannot afford to ignore the talent of the disabled, or neglect the skills they have to offer.

Mindless physical barriers and outdated social attitudes have made them second class citizens for too long. Now, with this legislation, they will have a fair chance to participate in the mainstream of American life.

This is a proud day in the history of civil rights. It is difficult to believe that this Congress will enact a more far-reaching or more important bill.

I also want to take this opportunity to emphasize the importance of this legislation in our battle against AIDS.

By approving this legislation, we are acting not only to create a better, more equitable society; we are also taking an essential step to protect the health of all Americans. By outlawing senseless discrimination against people who are infected with HIV—or those who are regarded as infected, we are dramatically strengthening our ability to bring the AIDS epidemic under control.

Like most predators, the AIDS virus thrives best in the shadowy environment of fear and uncertainty. Our purpose here is to close—once and for all—an unfortunate and very costly chapter of the AIDS public health emergency. Both the Senate and the President are sending the clearest pos-

sible message to Americans who fear that they may be infected with the HIV virus. Society does not wish to punish those with HIV disease—we seek to offer our concern, our compassion, and our help.

In the past, public health efforts to halt the spread of HIV have been severely hampered by the legitimate concern of infected people concerning AIDS-related discrimination. Why be tested, they ask, if the price of testing might be the loss of employment or housing?

To protect the health of all Americans, including future generations, it is vital that every person who might be HIV-infected feels able to volunteer for testing and counseling as quick as possible. Through changes in education and behavior, we can stop more Americans from being infected. Step one is for people with HIV disease to learn about their condition and take measures to avoid infecting others.

After 8 years of steadily increasing AIDS deaths, medical tools are now at hand to help many infected people fight for survival. These encouraging advances in treatment provide clear motivation for people to seek early testing and medical intervention.

By barring discrimination based on HIV infection, we clear the path not only to voluntary AIDS testing and counseling—but also to appropriate medical treatment that benefits the individual patient.

With this measure, we call for an end to finger pointing and fear mongering about AIDS. We know with great certainty how this disease is and is not transmitted. There is no scientific or medical reason to shun people with AIDS or HIV disease. In fact, those who persist in labeling some people with AIDS as guilty and others as innocent are themselves guilty of undermining our national effort to bring this epidemic out of the shadows and into the sunlight.

The legislation is a tribute to the common decency and common sense of the American people—who understand that the best defenses against AIDS are education, understanding, compassion, and a continued commitment to research to find enduring solutions. In time, these are the tools that will turn the AIDS epidemic into nothing more than a painful memory.

Today is a landmark day for all people with disabilities and all Americans.

I would like to thank the people who have worked long and hard to make this bill a reality: Pat Wright, Arlene Mayerson, Ralph Neas, Chai Feldblum, Bob Burgdorf, Liz Savage, Evan Kemp, Dave Capozzi, Paul Marcherd, Carlton Lee, June Osborn, and Tom Sheridan. And I especially want to thank my own staff: Carolyn Osolinik, Michael Iskowitz, Laverne Walker, Amy Reginelli, and Nick Littlefield, who have worked for many months to bring us to this successful passage of the bill tonight.

I also wish to thank again Senator HARKIN and his staff director, Bobby Silverstein for his leadership throughout this debate and the development of the bill, Senator ORRIN HATCH for his strong advocacy on behalf of the bill, and especially his work tonight in negotiating the final amendments to the bill, and Senator DOLE, the minority leader and Senator MITCHELL, the majority leader for their leadership throughout the consideration of the ADA bill.

Mr. DOLE. Mr. President, I rise today to urge Senate passage of S. 933, the Americans with Disabilities Act. It was a long time in coming and many—on both sides of the aisle—have worked long and hard to get us here today.

You know, many have called people with disabilities the last minority. Enactment of the Americans with Disabilities Act will bring this last, and largest, minority group into a position of achieving equal opportunity, access and full participation in the American dream. Mr. President, that's what the ADA is all about.

BIPARTISANSHIP IN ACTION

The ADA is also a good example of bipartisanship in action. The bill originated with an initiative of the National Council on Disability, and independent Federal body comprised of 15 members appointed by President Reagan and charged with reviewing all laws, programs, and policies of the Federal Government affecting individuals with disabilities.

In 1986, the council issued an important report. The report, "Toward Indpendence," concluded that the major obstacles facing people with disabilities are not their specific individual disabilities but rather the artificial barrier imposed by others. The report also recommended that Congress "enact a comprehensive law requiring equal opportunity for individuals with disabilties, with broad coverage and setting clear, consistent, and enforceable standards prohibiting discrimination on the basis of handicap."

During the last Congress, my Republican colleague, Senator Lowell Weicker, introduced a bill developed by the National Council, titled the "Americans with Disabilities Act." Although this bill was not considered by the full Senate, it initiated a dialog and became the basis for the current revised bill introduced by Senators HARKIN, KENNEDY, and DURENBERGER earlier this year. I acknowledge and commend the leadership taken by these Senators in moving the Americans with Disabilities Act forward during the 101st Congress.

President Bush also deserves to be commended for his leadership on the bill. Let's face it. We would not be here today without the support of the President. His willingness to sit down at the negotiating table demonstrated the administration's sincere commitment to expand civil rights protections for people with disabilities.

And the fact that we have moved forward with the ADA demonstrates that the President wasn't kidding in his Inaugural Address when he said that this "is the age of the offered hand."

I would also like to take this time to commend the efforts of other members of the administration, notably Gov. John Sununu, Attorney General Dick Thornburgh, Secretary Sam Skinner of Transportation, National Council of Disability Chairwoman Sandra Swift Parrino, and Justin Dart, Chairman of the President's Committee on Employment of People with Disabilities.

The ADA has also benefited from the input of numerous White House staff, including Bill Roper, John Wodasch, Hans Kuttner, David Sloane, Boyd Hollingsworth, Bob Funk, Bob Damus, Ken Yale, Evan Kemp, and Mary Ann McGettigan. All these individuals have made significant contributions to the legislation that is before us today.

AN IMPROVED BILL

Like President Bush, I believe that the ADA will help to create a more inclusive America, an America that does not place needless and harmful barriers in the way of her citizens with disabilities. I also believe that the bill before us today addresses many of my previous concerns—concerns that I raised during my testimony before the Labor Committee last May.

I am particularly pleased with the bill's tough—but fair—remedies provisions. The remedies available in the event of employment discrimination, for example, are the familiar and well tested remedies of title VII of the Civil Rights Act of 1964—enforcement through the Equal Employment Opportunities Commission with recourse to the courts. Punitive damages and immediate access to jury trials are simply not available under the ADA in it's revised form.

Furthermore, the only person who can bring suit for civil penalties and monetary damages under the bill's public accommodation's section is the Attorney General. So—as you can see—lawyers will not be able to build careers out of law suits against public accommodations brought on a contingency fee basis. That was the case under S. 933 as originally introduced, but not now.

So those who would suggest that the ADA will unleash a mountain of litigation, I believe, are simply missing the point.

COSTS

But let there be no mistake about it. The vision of a barrier free society for all Americans can be expensive. It is not cost-free—particularly for our Nation's small businessmen and businesswomen.

One of my primary concerns is the financial affect of the ADA on our Nation's private bus industry. The private bus industry is the most affordable form of mass transportation for the poor, the elderly, and rural Americans. It is not a subsidized mass transit system. Greyhound, for example, has estimated that the annual cost of ADA to the company will range from $40 to $100 million.

Advocates in the disability community believe this estimate is too high, but in any event it will be costly. Obviously, we cannot allow the important protections of this legislation to bankrupt an industry that provides critical service.

The bill contains a provision directing the Architectural and Transportation Barriers Compliance Board to undertake a study to determine the feasibility of equipping private intercity buses with lifts. The bill also imposes a lift requirement 5 to 6 years after the bill's enactment.

Now, some have suggested that the ADA should not impose any lift requirements until after the results of the Board study becomes known. In other words, they claim that the ADA should not put the cart before the horse.

Others argue that without statutory requirements, the issue of making private intercity buses accessible will not get the attention it deserves.

I believe both positions have merit. Individuals with disabilities are entitled to access to transportation even in the rural areas, to the extent that access is technologically feasible and cost effective. This is an area I intend to follow closely. My support for ADA is based upon my commitment to seeing that its provisions can work to the benefit of all and the detriment of none.

INCENTIVES AND TECHNICAL ASSISTANCE FOR SMALL BUSINESSES

While costs alone should not be reason enough to deny the disabled their civil rights, there should be accompanying incentives for small businesses to meet the requirements of the bill. To this end, I will soon introduce an amendment to the Tax Code for the express purpose of ameliorating the financial burden to small businesses complying with the ADA.

This amendment will allow small businesses to deduct their expenditures on such terms as "auxiliary aids and services" and "reasonable accommodations"—all, to some extent required by the ADA.

Employers, persons with disabilities, and other affected parties must have access to accurate information. As a result I intend to offer an amendment which will enable the responsible Federal agencies to establish a strong governmentwide technical assistance program. Such a program will help to educate the people of the bill.

There are many knowledgeable and qualified experts—such as the Dole Foundation, to assist in this endeavor. Other experts include the President's Committee on Employment of People with Disabilities and the Job Accommodation Network, the National Association of Rehabilitation Facilities, the National Council on Disability and the Disability Rights and Education Defense Fund, to name a few.

Given the comprehensive nature of the ADA, I believe it is our obligation to see that people with disabilities understand their new rights under the bill and that employers and businesses understand the nature of their obligations.

CONCLUSION

Mr. President, being here today demonstrates that these are not dark days for civil rights in this country. It proves our commitment to expand our civil rights so that they embrace every American. The tradition of civil rights law is one of opportunity. And the ADA is squarely in that tradition.

I would also like to make one final point here. The eradication of discrimination in employment against persons with disabilities will result in a stronger work force and lessen dependency on the welfare system. It will ensure that we fully utilize the potential talents of every individual within our society. A 66-percent unemployment rate for persons with disabilities is simply unacceptable—and it is simply too expensive for America to afford.

In closing, I ask unanimous consent to print in the RECORD the "Op-Ed" piece written by my friend James Brady, President Reagan's Press Secretary. His poignant remarks are certainly worth noting as we consider this legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Aug. 29, 1989]

SAVE MONEY: HELP THE DISABLED

(By James S. Brady)

WASHINGTON.—Astonishingly, it is legal under Federal law for a restaurant to refuse to serve a mentally retarded person, for a theater to deny admission to someone with cerebral palsy, for a dry cleaner to refuse service to someone who is deaf or blind. People with disabilities—the largest minority in the U.S.—are left out of the historic Civil Rights Act of 1964. Twenty-five years later, discrimination against disabled people is still pervasive.

Congress has a chance to correct this injustice. The Americans with Disabilities Act is now before the full Senate, and President Bush and more than 200 national organizations have endorsed the bill.

As a Republican and a fiscal conservative, I am proud that this bill was developed by 15 Republicans appointed to the National Council on Disability by President Reagan. Many years ago, a Republican President, Dwight D. Eisenhower, urged that people with disabilities become taxpayers and consumers instead of being dependent upon costly Federal benefits. The Disabilities Act grows out of that conservative philosophy.

Today 66 percent of working-age adults with disabilities are unemployed and dependent on Federal subsidies. The Disabilities Act could save taxpayers billions of dollars by outlawing discrimination, putting disabled people on the job rolls and thereby reducing Government disability payments.

Experience has shown that no civil right has ever been secured without legislation. A law such as the Disabilities Act would insure that facilities and employers—public and private—maintain minimum standards of accessibility. The act would require installation of ramps, elevators, lifts and other aids in new private businesses and public buildings, and on newly purchased buses and trains. And it would prohibit discrimination in private employment, public accommodations, transportation and telecommunications.

By breaking down barriers in stores and offices, it would enable more disabled people to purchase goods and services—and thereby strengthen our national economy. By breaking down barriers in public transportation, the act would allow more people with disabilities to be employed and participate in community activities. The act would free hundreds of thousands of citizens who are virtually prisoners in their homes because of inaccessible transportation and public accommodations.

There are 37 million people in America who live with some form of disability. I never thought I would be one of them. Most people don't like to think about disability at all. But disability can happen to anyone. In fact, as our population ages and medical technology prolongs life, many more eventually will be disabled.

Since I took a bullet in the head eight years ago during the assassination attempt on Ronald Reagan, I have come to know the daily problems, frustrations and needs of those who live with disability. I have had to learn to talk again, to read again and to walk again. I have succeeded, and I know that everyone can learn to overcome the final obstacle to our equal inclusion in American life: prejudice toward people with disabilities.

Passage of the Americans with Disabilities Act will increase the acceptance, dignity and full participation of citizens with disabilities. We do not want pity or sympathy. All we want is the same civil rights and opportunities that all citizens have. We want fairness, acceptance and the chance to contribute fully to our nation—just like everyone else.

Mr. DOLE. Mr. President, I ask unanimous consent to have printed in the RECORD a list of staff people who have done an outstanding job and who worked tirelessly on this legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STAFF WORKER ON ADA

Bobby Silverstien, Katy Beh, Terry Mullenberg, Mark Disler, Chris Lord, Mark Busey, Carolyn Boos, Michael Isokwitz,

Carolyn Osolinik, Jill Ross, Maureen West, Dennis Shea, and many others.

Advocates: Pat Wright, Liz Savage, Chai Feldblum, Janet Dorsey, Bob Bergdorf, Paul Hearne, Lex Friedan, and Paul Marchand.

Mr. RIEGLE. Mr. President, this year, our Nation celebrates the 25th anniversary of the landmark 1964 Civil Rights Act. Under that act, women, senior citizens, racial, religious, and cultural minorities were granted equal justice under law. With equal opportunity, these people began to take advantage of the economic and political options open to other Americans. Today, Mr. President, I doubt anyone would deny that our country has profited from the social, political, and economic gains of these people.

Likewise, we can benefit from the removal of the barriers that now prevent 43 million Americans who have physical and mental impairments from fully realizing the opportunities that this great country offers. The disabled are more likely to be poor and unemployed than the nondisabled. I believe this is the case not so much as a result of one's disability as it is of discrimination in employment and lack of access to transportation and communication services.

Mr. President, it is clear to me that the relative disadvantage of the disabled to the nondisabled is a direct reflection of the lack of a clear, comprehensive, and enforceable prohibition of discrimination against the disabled. It is time that this Nation eradicate the irrational fears and misconceptions about the disabled and the resulting discrimination that have kept disabled people out of the mainstream of society. Mr. President, it is time, long over due, to enact the Americans With Disabilities Act [ADA].

The ADA prohibits public and private-sector discrimination in employment and access to public accommodation, services, transportation, and telecommunications. While all of these aspects are vital, as chairman of the Senate Banking, Housing, and Urban Affairs Committee, I am particularly interested in the public transportation section. It is critical that adequate public transportation services be available to disabled persons so that they are able to take advantage of new employment opportunities available as a result of the ADA. The ADA strikes a reasonable balance between the needs of the disabled and the financial obligations of public transit systems.

Much debate has surrounded the issue of costs, particularly with regard to small businesses. We cannot dismiss the financial impact that the ADA will have on businesses as well as State and local governments. We must remain vigilant to insure that compliance with this act does not have counterproductive resulting in a loss of jobs and a decrease in opportunities.

At the same time, the costs of not eradicating discrimination will exceed those of complying with this act. By allowing discrimination to continue, we foster an environment that encourages retirement from the work force and dependence on Government assistance. The $60 billion per year that the Federal Government now spends on dependency in the form of disability benefits and programs will only escalate. The idea embodied in the ADA will increase independence and therefore reduce Government spending while at the same time grant equal opportunity to all disabled Americans.

Furthermore, our economy can no longer afford not to enlist the unique abilities and talents of people with disabilities. Disabled Americans can help the country by working, and, according to a Harris poll, they want to work. The poll reveals that 82 percent of disabled people would give up Government benefits in favor of a full-time job. In addition, although two-thirds of the disabled aged 16 to 64 do not work, two-thirds of them would like to work. We also must remember that productive workers are also taxpayers and consumers, further contributing to the health of the economy.

Since the days of its inception, this Nation has encouraged and valued independence and self-sufficiency. Their is no better expression of these values than the Americans With Disabilities Act. I urge its swift passage.

Mr. COATS. Mr. President, I am pleased to be able to support S. 933, as reported, despite certain problems, I see in this legislation. Full and equal protection under the law for persons with disabilities is long overdue. Our society must no longer tolerate discrimination against any of its citizens, especially those with physical and mental impairments.

I believe that this landmark civil rights bill, despite its flaws, will accomplish its goals. The ADA bill is comprehensive, far-reaching, fair and tough. It has real teeth in its enforcement provisions. S. 933 will go a long way to ensure that Americans with disabilities will no longer face discrimination in employment, in public accommodations, in public services, transportation or communications services.

I am pleased that my amendments relating to drug and alcohol abuse and religious institutions were substantially incorporated into the ADA bill during the lengthy negotiations that resulted in the amended, much improved version of S. 933 that the committee finally approved and we are now considering. Naturally I would have preferred that my original amendment to exclude totally drug abusers from the bill's provisions were adopted, because I felt that there should be a clear statement that a person who uses illegal drugs is not entitled to any employment protection under the ADA and that illegal drug use should not be considered a disability. However, despite strong support for this position by the business community and the White House, those negotiating settled on different language.

Despite certain ambiguities that remain in the bill and the committee report, I am satisfied that the language agreed to by the sponsors of S. 933, the White House, and the representatives of business and civil rights organizations that worked around the clock to fashion this bill will accomplish the major purposes of my original amendment. I believe that S. 933, as amended, will ensure that employers can implement a zero tolerance policy and maintain a drug-free workplace.

S. 933 now contains specific language providing defenses to employers from a charge of discrimination if they: prohibit the use by all employees of alcohol or illegal drugs at the workplace; require that employees not be "under the influence of alcohol or illegal drugs" at the workplace; require that employees conform their behavior to requirements established pursuant to the Drug-Free Workplace Act and Department of Transportation regulations; and hold a drug user or alcoholic to the same standards of performance and behavior that they hold other individuals.

Furthermore, S. 933 does not preclude an employer from conducting drug testing of job applicants or employees to determine what constitutes being "under the influence" and to maintain a zero-tolerance policy and from using the successful completion of a drug test as a basis for making employment decisions. An employer has the right to refuse to hire job applicants and to discipline or discharge employees who are found to be using illegal drugs or alcohol, without being charged with discrimination.

In short, section 104 of title I is intended to make clear that an individual job applicant or employee who currently uses alcohol or illegal drugs is not protected by the ADA's nondiscrimination provisions. At the same time, and consistent with the Rehabilitation Act of 1973, it is intended that rehabilitated alcoholics and drug users will be protected under this law.

Having stated my support for S. 933, and my intention to work for its speedy passage, I also wish to associate myself with Senator HATCH and others who have expressed concerns about the impact of the ADA on small business and the problems facing the bus industry as a consequence of the costly requirements imposed on both by this legislation. I am hopeful that the spirit of compromise and determination which resulted in the amended

legislation which we voted out of committee will carry the day, so that these remaining problems can be worked out to the satisfaction of all parties, and this legislation, which has White House support, will be enacted into law.

Mr. PRESSLER. Mr. President, while I support the concept of the Americans With Disabilities Act—to prohibit discrimination on the basis of disability—I am very concerned about its impact on small businesses in my State. It is in everyone's best interest to prohibit discrimination in employment, public services, and public accommodations for the handicapped. But we need to make certain that we don't bury small businesses in the process.

I am concerned about the ramifications the enactment of this bill would have on small businesses and I am pleased that it addresses some of those concerns. We have been working closely with the National Federation of Independent Business [NFIB] to protect small businesses. One reason I became a cosponsor is to make sure small business interests were addressed. It's no exaggeration to say that 99.9 percent of the businesses in my State can be classified as small businesses. These businesses are the economic lifeblood of rural America and their voice deserves to be heard when legislation of this magnitude is considered.

The National Federation of Independent Business [NFIB] is a strong voice for the small business owner and operator. I rely heavily on this organization's advice and am proud to have regularly received its Guardian of Small Business award. The NFIB has identified S. 933 as one of its key votes.

NFIB has made a strong case for a small business exemption. It is imperative that Disability Act requirements avoid placing an undue burden on small businesses.

It is also important to have a clear understanding of whether or not abusers of drugs or alcohol are classified as disabled. This is one area that, I believe, will be addressed in the form of an amendment and I support that effort.

Progress on these and other issues was made during Senate Labor Committee consideration of the legislation. I urge my colleagues to continue in this spirit of compromise during floor consideration of the Americans With Disabilities Act of 1989.

Mr. BIDEN. Mr. President, the history of the effort to guarantee full civil rights to all Americans has been a history of struggle. The core Federal civil rights statutes were only passed after many hard battles were fought and won, and it has taken relentless vigilance to ward off encroachments on those rights. Recently, advocates for civil rights have been fighting a rearguard action, in part because several recent Supreme Court decisions cut back on important rights. At the same time that we are defending the rights most Americans thought were already settled, we must not forget the struggle to take major strides in new areas. Today, in fact, we have before us one of the most important and comprehensive expansions of civil rights since the Civil Rights Act of 1964.

There are a number of estimates of the number of disabled Americans, ranging from 20 to 50 million persons. Far too many of these citizens have been effectively prevented from fully participating in American society, and have been denied many of the basic opportunities most of us take for granted.

Too many disabled persons have been locked out of the American workplace, excluded from jobs for which they are more than capable.

Too many disabled persons have been barred from public accommodations, and essentially segregated from the equal access the rest of us enjoy.

Too many deaf or hearing-impaired persons have been cut off from our Nation's most important communications system, the telephone network, because there are not enough telecommunications devices for the deaf [TDD's].

Too many persons with impaired mobility have been blocked from taking part in a variety of opportunities, because simple physical access has not been provided.

The Civil Rights Act of 1964 already prohibits a wide range of unreasonable discrimination against persons based on their race or religion. Now it is time to add disability to that list.

Mr. President, the evidence is overwhelming that there is and has been widespread discrimination against disabled Americans. Much of the impetus and thinking behind this bill came from the National Council on the Handicapped. In their recent report, On the Threshold of Independence, they stated that:

> Based on testimony and comments from hundreds of people with disabilities, parents, and others, the most pervasive and recurrent problem faced by disabled persons appeared to be unfair and unnecessary discrimination.

Similarly, a recent poll found that one of every four disabled Americans aged 16-65 has encountered job discrimination because of their disabilities.

This discrimination is patently unfair. Too many people forget that the disabled have many abilities as well as disabilities; too many people fail to see the intelligence, energy, and potential of millions of Americans. Disabled Americans are not asking for pity or for a handout. They are asking for a fair chance to compete and take part on an equal basis, so that they can enjoy independence and self-determination. One of the primary conclusions of Toward Independence was that:

> Federal disability programs reflect an overemphasis on income support and an underemphasis on initiatives for equal opportunity, independence, prevention and self-sufficiency.

By eliminating barriers to opportunities, this legislation can open the way to independence for millions of disabled Americans.

What disabled Americans want and deserve is an opportunity to take part in the basic functions of modern life without facing unnecessary and degrading barriers. Mary Custis "Custy" Straughn, chair of the Delaware State Advisory Council for the Coordination of Services to the Handicapped, eloquently made this point in a recent letter to me. As she wrote with characteristic wit and understatement:

> Personally, I look forward to the day when I can have an accessible polling place that will accommodate my electric wheelchair. Crawling or hiring an ambulance (as I did during the last general election) isn't really my style.

Our moral obligation is particularly clear in light of the situation faced by veterans who were paralyzed or otherwise disabled in combat. These persons sacrificed much and risked even more to ensure that all of us would enjoy freedom. It is a sad and unacceptable irony if these veterans are themselves prevented from enjoying many of these freedoms by virtue of those disabilities.

This discrimination not only harms disabled persons by preventing them from reaching their potential and making their lives less full, it harms all of us and our national economy. Millions of disabled Americans who are perfectly capable of being productive, working citizens, and who would gladly contribute their skills and their tax dollars to our society, are instead locked into dependency by unjust discrimination.

The Americans With Disabilities Act is a fair and reasonable piece of legislation, which seeks to accommodate the very legitimate concerns of the business community. First, the bill is much more carefully crafted than the version introduced last year. The new bill, for example, requires only those structural changes that are readily achievable.

Second, the bill has been extensively amended in extensive negotiations between the administration and the principal sponsors of the bill on the Labor Committee.

Third, there is already strong precedent in Federal law for this legislation. The 1973 Rehabilitation Act already bars discrimination against the disabled in federally funded programs or by Federal contractors. Thousands of businesses have profitably done busi-

ness with the Government while meeting these requirements, and there is a lot of experience with these sorts of rules.

Fourth, many of the accommodations which can make a huge difference to disabled persons are surprisingly simple and inexpensive. One study found that over half of the accommodations for disabled employees made by Federal contractors resulted in no additional cost, while another 30 percent resulted in costs of between $1 and $500.

Mr. President, too many Americans for too long have failed to see the promise and abilities of disabled Americans. By focusing unduly on what disabled persons could not do, we as a society have often missed what they could. We can and must do better. We can no longer afford to lose the input of millions of disabled persons because of unthinking or ignorant prejudice. As we face the modern, information age, international economy of tomorrow, we must take full advantage of the skills and abilities of all Americans.

Mr. PELL. Mr. President, I rise today to offer my congratulations to just some of the many people who have helped bring this historic legislation before the Senate today. As an original cosponsor of S. 933, the Americans With Disabilities Act of 1989, and as a member of the Senate Labor and Human Resources Committee, which last month unanimously reported favorably to the Senate a substitute version of S. 933, I know well that there are many who deserve great kudos for the action I believe we will take later today.

First and foremost, my distinguished colleague from Iowa and fellow member of the Senate Labor and Human Resources Committee, Senator HARKIN, deserves recognition and great congratulations. As the tireless sponsor of this comprehensive civil rights legislation and as chairman of our committee's Handicapped Subcommittee, Senator HARKIN has been a capable and effective leader who has garnered the bipartisan support of a majority of Senators. Assisting him in crafting this landmark legislation has been our chairman, Senator KENNEDY, who has devoted much of his own time and energy, as well as that of our committee, to ensuring the swift passage of this legislation. Both our Republican colleagues on the committee and the Bush administration also deserve recognition and thanks for their help in reaching a compromise which has resulted in an excellent bill.

But most important of all, Mr. President, are the congratulations due the American people. Today, the Senate will approve for the first time legislation which will guarantee to the Nation's more than 40 million persons with disabilities the same rights and opportunities to participate fully in all aspects of society that the rest of us have enjoyed for so long. The emphasis finally is on ability, and not on the disabling condition which makes some unable to walk, see, hear, or talk. We have seen graphically demonstrated, both in Senate hearings, and at home by constituents in our own States, that persons with disabilities have much to contribute to our communities, our workplaces, and our lives.

In my own State of Rhode Island, passage of this legislation would provide Federal protections to almost 170,000 persons with disabilities. These Rhode Islanders have waited long enough for the Federal Government to recognize their valuable contributions to society and to remove the barriers which have hampered even their best efforts to lead self-sufficient and productive lives.

Mr. President, I am pleased to rise today in support of this landmark, bipartisan legislation. To the disabled among us, this is indeed a red-letter day. And for our Nation, it is a day we can point to with pride, for we will have embraced those who have for too long been outside the mainstream of American life. I urge my colleagues to support this important legislation, and look forward to swift passage of this comprehensive civil rights law.

Mr. LEAHY. Mr. President, this is a remarkable day in the Senate. Today we begin debate on landmark legislation that will extend the simple justice of our Nation's civil rights laws to people with disabilities. And for the first time, debate in the Senate will be accessible to Americans with hearing impairments through the use of sign language.

I am proud to support S. 933, the Americans with Disabilities Act of 1989, because it is right and just to remove the barriers that make it impossible for disabled Americans to be fully productive participants in our society.

Americans with disabilities do not want sympathy. They simply want to participate fully and equally in our society. They want to work. To go to the movies. To call their doctors' office to change an appointment if necessary. Activities most Americans take for granted.

The ADA bill will put an end to discrimination against the disabled in employment, public services, public accommodations, transportation, and telecommunications.

The bill will open museum and restaurant doors, make travel more accessible, and provide countless job opportunities for 43 million Americans. It will give dignity to those who have been relegated to a second class life of segregation and poverty.

Some have argued that this legislation is not affordable, that it will cost too much to implement the ADA. In this country, equality for all Americans is not a matter of cost. It is a matter of justice.

Every year, we spend billions of dollars on disability benefits for people who can and want to work, but can find no employment. Every year we lose billions of dollars in lost taxes and lost productivity by shutting 43 million Americans out of the work force. If we remove barriers to work for the disabled, we can turn welfare payments into tax receipts.

The substitute amendment for S. 933 has the backing of 60 Senators and the administration. It is a fair but fragile compromise produced after extensive discussions among the members of the Senate Labor Committee, the business and disability communities, and the administration.

Mr. President, next month Vermonters will attend the Disability Awareness Day Employment Conference which recognizes Vermonters with disabilities for the abilities—not their apparent limitations—and helps educate employers on hiring, providing access, and keeping people with disabilities on the job.

I hope to tell them that the Senate has moved this country one step closer to granting equal opportunity for Americans with disabilities by passing this important legislation.

Mr. REID. Mr. President, I rise today in support of the Americans With Disabilities Act. I will vote for this Act not because I believe it is in any way a perfect piece of legislation—it is not—but because I believe in the drafters' intent. Its purpose of providing a national mandate for the elimination of discrimination against individuals with disabilities is one that must be achieved.

The population is aging at a rapid rate, and with an increase in the average age comes an increase in the likehood that an individual will be handicapped in one way or another. Now is certainly the time for preparing for the future by building accessible buildings and prohibiting discrimination in the workplace. A growing handicapped population must have the opportunity to take care of itself. Improved access to public services and jobs is the best way to help the handicapped help themselves.

When I vote for this legislation, I will be casting two votes, one for the fair treatment of the disabled and one as a vote of faith in the House of Representatives. I trust that the other body will continue the hard work done here in the Senate under the commendable leadership of Senator TOM HARKIN.

The September 6, 1989, New York Times editorial page carried a piece that others have mentioned today. In fact, I had planned to rise and ask that the editorial be submitted for the

RECORD, but Senator BOSCHWITZ felt the same way and has already submitted the editorial. The editorial points directly to what worries me most about the bill and what I trust the House will due its best to clarify—vagueness.

A piece of legislation with as good intentions as the Americans With Disabilities Act deserves careful and thorough consideration of its practical application. Estimates, no matter how rough, of cost to businesses are essential. Also essential and necessary for the estimates and for the protection of business owners are specifics rather than the three factors set forth that stop reasonable accommodation from becoming an unsustainable portion of a business' budget.

The report language is a positive step toward specificity and it helps clarify the intent to protect businesses from exorbitant costs. Yet, the remainder of the hike should be made here in Congress by those of us responsible to the voting public. Relegating the hard choices of how much is enough to an agency, the Attorney General and the courts just won't do.

We've made some progress on this bill here on the floor. Obviously there is room for improvement. Businesses of little resources will, in particular, be helped by Senator BOSCHWITZ' amendment to provide that courts consider good-faith efforts of employers when deciding civil claims. All businesses deserve the fair treatment in court allowed by good-faith consideration, but it is the small businesses that could suffer undue hardship if penalties were assessed without consideration of bona fide efforts to accommodate the disabled.

Again, Mr. President, I commend Senator HARKIN and his subcommittee staff on producing a bill which I believe will evolve into the long overdue civil rights law holding protections for this Nation's 43 million disabled.

Mr. MOYNIHAN. Mr. President, we have before us today a historic opportunity to strengthen the civil rights protections of disabled Americans. I refer to the Americans With Disabilities Act of 1989 of which I am proud to be an original cosponsor. It is more appropriate for us to be considering such an important piece of legislation this year, this being the 25th anniversary of the enactment of the Civil Rights Act of 1964.

Quite simply, this bill will provide protection of all disabled Americans from the discrimination which sadly persists in America whether in employment, public access and public accommodations, transportation or communications. We must eliminate these barriers and to my mind this legislation will do just that.

We too often think of the disabled as somehow in need of our sympathy and in need of public support without acknowledging their independence of spirit and many constructive achievements. Disabled Americans are providers of care and love to their children in families; they are, when not obstructed from equal access, employers as well as employees—providers and producers of goods and services within our economy. Disabled Americans want to do all that they are able and want to do without the constraint of false and artificial discriminatory barriers.

Among the disabled individuals afforded protections under this bill are people with a diagnosis of HIV infection. We find ourselves at a crossroads in the battle against AIDS. Recent research indicates that therapeutic drugs, particularly AZT, are effective in asymptomatic HIV positive people. This monumentally important revelation gives hope to literally millions of potentially infected individuals where hope didn't exist before. But to believe that people with AIDS are not or may not become disabled and therefore should not be entitled to the same protections afforded any other disabled individual is to fail to understand the public health urgency of this disease.

As debate regarding testing continues, with the hope that these treatments will be made available, we must do all within our power to guarantee confidentiality and protections against discrimination. Indeed, the President's Commission on the HIV Epidemic stated quite clearly:

> As long as discrimination occurs, and no strong national policy with rapid and effective remedies against discrimination is established, individuals who are infected with HIV will be reluctant to come forward for testing, counseling, and care. This fear of potential discrimination will limit the public's willingness to comply with the collection of epidemiological data and other public health strategies, will undermine our efforts to contain the HIV epidemic, and will leave HIV-infected individuals isolated and alone.

I hardly think it necessary to remind my colleagues of the scale of tragedy associated with this dread disease. To break its grip requires all our commitment of medical resources including the availability of treatment therapies. In the case of AIDS, the issues of discrimination are particularly apparent. Without the protections this legislation provides our successful efforts to control and bring to an end this epidemic will be seriously hampered.

I believe it hugely valuable that we extend, as this legislation does, protections from discrimination for those who are rehabilitated or recovering from drug or alcohol addiction. To turn away from individuals who have recognized their addiction to drugs and alcohol and who have sought, successfully, treatment would indeed be a cruel hoax. I salute these efforts.

We can all take great pride in supporting this legislation and it is my hope that all disabled Americans will find the kind of country President Kennedy, who knew of the untapped talent and resources of disabled Americans, called for in the last year of his Presidency, when he said:

> I am hopeful that people all across the country in the next year will make a special effort to bring into their lives in one way or another, by assisting, by hiring, by working with, men and women who are handicapped, either physically or mentally handicapped.

Mr. ROBB. Mr. President, I rise today in support of S. 933, the Americans With Disabilities Act. While I understand and sympathize with some points of concern raised by representatives of the transportation industry, I believe that S. 933 is an extremely positive and meaningful commitment toward protecting the civil liberties of disabled Americans. And I am pleased to be a cosponsor.

According to the Constitution of the United States, no State shall "deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws." We take tremendous pride in our Constitution, Mr. President. We furiously defend the freedoms it clearly extols. And as a Congress, we continually debate its applicability to our modern world and we create laws to guard the basic premise of justice upon which we've built our society.

Today, Mr. President, this Congress has an opportunity to extend the civil liberties guaranteed all Americans to those of us who are disabled.

The Americans With Disabilities Act creates a prohibition on acts of discrimination against individuals for reasons of disability. Specifically, it bans discrimination in employment, in public services, in public accommodations, in transportation, and in telecommunications.

To me, cosponsorship of S. 933 is consistent with our work in Virginia during my term as Governor. In 1985, after 2 years of intense legislative negotiations with the General Assembly and the business and transportation communities, I was pleased and proud to sign into law an administration initiative we called the Virginians With Disabilities Act.

The bill's declaration of purpose states,

> It is the policy of this Commonwealth to encourage and enable persons with disabilities to participate fully and equally in the social and economic life of the Commonwealth and to engage in remunerative employment.

Although our transportation section is optional, the employment section is extremely comprehensive. I think you may be surprised to learn that the Virginians With Disabilities Act has no small business exemption. As you can imagine, opponents foretold a groundswell of litigation.

Last week, the Virginia Department for the Rights of the Disabled took an informal, unofficial survey to identify some of the cases that had been filed in the circuit courts of the Commonwealth. The department identified six reported circuit court cases, five of which dealt with employment issues. In addition, the Department for the Rights of the Disabled has filed four other cases pending outcomes, two of which appear to have been settled outside the court system.

Mr. President, this is over a 4-year period.

I believe the Commonwealth has proved that strong employment rights for the disabled do not result in an uncontrollable surge of litigation, pitting the business community against the disabled community.

During the 2 years we debated the Virginians With Disabilities Act, Mr. President, the two groups often went head to head. But as we balanced the hopes of the disabled with the uncertainties of many business leaders, we did more than craft historic legislation. We initiated a dialog that continues today.

Four years ago, I would not have predicted that the Virginia Retail Merchants Association would enter into a public/private partnership with the Virginia Department of Rehabilitative Services to place job-ready disabled Virginians into association member jobs. Nor would I have imagined that my successor would have an opportunity to appoint the president of the Retail Merchants Association—as a private citizen—to the Board of the Department of Rehab Services.

The Virginians With Disabilities Act has changed the Commonwealth, Mr. President. Its passage, in my judgment, has added a sensitivity to public policymaking. It has sent a message to the disabled that they are welcome and important members of our economic community. And it has sent a message from the coalfields of southwest Virginia to the bustling suburbs of northern Virginia that civil liberties for disabled Virginians should be a priority for all Virginians.

Mr. President, I'm pleased to vote in favor of the Americans With Disabilities Act. I hope my colleagues will join me.

Mr. LIEBERMAN. Mr. President, for too many years, Americans with disabilities have been victims of discrimination. We must, as a nation, dedicate ourselves to eradicating this discrimination and insuring that people with disabilities are able to fully participate in all aspects of American society. The Americans With Disabilities Act is our first step. This legislation will provide the more than 36 million disabled American citizens with the civil rights to which all Americans are entitled. Americans with disabilities will finally have the opportunity to become involved, productive citizens, an opportunity they have long been denied by discrimination in employment, public accommodations, public services, transportation, and telecommunications.

The discrimination faced by people with disabilities is a national disgrace. It is imperative that Congress enact the Americans With Disabilities Act as reported out of committee, without weakening amendments, to insure that the legislation is strong enough and extensive enough to rid this country of discrimination against people with disabilities.

Existing statutes do not protect people with disabilities from discrimination. Instead, people with disabilities are all too often forced into a life of dependency. Discrimination in education, job training, employment, and transportation prevents people with disabilities from fully participating in our society. This discrimination comes in many forms—outright exclusion, segregation, and physical and procedural barriers, intentional and unintentional, which bar access to buildings, programs, and jobs. Only by dismantling the barriers and prohibiting exclusion can we be sure that we will successfully rid this Nation of discrimination.

Two-thirds of Americans with disabilities between the ages of 16 and 64 are not working; however, 66 percent of working-age persons with disabilities say they want to work. Forty percent of adults with disabilities have not graduated from high school. Fifty percent of adults with disabilities have household incomes of $15,000 or less. Discrimination which prevents people from finishing school, from finding jobs, and from earning a livable wage not ony hurts the individuals who are discriminated against, it hurts our entire society. Dependency and nonproductivity is expensive. We are all better off if everyone who wants to work is able to work. With a growing labor shortage in this country, we need the skills and talents of every American in our work force, now more than ever. It is my hope and belief that the Americans With Disabilities Act will insure that people with disabilities can enter the work force, participate fully in our political processes and enjoy all the privileges and burdens of being productive American citizens.

In order for this legislation to be effective, in order for it to protect the rights of people with disabilities, there must be a remedy for those whose rights are denied. As a former Attorney General, I know that without a sufficient remedy, it is difficult to end discrimination. Most Americans will comply with the law; however, there will always be some who will not and they must be sanctioned. The bill does not allow individuals to bring large damage actions. The Attorney General, however, may bring actions where a pattern or practice of discrimination has been found. Those found liable could be assessed a fine of up to $50,000 for the first violation and up to $100,000 for subsequent violations. Only at the Attorney General's request could monetary damages be given to an aggrieved person.

The legislation has been carefully drafted to insure that those who make a good faith effort to comply will not be liable for large damage awards. It also, however, ensures that those who continue to discriminate, those who violate the law, will be sanctioned. The availability of monetary sanctions is the guarantee that the important rights set forth in this legislation will be enforced. Sanctions are the Congress' way of saying we mean business, if you violate this statute you will be punished. I urge my colleagues to support this legislation with the remedy as set forth in the committee bill.

Mr. RUDMAN. Mr. President, I am pleased to join as a cosponsor of the Americans With Disability Act of 1989. This bill, which originated as a recommendation of the National Council on Disability established by President Reagan, will, for the first time, extend to all disabled individuals protection from discrimination based on disability in employment, public services, and public accommodations.

At present, it is legal for non-federally funded entities to deny an individual employment solely on the basis of disability, without regard to whether an individual is qualified to perform a job. This is an unacceptable state of affairs. This legislation will prohibit employers from discriminating against an otherwise qualified individual solely on the basis of disability. It will further require that public entities purchase new buses and rail vehicles to assure that they are accessible to people with disabilities. This bill will also prohibit discrimination on the basis of disability "in the full and equal enjoyment of the goods, services, facilities, privileges, advantages, and accommodations of any place of public accommodation."

Mr. President, commendable efforts have been made by the administration and the sponsors of this legislation to accommodate the diverse interests that have a stake in this legislation, as reflected by the unanimous committee approval of this legislation. Months of refinement and definition have resulted in a bill that protects the disabled while attempting to balance the legitimate concerns of businesses, nonprofit entities, and governments. Substantial effort has been made to define such terms as "reasonable accommodation" and "undue hardship" so that the obligations and prohibitions imposed by

this legislation can be clearly understood.

Mr. President, the sponsors of the bill have taken steps to satisfy concerns about illegal drug use and alcohol abuse. They have agreed to accept an amendment providing that any job applicant or employee who is a current user of illegal drugs will be expressly excluded from title I's definition of a qualified individual with a disability. Title I also expressly allows employers to prohibit the use of illegal drugs or alcohol in the workplace, and that nothing in the act prohibits or restricts employers from conducting drug testing or from making employment decisions based on such results.

However, with the exceptions just noted, the broad definition of disability would provide protection from discrimination to drug addicts and alcoholics. More generally, the bill could protect individuals from discrimination on the basis of a variety of socially unacceptable, often illegal, behavior if such behavior is considered to be the result of a mental illness. Some examples that come to mind are compulsive gambling, pedophilia, and kleptomania. I have serious problems with this result.

As a matter of law, this country has always granted employers a wide degree of latitude in making employment-related decisions, including the right to make judgments based on non-work related behavior. To limit this right based on the diagnosis of a mental illness or chemical dependency may be opening up a Pandora's box.

First, it strikes me as absurd for Government to write a law making certain behavior illegal and then to write a law limiting the right of employers to take such illegal activity into account in making employment decisions. It is difficult for a person to develop an addiction to illegal drugs without first making a conscious decision to break the law.

Second, I have difficulty with the notion that a psychiatric diagnosis of the cause of improper behavior should affect the legal rights of an employer to take such behavior into account. Do we really want to say that an employer's legal exposure in refusing to hire a person with a record of illegal drug use or theft should depend on whether that person has seen a psychiatrist?

Third, while our knowledge of psychiatry has greatly improved in recent years, the fact remains that a diagnosis of certain types of mental illness is frequently made on the basis of a pattern of socially unacceptable behavior and lacks any physiological basis. In short, we are talking about behavior that is immoral, improper, or illegal and which individuals are engaging in of their own volition, admittedly for reasons we do not fully understand. Where we as a people have through a variety of means, including our legal code, expressed disapproval of certain conduct, I do not understand how Congress can create the possibility that employers are legally liable for taking such conduct into account when making employment-related decisions.

In principle, I agree with the concept that the mentally ill should be protected from infidious discrimination just as the physically handicapped should be. However, people must bear some responsibility for the consequences of their own actions.

In addressing this conflict, we found a few years ago, following the attempted assassination of President Reagan, that the law had been allowed to swing too far away from holding people accountable. Congress had to act to correct that. I am afraid that, in a civil rights context, we may be making the same mistake now. If this problem is not addressed now, we will certainly be debating it again in a few years on the Senate floor.

In sum, Mr. President, I congratulate the sponsors and President Bush for their tireless work in producing this important bill which now enjoys widespread support. However, I believe that the issues regarding the right of employers to take individual behavior into account when making employment decisions have not been adequately addressed, and I hope we will be able to do so during the Senate debate.

Mr. DANFORTH. Mr. President, I was prepared to offer an amendment to S. 933 to make clear that there is no protection from employment discrimination for individuals who continue to use illegal drugs. It appears that my amendment will not be necessary at this time as clarification has been provided in an amendment offered by the authors of S. 933.

First, in section 104(a), the bill now provides that the term "qualified individual with a disability" shall not include any employee or applicant who is a current user of include any employee or applicant who is a current user of illegal drugs. This definition is necessary to make the ADA consistent with the public's outrage regarding the use of illegal drugs.

In 1973, when the Rehabilitation Act was first enacted, Congress was silent on the treatment of drug addicts and alcoholics. By 1978, it was necessary to add language explaining that no protection was intended for an alcoholic or drug addict whose current substance abuse prevented him from doing his job or presented a threat to public safety. This language reflected the prevailing 1970's attitude that "a little illegal drug use" might be OK.

Today, we are experiencing the societal consequences of Congress' earlier ambivalence toward "a little illegal drug use." Today, we understand that illegal drug use simply cannot be tolerated. S. 933 must clearly reflect the current attitude that President Bush aptly noted in his address on Tuesday: "our Nation has zero tolerance" for illegal drug use. This provision makes it clear that an employer has the right to insist that his employees are drug free at all times.

Section 104(b) of the ADA makes it clear that an employer is allowed to take certain actions necessary to achieve and maintain a drug-free workplace. This section indicates the kinds of actions that employers may appropriately take without triggering a claim of discrimination.

Finally, section 104(c) makes it clear that, although this legislation does not take a position on employee drug and alcohol testing, it does protect from litigation under the ADA, employers who choose, or are required by law or regulation, to conduct such testing and take disciplinary actions based upon the results of such testing.

Mr. METZENBAUM. Mr. President, our forthcoming vote on the Americans With Disabilities Act marks a turning point for all Americans.

Our country was founded on the premise—and promise—of inclusion. Our founders intended to take people into the fold—not cast them aside because of differences of creed or color.

It's taken many years and much hard work to make good on that promise. I'm proud to have been on the battle lines as we opened doors to blacks and other minorities and to women. I remain ever vigilant to protect the civil rights we've won. And as a member of the Labor Committee and its Subcommittee on the Handicapped, I'm very proud to be an original cosponsor of Senator HARKIN's bill.

Now, as we prepare to vote on the ADA, we face a decision. We're at a turning point. Do we want to extend civil rights protection to Americans with disabilities? Do we want to build on the great American promise of inclusion, and bring people with disabilities into the fold?

Our failure to do so would be like turning back the clock. It would be tantamount to dredging up a "whites only" sign and hanging it at a nearby lunchcounter.

Mr. President, I don't believe the American people want to turn back the clock on civil rights. They want to move forward. And that's exactly what this bill does, in a thoughtful and comprehensive way.

The ADA will go a long way toward eliminating discrimination against the disabled in the workplace. It's the first step in ensuring that employers see not just a person's disability—what they can't do but what they can do.

The ADA also will go a long way toward improving access to transportation. Many decades ago Rosa Parks said no to the idea that blacks must sit in the back of the bus.

Right now, many disabled people cannot even get on the bus. The ADA will change that.

These provisions also will be key in ensuring that people with disabilities can be full participants in our society and our economy. They'll be able to get to work. Go shopping. Socialize with friends.

For too long, we've shortchanged ourselves by keeping the door shut for Americans who are disabled.

Now, Mr. President, the time is right to pass this important legislation that will welcome these Americans into the mainstream, where they belong.

I commend my good friend, the Senator from Iowa, for his work on this bill. He's done an excellent job bringing together people from the disability community, the business community, the White House.

Mr. President, we owe a debt of gratitude to several others. Chairman KENNEDY of the Labor Committee has provided important leadership. Attorney General Dick Thornburgh and President Bush have held firm on their commitment to civil rights for the disabled. Senator HATCH and Senator DOLE also have been an enormous help. And it should be noted that former Senator Lowell Weicker provided the seed for the bill before us today.

I close by again saluting the distinguished Senator from Iowa for his diligence and determination. Because of TOM HARKIN, we are at an important turning point in our history as a great country. And with passage of the Americans With Disabilities Act, we will move forward and make good on our founders' promise for life, liberty, and the pursuit of happiness for all Americans.

I hope that in the years ahead we will continue to honor Senator HARKIN by calling the ADA the Harkin bill—in recognition of his fine achievement.

Mr. President, might I add that I am happy I was able to help resolve a technical issue concerning the ADA's application to self-insured benefit plans.

As the manager's statement makes clear, we have no intention of disturbing or modifying Supreme Court rulings.

Mr. KERRY. Mr. President I rise in strong support of the Americans With Disabilities Act of 1989. This is a crucial piece of legislation whose time is long overdue. The importance of this legislation cannot be overstated. This act is vital in the fight to end discrimination against the disabled in the areas of transportation, education, communication, and employment.

We as a society have always recognized our obligation to provide for our disabled neighbors, and in many respects we have done so. However most services provided have been in terms of maintenance and subsistence, and not in the area of eliminating the physical barriers and discrimination which are often the greatest difficulties facing disabled Americans. We need to redirect our energies toward enabling the disabled to be self-sufficient, independent citizens with the same opportunities as you and I.

According to a 1986 Harris poll 75 percent of all disabled citizens are not working, and tragically only 15 percent of all disabled citizens work full time. The primary reason for this is not because disabled individuals are incapable of work; it is not because of an individuals disability and it is certainly not because of a lack of desire to work. Mr. President, this survey found that over one-half the disabled respondents cited discrimination as the primary obstacle to employment, and 28 percent cited the lack of accessible transportation.

Mr. President, lack of accessible transportation and mobility are major factors in limiting educational and employment opportunities, which are key to self-sufficiency and independence. Conversely, dependence resulting from limiting access and opportunity, not only strips a measure of dignity from capable individuals, but in terms of social services, lost wages, and wasted human potential, represents an enormous social and economic cost.

It is unconscionable to imagine an able work force languishing at home because there is no access to public transportation. Mr. President, I do not want to minimize the great strides made in urban and rural areas to accommodate travel for disabled Americans. But there is still a long route to travel on this necessary road, and we must pick up the pace. Tragically in the Nation as a whole the majority of our public transportation systems remain inaccessible to the disabled.

This legislation puts us on the right track in reversing this unacceptable performance. I am particularly pleased with the advances this legislation will make in the area of interstate and intrastate travel as well as the breakthroughs in telecommunications for disabled Americans.

Mr. President, it is close to impossible to separate the ability to travel or communicate with both employment and a decent quality of life. For example being able to come and go to meetings, school, the movies, or the restaurant without planning days or weeks in advance is impossible for many disabled citizens. Talking on the telephone, following a sports game on television, or operating a word processor are all activities that most of us take for granted, yet they too are needlessly unavailable to many of the disabled.

I believe that the Americans With Disabilities Act represents true hope for equal opportunity for disabled Americans. The time has come for us to give disabled children a chance to dream of becoming doctors, lawyers, architects, or engineers, and to know that it is not just a dream. As a people we cannot afford to ignore or take pity on our neighbor, when there is no need. As a nation we cannot continue to prosper without the contribution of disabled Americans, when they have so much to offer.

Again I applaud the efforts of the sponsors of this legislation, and hope that my colleagues will join me in supporting this effort to assist our fellow citizens in reaching their full potential.

Mr. JEFFORDS. Mr. President, I want to join my colleagues in expressing my support for the Americans With Disabilities Act. I was proud to be a cosponsor of this legislation in the other body during the last Congress, and am pleased to be a sponsor of this year's bill as it moves forward.

That process is far from complete. The other body will no doubt want to take a careful look at this legislation and its consequences. This is only proper. While the concepts behind this legislation are not new, parts of the legislative language were arrived at only recently. Make no mistake about it, this bill, and the language it contains, will have a tremendous impact on our society. But today we have taken a major step forward, one that I hope will be followed by enactment in the near future.

If I have a regret, it is that this legislation has taken so long to come before us. I suppose it is the nature of our Government to act slowly, but in this case we have waited far too long to do anything in this area. As a result, we are making sweeping changes that give rise to some legitimate concerns among Vermonters who have contacted me.

I think those concerns have been adequately addressed in this legislation. I am not going to argue it is perfect, or written exactly as I would like, but neither do I believe that it will be unmanageable for businesses in my State and elsewhere.

And the burdens of business have to be weighed against the burdens now borne by the disabled individuals throughout our country. Over 40 million Americans must confront physical and attitudinal barriers every day of their lives, from transportation to employment to basic communication.

We all know this. The discrimination faced by the disabled is obvious. But I must say that it did not really register with me to the same degree it might have until I heard some pretty poignant testimony in Burlington, VT, last October.

As a result of cerebral palsy, a husband and wife who testified were confined to electric wheelchairs. One night they rented a van to transport them to a movie theater. They were

dropped off, and went to purchase their tickets, only to be told they could not enter the theater without an attendant.

This sort of ignorant and unnecessary discrimination is what this legislation is designed to address. And once this couple can buy the tickets, they must be guaranteed physical access to its accommodations and they must be given a fair chance at its jobs.

This couple told another story that was perhaps even more troubling. The wife, while confined to a wheelchair, broke her foot and had it set. The doctor removing the cast discovered it was set improperly, but suggested that it made no difference. The doctor was informed that her confinement to a wheelchair did not preclude a fondness for wearing shoes.

The Americans With Disabilities Act is not going to end callous and stupid remarks, or the attitudes behind them. We cannot legislate enlightenment. The ADA will no more end discrimination on the basis of handicap than title VII has been able to eliminate other forms of discrimination.

But the perfect must not be the enemy of the good. The ADA will finally give legal protection to the disabled community. And by living and working alongside of disabled Americans in ever-increasing numbers, I hope the prejudices will fade and disappear. This will not happen overnight, which means that we should get on with the task as soon as possible. I urge my colleagues to give this legislation their support.

Mr. SIMON. Mr. President, the consideration of the Americans With Disabilities Act on the floor of the Senate is an event I have looked forward to for a long time—and one, if we are successful, that millions of Americans with disabilities will mark as a turning point in their lives. I congratulate Senator HARKIN for his unflagging efforts to iron out the controversies and produce a bill that responds to the recognition of both Democrats and Republicans that a civil rights act for Americans with disabilities is long overdue. Senator KENNEDY, Senator HATCH, Senator DURENBERGER and others on the committee have spent many hours in getting us to this point. I'm hopeful the steps remaining before the bill is signed by the President will be short and prompt. We must complete the job the Congress began 25 years ago when they had the vision and courage to pass the Civil Rights Act of 1964. It is time to ensure a guarantee of nondiscrimination for the more than 40 million Americans who must overcome not just a disabling condition, but the superstition, fear and prejudice that accompanies it.

The ADA takes a comprehensive approach to removing barriers that prohibit the full participation of our fellow citizens with disabilities in the economic and social life of our Nation. To those who are concerned about the price tag of this legislation, I ask that they look at the overwhelming costs of not enacting it. That cost is so great that no legislation we could consider today could come close to it. More than $100 billion a year is being spent by Government to sustain people with disabilities in welfare situations. An estimated $200 billion more each year may be lost in taxes and in the expenditures of nonprofit organizations and family members. And as I have said so many times, there is simply no way to put a price tag on the lost dignity and independence of people who want to be contributing members of their families, their communities, and their country.

I will not repeat the full description of the bill given by my colleagues, but would like to point out some of the areas I see as particularly important.

EMPLOYMENT

Despite repeated studies showing the contrary, employers continue to believe today that their hiring of persons with disabilities will cause them great expense, that their insurance rates will skyrocket, their safety records will be jeopardized, and that workers with disabilities will not be accepted by coworkers. Again, the facts show that none of these fears is based on reality. The reality is, as Harold Russell, long-time chair of the President's Committee on Employment of People with Disabilities reminded us, there is no additional cost involved in hiring a majority of those who have disabilities. For many others, the cost of a reasonable accommodation is less than $50. Employers with a record of hiring persons with disabilities have found that these workers are among the most responsible, dedicated, reliable and productive of their employees.

The continuing effect of mistaken stereotypes across the spectrum of employers, in both small and large enterprises, is likely the single greatest factor in keeping most working age adults with disabilities out of the economic mainstream of our Nation. As a nation, we clearly face increasing competition from abroad and must begin to use all of our human resources more effectively. We can simply no longer afford to lose the productivity of this large segment of our population—possibly 8.2 million individuals with disabilities who want to work but cannot find a job. And we should no longer accept the human cost to those who lose dignity and independence as a result of myth and prejudice.

The ADA is designed to ensure that persons with disabilities are treated as individuals and that employment decisions are not made on the basis of stereotypes. Only persons qualified to perform the job in question are protected; employers are not required to employ an unqualified individual simply because he or she has a disability. Drawing on the long successful history of section 504 of the Rehabilitation Act and its regulations, the ADA incorporates the concept of "reasonable accommodation" and provides that discrimination includes not making reasonable accommodations to the known physical or mental limitations of a qualified individual who is an applicant or employee, unless the accommodation would impose an undue hardship on the employer.

The list of examples of reasonable accommodations in the ADA is not intended to cover every type of accommodation that will ever be needed, but rather to demonstrate some of the many forms accommodation can take. One kind of accommodation listed is the provision of qualifed readers or interpreters to assist a visually-impaired or hearing-impaired person to overcome communication barriers on the job. To the extent that providing a reader or interpreter is not an undue hardship on the employer, it should not be seen as an undue hardship either to provide an assistant for a physically disabled person who may need help during the day with personal tasks.

Some large firms already covered by section 504 of the Rehabilitation Act have chosen to accommodate a number of deaf employees by purchasing the services of a part of full-time interpreter to be shared among them. Similarly, it might be appropriate for such a firm to purchase personal assistance services for one or more physically disabled persons. It makes no sense for a qualified person with a severe physical disability to stay at home, dependent on a welfare check, when 30 minutes of assistance a day could create a gainfully-employed taxpayer—and one who is contributing valuable work to his or her employer.

I am confident the business community as a whole wants to do what is right in this area. There are many who are already showing that hiring people with disabilities makes good business sense. In many cases, we just need to give more information about what the needs are, what the possible reasonable accommodations are, and then step out of the way. None of us wants to impose unreasonable requirements, and with this act, we are not doing that. We are making sure people with disabilities have a chance to prove they can do the job.

TRANSPORTATION

With all of the good will in the world from employers, with total acceptance of what the Americans with Disabilities Act will require in job accommodation and accessibility, we will still not make major inroads into the unemployment problem of Americans

with disabilities, and will not bring them into the mainstream of society, until we provide reliable, nondiscriminatory public transportation.

The transportation requirements of the ADA are reasonable, and should not prove costly in the long run. Clearly, when all new buses are built with lifts on them, the cost of those lifts is going to decrease. And anyone who has looked at this issue for as many years as I have knows two things: First, that paratransit alone is inherently a discriminatory system. For some it may offer an advantage in being "door to door" service. But it simply can't meet the needs of the disability community in general. And second, paratransit is a far more costly system if it even begins to try to provide a nonrestricted, demand-responsive level of service. An investment in equipment, such as a lift, is a one-time expense, with minimal upkeep. The cost of providing paratransit is a continuing expense, and it keeps getting larger as the cost of fuel and number of riders making demands on the system increases.

I would like to point out to my colleagues an article from the Chicago Tribune of July 5 of this year that illustrates the problems faced by the Chicago Transit Authority in operating a dial-a-ride-service faced with a growing ridership and no existing mainline service. Some rapid calculations indicate the answer is to get as much reliable mainline service in use as quickly as possible—using as much community education as possible to gain acceptance and use of the new service. Here are the figures: The Department of Transportation estimates $15 in public subsidiaries are provided for each one-way paratransit ride. Looking at the costs for a year of work-related trips for one rider—a round trip 5 days a week for 52 weeks—the total cost in subsidies for that one rider is about $7,500. Given the average cost for a mainline bus lift of $10,000 (and that will decrease) and an estimated maintenance cost of $1,000 a year (also, I believe, on the high side), the entire cost of that accessible bus is covered by just one person who uses it instead of paratransit to go to work for a year and a half.

Some people have tried to tell us that cities with cold and snowy weather should not have to comply with the lift-purchase mandate. But people with disabilities in these cities have transit needs that are just as critical as those in warm climates. It is no secret that in snowy weather the paratransit service is the first transportation mode to stop functioning in many cities. And the recent experience of cold northern cities with lift programs has been good. It cannot be too strongly emphasized that the inclement weather is no objective reason for not equipping new buses with lifts.

Experience in New York City, Syracuse, and Johnstown, PA—all of which have significant amounts of snow—bear this out. Through the harsh winter months in these cities, lift-equipped bus service has functioned well. The example of Syracuse is particularly instructive. In this city, accelerated tests were conducted over a 2-year period in which the lifts were kept in virtually non-stop operation under conditions of cold, water, heat, sand, and salt, to approximate what 10 years of harsh operation would do to a lift. The result: The lifts held up well with only minor changes. Now Syracuse is convinced, and has moved forward aggressively with a full accessibility program. The Americans with Disabilities Act would follow this example.

No doubt, someone will come up with an example of a city where lifts have malfunctioned. But there are many possible reasons for this. The main one is that 8 or 10 years ago, when some cities bought early-generation lifts, lift technology was much less sophisticiated. Some northern cities had difficulties with these lifts. But in no area of American society have we stopped our progress because of an early technological problem, especially when the problem has already been solved. Lift technology today is equal to the task.

Other cities may be mentioned with bad lift experience because the city did not follow through on the lift-purchase with good maintenance, good route-planning, good marketing, and good-faith cooperation with the local disability community. But we can all find flaws in the system. Let's look at the best systems. In addition to the cold-weather cities I mentioned, look at the excellent service available to riders in San Francisco, Seattle, and many other cities. Look at the tens of cities over the past 2 years that have made new decisions to buy only accessible buses—because of the clear advantages of a multimodel system of accessible transit. Lifts on new buses is clearly an idea whose time has come.

Some may also argue that the unpaved roads in their areas make the use of lifts impractical. Just a couple of reasons this is not a good argument against lifts: First, the lift on a newly purchased bus is going to last from 10 to 15 years. How many of us are aware of an area as large as a transit system where no unpaved roads have been paved in the last 10 to 15 years? There can't be many. And second, the assumption that people who need accessible transportation won't find a way to get to that bus stop because the road isn't paved is simply wrong.

Several years ago, the Oakland, CA, urban area launched their accessible bus program with a poster depicting people with disabilities at a bus stop. The caption read, "Some people have been waiting for the bus all their lives." That's a long time to wait, but when we pass this bill into law, that bus will finally come into view.

PUBLIC ACCOMMODATIONS

Our former colleague, and leader on this issue of equal rights, Senator Lowell Weicker, reminded us when he testified that people with disabilities spend a lifetime "overcoming not what God wrought, but what man imposed by custom and law." In order to have full participation in and access to all aspects of society, our citizens with disabilities need an environment that does not confront them daily with impossible barriers to the normal activities of their lives. Going to a restaurant, seeing a dentist, catching a movie or shopping for groceries are not the kinds of activities we may think of when we consider the important aspects of our lives. But the inability to engage in these activities—perhaps a fear to try because of degrading experiences in the past—would cast a dismal blanket of isolation over any of us. The ADA will lift that blanket for Americans with disabilities.

Places of public accommodation are required by the act to make modifications in policies, and procedures and to provide auxiliary aids to afford services to individuals with disabilities, if such provision or modification would not impose an undue burden, and to provide services through alternative methods if the removal of architectural barriers in existing facilities is not readily achievable. This carefully crafted language provides a balance between the needs of service provider and consumer. What is mandated are fair and logical changes that will get the job done, sometimes using a little creativity.

For example, if a restaurant is on the second floor of a building with no elevator, a person with a disability who cannot climb the steps should be able to order take-out food, which a restaurant employee would take to the bottom of the flight of steps and hand to the disabled patron. Or if a movie theater has an inaccessible second story with a separate screen, the movies should be rotated between the first floor accessible theater and the inaccessible theater. Or in a stadium where the only accessible level features the most expensive seating, a wheelchair user should be offered tickets at a variety of prices, since a balcony ticket may be all he or she can afford.

Similarly, to overcome communication barriers, hotels of a certain size should have decoders for closed captioned TV viewing, or, where televisions are certainly controlled by the hotel, to have a master decoder. And hotels that offer hearing customers comparable amenities should offer deaf or communication-impaired cus-

tomers a portable TDD (telecommunications device for the deaf).

Another form of discrimination the ADA is designed to prohibit is the denial of the right to use available assistive devices and communications, even if the public accommodation is not required to provide the aid because of the undue burden defense. For example, deaf people who bring their own interpreter to a public event, at their own expense, may not be prohibited from using the interpreter. Similarly, people with disabilities, under the ADA, would be allowed to use any available audio loop, brailler, or similar accommodation.

S. 933 also provides that public accommodations may not apply eligibility criteria that screen out people with disabilities. For example, a store could not have a rule that only people without vision impairments could receive services. It would also be a violation if a public accommodation invaded a person's privacy by trying to identify unnecessarily the existence of a disability, for example, by inquiring whether the person has epilepsy or has ever been hospitalized for a mental illness. In addition, it would be a violation to impose criteria that limited the participation of people with disabilities—for example, by requiring that people with disabilities sit in a certain section of a restaurant.

One form of discrimination faced by thousands of people with disabilities in public accommodations is prohibiting entry by an assistive animal. Part of the problem lies in ignorance. Many members of the public don't understand that, just as blind people often use guide dogs, it is a growing practice for many deaf people to employ the use of signal dogs and for physically disabled people to employ the use of service dogs. Regretfully, many people still don't understand that these animals are well-trained and certified, and don't create public disturbances nor pose any public health risk whatsoever. Generally speaking, any facility where it is safe for a person to go, it is safe for a trained assistive animal to go, including restaurants and other public accommodations. As an auxiliary aid, the use of assistive animals is protected by the Americans with Disabilities Act, in public accommodations as well as public services (including schools).

It should be further understood that a person with a disability using a guide, signal or service dog should not be separated from the dog. Some public accommodations, such as theaters, have required the dog to wait in a separate location. A person with a disability and his or her assistive animal function as a unit and should never be involuntarily separated. Nor is there any need for this separation. To require it would be discriminatory under the Americans with Disabilities Act.

TELECOMMUNICATIONS

One of the most pervasive aspects of our lives, in our personal and business affairs, is the telephone. Not being able to use this communication tool is one of the major barriers to productive, normal life for more than 26 million Americans with hearing or speech impairments. The requirements of the ADA for interstate and intrastate relay systems for these individuals will open a new world of possibilities for millions—a world that includes the ability to schedule an appointment, conclude a business deal, or check on people at home while you are out of town.

Seven States currently operate TDD relay services, and though they vary greatly, we have enough experience with such systems to know they are a good idea with no major drawbacks. Some of the systems are financed in a fashion that other States should consider: imposing a small monthly charge on every telephone subscriber (for example, 5 cents a month.) While this method is specifically disallowed by the act for recovery of interstate costs due to the other means available, it is an excellent way to finance an intrastate system because it avoids the need for a large allocation from any existing budget. It should be noted that the act prohibits such a charge from being "red flagged" on subscribers' bills in a fashion that would unnecessarily stigmatize or create a backlash against the hearing and speech impaired population the system designed to serve.

PROTECTION OF PERSONS WITH AIDS

I am particularly pleased that this bill will extend protection to people with AIDS and people infected with HIV, symptomatic and asymptomatic. People with AIDS and people with asymptomatic HIV infection are covered under the first prong of the definition of disability in S. 993, as people with physical impairments that substantially limit major life activities.

One of the unfortunate hallmarks of the AIDS epidemic has been acts of unwarranted discrimination against those with AIDS and HIV infection, and against their friends, families, and caregivers. This discrimination runs counter to the most basic civil rights tradition of our country, as well as against basic public health. Every commission or report that has addressed the AIDS issue has called for strong federal anti-discrimination protection as a means of encouraging individuals to come forward for testing, counseling, and treatment when available.

S. 933 will finally establish the necessary protections against discrimination for people with AIDS and HIV infection. Such individuals will no longer be unjustly denied jobs or unjustly be prevented from receiving services or benefits. Actions with regard to people with AIDS and HIV infection will no longer be allowed to be governed by myths, stereotypes, and misperceptions, but rather will be governed by objective medical evidence and facts. This is one of the best steps forward that we can take to fight the AIDS epidemic.

USERS OF ILLEGAL DRUGS

In regard to the amendment on users of illegal drugs, I recognize that because of the current emphasis on achieving a drug free environment and on imposing penalties on those who use illegal drugs, we are not trying to protect job applicants or employees who are current illegal drug users in the ADA. We should remember, however, that many of these individuals can be rehabilitated if they are given the opportunity to get help; and I hope employers will continue to use employee assistance programs and help those with drug or alcohol problems overcome them so that they can become and remain valuable employees.

It is important to emphasize that we continue to protect applicants and employees who have overcome or are successfully being treated for drug or alcohol problems. Retaining these crucial protections for persons who have recovered or are in treatment is consistent with our national drug strategy and our longstanding commitment to supporting the treatment of those with drug or alcohol problems and working to ensure the full reintegration of former drug and alcohol abusers into the working world.

Finally, it is important to emphasize that if a person has a disability other than use of or addiction to illegal drugs and is discriminated against on the basis of that other disability, that person remains fully protected under the ADA. In addition, it is also important to emphasize that the definition of illegal drugs in this act does not include controlled substances taken under medical supervision.

Finally, Mr. President, I want to quote two Illinoisans I am proud of who testified before our committee. Illinois Attorney General Neil Hartigan, someone with a long history of sensitivity and responsiveness to disability issues, answered a question about the need for enforcement provisions. Speaking as one who comes from a State with a strong public accommodations law, he explained that the inclusion of penalties and damages is what makes voluntary compliance possible. Illinois law provides punitive damages as well as injunctive relief. He said, "(W)e need teeth in the law * * * We have got a range of weapons we can use if we have to use them. But, the fact that you have them, the fact they know you are serious about it, keeps you from having to use them." His office has had more than 3,000 compli-

ance cases and not once have they had to go to court. I expect most people want to comply with the ADA, but the rights it guarantees are meaningless without effective enforcement provisions.

Mary Linden of Chicago is a lovely and brave lady who at the age of 59 is just beginning to live her own life. Because Mary had a disability that caused her to use a wheelchair, as a child she was sent to segregated schools, and they failed to even teach her how to write her name. She was isolated socially—taken out for shopping and to go to a restaurant just twice a year. No career plans or educational plans were made for Mary because her school and parents thought she was too disabled to compete. At the age of 34, after being kept at home all her life, she was placed in a nursing home. Just recently, in 1987, Mary became aware that even as a person with a disability, she could take control of her own life. She has since completed 2 years of college and wants to get her 4 year degree so she can, as she says, find "the most precious thing in the world, a paying job." But what Mary wants most is a different life for today's children with disabilities. She said, "I beg of you to pass this act, so that other children will not have to go through what I went through, will not be stared at, will not be limited as to how many times they can see things * * * (T)hey should have a chance to work and contribute as much as they can."

I ask my colleagues to support the Americans with Disabilities Act for Mary and for countless other men and women like her who are just beginning to make up for lost years and lost opportunities. Most of all, we should grant Mary's request and pass this bill for our children with disabilities, whose future can still be free from discrimination and open to all of the possibilities they can imagine for themselves. Let us complete the work of 25 years ago and give the promise of the American dream to all of our citizens.

I ask unanimous consent that the article from the Chicago Times of July 5, 1989, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, July 5, 1989]

CTA FACES DIAL-A-RIDE PREDICAMENT

(By Gary Washburn)

Chicago Transit Authority officials face the distasteful choice of failing to meet the growing demand for Dial-A-Ride service next year or increasing expenditures for the program by more than 40 percent, according to agency officials.

As it is, heavy ridership has put Dial-A-Ride over budget so far in 1989 and has caused the CTA to turn away scores of disabled people every day who want to use the special door-to-door service.

Would-be patrons now must scramble to reserve a ride for the following day, trying to get through on clogged phone lines beginning at 5 a.m. daily, said Gloria J. Nichols, a board member of American Disabled for Accessible Public Transit, a handicapped rights groups.

"Not too much later than 6 a.m., and they're booked," Nichols said. "It's a game. It's a lousy early-morning game that a lot of people with disabilities have difficulty handling."

"Everybody knows that if you don't call by 6:30 or 7 o'clock [to reserve a ride for the following day] the trips are gone." acknowledged William Mooney, head of the CTA program.

About 300 requests for service are turned down daily, he said. And that "very, very conservative" figure does not count the people who don't bother to call after 7 a.m. because they know the day's limit of trips already has been reached, he said.

Despite attempts to control the number of rides to 15,385 a week, Dial-A-Ride so far this year has slipped above budget by $77,000, and a cutback on the number of rides permitted may be necessary to avoid spending more than the $12.4 million appropriated for 1989, officials said.

The 12.4 million is the highest amount ever allocated for the program and represents nearly twice the sum that the CTA spent for Dial-A-Ride in 1986.

Even so, "the budget is clearly insufficient to provide the funding that is necessary to run even an adequate program," said James Charlton, the CTA board's only disabled member. "The program is under enormous stress because of excess demand. I believe its quality is mediocre and the quantity of rides provided is insufficient."

Officials say that the growth has been caused by a number of factors. They include increased reliability of the system, better on-time performance and the apparent "coming out" of increasing numbers of disabled people who previously seldom ventured from home on the CTA.

Ridership, totaling 475,000 in 1986, is expected to reach 800,000 this year.

And if the transit authority hopes to satisfy estimated demand for Dial-A-Ride service next year—providing nearly 1.1 million rides—it would have to allocate $17.75 million for the program, a 43 percent increase over 1989's outlay.

But there are serious questions whether the CTA board will be willing or able to keep up with the growing demand because of other financial pressures.

One is expected to come as a result of an agreement between the transit authority and disabled activists who recently won a battle to obtain "mainline" buses equipped with wheelchair lifts.

Late this year, the CTA is scheduled to receive the first of an order of about 500 specially equipped vehicles and ultimately could purchase as many as 400 more.

This means more expenditures for such things as driver training and lift maintenance.

Even with the introduction of mainline service that can be used by the disabled, CTA officials see no letup in demand for Dial-A-Ride for at least several years.

"Peoples' transporation modes change slowly and there are still significant numbers of disabled people in Chicago who are just beginning to feel comfortable in taking Dial-A-Ride" let alone regular buses, Charlton said. "Right now there probably are 15,000 people certified to ride and another 15,000 to 20,000 who are eligible but who are not signed up yet."

Charlton estimated that the cost of Dial-A-Ride could hit $50 million annually if the transit authority were to satisfy demand.

"The CTA will never be able to afford to fund it fully," he said.

Mr. CONRAD. Mr. President, most of us in the Senate are fortunate enough that we have the God-given tools to easily accomplish the tasks of the day. We do not think much about climbing the stairs to the office; picking up the phone to talk to a friend, constitutent or colleague; hopping a bus or a cab downtown. We can not truly understand what it feels like to have people do a double take, or avert their eyes, when they see a disfigurement or obvious handicap. We generally don't have to think about being denied a job, or shunned, simply because somebody doesn't understand diabetes, epilepsy, multiple sclerosis, or some other seriously disabling disease.

But 43 million Americans know. They are often frustrated by artificially imposed isolation, or with a feeling that others look on them as different.

I was pleased to join this year as an original cosponsor of the Americans With Disabilities Act. It's time to even the playing field for individuals with a disability.

Some of the greatest limitations for many persons with handicaps arise from such external barriers as discrimination in employment, transportation, and housing.

The ADA establishes a clear, comprehensive prohibition against discrimination on the basis of a handicap. It provides the same enforceable protection against discrimination to persons with disabilities that are currently afforded to persons on the basis of race, sex, national origin and religion under civil rights laws.

The ADA bill specifies that it is discriminatory to establish or fail to remove certain architectural, transportation, or communication barriers that prevent the access or limit the participation of persons with disabilities. It prohibits employers, employment agencies, labor organizations, job training programs, housing administrations, transportation services, States and State agencies, and broadcast and communications services from discriminating against individuals on the basis of disability, or perceived disability.

As parents, we all want to see our children reach their fullest potential. It's exciting to watch them grow—to see them change as they explore the world around them. And it's exciting to watch them as they strike out on their own.

The parents of children with disabilities are no different. And their kids have that same curiosity, the same desire for independence and acceptance by their non-disabled peers. All they ask is a fair chance at the same

opportunity for self reliance. That's what this bill is all about.

And we, ourselves, may be faced with disabilities. We could become disabled as a result of old age, an accident, disease, or some other unforeseeable event. Wouldn't we also hope to receive fair treatment, with a minimum of external obstacles placed in our way?

Mr. President, I have heard from many constituents, both in support and in opposition to this bill. I would like to take a moment to address some of the concerns that have been expressed to me.

While I have yet to hear from anybody opposed to the concept and intent of the ADA, some are afraid that it will place an undue burden on small businesses. Others are concerned about burdens for intercity bus transportation companies.

That skepticism is precisely what kept me from cosponsoring this legislation in the 100th Congress. While I have always supported the concept of this legislation, I believe we must also ensure that we don't place undue burdens on those attempting to comply.

Last year's bill stated that businesses needed to accommodate persons with handicaps unless doing so would threaten bankruptcy. If I were a business person, that would have caught my eye, too. This year's language is much less stringent. It provides that businesses must only undertake changes that are "readily achievable" and do not impose an "undue burden."

According to the committee report in the bill, "readily achievable" means something that is "easily accomplishable and able to be carried out without much difficulty or expense." Factors such as the number of employees, the type of facility, the size of its budget, the type of operation, and the nature and cost of the action needed must be taken into account when determining whether a business meets the test. "Readily achievable" tasks may include adding grab bars, lowering telephones, or ramping a few steps.

While I do not believe that these requirements will place excessive burdens on small businesses, we haven't yet seen how the bureaucracy and the courts will interpret them. It was for this reason that I supported Senator HATCH's tax credit amendment. I see real benefits in not just penalizing those who do not comply with this legislation, but rewarding those who do. The amendment would have provided a small tax credit to help very small businesses comply with the act.

The Hatch amendment would have done nothing to limit the scope of protection for people with disabilities. Instead, it would have provided incentives for small businesses to make their establishments accessible. I am hopeful that the Senate Finance Committee will consider such a proposal during the upcoming debate on budget reconciliation.

Concerning transportation, Mr. President, some intercity bus manufacturers and operators have been concerned about the bill's impact on them. However, the bill has now been altered in an attempt to meet their concerns. The committee version required that within 5 years, 6 years for smaller carriers, every bus purchased by an intercity bus carrier be wheelchair lift equipped. The amendment provides these carriers another year to comply.

Furthermore, a study that was required during the interim period will now also involve input from private operators of over-the-road buses, technical experts, and individuals with disabilities.

The potential impact of a bus transportation service cutback in rural areas like North Dakota should not be minimized. We must ensure that bus transportation is accessible for the rural and urban disabled alike. Nearly 10 percent of North Dakotans are disabled. About 27 percent of all disabled Americans live in areas classified as rural. There are no Federal requirements that intercity bus carriers not discriminate against the disabled. This bill will change that, but must do so in a responsible way. We must strike a balance between the necesssity of preventing unfair burdens on bus carriers and the need to make transportation accessible to the disabled and bring them fully into the mainstream.

Mr. President, this bill provides Americans with disabilities equal access to opportunities and services enjoyed by all Americans. Ensuring the civil rights of these people will help pave the way to their self-sufficiency. And in the process, the Federal Government could save billions of dollars currently spent on dependent care for people who have historically been shut out.

Poverty among Americans with disabilities is staggering. Fifty percent of Americans with disabilities report household incomes of $15,000 or less; 32 percent of people with disabilities who are more than 65 years old report incomes of $7,500 or less. Two-thirds of all Americans with disabilities between 16 and 64 are not working, yet two-thirds of these people say they want to work. By breaking down barriers, we will help insure that many of these people at least have a fair opportunity to become active, contributing members of our society.

Mr. President, I am pleased to be able to support this landmark legislation.

Mr. HEINZ. Mr. President, I rise to commend President Bush and the bipartisan leadership in Congress for crafting the monumental work that is before us today—S. 933, the Americans With Disabilities Act of 1989. I am proud to be an original cosponsor of this legislation.

Our goal in this landmark legislation is to provide a national mandate to end discrimination against the disabled and to bring persons with disabilities into the mainstream of American life. For too long, talented and potentially productive disabled Americans have been segregated to the sidelines unable to cross a myriad of institutional, structural, and psychological barriers. We want to ensure that the 43 million Americans with disabilities have the same opportunities for a productive life that their fellow citizens enjoy.

In my home State of Pennsylvania, over 100,000 disabled individuals receive Federal aid. Like the vast majority of other disabled Americans who are outside the labor force, these individuals don't look to insurance programs and governmental benefits for a free handout. According to a recent Lou Harris poll, 82 percent of people with disabilities said they would give up their Government benefits for a full-time job.

Every day, the disabled face, and overcome, mountains of obstacles that we in the able-bodied community never notice: A street corner that doesn't have a cutaway curb allowing access to stores and merchants; entrances to buildings too narrow to allow passage of a wheelchair-bound individual; employers who see a disability and close their eyes to ability, and much more.

Nevertheless, hundreds of thousands of disabled Americans beat the odds and carry on their lives with extraordinary courage. Just 2 months ago, Mark Wellman, a paraplegic, climbed 3,600 feet in 7 days to reach the top of El Capitan. At a White House ceremony where Wellman presented the flag he carried up the granite monolith, President Bush correctly observed that his courage and determination, and skill had captured the imagination of the whole country.

Mark Wellman's feat is symbolic of the aspirations and talents of all disabled Americans. Mark Wellman is not alone. There are millions of disabled Americans who want and deserve full participation in American life and yearn for the opportunities to be productive.

With the passage of this legislation, we can pave the way for these citizens to overcome the barriers they now face and begin the journey to economic productivity and self-independence.

I urge my colleagues to support this necessary and overdue guarantee of simple fairness and justice.

Mr. HATCH. Mr. President, before the Senate votes on final passage, I want to thank the following staff for their hard work on S. 933. For Senator HAWKINS: Bobby Silverstein, Katie

Bey, Terry Muilenberg; for Senator KENNEDY: Carolyn Osolinik and Michael Iskowitz; for Senator DURENBERGER: Carolyn Boos; for Senator MCCAIN: Mark Buse; and Steve Settle, Chris Lord, Millard Wyatt, Evan Liddiard, Kris Iverson and Mark Disler of my staff.

Their dedication to this bill was important to its success, and of course, I thank all of the Senators for their diligent efforts.

● Mr. MURKOWSKI. Mr. President, I am happy to support and to cosponsor the American's With Disabilities Act of 1989 [ADA]. As the ranking minority member of the Committee on Veterans' Affairs, I applaud the administration and Senators DOLE, KENNEDY, HARKIN, and HATCH for the hard work in reaching an agreement on this important legislation.

I have received many letters of support from various veterans' service organizations for S. 933 and I believe that it is vital to ensure equal rights to disabled veterans who served their country in such an extraordinary manner. I am delighted to see that small businesses are in some ways protected in this bill while still eliminating discriminatory actions against individuals with disabilities.

ADA is a timely and compassionate bill that allows those 43 million disabled Americans to work, live, enjoy life, and contribute to their communities. These are truly the greatest rights any American should have. I wholeheartedly support S. 933.●

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. ADAMS], the Senator from Montana [Mr. BAUCUS], the Senator from Texas [Mr. BENTSEN], the Senator from Louisiana [Mr. BREAUX], the Senator from Ohio [Mr. GLENN], the Senator from Hawaii [Mr. INOUYE], the Senator from Ohio [Mr. METZENBAUM], the Senator from Maryland [Ms. MIKULSKI], the Senator from Arkansas [Mr. PRYOR], the Senator from North Carolina [Mr. SANFORD], and the Senator from Tennessee [Mr. SASSER] are necessarily absent.

I further announce that, if present and voting, the Senator from Maryland [Ms. MIKULSKI] would vote "yea."

Mr. SIMPSON. I announce that the Senator from Montana [Mr. BURNS], the Senator from Mississippi [Mr. LOTT], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Delaware [Mr. ROTH], and the Senator from New Hampshire [Mr. RUDMAN] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 76, nays 8, as follows:

[Rollcall Vote No. 173 Leg.]

YEAS—76

Biden	Fowler	Matsunaga
Bingaman	Gore	McCain
Boren	Gorton	McConnell
Boschwitz	Graham	Mitchell
Bradley	Gramm	Moynihan
Bryan	Grassley	Nickles
Bumpers	Harkin	Nunn
Burdick	Hatch	Packwood
Byrd	Hatfield	Pell
Chafee	Heflin	Pressler
Coats	Heinz	Reid
Cochran	Hollings	Riegle
Cohen	Jeffords	Robb
Conrad	Johnston	Rockefeller
Cranston	Kassebaum	Sarbanes
D'Amato	Kasten	Shelby
Danforth	Kennedy	Simon
Daschle	Kerrey	Simpson
DeConcini	Kerry	Specter
Dixon	Kohl	Stevens
Dodd	Lautenberg	Thurmond
Dole	Leahy	Warner
Domenici	Levin	Wilson
Durenberger	Lieberman	Wirth
Exon	Lugar	
Ford	Mack	

NAYS—8

Armstrong	Helms	Symms
Bond	Humphrey	Wallop
Garn	McClure	

NOT VOTING—16

Adams	Inouye	Roth
Baucus	Lott	Rudman
Bentsen	Metzenbaum	Sanford
Breaux	Mikulski	Sasser
Burns	Murkowski	
Glenn	Pryor	

So the bill (S. 933), as amended, was passed, as follows:

[NOTE.—The text of S. 933 as passed by the Senate will appear in a subsequent edition of the RECORD.]

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein and that the distinguished Senator from Hawaii, Senator MATSUNAGA, be recognized for 5 minutes, that upon the completion of his remarks the Senate return to legislative business to complete the wrapup and concluding statements of the bill just passed and that Senator MATSUNAGA's remarks appear in the RECORD at an appropriate place.

The PRESIDING OFFICER. Without objection, it is so ordered.

AN OCTOGENARIAN FUTURIST

Mr. MATSUNAGA. Mr. President, I rise today to salute an octogenarian futurist whose intellect focuses on the next two centuries while his career as a Hawaiian journalist and broadcaster spans more than six decades. Kiyoshi Okubo of Hilo foresees the fading of ethnic and national distinctions by the 21st century; his vantage point is that of a scholar of ethnic cultures and languages who today continues to publish a Japanese newspaper on the Aloha State's "Big Island" of Hawaii at an age when his contemporaries are content to rock on lanais.

Last May, Okubo, who is 83, was the lone American to be honored by Emperor Akihito among those selected for recognition with the Order of the Rising Sun. He was accorded this honor for his many years of advancing cultural and scientific exchange between Japan and Hawaii, including a joint United States-Japan study to develop a tsunami (tidal wave) barrier for Hilo Bay and contributions from each of Japan's 17 prefectures for Hilo's Queen Liliuokalani Park. He is said to be nearly as conversant in Hawaiian as he is in English and he still broadcasts weekly on Sunday morning radio, publishes a twice-monthly newspaper, and operates a cultural museum on Japanese immigration to Hawaii.

For all his activity, however, Okubo is best known as a "dreamer," one who envisions an era of "The Pacific Man," the evolutionary product of trans-Pacific cultural exchange. As one who shares his dream, Mr. President, I was most interested in a recent newspaper article on Kiyoshi Okubo which appeared in the Honolulu Sunday Star-Bulletin & Advertiser written by Hugh Clark. Because it should be equally interesting to my colleagues and others, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Honolulu Sunday Star-Bulletin & Advertiser, July 23, 1989]

HONORS POUR IN FOR HILO'S RENAISSANCE MAN

(By Hugh Clark)

HILO.—Kiyoshi Okubo is what those in his homeland call a living treasure.

The 83-year-old pioneer Hilo newspaper publisher and broadcaster is in his 63rd year of work in Hawaii.

On the one hand, he publishes his twice-monthly Hilo Times—a former weekly Japanese language paper—with a pre-World War II press he brought from Korea.

The press is such an anachronism that a National Geographic researcher told Okubo recently only two remain on Earth. The other is somewhere in mainland China.

On the other hand, Okubo talks about a world in the next two centuries without Japanese, Hawaiians or haoles. Ethnic and national distinctions will fade in a pending era he calls "The Pacific Man."

Hawaii's melting pot—inter-racial marriages, mixed foods and cross-cultural borrowing—is but a beginning of that process, he says.

Okubo also is an author, radio announcer and teacher, but most of all a dreamer.

Walt Southward, who has been in news or public relations work on the Big Island for more than three decades, described Okubo at a recent testimonial as Hilo's original renaissance man.

Much of Okubo's effort has not been for profit, including such cross-cultural ventures as bringing Japanese here in programs ranging from international food shows to teaching English to Tokyo school girls.

Most of it went largely unrecognized until recent months.

Okubo was honored by Emperor Akihito in May when he was the only American in a group of Japanese and other foreigners who received Orders of the Rising Sun.

The Big Island Press Club last weekend sponsored a testimonial luncheon that drew words of praise from the governor, Legislature and Hawaii County Council. Mayor Bernard Akana declared July 15 as Kiyoshi Okubo Day.

Okubo landed in Honolulu in 1924—the year following the great Tokyo earthquake. He studied for a time at Iolani before launching his career as a journalist with a Japanese language daily.

He next went to Kona as a combination language teacher and journalist for the now-defunct Kona Echo, a Japanese newspaper published by a physician.

Following a brief return to Honolulu, Okubo launched his Hilo career and has remained here ever since. He founded and continues to run a little-known museum collecting details of Japanese immigrants—ranging from the first graveyard on the Big Island to lists of immigrants and their home prefectures.

Okubo's contributions have not been fully cataloged, according to business leader Tom Okuyama. For instance, it was Okubo's idea in 1971 that launched a premier collection of taro or stone lanterns located in Queen Liliuokalani Park. They are gifts to the Big Island from each of the 17 prefectures, Okuyama said.

Okubo also was responsible for a joint American-Japanese study to develop a tsunami barrier for Hilo Bay.

He also has served as an unpaid adviser and outspoken critic to several mayors, and played a background role in politics for decades.

Okubo still uses beautifully untarnished hand-set zinc type to produce his newspaper, which he predicts soon "will go make"—die out—because so few Big Islanders still read or write Japanese.

Okubo still does his early-morning Sunday show on KIPA Radio in Hilo, playing old-time Japanese music for his listeners from a hand-cranked phonograph.

Okubo is a sort of belated discovery for Big Islanders.

While the press club was honoring its quiet member of 22 years, the Japanese Community Association announced it will give him a similar tribute Aug. 13 at Hilo Daijingu Hall. The association, with 700 members, is believed to the island's largest single organization.

Okubo beams at the kind words and appreciation, but declines to formally respond beyond a simple "mahalo."

He tends to use Hawaiian phrases and words almost as much as the English he has acquired over the years.

After all, he recalls coming to Hilo when there were two Japanese-language dailies and a strong Hawaiian-language weekly. The only English-language newspapers then were weeklies.

JUSTICE DELAYED

Mr. MATSUNAGA. Mr. President, the judicial axiom "justice delayed is justice denied" acquires a grim poignancy when applied to the appropriations action of this Congress regarding reparations payments to Japanese-Americans unjustly interned in World War II. Although the 100th Congress authorized a maximum of $500 million a fiscal year in reparation payments of $20,000 each to the estimated 55 to 60,000 survivors of the internment still living when the legislation was enacted, the House Appropriations Committee has voted a mere $50 million to fulfill the commitment in the coming fiscal year.

As my Hawaii colleague in the House, Congressman DANIEL AKAKA, pointed out the sum is barely enough to pay former internees who are now over 85 years of age, or only 2,500 of the 60,000 survivors. A recent editorial in the Honolulu Star-Bulletin observed: "Even in a period of budgetary restraint, Congress can do better than this to make amends for a terrible mistake." I heartily agree, Mr. President.

It may interest my colleagues to learn that Canadians of Japanese ancestry who were similarly incarcerated in relocation camps during World War II have already started receiving compensatory payments under comparable legislation enacted over a month after President Reagan signed the Civil Liberties Act of 1988, wherein such reparations were authorized.

The Canadian law, enacted last September, provides for compensatory payments of $21,000 to each of about 14,000 surviving former Japanese Canadian internees. In addition, Canada will pay $12 million to the Japanese Canadian community through the National Association of Japanese Canadians [NAJC] for education, social and cultural programs; $24 million for establishment of a Canadian Race Relations Foundation, and up to $3 million to the NAJC for the administration of the Canadian redress program. Finally, the new Canadian law acknowledges the injustices inflicted on Canadians of Japanese ancestry during World War II and extends to them an official national apology.

Members of the NAJC recently visited the Washington, DC chapter of the Japanese American Citizens League [JACL]. As reported in that organization's newsletter, DC Notes, the Japanese Canadians gave credit to the United States for initiating an effort to compensate citizens of Japanese ancestry who were interned during World War II and found it ironic that they have begun to receive compensatory payments while Americans of Japanese ancestry are still awaiting compensation.

To date, approximately 6,200 Japanese Canadians have received the $21,000 payments. Another 2,000 checks are in the final stages of processing and will be delivered in the very near future. The NAJC reported that when payments began, they were delivered by courier in a tube which contained both a check and an official apology written in English, French and Japanese. With the thought that my colleagues will find it of interest, I ask unanimous consent that a copy of Canada's apology to its citizens of Japanese ancestry be printed in the CONGRESSIONAL RECORD following my remarks. I also ask that the Star-Bulletin editorial also be printed as well.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MATSUNAGA. Finally, Mr. President, in closing, I quote the words of Canadian author Joy Kogawa, from her book "Obasan." In explaining why her beloved Aunt Emily and other Japanese Canadians fought for acknowledgement of the injustice done to them during World War II, she said:

When war struck this country, when neither pride nor belligerence nor grief had availed us anything, when we were uprooted, and scattered to the four winds, I clung desperately to these immortal lines: "This is my own, my native land."

Later still, after our former homes had been sold over our vigorous protests, after having been re-registered, finger-printed, card-indexed, roped and restricted, I cry out the question: "Is this my own, my native land?"

The answer cannot be changed. Yes, it is. For better or worse, I am Canadian.

Mr. President, there still live some 60,000 of our own citizens of Japanese ancestry who cried out 47 years ago "I am American" with the same hope and anguish. Of these, 16,000 are over the age of 70. Indeed, one former internee located by the U.S. Department of

Justice is 106 years of age. Since the enactment of the Civil Liberties Act nearly a year ago, they have been waiting patiently to receive the token compensation our Government approved. It is my fervent hope that at least these oldest former internees will not have to wait much longer. I urge that adequate funding be appropriated in fiscal year 1990 so that payments to these oldest former internees can begin this year.

EXHIBIT 1

ACKNOWLEDGEMENT

As a people, Canadians commit themselves to the creation of a society that ensures equality and justice for all, regardless of race or ethnic origin.

During and after World War II, Canadians of Japanese ancestry, the majority of whom were citizens, suffered unprecedented actions taken by the Government of Canada against their community.

Despite perceived military necessities at the time, the forced removal and internment of Japanese Canadians during World War II and their deportation and expulsion following the war, was unjust. In retrospect, government policies of disenfranchisement, detention, confiscation and sale of private and community property, expulsion, deportation and restriction of movement, which continued after the war, were influenced by discriminatory attitudes. Japanese Canadians who were interned had their property liquidated and the proceeds of sale were used to pay for their own internment.

The acknowledgement of these injustices serves notice to all Canadians that the excesses of the past are condemned and that the principles of justice and equality in Canada are reaffirmed.

Therefore, the Government of Canada, on behalf of all Canadians, does hereby:

(1) acknowledge that the treatment of Japanese Canadians during and after World War II was unjust and violated principles of human rights as they are understood today;

(2) pledge to ensure, to the full extent that its powers allow, that such events will not happen again; and

(3) recognize, with great respect, the fortitude and determination of Japanese Canadians who, despite great stress and hardship, retain their commitment and loyalty to Canada and contribute so richly to the development of the Canadian nation.

CONGRESS STINGY ON REPARATIONS

Congress voted to pay reparations to the Japanese-Americans who were interned unjustly in World War II but it's being stingy about coming across with the money. The House Appropriations Committee has voted $50 million for the reparations, but that is clearly inadequate.

That sum would cover the payment of $20,000 to only 2,500 beneficiaries. There are about 55,000 people eligible for payments.

Hawaii Rep. Daniel Akaka notes that the money is barely enough to pay former internees who are now over age 85.

The law also requires that the payment be accompanied by a written apology by the president, which to some is more important than the money.

Now that the reparations program is law, it would be tragic for former internees to go to their graves before the money reaches them.

Even in a period of budgetary restraint, Congress can do better than this to make amends for a terrible mistake.

CORCORAN OPENS EXHIBIT OF JAPANESE-AMERICAN PHOTOGRAPHY BETWEEN TWO WARS

Mr. MATSUNAGA. Mr. President, I believe that my colleagues will be interested to learn that the Corcoran Gallery of Art recently opened an exhibit of 90 black-and-white photographs taken by gifted Japanese-American artists who lived and worked on the west coast in the 1920's and 1930's. The photographs will be on display until October 1, 1989.

Lost for nearly 40 years, these works of art were rediscovered in the late 1970's by the curator of the Los Angeles Valley College Art Gallery, who was looking for ideas for an exhibit. They represent the work of 30 artists, and they came to the Corcoran with an interesting story, which was recounted in the Washington Post of July 19, 1989.

All 30 photographers represented in the Corcoran exhibit were well known in the 1920's and 1930's and their works were widely exhibited and published in international photography journals. Most of them were native-born American citizens and the others were permanent residents of the United States. Nonetheless, despite the citizenship status and despite their recognized talent, they were all among the 120,000 Japanese-Americans who were removed from their west coast homes in 1942 and incarcerated in so-called relocation camps for nearly 4 years. Stripped of their cameras, their creative lives were snuffed out. Permitted to take to camp what they could carry, their invaluable collections of photographs were lost or destroyed during the war. Only a fraction have been found.

Mr. President, I hope that my colleagues will have a chance to see this important Corcoran exhibit, for it poignantly demonstrates that our mistaken World War II policy of internment not only hurt the Japanese-American community—the United States as a whole suffered an irreparable cultural loss.

Only 2 of the 30 photographers are alive today. Now aged 94 and 91, they are among some 60,000 Americans of Japanese ancestry who are eligible for benefits under the Civil Liberties Act of 1988. As the Post points out, however, Congress has not yet appropriated a penny for the token compensatory payments. The former internees are dying at the rate of about 2,000 per month. Some 16,000 are now over 70 years of age, with the apparent oldest surviving internee being a 106-year-old resident of Seattle, WA. The new law mandates that compensatory payments be made to these oldest surviving internees first. A significant appropriation is needed if these eldest surviving internees are to be paid in 1990—more than the $20 million recommended by the administration.

Mr. President, I ask unanimous consent that the Washington Post article be printed in the RECORD following my remarks, and I further urge my colleagues to support an adequate fiscal year 1990 appropriation for the Civl Liberties Act.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SNAPSHOTS FROM A BROKEN LENS

(By Jo Ann Lewis)

A seemingly less controversial, more soft-spoken show than "Japanese Photography in America 1920-1930" could hardly have been found to fill the galleries at the Corcoran, where the canceled Robert Mapplethorpe photo show was to have hung this month.

Ironically, this new show also is about freedom lost and the devastating results. Corcoran Director Christina Orr-Cahall, who doubtless chose it as an easy, last-minute replacement, has inadvertently put the museum in the middle of another debate—this one about the U.S. government's payment of reparations to the Japanese American internees of World War II.

Organized by the Japanese American Cultural and Community Center in Los Angeles, these 90 black-and-white images bring to light the work of 20 West Coast Japanese American photographers, mostly gifted amateurs now all but forgotten, who lived and worked at various jobs and professions in Los Angeles, San Francisco and Seattle between the two world wars. Before they were placed in the camps and their creative lives were snuffed out, their works were widely exhibited in annual salons and published in international photography journals.

Though half were American citizens when the Japanese attacked Pearl Harbor, nearly all were herded off to inland relocation camps and kept in confinement there—stripped of property, possessions and cameras (which were illegal for people of Japanese extraction)—until the war ended.

Few resurfaced after the war; most of their photographs were abandoned, lost or destroyed in the chaos of what is still politely called the "relocation."

The rediscovery of these photographers came accidentally in the late '70s, when curator Dennis Reed, director of the art gallery at Los Angeles Valley College, kept discovering striking—and, in his view, occasionally "stunning"—photographs by unknown Japanese American photographers as he looked through old international photography journals in search of an idea for a show.

One photograph led to another, and before long Reed had his museum-course students manning the phones at night, calling everyone in the Los Angeles, San Francisco and Seattle phone books by the name of Uyeda or Miyataki, Sata or Koike, in hopes of finding either the photographers or their kin and the photographs that might have survived.

He eventually unearthed the names of 180 photographers, most of them members of proliferating West Coast Japanese camera clubs during the '20s and '30s—segregated because Japanese were not permitted to join the Caucasian clubs at the time. Reed has

been piecing together their lives and work ever since.

A group shot of 16 smiling members of the Japanese Camera Pictorialists of California is included in the catalogue, and, for a moment, it brings these aspiring artists vividly to life. Taken during a Sunday outing at Redondo Beach in 1929 by colleague Kentaro Nakamura, it also includes their boxy view cameras, later confiscated, all proudly lined up at their feet.

That photograph is all we know of most of these men, though it is not all we know about Nakamura, the man who took it, and whose silvery, diagonally composed "Evening Wave" is one of the show's highlights. Also pictured, top row, middle, is Kango Takamura (born in 1895), who still lives in California. He is represented here with one of the few figure shots in the show: a tender 1930 wedding portrait of his bride, Setsu, who died last month.

Many images reflect the dominant soft-focus, romantic "Pictorialist" style, which began in the 1890s with Alfred Stieglitz and others, who had originally set out to prove photography was art by emulating painterly subject matter and styles. Here, accurately reflecting the state of popular photography at the time, we see a surfeit of these toned bromides, and fuzzy, nostalgic views of ships, harbors, bridges and pastoral landscapes with sheep. There are technically strong examples of the genre—some look almost like etchings—but innovators like Stieglitz, Steichen and Kasebier these Pictorialists are not.

But there are some surprisingly strong and adventurous modernists here, attesting to the wide reach of international photographic publications and exhibitions at the time. Clear influences run the gamut from the biomorphic, nature-worshipping abstractions of California's Edward Weston (there's even one still-life with peppers on view, which was a Weston signature) to the linear geometric abstractions of the German Bauhaus photographers and Russian Avant-Garde.

Of the show's three galleries, the first is strongest in this respect, and includes what is surely one of the most alluring and inventive images in the show—"The Books," by K. Asaishi, circa 1926. A pale, poetic, cubistic photograph, it is, sadly, his only known print. It was swapped, saved and loaned by fellow photographer Takamura.

Asaishi, like several other young photographers who had no family in the United States, returned to Japan during the harsh days of the Great Depression.

European modernism seems to have dominated the approach of the avantgardists here, including the bold abstractions with light by Los Angeles portrait photographer Toyo Miyatake (who, while interned, constructed his own forbidden camera).

But a startling kinship to the art and photography of New York in the '30s turns up in another striking image—Hisao E. Kimura's 1929 view of pedestrians casting long shadows on the broad sidewalk of a city street. As American as a Martin Lewis print of New York, this photograph like many others also appropriates the diagonal composition and aerial, horizonless point of view of traditional Japanese art. The Oriental attitude toward nature, from the beauty of the single twig to a graceful roll of a crashing wave, also persists throughout the show. One thinks that perhaps influences were being generated, as well as received, by some of these photographers.

There is much earnest, able talent here, along with a few outstanding photographers who deserve to be fed into the mainstream, and doubtless will be, especially by dealers. The show, in this respect, is an important piece of original historical documentation, as well as a slice through time, offering a look at the various international influences surging through the dynamic world of photography in the '20s and '30s. The more you know about photographic history, the more you'll see.

This show, in fact, was stored in the Corcoran display there is October. So perhaps it is just luck—good luck, for a change—that it has turned up now to prod the collective memory, just as the appropriations hearings on the $1.25 billion promised in authorization bills last August to surviving Japanese American internees comes before the Senate.

The question is, how much will actually be appropriated? The Bush budget calls for $20 million to be paid this year—a sum approved this week by the House appropriations subcommittee, and now about to go before the Senate. It is a pittance given the promised $1.25 billion, but the thrust is to get $20,000 to each of the most elderly internees before they die. In another irony, $20,000 is precisely the amount the National Endowment for the Arts gave to fund the present show.

Two of these photographers survive: Takamura, who is 94, and Hawaii-born Hiromu Kira, one of the best known, who is 91. Perhaps Congress could start with them.

Or perhaps both artists would do better just to apply for a grant from the NEA.

"Japanese-American Photographers 1920-30" will continue through Oct. 1.

SENATOR NUNN'S SPEECH BEFORE THE IISS

Mr. WARNER. Mr. President, I rise to congratulate my distinguished colleague, Senator SAM NUNN, the chairman of the Armed Services Committee. Senator NUNN has recently returned from London where he delivered an important speech to the International Institute for Strategic Studies [IISS]. The invitation to speak before this distinguished institute is a highly prestigious honor. Mr. NUNN was invited to deliver the Alastair Buchan Memorial lecture for 1989, an honor which has been extended to only a few Americans. Previous American honorees were Henry Kissinger and Paul Nitze.

This international recognition reflects the high esteem and respect that the IISS and others have for the chairman's impressive and credible comprehension of international security issues. His efforts, past and present, have contributed greatly to United States and Western security.

His speech, which focused on the challenges to NATO in the 1990's, offered many pragmatic insights and suggestions that I strongly concur with and believe are important issues that should be considered by this body during its deliberations of national security programs, now and in the future. While major changes are promised for the Soviet people, which offer the prospect of more peaceful relations with the West, we must remain for the present cautious in our negotiations and current relations with the Soviets. This is the same message President Bush gives to the world. In his speech, the Senator said:

Thus far, President Gorbachev has performed political miracles and has raised hopes for a more peaceful relationship between the East and West. We should not, however, count on calm seas and smooth sailing * * * Caution and flexibility, together with some thoughtful contingency planning, are in order.

In a colorful way, the Senator described how NATO's policy toward the Soviet Union must distinguish between those areas where we move ahead and those where we stand firm. He outlined many of these policy areas ranging from technology transfer, trade, emigration, to arms control and national security planning.

Senator NUNN's views on Conventional Forces in Europe negotiations and START may be, in some case, somewhat controversial. But there will occur an extensive international debate before the parties reach a timely concurrence of views between our allies first, and then between the Western and Eastern participants. While I agreed, in large part, with the points made by the chairman in his speech, I do, of course, have reservations about some of them. But I recommend that all my colleagues take the opportunity to study his speech. He is one of our most respected colleagues on national security issues. Mr. President, I ask unanimous consent that Senator NUNN's speech be printed in the RECORD.

Again, I congratulate Senator NUNN on his successful appearance before the IISS.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CHALLENGES TO NATO IN THE 1990'S: A TIME FOR RESOLVE AND VISION

(By Senator Sam Nunn)

Thank you, Sir Michael. Members of the Council, members of the Institute, and distinguished guests, I am deeply honored to be asked to deliver the Alastair Buchan Memorial Lecture for 1989. It is a privilege to follow in the footsteps of the distinguished statesmen and strategic thinkers who have delivered this address since its inception in 1976.

This annual lecture is a fitting testament to the man who helped create the IISS and served as its first Director. Alastair Buchan was a leader of resolve and vision. "Somewhere between the hawks and the doves," wrote one biographer, "he hoped to find a position that would keep the peace." The strong reputation this institute enjoys for precise, impartial and objective analysis is a tribute to Alastair Buchan's original vision of the IISS and the important role it could play within the international security community.

THE CHANGING EUROPEAN SECURITY ENVIRONMENT

Even for men as far-sighted as Alastair Buchan, the changes we are now witnessing

in the political and security landscape in Europe would have seemed impossible at the time of his death thirteen years ago.

In 1976, who could have imagined that Poland would freely elect a non-communist Catholic Prime Minister or that the leader of the Soviet Union would urge the Polish Communist Party to cooperate with a Solidarity-led coalition in governing the country?

Who could have imagined that Andrey Sakharov would be released from exile in Gorky, be elected a member of the Soviet parliament, and then become co-leader of a parliamentary faction opposed to the official primacy of the Communist Party?

Who could have imagined that the Soviet Union would begin a unilateral withdrawal of six tank divisions from Eastern Europe and would agree in principle in on-going arms control negotiations to reduce Warsaw Pact forces to levels of parity with NATO?

And who in 1976 would have thought that by the end of the 1980's twelve European nations would be on the threshold of realizing the Community's dream of a single market in which the border between France and Germany will be no greater a barrier to economic activity than the border between Georgia and Florida?

If continued, these profound changes will lead to a fundamental restructuring of the European security system. In this new environment, the danger to NATO is not that it will fall apart but that it will be increasingly seen as irrelevant. If NATO is not to become an anachronism, it must demonstrate resolve and vision in serving not only as a force for stability but also as an instrument for change.

The Alliance's first challenge is to develop an appropriate strategy for responding to change in the Soviet Union and Eastern Europe. Neither we—nor probably even President Gorbachev—can predict confidently the future course of reform in the Soviet Union.

We also cannot ignore the fact that Soviet military capabilities remain formidable, and that reductions beyond those announced by President Gorbachev last December are still a matter under negotiation. Equal conventional ceilings are not yet a matter of treaty obligation, let alone treaty implementation.

Moreover, while a return to a more hostile Soviet foreign policy seems unlikely in the near term, one cannot say it is impossible. As the Librarian of Congress, James Billington, has pointed out, there is no more insecure time in the life of an empire than when it is facing the devolution of its power; no more dangerous time in the life of a religion (communism being, after all, a secular religion) than when it has lost its inner faith but retains its outer power.

Thus far, President Gorbachev has performed political miracles and has raised hopes for more peaceful relationship between East and West. We should not, however, count on calm seas and smooth sailing.

In 1904, Lenin wrote a pamphlet about the uneven process of reform in pre-revolutionary Russia which he titled "One Step Forward, Two Steps Back." Whether or not Mr. Gorbachev stays in power, the process of reform in today's Russia will not likely follow an even course. In the most optimistic case I suspect it will be a matter of "two steps forward; one step back." Tianamen Square should remind us that backward steps can turn into a vengeful retreat.

The West cannot be expected to predict the specific circumstances of future reversals in the course of Soviet reform. However, it can anticipate that such backward steps will occur, perhaps with suddenness and violence. As an alliance, we must prepare for such eventualities by beginning now to think through how we will respond. Caution and flexibility, together with some thoughtful contingency planning, are in order.

Caution and flexibility are, however, no substitute for vision. Without a shared appreciation of the opportunities presented by the extraordinary developments in the Soviet Union and Eastern Europe, the Alliance risks an uncoordinated, reactive and ad hoc response that may forfeit unique opportunities for significant advance. Our policy should be to favor those countries that move toward political pluralism, free market economies and respect for human rights.

WESTERN ASSISTANCE TO POLAND AND HUNGARY

In a large sense, the Cold War started because of events in Eastern Europe. Trillions of dollars have been spent on both sides of the Iron Curtain on armaments because of profound differences between communism and our Western values. In the economic, political and ideological sense, communism and central planning have lost, but democracy and the market system have not yet won.

Trends underway in Poland and Hungary and the Soviet Union are still reversible. Pierre Hassner recently said about Poland: "Communism impossible—democracy improbable". The Polish people have now rejected the impossible and they are pursuing the improbable. The bold undertakings in Poland, while heartening, are not irreversible—particularly if the West fails to respond promptly, substantially and constructively.

President Bush's recent visit to Poland and Hungary was a positive step, as was the recent NATO Summit. However, Eastern events have now moved beyond Western plans. We need a higher level of policy coordination among Western nations to be effective. Thus far, the United States has been very generous in offering Poland and Hungary European help. We must all do more.

How do we help? From our experience in the 1970s, we know there is no point in giving large grants and loans to governments that spend large parts of their budgets in subsidizing inefficient and unprofitable industries. Based on several recent Congressional and Parliamentary visits to Poland, it appears that the Solidarity leaders also recognize the Western aid of the past was wasted. They are not asking for a Western hand-out but rather a Western hand. This hand can be extended in many ways.

One would be to establish U.S. branch banks in Poland. The Poles believe these banks would immediately draw deposits of several billion long held U.S. dollars in Poland. They call these "sleeping dollars" because they are now kept in mattresses. This step should be taken as soon as Polish laws permit.

Debt relief is another area where the West can provide immediate and tangible help. Poland and Hungary should move to the top part of the list in terms of a coordinated Western debt relief plan. There are signals from the new Polish government that privatization of industry will be encouraged and Western private investment welcomed. Western companies buying Polish debt and swapping this debt for equity or ownership in Polish industries can relieve debt and also accelerate privatization. This should also be encouraged.

Our most meaningful long-term assistance should be in the form of intellectual capital, Western know-how, management training, economic development, and the free exchange of ideas and people. Educational opportunities in the United States and Western Europe for young Eastern Europeans can be greatly strengthened.

All this suggests Western societies drawing Eastern societies closer, promoting understanding, improving communication, working toward constructive relationships, and assistance conditioned on changing economic structures. This conditional assistance should not be perceived as anti-Soviet, since Gorbachev himself has a stake in pragmatic and successful change.

Most importantly, we must make certain that as Eastern Europe begins to open, Western Europe does not begin to close. The opportunities of access of Eastern goods and people to the West is just as important as Western help to the East. Europe 1992 must not result in an "Economic Curtain" shutting out Eastern Europe—or, for that matter, the United States.

NATO'S POLICY TOWARD THE SOVIET UNION

As for our policy toward the Soviet Union, NATO's strategy must distinguish between those areas where we move ahead and those where we stand firm. We should keep in mind the signals on a traffic light: red, for those Soviet proposals to which we must say "no;" yellow, for those which call for moving slowly with care; and green, for those which we should press forward with vigor.

We should give a red stop light to any reciprocal actions that cannot realistically be reversed by the West as readily as by the Soviet Union. In particular, we should avoid the denuclearization of Europe. The Soviet Union is continuing to modernize its strategic and theater nuclear systems. As far as we can see into the future, I believe nuclear deterrence will remain indispensible to NATO security.

We should give a red light to offering Moscow money or materials which serve merely to defer the hard choices between guns and butter, between muddling through and systemic reform.

We should avoid the transfer of technologies otherwise unavailable to the USSR that could directly enhance Soviet military capabilities that are directed against the West and its allies.

We should give a yellow warning light to Moscow's interest in joining international economic organizations. Soviet participation in these organizations should commence with observer status, *provided* the military sector of the Soviet economy is deemphasized and movement is initiated toward market mechanisms, realistic prices and a rapid privatization. Full Soviet membership should be considered if these domestic trends deepen and become difficult to reverse.

In addition, given the more liberal Soviet emigration practices of recent years, the United States should be prepared to waive the Jackson-Vanik Amendment, which links emigration with most-favored-nation status and government credits. An outright elimination of the amendment would be premature, because the encouraging trends of the past several years have not yet been uniformly applied and firmly institutionalized.

We should give a green light to those measures which might help strengthen the

emerging legislative branch of the Soviet government. Popularly elected Soviet parliamentarians have expressed a keen interest in exercising oversight of the military budget and KGB intelligence activities. They have even refused to confirm party nominees for high government posts. I can personally attest that even U.S. Presidents regard this as the ultimate legislative sacrilege. It is, however, a legislative authority which our Founding Fathers correctly viewed as a crucial limitation on executive power.

We should give a green light to exchange programs that share with Soviet representatives our experience and know-how of management techniques, entrepreneurship and private enterprise. We should also give a green light to intensified collaboration in resolving current regional conflicts as well as in anticipating and averting new regional conflicts. Where the Soviet Union stands ready to strengthen the role of multilateral institutions in dealing with existing regional conflicts and averting future conflicts, we should combine our efforts.

I believe there is a particular value in U.S./Soviet discussions—civilian and military—aimed at anticipating and preventing possible terrorist threats, particularly those involving nuclear, chemical, or biological weapons of mass destruction. Risk reduction steps already taken provide a solid foundation for major new initiatives in this area.

Finally, our traffic light should show a bright green signal for arms reduction agreements that enhance mutual stability and reduce the risk of war. In arms control, our top priorities should be to maintain the momentum toward an early accord on conventional forces in Europe—the so-called CFE talks—and to finish the negotiations on strategic arms reductions, known as START.

Although these negotiations should not be formally linked, they are related and should be pursued in parallel. As Helmut Schmidt, speaking from this same platform, said in his 1977 Alastair Buchan Memorial Lecture:

The more we stabilize strategic nuclear parity between East and West . . . the greater will be the necessity to achieve a conventional equilibrium as well.

MAINTAINING MOMENTUM IN CFE

CFE has shown surprising progress in the six months since negotiations began in Vienna. While the Alliance's target of a completed agreement by next July remains optimistic, there are grounds for believing that a stabilizing agreement can be reached in the early 1990's, provided NATO has a clear vision of its goals and demonstrates resolve in maintaining a credible conventional defense.

There are many ways we can show this resolve: Resolve is shown by the level of sustainability of our conventional forces; Resolve is shown by a willingness to forego redundant national R&D efforts and join together in cooperative programs to develop standardized or interoperable military equipment; Resolve is shown by the level of allied investment in bold and innovative defense technologies; and Resolve is shown by the number of active personnel we keep in uniform until we have reached a mutual agreement on reductions.

In recent months, I have reached disquieting reports that significant unilateral reductions in active duty manpower are being considered by several NATO nations independent of the conventional arms negotiations. It is possible that these cuts exceed the total number of troops the United States would pull out of Europe under a future CFE agreement.

We can predict the effect of such unilateral cuts. NATO's negotiating position in DFE will be eroded. NATO's efforts to improve its conventional defense posture and decreases its reliance on threat of an early use of nuclear weapons to deter aggression will be undercut. And there will be an angry public reaction in the United States which will increase burdensharing tensions.

To forestall these developments, the Senate Armed Services Committee crafted a comprehensive initiative on burdensharing which was incorporated in the defense authorization bill passed by the Senate last month. The initiative addresses the U.S. role in Korea and Japan and includes a provision establishing a ceiling on the percentage of NATO troops in Europe which can be composed of U.S. forces.

The message this amendment is intended to send our allies is clear: if our allies cut their forces, then we will cut ours proportionately. I believe the U.S. Congress is prepared to maintain our current share of NATO's deployed forces in Europe while we are negotiating in CFE—but we are not willing to increase our share of the burden. While we negotiate in hope of reaching East/West common ceilings, NATO must not open holes in our own floor.

In a speech in Brussels two years ago, I proposed that NATO's aims in conventional arms control should be the elimination of the Warsaw Pact's short-warning offensive capability and the establishment of a stable, non-threatening balance of conventional forces. This would require large reductions in tanks, artillery tubes, manuever battalions, and the like, and not just manpower limits. It would also require large, asymmetric and verifiable reductions in the ground forces of both superpowers based on the territory of their respective alliens.

LOOKING BEYOND CFE: SPECIALIZATION THROUGH BUILDDOWN

The current NATO proposal in CFR is largely consistent with this vision and deserves strong support. While striving to complete these negotiations, NATO must think beyond CFR and begin serious consideration of the kind of European political and security system it wants to achieve in the next decade. Once a conventional accord is achieved, the United States will face an overriding political and economic imperative: we *must* reduce the cost of our forward deployments worldwide, including but not limited to cuts in our troops and dependents stationed abroad. This will require changes in the respective roles within NATO of the United States and its allies that go well beyond the reductions in manpower and equipment likely under the first phase of the conventional negotiations.

I believe the time has come to look seriously at the opportunity for specialization through builddown. Each allied country should play the instruments it plays best rather than trying to stage an entire symphony orchestra.

For the United States, increased mission specialization means less emphasis on forward-deployed heavy units. It means more emphasis on rapidly redeployable forces capable of dealing with major regional conflicts or crises outside Europe, many of which may affect Western security interests as well as ours. It also means a U.S. priority on providing major air components if adequate shelters and minimum essential facilities are constructed by NATO. And it clearly means that the United States must continue to underwrite NATO's nuclear deterrence, as we have since NATO was founded.

What does specialization mean for our Canadian and European allies? This question must be carefully considered by the Alliance in the months ahead. In addition, NATO's vision of the future European political and security landscape must address such important questions as:

If we reach equal ceilings with the Warsaw Pact, must NATO's doctrine of forward defense remain synonymous with forward deployments?

Can there be greater reliance on reserves and less emphasis on high states of readiness? What will be the ability of NATO to regenerate forces in a period of crisis, both in terms of reserve mobilization and reinforcement from outside the Atlantic to the Urals region? In Confederate General Nathanial Bedford Forrest's immortal phrase, will we be able to "git thar furstest with the mostest?"

What will be the effect of the consolidation of the European defense industry on trans-Atlantic cooperative efforts? Will "Europe 1992" produce a true "European pillar" or a new "Fortress Europe?"

Finally, as Francois Heisbourg discusses in the current issue of IISS's Survival magazine, what role would British and French nuclear forces play in a strengthened European pillar and how does the planned modernization of those forces relate to progress in CFE and START?

H.L. Menken once said: "For every complicated, complex question there is an answer that is simple or easy, and wrong." The answers to these questions will not be simple or easy; but if NATO's answers are not to be wrong, we must think anew.

FINISHING START

As with the conventional negotiations, finishing the strategic negotiations will require resolve and vision. On the important question of the status of mobile ICBMs under the strategic nuclear negotiations, I believe that there are three things which can be said with near certainty:

First, a START treaty that does not provide for mobility in land-based ICBMs would not likely improve strategic stability and hence would not likely be ratified by the United States Senate;

Second, the current U.S. administration will not likely sign, or the Senate ratify, a START Treaty that allows the Soviet Union to retain mobile ICBMs such as the SS-24 and the SS-25 if there is little or no prospect that the United States will deploy its own mobile ICBMs.

Third, the Midgetman and Rail Garrison MX mobile ICBM programs are currently in a mutual hostage relationship in the United States Congress. United, they stand a chance—a chance—of approval. Divided, they will fall. If we Americans cannot reach a consensus among ourselves, we will not be able to reach an agreement with the Soviets.

In this context, it is clear that the recent votes of the U.S. House of Representatives on the defense authorization bill place the U.S. position in START on the edge of a precipice. Unless we in the Congress can manage to put our ICBM modernization program back on track during the conference on this bill, START faces a very bleak future indeed. Assuming we succeed—and I am cautiously optimistic that we will—I think the United States should propose in START a ban on all mobile multiple warhead ICBMs, such as the Soviet SS-24 and

the Rail Garrison MX. Such a proposal would be enormously helpful in establishing a consensus.

In the long term, a key objective in strategic arms control negotiations should be a complete ban on land-based MIRVed systems, including those in silos and those which are mobile. Our goal should be to prevent any rational military planner from ever concluding during a crisis that by striking first his side's strategic forces could effectively disarm the adversary and thereby reduce any retaliation to acceptable levels. Strategic stability is not enhanced as long as one or two of each side's ICBM warheads can destroy up to ten of its adversary's warheads.

Pursuing a total ban on land-based MIRVs in START would probably overburden and delay these negotiations. Nonetheless, a ban on mobile MIRVed ICBMs would be an important step towards this goal and, based on recent statements by Marshall Akhromeyev, would appear to be negotiable. In addition, START should include counting rules which provide incentives for each side to move away from multiple warhead ICBM forces towards single warhead systems.

A "TWO TIER" APPROACH TO ARMS CONTROL

Looking beyond START, I believe that as long as the window for rapid progress with the Soviet Union in arms control remains open, it is in our interest to move as far and as fast as possible, consistent with the prerequisites of stability and effective verification. This objective could be advanced by establishing an official U.S./Soviet "experts group" which would be asked to develop options which otherwise will most likely have to be reserved for a future phase of CFE, START or some other formal arms control negotiation.

I suggest a "two tier" approach to our arms control talks with the Soviet Union. The first tier is already in place. It includes all the on-going negotiations, such as START, CFE, chemical, etc. The purpose of this tier is to continue to focus on the art of the possible and make important evolutionary advances in arms control. Since this tier would seek to complete agreements which are in most cases already well advanced, it should not be burdened with more ambitious objectives which could delay or even reverse negotiating progress just when the outlines of final agreements are coming into sight.

The second tier would be tasked, in the jargon of design engineers, with "pushing the envelop" in arms control. It would explore possible revolutionary leapfrog advances in arms control but would not attempt to negotiate specific agreements. Should this experts group reach a consensus on a basic conceptual approach on a specific arms control issue, that consensus could then be reviewed by the two sides. If both agree that there is a genuine opportunity for achieving a formal agreement in this area, then—and only then—would this arms control objective be transferred to a formal negotiating forum for the hard work of converting that consensus into the text of an agreement.

I believe the second tier's agenda could conceivably include but not be limited to exploratory discussions on the following topics: One, a ban on *all* land-based multiple warhead missiles. There is no reason why we cannot begin discussing this goal with the Soviets now. Two, a ban or limitations on nuclear sea-launched cruise missiles. Assigning this difficult question to the experts group could make it easier for the Soviets to agree not to hold START hostage to this issue. Three, limitations on anti-satellite systems (ASATs) to include, perhaps, a ban on high-altitude ASATs. In light of the greater U.S. reliance on space for communications and intelligence systems, I believe it is in our interest to explore stabilizing and verifiable limitations on ASATs with the Soviet Union. Four, limitations on nuclear testing beyond those required under the pending Threshold Test Ban and Peaceful Nuclear Explosions treaties. Discussions on such limitations were envisioned in the Reagan-Gorbachev agreement at the 1986 Reykjavik Summit. Five, reductions to equal numbers of short-range nuclear forces (SNF) in Europe to levels below current NATO levels but above zero. NATO's stated reason for not engaging now in such negotiations is the fear that the Soviet Union will insist on a "third zero." Through exploratory discussions along the lines I am suggesting, we can determine whether that concern is well-founded. Such discussions could also defuse inevitable allied discord over the SNF issue should the conventional talks be delayed. Six, the second tier could explore the outlines of deeper cuts in CFE, for example, on the order of 50% of current NATO levels. This very important step would entail profound implications for NATO security and would, of course, require close consultations with our allies in CFE.

The recent developments in the Soviet Union present the West with an unprecedented opportunity for revolutionary advances on arms control. Forward momentum is needed across the board. The Chairman of the U.S. Joint Chiefs of Staff, Admiral Crowe, said recently, "negotiating arms control agreements is like eating horsemeat; the more you chew, the bigger it gets." I would suggest that while we continue to chew the horsemeat in the existing arms control negotiations, we must also be considering a broader menu.

CONCLUSION

On Saturday afternoon I spent several hours at your very impressive Imperial War Museum where I was vividly reminded that 100 million people have died in wars in this century. On Sunday afternoon I stood at Speaker's Corner in Hyde Park and listened to debates between free men and women. This morning I sat in Westminster Hall which has watched over the growth of the English legal system and its profound effect on the spread of freedom under the rule of law. Our responsibility is to preserve, protect and share these freedoms without war.

General George Marshall stated toward the end of his brilliant career: "If mankind does find a solution to world peace, it would be the most revolutionary development in the history of the world." Our task in NATO is clear but awesome. We must reverse the record of history.

EXPLANATION OF NOT VOTING

Mr. ARMSTRONG. Mr. President, earlier this afternoon the Senate voted on an amendment by the Senator from California [Mr. WILSON], the effect of which was to take some money out of congressional mass mailings and put it to the drug abuse program. It so happened that at the time rollcall occurred I was absent from the Hill. In fact, I was on my way downtown for a meeting. My staff thoughtfully tried to call me in the car but, as so often is the case, I was already on the phone. I did not get the call, and did not make the vote.

Just so the record is complete, may I say had I been here I would have voted for the Wilson amendment, and would have done so with great enthusiasm.

I thank the Chair.

LIMITATIONS ON CIVIL CONTEMPT SENTENCES IN THE DISTRICT OF COLUMBIA

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 204, S. 1163, the District of Columbia Civil Contempt Imprisonment Act.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1163) to amend the District of Columbia Code to limit the length of time for which an individual may be incarcerated for civil contempt on a child custody case in the Superior Court of the District of Columbia and to provide for expedited appeal procedures to the District of Columbia Court of Appeals for individuals found in civil contempt in such case.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Governmental Affairs, with amendments as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LIMITATION ON TERM OF INCARCERATION IMPOSED FOR CONTEMPT IN CHILD CUSTODY CASES.

(a) SUPERIOR COURT.—Section 11-944 of the District of Columbia Code is amended—

(1) by striking "In addition" and inserting "(a) Subject to the limitation described in subsection (b), and in addition"; and

(2) by adding at the end of the following new subsection:

"(b) In any proceeding for custody of a minor child conducted in the Family Division of the Superior Court under section 11-1101(1), no individual may be imprisoned *for civil contempt* for more than 12 months, pursuant to the contempt power described in subsection (a), for **[**disobediance**]** *disobedience* of an order or for contempt committed in the presence of the court. *This limitation does not apply to imprisonment for criminal contempt or for any other criminal violation.*".

(b) DISTRICT OF COLUMBIA COURT OF APPEALS.—Section 11-741 of the District of Columbia Code is amended—

(1) by striking "In addition" and inserting "(a) Subject to the limitation described in subsection (b), and in addition"; and

(2) by adding at the end of the following new subsection:

"(b) In the hearing of an appeal from an order of the Superior Court of the District of Columbia regarding the custody of a minor child, no individual may be imprisoned *for civil contempt* for more than 12 months, pursuant to the contempt power described in subsection (a), for [disobediance] *disobedience* of an order or for contempt committed in the presence of the court. [pursuant to the contempt power described in subsection (a).] *This limitation does not apply to imprisonment for criminal contempt or for any other criminal violation.*".

SEC. 2. EXPEDITED APPEALS PROCESS FOR INDIVIDUALS INCARCERATED FOR CONTEMPT IN CHILD CUSTODY CASES.

Section 11-721 of the District of Columbia Code is amended by adding at the end the following new subsection:

"(f) The District of Columbia Court of Appeals shall hear an appeal from an order of the Superior Court of the District of Columbia holding an individual in contempt and imposing the sanction of imprisonment on such individual in the course of a case for custody of a minor child not later than 60 days after such individual requests that an appeal be taken from that order.".

SEC. 3. EFFECTIVE DATE.

The amendments made by this act shall apply with respect to individuals imprisoned for [disobediance] *disobedience* of an order or for contempt committed in the presence of the Superior Court of the District of Columbia or the District of Columbia Court of Appeals in the course of a case for custody of a minor child on or after January 1, 1987.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments en bloc.

The committee amendments were agreed to en bloc.

AMENDMENT NO. 725

(Purpose: To make a clarifying amendment)

Mr. MITCHELL. Mr. President, on behalf of Senator SASSER, I send to the desk a technical amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL], on behalf of Mr. SASSER, proposes an amendment numbered 725.

Mr. MITCHELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, line 15, after "11-1101(1)" insert "and (4)".

Mr. SASSER. Mr. President, the legislation we are considering, S. 1163, would place a limit on the amount of time for which a person may be incarcerated in the District of Columbia for civil contempt.

As I think all of us know, this legislation was prompted by the ongoing case of Dr. Elizabeth Morgan. She has been in prison in the D.C. jail for almost 2 years, without a trial or full benefit of due process. She has been committed there by a D.C. trial judge until she might obey the court's order to disclose the whereabouts of her minor daughter. Dr. Morgan has steadfastly refused to do this because she believes that her ex-husband may molest their daughter if he is allowed visitation rights.

Let me make it absolutely clear that we are not trying to retry the Morgan case. But Dr. Morgan's continued refusal to be coerced by the court raises the central issue, whether a person can be kept in prison indefinitely even after it is clear that the coercive power of civil contempt has failed.

Given this impasse, a legislative solution seems necessary—and it is Congress which must do this—the D.C. Home Rule Act prohibits the D.C. Council from passing legislation concerning the D.C. courts.

On July 21, the Subcommittee on General Services, Federalism, and the District of Columbia, which I chair, held a hearing on S. 1163 and H.R. 2136. We received testimony from our distinguished colleague, Senator HATCH, about his bill, S. 1163.

We heard from an academic authority on the contempt power, Prof. Doug Rendleman of Washington and Lee Law School about the diminishing effect of civil contempt over time and the eventual obligation to afford due process.

We also heard from a distinguished local jurist, the Honorable Peter Messitte from Maryland. He conceded the theoretical need for some limit on civil contempt, while expressing concern that judges not be unduly restrained in their rightful use of contempt sanction.

On July 26, the Governmental Affairs Committee reported out S. 1163, with some modifications. At the hearing, it developed that the original language of S. 1163 might place a cap on imprisonment for all contempt, criminal as well as civil. There was general agreement on the committee that following completion of the maximum 12-month commitment for civil contempt, an individual might continue to be incarcerated. That would be a punitive sanction, however, either for criminal contempt or for some other underlying criminal offense.

The important difference is that one could not be jailed for criminal contempt until after a trial, before a jury if requested, and with full criminal due process. So, we clarified that point and the 12-month cap would be for civil contempt only, and would not affect imprisonment for criminal offenses.

Let me also comment, briefly, on the limitation of the bill to child custody cases. The House-passed bill would apply to all civil contempt cases in the District of Columbia, not just to child custody cases.

In the hearing, Senator HATCH, strongly expressed his preference that any bill be limited to child custody proceedings. It is true, as he noted, that issues of due process and dissipation of coercive power would be present in any long-running civil contempt case. But as he pointed out, we need not legislate with an eye to every hypothetical case.

The issue before us is raised in the context of a child custody case. That is distinguishable from other cases because the welfare of an innocent third party—the child—is always present. That interest is ill served by the idenfinite imprisonment of one parent, and the estrangement from the other.

If and when circumstances arise that suggest we ought to expand the scope of a cap on civil contempt, let us consider them in turn. For the present, the language of S. 1163 strikes the proper balance. It affords a whole year—surely adequate time—for a court to persuade the recalcitrant person, before it becomes obvious that iron bars have lost their persuasive force.

I also want to clarify one question that was raised at the Governmental Affairs Committee markup of this bill. That was whether, under this bill, a person released from imprisonment could be reincarcerated.

I believe it was indicated at the markup that this could indeed be done. With Senator HATCH's concurrence, I offered a technical amendment at the markup which was adopted. That amendment clarifies that S. 1163 only limits civil contempt. The person who was jailed for civil contempt may still be imprisoned for criminal contempt, or any other underlying criminal violation for that matter, so long as they have a trial and full due process.

Now, on the question of whether they can be put right back in jail for civil contempt, after they've completed the 12-month maximum set by this bill, the answer is in the committee report. The committee report states quite clearly that if the alleged civil contempt is for disobeying the same order you were jailed for the first time, then no, you may not be sent back for another 12 months.

The report notes that the terms of the original order might be modified, and then it would be up to the appeals process to determine if a person was disobeying the same order or a new order. But there is no question that if substance of the underlying order hasn't changed, you can't do more than one 12-month term for disobeying it.

I hope that clears up any lingering uncertainty about the issue that was raised at the markup.

The pending amendment is a clarifying amendment which makes a technical correction to S. 1163, which I am offering on behalf of myself and the bill's sponsor, Senator HATCH. The next amendment sunsets the bill after

18 months. I hope the Senate will support both amendments.

Mr. President, I want to thank my colleague from Utah, Senator HATCH, for his initiative and dedication in sponsoring this legislation. He and his staff have been very helpful as we have prepared this legislation for the floor.

I also want to thank Senator GLENN, the chairman of the Governmental Affairs Committee, and Senator ROTH, the ranking member of the committee, as well as Senator HEINZ, the ranking member of my Subcommittee on General Services, Federalism, and the District of Columbia, for their assistance in moving this legislation.

Finally, Mr. President, I want to thank the leadership on both sides of the aisle for scheduling this legislation so promptly.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 725) was agreed to.

AMENDMENT NO. 726

(Purpose: To limit the period of time the amendments made by the bill are effective to 18 months and to authorize a Senate study of civil contempt in child custody cases)

Mr. MITCHELL. Mr. President, on behalf of Senator LEVIN I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report. The assistant legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL] on behalf of Mr. LEVIN proposes an amendment numbered 726.

Mr. MITCHELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

SEC. 4. APPLICABILITY OF AMENDMENTS AND REPORT.

(a) APPLICABILITY.—The amendments made by this Act shall cease to apply on the date that is 18 months after the date of enactment except that such amendments shall apply to any person incarcerated for civil contempt in a child custody case on or before the date that the amendment ceases to be in effect.

(b) REPORT.—The Senate Committees on Governmental Affairs and the Judiciary shall conduct a study of the current law and procedures with respect to civil contempt in the District of Columbia and the Federal courts, respectively. The committees shall report to the Senate not later than September 1, 1990 the findings of such study and any recommendations for changes to current law.

Mr. LEVIN. Mr. President, I am pleased that we were able to work out with Senator SASSER, the chairman of the General Services, Federalism and District of Columbia Subcommittee, a reasonable sunset provision for this bill to enable the Senate to fully consider the broader issue of civil contempt after further study. The 18-month sunset will serve as an action-enforcing mechanism for us to do that. The bill before the Senate amends the statute governing civil contempt in the District of Columbia only with regard to child custody cases. It may be appropriate, however, to apply similar limitations to all civil contempt proceedings in both the District of Columbia and our Federal court system.

The amendment to which we have agreed would limit the application of S. 1163 to an 18-month period and would require the Senate Judiciary and Governmental Affairs Committees to study the question of civil contempt during that time and report to the Senate on any recommendations for changes to current law by September 1, 1990. We will then have a 6-month period of time in which to consider legislation embodying those recommendations. The amendment makes clear that anyone incarcerated for civil contempt during the 18-month period would be protected by the 12-month cap, even if their incarceration for the 12 months extends beyond the 18-month deadline.

By proceeding in this manner, we will enable ourselves to address what we know now to be a serious problem and at the same time allow us to have the benefit of a comprehensive review of the question to address the broader issues. If unlimited civil contempt is inappropriate for the District of Columbia courts, then it seems logical that it would be inappropriate for our Federal courts. Likewise, if it is appropriate for child custody cases, it may also be appropriate for all types of cases. That is what we need to examine in the next year, and then, based on the recommendations we receive, legislate accordingly.

I only reluctantly voted to report this bill to the full Senate. I was concerned that we didn't devote enough attention and study to this subject. While we have limited this bill's application to only child custody cases, further examination of the issue may have led us to conclude that the 12-month limit should apply in all civil contempt proceedings.

At the same time, Congress has not acted to restrict the length of civil contempt in the Federal court system. We would significantly benefit from the advice and guidance of the Senate Judiciary Committee as to whether a limitation on civil contempt has been considered in that committee and if so, what the committee's conclusions on the subject were.

Mr. President, I appreciate the cooperation and effort of the Senator from Tennessee and my friend from New Hampshire, Senator RUDMAN.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 726) was agreed to.

Mr. BENTSEN. Mr. President, today the Senate considers legislation recently introduced by Senator HATCH, that would amend the District of Columbia Code to limit to 1 year the length of time for which an individual may be incarcerated for contempt of court in a child custody case in the Superior Court of the District of Columbia. Currently, there is no limit. I want to express my support for this legislation, and my hope that we will pass it expeditiously and the House will follow suit.

I realize that the contempt power is an important tool for our courts, one that they need to effectively enforce their orders. Courts need this authority, and it must be maintained. But like any power entrusted to government officials, it can be abused. With this legislation, we can strike a balance, impose some reasonable limits, and prevent abuse of the contempt power. I think that's good policy.

The need for this legislation has been made glaringly apparent by the case of Dr. Elizabeth Morgan. She has resolved to remain behind bars until her daughter, Hilary, is 18, rather than subject here daughter to court-ordered, unsupervised visits with her father, Dr. Erich Foretich. The expert testimony of several physicians have led Dr. Morgan to firmly believe he has sexually abused his 6-year-old daughter during previous such visits. She has been in jail for almost 2 years and has shown no signs of relenting in here decision.

Contempt orders are designed to enforce compliance with a court decree. In cases like this where civil contempt charges are obviously not serving their purpose, the order should not be allowed to linger. This is especially true in child custody disputes where one parent refuses to produce the child as ordered by the court. Incarcerating that parent only deprives that child of both parents and may not result in the appearance of the child. Thus the very issue at stake, the well-being of the child, is harmed by the absence of the loving care provided by parents. Continuing to jail parents in these circumstances is denying them their right to due process and denying their child the right to a normal, happy home life.

Again, I think this legislation strikes a good balance and deserves support. I applaud Senator HATCH for his efforts, and hope that we will pass this bill without delay.

The PRESIDING OFFICER. Are there further amendments?

Mr. MITCHELL. Mr. President, I believe Senators, ARMSTRONG and HATCH have statements to make at this point.

Mr. HATCH. Mr. President, I will not be long.

Earlier this year, I introduced S. 1163, a bill to amend the District of Columbia Code to limit the length of time for which an individual may be incarcerated for civil contempt in a child custody case to 1 year. Currently there is no statutory limit.

I express my gratitude to the senior Senator from Tennessee, Senator JIM SASSER, for his cooperation to the very end in expediting consideration of this legislation; and, of course, to our distinguished majority leader for his kindness in seeing that this came up even though he has qualms about this type of legislation.

As chairman of the Subcommittee on General Services, Federalism and the District of Columbia, Senator SASSER promptly held a hearing on this bill. He then explained and defended it ably and intelligently before the full committee. I thank John Belferman, Bill Hawks, and Rosemary Warren of his staff for their assistance.

I also thank the senior Senator from Ohio, Senator JOHN GLENN, for promptly scheduling this bill for markup in the Committee on Governmental Affairs. I am pleased to report that it passed without dissent.

I also commend Representative FRANK WOLF for his leadership in the House of Representatives. Finally, I wish to thank David Harmer and Darrell Panethiere of my staff, as well as Mark Disler.

Mr. President, this bill is simple, clear, and fair. With the Levin amendment, it now places an 18-month cap on incarcerations for civil contempt in child custody cases in the District of Columbia. Criminal contempt is absolutely unaffected. Civil contempt outside the child custody context is likewise unaffected. This limited application involves minimal disruption of existing law, and it preserves discretion for D.C. judges to address widely disparate civil contemnors in other kinds of cases. We single out custody because the helpless child is the real loser in such cases, deprived indefinitely of both parents. The case for limiting the court's summary contempt power is strongest here.

The purpose of civil contempt is not to punish but to coerce compliance with the court's order. Once it is clear that the civil contempt sanction will not coerce a recalcitrant individual, that sanction must be removed. The failure to do so constitutes a deprivation of liberty or property without due process. That is, the coercive sanction is transmuted into a punitive sanction at the point coercion can no longer fairly be said to be possible and, therefore, the contemnor is entitled to further procedural protections before the sanction can continue.

My bill simply recognizes that after 1 year, continued imprisonment of a protective parent constitutes punishment, not persuasion. If a year in jail hasn't convinced a mother to produce her child, further incarceration offers little hope. Courts need the power to punish for contempt in order to maintain respect and enforce judgments. But this broad power must be exercised with prudence and self-restraint. Like any other governmental power, it can be abused; and abuse of the civil contempt power is especially troublesome, for a civil contemnor may be subject to virtually unlimited fines and indefinite incarceration—all without the fundamental constitutional protections routinely provided to criminal contemnors, such as trial by jury and a hearing before an impartial judge.

The modest reform I propose is an appropriate—indeed, necessary—exercise of congressional power. Under the Home Rule Act, only Congress can regulate the authority of D.C. courts. The D.C. Council is not empowered to consider this matter itself. For that reason D.C. Delegate WALTER FAUNTROY joined many others in cosponsoring H.R. 2136, a similar bill, which passed the House of Representatives on June 28 by the overwhelming margin of 376 to 34.

While the specific need for this bill is illustrated by the plight of Dr. Elizabeth Morgan, and while the bill would free her, it is emphatically not for her benefit alone. This is not a private bill, but a bill of general application. The 12-month cap on civil contempt would apply to all civil contemnors in D.C. child custody cases. I emphasize that I take no position whatsoever on the merits of the underlying case.

On August 21, a panel of the D.C. Court of Appeals voted 2 to 1 to release Dr. Morgan; however, the full court of appeals immediately vacated the judgment preparatory to rehearing the case en banc. Oral arguments are scheduled for September 20, but a ruling could take several months. Of course, no one can predict what their judgment will be, but one can predict that further rehearings and appeals will be sought.

The contempt power is a significant tool for judges seeking to enforce their orders. Many commentators, and some courts, have noted that it is uniquely dangerous, since in civil contempt proceedings a judge has almost unfettered discretion. (See, for example, Martineau, "Contempt of Court: Eliminating the Confusion Between Civil and Criminal Contempt," 50 U. Cin. L. Rev. 677 (1981).

Proceedings for criminal contempt include virtually all the protections extended to other criminal defendants: the contempt must be proven beyond a reasonable doubt; the defendant cannot be required to incriminate himself; double jeopardy is prohibited; the offense is pardonable; the accused is presumed innocent; and so on. (Note, "Modern Discussion of a Venerable Power: Civil Versus Criminal Contempt and its Role in Child Support Enforcement: *Hicks* v. *Feiock*," 22 Creighton L. Rev. 163, 170–71 (1988).) Proceedings for civil contempt, however, lack many of these protections; the standard of proof is lower, for example, and the contemnor has no right to a jury trial. (Id. at 171.)

It is said that the contemnor has the jailhouse keys in his or her own hands (In *re Nevitt*, 117 F. 448, 461 (8th Cir. 1902), cited in In Re Grand Jury Investigation, 600 F.2d 420, 422-23 (3d Cir. 1979).) In other words, the contemnor will be freed as soon as he or she complies with the court's order. However, in one poignant context this truism rings hollow. In a child custody dispute where one parent refuses to produce the child for the other pursuant to a court visitation or custody order, and the court invokes its civil contempt power to incarcerate the recalcitrant parent, the child is deprived of the nurturing, care and love of both parents.

THE MORGAN CASE

There are several examples of this. One of the most publicized examples involves Dr. Elizabeth Morgan. On August 21, 1987, D.C. Superior Court Judge Herbert B. Dixon, Jr., ordered Morgan to deliver her daughter Hilary to her ex-husband, Dr. Eric Foretich, for a 2-week unsupervised visit. Morgan refused, claiming that Foretich had sexually abused Hilary during past visits. During a partly closed hearing on August 26, 1987, Judge Dixon held Morgan in contempt of court for defying the order and imposed a fine of $5,000 of each day she refused to comply. On August 28, 1987, Dr. Morgan began serving an indefinite jail sentence for contempt. She has now spent nearly 2 years in jail and has resolutely asserted that she will stay until Hilary is 18—another 12 years—rather than allow Dr. Foretich access to her. Judge Dixon appears willing to keep Morgan imprisoned until she relents. Hers is a Hobson's choice: either surrender her daughter to someone she believes sexually abused the child or stay in jail indefinitely.

The purpose of civil contempt is not to punish but to coerce compliance with the court's order. Once it is clear that the civil contempt sanction will not coerce a recalcitrant individual, that sanction must be removed. The failure to do so constitutes a deprivation of liberty or property without due process. That is, the coercive sanction is transmuted into a punitive sanction at the point coercion can no longer fairly be said to be possible and; therefore, the contemnor is entitled to further procedural protections before the sanction can continue. (See, for exam-

ple, *Shillitani* v. *United States*, 384 U.S. 364, 371-72 (1966); in re Grand Jury Investigation, 600 F.2d 420, 423-24 (3d Cir. 1979); *Lambert* v. *Montana*, 545 F.2d 87, 89-90 (9th Cir. 1976); Matter of *Thornton*, 560 F. Supp. 183, 184 (1983).)

Dr. Morgan has served longer than many convicted criminals, even though she endangers no one. Each prisoner costs taxpayers tens of thousands of dollars a year. In a jurisdiction perpetually releasing those apprehended on drug busts and sweeps because the jails lack room for them, scarce jail space could be better used. Dr. Morgan's medical practice has disappeared, along with her home and other assets, and she is now the longest residing female prisoner at the DC Detention Center. She has nothing left to lose. She insists that she will never comply with the court order, an assertion to which her adamancy thus far lends credence. There is no indication that continued imprisonment will change her mind. She appears immune to the coercive authority of the court.

After Dr. Morgan has been incarcerated for 16 months, Judge Dixon said, "The coercion has only just begun." (Washington Post, Dec. 16, 1988.) Had she been imprisoned for criminal contempt in Federal court, her initial sentence would have been a definite period, and a jury trial would have been required to incarcerate her for more than 6 months. (See *Cheff* v. *Schnackmenberg*, 384 U.S. 373, 380 (1966). Now, however, she is still serving indefinitely. No one in the District of Columbia has ever served as long a civil contempt charge. During this whole time Hilary has been without benefit of either parent. Surely this result cannot be in the best interest of the child.

On Friday, June 9, 1989, Dr. Morgan's brother, Robert M. Morgan, appeared before Judge Dixon pursuant to subpoena. Mr. Morgan, an assistant U.S. Attorney in the District of Columbia, refused 26 times to comply with the judge's order to disclose Hilary's whereabouts. (Washington Post, June 10, 1989.) Judge Dixon took no action against Mr. Morgan but directed him to report any change of address or employment and noted he could be jailed for contempt. The specter is now raised of the court incarcerating Dr. Morgan's brother for civil contempt as a means of increasing the pressure on Dr. Morgan herself. If this happens, I suppose the judge could feel free to jail Dr. Morgan's relatives seriatim over the next 12 years before determining she will not be coerced. Enough is enough.

I am not taking sides in the Morgan-Foretich dispute. However, a brief comment on Morgan's stated reason for defying the court order may help illustrate the importance of this bill. When Dr. Morgan became concerned about possible sexual abuse, she took Hilary to several different examiners. Most of them diagnosed sexual abuse. One specialist found serious vaginal scarring and other injury indicative of abuse. A psychologist at the Chesapeake Institute saw Hilary for 87 sessions from January 1986 to August 1987. His notes document that in 21 of those visits Hilary described physical or sexual abuse. The psychologist explained that Hilary could not have fabricated the incidents or been coached to recite them because of the explicit detail and authentic emotional state with which she recounted them. (Washingtonian, December 1988.)

In a related case, according to the U.S. Court of Appeals for the Fourth Circuit, Charles I. Shubin, M.D.—a board certified pediatrician, associate professor of pediatrics at the University of Maryland, and cofounder and co-director of the first program in the United States for the training of pediatric health professionals in the diagnosis of child sexual injuries—was prepared to testify that Heather, Foretich's daughter by his second wife (Morgan was his third), exhibited injuries similar to those suffered by Hilary. "[N]umerous other professionals and lay witnesses [were also] prepared to testify that Heather had been sexually abused during visitation periods with [Foretich and his parents]." (*Morgan* v. *Foretich*, 846 F.2d 941, 943-44 (4th Cir. 1988).) Evidence of Heather's injuries were excluded from both the D.C. and Federal court cases. The fourth circuit ruled that the evidence in the Federal case was excluded inappropriately. "The proffered evidence of sexual abuse suffered by Heather * * * was highly relevant," it said. In fact, "this evidence was essential in that it tended to identify the defendants [Foretich and his parents] as the perpetrators of the crime against Hilary since only the defendants had access to both girls. No other piece of evidence could have had a comparable probative impact as to the identity of Hilary's assailants. This evidence also negated several defenses raised by the defendants." (*Morgan* v. *Foretich*, 846 F.2d 941, 944 (4th Cir. 1988).)

Foretich denies ever molesting Hilary. Judge Dixon found the evidence of sexual abuse "in equipoise"—in other words, equally balanced. (Legal Times, Dec. 5, 1988; New York Times, Dec. 15, 1988.) Neither party won suits accusing the other of abuse; the courts cannot determine which party is telling the truth. Under such circumstances, a mother's protectiveness should not be punished forever. My bill makes the 12-month cap on civil contempt in such cases retroactive to January 1, 1987, and thus would free Dr. Morgan.

Elizabeth Morgan is only one of several mothers recently imprisoned under the contempt power for refusing to send their children to court-ordered visitations with ex-husbands accused of sexual abuse. (Note, "Modern Discussion of a Venerable Power: Civil Versus Criminal Contempt and its Role in Child Support Enforcement: *Hicks* v. *Feiock*," 22 Creighton L. Rev. 163, 183 n. 195 (1988).) These cases have prompted reevaluation of the rules surrounding incarceration for contempt. Civil contempt is supposed to be coercive, not punitive; to entice the contemnor to obey the court, not to punish him or her for refusing to do so. Regardless of the merits of the Morgan case—the facts of which are detailed, complex, and partly secret—the present District of Columbia law regarding civil contempt does not take into account unique concerns arising in child custody cases.

THE 12-MONTH CAP

Under rule 42 of the Federal Rules of Criminal Procedure, a criminal contempt may be punished summarily, but it must be prosecuted on notice, with a hearing, and the defendant is entitled to a trial by jury. If the contempt involves disrespect to or criticism of a judge, that judge is disqualified unless the defendant consents. Moreover, if found guilty, the defendant still receives a fixed punishment. (Fed. R. Crim. P. 42.)

Such protections are lacking for most civil contemnors. The Federal recalcitrant witness statute provides that an uncooperative witness before a court or grand jury may be confined until he or she is willing to provide the requested information. The confinement is capped at 18 months. (28 U.S.C.A. 1826.) For ordinary civil contempt, however, there is no cap either in the Federal courts or in those of most States. Notable exceptions are California, with a 12-month limit, and Wisconsin, with a 6-month limit. (For a detailed discussion of the Wisconsin law, see Martineau, "Contempt of Court: Eliminating the Confusion Between Civil and Criminal Contempt," 50 U. Cin. L. Rev. 677 (1981).)

Moreover, if the contemnor has nothing left to lose, or demonstrates an unwillingness ever to be persuaded by the court's action, the imprisonment serves no remedial or potentially coercive purpose. Continued imprisonment under such circumstances is then punitive and is constitutionally impermissible as a deprivation of liberty without due process. (See, for example, *Gompers* v. *Bucks Stove & Range Co.*, 221 U.S. 418, 442-52 (1911); *Jackson* v. *Indiana*, 406 U.S. 715, 738 (1972).)

CONCLUSION

Traditional burdens of proof are unusually difficult to meet in cases of child sexual abuse, especially with respect to very young children. Evidence of abuse insufficient to convince a

court may be sufficient to convince a well-trained physician or therapist. In such a case, when the parent of the abused child refuses to submit to court-ordered demands to allow the alleged abuser access to the child, many courts are sentencing the recalcitrant parent, which is typically the mother, to contempt. Some mothers have gone underground rather than submit to the court, and taken the child with them. Others have gone to prison rather than risk endangering their children.

A 1-year limit on imprisonment for civil contempt in child custody cases before the D.C. Superior Court is a prudent and needed step to protect the interests of the children in these deeply unfortunate cases.

Mr. President, I wish again to thank the distinguished majority leader for calling this up and for doing what he promised me he would do, even though he has qualms about it as a former Federal district judge and a person who is steeped in the law, learned in the law, and one for whom I have an inestimable respect not only because of his position but because of the experience of working with him. I have the same qualms and same concerns.

But there has to be a limit to everything. I think it is time to resolve this problem and this is the only way that I could see to resolve it. I think it is the right thing to do, in spite of the qualms that both the distinguished majority leader and I, and I suppose others, have.

So, with that, I yield the floor.

Mr. ARMSTRONG. Mr. President, on August 21, 1987, D.C. Superior Court Judge Herbert B. Dixon ordered Dr. Elizabeth Morgan to deliver her daughter Hilary to her ex-husband, Dr. Eric Foretich for a 2-week unsupervised visit. Dr. Morgan refused to do so. She claimed that Dr. Foretich had sexually abused Hilary during past visits.

During a partly closed hearing on August 26, 1987, Judge Dixon held Dr. Morgan in contempt of court for defying the order and imposed upon her a fine of $5,000 for each day she refused to comply. On August 28, 1987, more than 2 years ago, Dr. Morgan began serving an indefinite jail sentence for contempt. She has now spent more than 2 years in jail and has resolutely asserted that she will stay until Hilary is legally an adult, another 12 years, rather than allow Dr. Foretich unsupervised access to her daughter Hilary.

Judge Dixon, who made the statement "The coercion has only just begun" after Dr. Morgan had been in jail for 16 months, appears to be quite willing to keep Dr. Morgan imprisoned indefinitely.

I ask you to make the choice. I ask my colleagues to reflect upon the choice that Dr. Morgan was forced to make: Either to give her child to someone who she believed had sexually abused her child, or to stay in jail until the child reached the age of legal majority and was, therefore, beyond the reach of such a court order. I venture to guess that few Senators would wish to be put in such a position.

Mr. President, the purpose of civil contempt is to coerce compliance with a court order. It is not properly used to punish. Once it becomes clear that the court's civil contempt sanction will not coerce a recalcitrant individual, that sanction is inappropriate and should be lifted. Otherwise, it seems to me obvious that we are violating one of the most basic premises of our legal system: That a person should not be deprived of liberty nor punished without due process.

Mr. President, I suppose many Senators know, but perhaps there are some who are not aware of the fact that someone who is held for criminal contempt has far more rights to due process than a person who is held for civil contempt.

Dr. Morgan has been held now for more than 2 years on civil contempt and has none of the rights and protections that someone has if they are brought up on criminal charges.

I appreciate the observations of concern that have been expressed about the seriousness of limiting the powers of the judiciary, and I respect that point of view. But it seems to me that what we have here is a circumstance which is so abusive that it deserves correction, not just the Dr. Morgan case, but the fact that we would have a circumstance in which any person could be held for a prolonged period of time without opportunity for appeal, without due process on civil contempt, when they would not be in that position if the contempt were criminal nature.

Mr. President, anybody who is brought up on charges of criminal contempt would have many more protections than an individual who is jailed indefinitely, as Dr. Morgan has been. Under rule 42 of the Federal Rules of Procedure, a criminal contempt may be punished summarily, but it must be prosecuted on notice with a hearing and the defendant is entitled to a jury trial.

Equally important, Mr. President, if the contempt involved disrespect or criticism of a judge, that judge is disqualified unless the defendant consents.

Moreover, if found guilty, the defendant still receives a term of punishment which is fixed, it is for a definite period of time. All these safeguards of the rights of the accused, or even of the convicted, are in marked contrast to the treatment received by Dr. Elizabeth Morgan.

So we are left here tonight to wonder why those who are held for civil contempt are so vulnerable in a legal system that is scrupulous about protecting the rights of individuals who are accused of a criminal offense.

The Federal recalcitrant witness statute provides that an uncooperative witness before a court or jury may be confined if the witness is willing to provide the requested information. That confinement, however, is limited to no more than 18 months.

For civil contempt there is no cap, and indeed, absent the passage of this statute or something like it, Dr. Morgan or someone else similarly situated might be held in jail not just for 1 year or 18 months or 2 years as Dr. Morgan has, but potentially for a very long period of time.

California is an exception in imposing a 12-month cap. Wisconsin imposes a 6-month time limit for civil contempt. I believe that other States do not have similar limitations. And I hope that the States, and our State legislators, will take notice of the action being taken here tonight by the Senate and consider whether or not in State jurisdictions that similar action would be in order.

This legislation, which is now before us tonight, is occasioned by the tragic case of Dr. Elizabeth Morgan. But I would not want this to pass with somebody thinking this is a private relief bill. It is not anything of the kind. It is a bill of general application, a bill which any of us, I think, could believe in and be in favor of, even if there were not a dramatic and tragic indication like that of Dr. Morgan. But it is certainly unthinkable that we should draft a solution to the overall problem that did not respond to the specific facts of her case.

Mr. President, although the hour is late, to impress upon my colleagues the importance of rectifying her situation, I want to take a moment to explain the background of her situation.

Dr. Morgan's 2-year incarceration began when she was held in contempt and jailed because she refused to comply with a court order dated August 19, 1987, that she send her 5-year-old daughter on a 2-week unsupervised leave with the child's father.

In a letter dated May 27, 1987, Hilary's psychologist sent both Dr. Foretich, her father, and Dr. Morgan her mother, a letter telling them: "Hilary, for the first time, has expressed suicide thoughts." In the same letter Dr. Froning stated, "It is my opinion that Hilary is currently suicidal because she believes she is worthless. This feeling of worthlessness is based on the fact that although she has told many people that she was sexually abused by her father and that she does not want to have visits with her father, she has been continually forced into visits which she considers frightening situations."

On July 16, 1987, Hilary's psychologist, Dr. Mary Froning sent a letter to Dr. Morgan stating: In her role as Hilary's therapist, she must reiterate her position that for Hilary's physical and emotional safety, she should not be continually placed in the jeopardy that these visits place her.

Can anybody wonder, particularly any of us who have daughters, at Dr. Morgan's decision not to send her daughter on such an unsupervised visit?

At this point, Mr. President, I do ask the letters sent by Hilary's psychologist describing her suicidal state and expressing her belief that the child not be sent on unsupervised visits be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE CHESAPEAKE INSTITUTE, INC.,
Kensington, MD, May 27, 1987.

Dr. Eric Foretich,
Great Falls, VA.

DEAR DR. FORETICH: I am writing to you concerning your daughter, Hilary. In recent sessions (5/22/87 and 5/26/87) Hilary for the first time has expressed suicidal thoughts. Because she has considered methods of accomplishing this, I felt it was my duty to warn you of this serious threat to her well-being. I have also so informed her mother, Dr. Morgan, and requested her permission to share this information directly with you.

I know you may find this difficult to believe—I did as well. However, as you may be aware, there have been documented cases of suicide of children as young as Hilary. Therefore, this situation must be taken seriously.

For her safety, I suggest the following in order to ensure that she does not harm herself:

(1) Hilary should be monitored very closely around roads and highways to avoid her darting into the path of an oncoming vehicle.

(2) Hilary should be monitored very closely around bodies of water (I understand you have a pool and lake on or near your property) to avoid drowning.

(3) All sharp knives and razor blades should be secured out of her reach. "Sawing" herself with a knife is one of the ways Hilary has considered.

(4) If there are guns in your house, they should be unloaded and secured out of her reach.

(5) All medicines and drugs should be secured out of her reach.

(6) Hilary should be watched carefully near the tops of stairs. Throwing herself from a high place or down the stairs are other methods she has considered.

It is my opinion that Hilary is currently suicidal because she believes she is worthless. This feeling of worthlessness is based on the fact that although she has told many people that she was sexually abused by her father and that she doesn't want to have visits with her father, she has been continually forced into visits which she considers frightening situations. As you are aware she handles this by dissociating—pushing her memories of the abuse down and concentrating on the positive around her. Thus, she can appear to be happy during the visits with you. However, her defenses are still fragile. Should these defenses collapse under stress, Hilary may act impulsively to harm herself. That is why I am encouraging you and those who take care of her in your absence, to be watchful.

Should you wish to discuss this further, I will be available to speak with you.

Sincerely,

MARY L. FRONING, PSY. D.,
Staff Psychologist.

THE CHESAPEAKE INSTITUTE, INC.,
Kensington, MD, July 1, 1987.

Dr. ELIZABETH MORGAN,
Washington, DC.

DEAR DR. MORGAN: I am writing this because of my concern for the welfare of your daughter, Hilary. For the following reasons, I strongly recommend against your compelling Hilary to attend the scheduled unsupervised visit with her father this coming weekend (7/2-7/5/87):

(1) Her recent abuse, which she described to Metropolitan Police Officer, Detective Williams, on 6/24/87. To expose her to the likelihood of reabuse by her father at this time would be very detrimental to Hilary's mental health. The message she would receive is that the terror she feels is inconsequential, and that therefore she is worthless.

(2) These feelings of worthlessness and/or the stress of possible or actual reabuse likely would trigger her suicidal feelings, thereby putting her life at risk.

If you have any questions, please do not hesitate to call.

Sincerely,

MARY L. FRONING, PSY. D.,
Staff Psychologist.

THE CHESAPEAKE INSTITUTE, INC.,
Kensington, MD, July 16, 1987.

ELIZABETH MORGAN, M.D.,
Washington, DC.

DEAR DR. MORGAN: I am writing to you to express my concern over Hilary's continuing to be compelled to undergo unsupervised visits with her father. I am fully aware of the legal issues that you face should you not comply with Court-ordered visitation. However, in my role as Hilary's therapist, I must reiterate my position that for her physical and emotional safety she should not be continually placed in the jeopardy that these visits place her.

Hilary's emotional health has suffered tremendously in recent weeks, but particularly since her disclosure to Detective Williams of recent abuse. This is understandable given the fact that not only did that not protect her but has now exposed her to even more abuse because of her father's anger for the perceived betrayal. As you will remember I predicted that Eric would respond in this way to Hilary's disclosures as far back as my report of June 1986.

In addition, it seems clear from Hilary's statements that her father's emotional health is deteriorating as well, given his reported choking of her to attempt to keep her from telling of his abusive behavior.

I believe that Hilary is at great risk for continued violent behavior on her father's part and for continued deterioration of her fragile defenses. The potential physical and emotional damage to her is frightening to contemplate.

I understand that you have attempted to remain neutral concerning the visits and Hilary's father's abusive behavior toward her. However, this too is having a bad effect on Hilary, who has become even more hopeless and depressed as her feelings remain unvalidated by you. In particular, she has been unable to comprehend that you ignored the fact that her father spit in her face right in front of you. At the very least, you must respond to stop abuse that occurs in front of you.

I empathize with the dilemma you face to meet both your legal and maternal responsibilities. I just wanted to make clear the risks for Hilary.

Sincerely,

MARY L. FRONING, PSY. D.,
Staff Psychologist.

Mr. ARMSTRONG. The psychologist saw Hilary for 87 sessions, from January 1986 to August 1987. Her notes document that in 21 of these visits Hilary described physical or sexual abuse. Dr. Froning maintains Hilary could not have fabricated the incidents or been coached to cite them because of the explicit detail and the emotional state with which she recounted them. The evaluations of 11 psychologists, gynecologists, pediatricians, and a police officer all diagnosed Hilary as a victim of sexual abuse.

Finally Heather, Dr. Foretich's daughter by his second wife, exhibited injuries similar to those diagnosed in Hilary. Incredibly, the evidence of Heather's injury was excluded from both the D.C. and Federal court case. The 4th circuit has since ruled the evidence in the Federal case was excluded inappropriately.

Specifically the court found, "The proffered evidence of sexual abuse suffered by Heather was highly relevant. This evidence was essential in that it tended to identify the defendants, that is Foretich and his parents, as the perpetrators of the crime against Hilary since only the defendants had access to both girls."

No other piece of evidence could have had a comparable probative impact as to the identity of Hilary's assailant. This also negated several defenses raised by the defense.

Mr. President, whether one that believes that Hilary was abused or not—and I guess it is obvious that there is strong evidence to support such a belief—Dr. Morgan's position was untenable. When asked to describe her state of mind when she defied the court order, Dr. Morgan stated, and I now quote her: "I had to face the fact that for 1 year I sent my child off to her rapist." She made her decision and has, I think understandably, shown no indication of waiver.

In this case, it is very clear that incarceration is punitive rather than coercive. She, as for anyone in her position, should be released and at least given the opportunity of the protections afforded to those who are brought before the bar of justice on criminal charges.

This bill is not a perfect solution to the problem of civil contempt. It does provide an answer for the next 18 months, and I am sorry it has waited

this long for action. Many Senators spent August vacationing. Dr. Elizabeth Morgan spent it rotting in the D.C. jail, and I regret that.

I do not recite these facts, Mr. President, to elicit sympathy for Dr. Morgan. She is a victim. But, far more important, she is a heroine. Out of her suffering and the tragic circumstances of her incarceration, there has come to the attention of the Senate a serious injustice, in my view a gross abuse of judicial discretion, but more important, legislation which needs to be enacted so that this will not happen to someone else.

Let me say again that, for that, we are indebted to Dr. Morgan. She is an example of a person not to be pitied but to be admired for having the courage of her convictions. I do admire her and I again commend to my colleagues in the State Legislature of Colorado and elsewhere, where such legislation is needed, that they consider the action taken tonight by the Senate and consider whether they would like to emulate it in their jurisdictions.

Finally, Mr. President, I would like to take a moment to express my special appreciation to several Senators who have taken a deep a sincere personal interest in this matter, especially Senator SASSER, who rearranged his schedule and that of the committee to hold a prompt hearing, and Senator GLENN, and Senator TED STEVENS expressed special interest in it and helped to move it along. BILL ROTH did. And, of course, ORRIN HATCH has been interested in this for some time.

More, perhaps, than any Member of Congress that I know of, the person who has done the most to bring this to our attention and to make it possible to enact this legislation in a timely manner, though not as promptly as I would have wished, is our colleague from Virginia, FRANK WOLF. Senator HATCH referred to him earlier. While some of us were trying to figure out what to do, he got busy and got a bill passed by the House very promptly. For that I think we all owe him a debt of gratitude.

Last, but not least, I want to join the others who have expressed their appreciation to the leader for bringing this to our attention promptly. I regretted that we could not act on it before the August recess, but in speaking to the leader on the night that we adjourned for 30 days, he explained to me the reasons why it was impossible for us to act on it and promised that he would bring it to our attention very early in the session. As always, he has been as good as his word, and I am grateful to him for that.

Mr. DANFORTH. Mr. President, there is an old legal adage that "hard cases make bad law." S. 1163, the District of Columbia Civil Contempt Incarceration Amendments Act, proves there is wisdom to be gained from that adage. This bill, in attempting to solve a single hard case, threatens the power of the judiciary to enforce its own orders.

The purpose of the bill is to obtain the release of Dr. Elizabeth Morgan. Dr. Morgan has been incarcerated for over 2 years for refusing to comply with a court order by the Superior Court of the District of Columbia. The facts of Dr. Morgan's situation are tragic. I cannot think of a case more compelling or more deserving of sympathy. She has refused to disclose the whereabouts of her minor daughter, despite a court order to do so, out of concern for the child's safety. Nevertheless, she has been held in civil contempt for refusing the court's order and shows no willingness to comply in the near future. This is indeed a hard case.

Mr. President, I sympathize with Dr. Morgan and her plight. I, like many Senators, want to see her released from jail as soon as possible. But I do not believe sapping the power of the court, which the legislation at hand would do, is the way to achieve this goal.

In this country we adhere to a system of law. That system provides for an independent judiciary—a judiciary that stands apart from day-to-day politics. It is absolutely crucial to an independent judiciary that the courts have the power to secure obedience to the orders they issue. That is part and parcel of our system of law. Our courts must have the power to hold a person in contempt, and to imprison that person, when he or she refuses an order. This is our tradition. It works well. And it should not be changed by legislative remedy to accommodate specific cases.

The power to hold people in civil contempt is not absolute. It is tempered by both practical and constitutional limitations on the court's power of forcing compliance. When the action sought by the court is beyond the person's power to perform, the court must release that person. Similarly, if it becomes clear imprisonment will not succeed in forcing compliance, that imprisonment becomes punitive, thereby defeating its purpose. At that point, constitutional principles of due process require that the imprisoned person be released.

Mr. President, these limitations on the court's power are not merely theoretical. In fact, they have already brought Dr. Morgan closer to freedom. Recently, a panel of the District of Columbia Court of Appeals ruled that Dr. Morgan's resolve to protect her child no matter what the cost to her personal freedom would not be overcome by any further time in prison. Unfortunately, the court's order to release her was held up pending a rehearing of the case by the full D.C. Court of Appeals later this month.

The recent action by the D.C. court demonstrates that our court system can prevent a judge from abusing his power to sanction someone for civil contempt. The system is working here, perhaps a bit too slowly to suit the congressional temperament, but it is working nevertheless.

Mr. President, my own review of the bill before us raises certain concerns. Placing a limitation of 1 year on the time an individual may be incarcerated for civil contempt in child custody cases would seem to increase the likelihood of contempt. The prospect of an indeterminate stay in prison is how a judge gains compliance from an unwilling witness. It is the very indeterminacy of imprisonment that enables the court to achieve the behavior it seeks. Eliminate the indeterminacy, and the incentive to comply is weakened. The reluctant witness gains an advantage over the court. I don't think that is what the sponsors of this bill intend. But that's the plain consequence if their bill is enacted.

I understand the sponsors of this bill have agreed to amendments to limit its impact on future cases. Doing so may reduce the chance that this legislation will create bad results in other cases. But it does not remove the danger of the Senate becoming involved in future sympathetic cases. Even if this bill is written to help, in effect, only Elizabeth Morgan, it will set a precedent for helping others. Our sense of fairness will demand as much from us. After passing this law, will we be able to say no to someone else who comes along and has an equally compelling case? I doubt it.

Mr. President, it is inconsistent with the Senate's proper legislative role for it to become a court of appeal for disappointed litigants, whether in the Morgan case or any other. I do not believe Congress has any business acting as the final arbiter of child custody cases in the District of Columbia. To claim this responsibility for ourselves politicizes the judicial system. It means that if there is enough public outcry in response to a given case, we will take over for the courts. That, I submit, is wrong. It compromises the system of law which has guided our country from the beginning.

I want to see Elizabeth Morgan free. But I do not believe that end should be secured by keeping the court from being the court. We should not compromise an established principle of law—the court's power to use contempt to enforce its orders—to settle a particular case or appease public opinion.

Mr. DOLE. Mr. President, I know of no Senator who is not moved by the sad—indeed tragic—case of Dr. Elizabeth Morgan. Dr. Morgan has spent more than 2 years in jail as a result of her continuing defiance of a D.C. Su-

perior Court order requiring her to disclose the whereabouts of her young child, Hilary.

GOOD INTENTIONS

I am convinced that Dr. Morgan's refusal is the product of good intentions: She sincerely believes that disclosing the whereabouts of her child could seriously jeopardize the child's safety. And I deeply respect Dr. Morgan's concerns—concerns that obviously have a firm place in Dr. Morgan's heart.

FAILURE OF THE CIVIL CONTEMPT POWER

But you do not have to be a legal scholar to recognize that the court's use of the civil contempt power has failed in this case. Notwithstanding her continuing incarceration, Dr. Morgan has steadfastly refused to comply with the D.C. Superior Court's order. Coercion, in other words, simply has not done the trick here. And I believe that the time has now come for Dr. Morgan's release from jail. More jail time will simply not result in a change of heart or a change of mind.

THE ROLE OF CONGRESS

But what role should Congress play here? Should Congress directly intervene in the Morgan case? In fact, should Congress amend the District of Columbia Code every time it believes that a single individual is entitled to relief from the sometimes tough requirements imposed by the laws of our Nation's Capital?

I think the answer to these questions is "no." And S. 1163, no matter how well-intentioned, would set a bad precedent—a bad precedent for Congress' relationship with the District of Columbia and a bad precedent for the importance of obeying court orders generally.

RECONSIDERATION OF THE MORGAN CASE

But Dr. Morgan will soon have a second chance. It is my understanding that the D.C. Court of Appeals will reconsider the Morgan case sometime in late September or October. At this time, I hope that court—in its wisdom—will decide that Dr. Morgan's continued incarceration no longer serves any legitimate punitive or administrative purpose and will therefore order her release from jail.

An editorial that recently appeared in the Washington Post makes the point that I have tried to make here today.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD in its entirety.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Aug. 30, 1989]

UPDATE ON DR. MORGAN

Three-judge panel of the D.C. Court of Appeals ruled recently that Elizabeth Morgan can no longer be held in jail on civil contempt charges since she has demonstrated that she cannot be coerced into obeying a court order. Any further confinement, a majority of the panel found, is punitive and can only be imposed after trial and conviction on criminal contempt charges. Before the panel's release order took effect, however, the full court announced that it would rehear the case next month. Dr. Morgan remains in D.C. Jail, where she has been for two years and three days longer than anyone has ever been imprisoned for civil contempt in this jurisdiction.

The Morgan-Foretich divorce and child custody case has also set records here. The acrimonious and drawn-out dispute over visiting rights and alleged sexual molestation has been in court since 1983. But the current phase of the litigation is concerned with a question of interest not just to the parties, but to all citizens: How long can a court hold a person without trial in order to force compliance with a court order? We agree with the panel's majority that two years is simply too long and that if Dr. Morgan is to be punished for her recalcitrance, she must be given a trial and be convicted of criminal contempt. Furthermore, we hope the full court upholds the panel without delay because if this does not happen, Congress is likely to respond with legislation that would be troubling in two respects.

In response to concerns about Dr. Morgan, Rep. Frank Wolf (R-Va.) has introduced legislation that would free her and limit imprisonment for civil contempt to 12 months except in cases where criminal contempt charges have been filed. The measure passed the House quickly and is now pending in the Senate. We have serious misgivings about congressional intervention in a court matter of this kind—particularly intervention to overrule a judge—and we question the wisdom of setting blanket statutory limits on the contempt power. Two states have adopted similar limits, and some academics have supported the concept. But neither the D.C. Bar nor the judges of this city were asked for views on the Wolf bill before it was passed. We share the misgiving voiced by the American Civil Liberties Union, which opposes statutory limitations—because they may send a "message that obedience to the court's order is not really required, but is simply an option to be balanced against the alternative option of one year of incarceration"—and which favors instead faster and more thorough appellate review of incarceration cases. At the very least, Congress should think long and hard before limiting the court's sole power to enforce orders, out of concern for a single individual. After two years of defiance, it is no longer reasonable to continue to detain Dr. Morgan. But it would be far better if she were freed by the courts and not by Congress.

Mr. RUDMAN. Mr. President, I rise in support of S. 1163, a bill to amend the District of Columbia Code with regard to civil contempt orders in child custody disputes, otherwise known as the Elizabeth Morgan bill. Although I had misgivings with this bill's overbroad effects on the judiciary, I am pleased to see these concerns addressed with an amendment sun-setting S. 1163 18 months after its enactment.

Dr. Elizabeth Morgan has been incarcerated for more than 2 years for defying a D.C. Superior Court's ruling ordering her to allow her daughter on an unsupervised visit with the father, Morgan's ex-husband, who Morgan claims sexually abused the child. She was cited on a civil contempt charge, and she remains incarcerated today. Civil contempt orders are intended to be coercive, not punitive, in nature. The record is clear that Dr. Morgan has, through her resolve, shown that she will not be coerced on this point, making her incarceration punitive and therefore unjust.

S. 1163 is designed to obtain the release of Dr. Morgan. It would do so by amending the D.C. Code to limit to 12 months the amount of time an individual may be jailed for civil contempt in District of Columbia child custody cases, retroactive to her incarceration.

While I support the underlying intent of this bill to free Dr. Morgan, I am wary of enacting a law on the basis of one exceptional case, especially when that law serves to limit the discretion of the judiciary. I believe judges need to have the flexibility to enforce their orders on a case-by-case basis, and setting an arbitrary 12-month cap on civil contempt authority would severely hamper this.

In light of these concerns, I strongly support the addition of the 18 month sunset provision on the bill, and the direction to the Senate Governmental and Judiciary Committees to study the general issue of incarceration for civil contempt. This amendment ensures the release of Dr. Morgan without permanently intruding on judicial authority, and enables the Senate to more properly study the broader civil contempt issue at a later time.

I also ask unanimous consent to have printed in the RECORD a copy of the additional views I prepared for the Governmental Affairs Committee's report on S. 1163. They refer to the version of the bill as reported from committee, and explain my concerns over the potential unintended and undesirable ramifications this legislation may have on future legal proceedings.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ADDITIONAL VIEWS OF SENATOR WARREN B. RUDMAN

S. 1163, as reported by the Committee, would place a twelve month limit on the amount of time an individual may be incarcerated for civil contempt in child custody cases before the District of Columbia Superior Court. However, this limit is not an end unto itself, but rather the means to accomplish another goal: the release of Dr. Elizabeth Morgan. In fact, her release is the driving force behind S. 1163, and it is not inaccurate to call it a de facto private relief bill with Dr. Morgan as its beneficiary. Unfortunately, this measure in its current form would intrude on the legitimate authority of the judicial branch of government, with possible serious negative consequences. Therefore, it is my intention to amend this legislation on the Senate floor to limit its effect to Dr. Morgan.

The history of Dr. Morgan has been well publicized and is fully described in the Committee report, so I shall not recount it here. I agree that Dr. Morgan has been incarcerated long enough under civil contempt and should either be released or, at the very least, given the opportunity of a jury trial. However, I am greatly troubled with S. 1163's mechanism to achieve her release and with the inadequate scrutiny that mechanism has received in the Senate.

While the bill would only limit civil contempt orders in custody disputes before the D.C. Superior Court, it raises a larger issue: the extent to which Congress should intrude upon the ability of the judicial branch of government to enforce legitimate orders issued by the courts.

We are a nation that operates under the rule of law. The defiance of court orders is and must continue to be a serious matter, regardless of the venue, subject, or outcome of the trial. Any legislative effort which, however accidentally, encourages people to disobey the law threatens the fabric of our society.

In recognition of this concern, and in a partial effort to limit this bill's impact to Dr. Morgan, S. 1163 distinguishes between civil contempt orders in custody disputes and civil contempt orders in all other cases. Since it makes no legal sense to assert that judges presiding in custody cases should have less power to enforce their orders than judges in all other cases, the bill is a disturbing precedent in the area of civil contempt.

The civil contempt tool is designed to coerce compliance with a judicial order, not to punish individuals for disobedience. It differs from criminal contempt in two ways. First, the contemnor holds the key to his or her own release by exercising the option to comply with the court order. Second, release is mandatory when no further purpose is served by the contempt order.

This bill would significantly reduce the coercive effect of such incarceration. Under the current practice, judges have considerable success in obtaining compliance with their orders, many times by simply raising the merest possibility of jailing for contempt. This is because individuals must weigh their defiance of the order against the possibility of an extended, even unlimited, stay in jail. The establishment of a ceiling presents the contemnor with a choice where none existed before: whether to comply with the order or remain incarcerated for a specified time. Not only does this signal the potential contemnor that the system provides an avenue for defiance of an order, but it is likely that the enactment of such a cap will lead to witness a steady increase in the number of individuals who opt for the limited incarceration, especially when they consider the court order to be particularly distressing.

It is possible there are problems in the civil contempt process, but no case has been made that they lie in the length of potential incarceration. Extended time in jail is often necessary. An ongoing case in Maryland is demonstrative of this point. In that state, a woman has been jailed since April, 1988, on a civil contempt charge for failing to obey a judge's order to produce her child. Unlike Dr. Morgan, this woman is a convicted child abuser and is suspected of having abused or killed the child. The state wants the child produced to ensure that he is alive and well, and possibly to take custody. Leaving aside the Fifth Amendment issues at stake, here we have a case where the welfare of the child is at issue and coercive incarceration beyond twelve months seems clearly justified. If S. 1163's concept were applied to this woman, she would have been released three months ago and the whereabout and well-being of the child would still remain a mystery. It is irresponsible to point to the Morgan case as indicative of the benefits of this legislation, without pointing to the Maryland case as one of its dangers.

Beyond the substantive problems surrounding this measure, S. 1163 has not been subject to the regular legislative process. This is because, although S. 1163 is a substantive bill, it is being accorded fast-track treatment on the grounds that it has an emergency private relief effect. The bill was the subject of one hearing at which only the bill's sponsor, a family court jurist, and a legal academic were allowed to testify. There were no witnesses from the affected jurisdiction, legal groups such as the American or District of Columbia Bar Association, civil liberties groups, and, most importantly, from the D.C. or federal judiciaries. Moreover, the Committee's markup occurred three workdays after the hearings, before the complete hearing record was available.

This haste has had consequences. There are many practical and policy matters which are unresolved, but which could have been addressed in a more thorough legislative process. For example, does a parent who remains incarcerated for the twelve month period in defiance of a court's order to produce a child still retain custody after the twelve months? Could a judge simply issue a new order requiring the presentation of the child, and confine the parent on a new contempt charge? Are there better reforms to be considered in the civil contempt process, such as de novo appellate review and the right to effective counsel? Is this intended to be a precedent for other common uses of civil contempt, such as to enforce orders in civil rights cases, to require witness to testify under immunity, and to enforce judicial decisions in non-custody civil cases? Does the legislation unconstitutionally interfere with the judge's criminal contempt power? In my opinion, these are questions which deserve answers before such legislation is passed.

To highlight the haste with which this bill has been put together, it appears that S. 1163 as reported would not ensure the release of Dr. Morgan. The Committee will attempt to amend the bill in the Senate floor to address this flaw. While I will not object to such an effort, it illustrates the unintended consequences of overly hasty consideration of substantive legislation.

When the subcommittee Chairman announced his intention to leave the hearing record open for ten days, one sponsor of the bill urged him not to let Dr. Morgan remain in jail any longer. I support the goal of her release. Accordingly, I will offer an amendment which will ensure Elizabeth Morgan's release, but would make no permanent change in law. By doing so, the Senate could work its will in this case without leaving messy footprints in the D.C. Code.

The Senate, if it so desires, can then engage in a reasoned debate over the merits of the civil contempt issue, with the proper deliberative quality for which it is so renown, without the motions surrounding Dr. Morgan's plight steering the debate. There is an old lawyer's saying: "Hard cases make bad law." Let us pass a statute to release Dr. Morgan if that is the will of the body. But it would be a grave mistake to make law on the basis of one extraordinary case.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, I have serious reservations about S. 1163, a bill to limit the time in which a person may be held in civil contempt by the Superior Court of the District of Columbia in child custody causes.

This bill arises from a particular set of circumstances and is designed to effect the release of one person from jail.

Dr. Elizabeth Morgan has been held in civil contempt since August 1987 for refusing to comply with an order by a judge of the D.C. Superior Court to produce her 7-year-old daughter for an unsupervised visit with the child's father, Dr. Eric Foretich. Dr. Morgan maintains that Dr. Foretich molested the child, and that she is prepared to remain in jail until the child reaches maturity, rather than comply with the court's order.

The custody fight between Dr. Morgan and Dr. Foretich is difficult, complex, and painful. Much of the record has not been made public. As a result, it is not possible for one not familiar with that record to reach a judgment, or, in my case, even to form an opinion in the matter. I do feel and express deep sorrow and regret for all those caught up in this tangled tragedy, especially a 7-year-old child who was allegedly molested by her father and has not seen either her father or mother for 2 years.

Thus, I cannot and do not express an opinion on the case itself. My concern here is solely with the pending legislation. The bill would limit imprisonment for civil contempt in child custody cases, in the District of Columbia, to 12 months. It would expedite the appeal process, so that a hearing must be held within 60 days if so requested. It is made retroactive to 1987.

Whether a court should have the discretion to imprison a person for such a long time in a civil case is a serious question, subject to responsible disagreement. But, even if warranted, a change in the law to limit the court's authority should not be made so as to apply in effect only to a particular person in the middle of a particular case, especially when a judicial remedy remains available.

This bill has moved through the legislative process quickly. That is understandable, given its purpose. But that has resulted in considerable confusion about the legal situation in the case.

Many of the bill's supporters were, and perhaps many still are, under the impression that Dr. Morgan did not appeal the superior court's order because she has no right of appeal, and that, as a result she could remain in jail indefinitely unless this bill is passed. That impression is incorrect. On August 21, a three-judge panel of the District of Columbia Court of Ap-

peals decided, by a vote of 2 to 1, that Dr. Morgan should be released. At the same time, however, the panel's decision was vacated by the full court of appeals, which has decided to hear the case en banc, and has scheduled oral argument for September 20.

That is one reason why this bill should not be passed. Difficult as this case may be, unfair as the result may seem, it is extremely unwise for the Congress to interfere in this way with the judicial branch of government, especially with a bill to affect a specific case now pending in the courts and right in the middle of litigation.

The court of appeals will be holding a hearing on this matter in less than 2 weeks, and Congress should at least give the court the opportunity to resolve this matter itself. The court is in a far better position than the Congress to decide this case.

Senators should also be aware that in passing this bill, the Senate will be opening itself to a charge of hypocrisy. The Senate itself now possesses the authority to hold a person in civil contempt for an unlimited time. In fact, the Senate is exercising that authority at this very moment.

Under the provisions of 28 United States Code, section 1365, the Senate, or one of its committees or subcommittees, has the authority to obtain enforcement of an order or subpoena by holding a person in contempt for as long as may be necessary.

Indeed, the law contemplates that the Senate may want to hold a person from one Congress to the next, by providing that the Senate need only certify its continuing interest in obtaining the information for the contempt power to remain in effect, despite the fact that the Senate has adjourned sine die. In 1981, the Senate held a witness in civil contempt for almost 18 months, when William Cammissano was held in an effort by the Permanent Subcommittee on Investigations to compel his testimony.

Right now, as we consider this bill, the Senate is holding William Borders in contempt for refusing to answer questions relating to the impeachment of Judge Alcee Hastings. How can the Senate justify telling the courts that they cannot hold a person in civil contempt for more than 12 months while retaining that power for itself? This is another unfortunate and embarrassing example of Congress creating a double standard, to its advantage.

Another problem with this legislation is that we may be unwittingly fostering defiance of the courts, in two ways.

First, by setting a time limit on civil contempt, a person will know in advance how long the potential incarceration will be for contempt, and may be tempted to simply wait it out in jail, rather than to comply with the court's order. Some analysts believe that since the purpose of incarceration is to coerce compliance with an order of the court, uncertainty as to the possible length of incarceration may be an important coercive factor.

That may be one reason why, according to the Congressional Research Service, 48 States have not established such time limits; only the States of California and Wisconsin have established such time limits. And the only current limitation on the length of confinement for civil contempt under Federal law applies only to witnesses who refuse to testify or produce documents in Federal grand jury or court proceedings.

Their confinement is limited by 28 United States Code section 1826 to the life of the proceeding or 18 months, whichever is shorter. The law does not limit the length of confinement for civil contempt for violation of other court orders, nor does it affect others who may be subject to the court's power of contempt, including parties.

Second, Congress may be sending a signal, however inadvertent, that it is possible to defy the orders by appealing to Congress. Persons dissatisfied with the judicial process may come to believe that they can obtain recourse in Congress, without bothering to exhaust their judicial remedies. This attitude can lead not only to disrespect for the courts, but also to an increase in such appeals to Congress. We clearly do not have the time, expertise or political independence to serve as an alternative court of appeals for unhappy litigants.

In pursuing this legislation, the proponents have argued, on the one hand, that it is a private relief bill for Dr. Morgan. But they have also argued, on the other hand, that it is a generic reform of civil contempt in certain cases. If it is effectively a private relief bill, then witnesses for the parties involved should have been allowed to testify. They were not.

If, however, the bill is designed to make a general reform in certain civil contempt cases, the bill should not have been so narrowly drawn as to affect only one person, and should have been considered in the broader context of civil contempt as used by all Federal and District of Columbia courts.

That it is, in reality, a private bill for the relief of Dr. Morgan is demonstrated by the fact that the bill, as amended, contains a sunset provision, effectively terminating itself after 18 months.

In other words, this bill will change the law to permit Dr. Morgan to be released, then the law will revert back to its present form. Use of the legislative process in this way cannot be justified.

Mr. President, I emphasize that my objection to this legislation has nothing to do with the merits of Dr. Morgan's case, on which I have and express no judgment. I object because the bill interferes with a separate branch of government and establishes a bad precedent.

Although I oppose this bill, it is clear that a majority of Senators either favor or are indifferent to it. Therefore, I will not seek to prevent or delay its passage. Nonetheless, I want to place my reservations on the record, in the hope that Congress will not consider legislation of this kind in the future without at least addressing some of the concerns that I have raised.

Mr. HATCH. Mr. President, I know that this has been a long day and we do want to end this, but if I could make just a few remarks about the distinguished majority leader's remarks.

I have a great deal of concern for what the majority leader has said, and as the prime sponsor of this bill I have to say there is much merit in what he said. However, I think we should consider just a few other things.

If I had had my way, this would be a generic child custody bill that would continue on, because I believe that such a bill is necessary in child custody cases. They are considerably different from other civil contempt cases or cases where the Senate had held people in contempt. We are talking about child custody, and we are talking about child custody generically. I have real qualms whether any judge should hold any parent beyond 1 year in a child custody case.

Now, we have accepted an amendment because we have tried to accommodate Senators. That amendment sunsets the Senate provision at 18 months. I would prefer not to have that amendment. But in the interest of trying to accommodate, we agreed to it. But let us understand something. It is true that Morgan, a plastic surgeon who has sat in jail for better than 2 years and who is now in her 3d year, will be released by this. It is also true that she had a right for an appeal, but she has pursued that right and still faces the prospect of additional years in jail.

Her appeal will now be heard en banc. That may take a total of around 6 months, which is what it usually takes. It could take longer. Then I can guarantee you, the way this husband feels on this matter, you can absolutely count on a rehearing of the decision en banc to be sought. That is going to take several more weeks. Then there will be a certiorari petition to the Supreme Court of the United States of America. Whether granted or not, you can count on that taking probably another year. And then there will no doubt be a motion to rehear the ruling on certiorari on that particular question. That will take probably several weeks beyond the ruling on certiorari. So you are talking about, because of

this court's decision in the Elizabeth Morgan case, a plastic surgeon, mother, being kept from her child for another 1 or 2 years just because of the procedures that are involved. No one can say for how long it will be until Dr. Morgan's appeal will finally be determined.

Now, again, I do not want to inject myself into a determination as to who is right and who is wrong in this matter, but it does bother me that one party to this litigation could keep the other party in jail if we do not act on this. It does not appear that the judge involved is going to act on this for up to another 1, 2, or 3 years.

The important thing to remember is that the child is deprived of both parents. That child has neither parent. Hilary is left without a parent. I think it is time for us to do something about it. But I have to say the intent of this Senator was not just to do this for Dr. Morgan. She happens to be the only one that it will affect in the D.C. Superior Court, so far as we know. But the intention was to generically do it forever—at least as long as this statute would stay alive in all civil contempt cases involving child custody. That is considerably different from some of the illustrations given by my friend, the distinguished majority leader.

The fact is that passage of this bill does another thing. It sends a message throughout the country that there really is a limit to how much coercion a judge may bring in child custody cases to enforce the will of the court, especially when coercion and coercive activities are not going to work.

This raises the constitutional issue of depriving a person of his or her liberties without due process of law. In this particular case, after more than 2 years, a time much longer than most convicted felons have to spend in jail, you have to ask the question: Is this going to be permitted to continue?

Well, my purpose is to make sure it does not continue in all civil contempt cases involving child custody, in the D.C. Superior Court. The bill will apply in this single jurisdiction, and we'll see how it works. We will see that for at least 18 months if I have my way. Ideally, we should modify the laws of this country to limit civil contempt in child custody cases to a limited period of time. I would prefer a year. Others have argued for 18 months.

But again, I think the distinguished majority leader has raised serious points, and I agree with much of what he has said. I share his concerns. As a lawyer myself, and as one who does have a great deal of respect for the judiciary, a great deal of respect for the separation of powers, and a great deal of respect for the concerns that the distinguished Senator from Maine, our majority leader, has raised here, I, for one, wanted to acknowledge those concerns.

Last, but not least, I want to personally thank the distinguished majority leader, who, although he feels very deeply about this matter, has still consented to allow this bill to pass because a vast majority of Senators want it to pass. I think people all over this community and all over this country who understand this continuing tragedy would like it to pass as well. It may be that where the law is not acting in an equitable way that sometimes the Congress in very rare occasions should act.

So I personally thank the majority leader for allowing this bill to pass. It means a lot to me personally, because I believe in what we are doing here, under these circumstances, though I do share many of the concerns he has expressed. I thank the Senator.

Mr. MITCHELL. Mr. President, I have deliberately refrained from commenting on the specifics of the custody case out of which this legislation arises, and I will continue to so refrain because neither I nor the distinguished Senator from Utah nor any other Senator has seen the record in the case.

Therefore, while I respect the right of others to form opinions on cases with respect to which they have not seen the record, for myself I choose not to reach an opinion on a case where I have not seen and cannot see the full record. I will say only that I believe virtually everything the distinguished Senator has just said confirms my position that this is plainly a bill for the private relief of a single person and does, in fact, affect the result of a pending case in court right in the middle of that litigation in which the matter is actively under appeal.

I have great respect for my friend and colleague from Utah, Senator HATCH, and the other Senators who have expressed an interest in this matter. And I, having made my statement, perfer to rest upon the arguments made there.

With that, Mr. President, I now ask that we move to third reading for final enactment of the bill.

The bill was ordered to be engrossed for a third reading and read for the third time.

Mr. MITCHELL. Mr. President, I ask unanimous consent that H.R. 2136, the House companion bill, be discharged from the Governmental Affairs Committee, and that the Senate turn to its immediate consideration; that all after the enacting clause be stricken; and the text of S. 1163 as amended be substituted in lieu thereof; that the bill be read a third time and passed; and the motion to reconsider the vote be laid on the table.

I further ask unanimous consent that the Senate insist on its amendment, and request a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees.

Mr. HATCH. Mr. President, reserving the right to object——

The PRESIDING OFFICER. Without objection, the requests are agreed to.

Mr. MITCHELL. I ask unanimous consent that S. 1163 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. I thank my collegue for his usual courtesies.

Mr. HATCH. Reserving the right to object, has the bill been passed?

The PRESIDING OFFICER. The bill has been passed.

The entire request has been agreed to.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:55 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House disagrees to the amendments of the Senate to the bill (H.R. 2696) making appropriations for energy and water development for the fiscal year ending September 30, 1990, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. BEVILL, Mrs. BOGGS, Mr. FAZIO, Mr. WATKINS, Mr. THOMAS of Georgia, Mr. CHAPMAN, Mr. WHITTEN, Mr. MYERS of Indiana, Mrs. SMITH of Nebraska, Mr. PURSELL, and Mr. CONTE as managers of the conference on the part of the House.

The message also announced that the Senate disagrees to the amendments of the Senate to the bill (H.R. 2883) making appropriations for Rural Development, Agriculture, and Related Agencies programs for the fiscal year ending September 30, 1990, and for other purposes; it agrees to the conference asked by the Senate on the disagree votes of the two Houses thereon, and appoints Mr. WHITTEN,

Mr. TRAXLER, Mr. MCHUGH, Mr. NATCHER, Mr. AKAKA, Mr. WATKINS, Mr. DURBIN, Mr. SMITH of Iowa, Mrs. SMITH of Nebraska, Mr. MYERS of Indiana, Mr. SKEEN, Mr. WEBER, and Mr. CONTE as managers of the conference on the part of the House.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H.R. 2989) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1990, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. ROYBAL, Mr. AKAKA, Mr. HOYER, Mr. ALEXANDER, Mr. EARLY, Mr. SABO, Mr. WHITTEN, Mr. SKEEN, Mr. LOWERY of California, Mr. WOLF, and Mr. CONTE as managers of the conference on the part of the House.

The message also announced that pursuant to the provisions of section 403 of Public Law 100-360, and the order of the House of August 4, 1989, empowering the Speaker to appoint commissions, boards, and committees authorized by law or by the House, the Speaker on August 11, 1989, appointed on the part of the House Mr. STOKES, to the United States Bipartisan Commission on Comprehensive Health Care to fill the existing vacancy thereon.

The message further announced that pursuant to the provisions of section 204 of Public Law 98-459, and the order of the House of August 4, 1989, empowering the Speaker to appoint commissions, boards, and committees authorized by law or by the House, the Speaker on August 11, 1989, reappointed Ms. Tessa Macaulay of Deerfield Beach, FL; and appointed Mr. Raymond Raschko of Spokane, WA, as members from private life to the Federal Council on the Aging on the part of the House.

The message also announced that pursuant to the provision of section 1001 of Public Law 100-297, and the order of the House on August 4, 1989, empowering the Speaker to appoint commissions, boards, and committees authorized by law or by the House, the Speaker on August 23, 1989, appointed to the National Commission on Migrant Education the following Members on the part of the House: From the House of Representatives, Mr. FORD of Michigan; and Mr. GOODLING; and from private life: Mrs. Patricia A. Hayes of Austin, TX, and Mrs. Carolina Mata-Woodruff of Petersburg, IL.

The message further announced that pursuant to the provisions of 5(b) of Public Law 93-642, and the order of the House of August 4, 1989, empowering the Speaker to appoint commissions, boards, and committees authorized by law or by the House, the Speaker on August 11, 1989, appointed as members of the Board of Trustees of the Harry S. Truman Scholarship Foundation the following Members on the part of the House: Mr. SKELTON, and Mr. COLEMAN of Missouri.

The message also announced that pursuant to the provisions of section 126(b) of Public Law 100-485, and the order of the House of August 4, 1989, empowering the Speaker to appoint commissions, boards, and committees authorized by law or by the House, the Speaker and minority leader on August 11, 1989, jointly appointed the following to the Commission on Interstate Child Support on the part of the House: Mrs. KENNELLY; and Mrs. Frances Rothschild, of Los Angeles, CA, and Mr. Harry L. Tindall, of Houston, TX, from private life.

At 2:40 p.m., a message from the House of Representatives announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 132. Joint resolution designating September 1 through 30, 1989, as "National Alcohol and Drug Treatment Month."

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1472. An act to establish the Grand Island National Recreation Area in the State of Michigan, and for other purposes;

H.R. 1668. An act to authorize appropriations for certain ocean and coastal programs of the National Oceanic and Atmospheric Administration; and

H.R. 2427. An act to authorize appropriations for certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration, and for other purposes.

The message further announced that the House has agreed to the following resolutions:

H. Res. 232. Resolution relative to the death of the Honorable Larkin I. Smith, a Representative from the State of Mississippi; and

H. Res. 233. Resolution relative to the death of the Honorable Mickey Leland, a Representative from the State of Texas.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1472. An act to establish the Grand Island National Recreation Area in the State of Michigan, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 1668. An act to authorize appropriations for certain ocean and coastal programs of the National Oceanic and Atmospheric Administration; to the Committee on Commerce, Science, and Transportation.

H.R. 2427. An act to authorize appropriations for certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-279. A joint resolution adopted by the Legislature of the State of Alaska; to the Committee on Appropriations:

"HOUSE JOINT RESOLUTION 36

"Whereas the current federal budget submitted to the Congress by the Office of Management and Budget proposes a ceiling of $100,000,000 on appropriations for the federal aid to wildlife restoration program, known as the Pittman-Robertson program, and for the sport fish restoration program, known as the Dingell-Johnson program; and

"Whereas federal funds for the Pittman-Robertson program and the Dingell-Johnson program are derived from taxes and duties on sporting equipment and fuel paid by sportsmen and other recreational users of wildlife and fish resources; and

"Whereas Pittman-Robertson funds and Dingell-Johnson funds are allocated among the states and can be used only to support specific activities related to wildlife, sport fish, and public access projects; and

"Whereas the proposed ceiling on Pittman-Robertson funds and Dingell-Johnson funds will drastically affect the activities of the divisions of wildlife conservation and sport fish in the Alaska Department of Fish and Game by a 40 percent reduction in funding for research and management on wildlife and sport fish and for acquisition of public access; and

"Whereas the sport hunting and sport fishing industries in the state provide thousands of jobs and generate millions of dollars to the state economy; and

"Whereas subsistence users of the state's wildlife and fish resources annually harvest millions of pounds of these resources for personal use and benefit from the active research and management of wildlife and fish resources supported by the Pittman-Robertson program and the Dingell-Johnson program; and be it

"Resolved, That the Alaska State Legislature respectfully expresses its strong opposition to the proposal to place a ceiling on appropriations for the Pittman-Robertson program and the Dingell-Johnson program.

"Copies of this resolution shall be sent to the Honorable George Bush, President of the United States; the Honorable Dan Quayle, Vice-President of the United States and President of the U.S. Senate; the Honorable Jim Wright, Speaker of the U.S. House of Representatives; the Honorable George J. Mitchell, U.S. Senate Majority Leader; the Honorable Gerry E. Studds, Chairman of the Subcommittee on Fisheries and Wildlife Conservation and the Environment of the U.S. House Committee on Merchant Marine and Fisheries; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress."

POM-280. A resolution adopted by the Council of the City and County of Honolulu, Hawaii, directing the use of the Oahu Railway and Land Co. Railroad right of way and trains as a new mass transit system to

extend from Ewa to Waipahu; to the Committee on Banking, Housing, and Urban Affairs.

POM-281. A joint resolution adopted by the Legislature of the State of Oregon; to the Committee on Banking, Housing, and Urban Affairs:

"SENATE JOINT RESOLUTION 8

"Whereas the Legislative Assembly and the people of the State of Oregon find that:

"(1) In recognition of the importance of maintaining employment in local mills, community stability and in the face of timber supply shortages, beginning in 1968 and each year thereafter Congress has enacted restrictions on log exports requiring domestic processing on timber sold and harvested from federal lands in the west;

"(2) In recognition of the importance of maintaining employment in local mills and community stability, in 1961 the Oregon Legislative Assembly passed a bill requiring all timber sold from Board of Forestry and Common School lands to be 'primarily processed' in the United States. In 1963, the law was amended to authorize the Department of Forestry to issue permits allowing the export of unprocessed logs harvested from state-owned lands under certain limited circumstances. This provision was repealed in 1981;

"(3) Oregon's Attorneys General have questioned the constitutionality of state export bans since 1961. The state continued to restrict exports until 1984 when, following a Supreme Court decision finding a state log export ban in Alaska (*South Central Timber Development, Inc.* v. *Wunnicke*) to be unconstitutional, enforcement of Oregon's log export ban stopped;

"(4) Although they remain in state timber sale contracts and in Oregon statutes, Oregon's log export restrictions are not enforced. Log exports of state timber have steadily grown and in 1987 nearly 40 percent of all state timber sold was purchased by log exporting firms;

"(5) In 1988 Congress considered legislation to give states the right to limit exports of state-owned timber consistent with the historic Congressional direction on federal public lands. Despite strong support from western states no final action was taken;

"(6) In the federal budget submitted by President Reagan for fiscal year 1990, removal of log export restrictions from public lands was proposed. Impacts are estimated to be 600 million board feet of additional log exports at a cost of 2,500 direct timber industry jobs;

"(7) Oregon's timber supply is increasingly inadequate to meet current mill capacity; and

"(8) When a state exports logs instead of lumber, it is functioning similar to the developing nations of the world that rely on their unprocessed natural resources as a primary means of generating foreign exchange revenue. By exporting raw material, we lose the value added by manufacturing, the jobs involved directly in the manufacturing process, and the related spin-off jobs that also add to our economy; and

"Whereas in order to assure that timber harvested from state and federal public lands in Oregon is processed in Orgean, the Legislative Assembly, other state-wide officials and state agencies shall use all legal means necessary to:

"(1) Demand that the federal policy continue the existing Congressional prohibition of sales of unprocessed timber from federal lands for export;

"(2) Support and assure passage of federal legislation authorizing states to require in-state processing of timber severed from state-owned lands; and

"(3) Insist that the United States Secretary of the Interior and the United States Secretary of Agriculture vigorously administer and enforce the existing prohibiton of sales of unprocessed timber from federal lands; and

"Whereas within 10 days after the effective date of the amendment proposed by this resolution, the Secretary of State shall transmit copies of this resolution, including the voter referendum results, to the President of the United States, the United States Department of Agriculture, the United States Department of the Interior, the President of the United States Senate, the Speaker of the United States House of Representatives, each member of Congress and the governors and legislature of the other 49 states; now, therefore, be it

"Resolved by the Legislative Assembly of the State of Oregon:

"Paragraph 1. The Oregon Constitution is amended by creating a new section 7 to be added to and made a part of Article VIII and to read:

"Section 7. (1) Notwithstanding subsection (2) of section 5 of this Article or any other provision of this Constitution, the State Land Board shall not authorize the sale or export of timber from lands described in section 2 of this Article unless such timber will be processed in Oregon. The limitation on sale or export in this subsection shall not apply to species, grades or quantities of timber which may be found by the State Land Board to be surplus to domestic needs.

"(2) Notwithstanding any prior agreements or other provisions of law or this Constitution, the Legislative Assembly shall not authorize the sale or export of timber from state lands other than those described in section 2 of this Article unless such timber will be processed in Oregon. The limitation on sale or export in this subsection shall not apply to species, grades or quantities of timber which may be found by the State Forester to be surplus to domestic needs.

"(3) This section first becomes operative when federal law is enacted allowing this state to exercise such authority or when a court or the Attorney General of this state determines that such authority lawfully may be exercised.

"Paragraph 2. The amendment proposed by this resolution shall be submitted to the people for their approval or rejection at a special election held on the same date as the next election as provided by law."

POM-282. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Commerce, Science, and Transportation:

"JOINT RESOLUTION

"Whereas the restoration of passenger rail service between the State of Maine and other states in the northeastern United States is in the economic interest of the State of Maine; and

"Whereas the resumption of this service will help alleviate automobile traffic in the northeast corridor of the nation and will also reduce automobile emissions and resultant air pollution; and

"Whereas increased passenger rail traffic will relieve pressure on Maine's highways and bridges, thereby promoting energy conservation and reducing the consumption of fossil fuels; and

"Whereas there are currently studies conducted on improving passenger rail service within the State, and the development of alternate transportation systems is in the long-range planning interest of the State of Maine; and

"Whereas Amtrak or private rail carriers may be able to provide this service between the State of Maine and other states in the region; and

"Whereas the increased utilization of train travel will improve the economic, cultural and social well-being of the State; now, therefore, be it

"*Resolved*, That We, your Memorialists, recommend and urge the President of the United States, the Congress and the Interstate Commerce Commission to strive to enact measures to restore passenger rail service to the State of Maine; and be it further

"*Resolved*, That duly authenticated copies of this Memorial be submitted by the Secretary of State to the Honorable George H.W. Bush, the President of the United States, the President of the Senate, the Speaker of the House of Representatives and to each Member of the Maine Congressional Delegation."

POM-283. A joint resolution adopted by the Legislature of the State of Alaska; to the Committee on Commerce, Science, and Transportation:

"HOUSE JOINT RESOLUTION 25

"Whereas the federal government established the Saltonstall-Kennedy seafood industry grants program; and

"Whereas the Saltonstall-Kennedy grants program was established to fund the development and promotion of the United States seafood industry and fisheries products; and

"Whereas the Saltonstall-Kennedy grants program is directed towards strengthening the United States seafood industry in the face of increasing foreign competition and a fluctuating resource base; and

"Whereas the Saltonstall-Kennedy grants program is funded from tariffs on imported seafood and seafood products; and

"Whereas Saltonstall-Kennedy grants program projects receive matching funds and in-kind services from the seafood industry; and

"Whereas the Saltonstall-Kennedy grants program is unique because it sets goals based on industry priorities and works with industry to accomplish projects to achieve those goals; and

"Whereas the primary method that the seafood industry has used to participate in the Saltonstall-Kennedy grants program is through regional fisheries development foundations; and

"Whereas the Alaska Fisheries Development Foundation was established by the Alaska seafood industry to maximize the benefit of the Saltonstall-Kennedy grants program in Alaska; and

"Whereas the Saltonstall-Kennedy grants program has resulted in several projects that have had significant national and regional benefits to the seafood industry; and

"Whereas in Alaska five shore-based and at least 10 vessel-based surimi processing firms have begun operations since the completion of the Alaska Fisheries Development Foundation's surimi demonstration project; and

"Whereas two recent projects of the Alaska Fisheries Development Foundation, flatfish fishery development and by-product

utilization, are having a similar positive effect on the Alaska seafood industry, and

"Whereas this unprecedented level of success in development efforts is directly related to the unique joint industry and foundation participation in the Saltonstall-Kennedy grants program; and

"Whereas through the Saltonstall-Kennedy grants program, the Alaska marine safety education program has developed a volunteer network of marine safety instructors available throughout Alaska to give safety and survival workshops to commercial fishermen and has become a model for marine safety education programs in other regions of the country; and

"Whereas the Alaska Vocational Technical Center in Seward has established a vessel crew member training program with the help of Saltonstall-Kennedy grants funds and offers an intensive course in marine safety; and

"Whereas the cooperative efforts of the Alaska marine safety education program and the Alaska Vocational Technical Center in marine safety training represent a major effort to reduce the number of casualties in the commercial fishing industry; be it

"Resolved that the Alaska State Legislature expresses its appreciation for the results of past Saltonstall-Kennedy grants program projects and gratitude for their support, to the President and Vice-President of the United States, the United States Congress, the United States Department of Commerce, the National Oceanic and Atmospheric Administration, the National Marine Fisheries Service, and the many industry organizations, fishery groups, and individuals that contribute to the success of this program; and be it further

"Resolved, That the Alaska State Legislature respectfully requests the President and Vice-President of the United States, the United States Congress, the United States Department of Commerce, the National Oceanic and Atmospheric Administration, the National Marine Fisheries Service, the seafood industry, and other concerned groups to continue their support for this porgram and the unique joint industry and foundation cooperation that provides such beneficial results from well-directed and efficient projects.

"Copies of this resolution shall be sent to the Honorable George Bush, President of the United States; the Honorable Dan Quayle, Vice-President of the United States and President of the U.S. Senate; the Honorable Richard G. Darman, Director of the Office of Management and Budget; the Honorable Robert A. Mosbacher, U.S. Secretary of Commerce; the Honorable William E. Evans, Administrator of the National Oceanic and Atmospheric Administration; the Honorable James W. Brennan, Assistant Administrator for Fisheries, National Marine Fisheries Service; the Honorable George J. Mitchell, U.S. Senate Majority Leader; the Honorable Bob Dole, U.S. Senate Minority Leader; the Honorable Ernest F. Hollings, Chairman of the U.S. Senate Committee on Commerce, Science, and Transportation and Chairman of the Subcommittee on Commerce, Justice, State, the Judiciary, and Related Agencies of the U.S. Senate Committee on Appropriations; the Honorable Warren B. Rudman, Ranking Minority Member of the Subcommittee on Commerce, Justice State, the Judiciary, and Related Agencies of the U.S. Senate Committee on Appropriations; the Honorable John C. Danforth, Ranking Minority Member of the U.S. Senate Committee on Commerce, Science, and Transportation; the Honorable John B. Breaux, U.S. Senator; the Honorable Jim Wright, Speaker of the U.S. House of Representatives; the Honorable Thomas S. Foley, U.S. House Majority Leader; the Honorable Robert H. Michel, U.S. House Minority Leader; the Honorable Walter B. Jones, Chairman of the U.S. House Committee on Merchant Marine and Fisheries; the Honorable Robert W. Davis, Ranking Minority Member of the U.S. House Committee on Merchant Marine and Fisheries; the Honorable Gerry E. Studds, Chairman of the Subcommittee on Fisheries and Wildlife Conservation and the Environment of the U.S. House Committee on Merchant Marine and Fisheries; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress."

POM-284. A joint resolution adopted by the Legislature of the State of Alaska; to the Committee on Energy and Natural Resources:

"SENATE JOINT RESOLUTION 26

"Whereas the stability of the economy and the national defense of the United States are affected by dramatic fluctuations in the supply and price of energy sources; and

"Whereas it is to the benefit of the United States to ensure the security and dependability of its energy supply; and

"Whereas the March 24, 1989, oil spill disaster in Prince William Sound has underscored the need for improved tanker safety, including oil spill prevention and spill response technology; and

"Whereas the State of Alaska is a significant contributor to the nation's fossil fuel supply and is a member of the South-West Energy Council, whose members represent the nation's oil-producing states; and

"Whereas the membership of the South/West Energy Council has adopted a national energy strategy incorporating energy conservation, crude oil, coal, natural gas, renewable energy sources, and electricity; Now be it

"Resolved that the Alaska State Legislature joins with the other members of the South/West Energy Council in urging the President of the United States and the United States Congress to develop a national energy strategy or national energy management plan designed to provide a stable supply of reasonably priced energy in an efficient and environmentally sound manner to meet the needs of the citizens and economy of the United States, and the security interests of the nation; and be it further

"Resolved that the Alaska State Legislature supports the South/West Energy Council's recommendation that an energy strategy include

"(1) promoting energy conservation education and technology research, including research into superconductivity and alternative fuels, particularly for transportation use;

"(2) promoting domestic crude oil production in an environmentally sound manner, which can be accomplished by providing tax and accounting incentives to oil producers for domestic exploration and production efforts and by including specific investment tax credits for research and development; and

"(3) encouraging enhanced oil and gas recovery efforts and the development of a research, demonstration, and commercialization program for unconventional crude sources pursued through a cooperative effort involving industry, higher education, and national laboratories; and be it further

"Resolved that the Alaska State Legislature supports the strategy recommendations regarding management of crude oil imports to the United States, such as diversifying foreign sources of supply, lifting the ban on exportation of Alaskan North Slope crude oil, pursuing a Pan American Energy Alliance, continuing to fill the United States Strategic Petroleum Reserve to its 750,000,000 barrel goal, and eliminating the technological barriers that prevent use of huge unconventional crude petroleum reserves in the Western Hemisphere; and be it further

"Resolved that the Alaska State Legislature supports the strategy recommendations that include greater emphasis on promoting the use and production of natural gas, improving energy conservation efforts such as raising the corporate average fuel efficiency standards for automobiles, providing efficiency provisions in building codes, providing home appliance heating and cooling unit efficiency standards, and developing waste recycling or reduction standards for industrial manufacturing; and be it further

"Resolved that the Alaska State Legislature supports the strategy recommendations that call for responsible management of federal land that would recognize the potential that public land holds, particularly within the State of Alaska, for environmentally sound development of energy resources.

"Copies of this resolution shall be sent to the Honorable George Bush, President of the United States; the Honorable Dan Quayle, Vice-President of the United States and President of the U.S. Senate; the Honorable Robert C. Byrd, President Pro Tempore of the U.S. Senate; the Honorable Jim Wright, Speaker of the U.S. House of Representatives; the Honorable James D. Watkins, Secretary of the U.S. Department of Energy; the Honorable J. Bennett Johnston, Chair of the U.S. Senate Committee on Energy and Natural Resources; the Honorable John D. Dingell, Chair of the U.S. House Committee on Energy and Commerce; to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in the Congress; and to Patrick Raffaniello, Executive Director of the South/West Energy Council."

POM-285. A concurrent resolution adopted by the Legislature of the State of Ohio; to the Committee on Energy and Natural Resources:

"HOUSE CONCURRENT RESOLUTION No. 18

"Whereas, defense-related facilities of the United States located in Ohio engage in the handling of radioactive materials and hazardous chemicals used in the fabrication of nuclear fuel assemblies for the nuclear weapons program in the enrichment of uranium for atomic-powered submarines and for the civilian atomic power industry, and in the production of nuclear weapons detonating devices and atomic-fueled power sources for the national defense and space programs and engage in the storage and disposal of radioactive and hazardous chemical wastes associated with those processes and activities; and

"Whereas the improper handling and management of radioactive materials and hazardous chemical wastes at the facilities

have caused the uncontrolled or uncontained disposal or release of over two hundred thousand tons of those materials and wastes; and

"Whereas, the improper handling and management of radioactive materials and wastes and of hazardous chemical wastes poses a potentially serious threat to the public health and to the air, water, and land resources of Ohio; Now therefore be it

"Resolved, That we, the members of the 118th General Assembly of Ohio, in adopting this Resolution, memorialize the President and Congress of the United States to immediately undertake whatever actions are necessary to clean up the environmental contamination existing at or caused by defense-related facilities of the United States located in Ohio; to pursue to the fullest extent of the law remedies to hold the parties who caused or contributed to the environmental contamination at the facilities responsible for their actions; to promptly undertake a thorough investigation of the cause of any mismanagement or neglect that resulted in the environmental contamination at or caused by the facilities; to continue with measures already being taken to mitigate the environmental contamination at or caused by these facilities; to undertake whatever additional administrative and legislative actions are necessary to prevent the continuation and reoccurrence of activities at the facilities that cause or contribute to environmental contamination, including, without limitation, the establishment of additional legal remedies; and to undertake all of these actions at no cost to the citizens of the State of Ohio; and be it further

"Resolved, That the Legislative Clerk of the House of Representatives transmit duly authenticated copies of this Resolution to the President of the United States, to the Speaker of the United States House of Representatives, to the President of the United States Senate, and to the Ohio Congressional Delegation.

POM-286. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on Environment and Public Works:

"SENATE CONCURRENT RESOLUTION No. 8

"Whereas there are numerous inconsistent federal definitions of the term "wetlands"; and

"Whereas the lack of a single consistent definition of "wetlands" for purposes of implementing state and federal laws has caused confusion and uncertainty in the identification and classification of particular land features as wetlands; now, therefore, be it

"Resolved, That the 71st Legislature of the State of Texas hereby request the United States Congress to amend the Clean Water Act of 1977 (33 U.S.C. Sections 1311, 1344); the Erodible Land and Wetland Conservation and Reserve Program (16 U.S.C. Sections 3801-3845); the Emergency Wetlands Resources Act of 1986 (16 U.S.C. Sections 3901-3902); the National Environmental Policy Act of 1969 (42 U.S.C. Section 4321 et seq.); all statutory foundation for the Federal Wildlife Service's National Wetlands Inventory mapping, including the Water Bank Program for Wetland Preservation (16 U.S.C. Sections 1301-1311); the Water Resources Research Program (wetland areas) Water Resources Development Act of 1976 (42 U.S.C. Section 1962d-5e); and the Migratory Bird Conservation Act (16 U.S.C. Sections 715-715s), including any amendment or revision thereto, to define the term "wetlands" as follows:

"The definition of the term "wetlands" means an area (including a swamp, marsh, bog, prairie pothole, or similar area) having a predominance of hydric soils that are inundated or saturated by surface or groundwater at a frequency and duration sufficient to support and that under normal circumstances supports the growth and regeneration of hydrophytic vegetation.

"The term "hydric soil" means soil that, in its undrained condition, is saturated, flooded, or ponded long enough during a growing season to develop an anaerobic condition that supports the growth and regeneration of hydrophytic vegetation.

"The term "hydrophtic vegetation" means a plant growing in: (1) water, or (2) a substrate that is at least periodically deficient in oxygen during a growing season as a result of excessive water content.

"The term "wetlands" does not include: (1) irrigated acreage used as farmland; (2) man-made wetlands of less than one acre; or (3) man-made wetlands which were not constructed with wetland creation as a stated objective, including but not limited to impoundments made for the purpose of soil and water conservation which have been approved or requested by soil and water conservation districts; and, be it further

"Resolved by the 71st Legislature of the State of Texas, That the legislature strongly support and urge the Texas delegation of the United States Congress to work further to obtain a single consistent definition of wetlands for the purpose of all federal laws and regulations; and, be it further

"Resolved, That the Texas Secretary of State forward official copies of this resolution to the President of the United States of America, each member of the Texas delegation to Congress, the Speaker of the House of Representatives, the President of the Senate, each member of the Texas delegation of the Congress, the Chairman of the House Natural Resources Committee, the Chairman of the House Agriculture Committee, the Chairman of the House Energy and Commerce Committee, the Chairman of the House Interior and Insular Affairs Committee, the Chairman of the House Merchant Marine and Fisheries Committee, the Chairman of the Senate Committee on Agriculture, the Chairman of the Senate Energy and Natural Resources Committee, the Chairman of the Senate Environment & Public Works Committee, and the Chairman of the Governmental Affairs Committee as an expression of the sentiment of the Texas Legislature, with the request that this resolution be officially entered into the Congresssional Record as a memorial to the Congress of the United States of America."

POM-287. A joint resolution adopted by the Legislature of the State of Oregon; to the Committee on Environment and Public Works:

"SENATE JOINT MEMORIAL 17

"Whereas the United States Congress is seeking some effective means of reducing the federal budget deficit in the immediate future; and

"Whereas several proposals being considered for budget reduction purposes would increase the existing federal fuel taxes by various sizable increments; and

"Whereas the U.S. Department of Energy has stated that "a motor fuel tax will create an economic loss which is of far greater magnitude than the possible benefits"; and

"Whereas a gasoline tax for deficit reduction would be a regressive tax affecting the poor to a greater extent than other income levels; and

"Whereas states would receive no direct revenue benefits, while incurring substantial increases in their public assistance costs; and

"Whereas residents of the South, Midwest and West pay more fuel taxes because they must travel greater distances by personal vehicles than residents of other regions and therefore would bear a disproportionate burden of deficit reduction; and

"Whereas current national policy makes no provision for continuing the Federal-Aid Highway Program into the future; and

"Whereas in all recent federal aid highway Acts, Congress has had to include provisions for extending the Highway Trust Fund and the taxes which sustain it; now, therefore, be it

"Resolved by the Legislative Assembly of the State of Oregon:

"(1) The Congress of the United States is memorialized to make permanent the Highway Trust Fund and the user fees accruing to it, so that a reliable funding source is available for constructing, rehabilitating and otherwise improving the highways and bridges which are so essential to the vigor of the Oregon and the national economies.

"(2) The Congress of the United States is memorialized to protect the Highway Trust Fund from predatory proposals to divert highway user revenues to programs entirely unrelated to the transportation purposes for which the fund was established.

"(3) A copy of this memorial shall be sent to the President of the United States, the Secretary of Transportation, the Cochairmen of the National Economic Commission, to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, and to each member of the Oregon Congressional Delegation."

POM-288. A joint resolution adopted by the Legislature of the State of Oregon; to the Committee on Energy and Natural Resources:

"SENATE JOINT MEMORIAL 9

"Whereas Ontario, Oregon, and surrounding Malheur County were classified as a free zone during World War II, and was an area of assemblage by Japanese-Americans which exceeded in population 5,000 at that time; and

"Whereas over 2,000 Japanese-Americans reside in the western Treasure Valley today, making the Ontario area the center of Japanese-American cultural, religious and business activity in the region; and

"Whereas the memory of the hardships endured by these Japanese-Americans during the internment period is deserving of a monument which will not only honor this memory, but will also further the educational function to assure that the rights of the country's citizens never be compromised again; and

"Whereas the campus of the Treasure Valley Community College is located in the center of what was once the free zone, and would be an excellent and appropriate location for such an honorary and educational monument; and

"Whereas the cost to construct the proposed cultural center is $9,314,000 of which federal funding through the Civil Liberties Public Education Fund of the redress bills

before Congress is requested to develop the facility; and

"Whereas additional revenue would come from rental, admission and membership fees as well as through direct staffing and maintenance support from the Treasure Valley Community College; and

"Whereas the Japanese-American Cultural Center, as it would be appropriately named, would officially open on February 19, 1992, exactly 50 years after President Roosevelt signed Executive Order 9066; now, therefore, be it

"Resolved by the Legislative Assembly of the State of Oregon:

"(1) The Congress of the United States is urged to enact appropriate legislation as may come before it to create a national monument to the Japanese-Americans who were interned during World War II.

"(2) A copy of this memorial shall be sent to the President of the Senate and the Speaker of the House of Representatives of the United States and to each member of the Oregon Congressional Delegation."

POM-289. A joint resolution adopted by the Legislature of the State of Oregon; to the Committee on Finance:

"SENATE JOINT MEMORIAL 16

"Whereas large-scale rehabilitation, repair and capacity improvements are ongoing necessities of the national highway transportation system; and

"Whereas the highway transportation system is the most critical component of the physical infrastructure of the United States of America; and

"Whereas there is a growing and concentrated national consensus for a program to serve the country's highway transportation needs through the year 2020; and

"Whereas high quality highways are critical to the ability of manufacturers to build and deliver products, and to the ability of states and communities to attract new industry and to sustain economic growth; and

"Whereas the competitive position of states and the nation in international trade is directly related to the quality of access to the interstate highway system and the physical condition of interstate and primary highways; and

"Whereas there continues to exist a great need to rehabilitate and reconstruct the nation's transportation infrastructure, and motor fuel taxes are dedicated to transportation purposes; and

"Whereas the tourism industry, one of the top three employers in 80 percent of the states, would be adversely affected; and

"Whereas the Gross National Product, Consumer Price Index, and the employment all would be severely and negatively affected; and

"Whereas raising the fuel excise tax for deficit reduction purposes would not only undermine the Highway Trust Fund, but would also fail to get to the root of the federal deficit problem; now, therefore, be it

"Resolved by the Legislative Assembly of the State of Oregon:

"(1) The Congress of the United States is memorialized to oppose the use of federal fuels taxes to reduce the federal deficit.

"(2) A copy of this memorial shall be sent to the President of the United States, the Secretary of Transportation, the Cochairman of the National Economic Commission, to the President of the Senate and the Speaker of the House Representatives of the Congress of the United States, and to each member of the Oregon Congressional Delegation."

POM-290. A joint resolution adopted by the Legislature of the State of Wisconsin; to the Committee on Foreign Relations:

"ASSEMBLY JOINT RESOLUTION 58

"Whereas thousands of Chinese students, teachers and workers have shown the world that they desire basic human freedoms by their peaceful protests and marches in Beijing, Shanghai, and other Chinese cities; and

"Whereas the reporting and television coverage by the international media have demonstrated to the world the breadth and intensity of this longing for democracy and human rights; and

"Whereas the United States treasures the values for which the students and other citizens of Beijing demonstrated—freedom of expression, freedom of assembly, freedom to petition the government for redress of grievances, and freedom to influence and take part in the decision-making process of government; and

"Whereas the demonstrators have explicitly tied their values to ours by erecting a "Statue of Liberty" of their own, which was ruthlessly destroyed by the military in an insult to the United States and its ideals; and

"Whereas the killing of hundreds of unarmed Chinese civilians by military forces, the use of tanks to quell civil disturbances and the resort to massive force in reaction to nonviolent civil protests are repugnant to the United States and the rest of the world; and

"Whereas the use of force to suppress liberty does not work and never will work, is inimical to the development of the potential of the human race and is repulsive to the members of a free and open society; now, therefore, be it

"Resolved by the assembly, the senate concurring, That the Wisconsin legislature supports the actions of the President of the United States to stop military and government-to-government sales between the 2 countries, and to give special consideration to the plight of Chinese students now studying in the United States; and, be it further

"Resolved, That the legislature urges the President of the United States to consider any further actions that may be practical in this situation to help the demonstrators, to make clear the United States' support for democracy and human rights, and to moderate the actions of the Chinese military, including any actions affecting trade, tourism or government relations which he finds practicable in this regard; and, be it further

"Resolved, That the legislature urges the President of the United States, the U.S. senate and the U.S. state department to express in the strongest terms our disapproval of and disgust at the massacre of innocent civilians and our unwillingness to accept such action by any government; and, be it further

"Resolved, That the legislature urges the University of Wisconsin system to aid Chinese students in Wisconsin; and, be it further

"Resolved, That the assembly chief clerk shall immediately transmit copies of this joint resolution to the President of the United States, to the President and Secretary of the Senate of the United States, to the chairperson of the Committee on Foreign Affairs of the House of Representatives of the United States, to the Secretary General of the United Nations, to the Secretary of State of the United States, to each member of the congressional delegation from this state and to the president of the University of Wisconsin system."

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"Whereas thousands of Chinese students, teachers and workers have shown the world that they desire basic human freedoms by their peaceful protests and marches in Beijing, Shanghai and other Chinese cities; and

"Whereas the reporting and television coverage by the international media have demonstrated to the world the breadth and intensity of this longing for democracy and human rights; and

"Whereas the United States treasures the values for which the students and other citizens of Beijing demonstrated—freedom of expression, freedom of assembly, freedom to petition the government for redress of grievances, and freedom to influence and take part in the decision-making process of government; and

"Whereas the demonstrators have explicitly tied their values to ours by erecting a "Statute of Liberty" of their own, which was ruthlessly destroyed by the military in an insult to the United States and its ideals; and

"Whereas the killing of hundreds of unarmed Chinese civilians by military forces, the use of tanks to quell civil disturbances and the resort to massive force in reaction to nonviolent civil protests are repugnant to the United States and the rest of the world; and

"Whereas the use of force to suppress liberty does not work and never will work, is inimical to the development of the potential of the human race and is repulsive to the members of a free and open society; now, therefore, be it

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"Resolved, That the legislature urges the President of the United States to consider any further actions that may be practical in this situation to help the demonstrators, to make clear the United States' support for democracy and human rights, and to moderate the actions of the Chinese military, including any actions affecting trade, tourism or government relations which he finds practicable in this regard; and, be it further

"Resolved, That the legislature urges the President of the United States, the U.S. Senate and the U.S. state department to express in the strongest terms our disapproval of and disgust at the massacre of innocent civilians and our unwillingness to accept such action by any government; and, be it further

"Resolved, That the legislature urges the University of Wisconsin system to aid Chinese students studying in Wisconsin; and, be it further

"Resolved, That the assembly chief clerk shall immediately transmit copies of this joint resolution to the President of the United States, to the president and secretary of the senate of the United States, to the chairperson of the committee on foreign affairs of the house of representatives of the United States, to the secretary general of the United Nations, to the secretary of

state of the United States, to each member of the congressional delegation from this state and to the president of the university of Wisconsin system."

POM-292. A concurrent resolution adopted by the Legislature of the State of Ohio; to the Committee on Governmental Affairs:

"HOUSE CONCURRENT RESOLUTION No. 23

"Whereas the members of the 118th General Assembly of Ohio wish to memorialize the United States Congress and Postmaster General of the United States Postal Service to issue a commemorative stamp honoring the late John L. Lewis for his invaluable contribution to the American Labor Movement; and

"Whereas throughout his long and notable career, John L. Lewis distinguished himself as a man of exceptional insight and vision in the support of organized labor. In all his endeavors as president of both the United Mine Workers of America and the Congress of Industrial Organizations, John L. Lewis demonstrated unwavering dedication to performing his duties and fulfilling his responsibilities with utmost efficiency and effectiveness, and, as result of his diligent efforts, he played a dominant role in the transformation of industrial America during the twentieth century; and

"Whereas John L. Lewis was a dynamic advocate for America's mine workers, and he worked tirelessly to ensure safe and healthy working conditions, as well as to achieve compensation and fringe benefits that reflected workers' skills and dedications. The many hours he devoted to union projects and activities had a tremendous impact on the growth and success of the labor movement across America, and throughout a lifetime of dedication to the ideals of unionism, John L. Lewis earned the respect and admiration of all who knew him; and

"Whereas countless individuals throughout our vast labor force have worked together to build this great nation and have contributed to its progress and prosperity over the years. As UMWA celebrates its One Hundredth Anniversary in 1990, it would be only fitting that the United States Congress and the Postmaster General of the United States Postal Service issue a commemorative stamp honoring the late John L. Lewis for his courage and determination, and for his efforts to give working men and women a voice in the economic decision-making process which so greatly affects the quality of life for all; therefore be it

"Resolved, That we, the members of the 118th General Assembly of Ohio, in adopting this Resolution, memorialize the United States Congress and the Postmaster General of the United States Postal Service to issue a commemorative stamp honoring the late John L. Lewis for his contributions to the cause of labor; and be it further

"Resolved, That the Legislative Clerk of the House of Representatives transmit duly authenticated copies of this Resolution to the President of the United States Senate, to the Speaker of the United States House of Representatives, to the Postmaster General, and to the members of the Ohio Congressional Delegation."

POM-293. A resolution adopted by the Board of City Commissioners of Raymondville, Texas, favoring and supporting a constitutional amendment making desecration of the American flag a violation of Federal law; to the Committee on the Judiciary.

POM-294. A resolution adopted by the Emblem Club Sisters of Alaska honoring the flag of the United States of America; to the Committee on the Judiciary.

POM-295. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on the Judiciary:

"JOINT RESOLUTION

"Whereas the American flag is a symbol of national unity; and

"Whereas the American flag provides a beacon of hope and liberty for every nation in the world; and

"Whereas our Armed Forces have defended our country's freedoms under the banner of the Stars and Stripes from the Revolutionary War to the present day; and

"Whereas the American flag is a source of tremendous national pride; and

"Whereas the American flag is cherished as the embodiment of our country's history, traditions and ideals; now, therefore, be it

"Resolved, That We, the Members of the One Hundred and Fourteenth Legislature of the State of Maine now assembled in the First Regular Session, respectfully request the Congress of the United States to propose and pass an amendment to the United States Constitution making it a crime to desecrate the American flag; and be it further

"Resolved, That a duly authenticated copy of this Memorial be submitted immediately by the Secretary of State to the Honorable George H.W. Bush, the President of the United States, to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States, and to each Member of the Maine Congressional Delegation."

POM-296. A resolution adopted by the Commission of Elmore County, Alabama, favoring legislation designed to support and protect the American flag against any form of desecration; to the Committee on the Judiciary.

POM-297. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on the Judiciary:

"HOUSE CONCURRENT RESOLUTION No. 18

"Whereas the United States flag belongs to all Americans and ought not be desecrated by any one individual, even under principles of free expression, any more than we would allow desecration of the Declaration of Independence, Statue of Liberty, Lincoln Memorial, Yellowstone National Park, or any other common inheritance that the people of this land hold dear; and

"Whereas the United States Supreme Court, in contravention of this postulate, has by a narrow decision held to be a First Amendment freedom the license to destroy in protest this cherished symbol of our national heritage; and

"Whereas whatever legal arguments may be offered to support this contention, the incineration or other mutilation of the flag of the United States of America is repugnant to all those who have saluted it, paraded beneath it on the Fourth of July, been saluted by its half-mast configuration, or raised it inspirationally in remote corners of the globe where they have defended the ideals of which it is representative; and

"Whereas the members of the Legislature of the State of Texas, while respectful of dissenting political views, themselves dissent forcefully from the court decision echoing the beliefs of all patriotic Americans that this flag is our flag, and not a private property subject to a private prerogative to maim or despoil in the passion of individual protest; and

"Whereas as stated by Chief Justice William Rehnquist, writing for three of the four justices who comprised the minority in the case, 'Surely one of the high purposes of a democratic society is to legislate against conduct that is regarded as evil and profoundly offensive to the majority of people—whether it be murder, embezzlement, pollution, or flag burning'; and

"Whereas this legislature concurs with the court minority that the Stars and Stripes is deserving of a unique sanctity, free to wave in perpetuity over the spacious skies where our bald eagles fly, the fruited plain above which our mountain majesties soar, and the venerable heights to which our melting pot of peoples and their posterity aspire; now, therefore, be it

"Resolved, That the 71st Legislature of the State of Texas, convened in First Called Session, hereby petition the Congress of the United States of America to propose to the states an amendment to the United States Constitution, protecting the American flag and 50 state flags from willful desecration and exempting such desecration from constitutional construction as a First Amendment right; and, be it further

"Resolved, That official copies of this resolution be prepared and forwarded by the Texas secretary of state to the speaker of the house of representatives and president of the senate of the United States Congress and to all members of the Texas delegation to that congress, with the request that it be officially entered in the Congressional Record as a memorial to the Congress of the United States; and, be it further

"Resolved, That a copy of the resolution be prepared and forwarded also to President George Bush, asking that he lend his support to the proposal and adoption of a flag-protection constitutional amendment; and, be it finally

"Resolved, That official copies likewise be sent to the presiding officers of the legislatures of the several states, inviting them to join with Texas to secure this amendment and to restore this nation's banners to their rightful status of treasured reverence."

POM-298. A resolution adopted by the Alabama Chapter of the Military Order of the Purple Heart supporting a proposed Constitutional amendment that would make it a crime to desecrate the American flag by burning or any other means; to the Committee on the Judiciary.

POM-299. A resolution adopted by the Legislature of the State of Nevada; to the Committee on the Judiciary:

"ASSEMBLY JOINT RESOLUTION No. 22

"Whereas an amendment to the Constitution of the United States was proposed by resolution of the First Congress of the United States in New York City, New York, on September 25, 1789, which reads in pertinent part as follows:

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, two thirds of both Houses concurring, That the following [Article] be proposed to the Legislatures of the several States, * * * which [Article], when ratified by three fourths of the said Legislatures, to be valid to all intents and purposes, as part of the said Constitution, viz.:

"Article the second * * * No law, varying the compensation for the services of the Senators and Representatives, shall take

effect, until an election of Representatives shall have intervened.

"And

"Whereas the Legislature of the State of Nevada acknowledges that this proposed article of amendment to the United States Constitution has already been ratified, respectively, by the Legislatures of Maryland on December 19, 1789; North Carolina on December 22, 1789; South Carolina on January 19, 1790; Delaware on January 28, 1790; Vermont on November 3, 1791; Virginia on December 15, 1791; Ohio on May 6, 1873; Wyoming on March 3, 1978; Maine on April 27, 1983; Colorado on April 18, 1984, South Dakota on February 21, 1985; New Hampshire on March 7, 1985; Arizona on April 3, 1985; Tennessee on May 23, 1985; Oklahoma on July 10, 1985; New Mexico on February 13, 1986; Indiana on February 19, 1986; Utah on February 25, 1986; Arkansas on March 7, 1987; Montana on March 11, 1987; Connecticut on May 13, 1987; Wisconin on June 30, 1987; Georgia on February 2, 1988; West Virginia on March 10, 1988; Louisiana on July 6, 1988; and Iowa on February 7, 1989; and

"Whereas the Legislature of the State of Nevada acknowledges that this article of amendment may still be ratified by state legislatures as a result of the ruling by the United States Supreme Court in the case of *Coleman v. Miller*, 307 U.S. 433 (1939), which held that unless Congress specifies a limit on the time allowed for consideration by the states, then Congress is the final arbiter of the question whether too much time has elapsed between Congress' submission of an amendment and the most recent state legislature's ratification of the amendment; now, therefore, be it

Resolved by the Assembly and Senate of the State of Nevada, jointly, That the proposed amendment to the Constitution of the United States of America is hereby ratified by the Legislature of the State of Nevada; and made it further

Resolved, That a true copy of this resolution be delivered by the Chief Clerk of the Assembly to the Secretary of State for his certification and transmittal to the Archivist of the United States pursuant to 1 U.S.C. §§ 106b and 112; and be it further

Resolved, That the Chief Clerk of the Assembly shall also send a copy of this resolution to the Vice President of the United States, as president of the Senate, and to the Speaker of the House of Representatives with the request that it be printed in full in the *Congressional Record;* and be it further

Resolved, That the Chief Clerk of the Assembly shall also send a copy of this resolution to each member of the Nevada Congressional Delegation; and be it further

Resolved, That this resolution becomes effective upon passage and approval."

POM-300. A resolution adopted by the City Council of Toledo, Ohio favoring passage of the Americans With Disabilities Act; to the Committee on Labor and Human Resources.

POM-301. A resolution adopted by the Legislation of the Territory of American Samoa; ordered to lie on the table:

"HOUSE RESOLUTION No. 34

"Whereas Democratic Majority Leader, the Honorable Thomas S. Foley, was recently elected Speaker of the House of Representatives, 101st Congress of the United States; and

"Whereas the newly elected Speaker is credited as being a thoughtful and temperate politician and brings to office with him certain valuable assets, including: intellect; experience; worldly sophistication; age; and a host of personal traits that have made him popular and widely respected in Congress. Now, therefore, be it

Resolved by the House of Representatives of the Territory of American Samoa, That, it sends its support and best wishes to the Honorable Thomas S. Foley as newly elected Speaker of the House; and be it further

Resolved, That the Chief Clerk of the House of Representatives is directed to transmit copies of this resolution to: the Honorable Thomas S. Foley, Speaker of the United States of Representatives; Honorable Dan Quayle, Vice President of the United States; Congressman Faleomavaega Eni Hunkin; and to the Honorable Peter T. Coleman, Governor of American Samoa."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LAUTENBERG, from the Committee on Appropriations, with amendments:

H.R. 3015. A bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1990 and for other purposes (Rept. No. 101-121).

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 1426. A bill to revise and extend the programs of the Domestic Volunteer Service Act of 1973 and for other purposes (Rept. No. 101-122).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DODD (for himself and Mr. D'AMATO):

S. 1588. A bill to amend the Internal Revenue Code of 1986 to provide for a credit for contributions to individual retirement plans and a partial exclusion from gross income of dividends and interest received by individuals; to the Committee on finance.

By Mr. METZENBAUM:

S. 1589. A bill to amend the Appalachian Regional Development Act of 1965 to include Columbiana County, OH, as part of the Appalachian region; to the Committee on Environment and Public Works.

By Mr. BINGAMAN:

S. 1590. A bill to transfer certain rights-of-way to the Elephant Butte Irrigation District of New Mexico, and for other purposes; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MITCHELL (for Mr. DOLE (for himself, Mr. MITCHELL, Mr. HOLLINGS, Mr. DANFORTH, Mr. FORD, Mr. MCCAIN, Mr. GORTON, Mr. GRASSLEY, Mr. HARKIN, Mr. HUMPHREY, Mr. KASTEN, Mr. ARMSTRONG, Mr. COATS, Mr. MATSUNAGA, Mr. HATCH, Mr. PACKWOOD, and Mr. WALLOP)):

S. Res. 174. A resolution comending the crew of United Flight 232 and personnel from the Federal Aviation Administration; considered and agreed to.

By Mrs. KASSEBAUM (for herself, Mr. PELL, Mr. BIDEN, Mr. SARBANES, Mr. KERRY, Mr. SIMON, Mr. SANFORD, Mr. MOYNIHAN, Mr. LUGAR, Mr. BOSCHWITZ, Mr. MURKOWSKI, and Mr. MACK):

S. Con. Res. 68. A concurrent resolution authorizing a concert by the American Soviet Youth Orchestra on Capitol grounds; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DODD (for himself and Mr. D'AMATO):

S. 1588. A bill to amend the Internal Revenue Code of 1986 to provide for a credit for contributions to individual retirement plans and a partial exclusion from gross income of dividends and interest received by individuals; to the Committee on Finance.

SAVINGS AND CAPITAL FORMATION ACT

Mr. DODD. Mr. President, one of our most troubling economic problems continues to be our low saving rate. The United States has one of the lowest personal savings rates in the industralized world—a third that of Germany and a quarter that of Japan.

The implications are important at all levels. It means that too much of our budget deficit is financed by foreign dollars, dollars that investors can choose to withdraw at will. It means that there are insufficient and overly costly funds to invest in new and expanding businesses. And, equally importantly, it means that too many people have insufficient savings to meet emergencies or to plan for their children's education.

This is a problem that we can—and must—do something about. Ironically, the one proven vehicle for increasing saving—individual retirement accounts [IRA's]—was eviscerated by the Tax Reform Act of 1986. A recent study sponsored by Merrill Lynch Consumer Markets, entitled "Save, America," estimated that between 1982 and 1986, $137.8 billion in new savings were generated by IRA's.

In order to take a first step toward increasing our saving rate, today Senator D'AMATO and I are introducing legislation to establish a tax credit for contributions to IRA accounts and to provide for a limited exclusion from gross income of interest and dividends by people of modest means.

More specifically, the legislation provides for a 15-percent tax credit on contributions of up to $2,000 per year. In addition, people with adjusted gross incomes of up to $25,000, who do not have IRA accounts, could exclude

from income up to $100 of interest and dividends a year.

Mr. President, we all understand the importance of saving to capital formation, to assuring our future standard of living and to global competitiveness. As the "Save America" study clearly states, "saving invested in productive assets increases the capital stock, which in turn results in greater amounts of output and income."

Not surprisingly, as a recent Fortune magazine article entitled "How Capital Costs Cripple America" points out, "Like all prices, the price of capital is a matter of supply and demand, with the puny supply of U.S. savings a guarantee that the price will be high." How high? A 1986 study of capital costs by economists B. Douglas Bernheim or Northwestern and John B. Shoven of Stanford reveals that throughout the 1980's the United States has borne the highest cost of capital of the leading industralized nations, nearly twice that of Japan.

Capital formation is particularly important at a time when we still have not tamed the budget tiger. Unfortunately, despite the promises of supply side economics, our saving rate continues to decline: From 8.7 percent of GNP between 1971 and 1975, to 6.2 percent between 1981 and 1985, to 4 percent between 1985 and 1988. The "Save, America" study points out the importance of this decline by noting that "a 2.5-percent increase in the personal saving rate could add roughly 10 percentage points to the GNP or $500 billion in terms of today's economy."

Introduction of this legislation raises several questions. First, "Wasn't the IRA tax deduction in effect during the decline in saving during the 1980's?" The answer is yes, it was, but as Michael Boskin wrote in "a closer look at recent U.S. saving" in 1986, "there is a substantial reason to believe that the saving rate would still be lowered * * * had universal IRA accounts not been instituted." His conclusion is supported by several other recent studies, including one by David Venti and Steven Wise, "The Evidence on IRA's," published in January 1988, which concluded that "IRA's have had a substantial positive net effect on personal savings." The authors found that 80 percent of IRA contributions were new savings; with more than one-half of each marginal IRA dollar coming from reduced consumption and another 20-30 percent from reduced taxes.

A second question often raised is, "Aren't IRA's a rich person's gimmick?" Obviously wealthier people potentially have more money to save; however, the data shows that IRA's were used predominately by moderate and middle income people. IRS statistics show that for 1986, fully two-thirds of all taxpayers claiming an IRA deduction were families with incomes under $50,000. Moreover, those returns accounted for almost 60 percent of the payments to IRA's.

I would add here, Mr. President, that with the change in the tax law in 1986 the IRS reports a roughly 50-percent reduction in the number of people who are taking out individual retirement accounts. So the change in the law in 1986 had a profound and significant impact on the number of people who were actually taking these IRA's.

The changing demographics of our society also create an imperative for increased private retirement savings. Obviously as people live longer they will need more resources. In addition, many baby boomers will be unable to accrue significant benefits under private retirement plans because today's increased job mobility will result in them not staying in pension plans long enough for their benefits to vest.

To address the legitimate objection that a $2,000 deduction is more valuable to someone in the 33-percent tax bracket than someone in the 15-percent bracket, the Dodd-D'Amato bill would replace the deduction with a 15-percent tax credit. This way a person who places $2,000 in an IRA would get a $300 tax credit, regardless of whether the person's income was $10,000 or $1,000,000.

However, many people cannot afford to tie up money until they retire. They have other more immediate concerns, from the potential devastation of a serious illness or loss of job to the need to put money aside for their children's college education. The Dodd-D'Amato legislation recognizes the importance of saving for personal reasons by establishing a $100 exclusion from income for interest or dividends earned by people with less than $25,000 in adjusted gross income who do not have IRA's.

Finally, the logical question of cost arises: Granted that inducements for saving are beneficial to society, how can we afford such a program while the Federal deficit is still out of control? The point is a legitimate one. The Joint Committee on Taxation has estimated that our legislation would cost $6.7 billion over the next 3 fiscal years, if implemented in calendar 1990. It would not be responsible to increase the deficit by that amount. Therefore, I believe that there should be an appropriate offset when the bill goes forward. Given the proposal's objective of encouraging saving, I believe the most appropriate offset would be some form of consumption tax, such as a value added tax. For the moment, however, I think the most important thing is to put a proposal on the table that focuses people's attention on the need to encourage saving, and that is what this legislation does.

I add that the President has indicated that he wants to support an individual retirement account proposal. He has failed yet to offer one specifically. Senator ROTH of Delaware has proposed an individual retirement account bill that has some very good features. Senator D'AMATO and I are not wedded to the specifics of this bill. I see my distinguished colleague from New York, Senator MOYNIHAN, on the floor, who has a deep interest in these matters, and obviously we will be seeking his advice and counsel on how best to move forward with this kind of proposal.

We believe it would give us a significant step forward in the general issue on which everyone agrees without question, and that is the importance of encouraging savings on the part of the American consumer. That must be done. If we depend upon foreign capital to finance our debt we place this Nation in great jeopardy. With an individual retirement account at best we offer the proposal of increasing a savings pool from which that deficit would be financed instead of relying on outside interests in this country who do not have the best interests of the United States at heart.

Mr. President, I urge the Finance Committee to move speedily on this proposal so that we can begin to generate the savings necessary to finance our budget deficit, to provide for capital formation, to increase international competitiveness, and to encourage a saving ethic to provide money for rainy days.

● Mr. D'AMATO. Mr. President, I rise today to introduce, along with my esteemed colleague from Connecticut, Senator DODD, a bill that will begin to address this country's most important long-term economic problem, our low domestic savings rate. As you know, Mr. President, America faces a world of vigorous competition in the global marketplace. During the same time that the economies of the world have become more and more integrated since the end of World War II, the competitive superiority of U.S. technology, productivity and finance has been steadily eroded by the rise of economies in both Asia and Europe.

The military competition of the 19th century and the first half of the 20th century have been replaced, I am happy to report, by competition in the economic arena. However, it is not so pleasing to note that America is not winning that competition. America's standard of living, once the envy of the entire world, has been eclipsed by some countries in Europe. Furthermore, the trend of America's relative standard of living is downward.

Why is this, Mr. President? There are many reasons. The complexity of this issue can be somewhat daunting—perhaps too complex for effective legislative action. However, the high cost of investment capital, a problem which many economists have identified as a

crippling burden on American competitiveness, is a problem which this Congress can address with positive legislation. The solution is to remove part of the bias against savings in our system of personal income taxation.

The American taxpayer's savings are taxed twice; once when money is earned and again each year when the proceeds of savings are realized. When a young family or a retired couple manages to keep $1,000 in a savings account that earns 6 percent per year, they receive $60 a year in interest on that savings. Our Tax Code then takes either 15 or 28 percent of that. The fruits of frugality is then, at best $51 and, more likely, under the 28-percent rate, $43. It is no wonder that Americans choose to spend their wages and rely on credit when they meet an unexpected expense.

America's household savings is approximately 4 percent of GNP. This compares to a rate of 20 percent in Japan and 8 percent in West Germany and in Canada. It is a startling fact that in Japan alone there is an average of $126,000 per household in savings. With so much capital available, is it a surprise that Japanese investment in the United States has increased by 611 percent between 1980 and 1987?

Of course, the Japanese are not alone. Foreign ownership of America's productive assets is increasing at a rate which is not matched by U.S. investment abroad because many foreign concerns have access to cheap investment capital. Once again our low savings rate is our main enemy.

The result to the economy is that our companies pay several percentage points more in interest for the money they need to make the workplace safer, to conduct research, to open new markets, and to expand or improve production. The result of this trend is a decline in America's competitiveness and in its standard of living.

As we all know, our trade deficit remains enormous and American exports are in decline once again. This is only another aspect of an ominous trend that will haunt many future generations of Americans unless we correct it.

Mr. President, I do not intend to cry doom. To the contrary, I believe our market economy is inherently resilient and can weather many a misguided Federal policy. But action is needed to impede these ominous trends now.

This low savings trend also harms the individual citizen because it represents an erosion of the security that only personal savings can provide.

We, the Congress, must act to improve our rate of savings. This is why Senator DODD and I are proposing a new individual retirement account which resembles the individual retirement account which was all but eliminated in 1986. I continue to believe that Senator DODD and I fought the good fight to save the IRA in 1986. We lost to the delicate consensus that had formed around the Tax Reform Act of 1986 and to arguments that have since been discredited. The IRA faced two persistent arguments. Both of these arguments have been thoroughly refuted by the facts. Furthermore our new IRA and savings bill is designed to assure that the benefits of deferred taxation are available on an equal basis to all taxpayers regardless of income.

The economics of the IRA are now clear. Between 1981 and 1986 the IRA generated enormous new savings. By the calculations of the Institute for Research on the Economics of Taxation, the IRA brought about $135 billion in new savings. Many other economists have reviewed this question and all have concluded that the IRA promotes savings rather than merely the shifting of funds from one form of savings to another.

It is also clear that two-thirds of all IRA's were held by taxpayers who earned less than $50,000 per year. The IRA is not a tax shelter for the rich. It is a retirement savings vehicle for the middle class and it is a mistake to repeal it in the face of this unfounded argument.

The bill we are introducing today nonetheless addresses these two concerns. First, the tax benefit will be equal for all taxpayers—a straight 15 percent credit against tax for every dollar of contribution regardless of tax bracket. Those who argued that the old IRA which allowed a deduction rather than a credit was an unequal tax break should be satisfied. Regardless of how much income one has or how much tax shelter they seek, all taxpayers get the same $300 maximum tax credit.

Second, we offer a savings incentive for taxpayers who lack the resources to fund an IRA. For those who make no IRA or some other personal retirement fund contribution, there is an exclusion of the first $100 of income from taxation. This amount is $200 for joint returns. While a $100/200 exclusion is not a great amount of tax benefit, it will make the entire proceeds of a $1,600 savings account earning 6 percent annually tax free. And for a low income taxpayer that means $15 to $28 a year staying in that savings account and earning interest rather than going to Uncle Sam's double taxation. I think that is a bit of fairness for the little guy and an incentive to save as well.

This bill also addresses the nonearning spouse as well. Couples who file joint returns can contribute up to $3,000 and claim a credit of $450. This would establish a spousal IRA of $1,000 compared to the current limit of $250.

We all agree that our savings rate is too low. I urge my colleagues to seize the moment and join Senator DODD and me in sponsoring this legislation. The country's future economic well-being is at stake and we are offering a good program for restoring America's competitive position through improved savings.●

By Mr. METZENBAUM:

S. 1589. A bill to amend the Appalachian Regional Development Act of 1965 to include Columbiana County, OH, as part of the Appalachian region; to the Committee on Environment and Public Works.

INCLUSION OF COLUMBIANA COUNTY, OH, IN THE APPALACHIAN REGION

● Mr. METZENBAUM. Mr. President, in 1965, Congress created the Appalachian Regional Commission, an agency dedicated to ending decades of social, cultural and economic isolation within Appalachia. Over the course of the past 25 years, the ARC has been an unqualified success. Schools have been built, roads constructed, water and sewer lines needed to attract industry have been laid. Head Start, senior programs, community recreation centers, and many other programs have helped to improve the lives of millions of people who live in the region.

I am today introducing legislation to correct an oversight that occurred when the ARC legislation was enacted 25 years ago. At that time, Columbiana County, OH, was supposed to be included in the group of Appalachian counties that made up the region. Unfortunately, local officials in Columbiana County who feared being labeled socially and economically backward, therefore declined to join the commission. As a result the county has been unable to benefit from ARC programs ever since.

Since 1965, the economic position of Columbiana County has deteriorated. Through much of the 1980's, the county has had a double digit unemployment rate. Per capita income has fallen from 89 percent of Ohio's rate to 79 percent, and the area population is predicted to fall by more than 10 percent during the next 20 years. The county needs help.

This bill would put Columbiana County back in the designated Appalachian region. The county shares many of the social and cultural characteristics of the region, and therefore I believe it is only fair that we help these folks obtain the same benefits that are available to others throughout this section of the country.●

By Mr. BINGAMAN:

S. 1590. A bill to transfer certain rights-of-way to the Elephant Butte Irrigation District of New Mexico, and for other purposes; to the Committee on Energy and Natural Resources.

ELEPHANT BUTTE IRRIGATION DISTRICT

● Mr. BINGAMAN. Mr. President, I rise today to introduce legislation to transfer certain rights-of-way to the Elephant Butte Irrigation District of New Mexico, and for other purposes.

The Elephant Butte Irrigation District [EBID] is a quasi-municipal corporation formed in cooperation with the United States Bureau of Reclamation under the laws of the State of New Mexico. The EBID is a successor to the Elephant Butte Water Users Association. It was established in 1905 as a preliminary component for the Rio Grande project that was authorized in 1906. The EBID, through various repayment contracts with the Bureau of Reclamation, made its final payment for the construction of the project in September 1971.

On February 15, 1979, the Bureau transferred the operation and maintenance of the New Mexico portion of the Rio Grande project to the EBID. This year the EBID marks its 10th anniversary operating the Rio Grande project, and over these past 10 years they have had the opportunity to evaluate and recommend improvements to the project.

Over the last decade, the costs to EBID for the annual operation and maintenance charges by the Bureau of Reclamation have increased 141 percent, while the duties and responsibilities of the Bureau have continued to decrease. In an effort to halt the spiraling costs of the annual operation and maintenance budget, EBID assumed operation and maintenance responsibilities over the three diversion dams within the EBID boundaries. Within 2 years, the Bureau of Reclamation's budget again outstripped the savings that had been achieved with the district assumed greater responsibilities.

The district has also had a continuing problem with encroachment on their rights-of-way and easements which severely impacts the project's operations. There have also been delays in processing and issuing permits to cross these easements and rights-of-way which undermines the efficiency of the various utilities and water companies that work hand-in-hand with the district.

Several years ago the Bureau of Reclamation established a policy of transferring single-purpose and many multi-purpose facilities to local water organizations for operation and maintenance. In an effort to implement that plan, the district has initiated this legislation for the return of the remaining district works so that it may assume complete operation and maintenance control over them. Part of a contract entered into between the Bureau and the district in 1979 provided that "upon the execution of this contract, the United States shall transfer to the Elephant Butte Irrigation District, and the district shall assume the operation and maintenance of the transferred district works." The term "transferred district works" in the contract refers to the distribution and drainage systems for the operation and maintenance of the irrigation district.

In addition to this contract language transferring the balance of the district works, statutory language found in 43 U.S.C. 498 also provides that when repayment to the Government has been made, the title to, and the management and operation of the irrigation works should pass to the owners of the land irrigated by the project. This statute was section 6 of the original 1902 Reclamation Act.

This legislation provides the Secretary of the Interior with the necessary authority to transfer back to EBID all those district works covered by the 1979 contract and 43 U.S.C. 498. The EBID has demonstrated clearly its ability to govern, control, maintain, and operate its portion of the project in an efficient manner. Since the district assumed greater responsibility for the project, costs for operation and maintenance have been reduced substantially. The result is a net savings for the Federal Government and lower water rates for members of the district. In this time of tight budgets and fiscal restraint, this transfer serves the best interest of all parties involved.

This measure is identical to H.R. 3196, sponsored by Representative JOE SKEEN. I urge the Senate to approve this legislation.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1590

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TRANSFER.

The Secretary of the Interior is authorized to transfer to the Elephant Butte Irrigation District, New Mexico, without cost to the district, title to such easements, ditches, laterals, canals, drains, and other rights-of-way, which the United States has acquired on behalf of the project, that are used solely for the purpose of serving Elephant Butte Irrigation District lands and which the Secretary determines are necessary to enable the Elephant Butte Irrigation District to carry out operation and maintenance with respect to that portion of the Rio Grande project to be transferred. The transfer of the title to such easements, ditches, laterals, canals, drains, and other rights-of-way located in New Mexico, which the Secretary has, that are used for the purpose of jointly serving Elephant Butte Irrigation District and El Paso County Water Improvement District No. 1, may be transferred to Elephant Butte Irrigation Distict upon agreement by the Secretary and both districts. Any transfer under this section shall be subject to the condition that the Elephant Butte Irrigation District assumes the responsibility for operating and maintaining that portion of such projects. Title to, and management and operation of, the reservoirs and the works necessary for their protection and operation shall remain in the United States until otherwise provided by an Act of Congress.●

ADDITIONAL COSPONSORS

S. 470

At the request of Mr. EXON, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 470, a bill to provide better bus transportation services for residents of rural areas, and for other purposes.

S. 495

At the request of Mr. HEINZ, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 495, a bill to amend title 10, United States Code, to encourage increased utilization of domestic firms in the performance of Department of Defense contracts.

S. 501

At the request of Mr. D'AMATO, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 501, a bill to amend the Internal Revenue Code of 1986 to make permanent, and to increase the amount of, the exclusion for amounts received under qualified group legal services plans.

S. 519

At the request of Mr. LAUTENBERG, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 519, a bill to prohibit smoking on any scheduled airline flight in intrastate, interstate, or overseas air transportation.

S. 543

At the request of Mr. SIMON, the names of the Senator from Utah [Mr. HATCH], the Senator from South Carolina [Mr. THURMOND], the Senator from Indiana [Mr. COATS], the Senator from Mississippi [Mr. COCHRAN], the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of S. 543, a bill to amend the Job Training Partnership Act to strengthen the program of employment and training assistance under that act, and for other purposes.

S. 563

At the request of Mr. MATSUNAGA, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 563, a bill to amend section 3104 of title 38, United States Code, to permit certain service-connected disabled veterans who are retired members of the Armed Forces to receive retired pay concurrently with disability compensation after a reduction in the amount of retired pay.

S. 564

At the request of Mr. MATSUNAGA, the name of the Senator from Alabama [Mr. HEFLIN] was added as a co-

sponsor of S. 564, a bill to provide for an Assistant Secretary of Veterans Affairs to be responsible for monitoring and promoting the access of members of minority groups, including women, to service and benefits furnished by the Department of Veterans Affairs.

S. 714

At the request of Mr. McCLURE, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 714, a bill to extend the authorization of the Water Resources Research Act of 1984 through the end of fiscal year 1993.

S. 741

At the request of Mr. LAUTENBERG, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 741, a bill to require the Secretary of Labor to identify labor shortages and develop a plan to reduce such shortages, and for other purposes.

S. 814

At the request of Mr. DOMENICI, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 814, a bill to provide for the minting and circulation of one-dollar coins, and for other purposes.

S. 1007

At the request of Mr. CHAFEE, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1007, a bill to amend title 23, United States Code, regarding the reduction in apportionment of Federal-aid highway funds to certain States, and for other purposes.

S. 1010

At the request of Mr. WILSON, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 1010, a bill to encourage further cooperation between Federal, State, and local law-enforcement agencies in their efforts against drug trafficking and other serious criminal activities.

S. 1088

At the request of Mr. EXON, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 1088, a bill to amend title XIX of the Social Security Act to improve the provision and quality of services to individuals with mental retardation or related condition.

S. 1091

At the request of Mr. GRAHAM, the names of the Senator from Maine [Mr. COHEN], the Senator from Maryland [Mr. SARBANES], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Connecticut [Mr. DODD], the Senator from Illinois [Mr. DIXON], the Senator from Wisconsin [Mr. KASTEN], the Senator from Iowa [Mr. HARKIN], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from North Carolina [Mr. HELMS], the Senator from North Carolina [Mr. SANFORD], and the Senator from Mississippi [Mr. LOTT] were added as cosponsors of S. 1091, a bill to provide for the striking of medals in commemoration of the bicentennial of the U.S. Coast Guard.

S. 1107

At the request of Mr. SIMON, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 1107, a bill to provide education, training, employment, and related services to displaced homemakers, and for other purposes.

S. 1115

At the request of Mr. EXON, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 1115, a bill to amend the Rural Electrification Act of 1936 to permit the prepayment and refinancing of Federal Financing Bank loans made to rural electrification and telephone systems, and for other purposes.

S. 1207

At the request of Mr. PACKWOOD, the names of the Senator from Alabama [Mr. HEFLIN] and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of S. 1207, a bill to amend the Communications Act of 1934 to reform the radio broadcast license renewal process and for other purposes.

S. 1338

At the request of Mr. BIDEN, the names of the Senator from West Virginia [Mr. BYRD] and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of S. 1338, a bill to amend title 18, United States Code, to protect the physical integrity of the flag of the United States.

S. 1472

At the request of Mr. WILSON, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1472, a bill to provide equity for consumers by allowing them to receive refunds for certain payments to public utilities made excess by the Tax Reform Act of 1986.

S. 1480

At the request of Mr. CRANSTON, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1480, a bill to ensure economic equity for American women and their families by providing equitable pay and employee benefits and enhanced opportunities in business procurement; providing economic and retirement security for women as workers and as divorced or surviving spouses; making quality and affordable dependent care available to all working families; enhancing the long-term health of women and their families through prevention services and assistance to victims of domestic violence.

S. 1547

At the request of Mr. BUMPERS, the names of the Senator from Connecticut [Mr. LIEBERMAN], the Senator from North Dakota [Mr. BURDICK], and the Senator from North Carolina [Mr. SANFORD] were added as cosponsors of S. 1547, a bill to provide special rules for health insurance costs of self-employed individuals.

S. 1552

At the request of Mr. MATSUNAGA, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 1552, a bill to amend title VII of the Public Health Service Act to increase the support provided to programs for the training of medical rehabilitation health personnel, to establish a Division of Allied Health Professions within the Health Resources and Services Administration, to initiate a pilot program concerning allied health research, and for other purposes.

S. 1560

At the request of Mr. BURNS, the names of the Senator from North Carolina [Mr. HELMS] and the Senator from Oregon [Mr. HATFIELD] were added as cosponsors of S. 1560, a bill to suspend the enforcement of certain regulations relating to underground storage tanks; and for other purposes.

SENATE JOINT RESOLUTION 48

At the request of Mr. HOLLINGS, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of Senate Joint Resolution 48, a joint resolution proposing an amendment to the Constitution of the United States relative to contributions and expenditures intended to affect congressional and Presidential elections.

SENATE JOINT RESOLUTION 102

At the request of Mr. D'AMATO, the names of the Senator from Arkansas [Mr. PRYOR] and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of Senate Joint Resolution 102, a joint resolution designating September 1989 as "National Library Card Sign-Up Month."

SENATE JOINT RESOLUTION 111

At the request of Mr. CRANSTON, the names of the Senator from Ohio [Mr. GLENN], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Nevada [Mr. REID], the Senator from Georgia [Mr. NUNN], the Senator from Michigan [Mr. LEVIN], the Senator from Wisconsin [Mr. KASTEN], the Senator from Pennsylvania [Mr. SPECTER], the Senator from California [Mr. WILSON], the Senator from Utah [Mr. GARN], the Senator from North Carolina [Mr. SANFORD] were added as cosponsors of Senate Joint Resolution 111, a joint resolution to designate the week of October 8 through 14, 1989, as "National Week of Commitment to Helping the Homeless."

SENATE JOINT RESOLUTION 164

At the request of Mr. NICKLES, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Nebraska [Mr. EXON], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Louisi-

ana [Mr. JOHNSTON], the Senator from South Dakota [Mr. PRESSLER], the Senator from Delaware [Mr. ROTH], the Senator from Alaska [Mr. STEVENS], the Senator from South Carolina [Mr. THURMOND], the Senator from Virginia [Mr. WARNER], the Senator from Missouri [Mr. BOND], and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of Senate Joint Resolution 164, a joint resolution designating 1990 as the "International Year of Bible Reading."

SENATE JOINT RESOLUTION 175

At the request of Mr. D'AMATO, the names of the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Colorado [Mr. ARMSTRONG], the Senator from Rhode Island [Mr. PELL], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Wyoming [Mr. SIMPSON], the Senator from Wisconsin [Mr. KASTEN], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Joint Resolution 175, a joint resolution designating the week beginning September 17, 1989, as "Emergency Medical Services Week".

SENATE JOINT RESOLUTION 176

At the request of Mr. D'AMATO, the names of the Senator from New York [Mr. MOYNIHAN], the Senator from Ohio [Mr. METZENBAUM], the Senator from Utah [Mr. GARN], the Senator from Virginia [Mr. ROBB], the Senator from Hawaii [Mr. INOUYE], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of Senate Joint Resolution 176, a joint resolution to designate September 29, 1989, as "National Siblings of Disabled Persons Day."

SENATE JOINT RESOLUTION 182

At the request of Mr. DOLE, the names of the Senator from Connecticut [Mr. DODD], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Virginia [Mr. ROBB], the Senator from North Carolina [Mr. SANFORD], and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of Senate Joint Resolution 182, a joint resolution to commemorate the 50th anniversary of Little League Baseball.

SENATE JOINT RESOLUTION 188

At the request of Mr. D'AMATO, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of Senate Joint Resolution 188, a joint resolution designating the week of October 23, 1989, through October 29, 1989, as "Eating Disorders Awareness Week."

SENATE JOINT RESOLUTION 194

At the request of Mr. LAUTENBERG, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of Senate Joint Resolution 194, a joint resolution designating November 12-18, 1989, as "National Glaucoma Awareness Week."

AMENDMENT NO. 698

At the request of Mr. WILSON, the names of the Senator from Kansas [Mrs. KASSEBAUM] and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of amendment No. 698 proposed to H.R. 3014, a bill making appropriations for the legislative branch for the fiscal year ending September 30, 1990, and for other purposes.

AMENDMENT NO. 709

At the request of Mr. HATCH, the names of the Senator from Nebraska [Mr. KERREY], the Senator from Arizona [Mr. MCCAIN], the Senator from Kentucky [Mr. MCCONNELL], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of amendment No. 709 proposed to S. 933, a bill to establish a clear and comprehensive prohibition of discrimination on the basis of disability.

SENATE CONCURRENT RESOLUTION 68—AUTHORIZING A CONCERT ON THE CAPITOL GROUNDS

Mrs. KASSEBAUM (for herself, Mr. PELL, Mr. BIDEN, Mr. SARBANES, Mr. KERRY, Mr. SIMON, Mr. SANFORD, Mr. MOYNIHAN, Mr. LUGAR, Mr. BOSCHWITZ, Mr. MURKOWSKI, and Mr. MACK) submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

S. CON. RES. 68

Resolved by the Senate (the House of Representatives concurring), That the National Park Service shall be permitted to sponsor a concert by the American Soviet Youth Orchestra on the Capitol grounds on Tuesday, August 28, 1990, such concert to be free to the public and arranged not to interfere with the needs of Congress, under conditions to be provided by the Architect of the Capitol.

● Mrs. KASSEBAUM. Mr. President, the American Soviet Youth Orchestra performed brilliantly last summer at the Kennedy Center under the direction of Zubin Mehta. It was a moving and unforgettable evening not only for these fine young musicians from the United States and the Soviet Union but also for the audience.

The nationwide competition for the 1990 American Soviet Youth Orchestra is in its final stages. In July 1990, the 50 United States winners will join with their 50 Soviet counterparts in rehearsals at the Moscow State Conservatory, to be followed by the Moscow performance and a tour of the Soviet Union and five cities in Europe. The orchestra will then travel to the United States where plans call for a performance on the Capitol grounds and public concerts in major U.S. cities.

In this country, the Oberlin College Conservatory of Music is sponsoring the orchestra, and in the Soviet Union the sponsors are the Ministry of Culture and the Moscow State Conservatory. First Lady Mrs. George Bush is the American honorary chairman. Mrs. Raisa Gorbachev has recently been invited to be the Soviet honorary chairman.

The orchestra needs the permission of Congress to perform on the Capitol grounds. The enclosed concurrent resolution simply provides that permission and does not have funding as an objective. The orchestra is supported primarily by donations from individuals, corporations, and foundations.

Senator CLAIBORNE PELL, chairman of the Committee on Foreign Relations, and I are pleased to submit this concurrent resolution. We would like to thank our colleagues on the committee who are cosponsoring the concurrent resolution.●

SENATE RESOLUTION 174 COMMENDING THE CREW OF UNITED FLIGHT 232 AND PERSONNEL FROM THE FEDERAL AVIATION ADMINISTRATION

Mr. DOLE (for himself, Mr. MITCHELL, Mr. HOLLINGS, Mr. DANFORTH, Mr. FORD, Mr. MCCAIN, Mr. GORTON, Mr. GRASSLEY, Mr. HARKIN, Mr. HUMPHREY, Mr. KASTEN, Mr. ARMSTRONG, Mr. COATS, Mr. HATCH, Mr. PACKWOOD, and Mr. WALLOP) submitted the following resolution; which was considered and agreed to:

S. RES. 174

Whereas, on July 19, 1989, the lives of 184 people on board United Flight 232 were saved, in large part, because of the heroic actions of the crew;

Whereas, the flight's cockpit crew, Captain Alfred Haynes, First Officer William Records, Second Officer Dudley Dvorak and Flight Instructor Dennis Fitch, performed with poise and courage in communicating with Sioux City, Iowa, airport personnel and in attempting a difficult emergency landing at the airport;

Whereas, the flight's cabin crew, Janice T. Brown, Georgeann Delcastillo, Barbara Gillaspie, Rene Louise LeBeau, Donna McGrady, Virginia J. Murray, Timothy Owens, Kathy Yeoung Shen and Susan White, performed with poise and courage in advising passengers prior to the crash and then assisting them in exiting the aircraft;

Whereas, Federal Aviation Administration (FAA) Air Traffic Control personnel, William K. Bachman and Mark W. Zielezinski, and FAA Airway Facilities personnel, Samuel N. Gochenour, Timothy Norton and Randy Youngberg, performed with poise and courage in assisting United Airlines Flight 232 make an emergency landing at Sioux City, Iowa: Now, therefore, be it

Resolved, That the United States wishes to commend the crew members of the United flight 232 and the Federal Aviation Administration personnel involved with United flight 232 for their exemplary efforts on behalf of the passengers of that flight.

AMENDMENTS SUBMITTED

AMERICANS WITH DISABILITIES ACT

HARKIN AMENDMENTS NOS. 711 AND 712

Mr. HARKIN proposed two amendments to the bill (S. 933) to establish a clear and comprehensive prohibition of discrimination on the basis of disability, as follows:

AMENDMENT No. 711

On page 92, line 18, insert a comma after "agent".

AMENDMENT No. 712

On page 86, line 22, strike "2" and insert "3".

BOSCHWITZ AMENDMENT NO. 713

Mr. BOSCHWITZ proposed an amendment to the bill S. 933, supra, as follows:

On page 84, between lines 7 and 8, insert the following new paragraph:

(3) JUDICIAL CONSIDERATION.—In a civil action under paragraph (1), the court, when considering what amount of civil penalty, if any, is appropriate, shall give consideration to any good faith effort or attempt to comply with this Act by the entity.

HOLLINGS (AND CHAFEE) AMENDMENT NO. 714

Mr. HOLLINGS (for himself and Mr. CHAFEE) proposed an amendment to the bill S. 933, supra, as follows:

(1) Amend section 304(b)(4) by inserting "except as provided in section 305(d)," immediately after "other providers,"; by striking "6 years" and inserting in lieu thereof "7 years"; and by striking "5 years" and inserting in lieu thereof "6 years".

(2) Amend section 305(a) by striking "Architectural and Transportation Barriers Compliance Board established under section 502 of the Rehabilitation Act of 1973 (29 U.S.C. 792)" and inserting in lieu thereof "Office of Technology Assessment".

(3) Amend section 305(c) to read as follows:

"(c) ADVISORY COMMITTEE.—In conducting the study required by subsection (a), the Office of Technology Assessment shall establish an advisory committee, which shall consist of—

"(1) members selected from among private operators using over-the-road buses, bus manufacturers, and lift manufacturers;

"(2) members selected from among individuals with disabilities, particularly individuals who use wheelchairs, who are potential riders of such buses; and

"(3) members selected for their technical expertise on issues included in the study.

The number of members selected under each of paragraphs (1) and (2) shall be equal, and the total number of members selected under paragraphs (1) and (2) shall exceed the number of members selected under paragraph (3).".

(4) Amend section 305(d) by striking "Board," and all that follows and inserting in lieu thereof "Office of Technology Assessment, including any policy options for legislative action, shall be submitted to the President and the Congress within 36 months after the date of enactment of this Act. If the President, after reviewing the study, determines that compliance with the requirements of section 304(a) on or before the applicable deadlines specified in section 304(b)(4) will result in a significant reduction in intercity bus service, each such deadline shall be extended by one additional year.".

(5) Amend section 305 by adding at the end the following new subsection:

"(e) REVIEW.—In developing the study required by subsection (a), the Office of Technology Assessment shall provide a preliminary draft of such study to the Architectural and Transportation Barriers Compliance Board established under section 502 of the Rehabilitation Act of 1973 (29 U.S.C. 792). The Board shall have an opportunity to comment on such draft study, and any such comments by the Board made in writing within 120 days after the Board's receipt of the draft study shall be incorporated as part of the final study required to be submitted under subsection (d).".

HELMS AMENDMENT NO. 715

Mr. HELMS proposed an amendment, which was subsequently modified, to the bill S. 933, supra, as follows:

At the appropriate place in title I, insert the following new section:

SEC. . AMENDMENTS TO THE REHABILITATION ACT.

(a) HANDICAPPED INDIVIDUAL.—Section 7(7)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 706(8)(B)) is amended—

(1) in the first sentence, by striking out "Subject to the second sentence of this subparagraph, the" and inserting in lieu thereof "The"; and

(2) by striking out the second sentence and inserting in lieu thereof the following: "Notwithstanding any other provision of law, but subject to subsection (C) with respect to programs and activities providing education and the last sentence of this paragraph, the term 'individual with a handicap' does not include any individual who currently uses illegal drugs, except that an individual who is otherwise handicapped shall not be excluded from the protections of this Act if such individual also uses or is also addicted to drugs. For purposes of programs and activities providing medical services, an individual who currently uses illegal drugs shall not be denied the benefits of such programs or activities on the basis of his or her current use of illegal drugs if he or she is otherwise entitled to such services.

(C) For purposes of programs and activities providing educational services, local educational agencies may take disciplinary action pertaining to the use or possession of illegal drugs or alcohol against any handicapped student who currently uses drugs or alcohol to the same extent that such disciplinary action is taken against nonhandicapped students. Furthermore, the due process procedures at 34 CFR 104.36 shall not apply to such disciplinary actions."

(D) For purposes of sections 503 and 504 of this Act as such sections relate to employment, the term 'individual with handicaps' does not include any individual who is an alcoholic whose current use of alcohol prevents such individual from performing the duties of the job in question or whose employment, by reason of such current alcohol abuse, would constitute a direct threat to property or the safety of others.".

(b) Section 7 of such Act (29 U.S.C. 706) is further amended by adding at the end thereof the following new paragraph:

"(22) The term 'illegal drugs' means controlled substances, as defined in schedules I through V of section 202 of the Controlled Substances Act (21 U.S.C. 812), the possession or distribution of which is unlawful under such Act. The term "illegal drugs" does not mean the use of a controlled substance pursuant to a valid prescription or other uses authorized by the Controlled Substances Act or other provisions of federal law.".

HELMS AMENDMENT NO. 716

Mr. HELMS proposed an amendment to the bill S. 933, supra, as follows:

At the appropriate place in the bill, add the following:

"For the purposes of this Act, the term "disabled" or "disability" shall not apply to an individual solely because that individual is a transvestite.".

HARKIN AMENDMENTS NOS. 717 AND 718

Mr. HARKIN proposed two amendments to the bill S. 933, supra, as follows:

AMENDMENT No. 717

Page 92, line 24, strike "or" before "observing", and add "or administering" after "observing".

Page 93, lines 3-4: Strike lines 3-4 and insert the following:

"(3) a person or organization covered by this Act from establishing, sponsoring, observing or administering the terms of a bona fide benefit plan that is not subject to State laws that regulate insurance."

"Provided that paragraphs (1), (2), and (3) are not used as a subterfuge to evade the purposes of title I and III.

AMENDMENT No. 718

On page 50, strike line 21 and all that follows through page 51, line 21.

On page 51, line 22, strike "(d)" and insert "(c)".

On page 52, between lines 9 and 10, insert the following new section:

SEC. 104. ILLEGAL DRUGS AND ALCOHOL.

(a) QUALIFIED INDIVIDUAL WITH A DISABILITY.—For purposes of this title, the term "qualified individual with a disability" shall not include any employee or applicant who is a current user of illegal drugs, except that an individual who is otherwise handicapped shall not be excluded from the protection of this Act if such individual also uses or is also addicted to drugs.

(b) AUTHORITY OF COVERED ENTITY.—A covered entity—

(1) may prohibit the use of alcohol or illegal drugs at the workplace by all employees;

(2) may require that employees shall not be under the influence of alcohol or illegal drugs at the workplace;

(3) may require that employees behave in conformance with the requirements established under the Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq.) and that transportation employees meet requirements established by the Secretary of

Transportation with respect to drugs and alcohol; and

(4) may hold an employee who is a drug user or alcoholic to the same qualification standards for employment or job performance and behavior that such entity holds other employees, even if any unsatisfactory performance or behavior is related to the drug use or alcoholism of such employee.

(c) DRUG TESTING.—

(1) IN GENERAL.—For purposes of this title, a test to determine the use of illegal drugs shall not be considered a medical examination.

(2) CONSTRUCTION.—Nothing in this title shall be construed to encourage, prohibit, or authorize the conducting of drug testing of job applicants or employees or making employment decisions based on such test results.

On page 52, line 10, strike "104" and insert "105".

On page 52, line 17, strike "105" and insert "106".

On page 52, line 22, strike "106" and insert "107".

On page 53, line 4, strike "105" and insert "106".

On page 53, line 6, strike "107" and insert "108".

On page 93, line 20, strike "106" and insert "107".

DOLE (AND OTHERS) AMENDMENT NO. 719

Mr. DOLE (for himself, Mr. DOMENICI, and Mr. GRASSLEY) proposed an amendment to the bill S. 933, supra; as follows:

On page 95, strike lines 4 through 14 and insert the following new subsections:

(a) PLAN FOR ASSISTANCE.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Attorney General, in consultation with the Chairman of the Equal Employment Opportunity Commission, the Secretary of Transportation, the Chairperson of the Architectural and Transportation Barriers Compliance Board, and the Chairman of Federal Communications Commission, shall develop a plan to assist entities covered under this Act, along with other executive agencies and commissions, in understanding the responsibility of such entities, agencies, and commissions under this Act.

(2) PUBLICATION OF PLAN.—The Attorney General shall publish the plan referred to in paragraph (1) for public comment in accordance with the Administrative Procedure Act (5 U.S.C. 551 et seq.).

(b) AGENCY AND PUBLIC ASSISTANCE.—The Attorney General is authorized to obtain the assistance of the other Federal agencies in carrying out subsection (a), including the National Council on Disability, the President's Committee on Employment of People with Disabilities, the Small Business Administration, and the Department of Commerce.

(c) IMPLEMENTATION.—

(1) AUTHORITY TO CONTRACT.—Each department or agency that has responsibility for implementing this Act may render technical assistance to individuals and institutions that have rights or responsibilities under this Act.

(2) IMPLEMENTATION OF TITLES.—

(A) TITLE I.—The Equal Employment Opportunity Commission and the Attorney General shall implement the plan for assistance, as described in subsection (a), for title I.

(B) TITLE II.—

(i) IN GENERAL.—Except as provided for in clause (ii), the Attorney General shall implement such plan for assistance for title II.

(ii) EXCEPTION.—The Secretary of Transportaton shall implement such plan for assistance for section 203.

(C) TITLE III.—The Attorney General, in coordination with the Secretary of Transportation and the Chairperson of the Architectural Transportation Barriers Compliance Board, shall implement such plan for assistance for title III.

(D) TITLE IV.—The Chairman of the Federal Communications Commission, in coordination with the Attorney General, shall implement such plan for assistance for title IV.

(d) GRANTS AND CONTRACTS.—

(1) IN GENERAL.—Each department and agency having responsibility for implementing this Act may make grants or enter into contracts with individuals, profit institutions, and nonprofit institutions, including educational institutions and groups or associations representing individuals who have rights or duties under this Act, to effectuate the purposes of this Act.

(2) DISSEMINATION OF INFORMATION.—Such grants and contracts, among other uses, may be designed to ensure wide dissemination of information about the rights and duties established by this Act and to provide information and technical assistance about techniques for effective compliance with this Act.

(e) FAILURE TO RECEIVE ASSISTANCE.—An employer, public accommodation, or other entity covered under this Act shall not be excused from meeting the requirements of this Act because of any failure to receive technical assistance under this section.

GRASSLEY (AND OTHERS) AMENDMENT NO. 720

Mr. GRASSLEY (for himself, Mr. DOLE, Mr. SPECTER, Mr. HUMPHREY, and Mr. NUNN) proposed an amendment to the bill S 933, supra, as follows:

At the appropriate place add the following:

Notwithstanding any other provision of this Act or of Law, the provisions of this Act shall apply in their entirety to the Senate, the House of Representatives, and all the instrumentalities of the Congress, or either House thereof.

HUMPHREY AMENDMENT NO. 721

Mr. HUMPHREY proposed an amendment to the bill S. 933, supra, as follows:

At the end of the bill, add the following:

For purposes of this Act, an individual with a "disability" shall not include any individual who uses illegal drugs, but may include an individual who has successfully completed a supervised drug rehabilitation program, or has otherwise been rehabilitated successfully, and no longer uses illegal drugs.

However, for purposes of covered entities providing medical services, an individual who uses illegal drugs shall not be denied the benefits of such services on the basis of his or her use of illegal drugs, if he or she is otherwise entitled to such services.

ARMSTRONG (AND HATCH) AMENDMENT NO. 722

Mr. ARMSTRONG (for himself and Mr. HATCH) proposed an amendment to the bill S. 933, supra, as follows:

At the end of the bill, add the following:

Under this act the term "disability" does not include "homosexuality," "bisexuality," "transvestism," "pedophilia," "transsexualism," "exhibitionism," "voyeurism," "compulsive gambling," "kleptomania," or "pyromania," "gender identity disorders," current "psychoactive substance use disorders," current "psychoactive substance-induced organic mental disorders," as defined by DSM-III-R which are not the result of medical treatment, or other sexual behavior disorders."

DOLE AMENDMENT NO. 723

Mr. DOLE proposed an amendment to the bill S. 933, supra, as follows:

At the appropriate place, insert the following new section:

SEC. . EXPENSING OF CERTAIN CAPITAL EXPENDITURES TO ASSIST DISABLED.

(a) ADDITIONAL ITEMS ELIGIBLE FOR EXPENSING.—Section 196(b) of the Internal Revenue Code of 1986 (relating to definitions) is amended by adding at the end thereof the following new paragraph:

"(4) CERTAIN ITEMS INCLUDED.—The term 'qualified architectural and transportation barrier removal expense' shall include any of the following expenses in connection with a trade or business which are chargeable to capital account:

"(A) Expenses for auxiliary aids and services (as defined in section 3(1) of the Americans With Disabilities Act of 1989).

"(B) Expenses in connection with providing reasonable accommodations (as defined in section 3(8) of such Act) to individuals with disabilities."

(b) DECREASE IN MAXIMUM AMOUNT WHICH MAY BE EXPENDED.—Section 190(c) of the Internal Revenue Code of 1986 is amended by striking "$35,000" and inserting "$25,000".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1989.

HARKIN AMENDMENT NO. 724

Mr. HARKIN proposed an amendment to the bill S. 933, supra, as follows:

At the appropriate place insert the following:

Should any provision in this Act be found to be unconstitutional by a court of law, such provision shall be severed from the remainder of the Act, and such action shall not affect the enforceability of the remaining provisions of the Act.

LIMITATIONS OF CIVIL CONTEMPT SENTENCES IN THE DISTRICT OF COLUMBIA

SASSER (AND HATCH) AMENDMENT NO. 725

Mr. MITCHELL (for Mr. SASSER, for himself and Mr. HATCH) proposed an amendment to the bill (S. 1163) to amend the D.C. Code to limit the

length of time for which an individual may be incarcerated for civil contempt in a child custody case in the Superior Court of the District of Columbia and to provide for expedited appeal procedures to the D.C. Court of Appeals for individuals found in civil contempt in such a case, as follows:

On page 2, line 15, after "11-1101(1)" insert "and (4)".

LEVIN AMENDMENT NO. 726

Mr. MITCHELL (for Mr. LEVIN) proposed an amendment to the bill S. 1163, supra, as follows:

At the end of the bill, add the following:

SEC. 4. APPLICABILITY OF AMENDMENTS AND REPORT.

(a) APPLICABILITY.—The amendments made by this Act shall cease to apply on the date that is 18 months after the date of enactment except that such amendments shall apply to any person incarcerated for civil contempt in a child custody case on or before the date that the amendment ceases to be in effect.

(b) REPORT.—The Senate Committees on Governmental Affairs and the Judiciary shall conduct a study of the current law and procedures with respect to civil contempt in the District of Columbia and the Federal courts, respectively. The Committees shall report to the Senate not later than September 1, 1990 the findings of such study and any recommendations for changes to current law.

NOTICES OF HEARINGS

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. NUNN. Mr. President, I would like to announce for the information of the Senate and the public that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, will hold hearings on the structure of international drug cartels.

These hearings will take place on Tuesday, September 12, 1989, at 9:30 a.m., in room 106 of the Dirksen Senate Office Building and Wednesday, September 13, 1989, at 9:30 a.m. in room 342 of the Dirksen Senate Office Building. For further information, please contact Daniel Rinzel of the subcommittee's minority staff at 224-9157.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BUMPERS. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources to receive testimony on S.11, a bill to provide for the protection of the public lands in the California desert.

The hearing will take place on October 2, 1989, beginning at 2 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the hearing record is welcome to do so. Those wishing to submit written testimony should send two copies to the Subcommittee on Public Lands, National Parks and Forests, SD-364, Washington, DC 20510.

For further information regarding the hearing, please contact Beth Norcross of the subcommittee staff at (202) 224-7933.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. GLENN. Mr. President, I would like to announce that the Governmental Affairs Committee will hold a hearing on Monday, September 11, 9:30 a.m., on the subject: Threat of terrorism and government responses to terrorism. For further information, please call Len Weiss, staff director, at 224-4751.

Mr. President, I would like to announce that the Governmental Affairs Committee will hold a hearing on S. 1165 and S. 272, legislation designed to eliminate congressional exemptions in certain laws passed by the Congress, on Thursday, September 14, 1989, at 9:30 a.m.

For further information please call Len Weiss, staff director, at 224-4751.

COMMITTEE ON SMALL BUSINESS

Mr. BUMPERS. Mr. President, I would like to announce that the Small Business Committee will hold a full committee hearing on Thursday, September 21, 1989, to examine the impact of enterprise zones on small business growth and development. The hearing will be held in room 428A of the Russell Senate Office Building and will commence at 1:30 p.m. For further information please call Marja Maddrie, at 224-5175.

COMMITTEE ON VETERANS' AFFAIRS

Mr. CRANSTON. Mr. President, I announce, for the information of Senators, that the Committee on Veterans' Affairs, which I am privileged to chair, is scheduled to hold a hearing on Wednesday, September 13, 1989, in SR-418 at 9:30 a.m. on the nominations of Kenneth B. Kramer and John J. Farley III, to be associate judges of the U.S. Court of Veterans Appeals.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on September 7, 1989, at 10 a.m. to mark up legislation to restructure the Medicare Catastrophic Coverage Program enacted last year.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Thursday, September 7, 1989, at 9:30 a.m. in open session to consider the nominations of Anne Newman Foreman to be Under Secretary of the Air Force and Antonio Lopez to be Associate Director of the Federal Emergency Management Agency. The nominees will be present.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, September 7, at 10 a.m., to hold a hearing on State Department nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, September 7, 1989, 9 a.m., to hold a hearing to review the national drug strategy.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON GOVERNMENT CONTRACTING AND PAPERWORK REDUCTION

Mr. REID. Mr. President, I ask unanimous consent that the Small Business Committee's Subcommittee on Government Contracting and Paperwork Reduction be authorized to meet during the session of the Senate on September 7, 1989, at 9:30 a.m. The committee will hold a hearing on the implementation of the Paperwork Reduction Act of 1980, and its impact on small business.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CONSUMERS

Mr. REID. Mr. President, I ask unanimous consent that the Consumer Subcommittee, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on September 7, 1989, at 9:30 a.m. to hold a hearing on S. 1224, the Motor Vehicle Fuel Efficiency Act of 1989.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE SECOND ANNUAL FESTIVAL OF THE ARTS AND HERITAGE OF AFRICAN AMERICANS

● Mr. BRADLEY. Mr. President, on September 16 the Second Annual Festival of the Arts and Heritage of African Americans will be celebrated at the Garden State Arts Center in Holmdel, NJ. This festival honors the rich and extensive African-American culture as well as its unique heritage.

New Jerseyans from across the State are coming together to observe and enjoy African-American art, music, cuisine, and sporting events.

Artists, exhibitors, and entertainers from America, Africa, and the West Indies will provide New Jersey citizens with an opportunity to further their understanding and appreciation of African-American culture. In addition, the festival will help to support the Garden State Cultural Fund which provides free programs to the handicapped, senior citizens, children, and disabled veterans.

I am especially proud to recognize the Festival of the Arts and Heritage of African Americans because this celebration allows all citizens a chance to learn and admire an extraordinary culture which is an integral part of our collective society. This festival encourages a greater understanding of our diverse society and a sense of pride in our community.

Mr. President, today I ask my colleagues to join me in recognizing The Festival of the Arts and Heritage of African Americans for its continued contributions to our society.●

TOM VAUGHAN IS HISTORY

● Mr. HATFIELD. Mr. President, I am pleased to rise today to recognize the lifetime achievement of my good friend, Mr. Thomas Vaughan, director of the Oregon Historical Society.

The Oregon Historical Society, founded in 1898, now boasts an annual budget of more than $3 million. The organization has the highest per capita membership of any State and is considered to be among the finest regional societies in the United States. After 35 years of dedicated service, Tom Vaughan retired as the Oregon director on August 12, 1989.

During his tenure, the Oregon Historical Society grew at a phenomenal rate and now includes a museum, a publishing house with nearly 150 titles, and a research library. Over 25,000 schoolchildren visit the museum each year.

Tom's outstanding achievements were recently featured in the Oregonian. It is an honor to include in the RECORD the following article entitled "Tom Vaughan is History," and the editorial entitled "Tom Vaughan, a Character." I applaud Tom for his many years of wonderful service to the State of Oregon and the country.

The article follows:

TOM VAUGHAN IS HISTORY

(By Jann Mitchell)

The dusty boxes were piled higgledy-piggledy, as the new director put it, at the Oregon Historical Society on the second floor of the Portland Public Auditorium.

It was 1954, and 29-year-old Tom Vaughan was determined to create order of the musty, dusty elk antlers, yellowing papers and American Indian baskets stashed on stairs. From one box he palmed a small silver seal, its face tarnished by time.

Polishing revealed a tiny beaver gnawing at an immense tree and a single word: perseverance. It was the seal and motto of the Northwest Company, the fur traders who helped open this region.

"It was meant to be that I should find this—it will be my motto," vowed Vaughan with typical drama.

Thirty-five years later, the tree has toppled, damming a precious pool of the past in the nation's premier historical society.

Vaughan found the Oregon Historical Society "in serious trouble—no home, no property, no nothing. We were on the verge of collapse—difficult but exciting. I was the forlorn hope, so no one was jumping in my way, breathing on me. I felt I'd found my great calling."

The society now spills over a city block worth $10 million, housing a museum, a publishing house with nearly 150 titles and a research library boasting nearly 100,000 books, 22 million manuscripts, nearly 3 million photographs, 15,000 maps and 7 million feet of film. The society also bought a Meier & Frank warehouse in Northwest Portland to store its collection.

The society writes the historical plaques throughout the state, owns the exhibits in the state Capitol and the furniture in the governor's mansion, supports local museums and is host to 25,000 schoolchildren yearly.

Chartered in 1898, the society has grown from a staff of five, an annual budget of $38,000 and a membership of 1,500 in 1954 to a staff of 95, budget of more than $3 million and membership of 8,500. Some states have larger historical societies, but Oregon's has the highest per capita membership, whose dues pay 13 percent of its budget. The society receives 33 percent of its money from the state, 33 percent from endowments, 20 percent from private gifts and 1 percent from sales.

"To have interested actively that many people is a major accomplishment," said W. Kaye Lamb of Vancouver, B.C., Canada's chief archivist from 1948-68. He ranks the Oregon Historical Society among the highest regional societies on this continent.

To Vaughan, history is "this incredible, endlessly moving picture. Our mission is to excite a person to say, 'I'm part of all that. Life didn't begin when I was born.' "

The industrious beaver has earned his rest. His directorship becomes history Aug. 12.

At 64, Vaughan has earned the title of Historian Laureate from the Oregon Legislature and Commander of the Most Excellent Order of the British Empire from Queen Elizabeth II. He has edited and/or written 16 books and made five films. He has traveled Russia's Trans-Siberian Railroad in quest of material on Siberian explorers and logged 600,000 miles by car in Oregon—getting only one ticket, and that on a road he designed. Many applaud him as Oregon's top fundraiser; some venture he's also its best politician.

"That's not true, but I just love politicians—they can't be successful without discipline. I'm proudest of my discipline," Vaughan demurred in the deliberate, elongated tones his familiars call "the T-o-m V-a-u-g-h-a-n voice."

The pace is as slow as a dull history text before Friday's final bell. But the content is richly detailed, resonant with the color of yesteryear. How many men refer to themselves as lads or describe themselves as vexed? Vaughan chooses his words with the deliberation most people reserve for the dessert tray. He's not the kind of man to whom one says "Yo, Tom."

Tom Vaughan could intimidate people. His great, shaggy brows play Lewis and Clark across his forehead, scouting out the best routes to a goal. Grand arm flourishes accompany his conversation, which is punctuated with quotes from the famous (he tactfully adds, "Francis Bacon, whom you know is the English philosopher . . ." lest ignorance embarrass a listener). Yet, his enthusiasm saves the phrases from becoming benedictions; he beguiles the small-town resident and big-city legislator equally.

"He is as at home in Buckingham Palace or the White House as he is in Condon or Fossil," said Elizabeth Johnson of Redmond, longtime board member who, along with her late husband, Sam, is also a longtime friend. "He can adapt his attitude and attire to mesh with the local people."

Vaughan's costumes help. He doesn't blush at appearing publicly in a kilt, cowboy duds or 1887 tails.

He has donned medieval robes for the Magna Carta exhibition, worn 1930s garb and a bowler to the state Capitol's 50th anniversary, sported a straw boater and white suit for the rededication of Vista House. He recently wore to an annual meeting the same suit he was interviewed in 35 years ago; told then he looked like an Anglican bishop, he decided he'd keep it.

Friends recall the events Vaughan has staged, from a promotional picnic in Condon that featured a stuffed buffalo, to an armed ambush when board members and supporters took a train to the Pendleton Round-Up, to standing on the beachheads of France dramatically reading aloud the memoirs of World War II servicemen.

Sporting such flair on his own, Vaughan has little reason to leap into another man's shoes. But he would have "loved to trail along as the partner of Marco Polo—and I'd cherish chatting with Newton. George Washington is my favorite hero. I still think he's not yet truly understood."

All people—famous and unknown—energize him because "we're all in this together." Never bored on his backroad visits, he found "simple values—the real thing. I'll miss that."

The Dale Carnegie of Oregon plucks rather than pries money from supporters' hands. Vaughan believes in his cause and inspires others to.

"That's my skill—I somehow am able to convey a sense of excitement about something that is not tangible," he said. "I have a total obligation, or we wouldn't have flourished. I believe so deeply in what we're doing and how we spend the money."

He also believes in building slowly. The society's square block was purchased during 16 deals over 29 years. He never has held a membership drive.

"Never in 35 years have I said, 'Think how we have done all this!' People want a challenge, or some of the best would be off in another place where they were needed more," Vaughan reasons. "You've got to plan in such a way that the first response is not 'no.' "

"I don't know how many boards I've sat on where people said, 'What we need is another Tom Vaughan,' " said Brian Booth, Portland attorney and community leader in the arts.

Booth and others say Vaughan epitomizes the strengths of a chief executive; the highest professional standards and a strong record of accomplishment in fund raising,

public relations and working with the Legislature.

Vaughan passes the hat with such finesse that Oregon legislative officers have announced his appearances before the Ways and Means Committee so legislators could catch his act.

"People understand his mission," said former Gov. Vic Atiyeh. Giving becomes "a desire on people's part to be a part of the successful mission the society's been on. I've seen other groups apply inordinate pressure. With Tom and his network of friends, it's all done in the manner of a good cause, not twisting arms."

"People come from all over the country and say, 'Tell us the secret,' " said Vaughan. "I tell them it's hard work and methodical, slogging discipline. Their eyes glaze over at the notion.

"People think I have a tree I won't let other people near, that I shake it and casually pick the money up. I've worried about money every hour of every day for the last 35 years. It's a gnawing, erosive concern."

Concern about money is not surprising to find in man who was one of seven children raised by a father working in the Vancouver shipyards. Vaughan was born in Seattle, but spent his boyhood in the Cowlitz Valley 50 miles north of Portland.

His parents' love of history, their large library and inspiring teachers prompted Vaughan's passion for the past. He creates a canvas from the air and paints word pictures of a childhood with rivers choked with logs, salmon and steamboats: "Such plentitude! Everyone thought it would last forever," Vaughan said wistfully.

World War II interrupted college, but after serving in the Marines, Vaughan graduated from Yale University and knocked about. He worked with a survey crew for an airfield in Anchorage, Alaska, and toiled in the oil fields of Texas and Alberta, Canada. At 23, he enrolled in the University of Wisconsin to get a master's degree in American history.

He was doing pre-doctoral work when he hired as his research assistant Elizabeth Crownhart, dubbed "Sherry" at age 9 when a family friend noted that her hair was the color of the wine. They eventually married and raised four children, becoming worldwide travelers and professional collaborators—working together on several books and translations of Siberian explorers of the Northwest, for which Crownhart-Vaughan learned Russian. She is director of the society's North Pacific Studies Center; many call the husband-wife scholars a team.

She was attracted by Vaughan's "aura of excitement about everything he does and thinks."

"Women of my generation were brought up to hold back, not to be too obviously bright. It was very exciting to find someone who was so brilliant himself and certain of who he was that I never had to hold back. Just the opposite; it was a challenge to be my very best. It was true with our children, as well as with his staff."

Tom Vaughan fans say he is the proverbial tough act to top.

"I almost feel sorry for the new director," Atiyeh said. "Tom is that very unique person who just doesn't come along. He gives credit to a lot of other people, but he's the genius of it. Some people think it's the Tom Vaughan Historical Society."

James Thayer Sr., immediate past board president, said that his toughest job was searching for Vaughan's successor.

He is comfortable with the selection of William J. Tramposch, director of the Colonial Williamsburg Foundation in Williamsburg, Va., "because I had the total backing of Tom and Sherry. They thought we made a great selection—the greatest reward I had for something I didn't want to do."

Vaughan, the dedicated beaver, may be finishing gnawing, but he'll never stop knowing.

TOM VAUGHAN, A CHARACTER

Is history shaped by the impersonal forces of economics and geography or by the deeds of men and women? The career of Tom Vaughan argues that the force of an individual personality can have a powerful effect.

Much has been appropriately said elsewhere about the growth of the Oregon Historical Society under the leadership of Thomas J.G. Vaughan, who retired Saturday from 35 years as its executive director.

What needs to be remembered along with that record is the flavor of Tom Vaughan, the man. He has character and he is one. These are some of his ingredients:

Presence. His typical greeting, "Hello. I'm Tom Vaughan," somehow combines warmth with just a touch of a blessing.

Understanding. Vaughan knows about all kinds of people because he has seen a good bit of life. He went to Yale, and he holds a medal from Queen Elizabeth II, but he also was a Marine and an oil-field roustabout.

Diligence. Many people have marveled at his ability to win ever-increasing appropriations from the Oregon Legislature (although he always points out that the state provides only about one-third of the historical society's financial support). What the envious may not know is the amount of time Vaughan has spent, months ahead of every legislative session, talking with legislators and the governor's budget-makers about the society's needs and its potential.

Daring. His slightly reckless courage launched him, for example, on his spectacularly successful explorations of the historical archives of Soviet Siberia—not by the obvious but dead-end approach through the bureaucracy of Moscow, but by way of the back door. He boarded the trans-Siberian railroad from the east and got off at stops in Central Asia to meet librarians who had never heard of him.

Scope. Some regional historians limit themselves to pioneer diaries and wagon tracks. Important as that is, Vaughan has seen more. He relates the history of Oregon to the clashes of empires, and has made the Oregon Historical Society a center for information about the ambitions and defeats of British fleets and Spanish friars, Russian czars and Chinese mandarins.

Improvisation. Not even Tom Vaughan wins 'em all, but he has an uncanny talent for making an apparent setback seem to be what he intended all along, and to turn it into something for the historical society's advantage.

He has had the support his fellow-historian wife, Elizabeth, and of a staff capable of filling in details within the outlines he has sketched. But he chose the staff and inspired it.

The Oregon Historical Society's charter directs it to hold its materials "in trust for the people of the state of Oregon." Tom Vaughan has been faithful to that trust.●

SOUTH AFRICAN MINISTER URGES MORE SANCTIONS TO END APARTHEID

● Mr. SIMON. Mr. President, recently, the Illinois Times ran an article and quoted a South African Lutheran minister, Zwoitwaho Nevhutalu, saying what I have sensed overwhelmingly in talking to blacks in South Africa and from South Africa.

There is a notion that is much too widespread that most blacks in South Africa are opposed to economic sanctions.

The opposite is clearly the case.

I urge my colleagues in the House and Senate to read this article. At this point, I ask that it be printed in the RECORD.

The article follows:

SOUTH AFRICAN MINISTER URGES MORE SANCTIONS TO END APARTHEID

Zwoitwaho Nevhutalu believes black South Africans face a choice between competing evils. The lesser evil, says the Lutheran minister from Venda, a city in northern South Africa, is the loss of jobs as a result of economic sanctions by western countries and businesses against the South African government. The greater evil, says Nevhutalu, is the government, which ignores human rights, represses individual freedoms, illegally imprisons its citizens, and kills innocent men, women, and children who disagree with its policies. He says it will take more of the lesser evil, the bitter pill of economic sanctions, to eradicate the greater evil.

The United States and European nations have employed economic sanctions—such as embargoes on coal and manufactured goods—to pressure the white minority South African government to abolish its system of apartheid, the separation of the races and repression of majority blacks. Blacks, who cannot vote under apartheid, are segregated from whites in housing, schooling, and other social contact and have limited freedom of movement within their own country. Many Western businesses also are "disinvesting" from South Africa, shutting down operations and withdrawing investments in the country.

"The government derives its oppressive power from the economy," says Nevhutalu, who was in Springfield last week to encourage church congregations, public officials, and private individuals to support pending federal legislation to increase economic sanctions against South Africa. Opponents of such economic pressure contend that black South Africans suffer the greatest hardships from a worldwide attempt to force the white ruling government of P.W. Botha to recognize the rights of blacks. They note, for example, that nearly 10,000 black miners have lost their jobs since foreign investors began moving their businesses out of the country five years ago. And it has been estimated that sanctions and disinvestment by foreign corporations could cost nearly 2 million jobs by the year 2000, most of them unskilled labor positions filed by black South Africans.

But Nevhutalu says that, for blacks, losing a job is preferable to living under a repressive regime. "What is the point of a job when you are dead?" he asks. "People are dying with jobs because of apartheid. Whatever good foreign investors do cannot outweigh the suffering, pain, and death in black communities."

Moreover, he says, job security for blacks has never existed in South Africa. Blacks, particularly miners, have never had permanent employment, he says. Workers can be

laid off at the least provocation, such as disagreeing with company rules or seeking higher wages, because there is a large pool of unemployed laborers. The South African government publicly claims that sanctions have not done the economy much harm, but Nevhutalu disagrees. He says sanctions are causing major rifts between white politicans and business people in his country. Members of the white business community recently met with members of the outlawed African National Congress to discuss a peaceful resolution to apartheid, without the approval of the government. "We think sanctions are effective," says Nevhutalu. "Although the politicians say sanctions can't hurt them, anyone who calls for sanctions can be tried for treason and put to death. So the government and the business people are very worried about sanctions."

Nevhutalu discredits a recent poll commissioned by the Chamber of Mines, a private association of South African mining companies, which has gained worldwide attention. The poll reported that 82 percent of the 1,400 black South Africans interviewed said they opposed sanctions and 85 percent opposed disinvestment by foreign companies. Nevhutalu says black churches and trade unions have rejected the results of the poll. If blacks had the freedom to discuss and support sanctions, the overwhelming majority of them would, he says. "If you say you favor sanctions—you are breaking the law. You can only speak openly against sanctions. Some organizations, such as the South African Council of Churches and the Congress of South African Trade Unions, openly defy the law and ask foreign governments for more sanctions.

Nevhutalu says Americans can help end apartheid by putting increased pressure on the South African government. He says an important part of his mission to Illinois, Iowa, and Indiana is to educate Midwesterners on the role they can play. "There are many things people can do as individuals, groups, or a city," he says. "People need to be informed about what's happening in South Africa—then they can participate." The Springfield City Council will be voting on a resolution to support federal legislation to increase sanctions. Ward 2 Alderman Frank McNeil also has introduced an ordinance that would prevent the city from purchasing materials or equipment from companies doing business with South Africa. Nevhutalu suggests individuals write letters urging an end to apartheid to South African consulates in the U.S., and to the prime minister and minister of police in South Africa. Groups can demonstrate against apartheid outside of South African embassies and consulates, such as the one in Chicago, and boycott companies doing business in South Africa.

Because laws to suppress individual freedoms are being passed almost daily, Nevhutalu is concerned that it will be many years before blacks will be able to overthrow apartheid. "I can't talk about a peaceful resolution—it's already bloody," he says. "There is no peace in South Africa. People are dying right now as I sit here."●

● Mr. LEVIN. Mr. President, I am pleased that we were able to work out with Senator SASSER, the chairman of the General Services, Federalism and District of Columbia Subcommittee, a reasonable sunset provision for this bill to enable the Senate to fully consider the broader issue of civil contempt after further study. The 18-month sunset will serve as an action-enforcing mechanism for us to do that. The bill before the Senate amends the statute governing civil contempt in the District of Columbia only with regard to child custody cases. It may be appropriate, however, to apply similar limitations to all civil contempt proceedings in both the District of Columbia and our Federal court system.

The amendment to which we have agreed would limit the application of S. 1163 to an 18-month period and would require the Senate Judiciary and Governmental Affairs Committees to study the question of civil contempt during that time and report to the Senate on any recommendations for changes to current law by September 1, 1990. We will then have a 6-month period to time in which to consider legislation embodying those recommendations. The amendment makes clear that anyone incarcerated for civil contempt during the 18-month period would be protected by the 12-month cap, even if their incarceration for the 12 months extends beyond the 18-month deadline.

By proceeding in this manner, we will enable ourselves to address what we know now to be a serious problem and at the same time allow us to have the benefit of a comprehensive review of the question to address the broader issues. If unlimited civil contempt is inappropriate for the District of Columbia courts, then it seems logical that it would be inappropriate for our Federal courts. Likewise, if it is appropriate for child custody cases, it may also be appropriate for all types of cases. That is what we need to examine in the next year, and then, based on the recommendations we receive, legislate accordingly.

I only reluctantly voted to report this bill to the full Senate. I was concerned that we didn't devote enough attention and study to this subject. While we have limited this bill's application to only child custody cases, further examination of the issue may have led us to conclude that the 12-month limit should apply in all civil contempt proceedings.

At the same time, Congress has not acted to restrict the length of civil contempt in the Federal court system. We would significantly benefit from the advice and guidance of the Senate Judiciary Committee as to whether a limitation on civil contempt has been considered in that committee and if so, what the committee's conclusions on the subject were.

Mr. President, I appreciate the cooperation and effort of the Senator from Tennessee and my friend from New Hampshire, Senator RUDMAN.●

HONORING THE 25TH EVACUATION HOSPITAL

● Mr. SIMON. Mr. President, I rise today to give recognition and honor to the physicians and nurses who served in the 25th Evacuation Hospital during World War II. Originally organized as an evacuation hospital, the 25th Evacuation Hospital unit actually served the command as a combined station, evacuation, and general hospital, rendering surgery, treatment, and evacuation during a 2½-year period to more than 20,000 resident patients, 36,000 outpatients, and 68,000 treatment cases not requiring hospitalization or out-patient services.

The 25th Evacuation Hospital was staffed mostly by physicians and nurses drawn from West Suburban Hospital, as it was then known, the majority of whom were living in Oak Park and River Forest, IL.

The 25th Evacuation Hospital began limited operations as a field hospital in Espiritu Santo, New Hebrides, on February 8, 1943, despite torrential rains, intense heat, tropical diseases, and enemy bombardment.

On September 5, 1951, the Secretary of the Army, under General Orders No. 77, awarded the 25th Evacuation Hospital the meritorious unit commendation for exceptionally meritorious conduct in the performance of outstanding service in the Asiatic-Pacific Theater during the period of November 20, 1942, and November 30, 1945. Hundreds of American lives were saved through the persistent and industrious application to duty by the members of the 25th Evacuation Hospital.

I ask my colleagues of the Congress to join me in recognizing the outstanding contributions of these individuals in providing the needed care for our Armed Forces. I believe their contribution to the war effort was critical to the victory of the United States and Allied Forces in the Pacific.

Although the 25th Evacuation Hospital created a depletion of physicians and nurses in the Oak Park and River Forest communities, I am proud of their efforts and pleased to know they will be remembered by the dedication of a Memorial Plaque on September 13, 1989 at the West Suburban Hospital Medical Center in Oak Park, IL.●

SENATE CONSIDERATION OF S. 1163

● Mr. GLENN. Mr. President, I want to commend Senator SASSER for the hard work he and his subcommittee staff have performed in the Governmental Affairs Committee in fashioning this compromise approach to a very difficult issue.

S. 1163 limits to 12 months the time an individual may be jailed in the District of Columbia for civil contempt.

The bill is limited to imprisonment for civil contempt arising from child custody cases.

S. 1163 was reported out of the Governmental Affairs Committee on July 26, 1989. All of the Governmental Affairs Committee members deserve praise for working to bring this bill to the floor so quickly.

A court uses the civil contempt power to compel parties before the court to obey its orders. Sanctions for civil contempt—sanctions such as imprisonment—are the court's only means to ensure compliance with and respect for the decisions it makes.

This power to coerce is vital to the judiciary's enforcement of the rule of law. However, over time, coercive sanctions lose their effect. The person imprisoned or fined becomes resigned to defying the court no matter what the consequences. At that point, sanctions, turn into punishments for obstinate behavior—severe punishments which are imposed without normal due process protections.

S. 1163 simply states Congress' belief that, after 12 months, the sanction of imprisonment for civil contempt arising from a child custody case can no longer be coercive. After that amount of time, an individual jailed for civil contempt must be charged and accorded full due process protections if he or she is to be kept in jail.

The problem of long-term incarceration for civil contempt was brought to the Governmental Affairs Committee's attention by the case of Morgan versus Foretich. The Superior Court of the District of Columbia has kept Dr. Elizabeth Morgan jailed for almost 2 years in an attempt to compel her to turn over her child to Dr. Foretich for visitation. Without judging the merits of Drs. Morgan and Foretich's various claims and counterclaims in their drawn-out custody battle, I believe that Dr. Morgan's situation is a clear demonstration of the injustice of long-term indefinite incarceration.

S. 1163 addresses this injustice only in limited circumstances: civil contempt arising from child custody cases in the District of Columbia. There is good reason for this. Beyond the Morgan case, the Governmental Affairs Committee heard no evidence that District of Columbia Courts—the only courts in the committee's jurisdiction—have relied on lengthy imprisonment for civil contempt. We also had no evidence before us detailing the effect that generally restricting the courts' civil contempt power might have on the administration of justice in cases other than child custody. We in Congress bear the burden of proof when we seek to limit an inherent and essential power of the courts. As of now, that burden has been satisfied only for the power to incarcerate for civil contempt arising out of custody cases.

Furthermore, the limitation S. 1163 places on the D.C. courts is only on their punitive power—not on their coercive power. And even that limitation is in accordance with accepted legal principles. S. 1163 simply affirms the long accepted rule that punitive imprisonment be preceded by constitutionally guaranteed due process.●

DR. LEROY HERRON

● Mr. LEVIN. Mr. President, after 27 years of dedicated service to Roseville and the people of the Roseville Community School District, Dr. Leroy Herron is retiring.

Dr. Herron is a Michigan native, a product of Michigan schools, who has given a career to young people and families. In recognition of his accomplishments, the board of education in Roseville has passed a resolution of tribute to this outstanding educator. I join them in congratulating Dr. Herron for serving students and his community so ably and I wish him success and enjoyment in the years to come. I ask that the board's tribute be printed in the RECORD.

The tribute follows:

Whereas it is the greatest achievement in a lifetime of accomplishments to be of service; and

Whereas such service is given as personal and selfless sacrifice to country, state, community and home; and

Whereas Dr. Leroy Herron has dedicated a lifetime of such service to providing a better education and improved quality of life for all; and

Whereas Dr. Leroy Herron has retired after 27 years of serving the community as teacher, coach, counselor, assistant principal and assistant superintendent; and

Whereas during his career Dr. Leroy Herron has provided support and counsel to the at-risk student, and has faithfully worked in the community supporting the Arts in the Schools, working for charities, and promoting programs that would benefit the parents and students of the community; and

Whereas Dr. Leroy Herron has sought always to comfort the ill, the bereaved and the aged by working for causes that benefitted them and visiting and ministering to their needs where he could; and

Whereas Dr. Leroy Herron has remained a loving husband to his wife, Ethel, and has shared the joys of parenthood in raising a daughter, and a niece and subsequently reaped the joy of a granddaughter; and

Whereas Dr. Leroy Herron is highly regarded and commended by his peers and friends: Therefore, be it

Resolved, that this honored expression of gratitude and appreciation for his impressive lifetime accomplishments is presented with hearty wishes for continued success in all of his future endeavors, given this night, Thursday, September 14, 1989.●

THE SEC HAS MADE A MISTAKE

● Mr. DIXON. Mr. President, I rise to express my deep disappointment and sense of frustration that the Securities and Exchange Commission does not intend to require Sir James Goldsmith and his fellow foreign financiers to make the required filings under the Securities Act of 1933 with respect to their highly leveraged, noncash offer for B.A.T. Industries. In a letter to our congressional colleagues, outgoing Chairman Ruder indicated that his agency would closely monitor the bid but would not now assert jurisdiction over the Goldsmith Group's offer.

Mr. President, timeliness is critical. Given the substantial effect the offer will have on U.S. investors, I am hard-pressed to understand why the Commission would not assert jurisdiction. The Commission's position is particularly surprising because the offer includes $6 billion in dollar-denominated junk bonds to be marketed by Drexel Burnham that ultimately are likely to come to rest in the United States. I am quite surprised the Chairman did not even address this issue in his letter.

As my colleagues no doubt are aware, the Goldsmith Group appears to have carefully crafted their bid for B.A.T. to avoid the reach of our securities laws. They must be thrilled to think that their gambit has worked. I hope they have not broken out the champagne bottles, because this issue is far from settled. If Congress does not step in, I am concerned that the SEC will have set a precedent for others to follow to avoid U.S. jurisdiction, further fueling the use of junk bonds and other forms of debt.

Mr. President, I must admit that I have closely followed this bid because it would lead to the bustup of BATUS Inc., which owns Marshall Field's, one of the great retail institutions in the city of Chicago. Among my colleagues, the chairman of the Ways and Means Committee has a similar affection for this important institution, as does my good friend Mr. SIMON. We believe it is important that Congress carefully assess all aspects of the proposed bid. As Chairman ROSTENKOWSKI said in an August 9 letter to the Secretary of the Treasury, "[t]he magnitude of this takeover attempt, the tax policy issues raised by the proposed form of the takeover, and the potential significant negative impact on communities across the Nation render this transaction worthy of review by the Congress and the administration."

Now that we have the position of the outgoing Chairman of the Commission, it seems to me we need to discuss with the President's nominee the importance we in Congress attach to having the SEC step in to ensure that U.S. shareholder interests are adequately protected.

Mr. President, I ask that the correspondence I referenced above be included in the RECORD at this point.

The correspondence follows:

COMMITTEE ON WAYS AND MEANS,
Washington, DC, August 9, 1989.

Hon. NICHOLAS F. BRADY,
Secretary of the Treasury, Department of the Treasury, Washington, DC.

DEAR SECRETARY BRADY: As you are aware, Sir James Goldsmith and other foreign investors have announced their intention to acquire B.A.T. Industries in a highly leveraged transaction. B.A.T. Industries is the largest company in the United Kingdom outside of the utility and oil industries. Its U.S. subsidiary, BATUS, Inc. ("BATUS") holds a network of businesses in the tobacco, paper, retailing and insurance industries, including such well known companies as Marshall Field's, Saks Fifth Avenue and Farmers Insurance Group. According to information I have received from parties interested in this transaction, it is the intention of Sir Goldsmith and his partners to break-up BATUS and sell the non-tobacco businesses in order to repay the acquisition debt.

The magnitude of this takeover attempt, the tax policy issues raised by the proposed form of the takeover, and the potential significant negative impact on communities across the nation render this transaction worthy of review by the Congress and the Administration. Within the United States, corporations held through BATUS have combined assets of $11.5 billion, gross revenues for the year ended 1988 of approximately $7.4 billion, more than 55,000 employees and operations in all 50 states. In addition, I have a particular interest in this transaction as a Member of Congress representing the Chicago area. BATUS has recently demonstrated its commitment to Chicago with a $110 million renovation of Marshall Field's downtown flagship store. Obviously, this retail chain is important to the economic well-being of the Chicago area. Moreover, of the 15,000 sales agents and district managers associated with Farmers Insurance Group, over 1,300 employees, agents and managers reside in Illinois.

Mr. Secretary, I know that we share concerns regarding the proliferation of hostile takeovers and related transactions which cause an increase in aggregate levels of corporate debt. The Committee on Ways and Means held seven days of hearings on these issues earlier this year. As a result of these hearings, the Committee has tentatively agreed to several provisions as part of its fiscal year 1990 reconciliation measure, including a 'loophole closer' recommended by the Administration revising the treatment of certain bonds containing original issue discount ("OID").

The proposed takeover and break-up of BATUS raises several concerns which the tentative decisions made by the Committee would seek to rectify. It is my understanding that the acquisition transaction has been structured so that the foreign investors would utilize a Bermuda corporation as the acquiring corporation. The ability of foreign acquirers, directly or through foreign entities, to obtain a competitive advantage in leveraged acquisitions and dispositions of interests in domestic entities was a specific concern raised during the Ways and Means Committee's hearings. This concern was one basis for the Committee's adoption of provisions affecting the sale of domestic stock held by foreigners and the treatment of so-called 'earnings stripping' transactions. In addition, it is my understanding that a significant portion of the transaction will be financed by dollar-denominated junk bonds issued through the Bermuda corporation and marketed by Drexel Burnham Lambert Inc. The OID proposal sponsored by the Administration and subsequently adopted by the Committee seeks to restrain unintended subsidies for excessive rates of corporate debt.

I believe it is very important that we review these decisions of the Committee in light of the BATUS transaction. My staff has preliminarily informed me that, based upon the information available on the transaction to date, it is unclear what impact the Administration's proposal and decision of the Committee would have on the tax consequences of the transaction. It is my further understanding that in the near future more information regarding the details of the transaction will be available in accordance with United Kingdom securities rules. Accordingly, I propose that our staffs meet as quickly as possible after reviewing further information on the transaction.

The purpose of the meeting of our staffs would be to review the details of the BATUS takeover transaction and to assess the potential impact of the Committee's decisions on the tax consequences of the transaction. In addition, the staffs would discuss the important issues of tax policy raised by this transaction and consider any possible further legislative options, if appropriate, for review by the Committee when it resumes its reconciliation deliberations in September. In this regard, I would like the staffs to consider several tax policy issues, including whether the use of U.S. assets of a foreign target as the principal source of funds for repayment of the acquisition debt would constitute a sufficient diversion from corporate purposes to require the imposition of U.S. income tax on any built-in gains in such assets.

Because of Congressional recess schedules, I would ask that the staff meeting be held as soon as possible. Please contact the Committee's Chief Counsel, Robert J. Leonard (225-3628) to schedule the staff meeting. Thank you for your prompt attention to this important issue.

Sincerely yours,
DAN ROSTENKOWSKI,
Chairman.

SECURITIES AND EXCHANGE COMMISSION,
Washington, DC, September 6, 1989.

Hon. HAROLD ROGERS,
Ranking Minority Member, Subcommittee on the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR CONGRESSMAN ROGERS: This letter responds to your letter of July 25, 1989, regarding the proposed tender offer and related activities by Hoylake Investments Ltd. ("Hoylake") undertaken to acquire B.A.T. Industries p.l.c. ("B.A.T."). The Commission has taken an active interest in this transaction and will continue to monitor compliance by the parties with all applicable U.S. securities laws and regulations.

Foreign issuers making an exchange offer of this kind frequently do not extend offers to holders in the United States because they are unwilling to bear the costs and other burdens of registering securities in the United States. The Commission is unable to require that Hoylake extend its offer to U.S. shareholders of B.A.T. since the U.S. securities laws and the principles of international comity would not permit the Commission to force a foreign issuer to enter the U.S. securities markets against its will.

SECURITIES ACT REGISTRATION

The Commission's staff has examined the offering materials, discussed the offer's exclusionary procedures with the British Takeover Panel, and considered submissions made by counsel for B.A.T. and Hoylake. The staff has concluded that the registration requirements of Section 5 of the Securities Act of 1933 (the "Securities Act") have not been triggered by the offer. Section 5 provides that, unless a registration statement is in effect, it is unlawful to use any means or instruments of transportation or communication in interstate commerce or the mails to offer or sell a security. Counsel for Hoylake has represented that, as a result of strict limitations imposed by Hoylake on the use of the U.S. jurisdictional means, holders in the United States are "effectively precluded" from participating in the proposed exchange offer and from receiving the securities being offered by Hoylake. At present, it appears that the means of interstate commerce have not been used and that no securities have been offered to persons in the United States (whether they hold B.A.T. shares directly or through American Depositary Receipts ("ADRs")), and that the transaction is therefore not subject to the registration provisions of the Securities Act.

EXCHANGE ACT

The filing and disclosure requirements of the Williams Act, which as you know govern the conduct of tender offers subject to the Act's provisions, do not apply to the tender offer because B.A.T.'s securities are not registered under Section 12 of the Securities Exchange Act of 1934 (the "Exchange Act"), and are not required to be registered. B.A.T.'s common stock is traded in the form of ADRs on the American Stock Exchange, but has unlisted trading privileges on that exchange rather than being listed. For that reason, it is exempt from registration under the Exchange Act pursuant to the "grandfather" provisions of Section 12(f)(1)(A). While Section 14(e) of the Exchange Act, and rules promulgated thereunder, apply to all tender offers, whether or not the securities are registered under the Exchange Act, jurisdiction to enforce those provisions, as well as the antifraud provisions generally, would not be available where, as here, the shares are not registered and no other U.S. jurisdictional means appear to have been triggered. Thus, absent circumstances directly or indirectly involving U.S. jurisdiction, the Commission has no authority to challenge the conduct of the offer.

We appreciate the concerns that have been raised about the effect of the proposed transaction on the employees and business of the companies owned in the United States by B.A.T. However, the Commission's authority in the area of tender offers does not extend to a determination of whether a transaction is in the interests of the target company's employees. The Commission's statutory function is to ensure that tender offers are made on the basis of full disclosure, but the Commission is required to be strictly neutral as between bidder and subject company and is not permitted to make any determination of the merits of a tender offer. Thus, even if the jurisdiction of the Williams Act had been triggered, the Commission would not have authority to review the effects of the offer on U.S. employees and operations.

Your letter also mentioned that U.S. Journalists had been excluded from press conferences relating to the transaction. In proposing Regulation 8, which would clarify the extraterritorial application of the Securities Act registration provisions, the Commission noted that:

. . . the proposed rule is not intended to limit or interfere with news stories or other bona fide journalistic activities, or otherwise hinder the flow of normal corporate news regarding foreign issuers. Access by American journalists to offshore press conferences, press releases and company press spokesmen in which an offshore offering is discussed need not be limited where the information is made available to the foreign and U.S. press generally and is not specifically intended to induce purchases of securities in the United States (Release No. 33-6779 (June 10, 1988) [53 FR 22662]).

This view also would apply with regard to the extraterritorial application of the Williams Act.

Thus, to summarize, in answer to your specific questions:

1. There appears to be no jurisdictional basis for applying Securities Act registration requirements;

2. There appears to be no jurisdictional basis for applying Exchange Act antifraud provisions, including Section 14(e); and

3. Investors in the United States will be treated differently than other B.A.T. shareholders because the offer is not being made to them, but the Commission does not have authority to cause such an offer to be made.

As stated above, the Commission is continuing to monitor the proposed transaction. If the staff's understanding of the facts as stated above should change, particularly with regard to jurisdiction, appropriate action will be taken promptly to enforce U.S. registration, tender offer, and antifraud laws where applicable.

Sincerely,

DAVID S. RUDER,
Chairman.●

HIGHWAY SAFETY

● Mr. SIMON. Mr. President, the Chicago Sun-Times recently had a fascinating story about the large number of accidents involving tractor-trailer trucks. Every year between 4,000 to 5,000 people are killed in accidents involving these vehicles.

But what struck me was the record of the United Parcel Service [UPS].

The Chicago Sun-Times has a brief story, as part of the larger story, by Leon Pitt and Roger Flaherty entitled "UPS Drivers Deliver Highway Safety Record." It shows what a responsible company can do that both protects public lives and, at the same time, I am sure, is good business for the UPS.

I commend the United Parcel Service, and I ask that the story be printed in the RECORD.

The story follows:

UPS DRIVERS DELIVER HIGHWAY SAFETY RECORD

United Parcel Service dresses most of its workers in unfashionable brown, and paints its parcel trucks and truck tractors the same dull color.

But the huge parcel handler flashes a sparkling road safety record—one-tenth the national average of accidents—according to the Congressional Office of Technology Assessment.

Its study, "Gearing Up for Safety," published last summer, noted the record was no accident, but the result of long-established safety practices.

In an office inside the cavernous UPS hub in Addison, regional safety manager Stan Wysocki recently discussed some of the procedures for tractor-trailer drivers. They start with setting reasonable driving times, including rest periods, for drivers to reach a relay point no farther than 150 miles away.

A UPS driver coming out of Chicago with an East Coast shipment might go to the Indiana-Ohio border where he will meet a driver with an eastbound load, Wysocki said. They switch trucks and each returns home in the same shift.

UPS drivers, unlike many in the industry, are salaried, not paid by the mileage they cover in a work week.

"We do a time study of each area, looking at speed limits, lights, traffic, road conditions," Wysocki said. This, he said, allows drivers to stay well within the federal 10-hour-a-day driving limit.

Drivers are kept on the same route for six months at a time, which allows regular work hours, another safety factor. And a supervisor checks for signs of fatigue before a driver's run begins.

UPS semitrailer drivers undergo an 80-hour program of classroom instruction and driving with a trainer. All drivers are accompanied by supervisors on four runs a year to check performance.

Drivers are assigned the same vehicle for long periods of time, a policy the company believes develops more careful observance of its mechanical needs as well as pride in its appearance. Trucks are checked about every 20 days, supervisor Larry Flaherty said.—Leon Pitt and Roger Flaherty.●

SPARKY ANDERSON

● Mr. LEVIN. Mr. President, Michigan loves Sparky Anderson. His 10 years at the helm of our Tigers have been filled with excitement and only the occasional disappointment. They were years that saw one of the longest streaks of winning seasons in the majors. The Tigers posted second three times, took two divisional titles, and took it all with a World Series win in 1984.

One key to this success has been the unique character of Sparky Anderson and his ability to bring out the best in the players around him. In most careers you wouldn't have to look past the more than 800 wins of a manager to make a judgment of greatness. But in Sparky's case, the Tiger tally is added to a string of 863 wins in Cincinnati that together have landed him in the record books as the first manager to collect more than 800 wins in two different leagues. He is also the first manager to win 100 or more games in a season with two different teams.

Now, it's one thing to manage success, but entirely another thing to hold the reins during disappointment. Sparky has done both with a great deal of class.

One day last week, the Tigers had the dubious distinction of being the first team in the East Division of the American League to be mathematically eliminated from this year's playoffs. On that same day, the Tigers broke a 2-2 fourth inning tie with six runs, including two triples, and later added two more runs toward their 10-4 shellacking of the Cleveland Indians. Sparky's only comment in the Detroit Free Press on the day's events spoke volumes. "I don't remember the last time I had that much fun watching a game," he said.

To Tigers fans, the Anderson attitude means we've got the confidence to "get 'em next year." Like the ancient Phoenix—or maybe the modern Baltimore Orioles—the team will rise again. But Sparky's genius goes beyond the peaks and valleys of the scores. He's shown us, as we honor his 10th anniversary with a reception in Detroit hosted by Gov. Jim Blanchard, that you're never really down, you've never really lost, as long as you never quit, as long as you stay in the game with a smile.●

ORDERS FOR FRIDAY, SEPTEMBER 8, 1989, AND TUESDAY, SEPTEMBER 11, 1989

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 12 noon Friday, September 8, and that on Friday, the Senate meet in a pro forma session only with no business conducted.

I further ask unanimous consent that on Friday, September 8, at the close of the pro forma session, the Senate stand in recess until 9:30 a.m., Tuesday, September 12, and that following the time reserved for the two leaders, there be a period for morning business, not to extend beyond 10 a.m., with Senators permitted to speak therein for up to 5 minutes each.

I further ask unanimous consent that at 10 a.m. the Senate proceed to the consideration of H.R. 3015, the fiscal year 1990 Transportation Appropriations bill.

I ask unanimous consent that the Senate stand in recess from 12:30 to 2:15, in order to accommodate the party conferences, on next Tuesday.

The PRESIDING OFFICER (Mr. LAUTENBERG). Without objection, it is so ordered.

As if in executive session, I ask unanimous consent that at 2:15 p.m. on Tuesday, September 12, the Senate go into executive session to consider the nomination of Donald P. Gregg to be Ambassador to the Republic of South Korea. I further ask unanimous consent that there be 4 hours of debate on the nomination, equally divided between the Senator from California, Mr. CRANSTON, and the ranking minority member of the Foreign Relations Committee, or their designees, that at 6:15 p.m. a vote occur on the

nomination, without any intervening action, that following the vote the motion to reconsider be tabled, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, the unanimous consent requests are agreed to.

RECESS

Mr. MITCHELL. Mr. President, if the distinguished Senator from Utah has no further business, and if no other Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess under the previous order until 12 noon, Friday, September 8.

There being no objection, the Senate, at 11:52 p.m., recessed until Friday, September 8, 1989, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate September 7, 1989:

THE JUDICIARY

VAUGHN R. WALKER, OF CALIFORNIA, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF CALIFORNIA, VICE SPENCER M. WILLIAMS, RETIRED.

DEPARTMENT OF JUSTICE

OTTO G. OBERMAIER, OF NEW YORK, TO BE U.S. ATTORNEY FOR THE SOUTHERN DISTRICT OF NEW YORK FOR THE TERM OF 4 YEARS VICE RUDOLPH W. GIULIANA, RESIGNED.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. MICHAEL P. C. CARNS, xxx-xx-xxxx U.S. AIR FORCE.

SECURITIES AND EXCHANGE COMMISSION

RICHARD C. BREEDEN, OF VIRGINIA, TO BE A MEMBER OF THE SECURITIES AND EXCHANGE COMMISSION FOR THE TERM EXPIRING JUNE 5, 1993, VICE CHARLES C. COX, TERM EXPIRED.

EXTENSIONS OF REMARKS

PRIME MINISTER MANLEY URGES INTERNATIONAL RESPONSE TO DEVELOPMENT, DEBT, AND DRUGS

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. KOSTMAYER. Mr. Speaker, I would like to call my colleagues' attention to a recent speech by Prime Minister Michael Manley delivered at the TransAfrica Forum dinner on June 10, 1989.

In his speech, Prime Minister Manley addressed the connections between the depth of poverty experienced in the Third World, the burden of debt payments, and the growing narcotics problem. Developing countries are faced with the dilemma of servicing their debt at the expense of growth. In Jamaica 51 cents of every dollar goes to debt servicing. No growth means no jobs and no food for a hungry nation. For the jobless and hungry who are faced with their desperate situation, involvement in the drug trade becomes an issue of survival.

Prime Minister Manley points to legislation such as the Caribbean Regional Development Act of 1989, introduced by our colleague Mr. CROCKETT and incorporated into the House-passed version of the International Cooperation Act of 1989, which begins to address the development issues in a way that will help bring an end to this downward economic spiral. In addition, he calls for the development of an international drug strike force and a U.N. convention against drug trafficking.

Development, debt, and drugs are no longer issues that can or should be solved by one country. They are multilateral issues that demand a multilateral response. I urge my colleagues to take a close look at Mr. Manley's speech and to help us move toward multinational solutions to multinational problems.

ADDRESS BY HON. MICHAEL NORMAN MANLEY, PRIME MINISTER OF JAMAICA

And so I salute TransAfrica for the work that it did along with the members of the Congressional Black Caucus and many others in the United States in creating a sense of the international significance of apartheid. And I would like, with your permission, to speak of other threats that I believe exist, which I believe exist, which I believe are more international in character than we care to recognize and which I feel represent challenges that we must face. I do so as a man of the Caribbean. I do so as a representative of a very small island. I am proud that with us tonight is a congressman who is showing grest sensitivity to the problems of the Caribbean and who has a bill before Congress now that has great implications for the freedom and the capacity to move to self-reliance of those islands. And I pay tribute to Congressman George Crockett.

But I must say that everything that George can achieve, if he will forgive me the familiarity, everything that we can achieve in all the areas in which we work, I believe can be overwhelmed if we do not deal with a threat which I see standing like a dagger at the throat of civilization. I'm very proud that we have had him with us tonight, although I think he has now had to leave, I'm sorry he did not hear my words.

But there is a man who was with us tonight who has played a tremendous part in awakening the conscience of the United States to the threat of which I speak and I speak of drugs and I speak of the Reverend Jesse Jackson. There was a time when people deluded themselves into believing that apartheid was a problem between the black majority and the white minority of South Africa. And then in due course we came to understand that it really was an international threat.

There are people today who believe that the threat of drugs or drugs abuse and that companion in death, drug trafficking, is a phenomenon between societies that consume and particular countries that produce. And they are equally wrong. I know that in my country, we have had to recognize that drugs is not a matter of some high school kid losing his way. It's not just a matter of the search of people trapped in poverty for release.

What we really are dealing with is the most brutal and complete international criminal conspiracy that mankind has ever known. In my own small country, we feel a deep sense of responsibility to try to save ourselves and we are trying to increase our interdiction capabilities; we are trying to develop from our utterly rudimentary intelligence capabilities.

We are probably going to be one of the first small countries in the world to introduce a formal program of training in our educational system. We start in September in our primary school system to teach young children about drug abuse and the problem. We pray that the children will educate their parents. We hope that parents stimulated by their children will make common cause with teachers. I know that our church is mobilizing to help. We speak already to all our great sporting athletes. And Jamaica is one of the greatest athletic nations in the world. And I'm happy to say that every one of our sporting heroes, including those that we export to the United States like Patrick Ewing have all already promised to come and help the bureau model to do the things that we have to do. And so I think that we can say, in all conscience, that we are doing what we can to save ourselves.

We are very happy that we get tremendous cooperation from the authorities in the United States in this struggle and I do not know what we would do without that cooperation. But I'm very conscious of the fact that when we are finished with what we can do, when we are finished with the help that we do get and can get from the United States' authorities, that I sometimes have the feeling that we are playing at the periphery of a problem because I do not fool myself that if I can strengthen my defenses against a transshipment of hard drugs or against the export of marijuana and that that will help you to some extent with your own terrible problem, then we are dealing with people to whom the world is just a wide canvas of opportunity.

If I can shut off the roots in Jamaica, they can find ten other ways to go because they operate globally. Already they tell me that the people who run this international cartel feel that the U.S. market is about saturated with cocaine. So let's not increase supplies to the U.S. They are now probing Britain and probing Western Europe. And we are beginning to understand this but I don't think we really understand completely how massive is the thing that we face.

I will confess to you that I do not know how to build a society in Jamaica worth having on the basis of a drug culture. I do not know how to build a nation which can be overwhelmed and corrupted in its judicial and its security forces by the massive resources and the utter ruthlessness at the command of the drug barons.

In my country, we talk about the Mr. Bigs who are the ones who move the product. To me they are not Mr. Big, they are just minor subcontractors of the international operation. And so, Mr. Robinson, we have made a proposal, a very serious proposal, and I would love you to think about it because of your capacity to act. We believe that we need to internationalize the response to this problem.

I am reminded of how, when hijacking was a tremendous problem, we eventually had the intelligence as an international community to have a United Nations convention against hijacking because it was a problem and it brought together international resources.

I believe that we need a U.N. convention against drug trafficking. I believe that we need nations to subscribe to that, to contribute to it and to pledge mutual support under it. I believe that we need to have a centrally created means of training narcotics agents, developing intelligence to a higher level than at present. I believe that we need to have a body that can offer an internationally mobilized kind of assistance to countries who do not yet have the capability to fight this problem.

I believe that we can even see cases in countries like Colombia where they casually and arrogantly talk of their ability to pay off Colombia's national debt in return for free passage. And they kid you not when they say that they could. And where in that country they have actually units of the Colombian army. I would even like to know that there was an international strike force that could be called in at time of need within the realm of sovereignty and the privilege of sovereignty to help with training, with strengthening your agent capacity, with strengthening your intelligence capability while countries train their own capability. I believe that we need to do that and I have sometimes spoken and been told I was out of turn. I have not often yet been shown to be wrong.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

And I believe that if the world does not wake up to this problem, we may yet find that we are overwhelmed by it. But I want to say the last thing, that the great market countries of North America and in Europe, that if we do not find the way to educate new populations that are drug resistant, new populations that have turned their back and not said no in rhetoric, but said no from the depth of understanding, if we do not do this, the demand pull of that market can yet defeat us all.

I hope TransAfrica, that you will play your part along with the Reverend Jackson and others in challenging this country to do something about that market that will yet provide the tragedy of the corruption that we all fight. I would like to end with another international problem. I know that your preoccupations are with Southern Africa, and so are mine. I know therefore I trespass on perhaps dangerous ground when I ask you into other views.

But I believe you have extraordinary capacity. We are very conscious of the fact that when you look at the drug problem, that the most difficult area in dealing with it is in the realm of poverty.

Experience shows that when better off kids flirt with drugs, that a good education program, appropriate rehabilitation reaches them and dramatically reduces the problem because really their problem is a problem of temporary escape from difficulties that are minor. The real problem with drugs is to be found in that hard brutal territory of poverty. Poverty brings a pain that is not easy to answer. Drugs bring a temporary release to that pain.

When people are trapped in poverty, community outreach programs do not get to them easily. When countries are poor, their capacity to resist is low. The ability to corrupt them is great. And therefore I see a very profound connection between some things that we must understand. We are beginning to understand the relationship between poverty and development.

We are willing, we are beginning to understand the relationship between poverty and drugs. More recently, we are all becoming conscious of that problem known as debt, debt that is crippling the chances of more than half of the world. And therefore in a very interesting and indirect way, but a very telling way, there is a connection between drugs and debt.

I come from a country that has never experimented with wasting money on buying jet planes. We have not tried to finance any dictatorships. We have never had political leaders who build up strings of poor opponents. We have been a hard-working people. We have disagreed sometimes amongst ourselves. Happily we have a peaceful and more politics today, God bless that.

I think we've all learned a lot, become more pragmatic, more realistic in Jamaica. And yet in spite of all of that, there we are with ambitious people, a political process that wants to be the agent of change and development on both sides, differences in methodology but I hope with a common objective. And yet we are trapped in huge problems.

And one of the problems we are trapped in is that of every dollar we struggle to earn with our exports and the things we send abroad, 51 cents goes right back out to service debt. So we're trying to run a country on a 49 cent dollar and I really suggest that some of you try that some time. And the debt problem has become, in my view, a sort of cumulative insanity of mankind.

And still we have people, in spite of the best efforts of former Secretary of the Treasury Baker and now very interesting new proposals by Secretary of the Treasury Brady, all of those concepts I predict are going to fail to deal with the problem. The problem is a large part of mankind, unable to buy your goods, unable to develop themselves because of the cumulative insanity of the debt problem.

And one of the things that you might also try to sensitize American public opinion about is that the debt problem hurts us, hurts the banks and hurts you. The banks know it and we know it, but forgive me, so far the American people find it difficult to recognize that they too are trapped in the difficulty; that you too are suffering the loss of all the exports and economic activity that could flow could we break out of the vicious circle in which we are caught.

And as long as we are caught in it, poverty in the world is going to be endemic. A few countries will break out, many will not. And what to me is a great tragedy is a failure of collective common sense. You know, I remember in 1944 into 1945, Breton Woods and the Marshall Plan was radical, it was revolutionary at the time.

And because of the imagination of the people that did it, breaking out of the thralldom of the past and the old shibboleths of tired habits, in a great act of imagination, management and statesmanship, the United States, Canada and Europe unleashed for themselves an unprecedented cycle of progress and development. We need something like that now. We need the act of statesmanship that recognizes that the debt problem is there like a huge, irrational obstacle in the path of progress.

That millions of people are trapped in a poverty that they need not endure and from which they could be released where there the act of statesmanship. It has to be tackled internationally. You cannot solve the debt problem between Mexico and the United States. Trust me when I tell you that you can't.

It has to be the subject of international discussion. We need an international institution that is designed to deal with its problems. It is only internationally that we can create the financial instruments like an internationally backed debt bond which could be the means of resolving a common crisis.

If we could do that, if we could look at the whole of the system of debt and substitute for what is in those debt portfolios now, that nobody ever really collects and substitute for it a secure bond of long maturity with moderate interest rates that could be administered in place of what is on the books but in the end is not actually being collected, you would find that our banking system would be able to substitute security for a high return that is in fact not happening.

That the debtor countries would get the breathing space with which to build their economies and that the creditor countries like yours might actually get detritefully back to work. And nobody's asking for giveaways because an international body of that kind could say to anybody destined to enjoy the relief, show us a sound realistic economic program before you get help. And that way everybody could be joined in a collective sanity which is to me preferable to the present madness.

So, we stand with you in the struggle of Southern Africa. I invite you to stand with us in the struggle to internationalize the response to drugs and to debt. If you do not move conscience, nobody will listen. If you move conscience, maybe somebody will act. I pray for that result.

HUMAN RIGHTS IN CHINA

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. YATRON. Mr. Speaker, 3 months after the Government's brutal crackdown on peaceful, unarmed prodemocracy demonstrations, gross human rights violations continue in the People's Republic of China.

The atrocities that are still taking place daily in China have fallen from the front pages of our newspapers and no longer make the evening news. But we should not be lulled into thinking that the Chinese Government has softened its stance on the prodemocracy movement and its participants. The Chinese Government has adopted a different tack now that it finds itself susceptible to international opinion. Authorities have dropped the method of publishing arrests in the newspaper to make an example of those arrested and have opted for a quieter method of dealing with dissent. According to the New York Times, authorities circulated an internal memo last June saying arrests and sentences would continue, but should no longer be publicized.

Those even loosely associated with the movement now find themselves under interrogation, arrest, and banishment to the Chinese gulag. The extent of the Chinese Government's reach will never be accurately known, but we do have reports from the human rights organization, Asia Watch, that the number of confirmed arrests by official Chinese sources number over 6,000, with unofficial estimates as high as 30,000. Amnesty International reports strong evidence that a deliberate decision was made by Chinese authorities after the crackdown to carry out secret executions, adding that some death sentences would be publicized to deter political opposition. But, again, the total number executed and imprisoned was not to be published. Amnesty also has reported on cases of torture of former detainees, and we can assume that this practice continues today.

The Chinese Government has waged a full-scale campaign to snuff out the voice of its people. Officials, members of the media, and intellectuals continue to be harassed and dragged off by the police, without charge, never to be heard from again. The highest ranking official to be ousted since the military crackdown is Culture Minister, Wang Meng. Mr. Wang's appointment 3 years ago was seen by many as signal of a new openness and softening of the Government toward individual speech and artistic expression. This is clearly no longer the signal in post June 1989 China.

Mr. Speaker, the United States Congress must continue to focus international attention on the unabating human rights violations in China. If we don't, I fear these violations may go unnoticed as other world events overtake the Nation's attention. I hope my colleagues

will not shift their focus from China, but remain vigilant in condemning the atrocities exercised by the Chinese Government.

RECOGNITION AND TRIBUTE TO WALTER A. PATTERSON

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. DYMALLY. Mr. Speaker, I wish to bring to the attention of this Congress, an extraordinary American who has served his Nation with honor and dedication for over 52 years. Simply stated, this gentleman in his lifetime is an example of an African-American rising out of the depth of a segregated society into a world of struggle for equality and achievement, in the Federal service which very few Americans can claim. Walter Arnold Patterson has achieved a remarkable feat in continuous Federal service from 1937 to 1989 with his retirement from the Department of Health and Human Service.

Born in here in Washington, DC on June 27, 1918, Walter was educated at the old Miner's Teachers College, where he joined an important organization which was to leave an indelible imprint as a lifelong member of Kappa Alpha Psi Fraternity. This fraternity was to become a vital and singularly important fraternity organization in Walter's life as well as in the lives of many African-Americans yearning for higher education in America which was largely segregated. Several decades later, Walter's son was to join this public service fraternity while attending Harvard, carrying on his father's deeply held conviction about serving one's community and government. Kappa Alpha Psi has given generations of young black men the opportunity of learning from other black professionals, and has provided the necessary discipline and motivation to succeed in facing a difficult, competitive world which was neither colorblind nor without bias.

Walter Patterson started from the very bottom with part-time Christmas jobs with the U.S. Post Office. Then he took a brief appointment at Commerce's Census Bureau before working 7 years covering the World War II years, first at the Navy Yard in Washington. During part of these years he was drafted in the U.S. Army and served in Okinawa directly contributing to the national war effort. After the war, he earned a M.A. at New York University under the GI Bill. He spent the following 7 years at the District of Columbia Public Schools from 1948 to 1955, where he was able to apply his considerable knowledge and skills as a teacher, counselor, and educator to thousands of students from the Washington metropolitan area.

This experience prepared him for the challenging years as a teacher and administrator for the U.S. Army in Europe where he taught soldiers and their dependents from 1955 to 1967. Walter Patterson was fully prepared to complete his stint of Federal service from 1967 to July 31, 1989, by his appointment to the U.S. Office of Education in the old Department of Health, Education, and Welfare, and later to his retirement after a distinguished career as a senior executive of HHS's Office for Civil Rights. In all these 52 years of dedicated service to his country and to his Government, Walter Patterson was conscious of the hard work and dedication needed to get the job done, leaving a legacy which many of his friends identify today as uniquely his:

His determination to undertake hard work and set excellence as standard for himself and others;

His enthusiastic presence and determination to open the doors equally to all individuals, regardless of race, color, denomination, age, or sex, and his steadfast commitment to equitable treatment for all;

His legacy to young people in striving for education and the pursuit of learning, and his willingness to work with all people to achieve this goal; and finally,

His dedication to his family, his church, his community, and to his country to which he has given his best years of devotion.

Mr. Speaker, while Walter Patterson has struggled throughout his life for others and has achieved far more than most Americans achieve in a lifetime, Walter is now fighting a final battle with cancer. His family and colleagues are fighting with him to overcome this final obstacle to what has been a remarkable life and career in raising a fine family, of government service and unselfish dedication to all of us in the community and in the Government.

Mr. Speaker, we are here to recognize and pay tribute to the life of an extraordinary man from Washington, DC, who has lived a personally exemplary life, and through his good works has made a better world for his children and a better community for all of us. Few of us have this opportunity to touch so many people as has Walter Patterson. We wish him well and ask God's blessing for a triumph over the personal adversity faced by this extraordinary man.

TRIBUTE TO WILLIAM F. BOLGER

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. HORTON. Mr. Speaker, it is with great sadness that we mourn the loss of a man who served the U.S. Postal Service for over 40 years, former Postmaster General William F. Bolger. Bill died on August 21, 1989, after suffering a heart attack. He was a loyal, dedicated, and tireless worker, who was the first career postal employee to attain the rank of Postmaster General.

Bill was the 65th Postmaster General since Benjamin Franklin became the Nation's first PMG. He headed the Postal Service during a crucial period in that agency's history. Bill became Postmaster General in March 1978 and was immediately faced with a crisis. The Postal Service was in the midst of contract negotiations with the Postal Employees Unions, strikes were threatened. Some critics argued that the Postal Service had been given too much autonomy in the Postal Reorganization Act of 1970. Under Bill's leadership, the unrest was settled and he was able to establish a productive working relationship with Capitol Hill.

The present Postmaster General, Anthony Frank, stated "Bill Bolger leaves an indelible imprint on the U.S. Postal Service and the American public he faithfully served for 43 years. He was a leader of great statute and boundless energy who brought a spirit of innovation and vision to this organization during the critical times of change and challenge." I wholeheartedly agree with my friend Tony Frank's characterization of Bill Bolger's career, and I should like to add that I hope Tony Frank will remain on as Postmaster General for as long as Bill Bolger served in that post.

Bill Bolger began his career with the old Post Office Department as a finance clerk in 1941. After serving as an Air Force bombardier during World War II, he resumed his career with the Post Office Department. During the 1950's he held a number of positions in the New England Region, where he became Regional Director for Boston. From 1972 to 1975 he served in New York as Regional Postmaster General for the Eastern Region. In 1975 he returned to Washington to serve as Deputy Postmaster General. In 1978 he was appointed by the Postal Service Board of Governors to be Postmaster General, the first career postal employee to reach the top of the ladder in the Postal Service. He served as PMG until his retirement in late 1984.

Bill Bolger is widely regarded as one of the most effective leaders of the Postal Service, and I pay tribute to a man who served his country with distinction and honor for over 40 years. Bill was an influential leader of the largest civilian work force in America. He preached to those employees the foundation of the modern Postal Service, to take pride in the institution, and provide better and more courteous service.

My heartfelt sympathies go out to his wife, Marjorie Tilton Bolger, and his daughters, Catherine and Margaret.

THE RISE AND FALL OF THE SOVIET EMPIRE

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. BUECHNER. Mr. Speaker, with the anxious eyes of the western Nations on them, more than a million Estonians recently joined hands in demonstrating their commitment to the independence of the Baltic States. Commenting on this event, Pravda, the official newspaper of the Communist Party of the Soveit Union used language that should send a chill up the spine of a post-Tiananmen Square world:

The fate of the Baltic people is in serious danger. People should know into what abyss they are being pushed by their nationalistic leaders. We appeal to the common sense of the peoples of the multi-national Soviet Baltic region. It is time, in our common interest, to put an end to the fateful course of events, to come to your senses, go over from

confrontation to dialogue, and a search for difficult but necessary solutions and compromises.

Fifty years ago the world at large was drawn into a war the ramifications of which are felt to this day. The German blitzkreig rolled across Eastern Europe snuffing out freedom, aided in the knowledge that there would be no opposition from the Soviet Union. However, it was not only German perfidy at work. The Soviet Union, aided by the circumspect legality of a secret nonaggression pact with Nazi Germany, moved forcibly to annex the tiny Baltic Republics of Estonia, Latvia, and Lithuania.

The authors of the Molotov-Ribbentrop pact dividing Eastern Europe between Nazi Germany and the U.S.S.R., worked for the most prolific mass murderers the world has known, Hitler and Stalin. But even as the end of World War II destroyed the pretensions of the Third Reich, it also served to consolidate the Soviet colonial empire. It is, however, a crumbling empire which the Baltic Republics are now challenging.

On August 22, 1989, the Lithuanian Supreme Soviet commission found "illegal and invalid" the Soviet annexation of Lithuania. Yet one would be foolish to think that such a finding would be accepted by the Soviet Union. In fact, Pravda continues to promote the dubious underpinnings of the Soviet line feebly attempting to dismiss the Lithuanian court's decision as little more than national chauvinism. It's billed as a separatist line, "that has been foisted on the Baltic public by a persistent but small group." Continuing their institutional angst Pravda further notes:

Perestroika paved the way for the raid growth of national awareness of peoples, made them confident that they can independently solve the problems of their political, social, and economic and cultural life. But at a certain stage nationalist extremist groups began to introduce an unhealthy aspect into the development of events.

Included in the crimes of which the Baltic Republics now stand accused are: Mockery of state insignia as well as desecration of sacred things viewed as inviolable by any decent individual—among them the monuments to those who died in the great patriotic war—World War II. Presumably the people of the Baltics should hold sacred the symbols of their oppressors and the monuments to those who died defending a Soviet status quo. In light of the estimated almost two-thirds of the population of Estonia, that took part in the recent "hands across Estonia" demonstration a good case can be made that it is not "certain forces" leading this activity. More accurately, what is occurring is a popular outcry by a country tired of having its affairs dictated by an outsider.

Throughout Eastern Europe, communism, and its reliance on totalitarian mechanisms is under seige. In Poland the Communist Party has essentially thrown up its hands. Although the Communists will remain an important force by their control of the military and secret police, they have abrogated any pretense of constituting a viable force in dealing with Poland's intractable economic problems. In Hungary the barbed wire and barricades are coming down, an admission that a prison does more than keep people in—it also keeps progress out. East German citizens remain committed to escaping the bonds of totalitarian oppression and have shown themselves innovative and opportunistic in their many different approaches. Ethnic Turks pour out of Bulgaria, only too happy to be given a chance to flee an oppressive assimilation policy. Even within the citadel of communism, the U.S.S.R., elections were held signifying that self-determination must be a part of governmental legitimacy. Yet, it is in the Baltic Republics where truth of Soviet reforms will be brought to the ultimate test.

Even as a drowning miser will refuse to release the gold carrying him to a watery grave, so, too, is it with the foundering Soviet ship of state. Increasingly unable to provide for the sustenance of its own people, the Soviet Union will try to cling to the last shining gems of a bankrupt empire.

The people of Estonia, Latvia, and Lithuania have shown extraordinary courage in proclaiming their independence as they struggle to shed the ties which forcibly bind them to a system of which they reject. But, as one of the few regions under Soviet control which remain economically viable, the Baltic Republics are probably the most in danger of drawing an armed response. Further, in light of the Soviet Union's historical aspirations toward being accepted as a European Nation, there is considerable animosity toward releasing one fo the most tangible links to the European continent.

For the last 50 years, the United States has maintained that the Baltic Republics were forcibly annexed and are in fact autonomous nations. Although we have done little more than pay lip service to this claim, it is clear that the time for stronger action is fast approaching. As the deepening clouds of a Soviet response seem to be gathering on the horizon the people of the Baltic States must be made aware that they are not alone.

Time and again, our post World War II nation has pleaded helplessness or political reluctance to influence the domestic events of a sovereign nation. In this case, our continued support of Baltic autonomy forces us to forfeit this defense. By having failed to press the legal validity of the Baltic nations claim to sovereignty we can be accused of negligence or sloth. But if we allow the Soviet Union to forcibly subjugate these countries, in direct contradiction to the democratic reforms they themselves have been encouraging in their own country, we will stand accused of cowardice.

The United States and the other democratic nations of the world should be sending strong signals to the leaders of the Soviet Union that suppression of these countries by means of military force will meet with severe repercussions. We should make it clear in no uncertain terms that further improvement in economic ties and technology transfers are predicated on Soviet actions in the Baltics, and that the heavy-handed tactics such as those employed in the past will not be tolerated. In light of the extreme need of the Soviet Union to modernize its failing economy, this is a weapon which if brandished effectively exercises real clout. Further, we should continue to actively push for a Soviet repudiation of the illegal Nazi-Soviet agreements and their renunciation of the fallacious, and long since discredited, justification by which legitimate nations are held under Soviet domination.

The time of empires is over. The Soviet Union should show that it has the courage to recognize this—rather than the power to continue perpetuating by force that which it cannot hold by the strength of its ideas.

EIGHTEEN ATHLETES INDUCTED INTO THE LUZERNE COUNTY HALL OF FAME

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. KANJORSKI. Mr. Speaker, I rise today to pay tribute to the men and women of Luzerne County, PA, who have been selected for induction into the Luzerne County Hall of Fame.

Each year, for the past 5 years, the hall of fame has chosen among a distinguished list of men and women who are residents of Luzerne County and who have contributed to the sports history of our area. This year the screening committee has chosen 18 former athletes, each of whom has upheld the sports tradition of the Wyoming Valley by committing their unique talents to the fullest extent. With this year's selections, the hall of fame now has 110 members. The induction ceremonies honoring these exceptional athletes will be held at a dinner on Sunday, September 10, 1989.

Mr. Speaker, I would like to take this opportunity to introduce to my colleagues of the House of Representatives this year's inductees into the Luzerne County Hall of Fame:

Joe Amato, Old Forge, is the 1988 National Hot Rod Association Top Fuel World Champion. Amato also won this title in 1984 and is one of four who have won the Top Fuel title more than once. He is ranked third on the all-time win list with 15 victories. In addition, Mr. Amato is involved with the Valvoline "Say No To Drugs" campaign.

Corny Salvaterra, of Wilkes-Barre, helped lead the GAR High School football team to win the 1952 Wyoming Valley Conference football title. Salvaterra played quarterback with the University of Pittsburgh playing in two bowl games. In addition, he was also known for his outstanding ability in track, winning the javelin throw in the State meet.

Jane Dimond, Forty Fort, was considered one of the best women golfers ever in the Wyoming Valley. From 1933 to 1962, she won 20 women's club championships. Ms. Dimond played two exhibitions against golf greats Sam Snead and Patty Berg. She consistently scored in the 70's using the men's tees—women's tees did not exist at that time. If Dimond had been born 30 years later, she could have possibly played on the LPGA tour.

Ed Halicki, Askem, was captain of three sports—football, baseball, and basketball—for 3 years at Hanover High School. He played fullback at Bucknell for 4 years and was captain for 1 year. He went on to play professional football and baseball. He played for Frankford Yellow Jackets, forerunner to the Phila-

delphia Eagles and played baseball with the St. Louis Cardinals.

Francis A. Lovecchio, M.D., Wilkes-Barre, was an outstanding athlete in football, basketball, and track at GAR High School. He attended Princeton University and was named varsity quarterback and captain, winning letters in 1951, 1952, and 1953.

Lou "Sheriff" Zara, Old Forge, was a star basketball player at Old Forge High School making the varsity team as an eighth-grader. He played basketball at Rider College becoming the first eastern college basketball player to score more than 200 points in a season. Zara later served as general manager and public relations director of the Syracuse Nationals' basketball team.

W.J. Romanowski, Avoca, excelled in football at Avoca High School in addition to participating in baseball and track. In college he played for Villanova and later played semi-pro football for the Magnolia Club. Mr. Romanowski had a long officiating career as a PIAA football official in addition to officiating basketball and track meets. His officiating career expanded beyond high school to college football, including the annual Army-Navy game.

Adam Sieminski, Hazleton, played football, basketball, and baseball teams at Swoyersville High School. He attended Michigan State and played offensive and defensive tackel for 4 years, lettering for 3 of those years. Sieminski was drafted by the Green Bay Packers, and later went on to coach high school football.

Joe Andrejco, Hazleton, won letters for 3 years at Hazleton High School in both basketball and football. He continued playing football at Fordham University and twice helped lead his team to the Sugar Bowl. Mr. Andrejco continued to play football while serving in the U.S. Marine Corps during World War II.

Daniel Donovan, Old Forge, was captain of the Avoca High School football, basketball, and baseball teams. He later became a star in basketball, football, and track at East Stroudsburg State College. He became a coach for several sports at Darby High School and later Cathedral High School. In addition, Mr. Donovan has been the founder and president of the Lackawanna Scholastic Girls' Basketball League.

Eddie Mullin, Ashley, is a former professional boxer and is a member of the Wyoming Valley Boxing Hall of Fame. Known as "Blue Eyes" Mullin, he lost just 2 of 86 fights. He represented the Navy in the 1948 Olympic Trials. His most memorable pro fight was a victory over Vince Martinez.

Michael (Mickey) Noonan, Plymouth, was an all-scholastic at Plymouth High School and went on to play professional baskeball in the Midwest and South for several years. He conducted a state-accredited school for football officials for more than 25 years.

"Machine Gun" Lou Butera, Pittston, started his career at the age of seven in his father's pool hall. Among his many accomplishments are the World Championship in 1973, the All-Japan Championship, and the World Trick Shot Championship. In addition, he holds the world's record in tournament play by pocketing 150 balls in 21 minutes. He is only the 23rd member inducted into the Billiard's Congress of America's Hall of Fame.

Tom Morgan, Wilkes-Barre, played baseball, football, and basketball for Coughlin High School. He continued his career at Villanova University where he excelled in baseball, football and basketball, earning three letters in each sport. A leg injury at Villanova prevented Morgan from pursuing a pro career. He was offered baseball contracts from the Philadelphia Athletics, Boston Red Sox, St. Louis Cardinals and Philadelphia Phillies. After college Morgan turned to coaching and retired in 1960 with a career record of 270–52.

Ken Smith, Scranton, was a football, baseball, basketball star at Scranton Tech. He was a member of the football and baseball teams at Penn State. Smith played pro basketball for the Scranton team in the old Penn State League and played pro baseball for the Patterson Buswicks. He became the first baseball coach for GAR High School and held the position for 28 years.

Stan Ritinsky, Luzerne, was an all-scholastic end on the football team and an outstanding basketball player. He played football at Fordham University where he started on the 1941 Cotton Bowl and the 1942 Sugar Bowl team. He was drafted by the New York Giants but ended his football career because of a World War II injury. He also assistant coached at the University of Scranton before moving to Upper Moreland High School.

William "Bill" Leppert, Pittston, almost single-handedly founded the Pittston Little League, turning the site of a former dump and mining area into a field for boys. He served as the league's president for 35 years, and the field has been named in his honor.

Carl "Red" Meinhold, Hazleton, was the top rebounder on the 1942–43, Hazleton High School basketball team. He went on to Long Island University and was later signed by the Baltimore Bullets of the Basketball Association of America which later became the NBA.

The athletes described above have displayed a great sense of spirit as well as competitiveness through their accomplishments. They know what it is to be faced with a challenge and to take on that challenge looking it straight in the eye. These competitors have proven that in facing obstacles in the world of sports, one can become a more active and perhaps a more productive citizen. I would like to join my colleagues in the House of Representatives in commending these individuals on their induction into the Luzerne County Hall of Fame.

DR. RALPH W. ADAMS

HON. JOHN LEWIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. LEWIS of Georgia. Mr. Speaker, I would like to take this time to bring to the attention of my colleagues the tremendous accomplishments and contributions of the outgoing president and chancellor of Troy State University System, Dr. Ralph W. Adams. During his 24 years at Troy State, Dr. Adams devoted his time and talents to the development and advancement of the university.

The following article, which appeared in the university's homecoming newspaper, details the activities and accomplishments of Dr. Adams.

DR. ADAMS ACHIEVED HIS OWN GOAL

Wallace Malone, Jr., President Pro Tempore, Troy State University Board of Trustees.

In business, it is an axiom that good management is a prerequisite for success in any enterprise, and business often measures that success in terms of growth, quality, and profit. These principles also apply to institutions of higher learning and give one an insight into the success of Troy State University, for Dr. Ralph Wyatt Adams is an outstanding administrator.

Certainly, the growth of the University has been one of the hallmarks of Dr. Adams' tenure as president and chancellor of the university sytem. In the 24 years he has served the institution, the student body has not merely doubled or tripled but has grown eightfold. In 1964, Troy State students were primarily at one campus and in one discipline, education; in 1988, students are at more than 40 locations throughout the world and pursuing programs of study in more than 70 academic areas on undergraduate, and special degree levels. Because of Dr. Adams' foresight, the University was one of the first to anticipate important trends in adult, military, and non-traditional education. Thus, Troy State University had the programs in place as the needs arose.

Growth in the student population necessitated as increase in the number of employees, their numbers growing from 270 to more than 500 members of the faculty, staff, and administration on the main campus, with more than 800 full-time and 300 adjunct faculty in the system. Increases in plant, grounds, and facilities kept pace with the expanded role of the University because Dr. Adams saw the University as an organic whole and insisted that each part be maintained and nurtured.

However, growth costs money. Fortunately, year after year, Dr. Adams' thorough planning and persuasive arguments have resulted in the University's budget being increased from $2 million in 1964–65 to $44.5 million in 1988–89. Significant also is that for the fiscal years 1984–85 and 1985–86, the legislative appropriations for institutions of higher learning in the State of Alabama increased by 53 percent—the highest in the nation—and leading the State was Troy State University, with an increase of 69 percent. Therefore, according to The Chronicle of Higher Education, Troy State University had the greatest increase in budgetary appropriations for those two years, thanks to the relationship of Dr. Adams to the Alabama Legislature.

Not only have these increases made it possible for the University to achieve its goals, but the increased funding has enriched the economy of the Wiregrass area. In April, 1985, the most recent economic impact study was conducted, determining that the combined direct and indirect impact of Troy State University on the area was more than $35 million, making it the largest industry between Montgomery and Fort Rucker. Considering the current budget of the University, the impact is probably in excess of $50 million.

Like every effective administrator, Dr. Adams realized that an increase in size must be accompanied by an increase in quality. Beginning with the students, who have

always been his main concern, Dr. Adams mandated that a variety of scholarships be made available to highly qualified high school graduates. Today, Troy State University offers the George C. Wallace Scholarship, the Ralph W. Adams Pre-Medical Scholarship, Air Force ROTC Scholarship, and other scholarships in nursing, athletics, music, performing arts, and debate. Upon his arrival, Dr. Adams found that there was one national honor society on campus; today there are seventeen, along with ten leadership and service organizations. Honors Day, when these outstanding students are given the public acclaim they deserve, has always been for the Chancellor second in importance only to graduation.

Recognizing the importance of a competent faculty, Dr. Adams insisted on being directly involved in the upgrading of the faculty. Not only did he substantially increase the number of faculty who hold terminal degrees, but he sought out and brought to campus distinguished visiting professors of the stature of Edward Teller, William D. Revilli, and Russell Kirk. To encourage faculty to teach more effectively and to reward those who teach exceptionally well, Dr. Adams negotiated with the Ingalls Foundation to establish the Ingalls Award for Excellence in Classroom Teaching.

I could go on citing example after example of improvements that Dr. Adams has made. As a member of the Board of Trustees and President pro tempore, I have witnessed many of them, have worked with him to achieve some of them, and have admired the workmanlike manner in which Dr. Adams has pursued excellence and made the term the catchword of the University.

Others outside the University family have also recognized his skills and wisdom. He achieved the signal honor of being named one of the country's 100 most effective college presidents by the Exxon Corporation Education Foundation, and is known throughout the state as the dean of college presidents. He has been sought by those in all levels of government and has served on a variety of state and federal boards, including the Education Appeals Board of the U.S. Department of Education and the Presidential Clemency Board. This latter appointment was made personally by President Ford. Business, too, has recognized his abilities, and he currently serves on the boards of directors of several financial institutions.

The pursuit of excellence and the achievement of success are principles that under Dr. Adams' leadership have shaped the Troy State University System we know today. That the University is in large measure the handiwork of Dr. Adams is obvious. That he deserves the praise and gratitude of many is equally obvious, for his management, dedication, perseverance have profited every student and employee of the University, as well as the community. However, knowing the man as I do, I think he will be the first to say that Troy State University has given a breadth and meaning to his life that few other experiences would; that he as the shaper of the University has also been shaped by it. And I can say what Dr. Adams would never say, that in his pursuit of excellence for the University, he has won the prize himself.

TAIWAN'S 78TH NATIONAL DAY ANNIVERSARY

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. YATRON. Mr. Speaker, I would like to express my congratulations to my friends in the Republic of China on Taiwan on the occasion of their forthcoming 78th National Day Anniversary on October 10, 1989. Taiwan, under the leadership of President Lee Teng-Hui, is a nation worthy of our admiration and respect. In four decades, Taiwan has made an incredible transformation in its economy, moving from an agricultural economy to one of the "Four Asian Tigers", or economic successes in Asia.

Much has been said and written about Taiwan's economic miracle, but what hasn't been noted is Taiwan's diplomatic initiatives in recent years. There is no question that Taiwan is diplomatically isolated because of mainland China's threat to break diplomatic ties with any country that seeks to recognize both Taiwan and the People's Republic of China. Even under such grave threats, The Bahamas and Grenada recently established full diplomatic ties with Taiwan. Foreign Minister Lien Chan and his two assistants, Vice Minister John Chang and Vice Minister C.J. Chen, deserve much credit for Taiwan's diplomatic breakthroughs.

Mr. Speaker, as Taiwan celebrates its 78th anniversary this October, it is my hope and wish that Taiwan will continue to have diplomatic successes and will be allowed to participate in international economic and trade groups, such as the General Agreement on Tariffs and Trade, and other key international organizations.

HAPPY ANNIVERSARY TO TAIWAN

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. DYMALLY. Mr. Speaker, there is no doubt in my mind that Taiwan is a true miracle of the 20th century. It has found prosperity amidst the ruins of World War II. For the last 40 years, Taiwan's far-sighted leaders have given their energies to the economic, political, and educational development of this island nation, and their efforts have borne rich results. Taiwan is the second richest country in Asia, second only to Japan. It is on the road to a full constitutional democracy; and the literacy rate stands at 92 percent while 34 percent of all its high school graduates go on to tertiary education.

Taiwan, Mr. Speaker, is a shining example of self-reliance and hard work, and I wish to take this occasion to congratulate its leaders, President Lee Teng-hui, Premier Lee Huan, Foreign Minister Lien Chan and former Minister Ding Mou-shih, on the 78th anniversary of the founding of their nation—October 10, 1989.

MRS. ADELAIDE BAILEY

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. HORTON. Mr. Speaker, over the recess period I had the opportunity to meet with many of my constituents in upstate New York. One of them was Adelaide Bailey who recently celebrated her 82d birthday.

Mrs. Bailey, who resides in my hometown of Penfield, NY, has been a very active citizen in that town for many years. She has also conducted a considerable amount of research on the history of Penfield, the State of New York, and the United States. During our visit at her home on August 25, we discussed various aspects of her research. I was impressed by the broad scope of her research.

She also pointed out that she had written several poems and prayers. One of these prayers appears in the ritual book for the Daughters of the American Revolution. The prayer is for the Dedication of the Flag ceremony. It is ironic that I had just presented Mrs. Bailey with an American flag flown over the Capitol on July 4, 1989, as well as with greetings from President and Mrs. Bush. In light of her contributions to historical research and her tremendous love for the American flag, I thought it would be appropriate to include her prayer as it appears in the DAR ritual book in the CONGRESSIONAL RECORD:

Lord, our Heavenly Father, we thank Thee for the beauty of symbolism which has inspired our race from generation to generation.

We thank Thee for the response that warms our hearts when we come face to face with something tangible which speaks to us of intangible things.

And so we thank Thee for our Flag because we are grateful for the things it says to our spirits and because we remember in solemn joy the things which it has said to other generations of Americans.

Bless to us its reminders of heroic sacrifices and its call to devotion and service on our part.

Grant that we may be true to the ideals it teaches and that in us the highest type of patriotism may be developed.

In reverencing our Flag, may we build up within ourselves honor and justice and integrity of life.

In Thee, O Lord, do we put our trust. Bless our America, we pray. And make her Thine own messenger of righteousness and peace.

Amen.

COMMEMORATING THE 100TH ANNIVERSARY OF THE MISSOURI BOTANICAL GARDEN

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. BUECHNER. Mr. Speaker, I rise today to commemorate the 100th anniversary of the Missouri Botanical Garden of St. Louis, MO. Voyager II hurdles into the darkest reaches of

our universe and sends back images of nature beyond what man can even imagine. We here on Earth sit in amazement and long to know more—to extend that metaphysical chord "A man and his universe."

Yet in St. Louis there has been for 100 years a special place for man to seek out his own planet and to discover the fauna that in turn has given him food, cures for his diseases, the paper that his history is kept upon, and most importantly the air that keeps him alive.

The Missouri Botanical Garden, also known as "Shaw's Garden," is the oldest botanical garden in the United States in continuous operation. Internationally recognized for the quality of its horticultural presentations, it stands out particularly for its educational programs and most importantly its scientific research. Its staff and administrators have gone around the world assisting or helping to start similar institutions dedicated to man and nature.

Most recently, this garden, under the leadership of Dr. Peter Raven, has achieved further acclaim as it works to preserve and protect the tropical forests of the planet Earth—and in doing so helping determine the fate of mankind.

As concern for the environment has moved to the forefront of public awareness, the garden has played a prominent part in helping to define the importance of maintaining a biologically diverse and balanced ecosystem. Established in 1864 and directed for 25-years by a private St. Louis merchant, Henry Shaw, it was bequeathed to the public in perpetuity upon his death in 1889. Surveying his legacy with the hindsight of a century, I am certain that Mr. Shaw would be proud of what the tireless work and dedication of the caretakers of his garden have wrought. It is certain his spirit still tenderly touches the plants, the trees and blossoms, and the waters of "his garden."

To those of us who know and love this place, it is more than just a garden or a center of learning. It is a refuge from the turmoil of an often ugly world, a gentle reminder of what Eden must have been, and a continuing celebration of the glorious beauty of nature.

As we strive to remember our true role in the grand scheme of things, to recover that which we seem to have lost, it is well to look to the example that Missouri Botanical Garden has set. For there is no finer example of what good and true stewardship means than that which has been set by the Missouri Botanical Garden.

I ask each of my colleagues to join me in celebrating this 100th anniversary of the Missouri Botanical Garden and in saluting those who continue to work to ensure that our continuing journey through the cosmos is not devoid of beauty. Let us each and every one pledge ourselves to the same level of commitment, strive to attain the same attention to detail, and show the same love and devotion to our Earth that has been shown by the caretakers of the Missouri Botanical Garden.

NEWLY COMMISSIONED U.S.S. "PENNSYLVANIA" JOINS DISTINGUISHED LIST OF PENNSYLVANIA VESSELS—HON. PAUL E. KANJORSKI ON BEHALF OF THE ENTIRE PENNSYLVANIA DELEGATION IN THE HOUSE OF REPRESENTATIVES

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. KANJORSKI. Mr. Speaker, on behalf of the entire bipartisan Pennsylvania delegation, I take great pride in announcing to our colleagues in the House of Representatives the christening of a Trident submarine—the U.S.S. *Pennsylvania.* This weekend, on behalf of the delegation, I will participate in a very special ceremony, the christening of the U.S.S. *Pennsylvania.* This newly commissioned submarine is a member of a distinguished line of naval vessels to be named after the second of our original 13 States.

Ship-of-the-line *Pennsylvania* was authorized by Congress on April 29, 1816. She was launched on July 18, 1837, after budgetary problems that delayed her construction. She was the largest sailing warship ever built for the U.S. Navy. *Pennsylvania* eventually became a receiving ship for the Norfolk Navy Yard and remained there until April 20, 1861, when she was burned to the waterline to prevent here from being destroyed or captured by the Confederacy.

A U.S. Navy steamer, originally named *Keywaden,* was assigned the name *Pennsylvania* on May 15, 1809. She was one of the least active of the vessels named *Pennsylvania* and was never actually launched. She lay on the ways from 1803 until 1884 when she was broken up.

The second battleship commissioned *Pennsylavania* was launched on August 22, 1903 and operated on the East Coast and in the Caribbean. It was renamed the *Pittsburgh* in August 1912 to free the name Pennsylvania for a new battleship. The keel for the newly christened *Pennsylvania* was laid down on October 27, 1913. She was launched March 16, 1915, and commissioned on June 12, 1916, with Capt. H.B. Wilson in command. The *Pennsylvania* was attached to the Atlantic Fleet and in January 1917 steamed for fleet maneuvers in the Caribbean only to return to her base on April 6, 1917, the day of declaration of war against Germany.

The *Pennsylvania* performed fleet maneuvers in the Caribbean and Yorktown areas. In 1922, the *Pennsylvania* joined the Pacific Fleet with her principal areas of operation along the coast of California, Washington, and Oregon.

The battleship was in drydock in the Pearl Harbor Navy Yard at the time of the Japanese attack in 1941. She was one of the first ships in the harbor to open fire as enemy dive bombers and torpedo planes launched a surprise attack in the early hours of December 7.

The *Pennsylvania* remained on the west coast patrolling the California shoreline for the remainder of the war. She was decommissioned on August 29, 1946, after sustaining extensive damage from a Japanese torpedo bombing while anchored in Buckner Bay. The *Pennsylvania* received eight battle stars for her World War II service.

Another vessel christened the *Pennsylvania R.R. No. 9* served as a minesweeper and tug in New York habor. She remained active until January 2, 1919.

We take great pride in the fact that such fine ships have shared the name of our great State of Pennsylvania. We join our colleagues in the House of Representatives in saluting not only the newly commissioned U.S.S. *Pennsylvania* but in remembering the history of this great line of ships and the man and women who have served on their decks.

THE U.S.S. "LIBERTY" 1967-89

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. JACOBS. Mr. Speaker, our former colleague, Pete McCloskey of California has asked me to place this essay of his in the RECORD.

As can be seen by the essay itself, a strange controversy occurred in connection with the 20th anniversary of the Israeli attack on the U.S.S. *Liberty.*

I believe that Mr. McCloskey's views and report are entitled to be examined by the membership—and I place the essay in the RECORD without the slightest animosity toward Israel. Apparently somebody somewhere in Israel did a very bad thing in the case of the U.S.S. *Liberty.* People in our country have done bad things too. That does not mean that either country is essentially bad.

But young American military men did die 20 years ago. And I think it is regrettable that our own Government has declined to participate in the memorial the little town in Wisconsin decided to make for these innocent victims.

THE U.S.S. "LIBERTY," 1967-89

A heartwarming event took place a few days ago in the village of Grafton, Wisconsin, population ten thousand, 20 miles north of Milwaukee and surrounded by the rolling corn fields of southeastern Wisconsin.

It was an especially beautiful June day, bright and sunny, with a cooling breeze off Lake Michigan.

In a brief ceremony, the Town's leading citizens unveiled a simple memorial to 34 U.S. Navy officers and men killed by Israeli torpedo, rocket and machine gun fire 22 years earlier, on June 8, 1967. The Israelis, on the verge of attacking Syria's Golan Heights, had unleashed a furious fighter-bomber and torpedo boat attack on the intelligence-gathering ship, the U.S.S. *Liberty,* off the shores of Egypt's Sinai Desert.

The U.S. flag had been flying in an 8 knot breeze during several earlier Israeli reconnaissance flights and every man on the Liberty believed that the attack was no accident. A U.S. Secretary of State, Chairman of the Joint Chiefs of Staff and the Director of the National Security Agency have agreed with them.

Strangely enough, the dedication of the memorial with the names of the 34 dead

U.S. servicemen was the first public recognition of their sacrifice in the 22 years since the attack. There had also been 171 wounded from the crew of 294. No U.S. naval vessel since World War II had suffered a greater percentage (69%) in battle casualties.

The honor to the 34 dead Americans, however, did not come from their Commander in Chief, the U.S. Navy, nor their Senators and Congressmen.

Twenty-two years after the fact, all but one of the political and military leaders of the nation, successors to those from whom the 34 U.S. sailors had died that hot afternoon of June 8, 1967, were too afraid to attend or even send a congratulatory message.

That the ceremony was held at all was a tribute to two sturdy Grafton civic leaders and their wives, former Navy veteran Jim Grant and his wife, Carol, and John and Mary Dickmann. Grant was President of the Town's Board of Trustees, Dickmann the head of his own small manufacturing company in Grafton. Together they had organized the memorial event against bitter editorial opposition from Wisconsin's largest newspaper and from the Milwaukee Jewish community.

The stone memorial bearing the names of the 34 dead, including one Jewish boy, was unveiled by one of the two U.S. Navy regulars who attended, a Lt. Commander, who had been a Seaman 1st Class aboard the Liberty during the 1967 Israeli attack.

A former Navy combat pilot, President Bush, had been invited to attend. He didn't, nor did his office send the customary congratulatory message.

The Secretaries of Defense and of the Navy had been invited. Neither responded.

The Commander of the nearby Great Lakes Naval Training Station has been invited. Neither he nor even a Navy band was allowed to attend. No Blue Angels flew overhead. The clear word from on high was that no Navy personnel should dignify this particular memorial ceremony.

One solitary Chief Petty Officer, a recruiting officer from a nearby town, showed up. He tersely commented that he would have come even if the whole damn Navy Officer Corps had ordered him not to.

The remarks from the small podium in the afternoon sunshine were brief. The Liberty's chaplain gave a moving invocation. The ship's captain, Commander McGonagle, wearing the Congressional Medal of Honor awarded him for having saved his ship despite severe wounds, thanked the President of the Town's Board of Trustees for the honor done his crew; the Chairman of the Grafton Library Committee, Mrs. Carol Schneider, raiser of over $1 million to build the new town library, gave a few words of thanks; the local state assemblyman and state senator made a few remarks as did the American Legion commander, the head of the Chamber of Commerce and a former congressman. Two Liberty crew members, one officer and one enlisted man, gave U.S.S. Liberty crew jackets to the two elderly Grafton industrialists, Ben and Ted Grob, brothers who had preserved their machine tool company through the Depression years and who had contributed to countless Grafton charitable causes, large and small, before donating $500,000 for the new library. When the Grob brothers were invited by the Library Committee to name the library after themselves, the Grobs had asked instead to name it for the U.S.S. Liberty.

The Grobs had read about the 1967 Liberty incident in a book, "Assault on the Liberty," written by deck officer Jim Ennes. Ennes' book had made it clear that the attack was deliberate, not accidental, and that the Israeli attacks on the Liberty's life rafts were clearly intended to leave no survivors. It is not easy to find Ennes' book in bookstores today, despite the fact that it sold out five printings. The publisher no longer finds it politic to publish and sell this particular piece of American historical writing.

The ceremony, on the lawn of the new Grafton Library, at least had marvelous music. The Lakeshore Philharmonic Orchestra, 20 volunteers strong, ages 16 to 60, opened with "America, the Beautiful," then accompanied a talented local soprano in "The Star-Spangled Banner," and finally, while the names of the 34 dead young Americans were slowly read, gave a soft rendition of "My Country 'Tis of Thee." There were few dry eyes among the surviving Liberty crew members and several hundred Grafton citizens standing on the lawn or in the adjacent street.

An honor guard of aging American Legionnaires, mostly veterans of World War II, fired three volleys from M-1 rifles which some of them could barely lift to the firing position; the orchestra rendered a final taps.

There was a brief tour of the new library, still without books, for the townspeople and 40-odd *Liberty*, survivors, and their families, following which lemonade and brownies were served to all hands in the basement.

Almost last to leave were a quiet couple and their two adult children, the family of Seaman Richard Goss, all from Fort Wayne, Indiana. Mr. and Mrs. Goss had lingered awhile to quietly gaze at the simple memorial gravestone with their son's name on it.

The Milwaukee Journal, once a great crusading newspaper, for over a year had written scathing editorials and news articles condemning the Grafton citizens' committee and town leaders who had agreed to name the library after the U.S.S. *Liberty*. The Journal thought the name was "controversial and might evoke anti-Semitic feelings."

The Journal's article the next day was somewhat muted, devoting only half its words to "the controversy" the newspaper itself had created by terming the name of a U.S. Navy ship as a rallying point for anti-Semitic organizations. The Journal's article stressed the police SWAT team protection provided the ceremony, mentioned the attack as *"a strange historical footnote to the Six Day War,"* Israel's claim that the attack was an accident and that Ben Grob had once given campaign contributions to a former leader of the Ku Klux Klan and "other right wing causes." The article cited "some Jewish groups" who had said those who wished to memorialize the ship by naming the library were—at the very least—"insensitive."

To the crew of the *Liberty*, the real heroes present were the Grants and the Dickmanns who had weathered the personal attacks from the Journal and the greater Milwaukee Jewish community for the previous two years.

As Oliver Wendell Holmes, veteran of the 20th Massachusetts Regiment, wounded at Balls Bluff, Antietam and Spotsylvania, once paraphrased: "The perils of civil strife can be greater than the battlefield."

As the two buses with the U.S.S *Liberty* survivors and their families left the new library's parking lot, one man leaned out the window for a final salute to the American Flag flying over the new monument and said "Thank you Grafton!"

What a nation had declined to do, a small town had done, with patriotism, warmth and class.

A TRIBUTE TO ROBERT BRADLEY PIPER

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. HUBBARD. Mr. Speaker, I want to take this opportunity to pay tribute to a man who was a dear friend and an outstanding constituent of mine in Russellville, KY. The contributions he made to his community will never be forgotten.

Robert Bradley Piper died March 27, 1989, at the age of 84, after a long and dedicated career in education and many years of volunteer service to his community, State, and Nation.

Bob Piper, whose mother was a schoolteacher and whose father was a school board member, was a native of Logan County, KY. He attended Bethel College in Russellville before earning his bachelor's degree at Western State Teachers College in Bowling Green and his master's at the University of Kentucky.

He began his teaching career in the Gordonsville community school, where he later served as principal. He also taught at Olmstead School before becoming superintendent of Logan County Schools, in 1942, a position he held proudly for 33 years.

He remained steadfast in his commitment to and love for education in his retirement years. He served as president of the Kentucky Retired Teachers Association at the time of his death, and he was a member and former member of the American Association of Retired Persons.

Also a very civic-minded individual, "Mr. Bob" was a 46-year member of the Russellville Rotary Club and logged 22 years of perfect attendance.

Bob Piper's service to his community, though done unpretentiously, did not go unnoticed. In 1987 he was awarded the "Senior Achiever Hall of Fame Award" at the "Life After Fifty" fair sponsored by Western Kentucky University. He served as a member of the Barren River Area Development District's Council on Aging.

He was a member of Russellville's First Baptist Church where he served as deacon for about 30 years and as Sunday school superintendent for several terms.

Like his father, Bob Piper married a schoolteacher. He and the former Eleanor Bryant married in 1930. He is survived by his lovely wife Eleanor; their daughter, Dr. Ann Pember; and son-in law, Benny J. Pember, of Greensboro, NC; one brother, Henry Piper of Russellville; and two grandchildren, Robert Benjamin Pember and Piper Ann Pember, both of Greensboro.

My wife Carol and I extend our sympathy to the members of Bob Piper's family.

RULE ON H.R. 3, THE EARLY CHILDHOOD EDUCATION AND DEVELOPMENT ACT OF 1989

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to the rules of the Democratic caucus, I wish to serve notice to my colleagues that I have been instructed by the Committee on Ways and Means to seek less than an open rule for the consideration by the House of Representatives of H.R. 3, the Early Childhood Education and Development Act of 1989.

HOW TO PAY FOR AN EFFECTIVE DRUG WAR

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. BRYANT. Mr. Speaker, drug abuse and the illicit industry and crime it has spawned are perhaps the most serious challenges confronting our society today. Drugs flow daily across our borders—onto our streets and into our neighborhoods and schools.

Drugs cause crime, devastate productivity and kill—as we ever more frequently witness, not just in this capital city, but in most of our cities and increasingly in rural communities. During the Reagan-Bush administration, drug use and drug-related crimes increased dramatically.

While I applaud President Bush's recognition of the fact that we must put more money into the effort to end the scourge of drugs in this Nation, I am dismayed that he has given little indication of where this money should come from. The proposed financing for the plan consists of accounting gimmicks and misguided cuts in important programs.

It is a clever accounting gimmick to count $686 million of programs already included in the fiscal year 1990 budget as part of his proposed increase. It is misguided to finance $751 million of the increase with dramatic cuts in important and often related domestic programs. And the President has not given us an inkling as to how the remaining $763 million increase—part of an anti-crime proposal never included in the budget—can be financed with neither additional spending cuts or revenue increases. You might say this is a case of deja-voodoo economics.

I am pleased that the President has joined the Congress in deciding that we need to reinforce our troops in the war on drugs. We also need to assure the American public that we have a responsible way to pay for it.

One responsible source for funds for the anti-drug war would be to require our allies to begin paying their fair share for their own defense. I authored the "Allies Fair Share Defense Act" as a source for additional funds to help us balance the budget and free up needed funds for the drug war.

I have serious concerns about the Bush administration plan to reduce funding for drug treatment and education, Department of Defense interdiction efforts, housing, and economic development.

I am especially disturbed about the proposal to reduce, by $320 million, Federal funds for the State Legalization Impact Assistance Grants created by the Immigration Reform and Control Act of 1986 [IRCA].

The SLIAG Program—which I had proposed to reimburse 100 percent of costs imposed on State and local governments by the new immigration law—was created, over the objections of the Reagan administration, to reimburse the States for some of the costs of public health, public assistance, and education of newly legalized aliens.

The funds allocated for the SLIAG Program were guaranteed to the States for use through 1994. President Reagan in his final budget and President Bush in his first budget, recommended reducing 1989 SLIAG funds by $300 million. Now President Bush seeks an even deeper cut that will do more serious economic damage to State and local governments.

States such as my home—Texas—with significant portions of the legalized alien population cannot afford to assume the greater spending burden for these services which have been mandated by the Federal Government.

For several years the Democrats have struggled to finance the war on drugs. The Bush proposal in fact barely matches the funding levels authorized by Congress last year—it barely restores 40 percent of Reagan-Bush cuts in anti-drug efforts over the previous 8 years. The Bush administration's original fiscal year 1990 budget proposal fell almost $1.5 billion short of the authorizations in the 1988 bill.

I am pleased that the President has discovered many of the programs approved by Congress in 1987 and 1988 and recognized that any progress in the war on drugs will be made only if we provide funding for them. An effective strategy in the war on drugs will require that we also fight the root causes of drug use and crime.

We must recognize that Americans consume 60 percent of the world's supply of illegal drugs. Americans have doubled their purchases of illegal drugs to more than $140 billion a year since 1980. Approximately 43 percent of all Federal inmates are incarcerated for drug-related offenses and 40 percent of new admissions were rated as having moderate to severe drug use histories.

We have not yet begun to fight.

CONGRATULATIONS TO THE REPUBLIC OF CHINA

HON. BILL GRANT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. GRANT. Mr. Speaker, today I wish to draw the attention of my colleagues to a very important upcoming anniversary.

On October 10, 1989, the nation of Taiwan will celebrate its 78th birthday. As we all know, Taiwan is a vital island country and one of our strongest allies in the Pacific. It has also become our fifth largest trading partner and a shining example of economic growth and political liberalization.

I want to salute and congratulate President Lee Teng-hui and the people of Taiwan for their dedication and commitment to free enterprise and democratic ideals. For 78 years, Taiwan has demonstrated clearly that freedom and economic opportunity go hand in hand.

Taiwan continues to be a valued friend of the United States and an inspiration for other Asian countries attempting to modernize. I congratulate Taiwan on its 78th birthday and offer my best wishes for the future.

EAGLE SCOUT HONORED

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. LIPINSKI. Mr. Speaker, it gives me great pleasure to bring to the attention of my colleagues, an outstanding young individual from the Fifth Congressional District of Illinois, who has completed a major goal in his Scouting career. Mr. Thomas Joseph Boor, of Troop 415 in Chicago, IL, will be honored on September 21, 1989 at an "Eagle Scout Court of Honor."

It is important to note that less than 1 percent of all boys in America attain the rank of Eagle Scout. This high honor can only be earned by those Scouts demonstrating strong, extraordinary leadership abilities. Thomas Boor has clearly demonstrated such abilities through his dedicated community service and hard work.

Having joined Cub Scouts, Pack 3415, at Maurice Parish in September 1983, Thomas earned all 15 activity badges as a Webelos Scout. He then went on to earn the Arrow of Light Award prior to becoming a Boy Scout in November 1984.

After becoming a Boy Scout in 1984, Thomas rapidly advanced to the rank of Tenderfoot on November 11, 1985; a Second Class Scout on June 12, 1986; a First Class Scout on December 19, 1986; a Star Scout on January 17, 1987; a Life Scout on June 19, 1988 and, finally, Boy Scouting's highest honor—the Eagle Scout on June 29, 1989.

In his quest to become an Eagle Scout, Thomas earned all 12 skill awards and 38 merit badges. In March 1986, Thomas was elected by his fellow Scouts into the Order of the Arrows [OA], an organization within the Boy Scouts that promotes camping and assistance to others.

A career in Scouting would not be complete without service in the various other capacities that help make up such a fine organization. To fulfill this philosophy, Thomas served as the corresponding scribe for Tschitani, Mawat chapter, Owasippe Lodge of the Order of the Arrow from January 1987 until June 1989. In June 1989, he was elected chief of this chapter. Further, in April 1989, Thomas and numerous members of his Order of the Arrow chapter organized and ran the spring camporee for the Marquette Trail District. The theme of the camporee was "Fun for Boys, By Boys." This

camporee was one of the most successful events the district had ever seen.

Thomas was chairman of an interdistrict training session on April 1, 1989 for boy leaders at Camp Sullivan. He also served on the staff at Owasippe Scout Reservation from June to August 1988. While on staff, he was able to assist many Scouts seeking their merit badges.

On an heroic note, Thomas, while serving on staff at Owasippe, was involved in transporting a boy suffering from an asthma attack to the nearest medical facility. Accordingly, he was commended for his courageous actions in assisting a needy individual who might otherwise have suffered from more serious complications.

On a personal note, Thomas is presently enrolled at Thomas Kelly High School as a junior. After attending college at the University of Illinois, Chicago circle campus, Thomas aspires to one day be an officer on the Chicago Police Department.

In addition to Scouting, Thomas's many interests include music, football, basketball, wood working, fishing, hiking and of course, camping.

In light of the commendable leadership and courageous activities performed by such a fine young individual, I ask you, my fellow colleagues, to join me in honoring Thomas Joseph Boor for attaining the highest honor in Scouting—the Eagle Scout. With God's blessings, let us wish him the very best in all of his endeavors.

TRIBUTE TO DAVID A. STRONGIN

HON. BARBARA F. VUCANOVICH

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mrs. VUCANOVICH. Mr. Speaker, I rise today to recognize the patriotic enterprise of one of my constituents, Mr. David A. Strongin, whose corporation, Ties of Honor, uses a percentage of its profits of regimental tie sales to aid the survivors of military service personnel who have died in peacetime. Certainly, as the daughter of a brigadier general, I appreciate the importance of this endeavor.

At the very least, I would like to commend Mr. Strongin and his company for making us all more aware of the needs of the families of those military personnel who have given their lives, in the pursuit of preserving the peace, which we all enjoy. Mr. Strongin's contribution of service to military families and military pride shows that old soldiers do not have to end their service to their country after their Active or Reserve duty.

JUNIOR LEAGUE WORLD SERIES RUNNERUP TEAM HAILS FROM TOCCOA, GA

HON. ED JENKINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. JENKINS. Mr. Speaker, I ask for the opportunity today to bring some recognition to a group of very deserving young people and the adults who have supported them.

The town of Toccoa, GA, welcomed home its Junior Little League All-Star team from World Series play a couple of weeks ago with a parade and a community-wide pep rally honoring the players, their parents, coaches, and other supporters. After winning the South region division tournament in Orlando, FL, the Junior Little Leaguers then had traveled to the Junior League World Series in Taylor, MI. They came home the World Series runner-up in the world and first in the United States. Two of the three games the team lost this season were to Puerto Rico in the World Series.

As one who played a little ball in his younger years, I realize some credit must be given to the natural ability of the players, but a team does not go all the way to the World Series without a great deal of hard work. The players have to put in extra time perfecting the skills of the game. Parents and community leaders must plan ahead, contributing time and money to the organization and for the facilities to create the environment conducive to producing an outstanding team such as this one.

During the welcoming home ceremonies, Leonard Griffin, President of the Toccoa Little League, said:

If you had told me last winter when I agreed to be president that I would travel 8,000 miles in 4 weeks with this team, I would have said I didn't have the time. I didn't have the time, but I have enjoyed every minute of this experience and wouldn't trade it for anything in the world.

What he, Coaches Mike and Donnie Ivester, the parents, and the community in Toccoa, GA, have learned is that we must invest time in our young people. What these young people have learned is that people do care about them and whether or not they excel and succeed. These Toccoa Junior League All-Stars, Shannon Dean, Josh Holcomb, Richard Aderholdt, Matthew Griffin, Brent Brown, Rodney Oglesby, Jimmy Roush, Jason Ivester, Brandon Peace, Jonathan Griffin, Clay Rickman, Charles Colbert, Serrante Hester, Nekinno Turner, know what it means to have a community behind them.

These people should serve as examples to all of us to put forth extra effort, to cooperate and work together to seek higher goals.

I tip my baseball cap to these young men who played their hearts out, to the Toccoa Little League organization for its support, to the parents for their encouragement and extra efforts. They are all winners with outstanding records.

PERSONAL EXPLANATION

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. CONTE. Mr. Speaker, an unavoidable commitment in my district forced me to miss most of the September 6 session. That session included the votes on H.R. 1668, which authorized appropriations for the National Oceanic and Atmospheric Administration's Coastal Programs, and H.R. 2427, which authorized appropriations for the NOAA's Atmosphere and Satellite Programs.

These programs make a contribution to our knowledge of important weather, atmospheric and oceanic conditions and changes. I support them and I would have voted in favor of these bills had I been able to attend.

REFLECTIONS OF A CONGRESSMAN'S JOURNEY TO ISRAEL

HON. BILL PAXON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. PAXON. Mr. Speaker, this August, I had the opportunity to visit the State of Israel for the first time. On the flight back, I wrote down some of my reflections, which I subsequently developed into a column for a local paper in my district. I would like to share this article with my colleagues.

REFLECTIONS ON A CONGRESSMAN'S JOURNEY TO ISRAEL

(By Congressman Bill Paxon)

ABOARD EL AL FLIGHT 1—As the blue and white El Al 747, with the Magen David on its gleaming tail fin, banks slowly toward the green Mediterranean Sea, it is a time for reflection.

I take my final glimpse of the land of Israel and realize that my sojourn has been both an exploration through the ages and an expedition through a modern twentieth century democracy, peopled by some of the most determined and courageous individuals I have ever met.

The trip has been a deeply moving and personal experience.

It has demonstrated concretely my conviction that our aid to our only real ally in the volatile Middle East region can stand the test of both moral and fiscal scrutiny.

The House Chamber on Capitol Hill now seems distant. More than ever, I can clearly see and understand the imperatives that have forged the friendship and alliance we enjoy with the State of Israel.

The money is indeed important—and I feel privileged to have been a leader in the fight on the floor of Congress to secure passage of a $3 billion aid package for Israel.

Yet, after my brief week's trip, Israel is closer to me and more real than ever. I know I shall never forget the faces of Israel. Faces of men and women determined to live out an age old dream of a free and peaceful Jewish homeland.

Of course, the words and ideas of Israeli officials held great importance.

I am greateful for the time I spent with Prime Minister Yitzhak Shamir and Jerusa-

lem Mayor Teddy Kollek and members of the Knesset from both the Labor and Likud parties. They devoted many hours detailing the current situation and provided me with a better understanding of the serious nature of the Palestinian uprising in the West Bank and Gaza, and its affect on the nation.

Nonetheless, it was the Israeli people who best put their land and their dreams in perspective. Perhaps, the feeling I gained is summed up best by the four I had the good fortune to meet: a former refusenik, a tank commander and a young Kibbutznik couple.

Yuri Kashorovsky, spent 18 years of tears and suffering— longer than any other person—as a Jewish Refusenik in the Soviet Union.

Now in Israel just seven months, there are no tears now, just a broad smile and bright eyes that reflect an infectious sense of adventure, excitement and faith. He says happily that he is "fulfilling thousands of years of history by coming here."

In some ways, Yuri Kasharovsky is a personification of this tenacious little nation. There is nothing in this man that suggests the tough times past—only a belief in the future, and a faith in the God that has led him and his family into this Promised Land.

Then there was Army Commander Yossi. At age 36, he commands a 1000-member tank brigade on the Golan Heights overlooking Syria.

Commander Yossi was a lieutenant at Golan in 1973. He was one of the few to survive the initial onslaught of Syrian armor on Yom Kippur.

Sixteen years later, he recounts the stress of being poised for battle "every hour, every minute, every second" here on the front line.

The young men and women under his command are among the brightest I have ever met. Their tough fighting skill has been honed through an inner strength and the clear determination that their families, never very far away in this tiny land, will never again be put at risk by an unexpected invasion from Syria or any military foe.

A visitor to the small, yet comfortable, apartment of Susy and Josef Abas in Kibbutz Misgav-Am, can see firsthand the challenges and accomplishments of a unique lifestyle found only in Israel.

As I looked down from their kitchen window, through the barbed wire marking the border toward a small, Lebanese village, Susy from Argentina and Josef from Holland readily acknowledged this life is not for everyone.

"It can be difficult," Susy said "With the changing work assignments, long days and daily threat from the PLO of a terrorist attack, life is not easy."

But Susy and Josef Abas are proud of the community they have helped to build. It is here they plan to raise their family. They will not be driven away.

As we prepared to leave the Kibbutz, Josef called after us with a certain smile and said, "Come back and visit us again. We will be here."

Although our week in Israel was far too short, our time was well planned and presented a comprehensive picture of a vital people. People who, in spite of all odds, have built a dynamic land with a future as rich as its historic past.

We saw the future in the lush farms, wrested from the deserts, and in the high-tech work being done at the Israel plant of Western New York's Mennen Medical, Inc.

Finally, I shall never forget my moving visit to Yad Vashem, the memorial to six million Jews murdered in the Holocaust. I participated in a prayer service and wreath laying ceremony. It was a special honor and an emotion packed moment—particularly as my thoughts turned to the 1.5 million children of the Holocaust.

Now, as we soar high above the clouds, I think of the strength of the people of Israel, their faith, their courage and determination.

I am reminded of a true and solid friendship between our nation and a nation that can be counted on day-in and day-out in a region filled with violence, treachery and deceit.

I shall always deeply appreciate the Greater Buffalo Jewish Federation for hosting this trip and particularly to Harry Kozansky, executive director and Gorgon Gross, for their time and energy in planning and carrying out our comprehensive schedule. Together with our travelling companion, County Executive Dennis Gorski, I say to them "Mazel Tov."

And to my friends in Israel, "Shalom!"

PERSONAL EXPLANATION

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. TORRES. Mr. Speaker, I was unavoidably absent on official business during rollcall vote 203 on August 2, 1989. Had I been present on the House floor I would have voted "aye" on final passage of the Labor, HHS, Education appropriations bill, H.R. 2990.

ARE YOU PATRIOTIC ENOUGH?

HON. CLYDE C. HOLLOWAY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. HOLLOWAY. Mr. Speaker, the esteem in which millions of Americans hold the U.S. flag has been the subject of thousands of news reports, columns, and analyses during the last several months. One particularly impressive commentary was published in the August 24 edition of the Lutcher News-Examiner, a newspaper published in St. James Parish, LA. The author of this stirring and inspirational column, Mr. Stanley Smith, my constitutent, has both my respect and admiration and deserves the same from all Americans who hold the American flag dear.

Mr. Speaker, I urge my colleagues in this great body to read and consider this thought-provoking column. The author's pride in the American flag and the cherished values it represents reflects the feeling of men and women across our land. Mr. Speaker, it is with great pride and enthusiasm that I ask that Mr. Smith's column, entitled "Convictions," be published, as follows, in this CONGRESSIONAL RECORD.

[From the News-Examiner, Aug. 24, 1989]

CONVICTIONS

(By "Prof" Stanley Smith)

ARE YOU PATRIOTIC ENOUGH?

I know that I have written about flag desecration before, today's article will include additional comments that I made at my recent installation as head of the Fourth Degree Knights of Columbus. Patriotism is the foremost objective of that degree.

It is strange that defacing a dollar bill is a crime, but burning, trampling and spitting our flag is "freedom of expression." The First Amendment guarantees freedom of speech, and I do want to protect that. Thomas Jefferson, perhaps the most brilliant man to ever occupy the White House, once told a political opponent that he disagreed with him completely, but that he would fight to the death for his opponent's right to speak.

Desecrating the flag, however, is an action, not speech. It is a terrible action that is an insult to everyone who loves this nation. Hundreds of thousands of men have died fighting for that flag and what it stands for in may wars.

The most celebrated picture to come out of my war, World War II, was of my fellow marines raising the flag on Mt. Surabachi on Iwo Jima. I wish I had been there. I was on Saipan hundreds of miles away.

In the VFW we drape the casket of our deceased comrades with the American flag. We follow that casket to the tomb in the cemetary, and we reverently fold that flag and present it to the next of kin, wife, daughter, or son. We express our gratitude for the service rendered to our nation under that flag.

There are those who tell me that the flag is only a piece of cloth, and my mind seems to say that, but my heart tells me differently. Blaise Pascal, French scientist and philosopher expressed it best when he said, "the heart knows reasons that the mind knows not."

This nation has really only lost one war in its entire history, the Viet Nam War. We lost that one because many American people did not support the war effort. I find it hard to forgive people like Jane Fonda who gave aid and comfort to the enemy. This generation of Americans is not as patriotic as former generations. Do you love this nation enough to serve it and die for it in a cause that is just?

TRIBUTE TO JOE MOQUIN

HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. FLIPPO. Mr. Speaker, I rise in order to pay tribute to Joseph C. Moquin, chairman and chief executive officer of Teledyne-Brown Engineering in Huntsville, AL, who is retiring after more than 30 years of outstanding service to his company, his community and State, and to this Nation.

A native of Middleboro, MA, Joe moved to Huntsville in 1956 to work for the Army Ballistic Missile Agency. His reputation as a skilled manager led Milton Cummings, then president of Brown Engineering, to recruit Joe to the young company as executive vice-president.

Brown engineering was acquired by Teledyne and was renamed Teledyne-Brown Engineering in 1967. The company has in many ways been the foundation of Huntsville's emergence as a leading center of research and development in the Nation. And much of

Teledyne-Brown's growth can be directly attributed to the vision and leadership provided by Joe Moquin.

Throughout the more than three decades since he came to Huntsville, Joe Moquin has been a veritable wellspring of community involvement and community leadership. He was the driving force behind an effort to establish a first-class research park in what was then the cotton fields of western Huntsville. The park that he convinced local officials to establish now hosts scores of high technology companies and is widely considered a model of the modern research and development environment. The park was named after his predecessor, Milton Cummings, in 1973 and is now called Cummings Research Park.

He has also dedicated much of his time and energies to a wide range of public service endeavors which have contributed greatly to a better community and State. Joe has served on the board of trustees of Alabama A&M University, Birmingham-Southern College, the board of directors of the UAH Foundation, the Huntsville Hospital Foundation—the list could go on and on.

Joe Moquin has truly been a model for the kind of community leader that every community would love to have. Joe, I am glad you settled in Huntsville and I want to thank you sincerely for the efforts you have made which have benefited us all.

I want to wish you and Anita a very happy and productive retirement.

TRIBUTE TO ELI LURIA

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. LAGOMARSINO. Mr. Speaker, I ask my colleagues to join me in recognizing Mr. Eli Luria for his long and outstanding service to the community of Santa Barbara. In order to honor Mr. Luria and to express thanks and appreciation for his many contributions to Santa Barbara City College, on September 5, 1989, the trustees of the Santa Barbara Community College District named the new library and learning resource center "The Luria Library."

Mr. Eli Luria has been a resident of the Montecito area of Santa Barbara for over 32 years. A native of Washington, DC, he attended George Washington University and the Corcoran Art School there, then went on to graduate from U.C.L.A. in 1945 as an art/history major.

Mr. Luria was a partner in the general contracting firm of Luria Brothers in Washington, DC. He is a California licensed real estate broker and building contractor, although he is no longer actively engaged in the building business. His Luria Development Co. has been responsible for the construction of many attractive homes, apartments, and office buildings in Santa Barbara, several of which have won the "Santa Barbara Beautiful" award.

Always active in civic affairs, he founded the local chapter of the National Association of Home Builders—now the Building Industry Association. He is a past member of Toastmasters and Suburban Kiwanis, past president of the local chapter of the United Nations Association, a member of the Citizens Planning Association and the County of Santa Barbara Arts Associates. He is a trustee of the Santa Barbara Museum of Art and of the Nuclear Age Peace Foundation. He is treasurer and past president of the Riven Rock Park Homeowner's Association. In 1972 he was chairman of the County Heart Fund Drive. He is past president of the Santa Barbara City College Adult Education Advisory Council.

In January 1989, Mr. Luria was honored at a large dinner in Santa Barbara as A.D.L.'s "Man of the Year," in recognition of his many years of community service.

In 1972, Mr. Luria cochaired a successful city college bond issue drive to acquire land for expansion and development of the campus. He was first appointed to the Board of Trustees of the Santa Barbara Community College District in 1976, and has since served as board president, vice president, and as a member of the board's Educational Policies, Fiscal, and Facilities subcommittees. He is a founding member of and has served as president of the Foundation for Santa Barbara City College, and has made noteworthy donations both financially and of his personal time.

Mr. Luria and his wife, Leatrice, who have been married for 43 years, are the parents of one daughter, and have two grandchildren. His hobbies include tennis, golf, traveling, and oil and water color painting. His wife designs and produces distinctive pottery works in her Montecito studio.

It is clear that Mr. Luria's dedication to the community of Santa Barbara is both lifelong and ongoing. His commitment to the Santa Barbara City College has proved to be invaluable. Therefore, I ask the House to join me in paying tribute to Mr. Eli Luria for his dedication to the betterment of mankind and wish him success in the future.

TO PROVIDE FOR THE CLEAN-UP OF THE UNDERGROUND STORAGE TANKS AT THE CHENNAULT AIRPARK, LAKE CHARLES, LA

HON. JAMES A. HAYES

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. HAYES of Louisiana. Mr. Speaker, I am introducing this bill today in order to rectify a problem that needs immediate attention. The issue involves the need for a remediation project at the former Chennault Air Force Base, presently known as the Chennault Airpark.

In 1961, when the base was closed and the property was transferred to the parish, the Department of Defense expressed to the Airpark Authority that the underground storage tanks and pipelines had been cleaned as all oil and other jet fuels had been removed. However, within the last year, jet fuel has been detected in the ground and surface waters of neighboring properties.

The Army Corps of Engineers currently has the mandate to clean up such hazards under the Defense Environmental Restoration Program. While the Corps has been helpful in processing the Airpark's request for assistance under this authority, several of the Airpark's tenants are concerned that the Corps may not decide to assume responsibility for the remediation work. Consequently, they are concerned that they will end up having to foot the expenses. There is no reason for the Corps not to accept responsibility and they have been cooperative at each step of the proposal process so far. However, I feel that it is necessary to protect the Airpark Authority, which is one of the largest employers in my district, from tenants panicking and pulling out of their current contracts or more realistically, halting plans for future expansions. Therefore, I have introduced this legislation today in order to assure those parties that the work will be done.

VITO BATTISTA ARCHITECT, EDUCATOR, HUMANITARIAN, LEADER

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. TOWNS. Mr. Speaker, today, I rise to pay tribute to Vito Battista, a truly remarkable man. During the course of his life, this resident of Brooklyn, NY, has excelled as a businessman, educator, architect, humanitarian, and civic leader.

Mr. Battista is a personification of the tenets of the American dream. He came to America as a child, an immigrant to a strange land. He worked his way through high school and college by laboring long and grueling hours as an ice peddler. However, his hard work and determination to succeed allowed him to obtain a bachelor's degree in architecture from Carnegie Institute and a master's degree in architecture from M.I.T. In his attempt to broaden and deepen his knowledge of the architecture and design of the old world he studied at the Fountainbleau and the Ecole Des Beaux Arts in France. To complement his knowledge of the "old world" style and to develop a well-rounded architectural perspective, he did graduate work in urbanism at Columbia University.

The fruit of Mr. Battista's studies and the culmination of his skill and talent as an architect can be seen in the work he contributed to the designs of many well-known public buildings including the Brooklyn Civic Center, the Supreme Court Building, New York's 1939 World's Fair exhibits as well as many other municipal buildings including hospitals, schools, fire houses, police stations, and libraries while in the service of the New York City Department of Public Works. He has been widely acclaimed for his unique solutions to difficult design problems.

In addition to being a prodigious practicing architect, Mr. Battista has devoted a significant portion of his life to educating others. Over 40 years ago, he founded the Institute of Design and Construction, an architecture and engineering technical school chartered by the New York State Board of Regents. In 1952, Vito realized that classroom education was

only half the picture in achieving proficiency in architecture and design. To complete this picture, the institute was among one of the pioneers in a ground-breaking program in which students work in their chosen field during the day and attend classes in the evening. This type of work and study program is currently being used in many colleges and universities. He founded the school to pass along his knowledge and love of design and construction to others. Today he serves as president of the school. In the last 40 years the school has educated and trained over 30,000 students in the principles and practices of design and construction.

As a political and civic activist, Mr. Battista was elected and served in the New York State Assembly for three terms; for six terms on the Community School Board in District No. 19 in east New York; 12 years on the Planning Board No. 5; 10 years as a Republican State committeeman in the 54th Assembly District and a delegate to the Republican National Convention at five consecutive national conventions from 1972 to 1988. He has admirably served the east New York community as a member of the board of directors of the East New York Development Corp.

In sum, I salute Mr. Vito Battista for his courage to take on tough issues, the ability to lead in the face of adversity, the tenacity to overcome obstacles, and the determination to fight until the battle is won. Throughout his years of public service, Mr. Battista has exhibited commitment, compassion, and concern.

A TRIBUTE TO DENNIS OEHLER

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. McGRATH. Mr. Speaker, in my hometown of Valley Stream, NY, there is a very special resident who has shown tens of thousands of people worldwide that a physical disability is not a hindrance to athletic success.

In 1984, Dennis Oehler was a 24-year-old promising amateur soccer player with high hopes of turning professional. His dream ended with a tragic accident in which he lost his right leg below the knee. Shortly after his accident, Dennis saw the International Games for the Disabled which were held on Long Island that same year. After seeing physically challenged people perform athletic events identical to those in the Olympics, Dennis vowed that he would become the fastest amputee in the world.

For several months, Dennis trained 6 hours a day, 6 days a week in preparation for statewide and national competition. After several local successes, Dennis won gold medals in the Australian National Amputee Championships in 1987 and 1988 for the 100-meter and 200-meter sprints. The U.S. Amputee Athletic Association named him Athlete of the Year in 1987.

Throughout 1988, Dennis participated in several international track events in preparation for his ultimate goal, the 1988 Paralympic Games in Seoul, South Korea. In Seoul, Dennis kept his 4-year vow to become the world's fastest amputee. In the 100-meter sprint, Dennis came from behind to win the gold medal in 11.73 seconds—the first time an amputee broke the 12-second mark and a new world record.

This year and next, Dennis plans on entering several more international competitions.

Dennis' exploits are not limited to the athletic field alone. He devotes much of his time to helping other physically challenged young people. He is a member of the Eastern Amputee Athletic Association, a swimming instructor at a local university, and a volunteer fireman. He is also a loving and devoted husband and father.

We, as a nation, pride ourselves on the love of competition and sport. Dennis Oehler is truly a gifted American athlete and is deserving of every accolade he has received. He is a true example of American determination and athletic skill who is a proud representative of the United States wherever he competes. I ask all of my colleagues to join me to wish him well as he represents our Nation on the athletic fields of the world.

ROBERT J. SMITH HONORED

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. GUARINI. Mr. Speaker, the United Way of Hudson County will hold a luncheon on September 19, 1989 honoring Mr. Robert J. Smith for 36 years of outstanding volunteer service. Over 800 community and business volunteer leaders are expected to attend the luncheon at the Meadowlands Hilton Ballroom.

Robert J. Smith was born and raised in the Greenville section of Jersey City. He graduated from Sacred Heart Grammar School and Henry Snyder High School, and earned degrees from St. Peter's College and Seton Hall University. He served in the U.S. Army Infantry in the South Pacific between 1943 and 1946. He joined the Joseph T. Ryerson Steel Co., upon his Army discharge in 1946.

Bob was married on May 28, 1949 to Theresa Donohue. The Smiths have 7 children and 15 grandchildren.

As a representative of Ryerson Steel Co. in 1953, Bob joined the governing board of Community Chest, the forerunner of today's United Way of Hudson County.

Since that time, Bob has served our entire community with distinction.

In 1972, Bob played a pivotal role in uniting nine Hudson County communities under one organization—the United Way of Hudson County.

In Jersey City, Bob played a major role in directing a large circus and fair to raise money for the Boys Clubs and other volunteer agencies.

Bob worked with local bank officials, real estate developers and architects to provide the United Way with additional office space. Since United Way dollars could not be used for real estate development, Bob and United Way Executive Director Bill Martin organized a Sunday bingo tournament to pay for the new facilities. Over a period of 14 years, he helped raise $500,000 to offset the cost of the building.

With Bob's help, the United Way of Hudson County joined the United Way of the Tri-State Area. Today, this partnership represents 36 United Way organizations, 800 communities, and over 1,800 human service agencies.

During Bob's tenure, the United Way of Hudson County expanded the Boys Clubs, developed a child abuse service via the visiting homemakers, and added the Hoboken Club, the Red Cross Chapters of Hudson County and Bayonne, the Retired Senior Volunteer Program, the Coalition of 100 Black Women, the Sickle Cell Anemia Organization, North Hudson Community Action, the Urban League, the Franciscan Aids Initiative to help [FAITH], and the Alzheimer's Adult Day Care Program of the Jewish Home and Rehabilitation Center.

Bob has spent his volunteer career working to help the United Way make the greatest possible contribution to our community. In 1978, he worked with Martha Lewin of the YWCA, the New Jersey Housing Finance Agency, the Ford Foundation and several local contributors to convert buildings to housing for the elderly and the disabled.

Bob worked with Thomas Stanton, chairman of the Board of First Jersey National Bank—now National Westminster Bank—to convert an abandoned coal bunker along Jersey City's waterfront into a new home for the Boys Club. Lawrence Lewis, former United Way president and director of bridges and tunnels at the Port Authority of New York-New Jersey, praised Bob's visionary leadership and called the new home of the Boys Club a showcase for the benefits a community can achieve when volunteer and government agencies work toward a common goal.

Bob worked with Maureen Walliser, executive director of the Occupational Center Shelter Workshop, and Robert Burstein, an accountant, to purchase a new home for the workshop. With the assistance of a small business loan my office helped them receive, the workshop moved to a new site and served 200 additional clients.

The Joseph T. Ryerson Steel Co., deserves credit for encouraging Bob Smith to serve Hudson County.

In addition to his career at Ryerson Steel and the United Way, he served on the Woodbridge Board of Education from 1962 to 1963, the Woodbridge Township Council from 1963 to 1971, and as vice president of the Woodbridge Council.

Serving with Bob Smith on his citizens budget review and having dispensed over $18 million in this period are: president, Charles Hawkins, secretary/treasurer, Ret. Colgate Union; vice presidents, Robert Burstein, Handler & Burstein; Archie Douglas, deputy director MOTBY; James Feely, president of Provident Savings Bank; Janet Haynes, director of central service for Hudson County; Norman LaGueux, director of Hudson Resident Service, New Jersey Bell; Gloria Esposito, president, Commerce Helpmates Employment Agency; David Leff, president, Mechanics Finance Co.; Frank Nilan, president, First Savings & Loan Co of Bayonne; William Thornton,

president, Thornwall Realty; treasurer, LeRoy J. Lenahan, vice president, PJ McGlynn Insurance Co.; secretary, Mary Stewart, dean of students, Ferris High School; board members, Walter Adams, director of Public Safety, city of Jersey City; Hon. Frances Antonin, municipal court judge, city of Jersey City; Dr. David Barus, vice president university relations, Stevens Institute; Kenneth Blane, attorney, Blane & Frank; William Bogardis, vice president, Joseph Cory Warehouse; Richard Brueckner, managing director, Pershing; Dr. Paul Cavalli, CEO, Meadowlands Hospital Medical Center; Lisa Cerbone, president, Bayonne Teachers Association; Ron Chanda, senior vice president, national Westminster Bank; Kathrine Cochrane, plant manager, Exxon USA; Rick Cohen, director, Housing and Economic Development, Jersey City; Joseph Cooney, Love, Wanser & Cooney; Cal Darden, district manager, UPS; John Dashner, vice president, Bankers Trust; Edward Davin, III, executive vice president, Trust Co. of New Jersey; Arthur Davis, architect; Dr. Jerome Dolan, physician; Anthony Garguillo, president, Louis Gargiulo Co., Inc.; Rev. Edward Glynn, president, St. Peter's College; Eugene Golia, vice president pension operations, Equitable Financial Services; Dr. Carol Grasz, Principal, Washington School; Cynthia Harrison, WWOR-TV; Sanford Harwood, president, Square Industries; Louis Hendi, New Jersey Bell; Bernard Herman, president, Star Video Entertainment; Christopher Hoppin, vice president and director of corporate relations and advertising, ITT; Richard Kelly, vice president and general manager, PATH; Joseph Krajnick, president, Uniformed Firefighters Local 1066; William Lee, Exxon USA; Phyllis Levine, treasurer of the Jewish Community Council; Lawrence Lewis, consultant; Xavier Lividini, general manager, Meadowlands Hilton; Robert Lyons, director, Lincoln Tunnel, Port Authority of New York-New Jersey; Arnold McKinnon, vice president, Jersey City Cable TV; Joseph McLaughlin, president, Local 827, IBEW; Michael Macik, vice president, K-mart Apparel; Edward Mallaney, president, Statewide Savings & Loan Association; Peter Mangin, attorney; Reynaldo Massa, executive board member, CWA; John Mittermaier, general manager, New Jersey International Bulk Mail Center; Peter Murphy, executive vice president, Midlantic National Bank North; Joan Quigley, vice president of corporate affairs, St. Francis Hospital; F. Jack Pluckhan, vice president, Matsushita Electric Corp. of America; Sal Raia, chairman, Brotherhood of Railroad Carmen of the US/PATH; Nicholas Saingas, district manager, PSE&G; Henry Sanchez, deputy commander, USAF Water Port Logistics MOT; Thomas Schember, president, Franciscan Health Systems; Joan Scheibener, manager, Sterns Newport; Al Schub, advertising director, the Jersey Journal; Nick Sita, president, Hudson County Building Trades Council; Daniel Solazzo, vice president, APA Transport; Linda Stetson, human resources director, UJB/Commercial Trust Co.; Col. Ralph Stocker, commanding officer, MOTBY; Samuel Wolgemuth, general manager, Murdoch Magazines; William Wolverton, EVP, UJB/Commercial Trust.

I would also like to pay tribute to the United Way of America which in so many ways has helped serve human causes in almost every city, county, State and hamlet in the United States—truly a manifestation of the spirit of American selflessness.

I am certain that my colleagues here in the House of Representatives wish to join in the salute to Robert Smith and the United Way of Hudson County.

GROVE CITY HIGH SCHOOL BAND MARCHES IN THE TOURNAMENT OF ROSES PARADE

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. WYLIE. Mr. Speaker, not since 1968 has a central Ohio high school band represented our area in the world famous Pasadena Tournament of Roses Parade. This will change on January 1, 1990, when the Grove City High School Band from Grove City, OH, appears in this world renown parade. After reviewing over 250 applications from bands throughout the world, the Tournament of Roses Committee extended an official invitation to the Grove City High School Band to participate in the Rose Parade.

The march to Pasadena has been a long one for the Grove City High School Band; one filled with awards and distinguished performances. Some of their distinguished appearances include performing for Vice President George Bush in the fall of 1988 for his Presidential campaign and in Florida for Disney World's Electric Light Parade in 1989. Some of the band's awards include 1986–87 Grand Champion of the Ohio State Buckeye Band Invitational, Grand Champion of the Pickerington Band Contest, the Athens Band Contest, the Miami Trace Band Contest, and the Newark Band Contest.

The Grove City High School Band should be congratulated on its accomplishments. This is a fine, first-rate band and a great asset to central Ohio.

LOCAL COOKIE MANUFACTURER GOES NATIONAL

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. RICHARDSON. Mr. Speaker, I recently had the good fortune of meeting with the owners of a small New Mexico company who represent the very best of the American entrepreneurial spirit.

Lawrence and JoMarie Semprevivo's cookie company, L&J Lite Cookies, is a prime example of American innovation. When the Semprevivos' son was diagnosed as diabetic, mom and dad developed a reduced-calorie cookie—a cookie that is now a big seller.

I encourage my colleagues to read about the Semprevivos' successful business venture in the following news article which appeared in the July 31 edition of the Deming Headlight. I would be most happy to provide a sample to any colleague who wishes to try the Semprevivos' "lite" cookie.

[From the Deming Headlight, July 31, 1989]

LOCAL COOKIE MANUFACTURER GOES NATIONAL

(By Rand Miranda)

For L&J Lite Cookies, their reduced calorie cookies has turned into a gold mine with more and more stores offering their products and customers ranging from actor Jack Lemmon to President George Bush.

L&J Cookies, 204 S. Gold Ave., is quickly selling all of its products and has even had to turn down stores wishing to sell the lite cookies, said Lawrence Semprevivo, co-owner and founder.

Semprevivo, along with his wife JoMarie, experimented with different doughs trying to develop a cookie for one of their sons, a diabetic. They finally discovered a product which was tasty to eat and safe for their son.

The cookies use a crystalline fructose manufactured from corn syrup as the sweetener. This natural sugar doesn't elevate a person's blood sugar or change the triglyceride levels in the bloodstream.

Semprevivo said the cookies have an additional benefit of being salt and sucrose free, high in fiber and protein with about half the calories of normal cookies.

L&J Cookies currently offers chocolate chip, oatmeal with raisins, whole wheat, pecan double fudge, vanilla and almond cookies. A brownie and snack cookies for movie theaters have been developed and will soon be on sale, he said.

The store has shifts working from 8 a.m. until midnight making approximately 10,000 cookies an hour, he said. Even so, the demand for the cookies is far outweighing the supply.

"The General Nutrition Center stores have recently hired us to produce 5,000 cases every other week for their 820 stores," Semprevivo said. "Plus, they'd like to expand the operation to another 500 stores."

The Food Emporium chain in New Mexico and Texas had to be turned down because his business is currently unable to produce enough cookies, he said. Because of the high demand for the cookies, Semprevivo said he would like to build a plant in the Deming Industrial Park.

"We'd like to stay in Deming," he said. "Our corporate offices will stay here regardless, but we would like our production plant to stay here." Semprevivo said he is planning on discussing the matter with the Deming City Council in August. If the plant is approved, he said he would like to see construction begin as soon as possible.

Semprevivo said he is buying most of his products locally and helps charitable organizations such as the National Juvenile Diabetes Foundation and the Southwestern Services to the Handicapped, who are paid to place labels on the cookie bags.

The store is also planning on delivering a batch of cookies to the White House and to New Mexico's congressmen. The cookies will be in a pottery cookie jar with the recipient's name on one side, and the Mimbres Indian design on the other side, he said.

The cookies are sold locally at stores such as Farmer's Market, Safeway and City Drug, Semprevivo said.

"These are just good, healthy cookies with one-half the calories," he said.

JOSEPH A. PECHMAN

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. GRADISON. Mr. Speaker, during our recent recess, America lost one of its outstanding citizens, Joe Pechman. His career, both in and out of government, was a model of public service. I had the good fortune to meet Joe when we were both at the Treasury Department during the early days of the Eisenhower administration. Since then, our paths frequently crossed.

Joe combined scholarly knowledge of the tax and budget systems with a keen understanding of how government works. His work was consistently on the cutting edge of the key issues we have faced in recent years. He shared his wit and wisdom with many of us, and was especially helpful during the retreats of the Ways and Means Committee and in his annual budget analyses at Brookings.

About 2 years ago, when Rudy Penner announced his plans to retire as Director of the Congressional Budget Office, and I was a member of the committee to recommend a successor, Joe was my candidate—yes, if you will, a sentimental candidate. His interest in the problems of the day continued until the end—most recently in his views on capital gains taxation. Joe and I did not always agree. But by talking to him and reading what he wrote I, and I'm sure many others, developed a keener understanding of the issues before us. Joe will be missed, but I hope his life will inspire others to follow his example.

TO ASSIST THE HOMELESS MENTALLY ILL

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 7, 1989

Mr. WOLF. Mr. Speaker, today I am introducing legislation that would focus attention and resources on the problems of America's homeless mentally ill by establishing a National Commission to Aid Homeless Mentally Ill Individuals.

Homelessness is a serious problem in our Nation and has received a great deal of attention from policymakers, public interest groups, and the academic community. At the same time, however, little attention has been focused on the plight of homeless mentally ill individuals who comprise a significant portion of the overall homeless population.

While a majority of individuals with severe mental illness receive necessary treatment and are able to live independently with family or friends, a large proportion of these individuals are homeless and live in precarious and life-threatening circumstances.

A recent survey of 10,000 homeless adults living in New York City shelters found that fully two-thirds suffer from a mental disorder. A book written by psychiatrist E. Fuller Torrey entitled "Nowhere to Go: The Tragic Odyssey of the Homeless Mentally Ill," estimates that there are at least twice as many mentally ill individuals on the streets as there are in mental hospitals.

Research conducted by the National Institute of Mental Health suggests that at least 33 percent of the current homeless population are severely mentally ill.

While homeless mentally ill individuals share many characteristics in common with the general homeless population, the presence of mental illness heightens their individual vulnerability and requires special intervention to end their homelessness. Multiple service needs of the homeless include the need for mental health treatment, physical health care, alcohol and drug abuse treatment, employment assistance, job training, and housing.

Given these special needs, if we hope to effectively address the homelessness problem in America, we must recognize that mentally ill individuals represent a significant portion of the homeless population and have special needs which must be met. Failure to recognize and address these needs will limit our ability to succeed in addressing the larger problem of homelessness in general.

I have supported funding for the McKinney Act and other legislation directed toward providing assistance to the homeless. These are important programs and they have helped reduce the severity of the homeless problem in our country.

Until we begin to effectively address the specialized needs of the homeless mentally ill population, however, I do not believe we will make as much progress in solving the problem as we hope.

The legislation I am introducing would focus attention and resources directly on the problems that are faced by the homeless mentally ill by creating a national commission known as the Commission To Aid Homeless Mentally Ill individuals.

The Commission would have several duties. Most importantly, it would be responsible for establishing a national policy to improve the treatment and care for homeless mentally ill individuals. The Commission would also develop strategies for generating new and more complete information about effective and economical methods of providing mental health treatment and other services to the mentally ill. Finally, the Commission would be responsible for inventorying information that is known about the homeless mentally ill and for identifying areas that are in need of further research.

The Commission would be made up of 15 members appointed by the President of the United States and would include psychologists and psychiatrists, officials from the Departments of Housing and Urban Development and Health and Human Services and the National Institute of Mental Health, parents and siblings of mentally ill individuals who have experienced homelessness, State mental health officials, and service providers.

Mr. Speaker, today there are thousands of mentally ill individuals in America who make their homes on our Nation's streets. Many of them are there because the support and specialized services they need are not available to them.

While the weather is warm, it is easy to forget the desperate plight of these individuals. However, an effective and compassionate response to the homeless problem demands that we take steps to understand who these individuals are and address the specialized needs of the homeless mentally ill population. The National Commission To Aid Homeless Mentally Ill Individuals is a necessary and constructive first step and I encourage Members to join me in cosponsoring this measure.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Commission to Aid Homeless Mentally Ill Individuals Act".

SEC. 2. PURPOSE AND FINDINGS.

(a) PURPOSE.—The purpose of this Act is to address the need for information relating to the specific and unique needs of homeless mentally ill individuals and examine the manner in which the needs of these individuals can most effectively be met.

(b) FINDINGS.—The Congress finds that—

(1) while a substantial majority of individuals with severe mental illnesses receive treatment and are able to live independently or with family and friends, a large proportion of these individuals are homeless and live in the most precarious and life-threatening circumstances;

(2) research conducted by the National Institute of Mental Health suggests that severely mentally ill individuals comprise at least 33 percent of the current homeless population in the United States and these individuals have a high risk of episodic or long-term homelessness;

(3) homeless mentally ill individuals have multiple service needs, including the need for mental health treatment, physical health care, alcohol and drug abuse treatment, employment assistance, assistance in taking advantage of governmental aid programs, vocational rehabilitation and job training, and housing;

(4) while homeless mentally ill individuals share characteristics and needs with the general homeless population, the presence of a severe mental illness heightens their individual vulnerability and requires special intervention to end their homelessness;

(5) severely mentally ill individuals and their families are often subject to stigmatization and community resistance that interferes with their ability to obtain and maintain appropriate housing and community-based services; and

(6) mental disorders result in large costs to society in direct treatment and support, and indirect costs such as lost productivity.

SEC. 3. ESTABLISHMENT.

There is established a commission to be known as the National Commission to Aid Homeless Mentally Ill Individuals (in this Act referred to as the "Commission").

SEC. 4. DUTIES.

The Commission shall accomplish the following:

(1) NATIONAL POLICY.—Develop a national policy for using existing knowledge, resources, and experience to improve the treatment and care for homeless mentally ill individuals.

(2) METHODS OF PROVIDING TREATMENT.—Develop strategies for generating new knowledge about effective and economical methods of providing mental health treat-

ment, housing, and other services for homeless mentally ill individuals.

(3) CHARACTERISTICS AND NEEDS OF HOMELESS INDIVIDUALS.—Identify information that is known, and new information that is needed, relating to the characteristics and needs of homeless individuals with severe mental disorders.

(4) OTHER MATTERS.—Study other matters relating to homeless mentally ill individuals as the Commission considers appropriate.

SEC. 5. MEMBERSHIP.

(a) IN GENERAL.—The Commission shall be composed of 15 members appointed by the President.

(b) REQUIREMENTS FOR CERTAIN MEMBERS.—Of the individuals appointed under subsection (a)—

(1) 2 or 3 shall be individuals who are clinically experienced psychologists or psychiatrists and who are specially qualified to serve on the Commission by virtue of their education, training, or expertise;

(2) one shall be an individual employed by the Department of Housing and Urban Development who is knowledgeable about Department programs designed to assist homeless and homeless mentally ill individuals;

(3) one shall be an individual employed by the National Institute of Mental Health who is experienced in dealing with problems faced by homeless mentally ill individuals;

(4) one shall be an individual employed by the Department of Health and Human Services who is knowledgeable about Department programs designed to treat the physical and mental health of homeless mentally ill individuals;

(5) two shall be individuals who are the parents or siblings of a mentally ill individual who has experienced homelessness;

(6) one shall be an individual who is employed by state mental health agencies and is qualified to serve on the Commission by virtue of employment experience; and

(7) one shall be an individual who directly provides housing or related services to homeless mentally ill individuals.

(c) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(d) GOVERNMENT EMPLOYMENT.—

(1) GENERAL RULE.—Except as provided by paragraph (3), a member of the Commission described in paragraph (2) may continue as a member for not longer than the 30 day period beginning on the date that a description contained in paragraph (2) applies to that member.

(2) APPLICABILITY OF RULE.—The rule stated in paragraph (1) applies to members who—

(A) cease to be an officer or employee of a government but were appointed to the Commission because of that status; or

(B) become an officer or employee of a government but were not an officer or employee of a government at the time of appointment.

(3) EXCEPTION.—Service as a member of the Commission shall not be discontinued because of paragraph (1) if an individual has served as a member of the Commission for not less than 3 months.

(e) TERM OF APPOINTMENT.—Members shall be appointed for the life of the Commission.

(f) QUORUM.—8 members of the Commission shall constitute a quorum.

(g) CHAIRPERSON AND VICE-CHAIRPERSON.—The Chairperson and Vice-Chairperson of the Commission shall be designated by the President at the time of appointment.

(h) COMPENSATION.—

(1) MEMBERS.—Except as provided in paragraph (2), members of the Commission shall each be paid at a rate equal to the rate of pay for level III of the Executive Schedule for each day (including travel time) during which they are engaged in the performance of duties vested in the Commission.

(2) EXCEPTION.—Members of the Commission who are full-time officers or employees of the United States shall receive no additional pay or compensation by reason of their service on the Commission.

SEC. 6. DIRECTOR AND STAFF OF COMMISSION; EXPERTS AND CONSULTANTS.

(a) DIRECTOR.—The Commission shall, without regard to section 5311(b) of title 5, United States Code, have a Director appointed by the Commission and paid at the rate of basic pay for level III of the Executive Schedule.

(b) APPOINTMENT AND PAY OF STAFF.—The Commission may appoint personnel as it considers appropriate without regard to the provisions of title 5, United States Code, governing appointments to the competitive service. The staff of the Commission shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates.

(c) EXPERTS AND CONSULTANTS.—The Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(d) STAFF OF FEDERAL AGENCIES.—Upon request of the Commission, the head of any department or agency of the United States is authorized to detail, on a reimbursable basis, any of the personnel of that agency to the Commission to assist the Commission in carrying out its duties under this Act.

SEC. 7. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purposes of this Act, hold hearings, sit and act at the times and places, take testimony, and receive evidence, the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(b) DELEGATION OF AUTHORITY.—Any member or agent of the Commission may, if authorized by the Commission, take any action the Commission is authorized to take by this section.

(c) INFORMATION.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act. Upon request of the Chairperson or Vice-Chairperson of the Commission, the head of a department or agency shall furnish the information to the Commission to the extent permitted by law.

(d) GIFTS AND DONATIONS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(e) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(f) SUPPORT SERVICES.—The Administrator of General Services shall provide to the Commission, on a reimbursable basis, administrative support services as the Commission may request.

SEC. 8. REPORTS.

(a) INTERIM AND FINAL REPORTING REQUIREMENTS.—The Commission shall transmit to the President and each House of the Congress interim reports as it considers appropriate and shall transmit a final report to the President and each House of the Congress not later than 9 months after the date of enactment of this Act. The final report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for the legislation or administrative action it considers appropriate.

(b) PRESIDENT'S EVALUATION.—Not later than 90 days after receiving the final report of the Commission, the President shall transmit to the Congress an evaluation of the findings and conclusions contained in it, together with recommendations for supporting, supplementing, or otherwise modifying the legislation proposed by the Commission (including reasons therefor), as the President determines appropriate.

SEC. 9. TERMINATION.

The Commission shall cease to exist ninety days after submitting its final report pursuant to section 9.

SENATE—*Friday, September 8, 1989*

(Legislative day of Wednesday, September 6, 1989)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the Honorable ROBERT J. KERREY, a Senator from the State of Nebraska.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 8, 1989.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable J. ROBERT KERREY, a Senator from the State of Nebraska, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. KERREY thereupon assumed the chair as Acting President pro tempore.

RECESS UNTIL TUESDAY, SEPTEMBER 12, 1989, AT 9:30 A.M.

The ACTING PRESIDENT pro tempore. The Senate now stands in recess under the previous order until 9:30 a.m., Tuesday, September 12, 1989.

Thereupon, at 12 noon and 30 seconds p.m., the Senate recessed until Tuesday, September 12, 1989, at 9:30 a.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

HOUSE OF REPRESENTATIVES—*Monday, September 11, 1989*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. GRAY].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 8, 1989.

I hereby designate the Honorable WILLIAM H. GRAY III, to act as Speaker pro tempore on Monday, September 11, 1989.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Change our vision, O Loving God, from our attention to the noise and distractions of every day, including during moments of prayer. May we sense the majesty and beauty and joy of Your created world and the opportunities we have to reflect on grace and love, peace and hope. As You have given life to every person, O God, so bless us with all Your gifts that we will be the people You would have us be and do those good things that are worthy in Your sight. This we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair recognizes the gentleman from Mississippi [Mr. MONTGOMERY] to lead the House in the Pledge of Allegiance.

Mr. MONTGOMERY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

TRIBUTE TO THE LATE HONORABLE CHARLIE GRIFFIN

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, it is my sad duty to report to you and to the House the death of my friend and our former colleague, Charlie Griffin of Mississippi. Charlie died of a heart attack Sunday morning at his home in Utica, MS.

He came to Washington in 1949 as a member of the staff of Representative John Bell Williams at the age of 23. He was with him, until Williams left the House to become Governor of Mississippi in 1968. Charlie won the election to fill that unexpired term, and then he was reelected to two more terms from Mississippi's Fourth District.

In 1972, he retired from the House and went back home to Mississippi, but he returned to public service in 1980, taking the job of Secretary of the Mississippi State Senate. Charlie retired from that "second career" in July of this year.

Charlie dedicated his life to public service, here in Washington and in Mississippi. I know the Members of the House join me in expressing our sadness to his wife, Angie, and his family.

LET US HAVE CAPITAL GAINS FOR THOSE WHO NEED IT, NOT TAX BREAKS FOR THE RICH

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, this week Congress is going to consider the capital gains tax cut. The two major proposals that have been offered are similar in their impact. One would give 80 percent of the benefits, very significant tax cuts, to those whose incomes are above $100,000 a year. The second would give 75 percent of the benefits to those whose incomes are above $100,000 a year.

Under the Jenkins-Archer proposal, the average tax cut for those who report capital gains and whose incomes are over $200,000 a year, the average tax cut will be approximately $25,000 a year in tax cut.

Now this country is up to its neck in debt. The rich are getting richer and the poor are getting poorer.

Some people say the solution is to give big tax cuts to the very rich. But where is the evidence?

That makes no sense at all.

I am going to offer an amendment this week in the Committee on Ways and Means. It is an amendment that says to President Bush, "Let's see if you really mean it." The President and others say, "We want capital gains cuts for the middle class." And they offer something that gives virtually all of the benefits to the rich.

The "Let's see if you really mean it" approach says this: "Let us provide capital gains cuts, a 30-percent exclusion, for those with incomes up to $100,000 a year and phase them out between $100,000 and $200,000."

If you make nearly a quarter of a million dollars or a million dollars or $10 million a year, you can very easily afford to pay today's modest income tax rates of 28 percent, or the 33 percent that I would propose for the top bracket.

We do not need more tax breaks for the Donald Trump's and the Malcolm Forbes' and their friends. They are doing just fine.

The top tax rate used to be 91 percent, then it was reduced to 70 percent, then to 50 percent, and now to 28 percent for the richest of the rich.

I say enough is enough. This country cannot afford big tax cuts to the rich people.

Let us provide capital gains for the rest, reasonable tax rates for the rich. Let's see if those who propose capital gains relief for the middle class really mean what they say.

I am not sure they do. This is really the discredited trickle-down approach.

Hubert Humphrey used to debunk this by saying, "If you give the horses some hay, somehow the sparrows will have something to pick at later."

I do not support that either.

Let us straighten out our treatment of horses and sparrows. If we are going to have capital gains, let us make capital gains adjustments for those who need them, not give out big tax breaks for the rich.

TRIBUTE TO THE LATE HONORABLE CHARLIE GRIFFIN

(Mr. WHITTEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.).

Mr. WHITTEN. Mr. Speaker, I join with my colleague, SONNY MONTGOMERY, in expressing my sorrow at the untimely passing of my good friend, Charlie Griffin.

Charlie had successful experiences, as administrative assistant to Congressman John Bell Williams, as a Congressman, as a bank president, and

for many years as chief officer of the Mississippi State Senate.

In all he was successful, passing on to something new from choice.

Truly, Charlie was an outstanding Mississipian and American. His service has been tremendous, and his friends, unparalleled in the history of our State.

To his wife, Angie, we extend our deepest sympathy.

We have lost a dear friend and Mississippian and the Nation has lost an outstanding citizen.

THE LEBANESE CONFLICT COMES HOME TO WICHITA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. GLICKMAN] is recognized for 5 minutes.

Mr. GLICKMAN. Mr. Speaker, the continued bloodshed in Lebanon is more than just a distant conflict to many Wichitans. For many of our friends and neighbors this war is very real and very painful. Until last week, many Lebanese put their faith in the U.S. Embassy to help them find ways out of that war-torn country. With the evacuation of the U.S. Ambassador, the symbol of hope for those people is now gone.

Indeed, the United States Embassy provided the only hope for reuniting families and friends left in Lebanon for many Lebanese-American families. The State Department estimates that some 20,000 Lebanese are waiting to immigrate to the United States. Their visas have been approved and they have American sponsors in the form of parents, brothers, sisters or children who are already U.S. citizens or are resident aliens in the awaiting U.S. citizenship.

But because of restrictive immigration quotas, many of those 20,000 people face 2 to 6 year waiting period before being allowed into the United States. The past 6 months of the conflict alone has left over 800 people dead and 2,500 wounded; we simply cannot make people wait for years and years when the situation is so obviously life threatening.

The war in Lebanon came home to Wichita, and to me, when one family my office had been working with on immigration matters lost a family member in a bomb blast in Beirut. He had just been told that he could pick up his visas in 2 weeks for travel to the United States. That tragedy is repeated far too frequently for Lebanese-Americans waiting to be joined here by other family members.

Virtually all families have suffered the loss of a loved one, the constant pain of trying to live in the rubble of Beirut, and the fear of what another day of intensive shelling of residential neighborhoods will bring. We must not allow our frustration with finding a constructive role in this conflict turn to complacency. We cannot abandon the Lebanese people. Nowhere in the world is the daily physical threat to the lives of innocent people more clear.

What the United States can offer is refuge to the people whose lives are at risk. Today, along with my colleagues from Ohio Ms. OAKAR and Ms. KAPTUR, I will introduce legislation to permit Lebanese with family members in the United States who qualify for visas to come here immediately, temporarily lifting the quota ceiling that has created a tremendous backlog of Lebanese who want to escape the war and come to the United States.

Many of these people have parents, children, brothers, and sisters in Kansas. Everyday that the bloodshed continues, these people face the risk of bodily injury and death. I also will support efforts to give students and other Lebanese nationals who entered the United States legally and whose visas have expired or are near expiration, temporary protected status in the United States until the bloodshed subsides. Congress has taken similar action in the case of Chinese students following the Tianamen Square massacre, and related action has been proposed in the past for Salvadorans and Nicaraguans living in the United States. But there are very few places on Earth where the constant daily dangers to human life is greater than it is in Lebanon.

During this difficult period we must also keep faith that the efforts to stop the war in Lebanon will continue. In the meantime, the United States should provide these oppressed people with something few other countries can: An opportunity to live in peace, with hope for the future.

□ 1210

ANNUNZIO WARNS OF WIDESPREAD MONEY LAUNDERING BY DRUG DEALERS

The SPEAKER pro tempore (Mr. TALLON). Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, President Bush has revealed the administration's "War on Drugs" strategy and it includes a crackdown on drug dealers who use U.S. banks to launder the illicitly gained money to foreign countries. As chairman of the House Banking Subcommittee on Financial Institutions Supervision, Regulation and Insurance, I applaud the President's plan. I hope, however, the strategy is transformed from rhetoric into action.

Mr. Speaker, modern technology such as facsimile machines and computers have rapidly expanded the volume of electronic money transfers among banks throughout the world. The technology has hidden vast sums of illegal drug profits being clandestinely sent out of the United States. A 35-year-old Colombian economist, who has been extradited to this country, allegedly used some of New York's most prominent financial institutions, like Citibank, American Express, Bank of New York, and Republic National Bank, to help move $1.2 billion in cocaine profits out of the United States in a 2-year period.

More than $100 billion a year in drug money flows through the Nation's banks. That is billion with a capital "B" as in big bucks. Traditional Treasury Department attempts to detect drug money laundering through report filing procedures has proved so ineffective that drug dealers have even filed all the proper government forms and have gone undetected.

Wire transfers between banks are executed almost instantly and anonymously. Transfers commonly occur by instructions sent by customers through their computers or fax machines to bank tellers or computers. Often the transfers involve little more than a customer's computer communicating with a bank's computer. The bank computer communicates with a clearinghouse computer, which then makes the transfer of credit to the receiving bank computer. Throughout, there is little or no human oversight. Furthermore, the clearinghouses often combine money transfers headed to the same bank into batches that average about $5 million. Because of the sheer volume, the transfers go unmonitored.

The Treasury Department has been overwhelmed by cash transfer reports, which banks must file with the Government for deposits of more than $10,000. More than 7 million are now filed annually, up from less than 100,000 a decade ago. Thus, it is easy to understand how a money launderer can become lost in the paperwork shuffle.

Congress adopted legislation last year that directs the Treasury Secretary to negotiate with foreign countries that conduct significant transactions in dollars. Now under way, the negotiations are aimed at persuading foreign banking institutions to maintain adequate transfer records to make them available to U.S. officials.

Mr. Speaker, the United States must not relax in its efforts to put the dirty money launderers behind bars. As President Bush said in his drug message: We will pursue and enforce international agreements to track drug money to the front men and financiers. And then we wil handcuff these money launderers, and jail them—just like any street dealer. And for drug kingpins, the death penalty.

UNFAIR FREE TRADE AGREEMENT

The SPEAKER pro tempore (Mr. TALLON). Under a previous order of the House, the gentleman from North Dakota [Mr. DORGAN] is recognized for 5 minutes.

Mr. DORGAN of North Dakota. Mr. Speaker, I just came from the International Trade Commission a few minutes ago, testifying on the issue of Durum exports from Canada to the United States under the United States-Canada Free Trade Agreement. I want to make the point, for the pur-

pose of serving some notice to the Secretary of Agriculture and also to the U.S. Trade Representative that those Members who represent farm districts in this Congress are not going to sit still much longer for the inaction of the USTR and the Secretary of Agriculture. They negotiated away a great deal of American agriculture's interest in this United States-Canada Free Trade Agreement.

Yes, the Canadians are good neighbors of ours and we like good trade, and the ideological thrill seekers who advance free trade would have Members believe this is in our best interest. Let me give Members an example of Durum wheat: The Free Trade Agreement has a condition in which Canadian markets are closed to American producers, so we cannot move any grain north. American markets are wide open to Canadian producers, and they are moving a deluge of Durum wheat south. That moves across subsidized rails in Canada, subsidizing the bushels, 50 to 80 cents a bushel, to the U.S. eastern pasta markets. The U.S. producers cannot compete. Subsidized Canadian exports have caused a collapse in Durum prices, taking tens of millions of dollars out of the pockets of American Durum producers. That is not free trade, that is unfair trade.

Clayton Yeutter, the U.S. Trade Ambassador when this was negotiated, had written to me during the negotiations, and I have the representations in writing, that this would not happen. He said this sort of thing will not happen because there is going to be good faith on both sides. The description of the "good faith" on our side is that we will not pursue the question of whether the end use certificates or licensing program in Canada is GATT legal, and there are questions of whether the Canadian system of licensing is violative of GATT.

In exchange for our not questioning the GATT legality of the Canadian export question, the export licensing system, we will then expect the Canadians to show good faith by not dumping enormous subsidized grain into the American grain markets. The fact is, 14 percent of the Durum market is now Canadian grain, coming across unfairly, at a time when Canadian markets are closed to American grain. Coming across with these deep transportation subsidies at a time when American producers cannot compete with them.

I have asked the Secretary of Agriculture what he is going to do about this, because clearly it violates the tenets that were represented to Members. I have yet to hear from the Secretary of Agriculture. However, I have heard, and we have heard from the U.S. Trade Representative. The United States Trade Representative is down to the ITC, saying, "Let us accelerate the phaseout of tariffs with Canada." Well, my message to the U.S. Trade Representative is to let Members solve the problems that exist before we begin accelerating anything. Accelerating the phaseout of tariffs does not mean anything to the Canadians. Their markets are closed to the United States. It does not matter what the tariffs are if Americans cannot get grain in. The tariff is irrelevant.

My message to the Secretary of Agriculture is that we expect some action, and we expect it soon. We do not expect to continue to see additional deluges of Canadian grain competing unfairly and costing our producers enormous amounts of money, and in contravention of the representation made to Members, by now Secretary and then Ambassador Yeutter, during the United States-Canada Free Trade Agreement.

Finally, I represent a district, the entire State of North Dakota, that has a long common border with Canada. The Canadians are good neighbors and good friends. However, free trade and fair trade are different situations, and we do not countenance an agreement that is called a Free Trade Agreement that does not allow for free trade in agriculture products between the United States and Canada. We hope to hear from and see action soon from the USTR and the Secretary of Agriculture. They should know this is not the last they will hear of this if we do not hear from them soon.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled joint resolution on Thursday, September 7, 1989:

S.J. Res. 132. Joint resolution designating September 1 through 30, 1989, as "National Alcohol and Drug Treatment Month."

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. DORGAN of North Dakota, for 5 minutes, today.

(The following Members (at the request of Mr. GLICKMAN) to revise and extend their remarks and include extraneous material:)

Mr. GLICKMAN, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

(The following Members (at the request of Mr. Goss) to revise and extend their remarks and include extraneous material:)

Mr. UPTON, for 60 minutes, on September 13.

Mr. BILIRAKIS, for 60 minutes each, on September 14, 19, 20, and 21.

Mr. SMITH of New Hampshire, for 60 minutes, on September 13.

Mr. EMERSON, for 60 minutes, on September 12.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Goss) and to include extraneous matter:)

Mr. BROOMFIELD.

(The following Members (at the request of Mr. GLICKMAN) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. NELSON of Florida.

Mr. WALGREN.

Mr. KILDEE in two instances.

Mr. KANJORSKI in two instances.

Mr. MAZZOLI.

Mr. BUSTAMANTE.

Mr. APPLEGATE.

ADJOURNMENT

Mr. GLICKMAN. Mr. Speaker, I move that the House do now adjourn.

(The motion was agreed to; accordingly (at 12 o'clock and 19 minutes p.m.), the House adjourned until tomorrow, Tuesday, September 12, 1989, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1656. A letter from the Secretary of Education, transmitting the annual report on the activities of the National Technical Institute for the Deaf for the year ending September 30, 1988, pursuant to 20 U.S.C. 4332; to the Committee on Education and Labor.

1657. A letter from the Secretary of Energy, transmitting the quarterly report of activities undertaken with respect to the development of the strategic petroleum reserve during the period April 1, 1989 through June 30, 1989, pursuant to 42 U.S.C. 6245(b); to the Committee on Energy and Commerce.

1658. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's proposed letter(s) of offer and acceptance [LOA] to Bahrain for defense articles and services (Transmittal No. 89-39), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1659. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's proposed letter(s) of offer and acceptance [LOA] to Norway for defense articles and services (Transmittal No. 89-37), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1660. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting notification of a proposed license for the export of defense articles or defense services sold commercially to the Chad (Transmittal No. MC-20-89), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

1661. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular and Affairs.

1662. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1663. A letter from the Chief Justice of the Supreme Court of the United States, transmitting his notification of the opening of the Court's October 1989 term; to the Committee on the Judiciary.

1664. A letter from the Chairperson, Martin Luther King, Jr. Federal Holiday Commission, transmitting a report on the Commission's activities as of January 16, 1989, pursuant to Public Law 98-399, section 8 (98 Stat. 1475; 100 Stat. 406; 103 Stat. 61); to the Committee on Post Office and Civil Service.

1665. A letter from the Secretary, Department of Veterans Affairs, transmitting the annual report of the activities of the Veterans' Administration for the fiscal year ended September 30, 1988, pursuant to 38 U.S.C. 214, 221(c), to the Committee on Veterans' Affairs.

1666. A letter from the Secretary of Health and Human Services, transmitting the 13th annual report on the Child Support Enforcement Program for the period ending September 30, 1988, pursuant to 42 U.S.C. 652(a)(10); to the Committee on Ways and Means.

1667. A letter from the Chairman, Federal Election Commission, transmitting the Commission budget request for the fiscal year 1991, pursuant to 2 U.S.C. 437d(d)(1); jointly, to the Committees on House Administration and Appropriations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DYSON:

H.R. 3237. A bill to amend title 10, United States Code, and the Merchant Marine Act, 1936, to provide authorization for the officer of the Department of Defense designated by the Secretary of Defense as a member of the Board of the Panama Canal Commission to nominate individuals for appointment to the U.S. service academies; jointly, to the Committees on Merchant Marine and Fisheries and Armed Services.

By Mr. BURTON of Indiana:

H.R. 3238. A bill to amend the Controlled Substances Act to provide for life imprisonment or the death penalty for certain drug trafficking offenses; jointly, to the Committees on Energy and Commerce and the Judiciary.

By Mr. GLICKMAN (for himself, Ms. OAKAR, and Ms. KAPTUR):

H.R. 3239. A bill to amend the Immigration and Nationalty Act to provide for admission, without regard to numerical limitations, of family preference immigrants from Lebanon who have not been firmly resettled in a foreign country; to the Committee on the Judiciary.

By Mr. STOKES:

H.R. 3240. A bill to amend the Public Health Service Act to improve the health of individuals who are members of minority groups and who are from disadvantaged backgrounds, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BROOKS:

H. Con. Res. 193. Concurrent resolution authorizing printing of the brochure entitled "How Our Laws Are Made"; to the Committee on House Administration.

By Mr. RANGEL (for himself, Mr. COUGHLIN, Mr. AKAKA, Mr. GUARINI, Mr. FASCELL, Mr. FAUNTROY, Mr. ORTIZ, Mr. SMITH of Florida, Mr. TOWNS, Mr. GILMAN, Mr. SHAYS, Mr. SHAW, Mr. COURTER, Mr. GRANT, and Mrs. KENNELLY):

H. Con. Res. 194. Concurrent resolution to express the support of the Congress for the courageous people of Colombia; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

246. By the SPEAKER: Memorial of the Legislature of the State of California, relative to the Refugee Act of 1980; to the Committee on the Judiciary.

247. Also, memorial of the Legislature of the State of California, relative to the 1990 census; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. FRANK introduced a bill (H.R. 3241) for the relief of Adriana Mora Ramirez-Ortiz; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 118: Mr. DELLUMS and Mr. PARKER.
H.R. 283: Mr. COX.
H.R. 445: Mr. MILLER of Washington.
H.R. 634: Mr. HAWKINS.
H.R. 682: Mr. BROWN of California.
H.R. 694: Mr. STANGELAND and Mr. FISH.
H.R. 1012: Mr. BROWN of California, Mr. DIXON, Mr. EDWARDS of California, Mr. PANETTA, Mr. PAYNE of New Jersey, and Mr. SAVAGE.
H.R. 1150: Mr. CROCKETT and Mr. POSHARD.
H.R. 1250: Mrs. BOXER.
H.R. 1465: Mr. MACHTLEY.
H.R. 1629: Mr. NOWAK.
H.R. 2121: Mr. WILSON, Mr. NEAL of North Carolina, Mr. GEKAS, Mr. BOSCO, and Mr. TRAFICANT.
H.R. 2265: Mr. MARTIN of New York.
H.R. 2270: Mr. HUGHES and Mr. PAYNE of New Jersey.
H.R. 2493: Mr. CROCKETT, Mr. PAYNE of New Jersey, and Mr. ROYBAL.
H.R. 2503: Mr. MILLER of Washington.
H.R. 2578: Mr. RICHARDSON and Mr. TORRICELLI.
H.R. 2681: Mr. LANTOS, Mr. KOSTMAYER, Mr. RIDGE, Mr. PAYNE of New Jersey, Mr. BEREUTER, Mr. TORRICELLI, Mr. MRAZEK, Mr. MACHTLEY, Mr. FALEOMAVAEGA, and Mr. SIKORSKI.
H.R. 2755: Mrs. PATTERSON, Mr. GORDON, Mr. KANJORSKI, Mr. SLATTERY, Mr. FRANK, and Mr. HANSEN.
H.R. 2807: Mr. FISH, Mr. RITTER, Mr. MANTON, and Mr. BRUCE.
H.R. 2909: Mr. MADIGAN, Mrs. MARTIN of Illinois, Mr. LIPINSKI, Mr. POSHARD, and Mr. SAVAGE.
H.R. 2972: Mr. GRAY, Mr. DIXON, Mr. DURBIN, Mr. SOLOMON, Mr. SMITH of Texas, Mr. HALL of Texas, Mr. LANTOS, Mr. PURSELL, Mr. LIVINGSTON, Mrs. MARTIN of Illinois, Mr. LEATH of Texas, Mr. HOAGLAND, Mr. GRANDY, Mr. HANCOCK, Mr. RHODES, Mr. LEHMAN of California, Mr. LEWIS of Georgia, Mr. SCHUETTE, Mr. CHAPMAN, Mr. FAWELL, Mr. PAXON, Mr. LEVINE of California, Mr. MATSUI, Mr. HUNTER, Mr. GEKAS, Mr. MINETA, Mr. MONTGOMERY, Mr. PETRI, Mr. PASHAYAN, Mr. WALKER, Mr. MRAZEK, Mr. RICHARDSON, Mr. SKEEN, Mrs. SAIKI, Mr. SKELTON, Mr. TORRES, Mr. NIELSON of Utah, Mr. IRELAND, Mr. TRAXLER, Mr. HAMMERSCHMIDT, Mr. DORNAN of California, Mr. BURTON of Indiana, Mr. QUILLEN, Mr. BROOMFIELD, Mr. OXLEY, Mr. GUNDERSON, Mr. LEWIS of Florida, Mr. ORTIZ, Mr. WOLF, Mr. LIGHTFOOT, Mr. ARMEY, Mr. WHITTAKER, Mr. MCDADE, Mr. ANDERSON, Mr. FISH, Mr. SUNDQUIST, Mr. SENSENBRENNER, Mr. COMBEST, Mr. MCGRATH, Mr. KYL, Mr. GALLO, Mr. BALLENGER, Mr. MILLER of Ohio, Mr. SAXTON, Mr. MOORHEAD, Mr. BILIRAKIS, Mr. HANSEN, Mr. BOSCO, Mr. BATES, Mr. GALLEGLY, Mr. RINALDO, Mr. CARR, Mr. FAZIO, Mr. DUNCAN, Mr. BERMAN, Mr. MCCRERY, Mr. COBLE, Mr. KOLBE, Mr. SPENCE, Mr. LENT, Mr. HOLLOWAY, Mr. WILSON, Mr. DENNY SMITH, Mr. RITTER, Mr. STALLINGS, Mrs. BENTLEY, Mr. BOEHLERT, Mr. DEWINE, Mr. HORTON, Mr. DONALD E. LUKENS, Mr. PORTER, Mr. WATKINS, Mr. COLEMAN of Missouri, Mr. SMITH of New Jersey, Mr. ROHRABACHER, Mr. INHOFE, Mr. BARTON of Texas, Mr. PARRIS, Mrs. VUCANOVICH, Mr. ROBERT F. SMITH, Mr. DELAY, Mr. SCHAEFER, Mr. CALLAHAN, and Mr. WAXMAN.
H.R. 3027: Ms. SLAUGHTER of New York.
H.R. 3028: Mr. PALLONE.
H.R. 3047: Mr. LAGOMARSINO.
H.R. 3087: Mr. WHITTAKER.
H.R. 3088: Mr. WHITTAKER.
H.R. 3089: Mr. WHITTAKER.
H.R. 3090: Mr. WHITTAKER.
H.R. 3154: Mr. HAYES of Louisiana:
H.J. Res. 57: Mr. ATKINS.
H.J. Res. 104: Mr. STUDDS.
H.J. Res. 195: Mr. MILLER of California, Mr. MINETA, Mr. SHAYS, Mr. FASCELL, Mr. BARNARD, Mr. THOMAS of Georgia, Mr. EVANS, Mr. HUBBARD, Mr. NATCHER, Mrs. MORELLA, Mr. OBERSTAR, Mr. TORRICELLI, Mr. PAXON, Mr. JONES of North Carolina, Mr. KASICH, Mr. ARCHER, Mr. WOLF, and Mr. FORD of Tennessee.
H.J. Res. 207: Mr. RINALDO and Mr. SIKORSKI.
H.J. Res. 278: Mr. ENGEL, Mr. PAYNE of New Jersey, Mr. SOLOMON, Mr. FALEOMAVAEGA, Mr. TORRICELLI, Mr. NEAL of North Carolina, Mr. MRAZEK, and Mrs. BOXER.
H.J. Res. 373: Mr. KASICH, Mr. LEACH of Iowa, Mr. BILBRAY, Mr. MCGRATH, Mr. BARTON of Texas, and Mr. GREEN.
H.J. Res. 395: Mr. COSTELLO, Mr. CONYERS, Mr. AUCOIN, Mr. TOWNS, Mr. LEHMAN of Florida, Mr. HAYES of Illinois, Mr. VOLKMER,

Mr. MOODY, Mr. FUSTER, Mr. HOYER, Mr. JONTZ, Mr. DELLUMS, Mr. ESPY, Mr. FAUNTROY, Mr. MFUME, Ms. KAPTUR, Mr. RANGEL, Mr. MCNULTY, Mr. CROCKETT, and Mrs. PATTERSON.

H.J. Res. 399: Mr. CLAY, Mr. HORTON, Mr. GRANT, Mr. BENNETT, Mr. CONYERS, Mr. DIXON, Mr. PAYNE of New Jersey, Mr. KILDEE, Mr. SPRATT, Mr. TALLON, Mr. DE LUGO, Mr. DORNAN of California, Mr. RAVENEL, Mr. FAZIO, Mr. FROST, Mr. FUSTER, Mr. CARDIN, Mr. HATCHER, Mr. HAYES of Illinois, Mr. HEFNER, Mr. HYDE, Mr. DICKINSON, Mr. LIVINGSTON, Mr. SMITH of Florida, Mr. STOKES, Mr. TAUZIN, Mr. NELSON of Florida, Mr. WOLF, Mr. SAVAGE, Mr. RAHALL, Mr. ROBINSON, Mr. GRAY, Mr. FAUNTROY, Mr. YOUNG of Alaska, Mrs. COLLINS, Mr. PRICE, Mr. ROE, Mr. OWENS of New York, Mr. DWYER of New Jersey, Mr. BOUCHER, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. MURPHY, Mr. ROWLAND of Connecticut, Mr. WILSON, Mr. NEAL of Massachusetts, Mr. WEBER, Mr. WALGREN, Mr. AKAKA, Mr. APPLEGATE, Mr. BARNARD, Mr. BATEMAN, Mr. BEVILL, Mrs. BOGGS, Mr. BUNNING, Mr. COBLE, Mr. GONZALEZ, Mr. DYSON, Mr. BILIRAKIS, Mr. PASHAYAN, Mr. DELLUMS, Mr. FISH, Mr. EVANS, Mr. JENKINS, Mr. VALENTINE, Mr. MANTON, Mr. YATES, Mr. FLIPPO, Mr. DARDEN, Mr. MFUME, Mr. ESPY, Mr. QUILLEN, Mr. TOWNS, Mr. BERMAN, Mr. GINGRICH, Mr. SKELTON, Mr. YATRON, Mr. SAWYER, Mr. DYMALLY, Mr. ORTIZ, Mr. SCHEUER, Mr. WHITTEN, Ms. OAKAR, Mrs. LLOYD, Mr. ROBERTS, Mr. MARTIN of New York, Mr. HUBBARD, Mr. AUCOIN, Mr. MONTGOMERY, Mr. MICHEL, Mr. BLILEY, Mr. GOODLING, Mr. COLEMAN of Missouri, Mr. HOPKINS, Mr. IRELAND, Mr. LEWIS of Georgia, Mr. MILLER of Ohio, Mr. BROWDER, Mr. NATCHER, Mr. MAVROULES, Mr. FORD of Tennessee, and Mr. BUECHNER.

H. Res. 193: Mr. MINETA, Mr. ATKINS, Mr. HUGHES, and Mr. FEIGHAN.

H. Res. 220: Mr. DENNY SMITH and Mr. PARRIS.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

94. By the SPEAKER: Petition of the chairman, Select Committee on the Homeless, City Council, New York, NY, relative to a draft copy of the latest report of the select committee; to the Committee on Banking, Finance and Urban Affairs.

95. Also, petition of Alan Armstrong, Atlanta, GA, relative to the FAA's civil penalty assessment demonstration program report submitted to the Congress in July, 1989; to the Committee on Public Works and Transportation.

EXTENSIONS OF REMARKS

INDEPENDENT COUNSEL CALLS FOR PASSAGE OF DISCLOSURE LEGISLATION

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1989

Mr. KANJORSKI. Mr. Speaker, drawing from his experience in the Mike Deaver case, as well as the recent scandals at HUD, Independent Counsel Whitney North Seymour, Jr., has recently issued a thorough, and insightful, analysis of influence peddling in the executive branch.

Although the full report, "Executive Branch Lobbying," is too lengthy to include in the RECORD, I would like to share his major findings and conclusions with my colleagues.

Mr. Seymour recommends that the best way to eliminate improper lobbying activities is through enactment of a comprehensive executive branch lobbying disclosure law.

Earlier this summer I introduced the Consultant Disclosure and Fraud Prevention Act (H.R. 3145) to provide effective disclosure of lobbying activities. H.R. 3145 offers a logical, and prudent, nonpartisan solution to this difficult problem.

EXECUTIVE BRANCH LOBBYING—REPORT TO CONGRESS ON THE NATURE, EFFECTS AND NEED FOR REGULATION OF EXECUTIVE BRANCH LOBBYING

(Report to Congress by Independent Counsel in the Michael Deaver Case)

I. INTRODUCTION

On May 29, 1986, a division of the Court of Appeals for the District of Columbia Circuit appointed Independent Counsel to investigate whether former Deputy Chief of Staff and Assistant to the President Michael K. Deaver had violated the provisions of the Ethics in Government Act, 18 U.S.C. Section 207, or any other provision of Federal law. The appointment was requested by the Deputy Attorney General of the United States,[1] by members of the Senate Judiciary Committee, and by Mr. Deaver himself.

The investigation resulted in Deaver's indictment for perjury in sworn testimony about his lobbying activities before the Subcommittee on Oversight and Investigations of the Committee on Energy and Commerce of the House of Representatives (chaired by John D. Dingell) and before a Federal grand jury. In December 1987, Deaver was convicted by a trial jury on three counts of the five-count indictment. Deaver was sentenced to a prison term of three years, on which execution was suspended by the trial judge, and was ordered to pay a fine of $100,000. He was placed on probation for three years, during which he was prohibited from lobbying the Federal Government for profit and required to perform 1,500 hours of community service. Deaver filed an appeal but later withdrew it, and he is currently on probation and performing the community service imposed by the District Court.

The statute creating the office of Independent Counsel directs the Independent Counsel to report to Congress as and when appropriate. 28 U.S.C. Section 595(a)(2). This report is submitted pursuant to that authorization.

A. The Ineffective Regulation of Lobbying: The Shortcomings of Section 207

At the time of appointment, Independent Counsel was directed to investigate what was thought to be a particularly egregious example of Executive Branch lobbying by a former White House official. As previously pointed out to the Judiciary Committees of both Houses of Congress, the shortcomings of the statute, 18 U.S.C. Section 207—combined with Deaver's false testimony—made prosecution of Deaver for violating its provisions impossible.[2] The principal defects in the statute as it then existed were as follows:

1. White House Compartmentalization

In 1982, the Office of Government Ethics ("OGE"), responding to a request from the White House Counsel, issued an order dividing the White House into nine separate "statutory agencies." Since the main feature of the statute was to prohibit a former employee from lobbying his "former agency," the effect of the OGE compartmentalization order was to grant Deaver a blanket exemption for contacts with most of the key White House officials with whom he had worked regularly as Deputy Chief of Staff and Assistant to the President.

2. Use of Intermediaries

The Ethics in Government Act ("EIGA") was expressly intended *not* to prohibit former high government officials from using emissaries to influence their former agencies. Even where a former official employed his own former staff aides for his lobbying business and used them to carry personal messages to his former agency, such conduct was exempt under Section 207 if the aides' government salaries—as was usually the case—had been below the grade of GS-17.

3. "Social and Informational" Communications

Section 207 authorized administrative interpretation of its operation in separate regulations, which expressly permitted "social or informational" communications. Such communications provide a perfect method for a lobbyist to convey his personal interest in a particular matter to one of his former colleagues simply by inquiring about its status or by mentioning it during a "social" conversation.

4. Job Switching

The statute did not prohibit a former high official from lobbying a former government colleague who had moved to a different agency, no matter how close their personal relationship.

5. "Particular Matter" Requirement

The express language of Section 207 prohibited only communications relating to a "particular matter" pending before the agency, or in which the agency had a direct and substantial interest. This qualification created extensive doubts over the section's applicability to specific situations and permitted a former employee to lobby an agency to become interested in a matter which previously had not been before it.

B. Strengthening the Regulation of Lobbying: A Registration and Reporting Requirement

In addition to eliminating these loopholes from the EIGA, Congress should consider a different approach to regulating Executive Branch lobbying. We suggest legislative consideration of a registration and reporting requirement for Executive Branch lobbying on behalf of domestic clients, similar to the FARA requirement applicable to the representation of foreign clients.

The initial disclosure of Deaver's activities, which led to the pressure for an inquiry, and ultimately to the appointment of Independent Counsel, demonstrates the wisdom of such a reporting requirement. The Deaver story broke only after journalists scrutinized Deaver's FARA filings. The fact might otherwise never have come to light.

Lobbying abuses and secrecy are intertwined. That is why a reporting requirement makes such good policy. Secrecy was so important to Deaver that he felt compelled to conceal and lie about his activities even while testifying under oath.

Two significant facts underscore the importance that secrecy plays in Executive Branch lobbying:

"1. As soon as Deaver's activities received public attention, Deaver's clients began to desert him. So significant was this damage to Deaver's lobbying business that it resulted in the cancellation of a proposed multimillion dollar acquisition of his form by an international conglomerate.

"2. Deaver himself was so concerned about maintaining the secrecy of his dealings with White House and other Executive Branch officials that he was willing to risk prosecution and imprisonment to keep them from a congressional committee and a Federal grand jury."

Secrecy is important to successful Executive Branch lobbying from two points of view:

1. For business reasons, the client does not want publicity about its high-fee lobbying with government officials.

2. For political reasons, the Executive Branch official does not want publicity about his accessibility to high-fee lobbyists.

From the standpoint of the public interest, lobbying is most dangerous when it is carried on in secret, with no one representing the citizen-taxpayer or the public at large. This report recommends an antidote to lobbying carried out in secret. Drawing on facts from the public record of the Deaver case, the activities of this office, and

[1] The application was submitted by the Deputy Attorney General because the Attorney General had recused himself from the matter. *See* 28 U.S.C. Section 591(c).

[2] See letters to Judiciary Committee Chairs dated December 18, 1987.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

other information in the public domain, this report discusses the widespread nature of lobbying activity similar to Deaver's, and the need for strengthened regulation of such activity through a registration and reporting requirement.

II. "BACK CHANNEL" GOVERNMENT

The Deaver case record, viewed against the backdrop of the conduct of similar lobbyists, reveals that present-day lobbying of the Executive Branch of the Federal Government is an unregulated, free-wheeling, essentially lawless activity that is damaging to public confidence in the government, and potentially harmful to the integrity of the governmental process.

Executive Branch lobbying is aimed directly at decision-making in the White House and the various Executive agencies. It is an activity which can accurately be described as "back channel" government because it circumvents the normal government procedures which apply to other citizens.[3] This back channel government is manipulated by a small number of Washington consultants who have special access to politically-oriented senior staff members in the Executive Branch. This special access is used to advocate the interests of high-paying clients.

To understand this back channel government, one needs to recognize that the nation's Executive is not simply a single individual elected by the people to serve as their President. The President's personal staff alone is a substantial bureaucracy numbering several hundred. Senior staff members who are closest to the President wield immense power. In some administrations they determine what the President will be told, who the President will see, what he will say, where he will go, and what he will do. They directly influence the President's decisions and can tip his judgments in one direction or another.

In a government as complex as ours, it would be impossible to run the presidency without a large support staff. As a consequence, the welfare of the country is dependent in significant respects upon the ability, judgment and integrity of individual members of the President's staff. The same is true of other agencies in the Executive Branch. Agency heads must depend on their staffs to advise them on what to say or do in official matters.

When a new Administration comes into office, as many as three thousand new appointments may be made to fill top policy positions in the Executive Branch. Presidential staff people and Cabinet aides are a special breed, different from almost anyone else in government. Many of them have had little or no prior Federal Government experience. Many come into office by way of political positions in presidential campaigns. On the whole, they are people of talent and perform their particular tasks with skill. They also bring valuable insights and experience to Executive Branch operations. Yet they have one characteristic which sets them apart: their primary loyalty is to the President as a political figure, the person who was once head of their ticket and is now head of the government. Some of these staff people think and act like political "wheelers and dealers" rather than career public servants. They measure their achievements in terms of winning, of gaining an advantage, of increasing their own personal or political power. This is not true of all of them by any means, but it does apply to a sufficient number to be a significant factor in how the government functions.

Closely allied to these people is a special group of "government affairs consultants" who have private access to the White House and other senior Executive Branch staff. In number they are only a dozen or so firms, but they wield enormous influence on government decisions involving the interests of their clients. These firms are mostly run by former presidential campaign aides. Because of their personal and political contacts with senior Executive Branch staff members, they are able to command substantial fees for their work. They prosper not necessarily because they are smarter or work harder than anyone else, but because they can provide "access" to those who influence presidential decisions and have the "clout" to request favors from them.[4]

These consultants often claim they are merely "technicians" whose service is explaining to clients how government works. But the size of the fees they receive shows that their clients believe they offer something of far greater value than merely technical advice on government operations.

Defense contractors, big business, and foreign governments are the principal entities who pay large retainers to these consultants in the confident expectation of receiving special consideration in matters that may involve billions of dollars of public funds.

Two of Deaver's high-paying clients were principal defense contractors: Rockwell International and The Boeing Company. His mission on their behalf was not to lobby Congress but to lobby the Executive Branch to help them win huge contracts, and to do so behind closed doors via the equivalent of the back channel.

There is nothing new about Executive Branch lobbying. One need only think back to the administration of Presidents Ulysses S. Grant and Warren G. Harding to be reminded of the extraordinary potential for abuse that exists, and will probably always be present to some degree. The fact that today's lobbying of the Executive Branch is an updated version of an age-old phenomenon, however, does not mean that it cannot be controlled.

The problem can be stated simply: a small group of highly-paid consultants is able to gain special privilege for its clients because of personal and political ties to senior staff members in the White House and other Executive agencies, including most major departments and key independent agencies in Washington. These consultants have direct "back channel" access to decision-makers in the Executive Branch that is not available to citizens at large. Unlike congressional lobbyists, Executive Branch lobbyists are not required to register or otherwise publicly disclose their activities, unless they represent foreign interests.[5] Their back channel access to government is not subject to any public accountability whatsoever.

Michael K. Deaver

The significance of the Deaver case from the viewpoint of governmental operations is that it provided a clear look at exactly how Executive Branch lobbying works, and what lobbyists are able to do despite the Ethics in Government Act. The case also revealed why Deaver was able to attract so many clients who were willing to pay him fees ranging from $100,000 to $500,000 per year.

* * * * *

IV. LEGISLATIVE RECOMMENDATIONS

A. Public Disclosure of Lobbying Clients and Activities

Who first blew the whistle on Deaver's lobbying excesses?

That honor apparently belongs to two Washington Post staff writers, Thomas B. Edsall and David Hoffman. On October 27, 1985, the Post carried a front page article by Edsall and Hoffman entitled "Luring Clients." It was the first hard news story of Deaver's extraordinary success in lining up business for his lobbying firm following his departure from the White House in May. The key to the Edsall-Hoffman article was its reliance on public filings by Deaver's firm under the *Foreign Agents and Registration Act.* The lead paragraphs in the story specifically described Deaver's retainer as a lobbyist by the Canadian Government—a fact which was disclosed in FARA filings with the Justice Department.

It was this same October 27, 1985 Washington Post article which directly triggered Congressman Dingell's initial inquiry to the General Accounting Office about Deaver's activities on the acid rain issue. This led in turn to the Dingell subcommittee hearings in May 1986, when Deaver committed the perjury for which he was later convicted. The most striking fact about this chain of events is the importance of the filing and disclosure requirements of FARA.

Other investigative journalists have made good use of the information in FARA filings to keep the public informed about questionable conduct by Executive Branch lobbyists. Washington Post reporter Stuart Auerbach published a listing of well-connected lobbyists representing foreign interests in a lengthy article on February 16, 1986. The lead sentence in the story stressed the role of former officials and campaign aides as Executive Branch lobbyists:

Former officials of the Reagan administration and influential Reagan-Bush campaign aides are being paid millions of dollars by foreign governments and corporations, in many cases to help those clients block or counter administration initiatives.

The first former official Auerbach named was Deaver: "The most prominent former Reagan aide representing foreign interests for large fees is Michael K. Deaver, a confidant of President Reagan and his wife, Nancy."

The Post reporter repeatedly identified the FARA filings as his source of information.

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[3] "Back channel" is the term used to describe the communications network to U.S. Embassies abroad which bypasses formal State Department oversight. See use of the phrase in a Black, Manafort client proposal quoted in the Time magazine excerpt on page 15.

[4] There are, of course, hundreds of organizations, attorneys, and paid lobbyists who make presentations to administrative agencies in support of legitimate goals and who serve a useful public purpose, but they usually operate at the "line" level, dealing with career civil servants, where issues are decided on the merits. This report concerns itself with the high-priced lobbyists whose stock in trade is peddling personal political influence directly to agency heads and senior policy staff.

[5] Criticisms have been directed at the ineffectiveness of congressional lobbyist reporting requirements, but this topic was not the subject of the Independent Counsel's investigation, and we therefore have no basis to make legislative recommendations. *See* Richard Cowan, "None Dare Call It Lobbying," Common Cause, March/April 1989, pp. 13-16.

Particularly significant was the fact that in many cases the FARA filings were the only available source of information, since many of the lobbyists would not volunteer information about their clients:

Deaver declined to talk about potential conflicts between his former White House job and his foreign clients. "I don't talk about my clients, either foreign or domestic," he said.

It can be fairly said that the Deaver disclosures and subsequent congressional hearing and grand jury investigation would probably never have occurred if it had not been for two factors:

1. The requirement for lobbyists to register their retainer agreements with foreign clients at the Justice Department under the Foreign Agents Registration Act.

2. The enterprising work of journalists in reviewing those FARA filings and using them to alert the public.

What is noteworthy, however, is that there is no equivalent requirement to disclose contracts to lobby for domestic clients. The only way such information can now be obtained is through voluntary disclosures by the parties—a rare event—or through congressional or grand jury investigations, a costly and cumbersome process.

The single most important result that could come out of the Deaver case would be enactment of legislation to require the disclosure of all high-fee lobbying contracts aimed at the Executive Branch. The Foreign Agents Registration Act has proven itself an excellent model for what the legislation should provide. With suitable modification it could be extended to cover domestic clients with equal effectiveness.

* * * * *

V. CONCLUSION

The Michael Deaver case revealed the tip of an iceberg—a small outcrop of Washington's secret government, where special favors are traded based on who you know.

The basic philosophy of democratic government is that official decisions should be made strictly on the merits. Under democratic principles, all citizens are supposed to be able to deal with government on an equal footing—a crucial cornerstone of democratic society when our government has become a major dispenser of funds, and when every segment of society must compete for a fair distribution of the benefits of public funds and the burdens of public taxation. Democracy becomes corrupted when one segment of society can obtain special benefits and dispensations through secret access to government decision-makers.

The real issue raised by the Deaver case is not the narrow question of when an insider should begin lobbying the Executive Branch for special favors, but why secret lobbying should be allowed to be carried on at all.

Of course, not all lobbying is bad. Indeed, in some cases lobbying is the only way a perfectly legitimate organization can overcome bureaucratic misinformation, neglect, myopia or animosity. If the cause is legitimate, however, why does it need to be presented in secret? Why do ex-White House aides need to use White House passes to present legitimate cases?

Secrecy in government breeds abuse in government. When people believe that no one is watching, they are capable of conduct and decisions they would never attempt in the open.

The concept of open government is founded on long popular distrust of quiet deals and secret bargains. What may be appropriate to private business is not acceptable in a representative government.

The Biblical admonition "And ye shall know the truth and the truth shall make you free" could well be the motto for democracy. Truth is the fodder of freedom. Citizens make decisions based on what they know. In a democracy they are entitled to know exactly what their government leaders are doing and why.

At present there are no disclosure requirements for private lobbying of the Executive Branch by domestic interests. Defense contractors can influence awarding of contracts involving billions of dollars of tax money with no one being the wiser. Regulated industries can use the back stairs to make presentations to their regulators. Investment bankers, transportation corporations, minority businesses, professional associations, real estate developers—almost anyone who has a substantial stake in Federal policy—can hire a lobbyist whose stock-in trade is who he or she can see privately to make a secret approach to government officials for special consideration. There is simply no requirement to tell anyone what takes place.

A few administrators do take precautions to minimize lobbyist abuses—through sign-in registers, attendance of extra staff people as observers at meetings, post-meeting memos to the file, detailed appointment and telephone records, and the like—but this is the exception rather than the rule. Too many administrators, enjoying their power and prestige, wheel and deal with lobbyists inside and outside their offices, never keeping records, and exhibiting convenient memory lapses when questions are asked.

Influence peddling is not the same as bribery. The process is much more genteel, but the results are usually the same. Government officials tip the scales to help their friends earn money in their private lobbying firms. This can be done as indirectly as by providing advance information about an upcoming government decision, or as directly as deciding a close question in favor of the lobbyist's client. Often the "close question" involves deciding between the private interest of the client represented by the friendly spokesperson (authorizing construction, preserving a tax break, approving a merger) and the public interest (protecting the environment spreading the tax load, encouraging price competition), which may have no spokesperson at all.

The evils in this practice are not so much who does the lobbying, but the lack of public information about what lobbying is taking place. In a sense, the uproar over Deaver's lobbying activities after he left the White House was based on a feeling of unfair competition on the part of other lobbyists who were doing exactly the same things but with less "clout." Legislation to tighten up the "cooling off period" before an ex-official can begin lobbying is in one sense a "Lobbyists' Protection Bill" whose effect is to guarantee that lobbyists who already have special access to the Executive Branch are not put out of business by newcomers who may have even better access. Such legislation does not address the underlying problem, the secret lobbying itself.

One remedy is simple and self-evident: public disclosure. Let in the sunlight. Make records of high-fee lobbying activity open to the public. Encourage an inquiring press. End government decision-making by secret deals behind closed doors.

On the day following the jury's conviction of Michael K. Deaver for lying about his Executive Branch lobbying activities, the Independent Counsel issued a public statement about the significance of that conviction. The statement produced expressions of rage from the White House and sarcasm from some newspaper editors, but it is just as valid today as it was in December 1987:

The jury's verdict is the most eloquent statement that can be made about the Deaver case.

But the successful outcome of the Deaver trial should not be mistaken as a resolution of the more serious problem which brought about the appointment of an Independent Counsel in the first place.

That problem is too much "loose" money and too little concern in Washington about ethics in government.

Vast sums of money are on call to representatives of major corporations, defense contractors, and foreign governments to buy influence and favors. Much of that money is paid to "consultants" whose stock in trade is their friendship with persons in high office. Washington money men will continue to undermine public confidence in government until lawmakers, business and community leaders, and individual citizens decide to cry "enough."

The Congress of the United States is the only force that can effectively cry "enough" to the unbridled lobbying of the Executive Branch of the Federal Government. If some such measures are not taken soon, business interests and foreign governments will increasingly manipulate the policies of the Executive Branch of our national government, and special interest will replace public interest as government's primary goal.

Respectfully submitted,

WHITNEY NORTH SEYMOUR, JR.,
Independent Counsel.

TRIBUTE TO FIRST AMERICAN NOVELIST, JAMES FENIMORE COOPER

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1989

Mr. FLORIO. Mr. Speaker, I am pleased to bring to the attention of my colleagues a celebration of the 200th anniversary of the birth of James Fenimore Cooper, America's first novelist. The Burlington County Historical Society of New Jersey is coordinating the year-long celebration that includes an essay contest, seminars, a library exhibit, and a reception honoring the charter members of the "James Fenimore Cooper Fellows."

Mr. Cooper, author of such classics as "The Last of the Mohicans" and "The Deerslayer," was born to William and Elizabeth Fenimore Cooper—the 11th of 12 children—in 1789 as they resided on High Street in the city of Burlington, NJ. The family lived there until 1790 when the novelist's father founded a frontier settlement on the Susquehanna River in New York, later called Cooperstown. A few years later, the family returned to Burlington where the novelist's father served as a Democrat in the 26th Congress in Philadelphia, 1839–41.

The author was educated at private schools in New York and then attended Yale University prior to a few years service in the Navy. Mr. Cooper married Susan DeLancy in 1811 and

in 1820 published his first novel, "Precaustion."

The Burlington County Historical Society has maintained the birthplace of the author as its flagship historical site. The building, circa 1780, consists of four museum rooms containing Cooper artifacts and furnishings. Since acquiring the Cooper House in 1923, the Society has seen great expansion that now includes three historic houses, a museum and a library.

Mr. Speaker, I respectfully ask that my colegues join me in paying tribute to the Burlington County Historical Society and, in particular, the James Fenimore Cooper Fellows as they continue with their fine work throughout this year and the many years to come.

TRIBUTE TO MR. AND MRS. JOHN KOOK, JR.

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1989

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Mr. and Mrs. John Kook, Jr., of my 17th Congressional District of Ohio on the occasion of their 50th wedding anniversary.

John Kook, Jr., and Estelle Frederick were married in St. Mary's Catholic Church in Warren, OH, on September 23, 1939, by Rev. Clarence Heiman. They are the parents of John. F. Kook and the proud grandparents of seven, Karl, Michele, Allen, Ruthanne, Rosemary, David, and Douglas, who are residents of Hockessen, DE.

Mr. Kook retired from U.S. Steel in McDonald, OH, with 40 years of service in 1977. Mrs. Kook retired from Packard Electric with 33½ years of service in 1982. The Kooks attended Warren City Schools and are members of St. Peter and Paul Catholic Church. They are also active members of the Senior Archivers, the Labor Retirees of Trumbull County, and the local 717 Packard Electric Retirees. The Kooks have served on various school levies and have participated in local, State, and national committee elections.

Currently, Mrs. Kook is the president of the local 717 Packard Electric Retirees, the secretary for the local 717 Polish Women's Allegiance, the treasurer of Labor Retirees, and a board member of Senior Archivers. She has served on the School Review Board Committee and is presently a member of the Warren City Democrats, Women's Democrats, St. Peter and Paul Altar and Rosary Society, and the Women's Auxiliary.

Mr. Speaker, I would like to take this opportunity to wish John and Estelle Kook a very happy 50th wedding anniversary. We are deeply indebted to both of them for their dedication and political contributions to our 17th District. The Kook's efforts have enhanced our local community and the Democratic Party as a whole. Their dedication and devotion also reflects the secret of their long-lasting and successful marriage. I am honored to represent these outstanding individuals.

INTRODUCING RESOLUTION IN SUPPORT OF COLOMBIA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1989

Mr. RANGEL. Mr. Speaker, there have been some serious developments in the war on drugs during the last few weeks. Following three successive brutal murders in as many days—a police chief, a magistrate, and a leading Presidential candidate—Colombian President Virgilio Barco took some unprecendented, bold steps against the Colombian drug trafficking organizations.

President Barco used state of siege powers to legislate by decree both extradition and asset seizure laws. The Government began an immediate crackdown on drug traffickers and their assets. So far, nearly 12,000 persons have been arrested, several millions of dollars worth of property and assets have been seized, and one of the cartel's financiers, Eduardo Martinez Romero, has been extradited to the Untied States to face money laundering charges.

Mr. Speaker, these are not small steps for the government and people of Colombia. The Colombian people have borne the brunt of drug trafficking violence during recent years. These new government actions have triggered a further escalation in drug violence. The drug traffickers responded by declaring war on the Colombian Government, judiciary and press. And—while this may be shocking to us, Mr. Speaker, it is not inconsistent with the previous heinous acts of these criminals—they have declared they will not spare the families of their victims.

The drug traffickers have vowed to kill 10 judges for each trafficker extradited to the United States. They have conducted a rash of over 20 bombings of public places and offices, including the office of the prestigious newspaper, El Espectador, whose editor they assassinated several years ago.

Mr. Speaker, my heart goes out to the brave people of Colombia who are on the front line in the battle with some of the world's most ruthless criminals.

I offer today a resolution of recognition and respect for the government and people of this ravaged nation. It is a resolution of empathy and of camaraderie. Finally, it is a resolution of support for the struggle against the drug trafficking cartels. I hope that all of my colleagues will join me in sponsoring this resolution.

COMMENDATIONS FOR THE MON-YOUGH COMMUNITY SERVICE SYSTEM

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1989

Mr. WALGREN. Mr. Speaker, I rise to pay tribute to the Mon-Yough Community Mental Health, Mental Retardation Service System as it celebrates its 20th anniversary.

Mon-Yough Community Mental Health, Mental Retardation Service System is part of the community mental health system that was created under the Kennedy administration in 1963. Until that legislation, mental patients had no alternative to hospitalization unless they could afford expensive private psychiatric outpatient care.

Community mental health centers such as Mon-Yough provide that alternative. They have given many thousands of people the first real chance they have ever had to recover from or stabilize their conditions.

Mon-Yough and other community health centers have virtually revolutionized mental health treatment because of three distinguishing characteristics: Accessibility, affordability, and concern for the well-being of the whole person.

Mon-Yough is accessible because it operates in the community where the people it serves live. They no longer have to isolate themselves in far-away institutions to get treatment. It is affordable because it charges people only what they are able to pay. Mon-Yough is concerned for the well-being of the whole person because it realizes that treating the disease is not enough. The person is not going to recover if he or she does not have a job, or a place to live, or friends.

Mon-Yough and all community mental health service centers make an invaluable contribution to our Nation, and I ask my colleagues to join with me in expressing our gratitude.

SOUTHERN CALIFORNIANS CELEBRATE OKTOBERFEST

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1989

Mr. DYMALLY. Mr. Speaker, I call attention to a set of important events which will be taking place in my district this weekend. My good friends, Hans and Theresa Rotter, owners of Alpine Village in Torrance, CA, will be hosting the fourth annual Oktoberfest fundraiser on September 9. This event officially kicks off Oktoberfest, a yearly German cultural event. The brainchild of Hans and Theresa, Oktoberfest has become a very special event in my district. So, to help celebrate this joyous 19th year of frolic and fun, I ask my colleagues to join me in a special tribute to Hans and Theresa for their outstanding humanitarian and civic contributions to our community throughout the years.

The Oktoberfest opening day has become a major community affair over the past 4 years, benefiting 12 charities this year. Festivities will include a stein holding contest; a patriotic concert by the San Diego U.S. Marine Corp Band, a special drawing for trips and cars, and dancing to the authentic brass band, Oom Pa Pah, direct from Germany.

Torrance Mayor Katy Geissert will officially open this 2-month-long Oktoberfest season by leading a parade, and by tapping the first keg of beer.

Hans and Theresa established Alpine Village in 1970, beginning with a small bratwurst

sausage stand, at the sidelines of a soccer field which lay on an isolated landfill. Since that time a freeway has been built next to the Alpine Village, and the 14-acre property has flourished into an authentic German village atmosphere with a large bavarian inn, club haus, 20 specialty stores, a small wedding chapel, a beer garden—the home of Oktoberfest—an intercontinental market, a bakery, and butchery.

Alpine Village attracts many ethnic groups to this European style setting, with all the festivals, live entertainment, quality foods, quaint ambiance, and wonderful service.

Hans and Theresa have been able to turn Alpine Village into this wonderful cultural experience where an individual can actually feel that he or she is in a small town in Europe, if only for a while. Through hard work, perseverance, and commitment by Hans and Theresa, Alpine Village's Oktoberfest, beginning this weekend, is truly an experience one remembers forever. I congratulate my friends for their outstanding dedication and contributions to the 31st Congressional District.

HONORING THE ARMED SERVICE ACADEMY APPOINTEES FROM NEW YORK'S 10TH CONGRESSIONAL DISTRICT

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1989

Mr. SCHUMER. Mr. Speaker, I would like to take this opportunity to recognize two outstanding young students from my district. They were among the select few who were chosen as appointees to our armed service academies.

Each of my colleagues is very familiar with the rigorous procedure used to determine Academy appointments. Candidates must display the academic skills, as well as possess the character and commitment to succeed.

It is encouraging to see the determination in those who seek appointments, that they would give so much of themselves to serve their country. Those selected to the Academy become part of an enduring tradition and legacy.

This year, the 10th Congressional District in New York is fortunate to have representation at the elite service academies. Both of these appointees were leaders in their high schools and examples for their peers.

Ike Kim received an appointment to the Military Academy at West Point. He graduated from Hunter High School this past June. Ike was quite active in several clubs throughout his high school career. His devotion as an athlete inspired his peers and teachers. Ike is regarded as a determined leader with the stamina to fulfill the goals to which he aspires.

Receiving an appointment to the Naval Academy is Michael Simonelli. Michael's dedication to academic interests has qualified him as an outstanding student who participated on both the math team and academic Olympics in his high school career. Michael is a hardworking and ambitious young man who relates very well with his peers and is a leader in athletics. Michael graduated from Sheepshead Bay High School this June.

Mr. Speaker, I hope all of my colleagues will join me in wishing these two fine young men all the best in the future. We are extremely proud to have them representing and serving us at the service academies, and hope that all of their expectations are met and exceeded.

THE CONSULTANT DISCLOSURE AND FRAUD PREVENTION ACT

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1989

Mr. KANJORSKI. Mr. Speaker, in his September 6, 1989, special report to the Congress, "Executive Branch Lobbying," Independent Counsel Whitney North Seymour, Jr., concluded:

The single most important result that could come out of the Deaver case would be enactment of legislation to require the disclosure of all high-fee lobbying contacts aimed at the Executive Branch.

The Congress of the United States is the only force that can effectively cry "enough" to the unbridled lobbying of the Executive Branch of the Federal Government.

Earlier this summer, I introduced legislation, H.R. 3145, to meet this specific goal, to provide public disclosure of what Seymour called back channel government. My bill would put an end to the kind of abuse we have seen recently at HUD and other agencies.

H.R. 3145, the Consultant Disclosure and Fraud Prevention Act of 1989, would deter influence-peddling by requiring full public disclosure by consultants who receive $5,000 in any calendar quarter, or $10,000 in any year, and who contact Federal officials at or above the GS–11 level on behalf of applicants for Federal funds, loans, loan guarantees, or contracts. Covered consultants would have to report the names and titles of the officials they contacted, as well as how much they received for their services, and whether or not they had been employed by the Federal Government in the previous 2 years.

The Consultant Disclosure and Fraud Prevention Act differs from other proposals in this area because it places the burden of compliance on consultants, rather than on towns, cities, and other applicants for Federal funds. It will provide us with the information we need to prevent abuse, without creating a hardship for communities and other groups which depend on Federal funds.

H.R. 3145 requires covered consultants to file quarterly reports with agency inspectors general so that the IG's will have a data base from which to detect patterns and practices of abuse. It also provides that the consultants' quarterly reports must be available for public inspection.

Finally, the bill provides a graduated scale of penalties for different levels of violation, including debarment from consulting activities for 3 years.

SOUTH JERSEY FAST PITCH SOFTBALL HALL OF FAME INDUCTEES 1989

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1989

Mr. FLORIO. Mr. Speaker, I would like to congratulate the members of various softball teams, in the south Jersey region, who will be inducted into the South Jersey Fast Pitch Softball Hall of Fame, at the annual award dinner, on Sunday, September 17, 1989. Two honorees will be inducted posthumously; they are Peter DelGrande and Chester Wachala. The honorees who will be on hand at the dinner are: John Holmes, Albert Scarduzio, Harry Mannal, Edward Groch, Benjamin Reeves, JoAnn VietDyer, and Clara Holmes.

All have given their talents to the game of fast pitch softball and have been all-around competitive athletes who played well both offensively and defensively. Additionally, over the years, each honoree has made a special contribution which will be long remembered by the teams for which they played.

This is not only an honor bestowed upon men and women who played the game well, but who also displayed their sportsmanship and dedication to the sport. This commitment stands as an example for all who participate today. There is no question that their sense of sportsmanship was also translated to their lives, through their involvement, in their individual communities.

Mr. Speaker, I ask that all join with me in offering congratulations to the 1988 inductees, into the South Jersey Fast Pitch Softball Hall of Fame, and also to the families of those who will be posthumously honored.

TRIBUTE TO MUNICIPAL JUDGE ROBERT J. KALAFUT

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1989

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to municipal Judge Robert J. Kalafut of my 17th Congressional District on the occasion of his 25th year on Struthers Muny Court.

Robert Kalafut began his academic career at Youngstown State University where he received his B.S. degree in business administration and was elected president of his sophomore class. In 1954, Robert earned his LL.B. degree at Case Western Reserve University where he also became actively involved in editing the law review.

Throughout his life, Robert has exhibited exceptional citizenship and service to his community. He began his career by serving as acting judge of the Mahoning County Court. He also served 1 year as city law director in Struthers. Robert was the first and only judge to sit on the municipal court bench in Struthers since its establishment in 1964.

As municipal court judge, Robert has consistently displayed a sense of understanding and devotion in aiding the issues or problems that affect his community. He has received numerous honors and awards demonstrating the pride and integrity that he has shown through his involvement in public service. He has also received awards from the Ohio Supreme Court for his superior judicial service.

Mr. Speaker, I would like to take this opportunity to congratulate Robert Kalafut on the 25 years of commendable judicial and community service that he has provided at the Struthers Muny Court. We are deeply indebted to him for his dedication and generosity to our 17th district and I am honored to represent this outstanding individual.

SPRING INDUSTRIES

HON. ARTHUR RAVENEL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1989

Mr. RAVENEL. Mr. Speaker, a recent report by the National Wildlife Federation of "The Toxic 500" industrial polluters erroneously included Springs Industries' Grace Fishing plant on South Carolina's Catawba River. As a result of a clerical error in reporting to the EPA, the incorrect chemical was reported as released into the Catawba River. In fact, the chemical substance released by the plant was treated in an approved wastewater treatment facility and was rendered nontoxic before it was allowed to flow into the Catawba River. Springs Industries, Inc. has an excellent record of environmental concern in South Carolina and has taken pride in its protective measures employed at all its South Carolina facilities.

HAPPY 80TH BILL

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1989

Mr. BROOMFIELD. Mr. Speaker, in 1953, two great American thoroughbreds entered races in Kentucky. Native Dancer ran a disappointing second in the derby that year.

The other great thoroughbred was BILL NATCHER. He won his race for Congress—and he's been winning races ever since.

That's because he's not only a fine race horse, but a real work horse, as well. He holds the record for responding to rollcalls; he presides over the Committee of the Whole with courtesy and fairness; and he has shouldered a lot of responsibility for the work of the Appropriations Committee.

BILL still has the energy of a freshman Member, so I am sure that many will be surprised to learn that today is his 80th birthday.

Of course, BILL also has the wisdom and experience of a senior statesman. He's one of the people that holds this House together.

As one of the younger Members of the House, I'd like to wish BILL a very happy birthday and express our hope that he plans to stay with us for many years to come.

PERSONAL EXPLANATION

HON. BILL NELSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1989

Mr. NELSON of Florida. Mr. Speaker, due to personal business, I was unable to vote on H.R. 1668, the National Oceanic and Atmospheric Administration ocean and coastal programs authorization bill which passed the House on September 6. Had I been present. I would have voted "yes."

CONGRESSMAN DALE E. KILDEE CELEBRATES NATIONAL HISPANIC HERITAGE MONTH

HON. DALE K. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1989

Mr. KILDEE. Mr. Speaker, as our Nation celebrates National Hispanic Heritage Month, I am extremely proud to pay tribute to the Hispanic community of the Seventh Congressional District, Michigan.

The Hispanic culture has enriched our community and our Nation by making its presence felt in government, the arts, labor, business, science, and every aspect of our society. Hispanics make up 7.9 percent of the Nation's population and are expected to rise to 15 percent by the year 2000. This ever growing presence is a vibrant spirit and force in America that is helping to shape the future of our great Nation.

America's Hispanic community brings to us a rich heritage and tradition, infusing our lives and our society with a wealth of culture we would otherwise lack. Our great Nation is a land of immigrants, and our greatness comes from the rich histories and cultures of every country and every people, and our Hispanic community has indeed contributed to the success of our country. Historically, the Hispanics in our country have both immigrant roots and roots well established inside the borders of the United States long before we became an independent Nation.

Today, the Hispanics are a strong force on the political landscape. Often an unsung and underestimated factor in American politics, Hispanics have provided the margin of victory of many races. Recent elections have shown strong voter registration and turnout among Hispanics.

Hispanics in my home district are making tremendous contributions to the development of our community. We can point with pride to Buick City, where plant manager, Nelson Gonzalez, a Hispanic, is helping produce the best built automobiles in the United States. There is no doubt that Hispanics have made their mark on our society.

The decade of the 1980's will be viewed as a decade of firsts for the Hispanic community in the Seventh Congressional District. We have seen Hispanics elected to city councils in the cities of Burton and Flint, the Flint Board of Education, the Genesee County Board of Commissioners and to several commissions and councils in the State of Michigan. We have also seen, for the first time, Hispanic representation from Flint at the Democratic National Convention. I have had the distinct honor and pleasure of working with several Hispanics on my campaign and congressional staff.

Mr. Speaker, during Hispanic Heritage Month, we are more than recognizing the importance of the Hispanic community in America, we are also commemorating the growth of our Nation's culture, vastly broadened and enriched by its Hispanic citizens.

TRIBUTE TO DOBROSLAV PARAGA

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1989

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Dobroslav Paraga, a Croatian dissident and human rights activist who has delivered his message of human rights' abuses in Yugoslavia to the citizens of the United States.

Mr. Paraga represents all groups in Yugoslavia to whom human rights have been denied, including Croatians, Slovenians, and Albanians. He was made to suffer physical and psychological punishment in a Yugoslav jail for 4 years for seeking signatures to a petition for general amnesty for the over 2,500 political prisoners in his nation.

Following his imprisonment, Paraga was given a passport by his government and forbidden to publicly speak out about his experiences as a political prisoner or about human rights abuses in Yugoslavia. He has, however, spread the word throughout Europe and the United States. He now plans to return to his native Yugoslavia to continue his struggle for the freedom of all minority groups. He risks imprisonment upon his return for his brave actions.

Mr. Speaker, Yugoslavia has jailed more of its citizens for political reasons than any other nation in Eastern Europe. In addition, more than 10,000 Yugoslavians have been denied the right to bear a passport. I commend Mr. Paraga for fearlessly speaking out for all Yugoslavian, ethnic minorities who have no voice. I give him my wholehearted support in his quest for their liberty.

A TRIBUTE TO JOE GUNN

HON. CHARLES WILSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1989

Mr. WILSON. Mr. Speaker, I am proud that a great man and friend has recently received the honor of being elected president of the Texas AFL-CIO. Joe Gunn has actively served his community for many years, holding such positions as vice president of the Harris County United Way, the Houston Council Boy Scouts Executive Council, and youth director

of his church. Joe also has six foster children of his own.

Joe has worked for Southwestern Bell for 22 years, 11 of which was full-time service for the Communications Workers of America, Local 6222. He has served as secretary-treasurer of the Texas AFL-CIO from January 1979 until his election as president on July 29, 1989.

It is my honor to extend my heartiest congratulations to Joe on his election as president of the Texas AFL-CIO. I know he will serve the workers of Texas with dedication and integrity. Congratulations, Joe.

A TRIBUTE TO THE BELLS ACROSS AMERICA

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1989

Mr. APPLEGATE. Mr. Speaker, today I rise to pay tribute to the BelleMonte Service Unit of the Girl Scouts of America, who have organized a "Bells Across America" celebration at the Belmont County, OH, Fairgrounds.

Started in 1987, the bicentennial of the signing of our Constitution, "Bells Across America" has been celebrated each September 17, the day that the U.S. Constitution was signed over 200 years ago. This year, the Girl Scouts have planned a one-half hour program, culminating at 4 p.m. by ringing bells for 200 seconds and releasing 200 balloons. They have invited groups ranging from churches to fire departments and all citizens from Belmont and the surrounding counties to participate in the ringing celebration.

I would like to congratulate the Girl Scouts in taking the initiative to plan and participate in this nationwide celebration of the document that guarantees the rights and freedoms of our Nation's citizens. Since the Bill of Rights was approved by Congress and submitted for ratification 200 years ago September 25, this year's commemoration is particularly important.

Mr. Speaker, I ask my colleagues to join me in praising the BellMonte Service Unit Girl Scouts for their patriotism and initiative and in urging all citizens of the United States to take a moment on September 17 to remember our Constitution and the Bill of Rights.

SAVINGS AND LOAN BAILOUT BILL MISSED MARK

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1989

Mr. MAZZOLI. Mr. Speaker, in spite of the best—and highly commendable—efforts of the Members of the House and Senate Savings and Loan Conference Committee, their final work product fell short of the mark. I could not support it.

The bill approved by the House Banking Committee was improved during floor action. It was upgraded to require a higher capital requirement for S&L's—although I felt the capital requirement could have been set even higher. S&L's were prohibited from dealing in high-risk junk bonds and the Government's regulatory powers over the industry were strengthened.

I was proud to support all the strengthening and tightening amendments offered on the floor and to oppose all weakening amendments. Nevertheless, I could not support the final draft of the measure—despite its improved looks.

I had some hope, Mr. Speaker, that the conference committee would return a measure I could support. Unfortunately, my hope was not to be fulfilled. I therefore had to vote against final passage of H.R. 1278.

First and foremost, the conference committee package allowed the overseer of this horrendous fiasco—Bank Board Chairman M. Danny Wall—to remain at the helm of the new and reorganized thrift industry. This not only invites further disaster, but rewards one of the perpetrators of the whole mess.

Second, the package created a Resolution Trust Corporation to coordinate the disposition of hundreds of billions of dollars of assets acquired from failing thrifts. Yet conferees, at the eleventh hour, deleted House requirements that employees of the Corporation, as well as its independent contractors, be subject to stringent Federal conflict of interest and "revolving door" requirements. We could be asking for a HUD-type scandal all over again—only this time worse—by not having written in stern conflict of interest guidelines.

Another major problem for me was that the bailout bill established a policy for closing failed institutions by borrowing funds today and paying them back tomorrow—many tomorrows down the road—at a cost to us, our children, and, undoubtedly, our grandchildren, of hundreds of billions of dollars in added interest payments.

Congress should have done this thing straightforwardly. It should have bitten the bullet here and now, raised whatever revenues would be needed to take care of the mess, and established a payback system which would balance the books sooner rather than later. Future generations already have enough to worry about.

Conferees also dropped a House provision generally requiring annual certified audits of Federal insured financial institutions. If we are going to grant deposit insurance coverage to these organizations, then we have a right to receive accurate and reliable information from them about their financial health and their accounting practices.

Finally, and of huge importance to me, I cannot in good conscience vote to make innocent taxpayers pick up the tab for this financial catastrophe when the swindlers and ripoff artists who looted the S&L's and treated them as personal piggy banks are not going to be prosecuted to the fullest extent.

In sum, Mr. Speaker, H.R. 1278 was a bailout, pure and simple. It was a bailout of the bad guys by the good guys, the taxpaying men and women of America. It did not correct or prevent the problems that brought us to this point in the first place. And, it did not adequately get at the people who brought the disaster to pass in the first place.

I fear, Mr. Chairman, that we will have this issue back before us again before too much time has passed. I hope I am wrong. But, I could not countenance the high risks involved or otherwise endorse this antitaxpayer bill by giving it my vote.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, September 12, 1989, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 13

9:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings to examine the structure of the international drug cartel.
SD-342

Small Business
To hold hearings to examine certain current tax laws on small business.
SR-428A

Veterans' Affairs
To hold hearings on the nominations of Kenneth B. Kramer, of Colorado, and John J. Farley III, of Maryland, each to be an Associate Judge of the U.S. Court of Veterans Appeals.
SR-418

Special on Impeachment Trial Committee
To continue hearings in the matter relating to the impeachment of Judge Walter L. Nixon, Jr.
SH-216

10:00 a.m.
Banking, Housing, and Urban Affairs
International Finance and Monetary Policy Subcommittee
To hold oversight hearings on the status of the tied aid credit warchest of the

Export-Import Bank of the United States.
SD-538

Judiciary
To resume hearings on proposals to protect the physical integrity of the flag of the United States.
SR-325

10:30 a.m.
Appropriations
Labor, Health and Human Services, Education Subcommittee
Business meeting, to mark up H.R. 2990, making appropriations for fiscal year 1990 for the Departments of Labor, Health and Human Services, and Education, and related agencies.
SD-138

Appropriations
Military Constructon Subcommittee
Business meeting, to mark up H.R. 3012, making appropriations for fiscal year 1990 for military construction.
SD-192

2:00 p.m.
Special on Impeachment Committee
Closed business meeting.
SR-188

Special on Impeachment Trial Committee
To continue hearings in the matter relating to the impeachment of Judge Walter L. Nixon, Jr.
SH-216

SEPTEMBER 14

9:30 a.m.
Governmental Affairs
To hold hearings on S. 1165, to provide for fair employment practices in the Senate and the House of Representatives.
SD-342

Special on Impeachment Trial Committee
To continue hearings in the matter relating to the impeachment of Judge Walter L. Nixon, Jr.
SH-216

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on the nomination of Richard C. Breeden, of Virginia, to be a Member of the Securities and Exchange Commission.
SD-538

Foreign Relations
European Affairs Subcommittee
To hold hearings on Slepak principles as guidelines for U.S. businesses investing in the Soviet Union.
SD-419

Judiciary
Business meeting, to consider pending calendar business.
SD-226

10:15 a.m.
Energy and Natural Resources
Mineral Resources Development and Production Subcommittee
To hold oversight hearings to review potential producing sector impacts of the Federal Energy Regulatory Commission's proposed policy statement on gas inventory charges.
SD-366

2:00 p.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 53, the Cedar Bluff Unit Reformulation, S. 486, authorizing funds for the construction of the Lake Meredith Salinity Control Project in New Mexico and Texas, S. 202, the Lake Andes-Wagner/Marty II Project, S. 1121, authorizing additional funds for the Buffalo Bill Dam, and S. 1275, the Leadville Mine Water Drainage Treatment Act of 1989.
SD-366

Judiciary
To continue hearings on proposals to protect the physical integrity of the flag of the United States.
SR-325

Select on Indian Affairs
To hold hearings on S. 1270, to provide an Indian mental health demonstration grant program.
SR-485

Select on Intelligence
Closed business meeting, to consider pending intelligence matters.
SH-219

Special on Impeachment Trial Committee
To continue hearings in the matter relating to the impeachment of Judge Walter L. Nixon, Jr.
SH-216

SEPTEMBER 15

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on S. 1067, to provide for a coordinated Federal research program to ensure continued United States leadership in high-performance computing.
SR-253

Judiciary
To hold hearings on the annual refugees admission levels.
SD-226

Select on Indian Affairs
Business meeting, to mark up S. 321, to clarify and strengthen certain provisions of the Buy Indian Act, H.R. 498, to clarify and strengthen the authority for certain Department of the Interior law enforcement services, activities, and officers in Indian country, and S. 1364, to establish a joint Federal Commission on policies and programs affecting Alaska natives; to be followed by hearings on S. 1096 and S. 1336, bills to provide for the use and distribution of funds awarded to the Seminole Indians, and S. 1526, to authorize the State of Oklahoma and certain Indian tribes to enter into an agreement regarding the exercise of State jurisdiction over a portion of Indian country located in Comanche County, Oklahoma.
SR-485

Special on Impeachment Trial Committee
To continue hearings in the matter relating to the impeachment of Judge Walter L. Nixon, Jr.
SH-216

9:45 a.m.
Select on Indian Affairs
To hold hearings on S. 496, to increase the percentage of amounts allocated for vocational training for Indian and Native Hawaiians under funds reserved for State vocational education assistance.
SD-562

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Production and Stabilization of Prices Subcommittee
To hold hearings on proposed legislation to strengthen and improve U.S. Agricultural programs, focusing on livestock and poultry.
SR-332

Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on minority ownership of broadcast stations.
SD-628

Foreign Relations
To hold hearings on the nominations of Richard Wood Boehm, of the District of Columbia, to be Ambassador to the Sultanate of Oman, and William Andreas Brown, of New Hampshire, to be Ambassador to Israel, and Mark Gregory Hambley, of Idaho, to be Ambassador to the State of Qatar.
SD-419

2:00 p.m.
Special on Impeachment Trial Committee
To continue hearings in the matter relating to the impeachment of Judge Walter L. Nixon, Jr.
SH-216

SEPTEMBER 19

9:00 a.m.
Agriculture, Nutrition, and Forestry
Conservation and Forestry Subcommittee
To hold hearings on the protection of water quality.
SR-332

Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings to review airline safety issues.
SR-253

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the American Legion.
334 Cannon Building

9:30 a.m.
Governmental Affairs
To hold hearings on S. 971, to authorize and encourage Federal agencies to use certain techniques for the prompt and informal resolution of disputes.
SD-342

10:00 a.m.
Foreign Relations
To hold hearings on U.S. policy options toward South Africa.
SD-419

SEPTEMBER 20

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings to review airline competition.
SR-253

10:00 a.m.
Armed Services
To hold hearings on the nomination of Gen. Colin L. Powell, USA, for reappointment in the grade of General and for reassignment as Chairman of the Joint Chiefs of Staff.
SR-325

Foreign Relations
To continue hearings on U.S. policy options toward South Africa.
SD-419

SEPTEMBER 21

9:30 a.m.
Governmental Affairs
To hold hearings to review the Administration's national drug control strategy as it affects State and local governments.
SD-342

Rules and Administration
To hold hearings on the nominations of Joan D. Aikens, of Pennsylvania, and John Warren McGarry, of Massachusetts, each to be a Member of the Federal Election Commission.
SR-301

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Production and Stabilization of Prices Subcommittee
To hold hearings on proposed legislation to strengthen and improve U.S. agricultural programs, focusing on feedgrains.
SR-332

Foreign Relations
East Asian and Pacific Affairs Subcommittee
To hold hearings on proposals for a Pacific basin forum.
SD-419

1:30 p.m.
Small Business
To hold hearings to examine the impact of enterprise zones on small business growth and development.
SR-428A

SEPTEMBER 22

9:15 a.m.
Veterans' Affairs
To hold hearings on the nominations of Rauol L. Carroll, of the District of Columbia, to be the General Counsel of the Department of Veterans Affairs, and Edward T. Timperlake, of Virginia, to be Assistant Secretary of Veterans Affairs (Congressional and Public Affairs), and other pending nominations.
SR-418

SEPTEMBER 26

8:30 a.m.
Office of Technology Assessment
The Board, to meet to consider pending business.
EF-100, Capitol

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings to examine U.S. Government anti-narcotics activity in South America.
SD-342

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Production and Stabilization of Prices Subcommittee
To hold hearings on proposed legislation to strengthen and improve U.S. agricultural programs, focusing on rice.
SR-332

Foreign Relations
To hold hearings on the Convention Against Torture and Other Cruel, Inhuman, or Degrading Treatment or Punishment (Treat Doc. 100-20).
SD-419

2:15 p.m.
Energy and Natural Resources
Mineral Resources Development and Production Subcommittee
To hold oversight hearings on natural gas supply and deliverability.
SD-366

SEPTEMBER 27

9:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 952, to stimulate the design, development, and manufacture of high definition television technology.
SD-562

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings to examine U.S. Government anti-narcotics activity in South America.
SD-342

10:00 a.m.
Commerce, Science, and Transportation
Foreign Commerce and Tourism Subcommittee
To hold hearings on the current state of the tourism industry.
SR-253

SEPTEMBER 28

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on national science and technology policy.
SR-253

Governmental Affairs
To hold oversight hearings on the implementation of the Inspectors General Act.
SD-342

10:00 a.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold oversight hearings on hydroelectric regulation under the Federal Power Act.
SD-366

2:00 p.m.
Select on Indian Affairs
To hold hearings on S. 1124, to provide a means to ensure that the management of Federal lands does not undermine and frustrate traditional Native American religious practices.
SR-485

SEPTEMBER 29

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to examine U.S. Government anti-narcotics activity in South America.
SD-342

OCTOBER 3

10:00 a.m.
Commerce, Science, and Transportation
Foreign Commerce and Tourism Subcommittee
To hold hearings on the Japanese space industry.
SR-253

OCTOBER 18

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Science, Technology, and Space
To hold hearings on the international decade of natural disaster reduction.
SR-253

OCTOBER 19

2:00 p.m.
Select on Indian Affairs
To hold hearings on S. 1289, to improve the management of forests and woodlands and the production of forest resources on Indian land.
SR-485

OCTOBER 26

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Production and Stabilization of Prices Subcommittee
To hold hearings on proposed legislation to strengthen and improve U.S. Agricultural programs, focusing on cotton.
SR-332

NOVEMBER 2

2:00 p.m.
Select on Indian Affairs
To hold oversight hearings on Indian health facilities.
SR-485

CANCELLATIONS

SEPTEMBER 12

9:30 a.m.
Energy and Natural Resources
To hold hearings on H.J. Res. 175, to authorize entry into force of the Compact of Free Association between the United States and the Government of Palau.
SD-366

SEPTEMBER 13

10:00 a.m.
Foreign Relations
Terrorism, Narcotics and International Operations Subcommittee
To hold hearings to review the war on drugs in Colombia and Panama.
SD-419

POSTPONEMENTS

SEPTEMBER 12

10:00 a.m.
Foreign Relations
Business meeting, to mark up S. 195, to require the imposition of specified sanctions against any foreign country which uses chemical or biological weapons in violation of international law or against its own citizens.
SD-419

SENATE—*Tuesday, September 12, 1989*

(Legislative day of Wednesday, September 6, 1989)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable JOHN GLENN, a Senator from the State of Ohio.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

He that dwelleth in the secret place of the most High shall abide under the shadow of the Almighty. I will say of the Lord, He is my refuge and my fortress: my God; in Him will I trust.—Psalm 91:1, 2.

Eternal God, loving Heavenly Father, make real to each of us the profound reality promised by the psalmist. In times of peace as well as trouble grant to all who need Thee the security and the blessing of Your abiding presence. Help us to live our days under the canopy of God's love. In Jesus' name who is love incarnate. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 12, 1989.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN GLENN, a Senator from the State of Ohio, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. GLENN thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, following the time reserved for the two leaders there will be a period for morning business until 10 o'clock with Senators permitted to speak for up to 5 minutes each.

At 10 o'clock the Senate will begin consideration of H.R. 3015, the Department of Transportation appropriations bill for fiscal year 1990.

The Senate will stand in recess today from 12:30 to 2:15 p.m. for the party conferences.

Upon reconvening at 2:15 p.m., the Senate will proceed into executive session to consider the nomination of Donald P. Gregg to be Ambassador to Korea. As provided for under the unanimous-consent agreement, the Gregg nomination will be considered under a 4-hour time limitation with the time equally divided and controlled between Senator CRANSTON and the ranking minority member of the Foreign Relations Committee, or their designees.

At 6:15 p.m. today the Senate will vote on the Gregg nomination. Once the Gregg nomination has been disposed of we will then resume consideration of the transportation appropriations bill.

Mr. President, I reserve the remainder of my leader time and I am pleased to yield to the distinguished Republican leader.

RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

VISIT TO SOVIET ARMENIA

Mr. DOLE. Mr. President, last week, I reported to the Senate on the recent visit that my wife, Secretary of Labor Elizabeth Dole, and I made to Poland—part of a four nation trip that also included Morocco, The Netherlands, and Soviet Armenia. Today, I would like to make a few comments on our stop in Armenia.

AN IMMENSE HUMAN TRAGEDY

While a hopeful new political day dawns in Poland, the specter of a terrible nightmare continues to haunt Armenia, 8 months after a terrible earthquake turned vast areas of Armenia, literally, upside down—the devastation wrought by the quake remains the most important single fact of life for most Armenians.

The human statistics—even the official and probably understated statistics—are striking: More than 25,000 dead, 5 times that injured, a half million homeless, countless tens of thousands displaced.

The material damage is awesome: 58 villages totally destroyed; two significant cities and 100 other villages badly damaged; 21,000 homes, 170 schools, over 80 hospitals—all turned to rubble.

The financial costs are staggering: Total physical damage has been estimated at $13 billion; damage to agricultural output at $3.1 billion this year alone.

BEING THERE

As incredible as those statistics are, though, nothing—nothing—prepares you for the physical and psychological impact of being there; of seeing with your own eyes, and feeling in your own heart, the anguish of the mothers of the city of Leninakan, who lost 400 children in 40 seconds, when their school collapsed.

Nothing prepares you for the experience of sitting through a briefing by the city leader of Spitak, and having someone whisper in your ear midway through the briefing that this same man lost his wife and 12 family members in an instant, the day the quake hit.

Nothing prepares you for seeing a city that used to be home for 23,000 looking like an after photo of one of those fake towns they used to build out on the Nevada desert, to test the effects of nuclear blasts on residential areas.

And nothing prepares you for a hillside covered with 8,000 still-fresh graves, each marked by a tombstone with the etched face of the individual victim buried there.

In short, nothing prepares you for an in-person visit to Leninakan, and Spitak, and the other areas devastated by the quake; and nothing prepares you for meeting, and talking to, so many of the survivors—each of them a victim, each of them still struggling with rebuilding their communities, and their homes, and their lives.

Incredibly, yet another quake—happily, a much less severe one—hit the same area just last week. Asked about the damage done, a Soviet commentator spoke volumes when he replied: "There is nothing left to destroy."

GENEROUS AMERICAN RESPONSE

The United States and the American people have already responded generously to the tragedy in Armenia. Offi-

cial Government aid has totaled $4 million, primarily in relief supplies in the immediate aftermath of the quake. Private American groups and individuals have contributed about $45 million in additional aid, responding to the full gamut of needs—from immediate relief through long-term reconstruction.

I was pleased that we were able to transport more than 50,000 dollars' worth of medical equipment and supplies to Armenia in our plane, on behalf of Project Hope—one of the U.S.-based voluntary agencies that is doing outstanding work there every day.

I hesitate to name any of the others, for fear that I will inadvertently leave some out. But all Americans can be proud of the work that so many dedicated and generous Americans are doing in Armenia, every day.

Many of those involved—both the giving here, and the working in Armenia—are themselves Americans of Armenian ancestry. They represent a number of organizations, each of which is making a real contribution.

Without in any way slighting the work of any other organization, I would like to say a word of personal thanks to the Armenian Assembly; its Chairman, Hirair Hovnanian; and its representative in Armenia, Matthew Manuelian—who, I want to add, gave up a lucrative New York law practice for a life of 18-hour days, and 7-day work weeks in Armenia's capital of Yerevan.

MEETING WITH VOLUNTARY AGENCIES

While in Armenia, I met with representatives of many of the United States-based voluntary agencies working there. I learned of some of the vital work they are doing, in health care, rehabilitation, housing and other areas. I also asked for an assessment of their problems and needs.

The two problems most often cited were difficulty in obtaining transportation for moving their equipment and supplies from the United States to Armenia, and the extensive inefficiency and redtape encountered at various levels of the Soviet Government.

I and my staff are working on both areas. One possibility being explored with the administration is whether there might be excess cargo capacity on planned American military flights to destinations relatively close to Armenia, which could be made available for voluntary agency shipments. I and my staff will also be communicating with the Soviet Government, both directly to Moscow and through its Embassy here, about the problems of inefficiency and redtape.

I also asked the voluntary agency representatives to prepare for me an agreed list of the most pressing specific needs—a kind of followup action agenda. When that document is available, I will certainly share it with the Senate, the administration and interested private parties.

RESPONSE OF OTHER NATIONS

I should also note that many other nations have also responded very generously to Armenia's needs. While there, we visited housing projects donated by Italy and a private group from Austria; and we saw the good work being done by many other nations, from every corner of the globe.

The Soviet Union itself, of course, has the primary responsibility for rebuilding Armenia, and the effort being expended is visible and impressive. We received extensive briefings from the Chairman of Armenia's Council of Ministers, and from the Armenian republic's Foreign Minister on the work being done in the areas of housing, employment, agricultural rehabilitation, education, and medical care.

And we saw the physical evidence of the effort, in the vast areas of reconstruction outside the city of Leninakan—where a new city of 50,000 is being constructed in fields festooned by dozens and dozens of huge cranes, building countless new homes and apartments.

DAUNTING PROBLEMS REMAIN

So a great deal has been done, and is being done. But so much more remains to be done, too.

With winter fast approaching, 500,000 earthquake victims still remain homeless. How they—and countless thousands of others whose housing consists of tents or crude trailers or slap-dash wooden shacks—how they are going to fare, or even survive, the intense winter that will soon invade the mountainous areas that are the site of the worst damage remains to be seen.

How the tens of thousands of adults and children physically and psychologically broken by the quake—how they will readjust to the postquake world—remains to be seen.

How the educational system will function, with so many schools destroyed, and so many children displaced, remains to be seen.

How the agricultural sector will rebound, with so much of the livestock and farm equipment destroyed, remains to be seen. So much remains to be seen, and done.

The earthquake took place 8 months ago yesterday. The media has pretty much come and gone. There are very few headlines about the earthquake anymore; very few "spots" on the evening news.

But the needs remain as fresh and real as they were last December.

WE CANNOT QUIT NOW

The people of Armenia have not quit. The government officials we met seem sincerely dedicated to the massive tasks before them. The Soviet system, as it exists in Armenia, is just as far from perfect as the Soviet system is everywhere else in the country. Lots of things just do not work the way they should. But a sincere effort is being made.

His Holiness Vazgeni, the spiritual leader of millions of adherents to the Armenian Church inside Armenia and around the world, has not quit. Elizabeth and I had a most informative and inspiring audience with him, at his historic church in the town of Etchmiadzin.

We learned from him of the continuing relief and rehabilitation work of the church, including the formation of a mothers' committee to deal with the special problems of mothers who have lost their husbands and children; their homes; their jobs. We learned from him, too, of a kind of spiritual renewal since the quake, that has lead increasing numbers of Armenians back to active church lives.

And, as I indicated, the voluntary agencies have not quit.

None of us can afford to quit. There is still too much to be done.

UNITED STATES SHOULD DO MORE

And I believe there is more that the United States can do.

In a stop in Kennebunkport en route home from our trip, Elizabeth and I briefed the President on our experience in Armenia. We indicated to him that we would be exploring with the administration ways in which we might provide additional help, including in the transportation area already mentioned. I will also be consulting with Senate colleagues and private groups in the United States, to see what more might be done.

Having said all that, let me also note that the earthquake—devastating as it was—is not the only issue one encounters in Armenia.

There is the ongoing political unrest growing out of ethnic and religious tensions between Armenia and Azerbaijan: 200,000 ethnic Armenians fled Azerbaijan, and many of them settled in the Leninakan-Spitak area—only to be devastated and rendered homeless again, by the quake.

Even in this age of glasnost, there are problems of repression of free political expression—a matter that will be tested in local elections now scheduled for next February.

And there is the terrible history of the events which transpired in Ottoman Turkey during the first quarter of this century, when a million and a half Armenians lost their lives.

All of these issues are part of the lives of the people of Armenia, and each is worthy of our attention, at the appropriate time.

A PERSONAL NOTE

Mr. President, I have had a deep, personal tie to Armenia. A great and good Armenian-American—Dr. Kelikian—changed my life in the months after my return from World War II.

He gave more to me than I can ever repay. I thought of him many, many times during my short stay in Armenia.

It is his spirit—a spirit of determination, of optimism, of genuine humanity—that I saw reflected everywhere I looked in Armenia. It is the spirit that sustains the people of Armenia. And the spirit that gives hope to those who visit there.

DRUG INITIATIVES

Mr. DOLE. Mr. President, it will be a week ago tonight that President Bush sounded the call to arms on America's war on drugs. In an outstanding Oval Office address, the President called for national unity and outlined a tough, no-nonsense strategy to beat the pushers and the thugs.

The American people—judging by every poll I have seen; and there have been plenty of them—are giving the President sky-high marks for his anti-drug offensive.

Unfortunately, some of his critics did not get the message; and did not quite see it as the American people did. The critics were dumping on the President's plan. They came back with a laundry list of negativism: a list of what we cannot do and why we cannot win.

Mr. President, that is not a war on drugs—that is a retreat.

Even worse, some critics were saying the President's plan was doomed because he refused to raise taxes—that Congress could not cut anything in the budget, so the American taxpayer should pay for the war on drugs with new taxes. Well, we do not need a poll on that one—that idea went over with taxpayers like a lead balloon.

Even Democratic Party Chairman Ron Brown said the tax offensive was a bomb—that it was out of step with what the American people wanted.

And late yesterday, another Democrat—the distinguished chairman of the Appropriations Committee—called for additional funding for the war on drugs—and not with more taxes.

BYRD AMENDMENT

Mr. President, I understand the distinguished chairman of the Appropriations Committee has drafted an amendment to fund the drug strategy written by the President and his Director of Drug Control, Bill Bennett. According to press reports, the amendment would go one better—adding $2.2 billion more than the President requested for his unprecedented $8 billion Federal effort to fight the scourge of drugs.

I know Senator BYRD is committed to eliminating drugs in our society. I was pleased to join him in cosponsoring both the 1986 and the 1988 drug bills, the backbone of the drug strategy. And I know the Senator wants to responsibly fund the war on drugs, and he may have the best solution on the funding side of the equation. I am not certain of the amount but perhaps it is something we can work on.

CRIME BILL

But this is also a fight against crime. Crime committed by the high rolling drug trafficking and crime committed by the street corner drug dealing thugs who terrorize our neighborhoods. It is also about the crime committed by drug users, whether it is burglary and robbery or even prostitution to pay for drugs, to child abuse or endangering the lives of others by the actions of those who are under the influence of drugs.

So the Republicans in the Senate and the President congratulate the Democrats for coming to the table with a proposal to fund the President's strategy on drugs without taxes. We are looking at it now, and it may be something we can work out.

And the Republicans will also look forward to working with the Democrats on completing the package, by including the President's crime bill on our war on drugs and crime.

The bill was sent to the Congress in June—this is now September—and yet I understand the Committee on the Judiciary has not been able to even hold a single hearing on it yet. While armed criminals are roaming the streets, randomly killing competitors, debtors and even innocent bystanders, we have sat back and watched dust collect on the President's crime bill. But now maybe we have the initiative to get it considered by the Senate.

PROVISIONS

Mr. President, there are many essential components in the crime bill that will give police, prosecutors, judges and the penal system the additional tools and resources needed to apply a choke hold on the criminals running lose—even those right outside this building.

Anyone arrested for a crime in which a firearm is used will automatically be held in pretrial detention—no more letting the armed and dangerous out on bail simply because they came up with the cash.

Those who use a semiautomatic firearm in the commission of a crime will get an extra 10 years behind bars. As I have said before, we ought to consider applying the penalty to the use of any firearm.

We have seen recent press reports of drug smugglers trying to double their ill-gotten gains by smuggling guns to South and Central America on return trips. There is also a growing concern over the smuggling of fully automatic firearms—machineguns—into the United States. These activities are made separate, new Federal crimes.

The same is true of firearm thefts. Remember, 80 percent of firearms used in crimes are not obtained through normal channels. Many are stolen, and this is made a Federal crime.

Those on probation or parole would be subjected to random drug testing. Flunk the test or be found with a firearm, and the parole or probation are automatically revoked.

There are two other extremely important provisions—creation of a good faith exception in the exclusionary rule and reform of habeas corpus procedures. The first will help bring criminals to justice by ensuring that evidence—gathered by police officers who believe they are acting in accordance with constitutional standards—will not be mindlessly rejected by the courts. The second provision will reduce the number of appeals that convicts now use to clog our court system.

Finally, the bill contains the death penalty. In the 17 years since Furman versus Georgia—the Supreme Court decision restricting the use of the death penalty—41 States have acted to permit the imposition of the death penalty for the most heinous of crimes. It is far past time that the general death penalty be resurrected at the Federal level.

I know that under a previous unanimous-consent agreement, it might be difficult to include the death penalty at this time. But we ought to consider it, and we might ask unanimous consent to consider it.

The bill contains resources, some of which is included in the drug strategy; $1 billion for prisons, $50 million for assistant U.S. attorneys, $40 million for more agents at the Bureau of Alcohol, Tobacco and Firearms and for the FBI's violent crime and major offenders program, along with $12 million to beef up the U.S. Marshal's Program.

SUMMARY

So we welcome the concern and support of all Senators in the war on drugs and crime. And we will look forward to all Senators supporting both the money and the new authority in the crime bill. It is going to be a tough battle. We need tough tools, and we need Congress to stick together with the President and for our citizens.

There will be more to say on this matter as we progress with the transportation appropriation bill, but I wanted all of our colleagues to know that we are looking for a well rounded, tough as nails program.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 10 a.m. with Senators permitted to speak therein for not to exceed 5 minutes each. Does anyone seek recognition?

The Chair, in his capacity as a Senator from the State of Ohio, suggests the absence of a quorum. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BRYAN). With objection, it is so ordered.

THE 200TH ANNIVERSARY OF THE APPOINTMENT OF HENRY KNOX TO THE NATION'S FIRST CABINET

● Mr. MITCHELL. Mr. President, in September 200 years ago, George Washington appointed the four members of our Nation's first Presidential Cabinet.

The Cabinet developed directly out of the American struggle for independence. Congress created departments of government to plan and control the war effort, to finance expenditures, and to build relations with foreign governments. After the Revolution, between 1781 and 1789, Congress attempted to maintain these efforts under the Articles of Confederation.

At the Constitutional Convention in Philadelphia in 1787, there was considerable debate as to whether such department heads could be brought into close contact with the President, instead of Congress, without making the Executive too powerful.

By his Cabinet choices, Washington demonstrated the value he placed upon expertise, personal ties, and political balance. Secretary of State Thomas Jefferson of Virginia would be returning from diplomatic duties in Paris to manage foreign affairs. Treasury Secretary Alexander Hamilton of New York had been Washington's personal secretary, and was considered to possess one of the new Nation's most formidable intellects. Attorney General Edmund Randolph of Virginia was a long-time friend who had served as attorney general and then Governor of their home State. Secretary of War Henry Knox of Massachusetts had been a trusted member of Washington's general staff. By choosing Hamilton and Jefferson, the respected leaders of political factions which were often bitterly opposed, Washington showed his commitment to the consideration of varying points of view. All four men were quickly confirmed by the Senate.

I am especially pleased to celebrate today the appointment of Henry Knox, on September 12, 1789, as Secretary of War. He made lasting contributions to his country and to my State.

A Boston bookseller who read all he could of military affairs, Knox became the Colonies' foremost authority on artillery. After serving under Washington during the American Revolution as commander of the artillery, Knox served as the Confederacy's chief military officer. In this capacity and as Secretary of War, he initiated a national militia and Navy, encouraged coastal fortification, and created an Indian policy.

Knox's wife, Lucy Flucker, was heir to much of Maine's Waldo Patent. As Knox approached retirement from his Cabinet duties he built an elegant mansion overlooking Thomaston Harbor which would become their home—Montpelier. Knox, Lucy, and their six children moved from Philadelphia to Thomaston in June 1795.

A genial and confident man of many interests, Knox made a substantial impression on the Maine countryside. Lucy's piano, imported from London, was thought to be the first in coastal Maine, and the Knox Library of 1,600 volumes was the region's largest. A vigorous entrepreneur, willing to go into debt to finance his many projects, Knox became involved in lime quarrying, brickmaking, farming, fishing, lumbering, and shipbuilding. His hope was for Maine—which was then part of Massachusetts—to become a prosperous, independent State. He hired local labor, as many as 100 men at a time, as quarrymen, shipwrights, and carpenters. He advertised for settlers on his land, and worked to improve navigation along the Georges River. He was appointed justice of the peace for Lincoln County in 1802 and worked to improve sawmills, lime kilns, and farming in the area.

Knox was known for his generosity and goodwill. Montpelier was open to any visitor, and once to the entire Tarratine Indian Tribe of Penobscot County, who came to dinner and stayed for several weeks.

Knox lived at Montpelier until his death in 1806, leaving to the people in coastal and inland towns a legacy of self-confidence and curiosity. His entrepreneurial spirit lives on, evidenced by the diversity and prosperity of small businesses on the coast of Maine today, and a Maine economy which continues to be closely tied to the sound utilization of natural resources.

Henry Knox left his mark throughout the Nation. Eight States in addition to Maine have a Knox County. Tennessee has the great city of Knoxville and Kentucky its Fort Knox. When at the height of his fame and capacity, however, Henry Knox chose Maine, and Mainers have benefited from that choice ever since.

The people of my State are proud to recognize the 200th anniversary of Gen. Henry Knox's appointment to the first Cabinet of the United States.

COMMISSIONER A. BARTLETT GIAMATTI

Mr. KERRY. Mr. President, last week the baseball world mourned the passing of Commissioner A. Bartlett Giamatti and my home State of Massachusetts lost an extraordinary native son.

Since Bart Giamatti's youth in the small western Massachusetts town of South Hadley, baseball and his life are connected. From listening to Red Sox radio broadcasts while sitting in cars being repaired at the local service station, to making what he called the once a year pilgrimage to Fenway Park to see his Red Sox in action, he was the consummate fan. And years later, as with many fathers, he too brought his children to Fenway's bleachers to watch a ballgame.

His career included a Woodrow Wilson fellowship at Yale, several professorships of English and comparative literature, serving as president of Yale from 1978–86, president of the National League of Major League Baseball, 1986–89; commissioner of baseball, 1989; and awards and honors too numerous to mention.

As Yale president he would be seen wearing an old Red Sox cap around campus, and as president of the National League, he would be tested as to where his loyalties were during the 1986 World Series between the Red Sox and the Mets. "I think I'll just sit down and be quiet," he said, when asked by Red Sox great Johnny Pesky whom he would be standing up for in the seventh-inning stretch.

Although Bart Giamatti's tenure as commissioner of baseball was very short, he was doing what he wanted to do.

He loved the game and fought to keep its integrity intact. He faced the Pete Rose case squarely, attempting to be as fair as possible.

While history will eventually look back on this man and what he meant to baseball and to the Nation, our thoughts and sympathy today are with the Giamatti family.

A. Bartlett Giamatti once wrote of baseball:

> It breaks your heart. It is designed to break your heart. The game begins in the spring when everything else begins again. And blossoms in the summer, filling the afternoons and evenings, and then as soon as the chill rains come, it stops.
>
> And leaves you to face the fall alone.

Mr. President, these words not only speak of our national pastime, they speak of life itself.

DEDICATION OF THE MONUMENT MARKING THE BIRTHPLACE OF COL. WILLIAM BARRET TRAVIS

Mr. THURMOND. Mr. President, on August 19, 1989, I had the pleasure of

participating in the unveiling of a monument in Saluda, SC, designating the birthplace of William Barret Travis, commander of the Alamo, Colonel Travis was born on August 9, 1808, in what was then known as the Old Edgefield District of our State. His distinguished career as a member of the Texas Cavalry under Gen. Sam Houston is well known, and his bravery as commander at the Alamo will be forever remembered as an integral part of our country's history.

Our Nation's greatest treasure is its rich and illustrious history. It was with great pride that I participated in this dedication ceremoney remembering William Barret Travis, and it was my pleasure to pay tribute to him on that occasion.

Mr. L. Charles Billings, historian general and president of the William Barret Travis Chapter of the Sons of the Republic of Texas, delivered an outstanding address detailing the life of Colonel Travis during the dedication ceremony. Mr. President, I ask unanimous consent that a copy of his address be included in the RECORD immediately following my remarks.

There being no objection, the addres was ordered to be printed in the RECORD, as follows:

ADDRESS GIVEN AT THE OCCASION OF THE DEDICATION OF THE MONUMENT MARKING THE BIRTHPLACE OF COL. WILLIAM BARRET TRAVIS, SALUDA, SC, AUGUST 19, 1989

This story begins near here, it has no ending, near Red Bank Church. The first of nine children born to Mark and Jermima Travis was William Barret Travis, on August 9, 1809. It was his destiny to perform valiant deeds, which would alter the course of Texas history and American history, changing the entire Western United States. Words of heroism, valor, loyalty, dedication are used to describe heros. William Barret Travis ranks at the top of all these categories. At the age of 9, his family moved to a farm near Sparta, Alabama, He continued his education and emerged as a school teacher and law student under Judge James Dellett, of the best criminal lawyers in Alabama. He was 19 years of age, one of Travis' pupils was Rosanna Cato. On October 26, 1828, the young couple were married. Two children were born to this union. Charles Edward Travis and Suan Isabella Travis. The marriage was not a happy one, it was dissolved. By May, 1931, Buck Travis was a Texas resident. A striking man, over six feet tall, red hair, blue eyes, large frame, would have less than six years to ride his destiny into immortality. He practiced law in Anahuac, a small settlement on the Gulf of Mexico, between Houston and Beaumont. It was here that he almost singlehandedly started the revolution. He quarreled with tax collectors and led several raids against Mexican units he felt were in violation of the Mexican Constitution of 1824, which briefly was "Taxation Without Representation". Gen. Sam Houston commissioned him a Major in the Texas Cavalry.

In early 1836, Houston sent Travis to the Alamo with orders to blow it up and retreat eastward. Insubordination was rampant in the Texas Army and Travis impetuous nature allowed him to overlook this order. He felt that the Alamo was too strategically located to leave, it being the only fortress between Santa Anna's charging Army and the Texas colonies. At age 27, he was leader enough to mold 188 brave soldiers, some of them headstrong and in their 40's and 50's, into a unit. In addition, he asked for their lives and they obliged. For 13 precious days, Travis held the 5000 Mexicans at bay, allowing Houston to unify Texas defenses. On the fateful 13th day, Santa Anna's troops breached the wall. The Texan troops fought valliantly, until each and every hero paid the supreme sacrifice. What kind of man was Travis? Motte Yarbrough will tell you he was one of compassion. One of his last messages read—"Take care of my little boy. If the Country be saved, I may make him a splended fortune—but if lost, and I perish, he will have nothing but the proud record that he is the son of a man who died for his Country."

Ms. Mary Parkman will tell you he was a passionate man, enjoying life to its fullest. This is clearly set out in his personal diary, which we've both read.

Rev. James Watterson will tell you he was a Christian man, worshiping in Red Bank Baptist Church. Many references to God are made in his letters and messages.

Ms. Diane Timmerman will tell you he was a brave man, much influenced by the writings of Sir Walter Scott. This letter inscribed on this monument has been called one of the most heroic documents in American History, not only Texas History.

Dr. Joe B. Frantz, Professor of History will tell you-for a brief tragic fortnite, William Barret Travis was all that is noble and exalted in mankind, and it is good fortune for the Texas tradition that he chose his fortnite of many grandeur in a Texas setting. In a world that sometimes has to fabricate its heros, the hero that is Travis is genuine. His story is magnificent and inspiring in its unvarnished details, and no embroidery of fine writing can improve upon the bare facts of. Elementary loyalty to a cause that he displayed in the siege of the Alamo.

President Andrew Jackson would tell you that without Travis, Texas could well have lost the fight for freedom. The Republic of Texas consisted of what is now Texas, plus parts of New Mexico, Oklahoma, Kansas, Colorado, and Wyoming. In 1846, The Republic of Texas merged with the U.S., adding 30% to the total land mass. This move opened the Colonization and Annexation to the U.S. of the states of Arizona, Utah, Nevada, and California. Indeed, William Barret Travis made an impact on history. Let us join Sir Walter Scott in saying to the Alamo's brave Defenders:

Soldiers may rest, thy warfare o'er,
Sleep the Sleep that knows no breaking,
Dream of battlefields no more, Days of danger, nights of waking.

TRIBUTE TO JOHN L. HIXON

Mr. THURMOND. Mr. President I rise today to pay my respects to an outstanding man and fine South Carolinian, former State representative John L. Hixon of North Augusta, SC. His contributions to our State and to his local community were great, and we will remember him with gratitude, respect, and lasting affection.

Representative Hixon was active in his community in many ways—as a businessman, civic leader and family man. Mr. Hixon was the owner and operator of Hixon Insurance Agency and Hixon Realty Co. He also served his country with courage and honor, fighting in World War II until he was wounded in Belgium. Ultimately, representative Hixon retired from the Army as captain in a parachute infantry division.

Representative Hixon represented Aiken County with distinction for two terms in the South Carolina State Legislature. He was a dedicated member of the house, and the citizens of Aiken County appreciate his able service over the years.

Community activities and leadership roles abound in the RECORD of representative Hixon's accomplishments. He was president of many fine organizations: North Augusta Lions Club, North Augusta Chamber of Commerce, North Augusta Community Chest, and South Carolina Horse Shows Association. In addition, he was commander of the American Legion Post No. 71.

Representative Hixon did not limit his personal commitment to civil duties, but took an active leadership role in the church. At the First Baptist Church of North Augusta, he served as deacon, member of the finance, personnel, and pulpit search committees, Sunday school department superintendent and teacher and outreach leader.

His fine character and many achievements were recognized in 1971 when Gov. John West named representative Hixon "Palmetto Gentleman" of South Carolina. He also received the "Citizen of the Year" award from the North Augusta Chamber of Commerce and the "Service to Mankind" award from North Augusta Sertoma Club and Sandhills District of South Carolina. Clearly, representative Hixon was held in very high esteem by his friend and colleagues.

Representative Hixon was a living example of the adage that those who receive the most out of life are those who give the most. We will miss his presence among us, but his memory will keep him alive in our hearts and our minds.

Nancy joins me in extending our deepest sympathies to his wife, Mrs. Elizabeth C. Hixon; his stepfather, Audry T. Hydrick; and his two sons, Douglas R. Hixon and William M. Hixon.

I ask unanimous consent that the following articles regarding representative Hixon be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Aiken (SC) Standard, Sept. 3, 1989]

JOHN L. HIXON

John L. Hixon served two terms representing Aiken County in the South Carolina House of Representatives in the 1950s, and

then largely withdrew from political life. But he remained active in community life in North Augusta, contributing immeasurably to a variety of good causes.

He was a native of the Johnstown community in the Horse Creek Valley.

Mr. Hixon was a hero of World War II. He served as a captain in the Army paratroops and was wounded in the Battle of the Bulge.

For five years after the war he was employed as a department manager for a department store in Augusta. He then entered the insurance and real estate fields in North Augusta and established Hixon Insurance Agency and Hixon Realty Co.

He was first elected to the House in 1953 to fill the unexpired term of W. Cecil Kenney of Graniteville, who had died in office. He was reelected in 1955 to a full two-year term. He gave up his House seat to make an unsuccessful run for the Senate.

Mr. Hixon thereafter served his hometown and his county in many capacities.

He was a deacon and Sunday school teacher and department head at North Augusta's First Baptist Church, where he held many key committee assignments.

An active Lion and onetime Lions Club president, he served for 11 years as chairman of the Lions Community Benefit Horse Show, which raised more than $143,000 for worthwhile causes. He also served as president of the North Augusta Chamber of Commerce, the North Augusta Community Chest and the South Carolina Horse Shows Association.

He was commander of American Legion Post 71 and served on the board of directors of the Belvedere Board of Realtors, the Salvation Army, the Aiken County Hospital and the North Augusta Medical Center. He was on the advisory committee of the South Carolina National Bank. Mr. Hixon also served on the North Augusta Stadium Committee and was active in the campaign to buy new uniforms and a bus for the North Augusta High School band.

In 1971, Mr. Hixon was named by Gov. John West as a Palmetto Gentleman. He also received the Citizen of the Year Award of the North Augusta Chamber of Commerce and the SERTOMA Club Service to Mankind Award.

Former Sen. Edward C. Cushman Jr., who served in the House with Mr. Hixon, said he was "conscientious, a square shooter and devoted to the public good. He was faithful in representing his constituency."

Mr. Hixon became ill with cancer about two years ago and died last Sunday after a valiant fight with that disease.

He leaves behind a devoted family, to whom we extend our sincerest sympathies.

JOHN L. HIXON, 69, FORMER SOUTH CAROLINA LEGISLATOR

John Luther Hixon, former state representative, of 750 Murrah Road, North Augusta, died Sunday, Aug. 27, 1989, at University Hospital. He was 69.

The funeral will be at 4 p.m. Tuesday at First Baptist Church, North Augusta, with Dr. Gary C. Redding and the Rev. Craig Baynham officiating. Burial will be in Pineview Memorial Gardens, North Augusta.

Mr. Hixon, a native of Johnstown, S.C., was owner and operator of Hixon Insurance Agency and Hixon Realty Co. He served in the Army, where he was wounded in Belgium in the Battle of the Bulge. He retired from the Army as captain of a Parachute Infantry Division. He was employed as a department manager for Davison's from 1947 to 1952. He was a member of First Baptist Church, North Augusta, where he served as a deacon, member of the Finance Committee, member of the Personnel Committee and Pulpit Search Committee, Sunday School Department Superintendent and teacher and Outreach Leader.

Mr. Hixon served two terms as an Aiken County representative in the South Carolina House of Representatives. He was president of the North Augusta Lions Club, North Augusta Chamber of Commerce, North Augusta Community Chest and South Carolina Horse Shows Association. He was commander of American Legion Post No. 71 and was on the boards of directors of North Augusta Belvedere Board of Realtors, Salvation Army, Aiken County Hospital and North Augusta Area Medical Center. He was on the Advisory Board of South Carolina National Bank and was chairman of the North Augusta Lions Club Community Benefit Horse Show for 11 years, where over $143,960 was raised for community benefits. He served on the North Augusta Stadium Committee and was a Chairman of Auction, where he helped to raise money to buy new uniforms for the North Augusta Senior High School Band and Van Fund.

Mr. Hixon was named "Palmetto Gentleman" of South Carolina by Governor John West on May 25, 1971. He was recipient of the Citizen of the Year Award from North Augusta Chamber of Commerce and the Service to Mankind Award from North Augusta Sertoma Club and Sandhills District of South Carolina.

Survivors include his wife, Elizabeth C. Hixon; his stepfather, Audry T. Hydrick, Augusta; two sons, Douglas R. Hixon, Columbia, and William M. Hixon, North Augusta; and a grandson.

Pallbearers will be Randy Cooper, Craig Lamar, Michael Mathis, David Mathis, Dan Rushion, Mark Baynham, Johnny Shaw and Rod Greenway.

Honorary pallbearers will be members of Wheeler Thompson Sunday School Class, North Augusta Lions Club, American Legion Post No. 71, Acacia Lodge and Belvedere Board of Realtors.

Memorials may be made to the John L. Hixon Scholarship Fund, in care of North Augusta Lions Club.

The family will receive friends from 7 to 9 p.m. today at Posey's Funeral Home, North Augusta.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise simply to inform my colleagues that today marks the 1,641st day that Terry Anderson has been held in captivity in Beirut.

MAYOR JOHN V. LINDSAY—ARDENT SUPPORTER OF THE ARTS

Mr. MOYNIHAN. Mr. President, I rise to bring to my colleagues' attention the thoughts of my dear friend and fellow New Yorker, Mayor John V. Lindsay. Throughout his distinguished career—as a Member of Congress, the major of New York City, and the chairman of the board of the Lincoln Center Theater—Mayor Lindsay has been an ardent supporter of the arts.

Concerned by the Interior appropriations bill passed by the Senate, Mayor Lindsay wrote to the New York Times. As most are by now aware, the Senate bill bans Federal funding of art deemed obscene or indecent. Of additional concern is a ban which prevents two institutions, the Southeastern Center for Contemporary Art in North Carolina and the Institute for Contemporary Art in Pennsylvania, from receiving NEA funding for the next 5 years.

In his letter, Mayor Lindsay reminds us that we are a nation that has thrived on diversity and free expression. He believes that in a free society, "freedom must be protected even if it confounds, nettles or offends." The values of diversity and freedom guided Congress near a quarter century ago when it established the endowment. I would hope that the 101st Congress of the United States does not embrace these values any less now than it did then.

I urge the conferees for the Interior appropriations bill to give great thought to Mayor Lindsay's words and I ask unanimous consent that a copy of his letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Aug. 11, 1989]

THREAT TO ARTS IS A THREAT TO ALL OUR FREEDOMS

To the Editor:

As a member of Congress from 1959 to 1966, as co-sponsor of the bill that led to the creation of the National Endowment for the Arts and the Natiional Endowment for the Humanities and after 25 notable years in which Congress has not meddled with the grant process, I am appalled that Senator Jesse Helms dares to strike out at an artist's vision with which he disagrees. And the Senate, with all its right thinking, honorable representatives of all the people, sniffs the political wind and joins to be among the first to throw a stone, with the sole exception of Senator Daniel Patrick Moynihan, who bravely dissented ("Senate Votes to Bar U.S. Support of 'Obscene or Indecent' Artwork," front page, July 27).

If the Helms amendment were to become law, Lincoln Center Theater would be hard put to undertake such plays of past seasons as "The House of Blue Leaves," "Measure for Measure," "Road," "Sarafina!" or "Ubu," formerly produced with intrepidity and nary a thought of who might or might not be offended. With support from the National Endowment for the Arts as threat, the very discussions that might take place considering "safe" repertory are anathema.

The role of the arts in a free society is to probe and push, to think and say the unthinkable and the unsayable, and that freedom must be protected even if it confounds, nettles or offends.

President Bush's candidate for chairman of the endowment should vigorously protest by speaking out now and recommending a veto, if this amendment is passed, to force the President to take a public position on this matter. Whie a cut in endowment funds may not be so lethal as the Ayatollah Ruhollah Khomeini's bounty on the head of

Salman Rushdie, nor as repressive as the clamping down and executions ordered by the Government of China, it stems from the same roots; its fruits are ultimately as poisonous.

Throughout the history of humankind's attempts at government, the lesson is clear and absolute—freedom is lost in the beginning, not at the end. Now is the time to stand up and shout at our Congressional representatives. Now is the time to stop chipping away at the fundamental character that delineates the American way.

JOHN V. LINDSAY.

NEW YORK, *August 1, 1989.*

TIANANMEN: A DAY FOR REMEMBERING

Mr. PRESSLER. On the night of June 3, as a worldwide audience watched with increasing horror, the Chinese People's Liberation Army obeyed its orders and crushed the democracy movement in Beijing. We will never know how many died from the violence that night, either on the spot or from inadequate medical care. We do know that the relationship between the Chinese Government, the Chinese Army, and the Chinese people changed forever.

Mr. President, in Chinese society it is traditional for the dead to be mourned for 100 days. The 100th day is set aside as a special day for remembering.

And so today we remember those young men and women, children almost, who knew they were risking their lives for their country. They sought nothing for themselves, no loot, no conquest, just the right to be free. Their dream was simple: A China free from violence, free from repression, free from want, free from corruption.

Mr. President, I believe the spirit of the Chinese people in that place and at that time was captured by the man who stood in front of the tanks. The tanks moved to the right and he moved to the right. The tanks moved left; he moved left. One young man, through the force of an idea—liberty—for a time brought a complete tank column to a halt.

In the history of human civilization on this Earth, there always seems to be a price to be paid for liberty. I wish it were not so, but that seems to be the case. The founders and defenders of this Nation paid the price and the young Chinese have now paid the price.

We know that in time the cause of liberty and justice will triumph in China. The people of China will overcome the machine guns, the tanks, the secret police, and all other forms and symbols of repression and tyranny. Until then it will be a struggle to which we must give our moral support.

Mr. President, let us remember those who made the final sacrifice in the square 100 days ago and give thanks that the Chinese people can produce persons with such love of country.

ON NEED FOR MORE APPROPRIATE RESPONSE TO POLAND'S DEMOCRATIC REVOLUTION

Mr. KENNEDY. Mr. President, September 12 will go down in history as the beginning of a new era in Eastern Europe and the Communist world. Earlier today, the Polish Parliament voted to establish a non-Communist government controlled by a Prime Minister from Solidarity—Tadeusz Mazowiecki, by an overwhelming vote of 403 to 0. Eleven Cabinet seats are now held by Solidarity and only four by the Communists. The reign of Communist domination of Eastern Europe has been broken.

Today's vote symbolizes the triumph of four decades of the struggle for liberty by the courageous people of Poland. The sheer determination of the Polish people to be free has defeated the repressive regime imposed by Soviet tanks and troops. For 40 years, they have refused to bend under the tyrant's heavy hand. They refused to be silenced by the censor's intrusive pen. They refused to submit to the injustice of the totalitarian system imposed on them against their will. Now, at last, the fruits of their labor have blossomed with the birth of the first government in the Communist bloc to be controlled by the people themselves.

Yet, difficult times lie ahead for the people of Poland. Having reached a political solution to the people's demand for freedom, the new Solidarity Government faces an equally daunting task—the economic revival of an economy wracked by decades of war, occupation, inefficiency, stagnation, and corruption. The hard facts of inflation, food shortages, wage pressures, and an oppressive foreign debt threaten to undermine their historic political achievement. They need and deserve our help. The United States and the democratic nations of the world have an obligation to help Poland meet its overwhelming economic needs.

So far, the administration has failed to respond adequately to the dramatic changes that have taken place. Last July, President Bush traveled to Eastern Europe and proposed a modest package of assistance to Poland. I support the President's initiatives—and perhaps it was appropriate for that time. But the impressive advances of the past 2 months—particularly the establishment of a Solidarity-controlled government—demand a much stronger U.S. response.

Today's dramatic election calls for a united, bipartisan, substantial program of aid to Poland. I hope that the administration will work with Congress to fashion a comprehensive bill that meets the need. Lech Walesa will be visiting the United States in November. By beginning to work together now, we can ensure that he does not return home emptyhanded.

We must also work with other nations in a coordinated effort to provide increased assistance. If the West does its part, the Polish people will do the rest.

Last summer, Lech Walesa asked for a $10-billion multilateral package involving $2.7 billion from the International Monetary Fund, $3 billion from the World Bank, and $4.3 billion in new bilateral credits. Strong, consistent U.S. leadership in the world community, particularly in the international financial institutions, could make that goal a reality.

When Cory Aquino visited the United States after her famous peaceful revolution in the Philippines in 1986, the United States promised her nation an additional $200 million in assistance. Later, we led the effort to develop a multilateral assistance initiative of $10 billion for the Philippines over 5 years. That goal is becoming a reality because of America's strong leadership.

The United States should do no less for Poland. America has a strong tradition—beginning with the Marshall Plan—of guiding international efforts to support or rebuild democratic nations. Now we must do the same for Poland.

Mr. President, I ask unanimous consent that Lech Walesa's proposal for assistance and an article from today's New York Times regarding similar assistance to Poland by Harvard economist Jeffrey Sachs be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Solidarity Paper, July 14, 1989]

INTERNATIONAL ASSISTANCE PROGRAM FOR POLAND

A. PURPOSE

Poland is pioneering the transformation of totalitarian communism into democracy. We are also initiating the transformation of a centrally planned economy into a market economy. The systemic changes taking place in Poland are bringing our country closer to the West, are lessening divisions in Europe and are enhancing international security. They may also serve as a source of encouragement and experience for the other so-called socialist bloc countries.

We are convinced that the most important means for improving the living standard of the working people of Poland lies in linking economic reform within the country with Poland's greater participation in the world economy. This issue has been of central importance for the Union since it first demanded economic reforms in Poland in August of 1980, demands that culminated in the Round Table Agreement of 1989.

A program of economic assistance coupled with domestic economic reforms could restore economic growth in Poland and enable it to become a major trading partner. The

economic reconstruction of Poland also lies in the interests of its creditors and is furthermore indispensable if the country is to pay its debt.

The current political and economic situation motivates us to appeal to Western governments and institutions for an International Assistance Program for Poland.

B. FORMS OF ASSISTANCE

Poland should be included in the group of "heavily indebted countries" (according to the International Monetary Fund and World Bank definition) and should participate in the Brady Plan.

1. International Monetary Fund

A three-year Extended Arrangement to support economic stabilization, exchange rate unification, commercial bank debt reduction, privatization of industry, and restoration of balance of payments viability.

Drawings of 600 million SDRs per year (90 percent of quota), and additional drawings of 40 percent of quota to support debt reduction operations under the Brady Plan.

The total for 3 years would be approximately 2.1 billion SDR, that is $2.7 billion at the current SDR/$ exchange rate.

2. World Bank

A three-year program of:

(a) structural adjustment loans (SALs), aiming at the marketization and modernization of, for example:

Polish exports,

the banking system: allowing the operation of private domestic and foreign banks which would be able, on a commercial basis, to take deposits and make loans in both zlotys and convertible currencies,

reduction of the energy intensity of the economy,

(b) sectoral adjustment loans (SECALs), for example for:

the agricultural and food processing sector,

the telecommunications infrastructure,

(c) the alleviation of possible unemployment by means of retraining programs for workers,

(d) International Finance Corporation (IFC) loans covering:

private sector loans,

cooperative sector loans,

capital shares of the IFC in joint ventures of Polish state enterprises with foreign parties.

Total borrowing would be approximately $3 billion over a period of 3 years.

A Mulitilateral Investment Guarantee Agency (MIGA) program of non-commercial risk insurance for foreign direct investors.

3. Paris Club

A three-year rescheduling of official debt, co-terminous with the IMF's Extended Arrangement, consisting in 100 percent rescheduling of:

(a) all principal and interest falling due on pre-cuffoff date debt,

(b) all principal and interest falling due on previously rescheduled debt,

(c) all arrears on pre-cutoff date debt and previously rescheduled debt.

Commitment of individual Paris Club creditors to establish and maintain export credit cover.

Establishment of a program to recycle interest and principal payments into local zloty expenditures for social investment via independent foundations for health, water supply, agriculture, education, environmental protection, and others. These expenditures should be compensated by cuts in other government expenditures so as not to increase inflationary pressure.

4. Commercial banks

Under the Brady Plan, reduction of the value of the Polish debt with the help of secondary market and debt for equity swaps and debt for nature swaps.

During the period of negotiations over Brady Plan debt reduction, interim financing will be needed from the banks. During the next 12 months, interim financing should cover interest falling due of approximately $860 million.

Poland will also require the maintenance of the existing $1 billion revolving trade credit facility with the banks.

5. Bilateral lending and grants programs

This Assistance Program is also expected to include a number of bilateral arrangements:

(a) interim grants of surplus supplies of food commodities from the European Community (e.g., meat, butter, grains, etc.) so as to facilitate marketization of the agricultural sector in Poland,

(b) new government and government-guaranteed credits,

(c) co-financing and parallel financing from G–7 countries in conjunction with the IMF Extended Arrangement and with the World Bank lending program,

(d) financial sustainment of, for example:

the Water Foundation for private agriculture,

private vocational schools for the agricultural sector,

state-run hospitals returned to the Church,

other independent foundations.

Total bilateral lending and grants would be $4.3 billion over the next three years that will complement the lending of the international financial institutions.

6. Other forms of assistance

(a) Assistance from the European Community:

access to the Generalized System of Preferences (GSP),

sectoral preferences,

spcialized educational and managerial training programs,

on the job training in Community firms for Polish entrepreneurs, managers, and engineers,

employment permits for Polish enterprises to hire Polish workers when operating in the Community.

(b) Liberalization of access to Western markets.

(c) Restoration of normal credit access for Polish enterprises involved in exports and imports.

(d) The Overseas Private Investment Corporation (OPIC) to operate in Poland.

7. Summary

NSZZ Solidarnosc expects from the West an assistance package consisting of the following:

(a) $2.7 billion from the International Monetary Fund,

(b) $3 billion from the World Bank,

(c) $4.3 billion of new bilateral credits, for a *total of $10 billion.*

C. CONDITIONS FOR ASSISTANCE

This assistance should be extended in such a manner so as to halt the deterioration of the Polish economy, and so as to promote the revitalization and marketization of the economy and its integration into the world economy. To ensure that the assistance is not squandered again, it is imperative that it be disbursed to those persons and institutions that belong to the genuinely enterpreneurial sector of the economy and that represent the society. This signifies the necessity of fundamental reforms of the system and changes in government policy.

1. Financial assistance should, to the widest extend possible, take the form of aid (e.g., investments, credits, subsidies) to private enterprises, to independent economic organizations, foundations, and associations, as well as to non-private enterprises on the condition that they are removed from under the control of the political administration. The transfer of this aid should be either direct or via the reformed banking system (see point B.2.a above).

2. In order that state enterprises be able to meet the above condition, a "National Wealth Board" subordinated to the Parliament must be established (separate from the National Treasury, which encompasses the property of the administration, public education and health services, the armed forces, the police, etc.). This institution should be authorized to:

(a) change the ownership of economic units (e.g., privatization, transferal to worker self-management councils or creditors),

(b) dispose of their profits (with the exception of legislated national and local taxes), and thus to subsidize enterprises if need be,

(c) control foreign assistance not earmarked for specific persons or institutions.

Moreover, so-called "transformation of state property" being currently carried out by the government without parliamentary control must be discontinued.

3. The government together with its administration must be prohibited from: distributing production and consumer goods (with possible exceptions provided by extraordinary and short term legislation); collecting profits from private and public enterprises (with the exception of taxes imposed by law); and from subsidizing enterprises. Consequently, numerous regulations have to be annulled, in particular "The law regarding some conditions for the consolidation of the national economy", which grants the government almost unlimited power.

4. The prohibition and discontinuation of automatic and free of charge payments to the state budget from financial institutions. (the National Bank of Poland, the State Savings Bank, and the PeKaO Bank). The parliament must have control over the money supply and credit policy.

5. The creation of a securities stock exchange and a achieving full convertibility of the zloty.

6. The dismantlement of monopolies in the economy, introduction of stricter antimonopoly laws, and formation of an antimonopoly agency independent of the government.

7. Negotiation of the suspension of all debt payments to the Soviet Union until the end of 1994.

We consider that it could be beneficial to link subsequent assistance with the fullfilment of specific combinations of the above conditions. In addition, we want to emphasize that if unemployment occurs during the implementation of the anti-inflation program, it will be necessary to introduce measures envisaged in the Round Table Agreement, particularly the retraining programs for workers funded as specified in point B.2.c above.

JACEK MERKEL,
LECH WALESA,

(For the Presidium of the National Executive Commission (KKW) of NSZZ Solidarnosc).

GDANSK, *July 7, 1989.*

[From the New York Times, Sept. 12, 1989]

HELPING POLAND HELP ITSELF

(By Jeffrey D. Sachs)

CAMBRIDGE, MA.—After 44 years of Communist rule in Poland, Solidarity leader Tadeusz Mazowiecki forms a new Government today committed to re-establishing a parliamentary democracy and a Western-style market economy. As throughout their history, the Poles are taking up the banner of Western ideals not only for their own sake but for ours.

The success of the new Government will greatly strengthen the prospects for peaceful reform in the Soviet Union and the rest of Eastern Europe, and thereby immeasurably contribute to Western security.

Poland's efforts require our immediate financial support and not just our applause. Mr. Mazowiecki's Government inherits a state of total financial collapse left behind by Communist planners. The resulting instability poses grave risks for the new Government. The West, by providing emergency loans and debt relief, can help Poland through the transition to a market economy.

After that transition, Poland will grow dramatically in the nutritive soil of a market-based economy and need not become a permanent economic ward of the West. In the end, timely assistance will pay for itself many times over by allowing sharp cuts in the hundreds of billions of dollars that we and our allies now pay for the defense of Western Europe.

Poland's financial collapse is staggering. Hyperinflation has broken out, as the outgoing Government resorted to printing worthless currency to pay its bills. The prices of basic commodities have been rising by more than 50 percent per month, and in some cases by several hundred percent. Tax collections have broken down as a result of surging inflation, and heavy interest payments on the foreign debt owed to banks are also swelling the budget deficit.

The steps needed to end hyperinflation are risky and could create serious social conflict. The main step is to close the deficit, in large measure by cutting susidies and, in part, through debt reduction. But the cut in subsidies will itself produce a round of large price increases. This "corrective inflation" is familiar to economists but not to families suffering from the inflation.

If workers successfully press for higher wages to compensate for the end of the subsidies, the deficit will not fall. And if the Government has to resist powerful pressures for wage increases, the result could be a wave of strikes, civil unrest and violence.

History in many countries has shown that a stabilization loan from abroad, in conjunction with an anti-inflation program, can significantly raise the chances for stability. The U.S. made such a loan to Israel in 1985 with great success. The loan makes possible immediate stabilization of the currency, and thereby stops the rise in import prices. This gives workers confidence that the Government's anti-inflation program will be successful, encouraging wage restraint.

The West should offer a loan to Poland within the next few weeks, to coincide with the launching of Poland's stabilization program. The new Government has not yet formulated a specific aid request but its needs are discernible. The central banks of the industrial countries should lend Poland about $1 billion to support the Polish currency; the International Monetary Fund should grant a one-year loan of about $700 million, tied to its usual budget-cutting conditions; the World Bank should lend about $500 million to ease the relocation of workers from state firms to the private sector.

Later on, Poland will need further help, mainly a sharp cut in the $39 billion foreign debt that hangs heavily over its future and further lending by the I.M.F., World Bank and the Western Governments.

Over several years, U.S. financial support—loans and debt relief—might reach about $3 billion, money that can be recouped many times over in defense savings. Our allies would help with perhaps three times that amount, so that the U.S. would not carry the brunt of the burden.

But by far the biggest source of help for Poland will come from Poland itself, in the form economic reforms that will create a highly productive market economy in the center of Europe.

TIANANMEN: 100 DAYS LATER

Mr. HELMS. Mr. President, it is traditional in Chinese society to have 100 days of mourning after the passing of a loved one. On the 100th day the mourners gather to remember and consider the life of the departed.

One hundred days ago this evening the killing began in Tiananmen Square in Beijing. From all four points of the compass the tanks converged on the square. Machinegun bullets with explosive rounds raked the crowd of unarmed demonstrators. Soldiers with flamethrowers burned the bodies of the dead and dying. Finally, according to the International League for Human Rights, the remains were crushed under the tank treads producing a human "paste."

Mr. President, we will never know how many died that evening in and around the square. The Communist Chinese Army closed off the square and removed the evidence with helicopters. Due to primitive medical facilities, many more undoubtedly died a long lingering death days or weeks later. Reliable estimates of deaths arising from the massacre are in the thousands if not tens of thousands.

The massacre at Tiananmen was not an isolated instance. Every day brings new examples indicating that repression and terror are being applied in a systematic way extending from Beijing out into the provinces. Last week the Culture Minister was replaced with a propaganda official who first rose to prominence during the Cultural Revolution. There are reliable reports that student leader Wang Dan is undergoing severe torture at the hands of the Communist secret police and he is not the only one. The arrests continue.

The effects of Tiananmen echo throughout the region, particularly in Hong Kong. If anyone in Hong Kong had any illusions about what is really going to happen after the Communist takeover in July 1997, they are shattered now. The free world is faced between now and 1997 with the biggest involuntary handover of population since the sellout of eastern Europe at Yalta.

Mr. President, never before have there been so many eyewitnesses to crime. Hundreds of millions of people around the world saw the Communist rulers of China turn their army's guns on peaceful demonstrators. The systematic repression reinforced since June 3 and 4 has not been hidden; it has been announced with pride in Chinese Communist newspapers.

Yet, according to the Los Angeles Times, some in the administration believe that "American television gave a selective, unrepresentative portrait of events in China."

Those are the same policymakers who want to reward the Red Chinese leadership with $780 million in World Bank loans in order to cover up the chaos Marxist economics brings. Some ought to inform them that the $780 million is not free money: It comes from the taxpayers of the free world. I doubt if French or English taxpayers want to shore up communism in China any more than American taxpayers.

Mr. President, the 100th day is a day for remembering. Let us remember those who died in the cause of freedom 100 days ago and those who suffer today.

Their cause is just. Their cause will triumph. We will not forget.

I ask unanimous consent that an article from the Los Angeles Times of September 4, 1989, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, Sept. 4, 1989]

U.S. EASING SANCTIONS ON CHINA—3 MONTHS AFTER MASSACRE, IMPACT OF CURBS LESSENS

(By Jim Mann)

WASHINGTON.—Three months after the massacre of protesters in Beijing, the Bush Administration is gradually finding ways to ease or limit the impact of the moderate sanctions it has imposed on China.

Since June, the coordinated efforts by the United States, its European allies and Japan have succeeded in isolating China to a degree that its leaders could not have imagined before they ordered the June 3-4 assault on Tiananmen Square by the People's Liberation Army.

Where once the heads of state of the world streamed to Beijing, these days even a visit by the president of the African nation of Burkina Faso is a rare and noteworthy event. U.S. officials now estimate that a decline in tourism will cost China about $1 billion in foreign exchange this year and that China will lose another $1 billion to $2 billion in foreign investment.

WORLD WILL COME AROUND

Analysts here say that the Chinese leadership has decided to wait things out on the assumption that the international pressure eventually will slacken. "China's overall reaction has been to take the position that

the world will come around," said Harry Harding, a China scholar at the Brookings Institution.

There are indications that the strategy is succeeding. The Bush Administration has already taken small steps to restore some ties with the Chinese leadership, and several more such changes may be coming in the next few weeks.

Although the United States and its allies forced the World Bank to suspend $780 million in loans to China last June, bank officials say privately that they believe the Bush Administration and the Europeans and Japanese will give the green light within the next month to proceed with some of these loans.

President Bush ruled out any exchanges between U.S. officials and the Chinese government at the level of assistant secretary or higher. But in August, Secretary of State James A. Baker III met with Chinese Foreign Minister Qian Qichen in Paris, and sources say that the two men may talk again at the United Nations this month.

MET BUSH, QUAYLE, BAKER

Chinese Ambassador to the United States Han Xu had official meetings with Bush, Vice President Dan Quayle, Baker and National Security Adviser Brent Scowcroft last month before ending his assignment in Washington.

Although the Bush Administration originally suspended all sales to China of goods or technology with military applications, the Administration has since begun to grant waivers clearing the way for a number of important items such as commercial planes and satellites.

The U.S. ban on military sales "hasn't done a thing really," observed one Asian diplomat who keeps track of U.S. arms sales to China. "Virtually all of the military equipment they [U.S. officials] wanted to sell had either already gone or won't be ready for several years. And they will grant special exceptions for the rest."

SOUGHT TO LIMIT CHANGE

The Bush Administration designed its response to the Tiananmen Square massacre to limit the extent of change in U.S. policy toward China. Indeed, in private, Administration officials express much less concern over the violence and political repression in China than over the reaction to those events by Congress and the American public.

One Administration official said recently that the "prevailing view" in the Bush White House is that American television gave a selective, unrepresentative portrait of events in China and that the significance of those events is being exaggerated. Such claims parallel closely the arguments made by the Chinese leadership itself since the massacre.

"Many, many more people were killed during the Cultural Revolution, at the time when President [Richard M.] Nixon went to China," this U.S. official said.

Underlying the Bush Administration's China policy is the belief that the army's assault on Beijing represents a short-term aberration for China and that Chinese leaders such as President Yang Shangkun and Premier Li Peng will not be able to consolidate their control over the nation.

FACTIONAL STRUGGLES POSSIBLE

"We don't expect the current crowd to last more than two years," said one senior U.S. policy-maker. Some of the leaders eventually could be replaced peacefully, he said, or there could be factional struggles within the top leadership in which one side or another resorts to force.

Because the Administration is hoping for changes for the better in the Chinese leadership, it has been trying to avoid any action against China that cannot be quickly undone. After the massacre last June, the Administration was careful to say that it was "suspending"—rather than permanently severing—military sales and high-level political contacts with China.

Congress will act in the next few weeks on legislation that would write the Bush Administration's China sanctions, and possibly some additional measures, into law. A House-Senate conference committee will try to reconcile differences between bills passed separately by the two chambers.

The Bush Administration probably will go along with this legislation as long as it contains a broad waiver allowing the President to lift sanctions against China whenever he thinks it would be in the "national interest" to do so.

ASSUMPTIONS MAY PROVE FALSE

But there are some indications that the assumptions on which Bush's China policy is based—that the Chinese leadership will soon take a torn for the better—may be false. One Bush Administration official acknowledged that he is worried about what would happen if leaders such as Yang and Li consolidate their power and if there are further crackdowns and repression in China.

China recently recalled most of its ambassadors from around the world to Beijing for top-level meetings with leaders such as new communist Party General Secretary Jiang Zemin. Shortly afterward, the official party-controlled Chinese press began to carry hints of a harder-line approach to foreign policy.

Some Chinese officials and newspapers began to resurrect the use of the term "imperialism" in talking about the West. They also emphasized old themes such as the fundamental "struggle" between socialism and capitalism.

"We should never turn a blind eye to the anti-communist and anti-socialist tide in the Western world, which has always existed and has risen daily in recent years," said the official Chinese magazine Liaowang on July 31.

A FOND DREAM

". . . The international bourgeoisie has never given up its attempt to eliminate socialism. . . . The socialist system is superior to the capitalist system. It is but a fond dream to predict that communism will thoroughly collapse in the end."

Despite the Bush Administration's effort to minimize the changes in U.S. policy toward China, U.S. officials acknowledge that the massacre at Tiananmen has had some lasting effects on ties between the two countries.

Over the last few years, senior U.S. military officials had carried out a series of visits and exchanges with top-level leaders of the Chinese People's Liberation Army. In the wake of the army's assault upon Tiananmen Square, these exchanges were suspended. Although some Pentagon officials are known to be eager to restore contacts with the army, Administration officials say this is unlikely to happen any time soon.

"I don't want to sound apocalyptic, but you have to assume that the military relationship with the People's Republic of China, for the foreseeable future, is defunct," said one Administration official.

More generally, another U.S. official observed, the events in China last June and afterward have so seriously damaged China's credibility that they have made it all but impossible for the Bush Administration to push any initiatives in Congress regarding China.

At various times in the last few years, members of Congress have expressed concern about China's sales of arms and missiles in the Middle east, its help for Pakistan's nuclear-weapons program, its policies toward Hong Kong and Taiwan and its strict enforcement of population control. Each time, U.S. officials have relied on the verbal assurances of Chinese leaders that the regime in Beijing had decent intentions and was not engaging in irresponsible behavior.

Now, this U.S. official observed, the political dynamics have changed. Relying on the words of Chinese officials will probably not work any more.

Each time the Bush Administration has moved to ease the impact of last June's sanctions against China, U.S. officials have explained that their original actions were being interpreted more broadly than was originally intended.

CAREFULLY WORDED SANCTIONS

For example, after Baker met the Chinese foreign minister and he and other top Administration officials saw the outgoing Chinese ambassador, U.S. officials said that the sanctions announced last June had been carefully worded to cover only formal "exchanges" in which a leader of one nation visited another.

The Bush policy was not meant to ban all high-level contacts or meetings between the two nations, U.S. officials said then—although that was the way the policy was interpreted last June, and Bush Administration officials did little to dispel that impression at the time.

"Clearly, the sanctions against China were announced in very broad, general terms," observed Harding of the Brookings Institution. "And the Bush Administration has chosen to interpret them loosely, rather than strictly."

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1990

The PRESIDING OFFICER. Under the previous order, the hour of 10 a.m. having arrived, the Senate will now proceed to the consideration of H.R. 3015, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3015) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1990, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations with amendments as follows:

(The parts of the bill intended to be stricken are shown in boldface brack-

ets, and the parts of the bill intended to be inserted are shown in italic.)

H.R. 3015

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Transportation and related agencies for the fiscal year ending September 30, 1990, and for other purposes, namely:

TITLE I—DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

[IMMEDIATE OFFICE OF THE SECRETARY

[For necessary expenses of the Immediate Office of the Secretary, $1,090,000.

[IMMEDIATE OFFICE OF THE DEPUTY SECRETARY

[For necessary expenses of the Immediate Office of the Deputy Secretary, $470,000.

[OFFICE OF THE GENERAL COUNSEL

[For necessary expenses of the Office of the General Counsel, $6,250,000.

[OFFICE OF THE ASSISTANT SECRETARY FOR POLICY AND INTERNATIONAL AFFAIRS

[For necessary expenses of the Office of the Assistant Secretary for Policy and International Affairs, $8,595,000.

[OFFICE OF THE ASSISTANT SECRETARY FOR BUDGET AND PROGRAMS

[For necessary expenses of the Office of the Assistant Secretary for Budget and Programs, $2,290,000, including not to exceed $35,000 for allocation within the Department of official reception and representation expenses as the Secretary may determine.

[OFFICE OF THE ASSISTANT SECRETARY FOR GOVERNMENTAL AFFAIRS

[For necessary expenses of the Office of the Assistant Secretary for Governmental Affairs, $2,300,000.

[OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

[For necessary expenses of the Office of the Assistant Secretary for Administration, $24,700,000.

[OFFICE OF THE ASSISTANT SECRETARY FOR PUBLIC AFFAIRS

[For necessary expenses of the Office of the Assistant Secretary for Public Affairs, $1,290,000.

[EXECUTIVE SECRETARIAT

[For necessary expenses of the Executive Secretariat, $835,000.

[CONTRACT APPEALS BOARD

[For necessary expenses of the Contract Appeals Board, $450,000.

[OFFICE OF CIVIL RIGHTS

[For necessary expenses of the Office of Civil Rights, $1,315,000.

[OFFICE OF COMMERCIAL SPACE TRANSPORTATION

[For necessary expenses of the Office of Commercial Space Transportation, $645,000.

[OFFICE OF ESSENTIAL AIR SERVICE

[For necessary expenses of the Office of Essential Air Service, $1,127,000.

[OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION

[For necessary expenses of the Office of Small and Disadvantaged Business Utilization, $3,500,000, of which $2,600,000 shall remain available until expended and shall be available for the purposes of the Minority Business Resource Center as authorized by 49 U.S.C. 332: *Provided,* That, notwithstanding any other provision of law, funds available for the purposes of the Minority Business Resource Center in this or any other Act may be used for business opportunities related to any mode of transportation.]

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of Transportation, $56,470,000, including not to exceed $45,000 for allocation within the Department for official reception and representation expenses as the Secretary may determine.

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

For necessary expenses for conducting transportation planning, research, and development activities, including the collection of national transportation statistics, and university research and internships, to remain available until expended, [$6,200,000] *$8,000,000.*

WORKING CAPITAL FUND

Necessary expenses for operating costs and capital outlays of the Department of Transportation Working Capital Fund not to exceed [$131,000,000] *$144,400,000* shall be paid, in accordance with law, from appropriations made available by this Act and prior appropriations Acts to the Department of Transportation, together with advances and reimbursements received by the Department of Transportation; and including, for necessary expenses associated with the development of the Departmental Accounting and Financial Information System, $4,500,000, to remain available until expended.

PAYMENTS TO AIR CARRIERS

For payments to air carriers of so much of the compensation fixed and determined under section 419 of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1389), as is payable by the Department of Transportation, [$12,400,000] *$35,530,000,* to remain available until expended.

COMMISSION ON AVIATION SECURITY AND TERRORISM

For necessary expenses for the operation and expenses of the Commission on Aviation Security and Terrorism, to remain available until expended, $1,200,000, to implement the Executive Order 12686 of August 4, 1989.

COAST GUARD

OPERATING EXPENSES

For necessary expenses for the operation and maintenance of the Coast Guard, not otherwise provided for; purchase of not to exceed eight passenger motor vehicles for replacement only; payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), and section 229(b) of the Social Security Act (42 U.S.C. 429(b)); and recreation and welfare; $2,252,000,000 is authorized to be appropriated, derived by transfer, or otherwise provided in "in kind" commodities and services for Coast Guard operating expenses in fiscal year 1990; of which $1,952,000,000 is hereby appropriated, of which $30,000,000 shall be expended from the Boat Safety Account, *notwithstanding any other provision of law, and of which $25,000,000 shall remain available for obligation until September 30, 1991: Provided,* That of the funds provided for operating expenses for fiscal year 1990, in this or any other Act, not less than $567,000,000 shall be available for drug enforcement activities *and not less than $168,467,000 shall be available for environmental protection activities: Provided further,* That the number of aircraft on hand at any one time shall not exceed two hundred and fourteen, exclusive of planes and parts stored to meet future attrition: *Provided further,* That none of the funds appropriated in this or any other Act shall be available for pay or administrative expenses in connection with shipping commissioners in the United States: *Provided further,* That none of the funds provided in this Act shall be available for expenses incurred for yacht documentation under 46 U.S.C. 12109, except to the extent fees are collected from yacht owners and credited to this appropriation: *Provided further,* That none of the funds appropriated under this Act shall be used by the Secretary of Transportation to close any Coast Guard search and rescue stations, *or to close or decommission, or to plan for such action, any unit of the United States Coast Guard unless such closure or decommissioning was provided for in the Budget of the United States, and its supporting documentation, and was agreed to by the Congress in this Act, as provided for in its legislative history, including Committee reports.*

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For necessary expenses of acquisition, construction, rebuilding, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto, [$423,800,000] *$455,200,000,* to remain available until September 30, 1994, of which [$115,200,000] *$132,700,000* shall be available to acquire, repair, renovate or improve vessels, small boats and related equipment; [$202,100,000] *$217,100,000* shall be available to acquire new aircraft and increase aviation capability; [$13,200,000] *$15,900,000* shall be available for command, control and communications and related systems; [$62,800,000] *$68,600,000* shall be available for shore facilities and aids to navigation facilities; and [$30,500,000] *$20,900,000* shall be available for personnel, survey and design, and related costs: *Provided,* That the Secretary of Transportation shall issue regulations requiring that written warranties shall be included in all contracts with prime contractors for major systems acquisitions of the Coast Guard: *Provided further,* That any such written warranty shall not apply in the case of any system or component thereof that has been furnished by the Government to a contractor: *Provided further,* That the Secretary of Transportation may provide for a waiver of the requirements for a warranty where: (1) the waiver is necessary in the interest of the national defense or the warranty would not be cost effective; and (2) the Committees on Appropriations of the Senate and the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Merchant Marine and Fisheries of the House of Representatives are notified in writing of the Secretary's intention to waive and reasons for waiving such requirements: *Provided further,* That the requirements for such written warranties shall not cover combat damage*: Provided further, That the unexpended balances of the appropriation "Coast Guard Shore Facilities" shall be transferred to and merged with this appropriation, and remain available for obligation until September 30, 1993: Provided further, That, subject to the normal re-*

programming procedures, the Secretary may reprogram funds between the funding categories identified under this head.

ALTERATION OF BRIDGES

For necessary expenses for alteration or removal of obstructive bridges, $2,330,000, to remain available until expended.

RETIRED PAY

For retired pay, including the payment of obligations therefor otherwise chargeable to lapsed appropriations for this purpose, and payments under the Retired Serviceman's Family Protection and Survivor Benefits Plans, and for payments for medical care of retired personnel and their dependents under the Dependents Medical Care Act (10 U.S.C., ch. 55), $420,800,000.

RESERVE TRAINING

For all necessary expenses for the Coast Guard Reserve, as authorized by law; maintenance and operation of facilities; and supplies, equipment, and services; [$71,800,000] *$73,800,000.*

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

For necessary expenses, not otherwise provided for, for applied scientific research, development, test, and evaluation; maintenance, rehabilitation, lease and operation of facilities and equipment, as authorized by law, [$18,800,000] *$22,800,000,* to remain available until expended: *Provided,* That there may be credited to this appropriation funds received from State and local governments, other public authorities, private sources, and foreign countries, for expenses incurred for research, development, testing, and evaluation.

OFFSHORE OIL POLLUTION COMPENSATION FUND

The Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations in such amounts and at such times as may be necessary to the extent that appropriations are not adequate to meet the obligations of the Fund: *Provided,* That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of $60,000,000 in fiscal year 1990 for the "Offshore Oil Pollution Compensation Fund".

DEEPWATER PORT LIABILITY FUND

The Secretary of Transportation is authorized to issue, and the Secretary of the Treasury is authorized to purchase, without fiscal year limitation, notes or other obligations in such amounts and at such times as may be necessary to the extent that available appropriations are not adequate to meet the obligations of the Fund: *Provided,* That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of $50,000,000 in fiscal year 1990 for the "Deepwater Port Liability Fund".

BOAT SAFETY

[(LIQUIDATION OF CONTRACT AUTHORIZATION)

[For payment of obligations incurred for recreational boating safety assistance under Public Law 92-75, as amended, $30,000,000, to be derived from the Boat Safety Account and to remain available until expended: *Provided,* That none of the funds in this Act shall be available for the planning or execution of programs the obligations for which are in excess of $30,000,000 in fiscal year 1990 for recreational boating safety assistance.]

For payment of necessary expenses incurred for recreational boating safety assistance under Public Law 92-75, as amended, $30,000,000, to be derived from the Boat Safety Account and to remain available until expended.

ADMINISTRATIVE PROVISION

In order to relocate and reconstruct certain facilities at the Sandy Hook Unit, Gateway National Recreation Area, including the trailer court situated on parcel B, as depicted on the map numbered 646/80,004 and dated August 1989, and to facilitate the modifications of the park's road network, the Secretary of the Interior and the Secretary of Transportation are authorized to exchange the administrative jurisdiction over lands situated on parcel A (as depicted on such map) for that portion of the lands situated on parcel B not previously transferred to the Secretary of the Interior pursuant to this provision. No such transfer shall take place until after completion of a final general management plan for the Sandy Hook Unit, Gateway National Recreation Area, and until a cultural and natural resources assessment of the transfer has been completed. The Secretary of the Interior shall prepare such assessment after notice and opportunity for public comment. The Secretary of the Interior and the Secretary of Transportation are each authorized to pay approximately 50 percent of the costs of such relocation and reconstruction.

In order to facilitate construction of a marine sciences laboratory at the Gateway National Recreation Area, Sandy Hook, New Jersey, (as authorized by Public Law 100-515) the Secretary of Transportation shall transfer to the Secretary of the Interior, without reimbursement, administrative jurisdiction over the real property, comprising approximately 2 acres, designated as the Marine Science Laboratory Assignment on the map of Parcel B referred to herein.

FEDERAL AVIATION ADMINISTRATION

OPERATIONS

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Federal Aviation Administration, not otherwise provided for, including administrative expenses for research and development, and for establishment of air navigation facilities, and carrying out the provisions of the Airport and Airway Development Act, as amended, or other provisions of law authorizing the obligation of funds for similar programs of airport and airway development or improvement, purchase of four passenger motor vehicles for replacement only, [$3,836,000,000] *$3,865,000,000,* of which [$816,500,000] *$906,500,000* shall be derived from the Airport and Airway Trust Fund: *Provided,* That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the maintenance and operation of air navigation facilities and for issuance of airmen and aircraft certificates, including processing of major repair and alteration forms: *Provided further,* That none of these funds shall be available for new applicants for the second career training program or for a pilot test of contractor maintenance: *Provided further,* That the immediately preceding proviso shall not prohibit the augmentation of the existing field maintenance work force if it is determined to be essential for the safe operation of the air traffic control system: *Provided further,* That the unexpended balances of the appropriation "Federal Aviation Administration, Headquarters Administration" shall be transferred to and merged with this appropriation: *Provided further, That section 5532(f)(2) of title V, United States Code, is amended by striking "December 31, 1989" and inserting "December 31, 1990" in lieu thereof: Provided further, That section 8344(h) of title V, United States Code, is amended by striking "December 31, 1987" in paragraph (2) and inserting "December 31, 1988" in lieu thereof: Provided further,* That in the event that the Federal Aviation Administrator employs annuitants subject to section 8344(h) of title V, United States Code, not to exceed $10,000,000, to be derived from the unobligated balance of any appropriation available for obligation by the Federal Aviation Administration as of the effective date of this Act, shall be available through December 31, 1990, for the purpose of funding such employment: *Provided further,* That any such funding shall be reported to the Committees on Appropriations of the Senate and the House of Representatives[: *Provided further,* That, of the funds available under this head, $3,400,000 shall be made available for the Federal Aviation Administration to enter into contractual agreement with the Mid-American Aviation Resource Consortium in Minnesota to operate an air traffic controller training program].

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided for, for acquisition, establishment, and improvement by contract or purchase, and hire of air navigation and experimental facilities, including initial acquisition of necessary sites by lease or grant; engineering and service testing including construction of test facilities and acquisition of necessary sites by lease or grant; and construction and furnishing of quarters and related accommodations of officers and employees of the Federal Aviation Administration stationed at remote localities where such accommodations are not available; *and the lease or purchase of one aircraft from funds available under this head, or prior year funds available under this head, or a combination thereof,* to be derived from the Airport and Airway Trust Fund and to remain available until September 30, 1994, [$1,732,000,000] *$1,780,131,000: Provided,* That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the establishment and modernization of air navigation facilities: *Provided further,* That none of the funds under this head shall be available for the Secretary of Transportation to enter into grant agreements with universities or colleges for any capital project the Federal share of which is in excess of 50 per centum of the total cost of such project.

RESEARCH, ENGINEERING, AND DEVELOPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided for, for research, engineering, and development, in accordance with the provisions of the Federal Aviation Act (49 U.S.C. 1301-1542), including construction of experimental facilities and acquisition of necessary sites by lease or grant, [$185,000,000] *$173,000,000,* to be derived from the Airport and Airway Trust Fund and to remain available until expended: *Provided,* That there may be credited to this appropriation funds received from States, counties, municipali-

ties, other public authorities, and private sources, for expenses incurred for research, engineering, and development: *Provided further, That of the funds available under this head, $3,000,000 shall be available for the Secretary of Transportation to enter into grant agreements with universities or colleges having an airway science curriculum recognized by the Federal Aviation Administration, to conduct demonstration projects in the development, advancement, or expansion of airway science curriculum programs, and such funds, which shall remain available until expended, shall be made available under such terms and conditions as the Secretary of Transportation may prescribe, to such universities or colleges for the purchase or lease of buildings and associated facilities, instructional materials, or equipment to be used in conjunction with airway science curriculum programs, but in no event shall the total Federal share provided for any airway science construction project exceed 50 per centum of the total cost of such project: Provided further, That of the funds available under this head, $1,000,000, to remain available until expended, is appropriated and shall be available for grants under the Federal Grant and Cooperative Agreement Act of 1977 to the National Aviation Institute, Pleasantville, New Jersey to fund research and development in the area of facilitating research by cataloguing and prioritizing aviation related research efforts and providing a central clearinghouse for aviation research.*

GRANTS-IN-AID FOR AIRPORTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(AIRPORT AND AIRWAY TRUST FUND)

For liquidation of obligations incurred for airport planning and development under section 14 of Public Law 91-258, as amended, and under other law authorizing such obligations, and obligations for noise compatibility planning and programs, $1,190,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until expended: *Provided,* That none of the funds in this Act shall be available for the planning or execution of programs the commitments for which are in excess of $1,500,000,000 in fiscal year 1990 for grants-in-aid for airport planning and development, and noise compatibility planning and programs, notwithstanding section 506(e)(4) of the Airport and Airway Improvement Act of 1982, as amended: *Provided further,* That, of the amount available for obligation under this head, $100,000,000 shall be made available, in addition to amounts otherwise provided by law, [for the purchase of airport access control systems and] for the planning and execution of programs under section 507(c)(2) of the Airport and Airway Improvement Act of 1982, as amended.

AVIATION INSURANCE REVOLVING FUND

The Secretary of Transportation is hereby authorized to make such expenditures and investments, within the limits of funds available pursuant to section 1306 of the Act of August 23, 1958, as amended (49 U.S.C. 1536), and in accordance with section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program set forth in the budget for the current fiscal year for aviation insurance activities under said Act.

AIRCRAFT PURCHASE LOAN GUARANTEE PROGRAM

The Secretary of Transportation may hereafter issue notes or other obligations to the Secretary of the Treasury, in such forms and denominations, bearing such maturities, and subject to such terms and conditions as the Secretary of the Treasury may prescribe. Such obligations may be issued to pay any necessary expenses required pursuant to any guarantee issued under the Act of September 7, 1957, Public Law 85-307, as amended (49 U.S.C. 1324 note). None of the funds in this Act shall be available for the implementation or execution of programs under this head the obligations for which are in excess of [$50,000,000] *$10,000,000* during fiscal year 1990. Such obligations shall be redeemed by the Secretary from appropriations authorized by this section. The Secretary of the Treasury shall purchase any such obligations, and for such purpose he may use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force. The purpose for which securities may be issued under such Act are extended to include any purchase of notes or other obligations issued under the subsection. The Secretary of the Treasury may sell any such obligations at such times and price and upon such terms and conditions as he shall determine in his discretion. All purchases, redemptions, and sales of such obligations by such Secretary shall be treated as public debt transactions of the United States.

FEDERAL HIGHWAY ADMINISTRATION

LIMITATION ON GENERAL OPERATING EXPENSES

Necessary expenses for administration, operation, and research of the Federal Highway Administration, not to exceed [$222,600,000] *$236,896,000* shall be paid in accordance with law, from appropriations made available by this Act to the Federal Highway Administration together with advances and reimbursements received by the Federal Highway Administration: *Provided,* That not to exceed [$30,580,000] *$42,444,000* of the amount provided herein shall remain available until expended: *Provided further,* That, notwithstanding any other provision of law, there may be credited to this account funds received from States, counties, municipalities, other public authorities, and private sources, for training expenses incurred for non-Federal employees.

Section 21 of the Urban Mass Transportation Act of 1964, as amended, is amended as follows:

(a) in subsection (c)(2) by striking "and (b)" and inserting instead ", (b) and (i)";

(b) in subsection (i)(1) by adding the following before the period: "to remain available until expended"; and

(c) by deleting the language in subsection (i)(2) and adding the following: "From the Highway Trust Fund (other than the Mass Transit Account), $5,000,000 shall be available for the purposes of section 11(b) for each of the fiscal years 1990 and 1991, to remain available until expended. Funds authorized by this paragraph shall be subject to any limitation on obligations for Federal-aid highways and highway safety construction, but shall be excluded from any distribution of such limitation.".

[HIGHWAY SAFETY RESEARCH AND DEVELOPMENT

[(HIGHWAY TRUST FUND)

[For necessary expenses in carrying out the provisions of sections 307(a) and 403 of title 23, United States Code, to be derived from the Highway Trust Fund and to remain available until expended, $6,080,000.]

HIGHWAY-RELATED SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, section 402, administered by the Federal Highway Administration, to remain available until expended, [$9,405,000] *$10,000,000,* to be derived from the Highway Trust Fund: *Provided,* That not to exceed $100,000 of the amount appropriated herein shall be available for "Limitation on general operating expenses": *Provided further,* That none of the funds in this Act shall be available for the planning or execution of programs the obligations for which are in excess of $9,405,000 in fiscal year 1990 for "Highway-related safety grants".

RAILROAD-HIGHWAY CROSSINGS DEMONSTRATION PROJECTS

(HIGHWAY TRUST FUND)

For necessary expenses of certain railroad-highway crossings demonstration projects as authorized by section 163 of the Federal-Aid Highway Act of 1973, as amended, to remain available until expended, [$15,000,000] *$7,700,000,* of which [$10,000,000] *$5,133,333* shall be derived from the Highway Trust Fund.

FEDERAL-AID HIGHWAYS

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

None of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of [$12,463,500,000] *$12,050,000,000* for Federal-aid highways and highway safety construction programs for fiscal year 1990.

FEDERAL-AID HIGHWAYS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For carrying out the provisions of title 23, United States Code, that are attributable to Federal-aid highways, including the National Scenic and Recreational Highway as authorized by 23 U.S.C. 148, not otherwise provided, including reimbursements for sums expended pursuant to the provisions of 23 U.S.C. 308, $13,660,000,000, or so much thereof as may be available in and derived from the Highway Trust Fund, to remain available until expended.

RIGHT-OF-WAY REVOLVING FUND

(LIMITATION ON DIRECT LOANS)

(HIGHWAY TRUST FUND)

During fiscal year 1990 and with the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed [$42,500,000] *$47,850,000, together with an amount not to exceed the amount of 1989 obligations recovered.*

MOTOR CARRIER SAFETY

For necessary expenses to carry out the motor carrier safety functions of the Secretary as authorized by the Department of Transportation Act (80 Stat. 939-940), [$32,190,000] *$33,690,000,* of which [$1,282,000] *$2,782,000* shall remain available until expended.

MOTOR CARRIER SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For payment of obligations incurred in carrying out the provisions of section 402 of Public Law 97-424, $52,000,000, to be derived from the Highway Trust Fund and to remain available until expended: *Provided,* That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of [$60,200,000] *$60,000,000* for "Motor carrier safety grants".

[BALTIMORE-WASHINGTON PARKWAY

[(HIGHWAY TRUST FUND)

[For necessary expenses, not otherwise provided, to carry out the provisions of the Federal-Aid Highway Act of 1970 for the Baltimore-Washington Parkway, to remain available until expended, $12,000,000, to be derived from the Highway Trust Fund and to be withdrawn therefrom at such times and in such amounts as may be necessary.

[INTERMODAL URBAN DEMONSTRATION PROJECT

[(HIGHWAY TRUST FUND)

[For necessary expenses to carry out the provisions of section 124 of the Federal-Aid Highway Amendments of 1974, $10,000,000, to be derived from the Highway Trust Fund.

[HIGHWAY SAFETY AND ECONOMIC DEVELOPMENT DEMONSTRATION PROJECTS

[(HIGHWAY TRUST FUND)

[For necessary expenses to carry out construction projects as authorized by Public Law 99-500 and Public Law 99-591, $12,000,000, to be derived from the Highway Trust Fund and to remain available until expended.

[HIGHWAY SAFETY IMPROVEMENT DEMONSTRATION PROJECT

[(HIGHWAY TRUST FUND)

[For the purpose of carrying out a coordinated project of highway improvements in the vicinity of Pontiac and East Lansing, Michigan, that demonstrates methods of enhancing safety and promoting economic development through widening and resurfacing of highways on the Federal-aid primary system and on roads on the Federal-aid urban system, as authorized by Public Law 99-500 and Public Law 99-591, $11,000,000, to be derived from the Highway Trust Fund and to remain available until expended.

[HIGHWAY-RAILROAD GRADE CROSSING SAFETY DEMONSTRATION PROJECT

[(HIGHWAY TRUST FUND)

[For the purpose of carrying out a coordinated project of highway-railroad grade crossing separations in Mineola, New York, that demonstrates methods of enhancing highway-railroad crossing safety while minimizing surrounding environmental effects, as authorized by Public Law 99-500 and Public Law 99-591, $9,500,000, to be derived from the Highway Trust Fund and to remain available until expended.

[HIGHWAY WIDENING DEMONSTRATION PROJECT

[For necessary expenses to carry out a demonstration project to improve U.S. Route 202 in the vicinity of King of Prussia, Pennsylvania, as authorized by Public Law 100-202, $2,000,000, to remain available until expended.

[BRIDGE IMPROVEMENT DEMONSTRATION PROJECT

[For 80 percent of the expenses necessary to carry out a highway project in the vicinity of Jacksonville, Florida, for the purpose of demonstrating methods of reducing traffic congestion and improving efficiency in the trans-shipment of military and civilian cargo by construction of a bridge to Blount Island, widening State Highway 105 (Heckscher Drive) and constructing an interchange at the intersection of Heckscher Drive and the new Blount Island Bridge, $4,000,000, to remain available until expended.

[HIGHWAY WIDENING AND IMPROVEMENT DEMONSTRATION PROJECT

[For 80 percent of the expenses necessary to carry out a highway project between Paintsville and Prestonsburg, Kentucky, that demonstrates the safety and economic benefits of widening and improving highways in mountainous areas, $5,000,000, to remain available until expended.

[HIGHWAY CAPACITY IMPROVEMENT DEMONSTRATION PROJECT

[For 80 percent of the expenses necessary to improve U.S. Route 231 between U.S. Route 90 and the City of Campbellton in Jackson County, Florida, for the purpose of demonstrating methods of expanding a two-lane segment of a U.S. highway to four lanes, $100,000, to remain available until expended.

[CLIMBING LANE SAFETY DEMONSTRATION PROJECT

[For 80 percent of the expenses necessary to carry out a highway project on U.S. Route 15 in the vicinity of Tioga County, Pennsylvania, for the purpose of demonstrating methods of improved highway and highway safety construction, $2,500,000, to remain available until expended.

[INDIANA INDUSTRIAL CORRIDOR SAFETY DEMONSTRATION PROJECT

[For 80 percent of the expenses necessary for the construction of an improved route between Wabash and Huntington, Indiana, for the purpose of demonstrating the safety and economic benefits of widening and improving rural highways, $2,400,000, to remain available until expended.

[OKLAHOMA HIGHWAY WIDENING DEMONSTRATION PROJECT

[For 80 percent of the expenses necessary to widen Oklahoma State Route 53 from Interstate Highway 35 east to the entrance of the Ardmore Regional Industrial Airpark for the purpose of demonstrating methods of improved highway and highway safety construction, $2,500,000, to remain available until expended.

[ALABAMA HIGHWAY BYPASS DEMONSTRATION PROJECT

[For 80 percent of the expenses necessary for the construction of a highway bypass project in the vicinity of Jasper, Alabama, for the purpose of demonstrating methods of improved highway and highway safety construction, $8,300,000, to remain available until expended.

[KENTUCKY BRIDGE DEMONSTRATION PROJECT

[For 80 percent of the expenses necessary to replace the Glover Cary Bridge in Owensboro, Kentucky, for the purpose of demonstrating methods of improved highway and highway safety construction, $5,000,000, to remain available until expended.

[VIRGINIA HOV SAFETY DEMONSTRATION PROJECT

[For 80 percent of the expenses necessary to construct High Occupancy Vehicle lanes on Interstate Route 66 between Interstate Route 495 and U.S. Route 50 for the purpose of demonstrating methods of increasing highway capacity and safety by the use of highway shoulders to construct HOV lanes, $4,650,000, to remain available until expended.

[URBAN HIGHWAY CORRIDOR DEMONSTRATION PROJECT

[For 80 percent of the expenses necessary to improve and upgrade the M-59 urban highway corridor in southeast Michigan, $4,500,000, to remain available until expended, for the purpose of demonstrating methods of improving congested urban corridors that have been neglected during construction of the Interstate system: *Provided,* That of the funds available under this head, $3,000,000 shall be available for a bicycle transportation demonstration project in Macomb County, Michigan.

[URBAN AIRPORT ACCESS SAFETY DEMONSTRATION PROJECT

[For 80 percent of the expenses necessary to improve and upgrade access to Detroit Metropolitan Airport in southeast Michigan, $5,000,000, to remain available until expended, for the purpose of demonstrating methods of improving access to major urban airports.

[EBENSBURG BYPASS DEMONSTRATION PROJECT

[For 80 percent of the expenses necessary to construct the Ebensburg, Pennsylvania bypass as authorized by Public Law 100-17, $13,740,000, to remain available until expended.

[BRIDGE REHABILITATION DEMONSTRATION PROJECT

[For not to exceed 80 percent of the expenses necessary to rehabilitate a bridge in the vicinity of Chester, Illinois, $350,000, to remain available until expended.

[HIGHWAY DEMONSTRATION PROJECTS—PRELIMINARY ENGINEERING

[For 80 percent of the expenses necessary to carry out preliminary engineering, environmental studies, and right-of-way acquisition for certain highway projects that demonstrate methods of improving safety, reducing congestion, or promoting economic development, $12,400,000, to remain available until expended.]

CORRIDOR SAFETY IMPROVEMENT PROJECT

(HIGHWAY TRUST FUND)

For the purpose of carrying out a demonstration of methods of improving vehicular and pedestrian safety on roads on the Federal-aid primary and Federal-aid secondary systems, involving Route 1 in New Jersey, there is hereby appropriated $17,300,000, to be derived from the Highway Trust Fund and to remain available until expended: Provided, That all funds appropriated under this head shall be exempted from any limitation on obligations for Federal-aid highways and highway safety construction programs.

BRIDGE CAPACITY IMPROVEMENTS

(HIGHWAY TRUST FUND)

For the purpose of carrying out the Nashua River Bridge and Broad Street Parkway project in Nashua, New Hampshire, that crosses the Nashua River, there is hereby appropriated $4,000,000, to be derived from the Highway Trust Fund and to remain available until expended: Provided, That all funds appropriated under this head shall be exempt from any limitation on obligations for Federal-aid highways and highway safety construction programs.

CORRIDOR H IMPROVEMENT PROJECT

For the purpose of carrying out a demonstration of methods of eliminating traffic congestion, and to promote economic benefits for the area affected by the construction of the Corridor H segment of the Appalachian Highway System, there is hereby appropriated $32,000,000, to remain available until expended: Provided, That all funds appropriated under this head shall be exempted from any limitation on obligations for Federal-aid highways and highway safety construction programs.

ROAD EXTENSION DEMONSTRATION

For the purpose of carrying out a demonstration of economic growth and development benefits of four lane bypasses of cities, there is hereby appropriated $11,000,000, to remain available until expended, for the acquisition of rights-of-way and other costs incurred in the upgrading and construction of a portion of a four-lane facility bypassing the cities of Pella, Iowa, and Oskaloosa, Iowa, on Highway 163 and Highway 63: Provided, That all funds appropriated under this head shall be exempted from any limitation on obligations for Federal-aid highways and highway safety construction programs.

DES MOINES INNER LOOP DEMONSTRATION PROJECT

For the purpose of demonstrating the benefits of improved access for the revitalization of an underdeveloped portion of a central city, there is hereby appropriated $2,800,000 to remain available until expended, for design, engineering, acquisition of rights-of-way and construction and realignment of roads from I-235 and Harding Road to Fleur Drive at the Des Moines Water Works in Des Moines, Iowa: Provided, That all funds appropriated under this head shall be exempted from any limitation on obligations for Federal-aid highways and highway safety construction programs.

CORRIDOR G IMPROVEMENT PROJECT

For the purpose of carrying out a demonstration of methods of eliminating traffic congestion, and to promote economic benefits for the area affected by the construction of the Corridor G segment of the Appalachian Highway System, there is hereby appropriated $10,000,000, to remain available until expended: Provided, That all funds appropriated under this head shall be exempted from any limitation on obligations for Federal-aid highways and highway safety construction programs.

CORNING BYPASS SAFETY DEMONSTRATION PROJECT

For the purpose of carrying out a demonstration of traffic safety and flow improvement, there is hereby appropriated $20,000,000, to remain available until expended: Provided, That all funds appropriated under this head shall be exempted from any limitation on obligations for Federal-aid highways and highway safety construction programs.

SPRING MOUNTAIN DEMONSTRATION PROJECT

For the purpose of carrying out a demonstration project to improve Interstate 15 Spring Lake Mountain interchange in Las Vegas, Nevada, for the purpose of demonstrating construction and reconstruction techniques available for replacement of a major intersection on a heavily utilized, urban transportation route, there is hereby appropriated $2,200,000, to remain available until expended: Provided, That all funds appropriated under this head shall be exempted from any limitation on obligations for Federal-aid highways and highway safety construction programs.

MANHATTAN BRIDGE REPLACEMENT DEMONSTRATION PROJECT

For the purpose of carrying out a demonstration project to replace the Kansas River Bridge in Manhattan, Kansas, there is hereby appropriated $3,210,000, to remain available until expended: Provided, That all funds appropriated under this head shall be exempted from any limitation on obligations for Federal-aid highways and highway safety construction programs.

JUNCTION CITY HIGHWAY IMPROVEMENT DEMONSTRATION PROJECT

For 80 percent of the expenses necessary to carry out a highway project in Junction City, Kansas, for the purpose of demonstrating the value of adding acceleration and deceleration lanes along two exists of U.S. Route 60, there is hereby appropriated $400,000, to remain available until expended: Provided, That all funds appropriated under this head shall be exempted from any limitation on obligations for Federal-aid highways and highway safety construction programs.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

OPERATIONS AND RESEARCH

For expenses necessary to discharge the functions of the Secretary with respect to traffic and highway safety under the Motor Vehicle Information and Cost Savings Act (Public Law 92-513, as amended) and the National Traffic and Motor Vehicle Safety Act, [$71,684,000] *$78,400,000*, of which [$34,690,000] *$41,390,000* shall remain available until expended.

OPERATIONS AND RESEARCH

(HIGHWAY TRUST FUND)

For expenses necessary to discharge the functions of the Secretary with respect to traffic and highway safety under chapter 4, title 23, United States Code, to be derived from the Highway Trust Fund, [$32,316,000] *$31,772,000*, to remain available until expended [: *Provided*, That, of the funds available under this head, $2,000,000 shall be available for light truck and van safety research and analysis].

HIGHWAY TRAFFIC SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For payment of obligations incurred carrying out the provisions of 23 U.S.C. 402, 406, and 408, and section 209 of Public Law 95-599, as amended, to remain available until expended, $132,000,000, to be derived from the Highway Trust Fund: *Provided*, That none of the funds in this Act shall be available for the planning or execution of programs the total obligations for which are in excess of $115,000,000 in fiscal year 1990 for "State and community highway safety grants" authorized under 23 U.S.C. 402: *Provided further*, That none of these funds shall be used for construction, rehabilitation or remodeling costs, or for office furnishings and fixtures for State, local, or private buildings or structures: *Provided further*, That none of the funds in this Act shall be available for the planning or execution of programs the total obligations for which are in excess of $11,000,000 for "Alcohol safety incentive grants" authorized under 23 U.S.C. 408: *Provided further*, That not to exceed $4,900,000 shall be available for administering the provisions of 23 U.S.C. 402: *Provided further*, That notwithstanding any other provision of law, none of the funds in this Act shall be available for the planning or execution of programs authorized under section 209 of Public Law 95-599, as amended, the total obligations for which are in excess of $4,750,000 in fiscal years 1982 through 1990.

FEDERAL RAILROAD ADMINISTRATION

OFFICE OF THE ADMINISTRATOR

For necessary expenses of the Federal Railroad Administration, not otherwise provided for, [$14,400,000] *$15,144,000*, of which [$1,425,000] *$1,980,000* shall remain available until expended, *and of which $1,000,000 shall be available for grants for up to 50 per centum of the cost of contractual support needed for private sector interstate high-speed rail projects, and for the Federal Railroad Administration to engage in studies relating to safety provisions of super-high-speed magnetic levitation systems: Provided*, That none of the funds in this Act shall be available for the planning or execution of a program making commitments to guarantee new loans under the Emergency Rail Services Act of 1970, as amended, and that no new commitments to guarantee loans under section 211(a) or 211(h) of the Regional Rail Reorganization Act of 1973, as amended, shall be made: *Provided further*, That, as part of the Washington Union Station transaction in which the Secretary assumed the first deed of trust on the property and, where the Union Station Redevelopment Corporation or any successor is obligated to make payments on such deed of trust on the Secretary's behalf, including payments on and after September 30, 1988, the Secretary is authorized to receive such payments directly from the Union Station Redevelopment Corporation, credit them to the appropriation charged for the first deed of trust, and make payments on the first deed of trust with those funds: *Provided further*, That such additional sums as may be necessary, for payment on the first deed of trust, may be advanced by the Administrator from unobligated balances available to the Federal Railroad Administration, to be reimbursed from payments received from the Union Station Redevelopment Corporation.

LOCAL RAIL SERVICE ASSISTANCE

For necessary expenses for rail assistance under section 5(q) of the Department of Transportation Act, as amended, $7,000,000, to remain available until expended: Provided, That notwithstanding any provision of sections 5(f) through 5(p) of said Act, from such funds $36,000 shall be reserved for each eligible State for the purposes of either section 5(i) or section 5(h) of said Act, provided that timely application is made in accordance with procedures employed by the Secretary, and the balance of such funds are reserved for use only under sections 5(h)(3)(B)(ii) and 5(h)(3)(C) of said Act: Provided further, That no State may apply for fiscal year 1990 funds under section 5 of said Act until such State has obligated all funds granted to it under said section 5 in previous fiscal years.

RAILROAD SAFETY

For necessary expenses in connection with railroad safety, not otherwise provided for, [$31,900,000] *$32,057,000*, of which [$1,175,000] *$1,181,000* shall remain available until expended.

RAILROAD RESEARCH AND DEVELOPMENT

For necessary expenses for railroad research and development, [$9,600,000]

$9,277,000, to remain available until expended.

NORTHEAST CORRIDOR IMPROVEMENT PROGRAM

For necessary expenses related to Northeast Corridor improvements authorized by title VII of the Railroad Revitalization and Regulatory Reform Act of 1976, as amended (45 U.S.C. 851 et seq.) and the Rail Safety Improvement Act of 1988, [$19,600,000] *$30,000,000,* to remain available until expended.

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

To enable the Secretary of Transportation to make grants to the National Railroad Passenger Corporation for operating losses incurred by the Corporation, capital improvements, and labor protection costs authorized by 45 U.S.C. 565, to remain available until expended, $615,000,000, *of which $530,000,000 shall be available for operating losses incurred by the Corporation and for labor protection costs, and of which $85,000,000 shall be available for capital improvements. Funds made available for operating losses and for labor protection costs which remain unobligated as of September 30, 1990, may be available for capital improvements*: *Provided,* That none of the funds herein appropriated shall be used for lease or purchase of passenger motor vehicles or for the hire of vehicle operators for any officer or employee, other than the president of the Corporation, excluding the lease of passenger motor vehicles for those officers or employees while in official travel status: *Provided further,* That the Secretary shall make no commitments to guarantee new loans or loans for new purposes under 45 U.S.C. 602 in fiscal year 1990: *Provided further,* That the incurring of any obligation or commitment by the Corporation for the purchase of capital improvements prohibited by this Act or not expressly provided for in an appropriations Act shall be deemed a violation of 31 U.S.C. 1341: *Provided further,* That no funds are required to be expended or reserved for expenditure pursuant to 45 U.S.C. 601(e)[: *Provided further,* That none of the funds in this or any other Act shall be made available to finance the rehabilitation and other improvements (including upgrading track and the signal system, ensuring safety at public and private highway and pedestrian crossings by improving signals or eliminating such crossings, and the improvement of operational portions of stations related to intercity rail passenger service) on the main line track between Atlantic City, New Jersey, and the main line of the Northeast Corridor, unless the Secretary of Transportation certifies that not less than 40 per centum of the costs of such improvements shall be derived from non-Federal sources: *Provided further,* That, notwithstanding any other provision of law, the National Railroad Passenger Corporation shall not operate rail passenger service between Atlantic City, New Jersey, and the Northeast Corridor main line unless the Corporation's Board of Directors determines that revenues from such service have covered or exceeded 80 per centum of the short-term avoidable costs of operating such service in the first year of operation and 100 per centum of the short-term avoidable operating costs for each year thereafter: *Provided further,* That none of the funds provided in this or any other Act shall be made available to finance the acquisition and rehabilitation of a line, and construction necessary to facilitate improved rail passenger service, between Spuyten Duyvil, New York, and the main line of the Northeast Corridor unless the Secretary of Transportation certifies that not less than 40 per centum of the costs of such improvements shall be derived from non-Amtrak sources].

RAILROAD REHABILITATION AND IMPROVEMENT FINANCING FUNDS

The Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations pursuant to section 512 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended, in such amounts and at such times as may be necessary to pay any amounts required pursuant to the guarantee of the principal amount of obligations under sections 511 through 513 of such Act, such authority to exist as long as any such guaranteed obligation is outstanding: *Provided,* That no new loan guarantee commitments shall be made during fiscal year 1990: *Provided further,* That, notwithstanding any other provision of law, the Secretary of Transportation shall sell securities or promissory notes with a principal value of at least $50,000,000 that are held by the Department of Transportation under authority of sections 502, 505-507, 509, and 511-513 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended, by no later than September 30, 1990: *Provided further,* That such securities or promissory notes authorized to be sold in the immediately preceding proviso shall be sold only for amounts greater than or equal to the net present value to the Government of each loan as determined by the Secretary of Transportation in consultation with the Secretary of the Treasury: *Provided further,* That the Secretary of Transportation shall transmit a written certification to the Committees on Appropriations of the Senate and House of Representatives before the consummation of each sale certifying that the amount to be realized is equal to or greater than the net present value to the Government of each loan: *Provided further,* That, notwithstanding any other provision of law, for fiscal year 1989 and each fiscal year thereafter all amounts realized from the sale of notes or securities sold under authority of this section shall be considered as current year domestic discretionary outlay offsets and not as "asset sales" or "loan prepayments" as defined by section 257(12) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further,* That any underwriting fees and related expenses shall be derived solely from the proceeds of the sales.

REGIONAL RAIL REORGANIZATION PROGRAM

For the settlement of promissory notes pursuant to section 210 of the Regional Rail Reorganization Act of 1973 (Public Law 93-236), as amended, $94,932,979, to remain available until expended, together with such sums as may be necessary for the payment of interest due to the Secretary of the Treasury under the terms and conditions of such notes.

[CONRAIL COMMUTER TRANSITION ASSISTANCE

[For necessary capital expenses of Conrail commuter transition assistance, not otherwise provided for, $5,000,000, to remain available until expended.

[AMTRAK CORRIDOR IMPROVEMENT LOANS

[The Secretary is authorized to provide $3,500,000 in loans to the Chicago, Missouri and Western Railroad to replace existing jointed rail with continuous welded rail between Joliet, Illinois and Granite City, Illinois: *Provided,* That any loan authorized under this section shall be structured with a maximum 20-year payment at an annual interest rate of 4 per centum: *Provided further,* That the Federal Government shall hold a first and prior purchase money security interest with respect to any materials to be acquired with federal funds: *Provided further,* That any such loan shall be matched on a dollar for dollar basis by the State of Illinois.]

URBAN MASS TRANSPORTATION ADMINISTRATION

ADMINISTRATIVE EXPENSES

For necessary administrative expenses of the urban mass transportation program authorized by the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), and 23 U.S.C. chapter 1, in connection with these activities, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, [$31,809,000] *$31,880,000: Provided, That none of the funds provided in this Act shall be used to implement or enforce the April 25, 1989, Notice of Proposed Rulemaking, "Major Capital Investment Projects".*

RESEARCH, TRAINING, AND HUMAN RESOURCES

For necessary expenses for research, training, and human resources as authorized by the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), to remain available until expended, $10,000,000: *Provided,* That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred for training.

FORMULA GRANTS

For necessary expenses to carry out the provisions of sections 9 and 18 of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), [$1,700,000,000] *$1,600,000,000,* together with $5,000,000 to carry out the provisions of section 18(h) of the Urban Mass Transportation Act of 1964, as amended, to remain available until expended*: Provided, That notwithstanding any other provision of law, of the funds provided under this head for formula grants, no more than $804,691,892 may be used for operating assistance under section 9(k)(2) of the Urban Mass Transportation Act of 1964, as amended: Provided further, That notwithstanding any other provision of law, before apportionment of these funds, $16,554,033 shall be made available for the purposes of section 18 of the Urban Mass Transportation Act of 1964, as amended: Provided further, That notwithstanding any other provision of law, of the funds provided under this head for formula grants from general revenue sources, $8,800,000 shall be allocated to those urbanized areas whose fiscal year 1989 general fund apportionments did not meet their authorized operating assistance caps.*

DISCRETIONARY GRANTS

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

None of the funds in this Act shall be available for the implementation or execution of programs in excess of $1,140,000,000 in fiscal year 1990 for grants under the contract authority authorized in section 21 (a)(2) and (b) of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.)*: Provided, That $5,000,000 of the funds available under this head, and $2,000,000 of unobligated balances from prior year appropriations under this head,*

shall only be available for preliminary engineering work on the Newark International Airport Rail Link.

MASS TRANSIT CAPITAL FUND

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For payment of obligations incurred in carrying out section 21 (a)(2) and (b) of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), administered by the Urban Mass Transportation Administration, $900,000,000, to be derived from the Highway Trust Fund and to remain available until expended.

INTERSTATE TRANSFER GRANTS—TRANSIT

For necessary expenses to carry out the provisions of 23 U.S.C. 103(e)(4) related to transit projects, [$180,000,000] *$160,000,000*, to remain available until expended.

WASHINGTON METRO

For necessary expenses to carry out the provisions of section 14 of Public Law 96-184, [$100,000,000] *$73,400,000*, to remain available until expended.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The Saint Lawrence Seaway Development Corporation is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to the Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Corporation's budget for the current fiscal year.

OPERATIONS AND MAINTENANCE

(HARBOR MAINTENANCE TRUST FUND)

For necessary expenses for operation and maintenance of those portions of the Saint Lawrence Seaway operated and maintained by the Saint Lawrence Seaway Development Corporation, [$11,750,000] *$11,100,000*, to be derived from the Harbor Maintenance Trust Fund, pursuant to Public Law 99-662.

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

RESEARCH AND SPECIAL PROGRAMS

For expenses necessary to discharge the functions of the Research and Special Programs Administration, and for expenses for conducting research and development, [$16,800,000] *$14,715,000*, of which $1,645,000 shall remain available until expended: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training and for aviation information management.

PIPELINE SAFETY

(PIPELINE SAFETY FUND)

For expenses necessary to conduct the functions of the pipeline safety program and for grants-in-aid to carry out a pipeline safety program, as authorized by section 5 of the Natural Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979, [$10,325,000] *$9,277,000*, to be derived from the Pipeline Safety Fund, of which [$5,875,000] *$5,250,000* shall remain available until expended.

OFFICE OF THE INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of the Inspector General to carry out the provisions of the Inspector General Act of 1978, as amended, $32,100,000.

TITLE II—RELATED AGENCIES

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SALARIES AND EXPENSES

For expenses necessary for the Architectural and Transportation Barriers Compliance Board, as authorized by section 502 of the Rehabilitation Act of 1973, as amended, $1,950,000.

NATIONAL TRANSPORTATION SAFETY BOARD

SALARIES AND EXPENSES

For necessary expenses of the National Transportation Safety Board, including hire of passenger motor vehicles and aircraft; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for a GS-18; uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902), [$26,600,000] *$28,000,000*, of which not to exceed $500 may be used for official reception and representation expenses.

INTERSTATE COMMERCE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Interstate Commerce Commission, including services as authorized by 5 U.S.C. 3109, and not to exceed $1,500 for official reception and representation expenses, [$43,860,000] *$42,863,000*: *Provided*, That joint board members and cooperating State commissioners may use Government transportation requests when traveling in connection with their official duties as such.

PAYMENTS FOR DIRECTED RAIL SERVICE

(LIMITATION ON OBLIGATIONS)

None of the funds provided in this Act shall be available for the execution of programs the obligations for which can reasonably be expected to exceed $475,000 for directed rail service authorized under 49 U.S.C. 11125 or any other Act.

PANAMA CANAL COMMISSION

PANAMA CANAL REVOLVING FUND

For administrative expenses of the Panama Canal Commission, including not to exceed $10,000 for official reception and representation expenses of the Board; not to exceed $4,000 for official reception and representation expenses of the Secretary; and not to exceed $25,000 for official reception and representation expenses of the Administrator, [$49,842,000] *$49,855,000*, to be derived from the Panama Canal Revolving Fund: *Provided*, That none of these funds may be used for the planning or execution of non-administrative and capital programs the obligations for which are in excess of [$452,005,000] *$463,467,000* in fiscal year 1990: *Provided further*, That funds available to the Panama Canal Commission shall be available for the purchase of not to exceed forty-eight passenger motor vehicles, of which forty-five are for replacement only (including large heavy-duty vehicles used to transport Commission personnel across the Isthmus of Panama, the purchase price of which shall not exceed $15,000 per vehicle).

DEPARTMENT OF THE TREASURY

REBATE OF SAINT LAWRENCE SEAWAY TOLLS

(HARBOR MAINTENANCE TRUST FUND)

For rebate of the United States portion of tolls paid for use of the Saint Lawrence Seaway, pursuant to Public Law 99-662, $10,050,000, to remain available until expended and to be derived from the Harbor Maintenance Trust Fund, of which not to exceed [$250,000] *$284,000* shall be available for expenses of administering the rebates.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

INTEREST PAYMENTS

For necessary expenses for interest payments, to remain available until expended, $51,663,569: *Provided*, That these funds shall be disbursed pursuant to terms and conditions established by Public Law 96-184 and the Initial Bond Repayment Participation Agreement.

TITLE III—GENERAL PROVISIONS

SEC. 301. During the current fiscal year applicable appropriations to the Department of Transportation shall be available for maintenance and operation of aircraft; hire of passenger motor vehicles and aircraft; purchase of liability insurance for motor vehicles operating in foreign countries on official department business; and uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902).

SEC. 302. Funds for the Panama Canal Commission may be apportioned notwithstanding section 3679 of the Revised Statutes, as amended (31 U.S.C. 1341), to the extent necessary to permit payment of such pay increases for officers or employees as may be authorized by administrative action pursuant to law that are not in excess of statutory increases granted for the same period in corresponding rates of compensation for other employees of the Government in comparable positions.

SEC. 303. Funds appropriated under this Act for expenditures by the Federal Aviation Administration shall be available (1) except as otherwise authorized by the Act of September 30, 1950 (20 U.S.C. 236-244), for expenses of primary and secondary schooling for dependents of Federal Aviation Administration personnel stationed outside the continental United States at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools, if any, available in the locality are unable to provide adequately for the education of such dependents, and (2) for transportation of said dependents between schools serving the area that they attend and their places of residence when the Secretary, under such regulations as may be prescribed, determines that such schools are not accessible by public means of transportation on a regular basis.

SEC. 304. Appropriations contained in this Act for the Department of Transportation shall be available for services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for a GS-18.

SEC. 305. None of the funds for the Panama Canal Commission may be expended unless in conformance with the Panama Canal Treaties of 1977 and any law implementing those treaties.

SEC. 306. None of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings funded in this Act.

SEC. 307. None of the funds appropriated in this Act shall remain available for obligation beyond the current fiscal year nor may

any be transferred to other appropriations unless expressly so provided herein.

SEC. 308. None of the funds in this or any previous or subsequent Act shall be available for the planning or implementation of any change in the current Federal status of the Transportation Systems Center, and none of the funds in this Act shall be available for the implementation of any change in the current Federal status of the Turner-Fairbank Highway Research Center.

SEC. 309. The expenditure of any appropriation under this Act for any consulting service through procurement contract pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing executive order issued pursuant to existing law.

SEC. 310. (a) For fiscal year 1990 the Secretary of Transportation shall distribute the obligation limitation for Federal-aid highways by allocation in the ratio which sums authorized to be appropriated for Federal-aid highways and highway safety construction that are apportioned or allocated to each State for such fiscal year bear to the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction that are apportioned or allocated to all the States for such fiscal year.

(b) During the period October 1 through December 31, 1989, no State shall obligate more than 35 per centum of the amount distributed to such State under subsection (a), and the total of all State obligations during such period shall not exceed 25 per centum of the total amount distributed to all States under such subsection.

(c) Notwithstanding subsections (a) and (b), the Secretary shall—

(1) provide all States with authority sufficient to prevent lapses of sums authorized to be appropriated for Federal-aid highways and highway safety construction that have been apportioned to a State, except in those instances in which a State indicates its intention to lapse sums apportioned under section 104(b)(5)(A) of title 23, United States Code;

(2) after August 1, 1990, revise a distribution of the funds made available under subsection (a) if a State will not obligate the amount distributed during that fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during that fiscal year giving priority to those States having large unobligated balances of funds apportioned under section 104 of title 23, United States Code, and giving priority to those States which, because of statutory changes made by the Surface Transportation Assistance Act of 1982 and the Federal-Aid Highway Act of 1981, have experienced substantial proportional reductions in their apportionments and allocations; and

(3) not distribute amounts authorized for administrative expenses, the Federal lands highway program, the strategic highway research program and amounts made available under sections 149(d), 158, 159, 164, 165, and 167 of Public Law 100-17.

(d) The limitation on obligations for Federal-aid highways and highway safety construction programs for fiscal year 1990 shall not apply to obligations for emergency relief under section 125 of title 23, United States Code; obligations under section 157 of title 23, United States Code; projects covered under section 147 of the Surface Transportation Assistance Act of 1978, section 9 of the Federal-Aid Highway Act of 1981, subsections 131 (b) and (j) of Public Law 97-424, section 118 of the National Visitors Center Facilities Act of 1968, section 320 of title 23, United States Code; projects authorized by Public Law 99-500, Public Law 99-591 and Public Law 100-202; or projects covered under subsections 149 (b) and (c) of Public Law 100-17.

(e) Subject to paragraph (c)(2) of this General Provision, a State which after August 1 and on or before September 30 of fiscal year 1990 obligates the amount distributed to such State in that fiscal year under paragraphs (a) and (c) of this General Provision may obligate for Federal-aid highways and highway safety construction on or before September 30, 1990, an additional amount not to exceed 5 percent of the aggregate amount of funds apportioned or allocated to such State—

(1) under sections 104, 130, 144, and 152 of title 23, United States Code, and

(2) for highway assistance projects under section 103(e)(4) of such title,

which are not obligated on the date such State completes obligation of the amount so distributed.

(f) During the period August 2 through September 30, 1990, the aggregate amount which may be obligated by all States pursuant to paragraph (e) shall not exceed 2.5 percent of the aggregate amount of funds apportioned or allocated to all States—

(1) under sections 104, 130, 144, and 152 of title 23, United States Code, and

(2) for highway assistance projects under section 103(e)(4) of such title,

which would not be obligated in fiscal year 1990 if the total amount of the obligation limitation provided for such fiscal year in this Act were utilized.

(g) Paragraph (e) shall not apply to any State which on or after August 1, 1990, has the amount distributed to such State under paragraph (a) for fiscal year 1990 reduced under paragraph (c)(2).

SEC. 311. None of the funds in this Act shall be available for salaries and expenses of more than one hundred and twenty political and Presidential appointees in the Department of Transportation.

SEC. 312. Not to exceed [$400,000] *$1,500,000* of the funds provided in this Act for the Department of Transportation shall be available for the necessary expenses of advisory committees.

SEC. 313. None of the funds in this or any other Act shall be made available for the proposed Woodward light rail line in the Detroit, Michigan area until a source of operating funds has been approved in accordance with Michigan law: *Provided,* That this limitation shall not apply to alternatives analysis studies under section 21(a)(2) of the Urban Mass Transportation Act of 1964, as amended.

SEC. 314. The limitation on obligations for the Discretionary Grants program of the Urban Mass Transportation Administration shall not apply to any authority under section 21(a)(2) of the Urban Mass Transportation Act of 1964, as amended, previously made available for obligation.

SEC. 315. Notwithstanding any other provision of law, none of the funds in this Act shall be available for the construction of, or any other costs related to, the Central Automated Transit System (Downtown People Mover) in Detroit, Michigan.

SEC. 316. None of the funds in this Act shall be used to implement section 404 of title 23, United States Code.

SEC. 317. [Within 14 calendar days of the obligation date] *Every 45 days,* the Urban Mass Transportation Administration shall publish in the Federal Register an announcement of each grant obligated pursuant to sections 3 and 9 of the Urban Mass Transportation Act of 1964, as amended, including the grant number, the grant amount, and the transit property receiving each grant.

SEC. 318. None of the funds appropriated in this Act may be used to prescribe, implement, or enforce a national policy specifying that only a single type of visual glideslope indicator can be funded under the facilities and equipment account or through the airport improvement program: *Provided,* That this prohibition shall not apply in the case of airports that are certified under part 139 of the Federal Aviation Regulations.

SEC. 319. Notwithstanding any other provision of law, funds appropriated in this or any other Act intended for studies, reports, or research, and related costs thereof including necessary capital expenses, are available for such purposes to be conducted through contracts or financial assistance agreements with the educational institutions that are specified in such Acts or in any report accompanying such Acts.

SEC. 320. The Secretary of Transportation shall permit the obligation of not to exceed $4,000,000, apportioned under title 23, United States Code, section 104(b)(5)(B) for the State of Florida for operating expenses of the Tri-County Commuter Rail Project in the area of Dade, Broward, and Palm Beach Counties, Florida, during each year that Interstate 95 is under reconstruction in such area.

SEC. 321. [(a) Notwithstanding any provision of this or any other law, none of the funds provided by this Act for appropriation shall be available for payment to the General Services Administration for rental space and services at rates per square foot in excess of 100 percent of the rates paid during fiscal year 1989; nor shall this or any other provision of law require a reduction in the level of rental space or services below that of fiscal year 1989 or prohibit an expansion of rental space or services with the use of funds otherwise appropriated in this Act.

[(b) Notwithstanding any other provision of law, fiscal year 1990 obligations and outlays of "General Services Administration, Federal Buildings Fund" are reduced by an amount equal to the revenue reduction to such Fund pursuant to subsection (a).]

(a) Within 30 days after the date of enactment of this Act, the United States, acting through a duly authorized official, shall convey to the Saint Lawrence Seaway Development Corporation without consideration, all right, title, and interest of the United States, in the real property described in subsection (b) (and any improvements thereon) for the purposes of emergency response and any other purposes as the Administrator of the Corporation deems necessary.

(b) The real property referred to in subsection (a) is that property (formerly known as the Cape Vincent Coast Guard Station, Village of Cape Vincent, Jefferson County, New York), which is described as follows: beginning at an iron pipe (meander corner) set in the shoreline of the Saint Lawrence River at the Northwest corner of the land either now or formerly of the Roat Estate Property also being at the Northeast corner of the former Arney parcel (Liber 453, page 402, recorded 8/21/45); thence running south 4° 13' 48" West a distance of 146.09 feet to a concrete

monument set at the most Westerly Corner of the Roat Estate land; thence running South 39° 26' West a distance of 112.05 feet to a concrete monument; thence running South 69° 17' West a distance of 145 feet to an iron pin; thence running North 24° 58' West a distance of 95 feet to an iron pin; thence running North 68° 47' 12" East a distance of 116.13 feet to a 2 inch pipe; thence running North 3° 07' 18" East a distance of 166.09 feet to the most westerly corner of a steel piling wharf on the shoreline of the St. Lawrence River; thence running a meandering line South 87° 20' 24" East a distance of 99.07 feet along the shore of the St. Lawrence River to the most easterly corner of a steel sheet piling wharf on the shoreline of the St. Lawrence River; thence running a meandering line South 81° 56' 37" East a distance of 41.8 feet along the shore of the St. Lawrence River to the point of beginning. Containing 0.912 acres of land more or less.

SEC. 322. Notwithstanding any other provision of law, section 144(g)(2) of title 23, United States Code, shall not apply to the Virginia Street Bridge in Charleston, West Virginia.

SEC. 323. [Mass Transit Capital Fund (liquidation of contract authorization) (highway trust fund).—Funds appropriated under this heading in the Department of Transportation and Related Agencies Appropriations Act, 1988, shall be available for payment of obligations incurred in carrying out section 317(b) of the Surface Transportation and Uniform Relocation Assistance Act of 1987] *Notwithstanding section 106, subsection (a)(3)(B) of Public Law 100-223, the Airport and Airway Safety and Capacity Expansion Act of 1987, funds apportioned under such section for airports in the State of Hawaii may be made available by the Secretary for primary airports and airports described in section 508(d)(3) in such State.*

SEC. 324. (a) The Federal Aviation Administration shall satisfy the following air traffic controller work force staffing requirements by September 30, 1990:

(1) total air traffic controller work force level of not less than 17,495;

(2) total full performance level air traffic controllers of not less than 12,725; and

(3) at least 70 percent of the air traffic controller work force, at each center and level 3 and above terminal shall have achieved operational controller status.

(b) The Secretary may waive any requirement of this section by certifying that such requirement would adversely affect aviation safety: *Provided,* That such a waiver shall become effective 30 days after the Committees on Appropriations of the Senate and the House of Representatives are notified in writing of the Secretary's intention to waive and reasons for waiving such requirement.

SEC. 325. [Notwithstanding any other provision of law, the Secretary of Transportation shall make payment of compensation under subsection 419 of the Federal Aviation Act of 1958, as amended, only to the extent and in the manner provided in appropriations Acts, at times and in a manner determined by the Secretary to be appropriate, and claims for such compensation shall not arise except in accordance with this provision.]

(a) USE OF DEADLY FORCE.—The Secretary shall report to the Committee on Appropriations and the Committee on the Judiciary of the Senate and House of Representatives, to the Senate International Narcotics Control Caucus, and to the Select Committee on Narcotics Abuse and Control of the House of Representatives on—

(1) all current provisions of law and regulation permitting the use of deadly forces during time of peace by United States Coast Guard personnel in the performance of their official duties—

(A) within the territorial land, sea, and air of the United States, its territories and possessions; and

(B) outside the territorial land, sea, and air of the United States, its territories and possessions.

(2) changes, if any that may be necessary to existing law, regulations, treaty, or executive agreements to permit United States Coast Guard personnel to employ deadly force under the following circumstances—

(A) to bring down a suspected drug smuggling aircraft which has refused or ignored instructions to land at a specified airfield for customs inspection after penetrating the territorial airspace of the United States;

(B) to halt a suspected drug smuggling vessel on the sea which has been ordered to heave to for inspection by a United States vessel or aircraft and has ignored or refused to obey the order;

(C) and to halt a suspected drug smuggler who has crossed the land border of the United States illegally and who has refused to obey or ignored an order to stop for customs inspection.

(3) The required report shall be submitted not later than ninety days after the enactment into law of this Act. The required report may be submitted in both classified and unclassified versions.

SEC. 326. The authority conferred by section 513(d) of the Airport and Airway Improvement Act of 1982, as amended, to issue letters of intent shall remain in effect subsequent to September 30, 1992. Letters of intent may be issued under such subsection to applicants determined to be qualified under such Act: *Provided,* That, notwithstanding any other provision of law, all such letters of intent in excess of $10,000,000 shall be submitted for approval to the Committees on Appropriations of the Senate and the House of Representatives; the Committee on Commerce, Science, and Transportation of the Senate; and the Committee on Public Works and Transportation of the House of Representatives.

SEC. 327. The Secretary of Transportation is authorized to transfer funds appropriated for any office of the Office of the Secretary to any other office of the Office of the Secretary: *Provided,* That no appropriation shall be increased or decreased by more than [4] *5* per centum by all such transfers: *Provided further,* That any such transfer shall be submitted for approval to the House and Senate Committees on Appropriations.

SEC. 328. Such sums as may be necessary for fiscal year 1990 pay raises for programs funded in this Act shall be absorbed within the levels appropriated in this Act.

SEC. 329. [Section 149(a)(30)(D) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (23 U.S.C. 202) is amended—

[(a) by striking out the heading "CALUMET PARK" and inserting in lieu thereof "VILLAGE OF ALSIP"; and

[(b) by striking out all that follows after "reconstruction" and inserting in lieu thereof "of 127th Street between Illinois Route 83 and Kostner Avenue in Alsip, Illinois.".]

Notwithstanding section 16 of the Federal Airport Act of 1946 or any other provision of law, the United States hereby releases the right or reversion of the United States on 7.8 acres of land at the South Big Horn Country Airport in Wyoming proposed to be transferred to the Wyoming State Highway Department provided such land is used for a highway rest area.

SEC. 330. [None of the funds in this Act shall be available to plan, finalize, or implement regulations that would establish a vessel traffic safety fairway less than five miles wide between the Santa Barbara Traffic Separation Scheme and the San Francisco Traffic Separation Scheme] *Notwithstanding section 23 of the Airport and Airway Expansion Act of 1970 (as in effect on November 29, 1976), or any other provision of law, including obligations arising under grant agreements issued pursuant to the Airport and Airway Improvement Act of 1982, as amended, or implementing regulations, the Administrator of the Federal Aviation Administration is authorized, subject to the provisions of section 4 of the Act of October 1, 1949 (63 Stat. 700; 50 U.S.C. App 1622c), and the provisions of paragraph (2) of this subsection, to grant releases from any of the terms, conditions, reservations, and restrictions contained in the deed of conveyance, dated November 29, 1976, under which the United States conveyed certain property to the State of Hawaii for airport purposes.*

Any release granted by the Administrator pursuant to this subsection shall be subject to the following conditions:

(A) The property for which a release is granted under this subsection shall not exceed 4,550.2 acres of submerged lands known as Keehi Lagoon as described in the quitclaim deed, dated November 29, 1976.

(B) The property for which a release is granted shall not include submerged lands within an area 1,000 feet perpendicular to either side of the centerline of Runway 26L, extending 2,000 feet from the end of Runway 26L at the Honolulu International Airport.

(C) The use of property to which such release applies shall not impede or interface with the safety of flight operations or otherwise derogate approach and clear zone protection at the Honolulu International Airport.

(D) Any subsequent release or authorization for use of the property for other than airport purposes shall contain the right to overfly the property and the right to make noise.

SEC. 331. Notwithstanding any other provision of law, airports may transfer, without consideration, to the Federal Aviation Administration instrument landing systems (along with associated approach lighting equipment and runway visual range equipment), the purchase of which was assisted by an airport improvement program grant. The Federal Aviation Administration shall accept such equipment and it shall thereafter be operated and maintained by the Federal Aviation Administration in accordance with agency criteria.

SEC. 332. Section 329 of the Department of Transportation and Related Agencies Appropriations Act, 1989 is hereby repealed.

SEC. 333. [Notwithstanding any other provision of law, the Secretary shall reimburse the State of California for the Federal share of the fair market value of right of way incorporated into one or more of the following projects and conveyed to the State by the City of Irvine, the City of Tustin, and/or the County of Orange for the construction of the Barranca Parkway/State Route 133 interchange, the Tustin Ranch Road/Interstate Route 5 interchange, the Bake Parkway/Interstate Route 5 interchange, and the improvements to the confluence of Interstate Route 5 and Interstate

Route 405 in Orange County, California, upon application by the State of California for reimbursement. The fair market value of the right-of-way shall be established as determined by the Secretary of Transportation] *Notwithstanding any other provision of law, the Secretary shall reimburse the State of California for the Federal share of the fair market value of right of way incorporated into one or more of the following projects and conveyed to the State by the City of Irvine, the City of Tustin, and/or the County of Orange for the construction of the Barranca Parkway/State Route 133 interchange, the Tustin Ranch Road/Interstate Route 5 interchange, the Bake Parkway/Interstate Route 5 interchange, and the improvements to the confluence of Interstate Route 5 and Interstate Route 405 in Orange County, California, upon application by the State of California for reimbursement. The fair market value of the right of way shall be established as determined by the Secretary of Transportation in accordance with regulations and statutes governing the acquisition of rights of way for projects on the Federal Aid Primary and Interstate System.*

SEC. 334. [Funds appropriated in this Act for "Intermodal Urban Demonstration Project" shall remain available until expended.]

Section 337 of Public Law 100-457 is amended to read as follows:

"Notwithstanding any other provision of law, when a commuter rail service has been suspended for safety reasons, and when a statewide or regional agency or instrumentality commits to restoring such service by the end of 1989, and when the improvements needed to restore such service are funded without Urban Mass Transportation Administration funding, the directional route miles of such service shall be included for the purpose of calculating the fiscal year 1990 section 9 apportionment, as well as the apportionment for subsequent years. If such service is not restored by the end of 1989, the money received as a result of the inclusion of the directional route miles shall be returned to the disbursing agency, the Urban Mass Transportation Administration.".

SEC. 335. [PERMANENT PROHIBITION AGAINST SMOKING ON SCHEDULED FLIGHTS OF TWO HOURS OR LESS IN DURATION.—]Section 404(d)(1) of the Federal Aviation Act of 1958 (49 U.S.C. App. 1374(d)(1)) is amended *by deleting, in 49 U.S.C. App. 1374(d)(1)(A), ", if such flight is scheduled for two hours or less in duration", by striking all after the words "any scheduled airline flight" and inserting in lieu thereof, "segment, in air transportation or intrastate air transportation, which is between any two places in the United States", and* by striking subparagraph (C), *to take effect upon the date of the expiration of the 90-day period following the date of enactment of this Act.*

SEC. 336. The segment of Michigan Highway 59 beginning at the intersection of such highway with Michigan Highway 53 in the vicinity of Utica and ending at the intersection of such highway with Gratiot Avenue in the vicinity of Mount Clemens shall be known and designated as the "James G. O'Hara Memorial Highway", and any reference in a law, map, regulation, document, record, or other paper of the United States to such segment shall be deemed to be a reference to the "James G. O'Hara Memorial Highway".

SEC. 337. Notwithstanding any other provision of law, not to exceed one-fourth of 1 per centum of funds apportioned in fiscal year 1990 or 1991 to a State under sections 104(b), 130, 144, and 152 of title 23, United States Code, shall be available to carry out section 140(b) of title 23, United States Code, upon a request by the State highway department.

SEC. 338. Section 111 of title 23, United States Code, is amended by adding the following new subsection:

"(c) STATE HISTORICAL OBSERVANCES.—Notwithstanding subsections (a) and (b) any State may operate concessions in safety rest areas located on rights-of-way of the Interstate System in conjunction with extraordinary State occasions such as centennial, sesquicentennial, and similar celebrations. Such activities are to be conducted at appropriate information centers so situated as to not interfere with the normal operations of a safety rest area. The State shall provide adequate information about such facilities to the Secretary sufficiently in advance of the occasion.

SEC. 339. Notwithstanding any other provision of law, section 149(a)(14)(B) of Public Law 100-17 is amended by striking "at least".

SEC. 340. The Secretary shall conduct a thorough independent safety review of the New York Metropolitan Transportation Authority, including the New York City Transit Authority, the Long Island Railroad and Metro-North commuter railroads, using available funds or funds withheld from formula money allocated to the New York portion of the New York-Northeast New Jersey urbanized area. The Secretary shall submit a comprehensive plan, within thirty days after the date of enactment of this Act, for conducting such an investigation, including the cost and scope of the investigation and an expeditious schedule for completion of such an investigation.

SEC. 341. The Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1609 et seq.), is amended by adding at the end of section 23 the following new subsection:

"(h) SAFETY, FINANCIAL AND PROCUREMENT COMPLIANCE REVIEWS.—In addition to the purposes provided for under subsection (a), the funds made available under subsections (a) (1) through (5) may be used by the Secretary to contract with any person to provide safety, procurement, management and financial compliance reviews, and audits of any recipient of funds under any such subsection. Any contract entered into under this subsection shall not be subject to the requirements of subsection (d), (e), (f), or (g).".

SEC. 342. The Department of Transportation shall study the effect on consumers of State regulation of the rates, routes, and services of the express package industry and make recommendations to Congress.

SEC. 343. Notwithstanding any other provision of law, any lease agreement entered into between Union Pacific Railroad Company and School District numbered 25, Bannock County, State of Idaho, for purposes of providing recreational and athletic facilities, shall be deemed consistent with purposes identified in 22 Stat. 148 and shall not be considered an abandonment of that property by Union Pacific Railroad Company.

SEC. 344. Notwithstanding any other provision of law, funds available to the Coast Guard under the head "Operating Expenses" in this Act shall be available for expenses incurred in fiscal year 1990 by the Coast Guard in responding to any oilspill.

SEC. 345. Before making the allocation of sums authorized to be appropriated for fiscal year 1990 for public lands highways, the Secretary of Transportation shall set aside $2,000,000 for the Chief Joseph Scenic Highway in the State of Wyoming, to be available until expended.

This Act may be cited as the "Department of Transportation and Related Agencies Appropriations Act, 1990".

Mr. LAUTENBERG. Mr. President, it is my pleasure as subcommittee chairman to bring before the Senate the 1990 appropriations bill for the Department of Transportation and related agencies. Senator D'AMATO, the distinguished ranking member, and I are proud of this bill.

This bill represents the result of a very careful and diligent examination of the budget requests proposed by the President. The subcommittee held 10 days of hearings involving 11 agencies, and held special hearings on aviation security and on the transportation trust funds.

I want to thank each one of the members of the subcommittee and the Appropriations Committee, particularly the chairman, who is present here, of the Appropriations Committee for his advice, guidance, and for his support.

I want to thank every Member for their support. While we are not able to provide for every request, I have done the best that I could to accommodate their priorities. In total, we received 431 Senate requests from 77 individual Senators, representing almost $3.8 billion in individual earmarked programs and priority listings for specific projects. By and large, these programs were above and beyond the amounts allocated in the adminstration's budget.

We think this bill is a good bill. It protests and enhances our Nation's basic transportation infrastructure. Further, it is within the subcommittee's allocation, containing $11,464,891,000 in discretionary budget authority and $27,449,864,000 in discretionary outlays. That would be compared to our 302(b) allocation of $11,500,000,000 in budget authority and $27,450,000,000 in outlays.

To all those Senators who may been thinking of offering amendments I would like to emphasis there is essentially no room for spending amendments.

The President proposed to reduce the budget authority and limitations on obligations in the Transportation bill by $2 billion, from $26.4 to $24.4 billion. In terms of outlays for discretionary programs, the budget proposed a reduction of $1.5 billion, from $11 billion to $9.5 billion.

These cuts were achieved largely by reducing obligation limitations on highway construcion programs by $700 million—which translates into a $150 million outlay cut; eliminating funding for Amtrak, the Nation's intercity passenger railroad corporation, for a savings of $584 million in budget authority and $500 million in outlays; and eliminating $2 billion in budget au-

thority and $700 million in outlays for the urban mass transit programs.

These cuts total $3.3 billion in budget authority, offset by increases of $650 million for the Coast Guard and $1.2 billion for the Federal Aviation Administration.

In other words, the President's Budget proposed to pay for needed increases for the Coast Guard and the FAA by virtually eliminating financial assistance for mass transit and Amtrak, and by reducing highway expenditures as well.

Here are a few highlights.

COAST GUARD

For example, in the Coast Guard, the bill provides $1.952 billion in new budget authority, to be supplemented by a $300 million transfer to the Coast Guard from the Defense Department, a furtherance of the Coast Guard's national defense mission, including drug interdiction. The only major reduction we had to make to the Coast Guard was to eliminate $243 million budgeted for a new icebreaker. Otherwise, the Coast Guard will receive an increase of 6 percent for operations.

In passing, I would mention that the Commandant of the Coast Guard, Adm. Paul Yost, and I have worked closely over the past several weeks to resolve any differences and I think I can report that he is extremely pleased with his mark and has expressed his gratitude for the support of all members.

HIGHWAYS

In the Federal Highway Administration, I would note that the bill before you has $12.050 billion, an increase of $50 million over last year and $740 million over the budget.

AMTRAK

For Amtrak, the bill contains $530 million for operations, down from last year's $584 million, and also provides $85 million for capital projects, so that Amtrak can begin to renew its rolling stock and continue its tremendous progress at improving its financial performance.

FEDERAL AVIATION ADMINISTRATION

For the FAA, the bill provides an increase of $418.4 million for operations, an increase of 13 percent over the 1989 enacted level. This includes funding for an additional 695 air traffic controllers; 400 additional safety inspectors; 60 additional aircraft certification personnel; and 120 additional civil aviation security staff.

In the facilities and equipment area, the bill provides $1.78 billion, or $395.6 million more than the enacted 1989 level. Most of this will go to the modernization and expansion of our national airspace system by upgrading our air route traffic control centers, airport towers and flight service facilities.

This includes $12 million of the $30 million which the FAA requested for the microwave landing system. This amount is the same that has been funded by the House. We have, however, in the committee's report, given the FAA the latitude of going forward with a limited buy of category II/III MLS prototype systems. Our rationale in this matter is that FAA is finally ending the problems they have had with the current MLS contractor. Either that contractor will default the contract, or a new contractor—one with the ability to pick up and perform the current contract—will buy out the contract and provide the equipment. This will hopefully enable FAA to field a quantity of category I systems.

We have agreed with the House position that there needs to be a microwave landing system demonstration program. It is for that purpose that the $12 million is provided in fiscal year 1990.

Concurrently, however, we must support the FAA's efforts to develop the microwave landing system into equipment which the use community will want to adopt and utilize. Therefore, we have given FAA the ability to utilize funds to ask industry to respond to the challenge of producing a viable category II/III MLS. It is time to determine whether MLS is really the system of the future.

In the research area, there is $14 million to support continued development of automated explosive and sabotage detection systems, which is $5 million more than the administration's request.

For the grants program, the bill contains $1.5 billion, which is $150 million over the administration's request ($100 million for capacity related projects).

URBAN MASS TRANSPORTATION ADMINISTRATION

In the transit area, the bill freezes at the 1989 level the amount available for the section 9 general fund program, $1.6 billion; and keeps the operating assistance amount at $805 million. In addition, the amount for the section 3, trust-funded capital programs is at the 1989 level of $1.14 billion.

AIRLINE SMOKING BAN

Mr. President, I would also like to make a few comments at this time concerning the topic apparently of great interest in this body and around the country. It is the airline smoking provision.

The committee has proposed amendments to section 335 of the House-passed bill to permanently ban cigarette smoking on domestic airline flights. That is all flights. It does not matter where they start or where they end or who the carrier is. It is all flights that take off and land within the boundaries of the United States.

On February 10, 1989, a study on the exposure of nonsmokers on airline flights to cigarette smoke was published in the Journal of the American Medical Association. That study, conducted by a group of scientists led by researchers from the National Cancer Institute and the Environmental Protection Agency, showed that nonsmoking passengers and flight attendants are exposed to equivalent amounts of nicotine as the smoking passenger—the same exposure.

This study confirmed concerns about health risks posed by passive smoking. In the United States 390,000 people die each year from smoking-related causes. The Surgeon General, based on the information that he developed, estimated that as many as 5,000 nonsmokers die each year from enhaling the smoke of others. The problems posed by cigarette smoke on airplanes can be even worse than those in other environments. Newer, more fuel efficient planes utilize increasing amounts of recirculated air, increasing the exposure of the passengers to cigarette smoke developed by others. And we found out something else, that separating the passengers, the nonsmoking from the smoking passengers, does not separate the air they breathe.

The dangers of passive smoking continue to be of continuing concern to the committee. The Congress adopted a provision on the fiscal year 1988 transportation appropriations bill. It banned smoking on some commercial domestic flights, flights of 2 hours or less. That ban has been implemented very successfully with overwhelming public acceptance.

Based on this experience, and mounting scientific evidence on the dangers of passive smoking, especially in a confined environment like an airline cabin, the committee has included this provision to prohibit smoking on all domestic airline flights.

The Senate amendment treats all airlines alike; that is, if the prohibition on smoking applies to any airline's flight segment between any two cities, it applies to all airline flight segments between those two cities. This prohibition is applied without regard to whether, as I said earlier, the airline in question is a domestic or a foreign flag carrier. As long as it is within the United States on a continuing segment of a flight from a foreign port to U.S. gateway, smoking is prohibited.

Mr. President, I know this is not going to be the end of this discussion on this provision, but I hope my colleagues will support the committee's conclusion.

At this time, I would like to turn the floor over to Senator D'AMATO, the distinguished ranking member, to hear his comments.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the distinguished Senator from New York.

Mr. D'AMATO. Mr. President, I am pleased to join with Chairman LAUTENBERG in support of H.R. 3015, the fiscal 1990 appropriations bill for the Department of Transportation and related agencies.

Let me say I think it has been a remarkable job that the Senator, and committee and staff have undertaken given our current budget constraints. Major program funding needs have been met such as enhancing our Coast Guard drug interdiction efforts and enhancing the FAA's and national airspace system modernization program. Achieving these goals in a fiscally difficult time is no easy task.

I would like at this time to pay particular thanks to a dedicated professional staff led by Pat McCann, Don Knowles, Joyce Rose, Anne Miano, and Dorothy Pastis for their fine work.

Mr. President, let me emphasize one matter as it related to the safety of millions and millions of daily commuters in New York City.

I would like to thank the chairman of the subcommittee, Senator LAUTENBERG, and the chairman of the full committee who is here, Senator BYRD, for their help in seeing to it that an amendment that will require UMTA, the Urban Mass Transportation Administration, to undertake a thorough systemwide safety investigation of the New York Metropolitan Transportation Authority, is included in this legislation.

This bill contains vital increases for the Federal Aviation Administration [FAA]. We have provided $7.3 billion for FAA, an increase of 16 percent or $1.027 billion over current levels. Of that increase, $396 million is for facilities and equipment to help modernize the Nation's air traffic control system. Another $418.4 million will pay for FAA operations, including salaries for 696 additional controllers, 120 more civil aviation security personnel, as well as 400 more safety inspectors and an additional 60 aircraft certification staff.

We also have provided $3.2 billion for the Coast Guard. Although we did not grant the administration's request to fund a new $243 million icebreaker, the Coast Guard will receive an overall increase of about $158 million. This includes a 6-percent or $340 million increase for operations. The committee has provided $567 million for drug interdiction efforts, up to 15 percent from current levels.

These increases were accommodated without shortchanging other transportation modes and with responsible, thoughtful budgeting. I am glad to say that we are within our subcommittee's 302(b) allocation.

We are grateful to the Defense Subcommittee for $300 million in funds transferred to us for the Coast Guard. Without this infusion of support, we would not have been able to provide the funds needed for the Coast Guard's vital drug fighting mission. In addition, the Defense assistance to the Coast Guard will enable us to continue the massive job of modernizing our air traffic control system, while rebuilding our crumbling highways and bridges, and keeping Amtrak and transit alive.

Mr. President, this bill contains too many provisions to be able to discuss them all, however I would like to highlight one that affects the safety of millions of daily commuters in the New York City area. I have added an amendment that will require the Urban Mass Transportation Administration [UMTA] to undertake a thorough, systemwide safety investigation of the New York Metropolitan Transportation Authority.

Conditions in New York's transit system are intolerable. For example, since 1979 there have been hundreds of incidents of passengers being dragged by subway doors. In 1987, one person was killed in a dragging accident. There were 3,600 track and tunnel fires from 1987 to 1988, at a time when many of MTA's fire extinguishers were missing or broken. Recently, a number of accidents and near misses have pointed out the need for this investigation.

In July 1989, for example, 2,600 riders were trapped for hours in over 100-degree heat in a Queens (east) bound subway train. They were forced to evacuate the train in conditions of no lights, ventilation, or communications. There were 37 passengers injured, including 2 pregnant women.

In March 1989, two workmen were killed at the Astor Place station.

Also in March, 45 passengers were injured in a crash of a Broadway line train at the 103d Street station. I could go on and on.

I have discussed my amendment with UMTA Administrator designee, Brian Clymer. He has assued me that UMTA will commit itself to undertake this very serious investigation in an expeditious manner. I have worked hard to preserve funding for public transit—this bill freezes transit at the fiscal year 1989 levels—and I will continue to do so, but I must emphasize that safety cannot take a back seat to any other transit issue.

Billions of Federal dollars have been invested in modernizing aging transit systems and in building new ones. Interest in public transit is mushrooming around the country. It is time that the Federal Government gets involved in looking at whether the systems we are paying for are safe. The New York MTA's performance makes it clear that UMTA must do more than simply write grant checks.

We have poured billions and billions of Federal taxpayers' dollars into the Nation's mass transit systems. We simply have not got the kind of response we need from UMTA regarding the safety problems that exist on public transit systems.

We are asking that the investment of billions of dollars of Federal taxpayers' moneys be monitored especially as it relates to the safety of the New York transit system. This is urgently needed because there are hundreds of millions of dollars in the pipeline that are yet to be spent. As national interest in public transit continues to grow, the least we can do is to assure that the New York MTA's performance is carefully investigated and that we get accountability for the Federal dollars that are invested in this system.

Mr. President, I congratulate the distinguished subcommittee chairman and the chairman of our full committee, Senator BYRD, for, assisting in putting together an outstanding bill. I urge my colleagues to support this bill. Thank you, Mr. President.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the committee amendments may be considered and agreed to en bloc, with two exceptions. First, the committee amendment inserting language beginning on page 5, line 22, and continuing through page 6, line 2. Second, the committee amendment inserting language beginning on page 71, line 6, and extending through page 71, line 12, be considered as original text for the purpose of further amendment and that no points of order be waived thereon.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The committee amendments were agreed to en bloc, with the exception of the committee amendment inserting language beginning on page 5, line 22, and continuing through page 6, line 2; and the committee amendment inserting language beginning on page 71, line 6, and continuing through page 71, line 12.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia [Mr. BYRD] is recognized.

Mr. BYRD. Mr. President, today we are considering H.R. 3015, the Transportation and related agencies appropriations bill for fiscal year 1990. This measure provides funding for the programs of the Department of Transportation, including the Coast Guard, the Federal Aviation Administration, the Federal Highway Administration, the National Highway Traffic Safety Administration, the Federal Railroad Administration, the Urban Mass Transportation Administration, the St. Lawrence Seaway Development Corpora-

tion, the Research and Special Programs Administration, as well as the Office of the Secretary and the Office of the Inspector General.

In addition the bill provides funding for the Architectural and Transportation Barriers Compliance Board, the National Transportation Safety Board, the Interstate Commerce Commission, the Panama Canal Commission and the Washington Metropolitan Area Transit Authority.

The bill as recommended by the Committee on Appropriations provides total obligational authority of $11,937,504,569. This represents an increase of $1,909,808,000 to the President's request and a decrease of $34,895,000 from the bill as it passed by the House. With respect to the subcommittee 302(b) allocation, the bill as recommended is within both the budget authority and outlay ceilings.

I wish to commend Mr. LAUTENBERG, chairman of the subcommittee and Mr. D'AMATO, the ranking member, of their excellent work in accommodating the priorities of the Senate within the constraints of the budget agreement. Their work was in no little part assisted by the cooperation of their colleagues on the subcommittee and on the full Committee on Appropriations.

I also wish to commend the staff of the subcommittee: Patrick McCann, Don Knowles, Joyce Rose; and for the minority, Anne Miano and Dorothy Pastis. These professionals have worked tirelessly to get this measure before us today.

The managers have explained in much greater detail the contents of the measure as recommended to you. I will not review again those highlights so that we can get down to the business of considering and passing this bill. The bill as reported by the Appropriations Committee deserves the support of the Senate.

Now, Mr. President, I take it that the first of the two amendments that were accepted from the en bloc request is before the Senate for debate and amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. Mr. President, I shall shortly send an amendment to the desk, but before I do that, let me say with respect to the amendment which I shall offer, last week President Bush went before the Nation to announce his proposal for addressing our country's drug problem.

I applaud his effort, and I applaud the leadership that he brings to the crisis. I appreciate the fact that he is doing whatever he can to galvanize the attention and the concern and the action of the Nation. But I am concerned about the means of funding the President's program. He would pay for his most recent $716 million increase in drug funding by cutting $194 million from the Economic Development Administration; $40 million from the Juvenile Justice Program; $50 million from public housing subsidies; $320 million from the Interim Assistance Program at the Department of Health and Human Services; and $132 million from the Department of Defense's single channel ground airborne radio system.

Mr. President, I do not believe that this is a fair way to fund this national crisis. What is necessary is an approach that would spread both the pain and the gain evenly throughout the Federal Government.

The President's proposal does not go far enough. The American people, I believe, see it that way, and also the subcommittees of the Senate, as they have assessed their needs on the basis of their hearings and so on, do not believe so either. According to a September 8 ABC-Washington Post poll, 74 percent of the American people agree with that statement.

In total, the President's drug program for fiscal year 1990 totals $7.867 billion. According to OMB, that total is arrived at by adding to the President's original fiscal year 1990 budget request of $6.39 billion his crime initiative of $759 million and his September budget amendment of $718 million. The total of those three figures is $7.867 billion. For fiscal year 1989, $5.668 billion was appropriated for drug programs. So, the President has asked for an increase of $2.199 billion for fiscal year 1990.

In discussing the President's request with my subcommittee chairmen, I learned two things. First, there was no way for several of the subcommittees to fund the President's request for drugs and also fund programs for which the President had asked for too little or no funding. In fact, our subcommittees with jurisdiction over drug programs have indicated that they will be able to fund only $6.138 billion of the President's request.

Second, each subcommittee indicated that through their review of the President's drug requests and from information gathered during their hearings, the President requested too little funding for many important programs.

In preparing my amendment, I worked with each subcommittee to determine how much additional funding they felt should be appropriated for fiscal year 1990 in each of their jurisdictions in order to fully fund the President's requests plus provide funding for other programs authorized by the Anti-Drug Act of 1988 but for which no funding has yet been provided.

So the amendment that I offer, based on these discussions with my subcommittee chairmen and their staffs, includes an additional $3.939 billion for drug programs. This amount, when added to the $6.138 billion which our subcommittees intend to recommend in their regular fiscal year 1990 appropriation bills, will total $10.078 billion in drug funding for fiscal year 1990. That will result in an increase of $2.211 billion above the President's request, and an increase of $4.410 billion, or a 78-percent increase above fiscal year 1989 appropriations.

Included in the amendment are the following increases:

For programs within the jurisdiction of the Commerce, Justice, State Subcommittee, $1,839,940,000 will be appropriated, including $1 billion for prison construction; for the Interior Subcommittee, $25,500,000 in the Indian Health Services, and incidentally, that bill has already passed the Senate and is going to be considered in conference shortly; for treatment, rehabilitation, and education programs under the Labor, HHS Subcommittee, $1,602,500,000; for law enforcement programs under the Treasury, Postal Service Subcommittee, $271,140,000; and for drug treatment programs in VA, an additional $100 million will be appropriated together with an additional $100 million for treatment programs in public housing facilities.

In order to pay for these increases, the amendment provides for an across-the-board cut of .575 of 1 percent; in other words, just barely more than one-half of 1 percent from all domestic, international, and defense discretionary appropriations for fiscal year 1990. It brings the law enforcement interdiction side better in balance with the education, rehabilitation, and treatment side.

This reduction applies to each discretionary program, project, and activity for which fiscal year 1990 appropriations are enacted. This means that fiscal year 1990 appropriation bills which have already passed the Senate, Interior, Energy and Water, Treasury, Postal Service, Legislative, and Agricultural, will be subject to this reduction upon enactment as well as all other appropriation bills which have not yet been considered by the Senate.

This reduction of .575 of 1 percent results in outlay savings of $1.657 billion. This amount of outlay savings will fully offset the fiscal year 1990 outlays which result from the increased drug appropriations provided in the amendment.

Therefore, this amendment will have no effect on the deficit. It is deficit neutral for fiscal year 1990.

Mr. President, I would have preferred to wait until after enactment of all 13 appropriation bills before recommending increased drug funding, but the American people are tired of waiting and fully need a strong drug program, and Members of the Senate apparently are tired of waiting, too. We saw this happen when the legislative

appropriation bill was before the Senate.

This amendment is an attempt to address those concerns, and if it is adopted it would seem to me there would be no need for other drug-related amendments to be offered to appropriations bills. We have passed five of the appropriations bills.

We have eight yet to go. We need very much to pass these remaining bills and get all of them through conference by October 1, in addition to the reconciliation bill which is going to be necessary by October 15 if we are to avoid a sequester, in which case there will be much deeper cuts in defense and otherwise, because there is a penalty of $10 billion once we go over that Gramm-Rudman target, a penalty of $10 billion, if we go $1 billion over the $110 billion, $10 billion will be a cushion. We would not just have sequester for $1 billion, we would sequester 1 plus 10 to get the budget deficit down to the target of $100 billion.

So this is a very painful approach. I would hope that we could get all of these appropriations bills through and avoid a continuing resolution. I do not want to go the continuing resolution route. That is an additional headache if it ever comes up to the Senate because it is open to various and sundry amendments and when we end up with a continuing resolution, Congress looks bad, and I want to do everything I can to get the appropriations bills through before the fiscal October 1 deadline.

In view of the fact that we do have this terrible drug problem all Members are concerned about it.

There is no monopoly on the concern by either party. Democrats and Republicans are equally concerned about doing something. We may differ in our approaches, but I think it is important that we try to lay this matter to rest on the appropriations bill so that on the remaining appropriations bills that come up we will hopefully not be having to deal with all kinds of appropriations amendments that come from here, there, and everywhere else and divide us and pit my program against another Senator's program, pit one department against another, and they are all critical programs.

I would hope that this approach would relieve us of that incessant attack that we will certainly have to endure if we do not adopt an approach that takes care of all the subcommittees that are involved one at a time.

So I would have preferred to wait until after enactment of all 13 appropriations bills.

But as I say this amendment, even if not the final answer, may not provide enough drug funding for fiscal year 1990, but it is the best we can do at this time to adequately fund the drug programs and to distribute the necessary reductions in a fair and equal way.

I urge my colleagues to support the amendment. The amendment also would provide a better balance between the enforcement side and the education, prevention and treatment side. The moneys that would be added by my amendment would provide: 53 percent would be on the enforcement side, on the supply side; 47 percent would be on the demand side, prevention, education and treatment, rehabilitation, and so on. That is a pretty even balance. I think our Anti-Drug Act of last year called for a 50-50 match or some such.

So, in that respect, we build up this side that appears to be somewhat weak otherwise, and we are fair in dealing with everybody in a fair and evenhanded way.

So I hope, Mr. President, that the Senate will support the amendment.

Senator BIDEN is out conducting hearings. He is the chairman of the Judiciary Committee. He is gathering important information as he goes around the country conducting hearings and he is to be commended because in this way he can develop facts that we do not presently have. He can elicit facts from those who testify before his committee. At the same time he can also perform an important function, the function of informing the people out there as to what the facts are in connection with the proposals that have been made.

Then he will be in a position to offer suggestions for authorizing legislation or, if necessary, more funding. In that case, I certainly will do everything I can to be helpful to Senator BIDEN in the event that, in the final analysis with his hearings, he determines more is needed.

We have a war going on in our streets right now. We are not waiting for an invasion. An invasion has already begun and the troops of the enemy have landed and they are attacking at all points. If we hope to meet this terrible scourge, we need to be prepared to pay for the means by which to do it. And that is what this amendment seeks to do.

I do not seek to approach it in a partisan way. I welcome the support of Members on the other side. I would hope that the administration could see its way also to support it. Because, after all, the President and we are seeking the same goals.

So the choices are hard. We are going to have to wage a war. We must not be timid. The drug scourge here at home could be as great a threat to the future of this Nation as any war that we might wage on foreign shores.

I have heard an old story that the Chinese built a great wall. It took them many, many decades to build that wall to keep out aggressors. What happened, however, was the enemy within the walls was the one which finally was victorious. And while the wall kept the aggressors out, it was those within the walls that they were not protected against. So we have an aggressor right here within the walls, and I think we have to face up to that.

So, if we are serious in our resolve to win this war, then we have to provide ammunition to the troops in the field. And we can begin today with the adoption of this amendment.

Mr. President, it is my understanding—I have just been informed by the distinguished majority leader—that the distinguished minority leader would like for this amendment to be set aside, meaning the committee amendment that was excluded, which would carry with it my amendment, set these aside for the present so that the Senate could get on with other discussions concerning the bill and the other amendment which has been excepted in the en bloc request.

I will be happy to, if it is agreeable to my subcommittee chairman and my ranking member, once I have offered the amendment, to make that request on behalf of the majority leader.

So if there is no objection, I will do that or the subcommittee chairman can do it himself.

AMENDMENT NO. 727 TO COMMITTEE AMENDMENT BEGINNING ON PAGE 5, LINE 22

Mr. BYRD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for himself and Mr. HATFIELD, proposes an amendment numbered 727 to Committee Amendment beginning on page 5, line 22.

Mr. BYRD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the pending amendment, on page 6, line 2, strike all after the word "of" and insert in lieu thereof the following:

TITLE IV—EMERGENCY DRUG FUNDING

SEC. . (a) Except as provided in subsection (b), notwithstanding any other provision of this or any other Act, each appropriation item or loan program level made available for fiscal year 1990 heretofore, herein, or hereafter shall be reduced by .575 per centum, rounded to the nearest thousands of dollars, except for programs scored as mandatory during fiscal year 1990: *Provided*, That such reduction shall be applied proportionally to each program, project, and activity as set forth in the appropriate reports.

(b) subsection (a) shall not apply to the amounts provided in subsection (c).

(c) There is hereby appropriated the following amounts:

CHAPTER I

DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $10,261,000.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for "Salaries and expenses, general legal activities", $41,476,000, to remain available until expended.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For an additional amount for "Salaries and expenses, United States Attorneys", $80,699,000.

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

For an additional amount for "Salaries and expenses, United States Marshals Service", $23,819,000.

SUPPORT OF UNITED STATES PRISONERS

For an additional amount for "Support of United States prisoners", $23,000,000, to remain available until expended; of which not to exceed $10,000,000 shall be available under the Cooperative Agreement Program.

ASSETS FORFEITURE

For an additional amount for expenses authorized by 28 U.S.C. 524 (c)(1)(A)(ii), (B), (C), (F) and (G), as amended, $25,000,000 to be derived from the Department of Justice Assets Forfeiture Fund.

INTERAGENCY LAW ENFORCEMENT

ORGANIZED CRIME DRUG ENFORCEMENT

For an additional amount for "Organized crime drug enforcement", $46,361,000 shall be available to reimburse participating agencies from the Departments of Treasury and Transportation: *Provided*, That of this amount, $8,045,000 shall be available to reimburse the Immigration and Naturalization Service.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $97,045,000: *Provided*, That $15,000,000 of this amount shall be available until expended for construction of Pod B of the Engineering Research Facility at Quantico, Virginia.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $59,001,000.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $16,891,000.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $54,923,000.

BUILDINGS AND FACILITIES

For an additional amount for "Buildings and facilities", $1,000,000,000, to remain available until expended.

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

For an additional amount for "Justice assistance", $230,021,000, to remain available until expended: *Provided*, That $200,000,000 shall be available for the Edward Byrne Memorial State and Local Law Enforcement Assistance Program, $7,067,000 for the National Institute of Justice, $8,954,000 for the Bureau of Justice Assistance, $1,500,000 for the Regional Information Sharing Systems, and $12,500,000 for the Juvenile Justice and Delinquency Prevention Program.

THE JUDICIARY

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $59,550,000.

DEFENDER SERVICES

For an additional amount for "Defender services", $48,473,000, to remain available until expended.

FEES OF JURORS AND COMMISSIONERS

For an additional amount for "Fees of jurors and commissioners", $4,000,000, to remain available until expended.

COURT SECURITY

For an additional amount for "Court security", $15,400,000.

RELATED AGENCY

STATE JUSTICE INSTITUTE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $4,020,000, to remain available until expended.

CHAPTER II

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

CONSTRUCTION

For an additional amount for "Construction", for expenses necessary to carry out sections 2207 and 2211 of Public Law 100-690, $8,000,000 to remain available until expended.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICES

For an additional amount for "Indian Health Services" for expenses necessary to carry out sections 2212, 2213, 2215, and 2217 of Public Law 100-690, $14,500,000.

INDIAN HEALTH FACILITIES

For an additional amount for "Indian Health Facilities", for construction expenses necessary to carry out section 2212 of Public Law 100-690, $3,000,000, to remain available until expended.

CHAPTER III

DEPARTMENT OF HEALTH AND HUMAN SERVICES

CENTERS FOR DISEASE CONTROL

DISEASE CONTROL, RESEARCH, AND TRAINING

For an additional amount for "Disease control, research, and training", $100,000,000.

ALCOHOL, DRUG ABUSE AND MENTAL HEALTH ADMINISTRATION

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH

For an additional amount for "Alcohol, Drug Abuse, and Mental Health", for carrying out substance abuse activities only, $1,140,500,000: *Provided*, That the amounts provided for block grants to States under title XIX of the Public Health Service Act shall not be used to calculate amounts to be used for programs and activities relating to drug abuse as required by section 1916(c)(7)(B) of said Act.

FAMILY SUPPORT ADMINISTRATION

COMMUNITY SERVICES BLOCK GRANT

For an additional amount for "Community services block grant", $23,000,000.

ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT SERVICES

HUMAN DEVELOPMENT SERVICES

For an additional amount for "Human development services", $47,000,000.

DEPARTMENT OF EDUCATION

SCHOOL IMPROVEMENT PROGRAM

For an additional amount for Part F of Title IV and Title V of Public Law 100-297, $289,000,000, of which $4,000,000 shall be for section 4607, $6,000,000 shall be for part C and $4,000,000 shall be for Part D of Title V and $275,000,000 shall be for Part B of said Title of which not less than $25,000,000 shall be for section 5121(a) for urban and rural emergency grants.

RELATED AGENCIES

ACTION

For an additional amount for substance abuse prevention and education activities under section 501(c) of the Domestic Volunteer Service Act of 1973 as amended, $3,000,000 of which not more than $300,000 may be used for administrative expenses.

CHAPTER IV

DEPARTMENT OF THE TREASURY

FEDERAL LAW ENFORCEMENT TRAINING CENTER

Acquisition, Construction, Improvements and Related Expenses

For an additional amount for "Acquisition, construction, improvements and related expenses", $5,740,000, to remain available until expended.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $21,600,000.

U.S. CUSTOMS SERVICE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $45,400,000.

OPERATIONS AND MAINTENANCE, AIR INTERDICTION PROGRAM

For an additional amount for "Operations and maintenance, air interdiction program" for the procurement of helicopters, surveillance, tracking, and interceptor aircraft; and operation and maintenance expenses for these and other assets of the U.S. Customs Service air interdiction program, $43,400,000.

INTERNAL REVENUE SERVICE

INVESTIGATION, COLLECTION AND TAXPAYER SERVICE

For an additional amount for "Investigation, collection and taxpayer service", $15,000,000, solely for activities related to the criminal investigations division.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", for activities related to the designation of high intensity drug trafficking areas, $25,000,000.

SPECIAL FORFEITURE FUND

For expenses authorized by section 6073 of Public Law 100-690, not to exceed $115,000,000, to be derived from the Depart-

ment of Justice Assets Forfeiture Fund, and to remain available until expended.

CHAPTER V

DEPARTMENT OF VETERANS AFFAIRS

VETERANS HEALTH SERVICE AND RESEARCH ADMINISTRATION

MEDICAL CARE

For an additional amount for "Medical care", $100,000,000, to remain available until expended.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

For an additional amount for "Annual contributions for assisted housing", $100,000,000, to be used for grants under the Public Housing Drug Elimination Act of 1988, to remain available until expended.

Mr. BYRD. Mr. President, in accordance with my statement, I ask on behalf of the majority leader and the minority leader, if it is agreeable with both the managers, that the pending committee amendment, carrying with it my amendment, be temporarily set aside.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BYRD. Mr. President, I again thank both the manager and the ranking manager and compliment them highly on their work.

Mr. LAUTENBERG. Mr. President, it is quite clear now that the pending business is the committee amendment on page 71 pertaining to smoking on airplanes. I just want to confirm that.

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO. 728 TO COMMITTEE AMENDMENT BEGINNING ON PAGE 71, LINE 6

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG] proposes an amendment numbered 728 to committee amendment beginning on page 71, line 6, and continuing through page 71, line 12.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER (Mr. LIEBERMAN). Without objection, it is so ordered.

The amendment is as follows:

In the pending committee amendment on page 71, strike all after the word "deleting" and insert the following: "in 49 U.S.C. App. 1374(d)(1)(A), all after the words 'any scheduled airline flight' and inserting in lieu thereof, 'segment, in air transportation or intrastate air transportation, which is between any two points in the United States, and the Secretary shall promulgate regulations to implement this subparagraph, and'."

Mr. LAUTENBERG. Mr. President, this amendment makes one substantive change to the committee amendment. It is to make clear that the Secretary of Transportation shall promulgate regulations to implement the airline smoking ban. Otherwise, it has the same effect as the committee amendment. It would ban smoking on all domestic airlines.

Mr. President, at this time I would like to briefly describe for my colleagues what the committee amendment does. It extends an existing ban on smoking on airplanes on domestic flights of 2 hours or less to cover all flights wholly within the United States. The ban would take effect 90 days after enactment.

As with the existing ban, there would be penalties—a fine of up to $2,000 for tampering with smoke detectors in lavatories, and a fine of up to $1,000 for violation of the smoking restriction.

Mr. President, this is not a new debate. This is a subject that, in one form or another, has been thoroughly debated for well over 30 years.

Its been debated in the scientific community; in numerous State and local legislatures; in congressional hearings; and here on the Senate floor.

Throughout this debate, one fact has emerged that could only be disputed by those who truly want to ignore reality, and bury their heads in the sand. That fact is, Mr. President, that smoking kills.

It takes the lives of almost 400,000 Americans each year; 400,000 people each year.

Compare that to the toll taken in the tragic Vietnam war. There, over the course of our involvement, about 60,000 young Americans lost their lives. But from smoking, we lose almost 400,000—each and every year.

Recognizing the dangers of smoking, each Surgeon General since 1964 has warned us of the threat. More than 40,000 studies have confirmed the fact that smoking is unhealthy.

And, Mr. President, over the years, with further research, another fact has come to light. That is, that you don't have to be the one holding the cigarette to suffer its toxic effects.

This phenomenon, known as passive smoking, involuntary smoking, or side stream smoking, has proved to be a significant health hazard.

In 1986, two major reports were issued, compiling and reviewing the body of scientific research available. First, there was the National Academy of Sciences' report entitled "Environmental Tobacco Smoke, Measuring Exposure and Assessing Health Effects."

Then there was the Surgeon General's report, "The Health Consequences of Involuntary Smoking," also released in 1986.

Those reports came to several conclusions.

One, That involuntary smoking is a cause of disease, including lung cancer, in otherwise healthy nonsmokers.

Mr. President, I would like to take a moment to read from the editorial in USA Today. They call for a ban on smoking on all airline flights. The text is as follows:

Cathy Gilbert-Silva would like to quit smoking but she can't. Not without quitting her job. You see, Gilbert-Silva has never puffed on a cigarette. She is a flight attendant and for 20 years has had to breathe the smoke of people that she serves. When she had polyps removed from her vocal cords recently her doctor told her that she had the lungs of a 2-pack-a-day smoker. She and other flight attendants deserve a breather—

The editorial goes on to say—

and so do nonsmoking passengers.

And it then goes on to discuss the Senate proposal that you have before you.

I ask unanimous consent that the entire text of this editorial be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LAUTENBERG. The second point that is made in the report from the Surgeon General, and the National Academy of Sciences, is that involuntary exposure to tobacco smoke increases the frequency of respiratory diseases in infants and young children. And third, that involuntary exposure of children to tobacco smoke reduces the rate of lung growth as their young lungs mature. That is, exposure of young children to cigarette smoke impairs their normal development of the respiratory system.

Based on the scientific evidence, the Surgeon General estimated that 5,000 people die each year from the effects of passive smoking.

That same year, the National Academy of Sciences issued a second report, entitled "The Airliner Cabin environment: Air Quality and Safety." This report was based on an 18-month study, and, given the unique nature of an airline cabin, recommended a total ban on smoking on aircraft.

In May 1988, Surgeon General Koop asked the National Cancer Institute to further study the effects of passive smoking in airline cabins.

The results of that study were published in February of this year in the Journal of the American Medical Association.

This study made several important findings. It demonstrated conclusively that separating their seating does not separate the air that passengers breathe. The levels of airborne nicotine that flight attendants and passengers in the nonsmoking section are exposed to are equivalent to those found in the smoking section.

Based on these findings, Surgeon General Koop renewed the call for a

total ban on smoking on commercial aircraft.

On March 7, I introduced S. 519, a bill to do just that, ban smoking. I was pleased to be joined at the time by the distinguished Senator from Utah, ORRIN HATCH.

As both chairman and now ranking Republican member of the Labor and Human Resources Committee, Senator HATCH has been at the forefront of many issues to protect the health and well-being of the American public.

To be sure, there are many issues the distinguished Senator from Utah and I do not quite see eye-to-eye on.

But this is an issue is not political. In looking at the list of cosponsors of this measure, that is made all the more clear.

I would like to take a minute of the Senate's time to go through the list of cosponsors of that bill. It includes Senators: HATCH, KENNEDY, GLENN, KOHL, LUGAR, EXON, ADAMS, MATSUNAGA, BIDEN, ARMSTRONG, BINGAMAN, THURMOND, SIMON, HARKIN, GARN, BOSCHWITZ, WIRTH, CONRAD, MIKULSKI, CHAFEE, and DODD.

Mr. President, on that list of 22 Senators, we see both parties well represented. The full range of the political spectrum is represented.

That was repeated, that view was confirmed, by the vote in the Appropriations Committee last week. By an 18 to 11 margin. The Appropriations Committee approved the provision now pending before the Senate. There, too, the votes cut across party lines, across ideologies.

Yet, in spite of all the evidence, there were arguments against it. And I am sure we will hear more of them here on the Senate floor.

We will hear that tobacco is a legal substance, and that this is an unfair restriction. We will hear that the proponents of this amendment would bar consumption of one legal substance—tobacco—while continuing to allow consumption of another, alcohol.

I would like to comment on this. Even though alcohol is legal, you are not allowed to drink enough to impair you and then get in a car and drive. And the reason for that is quite evident: Because you jeopardize other people's health in addition to your own. What we are saying is if you want to get drunk sitting at home or in a bar, you can do it. But, do not get in a car and endanger other people's lives. You have no right to do it with a cigarette. You have no right to pass your habit on to innocent victims in an airline cabin.

As my distinguished colleague on the Appropriations Committee, Senator GARN, noted in the committee debate last week. He said when the guy next to me is drinking, I do not get drunk. But when the guy next to me is smoking, I stand a good chance of getting sick.

Mr. President, the American public is behind this proposal. They want a ban on smoking on airplanes. The groups that support this airline smoking ban are almost too numerous to mention but it is worth highlighting a few—American Cancer Society, American Heart Association, American Lung Association, American Academy of Family Physicians, the American Academy of Otolaryngology, head and neck surgery.

The list goes on, Mr. President. I ask unanimous consent that the full list of these support organizations be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. LAUTENBERG. Mr. President, in June the American Association for Respiratory Care surveyed 30,000 airline passengers. That survey found that 84 percent of the people questioned, approved of the current 2-hour ban on smoking and nearly two-thirds thought it should cover all flights.

A more recent Gallup poll showed that 70 percent of adult professionals, those most likely to fly, support a total ban.

I would also like to point out that in surveys, a majority of passengers identifying themselves as smokers have said they too support a ban.

Mr. President, with the pending amount before us, we have a chance to do something that is long overdue. It is the right thing to do based on mountains of solid, scientific evidence, and the American people want it, in overwhelming numbers.

There will be more debate on this. So for now, let me finish by making just one more point.

The Senate deals with a great number of issues. Among the most important ones are those to protect the health and well-being of all of our citizens. When a train crashes, we respond to do what we can to try and keep it from happening again. We spend billions to clean up our mistakes of the past, which turn up as toxic waste sites. And when workplace hazards, like asbestos, are identified, we act to protect the workers. In each case, everyone in this body, throughout the Congress, recognizes that that is an obligation that we have, to protect the health and the well-being of our citizens. But here we have a problem that is taking the lives of almost 400,000 each year, and there are those who would do all within their power to continue that, to stop us from taking even this relatively small step forward. We are not saying you cannot smoke. What we are saying is—be considerate. When you are in the small space of an airplane cabin, for God's sake, respect the rights of others.

Obviously, it is hard to understand what it is that would prevent us from moving ahead with this very positive action. It is hard for this Senator to comprehend it, and I cannot agree with them at all. I hope my colleagues will join me in supporting the provision reported by the Appropriations Committee.

EXHIBIT 1

[From USA Today, Sept. 12, 1989]

BAN SMOKING ON ALL AIRLINE FLIGHTS

Cathy Gilbert-Silva would like to quit smoking. But she can't. Not without quitting her job.

You see, Gilbert-Silva has never puffed on a cigarette. She's a flight attendant, and for 20 years she has had to breathe the smoke of the people she serves.

When she had polyps removed from her vocal cords recently, her doctors told her she had the lungs of a two-pack-a-day smoker.

She and other flight attendants deserve a breather. So do non-smoking passengers.

And that's what a Senate proposal to be debated today would give them. It would ban smoking on all flights, no matter how long they are.

Critics of this plan say it would deny smokers their rights. They say segregating smokers and non-smokers is good enough. They'd turn back the clock on the current 18-month-old smoking ban on flights of two hours or less and allow smoking on all flights.

There should be no turning back. It's time to move forward and protect non-smokers' health, instead.

It's a matter of common sense and common decency.

No one denies that cigarette smoke is an irritant. It can burn even non-smokers' eyes and make their clothes smell.

And despite what you can read across this page, it also may endanger their health.

The Office of the Surgeon General says so.

It estimates that 5,000 or more non-smokers suffer lung cancer every year from breathing in the 43 carcinogens found in tobacco smoke.

The National Cancer Institute and Environmental Protection Agency say so.

Their studies concluded this year that there's no way to segregate non-smokers from exposure to the cigarette smoke blown by smokers or smoldering from the end of a lit cigarette.

They found that airline cabin air, with its poor ventilation, violates indoor clean-air standards because of smoking. And even healthy, non-smoking passengers segregated in non-smoking sections suffer increased levels of nicotine and eye and nose irritation after four-hour flights.

And the National Academy of Sciences says so, too.

It reported that a flight attendant working in a smoking section breathes in at least as much smoke as the non-smoking spouse of a pack-a-day smoker.

That means flight attendants face a 34% greater chance of contracting cancer than other non-smokers.

Longer flights only prolong the exposure and increase the health risks to non-smokers.

That's one reason why the academy called for a smoking ban on all airline flights two years ago.

That's why the USA's 70,000 flight attendants support a smoking ban on all flights today.

And that's why polls of fliers have found they favor smoke-free skies by two to one.

Congress should join this chorus.

It should tell smokers to pack away their cigarettes in their bags and quit fouling the air of fellow passengers.

It's time to ground smoking for good.

EXHIBIT 2

GROUPS SUPPORTING THE AIRLINE SMOKING BAN.

American Cancer Society.
American Heart Association.
American Lung Association.
American Academy of Family Physicians.
American Academy of Otolaryngology, Head and Neck Surgery.
American Academy of Pediatrics.
American Association for Respiratory Care.
American Chiropractic Association.
American College of Cardiology.
American College of Chest Physicians.
American College of Physicians
American Diabetes Association.
American Medical Association.
American Medical Women's Association.
American Public Health Association.
American Society of Internal Medicine.
American Speech-Language-Hearing Association.
Americans for Nonsmokers' Rights.
Americans for Substance Abuse Prevention and Treatment.
Action on Smoking and Health.
Aerospace Medical Association.
Association of Flight Attendants.
Aviation Consumer Action Project.
Consumer Federation of America.
Independent Union of Flight Attendants.
Joint Council of Allergy and Immunology.
Joint Council of Flight Attendant Unions.
National Perinatal Association.
National Alliance of Senior Citizens, Inc.
Oncology Nursing Society.
Public Citizen Health Research Group.
Western Association of Children's Hospitals.

Mr. LAUTENBERG. Mr. President, I ask for the yeas and nays on the amendment before us.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. LAUTENBERG. Mr. President, I yield the floor.

The PRESIDING OFFICER. Who wishes to be recognized?

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the distinguished Senator from North Carolina [Mr. HELMS].

Mr. HELMS. Mr. President, I thank the Chair for recognizing me. If ever a legislative proposition was made that constitutes legislation on an appropriations bill, this is it. My good friend from New Jersey is unwilling to have the relevant committee, the Commerce Committee, consider it, but a point of order will be made sometime today. I know how the Chair will rule on that point of order, and so does the Senator from New Jersey. I think he has the votes to do the wrong thing in the wrong way. That is not unique around this place, but I do wish that he had been willing to let the Commerce Committee consider it and act on it and perhaps he will, before all is said and done, be willing to do that in any case with some sort of compromise.

My problem with the proposition by the Senator from New Jersey is not one involving smoking or health. I am not a doctor—neither is the Senator from New Jersey—and there is a weight of evidence on both sides of that question. A whole lot of liquor is drunk in New Jersey, and a whole lot of liquor is drunk on airlines. I would imagine the travail that has resulted in this country as a result of alcohol far exceeds that of any documented result of smoking.

But my interest is not in the smoking issue. My interest is in the 200,000 small family farmers in 23 States, good citizens who take great pride in growing a perfectly legal commodity. Many of these families, certainly in my State, and I believe in all the 23 States, have never grown anything but tobacco for generations. It is never said on this floor that if you put the 200,000 small family farmers out of business that tobacco will not continue to be used. It will continue to be manufactured, but it will be somebody else's tobacco, because there are foreign countries who are anxious to put the American tobacco farmer out of business because they grow tobacco and they will ship it into this country. It will be inferior tobacco with far more nicotine and all of the other substances that we hear so much about.

First of all, as I said at the outset, I regret the approach on this, this business of legislating on an appropriations bill, especially when the distinguished chairman of the Commerce Committee, which is the authorizing committee for this type of legislation, has been willing to consider the legislation of the distinguished Senator from New Jersey. But that had no effect.

The Appropriations Committee has clearly violated rule 16 of the standing rules of the Senate by including this legislation in this appropriations bill. I fully acknowledge that it is not a novelty around this place to legislate on appropriations bills. There are many pieces of legislation in this appropriations bill and in practically all, but none affecting the livelihoods of as many people as will be affected by this sort of legislation.

As far as the jurisdictional aspects of the ban, Senator HOLLINGS is chairman of the full Commerce Committee and Senator FORD is chairman of the Aviation Subcommittee. I would think they would be entitled to exercise due process. In any case, their committee and subcommittee should be the ones to decide after having hearings, and if the tobacco farmers lose, they lose. At least due process would have occurred.

In addition, the Appropriations Committee has ignored the oversight jurisdiction already exercised by the House Public Works Committee.

So the current issue is whether the proposal by the able Senator from New Jersey, my friend—and he is my friend—requires the urgent legislation on an appropriations bill. I would think that pruduent consideration by the proper committee, hearing, and scientific study, would be the procedure to follow.

I am a little bit curious as to why some of my colleagues on the Appropriations Committee would authorize a report which would finally give us some answers on this airline smoking debate but then decide to disregard the study that the taxpayers paid for and proceed pell mell—no pun intended—to act on its own. Is it a concern that some of the declarations, assertions might be proved incorrect? I do not know. I am just saying, what is the urgency? You already have a 2-hour ban. I am perfectly willing, for one, to make that permanent. I may even go a little farther than that. But to say the whole thing is over, finished, and doing it with legislation on an appropriations bill, is an affront to 200,000 farmers in 23 States, including my own.

I have never stood on this floor and advocated smoking, not once. I have never, I would say additionally—and never will—advocate the consumption of alcohol. That is a matter of individual decision.

Now, proponents of this permanent smoking ban say that 84 percent of airline passengers, smokers and nonsmokers alike, support the current ban. What they do not say—and I do not believe Senator LAUTENBERG has said it—is that the same survey showed that only two-thirds—about 67 percent—support expanding it to cover all domestic flights.

There are airlines that have banned all smoking on all flights. Smokers have an opportunity to fly other airlines. Fair enough. But I think that people who smoke cigarettes have a right, too. They are about 25 percent of the public, and they are going to be given no choice whatsoever.

Maybe there is somebody out here in the airline business who will say let us have all-smoking flights only and see how competitive they are. That at least would be fair. People would have a clear choice.

But I go back to my original point that I am not making the issue of smoking or health. I am not an expert. What I am interested in are the farmers who are going to be and already are affected by this onslaught by people who have no stake in the economic aspects of farming.

This is an easy vote for Senators who have no tobacco growers in their

State. They get accolades back home, and I am sure it is helpful and that is fine. But the fact remains that this proposal would permanently ban a legal agricultural product, that is already regulated on airlines, and it is being done without giving the relevant committee time to consider it and hold hearings on it based on the information that the Congress requested and for which the American people paid.

By banning the use of tobacco, we are neglecting to use these studies. We are refusing to have the hearings that will address many of the perceptions, and we will be discouraging efforts which will help us reach a real compromise in this debate. But most of all, there are countries to the south of us and in other parts of the world which are elated about this assault on the tobacco industry and tobacco families because if the tobacco farmers in this country suffer, then foreign tobacco will roll in here, as Chub Seawall in my State used to say, "like a blalock bull."

There is a lot of head-counting going on right now and I acknowledge at this point it does not look good for the tobacco farmers, but we are going to play out this thing. We will have a point of order raised later today.

Mr. President, I yield the floor and I suggest the absence of a quorum.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. Will the Senator please withhold the quorum call?

The Chair recognizes the Senator from Utah [Mr. HATCH].

Mr. HELMS. No, I do not withhold yet.

The PRESIDING OFFICER. The Senator from North Carolina has suggested the absence of a quorum. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HATCH. Mr. President, this is the third occasion where I have come to this floor and asked for my colleagues to ban smoking from all public conveyances. I have done so pursuant to the leadership of Senator LAUTENBERG, the distinguished Senator from New Jersey. I have to say that I have great admiration for his willingness to be able to carry this battle, because it is a difficult battle. Our close friends in the Senate, who come from tobacco States, normally have to defend the raising of tobacco and the smoking of tobacco. And I understand that. I certainly do not want to offend any of them, but, Mr. President, this is an important issue. I really think it is time that we in Congress get caught up with the scientific evidence.

Cigarette smoking is both a health and safety risk to smokers and nonsmokers who travel. Passengers on interstate public conveyances are often forced to sit for hours in confined areas, breathing air contaminated by tobacco smoke.

In 1985, Congress asked the Office of Technology Assessment to review the scientific evidence on whether cigarette smoke causes illness and disease in nonsmokers. In May 1986, OTA issued a report entitled, "Passive Smoking in the Workplace: Selected Issues," which contained the following conclusions:

> There is ample evidence that nonsmokers are exposed to elements of tobacco smoke when they are around people who are smoking. * * * children and people with pre-existing lung disease might be more susceptible than healthy adults to some of the effects of passive smoking.

Most importantly, the report stated:

> More than a dozen studies have been published during the 1980's that address the possible association of passive smoking and lung cancer. Taken one by one, the studies cannot be considered "definitive"; however, most investigators have found that passive smoking elevates a nonsmoker's risk of lung cancer, and results in about half the studies were statistically significant. The consistency of the results argues for stronger conclusions than could be drawn from individual studies: examined together, the evidence is generally consistent with an increased risk of lung cancer, on the order of a doubling of risk, among nonsmokers regularly exposed to environmental cigarette smoke compared with nonsmokers without exposure.

Congress also asked the National Research Council to evaluate cigarette smoking on commercial aircraft. In their 1986 report entitled, "The Airliner Cabin Environment, Air Quality and Safety," the council concluded:

> A contaminant in aircraft cabins that can be detected by its characteristic odor and visibility is environmental tobacco smoke—the combination of exhaled mainstream smoke and the smoke generated by smoldering cigarettes. Environmental tobacco smoke is a hazardous substance, and is the most frequent source of complaint about aircraft air quality.
>
> Because of the high concentration of environmental tobacco smoke generated in the smoking zone, it cannot be compensated for by increased ventilation in that zone. Moreover, strict separation of the airplane into smoking and nonsmoking zones does not prevent exposure of flight attendants and nonsmoking passengers to environmental tobacco smoke.

The scientific experts considered several ways of reducing environmental tobacco smoke in aircraft including structural or engineering changes, but concluded that such changes were not economically feasible.

The National Research Council went on to recommend:

> A ban on smoking on all domestic commercial flights, for four major reasons: to lessen irritation and discomfort to passengers and crew, to reduce potential health hazards to cabin crew associated with environmental tobacco smoke, to eliminate the possibility of fires caused by cigarettes, and to bring the cabin air quality into line with established standards for other closed environments.

Other scientific experts have been just as definitive. In a 1981 report entitled, "Indoor Pollutants," the National Research Council stated:

> Public policy should clearly articulate that involuntary exposure to tobacco smoke has adverse health effects and ought to be minimized or avoided where possible.

But perhaps the strongest conclusions have been reached by the Surgeon General of the United States, C. Everett Koop. In his 1986 report entitled, "The Health Consequences of Involuntary Smoking," the Surgeon General made the following statement:

> The comparison of the chemical composition of smoke inhaled by active smokers with that inhaled by involuntary smokers suggests that the toxic and carcinogenic effects are quantitatively similar, a similarity that is not too surprising because both mainstream smoke and environmental tobacco smoke result from the combustion of tobacco.

The Surgeon General study made the following three major conclusions:

First. Involuntary smoking is a cause of disease, including lung cancer in healthy nonsmokers.

Second. The children of parents who smoke compared with the children of nonsmoking parents have an increased frequency of respiratory infection, increased respiratory symptoms, and slightly smaller rates of increase in lung function as the lung matures.

Third. The simple separation of smokers and nonsmokers within the same airspace may reduce, but does not eliminate, the exposure of nonsmokers to environmental tobacco smoke.

Those are three fairly cogent reasons why this amendment needs to stay in this bill.

Mr. President, similar results and opinions can be found in other reports such as a 1986 report by the National Research Council entitled, "Environmental Tobacco Smoke: Measuring Exposure and Assessing Health Effect's; a 1985 Surgeon General's report, "Health Consequences of Smoking: Cancer and Chronic Lung Disease in the Workplace"; and other studies by private researchers and state and local governments.

There seems to be little disagreement among objective scientific experts on the adverse health consequences of passive smoking. Passive smoking threatens the health of everyone who is exposed, and it is especially hazardous to the very young and very old. It is not a theoretical health hazard. We are not talking about assumptions based on the death of a few laboratory specimens.

Tobacco users expose the nonsmoker to the 4,000 chemicals contained in

tobacco smoke, 43 of which are known to cause cancer. The Surgeon General has estimated that the 1,000 cigarette smokers who die prematurely every day are killing 12 to 15 nonsmokers with their tobacco smoke. Up to 5,000 nonsmokers die prematurely each year from exposure to the cigarette smoke of others.

Mr. President, during this Congress, there will be much debate about protecting our basic rights as individuals against a variety of threats and challenges. Well, passive smoking is a real threat to perhaps our most fundamental individual right: the right to live. Those individuals who are affected adversely by passive smoking should have rights too. And we need to protect them.

Let me share with you a letter I received from Anna Carroll of Alexandria, VA. She has been diagnosed as having nonhereditary pulmonary emphysema. Not only has she never smoked, no one in her family has smoked, including her husband. Medical experts told her that her emphysema was directly related to the fact that she was surrounded by chain smokers at work for more than 25 years.

As tragic as her story is, that was not the reason she contacted me. Her reason was to request legislation to protect nonsmokers while traveling. She stated that when she attempts to use public transportation—trains, buses, or airplanes—she has severe reactions due to exposure to tobacco smoke. The flight attendants would have to keep a close watch on her and provide her with supplemental oxygen because of the tobacco smoke. She also gets chest pains and must struggle to breathe when exposed to cigarette smoke.

When I introduced legislation on January 6, 1987, to ban smoking on airplanes and other public conveyances, I put Ms. Carroll's letter in the CONGRESSIONAL RECORD, and an interesting thing happened. I received letters from others like her. I won't read all of them, but I would like to read a few lines from a representative few.

Ms. Loretta M. Skewes from Michigan stated:

On Flight 004 the smoking was very heavy, and although I complained to the attendant, nothing was done and I suffered a breathing problem which resulted in a full blown asthma attack. I had not suffered an attack for years but now the allergic cycle has been restarted.

Gerald and Sharon Campbell of Woodside, NY, said in their letter:

Since smoke sensitive people also find it necessary to travel on public conveyances, and they find it necessary to breathe during these trips, to permit smoking is to deny others the opportunity to travel. Senate Bill 51 will give us the "right" to travel without paying the penalty of an asthma attack, the infliction of carcinogenic and radioactive materials on our innocent lungs and the possibility of long-term illness and shortened lifespans.

Mrs. Wanda F. Tozer of Cincinnati, OH, wrote:

My respiratory system is highly sensitive to smoke. Yet there are times when I must fly to get somewhere on time. I find myself dreading each time I must fly because I nearly panic knowing that I will barely be able to breathe.

I could go on and on with these letters. I have received many from Utah and all over the country in support of this legislation. I have even received letters from Boy Scouts who are members of Troop 55 in Amalga, UT. I have had flight attendants stop me on airplanes and tell me about their health problems as a result of chronic exposure to tobacco smoke during flights.

I want to read one more paragraph of Anna Carroll's letter:

Letters to the Secretary of Transportation, FAA, airlines, et cetera, have done little to any good. There are no laws on the books, so nobody takes responsibility for the protection of the innocent nonsmoker.

Mr. President, people choose to smoke, but there is no choice about breathing. We should not ban individuals in airplanes or other public conveyances simply because they cannot safely breathe the air of other passengers' cigarette smoke.

One heralded freedom of movement should not be subject to the risks imposed by tobacco smoking. None of us should have to put up with it.

Now, there is another factor that we should all consider. Smoking on airlines poses a safety risk to all passengers. A study by the FAA found that 6 percent of in-flight aircraft fires were caused by careless smoking. Perhaps Michael Brown of Arlington, TX, put it most succinctly when he wrote in an editorial: Consider this:

We put an average of 150 people inside of an enclosed metal cylinder filled with highly flammable oxygen and tons of explosive jet fuel, pressurize the cabin, take the aircraft 6 miles above the Earth and allow smokers to pull out an open flame and light up.

Mrs. Georgia Shafer, a flight attendant from Colorado, wrote about another safety problem:

I experienced on a flight the cabin pressure going crazy. This caused people's ears to block, causing pain as well as headaches. The flight engineer could not control the cabin pressure. When the mechanics came to repair the problem, they found that the valves were covered with nicotine and the valves had stuck shut.

There have also been studies showing that tobacco smoke affects our pilots. Tobacco smoke, coupled with the increase in cabin altitude of an airplane, decreases the amount of oxygen in the blood stream. This decrease in oxygen can affect the pilot's night vision and even the pilot's judgment.

Mr. President, we are fortunate that cigarette smoking has not resulted in a fatal airline crash in our country, but how long will this last? That raised two principal arguments.

First, they contend that a ban will increase the risk of in-flight fires because it encourages smokers to sneak back to the restrooms and light up.

Mr. President, to my knowledge, this has not been a problem since we established the 2-hour airline smoking ban. FAA already has taken steps to address this concern. I ask unanimous consent that the section 121.308 of the Federal Aviation Regulations on lavatory fire protection be printed in the RECORD, along with (e) and (f) of section 25.854.

There being no objection, the regulations were ordered to be printed in the RECORD, as follows:

SECTION 121.308. LAVATORY FIRE PROTECTION

(a) After October 29, 1986, no person may operate a passenger-carrying transport category airplane unless each lavatory in the airplane is equipped with a smoke detector system or equivalent that provides a warning light in the cockpit or provides a warning light or audio warning in the passenger cabin which would be readily detected by a flight attendant, taking into consideration the positioning of the flight attendants throughout the passenger compartment during various phases of flight.

(b) After April 29, 1987, no person may operate a passenger-carrying transport category airplane unless each lavatory in the airplane is equipped with a built-in fire extinguisher for each disposal receptacle for toilets, paper, or waste located within the lavatory. The built-in fire extinguisher must be designed to discharge automatically into each disposal receptable upon occurrence of a fire in the receptacle.

SECTION 25.854

(e) Each disposal receptacle for towels, paper, or waste must be fully enclosed and constructed of at least fire resistant materials, and must contain fires likely to occur in it under normal use. The ability of the disposal receptacle to contain those fires under all probable conditions of wear, misalignment, and ventilation expected in service must be demonstrated by test. A placard containing the legible words "No Cigarette Disposal" must be located on or near each disposal receptacle door.

(f) Lavatories must have "No Smoking" or "No Smoking in Lavatory" placards located conspicuously on each side of the entry door, and self-contained removable ashtrays located conspicuously on or near the entry side of each lavatory door, except that one ashtray may serve more than one lavatory door if the ashtray can be seen readily from the cabin side of each lavatory door served. The placards must have red letters at least one-half inch high on a white background of at least one inch high. (A "No Smoking" symbol may be included on the placard.)

Mr. HATCH. Mr. President, every lavatory in a commercial airplane is to be equipped with a smoke detector and every trash receptacle is to be equipped with a fire extinguisher. If a smoke alarm sounds, notifying the flight attendants, it is unlikely smokers will try to smoke in airplane lavatories.

The second argument frequently raised against the smoking ban is the need to protect the rights of smokers. Smokers do have rights, but as with every other right, there are limits. Smokers have the right to endanger their own health, no question about that. But that right ends when they start endangering the health and safety of others. We do that in countless ways across this country, through many enactments in the Congress and by State legislatures as well.

The evidence is clear that lighting up a cigarette on a public conveyance is just that, it endangers the health and safety of others. Our laws are replete, really replete, with examples of the regulation of individual conduct which poses health or safety risks to others. A ban on smoking in public conveyances would be consistent with previous actions we have taken to protect the health and safety of all Americans.

Today we have a chance to solve this problem. We have a chance to protect the Anna Carrolls of this country and give them a right to travel, the right that the rest of us enjoy. We have the chance to protect our children, our parents, and ourselves from the dangers of tobacco smoke.

Now, the public supports this move. A Gallup poll I cited before found 85 percent of nonsmokers, 75 percent of former smokers, and 63 percent of smokers felt that smokers should not smoke around nonsmokers.

The Society for Respiratory Care surveyed 2,306 travelers in the Salt Lake City Airport. Sixty-six percent of them said they wanted smoking banned, compared to only 26 percent who did not.

Today, Mr. President, we are considering legislation which will remove smoking from all airline flights. It is no secret that I would like to go further than that. I would like to protect the public while traveling on all interstate public conveyances and, of course, in the terminals that they use.

While the legislation before us is not everything I would like, it is an important step, and it has my full support. The scientists in this country have spoken; the American public has spoken; and the flight attendants and pilots have spoken. Now it is time for the Senate to support them; it is time for us to protect the health and safety of all passengers on public conveyances by eliminating tobacco smoke from those public conveyances.

The American Cancer Society, American Lung Association, American Heart Association, and a number of other health associations, and even some of our air carriers support these efforts. I hope my colleagues will join us in supporting this legislation so that we can, once and for all, give Anna Carroll and others like her the right they deserve, that is, the right to travel.

Mr. President, one last thing. As everyone knows, we have a direct flight from Dulles Airport to Salt Lake City. It takes between 4 and 4½ hours to take that flight, and 3½ to 4 hours to fly back.

I have hardly been on a flight recently where I have not had at least one flight attendant come up to me and at least one pilot or a member of the flight crew come up and say, "You have to do something. We are dying. Our lungs are filled with this smoke all the time. We have to put up with it 8 hours a day or longer on a daily, regular, repetitive basis. Something has to be done."

I have had flight attendants actually cry, because they do not know what to do. They feel this is such a terrible thing they have to go through, and they need their jobs. I really think something has to be done. I once sat by a smoker on one of the planes, and he turned to me, and I said, "What do you think about banning smoking on airlines?"

He said, "Well, it would affect me." He said, "I would feel badly about it because sometimes there is an overwhelming desire to smoke." I understand that.

But he said, "I really think it is a good idea. It is not fair for one or two people in the front of the plane or two, three, four, or five people in the back, to force everybody else to be subject to our smoking habit."

I said, "Well, would you be able to hold on for the 4 or 5 hours that it takes on this particular flight?"

He said, "Yes, we can do that. It would be difficult for some who are really addicted, but we can do it."

I said, "I agree; I really think it should be done."—as he lit up another cigarette, I might add. The fact of the matter is that it is time to do this.

Now, I fully understand how Senators who come from States that are heavy producers of tobacco feel about this issue and would like to not have this happen. I once went with the distinguished Senator from North Carolina out to one of these 40-acre farms. I have to acknowledge that those people are fiercely independent. They barely have eked out a living on that 40 acres.

They have a very, very difficult lifestyle. But they do not want to go on welfare. They want to earn their own living.

I have a lot of empathy and a lot of sympathy for the arguments that are made. We are not saying here today that we should ban all smoking, or that we should ban cigarettes or that we should make them a controlled substance.

Some argue that we should do that. It is so bad. The evidence is so strong.

We are not saying that. But what we are saying is why subject everybody else on the airplane to the cigarette smoking of one or two or four or five?

I think it is a reasonable approach here and frankly I think those from tobacco States in the end will be happy if it does pass because they will not have to come out and fight this issue all the time.

I have taken a stand, and everybody knows my position on smoking, but I have also taken a stand on some legislation where they wanted to ban advertising. My attitude is, unless we make it a controlled substance, they ought to be able to advertise smoking. I agree that there are some other items that should not be advertised.

As much as I feel that tobacco smoking is a very deleterious habit and it is a public health menace, as long as we do not make it a controlled substance, I feel people ought to have the right to choose whether they want to use tobacco or not.

I have empathy for those who come from tobacco-producing States and feel the way they do, and they should have the right to stand up and speak for their constituents. They have the right to sustain that right.

I think this is a reasonable amendment in this bill. I commend the distinguished Senator from New Jersey. He is not from Utah where in many ways we take a lot of offense to cigarette smoking, nor is he from any other State that takes a similar viewpoint. It has not been easy for him to be a champion against smoking on airlines, but he has done that.

I want you to know that I admire him for it. I have supported him in every way I possibly can, and I will continue to do so because he happens to be right here. It is time for us to acknowledge that.

It is time for us to acknowledge that there are millions of people out there being subjected to passive smoke who should not have to be.

So I commend the distinguished Senator from New Jersey, Senator LAUTENBERG, for the fight he has waged. If it had not been for him we would not have the 2-hour ban. Now let us ban it on domestic fights. We cannot do it on international flights, however we should do what we can do.

In the process I think everyone will be better off. In the process I also think those who produce the tobacco will be better of, if we can find an alternative for them so they wouldn't have to grow a crop that causes the death of so many Americans.

I thank the Senator and I appreciate the arguments on both sides.

As long as I am in the U.S. Senate I am going to fight as hard as I can to try to ban smoking on public conveyances for the benefit of all our citizens.

I thank the distinguished Senator from New Jersey for the fight he has

waged, the efforts he has made, and the intelligence has has brought to this issue, and for the good nature, the humor, and all the other appropriate approaches he has taken with regard to this very important issue.

I yield the floor.

Mr. FORD. Mr. President, I suggest the absence of quorum.

The PRESIDING OFFICER (Mr. KERRY). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. FORD. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORTON. Mr. President, I wish to join my distinguished colleague from Utah in commending the actions of the distinguished Senator from New Jersey in not only bringing this important issue before the Senate as a part of this appropriations bill, but for acting so decisively on a matter that is of great public importance and very much in the interests of the public health.

While I understand there is no formal attempt before the Senate at this point to strike the amendment which the Senator from New Jersey has sponsored before the committee, I wanted to be on record that if there is any such motion I will support the position of the Senator from New Jersey and that of the Senator from Utah who has been a crusader for a healthy environment and particularly for a healthy environment for nonsmokers against a closed environment in which an absence of smoking on the part of an individual, nontheless, is both a health measure because of the imposition which smokers can impose upon them.

Surgeon General Koop made it one of his final requests to this Congress and to the people of the United States that there be a total ban on smoking on commercial flights in the United States.

I can think of no better tribute to the encumbancy of perhaps the most outstanding person ever to hold the office of Surgeon General of the United States than for the Congress of the United States promptly and totally to follow that recommendation as a part of this appropriations bill.

Studies have found that nicotine levels can be as high in the nonsmoking sections of aircraft as in the smoking sections of aircraft. So passive smoking, the passive inhalation of smoke on the part of passengers, does create a very considerable health problem for them.

But the health problem created for other passengers on aircraft pales into insignificance when it is compared to the imposition on the health of the attendants on aircraft who work this as their professsion, day after day, week after week, and month after month. Some testimony at least has indicated that a nonsmoking flight attendant, nonetheless, after a period of 20 years or so, has the lungs of someone who smokes as much as two packs a day, simply a health hazard involuntarily imposed upon such people.

We have found in the experiments of the last months that the quality of air on aircraft which are flying less than 2 hours has been greatly improved and that the imposition on smokers who of course do have their rights is not great.

The experiment of Northwest Airlines in creating a smoke-free environment on all of its aircraft has been an entirely positive one. Northwest Airlines is to be commended for being willing to do something which other airlines have not. Many of them have privately informed us that while they take no formal position on this proposal they would be delighted to be subjected to such a requirement for their own employees, but they are afraid to impose such a policy themselves on the grounds that they would lose business to competing airlines which impose no such requirements.

The experience of Northwest Airlines does not seem to show that it is a competitive disadvantage. I think at this point it is appropriate to move beyond mere competition and to offer not only for passengers but for flight attendants a smoke-free environment under circumstances in which they simply cannot move away from what is a health threat to them at the present time.

Once again, I commend the Senator from New Jersey for his leadership in this respect and offer him my unqualified support should there be any attempt later on during the course of this debate to remove his most welcome and overdue amendment from this bill.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I have a few letters of support for this legislation for this transportation bill. I ask unanimous consent that letters from the Americal Lung Association, Flight Attendant Non-Smokers, Association of Professional Flight Attendants, the American Society of Internal Medicine, and numerous others, including the American Cancer Society, the Coalition on Smoking OR Health all be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN LUNG ASSOCIATION,
OFFICE OF GOVERNMENT RELATIONS,
Washington, DC, September 1, 1989.

DEAR SENATOR: Within the next few days, the Senate Appropriations Committee, of which you are a member, will consider the Fiscal Year 1990 Department of Transportation Appropriations bill. It is anticipated that the measure you consider will contain language with significant public health implications. Specifically, an amendment to mandate a total ban on smoking on all domestic airline flights will be contained in this bill, and the American Lung Association strongly urges your support for this language.

The matter of a total ban on smoking on all domestic flights is critical to the health and well-being of the traveling public and flight attendants as well. Some of your constituents cannot travel by air because they may suffer life-threatening reactions to secondhand smoke. Others must endure the acute, irritating effects of ambient tobacco smoke in the aircraft cabin. For flight attendants, such exposure is a regular occupational hazard and unhealthy fact of life as they suffer from nose and throat irritation, headaches, dizziness, and nausea caused by the heavy concentration of tobacco smoke in passenger smoking sections and the recirculation of smoke-polluted air throughout the cabin.

The current law which bans smoking on all domestic flights of two hours or less enjoys overwhelming support. On August 3, 1989, just prior to adjournment for the summer recess, the House of Representatives passed their version of the DOT Appropriations bill, which contained language making the current law permanent.

You now have the opportunity, through your committee, to preserve and expand the current law. Your leadership is urged in voting in favor of a total ban so that the full Senate may have a chance to debate this matter.

The American Lung Association asks you to keep in mind the critical need for passage of a total ban on smoking on all domestic flights. This initiative will impact the health of your constituents who fly and the flight attendants who serve them. Please let us know if you need further information.

Sincerely,

FRAN DU MELLE,
Director.

F.A.N.S.,
FLIGHT ATTENDANT NON-SMOKERS,
Sandy UT, September 8, 1989.

Hon. FRANK R. LAUTENBERG,
Chairman, Transportation Subcommittee, U.S. Senate, Washington, DC.

DEAR SENATOR LAUTENBERG: On behalf of thousands of Flight Attendant Non-Smokers (F.A.N.S.), I am writing this letter thanking you for your sponsorship of legislation, and relentless efforts, to ban smoking on all commercial airline flights.

Senator Lautenberg, unlike smokers who can choose when to smoke, when not to smoke, and if and when to quit smoking, flight attendants are not offered the choice. Flight attendants are forced to smoke every time they go to work. Flight attendants cannot choose when to have a cigarette, when not to have a cigarette, and we cannot quit smoking no matter how repulsed we are by this filthy habit being forced upon us.

Since the FAA and airlines are unwilling to protect us, since many smokers are not courteous enough to abstain and feel it their right to smoke when and wherever they choose, regardless of its effects on others, and because the tobacco industry spends millions of dollars putting up "smokescreens" to hide the facts, glamorize their deadly products, and influence legislators, you are the last hope for the preservation of our rights, our comfort, our health, and safety.

F.A.N.S. has collected signatures from several thousand flight attendants pleading for the right to a smokefree, carcinogen free, workplace. I have included this petition with my materials and hope that you will submit it to the appropriate Senate Committees in our behalf.

The enclosed materials contain facts and perspective from a flight attendant point of view. We hope that you will find them compelling and helpful.

Thank you.

Sincerely,

BRYAN D. MOSS,
Founder and President; F.A.N.S.

ASSOCIATION OF PROFESSIONAL FLIGHT ATTENDANTS,
Euless, TX, September 11, 1989.

HON. FRANK LAUTENBERG: As representatives of the Association of Professional Flight Attendants, consisting of 17,000 American Airlines crewmembers nationwide, we are here today to ask for your vote on the DOT appropriations bill which includes the total ban on smoking on all U.S. domestic flights. We understand this is an appropriations bill, but for us it is a measure to protect our health, our lives and the opportunity for us to continue in a chosen career we love. The eyes and ears of this nation's 100,000 plus flight attendants will be focused Tuesday on your vote. The FAA was charged with protecting flight attendant health upon the dismantling of the CAB and not one step has been taken by the FAA to demonstrate their responsibility. We cannot look to the airline industry for a total ban, for them it is an individual economic issue. Congressional rule must be enacted to protect the health of all crewmembers for all airlines.

The health of a generation of flight attendants has deteriorated due to the inhaling of concentrated levels of second hand tobacco smoke in the workplace. We cannot escape for a breath of fresh air. We are innocent victims of other peoples addiction. We are not against smokers, only what tobacco has done to our health. We are not taking away jobs, people will continue to smoke in other places than airplanes. We do not need to wait for the DOT air quality study, this nation's 100,000 plus flight attendants are living testimony to the ravages of passive smoke, not to mention the countless studies completed that have proven passive smoke causes various cancers and other respiratory diseases. We breathe the passive smoke of not one smoker, but 25 to 66 smokers, for 10 to 14 hours per day, 3.5 days per week. We have non-smoking flight attendants who have died from lung, throat and cervical cancers, and thousands of others with on going respiratory problems.

We have experienced some relief with the two hour ban, in the absence of the smoke we have fully realized the cause of our respiratory problems . . . the cause of our physical and mental exhaustion . . . the cause of our chest pain . . . the cause of our repeated headaches. We can't breathe! Our respiratory systems are like sores that are constantly rubbed and never allowed to heal. We are the only actual "workers in space," everyone else is at rest and we need oxygen to perform our inflight and safety duties. We hope that is not too much to ask. Our oxygen is being depleted by allowing people to smoke and light small fires in the enclosed aluminum tubes at 35,000 feet which we call our workplace. We are not a disposable work force. Your vote for a total ban will ensure us the opportunity to continue our careers in a healthier workplace.

Thank you,

SUZETTE R. AHRENDT.
CAROL STEVENSON,
APFA,
National Health Co-ordinator.
PATTY YOUNG.

AMERICAN SOCIETY OF INTERNAL MEDICINE,
Washington, DC, September 1, 1989.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, DC.

DEAR SENATOR KENNEDY: The American Society of Internal Medicine (ASIM) is an organization of physicians who are recognized as specialists in internal medicine. Our members, as the nation's major providers of continuing, comprehensive medical care to adults and adolescents, see every day the toll smoking takes on their patients.

Because of our members' concerns about the harmful effects of passive smoking on air flights, ASIM worked actively toward passage of the ban on smoking on flights of two hours or less, P.L. 100-202. At that time, ASIM advocated a total ban on smoking aboard domestic commercial aircraft. Congress now has the opportunity to revisit this issue, and we believe the evidence in support of a total ban is compelling. As you know, the adverse health consequences of involuntary smoking have been well documented by the Surgeon General and the National Academy of Sciences. Moreover, the experience gained during the period that the two-hour ban has been in effect has shown that public sentiment supports the ban.

From a public standpoint we believe that Congress should follow through to the next logical step which is needed to protect the flying public. ASIM urges you to support a total ban on smoking on domestic commercial aircraft. If additional information is needed, please contact Amanda L. Spitler, Government Affairs Representative at (202) 289-1700. In advance, we thank you for your attention to this matter.

Sincerely,

JOSEPH F. BOYLE, M.D.,
Executive Vice President.

COALITION ON SMOKING OR HEALTH,
Washington, DC, September 1, 1989.

Hon. DANIEL K. INOUYE,
U.S. Senate,
Washington, DC.

DEAR SENATOR INOUYE: Shortly after the Congress returns from its August recess, members of the Committee on Appropriations will be asked to consider legislation sponsored by the Transportation Subcommittee Chairman, Sen. Frank Lautenberg, to extend and expand the current law restricting smoking on commercial passenger airline flights.

On behalf of the Coalition on Smoking OR Health, comprised of the American Lung Association, the American Cancer Society and the American Heart Association, we urge you to vote in favor of a ban on smoking on all domestic passenger flights, and to support all of Senator Lautenberg's efforts in behalf of smoke-free skies.

The current smoking ban on all commercial airline flights of two hours or less in the United States has succeeded beyond all expectations. The vast majority of passengers and flight attendants, including smokers, continues to applaud the significant improvement in air quality found on smoke-free flights. National surveys show widespread public support for the current ban, as well as significant support for a total ban. A poll released in June of this year by the American Association for Respiratory Care reports that of nearly 30,000 flyers polled over 80% want, at the very least, to see the current ban made permanent.

Nearly two-thirds of all those who fly, including smokers and nonsmokers, want the ban to cover ALL domestic flights.

The law has proved to be effective and workable. As of May 1989, the Federal Aviation Administration reported only 113 incidents related to enforcement of the two-hour ban. In that time, there were 455 million flyers.

If you have any questions, please feel free to contact Arnita Hannon at the American Lung Association, (202) 785-3355, or the office of the Coalition on Smoking OR Health, (202) 234-9375.

Sincerely,

Scott D. Ballin, American Heart Association, Legislative Counsel and Vice President for Public Affairs; John H. Madigan, Jr., American Cancer Society, Assistant Vice President for Public Affairs; Fran Du Melle, American Lung Association, Director of Government Relations.

AMERICAN LUNG ASSOCIATION,
OFFICE OF GOVERNMENT RELATIONS,
Washington, DC, September 5, 1989.

DEAR SENATOR: Soon after the Senate reconvenes following the recess, you will consider amendments to the FY 1990 Department of Transportation appropriations bill that would further restrict and/or ban smoking on all domestic, commercial airline flights.

The American Lung Association strongly urges your support for these amendments. The House version of this bill, which was passed on August 3, 1989, contains language which would make permanent the current law which bans smoking on all domestic airline flights of two hours or less. This law will sunset in April 1990 if Congress fails to act.

The upcoming vote gives you an opportunity to exhibit a strong commitment to public health by continuing or expanding the current law, which has proven to be effective and workable. Since the two-hour ban became effective, the Federal Aviation Administration has logged less than 120 complaints (as of May 16) related to enforcement of the ban. The small number of complaints is significant since, during that

same time period, 455 million passengers travelled via air.

The current law also enjoys overwhelming public support. A recent study by the American Association for Respiratory Care shows that more than 80 percent of the nearly 30,000 passengers surveyed support the current ban and want to see it extended permanently. Other surveys have had similar results.

Still, the health, well-being, and comfort of thousands of airline passengers are jeopardized by cigarette smoking. Some of your constituents cannot travel by air because they may suffer life-threatening reactions to secondhand smoke. Others must endure the acute, irritating effects of ambient tobacco smoke in the aircraft cabin. For flight attendants, such exposure is a regular occupational hazard and unhealthy fact of life as they suffer from nose and throat irritation, headaches, dizziness, and nausea caused by the heavy concentration of tobacco smoke in passenger smoking sections and the recirculation of smoke-polluted air throughout the cabin.

The 1986 Surgeon General's report concluded that such involuntary smoking can cause disease, including lung cancer, in otherwise healthy nonsmokers. Two reports from the National Academy of Sciences (NAS) recommend a ban on smoking on all domestic, commercial flights. The NAS reports found that simply separating smokers and nonsmokers in the same airspace does not protect nonsmokers from airborne tobacco smoke.

And, a recent study by the National Cancer Institute found that passengers seated, and flight attendants assigned to work, in a nonsmoking section inhale quantities of nicotine comparable to those inhaled by passengers seated in the smoking section. Cotinine, a byproduct of nicotine, was found in the urine of nonsmoking passengers a full 72 hours after their flights ended.

The American Lung Association asks you to keep these facts in mind when you vote on legislation that will impact the health of your constituents who fly and the flight attendants who serve them. We urge your leadership on this issue. Please let us know if you need further information.

Sincerely,

FRAN DU MELLE,
Director.

COALITION ON SMOKING
OR HEALTH,
Washington, DC, September 5, 1989.

Hon. BROCK ADAMS,
U.S. Senate,
Washington, DC.

DEAR SENATOR ADAMS: Shortly, the full Senate will be asked to consider legislation sponsored by Sen. Frank Lautenberg, Chairman of the Transportation Subcommittee of the Committee on Appropriations, to extend and expand the current law restricting smoking on commercial passenger airline flights.

On behalf of the Coalition on Smoking OR Health, comprised of the American Lung Association, the American Cancer Society and the American Heart Association, we strongly encourage you to support Sen. Lautenberg's effort to enact the strongest airline smoking restrictions possible when such legislation is brought before you.

The current smoking ban on all commercial airline flights of two hours or less in the United States has been a resounding success. Passengers and flight attendants across the United States—including smokers—continue to applaud the significant improvement in air quality found on smoke-free flights. National surveys show widespread public support for the current ban, as well as significant support for a total ban. A poll released in June 1989 by the American Association for Respiratory Care reports that of nearly 30,000 fliers polled, more than 80 percent want, at the very least, to see the current ban made permanent.

Nearly two-thirds of all those who fly, including smokers and nonsmokers, want the ban to cover ALL domestic flights.

The law has proven to be effective and workable. In the year following enactment of the current law, the Federal Aviation Administration reported only 113 incidents related to enforcement of the two-hour ban. In that time, there were 455 million fliers.

On behalf of our 5,000,000 citizen volunteers, we urge you to vote in favor of smoke-free skies.

If you have any questions, please do not hesitate to contact Arnita Hannon at the American Lung Association, (202) 785-3355, or Cliff Douglas at the Coalition on Smoking OR Health, (202) 234-9375.

Sincerely,

Scott D. Ballin, American Heart Association, Legislative Counsel and Vice President for Public Affairs; John H. Madigan, Jr., American Cancer Society, Assistant Vice President for Public Affairs; Fran Du Melle, American Lung Association, Director of Government Relations.

AMERICAN CANCER SOCIETY,
Washington, DC, September 5, 1989.

Hon. WILLIAM L. ARMSTRONG,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR ARMSTRONG: When Congress returns from the Labor Day recess, you will have the opportunity to cast an important vote on the Senate Floor in favor of public health. The expansion and extension of the airline smoking ban will come before the Senate as part of the FY 1990 Department of Transportation Appropriations bill. On behalf of the 2.5 million national volunteers of the American Cancer Society, I urge you to support the strongest possible expansion of the ban on smoking on airline flights.

Since its enactment in April 1988, the airline smoking ban has gained overwhelming public support, both from nonsmoking and smoking airline passengers. The smoking ban has greatly added to the health, comfort and safety of the flying public and flight crews. The ban has been both popular and effective, and the majority of flyers supports its expansion.

Unless the airline smoking ban is extended, it will automatically expire in April 1990. Studies have shown that the simple separation of smokers and nonsmokers in the same airspace does not protect nonsmokers from the toxic and cancer-causing substances in tobacco smoke. Nonsmokers should not have to be subjected to health hazards on airplanes because of the demands of the small minority of flyers who wish to smoke.

Your vote to expand the airplane smoking ban would be a significant step toward better public health and safety. I urge your support for the strongest possible legislation.

Sincerely,

HAROLD P. FREEMAN, M.D.,
President.

ASSOCIATION OF FLIGHT
ATTENDANTS AFL-CIO,
Washington, DC, September 6, 1989.

Hon. FRANK LAUTENBERG,
U.S. Senate, Washington, DC.

DEAR SENATOR LAUTENBERG: As a flight attendant and National President of the Association of Flight Attendants, which represents 26,000 of my colleagues across this Nation, I am writing to seek your support for pending legislation which will ban smoking on all domestic flights.

Congress took an important step when it passed the two hour smoking ban on domestic commercial flights. The law is working and has been so successful that only slightly over 100 minor incidents have been reported to the Federal Aviation Administration since its passage. That fact becomes more impressive when one considers that over 455 million passengers traveled by air over the same time period. Indeed, airline passengers are breathing much easier now. However, the law does not cover all domestic flights and it expires in April.

As flight attendants, my colleagues and I are willing to risk our lives to save others in the event of an airline accident or incident but we are not willing to risk our lives so that people can smoke on board aircraft.

Extending the present ban and making it permanent will help my colleagues, your constituents, and all frequent fliers. I encourage you to take Senator Lautenberg's lead and support this important legislation.

Sincerely,

SUSAN BIANCHI-SAND,
National President.

INDEPENDENT UNION OF
FLIGHT ATTENDANTS,
Herndon, VA, September 6, 1989.

Hon. FRANK R. LAUTENBERG,
U.S. Senate, Washington, DC.

DEAR SENATOR LAUTENBERG: On behalf of the over 5,000 flight attendants at Pan American World Airways, I am writing to thank you for your considerable and continuing efforts to ban smoking from all domestic commercial flights.

As you know, research to date has sufficiently proven that sidestream smoke can cause heart disease, allergies, respiratory illnesses and can double the overall cancer risk of non-smokers. Women exposed to passive smoke have a three-fold increased risk for cervical cancer. According to a study sponsored by the National Cancer Institute and published in the Journal of the American Medical Association last March, cancer risk was similar for both smokers and those exposed to passive smoke for three hours a day.

As flight attendants, we are absorbing the constituents of tobacco smoke into our bodies in levels that exceed occupational health regulations. As long as smoking is permitted on board, our right to choose health over smoking has been abrogated. Non-smoking flight attendants are now suffering from serious illnesses caused by chronic exposure to second-hand smoke in the airplane cabin. Many have been advised by their physicians to "quit smoking" which for them, sadly, translates into "quit flying".

Although pleased that the House has recently passed a measure which would make the present two hour ban permanent, we agree with you that it is not enough. We understand that you intend to lead the fight for a total ban via the Department of Transportation Appropriations Bill this month and wholeheartedly pledge our support.

We sincerely thank you for your efforts to protect the health and safety of flight attendants and their passengers and are available to assist in any way that we can.

Sincerely,

KATHRYN RENZ,
Government Affairs Committee.
LESLEY ROONEY,
Director of Safety and Membership Services.

AMERICAN CHIROPRACTIC ASSOCIATION,
Arlington, VA, August 15, 1989.

Hon. FRANK R. LAUTENBERG,
Hart Senate Building, Washington, DC.

DEAR SENATOR LAUTENBERG: On behalf of the 19,000 members of the American Chiropractic Association and the millions of patients they serve, I would like to commend and thank you for your courageous leadership role in supporting the permanent smoking ban on domestic commercial flights of two hours or less included in the Department of Transportation authorization passed by the House earlier this month.

The ACA's House of Delegates passed a resolution denouncing "cigarette smoking as a serious, multiple hazard to health and dedicating itself to combating the dangers of, and working toward the elimination of said hazard" over twenty years ago.

We are grateful to have a leader in this fight who recognizes that the health of the individual is paramount to any other concerns on this issue. We have written to your Subcommittee colleagues urging their support for a total ban provision and would like to offer our services and support in helping it pass through the full committee and Senate.

Please let us know if we can be of further assistance.

Respectfully yours,

RONALD L. HARRIS, D.C.,
Executive Vice President.

AMERICAN HEART ASSOCIATION,
OFFICE OF PUBLIC AFFAIRS,
Washington, DC, September 1, 1989.

Hon. FRANK R. LAUTENBERG,
U.S. Senate, Washington, DC.

DEAR SENATOR LAUTENBERG: In the very near future, you will have the opportunity to vote on a legislative proposal that would permanently ban smoking on all domestic airline flights. On behalf of the American Heart Association and its more than two million volunteers, I strongly urge you to support this initiative.

As you are aware, two years ago Congress banned smoking on airline flights of two hours or less. Based on a growing body of evidence that clearly established a relationship between the presence of cigarette smoke and adverse health impacts among nonsmokers, the American Heart Association strongly supported that initiative.

You are undoubtedly aware of some of the problems associated with cigarette smoking aboard airlines. Passengers without specific health conditions, regularly complain of eye, nose and throat irritation. Others who do have more specific health concerns, including those who suffer from cardiovascular diseases, have found that the presence of cigarette smoke on an airplane may actually make flying dangerous to their health.

Beyond banning smoking on airlines, there is no other means of alleviating the serious health concerns associated with smoking on airlines. The separation of smokers and nonsmokers in different sections aboard airplanes does not prevent exposure of all passengers and flight attendants to cigarette smoke. In fact, studies indicate that passengers seated in nonsmoking sections of airplanes are exposed to levels of nicotine comparable to those experienced by passengers seated in the smoking sections. Evidence like this convinced the National Academy of Sciences to recommend that smoking be banned on all domestic airline flights.

The American public clearly supports a smoking ban on airlines. A June 1989 survey conducted by the American Association for Respiratory Care found that 81% of respondents would support making the current two hour ban permanent and 62% of respondents supported extending the smoking ban to all flights.

The current smoking ban on airline flights of two hours or less will expire in April 1990 unless Congress acts. I strongly urge you to support a smoking ban on all domestic airline flights.

Sincerely,

SCOTT D. BALLIN,
Vice President and Legislative Counsel.

AMERICAN LUNG ASSOCIATION,
OFFICE OF GOVERNMENT RELATIONS,
Washington, DC, September 1, 1989.

DEAR SENATOR: Within the next few days, the Senate Appropriations Committee, of which you are a member, will consider the Fiscal Year 1990 Department of Transportation Appropriations bill. It is anticipated that the measure you consider will contain language with significant public health implications. Specifically, an amendment to mandate a total ban on smoking on all domestic airline flights will be contained in this bill, and the American Lung Association strongly urges your support for this language.

The matter of a total ban on smoking on all domestic flights is critical to the health and well-being of the traveling public and flight attendants as well. Some of your constituents cannot travel by air because they may suffer life-threatening reactions to secondhand smoke. Others must endure the acute, irritating effects of ambient tobacco smoke in the aircraft cabin. For flight attendants, such exposure is a regular occupational hazard and unhealthy fact of life as they suffer from nose and throat irritation, headaches, dizziness, and nausea caused by the heavy concentration of tobacco smoke in passenger smoking sections and the recirculation of smoke-polluted air throughout the cabin.

The current law which bans smoking on all domestic flights of two hours or less enjoys overwhelming support. On August 3, 1989, just prior to adjournment for the summer recess, the House of Representatives passed their version of the DOT Appropriations bill, which contained language making the current law permanent.

You now have the opportunity, through your committee, to preserve and expand the current law. Your leadership is urged in voting in favor of a total ban so that the full Senate may have a chance to debate this matter.

The American Lung Association asks you to keep in mind the critical need for passage of a total ban on smoking on all domestic flights. This initiative will impact the health of your constituents who fly and the flight attendants who serve them. Please let us know if you need further information.

Sincerely,

FRAN DU MELLE,
Director.

Mr. LAUTENBERG. Mr. President, while we are waiting, since we will be going to our conferences at 12:30 and will not be able to return to this bill until after the pending business on a nomination is taken care of, I would just like to make a couple of comments. Since I see my colleague from Montana on the floor, I would defer to him any time he seeks recognition.

But for the moment, I do want to thank the distinguished Senators from Washington and from Utah, Senator SLADE GORTON and Senator ORRIN HATCH, for their support of this amendment. They, like I, agree that it is time to stop impairing the health of nonsmokers by the indiscriminate action of smokers in airplane cabins. There is just not enough fresh air circulated through these cabins. It imposes a severe hardship on those who are innocent passengers in this case.

So I thank them for their support and in particular want to make mention of the fact that Senator HATCH, from Utah, has been a long-time proponent of a ban on not only smoking in airplanes but on all forms of transportation assisted by the Federal Government. I share his point of view.

But that is not the business at hand. The business at hand now is the transportation appropriation bill and the amendment that is creating the controversy, and that is whether or not we can once and for all dispense with smoking in airplanes and relieve the anxiety, concerns, and health risks of those who choose not to smoke but are imposed upon by the smokers in these situations.

The distinguished Senator from North Carolina makes his arguments based on the needs of the farmers in his State. I respect his making that point, but we will debate that later on.

For the moment, I would like it to be made clear that if the Senator from North Carolina makes a point of order against this amendment as he suggested, under rule XVI, that at the appropriate time, if such a point of order is raised, I will raise the defense of germaneness.

The Senate's precedents here are quite clear. The Senate can allow legislation where it is germane to legislation already included by House of Representatives. That is already in this bill.

The House included a provision on smoking.

I am very cognizant and very respectful of the jurisdiction of the legislative committees on matters that affect their portfolios. But in this case, Mr. President, it is very clear. The House has taken an action, we are acting on their appropriations bill, and

so we are perfectly within our rights to do so and will defend any challenge to that on the basis of germaneness.

Now, I yield the floor.

ESSENTIAL AIR SERVICE APPROPRIATION

Mr. DASCHLE. Mr. President, I am pleased to have this opportunity to voice my support for the Essential Air Service [EAS] appropriation contained in the Department of Transportation's and related agencies fiscal year 1990 appropriation that the Senate is considering today. This $35.5 million appropriation is crucial to the transportation needs of the State of South Dakota, as well as small communities all across this Nation.

I am grateful for Chairman LAUTENBERG's support of this particular appropriation. It's inclusion in the fiscal year 1990 Department of Transportation funding bill is a continuation of the pledge that small communities throughout rural America received on the eve of the 1978 Airline Deregulation Act—that they would not be left out of the National Air Transportation System.

Just before the August recess, this body approved a major piece of legislation in an effort to address the devastating social and economic impacts rural America has faced over the past decade. This legislation, which is known as the Rural Partnership Act, signified a belief that by making available financial and technical assistance to rural America, we would give rural communities the tools to help rebuild and revitalize themselves.

I was proud to cosponsor the Rural Partnership Act, because I do believe that rural American can rebuild and prosper if given the tools to do so. However, in order for this act to be successful, in order for those tools to be given the opportunity to work, it is vital rural America's infrastructure remain strong. Pivotal to that strength is access to quality transportation services, of which commercial air service is a key element.

In South Dakota, five communities depend upon the Essential Air Service Program for commercial air service. Economic development officials from these communities tell me time and time again that one of the first questions a prospective industry asks is, "Do you have commercial air service?" Today, in the highly competitive environment of business site selection, commercial air service has become a standard by which a community's ability to attract and retain businesses is measured. For these communities, economic development is linked directly to commercial air service, and without it, their development will stop dead in its tracks.

This situation is not unique to South Dakota or to just the Midwest. When hearings were held on reauthorizing EAS during the 100th Congress, a recurrent theme in the expert testimony from all across America was that without commercial air service the economic stability of small communities would be in jeopardy, and without the Essential Air Service Act, there would likely be no commercial air service to these areas. For these 114 communities, the lack of commercial air service is not simply an inconvenience—it is a lifeline to their future.

The importance of this issue to rural states like South Dakota was highlighted yesterday with the announcement that my State's Essential Air Service carrier would be discontinuing service to the cities of Brookings, Mitchell, and Huron: In making its announcement, Mesaba Airlines stated that:

> The primary reasons for our termination of service * * * is the lack of a long-term commitment of funding for the program. Mesaba can no longer profitably commit assets in excess of $6 million for a program that lacks adequate funding and now appears to be funded on a month-to-month basis. * * *

Today, air service to South Dakota's fifth, sixth, and eighth largest communities, respectively, hinges on the continuation of the Essential Air Service Act at full funding, as does air service to many other small communities all across America. I urge my colleagues to continue the commitment to help small communities participate in the National Air Transportation System by supporting the $35.5 million Essential Air Service appropriation contained within the Department of Transportation's fiscal year 1990 appropriation.

URBAN MASS TRANSPORTATION ACT OF 1964

Mr. CRANSTON. Mr. President, this summer marks the 25th anniversary of the Urban Mass Transportation Act of 1964 and the Federal commitment to transportation that it represents. I would like to take this occasion to commend the transit industry on the progress that's been made toward achieving the objectives of that important legislation.

At the time of enactment, transit was a failing industry, facing declining ridership, unsustainable labor costs, and skyrocketing fares. Today, mass transit is a vital and mature industry reflecting the success of a committed public-private partnership.

Federal, State, and local governments along with private interests have provided financial support to revitalize mass transit systems across the country. Today, ridership in most urban areas is on the rise, fares have stabilized and services have been expanded. The transit industry represents a $15 billion per year business offering 9 billion passenger trips in 1988.

While great strides have been made in recent years, our country faces new and even more difficult transit problems than in the past. Air quality, energy efficiency, and mobility remain central concerns, but these issues have been complicated by current trends.

As population continues to grow, along with the number and use of automobiles, traffic congestion is becoming an increasing threat to mobility. In my home State of California, 300,000 work hours are lost each day due to traffic gridlock.

Emissions from these automobiles constitute one of the primary sources of atmospheric pollutants such as carbon dioxide—a greenhouse gas contributing to global warming. Auto emissions are a chief culprit in the failure of 96 cities to meet Federal clean air standards for ozone last year.

Years of neglect and underinvestment have left our roads and bridges in desperate need of repair and, in some cases, ill equipped to handle the current volume of traffic.

The aging of our population creates additional challenges for mass transit, including the need for new services to accommodate potentially isolated elderly and disabled persons.

The causes of these problems also create opportunities for mass transit to become a more widely used mode of transportation. The health of our environment and the economic soundness of our urban and suburban centers depend on the further development of mass transit.

It is time to reaffirm our Federal commitment to transportation and build on the substantial progress that has been made in these first 25 years.

MICHIGAN TRANSPORTATION PROJECTS

Mr. LEVIN. Mr. Chairman, I would like to thank you and members of the Subcommittee on Transportation and Related Agencies for the provisions in the appropriations bill which recognize important transportation needs in the State of Michigan.

There are a number of important projects in the House appropriations bill which are not included in the appropriations bill before the Senate.

The House-passed bill includes $5 million for the urban airport access safety demonstration project, which would support construction of an additional access road at Detroit Metropolitan Airport. In addition, the House bill includes $1.5 million for the urban highway corridor demonstration project which would make improvements along a 60-mile stretch of M59.

Will the Chairman be receptive to inclusion of these projects in conference?

Mr. LAUTENBERG. I understand the importance of these projects to my colleague from Michigan. I will give these projects serious consideration during conference.

Mr. LEVIN. Mr. Chairman, I thank you for your consideration on these matters.

INTERSTATE 15/STATE STREET CORRIDOR PROJECT

Mr. GARN. It has come to my attention that there is need to make clarification in the report language regarding the Interstate 15/State Street corridor project in Salt Lake City. Inadvertently, the purpose for which the money is being provided is inaccurately stated. The money would best be used for acquiring right-of-way, instead of further engineering and design work.

Mr. LAUTENBERG. Do I understand correctly that the purpose for the additional $2,000,000 provided for the Interstate 15/State Street corridor should be for right-of-way acquisition and not for further engineering and design.

Mr. GARN. Yes, Senator, that is correct. The language also details the committee's expectation that UMTA will expeditiously release previously appropriated preliminary engineering funds to facilitate project definition, design, and cost refinement upon selection of a preferred alternative.

Mr. LAUTENBERG. So the language should indicate that the additional $2,000,000 is provided for right-of-way acquisition on the Interstate 15/State Street corridor in Salt Lake City. The language also indicates the committee's expectations that previously appropriated preliminary engineering funds will be expeditiously released upon selection of the preferred alternative in this project.

Mr. GARN. I thank the Senator from New Jersey for that clarification and change.

AMTRAK STATION, KINGSTON, RI

Mr. PELL. Mr. President, I want to express my thanks to the committee and to the distinguished chairman of the subcommittee for agreeing to provide in this bill funds for the repair of the historic Amtrak train station in Kingston, RI. To make certain that the intended effect of the bill and the intention of the committee are clearly understood, I would appreciate it if the distinguished chairman of the subcommittee would agree to a colloquy on this subject.

Mr. LAUTENBERG. I would be happy to do so.

Mr. PELL. It is my understanding that the committee in this legislation directs Amtrak to spend from funds provided in this bill $175,000 for the repair of the train station at Kingston, RI, which was damaged by fire.

Mr. LAUTENBERG. The understanding of the Senator from Rhode Island is correct.

Mr. PELL. It is my further understanding, as stated on page 98 of the committee report, that the expenditure of the $175,000 is to be in addition to commitments already made by Amtrak to pay for the costs of the repairs; so that since Amtrak has made a previous commitment to provide $125,000 for repair of the station, it is the intention of the committee that Amtrak will spend a total of $300,000 for the repair of the rail station at Kingston, RI. Is this a correct understanding of the intention of the committee?

Mr. LAUTENBERG. Yes, to the degree that Amtrak has previously agreed to pay $125,000, it is the clear intention of the committee as stated in the legislation and the committee report that the $175,000 would be in addition to that.

Mr. PELL. I thank the distinguished chairman for his responses to my inquiry.

CHICAGO-ST. LOUIS RAIL CORRIDOR IMPROVEMENT PROGRAM AND THE SPRINGFIELD RAIL RELOCATION PROJECT

Mr. SIMON. Mr. President, my friend and colleague from Illinois, Senator DIXON, and I would like to engage in a colloquy with our friend, the distinguished Senator from New Jersey.

Mr. LAUTENBERG. I will be happy to yield to the Senator from Illinois.

Mr. SIMON. First, let me say, we are extremely grateful to the chairman and the members of the Subcommittee on Transportation for the attention they have given to the merits of our requests for Illinois. We realize that their job is more difficult each year as funds for key transportation programs, particularly in the rail sector, are falling so far behind national needs.

It is our understanding that the 3-year loan program for trackwork on the Amtrak route between Chicago and St. Louis and funds for the Springfield rail location project are not included in the Senate appropriations bill at this time.

Mr. LAUTENBERG. That is correct. As the Senator knows, we have had a longstanding subcommittee policy that projects funded in the House are automatically to be considered in conference so we do not typically include those House-funded projects in the Senate bill. Furthermore, as long as there is no clear consensus between Congress and the administration on a national rail program our options are severely limited.

Mr. SIMON. I understand the committee's policy. As the Chairman knows, our concern is brought on by the possible loss of Amtrak service on the bankrupt Chicago, Missouri, and Western [CMW] railroad in the busiest travel corridor in Illinois. This is the only Amtrak route in Illinois without continuous welded rail. The two State-supported trains between Chicago and Springfield and two other Amtrak long-distance trains traveling between Chicago and St. Louis now must slow their speed over old deteriorating jointed track.

The State of Illinois already has provided $14 million in loans and grants to keep up with repairs and to allow the CMW trustee to find a suitable buyer. Illinois is committed to a $5 million annual loan for 3 years for the purchaser of the railroad for a total of $15 million, but we badly need a similar commitment on the part of the Federal Government. This will not affect the deficit, and it will be matched by private-sector funding as well.

I again emphasize to the Senator from New Jersey the urgency of this step in restoring the most promising Amtrak service in Illinois on a sound footing.

Mr. DIXON. My colleague, Senator SIMON, and I have placed the preservation and improvement of the Chicago, Missouri, and Western, at the top of our Illinois priorities for some time.

Another high priority is the Springfield rail relocation project which has received $13.8 million from the appropriations committee in the past and $5.5 million for fiscal year 1990 in the House bill.

This project not only is authorized and has received favorable review from the Appropriations Committee in the past, but it is entering the construction phase where the funding is critical to complete the first two phases of the project. The utility of this rail segment to the rail freight service and the safety of citizens at four busy and dangerous grade crossings in southwest. Springfield more than compensates for the cost of the project.

Mr. LAUTENBERG. I understand the Senator's concerns and will pledge to you that I will give this every consideration when we get to conference with the House.

Mr. SIMON. We appreciate the support the Senator from New Jersey will offer to the important matters of concern to Illinois.

OREGON GRADUATE CENTER'S RAIL METALLURGICAL STUDIES

Mr. HATFIELD. I would like to take a few moments of the Senate's time to engage the chairman of the Transportation Appropriations Subcommittee, Senator LAUTENBERG, in a short colloquy regarding section 319 of H.R. 3015.

Mr. LAUTENBERG. I would be pleased to enter into such a colloquy with the Senator from Oregon.

Mr. HATFIELD. Is it the Senator from New Jersey's understanding that section 319 of the bill allows the Department of Transportation to provide sole source funding for studies, reports, or research to be conducted through educational institutes that are specified in the act or report accompanying such acts?

Mr. LAUTENBERG. Yes, that is correct.

Mr. HATFIELD. In that case, I would like to bring to the Senator's attention a small provision that was in-

advertently omitted from the Senate report, and request that it be included in the conference report. Although funding is included in the bill for a $170,000 grant to continue the Oregon Graduate Center's rail metallurgical studies, the absence of an earmark in the report makes it impossible for the Department of Transportation to award the grant. Considering that this same grant to the Oregon Graduate Center has been awarded in prior years, and that this is a continuation of the same research program, I request the Senator's assistance in securing an earmark for the grant in the conference report.

Mr. LAUTENBERG. I do not believe that this is an unreasonable request from the Senator from Oregon, and will work in conference to provide an earmark for the grant in the conference report.

Mr. HATFIELD. I thank the Senator from New Jersey.

PROPOSED SMOKING BAN ON DOMESTIC FLIGHTS

Mr. ADAMS. Mr. President, I strongly support the amendment offered by my friend, Senator LAUTENBERG, to ban smoking on all domestic airline flights.

Mr. President, I believe Congress took a significant step in 1987 when it banned smoking on all domestic flights lasting 2 hours or less. As a supporter of that measure and cosponsor of legislation to ban smoking on all domestic airline flights, I believe this amendment is the next logical step.

Nonsmokers who use our Nation's airlines should not be forcibly subjected to indiscriminate cigarette smoke that threatens their health and well-being. There is scientific evidence that shows people can get sick from sitting beside someone who is smoking.

In fact, the National Academy of Sciences has estimated that 5,000 nonsmokers die each year from exposure to the cigarette smoke of others. Twice as many nonsmokers die from second-hand smoke as from any other carcinogen currently regulated as a hazardous air pollutant under the Federal Clean Air Act.

Mr. President, since the time I was Secretary of Transportation, I have also believed that a smoking ban would be an important safety step for the airline industry. Fatal aircraft fires have been linked to careless cigarette smoking. A Federal Aviation Administration study showed 6 percent of all in-flight fires are caused by smoking.

In closing, Mr. President, what Senator LAUTENBERG is proposing will save lives, and it is an idea whose time has come.

Thank you, Mr. President.

PERMANENT SMOKING BAN ON DOMESTIC AIR TRAVEL

Mr. BINGAMAN. Mr. President, I rise today in strong support of the provision within the Department of Transportation's fiscal year 1990 appropriations bill that would permanently ban smoking on all domestic air travel, and I commend my distinguished colleague, Senator LAUTENBERG, for his leadership in bringing this important public health issue before the Senate.

I believe it is time that we take the excellent advice of the former Surgeon General of the United States, Dr. C. Everett Koop, and expand the current smoking ban on flights of 2 hours or less to all domestic flights, regardless of length.

That passive smoke endangers the lives of nonsmokers has been clearly demonstrated. Last year alone, former Surgeon General Koop estimated that 5,000 Americans died from the effects of passively breathing cigarette smoke. And a landmark study published earlier this year in the Journal of the American Medical Association found that flight attendants and passengers seated in the nonsmoking sections of aircrafts are exposed to nicotine and other smoke products at levels comparable to those found in the smoking sections of airplanes. The study, conducted by researchers at the National Cancer Institute and the Environmental Protection Agency, makes clear that separating the seating does not separate the air that passengers breathe.

The simple truth is that airline cabins are particularly confining. Their nature subjects all passengers to the dangerous byproducts of smokers. Yet we know that the existing temporary ban is effective and widely supported among smokers and nonsmokers alike.

Since the ban's implementation 2 years ago, only slightly more than 100 minor incidents have been reported to the Federal Aviation Administration. That statistic becomes even more impressive when one considers that more than 455 million passengers traveled by air during the same period of time. Equally difficult to ignore are polls showing that two-thirds of the public support a more extensive ban to cover all domestic flights.

As a Senator committed to working to improve the health and well-being of all Americans, I am encouraged by the progress we as a nation have made toward creating healthier living and working environments. Measures now are in place in many communities giving more nonsmokers the opportunity to breathe smoke-free air in public places and workplaces. Increasingly, we are beginning to realize that "healthy living" does not just mean eating right and exercising regularly. It also means avoiding tobacco. At least on the ground we are beginning to minimize our exposure. But in the air, we often have no choice.

By making permanent a smoking ban on all domestic airline flights, we have the opportunity to protect and improve the health of all air travelers and flight attendants. I urge my colleagues to support the efforts of Senator LAUTENBERG and the members of the Appropriations Committee and vote to protect the antismoking provisions of the Department of Transportation appropriations bill.

But we must not stop there. As many of my distinguished colleagues recognize, the health and safety dangers of smoking extend well beyond airline cabins. They permeate throughout our society and tragically touch the lives of individuals and families across the country. It is time, I believe, to seriously address the issue of tobacco use from broad-based health, safety, and economic perspectives.

It is time, I believe for the Federal Government to take an active role in regulating the manufacture and sale of tobacco products. And it is time for the Federal Government to provide the American public with the facts they need to make informed decisions about the use of tobacco products.

Based on these convictions, earlier this year I introduced S. 769, the Tobacco and Nicotine Health and Safety Act of 1989. This legislation will lay the foundation for a strong, constructive Federal role in tobacco regulation, and it will lead to a safer, healthier America.

The act will:

Provide the Secretary of the Department of Health and Human Services with the authority to reduce the levels of harmful additives in tobacco products or prohibit the use of those additives entirely;

Provide the Food and Drug Administration with the authority to regulate nontobacco products that contain nicotine, which shall be categorized as drugs;

Require that tobacco manufacturers fully disclose all chemical additives in tobacco products; and

Prohibit the distribution of free samples and coupons for cigarettes.

This legislation represents an important step toward accepting our responsibility to protect consumers from unsafe products, ones that not only pose significant health risks, but contribute to considerable economic and social loss as well. I urge my colleagues to support it.

Without question, the Federal Government should speak with one voice about smoking. We cannot, for example, afford to spend millions of dollars in health campaigns that highlight smoking dangers while also allowing the tobacco industry pricing and tax advantages. The cost to individuals and to our society from smoking—in the tens of billions of dollars annually—simply is too high. I am convinced that FDA regulation of tobacco products and a total smoking ban on air travel are not unreasonable intrusions

on the rights of smokers when weighed against the health and safety considerations of smokers and nonsmokers alike.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, this morning I rise in support of the DOT appropriations bill. The bill appropriates funding for many programs critical to maintaining a comprehensive and integrated transportation network.

One of the most important programs is the Essential Air Service Program.

EAS ensures that minimum air service is made available to 155 of the most rural communities in the country. It is an economic lifeline for the communities it serves.

I commend Senators BYRD and LAUTENBERG for fully funding EAS at $35.5 million.

But, they are going to have a tough fight when they go to conference with the House.

The House, with all its urban narrowmindedness, voted to gut the program. The House appropriated only $12.4 million for a program that costs three times that much.

I want to put the House on notice as of this moment that if the conference report comes back to the Senate and does not fund the full EAS Program, I will personally wage an all out war to defeat the conference report.

No Essential Air Service, no conference report. It's that simple.

Some urban Congressmen joke about EAS. They say its a boondoggle for a few hayseeds in the sticks.

I challenge them to come down from their ivory towers—or up from their subsidized, high tech subway systems—and come out to Wolf Point, MT.

Spend some time with rural families who are struggling to make ends meet. These families are trying to rebuild businesses that have been devastated by economic downturns in the agriculture, timber, energy and mining industries over the past decade.

Spend some time at Wolf Point's Woods' Power Grip, a business which manufactures suction cup devices and employs 50 of the most well-educated people in the community. See how hard they are working to make a go of it and see how critical air service is to their survival.

Woods' Power Grip depends on EAS to send emergency spare parts to its customers and to ship its products throughout the world. Without air service, the company would be forced to relocate and the community's economy would be devastated.

And then, after the Congressmen have spent some time at Woods', I would like them to drive down the road to Poplar and spend some time at A&S Industries.

A&S is the largest manufacturer in the State and is almost 300 miles away from alternative air service. Driving a round trip takes 2 days.

I think these Congressmen should stay in Poplar for 1 month and drive that round trip 17 times which is how often per month A&S depends on EAS flights to transport potential suppliers and customers.

Then, I think these Congressmen should work for a while in a rural hospital and drive the elderly and the sick who need special treatment 300 miles to get the necessary care. If they are lucky, the patients will make it alive.

Then, after they have transported equipment, suppliers and customers, and the sick, I think they should spend time at a farm during the harvest season.

This is a time when machinery often breaks down and timing of putting up the crops is critical.

They should drive the 300 mile round trip to get a part, fix the tractor, continue to harvest, and have the tractor break down again. Then they should drive the 300 miles to get the other necessary part.

I will bet after this experience, I would never have to fight another urban Congressman for EAS again.

I just wish these Congressmen could think beyond their own districts and recognize that rural areas are important to the economy of their state and the Nation.

The businesses I described above are vital to the well-being of Wolf Point and Poplar, the State of Montana, and the rest of the Nation. Without these businesses, these communities' very survival is threatened; the State will lose well-educated taxpayers; and the Nation will eventually lose its rural areas.

Preserving EAS should not be a yearly battle. EAS should be a given; it should be locked in.

Just as urban areas are able to depend on continued air service, so should rural areas be able to depend on it.

Air service should not be a privilege. It should be an entitlement.

Therefore, in an effort to preserve air service to rural communities and put an end to the yearly funding battle with the House, I recently introduced S. 1412, the Essential Air Service Preservation Act of 1989. My bill makes the EAS Program an entitlement to be funded out of the airport and airway trust fund.

Under my bill, rural businesses and communities throughout the country will be able to plan for the future without having the constant threat of loss of air service looming over their heads.

I urge my colleagues to vote in favor of the DOT appropriations bill now before the Senate so that EAS will be secure for 1990.

I also urge my colleagues to vote against the conference report if the House does not agree to fund the full EAS Program.

Finally, I urge my colleagues to support my bill when it comes to the floor, possibly as part of reconciliation, so that EAS will be designated an entitlement and not be subject to the yearly budget ax.

Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that, in keeping with the order of the Senate, the Senate be recessed now until the hour of 2:15.

There being no objection, at 12:29 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SANFORD].

EXECUTIVE SESSION

The PRESIDING OFFICER. Under the previous order, the hour of 2:15 having arrived, the Senate will now go into executive session and proceed to consider the nomination of Donald Phinney Gregg, of Maryland, to be Ambassador to the Republic of Korea.

The clerk will state the nomination.

NOMINATION OF DONALD PHINNEY GREGG OF MARYLAND TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF KOREA

The assistant legislative clerk read the nomination of Donald Phinney Gregg of Maryland to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Korea.

The PRESIDING OFFICER. The time for debate on this nomination is limited to 4 hours to be equally divided and controlled by the Senator from California, Mr. CRANSTON, and the ranking minority member of the Foreign Relations Committee, Mr. HELMS, or their designees and a vote to occur thereon at 6:15 p.m. without any intervening action.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. Who yields time? The Republican leader.

Mr. DOLE. Mr. President, I ask the Senator from North Carolina if he will

yield me 3 minutes just to make a statement on another matter, as in legislative session.

Mr. HELMS. Mr. President, I yield to the distinguished minority leader all the time he desires.

BYRD AMENDMENT TO THE TRANSPORTATION APPROPRIATIONS BILL

Mr. DOLE. I thank my colleague and I thank the Chair.

Mr. President, I just wanted to indicate that we have had a policy luncheon meeting of Republicans. It is our hope that we can take a look at the so-called Byrd amendment to the Transportation appropriations bill.

It is the first idea we had that some on the other side want to raise taxes to pay for drugs. We cannot support the Byrd proposal in its present form, but we do believe we will have an opportunity throughout the day and maybe tomorrow to talk about, negotiate, find out more details about the Byrd plan.

First of all, in addition to being more money than the President requested by $2 billion, it also changes the mix from a 70-to-30 mix to a 53-to-47 mix, as far as where the moneys should go. That, of course, changes the President's entire drug program.

So we will be having a 3 o'clock meeting, if we can arrange the meeting, with members of the White House—Mr. Bennett, Mr. Sununu—and key Republican Members, and then if we can get some indication from the Secretary of Defense and others, we will hopefully meet with our Democratic counterparts after that.

We want to accommodate the chairman of the Appropriations Committee, if we can, on getting all the appropriations bills passed by the 1st of October, but we are not going to dispose of this amendment without full discussion and, if necessary, full debate, but hopefully, some agreement.

The concept of an across-the-board cut is not used as raised in a White House briefing a week ago. That was at a much lower level and not at this level, and with a mix of 70-to-30, not 53-to-47.

We heard from the Secretary of Defense that this is just like a sequester. There is no flexibility at all for the Secretary in how the cuts will be made. The number of areas that need to be addressed, I think it is fair to say in its present form, if this amendment were adopted and went to the White House, the bill would be vetoed. There is no question about it.

I talked with the President about it this morning. That is the position of this Senator in support of the President. We will do our best to try to accommodate some of the changes that have been requested, and we will be able to report maybe later to the majority leader and the chairman of the Appropriations Committee.

I thank the Senator from North Carolina.

NOMINATION OF DONALD PHINNEY GREGG

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON. Mr. President, are we now on the Gregg nomination?

The PRESIDING OFFICER. We are.

Mr. CRANSTON. I am going to yield to the distinguished chairman of the committee for a few remarks that he will make, and then I will yield to the Senator from Tennessee. If nobody shows up who has an urgent time problem, I will then make a statement on behalf of the view that the Gregg nomination should be rejected.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. I thank my colleague from California.

Mr. President, the nomination of Donald P. Gregg to be Ambassador to the Republic of Korea was debated extensively in the Committee on Foreign Relations. Senator ALAN CRANSTON in his capacity as chairman of the Subcommittee on East Asian and Pacific Affairs ably chaired two sessions in which testimony from Mr. Gregg was received under oath.

I would like to commend Senator CRANSTON, his staff, and the staff of the committee for their detailed preparation for these hearings. An extremely thorough and intensive investigation was undertaken. Hundreds of pages of material, including information from the Iran-Contra investigation, were reviewed. Based on this information, the committee was able to question and examine Mr. Gregg's record and qualifications for the extremely important post to which he has been nominated.

Senator CRANSTON was correct when he observed that the investigation was "not about building up or tearing down" the President, nor was it about "who was for or against the Contras," and finally, it was not "a vendetta against an individual."

The investigation was about the integrity of the relationship between Congress and the executive branch. Congress needs honest facts and honest testimony from honest men and women if this Nation's Government is to function.

I must say that many troubling issues were raised during these hearings concerning Mr. Gregg's credibility and judgment: Credibility with regard to whether he was telling the truth; and judgment as to why he did not inform the then Vice President of such an important subject. I believe Mr. Gregg tried to answer those issues to the best of his ability although in so doing he did not dispel the doubts about what he knew about the Iran-Contra affair.

The committee was deeply divided on Mr. Gregg's nomination, voting 12 to 7 to report out favorably his nomination. This was a very difficult vote to make. I voted in favor although it was an extremely close call of about 51 to 49 in my own mind, but ultimately I decided to give the President the benefit of the doubt given Mr. Gregg's many years of service to the President as his personal assistant on national security issues, when he was Vice President.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. How much time does the Senator from Tennessee wish.

I yield 15 minutes to the distinguished Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. GORE. Mr. President, I thank my distinguished colleague, the senior Senator from California, for yielding time, and I wish to acknowledge that my own concerns about this nomination began when I listened to the Senator from California make his arguments before the Foreign Relations Committee. As someone who is not a member of that committee, I undertook an independent look at the documents to which the Senator from California referred; to the record that was made in the committee; and elsewhere; and came to an independent conclusion which parallels the conclusion reached by the Senator from California.

Several weeks ago we had a debate here in this Chamber on an amendment in which I proposed to limit the abuse of political appointments to the post of ambassador. That amendment was defeated after a debate which showed that despite the unease that many of us share about these appointments, there is not enough support for that kind of systemic change to the appointments process partly because Senators believe that the President is entitled to the widest possible latitude in selecting his diplomatic emissaries, but largely because many Senators argue that the remedy for an unwise appointment is laid out right in the text of the Constitution. This body has an independent responsibility to the American people to review nominations and look carefully at the merits of each nomination.

So this nomination comes before us in the wake of a debate over the Senate's solemn responsibility to check the credentials, qualifications, credibility, and suitability of a nomination sent to us. That carried the day.

I think it is considerably overoptimistic, but on principle it is perfectly reasonable. And we have an opportunity to put that view of our responsibility into practice in the matter of the nomination of Donald Gregg to be the United States Ambassador to the Republic of Korea.

Indeed, Mr. Gregg's nomination represents an especially pure test of principle, in my opinion. We are not here to debate whether he has the experience to merit consideration for this post. Quite clearly he does. Mr. Gregg has spent his professional lifetime as part of the national security apparatus of this country. He has served as the Central Intelligence Agency's senior official in the capital of the Republic of Korea. Mr. Gregg is no amateur. He did not gain the attention of the President or the gratitude of the President by contributing large sums of money to his campaign and then asking for the post of ambassador in return. He earned the gratitude of the President of the United States by placing himself in the thick of things that most people would have neither the nerve nor the stomach to dwell upon, let alone dwell in. His loyalty to the President has been a matter of deeds, not dollars.

Mr. President, the problem with Mr. Gregg is that some of the events to which he was very near were illegal, and have caused the downfall and even the criminal prosecution of a number of his closest colleagues. Robert McFarlane has been prosecuted and convicted for criminal actions arising from the Iran-Contra scandal. Oliver North has been prosecuted and convicted similarly. Admiral Poindexter's trial is pending.

Donald Gregg has not been indicted for any crime. We need to state that clearly. However, a number of Senators are morally certain that he has, though, lied to this body in explaining the nature of his activities. I wish in my statement to describe the facts and circumstances which I think make it almost impossible to escape the conclusion that Mr. Gregg has not been truthful with the U.S. Senate.

It is not unusual, let me say, for Members of the Senate to entertain doubts about the wisdom of Presidential nominations for senior officers in the Government. But almost always the basis for these concerns is the disagreement over policy rather than the issue of honesty.

In the case of Mr. Gregg's nomination however attention has focused almost entirely on the latter issue. As an outsider to that process as I mentioned earlier, I have had to study the record to appreciate what is behind so damaging a view of an ambassadorial candidate.

So here in brief is what that independent examination of the facts showed me. First, Mr. Gregg came to the Reagan White House with a professional lifetime of experience in covert action. Indeed, he was sent to the White House on detail from the Central Intelligence Agency to serve as the chief of the NSC's intelligence directorate, which is responsible for all covert action findings.

At a time, I was a member of the Select Committee on Intelligence on the other side of the Capitol, in the other body.

In this capacity Mr. Gregg was at the heart of all covert activity undertaken in the name of the United States. It is a matter of record that he was not only present at the creation of the administration's covert programs in Central America, but that he was one of the architects of those programs including paramilitary action in Nicaragua.

That is not what I think disqualifies him, but it is rather how he has responded to questions about that activity when those questions were posed to him by the U.S. Senate.

By way of background, we have to realize that Mr. Gregg not only had to know what the plans were, but that he undoubtedly knew many of the principal operators charged with carrying them out on the ground, once those plans were approved. Indeed, it is also a matter of record that one of the foremost individuals in this circle of operatives, Felix Rodriguez, was a long-time friend of Mr. Gregg and in frequent touch with him as events in Nicaragua unfolded. We need to realize that by training, Mr. Gregg was equipped to understand any nuance of what was taking place in Central America. He was not some wide-eyed novice, confused and disoriented in unfamiliar circumstances. He was a professional who got to the top by knowing all the ins and outs of his field, and his field was covert action.

Nevertheless, if we are to believe Mr. Gregg's testimony to the U.S. Senate, he suddenly forgot these skills and instincts of a lifetime, when, after August of 1982, he joined the staff of then Vice President Bush, as principal foreign policy adviser. Mr. Gregg asks that we believe that he and the Vice President never discussed the Contras. He asks us to believe that for 4 years his continuing working association with Mr. Rodriguez dealt only with El Salvador, notwithstanding the fact that Mr. Rodriguez was mainly occupied with matters pertaining to the Contras. He asks us to believe that at two meetings that he set up between the Vice President and Mr. Rodriguez, the subject of El Salvador was discussed, but not a word about Nicaragua and the Contra program.

Now, at some point, Mr. President, you have to wonder whether or not Mr. Gregg takes the U.S. Senate to be filled with incredibly gullible people. On one of the memoranda pertaining to these meetings where the Vice President was present, Mr. Gregg has written the handwritten notation, "resupply of the Contras." Well, he was asked: "You have told us you did not discuss the Contras; how do you explain your handwriting when you say you discussed resupply of the Contras?" With a straight face, he told the committee that he must have meant "copters," not Contras, yeah, that is it. He was discussing the copters in that other country next door. Sure, that is it.

What does he take the Senate for? What do we take ourselves for? Are we going to seriously accept a bald-faced presentation of that kind? How can we? It is absurd on its face.

In any event, from October of 1984 onward, the Boland amendment made it illegal for U.S. personnel to aid the Contras. The Contra program, again, is not the central issue here. It is Mr. Gregg's candor about his role in it. Records demonstrate continuing contacts between Mr. Gregg, Colonel North, and Mr. Rodriguez, along with other principals of the subsequent scandal, all during the ensuing time. But still Mr. Gregg would have us believe, and again tells us with a straight face, that he remained completely ignorant of illegalities and unsuspecting of the extent and character of Colonel North's activities. Instead, he claims not to have known what was going on until August 8, 1986, when Mr. Rodriguez explained to him in detail his work with Colonel North in providing military aid to the Contras.

Then even after Mr. Gregg concedes he was in possession of information about criminal misconduct, he would have us believe that he alerted no one, including the Vice President. Finally, he would have us believe that the Vice President never knew what his national security adviser was sitting on, until Mr. Gregg some months later, in December of 1986, granted an interview to the New York Times. In other words, the Vice President's principal national security adviser, who had been all wrapped up in these conversations, goes to the New York Times and gives this interview, and then after it appears in the New York Times, that is the first time he tells his boss about it.

Again, what do they take us for? Are we going to seriously pretend that we believe this? It is patently absurd. Yet, we have to accept it on face value, in order to reach the conclusion that the nominee before us today did not come up to the U.S. Senate and lie brazenly and repeatedly, time after time after time, and then ask us to vote for him for this post. Well, I just think that it is a little difficult to swallow. He would have us believe that his boss read about it in the newspaper, even though he, Mr. Gregg, had earlier

been told by Rodriguez that this could be bigger than Watergate. He would not warn his principal about that? I think that is difficult to believe.

Now, there is a great more detail, and I expect that other Members who join me in opposing this nomination and whose knowledge is more extensive than mine, will cover it.

Let me just say this: In the good old days, so called, of covert intelligence, Presidents enjoyed something called "plausible deniability." Plausible deniability is the ability to disclaim personal responsibility for covert actions gone public or gone sour or both. Maintaining it was at one time a crucial part of the working relationship between the CIA and Presidents, it was the means by which a President could minimize the political and diplomatic risks of resorting to an instrument of policy in the shadow of the law, so much at variance with the way most persons understand the workings of their government.

After the great intelligence scandals of the 1970's, Congress insisted that Presidents be accountable for covert action. It became a matter of law that every covert action must be traceable in the end, not publicly, but traceable in the end to a signed order issued by the President and no one else.

By and large, the intelligence services have become accustomed to this idea, although many believe it eroded substantially during the Reagan years. After reading the record concerning Mr. Gregg, it seems to me that the essence of the problem is that he may have been determined to preserve deniability for his boss, the then-Vice President, and that he was prepared to go to extraordinary lengths to do so. In fact, the evidence suggests that Mr. Gregg, like others who were serving with him in the Reagan White House, may well have had to weigh the law against other values. In the case of Mr. Gregg's colleagues, we know how they came down. In his case, we are left with some profound suspicions, to say the least. Mr. Gregg is innocent in the eyes of the law. He has been charged with no crime.

I would ask my colleague if I could have 2 additional minutes.

Mr. CRANSTON. I yield 2 additional minutes.

Mr. GORE. He is innocent in the eyes of the law and has been charged with no crime. His testimony before the Senate of what he was doing during that time, and his explanations for a number of documents which some would call "smoking guns," pointing toward involvement in illegalities, are very hard to take. There is no way that Mr. Gregg's reputation emerges free of doubt from these pages. How could he not have known what was going on for so long? And once he knew, how could he have kept silent from everyone, including the man who relied upon him to be his eyes and ears?

If Mr. Gregg was, indeed, unaware for a period of years about what was going on, in spite of his experience and in spite of his lifetime in the same field, what shall we think of the acumen so necessary in the role of Ambassador? If Mr. Gregg did in fact never tell the Vice President about illegalities when they were plainly in view by his own admission, what shall we think of his ability to discriminate between what is important and what is not?

The record thus represents us with the story of a man who was either too clever to be caught or too naive to know what was going on under his nose. Either way, we in the Senate must now make individual, very personal judgments about whether we are comfortable with the idea that such a person ought to be confirmed as our Ambassador to a post of extraordinary importance. Each of us must decide whether this man is trustworthy, whether his judgment is sound under pressure, whether his loyalties are to other men of power, or to the rule of law superior to any individual.

When it was first learned that the President intended to nominate Mr. Gregg for this position, Members of the Senate appealed to him not to go forward. That was wise counsel, but the President exercised his prerogative and submitted the nomination. It certainly would have been better if Mr. Gregg himself had withdrawn: not as an admission of fault, but as a concession to the needs of the Nation. For though he is an able man, Mr. Gregg is surely not the only person who might serve the United States as ambassador to South Korea. He must surely realize that he does not have the full confidence of the Senate, and that this is a disability which ought not to be borne at the expense of our diplomatic relations with an important military ally and a trading and economic power of rising significance.

As a matter of fact, we should also be wondering whether Mr. Gregg can ever fully have the confidence of the people of the Republic of Korea. They are struggling to emerge from a long twilight of half-freedom or worse, at the hands of a succession of authoritarian governments. And we are in the process of trying to secure the support of the people who associate us not only with protection against the North, but with their own politically oppressed past. It is not Mr. Gregg's fault, that he served as station chief in Seoul during a period when this repression was particularly severe. In fact, I am told that he did a number of good things during that time to mitigate the punishment of some important Korean opposition leaders at the hands of the government.

Nevertheless, it seems clear to me that Mr. Gregg will personify for many South Koreans a consortial relationship between our Government and their former dictators. Quite aside from the issue of the Senate's lack of full confidence, I wonder if Mr. Gregg is not concerned that—as the ambassador of the United States—he will present the enemies of good United States-Korean relations with a ready, living symbol of the repressive past.

Mr. Gregg, of course, has not withdrawn his candidacy. And so it falls to us to choose. I believe the United States should be represented by a person of talent who leaves Washington with the full confidence of this body. I believe such persons are available. And I believe by rejecting Mr. Gregg's nomination, we can induce a new choice: hopefully a better one. I think we can do this without passing judgment on the ultimate truth or falseness of Mr. Gregg's testimony, and without reviving the old issue of what Mr. Bush knew and when he knew it. We can simply vote on the conviction that the United States has other resources to draw upon for an ambassador, who would bring with him none of Mr. Gregg's disadvantages.

I urge my colleagues to reject this nomination.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. Mr. President, I thank the Senator from Tennessee very much for his fine and forceful statement on what I consider and many of us do, a very important issue, and his thoughts are very, very helpful to this body.

The PRESIDING OFFICER. The Senator from North Carolina [Mr. HELMS].

Mr. HELMS. I thank the Chair.

Mr. President, Donald P. Gregg, hereinafter to be referred to by me as Don Gregg, is one of the most decent and dedicated public servants I have known in my nearly 17 years in the Senate. If you examine the credentials, they are impeccable. He is a man of integrity and honesty. I think it is a testament to his fine qualifications that the President nominated him to represent the United States as Ambassador to the Republic of Korea.

Throughout the long ordeal involving the reporting of the Gregg nomination to the Senate, I listened carefully to what was said about him, and I read carefully the documents relating to his alleged activities. Frankly I found them spurious.

It appears that there are some in this body and certainly in the news media who just hate to let go of this Iran-Contra issue because that is a good way to bash George Bush. It was a good way to bash Ronald Reagan before him. I sense a high degree of

disappointment among some that the Iran-Contra ordeal no longer is important to the American people. You never hear about it any more now that the nomination has been reported to the Senate and will be voted on no later than 6:15 p.m. this evening.

I thank the Senate leadership for finally bringing Mr. Gregg's nomination to the floor. As a matter of record and for the record, this nomination was received by the Senate on March 6. I think it is fair to say, and I say it with all charity to those Senators involved in the in-depth examination of Mr. Gregg's reputation and activities, that there was an effort not merely to delay the nomination, but to intimidate Mr. Gregg and to withdraw his name from consideration.

As a matter of fact, my friend from California was candid enough to say that was his intent in one of his press releases earlier this year.

Mr. CRANSTON. Mr. President, will the Senator yield just at that point.

Mr. HELMS. Yes.

Mr. CRANSTON. I would like to say that there was certainly never any effort on my part, acknowledged or not acknowledged, to intimidate Don Gregg. I did intend to get the nomination withdrawn in the interest of the country and the President, and I think the Senator knows so did some Republican Senators.

Mr. HELMS. We will see when the roll is called up yonder.

Notwithstanding that, and I thank the Senator, this had an appearance of one of the old westerns on television: Hang him and then give him a fair trial.

This Senator, along with the rest of my Republican colleagues on the committee, saw the handwriting on the wall, saw it early, and perhaps that is where Republicans saw no point in coming to committee meetings when the majority was not interested in the orderly conduct of committee business.

Whatever the reason, a date was set to vote on Mr. Gregg's nomination, and the interest of my colleagues returned. On June 20, Mr. Gregg was reported favorably by the Foreign Relations Committee. The vote was 12 to 7.

I think this vote demonstrates that this was not a partisan matter, because we had some Democratic votes. There may be some few Republican votes against Mr. Gregg. I do not know how many. But we will have some Democrats, too. So it is bipartisan both ways.

Mr. President, during his 2-day appearance before the Foreign Relations Committee, if you read the record, I think it is fair to say that Don Gregg was rather masterful in refuting each and every one of the allegations against him.

In fact, in his opening statement at the second hearing on June 15, Don Gregg categorically listed the 12 major allegations that had been made as of that time, and he responded to each.

At the appropriate time, and I do not do so now, I will ask that the full text of Mr. Gregg's testimony from June 15 be inserted in the RECORD.

It seems that much of the controversy surrounding this nomination centers on Mr. Gregg's friendship with a Felix Rodriguez. As the conspiracy theory, as it was built up, put it, this friendship combined with Don Gregg's training in secrecy led him "to sponsor a freelance covert operation out of the Vice President's office."

See the careful little design: Let us get George Bush, and that is what this is all about. Get George Bush. Tear him down. Unfortunately, according to the latest polls I have seen, George Bush's popularity is so high I think it is exceeding that of Ronald Reagan's. So it did not work.

Yes, Don Gregg is a friend of Felix Rodriguez. They served together in Vietnam. He made no effort whatsoever either to deny it or to discount it. And yes, it was Don Gregg who encouraged Mr. Rodriguez to work in El Salvador with the Salvadoran Air Force, to assist in that country's efforts to fight the Communist insurgency in El Salvador.

That is pretty terrible stuff.

We now know that Mr. Rodriguez became involved in an effort to resupply the Contras. There were a lot of us interested in that. If it is of any interest to anybody, I participated in this effort, did the best I could to encourage people across this country to help the freedom fighters in Nicaragua.

So, yes, Mr. Rodriguez tried to help the freedom fighters in Nicaragua, but so did an enormous number of other Americans. And yes, it is a fact—confession is good for the soul, I guess—Mr. Rodriguez did come to visit Don Gregg for about 20 minutes on August 8, 1986, in which he, Mr. Rodriguez, raised the Contra issue. Everybody in this town was talking about it. You sat down for 5 minutes with almost anybody in Washington at that time, and everybody was talking about the freedom fighters and how could they be helped; or in the case of some Senators and some Members of the House of Representatives, how the freedom fighters could be thwarted in their efforts to prevent a Communist takeover in all of Central America.

But, at this meeting Mr. Rodriguez did not provide anything that even approached being a "full briefing" of what he knew to be going on in Central America at that time. If there is any doubt about it, just take a look—and it is in the record—take a look at Mr. Gregg's notes on that meeting. The committee has them. The committee studied them. And another red herring was dragged off the stage.

Mr. Gregg brought all of these notes to the committee for inspection on June 15.

So far, nothing on Mr. Gregg. But let me go back. Mr. Rodriguez did come see Don Gregg, and he told him there was some type of ripoff under way with regard to the Contras. All of us, have 20-20 hindsight from all of the Iran-Contra hearings. We even have 20-20 hindsight about what happened to the Redskins last night. Oh, we are all experts after the fact.

But Don Gregg had no knowledge of what anybody was doing. It has not been even remotely established that he had anything to do with what was going on among some people in this town, and he certainly had no knowledge of a clandestine resupply effort being orchestrated at the NSC.

This was raised suspiciously over and over again to keep this Iran-Contra thing going, to keep it in the headlines, keep it on the evening news. But did Don Gregg cover up this information, as might be expected of someone involved in the freelance, covert operation out of the Vice President's office? And that was the kind of charge made, aimed at George Bush because he was Vice President. He is now President. Of course he did not.

He did not cover up anything.

Four days later he called together those individuals he thought should be aware of the reported problem, the problem that he knew it or believed it to be, based on a 20-minute meeting with his old friend, with whom he had served in Veitnam, Felix Rodriguez. And he outlined those concerns. And, when he was assured several weeks later that the problem had been fixed, he had no reason to question it further and he did not.

But, nevertheless, there came all of the criticism of Don Gregg for not taking this information to the Vice President, his friend George Bush; now the President, now at the height of his popularity.

So, a friend came to Don Gregg and raised an issue. And Don Gregg within 4 days, to be precise on August 12, 1986, convened a meeting to examine this issue. This is all in the record. Nothing came up at the August 12 meeting to raise any concerns and, as Mr. Gregg told the committee: Had the extent of the involvement by Ollie North or anybody else been revealed to him at the August 8 meeting, he would have done more. I have no reason to doubt that. I do not think anybody else does.

Several months later, when Edwin Meese appeared on national television and uncovered what was going on at the NSC, Don Gregg was able to put his sketchy August 8 meeting into the proper context, against the background of the Attorney General's comments. And, as he testified, feeling

that he had "failed to put in correct context earlier" what he had been told in August, he then went to the Vice President and offered to resign his job in December of 1986. Not because he had done anything wrong, but because he felt, in retrospect, using that 20-20 hindsight, that he had not done enough; and the Vice President refused to accept Don Gregg's resignation.

Those are the facts. The record was clear, I think, before the Don Gregg hearings. It seems to me, having looked at the documents and having sat in the Foreign Relations Committee meetings, it is even clearer. This whole Contra resupply, involving the freedom fighters in Nicaragua, had been investigated by the Tower Commission, the Iran Contra Committee, the Independent Counsel, and numerous hours of testimony in Federal Court. It has been delved into, studied, probed, pried, investigated, inspected, scrutinized, examined, analyzed, decomposed, and recomposed. Not to mention it was the subject of a television network miniseries, and just a few books.

Thousands of memos, cables, diaries, interviews, and they have turned up no solid evidence of Don Gregg's involvement in the unhappy aspects, as they may be, of the Iran-Contra episode. I am sure this disappointed a lot of folks.

Columbo would be beside himself if he found no more evidence than has been found. Sometimes the truth is disappointing, and I am sure there were some disappointed folks, including the media, including some Senators, including some other people.

Mr. President, obviously I think the Senate should confirm Don Gregg and do it overwhelmingly. There is going to be some debate, but I think this Nation can ill afford to deprive itself of his talents and his integrity. And they are certainly needed in the Republic of Korea, at this difficult time in that part of the world.

He is a fine nominee and I look forward to meeting with Ambassador Gregg, as I hope we shortly will be, to discuss the real issue surrounding the nomination. And that issue, when all is said and done, is: How can Don Gregg best put his abilities to work in Seoul, South Korea?

Mr. President, the distinguished Senator from Kentucky, Mr. MCCONNELL, has taken a lead in this nomination, for which I thank him and commend him. And I am going to designate him as the manager of this nomination on this side.

Mr. President, I ask unanimous consent that the aforementioned testimony of Mr. Gregg be printed at this point in the RECORD.

I thank my friend from California and I yield the floor.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT BY DON GREGG, JUNE 15, 1989

Mr. Chairman, Members of the Committee, I am happy to appear before you again. This renewed hearing gives me an opportunity to address in some detail the bill of particulars included in the Chairman's opening statement of 12 May 1989. I believe the record will show that the principal charges in the statement are conclusory, exaggerated, and unfair. Repeatedly, the statement asserted as facts conclusions which I most emphatically deny are accurate. The few questions that arise from the evidence, it should be remembered, stem largely from documents which I preserved and supplied this Committee. And fairly examined, the evidence does not establish the Chairman's assertions. Had I truly been involved in the manner charged by the Chairman the evidence against me would not have been so fragmentary and ambiguous, but far more substantial, and more meaningful in its content. I believe it is essential that the Committee examine carefully each of the Chairman's assertions.

1. The Chairman's statement asserts: "You came to work at the Reagan White House with responsibilities which included heading the National Security Council's Intelligence directorate. It was in this capacity in 1982 that you first came to be professionally involved in advocating military assistance to the Contras. For example, the Intelligence Committee is in receipt of a document entitled 'Proposed Covert Action Finding on Nicaragua' from Donald Gregg dated July 12, 1982."

Response: It is correct that in 1982 I advocated military assistance to the Contras. So did the Congress. I also supported the policies of both the Carter and Reagan Administrations concerning Nicaragua. But the finding referred to by the Chairman, rather than indicating that I have long been part of an improper effort to deceive Congress, in fact is a clear example of my belief that any support for the Contras had to be given in a lawful manner. As the Iran/Contra Report of Congress stated, the proposed July 1982 finding was an effort to have the Congress brought up to date on expanded intelligence activities in and around Nicaragua that were not covered by the December 1981 finding.

The Congressional report specifically found that "Gregg, like Admiral Inman, believed that broad support for Pastora was outside of the scope of December 1981 finding. He wrote to William Clark, the National Security Advisor, that 'additional actions not covered by previous authority, are now being proposed' * * * Vice Admiral Poindexter, then military advisor to the National Security Advisor disagreed." I believed then, and I believe now, that Congress must be kept fully informed.

2. The Chairman stated—"You have told Congress under oath that prior to public revelation of the Iran Contra scandal in November 1986 you and Vice President Bush 'had never discussed the Contras. We had no responsibility for it. We had no expertise in it.'"

Response: As the Committee must realize, that quote was not meant to convey the claim that I had never discussed any aspect of the Contras. I have elsewhere repeatedly stated that I discussed the broad issue of the role of the Contras with the Vice President. That quote, placed in its proper context, was intended to make clear that I had not reported Felix Rodriguez' 8 August 1986 concerns to the Vice President. The questions and my full answers before the Iran Contra Committee on 18 May 1987 follow:

Q. Now did you report any of this to the Vice President?

A. I did not.

Q. None of what Felix told you?

A. None.

Q. What was the reason you decided not to make such a report?

A. Well, I felt that it was a very murky business. I spend a great deal of my time trying to send things to the Vice President that I think are really Vice Presidential. I try to keep him focused, help him keep focused on arms control or Mideast peace or things of that nature. We had never discussed the Contras. We had no responsibility for it, We had no expertise in it. I wasn't at all certain what this amounted to.

I had the name of four or five Americans on an obscure air base in Central America who apparently were ripping off donated funds and making unseemly profits. I felt I had passed along that material to the organizations who could do something about it, and I frankly did not think it was Vice Presidential level."

3. The Chairman's statement accepts as fact Col. North's testimony that I introduced him to Felix Rodriguez. It says that "the record shows that two months after the President signed the (Boland) legislations you met on December 21, 1984, with your long-time friend and former CIA operations colleague Felix Rodriguez and that you introduced him that day to Oliver North."

Response: This assertion is false. The record shows that Col. North was incorrect.

The only evidence in the record that supports the assertion that I introduced Rodriguez to North is North's testimony at trial.

All the other evidence available demonstrates that North was wrong.

Both Rodriguez and I, under oath, have denied North's version.

William R. Bode has written to confirm that he, and not I, introduced Rodriguez to North.

4. The Chairman's statement quotes from a cable dated 15 February 1985 in which General Gorman is quoted as having discussed support for the Contras with Rodriguez.

Response: Gorman has repeatedly denied under oath having associated Rodriguez with the Contras, and Rodriguez has confirmed Gorman's testimony in this regard. In one of many such statements for example, Gorman swore on 22 July 1987:

"At no time was there ever communication from Felix to me about Nicaragua or the resistance or anything else . . . I never associated Felix Rodriguez, to my knowledge, with Ollie in any context related to the Nicaragua resistance." But whatever happened between Gorman and Rodriguez, I was no part of it. I did not know Rodriguez was knowledgeable about FDN resupply activities until 8 August 1986.

5. A particularly distressing charge in the Chairman's opening statement is the description of an alleged "meeting between you, Oliver North and James Steele who coordinated Contra resupply from our El Salvador Embassy at 4:30 p.m. September 10, 1985 in the Old Executive Office Building." The Chairman asserts that "North's handwritten note confirms that details of the then prohibited military resupply of the Contras was discussed * * *," and the Chairman concluded that "Steele has confirmed

to Congressional investigators that you did meet with him and North that afternoon."

Response: As I have repeatedly said, I recall no such meeting. North's diary includes a reference to such a meeting, and he has some notes apparently prepared by him for use at that meeting. But no such meeting occurred at which I was present. No mention of that meeting occurs anywhere in my records, including my calendar. North's desk calendar in fact contains no notation of such a meeting. He may well have planned such a meeting, but it did not occur with my participation.

But the most disturbing aspect of the Chairman's statement was the allegation that Steele had confirmed the meeting on that date. The allegation is simply untrue. Here is what Col. Steele is quoted as having said to the GAO: "Colonel Steele said that the only contact on the Contra issue he has had since his interviews with the Committee's investigators was a call a few months ago from Donald Gregg. He said that Gregg asked him if he could remember a meeting of the three of them (North, Steele and Gregg) in September 1985. He said that he told Gregg that he did not remember any such meeting."

As Senator Kerry graciously acknowledged on 12 May 1989, the GAO document then becomes confusing. Steele remembers that I introduced him to North but cannot recall when. Steele said that it is possible that the meeting took place in September 1985 but that he has no record or recollection of such a meeting. He then goes on to state, according to the GAO report, "he does remember the meeting as just an introduction without any substantive discussions. Col. Steele said that this was the only time that he remembers meeting Gregg and North at the same time. He noted that he had subsequent meetings with North as part of his efforts to increase military aid to El Salvador and that they also had some discussions about the Contras. He also said that until the 12 August 1986 meeting he never discussed the issue of the Contras with Donald Gregg."

To get Steele's position on this confusing GAO report, I asked an attorney at the Legal Adviser's office to call Steele, after the last hearing. Steele confirmed unequivocally under oath that he recalls no such meeting with my presence or participation as that alleged in the Chairman's opening statement.

6. The Chairman's statement also attempted to portray me, not only as knowledgeable of Rodriguez' activities, but in control. It states: "It was North who contacted you for help in reining in Rodriguez' operations. Your sworn testimony is that North said 'You, meaning you Don Gregg, are the only one who can control Felix.' "

Response: As the Committee is well aware, North called me in August 1986 and made the statement quoted above because Felix had gotten wind of corruption in the Contra resupply organization and was determined to stop it. North was attempting to use my long-standing relationship with Rodriguez to keep him from interfering in what Rodriguez regarded as corrupt activities. Of course, I would have told Rodriguez to stop doing anything improper. In this instance, however, I supported him in opposing what he claimed was corruption. I did not, however, "control" his activities.

7. The Chairman understandably focused on two memos from my office which refer to "resupply of the Contras." But his analysis of these incongruous references fails to cite the strong evidence that shows that I was not responsible for these references. Here is what the Chairman stated: "You claimed under oath that you 'just can't account for' why two not one, but two separate memos of yours to the Vice President in April 1986 told him that Felix Rodriguez would see you both to provide a briefing on 'resupply of the Contras.' You claimed under oath that you never saw the memos to the Vice President that bear your name and initials."

Response: I did so testify, and my testimony is true. I did not dictate, sign or see the memos. This is fully supported by my Deputy and the secretary who prepared the memos, facts which the Chairman regrettably did not see fit to include in his presentation.

In sworn testimony, Phyllis Byrne, my secretary, and Colonel Samuel Watson, my deputy, testified that the memoranda were prepared without any involvement by me, typed by Mrs. Byrne and initialed by her. All three of us have testified that the phrase, "Resupply the Contras" is inexplicable, since everyone at the 1 May 1986 meeting with the Vice President, including Secretary of Treasury Nicholas Brady, has testified that there was no mention whatsoever at the meeting of the Contras, or resupply of the Contras. The phrase must have arisen out of verbal miscommunication between Mrs. Byrne and Colonel Watson.

During the last few days, contact has been made with Stephanie A. Vandevander, another secretary who was in my office at the time these memos were prepared. She in fact worked directly for Colonel Watson. She has supplied a written statement confirming that she, as well, recalls that I had nothing to do with preparing the memos. She recalls they were prepared by Mrs. Byrne, in conjunction with Colonel Watson.

Last May 12, I gave you a speculative explanation of this isolated reference to resupplying the Contras—which does not appear in the files before or after the memos in question. I speculated that Colonel Watson may have said or Mrs. Byrne might have heard "resupply the copters," since the resupply of helicopters in El Salvador was in fact a topic discussed with the Vice President during the May 1 meeting. Of course, I do not know how this reference actually appeared. But irrespective of this speculation, my explanation concerning that reference is that I was unaware of the content of those memos, and did not see them until December 1986, when I immediately took them to the House Intelligence Committee; and that, most importantly, resupply of the contras was not discussed at the 1 May 1986 meeting.

8. The Chairman preemptorily rejects my claim under oath that there was nothing unusual in the fact that the first notification to Washington officials about the downing of the Hasenfus plane, came from a Felix Rodriguez phone call to my deputy, Sam Watson.

Response: I testified on 12 May 1989 that, as I learned much later, Rodriguez had broken with North on 25 June 1987 and was no longer on speaking terms with the man. He apparently felt someone in Washington should know of the crash and thus called my office. Now, if the call is nonetheless unusual in the view of this Committee, it is so only in retrospect with the full knowledge of Rodriguez's role in contra supply. I did not then have that knowledge, and I treated the call as an old friend passing on information he felt was important.

9. The Chairman flatly asserts that "you [Gregg] concede that on August 8, 1986, you were briefed in detail by Rodriguez about NSC staff involvement in proscribed contra military resupply activities," and that on that day Rodriguez provided me a "briefing on his collaboration with North to provide then-proscribed military assistance to the contras." The Chairman repeated this gross exaggeration several times at the hearing.

Response: The Chairman greatly overstates the extent of my knowledge about Contra resupply as of 8 August 1986. I did not concede or testify, as the Chairman recites, that I was "briefed in detail by Rodriguez about NSC staff involvement in proscribed Contra military activities" on that date. I testified that Rodriguez' report to me was not in great detail and at that time, August 1986, and that the details of what was going on were not at all clear to me. The meeting related to a rip off on grenades and other items by a private group that North was using. This information was only the tip of the iceberg. I knew at that time, along with everyone else, that the Contras were being supplied from a variety of sources. On that day I discovered that North was knowledgeable and at least tangentially involved, and that some corruption might be occurring in the support operation. Of the size, avarice, and permanence of the secret organization North had set up, however, I knew nothing at that time. Rodriguez did not then supply me a "briefing on this collaboration with North. . . ." I did not then know, nor was I led to conclude on the basis of the information I was told, that any illegal actions were being taken by U.S. officials. I sensed possible corruption on the part of private citizens, and took action to have it stopped. Rudolf A. Enders has stated in a recent letter that Felix was determined as late as the spring of 1986 not to tell me about U.S. government involvement in Contra resupply. He knew if I were fully informed I would have intervened and stopped the program.

10. The Chairman's opening statement makes much of an on-the-record interview I gave to the New York Times on 13 December 1986.

Response: In the weeks leading up to that interview, I had had many discussions about these issues with Craig Fuller, the Chief of Staff to the Vice President. As soon as I got the August 8 meeting in clearer focus—as a result of finding my own notes on the meeting as I was searching the files—I talked it over with Fuller and we decided that the best course was to go on the record in the interview with the New York Times. The Vice President obviously felt we correctly handled the issue. When asked, in December 1986, by representatives of the press whether he was concerned at my not having told him of the problem of possible corruption in Contra supply, the Vice President replied "Not in the least." I believed then, and I believe now, that the actions I took on 12 August 1986 in calling together the US officials with direct responsibility for Central America, was the appropriate step to have taken. Had I known the extent of North's involvement, I certainly would have done more, and would have told the Vice President.

11. The Chairman claims that my testimony, even if believed, "betrays a serious lack of professional judgment on your part—a failing which raises fundamental questions about your suitability to be a U.S. Ambassador."

Response: The Senator is of course entitled to be as "subjective" as he indicated in his statement he intended to be in his judgment of me. But his claim that my failure to tell the Vice President about the August 8 briefing reflects a disqualifying lack of professional judgment is unfair. As I have noted, the Senator vastly overstates what I learned at that meeting. If my actions are judged objectively in the light of what I learned, it is clear to me even now that I acted reasonably in not informing the Vice President, since I sincerely believed that the limited problem that I had addressed had been solved. I did not know that the problem stemmed from an extensive, U.S. controlled operation.

Yet, even if one assumes that I should have told the Vice President what I had learned, I would respectfully submit the Chairman's judgment is far too harsh. Surely my professional judgment should be evaluated on the basis of my entire career, my experience, my performance in my many jobs. And surely this issue should turn in large part on what the man for whom I worked for six years believes about my professional judgment. In my capacity as national security adviser to the Vice President I did many things, and did them right. Before that I spent about 30 years in what the Chairman calls "commendable service," but then ignors. My professional judgment should be evaluated on the basis of all my years of service, my entire record. On that basis I believe it is unfair to call me unfit to serve as a U.S. ambassador, particularly in a country in which I am peculiarly well suited to serve.

12. The Chairman's opening statement ends with the following, sweeping accusation: "In conclusion, I believe the record suggests that the following happened. After Boland II was signed in October 1984, you and certain others in the White House were encouraged to secure military aid for the Contras through unorthodox channels. Your career training in establishing secrecy and deniability for covert operations and your decades-old friendship with Contra supporter Felix Rodriguez apparently led you to believe you could serve the national interest by sponsoring a free-lance covert operation out of the Vice President's office."

Response: This is a monumental exaggeration of what "the record suggests." The Chairman's accusation, I regret to say, takes a handful of evidentiary fragments and infers from them a role for me in the Iran/Contra conspiracy. It is simply unfair to assign me a role as knowing participant in this major and thoroughly documented operation on the basis of a marginal note written on a memo, a quote taken out of context, the erroneous testimony of North as to how he met Rodriguez, a phrase recited in a memo that had no functional meaning, and a diary entry of North's that is refuted by witnesses and other documents. I appeal to you, Mr. Chairman, and any others who have doubts about me to place these disparate fragments in focus both as evidence of an involvement and as a basis for denying my suitability for an ambassadorial post after 38 years of public service.

First, in terms of the significance or value of the pieces of evidence we have repeatedly examined, I ask you to place those items in context, The record against which the evidence of my knowledge should be judged is well known, and massive. It is the product of investigations by the Tower Board, the Iran/Contra Committee, and the Independent Counsel. FBI agents and other investigators have gone through all the documents, computers, and depositaries available. They have found thousands of memos, cables, and perhaps most significantly diaries and internal exchanges in which participants in the Iran/Contra affair secretly planned and discussed their activities. Had the real players in the Iran/Contra affair considered me a participant, their plans, briefings and secret internal discussions would certainly have included multiple and meaningful references to my supposed role. But the record—the real record—contains no evidence of my involvement. The isolated references discovered are so lacking in coherence that they fail to reflect any meaningful role on my part. I would respectfully submit to this Committee, and to the Senate, that this lack of evidence in the truly relevant body of evidence reflects the truth of the matter—I was not involved, or even aware.

Consider, also, the conspiracy of which the Chairman suspects I am a part. That conspiracy is no longer a scheme that is mysterious to us. It is described in great detail in the report of Congress' Iran/Contra Committee, and in the indictment returned by the grand jury. Had I truly been a conspirator, as the Chairman says the evidence suggests, those investigations would have uncovered and laid out the proof. But they include no such claim, and suggest no such conclusion, because the truth is that I played no part. The Office of Independent Counsel confirmed when I testified before the grand jury that I was not a target of his investigation. They reconfirmed this fact as recently as last week.

Finally, in evaluating the probability of the conspiracy theory of the Chairman, I ask that you weigh my conduct after December 1986, when the Vice President instructed all officials in his office to be fully responsive to the developing investigation of the Iran Contra affair. In response to this directive, my office undertook a document search, pulling together all material judged to be in any way relevant to the points being examined. In viewing these documents, the two perplexing memoranda prepared for the 1 May 1986 meeting with the Vice President jumped out at me. I did not shred them. Rather, I volunteered their existence to the House Intelligence Committee on 17 December 1986. I met with several staffers of that committee, including Michael O'Neill. I told them, as I handed them over, that these were the most damaging documents we could find in the files. Had I been the calculating specialist in deception of the Chairman's theory I would not have preserved those two memoranda. Instead, knowing my duty to the Vice President, to you, and to the law, I preserved and supplied these documents. And I have testified repeatedly, and fully, without invoking any privilege or seeking any deal. My conduct in these respects bears no resemblance to the activities of some of those who are alleged to have been my co-conspirators.

I devoutly hope that my qualifications for the post to which I have been nominated are not disregarded on the basis of the fragmentary and unreliable evidence so unfairly described in the Chairman's statement.

Thank you.

The PRESIDING OFFICER. Who yields time? The Senator from California.

Mr. CRANSTON. Mr. President, I myself will be just a few moments and then I intend to yield to the Senator from New York.

I would like to comment on the remarks of the Senator from North Carolina to say the issue involved in this nomination of Donald Gregg to be Ambassador to South Korea has nothing to do with whether aid to the Contras was good, bad, wise, or unwise. That was a separate issue.

The opposition to the nomination does not in any way, shape, or manner represent an effort to get at the President of the United States. The question is the wisdom of this particular nomination.

We have a President. He has been elected our President. We all wish him well. We wish him to be successful because that would be a success for the Nation.

That is not the point in the minds of those who are concerned about this particular nomination.

I would also just like briefly to note, as the Senator from North Carolina said, that by August 8 of the year in question, when Felix Rodriguez filled in Donald Gregg on the looming Watergate-type explosion, the Senator from North Carolina said: "By then, everybody in town was talking about the Contras and aid to the Contras."

Donald Gregg would have us believe, when he gave his testimony under oath, in effect, that two people in this town were not talking about the Contras; namely, Donald Gregg and George Bush. And that is just very, very hard to swallow given the evidence to the contrary, some of which has already been presented, more of which will be presented in the course of this debate.

I am now delighted to yield 15 minutes to the distinguished Senator from New York.

The PRESIDING OFFICER (Mr. KERREY.) The Senator from New York.

Mr. MOYNIHAN. Mr. President, I rise with mixed feelings and a very deep concern in opposition to this nomination. I have twice myself been before the Senate for confirmation, as an ambassador, in the first instance to India and then as permanent representative to the United Nations with the rank of ambassador. I am fully aware of the honor of the post and the responsibilities that lie with those U.S. citizens given the mission by their President, with the advice and consent of the Senate, of representing the Nation abroad.

There will be many aspects of this matter that will be discussed and have been. The distinguished Senator from Tennessee spoke with great clarity and great force, as did the Senator from California, our friend, and the man we have chosen to provide our leadership, the majority leader, will speak. Most specially the Senator from Maryland, who has previously raised these mat-

ters in the Committee on Foreign Relations.

I would like to address myself to one subject which I brought up in the first instance in the hearing which we held before the Committee on Foreign Relations on May 12 having to do with Ambassador-designate Gregg. My learned friend and seatmate Senator SIMON later added his comments on the subject. And that is the question of the mining of the Nicaraguan harbors, which took place in the early weeks of 1984 and for several months thereafter. Three harbors were mined directly by the United States, not just in violation of the understandings of this body and the statute on intelligence oversight. The Intelligence Committees were not informed of this hugely significant anticipated activity. The statute said we were to be told. We surely were not told.

An effort was made that was painful to every Member of this Chamber; namely, to suggest that when Senator Barry Goldwater, chairman of the Select Committee on Intelligence, stated that he was not told about this activity that this was a failing on his part, that somehow advanced age or whatever had led him to be inattentive.

Later, under oath, the facts came out in testimony before the Iran-Contra Committees, when the distinguished Senator from Maryland asked Mr. McFarlane, then National Security Adviser, about this event. On the week in which this all came forward Mr. MacFarlane had gone to the Naval Academy and assured the Academy that the committee was informed. If ever there was a place for an alumnus not to tell an untruth, it was at the Naval Academy. But that untruth was told, and only later was the event somewhat cleared up. Mr. SARBANES asked Mr. McFarlane:

Did you know about the mining of the Nicaraguan harbor? Mr. McFarlane replied, "Yes, sir."

The exchange continued as follows:

Mr. SARBANES. Did you think that should have been consulted with the Intelligence Committees?

Mr. MCFARLANE. Yes, sir.

Mr. SARBANES. It wasn't done.

Mr. MCFARLANE. No, sir.

We know in the aftermath—that this effort to discredit Senator Goldwater was the first appearance of the persistent, the endemic lying that went on in this matter, a pattern of lying then mutated into a Government by deceit.

We have all been shaken by it. And we are not over it. It is regrettable that it comes back to us in this form. But we have responsibilities which are ours under the Constitution, not to be avoided or evaded.

I would like to bring up in a very brief compass the fact that the mining of the Nicaraguan harbors was clearly an illegal act. It was a violation of customary international law, and a violation of treaty law. Treaties are the supreme law of the land under the Constitution of the United States. The Congress, under article 1, section 8, is given the power to define and punish offenses against the law of nations; treaties become the law of particular parties and there is also general customary law, which is binding on the United States by its very own assertions, and has been from the very outset in the Constitution.

One of the questions that has never been resolved, never really properly asked is, "How could the mining of the harbors in Nicaragua occur in clear violation of law?" Of course, the Government of Nicaragua subsequently took us to the International Court of Justice. Shamefully, we declined to go, against all the commitments made by this body in 1945 when we said we could withdraw compulsory jurisdiction with a 6-month notice, but only with a 6-month notice, and even then never to avoid jurisdiction in a particular case. We did just that, shamefully.

And of course, the International Court held, as it had to do, that the United States was in violation of law. The first time in my knowledge, Mr. President, that the United States had ever been held in violation of international agreements, understandings and rules where the use of force was involved—the first time in our two century history, I believe. It happened here.

And so, at the Committee on Foreign Relations hearing I asked the witness, our witness, Mr. Gregg, an experienced Government official and a White House official: At the time—when the laying of the mines in the harbors was being discussed in the White House—had anyone raised the question that this would be, might be, a violation of treaty obligations which under the Constitution of the United States is the supreme law of the land?

Mr. Gregg replied—I somewhat paraphrase his statements. I will put them in the record completely. "I do not remember that particular point being raised. I think there were discussions of what our relations were with Nicaragua but I do not remember that particular concern being voiced."

And I went on to say:

The Constitution of the United States says that treaties are the supreme law of the land and we looked up in the Intelligence Committee to find that our Executive Branch had deliberately violated that law and that cannot be—well, did no one ever say that was against the law? Did it never even come to the fore of the discussion?

We are a country that had diplomatic relations with Nicaragua. This was clearly intervening in its internal affairs. However you might describe the extent of the use of force involved in the mining, it raises questions under the Charter of the United Nations; it obviously had to do.

And Mr. Gregg replied, "Which treaty and which law are you referring to, Senator?" And I thought for a moment and said, "Well, the Ninth Hague Convention of 1907." I am not even sure that the Hague Convention would apply in peacetime. It might just during wartime. But I could have as easily added the Charter of the Organization of American States, the Rio Treaty, and the Charter of the United Nations.

And the response from Mr. Gregg, a man of apparent openness, was an honest response: He did not really know what I was talking about. He said "I remember there was a discussion of the fact that the mines to be used were low power; that the effort was to try to sink, I believe, a Soviet ship or a ship bringing supplies—military supplies—into the Sandinistas or to block a channel through which a lot of the military supplies to the Sandinistas came and there was a discussion of trying to do this in a way so that casualties would be nonexistent, or at least minimized."

Mr. President, I am not standing here to state my alarm that we contemplated casualties or sinking Soviet ships. The use of force is thoroughly contemplated in the law of nations. It is this country that went to war with Imperial Germany in 1917 because they had sunk American ships, and Woodrow Wilson came to this Capitol and said it is a dreadful thing to take this Nation to war, but we have no choice; the law of nations has been violated, and we will not have that.

I do not speak from the point of view of someone alarmed by the use of force in world affairs. It has its role. It has ever had its role. The right to use force in certain circumstances is as much a part of law as the use of force in domestic law. But it is force under law, and not to know that, it seems to me, is not to have the most elemental understanding of what America has stood for in the world; what Franklin D. Roosevelt meant when he proclaimed the Four Freedoms. No understanding of what he meant when he asserted to the Foreign Policy Association in 1944 that the American representative on the Security Council should have to have the right to commit American forces in circumstances where the charter had been violated and there was no time to deliberate a response. That was a position which on this floor, in this Chamber, Senator Connally of Texas, and Senator Austin of Vermont said, of course, the President's representative had to have that right. The Congress and Senate would deal with the declaration of war in other circumstances, but this was a treaty we were signing.

This treaty imposes on its members obligations for the maintenance of international peace. It included us, and our representative could act to fulfill our obligations. We have been very serious about this. We went into two great wars with the object that the use of violence, use of force would be under law and according to treaty.

Here we have in this White House a discussion of sinking Soviet ships, perhaps without too many casualties, and no response, no response of any of the principals. They are certainly more to be held accountable than Mr. Gregg. But Mr. Gregg was there, and he represented the Vice President of the United States. He has taken an oath, as the Vice President has taken an oath, as we take oaths in this Chamber, to uphold and defend the Constitution of the United States against all enemies, foreign and domestic, because the framers knew something of these matters.

A duty to uphold the law. The sense of law seems to have just evanesced. Now, in the aftermath, it is said that the mining was not right. By the time we held this hearing in May, the World Court had already handed down its decisions. The judgment of the nations could have been more clear.

Mr. President, at the close of the hearing with Mr. Gregg, my distinguished and learned friend, the Senator from Illinois, returned to this question and said, could he not know just a little more about this matter?

He said: "You said first, there was no discussion when you were talking about mining the harbors in Nicaragua, no discussion of a violation of international law, which I find incredible." Those are the words of Senator SIMON.

And then this response from Mr. Gregg: "You are getting me into an area where I am feeling uncomfortable, because I do not remember the denouement—the ending—of what was discussed there."

Mr. President, may I ask for 2 additional minutes?

Mr. CRANSTON. I yield 2 additional minutes to the distinguished Senator from New York.

Mr. MOYNIHAN. And then this sentence: "And I did not realize Senator MOYNIHAN was talking about international law. I thought he was talking about American law."

Sir, we are being asked to send this honorable and able man—even so a man with this testimony and this past—to South Korea, where we still maintain some 50,000 American troops. They went there because North Korean forces had acted in direct violation of the Charter of the United Nations, which is international law, treaty law, and therefore, the law of the United States. Because they had violated that law, and the General Assembly in the United for Peace Resolution agreed, 14 nations went with us.

There is one place in the world today which stands for the integrity of the United Nations Charter with respect to the use of force in international affairs and aggression against the territorial integrity of other members. That is Korea.

That, sir, in my judgment, is not a place for someone with this record. Mind, it is the U.S. record. This is not an individual failing alone, but a matter, in my view, of large consequence.

Mr. President, I ask unanimous consent that the complete record of my questions to Mr. Gregg and Senator SIMON's additional question be printed at this point, and I thank the distinguished manager.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Senator MOYNIHAN. Just out of curiosity—I will go to my grave wondering about this thing—did anybody ever say at this meeting, at the meeting you were at, or the number of meetings, whichever, I am not trying to press you on that—that for the United States to lay mines in Nicaraguan harbors was a violation of treaty obligation and under the Constitution of the United States a violation of the supreme law of the land?

Mr. GREGG. I do not remember that particular point being raised. I think there had been discussions of what our relations were with Nicaragua, but I do not remember that particular concern being voiced.

Senator MOYNIHAN. I am just imposing on your time to ask, but Mr. Chairman, one of the problems we have here is a problem—and we have no choice, sir. Just as you have kept your oath, we try to keep ours. We take an oath to defend and protect the Constitution of the United States.

The Constitution of the United States says that treaties are the supreme law of the land and we looked up in the Intelligence Committee to find that our Executive Branch had deliberately violated that law and that cannot be—well, did no one ever say that was against the law? You could have said—did it never even come to the fore of the discussion?

I am not asking you to look at your notes, you did not take notes. This is something that did not happen.

Mr. GREGG. Which treaty and which law are you referring to, Senator Moynihan?

Senator MOYNIHAN. I will start with The Hague—is it the 9th Hague Convention of 1908? The treaty law and conventional law would declare mining of harbors a belligerent act.

Mr. GREGG. I think that there have been—and I do not remember the day numero of that particular action. I remember there was a discussion of the fact that the mines to be used were low power; that the effort was to try to sink, I believe, a Soviet ship or a ship bringing supplies—military supplies—in to the Sandinistas or to block a channel through which a lot of the military supplies to the Sandinistas came and there was discussion of trying to do this in a way so that casualties would be nonexistent, or at least minimized.

Senator MOYNIHAN. I would like for the record—this is the Committee on Foreign Relations. Treaties come before us. We presumably take some considerable care before we recommend their ratification and when they are ratified they become the law of the land.

It is not optional and all this that we are still reviewing and I think Senator Cranston has had to do this as a matter of his sense of obligation, you know, we try to be honorable and we try to be careful. There was just a casualness about what is the law and what is not, what is legal and what is illegal, that seems to me to have been an institutional lapse.

Mr. GREGG. I had observed other instances of that in my own career earlier on, where there would be a frustration on the part of the Executive Branch about an intractable problem and the agency would often ask to do something which did not flow from policy but was a substitute for policy and in my view, sir, that is a recipe for disaster.

Senator MOYNIHAN. Well, we almost had a crisis of the regime. It began with the mining of the harbors. It could very well have ended with the impeachment of a President and if only at those first meetings someone had said well, it would be a nice thing if we could do it but we cannot do it because we are bound by treaty not to do it and we cannot break the President's word to the world. Treaties are after all negotiated by the Executive Branch. It is not some legislative imposition, as you know.

Thank you very much. Thank you, Mr. Chairman.

Senator CRANSTON. Thank you very much, Senator Moynihan. Senator McConnell?

* * * * *

Senator SIMON. Then in response to Senator Moynihan, you said first, there was no discussion when you were talking about mining the harbor in Nicaragua, no discussion of a violation of international law, which I find a little incredible.

But then you said in response, and I have written this down, and I think accurately, you said, "Our aim was to sink a Soviet ship or ship bringing supplies." Was there any discussion of what would happen if a Soviet ship were sunk?

Mr. GREGG. Yes, there was. And there was concern about it. And there was—you are getting me into an area where I am feeling uncomfortable, because I do not remember the denouement of what was discussed there. And I did not realize that Senator Moynihan was talking about international law, I thought he was talking about American law.

Mr. CRANSTON. I thank the distinguished Senator from New York for his very fine and eloquent and thoughtful statement on another aspect of this nomination that does deserve very serious consideration in this body. I thank him for that major contribution.

Mr. President, today the integrity of this distinguished body is being challenged.

Today we are being asked to promote a man who, the record shows, has not been straight with us in his testimony.

We are being asked to reward a man who is lacking in both the credibility and the judgment necessary to per-

form the very important duties of the U.S. Ambassador to South Korea.

The nomination of Donald Gregg presents Senators with a dilemma. None of us like to sit in judgment of others. We are not eager to rehash Iran-Contra. We are not eager to raise questions about what George Bush knew about the disastrous Iran-Contra scandal and when he knew it. Yet it is clear that Senators do have a duty to cast our vote on the question of whether to give our advice and consent to the promotion of Mr. Gregg. This is our responsibility, it is an obligation we cannot and must not avoid.

The investigation of Mr. Gregg's conduct was not one we on the Foreign Relation's Committee welcomed. Indeed, it was forced on us by the insistence of the White House upon nominating this very controversial individual. Efforts to obtain Mr. Gregg's withdrawal and to avoid a public confrontation failed. It then fell to me, as chairman of the Asia and Pacific Affairs Subcommittee of the Senate Foreign Relations Committee, to lead the committee's inquiry.

Let me state for the record at this point very clearly what the central purpose of this investigation was about, and, in my view, what it was not about.

It was not about who was for or against the Contras—that war is over, and it is time for us to work together, Republicans and Democrats, to build a bipartisan approach in Central America for the future.

Similarly, this investigation was not about building up or tearing down the new administration. We have tried throughout the Foreign Relations Committee's proceedings to avoid partisan attacks—indeed Republicans and Democrats alike sought Mr. Gregg's withdrawal as one way to avoid casting aspersions upon the White House.

At issue here is the integrity of the relationship between Congress and the executive branch.

Let me state the problem clearly: Congress cannot function effectively without honest facts, without honest testimony, without honest men and women who will respond truthfully to legitimate inquiries. That, above all else, should be the lesson we learned from the whole sorry Iran-Contra episode. And that, I submit, is the lesson we must apply in the case of Mr. Gregg's nomination.

As Mr. Gregg himself conceded in his committee testimony, there are substantial reasons for Senators to suspect his version of events and to raise questions about his judgment.

It does not take a suspicious or partisan mind to look at all the documentary evidence, the back-channel cables, the "eyes only" memos and then to conclude that Mr. Gregg has not been straight with the U.S. Senate. Indeed, more than one Republican Senator who looked at the accumulated weight of the evidence against Mr. Gregg remained unconvinced and sought Mr. Gregg's withdrawal. We are beyond that point now, however.

I recognize that most of my colleagues on the Republican side feel intense pressure to vote in lockstep for the President's man. I regret that. But I believe such a decision would be most unwise and would do significant injury to this body.

This Senate has a fundamental dilemma. If we were to promote a man we believed to have misled us under oath, we would invite contempt for our inquiries; we would encourage frustration of our constitutional obligations. Even Mr. Gregg appears to understand this fact. Indeed, Republicans have reported to me that Mr. Gregg offered to step down in the past—both as the then-Vice President's national security adviser and, more recently, as George Bush's nominee for the ambassadorship to South Korea.

But that option has been foreclosed by White House intransigence. And the hour will soon come for the full Senate to vote on the question of Mr. Gregg's promotion.

MR. GREGG'S DEFENSE

The full Senate must therefore today weigh the facts uncovered by the Foreign Relations Committee during our extensive hearings on the Gregg matter, facts which I believe militate against a vote to confirm Mr. Gregg. These hearings documented a whole series of instances in which Mr. Gregg demonstrated a lack of credibility as well as an appalling lack of professional judgment. Worse yet, they showed how Mr. Gregg reacts when confronted with his own errors. The hearings demonstrated that when Mr. Gregg is confronted with written evidence undermining his story, he repeatedly points the finger of blame elsewhere. During the Foreign Relations Committee hearings he challenged Gen. Paul Gorman's testimony, he challenged numerous contemporaneous back-channel cables, he challenged sworn court testimony and contemporaneous notes from his NSC staff colleagues. Mr. Gregg even concocted the comical theory that his aide Col. Sam Watson and his secretary erred twice by writing "Contras" instead of "helicopters" on those infamous briefing memos for the Vice President.

So here is a man who gets in a mess of trouble and offers to resign. That is understandable. But when he then, quite surprisingly, is offered a promotion and must explain his unprofessional behavior, he tries to blame his past troubles on his colleagues, his subordinates—even his secretary for goodness sake. That type of conduct is not worthy of respect.

The defense advanced by Mr. Gregg is an elaborate tale in which his professional colleagues and long-time friends allegedly conspired to keep him ignorant of crucial facts through days of meetings, monthly phone calls, and nearly 2 years worth of cables and memos. Yet, in a preverse twist, when Senators confronted Mr. Gregg with the documentary evidence which undermines his story, he accused us of concocting "conspiracy theories." And he did so with a straight face.

ADMINISTRATION CONTEMPT

I will begin in a few moments to set out once again the details of some of these flimsy excuses by Mr. Gregg. But before I do so, I think it is worth noting the contempt with which the administration has treated the Senate in the matter of this nomination. It is clear by now that many important questions will never be answered satisfactorily—especially because we have been stonewalled by the administration in our requests for specific documents relevant to the Senate's exercise of its constitutional advise and consent responsibilities. The National Security Agency rejected our legitimate inquiries out of hand. The Central Intelligence Agency provided an initial response with access restrictions so severe as to be laughable. The State Department's response was utterly nonresponsive. They answered our letter after their own self-imposed deadline and failed to produce specific documents as requested—and which we know exist.

The Senate has also been stonewalled by Oliver North. He has not complied with the committee subpoena for his unredacted notebooks. The redacted notebooks contain repeated January 1985 references to Felix Rodriguez which suggest North's involvement in Rodriguez' briefings of the Vice President. The executive branch has refused to take possession of these notebooks from North's lawyers—for fear the administration might then be forced to give them to Congress in response to our legitimate inquiries. It is, in short, I submit, a travesty.

But the time will soon come for the Senate to vote and we must vote on the basis of the information we already have, information which I believe makes a very compelling case for voting against Mr. Gregg's promotion.

SUMMARY OF THE CASE AGAINST THE GREGG NOMINATION

Having sketched the broad outlines of the case against Mr. Gregg, permit me now to revisit this case in greater detail. I believe the record we have established provides at least two compelling grounds for opposing Mr. Gregg's promotion to a key ambassadorial post: judgment and capability. There are sufficient grounds for rejecting his nomination on either basis.

On the issue of credibility, Mr. Gregg has failed to set to rest legiti-

mate concerns that he did not tell Congress "the truth, the whole truth, and nothing but the truth" in his sworn testimony on the following points:

First. Gregg claims he "never discussed the Contras" with George Bush. The hearings revealed five substantive memos from Gregg to Bush on the Contra policy issue. In addition, there are two memos from Gregg to Bush setting up a May 1, 1986, meeting for Bush to be briefed by Felix Rodriguez on "resupply of the Contras."

Second. Gregg claims he had no discussions concerning the Contras' specific military needs with his long-time friend and former CIA colleague, Felix Rodriguez, who was engaged with Oliver North in a prohibited Contra resupply scheme. Gregg could not explain notes he had handwritten to Bush regarding Rodriguez' assessment of the Contras' military logistics needs, notes written during the period of the Boland II prohibitions. Mr. Rodriguez, I must explain, was a man sent down to Central America by Gregg and proceeded to get himself very, very deeply involved in the Contra supply matters.

Third. Gregg claims he was totally ignorant until August 1986 of the fact that Rodriguez, whose mission to El Salvador Gregg promoted with key United States officials, was involved in illegal Contra resupply. The hearings revealed a series of more than a half dozen memos indicating that virtually all officials Gregg dealt with on the Rodriguez matter—including Gen. Paul Gorman, Ambassador Thomas Pickering, and Lt. Col. Oliver North—were clear from the outset in early 1985 that Contra resupply was Rodriguez' priority.

Fourth. Gregg claims he never discussed Rodriguez' Contra resupply mission with North. North's contemporaneous, highly reliable notebooks indicate that Gregg did do so on September 10, 1985, and North has stated under oath that Gregg was told by North during this time period of Rodriguez' Contra resupply mission.

Fifth. Gregg claims he did not learn until December 1986 that Rodriguez had been recruited to work with North on Contra resupply and that Rodriguez told him he started that work in September 1985. Our hearings revealed documents making clear that Rodriguez and North were working together in an illegal Contra resupply scheme from January 1985—the same week Gregg introduced Rodriguez to Vice President George Bush. The hearings also revealed documents making clear that in August 1986, Gregg and his deputy Watson were aware of Rodriguez' and North's cooperation in then-prohibited military resupply. Rodriguez warned Gregg of a potential Watergate-size scandal. Watson noted that it was clear their NSC staff colleague North was "Chairman of the Board" of an operation which constituted an illegal Contra resupply scheme.

Sixth. Gregg claims he did not inform Vice President Bush about the information he received in August 1986 regarding the Wilson-Clines ripoff of the Contras, the involvement of NSC staff in illegal Contra military aid, or the potential for another Watergate-size scandal. Gregg claims Bush learned of this only through a New York Times interview Gregg gave in December 1986.

I recognize how difficult it is for some Senators to state the conclusion, shared by a majority of us on the Foreign Relations Committee—including even several Senators who voted to approve his nomination—that Mr. Gregg has clearly not been straight with us. The implications of this fact for Mr. Gregg—and for the President—are not pleasant ones. Thus it is important to recognize that there are also substantial grounds for opposing Mr. Gregg exclusively on the basis of his clearly faulty judgment.

An ambassador is expected to know what's going on in the country of his assignment, and to report what he knows to his superiors. If you believe Mr. Gregg's testimony, he not only didn't know what was going on right around him in the Government of his own country—despite repeated indications which he failed to consider or pursue—but when he belatedly figured it out, he failed to report what he learned to his superiors. He admitted to the Foreign Relations Committee that he twice offered to resign from the Vice President's staff because of his recognition that his own performance was unprofessional. Certainly the U.S. Senate is entitled to entertain similar doubts when he comes before us for a promotion.

Our hearings methodically demonstrated that—even if you believe Mr. Gregg's version of events—his professional judgment was unacceptably poor on the following grounds:

First. According to Gregg, he failed to inform his boss, a statutory member of the NSC, when he heard evidence of criminal activity by NSC staff.

Second. According to Gregg, he failed to "remember" or "think about" the vital information he learned in August 1986, when in October 1986—after the Hasenfus plane was shot down—he gave false information to Marlin Fitzwater. When Fitzwater and Bush subsequently made incorrect statements to the American people, Gregg still claims he failed to tell them what he knew about North and what his role was with Rodriguez.

Third. According to Gregg, he sat silently through NSC meetings at which the illegal mining of Nicaraguan harbors was discussed. In a similar manner, Gregg failed to call in any legal authorities when he learned in August 1986 details of Nicaragua involvement in illegal Contra resupply efforts.

Fourth. According to Gregg, he continued to encourage the Rodriguez mission to El Salvador despite repeated objections from senior U.S. military and intelligence officials in the region. Gregg also claims he was ignorant of widely publicized congressional inquiries into NSC activities in Central America, and that he was ignorant of legal restrictions on United States involvement in combat activities, such as those engaged in by Rodriguez in El Salvador.

Let me say in conclusion that I believe it is truly regrettable that the White House has insisted on pressing for Mr. Gregg's confirmation. I believe this decision did a disservice to the cause of bipartisan comity in interbranch relations.

But we have crossed that bridge, and soon it will be time to vote.

I firmly believe that if we confirm a man justifiably suspected of misleading Congress, it will be a blow to the integrity of this institution: It will invite contempt for the legitimate inquiries of Congress. Few who have carefully reviewed the record have come away with any confidence in Mr. Gregg's veracity. Republican Senators may feel obliged to back the choice of their party's leader, but I urge my colleagues to vote the merits of this nomination instead, and to consider the implications for this institution if they promote a man who has conducted himself in such a manner as has Mr. Gregg.

On the grounds of both credibility and judgment, Mr. Gregg's promotion should be defeated. One is not entitled to an ambassadorship.

I yield the floor.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I notice that my friend from Maryland has been on the floor, and I am going to let him go ahead of my statement. I did want to make one observation about the comments of my colleague from California, which are very similar to those which he made in committee.

Mr. SARBANES. I would be happy for the Senator to make his statement.

Mr. McCONNELL. I would say I am having a lot of trouble with my voice, and I am more than happy for him to go ahead, if he would like,

I wanted to, however, Mr. President, indicate I felt that Don Gregg made a more than adequate refutation of all of the allegations referred to by my friend from California. I ask unanimous consent that the testimony of

Mr. Gregg be printed in the RECORD at this point.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT BY DON GREGG, JUNE 15, 1989

Mr. Chairman, Members of the Committee, I am happy to appear before you again. This renewed hearing gives me an opportunity to address in some detail the bill of particulars included in the Chairman's opening statement of 12 May 1989. I believe the record will show that the principal charges in the statement are conclusory, exaggerated, and unfair. Repeatedly, the statement asserted as facts conclusions which I most emphatically deny are accurate. The few questions that arise from the evidence, it should be remembered, stem largely from documents which I preserved and supplied this Committee. And fairly examined, the evidence does not establish the Chairman's assertions. Had I truly been involved in the manner charged by the Chairman the evidence against me would not have been so fragmentary and ambiguous, but far more substantial, and more meaningful in its content. I believe it is essential that the Committee examine carefully each of the Chairman's assertions.

1. The Chairman's statement asserts: "You came to work at the Reagan White House with responsibilities which included heading the National Security Council's Intelligence directorate. It was in this capacity in 1982 that you first came to be professionally involved in advocating military assistance to the Contras. For example, the Intelligence Committee is in receipt of a document entitled 'Proposed Covert Action Finding on Nicaragua' from Donald Gregg dated July 12, 1982."

Response: It is correct that in 1982 I advocated military assistance to the Contras. So did the Congress. I also supported the policies of both the Carter and Reagan Administrations concerning Nicaragua. But the finding referred to by the Chairman, rather than indicating that I have long been part of an improper effort to deceive Congress, in fact is a clear example of my belief that any support for the Contras had to be given in a lawful manner. As the Iran/Contra Report of Congress stated, the proposed July 1982 finding was an effort to have the Congress brought up to date on expanded intelligence activities in and around Nicaragua that were not covered by the December 1981 finding.

The Congressional report specifically found that "Gregg, like Admiral Inman, believed that broad support for Pastora was outside of the scope of December 1981 finding. He wrote to William Clark, the National Security Advisor, that 'additional actions not covered by previous authority, are now being proposed' * * * Vice Admiral Poindexter, then military advisor to the National Security advisor disagreed." I believed then, and I believe now, that Congress must be kept fully informed.

2. The Chairman stated—"You have told Congress under oath that prior to public revelation of the Iran Contra scandal in November 1986 you and Vice President Bush 'had never discussed the Contras. We had no responsibility for it. We had no expertise in it.' "

Response: As the Committee must realize, that quote was not meant to convey the claim that I had never discussed any aspect of the Contras. I have elsewhere repeatedly stated that I discussed the broad issue of the role of the Contras with the Vice President. That quote, placed in its proper context, was intended to make clear that I had not reported Felix Rodriquez' 8 August 1986 concerns to the Vice President. The questions and my full answers before the Iran Contra Committee on 18 May 1987 follow:

Q. Now did you report any of this to the Vice President?

A. I did not.

Q. None of what Felix told you?

A. None.

Q. What was the reason you decided not to make such a report?

A. Well, I felt that it was a very murky business. I spend a great deal of my time trying to send things to the Vice President that I think are really Vice Presidential. I try to keep him focused, help him keep focused on arms control or Mideast peace or things of that nature. We had never discussed the Contras. We had no responsibility for it. We had no expertise in it. I wasn't at all certain what this amounted to.

I had the name of four or five Americans on an obscure air base in Central America who apparently were ripping off donated funds and making unseemly profits. I felt I had passed along that material to the organizations who could do something about it, and I frankly did not think it was Vice Presidential level."

3. The Chairman's statement accepts as fact Col. North's testimony that I introduced him to Felix Rodriguez. It says that "the record shows that two months after the President signed the (Boland) legislations you met on December 21, 1984, with your long-time friend and former CIA operations colleague Felix Rodriguez and that you introduced him that day to Oliver North."

Response: This assertion is false. The record shows that Col. North was incorrect.

The *only* evidence in the record that supports the association that I introduced Rodriguez to North is North's testimony at trial.

All the other evidence available demonstrates that North was wrong.

Both Rodriguez and I, under oath, have denied North's version.

William R. Bode has written to confirm that he, and not I, introduced Rodriguez to North.

4. The Chairman's statement quotes from a cable dated 15 February 1985 in which General Gorman is quoted as having discussed support for the Contras with Rodriguez.

Response: Gorman has repeatedly denied under oath having associated Rodriguez with the Contras, and Rodriguez has confirmed Gorman's testimony in this regard. In one of many such statements for example, Gorman swore on 22 July 1987:

"At no time was there ever communication from Felix to me about Nicaragua or the resistance or anything else . . . I never associated Felix Rodriguez, to my knowledge, with Ollie in any context related to the Nicaragua resistance," But whatever happened between Gorman and Rodriguez, I was no part of it. I did not know Rodriguez was knowledgeable about FDN resupply activities until 8 August 1986.

5. A particularly distressing charge in the Chairman's opening statement is the description of an alleged "meeting between you, Oliver North and James Steele who coordinated Contra resupply from our El Salvador Embassy at 4:30 p.m. September 10, 1985 in the Old Executive Office Building." The Chairman asserts that "North's handwritten note confirms that details of the then prohibited military resupply of the Contras was discussed . . .," and the Chairman concluded that *"Steele has confirmed to Congressional investigators that you did meet with him and North that afternoon."*

Response: As I have repeatedly said, I recall no such meeting. North's diary includes a reference to such a meeting, and he has some notes apparently prepared by him for use at that meeting. But no such meeting occurred at which I was present. No mention of that meeting occurs anywhere in my records, including my calendar. North's desk calendar in fact contains no notation of such a meeting. He may well have planned such a meeting, but it did not occur with my participation.

But the most disturbing aspect of the Chairman's statement was the allegation that Steele had confirmed the meeting on that date. The allegation is simply untrue. Here is what Col. Steele is quoted as having said to the GAO: "Colonel Steele said that the only contact on the Contra issue he has had since his interviews with the Committee's investigators was a call a few months ago from Donald Gregg. He said that Gregg asked him if he could remember a meeting of the three of them (North, Steele and Gregg) in September 1985. He said that he told Gregg that he did *not* remember any such meeting."

As Senator Kerry graciously acknowledged on 12 May 1989, the GAO document then becomes confusing. Steele remembers that I introduced him to North but cannot recall when. Steele said that it is possible that the meeting took place in September 1985 but that he has no record or recollection of such a meeting. He then goes on to state, according to the GAO report, "he does remember the meeting as just an introduction without any substantive discussions. Col. Steele said that this was the only time that he remembers meeting Gregg and North at the same time. He noted that he had subsequent meetings with North as part of his efforts to increase military aid to El Salvador and that they also had some discussions about the Contras. He also said that until the 12 August 1986 meeting he never discussed the issue of the Contras with Donald Gregg."

To get Steele's position on this confusing GAO report, I asked an attorney at the Legal Adviser's office to call Steele, after the last hearing. Steele confirmed unequivocally under oath that he recalls no such meeting with my presence or participation as that alleged in the Chairman's opening statement.

6. The Chairman's statement also attempted to portray me, not only as knowledgeable of Rodriguez' activities, but in *control.* It states: "It was North who contacted you for help in reining in Rodriguez' operations. Your sworn testimony is that North said 'You, meaning you Don Gregg, are the only one who can control Felix.' "

Response: As the committee is well aware, North called me in August 1986 and made the statement quoted above because Felix had gotten wind of corruption in the Contra resupply organization and was determined to stop it. North was attempting to use my long-standing relationship with Rodriguez to keep him from interfering in what Rodriguez regarded as corrupt activities. Of course, I would have told Rodriguez to stop doing anything improper. In this instance, however, I supported him in opposing what he claimed was corruption. I did not, however, "control" his activities.

7. The Chairman understandably focused on two memos from my office which refer to "resupply of the Contras." But his analysis of these incongruous references fails to cite the strong evidence that shows that I was not responsible for these references. Here is what the Chairman stated: "You claimed under oath that you 'just can't account for' why two not one, but two separate memos of yours to the Vice President in April 1986 told him that Felix Rodriguez would see you both to provide a briefing on 'resupply of the Contras.' You claimed under oath that you never saw the memos to the Vice President that bear your name and initials."

Response. I did so testify, and my testimony is true. I did not dictate, sign or see the memos. This is fully supported by my Deputy and the secretary who prepared the memos, facts which the Chairman regrettably did not see fit to include in his presentation.

In sworn testimony, Phyllis Byrne, my secretary, and Colonel Samuel Watson, my deputy, testified that the memoranda were prepared without any involvement by me, typed by Mrs. Byrne and initialed by her. All three of us have testified that the phrase, "Resupply the Contras" is inexplicable, since everyone at the 1 May 1986 meeting with the Vice President, including Secretary of Treasury Nicholas Brady, has testified that there was no mention whatsoever at the meeting of the Contras, or resupply of the Contras. The phrase must have arisen out of verbal miscommunication between Mrs. Byrne and Colonel Watson.

During the last few days, contact has been made with Stephanie A. Vandevander, another secretary who was in my office at the time these memos were prepared. She in fact worked directly for Colonel Watson. She has supplied a written statement confirming that she, as well, recalls that I had nothing to do with preparing the memos. She recalls they were prepared by Mrs. Byrne, in conjunction with Colonel Watson.

Last May 12, I gave you a speculative explanation of this isolated reference to resupplying the Contras—which does not appear in the files before or after the memos in question. I speculated that Colonel Watson may have said or Mrs. Byrne might have heard "resupply the copters," since the resupply of helicopters in El Salvador was in fact a topic discussed with the Vice President during the May 1 meeting. Of course, I do not know how this reference actually appeared. But irrespective of this speculation, my explanation concerning that reference is that I was unaware of the content of those memos, and did not see them until December 1986, when I immediately took them to the House Intelligence Committee; and that, most importantly, resupply of the contras was not discussed at the 1 May 1986 meeting.

8. The Chairman preemptorily rejects my claim under oath that there was nothing unusual in the fact that the first notification to Washington officials about the downing of the Hasenfus plane, came from a Felix Rodriguez phone call to my deputy, Sam Watson.

Response. I testified on 12 May 1989 that, as I learned much later, Rodriguez had broken with North on 25 June 1986 and was no longer on speaking terms with the man. He apparently felt someone in Washington should know of the crash and thus called my office. Now, if the call is nonetheless unusual in the view of this Committee, it is so only in retrospect with the full knowledge of Rodriguez's role in contra supply. I did not then have that knowledge, and I treated the call as an old friend passing on information he felt was important.

9. The Chairman flatly asserts that "you [Gregg] concede that on August 8, 1986, you *were* briefed in detail by Rodriguez about NSC staff involvement in proscribed Contra military resupply activities," and that on that day Rodriguez provided me a "briefing on his collaboration with North to provide then-proscribed military assistance to the contras." The Chairman repeated this gross exaggeration several times at the hearing.

Response. The Chairman greatly overstates the extent of my knowledge about Contra resupply as of 8 August 1986. I did *not* concede or testify, as the Chairman recites, that I was "briefed in detail in detail by Rodriguez about NSC staff involvement in proscribed Contra military activities" on that date. I testified that Rodriguez' report to me was not in great detail and at that time, August 1986, and that the details of what was going on were not at all clear to me. The meeting related to a rip off on grenades and other items by a private group that North was using. This information was only the tip of the iceberg. I knew at that time, along with everyone else, that the Contras were being supplied from a variety of sources. On that day I discovered that North was knowledgeable and at least tangentially involved, and that some corruption might be occurring in the support operation. Of the size, avarice, and permanence of the secret organization North had set up, however, I knew nothing at that time. Rodriguez did *not* then supply me a "briefing on his collaboration with North. . . ." I did not then know, nor was I led to conclude on the basis of the information I was told, that any illegal actions were being taken by U.S. officials. I sensed possible corruption on the part of private citizens, and took action to have it stopped. Rudolf A. Enders has stated in a recent letter that Felix was determined as late as the spring of 1986 not to tell me about U.S. government involvement in Contra resupply. He knew if I were fully informed I would have intervened and stopped the program.

10. The Chairman's opening statement makes much of an on-the-record interview I gave to the *New York Times* on 13 December 1986.

Response: In the weeks leading up to that interview, I had had many discussions about these issues with Craig Fuller, the Chief of Staff to the Vice President. As soon as I got the August 8 meeting in clearer focus—as a result of finding my own notes on the meeting as I was searching the files—I talked it over with Fuller and we decided that the best course was to go on the record in the interview with the New York Times. The Vice President obviously felt we correctly handled the issue. When asked, in December 1986, by representatives of the press whether he was concerned at my not having told him of the problem of possible corruption in Contra supply, the Vice President replied "Not in the least." I believed then, and I believe now, that the actions I took on 12 August 1986 in calling together the U.S. officials with direct responsibility for Central America, was the appropriate step to have taken. Had I known the extent of North's involvement, I certainly would have done more, and would have told the Vice President.

11. The Chairman claims that my testimony, even if believed, "betrays a serious lack of professional judgment on your part—a failing which raises fundamental questions about your suitability to be a U.S. Ambassador."

Response: The Senator is of course entitled to be as "subjective" as he indicated in his statement he intended to be in his judgment of me. But his claim that my failure to tell the Vice President about the August 8 briefing reflects a disqualifying lack of professional judgment is unfair. As I have noted, the Senator vastly overstates what I learned at that meeting. If my actions are judged objectively in the light of what I learned, it is clear to me even now that I acted reasonably in not informing the Vice President, since I sincerely believed that the limited problem that I had addressed had been solved. I did not know that the problem stemmed from an extensive, U.S. controlled operation.

Yet, even if one assumes that I should have told the Vice President what I had learned, I would respectfully submit the Chairman's judgment is far too harsh. Surely my professional judgment should be evaluated on the basis of my entire career, my experience, my performance in my many jobs. And surely this issue should turn in large part on what the man for whom I worked for six years believes about my professional judgment. In my capacity as national security adviser to the Vice President I did many things, and did them right. Before that I spent about 30 years in what the Chairman calls "commendable service," but then ignores. My professional judgment should be evaluated on the basis of all my years of service, my entire record. On that basis I believe it is unfair to call me unfit to serve as a U.S. ambassador, particularly in a country in which I am peculiarly well suited to serve.

12. The Chairman's opening statement ends with the following, sweeping accusation: "In conclusion, I believe the record suggests that the following happened. After Boland II was signed in October 1984, you and certain others in the White House were encouraged to secure military aid for the Contras through unorthodox channels. Your career training in establishing secrecy and deniability for covert operations and your decades-old friendship with Contra supporter Felix Rodriguez apparently led you to believe you could serve the national interest by sponsoring a free-lance covert operation out of the Vice President's office."

Response: This is a monumental exaggeration of what "the record suggests." The Chairman's accusation, I regret to say, takes a handful of evidentiary fragments and infers from them a role for me in the Iran/Contra conspiracy. It is simply unfair to assign me a role as knowing participant in this major thoroughly documented operation on the basis of a marginal note written on a memo, a quote taken out of context, the erroneous testimony of North as to how he met Rodriguez, a phrase recited in a memo that had no functional meaning, and a diary entry of North's that is refuted by witnesses and other documents. I appeal to you, Mr. Chairman, and any others who have doubts about me to place these disparate fragments in focus both as evidence of my involvement and as a basis for denying my suitability for an ambassadorial post after 38 years of public service.

First, in terms of the significance or value of the pieces of evidence we have repeatedly examined, I ask you to place those items in context. The record against which the evidence of my knowledge should be judged is

well known, and massive. It is the product of investigations by the Tower Board, the Iran/Contra Committee, and the Independent Counsel. FBI agents and other investigators have gone through all the documents, computers, and depositaries available. They have found thousands of memos, cables and perhaps most significantly diaries and internal exchanges in which participants in the Iran/Contra affair secretly planned and discussed their activities. Had the real players in the Iran/Contra affair considered me a participant, their plans, briefings and secret internal discussions would certainly have included multiple and meaningful references to my supposed role. But the record—the real record—contains no evidence of my involvement. The isolated references discovered are so lacking in coherence that they fail to reflect any meaningful role on my part. I would respectfully submit to this Committee, and to the Senate, that this lack of evidence in the truly relevant body of evidence reflects the truth of the matter—I was not involved, or even aware.

Consider, also, the conspiracy of which the Chairman suspects I am a part. That conspiracy is no longer a scheme that is mysterious to us. It is described in great detail in the report of Congress' Iran/Contra Committee, and in the indictment returned by the grand jury. Had I truly been a conspirator, as the Chairman says the evidence suggests, those investigations would have uncovered and laid out the proof. But they include no such claim, and suggest no such conclusion, because the truth is that I played no part. The Office of Independent Counsel confirmed when I testified before the grand jury that I was not a target of his investigation. They reconfirmed this fact as recently as last week.

Finally, in evaluating the probability of the conspiracy theory of the Chairman, I ask that you weigh my conduct after December 1986, when the Vice President instructed all officials in his office to be fully responsive to the developing investigation of the Iran Contra affair. In response to this directive, my office undertook a document search, pulling together all material judged to be in any way relevant to the points being examined. In viewing these documents, the two perplexing memoranda prepared for the 1 May 1986 meeting with the Vice President jumped out at me. I did not shred them. Rather, I volunteered their existence to the House Intelligence Committee on 17 December 1986. I met with several staffers of that committee, including Michael O'Neill. I told them, as I handed them over, that these were the most damaging documents we could find in the files. Had I been the calculating specialist in deception of the Chairman's theory I would not have preserved those two memoranda. Instead, knowing my duty to the Vice President, to you, and to the law, I preserved and supplied these documents. And I have testified repeatedly, and fully, without invoking any privilege or seeking any deal. My conduct in these respects bears no resemblance to the activities of some of those who are alleged to have been my co-conspirators.

I devoutly hope that my qualifications for the post to which I have been nominated are not disregarded on the basis of the fragmentary and unreliable evidence so unfairly described in the chairman's statement.

Thank you.

Mr. McCONNELL. Mr. President, I am more than happy—how much time remains on this side?

The PRESIDING OFFICER. The Senator from Kentucky controls 98 minutes.

Mr. McCONNELL. If the Senator from Maryland would like to go ahead, it is perfectly all right with me. I am just going to retain our time.

Mr. CRANSTON. How much time do we have?

The PRESIDING OFFICER. The Senator from California has 61 minutes.

Mr. CRANSTON. How much time does the Senator from Maryland wish?

Mr. SARBANES. Seven minutes. Is 7 minutes all right?

Mr. CRANSTON. I yield 7 minutes to the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, unfortunately there are some who assert that the President's ambassadorial nominee is the President's man and that the President's choice is determinative. I would like to submit, at the outset, that ambassadors are much more than the personal representative of the President in the foreign country to which they are assigned. They are, in fact, high-level U.S. Government officials, who represent our Government in dealings with foreign governments and in fact are the head of the entire country team; and they play a major role in carrying out our Nation's foreign policy.

The Constitution gives the President the power to nominate. It does not make the President's choice in the matter determinative. In fact, the Constitution says that he shall nominate, and by and with the advice and consent of the Senate, shall appoint ambassadors.

So the Senate clearly has a very important role to play. In fact, if the President's judgment was to be determinative, why did the Founding Fathers give the Senate a role to play in this constitutional process? I submit that in carrying out its constitutional duty, the Senate must thoroughly consider the character, experience, competence, and the judgment of ambassadorial nominees and make its own evaluation of the President's choice.

There would be no reason for a constitutional role for the Senate in this process, if we were simply to consider nominees based on their friendship with the President or the fact that a nominee has worked for the President for a number of years. In fact, it was just such factors that Hamilton warned against at the time of the adoption of the Constitution. He stated in the Federalist Papers in talking about the Senate's role: "To what purpose then require the cooperation of the Senate? I answer that the necessity of their concurrence would have a powerful, though in general, a silent operation. It would be an excellent check upon the spirit of favoritism in the President and would tend greatly to prevent the appointment of unfit characters from state prejudice, from family connection, from personal attachment or from a view to popularity."

I want to commend the very able and distinguished senior Senator from California for the leadership which he has shown in carrying out the Senate's advise and consent responsibility with respect to this nominee.

In effect, he was handed a responsibility and he took it seriously. He chaired two long and complex hearings in a very thorough and fair manner. He afforded every opportunity to Mr. Gregg, the administration, and supporters of the nomination to make their case. He met the burden placed by the Constitution on the Senate, developing a record for Senators to make an informed judgment about the nominee.

In fact, the Senate would have been negligent of its constitutional responsibilities if it had not undertaken the very careful and thorough review which was led by the distinguished senior Senator from California, and I, for one, not only commend him for his efforts but thank him for shouldering this very important responsibility.

In light of the extensive evidence that was on the public record and that appears in the hearing record of Mr. Gregg's involvement in the Iran-Contra affair, a detailed review of this nomination was essential. Very serious questions have been raised about the conduct and judgment of Mr. Gregg as National Security Adviser to the Vice President.

Even after two lengthy hearings before the Senate Foreign Relations Committee, there still remain many unanswered questions and contradictions between Mr. Gregg's testimony and other evidence that was presented to the committee.

Although the committee was unable to review all the documents requested from the administration, they were not furnished to the committee, as the Senator from California has pointed out, including particularly the North diaries, which still have not been provided.

I believe that the record before us is sufficient to cast severe and serious doubt on Mr. Gregg's credibility, and the Senator from California has made reference to those issues, as did the very able Senator from Tennessee.

We even have one situation in which on a memo it appears that the aid to the Contras was to be discussed with the Vice President and Mr. Gregg then sought to have the committee accept the proposition that what was really intended was to say aid to the copters instead of the Contras. This was the extent to which the committee was asked to go in terms of explaining

away doubts about Mr. Gregg's credibility.

However, even if the many contradictions were resolved in a manner favorable to Mr. Gregg and even if his version of the events were accepted, in other words, even if you took it all in the most favorable light to him, despite the implausability of so many of the explanations, you are still left with very severe questions about Mr. Gregg's judgment and competence to be Ambassador to Korea.

Mr. Gregg testified that when he was National Security Adviser to Vice President Bush throughout the Iran-Contra affair, he never discussed resupply of the Contras with the Vice President. He also testified that even though he himself had worked on Contra matters as a staff member of the National Security Council and acknowledged that the Vice President had strong views about Nicaragua, there was no such discussion.

Yet on August 8, 1986, when Mr. Gregg heard from his trusted friend Felix Rodriguez about possible corruption of the Contra resupply operation by former renegade CIA agents, of whom Mr. Gregg strongly disapproved, he did not tell the Vice President about this conversation even though Mr. Gregg by his own admission and I quote him——

The PRESIDING OFFICER. The Senators's time has expired.

Mr. SARBANES. Could I have 4 additional minutes?

Mr. CRANSTON. I wish the distinguished Senator would go on for an hour. I am glad to yield him 4 minutes.

Mr. SARBANES. Even though Mr. Gregg recognized that this would have "set off bells in his"—meaning the Vice President's—mind. By Mr. Gregg's own admission, he was the Vice President's eyes and ears. And yet, according to his own testimony, the Vice President learned about Mr. Gregg's meeting with Rodriguez in August over 4 months later in an interview with Gregg in the New York Times.

There are serious contradictions as to whether earlier than August 1986 Mr. Gregg had such knowledge, and in fact there is the basic contradiction of the purpose for which Rodriguez was sent to Central America in the first instance. But in any event, Gregg, by his own admission, on August 8, 1986, was informed, and yet the Vice President found out about it in a newspaper article in December, 4 months later, in an interview that Gregg gave to the paper.

In other words, Mr. Gregg did not tell his superior about an extremely important development in a volatile area of major and immediate concern, even after Rodriguez, in the August meeting, reported corruption that could result in another Watergate. This was Rodriguez' warning.

Likewise, Mr. Gregg, in October, misled Mr. Fitzwater by saying, and I quote now. Fitzwater, on the basis of a representation made to him by Gregg, said on October 12, "Gregg has said he had no knowledge of anything involving Contras," Mr. Fitzwater said. This is in October 1986. However, Gregg, by his own admission 2 months earlier in August 1986, at least in August, learned about this from Rodriguez, let alone whether in fact he might have known about it sooner. This all took place after the Hasenfus shooting in early October.

I want to quote some questioning of Gregg in the committee. I think it is very important. This all comes straight from Mr. Gregg. This is uncontested.

I said to him:

Mr. Gregg, I want to address a question of judgment. For the moment, I want to focus on the period from August 8, 1986, forward. Now, it is your testimony that the first you learned that Felix Rodriguez was involved in the resupply of the Contras was when he came to see you August 8, 1986. Is that correct?

Mr. GREGG. That is correct.

You said you were very concerned about that matter. I recall it from your previous testimony, because there was a rip-off going on.

Mr. GREGG. Right.

Also, there was a possibility the rip-off artist was going to try to sell part of the operation to the CIA, make a large profit out of it. Is that correct?

Mr. GREGG. Right; that is correct.

Then later on, I said:

Now, it is your own testimony that Rodriguez told you, as I understand it, that you potentially had another Watergate situation on your hands? Is that correct?

Mr. GREGG. He used that phrase.

And then, later he said that:

Had he been fully briefed by Rodriguez, that he would have told the Vice President and taken steps to stop it.

And then, finally I said:

Rodriguez came to see you. Rodriguez says we have got a potential Watergate here. He says we have got a rip-off going here. North is involved in this thing. You immediately tried to get to North, as I understand it?

Mr. GREGG. Right.

Senator SARBANES. You convened a meeting but you didn't tell the Vice President any of this; is that correct?

Mr. GREGG. That is right.

Although, if you had been fully briefed by your testimony this morning, you would have told the Vice President.

Mr. Gregg said:

Well, if I had been fully understanding, or, yes, if he had been fully briefed, that is fine.

Now, in October the plane, the resupply plane was shot down with Hasenfus aboard and Rodriguez immediately called Gregg's office. Gregg did not go to the Vice President about that. In fact he told Fitzwater that he had no knowledge of anything involving Contras, and that is the statement that was given out to the press and the American people.

So, all I can say is: Some eyes and some ears; in terms of meeting his responsibilities.

In fact, we asked Mr. Gregg about these developments and he said, "I did not mention the August 8 meeting to the Vice President at that time because I did not have it in correct focus."

This is after the Hasenfus plane was shot down.

Then Mr. Gregg said:

So my efforts in early October were in fending off the small fire storm of press attention about why I had sent Rodriguez to El Salvador in the first place.

To Mr. Gregg's credit, and in many respects I think Mr. Gregg has served his country with commitment over the years, he recognized himself that he had fallen short of his responsibilities, and, in fact, offered to resign as National Security Advisor to the Vice President in late December 1986. And I asked him: "Why did you offer to resign or what was it that you failed to do that led you to offer this resignation?"

Mr. Gregg said:

Well, I had a very strong mixture of emotions. My greatest feeling was that I had failed to put in correct context earlier what Felix had told me in August. I also felt that I had been very much deceived by Colonel North. I was furious at him. I felt very much let down by Felix.

I felt that my decision to help Mr. Rodriguez to go to El Salvador had turned into potential embarrassment to the Vice President, and I faulted myself for not having been able to put the pieces together in their correct perspective previously. And I thought the proper thing to do was to offer to resign.

I asked him: "So, in effect, you felt you had fallen short in terms of handling this?"

And Mr. Gregg said: "I did."

That offer to resign was not accepted. Later he subsequently, again offered to resign, and again it was not accepted.

By his own admission he felt that his conduct was such in this matter that he ought to offer his resignation.

I think the flawed judgment that he reflected through this period, the serious lapses in carrying out his responsibility as National Security Advisor, in and of themselves are sufficient for this body to vote against his confirmation to be Ambassador, and I urge my colleagues to reject this nomination.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. I thank the Senator from Maryland for his very, very fine statement setting forth very precisely and very forcefully the reasons that he and I and others oppose this nomination. I thank him for the strength that he has brought to this

effort. I also want to thank him for his kind remarks about my responsibilities and my efforts here. That is particularly meaningful because he has become the committee's, and I think the Senate's, expert on the wisdom or nonwisdom of Presidential nominations for ambassadorships. I applaud the work he has been doing, not only on this nomination but on several others that are not really the sort that we in this country are entitled to expect to represent the United States elsewhere.

I now am happy to yield 15 minutes to the distinguished Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I rise to voice my strong opposition to the nomination of Donald Gregg to the post of Ambassador to South Korea.

I want to join my colleague from Maryland in congratulating and complimenting our distinguished colleague from California, Senator CRANSTON, for his clear perception of this issue and his leadership. I believe bringing to the Senate the knowledge about this nominee's past and why this nominee is unfit to be an ambassador anywhere, let alone to the Republic of South Korea.

Senator CRANSTON has done a great service to the Constitution, to the people of this country and to this body, by bringing to light the reasons why Donald Gregg should not be an Ambassador of the United States of America.

I do not take this position lightly but I do so in keeping with the responsibilities placed on each of us by the Constitution. I hear a lot of people saying the Constitution gives the President the power to appoint ambassadors. But the Senate was given an equally important power, the power of advise and consent.

Well, if there was ever a case where that power of the Senate and the integrity of this body was tested, the nomination of Donald Gregg is that case.

The issue of Mr. Gregg's nomination is not a question of foreign policy or who gets to run foreign policy. It is not even a debate of whether you supported this or the past administration's Contra policy. Nor is it a partisan matter.

The issue is whether the Senate has the courage to fully exercise its power of advice and consent. More than a test of Mr. Gregg's honesty of judgment, this nomination is a test of the mettle of the U.S. Senate.

Again, I know a lot of people will argue that the Senate ought to rubberstamp whatever nominee the President sends down here.

But, Mr. President, there are two things to keep in mind: An ambassador just does not represent the President of the United States, an ambassador represents the people of the United States of America. He represents this country and what we stand for.

If the President wants to have an aide next to him who does not come up here for advice and consent, he can have Donald Gregg around him night and day, if he wants, at the White House.

But, as an ambassador, Mr. Gregg does not represent the President. He represents America. It is not just enough to say, "Well, the President ought to have his appointments as ambassador." We, the representatives of the people of the United States, exercising our constitutional responsibilities, ought to have something to say about that, also.

Mr. SARBANES. Will the Senator yield on the point?

Mr. HARKIN. I am delighted to yield.

Mr. SARBANES. The Senator is making a very important point.

I do not know where this notion came from that the President is somehow entitled simply to have his nominee when the Constitution is very clear that the Senate has to vote.

Why did the Founding Fathers ever give the responsibilities to the Senate in the first place? In fact, when they had the debates in the Constitutional Convention, there were some who wanted to give the President the power to make these choices, with no review, no checks and balances. In other words, the President would pick them and that would be it. That approach was rejected, and the Senate was given a role to play.

Now, we have to play that role responsibly, advisedly. We have to recognize what the President's desires are, but we still have a judgment ourselves to make about the qualities and the character and the ability of those nominees.

Mr. HARKIN. The Senator is absolutely right. I support what he said about the Constitutional Convention. The Founding Fathers in the early draft of the Constitution, gave the Senate the power to appoint ambassadors and Justices of the Supreme Court, because they felt that we, as the representatives of the people, should have that power. The Senator correctly noted there were those monarchists who wanted to give the President sole power over appointments. The Founding Fathers made appointments a shared responsibility between the President and the people's representatives in this body. We should not take that power lightly and turn it over to the President alone.

Unfortunately, I believe the defenders of Mr. Gregg misread the intention of the Constitution. They contend we must prove Donald Gregg unfit.

Again, there are those that contend the Senate must prove that Donald Gregg is unfit just as a prosecutor must show that a defendant is guilty of a criminal act. Well, the Founding Fathers thought otherwise.

Mr. Gregg, the nominee, must prove to the Senate that he is fit to be rewarded—yes, rewarded, the post of a U.S. ambassador.

Based on Mr. Gregg's previous testimony and hearings of the Senate Foreign Relations Committee, it is my judgment that Donald Gregg has failed the test.

Too many questions about Mr. Gregg's credibility remain unanswered.

Too many doubts about Mr. Gregg's judgment linger.

For the Senate to approve the appointment of Donald Gregg to Ambassador of South Korea simply because it does not want to embarrass President Bush is an abdication of our responsibility to the Constitution and to the American people.

I might also add, aside from too many questions and too many doubts, there are still cases coming up. The Poindexter case is now being considered by the courts. It is better that we proceed cautiously than to have to come back and find that an Ambassador of the United States has been involved in countermanding the laws of the United States of America.

If the President wanted to avoid embarrassment, he could have withdrawn Mr. Gregg's name from consideration, as Senators PELL, CRANSTON, and others have suggested.

We are not deciding on Mr. Gregg's guilt or innocence. We should base our decision on a higher test—not of a criminal defendant but of an ambassador who is fit to be an ambassador or a representative to the people of America.

Let's look at the questions regarding Mr. Gregg's credibility.

Mr. Gregg claims that in his capacity as Vice President Bush's National Security Adviser he "never discussed the Contras" with then Vice President Bush. In fact, Mr. Gregg swore in his deposition before the Iran Contra Committee, that Contra-related issues were not "Vice Presidential."

Yet in September 1984, I believe the hearings show that Gregg briefed the Vice President on Contra resupply efforts. Yet in February 1986, he gave the Vice President his and Felix Rodriguez' views on Contra military needs.

Also, in April 1986, Mr. Gregg organized a meeting with the Vice President, the purpose of which was for Felix Rodriguez to brief Gregg and the Vice President on "the status of the war in El Salvador and resupply of the Contras."

Mr. Gregg also claims he was totally ignorant until August 1986 of the fact that his long-time CIA associate and

close friend, Felix Rodriguez, was involved in illegal Contra resupply.

Yet the record shows that, in late 1984, Mr. Gregg recommended Rodriguez to a series of top United States-Latin American policymakers, and that as a result of these connections, Rodriguez was sent to see Gen. Paul Gorman at the U.S. Southern Command's Panama headquarters and then Ambassador Tom Pickering in El Salvador.

Now, listen to this: General Gorman's February 15, 1985, written communication with Pickering makes clear the real purpose of Rodriguez's Central America mission: "Rodriguez's primary commitment to the region is in [deleted] where he wants to assist the FDN."

So it is clear from General Gorman's communication that Gorman understood what Rodriguez was doing there and he still wrote to Thomas Pickering on February 15, 1985.

Yet we have Gregg's statement that he did not know about Rodriguez' involvement in August of 1986.

Well, you might say, "Well, basically, Rodriguez went and talked to Gorman and Gorman talked to Pickering, but no one talked to Gregg."

Pickering confirmed his arrangements with Rodriguez in a February 15 "eyes only" cable back to the State Department with the postscript instruction, "Please brief Don Gregg in the VP's office for me."

Mr. Gregg further claims that he never discussed Rodriguez' Contra resupply mission with Oliver North.

Yet, North's notebook—and I have a copy of it right here, a xeroxed copy of North's own notebook—indicates that Gregg held a detailed discussion on the 10th of September, 1985, with North and with then Lt. Col. James Steele, who was then the United States milgroup head in El Salvador, about the details of the then-prohibited military resupply of the Contras. This is North's own written notebook. Following that meeting, later on, on September 16, Colonel Steele called North about getting Gregg's friend Rodriguez to do more on maintaining aircraft used for air drops of military aid to the Contras.

So there is ample supporting evidence that the course of action outlined in North's September 10 note was subsequently pursued. In other words, on September 10, North, Steele, and Gregg met. On September 16, Steele calls North about getting Rodriguez to do more. On September 20, North writes Rodriguez directly saying, "Go ahead and help in servicing the Contra resupply effort" directly out of that September 10 meeting.

For Donald Gregg to contend that that meeting either did not take place or that one Contra issue was not raised is completely countermanded by the subsequent notes of Colonel North and Colonel Steele, and the letters from North to Rodriguez in El Salvador.

Then there is also the testimony of Colonel Steele during an interview with GAO that a September 10 meeting took place. However, Donald Gregg says that the September 10 meeting did not even take place. Yet the meeting is referred to in North's notebook and later Colonel Steele, swore that that September 10 meeting did, in fact, take place; yet Mr. Gregg denies there was ever such a meeting.

It seems to me, Mr. President, that Mr. Gregg, after so many years in the CIA, first in Vietnam and then later on with the Contras, all his life he has been involved in subterfuge and covering things up. It is hard to tell if Mr. Gregg even understands what the truth really is or what honesty is, or how to be forthright. Maybe there is some room for that attitude in the CIA, not for countermanding laws, but for subterfuge, for quietly doing things under the cloak of secrecy. But these traits do not work for an Ambassador of the United States and never, never—even in the CIA—violating the laws passed by the U.S. Congress.

Following that September 10 meeting, Steele helped Rodriguez in obtaining fuel and other supplies for the Contra operation. I personally asked the General Accounting Office to do a study of the transfer of fuel, and this is their report, in which they came back and said, yes, over $109,000 illegally transferred of U.S. fuel to the aircraft resupplying the Contras. Rodriguez knew exactly what was going on. He was involved in it and he was in constant contact with Donald Gregg.

First, we have to question Donald Gregg's veracity. Second, we have to question his judgment because it seems like we have the twin horns of a dilemma here.

The PRESIDING OFFICER (Mr. DIXON). I regret to inform the distinguished Senator from Iowa that his time has expired.

Mr. HARKIN. If I can have 3 more minutes?

The PRESIDING OFFICER. Is there objection?

Mr. CRANSTON. Can the Senator make it 2 minutes? The majority leader wishes to speak and the former majority leader wishes to speak.

Mr. HARKIN. I thank the Senator. Either Mr. Gregg is openly not telling the truth about his involvement or he has terrible judgment, either one of which is enough that we should deny him this ambassadorial post. Mr. Gregg claims he never told the Vice President about Felix Rodriguez, Oliver North, and their involvement in the Contra supply operation. But, in fact, he knew about it in August 1986. Yet he did not tell his boss, the Vice President, about an illegal operation going on which he was warned had all the earmarkings of another Watergate. Instead, he waited 4 months to give an interview to the New York Times on December 13, 1986, and that, he says, is when the Vice President found out about it, when he opened his morning New York Times and read about it. So you have to ask if Donald Gregg, as an ambassador to South Korea, is going to keep the President informed or will the President have to read about it in the New York Times or the Washington Times or the Washington Post? Will Donald Gregg keep the Congress informed of what is happening in South Korea which is a very vital position in a vital part of Asia, vital to the security of the United States, or is he going to cover it all up as he has wanted to do all of his adult life in working for the CIA.

Mr. President, we have a case here of an individual who may possibly violated the laws of the United States and who has basically covered up his involvement and exercised extremely poor judgment in fulfilling his responsibilities to the then Vice President. For those reasons, his nomination as Ambassador ought to be denied by the U.S. Senate.

The PRESIDING OFFICER. The Senator from Iowa yields the floor. Who yield time?

Mr. McCONNELL. Mr. President, I yield to the distinguished Senator from Virginia such time he may need to address this nomination.

The PRESIDING OFFICER. The Senator from Virginia is recognized for so much time as he may require. It is the understanding of the Chair that his side still retains 96 minutes.

Mr. ROBB. I thank the Chair. I apologize for not being able to be present for the first part of the debate on the nomination today. I have been involved in the impeachment trial of Judge Nixon, and I have just been able to break away a few minutes to come over and make this presentation.

Mr. President, I rise today to support the nomination of Donald P. Gregg to be this country's Ambassador to South Korea.

I do so, knowing that many of my party's most respected leaders do not share my conclusions, with regard to this difficult case, but feeling compelled to support the nomination, as a matter of conscience, and conviction. This is not, in any sense, just another ambassadorial nomination.

Because of the special circumstances surrounding the Gregg nomination, we are in effect passing judgment on the entire professional career of a man who has served our country honorably for 38 years. And because of his relationship to the President and what the President has said about him, we are also passing judgment on the veracity of the President himself.

With regard to the other ambassadorial appointments, we have considered or will consider, I share some of the general concerns expressed by Senator SARBANES and others—even though I am often inclined to grant the President wider latitude than many of my colleagues in this exercise of our constitutional duty to advise and consent. My support for Donald Gregg, however, is based on very different grounds than Presidential deference.

There is no doubt in my mind that Mr. Gregg's nomination would sail through virtually uncontested if he had not been linked to the Iran-Contra investigation, and I hope today to relieve you of any anxiety that Mr. Gregg's alleged link to the Iran-Contra affair might cause.

Before I attempt to address specific concerns that have been raised, however, I would like to discuss briefly Mr. Gregg's background and qualifications to serve as our Ambassador to South Korea, and some of the factors relating to how Mr. Gregg operated as then Vice President Bush's National Security Advisor.

Donald Gregg is, by all standards, a career public servant in the old-fashioned sense, with strong professional credentials.

He served with the CIA for 31 years, from 1951 to 1982. He spent 18 of those years in Asia, the region in which he is slated to represent our country.

For three of those years, 1973–75, he was our station chief in Korea.

Later, from 1979 to 1982, when he headed up the Intelligence Division of the National Security Council, he was also responsible for Asian affairs. He knows this part of the world well.

As the assistant to the Vice President, he was responsible for supporting Mr. Bush, in all the areas of foreign policy, defense, and intelligence. He had a small professional staff of three to cover all regional and functional responsibilities, and an overall staff of 10.

Many individuals have testified to his personal as well as his professional qualifications. My staff and I have spent considerable time assessing Mr. Gregg's qualifications and his credibility. We have talked with a range of people, on both sides of the political aisle, who have worked with or have come to know Mr. Gregg over the years. Without exception, these individuals have spoken about Mr. Gregg's exemplary skills and experience, and his integrity. Several individuals in my own State, and across the Nation, who have known Mr. Gregg since the 1950's, have contacted me to endorse his nomination enthusiastically and without qualification.

I regret my experience has not been the same with respect to every nomination we have considered to date.

One career foreign service officer I spoke with, just recently served at our Embassy in South Korea when Gregg was there. He described Gregg in the following way: "Professional, goes-by-the-book, straitlaced, thorough, and openminded."

Not too long ago, three respected academics, including the dean of the Georgetown School of Foreign Service, wrote a joint piece in the Washington Post about Mr. Gregg.

In response to criticism of Mr. Gregg, by some in the press, they wrote: "It is high time to blow the whistle on the cottage industry of character assassination" surrounding Gregg. With respect to his professional credentials, they added: "Don Gregg is one of America's most distinguished Asian experts.

"He has served a number of administrations with integrity. * * * On the basis of long and distinguished experience, and in consideration of the high esteem in which he is held by colleagues, as well as at this university, Don Gregg is singularly qualified to serve honorably and with professional distinction as Ambassador of the United States."

His credentials are attested to by Koreans themselves.

When his nomination was announced, Choi Woonsang, an adviser to Kim Dae Jung, the head of the largest opposition party, had this to say: "When he [Gregg] was here as station chief, he worked behind the scenes to help the course of the democratic movement and tried to help Kim Dae Jung quietly."

While some Koreans may bristle at his former CIA background, many also remember his quiet efforts in standing up for human rights and against abuses by the Korean Intelligence Agency [KCIA]. When the KCIA, which had been responsible for numerous human rights abuses, kidnaped Mr. Kim in Japan in 1973, Mr. Gregg conveyed strong United States displeasure about the kidnaping to Seoul. He also played an important role in persuading the Korean Government to replace Lee Hu Rak, then head of the KCIA, in an effort to make the regime more humane and respectful of human rights.

I have spoken with reputable individuals involved in the Iran-Contra inquiry. In the course of collecting information for this lengthy investigation, they came into contact with a broad range of individuals and came to know them with a degree of intimacy.

Don Gregg stands out as one who was singularly cooperative and one they hold in high esteem. Indeed, no less than the respected counsel to the Iran-Contra Committee, Arthur Lyman, has told me, that during the course of his inquiry, he came to view Gregg as a man of integrity and of principle.

In describing Mr. Gregg, his professional colleagues most often refer to him as straight-laced, in his work, and as a man who follows by-the-book behavior on the job.

As a professionally trained intelligence officer, Gregg is not prone to idle gossip. He knows what it is to work in a compartmentalized environment as a professional, observing the "need to know" dictum almost to a fault. The theme that emerges is of a man whose tasks were always done by the book cleared through the organizational hierarchy, and consistent with the law and respect for our institutions.

Despite this consistently praiseworthy picture of Donald Gregg's skills, of his record of service to his country, and of his integrity, concerns have arisen about his nomination—concerns, that I fully understand and that merit examination. I want to praise the distinguished majority whip, Senator CRANSTON, for appropriately raising these concerns.

But in examining these concerns, we must do so within the overall context of the Iran-Contra affair, how the Vice President's staff operated, and how Mr. Gregg himself operated. These items are crucial to a reasoned evaluation of the evidence.

I do not think I need say much about the Iran-Contra affair, in its entirety. Many of you lived through it as it unfolded here in Congress, and I understand better since coming to this institution how deep some of these scars are.

We also know the degree to which high-ranking U.S. officials, who had both the operational authority and the institutional resources neither knew about the scope and magnitude of the secret North operations, nor were able to bring what they sensed to a halt. This was true even for the two most important Cabinet Secretaries in this affair, the Secretary of State and Secretary of Defense.

On the Vice President's staff, Gregg operated with limited resources while dealing with an almost unlimited portfolio. He did not have a whole department at his disposal. His priorities were to staff the Vice President and assist him on those issues in which Mr. Bush showed the keenest interest. Given the Vice President's strong interest in foreign affairs, Mr. Gregg's days were full, trying to keep track of quite literally the whole world.

Time did not permit Mr. Gregg to focus exclusively on any one issue unless the Vice President made it a clear priority such as supporting the INF deployments in Europe, and any broad involvement in other issues had to be left to agencies specifically charged with those responsibilities.

Some have asked whether it is "possible" that Gregg didn't know about his close friend, Felix Rodriguez' role

in Oliver North's illegal Contra resupply operation.

Understanding Mr. Gregg's CIA training becomes important in considering this question. As a professional, Gregg was used to asking questions on a "need-to-know" basis. If there were an issue with which he was not dealing, he did not delve into it, unless there were a compelling need.

For Rodriguez' part, he was a seasoned operative, who fully operated under the principle of "need-to-know."

And it is wholly consistent with Rodriguez' profile that he did not discuss his activities in the Contra resupply operation until he started to let out bits of information after August 8, 1986. Rodriguez said that Oliver North instructed him not to "discuss his activities" with Gregg, and it was only after his falling out with North that he said anything at all to Gregg. And even then, by his testimony, he only revealed limited parts of the problem, still omitting the true nature of his involvement and the existence of a permanent illegal, resupply operation.

But once Gregg learned about "improprieties" in what he believed to be the privately funded, widely known, and otherwise legal Contra resupply operation, he did ask questions. He immediately attempted to contact North for an explanation, and when his phone calls were not returned he convened a meeting of relevant officials who had institutional responsibility for Central America to look into the problem.

In the context of the overall Iran-Contra affair, where—quite literally—almost a whole government was ignorant of the secret operations taking place, it is understandable that Gregg did not piece together the disparate bits of information he had. He was not alone among many honorable men and women in this regard. Oliver North's interest in the perfectly legal "private" Contra aid effort was well known.

The administration's sympathies were no secret. But it was only after the shocking revelations in November 1986 that we learned about the size, scope, and highly secretive nature of North's illegal involvement, in which all the people who should have been involved or knowledgeable simply were not.

Indeed, it is only in hindsight, after we learned what we now know about this affair and have put the entire episode under a microscopic examination, that we ask if Gregg could have known or done more—and he himself has acknowledged asking himself these same questions. And on two occasions he even "offered to resign" because he felt if he had recognized and pinpointed the illegal activity earlier he could have alerted his boss and others to what was going on and perhaps saved him and many other high Government officials from much of the anguish of the whole Iran-Contra affair.

Nonetheless, I realize how deep the sense of betrayal Congress felt when it was revealed that executive branch officials had deliberately lied and deceived congressional panels, and understandably you want some reassurance that Donald Gregg has not lied to the U.S. Senate in his confirmation process.

I am going to try to clear up the factual concerns that have been raised, but I ought to add that if I thought after a thorough review of the relevant facts, that Donald Gregg had lied to this Congress, particularly in light of the fact that he was required to testify under oath, I would not only urge you to vote against him, but I would want to see him indicted for perjury.

So let me address the specific concerns that have been raised, and give you my assessment of them.

Concern has been expressed because Gregg wrote a proposed covert action finding in 1982 while he was seconded to the NSC and advocated military assistance to the Contras. Response: Indeed he did. It was consistent with administration policies, consistent with his personal views, consistent with the law, and perhaps most important, consistent with a desire to bring Congress up to date on expanded intelligence activities not covered in the previous year's intelligence finding.

Concern has been expresed in connection with the allegation that Gregg introduced his longtime friend, Felix Rodriguez, to Oliver North. Response: Even if Gregg had introduced Rodriguez to North, it would not demonstrate impropriety on Gregg's part. But in fact, William Bode, then a special assistant to the Under Secretary of State for Security Assistance, Science and Technology, acknowledged in a 1989 letter that he made the introduction between North and Rodriguez.

Concern has been expressed about Gregg's statement under oath that prior to November 1986, he and Vice President Bush "had never discussed the Contras. We had no responsibility for it. We had no expertise in it." Response: Gregg and the Vice President did discuss the Contras, in a general sense, as he has made clear in a number of statements. His staff also periodically sent memos to the Vice President updating him on the situation in Latin America.

The quote in question, however, is taken out of context from his deposition before the Iran-Contra committee investigators. It refers to the time when Felix Rodriguez came to Gregg, on August 8, 1986, and told him that gun-running types including Gen. Richard Secord, were ripping off privately donated funds from the Contras, and that North had some kind of a tangential connection. Gregg called North numerous times to clarify the situation, but North never returned his phone calls.

Therefore, Gregg continued to look into the matter, by convening a meeting on August 12 with senior Central American policymakers who had direct operational and institutional oversight for Central American policy.

Representatives were there from the State Department, the head of Latin American affairs on the NSC, Defense, CIA, as well as our Ambassador to El Salvador and a deputy from North's office.

As Robert Earle, North's deputy who attended the August 12 meeting, said in his May 30, 1987, testimony before the Iran-Contra committee:

> * * * he [Gregg] had been made aware of a "problem" and wanted to make sure the appropriate parts of the U.S. Government that had differing degrees of concern with it were aware of it so they could deal with it.

In short, absent a response from North, Gregg alerted those offices with direct responsibility for the implementation of Central American policy to a potential problem, and trusted that they would address it. Given what he knew then, it was anything but clear that the Boland amendment was being violated. The information Gregg operated on dealt primarily with problems relating to the diversion of privately related funds and the involvement of unscrupulous individuals; "North's illegal involvement" was still unclear.

There are those who say that Gregg should have alerted the Vice President, and in hindsight Gregg certainly agrees. But at the time, it was still unclear exactly what was happening, and by this time—August 1986—the Government was gearing up for the legitimate resupply of the Contras approved by the House on June 25. Rather than pass on still ambiguous information, or what Gregg called murky business, he acted in an organizationally appropriate sense.

To repeat, what I stated, at the outset, it is only in retrospect, that illegal activity in Nicaragua, is a subject of such focus. Given his breadth of responsibilities, and the ambiguous details he had, it is by no means axiomatic, that this sketchy information, should have been brought immediately to Vice President Bush's attention. But I will concede that there is room for honest difference of opinion on whether he should have acted in some other way.

Finally, we must recognize a contradiction here. If Gregg were the seasoned operative who was going to great lengths to secretly aid the Contras it simply would not make sense, for him to fail to take the necessary steps to ensure that they would not be undermined. Yet, the evidence overwhelmingly points to the latter, strongly suggesting that like so many

others, he was still operating essentially in the dark.

Concern has been expressed about two April 1986 memos, to the Vice President, sent over Gregg's signature, to set up a briefing by Rodriguez for the Vice President on the status of the war in El Salvador and the "resupply of the Contras." The testimony is uncontroverted that Gregg neither saw nor had a hand in the preparation of these two scheduling memos. It was routine procedure, for Gregg not to be involved in scheduling documents, unless they dealt with heads of state. In sworn testimony, we have been told that the senior staff secretary, Phyllis Byrne prepared these memos under the supervision of Sam Watson, Gregg's deputy with responsibility for Central America. Watson, Byrne, and Stephanie Vandevander, Watson's secretary, have all testified to these facts under oath.

In short, Gregg never saw the memos.

And perhaps most important, when Gregg did discover these memos during the Vice President's document search in December 1986 he noted the ambiguous references to the Contras and promptly turned them over to the House Intelligence Committee. These memos were not put in a burn bag, or lost, or shredded.

Nonetheless, Gregg, in seeking to explain the reference to the "resupply of the Contras," speculated that it meant "resupply of copters." This has led some to doubt Gregg's credibility, but let's look at the facts.

Helicopter resupply for the Salvador counterinsurgency was discussed in Rodriguez's meeting with the Vice President. But Treasury Secretary Nicholas Brady, who attended the meeting, has testified that "no discussion of the Contras occurred at the meeting in question."

The meeting's discussion of helicopter resupply for El Salvador, however, prompted a followup June 3 memo by Sam Watson to the Vice President discussing the issue of spare parts for the Hughes helicopters in El Salvador eliciting a handwritten response on the memo by Vice President Bush "SW, which stands for Sam Watson, Good! GB, standing for George Bush."

To recap here, the facts are the following. The memos were not prepared or seen by Gregg. Helicopter resupply in El Salvador for counterinsurgency efforts was the topic of discussion, not the Contras. There was followup to the discussion to which the Vice President responded directly. And finally, when these memos were uncovered by Gregg, he voluntarily turned them over to the appropriate people because of the ambiguous reference.

Another item, that has caused concern is a 1985 cable from Gen. Paul Gorman, United States Southcom in Panama, to Tom Pickering, then our Ambassador in El Salvador, after Gorman met with Rodriguez, in early 1985. Gorman wrote that "Rodriguez wants to assist the FDN—the Contras." Despite the reference here, Gorman testified under oath on July 22, 1987, "That he never associated Rodriguez with North or the Resistance." But most important, there is no evidence to suggest that Mr. Gregg ever saw the cable or knew of its contents.

Concern has also been expressed about a cable from Tom Pickering, our United States Ambassador to El Salvador. After he met with Rodriguez his cable to Assistant Secretary of State Langhorne Motley included: "Please brief Don Gregg in the VP's office for me." Gregg testified under oath before the Senate Foreign Relations Committee on May 12, 1989, "that he was never briefed on this cable," and no evidence that such a briefing actually took place has been cited. This request to brief Gregg was the last item in a memo that discussed in detail Rodriguez's ideas on counterinsurgency tactics in El Salvador.

Concerns have been expressed about Oliver North's testimony at his criminal trial on April 11, 1989, when he said "That in the fall of 1985 he discussed details of Rodriguez's mission to aid military resupply of the Contras with Gregg." This statement needs to be compared with North's original July 8, 1987, original testimony. When asked about Gregg, North pointedly said, under oath; "I don't know what he knew." In contrast, when North was facing criminal charges he had every incentive to implicate as many high level officials as possible. If one were to choose between the two statements, I would contend that greater weight should be given to North's original testimony.

Concern has been expressed in response to a February 4, 1986, trip report, routed through Gregg, to the Vice President on United States strategy in Central America. It bore a marginal note, from Gregg, stating: "Felix agrees with this. It is a major shortcoming." The this, refers to the memo's discussion, of the administration's inability actively to assist the Contras because of congressional restrictions. A thorough reading of the memo demonstrates that its discussion of the situation in El Salvador, and the United States efforts to oppose the Sandinista regime, reflected a frustration with the Boland amendment, which prohibited United States assistance to the Contras.

If Gregg knew about the Rodriguez operation, he would have had little reason, or incentive, to make this notation. The notation actually suggests that when Gregg and Rodriguez did discuss Nicaragua before August 1986, Rodriguez was indeed successful in discussing the Contras in only the most general terms as North had asked him to do.

Concern has been expressed because Rodriguez called Gregg's deputy, Sam Watson, in early October 1986, to tell him that a plane loaded with supplies for the Contras was missing after a flight to Nicaragua. Response: Rodriguez had a falling out with North when he learned that Secord and others were overcharging the Contras for items, and as of June 25 the two ceased speaking. Rodriguez says he wanted someone in Washington to he alerted to the plane crash. Unable to call North, he instead called Watson. In fact, the news of the plane crash was all over the media almost simultaneously with the phone call, and as such, was a futile gesture. The phone call says more about Rodriguez' desire to be a player than any alleged Gregg role.

Concern has been expressed about North's declaration to Gregg that he was the "only one who could control Felix." Response: There is not a shred of evidence that Gregg controlled Rodriguez' activities, and this phrase is hyperbole. Second, this was North's characterization, used after he and Rodriguez had their falling out, and Rodriguez said he was determined to put a halt to the corruption in the Contra resupply operation. North called Gregg in the vain hope that he could get Gregg to intercede and prevent Rodriguez from interfering in his activities.

Finally, concern has been expressed about the plausiability of Gregg's sworn statements that he did not discuss Rodriguez' allegations with the Vice President until after Gregg's interview with the New York Times on December 12, 1986. Response: Between August 8 and December 12, as more information came to light, Gregg and his superior, Craig Fuller, the Vice President's Chief of Staff, discussed the unfolding story numerous times. Eventually, Fuller approved a Gregg interview with the Times, in which Gregg sought to set the record straight. Given the organizational hierarchy of the staff, it would have actually been more appropriate, for Fuller to have alerted Vice President Bush of the interview, and for that matter, to have gone to the Vice President to say that there was a problem he needed to raise to Vice President Bush's attention. This is all the more the case since Gregg and Fuller discussed the issue countless times.

In retrospect, Gregg feels that he should have pieced together, more of the information and gone more forcefully to Fuller, or to Bush to say there was a problem, although at the time he acted in an organizationally correct manner in calling together the August 12 meeting.

There is a revealing vignette here. During the October-December timeframe, one of Gregg's superiors has described him, as being "obsessed with clearing his name" and "getting the truth out." Indeed, Gregg's interview with the times was done against the advice of Craig Fuller and others in positions of political responsibility, who felt "the less said the better." But Gregg was adamant that the story be told.

Rather than the crafty, all-knowing political operative, we get a picture here of a dedicated public servant, concerned with the issues and setting the record straight.

These, are the primary concerns. What has been too little discussed is the fact that the Iran-Contra committee, the Tower Investigation and the Independent Counsel turned up hundreds of thousands of cables, memos, diary entries, and exchanges and discussions between those who we know played a role in planning and carrying out the activities of the Iran-Contra affair. All told, more than 300,000 documents were examined, and over 500 witnesses were interviewed.

Throughout, these three investigations, only a handful of isolated references to Don Gregg have been found.

Instead of multiple references to Don Gregg, we find only handful of discreet references with seeming inconsistencies. In this sense, Gregg's standing is actually similar to that of Paul Gorman, Tom Pickering, Craig Fuller, and others who have cropped up anomalously in one memo or another, but whose credibility has not been questioned.

And in the instance of Tom Pickering, he has already been confirmed for the important post of representing our country, at the United Nations.

There may still be unanswered questions in the Iran-Contra affair. I believe that if there were riveting concerns that were uncovered, far from shying away from them, we should not fear to follow them. But after a reasonably thorough examination of the evidence relating in any way to Donald Gregg, I do not believe that this nomination is the place for these questions, and this is not the man to be held hostage to them.

There is a temptation in a situation such as this where legitimate concerns were raised about a highly unique event in our history, and where an individual, has been put in the position of making repeated denials to assume that he must be guilty of something.

But when we take the time to consider each concern, we find an explanation. And when we evaluate the integrity and credibility of the nominee, we find every reason to believe them and little reason to doubt them.

His biggest sin seems to be that he served in Government when our system broke down. But the integrity of our system demands that we not allow a whole generation of public servants to be tainted unjustly.

When questions are raised we should look at them. But when there are answers, let us move on.

Honest and decent individuals will differ in their assessment of these concerns. But a truly rigorous analysis reveals that there are at most a few discrete anomalies that there is no solid evidence, and that this is a case of guilt, by association.

In weighing, the concerns, I relied not only on my personal assessment of Donald Gregg, but because of my great respect for the distinguished majority whip, and others involved, in this debate I spent a good deal of time, evaluating the evidence, and talking with a wide range of people.

I, or my staff, have spoken, to Felix Rodriguez, Sam Watson, various staff members in the State Department, and Craig Fuller. Their stories, all basically match, and substantiate Gregg's lack of involvement.

I have received assurances, from the Office of the Legal Adviser, headed by Judge Sofaer, who has overseen Gregg's nomination, and stands behind his testimony, that if he believed Gregg, had misled Congress in any way, at a minimum, Sofaer and his staff, would have withdrawn from standing behind Gregg's nomination.

I have talked to career foreign service officers who have known Donald Gregg well over many years.

I have talked with the Secretary of State, Jim Baker, who assures me that he has no reason not to believe Don Gregg and his complete testimony.

My staff and I have querried Don Gregg at length, and have concluded that Gregg has been consistent in all of his statements and consistently loyal to his country. He is described by friends and professional acquaintances alike as a straight-laced player who would not go outside of the law.

Finally, and significantly, I have spoken directly to President Bush.

He has given Don Gregg his unqualified endorsement as well as reassuring me that he knows of no potential revelation in the future that would cause me or any Senator to regret voting to affirm Donald Gregg, as our Ambassador to South Korea. He has thus put his own prestige and credibility on the line as well.

As I indicated earlier, Donald Gregg has acknowledged, in hindsight, that he could have done more, particularly during the critical August to December timeframe, and offered to "resign" not once but twice, because he felt that he had let the Vice President down. But both times, George Bush chose not to accept his resignation.

I would also like to note that Gregg was hardly alone among honorable men and women who, if their instincts had been more finely tuned, possibly could have brought the unique and highly distressing Iran-Contra affair to an end earlier.

I'd have to concede that a vote against Donald Gregg carries little if any political risk. Few Americans will ever hear of his detailed defense. But for me, it's a matter of conscience. Just as the integrity of our institution was violated during the Iran-Contra episode by those who ran a separate operation in violation of laws passed by Congress, and further flouted these laws by lying to Congress simply because in the course of repeatedly addressing this body's concerns, the appearance has been created that Gregg must have been involved in the Iran-Contra affair and therefore certainly should not be rewarded with an ambassadorship.

I believe we would be treating Don Gregg unfairly if we reject him, and I believe we would be sending our career professionals a very troubling message.

My vote to confirm Mr. Gregg is going to be made after searching my conscience and examining the evidence.

It is done in the hope that we can put the unfortunate period of executive-legislative mistrust behind us and begin anew in the spirit of a sustainable, bipartisan foreign policy, based upon genuine and full cooperation between both branches of government.

And finally, I hope my colleagues will join me in voting to confirm Mr. Gregg and let him proceed with the challenging role of representing the United States in South Korea.

Mr. CRANSTON. Will the Senator from Virginia yield?

Mr. ROBB. I will be happy to yield to my friend, the distinguished Senator from California.

The PRESIDING OFFICER (Mr. PRYOR). The Senator from California.

Mr. CRANSTON. Let me first say I am looking forward to working with the Senator from Virginia on many matters in the future as we are working today, together, to seek to generate support for people of Poland and Hungary as they escape from communism; something that we have witnessed together.

I regret we differ on the Gregg nomination. Let me say it has been a matter of conscience and conviction with me, too. Conscience led me to do the thorough job I sought to do with regard to this nomination and conscience and conviction led me to oppose the nomination after going through that exercise.

When one is sworn in before a Senate or a House committee, one takes the following oath: "Do you swear that the testimony you are about to give will be the truth, the whole truth, and nothing but the truth so help you God?"

Gregg took that oath before two committees, at least, and he proceeded to state under oath that he had never discussed the Contras with President Bush.

Does the Senator from Virginia really believe that Gregg told the truth, the whole truth, and nothing but the truth before those committees?

Mr. ROBB. I would have to tell the distinguished Senator from California, after complimenting him on the leadership of the delegation to Poland which he referred to earlier, that I do, indeed, after a long searching examination of every point and concern that has been raised, to the best of my ability, and in concert with checking with any body of officials both inside and outside the administration as well as career Foreign Service officers, and others, that, yes indeed, Donald Gregg was telling the truth to the best of his ability on each of the appearances that he had before the Committee on Foreign Relations as he was in other circumstances.

Mr. CRANSTON. The Foreign Relation Committee, as the Senator knows since he serves on that committee, received subpoenaed documents covering the record very, very thoroughly. In the committee files there is a stack of memo after memo from Donald Gregg to Vice President Bush, initialed by Donald Gregg—the Senator has referred to several of them—on the subject of Contra policy.

There are margin comments in Gregg's hand about Felix Rodriguez' views of Contras' military needs, on memos to Vice President Bush; there are memos from Gregg to Bush telling him Rodriguez will come to brief the Vice President on the status of Contra resupply efforts. The Senator has commented on that, has his interpretation on that. There are also a host of memos to Gregg to help him brief the Vice President on a whole series of NSC meetings that were about Contra policy.

I refer, in the Iran-Contra committee report to September 18, 1984, two pages; April 12, 1985, six pages; April 22, 1985, two pages; January 9, 1986, two pages; May 26, 1986, two pages; December 12, 1986, two pages.

Given all that documentary evidence, how does that square with the statement given under oath, "I never discussed Contras with the Vice President?"

Mr. ROBB. I suggest to the distinguished Senator that I thought I had responded to all of the specific matters of concern in my prepared statement. He did repeatedly discuss the Contras in a general sense with any number of officials. That has been fully testified to on repeated occasions.

What he did not discuss with the Vice President at that time was any of the North illegal resupply operation. The Contras, generally, as you know during that particular period of time, remained a priority for the administration. It was a part of an ongoing discussion. But many key officials, including the Secretary of State and the Secretary of Defense, were simply among those out of the loop. And all of the evidence that I have cited and had been previously raised by the distinguished Senator and others, indicated that there Donald Gregg simply was not in the loop with respect to Iran-Contra matters as they are generally understood; that is, the illegal resupply operation.

Indeed, Felix Rodriguez testified that Oliver North specifically told him not to tell Donald Gregg about that activity.

Mr. CRANSTON. What the transcript of the Iran-Contra hearings reveals, and I have it before me; Gregg was asked:

"Now, did you report any of this to the Vice President?" That was the August 12 meeting after the August 8 meeting where, August 8, Rodriguez had told Gregg about all this involvement of his with Contra activities, and other people, that alarmed him and led him to believe there would be a Watergate-type scandalous situation develop.

Then Gregg convened a meeting on August 12 with a number of people in the Government to discuss all this.

And then, after talking about all that, and answering questions on all that he was asked:

"Now, did you report any of this to the Vice President?"

After a moment or two he says, "I spent a great deal of my time trying to send things to the Vice President that I think are really Vice Presidential. I try to keep him focused, keep in focus arms control or Mideast peace or things of that nature. We had never discussed the Contras. We had no responsibility for it."

I do not see how that can mean anything but he never discussed the Contras?

Mr. ROBB. I suggest that is entirely consistent with what I mentioned in my remarks today about the relationship.

One thing I did not include in my remarks and could have, although I thought that about 45 minutes or whatever I took was adequate to address all of the topics and concerns that had been raised, was the kind of relationship that Donald Gregg had with the Vice President in that particular capacity. It was a largely formal relationship. He reported through, for the most part, Craig Fuller.

He did have a very large portfolio. He felt that he should bring to the Vice President's attention those matters that he considered vice presidential, and at that point he did not, as he has acknowledged—and any number of others acknowledged—understand that Oliver North was involved in an illegal resupply effort to the Contras. He continued to talk about it. As I indicated, he talked to Craig Fuller repeatedly.

But, as others have testified and, indeed, as Donald Gregg mentioned to me, he said: George Bush simply did not gossip about these types of affairs. He received formal briefings from staff officers and that his role was much more limited. He tried to focus on international affairs, on matters that were truly what he believed to be vice presidential.

We do not have to agree with his assessment, but that is what he explained, and it is consistent.

Mr. SARBANES. Will the Senator yield on that point? Who was it that brought Felix Rodriguez in to see the Vice President? It was Donald Gregg, was it not?

Mr. ROBB. If I recall correctly——

Mr. SARBANES. It was Donald Gregg, was it not? Donald Gregg brought Felix Rodriguez to see the Vice President, is that not correct?

Mr. ROBB. On the Contra resupply operation in El Salvador, I have just demonstrated——

Mr. SARBANES. How does that square with the Senator's notion of Gregg being removed from the Vice President and doing everything on a formal basis and reporting it through Fuller when he trots Rodriguez into the Vice President's office to have a meeting with Felix Rodriguez?

Mr. ROBB. Helicopter resupply in El Salvador was discussed. The Secretary of the Treasury attended that meeting, and indicated that Contra resupply, as we understand it, was not discussed.

All I can tell my colleague is that all of the people who purported to take part in that meeting have a consistent story.

Mr. SARBANES. Mr. President, I ask unanimous consent to have printed in the RECORD right at this point, since we are back to this resupply of the Contras and this extraordinary effort to portray it as resupply of the copters, two editorials from the New York Times, one of which is headed "The Iran-Copter Affair."

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times, May 22, 1989]

THE IRAN-COPTER AFFAIR

Donald Gregg, who was Vice President Bush's national security adviser during the Iran-contra affair, can't explain how the words "resupply of the contras" appeared in two memos about a White House meeting he and Mr. Bush attended in the spring of 1986. One reason he needs to explain those words is that both he and Mr. Bush deny early knowledge of the illegal arming of the

rebels in Nicaragua. Another is that President Bush has nominated him to be Ambassador to South Korea.

So what explanation does Mr. Gregg give the Senate Foreign Relations Committee in its hearings on his nomination? He says there must have been a misunderstanding. It wasn't contras at all. Those words must be "a garbled reference to something like resupply of the copters" in El Salvador. "I've been thinking about this for two years, and it's the only thing that I can come up with that would come close to explaining that agenda item."

That's hardly credible. Neither are other aspects of Mr. Gregg's testimony. He admits learning about White House involvement with the contra resupply operation in August 1986, yet claims he didn't tell the Vice President. He says he didn't even tell Mr. Bush what he told The New York Times the following December, after the scandal broke, leaving his boss to read it in the newspaper.

Mr. Gregg asks the Senate to believe that he never discussed the contras with Mr. Bush. He did recommend Felix Rodriguez, an old C.I.A. comrade, for service with Oliver North of the National Security Council staff, and introduced Mr. Rodriguez to Mr. Bush. But he maintains that nobody realized that Mr. Rodriguez then became Mr. North's contra helper in Central America. These propositions will be so hard for the senators to accept that the wonder is President Bush's willingness to expose Mr. Gregg to confirmation hearings.

He risks similar exposure with the nomination of John Negroponte, who ran the covert contra operation in Honduras, to be Ambassador to Mexico. Mr. Negroponte faces questioning about American inducements to Honduras to help the contras and Mr. Bush's denial that aid to Honduras entailed any "quid pro quo" of hidden contra support.

Some Republicans on the committee complain about all the questioning. It amounts to harsh partisanship, they insist. A President is usually entitled to have the ambassador of his choice approved; besides, Mr. Gregg has rendered long and loyal service to the C.I.A. and other Government agencies.

But the flaws exposed here are in Mr. Gregg's answers, not the senators' questions. Even his Republican supporters left the room during hard questioning of his veracity.

Describing his contra-copter explanation to a senator who came in late, Mr. Gregg testified: "I don't know how it went over, but it was the best I could do." It didn't go over. Mr. Gregg is obviously loyal—but to what and to whom? The question at the heart of the Iran-contra affair is, Did high officials recognize their loyality to law, not only their superiors? Mr. Gregg has not yet given the Senate a satisfactory answer.

[From the New York Times, June 20, 1989]

MR. GREGG STILL LACKS CREDIBILITY

The Senate Foreign Relations Committee continues to consider Donald Gregg for ambassador to South Korea despite a second round of incredible testimony. Mr. Gregg, who was Vice President Bush's national security adviser during the Iran-contra affair, persists in saying he knew little about and told his boss nothing about illicit aid to the Nicaraguan rebels before late 1986—after the general public learned of it.

In testimony a month ago, Mr. Gregg tried to explain that two White House briefing memorandums about "resupply of the contras," which was forbidden by Congress really meant "resupply of the copters," a legal operation in El Salvador. That kind of testimony left the committee with a dilemma: doubt his testimony, and thus doubt his candor and loyalty to law, or believe it, and seriously question his judgment. Last week he testified again but leaves the committee the same distasteful choice—flagrant falsehood or flawed judgment. Either way, he has not earned confirmation.

In the Vice President's office, Mr. Gregg was supposed to be George Bush's eyes and ears on the world. Yet he claims to have known little of the contra involvement and withheld for months the clues he admitted learning in the summer of 1986. He contended again last week that he informed Mr. Bush of his knowledge by way of a December 1986 interview he gave the New Times. The Iran-contra affair came to public light the previous month.

Some committee Republicans charge that Democrats are using Mr. Gregg's nomination as a weapon against the President. But that doesn't mean he has convinced them, either, which may explain why the Republicans haven't joined in the questioning.

Another nominee, John Negroponte, has won confirmation as Ambassador to Mexico after somehow persuading the committee that he had no new information about illegal contra aid. But Mr. Gregg can't dispel the suspicions that first arose with the downing of an American cargo plane in Nicaragua in October 1986. That was when Felix Rodriguez, an old friend from years in the C.I.A. and an Oliver North agent in Central America, tried to phone Mr. Gregg with a warning that a secret operation was unraveling. Ever since, investigators have been trying to pin down what Mr. Gregg knew and when.

One of President Bush's admirable qualities is loyalty to staff, but the Senate needs to know about Mr. Gregg's loyalty. Was it to his boss, to the law or to an agenda that required deceiving Congress? The Foreign Relations Committee, which votes on the nomination today, has a right to conclude that the nominee has yet to display the credibility necessary for confirmation.

Mr. SARBANES. Quoting from the editorial:

Describing his contra-copter explanation to a senator who came in late, Mr. Gregg testified: "I don't know how it went over, but it was the best I could do." It didn't go over. Mr. Gregg is obviously loyal—but to what and to whom? The question at the heart of the Iran-contra affair is, Did high officials recognize their loyalty to law, not only their superiors? Mr. Gregg has not yet given the Senate a satisfactory answer.

Mr. ROBB. That is precisely the difficulty that Donald Gregg faces in this whole matter. Little snippets and pieces of information are known. The entire context of most of these matters is not known.

I have spent a great deal of time with both Donald Gregg and various other Members who were involved and I am convinced, based on their testimony on the public record as well as personal conversations, that all of the descriptions of these events square and that Donald Gregg, in particular, is telling the truth. His explanation was, in effect: "I speculate that that might have been why the Secretary and Sam Watson used that particular language. It was simply a mistake and they meant to refer to the "copter resupply, not the Contra resupply."

But, in hindsight, I think that was easily subjected to ridicule and he probably wished he had not speculated because he first said he did not know.

Mr. SARBANES. He said he had been thinking about it for 2 years and then he put that forward as his explanation of it. He did not say he did it on the spur of the moment. He said he had been mulling about that thing for, I do not know, 1½ or 2 years.

Mr. ROBB. I would suggest that this demonstrates precisely the thoughtful individual that I think Donald Gregg is under the circumstances. He was troubled by any inconsistency.

Again, I would remind the Senator that it was Don Gregg, when he went through his files as part of discovery, who discovered these, made note of the fact that there was a potential inconsistency or anamoly in this particular document, and turned them over voluntarily. He did not shred them. He did not burn them. He said, "I can't explain it."

That is the same concern he is demonstrating here. I get the feeling of a very conscientious professional who has spent, as I say, 38 years in the service of his Government, 31 of those years in the Central Intelligence Agency, who was doing everything he could to conscientiously flush out the record and put the whole record before the American people.

Mr. SARBANES. If the Senator will yield further, first let me simply say hallelujah that he did not burn and shred it. When have we reached the point that the failure to burn or shred becomes a very strong positive statement on behalf of an individual? We ought to be able to take it for granted that Government officials will not destroy relevant Government documents.

Mr. ROBB. He voluntarily produced the documents is the point I was making.

Mr. SARBANES. I think earlier the Senator talked about Gregg's CIA background and his exchanges with Rodriguez being very compartmentalized and kept on a need-to-know basis. That was used as an explanation for the fact that Gregg did not probe further to obtain information from Rodriguez about what was happening and therefore becomes, in effect, a validation of Gregg not finding out, as I understand it.

I would submit that this thinking of Gregg is actually more reflected in an exchange that I had with him early on in which I said, "Let me ask you this question as an experienced intelligence officer. We often hear the term 'deniability' used. And I would like to

know what your understanding of that term is?"

He said, "Well, there used to be a phrase when I went into the agency in the fifties, there was a phrase that you used to hear a lot called 'plausible deniability' and this was an effort to sort of protect the top from what the people at the lower level were doing."

He then went on to say that President Eisenhower was not happy about it and you had the Powers' affair and you do not really hear much about it any more.

Then I went on and said: "The concept essentially that you establish is in effect a cover story, I take it, that enables you to consistently hold the position that denies something has happened when in fact it has happened."

And Gregg said to that, "Yes, in individual cases, yes."

Now, one has to look at a lot of this perhaps in light of that response.

Mr. ROBB. I would submit to the Senator, if I may, that is simply a description of what plausible deniability is. It had no application to his action in this particular case.

Mr. SARBANES. I understand that.

Just to follow along here, I was particularly struck by the statement of the Senator from Virginia made in the committee at the time of the voting on Gregg in support of him. I quote the Senator now. I do this in light of this exchange that I had with Gregg about deniability. The Senator said: "I feel that his responses to the questions that have been put to him by this committee have been as reasonable and believable as I think we could expect under the circumstances."

Mr. ROBB. If I could take back the words, I would not have qualified it with "under the circumstances." That is one of the reasons I prepared my entire testimony this time, so that I would carefully craft the words and know how they fit with all of the other testimony, because I think, frankly, the man is getting a bum rap.

Mr. CRANSTON. The Senator indicated in earlier remarks that the relationship between Gregg and the Vice President was a fairly formal thing and that he did not get into a lot of matters with him. However, in the testimony, Gregg was asked: "Did you report to the Vice President any of Felix's calls to you?" His response is pretty revealing, the sort of thing he would call to the attention to the Vice President. He said, "Yeah, I reported, I think, in some of the other documents. There was a DIA report. There was a discussion. There was the one that he described"—that is Felix—"and wrote a long letter to me about, and if he called and said he'd had a particular success, I might mention that to him"—meaning the Vice President—"because the Vice President had been so struck by him, just as I had been."

That indicates a pretty casual working relationship of bringing tidbits to the Vice President's attention.

The Senator from Virginia has stated a while back in his formal remarks that the quote from Gregg saying that he never discussed the Contras with Vice President Bush was taken out of context. Would the Senator explain how that was taken out of context?

Mr. ROBB. I indicated it related to a different conversation. I think if you will reread the testimony I gave you, it tries, as best as it can, to put it into the proper context. But I indicated that Gregg repeatedly indicated that he did discuss the situation in Central America in a general way. He continued to discuss, in the August 8 through 12 interview with the New York Times, the situation with Gregg fuller. He never at that point was able to put all of the pieces together in a way that, after the fact, in hindsight, he said he wishes he had. And because of the fact that he did not, he twice submitted his resignation. He felt that he had let the Vice President down in not connecting up the dots in a timely fashion so that the Vice President would fully be appraised of the situation and take some direct action.

Mr. SARBANES. Does the Senator think as Ambassador he would let the President down in failing to connect up the dots? If Gregg himself was so faulty in judgment that he felt his judgment was so lacking that he offered to resign, why does that qualify him to be an ambassador?

Mr. ROBB. There was a professional code. I would point out to the Senator, at the same time the Secretary of State and the Secretary of Defense could not connect up the dots and any of a number of other people could not connect up the dots. After all of these revelations were made public in December 1986, everybody began to look back and the whole Iran-Contra investigation ensued, but at the time, they simply were not attuned to the fact, given the fact that they knew the Contras existed. Given the fact that they knew some private efforts were being made to resupply them or to provide for their needs, they were not attuned to the fact that Oliver North was at that time running an illegal Contra resupply effort.

That is the point we have often missed. It is the illegal component in an otherwise legal framework that causes any association with Central America or any point that is made relating to the Contras to be presumed to be part of the illegal component of that whole process.

Mr. CRANSTON. Will the Senator yield for another question?

Mr. ROBB. I would be happy to yield, but I believe the Senator from Kentucky desires to be heard.

Mr. McCONNELL. I thank my friend from Virginia. I ask the Chair out of whose time the colloquy has been coming.

The PRESIDING OFFICER. (Mr. CONRAD). From the time of the Senator from Kentucky.

Mr. McCONNELL. That is what I thought. I would like to reclaim my time.

Mr. CRANSTON. May I on my time ask two more questions?

Mr. McCONNELL. On your time.

Mr. CRANSTON. On the matter of taking the statement out of context, the context was—this is from the transcript of Iran-Contra hearings, May 18, 1987, there was discussion Felix was meeting with Gregg revealing all. There was the August 12 meeting, and that is now what is under discussion here in the transcript, where Gregg informs some people, not the Vice President, about what was happening.

He was asked:

Now, did you report any of this to the Vice President?

Answer: I did not.

Question: None of what Felix told you?

Answer: None.

Question: What was the reason you decided not to make such a report?

Answer: Well, I felt it was a very murky business. I spend a great deal of my time trying to send things to the Vice President that I think are really Vice Presidential. I try to keep him focused, help him keep focused on arms control, or Mideast peace or things of that nature. We had never discussed the Contras. We had no responsibility for it.

Mr. ROBB. I submit that is entirely consistent with the formal testimony that I just gave.

Mr. CRANSTON. How is that out of context? It is in context.

Mr. ROBB. I was suggesting the connotations applied to it. I think the Senator understands the point I am making here, and I think the Senator understands precisely what he just read to be the facts.

If there were any evidence to the contrary, then I would be concerned. As I have stated, if I felt that Don Gregg had lied to me or, more important, had lied to this committee or the Foreign Relations Committee under oath, or the Congress under oath, then I not only urge that we vote against him, I want to have him indicted for perjury.

I do not suggest that if there is any evidence—I think I mentioned earleir—dissembling to the point of lying or perjury, not only do I not want him as Ambassador, I want him punished for any violation of law of the United States.

Mr. CRANSTON. In regard to the memorandum from Sam Watson through Don Gregg to the Vice President, re U.S. strategy in Central America, dated February 4, 1986, the Senator referred to this memo.

In that memo, on the front page are two sentences which read: "What is lacking is our ability to provide outright logistical support, advice, planning, or even direction of cross-border operations"; which we all know means Contra operations. "As you know, we are proscribed by Congress from any of these more active measures." It is clear the reference was to the cross-border operations.

Mr. ROBB. That is precisely the point. Because of the Boland amendment and the illegality of any cross-border operations that the prospects for success in that region were diminished. That is the point of the whole message.

Mr. CRANSTON. But the further point is the marginal message: "Felix agrees with this—it is a major shortcoming," a shortcoming in advice, planning, or even direction of cross-border operations. It seems to me to be very clear evidence of a statement.

Mr. ROBB. He is making that notation based upon his knowledge and understanding, not upon Felix Rodriguez' knowledge and understanding, who has testified that he simply did not share the full extent of his involvement in the illegal Contra resupply operation with Gregg, at the request of Oliver North.

Mr. CRANSTON. When he writes in the margin, "Felix agrees with this—it is a major shortcoming."

Mr. ROBB. I rest my case.

Mr. McCONNELL. How much time remains, Mr. President?

The PRESIDING OFFICER. The Senator from Kentucky has 40 minutes, 52 seconds.

The PRESIDING OFFICER. The Senator from California controls 20 minutes and 44 seconds.

Mr. McCONNELL. Mr. President, I want to commend my friend, the distinguished Senator from Virginia, for a truly outstanding statement and for a courageous position in support of this nomination. I listened to the colloquy between the Senators from California and Maryland and the Senator from Virginia.

Essentially, there were three charges about which questions were being asked. The first charge to Gregg said, prior to 1986 he and Bush "never discussed the Contras and had no responsibility for the Contras." The answer, of course, is that that quote is out of context from the Iran-Contra committee hearings when Gregg was testifying about Rodriguez telling him in August 9, 1986, about a private organization ripping off the Contras with overcharges. He explained he did not tell Bush of the Felix meeting because they had no management responsibility for the Contra programs and the details are still murky.

The second charge involved two Gregg memos on the Bush-Rodriguez meetings in April 1986 which were titled "Contra Resupply" which the Senator from California says clearly incriminiates him. In fact, Gregg did not dictate, sign, nor see the memos, in fact, corroborated by his Secretary and deputy. Although they have no explanation of the subject heading, two points are key: First, everyone, including the Secretary of the Treasury Brady, who was present at the meeting in Bush's office, confirms there was no discussion of Contra resupply. Second, Gregg testified he did not see them until his file search in December 1986 when he, as the Senator from Virginia pointed out, immediately provided them to the Intelligence Committee. He did not shred them; he turned them over. This is not the conduct of a man with a guilty conscience.

The next charge is that Gregg said he did not tell Bush of the secret supply network until an interview with the New York Times in December 1986, yet he allegedly knew of the operation as a result of an August 8 meeting with Felix. In fact, on August 8, Felix provided the general report of his concern about a private group ripping off the Contras with overcharges for weapons. No mention was made of NSC involvement. The size, permanence and activities of North's organization were not discussed.

Gregg convened a meeting of representatives of State, CIA, and NSC to discuss Felix Rodriguez' reports. He assumed whatever the problems were would be addressed by the appropriate agency officials. North either would not or did not come to that meeting.

Mr. President, this has been a long debate. Not this afternoon. It has been a rather short debate this afternoon. It has been a long debate over the course of the year. The President sent Don Gregg back in early March. My good friend, the Senator from California, and I have had a marvelous time sparring over this. Most of the sparring took place either in the Senate gym or in the meeting in the room of the chairman of the Foreign Relations Committee, his hideaway here in the Capitol. So we have had a number of spirited discussions, including appropriate use of the rules of the Senate and other devices available to all of us to try to move something to a conclusion. I want today to thank the Senator from California for finally allowing this to be resolved as it will be no later than 6:15 tonight.

Mr. President, the United States needs an ambassador in Korea and few people have a stronger understanding of issues and events on the peninsula than President Bush's nominee, Donald Gregg. That is the view I share with the chairman of the Senate Foreign Relations Committee and a 12-to-7 majority of our committee colleagues who voted to send Gregg to Korea. Last January when the President nominated Don Gregg, he did so knowing from firsthand experience he was dispatching one of our most seasoned, tough minded, knowledgeable experts on Asia and Korea. After skillfully serving as his National Security Adviser, George Bush knew Don Gregg would effectively and successfully serve our Nation's vital strategic, trade, and political interests in Korea.

A quick look at Mr. Gregg's record justifies the President's confidence. After a tour with the Army, Don Gregg joined the CIA where he devoted 32 years of his life to public service. Thirty-two years. Eighteen of those years were spent in Asia at a time when posts in the Far East were hardship assignments.

In 1979, he was detailed to President Carter's National Security Council to handle intelligence matters and Asian affairs. He remained on staff, and it was in this position that he came to the attention of Vice President George Bush, who selected him as his National Security Adviser. He retired from the CIA to work for the Vice President on a full time basis begining in 1982. When President George Bush sent Don Gregg's name forward for consideration as our Ambassador to Korea, he knew from personal experience the man's exemplary professional judgment, qualifications and commitment to serve his Nation.

While the Senate has delayed voting on this nominee for 8 months, events have surged on in Korea. even a short list of these issues and events makes a compelling case for an American ambassadorial presence. All of us are concerned about the status of American troops, escalating anti-American sentiment, tough trade problems, and apparent backsliding in Korea with regard to civil liberties and human rights. During the past 8 months, while we have had no Ambassador, the Soviets have opened a trade mission, Korean farmers have taken to the streets in protest over United States trade policy and Kim Dae Jung has been arrested and indicted for violating national security laws. Any of these issues could contribute to major changes in our relationship with Korea; each requires the assessment and representation of a senior American official to ensure our response is measured, thoughtful and effective.

The President and the Senate Foreign Relations Committee think Don Gregg should be our representative in Seoul carrying out those important and sensitive responsibilities. They are not alone. During the committee's extensive debate on the nomination, it was noteworthy who chose to step forward and support President Bush's nominee. I would like to review some of the comments made about Mr. Gregg which I think illustrate his competence, skill and professionalism.

President Carter's Assistant Secretary of State for East Asia and the Pacific, Richard Holbrooke, worked with Don Gregg virtually adding that in spite of the campaign of some of Mr. Gregg's critics, in his many years of friendship and association, Holbrook had never had any reason to doubt Don Gregg's integirty, values, judgment, or competence.

Peter Krogh, the dean of the Georgetown School of Foreign Service and a teaching colleague of Mr. Gregg's wrote to the Washington Post stating, "On the basis of long and distinguished experience, and in consideration of the high esteem in which he is held by colleagues in government as well as this university, Don Gregg is singularly qualified to serve honorably and with professional distinction as Ambassador of the United States to the Republic of Korea." I ask unanimous consent to insert that letter for the RECORD following my remarks, if I may.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit No. 1.)

Mr. McCONNELL. Finally, one of the most moving letters of support came from Kim Dae Jung, made all the more meaningful perhaps, in light of his recent arrest and indictment. Mr. Kim wrote in March of this year:

> Your rich experience on Korean and Asian affairs will certainly stand you in good stead. We are indeed fortunate to have as our next American ambassador a man of your calibre and experience. * * * Personally, I am happy to see you come here as ambassador. For I am deeply indebted to you for saving my life in 1973 and 1980. I am looking forward to working with you in our common task of realizing true democracy in the Republic of Korea.

Mr. President, these are just a few of the letters and statements reflecting the wide range of strong support for Don Gregg from his colleagues in Government, academia, and politics both at home and in Korea. There seems to be no doubt Mr. Gregg's superb qualifications to serve our Nation well in Korea. I think even Senator CRANSTON has conceded, few people are as knowledgeable about Asia as Don Gregg.

Since his expertise is not in doubt, I think we need to get right to heart of the problem involving the President's nominee—the problem is politics and, as Dean Peter Krogh put it, a "cottage industry of character assassination." I do not want to dwell on the negative aspects of this nomination process because I think Mr. Gregg's unquestionable credentials should be the focus of debate.

However, a campaign was waged in the Foreign Relations Committee against Don Gregg and the President which I think warrants brief comment. Having been provided with thousands of documents from the Iran-Contra investigation and the additional material produced in a file-by-file hand search carried out at the Defense and State Departments, CIA and NSC, I believe it was incumbent upon Senator CRANSTON to prove a case that Don Gregg did not tell Congress the truth. The case was simply not made with all due respect to my friend from California.

As a New York Times story said, Don Gregg's opponents "did not produce a single document that decisively contradicts Mr. Gregg's assertions. But, they continue to argue a circumstantial case against Mr. Gregg's credibility." Let me note for my colleagues that this was a straight news story, not editorial comment. I believe the Senate should make a decision on Presidential nominees based on fact, not circumstantial speculation.

My second point about this process is one Don Gregg made in testimony before the committee. If he was as involved in the Iran-Contra situation as alleged, the thousands of documents subpoenaed by Congress would have been replete with references to his activities and conduct. There were no such comments. Instead, the President and Mr. Gregg's critics are relying on a few documents which Gregg personally provided investigators. When the Vice President told his staff to cooperate with the committee investigation, Mr. Gregg scoured his files, found two memos which raised questions and turned them over. He did not shred or withhold them—he turned them over. I think the chief counsel of the Iran-Contra Committee would acknowledge, if Gregg had not provided them, the documents would never have been an issue.

Which brings me to my final point—if the President or Secretary Baker had a moment's doubt about the strength, qualifications or integrity of this nominee, Don Gregg would never have been appointed and subjected to the public congressional confirmation process. You know, you use up a lot of chips in this process. Senator CRANSTON and I have been working on this from different points of view now for some 6 months—and the President has too. I do not think he would have been willing to get into this in the first place had he not had total confidence in his nominee.

To those people who believe President Bush made this appointment out of loyalty and friendship, I would say that President is loyal but not foolish. The President and the nominee had nothing to hide and I believe viewed the confirmation process as an opportunity to lay the questions to rest once and for all.

Mr. President, during the past 8 months, the nominee has been subjected to two hearings totalling more hours than we usually put any four nominees through. On short notice, the foreign relations Committee demanded that the administration go back for a second search of all Iran-Contra-Don Gregg related information. They not only obliged with a hand conducted file-by file search, the search was worldwide.

The documents were provided to the committee in advance of the deadline that Senator CRANSTON and I sat in that meeting.

The President and Don Gregg have been accommodating and patient. Every question has been answered and a case against Mr. Gregg has not been made. After a 38-year distinguished record as a public servant, the nominee now deserves an affirmative vote on the merits of his strong qualifications to serve his President and Nation as our Ambassador in the Republic of Korea.

I want to say to my friend from California, I certain respect his intentions here. I do not in any way cast any aspersions upon him. This has been a very difficult process and it is good that it is now winding to a conclusion. I think the debate today has been quite civil and for which I congratulate all of those who have participated in it. And within about 45 minutes we will dispose of this matter once and for all.

EXHIBIT No. 1

GEORGETOWN UNIVERSITY,
Washington, DC, May 16, 1989.

Letter to the Editor,
The Washington Post, Washington, DC.

It is high time to blow the whistle on the cottage industry of character assassination of which Ms. Mary McGrory is an avatar. Her intemperate assault on our friend and colleague, Donald P. Gregg, in her column of today's date, impels us to reply in his defense.

We have no new information to offer regarding Mr. Gregg's alleged involvement in the Iran-Contra affair. We have no first-hand knowledge as to whether Mr. Gregg's secretary misheard the word "copters" for "contras." Not having been present on these and other occasions, we withhold judgment as to what may or may not have occurred.

Ms. McGrory, who, to our knowledge, was also absent from the scenes of events she so acidulously deplores, feels herself under no such restraint. Our purpose, however, is not to address ourselves to the subject of your columnist's penchant for punishing indignation, but rather to address Don Gregg's qualifications for the post for which he is nominated, Ambassador to the Republic of Korea.

Don Gregg is one of America's most distinguished and professional Asian experts. He has served a number of administrations with integrity and is greatly respected by Democratic as well as Republican appointees to the executive branch. His nomination rests on solid professional and bipartisan ground.

We know Don primarily as a colleague. He has for a decade taught an outstanding course at Georgetown in our Master of Science in Foreign Service Program, one that is highly regarded by both faculty and students. He is a committed and accomplished teacher as well as an experienced, highly regarded professional in the fields of diplomacy and intelligence.

Which brings us to our point—one that has received little attention in the press accounts of Don Gregg's confirmation hearing before the Senate Foreign Relations Committee and none whatsoever in Mary McGrory's column. On the basis of long and distinguished experience, and in consideration of the high esteem in which he is held by colleagues in government as well as at this University, Don Gregg is singularly qualified to serve honorably and with professional distinction as Ambassador of the United States to the Republic of Korea.

Sincerely,

Peter F. Krogh, Ph.D., Dean, School of Foreign Service, Georgetown University; Allan E. Goodman, Ph.D., Associate Dean and Director, Master of Science in Foreign Service, Georgetown University; Seth P. Tillman, Ph.D., Research Professor of Diplomacy, Master of Science in Foreign Service, Georgetown University.

Mr. McCONNELL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator retains 26 minutes and 25 seconds.

Mr. McCONNELL. I retain the remainder of my time and yield the floor.

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. I ask that the time be qually divided on the quorum call.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. We are awaiting the majority leader and the President pro tempore of the Senate, who opposes this nomination, and I will, therefore, make a few closing remarks at this stage.

In a few minutes we will vote on what may appear to be a very modest issue, an ambassadorship to South Korea. It is an important vote for the U.S. Senate, an important vote for this institution, for we should not be in the business of rewarding and promoting men who have misled us.

Don Gregg misled this Senate repeatedly, while under oath. The record on that is very, very clear. You almost have to be a real partisan of George Bush or one who bends over backwards to accommodate the dictates of the executive branch to come to any other conclusion.

What are we saying if we reward a man who behaves in such a manner, an individual who acted so unprofessionally, that he offered to resign, not once, but twice? We would be inviting contempt for the Senate. We would be inviting contempt for the legitimate inquiries of Congress, essential for doing the people's business. We would be inviting contempt for the law.

There are those who say, "Enough of this Iran-Contra business. Let us sweep the remains under the rug and move on to other business." This Senator is all for moving on to other business. Indeed, nearly a dozen Senators join me in pleading with administration officials—and there were Democrats and Republicans who did that—not to force us to revisit this issue by asking us to promote a man who had misled us.

We had a duty, once Mr. Gregg was nominated, to bring out the facts. We took no pleasure or partisan advantage from this most unpleasant task. We simply did our job, met our obligation, and now we must all vote. I firmly believe if we really want to put the Iran-Contra business behind us, we should just say no to a man who played a significant part in the effort to mislead us, to mislead the American people about certain very important, very basic facts.

If we learned anything, anything at all from the whole disastrous, sickening business of Iran-Contra, it was that Congress cannot provide its constitutionally established check and balance function when we are systematically lied to.

So in closing, I say to my colleagues, if you truly want to put an end to this Iran-Contra business, just say no, say no to evasion, say no to obfuscation, say no to those who seek rewards for playing fast and loose with the truth in their sworn statements to the U.S. Senate.

Mr. HOLLINGS. Mr. President, the nomination of Donald P. Gregg as Ambassador to South Korea is a controversial one. I wish it were not, but if I am to discharge my duty to advise and consent to this nomination, I cannot overlook or sweep under the carpet Donald Gregg's past relationship with Congress, and the implications this relationship will have for his ability to represent the United States in the Republic of Korea.

Hearings before the Foreign Relations Committee reveal many instances where Mr. Gregg misled Congress or misrepresented the facts in his testimony before the Iran-Contra Committee. Mr. President, these instances have been outlined in this debate. Briefly, however, let me say, it has been pointed out that Mr. Gregg claimed to have "never discussed the Contras" with then Vice President Bush. But, the Contra hearings reveal five memos on the Contra policy issued from Gregg to Bush. There were also two memos from Gregg setting up the May 1986 meeting for Bush to be briefed by Felix Rodriguez on "resupply of the Contras." The two memos were to the Vice President. Mr. Gregg claimed that he never discussed Rodriguez' Contra resupply mission with Colonel North. However, Colonel North's notebooks indicate that Mr. Gregg had discussed the resupply mission, and Colonel North testified under oath that Gregg was told of Rodriguez' Contra resupply mission by North in 1985. Mr. Gregg claimed that he did not have any discussions with Rodriguez about the specific military needs of the Contras. Yet, he could not explain his handwritten notes to Bush written during the timeframe of Boland II about Rodriguez' assessment of the Contras' military needs. These are just three examples, and there are several others we can list but will not in deference to time, of those revealed during the committee hearing on the nomination.

Reviewing the record in the most charitable light to Mr. Gregg, assuming his version of the facts, even Mr. Gregg acknowledges his disservice as an adviser in his inclination to resign on two occasions. Finally, I can't go along with congressional policy and herein Senate approval that would lead to Col. Oliver North's indictment as a criminal and for the same activity approve Mr. Gregg as Ambassador.

Mr. NUNN. Mr. President, the nomination of Donald Gregg to be our Ambassador to South Korea is one which I have given considerable thought to and one which, unfortunately, troubles me deeply. The decision whether to approve or disapprove this nomination is one which, frankly, has been an extremely difficult one for me for a number of reasons.

First and foremost, I know and like Mr. Gregg on a personal level and I believe that he has served our Nation well for many years. My natural inclination would to be to vote for his nomination. But, as we all know, personal like or dislike is not the determining factor in these kinds of decisions. In Mr. Gregg's case, there are other factors which carry greater weight and which have raised some very serious concerns about this nomination.

Specifically, some have openly doubted the veracity of Mr. Gregg's testimony during the Iran-Contra investigation. In particular, they point to his previous testimony on the extent of then Vice President Bush's knowledge of the Contra resupply effort. I was a member of the Senate Iran-Contra Committee and I have, in preparation for this vote, again reviewed the facts surrounding Mr. Gregg's testimony. In doing so, I have found no direct evidence to prove that Mr. Gregg was untruthful in that tes-

timony. I am unwilling to make those kind of conclusions and to reject this nomination on those grounds, in the absence of that type of evidence.

I am, however, deeply troubled by facts, as related by Mr. Gregg himself, which, in my view, demonstrate the exercise of extremely bad judgment by this nominee in failing to advise the Vice President on matters of significant importance.

According to Mr. Gregg, in August 1986, Felix Rodriguez warned him of a possible Watergate-type scandal in the Contra supply operation—specifically that Ollie North was using people tied in to Ed Wilson, who, at that time, had already been convicted on Federal charges of smuggling firearms and explosives to the Libyans. Rodriguez also told Gregg that he feared that the CIA would also get involved with these people. Mr. Gregg states that he knew Wilson to be absolutely bad and that his group was one that he would disapprove of thoroughly. According to Mr. Gregg, Rodriguez asked him to bring this matter to the attention of the appropriate people.

What troubles me is the fact that, despite the obviously serious nature of that conversation, Mr. Gregg tells us he did not bring the matter to the attention of the Vice President because we had no responsibility for it and we had no expertise in it. This was despite the fact that, obviously, the Contra operations were of great importance to the administration and despite the Vice President's past experience and interest in CIA matters.

Moreover, despite the fact that Rodriguez specifically alleged that Ollie North was involved with these people, Mr. Gregg testified that he never confronted North about his role.

Obviously, any man who serves the United States as an ambassador becomes, in effect, the eyes and the ears of the President in the country where he serves. Perhaps above all else, he must possess the good judgment and common sense to recognize those matters which he has an obligation to bring to the President's attention. The success of his mission depends, in the final analysis, on the quality of the information and advice which he delivers to the President.

Unfortunately, on the record before us and accepting as true the facts which Donald Gregg has testified to, I do not believe that this nominee's actions in the Iran-Contra affair demonstrate the kind of good and solid judgment which we must demand in our Ambassadors. In my view, he failed, by his own admission, to bring to the Vice President's attention matters which he obviously should have. Based on that evidence, I feel compelled, regrettably, to vote against his nomination.

Mr. HATCH. Mr. President, I am very pleased to speak today in support of the nomination of Don Gregg to be Ambassador to South Korea.

Mr. President, over the last several weeks, we have seen and heard much mention of the so-called gold-plated ambassadorships. This term implies that the Ambassadors being chosen by this administration as political appointees to the various diplomatic posts abroad have been of questionable quality. Mr. President, I will not go into specific details on the history of previous political appointees in ambassadorial posts except perhaps to look at some of the more positive aspects that political appointees have brought to our embassies abroad.

I noted a few days ago that the State Department press spokesperson outlined the qualifications of one Ambassador, a former Congressman, who was sent first to the United Nations, then to Peking. When nominated for his first post abroad, this individual probably would have received some criticism of his nomination if it would have been forwarded today. As most people know by now, nominee in question was our President, George Bush. But there have been others who have brought considerable credit to our country as well, even though they were not career, Foreign Service officers.

Mr. President, they came from both parties. There was John Kenneth Galbraith, William Scranton, John Scali, Shirley Temple Black, and Jeane Kirkpatrick. And yes, one of our own Members in this body, DANIEL PATRICK MOYNIHAN. Each of these individuals brought his or her own particular strengths and qualities to the posts that they served in. That's not to say, Mr. President, that there have not been some political ambassadors who have been less than of star quality. But I think when you look at any group of political appointees, you will find the good ones and the bad ones—that is just human nature.

Mr. President, I firmly believe what we have here today is a quality appointment, to what I feel is a critical post and one that will continue to become even more critical as the years go by. For both economic and strategic reasons, it is extremely important that our Ambassador to South Korea have a solid foundation and background in the workings of that country. And I believe that Don Gregg has just that.

Further, because of the importance of this post, the country in which in he serves is looking for a man who has access to the higher echelons of government. Don Gregg has that access and indeed the confidence of this President.

I believe the South Koreans understand that there are going to be occasions when the message they receive from our ambassador may not necessarily be that which they would like to receive. But I believe Don Gregg is the type of individual who has the background, who has the sensitivity, and who knows the Korean personality well enough to be able to deliver that message without causing undue harm to the relationship between our two countries.

Mr. President, this nominee has come under considerable scrutiny here on the Hill and in the press. Despite the hundreds of staff hours and endless media speculation, there has never been any credible evidence that this gentleman has broken any laws of the United States. Indeed, he has volunteered information on at least one occasion that might have harmed his chances for this post. There has even been occasion when he offered to step down in an effort to defuse political controversy in the office of the Vice Presidency. This is an honorable man, with good judgment and with years of service to his country. I believe he will serve his country well in this post.

Mr. President, I would underscore that it is very important that this critical post be filled with a quality appointee. History shows that over the past few years there have been some differences between our two governments; and in order to keep those differences from becoming major problems, we need his experience, expertise, and leadership for our country team there. I urge my colleagues to confirm Donald Gregg as Ambassador to South Korea.

Mr. KERRY. Mr. President, I voted against sending this nomination to the floor, and I will vote against this nomination again today. I do so, because there remain grave, contradictions between, Mr. Gregg's testimony under oath regarding his involvement in the Iran-Contra affair, and a variety of documents, including some prepared in Mr. Gregg's office.

In essence, the issue is whether Mr. Gregg has been candid regarding his knowledge of and involvement in the secret United States support for the Contras during the Reagan administration.

I have stated in the past that I feel Mr. Gregg deserves the benefit of being judged on the fullest possible record. There remains one set of thousands of pages of important documents that the Congress has never seen, which could shed important light on whether or not Mr. Gregg's version of events involving Felix Rodriguez and Oliver North is consistent with the record. These documents are the Oliver North notebooks in their uncensored state, subpoenaed by the Foreign Relations Committee, which we have now sought to obtain for 18 months without success.

We know from the censored versions of these notebooks provided the Congress by Oliver North and his attorneys that there are some references to

Mr. Gregg, and we have been provided one set of entries that appears to contradict statements of Mr. Gregg made under oath.

I do not think we should vote in favor of a nomination of anyone when substantial questions exist as to whether he has been candid with the Congress regarding events associated with one of the most serious scandals ever confronted by this Nation. Accordingly, I believe this nomination should not have been reported to the floor, and should not be voted favorably now.

There are a number of inter-related questions concerning Mr. Gregg in connection with Iran-Contra, but most involve his relationship with Felix Rodriguez, a former CIA agent for whom Mr. Gregg was a case officer in the 1960's, and with whom Mr. Gregg retained a close relationship through the 1980's while he was the National Security Adviser to Vice President Bush.

Felix Rodriguez was an active participant in the covert Contra supply operation, based at El Salvador. He participated in military supply work for the Contras at a time when it was illegal for United States officials to support the Contras directly or indirectly under the Boland amendment. Mr. Gregg placed Felix Rodriguez in Central America during this period, remained in close contact with him throughout the period, and yet has contended that he knew nothing of Felix's involvement with the Contras.

Initially, when the Iran-Contra affair was revealed in November, 1986 Mr. Gregg stated that neither he nor the Vice President had any knowledge regarding Contra supply operations whatsoever, He modified that position 6 weeks later, after there had been extensive revelations in the press concerning the North-Secord operation and Felix's role. At that time, Mr. Gregg revealed that Felix had come to him complaining about rip-offs in connection with Contra supply operations on August 8, 1986. Mr. Gregg also revealed that there were two anomalous memos, prepared by his office, which stated that Felix was to brief the Vice President on Contra supply operations in April 1986. Mr. Gregg said that despite what the memos said, Felix had not briefed the Vice President on Contra supplies, had not briefed him on Contra supplies, and Mr. Gregg could not explain how the memos were created.

Later, in testifying before the Iran-Contra committees, Mr. Gregg described his August 8, 1986 meeting with Felix in more detail. He explained that Felix told him then that Oliver North was involved with the Contras, but contended that he never passed this information on to the Vice President.

Mr. Gregg explained that he did not tell the Vice President about the information Felix gave him because:

I felt that it was a very murky business. I spend a great deal of my time trying to send things to the Vice President that I think are really Vice Presidential. I try to keep him focused, help him keep focused on arms control or Mideast peace or things of that nature. We had never discussed the Contras. We had no responsibility for it. We had no expertise in it. I wasn't at all certain what this amounted to. I had the name of four or five Americans on an obscure air base in Central America who apparently were ripping off donated funds and making unseemly profits. I felt I had passed along that material to the organizations who could do something about it, and I frankly did not think it was Vice Presidential level.

This is the core of Mr. Gregg's position: He had never discussed the Contras with Felix; it was outside his purview and outside his interests. The problem with this position is that a number of documents contradict it.

For example, on March 17, 1983, Mr. Gregg wrote then NSC head Robert McFarlane to provide him with a plan written by Felix Rodriguez proposing the development of antiguerrilla operations in Central America, enclosing a map which shows the sites of those operations as being not just El Salvador, but Nicaragua—exactly the operations Felix ultimately carried out.

This memo raises doubts about Mr. Gregg's contentions that you never had any idea Felix would be involved with Contra operations, and suggests that such support was part of the plan from the beginning.

On September 18, 1984, Mr. Gregg wrote the Vice President a memorandum on the topic "Funding for the Contras," stating that Dewey Clarridge had advised him that the Contras had been getting funds "from other sources, probably private, not governmental."

This memo conflicts with his statement that he was never involved in the Contra issue, and never discussed it with the Vice President.

On February 14, 1985, General Gorman of the United States Southern Command in Panama wrote Ambassador Pickering of Honduras and Col. James Steele of the United States Military Group in El Salvador regarding employing Felix Rodriguez to assist the FDN, the chief Contra group. Gorman wrote that "the FDN deserved [Felix's] priority," and that Felix's "acquaintanceship with the VP is real enough, going back to latter days as DCI."

A few days later, Ambassador Pickering wrote a memorandum to General Gorman and others noting that Felix would be emplaced in El Salvador working with Steele and General Bustillo, chief of the Salvadoran Air Force at Ilopango Air Base. After noting that Felix would "take on higher priority mission first," the memo ends with a suggestion that Motley brief you on Felix's employment.

On September 10, 1985, Oliver North wrote in his personal notebook about a meeting with Steele and Mr. Gregg at 4:30 p.m. regarding Contra supply operations. The memorandum describes information provided by Mario Del Amico, a Contra supplier working with the Martin/McCoy arms supermarket to supply the Contras, and describes particular weapons sales to the FDN.

Steele has confirmed to the GAO that he was present at a meeting with Oliver North and Don Gregg, that it came about as a result of Mr. Gregg telling him that North was "a Central American guru," and that he did not recall the specifics of the meeting, but that they did not involve the Contras.

The North diary entry wasn't created by the tooth fairy—but by North hour-by-hour. I have personal knowledge of some matters covered by North's notes—references to me, my staff, and my attempts to get the truth regarding some of his activities and links between Contras and drugs. I have found the notes to be somewhat cryptic, but also accurate in terms of what North was told by the people referred to in the notebooks.

Mr. Gregg has stated that he did not participate in such a meeting with North and Steele—that the meeting did not take place. But how does one answer the problem of the documentary evidence in North's notebook to the contrary. Common sense suggests that the contemporaneous records created by North have meaning—and that the meaning is that Mr. Gregg participated in the meeting to discuss Contra supply activities.

On February 4, 1986, Mr. Gregg's assistant, Sam Watson, wrote the Vice President in a memo through Mr. Gregg stating that the United States needed to change its policies in Central America to get outright logistical support for the Contras. Next to this conclusion, Mr. Gregg wrote: "Felix agrees with this—it is a major shortcoming."

Mr. Gregg testified that he never discussed the Contras with Felix prior to August 1986. Yet here on February 4, 1986, Mr. Gregg wrote in the memo to the Vice President that Felix agreed with the idea that the Contras need outright logistical, support and direction.

On February 13, 1986, Mr. Gregg participated in a meeting with officials from the NSC, CIA, Defense, and JCS, regarding the Contra humanitarian assistance program. Mr. Gregg's participation in this meeting again suggests Mr. Gregg was at least monitoring the situation, contrary to his Iran-Contra testimony.

On April 16, 1986, Mr. Gregg's secretary, Debbie Hutton, prepared a memo

from Mr. Gregg to the Vice President regarding a meeting with Felix Rodriguez, and I quote:

To brief the Vice President on the status of the war in El Salvador and resupply of the Contras.

On April 30, 1986, the Briefing Memorandum for the Vice President repeated that the purpose of the meeting was as follows:

Felix Rodriguez, a counterinsurgency expert who is visiting from El Salvador, will provide a briefing on the status of the war in El Salvador and resupply of the Contras.

The meeting involving Felix Rodriguez, Mr. Gregg and the Vice President, took place May 1, 1986.

On May 14, 1987, Mr. Gregg stated that Contra resupply was not discussed, that he had no knowledge of such supply operations even existing, and that he had no explanation at all for why his secretary would have made such a statement in a schedule proposal from Mr. Gregg to the Vice President. At the time, Mr. Gregg said that he "realized these documents were anomalous," and that Mr. Gregg "cannot account for the fact that the purpose of this meeting, according to these documents, was to discuss resupply of the Contras in addition to the war in El Salvador."

Even if one believes that Contra resupply was not discussed at the meeting, the question remains, how did Mr. Gregg's secretary—who knew far less about what Felix Rodriguez was doing than Mr. Gregg did—happen to say he was going to talk about Contra resupply unless Mr. Gregg told her to? No one has ever provided an explanation. Either it was Mr. Gregg or Mr. Gregg's staff assistant, Samuel Watson. The Senate has a right to be skeptical about a tooth fairy explanation.

Oliver North has testified under oath that he talked to Robert McFarlane about having Felix Rodriguez assist with the Contras on the Southern front after first telling Mr. Gregg. He further testified that Mr. Gregg was the man who introduced him to Felix Rodriguez.

This testimony also contradicts Mr. Gregg's testimony. Either Oliver North is not telling the truth in stating that he told Mr. Gregg that Felix would work on Contra operations, or Mr. Gregg's candor must be called into question.

On August 8, 1986, Felix told Mr. Gregg about his concerns that the "Ed Wilson" people now involved in Contra operations were ripping off the Contras and that the situation could turn into another Watergate. Mr. Gregg stated this was the first time he learned about United States involvement in Contra supply operations, and that he did not tell the Vice President.

On August 12, 1986, Mr. Gregg met with North aide Robert Earle, NSC aide Ray Burghardt, the Central American task force chief of the CIA, Colonel Steele, Ambassador to El Salvador Edwin Corr, and William Walker, an aide to Elliott Abrams at the State Department, to follow up on the statements Felix made to Mr. Gregg. According to Walker, at the meeting, Corr expressed concerns that Rodriguez was boasting too publicly about his connections to George Bush, and complaining that the Contra supply operation was shoddy.

Again, a meeting at which Contra supply operations were discussed according to another witness; and Mr. Gregg says that the witness was wrong.

To summarize: It is difficult to accept Mr. Gregg's explanation, because to do so, one must explain away a substantial body of documents and testimony to the contrary. If Mr. Gregg's version of events are correct, Oliver North's diary was wrong, his testimony false, the memorandum regarding Felix's meeting with Mr. Gregg appeared by magic, Assistant Secretary of State William Walker was wrong in his memory, and Felix somehow concealed from Mr. Gregg what Ambassador Pickering, General Gorman, and James Steele knew and memoralized in writing—that Felix was going down to Central America with the mission of working for the Contras.

All of this is difficult to believe.

At the Senate Foreign Relations Hearings on this nomination, I told Mr. Gregg that I would vote for this nomination, despite my serious questions concerning the documents and testimony I've described above, if we were able to review all the information in the Oliver North notebooks and none of it implicated Mr. Gregg further.

I did so because I believe that the complete, uncensored North notebooks constitute the best single contemporaneous record of what actually happened with Iran/Contra, and that the absence of Mr. Gregg from any other entries would help clear the air concerning him. I also felt that securing the notebooks, which remains in the power of the Executive branch, was an important objective.

Unfortunately, the White House and Justice Department continue to prevent the Senate Foreign Relations Committee from obtaining those documents. The North notebooks are Government records, created at the White House by a White House employee relating to his governmental work and classified at the highest levels. They belong to the Government and copies of them are in the hands of the independent counsel.

We have sought them from the independent counsel, who in turn has sought approval from the Justice Department, which has not been forthcoming. It is clear to me that the White House does not want us to review the North notebooks in their uncensored form, and until we do, it is clear to me that there will be no final answers as to who knew what in connection with the illegal Contra supply network established by the Reagan administration.

In light of these discrepancies, I regret feeling compelled to vote against confirmation of Mr. Gregg to this position.

Mr. BYRD. Mr. President, the nomination of Donald Gregg, formerly Vice President Bush's National Security Adviser, as Ambassador to South Korea, has been extremely contentious—for good reason. Serious questions—which remain unanswered—have been raised about Mr. Gregg's fidelity to the law, about Mr. Gregg's judgment, and about Mr. Gregg's role in the Iran-Contra affair.

I oppose this nomination for two reasons. I firmly believe that it is fundamentally wrong to confirm a man about whom serious questions have been raised concerning his fidelity to the law. Second, I believe that allegations about Mr. Gregg's role in the unauthorized covert Iran-Contra activity raise serious questions about Mr. Gregg's judgment. South Korea is too sensitive a diplomatic post to be filled by a man whose reputation is tarnished by the sordid Iran-Contra affair.

Mr. President, the Iran-Contra affair is not behind us—although there are many who would like it to be. The 57-to-42 vote in favor of the Moynihan amendment to the State Department authorization bill, which criminalizes the activities that the Iran-Contra participants engaged in, is evidence that the majority of the Senate believes that persons who engage in such activities should be subject to criminal penalties. The Moynihan amendment makes it a felony for a Government official to solicit funds from private or foreign sources to carry out activities prohibited by Congress. It also makes it illegal for officials to channel funds through third countries to accomplish a purpose barred by Congress. While this legislation is wholly prospective in that it applies only to funding prohibitions enacted after the State Department authorization bill becomes law, the kinds of activities which it would criminalize are those which are at the heart of the Iran-Contra affair.

So where does Mr. Gregg fit in all this? Let us briefly examine the allegations made against Mr. Gregg and his responses to them.

The chief allegation is that Mr. Gregg knew about the secret operation to resupply the Contras while he served as Vice President Bush's national security adviser and that either he failed to remember to tell Mr. Bush about it or he did tell Mr. Bush about it and is now participating in a cover-

up of what Mr. Bush knew about the affair.

For a variety of reasons, little attention has been given to the latter proposition. Since the Foreign Relations Committee, by necessity, had to deal with Mr. Gregg's version of the affair, I too will focus on his claim that he failed to remember to tell Mr. Bush about the resupply effort. That operation was set up by Oliver North and run by Gregg's longtime friend, Felix Rodriguez. In 1985, Mr. Gregg had helped arrange Rodriguez' position as an adviser to El Salvador's air force. In his recent trial, Oliver North testified that Gregg introduced him to Rodriguez.

In testimony before the Senate Foreign Relations Committee, Mr. Gregg said that Rodriguez had told him on August 8, 1986, that North was involved with unsavory characters in the resupply operation and that disclosure of the operation could lead to a scandal of Watergate proportions. Mr. Gregg claims that although Rodriguez told him about the resupply operation on August 8, he did not inform the Vice President about it until December 13, 1986, when Mr. Bush learned of it through an interview Mr. Gregg gave the New York Times.

According to this scenario, Mr. Gregg kept the Vice President in the dark for over 2 months after the resupply plane was shot down on October 5, 1986, and the Iran-Contra operation began to unravel.

After the downing of the plane, Mr. Gregg met regularly with Mr. Bush and discussed the plane incident with him, but, as he said in sworn testimony, he failed to remember or think about what Rodriguez had told him in August—until December 1986.

Now, does this make any sense? Is it even feasible to think that this scenario happened as Mr. Gregg related to the Foreign Relations Committee?

I have serious doubts about the veracity of Mr. Gregg's entire scenario and I question whether August 8 was, in fact, the first time that Mr. Gregg learned anything about the resupply effort. Oliver North's testimony in his recent trial that he met regularly with Gregg about the Contra resupply operation shoots enormous holes in Mr. Gregg's claim that he knew nothing until Rodriguez alerted him to it. I am particularly skeptical about Mr. Gregg's testimony—sworn testimony, I might add—that his note-taker's reference in two White House memos about resupply of the Contras, which was forbidden by Congress, really meant resupply of the copters for El Salvador, a legal operation.

At the very least, this testimony strains credulity. At worst, Mr. Gregg may have committed perjury in his testimony before the Foreign Relations Committee. As the New York Times editorial of June 20, 1989, concluded, this testimony left the Foreign Relations Committee—and by extension, all 100 of us—with a dilemma: "Doubt his testimony, and thus doubt his candor and loyalty to law, or believe it, and seriously question his judgment."

So, today we are being asked to confirm as Ambassador to South Korea, a man who either has engaged in deliberate falsehood in sworn testimony to the Congress or exercised flawed judgment in his conduct as National Security Adviser to the former Vice President. Either he lied to Congress about his knowledge of and involvement with the Iran-Contra affair—or he withheld the information he had about it from the Vice President, and then so informed the Vice President through an interview given to the New York Times. Or, he is participating in a coverup of what exactly Mr. Bush knew of the Iran-Contra affair and exactly when he knew it.

Either way, Mr. Gregg does not deserve confirmation. It is apparent that for now, it will not be possible to Determine the truth about Mr. Gregg's role in the Iran-Contra affair. The administration could have cooperated with the Foreign Relations Committee and provided documents requested by the committee which might have shed light on whether Mr. Gregg was telling the truth about his role in the Iran-Contra affair. The administration did not do so.

I believe the burden of proof is on Mr. Gregg—as it is on all ambassadorial nominees—to demonstrate that he has the soundness of judgment, fortitude of character, and integrity of spirit which I believe those who represent the United States abroad ought to possess. I do not believe that the Senate has to give Mr. Gregg the benefit of the doubt. As Ambassador, Mr. Gregg would represent the U.S. Government and the U.S. people. Merely being qualified for the job is insufficient reason to ensure confirmation.

I believe that Mr. Gregg has not demonstrated the necessary soundness of judgment to merit confirmation. Even if we were to conclude that Mr. Gregg told the Foreign Relations Committee the truth about the extent of his knowledge of the illegal Iran-Contra activities, I, for one, must conclude that he demonstrated flawed judgment in withholding that knowledge from the Vice President. Withholding that knowledge from the Vice President was not a minor error—it was a major one, and one, which in my eyes, is sufficient to disqualify Mr. Gregg to be Ambassador to South Korea—or to any other country, for that matter.

Nor do I believe that the administration deserves to have Mr. Gregg confirmed. Even if we believe that the burden of proof is on those who oppose Mr. Gregg's nomination, the administration's lack of cooperation in providing evidence in support of Mr. Gregg's story should ring all sorts of warning bells in the minds of Senators.

Now that we have looked at Mr. Gregg's claim that he merely "failed to remember" to inform the Vice President of his knowledge of the Iran-Contra activities, let us examine the possibility that Mr. Gregg had, in fact, kept the Vice President informed all along about the resupply effort. If that is the case, then we have to conclude that Mr. Gregg values loyalty to his boss more than he values fidelity to the law.

The report of the Iran-Contra committees concluded that the Iran-Contra affair resulted from the "failure of individuals to observe the law, not from deficiencies in existing law or in our system of Government." Let me repeat that. The Iran-Contra affair resulted from the "failure of individuals to observe the law, not from deficiencies in existing law or in our system of Government."

Mr. President, I oppose the confirmation of Donald Gregg as ambassador to South Korea because in his behavior and conduct, both as National Security Adviser to the former Vice President and in his testimony before the Senate Foreign Relations Committee, I believe Mr. Gregg exemplifies why and how the Iran-Contra affair took place.

Arrogant, wrongheaded people, who believed they and only they knew what was right for America, acted in defiance of the law. We do not know today—and we may never know—the truth about Donald Gregg and his role in the Iran-Contra affair. We do know that serious questions have been raised about his conduct and his judgment. I do not want to find out sometime in the future, that the allegations about Mr. Gregg are true. I do not want the Senate to reward with a sensitive and important ambassadorship, a man who has admitted that he withheld important information about illegal activities from the Vice President and who may have lied to the Congress about his knowledge of and involvement with those activities. I do not want to reward a man who may be participating in a coverup of what Mr. Bush knew about the Iran-Contra affair and when he knew it.

The Senate is not a court of law where a person is presumed innocent until proven guilty. The confirmation process is designed, however, to take the measure of the man or woman nominated to fill a senior position in the administration, either here or abroad. I admit that I hold public servants to a standard higher than that of ordinary Americans. In this case, I believe the man is lacking.

Mr. President, let us not take the chance that the allegations against Mr. Gregg are true. I urge my colleagues to vote against confirming Donald Gregg as Ambassador to South Korea.

Mr. BIDEN. Mr. President, I am troubled by the nomination of Donald Gregg to be Ambassador to South Korea. I have serious doubts about Mr. Gregg's credibility and professional judgment, and I plan to oppose his nomination.

The issues surrounding Mr. Gregg's involvement in the Iran-Contra matter have been fully discussed, in extensive hearings in the Foreign Relations Committee and on the floor today by the chairman of the Subcommittee on East Asia, Senator CRANSTON. I will not trespass on the Senate's time by repeating this discussion.

Let me just state for the record, however, that I had a difficult time believing Mr. Gregg's denial of his knowledge of the illegal Contra resupply effort. His version of events in this matter stretches credulity. But even if you believe Mr. Gregg's denial of his knowledge of the Iran-Contra resupply network, his actions—or rather his failure to act—when he did learn of this matter show extremely poor judgment.

In August 1986, Felix Rodriguez, a close friend of Mr. Gregg, came to Gregg with tales of possible wrongdoing by a member of the National Security Council staff, Col. Oliver North. Yet Gregg failed to inform Vice President Bush, a statutory member of the NSC. This omission is particularly odd, given that the Vice President had been regularly briefed on Rodriguez' work in advising the Salvadoran Air Force. In addition, Gregg never took this information to the White House counsel, nor did he confront Colonel North himself. His failure to act on this information is, in my view, a serious dereliction of duty, and casts doubt about Mr. Gregg's professional judgment and his ability to serve as our envoy in Seoul.

In addition to the questions concerning the Iran-Contra matter, I am concerned about sending to South Korea a man who previously served there as CIA station chief. Mr. Gregg was chief of station in Seoul in the mid-1970's, one of the most repressive periods in South Korean history. Many Koreans, correctly or not, associate the CIA with that repression, and Mr. Gregg will serve as a visible reminder of that period.

This is the second consecutive CIA official to be picked for Seoul. While James Lilley, our previous Ambassador, received high marks for his work there, I believe sending another CIA agent—especially one who served there as station chief—is insensitive to the current political situation in South Korea. In my view, rising anti-Americanism in Korea could be fueled by the perception that the main prerequisite for a United States Ambassador is to be a spy, rather than a diplomat.

In the last 2 years, South Korea's political system has rapidly progressed, from a military dictatorship to a robust democracy. The pace of this change has been impressive. As a result of the increased political space, elements in Korean society are openly questioning the U.S. role on the peninsula. It will take a skilled Ambassador to guide United States-Korean relations through this period, and I am concerned that Mr. Gregg would start at a disadvantage with a significant segment of the Korean population.

Mr. President, I bear no personal grudge against Mr. Gregg. In fact, I commend him for his long service to his country. But this experience alone does not qualify him for this position. The rapid change in South Korea and in the United States-Korean relationship demand that we have a strong and experienced envoy on hand in Seoul. Questions about Mr. Gregg's honesty, along with his record in the Vice President's office, do not ease my doubts about the choice of Donald Gregg for this position. Therefore, I will oppose this nomination.

Mr. CRANSTON. I suggest the absence of a quorum and request that the time be equally divided.

The PRESIDING OFFICER. Is there objection? Without objection, time will be equally divided, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I will vote against the nomination of Donald P. Gregg to be United States Ambassador to the Republic of Korea.

I did not easily reach this conclusion. I believe that Presidents generally should be able to have the Ambassadors of their choice representing the Nation abroad. As a matter of policy, every President should be free to select qualified Ambassadors who share his foreign policy goals.

I am not aware of any challenges to Mr. Gregg's qualifications based upon his background or experience.

But there are other important factors which must be considered as the Senate discharges its constitutional duty in evaluating those nominated to serve in high Government offices.

Among them are the nominee's credibility and judgment.

Mr. Gregg testified to the Congress several times regarding the events that have come to be known as the Iran-Contra affair. On these occasions he described in detail his lack of knowledge and actions—or, more precisely, his alleged lack of knowledge and inaction in informing his superior, then-Vice President Bush, of these important events.

Mr. Gregg's testimony was either untrue or true. If untrue, he obviously should not be confirmed, because it wholly compromises his credibility. If true, he still should not be confirmed because his version of events raises serious doubt as to his judgment.

It is, therefore, necessary and appropriate to examine Mr. Gregg's testimony, and the evidence surrounding it, in some detail.

First. Mr. Gregg testified that he had no responsibility for Central American issues and prior to the exposure of the Iran-Contra affair, he had never discussed the Contras with then-Vice President Bush. The Foreign Relations Committee, however, has identified several memoranda written to the Vice President by Mr. Gregg on the subject.

Identified were at least six memos. Five, dated April 12, 1985, April 22, 1985, May 27, 1986, December 12, 1986, and January 9, 1986, respectively are still classified. A sixth, dated September 18, 1984, states, in part:

> The Contras are doing well inside Nicaragua, conducting effective small unit actions and capturing enough ammunition to supply [redated] of their needs.
>
> Local support of the Contras is growing inside Nicaragua. The Sandinistas are using artillery against the Contras, but it is ineffective.
>
> If a Continuing Resolution were passed by Congress, it would contain $2 m[illion] per month for aid to the Contras. Dewey [Clarridge] does not expect this to happen. He believes that any CR that is passed will specifically prohibit funds to the Contras.
>
> In his view, the Contras are doing what they were supposed to do and there is not as much need for U.S. involvement.
>
> They have put pressure on the Sandinistas. The Sandinistas are talking with us. The Sandinistas are planning an election. None of these things would have happened if the Contras did not exist.
>
> Dewey said that you may use the above in response to questions about the Contras, although he would prefer that no specific figure be mentioned regarding private support to the Contra groups.

After having testified that he had never discussed the Contras with then-Vice President Bush, Mr. Gregg was confronted with those memos. He then explained that what he had meant to say was that he had never discussed resupply of the Contras with the Vice President. But, of course, that is not what he said in his initial testimony.

Second. Mr. Gregg testified that his introduction of Felix Rodriguez, a former CIA employee and personal friend, to Lt. Col. Oliver North in December 1984, was related to activities in El Salvador and was not related to the Contras or their resupply. Mr. Rodriguez, of course, was to become deeply involved in the efforts to resup-

ply the Contras during the period in which the Boland amendment prohibitions were in force.

Several documents indicate that senior officials, including Gen. Paul Gorman, commander of the United States Southern Command [SouthCom] and Thomas Pickering, United States Ambassador to El Salvador, who met with Rodriguez as a result of Mr. Gregg's recommendation, were very clear that Mr. Rodriguez' primary interest was in assisting the Contras. In fact, General Gorman reported to Ambassador Pickering on February 14, 1985, that "Rodriguez' primary commitment to the region is in [deleted] where he wants to assist the FDN [Contras]. I told him that the FDN deserved his priority."

Third. Mr. Gregg testified that he was unaware until August 1986 of Rodriguez' activities in the Contra resupply efforts operated by Oliver North. However, a February 4, 1986, memorandum from Mr. Gregg's deputy, Sam Watson, approved by Mr. Gregg and routed to then-Vice President Bush, discussing the Contra's military needs, contains a passage:

> What is lacking is our ability to provide outright logistical support, advice, planning, or even direction of cross-border operations. As you know, we are proscribed by Congress from any of these more active measures.

In the margin referring to this passage, which is in part underlined, is Mr. Gregg's handwritten note to the Vice President which reads "Felix agrees with this—it is a major shortcoming."

Fourth. Mr. Gregg testified that he remembered no September 10, 1985, meeting with Col. James Steele and Oliver North to discuss efforts to aid the resupply of the Contras.

But, at his trial, Colonel North testified under oath that he discussed the details of the resupply and Mr. Rodriguez' involvement in it with Mr. Gregg and NSC Adviser Robert McFarlane in the fall of 1985.

Colonel North's contemporaneous notes indicate that military resupply of the Contras was discussed and that Mr. Gregg was present. Colonel Steele does not recall substantive discussion with Mr. Gregg present but does recall Mr. Gregg calling Colonel North and making introductions.

Fifth. Mr. Gregg is unable to explain two April 1986 memoranda, including an April 30, 1986, memorandum to then-Vice President Bush, which indicate that the purpose of Rodriguez' May 1, 1986, meeting with Vice President Bush would be to "provide a briefing on the status of the war in El Salvador and resupply of the Contras." Mr. Gregg's suggestion to the Committee that the phrase "resupply of the Contras" might have been a garbled version of "resupply of the copters" can only be termed pathetic.

Sixth. Mr. Gregg states that he did not inform Vice President Bush about his August 8, 1986, meeting with Felix Rodriguez at which he was told about Rodriguez' involvement in supplying the Contras and that Oliver North was involved, because:

> I felt that the Vice President's time was the most valuable commodity I had to deal with. I spent two or three hours every day reading documents, making decisions about what I would send to him. And my decision was that gunrunning by second-rate gunrunners in the jungles of Central America, selling old hand grenades that they paid $3 for, for $9, was not vice presidential, particularly since I had passed it to the officials who had direct responsibility for that area.

Mr. Gregg maintained that he said nothing to the Vice President even after he became aware that the Hasenfus plane had been shot down in Nicaragua and "one of the first things out of his [Hasenfus'] mouth was the name 'Max Gomez', Felix Rodriguez":

> That immediately led to me [Gregg] because we know that Felix was not shy about talking about his connection with me or his connection with the Vice President.
>
> * * * There was an immediate focus of press attention on what had Gregg been doing in introducing Rodriguez to El Salvador. The immediate assumption * * * was that I had sent him down there from the outset to support the Contras.
>
> So I immediately went to the Vice President about that, and I said I did not do that, all we have ever discussed is his interest in * * * countering the insurgency, and whatever has happened subsequent to our talks, your [the Vice President's] talks with him, is something that I did not know. And I did not mention the 8 August meeting to the Vice President at that time because I did not have it in the correct focus. I thought * * * we had been dealing with the corrupt activities of some American gun runners in Central America, who had been selling supplies to the Contra air force, and that had stopped as a result of my meeting.

Mr. President, this testimony is incredible. With the press focusing attention on the Office of the Vice President and its possible connection of Felix Rodriguez and the Hasenfus operation, Mr. Gregg did not inform the Vice President that he had met with Mr. Rodriguez on August 8, less than 2 months earlier, and learned of a connection between Rodriguez and arms going to the Contras. Even if one accepts Mr. Gregg's assertion that he did not fully realize the implications and the full extent of the North involvement or Rodriguez role in the resupply of the Contras, is it possible to accept that this information was not Vice Presidential under the circumstances?

And yet, when, in 1984, Felix Rodriguez had approached Mr. Gregg to state that he was interested in going to El Salvador to help in the counterinsurgency, effort and Mr. Gregg agreed to recommend him to Ambassador Pickering and Tony Motley, and Nestor Sanchez, he, in effect, cleared that with the Vice President. And, before Felix Rodriguez went down there, Mr. Gregg took the initiative to introduce him to the Vice President.

Seventh. Mr. Gregg was questioned in the hearings about the meaning of the phrase "a swap of weapons for dollars was arranged to get aid for the Contras, Clines and General Secord tied in" which appears in his handwritten notes of the August 8 meeting with Felix Rodriguez.

This phrase has concerned me for some time. I questioned Felix Rodriguez about it during the Iran-Contra hearings. Rodriguez stated that it was the one phrase in the entire document which he could not explain. He testified that he did not know about the connection between the Iran arms sales and the Contra resupply operation and that he had said nothing like what Mr. Gregg had recorded in his notes.

Mr. Gregg tried to explain this to the Foreign Relations Committee by testifying that his "shorthand is lousy."

> This was a short word which I used to describe what Felix was describing with a lot of volubility but not a lot of detail. There was money flying around; there were weapons flying around. I did not now which way the money was flowing.* * * I had no idea from what Felix told me, nor did he, whose dollars were going to the gun runners, and he had no idea of the flow of funds.* * * [T]he use of the word "swaps" was shorter than "purchase". It was a murky picture. And so that is really why I used the word "swaps". That word has achieved later notoriety, but I had no sense of that word."

The picture is murky indeed. It is hard to see how this explanation clarifies the phrase, "a swap of weapons for dollars was arranged to get aid for the Contras." This is obviously an explanation, manufactured later, to try to explain something away.

One can understand that notes taken in haste are not always written in the clearest English. In fact, if it were not for the remarkable similarity of the phrase to a description of what we now know as the Iran-Contra affair, and for the attention to this very August 8 meeting brought about by Mr. Gregg's testimony that he failed to inform the Vice President or the Justice Department about it, it might not seem significant.

These questions taken together and Mr. Gregg's explanations are very troubling. The constitutional responsibility imposed on Senators to advise and consent requires the application of individual judgment. The explanations offered by the nominee are so implausible, so inconsistent with the known facts, that they cannot be believed.

However, the questions of credibility do not stand alone. For if Mr. Gregg's testimony is fully and completely believed, then it raises extremely serious concerns relating to his judgment, in

his capacity as National Security Council Adviser to then-Vice President Bush.

As I have already noted, Mr. Gregg testified that after learning about Rodriguez' involvement in the resupply operation in August 1986, he did not inform Vice President Bush. Even after learning of the downing of the plane and the capture of Eugene Hasenfus in Nicaragua on October 5, 1986, from Felix Rodriguez—who called Sam Watson—this was the first report of the shoot-down of the resupply plane to officials in Washington—he did not inform Vice President Bush of any connection between Felix Rodriguez and Oliver North and the resupply operation, or even of the fact of his [Gregg's] meeting on August 8, 1986, with Rodriguez and its troubling if dimly understood revelations about what Rodriguez was describing as a potential Watergate.

If true, this is a most serious failure of judgment which casts doubt on Mr. Gregg's fitness to serve as a U.S. Ambassador.

One of the key roles of ambassadors representing the United States around the world is to report critical events and their analyses of those events to the Secretary of State and the President.

Mr. Gregg's failure to recognize the significance of Rodriguez and North's activities in the resupply of the Contras during a period when such activities were prohibited by law is alarming. Even after the Hasenfus downing made the importance more clear, he failed to recognize his responsibility to the Vice President, and the Nation. In fact, Mr. Gregg testified that Mr. Bush first learned of Rodriguez's involvement by reading an interview which he [Gregg] gave to the New York Times which appeared in December 1986.

If Mr. Gregg did not tell the truth, he should not be confirmed. If he did tell the truth, then by his own account his judgment is so lacking that he should not be confirmed.

The Vice President of the United States is, by law, a member of the National Security Council. As his principal adviser in that capacity, Mr. Gregg had a clear responsibility to report knowledge of such potentially illegal activities by members of the NSC staff and others.

He was either derelict in that responsibility or as he testifies, "did not have it in the correct focus." Mr. Gregg states that he twice offered to resign. He testified, "I felt very much let down by Felix, and I also was very disgruntled with myself that I had not put North's role in a clearer context more quickly." He was right. The Vice President chose to overlook it and reject his resignation. Faced with our constitutional responsibility, we cannot overlook this misjudgment.

Mr. President, the role of our ambassadors in foreign capitals, and particularly with valued and critical allies like the Republic of Korea, is too important to gamble on a nominee who, by his own admission, has demonstrated such poor judgment.

I yield the floor.

Mr. McCONNELL. Mr. President, it is my understanding that the junior Senator from Alaska may be on the way. If not, we will be voting precisely at 6:15.

I listened with some interest to the comments of the distinguished majority leader. I do not wish to extend the debate further, but I wish to make an observation that Felix Rodriguez and Don Gregg were two of only a handful of witnesses who came before the Iran-Contra Committee who neither asked for immunity nor were represented by counsel.

I repeat, Felix Rodriguez and Don Gregg were two of only a handful of witnesses that came before the Iran-Contra Committee not represented by counsel and not asking for immunity.

I suppose, in the course of this debate, somebody sitting out here trying to make an assessment may say that reasonable people can differ. But there does not seem to be any question in the mind of the Senator from Kentucky that Don Gregg has not conducted himself in the way that a person would conduct himself either when it came to turning over the documents that he probably could have gotten away with without turning over, or showing up in arguably a highly dangerous situation like the Iran-Contra situation without a lawyer, not asking for immunity.

Mr. President, this is not the way somebody who is concerned about being involved in criminal activity, not the way they act.

So I think it is entirely plausible to look at this set of facts and reach the conclusion that Don Gregg was only in the vicinity. There were plenty of others that were just in the vicinity, and their lives have not been ruined, and I do not think his should be, either. His 38 years of distinguished service have earned him this Ambassador's post in Korea. I hope that the Senate will grant him that opportunity to go there and serve our country with distinction.

Mr. President, I see no one else available to speak. I suggest the absence of a quorum, and assume that that would be charged against my time.

The PRESIDING OFFICER. The Senator is correct.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, the Senate, at long last, is considering the nomination of Don Gregg as Ambassador to South Korea.

It is rare that an ambassadorial nomination is subject to the intense scrutiny that this nomination has received. Mr. Gregg's career; his life—they have been turned inside out, by the Foreign Relations Committee, various critical interest groups, the media.

Basically, there is nothing wrong with that—as long as the examination remains fair and open-minded.

It is even rarer, though, that a nominee is subject to so many unfounded accusations and so much innuendo. And there is something wrong with that—when all the accusations and innuendo add up to zero.

Mr. Gregg has an outstanding record of public service. He has a vast amount of experience in Asian affairs, including specific experience in South Korea. He has the President's trust.

In short, he has the profile that every one of us demands from an ambassadorial nominee.

Let me make one final point: while we have waited a long time for floor action on Mr. Gregg's nomination, events in South Korea have not waited on us. This is a watershed period in South Korea's history; an important period in United States-South Korean relations.

We need an ambassador there now; and we need one who understands South Korea and the big stake we have in what happens there.

Mr. Gregg is that kind of nominee. We need him in Seoul. And I urge all Senators, from both parties, to join in confirming Mr. Gregg today.

Mr. McCONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BINGAMAN). Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 8½ minutes.

Mr. McCONNELL. I yield the remainder of my time to the distinguished Senator from Alaska.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. MURKOWSKI. I thank the Chair and I thank my colleague from Kentucky. I do not think I will need all the time.

I do want to rise in support of the President's nomination of Don Gregg, to be Ambassador to the Republic of Korea.

I am confident there is no Member of the Senate who would question the importance of our country's relationship with the Republic of Korea.

Over 40 years ago we committed to ensure the survival of that nation, because Korea is essential to United States security, as well as security in the Pacific. Certainly ours was no empty pledge. We backed our commitment with troops, and through great sacrifice of American life, we helped the Republic of Korea successfully resist aggression from the North. A sizable American military presence remains to this day, as solid confirmation of our continuing security stake in the Republic of Korea.

I think it is evident to note, Mr. President, that our foreign policy at that time was substantively different than it is today. It was a matter of American foreign policy that our presence in Korea would provide an opportunity for the seeds of democracy not only to be planted but to be grown and nurtured. We did that by simply saying that, with the force of America and the commitment of manpower, anyone crossing the parallel would meet the economic might of the United States.

Of course, that type of foreign policy is no longer practiced. While it may be quite efficient, we use a process perhaps best described as osmosis where we simply use our influence in less direct ways.

But nevertheless Mr. President, if the United States can cite a success in foreign policy, it has been in the relationship in the establishment of the democracy that exists in the Republic of Korea. I recall a former ambassador commenting here in Washington at a public gathering of a number of my colleagues of the proud moment of America's success in foreign policy relative to the establishment of that democracy.

Of course, our economic relationship with the Republic of Korea has been important and it is more significant than ever. Last year, the Republic of Korea was our seventh largest trading partner. Bilateral trade questions, exchange rates and the respective economic policies of our countries are important issues both to the United States and Korea.

Of course, the Republic is undergoing a delicate transition to a more open democracy. This is a task that the Koreans have undertaken, but high-level United States support and encouragement for this transition is important as well. The Republic of Korea's relations with its neighbors are also of substantial interest to the United States. Tentative ROK contacts with the North Korean regime, Korean relations with the three neighboring superpowers—Japan, China, and the Soviet Union—the Republic of Korea's role as a leading newly industrialized economy—all require high-level United States monitoring and close bilateral consultations.

I mention these important points, Mr. President, because I think it is necessary that we draw attention to the potential consequences of leaving our Embassy in Seoul leaderless for the better part of a year. This is not to denigrate the fine work of the Chargé, Thomas Brooks, over the period as he would be the first to admit there is no substitute for the presence of a President's designated representative.

Mr. President, an ambassador goes abroad as an emissary from the President. Unless the nominee is unfit for clearly other reasons, the President's choice should prevail. Last week, the distinguished majority leader eloquently defended the record of the Senate in acting on the President's nominations this year, and I will not go into the overall statistics, but in the case of the President's nomination, the ambassador to Korea, it is this Senator's opinion that our institution's delay in acting is not defensible.

Mr. President, this delay was not based on lack of qualifications. There is no question that Don Gregg is well qualified. His experience in East Asia and his contacts in the region are first rate. He certainly knows Korea. He served there in difficult times. Much of the record in those days is not open but what is clear is that Don Gregg played a key role in restraining the Pak administration. For example, we have Kim Tae Chung's own testimony read into the committee record, I might add, that Don Gregg saved his life when Kim had been spirited away from his Tokyo hotel by the ROK CIA and was threatened with death. It was Don Gregg who went to the head of the ROK CIA and demanded that Kim be spared.

There is also no question about the impact of United States policy that Don Gregg will have as an ambassador in Seoul. His extensive work in the intelligence community, his long-standing, dedicated and professional service to the President will provide him with an extraordinary opportunity to communicate his views back to Washington and have them considered at the highest levels of government.

Mr. President, action on this nomination has been delayed solely to turn the question of Don Gregg's qualifications into a rehash of the Iran-Contra affair.

The allegations against Don Gregg have been examined in detail over several years by the staffs of the Senate Intelligence Committee, of which I am a member, the Iran-Contra Committee, the Senate Foreign Relations Committee, of which I have membership on, as well as the media, of course.

Despite this huge effort, no credible evidence has been found to confirm these allegations. If such evidence existed, I am convinced it would have come to light at this time. The President could easily have avoided the scrutiny of a Senate confirmation process by selecting Don Gregg for a post that did not require Senate confirmation, but the fact he chose to proceed with this nomination shows that neither the President nor Don Gregg has anything to hide. As a member of the Intelligence Committee, I am concerned that a rejection of this nomination would send a message to the men and women of our intelligence community that if they wish to seek a career in a prominent public policy role, their loyal service in intelligence work will be held against them. That would be very unfortunate.

Mr. President, I am pleased the Foreign Relations Committee has finally recommended that Don Gregg be confirmed. I urge the full Senate endorse that decision and vote expeditiously and overwhelmingly to give its consent to this nominee.

I thank the Chair, and I thank my colleague and yield the floor.

The PRESIDING OFFICER. All time has expired on the nomination. The question is, Will the Senate advise and consent to the nomination of Donald P. Gregg, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Korea?

Mr. McCONNELL. Mr. President, have the yeas and nays been requested?

The PRESIDING OFFICER. The yeas and nays are requested. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Ohio [Mr. METZENBAUM], is necessarily absent.

The PRESIDING OFFICER (Mr. KOHL). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 66, nays 33, as follows:

[Rollcall Vote No. 174 Ex.]

YEAS—66

Armstrong	Durenberger	Lott
Baucus	Exon	Lugar
Bentsen	Garn	Mack
Bond	Glenn	Matsunaga
Boren	Gorton	McCain
Boschwitz	Graham	McClure
Breaux	Gramm	McConnell
Bryan	Grassley	Murkowski
Burns	Hatch	Nickles
Chafee	Hatfield	Packwood
Coats	Heflin	Pell
Cochran	Heinz	Pressler
Cohen	Helms	Reid
D'Amato	Humphrey	Robb
Danforth	Jeffords	Rockefeller
DeConcini	Johnston	Roth
Dixon	Kassebaum	Rudman
Dole	Kasten	Sanford
Domenici	Lieberman	Shelby

Simpson	Symms	Warner
Specter	Thurmond	Wilson
Stevens	Wallop	Wirth

NAYS—33

Adams	Ford	Leahy
Biden	Fowler	Levin
Bingaman	Gore	Mikulski
Bradley	Harkin	Mitchell
Bumpers	Hollings	Moynihan
Burdick	Inouye	Nunn
Byrd	Kennedy	Pryor
Conrad	Kerrey	Riegle
Cranston	Kerry	Sarbanes
Daschle	Kohl	Sasser
Dodd	Lautenberg	Simon

NOT VOTING—1

Metzenbaum

So the nomination was confirmed.

LEGISLATIVE SESSION

The PRESIDING OFFICER (Mr. BINGAMAN). The Senate will return to legislative session.

ORDER OF PROCEDURE

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. (Mr. KOHL). The Chair recognizes the majority leader.

Mr. MITCHELL. Mr. President, may we have order?

The PRESIDING OFFICER. Order in the Senate. The majority leader is recognized.

Mr. MITCHELL. Mr. President, if I may have the attention of my colleagues——

The PRESIDING OFFICER. All conversation will cease.

Mr. MITCHELL. Mr. President, for the information of my colleagues, after consultation with the distinguished Republican leader and those involved in the transportation appropriations bill, there will be no further rollcall votes this evening. We will return to that measure promptly tomorrow morning at about 9:30, and my hope is that we will be able to dispose of that during the day tomorrow.

Then we hope to move to the vote on the FSX override, and following that, as soon thereafter as possible, to the next appropriations bill.

The PRESIDING OFFICER. The Senate is not in order. The Senate will be in order. Will the Senate be in order, please. Will conversation cease.

Mr. MITCHELL. Mr. President, I thank my colleagues for their attention. I will repeat just briefly, there will be no further rollcall votes this evening. We will return to the transportation appropriations bill at 9:30 tomorrow, coming in at 9 o'clock. It is my hope we will be able to complete action on that bill tomorrow, and we will also deal with the FSX veto override tomorrow. Mr. President, I yield the floor.

Mr. HATFIELD. Will the Senator yield for a question?

Mr. MITCHELL. Yes.

Mr. HATFIELD. Does the Senator have an indication as to when the conference report, energy water appropriation bill, may be taken up as a privilege?

Mr. MITCHELL. I had a brief opportunity to discuss it with the distinguished Republican leader a few moments ago. It is my hope that we could complete action on it this evening, if that is acceptable to all concerned—that requires the approval of all concerned and not all have been notified so far—as promptly as possible, this evening, if possible.

Mr. DOLE. Mr. President, as far as I know—we can check on this—I know of no objection. It is a privileged matter, in any event, the energy and water conference report. We might check that with Senator MCCLURE. Is there any objection to the energy and water conference report?

Mr. MCCLURE. It is all right with me.

Mr. MITCHELL. I have just been advised that the chairman of the committee has asked that we not take action pending a discussion, which he had previously indicated, on the procedure. Perhaps we ought to wait and talk to him about that.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MODIFICATION TO SENATE REPORT 101-75

Mr. BYRD. Mr. President, in order to expedite the final action on the conference report on the fiscal year 1990 energy and water development appropriations bill, the committee has allocated $58 million in outlays from savings to be made in the Defense appropriations bill. The final conference outcome increased outlays for atomic energy defense activities by that amount.

On behalf of the Committee on Appropriations, I submit the following modification to Senate Report 101-75 and ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MODIFIED ALLOCATIONS TO SUBCOMMITTEES (MODIFICATION TO SENATE REPORT 101-75)

The Committee on Appropriations submits the following modification to its report, Allocation to Subcommittees of Budget Totals from the Concurrent Resolution for Fiscal Year 1990, Senate Report 101-75, in compliance with section 302(b)(1) and section 302(e) of the Congressional Budget Act of 1974, as amended.

The discretionary and total outlay allocation of the Energy and Water Development Subcommittee is increased by $58 million.

The discretionary and total outlay allocation of the Defense subcommittee is reduced by $58 million.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Nebraska is recognized.

Mr. EXON. I thank the Chair.

(The remarks of Mr. EXON pertaining to the introduction of S. 1607 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. EXON. Mr. President, I suggest the absence of a quorum.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1990

The Senate continued with the consideration of the bill.

Mr. WIRTH. Mr. President, if the Senator from Nebraska will withhold his request for a quorum, I wanted to put in the RECORD a brief statement on the transportation appropriations bill that has been so ably put together by the distinguished Senator from New Jersey.

This is a bill and a piece of legislation in which the economic pressures have been phenomenal and everybody wants a piece of transportation, understanding how extraordinarily important this is to the fabric of our economy, all the way from highways to airports and then the very important role of the Coast Guard.

Mr. President, as we consider the transportation appropriations bill for fiscal year 1990, I rise today to comment on a promising trend found in this legislation—an increased emphasis on the need to expand our aviation infrastructure to accommodate the rapid growth of our air industry. I compliment my good friend, Chairman LAUTENBERG, and the other members of the Transportation Appropriations Subcommittee on their good work.

In 1978, Congress deregulated the airline industry. During that year, nearly 276 million passengers flew through our Nation's airports. Within 9 years, this number expanded to more than 450 million fliers per year nationwide, and will clear the 600 million mark by 1997. Yet, while the demand for an adequate and efficient aviation infrastructure has increased, I believe that the Federal Government has

been slow to respond to this growing need.

In addition to the rapid growth of the flying public, the deregulation of the airline industry has created the well-known hub and spoke system of air transportation, with which we in the Congress—as frequent flyers—are very familiar. This practice of feeding passengers from around the country into central "switchboard" airports has increased the efficiency of the industry and helped to keep ticket prices affordable.

Yet, at the same time, the hub and spoke business strategy has accentuated the problems of our inadequate infrastructure. By concentrating a significant portion of the increased passenger traffic to relatively few large airports in the country, passenger delays and inconveniences have become common.

According to the Federal Aviation Administration [FAA], there are 21 airports where, at each one, passengers are experiencing more than 20,000 hours of delays annually. At five of these congested facilities, people will wait more than 50,000 hours to land or take off. By the turn of the century, the FAA projects that, if we do not take steps to expand our Nation's aviation capacity, passengers using the three busiest airports will have delays exceeding 100,000 hours annually—Atlanta, Chicago and, unfortunately, Denver.

This problem is only going to get worse. With the number of passengers arriving and departing these major hubs expected to rise to 85 percent by the year 2000, the effects of this business practice is very familiar to the people of Colorado. Constructed to handle 18 million passengers per year, Denver's Stapleton International Airport currently plays host to more than 34 million passengers. Recent FAA projections indicate that by the year 2000, Denver's traffic will top 66 million, making it the fastest growing airport in the country.

Mr. President, Senator LAUTENBERG and the members of the subcommittee have included language making nearly $250 million available in fiscal 1990 for projects which will enhance the ability of our Nation's airports to handle the growing number of people choosing to fly. This money is sorely needed by States and municipalities to accommodate the increased traffic experienced by many of the country's airports as a result of the deregulation of the airline industry.

As some of you may know, in my own State of Colorado, we are working hard to accomplish just such a task. Recently, the citizens of Denver voted overwhelmingly to proceed with the construction of a new international airport to serve the Rocky Mountain region. This facility will be the first major airport built in 15 years, since the opening of Dallas-Fort Worth in 1974, and will expand the Nation's air capacity by 11 percent. Reductions in delays will be experienced around the country with Denver's increased ability to handle air traffic at times of poor weather and heavy demand. With the fine work by the members of the Appropriations Committee, this airport will open on time in 1993.

Mr. President, again, I wish to thank Senator LAUTENBERG and Senator D'AMATO as the chairman and ranking member of the Subcommittee on Transportation Appropriations. In addition, I know we are all appreciative of the usual hard work and courtesy of the chairman of the Appropriations Committee, Senator BYRD, and the ranking member, Senator HATFIELD.

I yield the floor.

Mr. LAUTENBERG. Mr. President, I just want to thank the Senator from Colorado for his words of support and for his commitment to help us move this bill along. Tomorrow morning we will be discussing it fully.

I am encouraged by the number of pledges of support that I have received on this transportation bill. It seems there are lots of friends who want us to stop smoking, stop, as they say, blowing smoke at other passengers. And with the encouragement of the Senator from Colorado, Senator HATCH of Utah, Senator SLADE GORTON of Washington, and many others, I expect we will be able to move this bill along.

I hope I will be able to have the support of my colleagues at the critical moment tomorrow when the decisions are being made.

I thank the Senator from Colorado for his support.

MORNING BUSINESS

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that there be a period for morning business with Senators to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 3, 1989, the Secretary of the Senate, on September 8, 1989, during the recess of the Senate, received a message from the President of the United States transmitting sundry nominations and a withdrawal, which were referred to the appropriate committees.

(The nominations and withdrawal received on September 8, 1989, are printed in today's RECORD at the end of the Senate proceedings.)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a withdrawal which were referred to the appropriate committees.

(The nominations and withdrawal received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE RECEIVED DURING RECESS

ENROLLED JOINT RESOLUTION SIGNED

Under the authority of the order of the Senate of January 3, 1989, the Secretary of the Senate, on September 8, 1989, during the recess of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 132. Joint resolution designating September 1 through 30, 1989, as "National Alcohol and Drug Treatment Month".

Under the authority of the order of the Senate of January 3, 1989, the enrolled joint resolution was signed on September 11, 1989, during the recess of the Senate, by the President pro tempore [Mr. BYRD].

MESSAGES FROM THE HOUSE

At 2:22 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1594. An act to extend nondiscriminatory treatment to the products of the Peoples' Republic of Hungary for 3 years.

At 4:05 p.m., a message from the House, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 109. Joint resolution to designate the period commencing September 11, 1989, and ending on September 15, 1989, as "National Historically Black Colleges Week".

At 6:00 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2696) making appropriations for energy and water development for the fiscal year ending September 30, 1990, and for other pur-

poses; it recedes from its disagreement to the amendments of the Senate numbered 8, 13, 14, 17, 19, 47, 52, 55, 64, and 70 to the bill, and agrees thereto; and it recedes from its disagreement to the amendments of the Senate numbered 2, 7, 9, 10, 12, 22, 24, 25, 31, 37, 38, 39, 40, 41, 42, 44, and 56 to the bill, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following bill, without amendment:

S. 1075. A bill to authorize appropriations for the American Folklife Center for fiscal years 1990, 1991, and 1992.

ENROLLED JOINT RESOLUTION SIGNED

At 6:34 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 109. Joint resolution to designate the period commencing September 11, 1989, and ending on September 15, 1989, as "National Historically Black Colleges Week".

The enrolled joint resolution was subsequently signed by the Acting President pro tempore [Mr. GLENN].

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 1594. An act to extend nondiscriminatory treatment to the products of the Peoples' Republic of Hungary for 3 years; to the Committee on Finance.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate together with accompanying papers, reports, and documents which were referred as indicated:

EC-1584. A communication from the Secretary of Agriculture transmitting a draft of proposed legislation to amend the Food Stamp Act of 1977 as amended; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1585. A communication from the Acting Chairman of the Farm Credit Administration, transmitting, pursuant to law, the annual report of the Farm Credit Administration for the calendar year 1988; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1586. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the Selection Acquisition Reports for the quarter ending June 30 1989; to the Committee on Armed Services.

EC-1587. A communication from the Principal Deputy Comptroller of the Department of Defense transmitting, pursuant to law, a contract award report for the period September 1, 1989, to October 31, 1989; to the Committee on Armed Services.

EC-1588. A communication from the Assistant Secretary of the Army, Financial Management, transmitting, pursuant to law, a report on the value of property supplies and commodities provided by the Berlin Magistrate for the quarter April 1, 1989, through June 30, 1989; to the Committee on Armed Services.

EC-1589. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the result of a review of loan prepayments at the Federal Financing Bank; to the Committee on Banking, Housing, and Urban Affairs.

EC-1590. A communication from the Director, Office of District Banks of the Federal Home Loan Bank Board, transmitting, pursuant to law, the actuarial report for the years ending December 31, 1987 and 1986; to the Committee on Banking, Housing, and Urban Affairs.

EC-1591. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend title V of the Housing Act of 1949 to prohibit equity skimming on rural housing loans made by the Farmers Home Administration; to the Committee on Banking, Housing, and Urban Affairs.

EC-1592. A communication from a Georgia attorney transmitting a report on the Federal Aviation Administration's civil assessment demonstration program; to the Committee on Commerce, Science, and Transportation.

EC-1593. A communication from the Secretary of Transportation transmitting, pursuant to law, the National Airway System Annual Report for fiscal year 1988; to the Committee on Commerce, Science, and Transportation.

EC-1594. A communication from the President of the United States transmitting, pursuant to law, a report on the Republic of Korea and Taiwan who failed to enter into cooperative scientific monitoring and enforcement agreements called for by the Driftnet Impact Monitoring, Assessment and Control Act of 1987; to the Committee on Commerce, Science, and Transportation.

EC-1595. A communication from the Chairman of the Federal Trade Commission transmitting, pursuant to law, the 73d Annual Report of the FTC for the fiscal year ended September 30, 1987; to the Committee on Commerce, Science, and Transportation.

EC-1596. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1597. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, purusant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1598. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1599. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1600. A communication from the Secretary of Energy transmitting pursuant to law, a report on the update of the Steel Initiative Management Plan issued on April 1, 1987; to the Committee on Energy and Natural Resources.

EC-1601. A communication from the Secretary of Energy, transmitting pursuant to law, an updated research plan; to the Committee on Energy and Natural Resources.

EC-1602. A communication from the Secretary of the Interior, transmitting, pursuant to law, a boundary study for Gettysburg National Military Park in Pennsylvania; to the Committee on Energy and Natural Resources.

EC-1603. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1604. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1605. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1606. A communication from the Secretary of the Interior, transmitting, pursuant to law, the biennial report on continuing studies of the quality of water in the Colorado River Basin; to the Committee on Energy and Natural Resources.

EC-1607. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1608. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1609. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, a report on the disclosure of safeguards information for the quarter ending June 30, 1989; to the Committee on Environment and Public Works.

EC-1610. A communication from the Assistant Secretary of the Army, Civil Works, transmitting, pursuant to law, a report on the review of a plan of project for Red Lake River, Gentilly, MN; to the Committee on Environment and Public Works.

EC-1611. A communication from the Chairman of the U.S. International Trade Commission, transmitting, pursuant to law, the 58th quarterly report on trade between the United States and the nonmarket economy countries; to the Committee on Finance.

EC-1612. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, the 13th annual

report on the Child Support Enforcement Program; to the Committee on Finance.

EC-1613. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on changes in manufacturers' prices and pharmacists' charges for covered outpatient drugs and on the use of covered outpatient drugs by individuals entitled to this benefit; to the Committee on Finance.

EC-1614. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the committees which provide advice and consultation to the Secretary in carrying out his functions; to the Committee on Finance.

EC-1615. A communication from the Chairman of the U.S. International Trade Commission, transmitting, pursuant to law, a report on the operation of the U.S. trade agreements program during 1988; to the Committee on Finance.

EC-1616. A communication from the Secretary of Labor, transmitting, pursuant to law, the quarterly report on the expenditure and need for worker adjustment assistance training funds under the Trade Act of 1974 for the quarter ended June 30, 1989; to the Committee on Finance.

EC-1617. A communication from the Assistant Secretary of State (Legislative Affairs) and the Assistant Secretary of the Treasury (Legislative Affairs), transmitting, pursuant to law, the annual report on progress in achieving the goals of title VII (Human Rights) of the International Financial Institutions Act; to the Committee on Foreign Relations.

EC-1618. A communication from the Assistant Legal Advisory for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60-day period prior to August 17, 1989; to the Committee on Foreign Relations.

EC-1619. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, notice of determination on furnishing International Military and Education Training assistance to Lebanon under the Foreign Assistance Act; to the Committee on Foreign Relations.

EC-1620. A communication from the Assistant Legal Advisory for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements other than treaties, entered into by the United States in the 60-day period prior to August 31, 1989; to the Committee on Foreign Relations.

EC-1621. A communication from the director of personnel of the Farm Credit Bank of St. Louis, transmitting, pursuant to law, the annual report for the Sixth Farm Credit District Retirement Plan for the Plan year ended December 31, 1988; to the Committee on Governmental Affairs.

EC-1622. A communication from the Archivist of the United States, transmitting, pursuant to law, a report on the addition to the John Fitzgerald Kennedy Library; to the Committee on Governmental Affairs.

EC-1623. A communication from the Chairman of the Merit Systems Protection Board, transmitting, pursuant to law, a report entitled "Who Is Leaving the Federal Government? An Analysis of Employee Turnover"; to the Committee on Governmental Affairs.

EC-1624. A communication from the Comptroller General of the United States transmitting, pursuant to law, a list of reports issued by the General Accounting Office during July 1989; to the Committee on Governmental Affairs.

EC-1625. A communication from the Chairman of the Merit Systems Protection Board, transmitting, pursuant to law, a report entitled "The Tennessee Valley Authority and the Merit Principles"; to the Committee on Governmental Affairs.

EC-1626. A communication from the Benefits Administration of the Farm Credit Bank of Baltimore, transmitting, pursuant to law, the annual report of the Farm Credit District of Baltimore Retirement Plan for the plan year ending December 31, 1988; to the Committee on Governmental Affairs.

EC-1627. A communication from the Secretary of the Postal Rate Commission, transmitting, pursuant to law, copies of an order adopting a final rule of the Commission; to the Committee on Governmental Affairs.

EC-1628. A communication from the Secretary of the Postal Rate Commission, transmitting, pursuant to law, copies of an order adopting a final rule of the Commission; to the Committee on Governmental Affairs.

EC-1629. A communication from the Secretary of the Postal Rate Commission, transmitting, pursuant to law, copies of an order adopting a final rule of the Commission; to the Committee on Governmental Affairs.

EC-1630. A communication from the Director of the Administrative Office of the United States Courts transmitting, pursuant to law, the actuarial reports on the Judicial Survivors' Annuities System and the Judicial Retirement System for the year ended December 31, 1987; to the Committee on Governmental Affairs.

EC-1631. A communication from the Assistant Attorney General, U.S. Department of Justice, transmitting pursuant to law, a report on the activities of the Public Integrity Section Criminal Division; to the Committee on the Judiciary.

EC-1632. A communication from the Director of the Administrative Office of the United States Courts, transmitting, pursuant to law, a report on the actual costs of filing actions in district courts; to the Committee on the Judiciary.

EC-1633. A communication from the Chairman of the Administrative Conference of the United States, transmitting a draft of proposed legislation to amend the Administrative Conference Act, 5 U.S.C. 571-576; to the Committee on the Judiciary.

EC-1634. A communication from the Chairperson of the Martin Luther King, Jr. Federal Holiday Commission, transmitting, pursuant to law, a report on the fourth Federal holiday in honor of Dr. King; to the Committee on the Judiciary.

EC-1635. A communication from the Office Manager of the National Mining Hall of Fame and Museum, transmitting, pursuant to law, a report on the Museum's 1988 audited financial statement and their IRS Form 990; to the Committee on the Judiciary.

EC-1636. A communication from the President of the United States, transmitting, pursuant to law, a report on the implementation of section 5301 of the Anti-Drug Abuse Act of 1988; to the Committee on the Judiciary.

EC-1637. A communication from the Chief Justice of the U.S. Supreme Court, transmitting, pursuant to law, notice of the opening of the October 1989 term; to the Committee on the Judiciary.

EC-1638. A communication from the Acting Assistant Attorney General, Civil Rights Division, U.S. Department of Justice transmitting, pursuant to law, the annual report of the Interagency Coordinating Council; to the Committee on Labor and Human Resources.

EC-1639. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the fiscal year 1988 Low Income Home Energy Assistance Program; to the Committee on Labor and Human Resources.

EC-1640. A communication from the Director of Communications and Legislative Affairs, U.S. Equal Employment Opportunity Commission, transmitting, pursuant to law, the fiscal year 1988 annual report on the operations of the Office of General Counsel of the Commission; to the Committee on Labor and Human Resources.

EC-1641. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—State Administered Adult Education Programs and Secretary's Discretionary Programs of Adult Education; to the Committee on Labor and Human Resources.

EC-1642. A communication from the Secretary of Education, transmitting, pursuant to law, the annual report of the National Technical Institute for the Deaf for fiscal year 1988; to the Committee on Labor and Human Resources.

EC-1643. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations of National Program for Mathematics and Science Education; to the Committee on Labor and Human Resources.

EC-1644. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, proposed regulations governing affiliated committees, transfers, prohibited contributions, annual contribution limits and earmarked contributions; to the Committee on Rules and Administration.

EC-1645. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, the Commission's fiscal year 1991 base budget request; to the Committee on Rules and Administration.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-302. A resolution adopted by the National Association of Governmental Labor Officials favoring an increase in the appropriations for state administered Occupational Safety and Health Programs; to the Committee on Appropriations.

POM-303. A resolution adopted by the National Association of Governmental Labor Officials favoring tax exemption for all employee educational benefits; to the Committee on Finance.

POM-304. A resolution adopted by the membership of the South Carolina Emergency Preparedness Association requesting to keep open the Greer Weather Service Office; to the Committee on Commerce, Science, and Transportation.

POM-305. A resolution adopted by the City of Miami Commission favoring passage of the Everglades National Park Expansion Bill; to the Committee on Energy and Natural Resources.

POM-306. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Finance.

"ASSEMBLY JOINT RESOLUTION No. 25

"Whereas the Medicare program is an integral part of our nation's Social Security system; and

"Whereas the Medicare program has been the target of inequitable budget reductions for each year since fiscal year 1982, resulting in the loss of money with which to provide health care to Nevada's Medicare recipients; and

"Whereas Nevada's elderly population is projected to grow dramatically by the year 2000; and

"Whereas the rate of reimbursement for care provided in rural hospitals is significantly less than the rate used to reimburse urban hospitals; and

"Whereas, this difference in reimbursement is adding greatly to the financial pressures which are causing many rural hospitals to close their doors; and

"Whereas, further budget reductions are being contemplated by Congress that threaten the financial viability, quality and availability of Medicare providers in Nevada; now, therefore, be it

"Resolved by the Assembly and Senate of the State of Nevada, jointly, That the members of the Nevada Legislature urge Congress not to reduce payments to Medicare providers below the current level for fiscal year 1990, to enable the Medicare program to meet the necessary costs of providing elderly Nevadans with continued access to high quality health care; and be it further

"Resolved, That the members of the Nevada Legislature urge Congress to reconsider the use of differing rates for reimbursement of Medicare providers; and be further

"Resolved, That copies of this resolution be prepared and transmitted forthwith by the Chief Clerk of the Assembly to the Vice President of the United States as the presiding officer of the Senate, the Speaker of the House of Representatives and to each member of the Nevada Congressional Delegation; and be it further

"Resolved, That this resolution becomes effective upon passage and approval."

POM-307. A resolution adopted by the Senate of the State of Illinois; to the Committee on Finance:

"SENATE RESOLUTION No. 199

"Whereas as a result of the Catastrophic Medicare Act, more than 25,000 retired Illinois State employees will pay a higher rate of income tax than any other group in the United States, without receiving increased benefits, because the extended Medicare plan duplicates the coverage they already have in their pensions; and

"Whereas last June, the U.S. Congress expanded medicare to cover catastrophic health care, financing it with a huge tax increase which will be borne by Americans over 65, many of whom are on fixed incomes; and

"Whereas the 15% income-tax surcharge for those over 65 is scheduled to rise to 28% by 1993; and

"Whereas, This tax affects all persons over 65 with more than $1,000 a year in taxable income; and

"Whereas, Organizations demanding that Congress repeal the medicare expansion are active in New York, Pennsylvania, California, Florida, and Texas, as well as Illinois; and

"Whereas, One major flaw in the Catastrophic Medicare Act is that it does not cover custodial care; and

"Whereas, The Catastrophic Medicare Act was hastily enacted and needs to be reevaluated; therefore, be it

"Resolved, by the Senate of the eighty-sixty General Assembly of the State of Illinois, That we register our criticism of the recently enacted Catastrophic Medicare Act; that we protect the tax burden that it lays upon senior citizens; and that we urge the repeal of this tax increasel and be it further

"Resolved, That suitable copies of this preamble and resolution be presented to the President of the United States Senate, the Speaker of the United States House of Representatives, and to each member of the Illinois Congressional Delegation."

POM-308. A resolution adopted by the Council of the City and County of Honolulu favoring the enactment of legislation to modify the financing provisions of the Medicare Catastrophic Coverage Act of 1988; to the Committee on Finance.

POM-309. A resolution adopted by the Senate of the State of Illinois; to the Committee on Finance:

"SENATE RESOLUTION No. 414

"Whereas the Members of the Senate have a significant interest in U.S. Trade Policy and its impact on Illinois' industry; and

"Whereas the 101st Congress and the President of the United States will decide whether to extend the Steel Voluntary Restraint Agreements and the Steel Import Stabilization Extension Act; and

"Whereas the Members of the Senate of the 86th General Assembly of the State of Illinois believe the competitiveness of Illinois' steel industry and steel-using manufacturers is critical to the State's economic health; therefore, be it

"Resolved, by the Senate of the eighty-sixth General Assembly of the State of Illinois, that, in adopting this Resolution, we urge the 101st Congress and the President of the United States to adopt a fair and balanced policy regarding the importation of foreign steel, which will maintain a vigorous and healthy steel and steel-using manufacturing industry; and be it further

"Resolved, That a suitable copy of this preamble and resolution be presented to the President of the United States, to the Speaker of the U.S. House of Representatives, to the President pro tempore of the U.S. Senate and to each Member of the Illinois Congressional Delegation."

POM-310. A resolution adopted by the City of Miami Commission favoring a Constitutional amendment prohibiting desecration of the American flag; to the Committee on the Judiciary.

POM-311. A joint resolution adopted by the Legislature of the State of Alabama; to the Committee on the Judiciary.

"HOUSE JOINT RESOLUTION 26

"Enrolled, House Joint Resolution, repealing Act No. 302, H.J.R. 227, 1976, regular session, which petitioned the Congress of the United States to convene a Constitutional Convention for the purpose of proposing an amendment to the Constitution requiring that Federal spending not exceed estimated Federal revenues: Now, be it

"Resolved by the Legislature of Alabama, both Houses thereof concurring, That Act No. 302, H.J.R. 227, 1976, Regular Session, is hereby repealed."

POM-312. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Labor and Human Resources;

"JOINT RESOLUTION

"Whereas alcohol is one of the most abused drugs in the State of Maine, its consumption resulting in widespread damage to the health and well-being of individuals and their immediate families; and

"Whereas all Maine citizens are placed at risk of crimes and other harm by alcohol misuse and abuse; and

"Whereas the citizens of Maine, including young people, share with people across this country constant exposure to advertising, including alcohol advertising; and

"Whereas we believe that the citizens of Maine are directly affected and influenced by the relationship between alcohol advertising and alcohol consumption, as documented by various studies; and

"Whereas the effectiveness of health warning labels has been studied and reported to the United States; and

"Whereas it is not practical or legal for the Maine Legislature to require unilaterally the addition of warning labels on most advertising that is seen in the State of Maine; Now, therefore, be it

"Resolved, That We, your memorialists, respectfully recommend and urge the Congress of the United States to enact federal legislation that would require health and safety disclaimers on all broadcasts and print media alcohol advertising; and be it further

"Resolved, That duly authenticated copies of this Memorial be submitted by the Secretary of State to the Honorable George H.W. Bush, President of the United States, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to each Member of the Maine Congressional Delegation."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GLENN, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

H.R. 1502. A bill to authorize the appropriation of funds to the District of Columbia for additional officers and members of the Metropolitan Police Department of the District of Columbia, and to provide for the implementation in the District of Columbia of a community-oriented policing system (Rept. No. 101-123).

By Mr. ADAMS, from the Committee on Appropriations, with amendments:

H.R. 3026. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenue of said District for the fiscal year ending September 30, 1990, and for other purposes (Rept. No. 101-124).

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with amendments:

S. 1291. A bill to extend and amend the Library Services and Construction Act, and for other purposes (Rept. No. 101-125).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs:

Brian W. Clymer, of Pennsylvania, to be Urban Mass Transportation Administrator;

John C. Weicher, of the District of Columbia, to be an Assistant Secretary of Housing and Urban Development;

Sherrie Sandy Rollins, of Virginia, to be an Assistant Secretary of Housing and Urban Development;

Skirma Anna Kondratas, of Virginia, to be an Assistant Secretary of Housing and Urban Development; and

Quincy Mellon Krosby, of New York, to be an Assistant Secretary of Commerce.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MOYNIHAN:

S. 1591. A bill to amend title XVIII of the Social Security Act to provide coverage of clinical workers, psychiatric nurses, and marriage and family therapists when provided on-site at a community mental health center or off-site as part of a treatment plan; to the Committee on Finance.

By Mr. HEINZ:

S. 1592. A bill to require the Secretary of Labor to establish a demonstration program to improve access to public employment and job training programs; to the Committee on Labor and Human Resources.

By Mr. SYMMS (for himself, Mr. BAUCUS, Mr. WILSON, Mr. MURKOWSKI, Mr. HATCH, Mr. BURNS, and Mr. HELMS):

S. 1593. A bill to establish the National Commission on Natural Resources Disasters, to provide for increased planning and cooperation with local firefighting forces in the event of forest fires, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. SPECTER (for himself and Mr. HEINZ):

S. 1594. A bill to revise the boundary of Gettysburg National Military Park in the Commonwealth of Pennsylvania, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. COATS:

S. 1595. A bill to authorize the Secretary of Agriculture to establish and maintain a central receiving facility at the Department of Agriculture for the storage and retrieval of data relating to Federal rural development programs, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

S. 1596. A bill to minimize the impact of agricultural nitrogen on ground water and surface water quality by establishing a national task force on agricultural best management practices to amend the Clean Water Act, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BRADLEY (for himself and Mr. LAUTENBERG):

S. 1597. A bill to provide temporary duty-free treatment for certain chemicals; to the Committee on Finance.

S. 1598. A bill to temporarily suspend the duty on diphenolic acid; to the Committee on Finance.

S. 1599. A bill to provide temporary duty-free treatment to 2,6-HNA; to the Committee on Finance.

By Mr. FORD:

S. 1600. A bill to enhance the safety of air travel through a more effective Federal Aviation Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BRADLEY (for himself and Mr. LAUTENBERG):

S. 1601. A bill to extend the suspension of duties on certain chemicals; to the Committee on Finance.

S. 1602. A bill to temporarily suspend the duty on ADC-6; to the Committee on Finance.

S. 1603. A bill to temporarily suspend the duty on diflunisal; to the Committee on Finance.

S. 1604. A bill to temporarily suspend the duty on levodopa; to the Committee on Finance.

S. 1605. A bill relating to the tariff treatment of trifluoromethylaniline; to the Committee on Finance.

By Mr. KENNEDY (for himself, Mr. SIMON, Mr. DODD, Mr. MATSUNAGA, Mr. INOUYE, and Mr. SPECTER):

S. 1606. A bill to amend the Public Health Service Act to improve the health of individuals who are members of minority groups and who are from disadvantaged backgrounds, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. SPECTER:

S. 1607. A bill to amend the Public Health Service Act to establish an Office of Minority Health, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. GRASSLEY:

S. 1608. A bill for the relief of William W. Taylor of Williamsburg, Iowa; to the Committee on the Judiciary.

By Mr. EXON (for himself and Mr. KERREY):

S. 1609. A bill to provide for an additional district court judge for the judicial district of Nebraska; to the Committee on the Judiciary.

By Mr. LEAHY (for himself, Mr. LUGAR, Mr. WIRTH, Mr. KASTEN, Mr. DASCHLE, Mr. BOSCHWITZ, Mr. BUMPERS, Mr. GORE, Mr. JEFFORDS, Mr. MATSUNAGA, Mr. CONRAD, Mr. HEINZ, Mr. PELL, Mr. LIEBERMAN, and Mr. HARKIN):

S. 1610. A bill to develop a program to determine potential impacts of climate on agriculture and forestry, to provide for the development of policies designed to address issues of potential climate change, with respect both to developing a capacity for agriculture and forestry to adapt to climate change, and to developing innovative ways to ameliorate climate change, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. LEAHY (for himself, Mr. KASTEN, Mr. LUGAR, Mr. WIRTH, Mr. BOSCHWITZ, Mr. DASCHLE, Mr. BUMPERS, Mr. JEFFORDS, Mr. MATSUNAGA, Mr. CONRAD, Mr. HEINZ, Mr. PELL, Mr. LIEBERMAN, Mr. GORE, and Mr. HARKIN):

S. 1611. A bill to strengthen United States foreign assistance activities in tropical forestry and energy efficiency to assure that these activities are undertaken in a cooperative spirit through sharing of technology and technical expertise, to focus these strengthened activities on those key industrializing, middle-income, and low-income developing countries that could have a substantial impact on reducing greenhouse gas emissions, and for other purposes; to the Committee on Foreign Relations.

By Mr. ROTH:

S. 1612. A bill to establish a Federal Strategic Drug Intelligence Center; to the Committee on Governmental Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. GORE (for himself, Mr. SASSER, Mr. BUMPERS, and Mr. HEFLIN):

S. Res. 175. A resolution to establish the month of October 1989, as "Country Music Month"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MOYNIHAN:

S. 1591. A bill to amend title XVIII of the Social Security Act to provide coverage of clinical social workers, psychiatric nurses, and marriage and family therapists when provided onsite at a community mental health center or offsite as part of a treatment plan; to the Committee on Finance.

COMMUNITY MENTAL HEALTH SERVICES ACT

● Mr. MOYNIHAN. Mr. President, I rise today to introduce the Community Mental Health Center Act of 1989 and am greatly pleased to add Senators DOLE, MATSUNAGA, and INOUYE as original cosponsors of this bill.

It has been just over 25 years now since President Kennedy signed the Mental Retardation Facilities and Community Health Centers Construction Act of 1963. In great part it was an effort to close those massive fortresses which became institutional homes to so many victims of mental disorders. Caring for the mentally ill was, for well over 100 years, a responsibility of the Government. Indeed, patients were the wards of the State. To say that our efforts in the 1950's and early 1960's to change that situation got started in New York, however, is not an overstatement.

There is something of a history here. The story can be told in brief. In 1953, Dr. Nathan S. Kline, working at Rockland State Hospital, set out to isolate the active ingredient in serpent-wood—Rauwolfia serpentina, a root used from antiquity in Vedic medicine to calm people. When Dr. Kline was done, he had the chemical reserpine, one of the first tranquilizers. He published his findings in 1954.

That was the year W. Averell Harriman was elected Governor. It was a time when mental illness was seen as

perhaps the most pressing problem New York State faced—bond issue followed bond issue to build institution after institution. On taking office, with much encouragement from his secretary, Jonathan B. Bingham, and Paul H. Hoch, Commissioner of Mental Hygiene, Harriman began to consider the implications of Dr. Kline's discovery.

As Jonathan Bingham's assistant, I was present at the meeting in the Governor's office in the spring of 1955 when it was decided to provide the tranquilizer when appropriate to all patients systemwide. It was a $1.5 million bet.

Almost immediately the population of State mental institutions began to decline. It peaked in Harriman's first year at 93,314. In 1988, it was done to 18,699.

A few weeks after the meeting in the Governor's office in Albany, a law was enacted in Washington setting up a joint Commission on Mental Illness and Health. The Commissions report was finished in 1960, the year John F. Kennedy was elected President. The Commission proposed that tranquilizers be used nationwide and that new community based mental health care arrangements be made for patients who responded. In time, we had a name for this new institution, the Community Mental Health Center. President Kennedy set up a task force to propose a program to establish community based systems of mental health care delivery. As an Assistant Secretary of Labor, with a New York background, I was a working member of that task force and did much of the drafting of our report to the President, who thereupon proposed legislation.

In the task force report which was sent to the President we outlined a five-point Federal program to facilitate improvement and progress in our treatment of the mentally ill. The object of those proposals was the elimination of the State mental hospital in the course of a generation. We recommended:

First, Federal grants to States to assist them to develop both short- and long-term plans for the establishment and operation of comprehensive community health programs;

Second, increased Federal funds for the construction of community mental health facilities with the goal of building 2,000 by 1980. The legislation which resulted from these proposals provided that we would build one community mental health center for each 100,000 persons. We had figured out, for example, that schizophrenia was basically a genetic affliction—now thought to be a physiological affliction—with a more or less constant incidence in a large population. There was no thought of getting rid of mental illness, only of caring for mental patients in more humane and therapeutic settings. By 1980, we had only built 768 centers. In New York City where the ratio would call for 73, we only have 14;

Third, Federal funding to raise the level of care of patients in State mental hospitals, community mental health centers, and psychiatric units of general hospitals;

Fourth, double Federal funding for research in the field of mental illness and health over 5 years; and,

Fifth, increase Federal support for education in the mental health professions in order to treble the supply of professional manpower by 1980.

These were the goals we set for ourselves—what President Kennedy described as a "wholly new emphasis and approach to care for the mentally ill." These were the goals which were set in a period of early medical and scientific knowledge of mental disorders. We have come a long way despite the fact that we haven't achieved all we set out to do in 1963. The goal, however, of community based services to the mentally ill was the model for appropriately and successfully treating the large incidence of illness in society.

Our report stated then, and I believe it to be the case today that—

[T]he comprehensive community mental health center, as it has evolved out of research and clinical experience both here and abroad, is broader in concept than either the traditional outpatient clinic or intramural services as usually conceived. It combines the best elements of both and serves as the nucleus and base of operations of a comprehensive community mental health program. A comprehensive mental health center is a multiservice community facility designed to provide early diagnosis and treatment of mental illness, both on an inpatient and outpatient basis, and serves as a locus for aftercare of discharged hospital patients.

Our definition has evolved these last 25 years. Biases remain, however. The report of the Joint Commission on Mental Illness and Health observed then that—

[M]ental illness is different from physical in the one fundamental aspect that it tends to disturb and repel others rather than evoke their sympathy and desire to help.

As of 1980, the population of State hospitals and residential care facilities nationwide was 255,000 patients. Many of these individuals will continue to be deinstitutionalized or will be in and out of the hospital. Some will become homeless without followup care. The National Institute of Mental Health [NIMH] states that "In a course of any 6 month time period, 19 percent of adult Americans suffer from at least one disorder classified as psychiatric." Schizophrenia affects at least 1 percent of the population, while major depressive illness affects 5 percent. The costs of these illnesses are staggering. Thirty-six billion dollars are spent annually in direct care costs—excluding alcohol and drug abuse treatment. Schizophrenia alone accounts for 40 percent of all long-term care hospital days, compared to 27 percent for cardiovascular diseases. The elderly suffer from the highest rate of suicide in the population—nearly a quarter, 22 percent, of all suicides occur in elderly Americans 65 years old and older.

We have learned something of these matters but the problems of deinstitutionalization persist and the will to accomplish the goals of the 1963 legislation are far from complete. As an example, I would draw attention to an editorial which recently appeared in the Washington Post entitled ". . . And the Mentally Ill" (June 24, 1989):

In 1974 a group of lawyers filed suit against the District government, arguing that hundreds of mental patients at St. Elizabeths Hospital deserved to be released and treated in the least restrictive setting possible. The lawyers won, but have had to take city officials back to court repeatedly to force them to create a community-based mental health system to replace the central institution. Now the attorneys and the District government have promised to release and find housing for 400 patients in two years. But is there any real reason to believe the District government has the resolve to make good on this plan?

Two years ago, lawyers from the Mental Health Law project sought to have a special master appointed by the courts to take the mental health system out of the hands of the D.C. government. In exchange for the dropping of that suit, the city agreed, among other things, to monitor community residential facilties regularly, end their overcrowding and provide better training for the staffs.

Though the city did not comply with every other aspect of the agreement, it did comply with these. That record, combined with a new pledge from Mayor Marion Barry to take a major role in the effort, has given the advocates hope that the city might meet its latest commitments as well. Part of the new agreement is that the city will hire an outside expert to help put in place a housing plan for released patients. The city has also agreed to hire more staff to do such things as speed up the buying of supplies and serve as outreach workers, locating mentally ill street people and placing them in treatment programs.

It all reads reasonably enough on paper. But whether the issue has been the creation of more group homes for juvenile delinquents or more shelters for the homeless, city officials have failed to fulfill many comparable agreements in the past. Residents must hope that this will be an exception.

The problem persists. Patients ready to be integrated back into the community simply haven't the places to go. We attempt to address the problems of followup care by expanding services and access and by increasing understanding of the nature of the problems associated with mental illness.

Despite the occurrence of mental illness in the population, the origins of which are now thought to be biological as well as psychological, society still hasn't gotten entirely beyond

prejudices and stigmas. Mental illness and its associated disorders are prevalent in the population and their early diagnosis and treatment within a community based center can be effective. In addition, preventive community support programs, such as those which are provided by CMHC's including case-managed psychotherapeutic services, residential care, rehabilitative services, and substance abuse assistance, among others, to the young, to adults and to the elderly, are cost effective alternatives to primary, inpatient hospital based care.

For those individuals who find themselves in life crises in their later years, mental health intervention can be both effective and cost effective. Outpatient care at a community mental health center, at home or in a nursing facility can provide enhanced access to the elderly. In our society where families are now more widely disbursed than at any other time, intervention services can relieve depression and other emotional disorders which may be associated with the aging process including loneliness, frustration, boredom, reactions to medicines and failing health. When preventive mental health care intervention succeeds, individuals may well avoid a hospital stay if they are, indeed, not physically ill and as a result primary health care costs are reduced. Studies of reduced costs of medical utilization following mental health treatment indicate that, in fact, this is the case.

The widespread and persistent evidence of reduced rate of increase of medical expense following mental health treatment argues for the inseparability of mind and body in health care, and it also argues specifically for the likelihood that mental health treatment may improve patients' ability to stay healthy enough to avoid hospitalization admission for physicial illness * * * underutilization of mental health services by the elderly may result in needless suffering among the elderly and needless cost to society.

While there is little doubt of the need among the elderly for supportive community based therapeutic services, indeed, that older patients who utilize mental health treatment reduce medical expenses more than young ones do, studies indicate that older patients underuse these services primarily because of the stigmas attached to mental health treatment and, also, because of insufficient access to appropriate mental health care.

We can correct these problems by public education and outreach, which is already being done by some CMHC's, and by enhancing individuals' access to appropriate mental health treatment.

To achieve these goals, of providing cost-effective mental health care services and increased access, our bill, the Community Mental Health Services Act of 1989, does two things:

First, section 2 extends direct Medicare reimbursement to three of the five core mental health providers—as recognized by the Public Health Service Act—of mental health care services in Community Mental Health Centers: clinical social workers, psychiatric nurses, and marriage and family therapists. Medicare currently provides direct reimbursement to psychiatrists universally, and psychologists in CMHC's specifically. Each of these providers has received graduate training in psychotherapy services for the elderly and disabled.

Recognizing providers of care and increasing access to care is essential if the full range of services are to be provided to the elderly and the disabled who are in need of community based mental health support.

The needs which CMHC's meet are, by and large, the same throughout the country. The availability of care and services to meet these needs—particularly in rural America—is something quite different. Rural community-based clinics are barely making it. A psychiatrist is not always available in a CMHC, particularly in rural parts of the country. Where one does not exist or is not available, these three providers cannot be indirectly reimbursed by Medicare.

To deny direct reimbursement to any of the five core providers of mental health services is to deny that mental health care is a complex association of services and therapies for wellness and well being. It is to deny that research dollars, themselves too often limited for mental illness research, have achieved remarkable successes in our understanding and ability to treat mental illness. Ultimately, it limits access to the elderly and disabled who are often most in need of support.

Second, section 3 extends "partial hospitalization services" provided in CMHC's. These are rehabilitative and therapetuic intensive ambulatory treatment regimens which currently are reimbursed by Medicare when they are provided within a hosptial. CMHC's already provide these services as community support programs. They simply cannot be reimbursed for them by Medicare.

Dr. David Musto of Yale University, who is a source of so much expertise on the subject of mental health wrote of the original legislation:

It [the Community Mental Health Centers Act of 1963] would allow not only more equal access to mental health care but the provision of a broad spectrum of services—in-patient, out-patient, partial hospitalization, emergency, and education-consultation—to fill the enormous gap between the needs of those with only minor emotional tension and those whose illness required full hospitalzation.

Extending direct Medicare reimbusement for these services to the elderly and disabled in rural and underserved areas, provided by these professions in Community Mental Health Centers, is a large step toward the attainment of the goals President Kennedy set for us 25 years ago; namely, the well-being of the individual supported by the family and by the community.

CBO has estimated a cost of $10 million per year for this bill.

I would ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1591

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Community Mental Health Services Act of 1989".

SEC. 2. COVERAGE OF QUALIFIED MENTAL HEALTH PROFESSIONALS SERVICES.

(a) COVERAGE OF SERVICES.—Section 1861(s)(2) of the Social Security Act (42 U.S.C. 1395x(5)(2)) is amended—

(1) by striking out "and" at the end of subparagraph (L),

(2) by adding "and" at the end of subparagraph (M), and

(3) by adding at the end thereof the following new subparagraph:

"(N) qualified mental health professionals services;".

(b) PAYMENT OF BENEFITS.—

(1) Section 1833(a)(1) of such Act (42 U.S.C. 1395(a)(1)) is amended—

(A) by striking out "and" before "(M)" and inserting in lieu thereof a comma; and

(B) by inserting before the semicolon at the end of the paragraph ", and (N) with respect to qualified mental health professionals services under section 1861(s)(2)(N), the amounts paid shall be 80 percent of the lesser of the actual charge for the services or the amount determined by a fee schedule established by the Secretary for the purposes of this subparagraph".

(2) Section 1833(p) of such Act (42 U.S.C. 13951(p)) is amended by striking out the first sentence and inserting in lieu thereof "In the case of certified nurse-midwife services, qualified psychologists services, and qualified mental health professionals services for which payment may be made under this part only pursuant to subparagraphs (L), (M), and (N) of section 1861(s)(2), respectively, payment may only be made under this part for such services on an assignment-related basis.".

(c) DEFINITIONS.—Section 1861 of such Act (42 U.S.C. 1395x) is amended by adding at the end thereof the following new subsection:

"QUALIFIED MENTAL HEALTH PROFESSIONALS SERVICES

"(mm)(1) The term 'qualified mental health professionals services' means such services and such services and supplies furnished as an incident to services furnished by a clinical social worker (as defined in subsection (hh)), a marriage and family therapist (as defined in paragraph (2)), or a psychiatric nurse (as defined in paragraph (3)), on-site at a community mental health center (as such term is used in the Public Health Service Act), and such services that are necessarily furnished off-site (other than at an off-site office of such worker, therapist, or nurse) as part of treatment

plan because of the inability of the individual furnished such services to travel to the center by reason of physical or mental impairment, because of institutionalization, or because of similar circumstances of the individual, which the clinical social worker, marriage and family therapist, or psychiatric nurse is legally authorized to perform under State law (or the State regulatory mechanism provided by State law) as would otherwise be covered if furnished by a physician or as an incident to a physician's service.

"(2) The term 'marriage and family therapist' means an individual who—

"(A) possesses a minimum of a master's degree in a field related to marriage and family therapy;

"(B) after obtaining such degree has performed at least 2 years of supervised clinical experience in the field of marriage and family therapy; and

"(C)(i) is licensed or certified by the State in which such services are performed as a marriage and family therapist, marriage, family and child counselor, or is licensed under a similar professional title that such State specifically licenses or certifies; and

"(ii) in the case of an individual in a State which does not provide for licensing or certification, meets such criteria as the Secretary shall establish.

"(3) The term 'psychiatric nurse' means an individual who—

"(A) is licensed to practice professional nursing by the State in which such individual practices nursing,

"(B) performs such psychiatric nursing services as are authorized under the law of the State in which such individual practices psychiatric nursing; and

"(C)(i) possesses a minimum of a master's degree in nursing with a specialization in psychiatric and mental health nursing or a related field, or

"(ii) possesses a minimum of a master's degree in a related field from an accredited educational institution and is certified as a psychiatric nurse by a duly recognized national professional nurse organization, as determined by the Secretary, or is eligible to receive such certification.".

SEC. 3. EXTENSION OF PARTIAL HOSPITALIZATION SERVICES TO COMMUNITY MENTAL HEALTH CENTERS.

Section 1861(ff) of the Social Security Act (42 U.S.C. 1395x(ff)) is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following new paragraph:

"(1) The term 'partial hospitalization services' means—

"(A) the items and services described in paragraph (2) (other than in subparagraph (I)) prescribed by a physician and provided in a program described in paragraph (3), and

"(B) the items and services described in paragraph (2) prescribed by a physician and provided in a program described in paragraph (4),

under the supervision of a physician pursuant to an individualized, written plan of treatment established and periodically reviewed by a physician (in consultation with appropriate staff participating in such program), which plan sets forth the physician's diagnosis, the type, amount, frequency, and duration of the items and services provided under this plan, and the goals for treatment under the plan."; and

(2) in paragraph (2)—

(A) by striking out "and" at the end of subparagraph (H);

(B) by redesignating subparagraph (I) as subparagraph (J);

(C) by inserting after subparagraph (H) the following new subparagraph:

"(I) qualified psychologist services, and qualified mental health professionals services,"; and

(D) by adding at the end thereof the following new paragraph:

"(4) A program described in this paragraph is a program which is furnished by a community mental health center to its outpatients and which is a distinct and organized intensive ambulatory treatment service offering less than 24-hour daily care.".

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall apply to services performed on or after January 1, 1990. ●

By Mr. HEINZ:

S. 1592. A bill to require the Secretary of Labor to establish a demonstration program to improve access to public employment and job training programs; to the Committee on Labor and Human Resources.

JOB CENTER NETWORK ACT

● Mr. HEINZ. Mr. President, recently the U.S. Department of Labor [DOL] released our Nation's employment situation for last month. Our civilian unemployment rate for August of this year was 5.2 percent. A sharp contrast from 1982 with a high of 9.8 percent, to be sure, but there remain millions of unemployed Americans who are able and anxious to work, and need and deserve our support with training and employment assistance.

The legislation I am introducing today, the Job Center Network Act of 1989, contains two components intended to provide these unemployed Americans with better coordinated access to employment opportunities and Federal employment services.

The first component establishes a demonstration program to assist States in creating job centers. These job centers would provide one-stop access to available and important support services for the unemployed during their job search. Such services include job training, child care, housing, welfare, rehabilitation, counseling, and a variety of other community assistive and support services.

Currently, in many States, our unemployed face a seemingly endless maze of Federal and State paperwork in their pursuit of an honest day's work. A discouraging situation under the best of circumstances. The Job Center Network Act would mark a path through this maze by providing a centralized reference point for all Federal, State, and community employment services available to the unemployed.

Job centers are a proven success in my home State of Pennsylvania. Two years ago, the Commonwealth experimented with this concept, and it has spread to more than 65 job centers.

These local job centers are comprehensive, one-stop employment and training resources to employers and individuals who are unemployed, underemployed, or who face barriers to employment.

Job centers, by coordinating a variety of services for the unemployed are cost effective, serving to streamline and simplify the programs and services available to the unemployed on their way to a new occupation and self-sufficiency.

Converting existing Pennsylvania Employment Services Offices to job centers is not expensive, consisting primarily of one-time costs for training staff and producing materials.

To cover costs associated with this demonstration program, this legislation authorizes the DOL Secretary to provide States with grants from the Employment Security Administration [ESA] account. Since 97 percent of ESA funds are derived from the Federal unemployment tax, funding the demonstration projects through ESA will be budget neutral.

The second component of this legislation would require any State or local entities receiving Federal dollars for Economic Development Programs to list with the State Employment Service Office any employment opportunities created in conjunction with activities undertaken with those funds. This simple requirement, with little if any cost, benefits those looking for skilled employees and again streamlines employment opportunities available to those seeking work.

Annually, the Federal Government spends more than $4 billion on Economic Development Programs to create jobs in distressed areas with high levels of unemployment. I think it is a natural that our Federal Economic Development Programs should work with and complement the ongoing efforts of State Employment Service Offices.

Our national unemployment rate is low. We must be mindful, however, of pockets of high unemployment scattered throughout America. My legislation will allow States to zero in on communities with high unemployment that merit extra assistance through job centers.

I urge my colleagues to join me in assisting unemployed Americans in finding the training and job opportunities they need to become self-sufficient. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1592

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Job Center Network Act of 1989".

SEC. 2. ESTABLISHMENT OF DEMONSTRATION PROGRAM.

(a) IN GENERAL.—The Secretary of Labor (hereafter in this Act referred to as the "Secretary") shall establish and operate a demonstration program under which the Secretary shall make a grant to each of 5 eligible States selected by the Secretary for the establishment of a centralized job center network program.

(b) CRITERIA FOR ELIGIBILITY.—A State shall be eligible to participate in the program established under subsection (a) if it submits, at such time and in such form as the Secretary may require by rule, an application containing such information as the Secretary may require by rule.

(c) CRITERIA FOR SELECTION.—In selecting States for participation in the program established under subsection (a), the Secretary shall consider—

(1) the availability and quality of assistance currently provided by the State to the unemployed, dislocated workers, and economically disadvantaged individuals, including the extent to which the State has planned and implemented programs to centralize assistance to such individuals;

(2) the existing labor market and business climate of the State;

(3) the range of specialized services the State intends to supply to individuals participating in such program and to entities offering employment opportunities;

(4) the design of the evaluation required under section 3(a)(3); and

(5) the steps the State intends to take to ensure that individuals participating in such program will have sufficient training to successfully obtain employment.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated, from amounts transferred to the employment security administration account pursuant to section 902(b) of the Social Security Act (42 U.S.C. 1102(b)), such sums as may be necessary for grants under subsection (a).

SEC. 3. AGREEMENTS BETWEEN SECRETARY AND PARTICIPATING STATES.

(a) REQUIREMENTS.—The Secretary shall enter into an agreement with each of the 3 States selected to participate in the program established under section 2(a) under which each State—

(1) shall establish a job center network program to coordinate the activities and resources of the State's public employment service office with employment and training resources available under other programs, including the dislocated worker's assistance program created under the Omnibus Trade Act of 1988, programs sponsored by the Office of Vocational Rehabilitation, and programs under the Job Training Partnership Act and the Family Support Act of 1988;

(2) shall establish a system of community-based job centers to administer the job center network program established under paragraph (1) at the local level, incorporating a network of Federal, State, and local government agencies and community-based organizations to provide support services to individuals seeking employment and to entities offering employment opportunities; and

(3) shall prepare and submit annual reports to the Secretary meeting the requirements of subsection (b).

(b) CONTENTS OF REPORTS SUBMITTED BY STATES.—The annual report submitted by a State under subsection (a)(3)—

(1) shall describe and evaluate the activities of the job center network program established under subsection (a)(1) and the job centers established under subsection (a)(2);

(2) shall provide the total number of individuals registered with the State's public employment service office and participating in the job center network program established under subsection (a)(1), the number of such individuals placed in employment positions by such office and such program, and the listed and actual wage for such employment positions;

(3) shall compare the information described in paragraphs (1) and (2) with the information provided by the State under such paragraphs for the previous year;

(4) shall contain a description of job counseling, training, and referral activities conducted by the programs established under subsection (a), including a report on the number of individuals applying for and receiving such services;

(5) shall include a report on the amount of all money received and expended by the State's public employment service office in the establishment and operation of the job center network program established under subsection (a)(1) during the year; and

(6) may include an accounting of all services, supplies, and other assistance provided to the job center network program established under subsection (a)(1) by entities other than the State's public employment service office.

SEC. 4. REPORTS BY SECRETARY.

(a) 2-YEAR INTERIM REPORT.—Not later than 2 years after the establishment of the demonstration program under section 2(a), the Secretary, using information submitted by participating States in reports under section 3(a)(3), shall prepare and submit to the appropriate Committees of Congress an interim report describing the effectiveness of the demonstration program.

(b) FINAL REPORT.—Not later than 4 years after the establishment of the demonstration program under section 2(a), the Secretary shall prepare and submit to the appropriate Committees of Congress a final report evaluating the program.

(c) CONTENTS.—The reports prepared and submitted under subsections (a) and (b) shall include—

(1) an analysis of the extent to which the program established under section 2(a) improved the access of the unemployed, dislocated workers, and economically disadvantaged individuals to Federal assistance programs;

(2) recommendations regarding the feasibility of extending the program to all States; and

(3) any other recommendations regarding the program the Secretary considers appropriate.

SEC. 5. LISTING OF JOB VACANCIES AS CONDITION OF ELIGIBILITY FOR ASSISTANCE.

(a) IN GENERAL.—Each entity receiving Federal financial assistance for economic development, as a condition of eligibility for receiving such assistance, shall provide the State public employment service office of each State in which such entity has job vacancies which are related to activities financed with such assistance with a list of such vacancies, and shall regularly update such list to provide such offices with the most current job vacancy information available.

(b) DESCRIPTION OF ASSISTANCE REQUIRING COMPLIANCE.—The Federal financial assistance referred to in subsection (a) includes, but is not limited to, assistance in the form of grants, loans, or favorable tax treatments designed to develop new commercial enterprises, to improve a region's economic infrastructure, to expand job opportunities, and to improve a region's ability to compete in the marketplace.

SEC. 6. DEFINITIONS.

As used in this Act:

(1) STATE.—The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, and the Virgin Islands.

(2) STATE PUBLIC EMPLOYMENT SERVICE OFFICE.—The term "State public employment service office" means the agency in a State vested with all powers necessary to cooperate with the United States Employment Service under the Wagner-Peyser Act.●

By Mr. SYMS (for himself, Mr. BAUCUS, Mr. WILSON, Mr. MURKOWSKI, Mr. HATCH, Mr. BURNS, and Mr. HELMS):

S. 1593. A bill to establish the National Commission on Natural Resources Disasters, to provide for increased planning and cooperation with local firefighting forces in the event of forest fires, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

NATIONAL COMMISSION ON NATURAL RESOURCES DISASTERS

● Mr. SYMMS. Mr. President, today, I am introducing, for myself, Mr. BAUCUS, Mr. WILSON, Mr. MURKOWSKI, Mr. HATCH, Mr. BURNS, and Mr. HELMS, a bill establishing a National Commission on Natural Resources Disasters.

The purpose of this bill is to provide for increased planning and cooperation with local officials in addressing the devastating fire disasters that arise on the Government-owned lands.

The need for such coordination became painfully evident during the 1988 fire season. In Idaho, a State where two out of three acres is owned by the Federal Government, fires on Federal lands can be devastating and life threatening to those who live in the neighboring communities. That fact gives these local populations a vested interest in developing a sound and responsive fire control policy and in implementing that policy expediently and efficiently.

The bill we are introducing today would allow the Secretary of Agriculture to establish an advisory committee made up of these local interests to examine the impacts of forest and range fires on their communities and to report to the Secretary their recommendations on how to minimize those impacts that are undesirable.

The net result of this Commission would be to promote a better fire suppression policy all around: One that allows the local community to better assist in Federal fire control activities, while also helping the Federal fire policy become more responsive to the needs of the people who live in and around Government lands.●

By Mr. SPECTER (for himself and Mr. HEINZ):

S. 1594. A bill to revise the boundary of Gettysburg National Military Park in the Commonwealth of Pennsylvania, and for other purposes; to the Committee on Energy and Natural Resources.

REVISION OF BOUNDARY OF GETTYSBURG NATIONAL MILITARY PARK

Mr. SPECTER. Mr. President, today I join my colleague from Pennsylvania, Senator HEINZ, in introducing a bill to authorize the implementation of the Gettysburg National Military Park Boundary Study which the Interior Department transmitted to Congress on August 21, 1989. Our colleagues in the House of Representatives, Congressmen GOODLING and KOSTMAYER, also have introduced companion legislation in this matter. Pursuant to Public Law 100-132, the National Park Service [NPS] submits recommendations in this study regarding the final development of the Gettysburg National Military Park. As part of a cooperative effort, the National Park Service worked with interested parties, including: Federal and State representatives, the Adams County Commissioners, the Gettysburg Borough Manager, the Adams County-Gettysburg Chamber of Commerce, the Adams County Historical Society, the Civil War Institute, Civil War Roundtable Institute Associates, Gettysburg College, and the National Trust for Historic Preservation. As a result, this document represents a near consensus on the part of local residents, park officials, and historians throughout the Nation regarding the next phase of development of the Gettysburg National Military Park.

According to the Park Service, the 1895 legislation establishing the Gettysburg National Military Park contained language and broad references to a map drawn by Maj. Gen. Daniel Sickles that have been the subject of uncertainty and various interpretations for many years. As a result, the Gettysburg National Military Park, although one of the most frequently visited military parks in the country, has no formally recognized boundaries.

The boundary study identifies the need for Congress to establish a permanent boundary through legislation and to support cooperative efforts for protection of the historic setting. The study identifies key battlefield areas that are currently not part of the park, monuments and important elements of the historic setting that require protection, and some areas that are no longer needed for park purposes.

Specifically, the National Park Service through the boundary study proposes to add approximately 1,900 acres that include key sites and features of the battle not now adequately protected or interpreted; delete approximately 25 acres which are no longer necessary to the Park Service's mission; and protect outlying monuments and markers primarily through cooperative agreements with landowners.

Widely recognized as a turning point in the Civil War, the Battle of Gettysburg is perhaps one of the most significant historical events in this Nation's history. Much has been written about both military and personal dramas which were played out during the course of the 3-day battle. As one of the few Civil War conflicts fought on Northern soil, Gettysburg offered a rare opportunity for the Confederacy and presented the Union with new and unanticipated challenges. After 3 days of fierce fighting, however, the Confederates were forced to retreat, and Gen. Robert E. Lee's Army of Northern Virginia was never again strong enough to launch a major invasion into the North.

Gettysburg is significant also as the site at which President Abraham Lincoln delivered a short but eloquent address to dedicate a national cemetery in honor of Union dead. The brief remarks, which he ironically believed the world would "little note, nor long remember" later became known as the Gettsyburg Address. President Lincoln foresaw that the actions of those who had died at that battlefield could never be forgotton. The establishment of accurate boundaries for the Gettysburg National Military Park represents a continuing effort to ensure that the deeds of those who fought at Gettysburg are carefully recorded and preserved for future generations.

Mr. President, it is essential that resources necessary to maintain and interpret the significance of the Battle of Gettysburg be made available to the Park Service. Accordingly, I urge my colleagues to join us in supporting this legislation.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1594

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. GETTYSBURG NATIONAL MILITARY PARK BOUNDARY REVISION.

(a) LANDS INCLUDED IN THE PARK.—In furtherance of the purposes of the Act entitled "An Act to establish a national military park at Gettysburg, Pennsylvania", approved February 11, 1895 (16 U.S.C. 430g et seq.), the Gettysburg National Military Park (hereafter in this Act referred to as the "park") shall hereafter comprise the lands and interests in lands within the boundary generally depicted as "Proposed Park Boundary" on the map entitled "Proposed Boundary Concept", numbered NPS 305/80034, and dated , 198 , which shall be on file and available for public inspection in the Office of the Director of the National Park Service, Department of the Interior.

(b) LANDS EXCLUDED FROM THE PARK.—Lands and interests in lands outside of the boundary so depicted as "Proposed Park Boundary" on the map referred to in subsection (a) are hereby excluded from the park and shall be disposed of under section 2(o).

SEC. 2. ACQUISTION AND DISPOSAL OF LANDS.

(a) GENERAL AUTHORITY.—The Secretary is authorized to acquire lands and interests in lands within the park by donation, purchased with donated or appropriated funds, exchange, or otherwise.

(b) AUTHORITY TO CONVEY FREEHOLD AND LEASEHOLD INTERESTS WITHIN PARK.—The Secretary may convey lands and interests in lands within the park authorized in accordance with section 5(a) of the Act approved July 15, 1968 (16 U.S.C. 4601-22), except that, notwithstanding subsection (d) of that section, the net proceeds from any such conveyance may be retained and used to acquire lands and interests within the park.

(c) CONVEYANCE OF LANDS EXCLUDED FROM PARK.—In acquiring lands and interests in lands within the park. the Secretary may convey by exchange those Federal lands and interests excluded from the park by section 1. If any such Federal lands and interests are not so conveyed after 5 years after the date of enactment of this Act, the Secretary may sell any or all of such lands and interests to the highest bidder and, notwithstanding any other provision of law, retain and use the net proceeds to acquire lands and interests within the park.

(d) RELINQUISHMENT OF LEGISLATIVE JURISDICTION TO PENNSYLVANIA.—With respect to any lands over which the United States exercises exclusive or concurrent legislative jurisdiction and which are excluded from the park by seciton 1, the Secretary may relinquish to the Commonwealth of Pennsylvania such exclusive or concurrent legislative jurisdiction by filing with the Governor a notice of relinquishment to take effect upon acceptance thereof, unless otherwise provided by the laws of the Commonwealth.

SEC. 3. AGREEMENTS WITH RESPECT TO MONUMENTS AND TABLETS LOCATED OUTSIDE PARK BOUNDARY.

The Secretary is authorized to enter into agreements with the owners of property outside the boundary of the park on which have been erected historic monument and tablets commemorating the Battle of Gettysburg. The Secretary may make funds available for the maintenance, protection, and interpretation of such monuments and tablets pursuant to such agreements. In addition, the Secretary may acquire, by donation, purchase, or exchange, lands and interests comprising such monuments and tablets together with lands and interests necessary to provide adequate public access thereto.

SEC. 4. CONSERVATION OF HISTORIC SETTING.

The Secretary shall take appropriate action to encourage conservation of the battlefield setting at Gettysburg by landowners, local governments, organizations, and businesses. The Secretary shall give priority in making grants under section 101(d), and in providing technical assistance, information, and advice under section 101(h), of the National Historic Preservation Act (16 U.S.C. 470a(d), (h)) to programs and activities that will assure development and use of natural and cultural resources in a manner that is consistent with the conservation and maintenance of the historic character of the

battlefield setting. The Secretary shall also provide, on a request basis, technical assistance to assist local governments in cooperative efforts which complement the values of the park and battlefield and to help landowners prepare individual property plans and which meet landowner and conservaiton objectives in the area known as the "Battlefield Setting" as depicted on the map referred to in section 1(a).

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Mr. HEINZ. Mr. President, I am pleased to join with Senator SPECTER and Congressman GOODLING as we introduce legislation to approve the recently completed boundary study at Gettysburg National Military Park.

As many of my colleagues know, Gettysburg remains this Nation's most devastating single battle. Fifty-three thousand Americans were casualties of that remarkable struggle. The significance of the battle cannot be overstated. Many historians regard the battle of Gettysburg as the turning point of the American Civil War—the battle that made it possible for the Union to endure and to enjoy, as President Lincoln put it, "a new birth of freedom."

The boundary study found approximately 1,800 acres of land now outside of Federal ownership which are a part of the actual battlefield. By approving that study, we are not buying that land, nor authorizing any specific land acquisition. We are simply acknowledging that those lands fall within the area where the battle took place.

In addition, by including the additional 1,800 acres within the boundary, Gettysburg National Military Park would be able to negotiate covenants with the land owners to ensure the protection of historic places. The Park Service could also accept donations of land within the new boundary, and thus acquire significant properties. For example, just below the Park Service's property line on Big Roundup lies an area known as "south cavalry field." On this field Union General Farnsworth and his cavalry brigade met disaster on July 2, 1863. General Longstreet's Confederate infantry met the Union's ill-timed charge and all but destroyed the brigade. Farnsworth died on the site. Significantly, there are those who might like to buy this land and give it to the park, but Gettysburg cannot now accept it since the land is beyond its present boundary.

Other lands contiguous to the park, and containing great historic significance, might be developed in the coming years and the Park Service will be powerless to do anything about it if we cannot approve the new boundary.

Again, this legislation does not grant approval to any particular land acquisition. It simply ratifies the Interior Department's own findings that these 1,800 acres belong within the battlefield boundary. These findings have been reviewed and approved by the administration, through the Office of Management and Budget.

In closing, Mr. President, I believe this legislation to be extremely timely and quite needed. I urge my colleagues to work with us to approve the legislation as soon as possible.

By Mr. COATS:

S. 1595. A bill to authorize the Secretary of Agriculture to establish and maintain a central receiving facility at the Department of Agriculture for the storage and retrieval of data relating to Federal rural development programs, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

RURAL DEVELOPMENT DATA BASE ACT

● Mr. COATS. Mr. President, today I rise to introduce a bill to establish within the Department of Agriculture, a national database for the collection and dissemination of rural development information. This would do much more than serve as a clearinghouse for information. The recent Senate legislation (S. 1036) on rural development has already established a clearinghouse. Rather, a national database would serve as a single collection point for tracking and evaluation of rural development efforts.

This is needed primarily because of the myriad of programs that exist in the rural development area. A recent GAO report pointed out that 88 programs can be classified as rural development-type programs. We need some means of determining what programs are working, what programs are not, and why. Only if we compile information on the costs and benefits of rural development programming will we be able to add efficiency to the virtues of our national rural policy.

Next year, the 1990 farm bill will be considered. How will we be able to evaluate our rural development programs for the 1990 farm bill if there is so little information available about what works? This initiative, although it follows the recent rural development legislation, recognizes that we have to prepare for the serious evaluation of programs to help our rural communities. We want the rural counties of America to share in this Nation's unprecedented economic growth. But, in order for that to happen, we need a database to provide a solid foundation for policy decisions.●

By Mr. COATS:

S. 1596. A bill to minimize the impact of agricultural nitrogen on ground water and surface water quality by establishing a national task force on agricultural best management practices, to amend the Clean Water Act, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

AGRICULTURAL NITROGEN MANAGEMENT ACT

● Mr. COATS. Mr. President, today I rise to introduce legislation to evaluate the impact of environmental and agricultural nitrogen on groundwater quality. In my travels around my own State of Indiana, it is clear that there is an increasing concern for quality drinking water. The intent of this legislation is to minimize the impact of nitrogen on our Nation's water supply.

Nitrogen in groundwater comes from a number of sources, including animal manures, decaying leaves and plants, sewage and industrial chemicals, and agricultural fertilizers. The legislation will establish a task force to develop recommendations for the management of nitrogen fertilizers for farming. The point of the task force's recommendations will be to mitigate any negative effects of agricultural nitrogen and environmental nitrogen on water quality. The task force will establish guidelines and "best management practices" for the use of agricultural fertilizers.

Many farmers depend on nitrogen fertilizers. Yet, if they are not applied properly, these chemicals can poison the water supply. The agriculture community and specifically, the USDA, can address the problems of ground water quality without endangering the farms and businesses that depend upon nitrogen fertilizers.●

By Mr. FORD:

S. 1600. A bill to enhance the safety of air travel through a more effective Federal Aviation Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

FEDERAL AVIATION ADMINISTRATION INDEPENDENT ESTABLISHMENT ACT

Mr. FORD. Mr. President, I am sure all Senators would agree, particularly after the August recess, on the importance of a safe, efficient and modern air transportation system. The Federal Aviation Administration [FAA], the agency charged with operating and maintaining the national air space, has a challenging job. The FAA must not only manage the operational side—such as controllers, inspectors, security personnel—but also must push to modernize and improve the technical side of aviation through development and replacement of equipment, improved systems and processes and new airports and runways.

Since 1966, the FAA has been housed in the Department of Transportation. This was done with the hope that a single cabinet voice would develop and implement transportation policy for all modes. While this may have been a good idea, I believe it is an idea that has failed—at least as far as the FAA is concerned.

During the time I have been chairman of the Aviation Subcommittee, I have developed a tremendous respect

for the FAA, for the job it does, for the challenges it meets and for the people who work there. Yet I have seen the FAA politicized by the Department of Transportation; the FAA's budget and priorities have been submerged in the welter of other needs at the Department; the FAA's people have been second-guessed, and demoralized by the Department staff: a staff, I might add, not usually trained in technical matters nor equipped to override the experts as the FAA. The FAA has had in recent years a high turnover rate among administrators which only increase the difficulties the agency faces in fulfilling its mission.

The Commerce Committee and our counterparts in the House of Representatives, the Public Works Committee, reauthorized the FAA in 1982, and established funding levels which we believed would be sufficient to build new airports and runways, to implement the national airspace modernization plan, to conduct research, and to assure adequate numbers of controllers, inspectors and operational personnel. Too often, the authorized levels have not been met. While there are a variety of reasons for this, the fact remains that people are being taxed every time they fly and the funds are sitting in the Treasury while the FAA has unmet needs.

In 1981 the FAA embarked on the National Airspace System Modernization Plan—a large capital program designed to prepare the U.S. aviation world for the demands of the 1990s and on into the next century. The program is progressing, but has been delayed by the unwieldy, cumbersome Federal procurement process, as well as by funding uncertainties.

The FAA has trouble getting and keeping trained staff in some of the complex facilities. Sometimes the normal Government pay scale and benefits are not sufficient to encourage controllers and technicians to move to urban environments, or to take high-stress jobs.

Mr. President, today I am introducing legislation which I hope will go far toward curing the problems I have described. My bill creates an independent executive agency, separate from the Department of Transportation with a 7-year fixed-term administrator selected by the President and confirmed by the Senate. The Administrator will select his deputy from the ranks of the career service. This will assure not only some continuity among administrators, but also some institutional knowledge of the FAA and the Washington environment.

I propose a budget treatment which would use the revenues for the authorized capital, research, airport grants and operational programs. A portation of the operating costs for the FAA will still have to be approriated from general revenues, but I hope that my proposal will result in more trust fund revenues going to operations than have in the past. The existing trust fund balance will remain in reserve until 1993, when it will be applied to airport capacity projects, and other critical needs of the FAA. Authorizations and appropriations after fiscal year 1990 would extend for periods of 2 fiscal years.

The legislation authorizes the Administrator, through rulemaking, to limit competition for procurement of items critical to the modernization and operation of the national airspace. The Administrator would also be permitted to exceed the basic pay rate by up to 20 percent in order to staff critical facilities. The FAA would be encouraged to explore other incentives to motivate the work force, and would report to Congress within 6 months on any remedies.

To ease the transition in the first year, my bill provides for an advisory team of five aviation experts, headed by the Secretary of Transportation plus two chosen by the Senate Commerce Committee, and two by the House Committee on Public Works.

Mr. President, I expect to continue to work closely with my friends in the aviation community who have helped me so much with the development of this legislation. I look forward to the advice and support of my colleagues in the Senate and hope for early passage of the independent FAA bill.

Mr. President, I ask unanimous consent that the text of the bill and the summary be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1600

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Aviation Administration Independent Establishment Act of 1989".

FINDINGS

SEC. 2. The Congress finds that—

(1) the civil aviation industry in the United States has experienced an unprecedented period of rapid development and expansion over the past decade;

(2) the Federal Aviation Administration, an administration within the Department of Transportation, has been charged by the Congress with the responsibility for overseeing the safe operation of this essential segment of the national economy;

(3) the Federal Aviation Administration has managed to fulfill its responsibilities within an organizational structure which substantially predates the period of rapid growth and development in the aviation industry;

(4) the relationship between the Federal Aviation Administration and the Department of Transportation is not the relationship that was envisioned when the Department was created with the idea of providing one voice for transportation policy;

(5) the Federal Aviation Administration could respond more readily to the demands of the rapidly expanding aviation sector if it were unencumbered by duplicative layers of departmental staff, if it had a streamlined organizational structure, and if it were given essential management tools necessary to fulfill its mission of ensuring improved and enhanced safety of civil air operations;

(6) the importance of the airport and airway system to our national defense and the need for a working relationship between civil and military aviation necessitates the continued highly successful relationship and cooperative efforts between the Federal Aviation Administration and the Department of Defense;

(7) to assure air safety through the continued modernization and expansion of the Nation's system of airports and airways, the Federal Aviation Administration must continue to emphasize research and development projects; and

(8) if the Federal Aviation Administration is provided with greater autonomy and consistent leadership, it can be expected to exercise vigorously its prerogatives with the direction and guidance of the President and under the ongoing oversight of the Congress.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) the term "Administration" means the Federal Aviation Administration established under section 4; and

(2) the term "Administrator" means the Administrator of the Federal Aviation Administration appointed under section 5(a).

ESTABLISHMENT

SEC. 4. There is established as an independent establishment of the Government the Federal Aviation Administration. The Administration shall succeed the Federal Aviation Administration of the Department of Transportation in existence on the day before the effective date set forth in section 28(a).

OFFICERS

SEC. 5. (a) The Administration shall be administered by an Administrator, who shall be appointed by the President to a 7-year term of office, by and with the advice and consent of the Senate. Under the supervision and direction of the President, the Administrator shall carry out all functions transferred to the Administrator by this Act and shall have authority and control over all personnel, programs, and activities of the Administration. The Administrator may be removed by the President for neglect of duty or malfeasance in office. The Administrator shall be compensated at the rate prescribed for level I of the Executive Schedule pay rates.

(b) There shall be in the Administration a Deputy Administrator, who shall be appointed by the Administrator and shall be drawn from the career service. The Deputy Administrator shall perform such functions, duties, and powers as the Administrator shall prescribe. The Deputy Administrator shall act for and perform the functions of the Administrator when the Administrator is absent or unable to serve, or when the office of the Administrator is vacant. The Deputy Administrator shall be compensated at the rate prescribed for level II of the Executive Schedule pay rates.

(c) There shall be in the Administration a maximum of 8 Associate Administrators, who shall be appointed by the Administrator. The Associate Administrators shall perform such functions as the Administrator shall prescribe. The Administrator shall des-

ignate the order in which the Associate Administrators shall act for and perform the functions of the Administrator when the Administrator, or in the Administrator's place the Deputy Administrator, is absent or unable to serve, or when the offices of the Administrator and the Deputy Administrator are vacant. An Associate Administrator shall be compensated at the rate prescribed for level IV in the Executive Schedule pay rates.

(d) There shall be in the Administration a Chief Counsel, who shall be appointed by the Administrator. The Chief Counsel shall be the chief legal officer for all legal matters arising from the conduct of the functions of the Administration. The Chief Counsel shall be compensated at the rate prescribed for level IV of the Executive Schedule pay rates.

(e) There shall be in the Administration an Inspector General appointed in accordance with the Inspector General Act of 1978, approved October 12, 1978 (5 App. U.S.C.). The Inspector General shall be compensated at the rate prescribed for level IV of the Executive Schedule pay rates.

(f)(1) Each of the officers referred to in this section must be a citizen of the United States. The Administrator must be a civilian.

(2) Such officers may not have a pecuniary interest in, or own stock in or bonds of, an aeronautical enterprise, or engage in another business, vocation, or employment.

POWERS

SEC. 6. (a) The Administrator shall be responsible for the exercise of all powers and the discharge of all duties of the Administration.

(b) In carrying out the functions of the Administration under this Act, the Administrator shall be governed by all applicable statutes, including the policy standards set forth in the Federal Aviation Act of 1958 (49 App. U.S.C. 1301 et seq.).

(c) Nothing in this Act shall be construed to limit in any manner the authority of the Administrator to promote safety by establishing and administering accident prevention programs, encouraging airport development, educating the public on the importance of aeronautics, and encouraging the adoption of worldwide safety standards.

(d) Decisions of the Administrator made pursuant to the exercise of the functions enumerated in the Federal Aviation Act of 1958 (49 App. U.S.C. 1301 et seq.) shall be administratively final, and appeals as currently authorized by law shall be taken directly to the National Transportation Safety Board or to any court of competent jurisdiction, as appropriate.

TRANSFERS AND INCIDENTAL PROVISIONS

SEC. 7. (a) The following are transferred to the Administration:

(1) All functions vested by law in the Federal Aviation Administration of the Department of Transportation or its Administrator, and all functions vested by law in the Secretary of Transportation or the Department of Transportation which are administered through the Federal Aviation Administration, including those exercised under the following laws and provisions of law:

(A) the Federal Aviation Act of 1958 (49 App. U.S.C. 1301 et seq.), except for those functions exercised under section 305 of that Act relative to fostering the development of civil aeronautics and air commerce, exercised by the Secretary of Transportation under title IV of that Act as successor to the Civil Aeronautics Board, and exercised by the Secretary under title XI of that Act relative to international air commerce;

(B) section 6(c) of the Department of Transportation Act (49 App. U.S.C. 1655(c));

(C) the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2201 et seq.);

(D) the Independent Safety Board Act of 1974 (49 App. 1901 et seq.) insofar as it relates to transportation by air;

(E) the Aviation Safety and Noise Abatement Act of 1979 (49 App. U.S.C. 2101 et seq.); and

(F) the Airport and Airway Safety and Capacity Expansion Act of 1987 (Public Law 100-223; 101 Stat. 1486).

(2) The functions of the Department of Transportation or the Federal Aviation Administration of the Department of Transportation necessary and appropriate for the performance of the functions transferred by paragraph (1) of this subsection.

(3) So much of the personnel, property, records, funds, accounts, and unexpended balances of appropriations, allocations, and other moneys of the Department of Transportation as are employed, used, held, available, or to be made available in connection with the functions transferred by paragraphs (1) and (2) of this subsection.

(b) The personnel transferred under this section shall be so transferred without reduction in classification or compensation, except that after such transfer, such personnel shall be subject to changes in classification or compensation in the same manner, to the same extent, and according to the same procedure, as provided by law.

(c) The Administrator shall exercise all functions transferred by subsection (a) of this section and any other function vested in the Federal Aviation Administration or the Administrator of the Federal Aviation Administration by any law enacted on or after the date of enactment of this Act. The Administrator may from time to time make such provisions as the Administrator shall deem appropriate authorizing the performance by any other officer, employee, or office of the Administration of such functions.

DEVELOPMENT PLAN

SEC. 8. The administrator shall prepare a 3-year development plan outlining goals and objectives for personnel, technology, and regulation in such areas as air traffic control, aviation standards, airport security, airport and airway development, and research and development. The plan shall, not later than January 1, 1991, be submitted to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Public Works and Transportation in the House of Representatives, and updated plans shall be so submitted every 3 years thereafter.

RULES; REGULATIONS

SEC. 9. (a) In the performance of the functions of the Administrator and the Administration, the Administrator is authorized to make, promulgate, issue, rescind, and amend rules and regulations. The promulgation of such rules and regulations shall be governed by the provisions of chapter 5 of title, 5 United States Code.

(b) The Administrator shall consider comments and recommendations submitted by the Secretary of Transportation in response to any notice of proposed rulemaking by the Administrator, and shall address the comments raised by the Secretary during the course of the rulemaking, providing an explanation of any decision not to adopt a recommendation by the Secretary.

DELEGATION

SEC. 10. Except as otherwise provided in this Act, the Administrator may delegate any function to such officers and employees of the Administration as the Administrator may designate, and may authorize such successive redelegations of such functions in the Administration as may be necessary or appropriate. No delegation of functions by the Administrator under this section or under any other provision of this Act shall relieve the Administrator of responsibility for the administration of such functions.

PERSONNEL AND SERVICES

SEC. 11. (a) In the performance of the functions of the Administrator and in addition to the officers provided for by section 5, the Administrator is authorized to appoint, transfer, and fix the compensation of such officers and employees, including attorneys, as may be necessary to carry out the functions of the Administrator and the Administration. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and compensated in accordance with title 5, United States Code.

(b) The Administrator is authorized to obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

(c) The Administrator is authorized to pay transportation expenses, and per diem in lieu of subsistence expenses, in accordance with chapter 57 of title 5, United States Code.

(d) The Administrator is authorized to utilize, on a reimbursable basis, the services of personnel of any Federal agency.

(e)(1)(A) The Administrator is authorized to accept voluntary and uncompensated services without regard to the provisions of section 1342 of title 31, United States Code, if such services will not be used to displace Federal employees employed on a full-time, part-time, or seasonal basis.

(B) The Administrator is authorized to accept volunteer service in accordance with the provisions of section 3111 of title 5, United States Code.

(2) The Administrator is authorized to provide for incidental expenses, including transportation, lodging, and subsistence for such volunteers.

(3) An individual who provides voluntary services under subsection (e)(1)(A) shall not be considered a Federal employee for any purpose other than for purposes of chapter 81 of title 5, United States Code, relating to compensation for work injuries, and chapter 171 of title 28, United States Code, relating to tort claims.

(f)(1) The Administrator is authorized to grant to any employee of the Administration an incentive allowance of not to exceed 20 percent of the basic pay of the employee if necessary to provide safe and efficient service in major facilities which the Administrator finds—

(A) are critical to the national airspace system;

(B) have been chronically understaffed; or

(C) are in remote or high cost locations.

(2) An incentive allowance may be granted under paragraph (1) only if—

(A) the Administrator transmits a full written explanation of the proposed allowance and the reasons therefor, including the basis for each required determination and finding, to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Public Works and

Transportation of the House of Representatives; and

(B) the 60-day period immediately following the transmission of such written explanation has expired.

(g) The Administrator shall study ways to compensate or otherwise provide additional incentives to encourage employees to seek, accept, and remain in supervisory and managerial positions, including compensation opportunities that are at least as substantial as those available to employees in nonsupervisory and nonmanagerial positions of comparable grades within the General Schedule. The Administrator shall, not later than 6 months after the effective date of this section, report to Congress on the results of such study, including any recommendations for legislative action.

CONTRACTS

SEC. 12. The Administrator is authorized to enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary to carry out the functions of the Administrator and the Administration. The Administrator may enter into such contracts, leases, agreements, and transactions with any Federal agency or any instrumentality of the United States, or with any State, territory, or possession, or with any political subdivision thereof, or with any person, firm, association, corporation, or educational institution, on such terms and conditions as the Administrator may consider appropriate. The authority of the Administrator to enter into contracts and leases under this section shall be to such extent or in such amounts as are provided in appropriation Acts.

PROCUREMENT

SEC. 13. (a) The Administrator shall establish clear and concise policies within the Administration for acquisition, including procurement, research and development, logistics, development testing, and contract administration. In establishing such policies, the Administrator shall, to the maximum extent feasible, adhere to the following principles:

(1) The responsibility for accomplishing each procurement action shall be assigned to a specific individual.

(2) Clear command channels without overlapping oversight shall be established directly between the individual assigned responsibility for each procurement action and the Administrator or any official to whom the Administrator has delegated final authority to approve or disapprove the procurement action.

(3) Before work on a procurement action is begun, the individual assigned responsibility for the procurement action and the Administrator or any official to whom such final authority has been delegated shall establish a fundamental understanding concerning performance expectations, scheduling costs, and reporting requirements.

(4) The individual assigned responsibility for each procurement action shall seek to minimize redundant review and to take advantage of expedited procurement procedures to the extent such procedures are appropriate.

(b)(1) The Administrator shall, not later than 6 months after the effective date of this section, promulgate a rule to limit competition for the acquisition of systems essential to the safety of the national airspace, which shall be an exception to the Federal Acquisition Regulations and shall include regulations specifying the conditions under which—

(A) the Administrator may restrict the competition to companies that have met specific qualifications;

(B) the Administrator may select a single contractor for negotiations after receiving proposals; and

(C) the Administrator may acquire from a sole source a subsystem or component of a system or an engineering or design service that is essential to make a system operational on schedule.

(2) The Administrator is authorized to appoint a board of contract appeals with exclusive jurisdiction to resolve disputes and protests regarding Administration contracts for major systems essential to the safety of the national airspace, including information system contracts.

FINANCE AND BUDGET

SEC. 14. (a)(1) There is established in the Treasury of the United States a trust fund to be known as the "Aviation Trust Fund Account", consistent of such amounts as may be appropriated or credited to the Aviation Trust Fund Account as provided in this subsection and section 9502(a) of the Internal Revenue Code of 1986 (26 U.S.C. 9502(a)), as amended by paragraph (2) of this subsection.

(2) There are appropriated to the Aviation Trust Fund Account amounts determined by the Secretary of the Treasury to be equivalent to those taxes described in section 9502(b) of the Internal Revenue Code of 1986 (26 U.S.C. 9502(b)) received after September 30, 1990.

(3) There are authorized to be appropriated to the Aviation Trust Fund Account such additional sums as may be required to make the expenditures referred to in paragraph (5) of this subsection.

(4) The Secretary of the Treasury shall invest such portion of the Aviation Trust Fund Account as is not, in the Secretary's judgment, required to meet current withdrawals. The interest on, and the proceeds from, any such investments shall be credited to and form a part of the Aviation Trust Fund Account.

(5) Amounts in the Aviation Trust Fund Account shall be available, without further appropriation, for making expenditures after October 1, 1990, to meet those obligations of the United States incurred by the Administration—

(A) under the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2201 et seq.), the Aviation Safety and Noise Abatement Act of 1979 (49 App. U.S.C. 2101 et seq.), and the Airport and Airway Safety and Capacity Expansion Act of 1987;

(B) under the Federal Aviation Act of 1958 (49 App. U.S.C. 1301 et seq.) which are attributable to planning, research and development, construction, or operation and maintenance of—

(i) air traffic control;

(ii) air navigation,

(iii) communications, or

(iv) supporting services,

for the airway system; or

(C) for administrative expenses attributable to the activities described in subparagraphs (A) and (B).

(2)(A) Section 9502(a) of the Internal Revenue Code of 1986 (26 U.S.C. 9502(a)) is amended by inserting immediately before the period at the end the following: ", except that the interest and proceeds received after October 1, 1990, as a result of Trust Fund investments under section 9602(b) shall be credited to the Aviation Trust Fund Account established by section 14 of the Federal Aviation Administration Independent Establishment Act of 1989.".

(B) Section 9502(b) of the Internal Revenue Code of 1986 (26 U.S.C. 9502(b)) is amended by striking "January 1, 1991" each place it appears and inserting in lieu thereof "October 1, 1990".

(C) Section 9502(d) of the Internal Revenue Code of 1986 (26 U.S.C. 9502(d)) is amended—

(1) in paragraph (2) by inserting "and before October 1, 1990," immediately after August 31, 1982,"; and

(2) in paragraph (3) by inserting "and before October 1, 1990" immediately after "August 31, 1982".

(D) Section 9502 of the Internal Revenue Code of 1986 (26 U.S.C. 9502) is amended by adding at the end the following new subsection:

"(e) TERMINATION OF AIRPORT AND AIRWAY TRUST FUND.—The Airport and Airway Trust Fund shall terminate on October 1, 1993, and all amounts in such Trust Fund shall be transferred upon termination to the Aviation Trust Fund Account established by section 14 of the Federal Aviation Administration Independent Establishment Act of 1989.".

(b) Notwithstanding any other provision of law, the receipts and disbursements of the Aviation Trust Fund Account shall not, for any fiscal year—

(1) be counted in calculating the deficit under section 3(6) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(6)) for purposes of comparison with the maximum deficit amount under the Balanced Budget and Emergency Deficit Control Act of 1985;

(2) be counted in calculating the excess deficit for purpose of sections 251 and 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901 and 902); or

(3) be subject to sequestration or reduction under such sections 251 and 252.

(c)(1) Each year the Administrator shall prepare a budget for the Administration, which shall contain estimates of the financial condition and operations of the Administration for the current and ensuing four fiscal years, and the actual condition and results of operations for the last completed fiscal year. Such budget shall be submitted to the Office of Management and Budget, under the rules and regulations as the President may establish as to the date of submission, the form and content, the classification of data, and the manner in which such reports shall be prepared and presented. The budget shall identify separately the programs, projects, and activities determined by the Administrator to be appropriate for obligation from the Trust Fund pursuant to the provisions of this section. The budget submission shall also include a statement of income and expenses, and analysis of surplus or deficit, and any other such supplementary information as is necessary or desirable to make known about the financial condition and operations of the Administration. The annual budget shall be included in the budget submitted by the President pursuant to chapter 11 of title 31, United States Code.

(2) For fiscal years beginning after September 30, 1990, the Director of the Office of Management and Budget, after consulting with the Director of the Congressional Budget Office and the Joint Committee on Taxation, shall prepare an estimate of revenues and receipts that will be appropriated or credited to the Aviation Trust Fund Ac-

count established by subsection (a) of this section. In no event shall expenditures authorized by the Administrator for any fiscal year exceed the amount of such revenues and receipts estimated for that year pursuant to this subsection.

(3) In the budget prepared pursuant to paragraph (1) of this subsection, the Administrator shall identify all expected expenditures from the Aviation Trust Fund Account by program, project, and activity.

(4) The Administrator shall report to the appropriate committees of the Senate and House of Representatives by April 15 of each year on any changes in planned expenditures from the Aviation Trust Fund Account for the upcoming fiscal year pursuant to paragraph (3) of this subsection. Consistent with the provisions of this section, the Administrator may thereafter modify the report and shall advise in writing the appropriate committees of the Senate and House of Representatives regarding any such modification.

(d)(1) In preparing the budget report pursuant to subsection (c) of this section and in approving for expenditures from the Aviation Trust Fund Account for programs, projects, and activities under this section, the Administrator shall—

(A) approve for obligation capital projects in amounts up to the limit of authorizations provided by law, and

(B) from available funds not obligated under subparagraph (A), approve for obligation non-capital activities authorized by law.

(2) The budgetary resources available for obligation for each fiscal year after September 30, 1990, from the Aviation Trust Fund Account shall be obligated in accordance with the most recent report of the Administrator pursuant to subsections (c) and (d) of this section.

(e) For fiscal years beginning after September 30, 1990, committees in the Senate and House of Representatives with jurisdiction to authorize and appropriate new budget authority for programs of the Administration shall authorize and appropriate such new budget authority for periods of two fiscal years.

USE OF FACILITIES

SEC. 15. With their consent, the Administrator may, with or without reimbursement, use the services, equipment, personnel, and facilities of Federal agencies and other public and private agencies, and may cooperate with other public and private agencies and instrumentalities in the use of services, equipment, personnel, and facilities. The head of each Federal agency shall cooperate fully with the Administrator in making the services, equipment, personnel, and facilities of the Federal agency available to the Administrator. The head of a Federal agency is authorized, notwithstanding any other provision of law, to transfer to or to receive from the Administration, without reimbursement, supplies and equipment other than administrative supplies or equipment.

ACQUISITION AND MAINTENANCE OF PROPERTY

SEC. 16. (a) The Administrator is authorized—

(1) to acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain—

(A) air traffic control facilities and equipment;

(B) research and testing sites and facilities; and

(C) such other real and personal property (including office space and patents), or any interest therein within and outside the continental United States,

as the Administrator considers necessary;

(2) to lease to others such real and personal property; and

(3) to provide by contract or otherwise for eating facilities and other necessary facilities for the welfare of employees of the Administration at its installations and to purchase and maintain equipment for such facilities.

(b) Title to any property or interest therein acquired pursuant to this section shall be in the United States.

(c) The authority granted by subsection (a) shall be available only with respect to facilities of a special purpose nature which the Administrator determines cannot readily be reassigned from similar Federal activities and are not otherwise available for assignment to the Administration by the Administrator of General Services.

(d) The authority of the Administrator to enter into contracts and leases under this section shall be to such extent or in such amounts as are provided in appropriation Acts.

FACILITIES AT REMOTE LOCATIONS

SEC. 17. (a) The Administrator is authorized to provide, construct, or maintain for employees and their dependents stationed at remote locations as necessary and when not otherwise available at such remote locations—

(1) emergency medical services and supplies;

(2) food and other subsistence supplies;

(3) meeting facilities;

(4) audiovisual equipment, accessories, and supplies for recreation and training;

(5) reimbursement for food, clothing, medicine, and other supplies furnished by such employees in emergencies for the temporary relief of distressed persons;

(6) living and working quarters and facilities; and

(7) transportation for school-age dependents of employees to the nearest appropriate educational facilities.

(b) The furnishing of medical treatment under subsection (a)(1) and the furnishing of services and supplies under subsection (a)(2) shall be at prices reflecting reasonable value as determined by the Administrator.

(c) Proceeds derived from reimbursements under this section shall be deposited in the Treasury and may be withdrawn by the Administrator to pay directly the cost of work or services provided under this section, to repay or make advances to appropriations of funds which do or will bear all or a part of such cost, or to refund excess sums when necessary, except that such payments may be credited to a service or working capital fund otherwise established by law, and used under the law governing such funds if the fund is available for use by the administrator for performing the work or services for which payment is received.

ADVISORY COMMITTEE

SEC. 18.(a) There is established an advisory committee which shall be known as the Federal Aviation Advisory Committee (hereafter in this section referred to as the "Advisory Committee").

(b) The Advisory Committee shall consist of 5 members, who shall consist of—

(1) the Secretary of Transportation (who shall serve as Chairman);

(2) 2 members appointed by the Chairman and Ranking Minority Member of the Committee on Commerce, Science, and Transportation of the Senate; and

(3) 2 members appointed by the Chairman and Ranking Minority Member of the Committee on Public Works and Transportation of the House of Representatives.

(c) Each individual appointed under subsection (b)(2) and (3) as a member of the Advisory Committee shall be knowledgeable about matters involving aviation.

(d) The Advisory Committee shall provide advice and counsel to the Administrator on issues which affect or are affected by the operations of the Administration.

(e) Members of the Advisory Committee, including replacement members appointed to fill a vacancy, shall be appointed to serve until the Advisory Committee is terminated pursuant to subsection (h).

(f) Each member of the Advisory Committee shall be paid actual travel expenses, and per diem in lieu of subsistence expenses when away from his or her usual place of residence, in accordance with section 5703 of title 5, United States Code.

(g) The Administrator shall make available to the Advisory Committee such staff, information, and administrative services and assistance as may reasonably be required to enable the Advisory Committee to carry out its responsibilities under this section.

(h) The Advisory Committee shall cease to be in effect on the date that is 1 year after the effective date of this section.

TRANSFERS OF FUNDS FROM OTHER FEDERAL AGENCIES

SEC. 19. The Administrator is authorized to accept transfers from other Federal agencies to funds which are available to carry out functions transferred by this Act to the Administrator or functions assigned by law to the Administrator on or after the date of enactment of this Act.

SEAL OF ADMINISTRATION

SEC. 20. The Administrator shall cause a seal of office to be made for the Administration of such design as the Administrator shall approve. Judicial notice shall be taken of such seal.

STATUS OF ADMINISTRATION UNDER CERTAIN LAWS

SEC. 21. For purposes of section 551 of title 5, United States Code, the Administration is an agency. For purposes of chapter 9 of such title, the Administration is an independent regulatory agency.

SAVINGS PROVISIONS

SEC. 22.(a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective by the President, any Federal department or agency or official thereof, or by a court of competent jurisdiction, on or after the date of enactment of this act, in regard to functions which are transferred under this Act to the Administration, and

(2) which are in effect at the time of the effective date set forth in section 28(a),

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Administrator or other authorized officials, a court of competent jurisdiction, or by operation of law.

(b) The provisions of this Act shall not affect any proceedings or any application for any license, permit, certificate, or financial assistance pending at the time of the effective date set forth in section 28(a); and such proceedings and applications, to the extent that they relate to functions so transferred, shall be continued. Orders shall be issued in such proceedings, appeals shall

be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this Act had not been enacted.

(c)(1) The provisions of this Act shall not affect suits commenced prior to the effective date set forth in section 28(a).

(2) In all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this Act had not been enacted.

(d) In any case involving one or more officers required by this Act to be appointed by and with the advice and consent of the Senate who shall not have entered upon office on the effective date set forth in section 28(a), the President may designate any officer whose appointment was required to be made by and with the advice and consent of the Senate, and who was such an officer immediately prior to the effective date set forth in section 28(a), to act in such office until the office is filled as provided in this Act. While so acting, any such person shall receive compensation at the rates provided by this Act of the respective office in which he or she acts.

AUTHORIZATION OF APPROPRIATIONS

SEC. 23.(a) There are authorized to be appropriated such sums as are necessary to carry out the purposes and provisions of this Act.

(b) For necessary expenses of the administration for which there is no other specific authorization of appropriations, there are authorized to be appropriated $3,988,479,000 for the fiscal year ending September 30, 1990, and $4,187,903,000 for the fiscal year ending September 30, 1991.

(c)(1) Section 506(a)(1) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2205(a)(1)) is amended—

(A) by striking "and" immediately after "October 1, 1989,"; and

(B) by inserting before the period at the end of the first sentence the following: ", and $13,615,200,000 for fiscal years ending before October 1, 1991".

(2) Section 506(b)(2) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2205(b)(2)) is amended—

(A) in subparagraph (B)(vii), by striking "and";

(B) in subparagraph (C), by striking the period at the end and inserting in lieu thereof "; and"; and

(C) by adding at the end the following new subparagraph:

"(D) for fiscal year 1991, $250,000,000.".

(3) Section 506(b)(4) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2205(b)(4)) is amended—

(A) in subparagraph (A), by striking "and 1990," and inserting in lieu thereof "1990, and 1991,"; and

(B) in subparagraph (B), by striking "and 1990," and inserting in lieu thereof "1990, and 1991,".

(4) Section 506(d) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2205(d)) is amended by striking "and 1990" and inserting in lieu thereof "1990, and 1991".

LAWS AND REGULATIONS

SEC. 24. Except to the extent otherwise provided in this Act, all laws, rules, and regulations in effect and applicable to the Federal Aviation Administration of the Department of Transportation and to the Administrator of such Administration on the date immediately preceding the effective date set forth in section 28(a) shall, on and after such effective date, be applicable to the Federal Aviation Administration and the Administrator established by this Act, until such law, rule, or regulation is repealed or otherwise modified or amended.

REPEALS

SEC. 25. Section 106 of title 49, United States Code, is repealed.

AMENDMENT TO INSPECTOR GENERAL ACT OF 1978

SEC. 26. Section 2 of the Inspector General Act of 1978, approved October 12, 1978 (5 App. U.S.C.) is amended by inserting "Federal Aviation Administration," immediately after "veterans' Administration,".

AMENDMENTS TO GENERAL SCHEDULE

SEC. 27. (a) Section 5312 of title 5, United States Code, is amended by adding at the end the following:

"Administrator, Federal Aviation Administration.".

(b) Section 5313 of title 5, United States Code, is amended by striking "Administrator, Federal Aviation Administration." and inserting in lieu thereof the following:

"Deputy Administrator, Federal Aviation Administration.".

(c) Section 5315 of title 5, United States Code, is amended by striking "Deputy Administrator, Federal Aviation Administration." and inserting in lieu thereof the following:

"Associate Administrators, Federal Aviation Administration (8).

"Chief Counsel, Federal Aviation Administration.".

(d) Section 5316 of title 5, United States Code, is amended by adding at the end the following:

"Inspector General, Federal Aviation Administration.".

EFFECTIVE DATES

SEC. 28. (a) Except as provided in subsection (b), the provisions of this Act shall take effect upon the expiration of the 180-day period following the date of enactment of this Act.

(b) Section 23 is effective on the date of enactment of this act.

SUMMARY OF S. 1600, FEDERAL AVIATION ADMINISTRATION INDEPENDENT ESTABLISHMENT ACT

STRUCTURE

Removes the Federal Aviation Administration (FAA) from the Department of Transportation and establishes an independent executive agency.

Administrator of the FAA appointed by the President, by and with advice of Senate, to 7 year term. Paid at Executive Level I rate.

Deputy Administrator selected by the Administrator from the career service, paid at Executive Level II.

Maximum of 8 Associate Administrators; Chief Counsel and Inspector General also specified.

BUDGET AND FINANCE

Establishes an Aviation Trust Fund Account to which will be credited revenues and interest received after September 30, 1990.

Amounts in the Aviation Trust Fund Account shall be available, without further appropriation, to meet obligations for authorized capital, research, grant programs and operations.

Administrator shall submit budget to the Office of Management and Budget for inclusion in the President's annual budget submitted to the Congress each year.

Existing balance of approximately $6 billion will be left in the Airport and Airway Trust Fund until October 1, 1993, when all amounts shall be transferred to the new Aviation Trust Fund Account.

The new Aviation Trust Fund Account is excluded from the baseline calculations used to determine the budget deficit. Funds shall not be subject to sequestration.

For fiscal years beginning after September 30, 1990, authorizations and appropriations will be for a period of 2 years.

PERSONNEL AND SERVICES

FAA employees will remain in civil service. Administrator authorized to grant incentive allowance up to 20% above basic pay if needed to assure safe operation of critical facilities.

Administrator to study other ways to compensate and/or provide incentives, and will report within 6 months to the Congress.

PROCUREMENT

Authorizes Administrator to issue rule to limit competition for the acquisition of systems essential to the safety and operation of the national airspace. Rule will allow Administrator: 1) to restrict competition to companies that have met specific qualifications; 2) to negotiate with a single contractor; 3) to acquire from a sole source contractor.

Authorizes Administrator to appoint a Board of Contract Appeals with exclusive jurisdiction to resolve disputes and protests regarding contracts for major systems including information systems.

Directs Administrator to establish clear, concise policies for procurement, acquisition, research and logistics, similar to those recommended by the Packard Commission in its 1986 report on defense acquisition.

ADVISORY COMMITTEE

Establishes 5 member Advisory Committee to provide and counsel to the Administrator for 1 year after establishment of independent agency. Shall be chaired by Secretary of Transportation, with 2 members appointed by Senate Commerce Committee and 2 members appointed by House Public Works.

RULEMAKING

Requires Administrator to consider and reply to comments and recommendations submitted by the Secretary of Transportation in response to any FAA rulemaking.

AUTHORIZATION

Authorizes the appropriation of funds for FY 1990 and FY 1991 for FAA Operations

Authorizes FAA Facilities and Equipment and Research, Engineering and Development for FY 1991. (Current authorization extends only through FY 1990.)

By Mr. KENNEDY (for himself, Mr. SIMON, Mr. DODD, Mr. MATSUNAGA, Mr. INOUYE, and Mr. SPECTER):

S. 1606. A bill to amend the Public Health Service Act to improve the health of individuals who are members of minority groups and who are from disadvantaged backgrounds, and for other purposes; to the Committee on Labor and Human Resources.

DISADVANTAGED MINORITY HEALTH IMPROVEMENT ACT

Mr. KENNEDY. Mr. President, today I am introducing the Disadvantaged Minority Health Improvement Act of 1989, along with Senators SIMON, DODD, MATSUNAGA, INOUYE, and SPECTER. This legislation addresses the plummeting health status of our Nation's disadvantaged minority citizens. It will authorize the Office of Minority Health to coordinate Federal efforts to better understand and reduce the incidence of illness among minority Americans, as recommended in the 1986 Report of the Secretary's Task Force on Black and Minority Health. It will also provide support for health promotion and disease prevention activities and increase the supply of minority health professionals.

Despite the unprecedented explosion in scientific knowledge and the growing capacity of medical science to diagnose, treat, cure and prevent disease, most of our minority citizens have not benefited fully or equitably from these improvements or from those systems providing essential health care services. The health status of disadvantaged blacks, Mexican-Americans, mainland Puerto Ricans, American Indians, and Asian-Pacific Islanders has lagged significantly behind that of the Nation as a whole.

Infant mortality and disease rates are two accurate measures of the health status of any population; I find the following statistics very revealing.

The infant mortality rate among blacks in the United States was 75 percent higher compared to the rate among whites in 1986. Life expectancy at birth has improved for all ethnic and racial groups in this country, except for black males, where it has actually decreased over the past 2 years. Hypertension, a disease which leads to heart attacks and strokes, affects blacks three times as much as whites. Nearly one-half of all black females may be classified as overweight, a risk factor for heart disease and premature death, as compared to only one-quarter of all white females.

The high infant mortality rate for Hispanics is reflected through the 19 percent of Mexican-American and 23 percent of Puerto Rican women less than 20 years of age who give birth to children as compared to 12 percent of white women of the same age (1984). And we all know that teen pregnancies result in higher rates of infant mortality, birth complications, and greater numbers of low-birth weight infants. Diabetes is a disease that afflicts more than twice as many Mexican-American males and almost four times as many Mexican-American females than white males and females, respectively. Biliary, stomach, cervical and renal cancers all occur with greater frequency among Hispanics.

The infant mortality rate among natives of the Pacific Basin is 25 percent higher as compared to the U.S. mainland, and Polynesians and Micronesians suffer disproportionately higher rates of diabetes, cardiovascular disease, rheumatic heart disease and suicide.

American Indians and Native Alaskans are another minority subgroup who are victims of unacceptably low health status. Those between the ages of 45 and 64 suffer from diabetes and alcoholic liver disease two and one-half times more than all U.S. citizens. Age specific mortality rates are greater than the rates for all Americans, and deaths from alcohol-related diseases and tuberculosis are four-fold greater.

Since the DHHS Task Force Report in 1986, the impact of AIDS has exacted a heavy disproportionate toll upon the minority community, thus further increasing the disparity in health between minorities and nonminorities. The most recent statistics indicate that, minorities represent 43 percent of all AIDS cases, which is up from 38 percent in 1984. Minorities represent 73 percent of females with AIDS and 77 percent of children with this dread disease. A recent study from California shows an HIV infection rate among black women giving birth of 12 times that of white women, while the rate among Hispanic women was twice as high. The change in the demographics of AIDS over the last 5 years provides ample evidence of the ease with which a disease can rampage through and devastate a community lacking adequate structures and resources for disease prevention and health promotion. AIDS has quickly become the single most serious health threat to the minority community and must be addressed specifically when considering measures targeted toward improving the health status of minority Americans.

Despite overall gains in the health status of the American population during the past generation, these figures demonstrate a marked and persistent disparity in both morbidity and mortality between members of these minority groups and their nonminority fellow citizens. The Department of Health and Human Services [DHHS] Task Force of 1986 on Black and Minority Health provides a comprehensive report on the health problems of Blacks, Native Americans, Hispanics, and Asian-Pacific Islanders and outlines recommendations for incorporation into the body of the Department's programs and activities.

This task force report is one of several recent studies that conclude that one of the most significant factors which adversely affects minority health relates to inadequate access to quality health care. This is due to a lack of adequate health insurance, a lack of minority health providers, poor support of those institutions and services which serve predominantly minority communities, and a lack of relevant and culturally sensitive health information. Many policy experts argue that additional interventions, specifically, improved housing, education and employment, will be necessary to improve minority health status.

The report recommends that DHHS should initiate health education and disease prevention programs and materials that are responsive to minority population needs. These should emphasize preventive health measures that will most improve the health status of minority individuals.

The task force also recommends they continue to investigate, develop and implement innovative models for delivery and financing of health care services, with an eye toward improving access to services by minorities.

The Department should develop improved strategies and programs to increase the number and accessibility of health care professionals for minority communities by working with minority and nonminority health professions organizations, academic institutions, State governments and health departments.

Other recommendations include improving existing sources of health status measures of minorities, increasing awareness of minorities of Federal resources available to them and improving coordination of activities within the Department and the executive branch.

The Disadvantaged Minority Health Improvement Act of 1989 is designed to implement these recommendations.

This legislation would establish new authority and programs under title XVII of the Public Health Service Act. The Office of Minority Health would be authorized within the Office of the Assistant Secretary for Health, to coordinate all activities within DHHS that relate to health promotion, disease prevention, service delivery and research involving the health of disadvantaged minority Americans. The Office would support research, demonstration projects and data collection with respect to the prevention and control of diseases or other adverse health conditions of high prevalance among disadvantaged minorities. Amouts authorized for these activities would be $10 million for fiscal year 1991, $12 million for fiscal year 1992, and $15 million for fiscal year 1993.

The Secretary, through the Office of Minority Health, would also be au-

thorized to provide grants and contracts to support new and innovative programs designed to reduce the incidence of specific illnesses and improve the health status of disadvantaged minority Americans. Amounts authorized for this program would be $10 million for fiscal year 1991, $20 million for fiscal year 1992, and $30 million for fiscal year 1993.

A program to support health promotion and disease prevention activities, focusing on the health problems of American Samoans who live in Hawaii and the continental United States would be authorized. Amounts authorized for this program would be $1 million for fiscal year 1991, $2 million for fiscal year 1992, and $3 million for each of the fiscal years 1993 and 1994.

Title II would establish new authority and programs under titles VII and VIII of the Public Health Service Act. Additional Federal contributions to the Health Professions Student Loan funds of eligible health professions schools would be authorized to provide loans to underrepresented minority students. Fifty percent of the funds appropriated would be provided to schools at which underrepresented minorities constitute not less than 50 percent of the total enrollment; $20 million would be authorized for each of the fiscal years 1991 through 1993 for these contributions.

New authority would be added to provide funds to schools of medicine, osteopathic medicine, dentistry, pharmacy, podiatry optometry, public health, and allied health, and graduate programs in clinical psychology, to provide scholarships to disadvantaged, underrepresented minority students. Amounts authorized for this program would be $25 million for fiscal 1991, $30 million for fiscal year 1992, and $35 million for fiscal year 1993.

A new loan repayment program would be established for graduates of health professions schools, with the aim of increasing the number of full-time faculty at predominantly minority health professions schools. The Secretary would be able to contract with a graduate of a health professions school who agreed to serve on the faculty of a predominantly minority health professions school, in exchange for repayment of educational loans of up to $20,000 per year and a total of $80,000; $3 million would be authorized for each of the fiscal years 1991 through 1993 for this loan repayment program.

Similar scholarship and loan repayment programs would be established for nursing students and graduates of professional schools of nursing. For the nursing scholarship program, $25 million would be authorized for fiscal year 1991, $30 million for fiscal year 1992 and $35 million for fiscal year 1993. For the nursing loan repayment program, $3 million would be authorized for each of the fiscal years 1991 through 1993 for this loan repayment program.

In title III of the bill, a Pacific Basin Health Services Council would be established to monitor the need for health services and health professions development, and determine priorities for the expenditure of public health funds in the Pacific Basin. The Trust Territories that constitute the Pacific Basin include the Federated States of Micronesia, the Republic of BeLau, the Republic of the Marshall Islands, the Commonwealth of the Northern Mariana Islands, Guam and American Samoa. Representation would be drawn from the University of Hawaii and the Directors of the Health Departments from the Trust Territories. Funds would be used to support the Pacific Basin Medical Officers Training Program, and other health professions development activities; $20 million would be authorized for each of the fiscal years 1991 through 1993.

Sixty thousand preventable deaths per year among minorities should not and cannot be tolerated. We have the knowledge and technology—we need to demonstrate the will to make them available to all citizens of the United States, not just the few.

When we, as a nation, are seeking to become more competitive in the international economic marketplace, we cannot afford unnecessary and preventable losses to our most basic and important resources—our citizens. I sincerely believe that we can ill-afford to not invest significant amounts toward improving the health status of disadvantaged minorities in this country. I look forward to swift consideration of this legislation by the Committee on Labor and Human Resources, and passage by the Senate. I urge all of my colleagues to give this bill their enthusiastic support.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1606

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Disadvantaged Minority Health Improvement Act of 1989".

SEC. 2. FINDINGS.

Congress finds that—

(1) the health status of racial and ethnic minorities in the United States is significantly lower than the health status of the general population of the United States;

(2) minorities suffer disproportionately high rates of cancer, stroke, heart diseases; diabetes, substance abuse, acquired immune deficiency syndrome, and other diseases and disorders;

(3) the incidence of infant mortality among minorities is almost double that for the general population;

(4) Blacks, Hispanics, and Native Americans constitute approximately 12 percent, 7.9 percent, and 0.01 percent, respectively, of the population of the United States;

(5) Blacks, Hispanics, and Native Americans in the United States constitute approximately 3 percent, 4 percent, and less than 0.01 percent, respectively, of physicians, 2.7 percent, 1.7 percent, and less than 0.01 percent, respectively, of dentists, and 4.5 percent, 1.6 percent, and less than 0.01 percent, respectively, of nurses;

(6) the number of individuals who are both members of minority groups and from disadvantaged backgrounds in health professions should be increased for the purpose of improving the access of other such individuals to health services;

(7) historically, the mission of minority health professions institutions has been to increase the number of minority health practitioners to serve the medically needy;

(8) such institutions (and other health professions institutions), and disadvantaged minority individuals, should receive Federal financial assistance to facilitate an increase in the number of such individuals in the health professions;

(9) the Report of the Secretary's Task Force on Black and Minority Health (prepared for the Secretary of Health and Human Services and issued in 1985) described the health status problems of minorities, and made recommendations concerning measures that should be implemented by the Secretary with respect to improving the health status of minorities through programs for providing health information and education; and

(10) the Office of Minority Health, created in 1985 by the Secretary of Health and Human Services, should be authorized pursuant to statute and should receive increased funding to support efforts to improve the health of minorities, including the implementation of the recommendations made by the Secretary's Task Force on Black and Minority Health.

TITLE I—HEALTH PROMOTION AND DISEASE PREVENTION FOR MINORITIES

Subtitle A—Programs for Minorities Generally

SEC. 101. ESTABLISHMENT OF OFFICE OF MINORITY HEALTH AND AUTHORITY OF OFFICE TO MAKE GRANTS FOR PREVENTION AND CONTROL OF PREVALENT DISEASES.

Title XVII of the Public Health Service Act (42 U.S.C. 300u et seq.) is amended by adding at the end thereof the following new section:

"SEC. 1707. ESTABLISHMENT OF OFFICE OF MINORITY HEALTH.

"(a) IN GENERAL.—The Secretary shall establish in the Office of the Assistant Secretary for Health an Office of Minority Health. The Secretary shall appoint a Deputy Assistant Secretary of Minority Health, who shall serve as Director of such Office.

"(b) FUNCTIONS.—The Office of Minority Health shall, with respect to the health concerns of the members of minority groups—

"(1) establish short-range and long-range goals and objectives and coordinate all other activities within the Department of Health and Human Services that relate to minority health, prevention, health promotion, service delivery, and research;

"(2) coordinate efforts to promote minority health programs and policies in the voluntary and corporate sectors;

"(3) establish a national minority health resource center to facilitate the exchange of

information concerning matters relating to health information and health promotion, preventive health services, and education in the appropriate use of health care, to facilitate access to such information, to assist in the analysis of issues and problems relating to such matters, and to provide technical assistance with respect to the exchange of such information (including facilitating the development of materials for such technical assistance); and

"(4) support research, demonstrations and evaluations to test new and innovative models, to increase knowledge and understanding of health risk factors, and to develop mechanisms that support better information dissemination, education, prevention, and service delivery to minority populations.

"(c) GRANTS.—The Secretary, acting through the Director of the Office of Minority Health, may under subsection (b)(4) make grants to, and enter into contracts with, public and nonprofit private entities for the purpose of conducting programs of research, training, education, epidemiological studies, and data collection, with respect to the prevention and control among minority groups of diseases or other adverse health conditions determined by the Secretary to be prevalent among such groups.

"(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $10,000,000 for fiscal year 1991, $12,000,000 for fiscal year 1992, and $15,000,000 for fiscal year 1993.".

SEC. 102. DUTIES OF SECRETARY WITH RESPECT TO MINORITY HEALTH.

Title XVII of the Public Health Service Act (42 U.S.C. 300u et seq.) (as amended by section 101), is further amended by adding at the end thereof the following new section:

"SEC. 1708. GENERAL AUTHORITY WITH RESPECT TO MINORITY HEALTH.

"With respect to the health concerns of the members of minority groups, the Secretary shall administer this title in cooperation with health care providers, educators, voluntary and professional organizations, businesses, State and local health agencies, and other minority organizations.".

SEC. 103. GRANTS TO IMPROVE THE HEALTH STATUS OF DISADVANTAGED MINORITIES.

Title XVII of the Public Health Service Act (42 U.S.C. 300u et seq.) (as amended by sections 101 and 102), is further amended by adding at the end thereof the following new section:

"SEC. 1709. GRANTS TO IMPROVE THE HEALTH STATUS OF DISADVANTAGED MINORITIES.

"(a) IN GENERAL.—The Secretary, acting through the Director of the Office of Minority Health, shall make grants to, or enter into contracts with, public or private nonprofit entities to enable such entities to conduct and support new and innovative programs in health information and health promotion, preventive health services, and education in the appropriate use of health care, specifically targeted at improving the health status of disadvantaged minorities.

"(b) SPECIFIC ILLNESSES.—In supporting programs designed to reduce the incidence of specific illnesses among disadvantaged minorities, the Secretary may—

"(1) support demonstration programs involving the provision of health care services;

"(2) provide consultation and technical assistance to entities that request help in planning, operating and evaluating programs described in subsection (a);

"(3) develop health information and health promotion materials and teaching programs, including—

"(A) model curriculums for the training of health professionals;

"(B) model curriculums to be used in primary and secondary schools and institutions of higher learning;

"(C) materials and programs for the continuing education of health professionals;

"(D) materials for public service use by the print and broadcast media; and

"(E) materials and programs to assist health care professionals in providing health education to their patients; and

"(4) support demonstration and evaluation programs for individual and group self-help programs designed to assist the participants in using their capacities to reduce health risks.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 in fiscal year 1991, $20,000,000 in fiscal year 1992, and $30,000,000 in fiscal year 1993, to carry out this section.".

Subtitle B—Programs for American Samoa

SEC. 111. HEALTH SERVICES FOR AMERICAN SAMOANS.

Title XVII of the Public Health Service Act (42 U.S.C. 300u et seq.) (as amended by subtitle A), is further amended by adding at the end thereof the following new section:

"SEC. 1710. HEALTH SERVICES FOR AMERICAN SAMOANS.

"(a) GRANTS.—The Secretary shall provide grants to, or enter into contracts with, public or private nonprofit agencies that have demonstrated experience in serving the health and social service needs of American Samoans living in the State of Hawaii and the Continental United States.

"(b) USE OF GRANTS OR CONTRACTS.—Grants or contracts made or entered into under subsection (a) shall be used—

"(1) to employ health professionals and bilingual individuals to provide health promotion and disease prevention services, focusing on specific problems such as maternal and child health, nutrition, mental illness, and adolescent violence, in the State of Hawaii; and

"(2) to plan for extension of the services described in paragraph (1) to American Samoans living in the Continental United States.

"(c) CONSULTATION.—Prior to the awarding of any grant or contract under this section in the State of Hawaii, the Secretary shall consult the Governor of the State of Hawaii.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $1,000,000 for fiscal year 1991, $2,000,000 for fiscal year 1992, and $3,000,000 for each of the fiscal years 1993 and 1994. Of the amounts appropriated to carry out this section, not more than $1,000,000 shall be used in fiscal year 1993, and not more than $2,000,000 shall be used in fiscal year 1994, to provide grants to, or enter into contracts with, public or private nonprofit agencies in the Continental United States as provided in subsection (b)(2).".

TITLE II—DISADVANTAGED MINORITIES IN HEALTH PROFESSIONS

Subtitle A—Health Professions Generally

SEC. 201. FEDERAL CAPITAL CONTRIBUTIONS TO CERTAIN STUDENT LOAN FUNDS.

(a) IN GENERAL.—Section 740 of the Public Health Service Act (42 U.S.C. 294m) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c)(1) Each agreement entered into under this section with a school shall provide (in addition to the provisions required under subsection (b)) that any Federal capital contribution made to the student loan fund of the school from amounts appropriated pursuant to section 742(c)(1), together with the school contribution appropriate under subsection (b)(2)(B) to the amount of the Federal capital contribution, will be utilized only for the purpose of making loans to individuals who are members of underrepresented minority groups and who are from disadvantaged backgrounds.

"(2) Repayments to the student loan fund involved shall be utilized only for the purpose described in paragraph (1).

"(3) Federal capital contributions made pursuant to an agreement under subsection (a) to the student loan fund of a school from amounts appropriated pursuant to section 742(a), together with the school contributions appropriate under subsection (b)(2)(B) to the amount of the Federal capital contributions, may be utilized for the purpose of making loans to individuals as described in paragraph (1).".

(b) DEFINITION WITH RESPECT TO UNDERREPRESENTATION.—Section 740 of the Public Health Service Act (42 U.S.C. 294m) is amended by adding at the end thereof the following new subsection:

"(e) As used in this section the term 'underrepresented minority group' means any minority group whose representation in the health professions, expressed in terms of percentages, is less than the percentage of the general population constituted by the number of individuals who are members of the minority group.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 742 of the Public Health Service Act (42 U.S.C. 294o) is amended by adding at the end thereof the following new subsection:

"(c)(1) For the purpose of making Federal capital contributions to the student loan funds of schools that have established such funds under section 740, and that have made agreements under subsection (c) of such section, there are authorized to be appropriated $20,000,000 for each of the fiscal years 1991 through 1993.

"(2) The Secretary shall make available not less than 50 percent of the amounts appropriated under paragraph (1), to carry out paragraph (1) through schools described in such paragraph at which individuals described in section 740(c) constitute not less than 50 percent of the total number of individuals enrolled at the school.".

SEC. 202. ASSISTANCE PROGRAMS FOR DISADVANTAGED MINORITY HEALTH STUDENTS.

Part C of title VII of the Public Health Service Act (42 U.S.C. 294 et seq.) is amended by adding at the end thereof the following new subpart:

"Subpart VI—Assistance for Disadvantaged Minority Students

"SEC. 760. GRANTS FOR SCHOLARSHIPS.

"(a) AUTHORITY.—

"(1) IN GENERAL.—The Secretary may make grants to health professions schools for the purpose of assisting such schools in providing scholarships to individuals who—

"(A) are members of underrepresented minority groups (as defined in section 740(e));

"(B) are from disadvantaged backgrounds; and

"(C) are enrolled (or accepted for enrollment) as full-time students in such schools.

"(2) HEALTH PROFESSIONS SCHOOLS.—As used in this subpart the term 'health professions schools' means schools—

"(A) that are public or nonprofit private schools of medicine, osteopathic medicine, dentistry, pharmacy, podiatry, optometry, public health, allied health, or public and nonprofit private schools that offer graduate programs in clinical psychology that are accredited as provided in section 721(b)(1)(B); and

"(B) at which individuals described in paragraph (1) constitute not less than 50 percent of the total number of individuals enrolled at the school.

"(b) FORM AND LIMITATIONS ON SCHOLARSHIP.—

"(1) FORM OF SCHOLARSHIP.—A scholarship provided to a student for a school year under a grant under subsection (a) may consist of all or part of—

"(A) payment to, or (in accordance with paragraph (3)) on behalf of, the student of the amount of—

"(i) the tuition of the student in such school year; and

"(ii) all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the student in such year; and

"(B) payment to the student of a stipend not in excess $400 per month (adjusted in accordance with paragraph (4)) for each of the 12 consecutive months beginning with the first month of such school year.

"(2) TOTAL AWARD.—Notwithstanding paragraph (1), the total amount of a scholarship awarded to a student for each year shall not exceed the cost of attendance for that year at the educational institution attended by the student (as determined by such educational institution).

"(3) CONTRACT WITH INSTITUTION.—The Secretary may contract with an educational institution that has enrolled a student who has received a scholarship with a grant under subsection (a) for the payment to the educational institution of the amounts of tuition and other reasonable educational expenses described in paragraph (1)(A). Payment to such an educational institution may be made without regard to section 3324 of title 31, United States Code.

"(4) ADJUSTMENT IN STIPEND.—The amount of the maximum allowable monthly stipend, specified in paragraph (1)(B) and as previously adjusted (if at all) in accordance with this paragraph, shall be increased by the Secretary for each school year by an amount (rounded to the next highest multiple of $1) equal to the amount of such stipend multiplied by the overall percentage (as set forth in the report transmitted to the Congress under section 5305 of title 5, United States Code) of the adjustment (if such adjustment is an increase) in the rates of pay under the General Schedule made effective in the fiscal year in which such school year ends.

"(c) APPLICATION.—

"(1) REQUIREMENT.—The Secretary shall not make a grant under subsection (a) unless an application for such grant is submitted to the Secretary.

"(2) ASSURANCES.—Applications submitted under paragraph (1) shall, provide assurances that the applicant will comply with this subpart and shall otherwise be in such form, made in such manner, and contain such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(d) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—To carry out subsection (a), there are authorized to be appropriated $25,000,000 for fiscal year 1991, $30,000,000 for fiscal year 1992, and $35,000,000 for fiscal year 1993.

"(2) EARMARKING OF FUNDS.—The Secretary shall make available not less than 50 percent of the amounts appropriated under paragraph (1), to carry out subsection (a) through schools described in such subsection at which individuals described in section 740(c) constitute not less than 50 percent of the total number of individuals enrolled at the school.

"SEC. 761. LOAN REPAYMENT PROGRAM.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—The Secretary shall establish a loan repayment program (hereinafter in this subpart referred to as the "program") in order to assure an adequate supply of trained physicians, dentists, and nurses, podiatrists, optometrists, pharmacists, clinical psychologists, graduates of schools of public health, graduates of programs in health administration, graduates of programs for the training of physician assistants, expanded function dental auxiliaries, and nurse practitioners (as defined in section 822), and other health professionals, who are individuals of the type described in paragraph (2).

"(2) MINORITIES.—Individuals referred to in paragraph (1) are individuals who—

"(A) are members of underrepresented minority groups (as defined in section 740(e));

"(B) are from disadvantaged backgrounds;

"(C) are enrolled (or accepted for enrollment) as full-time students at a school of the type described in section 760(a); and

"(D) are in the final year of a course of study leading to a degree from the school.

"(b) ELIGIBILITY.—To be eligible to participate in the program, an individual shall—

"(1) meet the requirements of subsection (a)(2);

"(2)(A) be enrolled—

"(i) as a full-time student—

"(I) in an accredited (as determined by the Secretary) educational institution of the type described in section 760(a) in a State; and

"(II) in the final year of a course of study or program, offered by such institution and approved by the Secretary, leading to a degree in medicine, osteopathic medicine, dentistry, pharmacy, podiatry, optometry, psychology, public health or allied health; or

"(ii) in an approved graduate training program in medicine, osteopathic medicine, dentistry, pharmacy, podiatry, optometry, psychology, public health or allied health; or

"(B) have—

"(i) a degree in medicine, osteopathic medicine, dentistry, pharmacy, podiatry, optometry, psychology, public health or allied health;

"(ii) completed an approved graduate training program in medicine, osteopathic medicine, dentistry, pharmacy, podiatry, optometry, psychology, public health or allied health, except that the Secretary may waive the completion requirement of this clause for good cause; and

"(iii) a license to practice medicine, osteopathic medicine, dentistry, pharmacy, podiatry, optometry, psychology, public health or allied health in a State; or

"(C) be enrolled in the final year of a graduate program in health administration, physician assistant training, dental auxiliary training, or nurse practitioner training;

"(3) submit an application to participate in the program; and

"(4) sign and submit to the Secretary, at the time of the submission of an application under paragraph (3), a written contract (as described in subsection (f)) to accept repayment of educational loans and to serve on the faculty of an institution as described in subsection (f)(1)(B).

"(c) APPLICATION, CONTRACT, AND INFORMATION REQUIREMENTS.—

"(1) SUMMARY AND INFORMATION.—In disseminating application forms and contract forms to individuals desiring to participate in the program, the Secretary shall include with such forms—

"(A) a fair summary of the rights and liabilities of an individual whose application is approved (and whose contract is accepted) by the Secretary, including in the summary a clear explanation of the damages to which the United States is entitled in the case of the individual's breach of the contract; and

"(B) information respecting obtaining a full-time faculty appointment for not less than 2 years as provided in subsection (f)(2)(D) and such other information as may be necessary for the individual to understand the individual's prospective participation in the program.

"(2) UNDERSTANDABILITY.—The application form, contract form, and all other information furnished by the Secretary under this subpart shall be written in a manner calculated to be understood by the average individual applying to participate in the program.

"(3) AVAILABILITY.—The Secretary shall make such application forms, contract forms, and other information available to individuals desiring to participate in the program on a date sufficiently early to ensure that such individuals have adequate time to carefully review and evaluate such forms and information.

"(d) PRIORITY.—In determining which applications under the program to approve (and which contracts to accept), the Secretary shall give priority to applications made by individuals whose training is in a health profession or specialty determined by the Secretary to be the most desirable.

"(e) APPROVAL REQUIRED FOR PARTICIPATION.—

"(1) IN GENERAL.—An individual becomes a participant in the program only on the approval of the Secretary of the individual's application submitted under subsection (b)(3) and the acceptance by the Secretary of the contract entered into by the individual under subsection (b)(4).

"(2) WRITTEN NOTICE.—The Secretary shall provide written notice to an individual promptly on—

"(A) the Secretary's approving, under paragraph (1), of the individual's participation in the program; or

"(B) the Secretary's disapproving an individual's participation in such program.

"(f) CONTENTS OF CONTRACTS.—The written contract (referred to in this subpart) between the Secretary and an individual shall contain—

"(1) an agreement that—

"(A) subject to paragraph (3), the Secretary agrees to pay on behalf of the individual, loans in accordance with subsection (g);

"(B) subject to paragraph (3), the individual agrees to accept an offer of any school described in subsection (a)(1)—

"(i) at which individuals as described in subsection (a)(2)(A) constitute not less than 50 percent of the total number of individuals enrolled at the school; and

"(ii) that offers the applicant a full-time faculty appointment at the school for not less than 2 years;

"(2) an agreement by the applicant—

"(A) to accept loan payments on behalf of the applicant;

"(B) to maintain enrollment in a course of study or training described in subsection (b)(2) until the individual completes the course of study or training;

"(C) that while enrolled in such course of study or training, the applicant shall maintain an acceptable level of academic standing (as determined under regulations of the Secretary by the educational institution offering such course of study or training);

"(D) to serve for a time period (hereinafter in this subpart referred to as the 'period of obligated service') equal to 2 years or such longer period as the individual may agree to, as a faculty member as described in paragraph (1)(B);

"(E) to complete the requirements established by such school for a degree from the school; and

"(F) that, with respect to any violation by the applicant of an agreement entered into pursuant to this subsection, to pay such liquidated damages for such violation as the Secretary may by regulation prescribe.

"(3) a provision permitting the Secretary to extend for such longer additional periods, as the individual may agree to, the period of obligated service agreed to by the individual under paragraph (2)(D);

"(4) a provision that any financial obligation of the United States arising out of a contract entered into under this subpart and any obligation of the individual that is conditioned thereon, is contingent on funds being appropriated for loan repayments under this subpart;

"(5) a statement of the damages to which the United States is entitled to for the individual's breach of the contract; and

"(6) such other statements of the rights and liabilities of the Secretary and of the individual, not inconsistent with this subpart.

"(g) PAYMENTS.—

"(1) IN GENERAL.—A loan repayment provided for an individual under a written contract under the program shall consist of payment, in accordance with paragraph (2), on behalf of the individual of the principal, interest, and related expenses on government and commercial loans received by the individual for—

"(A) tuition expenses;

"(B) all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the individual; or

"(C) reasonable living expenses as determined by the Secretary.

"(2) PAYMENTS FOR YEARS SERVED.—

"(A) IN GENERAL.—Except as provided in subparagraph (B) and paragraph (3), for each year for which an individual accepts, pursuant to subsection (f)(2)(D), an offer to serve as a member of the faculty of a school described in subsection (a)(1), the Secretary may, subject to paragraph (2), pay not more than $20,000 on behalf of the individual for loans described in such subsection.

"(B) REPAYMENT SCHEDULE.—Any arrangement made by the Secretary for the making of loan repayments in accordance with this subsection shall provide that any repayments for a year of obligated service shall be made no later than the end of the fiscal year in which the individual completes such year of service.

"(C) MAXIMUM AMOUNT OF PAYMENTS.—Payments made on behalf of an individual pursuant to subparagraph (A) shall not exceed $80,000.

"(3) TAX LIABILITY.—In addition to payments made under paragraph (2), in any case in which payments on behalf of an individual under the program result in an increase in Federal, State, or local income tax liability for such individual, the Secretary may, on the request of such individual, make payments to such individual in a reasonable amount, as determined by the Secretary, to reimburse such individual for all or part of the increased tax liability of the individual.

"(4) PAYMENT SCHEDULE.—The Secretary may enter into an agreement with the holder of any loan for which payments are made under the program to establish a schedule for the making of such payments.

"(h) EMPLOYMENT CEILING.—Notwithstanding any other provision of law, individuals who have entered into written contracts with the Secretary under this section, while undergoing academic or other training, shall not be counted against any employment ceiling affecting the Department.

"(i) TERMINATION, WAIVER, OR SUSPENSION OF OBLIGATION.—

"(1) TERMINATION.—Any obligation of an individual under a contract entered into under this section for service or payment of damages shall be terminated on the death of the individual.

"(2) WAIVER OR SUSPENSION.—The Secretary shall by regulation provide for the partial or total waiver or suspension of any obligation of service or payment by an individual under a contract entered into under this section (a) whenever compliance by the individual is impossible or would involve extreme hardship to the individual and if enforcement of such obligation with respect to any individual would be unconscionable.

"(3) BANKRUPTCY.—Any debt that is a loan insured under this section may be released by a discharge in bankruptcy under any chapter of title 11, United States Code, only if such discharge is granted—

"(A) after the expiration of the 5-year period beginning on the date that payment of such debt is first required; and

"(B) on a finding by the Bankruptcy Court that the nondischarge of such debt would be unconscionable.

"(j) REPORTS.—The Secretary shall, not later than March 1 of each year, prepare and submit to the appropriate Committees of Congress a report specifying—

"(1) the number, and type of health profession training, of individuals receiving loan payments under the program;

"(2) the educational institution at which such individuals are receiving their training;

"(3) the number of applications filed under this section in the school year beginning in such year and in prior school years; and

"(4) the amount of loan payments made in the year reported on.

"(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $3,000,000 for each of the fiscal years 1991 through 1993.".

Subtitle B—Nursing

SEC. 211. ESTABLISHMENT OF ADDITIONAL ASSISTANCE PROGRAMS FOR DISADVANTAGED MINORITY NURSING STUDENTS.

Part B of title VIII of the Public Health Service Act (42 U.S.C. 297 et seq.) is amended by adding at the end thereof the following new subparts:

"Subpart V—Assistance for Disadvantaged Minority Students

"SEC. 848. SCHOLARSHIPS FOR MINORITY INDIVIDUALS.

"(a) GRANTS.—

"(1) IN GENERAL.—The Secretary may make grants to schools of nursing, as described in paragraph (2), for the purpose of assisting such schools in providing scholarships to individuals who—

"(A) are members of underrepresented minority groups;

"(B) are from disadvantaged backgrounds; and

"(C) are enrolled (or accepted for enrollment) as full-time students in such schools.

"(2) SCHOOLS OF NURSING.—

"(A) DEFINITION.—As used in this section, the term 'schools of nursing' means public or nonprofit private schools accredited for the education of professional nurses at which individuals described in paragraph (1) constitute not less than 50 percent of the total number of individuals enrolled at such school.

"(B) USE OF FUNDS.—The Secretary may use not to exceed 15 percent of the amounts appropriated under this section for grants to schools of nursing with programs for minority populations in rural America, notwithstanding the 50 percent minority requirement described in subparagraph (A) for individuals enrolled at such school.

"(3) UNDERREPRESENTED MINORITY GROUP.—As used in this section, the term 'underrepresented minority group' means any minority group whose representation in the nursing profession, expressed in terms of percentages, is less than the percentage of the general population constituted by the number of individuals who are members of the minority group.

"(b) USE OF SCHOLARSHIP.—A scholarship provided pursuant to subsection (a) for attendance at a school described in paragraph (2) of such subsection—

"(1) shall be expended for tuition expenses, other reasonable educational expenses, and reasonable living expenses incurred in such attendance; and

"(2) shall not, for any year of such attendance for which the scholarship is provided, provide an amount exceeding the total amount required for the year for the expenses specified in paragraph (1).

"(c) APPLICATION.—

"(1) REQUIREMENT.—The Secretary shall not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary.

"(2) ASSURANCES.—Applications submitted under paragraph (1) shall be in such form, made in such manner, and contain such agreements, assurances, and information as the Secretary determines to be necessary to carry out such subsection, and shall, with respect to carrying out the purpose for which the grant is to be made, provide assurances of compliance satisfactory to the Secretary.

"(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants under subsection (a), there are authorized to be appropriated $25,000,000 for fiscal year 1991, $30,000,000 for fiscal year 1992, and $35,000,000 for fiscal year 1993.

"SEC. 849. LOAN REPAYMENT PROGRAM FOR MINORITY INDIVIDUALS.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—The Secretary shall establish a loan repayment program (hereinafter referred to in this subpart as the "program") for the purpose of assisting individ-

uals who meet the requirements of paragraph (2) in paying the principal and interest on Government and commercial loans received by such individuals for tuition expenses, other reasonable educational expenses, and reasonable living expenses incurred by such individuals in attending schools of nursing.

"(2) ELIGIBLE INDIVIDUALS.—Individuals referred to in paragraph (1) are individuals who—

"(A) are members of underrepresented minority groups (as defined in section 848(a)(3));

"(B) are from disadvantaged backgrounds;

"(C) are enrolled (or accepted for enrollment) as full-time students at a school described in paragraph (3); and

"(D) are in the final year of a course of study leading to a degree from such school.

"(3) SCHOOLS OF NURSING.—As used in this section, the term 'schools of nursing' means public or nonprofit private schools—

"(A) that are accredited schools of nursing; and

"(B) at which individuals described in paragraph (2) constitute not less than 50 percent of the total number of individuals enrolled at the school.

"(b) ELIGIBILITY.—To be eligible to participate in the program, an individual shall—

"(1) meet the requirements of subsection (a)(2);

"(2) submit an application to participate in the program; and

"(3) sign and submit to the Secretary, at the time of the submission of an application under paragraph (2), a written contract (as described in subsection (e)) to accept repayment of educational loans and to serve on the faculty of an institution as described in subsection (e)(2)(D).

"(c) APPLICATION, CONTRACT, AND INFORMATION REQUIREMENTS.—

"(1) SUMMARY AND INFORMATION.—In disseminating application forms and contract forms to individuals desiring to participate in the program, the Secretary shall include with such forms—

"(A) a fair summary of the rights and liabilities of an individual whose application is approved (and whose contract is accepted) by the Secretary, including in the summary a clear explanation of the damages to which the United States is entitled in the case of the individual's breach of the contract; and

"(B) information respecting obtaining a full-time faculty appointment for not less than 2 years as provided in subsection (e)(2)(D) and such other information as may be necessary for the individual to understand the individual's prospective participation in the program.

"(2) UNDERSTANDABILITY.—The application form, contract form, and all other information furnished by the Secretary under this subpart shall be written in a manner calculated to be understood by the average individual applying to participate in the program.

"(3) AVAILABILITY.—The Secretary shall make such application forms, contract forms, and other information available to individuals desiring to participate in the program on a date sufficiently early to ensure that such individuals have adequate time to carefully review and evaluate such forms and information.

"(d) APPROVAL REQUIRED FOR PARTICIPATION.—

"(1) IN GENERAL.—An individual becomes a participant in the program only on the approval of the Secretary of the individual's application submitted under subsection (b)(3) and the acceptance by the Secretary of the contract entered into by the individual under subsection (b)(3).

"(2) WRITTEN NOTICE.—The Secretary shall provide written notice to an individual promptly on—

"(A) the Secretary's approving, under paragraph (1), of the individual's participation in the program; or

"(B) the Secretary's disapproving an individual's participation in such program.

"(e) CONTENTS OF CONTRACTS.—The written contract (referred to in this section) between the Secretary and an individual shall contain—

"(1) an agreement that—

"(A) subject to paragraph (3), the Secretary agrees to pay on behalf of the individual, loans in accordance with subsection (f);

"(B) subject to paragraph (3), the individual agrees to accept an offer of any school described in subsection (a)(3)—

"(i) at which individuals as described in subsection (a)(2)(A) constitute not less than 50 percent of the total number of individuals enrolled at the school; and

"(ii) that offers the applicant a full-time faculty appointment at the school for not less than 2 years;

"(2) an agreement by the applicant—

"(A) to accept loan payments on behalf of the applicant;

"(B) to maintain enrollment in a course of study or training described in subsection (a) until the individual completes the course of study or training;

"(C) that while enrolled in such course of study or training, the applicant shall maintain an acceptable level of academic standing (as determined under regulations of the Secretary by the educational institution offering such course of study or training);

"(D) to serve for a time period (hereinafter in this section referred to as the 'period of obligated service') equal to 2 years or such longer period as the individual may agree to, as a faculty member as described in paragraph (1)(B);

"(E) to complete the requirements established by such school for a degree from the school; and

"(F) that, with respect to any violation by the applicant of an agreement entered into pursuant to this subsection, to pay such liquidated damages for such violation as the Secretary may by regulation prescribe.

"(3) a provision permitting the Secretary to extend for such longer additional periods, as the individual may agree to, the period of obligated service agreed to by the individual under paragraph (2)(D);

"(4) a provision that any financial obligation of the United States arising out of a contract entered into under this subpart and any obligation of the individual that is conditioned thereon, is contingent on funds being appropriated for loan repayments under this subpart;

"(5) a statement of the damages to which the United States is entitled to for the individual's breach of the contract; and

"(6) such other statements of the rights and liabilities of the Secretary and of the individual, not inconsistent with this subpart.

"(f) PAYMENTS.—

"(1) IN GENERAL.—A loan repayment provided for an individual under a written contract under the program shall consist of payment, in accordance with paragraph (2), on behalf of the individual of the principal, interest, and related expenses on Government and commercial loans received by the individual for—

"(A) tuition expenses;

"(B) all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the individual; or

"(C) reasonable living expenses as determined by the Secretary.

"(2) PAYMENTS FOR YEARS SERVED.—

"(A) IN GENERAL.—Except as provided in subparagraph (B) and paragraph (3), for each year for which an individual accepts, pursuant to subsection (d)(2)(D), an offer to serve as a member of the faculty of a school described in subsection (a)(3), the Secretary may, subject to paragraph (2), pay not more than $10,000 on behalf of the individual for loans described in such subsection.

"(B) REPAYMENT SCHEDULE.—Any arrangement made by the Secretary for the making of loan repayments in accordance with this subsection shall provide that any repayments for a year of obligated service shall be made no later than the end of the fiscal year in which the individual completes such year of service.

"(C) MAXIMUM AMOUNT OF PAYMENTS.—Payments made on behalf of an individual pursuant to subparagraph (A) shall not exceed $40,000.

"(3) TAX LIABILITY.—In addition to payments made under paragraph (2), in any case in which payments on behalf of an individual under the program result in an increase in Federal, State, or local income tax liability for such individual, the Secretary may, on the request of such individual, make payments to such individual in a reasonable amount, as determined by the Secretary, to reimburse such individual for all or part of the increased tax liability of the individual.

"(4) PAYMENT SCHEDULE.—The Secretary may enter into an agreement with the holder of any loan for which payments are made under the program to establish a schedule for the making of such payments.

"(g) EMPLOYMENT CEILING.—Notwithstanding any other provision of law, individuals who have entered into written contracts with the Secretary under this section, while undergoing academic or other training, shall not be counted against any employment ceiling affecting the Department.

"(h) TERMINATION, WAIVER, OR SUSPENSION OF OBLIGATION.—

"(1) TERMINATION.—Any obligation of an individual under a contract entered into under this section for service or payment of damages shall be terminated on the death of the individual.

"(2) WAIVER OR SUSPENSION.—The Secretary shall by regulation provide for the partial or total waiver or suspension of any obligation of service or payment by an individual under a contract entered into under this section whenever compliance by the individual is impossible or would involve extreme hardship to the individual and if enforcement of such obligation with respect to any individual would be unconscionable.

"(3) BANKRUPTCY.—Any debt that is a loan insured under this section may be released by a discharge in bankruptcy under any chapter of title 11, United States Code, only if such discharge is granted—

"(A) after the expiration of the 5-year period beginning on the date that payment of such debt is first required; and

"(B) on a finding by the Bankruptcy Court that the nondischarge of such debt would be unconscionable.

"(i) REPORTS.—The Secretary shall, not later than March 1 of each year, prepare and submit to the appropriate Committees of Congress a report specifying—

"(1) the number of individuals receiving loan payments under the program;

"(2) the educational institution at which such individuals are receiving their training;

"(3) the number of applications filed under this section in the school year beginning in such year and in prior school years; and

"(4) the amount of loan payments made in the year reported on.

"(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $3,000,000 for each of the fiscal years 1991 through 1993.".

TITLE III—COORDINATION OF FEDERAL EXPENDITURES FOR HEALTH PROGRAMS OF TRUST TERRITORIES OF THE PACIFIC ISLANDS

SEC. 301. PACIFIC BASIN HEALTH SERVICES COUNCIL.

(a) ESTABLISHMENT.—The Secretary of Health and Human Services (hereafter in this title referred to as the "Secretary") shall establish a public or private nonprofit entity to be known as the "Pacific Basin Health Services Council" (hereafter in this title referred to as the "Council").

(b) DEFINITION.—As used in this title, the term "Pacific Basin" means the Federated States of Micronesia, the Republic of Belau, the Republic of the Marshall Islands, the Commonwealth of the Northern Mariana Islands, Guam, and American Samoa.

(c) DUTIES.—The Council shall—

(1) monitor the need for health services and health professions development in the Pacific Basin; and

(2) establish priorities for the expenditure of public health funds in the Pacific Basin.

(d) MEMBERS.—The Council shall consist of no more than 16 members, and shall include—

(1) the deans of the Schools of Medicine, Nursing, Social Work, and Public Health of the University of Hawaii;

(2) the Chancellor of the University of Hawaii Community College system;

(3) the Directors of the Health Departments for the State of Hawaii and the Federated States of Micronesia, the Republic of Belau, the Republic of the Marshall Islands, the Commonwealth of the Northern Mariana Islands, Guam, and American Samoa;

(4) the President of the Rehabilitation Hospital of the Pacific in the State of Hawaii;

(5) additional members that the Governor of the State of Hawaii shall appoint to ensure that the public health expertise of the Pacific Basin is appropriately represented; and

(6) such additional ex officio members as the Secretary determines appropriate.

(e) USE OF FUNDS.—

(1) FIRST PRIORITY.—The Council shall give first priority in expending the funds referred to in subsection (h) to continuing the Pacific Basin medical officer training program in effect on March 1, 1989, on Pohnpei.

(2) ADDITIONAL PROJECTS.—The Council may expend the remaining funds in subsection (h) to—

(A) establish nurse practitioner or nurse clinical specialist training programs;

(B) provide technical training of new auxiliary health workers including environmental sanitation aides, social work assistants, community and hospital nurse assistants, and allied health technicians;

(C) upgrade the training of currently employed health personnel in special areas of need, including management, social services, and the establishment of continuing education programs for any of the traditional health professionals;

(D) establish and support appropriate health promotion and disease prevention efforts;

(E) develop a long-term plan for meeting the health professions needs, and to collect and analyze relevant statistical information on which to develop and regularly update such plan; and

(F) provide innovative health professions training initiatives (including scholarships) targeted toward ensuring that residents of the Pacific Basin attend and graduate from recognized health professional programs in medicine, dentistry, nursing, optometry, pharmacy, podiatry, public health, psychology, social work, and allied health, that includes—

(i) support for upgrading the quality and depth of the preventative health professions educational programs within the Pacific Basin; and

(ii) residency training in public health, primary care and preventive medicine for National Health Service Corps officers assigned to the Pacific Basin.

(f) AUTHORIZATION TO SUBCONTRACT.—In order to comply with the duties of the Council described in subsection (c), the Council may enter into contracts with various educational and service delivery institutions with relevant expertise.

(g) REPORT.—The Council, in consultation with the Secretary, shall annually prepare and submit to the appropriate Committees of Congress a report describing the expenditure of the funds authorized to be appropriated under subsection (h) and any programmatic recommendations that the Secretary may have.

(h) AUTHORIZATION OF APPROPRIATION.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this title $20,000,000 for each of the fiscal years 1991 through 1993.

(2) LIMITATION.—No more than 10 percent of the funds appropriated under this subsection shall be used for administrative expenses of the Council.

By Mr. SPECTER:

S. 1607. A bill to amend the Public Health Service Act to establish an Office of Minority Health, and for other purposes; to the Committee on Labor and Human Resources.

AUTHORIZATION OF THE OFFICE OF MINORITY HEALTH

Mr. SPECTER. Mr. President, today I am introducing legislation to help address the growing crisis of poor health of blacks, Hispanics, and other minorities in this country.

This bill is based on provisions of S. 1872, legislation I introduced on November 17, 1987. That bill authorized AIDS education funds for minority community-based organizations and established an Office of Minority Health within the Department of Health and Human Services. The AIDS funding provisions were included in Public Law 100-607.

Mr. President, for the first time in this century, blacks in the United States have experienced a decline in life expectancy for 2 consecutive years, while the life expectancy for whites has increased slightly. According to a study by the National Center for Health Statistics, the average life expectancy of whites increased from 75.3 to 75.4 years between 1984 and 1986. Conversely, blacks experienced a decline in life expectancy, from 69.7 to 69.4 years during the same period.

Major factors in the decline for blacks are homicides—including drug-related deaths and police shootings—accidents, AIDS, tuberculosis, cancer, and infant mortality. This is the first time since 1962 that life expectancy has declined 2 years in a row for any race, and the only time in this century that life expectancy for blacks dropped while the figures rose for whites. Violence was cited as the leading negative effect on black life expectancy. According to the National Center's report, there are 32.4 homicides for each 100,000 blacks. In 1984, the number of black murder victims was 6,855. By 1985, the number had increased to 7,294. In 1986, black homicides increased by almost 15 percent, reaching a record level of 8,509.

Between 1984 and 1986, among black males the homicide rate was an alarming 55.9 per 100,000. The rate for whites during that period was 5.6 per 100,000 population.

According to the National Center for Health Statistics, in 1986, there were 21,193 homicides and 269 deaths from "legal interventions"—police shootings and legal executions. Blacks comprise 12 percent of the U.S. population; however, 35 percent of those deaths were of black males, while only 39 percent were of white males. According to Everett Lee, a demography professor at the University of Georgia, the probability that a white male will be a victim or perpetrator of a homicide during his lifetime is 1 in 80; for black males living in central cities, it is 1 in 10. In addition, black homicide victims are younger than whites. Of black murder victims, 51 percent are under 30; yet only approximately 30 percent of all white victims are under 30.

If current trends continue, the combination of homicide and "legal intervention," much of which is related to drugs and gang violence, will take an even greater toll on a population whose health status already lags far behind the norm.

Although national mortality data are not available for Hispanics, a five-State survey in the southwestern region of the United States shows that from 1976 and 1980, the homicide rate was 21.6 per 100,000, approximately triple the rate of the non-Hispanic white population in the region, where the rate was 7.7 per 100,000.

In a 1976 south Texas study, violence constituted the most significant cause of death among Mexican-Americans in the 15-29 age range. Among Mexican-American men within this age range, 52 percent of the deaths

were accidental and 21 percent were homicides.

Although very little attention has been given to this issue, homicide was identified as a public health problem in 1985 when former Health and Human Services [HHS] Secretary Margaret Heckler released the report of the Secretary's Task Force on Black and Minority Health. After completing a year-long study, the task force reported that 60,000 excess minority deaths occur each year. These are deaths that would not have occurred if blacks and other minorities had the same death rates as nonminorities. Six causes of deaths were cited for more than 80 percent of the excess morality: cancer; cardiovascular disease and stroke; chemical dependency; diabetes; homicides and accidents; and infant mortality.

Within the black community, the task force identified 18,000 access deaths from heart disease and stroke, 11,000 from homicides and accidents, 8,100 from cancer, 6,100 from infant mortality, 2,150 from cirrhosis, and 1,850 from diabetes. AIDS had not been recognized as a minority health issue at the time the task force conducted its study.

As a result of the task force findings in 1985, Secretary Heckler created the Office of Minority Health within the Office of the Assistant Secretary for Health. An initial $3 million was committed by the Secretary to fund this Office, the charge of which was to coordinate the implementation of task force recommendations. Unfortunately, departmental commitment to addressing the minority health crisis in this country appears to have dissolved, and only through congressional action has the office received increased financial support. Despite the ravages of AIDS in minority communities and other well documented critical health issues facing blacks, Hispanics and other minorities, the Department of Health and Human Services has submitted a budget each year since 1985 which recommended only $3 million for the Office of Minority Health.

Mr. President, the crisis in minority health is far too important to allow its continued disregard by the Federal Government. That is why I am introducing legislation today to authorize an Office of Minority Health within the Department of Health and Human Services.

Under the terms of my legislation, the Office of Minority Health would coordinate all activities within the Department that relate to minority health care education, prevention, and service delivery; coordinate efforts to promote minority health care programs and policies in voluntary organizations and in the private sector; establish a minority health care resource center; and support projects and conduct research and demonstrations regarding minority health care. In addition, the Office would make grants to support efforts to increase AIDS education and prevention initiatives in minority communities. Finally, the legislation would require the Secretary to submit to the President for transmittal to Congress an annual report on the status of minority health care efforts. The legislation authorizes $30 million for the Office of Minority Health in fiscal year 1991.

Mr. President, the authorization of an adequately funded Office of Minority Health would provide a much-needed focus and a real commitment to attacking the health crisis in black, Hispanic and other minority populations. Combined with efforts to address underlying societal conditions, such as lack of access to health care, homelessness, poor nutrition, inadequate housing, chronic unemployment and other conditions of poverty, our Nation can begin to close the gap in health status of minorities.

Accordingly, I urge my colleagues to join in support of this vital minority health initiative.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1607

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. OFFICE OF MINORITY HEALTH.

(a) GENERAL AUTHORITY.—Section 1701 of the Public Health Service Act (42 U.S.C. 300u) is amended—

(1) in the first sentence of subsection (a)—

(A) by striking out "and" at the end of paragraph (10);

(B) by striking out the period at the end of paragraph (11) and inserting in lieu thereof "; and"; and

(C) by inserting after paragraph (11) the following new paragraph:

"(12) establish, in the Office of the Assistant Secretary for Health, an Office of Minority Health that shall—

"(A) establish plans, including specific short- and long-range objectives, and coordinate all activities within the Department, that relate to minority health care education, prevention, and service delivery with respect to the appropriate use of health care;

"(B) coordinate efforts to promote minority health care programs and policies in voluntary organizations and in the private sector with respect to minority health;

"(C) establish a national minority health care resource center to promote the exchange of, and access to, information concerning minority health care, and to provide for analyses of issues and problems regarding minority health;

"(D) support projects, conduct research, demonstrations, and evaluations, and disseminate information and findings relative to minority health care;

"(E) make grants to support efforts to increase knowledge and awareness in minority communities of the urgency of acquired immunodeficiency syndrome, including efforts such as public meetings, public speaking bureaus, training programs, and regional, State, and local conferences; and

"(F) make grants to support studies and demonstration projects to—

(i) test new and innovative approaches to information, education, prevention, and treatment activities relating to acquired immunodeficiency syndrome;

"(ii) examine the impact of acquired immunodeficiency syndrome on minority communities;

"(iii) determine more cost-effective methods of delivering health care to individuals with acquired immunodeficiency syndrome; and

"(iv) evaluate efforts in minority communities to prevent and treat acquired immunodeficiency syndrome.";

(2) in subsection (a), by inserting after the second sentence the following new sentence: "The Secretary shall appoint a Director for the Office of Minority Health established pursuant to paragraph (12), who shall be a member of the Public Health Service corps at flag rank.";

(3) in the last sentence of subsection (a)—

(A) by inserting after "agencies" the following: "(including minority health care organizations, providers, and historically black colleges and universities (HBCUs))"; and

(B) by inserting ", including minority communities" before the period at the end thereof; and

(4) by striking out subsection (b) and inserting in lieu thereof the following new subsection:

"(b) To carry out this title, there are authorized to be appropriated $30,000,000 for fiscal year 1991, $35,000,000 for fiscal year 1992, and $40,000,000 for fiscal year 1993.".

(b) RESEARCH PROGRAMS.—Section 1702 of such Act (42 U.S.C. 300u-1) is amended—

(1) in the first sentence of subsection (a)—

(A) by striking out "health information" and inserting in lieu thereof "health and minority health information"; and

(B) by inserting "health care delivery, access, and financing," after "health services,"; and

(2) in the first sentence of subsection (b), by inserting ", including minorities," after "public".

(c) COMMUNITY PROGRAMS.—Section 1703 of such Act (42 U.S.C. 300u-2) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by inserting "health risk factor reduction," after "programs in";

(B) in paragraph (1)(A), by inserting "in minority communities," after "(A) are";

(C) in paragraph (3), by inserting after "teaching programs" the following: "that are culturally sensitive to the diverse and unique needs of many minority citizens"; and

(D) in paragraph (4), by inserting after "hypertension," the following: "cancer, cardiovascular disease, infant mortality, substance abuse, homicide, unintentional injuries,"; and

(2) in the last sentence of subsection (c), by striking out "1978" and inserting in lieu thereof "1988".

(d) INFORMATION PROGRAMS.—Section 1704 of such Act (42 U.S.C. 300u-3) is amended—

(1) by inserting after the first sentence the following new sentence: "Such activities shall include special priority to minority individuals, providers, educators, and other persons in minority communities who are or should be informed respecting such matters.";

(2) in paragraph (1) of the last sentence—

(A) by inserting "culturally sensitive and relevant" after "publication of"; and

(B) by inserting "homicide and suicide," after "accident prevention,"; and

(3) in paragraph (2) of the last sentence, by inserting "minority communities," after "cooperation of".

(e) REPORT.—Section 1705 of such Act (42 U.S.C. 300u-4) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

"(b) Not later than 2 years after the date of enactment of this subsection and annually thereafter, the Secretary shall submit to the President for transmittal to Congress a report on the status of minority health care efforts in health information and health promotion, preventive health services, and education in the appropriate use of health care. The report shall include—

"(1) a statement of the activities carried out under this title since the last report was submitted and the extent to which each such activity achieves the purposes of this title;

"(2) an assessment of the manpower resources needed to carry out programs relating to health information and health promotion, preventive health services, and education in the appropriate use of health care;

"(3) a statement of the goals and strategy formulated pursuant to section 1701(a)(1), the models and standards developed under this title, and the results of any study conducted to carry out this subsection; and

"(4) such recommendations as the Secretary considers appropriate for legislation respecting health information and health promotion, preventive health services, and education in the appropriate use of health care, including recommendations for the extension and revision of this title.".

By Mr. GRASSLEY:

S. 1608. A bill for the relief of William W. Taylor of Williamsburg, IA; to the Committee on the Judiciary.

RELIEF OF WILLIAM K. TAYLOR

● Mr. GRASSLEY. Mr. President, I am today introducing legislation for the relief of William W. Taylor of Williamsburg, IA. This bill is necessary to rectify an administrative agency error that has barred Mr. Taylor from qualifying for Social Security benefits. As ranking member of the subcommittee with jurisdiction over private bills, and a former chairman of the subcommittee, I very rarely introduce private bills. This is, however, a compelling exception. Let me explain.

In 1982, while suffering from blood disease, Mr. Taylor had a leg amputated. In applying for disability benefits, he discovered that he did not have enough quarter-year periods with sufficient FICA contributions to qualify. Therefore, despite the severe impairment, Mr. Taylor was unable to collect disability payments.

While reviewing Mr. Taylor's employment records, it was discovered that through inadvertence, he had not been paid for 1 day of travel with the Naval Reserve on January 13, 1978. The additional FICA contributions from this day—a mere $19.94—if it were paid would be enough to qualify him for disability payments.

I inquired of the Navy Finance Center when I first learned of this error in July 1984. They responded, stating "Mr. Taylor was not paid/credited for his day of travel on January 13, 1978." However, the Navy Finance Center is authorized only to make payments within 6 years of when the claim occurred. This error was not brought to their attention until more than 6 years had passed.

Mr. Taylor's case was then forwarded to the GAO for review. The GAO also determined that under the Barring Act, Mr. Taylor was not entitled to the back pay he had earned. The GAO stated that there are no exceptions to this rule, "even in cases where its application may seem inequitable."

This assessment was in agreement with that of the Navy Finance Center:

We cannot authorize payment of Mr. Taylor's claim because it is barred. However, we examined his claim, and agree that Mr. Taylor was entitled to payment for his day of travel on January 13, 1978, and he was never paid. Whether or not the Social Security Administration (SSA) will accept a determination of entitlement in lieu of an actual payment for qualifying Mr. Taylor for FICA coverage for the first quarter of 1978 is a matter under their authority.

This past February, the Social Security Administation opted to decline.

Mr. President, our subcommittee guidelines normally bar claims for Social Security benefits, except those bills that waive the statute of limitations. This is such a bill. Its purpose is to simply waive the statute of limitations that prevents payment for Mr. Taylors single unpaid day of travel. Correcting this oversight is important to Mr. Taylor, to give him the benefits to which he is fully entitled. I urge swift approval of this private bill.●

By Mr. EXON (for himself and Mr. KERREY):

S. 1609. A bill to provide for an additional district court judge for the judicial district of Nebraska; to the Committee on the Judiciary.

ADDITIONAL JUDGE FOR THE JUDICIAL DISTRICT OF NEBRASKA

Mr. EXON. Mr. President, I rise today to introduce legislation to increase the number of Federal district judges that are serving the State of Nebraska. This bill is identical to a measure that I introduced in the 100th session of Congress. I am pleased to add Senator KERREY as a cosponsor of this measure.

The State of Nebraska is considered to be one Federal judicial district. It is served by three highly qualified and experienced judges. But, there are only 24 hours in a day and only 7 days in a week, while the number of cases to be handled by those judges has been steadily increasing. As a result, the Nebraska judges are overworked and the judicial district is understaffed.

When I introduced an identical bill 2 years ago, I pointed out that the total case filings in the Nebraska district had increased from 1,117 in 1981 to 1,919 in 1985. The number of case filings has leveled off with 1,929 in 1986, and 1,887 in 1987. But, the need for a new judge that was obvious in 1987 has remained obvious. When compared to other Federal judicial districts, the Nebraska district has consistently been ranked very high in the number of cases filed per judge.

Another measure that reveals the need for an additional judge in Nebraska is the number of cases that are actually tried by the three judges that Nebraska now has. During the past reporting year, the district of Nebraska ranked second nationally in this category. They tried an average of 73 cases apiece. Just across the river in Iowa, the judges handled an average of 37 to 39 cases apiece. And, 1989 was not an aberration. Nebraska ranked seventh in this category in 1988 and first in 1987.

I am proud of the Federal bench in Nebraska, as I am sure that it is due to their own initiative that cases have been promptly considered and decided. Despite the evidence that their district has been overburdened with cases, they have worked hard to see that justice is not unnecessarily delayed. They have kept sight of the truism that justice delayed can be justice denied. Yet, it is clear that it is time for the Senate to assist in that effort.

I urge the Senate Judiciary Committee to move promptly on this measure, to fully review the workload that the Nebraska bench is handling in such an exemplary manner, and to recommend this legislation to the full Senate so that it can be quickly passed into law.

By Mr. LEAHY (for himself, Mr. LUGAR, Mr. WIRTH, Mr. KASTEN, Mr. DASCHLE, Mr. BOSCHWITZ, Mr. BUMPERS, Mr. GORE, Mr. JEFFORDS, Mr. MATSUNAGA, Mr. CONRAD, Mr. HEINZ, Mr. PELL, Mr. LIEBERMAN, and Mr. HARKIN):

S. 1610. A bill to develop a program to determine potential impacts of climate change on agriculture and forestry, to provide for the development of policies designed to address issues of potential climate change, with respect both to developing a capacity for agriculture and forestry to adapt to climate change, and to developing innovative ways to ameliorate climate change, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

GLOBAL CLIMATE CHANGE PREVENTION ACT OF 1989

Mr. LEAHY. Mr. President, one thing that we have learned about envi-

ronmental issues in the past decade is that local concerns often have a profound impact on a regional and global basis.

Global warming is one of those issues.

Global warming is as local and personal as the sugar bush—the maple tree—in my front yard in Vermont. Scientists testifying before the Agriculture Committee told me that if the concentration of carbon dioxide in the atmosphere doubles, maple trees may no longer grow in the United States. Some predict this may happen by the year 2030—that's just 41 years from now, well within the lives of my children.

Global warming also has profound worldwide implications. These same scientists warned that a 4-degree rise in average temperature could cut rice production in half. Because rice is the staff of life for 70 percent of the world's population, global warming could devastate the world's food supply and result in widespread hunger and famine.

Other crops could be affected too. Dramatic warming would probably decrease average yields of wheat, corn, and soybeans. Major changes in the Southeast United States could turn substantial woodlands into grasslands.

Because of the seriousness of this problem, I am introducing comprehensive legislation addressing global warming as it relates to agriculture and foresty. The bills, the Global Climate Change Prevention Act of 1989, and the International Climate Change Prevention Act of 1989 have three basic components:

First, agriculture must help prevent global warming. A major cause of global warming is increased carbon dioxide in our atmosphere from automobiles and powerplants. Trees and plants can absorb carbon dioxide, but the projected dramatic increase in emissions threatens to overwhelm the natural balance. My bill will provide for massive reforestation of at least 3 million acres of tress—enough to fill the entire State of Connecticut. The bill will also contain incentives to plant more trees in urban areas.

Second, agriculture must not be a victim of global warming. We still do not know enough about the impact of global warming on agriculture and forestry. My first bill will direct the Department of Agriculture to take an active role in reducing the effect of global warming on our food supply and forests. This bill will also seek ways to insure that agriculture not only survives in a warmer world, but continues to provide the quantity and quality of food that we and the rest of the world need.

Third, the United States is part of a global environment. Global warming is not limited to Vermont or the Northeast part of our county. It stretches beyond our Nation's borders. Carbon dioxide emissions from other countries can affect our climate just as our emissions can affect theirs. My second bill mandates that we focus our foreign assistance in the areas of tropical deforestation and energy efficiency to minimize, not aggravate, global warming.

These actions are just one part of my legislative package addressing global warming. S. 333, the Global Environmental Protection Act of 1989 which I introduced in January, is a comprehensive plan to reduce hazards that cause global warming and ozone destruction. It sets a tough phase out schedule of chlorofluorocarbons [CFC's].

Sometimes the most profound issues are both local and global. Global warming is such an issue. Its potential impact is devastating and broad ranging, from the maple trees in Vermonters' front yards to famine in the Third World. It's a problem we can no longer wait to address.

These bills do something about that problem.

Mr. LUGAR. Mr. President, in the past year a considerable amount of information has come to the fore regarding the potential causes of and suggested solutions to the problem of global warming. Out of all the available information comes two clear messages. First, that we cannot wait until the problem is proven beyond any shadow of scientific doubt before preventative strategies are developed. And second, that developed countries can and should play a major role in helping developing countries avoid the long-term environmental costs that appear to be associated with traditional economic development.

I commend Senator LEAHY for the development of the bills he introduces today and am proud to be a primary cosponsor on legislation which will serve to open doors to research and hopefully, practical solutions to the problem of global warming. It also promotes the dissemination of critical information to developing countries so that cooperative, international solutions can be achieved.

The Global Climate Change Prevention Act of 1989 has three primary objectives. First, it calls for an investigation of the interrelationship between potential climate change and possible adverse effects on the continued productive capacity of American agriculture. Second, it reviews ways to use agriculture as a means to make positive environmental contributions, and third to investigate how agriculture might be contributing to the problem of global warming and to make corrective measures when necessary.

There is reasonable scientific evidence which suggests a gradual and measurable increase in average global temperature over the next century. Assuming that predictions based on current scientific thinking is correct, the projected changes in American agriculture could be significant in that the productive capacity of our Southeastern forests and of the wheat and corn belts could be diminished considerably. A primary objective of the bill is to begin research now that will build the necessary scientific base to ensure that American agriculture can adapt to future climatic changes.

The bill will also require studying the potential contribution of agriculture to the global warming trend since crops such as wheat, corn, and rice emit gases which are known to exacerbate the problem. The objective of such a study will be to develop different crop strains that emit reduced levels of these gases and develop agricultural practices which help alleviate the problem.

A very positive component of the bill is that it promotes the use of agriculture and forestry as means to ameliorate climate change. The bill requires the Secretary of Agriculture to take such measures as necessary to increase tree planting on CRP lands by 3 million acres and mandate specific incentives which the Secretary must provide for CRP tree planting. Trees are of critical importance to the climate change issue since they absorb carbon dioxide, a greenhouse gas, and emit oxygen. The bill also requires the establishment of an Urban Forestry Conservation Program.

The Tropical Forestry and Energy Efficiency Act of 1989 is a critical step forward toward a comprehensive solution since it deals with the global aspect of climate change. Global warming is an international problem that will require international cooperation and assistance to develop meaningful solutions. Because of tremendous projected increases in population growth, developing countries will place heavy demands on their agriculture and natural resources. This bill is directly aimed at providing technical assistance in the areas of forest management, agriculture, and energy conservation to developing countries. The bill is meant to open doors for what we perceive to be a receptive international interest in solving the problem of global warming.

As a developed country, we must recognize the need to construct meaningful and effective national policies that fit within the master framework of a global strategy aimed at responding to a global problem. The fundamental objectives of such a strategy should be the development of programs that ensure sustainable energy and a sustainable ecology.

We must also recognize that the United States can play an pivotal role in the worldwide solution but that such a role will be ineffective if we at-

tempt to generalize Western standards to the world as a whole.

In proceeding forward on the issue of global warming we must begin work now on responsive strategies that take into account adaptive capacities. At the same time we must continue our efforts to develop an international consensus on the science. The development of responsive strategies should, however, be sensitive to societal economic effects at both national and regional levels.

Mr. GORE. Mr. President, I rise today as an original cosponsor of the two bills introduced today by my good friend from Vermont, Senator LEAHY. I commend my colleague for his efforts on this most important issue, and am proud to work with him in supporting both the Global Climate Change Prevention Act of 1989, and International Tropical Forestry and Energy Efficiency Act of 1989.

The bills introduced today by my colleague will play a valuable role in our efforts to address what I and many others feel is one of the most important issues facing us, global climate change.

Mr. President, for many years, environmental considerations have taken a distant second place to the requirements of economic development, if they were taken into account at all. The consequence of that neglect has been deterioration at the local, regional, and now even global level, such as to threaten not only the quality of life, but life itself.

The consequences of global warming are sobering. The fact that they will occur at such an unimaginably rapid rate could be catastrophic. The litany of effects is by now familiar—drought in the middle of continents, vast changes in the world's climate patterns, major dislocations of water supplies and agricultural activities, increased frequency and severity of storms, and rising sea levels. The simple truth that global habitation patterns and economic infrastructures are designed around present climate patterns and coastal geographies, necessarily implies that a change in those conditions will cause major social disruptions.

We obviously need to deal comprehensively with global warming, stratospheric ozone depletion, species loss, deforestation, ocean pollution, acid rain, air and water pollution, and all of the problems degrading the world's environment. In every major sector of economic activity, we must find and disseminate increasingly effective new technologies: some that are already well in hand; some that need further work, though well understood in principle; and some that are revolutionary ideas whose very existance is now a matter of speculation.

That implies a level of mobilization of talent and resources which normally exists only for purposes of national defense. But many of us now believe that the emerging environmental threat, especially global warming and its consequences, must be seen and responded to as a genuine threat to security. With some reservations, I sympathize with that perception. Therefore, in a speech I gave last May before a meeting at the National Academy of Sciences, I appropriated a bit of military jargon to emphasize the intensity and scope of the effort we require, and called for the establishment of a strategic environment initiative, or SEI.

Please understand that this makes me no admirer of President Reagan's strategic defense initiative. On the contrary. But even as a critic of that program's objectives, I see that it drew together facilities and resources which had been scattered; it organized research concepts directed at challenging engineering requirements; and it has succeeded to this day in capturing a generous share of the Government's budget for research and development. We need to approach the environmental challenge to technology with the same intensity.

A strategic environment initiative must modernize the technologies and practices in every economic sector. We need an agricultural SEI, a manufacturing SEI, and a transportation SEI. And, perhaps most urgently, we need a strategic environment initiative to confront an area of human activity that cuts across all of these sectors, the area of activity most often implicated as the despoiler of the environment: an energy SEI.

An energy SEI must have a major focus on producing energy that is economical and environmentally safe. Chief on the near-term list—within 5 years—are energy efficiency and conservation. On the mid-term list—5 to 20 years—solar power, possibly new generation nuclear power, biomass fuels, as well as enhanced efficiency. And in the long term, 20 years and longer, nuclear fusion which is decades away, as well as enhanced versions of solar, biomass, and energy efficiency.

An agricultural SEI would focus on increasing productivity from small farms on marginal land, with low-input agricultural methods, and on resolving the problems created by policies that lead farmers to undervalue the soil, water, and genetic diversity on which food production depends.

An agricultural SEI, whose components are not only technological, but financial and political, may be the key to satisfying the land hunger of the disadvantaged and the desperate who are slashing daily into the rainforest of Amazonia—leaving behind the depleted soil of their earlier homesteads. They may also be the key in the battle to arrest the desertification of sub-Saharan Africa, where human need and climate stress now operate in a deadly partnership. Of course, technology alone will not completely solve the problems that arise from inadequate distribution of food supplies, which are more often due to a failure of politics, not crops.

Some of the technologies of an agricultural SEI are ancient, while others are on the cutting edge of science. Some, such as drip irrigation and multiple cropping practices, are being used in many regions of the world today. Others, such as bioengineering nitrogenfixing capabilities into major crops, will require much further research and development. The real challenge will be in developing the policies and institutions that will encourage farmers throughout the world to adopt these new technologies and practices.

A manufacturing SEI must seek not only new technologies, but also new materials and new industrial processes, which integrate better with the environment. Specifically, increased use of recycled materials, development of new materials more conducive to recycling, and design of new manufacturing processes that feed the waste stream of one industrial activity into the feed stream of another, are examples. A manufacturing SEI must have as its ideal goal an economy requiring no new inputs of materials, being reliant only on those recycled from past products and processes. The closer that the manufacturing sector comes to such an ideal, the less impact our standard of living will have on the environment.

Needed in the United States probably more than anywhere is a transportation SEI focusing in the near term on improving the mileage standards of our vehicles, and encouraging and enabling Americans to drive less. In the mid-term, come questions of alternative fuels, such as electricity and biomass-based liquid fuels. And in the mid- and long-terms come the inescapable need for re-examining the entire structure our transportation sector, and its inherent demand on the personal vehicle for efficient transportation.

How are we to assure the transfer of these technologies to the developing world? One can assume that information about new environmentally compatible technologies will spread rapidly in the industrialized countries, where the pace of implementation will be driven by market economics as modified by Government policy. In the developing world, however, this is not the case. The first hurdle for those countries will be the lack of information and inability to plan realistically for the incorporation of new technologies, even when their existence is known.

Therefore, the United States, along with other developers of new technology, and international lending institu-

tions, should establish centers of training at locations around the world, to create a core of environmentally educated planners and technicians, in order to "make the ground fertile" for sowing environmentally attractive technologies and practices. In effect, an effort not unlike that which produced agricultural research centers throughout the world during the Green Revolution.

We should also begin to collaborate intensively with Third World nations in their development planning. For example, it would be both an environmental and an economic disaster if the Third World were to follow down the same energy path previously traveled by the industrialized nations. Rather, the Third World must be helped to plan and implement modern, efficient, diverse energy programs that reflect their unique resource capabilities and constraints.

Mr. President, we can no longer escape the consequences of Third World development on future environmental damage, especially if it involves an acceleration of global warming. For the first time, we are realizing that our destiny is really interlocked with the destiny of the developing world.

ADDITIONAL COSPONSORS

S. 110

At the request of Mr. KENNEDY the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of S. 110, a bill to revise and extend the programs of assistance under title X of the Public Health Service Act.

S. 247

At the request of Mr. METZENBAUM, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 247, a bill to amend the Energy Policy and Conservation Act to increase the efficiency and effectiveness of State energy conservation programs carried out pursuant to such act, and for other purposes.

S. 260

At the request of Mr. MOYNIHAN, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from Mississippi [Mr. LOTT], and the Senator from Vermont [Mr. JEFFORDS] were added as cosponsors of S. 260, a bill to amend the Internal Revenue Code of 1986 to make the exclusion from gross income of amounts paid for employee educational assistance programs.

S. 461

At the request of Mr. GRASSLEY, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 461, a bill to amend title XVIII of the Social Security Act to permit payment for services of physician assistants outside institutional settings.

S. 488

At the request of Mr. FOWLER, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 488, a bill to provide Federal assistance and leadership to a program of research, development and demonstration of renewable energy and energy efficiency technologies, and for other purposes.

S. 520

At the request of Mr. DECONCINI, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor; of S. 520 a bill to encourage the States to enact legislation to grant immunity from personal civil liability under certain circumstances to volunteers working on behalf of nonprofit organizations and governmental entities.

S. 543

At the request of Mr. SIMON, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 543, a bill to amend the Job Training Partnership Act to strengthen the program of employment and training assistance under that act, and for other purposes.

S. 618

At the request of Mr. SARBANES, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 618, a bill to authorize the Indian American Forum for Political Education to establish a memorial to Mahatma Gandhi in the District of Columbia.

S. 619

At the request of Mr. SARBANES, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 619, a bill to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr. in the District of Columbia.

S. 621

At the request of Mr. CONRAD, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 621, a bill to provide financial assistance for the commercialization of agricultural research, and for other purposes.

S. 656

At the request of Mr. GRASSLEY, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 656, a bill to amend the Internal Revenue Code of 1986 to restore the deduction for interest on educational loans.

S. 659

At the request of Mr. SYMMS, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 659, a bill to repeal the estate tax inclusion related to valuation freezes.

S. 727

At the request of Mr. HEFLIN, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 727, a bill to amend the Animal Welfare Act to provide protection to animal research facilities from illegal acts.

S. 775

At the request of Mr. SHELBY, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 775, a bill to require the Secretary of Energy to establish three centers for metal casting competitiveness research.

S. 841

At the request of Mr. HATCH, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 841, a bill to provide jurisdiction and procedures for claims for compassionate payments for injuries due to exposure to radiation from nuclear testing and uranium mining.

S. 844

At the request of Mr. BRADLEY, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 844, a bill to establish a National Park System Review Board, and for other purposes.

S. 849

At the request of Mr. DASCHLE, the names of the Senator from Nevada [Mr. REID] and the Senator from Louisiana [Mr. BREAUX] were added as cosponsors of S. 849, a bill to repeal section 2036(c) of the Internal Revenue Code of 1986, relating to valuation freezes.

S. 932

At the request of Mr. SASSER, his name was withdrawn as a cosponsor of S. 932, a bill to amend the Solid Waste Disposal Act so as to authorize the Environmental Protection Agency to take certain action to protect the environment; to mitigate water pollution; to reduce solid waste and the cost in connection with the disposal of such waste through recycling; and for other purposes.

S. 975

At the request of Mr. METZENBAUM, the name of the Senator from Oregon [Mr. PACKWOOD] was added as a cosponsor of S. 975, a bill to amend the Job Training Partnership Act to encourage a broader range of training and job placement for women, and for other purposes.

S. 1169

At the request of Mr. ROTH, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 1169, a bill to provide administrative procedures for noncontroversial tariff suspensions.

S. 1181

At the request of Mr. HEINZ, the names of the Senator from Virginia [Mr. WARNER] and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of S. 1181, a bill to

amend the Solid Waste Disposal Act to require producers and importers of lubricating oil to recycle a certain percentage of used oil each year, to require the Administrator of the Environmental Protection Agency to establish a recycling credit system for carrying out such recycling requirement, to establish a management and tracking system for such oil, and for other purposes.

S. 1199

At the request of Mr. CHAFEE, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1199, a bill to amend the Social Security Act to improve Medicare and Medicaid payment levels to community health clinics.

S. 1207

At the request of Mr. PACKWOOD, the names of the Senator from Mississippi [Mr. LOTT] and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of S. 1207, a bill to amend the Communications Act of 1934 to reform the radio broadcast license renewal process and for other purposes.

S. 1224

At the request of Mr. BRYAN, the names of the Senator from Tennessee [Mr. GORE], the Senator from Hawaii [Mr. INOUYE], the Senator from Colorado [Mr. WIRTH], the Senator from Massachusetts [Mr. KERRY], and the Senator from Nevada [Mr. REID] were added as cosponsors of S. 1224, a bill to amend the Motor Vehicle Information and Cost Savings Act to require new standards for corporate average fuel economy, and for other purposes.

S. 1237

At the request of Mr. GLENN, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 1237, a bill to require the Administrator of the General Services Administration to encourage the use of plastics derived from certain commodities, and to include such products in the General Services Administration inventory for supply to Federal agencies, and to establish an Interagency Council on Biodegradable Standards for the development of uniform definitions standards and testing procedures for degradable plastic products made from certain commodities, and for other purposes.

S. 1256

At the request of Mr. ROTH, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 1256, a bill to amend the Internal Revenue Code of 1986 to provide for the establishment of flexible individual retirement accounts the interest on which is exempt from tax, to allow a credit for contributions by low-income persons to such account, and for other purposes.

S. 1270

At the request of Mr. MCCAIN, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1270, a bill to provide an Indian Mental Health Demonstration Grant Program.

S. 1330

At the request of Mr. HELMS, the names of the Senator from North Carolina [Mr. SANFORD] and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of S. 1330, a bill to provide protections to farm animal facilities engaging in food production or agricultural research from illegal acts, and for other purposes.

S. 1346

At the request of Mr. GRAHAM, the names of the Senator from Connecticut [Mr. DODD], the Senator from South Dakota [Mr. DASCHLE], the Senator from Oklahoma [Mr. BOREN], the Senator from Connecticut [Mr. LIEBERMAN], and the Senator from North Carolina [Mr. SANFORD] were added as cosponsors of S. 1346, a bill to amend the Communications Act of 1954 regarding the broadcasting of certain political matter, and for other purposes.

S. 1371

At the request of Mr. SANFORD, the names of the Senator from South Dakota [Mr. PRESSLER] and the Senator from New York [Mr. D'AMATO] were added as cosponsors of S. 1371, a bill to authorize appropriations for rural housing programs, and for other purposes.

S. 1381

At the request of Mr. KASTEN, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1381, a bill to amend the Internal Revenue Code of 1986 to increase to 100 percent and make permanent the deduction for health insurance for self-employed individuals.

S. 1394

At the request of Mr. MOYNIHAN, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 1394, a bill to provide permanent duty free treatment for corned beef in airtight containers.

S. 1400

At the request of Mr. KASTEN, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of S. 1400, a bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

S. 1419

At the request of Mr. GRAHAM, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 1419, a bill to amend the Rehabilitation Act of 1973 to authorize the Director of the National Institute on Disability and Rehabilitation Research to conduct research on the development of advanced technology prosthetic and orthotic devices.

S. 1466

At the request of Mr. PRYOR, the names of the Senator from North Dakota [Mr. CONRAD] and the Senator from Kentucky [Mr. FORD] were added as cosponsors of S. 1466, a bill to amend title XVIII of the Social Security Act to make certain modifications in the Medicare Program with respect to payments made under such program to rural referral centers and high Medicare volume hospitals located in rural areas to improve the delivery of health services to individuals residing in such areas, and for other purposes.

S. 1472

At the request of Mr. WILSON, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 1472, a bill to provide equity for consumers by allowing them to receive refunds for certain payments to public utilities made excess by the Tax Reform Act of 1986.

S. 1490

At the request of Mr. CHAFEE, the name of the Senator from Oregon [Mr. PACKWOOD] was added as a cosponsor of S. 1490, a bill to amend the Clean Air Act to provide for the attainment and maintenance of the national ambient air quality standards, the control of toxic air pollutants, the prevention of acid deposition, and other improvements in the quality of the Nation's air.

S. 1548

At the request of Mr. COATS, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 1548, a bill to amend the Controlled Substances Act to strengthen minimum imprisonment provisions for employing persons under 18 years of age in drug operations, and for other purposes.

S. 1560

At the request of Mr. BURNS, the names of the Senator from Utah [Mr. GARN] and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of S. 1560, a bill to suspend the enforcement of certain regulations relating to underground storage tanks, and for other purposes.

S. 1582

At the request of Mr. SIMON, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 1582, a bill to amend the Foreign Assistance Act of 1961 to provide for certain forms of assistance to Poland to ensure success of freedom and democracy in Poland.

S. 1590

At the request of Mr. BINGAMAN, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 1590, a bill to transfer certain rights-of-way to the Elephant Butte Irrigation District of New Mexico, and for other purposes.

SENATE JOINT RESOLUTION 28

At the request of Mr. ROTH, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of Senate Joint Resolution 28, a joint resolution proposing an amendment to the Constitution of the United States limiting Federal taxation of State and local obligations.

SENATE JOINT RESOLUTION 86

At the request of Mr. RIEGLE, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of Senate Joint Resolution 86, a joint resolution designating November 17, 1989, as "National Philanthropy Day."

SENATE JOINT RESOLUTION 118

At the request of Mr. RIEGLE, the names of the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Alabama [Mr. HEFLIN], the Senator from Wisconsin [Mr. KOHL], the Senator from Nebraska [Mr. EXON], the Senator from North Dakota [Mr. CONRAD], the Senator from Wyoming [Mr. SIMPSON], the Senator from Utah [Mr. HATCH], the Senator from New York [Mr. D'AMATO], the Senator from Iowa [Mr. GRASSLEY], the Senator from California [Mr. WILSON], the Senator from Virginia [Mr. ROBB], and the Senator from Idaho [Mr. MCCLURE] were added as cosponsors of Senate Joint Resolution 118, a joint resolution designating October 6, 1989, as "German-American Day."

SENATE JOINT RESOLUTION 164

At the request of Mr. NICKLES, the names of the Senator from West Virginia [Mr. BYRD], the Senator from Nevada [Mr. REID], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Vermont [Mr. JEFFORDS], and the Senator from Kansas [Mr. DOLE] were added as cosponsors of Senate Joint Resolution 164, a joint resolution designating 1990 as the "International Year of Bible Reading."

SENATE JOINT RESOLUTION 193

At the request of Mr. DECONCINI, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of Senate Joint Resolution 193, a joint resolution designating October 1989 as "National Italian-American Heritage and Culture Month."

SENATE JOINT RESOLUTION 194

At the request of Mr. LAUTENBERG, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of Senate Joint Resolution 194, a joint resolution designating November 12-18, 1989 as "National Glaucoma Awareness Week."

SENATE CONCURRENT RESOLUTION 34

At the request of Mr. BREAUX, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of Senate Concurrent Resolution 34, a concurrent resolution confirming that it is the responsibility and the desire of Congress to develop a comprehensive telecommunications policy, which includes determining the extent of participation of regional Bell holding companies in providing advanced telecommunications services and equipment.

SENATE CONCURRENT RESOLUTION 56

At the request of Mr. MCCAIN, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of Senate Concurrent Resolution 56, a concurrent resolution relating to the establishment of new comprehensive national aviation policy for the United States.

SENATE CONCURRENT RESOLUTION 57

At the request of Mr. DODD, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of Senate Concurrent Resolution 57, a concurrent resolution to express the sense of the Senate regarding the 25th anniversary of Volunteers in Service to America.

SENATE CONCURRENT RESOLUTION 60

At the request of Mr. MOYNIHAN, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Maryland [Mr. SARBANES], the Senator from Arkansas [Mr. BUMPERS], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KERRY], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Indiana [Mr. LUGAR], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from New Mexico [Mr. DOMENICI], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Florida [Mr. MACK] were added as cosponsors of Senate Concurrent Resolution 60, a concurrent resolution expressing the sense of the United States Senate that the Soviet Union should release the prison records of Raoul Wallenberg and account for his whereabouts.

SENATE RESOLUTION 172

At the request of Mr. GRAMM, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of Senate Resolution 172, a resolution to acknowledge the high achievement, commitment, and vision of MICKEY LELAND.

AMENDMENT NO. 707

At the request of Mr. BENTSEN, his name was added as a cosponsor of amendment No. 707 intended to be proposed to S. 933, a bill to establish a clear and comprehensive prohibition of discrimination on the basis of disability.

AMENDMENT NO. 710

At the request of Mr. CRANSTON, the names of the Senator from Vermont [Mr. JEFFORDS], and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of amendment No. 710 intended to be proposed to S. 13, a bill to amend title 38, United States Code, to increase the rates of disability compensation and dependency and indemnity compensation for veterans and survivors, to increase the allowances paid to disabled veterans pursuing rehabilitation programs and to the dependents and survivors of certain disabled veterans pursuing programs of education, and to improve various programs of benefits and health-care services for veterans; and for other purposes.

SENATE RESOLUTION 175—DESIGNATING "COUNTRY MUSIC MONTH"

Mr. GORE (for himself, Mr. SASSER, Mr. BUMPERS, and Mr. HEFLIN) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 175

Whereas country music derives its roots from the folk songs of our Nation's workers, captures the spirit of our religious hymns, reflects the sorrow and joy of our traditional ballads, and echoes the drive and soulfulness of rhythm and blues;

Whereas country music has played an integral part in our Nation's history, accompanying the growth of the Nation and reflecting the ethnic and cultural diversity of our people;

Whereas country music embodies a spirit of America and the deep and genuine feelings individuals experience throughout their lives;

Whereas the distinctively American refrains of country music have been performed for audiences throughout the world, striking a chord deep within the hearts and souls of its fans; and

Whereas October, 1989, marks the 25th annual observance of Country Music Month: Now, therefore, be it

Resolved, That the month of October, 1989, is designated as "Country Music Month", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

● Mr. GORE. Mr. President, I am pleased to submit, along with my distinguished colleagues, Senators JIM SASSER, DALE BUMPERS, and HOWELL HEFLIN, a resolution to designate October 1989 as "Country Music Month." This resolution underscores the contributions of country music—an authentic American art form—to American culture.

With its roots in the American folk songs and spirituals sung on front porches and around campfires, the first country music reflected the strength and vitality of our young, ambitious Nation. Country music as most of us know and appreciate it was born in 1923 when Fiddlin' John Carson made the first successful country music recording. Today country music superstars perform for countless live audiences and are heard on over 2,000 radio stations nationwide.

And, while Nashville, TN, is heralded as "Music City, U.S.A., Country Music Capital of the World," country music is enjoyed by people throughout the United States. In fact, people in the audience of the Grand Ole Opry travel an average of 450 miles one way to enjoy the sounds and stories of greats such as Roy Acuff, Minnie Pearl, Ricky Skaggs, and Randy Travis. They travel these distances because no matter where they're from—farm or small town or large city—country music is in tune with their everyday experiences. Country music expresses the human emotions we all share: Love of family; faith in God; pride in country; reverence for nature.

I grew up in Smith County, TN, listening to the Grand Ole Opry and following the legendary careers of so many country music stars. As a child, I came to understand the enormous impact country music had on so many people, and how it touched the lives of music lovers throughout the country.

The Country Music Association first officially celebrated Country Music Month in November 1964. The first Presidential proclamation recognizing October as Country Music Month was issued in 1970. Presidential proclamations have been received every year since. I urge my colleagues to support this resolution to commemorate this special 25th Country Music Month.●

● Mr. SASSER. Mr. President, I rise today to join with my colleague from Tennessee [Mr. GORE] in introducing a joint resolution designating October as "Country Music Month."

Mr. President, country music is uniquely American music. It speaks of the culture that we all share. Its songs tell of the American experience. They relate real experiences in the everyday lives of our people—happiness, sorrow, jobs, family.

In 1923, Fiddlin' John Carson made the first successful country music recording. Since then country music has expanded from its rural and small-town roots to its present popularity as a mainstream art form. According to the Country Music Association's latest survey, the largest segment of the country music audience are well educated, affluent professional families of the cities and suburbs.

My hometown of Nashville, TN, is the center of the country music industry. I am pleased to see that Americans across the country are learning what we in Tennessee have known all along—that country music is American music.

The number of country radio stations in the United States has grown from 81 in 1961 to more than 2,000 today. The number of members of the Country Music Association has grown from 233 in 1958 to more than 7,000.

The Country Music Association, founded in 1958, has been instrumental in increasing the popularity of country music both in the United States and indeed around the world. Together with the Grand Ole Opry, they cosponsor Fan Fair. This annual country music festival is held each June in Nashville. It provides an opportunity for country music fans to meet their favorite stars and to attend several concerts over the course of the week.

Mr. President, I am proud that my State has helped make country music America's music. I call on my colleagues to join us in cosponsoring Country Music Month and recognizing America's music.●

AMENDMENTS SUBMITTED

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS, 1990

BYRD (AND OTHERS) AMENDMENT NO. 727

Mr. BYRD (for himself, Mr. HATFIELD, Mr. BENTSEN, Mr. EXON, Mr. KENNEDY, and Mr. KERRY) proposed an amendment to the committee amendment on page 5, line 22, to the bill (H.R. 3015) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1990, and for other purposes, as follows:

In the pending amendment, on page 6, line 2, strike all after the word "of" and insert in lieu thereof the following:

TITLE IV—EMERGENCY DRUG FUNDING

SEC. . (a) Except as provided in subsection (b), notwithstanding any other provision of this or any other Act, each appropriation item or loan program level made available for fiscal year 1990 heretofore, herein, or hereafter shall be reduced by .575 per centum, rounded to the nearest thousands of dollars, except for programs scored as mandatory during fiscal year 1990: *Provided,* That such reduction shall be applied proportionally to each program, project, and activity as set forth in the appropriate reports.

(b) subsection (a) shall not apply to the amounts provided in subsection (c).

(c) There is hereby appropriated the following amounts:

CHAPTER I

DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $10,261,000.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for "Salaries and expenses, general legal activities", $41,476,000, to remain available until expended.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For an additional amount for "Salaries and expenses, United States Attorneys", $80,699,000.

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

For an additional amount for "Salaries and expenses, United States Marshals Service", $23,819,000.

SUPPORT OF UNITED STATES PRISONERS

For an additional amount for "Support of United States prisoners", $23,000,000, to remain available until expended; of which not to exceed $10,000,000 shall be available under the Cooperative Agreement Program.

ASSETS FORFEITURE

For an additional amount for expenses authorized by 28 U.S.C. 524 (c)(1)(A)(ii), (B), (C), (F) and (G), as amended, $25,000,000 to be derived from the Department of Justice Assets Forfeiture Fund.

INTERAGENCY LAW ENFORCEMENT

ORGANIZED CRIME DRUG ENFORCEMENT

For an additional amount for "Organized crime drug enforcement", $46,361,000 shall be available to reimburse participating agencies from the Departments of Treasury and Transportation: *Provided,* That of this amount, $8,045,000 shall be available to reimburse the Immigration and Naturalization Service.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $97,045,000: *Provided,* That $15,000,000 of this amount shall be available until expended for construction of Pod B of the Engineering Research Facility at Quantico, Virginia.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $59,001,000.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $16,891,000.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $54,923,000.

BUILDINGS AND FACILITIES

For an additional amount for "Buildings and facilities", $1,000,000,000, to remain available until expended.

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

For an additional amount for "Justice assistance", $230,021,000, to remain available until expended: *Provided,* That $200,000,000 shall be available for the Edward Byrne Memorial State and Local Law Enforcement Assistance Program, $7,067,000 for the National Institute of Justice, $8,954,000 for the Bureau of Justice Assistance, $1,500,000 for the Regional Information Sharing Systems, and $12,500,000 for the Juvenile Justice and Delinquency Prevention Program.

THE JUDICIARY

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $59,550,000.

DEFENDER SERVICES

For an additional amount for "Defender services", $48,473,000, to remain available until expended.

FEES OF JURORS AND COMMISSIONERS

For an additional amount for "Fees of jurors and commissioners", $4,000,000, to remain available until expended.

COURT SECURITY

For an additional amount for "Court security", $15,400,000.

RELATED AGENCY

STATE JUSTICE INSTITUTE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $4,020,000, to remain available until expended.

CHAPTER II

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

CONSTRUCTION

For an additional amount for "Construction", for expenses necessary to carry out sections 2207 and 2211 of Public Law 100-690, $8,000,000 to remain available until expended.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICES

For an additional amount for "Indian Health Services" for expenses necessary to carry out sections 2212, 2213, 2215, and 2217 of Public Law 100-690, $14,500,000.

INDIAN HEALTH FACILITIES

For an additional amount for "Indian Health Facilities", for construction expenses necessary to carry out section 2212 of Public Law 100-690, $3,000,000, to remain available until expended.

CHAPTER III

DEPARTMENT OF HEALTH AND HUMAN SERVICES

CENTERS FOR DISEASE CONTROL

DISEASE CONTROL, RESEARCH, AND TRAINING

For an additional amount for "Disease control, research, and training", $100,000,000.

ALCOHOL, DRUG ABUSE AND MENTAL HEALTH ADMINISTRATION

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH

For an additional amount for "Alcohol, Drug Abuse, and Mental Health", for carrying out substance abuse activities only, $1,140,500,000: *Provided*, That the amounts provided for block grants to States under title XIX of the Public Health Service Act shall not be used to calculate amounts to be used for programs and activities relating to drug abuse as required by section 1916(c)(7)(B) of said Act.

FAMILY SUPPORT ADMINISTRATION

COMMUNITY SERVICES BLOCK GRANT

For an additional amount for "Community services block grant", $23,000,000.

ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT SERVICES

HUMAN DEVELOPMENT SERVICES

For an additional amount for "Human development services", $47,000,000.

DEPARTMENT OF EDUCATION

SCHOOL IMPROVEMENT PROGRAM

For an additional amount for Part F of Title IV and Title V of Public Law 100-297, $289,000,000, of which $4,000,000 shall be for section 4607, $6,000,000 shall be for part C and $4,000,000 shall be for Part D of Title V and $275,000,000 shall be for Part B of said Title of which not less than $25,000,000 shall be for section 5121(a) for urban and rural emergency grants.

RELATED AGENCIES

ACTION

For an additional amount for substance abuse prevention and education activities under section 501(c) of the Domestic Volunteer Service Act of 1973 as amended, $3,000,000 of which not more than $300,000 may be used for administrative expenses.

CHAPTER IV

DEPARTMENT OF THE TREASURY

FEDERAL LAW ENFORCEMENT TRAINING CENTER

Acquisition, Construction, Improvements and Related Expenses

For an additional amount for "Acquisition, construction, improvements and related expenses", $5,740,000, to remain available until expended.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $21,600,000.

U.S. CUSTOMS SERVICE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $45,400,000.

OPERATIONS AND MAINTENANCE, AIR INTERDICTION PROGRAM

For an additional amount for "Operations and maintenance, air interdiction program" for the procurement of helicopters, surveillance, tracking, and interceptor aircraft; and operation and maintenance expenses for these and other assets of the U.S. Customs Service air interdiction program, $43,400,000.

INTERNAL REVENUE SERVICE

INVESTIGATION, COLLECTION AND TAXPAYER SERVICE

For an additional amount for "Investigation, collection and taxpayer service", $15,000,000, solely for activities related to the criminal investigations division.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", for activities related to the designation of high intensity drug trafficking areas, $25,000,000.

SPECIAL FORFEITURE FUND

For expenses authorized by section 6073 of Public Law 100-690, not to exceed $115,000,000, to be derived from the Department of Justice Assets Forfeiture Fund, and to remain available until expended.

CHAPTER V

DEPARTMENT OF VETERANS AFFAIRS

VETERANS HEALTH SERVICE AND RESEARCH ADMINISTRATION

MEDICAL CARE

For an additional amount for "Medical care", $100,000,000, to remain available until expended.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

For an additional amount for "Annual contributions for assisted housing", $100,000,000, to be used for grants under the Public Housing Drug Elimination Act of 1988, to remain available until expended.

LAUTENBERG AMENDMENT NO. 728

Mr. LAUTENBERG proposed an amendment to the reported amendment on page 71, line 2, of the bill H.R. 3105, supra, as follows:

In the pending committee amendment on page 71 strike all after the word "deleting" and insert the following: "in 49 U.S.C. App. 1374(d)(1)(A), all after the words 'any scheduled airline flight' and inserting in lieu thereof, 'segment, in air transportation or intrastate air transportation, which is between any two points in the United States, and the Secretary shall promulgate regulations to implement this subparagraph, and' ".

GENESEE RIVER PROTECTION ACT

MOYNIHAN AMENDMENT NO. 729

Mr. LAUTENBERG (for Mr. MOYNIHAN) proposed an amendment to the bill (S. 931) to protect a segment of the Genesee River in New York, as follows:

On page 2, lines 15 and 16, strike "within Letchworth Gorge State Park," and insert in lieu thererof, "beginning at the southern boundary of Letchworth Gorge State Park and extending downstream to the Mt. Morris Dam,".

NOTICES OF HEARINGS

SUBCOMMITTEE ON ENVIRONMENTAL PROTECTION

Mr. BAUCUS. Mr. President, I would like to announce that the Subcommittee on Environmental Protection of the Committee on Environment and Public Works will hold hearings on amendments to the Clean Air Act, beginning the week of September 25.

The purpose of the hearings is to receive testimony on the issues of air toxics, ozone and carbon monoxide nonattainment, acid rain and municipal waste incinerators.

Individuals who wish to testify must submit a written request, including a mailing address and phone number, to Jennifer Hess, Committee on Environment and Public Works, Room SD-458, Dirksen Senate Office Building, Washington, DC, 20510. All requests to testify must be received by Friday, September 15, 1989.

All witnesses who have a common position or the same general interest are urged to consolidate their testimony and designate a single spokesman to present their common viewpoint

orally to the committee. This procedure will enable the committee members to receive a wider expression of views.

For further information, please contact the Committee on Environment and Public Works at 224-6176.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a hearing on Thursday, September 14, 1989, beginning at 2 p.m., in 485 Russell Senate Office Building on S. 1270, to provide an Indian mental health demonstration grant program.

Those wishing additional information should contact the Select Committee on Indian Affairs at 244-2251.

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a markup on Friday, September 15, 1989, beginning at 9 a.m., in 485 Russell Senate Office Building to consider for report to the Senate S. 321, the Buy Indian Act Amendments of 1989, H.R. 498, the Indian Law Enforcement Reform Act and S. 1364, to establish a Joint Federal-State Commission on Policies and Programs Affecting Alaska Natives, to be followed by a hearing beginning at 2 p.m. on S. 1096 and S. 1336, to provide for the use and distribution of funds awarded the Seminole Indians, and S. 1526, to authorize the State of Oklahoma and the Kiowa, Comanche and Apache Tribes to enter into an agreement regarding the exercise of State jurisdiction over a portion of Indian country located in Comanche County, OK.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224-2251.

Mr. INOUYE. Mr. President I would like to announce that the Select Committee on Indian Affairs will be holding a hearing on Friday, September 15, 1989, beginning at 9:45 a.m., in 562 Dirksen Senate Office Building on the Indian Vocational Education.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224-2251.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for the public that a hearing before the Committee on Energy and Natural Resources on House Joint Resolution 175, originally scheduled for September 12, has been rescheduled for Tuesday, September 26, 1989, at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on House Joint Resolution 175, legislation to authorize entry into force of the Compact of Free Association between the United States and the Government of Palau, and for the other purposes.

For further information, please contact Allen Stayman or Pat Temple at (202) 224-4756.

AUTHORITY FOR COMMITTEES TO MEET

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. FORD. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Tuesday, September 12, 1989, to hold hearings on the structure of international drug cartels.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Tuesday, September 12, 1989, at 9 a.m. to conduct a hearing on S. 580, Student Athlete Right-to-Know Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, September 12, 1989, at 10 a.m. to hold a hearing to review the national drug strategy.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, September 12, 1989, at 2 p.m. for a hearing to receive testimony on the following bills: S. 319, to effect an exchange of lands between the U.S. Forest Service and the Salt Lake City Corporation within the State of Utah, and for other purposes; S. 374, to amend the National Trails System Act to designate the Pony Express National Historic Trail as a component of the National Trails System; S. 383, entitled the "Camp W.G. Williams Land Exchange Act of 1989"; S. 620, for Relief of Leroy W. Shebal of North Pole, Alaska; S. 1230, to authorize the acquisition of additional lands containing Indian burial grounds for inclusion in the Knife River Indian Village National Historic Site, ND, and to provide additional developmental funding for the historic site visitor center; and H.R. 2783, To Improve the Management of Certain Public Lands in the State of Minnesota.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

BIG BROTHERS/BIG SISTERS

● Mr. GRAHAM. Mr. President, I believe it is timely that, as the Senate is developing legislation to encourage volunteer service in America, we recognize the outstanding contribution made by volunteers in the Big Brothers/Big Sisters of America Program.

We in the Senate regularly debate the challenges of adolescence in today's world—drugs, self-esteem, school dropouts, working parents, child care, and abuse. These overwhelming challenges are often magnified for children from single parent homes. Big Brothers/Big Sisters of America has been helping young people tackle these challenges since the turn of the century.

Adult volunteers from 481 affiliated agencies throughout the United States are spending countless hours each year working one to one with children from single parent homes. Volunteers in each local agency provide the friendship and support necessary to these youngsters so they become responsible, productive adults. The "bigs" (volunteers) serve as the role models that may be missing in the lives of the "littles" (children), and give the attention and guidance that a single, working parent does not have the time or resources to provide.

Today I want to highlight the remarkable work being done by the "bigs" of one of these local affiliates—Big Brothers/Big Sisters of Greater Miami. These are currently 300 adults in the Greater Miami agency donating 50,000 hours each year to be the friend and mentor desperately needed by so many children in Dade County. They make a minimum commitment of 1 year to their Little Brother or Sister and spend at least 3-5 hours with them each week. Planned activities include fishing tournaments, picnics, support groups, and their annual fundraiser—a communitywide, daylong bowlathon.

Mr. President, a very special event is taking place on September 23 at the Omni Hotel in Miami. In "A Salute to Our Superstars," these volunteers will be honored for their service to the young people of the Greater Miami area. They are indeed stars in the truest sense of the word. They are brilliant and guiding lights not only to their "littles," but to all of us in the examples they provide.

I urge my colleagues in the Senate to join me in saluting these bright stars for their unselfish dedication to our youth. I wish them the best on this important day and in their con-

tinuing success with their Little Brothers and Little Sisters.●

THE ISSUE OF FOOD SAFETY

● Mr. GORTON. Mr. President, yesterday's announcement by the Ralph Nader-associated consumer pesticide project that it has received the pledge of five small grocery store chains to stop selling produce treated with pesticides amounts to nothing more than the use of scare tactics to blackmail certain retailers into limiting the choices of consumers. In an attempt to indict all agricultural chemicals as universally harmful, this group ignores the positive attributes of produce grown by modern, safe agricultural practices and ultimately endangers the overall health of American families.

This most recent episode in the "food scare campaign of 1989" is yet another attempt among certain environmental extremists to derail the scientific process for measuring risk against benefit in the use of agricultural chemicals—a system which boasts the safest, most abundant and least expensive food supply in the world.

The hysteria of this rhetorical, antiagricultural campaign serves no one and in fact, harms both farmers and consumers. Farmers are harmed by the threat this latest tactic poses to their livelihood. Consumers are harmed when they reduce their consumption of fruits and vegetables—which are both nutritious and a natural combatant to disease and cancer; when their retail shopping choices are severely curtailed and prices rise as a result; and when their ability to discern legitimate health-safety threats is reduced.

Some grocery stores and chains in Washington State have taken a more reasoned approach to the current food safety controversy by offering consumers a choice between produce grown through conventional means and organically grown produce. In fact, the State's agricultural community has been a leader in promoting alternative agricultural practices with the Washington State Department of Agriculture certifying organic producers since 1988, and Washington State University and USDA Agricultural Research Service scientists jointly exploring methods of low chemical input agricultural practices.

As debate on the 1990 farm bill gets underway, I will be working to preserve and strengthen our current system for scientifically evaluating the risk and benefit of agricultural chemicals as well as looking at ways to encourage farmers to employ new, environmentally sensitive, and tested means of agriculture production.●

JEWISH COMMUNITY CAMPUS GROUNDBREAKING IN SOUTHERN NEW JERSEY

● Mr. LAUTENBERG. Mr. President, 29 men and women gathered together to form the Federation of Jewish Charities, whose goals included raising funds for building a Talmud Torah for educating Jewish youth about Jewish cultural values.

The first Federation served Camden's Jewish population of about 2,000 with a communal rabbi who served three synagogues and a single Talmud Torah, with just five classrooms. From this humble beginning, today's Federation serves three counties with a population of over 30,000 served by 14 synagogues and over 10 religious schools.

The Southern Jewish Community has grown over the years and the federation with it. But their goals remain the same; to perpetuate Jewish life and values and to instill a sense of pride in their community.

Today, I am proud to say that after years of fundraising efforts by the Jewish Federation of South Jersey and the Jewish populations of Burlington, Camden, and Gloucester Counties the groundbreaking ceremonies of a new community campus are underway. The Jewish Community Campus will offer educational, cultural, and recreational activities for all ages. Moreover, it will provide counseling services to strengthen the quality of Jewish life, aid in absorbing and assimilating Soviet Jewish immigrants and to insure that the memories of the Holocaust will be used to teach youth respect for human rights.

This new 16-acre campus represents years of dedication and service by the Jewish Federation of Southern New Jersey. May it remain a symbol of strength and hope for future generations.●

HOW OUR TAXPAYERS IMPROVE ON NATURE

● Mr. SYMMS. Mr. President, I am constantly amazed at the logic that goes into much of our Federal land management. Only the Government of the Soviet Union controls more land than the Government of the United States, and yet, I would imagine even the Soviets would wonder at some of the things that we do with our Government lands.

For example, we burned down a major chunk of America's premiere national park, Yellowstone, last year—and for what reason—because it was "natural."

In the Northwest, environmentalists are blocking timber harvesting by successfully arguing in court that it is not "natural."

When you leave the determination of what is and what is not natural in the hands of government, you can end up with some pretty odd results. I was reminded of this by a recent article by Dave Barry that appeared in the July 30 edition of the Washington Post magazine. I ask that the article be printed here in the RECORD.

The article follows:

PAINT IT GREEN

(By Dave Barry)

It will probably come as no surprise to you that I got the idea of painting my lawn from an agency of the federal government.

When I say "painting my lawn," I don't mean my whole lawn. I just mean this one circular spot that suddenly, mysteriously turned brown, as though it had been visited by a small UFO or a large dog. I ignored the spot at first, but it started to grow, and I realized that it was similar to international communism: If you let it get a toehold in, say, Nicaragua, it will start to spread to the other strategic nations down there such as El Labrador and Costa "Ricky" Ricardo, and the next thing you know your entire lawn is brown.

So I was wondering what to do, when fortunately I received a letter from an alert reader named Dick Howard, who enclosed a news article from the Roanoke Times & World-News about some National Forest Service rangers who painted a group of federal rocks to make them look more natural. I am not making this up. It happened in the Jefferson National Forest, where the Forest Service had built a mountainside road that was designed, according to the article, "to blend in with the environment."

Unfortunately, there was an unscheduled flood, which exposed some large, tacky, white quartz rocks that did NOT fit in with the natural road design. You can imagine how this offended the fashion sensibilities of the Forest Service personnel, who decided to do exactly what you would do if you were in charge of a national forest and had accidentally consumed a massive overdose of prescription medication: paint the rocks. They did a few tests to select just the color they wanted, then they spent two days spraying paint on the rocks, and before you could say "massive federal budget deficit," the hillside looked just the way God would have created it if He had received the benefits of Forest Service training.

As a professional journalist, I have always been fascinated by people who appear to have even more spare time than I do, so I called up one of the men involved in the rock-painting, District Ranger Bob Boardwine, who turned out to be a friendly individual. He told me that the rangers had taken a fair amount of ribbing over the rock-painting, but as far as he was concerned the project had come out real nice. I told him I was thinking about painting the brown spot on my lawn, and he gave me some fashion tips. "Make sure you use a dark green," he said. "When we painted the rocks, we went into it thinking in terms of a moss green and a light brown, but they weren't dark enough."

Thus advised, I asked my 8-year-old son if he wanted to help me paint the lawn, but he and his friend Erik were deeply involved in an urgent Nintendo game that is not expected to be completed during my lifetime. Fortunately, Erik's 6-year-old brother, Tyson, was able to make some room in his schedule, so we got my son's watercolor set and went out to paint the brown spot. After a while we got tired of dark green, so at Tyson's suggestion we switched over to purple, then red, then orange, and when we were done,

we had converted what had been a dull and unattractive area of the lawn into an area that looked as though somebody had just thrown up several pounds of semi-digested jelly beans. Tyson and I were standing there admiring our work when—this really happened—up drove a pizza-delivery man, apparently sent by the God of Comedy Setup Lines.

"Looks like rain!" he said.

"Yes," I said, "and wouldn't you know it, I just painted my darn lawn!"

I added a friendly "Ha ha!" to reassure him I was a normal person unlikely to suddenly chop him into fragments with a machete, but he was already accelerating down the street.

Nevertheless, the lawn-painting was a critical success, and it got me thinking about other ways I might be able to improve nature around our house, especially the yard crabs. I do not care for them. Being from the North, I prefer yard critters that are furry and cute, whereas crabs look like body parasites magnified 1,000 times. During mating season, I'll go out in my yard, and there, blocking my path, will be a crab, adopting a karate stance to prevent me from mating with his woman.

"I don't want to mate with your woman," I tell him. "Your woman is a CRAB, for God's sake."

So anyway, my idea is that the crabs should wear costumes. I'm thinking specifically of chipmunk costumes. I could look out the window and watch them scuttling around the lawn in their furry finery, and it would be just like being back up North on a brisk fall day following a nuclear accident that had caused all the chipmunks to develop extra legs and walk sideways. My only question is where I'd get chipmunk costumes for crabs, but I'm sure the federal government can help me out. Assuming it's not too busy touching up federal rocks.●

APARTHEID

● Mr. LIEBERMAN. Mr. President, I was disturbed to see on television the other night an event in South Africa in which a black man who had purchased a bus ticket was refused admission to the bus. The door literally slammed in his face, simply because of the color of his skin.

It brought vividly to mind a similar event in our own recent history, when Rosa Parks defiantly, and bravely, refused to give up her seat on a bus for a white man. Her protest sparked a series of nonviolent demonstrations that eventually led to desegregation of public accommodations across the South.

Segregation remains the law in South Africa today, and just as the door of the bus slams in the face of black people there, so, too, does the curtain of the voting booth. Today we hear reports of the results of the so-called election in that country, but the election is just as invalid as elections in Communist countries and dictatorships where true democracy is absent.

The elections demonstrate once again that the South African Government is not serious enough about dismantling the abhorrent system of apartheid. Meaningful progress cannot be made unless black South Africans, who constitute a majority of the country's population, also participate in elections.

But that would represent just the beginning of the end of apartheid. Nelson Mandela and other political prisoners must be released. Press censorship—which limits what we can see from that country on our own television screens each night—and the state of emergency must end.

To promote genuine national reconciliation, South Africa must also abolish the four pillars of apartheid: the Population Registration Act, the Group Areas Act, the Separate Amenities Act, and the Land Act. These laws force black South Africans to live separate from white society; to avoid many public facilities, including bathrooms, beaches and buses; and they prevent blacks from owning land and businesses in most of the country.

And beyond removal of these barriers to equality, there must be a greater sharing of the resources within South Africa, so that black South Africans can receive their fair portion of assistance for education, housing and health care.

I hope that change can occur quickly and peacefully. But because of the stubborness of the South African Government, time is running out. Apartheid cannot continue for years and years. It never should have existed, and each day it continues represents an affront to the civilized world. Apartheid must end, now.●

HONORING ACTIVE MEMBERSHIP OF 50 YEARS

● Mr. D'AMATO. Mr. President, I rise today to make recognition of three outstanding members of the Volunteer Hose Co. No. 1 Inc. who have been active members for 50 years.

Mr. Peter Salemo, Mr. Robert Fay, and Mr. Roy Carr have been dedicated, reliable, and trustworthy members since 1939. Along with being ready volunteers, each has held a position vital to the running of the company. Mr. Salemo has served the Volunteer Hose Co. as financial secretary, Mr. Fay as ex-chief, and Mr. Carr as ex-captain.

Volunteer firefighters are essential to every community. With limited funding available for professional firefighters, the all-volunteer staff becomes increasingly more valuable. It's always a pleasure to salute fellow firefighters for their community service.

I congratulate these fine volunteers on 50 years of service and wish them continued good luck for the future.●

THE DEFENSE DEPARTMENT AND TECHNOLOGY TRANSFER

● Mr. HEINZ. Mr. President, in the near future, the Senate will consider Senate Joint Resolution 113, relating to the United States-Japan FSX fighter agreement, specifically, President Bush's veto message.

The administration asserts that congressional power under the commerce clause must be subordinated to executive authority. In my view, that assertion is not only constitutionally suspect but would limit this body's ability to address the challenges posed by an increasingly global marketplace, particularly in the area of technology transfer.

To accept the principles asserted in the veto message is to acquiesce in the unilateral surrender of the rights and responsibilities we are delegated under the Consititution.

The FSX deal is not some anomaly. It is part of a perverse practice, originating in the bowels of the bureaucracy, which has been a longstanding pattern of behavior with regard to militarily significant sales. That practice has failed to take into account the long-term impact of military technology transfers on America's industrial competitiveness. The branch of Government which developed that pattern and practice would have us lay down the arms the Constitution provides us.

Our right to set policy matters. And, I will cite a specific instance of how a clear signal from the Senate on military sales has made a significant difference.

The Korean Government is interested in procuring advanced fighter aircraft from American manufacturers. Like Japan, the Koreans are interested in doing so in a way that minimizes economic detriment to their current account surplus through the negotiation of favorable offsets.

An offset, Mr. President, refers to a form of compensation granted to a foreign buyer in exchange for the purchase of U.S. goods. In the case of the Korean fighter program, the Government of the Republic of Korea, which had a trade surplus of about $10 billion in 1988, insisted on an offset totalling nearly $2 billion from the United States aerospace company eventually awarded the contract. Since the entire program was around $2 billion the net result for the U.S. firm, and the U.S. economy, was, or would be, zero dollars.

I do not begrudge the Korean Government the effort. It is in their interest. It is the smart thing to do. I do object to our Defense Department going right along with the plan.

On July 19, the Senate adopted the Heinz-Dixon amendment to the defense authorization bill. The amendment urged the President to instruct the Secretary of Defense not to sign any government-to-government memorandum of understanding regarding the Korean fighter program pending specific actions.

The amendment called for the thorough review of the Korean fighter program by the Comptroller General pursuant to sections 824 and 825 of the National Defense Authorization Act for Fiscal Year 1989—Public Law 100-456. The Senate was particularly interested in reviewing the offset provision of the United States-Korea fighter program.

On August 26, Jane's Defence Weekly carried a story containing the administration's warning to the United States aerospace industry that the administration will oppose the sale of United States fighter carrier and technology to South Korea if the winning contractor offers too generous an offset program to Seoul in order to win the sale. Jane's claims, and I quote:

This is the first time in recent memory that the U.S. government has undertaken such an action.

Does anyone in this body doubt that the bureaucrats would have changed their tune if Congress had not acted? Yet, the administration rationale for the FSX veto would establish the principle that Congress cannot act in agreements of this sort. That is an argument that this Senator cannot accept.

Mr. President, if the Senate sustains the President's veto of the FSX agreement, we will have surrendered the rights of this body under the commerce clause, and we will have abdicated our responsibility to the American people to forge policies designed to sustain a strong and vibrant economy.

I ask that the Jane's article be printed in the RECORD at this point.

The article follows:

[From Jane's Defence Weekly, Aug. 26, 1989]

U.S. COMPANIES WARNED OVER KFP

United States President Bush's Administration is warning McDonnell Douglas and General Dynamics that it will oppose the sale of US fighter aircraft and technology to South Korea if the winning contractor offers too generous an offset programme to Seoul in order to win the sale.

That warning came in a recent letter from Glenn Rudd, acting director of the Defense Security Assistance Agency, to John McDonnell, Chairman of McDonnell Douglas and Stanley Pace, Chairman of General Dynamics.

The MD F/A-18 Hornet and the GD F-16 Fighting Falcon are the two contenders for South Korea's $3 billion Korean Fighter Program (KFP) to acquire 120 fighter aircraft (*JDW* 29 July).

Offsets generally refer to forms of compensation granted to a foreign buyer in exchange for the purchase of US goods.

"We are not prepared to support a sale which includes an offset offer which exceeds the amount determined after final discussions between our two governments," Rudd said.

In his letter Rudd noted that during the recent Security Consultative Meeting with South Korea, the USA was advised that "Korean regulations require an offset programme of 30 per cent.

"In our view, this includes all indirect and direct offsets, including licensed production."

Defence export specialists say that the Pentagon is effectively placing a cap on the offsets when the South Koreans were proposing 30 per cent as a minimum level of offsets.

This is the first time in recent memory that the US Government has undertaken such an action.

"Industry is very concerned about the intervention of the government in this transaction," says James Russell, an export analyst with the American League for Exports and Security Assistance, a Washington DC-based lobbying group.

Indeed, until now the US position has been to leave the matter of offsets to be negotiated between the contractor and the foreign buyer.

However, with South Korea set to make a decision on a KFP airframe at any time, both MD and GD are offering offset programmes that nearly match the value of the KFP programme itself (*JDW* 22 July).

The Bush Administration and many in Congress feel that excessive offsets are costing US workers jobs because offsets often include offers by US firms to undertake manufacturing in the foreign country.●

EMMANUEL LURIE

● Mr. HATCH. Mr. President, the present changes taking place in the Soviet Union bring renewed hope for peace and feedom throughout the world. But as long as the Soviet Union continues to deny Soviet Jews and other religious groups the basic freedom to emigrate and persecutes them for their religious beliefs, improved relations between our countries will remain an illusion rather than a reality. If the Soviet Union is committed to working for world peace, let them begin at home by promulgating emigration laws and allowing those individuals who so desire the right to emigrate. The plight of the Lurie family demonstrates the desperate situation facing all Soviet refuseniks.

Emmanuel Lurie, his wife Judith, her mother Rika, and the rest of their family, first applied to emigrate from the Soviet Union in February 1979. Their desire was to join family already located in Israel. In January 1980, they were granted permission to leave and given exit visas. In preparation to leave the Soviet Union, the Lurie's purchased airline tickets and packed their belongings. Emmanuel, an organic chemist, gave up his job, and the children were removed from school. Five days before their departure, however, Emmanuel was informed by the Office of Visas and Registration that his family's exit visas, except for Rika's, had been canceled for reasons of state security connected with Emmanuel's job at a chemical plant where he worked from 1961-64.

Judith's mother, Rika, was told that her family would be reallocated visas shortly and was warned that if she rejected this opportunity to leave she would not be given another chance. Rika, who had lost her husband in a labor camp during the Stalin era, and who had suffered constant harrassment from the KGB throughout her life, decided to accept the visa.

In December 1988, Emmanuel Lurie sent a request to the Ministry of Chemical Industry as to the length of his state secrecy period. The Ministry replied that his secrecy classification would remain an obstacle to his emigration requests indefinitely.

Since their first refusal in 1980, the Lurie family have been ardent fighters for human rights for Soviet Jews. Judith helped found "Jewish Women Against Refusal," and Emmanuel is active in Jewish scientific seminars.

This continued refusal to allow individuals to emigrate from the Soviet Union contravenes all international agreements on human rights. The Soviet Union must strive to abide by its international responsibilities in this area and begin to match their words with their deeds. Promises to codify emigration regulations remain unfulfilled, and the Soviet Union continues to deny its individuals the basic freedom to emigrate as they choose. How is the United States to make treaties with the Soviet Union, to trust and work toward greater world peace and freedom with the Soviet Union, when the Soviet Union denies its own citizens these fundamental human rights? How successful can glasnost be without furthering the human rights of its own citizens?

The continued denial of the right of free emigration for many Soviet Jewish citizens illustrates the serious problems that exist in the Soviet Union. We call upon the Soviet leadership to show us their commitment to glasnost and perestroika by improving their record on human rights and granting families such as those of Emmanuel Lurie their fundamental right to choose how and where they will live.●

HON. RICHARD J. HUGHES CELEBRATES HIS 80TH BIRTHDAY

● Mr. LAUTENBERG. Mr. President, on Sunday, the 17th of September, family and friends will gather together to celebrate the 80th birthday of a great New Jerseyan, the Honorable Richard J. Hughes. His distinguished career began 50 years ago, as an assistant U.S. attorney in New Jersey, and continued through two terms as Governor and then a period as chief justice of our State. He has served his State with wisdom, determination and commitment.

During his tenure as Governor, he guided New Jersey through some difficult times. The 1960's were unpredictable years of tremendous change. He served as a member of the National

Advisory Commission on Civil Disorder.

It was also a time of rapid growth for our State. Governor Hughes promoted that growth and managed it. He was also responsible for recognizing and addressing the pollution of our environment. He made important gains in preserving open space through the Green Acres Program. Also notable were the gains he made in higher education with the expansion of the State university and the start of a county college system.

While he served as chief justice, the New Jersey Supreme Court issued landmark rulings to assure justice and fairness to the citizens of our State. The Hughes court gave new life to the guarantee of a thorough and efficient education to our State's children, and promoted a more equitable system of financing public school education. His leadership and his wisdom was nowhere more evident than in the court's decision in the difficult case of Karen Anne Quinlan.

Dick Hughes' legacy also rests in the reforms of New Jersey's criminal justice system. He initiated a new program for evaluating judges. Today, thanks to his administrative reforms, New Jersey's criminal justice system is one of the most progressive in the Nation. Since his retirement from the court, Dick Hughes has remained an important voice in New Jersey public and legal affairs.

On a personal note, Dick Hughes has been a source of pride and inspiration for me. His example of public service helped me develop an interest in the public sector, and his high ideals and integrity established a standard by which I try to shape my own performance. I am grateful to him for setting an example that each of us in government holds as an ideal by which to be measured.

Dick Hughes' record of accomplishments remain unsurpassed. I join with his other friends and family to wish him well on his 80th birthday and look forward to his continuing contributions to our State.●

TRIBUTE TO DONALD FARRINGTON

● Mr. DODD. Mr. President, 25 years ago, Donald Farrington moved south from New Hampshire and took a job as the director of the Southeastern Connecticut Mental Health Association, thus beginning a quarter century of service to the poor and the physically and mentally handicapped in the Norwich, CT, area.

As director of United Workers of Norwich, a position Don has held since the fall of 1965, Don's hard work has been vital to the social service network of southeastern Connecticut. Under his stewardship, the staff of United Workers has increased 5-fold, its budget 25-fold, and the number of programs it offers has grown from 3 to 15.

Don led United Workers into new areas in his efforts to serve the growing need for social services. Among its many activities the organization now sponsors the local Retired Senior Volunteer Program and runs two adult day care centers, a hospice program and a resource and referral network. It oversees a dental clinic for low-income families, a residential care program for the elderly—a vast network of services for Norwich-area residents.

Don is active in a variety of volunteer positions in other public service agencies in Connecticut, as well. He is a charter member of the advisory council to the Connecticut Department of Children and Youth Services, and of the board of the region's Widowed Persons Service. He was a founder and the first president of the Council of Agency Executives and of the Council of Human Resources of Southeastern Connecticut.

A listing of the positions Don Farrington has filled, or of the titles he has held, or of the organizations he helped found, can only just start to give a sense of the crucial role he has played in helping southeastern Connecticut. He has responded to community needs when few others have yet recognized them. Donald Farrington's leadership has benefited everyone in southeastern Connecticut, and for that reason I am pleased to mark his 25th year of service.●

SALUTE TO OUR YOUNG READERS

● Mr. SIMON. Mr. President, next week, on September 19, six young Americans will be honored as winners of the Mott's Apple Award for reading. This new award, established by the International Reading Association and Mott's USA, recognizes America's young readers and those who have inspired them.

Over 70,000 essays and drawings were submitted to judges at the International Reading Association. Twenty-one students were selected as winners, and three of these winners come from Illinois.

These essays are from the heart, sharing the importance of reading for these young readers; they are also fun to read. As reading is clearly one of life's most crucial skills, I commend Maya Moseberry of Chicago, David Updegraff of Homewood, Donald Ziel of Coal Valley and the non-Illinois winners for their hard work and dedication to such a worthy objective in the Year of the Young Reader. I would also like to honor the teachers of all of these students, teachers who have helped instill the value and joy of reading.

Mr. President, I ask that the three essays be printed in full in the RECORD.

The essays follow:

1989 MOTT'S APPLE AWARD WINNER; MAYA MOSEBERRY, CHICAGO, IL, THIRD GRADE—JOSHUA KERSHAW SCHOOL, MS. BERNICE CONNOR, LIBRARIAN

I Love books because they can help change the way I feel. Sometimes I am sad and if I read a funny story, it helps me to feel a litttle better. Sometimes I forget that I was ever sad.

Books also tell me about other lands and countries. When I read about different places I get so excited about how other people live that I try to imagine living there myself.

Books of poems are really special to me because I like the way words rhyme and tell a story. Poems can also tell how some one feels and are often things I know about and and feel myself.

There are even books that teach how to do things. I would love to have a cookbook when I grow up because although I help my mother cook, I'm not sure if I'll know how to do it when I become a grown up!

The main reason I really love books is, I remember when I couldn't read, books were just a bunch of words and now that I can read books are the best discovery that I have found. I am very happy to know how to read.

(Essay typed exactly as Maya wrote it.)

1989 MOTT'S APPLE AWARD WINNER; DAVID UPDEGRAFF, HOMEWOOD, IL, FOURTH GRADE—CHURCHILL SCHOOL, MRS. MARGARET NILSSON, TEACHER

Have you ever been bored to death. Well, I almost was because of my sister. My sister is a junior olympic swimmer. In order to be a junior olympic swimmer she practices 6 days a week for 2 hours and swims in swim meets each week-end. There is nothing worse than a hot, steamy, chlorine-smelling pool when you aren't a swimmer. Swim practices are long. Swim meets take forever! I used to complain a lot about her swimming by saying: "Mom, how many more hours? My second grade teacher gave me some good books to read at the meets.

Last year my sister went to Indianapolis for a swim meet. I went to Klickat Street in "Henry and the Club House." We went to St. Louis for a meet. I went to Narnia in "The Lion the Witch and the Wardrobe." Then we went to Milwaukee, but I was solving a mystery with the "Hardy Boys." I have a new way of judging swim meets. Some meets are two book meets, some, three and real long ones are four. My sister only gets to be a swimmer, but I've been everything. I've read forty books since September and usually read a hundred by the end of the swim season. Books saved my life and I never have to worry about writing a book report.

(Essay typed exactly as David wrote it.)

1989 MOTT'S APPLE AWARD WINNER; DONALD ZIEL, COAL VALLEY, IL, SIXTH GRADE—TEMPLE CHRISTIAN ACADEMY, MRS. DOLORES KING, TEACHER

Why I like to read is the question you ask.
To answer that hard question won't be a simple task.
I read alot of books because they give me pleasure,
A very good book is a real treasure.
You can help Encyclopedia Brown save the day,
Or go outside with Beezus or Ramona and play.

You can go into space with Tom Swift,
Or get yourself caught in a huge snowdrift.
Go and see Hans Brinker's skates,
Or take a look and see how a butterfly mates.
Learn a little information about China,
Or find out what kind of worm is a trichina.
Discover how a rose can bloom,
Or find out how to make a real big boom.
Walk around a shipyard in the morning fog,
Or run across a field with a shaggy dog.
You can find every story or fact in a book,
All you need to do is take a look.

(Essay typed exactly as Donald wrote it.)●

MINNESOTA DECLARES YATES WEEK

● Mr. DURENBERGER. Mr. President, America's resurgence into the international marketplace is due to a number of factors and one of them, which I choose to address today, deals with our union work force.

Harold Yates, a distinguished labor leader from Minnesota, has been recognized for his excellent leadership by being appointed to the Teamsters general executive board, and on November 1 he will also become president of Minnesota Teamsters.

As guarantors of quality, labor unions have held firm to their promise that "Made in America" is a label on a product worth purchasing. Nationally, union leadership is involved in all the issues which affect working and retired Americans today—from child care to elder care and health insurance to plant closings.

Minnesota's union rank and file is proud to have one of its own as the recent appointee to hold the position of trustee to the International Brotherhood of Teamsters general executive board. Yates, executive vice president of Joint Council 32 and President of St. Paul Local 120 was appointed to this position by IBT General President William McMcarthy on May 25, 1989.

Yates' recognition comes literally on the 30th anniversary of his signing on as a Teamster. Back in 1959, he joined local 120 as an employee of Admiral Motor Freight—and has been working hard for the St. Paul union ever since.

Earlier this summer, Minnesota's Gov. Rudy Perpich designated that the third week in September be noted this year as "Harold Yates Week." I concur with the Governor that Harold is deserving of this State-wide honor, having served hundreds of thousands of Teamster colleagues over the years.

It is my pleasure to honor such a distinguished Minnesotan by noting his accomplishments and recent appointment and election in the CONGRESSIONAL RECORD today. I regard Harold Yates as an adviser and friend and wish him all the best with his new assignment.●

CONGRATULATING THE TRUMBULL NATIONAL ALL-STARS ON THEIR VICTORY IN THE LITTLE LEAGUE WORLD SERIES

● Mr. DODD. Mr. President, on August 26, as the summer wound down and the major league pennant races heated up, 15 young men from Trumbull, CT, realized the dreams of millions of 11 and 12 year olds the world over. By defeating a tough squad from Kaosiung, Taiwan, the youngsters from Trumbull captured the 1989 Little League World Series Championship.

Trumbull's success was the result of an all-around team effort. Simply to earn a trip to Williamsport, PA, home of the world series, Trumbull played a total of 13 games in district, State, and regional tournaments. No one player was solely responsible for the fact that Trumbull outscored its opponents 155 to 29 in these games, or that Trumbull slugged 9 home runs in the 4 regional games alone. Trumbull won because all its players contributed when called on to do so.

Likewise, in the championship game, the Trumbull club turned in a fine all-around performance. There was good pitching, as the Kaosiung squad managed only five hits. There was clutch hitting, as a two-out single in the third inning put Trumbull on top to stay. There were also more of the long ball, as a solo shot in the bottom of the fifth sealed the victory for Trumbull. And finally, there was solid fielding—including, in the fifth, a perfect strike from the left fielder that nailed a Kaosiung runner at the plate and dampened a major scoring threat.

Mr. President, I would like to take this opportunity to salute the 15 young men on the Trumbull team: Matt Basztura, Dan Brown, Paul Coniglio, Chris Drury, Chris Fasano, Dave Galla, Todd Halky, Jason Hairston, Chris Kelly, Cody Lee, Harlan Marks, Ken Martin, Dan McGrath, Andy Paul, and Matt Sewell. I would also like to pay special tribute to manager Tom Galla and to coaches Ed Wheeler and Bob Zullo, whose wise guidance was responsible in no small measure for Trumbull's success in tournament play.

Mr. President, the Trumbull team's victory in the world series, is a welcome nugget of good news. Increasingly, as adults, we try to keep our youngsters away from destructive influences. It is good to remember that there are still some things that American youth can say yes to. Little League baseball is one of them. It encourages kids to dream grand dreams. And as the 15 young men from Trumbull have learned, some of those dreams do come true.●

TELEVISION VIOLENCE

● Mr. SIMON. Mr. President, I have spoken many times about the impact watching excessive amounts of violence on television has on viewers, particularly children. My bill to grant the television industry an antitrust exemption so it can attack the problem in awaiting consideration by a House-Senate conference committee. Recently, a newspaper in my State, the Kewanee Star-Courier, editorialized about the need for the legislation and the need for viewers to let the TV industry know they are upset by the gratuitous and excessive violence they see on television. I ask to have it reprinted in the RECORD.

The editorial follows:

[From the Kewanee (IL) Star-Courier, Aug. 10, 1989]

TELEVISION VIOLENCE WILL KEEP GROWING UNTIL YOU STOP IT

Accusing legislators of letting basic issues slip past them while puttering with lesser things is an American tradition.

And often justified.

But focusing your legislative energies on a major issue can be deeply discouraging. If you doubt that, ask Paul Simon. He's not ready to give up, but when he tells you what's happening in his long campaign to get TV violence reduced, you'll have to wonder why.

The Illinois senator has again launched a bill to make it possible for television networks to confer about a reduction of violence in the entertainment they offer. They had complained for years, when criticized, that market forces drove them to compete with one another by increasing the amounts and ranges of violence in their programming, and that federal antitrust laws prevented them from even discussing the matter with each other. Simon's measure would suspend antitrust laws to allow exactly such discussions.

The first time he offered it, the Senate approved it, but the House, pressured by the television industry, rejected its own version. This time, both chambers have approved bills, and it is now up to a conference committee to iron out any differences.

Nothing left but a trip to the White House for President Bush's signature?

Hardly.

For the networks, having lost their legislative battle, have just declared that Simon's efforts are in vain. All his bill would require, they emphasize, is that they discuss televised violence, not that they do anything about it. And discussion, they say is all the compliance they intend to offer.

That network policymakers ought to feel great moral and social responsibility in wielding television's pervasive influence is evidently not at all plain to them. What they respect is the viewer's hand on the channel selector—that and, to a lesser degree, but still truly, the viewer's attitudes in letters to them.

And that brings us to what we think is the main reason a major-issue oriented legislator has every right to feel discouraged, even if he keeps on hoping and slugging; constituents do not in fact support legislators' efforts.

If any substantial part of the percentage of viewers who complain about too much television violence actually changed chan-

nels or turned off their sets to keep some of it out of their homes, that would show up in the ratings, and desirable changes would follow.

If any substantial part of the percentage of viewers who complain about too much television violence took a few minutes now and then to scratch off notes to the networks telling them how they felt, those feelings would eventually affect network programming

As things are, however, most critics of television sit there watching it anyway, muttering that somone ought to do something.

Someone right now means Paul Simon and his congressional and executive colleagues. But Congress and the president alone are not enough to get the job done.

The public is the other indispensable part of representative government. If the public does not actively support the officials it elects, their efforts are wasted.

Do you think network programming needs a wholesome change of direction?

Do you think Simon's bill would provide the networks with an opportunity for that change?

Then switch channels and tell them you did so, why and what they can do about it.

Be and say what you believe.

Then your representatives will represent you, not just themselves.

And democracy will work.●

THE 100TH DAY ANNIVERSARY OF TIANANMEN SQUARE MASSACRE

● Mr. BOSCHWITZ. Mr. President, I rise today to mark a sad occasion. September 12 marks the 100th day since June 4, the day the Chinese Army brutually and appallingly attacked the peaceful, student-led demonstrations in Tiananmen Square in Beijing.

In Chinese tradition, the period of mourning after death lasts for 100 days. Today, therefore, marks the end of the mourning period. It is an appropriate time for us to commemorate and reflect on the bravery of those who made the supreme sacrifice for the noble goal of bringing democracy to their country.

The actions of the People's Army on that tragic June 4 caused deaths and injuries measured in the thousands among the very citizens of China it has sworn to protect. Those brave men and women who lost their lives in the struggle for democracy in China should be remembered as heroes. Their sacrifices must not have been made in vain. I am sure that the examples they set and the values they yearned for will someday succeed in re-making China.

Like all of us in the Congress, I deplore the brutality displayed by the Chinese Government in its unwarranted crushing of the pro-democracy movement. The large-scale arrests, jail sentences, and executions since June 4 have been properly condemned by millions of people around the world. Our own country has imposed sanctions against the Chinese Government for its actions. If the repression in China continues, I urge the President to explore stronger sanctions.

One of the President's actions in the wake of the massacre was to extend the visas of Chinese students and scholars studying in the United States. I am proud to have cosponsored a bill that would take this a step further—by granting all Chinese students and exchange visitors in the United States the right to apply for permanent residence.

Those who were killed on June 4 in Tiananmen Square are true martyrs to the cause of freedom and democracy. Their efforts showed the whole world that the will to freedom of the human spirit cannot be repressed forever.

I think it is very significant that the massive democracy movement in China was organized and led by students. For it is the people of their generation who will inherit the mantle of leadership in the years to come.

I am certain that some day the Goddess of Democracy will again stand in Tiananmen Square. And I am equally certain that the brave people who gave their lives to attain what it stands for will not be forgotten.●

ACKNOWLEDGING PUBLIC POWER WEEK IN McCLEARY, WA

● Mr. GORTON. Mr. President, I rise today to salute Mayor Richard Vatne of McCleary, WA, in his efforts to bring public power to the forefront of our minds through his declaration of October 8 through the 14th as Public Power Week in McCleary.

In the late 1920's, one of the most unique grassroot campaigns of the decade took place. Rural constituents in the Pacific Northwest States of Washington and Oregon joined efforts to fight against the monopoly of private power owners and their neglect in providing good electric service. Electric rates were extremely high for people in the city, but the rural consumers were without electricity because the private companies refused to build lines to rural area. In response initiative 1 was passed in 1930 permitting the people of individual counties to create a public utility district and elect local commissioners.

Public power has been a blessing for the citizens of my State. Because the utilities are owned by the consumer and run on a not-for-profit basis, rates are not only kept down, but any increase in the value of the utility accrues to the consumer. Consumers are aware of current activities involving rate changes, and the service and operation of the utility. Through election of county utility commissioners consumers remain active and involved in the process of electricity sales.

Our public utilities have faced many challenges and we have seen many changes. Some of the most exciting include, the first steps of organizing the public utility districts, the implementation of the Regional Power Act and the suffering conflict and confusion over the "Whoops" [Washington Public Power System] lawsuits.

Since the days of Franklin D. Roosevelt, Congress has been a key player in the history and formation of today's operating system. Through the development of large dams on the Columbia River and the building of Bonneville Power Administration's huge Federal transmission power grid we have supported a system which is a proven success.

I would like to reiterate my support for our public power district's efforts and commend Mayor Vatne for his enthusiasm and ability to bring this important system to our attention.●

DON'T TREAD ON OLD GLORY

● Mr. HATCH. Mr. President, during the recent August recess, I had the opportunity to visit my home State of Utah and listen to the response of Utahns to many national issues, including the flag-burning issue. The vast majority of Utahns are extremely upset at the Supreme Court's recent decision, and the following song is typical of their response. "Don't Tread on Old Glory" was sung to me at a recent Nephi, UT, town meeting. The words were written by Russ Marsh and Jacque Mounteer, and the music was written by Russ Marsh and Larry Seely.

DON'T TREAD ON OLD GLORY

VERSE 1

From the high mountain peaks,
To the low desert plains,
And the lakes of Minnesota.
From the towns and the cities
To the high-rise buildings
From New York to California.
United we stand, as they
Strike up the band
Sing anthems to Old Glory.
Yet some will say, we want
To have our way
So they burned Old Glory.

CHORUS

Now don't burn Old Glory
'Cause if you do boys,
You're treadin' on our liberty.
Don't step on Old Glory
'Cause when you do boys
You'r walkin' all over me.
Don't tread on Old Glory.

VERSE 2

Lookin' back through the years
There was blood, sweat and tears.
Fightin' for Old Glory.
So many have died
Keepin' freedom alive
Don't lose Old Glory.
Let's pledge our allegiance
To the flag
Be one nation under God.
So we can stand and fight
'Cause the time is right
For us to save Old Glory.

CHORUS

(As above.)●

THE ROLLINS CASE AND THE CREATION OF A CARIBBEAN REGIONAL STOCK EXCHANGE

● Mr. BOSCHWITZ. Mr. President, I rise today to note with pleasure the successful resolution of an 8-year-long dispute between an American investor and the Government of Jamaica. I am pleased that we in Congress were able to see this case through to a satisfactory conclusion. I also congratulate the American investor who negotiated an equitable compromise with Prime Minister Michael Manley of Jamaica. One of Mr. Manley's first priorities, after his February inauguration, was to resolve this complex case and demonstrate his commitment to just treatment for foreign investors. I am happy to announce that he has accomplished this goal at the same time that he has assured new housing for the poor and new development in Jamaica.

The Government of Jamaica and John Rollins, a major American investor in Jamaica, had a serious dispute over coastal land ownership. Jamaica refused to recognize Mr. Rollins' title to the land due to a series of controversial legal transactions. Rollins tried unsuccessfully for several years to resolve the dispute. During this time, many of us in Congress expressed our concern for the rights of American investors in Jamaica by restricting aid to Jamaica pending a resolution of the Rollins case. Although the former Prime Minister, Edward Seaga, had a very close relationship with the Reagan administration, he was unable to recognize the legitimate claims of Mr. Rollins and refused to work with him to find an acceptable solution.

Fortunately, with the direct involvement of Prime Minister Michael Manley and Deputy Prime Minister, P.J. Patterson, the Jamaican Government and Mr. Rollins have reached a compromise which serves the interests of Mr. Rollins and will lead to major new investment in Jamaica. This is particularly significant for the Manley government, which had a series of strains with the Jamaican private sector the last time Manley was Prime Minister. However, Mr. Manley came to office, for the second time, committed to resolve the case in a way that treated Mr. Rollins fairly and which assured a good outcome for Jamaica and its people. In particular, Mr. Rollins has agreed to develop a low-income housing project for the laborers who work on the north coast as a first priority. The Jamaicans have agreed to administer the project through the Urban Development Corporation under the capable direction of Vin Lawrence in Montego Bay.

I should note that Prime Minister Manley's work on this case is only one example of the many efforts he is undertaking to continue the reform of Jamaica's economy. Other efforts, such as his call for the creation of a regional stock exchange for the Caribbean, demonstrate his determination to follow policies which are consistent with U.S. international economic policies and which I believe the United States should support. I am inserting into the RECORD today, and have attached to this statement, an amendment which expresses U.S. support for that effort.

I admire Prime Minister Manley for his sincerity and dedication to good business and privatization. I believe that the Rollins case indicates a new pattern of positive developments for the Jamaican economy, which desperately needs more American investment to prosper. I urge all American investors to take a look at the new Jamaica of Michael Manley, for I think they will find an excellent place to invest.

The amendment follows:

AMENDMENT TO S. 1347 OFFERED BY SENATOR BOSCHWITZ

At the end of title III, "Development Assistance," insert the following new section:

"SEC. 313. CARIBBEAN REGIONAL STOCK EXCHANGE.

"(a) FINDINGS.—The Congress finds that—

"(1) the Thirteenth Meeting of CARICOM Finance Ministers recently commended Jamaica for the proposal for the establishment of a regional capital market;

"(2) although there are currently three functioning stock exchanges within the Caribbean Region and plans to establish others, and although individual exchanges, most notably Jamaica's in the wake of Michael Manley's election, have done well, these exchanges appear to be too small to have an important impact;

"(3) CARICOM has decided to establish a Steering Committee comprising representatives of Central Banks, stock exchanges and the Caribbean Development Bank, to undertake detailed studies on the legal and policy issues involved needed to be undertaken before the proposed regional stock exchange; and

"(4) the relatively small economies of the individual CARICOM countries are such that a regional stock exchange would be far more appropriate.

"(b) STATEMENT OF POLICY.—It is the policy of the United States to support the establishment of a regional stock exchange for the Caribbean, and the Agency for International Development is authorized to utilize such sums as are deemed necessary to assist in reaching this goal."●

EIGHTY-NINTH BIRTHDAY TRIBUTE TO CLAUDE PEPPER OF FLORIDA

● Mr. GRAHAM. Mr. President, today, September 8, is Senator Claude Pepper's birthday. He would have been 89.

The day before Senator Pepper's birthday, the Senate overwhelmingly approved the Americans With Disabilities Act (S. 933), a civil rights milestone. Passage of the Disabilities Act is a fitting tribute to our beloved colleague and civil rights champion—this is the type of legislation Claude Pepper would have supported with all his considerable energy.

On this special day, we pause to reflect on the lifetime of service of Senator Pepper, and we rededicate ourselves to the principles he cherished.

Since his death on May 30, there has been an outpouring of respect from Americans who had been touched by the actions of this champion from Florida. As a symbol of these heartfelt expressions of gratitude that have been offered from coast to coast, I ask that a letter to the editor from Mr. Max Berking of Warm Mineral Springs, FL, be inserted in the RECORD:

The letter follows:

[From the Washington Post, July 21, 1989]

CLAUDE PEPPER'S VOTE FOR EQUALITY

Your stories about Claude Pepper's courage bring to mind an incident that sheds light on his character and on a chapter in our wartime and civil rights history that has been long forgotten—even by Claude Pepper in his autobiography.

The late congressman was a senator 45 years ago when I was a staffer at the Fair Employment Practice Committee, an agency set up in World War II by President Franklin Roosevelt to remove job discrimination in war industry—a form of bigotry we could not afford with labor shortages in our war plants.

The war was in a critical phase in June 1944. Our invasion of France had just started. Each day brought headlines of new battles and great events. Billions were being willingly spent to support the war effort. Yet the Senate was wrangling over a tiny fraction of that sum.

At issue was the Independent Offices (read war agencies) appropriation bill carrying $500,000 to fund the FEPC for another year. The southern bloc gathered behind an amendment by Sen. Richard B. Russell of Georgia to knock FEPC out of the bill. Debate raged for days, much of it tinged with racism only thinly disguised. A word routinely pronounced "Nigra" on the Senate floor became "Negro" in the next day's Congressional Record. Sen. Theodore Bilbo of Mississippi used the phrase "burr-headed nigra."

On June 20, 1944, the issue came to a roll-call vote. One by one the southern senators voted against FEPC—except the South's leading liberal, Claude Pepper. There was a hush in the chamber as his name was called. Then a gasp from the galleries as Sen. Pepper stood up and voted what he believed—in the teeth of the storm.

And a storm it was. Joe McMurray, one of Pepper's aides, called our office a few days later. Could we help him with some data he needed to answer the hate mail the senator was receiving? I saw some of that mail. One I recall was from a man and wife working in a Florida defense plant. If a penny of the funds deducted from their paychecks for war bonds was being spent on the FEPC, this was a stab in the back of their several sons fighting overseas.

The FEPC received its appropriation with northern votes and went on to handle thousands of wartime cases, enabling job vacancies to be filled by qualified minority workers. Some cases were as small as the removal of the word "Protestant" from a help-

wanted ad for a single job. One put 6,000 black women into a hitherto lily-white St. Louis munitions plant—in a matter of months. Others helped settle racially motivated strikes in war plants. Rarely have so few dollars done so much. Later the FEPC concept, with Claude Pepper's help, was established by statute.

I ran into Rep. Pepper a few years ago and reminded him of his vote that summer day years ago. He appreciated my vivid recollection of the event. But he went right on to another topic—an item on today's, not yesterday's, agenda.

MAX BERKING.

WARM MINERAL SPRINGS, FL.

Mr. President, this story recalled by Mr. Berking highlights the courage of a political giant named Claude Pepper. Greatness comes from consistency of conviction, even in the face of controversy.

Claude Pepper was a consistent champion for civil rights, for a strong America to defeat Nazi oppression, and for the dignity of our older citizens.

So today, we celebrate the vibrant and rich life of a man who helped millions—who made this Nation a better place. Claude Pepper, who contributed so much in this Chamber and the House of Representatives, is not with us at the Capitol today, but his convictions live on.●

MEASURES PLACED ON THE CALENDAR

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that H.R. 2742, the Library Services Act, and H.R. 2666, the Claude Pepper Scholarship Fund, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

GENESEE RIVER PROTECTION ACT

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 211, S. 931, a bill to protect the Genesee River in New York.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 931) to protect a segment of the Genesee River in New York.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Energy and Natural Resources, with amendments as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

S. 931

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Genesee River Protection Act of 1989".

SEC. 2. PROTECTION OF THE GENESEE RIVER.

In order to **[**further the purposes of the Wild and Scenic Rivers Act (16 U.S.C. 1271 et seq.) (referred to as the "Act") and to**]** protect for present and future generations the outstanding scenic, natural, recreational, scientific, cultural, and ecological values of the Genesee River within Letchworth Gorge State Park in the State of New York, and to assist in the protection and enhancement of the Gorge's archeological sites of sacred significance to the Seneca Nation, historic areas, endangered **[**plan**]** *plant* communities, and diverse recreation uses, the protections afforded for rivers listed in section 5(a) of the **[**Act (16 U.S.C. 1276)**]** *Wild and Scenic Rivers Act (16 U.S.C. 1276(a))* for study for potential addition to the National Wild and Scenic Rivers System shall apply to the segment of the Genesee River within Letchworth Gorge State Park, except that the protection so afforded shall not interfere with the Secretary of the Army's operation and management of Mt. Morris Dam as authorized for purposes of flood control.

Mr. LAUTENBERG. Mr. President, I ask that the committee amendments be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

AMENDMENT NO. 729

(Purpose: The purpose of this amendment is to clarify that the segment of the Genesee River to be protected pursuant to this bill begins at the southern border or Letchworth Gorge State Park continuing downstream to the Mount Morris Dam near the northern border of the park)

Mr. LAUTENBERG. Mr. President, on behalf of Senator MOYNIHAN, I send to the desk a technical amendment.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG], for Mr. MOYNIHAN, proposes an amendment numbered 729.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, lines 15 and 16, strike "within Letchworth Gorge State Park," and insert in lieu thereof, "beginning at the southern boundary of Letchworth Gorge State Park and extending downstream to the Mt. Morris Dam,".

Mr. MOYNIHAN. Mr. President, it is with great pleasure that I rise today in support of S. 931, the Genesee River Protection Act of 1989.

The 17-mile stretch of the Genesee River for which I and my colleague Senator D'AMATO seek protection is truly one of the country's finest natural settings. Containing three successive water falls with a combined drop of over 300 feet, this portion of the Genesee River is impressive. The gorge itself races toward the sky with walls of earth and stone stretching 600 feet in places. Although this section of the Genesee is already included in the New York State Wild and Scenic Rivers Act, and is surrounded by Letchworth State Park, it merits inclusion in the Federal Wild and Scenic System to forever protect it from development.

Traversing New York State northward from the Pennsylvania border, the Genesee River serves as a source of hydroelectric power, irrigation, drinking water, and recreation for thousands of New Yorkers. The Genesee River Protection Act will enhance, for generations to come, a small yet splendid portion of the river.

My good friend and colleague, Senator DALE BUMPERS, chairman of the Subcommittee on Public Lands, National Parks and Forests, chaired a hearing on July 19, 1989, to establish the merits of this legislation. Witnesses at the hearing included New York State Assemblyman William Hoyt, who perhaps best described efforts to protect this portion of the Genesee.

Any potential for affecting the river and the gorge is an anathema. New York State has done as much as it can. Letchworth is a national treasure and should be protected from disfiguration. Only Congress and the President can do that now.

I am happy to report that this measure was unanimously passed out of the Energy and Natural Resources Committee at the recommendation of Senator BUMPERS and the report was filed on August 2, 1989.

Mr. President, the passage of this legislation is of great importance to New York, and I may add, to the thousands of tourists throughout the country who visit Letchworth Gorge each year. A finer example of natural beauty is difficult to find.

Mr. President, I have a technical amendment in order to further define the northern boundary of the Genesee River section protected under this bill. My amendment in no way changes the spirit or intent of this legislation.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 729) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 931

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Genesee River Protection Act of 1989".

SEC. 2. PROTECTION OF THE GENESEE RIVER.

In order to protect for present and future generations the outstanding scenic, natural, recreational, scientific, cultural, and ecological values of the Genesee River within Letchworth Gorge State Park in the State of New York, and to assist in the protection and enhancement of the Gorge's archeological sites of sacred significance to the Seneca Nation, historic areas, endangered plant communities, and diverse recreation uses, the protections afforded for rivers listed in section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1276(a)) for study for potential addition to the National Wild and Scenic Rivers System shall apply to the segment of the Genesee River beginning at the southern boundary of Letchworth Gorge State Park and extending downstream to the Mt. Morris Dam, except that the protection so afforded shall not interfere with the Secretary of the Army's operation and management of Mt. Morris Dam as authorized for purposes of flood control.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE CALENDAR

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar numbers 209, 210, 212, 214, and 215 en bloc; that the committee amendments where appropriate be agreed to en bloc, that the bills be deemed to be read a third time and passed, and motions to reconsider the passage of the bills be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

LECHUGUILLA CAVE STUDY ACT

The Senate proceeded to consider the bill (S. 558) to authorize a study on methods to protect and interpret the internationally significant Lechuguilla Cave at Carlsbad Caverns National Park in the State of New Mexico, which has been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. This Act shall be cited as the "Lechuguilla Cave Study Act of 1989".

SEC. 2. The Congress finds that—

(a) International attention has been focused on the outstanding cave resources of Carlsbad Caverns National Park by recent explorations of Lechuguilla Cave;

(b) The recent explorations of Lechuguilla Cave have exposed spectacular wonders and revealed Lechuguilla Cave to be a world-class cave that is the longest deep cave and the second-deepest cave in the United States, is at least thirty-six miles long, and is filled with unique and awe-inspiring gypsum formations, and have caused organizations such as the National Speleological Society to describe Lechuguilla Cave as possibly the finest cave in America; and

(c) Broad public interest has developed over methods to manage Lechuguilla Cave and other resources of Carlsbad Caverns National Park and to facilitate greater public enjoyment of park resources.

SEC. 3. (a) In recognition of the international significance of Lechuguilla Cave and other resources of Carlsbad Caverns National Park and the need for careful consideration of future management options, the Secretary of the Interior, acting through the Director of the National Park Service, is authorized and directed to revise the existing general management plan for Carlsbad Caverns National Park to include a study of the most appropriate ways to protect and interpret Lechuguilla Cave. The revision of the plan shall also include an evaluation of methods to facilitate greater enjoyment of other caves within the park by the public.

(b) Not later than two years from the date that funds are made available for the revision referred to in subsection (a), the Secretary shall submit the revision to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives.

SEC. 4. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time and passed.

The title was amended so as to read: "An Act to revise the general management plan for Carlsbad Caverns National Park to study methods to protect and interpret the internationally significant Lechuguilla Cave, and for other purposes."

CAVE RESEARCH INSTITUTE ACT

The Senate proceeded to consider the bill (S. 855) to direct the Secretary of the Interior to establish a cave research institute at Carlsbad Caverns National Park, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE

This Act may be cited as the "Cave Research Institute Act of 1989".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(a) The world's most exposed fossil reef, Capitan Reef, in southern New Mexico that includes Carlsbad Caverns, contains over 300 caves, including 75 identified caves in Carlsbad Caverns National Park and 22 caves in Guadalupe Mountains National Park;

(b) Recent explorations of Lechuguilla Cave at Carlsbad Caverns National Park have provided much new information about the wonders of this cave including the fact that it is the second deepest cave in the United States and contains outstanding world-class cave features such as gypsum crystal chandeliers and gypsum flowers;

(c) The Lechuguilla Cave has been described by cave researchers as possible the finest cave in America;

(d) The interest and excitement of cave researchers throughout the world have been focused on Carlsbad Caverns National Parks;

(e) Cave researchers could use this research institute as an operational base for study of caves in other regions and as a focal point for storage of data on cave geology and speleology; and

(f) The Congress, with the passage of Public Law 100-691, the Federal Cave Resources Protection Act of 1988, recognized the significance of cave resources on Federal lands and established the policy that Federal lands be managed in a manner which protects and maintains, to the extent practicable, significant cave resources.

SEC. 3. AUTHORIZATION.

(a) In order to provide for needed research relating to cave resources on certain lands in the United States, the Secretary of the Interior, acting through the Director of the National Park Service shall establish and administer the Cave Research Institute (hereinafter referred to as the "Institute"). The Institute shall function as a center for the orderly and scholarly collection, analysis, and dissemination of research material related to caves in Carlsbad Caverns National Park, the Capitan Reef area, and other lands managed by the National Park Service.

(b) The Institute shall produce educational and interpretive materials vital to public understanding of cave geology, assist students and researchers as an educational laboratory, and provide for a comprehensive evaluation of cave resources, protection needs, and interpretive information.

(c) Research at the Institute shall be directed primarily toward lands managed by the National Park Service, but the Secretary of the Interior may enter into cooperative agreements with other agencies or entities as may be appropriate to carry out the purposes of this Act.

SEC. 4. RESEARCH INSTITUTES OPERATIONAL PLAN.

Not later than one year after the date that funds are made available under this Act, the Secretary of the Interior shall prepare and transmit to Congress an operational plan for the Institute to include—

(a) a research plan, staffing needs for the first five years of operations, proposed cooperative agreements with other agencies and institutions pursuant with existing authorities, and facility needs; and

(b) an analysis of operational costs including staffing for five years, cost of facilities, and other appropriate items.

SEC. 5. AUTHORIZATION APPROPRIATION.

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

The amendment was agreed to. The bill was ordered to be engrossed for a

third reading, read the third time and passed.

The title was amended so as to read "A bill to direct the Secretary of the Interior to establish a Cave Research Institute."

JEMEZ AND PECOS RIVERS WILD AND SCENIC ADDITION ACT

The Senate proceeded to consider the bill (S. 940) to designate segments of the East Fork of the Jemez River and of the Pecos River as components of the National Wild and Scenic Rivers System, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "East Fork of the Jemez River and the Pecos River Wild and Scenic Rivers Addition Act of 1989.".

SEC. 2. WILD AND SCENIC RIVER DESIGNATION.

Section 3(a) of the Wild and Scenic Rivers Act (82 Stat. 906; 16 U.S.C. 1274(a)) is amended by adding the following new paragraphs:

"(109) EAST FORK OF THE JEMEZ, NEW MEXICO—The 11-mile segment from the Santa Fe National Forest boundary to its confluence with the Rio San Antonio; to be administered by the Secretary of Agriculture in the following classifications:

"(A) the 2-mile segment from the Santa Fe National Forest boundary to the second crossing of State Highway 4, near Las Conchas Trailhead, as a recreational river;

"(B) the 4-mile segment from the second crossing of State Highway 4, near Las Conchas Trailhead, to the third crossing of State Highway 4, approximately one and one-quarter mile upstream from Jemez Falls, as a wild river; and

"(C) the 5-mile segment from the third crossing of State Highway 4, approximately one and one-quarter mile upstream from Jemez Falls, to its confluence with the Rio San Antonio, as a scenic river.

"(110) PECOS RIVER, NEW MEXICO—The 20.5 mile segment from its headwaters to the townsite of Tererro; to be administered by the Secretary of Agriculture in the following classifications:

"(A) the 13.5-mile segment from its headwaters to the Pecos Wildness boundary, as a wild river; and

"(B) the 7-mile segment from the Pecos Wilderness boundary to the townsite of Tererro, as a recreational river.".

ADDITIONS TO HARRY S TRUMAN NATIONAL HISTORICAL SITE

The bill (H.R. 419) to provide for the additional of certain parcels to the Harry S Truman National Historic Site in the State of Missouri, was considered, ordered to a third reading, read the third time, and passed.

ULYSSES S. GRANT NATIONAL HISTORIC SITE

The bill (H.R. 1529) to provide for the establishment of the Ulysses S. Grant National Historic Site in the State of Missouri, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nomination:

Dennis Edward Kloske, of Virginia, Under Secretary of Commerce for Export Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. I further ask unanimous consent that the nominee be confirmed, that any statements appear in the RECORD as if read, that the motion to reconsider be laid upon the table, that the President be immediately notified of the Senate's action and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT ON THE NOMINATION OF DENNIS KLOSKE

Mr. WALLOP. Mr. President, I rise today in support of the nomination of Dennis Kloske for the position of Under Secretary of Commerce for Export Administration. I share the concern of a number of my colleagues about recent developments in the evolution of our policy on East-West technology transfer. Most notable was the recent decision by the Commerce Department to decontrol the sale of certain advanced personal computers to the East bloc. In light of these developments and given Mr. Kloske's prospective role as the highest ranking U.S. official responsible for East-West technology flow, we sought a dialog with Mr. Kloske relating to technology transfer.

Mr. President, I am pleased both with the timeliness and thoughtfulness of Mr. Kloske's response to our concerns. In the context of his impressive work at the Department of Defense on Competitive Strategies, Mr. Kloske has assured us that his views regarding our need to maintain a competitive edge over the Soviet Union remain unchanged. President Bush has chosen an individual who is sensitive to the threat posed by Soviet access to high technology—both in the direct military sense and in terms of the cost it potentially imposes on the DOD budget and thereby on the American taxpayer.

As part of our discussion with Mr. Kloske, he sent a letter to me which outlines many of his views. I would like very much to share this letter with my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF COMMERCE,
Washington, DC, September 6, 1989.

Hon. MALCOLM WALLOP,
U.S. Senate, Washington, DC.

DEAR SENATOR WALLOP: On August 30, I had the pleasure of meeting with Mr. J.D. Crouch of your staff, and the staff of other members of the Steering Committee. I found the session extremely helpful in understanding your concerns, and the concerns of the other Steering Committee members. Accordingly, I would like to take this opportunity to assure you of my commitment to a strong and effective U.S. technology security policy, and my personal belief that constructive interagency collaboration is essential to such a policy.

The position in which President Bush has asked me to serve is one of particular sensitivity and importance. In the rapidly changing international arena, there is a growing trend by our major allies to encourage an expansion of trade with the Soviet Union in the hopes of furthering the economic reforms there. I believe that any trade with the Soviet Union involving high technology must be stringently regulated to ensure that strategic Western technology is protected. If confirmed, I intend to play a major role in the Administration to press for effective interagency collaboration on technology transfer issues, and for a strengthened COCOM to ensure the best possible multilateral controls on East-West technology transfer.

The Bush Administration faces a dual challenge: the formidable military threat posed by the Soviet Union, and the formidable economic challenge posed by the rapid proliferation of high technology around the world. Both challenges must be addressed simultaneously. The loss of technology to the Soviet Bloc is the foremost export administration challenge. I share your view that great care must be exercised to continually weigh commercial considerations against our overriding national security goals. National security must be the major factor because commercial benefits can be trivial compared to the cost to the West's security that could result if our technology advantages are jeopardized.

If confirmed by the United States Senate, I intend to pursue initiatives that I consider crucial to effective Government and furtherance of U.S. national security:

First, I will work closely with my counterparts in the Department of Defense and other cognizant agencies to ensure that an effective and fully consultative interagency process is established. This will guarantee other agencies the opportunity to provide their views and expertise on export control issues in a prompt and regular manner. I have already paid courtesy visits to my counterparts at the Departments of Defense and State, and we have all agreed to meet on a continuing basis to ensure the smooth functioning of the interagency process.

Second, it is my desire to create a forum representing the best possible technical expertise contained in the U.S. Government which would provide Commerce with timely information crucial to its export control responsibilities. Representatives to this forum would include top technical experts from the Department of Defense, the national laboratories and the intelligence communi-

ty. This forum of experts would serve as an advisory body to guide U.S. export control and decontrol efforts. Such guidance, I believe, would solve the narrow case-by-case export control process which does not reflect a cohesive approach to national security. We must not approach the export control streamlining process on an ad hoc basis but, rather, with a clear understanding of the broader national security interests that must be protected.

The issue of foreign availability in 5(k) countries is also of great concern to me. The granting of 5(k) status is contingent upon those countries' agreement to protect the transfer of strategic technologies to the Bloc. If our investigations identify a 5(k) country that is, in fact, not controlling the export of strategic items and technology, strong action must be taken. By not controlling these exports, these countries become, de facto, a source of foreign availability. It is my belief that the strongest diplomatic measures must be taken in these instances, including the revocation of 5(k) status if necessary, to ensure that 5(k) countries abide by COCOM rules.

Finally, I intend to continue the excellent progress that has been made by Commerce in computerization and data management. Commerce's export licensing data base is the largest in the Federal Government and is relied upon by the Departments of Defense, State, and Energy for their export control roles. Our system includes a sophisticated, built-in program that screens all license applications against information we compile from the enforcement and intelligence communities. Our data base is also an invaluable source of information for the CIA which obtains, on a daily basis, the names of all foreign entities appearing on license applications. They screen these names against their highly classified information, and alert us of any possible diversions. Our data base also provide the licensing history of all commodities and foreign consignees, which provides Commerce licensing officers the ability to spot questionable transactions and allows our enforcement office to take forceful action when necessary. In any case, we will continue to upgrade our computer systems and data base to ensure that our export control procedures are based on the most accurate information available.

In short, I look forward, if confirmed, to making the present export control system work more effectively than it ever has. I believe that communication is a vital component of an effective system and assure you that I am always available to meet with you and members of your staff to address your concerns. I look forward to meeting you, and to establishing an ongoing dialogue with the Steering Committee.

Sincerely,

DENNIS E. KLOSKE,
Under Secretary-Designate.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order the Senate will resume legislative session.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT OF CONFEREES—H.R. 2136

The PRESIDING OFFICER. Under the order of September 7, the Chair appoints the following conferees under the bill H.R. 2136:

The legislative clerk read as follows:

Senators GLENN, LEVIN, SASSER, STEVENS, and WILSON.

ORDERS FOR TOMORROW

RECESS UNTIL 9 A.M.; MORNING BUSINESS

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 a.m. Wednesday, September 13, and following the time for the two leaders there be a period of morning business not to extend beyond 9:30 a.m., with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS FROM 12:45 P.M. TO 2 P.M.

Mr. LAUTENBERG. Mr. President, I further ask unanimous consent that the Senate stand in recess between the hours of 12:45 p.m. and 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDCURE

Mr. LAUTENBERG. Mr. President, for the information of all Senators, the Senate will resume consideration of the transportation appropriations bill at 9:30 a.m. tomorrow.

RECESS UNTIL TOMORROW AT 9 A.M.

Mr. LAUTENBERG. Mr. President, if the Republican leader has no further business, and if no other Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess under the previous order until 9 a.m., Wednesday, September 13, 1989.

There being no objection, the Senate at 6:58 p.m. recessed until Wednesday, September 13, 1989, at 9 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate September 8, 1989, under authority of the order of the Senate of January 3, 1989:

DEPARTMENT OF DEFENSE

DUANE PERRY ANDREWS, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF DEFENSE, VICE GORDON A. SMITH, RESIGNED.

DEPARTMENT OF THE INTERIOR

DAVID COURTLAND O'NEAL, OF ILLINOIS, TO BE AN ASSISTANT SECRETARY OF THE INTERIOR, VICE J. STEVEN GRILES, RESIGNED.

DEPARTMENT OF COMMERCE

JENNIFER JOY WILSON, OF VIRGINIA, TO BE ASSISTANT SECRETARY OF COMMERCE FOR OCEANS AND ATMOSPHERE, VICE B. KENT BURTON, RESIGNED.

COMMODITY FUTURES TRADING COMMISSION

MARGOT E. MACHOL, OF THE DISTRICT OF COLUMBIA, TO BE A COMMISSIONER OF THE COMMODITY FUTURES TRADING COMMISSION FOR THE TERM EXPIRING APRIL 13, 1994, VICE ROBERT R. DAVIS, TERM EXPIRED.

ENVIRONMENTAL PROTECTION AGENCY

LAJUANA SUE WILCHER, OF KENTUCKY, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE LAWRENCE J. JENSEN, RESIGNED.

IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. NORMAN H. SMITH, xxx-xx-xxxx/9903 USMC.

IN THE NAVY

THE FOLLOWING-NAMED REAR ADMIRAL (LOWER HALF) OF THE RESERVE OF THE U.S. NAVY FOR PERMANENT PROMOTION TO THE GRADE OF REAR ADMIRAL IN THE STAFF CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 5912:

To be rear admiral

REAR ADM. (LOWER HALF) PAUL C. ROSSER, xxx-x.../5105, U.S. NAVAL RESERVE.

Executive nominations received by the Senate, September 12, 1989:

DEPARTMENT OF STATE

MARION V. CREEKMORE, JR., OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA, AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF MALDIVES.

HENRY ALLEN HOLMES, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR AT LARGE FOR BURDENSHARING.

ALAN GREEN, JR., OF OREGON, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE SOCIALIST REPUBLIC OF ROMANIA.

THE JUDICIARY

S. JAY PLAGER, OF INDIANA, TO BE U.S. CIRCUIT JUDGE FOR THE FEDERAL CIRCUIT VICE SHIRO KASHIWA, RETIRED.

DEPARTMENT OF JUSTICE

JEFFREY R. HOWARD, OF NEW HAMPSHIRE, TO BE U.S. ATTORNEY FOR THE DISTRICT OF NEW HAMPSHIRE FOR THE TERM OF 4 YEARS, VICE RICHARD V. WIEBUSCH, RESIGNED.

MICHAEL D. MCKAY, OF WASHINGTON, TO BE U.S. ATTORNEY FOR THE WESTERN DISTRICT OF WASHINGTON FOR THE TERM OF 4 YEARS, VICE GENE S. ANDERSON, RESIGNED.

DEPARTMENT OF EDUCATION

LEONARD L. HAYNES III, OF LOUISIANA, TO BE ASSISTANT SECRETARY FOR POSTSECONDARY EDUCATION, DEPARTMENT OF EDUCATION, VICE KENNETH D. WHITEHEAD, RESIGNED.

ALASKA LAND USE COUNCIL

CURTIS VIRGIL MCVEE, OF ALASKA, TO BE FEDERAL COCHAIRMAN OF THE ALASKA LAND USE COUNCIL, VICE VERNON R. WIGGINS, RESIGNED.

POSTAL RATE COMMISSION

GEORGE W. HALEY, OF MARYLAND, TO BE A COMMISSIONER OF THE POSTAL RATE COMMISSION FOR THE REMAINDER OF THE TERM EXPIRING OCTOBER 14, 1992, VICE JANET DEMPSEY STEIGER, RESIGNED.

IN THE COAST GUARD

THE FOLLOWING REGULAR OFFICERS OF THE U.S. COAST GUARD FOR PROMOTION TO THE GRADE OF CAPTAIN:

ZORAN SAJOVIC
GARY A. BIRD
MICHAEL L. DORSEY
KENNETH J. LOSSER

JAMES M. MCKERNAN, JR.
GREGORY L. SHAW
PAUL J. PROKOP
GERALD L. HALE
PAUL H. GARRITY
ROBERT J. WENZEL
MICHAEL J. MIERZWA
ALEXANDER J. HINDLE, JR.
JAMES D. HULL
RICHARD E. BURKE, JR.
CHRISTOPHER G. KREILER
GREGORY H. MAGEE
JAMES E. SMITH, JR.
JAY M. SNYDER
JAMES D. GARRISON
STUART N. WHITE
DONALD H. DEBOK
JOHN F. MCGOWAN
ROBERT C. OLSEN, JR.
JAMES L. ROBINSON
RICHARD J. LOSEA
ELWOOD E. STOEGER
RICHARD C. VLAUN
THOMAS E. BERNARD
TIMOTHY L. TERRIBERRY

THE FOLLOWING RESERVE OFFICERS OF THE U.S. COAST GUARD TO BE PERMANENT COMMISSIONED OFFICERS IN THE GRADES INDICATED:

To be lieutenant

PAUL W. SCHULTE
DAVID M. HAWES
TIMOTHY J. ROURKE
STEVEN M. FACHKO
WAYNE S. BALL
MICHAEL J. FOLEY
GARY A. SCHENK

To be lieutenant (junior grade)

COLIN M. HURLEY
KEITH A. MACKENZIE
DANIEL G. MINCHER
JONATHAN N. HAMMOND
STEPHEN L. O'HARA
WILLIAM J. PICKETT
BRIAN R. ALDRICH
GUY R. THERIAULT
BRIAN R. KELLEY
KEVIN P. MCCARTHY
HAROLD E. CONSTANTINE, JR.
AMIR ABDUSSABOUR
WALTER H. BECHWITH, JR.
EDWARD F. HALLIGAN
ROBERT W. FOSTER

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. JOSEPH W. ASHY, xxx-xx-xxxx FR, U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. ROBERT L. RUTHERFORD, xxx-xx-xxxx FR, U.S. AIR FORCE.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A), IN CONJUNCTION WITH ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. AUGUST M. CIANCIOLO, xxx-xx-xx..., U.S. ARMY.

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTIONS 593(A) AND 3383:

ARMY PROMOTION LIST

To be colonel

CHARLES W. BALDOCK, xxx-xx-xx...
KARL BIELENBERG, xxx-xx-xx...
RONNELL O. BURGAMY, xxx-xx-xx...
GEORGE CHALUSTOWSKI, xxx-xx-xx...
HARRY E. CHENEY, xxx-xx-xx...
GLYN M. COOK, xxx-xx-xx...
THOMAS A. COURVILLE, xxx-xx-xx...
JAMES F. DAY, xxx-x...
LARRY DIEHM, V, xxx-xx-xxxx
PETER J. FABIAN, xxx-xx-xxxx
JOHN F. FLYNN, xxx-xx-xxxx
ULYSSES S. HARGROVE JR, xxx-xx-xx...
VICTOR HILL, xxx-xx-xx...
MICHAEL C. MATUSKA, xxx-xx-xx...
JOHNNY W. RAY, xxx-xx-xx...
GEORGE RICHARDSON, xxx-xx-xx...
JURGEN H. SCHMELZER, xxx-xx-xx...
RICHARD A. STANSFIELD, xxx-xx-xx...
WILLIAM A. WESTBROOK, xxx-xx-xx...

CHAPLAIN

To be colonel

MYRON S. GELLER, xxx-xx-xx...

MEDICAL CORPS

To be colonel

EDMUND H. PRESTON JR, xxx-xx-x...
WILLIAM M. SOYBEL, xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be colonel

ALBERT N. LEMOINE III, xxx-xx-xx...
WESLEY W. OTTMAR, xxx-xx-xx...
MARVIN SPATZ, xxx-xx-xx...

VETERINARY CORPS

To be colonel

DAVID R. TRASK, xxx-xx-xxxx

ARMY PROMOTION LIST

To be lieutenant colonel

JAMES A. AHRENS, xxx-xx-xx...
THOMAS G. ANDERSON JR, xxx-xx-xxxx
THOMAS E. BILLIMEK, xxx-xx-xx...
WILLIE J. BOYD, xxx-xx-xxxx
HARRY S. BROCK, xxx-xx-xx...
GARY W. DAVIS, xxx-xx-xxxx
ROBERT G. HARVEY, xxx-xx-xxxx
CLYDE T. IMADA, xxx-xx-xx...
BARRY H. JENKINS, xxx-xx-xxxx
BERNARD P. KRAMER, xxx-xx-xx...
ANTHONY F. LEKETA, xxx-xx-xx...
DOUGLAS M. LIVINGSTON, xxx-xx-xx...
JIMMIE D. MAISH, xxx-xx-xx...
RONALD J. NEWMAN, xxx-...
THOMAS W. PAHL, xxx-...
PATRICK L. PHILLIPS, xxx-xx-xxxx
SAMUEL A. RUMORE JR, xxx-xx-xxxx
FRANCIS D. SCHMITZ, xxx-xx-xx...
DAVID A. VAN KLEECK, xxx-xx-xxxx
JAMES M. WALSH, xxx-xx-xxxx

ARMY NURSE CORPS

To be lieutenant colonel

COLLEEN P. SULLIVAN, xxx-xx-xxxx

MEDICAL CORPS

To be lieutenant colonel

EDWARD B. BLACKMON JR, xxx-xx-xx...
ROBERT G. STOCKMAL, xxx-xx-xx...

MEDICAL SERVICE CORPS

To be lieutenant colonel

GARY F. CLIFTON, xxx-xx-xxxx
EDWARD E. LAWRENCE, xxx-xx-xx...
JAMES J. LYONS, xxx-xx-xx...
GARY C. ORSETTI, xxx-xx-xx...
JOHN S. WARREN, xxx-xx-xxxx
KENNETH F. WRIGHT, xxx-xx-xxxx

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTIONS 593(A) AND 3370:

ARMY PROMOTION LIST

To be colonel

PAUL BRICKNER, xxx-xx-xx...
WILLIAM D. HARDIN, xxx-xx-xxxx
HENRY D. OMALIE, xxx-xx-xx...
DONALD R. PARKER, xxx-xx-xx...
HARRY R. RIDGE JR, xxx-x...
SHELLEY M. SAUNDERS, xxx-xx-xx...
TERRY L. SCHUETZ, xxx-xx-xxxx

CHAPLAIN

To be colonel

SHIMON PASKOW, xxx-xx-xx...
RICHARD J. SHANNON, xxx-xx-xx...

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTIONS 593(A) AND 3366:

ARMY PROMOTION LIST

To be lieutenant colonel

RICHARD K. BERGER, xxx-xx-xx...
JOHN D. BONEY JR, xxx-xx-xxxx
DANNY D. CLARK, xxx-xx-xx...
ROBERT W. CONDON, xxx-xx-xx...
WILEY E. GRIMES, xxx-xx-xx...
JAMES A. HOWELLS, xxx-xx-xx...
THEODORE J. KONFEDERAK JR, xxx-xx-xx...
DONNIE L. LISTER, xxx-xx-xxxx
KING MOSS II, xxx-xx-xxxx
ANDREW J. PELUSO, xxx-xx-xx...
DAVID G. SHERWOOD, xxx-xx-xx...
PAUL VOLPE, V, xxx-xx-xxxx

THE FOLLOWING-NAMED INDIVIDUALS FOR APPOINTMENT IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTIONS 593(A), 594(A) AND 3359:

MEDICAL CORPS

To be colonel

GEOFFREY M. GRAEBER, xxx-xx-xx...

MEDICAL CORPS

To be lieutenant colonel

RAYMOND C. GRUENTHER, xxx-xx-xx...
RAUL P. OLAZABAL, xxx-xx-xxxx
MICHAEL B. VANDEWALLE, xxx-xx-xx...

IN THE ARMY

THE FOLLOWING NAMED RESERVE OFFICERS' TRAINING CORPS CADETS FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES, IN THE GRADE OF SECOND LIEUTENANT, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 531, 532, AND 533:

MARTHA L. AUSTIN, xxx-xx-xxxx
WILLIAM L. AYERS, xxx-xx-xxxx
MICHELLE L. BAMMEL, xxx-xx-xx...
FRANK D. BEESLEY, xxx-xx-xx...
MICHAEL T. B'JENSEN, xxx-xx-xx...
MICHAEL BLAHOVEC, xxx-xx-xx...
ROBERT S. BOHAM, xxx-xx-xxxx
MYRON M. BOND, xxx-xx-xxxx
JAMES C. BOXMEYER, xxx-xx-xxxx
SCOTT BRADLEY, xxx-xx-xx...
ALICIA G. BRIDGEMAN, xxx-xx-xx...
ROBERT W. BRIGGS, xxx-xx-xxxx
MARK C. BROWN, xxx-xx-xxxx
KEVIN E. BROLIN, xxx-xx-xxxx
EARNESTINE Y. BROUME, xxx-xx-xxxx
TIMOTHY W. BUCHEN, xxx-xx-xxxx
RONALD C. BURKE, xxx-xx-xxxx
FRANK T. BURNS, xxx-xx-xxxx
GARRY B. BUSH, xxx-xx-xx...
TIMOTHY W. BUSH, xxx-xx-xxxx
JOHN D. BUTLER, xxx-xx-xx...
DAVID M. BYRD, xxx-xx-xxxx
DANIEL M. CABOT, xxx-xx-xx...
ELISSA A. CARDONI, xxx-xx-xx...
JAVIER R. CASANOVA, xxx-xx-xx...
WARD M. CHEWNING, III, xxx-x...
LORI A. CHRISTENSEN, xxx-xx-xx...
JAMES D. CLEMENTS, xxx-xx-xxxx
PHILANDER L. COCHRAN, xxx-xx-xxxx
CHARLES T. CONNETT, xxx-xx-xxxx
MICHAEL J. CONWAY, xxx-... xxx...
RONALD G. COOMES, xxx-xx-xxxx
ERICK C. CREWS, xxx-xx-xxxx
CARLETON M. CURRY, xxx-xx-xx...
JOHN C. CZERWINSKI, xxx-xx-xx...
MARY Y. DAMASK, xxx-xx-xx...
EDWARD R. DANEK, xxx-xx-xxxx
DAVID S. DANNER, xxx-xx-xxxx
JOHN W. DARGLE, xxx-xx-xx...
CYNTHIA L. DAVID, xxx-xx-xx...
EDWIN J. DEEDRICK, xxx-xx-xxxx
THOMAS C. DELK, xxx-xx-xxxx
RICK DICKINSON, xxx-xx-xx...
SEAN M. DINEEN, xxx-xx-xx...
RAYMOND S. DINGLE, xxx-xx-xx...
ANDREW D. DOEHRING, xxx-xx-xxxx
JAMES W. DOLAN, xxx-xx-xxxx
DELORES M. DONSKEY, xxx-xx-xxxx
THOMAS J. DUNCAN, xxx-xx-xxxx
TIMOTHY F. EADS, xxx-xx-xx...
MICHAEL J. ECCLESTON, xxx-xx-xxxx
KURT EDWARDS, xxx-xx-xxxx
DAVID E. EPLING, xxx-xx-xx...
RICK A. ERWAY, xxx-xx-xxxx
BARRY C. EZELL, xxx-xx-xx...
WILLIAM L. FADDIS, xxx-xx-x...
SUSAN R. FARLEY, xxx-xx-xx...
VIRGINIA FARROW, xxx-xx-xx...
LOUIS A. FELICIANO, xxx-xx-xx...
DUSAN L. FENNER, xxx-xx-xx...
ALBERT FLACHSBARTH, xxx-xx-xx...
DARRYL J. FLASPHALER, xxx-x...
JOAN M. FOLK, xxx-xx-xxxx
GAIL L. FORESMAN, xxx-xx-xxxx
BETH J. FOSTER, xxx-xx-xx...
TAMARA FREEMAN, xxx-xx-xxxx
ROBERT F. GALE, xxx-xx-xx...
RICARDO R. GARRATON, xxx-xx-x...
MARK W. GARRETT, xxx-xx-xx...
CHRISTOPHER J. GERVIS, xxx-xx-xx...
JIMMIE GILLYARD, JR, xxx-xx-xxxx
ANNA GLADEAU, xxx-xx-xxxx
CYNTHIA A. GLENISTER, xxx-xx-xx...
RODOLFO GONZALEZ, JR, xxx-xx-xx...
DAMON K. GOOCH, xxx-xx-xxxx
JACQUELINE GORDON, xxx-xx-xxxx
WILLIAM P. GRAHAM, xxx-xx-xxxx
RICHARD D. GRAZIANE, xxx-xx-xxxx
SCOTT A. GREENAN, xxx-xx-xx...
SHARON L. GRIFFITHS, xxx-x...
CHARLES E. GRINDLE, xxx-xx-xx...
DANIEL S. HAMILTON, xxx-xx-xxxx
MELROSES HANFT, xxx-xx-xxxx
PHILLIP HANSEN, xxx-xx-xx...
FINEST HARPER, xxx-xx-xx...
WARLINE HARRY, xxx-xx-xxxx
NICHOLS M. HATZIS, xxx-xx-xxxx
HOUR HENG, xxx-xx-xxxx
MICHAEL T. HEGSTROM, xxx-xx-xxxx
JOHN J. HENNESSEY, xxx-xx-xxxx
RONALD E. HILL, xxx-xx-xxxx
WILLIAM A. HODGES, xxx-xx-xxxx
ROBERT A. HOEKSTRA, xxx-xx-xxxx
CRAIG A. HOLTON, xxx-xx-xx...
MICHAEL F. HOUFF, xxx-xx-xxxx
ROBERTA HUNTER, xxx-xx-xxxx
LESLIE L. IRWIN, xxx-xx-xxxx
ARTHUR A. JACKSON, xxx-xx-xxxx
JAYNE V. JANSEN, xxx-xx-xxxx
DANIEL R. JANISKEE, xxx-xx-xx...
PATRICIA K. JARVIS, xxx-xx-xxxx

MELINDA JENNINGS, xxx-xx-xx...
RANDALL W. JENNINGS, xxx-xx-xx...
ANDREW D. JOHANSON, xxx-x...
CHARLES JONES, xxx-xx-xx...
NANCY JONES, xxx-xx-xxxx
ALGIE JORDAN, xxx-xx-xx...
JOSEPH R. JORDAN, xxx-xx-xx...
WILLIAM KEELEY, xxx-xx-xx...
BRIAN J. KEITH, xxx-xx-xx...
TANDEE KELLEY, xxx-xx-xx...
BRIAN M. KILGORE, xxx-xx-xxxx
KEITH D. KIZZIE, xxx-xx-xx...
JUDITH A. KONNATH, xxx-xx-xx...
PATRICIA J. KOSTOHRYZ, xxx-xx-xx...
GIOVANNI I. KOTORIT, xxx-xx-xx...
CYNTHIA M. KRAMER, xxx-xx-xx...
TERESA L. KUHN, xxx-xx-xx...
JEFFREY A. KUSSOW, xxx-xx-xx...
WILLIAM P. LACHANCE, xxx-xx-xx...
JACQUELINE LAFALCE, xxx-xx-xx...
JOHN P. LAMOUREUX, xxx-xx-xxxx
PAUL K. LAWSON, xxx-xx-xx...
PETER J. LEE, xxx-xx-x...
RENEE S. LEE, xxx-xx-xx...
SUSAN LEE, xxx-xx-xx...
KERVIA T. LEMON, xxx-xx-xx...
COLIN E. LOWE, xxx-xx-xx...
DONALD O. LUNDY, xxx-xx-xx...
CHRISTOPHER LYNCH, xxx-xx-xx...
KEITH E. LYNCH, xxx-xx-xx...
JESSICA LYNN, xxx-xx-xx...
TIMOTHY LYNN, xxx-xx-xx...
KAREN M. MACRIS, xxx-xx-xx...
MARY A. MADDREN, xxx-xx-xxxx
WILLIAM B. MADDOX, xxx-xx-xxxx
MICHAEL F. MAHONY, xxx-xx-xx...
DOUGLAS M. MARR, xxx-xx-xx...
JOSEPH MARSHALL, xxx-xx-xx...
JOHN T. MASON, xxx-xx-xx...
MATTHEW MATTERN, xxx-xx-xx...
JAMES A. MCCLATCHEY, xxx-xx-xx...
CHERYL L. MCCULLOUGH, xxx-xx-xxxx
NEDRICK L. MCDADE, xxx-xx-xx...
BENNIE J. MCRAE, xxx-xx-xx...
EDUARDO T. MEAGHER, xxx-xx-xxxx
VICKIE J. MEANS, xxx-xx-xx...
STEVEN A. MEDERIOS, xxx-xx-xx...
MELISSA N. MENGLE, xxx-xx-xx...
BART J. MEYERS, xxx-xx-xx...
JOHN F. MERKLE, xxx-xx-xx...
KEITH E. MICHAELS, xxx-xx-xx...
STEVEN P. MIDDLECAMP, xxx-xx-xx...
CASABLANCA M. MONTALVO, xxx-xx-xxxx
PATRICK J. MULLINS, xxx-xx-xx...
CHARLES W. MYSKOWSKY, xxx-xx-xx...
KURBE L. NEWSOM, xxx-xx-xxxx
ALAN G. NOCE, xxx-xx-xx...
ANTHONY F. NOLL, xxx-xx-xx...
GREGORY S. OWENS, xxx-xx-xxxx
ADRIENNE L. PALAZZO, xxx-xx-xx...
FRANCISCO PAULINO, xxx-xx-xx...
JAMES B. PARKER, xxx-xx-xx...
JOHN T. PAYNE, xxx-xx-xx...
JOHN K. PECORARO, xxx-xx-xx...
MICHAEL A. PIACENTINI, xxx-xx-xxxx
FAY PITTMAN, xxx-xx-xx...
CHARLES PRATT, III, xxx-xx-xx...
MICHAEL J. REILLY, xxx-xx-xx...
DAVID RICHARDSON, xxx-xx-xx...
SCOTT A. RIPPLE, xxx-xx-xx...
DAVID ROBERTS, xxx-xx-xx...
PAUL J. ROBERTS, xxx-xx-xx...
CAROLYNE M. ROBINSON, xxx-xx-xx...
JAMES M. ROGERS, xxx-xx-xxxx
THOMAS J. ROGERS, xxx-xx-xxxx
BLAKELY L. ROSS, xxx-xx-xx...
THOMAS M. ROY, xxx-xx-xx...
ROBERT W. RUMBAUGH, xxx-xx-xx...
BRADLEY RUSTAN, xxx-xx-xx...
ARMANDO SANCERNI, xxx-xx-xx...
LEE H. SCHILLER, xxx-xx-xx...
JAMES T. SCOTT, xxx-xx-xx...
MATTHEW R. SCOTT, xxx-xx-xxxx
JOHN T. SCOTTO, xxx-xx-xx...
JEFFREY SHANNAHAN, xxx-xx-xx...
JOHN C. SHARROCK, xxx-xx-xx...
KATHERINE R. SKIDMORE, xxx-xx-xxxx
TIMOTHY D. SLUSS, xxx-xx-xx...
JOHN D. SMITH, xxx-xx-xx...
SHARON E. SMITH, xxx-xx-xx...
THOMAS D. SPAIGHT, xxx-xx-xx...
JOHN SPAIN, xxx-xx-xxxx
WILLIAM R. SPENGLER, xxx-xx-xx...
DOUGLAS C. STACK, xxx-xx-xxxx
PAUL D. STANLEY, xxx-xx-xx...
WALTER STANISH, xxx-xx-xx...
MICHAEL J. STOCKWELL, xxx-xx-xx...
TIMOTHY STOLTZ, xxx-xx-xx...
TERRANCE M. STOUT, xxx-xx-xx...
STEPHEN E. SWANSON, xxx-xx-xx...
SEAN P. SWINDELL, xxx-xx-xx...
KERRY E. TRENT, xxx-xx-xx...
THOMAS C. THOMPSON, xxx-xx-xx...
RHONDA L. VANHOUSE, xxx-xx-xxxx
MICHAEL J. VARGAS, xxx-xx-xxxx
JANICE L. VILLAMAGNA, xxx-xx-xx...
ERIC J. WAGNER, xxx-xx-xxxx
SHAWN A. WAGNER, xxx-xx-xx...
LISA L. WARD, xxx-xx-xx...
TIMOTHY B. WARD, xxx-xx-xx...
ANDREW K. WATSON, xxx-xx-xxxx
THOMAS M. WEAVER, xxx-xx-xx...
ALICIA G. WEED, xxx-xx-xx...
PATRICK L. WHELAN, xxx-xx-xx...
ROBERT A. WIKE, xxx-xx-xx...
DAVID J. WILBERDING, xxx-xx-x...
ANTHONY C. WILSBACHER, xxx-xx-x...
PAUL W. WINDSOR, xxx-xx-xx...
MANUEL V. WINER, xxx-x...
WILLIE R. WITHERSPOON, xxx-xx-xx...
DAVID J. WOODS, xxx-xx-xx...
WILLIAM O. WONG, xxx-xx-xxxx

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES, IN THEIR ACTIVE DUTY GRADE, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 531, 532, AND 533:

To be first lieutenant

CARL A. ALEX, xxx-xx-xx...
SANDRA KITT, xxx-xx-xx...

To be second lieutenant

JEFFREY S. BUCZKOWSKI, xxx-xx-xx...
JEFFREY S. ODEGAARD, xxx-xx-xxxx
HENRY S. OLIVER, xxx-xx-xxxx
DARRYL W. ORLETSKY, xxx-xx-xxxx
ROBERT L. PARK, xxx-xx-xx...
MARK VAKKUR, xxx-xx-xx...

JUDGE ADVOCATE GENERAL'S CORPS

To be major

JOHN P. LEY, xxx-xx-xx...
HENRY F. YOUNG, III, xxx-xx-xx...

MEDICAL CORPS

To be colonel

RICHARD CORZATT, xxx-xx-xxxx
ROBERT H. EDMUND, xxx-xx-xx...
LAWRENCE FETTERS, xxx-xx-xx...
MICHAEL H. KIM, xxx-xx-xx...
RAFAEL LINARES, xxx-xx-xx...
WOO C. PAIK, xxx-xx-xx...
DANIEL REDMOND, xxx-xx-xxxx
PAUL J. THOMAS, xxx-xx-xx...
PRENTISS THOMPSON, xxx-xx-xx...

To be lieutenant colonel

GARY R. BURCH, xxx-xx-xx...
EDUARDO CUISON, xxx-xx-xxxx
THIERNO DIALLO, xxx-xx-xx...
DAVID B. GIFFORD, xxx-xx-xx...
JAYANTI K. SEN, xxx-xx-xx...
BERT N. TANKLEFF, xxx-xx-xx...

To be major

WILLIAM CALDWELL, xxx-xx-xx...
STEPHEN C. CRAIG, xxx-xx-xx...
JAMES MARTIN, xxx-xx-xx...
ALAN L. MOLOFF, xxx-xx-xx...
TU H. NGUYEN, xxx-xx-xx...
GEORGE WEIGHTAM, xxx-xx-xxxx
KUNCHUL YOON, xxx-xx-xx...

To be captain

LARRY C. BURNS, xxx-xx-xxxx
TIMOTHY W. CRAIN, xxx-xx-xx...
JEFFREY E. SHORT, xxx-xx-xx...
JAMES B. SMITH, xxx-xx-xx...

DENTAL CORPS

To be major

JOHN H. BARKER, xxx-xx-xx...
DAVID L. BATY, xxx-xx-xx...
BRANT BRADFROD, xxx-xx-xxxx
DAVID Y. CHANG, xxx-xx-xxxx
MARK S. CLOTH, xxx-xx-xx...
BRIAN FITZPATRICK, xxx-xx-xx...
DAVID A. GALVAN, xxx-xx-xxxx
ALAN HAROIAN, xxx-xx-xx...
RAYMOND HYNSON, xxx-xx-xx...
MURRAY JOHNSON, xxx-xx-xxxx
KENNETH C. KEATE, xxx-xx-xx...
KRAIG K. KENNY, xxx...
KELLY R. KOFFORD, xxx-xx-xx...
ALAN E. LENTZ, xxx-xx-xx...
ROBERT MATTHEWS, xxx-xx-xxxx
RONALD MIKALOFF, xxx-xx-xx...
JAMES E. NEWMAN, xxx-xx-xx...
ADOLFINA M. POLK, xxx-xx-xx...
MELVIN S. POLK, xxx-xx-xx...
NICHOLAS QUIGLEY, xxx-xx-xx...
JUAN M. RICO, xxx-xx-xx...
ROY L. ROBBINS, xxx-x...
MITCHELL RUFFMAN, xxx-xx-xxxx
FRANCISCO RUIZ, xxx-xx-xx...
STEVEN SCHELLER, xxx-xx-xx...
ROSS W. STRYKER, xxx-xx-xx...
THOMAS THRASHER, xxx-xx-xx...
CRAIG WILLIAMS, xxx-xx-xxxx
SCOTT S. WORLTON, xxx-xx-xxxx

To be captain

PHILLIP L. ADAY, xxx-xx-xx...
PATRTICK S. ALLISON, xxx-xx-xx...
TIMOTHY BANDROWSKY, xxx-xx-xxxx
BARRY G. BISHOP, xxx-xx-xx...
RICHARD DAVENPORT, xxx-xx-xxxx
STEVE EIKENBERG, xxx-xx-xxxx
ALFRED M. FIUME, xxx-xx-xxxx
MICHAEL W. FORD, xxx-xx-xxxx
EDWARD B. FOWLER, xxx-xx-xxxx
JOSEPH P. FRENO, xxx-xx-xx...
TIMOTHY GEHRING, xxx-xx-xxxx
JOHN M. GRIFFIES, xxx-xx-xxxx
PETER M. GRONET, xxx-xx-xx...
DAVID R. HILL, xxx-xx-xx...
LAWRENCE KNIGHT, xxx-xx-xxxx
GARY LEWANDOWSKI, xxx-xx-xxxx
MARK E. MCCLARY, xxx-xx-xxxx
GEORGE MCMILLIAN, xxx-xx-xxxx
FREDRIC A. MOORE, xxx-xx-xx...
DOUGLAS NEWSON, xxx-xx-xx...
PHILIP PANDOLFI, xxx-xx-xx...
TIMOTHY PIVONKA, xxx-xx-xxxx
BONITA L. PRUITT, xxx-xx-xx...
MARTIN C. RADKE, xxx-xx-xx...
HAROLD B. SNYDER, xxx-xx-xxxx
GEOFFREY THOMPSON, xxx-xx-xx...
DAVID A. VINCENT, xxx-xx-xx...
MICHAEL J. WILL, xxx-xx-xx...
RICHARD WINDHORN, xxx-xx-xxxx

MEDICAL CORPS

To be major

WALTER J. HUBICKEY, xxx-xx-xx...

To be captain

JOHN M. JACOCKS, xxx-xx-xx...
SHERMAN A. MCCALL, xxx-xx-xx...

MEDICAL SERVICE CORPS

To be captain

EDWARD T. CLAYSON, xxx-xx-xxxx
JAMES A. HOLLIDAY, xxx-xx-xx...
MARK A. LOWRY, xxx-xx-xxxx
ANDREW C. WHELEN, xxx-x...

VETERINARY CORPS

To be captain

ELVIRA L. HALL, xxx-xx-xxxx
LESLIE G. HUCK, xxx-xx-xx...
ROBERT L. VOGLESANG, xxx-xx-xxxx

CONFIRMATIONS

Executive nominations confirmed by the Senate September 12, 1989:

DEPARTMENT OF STATE

DONALD PHINNEY GREGG, OF MARYLAND, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF KOREA.

DEPARTMENT OF COMMERCE

DENNIS EDWARD KLOSKE, OF VIRGINIA, TO BE UNDER SECRETARY OF COMMERCE FOR EXPORT ADMINISTRATION.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

WITHDRAWALS

Executive nomination withdrawn by the President from further Senate consideration, September 8, 1989:

DEPARTMENT OF LABOR

DAVID COURTLAND O'NEAL, OF ILLINOIS, TO BE ASSISTANT SECRETARY OF LABOR FOR MINE SAFETY AND HEALTH, VICE DAVID A. ZEEGER, RESIGNED, WHICH WAS SENT TO THE SENATE ON JANUARY 3, 1989.

Executive nomination withdrawn by the President from further Senate consideration, September 12, 1989:

DEPARTMENT OF EDUCATION

KENNETH D. WHITEHEAD, OF VIRGINIA, TO BE ASSISTANT SECRETARY FOR POSTSECONDARY EDUCATION, DEPARTMENT OF EDUCATION, VICE C. RONALD KIMBERLING, RESIGNED, WHICH WAS SENT TO THE SENATE ON JANUARY 3, 1989.

HOUSE OF REPRESENTATIVES—*Tuesday, September 12, 1989*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We thank You, O God, for those people of faith whose lives of dignity and humility tell us of Your will for our world. We are ever grateful for women and men, young and old, of every background or place, who use the gifts You have given to make the light shine more brightly in our land and in our world. For those whose lives of dignity are well known and for those whose names are well known only in our hearts, we offer this word of gratitude and thanksgiving. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. The gentleman from Colorado [Mr. HEFLEY] will come forward and lead the House in the Pledge of Allegiance.

Mr. HEFLEY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3014. An act making appropriations for the legislative branch for the fiscal year ending September 30, 1990, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 3014) "An act making appropriations for the legislative branch for the fiscal year ending September 30, 1990, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. REID, Ms. MIKULSKI, Mr. ADAMS, Mr. BYRD, Mr. NICKLES, Mr. HATFIELD, and Mr. STEVENS to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 933. An act to establish a clear and comprehensive prohibition of discrimination on the basis of disability.

AN UNCERTAIN TRUMPET—ADMINISTRATION POLICY ON EASTERN EUROPE

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, for 40 years we have dreamed about the lifting of the Iron Curtain. Now it has become a reality. Today Eastern Europe's first government in four decades headed by a non-Communist Prime Minister was installed in Poland, and yesterday Hungary's leadership courageously defied its Warsaw Pact allies and opened the gates of freedom to tens of thousands of refugees from East Germany.

Yet at this critical hinge of history, Mr. Speaker, the administration sounds an uncertain trumpet. As the whole non-Communist world rejoices in the triumph of freedom and democracy over the forces of repression and totalitarianism, the administration shows an excess of caution, vacillation, temporizing and timidity, instead of joyfully seizing this historic opportunity. This is not our task alone. Resources must come from Japan and Taiwan and Western Europe and elsewhere, but dynamic and creative leadership can only come from a clear-headed and courageous American initiative.

The people of Eastern Europe are watching, trying to read our lips, but they can barely understand our mumbling. We surely can do better. We clearly must do better, unless we want to see this fleeting moment of opportunity pass us by.

NATIONAL HOSTAGE AWARENESS DAY

(Mr. HENRY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HENRY. Mr. Speaker, today I have introduced a resolution to designate Friday, October 27, 1989, as "National Hostage Awareness Day." Eighty-four colleagues in the House have joined as original cosponsors of this resolution, a resolution intended to demonstrate to our American hostages in Lebanon that we have not forgotten their plight.

The purpose and intent of the resolution is not to dictate or outline the terms of the political resolution of the hostages' plight, but to call upon the American people to demonstrate through observances on October 27 their solidarity with the hostages, and for all Americans to join in prayer and participate in other appropriate actions in support of our fellow citizens held hostage.

There have been 10 innocent American citizens held hostage in conjunction with the tragic civil war in Lebanon. William Buckley, seized March 18, 1984, is now presumed dead. William R. Higgins, taken February 17, 1988, was killed by his captors. Eight American citizens remain in captivity. They are:

Terry Anderson, chief Middle East correspondent for the Associated Press, seized March 16, 1985; Thomas P. Sutherland, dean of agriculture, American University of Beirut, taken June 9, 1985; Frank Herbert Reed, headmaster of the Lebanese International School, seized September 9, 1986; Joseph James Cicippio, deputy comptroller of the American University of Beirut, seized September 12, 1986; Edward Austin Tracy, illustrator, seized October 21, 1986; Jessee Jonathan Turner, computer and mathematics professor, Beirut University College, seized January 24, 1987; Alann Bradford Steen, professor of journalism at Beirut University College, seized January 24, 1987; and Robert Bruce Polhill, business professor at Beirut University College, seized January 24, 1987.

Terry Anderson has been held for the longest period of time of all the foreign hostages being held in Lebanon. October 27, 1989, will be his 42d birthday, his fifth in captivity and we have chosen this day to symbolically honor and remember the plight of the eight remaining American hostages.

The resolution calls for bells to be rung across the Nation at noon on October 27, 1989, for 1 minute to honor the hostages in Lebanon, and for Americans to make other appropriate remembrance of their plight as an offering of support. I urge and welcome other cosponsors of this resolution, and would encourage our local communities to begin to plan appropriate observances for October 27, 1989, as "National Hostage Awareness Day."

OUR FLAG

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANNUNZIO. Mr. Speaker, as chairman of the Committee on House Administration, I am happy to announce that the booklet entitled "Our Flag" has been printed by the Government Printing Office.

I sponsored the legislation, House Concurrent Resolution 361, giving the authority to the U.S. Printing Office to print this booklet.

I am delighted that the printing of this publication has been completed and that 500 copies will be delivered to the office of each Congressman.

This is a joint effort on the part of the House and Senate, and the introduction is signed by both Senator WENDELL H. FORD and myself. The last printing of this booklet "Our Flag" took place in 1979, about 10 years ago.

It is fitting that at this particular time the booklet is ready for distribution as we pass H.R. 2978, the Flag Protection Act.

REPEAL OF THE CATASTROPHIC TAX BILL

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, much has been said lamenting the catastrophic bill passed last year, a bill that turned into a catastrophe.

Mr. Speaker, I have a clear-cut approach, a flat-out repeal. Those who want an honest, candid, forthright approach, I invite you to cosponsor this legislation.

A small band of us voted against this catastrophic bill last year. Now it is time for the majority in the House to follow suit.

We simply, and our seniors simply, cannot have this albatross around their necks. Much as it might disappoint the social engineers and the Washington lobbyists who parade themselves in the halls of Congress as self-appointed voices of the seniors, this grand design has failed.

Like other attempts to impose big brother controls, it has failed for the most basic reasons in a democracy: The people did not support it.

For that reason it is time for the majority to see the light and do what the American people want, repeal the law.

My bill is a straightforward repeal. I will circulate it for cosponsors, and I urge my colleagues to join in moving this bill forward.

I will also at the proper time move and file for a discharge petition on the bill to overcome any procedural roadblocks that might be thrown in front of this effort.

The American people have a right to know how we stand on this issue. I think an up or down vote on repeal of catastrophic is most important.

SOCIAL SECURITY TAX INCREASE

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, it may be news to most Americans, but on January 1, 1990, 138 million hard-working people, our constitutents, will see a tax increase when Social Security payroll taxes go up again, further increasing the tax burden on the average American family.

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Now, ironically, we are considering a $30,000 tax reduction to the richest 1 percent of Americans, in the form of a capital gains tax relief. President Bush said this will trickle down to the other 99 percent of Americans. However, only 8 percent of that tax cut will benefit people making less than $50,000 a year. However, an astounding 10 times, or 80 percent of that will benefit people making more than $100,000 a year.

The fairness of the tax burden should define who best represents middle-class America. Perhaps we do need to examine how we tax capital, but it makes no sense to do so without considering the tax burden on American workers and small business. Last week, a jury of so-called "little people" told Leona Helmsley she was not so special. She, too, has to pay taxes. Do you not imagine most wage-earning Americans would like to tell all the Helmsleys of the world to pay their fair share?

The voice of middle-class America is hard to hear amidst the din of compromise, but if we listen, I am confident we will do the right thing.

AMERICANS WITH DISABILITIES ACT

(Mr. CONTE asked and was given permission to address the House for 1 minute.)

Mr. CONTE. Mr. Speaker, last week the Senate took an historic step in the history of American democracy—it passed the Americans With Disabilities Act. That action was historic because for the first time in our history, the rights, privileges, and protections contained in our Constitution will be afforded to America's 43 million disabled citizens. It is about time.

In the 100th Congress, I was pleased to join with the gentleman from California, Mr. Coelho, as the principal Republican sponsor of the Americans With Disabilities Act. This year, I am again a principal cosponsor of this long overdue legislation with the gentleman from California and others, including Mr. HOYER of Maryland, Mr. FISH of New York, and Mr. HAWKINS of California.

The Senate's action last week sets the stage for the House to act swiftly to provide to Americans with disabilities the basic civil rights that undergird our society. Although not a member of the committees of jurisdiction, I urge my colleagues to take up this legislation now.

The Senate-passed bill is a good bill, the product of countless hours of negotiation. We ought to use it as our vehicle for the slight changes that may still need to be made, or go ahead and pass it as is. The President and the congressional leadership are committed to enactment of this legislation. Let us get on with it.

JAPANESE COMMERCE IN AMERICA

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, Japan is poised for another and a new attack on America. Japan will open their first fast food outlet outside their country—in Honolulu.

While some may laugh, California, New York, Ohio and the rest of America now must get braced for the fast food shot. Japan controls 25 percent of California's bank assets alone, and announces they are building a hotel, a condominium, a golf course, and a shopping center in Orlando, FL, right next door to Disney World. What is next, folks? Well, the day will come when Mickey Mouse will serve french fries at Epcot Center. Or worse yet, will our kids be greeted at Disney World someday by Sumo Mickey?

The Constitution says that Congress shall regulate commerce. I can find nowhere in the Constitution where it says Congress shall give away the farm. We better do something about trade. Fast food may be faster than we think.

FLAG PROTECTION ACT DOES NOT PROTECT THE FLAG

(Mr. PACKARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PACKARD. Mr. Speaker, I rise today to support efforts to prohibit desecration of the flag, the symbol of our Nation. The bill before the House today, however, does nothing to protect the flag from desecration. H.R. 2978 is a bill that fails to deal with the issue of flag desecration in an honest and straightforward manner.

This bill seeks to statutorily prohibit desecration of the flag. Legal scholars are not certain that this bill will have any real legal strength to prohibit flag desecration. Beyond that, I believe it is improper to try to overturn a Supreme Court decision by statute. This would set a very dangerous precedent. The Constitution was construed in such a manner to ensure that if a Supreme Court decision is to be overturned it should be done by a constitutional amendment. Does anyone recall the system of checks and balances upon which our Government was founded? For Congress to attempt to bypass the Constitution through use of a statute to overturn a Supreme Court decision is absurd. It is so much a breach of separation of powers that I am shocked that this body is even considering this approach as a viable alternative to a constitutional amendment.

Enactment of a constitutional amendment is the means that was intended to be used by the founders of this Nation, the drafters of the Constitution, to overturn the Supreme Court. I ask that Congress work within the constraints placed upon it by the Constitution. I find it difficult to believe that I must stand before this body and make this most basic request. I urge my colleagues to oppose this bill and to support a constitutional amendment to prohibit desecration of the flag. Do not cop out on this vote. This bill does not protect the flag.

THE NATIONAL MARGARET WALKER ALEXANDER RESEARCH CENTER OF AFRICAN AMERICAN LITERATURE

(Mr. PARKER asked and was given permission to address the House for 1 minute and to revise and extend is remarks.)

Mr. PARKER. Mr. Speaker, today I am introducing, along with 67 of my colleagues, the National Margaret Walker Alexander Research Center of African American Literature bill. The Center, to be located at Jackson State University in Jackson, MS, will be named for Margaret Walker Alexander, professor emeritus in the Department of English at Jackson State University. Professor Alexander is known for her contributions to African-American literature, both as a novelist and a poet. Her nonfiction works have also received critical acclaim. Most people are familiar with her more famous works such as "Jubilee, for My People," and "The Daemonic Genius of Richard Wright."

This legislation will focus on the preservation of African-American materials and archival resources. There is a scarcity of primary resource materials to inform us today and those of future generations how African-Americans perceived their experiences. These materials are needed by scholars at all levels as they seek to interpret past generation's experiences.

Let me point out that this research center will focus primarily on 20th century African-American life. It is important to note from a national perspective that it will provide a service to the American public on one very significant period in our Nation's history. It is my hope that my colleagues in Congress will join with me in this worthwhile effort.

PROTECT FLAG WITH A CONSTITUTIONAL AMENDMENT

(Mr. DUNCAN asked and was given permission to address the House for 1 minute.)

Mr. DUNCAN. Mr. Speaker, the day after the Supreme court decision in Texas versus Johnson, I spoke on the floor of the House and said that I felt the Founding Fathers would be shocked if they knew the Court had stretched the first amendment so as to allow such things as the burning of the American flag.

A few weeks later, I mailed a questionnaire to some 90,000 people in east Tennessee who are on my mailing list, having corresponded with us in some way.

The response was tremendous: 11,174 reported that they supported a constitutional amendment to prohibit desecration and burning of the American flag; 394 said they would oppose such an amendment.

Today we will approve a statute called the Flag Protection Act. I will support this legislation.

However, as a very fair publication, the newsletter of the Democratic Study Group says:

> Despite a handful of liberal law professors who testified in favor of this statute, most constitutional scholars agree that this bill would be declared unconstitutional—and thus passing this law will simply delay the day when protection is actually restored to the flag. It is abundantly clear that if this bill is enacted, it will inevitably be challenged and struck down—and then Congress will get around to submitting a Constitutional Amendment to the States.

Agreeing with that, former Judge Bork in a hearing on this bill said the only effective way to protect the flag is through a constitutional amendment.

I will support the Flag Protection Act, but I would still hope that some day the Congress would do more to overturn this unfortunate decision by the U.S. Supreme Court.

□ 1220

FAMILY PLANNING AND INFERTILITY PROBLEMS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute, and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, the gentlewoman from Maine Ms. OLYMPIA SNOWE, and I have introduced a bill dealing with family planning and research in this country on both family planning and infertility problems.

I would like to call to the attention of Members the very distinguished article in this Sunday's Washington Post dealing with the status of birth control in America. It points out that when we look at it scientifically, in the last decade only two countries marched backward in birth control and family planning, and they were Iran and the United States of America. That is not a statistic on which I am proud, and I certainly hope we can all work together on this bill in getting the United States once again front and center in leading the world in family planning and in research on family planning and infertility, because there is absolutely no question that we have been far behind in these areas.

I think if we do that, we can then have something of which we can be very proud 5 years from now rather than continuing the politically divisive fight over and over again on abortion and other subjects. Let us hope that we can move to the middle ground, to the comfort zone, the area where 90 percent of the American people think we should be, and that is finding safe, available plans for every American who wishes it.

SUPPORT NOTED FOR A CONSTITUTIONAL AMENDMENT TO PROTECT THE FLAG

(Mr. PAXON asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. PAXON. Mr. Speaker, the verdict is in. The people of western New York and the Finger Lakes region are in complete and overwhelming agreement, and here in my hand and behind me today is the evidence. I asked the people of my community their opinion about a constitutional amendment which would prohibit the burning and desecration of our flag.

Well, Mr. Speaker, my offices were deluged with the responses; approximately 20,000 citizens took their time to write. Over 97 percent of those responding are in support of a constitutional amendment to protect our flag.

Mr. Speaker, my district is no different than any other district in this country. Americans everywhere have called for a constitutional amendment, but as of today this Congress has failed to heed the judgment of the American people.

We vote today not on a constitutional amendment; we vote on an inad-

equate and probably unconstitutional statute.

Because of our communities' love of this flag, I will support today's action. However, we cannot and should not ignore the will of the people and abandon our effort to pass a constitutional amendment.

Mr. Speaker, let me remind my friends that the Constitution begins, "We the people * * *," not "We the Congress * * *." We were elected to this House to perform the will of the people. Let us not forget this responsibility today.

OPPOSITION TO THE FLAG PROTECTION ACT

(Mr. SKAGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKAGGS. Mr. Speaker, later today, we will vote on H.R. 2978, the Flag Protection Act of 1989. Because this is such a sensitive issue to so many people, I want to take this opportunity before the vote to explain my reasoning in deciding to vote against the bill.

I love my country, and I love the many important symbols of my country—the flag foremost among them. I volunteered to join the Marines and, as a marine, I volunteered to serve in Vietnam, because I feel an enormous duty to my country and to its values.

In searching my heart about this issue, it's become clear to me that the substance of what I ought to care about is my country and its values—that they are more important than the symbols we've created to stand for them. And, when faced with a choice between substance and symbol, I believe it's best to choose substance.

The reason we have a first amendment to the Constitution is to protect the expression of minority views—even views as highly offensive to me and the vast majority of Americans as those expressed by burning the flag. Yet, despite the effort to characterize H.R. 2978 as a bill merely "to protect the physical integrity of the flag," it is abundantly clear that the real motive is to suppress the expression of offensive views. And so, the first amendment seems to me to pose an insurmountable hurdle.

Beyond that, one underlying message of H.R. 2978 is that we care so much about this symbol of the country that we're willing to use it to justify an erosion of fundamental constitutional values and principles. That should give all of us some pause. It has certainly caused me to stop and recall how this Nation got started.

One central idea in our national beginnings was that we formed a country to protect the values of individual liberty, that individuals ceded such power and authority to a government as was necessary to establish an ordered society, but that sufficient rights were retained in the citizenry to make real the promise of freedom. The Government was to serve the people, not the other way around. The effort to enforce respect for the flag by threat of criminal penalty turns this relationship upside down.

In addition to the central issue, there is another important question having to do with H.R. 2978's provision for expedited Supreme Court review. As a study I requested from the Congressional Research Service points out, this provision creates a real risk that the Supreme Court could end up deciding the serious constitutional issues involved here without the record of a case that's been fully developed in a trial court. The approach proposed in H.R. 2978 is literally without precedent in the extent to which it would shortcircuit the usual, careful process by which the judicial system examines important issues. That aspect of the bill also drives my decision to oppose it.

There's been no evidence of any rush by people to burn the flag. I'm afraid the prominence we're giving the issue will only encourage some miscreant who'll try to grab the spotlight and be the first person after enactment to torch Old Glory. Let's not do anything that encourages such a trivialization of the values symbolized by our wonderful flag.

WAITING PERIODS DO WORK

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PORTER. Mr. Speaker, one of the most despicable criminals of the last decade actually said something that made sense recently. John Hinckley, President Reagan's would-be assassin, said he "secured weapons far too easily" and that if a waiting period for buying handguns had been in effect, "I believe I would not have gone forward with the effort to shoot the President."

Hinckley went on to say that the lack of a waiting period "raises serious questions about gun laws" in the United States.

Mr. Hinckley lied when he filled out the Federal form required to buy the handgun that he used to shoot the President. The law in Texas, however, did not require background checks and Hinckley was able to buy guns unimpeded. Had a waiting period with background checks been in effect, the police would have discovered that Hinckley lied on the form and denied him access to weapons.

Waiting periods do work. A nationwide waiting period with mandatory background checks would save thousands of lives every year, and we should have the courage to enact one.

[From the Chicago Tribune, Aug. 8, 1989]

HINCKLEY: GUN-BUY DELAY MIGHT HAVE STOPPED ME

WASHINGTON (AP)—Presidential assailant John W. Hinckley has said a gun-purchase waiting period could have kept him from shooting Ronald Reagan.

Hinckley also has asked permission to be interviewed by the news media.

At the time he shot Reagan, "I was responding to a paradoxical rage induced by the constant use of Valium," Hinckley, now a patient at a mental hospital, said in court papers seeking an order allowing news media interviews.

Authorities at St. Elizabeths Hospital where Hinckley is in custody say they will never allow Hinckley to be interviewed, contended Hinckley's lawyer, Russell F. Canan.

Hinckley said that if a waiting period for buying weapons had been required, "I believe I would not have gone forward with the effort to shoot the President."

The fact that there is no waiting period "raises serious questions about the gun laws," Hinckley said in the filing Friday in U.S. District Court. A waiting period for gun purchases is a frequent demand by gun-control groups.

Hinckley described himself as a "victim" of prescribed drugs who secured weapons "far too easily" and penetrated presidential security "without any difficulty."

A POW CAMP FOR DRUG OFFENDERS

(Mr. TALLON asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. TALLON. Mr. Speaker, the simple, obvious solution is not often the best solution, but it is certainly the solution that should be looked at first.

The American people are ready to fight the war on drugs. Allow me to share with the Members a strategy offered by one of my constituents, Mr. Henry Sellers. Concerning the shortage of prison space to house drug pushers, he writes:

Why won't our government, at the Federal level, declare war on drug users, dealers, and importers by building cheap barbed wire and wooden POW camps for these people?

He continues:

These POW camps would be built by the prisoners. They would house 22 to 24 prisoners per room. No central heat or air conditioning. One daily food ration which the prisoners themselves must prepare. Small bunk beds, laundry duty. And one bath per month. This is a description of my POW camp in World War II.

FUNDING THE PRESIDENT'S NATIONAL DRUG CONTROL STRATEGY

(Mr. SMITH of New Hampshire asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Hampshire. Mr. Speaker, recently, I addressed the House and expressed my strong support for the President's national drug control strategy. I believe his policy is sound, and deserving of widespread support. However, several Members of Congress have already slapped the hand of bipartisanship by criticizing the President's plan as being inadequate, or poorly financed. Higher taxes—they have said—are the only way to fight the war on drugs.

The American people should know that this is not the truth. The Federal Government appropriates money for hundreds of programs each year. Drugs have been listed as the No. 1 priority. That means that other programs must take a back seat. We cannot continue the myth that all Federal programs are created equal.

For example, a 10-percent cut in the subsidy for Amtrak, a program which benefits mostly middle and upper class east coast commuters, could fully fund the President's request for money to research drug treatment and prevention. This is just one example—there are many, many more.

Tomorrow, I will hold a special order to discuss several other areas where we can make cuts to generate the necessary revenue to fight—and win—the war on drugs, without raising taxes. In the meantime, I would ask those naysayers around Washington to halt their cries for new or higher taxes. This is a war on drugs—not the taxpayers pocketbook.

SHOULD THE NATIONAL ENDOWMENT FOR DEMOCRACY TAKE SIDES IN NICARAGUA?

(Mr. KOSTMAYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOSTMAYER. Mr. Speaker, the Bush administration is proposing that the National Endowment for Democracy intervene in the Nicaraguan election by contributing up to $3 million to opposition candidate Violeta Chamorro's campaign against Daniel Ortega.

As the author of legislation appropriating $3 million to NED for nonpartisan use in Nicaragua, this proposal raises a number of troubling questions. The National Endowment for Democracy was created to further the process of democracy. However, NED is barred by law from interfering in elections abroad to finance the campaigns of specific candidates for public office. They did not do it in Poland, and they did not do it in Chile. Should they do it in Nicaragua?

Many hope that the Nicaraguan opposition wins a free and fair election. We must do all that we can to make sure that it is indeed a free and fair election. But to start paying the campaign for the opposition candidate involves us in a kind of activity that is illegal under current law and might well be inappropriate even if Congress changes current law to allow it.

A DECLARATION OF ECONOMIC WAR?

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mrs. BENTLEY. Mr. Speaker, there is a new best seller in Japan, entitled "The Japan That Can Say No." The thrust of the book is that America has not come to grips with the reality of its own political and economic decline.

Among the collection of essays is one by Shintaro Ishihara, a possible future candidate for Japanese Prime Minister. His statements are shocking. He points out that no matter how much we expand our military we can do nothing if Japan one day were to say, "We will no longer sell you chips." He means computer chips.

He also says "Should Japan decide to sell its chips to the Soviet Union instead that would instantly alter the balance of power."

I have week after week, year after year come to this floor with that message. I have warned that we are losing our sovereignty—control of our national destiny to not only Japan, but to other nations in our growing dependence on foreign sourcing of strategic items. Mr. Ishihara, however, is not warning. He is boasting.

Another statement in the book by Yutaka Furuya, a noted Japanese academic, is used to close the article from the Chicago Tribune: ". . . Today, it is America that is being brought to its knees by Japanese economic might."

Are they declaring an economic war?

□ 1230

FLAG PROTECTION ACT

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, the Supreme Court made the wrong decision on flag burning, and there is no Member in this body that favors flag burning. The question is: "How do we change the Supreme Court decision? By legislation and statute, or by constitutional amendment?" Mr. Speaker, the correct answer that preserves our values, that also embodies us as trustees of the people, is to act through legislation to prevent the unwarranted destruction of our flag.

Mr. Speaker, there is a middle ground, and that is a Flag Protection Act, and that statute simply reads "Whoever knowingly mutilates, defaces, burns, or tramples upon any flag shall be fined or imprisoned."

The bill also contains a provision for expedited Supreme Court review of any challenge to its constitutionality. Mr. Speaker, let us not tamper with the Constitution. We are going to deal with many other constitutional issues if we open that Pandora's box.

It is worthy that we change the Supreme Court decision, but let us do it responsible by legislation and do it immediately.

FLAG PROTECTION

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, nearly 3 months ago an overwhelming majority of the Members of this House rose to protest the Supreme Court decision affecting constitutional protection for the American flag.

We voiced the shock and dismay of citizens across this Nation—we said loudly and clearly that the Court's decision was not only ill-conceived but also sends a terrible message to the people of this great country—and to Nations around the world.

But we knew that voicing our distress would not be enough. We knew that we must act to ensure the complete protection of our flag from desecration.

Mr. Speaker, shortly we will be voting on H.R. 2978, a proposed statuatory Flag Protection Act. I urge my colleagues not to allow this measure—which cannot afford total protection to the flag—to be our last word on this important subject.

If this body supports H.R. 2978, let it be a signal of our intentions to consider the only measure that will guarantee complete protection for our flag—constitutional protection.

I urge my colleagues to join the President and many of us in this House as we continue our call for consideration of a constitutional amendment prohibiting once and for all the desecration of the American flag.

DRUG EDUCATION PROGRAM

(Mr. DONALD E. LUKENS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DONALD E. LUKENS. Mr. Speaker, I rise with an urgent message that needs to be driven into the mind of all America, but specifically American young people, in the most forceful terms possible, and that is: Drug usage kills, and drug dealing kills, too. This must be driven home now in the most graphic, violent terms imaginable.

What happens to those who sell and use drugs? Fewer than 1 percent of dealers will make any money, and 99 percent will die, or be mutilated or spend their life in prison. Pushers end up the same way, mutilated, dead or in prison.

Mr. Speaker, our education programs must include realistic dialog and experience. There is no nice guy approach. Drug dealers are not nice guys. They are brutal, and they discard people like used waste when they are through with them.

People need to be aware. Some will be offended, but drugs are offensive. The violent murder in our streets is of-

fensive, and in this television age a hard-hitting graphic visual message is the most effective way to teach.

Using or pushing drugs is not profitable. It is violent, it is destructive, and I say, "You will probably end up in jail, dead or mutilated."

WHAT CAN BE DONE ABOUT THE TRADE DEFICIT IN SERVICES

(Mr. GEPHARDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEPHARDT. Mr. Speaker, there was news released from the Commerce Department today that I think is worthy of noting. That is that the trade deficit for the months April through June reached $31 billion, a little lower than sometimes in the past, but still an unacceptably high level.

My colleagues, the important thing to note is that for the first time in 30 years the United States in the last 3 months ran a deficit in trade in services as well as manufacturing. We have been hearing for years and years that the future was in services and high technology. That would save us. That would give us a trade surplus. Mr. Speaker, it is now obvious that we are losing in services, as well as in manufacturing.

The administration is now trying to implement the new trade bill, and talks are now going on with the Japanese on structural impediments. There are talks going on with other countries around the world as well.

I think the message of the day is very, very clear. The trade policy of the United States of the last 10 years has failed, and it has got to be changed.

My colleagues, it can start to be changed in the structural impediment talks with the Japanese. It can start to be changed in our talks with the Europeans toward 1992 and with every other country we trade with in the world. It is time for our President and this administration to stop talking and start acting.

Mr. Speaker, let us give the American businesses and people a chance to sell our products and our services in other countries as easily as they can sell here.

ENDING THE DRUG MAZE IN CONGRESS

(Mr. SMITH of Vermont asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Vermont. Mr. Speaker, a few weeks before he died, our friend and colleague Larkin Smith began his campaign for a leaner, more effective Congress to tackle the drug crisis. Larkin Smith wanted to tell us, by giving 1-minute speeches like this one every day for 28 days, about the maze of jurisdiction over drug issues in this Congress. In his honor, I and other freshman colleagues will resume and complete that mission.

This is the 15th day of these speeches, signifying the 15th standing committee in Congress that can tinker with our national drug policy. Last year we gave the President one voice on drug issues: His drug czar Bill Bennett. But today, the Congress still has at least 28 voices. Long after the daily killings have made this country cry out for a real answer, we still have nearly as many policymaking centers in this Congress as we have committees.

Though Larkin will not have lived to see it, let's begin this new war on drugs by pledging to give our branch of government a better way to wage it. In a few weeks my colleagues and I will have finished his series of messages. But let's not let his point be lost. Each day we spend crafting an effective policy on drugs is another day lost in the realization of a drug-free America. We have nothing to lose—and everything to gain—by forming a standing committee with sole power to lead the American people's greatest fight.

I urge each of you to join us in finishing what Larkin Smith started. The greatest tribute we can offer is to followthrough on his proposal as quickly as we can.

□ 1240

VOTE FOR FLAG PROTECTION

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, today we will take up the Flag Protection Act under a rule which will eliminate most of the debate, so I will take this opportunity to announce my support for the bill and my hope that it does pass the House.

Each summer back home I have what I call my town hall meetings. This question of whether or not the flag should be protected from abuse as a symbol of free speech came up at every one of the meetings. While it was not unanimous, for the most part the people felt that the flag should not be desecrated, even as a means of expressing unhappiness with some political goal of our country, and at the same time while not unanimous, most people felt that Congress should address that problem, either in the form of a statute or a constitutional amendment.

I serve on the Committee on the Judiciary. I was there for the hearings. It is my judgment that a constitutional amendment is the only clear-cut way to protect the flag. On the other hand, what we have today is at least a step in the direction to provide some protection and some security for our flag in order that it not be used capriciously by people, even though they may have some deep-seated and some legitimate grievance to be addressed.

So I would hope, Mr. Speaker, that the House will support this. It is my understanding that we will have a chance to vote on a constitutional amendment in due course. This I think would be a step forward and I believe it ought to pass the House, and I hope it does.

TOMORROW'S VOTE ON TAX DOLLARS TO FUND OBSCENE AND INDECENT ART

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROHRABACHER. Mr. Speaker, at a time when we are struggling to find the funds needed for health care for the elderly, prenatal care and a war against drugs, spending money on the arts is questionable. Spending the taxpayer dollars on art that is obscene and indecent, antireligious or racist is inexcusable.

Tomorrow there will be a parliamentary vote on whether the Congress should set standards to prohibit the use of tax dollars to fund projects that are: First, obscene or indecent; second, material which denigrates religion; and third, material which debases citizens on the basis of race, creed, sex, handicap, age, or national origin.

My amendment is simple to understand and clear in purpose. It is not a matter of censorship but sponsorship. My amendment will set standards for tax-sponsored art.

Because some Members do not want an up or down vote, the previous question will be moved to block me from offering my amendment. Thus the vote on the previous question will be the vote for or against standards that will prevent the Federal subsidization of obscene and indecent art.

Vote no on the previous question. Don't let hard earned taxpayer dollars fund obscene and indecent art.

FULL DEBATE SOUGHT ON ALLEGED OBSCENE ART ISSUE

(Mr. HANCOCK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANCOCK. Mr. Speaker, tomorrow morning, this House will consider a motion to instruct the House conferees on the interior appropriations bill. I would ask my colleagues to vote no when the previous question arises so that Mr. ROHRABACHER might

offer a motion to instruct the conferees to accept the Senate language with regard to obscene, indecent, or discriminatory publicly-funded works of art. I hope that we will get the chance to fully debate this matter tomorrow. While some may portray this as a trivial issue being politicized, I think it goes to the heart of our duties as elected representatives of the people. In that capacity, we must employ a great deal of scrutiny when expending taxpayer funds. I do not think anyone who has seen the so-called works of art in question could conclude that this was a responsible expenditure of the taxpayers funds. This is what this issue is really about—responsibility. Some will raise other matters to cloud the debate, but I hope my colleagues will not be led astray. Again, vote no on the previous question tomorrow morning so that we might fully debate this matter.

A CONSTITUTIONAL AMENDMENT ON FLAG BURNING

(Mr. SCHUETTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUETTE. Mr. Speaker, last June the Supreme Court of the United States voted that in America you can burn the American flag and walk away. I think the Court was dead wrong. We have a responsibility to correct that.

Today the House of Representatives will debate a statute to try to correct that wrong and injustice.

Well, we are wrong here today in our attempt to try to stop flag burning in America, with only 40 minutes of debate, no amendments to the bill in question and no opportunity to debate an amendment to the Constitution. With all due respect to the parties involved, the statute we are going to debate today is camouflage, a cover up, and it just will not fly. Why? The same methodology and rationale that the Supreme Court utilized in invalidating the Texas statute will be used in invalidating a Federal statute. If we want to stop and prohibit the desecration of the American flag, we have to have an amendment to the Constitution.

INTRODUCTION OF DRUG WAR FUNDING ENHANCEMENT ACT OF 1989

(Mr. ROWLAND of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROWLAND of Connecticut. Mr. Speaker, many of us have questioned, and rightly so, whether or not we will be spending enough money on the war on drugs. I would agree that we do not have to raise taxes in order to be serious about fighting the drug war; however, I am concerned that worthwhile existing programs should not be cut to provide the funds. So where will the money come from? I have an answer to that question, Mr. Speaker. Today I am introducing the "Drug War Funding Enhancement Act of 1989."

In short, my bill would take all funds appropriated to procure B–2 Stealth bombers in fiscal year 1990 and transfer that money to the war on drugs. Transferring almost $2 billion will not derail our national defense, but it will go a long way to solving the drug problem.

My bill directs the President to divide those funds equally between programs related to drug treatment, prevention, education, and also programs related to law enforcement and drug interdiction.

The President could restore all but one of the proposed budget cuts he offered and still have nearly $1.2 billion in new money to spend.

Mr. Speaker, the time has come for us to put our money where our mouth is.

IMPERIAL CONGRESS AGAIN READY TO AVOID ITS RESPONSIBILITY

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, the imperial Congress is about ready to illustrate tomorrow how we can avoid accountability on an issue that is of significance to the American people; namely, as the gentleman from California [Mr ROHRABACHER] has very ably pointed out, it is not an issue of censorship. It is an issue of sponsorship. Tomorrow when we appoint conferees dealing with using taxpayers' money to provide for pornographic literature, he will seek to instruct the conferees that none of the Federal taxpayers' money may be used for that purpose.

The game that the Democrat majority will probably use or pursue is to preempt this freshman's right to instruct the conferees by having the Speaker recognize any person who is senior to the gentleman from California [Mr. ROHRABACHER] in order to remove the ability of the gentleman from California [Mr. ROHRABACHER] to use the office of motion to instruct.

I think the gentleman from California [Mr. ROHRABACHER] should be entitled to offer that motion to instruct, and I would ask my colleagues tomorrow to defeat the previous question so that he will have that opportunity.

NATIONAL HISTORICALLY BLACK COLLEGES WEEK

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 109) to designate the period commencing September 11, 1989, and ending on September 15, 1989, as "National Historically Black Colleges Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

□ 1250

The SPEAKER pro tempore (Mr. KOSTMAYER). Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Reserving the right to object, Mr. Speaker, I yield to the gentleman from South Carolina [Mr. SPENCE], who is the chief sponsor of this joint resolution.

Mr. SPENCE. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise today in support of Senate Joint Resolution 109, a resolution to designate this week, September 11 through September 15, as "National Historically Black Colleges Week." I have introduced the House companion bill, House Joint Resolution 399.

Mr. Speaker, I have been privileged over the past 2 years to sponsor this resolution commemorating National Historically Black Colleges Week. It is my honor to do it again.

Mr. Speaker, there are 107 historically black colleges and universities in the United States. They provide the quality education which is so essential to full participation in our complex, highly technological society.

Black colleges and universities have a rich heritage and have played a prominent part and role in American history. These institutions have allowed many underprivileged students to attain their full potential through higher education.

Mr. Speaker, it is entirely appropriate that we recognize these colleges and universities in this way.

Mr. Speaker, I would especially like to at this time offer my appreciation for those who have helped to bring this legislation to the floor: the over 218 cosponsors, the chairman of the full committee, the gentleman from Michigan [Mr. FORD], the gentleman from New York [Mr. GILMAN], the ranking member, the subcommittee chairman, the gentleman from Ohio [Mr. SAWYER], and the gentleman from Pennsylvania [Mr. RIDGE], the ranking member, the majority whip, the gentleman from Pennsylvania [Mr. GRAY], the minority leader, the

gentleman from Illinois [Mr. MICHEL], and the staffs of these Members and the committee staffs.

Mr. Speaker, again, I thank all of these people for helping me to bring this legislation before us today.

Mr. RIDGE. Mr. Speaker, continuing my reservation of objection, I yield to my colleague and chairman of the subcommittee, the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Speaker, I thank my friend, the gentleman from Pennsylvania [Mr. RIDGE], for this opportunity just to take a moment to thank the sponsor for his extraordinary effort over this last week in order to assemble the sponsorship necessary for this presentation today to recognize the pivotal station in the nurturing of scholarly growth among black Americans that the traditionally black colleges have performed in America. In so doing they have not only filled an important educational void that existed in this Nation for decades, but they serve today as a repository of a rich cultural heritage that is one of pride and lasting value to all Americans.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 109

Whereas there are 107 Historically Black Colleges and Universities in the United States;

Whereas such colleges and universities provide the quality education so essential to full participation in a complex, highly technological society;

Whereas black colleges and universities have a rich heritage and have played a prominent role in American history;

Whereas such institutions have allowed many underprivileged students to attain their full potential through higher education; and

Whereas the achievements and goals of the Historically Black Colleges are deserving of national recognition: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing September 11, 1989, and ending on September 15, 1989, is designated as "National Historically Black Colleges Week" and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States and interested groups to observe such week with appropriate ceremonies, activities, and programs, thereby demonstrating support for Historically Black Colleges and Universities in the United States.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Senate Joint Resolution 109, the Senate joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken at the end of legislative business today.

FLAG PROTECTION ACT OF 1989

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2978) to amend section 700 of title 18, United States Code, to protect the physical integrity of the flag, as amended.

The Clerk read as follows:

H.R. 2978

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Flag Protection Act of 1989".

SEC. 2. CRIMINAL PENALTIES WITH RESPECT TO THE PHYSICAL INTEGRITY OF THE UNITED STATES FLAG.

(a) IN GENERAL.—Subsection (a) of section 700 of title 18, United States Code, is amended to read as follows:

"(a)(1) Whoever knowingly mutilates, defaces, burns, or tramples upon any flag of the United States shall be fined under this title or imprisoned for not more than one year, or both.

"(2) This subsection does not prohibit any conduct consisting of the disposal of a flag when it has become worn or soiled.".

(b) DEFINITION.—Section 700(b) of title 18, United States Code, is amended to read as follows:

"(b) As used in this section, the term 'flag of the United States' means any flag of the United States, or any part thereof, made of any substance, or any size, in a form that is commonly displayed.".

SEC. 3. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

Section 700 of title 18, United States Code, is amended by adding at the end of the following:

"(d)(1) If the question of the constitutionality of this section, under the first article of amendment to the Constitution of the United States, is properly presented in any case before a United States district court, that court shall, if the Supreme Court of the United States has not previously ruled on that question, immediately certify that question to the Supreme Court.

"(2) The Supreme Court shall, if it has not previously ruled on that question, accept jurisdiction over the certified question and advance on the docket and expedite to the greatest extent possible the disposition of that question. The Supreme Court may, with respect to such question, give binding instructions or require the entire record to be sent up for decision of the entire matter in controversy.

"(3) The Clerk of the Supreme Court shall promply notify the Clerk of the House of Representatives and the Secretary of the Senate of the receipt of such certification, and each House of Congress shall have the right to intervene in the case for the purpose of defending the constitutionality of this section.".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Texas [Mr. BROOKS] will be recognized for 20 minutes, and the gentleman from Wisconsin [Mr. SENSENBRENNER] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Supreme Court's decision on June 21, 1989, in the case of Texas versus Johnson, invalidating a Texas flag desecration statute, has aroused the deepest possible concern here in this Chamber, in the Congress, and across the Nation. The flag of the United States holds a unique place in the lives of all Americans. It has flown proudly over us for our two centuries of nationhood. Millions of our soldiers have marched into battle under its colors, and many of their number have sacrificed their lives defending the freedoms it stands for. The flag represents not any single set of ideas and beliefs, but rather the unity that has emerged from our diversity as a nation.

Texas versus Johnson also called into question the validity of flag protection laws on the books of 47 other States as well as a provision of the United States Code, and it led to immediate action here in the House. On June 27, we passed House Resolution 186, expressing this body's profound concern over the High Court's decision. In addition, early in July the Judiciary Committee's Subcommittee on Civil and Constitutional Rights began a series of five hearings to examine the decision closely, analyze carefully and deliberately what the Supreme Court actually held in Texas versus Johnson, and determine the appropriate steps for the Congress to take in order to protect the physical integrity of the flag.

H.R. 2978, the legislation which is before us today, is the product of those hearings. The committee determined that the Court's basis for striking down the Texas statute was that it

was aimed at suppressing expressive conduct—conduct protected by the first amendment. Rather than safeguarding the physical integrity of the flag in all circumstances, the Texas statute made it a crime to abuse the flag in a manner that would "seriously offend one or more persons * * *" Thus, it focused on the message that the actor was attempting to convey.

The current Federal flag protection statute (18 U.S.C. section 700), also attempts to punish the act of flag desecration in a specific expressive manner: In this case, making it a crime to "cast contempt upon" the flag by doing certain things to it.

The Texas versus Johnson decision is the latest in a series of Supreme Court decisions holding that a flag desecration or misuse statute was an unconstitutional infringement on expression. In all of these cases, the Court indicated that it would look differently on a content-neutral flag protection statute: One that protected the physical integrity of the flag in all circumstances, one that focused solely on conduct and did not turn on the message being conveyed by the defendant.

H.R. 2978 is designed to conform to those decisions and bring Federal law within those holdings by removing any language that is content-specific or that focuses on communication. The bill includes a specific exception for disposal of flags that have become worn or soiled through normal usage and the passage of time, and it contains a provision ensuring that we will have prompt Supreme Court review of the constitutionality of the revised Federal flag protection law.

Mr. Speaker, I am certain that some Members today will urge that we immediately enact a constitutional amendment to protect the flag, rather than proceeding on the statutory route embodied in H.R. 2978. While I would not question the good faith of those who would suggest such a course of action, I believe that we would be irresponsible to move to amend the Constitution without first determining that that was the only option available to us. I think that few in this Chamber would dispute the proposition that the Constitution of the United States should be amended only if it is shown to be absolutely, undeniably necessary.

This is particularly the case with the Bill of Rights, those first 10 amendments to our national charter which for two centuries have stood unchanged, through war and peace, in bad times and good, as the protector of every citizen's individual freedoms.

H.R. 2978 embodies the judgment of a number of constitutional authorities that a statutory response to Texas versus Johnson can be drafted in a manner that passes constitutional muster. I would say to my colleagues: Give this statutory solution a chance to work. We owe nothing less to ourselves, our constituents, and our Constitution.

Mr. Speaker, as I said earlier, the flag stands for all that binds this diverse Nation together. It must not be used as a wedge to divide us—and those would use it as a wedge by desecrating it or by exploiting it, deserve nothing but our utter contempt. Let us enact H.R. 2978 and move it quickly so that the Federal Government once again will be able to protect the flag in a manner that is consistent with our basic constitutional freedoms.

□ 1300

Mr. SENSENBRENNER. Mr. Speaker, I yield myself 6 minutes.

Mr. Speaker, I rise in opposition to H.R. 2978.

The Subcommittee on Civil and Constitutional Rights, of which I am the ranking minority member, had five separate hearings on flag desecration. I listened with an open mind to testimony from constitutional experts and veterans groups stating their opinion on how best and most effectively to overturn Texas versus Johnson. The majority of those testifying before the subcommittee believed that an amendment to the Constitution would be the only way to undo this decision.

Ignoring that testimony, the chairman of the Judiciary Committee stated on the basis of that record, it was his firm belief "that a statute protecting the flag from physical harm can be drafted in a way that is consistent with the Court's holding in that case." As a result, we have before us a bill that by statute attempts to overturn Texas versus Johnson. We asked for an amendment to the Constitution, but were denied an opportunity to even vote on that alternative.

Many of us voted for the statute in committee, saw no other alternative to protect the flag, and hoped to have an opportunity on the House floor to offer amendments to lessen some of the more egregious consequences of this bill. With the bill now being considered under suspension of the rules, offering no opportunity for amendments, I am forced to vote no on this bill in an effort to uphold my oath of office.

When the Supreme Court interprets the meaning of the Constitution, as it did in the Texas versus Johnson, that remains the law of the land unless the Supreme Court changes its mind or unless the decision is overturned by amendment as set forth in article 5 of the Constitution. The amendment process is not foreign to us. Supreme Court decisions have been overturned by constitutional amendment. For example, the 11th amendment providing for State's sovereign immunity overturned Chisholm versus Georgia; the 14th amendment overturned the Dred Scott decision; the 16th amendment providing for income tax overturned United States versus Pollock; and 26th amendment, allowing 18-year-olds the right to vote, overturned the Oregon versus Mitchell.

But to use a statute to amend the Constitution places the Bill of Rights in far more jeopardy than to amend the Constitution by the cumbersome and lengthy process established in article 5.

Moreover, let me point out a few of the numerous problems with H.R. 2978 to show the absurdity of attempting to overturn Texas versus Johnson by statute.

The present flag desecration law (18 U.S.C. § 700), which has now been effectively rendered unconstitutional, is being changed by removing the words, "cast contempt upon", "publicly", and "defiling". By removing these few words from the statute, the current law has been gutted of its whole purpose. All express reference to "desecrate" has been removed. To be truly neutral, H.R. 2978 has to prohibit even patriotic acts. Additionally, it adds "a dirty flag defense" which states that any conduct consisting of the disposal of a flag when it has become worn or soiled is not a violation of the statute. This exception allows a flag protestor to first dirty the flag in any manner he sees fit and then burn it or mutilate it in protest against the United States. This dirty flag defense is an absolute defense for any political protestor who feels the need to torch Old Glory. Thus, we have the absurd result of protecting the very acts we wish to prohibit in an attempt to protect from prosecution those who ceremoniously burn wornout flags.

But worst of all, before knowing for sure whether the statute will work, the bill suggests that someone first must once again desecrate our flag so that we can once ask the Supreme Court whether it is acceptable to burn the flag in protest—even though the Supreme Court has already answered the question! To encourage the same activity we seek to outlaw is indeed an absurd result.

It is far better to undertake a procedure we are confident will cure the problem, a constitutional amendment. Why are we so reluctant to amend the Constitution to demand that flag desecration be prohibit? Is it too much to ask that those who consider themselves Americans be required to have respect for the flag? In this day and age, when it seems that perversion is accepted and morality a taboo, perhap this small mandate for freedom is not asking too much.

I urge my colleague to vote no on H.R. 2978 and urge the House of Representatives to allow a vote on a constitutional amendment as soon as possible in order to once and for all overturn the Texas versus Johnson decision.

Mr. Speaker, I reserve the balance of my time.

Mr. BROOKS. Mr. Speaker, I yield 3 minutes and 15 seconds to the gentleman from California [Mr. EDWARDS].

Mr. EDWARDS of California. Mr. Speaker, the bill, H.R. 2978, makes it a crime to burn, mutilate, deface, or trample upon any American flag. The offense is punishable by a fine of up to $100,000, up to a year in prison, or both. The bill responds to the Supreme Court's June 21 decision in Texas versus Johnson by amending the current Federal flag protection statute, 18 U.S.C. 700. The bill punishes any physical destruction of the flag, without regard to the political message of the offender.

The bill restores protection for American flags without the need for a constitutional amendment.

The bill does not, as some are claiming, overturn the Supreme Court decision in Texas versus Johnson. Rather, the bill amends the current Federal flag statute to rectify the constitutional defect identified by the Supreme Court in the Texas case. This is a proper way of responding to a Supreme Court decision holding a statute unconstitutional: You rewrite the statute to meet the Supreme Court's objections.

The Supreme Court has not said we cannot protect the flag. The Supreme Court has merely said we cannot protect the flag by a statute that focuses on expressive intent. So we have stripped out the unconstitutional elements of the current Federal law and made it independent of the message a flag burner would convey.

The bill was developed by the chairman, Mr. BROOKS, and myself, in response to issues raised in testimony at 5 days of hearings held by the Subcommittee on Civil and Constitutional Rights. We had before us a number of statutory proposals similar to the one before the House today, but we developed this bill to address all the issues raised in the hearings.

Some witnesses, and some members of the subcommittee, complained that we should not punish veterans or others who burn a soiled or torn flag to dispose of it, so we included a provision creating an exception for soiled or torn flags. Veterans' groups, for example, can continue their ceremonies for disposal of old and worn-out flags.

Some witnesses complained that the law would be challenged on constitutional grounds, leading to delay, so we included a provision for expedited Supreme Court review.

Some witnesses, including the administration's witness, complained that the definition of "flag" in the current law was too broad and would result in criminal penalties for someone who burned a napkin or magazine that had on it a picture of a flag. So we amended the definition of flag to limit it to actual flags, of any size, intended for display.

In other words, the bill responds to each and every major objection raised at the hearings. The bill is the product of the hearings.

This bill is not intended as a suppression of expression. It is not the bill's purpose to preserve the flag as a symbol of national unity. No law is needed for that.

The flag is worthy of protection not because it represents any one idea, and the bill does not seek to protect the flag as the embodiment of any one idea. As the testimony of the witnesses indicated, the flag means different things to different people. The bill does not foster any one view of what the flag represents. The bill recognizes the deeply held feelings of a vast majority of citizens for the physical integrity of all American flags, and reflects the Government's power to honor those sentiments through the protection of venerated objects, such as gravesites or historic buildings.

Let me address one detail that has caused far too much unnecessary confusion. It has been said that the bill, by allowing veterans and others to dispose of worn or soiled flags, creates a loophole, a so-called soiled flag defense that would allow someone intentionally to soil a flag first, and then burn it with impunity. Mr. Speaker, this is absurd. There is nothing in the bill to suggest this interpretation. The bill expressly prohibits defacing the flag. Defacing includes soiling. Anybody who intentionally soils a flag defaces it, so anybody who tries to defend himself by saying he soiled the flag before he burned it, that person has convicted himself. The so-called intentionally soiled flag defense does not exist under this bill.

Mr. Speaker, my personal belief is we should have neither a statute nor a constitutional amendment. But if we must do anything, I believe the statute is the preferable approach. I believe this statute is constitutional.

Mr. Speaker, each of us took an oath of office to protect the Constitution.

If we want to be faithful to that oath, we all should vote for this bill.

If this bill doesn't pass, almost surely we will soon be voting on a constitutional amendment, and it will pass.

If the Senate approves it, and the State legislatures ratify it, for the first time in American's history the key provision of the Bill of Rights will have been repudiated.

We will be less free.

And the question will be, what loss will be next—freedom of religion? Freedom of press? Freedom of association?

Will Congress' response to every unpopular Supreme Court decision be an amendment to the Constitution?

Mr. Speaker, your Judiciary Committee, under the leadership of Chairman JACK BROOKS, understands the slippery slope we are on.

We offer a carefully drawn, constitutionally sound statute, a law that will protect the flag with no threat to our precious right of free speech.

Mr. Speaker, the responsible vote is aye. This modest statute will do the job.

Mr. WOLPE. Mr. Speaker, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Michigan.

Mr. WOLPE. I thank the gentleman for yielding.

Mr. Speaker, I would like to engage the gentleman from California in a brief colloquy.

Mr. Speaker, I would like to ask the gentleman to address one detail that caused some confusion. It has been said that the bill, by allowing veterans and others to dispose of worn and soiled flags creates a loophole, so-called the soiled-flag defense, to allow someone to first intentionally soil the flag and then burn it with impunity. I would like to ask the gentleman from California if that is correct.

Mr. EDWARDS of California. Mr. Speaker, that is not correct, I advise the gentleman from Michigan. There is nothing in the bill to suggest such an interpretation. The bill expressly prohibits defacing the flag, and defacing includes soiling. Anybody who intentionally soils the flag defaces it; so anybody who tries to defend himself by saying he had soiled the flag before he burned it, that person could be convicted by his own admission.

□ 1310

The so-called intentionally soiled flag defense does not exist under this bill.

Mr. WOLPE. Mr. Speaker, I thank the gentleman for that clarification.

Mr. SENSENBRENNER. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, on June 21, 1989, the Supreme Court issued a decision that shocked, saddened, angered, and confused millions of citizens all across our Nation. That controversial decision, of course, was *Texas* v. *Johnson*, 57 U.S.L.W. 4770. In that case, the Supreme Court held that the burning of an American flag was an exercise of symbolic free speech protected by the first amendment and not subject to criminal sanction under a Texas criminal law.

Unfortunately, the rationale of the Court in that narrow 5–4 decision went far beyond the language of the specific Texas statute in question. In fact, the holding was broad that it essentially means that any Federal or State law aimed at protecting or preserving our flag as a symbol of our nationhood

or national unity will always be outweighted by the individual's right of free expression. In other words, the Government's interest in preserving the symbolic and patriotic value of the flag is necessarily related to limiting free expression and that governmental interest cannot withstand exacting or strict scrutiny under the first amendment.

The legislation we consider today—the Flag Protection Act of 1989 (H.R. 2978)—is a rewrite of an existing Federal criminal law that imposes penalties for the desecration of the American flag. (18 U.S.C. 700.) The bill reflects an attempt to confine punishable violations to the physical destruction or defacement of the flag. It does so by removing from the existing law subjective language that appears aimed at limiting expressive conduct.

The premise of H.R. 2978 is that a new law, solely protecting the physical integrity of the flag—a content-neutral law—would still be constitutional under Texas versus Johnson. Unfortunately, that is not a viewpoint that is shared by many constitutional experts that have analyzed this issue. How can such laws be viewed as content-neutral when their implicit purpose is patriotic in nature—to preserve the flag as a national symbol.

We all want effective legal protections in force that will protect the flag of the United States against desecration and disrespect. However, many of us have serious and legitimate reservations as to whether that goal can be achieved through the enactment of H.R. 2978 or a similar statute.

Mr. Speaker, I spoke earlier of the feelings of the American people, and this has truly been brought home to me by conversations with many of my constituents in the 21st Congressional District of New York. One of these constituents, 13-year-old Kenneth DeVito of Peekskill, NY, is an excellent example of how this controversy has energized many Americans. Ken spent his summer vacation collecting over 4,000 signatures on a petition against flag desecration. That petition has been forwarded to the White House and he recently received a letter of gratitude from President Bush. In addition, Ken conducted a poster contest and examples are on view today in this Speaker's lobby. Clearly, we are talking about an issue that has touched the hearts and minds of Americans of all ages.

Before concluding, Mr. Speaker, I want to share two other thoughts with my colleagues. First, the consideration of an issue of this magnitude, under suspension of the rules, is inappropriate. This is a subject on which the Members of this House should have a far greater opportunity for debate and to offer amendments. Second, and even more important, the Members of the House should be afforded the same opportunity that will be granted to the Members of the other body in October. That is, to vote on a constitutional amendment which would overturn the Supreme Court's decision. The only certain way to overturn Texas versus Johnson and to ensure the integrity of our flag as a national symbol is through the adoption of an amendment to our Constitution.

Mr. Speaker, I will vote today for this statute. I urge you to announce now that this House will by a certain date have the opportunity to vote on a proposed constitutional amendment.

Mr. SENSENBRENNER. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. PETRI].

Mr. PETRI. Mr. Speaker, though some disagree, it seems there is a consensus in the country and in the Congress to do something, in the wake of the Supreme Court decision in Texas versus Johnson, to protect the flag. The question is, "What?" The choices are amending the Constitution or amending current statutes, Federal or State.

A number of distinguished scholars of constitutional law have testified on this issue. Some have argued that we can protect the flag by statute. Others have claimed that a constitutional amendment would be necessary, whether or not they would find it desirable.

I see no reason why we can't prohibit certain concrete, well-defined actions if we do it in all cases and without any reference to the motivations behind those actions.

We do that all the time. For example, we prohibit tampering with mailboxes even where they are owned by individual citizens. Therefore I believe we can protect the flag by amending the Federal law to remove any reference to motivation. On June 28, I introduced H.R. 2778 to do that. It was identical to the Biden amendment that passed the Senate on June 23, and the bill before us is an amended version of it.

There are ample indications in Justice Brennan's majority opinion that the Biden-Petri approach will be found constitutional. But we cannot know that until we test it.

Basically, Mr. Speaker, we face two roads to the common goal. One, a constitutional amendment, is long and difficult and risks tampering with the first amendment, for which I see no consensus anywhere. The other, the statutory approach before us, is quick and easy, contains no threat to the first amendment, and has virtually no downside. Why not try the easy road first and see if it gets us where we want to go? That, it seems to me, is the sensible thing to do. Therefore, I urge my colleagues to vote for the bill before us.

Mr. Speaker, I know this is an emotional and difficult issue for all Members. One woman called my office and moved my staff to tears telling how her husband had fought and died for our country and its flag, and that flag had draped his coffin, and she could not imagine how we could allow anyone to desecrate the symbol for which so many had given their lives.

Another woman came up to me at office hours and said she had supported me for years, but her husband had fought and died to protect the freedom of all Americans to burn our flag if they so wished, and she could not imagine why I would undermine the freedom of speech for which the flag stands. I would say today to both these women that we must try to protect both the physical integrity of our flag and the freedoms for which it stands. Our best chance to do that is by passing this bill.

Mr. SENSENBRENNER. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New Hampshire [Mr. DOUGLAS].

Mr. DOUGLAS. Mr. Speaker, what we are about to do is both a sham and a shame. It is a sham because the statute, 2978, that is what we are going to be voting on, permits a dirty flag defense. Despite what the subcommittee chair said, this is not a defiled flag. This is a soiled flag. It is a flag I picked up after the Fourth of July parade in Amherst, NH, and this is genuine. We were debating what to do about flags like this.

Under this bill, and I read the exact words,

"Any conduct you can dispose of a soiled flag," so I can take a lighter and dispose of a soiled flag. It was said you cannot defile the flag. That is wrong. I offered an amendment to permit Members to put in this State, a prohibition against defiling the flag. That was voted down. What we really should be doing is voting on a constitutional amendment. The reason we are not is because the folks who run this place do not want a vote on the constitutional amendment. They are the ones who will have to explain to the voters why, when a Gallup Poll taken by the American Legion in August, showed that 70 percent of the American people know that we can amend the Constitution to protect the flag, without—and I repeat—without infringing on first amendment liberties, support a constitutional amendment.

The veterans' groups supposedly do not support a constitutional amendment unanimously. They do, all but one group. The American Legion, with 3 million members, has written to every Member of this body saying, "Vote no on 2978." The American Legion has also presented to the President 1 million petitions. They are coming in at a rate of 60,000 a day, and it is said nobody cares anymore.

Sixty thousand people a day are signing petitions to the American Legion, asking for a vote "yes" on a constitutional amendment.

However, the game is serious. The gentleman from California [Mr. EDWARDS] was quoted this morning, the USA Today, as saying:

> This statute gives Members cover. They can tell the American Legion, "Look, we are protecting the flag."

It is a sham. The gentleman from California [Mr. EDWARDS] knows it, I know it, every Member in this room knows it. This is the Flag Burners' Protection Act of 1989. We cannot offer amendments. We cannot put in the word "defile." We cannot strike out the second sentence that creates that dissent. That is why we ought to vote "no" on suspending the rules, and let Members come back and do this thing right.

The majority of Americans would like to see the American flag protected by a constitutional amendment. A recent poll conducted by the Gallup Organization revealed that two-thirds, 66 percent of the Nation said that, if asked, they would sign a petition asking for a constitutional amendment to make flag burning illegal.

The poll, commissioned by the American Legion, was conducted by the Gallup Organization of Princeton, NJ. This was not a poll conducted of American Legion members, but a national random sample of individuals age 18 and older living in the continental United States. The survey was conducted by telephone over a 30-day period.

Completed during July 1989, the sample was controlled for age, sex, and region to match 1980 U.S. census data. A three call-back system was used to guarantee the representativeness of the sample.

The poll showed that, for the most part, Americans were not pleased with the recent U.S. Supreme Court decision that ruled that flag burning, even though offensive, was protected under the free speech guarantee of the first amendment. Six-tenths of the respondents interviewed said that they disagreed with the Supreme Court ruling.

When asked how they felt when they first learned of the Supreme Court ruling concerning burning the American flag, the majority said that they were angry/upset, 48 percent, or disappointed, 24 percent. Only 9 percent said that they thought it was a good ruling.

In further support of the flag, almost two-thirds, 64 percent, of the respondents said that they think a constitutional amendment should be enacted following Federal and State governments to make flag burning illegal. Less than three-tenths, 27 percent of the respondents thought that such a constitutional amendment would place their freedom of speech rights in jeopardy.

SUMMARY.—AMERICAN LEGION FLAG AMENDMENT PETITION DRIVE

The American Legion was the first organization to announce a campaign for a constitutional amendment to prohibit physical desecration of the United States Flag, shortly after it began a positive protest of the Supreme Court decision on June 21, 1989.

The Legion's 16,000 Posts were notified, sample petition forms prepared and distributed, and community plans organized to collect signatures. Petitions began to come into American Legion Headquarters in early August and have steadily increased in the last few weeks—from daily increments of 20,000 signatures a day to 45,000—then 60,000 signatures daily.

While the totals shown below represent the number of signatures actually counted as of September 6, 1989, a conservative estimate of the actual number of signatures on hand in Indianapolis is well over one million.

The tabulating staff has been increased and is currently running three days behind in counting and tabulating petitions and signatures by state and Congressional district where possible. The promotion management company handling the tabulation of the petitions says the extraordinary response far exceeds its own industry accepted fulfillment planning curves.

The American Legion petition drive will continue for as long as it takes to achieve protection of the flag by means of a constitutional amendment.

American Legion flag petition signers by State as of September 6, 1989

Alabama	16,244
Alaska	2,274
Arizona	3,702
Arkansas	15,771
California	19,758
Colorado	6,241
Connecticut	18,747
Delaware	919
District of Columbia	96
Florida	34,271
Georgia	24,315
Hawaii	58
Idaho	5,714
Illinois	188,318
Indiana	50,392
Iowa	17,535
Kansas	34,546
Kentucky	10,149
Louisiana	34,378
Maine	5,409
Maryland	12,154
Massachusetts	38,889
Michigan	25,663
Minnesota	19,760
Mississippi	4,626
Missouri	25,423
Montana	3,363
Nebraska	6,994
Nevada	1,695
New Hampshire	4,131
New Jersey	31,235
New Mexico	1,232
New York	44,511
North Carolina	10,839
North Dakota	13,937
Ohio	55,421
Oklahoma	16,708
Oregon	1,867
Pennsylvania	110,633
Puerto Rico	342
Rhode Island	3,271
South Carolina	19,517
South Dakota	7,923
Tennessee	13,816
Texas	36,174
Utah	3,711
Vermont	3,497
Virginia	19,769
Washington	2,995
West Virginia	8,765
Wisconsin	34,245
Wyoming	3,473
Total	1,066,415

THE AMERICAN LEGION,
Washington, DC, August 29, 1989.

Dear Representative: The American Legion is convinced that the only sure way to protect the U.S. flag from desecration is ratification of a constitutional amendment. We believe that the June 21 Supreme Court decision could be used as the basis, in any future court ruling, to declare the pending bill (H.R. 2978) unconstitutional. We, therefore, urge you to vote against the bill.

In a Gallup Poll completed three weeks ago about two-thirds of those interviewed stated their support for an amendment. Therefore, your vote against H.R. 2978 would be in line with public opinion on this issue.

Some opponents of our position have argued that there should be no "tampering" with the Constitution, while others have expressed concern that the amendment process is a laborious one. There's no doubt that the amendment process was envisioned by those who drafted the Constitution—a document that has been officially modified 26 times. In fact, there are several proposed amendments even now pending in Congress. Although amendment ratification is a somewhat complex procedure, it was appropriately designed that way. It would certainly be unfortunate if any congressional member opposed a flag amendment for that reason. It would be even more unfortunate if American citizens and their elected state representatives were effectively denied the opportunity to participate in this undertaking because of any House failure to vote on an amendment.

Amendment opponents have also argued that ratification would lead to restriction of First Amendment freedoms. We disagree, and the American public shares our view. Other results of the survey noted above show that 70 percent of the polled group believe that a flag protection amendment would not place their freedom of speech in jeopardy.

In view of these facts and on behalf of our three million members whose opinions on this issue are shared by a large majority of Americans, I urge you to vote against H.R. 2978 and to demand a House vote on a proposed constitutional amendment to protect the U.S. flag from desecration.

Sincerely,

H.F. "SPARKY" GIERKE,
National Commander.

Mr. BROOKS. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, I rise today in support of this bill. I am one of the cosponsors of the constitutional amendment to prevent the physical desecration of the flag, but I will support this bill because Speaker FOLEY has assured me that we will get a vote on the constitutional amendment in the House later this year.

This measure does represent an attempt to correct the terrible Supreme Court ruling this summer, and I hope this bill will be successful. I recognize that Members disagree on the best way to protect the flag and I commend the Judiciary Committee for bringing this bill to the floor so quickly.

I still have doubts that we can do the job by statute, but this is a step in the right direction and I will vote for it.

I should also point out that the veterans organizations are split on how to best correct the problem. The American Legion, VFW and AMVETS favor the constitutional amendment, while other groups support the statute.

The bottom line for veterans is that we take steps to guarantee protection of the American flag from desecration. I support the bill today and I want to again thank the Speaker for his commitment to allow a vote on the constitutional amendment.

□ 1320

Mr. SENSENBRENNER. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I will reluctantly vote "yes" on this bill even though we would probably be better off with no bill at all compared to this flawed legislation that does nothing but further cloud the issue.

I will vote for it because Speaker FOLEY has promised the Members of this House that if this bill passes he will guarantee that a constitutional amendment prohibiting desecration of our flag will be brought to a vote on the floor of the House before we adjourn this year.

Mr. Speaker, I know that in my district, over the Labor Day recess, my constituents were more interested in the flag amendment than any other issue. Some of you came back saying you heard more interest in the war on drugs. But you are making a big mistake if you think the flag issue is dead, or that you can bury it with this smokescreen of a bill.

I know that you all got a letter from Sparky Gierke, National Commander of the American Legion. I had the honor of holding a press conference a week ago with Commander Gierke, along with the Legion National Auxiliary, Senator DOLE, Senator WARNER, and the gentleman from New Hampshire, CHUCK DOUGLAS. We told reporters what you all know by now, that according to a gallup poll, two-thirds of those questioned support a constitutional amendment.

And 70 percent believe such an amendment would not endanger their freedom of speech. But many of you are lawyers. You already know that, but you also know there are already many things you cannot do under the first amendment. You cannot yell fire in a crowded theater, you cannot libel, and you cannot slander.

No right, even those protected by the Constitution, is absolute.

Some Members are posing as dedicated defenders of the Constitution. Those are the Members who are saying such an amendment would trivialize the Bill of Rights. For the life of me I could not remember such concern when the equal rights amendment was being promoted. Those same people also forget that the amendment process is a complex one, requiring two-thirds of the Congress and three-fourths of the States. That's why there are only 26 amendments, and that's why frivolous proposals rarely, if ever, get ratified.

I'll tell you who will love this bill—Gregory Johnson and all the other Marxist youth brigade malcontents. And I'll tell you what they'll love about it. They'll love section 2, lines 12 to 14: "This subsection does not prohibit any conduct consisting of the disposal of a flag when it has become worn or soiled." It actually legalizes desecration of our flag.

You do not have to be a genius to know what's going to happen. Gregory Johnson will hold a press conference on the Supreme Court steps, smear some dirt and grease across an American flag, and then burn it.

And furthermore, if the U.S. Supreme Court struck down the Texas law last June, what make's anyone think they won't strike this one down, too,

That's why Commander Gierke said his American Legion is convinced that the only sure way to protect the American flag is ratification of a constitutional amendment.

Mr. Speaker, as I said before, you have promised to give this House an opportunity to vote on a constitutional amendment to prohibit desecration of our flag if this bill passes. Mr. Speaker, I would do anything to get that chance.

That is why I say let us go ahead and vote for this bill, but let us also press on for the constitutional amendment that two-thirds of the American people want to ratify.

Mr. SENSENBRENNER. Mr. Speaker, I yield such time as he may consume to the gentleman form Michigan [Mr. SCHUETTE].

Mr. SCHUETTE. Mr. Speaker, I rise in opposition to H.R. 2978.

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. Mr. Speaker, I had hoped that today we would have an opportunity to vote for a constitutional amendment to correct the decision of the U.S. Supreme Court. Unfortunately, the Democratic leadership of the House has made it clear that we will not have that opportunity today.

Recluctantly, I will vote against this bill on suspension, and I ask my colleagues to do the same. If we can mount at least a third of us against the bill, then we will have the opportunity of sending a message to the Democratic leadership saying, "Please bring the constitutional amendment to the floor of the House as a bill."

I think that the intellectual difficulty of correcting this decision by statute can be illustrated by a questioning technique or a process I followed with one of the witnesses advocating the corrective measure, being a statute, Professor Tribe of Harvard University.

I asked the Professor this:

Sir, in 1962 the U.S. Supreme Court threw out voluntary prayer in public schools in America by interpreting the first amendment of the Constitution as saying that school prayer is a violation of that amendment in that it imposes a religion.

I said,

Can we correct that decision by a statute?

No, we need a constitutional amendment to do that.

How about the decision in the early 1980's whereby another decision of the U.S. Supreme Court interpreting the first amendment said that we can no longer post the Ten Commandments, the basis of Western Civilization, on the walls in the public schools of America, because in doing so it resulted in the imposition of a religion in violation of the first amendment to the Constitution of the United States? Can we correct that decision by statute?

Oh, no, you need a constitutional amendment to correct that.

How about the decision of 1988 which said, again in the U.S. Supreme Court, that we may not have a law in the States of America requiring equal treatment of the theory of creation along with evolution, because in doing so it is a violation of the first amendment? Can we correct that by a statute?

No, you need a constitutional amendment.

Professor Tribe, your reasoning is defective. We need a constitutional amendment to correct the decision relating to protecting the flag. Anything less is nothing more than a delay in correcting the problem.

Mr. BROOKS. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from New Jersey [Mr. HUGHES] a member of the committee.

Mr. HUGHES. Mr. Speaker, I thank the distinguished chairman of the Committee on the Judiciary for yielding me the time.

Mr. Speaker, I rise in strong support of H.R. 2978. H.R. 2978 is quite similar in substance to a bill which I wrote, H.R. 2855. Indeed, many portions of H.R. 2855 have been incorporated in H.R. 2978.

I would like to explain why I wrote that measure and why I support H.R. 2978.

Let me say at the outset that I disagree with the majority opinion in Texas versus Johnson.

The basis of the Court's decision was that the first amendment protects speech or expression, even if, or, indeed, especially if, that speech or expression is specifically intended to offend others.

I do not disagree with that principle, so long as it is properly applied, and so long as the distinction between expressive and nonexpressive conduct is properly drawn.

My disagreement with the majority opinion in the Johnson case is a lawyerly one: in my view, the Constitution, and the Court's own precedents, did not compel a conclusion that Gregory Lee Johnson's conviction

for burning the U.S. flag was based on a determination to punish him for speech or expression, rather than for conduct.

I agree with Justice Stevens' dissenting opinion, in which he argued that whatever message Johnson intended to convey was irrelevant to the case.

In Stevens' view, Johnson was prosecuted for conduct—burning the flag—and results—seriously offending others by that conduct—and not for expression. His conviction should not have been thrown out.

However, while I disagree with the Court's decision, I understand it, and I believe we can restore protection to the flag by simple statutory changes. We do this by reading, and heeding, the Court decisions, not by denouncing them.

A constitutional amendment is not needed, nor is it wise. In 200 years, we have not found it necessary to amend the Bill of Rights a single time. Moreover, amending the Constitution should be the option of last resort, not a first response.

If we amended the Constitution every time we have a major political, social, or economic issue before us, the Constitution would quickly grow to several hundred pages. More importantly, it would no longer be the Constitution of broad fundamental principles that we have today.

Statutory change is, however, absolutely essential. Present Federal law punishes conduct that is designed to "cast contempt" on the flag. This virtually requires that the Government prove expression as an element of the offense—a feature that almost certainly is fatal to the constitutionality of the law.

I firmly believe we can cure this defect, and restore protection to the flag by a very few simple changes to the flag protection law which are contained in H.R. 2978.

One, the bill deletes the language requiring that the flag desecrator show contempt for the flag. Conduct which is destructive of the flag is made punishable, but without regard to any message that the desecrator wished to convey by his actions.

Second, H.R. 2978 deletes the adverb "publicly" and the verb "defiles," both of which might be interpreted to suggest an intention to punish expression.

Finally, H.R. 2855 makes an exception to these offenses for conduct which consists of the disposal of a flag which is no longer usable.

In an earlier flag desecration case, Justice White wrote:

> * * * the United States has created its own flag, as it may. The flag is national property, and the Nation may regulate those who would make, imitate, sell, possess, or use it.

As Justice White suggested, we have the right as a nation to establish a national flag, and we have done so. Surely the right to establish that flag carries with it the right to protect it from physicial attack. And surely our right to so protect it is not so limited and circumscribed that we as a nation must stand by impotently and tolerate the burning or other mutilation of our flag.

H.R. 2978 is a good bill, one that will protect our flag as our national symbol. I urge your support for the bill.

Mr. SENSENBRENNER. Mr. Speaker, may I ask, how much time remains on each side?

The SPEAKER pro tempore (Mr. KOSTMAYER). The gentleman from Wisconsin [Mr. SENSENBRENNER] has 5 minutes remaining, and the gentleman from Texas [Mr. BROOKS] has 7½ minutes remaining.

Mr. SENSENBRENNER. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding me this time to me, and I rise in support of H.R. 2978.

Mr. Speaker, I am pleased to rise to express my support of congressional action which would utimately lead to the protection of the flag of the United States of America. No Supreme Court decision since the infamous Dred Scott decision of 1857 has caused the spontaneous outpouring of indignation that the Supreme Court's *Texas* v. *Johnson* (57 USLW 4770) decision has evoked.

We all understand that freedom of speech and political expression is one of our Nation's most cherished rights. However, just as the late Supreme Court Justice, Oliver Wendell Holmes, Jr., once stated: "Freedom of speech does not give anyone the right to cry fire in a crowded theater," likewise, freedom of political expression should not give anyone the right to incite our Nation by slapping the face of millions of our veterans, both living and dead, who sacrificed their lives on battlefields at home and abroad so that our Nation may be made and kept free.

Our veterans are not alone in their indignation over the Johnson decision. The American people, in patriotic cries of protest, have called for congressional action. Most Americans cherish our flag, too many have fought and died for it. We cannot and should not turn a deaf ear to their cries of protest and the base of principles on which their protest stands.

Chief Justice William Rehnquist, who has joined by Justice Sandra Day O'Connor in his dissenting opinion in Johnson, stated:

> Throughout more than 200 years of our history, our flag has come to be the visible symbol embodying our Nation. Millions and millions of Americans regard it with an almost mystical reverence regardless of what sort of social, political or philosophical beliefs they may have. I cannot agree that the first amendment invalidates the Federal law and the laws of 48 of the 50 States, which make criminal the public burning of the flag.

Mr. Speaker, my offices in Washington and in the 22d Congressional District of New York have now received hundreds of letters and calls urging Congress to take steps toward a constitutional amendment protecting the American flag from wanton destruction and ingracious desecration. While I choose to support a full fledged amendment, I rise now to express my support of any measure which would provide a sure legal protection for "Old Glory." The provisions of H.R. 2978 are an intent to confine punishable violations to the physical destruction or desecration of the flag. However, I do recognize that there are serious, legitimate reservations about whether that goal can be achieved by way or enactment of H.R. 2978.

Accordingly, I urge my colleagues in the conciliatory tradition of the House of Representatives, to agree on the most effective means of halting the desecration without ever compromising the American flag's rightful protection.

Mr. SENSENBRENNER. Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, this Member rises in support for H.R. 2978 although he believes the prospects are high that the legislation will eventually be found to be unconstitutional. Also, several Members have raised important arguments that the legislation is flawed, especially as to the adequacy of the definition of what constitutes a "desecration of the flag." This Member will, nevertheless, vote for it as a temporary, if constitutionally flawed, effort to deter the burning or desecration of the flag until a constitutional amendment to protect the flag is adopted.

The distinguished gentleman from California [Mr. CAMPBELL], among other legal scholars, has previously explained in an excellent, scholarly fashion, as he undoubtedly will in this debate, why he believes a constitutional amendment is a highly desirable step, even as it places one necessary and acceptable exception to the first amendment; this Member associates himself with his position on the desirability of such a carefully drafted constitutional amendment. It is for that reason that I have cosponsored and do support legislation to put before the State legislatures a proposed constitutional amendment. This Member is willing to vote for the statutory approach embodied in H.R. 2978 only because the distinguished gentleman from Mississippi [Mr. MONTGOMERY] has indicated in this debate that our distinguished Speaker, the gentleman from Washington [Mr. FOLEY], has assured him that the House will be given an opportunity later this year to vote on a constitutional amendment to protect the flag.

Mr. BROOKS. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. KASTENMEIER], a distinguished member of the committee.

Mr. KASTENMEIER. Mr. Speaker, I rise in support of H.R. 2978, the Flag Protection Act of 1989, which has been favorably reported by the Committee on the Judiciary.

What we are considering here today is useful legislation. The Supreme Court has spoken in Texas versus Johnson. The Judiciary Committee looked at the present Federal statute and we could have either repealed it or

corrected it to comply with the Supreme Court decision. We chose to make the present law conform to the Supreme Court ruling.

There are some people who support an amendment to the Constitution or are misled into believing that a constitutional amendment is the only answer to the Supreme Court decision and that it is an option which will prevail in the Congress. A constitutional amendment, however, is not going to win congressional approval. Thus, H.R. 2978 is the only viable means we have today to protect the physical integrity of the American flag.

There are some veterans organizations and others who still will favor an amendment to the Constitution as the only way of responding to the decision issued by a conservative, Republican Supreme Court. However, most of the Nation's press and media are strongly opposed to a proposed constitutional amendment which will tamper with the first amendment.

Can we be absolutely certain that the Flag Protection Act of 1989 is contitutional? I cannot give such an assurance. The Judiciary Subcommittee on Civil and Constitutional Rights heard mixed testimony and a division of opinion from noted legal and constitutional scholars on the constitutionality of the proposed statute.

If the Court reviews the amended Federal statute and rules it unconstitutional, then we should simply repeal it and do nothing further. We should not divert time to consider any proposed amendment to the Constitution which has no possibility of passing the Congress.

Today, however, we are making a legislative correction to the present Federal statute to make it conform to the Supreme Court decision and to serve as a model which State legislatures may elect to follow.

Mr. Speaker, I urge my colleagues to support H.R. 2978.

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. JAMES].

Mr. JAMES. Mr. Speaker, I thank the gentleman for yielding this time to me.

First, Mr. Speaker, let me commend Chairman BROOKS and my subcommittee chairman Mr. EDWARDS for the prompt and responsive action they have taken on this highly emotional matter. Chairman EDWARDS quickly convened hearings so that we might discuss how to heal the wounds the Supreme Court's flag decision wrought and examine ways to protect our flag without weakening our Constitution.

We had at those hearings a compilation of witnesses that through their expert and impassioned testimony provided solid arguments on all aspects of potential remedies to the Court's decision, and I salute Chairman EDWARDS and Chairman BROOKS for their leadership and abilities that have allowed us to respond to the American people's demand for action. But, I must admit that I am disappointed that we are here today to consider a statute as opposed to a constitutional amendment to protect our flag.

I am disappointed and I am fearful that this is not the proper course of action.

A constitutional amendment protecting against desecration of our flag would strengthen our first amendment by making a single exception to the rule. All acts of speech would continue unfettered, except for the single, vulgar act of flag desecration. If two-thirds of both Houses of Congress approve this amendment, and three-quarters of our States concur, then we will honor our flag while protecting, and indeed, strengthening our Constitution. Taking statutory action I fear generates the potential for constitutional catastrophe in the future.

Putting aside the probability that the Supreme Court will see this proposal as simply a quick way to usurp an earlier decision and strike this law down, my greatest fear is that by statutorily attempting to outlaw something that the Court has determined is an act of free speech we run the grave risk of setting a precedent by which the U.S. Congress can chip away at and ultimately obliterate the first amendment to the Constitution. If the Supreme Court were to hold this law constitutional, what would stop future Congresses from statutorily outlawing other forms of unpopular political dissent?

If the Court were to allow this Congress to outlaw, by statute, something that it has already said is an act of free speech, then what protections are there to prevent a full-blown congressional assault on the first amendment? If this statutory effort succeeds, might we not be providing a blueprint by which future Congresses can bypass the Supreme Court, stifle dissent, outlay distasteful forms of speech, and diminish, if not eliminate the protections of the first amendment?

I support efforts to protect our flag, but I wish we were here working to protect Old Glory by constitutional amendment, rather than running the risk of setting a potentially dangerous statutory precedent.

□ 1330

Mr. BROOKS. Mr. Speaker, I yield 30 seconds to the distinguished gentleman from Oklahoma [Mr. SYNAR].

Mr. SYNAR. Mr. Speaker, I understand the desire of many who want to prohibit the burning or other desecration of the American flag. I do believe it is possible to protect this symbol by passing this statute and not taking the unnecessary step to amending the Constitution.

I will vote for the statute because I believe it is the appropriate constitutional response to the Supreme Court decision. This is the only way to balance the potential conflict between protection of a symbol and protection of the democratic principle of free speech.

The vast majority of Americans always will respect the flag and do not need a constitutional amendment to teach them that respect. The incidence of flag burning and desecration is so small that it is measured in years. For the very few persons who show disrespect for the flag, we should not give them such the aura of importance by amending the first amendment for the first time in 200 years.

I appreciate the strong feelings all of us have for the American flag, particularly those who have fought to defend our country. The statute I will support today does not denigrate that service nor the American flag.

Mr. BROOKS. Mr. Speaker, I yield 1 minute to the distinguished gentleman from West Virginia [Mr. STAGGERS].

Mr. STAGGERS. Mr. Speaker, I rise in support of the Flag Protection Act of 1989 and urge my colleagues to join me in defending this Nation's most revered symbol of freedom—the American flag. Also, I would like to congratulate Chairman BROOKS and subcommittee Chairman EDWARDS for their fine work in putting together a bill that will protect the American flag from physical harm and pass constitutional muster.

However, by passing H.R. 2978 we will be addressing only half the problem. Another crime against the integrity of the American flag is the fact that many American flags are made not by the American worker, but by foreign workers on foreign shores. Every foreign-made American flag that comes into this country constitutes an assault on our sacred national banner. Imported American flags have come into this country with motorcycles and other images, superimposed violating our flag code. Until we ban the importation of foreign-made American flags we will not be fully protecting the integrity of the American flag.

Mr. BROOKS. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Tennessee [Mr. QUILLEN].

Mr. QUILLEN. Mr. Speaker, I thank the gentleman from Texas [Mr. BROOKS] for yielding this time to me and, Mr. Speaker, the Federal law of the statute on the books today was a bill I introduced in 1968, and it became law. We debated it fully on the floor of the House, it passed overwhelmingly, went to the Senate and was signed into law by the President. The publisher of Hustler magazine was convicted under that act for wearing a flag as a diaper, and he was fined.

However, Mr. Speaker, now the Supreme Court has spoken. I favor a constitutional amendment, but I shall vote for this bill because I cannot stand any desecration of the American flag.

LISTEN TO OUR FLAG SPEAK TO US

Today I don't feel as proud as I used to. People are burning me and desecrating me, with the permission of the highest Court in the land. My blood flows from my stars and stripes every time a match flame touches me.

I am not just a piece of cloth, I am the soul of America. I am what you stand for, one nation under God, indivisible with liberty and justice for all.

I am proud to lead your parades, proud to be with you in battle and in peace. I am happy as I flutter in the breeze, but I am saddened when I am lowered at half-mast.

And when they wrap me around the casket of your dead son, father, brother or sister, my red, white and blue become my arms and my stars become my eyes. I hold them close in loving care and my tears are real for they died so that I may continue to wave over the land of the free and home of the brave.

I hope you stop letting me be burned or trampled upon because I am your flag, the flag of the United States of America.

Mr. BROOKS. Mr. Speaker, I yield 1 minute to the distinguished gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Speaker, first let me express my appreciation and commendation to the distinguished gentleman from Texas [Mr. BROOKS] and the distinguished gentleman from California [Mr. EDWARDS] for taking such a deliberative approach to this matter. When the Supreme Court decision was first handed down in Texas versus Johnson, the furor in Congress was such that a constitutional amendment could have been rammed through. The American people have demonstrated since that time that they do not want to tamper with the Constitution. They like it fine just as it is.

Mr. Speaker, there has been no epidemic of flag burning since Texas versus Johnson. My sense is that the best thing that we in Congress can do is nothing.

Mr. Speaker, we do not need a constitutional amendment. We do not need a special statute. What we need is more faith and belief in the Constitution and the Bill of Rights. Let us maintain that faith, and we will be protecting the flag of the United States and the Republic for which it stands.

Mr. Speaker, the bill before us, H.R. 2978, is one of several unnecessary, if not dangerous, proposed responses to the Supreme Court ruling in the Texas versus Johnson flag desecration case. I oppose H.R. 2978, and urge my colleagues to think about the questions that have been raised over the past months concerning various ways to tamper with the Supreme Court decision.

We in Congress appear to have narrowed the debate. We talk as if we were presented with two options: either a statutory measure or a constitutional amendment to counteract the decision. I suggest, however, that a third option, no action, would be most in keeping with the values embodied by the flag and the Bill of Rights of the Constitution of the United States.

Like many of my constituents and people across the country, I am disturbed by the image of flag burning evoked in the discussion of Texas versus Johnson, as it challenges some of my deepest, most personal convictions about this country. But the Supreme Court decision provoked in me a passionate feeling of pride, for it affirmed the basic principles that so uniquely define our Nation.

What makes America such a great democracy is that we do not silence the political expression of even those whose views we find most offensive. That is what the Supreme Court ruled when it affirmed the highest court of Texas in overturning a Texas statute which convicted Gregory Lee Johnson of flag desecration, in a decision firmly grounded in judicial precedent.

First amendment protection not only applies to conduct, but it applies to conduct relating to the use of the flag. If we were to pass a constitutional amendment to counteract this ruling, we would be taking the unprecedented, and I believe shameful step of weakening the Bill of Rights.

Proponents of statutory measures tout bills such as H.R. 2978 as a method of prohibiting flag descration while avoiding the drastic procedure of changing the Constitution. However, while statutory measures may be less direct than a constitutional amendment in limiting the rights of free expression, they would nevertheless open up dangerous avenues for the suppression of this fundamental freedom.

Yet the exact intent for enacting statutory measures such as H.R. 2978 remains unclear. Some proponents of statutory prohibition of flag burning have argued that this approach would not challenge the Texas versus Johnson ruling if the measure simply pertains to physical desecration and does not contain language concerning the message the flag desecrator would be attempting to convey. On the other hand, numerous legal scholars—including both proponents and opponents of the Court's ruling—have asserted that the statutory prohibition necessarily would be related to Government interest in suppressing free expression, and would be found in conflict with the Texas versus Johnson ruling.

The debate during the House Judiciary Committee consideration of H.R. 2978 underscores the fact that we are moving forward with this legislation without having clearly defined its goal. Ten Members of Congress, in the additional views of the report to accompany this bill, asserted they voted in favor of the measure "to show support for protecting the flag," while maintaining at the same time that "a statute purporting to protect the flag would be unconstitutional"

If the intent of H.R. 2978 is purely to ensure that protection of the physicial entity of the flag, then it seems we are wasting a lot of time. There is no epidemic of flag burning in this country, nor has the Supreme Court ruling prompted a new wave of antiflag behavior. I question the assumption that the American people are clamoring for Congress to pass laws it believes are unconstitutional.

If the intent of H.R. 2978 is to counteract the Supreme Court decision in Texas versus Johnson affirming the right to express political views through conduct relating to use of the flag, then we should call a spade a spade, acknowledge the potential repressive ramifications of the bill, and vote it down.

I urge my colleagues to vote "no" on H.R. 2978.

Mr. BROOKS. Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon [Mr. AUCOIN].

Mr. AUCOIN. Mr. Speaker, I am a veteran and an opponent of flag burning. But I am opposed to this bill and proposed constitutional amendment because they go against the meaning of the Constitution and the Bill of Rights.

The Constitution says that Congress shall pass no law restricting free political expression. No law!

Why do you suppose the Founders felt it necessary to draft such a guarantee? To protect "popular" expressions of political opinion? Of course not. By definition, "popular" political expressions need no protection. Only unpopular expressions are ever so controversial that they run the risk of being stifled.

But stifling such expressions—no matter how outrageous or repugnant they may be—is a limitation of freedom, a requirement of orthodoxy of thought that the Founders felt was far more dangerous to a free democracy.

Never was this stated better than in a Court decision guaranteeing the right of a controversial and repugnant group to march through a town that was almost universally hostile to them.

In that decision, the Court held:

There is no such thing as a false idea. However pernicious an opinion may seem, we depend for its correction not on the conscience of judges and juries but on the competition of other ideas.

That's how I feel about the flag. The vast majority of Americans who love the flag don't need to be protected from the thoughts of those who don't.

Americans do need to be protected, however, from any law in which the state defines which political expressions are permissible and which ones aren't.

The flag, which I love, is beautiful not only for its colors and its field of stars and stripes: it is beautiful because it symbolizes our constitutional freedoms—including the free exercise of political expression—even if some jerk wants to bring ridicule on himself by reviling the flag itself.

Some of my colleagues, Mr. Speaker, feel that passing this bill or a constitutional amendment is necessary to show patriotism and the strength of American democracy.

I disagree. And I call my colleagues attention to the experience of James H. Warner, a United States Marine aviator who was a prisoner of war in North Vietnam.

One day, Jim Warner's North Vietnamese interrogator confronted him with a photograph of American war protestors burning an American flag.

"There" sneered the interrogator, "people in your country protest your cause. That proves you are wrong."

"No," Warner replied, that proves that I am right. In my country we are not afraid of freedom."

There it is—the very element that makes this country, this Government and its Constitution so special. We love freedom, and because we do, we tolerate dissent, however repugnant; that makes us different from all other nations, and that is why I, as one Member of Congress, will vote against this legislation and any of the proposed constitutional amendments.

Mr. BROOKS. Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. Mr. Speaker, it is with a heavy heart that I rise in opposition to H.R. 2978, a bill to legislate the illegality of flag burning. My disagreement should not in any way be misconstrued as questioning the liberal credentials of my liberal friends who advocate this procedure as a means of foreclosing more drastic action. The great respect I hold for the chairman of the subcommittee, Congressman DON EDWARDS, is well known in this body. Members like Mr. EDWARDS and others of us who deeply believe in the soundness of the special properties embedded in the Bill of Rights, and who reverently praise the Founding Fathers for enacting them—find ourselves hard pressed to defend and preserve those liberties against the dangerous assault launched by forces driven by a misguided perception of their patriotic duty. The chaotic circumstance in which we find ourselves is caused by the emotional response of an unthinking public in demanding reversal of the Supreme Court's flag burning decision.

Mr. Speaker, I feel that I can oppose this bill without impugning the motives of the sponsors and without calling into a question my own commitment to freedom and liberty. I happen to believe that the public situation is much calmer now than it was immediately following the Court's decision and I don't think this Congress should in a state of the hysteria or otherwise take any action to restrict the freedom of speech.

Further, I find it very difficult to rationalize that the issue of flag burning as a form of political dissent, can be legitimately divorced from the right of free speech. No matter how much anger and hostility it arouses, burning a flag to make a statement, to express dissatisfaction, perhaps excessive in nature—sometimes even misguided—represents the very essence of the meaning of the first amendment. Mr. Speaker, let's revisit that amendment. Just by chance some in this House may not have read it or at least may not understand its significance. It reads: "Congress shall make no law * * * abridging the freedom of speech." Freedom of speech, religion and assembly were placed first because they were the first and foremost concerns confronting the 13 Colonies. That amendment does not say, as this bill does, that defacing the flag must be excluded from any definition of free speech, it says Congress shall make no law abridging the freedom of speech.

Fear that extremists who vehemently oppose the desecration of the flag will violently desecrate the Constitution is not sufficient rationale to support this legislation.

I ask my colleagues to vote "no" on this bill.

Mr. BROOKS. Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Speaker, I rise in support of the bill pending before the House.

Mr. Speaker, last June outrage sounded out against the Supreme Court when it announced its decision in Texas versus Johnson. The issue of protecting our Nation's flag is one which is unsettling to American people.

Why?

Because the flag is more than cloth and color. It is a symbol of our Nation.

It is such an important symbol that brave men and women have laid down their lives to protect it.

I take you back to a fire base in Vietnam in 1969. Dr. Larry Rogers of Jonesboro, AR, was at that fire base when it came under heavy mortar attack.

He remembers that the flag pole was held in place by rock. A mortar round landed near the pole and the flag began to fall. A young soldier ran forward to keep it upright.

He was hit by an incoming round and killed. Another soldier was wounded when he undertook the same mission.

Dr. Rogers said the memory of those two soldiers came rushing back the day he heard about the Supreme Court's ruling in the Texas versus Johnson case.

The ruling was wrong, Dr. Rogers said, not only because of how it abuses the flag of our Nation, but what it meant for those two soldiers and the sacrifice they made on that day in Vietnam.

My constituents support action to reverse the Supreme Court decision. They want the flag of our country protected and that they do not see its desecration as a legitimate exercises of free speech.

About 70 percent of the thousands of people responding to a recent constituent survey told me they want to see the flag protected from acts of vandalism by way of a constitutional amendment.

They believe, as I do, that the flag is more than cloth and color; and that it deserves protection. Desecration of the American flag threatens our freedom, challenges our strength, and tramples upon the sensitivities of patriotic Americans.

It is imperative that we right the wrong. The Supreme Court went too far in its decision; a decision which has literally made combat veterans cry.

I recognize and my constituents recognize that free speech is a precious right, but limits have already been placed on this right—the ban on crying fire in a crowded theater, causing panic and injury, for example.

I believe that protecting our flag would cause no erosion of free speech in this country.

The men and women of our Armed Forces have fought and died to protect the flag and what it stands for. Now, it's time for those of us in Congress to act.

If adequate protection can be afforded to the flag by passage of a statute, that certainly is the fastest way to resolve the issue. But, if a statute will not suffice, then we will push the amendment. One way or the other the flag will be afforded protection.

Mr. BROOKS. Mr. Speaker, I yield such time as he may consume to the gentleman from Kentucky [Mr. MAZZOLI].

Mr. MAZZOLI. Mr. Speaker, while I think the constitutional amendment is probably one that has to be passed someday, I rise in support of the bill.

Mr. BROOKS. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. ACKERMAN].

Mr. BROOKS. Mr. Speaker, I yield such time as he may consume to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Speaker, I rise in opposition to H.R. 2978, the Flag Protection Act of 1989, and ask permission to revise and extend my remarks.

The central question here—and the question the Supreme Court would probably ask in determining the constitutionality of the bill—is why Congress would pass this bill. As the Court expressed it in the second element of the four-part O'Brien test for evaluating attempts to regulate expression, the question of constitutionality turns in part on whether the bill furthers "an important or substantial governmental interest."

I have listened to the debate here today and read the committee's report without finding an answer to this question. So I would like to ask the distinguished chairman who is managing the bill: What is the governmental interest in protecting the physical integrity of the American flag in all circumstances—even, for example, when someone burns a flag in the privacy of his own home, with no witness and no publicity?

The closest thing to an expression of a governmental interest I can find in the committee's report is the following:

H.R. 2978 * * * recognizes the diverse and deeply held feelings of the vast majority of citizens for the flag, and reflects the government's power to honor those sentiments through the protection of a venerated object.* * *

This bill would honor the sentiments of the vast majority by criminalizing the behavior of the minority who are expressing different sentiments. And that is, and should be, unconstitutional.

Mr. BROOKS. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Indiana [Mr. VISCLOSKY].

Mr. VISCLOSKY. Mr. Speaker, I come to the floor of the House today to register my disgust for the act of burning the American flag, and to support H.R. 2978, which would again make such an act illegal.

The Stars and Stripes long ago heralded the first practical test of the idea that people should govern themselves. Through civil and foreign war, economic suffering, and political chal-

lenge to the ideals of the Nation, our Constitution survived, and the flag flew to symbolize the success of the American experiment. Now, the ideal of self-government is firmly established and advancing through the world. The partisans of monarchy and aristocracy have nearly been vanquished, and dictators, proletarian, and otherwise, are watching their people rise up. In this country, few and despised are the citizens who challenge our ideals by desecrating our flag.

Unfortunately, two such men have come to national prominence in this regard. One urged Americans to step on Old Glory. Instead, they filled the steps of the Art Institute of Chicago in patriotic protest. The other burned a flag several years ago in Texas to call attention to his political cause. No one paid attention to his cause, though many people expressed their revulsion at his action. Long after his claim to public awareness and contempt had lapsed, a Supreme Court decision put him back in the spotlight.

The Court warned the Nation that the laws protecting us from such men conflicted with the constitutional right of free speech. Today, we vote on whether it is possible to adapt that law, to maintain both the sacred meaning of our Constitution and the physical integrity of our flag. I say it is not only possible, but necessary. The authors of H.R. 2978 have balanced these two paramount concerns and crafted a bill that protects the flag as the symbol of the contract from which we derive our sacred rights.

The benefits of dealing with the situation by law rather than by constitutional amendment are many. First, the amendatory process is long and tedious. I want a law to protect the flag immediately. Second, a statutory solution would not sully the Constitution with references to flag burners, tramplers, and other members of the far fringes of our society. The Constitution is an elegant document which outlines American political ideals. Flag burners may seek such a prominent place in our society, but I will not concede it to them.

The overriding majority of Americans respect the flag. A law to protect the flag will meet vast approval, and I sincerely doubt it will be invoked on more than a handful of occasions in our lifetime.

Mr. BROOKS. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Ohio [Mr. APPLEGATE].

Mr. APPLEGATE. Mr. Speaker, I rise in support of the bill although I am a cosponsor of a constitutional amendment and I hope that this is the direction we eventually get to. Although I think the bill is weak, and I think it will ultimately be ruled as unconstitutional, it is the only game in town. The weaknesses, the real reasons for the bill, are only partially addressed. I think it says, "knowingly mutilate, deface, burn or trample upon." These are physical violations.

However, Mr. Speaker, what this does not address is desecration of the flag which protects the sanctity of the flag. Webster's dictionary says that "desecrate" means to violate the sanctity, to treat irreverently or contemptuously (the flag of the United States in the instance) and anyone who does that should be dealt with harshly.

Mr. Speaker, I do support the bill, and I also want to commend the gentleman from Mississippi [Mr. MONTGOMERY] for getting a commitment from the Speaker of the House of Representatives saying that we will have a hearing and vote on the constitutional amendment before the end of the year.

Mr. BROOKS. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin [Mr. KLECZKA].

Mr. KLECZKA. Mr. Speaker, the American flag represents our democratic values. Love for this special object has inspired a majority of the people to protect it by law. Forty-eight States and the Federal Government have enacted flag-protection laws. It came as no surprise, then, that the American people were outraged over the Supreme Court's recent decision in the Texas versus Johnson case, ruling that flag burning as a form of political protest is protected by the first amendment.

Today, the House has the opportunity to vote for passage of legislation, H.R. 2978, protecting the flag—and the ideas it represents. This bill would pass constitutional muster. In its previous flag decisions, the Supreme Court indicated it would favor content-neutral legislation protecting the flag without infringing upon freedom of expression. Conduct symbolizing a specific message, such as flag burning, is considered to be symbolic speech protected by the Constitution in most cases. However, in the 1968 case of United States versus O'Brien, the Court ruled that destroying a draft card was not protected speech. In that case, the Court rejected arguments that any conduct can be labeled speech whenever it has communicative intent. Since then the Court's symbolic speech decisions have permitted Government regulation of conduct with speech elements, as long as the regulation is content-neutral. Under such circumstances the Government's purpose must not be suppression of free expression.

H.R. 2978 complies with these guidelines by removing language now in the Federal flag statute penalizing individuals for "casting contempt" on the flag by mutilating, defacing, burning, or trampling on it. The contempt wording strikes at the heart of "intent," which has a communicative element protected by the first amendment.

Many groups have demanded the Constitution be amended to protect the flag. But it's noteworthy that some veterans' groups support a statutory solution to the flag-protection issue. For instance, the Vietnam Veterans of America [VVA] urges a vote in favor of H.R. 2978. The Disabled Veterans of America [DVA] and Paralyzed Veterans of America [PVA] support statutory action to rectify this problem as well. I agree with these men and women who have placed their lives on the line for the ideas embodied in our flag.

It would not be responsible to open our Bill of Rights and Constitution to tampering over this one issue. I wholeheartedly concur with the VVA, whose recent newsletter on this subject said a constitutional amendment "could very well curb in a substantial way our society's fundamental rights of free speech."

Freedom of speech and expression—even repugnant acts like flag desecration—is vital to preserving a democracy. Most Americans would agree that the point of punishing someone for desecrating the flag cannot be to censor the views of the mutilator. The point of a flag protection law is to give force to our Nation's shared belief that the flag is worthy of special protection. Since flag desecration dishonors the individual rather than individual freedom, our democratic principles in the Constitution must not be diluted through constitutional amendment.

For these reasons, I am voting for passage of H.R. 2978, and urge my colleagues to do likewise.

Mr. SENSENBRENNER. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. CAMPBELL] who is batting cleanup for us.

Mr. CAMPBELL of California. Mr. Speaker, burning the flag is a form of expression. Accordingly, it is protected by the first amendment. Whether we choose to take the word "defile" out of the statute or not cannot change that reality.

Indeed, nothing that we say can characterize and change the first amendment expression of the person who speaks. How we characterize it does not change it. It is free expression. Accordingly, what we propose to do today is unconstitutional.

Now the Supreme Court has told us that occasionally we may have an incidental infringement upon free speech to achieve a neutral goal where the impingement upon free speech is no more than necessary and only incidental to that neutral goal.

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The case most often cited is United States versus O'Brien in which a draft card burner was prosecuted, and even though his burning of the draft card was a form of free speech, the neutral goal was to have a draft card in the possession of every young man.

What is the neutral goal of this statute? It is not that there be a flag in the possession of every citizen, because we do not mandate that a flag be in the possession of every citizen. No, the goal of this statute is quite clear. It is to prevent flag burning. It is to prevent speech. Accordingly, it is unconstitutional.

To preserve the flag is an important goal, one which I happen to share and

for which I support a constitutional amendment. And I recognize that there are those who hold the first amendment so sacred that they would not adopt an amendment to the Constitution that in their view would lessen the first amendment, and I respect that point of view. I do not share it. I do not share it because among the full panoply of first amendment free speech rights that we have, taking away this one form will not infringe speech seriously, and it will gain for us one inviolable symbol for our country, one that I as a member of what is called the Vietnam generation sees so little of, so little respect for the symbols of our country. But I respect those who would not touch the Constitution. I simply ask them, if you believe as I do that burning the flag is a form of protected speech, do you not do more violence to the Constitution by passing this unconstitutional statute?

Mr. BROOKS. Mr. Speaker, I yield myself the final minute.

Mr. Speaker, I want to remind the Members that the bill that we are hoping to pass today is a constructive step forward. I think that it will be held constitutional. To provide that it has immediate consideration by the Supreme Court, we have provided in this bill the following provision:

If the question of the constitutionality of this section, under the first article of amendment to the Constitution of the United States, is properly presented in any case before a United States District Court, that court shall, if the Supreme Court of the United States has not previously ruled on that question, immediately certify that question to the Supreme Court. * * * The Supreme Court shall, if it has not previously ruled on that question, accept jurisdiction over the certified question and advance on the docket and expedite to the greatest extent possible the disposition of that question.

I think this provision ensures that if we have people out there who are still disposed to burn a flag somewhere, their case will go to a district court, it will immediately be certified, and it will go to the Supreme Court. In this way, we will get an expedited decision on whether the Justices do in their judgment believe, as they should, that this legislation is fully constitutional.

Mr. Speaker, I ask for support for the legislation.

Mr. FLORIO. Mr. Speaker, I, like many Americans, was dismayed by the Supreme Court's June 21 decision that ruled that the first amendment protects those who burn the American flag. I am pleased that the House now has the opportunity to address this issue through H.R. 2978, the Flag Protection Act of 1989.

The American flag is more than a piece of cloth. It is the symbol worldwide for freedom and democracy. I served in the Navy, fighting for the values represented by our flag. For me and other veterans and for most Americans, burning the American flag is an affront to the fundamental values of this Nation. Our flag must be treated with respect and dignity.

H.R. 2978 is a decisive response to the Supreme Court's decision. Under this legislation, anyone who intentionally or maliciously desecrates the American flag will be fined or imprisoned for 1 year or both. Anyone who dishonors the flag is trampling on the values for which the flag stands and should be punished.

With passage of this legislation the Congress is sending the message that we will under no circumstances condone the desecration of the flag. I urge my colleagues to support H.R. 2978.

Mr. GEPHARDT. Mr. Speaker, I am told that the study of the history and symbolism of the flag is called vexillology—but that is not because the issue we address today is especially vexing. At least it need not be.

I rise in support of the Flag Protection Act. It is most effective, the quickest and least complicated way to ensure that our national symbol is not desecrated.

This law is necessary, Mr. Speaker, because the flag is the symbol of national unity. We must all realize and remember just how important the flag is—for all of us. Those who would burn the flag should be punished—and under this bill they will be.

But before I get into the specifics of this legislation, Mr. Speaker, I'd like to share a little history with the House. One of our predecessors in this body—a man named Francis Hopkinson—designed the American flag we honor and defend today.

Hopkinson served in the Continental Congress of 1776 as a delegate from New Jersey. In 1777, seeking to symbolically sever the United States from Great Britain by removing the crosses of St. George and St. Andrew from the flag, Hopkinson replaced them with a flag of 13 red and white stripes and 13 white stars on a blue field. On June 14, 1777, his design was accepted by a resolution of Congress.

A gifted man, Francis Hopkinson was the first graduate of the College of Philadelphia—now the University of Pennsylvania—in 1757. He practiced law, wrote political satire, and even composed George Washington's favorite song, "Beneath a Weeping Willow's Shade." But his most lasting contribution was his design of the flag and the great seal of the United States of America.

But Mr. Speaker, this story, like so many others in this town, ends on a sad note. Francis Hopkinson never received the credit he was due for his design. In fact, when he asked for compensation—in the form of a quarter cask of wine—he was denied by the Continental Treasury Board—obviously the forerunner of today's Office of Management and Budget. Apparently even before Gramm-Rudman they had a hard time meeting budgetary constraints.

So if tempers flare when we discuss the flag; if temperatures rise when we debate how best to protect it, I hope people will forgive us. This House loves the flag, Mr. Speaker, not only because members like JACK BROOKS and SONNY MONTGOMERY fought for it overseas; and not only because every day we pledge ourselves to what it represents. Perhaps the reason we have a special fervor and a special devotion to the flag in this House because it was designed by one of our own.

Which brings us to the present, and the Flag Protection Act of 1989. There are those who look at this law and say wait—they say we have to go through the slower, more cumbersome, more solemn process of amending the Constitution. No fewer than 10,000 times over the past two centuries, members have stood on this floor and introduced constitutional amendments. As you know, Mr. Speaker, only 26 times have those amendments become part of the Constitution—and only 4 of those 26 were amendments designed to overrule the Supreme Court.

So if there is a clear and present danger—and we believe there is—let us address it now, with this clear and present solution. The simple fact is that there is no need to encumber our Constitution to defend our flag.

But let us remember that burning is not the only danger the flag faces. No, Francis Hopkins's broad stripes and bright stars are just as threatened by demagoguery as they are by desecration.

Perhaps unfortunately, there is no way to prevent politicians from wrapping themselves in the flag, or touring a flag factory, or even coopting the pledge of allegiance to the flag. That form of flag-abuse remains legal.

Those who would tear the flag apart—rip at the fabric that unites all of us as Americans—by pretending that our flag is somehow the exclusive province of one party or one politician, they too should be punished. Not with legal sanctions, as the flag-burners will now face, but with the moral force of every American—Republican and Democrat alike. Because while the flag-desecrators have gotten all of our attention, the flag-demagogues pose just as great a threat.

During the Civil War, demagogues sought political gain by pressing the President to remove from our flag the stars of the Southern States. They knew that such a move would be popular with the folks back home—and didn't care if it did violence to the Nation's long-term unity tha the flag is supposed to represent. Fortunately, President Abraham Lincoln knew that the flag was more enduring than even our most divisive conflict. And he kept the flag whole.

The threats to the flag are very different today. But it is up to us to follow Lincoln, and keep the flag whole.

And so, Mr. Speaker, I rise in support of this bill. It is strong and sensible; prompt and pragmatic; reasonable and realistic. I know it is sufficient to end the desecration of our flag. I hope it is sufficient to end the demagoguery as well.

Mr. STOKES. Mr. Speaker, I rise today in opposition to H.R. 2978, the Flag Protection Act of 1989. I take this action because of the reverence I have for the flag and the freedoms it represents.

The House Judiciary Committee recently held hearings on this bill. In the committee report on H.R. 2978, the committee notes that during those hearings, several witnesses, including Members of Congress, constitutional law scholars, and decorated war veterans supported the Supreme Court decision. They argued that flag burning is a form of symbolic

speech protected by the first amendment, and that flag burning poses no threat to a free nation; therefore, the court's decision in Texas versus Johnson should not be disturbed.

Mr. Speaker, while I would not, as a means of expressing my right to free speech burn the flag, I do agree with the Supreme Court's recent ruling in the Texas versus Johnson case. In that case, the Court held that "if there is a bedrock principle underlying the first amendment, it is that the Government may not prohibit the expression of an idea simply because society finds the idea itself offensive or disagreeable." The Court found that "we do not consecrate the flag by punishing its desecration, for in doing so we dilute the freedom that this cherished emblem represents."

The facts of the Johnson case are well known. During demonstrations at the Republican National Convention in 1984, Gregory Johnson, a member of the Revolutionary Communist Youth Brigade, was observed ripping down Old Glory from a local bank. While Mr. Johnson poured lighter fluid on the banner and set it afire, other protesters chanted "America, the red, white and blue, we spit on you." Johnson was arrested for violating Texas law prohibiting "desecration of a venerated object."

While I consider the acts of Johnson and his associates to be disgusting and disrespectful, I am consoled by the fact that, by adhering to the Court's decision, the American flag, and the ideas for which it stands—ideas of liberty and equality—will survive the mindless and puny assaults of men like Johnson.

In closing Mr. Speaker, let me say that I recognize many men and women have given their lives and their time for our country and the principles upon which it is founded. These sacrifices, I would suggest Mr. Speaker, have not been made on behalf of a piece of cloth; they were made on behalf of the freedoms that cloth represents. And, of all the freedoms our Nation holds dear, free speech is perhaps the most important. As the Court in Johnson found: "to courageous, self-reliant men, with confidence in the power of free and fearless reasoning applied through the processes of popular government, no danger flowing from speech can be deemed clear and present, unless the incidence of the evil apprehended is so imminent that it may befall before there is opportunity for full discussion. If there be time to expose through discussion the falsehood and fallacies, to avert the evil by the processes of education, the remedy to be applied is more speech, not enforced silence."

Mr. FORD of Michigan. Mr. Speaker, I strongly support the Flag Protection Act and the effort of the Judiciary Committee to respond sensibly to the Supreme Court's decision in the flag burning case.

The American flag is the most important symbol of our Nation. I served under its banner in two of our armed services and in two wars, and my son served under the flag in Vietnam. I love the flag and the country it symbolizes. I take a back seat to nobody in my desire to protect them both.

I will, therefore, proudly cast my vote for the Flag Protection Act today, which will clarify the law that makes it a crime to "knowingly mutilate, deface, burning or trample upon any flag of the United States."

I will not, however, support efforts to change the Constitution. The Bill of Rights and the first amendment, which protects our right of free speech and expression, have not been amended in 200 years, and they should not be.

Congress should not be stampeded by the acts of a nut in Texas and an inept or opportunistic prosecutor into changing our most sacred political document. Neither the protestor nor the prosecutor deserve the satisfaction and influence that would give them.

To me, the Ten Commandments and the ten amendments of the Bill of Rights are the most sacred documents ever written. I would not tamper with either of them. And I wouldn't trust this Congress or any group of modern politicians to improve either of them.

The Flag Protection Act deserves the support of Congress. I urge my colleagues to vote for it and resist any attempt to tamper with the Bill of Rights.

Mr. DORGAN of North Dakota. Mr. Speaker, I would like to take this opportunity to express may views on an issue that is very important to most Americans: the protection of the American flag. Some of my colleagues feel that protecting the American flag can only be accomplished by a constitutional amendment. Others, however, feel that a statute would achieve the same goal.

I would prefer, if possible, to protect the flag by the enactment of a law rather than changing the Constitution. Many constitutional scholars have indicated that legislation, if drafted properly, would be upheld by the Supreme Court.

In over 200 years, there have been more than 2,500 proposed changes to the United States Constitution, and only 26 amendments were adopted. Fortunately, Americans have been very reluctant to change this framework for self-government. If we can write a statute to do the job of protecting the American flag from desecration, then there is no reason to change the Constitution.

Mrs. LOWEY of New York. Mr. Speaker, as one of the bill's cosponsors, I rise in strong support of H.R. 2978, the Flag Protection Act. Our flag is the beacon of our freedoms. It is the most visible symbol of the spirit of our Constitution and our Nation. It is a symbol that warrants strong protections against those few who would deface it, and thereby attack all for which it stands.

We should protect our flag as the mighty and visible symbol of the triumph of the vision of our Nation's founders. It represents the virtues which we embody as a nation. It represents the vitality and growth which our democracy has nurtured. From 13 quarreling colonies to 50 united States, from fledgling Nation to military superpower, from a primitive agrarian economy to major industrial power, this flag has been our symbol.

The flag has represented the essence of our Nation. It unites millions of Americans from divergent backgrounds. It has been defended with the lost lives of those who have gone into battle on behalf of our Nation.

To allow the flag to be desecrated by the deranged few for whom the meaning and the essence of our symbols has been lost, is a travesty. It is something we cannot permit to occur.

Johnson, who burned the flag in the case which was taken to the Supreme Court, was one of those deranged few who feel prompted to desecrate our Nation's symbols. The Nation was justifiably outraged by his actions. The immediate rush to take protective measures was an expression of our true love for our flag and the complete dedication we have to the values and principles which it represents.

This statute can and should be enacted quickly. It provides the necessary protection for this symbol which we all hold dear, and it can be the law of the land without delay if this House acts today and we can secure the support of the other body and the President. Let there be no mistake about it. This legislation is a forceful and effective response to the Supreme Court's ruling. Without unnecessarily limiting freedoms, it does provide protection for our flag and thereby for the values for which it stands.

I am proud to be a cosponsor of this legislation. I urge all of my colleagues to join in support today.

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of the flag of the United States of America. I am outraged and angry at the Supreme Court decision that brings me to the floor of the House this afternoon to explain what all Americans should understand. The American flag is a national symbol, and as such, it's ownership is shared by every American.

I continue to support an amendment to the U.S. Constitution that would protect our flag from improper or profane abuse. The U.S. Constitution contains the rights which are, as Americans, determine to be unalienable to American citizenship. Just as the design of our flag has grown and changed to reflect the growth and change of its American owners, the Constitution was envisioned as amendable to reflect the growth and change of the United States and the rights which Americans consider unalienable.

All Americans have the right to know that their flag and the ideals for which it flies are equally protected. Americans have united, celebrated, fought and died under the Stars and Stripes of the flag. The flag belongs to the whole Nation, and nothing should be able to take that ownership away.

My vote of support for H.R. 2978 is a vote of support for protecting the American flag. However, I do not think that this legislation is the answer to protecting our rights as Americans, and I will not rest until those rights, and the flag that represents them, are protected together in the U.S. Constitution.

Mr. CHANDLER. Mr. Speaker, I rise in opposition to this bill and I would like to explain why. I share the disgust that so many have expressed with those who would desecrate the American flag. The flag symbolizes so much of what we hold sacred in this country. I can imagine little that would be tougher for a veteran who fought for this country than to see this cherished symbol defiled. I can imagine nothing sadder than a widow or mother viewing the flag-draped coffin of a loved one who gave his life in defense of our country. She, too, would not want to see this symbol defiled.

At the same time, however, we must remember that our flag stands for more than just pride in our country. It stands for a 200-year tradition of tolerance for political dissent. It stands for people with bitterly contrary viewpoints being able to air their differences without fear of reprisal. In short, it stands for freedom, and sometimes that means the freedom to do things that most of us find reprehensible.

In his majority opinion Justice Brennan states: "We are tempted to say, in fact, that the flag's deservedly cherished place in our community will be strengthened, not weakened by our holding today. Our decision is a reaffirmation of the principles of freedom and inclusiveness that the flag best reflects, and of the conviction that our tolerance of criticism such as—the flag burner in this case—is a sign and source of our strength. The way to preserve the flag's special role is not to punish those who feel differently about these matters. It is to persuade them that they are wrong. We do not consecrate the flag by punishing its desecration, for in doing so we dilute the freedom that this cherished emblem represents."

When I look at the recent events in China, I thank God we have the right to speak out against our Government without fear of persecution. I love the flag, but I have to ask myself, how can we condemn the Government of China for its repression of millions when we cannot tolerate the isolated actions of a single, petty protester who burns a flag?

Thomas Jefferson once said:

I tolerate with the utmost latitude the right of others to differ from me in opinion without imputing to them criminality. I know too well the weakness and uncertainty of human reason to wonder at its different results.

I cannot condone flag burning, but I also cannot support efforts to prohibit it. I fear that in the rush to condemn such behavior, we devalue one of the essential freedoms that makes America the greatest country in the world. There is no shortage of people who would defend the Bill of Rights in the easy cases. Today, I ask my colleagues to stand up with me in defending it in this difficult case as well.

Mr. GALLO. Mr. Speaker, the Supreme Court's ruling earlier this summer saying that burning or desecrating the American flag is a valid act of poliical protest tore at the very fabric of one of our most important symbols of nationhood. This was a ruling which confused and frustrated so many across our land, including me.

The flag is such an important symbol of all that America stands for, that is vitally important that we in the Congress, along with those in State legislatures throughout the Nation, take the steps needed to preserve and protect our flag.

The best way to do this—and to do it right—is by amending the Constitution. The proposed Michel-Montgomery Amendment is straightforward and unambiguous: "The Congress and the States shall have the power to prohibit the act of desecration of the flag of the United States and to set civil and criminal penalties for that act."

Mr. Speaker, you have given your promise that the House will have the opportunity to vote on the Michel-Montgomery Amendment. I will support that amendment because I believe the flag deserves the highest level of support we can extend it.

But today we are presented with a bill which, it is said, will address the problem in the interim—before the process of amending the Constitution can run its full course.

My vote, therefore, in favor of H.R. 2978 today is a reflection of my deep belief that we must take every possible step to protect the flag—and that this is the first, not the final, step along that road. We need to rally around the flag today as boldly as our forebearers did, so that our actions today reflect positively their true faith and allegiance in years past.

Mrs. LLOYD. Mr. Speaker, I rise in support of the resolution before us to protect the integrity of the American flag. There is no issue more precious and dear to our hearts than the need to enact legislation swiftly into law to safeguard Old Glory.

I am gravely disappointed in the Supreme Court's decision earlier this year and I believe that most of the American public, and certainly the majority of residents of the Third District of Tennessee, agree that the Court must be reversed. While I am disappointed that we are not considering a constitutional amendment today, I believe that an act of Congress is urgently needed to redress the Court's ruling and for that reason I will support H.R. 2978 on passage.

It is my strong hope, however, that following enactment of this proposal the House will have the opportunity to adopt a constitutional amendment which I believe is a necessary and appropriate response to the Court's grievous decision.

Many Tennesseans have expressed to me their strong desire for timely congressional action to ensure that the American flag is cherished and protected. These are citizens who have defended the U.S. flag in times of war and citizens who believe in all that the flag symbolizes. I will support H.R. 2978 in the name of all these patriots and I urge my colleagues to do the same.

Mr. FRENZEL. Mr. Speaker, everybody wants to protect our country's flag from desecration. Everybody also wants to protect fundamental first amendment rights of expression. Today's flag bill, H.R. 2978, is the first attempt to achieve both of those worthy goals.

Some Members ask for a "yes" vote on the basis that, H.R. 2978 accomplishes both goals safely. Some ask us to vote "no" because it fails one or both of the goals. The bill obviously engenders very strong feelings.

At the time of the Supreme Court decision, I believed that the Court had erred. I don't think that a local ordinance prohibiting flag desecration steals essential rights of free speech of our citizens. They have lots of ways to express themselves. The specific right to desecrate the flag is not essential to freedom.

I prefer a constitutional amendment to remedy the error, although I agree that such an amendment must be carefully and specifically drawn so that, in the opinion of legal scholars, it will not broadly inhibit rights of free expression. That said, I have nothing against efforts to achieve the same end by law.

The Court will tell us soon enough whether the law is adequate to the goals cited earlier. If not, we can then pass an amendment. As a matter of fact, I would prefer that hearings and committee work go forward on an amendment while we await the inevitable challenge to the statute.

While I prefer an amendment, I don't think it is wise to vote against the statute. I will support it as one worthwhile step in the overall effort to protect our flag.

Mr. McCANDLESS. Mr. Speaker, on June 21, 1989, the U.S. Supreme Court ruled that a Texas law prohibiting the desecration of the flag was unconstitutional. The 5 to 4 majority held the burning of the American flag by a protestor was a form of expression, designed to convey a political idea, and was therefore protected by the first amendment's guarantee of free speech.

While I have great respect for the Supreme Court, in my opinion, as a veteran, as a Member of Congress, and, most importantly, as an American, the majority of the Court was wrong.

In prior cases, the Court has ruled that not all forms of expression are protected by the Constitution. "The first amendment does not guarantee the right to employ every conceivable method of communication at all times and in all places."—Los Angeles City Council versus Taxpayers for Vincent—1984—. For example, obscenity, even if used in a political context, is not protected free speech and may be outlawed. Likewise, "fighting words,"—words that are "likely to provoke the average person to retaliation, and thereby cause a breach of the peace,"—are not protected by the Constitution. Nor is a sound truck going through a neighborhood at 3 a.m., giving a political speech, protected by the first amendment. To most Americans, the burning of the flag is no less offensive than obscenity; no less provocative than fighting words; and no less obtrusive than a sound truck in the middle of the night.

There are two possible congressional responses to the Supreme Court's ruling: one is by statute; and the second is by constitutional amendment. The legislation before us, H.R. 2978, proposes a statute.

During the 5 days of hearings before the Judiciary Committee, a number of constitutional scholars testified that a statute would be insufficient to overturn the Court's ruling. In addition, they expressed their grave concerns, about attempting to limit by statute something that has been ruled to be a constitutional right. I agree. We should not attempt to overrule a first amendment decision by statute. Passage of H.R. 2978 would establish the precedent of allowing Congress to repeal constitutional protections by statute. Such a precedent is abhorrent and an affront to the Bill of Rights. Consequently, I must vote against H.R. 2978.

If we are to reverse the Supreme Court's ruling and prohibit the desecration of the flag, Congress must adopt a constitutional amendment and send it to the States for ratification. I am a cosponsor of House Joint Resolution 350, which proposes the following amendment

to the Constitution: "The Congress and the States shall have the power to prohibit the physical desecration of the flag of the United States." The proposed amendment would allow Congress and the legislatures of the individual States to outlaw the desecration of the flag. Prior to the Court's decision, Federal law and the laws of 48 States prohibited such acts.

Contrary to some of the statements made, House Joint Resolution 350 would not impose an intolerable limit on the right of free speech. While the amendment would allow the prohibition of a specific act, there are a multitude of alternative ways to express ideas and to convey dissent without resorting to the physical desecration of the flag.

I regret that the procedure used by the House leadership to bring H.R. 2978 before the House does not provide for the opportunity to amend the legislation, nor provide for the opportunity to have a vote on House Joint Resolution 350 or any other proposed constitutional amendment.

For each of us, the flag holds a special meaning. We take pride in our Nation's 200 years of freedom—a history that has never been equaled. The stars and stripes of the flag are symbolic of all we cherish—our history, our form of government, our country—and should be protected by the Constitution. Because H.R. 2978 does not provide that protection, and sets a dangerous precedent, it should be rejected.

Mr. SHUMWAY. Mr. Speaker, few pronouncements have drawn such an angry response from Congress and the Nation as the recent Supreme Court ruling concerning flag burning. We have agreed for some time that freedom of expression does not include the right to falsely yell "fire" in a crowded theater; it does not permit me to attack another citizen, and certainly it should not include the right to desecrate the symbol of our Nation's freedoms—a symbol for which many Americans have given their lives. While I hold the Court in the highest regard, I found the Texas versus Johnson decision reprehensible.

In the wake of that decision, I sponsored many of the 38 bills which were introduced proposing that the Constitution be amended to prohibit desecration of our flag. I also endorsed additional bills suggesting a simple statute. Much as I would prefer the constitutional amendment approach as a final solution, I recognize that many members are resistant to changing the Constitution. It is my understanding that 4 days of hearings revealed a majority of constitutional scholars and other experts to believe that a statute alone would be insufficient to overturn the Court's decision. However, despite that fact, today we are considering legislation providing for a "content neutral" statute. Since it is the only opportunity we are being offered to express our commitment to protecting the flag, I feel I have no choice but to support this measure. To be blunt, it is better than nothing. Only time will tell if this measure is sufficient. Hopefully, the expedited review process provided for in this measure will provide a swift answer to the constitutional test. Again, I recognize that many of my colleagues on the committee point to this provision as a negative, believing that it will encourage the very activity we hope to prevent. However, I cannot in good conscience cast a vote against a measure designed to prevent desecration of our flag, even if flawed.

In summary, I support a constitutional amendment, and believe it is the best solution. Unfortunately, the committee did not choose to bring such an amendment to the floor. If the statute is found to be unconstitutional, a constitutional amendment will be our only recourse, and my support for that amendment will definitely be there.

Mr. GREEN. Mr. Speaker, the flag is the symbol of everything for which this country stands.

But the Bill of Rights in general, and the first amendment in particular, are the substance of that for which this country stands.

It is foolish to preserve the symbol by damaging the substance, whether the damage is done by amending the first amendment, as some have proposed, or by seeking to circumvent it, as the pending bill, H.R. 2978, proposes. I urge a "no" vote on H.R. 2978. And I urge those who are pushing the constitutional amendment to reconsider that rash course.

Mr. MOLINARI. Mr. Speaker, I agree with the intent of H.R. 2978 and will support it. I do, however, have some reservations about its enforcement prospects. Some legal authorities say that a constitutional amendment is necessary to enforce the protection of the flag.

I support this legislation as a step in the right direction toward addressing the Supreme Court decision in Texas versus Johnson. I am a cosponsor of House Joint Resolution 336, a joint resolution proposing an amendment to the Constitution of the United States relative to the protection of the flag of the United States. I am hopeful that the House leadership will allow a vote on a constitutional amendment in this session.

Mr. BRENNAN. Mr. Speaker, I rise today in support of legislation to protect the integrity of the U.S. flag. From the time we were children, most of us began our day pledging allegiance to this symbol of our Nation. As we grew into men and women, many Americans fought and some died to protect what our flag symbolizes. I don't believe you will find many in this country who do not revere the United States flag.

Still, actions have been taken against our flag in the past few years which have deeply offended the sensibilities of many of our countrymen. Our flag has been burned, trampled upon, and treated in other manners of disrespect. I do not believe this mistreatment should go unaddressed.

If we allow the flag to be desecrated, then we also allow a desecration of the sacrifices our people have made on behalf of our country as symbolized by our flag. In effect, we permit our national honor to be trampled upon as well.

Let us not forget that the U.S. flag has given us courage in times of war, both at home and in the trenches. As it holds a special place in our hearts and our history, so it must hold a special place in our future. Let us protect, and therefore preserve, the flag and everything it means to our proud people.

Mr. PERKINS. Mr. Speaker, as President Woodrow Wilson said in 1915, "The flag is the embodiment, not of sentiment, but of history. It represents the experiences made by men and women, the experiences of those who do and live under that flag." Indeed, for 210 years, the flag has been a constant in American life, representing our greatest triumphs and our deepest grief. From the six brave men who raised the flag at Iwo Jima in 1945 to 1989 when the American flag rested over the bodies of those young men killed in the explosion of the U.S.S. *Iowa,* the American flag has symbolized the ideals of freedom, equality, and opportunity upon which our Nation was built.

I was raised to love and respect the American flag. I can remember my excitement when Neil Armstrong placed the flag on the Moon in 1969. I felt proud to be an American. Unfortunately, with the Supreme Court's recent ruling, we can no longer guarantee that future generations understand the significance of this important national symbol. As you know, the recent Supreme Court ruling overturned flag desecration laws in 48 States. I joined the millions of Americans who were outraged by the decision. This is an insult to the many men and women who fought so hard to protect this powerful symbol of our Nation's honor.

Legislative action is necessary, and today this Chamber has the opportunity to take action. I support this legislative effort to construct a statute that will pass constitutional muster and strictly prohibit the desecration of our cherished flag. I am also a cosponsor of a bill introduced that would allow Congress to add an amendment to the Constitution prohibiting the desecration of the American flag. I feel that in these tense and turbulent times, we must, more than ever, ensure that our Nation's most powerful symbol stands proud at all times.

Mr. BALLENGER. Mr. Speaker, we have an opportunity today to cast a vote on whether to make it a Federal crime to burn or deface the American flag.

The Supreme Court ruled that burning the American flag is an expression of free speech and is therefore protected by the first amendment right of freedom of speech.

My constituents are outraged by the Supreme Court ruling—I share their outrage.

H.R. 2978 is a statutory remedy and some argue that it is wholly inadequate. However, I believe this is a step in the right direction. I support the bill and will vote "aye" because we must make every effort to guarantee the protection of the American flag.

However, I believe the issue will not be fully resolved without amending the Constitution. I hope the Democratic leadership will give the full House the opportunity to vote on a constitutional amendment as well.

Mr. LIGHTFOOT. Mr. Speaker, I rise today in opposition to H.R. 2978, the Flag Protection Act. The issue of protecting the flag is a matter which has stirred strong, even passionate, reactions and for good reason. What we are talking about here is the integrity and dignity of one our most enduring and precious symbols—the American flag. In considering this issue, I have come to the conclusion that the only way to really guarantee the preservation of the sanctity of the flag is through a constitutional amendment. Not for a moment

do I question the patriotism or loyalty of those who oppose such an amendment and favor a statute. I am sure they have chosen the route they genuinely believe will be the most effective. I simply do not see it that way for two basic reasons.

First, I share my colleagues' belief that amending the Constitution is not a process to be taken lightly. Any deletions or additions to the Constitution require the most careful, thorough deliberations and should be done only in regard to matters of supreme national importance or beliefs. In my view, the flag is just such a matter. In this symbol is the embodiment of all that went into the creation of our Nation as we know it—the struggles and sacrifices, both large and small.

Second, I believe this legislation creates a clash between the legislative and judicial branches of government. The Supreme Court, the preeminent instrument of judicial review in this country, has stated that burning the flag is an expression of free speech protected by the constitution. Given that and the consensus that something must be done to ensure the flag is not desecrated, it makes sense that constitutional protection of the flag is needed. A statute flies directly in the face of the Supreme Court's interpretation of the constitution. An amendment clearly establishes, without question, the guidelines for treatment of the flag.

In my view, nothing less is acceptable and I strongly urge my colleagues to work for an amendment to the constitution to preserve and protect our flag.

Mr. DINGELL. Mr. Speaker, I rise today in support of H.R. 2978, the Flag Protection Act. This bill protects the American flag by statute only, thereby avoiding what I regard as unwise and imprudent constitutional modifications. H.R. 2978 punishes by means of stiff fines and jail sentences "whoever knowingly mutilates, defaces, burns, or tramples upon any flag of the United States * * *," and allows for the proper disposal of the flag when it has become worn or soiled through normal usage and the passage of time. The measure also provides a procedure for expedited Supreme Court review of the constitutionality of the new statute.

As a veteran of World War II, and as a Member of the House of Representatives, I am proud of the symbolism of the U.S. flag and support efforts to preserve its integrity. I am pleased to see the Congress respond so swiftly to the June 21 ruling by the Supreme Court in Texas versus Johnson striking down a Texas law prohibiting desecration of the U.S. flag. I believe this legislation will pass the constitutional test under the Supreme Court's opinion opening the door for a congressional statute focusing exclusively on the conduct rather than the expressive intent of the actor.

The American flag deserves every possible protection under the Constitution. I commend my colleagues for effectively taking action today to protect the flag, the greatest symbol of democracy and freedom known throughout the world.

Ms. SNOWE. Mr. Speaker, I rise today in support of H.R. 2978, the Flag Protection Act.

The goal of this legislation is both clear and one which enjoys strong support among my constituents and people across this country: to prevent the desecration of our Nation's proud symbol, the American flag. In fact, prior to the Supreme Court's decision in Texas versus Johnson, there was little debate or overt disagreement with existing statutes that prevented just such desecration.

Following the Supreme Court's ruling, the sentiment in our Nation to prevent the desecration of the flag remained strong, perhaps even grew. Where the rupture occurred, of course, is over the question of whether the flag should be protected by statute or via an amendment to the Constitution; and whether, if a statute would not pass muster with the Supreme Court, the Constitution should be amended at all. To a greater extent than is perhaps desirable, the debate has evolved into one of statute versus constitutional amendment.

For me, and for many other Mainers, the overriding objective is not solely to see a new amendment to the Constitution, but to see that the flag is duly and appropriately protected. If we can provide that protection by the least-intrusive statutory process, then I would view that as a wholly satisfactory solution.

I am aware that there are constitutional and legal experts who have declared that, effectively, no statute can meet the standard put forth by the Supreme Court. I am equally aware of two other points as well: first, that other constitutional and legal experts have vouched that a statute can work; and, second, that this world is littered with experts of every stripe who have been wrong.

So it is with these thoughts in mind that I vote in favor of the Flag Protection Act today. If, however, it does not pass successfully through the judicial review process, I hope the Congress will move swiftly to provide similar protection through a constitutional amendment.

Mr. ACKERMAN. Mr. Speaker, I rise in opposition to H.R. 2978.

In a few days, our country will mark a most important bicentennial anniversary. Two hundred years ago, on September 25, 1789, the Congress of the United States completed final action on the first 10 amendments to the Constitution; and our Bill of Rights was sent to the States for ratification.

These amendments, statements which declare to the world that ours is a land of liberty, have become a document for the ages, providing us with the very foundation of our United Nation.

Mr. Speaker, I am troubled, deeply, by the sudden desire on the part of some to tamper with the Bill of Rights.

For two centuries, our Nation has grown and prospered and developed into the greatest democracy known to history. America has endured two wars involving the entire globe as well as several other killing conflicts.

And, we have done all these things and more without ever having a need to alter or amend our Bill of Rights.

Mr. Speaker, nothing has happened in recent times to justify changing a course of action that has served us so well for so long.

An individual of troubled heart and mind, and armed with a cigarette lighter, decided to burn an American flag. Mr. Speaker, while you and I and most Americans believe this fellow was a jerk, the United States of America certainly is able to overcome this assault without changing the most fundamental laws of our land.

Clearly, I oppose any plan to amend the Bill of Rights. I also oppose H.R. 2978.

For almost 200 years exactly, our Nation has needed neither a constitutional amendment nor a statute aimed at altering the very first amendment in our Bill of Rights. The plain truth is we still don't.

Mr. SCHUETTE. Mr. Speaker, I rise today in opposition to the flag-burning statute being considered by the House of Representatives. As one of the original sponsors of an amendment to the Constitution prohibiting the physical desecration of the flag, I still firmly believe that an amendment is the best and only way to remedy this tragic situation. The statutory approach is a sham, a coverup, and it just won't fly.

The American flag is the unique symbol of freedom and liberty for people all over the world. I'm sure most of my colleagues in this body are in agreement with me on this.

This past weekend, I attended a celebration in St. John's, MI, where I was presented with a petition, containing over 3,000 signatures. The petition, Mr. Speaker, which is sponsored by a variety of veterans groups in my State of Michigan, stresses their strong support for an amendment to ban the physical desecration of the flag.

Although no one likes to see the flag desecrated, and most of us are in agreement on the need to do something about the situation, supporters of the statutory approach and proponents of an amendment diverge when it comes to determining the best way to protect the flag against desecration.

I believe we need an amendment for a variety of reasons. Just as the Supreme Court found the Texas statute to be unconstitutional, so they would do the same thing with a Federal statute. Many eminent scholars have testified that there is no way a statute could be drafted which would not again be declared unconstitutional by the Court.

A recent issue of the Congressional Quarterly also outlined several of the reasons why a statute would not work. They mentioned the 1968 United States versus O'Brien case in which the 7 to 1 majority held that "we cannot accept the view that an apparently limitless variety of conduct can be labeled 'speech' whenever the person engaging in the conduct intends thereby to express an idea." Mr. Speaker, I would contend that this "apparently limitless variety" could certainly refer to the burning of the flag.

The same case was used by the dean of the University of Chicago Law School, Professor Stone, to point out the fact that essential to the Court's ruling was their determination that when "speech and nonspeech elements are combined in the same course of conduct, a sufficiently important governmental interest in regulating the nonspeech element can justify incidental limitations on first amendment freedoms." I honestly think that the Government has a very important and even compelling interest in protecting the flag.

Judge Robert H. Bork, in his statement before the House Judiciary Subcommittee on Civil and Constitutional Rights, offered an ad-

ditional argument against the statutory approach. He said that if the Supreme Court strikes down a law, Congress cannot come right back with a legislative proposal specifically designed to overturn, not remedy, a Supreme Court decision. The very hearings at which he testified, before which I also testified on the need for an amendment, are themselves sufficient proof that Congress intends to pass a law designed simply to circumvent the intent of the Supreme Court when it handed down its decision.

Mr. Speaker, I do not support any infringement on each individual's free speech. Our first amendment supports freedom of speech. Even though the remarks by Joey Johnson are reprehensible to me, they are fully protected as speech, and I support his freedom to make them. It is when we step over the line from speech into conduct, conduct which is not necessary to the expression of one's views, that there should be a distinction.

Our flag is important to this country. Millions of veterans have fought and died so that our flag might wave over the land. Millions of peoples from other nations see in our flag the liberties and freedoms for which they yearn.

Mr. Speaker, if I believed that a statute would truly protect the flag, I would gladly support it. Unfortunately, a statute will not work, and in many cases could actually protect flag burners. Moreover, enactment of a statute will only delay action on a constitutional amendment, which is the only guarantee of protection for our flag. I hope and trust that the Members of the House of Representatives will soon have the opportunity to vote on legislation calling for a constitutional amendment to protect our flag.

The SPEAKER pro tempore (Mr. KOSTMAYER). The question is on the motion offered by the gentleman from Texas [Mr. BROOKS] that the House suspend the rules and pass the bill, H.R. 2978, as amended.

The question was taken; and on a division (demanded by Mr. SENSENBRENNER) there were—yeas 6, nays 9.

Mr. BROOKS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2978, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

REAUTHORIZATION OF SPEAKER'S CIVIC ACHIEVEMENT AWARD PROGRAM

Mr. CLAY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2358) to authorize appropriations for fiscal years 1990 and 1991 for the Civic Achievement Award Program in Honor of the Office of Speaker of the House of Representatives, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2358

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF APPROPRIATIONS.

Section 4 of the joint resolution entitled "Joint resolution providing support for the Civic Achievement Award Program in Honor of the Office of Speaker of the House of Representatives", approved November 9, 1987 (2 U.S.C. 1004), is amended—

(1) by striking out "and" after "September 30, 1987),"; and

(2) by inserting after "September 30, 1989" the following: ", and $1,033,785 for the fiscal year ending September 30, 1990".

SEC. 2. PROGRAM ELEMENT REQUIREMENTS.

Section 2(a)(4) of such joint resolution (2 U.S.C. 1002(a)(4)) is amended by striking out "may" and inserting in lieu thereof "shall".

SEC. 3. AWARDS FOR PROGRAM PARTICIPATION.

Paragraphs (1), (2), and (3) of section 2(b) of such joint resolution (2 U.S.C. 1002(b)(1), (2) and (3)) are each amended by striking out "satisfy award standards" and inserting in lieu thereof "participate in the program".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Missouri [Mr. CLAY] will be recognized for 20 minutes, and the gentleman from Ohio [Mr. GILLMOR] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. Mr. Speaker, I yield myself such time as I may consume.

H.R. 2358, as amended, extends the authorization for the Civic Achievement Award Program for 1 year. The authorization for fiscal year 1990 is $1,033,785. The bill also makes minor adjustments relating to program element requirements and awards.

The Civic Achievement Award Program, which is conducted by the Close Up Foundation under the auspices of the Library of Congress, was established in 1987 to improve the level of civic literacy among fifth through eighth graders.

The program provides a powerful incentive for students to increase their civic knowledge and skills by enhancing knowledge of the history, government, geography and, economics of this country. Additionally, students are provided the opportunity to put those skills and knowledge to work on civic projects for the benefit of their communities.

Recent studies have shown, and I strongly believe, that the middle grades are the best and last chance to reach youngsters and instill in them a sense of community service.

In the 1988-89 field test year, approximately 23,000 students participated in the program, representing 800 classrooms nationwide. The 1990 authorization would permit 60,000 student participants in thousands of classrooms throughout the country.

The preparation of young Americans for leadership in the 21st century must begin now. And the efforts of the Civic Achievement Award Program in promoting civic awareness among elementary school students is a significant start.

Mr. GILLMOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2358, the reauthorization of the Speaker's Civic Achievement Award. The goal of this program is to increase civic awareness among our youth. I am a firm believer in increasing civic awareness not only among our youth but to people of all ages. By investing in our youth, hopefully we can perpetuate this awareness.

The members of our subcommittee made a careful study of this program and I would like to thank our members for their commitment not only to education but to fiscal responsibility as well.

Mr. FROST. Mr. Speaker, I wish to commend the gentleman from Missouri and his staff for their outstanding commitment to education and their dedication to assuring the continuation of this fine program.

There exists a nationwide consensus about the need to strengthen the education of our young people. Reports document the appalling lack of understanding of basic government, geography, economics, and current events among school-aged children. There is a growing concern about our Nation's ability to be competitive in the global marketplace. Each of us is disheartened by the current number of dropouts, teen pregnancies, and the extent of drug abuse.

The Carnegie Council on Adolescent Development recently released a report which identifies the middle school years as a period of "extreme vulnerability." The study states that these years are "potentially society's most powerful force to recapture millions of youth adrift." The report also recommends that middle schools promote curricula which includes "cooperative learning * * * critical reasoning and service to the community."

In the past few months, we have also witnessed increased attention directed at providing incentives for voluntary community service. In another recent report, the children's defense fund applauds the resurgence of youth service, and emphasizes service opportunities for disadvantaged youths.

Mr. Speaker, the Civic Achievement Award Program [CAAP] was designed to address these concerns and these reports attest the program's methodology. CAAP is unique—it targets students in grades five through eight, teaches them basic facts, strengthens reading, writing, and analytical skills, and contains a community service project. This program has been admirably developed and conducted

by the Close Up Foundation for the past 2 years on a pilot basis. Without exception the program has been enthusiastically received by students, parents, and educators. CAAP has clearly demonstrated its ability to work with students from diverse backgrounds to promote citizenship and community service through education.

This legislation will permit this exciting program to reach approximately 60,000 students throughout the country next year, more than doubling the number of participants involved. I should note that the bill authorizes a modest increase over the 2 previous years' funding level. The Close Up Foundation has expressed interest in seeking funding from the private sector to supplement Federal support of the program. I commend and encourage this approach. Whenever possible, we must encourage the creation of public-private partnerships to maximize the reach of the Federal dollar.

The foundation enjoys an excellent reputation for its ability to create such partnerships for another educational activity. A properly implemented and effective partnership with the private sector would extend this program's civic learning goals in a significant way. With CAAP, the economies of scale are staggering. For example, a private sector matching program would increase participation eightfold, allowing approximately 500,000 students to take part in CAAP this coming school year.

All of us can take pride in the fact that this 2-year-old congressional program has already begun to address critical education issues. I urge my colleagues to join me in support of this measure. Our action today assures the expansion of a highly successful and cost-effective program.

Mr. GILMAN. Mr. Speaker, I rise in support of H.R. 2358 to reauthorize the Speaker's Civil Achievement Award Program through fiscal year 1990. I would like to commend the gentleman from Texas [Mr. FROST], for introducing this measure, as well as the chairman of the Committee on House Administration, Mr. ANNUNZIO, the ranking minority member, Mr. THOMAS and the gentleman from Missouri [Mr. CLAY], for bringing this measure before the House of Representatives.

Mr. Speaker, I am pleased to support the Civic Achievement Award Program. Established in 1987, this program promotes civic awareness among fifth through eighth grade students by promoting reading and research skills, enhancing knowledge of American history, geography and culture, and providing the opportunity for students to work on civic projects in their communities.

Though only 2 years old, the Civil Achievement Award Program has been extremely well received by both educators and students. Established through the Library of Congress and administered by the Close Up Foundation, in cooperation with the National Association of Elementary School Principals, the program has enjoyed the participation of approximately 25,000 elementary and middle schools in all 50 States. While we are unfortunately constrained from expanding the program to cover 1 million students as the Close Up Foundation had hoped, I understand that efforts are proceeding to seek supplemental funding from the private sector, and I would like to encourage and support this worthy endeavor.

Mr. Speaker, I urge my colleagues to support this measure.

Mr. BEREUTER. Mr. Speaker, today the House is considering legislation that I wholeheartedly support. H.R. 2358 provides for a 1-year extension of a program of awards designed to recognize achievement in civic literacy by students in grades five through eight. This past year four schools from the First Congressional District in Nebraska which I represent are participating in the field test of the Civic Achievement Award Program. These schools include Northern Hill Elementary School in Norfolk, Osmond Public School in Osmond, Pilger Elementary School in Pilger, and St. Paul's Lutheran School in Utica, where this Member attended elementary school. This Member is particularly knowledgeable about the success of the program in the first of the listed schools as I presented these young Nebraskans with their awards at the conclusion of school this year. Their achievements and knowledge was most impressive.

This program is one of the Close Up Foundation's newest educational initiatives. It is administered by the Close Up Foundation in cooperation with the National Association of Elementary School Principals, and is coordinated by the Library of Congress. It was created to develop greater civic literacy and involvement among young people in these critical learning years. Under the program, annual awards are given to students, schools, and classes which develop and demonstrate civic knowledge and skills in the fields of American history, government, geography, economics, and current events.

The Close Up Foundation has earned a reputation for providing high school students across the country with a one-of-a-kind learning experience in Washington, DC. Since 1971, they have helped States and local communities organize thousands of students who come to our Nation's Capital for a 1-week program to observe our Government in action. Based on their vast experience and expertise, Close Up decided to expand their proven programs to our youngest citizens in grades five to eight.

Once again, Close Up has scored a tremendous success. I urge my colleagues to join with me in voting to extend for another year the authorization for the Civic Achievement Award Program which will help build a solid base for civic competence by motivating and inspiring these students to become better citizens.

Mr. FRENZEL. Mr. Speaker, I rise in strong support of H.R. 2358, which reauthorizes the Civic Achievement Award Program for 1 year at $1 million, serving 60,000 students.

This program was developed by the Close Up Foundation, which efforts I have strongly supported since I came to Congress, and the program trust started in 1971. While I was at first skeptical that Close Up could design a program that would foster civic awareness among fifth through eighth graders, I am now sold on the program and what it has done for 25,000 young students.

I had supported Close Up's effort to expand the program to 1 million students in fiscal year 1990, but am prepared to support this compromise at a lower funding level.

There has been concern about the Library's involvement in the program and other questions some Members have which should be settled during and after a promised hearing by the House Administration Committee designed to look more closely at the program before authorizing substantive increases. I believe this was a good compromise, although I have absolute confidence in Close Up now and its work with the National Association of Elementary School Principals and the Library to design and administer a good program.

I urge my colleagues to support this bill. It's an exciting program. The students love it. So do the teachers and principals. This is a small amount of money that reaps an enormous return.

□ 1350

Mr. GILLMOR. Mr. Speaker, having no further requests for time, I yield back the balance of my time.

Mr CLAY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KOSTMAYER). The question is on the motion offered by the gentleman from Missouri [Mr. CLAY] that the House suspend the rules and pass the bill, H.R. 2358, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

The title was amended so as to read: "A bill to authorize appropriations for fiscal year 1990 for the Civic Achievement Award Program in Honor of the Office of Speaker of the House of Representatives, and for other purposes.".

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CLAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2358, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AMERICAN FOLKLIFE CENTER REAUTHORIZATION

Mr. CLAY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2346) to authorize appropriations for the American Folklife Center for fiscal years 1990, 1991, and 1992.

The Clerk read as follows:

H.R. 2346

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8 of the American Folklife Preservation Act (20 U.S.C. 2107) is amended—

(1) by striking out "and" after "1988,"; and

(2) by inserting after "1989" the following: ", $998,000 for the fiscal year ending September 30, 1990, $1,050,100 for the fiscal year ending September 30, 1991, and $1,120,000 for the fiscal year ending September 30, 1992".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Missouri [Mr. CLAY] will be recognized for 20 minutes, and the gentleman from Ohio [Mr. GILLMOR] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2346 extends the authorization for the American Folklife Center for fiscal years 1990, 1991, and 1992.

The American Folklife Center was established at the Library of Congress in 1976 by the American Folklife Preservation Act, Public Law 94-201, with a charge to preserve and present the diverse folk cultural traditions within the United States.

I believe the American Folklife Center is a key documentary and archival resource that plays a crucial role in preserving important aspects of American culture.

Both the Congress and public are served by the Folklife Center. From African-American religious services in Georgia and Virginia, to Nevada ranching traditions, and Cambodian community traditions in Massachusetts towns; these projects have helped to conserve the rich variety of our Nation's folklife at the local level.

Significant among the Center's plans for its next authorization period will be its participation in the celebration on cultural pluralism in America and a field project, exhibit, and book on Italian-Americans in the American West.

In fiscal year 1990, the Center's authorization would be $998,000, which represents a $22,828 increase over the 1989 authorization, an increase of only 2.3 percent. The authorization for 1991 would be $1,050,100 and, for 1992, would be $1,120,000. This represents an increase of $52,100 and $69,900, respectively. These levels are sufficient to permit the funding of one GS-07 position in fiscal year 1990. The Center has operated for 13 years at modest funding levels and with a small staff—15, plus temporaries. This legislation appropriately accommodates the basic needs of the Folklife Center while remaining well within the budgetary constraints faced by all Federal agencies.

It is both appropriate and important for the Congress to encourage and support the activities of the American Folklife Center. In doing so we are contributing to a better understanding of the achievements and experiences of the people who have made this country what it is.

Mr. Speaker, I reserve the balance of my time.

Mr. GILLMOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2346, authorizing appropriations for the American Folklife Center for fiscal years 1990, 1991, and 1992.

Established at the Library of Congress in 1976, the American Folklife Center functions to preserve and present the many cultural traditions we have within the United States, and has come to play an important role in the actual preservation of our American culture. The center itself seeks to document and preserve the many cultural influences that have fashioned our society and to bring those influences to the attention of our scholars, researchers, students, and the general public.

Mr. Speaker, H.R. 2346 is legislation that deserves our full support. With relatively modest increases in funding, the American Folklife Center can continue to serve our citizens by offering them diverse examples of our country's many cultures. I urge my colleagues to support this bill and help us carry on the important work of the American Folklife Center.

Mr. Speaker, having no further requests for time, I yield back the balance of my time.

Mr. CLAY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri [Mr. CLAY] that the House suspend the rules and pass the bill, H.R. 2346.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

Mr. CLAY. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the Senate bill (S. 1075) to authorize appropriations for the American Folklife Center for fiscal years 1990, 1991, and 1992, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1075

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8 of the American Folklife Preservation Act (20 U.S.C. 2107) is amended—

(1) by striking out "and" after "1988"; and

(2) by inserting after "1989" the following: ", $998,000 for the fiscal year ending September 30, 1990, $1,050,000 for the fiscal year ending September 30, 1991, and $1,120,000 for the fiscal year ending September 30, 1992".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 2346) was laid on the table.

GENERAL LEAVE

Mr. CLAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2346, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

□ 1400

SENIOR EXECUTIVE SERVICE PERFORMANCE BOARD REVISION ACT

Mr. SIKORSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2986) to amend title 5, United States Code, to clarify provisions relating to the composition of any performance review board making recommendations concerning performance awards for career appointees in the Senior Executive Service.

The Clerk read as follows:

H.R. 2986

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 5384(c) of title 5, United States Code, is amended—

(1) by striking "(c)" and inserting "(c)(1)"; and

(2) by adding at the end the following:

"(2) Not less than a majority of the members of any review board referred to in paragraph (1) shall be career appointees whenever making recommendations under such paragraph with respect to a career appointee. The requirement of the preceding sentence shall not apply in any case in which the Office of Personnel Management determines that there exists an unsufficient number of career appointees available to comply with the requirement."

(b) Section 5381 of title 5, United States Code, is amended by inserting " 'career appointee' " before "and".

The SPEAKER pro tempore (Mr. KOSTMAYER). Pursuant to the rule, a second is not required on this motion.

The gentleman from Minnesota [Mr. SIKORSKI] will be recognized for 20 minutes, and the gentlewoman from Maryland [Mrs. MORELLA] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. SIKORSKI].

GENERAL LEAVE

Mr. SIKORSKI. Mr. Speaker, I ask unanimous consent that all Members

may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on H.R. 2986, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. SIKORSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2986 was introduced by Congresswoman MORELLA and myself in response to the discovery that Department of Housing and Urban Development [HUD] guidelines do not require performance review boards to consist of a majority of career senior executive members when the board makes performance award bonus recommendations for career executives.

Performance review boards, or PRB's, were created pursuant to the Civil Service Reform Act of 1978. According to that law, PRB's must consist of a majority of career senior executives as opposed to a majority of noncareer appointees when the board appraises the performance of a senior career executive. The results of an executive's performance appraisal forms the basis of that executive's performance award bonus.

Investigations by the Civil Service Subcommittee indicate that all agencies currently require PRB's to consist of a majority of career executives when making either performance appaisals or performance award recommendations—all agencies that is except for HUD. HUD has not required PRB's to consist of a career majority when the board makes bonus recommendations for career executives for at least the past year. It was a career senior executive who blew the whistle on the fraudulent activities of noncareer appointees at HUD and it's a troubling coincidence that HUD is the only agency which does not ensure that performance bonuses for career executives are decided by a board consisting of at least a majority of career people.

Left unchanged, this is contrary to the spirit if not the intent of the civil service law. Instead of instituting a bonus system which motivates and awards individuals for successful performance, HUD's actions threaten to politicize and void the award process.

Therefore, H.R. 2986 simply clarifies provisions in the Civil Service Reform Act by requiring agencies to ensure that performance review boards are composed of a majority of career appointees whenever making performance award recommendations for career senior executives. It should be noted that the provisions of the bill will not apply where the Office of Personnel Management determines that there exists an insufficient number of career appointees available to comply with the majority requirement.

It should also be noted that the Office of Personnel Management [OPM] opposes this bill as unnecessary. OPM recently issued proposed regulations which would mandate the same provisions as exist in H.R. 2986. Unfortunately, I believe and the subcommittee believes that the issuance of regulations will not provide a permanent solution, and one that would prohibit future OPM directors from revoking those regulations and once again permit agencies to engage in the type of activity we have seen at HUD. This is buttressed by the interpretation of OPM's general counsel of current civil service law and regulations which, in his opinion, do not require a career majority on performance review boards when making performance award recommendations.

I want to thank Mrs. MORELLA for joining me in a bipartisan effort to quickly address this issue, and I urge my colleagues to support H.R. 2986 so that we may resolve this issue quickly.

Mr. Speaker, I reserve the balance of my time.

Mrs. MORELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I certainly commend the chairman of our Subcommittee on Civil Service for his leadership in this particular effort and for explaining what this bill is about to our constituencies and to the Members of this body.

Mr. Speaker, I rise in support of H.R. 2986. This bill was introduced in order to prevent agency heads from politicizing performance review boards when considering bonus awards for career senior executive service personnel.

This bill simply clarifies the Civil Service Reform Act to ensure that performance review boards include a majority of career civil service personnel whenever possible.

There has been a great deal of discussion this session about the waning of morale of those who serve our country as civil servants. I believe that H.R. 2986 will be a morale booster; it will give career civil servants the opportunity to help political appointees to determine the award of bonuses among senior executive personnel.

Mr. Speaker, I want to commend the chairman of the Committee on Post Office and Civil Service, Mr. FORD, and the ranking member, Mr. GILMAN, as well as the gentleman from Minnesota, Mr. SIKORSKI, chairman of the Subcommittee on Civil Service for bringing H.R. 2986 to the floor so expeditiously and I urge our colleagues to support this measure.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I rise in support of H.R. 2986, legislation that clarifies provisions in the Civil Service Reform Act by requiring agencies to ensure that Senior Executive Service [SES] performance review boards be composed of a majority of career appointees when making performance salary bonus recommendations for career senior executives. I commend the gentleman from Minnesota [Mr. SIKORSKI] and the gentlewoman from Maryland [Mrs. MORELLA], for introducing this measure.

It only makes sense that our career officials need to be reviewed by their peers. If this cannot be the case then at least a majority of the review board should be considered peers of the individual being scrutinized.

While current authority exists for OPM to ensure that SES performance review boards be composed of a majority of career members of the SES, it appears there has been some problems in making it happen.

Accordingly, I am pleased to support H.R. 2986 and urge my colleagues to do so.

Mr. SIKORSKI. Mr. Speaker, I commend the gentleman from New York [Mr. GILMAN] and especially the gentlewoman from Maryland [Mrs. MORELLA] for her leadership and vigilance in behalf of civil servants.

Mrs. SCHROEDER. Mr. Speaker, I strongly support H.R. 2986 and thank my colleagues Mr. SIKORSKI and Mrs. MORELLA for their work on this legislation.

H.R. 2986 assures equity for career executives. It says that Performance Review Boards [PRB], which make recommendations regarding performance awards of career appointees, must consist of a majority of career appointees. The purpose of this is to guarantee input by long-term career employees and to reduce the risk of politicizing the performance review process.

Up until recently there appeared to be no need for this legislation. We assumed that the current requirement was sufficient. Unfortunately HUD proved us wrong.

After a number of HUD career executives complained that performance awards for career members of the SES were given without peer review, we looked into it.

Guess what? HUD guidelines stated that "* * * the requirement to have more than one-half of the Board career members during the award phase is waived * * *" And the Office of Personnel Management agreed that there is no requirement to have a majority of career SES members when making a performance award recommendation.

H.R. 2986 clears up the confusion and sends a clear message to all Federal agencies—including HUD—and to the Office of Personnel Management: any Performance Review Board recommending awards to career SES employees must consist of a majority of career executives.

The intent of the Civil Service Reform Act is to give career employees a voice in management. It is ridiculous to think Congress gave

career executives a voice in the appraisal process but silenced them when awarding bonuses.

Again, I praise the chairman of the Civil Service Subcommittee, Mr. SIKORSKI, and my friend and colleague Mrs. MORELLA, for their swift and thoughtful action. I urge my colleagues to set the record straight, and to vote in favor of H.R. 2986.

Mr. SIKORSKI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. MORELLA. Mr. Speaker, knowing that our colleagues will have 5 days to revise and extend their remarks on this bill, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. SIKORSKI] that the House suspend the rules and pass the bill, H.R. 2986.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

□ 1410

STOCK RAISING HOMESTEAD ACT AMENDMENTS

Mr. RAHALL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 737) to amend the Stock Raising Homestead Act to resolve certain problems regarding subsurface estates, and for other purposes, as amended.

The Clerk read as follows:

H.R. 737

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MINERAL ENTRY UNDER STOCK RAISING HOMESTEAD ACT.

(a) MINERAL ENTRY UNDER THE STOCK RAISING HOMESTEAD ACT.—Section 9 of the Act of December 29, 1916 entitled "An Act to provide for stock-raising homesteads, and for other purposes" (39 Stat. 862; 43 U.S.C. 299) is amended by adding the following at the end thereof:

"(b) PROSPECTING; NOTICE OF INTENTION TO LOCATE; EXPLORATION, DEVELOPMENT, AND PRODUCTION.—

"(1) PROSPECTING; LOCATION OF CLAIMS.—Notwithstanding subsection (a), no person other than the surface owner may enter lands subject to this Act to prospect for minerals or to locate a claim under the mining laws of the United States on such lands without—

"(A) filing a notice of intention to locate a claim pursuant to paragraph (2); and

"(B) providing notice to the surface owner pursuant to paragraph (3).

Any person who has complied with paragraphs (2) and (3) with respect to any such lands may, during the authorized prospecting period, enter such lands to prospect for minerals, with minimal surface disruption, and to locate a mining claim on such lands. During such period no such person may construct any road, use any explosives, or use any mechanical earth moving equipment on such lands. With respect to any lands for which a notice is filed under paragraph (2), the term 'authorized prospecting period' means the period beginning ten days after notice is provided under paragraph (3) with respect to such lands and ending with the expiration of the sixty-day period referred to in paragraph (2).

"(2) NOTICE OF INTENTION TO LOCATE A CLAIM.—Any person seeking to prospect for minerals or to locate a mining claim on lands subject to this Act may file with the Secretary of the Interior a notice of intention to locate a claim on the lands concerned. The notice shall be in such form as the Secretary of the Interior shall prescribe. The notice shall contain the name and mailing address of the person filing the notice and a legal description of the lands to which the notice applies. The legal description shall be based on the public land survey or on such other description as is sufficient to permit the Secretary to record the notice on his land status records. Whenever any person has filed a notice under this paragraph with respect to any lands, during the sixty-day period following the date of such filing, no other person (including the surface owner) may—

"(A) file such a notice with respect to any portion of such lands;

"(B) locate a mining claim on any portion of such lands; or

"(C) acquire any interest in any portion of such lands pursuant to section 209 of the Federal Land Policy and Management Act of 1976.

The Secretary may establish such fees as may be necessary to cover the administrative costs of processing notices filed under this paragraph.

"(3) NOTICE TO SURFACE OWNER.—Any person who has filed a notice of intention to locate a claim under paragraph (2) for any lands subject to this Act shall provide written notice by registered or certified mail to the surface owner (as evidenced by local tax records) of the lands covered by the notice under paragraph (2). The notice shall be provided at least ten days before entering such lands and shall contain each of the following:

"(A) A brief description of the proposed prospecting activities.

"(B) A map and legal description of the lands to be subject to prospecting.

"(C) The name, address, and phone number of the person managing such activities.

"(D) A statement of the dates on which such activities will take place.

"(4) ACREAGE LIMITATIONS.—The total acreage covered at any time by notices of intention to locate a claim under paragraph (2) filed by any person and by affiliates of such person may not exceed six thousand four hundred acres of lands subject to this Act in any one State and one thousand two hundred and eighty acres of such lands for a single surface owner. For purposes of this paragraph, the term 'affiliate' means, with respect to any person, any other person which controls, is controlled by, or is under common control with, such person.

"(5) MINERALS COVERED.—This subsection applies only to minerals not subject to disposition under the Mineral Leasing Act (30 U.S.C. 181 and following), the Geothermal Steam Act of 1970 (30 U.S.C. 100 and following), or the Act of July 31, 1947, commonly known as the Materials Act of 1947 (30 U.S.C. 601 and following).

"(c) MINERAL EXPLORATION, DEVELOPMENT AND PRODUCTION.—

"(1) IN GENERAL.—Notwithstanding subsection (a) of this section, except for prospecting in accordance with subsection (b), no person may conduct any mineral exploration or development activities on lands subject to this Act without the consent of the surface owner thereof unless the Secretary has authorized the conduct of such activities under paragraph (2).

"(2) AUTHORIZED MINING OPERATIONS.—The Secretary may authorize a person to conduct mineral exploration and development activities on lands subject to this Act without the consent of the surface owner thereof only under the following conditions—

"(A) BOND.—Before the Secretary may authorize any person to conduct mineral exploration or development activities, the Secretary shall require such person to post a surety bond to be held by the United States, or to provide such other type of financial guarantee satisfactory to the Secretary to insure (i) reclamation of the surface, (ii) payment to the surface owner as compensation for damages to crops and tangible improvements of the surface owner, and (iii) compensation for loss of income by the surface owner due to loss or impairment of grazing, or other uses of the land by the surface owner, to the extent that reclamation required by the plan of operations would not permit such uses to continue at the level existing prior to the mineral exploration and development activities.

"(B) PLAN OF OPERATIONS.—Before the Secretary may authorize any person to conduct mineral exploration or development activities, the Secretary shall require such person to submit a plan of operations satisfactory to the Secretary and which complies with this subparagraph. The plan shall contain such terms and conditions as the Secretary determines necessary. The conditions shall include, at a minimum, procedures for (i) reclamation of the surface, (ii) minimization of damages to crops and tangible improvements of the surface owner, and (iii) minimization of disruption to grazing or other uses of the land by the surface owner. The plan shall provide for payment of a fee for the use of the surface lands. The fee shall be paid to the surface owner by the person submitting the plan of operations. The fee shall be paid in advance of any mineral exploration or development activities or at such other time or times as may be agreed to by the surface owner and the person conducting such activities. The Secretary shall establish the surface use fee, taking into account the acreage involved and the degree of potential disruption to existing surface uses (including loss of income to the surface owner due to the loss or impairment of existing surface uses). The Secretary shall provide the plan to the surface owner at least sixty days before the Secretary determines that the plan complies with this subparagraph. The surface owner may submit comments and recommend plan modifications to the Secretary during such sixty-day period.

The Secretary shall suspend or revoke his authorization under this paragraph whenever he determines, on his own motion or on a motion made by the surface owner, that the person conducting mineral exploration or development activities is in substantial noncompliance with the terms and conditions of the plan and failed to remedy the violation after notice from the Secretary within the time required by the Secretary.

"(3) DAMAGES FOR FAILURE TO COMPLY.—Whenever the surface owner of any land subject to this Act has suffered any damages or

loss referred to in paragraph (2)(A), if such damages or loss results—

"(A) from any mineral exploration or development activities undertaken without the consent of the surface owner under paragraph (1) or an authorization by the Secretary under paragraph (2), or

"(B) from the failure of a mine operator to remedy any substantial noncompliance with the terms and conditions of a plan under paragraph (2)(B) pursuant to a notice from the Secretary under the last sentence of paragraph (2),

the surface owner may bring an action in the appropriate United States district court for, and the court may award, treble damages. Such damages shall be reduced by the amount of any compensation which the surface owner has received (or is eligible to receive) pursuant to the surety bond or other financial guarantee required under paragraph (2)(A). The surface owner of such lands may also bring an action in the appropriate United States district court for treble damages against any person undertaking any minerals prospecting activity on such lands in violation of any requirement of paragraph (1).

"(4) PAYMENT OF DAMAGES.—The surface owner of any land subject to this subsection may petition the Secretary for payment of all or any portion of a surety bond or other financial guarantee required under paragraph (2)(A) as compensation for damages and losses referred to in paragraph (2)(A). Pursuant to such a petition, the Secretary may use such bond or other guarantee to provide compensation to the surface owner for such damages.

"(5) BOND RELEASE.—The Secretary shall release the surety bond or other financial guarantee required under paragraph (2)(A) upon the successful completion of all reclamation activities required pursuant to the plan approved under paragraph (2)(B) or at such earlier date as may be agreed to by the surface owner.

"(6) MINERALS COVERED.—This subsection applies only to minerals not subject to disposition under the Mineral Leasing Act (30 U.S.C. 181 and following), the Geothermal Steam Act of 1970 (30 U.S.C. 100 and following), or the Act of July 31, 1947, commonly known as the Materials Act of 1947 (30 U.S.C. 601 and following).

"(d)(1) CONVEYANCE TO SURFACE OWNER.—The Secretary of the Interior may convey interests owned by the United States (including mineral interests) in lands subject to this section to the surface owner pursuant to the provisions of section 209 of the Federal Land Policy and Management Act of 1976 without regard to the requirement contained in such provisions that findings be made under subsection (b) of such section.

"(2) The Secretary shall take such actions as may be necessary to simplify the procedures which must be complied with by surface owners of lands subject to this Act who apply to the Secretary to obtain title to interests in such lands owned by the United States.".

(b) TECHNICAL CONFORMING AMENDMENT.—Section 9 of the Act of December 29, 1916 entitled "An Act to provide for stock-raising homesteads, and for other purposes" (43 U.S.C. 299) is amended by inserting "(a) GENERAL PROVISIONS.—" before the words "That all entries made".

(c) REGULATIONS.—Within one hundred and eighty days after the enactment of this Act, the Secretary of the Interior shall promulgate such regulations as may be necessary to implement the authorities vested in him under the amendments made by this section.

The SPEAKER pro tempore (Mr. KASTMAYER). Pursuant to the rule, a second is not required on this motion.

The gentleman from West Virginia [Mr. RAHALL] will be recognized for 20 minutes, and the gentleman from Idaho [Mr. CRAIG] will be recognized for 20 minutes.

The Chair recognizes the gentleman from West Virginia [Mr. RAHALL].

GENERAL LEAVE

Mr. RAHALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 737, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RAHALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 737 seeks to address a long-standing dispute which not only pre-dates the enactment of the Stock Raising Homestead Act in 1916—which was one of the last western settlement type initiatives under which individuals could gain title to public lands—but a controversy which this 73-year-old law originally sought to resolve.

This is the conflict that can arise when those interested in the raising of livestock, and those engaged in the occupation of mineral exploration and development, seek to gain the use of the same land.

Throughout the Western States there are approximately 70 million acres of land on which title to the surface is held by private individuals under the Stock Raising Homestead Act.

However, the mineral estate to these lands was not made part of the title and continues to be owned by the United States. As such, these minerals are subject to the various mining laws.

Today, the increased interest in gold exploration and development in States like California and Nevada has aggravated the inherent conflicts of this type of land ownership situation and is giving rise to the need for this legislation.

While some provisions relating to the rights of surface owners faced with the prospect of their land being mined are provided for in the Stock Raising Homestead Act, in my view, current law is inadequate to handle the types of situations that can arise.

For its part, the BLM under existing law may be somewhat hampered from taking a more aggressive posture, although some questions have been voiced as to whether the agency has shown enough concern in these matters.

H.R. 737 seeks to strike a balance between the rights of the private surface owner, and those interested in the underlying locatable minerals, through a two-stage procedure for gaining access to, and undertaking mining activities on, Stock Raising Homestead Act lands.

The first stage involves initial entry to the land. Under the bill a person would have to file with the BLM a "notice of intention to locate a claim" in order to gain access to Stock Raising Homestead Act land. This person would then have a 60-day exclusive right to prospect and locate a claim on the land subject to the notice. However, the prospector could only enter the land after providing the surface owner with 10 days' notice.

The second stage involves mineral exploration and development activities. If the surface owner and the mineral developer could not reach an agreement on how mining activities should proceed, access for mining purposes could then be obtained by filing a bond and plan of operations with the BLM.

Under the bill, the surface owner would have an opportunity to comment on the proposed plan of operations before it is approved. In addition, if mining activities are undertaken without surface owner consent, his or her interests are protected through a surface use fee which must be paid by the mineral developer, the bond which must be posted and the ability to seek treble damages from the courts.

It should be noted that the scope of this legislation is limited to locatable minerals. Unlike with leasable or salable minerals, where the Federal Government has discretionary authority, the mining law has worked to preempt the private surface owner's rights on these Stock Raising Homestead Act lands.

It is this preemption that has given rise to instances where ranching operations have been disrupted, if not outright destroyed.

Mr. Speaker, before I reserve the balance of my time, I do wish to commend our full committee chairman, the gentleman from Arizona [Mr. UDALL], for his leadership and help on this legislation. In particular, I wish to commend the ranking minority member, the gentleman from Idaho [Mr. CRAIG], for his diligent efforts in seeking a compromise resolution of this issue. This is an issue that affects his home State of Idaho to which he will speak in just a moment. I also wish to commend the gentleman from California [Mr. LEHMAN], who has introduced this legislation, in whose district the subcommittee held hearings and whose leadership has been invaluable as we seek to address this problem as it affects the Western States.

Mr. Speaker, I reserve the balance of my time.

Mr. CRAIG. Mr. Speaker, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 737, a bill to amend the Stock Raising Homestead Act. Chairman RAHALL and I have worked with both ranchers and miners to arrive at a bill that recognizes the importance of both of these western land users, while at the same time protecting the rights of the surface owner/miners to explore for the developed mineral deposits of these lands, rights that are held by the Federal Government.

I would also at this time like to congratulate my colleague, the gentleman from California [Mr. LEHMAN], who brought this issue before the Subcommittee on Mining and Natural Resources, an issue that for some time in his State of California has developed into a contentious problem with miners and ranchers or landowners going head to head over this issue.

I think the whole in the text of the changes that we have proposed embodied in H.R. 737 were well explained by my chairman. I think what is real is the desire to build a compromise and recognize the rights of both the landowner, the surface owner, and the subsurface owner of rights and minerals, in this case the Federal Government.

I think what is unique in this situation is that in 1916 when this particular law became public policy and the homesteading process occurred, it was little understood that over a generation or more land like this would change hands on more than one or two or three occasions. And in many instances when land purchasers in the West today acquire property that is currently under this law they fail to recognize the fine print. In essence, that they have acquired the surface rights but they have failed to acquire the subsurface rights, simply because they are unacquirable, they are still held by the Federal Government because this was land once acquired into fee simple land through the homesteading process under the Homestead Stock Raising Act.

As a result, conflict can immediately arise when this landowner finds himself or herself faced with a situation where they wake up some morning and there is someone out in the middle of their land prospecting for minerals and they have little, to no, ability to stop them from doing so simply because these people have complied with the law.

That certainly is a circumstance that has come to pass on more than one occasion on western lands that are within the context of this public policy.

As a result of that, and as my chairman mentioned, with the now occurrence of substantial increased mining interests in the West on these types of lands, and others, real conflict was at hand and we thought it was important to bring the interested parties together to bring about a resolution, forced by the introduction of the Lehman bill that is now embodied in H.R. 737.

As a result of that, I think we have crafted a compromise that solves the problem as was explained by our colleague. This is an issue that deals with not just a few acres here or there but literally millions of acres spread across the Western States.

In my State of Idaho, well over 3.5 million acres; in the State of California, a similar amount; in other States substantially more.

So we are dealing with an issue that is broad-based in nature, that takes a law that is many years old now, many generations past, reforms it into, I think, a modern-day approach of compromise where both parties are placed on notice by a process provided for in the law.

Mr. Speaker, let me thank my colleagues, the gentleman from West Virginia [Mr. RAHALL] and certainly the gentleman from California [Mr. LEHMAN] for their diligence in working with us to craft a compromise which we thought was necessary.

Mr. Speaker, I rise in support of H.R. 737, a bill to amend the Stock Raising Homestead Act. Chairman RAHALL and I have worked with both ranchers and miners to arrive at a bill that recognizes the importance of both of these western land users while, at the same time, protecting the rights of surface owners miners to explore for and develop mineral deposits on these lands.

The Stock Raising Homestead Act of 1916 led to the entry and patenting of approximately 70 million acres of public lands throughout the West—about 3.5 million in Idaho. Congress chose to reserve to the United States all minerals in a stock-raising homestead patent, together with the right to prospect for, mine, and remove those minerals. Thus, a split-estate was created whereby the land surface was privately owned and the subsurface federally owned.

H.R. 737 amends section 9 of the Stock Raising Homestead Act, dealing with the acquisition of mining rights, which is the only portion of the Stock Raising Homestead Act that remains in effect today.

H.R. 737 requires that a mineral claimant give notice to a surface owner prior to entering on the surface for the purpose of non-mechanical prospecting. Notice is given by filing a "notice of intention to locate a claim" with the Bureau of Land Management. The filing of such notice gives the claimant a 60-day exclusive right to prospect for minerals and to locate a claim on lands identified in the notice. A claimant may hold up to 6,400 acres in any one State and 1,280 acres on any one stock-raising homestead at one time. During this 60 days of holding an exclusive right to enter, the claimant must give the surface owner a 10-day notice of proposed activities prior to entering on the surface.

H.R. 737 also requires there must be an agreement between the surface owner and the miner prior to mineral exploration and development. If these two parties cannot agree, access can be gained to the stock-raising homestead lands by the miner filing a bond and a plan of operations with the Secretary of the Interior and the Secretary giving approval of the plan of operations. Under the latter scenario the claimant must pay a surface use fee, established by the Secretary, to the surface owner. The Secretary may revoke or suspend operations if a claimant is in substantial noncompliance with the terms and conditions of the plan.

The bill also establishes a process whereby a surface owner may be awarded damages if a claimant inflicts uncompensated damage or losses on a surface owner.

Mr. Speaker, the bill before us is an equitable solution to a conflict of rights that arose between two important and traditional land users in the West—miners and ranchers. H.R. 737 resolves those conflicts, and I recommend that the bill be passed.

The administration has indicated that they have no objection to House passage of H.R. 737.

Mr. Speaker, I reserve the balance of my time.

Mr. RAHALL. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. LEHMAN].

Mr. LEHMAN of California. Mr. Speaker, I rise in support of H.R. 737 and would just like to take a moment to thank my colleagues who have done such a great job on this bill.

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I thank the chairman of the Subcommittee on Mining and Natural Resources, the gentleman from West Virginia [Mr. RAHALL] and the ranking member of the subcommittee, the gentleman from Idaho [Mr. CRAIG].

When this bill came before the committee, it had some controversies in it. It had some problems. Rather than reject it offhand, they decided that there was merit in the substance. They came out and saw my situation firsthand. They related it to what was happening in other parts of the West, and the results is a bill that is not only a good bill, but a substantial improvement over the bill I initially introduced. For that I am very grateful.

The bill we have before Members represents nearly 5 years of work in trying to solve the problem of split-estate land ownerships that were created by the Stock Raising Homestead Act of 1916. This act disposed of about 70 million acres of land. What set the 1916 act apart from previous homestead acts was that it conveyed the surface of the property to the private owner, but the Federal Government retained the subsurface for future mineral development.

Clearly, the private owners surface must be disturbed in order for mineral development to begin. What the act did not do was give the private land

owner much protection from indiscriminate mineral operators. I was curious to learn when a constituent of mine contacted me with this problem that there is virtually no protection for the private land owner, short of going to court, to collect damages. In fact, there is not even a requirement that the mine operator give notice that he will enter the property.

Finally, in 1985, the BLM admitted that there was no administrative remedy to solve my constituent's problem. Although the BLM agreed to cattlemen's groups request to write regulations to solve the problem more than a year ago, there is no indication that the Bureau has any intention of issuing those regulations. As a result, I introduced legislation similar to this in the 100th Congress, and although no hearings were held at that time, it gained strong bipartisan support.

In June of this year, the subcommittee held a field hearing on the bill, and the amended bill that is before Members is a direct result of that hearing. The bill that has emerged from this subcommittee, and the subcommittee with even greater bipartisan support, because it adequately addresses the rights of the private surface owner as well as recognizing the needs of the mineral operator. H.R. 737, as amended, gives substantial protection to the land owner, but it does not unduly restrict the mining beneath these lands. Balancing private property rights and legitimate mining interests is very difficult and very delicate. This bill strikes the right balance.

Mr. Speaker, I also want to commend the principal interests involved here, the mining industry and the cattle industry, for deciding to get together on this rather than fighting it out all the way.

Mr. Speaker, we have worked very hard to bring a bill of this caliber to the House for consideration. I deeply appreciate the assistance of the chairman, the gentleman from West Virginia [Mr. RAHALL], and the ranking member, the gentleman from Idaho [Mr. CRAIG]. I look forward to sending the bill to the Senate today.

Mr. CRAIG. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. RAHALL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KOSTMAYER). The question is on the motion offered by the gentleman from West Virginia [Mr. RAHALL] that the House suspend the rules and pass the bill, H.R. 737, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

CONGRESSIONAL SCHOLARSHIPS FOR SCIENCE, MATHEMATICS, AND ENGINEERING ACT

Mr. ROE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 996) to establish the congressional scholarships for science, mathematics, and engineering, and for other purposes, as amended.

The Clerk read as follows:

H.R. 996

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Congressional Scholarships for Science, Mathematics, and Engineering Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) science and technology are cornerstones of America's efforts to develop products and services which will compete in the global marketplace and improve Americans' standards of living and quality of life;

(2) Americans' ability to pursue scientific and technical careers and to render informed judgments on scientific and technical issues have been hampered by low levels of educational attainment in science and mathematics;

(3) the achievement of universal "scientific literacy" by all Americans, including those who choose not to become scientists or engineers, is an essential goal of all programs designed to strengthen American competitiveness in science, mathematics, and engineering;

(4) young people from across the Nation who have demonstrated talents and interests in science and mathematics should be encouraged to pursue careers in those fields, both to inspire other students and to increase participation in scientific and technical professions;

(5) the preparation of a new generation of scientific and technical professionals, and the education of all Americans in the risks and benefits of modern science and technology, requires a strong, coordinated effort to strengthen the teaching of science and mathematics by encouraging qualified individuals to enter the teaching profession; and

(6) greater emphasis must be placed on increasing the participation in teaching of science and mathematics, as well as in the scientific and technical professions, of groups of Americans currently underrepresented in those fields.

SEC. 3. PURPOSES.

It is the purpose of this Act—

(1) to strengthen the United States science, mathematics, and engineering base by offering opportunities to pursue postsecondary education in science, mathematics, and engineering;

(2) to encourage role models in scientific, mathematics, and engineering fields for young people;

(3) to strengthen the United States scientific, mathematics, and engineering potential by encouraging equal participation of women with men in scientific, mathematics, and engineering fields; and

(4) to attract talented students to teaching careers in science and mathematics in elementary and secondary schools.

SEC. 4. FOUR-YEAR SCHOLARSHIP PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—The Director of the National Science Foundation (hereafter in this Act referred to as the "Director") shall establish and implement a competitive, merit-based program for selecting one male and one female from each congressional district of the United States each year to receive a four-year congressional scholarship for science, mathematics, and engineering.

(b) NOMINATING COMMITTEES.—The Director shall establish for each congressional district, or, to the extent a contiguous group of congressional districts reflects a geographic region similar in demographics, geography, and economic status and activity, for each such group of congressional districts, a broad-based committee of educators, scientists, mathematicians, and engineers who shall serve as volunteers without compensation. Each such committee shall submit to the Director nominations of one male and one female from each congressional district for scholarships under this Act. If the Director rejects a nomination made under this subsection on the basis that the nominee does not meet the requirements of subsection (c) or (d), the nominating committee shall submit a substitute nomination. The membership of each committee shall reflect geographic distribution within its area. Committees established under this subsection shall not be subject to the Federal Advisory Committee Act.

(c) ELIGIBILITY.—Only individuals who are citizens or nationals of the United States, or who are aliens lawfully admitted to the United States for permanent residence, shall be eligible for scholarships under this section. Scholarship awardees shall be selected while in their senior year of high school, or, if they have previously graduated from high school, upon making application for admission as a freshman to an institution of higher education, but, prior to receiving a scholarship, must have been accepted for admission to an institution of higher education in the United States that is currently accredited by a nationally recognized accrediting agency or association.

(d) CRITERIA FOR NOMINATION AND SELECTION.—Individuals shall be nominated and selected for scholarships under this section on the basis of potential to successfully complete a postsecondary program in science, mathematics, or engineering, and on the basis of motivation to pursue a career in science, mathematics, or engineering. In addition, consideration may be given to the financial need of the individual, and to promoting participation by minorities and individuals with disabilities. The Director shall determine the criteria for measuring the potential and motivation of nominees.

(e) NATURE AND AMOUNT OF SCHOLARSHIPS.—Scholarships awarded under this section may be used only for tuition, fees, room and board, and other reasonable education expenses. Such scholarships shall be $5,000 per year, except as necessary to accommodate a recipient completing a four-year academic program in less than four years.

(f) MAINTAINING ELIGIBILITY.—(1) In order to maintain eligibility to receive funds pursuant to a scholarship awarded under this section, a student must—

(A) be enrolled at an institution of higher education in the United States that is currently accredited by a nationally recognized accrediting agency or association;

(B) major in any field of science, mathematics, or engineering;

(C) maintain superior performance, as determined by the Director; and

(D) except as provided in paragraph (2) or (3), carry a full-time academic work load, as determined by the institution in which the

student is enrolled under standards applicable to all students enrolled in that student's program.

(2) Upon application by a scholarship recipient, the Director may make an exception to the requirements under paragraph (1) in any of the following cases:

(A) Active duty as a member of the armed services.

(B) Disability certified by a qualified physician.

(C) Exceptional personal circumstances or emergencies.

(D) Pregnancy, child-rearing, or other family responsibilities.

(3) Each exception made under paragraph (2) shall be effective for not longer than 2 years, after which the recipient may reapply for an additional exception under such paragraph.

(4) If an individual who has received an award under this section fails to maintain eligibility under this subsection, such individual shall be required to pay to the United States such amounts as would be payable, in the same manner as they would be payable, if at the time the amounts were received the amounts were a loan and the recipient were a new borrower under part B of title IV of the Higher Education Act of 1965.

(g) NOTIFICATION OF MEMBERS OF CONGRESS.—The Director shall notify each Member of Congress of selections made from such Member's district before public announcement of such selections is made.

(h) MONITORING IMPLEMENTATION AND COMPLIANCE.—The Director shall monitor the implementation of and compliance of the nominating committees with this section.

(i) SOLICITATION, NOMINATION, AND SELECTION OF STUDENTS.—The Director shall ensure that the solicitation, nomination, and selection of students for the programs established by this section shall be carried out without discrimination on the basis of race, age, physical disability, religion, ethnic background, economic status, or sexual preference.

(j) SELECTION OF NOMINATING COMMITTEES.—The Director shall ensure that the selection of nominating committees under subsection (b) shall be carried out without discrimination on the basis of race, age, physical disability, religion, ethnic background, economic status, or sexual preference.

SEC. 5. TWO-YEAR SCHOLARSHIP PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—The Director shall establish a competitive, merit-based program for awarding congressional scholarships to students enrolled in a baccalaureate degree program in science, mathematics, or engineering who are willing to commit themselves to teach elementary or secondary science or mathematics.

(b) ELIGIBILITY.—Only individuals who are—

(1) citizens or nationals of the United States, or who are aliens lawfully admitted to the United States for permanent residence;

(2) majoring in science, mathematics, or engineering;

(3) in the last 2 years of a baccalaureate degree program; and

(4) enrolled in an institution of higher education in the United States which is currently accredited by a nationally recognized accrediting agency or association,

shall be eligible for awards under this section.

(c) SELECTION CRITERIA.—Individuals shall be selected to receive awards under this section on the basis of academic merit and demonstrated accomplishment in science, mathematics, or engineering. In addition, consideration may be given to the financial need of the individual, and to promoting participation by minorities, women, and individuals with disabilities.

(d) NATURE AND AMOUNT OF SCHOLARSHIPS.—(1) A total of 500 awards for two-year scholarships shall be made each year at the rate of $7,500 per year to individuals willing to commit themselves to teach elementary or secondary science or mathematics as specified in subsection (f). An additional period of scholarship support, not to exceed one year, and at the same rate of $7,500 per year, shall be available to scholarship recipients who have completed requirements for the baccalaureate degree but require additional credits in education courses in order to obtain certification to teach.

(2) Scholarships awarded under paragraph (1) may be used only for tuition, fees, room and board, and other reasonable educational expenses.

(e) MAINTAINING ELIGIBILITY.—(1) In order to maintain eligibility to receive funds pursuant to a scholarship awarded under this section, a student must—

(A) be enrolled at an institution of higher education in the United States that is currently accredited by a nationally recognized accrediting agency or association;

(B) major in any field of science, mathematics, or engineering;

(C) maintain superior performance, as determined by the Director; and

(D) except as provided in paragraph (2) or (3), carry a full-time academic work load, as determined by the institution in which the student is enrolled under standards applicable to all students enrolled in that student's program.

(2) Upon application by a scholarship recipient, the Director may make an exception to the requirements under paragraph (1) in any of the following cases:

(A) Active duty as a member of the armed services.

(B) Disability certified by a qualified physician.

(C) Exceptional personal circumstances or emergencies.

(D) Pregnancy, child-rearing, or other family responsibilities.

(3) Each exception made under paragraph (2) shall be effective for not longer than 2 years, after which the recipient may reapply for an additional exception under such paragraph.

(f) SERVICE REQUIREMENT.—An individual receiving an award under this section shall be required to complete, within 6 years after graduation from the baccalaureate degree program for which the award was made or after completion of the additional period of scholarship support, if applicable, at least 2 years of service as an elementary or secondary science or mathematics teacher for each year of scholarship support under this Act, except that such requirement shall not exceed a total of 4 years. Service required under this section shall be performed at a school receiving assistance under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2701 et seq.).

(g) FAILURE TO COMPLETE SERVICE OBLIGATION.—

(1) GENERAL RULE.—If an individual who has received an award under this section—

(A) fails to maintain an acceptable level of academic standing in the educational institution in which he is enrolled, as determined by the Director;

(B) is dismissed from such educational institution for disciplinary reasons;

(C) withdraws from the baccalaureate degree program for which the award was made before the completion of such program;

(D) declares intent not to fulfill the service obligation under this section; or

(E) fails to fulfill the service obligation under this section,

such individual shall be liable to the United States as provided in paragraph (2).

(2) AMOUNT OF REPAYMENT.—(A) If a circumstance described in paragraph (1) (A), (B), (C), (D), or (E) occurs before the completion of one year of a service obligation under this section, the United States shall be entitled to recover from the individual, within 1 year after the date of the occurrence of such circumstance, an amount equal to—

(i) the total amount of awards received by such individual under this section; plus

(ii) the interest on such amounts which would be payable if at the time the amounts were received they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States.

(B) If a circumstance described in paragraph (1) (A), (B), (C), (D), or (E) occurs after the completion of 1 year of a service obligation under this section, but before the completion of the second year of such service obligation, the United States shall be entitled to recover from the individual, within 1 year after the date of the occurrence of such circumstance, an amount equal to—

(i) the total amount of awards received by such individual under this section minus $3,750; plus

(ii) the interest on such amounts which would be payable if at the time the amounts were received they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States.

(C) If a circumstance described in paragraph (1) (A), (B), (C), (D), or (E) occurs after the completion of 2 years of a service obligation under this section, but before the completion of the third year of such service obligation, the United States shall be entitled to recover from the individual, within 1 year after the date of the occurrence of such circumstance, an amount equal to—

(i) the total amount of awards received by such individual under this section minus $7,500; plus

(ii) the interest on such amounts which would be payable if at the time the amounts were received they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States.

(D) If a circumstance described in paragraph (1) (A), (B), (C), (D), or (E) occurs after the completion of 3 years of a service obligation under this section, but before the completion of the fourth year of such service obligation, the United States shall be entitled to recover from the individual, within 1 year after the date of the occurrence of such circumstance, an amount equal to—

(i) the total amount of awards received by such individual under this section minus $11,250; plus

(ii) the interest on such amounts which would be payable if at the time the amounts were received they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States.

(3) EXCEPTIONS.—(A) The Director may provide for the partial or total waiver or

suspension of any service obligation or payment by an individual under this section whenever compliance by the individual is impossible or would involve extreme hardship to the individual, or if enforcement of such obligation with respect to the individual would be unconscionable.

(B) Any obligation of an individual under this section for payment under paragraph (2) may be released by a discharge in bankruptcy under title 11, United States Code, only if such discharge is granted after the expiration of the 5-year period beginning on the first date that such payment is required.

SEC. 6. TWO-YEAR CAREER OPTION.

(a) ESTABLISHMENT OF PROGRAM.—The Director shall establish a Science, Mathematics, and Research Technologies Scholarship Program for making awards to students pursuing higher education programs in certain fields of science, mathematics, and engineering in which shortages in the workforce of the United States are projected on the basis of data on scientific and engineering resources obtained under section 3(a)(6) of the National Science Foundation Act of 1950 (42 U.S.C. 1862(a)(6)).

(b) ELIGIBILITY.—Only individuals who are—

(1) citizens or nationals of the United States, or who are aliens lawfully admitted to the United States for permanent residence;

(2) majoring in science, mathematics, or engineering;

(3) in the last 2 years of a baccalaureate degree program; and

(4) enrolled in an institution of higher education in the United States which is currently accredited by a nationally recognized accrediting agency or association,

shall be eligible for awards under this section.

(c) SELECTION CRITERIA.—Individuals shall be selected to receive awards under this section on the basis of academic merit and demonstrated accomplishment in science, mathematics, or engineering. In addition, consideration may be given to the financial need of the individual, and to promoting participation by minorities, women, and individuals with disabilities.

(d) NATURE AND AMOUNT OF SCHOLARSHIPS.—(1) A total of 500 awards for two-year scholarships shall be made each year at the rate of—

(A) $5,000; plus

(B) an amount, not to exceed $2,500, which is equal to the amount of financial aid made available to the student for such school year by the educational institution in which the student is enrolled;

per student per year.

(2) Scholarships awarded under paragraph (1) may be used only for tuition, fees, room and board, and other reasonable educational expenses.

(e) MAINTAINING ELIGIBILITY.—(1) In order to maintain eligibility to receive funds pursuant to a scholarship awarded under this section, a student must—

(A) be enrolled at an institution of higher education in the United States that is currently accredited by a nationally recognized accrediting agency or association;

(B) major in any field of science, mathematics, or engineering;

(C) maintain superior performance, as determined by the Director; and

(D) except as provided in paragraph (2) or (3), carry a full-time academic work load, as determined by the institution in which the student is enrolled under standards applicable to all students enrolled in that student's program.

(2) Upon application by a scholarship recipient, the Director may make an exception to the requirements under paragraph (1) in any of the following cases:

(A) Active duty as a member of the armed services.

(B) Disability certified by a qualified physician.

(C) Exceptional personal circumstances or emergencies.

(D) Pregnancy, child-rearing, or other family responsibilities.

(3) Each exception made under paragraph (2) shall be effective for not longer than 2 years, after which the recipient may reapply for an additional exception under such paragraph.

(f) SERVICE REQUIREMENT.—As a condition of receiving an award under this section, a recipient shall be required, within 4 years after graduation from the baccalaureate degree program for which the award was made, to complete—

(1) two years of—

(A) service in a science, mathematics, or engineering related capacity in the employ of—

(i) the United States; or

(ii) any corporation or other entity, organized under the laws of the United States or of a State of the United States, 50 percent of which is owned by United States nationals, and which is engaged in scientific or engineering research or endeavor;

(B) postgraduate education in science, mathematics, or engineering at an institution of higher education which is accredited by a nationally recognized accrediting agency or association; or

(C) a combination of service and education described under subparagraphs (A) and (B); or

(2) a postgraduate degree program in science, mathematics, or engineering at an institution of higher education which is accredited by a nationally recognized accrediting agency or association.

(g) FAILURE TO COMPLETE SERVICE OBLIGATION.—

(1) GENERAL RULE.—If an individual who has received an award under this section—

(A) fails to maintain an acceptable level of academic standing in the educational institution in which he is enrolled, as determined by the Director;

(B) is dismissed from such educational institution for disciplinary reasons;

(C) withdraws from the baccalaureate degree program for which the award was made before the completion of such program;

(D) declares intent not to fulfill the service obligation under this section; or

(E) fails to fulfill the service obligation under this section,

such individual shall be liable to the United States as provided in paragraph (2).

(2) AMOUNT OF REPAYMENT.—If a circumstance described in paragraph (1) (A), (B), (C), (D), or (E) occurs before the completion of a service obligation under this section, the United States shall be entitled to recover from the individual, within 1 year after the date of such occurrence, an amount equal to—

(A) the total amount of awards received by such individual under this section; plus

(B) the interest on such amounts which would be payable if at the time the amounts were received they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States.

(3) EXCEPTIONS.—(A) The Director may provide for the partial or total waiver or suspension of any service obligation or payment by an individual under this section, for reasons including but not limited to pregnancy, child-rearing, or other family responsibilities, whenever compliance by the individual is impossible or would involve extreme hardship to the individual, or if enforcement of such obligation with respect to the individual would be unconscionable.

(B) Any obligation of an individual under this section for payment under paragraph (2) may be released by a discharge in bankruptcy under title 11, United States Code, only if such discharge is granted after the expiration of the 5-year period beginning on the first date that such payment is required.

SEC. 7. NOTIFICATION OF SECONDARY SCHOOLS.

The Director shall notify all public and private secondary schools and all institutions of higher education in the United States annually of the availability of scholarships under this Act.

SEC. 8. REINSTATEMENT OF ELIGIBILITY.

The Director shall determine circumstances under which eligibility of a scholarship recipient under this Act could be reinstated if the recipient seeks to reenter school after an interruption of schooling for personal reasons, including but not limited to pregnancy, child-rearing, and other family responsibilities.

SEC. 9. EFFECT OF CERTAIN CONTROLLED SUBSTANCE AND FELONY CONVICTIONS.

(a) GENERAL RULE.—Except as provided in subsection (b), or by a court under the authority of section 5301 of the Anti-Drug Abuse Act of 1988 (102 Stat. 4310), if any person is convicted under Federal or State law of the illegal use, possession, or distribution of a controlled substance (as such term is defined in the Controlled Substances Act), or of any crime which is a felony under Federal law or for an act which, if committed in a Federal jurisdiction, would be a felony under Federal law, and such crime was committed during a period with respect to which such person has maintained eligibility under section 4(f), 5(e), or 6(e), such person shall not be eligible to receive any further awards under this Act, and shall be liable to the United States for the repayment, within 1 year after such conviction, of all amounts received pursuant to awards made under this Act, plus the interest on such amounts which would be payable if at the time the amounts were received they were loans bearing interest at the maximum legal prevailing rate, as of the time of such conviction, as determined by the Treasurer of the United States.

(b) EXEMPTION.—A person subject to the provisions of subsection (a) may be exempted from those provisions in whole or in part if—

(1) that person, within 90 days of a conviction described in subsection (a), petitions the Director for a good cause exemption from subsection (a); and

(2) the Director approves the petition.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

(a) Section 101 (c) of the National Science Foundation Authorization Act of 1988 is amended—

(1) by striking "$2,388,000,000" and inserting in lieu thereof "$2,401,000,000"; and

(2) by amending paragraph (2) to read as follows:

"(2) Science and Engineering Education, $218,300,000, which shall be available for the following subcategories:

"(A) Science and engineering education programs, $205,300,000.

"(B) Scholarships under the Congressional Scholarships for Science, Mathematics, and Engineering Act, $13,000,000.".

(b) Section 101(d) of the National Science Foundation Authorization Act of 1988 is amended—

(1) by striking "$2,782,000,000" and inserting in lieu thereof "$2,808,000,000"; and

(2) by amending paragraph (2) to read as follows:

"(2) Science and Engineering Education, $266,200,000, which shall be available for the following subcategories:

"(A) Science and engineering education programs, $240,200,000.

"(B) Scholarships under the Congressional Scholarships for Science, Mathematics, and Engineering Act, $26,000,000.".

(c) Section 101(e) of the National Science Foundation Authorization Act of 1988 is amended—

(1) by striking "$3,245,000,000" and inserting in lieu thereof "$3,280,250,000"; and

(2) by amending paragraph (2) to read as follows:

"(2) Science and Engineering Education, $316,250,000, which shall be available for the following subcategories:

"(A) Science and engineering education programs, $281,000,000.

"(B) Scholarships under the Congressional Scholarships for Science, Mathematics, and Engineering Act, $35,250,000.".

(d) Section 101(f) of the National Science Foundation Authorization Act of 1988 is amended—

(1) by striking "$3,505,000,000" and inserting in lieu thereof "$3,545,750,000"; and

(2) by amending paragraph (2) to read as follows:

"(2) Science and Engineering Education, $348,750,000, which shall be available for the following subcategories:

"(A) Science and engineering education programs, $308,000,000.

"(B) Scholarships under the Congressional Scholarships for Science, Mathematics, and Engineering Act, $40,750,000.".

(e) Section 104 of the National Science Foundation Authorization Act of 1988 is amended by adding at the end the following new subsection:

"(c) Notwithstanding subsections (a) and (b), funds made available for science and engineering education programs under section 101(c)(2)(A), (d)(2)(A), (e)(2)(A), and (f)(2)(A) shall not be reduced below the amount appropriated for the preceding fiscal year for such purposes.".

SEC. 11. REPORT.

The National Science Foundation shall prepare and submit to the Congress no later than February 1, 1990, a report examining current efforts to improve the quality of elementary and secondary mathematics and science education and career potential for the underprivileged through joint efforts of business, school districts, and institutions of higher education, and recommending ways the Federal Government could encourage such efforts. The report shall include, to the extent possible, a comprehensive list of existing efforts, an assessment of what factors have made some such efforts more successful than others, and a review of the extent to which such efforts have drawn on Federal programs.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New Jersey [Mr. ROE] will be recognized for 20 minutes, and the gentleman from Pennsylvania [Mr. WALKER] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. ROE].

Mr. ROE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 996, a bill to create congressional scholarship for undergraduate study in science, mathematics, and engineering represents an important investment in the Nation's future. H.R. 996, as amended, is the result of a bipartisan effort by the committee.

For those Members that are here that are reviewing the progress we are making in today's legislative affairs, I wanted to share with them a note I received this morning from my nephew who is 6 years old. It comes from California, and he says, "Dear Uncle Bob, things just are not good. School is just about to start and I don't know any math. What should I do? Signed. Timothy."

I congratulate Mr. WALGREN for his leadership in crafting H.R. 996, as amended. Also, I would like to acknowledge the efforts of our colleagues on the other side of the aisle, Mr. WALKER of Pennsylvania, the ranking Republican member of the committee, along with Mr. BOEHLERT of New York, Mr. SLAUGHTER of Virginia, and the other members who have contributed to strengthening the bill.

The reason I took time to read the vignette of my nephew's was to pinpoint the fact that he is 6 years old and he understands how important mathematics is.

H.R. 996 truly is a bipartisan attempt to address the critical problem of attracting more students to careers in science, mathematics, and engineering.

A continuous supply of scientific talent is the basic requirement for sustaining the scientific and technological enterprise of the United States. Nothing less than the quality of life of our people and the security of the Nation is at stake. Yet we are confronted with evidence of declining percentages of college students electing to study science, engineering, and mathematics at the same time that the size of the college-aged population is declining. Moreover, the composition of this college population includes increasing numbers of minorities, who have traditionally been underrepresented in science. And, although there have been some increases in participation by women, the percentage majoring in the physical sciences and engineering has leveled off at a fairly low rate of participation.

Clearly, we cannot succeed in fulfilling our national requirements for scientists and engineers unless we take steps to reverse current trends. The Congressional Scholarship Program created by H.R. 996 is designed to have high visibility throughout the country in order to encourage role models in science, mathematics, and engineering for young people and, particularly important, more role models for women.

The bill establishes a merit-based, competitive undergraduate scholarship program at the National Science Foundation. Since its creation in 1950, the Foundation has been the leading Federal agency supporting broad-ranging basic research in the sciences, mathematics, and engineering in the Nation's universities and supporting science and engineering education at all levels. The proposed scholarship program taps the long experience of NSF in the administration of student support activities and associates the prestige of NSF with these congressional scholarships.

The bill creates three distinct types of undergraduate scholarships: A 4-year scholarship for one male and one female from each congressional district; scholarships for the junior and senior years for students willing to commit to teaching elementary or secondary science or mathematics; and scholarships for the junior and senior years for students willing to work as a scientist or engineer or willing to attend graduate school, to pursue advanced studies in science, mathematics, or engineering.

H.R. 996 authorizes appropriations for congressional scholarships as a separate program within NSF science and engineering education activities. The committee expects the scholarships to be funded from available discretionary appropriations for such NSF education activities. However, since the committee did not intend for the scholarship program to take funds away from other ongoing science education activities, H.R. 996 increases the total authorization level for science and engineering education at NSF by the amount needed for the scholarship program. Further, H.R. 996 restricts the reprogramming authority of the NSF Director relative to ongoing science education activities so that the congressional scholarships must be funded either from increased appropriations for all of science and engineering education activities or from reprogramming from other NSF program areas, as provided in the National Science Foundation Authorization Act of 1988.

An important goal of the scholarships program is to raise national awareness of the importance of science and technology to our future. To achieve a high level of visibility for the congressional scholarships, NSF is charged to publicize widely the availability of the scholarships, to establish committees at the congressional district level to nominate candidates for the 4-year scholarships and to notify Congressmen of awards to their constituents in advance of public an-

nouncement, to enable Members, if they desire, to take an active role in recognizing awardees.

Mr. Speaker, H.R. 996, as amended, will increase the number of scientists and engineers in America while providing a highly visible symbol of the national stake in science, mathematics, and engineering education. I urge my colleagues to support passage of H.R. 996 with the committee amendment.

□ 1430

Mr. WALKER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, H.R. 996 is the Science Committee's recommendation for carrying out the President's proposal to provide scholarships to science, math, and engineering undergraduates.

I think this is a good bill. I congratulate the chairman of the committee, the gentleman from New Jersey [Mr. ROE] for his efforts in bringing this bill to the floor, and also those who have worked solidly on the bill for a number of months: My colleague, the gentleman from Pennsylvania [Mr. WALGREN], who chaired the subcommittee and who did the work on the committee; the gentleman from New York [Mr. BOEHLERT], the vice chairman of that subcommittee, who has contributed so much to the bill; the gentleman from Virginia [Mr. SLAUGHTER], who also helped develop much of the language in this bill. I think those Members formed the corps that brought us the kind of legislation we have before us today.

The reason for the President's recommendation for such a program in the first place was the recognition that American students are performing poorly in science and fewer are going into the field. As a result, we see American high school students scoring at or near the bottom in international assessments of science and math achievement. In several graduate fields of science, the majority of the students are foreign nationals, and more of them are returning to their home countries after they finish with their work. After they finish, they are not remaining here, as had been the case in the past, but instead they are going home to their own countries.

The Federal Government has long used scholarship programs as a way to overcome such problems. The National Defense Education Act offered scholarships in response to the sputnik launch, and a wide variety of Federal programs such as health scholarships and ROTC offer money as an incentive to students to enter fields or to work in locales that need them.

The administration has one fairly minor disagreement with us on this particular bill. They think it ought to be under the Department of Education. We think it ought to be under the National Science Foundation. The reason for the disagreement is because we think the emphasis here ought to be on science, and that the way we get emphasis on science is to ensure that the National Science Foundation administers the program. It has en excellent track record for merit selection, and these new scholarships complement the graduate fellowship program the National Science Foundation has been running for more than 30 years.

H.R. 996 is a bit more conservative in terms of the size of the general 4-year scholarship grants, but it is much more diverse in also providing 2-year scholarships to students who are willing to commit to teaching, further graduate study, or a career in science.

I think we also need to point out that our bill is responsible to the taxpayer because it requires the students to pay back the grants if they fail to fulfill 4 years of undergraduate science study or their service commitment in the 2-year programs. In the 4-year program, the money would convert to a student loan, while for the 2-year scholarships there is a payback requirement with full interest.

In light of the justifiably overriding concern with illegal drug use in our country today, I might also note that language supplied by the gentleman from Missouri [Mr. BUECHNER] sets the example of dropping scholarship recipients from the program who are convicted of a drug offense or other felony while they are in the program. In such cases there are punitive payback penalties.

Finally, H.R. 996 incorporates within it a bill I had originally sponsored dealing with underprivileged use. This would require a study by the National Science Foundation to submit a study of successful programs in which businesses, universities, and school districts have worked together to improve education for the underprivileged. The most successful innovations have come and should come from the State and local level. Many excellent programs exist or are starting, but it is difficult for groups to find out what other sections of the country are trying or what methods have been most successful. This report will help supply that information.

Mr. Speaker, I would certainly urge my colleagues to support H.R. 996.

Mr. Speaker, I reserve the balance of my time.

Mr. ROE. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. WALGREN], chairman of the Subcommittee on Science, Research and Technology.

Mr. WALGREN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, at the outset, I want to salute the leadership of the Committee on Science, Space, and Technology, both the chairman of the committee, the gentleman from New Jersey [Mr. ROE] on the Democratic side, and the ranking minority member, the gentleman from Pennsylvania [Mr. WALKER] on the Republican side, for their time, focused effort, and leadership in bringing this measure through the committee to the floor of the House of Representatives in such a direct fashion.

The warning flags that are flying about the state of American education in science, math, and engineering deserve the attention of the Congress. We have a good and valid vehicle before us in order to support science and math and engineering education in our country. There is a very wide realization that nothing could be more important.

When we look back, we realize how important science, math, and engineering have been to our country. In many ways, we realize we were, in a sense, just lucky to be the first to develop the atom bomb that ended World War II. Had it turned out differently, the fate of the world and the United States would have been much different. But when we look back at the Manhattan project we realize that many of the critical contributions that saved our country and preserved the world we value were made by people who essentially were not educated in America. They were the product of European educational systems with names like Einstein, Szilard, Fermi, Teller, and others. How confident can we be that future breakthroughs will be found first by Americans when so many measures put American students far behind other nations in science capacity.

America's education system must be improved. Evaluations of our schools come back entitled "A Nation at Risk" and "The Rising Tide of Mediocrity." Looking at those reports, we cannot but be driven to do more in science and math education on all levels. When we compare American students with those in other nations, we realize that we are not the world leaders in science and math education.

American students, the headlines say, are performing "at the bottom." American students are behind those from Spain and behind those from South Korea in many measures of achievement in science and math education. And even the very top, the top 1 percent of the American student body, now fall to the median abroad, scoring no better than average in international ranks. When we think how important science and math have been in our country and how important they will be in the future of global economic competition, we have to make a major, major effort in this area.

This bill is a small bill. It is not a big budgetary item, but it makes a very real contribution to improving and strengthening American education in

science, math, and engineering. The bill recognizes that the first critical area is in high school. If people are not interested in learning the fundamentals that lie at the start of an education in science and math, they cannot catch up later on. Students cannot do well in calculus in college if they have not mastered algebra in high school. So we must start at the high school level.

There's simply just not enough science and math in American high schools. How will we keep up with students in other countries who generally take 4 years of math, and 4 years of physics and chemistry, while an average student in the American system is not likely to take more than 1 or 2 years of courses in these areas.

So, excellence must start on the high school level, and we provide in this bill prized scholarships for graduating high school seniors, significant financial support by the Federal Government for one young man and one young woman from each congressional district. Every high school student in America will get the message that science education is a valued pursuit, and that we value the qualities these young people develop. Just as we have Congressional Medals of Honor to recognize other levels of American excellence, we should have congressional science and math scholarships to motivate young men and women in science education. If we do no attract women to science in full measure we will be turning our backs on one-half of the thinking power we could otherwise rely on. So that part of this bill is critically important.

□ 1440

However, Mr. Speaker, we realize that these young people will only excel in science education if they are interested by a good teacher. The gentleman from New York [Mr. BOEHLERT] was determined to provide scholarship aid to the best of those who would go to on to teach in targeted schools.

Mr. Speaker, sadly many high school students are now taught science by people who, in many cases, are not interested in science. It was not their field of study. Often the last science course they may have had was when they themselves were in high school. That clearly is not good enough. So, we provide in the bill scholarship support in the junior and senior years for those who will go on and teach on the secondary level.

Third, in response to the points made by Mr. SLAUGHTER from Virginia, we provide scholarships in the junior and senior year for those who have the greatest potential to go on to graduate school. Giving real support for the most talented college students to stay with their education into graduate school will pay great dividends in keeping the best students in science careers.

I want to emphasize that all the selections under this bill will be merit selections conducted by the National Science Foundation. On the high school level, the NSF will convene a representation of teachers, practicing scientists, and community leaders. On the college level, the NSF itself will conduct a selection process on the national level. All awardees are to be the very best we have and, therefore, be the symbols for other people to aspire, to perform, and know that they, too, can participate fully and have a critical contribution to make to the future of our country.

Mr. Speaker, I urge support for the bill.

Mr. WALKER. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Speaker, I rise in strong support of H.R. 996. This bill is, to be blunt, a rare chance for the House to put its money where its mouth is on education.

We all have done plenty of talking about education. We all can recite the depressing statistics about student performance and teacher preparation, especially in mathematics and science. We all can enumerate the important factors influencing education that are beyond the Federal Government's control.

But with H.R. 996, we at last can do something more. We can take some affirmative steps to improve math and science education in this country and to attract more students to those fields.

I'd like to draw particular attention to the teacher scholarship provisions in the bill, which began life as my bill, H.R. 1293.

To my mind, the single factor that most determines the quality of education is the quality of our Nation's teachers. All the innovations in curriculum and computers, the best physical plants in the nicest locations will fail to excite and educate students, if our schools are not filled with dedicated, bright, enthusiastic, and imaginative teachers. We need only think back on our own experience—on our own mentors—to recognize the truth of this proposition.

Are we attracting those teachers now? Certainly not in great enough numbers. Students expressing an interest in teaching today are among the lowest scorers on standardized exams; many don't even come from the academic tracks of their high schools. The situation is especially dire in science and math, fields in which principals are already reporting difficulty recruiting qualified candidates. This is certainly not the situation we want as many of our current teachers approach retirement age.

The Federal Government can make a difference in this area. By offering science, math, and engineering students prestigious, highly competitive National Science Foundation scholarships in return for teaching, the Government can attract top students to teaching and send a message about the importance of the field.

The Federal Government offers scholarships to attract physicians to underserved areas, to encourage graduate study in science, to recruit for the military. Surely the need for excellent science and math teachers is as critical. Indeed, it's not an overstatement to claim this is a legitimate national security issue.

H.R. 996 goes further than the President's science scholarship proposal by requiring a greater commitment from the students and by looking beyond graduation to solving the critical need for teachers and for scientists and engineers in the workforce.

I look forward to working with the administration, my colleagues on other House committees and in the Senate to fashion a workable scholarship program that recognizes the full range of problems confronting our education system.

Mr. WALKER. Mr. Speaker, I yield 4 minutes to the gentleman from Virginia [Mr. SLAUGHTER].

Mr. SLAUGHTER of Virginia. Mr. Speaker, I am pleased to ask the House to support the critically important technology education legislation, H.R. 996, which is the Congressional Scholarships for Science, Mathematics and Engineering Act, as forwarded by the Committee on Science, Space, and Technology under the leadership of the chairman of the committee, the gentleman from New Jersey [Mr. ROE], and the ranking member of the committee, the gentleman from Pennsylvania [Mr. WALKER].

We have before the House today, a bill introduced by our able colleague, Mr. WALGREN of Pennsylvania, who is the chairman of the Subcommittee on Science, Research, and Technology. By this bill, we are recognizing the abilities of those young people who have demonstrated skill and aptitude in the fields of science, mathematics and engineering and rewarding these students for demonstrating technological excellence.

I am pleased that the House Science, Space and Technology Committee has incorporated into H.R. 996 elements of the science scholars program I introduced earlier this year in H.R. 1217, the Science, Mathematics and Research Technologies Scholarships Act. This program would identify national shortages in science, mathematics, and engineering and award merit scholarships to students displaying proficiency in these fields for their final 2 years of undergraduate training. In return,

the students would pledge to go on to graduate study or work in the technoligical field following graduation.

This 2-year scholarship and career program would provide 500 annual scholarships in the amount of $5,000 each, with an additional $2,500 in Federal funds available if matched by universities on a dollar for dollar basis. This leveraged funding provision will enable the Federal Government to stretch our education dollars further and ensure that most of our scholars will be receiving full scholarships at the universities of their choice.

While I am certainly pleased with the provisions adopted from my legislation into the bill we are considering today, I hope our committee will return to this issue in the near future and add a graduate science scholars component to our scholarship program. By adding a graduate scholars link, I believe we will better be able to ensure that our Nation's finest science scholars receive the high level of education needed to place America's technological efforts in the future.

Finally, I believe H.R. 996 is a stepping stone on the path to revitalize technological pursuit. It is imperative that we develop incentives to attract and train those highly qualified individuals who will close the pending technological gap and increase the woefully small number of American students now pursuing degrees in science, mathematics, and engineering. I encourage my colleagues to support this needed legislation.

Mrs. LLOYD. Mr. Speaker, I rise in strong support of the Congressional Scholarships for Science, Mathematics and Engineering Act of 1989 to create several annual scholarships for aspiring students to pursue science, math or engineering on the college level.

As an original cosponsor of this bill, and chairman of the House Science, Space, and Technology Subcommittee on Energy, Research and Development, I believe the enactment of this legislation is essential to the future of American competitiveness and should be adopted with all possible speed.

Science, mathematics, and engineering education must be a top priority for or Nation because the workforce of tomorrow depends on the education of our students today. We must produce scientifically and technologically literate adults who are prepared to function in the complex, high-tech marketplace which is evolving.

We can no longer afford to let our students graduate unprepared to meet the challenges that will afford our Nation the full opportunity to prosper in the 21st century. Let's make sure we have the tools available to encourage superior math and science performance. This legislation will encourage our high school students to aspire to a scientific career and I believe this is essential to our national interest.

I urge my colleagues to join with me in supporting this valuable and timely proposal.

Mr. FRENZEL. Mr. Speaker, I would like to raise some budget concerns with this bill contained in the CBO cost estimate. The CBO is of the opinion that this bill establishes mandatory spending because the bill does not specifically limit the scholarship payments to amounts provided in advance in appropriations acts. It is my understanding that it was not the intent of the Science and Technology Committee to create a new mandatory spending program and that these new congressional scholarships will be funded from available discretionary appropriations. It is further my understanding that sufficient reprogramming authority exists to shift funds within the National Science Foundation budget to pay for these new scholarships.

Mr. GOODLING. Mr. Speaker, H.R. 996 is a bill to create scholarships for mathematics and science students. This program is very similar to a program included in H.R. 1675, the Educational Excellence Act. H.R. 1675 contains the President's education package. I am very much in support of mathematics and science scholarships and I am pleased that this bill includes one of the ideas contained in the President's education package. I do have some reservations about congressionally controlled scholarships. However, I realize that this bill would create localy based committees for the nomination of candidates. Furthermore, this legislation appears to violate section 302(b) of the Budget Act which prohibits new mandatory spending not authorized in the budget resolution.

The Senate Committee on Labor and Human Resources has considered its version of H.R. 1675 and has included the Mathematics and Science Scholarships Program. I am hopeful that our committees and the Senate will be able to work together to enact a scholarship program which will best serve the needs of mathematics and science students in this country. I do intend to continue to work for the enactment of H.R. 1675 and I feel consideration of this bill is a step toward that end.

□ 1450

Mr. WALKER. Mr. Speaker, I yield back the balance of my time.

Mr. ROE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KOSTMAYER). The question is on the motion offered by the gentleman from New Jersey [Mr. ROE] that the House suspend the rules and pass the bill, H.R. 996, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 996, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

MILDRED AND CLAUDE PEPPER SCHOLARSHIP ACT

Mr. WILLIAMS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2666) to establish a Mildred and Claude Pepper Scholarship Program.

The Clerk read as follows:

H.R. 2666

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Mildred and Claude Pepper Scholarship Act".

SEC. 2. PROGRAM AUTHORITY.

From the sums appropriated pursuant to section 3, the Secretary of Education is authorized to make grants to the Washington Workshops Foundation for the purpose of establishing and maintaining the Mildred and Claude Pepper Scholarship Program.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this Act, $500,000 for fiscal year 1990, and such sums as may be necessary for fiscal years 1991 and 1992.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Montana [Mr. WILLIAMS] will be recognized for 20 minutes, and the gentleman from Missouri [Mr. COLEMAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, a year ago Claude Pepper asked me to develop a scholarship program for hearing-impaired students. He asked that we pass legislation implementing it and requested that the effort be named in honor of his late wife Mildred.

Today we consider Mr. Pepper's request. H.R. 2666 is the bill establishing the Mildred and Claude Pepper Scholarship Program at the Washington Workshops Foundation. These scholarships will be used to enroll hearing-impaired high school students in seminars sponsored by the foundation. On July 12, the Subcommittee on Postsecondary Education by voice vote ordered this bill to be reported favorably to the full Committee on Education and Labor. On July 26 that committee ordered the bill to be reported, again by voice vote, to the full House.

The Washington Workshops Foundation, which will administer the Pepper scholarships, was very important to our late colleague. The foundation through its workshops programs brings students from different backgrounds to Washington from all 50 States to learn and participate first hand in the government process. Chairman Pepper helped found the program in 1968, and he was the first Member of Congress to participate as a speaker in the workshops' weekly congressional seminars. He continued

his commitment to the foundation by participating each year as a speaker, and he was a member of the foundation's advisory council.

This scholarship program will enable the Washington Workshops Foundation to plan five special 1-week sessions for hearing-impaired students to participate in congressional and diplomacy seminars. Each seminar will enroll 75 hearing-impaired students, enabling these students to come to Washington to learn about the Federal Government through on-site meetings with Government officials. The Washington Workshops Foundation would administer the program in conjunction with its on-going congressional seminar and diplomacy and governmental affairs seminar programs. In addition, 25 hearings-impaired students will be eligible each year through this Pepper Scholarship Program to take part in a 3-week internship in a congressional office.

Earlier this year, the entire Florida delegation wrote to the Secretary of Education urging him to provide funds for this scholarship program from his discretionary account. However, without an authorization, it is unlikely that this funding will be forthcoming. Thus, there is a real need for this authorizing legislation.

H.R. 2666 would provide an authorization of $500,000 in fiscal year 1990, and such sums as may be necessary in 1991 and 1992, to establish and maintain the Mildred and Claude Pepper Scholarship Program. I believe such a program would be a fitting tribute to a great man and his wife—a great lady. I urge my colleagues to adopt this bill.

Mr. COLEMAN of Missouri. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join Chairman WILLIAMS in supporting the passage of H.R. 2666, the Mildred and Claude Pepper Scholarship Act, which provides authorization of $500,000 for grants to the Washington Workshops Foundation. This scholarship program will provide the opportunity for secondary school students who are hearing impaired or otherwise physically disabled to participate in congressional and diplomacy seminars and in the Washington Workshop's Congressional Internship Program.

These grants will enable the Washington Workshops Foundation to bring 100 students of different backgrounds from all 50 States to Washington to learn about, and to participate firsthand in the legislative and foreign policymaking processes. Because grants will go to physically disabled students, primarily those with hearing impairments, the Mildred and Claude Pepper Scholarship Program will offer a unique introduction to the Federal Government and the legislative process, an introduction by active participation.

I join my colleagues in supporting a bill which honors Chairman Pepper's longstanding support of the Washington Workshops Foundation. This scholarship program embodies his dedication to breaking down the barriers between the physically disabled and hearing impaired and the larger society—a society which, as Claude Pepper knew, can only benefit from their increased participation and contributions as full citizens.

Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I am pleased to rise in support of H.R. 2666, legislation to establish the Claude and Mildred Pepper Scholarship Program, which as you know was extremely important to our late colleague, the gentleman from Florida, Claude Pepper.

I commend the gentleman from Montana [Mr. WILLIAMS] for introducing this measure.

Mr. Speaker, H.R. 2666 will authorize a program of grants to the Washington Workshops Foundation which will in turn provide grants to hearing impaired high school students selected from a cross-section of schools throughout the country; $500,000 will enable 375 students to participate in the Washington Workshops' congressional and diplomacy seminars. In addition, 25 interns will be placed in Member offices on Capitol Hill.

Additionally, the establishment of the Mildred and Claude Pepper Scholarship Program will honor our late friend and colleague Congressman Claude Pepper. The causes which Claude Pepper espoused were many and varied, yet his intensity and involvement never diminished. Accordingly, I believe that this program is a fitting tribute to this great man.

We are all familiar with the Washington Workshops Foundation and its contributions over the past two decades in offering our Nation's young people the unique opportunity to learn about our governmental process through first-hand and practical experience here in Washington. The longstanding success of the program has been acknowledged by educators, Government officials, teachers, parents, and students alike.

Mr. Speaker, H.R. 2666 will honor our friend, the late Claude Pepper, who was instrumental in founding the Washington Workshops Program in 1968. Accordingly, I urge my colleagues to join today in support of this worthy bill.

□ 1500

Mr. WILLIAMS. Mr. Speaker, I yield 36 seconds to our colleague, the gentleman from West Virginia [Mr. RAHALL].

Mr. RAHALL. Mr. Speaker, I rise in support of the pending legislation. Nothing could please the late Chairman Claude Pepper more than to bring others the best and brightest from public service, which was his lifelong commitment, and I think that this legislation establishing the Mildred and Claude Pepper Scholarship Act does just that.

Mr. Speaker, I am pleased to rise in support of H.R. 2666, the bill to establish the Mildred and Claude Pepper Scholarship Fund. This bill authorizes the Secretary of Education to make grants to the Washington Workshops Foundation for the purpose of establishing and maintaining these scholarships, authorizing an appropriation of $500,000 for fiscal year 1990, and such sums as may be necessary for the next 2 fiscal years.

The Washington Workshops Foundation brings students from different backgrounds from all 50 States to Washington to learn and participate in the government process. The late Claude Pepper helped found the workshops in 1968, more than 20 years ago. He was the first Member of Congress to participate as a speaker in the workshops' weekly congressional seminars, and he continued his commitment to the foundation throughout his life.

Because of Chairman Pepper's longstanding commitment to the foundation, and in light of his dedication to the handicapped, the foundation determined to honor him and his wife Mildred by establishing the scholarship program in their names. For that reason, the Committee on Education and Labor decided to authorize funding for the establishment of the scholarship program, as its own living tribute to our beloved Claude Pepper.

The scholarships to be offered by the foundation are to go primarily to secondary school students who are hearing impaired or otherwise physically disabled, giving them the opportunity to participate in civic education programs in Washingtron, DC. The workshops will administer this program in conjunction with its ongoing congressional seminar and diplomacy and global affairs seminar programs.

I commend the Committee on Education and Labor, under the leadership of our esteemed chairman, AUGUSTUS HAWKINS, for bringing this bill to the floor of the House so that others may join with us in honoring our friend and colleague Claude Pepper and his wife Mildred. I wish to commend also Representative PAT WILLIAMS, chairman of the Postsecondary Education Subcommittee, for his thoughtfulness and foresight in making it possible for the Congress to consider this further, living tribute to Chairman Pepper. Nothing would please Chairman Pepper more than to bring others, the best and the brightest, into public service which was his own lifelong commitment.

I know that my colleagues from both sides of the aisle of the House of Representatives will join me in assuring passage of H.R. 2666 today.

Mr. FASCELL. Mr. Speaker, I rise in support of H.R. 2666, the Mildred and Claude Pepper Scholarship Act. We all know of Claude Pepper's commitment to the young and the disadvantaged in America, and this legislation will assist those to whom he dedicated his lifetime of public service.

H.R. 2666 authorizes a program of grants to high school students who are disabled and economically disadvantaged to participate in the Washington workshop's congressional and diplomacy seminars which are annually held in Washington. These programs offer an invaluable and unique opportunity for citizenship education for our Nation's young people. This legislation would offer the opportunity to participate to less advantaged students who would not normally be able to participate.

Additionally, this measure will authorize 25 scholarships for special internship assignments on Capitol Hill. These scholarships would be offered in conjunction with the ongoing Washington Workshop's Advanced Congressional Seminar which is available to students who have completed the first seminar. This is an academically oriented program which offers transferable college credit upon completion of the program.

This program will be a very advantageous transition tool for the disabled student entering the adult world. It will also provide invaluable practical experience for students to learn first hand of the lessons of the U.S. Government. I urge our colleagues to support this important legislation.

Mr. GOODLING. Mr. Speaker, in June of this year, I rose before this House to pay tribute to Claude Pepper as "a man who spent the majority of his working life in public service in both Chambers of Congress." It is fitting that the first bill that we consider to honor this public servant is one which introduces young Americans who are hearing impaired or physically disabled to public service.

I join Mr. WILLIAMS and Mr. COLEMAN in supporting the passage of this proposal—the Claude and Mildred Pepper Scholarship Act. Not only will 100 young people benefit each year through their attendance and participation in the Washington Workshops' Seminars and Congressional Internship Program, but the country itself will benefit by having broadened the horizons of these youth so that they might consider public service as part of their future.

I urge my colleagues to support this tribute to our former colleague.

Mr. POSHARD. Mr. Speaker, I rise in strong support of H.R. 2666, the Mildred and Claude Pepper Scholarship Act.

Throughout his legislative career, Claude Pepper worked to improve the quality of life for all Americans. He fought for the rights of the Nation's poor and elderly, young people, and the physically disabled.

He was also dedicated to educating students about the keystone of American government—democracy. This bill does just that. It authorizes funds for establishing and maintaining scholarships to enable high school students who are hearing impaired or otherwise physically disabled to participate in programs sponsored by the Washington Workshops Foundation. The grants will allow those students to take part in congressional seminars, diplomacy and global affairs seminars, and the Washington Workshops' Congressional Internship Program.

Claude Pepper was involved with the Washington workshops since the program was established and he had taken an active part in the program each year. These important programs give young people a unique chance to experience the workings of Congress firsthand, and I fully support Congressman Pepper's efforts to expand the workshop's vital mission.

Too often our great Nation and its democratic form of government are taken for granted. In reality, we are blessed to be able to participate in the governing of our country and the determination of our future. Billions of people do not have that right. Whole nations of the world exclude their people from voicing their political beliefs. America is different and it has been since 1776.

Claude Pepper knew and appreciated our democratic heritage. He fought against the forces he believed threatened our Nation and he also fought to teach our young people about the Government they are privileged to live under.

As a salute to Claude and Mildred Pepper and to the beliefs for which they stood, I urge my colleagues on both sides of the aisle to pass H.R. 2666, the Mildred and Claude Pepper Scholarship Act.

Mr. LEHMAN of Florida. Mr. Speaker, I would like to take this opportunity to express my support for H.R. 2666, legislation authorizing the Education Department to make grants to the Washington Workshop Foundation to establish the Mildred and Claude Pepper Scholarship Program.

This legislation would authorize a program of scholarships to hearing-impaired or otherwise physically disabled secondary school students, who are also economically disadvantaged, allowing them to participate in the Washington workshops' congressional seminars, diplomacy and global affairs seminars, and the Congressional internship Program. The congressional seminar is an academically oriented program of instruction on the American national Government. The Global Affairs Seminar offers students a better understanding of the national and international organizations in Washington and how they help in the formulation of foreign policy and global affairs. It is also expected that through the Pepper Scholarship Program 25 hearing-impaired students would be able to participate in a 3-week internship in a congressional office.

This outstanding program was very important to the late Congressman Claude Pepper, and I would urge my colleagues to vote in favor of this legislation.

Mr. COLEMAN of Missouri. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WILLIAMS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KOSTMAYER). The question is on the motion offered by the gentleman from Montana [Mr. WILLIAMS] that the House suspend the rules and pass the bill, H.R. 2666.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2666, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

LIBRARY SERVICES AND CONSTRUCTION ACT AMENDMENTS OF 1989

Mr. WILLIAMS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2742) to extend and amend the Library Services and Construction Act, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2742

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This Act may be cited as the "Library Services and Construction Act Amendments of 1989".

(b) REFERENCES.—References in this Act to "the Act" are references to the Library Services and Construction Act (20 U.S.C. 351 et seq.).

SEC. 2. DEFINITIONS.

Section 3 of the Act is amended—

(1) in paragraph (2)—

(A) by striking "and initial equipment" and inserting "and for the purchase, lease, and installation of equipment";

(B) by striking "to conserve energy" and inserting "to ensure safe working environments and to conserve energy"; and

(C) by striking out "includes machinery" and inserting "includes information and building technologies, video and telecommunications equipment, machinery" and

(2) by adding at the end thereof the following new paragraphs:

"(17) The term 'handicapped individual' means an individual who is physically or mentally impaired, visually impaired, or hearing impaired.

"(18) The term 'network' means any local, statewide, regional, interstate, or international cooperative association of library entities which provide for the systematic and effective coordination of the resources of school, public, academic, and special libraries and information centers for improved supplementary services for the clientele served by each type of library entity.".

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

(a) AMENDMENT.—Section 4(a) of the Act is amended to read as follows:

"SEC. 4. (a) There are authorized to be appropriated—

"(1) for the purpose of making grants as provided in title I, $100,000,000 for fiscal year 1990 and such sums as may be necessary for each of the 4 succeeding fiscal years;

"(2) for the purpose of making grants as provided in title II, $55,000,000 for fiscal year 1990 and such sums as may be necessary for each of the 4 succeeding fiscal years;

"(3) for the purpose of making grants as provided in title III, $35,000,000 for fiscal year 1990 and such sums as may be neces-

sary for each of the 4 succeeding fiscal years;

"(4) for the purpose of making grants as provided in title V, $1,000,000 for fiscal year 1990 and such sums as may be necessary for each of the 4 succeeding fiscal years;

"(5) for the purpose of making grants as provided in title VI, $10,000,000 for fiscal year 1990 and such sums as may be necessary for each of the 4 succeeding fiscal years;

"(6) for the purpose of activities as provided in title VII, $500,000 for fiscal year 1990, and such sums as may be necessary for each of the 4 succeeding fiscal years; and

"(7) for the purpose of making grants as provided in title VIII, $12,000,000 for fiscal year 1990 and such sums as may be necessary for each of the 4 succeeding fiscal years, except that no amounts are authorized to be appropriated under this paragraph for any fiscal year unless the amount appropriated pursuant to paragraph (1) for such fiscal year equals or exceeds the amount appropriated pursuant to such paragraph for the fiscal year 1989.

There shall be available for the purpose of making grants under title IV for each of the fiscal years 1990, 1991, 1992, 1993, and 1994, 1.5 percent of the amount appropriated pursuant to each of paragraphs (1), (2), and (3) for each such fiscal year. There shall be available for the purpose of making grants under section 5(d) for such fiscal years 0.5 percent of the amount appropriated pursuant to each of such paragraphs for each such fiscal year.".

(b) CARRYOVER OF FUNDS.—Section 4(b) of the Act is amended by striking "and for the next succeeding fiscal year" and inserting "and is authorized to remain available until expended".

SEC. 4. ALLOCATIONS.

(a) AMENDMENT.—Section 5(c) of the Act is amended to read as follows:

"(c)(1) From one-half of the sums available pursuant to the second sentence of section 4(a) for any fiscal year, the Secretary shall allot an equal amount to each Indian tribe that submits an approved application under section 403.

"(2) From the remaining one-half of the sums available pursuant to such second sentence, the Secretary shall make allocations to Indian tribes that (A) are receiving an allocation under paragraph (1) of this subsection for such fiscal year; and (B) have submitted approved applications under section 404.

"(3) In making allocations under paragraph (2)—

"(A) no funds shall be allocated to an Indian tribe unless such funds will be administered by a librarian; and

"(B) the Secretary shall take into account the needs of Indian tribes for such allocations to carry out the activities described in section 402(b).

"(4) In making allocations under this subsection, the Secretary shall take such actions as may be necessary to prevent an allocation from being received to serve the same population by any two or more of the following entities (as defined in or established pursuant to the Alaskan Native Claims Settlement Act): an Alaskan native village, a regional corporation, or a village corporation.".

(b) CONFORMING AMENDMENT.—Section 6(g)(2) of the Act is amended by inserting after "section 5(c)(2)" the following: "in the same fiscal year in which it has received an allocation under section 5(c)(1)".

SEC. 5. RESOURCE SHARING COORDINATION.

Section 5 of the Act is amended—

(1) in subsection (d)(1), by striking "and construction" and inserting ", construction, and interlibrary cooperation and resource sharing"; and

(2) by adding at the end thereof the following new subsection:

"(h) The Secretary shall coordinate programs under titles V and VI of this Act with the programs assisted by titles I, II, and III of this Act, and shall provide to the head of the State library administrative agency the opportunity to comment on any application for a grant under title V or VI of this Act prior to the awarding of the grant, in order to assure that such grants from the Secretary are for purposes consistent with the long-range program required under subsection (d) of this section.".

SEC. 6. MAINTENANCE OF EFFORT.

(a) GENERAL REQUIREMENT.—Section 7(a) of the Act is amended by striking paragraphs (1) and (2) and inserting the following:

"(1) there will be available from State and local sources for expenditure under the program, during the fiscal year for which the allotment is made, an amount that equals or exceeds the amount required to provide the State percentage as required by subsection (b); and

"(2)(A) there will be available for expenditure for State aid to public libraries and library systems, during the fiscal year for which the allotment is made, an aggregate amount equal to 90 percent of the amount actually expended for such purposes in the second preceding fiscal year; or

"(B) if the State does not provide direct aid for public libraries or library systems, there will be available for expenditure, during the fiscal year for which the allotment is made, for the State library administrative agency, or for the part thereof charged by State law with the extension and development of public library services throughout the State, an aggregate amount equal to 90 percent of the amount actually expended for such purpose in the second preceding fiscal year.

the Secretary may, in accordance with regulations, waive the requirements of paragraph (2) of the subsection, if the Secretary determines that the application of such paragraph would be unjust or unreasonable in the light of exceptional extenuating circumstances.".

(b) INSTITUTIONAL LIBRARY SERVICES.—The last sentence of section 103 is amended by inserting before the period at the end thereof the following: "and to the extent that the Secretary determines that the populations served by such expenditures has declined".

SEC. 7. EDUCATIONAL RESEARCH LIBRARY.

(a) AMENDMENT.—The Library Services and Construction Act is further amended by inserting after section 8 the following new section:

"EDUCATION RESEARCH LIBRARY

"SEC. 9. None of the activities or functions of the Department of Education Research Library which are utilized, directly or indirectly, by the Secretary in carrying out this Act and which were not performed by contractors as of July 26, 1989, shall be contracted out or otherwise transferred from the Federal Government before September 30, 1991, unless such transfer is expressly authorized by statute, or unless the value of all work performed under the contract and related contracts in each fiscal year does not exceed $50,000.".

(b) STUDY REQUIRED.—The Comptroller General shall conduct a study of the Department of Education Research Library. The Comptroller General shall prepare and submit a report on the study required by this section by no later than September 30, 1990, together with such recommendations and any statutory changes required to carry out such recommendations as the Comptroller deems necessary. Such study shall include—

(1) an assessment of the historic and scholastic value and significance of the library's collection to educators, education researchers, historians, and others;

(2) a review of the feasibility and merits of expanding public access to and use of the library's collections and alternative means by which such access could be promoted; and

(3) an evaluation of the quality and effectiveness of services provided by the library to Department personnel and recommendations for improving such services.

SEC. 8 INTERGENERATIONAL LIBRARY SERVICES.

Section 101 of the Act is amended—

(1) by redesignating paragraphs (5) and (6) as paragraphs (9) and (10), respectively; and

(2) by inserting after paragraph (4) the following new paragraph:

"(5) for assisting libraries in developing intergenerational library programs that will match older adult volunteers with libraries interested in developing after school literacy and reading skills programs for unsupervised school children during afterschool hours;".

SEC. 9. CHILDCARE LIBRARY OUTREACH.

Section 101 of the Act is further amended by inserting after paragraph (5) the following new paragraph:

"(6) for assisting libraries in providing mobile library services and programs to licensed or certified child-care providers or child-care centers;".

SEC. 10. LIBRARY LITERACY CENTERS.

Section 101 of the Act is further amended by inserting after paragraph (6) the following new paragraph:

"(7) to establish and support model library literacy centers, coordinated by the State library administrative agency with other interested State agencies and nonprofit organizations to reduce the number of functionally illiterate individuals and to help them reach full employment;".

SEC. 11. DRUG ABUSE PREVENTION.

Section 101 of the Act is further amended by inserting after paragraph (7) the following new paragraph:

"(8) for assisting libraries in providing and displaying educational materials, and conducting community-wide programs, aimed at preventing and eliminating drug abuse, in cooperation with local education agencies or other agencies or organizations, if appropriate;".

SEC. 12. USE OF TITLE I FUNDS.

Section 102(a) of the Act is amended by adding at the end thereof the following new sentence: "In carrying out its program to accomplish the purposes of this title, a State may make subgrants to library systems or networks which include libraries other than public libraries, if the purpose of the subgrant is to improve services for public library patrons.".

SEC. 13. RATABLE REDUCTIONS OF MAJOR URBAN RESOURCE LIBRARIES.

Section 102(c) of the Act is amended by adding at the end thereof the following new paragraph:

"(3) No State shall, in carrying out the provisions of paragraph (2) of this subsection, reduce the amount paid to any major urban resource library below the amount that such library received in the fiscal year preceding the fiscal year for which the determination is made under such paragraph (2), except that such amount may be ratably reduced to the extent that (A) the total Federal allocations to the State under section 5 for purposes of this title for the applicable fiscal year are reduced, or (B) the 1900 Census shows the population of the city served by such library has decreased.".

SEC. 14. STATE ANNUAL PROGRAM.

Section 103 of the Act is amended—

(1) in paragraph (3), by striking "and institutionalized individuals";

(2) in paragraph (4), by striking everything following "elderly" the first place it appears and inserting a semicolon; and

(3) by striking paragraph (5) and inserting the following:

"(5) describe the uses of funds to make library services and programs more accessible to handicapped individuals.".

SEC. 15. TECHNOLOGY ENHANCEMENT.

(a) DEFINITION.—Section 3 of the Act is further amended by adding at the end thereof the following new paragraph:

"(19) The term 'technology enhancement' means the acquisition, installation, maintenance, or replacement, of substantial technological equipment (including library bibliographic automation equipment) necessary to provide access to information in electronic and other formats made possible by new information and communications technologies.".

(b) USE OF TITLE I FUNDS.—Section 101 of the Act is further amended—

(1) by striking "and" at the end of paragraph (9) (as redesignated by section 7(1));

(2) by striking the period at the end of paragraph (10) (as redesignated by section 7(1)) and inserting "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(11) for assisting public libraries in making effective use of technology to improve library and information services.".

(c) USE OF TITLE II FUNDS.—Title II of the Act is amended—

(1) by inserting "AND TECHNOLOGY ENHANCEMENT" after "CONSTRUCTION" in the heading of such title;

(2) by inserting "AND LIBRARY AND INFORMATION TECHNOLOGY ENHANCEMENT" after "CONSTRUCTION" in the head of section 201;

(3) by inserting "and technology enhancement" after "construction" each place it appears in sections 201, 202(a), 202(b), 203(1), and 203(3);

(4) by striking "section 3(2)" in section 202(a) and inserting "sections 3(2) and 3(19), respectively"; and

(5) by inserting "AND TECHNOLOGY ENHANCEMENT" after "CONSTRUCTION" in the heading of section 203.

(d) USE OF TITLE III FUNDS.—Section 302(a) of the Act is amended—

(1) by striking "and" at the end of clause (1); and

(2) by inserting before the period at the end of clause (2) the following: ", and (3) developing the technological capacity of libraries for interlibrary cooperation and resource sharing".

SEC. 16. PRESERVATION OBJECTIVES IN CONSTRUCTION.

Section 203 of the Act is amended—

(1) by striking the period at the end of paragraph (4) and inserting "; and"; and

(2) by adding at the end thereof the following new paragraph:

"(5) follow policies and procedures in the construction of public libraries that will promote the preservation of library and information resources to be utilized in the facilities.".

SEC. 17. RESOURCE SHARING.

(a) ATTAINMENT OF COMPLIANCE WITH RESOURCE SHARING PLANS.—Sections 301 and 304(a) of the Act are each amended by striking "eventual" and inserting "attaining".

(b) SCHOOL LIBRARY RESOURCES.—Section 304 of the Act is amended by adding at the end thereof the following new subsection:

"(e) Public and school libraries which cooperate to make school library resources available to the public during periods when school is not in session may be reimbursed for such expenses.".

SEC. 18. PRESERVATION COOPERATION.

Title III of the Act is amended by adding at the end thereof the following new section:

"PRESERVATION PROGRAMS

"SEC. 305. (a) The long-range program and annual program of each State under this title may—

"(1) include a statewide preservation cooperation plan that complies with this section; and

"(2) identify the preservation objectives to be achieved during the period covered by the long-range plans required by section 6.

"(b) A statewide preservation cooperation plan complies with this section if—

"(1) such plan specifies the methods by which the State library administrative agency will work with libraries, archives, historical societies, scholarly organizations, and other agencies, within or outside the State, in planning, education and training, coordinating, outreach and public information, and service programs to ensure that endangered library and information resources are preserved systematically; and

"(2) such preservation plan is developed in consultation with such parties and agencies as the State archives, historical societies, libraries, scholarly organizations, and other interested parties.

"(c) A State which has a statewide preservation cooperation plan that complies with this section may use funds under this title to carry out such plan.

"(d) The State library administrative agency may contract part or all of the preservation program under this section to other agencies or institutions.".

SEC. 19. MAXIMUM GRANTS UNDER TITLE V.

Section 501(c) of the Act is amended by striking "$15,000" and inserting "$50,000".

SEC. 20. LIBRARY LITERACY GRANTS.

Section 601(e) of the Act is amended by striking "$25,000" and inserting "$35,000".

SEC. 21. EVALUATION AND ASSESSMENT.

(a) AMENDMENT.—The Act is further amended by adding at the end thereof the following new title:

"TITLE VII—EVALUATION AND ASSESSMENT

"PROGRAM AUTHORITY

"SEC. 701. The Secretary is authorized to carry out a program for the purpose of evaluation and assessment (directly or by grants or contracts) of programs authorized under this Act.".

(b) CONFORMING AMENDMENT.—Section 5 (a) of the Act is amended by striking out paragraph (5).

SEC. 22. FAMILY LEARNING CENTERS.

(a) AMENDMENT.—The Library Services and Construction Act is amended by adding at the end the following:

"TITLE VIII—FAMILY LEARNING CENTERS

"STATEMENT OF PURPOSE

"SEC. 801. It is the purpose of this title to expand and improve opportunities for lifetime learning and the involvement of the Nation's families as partners in their children's education by providing comprehensive, family-oriented library services through Family Learning Centers.

"GRANTS TO STATES FOR FAMILY LEARNING CENTERS

"SEC. 802. The Secretary shall carry out a program of making grants to States which have an approved basic State plan under section 6 of this Act and an approved application under section 802 of this Act.

"STATE APPLICATION

"SEC. 803. (a) Funds appropriated pursuant to paragraph (7) of section 4(a) shall be available for grants to States from allotments under section 5(a) for the purpose of supporting a family learning center in each of the several States.

"(b) Any State wishing to receive a grant from its allotment shall, through its State library administrative agency, submit an application to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may reasonably require. No application may be approved by the Secretary unless it contains assurances that the State will—

"(1) select a local public library as a family learning center in accordance with the provisions of this title; and

"(2) distribute 100 percent of the amounts paid to it under this title to the local public library selected as a family learning center under section 806.

"USE OF FUNDS

"SEC. 804. (a) Funds made available under this title shall be used to initiate, expand, or improve public library services to families.

"(b) Not less than 25 percent of the funds made available under this title shall be used for the acquisition of resources and materials in print and electronic formats—

"(1) which are intended for use by and with adults, including materials in such areas as child care, child development, nutrition, parenting skills, and job and career information; and

"(2) which are intended for use by and with children and adolescents.

"(c) Not less than 10 percent of the funds made available under this title shall be used for—

"(1) the acquisition or leasing of computer hardware for use by library patrons, including services necessary for the operation, installation, maintenance of such equipment; and

"(2) the acquisition of computer software and complementary explanatory material for use by library patrons.

"LOCAL APPLICATION

"SEC. 805. Any local public library which wishes to receive a grant under this title shall submit an application to the State library administrative agency at such time, in such form, and containing such information as the State determines is necessary to evaluate the quality of the applicant's proposal and the applicant's ability to carry it out.

"(b) Each such application shall—

"(1) describe the manner in which the funds will be used to initiate, expand, or improve library services to families;

"(2) provide assurances that the library will be open on weekdays evenings, Saturdays, and some Sundays and legal public holidays to enable families in which both parents work outside the home to utilize the library's services;

"(3) demonstrate that the library has or will have sufficient qualified staff with specialized training in providing library services to children, adolescents, and adults;

"(4) provide for the establishment of an advisory committee consisting of parents, teachers, local school administrators, librarians, library administrators, library trustees, local elected officials, and business leaders, at least one-third of whom are parents who regularly use the services of the library;

"(5) provide for the establishment of a family library loan program through which families may borrow sets of books for extended periods, and other innovative programs and policies designed to encourage greater use of the library by families;

"(6) provide for a job and career information program to provide information and assistance to parents and others who are unemployed or seeking a new job;

"(7) describe, if appropriate, any special services and outreach activities which will be offered to meet the needs of—

"(A) adolescent parents;

"(B) single-parent families;

"(C) families in which both parents are employed outside the home;

"(D) parents and children with limited English language proficiency; and

"(E) educationally disadvantaged adults and their children;

"(8) describe the methods by which the library will publicize and promote the services of the Center in cooperation with the local media, schools, businesses, social service agencies, and other appropriate entities; and

"(9) provide assurance that the funds provided will be used to supplement and not supplant funds otherwise available for the purposes of this title.

"SELECTION OF FAMILY LEARNING CENTERS

"SEC. 806. (a) Each State shall select a family learning center on a competitive basis from among the local public libraries submitting applications under section 805. In making such selection, the State shall give priority to applications which—

"(1) promise to serve a significant number of families on a regular basis; and

"(2) offer innovative approaches to improving library services for families and approaches which show promise for replication and dissemination.".

(b) CONFORMING AMENDMENTS.—

"(1) Section 3 of the Act is amended by adding at the end thereof the following:

"(20) The term 'educationally disadvantaged adult' has the meaning given that term in section 312(3)(A) of the Adult Education Act of 1988 (20 U.S.C. 2101a).".

"(2) Section 5(a) of the Act is amended—

"(A) by striking out "or (3) of section 4(a) each place it appears and inserting in lieu thereof

"(3), or (7) of section 4(a)"; and

"(B) by striking "title I" in paragraph (3)(A) and inserting "titles I and VIII".

SEC. 23. TECHNICAL AMENDMENT.

Title I of the Act is amended—

(1) by inserting "PUBLIC" before "LIBRARY" in the heading of such title; and

(2) by inserting "PUBLIC" before "LIBRARY" in the heading of section 101.

SEC. 24. EFFECTIVE DATE.

The amendments made by this Act shall take effect on Oct. 1, 1989.

The SPEAKER pro tempore. Is a second demanded?

Mr. COLEMAN of Missouri. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Montana [Mr. WILLIAMS] will be recognized for 20 minutes, and the gentleman from Missouri [Mr. COLEMAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 2742, the Library Services and Construction Act Amendments of 1989. The Library Services and Construction Act was the first, and continues to be the largest, Federal program of assistance specifically for public libraries. The act is designed to assist libraries in extending and improving services, to provide some support for library construction and renovation, to promote sharing of resources among libraries, to improve services to Native Americans and to support library literacy programs.

It is important to note that while this legislation makes few changes to the existing law, it was drafted with the White House Conference on Libraries in mind. A portion of the funding needed for the 1990 conference has already been appropriated and planning for State and local level meetings that will precede the national meeting has already begun. This conference process will provide the Congress with a comprehensive assessment of the needs of our Nation's libraries. The recommendations that will come from this meeting will serve as the basis for the next reauthorization of the LSCA programs in 1994.

H.R. 2742 broadens the current Library Services and Construction Act to encourage the use of new technologies to improve library services, adds additional literacy and child-centered activities in title I, and includes a variety of technical amendments to increase flexibility and efficiency to the programs. It also provides public libraries with the opportunity to become more involved with preservation efforts.

This legislation was reported favorably by the Committee on Education and Labor and I urge my colleagues to join me supporting H.R. 2742.

Mr. COLEMAN of Missouri. Mr. Speaker, I yield myself such time as I may consume.

Mr. COLEMAN of Missouri. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to support, under suspension of the rules, H.R. 2742 the Library Services and Construction Act Amendments of 1989.

H.R. 2742 has strong bipartisan support. The LSCA Amendments of 1989 have been supported by the testimony of State and local librarians during hearings and have been endorsed by the American Library Association, representing over 48,000 librarians throughout the Nation.

The legislation makes technical changes to the LSCA, adds a new title IV, for assessment and evaluation of current programs, which was requested by the administration, and adds a new title VIII, for competitive grants for "family learning centers" providing family-oriented services in each State. Title VIII cannot be funded until all other titles have been funded.

The Library Services and Construction Act provides the majority of funds directly to State library agencies, which then tailor library programs which are responsive to the current, local needs of libraries in that State. Additionally, LSCA leverages State and local funds for public libraries, enlarging the impact of federally appropriated moneys.

An example is the current challenge to libraries as they seek to cope with the high costs of implementing computer and information-sharing technology. As an example in Missouri, funding through the LSCA has made possible the creation of a statewide database of library materials. Computers have been placed in 117 libraries, which access over 6 million items of the shared resources of public, academic, and school libraries.

LSCA funds are critical to the continued expansion of access to library materials and services, through such resource sharing, improved delivery of materials, and through expanded services for the elderly and visually impaired.

This legislation will also assist libraries in coping with the growing problem of illiteracy in American communities. In Missouri, LSCA has provided roughly $1.5 million in the last year for grants for literacy programs in libraries, for materials, for training volunteer tutors, and for the coordination of literacy activities with other agencies working to combat illiteracy.

The Library Services and Construction Act Amendments of 1989 continue to provide both State and local librarians with the expanded resources and the flexibility to respond to these and other problems, such as the preservation of deteriorating library holdings and materials.

I join Chairman WILLIAMS in supporting the extension of the LSCA and the important library services it supports throughout the Nation.

Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. GILMAN].

□ 1510

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of H.R. 2742, to extend and amend the Library Services and Construction Act. Permit me to commend the chairman of the Committee on Education and Labor, Mr. HAWKINS, and the ranking minority member, Mr. GOODLING, for bringing this measure to the floor. I would also like to recognize the sponsor of this legislation Mr. WILLIAMS, the distinguished chairman of the Subcommittee on Post-Secondary Education, and the ranking minority member of the subcommittee, Mr. TOM COLEMAN, for their efforts in drafting this legislation.

H.R. 2742 authorizes critically important funding to ensure the continuing provision of assistance under the Library Services and Construction Act, the largest Federal program supporting public library services. The legislation includes $201.5 million in funding for fiscal year 1990 which will be distributed to States and localities through either a formula or on a direct grant basis.

Under the formula basis for distribution, $100 million for library services is included, along with $55 million for library construction and technology enhancement, and $35 million for interlibrary cooperation and resource sharing. Funds under this section of H.R. 2742 will be available to local libraries through their State governments. In addition, local and community institutions may apply directly to the U.S. Department of Education for grant subsidies. In this category, H.R. 2742 includes $1 million for foreign language materials acquisition and $10 million for library literacy programs.

Mr. Speaker, we are well aware of the tremendous need for Federal financial assistance to benefit our local library programs. Throughout the Nation and in my own 22d Congressional District, public libraries fulfill a critical role in the educational process. Accordingly, I urge my colleagues to support this important public resource by voting in favor of H.R. 2742.

Mr. FRENZEL. Mr. Speaker, I wish to express my support for this bill which will enhance the Nation's libraries. Even in a time of deficits and scarcity, this authorization is one that deserves approval.

This is one Government service which can be used by all our citizens. Use of the services requires some exertion on the part of users, and that is a good thing. Those efforts pay huge rewards to those citizens who avail themselves of library services. Diligent scholars, casual readers, and new readers, young and old, can all find treasures in a library, and benefit from services provided by library staff.

While the Federal role in library services is a minor one, it is nonetheless, an important one. The heavy load is borne locally, but the Federal Government must be the cheerleader and coordinator.

The Library Services and Construction Act is very important to the Federal efforts to promote libraries. I heartily support its goal and these amendments to the act.

Mr. GOODLING. Mr. Speaker, I join Mr. WILLIAMS and Mr. COLEMAN in supporting the reauthorization of the Library Services and Construction Act, which, since its inception in 1965, has become the largest, single Federal program supporting public libraries services.

The Library Services and Construction Act Amendments of 1989 are essentially technical changes, made upon the recommendations of the library community, including the Pennsylvania State Librarian Sara A. Parker, who testified before the Subcommittee on Postsecondary Education during its oversight hearing in April of this year.

Libraries are a vital part of the community, and one of the virtues of the LSCA is that States are given the flexibility to tailor-make programs to meet local needs and priorities.

Additionally, Federal library funds provide seed money to extend the reach of libraries: to expand access to library materials and programs, particularly in rural areas; to leverage overcrowded and run-down facilities; to augment State funds for the installation of computer technology and information-sharing systems, which are crucial to libraries in this age of information; and to provide increased funds for literacy programs and materials.

This bill creates authority for statewide preservation plans for deteriorating library books and documents. Because Pennsylvania has some of the oldest libraries in the Nation, with some collections going back almost 250 years, the need for such a preservation program has been long felt.

Further, the amendments to the LSCA strengthen the coordination between the States and the Department of Education, and provide an additional title for evaluation and assessment," incorporating one of the central recommendations of the administration's own library bill, which I introduced by request. Although some of the other recommendations made by the administration were not adopted, this is due, in large measure, to the bipartisan decision to await the outcome of the White House Conference on Libraries before making fundamental changes in the Federal role in expanding and improving library services.

I can think of no better close than quoting the Pennsylvania State Library Advisory Council, LSCA funds comprise a major source of innovative funding in Pennsylvania * * * rarely does a Federal program receive such overwhelming support by both professionals and users as does LSCA. I urge my colleagues to support the passage of this bill.

Ms. SNOWE. Mr. Speaker, today I wish to offer my support for H.R. 2742, which reauthorizes and amends important programs under the Library Services and Construction Act through fiscal year 1994.

I am very pleased that the intent of legislation which I introduced for intergenerational library literacy services, H.R. 957, has been incorporated into H.R. 2742. This provision amends title I to allow programs for assisting libraries in developing intergenerational library programs that will match older volunteers with libraries interested in developing after school literacy and reading skills programs for unsupervised school children during afterschool hours.

Across our Nation, more and more children are being left unattended in libraries after school because of the lack of adequate, affordable day care. Library staff time is increasingly being spent in ensuring that these children do not disturb other children or damage library property. According to a 1988 report prepared by the Service to Children Committee of the Public Library Association, a division of the American Library Association, "what to do with and about library latchkey children has become one of the most rapidly developing public policy arenas." In Los Angeles County, a 1985 survey found about 2,000 children a day whose parents used libraries as an after school center.

Using older volunteers in intergenerational library literacy programs is a positive way to address this problem. As the ranking minority member of the House Aging Subcommittee on Human Services which has oversight responsibility over older American volunteer programs, I am very much aware of the significant and meaningful contributions which these older individuals make to the lives of others, to their communities and to the Nation. We know that libraries are committed to helping children and it is appropriate that they be given volunteer assistance for expanding and enriching services such as clubs, events, and programs for unsupervised children after school. This intergenerational approach will also utilize the vast talents and knowledge of older adults to help a new generation to grow and develop as literate, informed adults.

Through this legislation, I hope that States and local community libraries will be encouraged to develop new intergenerational programs to constructively address the situation of latchkey children which has been a longstanding concern of librarians who serve young people. I also wish to thank the members of the committee, the American Library Association, the National Extension Homemakers Council, the American Home Economics Association, the National Association of Retired Senior Volunteer Program Directors, and the National Organization of Women for their support of legislation for intergenerational library literacy programs.

Mr. RAHALL. Mr. Speaker, I am pleased to rise in support of H.R. 2742, a bill to extend and amend the Library Services and Construction Act.

As a member of the Education and Labor Committee, it was my privilege to have been involved in this reauthorization process, and to have had the opportunity to reaffirm my commitment to meet the needs of public libraries at all levels, including construction, renovation, and equipment needs. The bill before us today has been broadened to meet the needs of our special populations such as the physically disabled, the elderly, and the illiterate.

I am pleased to say that the State of West Virginia has, under the leadership of the State Library Commissioner Frederick Glazer who has served under both Democratic and Republican Governors for many years, expanded and extended library programs throughout

rural, remote West Virginia so that all individuals no matter their walk in life, would have access to library services. Our State legislature has cooperated, year in and year out, to do its part to assure adequate funding to benefit libraries across our State, and has provided funding that would also meet the maintenance of effort requirement necessary for it to receive Federal LSCA title I funds.

When enacted in 1965, only one in six Americans had adequate access to a public library. Today, more than 90 percent of Americans have some access to library services. The Library Services and Construction Act has gone further to assist States in improving library services for special populations than any other Federal program.

It pleases me also to note that the Congress has approved legislation calling for the Second White House Conference on Libraries and Information Sciences. This national conference is to be preceded by meetings at the local, State and regional levels, involving participants from not only the library profession but also draws on the general public. It is the intent of the Education and Labor Committee, on which I serve, to give careful consideration to the recommendations of the White House Conference in the 1994 reauthorization of the LSCA. For that reason, the committee refrained from making significant modifications to the act until after this important conference.

One significant change, however, is the inclusion of a new title VIII to provide for family learning centers in libraries. The Secretary is authorized to make grants to the States to award competitively one family learning center per State. The center will encourage libraries to provide family oriented services to promote lifetime learning and family involvement in education. Funds may be used to purchase resources and materials in both print and electronic formats in such areas as child care, child development, nutrition, parenting skills, and job and career information.

The committee bill makes slight changes to title II, the construction title of LSCA, allowing the use of funds to expand the focus from the construction and renovation of public libraries to include their enhancement through technology, in order that residents in even the smallest communities will have access to a global information network.

It is my hope that before the fiscal year 1990 appropriations process is concluded, that title II LSCA funds for construction will have been reinstated in the appropriation measure for the continued benefit of the states.

In conclusion, Mr. Speaker, I believe it is appropriate to state my hope and expectation that Postal Revenue Foregone will receive adequate funding in order to continue the commitment we made, dating back to the earliest days of the Republic, to promote the dissemination of information throughout the Nation through free and reduced rate postage for certain preferred classes of mail. Those who benefit from free and reduced rate postage include the blind and visually handicapped, local newspapers, libraries, schools and colleges, and religious, charitable, and other nonprofit organizations who qualify for free matter for the blind, and for other purposes. The effect of reduced, inadequate appropriations for Postal Revenue Foregone will be to see an immediate increase in postal rates to make up the difference. It is important to keep in mind that even if legislation is enacted into law which takes the U.S. Postal Service off-budget, such legislation will not include Postal Revenue Foregone, which will continue on-budget and be subject to the appropriations process. Loss of this subsidy will spell disaster for many libraries, schools and colleges, both large and small.

I commend this bill, H.R. 2742, to my colleagues and hope that it do pass.

Mr. PERKINS. Mr. Speaker, I rise today to voice my support for the passage of the Library Services and Construction Amendments. This legislation contains many important components that are critical to the continued excellence of our libraries back at home in our local communities.

I want to thank my subcommittee chairman, Congressman PAT WILLIAMS, for his leadership on this legislation. He has been able to create a strong coalition of bipartisan support for the Library Services and Construction Amendments. This broad support is important as we face the rising demands for continuing, lifelong educational opportunities. I feel that our libraries can step up to help and continue to fill this need. This legislation provides our libraries with many of the economic tools to do so.

In particular, I would like to point out and support the increase in the maximum award for literacy program grants from $25,000 to $35,000. This is a program that has made lasting impressions on communities all across my district and the Nation as well. In our continuing fight against illiteracy the local libraries have stepped into the fray to address the needs and provide the services and support for millions of adults that are seeking out some form of help.

We in the Government may be able to theorize about how to make a difference in the fight for a more literate society but it is our libraries that are doing it day in and day out. They provide the consistent thread of literacy throughout our society.

This authorization is one that we must support if we are serious about addressing the problems that illiteracy presents. My only regret is that we are unwilling to provide an even greater level of assistance to our libraries. We need to see more outreach services funded for our libraries and we need to see even greater access to adequate funding in order to acquire updated equipment. We need the money for bricks and mortar, but that by itself is not enough. For a library to be effective we must have more than just a shell we must be able to fill it with talented people and the required technology.

I applaud the fine work that has gone into the writing of this legislation and I hope that it only wets the appetite of this House for more innovative library programs.

Mr. POSHARD. Mr. Speaker, I rise in strong support of H.R. 2742, the Library Services and Construction Amendments.

In 1989, the United States of America lags behind almost all other Western industrial nations in the percentage of our citizens who can read and write. My colleagues and I on the Education and Labor Committee want to reverse that trend and this bill is one part of our overall plan to increase literacy.

With the exception of the Nation's schools, there is no institution in the Nation which is doing more to promote literacy than our Nation's libraries. Librarians across the country serve on the frontlines of the war on illiteracy.

Free or inexpensive reading classes are one of the many uses which many of our libraries serve. Libraries also provide countless hours of entertainment for Americans of all ages. They provide braille and talking books for the blind, books in foreign languages for students, scientists, and immigrants, and they host and participate in a wide range of community activities.

Unfortunately, for all the benefits which libraries provide, many are in dire financial straits. Many small and rural libraries have difficulty making their payrolls and keeping up with their expenses. Some have so much trouble that they are unable to expand or even maintain their collections.

Books are the record and hallmark of civilization, and access to books and library services is crucial. H.R. 2742 is designed to improve those services and to expand them to groups which have not been included in the past. I thank my colleague, Congressman WILLIAMS, for his efforts on this bill and I urge all of my colleagues to support its passage.

Mr. COLEMAN of Missouri. Mr. Speaker, I yield back the balance of my time.

Mr. WILLIAMS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KOSTMAYER). The question is on the motion offered by the gentleman from Montana [Mr. WILLIAMS] that the House suspend the rules and pass the bill, H.R. 2742, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2742, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

POSTAL REORGANIZATION ACT AMENDMENTS OF 1989

Mr. FORD of Michigan. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 982) to amend title 39, United States Code, with respect to the budgetary treatment of the Postal Service Fund, and for other purposes.

The Clerk read as follows:

H.R. 982

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Postal Reorganization Act Amendments of 1989".

SEC. 2. BUDGETARY TREATMENT OF THE POSTAL SERVICE FUND.

(a) TREATMENT OF THE POSTAL SERVICE FUND.—

(1) IN GENERAL.—Chapter 20 of title 39, United States Code, is amended by inserting after section 2009 the following:

"§ 2009a. Budgetary treatment of the Postal Service Fund

"Notwithstanding any other provision of law, the receipts and disbursements of the Postal Service Fund, including disbursements for administrative expenses incurred in connection with the Fund—

"(1) shall not be included in the totals of—

"(A) the budget of the United States Government as submitted by the President, or

"(B) the congressional budget (including allocations of budget authority and outlays provided therein);

"(2) shall be exempt from any general budget limitation imposed by statute on expenditures and net lending (budget outlays) of the United States Government; and

"(3) shall be exempt from any order issued under part C of the Balanced Budget and Emergency Deficit Control Act of 1985, and shall not be counted for purposes of calculating the deficit under section 3(6) of the Congressional Budget and Impoundment Control Act of 1974 for purposes of comparison with the maximum deficit amount under the Balanced Budget and Emergency Deficit Control Act of 1985 nor counted in calculating the excess deficit for purposes of sections 251 and 252 of the Balanced Budget and Emergency Deficit Control Act of 1985, for any fiscal year.".

(2) CHAPTER ANALYSIS.—The analysis for chapter 20 of title 39, United States Code, is amended by inserting after the item relating to section 2009 the following:

"2009a. Budgetary treatment of the Postal Service Fund.".

(b) CONSTRUCTION.—Nothing in any amendment made by subsection (a) shall be considered to diminish the oversight responsibilities of the Congress under law, rule, or regulation with respect to the budget of the United States Postal Service.

(c) APPLICABILITY.—The amendments made by this section shall apply with respect to budgets for fiscal years beginning after September 30, 1989.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Michigan [Mr. FORD] will be recognized for 20 minutes, and the gentleman from New York [Mr. HORTON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. FORD].

GENERAL LEAVE

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on H.R. 982, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FORD of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 982, the Postal Reorganization Act Amendments of 1989, is the bill which will move the United States Postal Service "off budget."

Unhappily, I am managing this bill today only because of the untimely and tragic loss of our colleague, MICKEY LELAND. H.R 982 is MICKEY's bill. He managed similar legislation last year which passed the House 390 to 16. He skillfully shepherded this year's off-budget bill through subcommittee and committee and gathered 366 colleagues as cosponsors of the bill.

H.R. 982 will return the Postal Service to the off-budget status it enjoyed prior to 1985. Mr. Speaker, there are only 55 Members left who were here when the House considered the Postal Reorganization Act of 1970. That act was designed to remove politics from the Post Office and transform an inefficient, highly subsidized, Government agency into an independent Government corporation required by law to operate in a businesslike manner and to break even.

Shortly before reorganization, the Post Office Department had a budget of $9.1 billion and received appropriations of about $1.4 billion. Next year, the Postal Service budget will approach $40 billion, and the Service will receive an appropriation of less than $500 million. Nine out of every $10 appropriated goes to reduce the rates paid by preferred mailers. The remaining appropriated money pays for liabilities incurred by the old Post Office Department before passage of the Reorganization Act. Today, no money is appropriated to pay for the costs of delivering the mail. Those costs are paid by postal ratepayers. And the Postal Service, as required by law, is breaking even over the long haul.

A 1985 administrative action by then OMB Director David Stockman has impaired the ability of the Postal Service to operate in a businesslike manner. Director Stockman included the receipts and expenses of the Postal Service in the fiscal year 1986 Federal budget. So, those receipts and disbursements now, at least on paper, affect the Federal deficit. If the Postal Service reduces spending, the deficit is reduced by a corresponding amount. Similarly, if the Postal Service increases rates, its receipts increase and the deficit is reduced by a corresponding amount. This is all a fiction of course. In reality, the postal finances do not affect this country's long term deficit since, over time, the Service breaks even. By law, it cannot operate at a deficit, and hence it does not contribute to the Government's deficit.

However, now that it is on budget, the Postal Service has become a target of the budgeteers. The 1987 Budget Reconciliation Act required the Service to reduce its expenses by $1.245 billion. More than $800 million of that amount was mandated to come from reduced capital spending. I know each one of you has at least one post office construction project in your district which has been delayed or cancelled because of the 1987 act. Nationwide, more than 700 projects were affected.

The 1987 act also required $430 million in operating expense reductions. This led to Saturday closings, reduced window hours, and the end of Sunday mail processing, among other things.

Why did the Congress, at the administration's urging, agree to disrupt postal operations? Because, on paper at least, the $1.245 billion "hit" on the Postal Service reduced the Federal deficit by a corresponding amount.

This year some budgeteers want to take another bite out of the Postal Service. The administration has taken the position that the Budget Summit Agreement assumes $400 million in postal reforms. In other words, it wants the Postal Service to give $400 million of ratepayers' money to the Treasury. The Committee on Post Office and Civil Service has said "No, we won't do that. It's not good policy, and it will accelerate the next rate increase. We'll find the money somewhere else." This still has to be worked out in the reconciliation process, but I am hopeful we can avoid another hit on the Postal Service.

□ 1520

By the passage of this bill we will get us out, finally, out of the game of playing post office. I was here, Mr. HORTON was here, in the days before the Postal Corporation. I was one who quite vigorously opposed Mr. Nixon's bill to create the Postal Corporation. I was hard-headed about it and could not be convinced that that post office would ever get into a position where it could pay its own way and not have a continuing subsidy from the taxpayers.

I have been proved to be wrong, and I am proud of the fact that I have been proved to be wrong because it has now been 7 years since the taxpayers have had to pony up to keep that business going. It is doing very well indeed even though this year on paper it is going to show a tremendous loss.

Now I think Mr. HORTON would agree with me that anybody who was here to play post office in the old days does not want to go back to playing that game again. I can promise you, going back to the good old days of the politics of post office is not the good old days at all. What we were gradually doing over recent years was being brought back in through the back

door into the business of making political decisions so that we were taking the heat for business that Mr. Nixon got us out of.

It was clear to MICKEY LELAND, and to at least 366 other Members who cosponsored H.R. 982, that the Postal Service should not be caught up in our annual, or sometimes biennial, budget battles. The Postal Service's contribution to deficit reduction is on paper only, but the costs to the Postal Service and the American public in terms of disruptions and operating reductions are very, very real.

As I mentioned earlier, under MICKEY LELAND's leadership this bill received the support of 390 Members last year. This year it deserves the support of each and every one of us.

Mr. HORTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the gentleman from Michigan [Mr. FORD], the chairman of the Committee on Post Office and Civil Service, has explained, H.R. 982 is a very important piece of legislation. Its principal sponsor was MICKEY LELAND.

I was the ranking member of the subcommittee.

Mr. Speaker, at the risk of contradicting myself, I am troubled and sad as I rise in support of H.R. 982, which will remove the U.S. Postal Service from the unified Federal budget. Neither the content nor the scope of this legislation gives me cause for concern. My dilemma is personal.

Not too many weeks ago, I envisioned a format where I would share with the chief sponsor of this worthwhile legislation principal responsibility for its passage in this body. Unfortunately, a tragic plane crash has forced a revision of the script, but it has not lessened the need for enactment of this bill.

If our dearly departed friend and colleague, MICKEY LELAND, were present, he would be leading the charge and asking for an overwhelming majority vote for H.R. 982. As principal Republican sponsor of the bill, I am happy to pick up the torch which was lighted and carried forward by MICKEY. Passage of this bill will represent a huge step toward a return to normalcy in postal financial operations.

When the Postal Reorganization Act of 1970 transformed the old Post Office Department into the U.S. Postal Service, it created a quasi-independent, business-oriented enterprise. It subsequently was placed on off-budget status, an arrangement which permitted the fledgling Postal Service to progress and prosper.

In 1985, the Director of the Office of Management and Budget, David Stockman, succeeded in moving the Postal Service from off-budget to on-budget status. Since the Postal Service was operating at a surplus, the move permitted Mr. Stockman to reduce the overall deficit.

Obviously, when the Postal Service is on-budget its receipts reduce the Federal deficit and its expenditures increase the deficit.

As a result of 1987 budget summitry, the 1987 Reconciliation Act required the Postal Service to reduce operating expenditures by $430 million and capital spending by $815 million over a 2-year period. The result was a deferral of more than 700 construction projects and reductions in service such as the closing of retail service windows. Those cutbacks had a severe impact on postal operations in fiscal years 1988 and 1989.

There is a difference in postal and Federal accounting practices which distorts the Federal deficit. The Postal Service has an accrual accounting system which follows generally accepted accounting principles where capital expenditures are depreciated over the assets' useful life. For example, a $5 million postal facility expected to last 20 years would show a postal expenditure of $250,000 a year. The Federal Government operates on a cash basis, so the same facility would be listed as a $5 million expenditure in a single year.

H.R. 982 was referred to both the Post Office and Civil Service and Government Operations Committees. Both committees held hearings on the legislation and both reported the bill unanimously to the full House. I played a unique role in the consideration of this bill. I am the only Member, on both sides of the aisle, serving on the respective subcommittees and committees of jurisdiction.

From the perspective of both committees, the bill makes sense. It is consistent with the Postal Reorganization Act of 1970, which was the subject of interest to me and members of the Post Office and Civil Service Committee. It is consistent, too, with responsible Federal budget policy, which was the specific issue of interest to me and Members of the Government Operations Committee.

Both committees unanimously reported the legislation to the full House and practically every member of both committees is a cosponsor. The broad bipartisan support for H.R. 982 is further demonstrated by its 360 cosponsors.

Mr. Speaker, the bill benefits the Postal Service by allowing it to meet its statutory responsibility to operate in a businesslike manner. It benefits the Federal Government by not having Postal Service expenditures, which are funded totally through its rate structure, reflected as part of the Federal deficit. And it is sound public policy.

Mr. Speaker, I commend Chairman FORD for bringing this legislation to the floor and for his leadership in helping steer it through his committee. I also want to commend Government Operations Committee Chairman CONYERS for his support and leadership on that committee. I would ask that I be allowed to include in the RECORD following my remarks the statement of Chairman CONYERS in support of H.R. 982.

□ 1530

Mr. CONYERS. Mr. Speaker, I rise in strong support of H.R. 982, the Postal Reorganization Act Amendments of 1989. This bill, which has also been reported by the Government Operations Committee, moves the Postal Service off-budget and thereby unlocks the fiscal handcuffs that currently shackle the service and make it a hostage of the budget process.

The Postal Service is a unique governmental entity. It sells a service—mail delivery—and functions on a self-sufficient, user-funded basis. Moreover, it operates nationwide, serving virtually every individual and business in the United States.

To perform this invaluable role in a businesslike and cost-effective manner, the Service must be free from political pressures unrelated to its operations. Mail delivery should respond to the demands of Postal Service customers—it should not be scaled up or down depending on Federal budget considerations. Moreover, postal services are fully funded by postage rates. Thus, the Postal Service does not contribute to the Federal deficit, and therefore should not be included in deficit reduction plans.

On-budget treatment leaves the Postal Service all too vulnerable to budgetary pressures to hike revenues by jacking-up postal rates or to cut expenditures by slashing services or cancelling or deferring critical capital investments.

The Federal budget uses cash basis accounting—rather than the more businesslike accrual method used by the Postal Service—and thus does not allow for capitalizing plants, equipment, and facilities over their useful life. As a result, $1 of capital investment is treated in the budget the same as $1 of short-term operating expenses. Given the massive capital investments the Postal Service must make each year to assure continued effective operation, this budgetary treatment spells disaster. Simply put, the Service's capital expenditures show up in the budget as deficit spending and thus become a tempting target for the long knives of the budget-cutters.

H.R. 982 was referred jointly to the Post Office and Civil Service Committee and the Government Operations Committee. My legislation and National Security Subcommittee held hearings on the bill last month. The testimony of the Postmaster General and our other witnesses vividly illustrated the folly of operating the Postal Service to meet deficit-reduction goals rather than sound postal policy.

In 1970, with passage of the Postal Reorganization Act, Congress gave the Postal Service a mandate to operate as a economically self-sufficient, quasi-independent Government agency. To further assist the Service in meet-

ing this goal, Congress removed it from the Federal budget in fiscal 1974. From fiscal year 1974 to fiscal year 1985, the Postal Service made great strides in both service and productivity.

In 1985, however, the Postal Service was taken hostage by OMB Director David Stockman. In an effort to use the Services' budget surpluses to offset the Reagan administration's massive deficits, Mr. Stockman, administratively, placed the Postal Service back on-budget. This blatantly political move simply set the stage for a bloody raid on the Postal Service fund.

That raid took place 2 years later with passage of the Omnibus Budget Reconciliation Act of 1987. The act directed the Postal Service to transfer $465 million from the Postal Service fund to a newly established escrow fund. Moreover, it stipulated that those moneys would not be available for 1 fiscal year. The Reconciliation Act also directed the Service to divert money from its operating funds to the Federal Employee Health Benefits Funds.

These unexpected and unwarranted fiscal burdens on the Postal Service led to the cutbacks in window hours and other services that so many of us have heard our constituents complain about. While, less visible to the public, the long-term affects on the Postal Services' capital investment program were even more serious, as critical efforts to upgrade outdated plants, equipment, and facilities were delayed.

The Postal Service is at a crossroads and we must determine its future path. We can continue to let the Service be held hostage by the budget process, or we can unlock those fiscal handcuffs and set it free to enter the 21st century as an efficient, cost-effective provider of essential services. For me the choice is obvious, and I urge my colleagues to join me in supporting this important legislation.

Mr. HORTON. Mr. Speaker, I yield 3 minutes to the ranking Republican on the Committee of Post Office and Civil Service, the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I am pleased to rise in support of H.R. 982, legislation to amend title 39, United States Code, with respect to the budgetary treatment of the Postal Service Fund, and for other purposes, a bill initially introduced by our distinguished deceased colleague, the gentleman from Texas [Mr. LELAND], along with our distinguished chairman, the gentleman from Michigan [Mr. FORD], and the distinguished gentleman from New York [Mr. HORTON], and which I was pleased to cosponsor.

The primary purpose of the bill is to provide that transactions of the U.S. Postal Service [USPS] shall not be included within the President's budget or the congressional budget and shall not be counted in calculating the Federal deficit, thereby moving the Postal Service "off budget."

From 1973 to 1985 the Postal Service was taken off budget. In 1985, David Stockman, the then Director of OMB, put it back on. He did this because the Postal Service was running a surplus and it would make the Federal deficit appear smaller. It was only early in 1988 when the Budget Reconciliation Act became law that monetary demands were placed on the Postal Service.

In fiscal year 1987, the Postal Service budget exceeded $32 billion and not $1 of taxpayer money was appropriated for postal operations.

What this means is that the profits reaped making the Postal Service efficent and cost-effective goes into paying off cost overruns for other sectors of the budget that are not as cost conscious as the Postal Service.

The Postal Service was operating in the black. It is wrong to squeeze it dry to pay for the mistakes made by others.

We will long remember MICKEY LELAND's devoted efforts in making our Postal Service one of the best throughout the world. Accordingly, I support H.R. 982 and as a tribute to our former colleague, MICKEY LELAND, I urge my colleagues to fully support this measure.

Mr. FORD of Michigan. Mr. Speaker, I yield such time as he may consume to the chairman of the Subcommittee on Postal Personnel and Modernization, the gentleman from Indiana [Mr. MCCLOSKEY].

Mr. MCCLOSKEY. Mr. Speaker, this legislation is crucial not only to efficiency in the Postal Service but our overall Nation's economic progress.

The U.S. Postal Service needs to be able to plan and implement long range goals to ensure that it can meet future business needs. Our mail system is the most widely used, inexpensive form of communication which reaches virtually every household in America. The system needs to constructively respond to changes and growth in our economy and population. H.R. 982 will help the U.S. Postal Service meet the needs of American businesses and the general mailing public.

Two years ago, the U.S. Postal Service was subject to unprecedented cuts imposed by Congress, under the orchestration of the Office of Management and Budget [OMB]. Due to OMB's insistence on what would be scorable savings and what would not be scorable, the House and Senate conferees for the budget reconciliation reluctantly agreed to require the Postal Service to write two checks totaling over $1.2 billion to the Treasury.

As a result of these actions, the Postal Service and the American people are still suffering from the lack of needed postal facilities and other major capital improvements.

This bill is necessary to protect the U.S. Postal Service from political attempts to utilize its budget to hide a deficit which is not the fault of the U.S. Postal Service, a self-funding agency.

H.R. 982 is identical to H.R. 4150 which passed the House during the last Congress by a vote of 390 to 16, except that it does not provide increased borrowing authority for the U.S. Postal Service. H.R. 982 simply states that the Postal Service shall not be included in the President's budget for the purpose of calculating the Federal deficit, and that the fund shall not be taken into account in making calculations under the 1985 Gramm-Rudman-Hollings Deficit Control Act.

Pragmatic constraints have required belt tightening in all aspects of the Federal Government's operations. However, the Postal Service provides an essential service throughout the Nation, 6 days a week. We are seriously impairing the Postal Service's future ability to perform this vital service.

Necessary postal facility construction has been dramatically curtailed as a result of restrictions on the capital budget. Basic customer services were also curtailed due to restrictions on operating costs.

The Postal Reorganization Act of 1971 mandates that the Postal Service operate in a self-supporting, business-like manner. On-budget treatment of the Postal Service makes this impossible. This bill will simply ensure that the Postal Service will be able to make long-range plans and budget accordingly without fear of political intervention.

H.R. 982 is needed to ensure the fiscal integrity of the Postal Service. Passage of this legislation is a strong affirmation that Congress will not sacrifice an effective National Postal System. We must balance our Federal budget, but using the Postal Service to mask the deficit is bad policy.

H.R. 982 was introduced by my distinguished colleague on the Post Office and Civil Service Committee, MICKEY LELAND. MICKEY's postal leadership and his concern for postal employees will long be remembered. This bill was one of his major priorities and by considering this legislation today, the House is honoring his memory.

I also commend Chairman BILL FORD for leadership in this effort. I urge my colleagues to support H.R. 982.

□ 1540

Mr. HORTON. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. RIDGE].

Mr. RIDGE. Mr. Speaker, today, H.R. 982, the Postal Service Reorganization Act Amendments of 1989, comes before the House under suspension of the rules. H.R. 982 removes the Postal Service from the President's budget and from use in calculating the Federal deficit. I strongly support this measure and respectfully seek the support of my colleagues in seeing that this change is implemented.

From 1973 through 1985, the Postal Service was not considered part of the unified budget. In fact, the President's budget in 1973 noted that the "treatment of the Postal Service * * * reflects its independence from Federal control." Unfortunately, in 1985 OMB placed the Postal Service back on budget. Then, in 1987 budget summit required the Postal Service to reduce operating expenses and its capital spending regardless of its independent business judgment. This kind of micromanagement leads to underinvestment in facilities and equipment which dramatically affects service to the public.

In addition to micromanagement, other accounting difficulties have detracted from an accurate picture of postal resources. The U.S. Postal Service operates on an accrual accounting basis while the Federal budget uses a cash accounting basis. While the Postal Service's accounting method recognizes money spent for capital improvements, the Federal budget considers these expenditures as operating losses contributing to the Federal deficit. The on-budget status of the Postal Service contributes to the confusion over the amount of the Federal deficit.

As a newly appointed member of the Post Office and Civil Service Committee, I ask my colleagues to join me in supporting H.R. 982, the Postal Service Reorganization Act Amendments of 1989. As originally passed in 1970, the Postal Reorganization Act freed the old Post Office Department from patronage and political manipulation. The Postal Service is a business and must be given the opportunity to operate on a business cycle. Only by returning the Postal Service to off-budget status may this be accomplished.

Mr. RAHALL. Mr. Speaker, I rise in strong support of H.R. 982, a bill to move the U.S. Postal Service off-budget.

In 1970, the Postal Reorganization Act established an independent U.S. Postal Service and created the Postal Service fund, a revolving fund in the U.S. Treasury. The fund consists of revenues received by the Postal Service for services it provides, amounts borrowed, and any other Postal Service receipts. Each year, Congress appropriates to the fund an additional amount to reimburse the Service for the delivery of free and reduced-rate mail under what is known as the postal revenue forgone appropriation.

Under current law, with the Postal Service on budget any surplus in the Postal Service fund reduces the Federal deficit and, conversely, any deficit in the Postal Service fund increases the Federal deficit.

The House passed nearly identical legislation last year, Mr. Speaker, by a vote of 390 to 16. The only difference between last year's bill and the one before us today is that this bill does not contain the provision that would have increased the borrowing authority fo the U.S. Postal Service.

Further, the bill would not apply to the Postal Service for revenue forgone, which would continue to remain subject to any automatic deficit reduction that might be ordered under the Gramm-Rudman Act.

Mr. Speaker, as a cosponsor of H.R. 982, I am fully supportive of this effort to take the U.S. Postal Service off-budget, and hope that my colleagues will join me in assuring passage of the bill.

Mr. FLORIO. Mr. Speaker, I wish to express my strong support for H.R. 982, to take the Postal Service off budget. As a long-time cosponsor of this legislation, I know how important this bill is to the thousands of postal workers across our Nation.

In the past few years, the Postal Service has been the target of budget cuts that have harmed its workers and affected its ability to provide its vital service to the American public. Although the Postal Service does not contribute to the Federal deficit, it has been considered fair game for legislators wielding the budget-cutting axe. Restoring the Postal Service to its former off-budget status is necessary to prevent against further budget cuts.

The Postal Service is unique in the extent to which it affects and is affected by the general public. Unlike any other Government fund, the Postal Service provides an essential public service to virtually everyone in the country on a daily basis. Other Federal programs can control their costs by regulating the extent to which the public has access to and utilizes their services. But the Postal Service has no control over the volume of mail or the extent to which the public uses the postal system. It is a universal service, open to all. This makes the Postal Service far more sensitive to arbitrary budget cuts. When its operating budget is cut, the Postal Service has no choice but to reduce the level of service it provides. This has a direct and almost immediate impact on the general public.

This is why it is essential that the Postal Service be moved off budget. This is the only way to protect postal workers and ensure that the Postal Service is able to continue to provide the best possible service to the American public.

Mr. BRENNAN. Mr. Speaker, Today I urge my colleagues to join me in supporting H.R. 982, a bill to remove the U.S. Postal Service from the Federal budget.

The Postal Service provides service to every community in our Nation. It delivers over 150 billion pieces of mail annually usually within 24 hours from the time the Postal Service receives the mail and it does all of this at an average cost of 25 cents to the customer.

H.R. 982 restores the Postal Service to the commonsense budget status it enjoyed just a few years ago. That status was removed as a quick-fix accounting gimmick. This bill recognizes the unique quality of the Postal Service—it is self-sufficient and pays its own bills by selling postal services. The only appropriations it receives are from revenue forgone as mandated by Congress. No longer will it be forced to cut back necessary services.

Instead, the Postal Service can dedicate funds to improve its facilities and service to their customers, just as any other business operation would. With the increasing volume of mail, this is a necessity if the Postal Service is to maintain its high quality of service.

I believe that postal service to our constituents and to the American people in general must not be compromised. By adopting this legislation, we can help to ensure that that service remains available to all Americans. H.R. 982 is a most important measure and I urge its passage.

Mr. PANETTA. Mr. Speaker, I rise to oppose H.R. 982, which would remove the Postal Service from the Federal budget. Separately enacting H.R. 982 is unnecessary because it will be included in the reconciliation bill we will consider later this month. In addition, classifying the Postal Service as off budget would create a bad precedent in terms of budget policy and would be inconsistent with the bipartisan budget agreement for 1990 and the 1990 budget resolution unless it is accompanied by reforms similar to those assumed in the budget.

It is unnecessary to consider the bill today. Both the Post Office and Civil Service and Governmental Affairs Committees have included the text of H.R. 982 in their reconciliation submissions to the Budget Committee. The reconciliation bill will be approved during the next few weeks because its enactment is necessary to prevent across-the-board sequestration reductions from going into effect in October. We expect the reconciliation bill to be on the House floor in about 2 weeks.

In general, the Budget Committee opposes excluding any agency or program from the Federal budget because it is improper budget policy. It is an evasion of budget discipline and often results in the programs and agencies remaining "on budget" receiving larger spending reductions in order to meet overall deficit targets. Further, classifying an agency or program as off budget makes the budget a less accurate measure of the fiscal position of the Federal Government within the whole economy.

It is true that the bipartisan budget agreement and the 1990 budget resolution assumed that the Postal Service would be classified as off budget. However, the bipartisan agreement and the budget resolution also assumed that significant reforms or reductions in the indirect subsidies going to the Postal Service from the Treasury would be enacted at the same time. Without the reforms, the bipartisan budget agreement would not have assumed that the Postal Service would be put off budget. H.R. 982 does not contain any of the reforms assumed in the budget agreement.

Whatever postal reforms are to be enacted will be included in the pending reconciliation bill. That is why it would be more appropriate to act on H.R. 982 in the context of reconciliation. Classifying the Postal Service as off budget without any reforms would be improper budget procedure and would be inconsistent with the bipartisan budget agreement and the 1990 budget resolution.

For these reasons, I oppose enactment of H.R. 982 as separate legislation. I ask you to join me in deferring any decision about putting the Postal Service off budget until the reconciliation bill is considered by opposing H.R. 982 today.

Mr. FRENZEL. Mr. Speaker, when the bipartisan budget agreement was put together, it was agreed that the Post Office could go off

budget if about a half billion dollars in savings could be realized.

H.R. 982 does the easy part. It takes the Post Office off budget. Unfortunately neither it, nor the Post Office Committee's reconciliation bill does the hard part.

It is often said that an agreement is an agreement. H.R. 982 is half an agreement, and the easy half at that. As such it is not worthy of support.

Mr. PORTER. Mr. Speaker, in the 100th and 101st Congresses, I supported a return of the Postal Service to the off-budget status that it maintained prior to fiscal year 1986. That year, the Postal Service was put back on budget in still another jerry-rigging of the numbers to make the deficit appear smaller than it actually was. The U.S. Postal Service [USPS] should have remained off budget, and the deficit figures, that much more honest. I strongly support the intent of this legislation.

But, as part of its nationwide cost-saving effort, the USPS has recently been engaged in pushing out private stamp vending through promotions such as installations of postal stations in department stores and malls. As a result, the private postage stamp vending industry is literally being put out of business. Vendors have been forced to remove their machines from retail centers, as consumers have begun to purchase stamps at face value at former machine locations. According to the International Association of Postage Stamp Vendors, headquartered in my district, over 1,200 vending machines had to be removed by vendors in 1988, with losses of over $1 million in sales.

It is clear ot me that the viability of the postage stamp vending industry is being threatened by the expansion of the USPS into what had previously been the private sector. Thus, while I support H.R. 982, provisions should be made to prevent the encroachment of the USPS into the market of the private vendors of postage stamps.

Mr. HORTON. Mr. Speaker, I have no additional requests for time. I urge my colleagues to support H.R. 982, and I yield back the balance of my time.

Mr. FORD of Michigan. Mr. Speaker, I have no additional requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KOSTMAYER). The question is on the motion offered by the gentleman from Michigan [Mr. FORD] that the House suspend the rules and pass the bill, H.R. 982.

The question was taken.

Mr. FORD of Michigan. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on the bill, H.R. 2696, as well as the Senate amendments reported in disagreement, and that I may include extraneous material and tables.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

CONFERENCE REPORT ON H.R. 2696, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1990

Mr. BEVILL. Mr. Speaker, I call up the conference report on the bill (H.R. 2696) making appropriations for energy and water development for the fiscal year ending September 30, 1990, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of September 7, 1989.)

The SPEAKER pro tempore. The gentleman from Alabama (Mr. BEVILL) will be recognized for 30 minutes, and the gentleman from Indiana [Mr. MYERS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Alabama [Mr. BEVILL].

Mr. BEVILL. Mr. Speaker, I yield myself such time as I may consume. Mr. Speaker, I am pleased to present the conference report on the fiscal year 1990 energy and water development appropriation bill for your favorable consideration. Our colleagues will recall that debate on this bill occurred in the House on June 28. The bill was passed by voice vote in the House and in the Senate.

Mr. Speaker, our conference committee meeting was held on Thursday, September 7. I wish to compliment our friends from the other body, particularly the Senator from Louisiana [Mr. JOHNSTON], the chairman of the Senate subcommittee, and the Senator from Oregon [Mr. HATFIELD], the ranking minority member, for the fine spirit of compromise displayed in the conference meeting. I also wish to thank my colleagues, the House conferees, for their support and their valuable contributions during the conference deliberations.

Now I would like to comment on various aspects of the conference agreement.

Mr. Speaker, this bill is one that will be signed by the President. It is below the subcommittee's section 302(b) allocation for budget authority.

Mr. Speaker, for the various agencies and programs under the jurisdiction of the Energy and Water Development Subcommittee, the committee of conference recommends $18,555,427,000 in new budget authority. This amount is $177,054,000 more than the budget requests, $12,417,000 more than the House bill and $105,955,000 more than the Senate bill.

The reason for the increase over the budget is in the defense area. The amount for defense programs is $269,034,000 above the budget request. This increase is for waste cleanup. The amount for domestic programs is $91,980,000 below the budget request.

The conference agreement we present to you today is the culmination of nearly 8 months of effort on the part of the House committee and the same review by the Senate committee. During this period we have heard testimony from hundreds of witnesses—contained in eight hearing volumes of thousands of pages. This is the first appropriation bill conferenced for fiscal year 1990. Bringing it up at this time and at this level, is an indication that Congress is serious about deficit reduction and attempting to avoid a comprehensive continuing resolution.

The House considered the energy and water development appropriation bill on the floor in 1 day. The Senate had a total of 71 numbered amendments to the bill. But, within those 71 amendments, there were nearly 400 individual items in disagreement. The conference agreement represents the best efforts of the House and Senate conferees to achieve consensus on those 400 items. Many items had to be reduced or changed to accomplish agreement with the Senate. In addition, we had to keep in mind the need to have a bill that was acceptable to the administration.

Your House conferees did their best to maintain the House position. However, to bring back a conference report that is within the budget allocation for the energy and water development programs, a great many items had to be compromised.

We would like more money for energy and the water projects. But, if we stay within the 302(b) allocation, we cannot provide all of the funds for all of the programs and projects to the extent we would like.

Mr. Speaker, the conference agreement contains $3,152,017,000 in title I for the Army Corps of Engineers. This is $20,201,000 less than the bill as passed by the House and $3,940,000 less than the Senate-passed bill. These funds will finance 436 water resources projects in the planning or construction phase.

For title II, the Bureau of Reclamation, the conferees recommend a total of $997,542,000 which is $1,412,000 more than the House-passed bill and $200,000 more than the Senate-passed bill. This will fund 115 water resources

projects in the planning or construction phase.

In my view, the conference agreement provides for a financially prudent and environmentally sound water resources development program.

The conference agreement contains $13,844,383,000 for the Department of Energy programs in title III. This includes $2,215,466,000 for energy supply, research and development activities; $338,019,000 for power marketing administrations; $346,000,000 for the nuclear waste disposal fund; and $1,114,431,000 for general science and research activities. The energy accounts include $143,817,000 for solar, geothermal and electric energy systems and storage; $595,875,000 for nuclear energy; and $330,750,000 for magnetic fusion. The conference agreement provides a total of $9,656,034,000 for atomic energy defense activities. This is an increase of $1,556,034,000 over the fiscal year 1989 level and is $269,034,000 above the President's budget request. This level includes increased funds for defense waste cleanup.

Mr. Speaker, the conference agreement includes $581,485,000 for nine independent agencies and commissions in title IV, including $150,000,000 for the Appalachian Regional Commission, $298,150,000 for the Nuclear Regulatory Commission, and $121,000,000 is provided for the Tennessee Valley Authority.

I will insert a table in the RECORD at this point which summarizes the financial aspects of the conference agreement.

I would like to call Members' attention to several minor typographical errors in the conference report printed in the September 7, 1989, CONGRESSIONAL RECORD. On page H5460, column three, in the portion of the report dealing with general science and research activities, the amount mentioned initiating the first tunnel sector contract for the superconducting super collider was $125,000,000. This amount should have been $25,000,000. On page H5481, the title number for general provisions was printed as title IV. It should have been title V.

	FY 1989 Enacted	FY 1990 Estimates	House	Senate	Conference	Conference compared with Enacted
TITLE I - DEPARTMENT OF DEFENSE - CIVIL						
DEPARTMENT OF THE ARMY						
Corps of Engineers - Civil						
General investigations	142,405,000	126,108,000	123,312,000	131,086,000	131,086,000	-11,319,000
Construction, general	1,184,735,000	1,201,790,000	1,127,912,000	1,124,570,000	1,099,200,000	-85,535,000
Flood control, Mississippi River and tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee	337,980,000	337,000,000	342,186,000	335,970,000	336,000,000	-1,980,000
Operation and maintenance, general	1,370,714,000	1,282,622,000	1,382,081,000	1,396,104,000	1,377,504,000	+6,790,000
Revenues Applied	---	---	---	-40,000,000	---	---
General regulatory functions	60,427,000	69,427,000	69,427,000	69,427,000	69,427,000	+9,000,000
(By transfer)	(3,325,000)	---	---	---	---	(-3,325,000)
Flood control and coastal emergencies	20,000,000	---	---	---	---	-20,000,000
Revolving Fund	---	23,000,000	---	10,000,000	10,000,000	+10,000,000
General expenses	120,000,000	128,800,000	127,300,000	128,800,000	128,800,000	+8,800,000
(By transfer)	(2,600,000)	---	---	---	---	(-2,600,000)
Total, title I, Department of Defense - Civil: New budget (obligational) authority	3,236,261,000	3,168,747,000	3,172,218,000	3,155,957,000	3,152,017,000	-84,244,000
TITLE II - DEPARTMENT OF THE INTERIOR						
Bureau of Reclamation						
General investigations	14,250,000	11,550,000	11,230,000	11,330,000	11,530,000	-2,720,000
Construction program	712,305,000	644,307,000	661,008,000	662,120,000	662,120,000	-50,185,000
Operation and maintenance	187,731,000	232,287,000	212,287,000	212,287,000	212,287,000	+24,556,000
Loan program	26,022,000	33,292,000	34,122,000	34,122,000	34,122,000	+8,100,000
(Limitation on direct loans)	(27,766,000)	(31,092,000)	(31,922,000)	(31,922,000)	(31,922,000)	(+4,156,000)
General administrative expenses	48,313,000	47,983,000	47,983,000	47,983,000	47,983,000	-330,000
Emergency fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	---
Working Capital fund	4,000,000	8,500,000	8,500,000	8,500,000	8,500,000	+4,500,000
Colorado River Dam fund (by transfer, permanent authority)	(-2,485,000)	(-3,564,000)	(-3,564,000)	(-3,564,000)	(-3,564,000)	(-1,079,000)
Total, Bureau of Reclamation	993,621,000	978,919,000	976,130,000	977,342,000	977,542,000	-16,079,000
Total, title II, Department of the Interior: New budget (obligational) authority	993,621,000	978,919,000	976,130,000	977,342,000	977,542,000	-16,079,000
(Limitation on direct loans)	(27,766,000)	(31,092,000)	(31,922,000)	(31,922,000)	(31,922,000)	(+4,156,000)
(By transfer)	(-2,485,000)	(-3,564,000)	(-3,564,000)	(-3,564,000)	(-3,564,000)	(-1,079,000)

	FY 1989 Enacted	FY 1990 Estimates	House	Senate	Conference	Conference compared with Enacted
TITLE III - DEPARTMENT OF ENERGY						
Energy Supply, Research and Development Activities:						
Operating Expenses	1,828,394,000	1,859,987,000	1,851,327,000	1,925,187,000	1,941,672,000	+113,278,000
Plant and Capital Equipment	313,932,000	302,289,000	289,489,000	290,279,000	273,794,000	-40,138,000
Subtotal	2,142,326,000	2,162,276,000	2,140,816,000	2,215,466,000	2,215,466,000	+73,140,000
Isotope production and distribution fund	---	16,243,000	16,243,000	16,243,000	16,243,000	+16,243,000
Uranium Supply and Enrichment Activities:						
Operating Expenses	1,118,080,000	1,376,800,000	1,376,800,000	1,361,800,000	1,364,800,000	+246,720,000
Plant and Capital Equipment	70,000,000	68,200,000	68,200,000	66,200,000	66,200,000	-3,800,000
Subtotal	1,188,080,000	1,445,000,000	1,445,000,000	1,428,000,000	1,431,000,000	+242,920,000
Gross revenues	-1,429,000,000	-1,445,000,000	-1,500,900,000	-1,500,900,000	-1,500,900,000	-71,900,000
Net appropriation	-240,920,000	---	-55,900,000	-72,900,000	-69,900,000	+171,020,000
General Science and Research Activities:						
Operating Expenses	717,578,000	770,981,000	730,240,000	740,981,000	740,981,000	+23,403,000
Plant and Capital Equipment	204,538,000	398,450,000	332,191,000	373,450,000	373,450,000	+168,912,000
Subtotal	922,116,000	1,169,431,000	1,062,431,000	1,114,431,000	1,114,431,000	+192,315,000
Nuclear Waste Disposal Fund	369,832,000	500,000,000	424,700,000	350,000,000	346,000,000	-23,832,000
Atomic Energy Defense Activites:						
Operating Expenses	6,695,925,000	7,588,487,000	7,933,487,000	7,838,090,000	7,920,026,000	+1,224,101,000
Plant and Capital Equipment	1,404,075,000	1,798,513,000	1,758,813,000	1,716,008,000	1,736,008,000	+331,933,000
Subtotal	8,100,000,000	9,387,000,000	9,692,300,000	9,554,098,000	9,656,034,000	+1,556,034,000
Departmental Administration:						
Operating Expenses	396,503,000	405,365,000	355,461,000	351,024,000	351,783,000	-44,720,000
Plant and Capital Equipment	7,162,000	3,273,000	3,273,000	3,273,000	3,273,000	-3,889,000
Subtotal	403,665,000	408,638,000	358,734,000	354,297,000	355,056,000	-48,609,000
Miscellaneous revenues	-240,725,000	-228,715,000	-150,000,000	-150,000,000	-150,000,000	+90,725,000
Net appropriation	162,940,000	179,923,000	208,734,000	204,297,000	205,056,000	+42,116,000

	FY 1989 Enacted	FY 1990 Estimates	House	Senate	Conference	Conference compared with Enacted
Office of the Inspector General	---	22,959,000	22,959,000	22,959,000	22,959,000	+22,959,000
Power Marketing Administrations						
Operation and maintenance, Alaska Power Administration	3,159,000	3,145,000	3,145,000	3,145,000	3,145,000	-14,000
Operation and maintenance, Southeastern Power Administration	36,267,000	42,369,000	18,469,000	18,469,000	18,469,000	-17,798,000
Operation and maintenance, Southwestern Power Administration	15,389,000	25,172,000	25,172,000	25,172,000	25,172,000	+9,783,000
Construction, rehabilitation, operation and maintenance, Western Area Power Administration	270,928,000	311,233,000	291,233,000	291,233,000	291,233,000	+20,305,000
(By transfer, permanent authority)	(2,485,000)	(3,564,000)	(3,564,000)	(3,564,000)	(3,564,000)	(+1,079,000)
Subtotal	325,743,000	381,919,000	338,019,000	338,019,000	338,019,000	+12,276,000
Federal Energy Regulatory Commission						
Salaries and expenses	108,760,000	116,550,000	116,550,000	116,550,000	116,550,000	+7,790,000
Revenues Applied	-108,760,000	-116,550,000	-116,550,000	-116,550,000	-116,550,000	-7,790,000
Subtotal	---	---	---	---	---	---
Geothermal Resources Development Fund						
Geothermal loan guarantee and interest assistance program	75,000	75,000	75,000	75,000	75,000	---
Total, title III, Department of Energy:						
New budget (obligational) authority	11,782,112,000	13,819,826,000	13,850,377,000	13,742,688,000	13,844,383,000	+2,062,271,000
Operating Expenses	(11,782,112,000)	(13,819,826,000)	(13,850,377,000)	(13,742,688,000)	(13,844,383,000)	(+2,062,271,000)
Plant and Capital Equipment	(1,999,707,000)	(2,570,725,000)	(2,451,966,000)	(2,449,210,000)	(2,452,725,000)	(+453,018,000)
(By transfer)	(2,485,000)	(3,564,000)	(3,564,000)	(3,564,000)	(3,564,000)	(+1,079,000)
TITLE IV - INDEPENDENT AGENCIES						
Appalachian Regional Commission:						
Appalachian regional development programs	110,700,000	---	110,000,000	150,000,000	150,000,000	+39,300,000
Defense Nuclear Safety Board:						
Salaries and expenses	---	---	10,000,000	7,000,000	7,000,000	+7,000,000

	FY 1989 Enacted	FY 1990 Estimates	House	Senate	Conference	Conference compared with Enacted
Delaware River Basin Commission:						
Salaries and expenses	205,000	214,000	214,000	214,000	214,000	+9,000
Contribution to Delaware River Basin Commission	263,000	345,000	345,000	345,000	345,000	+82,000
Total, Delaware River Basin Commission	468,000	559,000	559,000	559,000	559,000	+91,000
Interstate Commission on the Potomac River Basin:						
Contribution to Interstate Commission on the Potomac River Basin	379,000	---	100,000	300,000	300,000	-79,000
Nuclear Regulatory Commission:						
Salaries and expenses	420,000,000	472,100,000	442,100,000	442,100,000	442,100,000	+22,100,000
Revenues	-189,000,000	-156,750,000	-146,850,000	-146,850,000	-146,850,000	+42,150,000
Subtotal	231,000,000	315,350,000	295,250,000	295,250,000	295,250,000	+64,250,000
Office of the Inspector General	---	2,900,000	2,900,000	2,900,000	2,900,000	+2,900,000
Total, Nuclear Regulatory Commission	231,000,000	318,250,000	298,150,000	298,150,000	298,150,000	+67,150,000
Susquehanna River Basin Commission:						
Salaries and expenses	192,000	200,000	200,000	200,000	200,000	+8,000
Contribution to Susquehanna River Basin Commission	262,000	276,000	276,000	276,000	276,000	+14,000
Total, Susquehanna River Basin Commission	454,000	476,000	476,000	476,000	476,000	+22,000
Tennessee Valley Authority:						
Tennessee Valley Authority Fund	103,000,000	87,596,000	121,000,000	113,000,000	121,000,000	+18,000,000
Other Temporary Commissions:						
Nuclear Waste Technical Review Board	---	2,000,000	2,000,000	2,000,000	2,000,000	+2,000,000
Office of the Nuclear Waste Negotiator	---	2,000,000	2,000,000	2,000,000	2,000,000	+2,000,000
Total, Other Temporary Commissions	---	4,000,000	4,000,000	4,000,000	4,000,000	+4,000,000
Total, title IV, Independent agencies:						
New budget (obligational) authority	446,001,000	410,881,000	544,285,000	573,485,000	581,485,000	+135,484,000
Grand total, all titles:						
New budget (obligational) authority	16,457,995,000	18,378,373,000	18,543,010,000	18,449,472,000	18,555,427,000	+2,097,432,000
(Limitation on direct loans)	(27,766,000)	(31,092,000)	(31,922,000)	(31,922,000)	(31,922,000)	(+4,156,000)
(By transfer)	(5,925,000)	---	---	---	---	(-5,925,000)

□ 1550

Mr. MYERS of Indiana. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join my chairman in first thanking the staff of our subcommittee who worked diligently for the last several weeks working on this, as well as the members of the Subcommittee on Appropriations for Energy and Water Development; also the Senate who worked in cooperation with us. Several of my colleagues have asked about how long it took to work out the differences, and there were a number of differences between the House version and the Senate version, and I just discussed this with one Member here. He was amazed that we worked only a few hours in settling the differences. So, Mr. Speaker, I congratulate the Members and the staff for making this an expedited proceeding. Between now and the end of the fiscal year we only have, as I look at the calendar, 12 legislative days, assuming that for the next 2 weeks we work both Mondays and Fridays. We only have 12 legislative days. Assuming this passes today, and the other body takes it up, and it goes to the President, we still have 12 remaining appropriations bills that must be completed by the end of the fiscal year. So, we have a very, very large task.

My colleagues, this is the first appropriations, conference report to come before this body and I strongly support it. It is basically the House version of the bill. There were some changes. There were a few programs that the House was unable to sustain. There are going to be some questions by some of the Members. The Members of the other body were adamant about some of the projects that we had included. Some of the projects they included we have taken out. It was a compromise.

The bill is $177 million above the request of the President. Most, if not all, of this is in defense activities, particularly the defense waste and environmental restoration activities in the Energy Department.

This is the first time that we have sent a bill to the President from energy and water development appropriations that the defense part of the bill is larger than the domestic. Total budget authority and outlays are within the 302 (b) iimits, as the chairman has said. We have not heard from OMB, as often we do, but I feel confident that the President will sign this bill.

So, Mr. Speaker, I strongly endorse this and hope that we will get the support of all Members. It is a good bill. It is a lean one, a little more lean than we would like to see. It funds the corps at less than last year, about 2 percent, but it is a good bill. It is the best we can come up with within the 302(b) and the President's request.

Mr. Speaker, I reserve the balance of my time.

Mr. BEVILL. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I wish to express my appreciation and thanks to the chairman of the Subcommittee on Energy and Water Development, Mr. BEVILL, and the ranking member, Mr. MYERS, for their efforts in securing prompt consideration and passage of this bill.

There are many provisions in this bill which I strongly support. For example, the bill contains language prohibiting the completion of the San Luis Drain to a discharge point in the Sacramento-San Joaquin Delta. In addition, the bill contains a prohibition on long-term water marketing in the Central Valley project.

However, the bill does contain one provision which troubles me, and I would like to explain my position on this issue for the record. This provision would implement a controversial settlement between the United States and the Strawberry Water Users Association in Utah.

As my colleagues may recall, the interim cost ceiling increase for the central Utah project was enacted last year as Public Law 100-563. This legislation included $15 million to fund a settlement with the Strawberry Water Users Association.

As the situation was represented to us last year, funding was needed to compensate the Strawberry Water Users for lost grazing privileges as lands were taken for construction of the central Utah project [CUP]. We were told that the proper funding level was $15 million. In addition, we were assured that, once funds were appropriated pursuant to our authorization, steps would be taken to correct some very damaging land management practices which had been the rule on many acres of land managed by the water users in eastern Utah's high country. On the strength of these assurances, the Congress passed the $15 million authorization.

We have now learned that Members of both the House and Senate were not told all the facts about the $15 million authorization for the Strawberry Water Users Association.

In a interim report issued last week, the General Accounting Office [GAO] issued a very damaging analysis of this authorization.

The GAO concluded that the $15 million compensation far exceeds what the Strawberry Water Users were entitled to. According to GAO, the $15 million authorization, plus a 1986 payment of $2.8 million, substantially exceed the value of the compensatory contracts signed by the Strawberry Water Users and the United States.

Because the GAO's interim findings were not revealed until just last week and because further investigations are pending, I will not force a vote on opposing the Strawberry appropriation at this point.

However, I intend to pursue this matter to ensure that any funds disbursed to the Strawberry Water Users are fully justified. I will review each and every transaction involving this funding. In addition, the spending record for these activities will be closely examined as we proceed with reauthorization of the CUP. If necessary, any discrepancies in expenditures will be corrected with corresponding reductions in funding for other parts of the CUP.

Mr. Speaker, resolving the many problems associated with completing the central Utah project will obviously not be easy. I took forward to working closely with Mr. BEVILL, Mr. MYERS, and Members of the Utah delegation as we proceed with this task.

Mr. MYERS of Indiana. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. LAGOMARSINO]. We have worked very closely on some projects of his concern.

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of the conference report on H.R. 2696, the energy and water development appropriation for fiscal year 1990, and to thank the chairman, the gentleman from Indiana, the gentleman from California and the members of the committee and the staff for their diligence, and for once again assisting the people of my district with important water development, shoreline protection and harbor maintenance and improvement programs. We are always grateful for the assistance provided by this committee on these vital projects.

At this point, Mr. Speaker, I would like to engage the gentleman from Indiana—the distinguished ranking member of the committee—in a colloquy regarding language the conferees have adopted in their report concerning repair of groin No. 1 in the Ventura Pierpont Groin Field adjacent to Ventura Harbor.

Mr. MYERS of Indiana. Mr. Speaker, if the gentleman will yield, I would be pleased to respond to my friend, the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Thank you, it is my understanding that the conferees, at page 15 of the report, direct the Army Corps of Engineers to assume responsibility for 100 percent of the cost associated with the restoration and nourishment of the beach between groin No. 1 and groin No. 2 in the Ventura Pierpont Groin Field, as long as such renourishment can be accomplished at a cost which does not exceed the costs which have been allocated under the corps' current plan for providing the maintenance dredging of Ventura Harbor. By using this ap-

proach the corps will accomplish two goals. First; sand dredged from the harbor will be disposed of in the most expeditious and least costly manner, second, groin No. 1, which the corps has been directed to repair in the Water Resources Act of 1988, and the adjoining beach and public property which it protects, will be protected from subsequent damage and erosion. After many hours of negotiations, a local cooperative agreement has been worked out for repair of the groin, including cost sharing by the local sponsors. The corps feels, and the local sponsors agree, that restoration of the beach following repair of the groin is essential to ensure protection of the project.

The language the conferees have included will ensure that protection and in addition save the corps money by providing a nearby site for disposing of the dredged sand, accordingly, it is my expectation, and I hope the committee agrees, that the corps will commence work on the groin repair immediately so that when the maintenance dredging occurs the conferees' instructions will be fulfilled. I am hopeful it will not be necessary for the committee to revisit this issue in the future, and I thank you once again for your assistance.

Mr. MEYERS of Indiana. Mr. Speaker, the gentleman from California [Mr. LAGOMARSINO] is absolutely correct in his statement of the committee's language and intentions in regard to this project, and I hope he will keep the committee informed of its progress.

□ 1600

Mr. BEVILL. Mr. Speaker, will the gentleman from California yield?

Mr. LAGOMARSINO. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Speaker, I also agree that the gentleman from California is correct.

Mr. LAGOMARSINO. Mr. Speaker, I thank the gentleman.

Mr. BEVILL. Mr. Speaker, I yield 2 minutes to the gentleman from Delaware [Mr. CARPER.]

Mr. CARPER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise to engage in a colloquy with the distinguished chairman of the subcommittee, Mr. BEVILL, and the distinguished ranking minority member, Mr. MYERS.

Mr. Speaker, the bridge which crosses the Chesapeake and Delaware Canal at St. Georges, DE, is in need of repair. The Corps of Engineers and the State of Delaware's transportation engineers disagree on the type of repairs that the bridge requires. The Corps of Engineers believes that a major rehabilitation costing up to $20 million is necessary. The State of Delaware feels that less costly repairs of the bridge will be sufficient. This is because the State of Delaware believes that a new bridge must be built across the canal at St. Georges. Very soon the corps wants to shut down the bridge to as few as two lanes, cutting the capacity of the bridge in half. Delaware and the Federal Highway Administration contend that such a major disruption can be averted, at least until alternative routes are completed.

The Senate Appropriations Committee included in its committee report accompanying the energy and water appropriations bill for fiscal year 1990 language which directed the corps to work in conjunction with the State of Delaware and the Federal Highway Administration to develop a plan of action to minimize traffic disruptions over the bridge. Funds available for the rehabilitation of the bridge would be released once those three parties have reached a consensus on what repairs are necessary.

Mr. Speaker, I wish to indicate to the distinguished chairman and the entire House that Delaware has attempted to secure the corps' cooperation in this effort without success for the last 2 years.

Mr. Speaker, the conference report language is different than what is contained in the Senate's report language. Do you agree that nothing in the conference report undoes what was stated in the Senate's language as it relates to the corps working in conjunction with the State and the Federal Highway Administration to determine what repair work is necessary? Do you further agree that the language that was developed in the conference report was intended only to achieve a clarification of the Federal authority of the corps to build a new bridge at St. Georges, DE?

And finally, does the gentleman agree that the review of the legal authority of the corps to build a new bridge should not delay the efforts of the corps, Delaware, and the Federal Highway Administration to develop a mutually agreed upon plan of action to minimize the disruption of traffic over the canal?

Mr. BEVILL. Mr. Speaker, if the gentleman will yield, the gentleman is correct.

Mr. CARPER. Mr. Speaker, I thank the distinguished chairman for this clarification. Let me say in closing that the State of Delaware will never abdicate its responsibility to ensure the safety of motorists traveling through its transportation system. We seek only to minimize the extent to which repairs to St. Georges bridge disrupt traffic on this major artery, and to have those repairs begin after alternative routes to divert traffic have been completed. I hope the corps will cooperate with us in meeting those objectives.

Mr. MYERS of Indiana. Mr. Speaker, if the gentleman will yield, I have listened to the remarks of the gentleman from Delaware, and I concur with the chairman that the gentleman is correct.

The gentleman and his Governor did appear before our committee. We met with him, and I agree with the chairman in his response.

Mr. CARPER. Mr. Speaker, I thank the distinguished gentleman from Indiana, and also the distinguished chairman of the committee.

Mr. MYERS of Indiana. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Nebraska [Mrs. SMITH], a very valued member of this committee and one we will miss after next year.

Mrs. SMITH of Nebraska. Mr. Speaker, I thank the gentleman for yielding me this time and for his comments.

Mr. Speaker, I rise as a member of the Appropriations Subcommittee on Energy and Water Development in support of this conference report on H.R. 2696, making appropriations for energy and water development for fiscal year 1990. I ask unanimous consent to revise and extend my remarks.

I support this bill even though it does not provide full funding for every undertaking wanted and needed for my State. But it does address the major energy and water concerns of Nebraska.

As a member of the Committee of Conference on this bill, I want to thank my colleagues in the House for sticking up for Nebraska when it counted.

My amendments approved by the conferees added about $18 million to the President's budget requests for Nebraska projects for fiscal year 1990, bringing the Nebraska total to about $35 million, down from about $40 million in the previous fiscal year.

I commend our distinguished subcommittee chairman, the gentleman from Alabama [Mr. BEVILL]; the subcommittee's ranking minority member, the gentleman from Indiana [Mr. MYERS]; the distinguished chairman of our counterpart subcommittee in the other body, the gentleman from Louisiana [Mr. JOHNSTON]; the gentleman from Oregon [Mr. HATFIELD]; and all the conferees for bringing this excellent bill to the House for consideration and final approval in such timely fashion.

Once again our subcommittee is the first to bring up an appropriation conference report to send to the President.

The House has nearly always done its work on its version of this bill and other appropriations measures with far greater dispatch than the other body.

For fiscal 1989 and 1990 year, however, both bodies are moving right along, the result mainly of the nonpartisan spirit in which members of the energy and water appropriations subcommittees of both bodies work together.

This nonpartisan cooperative spirit is chiefly the reason that the differing versions of this bill passed both House and Senate by voice votes.

Then came the task of putting these two complicated bills together. As all Members are aware, it takes sophisticated computer systems to compare the differences in the two versions involving thousands of line items and pages and pages of report and bill language.

Yet, because of extraordinary staff in both bodies, many of whom had to work into the wee hours, the conferees were able to reconcile nearly 400 individual items in disagreement contained within 71 Senate amendments to the bill. We had to keep in mind that the bill has to be acceptable to the White House.

I wish to state my thanks on behalf of the people of Nebraska my appreciation for the cooperation and understanding of the Office of Management and Budget with respect to its renewed support of the completion of the North Loup Division, Nebraska, Pick-Sloan Missouri Basin Program, including the Davis Creek Dam and all related facilities as authorized.

This bill contains about $23 million for this project, full funding for fiscal 1990. Completion is scheduled by fiscal year 1994. Without the committee unwavering, faithful support, however, on both sides of the aisle, this money would not be in this bill.

I thank the House and Senate for its repeated demonstration of support for the North Loup Division and the dozens of other projects funded in the bill for Nebraska and for the Nation.

As Chairman BEVILL has presented here in detail, this is a carefully crafted conference report. It meets every budget test.

I want to restate Chairman BEVILL's observation that this conference report is the culmination of an intense period of effort by the House and Senate committees.

During this period we have heard or received written testimony from thousands of witnesses, including more than half of the Members of the House—contained in eight hearing volumes covering more than 12,000 pages.

Accomplishing all this within the timeframe we set for ourselves demonstrates we are serious about doing our part about deficit reduction and about again avoiding the continuing resolution chaos of both 1987 and 1988.

We are claiming success. But it was achieved with great pain. The funds in this bill rarely reflect our preferences. We would like more for energy, for the weapons program, and for water-resource development.

As hard as we have tried to address every concern expressed to the subcommittee, not every one of our colleagues is pleased with what we have done. Indeed, to stay within the budget constraints, we had to spread significant pain around. A great many items had to be compromised.

But dissent will be heard. We will hear some colloquys to clarify the intent of some bill and report language. We may hear from colleagues who oppose one or more of the amendments in technical disagreement.

As a member of the Committee of Conference, I am particularly grateful for my colleagues' support when together we headed off a Senate move, provided in Senate amendment No. 5, to completely eliminate water-project planning funds earmarked for Nebraska, Minnesota, and Alabama.

This funding is provided under section 22 of the Water Resources Act of 1974, which authorizes technical assistance to States in coordinated studies with other agencies.

In conference, the Senate agreed to back off a little if we would add seven more States to the list. But there just was not enough money for all of these States to receive the maximum authorized $300,000.

To avoid a major falling out over this relatively small account, we reluctantly agreed to conference report language listing the 10 States without specific guidance to the Army Corps of Engineers as to how much each State should be allocated.

While congressional "agreement" ostensibly was thus reached, the Corps of Engineers may as well get ready for a very heavy pitch from the State of Nebraska for the $300,000 it so keenly needs to address its water-project planning backlog.

The conference provided $8,975,000 for section 22 funds, down only a little from $9,505,000 for fiscal year 1989.

Last year, I insisted full funding be retained for Nebraska from this account because our State had received minuscule amounts from this fund for many years.

Nebraska received only $20,000 in fiscal 1988, down from $30,000 the previous year, and up only slightly from the $17,000 allocated for each of the 2 years of 1985 and 1986.

I pointed out to the Senate conferees that Governor Orr had presented testimony to the committee requesting a total of $455,000 to address a backlog of water project studies.

I said that for years Nebraska got "peanuts" from this account. I said fiscal 1989's $300,000 was only a good beginning. We have large-scale water problems, and adequate planning money is long overdue.

I provide for the RECORD this list of priority study projects from Michael Jess, Governor Orr's director of the State Department of Water Resources:

1. Instream flows below Gavins Point and Fort Randall on the Missouri River.
2. Restoration of the rainwater basin in the Holdrege area.
3. Public-use maps for the Salt Valley near Lincoln.
4. Comprehensive resources including recreation, historical, and cultural aspects on the Missouri River from Sioux City to Rulo.
5. Backwater areas of the Missouri River for selected wildlife habitat.
6. Statewide instream flow data for fish and wildlife.

This bill approved by the House-Senate conference includes my amendments as follows:

Davis Creek Dam $17 million, plus $6 million requested in the President's budget, for a total of $23 million.

Missouri River Mitigation, a new planning start, the Senate adding $150,000 to my amendment for a grand total of $300,000.

Section 22 environmental study funds for the State of Nebraska, approval of continued funding but without specified amounts.

Papillion Valley and Tributaries flood control, Big Channel project $500,000, for a total $2,500,000 for construction; for operation and maintenance $512,000.

Missouri National Recreation River $100,000 for operation and maintenance and $620,000 for construction.

Antelope Creek, Lincoln, flood survey, $100,000.

Elm Creek, Decatur, flood survey, $75,000.

With minor adjustments, the conferees also approved the following Nebraska funds, requested in January by the President:

Gavins Point Dam-Lewis and Clark Lake, operation and maintenance (O&M) $4,225,000.

Harlan County Reservoir O&M $1,178,000.

Salt Creek and Tributaries Lakes, Lincoln, O&M $737,000.

Wood River, Grand Island, flood survey $62,000.

Farwell Irrigation District, construction, $460,000.

O'Neill Unit, preconstruction work, $700,000.

Glendo Dam, Wyoming, providing water for Nebraska users, $1.2 million for reconstruction.

Groundwater recharge demonstration projects at York and Wood River, unspecified amounts for construction and planning from total appropriation of $7,323,000 for 21 projects nationwide.

I urge my colleagues to approve this conference report.

Mr. BEVILL. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Mississippi [Mr. WHITTEN], a very valued member of this subcommittee.

Mr. WHITTEN. Mr. Speaker, I appreciate this opportunity.

Over the years that I have been here, I have tried to point out the difference between wealth and paper money. There is no question but what we are in bad shape from a financial standpoint when we look and see the increased deficit, the terrible drug sit-

uation, the loss of exports, our deteriorating highway system and bridges, and the like. The only basis we have got to handle our problems is our country itself, and it is high time that we begin to put first things first.

I am proud of this subcommittee and the members of it and proud to be a member of it.

Some years ago, I am glad to say that the only time in history, so Mr. Cannon said, I made a motion to override the President's veto on the public works appropriation bill on the grounds that it was up to Congress to select the projects and the President to recommend.

So I say to you today that I am proud of what the committee has done here. In some instances they did not get everything they would like, and there may be some things all of us would differ with, but I want to commend every member of this subcommittee for the efforts they make and to say I am proud to be a part of this.

You have heard me say this before. We had better look after our own country. I believe in a balanced budget, but we ought to be careful where we balance it.

Some years ago I heard a fellow say that Ethiopia is the only country in the world that had a balanced budget. It did not owe a dollar and did not have one, either.

So we have got to see that this country continues to run. We need to look after our highways and bridges and dams. We had better get busy on that.

So within the limits of the possible, this committee has done the very best that anybody could do, and I am glad to say that we were united on it. It may be that something will come along in supplementals that we overlooked, but we are doing a good job.

The problems that we have that are financial are not from what we spent on our own country. We had better look after our own country first, because that is what all the rest depends on.

Mr. Speaker, again I commend the members of this committee and I am proud to be a member of it, along with the gentleman from Alabama [Mr. BEVILL] and the gentleman from Indiana [Mr. MYERS] and all of them.

I will tell you this, too. We have one of the finest staffs around. I could spend an hour talking about what a fine staff we have on the Appropriations Committee. They are all budget people. They know what they are doing. They are not politicians as such, but they do believe in policy and in sound business.

May I say again, we worked across the board. It is a bipartisan committee.

As you know, I represent my State on the Appropriations Committee, where I have served longer than any other Member. There are many provisions which are of interest and of real value to my State as shown in the report.

I am glad to say as chairman of the Committee on Appropriations, the same is true of all sections of the United States, Appalachia, where corridor V is contained, TVA; demonstration projects on watershed protection and flood control in the foothill area from Tennessee to Grenada; on the eastern section of my district, the Tombigbee Water Management District, Town Creek, in much of which the Soil Conservation Service is a partner.

This is of special interest to the people of my district. The same goes for projects in the rest of my State and the region.

Mr. Speaker, I take this opportunity to point out how much Federal programs mean to our Nation. This is one place where the benefits are not only essential for the moment, but also add to our national wealth for many years to come.

As I have pointed out many times, since 1941 the national wealth has increased 36 times.

Mr. Speaker, I have pointed out for some years, I believe it was first during the term of President Johnson, that hopefully when we slow down the growth of military expenditures, we can divert our energy, and attention to worthwhile, valuable and essential public works. We must keep the wheels turning for you cannot repay a cheap dollar borrowed with a hard-to-get earned dollar; thus we must have a vital economy.

We have tried through the years to get an authorization for the backlog of worthwhile projects, so we could begin to spend money wisely and now the time may have come so that we must do it. I think our committee and all our colleagues have done a great job in providing authorizations so that we will have some place to focus our resources when the time comes.

I remember when the Mount St. Helens volcano eruption occurred, we brought out a supplemental bill and called the committee back together so our House colleagues could get on with the task of taking care of that area which suffered from the volcano, Mount St. Helens.

Whether it is in California, Maine, New York, or wherever it may be, this committee has looked without partisanship to taking care of flood control in all our country.

It is unreasonable to expect any section of the country to handle water from 41 percent of the United States by itself—from parts of Canada and New York State—the water goes down the Mississippi to New Orleans.

Let me tell you that in 1928 in the lower Mississippi, we had one of the most disastrous floods in the history of the United States. Following that, the Congress had the Corps of Engineers prepare a plan to try to handle the flooding along the Mississippi River because at that time you could not control the volume of water draining 41 percent of the Nation. You have to work with it.

Now we have gotten control of the main stem to a great degree, but when the main stem drains all the water from 41 percent of this country into our area, then the tributaries have to go into a flooded river which means wide spread flooding over several States.

I want to tell you, the damages we have in my area which is in the tributary area, we had three 100-year floods in 10 years. Millions of acres were flooded including this year. I have been advised that 70,000 acres will continue flooded until next June.

So I say while we are starting out on new things, we have to live with all the water from 41 percent of the country, for it goes down into this funnel that hits New Orleans.

Let me digress a little bit here, and I think it is worthwhile to say it. Some years ago, I was walking over from the other body where we had been in a conference, and the late Secretary of the Treasury, Joe Fowler, who was Chairman of the Commission which was to build up a sufficient productive capacity for us to compete with Russia, said, "Jamie, you know, if I was in charge of Russia, I would declare 5 years of peace."

Just think, he said:

> It would bring disaster to our economy. Just think if all the boys were to come home from the service, if all the contracts with the Federal Government for military equipment were canceled, what would happen here. Our economy would break down. At that time we had more cars than we could park, more clothes than we could wear, and the finest time in the history of this country. But I decided that it simply could not take a war or preparation for war in order to have prosperity. We could have prosperity if we would use the same energy in protecting and developing our country, and would end up with a rich country.

I want to congratulate my fellow colleague on this bill. They have provided something for us to turn to so we may improve our country, and if we will just do that, we can do wonders.

Mr. MYERS of Indiana. Mr. Speaker, I thank our chairman for those very kind remarks, and also I thank the gentlewoman from Nebraska [Mrs. SMITH] for her kind remarks.

Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. HORTON].

Mr. HORTON. Mr. Speaker, I thank the gentleman for yielding me this time. I would like to engage the chairman and the ranking minority member in a colloquy on the Rochester Institute of Technology research

funding on microelectronics and imaging sciences.

Mr. Speaker, the Rochester Institute of Technology has been engaged in an effective program of microelectronics and imaging sciences research with the Department of Energy over the past year. The House Subcommittee on Energy and Water Development has found this institution to be highly capable in these fields and an asset to the work of the Department of Energy's weapons research activities.

Officials at RIT have agreed to allay concerns of conference committee members by pursuing a program to protect any and all sensitive information relating to weapons research at the Rochester Institute of Technology.

□ 1610

Given this, would the chairman agree that the House conferees would encourage the Department of Energy to make available appropriate funding for continued microelectronics and imaging sciences research being conducted at the university?

I yield to the chairman for the purposes of answering this question.

Mr. BEVILL. I would say to my friend from New York that I agree.

Mr. HORTON. Mr. Speaker, I thank the gentleman. I would also ask the ranking minority member if he would comment.

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I am happy to yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Speaker, I would like to join the chairman in assuring the distinguished gentleman from New York that it is the intention of the House conferees to encourage the Department to continue the excellent working relationship it has developed with the Rochester Institute of Technology in microelectronics and imaging sciences research.

Mr. HORTON. Mr. Speaker, I thank the chairman and the ranking minority member. I rise also in support of this legislation, and urge its approval.

Mr. BEVILL. Mr. Speaker, I yield 30 seconds to the gentleman from Illinois [Mr. YATES], a distinguished member of the Committee on Appropriations.

Mr. YATES. Mr. Speaker, I want to thank the gentleman from Alabama [Mr. BEVILL], the chairman of the subcommittee, and the gentleman from Indiana [Mr. MYERS], the ranking member, for having accepted in the appropriations bill a million and a half dollars for the O'Hare amendment and $750,000 for the McCook and Thornton amendments. Accepting these amendments means a great deal to the people of Chicago in dealing with the flood-control program which has concerned the city and the north suburbs of the city for many, many years, and this will go a long way in helping deal with that problem.

I thank the gentlemen very much for what they did.

Mr. MYERS of Indiana. Mr. Speaker, I thank the gentleman for his comments. If the gentleman figures out how to handle the snow now, we will take that on next. We have taken care of the floods, and if we can take care of the snow now, I can get out of Chicago.

Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I certainly support the conference report and would like to enter into a colloquy with the distinguished chairman of the appropriations subcommittee on Energy and Water Development, Mr. BEVILL, and the ranking minority member of the subcommittee, the distinguished gentleman from Indiana [Mr. MYERS] on the Missouri River Mitigation Program. I thank the gentlelady from Nebraska [Mrs. SMITH for her special help, and all of the members of the subcommittee. I thank them for their effort and assistance.

I am grateful that the conference agreement on H.R. 2696 includes an appropriation of $300,000 for the Army Corps of Engineers to conduct activities for the four-State Missouri River Mitigation Program as authorized in section 601 of Public Law 99-662.

Is it the understanding of the distinguished members of the committee that these funds, appropriated under "planning" in the "general investigations" account, will be obligated by the Corps of Engineers for planning and/or designing of this project? I yield to the chairman.

Mr. BEVILL. The gentleman is correct.

Mr. BEREUTER. Mr. Speaker, I thank the chairman. I yield to the distinguished ranking member for the same question.

Mr. MYERS of Indiana. In response, yes, the conference did consider this and discuss this, and is the agreement and understanding of the conference.

Mr. BEREUTER. Is it also the understanding of the gentleman that obligation of these funds in such a manner by November 17, 1991, is sufficient to prevent deauthorization of the project as required in section 1001(a) of Public Law 99-662? I yield to the chairman for that question.

Mr. BEVILL. The gentleman is correct.

Mr. BEREUTER. I yield to the ranking member for that question.

Mr. MYERS of Indiana. The colleague of the gentleman, the gentlewoman from Nebraska [Mrs. SMITH], brought this to our attention in the conference. This is correct.

Mr. BEREUTER. I thank the chairman and ranking member for this clarification and reassurance.

Mr. BEVILL. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. CHAPMAN], a distinguished member of this subcommittee.

Mr. CHAPMAN. Mr. Speaker, I thank the chairman for yielding.

Mr. Speaker, I rise in support of the conference report and would ask the chairman one question: The House report includes language providing for western access at the Cooper Lake and Channels project. Referring to the statement of the managers on page 5 of the conference report which states that the House report language not change what the Senate has accepted by the conference. Am I correct in assuming that the report language on western access included in the House report was accepted by the committee of conference?

Mr. BEVILL. Mr. Speaker, will the gentleman yield?

Mr. CHAPMAN. I am happy to yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Speaker, yes, the gentleman from Texas is correct. The west-end access report language was accepted by the conference committee.

Mr. CHAPMAN. Mr. Speaker, I thank the distinguished chairman, and I urge adoption of the conference report.

Mr. MYERS of Indiana. Mr. Speaker, I yield 1 minute to the gentleman from Utah [Mr. NIELSON].

Mr. NIELSON of Utah. Mr. Speaker, I would like to commend the chairman of the committee, the gentleman from Alabama [Mr. BEVILL], and the ranking member, the gentleman from Indiana [Mr. MYERS] for their diligent work on this appropriation bill, H.R. 2696. As usual, they are the first and best in the appropriation process, and I appreciate that very much.

Mr. Speaker, I appreciate particularly their looking after the central Utah project and treating us so well there. I would like to suggest to the gentleman from California [Mr. MILLER], who spoke earlier about his concern about the $15 million added in the Senate, that money has to go only for improvements in the water irrigation system and cannot be distributed to the membership at large. I will make sure that they handle that money correctly. I do appreciate his indulgence in that particular regard, and I commend him for his work as well.

Mr. BEVILL. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Illinois [Mr. POSHARD].

Mr. POSHARD. Mr. Speaker, on behalf of the people of southern Illinois, and especially Monroe County, I would like to state my strong support of H.R. 2696.

Besides all of the good work it does elsewhere, it helps the people in and

around Harrisonville, IL, escape from the very real threat of a devastating flood. This bill will dramatically improve the quality of life for a thousand or more people and save valuable farmland from ruin.

I want to thank Mr. TOM BEVILL, the chairman of the Energy and Water Development Subcommittee, and his outstanding staff, and the committee chairman, Mr. JAMIE WHITTEN, for standing with the residents of southern Illinois in their time of need.

Government should help people who want to help themselves. The people in Monroe County need our help to keep the flood waters away from their doorsteps, so they can improve the quality of their lives and their childrens' lives.

Mr. MYERS of Indiana. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Speaker, I rise with mixed reactions here today.

Looking at this conference report on the one hand, I want to commend the actions of our distinguished ranking member and the chairman. Frankly, this is a classic example of the House being the good guys in the good-guy-bad-guy routine.

The reality is the legislation before us, focusing on the Upper Mississippi River Environmental Management Program, does, indeed, double the amount of appropriation from a year ago, and that is good news for all of us concerned about saving the valuable resource.

The bad news is that the House funding level was not included, and that is not the fault of our House conferees. I do not feel it is. Frankly, I have been made aware that we simply have a lack of support from a number of other people, especially on the Senate side. That is a challenge for all of us in the Midwest to focus on in the future.

There is a message here that each and every one of us has to understand, and that is the 1986 Water Resources Act called for an absolute balance in funding between navigation on the one side for Lock and Dam 26 and, on the other side, for the environmental management program. In order to maintain that balance, we would have needed $19 million in funding for the environmental management program in the next fiscal year. Unfortunately, the administration level is at $14.8 million, and that is the level that we ended up with.

We have continued to fall further behind in this balance between navigation and the environment. One of these days we are going to have to get serious about maintaining that commitment to that Public Water Resources Act of 1986.

As I said earlier, and let me say to the gentlemen who are here, you are the good guys. You are the ones who did increase that funding level above and beyond what the President asked. I appreciate very much their efforts in that regard, and I ask for them to continue to be valiant soldiers next year when we continue this battle again.

Mr. BEVILL. Mr. Speaker, I yield 3 minutes to our distinguished friend and colleague, the gentleman from New Jersey [Mr. ROE].

Mr. MYERS of Indiana. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. ROE].

□ 1620

Mr. ROE. Mr. Speaker, I thank the distinguished gentlemen for yielding me time.

Mr. Speaker, I wonder if we could have a little bit of a colloquy on the question affecting the Hackensack River Basin in New Jersey.

Is it the chairman's understanding that the $600,000 included in H.R. 2696 for fiscal year 1990 for the Hackensack River Basin study will be used for a new study to determine the need for flood control improvements in the Hackensack River Basin?

Mr. BEVILL. If the gentleman will yield, yes, that is my understanding.

Mr. ROE. Is it the chairman's understanding that the study will use the most up-to-date data available on residential and business development in flood danger zones, it will take into account the cost of damage to currently undeveloped land, and it will further evaluate the feasibility of the widest range of possible alternatives for flood control in addition to a tidal barrier?

Mr. BEVILL. The gentleman is correct.

Mr. ROE. I thank the chairman of the subcommittee very distinctly for that.

Mr. Speaker, may I now take up another matter. As my distinguished friend said as I was coming down to the well, it is serious.

Mr. Speaker, I want to take this opportunity to compliment the chairman and ranking member particularly of this subcommittee for an extraordinarily good job in an almost impossible situation. But I want to call to the attention of both the chairman and members of our committee our deep concern on the Committee on Science, Space, and Technology as it relates to the Magnetic Fusion Program.

What happened is, when we worked on this program first in the House and the House was taking up the matter, we really came to certain understandings as to what direction we could follow as far as the fusion program was concerned.

In effect what the language in the bill says, which raises deep concern for our committee, and I read from the report:

The conferees provide $330,750,000 for the fusion program. In order to provide the Department with the flexibility to develop a meaningful program.

And that is the Department of Energy:

The conferees are recommending that these funds be provided without further allocation between program component projects and activities within the fusion program. The secretary may reserve a modest portion of such funds which shall be available to carry out any new policy directions only after a consultation with the Appropriations Committee of both the House and the Senate.

Which we applaud.

So in effect what we are doing in passing this conference report is giving to the Secretary of Energy $330 million to do with practically as he sees fit within this program.

May I close on this remark and point out to the Committee on Appropriations why I think this is so important. That means the only thing he has to come back to your committee on is if the committee allocates part of those funds modestly for some new program direction. It seems to me that leaves us in a terrible problem with our national laboratories at Los Alamos, Livermore, Sandia, Oakridge, Princeton and the Massachusetts Institute of Technology. At this point, as the authorizing committee, we would not even be able to direct them as to where they should fire people, hire people, what should they do. We do not have any specific program direction, nor do we know whether the Department of Energy is going to follow any direction or any policy direction, including that of your Committee on Appropriations.

So we raise great concern about this issue. And I am going to vote for the conference report, but simply because of my 20 years of great confidence and experience with the leadership of both of you. But I do not think that the energy policy of the Nation should be held captive by the other body, and I think someplace along the line we are going to start a whole series of investigative oversight hearings on this very same issue, because I do not think it is the intent of Congress to give to a secretary, no matter who he is, the total right to determine the fusion program of this country after the taxpayers have spent $6 billion on that program to date.

Again I thank the gentleman for yielding me the time.

Mr. Speaker, I have some questions pertaining to a certain item contained in this conference report.

On page 52 of the report the language describing the conferees agreement on the Magnetic Fusion Program disturbs me. I recognize the hard work that my colleagues on the Appropriations Subcommittee of Energy and Water have put into this bill, nevertheless, I am very concerned that there is a great deal of misunderstanding about program accomplishments and program direction among the committee members. The implications of the

language suggest that the Magnetic Fusion Program is in some disarray. The language suggests even though Congress has supported this program for more than a decade, there is very little to show for the investment. I believe this is totally incorrect.

The Committee on Science, Space, and Technology, which has programmatic jurisdiction over the magentic fusion activities carried out by the Department of Energy, has been monitoring this activity for many years. Basically, the problem that we see is that it is difficult for the untrained and the casual observer to fully comprehened the complexity and difficulty associated with harnessing the energy of the Sun in a machine built to earthbound specifications and produce the energy necessary to operate as an electrical energy power plant. Contrary to the observations of the Appropriations Committee, progress in the last decade has been impressive and has exceeded what many careful observers thought could be achieved. Problems have been solved which could not have been anticipated by the early pioneers of magnetic fusion research. New technologies have been developed, and new methods of analyzing and understanding the phenomenon that occur in the extremely high temperature gases that are required in a magnetic fusion reactor. These accomplishments are showing the way to achieve the ultimate goal—a commercial powerplant based upon the fusion of atomic nuclei as the energy source.

It seems to me, that the language in the appropriations conference report fails to acknowledge these accomplishments. In fact, the language suggests that the program needs to be completely revamped, redirected, set on a new course.

What happened to the views of this House that accompanied the energy and water appropriations bill? Did we not make recommendations as to where funds would be appropriated and for what purposes they would be spent?

Was it not the House position that the Capstone Project, the Compact Ignition Tokamak [CIT], be started? This is the critical project that is the focus of much of the research underway in many of the labs. Is not the key milestone of the Magnetic Fusion Program critical if progress is to be made in reaching its goal of producing clean energy? How can we make progress if we continually delay moving forward with funding this essential demonstration project which for the past 2 years has not received funding?

The original House version of the language did include funds to begin construction of this important next step, the Compact Ignition Tokamak. However, the conferees agreed to drop this requirement and appear to believe the judgment as to which way to proceed in the program should be placed totally in the hands of the Secretary of Energy. The bill does not provide any direction as to how the funds should be used or where the program should be heading. The bill vests full authority with the Department of Energy to change the program as it sees fit. This fully ignores the past guidance provided by the Congress to the Department on how to proceed with the Magnetic Fusion Program. It ignores the program direction totally that has been established by years of research and analysis by our most experienced scientists and technology managers.

Is it the intent of the Appropriations Committee to simply provide the Secretary of Energy with a lump sum for the Magnetic Fusion Program? Is this money to be spent at the pleasure of the Secretary as he sees fit without specific accountability to the Congress? Is it to be totally at the discretion of the Department of Energy as to how these funds will be meted out to the laboratories at Los Alamos and Livermore, to Sandia or Oak Ridge, to Princeton or MIT?

In fact, by agreeing to this language we indeed produce a totally unfocused program which will cost the Nation not only enormous amounts of money but also critical time—time that is needed to bring magnetic fusion powerplants into reality in a timely manner.

And if the Speaker will allow me, I must raise serious objection to the Appropriation Committee charging itself with the responsibility to manage the Magnetic Fusion Program, set policy, and direction while neglecting, and in fact, ignoring the oversight responsibility of the Committee on Science, Space, and Technology for this activity. I would point out to this body that the decisions of the Appropriations Committee both in the House and the Senate were done without consultation with the authorizing committees. Is it the intent of the Appropriations Committee to take over the management of the fusion program? Are you to set policy for the fusion program? Will Appropriations conduct technical oversight and assume all responsibility for review and approval of new program initiatives?

This in my view is a grievous error and in the long run will cost this Nation much more than the few dollars we will save by the actions taken on the fiscal year 1990 budget for Magnetic Fusion Programs.

Mr. MYERS of Indiana. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, the subcommittee shares the concern of the gentleman in the well who just spoke. It has been a tremendously costly program in the last many years.

This committee has repeatedly asked the Department to make recommendations back to us, to give us all a direction in order to narrow our confines and our direction in the future. So the Department has a study underway to come back and advise both the gentleman and the Appropriations Committee about the future of the fusion program.

We all recognize that there is a potential in magnetic fusion, but it seems that we may have wasted money and we are concerned about that. I know the gentleman shares that same concern because we have discussed it. So we share his concern. This is an effort to ask the Department to come down and tell us what direction it believes should be pursued. Not that they would have the final say, but to make some recommendations and to help define our direction.

Mr. ROE. Mr. Speaker, will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentleman from New Jersey.

Mr. ROE. Mr. Speaker, I would hope that with the chairman and the distinguished ranking member that as we unfold the programmatic aspects as to how we operate this while in DOE they are trying to make up their minds, that with the help of the Appropriations Committee and the authorizing committee we can set the policy we ought to be setting.

Mr. MYERS of Indiana. What we are attempting to do here is to help force the Department to make up its mind.

Mr. Speaker, I reserve the balance of my time.

Mr. BEVILL. Mr. Speaker, I yield 1 minute to our friend and colleague, the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I rise in support of H.R. 2696, the conference report to accompany the Energy and Water Development Appropriations bill for fiscal year 1990, and request permission to revise and extend my remarks. This is the first conference agreement on the 13 annual appropriations bills. I am pleased to report that the conference agreement is below the 302(b) subdivision for the Energy and Water Development Subcommittee.

The bill provides $18.625 in discretionary budget authority and $17.866 billion in discretionary outlays. The bill is $354 million in discretionary budget authority and $39 million in discretionary outlays below the appropriations subdivision for this subcommittee. The direct loan levels in the bill equal the discretionary subdivision for this subcommittee.

I would like to compliment the committee and the subcommittee chairman, Mr. BEVILL, for this bill and the timely fashion in which it was acted on throughout the legislative process. I look forward to working with the committee on the conference reports to accompany the remaining appropriations bills.

Mr. Speaker, I include for the RECORD, a Dear Colleague letter and a fact sheet regarding the 302(b) subdivision for this subcommittee of the Committee on Appropriations, as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, DC, September 12, 1989.

DEAR COLLEAGUE: Attached is a fact sheet on the conference report to accompany H.R. 2696, Energy and Water Development Appropriations bill for fiscal year 1990. This conference report could be considered at any time.

This is the first conference report to accompany an appropriations bill for fiscal year 1990 and is below the Appropriations Committee 302(b) subdivision in both budget authority and outlays for this subcommittee.

I hope this information will be helpful to you.

Sincerely,

LEON E. PANETTA,
Chairman.

Attachment.

[Fact sheet]

CONFERENCE REPORT TO ACCOMPANY H.R. 2696, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS BILL, FISCAL YEAR 1990 (H. REPT. 101-235)

The conference report to accompany the Energy and Water Development Appropriations Bill for Fiscal Year 1990 was filed on Thursday, September 7, 1989. This bill is scheduled for floor action on Tuesday, September 12, 1989.

COMPARISON TO THE 302(b) SUBDIVISION

The conference report provides $18,625 million of discretionary budget authority, $354 million less than the appropriations subdivision for this subcommittee. The bill is under the estimated discretionary outlay subdivision by $39 million. A detailed comparison of the bill to the spending and credit subdivisions follows:

COMPARISON TO SPENDING ALLOCATION

[In millions of dollars]

	Conference report, energy and water development appropriations		Appropriations committee 302(b) subdivision		Conference report over (+)/under (−) 302(b) subdivision	
	BA	O	BA	O	BA	O
Discretionary	18,625	17,866	18,979	17,905	−305	−39
Mandatory [1]						
Total	18,625	17,866	18,979	17,905	−305	−39

[1] Conforms to budget resolution estimates of existing law.

Note: BA—New budget authority; O—Estimated outlays.

The direct loan levels in the conference agreement equal the discretionary subdivision for this subcommittee. A detailed comparison follows:

COMPARISON TO CREDIT ALLOCATION

	Conference report, energy and water development appropriations		Appropriations committee 302(b) subdivision		Conference report over (+)/under (−) 302(b) subdivision	
	DL	LG	DL	LG	DL	LG
Discretionary	32		32			
Mandatory [1]						
Total	32		32			

Note: DL—New direct loan obligations; LG—New loan guarantee commitments.

Pursuant to section 302(b) of the 1974 Budget Act as amended by P.L. 99-177 (Gramm-Rudman-Hollings), the Committees of the House are required to subdivide the spending authority and credit authority allocated to them in the Budget Resolution for Fiscal Year 1990 (shown in H. Rept. 101-50). The Appropriations Committee reported its 302(b) subdivisions on June 21, 1989 (H. Rept. 101-97). These subdivisions are the official scorekeeping targets for appropriations subcommittees.

PROGRAM HIGHLIGHTS

The following are the major program highlights for the conference agreement to accompany the Energy and Water Development Appropriations Bill for FY 1990, as filed:

[In millions of dollars]

	Budget authority	New outlays
Atomic Energy Defense Programs [1]	9,663	5,994
Army Corps of Engineers	3,152	2,167
Bureau of Reclamation	974	798
DOE General Science	1,114	789
(Superconducting Super Collider—SSC)	(225)	(159)
Energy Supply R&D	2,215	1,107
Uranium Enrichment (Gross)	1,431	1,245
Nuclear Waste Fund (Civilian)	346	173
Appalachian Regional Commission (ARC)	150	42
Nuclear Regulatory Commission (Gross)	442	332
Tennessee Valley Authority (TVA)	121	30

[1] The Atomic Energy Defense programs are part of Function 050, National Defense, and count against the Bipartisan Budget Agreement defense target. The other accounts shown above count against the domestic discretionary target.

Mr. BEVILL. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. LEHMAN].

Mr. LEHMAN of California. Mr. Speaker, I would like to clarify the intent of the language contained in the conference report pertaining to Central Valley project water contracts. The committee has expressed its concern that the Bureau of Reclamation not commit the remaining yield of CVP water without full evaluation of the consequences of this action. The language states that it is the committee's intent to prohibit the execution of new long-term contracts for the remaining yield of the CVP. It is my understanding that this prohibition is to extend at least until October 1, 1990, and until after the Bureau completes the requisite analyses and studies. The language makes specific reference to the proposed allocation of 1.5 million acre-feet of remaining yield of water from the American and Sacramento Rivers and the Delta Export Service area, however, there is one contract in my district that would be adversely affected by this language if a broader interpretation is adopted by the Bureau.

Although the moritorium makes specific reference to the export of Sacramento and American Rivers and the Delta Export Service areas, it is not clear if the intent of the moritorium is extended to prohibit new long-term contracts for diversions for in basin use on other rivers or CVP projects.

For instance, a country in my district has been making arrangements to begin utilizing its 9,000 acre-feet allocation from New Melones Reservoir. The country's water district has nearly completed the necessary State and Federal requirements needed prior to contract negotiations. Although their planned diversion facility will divert only 1,500 acre-feet initially, with capacity of up to 5,000 acre-feet, the project could be delayed if a broad interpretation of the report language is applied.

Mr. Chairman, it is my understanding that the moritorium language in the House bill was agreed to in the conference. Is it the committee's intent that the prohibition apply to all long-term contracts, regardless of their type or size?

Mr. BEVILL. If the gentleman will yield, yes, that is the committee's intent.

Mr. LEHMAN of California. Mr. Chairman, it is my understanding that Mr. MILLER, the chairman of the authorizing committee, of which I am a member, has indicated his intention to exercise the committee's jurisdiction and conduct oversight hearings on long-term CVP water contracts before they are executed. In an effort to facilitate the subcommittee's consideration and approval of the Tuolumne Regional Water District's proposed contract, I will be introducing legislation in the very near future to allow that contract to be executed. As an in-basin user, the Flood Control Act of 1962, section 203, guarantees that the district's water needs will be met prior to any diversions from the river basin in connection with the operation of the CVP. The in-basins uses of New Melones water was anticipated and evaluated in the final supplemental environmental impact statement for the New Melones unit in 1980. It is clear that the district's New Melones allocation and its contract should not be upheld because of the controversy over the countracting of the remaining CVP yield. I look forward to working with my chairman and good friend, Mr. MILLER, in resolving this matter this year.

□ 1630

Mr. BEVILL. Mr. Speaker, I yield 1 minute to our distinguished friend and colleague, the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Speaker, I take this time in order to engage in a colloquy with the chairman of the subcommittee, the gentleman from Alabama, Mr. BEVILL.

Mr. Speaker, the committee on conference under general investigation provided $600,000 for a study of the Licking River in Kentucky. Is it the gentleman's understanding that within this $600,000 the Corps of Engineers shall expend the necessary funds to conduct a study of methods to prevent flooding caused by the Licking River at West Liberty, KY?

Mr. BEVILL. Mr. Speaker, if the gentleman will yield, let me state that he is correct.

Mr. Speaker, I yield 1 minute to our friend and colleague, the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Speaker, I thank the chairman and members of the committee for their cooperation and support for the West Memphis and vicinity flood control project.

Funding contained in the fiscal year 1990 energy and water development

appropriations bill is to support completion of the preconstruction engineering and design work for the West Memphis, AR, and vicinity flood damage protection project.

One of the officials assigned to this project with the Memphis District of the U.S. Army Corps of Engineers told me that there is "* * * no reason to delay this project any further."

The next step for the West Memphis project is to begin construction—actual construction. It is urgent that all parties—the Corps of Engineers and the local sponsor—proceed as rapidly as possible to initiate and to complete construction of this flood damage protection project.

Mr. BEVILL. Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from Maryland [Mr. DYSON].

Mr. DYSON. I thank the subcommittee chairman.

Mr. Speaker, I rise in support of this conference report. I also rise to thank the chairman of the subcommittee, the ranking minority member and the very able staff of this subcommittee for what they have done for hurricane protection on the coast of Maryland.

I represent Maryland's First Congressional District and I don't believe that there is a single congressional district in this country that is more dependent on water and water resources. This bill is vitally important to the people I represent, even though its importance may be hard to discern in the hundreds of separate projects it will fund.

I would like to point out just a few of these, because the significance of this legislation can only be appreciated when we take into account how the projects it funds will affect the lives and well being of the people it serves.

The First Congressional District includes Maryland's 31 miles of exposed Atlantic coastline. Exposed is the right word, because that coastline is subject to constant battering by midwinter northeastern gales and midsummer hurricanes.

As most of Washington knows, and this includes many members of the Congress who visit my district, Maryland's Atlantic coast is the home of Ocean City, one of the largest and most popular resorts on the eastern seaboard. Each summer day Ocean City draws some 350,000 vacationers to its beaches, making it Maryland's second largest city for at least 3 months out of the year.

Right now the barrier island on which Ocean City is located is disappearing at an alarming rate. Each passing season's storms sweep ever more of the island out to sea. The result is that Ocean City's residents and visitors lie unprotected against the brutal power of a severe storm.

Their only natural defenses are the barrier island's beaches and dunes, and these have all but disappeared. They have eroded to such an extent that the Army Corps of Engineers now predicts a major, "100-year storm" would cause catastrophe if—or when—the next one falls against the unprotected city.

Local officials recognize this danger. They understand that a severe, "100-year storm" would, given the city's crumbled natural defenses, sweep over the city in minutes. Its surge tides would flood highways and make its bridges impassable.

The National Hurricane Center predicts that it would take 30 hours to evacuate Ocean City in the event of a major storm. The people of Ocean City know that they cannot count on getting 30 hours' warning. That means that unless something is done to rebuild Ocean City's protective dunes and beaches, a severe storm would claim countless lives.

Several years ago local and State officials developed a plan for rebuilding the barrier island's defenses. State and local taxpayers have invested more than $14 million in the project, but by itself, it isn't enough. To complete the job Federal assistance is urgently—and justifiably—needed.

This legislation makes $8.2 million available for the Atlantic coast of Maryland's hurricane protection project. I have worked long and hard on this proposal. I have studied every possible aspect of this project and every possible alternative. Without it, the city and its residents are only one storm away from certain disaster.

The hurricane protection project will, by rebuilding Ocean City's natural defenses, protect its property and its people from the worst effects of severe storms. It will also erect an enormous wall of protection against the onslaught of nature's most brutal storms. And this will give the people in Ocean City the precious time they would need to reach safety.

This legislation is therefore absolutely critical for Ocean City. But it also appropriates $13.6 million for a variety of projects that will be undertaken on behalf of smaller communities in my district. Rivers will be dredged for recreational and commercial vessels. Harbors will be deepened to create new commercial opportunities for growth and development. These communities likewise depend on water and navigable waterways for their existence, and the energy and water resources appropriations bill we are now debating is equally important to their futures.

In closing, Mr. Speaker, I wish to commend my friend and colleague, Congressman TOM BEVILL, chairman of the Appropriations Energy and Water Resources Subcommittee, for the painstaking job of drafting this legislation. He and his subcommittee members have put together an excellent bill. It will meet the needs of Ocean City, of other communities in Maryland's First Congressional District, and of countless other cities and towns across the country. I strongly support the bill he has brought to the floor today, and I urge my colleagues here today to give their support to this legislation.

Mr. BEVILL. Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from Ohio [Mr. ECKART].

Mr. ECKART. Mr. Speaker, today the floor is considering the conference report on H.R. 2696, the energy and water development appropriations bill for fiscal year 1990, and I urge my colleagues to vote in favor of this report. I would also like to commend Chairman BEVILL, Chairman JOHNSTON, the conferees, and the staff for their diligent work on this bill and their promptness in bringing this piece of legislation to the floor.

This appropriations bill is extremely important for the communities around this Nation. At this juncture, I would like to mention the increasingly important role that the Corps of Engineers plays in the upkeep and maintenance of our Nation's harbors, shores and rivers. I know that the Reagan administration and the present Bush administration wanted to slash the budget for the corp's operations and maintenance budget by closing more than 600 recreation areas and eliminating maintenance dredging of harbors with less than 25,000 tons of commerce, but the Appropriations Subcommittees realized the importance of these projects, and did not back down to the administration's request.

Among the many district projects this bill provides for is the emergency dredging of the Ashtabula River's navigational channel to remove the shoals that plague boaters and impede access to the area's greatest resource, Lake Erie. Like many other communities, Ashtabula's main source of revenue comes from its tourism business and the recreational boating and fishing industry. If boats are denied access to the lake, the local commerce would soon find itself in dire straits.

The problems with the Ashtabula River are far from over as toxic sediments loaded with PCP's and heavy metals still poison the river's bottom, but this emergency dredging measure does alleviate the most pressing problem at hand—access to Lake Erie.

Again, I would like to thank the appropriations subcommittee and its staff for all its assistance in this matter that is so important to residents along Lake Erie, and I urge my colleagues to support the conference report.

Mr. CONTE. Mr. Speaker, H.R. 2696 contains $18,555,427,000 for fiscal year 1990. This amount is $2.097 billion greater than the

amount appropriated in fiscal year 1989 and $177 million more than requested by the administration for fiscal year 1990. The total is within the $18.979 billion 302(b) allocation for the Subcommittee on Energy and Water Development.

TITLE I: CORPS OF ENGINEERS

The conference agreement contains $131 million for general investigations; $1.099 billion for construction; and $1.378 billion for operation and maintenance. In addition, the conference report includes $336 million for flood control, Mississippi River and tributaries; $69 million for the regulatory program; $10 million for the revolving fund; and $129 million for general expenses.

As reported by the conference committee, H.R. 2696 provides for 32 new construction starts, including the 11 that were proposed by the administration. The bill also restores cuts to the operation and maintenance account recommended by the administration. These cuts would have resulted in the closure of hundreds of harbors and recreational areas across the country.

TITLE II: BUREAU OF RECLAMATION

The conference agreement contains $11.5 million for general investigations; $662 million for construction; and $212 million for operation and maintenance. For other accounts within this title, H.R. 2696 includes, without change, the amounts proposed by the administration for fiscal year 1990.

The bill provides for three new construction starts for the bureau and deletes language proposed by the House pertaining to the payment of compensation to the Strawberry Water Users Association in Utah.

TITLE III: DEPARTMENT OF ENERGY

The conference agreement contains $2.215 million for energy supply, research, and development activities; $1.431 billion for uranium supply and enrichment activities; $1.114 billion for general science and research activities; $346 million for the nuclear waste disposal fund; $9.656 million for atomic energy defense activities; and $355 million for departmental administration. Other accounts within title III are funded at the levels contained in the administration's budget.

The appropriation for general science and research activities includes $225 million for the superconducting super collider. Of this amount, $135 million is dedicated to construction and $90 million to research and development. The bill also contains language pertaining to minority participation in construction of the SSC. In addition, the appropriation for energy supply, research, and development includes $331 million for DOE's magnetic fusion program.

TITLE IV: INDEPENDENT AGENCIES

As reported by the conference committee, H.R. 2696 contains $150 million for the Appalachian Regional Commission; $7 million for the Defense Nuclear Facilities Safety Board; $300,000 for the contribution to the Interstate Commission on the Potomac River Basin; $121 million for the Tennessee Valley Authority. Other agencies within this title are funded at the level proposed in the administration's budget.

TITLE V: GENERAL PROVISIONS

The conference report deletes language proposed by the Senate imposing limitations on the procurement of advisory or assistance services by the Department of Energy.

Mrs. VUCANOVICH. Mr. Speaker, I rise today in opposition to the conference report on energy and water development appropriations for fiscal year 1990.

In December 1987, the Nuclear Waste Policy Act of 1982 was amended by House and Senate conferees to the budget reconciliation bill, which was signed into law. The law specifically designates Yucca Mountain in Nevada to be the only site to be studied for the high level nuclear waste repository. In accordance with the act, the nuclear waste disposal fund was established to license, construct, and operate the repository. I remain adamantly opposed to the designation of Yucca Mountain and must once again protest the continued politicization of the site characterization process. I will continue to work for a proper designation procedure—one that is scientific and objective.

When the House of Representatives considered and passed the initial version of energy and water development appropriations, the committee report included language critical of the Department of Energy's handling of the Yucca Mountain site characterization to date. I saw a glimmer of hope that my colleagues had come to the realization that site characterization bears close scrutiny to ensure public safety.

However, the conference report not only omits any mention of the House committee's concerns, this legislation holds hostage over half of the funds appropriated to Nevada for the conduct of the State's oversight responsibilities until the Secretary of Energy determines that Nevada has forfeited its independence and jumped on the Department of Energy site characterization bandwagon. This political and economic coercion epitomizes the congressional attitude toward the high-level nuclear waste dump and is another good example of why Nevada will not roll over and play dead. I find the coercion abhorrent and will vote no on the conference report. I urge my colleagues to also vote no so that the conferees can inject reason and objectivity into this issue.

Mr. RAHALL. Mr. Speaker, I rise in support of the conference report on H.R. 2696, energy and water development appropriations for fiscal year 1990. Of great importance to my home State of West Virginia is funding for the Appalachian Regional Commission [ARC] and for the Army Corps of Engineers water development projects.

Since 1965 the ARC has worked to fight poverty in Appalachia through a variety of health, education, and job training programs. Of course, a key component to any economic development strategy, and a major component of the ARC's program, is the construction and maintenance of infrastructure. The ARC has played a significant role in the economic development of Appalachia by funding, and working to finish, the construction of the 3,000-mile Appalachian corridor system.

Despite the ARC's efforts, much work remains to be done. Many in Appalachia continue to struggle against poverty, illiteracy, shortages in health care, high infant mortality and high unemployment rates. The corridor system, the foundation of any future economic prosperity in the region, is still only two-thirds complete. It has been estimated that at current funding levels, the construction of the corridor system will not be finished until at least 2065. Corridor G, which links various communities in my district with important economic centers, will not be completed for another 25 years at the current rate of funding.

The compromise appropriates $150 million for the ARC, which has been, and remains to be, of critical importance to West Virginia and other areas of Appalachia. While I am disappointed that the compromise did not contain a funding level closer to the level contained in H.R. 1166, legislation I introduced which reauthorized the Commission at $185 million per year for 5 years, I am encouraged by the nearly $40 million increase over last year's appropriation. I must commend the conferees for setting aside $20 million of that funding specifically for corridors G and H in West Virginia. This represents a trend in the right direction, and will be immensely helpful to the continuing development process of the region.

Also of importance to the economic prosperity of West Virginia is the funding of water development projects, contained in the compromise, which will greatly improve West Virginia's ability to efficiently transport goods. The bill provides $78.9 million for continued construction of new locks at Gallipolis on the Ohio River, about 30 miles upstream from Huntington, WV. This construction will replace the badly deteriorated locks which were completed in 1937. In addition, the compromise provides $20.8 million for construction at Winfield Locks on the Kanawha. The water traffic which must pass through these locks has quintupled, making the original design of the locks obsolete.

The bill also contains funding for flood control. Of particular importance to sourthern West Virginia is $51.3 million for flood control projects on the Levisa and Tug Forks and upper Cumberland River. These projects, such as the flood walls at Williams and the flood proofing of homes in that area, are crucial to the future of the Tug Valley communities which have been repeatedly destroyed by severe flooding.

The compromise agreement also provides important funding for the operation and maintenance of existing Corps of Engineers projects throughout West Virginia. Included is funding for the operation and maintenance at the following areas:

	Thousands
Beech Fork Lake	$632
Bluestone Lake	1,043
Burnsville Lake	1,124
Charleston Riverfront	250
East Lynn Lake	999
Elkins	12
Kanawha River Locks and Dams	7,765
R.D. Bailey Lake	1,364
Stonewall Jackson Lake	682
Summersville Lake	1,063
Sutton Lake	1,269
Tygart Lake	641

Again, I want to commend the conferees for their cooperation and attention to the funding needs of the ARC, and these other worthy

projects, and I wish to urge my colleagues to support the adoption of this report.

Mr. FAZIO. Mr.Speaker, I rise in strong support of the conference report on the energy and water development appropriations bill for fiscal 1990. This is a good and balanced conference report, and I urge my colleagues to support it.

Mr. Speaker, I would also like to take this opportunity to commend the good work of the chairman of the Energy and Water Subcommittee, Mr. BEVILL; Mr. MYERS, the ranking minority member; and, the subcommittee's dedicated staff. They have done an admirable job over the years in defending the interests of the House during our conferences with the other body, and this year was no different.

Mr. Speaker, I would especially like to thank Mr. BEVILL and Mr. MYERS for their assistance in obtaining conference approval for $150,000 to initiate work by the Corps of Engineers on a reconnaissance study of flood problems along the west side of the Yolo Bypass in Yolo and Solano Counties in my district. This study will evaluate the existing levees and other flood control facilities on the west side of the bypass and adjacent streams, including Cache Creek, Putah Creek, and Willow Slough, and suggest appropriate measures for providing a high level of flood protection in the area west of the bypass, particularly near the cities of Woodland, CA and Davis, CA.

This area was inadvertently left out of a larger, Sacramento regional flood control study which will be completed in the fall of next year. By getting started on this study now, the corps will move closer to completing the evaluation of all of the flood protection systems in the Sacramento metropolitan area.

Mr. Speaker, H.R. 2696 also provides funding for a number of other key water development projects in California, even though the total budget for water projects and programs in the bill is actually below the 1989 level.

Specifically, the bill provides $3 million to initiate repair work on 32 miles of levees along the Sacramento River in an effort to provide Sacramento with greater flood protection.

By getting started on this project in fiscal 1990, we can provide a large number of homeowners with 100 year flood protection and insulate them from high flood insurance requirements as well as accelerate our drive for greater flood protection for the entire community.

When combined with the lowering of the water level behind Folsom Dam, these levee repairs will provide approximately 70 year protection for the Natomas area, 90 year protection for much of downtown Sacramento as well as more than 100 year protection for portions of Sacramento south of the American River.

The bill also includes $5.5 million to launch construction on the Cache Creek project, which is another important project which will enhance the level of flood protection available to Sacramento.

When functioning properly, the settling basin prevents roughly 1.1 million cubic yards of Cache Creek sediment from flowing to the adjacent Yolo Bypass, the waterway that steers Sacramento River floods away from the city of Sacramento. Sediment reaching the bypass decreases the waterway's flood-carrying capacity, thus putting Sacramento at greater risk.

This project is critical to raising the level of flood protection available to the residents of Sacramento, and I am very appreciative of Mr. BEVILL and Mr. MYERS for their willingness to work with us to see that this project was funded.

And, Mr. Speaker, the bill includes the final $2.945 million necessary to complete work on the $35.4 million Fairfield vicinity streams flood control project. This project is key to providing the cities of Fairfield and Suisun with additional flood protection.

Mr. Speaker, I am also very pleased to point out that the bill rejects most of the administration's recommendations to cut funding for solar and other renewable energy research programs.

The bill provides $95 million solar and other renewable energy programs, $24 million more than the administration requested and slightly above the level appropriated in fiscal 1989.

Again, Mr. Speaker, I thank Mr. BEVILL and Mr. MYERS for their cooperation and support, and their sensitivity to the many water development and energy-related problems facing the Nation and the State of California, in particular. I urge my colleagues to support this conference report.

Mr. DORGAN of North Dakota. Mr. Speaker, I rise in support of the conference report on H.R. 2696, the energy and water development appropriations for fiscal year 1990. In doing so, I commend the chairman Mr. BEVILL and ranking member of Mr. MEYERS of the subcommittee for their untiring efforts to bring a fair and responsible bill to the floor.

This is a workhorse appropriations bill. It funds numerous water development programs across the Nation for both the Army Corps of Engineers and the Bureau of Reclamation. These projects support economic development, public safety, and agriculture in virtually every state of the union.

In my own State, this compromise bill will provide the minimum level necessary to make further progress on the Garrison Diversion Unit. Garrison is the backbone of economic development in North Dakota. It offers the promise of irrigation of over 100,000 acres in a State parched by drought for 2 successive years, it brings the hope of dependable water supplies to Indian reservations, and it provides water delivery systems for municipal and industrial uses throughout the State.

One would assume that such a critical project—which is a Federal promise to North Dakota resulting from the State's agreement to accept a 500,000 acre permanent flood—would enjoy the support of the Bush administration. Regretably, the administration submitted a mothballs budget for Garrison of only $9 million for fiscal year 1990. At this level, the project would have been shut down, virtually all project employees would have been laid off, and the promise and hope of North Dakota for water development would have been obliterated.

Fortunately, the conferees settled on a $30 million level after hearing the plea for fairness from the entire North Dakota delegation. I want to express my special thanks to the chairman and ranking member for their cooperation in this regard.

I am also pleased to inform my colleagues that this conference report also responds to the critical need for flood protection in the West Fargo area of my State. A great irony in my State is that the western part may yearly face the threat of drought while the eastern section may confront devastating floods each spring. The report does include $5.5 million to begin the construction of the Sheyenne River flood control project, which will help protect several communities in the Fargo area from the annual danger of spring flooding. For this, too, I want to note how my constituents appreciate the cooperation of the subcommittee.

The bill funds numerous other water development and protection projects in North Dakota including the operation of the Garrison Dam, numerous other dams, and American contribution to a joint flood control project with Canada in the Souris River Basin.

In conclusion, this bill makes some important investments in our Nation. Those it supports in North Dakota will play a critical role in my State's development. I would only underscore that it's now time for the Federal Government to deliver on its solemn pledge to the people of my State by providing the resources for immediate and full-scale development of the Garrison diversion project.

Ms. PELOSI. Mr. Speaker, I want to commend Chairman BEVILL and the conferees on energy and water appropriations for their creativity in putting scarce Federal dollars to work on essential Federal projects. I also want to acknowledge my colleague, Representative VIC FAZIO, for his efforts to seek a solution to the growing problem of inadequate disposal sites for dredging projects in the San Francisco Bay region.

This is an urgent problem that requires urgent attention. The Army Corps of Engineers and the Environmental Protection Agency have been involved in a joint task force to designate appropriate disposal sites as alternatives to the currently overloaded disposal sites in San Francisco Bay. The report to H.R. 2696 directs the corps' to use its operations and maintenance account to ensure that the work of the task force will continue and that the designation process will be completed expeditiously. It is my hope that the Army Corps of Engineers will meet its commitment to prepare the studies necessary to designate an ocean or upland disposal site to alleviate the toll that burgeoning dredge material is taking on the San Francisco bay environment. Full resources should be obligated to complete the designation process as early as possible.

On May 23, 1988, I requested a General Accounting Office study, along with Representatives MILLER, BOXER, and STARK, to analyze dredging and disposal practices in the bay. I look forward to reviewing the study and to working with my colleagues to develop sound dredging policy that includes the development of a long-term plan for the bay region.

Mr. MYERS of Indiana. Mr. Speaker, I have no further request for time, and I yield back the balance of my time.

Mr. BEVILL. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. KOSTMAYER). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 392, nays 27, not voting 11, as follows:

[Roll No. 225]

YEAS—392

Ackerman	Combest	Gordon
Akaka	Conte	Goss
Alexander	Cooper	Gradison
Anderson	Costello	Grandy
Andrews	Coughlin	Grant
Annunzio	Cox	Gray
Anthony	Coyne	Green
Applegate	Craig	Guarini
Archer	Crockett	Hall (OH)
Armey	Darden	Hall (TX)
Aspin	Davis	Hamilton
Atkins	de la Garza	Hammerschmidt
AuCoin	DeFazio	Hansen
Baker	DeLay	Harris
Ballenger	Dellums	Hatcher
Barnard	Derrick	Hawkins
Bartlett	DeWine	Hayes (IL)
Barton	Dickinson	Hayes (LA)
Bateman	Dicks	Hefner
Bates	Dingell	Henry
Beilenson	Dixon	Herger
Bennett	Donnelly	Hertel
Bentley	Dorgan (ND)	Hiler
Bereuter	Dornan (CA)	Hoagland
Berman	Downey	Hochbrueckner
Bevill	Durbin	Holloway
Bilbray	Dwyer	Hopkins
Bilirakis	Dymally	Horton
Bliley	Dyson	Houghton
Boehlert	Early	Hoyer
Boggs	Eckart	Hubbard
Bonior	Edwards (CA)	Huckaby
Borski	Edwards (OK)	Hughes
Bosco	Emerson	Hunter
Boucher	Engel	Hutto
Boxer	English	Hyde
Brennan	Erdreich	Inhofe
Brooks	Espy	Ireland
Broomfield	Evans	James
Browder	Fascell	Jenkins
Brown (CA)	Fawell	Johnson (CT)
Brown (CO)	Fazio	Johnson (SD)
Bruce	Feighan	Johnston
Bryant	Fields	Jones (NC)
Buechner	Fish	Jontz
Bunning	Flake	Kanjorski
Bustamante	Flippo	Kaptur
Byron	Foglietta	Kasich
Callahan	Ford (MI)	Kastenmeier
Campbell (CA)	Frank	Kennedy
Campbell (CO)	Frost	Kennelly
Cardin	Gallegly	Kildee
Carper	Gallo	Kleczka
Carr	Gaydos	Kolbe
Chandler	Gejdenson	Kolter
Chapman	Gephardt	Kostmayer
Clarke	Gibbons	Kyl
Clay	Gillmor	LaFalce
Clement	Gilman	Lagomarsino
Clinger	Gingrich	Lancaster
Coleman (MO)	Glickman	Lantos
Coleman (TX)	Gonzalez	Laughlin
Collins	Goodling	Leach (IA)
Leath (TX)	Olin	Skelton
Lehman (CA)	Ortiz	Slattery
Lehman (FL)	Owens (UT)	Slaughter (NY)
Lent	Oxley	Slaughter (VA)
Levin (MI)	Packard	Smith (FL)
Levine (CA)	Pallone	Smith (IA)
Lewis (CA)	Panetta	Smith (NE)
Lewis (FL)	Parker	Smith (NJ)
Lewis (GA)	Parris	Smith (TX)
Lightfoot	Pashayan	Smith (VT)
Lipinski	Patterson	Smith, Denny (OR)
Livingston	Paxon	Smith, Robert (OR)
Lloyd	Payne (NJ)	Snowe
Long	Payne (VA)	Solarz
Lowery (CA)	Pease	Spence
Lowey (NY)	Pelosi	Spratt
Luken, Thomas	Penny	Staggers
Lukens, Donald	Perkins	Stallings
Machtley	Pickett	Stangeland
Madigan	Pickle	Stark
Manton	Porter	Stearns
Markey	Poshard	Stenholm
Martin (IL)	Price	Stokes
Martin (NY)	Pursell	Studds
Martinez	Quillen	Sundquist
Matsui	Rahall	Swift
Mavroules	Ravenel	Synar
Mazzoli	Ray	Tallon
McCandless	Regula	Tanner
McCloskey	Rhodes	Tauzin
McCollum	Richardson	Thomas (CA)
McCrery	Ridge	Thomas (GA)
McCurdy	Rinaldo	Thomas (WY)
McDade	Ritter	Torres
McDermott	Roberts	Torricelli
McEwen	Robinson	Traficant
McGrath	Roe	Traxler
McHugh	Rogers	Udall
McMillan (NC)	Rohrabacher	Unsoeld
McMillen (MD)	Ros-Lehtinen	Upton
McNulty	Rose	Valentine
Meyers	Rostenkowski	Vander Jagt
Mfume	Roth	Vento
Michel	Roukema	Visclosky
Miller (CA)	Rowland (CT)	Volkmer
Miller (OH)	Rowland (GA)	Walgren
Miller (WA)	Roybal	Walsh
Mineta	Russo	Watkins
Moakley	Sabo	Waxman
Mollohan	Saiki	Weber
Montgomery	Sangmeister	Weiss
Moorhead	Sarpalius	Weldon
Morella	Savage	Wheat
Morrison (CT)	Sawyer	Whittaker
Morrison (WA)	Saxton	Whitten
Mrazek	Schaefer	Williams
Murphy	Scheuer	Wilson
Murtha	Schiff	Wise
Myers	Schneider	Wolf
Nagle	Schuette	Wolpe
Natcher	Schulze	Wyden
Neal (MA)	Schumer	Wylie
Neal (NC)	Shaw	Yates
Nelson	Shumway	Yatron
Nielson	Shuster	Young (FL)
Nowak	Sikorski	
Oakar	Sisisky	
Oberstar	Skaggs	
Obey	Skeen	

NAYS—27

Burton	Hancock	Shays
Coble	Hastert	Smith, Robert (NH)
Crane	Hefley	Solomon
Dannemeyer	Jacobs	Stump
Douglas	Marlenee	Tauke
Dreier	Moody	Vucanovich
Duncan	Petri	Walker
Frenzel	Schroeder	
Gekas	Sensenbrenner	
Gunderson	Sharp	

NOT VOTING—11

Conyers	Garcia	Rangel
Courter	Jones (GA)	Towns
Florio	Molinari	Young (AK)
Ford (TN)	Owens (NY)	

□ 1653

Mr. JACOBS changed his vote from "yea" to "nay."

Messrs. HENRY, TORRES, and WEISS changed their vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will designate the first amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 2: Page 2, line 21, strike out all after "specified:" over to and including "$100,000" in line 8 on page 3, and insert:

Rillito River, Arizona, $350,000;

Antelope Creek, Lincoln, Nebraska, $10,000;

Elm Creek, Nebraska, $75,000

: *Provided further,* That not to exceed $26,500,000 shall be available for obligation for research and development activities

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 2 and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

Rillito River, Arizona, $350,000;

Antelope Creek, Lincoln, Nebraska, $100,000;

Elm Creek, Nebraska, $75,000;

Jeffersonville, Indiana, $125,000;

Red River Waterway, Shreveport, Louisiana, to Dangerfield, Texas, $750,000;

Sainte Genevieve, Missouri, $50,000;

Missouri River Fish and Wildlife Mitigation, Iowa, Nebraska, Kansas, and Missouri, $300,000;

Lake George, Hobart, Indiana, $100,000

: *Provided further,* That not to exceed $26,500,000 shall be available for obligation for research and development activities

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 7: Page 6, line 3, strike out all after "area" down to and including "1990" in line 8 and insert ": *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, is directed to utilize funds previously appropriated to prepare the most cost effective plan to provide the authorized level of protection for flood damage reduction for the entire city of West Memphis, Arkansas, and vicinity, without regard to frequency of flooding,

drainage area, and amount of runoff: *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, is directed to utilize previously appropriated funds together with funds appropriated herein to complete in fiscal year 1990 the engineering and design on the Port Sutton Channel, Tampa Harbor, Florida project: *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $500,000 of the funds appropriated herein for preconstruction engineering and design of structures to restore the riverbed gradient in the vicinity of Mile 206 of the Sacramento River, California in accordance with the plan contained in a Final Feasibility Report, dated 1989, by the Glenn Colusa Irrigation District and the California Department of Fish and Game, on Fish Protection and Gradient Control Facilities.".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 7 and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following ": *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, is directed to utilize funds previously appropriated under the Flood Control, Mississippi River and Tributaries account to prepare the most cost effective plan to provide the authorized level of protection for flood damage reduction for the entire city of West Memphis, Arkansas, and vicinity, without regard to frequency of flooding, drainage area, and amount of runoff: *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, is directed to utilize previously appropriated funds together with funds appropriated herein to complete in fiscal year 1990 the engineering and design on the Port Sutton Channel, Tampa Harbor, Florida, project: *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $500,000 of the funds appropriated herein for preconstruction engineering and design of structures to restore the riverbed gradient in the vicinity of Mile 206 of the Sacramento River, California, in accordance with the plan contained in a Final Feasibility Report, dated 1989, by the Glenn Colusa Irrigation District and the California Department of Fish and Game, on Fish Protection and Gradient Control Facilities".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 8: Page 6, line 8, strike out "1990" insert ": *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $250,000 of the funds appropriated under this heading for a comprehensive reconnaissance study to determine what improvements in the interest of water quality and environmental enhancement are advisable for Onondaga Lake, New York".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 8, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The test of the amendment is as follows:

Senate amendment No. 9: Page 6, line 18, strike out $1,026,112,000 and insert "$1,022,770,000".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 9 and concur therein with an amendment, as follows:

In lieu of the sum stricken and inserted by said amendment, insert "$997,400,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The test of the amendment is as follows:

Senate amendment No. 10: Page 6, line 25, strike out all after "fied:" over to and including "$8,200,000" in line 23 on page 7, and insert:

Beaver Lake, Arkansas, $1,100,000;

Red River Emergency Bank Protection, Arkansas and Louisiana, $2,000,000;

Manatee County, Florida, $5,000,000;

Maalaea Small Boat Harbor, Hawaii, $600,000;

Little Calument River, Indiana, $2,400,000;

Ouchita River Levees, including Bawcomville Levee, Louisiana, $400,000;

Westwego to Harvey Canal; Louisiana, Hurricane Protection, $1,100,000;

Atlantic Coast of Maryland, Maryland, $8,200,000;

Cape Girardeau-Jackson, Missouri, $500,000;

Missouri National Recreation River, Nebraska and South Dakota, $620,000;

Papillion Creek and Tributaries, Nebraska, $2,500,000;

Great Egg Harbor Inlet and Peck Beach, New Jersey, $250,000;

Shinnecock Inlet, New York, $5,300,000;

Roanoke River Upper Basin, Virginia, $200,000

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 10 and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

Beaver Lake, Arkansas (Water Quality Enhancement), $1,100,000;

Red River Emergency Bank Protection, Arkansas and Louisiana, $2,000,000;

Manatee County, Florida, $5,000,000;

Maalaea Small Boat Harbor, Hawaii, $600,000;

Little Calumet River, Indiana, $2,400,000;

Ouachita River Levees, including Bawcomville Levee, Louisiana, $400,000;

Westwego to Harvey Canal, Louisiana, Hurricane Protection, $1,100,000;

Atlantic Coast of Maryland, Maryland, $8,200,000;

Cape Girardeau-Jackson, Missouri, $500,000;

Missouri National Recreation River, Nebraska and South Dakota, $620,000;

Papillion Creek and Tributaries, Nebraska, $2,500,000;

Great Egg Harbor Inlet and Peck Beach, New Jersey, $250,000;

Shinnecock Inlet, New York, $5,300,000;

Roanoke River Upper Basin, Virginia, $200,000

Kissimmee River, Florida, $4,000,000;

Sarasota County, Florida $200,000;

Roseau River (Duxby Levee), Minnesota, $200,000;

Trimble Wildlife Area, Smithville Lake, Little Platte River, Missouri, $1,570,000;

Acequias Irrigation System, New Mexico, $2,000,000;

Grays Harbor, Washington, $13,000,000;

Small Boat Harbor, Buffalo Harbor, New York, $1,000,000:

Provided further, That notwithstanding Section 902 of the Water Resources Development Act of 1986, the Secretary of the Army, acting through the Chief of Engineers, is directed to construct the Guadalupe River flood control project in the San Jose area using $750,000 of the funds herein appropriated

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 12: Page 8, line 7, strike out $20,000,000 and insert "18,200,000".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein with an amendment, as follows:

In lieu of the sum stricken and inserted by said amendment, insert "$17,000,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 13: Page 8, line 15, after "contracts" insert "*Provided further,* That with $7,850,000 of the funds herein appropriated to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to undertake structural and flood protection measures at Matewan, West Virginia".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 13, and concur therein.

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 14: Page 8, line 17, after "Kentucky," insert "Matawan, West Virginia,".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 14, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 17: Page 11, line 1, after "100-371" insert "and the Act making further continuing appropriations for the fiscal year ending September 30, 1988, Public Law 100-202: *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $9,900,000 of the total sum appropriated herein for design, testing, and construction in fiscal year 1990 of juvenile fish bypass facilities at the Little Goose, Lower Granite, McNary, Lower Monumental, Ice Harbor and The Dallas projects on the Columbia and Snake Rivers as described in the report accompanying this Act".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 17, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 19: Page 12, line 4, after "202" insert ": *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $500,000 of the funds appropriated herein to complete a reassessment of the Manteo (Shallowbag) Bay, North Carolina, project, including a reanalysis of a sand-bypass system and the effect of stabilization measures undertaken by the State of North Carolina on the overall project".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 19, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 22: Page 12, line 11, strike out all after "Iowa" over to and including line 3 on page 14 and insert "; and, in addition, $101,800,000, to remain available until expended, is hereby appropriated for construction of the Red River Waterway, Mississippi River to Shreveport, Louisiana, project and for compliance with the directions given to the Secretary of the Army in the fiscal year 1988 and 1989 Energy and Water Development Acts, Public Laws 100-202 and 100-371 respectively, regarding the construction of this project, and the Secretary is directed to use $2,000,000 to award continuing contracts in fiscal year 1990 for construction and completion of Lock and Dam 4, Phase I, and Lock and Dam 5, Phase I; and of which $2,500,000 shall be used to acquire up to five thousand acres of land in the vicinity of the Stumpy Lake/Swan Lake/Loggy Bayou Wildlife Management area as part of the lands for the Red River Waterway project; and with funds provided in this title or previously appropriated to the Corps of Engineers, the Secretary further is directed to fund previously awarded and directed construction contracts and to award continuing contracts in fiscal year 1990 for construction and completion of each of the following features of the Red River Waterway: in Pool 1, Vick Revetment Extension; Saline Bend Dikes, Blakewood, Pump Bayou, and Grand Lakes Reinforcement and Dikes. The Federal cost for construction of the Louisiana and Arkansas Railway Bridge near Alexandria, Louisiana, authorized in Public Law 98-181 shall be increased to a limitation of $25,770,000 (July 1, 1983 price levels) in order to avoid disruption of the Colfax Creosoting Company."

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 22 and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following *Provided further,* That with $1,000,000 of the funds herein appropriated the Secretary of the Army, acting through the Chief of Engineers, is directed to initiate and complete the one-time repair and rehabilitation of the Maeystown Creek gravity drainage structure through the project levee of the Harrisonville and Ivy Landing Drainage and Levee District, Number 2, Illinois, subject to the cost-sharing provisions of Public Law 99-662: *Provided further,* That with $4,000,000 of the funds herein appropriated the Secretary of the Army, acting through the Chief of Engineers, is directed to resume construction on the Wallisville Lake project in Texas, and to award continuing contracts until construction is complete under the terms and conditions signed in 1967 between the Trinity River Authority of Texas, the city of Houston, the Chambers-Liberty Counties Navigation District, and the Corps of Engineers, and as provided for in Public Law 98-63: *Provided further,* That with $5,000,000 heretofore or herein appropriated for the Cooper Lake and Channels project in Texas, the Secretary of the Army, acting through the Chief of Engineers, is directed to award continuing contracts in fiscal year 1990 at full Federal expenses for additional recreation facilities at an estimated cost of $17,000,000 not exclusive to South Sulphur and Doctors Creek Parks, as is acceptable to the State of Texas: *Provided further,* That the Secretary of the Army is authorized and directed to immediately begin a reconnaissance study of the Cuyahoga River in accordance with the provisions of Public Law 99-662 using funds previously appropriated for the Cleveland Harbor, Ohio, project: *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, shall use $300,000 of the funds appropriated under this heading for a flood control project on Loves Park Creek, Loves Park and vicinity, Illinois, as authorized by Public Law 99-662, Sec. 401; and, in addition, $101,800,000, to remain available until expended, is hereby appropriated for construction of the Red River Waterway, Mississippi River to Shreveport, Louisiana, project and for compliance with the directions given to the Secretary of the Army in the fiscal year 1988 and 1989 Energy and

Water Development Acts, Public Laws 100-202 and 100-371, respectively, regarding the construction of this project, and the Secretary is directed to use $2,000,000 to award continuing contracts in fiscal year 1990 for construction and completion of Lock and Dam 4, Phase I, and Lock and Dam 5, Phase I; and of which $2,500,000 shall be used to acquire up to five thousand acres of land in the vicinity of the Stumpy Lake/Swan Lake/Loggy Bayou Wildlife Management area as part of the lands for the Red River Waterway project; and with funds provided in this title or previously appropriated to the Corps of Engineers, the Secretary further is directed to fund previously awarded and directed construction contracts and to award continuing contracts in fiscal year 1990 for construction and completion of each of the following features of the Red River Waterway: in Pool 1, Vick Revetment Extension; Saline Bend Dikes, Blakewood, Pump Bayou, and Grand Lake Reinforcement and Dikes. The Federal cost for construction of the Louisiana and Arkansas Railway Bridge near Alexandria, Louisiana, authorized in Public Law 98-181 shall be increased to a limitation of $25,770,000 (July 1, 1983, price levels) in order to avoid disruption of the Colfax Creosoting Company".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 24: Page 15, line 2, strike out all after "4124)" down to and including "1991" in line 8 and insert: *Provided further,* That using previously appropriated funds, the Secretary of the Army, acting through the Chief of Engineers, is directed to reimburse the local interest for the Federal share of the cost of relocation of U.S. Highway 71 bridge in St. Landry Parish, Louisiana carried out by local interests as authorized by section 824 of Public Law 99-662: *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, is directed to utilize $2,500,000 of previously appropriated funds to initiate and complete construction of a land size seepage berm to correct a project deficiency at the Mississippi River, Memphis Harbor, Tennessee."

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 24 and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following ": *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, is directed to proceed with design and construction of a replacement for the Motor Vessel Mississippi using funds available under this appropriation in order to complete construction of the replacement vessel by the end of calendar year 1991: *Provided, further,* That using previously appropriated funds, the Secretary of the Army, acting through the Chief of Engineers, is directed to reimburse the local interests for the Federal share of the cost of relocation of U.S. Highway 71 bridge in St. Landry Parish, Louisiana, carried out by local interests as authorized by section 824 of Public Law 99-662: *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, is directed to utilize $2,500,000 of previously appropriated funds to initiate and complete construction of a land side seepage berm to correct a project deficiency at the Mississippi River, Memphis Harbor, Tennessee."

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 25: Page 15, line 19, strike out "$1,382,081,000" and insert "$1,396,104,000".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 25 and concur therein with an amendment, as follows:

In lieu of the sum stricken and inserted by said amendment, insert "$1,377,504,000".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 31: Page 17, strike out all after line 23, over to and including line 10, on page 18.

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 31 and concur therein with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

"SEC. 101. The project for flood control, Wyoming Valley, Pennsylvania, authorized by Section 401(a) of the Water Resources Development Act of 1986, is modified to direct the Secretary of the Army, using $1,300,000 appropriated herein under the General Investigations account and funds appropriated hereafter, to complete the design of the project so as to provide flood protection to the area protected by the existing projects from flood conditions which would occur as a result of the recurrence of Tropical Storm Agnes of 1972."

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 37: Page 21, after line 22, insert:

"SEC. 109. The undesignated paragraph of the Water Resources Development Act of 1986 (Public Law 99-662) under the heading 'Roanoke River Upper Basin, Virginia' (100 Stat. 4126) is amended by striking out '$21,000,000' and all that follows in that paragraph and inserting in lieu thereof '$29,000,000, with an estimated first Federal cost of $17,700,000 and an estimated first non-Federal cost of $11,300,000 October 1988 price levels.' "

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 37 and concur therein with an amendment, as follows:

In lieu of the section number in said amendment, insert "110".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by

the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 38: Page 21, after line 22, insert:

"SEC. 110. The project for navigation, Bonneville Lock and Dam, Oregon and Washington, authorized by the Supplemental Appropriations Act of 1985 (Public Law 99-88), the Water Resources Development Act of 1986 (Public Law 99-662), and the Supplemental Appropriations Act of 1989 (Public Law 101-45), is modified to authorize the Secretary of the Army to make available and deliver to the following Oregon and Washington ports: Port of The Dalles, Oregon; Port of Hood River, Oregon; Port of Cascade Locks, Oregon; Port of Klickitat, Washington; and Port of Skamania, Washington, excavated material surplus to the needs of the project as determined and conditioned by the Secretary of the Army without cost to the ports for such material.

"The Secretary, or his designee, shall not make such excavated material available until each port has entered into a written agreement: (1) to provide disposal sites at no cost to the government or its agents or its contractors; (2) to provide without charge or fee all disposal site work necessary for placement of the excavated materials as it becomes available for disposal; (3) to provide all disposal site work during disposal of the excavated material such as spreading, compacting and protection of in-water fills but not including off-loading from either truck or barge; (4) obtain all required State and Federal permits; and (5) to hold and save harmless the government from all damages, contractual or otherwise from the ports, but not from third-party claims.

"Actions taken pursuant to this modification shall not affect the environmental studies and approvals which have been completed for the project.".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 38 and concur therein with an amendment, as follows:

In lieu of the section number named in said amendment, insert "111".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 39: Page 21, after line 22, insert:

SEC. 111. Section 4(t)(3) of the Water Resources Development Act of 1988 (102 Stat. 4021-4022) is amended by adding at the end of subparagraph (3)(E) the following new subparagraph:

"(F) Upon transfer of OMR&R responsibility to the city in accordance with the provisions of this subsection, the Secretary shall further modify the project contract to forgive the city's OMR&R payment obligations in excess of $200,000 for the period beginning October 1, 1988, and ending September 30, 1989: *Provided*, That the total amount forgiven shall not exceed $600,000.".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 39 and concur therein with an amendment, as follows:

In lieu of the first section number named in said amendment, insert "112".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 40: Page 21, after line 22, insert:

"SEC. 112. The lake and recreation area at Dam Site 18 of the Papillion Creek Basin Project in Nebraska shall, on and after the date of enactment of this Act, be known and designated as the 'Ed Zorinsky Lake and Recreation Area'. Any reference to the area containing such dam site and its lake and surroundings in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the Ed Zorinsky Lake and Recreation Area."

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 40 and concur therein with an amendment, as follows:

In lieu of the section number named in said amemdment, insert "113".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 41: Page 21, after line 22, insert:

"SEC. 113. Notwithstanding section 601(b) of Public Law 99-662, the project for flood damage prevention, along the Rillito River, Pima County, Arizona, is authorized for construction in accordance with the plans described in the report of the Chief of Engineers dated January 22, 1988, at a total cost of $19,600,000 with an estimated first Federal cost of $14,600,000."

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 41 and concur therein with an amendment, as follows:

In lieu of the section number named in said amemdment, insert "114".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ababama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 42: Page 22, line 15, strike out $11,230,000 and insert "$11,330,000".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 42 and concur therein with an amendment, as follows:

In lieu of the section number named in said amemdment, insert "$11,530,000".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 44: Page 26, line 3, after "expended" insert ": *Provided further,* That the Secretary of the Interior shall utilize $15,000,000 appropriated herein to compensate the Strawberry Water Users Association as authorized by section 4 of Public Law 100-563".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 44 and concur therein with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert ": *Provided further,* That in accordance with P.L. 100-563, there is authorized to be appropriated under Section 8, of the Act of April 11, 1956 (70 Stat. 110; 43 U.S.C. 620g), $15,000,000 as compensation to the Strawberry Water Users Association which shall be available only for such compensation and must be used for Strawberry Valley Reclamation Project purposes. Of the amounts appropriated hereafter (including funds previously appropriated for FY 1989) under section 8 of such Act, the first $15,000,000 shall be paid to the Association. Upon receipt of such compensation, the Association shall relinquish all of its contractual surface rights and interests, including sand and gravel, in the 56,775 acres of Project Lands.

"Nothing in this Act shall delay the transfer of Strawberry Valley Project lands under the terms and conditions of Section 4 of P.L. 100-563.

"During the Fiscal Year 1990, the Bureau is authorized to utilize funds surplus to construction needs under Section 5 of the Act of April 11, 1956 (70 Stat. 107; 43 U.S.C. 620d), if available, (Bonneville Unit only), to accomplish the purposes and objectives of Sections 3 and 4 of P.L. 100-563.".

Mr. MYERS of Indiana. Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

Mr. SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 47: Page 32, after line 2, insert:

"The Bureau of Reclamation may hereafter accept the services of volunteers and, from any funds available to it, provide for their incidental expenses to carry out any activity of the Bureau of Reclamation except policymaking or law or regulatory enforcement. Such volunteers shall not be deemed employees of the United States Government, except for the purposes of chapter 81 of title 5 of the United States Code relating to compensation for work injuries, and shall not be deemed employees of the Bureau of Reclamation except for the purposes of tort claims to the same extent as a regular employee of the Bureau of Reclamation would be under identical circumstances.".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 47, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 52: Page 35, line 10, after "expansion;" insert: "Purchase of electricity to provide enrichment services or purchase of enriched uranium from the Federal Republic of Germany whichever will minimize appropriations;".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 52, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 55: Page 36, line 12, after "expended" insert ": *Provided,* That none of the funds provided in this Act for the Superconducting Super Collider shall be available to finalize or implement any agreements for either in-kind or direct contributions from foreign countries until a full report on such international contributions has been provided to the Congress, unless the President or Secretary of Energy certify in writing that it is in the national interest of the United States to implement such an agreement. Funds available for the Superconducting Super Collider may be utilized to prepare agreements to allow the above report to Congress to be formulated".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 55, and concur therein.

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 56: Page 36, strike out lines 14 to 25 and insert:

"For nuclear waste disposal activities to carry out the purposes of Public Law 97-425, as amended, including the acquisition of real property or facility construction or expansion, $350,000,000 to remain available until expended, to be derived from the Nuclear Waste Fund. To extent that balances in the fund are not sufficient to cover amounts available for obligation in the account, the Secretary shall exercise his authority pursuant to section 302(e)(5) to issue obligations to the Secretary of the Treasury: *Provided,* That any proceeds resulting from the sale of assets purchased from the Nuclear Waste Fund shall be returned to the Nuclear Waste Fund: *Provided further,* That of the amount herein appropriated not to exceed $5,000,000, may be provided to the State of Nevada, for the conduct of its oversight responsibilities pursuant to the Nuclear Waste Policy Act of 1982, Public Law 97-425, as amended, of which $1,000,000 is to be available for the University of Nevada-Reno to carry out infrastructure studies related to nuclear waste, and of which not more than $1,000,000 may be expended for geology and hydrology studies carried out by the University of Nevada system and not more than $1,000,000 may be expended for socioeconomic and transportation studies: *Provided further,* That not more than $6,000,000, may be provided to the State of Nevada, at the discretion of the Secretary of Energy, to conduct appropriate activities pursuant to the Act: *Provided further,* That not more than $5,000,000, may be provided to affected local governments, as defined in the Act, to conduct appropriate activities pursuant to the Act: *Provided further,* That none of the funds herein appropriated may be used directly or indirectly to influence legislative action on any matter pending before Congress or a State legislature or for any lobbying activity as provided in 18 U.S.C. 1913: *Provided further,* That of the amount appropriated herein, up to $10,000,000 shall be made available to the University of Nevada, Las Vegas (UNLV), to provide computing resource to the State of Nevada to carry out its independent analyses and oversight responsibilities under the Nevada Waste Policy Act of 1982 and for use by UNLV. The funds shall be made available by direct payment to UNLV in the amount of the purchase price of a supercomputer or coupled minisupercomputers. UNLV shall take title to and assume ownership of the computer hardware and software that are purchased with these funds.".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 56 and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted, insert the following:

"For nuclear waste disposal activities to carry out the purposes of Public Law 97-425, as amended, including the acquisition of real property or facility construction or expansion, $346,000,000, to remain available until expended, to be derived from the Nuclear Waste Fund. To the extent that balances in the fund are not sufficient to cover amounts available for obligation in the account, the Secretary shall exercise his authority pursuant to section 302(e)(5) to issue obligations to the Secretary of the Treasury: *Provided*, That any proceeds resulting from the sale of assets purchased from the Nuclear Waste Fund shall be returned to the Nuclear Waste Fund: *Provided further*, That of the amount herein appropriated not to exceed $5,000,000, may be provided to the State of Nevada, for the conduct of its oversight responsibilities pursuant to the Nuclear Waste Policy Act of 1982, Public Law 97-425, as amended, of which $1,000,000 is to be available for the University of Nevada-Reno to carry out infrastructure studies related to nuclear waste, and of which not more than $1,000,000 may be expended for geology and hydrology studies carried out by the University of Nevada system and not more than $1,000,000 may be expended for socioeconomic and transportation studies: *Provided further*, That not more than $6,000,000, may be provided to the State of Nevada, at the discretion of the Secretary of Energy, to conduct appropriate activities pursuant to the Act: *Provided further*, That not more than $5,000,000, may be provided to affected local governments, as defined in the Act, to conduct appropriate activities pursuant to the Act: *Provided further*, That none of the funds herein appropriated may be used directly or indirectly to influence legislative action on any matter pending before Congress or a State legislature or for any lobbying activity as provided in 18 U.S.C. 1913: *Provided further*, That of the amount appropriated herein, up to $10,000,000 shall be made available to the University of Nevada, Las Vegas (UNLV), to provide computing resource to the State of Nevada to carry out its independent analyses and oversight responsibilities under the Nuclear Waste Policy Act of 1982 and for use by UNLV. The funds shall be made available by direct payment to UNLV in the amount of the purchase price of a supercomputer or coupled minisupercomputers. UNLV shall take title to and assume ownership of the computer hardware and software that are purchased with these funds."

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 64: Page 46, strike out lines 6, 7, and 8, and insert "and colleges and universities having a student body in which more than 20 percent of the students are Hispanic Americans, or Native Americans. For purposes of this section, economically and socially disadvantaged individuals shall be deemed to include women.".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 64, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the final amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 70: Page 52, line 25, after "100-119" insert "unless such report expressly provides otherwise".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 70, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and the several motions was laid on the table.

PERSONAL EXPLANATION

Mr. JONES of Georgia. Mr. Speaker, I was absent from the House on September 12 on official business when roll call vote No. 225 was taken. Had I been present, I would have voted "nay".

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today in the order in which that motion was entertained.

Votes will be taken in the following order: H.R. 2978 by the yeas and nays, and then H.R. 982, by the yeas and nays.

The Chair will reduce to a minimum of 5 minutes the time within which a vote by electronic device may be taken after the first such vote in the series.

FLAG PROTECTION ACT OF 1989

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 2978, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. BROOKS] that the House suspend the rules and pass the bill, H.R. 2978, as amended on which the yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 380, nays 38, not voting 12, as follows:

[Roll No. 226]

YEAS—380

Akaka	Derrick	Henry
Alexander	DeWine	Herger
Anderson	Dicks	Hertel
Andrews	Dingell	Hiler
Annunzio	Dixon	Hoagland
Anthony	Donnelly	Hochbrueckner
Applegate	Dorgan (ND)	Holloway
Archer	Dornan (CA)	Hopkins
Aspin	Downey	Horton
Atkins	Dreier	Houghton
Baker	Duncan	Hoyer
Ballenger	Durbin	Hubbard
Barnard	Dwyer	Huckaby
Bartlett	Dymally	Hughes
Barton	Dyson	Hutto
Bates	Early	Hyde
Beilenson	Eckart	Inhofe
Bennett	Edwards (CA)	Ireland
Bentley	Edwards (OK)	Jacobs
Bereuter	Emerson	James
Bevill	Engel	Jenkins
Bilbray	English	Johnson (CT)
Bilirakis	Erdreich	Johnson (SD)
Billey	Espy	Johnston
Boehlert	Evans	Jones (NC)
Boggs	Fascell	Jontz
Bonior	Fawell	Kanjorski
Borski	Fazio	Kaptur
Bosco	Feighan	Kasich
Boucher	Fields	Kastenmeier
Boxer	Fish	Kennedy
Brennan	Flake	Kennelly
Brooks	Flippo	Kildee
Broomfield	Foglietta	Kleczka
Browder	Ford (MI)	Kolbe
Brown (CA)	Frank	Kolter
Brown (CO)	Frenzel	Kostmayer
Bruce	Frost	LaFalce
Bryant	Gallegly	Lagomarsino
Buechner	Gallo	Lancaster
Bunning	Gaydos	Lantos
Burton	Gejdenson	Laughlin
Bustamante	Gekas	Leach (IA)
Byron	Gephardt	Leath (TX)
Callahan	Gibbons	Lehman (CA)
Campbell (CO)	Gillmor	Lehman (FL)
Cardin	Gilman	Lent
Carper	Gingrich	Levin (MI)
Carr	Glickman	Lewis (CA)
Chapman	Gonzalez	Lewis (FL)
Clarke	Goodling	Lipinski
Clement	Gordon	Livingston
Clinger	Goss	Lloyd
Coble	Gradison	Long
Coleman (MO)	Grant	Lowery (CA)
Coleman (TX)	Gray	Lowey (NY)
Collins	Guarini	Luken, Thomas
Combest	Gunderson	Lukens, Donald
Conte	Hall (OH)	Machtley
Cooper	Hall (TX)	Madigan
Costello	Hamilton	Manton
Coughlin	Hammerschmidt	Markey
Cox	Hansen	Marlenee
Coyne	Harris	Martin (IL)
Craig	Hastert	Martin (NY)
Crane	Hatcher	Martinez
Darden	Hawkins	Matsui
Davis	Hayes (IL)	Mavroules
de la Garza	Hayes (LA)	Mazzoli
DeFazio	Hefley	McCloskey
DeLay	Hefner	McCollum

McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Miller (OH)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Parris
Pashayan
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roe
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Russo
Saiki
Sangmeister
Sarpalius
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schneider
Schulze
Schumer
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (VT)
Smith, Denny (OR)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stangeland
Stark
Stearns
Stenholm
Studds
Sundquist
Swift
Synar
Tallon
Tanner
Tauke
Tauzin
Thomas (CA)
Thomas (GA)
Thomas (WY)
Torres
Torricelli
Traficant
Traxler
Udall
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walsh
Watkins
Waxman
Weber
Weldon
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (FL)

NAYS—38

Ackerman
Armey
AuCoin
Bateman
Berman
Campbell (CA)
Chandler
Clay
Crockett
Dannemeyer
Dellums
Dickinson
Douglas
Grandy
Green
Hancock
Hunter
Kyl
Levine (CA)
Lewis (GA)
Lightfoot
McCandless
Michel
Miller (CA)
Myers
Roybal
Sabo
Savage
Schroeder
Schuette
Sensenbrenner
Skaggs
Smith, Robert (NH)
Stokes
Stump
Walker
Weiss
Wheat

NOT VOTING—12

Conyers
Courter
Florio
Ford (TN)
Garcia
Jones (GA)
Molinari
Nielson
Owens (NY)
Rangel
Towns
Young (AK)

□ 1725

The Clerk anmnounced the following pairs:

On this vote:

Mr. Florio and Mr. Ford of Tennessee for, with Mr. Jones of Georgia against.

Mr. Molinari and Mr. Courter for, with Mr. Nielson against.

Mr. BURTON of Indiana changed his vote from "nay" to "yea."

So, (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above, recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. JONES of Georgia. Mr. Speaker, I was absent from the House on September 12 on official business when roll call vote No. 226 was taken. Had I been present, I would have voted "nay".

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. KOSTMAYER). Pursuant to the provisions of clause 5, rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on the additional motion to suspend the rules on which the Chair has postponed further proceedings.

POSTAL REORGANIZATION ACT AMENDMENTS OF 1989

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 982.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. FORD] that the House suspend the rules and pass the bill, H.R. 982, on which the yeas and and nays are ordered.

The vote was taken by electronic device, and there were—yeas 405, nays 11, not voting 14, as follows:

[Roll No. 227]

YEAS—405

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Aspin
AuCoin
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Browder
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clarke
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Cooper
Costello
Coughlin
Cox
Coyne
Craig
Crockett
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Douglas
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Foglietta
Ford (MI)
Frank
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Grant
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hoagland
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Laughlin
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken, Thomas
Lukens, Donald
Machtley
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nelson
Nowak
Oakar
Oberstar
Olin
Ortiz
Owens (UT)
Oxley
Packard
Pallone
Parker
Parris
Pashayan
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Roberts
Robinson
Roe
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Sangmeister
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (VT)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stangeland
Stark
Stearns
Stenholm
Stokes
Studds
Sundquist
Swift
Synar
Tallon
Tanner
Tauke
Tauzin
Thomas (CA)
Thomas (GA)
Thomas (WY)
Torres
Torricelli
Traficant
Traxler
Udall
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Volkmer
Vucanovich
Walgren
Walsh
Watkins
Waxman
Weber

Weiss	Williams	Wyden
Weldon	Wilson	Wylie
Wheat	Wise	Yates
Whittaker	Wolf	Yatron
Whitten	Wolpe	Young (FL)

NAYS—11

Armey	Kyl	Stump
Crane	Obey	Visclosky
Edwards (OK)	Panetta	Walker
Frenzel	Rohrabacher	

NOT VOTING—14

Atkins	Garcia	Rangel
Conyers	Jones (GA)	Ritter
Courter	Molinari	Towns
Florio	Nielson	Young (AK)
Ford (TN)	Owens (NY)	

□ 1733

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. NIELSON of Utah. Mr. Speaker, I was unavoidably absent from the floor earlier today when rollcall votes Nos. 226 and 227 were taken. These were the votes on H.R. 2978, Flag Protection Act of 1989, and H.R. 982, Postal Reorganization Act Amendments of 1989. I wish to have the RECORD show that had I been present, I would have voted "nay" on H.R. 2978 and "yea" on H.R. 982.

PERSONAL EXPLANATION

Mr. JONES of Georgia. Mr. Speaker, I was absent from the House on September 12 on official business when roll call vote No. 227 was taken. Had I been present, I would have voted "yea".

HOUR OF MEETING ON TOMORROW

Mr. GRAY. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 a.m. tomorrow.

The SPEAKER pro tempore (Mr. KOSTMAYER). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AUTHORIZING THE SPEAKER TO DECLARE A RECESS ON TOMORROW

Mr. GRAY. Mr. Speaker, I ask unanimous consent that the Speaker be authorized to declare a recess on Wednesday, September 13, 1989, subject to the call of the Chair, to allow Members to attend the memorial service for the late honorable MICKEY LELAND of Texas.

The recess will begin at approximately 12:45, and the House will resume its business at approximately 2 p.m.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

ORDER OF BUSINESS

Mr. HEFLEY. Mr. Speaker, I ask unanimous consent that the 60 minute special order of the gentleman from Texas [Mr. DELAY] agreed to on September 6, 1989, follow immediately the 60 minute special order by the gentleman from Texas [Mr. BROOKS] today, and also that the special order by the gentleman from Texas [Mr. BROOKS] precede that of the gentlewoman from Maryland [Mrs. BENTLEY].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 338

Mr. DANNEMEYER. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of House Joint Resolution 338.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

TARAWA DECLARATION

(Mr. FALEOMAVAEGA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FALEOMAVAEGA. Mr. Speaker, last week I had the privilege of sharing with my colleagues the editorial commentary that was made by the New York Times entitled "Vandals of the Pacific." I made reference again to the dangerous advent of the usage of drift net as is now used by Taiwan and Japan throughout the Pacific. I would like to share with my colleagues some of the provisions of the declaration that was issued by the South Pacific or the Pacific foreign countries in Tarawa on July 10 and 11 of this year:

Recognizing the crucial dependence of the Pacific island peoples on marine resources; profoundly concerned at the damage now being done by pelagic drift net fishing to the economy and environment of the South Pacific region; deeply regretting that Japan and Taiwan have failed to respond to the concerns of regional countries about this most serious issue; noting that all countries inside and outside the region are affected by the mismanagement of the resources of the world's oceans, by the environment dangers of drift net fishing and by the threat to safe navigation; resolves for the sake of this and succeeding generations of Pacific peoples to seek the establishment of a regime for the management of albacore tuna in the South Pacific that would ban drift net fishing from the region; such a ban might then be a first step to a comprehensive ban on such fishing; calls on the international community to support, and cooperate in, the urgent conclusion of a convention establishing the zone; commends the Republic of Korea for its decision to cease drift net fishing in the region; and calls on Japan and Taiwan to follow this example and abandon immediately their damaging drift net operations.

Mr. Speaker, I also have two articles I would like to share with my colleagues and include as part of the RECORD.

TARAWA DECLARATION

THE SOUTH PACIFIC FORUM MEETING AT TARAWA ON 10-11 JULY 1989

Recognising the crucial dependence of the Pacific Island peoples on marine resources;

Profoundly concerned at the damage now being done by pelagic drift net fishing to the economy and environment of the South Pacific region;

Convinced that this indiscriminate, irresponsible and destructive fishing technique threatens the survival of the albacore tuna resource, and so the economic well-being of Forum Island Countries;

Deeply regretting that Japan and Taiwan have failed to respond to the concerns of regional countries about this most serious issue;

Noting that it is in the mutual interest of the major fishing nations active in the region, and the Forum, to conserve fisheries stocks;

Noting that all countries inside and outside the region are affected by the mismanagement of the resources of the world's oceans, by the environmental dangers of drift net fishing and by the threat to safe navigation;

Recalling the relevant provisions of the 1982 United National Convention on the Law of the Sea, and in particular Articles 63, 64, 87, 116, 117, 118 and 119;

Recognizing that the use of drift nets as presently employed in the Southern Pacific Albacore Tuna Fishery is not consistent with international legal requirements in relation to rights and obligations of high seas fisheries conservation and management and environmental principles;

Resolves for the sake of this and succeeding generations of Pacific peoples to see the establishment of a regime for the management of albacore tuna in the South Pacific that would ban drift net fishing from the region; such a ban might then be a first step to a comprehensive ban on such fishing;

Determines, to this end, to convene an urgent meeting of regional diplomatic, legal and fisheries experts to develop a Convention to give effect to its common resolve to create a zone free of drift net fishing;

Calls on the international community to support, and cooperate in, the urgent conclusion of a Convention establishing the zone;

Resolves that individual member states of the South Pacific Forum will take all possible measures in the interim to prevent drift net fishing within their waters, and otherwise actively to discourage the operations of drift net fishers;

Further resolves that member states acting individually and collectively will take

what action they can within relevant international organizations to contribute to the cessation of this harmful form of fishing;

Commends the Republic of Korea for its decision to cease drift net fishing in the region;

Calls on Japan and Taiwan to follow this example, and abandon immediately their damaging drift net operations.

[From the New York Times, June 25, 1989]

THE ASIAN FLEETS THAT STRIP

(By Timothy Egan)

SEATTLE.—In southeast Alaska, where many villages are kept alive by the annual return of hordes of Pacific salmon, nearly 40 million were expected last year. But barely a fourth of that number went back there to spawn.

In the Pacific Northwest, fishing for steelhead, a trout that looks like a salmon, is as cherished a sport as climbing Mount Rainier. But this year the rivers have been barren of the big steelhead.

The cause of the fish drought, Government officials say, is fishing fleets from Japan, Taiwan and South Korea whose huge nets drag the North Pacific illegally every night. According to the State Department more than $500 million in salmon that would normally return to American rivers is pirated annually by the boats. For American fishermen from Northern California to Alaska, catching these migrating fish is a $3 million business, but now many runs face extinction.

Alaskan fishermen say illegal foreign fishing is causing more environmental havoc than the spill in March of 11 million gallons of oil in Prince William Sound. They contend that it is as if someone from outside the country were allowed to come into Iowa and take half the corn crop without compensating farmers.

In a practice condemned by critics at "stripping the sea," more than 700 vessels from Asia drag at least 30,000 miles of nearly invisible drift net, as it is called, across the North Pacific every night. Ostensibly, they are fishing for squid, but the nets take in salmon, dolphin, whales, shorebirds, sea lions and anything else that might get snagged.

AN IMMORAL FISHERY

American fishermen say these nets are robbing them of their livelihood and cutting off the fish supply to rivers once thick with king and other salmon. "It's an immoral fishery," said Mark Tennant, president of Seacops, a group of 2,000 West Coast fishermen and environmentalists." It doesn't make either biological or economic sense."

For months, the State Department has been negotiating with Japan, Taiwan and South Korea, trying to get them to enforce international regulations that are supposed to keep foreign fishing fleets out of the migratory path of American-bound salmon. By international agreements, these salmon belong to the country of origin. Typically, a Pacific salmon migrates to the high seas, then returns to spawn at the end of its life in the river of its birth.

Under a law passed by Congress in 1987, if no agreement is reached by Thursday President Bush can order trade sanctions against the violating countries. Edward Wolfe, the Assistant Secretary of State for Oceans and Fisheries, said the Taiwanese will almost certainly face sanctions for repeated pirating of American-bound salmon.

For years the Taiwanese have said there was no proof of illegal fishing. But American boats have chased Taiwanese ships caught fishing in the high seas. Abandoned ghost ships from Taiwan, empty of crew but with the stench of salmon in the hulls, have drifted ashore off the Washington coast.

REPORTS OF BRIBERY

But the most striking evidence was made public last week, when the Coast Guard released a videotape taken earlier this month showing frantic crewmen dumping salmon from a Taiwanese ship caught fishing in waters they had agreed to avoid. When Coast Guard officers boarded the ship, the Taiwanese crew tried to bribe them, the Coast Guard reported.

This issue is now at the highest levels of the State Department, and it is causing a serious bilateral confrontation with Taiwan," said Mr. Wolfe. He said illegal drift net fishing has already caused the extinction of entire runs of salmon and is seriously depleting populations of dolphin and other sea mammals.

"Ultimately, the Government position will be to end all drift net fishing," said Mr. Wolfe. "Right now, we're just putting out fires."

The Taiwanese are considered the worst violators. About 80 percent of their 250 drift net boats are fishing illegally, according to the Coast Guard. But the Japanese have the largest fleet, with 170 vessels dragging the North Pacific. Late last week, the Japanese agreed to an American demand for electronic monitoring of their drift net fleet, a move that officials say would help curb illegal fishing.

Typically, each foreign boat carries 30 miles of plastic net, which rakes over a large section of water. By comparison, North American fishermen use nets no more than half a mile in length.

By Government estimates, at least 7 million to 10 million American-bound salmon are taken illegally by foreign fishing fleets every year. American fishermen say the number may be three times higher. Japanese, Taiwanese and Korean officials have given no figures on the salmon catch, but the Japanese say they accidentally snare at least 2,500 porpoises every year.

"When you put a million miles of net out every month, said Steve Posey, a member of the Seacops group, "it doesn't take long to wipe out a fishery."

DRIFT NET PERIL MOVES TO SOUTH PACIFIC

The "wall of death" has spread from the northern Pacific to the waters of the South Pacific. Island nations as well as Australia and New Zealand will begin a campaign this month to stop Taiwan and Japan from using drift gill nets in the region. If they are successful, then whole species of fish could disappear from parts of the South Pacific. This would be a devastating blow to the economies of some of the smaller nations such as the Solomon Islands, that are dependent on fishing.

The drift nets, made of nylon, are known as the "wall of death" because they snare both large numbers of fish and other marine animals such as turtles, dolphins, seals, sea lions and small whales. The fish are caught by their gills in the nets, which have a mesh of about 170 millimetres. Sea birds, attracted by the struggling fish, are also often trapped.

The Japanese and Taiwanese boats are after tuna, especially albacore. But according to the New Zealand Ministry of Agriculture and Fisheries, the species could disappear from the region within two years unless drastic action is taken to curtail the use of drift nets. Talbot Murray from the Fisheries Research Centre in Wellington says that four times as many albacore were being taken as the species could sustain.

Last season, about 45,000 tonnes of albacore—mostly juveniles—were caught. The juvenile fish swim near the surface at night when the nets—about 15 metres deep and up to 56 kilometres long—are cast. When boats travel side by side, the nets can stretch for hundreds of kilometres across the Pacific.

More than 1200 vessels from Japan, Taiwan and South Korea have used drift nets to catch squid in the north Pacific. The boats have been catching salmon illegally. Recently the U.S. and Canada have moved to restrict the number of boats that fish in northern waters from June for about six months (This Week, 3 June).

But nations in the South Pacific were unaware that when the fishing season finished in the northern hemisphere, large numbers of boats travel south. The season begins in December and lasts until early April. "We thought there were only a few boats using drift nets," Murray said. "But last fishing season we discovered that more than 160 vessels were involved."

Most of the boats were from Taiwan.

Thirty boats were Japanese and two came from South Korea.

Most of the fishing is done in the Tasman Sea between Australia and New Zealand, and east of New Zealand at a latitude of about 40 degrees south. This brings the boats in conflict with boats that fish for albacore using two standard methods—trolling and long lines. Both these methods use bait. Not as many fish are caught and the longline fishery catches adult, rather than juvenile, albacore. Ironically, fishing fleets from Japan, Taiwan and Korea participate in the longline fishery.

A series of meetings will be held in Suva, Fiji, this month in an attempt to reduce the use of drift nets. One meeting will discuss what legal sanctions can be taken against nations that use drift nets on the high seas, outside territorial waters. Scientists, who know very little about the marine ecosystem in the South Pacific, will discuss ways of exchanging data and measuring the impact of the fishery.

But the main meeting will be from June 26 to 28 when government representatives from Japan, Taiwan and South Korea will confront the Forum Fisheries Agency (FFA) which represents 16 nations of the South Pacific Forum. The FFA hopes to obtain assurances that the use of drift nets will be curtailed. The agency is anxious to reach agreement with Taiwan and Japan because it is believed that other nations, in particular Indonesia and the Philippines, want to establish a fleet for drift netting.

New Zealand wants drift nets to be banned from the South Pacific, but Australia is worried that if this happens the boats will go to other areas such as the Indian Ocean where the southern blue-fin tuna, a highly valuable resource, would be threatened.

SUBCOMMITTEE TO HOLD HEARINGS ON DEPOSIT INSURANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, Congress recently passed legislation to revitalize the savings and loan industry. It is now necessary to take a look at another crucial area—the health of the deposit insurance system for commercial banks and credit unions.

The Subcommittee on Financial Institutions Supervision, Regulation and Insurance, which I chair, will hold 3 days of oversight hearings from September 19 through September 21 to examine these insurance funds. The hearings have been scheduled to gather facts. I have no evidence that either fund is facing any kind of problem. But I believe it is better that we learn about any possible problem as soon as we can, if, in fact, there is a problem.

The hearings will be strictly factual. They will not be a lobbying forum. They will examine the health of the insurance funds. They are not intended as the beginning of debate on the powers of financial institutions.

Since the savings and loan rescue plan was signed into law by President Bush last month, several prominent persons have recommended that deposits in banks, savings and loans, and credit unions be fully insured for only the first $25,000 or $50,000 in each account, not the current $100,000. Others have made still more suggestions regarding reforming the deposit insurance system.

Any debate over these proposals must be based on solid factual ground. That is why I am holding these hearings. Congress must have the facts before it decides to act. At the hearings the subcommittee will hear from Government officials, industry representatives, and distinguished scholars in a quest to get all the facts.

Mr. Speaker, deposit insurance was born in the Depression of the 1930's with the aim of protecting small depositors. Some claim that it has since grown into a protector of banks which appear too big to fall.

Many specialists argue not for fiddling with deposit insurance, but for making banking practices safer, and for better supervision by bank regulators. Safer banking practices reduce the risk of loss to the insurance fund, and better supervision and examination lead to discovering problems while they are still small and manageable.

Viewed from afar, commercial banking looks secure. Last year banks reported profits of $25 billion, along with the highest return on stockholders' equity since 1974. However, economists from the Brookings Institution have written a paper which says the big picture masks serious weakness. Some 150 banks with assets of $926 billion have capital ratios between 3 and 6 percent. Many of them are high-profile institutions: 13 of the 15 largest banks in the country, with assets of $700 billion, fit the category.

The hearings will investigate the financial health of the Federal Deposit Insurance Corporation [FDIC], which insures deposits at commercial banks, and the National Credit Union Share Insurance Fund [NCUSIF], which insures deposits at credit unions.

The FDIC insures over 13,000 banks with $1.75 trillion in insured deposits. Last year, the FDIC suffered the first loss in its 55-year history, losing $4.2 billion from 220 bank failures. This year thus far, 154 banks have failed, and the total is likely to approach or exceed 200 institutions. At the end of 1988, the FDIC had a reserve ratio of 83 cents for every $100 in deposits.

The NCUSIF insures almost 14,000 credit unions with $160 billion in deposits. The NCUSIF showed a gain of about $25 million last year on income of some $100 million. Credit union failures in 1988 cost the NCUSIF $60 million. Current reserves in the credit union insurance fund are nearly $2 billion. The NCUSIF reserve ratio is $1.26 for every $100 in insured deposits.

Mr. Speaker, I am looking forward to the oversight hearings on the bank and credit union insurance funds. They should provide information that will prove to be extremely valuable to Congress in determining whether there is a need to reform the deposit insurance system, and if so, what direction such reform should take.

A TRIBUTE TO PETER BORGHERO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, I rise today to pay tribute to Mr. Peter Borghero, an outstanding citizen of northern California, who is retiring this month as president of the Oakland Scavenger Co.

Peter Borghero is a lifelong resident of Oakland. He still resides there with his wife, Mary, and his son, John. He attended local schools and joined the Oakland Scavenger Co. in 1937 as a helper on a collection truck. In the early 1940's, he advanced to driver and route supervisor.

Peter enlisted at the outbreak of World War II and served the U.S. Army for 5 years as a platoon sergeant. He was awarded both a Silver Star and a Bronze Star for service to his country.

After the war, Peter returned to the Oakland Scavenger Co. and was promoted to district manager in 1957. He was first elected to Oakland Scavenger's board of directors in 1964. He was elected secretary in 1973, vice president in 1974, and president in 1985. He held that position until his retirement this month.

Peter is active in many community organizations including the Oakland Chamber of Commerce, director, 1976–1981; the Chambers of Commerce of the cities of Alameda, San Leandro, Hayward, Castro Valley, Union City, Newark, and Livermore, and the California Chamber of Commerce. He is also active in the Alameda County Sheriff's Department "rangers"; the New Oakland Committee, crime prevention committee; the Athenian Nile Club, board of directors; the Lakeview Club, founding member; and the Festival of the Lake, past president.

As one of the State's leaders in solid waste management, Peter has served as past president of the California Refuse Removal Council—Northern District, and, past State president of the California Refuse Removal Council. He has also been a member of the National Solid Waste Management Association and a past chairperson of the Industrial Solid Waste and Hazardous Waste Committee of the San Leandro Chamber of Commerce.

The Oakland Scavenger/Waste Management Co. provides service to over 1 million people through franchise agreements with city and sanitary districts located in Alameda County.

I would like to commend Peter Borghero for over 50 years of service and dedication to both the Oakland Scavenger Co. and the people of the Ninth Congressional District.

GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order this evening.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

□ 1740

TRIBUTE TO THE LATE HONORABLE MICKEY LELAND

The SPEAKER pro tempore (Mr. KOSTMAYER). Under previous order of the House the gentleman from Texas [Mr. BROOKS], is recognized for 60 minutes.

Mr. BROOKS. Mr. Speaker, I want to take this opportunity to join my colleagues in expressing our deep sense of sadness and loss at the tragic death of our friend, Congressman MICKEY LELAND. I want to extend my heartfelt sympathy to his wife, Alison, and his son, Jarrett.

The people of Houston's 18th Congressional District have lost an outstanding representative in Congress. MICKEY's colleagues in this House have lost a close friend who could always be counted on to offer good advice and the hand of friendship in difficult situations.

As chairman of the House Select Committee on Hunger, he gained the respect of all with whom he came in contact, both in this country and abroad. Because he was so committed to the task of eradicating hunger from the face of the Earth, he earned the love of an entire Nation.

The people of Texas were indeed fortunate to have Congressman LELAND represent their interests on public issues with such energy and dedication, both here in Washington and at home in Houston.

MICKEY LELAND never gave up in his fight against injustice, racism, poverty, and hunger. He felt that we could make a difference and he always sought to address the very best in everyone of us.

All of us will miss his many contributions to our joint legislative efforts. His work set a high standard of excellence for others to follow. Along with his many other friends, I'll deeply miss him—but I'll never forget him.

Mr. Speaker, I yield to our distinguished colleague, the gentleman from Texas [Mr. ANDREWS]

Mr. ANDREWS. Mr. Speaker, GEORGE THOMAS LELAND lived to be 44 years old. He was the 44th black to ever serve in the U.S. Congress. On the day of his death, he was one of the most prominent black leaders in America and an outstanding and proudful representative of Houston. MICKEY LELAND was also a good friend of mine, and I will miss him very much.

MICKEY LELAND just positively glowed—when he talked about issues like hunger and civil rights; when he talked about his family, especially his wife Alison and his young son Jarrett.

The last time I talked with MICKEY was on the House floor late at night. He told me he was going to be a father again. He was so happy, and so was I.

He had a great gift: A tireless enthusiasm for life, for people and for public service. He loved government, from inner-city politics to world events. His energy for these things was contagious.

In all the times I have been with MICKEY, I never saw him take himself too seriously. He saw a lot of humor in life. What he did take seriously were issues, and after his first trip to Africa, the problems of world hunger became a passion with him. As chairman of the Select Committee on Hunger, he gave voice to efforts to stop the starvation and dying that exist in Africa.

I doubt many would have given MICKEY much of a chance 44 years ago. He had a tall ladder to climb out of the fifth ward. Houston was a different city then: Segregated schools, white-only leadership, ignored poverty, and a police department with few blacks. The fifth ward has never felt the Houston boom times. It remains today much as it did then—poor, crime ridden, and isolated.

MICKEY was one who fought to change that. He started as a student leader at Texas Southern University, and he worked long and hard for reforms that many of us take for granted today.

He also made it to the top. He was lucky in some ways—he had a strong and supportive mother and loyal friends—lots of friends. But most importantly, he had a determination that was resolute. Hidden beneath that wonderful smile was a commitment made of steel. He never gave up.

The respect for MICKEY grew in Congress. He became more serious, more effective, and for Houston and Texas his leadership became vital. MICKEY's influence helped gain mass transit funds, a bigger space program, and antidrug awareness for Houston. He was important in shaping the future of our city.

Young people are already talking about Congressman MICKEY LELAND—what he did and what he stood for. Someday in the fifth ward of Houston, or the poorest neighborhood in some other Texas city, some youngster will think about MICKEY's life and he will try harder and work longer and will fight to get to the top. And just like MICKEY LELAND, he will help to make Texas a better place to live. And that is MICKEY LELANDS's greatest legacy.

During the darkest days of the Civil War, Abraham Lincoln wrote to a friend. He said:

I know there is a God and
I know He hates injustice
But I know He had His hand in it
I see the Storm coming and
If He has a place and part
for me, I believe that I am ready.

Today, we know there is a God and we know that he hates injustice. We watched the storm blowing across the mountains of East Africa but we know God must surely have had his hand in it. And whatever the test, we know that MICKEY LELAND was ready.

Mr. BROOKS. Mr. Speaker, I yield to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, this is the second time in the last decade that our Nation has lost an outstanding crusader for the cause of ending world hunger. And for me it is the second time that it has been the loss of a dear, close friend. MICKEY LELAND the legislator and Harry Chapin the singer/songwriter were both young, dynamic, warm, creative, caring, gentle people. They gave everyone a sense of joy in working with them and the mere sight of MICKEY or Harry coming down the hall, always delighted me. We miss both of them very much.

I mention the two of them now in the same breath because MICKEY's role in the hunger issue was shaped by Harry Chapin and they were so much like one another—in life and in death. It is a shame that they never met, I used to say that to MICKEY. In 1979, 3 years before he died in a tragic car accident between one of his many benefit concerts and talks on world hunger, Harry Chapin had convinced President Carter to create the Presidential Commission on World Hunger. We sat on the Presidential Commission with Senators DOLE and LEAHY, and John Denver, to name a few. It was the Hunger Commission in 1981 that recommended the creation of a special congressional panel on hunger. I introduced the resolution, along with MICKEY, to create the committee in 1982 and again in 1983.

After the select committee resolution was introduced, we had to struggle to convince the leadership throughout the House of the importance of this issue. Several committee chairmen expressed jurisdictional concerns about a new committee and although MICKEY was viewed as a young firebrand back then, we tried to assure them that we would work to supplement and assist the standing committees in their work. Those were the days when our Justice Department believed that information concerning hunger in America was anecdotal. There were some on both sides of the aisle who were inclined to oppose our proposal. But MICKEY and I had an understanding that partisan politics would not become the focus of the committee. When the Presidential Commission was created there was a similar understanding with Harry Chapin. Both men honored their word and the outcome benefited millions of impoverished people around the world. It also gave us reason to be very proud of this House—so many of us who could not normally find common ground on contentious issues, always could be proud of the cooperation to be found on tackling the hunger problem.

There were numerous leaders and groups who were closely allied to MICKEY and his role in the select committee. A group called the Coalition for a Select Committee on Hunger was created and it lobbied Capitol Hill, especially the Rules Committee which has jurisdiction over the establishment of select committees, to gain support for the initiative. TONY HALL, our chief advocate on the Rules Committee, helped significantly in bringing our select committee to fruition.

MICKEY LELAND was faithfully true to his word in keeping partisanship out of the work of our select committee, and we must now remain faithfully true to what MICKEY, and before him, to what Harry Chapin died for. Our Select Committee on Hunger exists because the American people and the Congress understood that hunger was not a black versus white or Democratic versus Republican issue. The committee has been effective because that was the basis of its conception. The Hunger Committee gives us reason to be proud because right from the beginning, during the creation of the Presidential Commission on World Hunger back in 1979, nobody pointed fingers and said "I understand what hunger or poverty is more than you do because I'm a member of such-and-such political party or such-and-such race."

MICKEY LELAND's service in the U.S. House of Representatives since 1979 can best be described as the work of an outstanding humanitarian whose heart was so large that he allowed it to pull him wherever he was needed. His mind heard and his heart felt the extensive suffering in Africa, and he went there. His heart felt the suffering in Asia and he went there. He heard about the suffering from the homeless and the impoverished in America and he never hesitated to go pour some soup, comfort the confused,

and hold the hand of an AIDS victim, be it black or white.

No novice to lawmaking, prior to his coming to the Congress in 1979, Congressman LELAND represented the 88th District in the Texas Legislature from 1973-78. In the Congress MICKEY LELAND was a member of the Committee on Energy and Commerce where he served on the Subcommittee on Telecommunications and Finance, the Subcommittee on Health and the Environment and the Subcommittee on Energy and Power. He also served on the Committee on Post Office and Civil Service. He was chairman of the Subcommittee on Postal Operations and Services and was a member of the Subcommittee on Compensation and Employee Benefits. Congressman LELAND was appointed as an at-large whip by the House leadership for the 100th congressional caucuses: arms control and foreign policy caucus, arts caucus, environmental and energy study conference, Hispanic caucus, humans rights caucus, maritime caucus, Sunbelt caucus, travel and tourism caucus, and the caucus on women's issues.

MICKEY LELAND loved this House and I'm certain he misses it as much as we now miss him. He could never rest if he thought he was the possible cause of disharmony here. MICKEY's devoted mind and compassionate heart would take him in and out of every office and corridor on the Hill until he resolved the misunderstanding. It was too soon for him to go. He had so much more to give to all of us. America has lost a great congressman, a humanitarian.

To MICKEY's devoted wife, Alison and his young son, Jarrett, his mother, Alice Rains, and his brother, Gaston Leland, go our heartfelt condolences.

In memorializing MICKEY LELAND, let us rededicate ourselves to the lofty ideals which he held so near and dear and which can be best summed up in words MICKEY often repeated: "A hungry child knows no politics."

□ 1750

Mr. BROOKS. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. HALL].

Mr. HALL of Texas. Mr. Speaker, as we come before the House today to pay homage to our dear friend, MICKEY LELAND, I am reminded of what a great privilege it was to work with him. Through the years, from the Texas Legislature to this U.S. House of Representatives, I watched MICKEY strive in relentless dedication to meet the needs of his district and of Texas.

For many years, MICKEY and I served on the Energy and Commerce Committee together and though he had a special constituency built around aiding the hungry and the homeless, he also found time to support the energy thrust, because he knew the trauma visited upon those who produce the Nation's power and energy, and the many jobs that were lost because of unreasonable and archaic energy regulations that shackled his State, his people, and his Nation. He voted a good Texas vote on energy and on other matters of import to those he represented.

My deepest and kindest feelings are extended to his wife, Alison, and to his son, Jarrett, and to his mother. I would like for it to be made of record here, and for Jarrett to know in the future, that he has lifelong friends who will always try to assist him in his dreams and aspirations that were lost in this tragedy, and that there are legions who will stand always ready to befriend him in memory of my friend—our friend, MICKEY LELAND.

The test of a person's life is whether or not they stood for something. Did they have a cause? Were they true to that cause—and was it worthwhile? The harsh and stark statistics of those who die from malnutrition and starvation give mute testimony to the legacy of MICKEY LELAND. The poet Thomas Babington Lord Macaulay said it best when he wrote,

And how can men die better
Than facing fearful odds
For the ashes of his fathers
and the temples of his gods?

As we adjourn today, Mr. Speaker, let us do so in loving memory of one so capable of serving and so capable of friendship. May God bless MICKEY LELAND.

Mr. BROOKS. Mr. Speaker, I yield to the distinguished gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, Era mi Hermano. He was my brother. Era mi Amigo. He was my friend. Era un siervo del Senor. He was a servant of the Lord.

The poor, the homeless, and the hungry of the world have lost a great champion.

From the fifth ward in Houston to faraway Ethiopia he cared for them, he worked for them. His compassion for the starving people of the world was deep. They, too, have lost a great friend.

He fought injustice in so many ways within and without the system; he rebelled and yet he made people see the light. We will continue his mission; it was a mission of concern for those who struggle and for whom he so many times extended his hand in help.

When we look up in the evening sky we will see his light shine brightly. He gave his all. For us, there is yet time, there is still hope, there is still the fight—there is the will to go forward with his good works.

Two thousand years ago the Lord fed the multitudes through His miracle with a few loaves of bread and some fish. In this spirit we will continue in MICKEY LELAND's name—as he would want us to do. MICKEY LELAND did not want us to build statues or monuments, or to name buildings and streets after him. His only wish was that we move ahead with his fight to feed the hungry of the world.

The Lord willing, we will do this in his memory.

Mr. BROOKS. Mr. Speaker, I yield to the gentleman from the Texas delegation [Mr. PICKLE].

Mr. PICKLE. Mr. Speaker, MICKEY LELAND was flamboyant, controversial, excited, hell-bent on a mission. That mission was to bring about more fairness and equity for all people, particularly minorities. He carried that mission out in complete satisfaction and with great pride.

MICKEY had a purpose in life over and above just bringing about fairness. He wanted to help hungry people, wherever they existed in the world. In my judgment he literally died in a blaze of glory, carrying out a mission that he felt deeply about, helping people. MICKEY's course is one of great credit to our Nation. He flashed across the political horizon of Texas and this great Nation as one of the most respected Members in this House. He was not just "a do-gooder" in the traditional sense. MICKEY could reach across the aisles, both sides, on progressive matters or on matters that affected our States, on matters that would be conservative to some people because he felt that Members must make progress, Members must have business to make jobs.

So in that vein, Mr. Speaker, I say to Members that MICKEY LELAND's life has meant a lot. One of those rare people that come along that a person will never forget, and although he was devilish and difficult at times, he always knew exactly what he wanted to do and where he wanted to end up. He always won.

This Nation is a much better Nation because of the life of MICKEY LELAND. Those Members in the Texas delegation who served with him and loved him, say "You are a great person, MICKEY LELAND. We will miss you very much."

Mr. BROOKS. Mr. Speaker, I yield to the gentleman from Texas [Mr. BRYANT].

Mr. BRYANT. Mr. Speaker, I am not alone in thinking and speaking of MICKEY LELAND in the present tense. Everyone I have encountered in the weeks since MICKEY passed on seems to be doing the same—whether they knew him or not.

It's not just the common mistake all of us make about someone whom we loved and just lost. It is something special about MICKEY. For most of us, MICKEY still is.

"When Nature has work to be done," wrote Ralph Waldo Emerson, "she creates a genius to do it."

MICKEY certainly was one of those geniuses. His genius was the magic that only a few people in our history and our religious traditions have had. He lived his vision.

He said just a few months ago:

I am as much a citizen of this world as I am of my country. To hell with those people who are critical of what I am able to do to help save people's lives. I don't mean to sound hokey, but I grew up on a Christian ethic which says we are supposed to help the least of our brothers.

And that he did, often pointing out that the Talmud says, "If you save one life, you save the whole world."

In the days and weeks after MICKEY and his compatriots died—doing the difficult jobs they loved—even strangers called MICKEY by his nickname and spoke of him in a reverential way.

His friends told MICKEY stories. Two kinds of stories—about his serious dedication and commitment to worthwhile causes and about his good natured humor.

GEORGE THOMAS LELAND was always MICKEY. MICKEY was casual and easygoing; relaxed in mood, but intense in belief and feeling.

It was easier to catch MICKEY in a hallway and spend an hour with him than make an appointment to talk 15 minutes. He was as much at ease on the floor of the Texas House of Representatives or the Congress—places where he shared 17 years of his life with us—as he was at home in the fifth ward of Houston. As much at ease in a formal dinner as on a bus at dawn with his constituents. As much at ease talking to the President in the White House as sleeping on a heating grate across the street to make a point.

MICKEY was just so completely likeable. Even when one occasionally got mad at him, it couldn't last long.

I honestly know of no one who remained MICKEY's enemy. Even those he fought with passion warmed to his smile, his infectious laugh, his generous hand, his forgiving arm around a shoulder.

MICKEY charmed and disarmed.

MICKEY always had a way of making people notice what he had to say.

The dashikis, the shoulder bags, the finely tailored suits, the trips to Cuba, the pointed comment, the infectious and ebullient laugh, the crusade to end hunger, and his missions to Ethiopia—even, perhaps especially, his last.

MICKEY had a way of making people notice him. Not for himself. He always wanted us to see something else, and he knew he had to grasp our attention first. He succeeded as few others have or could.

He wanted us to see that a society that deprives any of its citizens of equality, justice, and opportunity, deprives itself of humanity.

He wanted us to see that condoning hunger and starvation anywhere, deprives us all of nourishment.

In death, as in life, MICKEY LELAND makes us see beyond ourselves and beyond the moment.

Through his eyes, we see the face of the withered little Sudanese girl who dies in his arms.

Through his eyes, we remember that most of the people in the world are not white, but black and brown and yellow.

Through his eyes, we know that real hunger is not what we feel when the restaurant service is slow, but what most of the world's people endure—going for days, weeks, months, even years without a decent, nourishing meal.

Through his eyes, we know that, by far, the worst form of poverty is the poverty of the soul that permits the other kinds to fester and grow.

Through his eyes, we recognize that the homeless are not America's failures, but examples of how America has failed some of its own.

For a few incredible years, we had MICKEY LELAND among us helping keep us sane and responsible and caring.

MICKEY was a dear, dear friend. In the Texas Legislature and in Congress he was a political and philosophical ally to whom I looked for the guidance and wisdom that only someone with his experience, his talent, and his compassion could offer.

MICKEY will always be there for me, making me see what he saw, as he will for so many others.

There will be—as there no doubt should be—physical memorials to MICKEY. There may be buildings or statues or placques bearing the name of MICKEY LELAND.

"Far and away the best prize that life offers," Theodore Roosevelt said, "is the chance to work hard at work worth doing."

MICKEY won that prize long ago. So the real memorial to MICKEY will be remembering what he cared most about, the work worth doing that he worked so hard at—clothing the poor, housing the homeless, feeding the hungry, and loving our neighbors as ourselves.

□ 1800

Mr. BROOKS. Mr. Speaker, I yield to the gentleman from Texas [Mr. FROST].

Mr. FROST. Mr. Speaker, by now, everyone knows of MICKEY's great work on behalf of the hungry. Those of us in the Texas delegation mourn MICKEY both as a leader and as a friend. My comments today will be of a personal nature, about my friend, MICKEY LELAND.

MICKEY and I entered Congress on the same day—January 3, 1979. Our districts were similar—he, of course, had the largest black population in the State. I have the second largest. We were on the same side of most issues. But, the relationship was much more than that.

The things I remember most about MICKEY were his sense of joy of life and his humor. I saw that joy at his wedding. I saw that joy again when he brought his new son, Jarrett, to a luncheon meeting of the Texas delegation. I saw it most recently when Congress was getting ready to recess for the summer. MICKEY was walking around the floor of the House telling everyone that he and Alison were expecting their second child. MICKEY loved life, and it showed.

MICKEY could be gracious too.

Two years ago MICKEY and I joined forces to pass an amendment to an appropriations bill preventing the demolition of public housing projects in Dallas and Houston. Afterward, MICKEY thanked me for letting him hitch a ride on my amendment, saying how much he owed me for initiating the idea. However, I know that it was MICKEY who really deserved the credit for the amendment's passage on the floor. I could not have done it without him. MICKEY had been chairman of the Congressional Black Caucus and had many more friends in the House than I did. It was MICKEY's name on the amendment and MICKEY's work on the floor that passed it. And, everyone else knew that.

MICKEY also was a peacemaker. He worked long and hard to foster better understanding between members of the black and Jewish communities—two groups that had traditionally been allies in the struggle for civil rights and civil liberties but which have grown apart in recent years. MICKEY sponsored a group of black and Hispanic kids from his district in Houston each summer to visit Israel and spend time on a Kibbutz. MICKEY and I worked together promoting better understanding between these two groups, he as the only black member from Texas and I as the only Jewish Member of Congress from our State.

MICKEY radiated good humor, and everyone—Democrats and Republicans—genuinely liked him.

MICKEY's loss is incalculable. Everyone knows that he was a champion of feeding the hungry and helping the homeless. But, MICKEY also was a vital part of the Texas team in Congress. MICKEY used his credibility and his influence to stand up for things that were important to our State in a way that only he could do. MICKEY supported the superconducting super collider; he helped the delegation save the V-22 helicopter made in Jim Wright's home town, and MICKEY's last vote before his death was in favor of the savings and loan bailout legislation that was vital to the economic recovery of our State.

MICKEY was still a young man—only 44. Had he lived, he might have become chairman of the House Energy and Commerce Committee or perhaps a U.S. Senator.

MICKEY was taken from us too soon. I, like all of you, loved him as a brother, and I will miss him very, very much.

Mr. BROOKS. Mr. Speaker, I yield to the distinguished gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN of Texas. Mr. Speaker, there comes a time in every generation when the inner qualities and outward accomplishments of a few special individuals allow them to rise above the hue and cry of everyday life. They come from all walks of life, from all kinds of backgrounds, and they pull ahead of their peers through singular accomplishments and dedication to the causes that drive them.

MICKEY LELAND, with whom I shared a desk back in our Texas Legislature days, was one of those extraordinary individuals. In Houston, in Austin, and in Washington there has never been such an eloquent champion of human rights, civil rights, and social justice; never such a tireless activist in the fight for human progress.

Four years ago, MICKEY was in an Ethiopian refugee camp. An official was describing the situation; MICKEY was looking at it.

I was asking him about this little girl who looked to be about 70 or 80 years old,

MICKEY said.

A skeleton of a person with a thin layer of skin draped on her, who had just a faint breath of life in her. While I was talking to him, she died. I can see her face right now. Every day I see her face.

The girl was 14. Saving humanity was what MICKEY's life—and his death—was all about. He lost that girl; we all lost that girl. But his tireless efforts on behalf of the hungry, spurred by that vision of the little girl's face he saw every day, saved millions. Using his position as chairman of the House Select Committee on Hunger, he galvanized unresponsive Federal agencies as well as the U.S. Congress to make fighting hunger a top priority when it was not one before.

Jane Ely is a columnist for the Houston Chronicle and in a eulogy titled "Mickey Leland's Hope Survives," she wrote that:

MICKEY LELAND will live longer than most of those he left. His death has brought us a loss we can never calculate. But his life has given us a glory we can ever celebrate.

Because it is such a moving piece, I would like to place the rest of the article in the RECORD following my remarks.

My friends, we will never forget MICKEY. But that's the easy part. The hard part will be to never forget the issues and the causes for which he stood, for which he fought and for which he died. It's difficult to believe he's gone, just like that. A lot of us in Congress have returned to Washington, half-expecting MICKEY to come bounding around the corner, just like he always did, with a smile on his face and new ideas to save humanity.

MICKEY LELAND the man is gone, but MICKEY LELAND the spiritual leader will never leave us. We must mourn, but we must also use the occasion of his death to revitalize our own dedication to fighting hunger and poverty and injustice. We would do him and his memory great injury if we did not celebrate his cause with the same attention with which we mark his passing.

So go on from here with a renewed sense of purpose to fight injustice and a rekindled sense of urgency of just how little precious time we may have to do it. MICKEY would appreciate our remembrances, but he would demand our participation. I know he would because he was my true friend. You cannot say that about many people in this life, and I will miss him dearly.

I hope you all will join me in our prayers for MICKEY, his family, and friends, and for all those little girls and boys and people out in the world who looked to him—and through him, to us—for a faint beacon of hope in a very dark world.

Thank you very much.

MICKEY LELAND'S HOPE SURVIVES

(By Jane Ely)

The official notices said there were no survivors from the plane crash in faraway Ethiopia. That shows what the official notices know.

The plane carrying Rep. Mickey Leland may have smashed into the side of a mountain, but Mickey Leland will never die. He will never die because of the life he lived and, therefore, the lives he touched.

Charisma is a much overused word these days. But anyone who ever strolled down a street in Houston's wards with Mickey—and he was and ever will be Mickey, not Leland, not the congressman, but Mickey—has seen the word lived.

Youngsters adored him; he adored them more. Adults revered him; he, virtually without exception, returned the regard. Almost all he encountered cherished him in some sense; he reciprocated the appreciation until it swelled to cloak the crowd.

Mickey Leland had a mercurial magic that cannot be denied. The ever-young Fifth Ward scamp could drive you to distraction, reduce you to profanity, frustrate you beyond description, and always, always, educe in you a shrug and a grin and the comprehension, "That's Mickey."

Simply, Mickey was a good and caring person, and with that he made us all better. Sunday, a friend called him "a charmer." Oh, yes, he was, he was a charmer. And, in a very real way, he was the world—but, especially, Houston.

Mickey Leland genuinely typified the city he represented in the United States Congress. He was brash, he was caring. He was impatient, he was tolerant. He was impulsive, he was deliberative. He was radical, he was establishment.

He was never content with the way things were, he was ever confident he—and we—could make them better. He wore his heart on his sleeve, but he kept his humor in that heart.

Much of Mickey's charm came from a remarkable contrast in his character. His total inability to take himself seriously for very long was utterly delightful. His absolute passion about the issues he embraced was entrancing, even if they were not your issues, not your views.

Mickey Leland was chairman of the House of Representative's Select Committee on Hunger because he was wholly committed to ending hunger in the world—not just his congressional district, not just Houston, but the world.

Mickey Leland was chairman of the hunger committee because he was a person of magnificent, infinite hope. He simply believed hunger could be ended, the world could be bettered, all of humanity could rise to its best.

Mickey Leland was Mickey Leland because of his consuming hope and his contagious optimism his hope could—and would—be fulfilled. He lived a life of hope. He gave a myriad of lives that same hope.

He could wander into a pulsating, darkened night club, and they'd leave the dance floor to flock to the light he seemed to radiate. He could leap to the stage of a racially mixed elementary school and quiet squirming youngsters. He could kneel beside an elderly constituent in a rickety home for senior citizens and draw out the sparkle of youth.

He gave them all hope. That hope can't be killed by a plane crash, that hope cannot die. His name may be forgotten, but his influence will live through generations.

Mickey's politics frightened only those who didn't know him. To the conservatives who saw him from afar, he may have been a dreaded liberal threat. To the conservatives who knew him, he was a friend, and they loved him for his consuming compassion.

He was unhappy that some didn't like him, but he wouldn't, couldn't, be less in order to achieve esteem. He could and would compromise his style, some of his methods. He would stand in the fires of hell to be true to his principles.

The way Houston has begun to mourn the death of Mickey says much about him. Across the city Sunday, people of all faiths sought solace in their churches for their loss of a man who professed Catholicism—but truly was ecumenical.

With tears watering their faces, they laughed with their memories—memories of a man of soulful compassion and genuine joy.

Much of Houston grieved for his wife, his son, his unborn child. Much of Houston relished the adoration he had for his family and the heritage he left it.

The temptation is to cry out the cliche, to declare, "Dammit, this is proof, the good do die young." But the temptation is not the ultimate reality.

Mickey Leland slammed into the side of a mountain in Ethiopia and never again will walk the streets of Houston, carry its message to the Congress, spread—through words—his message of hope.

But Mickey Leland will live longer than most of those he left. His death has brought us a loss we can never calculate. But his life has given us a glory we can ever celebrate.

Mr. BROOKS. Mr. Speaker, I yield to the gentleman from Texas [Mr. BUSTAMANTE].

Mr. BUSTAMANTE. Mr. Speaker, let me thank the very distinguished gentleman from Texas [Mr. BROOKS] for allowing me to share in this hour as we honor our friend and colleague, MICKEY LELAND. I join all of my colleagues in paying condolences to his wife, Alison, to his son, Jerrett, and to his mother, Mrs. Alice Rains.

Mr. Speaker, I knew MICKEY for 20 years. He was a special friend. I knew him in his early years as he fought the good fight. He fought the good fight for good government against oppression, against racism. He fought the good fight for the homeless, for those who suffer from hunger, for those that were denied civil rights.

Yes, MICKEY was a great humanitarian, and, because he was a great humanitarian, when he first came to Congress he asked Speaker O'Neill to name a committee here in the Congress that he would head, and that was the Select Committee on Hunger.

Let me share two experiences of the many experiences that I had with MICKEY in my lifetime, in the lifetime in which I knew MICKEY in the last 10 years. As chairman of the Select Committee on Hunger, MICKEY went with me to Eagle Pass to a hearing in Los Colonias or the barrios of that part of my district in Texas. We had a hearing on the problems that people suffer in that particular area of my district: malnutrition, problems with the homes, problems with health.

□ 1810

During this hearing, we found a little child who was suffering from an earache, and because they did not have the money to take her to the clinic and the clinic would not take her, MICKEY decided that we would embark on this mission to take this child to this clinic, and because of MICKEY's action that child, of course, was relieved of her ailment.

So all of us who have known MICKEY and have traveled with him knew of his great work, his tremendous heart for those who ailed. For that reason I am proud to have served with him and to count him as my good friend.

Mr. BROOKS. Mr. Speaker, I yield to the gentleman from Houston, TX [Mr. FIELDS].

Mr. FIELDS. Mr. Speaker, I want to thank the distinguished chairman, the gentleman from Texas [Mr. BROOKS] for calling this special order tonight.

The sense of loss hit me two nights ago when I returned to Congress and I realized that MICKEY was not here. Most people are going to talk about MICKEY as a great legislator, but I want to talk about him as my best friend in Congress. When I came to Congress in 1981, I thought that at best MICKEY and I would be acquaintances. I never though that I would call him my best friend.

Back in 1981, we took a plane ride one night. We left Houston at 1:30 in the morning and arrived in Washington at 7:30. During that plane ride, we got a chance to know each other and to initiate a friendship. It was on that plane ride that I asked MICKEY how he would classify himself, and when he told me that we would classify himself as a humanitarian and I saw his sincerity, I really began to appreciate and understand this person. I began to realize that there were numerous similarities. We both liked athletics. We both loved Texas. We loved our families. We had love for our God, and I began to see that we were a great deal alike, even though I was a white conservative Republican and he was a black liberal Democrat, we were both human beings.

I have got so many good memories of MICKEY that will be with me the rest of my life, things that have shaped my life and will make me a better person.

I remember a time he dressed down the motion picture industry because they were not presenting proper black role models. I remember his work in a Houston crackdown, an antidrug effort in Houston.

I remember the time that he took his personal time to get my grandmother's ditch cleaned out in Denver Harbor.

I remember his joke telling on the airplane back and forth to Houston every weekend.

I remember the time he took the time to eat dinner with my family in Houston, canceled an event just to go and have dinner with my family.

I think about the time just 3 weeks ago when we went to see "Honey, I Shrunk the Kids." He had his beloved son, Jerry.

I remember him coming to my wedding.

I guess one of the times that I will hold most dear is one of the last conversations I had with MICKEY. He was telling me that he was always concerned whether he was doing what God wanted him to do, that he held his Christian faith so dear.

So many tonight are going to talk about the loss of a great public servant. I want to talk about the loss of my best friend, who is irreplaceable. Through his influence, I will be a better person and his friendship for me is irreplaceable.

Mr. BROOKS. Mr. Speaker, I yield to the gentleman from Texas [Mr. LAUGHLIN].

Mr. LAUGHLIN. Mr. Speaker, I thank the chairman, the gentleman from Texas [Mr. BROOKS], dean of the Texas delegation, for yielding to me.

All of us who knew MICKEY had a special relationship because he was such a special person. I want to talk to you today and make mention of my special relationship. It started back when MICKEY was elected to Congress. At that time there was not a single cadet from the 18th Congressional District at the U.S. Military Academy, the U.S. Naval Academy, or the U.S. Air Force Academy. The best we could find, there had not been one in many years.

My relationship began with MICKEY because I was an Army Reserve officer representing West Point and recruiting students to go there and working with those students. Seeing there were no cadets at the military academies, I called MICKEY and asked for an appointment, an opportunity to present the academy side of the equation, and MICKEY agreed. We had counselors from the U.S. Military Academy at West Point come to Houston and MICKEY got some counselors from the Houston Independent School District to come to that meeting, and they presented the educational and leadership opportunities that students would receive at the service academies. At the end of that briefing, MICKEY said:

I have been a militant and I have been antimilitary, but after hearing the educational opportunities and the leadership opportunities that the students in my district have not gotten, for whatever reason, I commit the leadership from my office to the counselors from the Houston Independent School District, the principals and the students.

From the day forward we had students go to all the military academies from MICKEY's district.

To me, these are just some of the statues to MICKEY's life. While the list is not complete, these living statues to MICKEY's effort and leadership at West Point have been people like Carlton Borders, Yvette Hunter, Steven Marcontell, Daniel Correa, Rodolfo Cuellar, Enrico Cacciatore, Gilberto Barrera, and Thomas Cupit.

At the U.S. Air Force Academy, these students were admitted because of MICKEY's efforts and leadership: Kevin Lawrence, Scott Moffat, David Ortiz, Damon Alsup, Marcus Hervey, Rodney Harris, Carlos Frada, Glen Guyton, Horatio Rodgers, and Virgil Simpson.

At the U.S. Naval Academy: John Carroll, Ana Vaughan, James Thompson, and Chester McMillian.

I want to share with you a few words of these youngsters who have benefited because MICKEY gave them this opportunity. These are the remarks of Midshipman James Thompson.

Coming to the Academy is definitely a life long goal. My future is set, if I earn my degree. If it wasn't for MICKEY LELAND I wouldn't have had this chance.

He was loved at my school in Houston. He had programs set up to send school children to Israel. He was everyone's friend.

When I read the tragic news, I was deeply touched. It hit me like the death of a family

member. He meant that much to me. It was a great loss to us all.

The remarks of Midshipman Chester McMillian:

I first knew about MICKEY LELAND when he was involved in saving Houston housing projects. I could see from his appearances on the news what kind of person he was.

He stuck up for people. He was a voice for the homeless and the hungry.

He has always been by inspiration. He is one of the reasons I want to graduate. To dedicate that achievement in his memory. To prove that he didn't make a wrong choice in nominating me to the Naval Academy.

Those, my friends, are living tributes to the kind of effort that went unnoticed that MICKEY LELAND gave the people of his district and the people of our State and the people of our Nation.

I am proud to call MICKEY LELAND my friend.

Mr. BROOKS. Mr. Speaker, I yield to the gentleman from Texas [Mr. CHAPMAN].

Mr. CHAPMAN. Mr. Speaker, I thank our dean, the gentleman from Texas, for yielding to me.

MICKEY LELAND was my friend. He became my friend after I was elected in 1985 to the U.S. House of Representatives and he became my friend because on my first day in Congress he extended his hand of friendship and said, "JIM, just tell me how I can help." What a tribute it was to MICKEY LELAND, who came from the fifth ward of Houston, whose roots were so different than my own, whose issues in his home district were in many cases very different than the issues of the first congressional district, some 200 miles away, but when he said, "I want to help." MICKEY LELAND meant it. He did in the early months of my congressional career over and over again counsel with me about how to be an effective Member of Congress, how to understand those issues that concerned millions around the world who did not live in east Texas and how to gain a greater respect and understanding for those whose circumstances in life were not nearly as good as perhaps my own had been.

□ 1820

Tonight my sympathy goes to his wife, Alison, to Jarrett, and I just want to say that for my friend MICKEY, we know he made a difference. We know he made a difference for the homeless, for the hungry, for America, and for all mankind. What a great tribute to this great Congressman and this great American to say that, as he passed through this world, he left it better than when he found it.

MICKEY, we will miss you. We will miss your work. But you leave a tremendous legacy for all of us.

Mr. BROOKS. Mr. Speaker, I yield to the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Mr. Speaker, I thank the gentleman from Texas for providing this opportunity for MICKEY LELAND's friends to both express our condolences to Alison, Jarrett, and the entire Leland family, and also to share some of our own feelings and our own memories.

There is no one who meant more to me as a friend and colleague and ally than MICKEY LELAND. I shall miss him greatly.

TOM FOLEY, our Speaker, in eulogizing MICKEY LELAND made the observation that he had a very special capacity for friendship. I think that was so much on target, for MICKEY, indeed, was a very special person.

There is not anyone whom I have ever known who was more engaged with life, more real, more genuine than he. He had an unusual ability to communicate across language and cultural barriers.

He always saw the human face behind the impersonal statistics or political abstractions, and he never gave up on people, even people with whom he was engaged in debate or controversy. He would never strip their dignity from them. He always was able to maintain a close personal relationship.

MICKEY LELAND, as is well known, had a special love for the African Continent, and for especially its children.

I was very privileged in my capacity as chairman of the Africa Subcommittee to join with MICKEY on several trips to Africa. The most recent time that we traveled together to Africa was to the country of Angola. I had been involved in securing the release of an American flier who was in an Angolan prison at that point, and the Angolan Government specifically asked that MICKEY LELAND accompany me in collecting the flier on our trip to Angola, because they wanted him to be involved with the discussions with President dos Santos of Angola about the negotiations that then had been suspended. He wanted to know MICKEY LELAND's advice, get his suggestions as to the best way to proceed.

MICKEY LELAND had an extraordinary prestige and status throughout the African Continent. It cut across ideology. It cut across all the labels that divide people one from another. He was effective because he was able to get to the universal human feelings that exist no matter what the nationality, no matter what the ideology of the head of state that we were talking to.

He played an enormous role diplomatically that is not well known or appreciated within this country in terms of relations to the African Continent. He was willing to take risks.

I guess in closing I can only say that it is certainly my hope that the inspiration of his life will transcend the tragedy of his death, and that we will in our own activities in the days and weeks and months ahead do everything we can to continue the mission that MICKEY set out for all of us to protect those in our country and in this world of ours who are the most economically vulnerable.

Mr. BROOKS. Mr. Speaker, I yield to the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Speaker, just a little while ago we passed a bill with well over 400 of MICKEY's colleagues voting for a piece of legislation that he introduced earlier this year. He introduced it in the last Congress and we passed it for him, and the other body did not follow on. We think we will have a different result this time.

It was a great tribute to how people reacted to him that when we brought this bill to the floor there were 366 of his colleagues who joined him as cosponsors. Those of us who have sought cosponsorship on bills around here know that people do not lightly lend their name to our legislative ideas, and it is quite a compliment when any one Member can solicit and receive a positive reaction from that many of his colleagues. It makes it very easy as the chairman of a full committee to have people getting bills like that, because there is a fair assumption that with 366 cosponsors one is going to succeed on the floor.

MICKEY served on our committee for a good many years and made friends throughout the Federal work force. I would share with the Members this: that just a couple of weeks ago I went to speak to the 100th anniversary of the formation of the American Postal Workers' Union, the letter carriers' union, in Milwaukee, the birthplace of that union. A lot of Michigan letter carriers met me as I came into the hotel, and they crowded around me, and the very first question that I had from these Michigan people who recognized me as I came in was, "What is going to happen now that we do not have MICKEY LELAND? Who will replace MICKEY LELAND?"

I found myself spending my visit with the people from my own State and another State reassuring them that we would do the very best we could to replace MICKEY LELAND with somebody who would share his concern. That is all they wanted. "Will it be somebody who agreed with MICKEY LELAND, somebody who will treat us like he did?"

Mr. BROOKS. Mr. Speaker, I yield to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Speaker, MICKEY LELAND was a friend. He was a buddy. He is one with whom I talked frequently in the cloakroom when we

had time to spend during debate on bills, during when we were in progress during the wee hours of the night. He was a man with whom I worked on many causes over the years and got to know very well. We liked to practice our fledgling Spanish proficiency together, and I can hear him now saying, "Companero, mi amigo, que paso," as we would commiserate with one another in the cloakroom.

Most of all, he helped me in a case to free Southern farmers from the shackles of an archaic foreign policy which prevents them today from selling their products into international trade. MICKEY LELAND was far ahead of most foreign-policy experts, because he knew that when American capitalists traded with Latin American Communists that not only would it make trade and commerce but it would make conversation and communication among people. He understood that if people did business with one another that better relations might follow.

MICKEY LELAND was an example. He was an example to all who desire change in our country to make things better. He is an example of how to work within the Democratic process to make it work better. He is an example of how to light one candle instead of curse the darkness.

My love goes out this evening to Alison and to his family.

MICKEY, we are all here thinking about you, and we will carry on those things that we worked for together.

Mr. BROOKS. Mr. Speaker, I yield to the distinguished Member and our whip, the gentleman from Maryland [Mr. HOYER].

□ 1830

Mr. HOYER. Mr. Speaker, I thank the dean of the Texas delegation for yielding me this time to join with him and the members of the Texas delegation and all of the Members of this House in speaking of our friend, MICKEY LELAND.

Mr. Speaker, all too often we rise in this body during a series of special orders to remember with sadness the passing of one of our colleagues. We review the accomplishments of careers and remember service together.

There is a special poignancy and grief today as we remember MICKEY LELAND. We will remember MICKEY for his service and career but also for how he touched each one of us individually. Nearly every one of us has a story of MICKEY, mixed with humor, irreverence and kindness.

Two years ago, I was fortunate to travel to the Soviet Union on a trip led by our former Speaker which included MICKEY LELAND. While there, MICKEY and I worked together on a panel investigating human rights abuses in the Soviet Union. MICKEY demonstrated on that trip and on countless other occasions that his concern for the human condition knew no geographic, racial, or religious bounds. He sought to bring dignity and comfort to Americans and to people on every continent.

It is no small legacy to MICKEY LELAND that millions of people were saved from starvation in Ethiopia and the Sudan over the past 5 years because of his efforts. The attention of the public and of Members of Congress richochets around the world, from one crisis to another. Long after the attention of the Congress and the media had moved to other parts of the world MICKEY sought to ease the suffering in the Horn of Africa. Now it is up to us to fix our attention to the needs of our brothers in that region. The work of one man must now be taken up by many of us.

MICKEY LELAND could have chosen an easier course for his life. No doubt he could have been a successful pharmacist, leading a quiet life in Houston. Instead, he chose public service, and humankind is better for it. His life reminds me of the words of an Irish poet, Arthur O'Shaughnessey, "We are the music makers. We are the dreamers of dreams. Yet we are the movers and the shakers of the world forever it seems." In his all too short life, MICKEY LELAND moved and shook the world.

To Alison, to Jarrett, to his mother and brother, we send our condolences and our pledge to continue MICKEY LELAND's work.

Mr. BROOKS. Mr. Speaker, I yield to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I have feared the moment when I would have to rise here finally to acknowledge the bitter reality of the loss of MICKEY LELAND, and the reason for that is because of the loss not only of the light of his friendship, but the light of his conscience.

It is truly difficult to believe because I think all of us still expect MICKEY to walk down the aisle with that bright smile on his face, sometimes with his son accompanying him, saying hello and greeting fellow Members. There are few Members who are that warm in terms of friendship with their colleagues, working with him on the Select Committee on Hunger when he served as chairman, asking those biting questions and yet, turning aside and smiling because he knew that the witness was uncomfortable; the problems that we had when we first established the select committee. I can remember very well the members of the Agriculture Committee were concerned about the loss of possible jurisdiction with the select committee and yet, and yet who could look at MICKEY and not allow him the opportunity to try to serve his conscience and this country through the select committee?

I guess more than that though I feared the loss of his conscience, because there are few Members in this institution who become the conscience of the House. The House is like a body. There are Members who represent its eyes, its ears. There are some that represent the adrenalin that makes a body move. But MICKEY represented the conscience of what this House was all about, the conscience of trying to serve people in need. The Hunger Relief Act and the various bills that we worked out together were a tribute to him, because he was really the inspiration for most of that legislation.

I take some comfort in the fact that if MICKEY were here he would look at all of us and say: "Fight on." And I believe that great men in history were great because they truly believed in something that others could fight on for. And so today as we remember MICKEY, I think all of us acknowledge that he will be great because his fight on attitude will be nourishment to us and to his family to fight on for those things he deeply believed in.

Mr. BROOKS. Mr. Speaker, I yield to the gentleman from Texas [Mr. SARPALIUS].

Mr. SARPALIUS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I too have lost a good friend, someone whom I have known for 12 years.

I could stand up here and tell about the many awards that MICKEY has received, his degrees, his honors. I could tell Members about how that twinkle in his eye moved each one of us when he talked about the problems of hunger in the world. I could tell about his leadership, what an effective Member he was of this institution, and in his Committee on Hunger.

But I am reminded of the dinner that I had with MICKEY the night before he left on his trip. He shared with me the same story that he shared with many of my colleagues, the story of the young girl who died in his arms of starvation. But I imagine that when MICKEY finally went to meet with the Good Lord, he probably went to that girl and held her once again in his arms, and he probably told her of what an inspiration she was to him, how she gave him the drive to try to make this world a better place to live.

I believe that when the day comes for us to stand before the Good Lord I think he is basically going to ask us two questions. One, in our lifetime what did we do to serve him, and there is no doubt that MICKEY served the Lord. And a second question probably would be: In our lifetime, what did we do to serve others? What we accomplish for ourselves means nothing in life, but it is what we give of ourselves

to serve Him and to help other people, and I imagine when it was time for MICKEY to talk about what he had done to help other people he probably had to talk a long time.

Mr. BROOKS. Mr. Speaker, I yield to the gentleman from New York [Mr. ACKERMAN].

Mr. ACKERMAN. Mr. Speaker, I ask unanimous consent to enter into a monolog with the gentleman from Houston.

I am going to miss you in the card game next month, MICKEY. Oh yeah, we will try to laugh, clown around the way you would have wanted us to. But it is going to be hard.

Yes, someone will surely tell your joke about Boo, the one you always told at least a thousand times, laughing all the while so hard that it brought tears to your eyes. And we will have tears in our eyes, too.

You know how you always want to tell something to someone but never ever get around to it? I am glad I have this chance.

MICKEY, you are the worst card player I ever met. You could never keep a poker face. You telegraphed every card you drew. You could not hide either delight or disappointment, and we never saw you fold. You hung onto every card no matter how miserable the lot you were dealt.

You hung in against the odds trying to improve your hand, and if you found yourself ahead, you would never leave the game. You would stay all night until you gave it all back and then some.

And that is how you lived your life. A thousand other people would have cursed the hand that you were dealt, but not you. You never complained. You hung on and built it into a royal flush, naturally in spades.

□ 1840

You had a right to be angry, and you were. But you were never bitter. You were angry about injustice, you were angry that people are hungry and homeless; you were angry that millions of people are dying from a disease for which everybody knows the cure; you were angry because there is indifference. But, MICKEY, you were the most pleasant angry man that we have ever met.

And you were driven, driven so others, especially the children, could find relief from their pain. You scaled mountains and flew through storms, you set a pace that left us breathless, and like a shooting star you set the night on fire and disappeared so fast we could not ponder why you went or tell you how beautiful you were.

They are writing songs about you, MICKEY. Common people you never met are writing poems.

And the children, MICKEY, the children all over the world are calling your name.

You have redefined the entire cause, MICKEY, a cause that you helped give life to. Never again can we think of feeding the hungry, housing the homeless, uplifting the downtrodden without thinking of MICKEY LELAND. These are now synonymous.

MICKEY LELAND, you are not gone, you live in your work. Every time a person helps another, that is MICKEY LELAND; and every time a good deed is done, that is MICKEY LELAND; every time a stranger stops to help a child, MICKEY LELAND lives; every time a mother smiles because her child is fed, MICKEY LELAND lives; every time a black South African expresses a desire to control her own destiny, then MICKEY LELAND lives; every time an Ethiopian Jew is reunited with his brothers in the Promised Land, MICKEY LELAND lives.

As Cuban political prisoners thirst to breathe free air, then MICKEY LELAND lives; as caravans of food cross borders undetained, MICKEY LELAND lives; when the rains are on time, when crops come in, when children sing, when women laugh, when men no longer war, then MICKEY LELAND lives.

Every time a guy with a twinkle in his eye and nothing but a big pair of 4's hangs in against an open pair of kings, then MICKEY LELAND lives.

Did you ever know that you are my hero, everything I wish that I could be?

We can fly higher than an eagle with you with the wind beneath our wings; we can fly higher than the eagles because you were the wind beneath our wings.

You know, MICKEY, you always complained you could never quit when you were ahead, but I got to tell you, buddy, you left the game a winner.

Mr. VISCLOSKY. Mr. Speaker, I sadly join with my colleagues today in mourning the death of Congressman MICKEY LELAND. My deepest sympathies are extended to his family and those touched by this remarkable man. Any death is tragic, the circumstances of his—a plane crash while on a humanitarian mission of mercy in Ethiopia—make his even more painful.

Those who have eulogized MICKEY have cited his remarkable accomplishments. Having grown up in a poor, black section of Houston, a product of a single parent home, MICKEY was familiar with the ugly face of discrimination and humiliation. He could have easily become bitter and disillusioned by the "system." Instead, he chose to improve it.

Not only did he go to college, an admirable achievement considering his roots, but he was a student spokesman for civil rights and was active in the anti-Vietnam war movement. MICKEY did not limit his activism to just national issues. Perhaps his most noteworthy achievement during his college years was his work in establishing a free neighborhood health clinic.

This pattern, involvement in the sweeping national issues combined with a hands-on approach to helping those most forgotten and most in need, is one that was a consistent theme throughout MICKEY's life. Always giving, MICKEY fought the hardest for those who could not fight for themselves. He worked endlessly for the creation of the House of Representatives Select Committee on Hunger and he was rightfully appointed to be its chairman.

As chairman of the Black Caucus, MICKEY took the lead in rebutting the Reagan administration's attacks on affirmative action and he fought the President's "constructive engagement" policy toward South Africa.

In describing himself, MICKEY once said, "I am now an activist on behalf of humanity everywhere, whether it is in Ethiopia * * * South Africa * * * Chile * * * in any part of the world where people are desperate and hungry for the freedoms and rights they deserve as human beings."

What hurts the most about MICKEY's death is not remembering what he accomplished in the past, but what he would have done in the future. The best way to honor him is to be true to his words and deeds. It is our moral obligation to strive to bring his dreams to fruition.

Mr. TOWNS. Mr. Speaker, today I rise to honor the memory of one of our colleagues who gave his life in service of his country and his fellow man.

Most of us knew MICKEY LELAND as an astute politician and able leader. However, this legislative giant had another side. His passion for equity and justice led him to become a leader in the fight against hunger. It was this fight which led him far away from his home district to a second home on another continent. His dedicated work to feed the starving children of Ethiopia was an extension of his devotion to the children of Texas. MICKEY understood that one could not look into the hollowed out cheeks of an African child without seeing the essence of every child. One could not see the anguish of an Ethiopian parent helplessly watch a child perish from malnutrition without inately understanding the pain of every parent who finds themselves unable to save their child from the ravages of life. MICKEY understood and felt the compassion that connects us all as human beings who share the same planet.

MICKEY was a man of principle, charity, and sacrifice. I am proud to have called him my friend.

Mr. BUECHNER. Mr. Speaker, this assembly is to a large degree predicated on the power of the spoken and written word, yet there are times when words seem woefully inadequate to the task assigned them. This is undoubtedly one of those times, for here I must try to honor a lifetime of service and achievement for the betterment of all men with a brief statement. Although mine will be but one voice in thousands who mourn MICKEY LELAND, reticence at this moment would be a great disservice to my memory of our colleague.

It seems somehow sad that all of the work MICKEY had done for those in need did not receive national notoriety until after his death. Stated simply, he had no tolerance for the fact that there should be hunger in a world of plenty, or that children had to grow up without

proper education or medical attention. All of us are constantly faced with the horrors of world poverty, and eventually we become almost callous to it. More than anyone else, however, MICKEY never learned to turn away from human suffering, and I am sure that there are a great many people who are grateful for this fact.

Aside from being a great leader, MICKEY was also a good man. And while the world will undoubtedly remember the former, those of us who were lucky enough to know him will prefer to remember the latter. MICKEY was a friend and a gentleman even to those of us whose politics, on many issues, were antithetical to his own. It is important to keep people and politics distinct; MICKEY was not in Congress to serve political ends, but rather people. This is an example from which we can all undoubtedly learn.

There are many scales by which government leaders are judged; such words as liberal and conservative, idealistic and pragmatic are used to try to summarize our approach to the role of government, and most are severely inadequate. Yet if there is one pure standard by which we must evaluate ourselves it is the degree which we show concern and empathy for the governed, and to all men. In my experience, there has been no man who embodied this value more than our fallen colleague from Texas, and I can imagine no greater monument to a statesman than this.

Mr. Speaker, I fear this assembly will seem oddly incomplete for some time to come. Still, I hope that a part of MICKEY LELAND will remain, that being his dream and dedication, for they are his greatest legacy, and in them are preserved a great humanitarian, a great Congressman, and a truly great man.

Mr. ROE. Mr. Speaker, it is with the greatest sadness that I rise to join my colleagues in paying tribute to the late MICKEY LELAND. At a time when our Nation and our world face so much strife and uncertainty, we are dearly in need of the kind of committed people who have pledged their lives to confronting and solving the complex and intraceable problems we face. MICKEY LELAND was, indeed, such a dedicated and committed person, and so his loss is all the more tragic for all of us.

Mr. Speaker, MICKEY LELAND was truly a role model for all of us, for he possessed those qualities to which we all aspire. He was a man of great compassion who cared about and fought for the voiceless and the disenfranchised. His efforts to eradicate hunger world wide are now legend.

He was instrumental in the establishment of the Select Committee on Hunger, and it was his efforts which were responsible for the House and Senate approving $800 million in aid for the famine-ridden people of Ethiopia. At the time of his tragic death, as well as continuing his efforts to try to eradicate hunger, MICKEY LELAND was also pushing for increased funding to fight another terrible problem facing our Nation, the high rate of infant mortality.

It was indeed a privilege for me to know MICKEY LELAND during his 11 years in the U.S. House of Representatives, to have had the opportunity to work with him and to watch him as he passionately took on the causes that were so dear to him and, in the process, made our Nation and our world a better place to live.

Mr. Speaker, I know there are no words that can be spoken which can make up for the terrible loss we have all suffered with the death of MICKEY LELAND. I believe what would be fitting, however, would be to honor the memory of MICKEY LELAND by continuing the fight he fought and by seeking to achieve the goals that were ever present on his horizon. In this way, the great legacy of this outstanding American, MICKEY LELAND, would truly live on.

Mr. BERMAN. Mr. Speaker, I join today with my colleagues—especially those from Texas—to mourn the loss of MICKEY LELAND, to remember his great acts of friendship and to pay homage to his ability and his many accomplishments.

MICKEY always reached for the heart. His cause was humanity and his enemy was injustice. His weapons were his keen intelligence, his kindness and his incomparable skill at appealing to the very best in each of us.

His tragic death succeeded in focusing the attention of the world on the terrible scourge of hunger. His loss has caused all of us to recommit ourselves to eradicating that scourge from the earth. I think he would be pleased by that.

MICKEY was a comrade-in-arms in a cause very special to me—improved understanding and cooperation between America's black and Jewish communities. He was the creator and sponsor of an innovative program that for many years has sent minority youth from Houston to Israel, where they shared experiences in a kibbutz with Israeli youth. This effort was supremely typical of MICKEY's creative and productive work.

MICKEY LELAND was a tireless advocate for civil rights. He was a hero in the fight to improve the well-being of the world's children, and he worked endlessly for peace on earth—and I shall miss him very much.

Mr. HALL of Ohio. Mr. Speaker, I am honored to have this opportunity to pay tribute to our late colleague, the gentleman from Texas, Mr. LELAND.

I worked closely with MICKEY LELAND on the Select Committee on Hunger. As the ranking majority member of the committee and the chairman of its International Task Force, I had the chance to collaborate with MICKEY on a number of issues in which we were mutually interested.

From these experiences, I came to know MICKEY's genuine and deep commitment to the elimination of hunger, both here and overseas. Hungry people were very much on his heart, and he felt moved to do all that he could to help them.

MICKEY LELAND had the special gift of being able to share his excitement for hunger and human needs issues with others. His concern was infectious. Many of those who did not understand the urgency of these issues became committed after being around MICKEY and experiencing his enthusiasm.

He also was talented in dealing with both the powerful and the poor in other countries, especially those in developing countries. Clearly, MICKEY was a citizen of the world. But he truly was also a brother of the Third World. He was very much at ease traveling in poor nations and mingling with their rulers and their neediest subjects. He seemed effortlessly skillful in communicating with them and conveying to them his empathy with their struggles and aspirations.

We were fortunate to have such a talented "Congressional Ambassador." With his death, our country has lost a tremendous resource for good will. It was rare to find a person who could embody and express so well American ideals and values in his interactions with citizens of the Third World.

We have lost a dedicated champion for the hungry and the needy. Yet, through his death, new attention and concern have been focused on the issues for which he gave his life in Ethiopia.

So, as we mourn the loss of this exceptional human being, let us consider how each of us is obligated to continue the work in which he was involved. In life, MICKEY LELAND made great contributions to improving the lives of countless people around the world. In death, he challenges us to keep his commitment and to rekindle the spirit that inspired him.

Let us be open to the different ways in which we might be called—as MICKEY LELAND was—to help the poor, the hungry, and the disadvantaged. Ultimately, our continuation of his service is the finest tribute we can provide.

Mr. LEVIN of Michigan. Mr. Speaker, I equate MICKEY LELAND with vitality.

That is one reason why it is so utterly difficult to accept his death.

Whatever the subject, if MICKEY was interested, he was vibrantly so.

From the most serious—issues of life and death—to the very lightest—I saw how MICLEY LELAND approached life with intensity.

He surely knew the difference between what mattered much, or little. The ultimate test of effort was what it meant for the life of individual human beings.

Saving one life—what more could one ask, he felt, unless it could be many.

He touched and indeed saved the lives of many. This is an enduring memorial to him. Lives that would have been snuffed out instead endured. From that will flow new life, generation after generation, into eternity.

May his wife Alison and entire family find some consolation in the monument of his life, while they bear an incalculable loss that we, his colleagues and friends, share in smaller, though very real, measure.

Mrs. LOWEY of New York. Mr. Speaker, when we lost Congressman MICKEY LELAND, he was far from his home and his family, but he was in the midst of his passion. He was striving to deal with the single problem which had been the focus of his commitment for years: hunger. He was also in the place where years before his life was transformed, amidst the starvation plagued people of Ethiopia.

I had not known MICKEY LELAND long when we lost him, but I did have the special privilege to have worked side by side with him in the Congress. I saw the depth of his commitment and the intensity of his passion. I felt the warmth of his smile, his sensitivity, his concern. I will never forget my last conversation with him, just a few days before he left on his illfated journey to Ethiopia. As we talked about the Select Committee on Hunger, the work of which was his passion, he happened to men-

tion a personal injury and the physical pain he was fighting. He also spoke of his young child and his excitement about the anticipated birth of a new child. But he did not miss a beat. Clearly, there was no thought in his mind of letting his personal pain nor his love for his own family interfere with the rough assignment he had planned for himself in Ethiopia. That was so typical of him. He loved life and lived it to the fullest, but it never kept him. He loved life and lived it to the fullest, but it never kept him from his life saving work against hunger.

In the days while we all waited, hoping against the odds that he would be found, and after we learned of the tragedy that we had feared, tributes poured in. The ones I know would have meant the most to MICKEY LELAND were from those whom he represented and whose lives he sought to sustain and improve. He understood people and their needs. None could be more fundamental, more basic than food and seeing that that need was met was his passion. His commitment to eradicating hunger was solidified in Ethiopia when he witnessed the last breath of a young girl fighting starvation. He returned time and again to that nation where hunger was of the most devastating proportion, where it was ravaging lives by the thousands. But the face of that dying girl was etched on his conscience wherever he was. In his Houston congressional district, in the corridors of the Capitol, at a White House barbecue, or in the mountains of Appalachia, MICKEY LELAND never missed an opportunity to fight to ensure that not another person would have to die the horrible, prolonged death of hunger that he witnessed.

In the 8 months I served with MICKEY LELAND in the Congress, I know that words of tribute would ring hollow to him if they are not coupled with a continuation of his commitment. His all too short life was lived to the fullest. But when we lost him, he knew that there was much still to be done. Hunger still ravages lives in the streets of New York City, among the homeless in Westchester, and in the drought stricken stretches of the African Sahel. Lives that have been saved from hunger and the public awareness of the extent of hunger are tributes to this man. If we can now move on to eradicate hunger, his life and his death will have not have been in vain. For then, the commitment that was the driving force in his life will have been fulfilled.

Equally important, MICKEY LELAND's memory will be honored by other commitments, other passions to improve this world in which we all live together. MICKEY LELAND was the kind of man who followed the creed of our late Senator Robert Kennedy who was fond of saying, "Some men see things as they are and say, why; I dream things that never were and say, Why not?" Whether the plight is drugs, illiteracy, child abuse, injustice, violence or homelessness, MICKEY LELAND was impatient to find answers. He wanted to know how it could be.

In life, he fought to eradicate hunger from the face of the Earth, but he cared deeply about the many sufferings of the people of this world. He would not want us to stop and mourn, but to intensify our efforts on behalf of humanity to eradicate the problems which confront our world. He would want us to dream of a better world and to recommit ourselves every day to helping those with whom we are privileged to share this life.

Mr. BARTLETT. Mr. Speaker, I would like to take this opportunity to express my deep sorrow at the death of my Texas colleague and friend, Congressman MICKEY LELAND of Houston, TX. His death was a tragedy and he will be missed, not only by his colleagues, but by the Nation and the world.

Since coming to Washington in 1978, MICKEY had been one of the strongest proponents of minorities and the homeless in the House. He was continually fighting against injustice, racism, poverty, and hunger. This is most apparent in his work in creating and chairing the Select Committee on Hunger.

MICKEY had traveled to most of the poverty and hunger-stricken countries, and upon his return he always advocated greater aid by the United States. He fought hard for his aid packages. Sometimes they were too ambitious, but eventually the most important sections would be adopted. His humanitarian efforts will serve as a guide and inspiration for all of Congress.

Additionally, he served his other committee assignments well. He chaired the Postal Operations Subcommittee of the Post Office and Civil Service Committee. In this position he was instrumental in passing a bill giving the Postal Service greater power to investigate mail fraud. He was also a key player on the Energy and Commerce Committee by defending minority set-asides on many bills.

MICKEY LELAND served his constituency well in our Nation's capitol and his country well in the eyes of the world. He was a friend and I will miss him. I extend my prayers and heartfelt sympathies to his wife, Alison, and his entire family. MICKEY LELAND will not soon be forgotten.

Mr. ORTIZ. Mr. Speaker, I rise today with mixed emotions to pay tribute to my friend and colleague, MICKEY LELAND.

I feel great personal sadness at the loss of my dear friend and sadness for the loss to our Nation of a great statesman. And yet any time I think of MICKEY as he was, vibrant and alive, I smile. He was a source of great joy to many. His memory should be an inspiration to us all.

MICKEY had a special impact on each and every person with whom he came in contact. I believe that his great compassion for others, his sense of humor, and his fairmindedness touched all who knew him in a special way.

As we have seen since his untimely and unfortunate death, MICKEY had a talent for transcending the many barriers which separate us. He was a special person in that way. He was not bound by party lines or economic circumstances or color or race or handicap.

I first came to know MICKEY when I was deciding whether or not to make my first run for Congress. During that decisionmaking process, I contacted all of the Texas Democratic Congressmen from the surrounding area to seek support. MICKEY was kind enough to endorse me during my first congressional campaign. Later, when I came to Washington as a freshman Congressman from South Texas, we became better acquainted during the regular weekly Texas Democratic delegation luncheons. MICKEY and I would eventually spend a good deal of time traveling together back and forth to Texas.

MICKEY and I shared many similarities, but there were differences as well. We both represented lower income, minority districts in Texas. We both felt a great need to improve economic conditions and find a way to lift unfortunate people out of the trap of poverty and into a better, more stable way of life. Politically, we shared the goal, but didn't always have the same opinion on how to reach that goal. And yet there was always one thing I could count on from MICKEY—loyalty. If I really needed him, he never once let me down.

I used to always say, MICKEY LELAND is Texas' secret weapon. He could make inroads where no one else could.

I had the great fortune of travelling with MICKEY as he attempted to improve conditions around the world. My first trip was with the Select Committee on Hunger as they traveled to Vietnam and the Far East. My mission was to attempt to reunite a former reeducation camp detainee with his family in the United States. MICKEY had set up the trip partly to bring home Amerasian children, and to investigate the hunger conditions of the general population in these Far East countries.

The trip mixed success. The Amerasian children came home. The reeducation camp detainee is still in Vietnam, but until the day he died MICKEY continued to work with me to reach that initial goal of release of captives in Vietnam.

I gained a great respect for MICKEY during that trip and the inevitable followup. I saw his compassion first hand. And I saw his passion. He had a zeal, a God-given mission to wipe out hunger, to wipe out involuntary captivity, to provide freedom from chains for all the world.

Shortly thereafter, MICKEY asked me to accompany him to Cuba. He was going to meet Fidel Castro to secure the release of several political prisoners with families in Florida. He thought my Hispanic background and knowledge of Spanish would be of benefit. Additionally, we were trying to find another avenue to secure release of the Vietnamese detainee. MICKEY also invited my young son to accompany us.

Needless to say, MICKEY's mission was successful. He was able to do what many tried and failed to do for a very long time. He secured the release of the prisoners. And he found a new fan in my son, Sollie. MICKEY, because of his genuine concern, humor, and love of children made a lasting friend in my son. Working against the odds, he accomplished what many official negotiators could never do. He was respected by world leaders of all persuasions.

Like I said before, simply by the force of his personality and his conviction, he was our secret weapon.

My final trip with MICKEY probably had the greatest impact on me. Again, under the jurisdiction of the Select Committee on Hunger, MICKEY had a mission to free the captives. This time it was a domestic trip to south Texas, and the captives were residents of colonias, held by poverty, lack of food, and sanitary conditions—Americans living in Third World conditions.

MICKEY and I joined ALBERT BUSTAMANTE on the border for a field hearing. We heard official testimony and then went out to look at the living conditions in the colonias first hand. While there, I saw MICKEY perform one of the most compassionate acts I have ever witnessed. There was a small child in one of the shacks who desperately needed medical care. The mother had attempted to take the child for treatment and through a series of miscommunications came home emptyhanded because she lacked any resources to pay for the needed medical attention. MICKEY didn't hesitate at all. At his leading, we took the child to the nearest medical facility where the appropriate treatment was administered.

His drive to help the less fortunate was not a matter of rhetoric or grandstanding. It was real.

He was a workhorse not a showhorse, and he in essence put his money where his mouth was. I admired him for that—and so did many others.

We will all miss MICKEY; he enriched our lives; he made the world a better place.

He was truly a man of all seasons. His memory will live on and inspire us all.

Mr. RINALDO. Mr. Speaker, I want to join my colleagues in expressing my deep sorrow at the loss of our colleague, Representative MICKEY LELAND.

I had the privilege of serving with MICKEY on the House Energy and Commerce, and on several occasions we traveled together in the conduct of the committee's business. Even though I disagreed with him on some issues, I always had the greatest respect for the energy and eloquence with which he pressed his views, and considered him a good friend.

It is common these days to criticize Congress and some of its Members, and it is a shame that the public gets far too one-sided a story about this institution. The fact of the matter is that it is a great institution, and one of which the people should be proud. And MICKEY LELAND was one individual that brought distinction to the public's business that we debate here every day.

For people who believe in causes, MICKEY LELAND showed them how to get results. And for those who felt government is not doing enough for the downtrodden, MICKEY LELAND showed them it would do more. And for every time people threw up their hands at a problem and said it couldn't be solved, MICKEY LELAND rolled up his sleeves and said, "Let's get to work."

Mr. Speaker, MICKEY LELAND's presence in this Chamber is already missed, because in every sense of the word, he was representative of the people. He was truly a dedicated Member of this body, and it is entirely fitting that we commemorate not just his passing, but his contributions to the House of Representatives.

Thank you.

Mr. ARCHER. Mr. Speaker, like many Members of this institution, I know MICKEY LELAND for many years from our mutual work in Congress representing neighboring districts in our home town of Houston. He was one of the more congenial and charming Members of this body, and his personality was such that he developed personal friendships on both sides of the aisle, irrespective of political philosophy.

Despite the fact we held differing views on many issues before Congress, I have always recognized the MICKEY believed fervently in what he thought was right, and he pursued those causes with determination and courage.

In seeking out the Ethiopian refugees, he knew that he was risking his life in an all but forgotten part of the world. He accepted that risk because he felt the cause was worth it, and because he knew his efforts were needed. He traveled repeatedly to a scene of tremendous suffering in the belief that he could offer hope to some, and perhaps aid in the survival of others. In the end, the cause which he loved so much, and for which he accepted all the danger, took his life.

This institution will miss MICKEY's courage, fervent belief, and endless determination.

Mr. MILLER of California. Mr. Speaker, the loss of Congressman MICKEY LELAND will affect this Congress, and our Nation, very deeply. MICKEY's tragic death deprives us—at a crucial time—of one of the leading voices of concern for the disadvantaged, for racial and religious conciliation, for human rights and human dignity, and for pragmatism.

MICKEY LELAND was a Democrat, a liberal, a black spokesperson, an internationalist, and a committed activist. But what he believed serves us as just one example of his contribution. Because equally important was how MICKEY LELAND operated, how he deftly and poignantly raised issues, how he assembled unlikely coalitions, how he focused our attention on complex and remote issues through his diligence and great personal commitment.

MICKEY moved with great dexterity among the disparate groups and personalities which share his concerns about issues. Almost unique within this institution and, regrettably, in American political life, he made real contributions, and achieved real success, in bridging the gaps which separate white from black, Jew from gentile, domestic issues from international concerns. And that ability was a great talent in a world of politics in which divisiveness and conflict are seemingly valued more than cooperation and compromise.

Just last year, as the political conflicts between Jewish and black Americans was a topic of persistent discussion and concern, MICKEY was given the Jewish National Fund Tree of Life Award for his exceptional service to the community. At that time, our colleague Representative MEL LEVINE said that MICKEY was a "visionary in his efforts to improve black-Jewish relations." And so he was, a visionary on political reform, on world hunger relief, on empowerment of the dispossessed of the world—on a wide range of challenges which overpower and paralyze many politicians, but which to MICKEY LELAND, presented only opportunities to improve the quality of life for children and men and women here at home, and around the world.

"I am now an activist on behalf of humanity everywhere," MICKEY said in 1985, "in any part of the world where people are desperate and hungry for the freedoms and rights they deserve." And if that statement seems grandiose to some, let us recall that MICKEY made it shortly after he watched an Ethiopian child starve to death before his own eyes.

The record of legislative initiative that MICKEY wrote and achieved in ensuing years demonstrates the sincerity of that commitment. On issue after issue—homelessness, hunger, job training, and many more—MICKEY was a forceful and persuasive leader who demanded more than symbolic rhetoric from the Congress and others in government.

We shared a special status in this Congress, both chairing select committees that are specifically designed to raise issues that may be a little tougher than the Congress can address, to discuss solutions that may exceed current political "acceptability," to educate not only the public but our colleagues in the House as well. MICKEY served as a member of my Select Committee on Children, Youth and Families, and he liked the forum so well he went off and got the Select Committee on Hunger created, and he wrote a brilliant record as chairman of that important panel, taking Members to see the human desperation not only in Ethiopia and Central America, but in Appalachia, in the migrant camps of the American South, and on the Native American reservations of the West.

Some believe Members of Congress conduct these investigations and visits for publicity. But as a recent Washington Post story noted, MICKEY's trips were rarely the subject of press attention at the time. In fact, as Dale Roussakoff aptly noted, "It says something unfortunate about Washington that Representative MICKEY LELAND, in his death, is more widely celebrated for his good deeds than when he was doing them."

One of our colleagues said in that same column that MICKEY "had to become a martyr before people understood," and in some ways, that's true. I suppose that there would be a degree of acceptance in our loss of MICKEY if we truly believed that his death would stoke the conscience of the Congress and the Nation more than momentarily, and would empower us to take the steps he wanted us to take, to do the good work he died trying to persuade us to undertake.

I don't think MICKEY wanted to be a martyr. I doubt he even wanted to be a visionary, though he was one. He wanted to make a difference, to give some measure of a voice to those who are too poor, or too powerless, or too hungry to make much of an impact on the political system. Even as he died, he succeeded in making the difference, and in changing the rest of us to live up to his remarkable level of commitment and achievement.

My family joins me in expressing our very deepest grief to Alison, their child, and to the families and friends of MICKEY and the other congressional and agency employees who lost their lives. Their life's work, and their sacrifices, will continue to inspire us for many years to come.

Mr. HUTTO. Mr. Speaker, today we are honoring a member of my class who came into Congress with me following the election of 1978. Since those early days I have counted MICKEY LELAND as a good friend, so you can imagine my shock when I heard, during a visit to the Soviet Union with the House Armed Services Committee, about the tradegy that took the life of MICKEY in Ethiopia.

Although MICKEY and I did not necessarily agree on some of the issues, I nonetheless had great respect for him through the years. Congressman LELAND was a person who was nice to be around. He was a very pleasant individual with a good personality who related well to people. I think this is one of the main reasons he was loved so much by his constituents as well as his many friends. He believed in making things better for, not only the people of Houston's 18th Congressional District, but for the underprivileged throughout the world. He had a vision of improving their lot in life. He was in the forefront of fighting against injustice, inequality, hunger, and poverty. It was because of his deep concern for the impoverished in that part of the world that MICKEY LELAND was where he was at that time. He was on a mission to try to help those who were suffering. Also, we mourn the others who lost their lives in this tragic plane crash last month.

MICKEY LELAND is gone from our midst but he will not be forgotten. We shall remember his commitment and move forward to carry on his good work in behalf of the needy of this world. I would like to extend my deepest sympathy to Alison and his entire family. May God richly bless you all.

Mr. ANDERSON. Mr. Speaker, I rise to pay my respects to one of our most highly regarded colleagues, the Honorable MICKEY LELAND of Texas. A good and decent man, an honorable Member of this body, is no longer with us, and it represents a loss for us all, not just this Congress as an institution, but for our Nation as a whole. Unfortunately, the American public often looks down its nose at the institution of government, and it is sad that it takes the untimely passing of a man so distinguished as MICKEY, for many to realize that this body is full of dedicated, hard working individuals, as exemplified by our dear colleague from Texas.

We are all aware of this circumstances of MICKEY LELAND's death, but are we truly aware of the circumstances of his life, or that the very way he died makes a statement about how he lived and how much he cared?

I am one of the unfortunate Members of the Congress who did not get to know MICKEY LELAND very well on a personal basis. With 435 of us running around here, we can't all be as close as we would like to be. I did, however, know of the man and his work, and his dedication to improving life for those less fortunate than what we all like to think life is like. Certainly, in this regard, he was well known to me and countless others.

But the passing of MICKEY LELAND reminds us of the work as yet undone, and of the challenges to be met; and the life of our dear colleague reminds us of how to do our work and to face those challenges: to serve with unwavering devotion, so that we may all serve with distinction. Thank you, MICKEY, for the work of what was tragically too short a lifetime, and the standards you have set for all of us to follow.

Mrs. MEYERS of Kansas. Mr. Speaker, the loss of our colleague, MICKEY LELAND, touched many of us very deeply. MICKEY LELAND reached out to people. He had a gracious smile and extended his hand out to colleagues in Congress and to his fellow human beings who are desperate and starving in Africa. He lived a fully productive life with compassion and empathy; with energy and fervor for a cause; with enthusiasm and joy; and with modesty.

MICKEY LELAND was strong in his conviction to help the hungry. He called attention to the nutrition and health needs of hungry people. particularly vulnerable children, in rural America. He was in the forefront of the Nation's fight against infant mortality—a severe and unacceptable problem plaguing many of our country's urban areas.

Internationally, MICKEY LELAND brought to our attention the plight of Ethiopian famine victims. He led efforts to increase funding for basic health needs in developing countries through UNICEF's child survival activities and vitamin A programs, expanded use of U.S. agricultural commodities, and micro-enterprise credit programs for the poor.

Mr. Speaker, MICKEY LELAND's death has affected us deeply because we all know that the work he did was very good. This man and his good deeds will be sorely missed. Our hearts and prayers go out to his family.

Mr. STOKES. I am deeply saddened at the loss of Congressman MICKEY LELAND. I am pleased that the distinguished dean of the Texas delegation, JACK BROOKS, is honoring MICKEY today with this special order. Thank you, JACK, for giving us the opportunity to remember MICKEY in our own unique way.

I am sure that everyone who has come to pay homage to our distinguished colleague, MICKEY LELAND, feels a great sense of loss. There is a void in this House which will take a long time to fill. I will miss him and this body will miss his insight and his talent.

MICKEY was a man I admired; a man I respected; and a man I was proud to work with to improve the quality of the lives of people all over the world. I am honored to pay tribute today to MICKEY's outstanding efforts on behalf of the underprivileged, the malnourished, and the hungry.

From the beginning MICKEY was a maverick. MICKEY made a lasting impression. He was not afraid to let anyone know how he felt about controversial issues. He was frank and honest. I respected him for these qualities. MICKEY had a way of resorting to the dramatic in order to make a point during legislative debate. I recall a few years ago, when we were debating about bilingual education, MICKEY began his floor speech in English, articulating the need for bilingual education in our schools. He then switched and began speaking Spanish, repeating the original argument he had made in English. His point was well taken, as Members unable to understand Spanish were dumbfounded. At the end, the floor gave him well-earned applause for his eloquence.

MICKEY came to Washington with a vision of improving the lives of his constituents, some of the poorest in Houston. MICKEY had a purpose, and he had a mission. It was no surprise that he would excel at his first assignment, as a member of the Energy and Commerce Committee during one of its most active periods. Although a novice, MICKEY proved that he could be a formidable statesman. As a member of the Telecommunications Subcommittee, he was a persistent advocate for minorities in the area of affirmative action in the Federal Communications Commission. His goal; to persuade broadcasters to better represent blacks on television.

Mr. Speaker, I would like to address a particular area of service of MICKEY LELAND, which has not been addressed by others. Shortly after MICKEY became a member of the Energy and Commerce Committee, he began to concentrate on a problem in the movie and television industry in this country. Approximately 10 years ago, both the movie and television industry did not utilize blacks and other minorities in their programs or commercials. In fact, whenever a black or minority actor was used, it was in a subservient or menial capacity.

MICKEY LELAND was concerned about this matter and began inquiring and speaking out about these racially discriminatory practices as it related to black actors and actresses. I recall a luncheon to which I was invited, where representatives from the movie and television industry were attending. I recall MICKEY explaining to them that black Americans brush their teeth and use deodorant products just as white Americans do. He explained that there was no reason why black Americans should not be used in commercial advertising since they were also major consumers of these products. He also advocated the importance of black Americans seeing themselves portrayed in a positive light in commercials and movies.

MICKEY was relentless in pursuing parity and quality in this area as he was in all other endeavors. As we watch our TV sets today, the market has dramatically changed. It is now commonplace to see black men, women, and children included in almost all commercials. I am pleased to see black programs such as the Cosby Show, 227, Amen, A Different World, and many other sitcoms be the outstanding programs that they are. This is reflective of how America has changed. Credit must be given to the leadership of MICKEY LELAND. As I watch integrated programs and advertisements, I often think back to that luncheon and realize that it was MICKEY's foresight and leadership that was instrumental in bringing about this change.

When MICKEY became chairman of the Postal Operations Subcommittee, he again proved to be an astute legislator. He helped win committee and House approval of a bill giving the Postal Service greater power to investigate mail fraud and investigated the effectiveness of the 1970 Postal Service reorganization.

My association with MICKEY was twofold. We were both Members of Congress and members of the Congressional Black Caucus [CBC]. For two consecutive terms he was chairman of the Congressional Black Caucus. During his tenure, MICKEY took the CBC to another level. He made himself available to speak all over the country on behalf on the CBC in order to broaden its base. Under his leadership, the CBC was able to work more cohesively with the Congressional Black Caucus Foundation [CBCF]. He also brought CBC members closer together by devoting a great deal of his time to retreats, where members could concentrate more on the role of the CBC and its goals and objectives. I will

always be grateful to MICKEY for providing the CBC members with the opportunity to get to know each other better and strengthening our working relationships.

MICKEY's last assignment was his noble crusade for the plight of the millions of hungry children all over the world. His efforts were concentrated in Africa, in the famine-stricken deserts of Ethiopia and the Sudan. As chairman of the Select Committee on Hunger, MICKEY was determined to end the cycle of poverty and hunger that kills so many children worldwide each year. MICKEY's crusade was fueled by the haunting image of a little girl who died in his arms because she starved to death. MICKEY would say of that experience: "I can see her face right now. Every day I see her face."

MICKEY's war on hunger was deeply personal. He was raised in a poverty-stricken community, the impoverished fifth ward in Houston. He understood like so many of us here today what it means to be poor, hungry, and homeless in America. Because of these experiences, MICKEY had a profound understanding of the obstacles before the underprivileged. Their growing numbers disturbed him, and he was determined to reverse the cycle and even the odds.

Mr. Speaker, this is the primary reason why MICKEY insisted on going to the trenches to experience first hand the anguish of the hungry and homeless in order to better represent their interests through the legislative and political process. With every trip MICKEY made to Africa, he became more sensitive to the unmet needs of the people there. He became convinced that hunger must end, somehow, someway.

Mr. Speaker, MICKEY left a legacy of humanitarian deeds that will be hard to match. I will remember him for his ability to empathize with the plight of those whom he diligently served and his charismatic personality.

Mr. Speaker, to his family and to his wife, Alison, and their son Jarrett, I join my colleagues in extending my heartfelt condolences for the loss they have suffered. I hope that they, too, may find solace in their grief by remembering the great things for which MICKEY was responsible. His legacy of love, concern and commitment to the poor, the disadvantaged, and minorities will live forever.

Mrs. MORELLA. Mr. Speaker, I join so many of my colleagues today to pay tribute to Congressman MICKEY LELAND, who contributed so much to this Nation during his service in Congress and over his lifetime.

I had the pleasure of serving with MICKEY on the Committee on Post Office and Civil Service, and appreciated his dependability and leadership as an ally for Federal and postal workers and retirees. While he is best known for his work on hunger issues, he certainly made substantial contributions to raising the morale and quality of the Federal workforce, and I value the time I spent with him working on these important issues, particularly the issue of pay equity for Federal employees.

As chairman of the Subcommittee on Postal Operations, he worked on Postal modernization and played a key role in the Postal Service effort to eliminate mail fraud. Today, the House approved a bill sponsored by MICKEY to take the Postal Service off-budget, thereby providing protection for this very vital service of our Nation.

Of course, his work as chairman of the Select Committee on Hunger is his best known and certainly his most significant contribution during his years in Congress. MICKEY was instrumental in the creation of the Select Committee on Hunger and was one of the most important leaders on both international and domestic hunger issues. He led Congress to approve famine relief for Africa in 1985 and an assistance package for the homeless in 1986, to name just two of his major accomplishments.

As chairman of the Congressional Black Caucus from 1981 to 1985, he played an important role in working with the House leadership and Congress to further the priorities of the Caucus. He was a strong supporter of Israel and served as a vital bridge between the black and Jewish communities.

MICKEY LELAND was a man of compassion and commitment who should serve as an example for us all—he will be truly missed. I know I join all of my colleagues in extending my sympathies to his family, and to the families and friends of the delegation who joined him on his mission to Ethiopia. Let his memory inspire us to remember the words of Martin Luther King, Jr.: "Injustice anywhere is a threat to justice everywhere."

Mr. WOLF. Mr. Speaker, I rise today out of honor and respect for our late colleague, Congressman MICKEY LELAND.

MICKEY LELAND set an example for each of us in this House to follow. He was dedicated to his job, dedicated to his family, and dedicated to serving people in need.

His compassion knew no boundaries. Not personal, not political, and not international. MICKEY LELAND saw problems and found solutions that were beyond most of our own horizons.

I had the opportunity of working with him this year to help prevent the use of food as a weapon in the civil war in Sudan. He was instrumental in bringing two enemies together so that relief workers could bring food to tens of thousands of starving people. Last year 250,000 people died in Sudan. This year, because of the work of MICKEY LELAND, a similar human tragedy was averted.

MICKEY LELAND used his position on the Hunger Committee with an effectiveness rarely seen in this body. He raised the awarness of each and every Member about hunger around the world and right here at home. He steered $800 million in assistance to Africa at the height of its famine. MICKEY LELAND was a leader without equal.

I send condolences to Alison Leland and her son. Our prayers are with you and your family.

This House, this Nation, and the world will miss our friend, MICKEY LELAND.

Mrs. COLLINS. Mr. Speaker, it is with very mixed emotions that I join this special order today to honor and pay tribute to our fallen colleague, MICKEY LELAND. MICKEY and I shared a very special friendship and I am still saddened and feeling a deep sense of loss at his untimely death. But in spite of these feelings, a smile still creeps up when I think of MICKEY.

I smile because I think of the good that he did. I smile because I think of the jokes he told and pranks he pulled on a good many of us. I smile because I know he died with a sense of fulfillment and accomplishment, carrying on a mission that was his consuming passion.

MICKEY was a man of many passions and he worked very hard to contribute something of himself to each of them. Doing what he could to ease the pain and suffering of starving millions was a central theme and a driving force of his life. MICKEY also cared deeply about the needs of those in his district and across America, including the homeless, the poor, children, and the elderly. But you didn't have to be down-trodden or forgotten by society to be counted among those that MICKEY cared about. One of his many passions was his intense desire to see that artificial barriers to success—race, gender, religion and so on—were torn down, and that everyone with a desire to grow, achieve and expand their horizons was given every fair opportunity to do so. He fought tirelessly to ensure equal access to ownership and in employment in the telecommunications industry for minorities and women. He was an advocate on behalf of honest working-class people, including government workers and organized labor, who often found themselves unfairly maligned.

MICKEY's private passions, the ones that were first and foremost in his life, were his wife Alison and son Jarrett. He was enormously proud of them both—and with good reason. If there was one thing that MICKEY couldn't do, no matter how hard he tried, it was to be modest about either one of them. MICKEY, to his credit, was able to successfully combine parenthood and service in Congress, without letting either one suffer.

As I noted earlier, MICKEY and I shared a very special relationship. Since we both sat on the Energy and Commerce Committee, and were members of the Congressional Black Caucus and other legislative organizations, we also shared many of the same concerns, dreams, and goals. We worked together extensively and I came to know MICKEY well. Though this powerful institution in which we serve can be cold and impersonal, MICKEY was one of the few who, regardless of your ideology or his, was always ready with a warm smile or a pat on the back. I'll miss that smile and I'll miss MICKEY.

Mr. PENNY. Mr. Speaker, the Congress has lost an important leader in Representative MICKEY LELAND. He was traveling on yet another mission to Africa to observe refugee camps on the Ethiopia-Sudan border, and lend his support to hunger relief efforts there. Typical of Mr. LELAND throughout his career, he wanted to observe first-hand the conditions in the camps, speak directly with the people suffering because of the political strife in the Sudan, and give hope, especially to the children there.

MICKEY LELAND was the driving force behind the House of Representatives Select Committee on Hunger, which he helped organize 5 years ago. Since then, serving as chairman of the Hunger Committee, Mr. LELAND led the fight in Congress for the hungry, impoverished, and homeless in this country and

throughout the world. He had traveled to the same refugee camps in Ethiopia as recently as March to promote relief efforts for thousands of Sudanese refugees facing starvation as they fled the political violence in the Sudan.

Under LELAND's guidance, the Hunger Committee has had numerous legislative successes, and has played an important informational and lobbying role for hunger issues in the Congress. LELAND gained funds for starving Africans during the sub-Saharan famine of 1985, and pushed for congressional approval for a package of aid for America's homeless, including easier access to food stamps and job-training programs.

Under his leadership, Congress passed the Global Poverty Reduction Act, made improvements in the domestic women, infants, and children [WIC] feeding program, and made changes in U.S. foreign aid to specifically address immunization and target funds for child survival activities. He also pushed for a women in development focus in foreign aid programs.

The Hunger Committee and its objectives will live on after MICKEY LELAND. We can offer no better tribute to him than to aggressively pursue his agenda.

Mr. RUSSO. Mr. Speaker, I have experienced the greatest loss in my political career—the loss of my good friend MICKEY LELAND. MICKEY was someone to whom I could always go if I had a problem, and he always had a kind word to help me through. MICKEY was a good friend, husband, father, Representative, and American. This country has lost perhaps one of the greatest Members this institution has seen.

Each and every Member of this great body arrives in Washington hoping they can change the world. We all, at some point in our careers, have an impact on the legislative process, an issue, or an institution, but MICKEY LELAND had a lasting affect on the world. He did so much to help all of us realize the terrible problem of starving children in Africa.

It seems to me that in a world where people don't want to get involved, that makes MICKEY even more special. He did get involved, and saw tirelessly that something was going to be done. MICKEY did not have to make six trips to Africa, but he felt he did. I am sure he thought if he did not do it, perhaps no one else would.

Those trips to Africa not only helped us see the growing problem of the hungry in the Third World, but it also opened our eyes to the hungry here in our own country. MICKEY helped us see that hunger is not a regional problem, but a universal one. It cannot be solved in 1 year, 5 years, or even 10 years. It is a constant battle, and as soon as you stop fighting, the battle gets out of control.

MICKEY did not stop when hunger was not the "fashionable" cause any longer. He fought harder and worked harder to make people see that just because they were tired of hearing about that issue, didn't mean hunger had disappeared. People were still starving, and are still today. MICKEY kept fighting, and we have to continue his fight.

In this country, dying in the line of duty is the most noble of deaths. MICKEY's death was perhaps even more noble, because he died not only in the line of duty, but helping the people many forgot. MICKEY LELAND and his cause to eliminate hunger will not be forgotten.

Mr. BLILEY. Mr. Speaker, today I rise to pay tribute to a friend and colleague who tragically died for a cause in which he ardently believed—aiding those who were helpless. The death of MICKEY LELAND is devastating to everyone, especially his family and close friends. It is also a tremendous loss for Congress. Congressman LELAND served as the conscience of this body. He was our constant reminder that people were dying of hunger in parts of the world far removed from the elegant meals on which we dine in Washington. MICKEY wasn't one to just pay lipservice to the causes in which he believed. He devoted his time, even his muscle as when he unloaded bags of grain in African refugee camps, for the less fortunate.

Although it is not much solace to say that Congressman LELAND did not die in vain—he did not. For many days, during and after the search mission for LELAND'S plane, pictures of the Congressman making suffering children in African refugee camps smile appeared on the front pages of major newspapers and on news broadcasts across the country. Suddenly, everyone was reminded of an issue that had faded from popularity but had never gone away—world hunger.

As one of Congressman LELAND'S colleagues on the Energy and Commerce Committee I saw that his concern was not only for the starving of other continents. He was an advocate for the people of his own nation as well. His voice unrelentingly reminded his colleagues on the committee of problems that we face here at home. He made sure that we remember the hungry and homeless in our inner cities and that we continue to protect equal opportunities for minorities.

Everyone misses MICKEY tremendously already, but words giving lipservice to all the good deeds he accomplished would not have been the way in which he would have wished to be remembered. Making sure that his ideas and his conscience live on in this institution would.

Mr. DINGELL. Mr. Speaker, I rise to join in tribute to our friend and colleague, MICKEY LELAND.

MICKEY LELAND was a very rare and special human being, and we will long remember him for what he has done and what he showed us.

He witnessed the worst suffering this world has to offer, yet never lost his faith, his hope, or his good humor. When he decided to make the end of world hunger his mission, he had no illusions about the enormity of the task, and that cause was ultimately the one for which he gave his life.

We will remember him for that, but also for much more.

We will remember that he was fiercely and justifiably proud of his own culture and heritage, yet deeply and sincerely appreciative of others. We will remember the children he helped to visit Israel, the prisoners he helped leave Cuba, and the refugees from war and famine whose lives he tried to make easier and a little bit brighter.

We will remember his work on the Energy and Commerce Committee, where he tried to make health care available to all our citizens, and where he tried to open the doors of opportunity in our telecommunications industry to every American.

MICKEY LELAND was keenly aware of the importance of giving all Americans positive role models so that we could break the cycles of poverty and despair. MICKEY LELAND was himself a fine role model, for Americans of all creeds, colors, and ethnic origins.

Our hearts are with his young son Jarrett, his wife Alison, and the child they learned they were going to have shortly before his ill-fated trip to Ethiopia.

MICKEY LELAND'S passing is mourned by family and friends in Houston and Washington, but also on continents far away. We will never be able to forget his warmth, his smile, and his commitment—and we best honor his memory by resolving to continue his cause.

Mr. CONTE. Mr. Speaker, let me thank the Texas delegation for calling this special order in memory of our dear friend MICKEY LELAND. He was an intelligent, hard-working, brave man, whom I will remember all my life. Few Members of Congress have so deserved this honor.

We have little to soften the blow of MICKEY'S death. We lose a talented legislator, a dear friend, and a good man. Our world's poor and hungry lose a skilled and tireless advocate. And his young wife and children mourn a husband and father, who should have had decades more to watch his family grow.

MICKEY'S philosophy was simple. He believed he could help people, and he believed he ought to help. That commitment sent him into politics—first to the statehouse in Austin, TX, and then to Washington and to some of the most desperate and remote places on the globe.

Nothing showed his character and compassion as well as his work to end hunger. He worked every day through the Select Committee on Hunger—a committee he himself established less than 6 years ago—to bring the suffering of the rural and urban poor to the attention of the country, and to find ways to bring them help.

He didn't do those things for his own good—he did them because he knew they were right. He believed, as he said in 1986, that "The humanitarian impulses of the American people are sound and true. We know in our hearts that turning away from people sorely in need diminishes both the individual and the entire family of man."

And so he worked to stop hunger and famine abroad. Six times he carried food to the roadless corners of Africa—six times. Just this year, he brought Manute Bol to the Capitol to tell the world about the war and famine in Sudan. He supported innovative efforts to support microenterprise in poor countries, and pushed to make more of our development aid available to women.

He worked just as hard to stop hunger in our own country. He introduced bills to establish a National Commission on Infant Mortality and expand Medicaid coverage to all women, children, and infants in poverty. He held hearings on hunger in Appalachia, the rural South and along the border with Mexico. He made domestic food aid programs more effective

through the Emergency Hunger Prevention Act, and set up a nutrition program which brings food directly from farmers' markets to impoverished women, infants, and children.

His concern for the world didn't detract from his attention to his home. He tried to make sure that every one of his district's people had a chance. He brought hundreds of young people to work in his office over the years, and sponsored overseas internship programs on Israeli kibbutzes. Every year he chose an intern from a low-income minority community to work in my office. those young people will be his legacy—a testament to the help and hope and opportunity he gave so many.

I am proud to be here with so many friends to remember MICKEY LELAND. And I join with them in recognizing that the best tribute we can give him is to continue what he started. He gave us an agenda in October 1986, when he, Congressman DANTE FASCELL and I, received the Presidential End Hunger Award after the terrible Ethiopian famine. Let me quote from his remarks that day:

We must face and overcome the more persistent, less dramatic causes of hunger.

Humankind has yet to conquer the malnourishment that makes children prey to deadly infection and the waterborn diseases that sap the energies of entire communities and limit food production.

Above all, the endemic poverty that makes it impossible for half the world's people to purchase a nutritious diet—although granaries are bursting with the earth's bounty—must be wiped out. The poor can help themselves, but they must be given the freedom, tools and credit to set up income generating activities.

MICKEY LELAND will not be with us to see that work completed. But I am confident that it will be completed, and MICKEY LELAND did more than anyone to make sure of that.

His life was cruelly short. But it was a good life in every way. He had a wonderful family. He had good friends. And he helped his fellow man.

I am proud to have been his friend.

Mr. HUGHES. Mr. Speaker, I rise to join in mourning the untimely death of our dear friend and colleague, MICKEY LELAND.

In the weeks since his death, MICKEY has received a great deal of belated acclaim for his efforts to draw attention to the problem of hunger, in this country and abroad. As we in this House know, the ill-fated mission to Ethiopia, in which he tragically lost his life, was just the last in a long line of similar, but less publicized, expeditions. Years before the issue of hunger became fashionable, MICKEY LELAND was taking the lead, enlightening his colleagues, and seeking solutions.

His commitment to improving the lot of others, and his dedication to seeing his goals achieved, were evident in his successful campaign to establish a Select Committee on Hunger in the House of Representatives. MICKEY's committee became a vital instrument for bringing the attention of the Nation and the world to the tragedy of starvation and malnutrition.

Under MICKEY's leadership, the select committee conducted a continuing and comprehensive study of the problems of hunger and malnutrition, focusing attention on food production and distribution, trade relations between the United States and less developed countries, the policies of multilateral development banks and international development institutions, and the effectiveness of food assistance programs in the United States.

But there were more dimensions to MICKEY LELAND's life than those of activist and hero. We should remember MICKEY as a vibrant human being with a passion for life, for we risk underestimating our ability to carry his work forward if we allow him to be wrapped in the posthumous mantle of saint and martyr. Indeed, I suspect that MICKEY with his playful sense of humor, would probably get a big kick out of his recent canonization by the news media. It was his sense of humor that served MICKEY so well in reaching out to potential adversaries, opening closed minds, and convincing others to do the right thing. He recognized the advantage to be gained in leavening even the most serious matters with a pinch of dry wit.

Perhaps my most vivid impression of MICKEY LELAND was as a man who loved and was devoted to his family. On occasion, MICKEY and I would enthusiastically exchange stories about his son, Jarrett, and my grandson, Barry, who are the same age. I recall how his eyes would light up with warmth and affection as he spoke of his young child.

Unfortunately, most Americans did not have the opportunity to know MICKEY LELAND as we did, and became aware of his work and accomplishments only after his demise. While no news account can capture the essence of a man's life, the unforgettable film images of MICKEY on one of his trips abroad, jubilantly joining in an African tribal dance, come close.

Mr. Speaker, above all, MICKEY LELAND was a man with an innate ability to reach out to other people. His record in this House is testimony to his talent for bringing together Democrat and Republican, Conservative and Liberal, black and white, have and have-not, on issues no one else was willing to champion. We in this body will miss MICKEY's dedication, his wisdom, his commitment to justice, and his compassion for his fellow man.

In this time of sorrow, our hearts go out to his wife Alison, his family and his many friends.

Mr. RAHALL. Mr. Speaker, I rise today to pay tribute to a man that was so much more than just a Congressman. MICKEY LELAND was a loving husband, a caring parent, and a trusting friend to all who knew him. He will be sorely missed by all of us whose lives he touched in so many ways.

As chairman of the Select Committee on Hunger, he worked hard to try and end hunger not only in America but all over the globe. He traveled around the world, seeing areas of poverty, and working to alleviate their pain. In 1985, LELAND sought $1 billion in famine relief for Africa. Many thought that he sought too much for another country, that we should be helping our own people with that money, but MICKEY LELAND recognized that when it comes to hunger, there are no territorial boundaries.

In June 1987, I traveled with MICKEY LELAND to Luanda, Angola. His experience and insight not only helped to bring back home a U.S. citizen, but provided this Member of Congress with a new perspective on the trouble in that area of the world.

His courage and his wisdom are an inspiration to all of us. It will not be easy to replace such a humanitarian, whose concern for all people of the world made him one of the leaders in the fight against racism, poverty, and hunger.

So that is why I ask all of my colleagues to join with me in paying tribute to MICKEY LELAND, and I know I speak for all of us when I wish his family the best in the days to come.

Mr. POSHARD. Mr. Speaker, I'm honored to add a few words to the outpouring of respect and admiration for our departed colleague, Congressman MICKEY LELAND of Texas.

I had the honor of serving with Congressman LELAND for only a few short months, long enough to know I respected and admired him, short enough to recognize how much he is now missed.

Like most of us, I knew MICKEY LELAND as a man of compassion and conviction. He was one Member of Congress who knew how to get things done for his district, State, and country, without forgetting about the very real problems of the world around us. In an era when we suffer from a "me-first" attitude, the kind of attention MICKEY LELAND paid to the starving and oppressed people of the world sets a standard for the rest of us to meet. I represent a district that has more than its share of poor people. I've looked into the eyes of a hungry child and felt the same kind of pain I know Congressman LELAND must have felt, the kind of pain that drove him to bring this problem to our attention and to keep us from forgetting. Just as the hungry people in Africa and other countries have lost a champion, the hungry and downtrodden in my district in southern Illinois have lost a champion as well.

I've always considered public service a noble, honorable profession, attracting people who want to do something for the betterment of society. Nothing MICKEY LELAND did during his service in Congress ever made me think any differently. That kind of commitment led him into a situation that many have shied away from, that carried numerous and untold risks, and that ultimately claimed his life.

I hope that every person who considers being a public servant will remember the standard set by Congressman MICKEY LELAND, for they could do no better than to follow his lead.

Mr. TRAFICANT. Mr. Speaker, today I pay tribute to two great men, MICKEY LELAND and LARKIN SMITH, who were devoted to ridding our nation and the world of two problems that only resulted in tragedy and death: hunger and drugs.

MICKEY LELAND waged a battle to assist the starving and downtrodden. Politically, not only did he hold the chairmanship of the Select Committee on Hunger, he fought for aid to the regions of the world that most needed a break from incessant poverty. His commitment to abolish hunger did not stop there. He reaffirmed it by traveling to the most depressed regions of the world.

LARKIN SMITH started off his political career as I did; we were both sheriffs. We had a mutual interest in making the fight against

drugs a priority in our counties, and, as Congressmen, we expanded that fight to include the Nation and the world. I applauded his effort to bring unity to the drug fight by giving a series of 28 consecutive 1-minutes on the House floor.

We, in Congress, must continue to carry out the mission of these two men. There is no better way to honor their memories.

Mr. FAZIO. Mr. Speaker, I would like to join in this Special Order today to remember our esteemed colleague, Representative MICKEY LELAND.

MICKEY LELAND was a close friend and a truly outstanding individual. He and I were members of the same congressional class, both of us having been elected to Congress in 1978. We also served together on the Select Committee on Hunger, since it was established more than 6 years ago.

MICKEY was the guiding force behind the Hunger Committee. He was instrumental in its creation and as its chairman, he was at the forefront of identifying and addressing the problems of hunger in the United States and throughout the world. Several years ago, MICKEY brought the Select Hunger Committee's first international task force hearing to my congressional district to look at the food situation in Africa, with expert testimony from professors at the University of California, Davis. The hearing also focused on educating American children on the problems of hunger in the world. That event and others afforded me the opportunity to really get to know MICKEY.

In addition to MICKEY's unwavering commitment to eradicating hunger, he was also a champion of human rights and for those less fortunate. He not only made a real difference in the lives of the starving, but he also touched many more lives along the way, including those of us who have had the opportunity to serve with him. MICKEY LELAND will be sorely missed but he will live on as a source of inspiration to all of us.

Mr. SYNAR. Mr. Speaker, in losing MICKEY LELAND, we lost a man who remained true to his beliefs, while political winds continued to shift. We should learn from this man who acted on the strength of his convictions.

He cared about the less fortunate of the world, and fought the battle against poverty not with rhetoric and empty promises, but with actions. Again, we should learn from this man who showed us what caring really is.

Our job as representatives of the people is to make the world a better place to live. MICKEY LELAND fulfilled that obligation eagerly.

Albert Schweitzer once said: "It is not enough to merely exist. It's not enough to say we are already doing all we can. At such moments, we must do something more.

"We cannot feed the world but we can feed the hungry in our town. We cannot enlighten the universe but we can make our own schools better. We cannot change all human hearts but we can operate a humane penal system. We cannot save all the children but those we can save we must save.

"We do not live in this world alone, our brothers and sisters are here, too. Some are living in a world of hurt that we may be able to aid, even in a very small way. In such small ways will we be judged, not by the scope of our fortune or the limits of our intellect."

MICKEY LELAND will be judged well.

Mr. MONTGOMERY. Mr. Speaker, I want to thank our colleague, Mr. BROOKS, for taking this time to pay tribute to our friend, MICKEY LELAND. Just like you, I was shocked to learn the news that MICKEY's plane was missing in Ethiopia. We all held out hope that the next news report that day would bring word that MICKEY and his delegation had been found and that all were safe. But instead, we learned that all had died in the crash.

MICKEY was very committed to the cause of fighting hunger in this country and abroad. And he had a special feeling for the people who are suffering in Ethiopia. He went there countless times to get a first-hand look at the problems there. He was personally involved to the point that in some cases, he helped load food and supplies that were being flown to camps in that part of the world.

His unselfish, caring work on the issue of hunger will be his legacy. He died trying to make a difference in the lives of others less fortunate than himself. We will miss him in this House, but the memory of his commitment will not be forgotten.

Mr. KLECZKA. Mr. Speaker, this House mourns the loss of Representative MICKEY LELAND, whose dedication to public service led to his untimely loss in an Ethiopian plane crash on a mission of mercy.

MICKEY LELAND died doing what he did so well—bringing the attention of the world to a problem which, without such advocacy, would be nowhere near top of the agenda.

For all too many, the problem of world hunger, indeed malnutrition in our own Nation, is remote and abstract, something glimpsed in a headline, heard vaguely in a radio broadcast, seen but not absorbed on the nightly TV news.

Not with MICKEY. Human suffering was not something remote and abstract, relegated to the bad luck of an individual, a nation, or a people. It was personal. A friend of our Texas colleague recently described his "ability to imagine, and his will not to forget about, the sufferings of people he did not know."

That ability, which drew MICKEY to public service, is one which served his country well. His work as chairman of the House Select Committee on Hunger reflected that concern. The very existence of that committee was a direct result of MICKEY's determined efforts to convince this House that hunger, as an issue, deserved a special institutional place.

While MICKEY made a special mark on the issue of hunger, he was also a tireless advocate of issues and causes related to peace, social justice, and equality. His work on the homeless issue helped to spur enactment of landmark legislation on the homeless. And he was a well-respected member of the Energy and Commerce Committee.

Our lasting tribute to MICKEY should be to continue to exercise our imagination as he did, to address the sufferings of people whom we do not know. If each of us could use that imagination with just a portion of the enthusiasm MICKEY showed, our country would be a better place.

To his wife and family, we send our heartfelt sympathy. We will miss MICKEY LELAND, and we will remember his ability to imagine.

Mr. BEREUTER. Mr. Speaker, this Member is honored to join the gentleman from Texas [Mr. BROOKS] and other Members of the House, in this tribute to our friend and distinguished colleague MICKEY LELAND. There is no adequate way to express the sense of desolation and loss that one feels when a life is ended before its time. MICKEY had business to do for American and the hungry of the world that he now cannot finish. We must do it for him.

As MICKEY's colleague on the Select Committee on Hunger, this Member knew well his keen wit and his relentless drive. His dedication, restlessness, and energy set a tone for the Committee's activities, which took him and its Members into remote and desperate poor regions, both at home and abroad. Armed with the conviction of first-hand experience, MICKEY secured additional emergency food aid and focused global attention on the devastation of hunger and famine—perhaps more than any other current or past Member of Congress.

Representative MICKEY LELAND's hand in setting the committee's agenda highlighted the influence of poverty, inequality, and ignorance on the condition of hunger. He constantly challenged the committee's mandate, expanding it to encompass a full range of issues from health and nutrition to teenaged pregnancies, from infant mortality to public assistance programs and how they work, from economic conditions on Indian reservations to river blindness in the Third World. And he showed us, over and over, the inter-relatedness of all these issues.

Now it is our responsibility to continue his drive. It will not be an easy task, because his talents and commitments were exceptional. Accordingly we must work together in a bipartisan way, to air our differences honestly and arrive at solid compromises. In this way, the House and Congress can honor MICKEY LELAND's life of commitment and service.

Mr. SMITH of Florida. Mr. Speaker, I join with my colleagues in expressing my profound and personal sorrow at the untimely death of our late colleague MICKEY LELAND.

In an age too often marked by cynicism and selfishness, MICKEY's caring, compassion, and hope helped to remind us that the most noble mission of all is the mission of mercy, brotherhood, and peace. It is on such a mission, and for such a high purpose, that MICKEY died.

Sheila and I extend our condolences to the Leland family and to the loved ones of those who were killed with him.

It is now up to the rest of us to take up his mantle and continue his struggles. His spirit and will must endure in each of us.

Finally, Mr. Speaker, I would like to append to my remarks editorials from two south Florida newspapers on MICKEY.

[From the Miami Herald, Aug. 15, 1989]

HIS BROTHER'S KEEPER

Long after world hunger ceased to be the issue *du jour*, Mickey Leland hung onto it, driven by the memory of a Sudanese child who died before his eyes in 1984. This memory became an obsession as the Demo-

cratic congressman from Texas became the conscience of his House colleagues on ending world hunger.

Now that concern has led to his death in the fog-shrouded mountains of Ethiopia. Mr. Leland, 44, and 15 others were travelling to a camp housing 30,000 refugees from Sudan's civil wars and famine when their plane flew into a mountainside.

Congress also is mourning the loss of a second representative, freshman Larkin Smith, 45, of Mississippi, who had no chance to make his mark on that institution. Mr. Smith's plane crashed on Sunday in a rural area of his home state. A former police chief, he served on the House Judiciary and Government Operations Committees.

Mr. Leland, though, had made a broad mark in his 10 years of House service. Son of a short-order cook who later became a teacher, Mr. Leland grew up in a Houston ghetto and trained as a pharmacist. But he quickly broke those confines for the world of politics—and the world itself. Freshly elected to the Texas legislature in 1972, he then began a three-month odyssey through Africa.

A Roman Catholic, he also was fascinated with Israel. He spent time bicycling through that nation and later created a program to send poor black youths there as a means of improving black-Jewish relations.

Although some South Floridians resented his visits with Fidel Castro, that personal relationship led to the release of four political prisoners held for decades in Cuban jails.

Of course, there were many who disagreed with Mr. Leland's liberal politics and with his focus on hunger in Africa when hunger remains in the United States. For them he had an answer: "I am as much a citizen of this world as I am of my country. To hell with those people who are critical of what I am able to do to help save people's lives. I don't mean to sound hokey, but I grew up on a Christian ethic which says we are supposed to help the least of our brothers."

And so Mr. Leland wanted to see what he—and this country—could do to help 30,000 Sudanese. Now that he is gone, will the United States, with its notoriously short attention span, forget the starving at home and abroad? Or will his death inspire others to pick up his mantel?

[From the Fort Lauderdale Sun-Sentinel, Aug. 15, 1989]

POOR, HUNGRY LOST FRIEND IN LELAND

When Rep. Mickey Leland went on fact-finding trips as chairman of the House Select Committee on Hunger, he did not visit London, Paris, Tokyo, Hong Kong and other favorite stops on political junket schedules.

After Congress adjourned for its summer recess 10 days ago, he flew to Addis Ababa. The drought and civil war ravaged Horn of Africa had haunted him ever since he saw firsthand the starving children of Ethiopia, the Sudan and Somalia.

He was on his seventh tour of the area when he died last week. The twin-engine plane carrying Leland and 15 other passengers and crew members smashed into a cliff during a storm, killing all aboard.

Leland was flying to a camp for Sudanese refugees near the border of Western Ethiopia when the plane disappeared, setting off a massive cooperative effort to find the missing aircraft. Ethiopian police and peasants joined U.S. personnel operating helicopters, a spy plane, weather satellites and other sophisticated equipment in a search hampered by foul weather and rugged terrain.

The 44-year-old Texan was not a one-issue legislator. A militant when he came to Congress, he helped improve communications between the Black Caucus and the Democratic leadership and between blacks and Jews. He also was instrumental in freeing Cuban political prisoners and lobbied successfully for a federal nutritional program for the pregnant. The poor and hungry have lost a staunch friend. The Congress has lost an important part of its conscience.

Mr. NATCHER. Mr. Speaker, MICKEY LELAND was an outstanding Member of the House of Representatives and he served his country well.

I know that on a great many occasions he was tested and always proved strong and courageous. He was a great family man and this was evident during the years he served with us as a Member of Congress.

He was a fighter for social justice and at all times a great legislator for the common people that he knew so well. His concept of public trust is without parallel and never did he hesitate to speak out against any proposal which he felt was not sound and in the best interests of our country.

Mr. Speaker, I want to extend my deepest sympathy to his lovely wife and to the members of his family.

Mr. RANGEL. Mr. Speaker, MICKEY LELAND was a man who fought for those whom the world tends to forget: the poor, the starving, and the refugees. My family, staff, and I were shocked and grieved to learn of the untimely demise of MICKEY and his party on August 7 when their plane crashed en route to a refugee camp on the western border of Ethiopia.

I can remember meeting MICKEY when he first entered Congress in 1978 and the compassion with which he advocated matters of conscience. I also recall him telling the heart-rending story of how, in his first trip to the Sudan in 1984, he watched a starving girl writhe and die before his eyes. But what I recall most about him was his sense of humanity.

MICKEY LELAND was a warrior of compassion and whose humanity compelled him, after witnessing that death, to create and chair the House Select Committee on Hunger and to play a critical role in our movement in Congress to apply pressure on the Apartheid Government of South Africa.

MICKEY'S interest in Africa spanned the entire length and breadth of the continent as well as the totality of the issues. He saw the similarities between the physical starvation of the people in the north caused by war and famine and the starvation of the spirit of those in South Africa caused by political oppression.

When someone as likable as MICKEY LELAND give up his young life to lessen the suffering of people throughout the world, the rest of us must renew our commitment to carry out his work. No matter where we live in the country, we might relieve the pain his family is suffering by continuing his struggle.

I feel how weak and fruitless any words of mine are in consoling MICKEY'S family from a loss so overwhelming. But I cannot help but offer the consolation that may be found in the millions of lives that he saved.

My deepest condolences go out to the Leland family. He will be sorely missed. The world has lost a real hero.

Mr. CLAY. Mr. Speaker, the Members of this body were terribly saddened by the tragic news of Congressman LELAND'S untimely death. MICKEY LELAND had a special mission on this Earth and across our Nation, and throughout the world his friends and followers mourn his passing and celebrate his remarkable life. I am pleased to take this opportunity to share with my colleagues an especially warm tribute to MICKEY LELAND which was composed by Topper and Alyce Carew of Los Angeles, CA:

TO MICKEY

Too few men live and love what they believe. Those who do, walk firmly among us . . . as if God anointed. As if spiritually appointed.

They come and we feel their presence. Long after it is gone. Often before it came. Why? Because the planet waits and longs for the coming of those chosen few.

A shortcoming of man is his over preoccupation with the future. We wait too late to celebrate the now. In the nowness, we should celebrate the saints among us. But, saints like Mickey make it hard to do.

He did not want to be revered for doing God's work. He did not want to be separated apart from us as he walked out among the people.

For his choice was always to be one of us. Not above us. But with us. Always. Forever and ever.

We did not choose to be a man among men. That is often chosen for us on a higher level, beyond mortals. But those, like Mickey, who are chosen and who follow that course naturally are Godsends.

Without thinking, they exhibit courage. Without taking, they give. Without bitterness, they love. With compassion, they cry. To elders, they bow. To children, they teach. To God's right hand, he will ascend.

The Africa that bore you, the Africa that consumed you into its bosom, the Africa that nurtured and strengthened you, the Africa that freed you. The Africa that compelled and propelled you . . . at this very moment cries out. A million ancestral voices, beckon you into their eternity. A million children, now angels, sing of your coming. A barrage of ceremonial drums signal your arrival.

You take your place. Where you will sit with the kings and queens of all humanity. Where you sit with us shall be as an eternal spirit.

Mickey, with God, guide us into the 21st century. Help to guide us to the destination which you so clearly saw. May your memory remind us that we should never be judged by what we have or by what we say, but ultimately, by what we do. Not do for ourselves, but do for others. Today. Tomorrow. Infinitely.

Mr. YATES. Mr. Speaker, in my years in the House I can think of no sadder event than the death of MICKEY LELAND in Africa. MICKEY was a dear friend and colleague and I mourn the loss of this brilliant, joyful, dedicated, and thoroughly decent man. I have lost a friend and the world has lost a genuine humanitarian.

MICKEY was very much the practical idealist. You did not have to know him long before you understood his absolute commitment to the

cause of human rights and to the poor and hungry of this world. But there was nothing self-righteous about MICKEY LELAND. He was a most charming and delightful person, and he knew how to make things happen in Washington. His considerable achievements in getting resources and actions to help the poorest of the poor are a tribute to his impressive skills and endless dedication. MICKEY knew that speeches and press releases could do little to ease the pains of hunger and it is a great pity that he did not receive more recognition for his work and accomplishments on behalf of the helpless and hungry.

We will all remember him. I salute his life and I extend my most sincere sympathy to his wife, Alison, his family and the people of his district in Houston.

Mr. SIKORSKI. Mr. Speaker, the true marks of a man are his aspirations and his spirit. What he strives for, and what he settles for. MICKEY LELAND set his marks sky high. He fought for the least of our sisters and brothers: the hungry, the oppressed, those who have fallen through the cracks in modern society, and those threatened by the side effects of modern society—such as industrial pollution. He lived by Martin Luther King's admonition, "Injustice anywhere is a threat to justice everywhere." And he gave his life working to bring an end to hunger on earth.

A couple weeks before his death, I had the privilege of sitting next to MICKEY LELAND for a hearing which dealt with another cause crucial to him—an end to toxic air pollution. Toward the end of the day-long hearing, after a wearying day of technicalities, trivialities, excuses and evasions, from Government and industry, MICKEY LELAND put the subject of air toxics into perspective. He did so with a story that has less to do with this complex topic than with the soul of MICKEY LELAND—a soul which strove for nothing less than the best we can be, and which would settle for nothing less than an end to misery in this world.

MICKEY LELAND's story of his childhood is a window into his indominable spirit. MICKEY sought to build a shelter on earth for all God's children. And he gave his life trying. I include his story here:

Mr. LELAND. Mr. Chairman, if I may be allowed just 30 seconds, because [EPA Administrator] Reilly keeps raising issues with me that somewhat bother me. I appreciate the overture, Mr. Reilly, and I will be done. No question, no responses are necessary, but I recall many years ago when I was just a little boy, my humble beginnings, when I lived in a house with my grandmother and grandfather, and my grandfather died in the midst of the renovation of my house. We had three different families living in the same house, my mother's family, my aunt's family, and my grandmother's family—and a contractor came into our house, did the bidding for the contract, got the contract, built the house—mean the addition. The addition was shabby and falling down, and the contractor came back to my grandmother's house. We didn't know anything about lawyers and all that kind of stuff. I'm not sure if we could have adjudicated the issue anyway, but the fact is that the guy told my grandmother—and she was very disturbed and crying and I was there and I will never forget it, I was 11 or 12—the guy told my grandmother, "but it was better than anything you ever had."

And I just admonish you that in fact even though the administration is taking steps further to help to clean up the environment, that at some point we have got to get to the position of recognizing that the health and safety and welfare of our people is a lot more important than weighing the economic costs that we are considering here today. I would hope that that is the rule of thumb that we are using and nothing else.

Thank you, Mr. Chairman.

Mr. MANTON. Mr. Speaker, I rise tonight to join my colleagues in paying tribute to the late MICKEY LELAND. With the death of MICKEY LELAND, this House, the Nation, and the world lost a dedicated, compassionate and tireless public servant.

Mr. Speaker, MICKEY LELAND was a true champion of and hero for the poor, the hungry, the sick and the homeless. Alleviating hunger in America and throughout the world was MICKEY'S passion. In 1984, MICKEY became chairman of the Select Committee on Hunger, a panel he helped to create. After a trip to Africa in 1984, he almost single-handedly brought the plight of the starving people of Ethiopia to the attention of Congress and the Nation. I know that MICKEY was deeply moved by the suffering he witnessed in that drought stricken, war-torn African nation. MICKEY felt their pain and shared in their sorrow as children died from starvation and malnutrition. MICKEY cared deeply about the starving people of Africa, and he became a tireless and impassioned advocate for additional food assistance to Africa. In 1985, MICKEY convinced Congress to approve $1 billion in famine relief for starving African nations. MICKEY continued to work diligently to alleviate hunger in Africa until the day he died.

Mr. Speaker, MICKEY LELAND'S death was indeed tragic and untimely. But it was not in vain. Over the past few weeks, several Mickey Leland memorial funds have been created to provide assistance to starving African nations. Other countries are moving to increase food aid to Africa. Indeed, MICKEY has inspired millions to help the hungry throughout the world. Thanks to MICKEY LELAND, the war against hunger will continue to be waged in his memory.

Mr. Speaker, I had the privilege to work with MICKEY LELAND as a member of the Energy and Commerce Committee. Although MICKEY was proudly liberal, he was seldom partisan. He had a remarkable ability to forge workable compromises on tough issues. MICKEY worked both sides of the aisle with ease and success.

Mr. Speaker, MICKEY'S death occurred while he was on a mission of mercy. MICKEY was always working to improve the quality of life of those less fortunate in America and throughout the world. MICKEY LELAND will be sorely missed. But his legacy of caring and compassion will live on. I want to extend my deepest sympathies to MICKEY'S wife, Alison, and his son, Jarrett.

Mr. THOMAS A LUKEN. Mr. Speaker, upon receiving the confirmation that the plane carrying Congressman MICKEY LELAND, and others in his delegation, had been located on a mountainside in Ethopia and that there were no survivors, I realized that this institution had lost more than a colleague. I knew that our country had been stripped of a champion in the fight for human and civil rights in this era, but more importantly to me, I had lost a true friend. The death of MICKEY LELAND has left a huge void in the ability of the United States Congress to personify its fight against the hunger and malnutrition of our own citizens, as well as people worldwide.

During the past 10 years I had the privilege and the honor to share many of MICKEY'S ideas firsthand through our involvement on both the House Energy and Commerce Full Committee, and the Subcommittee on Health and the Environment. His ideas were consistantly innovative, progressive, and expressed from his heart in such a way that it was difficult, if not impossible, not to share his compassion for those less fortunate. MICKEY'S tireless determination and commitment to help others, particularly those who are disadvantaged by social circumstances and/or economic conditions, set the standard by which we as Americans should aspire toward and proudly associate ourselves with.

Today, MICKEY'S humanity is no longer with us, but his spirituality lives on in our minds and hearts. I urge Congress to insure that the life and death of our colleague was and is of value to this Nation by continuing and increasing its support for his causes in his honor. To that end, his existence will have made the ultimate difference between life and death for millions of Americans and others around the world.

I have lost a good friend. Congress has lost a great statesman. The world has lost a true humanitarian.

Mr. MAZZOLI. Mr. Speaker, it is a terrible test of our faith to have so tragically taken from our midst a good and decent man like Representative MICKEY LELAND of Texas' 18th Congressional District.

We are all shocked and saddened by his death. He and his companions in Ethiopia were on a mission of mercy. They were seeking to ease the suffering of millions of refugees, victims of cruel and inhuman poverty.

Congressman LELAND has dedicated much of his career in public service to such tasks, both here in the United States and abroad. It is a noble cause and one to which we must rededicate ourselves.

MICKEY LELAND will always be remembered for his service as the Chair of the House Select Committee on Hunger. He was the driving force behind the committee's efforts to focus attention on the range of problems which poverty inflicts on the poor, the oppressed, and the hungry in this country and around the world. He had visited Africa several times and was probably more keenly aware that anyone of the immensity of the problem. His leadership will be missed and his passion to right the ills he witnessed will be difficult to replace.

We have lost a friend, a leader, an able colleague—a young man of purpose—who freely sacrificed himself for those less fortunate in the world. I hope that his life and career in service to others may continue to be a shining example for all of us to emulate.

I extend my deepest sympathies to MICKEY'S family and friends, who have shown remarkable courage throughout this difficult time.

Mr. DIXON. Mr. Speaker, it is with deep sadness that I rise today to pay tribute to my very close friend and colleague, Representative MICKEY LELAND, whose life stands as a shining example of the precious ideals of freedom and democracy and whose work demonstrated his endless compassion for those in need.

MICKEY was truly a 20th century renaissance man. He was devoted to his community; he achieved excellence in sciences as demonstrated by his background in pharmacy; he loved art and music, especially jazz; and he significantly contributed to the betterment of society through government and politics.

MICKEY and I were both elected to Congress in 1978, and we had a special bond. Our offices were next door to each other, and MICKEY'S friendship and caring meant a great deal to me personally as I made the transition from serving in the State legislature in Sacramento to coming to Congress. The membership of Congress is more than five times the size of the State legislature, and MICKEY'S warmth, humor, and concern, helped to soften an institution that seemed awesome and cold to a newcomer in town.

He was also a true fighter, a fighter for the hungry, the homeless, and the poor, a crusader for justice.

Early in his congressional career, he asked the Speaker to name a select committee on hunger to not only focus legislative attention on the poor and suffering in our country, but to look at malnutrition in developing countries. It took several years for MICKEY'S vision to become a reality, but through his dedication and perseverance the House approved creation of this panel and Speaker O'Neill named him chairman.

In the developing countries, he worked with relentless dedication for increased foreign assistance to Africa; funds to supply vitamin A to countries to prevent river blindness disease; funds for drought-stricken Africa; emergency assistance for Southern African countries to bolster their economies against the apartheid regime in South Africa; and economic sanctions against the racist South African regime.

He once said that the "tragedy of hunger affects children most gravely by denying them the future which is their basic human right. The loss of a single individual hurts all humanity, but the loss of children is especially tragic." MICKEY'S death is a terrible loss, but his passion to end hunger throughout the world was an inspiration.

He showed us that even though our resources have limits, we have not nearly exhausted the limits of what we can accomplish with the levers of power we do control. His life challenges all of us to keep his dream alive.

In the 99th Congress, he chaired the congressional Black Caucus and provided tremendous leadership in addressing the concerns of black Americans, other minorities, and the poor. MICKEY always believed in coalitions. During his many years of activism he helped form groups which brought together black and Hispanic leaders to coalesce around common issues and concerns. He also took a leading role in promoting dialogs and joint efforts among black and Jewish Americans, and his work has done much to keep alive this traditional coalition of compassion dating back to the beginnings of the civil rights movement. MICKEY traveled to Israel many times, and was known for his efforts to bring black American youth to Israel for exchange programs. He was an outstanding humanitarian, and we have lost a great champion.

In both his professional career and personal life, MICKEY enriched the lives of many people throughout the world. I want to extend my sincere condolences to MICKEY'S loving wife, Alison, his son, Jarrett, his mother and brother, and a host of other relatives and friends who will deeply miss such a generous and passionate man.

It is often said that ours is a government of laws, not men. But so often it is the men and women of our democracy who keep hope alive that someday we can achieve the American dream of justice for all and a world where human rights are cherished and protected. It is MICKEY LELAND whose life so embodied the human struggle to make our Nation and world a better place. Words simply cannot capture all of the wonderful qualities of MICKEY LELAND. Yet it is the memories of his life, love, and work that each of us will carry in our hearts and minds as we work to continue his legacy.

Mr. EARLY. Mr. Speaker, I rise to pay tribute to MICKEY LELAND, a man of vision and vitality who had an enormous impact on this House and on our Nation. MICKEY embodied the finest qualities of public service—integrity, compassion, energy, honor, devotion to duty. We could not afford to lose such a man.

MICKEY LELAND was a clear and compelling voice in behalf of the voiceless among us—the poor and neglected and abused and forgotten. He never stopped reminding us that we are responsible for feeding the hungry and housing the homeless and setting free those who are captive to disease and despair. He constantly called us to accountability in the fight against suffering and injustice.

MICKEY was a bridgebuilder. He had a marvelous linkage with his constituents in Houston's 18th Congressional District. He established lines of communication and trust among individuals of differing political persuasions and life styles. He crossed barriers and pursued tough journeys to live out his role as a liaison and an advocate. In his travels to the farthermost corners of the Earth, he showed us how to construct bonds of good will and brotherhood. He was a citizen of the world and he took that citizenship seriously.

MICKEY LELAND taught us how to live life with vigor. He had a wild and wonderful zest for life, an endearing sense of humor, a delightful capacity for laughter. He played his music in such an enticing way that many joined his band. He brought harmony to a world out of tune.

It is up to us to make certain that the spirit of MICKEY LELAND remains vibrant and alive. Like him, we must spare no effort to relieve the agony of refugees and poverty stricken children and homeless families. Like him, we must sacrifice comfort and pleasure to tackle the tough problems of injustice and prejudice and greed. His living legacy among us is the call to follow in his footsteps. We, like MICKEY, must attempt to give back to the world, through our work, a portion of its lost heart.

Mr. YATRON. Mr. Speaker, so much has been said and written about the tragic death of our friend and colleague, MICKEY LELAND. Yet, words cannot describe the profound impact that MICKEY had on so many persons throughout the world.

As a Congressman, he was a distinguished leader committed to improving the quality of life for all peoples the world over. At home, he was a loving husband and father. As a friend, he inspired us with his words and actions.

Mr. Speaker, the world will soon forget the words we have spoken in memory of MICKEY LELAND, but it will long remember the man to whom we pay tribute. His presence will be dearly missed, but his legacy will abide in us forever.

Mr. HAWKINS. Mr. Speaker, I rise today to join my colleagues in paying tribute to a young man I enjoyed, admired, and respected, Representative MICKEY LELAND of the 18th Congressional District located in Houston, TX.

The tragic accident which cut short his life has robbed us of a talented, creative, and enthusiastic leader. He inspired many, and through great depth of humanity, gave so much of himself to the causes of the less fortunate in our country and around the world.

During his 11-year career as a former chairman of the Congressional Black Caucus and a colleague in the House of Representatives, I observed with pride the enormous contributions made by MICKEY to improve the health and nutrition and overall living standards of his fellow human beings at home and abroad. Hunger was not just an issue to MICKEY LELAND. He saw it as scourge to all humankind and he acted accordingly to eradicate it in every way he knew how.

It is uncommon in life to find a man of such dedication and compassion as MICKEY LELAND. In the 23d Psalm, it is written that "Yea though I walk through the valley of the shadow of death, I will fear no evil: for Thou art with me." MICKEY must have known that through his endeavors he did not walk alone. The candle he lit on behalf of those who suffer will burn on. His work, and the efforts of the dedicated public servants who perished with him, has already served to instill the desire in many of us to do more than we may have already done. His fighting spirit serves as a model to all of us to continue our effort on behalf of the disadvantaged.

In closing, we in the House, and especially those of us who had the privilege and opportunity to work closely with him were fortunate to have a man of his caliber associated with us. He will be sorely missed by his family, friends, colleagues, and the entire world community.

Mr. WATKINS. Mr. Speaker, we were all tremendously shocked and saddened by the untimely and tragic death of our colleague, the Honorable MICKEY LELAND, and those with him.

MICKEY LELAND'S life was proof positive that one man can make a difference and one man with courage makes a majority.

Two passages from the New Testament come to mind. Verse 40, chapter 25 of St. Matthew tells of Jesus' discussion with the disciples on the Mount of Olives, where Jesus said, "Inasmuch as ye have done it unto one

of the least of these my brethern, you have done it unto me."

MICKEY LELAND was in Ethiopia because of his concern for the least of our brethren—the poor, the homeless, the starving—particularly the children. It was his concern for those who are leaderless, who are without representation, who are without food and shelter, who are without resources, that returned him time and again to Africa. He was doing all that one man could do.

The second passage is St. John, chapter 15, verses 12 and 13, which records the words of Jesus during the Last Supper: "This is my commandant, That ye love one another, as I have loved you. Greater love hath no man that this, that a man lay down his life for his friends."

I am convinced that MICKEY LELAND laid down his life for his friends, the hungry, not only of this Nation, but of the world because of his true love for all humanity.

Those who knew MICKEY are the better for having known him. Those of us who are fortunate enough to have served with him in the Congress are doubly blessed. The world is a better place for his having been here, and the world is lessened now that he is gone.

Mr. Speaker, as we extend our heartfelt sympathy and understanding to his family and his staff, let us make a pledge: We must pick up the battle flag unfurled by MICKEY LELAND against hunger and continue the fight.

Mr. DYMALLY. Mr. Speaker, much has been said and written about the untimely passing of Congressman MICKEY LELAND as a fighter against world hunger. He was also known as an activist for social justice and a believer in coalition politics.

However, I want to also remember MICKEY LELAND as an advocate of peace. He and I often spoke about the need to open dialog with people and countries with whom we had differences.

I have just returned from visiting five countries in Southern Africa (Zaire, Angola, Namibia, Mozambique, and South Africa). Wherever I went, people joined us in mourning his sad loss.

MICKEY strongly believed in dialog and reconciliation. In addition to his fight against hunger, he was known to Africans as one who constantly indulged in opening up dialog to reconcile differences to advance regional peace.

In the countries he visited, among them Kenya, Sudan, Ethiopia, Angola, Zaire, and Cuba, he spoke to Ministers and Heads of State, in his quiet manner, about human rights and conflict resolution.

His fight for social justice was not confined to the United States. He urged the Japanese to be more responsible to America's minorities. For that effort the Japanese Government will honor his memory with an international program to fight hunger.

During the debate on the Foreign Assistance Act he was the only voice on the floor of the House urging us to reconcile our differences with Ethiopia. Ironically, in his death, he did more to heal the wounds between these two countries than all the diplomats put together.

As we memorialize his loss as a fighter against world hunger, an activist for social justice and coalition politics, let us remember him as a Man of Peace.

Mr. BENNETT. Mr. Speaker, each of us lost a dear friend when Representative MICKEY LELAND was killed in the accident in Africa on his quest to alleviate the problems of hunger there. MICKEY was compassionate in everything he did. I remember his encouragement to me when I attempted to and finally did complete the antiapartheid march from the Capitol to the White House some years ago. Mostly what I remember about him came from his sparkling leadership for things that need to be done to help those who were less fortunate. This he successfully did at a time when our country was having great difficulties in fiscal areas. He emphasized for me the importance of things he gave leadership to and it was a pleasure to be a coworker with him on these important matters. We all extend our deepest sympathy to his family and express to them our love and concern.

As I close my remarks, I want to include in the RECORD the excellent Roll Call editorial of September 10 which follows:

[From Roll Call, Sept. 4-10, 1989]

MICKEY LELAND

Five years ago, Rep. Mickey Leland traveled to the Sudan to see the horrors of hunger firsthand. He got more than he bargained for; he watched a young girl die in front of his eyes. She was just "a skeleton of a person with a thin layer of brown skin on her," he said later. At the time, Leland turned to ask a relief worker about the girl and, "While I was talking to him, she died. I can see her face right now. Every day I see her face."

Every day, the rest of us, going about our mundane lives see such faces—or certainly know that such faces exist. And yet we do little. If we're legislators, we do what we can to pass laws to relieve the suffering in the world. But Mickey Leland did more. He went far beyond the call of duty. He tried to solve the problem by the sheer force of his personality, and it was quite a force! In addition to convincing the leadership to establish the Select Committee on Hunger in 1984, he proselytized the public, he cajoled his colleagues, and he traveled.

When Congress adjourned for recess this summer, he gathered two of his closest aides—his AA, Patrice Johnson, a brilliant young woman, and Hugh Johnson, a smart, witty bear of a man who had only recently joined the staff of the Hunger panel—and, together with Joyce Williams, a highly regarded expert on child mortality and nutrition with the House District Committee, State Department officials, and others, journeyed to Ethiopia and the Sudan once more. It was Leland's sixth official trip. He had been there as recently as April, with, among others, Hugh Johnson and Reps. Gary Ackerman (D-NY) and Bill Emerson (R-Mo). On Monday, Aug. 7, the delegation left Addis Ababa on a flight to a remote refugee camp in the Sudan. The plane crashed in bad weather. It took nearly a week to find the wreckage. All those aboard were killed.

Rarely has the death of a Congressman so severly shaken the Hill community. It's not hard to understand why. Leland, who was 44 when he died, was a charismatic figure who made friends easily—friends on both sides of the aisle (as the remarkable letter from GOP Rep. Jack Fields to Mickey's son, printed in the Aug. 31 issue of Roll Call, attests). Leland was also a skilled politician, admired by his constituents and by the leadership. If Sen. Lloyd Bentsen (D-Texas) had been elected vice president last year, Leland almost certainly would have run for the seat—and we think he would have won, becoming the first black Democratic Senator in history. He had a bright future. He also had an attractive and loving young family. His wife Alison, 30, an executive with Shearson Lehman Hutton in Houston, recently told Mickey that she is expecting a child early next year. The first Leland child, Jarrett, is three years old.

But his appeal went beyond charisma and politics: Leland was a Member of Congress who saw his job as helping the hungry and the downtrodden of the world—both through legislative means and otherwise. At great personal risk, he tried literally to touch as many of the poor of Africa as he could. This commitment transcended the normal bounds of the Congressional vocation. We think that Mickey would have devoted much of his life to the same cause even if he had stuck to the job he had before Congress (working as a hospital executive), even if he had been a carpenter.

In an age of professionalization, of self-centeredness, of grasping materialism, Mickey Leland—as well as Patrice Johnson, Hugh Johnson, and Joyce Williams (to whom we paid tribute in this space last week)—showed us all that the good life is a life helping others. We'll miss Mickey. He can't be replaced, but we can try to follow his example.

Mr. HORTON. Mr. Speaker, words are not easy for me to find in this tribute to a great man and a good friend, Congressman MICKEY LELAND. I knew him well, and I worked with him closely. His death was sudden, unexpected, and it leaves me with a profound sense of loss.

MICKEY LELAND was an honest, talented, committed man. He was a man of great compassion, who felt strongly for those with too few books to read, too few opportunities for meaningful work and especially too little food. He died because of his deep personal commitment to do everything in his power to fight hunger, and to fight it everywhere, in this country and in countries around the world.

For MICKEY LELAND the war on poverty and hunger constituted the top priority he set for his work in Congress. But he had other commitments, other responsibilities. I served as his Ranking Minority Member on the Postal Operations Subcommittee he chaired. It is this role that I came to know and admire this great Representative of the 18th District of Texas. On issues affecting the Postal Service, its future and the future of its employees, there was no greater champion than MICKEY LELAND. I count my work with him as one of the great and rewarding periods in my 27 years of service in this House.

MICKEY was more than hard-working and knowledgeable. He was personable, witty, a pleasure to work with. He was a man of integrity. He said what he meant and meant what he said, and you could count on his word. He was a man of principle.

MICKEY LELAND served his constituents and this Nation well. In 9 short years in this House he made a difference. His shoes will not easily be filled. I will not forget MICKEY LELAND and the times we shared. He was one of the best, and I am very proud to have been able to

count him as a friend. To his wife Alison, to his family and friends, my wife Nancy and I share in the loss you feel, and we share, too, in the pride you know in having been touched by the life of this great individual.

Mr. MCHUGH. Mr. Speaker, the untimely death of our friend and colleague MICKEY LELAND shocked and saddened me, as I know it did the many people all over the world who admired, respected and loved MICKEY.

The people who sent MICKEY LELAND to Congress have lost a great representative, and this body has lost one of its most visionary and effective moral leaders.

Just a week before his death, in what was probably MICKEY's last Washington press conference, he joined with me and Senator HATFIELD in releasing a report we had commissioned by the Arms Control and Foreign Policy Caucus, of which we were all members.

Our collaboration on that report will remain for me a warm memory and living testament of MICKEY LELAND's vision, courage, and involvement in crafting imaginative solutions to difficult world problems. Our report, entitled "The Developing World: Danger Point for U.S. Security", identified five serious challenges for the developing world: economic stagnation, environmental damage, the political power of the military, militarization (war, military spending and weapons proliferation), and drug-trafficking. It specified a number of long-range solutions that would represent new policy directions for the United States and other nations.

As chairman of the Select Committee on Hunger, MICKEY LELAND was keenly aware that complex problems require imaginative solutions; his participation in this report and his championing of its numerous recommendations constitute a legacy to us that I believe he was very proud of, though he could not know at the time that it would become his final statement of his visionary hopes for a better world.

Mr. Speaker, in the preparation of that report, I was proud to be a collaborator of MICKEY LELAND's in his last months and weeks among us. He will endure in my memory as a man of great strength as well as gentleness, of compassion, wisdom and commitment. I join with all my colleagues in extending our condolences to his family and many friends. I am confident that his goodness and vision will remain alive in the work of this House, of which he was such an honorable and effective Member.

Mr. CARR. Mr. Speaker, I will always remember the week of August 13, 1989. I was in my district when I got the news that the airplane carrying MICKEY LELAND and 15 others was overdue and unaccounted for. As a member of the Select Committee on Hunger and one who has always wanted to make that same journey to witness the ravages of hunger in sub-Saharan Africa, I felt a part of that trip even though I wasn't there.

And as a pilot, when I learned of the terrain and the weather I was immediately fearful that something tragic had happened—a plane forced down, but safe generally has an ability to communicate with overhead aircraft—yet in talking to the staff of the committee I tried my best to remain hopeful. But what really kept running through my mind was that great empty feeling: how can it be that MICKEY is gone? It didn't seem possible.

Of course, that's the way it is when someone your own age dies unexpectedly and you are forced to momentarily abandon the rush of living and confront the frailty of life and the certainty of death.

Now that the shock of MICKEY's tragic death have subsided its easier to put him and our relationship in perspective.

First, he was a friend. We worked together. We played together. No matter which it was he had a zest for it. And he did it with style. He was one of those friendly people who was always "up" even when you knew that wasn't the way he felt inside. He was easy to talk with and we left conversations with him feeling good. His manner generally worked for him and made him effective. It even caused us to overlook his transgressions and his flaws.

Second, no one doubts the sincerity of MICKEY's commitment to the things that he really cared about. This was never more true than his commitment in the cause of fighting world hunger a cause we shared. His death in this regard creates a void which we all must work harder to fill. And we will.

Lastly, MICKEY would be honored at the sadness and feelings of loss that we have, but he would not have wanted it. He wouldn't want us to take him more seriously than he took himself. He would be asking us to remember him well and to keep up his commitments to others. MICKEY, we will and we will.

Mr. WEISS. Mr. Speaker, so many Members are deeply grieved by the death of MICKEY LELAND. With his passing, his colleagues in Congress, constituents, and the countless friends he made across this country and around the world have lost a spirited public servant, and a true humanitarian.

Throughout his life, MICKEY's seemingly boundless energy, tenacity, and idealism enabled him to win tough battles that many others would not think of tackling. He demonstrated a genuine commitment to helping others, often those who did not have voice. He was an active spokesperson for the civil rights and antiwar movement in Houston during a time when the efforts were not widely supported. He consistently worked for measures against the apartheid regime in South Africa. With his warmth, enthusiasm, and charisma, he was effective in drawing others into the variety of causes he championed.

However, MICKEY will probably be best remembered for his significant contribution to the battle against hunger, both on a national and an international level. He fought for the establishment of the Select Committee on Hunger, and then he used his chairmanship of that committee to pursue increased food and humanitarian aid to areas around the world devastated by hunger and development problems, as well as to areas within the borders of our own country.

I had the great privilege to work closely with MICKEY on a number of initiatives, the most memorable of them revolving around the trip which a Congressional delegation, under the distinguished chairmanship of the gentleman from Michigan [Mr. WOLPE], chairman of the Subcommittee on Africa of the Committee on Foreign Affairs, undertook in August of 1983. It was the first delegation to visit Ethiopia since the overthrow of the Haile Selassie government. The famine had been going on for almost 2 years, devastating and killing tens of thousands of Ethiopian men, women, and children, but it had not yet become a matter of great international notoriety.

We had occasion to visit a refugee camp, and we saw Ethiopian men and women who had walked for miles from their villages, and then, if they were fortunate enough to arrive when there was the delivery of food, walk back those miles again with a sack of meal on their backs.

We saw the children who were suffering from forms of malnutrition. In addition to seeing the deprivation and the death and destruction, we had occasion to meet with the head of the government, Colonel Mengistu of Ethiopia, and it was a fairly large delegation. We all spoke to him about a number of issues of concern to us, most especially getting him to agree to have greater participation in helping the people of his country. None of us seemed to make any dent until MICKEY made a very emotional appeal to Colonel Mengistu. At that point Mengistu himself became engaged, and he could not resist MICKEY's relentless appeal.

I believe it was as an outgrowth of that original dialog that MICKEY had with Colonel Mengistu that allowed him to really work closely with the Ethiopian Government and have the Ethiopian Government open its borders so in fact international relief could flood into Ethiopia.

We had occasion on that same visit to meet with the black Jewish residents in the villages of Gondar Province, and again MICKEY was deeply moved. That fit in perfectly with his work in the Israeli project which he had undertaken where a number of black and Hispanic youngsters had been engaged in an exchange program with Israeli youngsters from his district.

Subsequently, MICKEY, the gentleman from Michigan [Mr. WOLPE], and I introduced a supplemental appropriations bill to provide more than $1 billion in famine relief and recovery assistance for the drought-ravaged areas of Africa for fiscal year 1985. The three of us collaborated with other Members in testifying on behalf of and gathering support for this legis-

lation, and ultimately we succeeded in achieving passage of a measure that provided nearly $800 million in assistance.

The savvy and tireless effort on the part of MICKEY played a key role in bringing about the passage of this bill, and his good humor helped mark that initiative as one of my most satisfying legislative experiences during my tenure in this body.

Opportunities for MICKEY to fight injustice seemed to almost fall upon him, and he always responded. During the course of that trip to Africa, while we were in Zaire, having met with a group of dissident former parliamentarians in our hotel, while most of us had gone off to another meeting, MICKEY had to go back for his camera. He saw then that the parliamentarians we had met with were being set upon by men in civilian clothes but in military trucks, and obviously this was the handiwork of the dictator of Zaire, Mr. Mobutu.

Through MICKEY's efforts, we had a confrontation with Mr. Mobuto on his yacht, where I think we demonstrated to him that, in fact, as far as these Members of Congress were concerned, whether we were guests in his country or not, we would not sit idly by while violations of human rights took place in our very presence.

Mr. Speaker, I will miss MICKEY LELAND, and I will never forget the example he set. I offer my deepest condolences to his wife Alison, his son Jarrett, his mother Alice Raines, his brother Gaston, and to the many others who grieve for him.

Mr. EVANS. Mr. Speaker, I want to pay tribute to a man I respected and admired: MICKEY LELAND. I counted MICKEY as a friend. I will miss him. So will thousands of individuals whose lives he touched in so many ways.

But MICKEY LELAND'S leadership and commitment to justice and equality were so great his work will continue to guide us and be remembered. MICKEY LELAND left a legacy of accomplishments that will never be forgotten.

I believe we must continue MICKEY LELAND'S work. I know we will because MICKEY LELAND work had a lasting effect on us and many others.

I often speak about the importance of citizens being involved and believing they can help make a difference in our world. MICKEY LELAND was an example of what a person can do. He opened the world's eyes to the devastation of hunger and made sure we are doing something about it.

Although we feel grief at his loss, we also are strengthened by what he accomplished and what he taught us. The tributes to MICKEY LELAND help us remember what he gave the world. But the best tribute we can make is to continue his work each and every day.

My thoughts are with Alison Leland and her son.

I will miss my friend MICKEY LELAND. I plan to work to make sure his ideas and his commitment continue to live on.

Mr. WHITTEN. Mr. Speaker, I join with my colleagues in their sorrow at the unfortunate death of our colleague MICKEY LELAND of the State of Texas, and concur with their statements.

MICKEY and I became good friends soon after he became a Member. We worked together in many areas where the Congress helped to meet serious needs of the people in the many areas of the world.

I do not remember a single instance where MICKEY failed to support our Committee on Appropriations in its efforts.

Several years ago MICKEY LELAND spoke to a joint meeting of the Mississippi Legislature where his message was well received.

Mr. Speaker, we have lost a valuable Member of the Congress, and I have lost a real friend.

To his family we wish strength to carry on, for MICKEY'S loss is a loss to us all. He leaves a fine record.

ADDITIONAL TRIBUTES TO THE LATE HONORABLE MICKEY LELAND

The SPEAKER pro tempore (Mr. MCDERMOTT). Under a previous order of the House, the gentleman from Texas [Mr. DELAY] is recognized for 60 minutes.

Mr. DELAY. Mr. Speaker, in thinking of how I could pay tribute to MICKEY LELAND, the best I could think of was to talk to Alison and Jarrett and just tell them what is really in my heart about MICKEY.

Many in this House know that philosophically MICKEY and I could be as far apart as China is to the United States. I guess that is the real measure of a man who can disagree politically in everything that we did, and we did for 20 years because I knew MICKEY when I was going to the University of Houston 20 years ago and MICKEY was leading civil rights marches and anti-Vietnam marches and he was in the fray of politics and other meaningful causes way back then when he was going to TSU.

But MICKEY never held grudges. MICKEY was always a friend.

You know, I do not know of anybody that really knew MICKEY, disagree with him or not, that did not love MICKEY and really care for him and consider him a friend.

MICKEY was like that. MICKEY and I would work together on issues that were important to Houston, were important to Texas, but MICKEY was one of those rare individuals in this House who can do his job, who can fight like a tiger for the causes he believes in, and then go off, as the gentleman said, and play cards with his political enemies.

He was a free spirit who truly loved life.

The other measure of a person is how he treats his spouse and his children. I do not know of a man who did not love his wife like MICKEY did and all his love for Jarrett.

Jarrett, when you read this special order, I want you to read that your daddy really loved you. You were everything, you were his whole life, you meant everything to him.

One of the things that kind of tickled me when MICKEY and I were on a trip to Mexico was he knew how conservative I was and he admitted to me one day, he said:

You know, now that I have a little boy, I am starting to see a few things, not many, but a few things differently. And that little boy means everything to me.

So, Jarrett, your daddy did love you.

Alison, MICKEY never stopped talking about you. He truly loved his family, not only his Alison and his Jarrett, but his mother and everyone who was close to him. He was a family man and he sacrificed so much, including his life, for things that he truly believed in, sacrificed mostly his time with his family, his wife, and his boy.

I take this special order at the urging of our dean of the Texas delegation and I must say I appreciate him taking this long special order.

Mr. Speaker, I yield to the gentleman from Missouri.

Mr. EMERSON. I thank the gentleman for yielding.

Mr. Speaker, this is the one occasion since I have been in the House of Representatives—now 9 years—when I am truly confounded as to what is appropriate to say. That is so because no eulogy seems appropriate or adequate in describing MICKEY'S career, his personality, the breadth of his ideas, or the depth of his commitment.

What I do know most profoundly is that he was my very dear and close friend whose memory I will cherish forever. I will try to serve that memory as constructively and as diligently as my capacity allows.

MICKEY and I had the opportunity to do, together, many, many things. Just this past March and April, during the Easter break, we went to Sudan and Ethiopia. We went by way of Rome.

We had the wonderful opportunity to share mass on Easter Sunday at St. Peter's. One week later, one Sunday later, we were down in a displaced persons camp in the far reaches of Sudan. And he and I commented on the contrast, the difference between what we had experienced in Rome on one Sunday and the magnificence of it all, and the following Sunday to be in that displaced persons camp in Sudan and to note the disaster of it all.

You know, we thought there must be some message there. And I think there was. We certainly felt on both occasions that we were having a holy experience.

We talked a lot about problems, many of the problems that MICKEY

was charged with dealing with; and it always struck me as being strange when I heard him described as an ideologue. I suppose there is a way one could make that definition fit. Indeed he has told me on many occasions how his reputation as an ideologue arrived at a certain point in his career.

□ 1850

During the period of his career that I had the opportunity to know him and to work with him he was anything but an ideologue. I know MICKEY as a hero, as one who reached across the aisle in any circumstance. Nothing put MICKEY off. He was not put off by party or ideology or color. He wanted results. He would work with anyone who would work with him to achieve responsible goals and objectives.

I, like many colleagues here, have not yet reconciled myself to the fact that he is not going to come walking in one of these doors any second now and have a good word with all Members. I was down in the dining room a while ago and recalled that on just the evening before we left for the August break, I was down there with my wife and two of my children, and MICKEY came in and was cutting up with all Members as was his wont to do, and he advised Members on that occasion how happy he was that he would in short order be the father of a second child, and he related how he has loved and enjoyed Jarrett, and how much it was going to add to his life, and Alison's life, to have yet another child to love and to care for.

I think that "love" is a word that is synonymous with MICKEY. He was truly representative of that spirit that is all-encompassing, knows no enemies. He reached out to everyone. He is going to be greatly missed.

MICKEY was most unique among the Members. We have a lot of work to do to appropriately honor his name and the purposes for which he lived.

Mr. DELAY. Mr. Speaker, I thank the gentleman for his comments that were so well-taken. I yield to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding, and thank the chairman of the delegation and the gentleman from Texas [Mr. DELAY] for taking this special order.

I was just reminiscing with the dean of the delegation about if all the Members who claim to have been invited by MICKEY were on the trip him, half the Congress of the United States would have been in Ethiopia with him, but that was indicative of MICKEY's personality—that he cared so much about the issue. He flattered all Members, and complimented all Members by inviting Members to take part in his largesse of heart.

He was a dear friend of so many Members. We will miss him very badly. I want his family to know that I rise to extend the condolences not only of myself and my family, but the constituents of my district in San Francisco. They do know, I am sure, but everyone should know that MICKEY had a constituency throughout the country, and indeed throughout the world. He was a hero, even before our tragic loss.

Others in this body will have documented a legacy of service of MICKEY LELAND. We all know he had a heart as big as Texas, and he contributed enormously to the proud heritage of that State and to this Congress of the United States. I wish to associate myself with the remarks of the gentleman from Texas [Mr. FROST] and others who have remembered MICKEY as a person, as a family person, as a devoted husband and father, and recall the last day we all saw MICKEY, the last day of the session before the recent, when he proudly walked through the aisles and in the cloakroom telling Members he just heard from Alison and he was going to be a father again, and that he and Alison and Jarrett were going to have a new baby. He was so happy, and he proclaimed his happiness. That was our last memory of MICKEY in the House of Representatives.

He went on just a few short days later to gave his life in service to all of the children of the world. I believe from what I have heard here today that it will not be difficult for all Members to commit ourselves to making the world better for MICKEY's children, a world where the dignity and worth of every person is respected as MICKEY's respects each person, a world which lived up to the high ideals of MICKEY LELAND. Because that is his legacy to Members. So we must, for Jarrett, for the new baby, for MICKEY's family, diligently work at making the world a better place and continue the legacy of MICKEY LELAND.

Even though he is not here, all who loved him will carry him in our hearts forever.

Mr. DELAY. Mr. Speaker, I yield to the gentleman from Florida [Mr. LEHMAN].

Mr. LEHMAN of Florida. Mr. Speaker, I would like to thank our distinguished colleague, the Honorable JACK BROOKS, for arranging this special order today. It is difficult to speak about remembering someone who was so alive among us every day by both his presence and his valuable work. Working with and knowing MICKEY LELAND was one of the greatest privileges I have in Congress.

He was tenacious in his pursuit of United States funds for African famine relief and development, and tackling the hunger issue here at home. He cared so much. MICKEY testified before our Appropriations Subcommittee on Foreign Operations on these and related issues. And it was indeed a privilege for me to ensure funding for the coming fiscal year for one of his initiatives, the need to reach Third World women in development programs.

We traveled together to Cuba last October to gain the freedom of Cuban political prisoners. That release of four political prisoners held for decades in Cuban prisons and their families would never had succeeded without MICKEY's efforts. Our trip to Cuba was just one example of the humanitarian that he was.

He was not ideological. He was a man for all seasons, a man for all people, a man of grand humor and a zest for life that will always be remembered.

The Edna St. Vincent Millay poem captures something about MICKEY'S life:

My candle burns at both ends;
It will not last the night;
But ah, my foes, and oh, my friends—
It gives a lovely light!

Mr. DELAY. Mr. Speaker, I yield to the gentleman from California [Mr. WAXMAN], who stayed late on this evening on his birthday to pay tribute to MICKEY LELAND.

Mr. WAXMAN. Mr. Speaker, I thank the gentleman from Texas for yielding to me and for calling this special order this evening.

This is a loss for the State, and a loss for the Nation. Really, a loss for the world. MICKEY LELAND was a dear personal friend, and I feel that loss as well in a very personal way.

Let me share some of my thoughts at this moment about MICKEY. Sometime when people come from humble origins, the come to the Congress of the United States and they have the opportunity to meet with the President, two Presidents, to meet with world leaders, to talk to the top executives of business and labor, and they forget the roots from which they came, and the people whose lives are affected by the decisions we make here, day after day.

□ 1900

MICKEY was very popular, as everyone can tell from these speeches given. Whether people agreed with his political point of view or not, he was personally very popular, but he never forgot his roots. He never forget the people that were depending upon him.

MICKEY LELAND will long be remembered for his efforts in dealing with hunger, and that issue is one that will always be identified with his way in Congress of the United States.

We served together on the Health and Environment Subcommittee. MICKEY was a strong advocate for health care for the poor, the disadvantaged. He sponsored legislation to expand the Medicaid Program for low-income women and children. He knew that they were the ones being left out. He knew too often that it was the poor that would hurt the most when government did not do what it should be doing to equalize opportunities.

Many people may not realize, but, as we look to the battle in this Congress

on clean air, MICKEY authored the legislation to regulate toxic air pollutants, and a few days before he left for Ethiopia we had a hearing on that issue. Toxic air pollutants are the kinds of pollutants that cause cancer, birth defects, and neurological damage, and MICKEY told me he was advised by some of the people who are his supporters back home that perhaps that was not the kind of issue he should take on. After all, the petrochemical issue is very strong in Texas, and he was developing a better relationship with them. They were responding more to his appeals to be involved in the community's activities. Yet MICKEY knew and told me that the people who were the ones whose lives were being shortened by these toxic air pollutants, who had to suffer the pains of seeing babies born prematurely and with defects, were poor people, were often minorities trapped in these communities, and they had no other choice but to breathe in that air. So he committed himself to take on this fight.

Mr. Speaker, at the hearing one of the witnesses said that the President's bill was making progress and, in fact, it was better than what we had now. He asked why MICKEY could not be satisfied with that, and MICKEY shared with all of us a very revealing personal story. He said that he remembered when a man came out to fix an addition on his grandmother's house, and during that time his grandfather had died. The addition was shabby, it was worthless, and the contractor came by, and his grandmother was in tears, MICKEY said that he will never forget this. He was 11 or 12 at the time, and that contractor said to his grandmother, "But isn't it better than what you had before?" as if she should be satisfied with something less than what she bargained for or that people back home in Texas and all around the country should be satisfied with letting a little bit more pollution take the lives of people with cancer, neurological damage.

Mr. Speaker, MICKEY could be so agreeable, but he could never be satisfied when others were in pain, and he told me just a few days before he left on that trip how proud he was of Alison, how well she was doing in her career, and he always wanted to show Jarrett off, bringing him by the committee. Jarrett was always licking an ice cream cone and running off to the zoo. MICKEY was so proud of him, so proud of Alison, so much in love with his family and friends.

We all miss him, We will miss him as a person. We will miss him as a leader.

Mr. DELAY Mr. Speaker, I yield to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I rise today to join my colleagues in paying tribute to Congressman MICKEY LELAND. The desperate needs of the poor and hungry continue to present enormous challenges to civilized societies. Rarely does someone manage to heighten our sense of outrage about these stubborn problems. MICKEY LELAND was such a person. Since he first came to Congress in 1979, he sensitized us to the world's forgotten people. MICKEY's quest knew no cultural or political boundaries; he only knew that it was decent for a country as great and as rich as ours to help people in need.

MICKEY LELAND's passion lent immediacy and weight to issues, such as hunger and homelessness, that most of us can see but not fully understand. He challenged us to acknowledge the daily plight of those less fortunate than ourselves, no matter what the economic indicators were telling us. He fought to dismantle popular myths about poverty and prosperity that prevent so many people from achieving their modest dreams. MICKEY LELAND wanted to make sure that everybody had a seat at the table.

MICKEY LELAND advanced the interests of the disadvantaged by making the political system work for them, instead of against them. He inspired candid, frank, and constructive debate, and, by sparing no rod when it came to bureaucratic foot-dragging, he dared us to be a better and more compassionate institution. I am deeply saddened that I have to say goodbye to such a principled, humble, and caring person. I hope that we will work together to preserve not only the laws he wrote, but the loving spirit in which he wrote them.

Jeanne-Marie and I extend our sympathy to his wife Alison and his son Jarrett.

Mr. DELAY. Mr. Speaker, I thank the gentleman from Florida [Mr. FASCELL] and I yield to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Mr. Speaker, I thank the gentleman from Texas [Mr. DELAY] for yielding this time to me.

MICKEY, I have cried a lot of tears since you have been gone, but not as much as you deserve. This House of the Congress is not the same without you. I think you are watching this today, and you know that the people who are speaking here today truly love you from both sides of the aisle, of all political persuasions.

Mr. Speaker, it is interesting that more than several of us have said they sometimes walk in this Hall and expect to see MICKEY kind of lumbering down and appearing, just being back to the way things were before. I think that is a statement to his presence that he had among us. One can just feel his absence since the day I came back. Many of us have been in groups saying how we feel his absence when we are just talking about maybe our personal lives, issues, things where MICKEY was right with us. You are missing from that, MICKEY.

When we looked at MICKEY's face, we saw friendship, and, as the gentleman from Florida [Mr. FASCELL] said, caring and compassion, a good sense of humor, and intelligence. When we saw MICKEY, we felt good because MICKEY was working for the most difficult issue of all, solving the problem of world hunger and poverty, and we knew we could follow his leadership. He was leading the way. It was less work for us, and now that he is gone we have to begin to carry on.

□ 1910

It is going to be very hard to fill the void. MICKEY was committed to taking care of the children of the world and when he had his son here, holding him in his arms, that little one just wanted to squirt out of his arms and run around the halls. MICKEY smiled. MICKEY was never so happy as when he was with his wife and his son.

I think that what MICKEY learned when he became a parent, and I think all of us learned when we became parents, is how much one little person takes of your energy and your time and your love and your commitment and, yes, your money, what it takes to be a parent.

MICKEY looked around and I think when he had this child and he had another on the way, it kind of redoubled his commitment to all God's children, because he said:

> If my one child takes so much from me, think of all the world's children who don't have fathers, that have drug-addicted mothers, that maybe are orphaned and maybe living in Africa and do not even have food on the table.

So I think his family made him feel all the more committed to this cause.

Well, I am not going to go on and say anything else, except to pledge my commitment, with that of my colleagues, to work on the issues that MICKEY worked for, world hunger, black-Jewish relations, and the condition of all the world's children. If we do that, we will be doing something for MICKEY.

Mr. DELAY. Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Speaker, I thank my friend, the gentleman from Texas, for yielding to me.

We all have our thoughts and anecdotes about MICKEY LELAND. He was affable, a good-natured individual, all these things that have been expressed here this evening, and yes, in many ways he was a lot like Larkin Smith, was he not? Both of them had many things in common.

One evening we had a special order dealing with Ethiopia, and we were having a give and take over on our side. MICKEY came on the floor. He had some of his own views, naturally.

We got up and we had our give and take. After the time had elapsed, MICKEY came over to our side and we continued our discussion, went downstairs, went over to the Rayburn Building. It was all done in a good-natured way. MICKEY laughing went off in his direction and we went off in our direction.

I think that explains the type of person that MICKEY LELAND was. As had been said so often here this evening, he was a person who deeply committed, but yet you could sit down and talk with him, have a discussion with him. You could give your side. He would talk about how he viewed things, give his perception. He was an outstanding individual in that way and I think that is why he was so dearly loved and why he was so effective here in the Congress.

When I first heard that his plane was missing, like everyone else in this Chamber, we all said a silent prayer, but we all knew that the next newscast would tell us that MICKEY had landed and everything was OK; but unfortunately, that is not the way it happened. Now we can all say, "There but for the grace of God, go I."

Albert Einstein had a beautiful saying. He said:

A thousand times a day I remind myself that my inner and outer life is dependent on the labors of other men, living and dead, and that I must give in the same measure as I have received.

When we think of MICKEY LELAND and Larkin Smith, I think we can all say that we have to give in the way they gave, follow the example that they have set.

Mr. DELAY. Mr. Speaker, I appreciate the remarks of the gentleman from Wisconsin.

I yield to the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Speaker, I thank the gentleman from Texas for yielding to me and for making it possible for us to pay tribute to our friend.

Much has been said about MICKEY LELAND'S advocacy against hunger, his coalition politics in Texas, and his fight against social injustice.

I want to talk today about MICKEY as a man of peace. MICKEY LELAND was never free to go into those areas where we had differences with the country, with the heads of state. You found MICKEY in Sudan, in Ethiopia, in Kenya, Zaire, Angola, Cuba, always preaching reconciliation. MICKEY felt very deeply that where there is dialog, there are opportunities for reconciliation of differences.

He was sometimes criticized for going into areas where there were violations of human rights or where there were socialist governments, but he felt that we as a body had an obligation to open up lines of communications with countries and peoples and heads of state with whom we had disagreements, and that is why MICKEY traveled to all the trouble spots.

I just came back from five countries in Africa and every place I went the people in those countries joined us in mourning the loss of MICKEY LELAND. His presence was felt in Africa more than you can ever imagine.

So today I want to join with my colleagues in expressing our deep sympathy to his wife, to his boy and his expectant child, his mother and the rest of the family, because no one will ever replace MICKEY LELAND as an advocate for peace around the world.

Mr. DELAY. Mr. Speaker, I yield to the gentleman from North Carolina [Mr. PRICE].

Mr. PRICE. Mr. Speaker, I thank the gentleman for yielding to me. I am privileged to participate in this special order tonight.

Mr. Speaker, I rise to pay tribute to our colleague MICKEY LELAND, who departed this life working to provide hope for the poor, the hungry, and the homeless. He will be sorely missed in the Halls of Congress, by those in Houston whom he represented so effectively, and in the homes and villages of many throughout the world. Many in my State of North Carolina knew him, respected him, and counted him a friend. I am proud to be in that number, and I speak for many in my State today in expressing a deep sense of loss.

MICKEY LELAND had a powerful sense of mission, to help people less fortunate than he, whether in the inner cities of our Nation or in the heart of famine-stricken communities in Ethiopia. At the conclusion of his trip to the Sudan last spring, MICKEY responded to critics of his visit: "I am as much a citizen of this world as I am of my country," he said. "I grew up on a Christian ethic which says we are supposed to help the least of our brothers." This was the essence of MICKEY LELAND'S calling which he pursued with a dogged persistence, not seeking recognition for himself but skillfully promoting his cause, making it harder for us to ignore the least fortunate among us.

We have heard the story of how MICKEY was profoundly moved by seeing a starving child die before his eyes in Sudan in 1984. He returned to Congress with a redoubled determination to help the starving and impoverished in the world. And he encouraged us, with the establishment and his leadership of the Select Committee on Hunger, to make a commitment to ending these problems, both at home and abroad. This was MICKEY'S dream and MICKEY'S mission.

Now, the challenge to continue this mission is upon us. For the problems MICKEY LELAND worked so hard to rectify are still with us. Much work is left to be done—more assistance from nations who enjoy plenty to those who do not, improved management and distribution of aid, and ending the war and disruption that has created so many refugees and so much suffering.

The plane carrying MICKEY LELAND, members of his and RON DELLUMS' staff, AID workers, and others never reached its destination to carry relief to refugees on the Sudanese border. Their work is not finished, and we honor MICKEY best by taking up his cause.

My deepest condolences to MICKEY LELAND'S family, and to the families of all the victims of this tragic accident.

Mr. DELAY. Mr. Speaker, I yield to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Mr. Speaker, I want to say, "MICKEY, I know you are listening. You have heard a lot of good things said about you in terms of your life and the way you lived it."

It is regrettable that tragedy brings us together today, but we are only one, a few among millions of people throughout the world who share in this grief.

□ 1920

MICKEY I want to report to you, even though it may not appear this way, the last thing you asked me on the day of our adjournment for the recess was to get rid of some of that excess baggage that I am hauling around. It may not appear that, but I have lost some weight, and I am going to continue to work at it.

Even after more than a month, MICKEY, I find your loss cannot be adequately addressed with a few words. To say your death was untimely and tragic understates its impact on this institution, this country, and, indeed, the world. Our loss of your friendship, your leadership, your outspokenness and your great compassion is of no mistake, but put into perspective, it does not compare with the loss your district has suffered. It is small in comparison to the loss of your worldwide constituency has suffered. It is small compared to the loss that your staff has suffered, and it all pales in comparison with the loss that your family has suffered.

You are gone now, MICKEY, physically, but your spirit lives on in all of us. You were a rare type of individual who earned respect from friend and foe alike.

Whether we agreed with you or not, one thing was certain: We had to respect your passion, your integrity, and your conviction.

Although you were termed as a liberal, I am certain that many Members of this Chamber who have the strongest conservative leanings would not disagree with that assessment.

MICKEY, you were one who never forgot your roots. That was dramatically evident to me when I attended

your memorial service in Houston last month. The sense of loss I felt from your constituents was profound.

If anything can comfort them, it is that you, MICKEY, have made all of us better for your brief existence. There is no question that you have set an example for this Congress to follow. The formation of the Select Committee on Hunger is a direct result of your putting words into action, and in this case it was your words, MICKEY, and compassion for your fellow human beings and your unyielding desire to serve the less fortunate among the world's people. You fought hard for the Hunger Committee's creation and literally turned it into a life, living, and giving entity.

In fact, I guess as tributes go, it is an appropriate tribute that you died, MICKEY, carrying out the mission of ending hunger in the world.

Your impact on this institution will continue. The Select Committee on Hunger will continue. I trust that the leadership will select a new chair for that committee who shares your compassion, MICKEY, and understanding of how important it is to act from the heart and not for personal gain.

Mr. Speaker, the tragedy that brings us together today is one that millions of people throughout the world have shared in. Even after more than a month I find the loss of our colleague, MICKEY LELAND, cannot be adequately addressed by a few words. To say his death was untimely and tragic understates its impact on this institution, this country, and indeed, the world.

Our loss of MICKEY's friendship, his leadership. His outspokenness, and his compassion is great. Of that there is no mistake. But put into perspective, it does not compare to the loss his district has suffered. It is small compared to the loss his worldwide constituency has suffered. It is small compared to the loss his staff has suffered. And yet, all of that pales in comparison to the loss his family has suffered.

MICKEY is gone physically but his spirit lives on in all of us. He was that rare type of individual who earned respect from friend and foe alike. Whether you agreed with him or not, one thing was certain, you had to respect his passion, his integrity, and his convictions. Although he was termed a liberal, I am certain there are many Members of this Chamber who have the strongest of conservative leanings who would not disagree with that assessment.

MICKEY LELAND was one who never forgot his roots. That was dramatically evident to me when I attended his memorial service in Houston last month. The sense of loss I felt from his constituents was profound. If anything can comfort them, it is that MICKEY has made all of us better for his brief existence. There is no question that he has set an example for this Congress to follow.

The formation of the Select Committee on Hunger is a direct result of putting words into action. In this case, it was MICKEY'S words and compassion for his fellow human beings and his unyielding desire to serve the less fortunate among the world's people. He fought hard for the Hunger Committee's creation and literally turned it into a life-giving entity. In fact, I guess as tributes go, it is an appropriate tribute that MICKEY died carrying out its mission of ending hunger in the world. It is also unfortunate that he had to die to bring so much attention to an issue that should have been at the forefront of public attention—ending world hunger.

MICKEY's impact on this Institution will continue. The Select Committee will continue. I trust that the leadership will select a new chair for that committee who shares MICKEY's compassion and understanding of how important it is to act from the heart and not from personal gain.

I know many of us have repledged our commitment to fighting even harder for the plight of the homeless, the hungry, and the needy. I know I have. As MICKEY has so vividly shown us, we cannot take for granted that we can do it tomorrow. Like MICKEY's, our time will be up sooner than we think. So let's come together today and the rest of our days, and continue MICKEY's mission of feeding the hungry, housing the homeless. It is the least we can do.

Millions are better off today because of his caring. I for one am stronger for having been touched by his spirit, and I will miss him sadly.

Mr. DELAY. Mr. Speaker, very well done, and I thank the gentleman.

Mr. Speaker, I yield to my good friend, the gentleman from Georgia [Mr. LEWIS].

Mr. LEWIS of Georgia. Mr. Speaker, I would like to commend the gentleman from Texas for holding this special order in honor of our friend, brother, and colleague, MICKEY LELAND.

We all know and we all have heard and we really understand the superb job that MICKEY did as chairman of the Select Committee on Hunger. For many of us, MICKEY LELAND represented more than the good people of the 18th Congressional District of Texas. He represented the very best in all of us. He was so American, but yet a citizen of the world. He was a gentle and kind man. He was an extraordinary human being.

This man, MICKEY LELAND, this good and decent public servant was on a mission, on a journey of mercy to help the suffering and starving people, to help those who have been left out and left behind.

MICKEY LELAND was a man of vision. He had a vision. He had a dream that we could put an end to hunger at home and abroad. He really did believe in the possibility of a society free of hunger and starvation. He died while he was trying to make this dream a living reality.

With the death of MICKEY LELAND, something died in all of us. He will be missed not only by the people of Texas but by the people of Atlanta, GA, by the people of America, by men and women of all walks of life throughout our own land and around the world.

Mr. Speaker, we owe a collective debt of gratitude to MICKEY LELAND. He taught us how to live, and he taught us how to die.

Thank you, MICKEY, for demonstrating to all of us the difference one individual can make in creating a better world, in creating a world at peace with itself. Thank you for your example, of a joyful life of service to humanity.

Those of us here today, those of us in this body have a moral obligation and a mandate to continue to work for MICKEY LELAND.

Mr. Speaker, again, I want to thank the gentleman from Texas for holding this special order.

However, before I close, I would like to commend the heroic effort of our colleagues, the gentleman from Missouri [Mr. WHEAT], the gentleman from New York [Mr. ACKERMAN], and the Sergeant at Arms, Jack Russ, in leading the gallant mission to bring MICKEY back home. Again, I want to thank my friend from Texas for yielding.

Mr. DELAY. I appreciate the gentleman from Georgia.

Mr. Speaker, I yield to the gentleman from American Samoa [Mr. FALEOMAVAEGA].

Mr. FALEOMAVAEGA. Mr. Speaker, I thank the gentleman from Texas for giving me this opportunity to pay special tribute to my friend, MICKEY LELAND.

Mr. Speaker, MICKEY LELAND is the main reason why I was invited to serve as a member of the House Select Committee on Hunger. In the short time that I knew him, I came to respect MICKEY as a humanitarian of the first order; he was a person who got in among the people. He wanted to know why things were, as they are, and what could be done to make them better; he wanted to know what problems existed while ready to do whatever was necessary to facilitate change. On the one hand, he worked at the highest levels of government to pass laws and implement policy to change the plight of hungry people around the world.

Among the main driving forces in the life of MICKEY LELAND were the activities of the Select Committee on Hunger, and its impact on hunger, malnutrition, and health of the poor. This drive involved not only remote areas around the world, but included the poor and hungry living on the outer fringes of American society.

MICKEY LELAND became involved with the issues of the poor while studying to become a pharmacist. As the prime mover in the Congress to fight hunger and malnutrition, his efforts eventually led to the establishment of the House Select Committee on Hunger in 1984, of which he served as its first chairman.

My first real opportunity to know MICKEY was during the Colonius hearings held in Texas during May of this year. It was during this time that MICKEY, Congressman BUSTAMANTE, Congressman ORTIZ, and myself shared personal feelings and experiences with the local community. MICKEY LELAND, like some of us on the Hunger Committee, came from humble beginnings and grew up under difficult circumstances. The difficulties in his past never diminished his compassion and concern for the poor and the needy. I believe this is the most important legacy and challenge MICKEY LELAND left to all of us. This was the MICKEY LELAND I came to know and appreciate. This was the MICKEY LELAND known by many.

I extend my most sincere condolences to MICKEY's wife Alison and son Jarrett, for the loss of a loving husband and father. To the House of Representatives for the loss of a loved and respected colleague. To his fellow advocates in the struggle against racism, discrimination, and bigotry—and to the needy and poor—we've lost one of our greatest supporters. And, to the hungry of the world—we've lost a trusted friend.

Mr. Speaker, I was touched by the letter from my distinguished colleague from Texas, Congressman JACK FIELDS to MICKEY's son Jarrett, and would like to submit it to be made a part of the RECORD.

[From MidWeek Roll Call Aug. 31, 1989]

"JARRETT, I LOVED YOUR DAD"

(The Northeast News, a Houston area paper, asked Rep. Jack Fields (R-Texas) to share with its readers some personal recollections of Rep. Mickey Leland (D-Texas), who died in a plane crash in Ethiopia Aug. 7. Fields, a conservative, and Leland, a liberal, represented contiguous districts and, despite their ideological differences, had become close friends.)

(Fields replied to the News's request in the form of an open letter to the late Congressman's son, Jarrett, age three. We reprint the letter below in its entirety:)

DEAR JARRETT: Over the last several days, many people have expressed sadness that your father is no longer with us. President Bush, neighbors and friends back in Houston, Members of Congress and many of those he tried to help in Africa have explained how your father's life touched their lives, and have said how much they will miss him in the future.

Jarrett, you have lost a loving father.

Your mother has lost a supportive and loving husband.

Houston, and our country, have lost an effective leader who cared deeply about issues that others chose to ignore.

I have lost a very good friend—a friend who touched my life as very few people ever have. Your dad made me think—and he made me laugh, as well. In the last week, the news that I won't be seeing your father any more has made me cry.

Jarrett, when I first entered Congress—two years after your dad came to work here—I assumed that he and I would be enemies at worst and strangers at best. Your dad and I disagreed on many things, and I expected us to be fighting all the time.

In early 1981, we appeared on the same television show to talk about the country's new president, Ronald Reagan. Your dad was pessimistic, while I was optimistic, about what he would do for our country. Your father and I argued bitterly, and during that half hour I decided that I really didn't like your father.

For a couple of years after that, we had little contact with one another—until we were forced to spend time together on the same "red-eye" flight from Houston to Washington, via Atlanta. "Oh, Lord," I remember thinking, "I hope he doesn't sit next to me." But sure enough, his seat was next to mine. And as our plane lifted off the runway of Houston Intercontinental airport at one o'clock in the morning, I settled in for what I knew was going to be the worst night of my life.

But Jarrett, somewhere between Houston and Atlanta, as your dad and I talked, we discovered that there were many interests we shared—things like athletics and action movies. Maybe for the first time, we put politics aside and talked instead about our backgrounds, our families and our dreams for the future. By the time we landed in Washington, we weren't friends—but we weren't strangers any longer. And after that flight, day by day, we got to know one another better and like one another more.

During committee hearings, your dad would often come over to me and tell me jokes, or ask about my family. From time to time, he'd walk into my office—or I'd visit his—and we'd share a diet Dr. Pepper and tell one another stories. We'd finally become friends.

We had become good enough friends that I felt comfortable calling your dad whenever the ditch in front of my grandmother's house in Denver Harbor was clogged; your dad would call his good friend, Councilman Ben Reyes, who'd take care of the problem. We'd become good enough friends that I asked your mom and dad to attend my wedding. We'd become good enough friends that your father adopted me as his basketball coach, and he used to tell people how strange it was that a "pudgy white guy" was teaching a black guy how to play basketball in the House gym.

It was after one of those basketball games that your dad and I first talked about God. Your father said that he felt God had given him a mission, and that come what may, he was going to carry out that mission as best he could. Jarrett, I hope you will align yourself with God, and ask him to guide you on your mission in life. You need only remember your father to know that with God's help, you can overcome any obstacle and achieve any dream.

Your dad and I shared many private moments. But the moment that I'll always hold most dear is the night we went to see Honey, I Shrunk the Kids. After the movie, as he hoisted you up on his broad shoulders, he told you to call me "Uncle Jack." At that moment, your dad wasn't focused on the problems of world hunger or homelessness—problems he devoted years to his life to solving. Instead, he was totally focused on you, and I could tell that he was so proud of you.

Your dad often told me that the biggest sacrifice that he made serving in Congress was being away from you and your mother so much of the time. He said that it was an even greater sacrifice when he had to travel overseas, sometimes for weeks at a time, to learn more about issues important to him. I know he meant it. Just days before I saw him for the last time, your dad shared with me the news that your mother was going to have another baby—that you were going to become a brother, I saw how excited he was by the news, and he said that it only made him more determined to do all that he could to make the world a better place for you and your brother, or sister, to grow up in.

Your father worked hard in Congress to bring about that kind of better world. Just by being the kind of man he was—by setting an example for others to follow—he inspired others to work for the same goal of a better world.

One of the few times I ever saw your dad angry was when some Hollywood executives came to Washington to testify before a committee on which he and I served. Your dad scolded them about the negative way blacks were portrayed in many movies. He was concerned that there be proper black role models in movies and in all segments of society. Your dad was the kind of role model who motivated—and will continue to motivate—young black Americans for many years to come. Working with him on the Houston Crackdown campaign inspired all of us who serve in that organization. He was determined to steer young people away from drugs to inspire them to do their best in school, to encourage them to work hard, to challenge them to overcome disadvantages and to motivate them to achieve greatness in their lives—as he himself had done.

I didn't write you this letter to tell you about Mickey Leland the political leader, I wanted to tell you something about Mickey Leland the man. While I didn't always agree with your father, I came to respect him as a forceful advocate for those ideas he believed in—and I came to truly love him as a personal friend. Maybe that says a lot about our country—that a conservative Republican and a liberal Democrat can become friends in spite of their differences.

Jarrett, I loved your dad. I wish so much that you were just a little bit older so that you could have known him better, and so that you could understand why so many of us respected and admired and loved him.

Jarrett, I promised you that I'll always be here for you to tell you of your father's greatness, his achievements, his compassion and his genuine concern for other people. Your father touched my life in a very personal way, and I'll never be quite the same again. I'll miss him very much.

Love,

JACK.

□ 1930

Mr. DELAY. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. GUARINI].

Mr. GUARINI. Mr. Speaker, I rise with both sadness and hope in joining my colleagues in tribute to MICKEY LELAND.

Sadness—because we have lost a good friend who truly lived to make the world a better place.

Hope—because his dreams live on: in the hearts of those he touched, in the generosity of spirit that guided his life and motivated his work.

Robert Kennedy often quoted a line by George Bernard Shaw: "Some people see things as they are, and ask why. Others dream things that never were, and say: 'Why not?' "

This is the spirit of MICKEY LELAND—who saw hunger, poverty, illness, and war and said: "This is wrong. We have to do something."

When he met the hungry, he tried to feed them.

When he met the poor, he tried to lift them.

When he met the ill, he tried to heal them.

When he met those who were bloody and battered by the violence of war, he extended the hand of hope armed with the force of logic and the ancient vision of a world at peace.

His life was enriched by friendship and empowered by faith. He deeply believed in working together. He built bridges between people, between parties, between races, between religions, and between nations.

He helped the favored and fortunate learn about hunger; he helped the mighty learn that human rights should be honored everywhere; he helped blacks, whites, and Hispanics learn about each other; he helped us all learn the true meaning of public service and love for each other.

He was moved by the innocent eyes of a starving child, who reached out for kindness and love. He was moved by the tortured soul of political prisoners, who reached out for simple justice. He was moved by the idea that America stands for something special, something important, something unique. He was moved by the idea that good and decent can make a difference, and that good and decent people must try.

He was moved, and we were moved. He asked so little, and gave so much. He died as he lived: on a mission of mercy.

So we say a prayer for you, MICKEY LELAND for Alison and your family.

Your dream lives on, your light still shines, and we will not forget you. Your strength and your inspiration will be sorely missed.

Your passing is not an end, but a beginning. Our sadness is tempered by your commitment. Our sorrow is tempered by your resolve. Our pain is healed by a strengthened call to conscience. And we are reminded again—as you knew all along—that here on Earth, God's work must truly be our own. May God be always by your side. Farewell.

Mr. DELAY. Mr. Speaker, I thank the gentleman for his comments.

Mr. Speaker, I yield to the gentleman from New Jersey [Mr. PAYNE].

Mr. PAYNE of New Jersey. Mr. Speaker, the absence of our friend and colleague MICKEY LELAND is felt profoundly both in the corridors of Congress and in remote villages halfway around the world.

MICKEY was that rare person who had a boundless capacity to give to all those around him. When help was needed, MICKEY was there. He was there for his family, his colleagues, his constituents, his friends, above all, he was there for the powerless and dispossessed, working tirelessly to improve their plight. In a day and age when others measure success in purely materialistic terms, MICKEY's most satisfying reward was the glimmer of hope reflected in the faces of the hungry and homeless, the poor and the sick.

Last August, when I was seeking election to the House of Representatives, my father and I happened to be in Hawaii at the same time MICKEY and his wife Alison were there. I had long respected him for his outstanding leadership and I was grateful that he took the time during our visit to offer me advice and encouragement. My dad passed away earlier this year and MICKEY wrote me a beautiful personal letter expressing his condolences and about his joy at meeting my father.

After I became a Member of Congress, I had the opportunity to have many discussions with MICKEY about issues in which we shared an interest. He wanted to know about my work with the World YMCA Refugee and Rehabilitation Committee and UNICEF and my visits to Ethiopia, particularly during the drought of 1973. We talked about efforts to address hunger in the Sudan. The last time I spoke with him before we left for the August recess, the topic of discussion was the plight of Ethiopian Jews. MICKEY expressed his determination to help them resolve their situation.

He was a great Congressman to his own constituents, but he also took a personal interest in the problems that other Members experienced in their districts. He served on the Committee on Post Office and Civil Service, and when I told him about the threatened closing of a post office in my hometown of Newark which involved thousands of local jobs, he offered to help.

I traveled to Houston about a week ago with the Education and Labor Committee for a hearing on legislation to protect the handicapped, the Americans with Disabilities Act. One after one, each witness spoke with pride of the contribution that their Congressman, MICKEY LELAND, had made to their cause.

Because of the way he lived his life, MICKEY will remain in our midst for years to come. He represents the very best of humanity. I am reminded of the words of the great American author, William Faulkner, who spoke of the ultimate triumph of man:

He is immortal, not because he alone among creatures has an inexhaustible voice, but because he has a soul, a spirit capable of compassion and sacrifice and endurance.

Mr. DELAY. Mr. Speaker, I yield to the gentleman from California [Mr. MINETA]

Mr. MINETA. Mr. Speaker, I would like to thank our colleagues from Texas for calling for these special orders.

Mr. Speaker, 3 weeks ago, many Members of this body along with many more family and friends gathered in Houston to honor the memory of our fallen colleague, MICKEY LELAND. The grief we shared with his family and friends that day was very real and genuine, for so was this man.

Today, our loss and the loss to his family, friends and neighbors demands that we speak of all the good which could not be spoken of MICKEY LELAND in the brief time we shared in Houston.

Other Members of the House who shared committee assignments with MICKEY LELAND were more fortunate than I; they were able to know and enjoy his wit, his intelligence, and his dedication daily, in each of his congressional assignments. But I, too, consider myself fortunate for having known MICKEY LELAND, my friend and colleague.

MICKEY LELAND will always be remembered for his determination to help eradicate the poverty of hunger. But were we to remember this and nothing else, we would have ill-served his true legacy as Member of this body, and as an American.

Although he was known the world over for his stewardship of our Select Committee on Hunger, MICKEY LELAND was known in Houston as someone who never forgot the needs of his neighbors.

MICKEY LELAND served all those he represented. He served them as only the finest among us will; by seeing their needs, by feeling their aspirations, and by ensuring that these were incorporated into the laws we enacted here in Washington, DC.

MICKEY LELAND fed the hungry in more than a physical sense. He helped feed hungry minds and ease hungry souls. He worked to better our schools so that no one would be denied the personal and professional fulfillment that comes with an enlightened education. He worked tirelessly to protect and enhance our civil rights so that no one could be denied their personal justice under our laws.

Mr. Speaker, it is impossible for us to know the inner joy MICKEY felt in his campaign against these forms of hunger. But we can each be assured that joy is what he felt.

In each of his pursuits, MICKEY answered to a calling higher even than that of the office he held with such distinction; he answered to his conscience, and he answered to his God. And in this we can too be assured that he died doing what he needed to do to serve his fellow citizens of Houston, of the United States, and of our very small and fragile Earth.

Mr. Speaker, 100 years ago, another Member of this Chamber stood before a group of citizens and spoke of the charge and responsibility of being an American. He said:

Let every man honor and love the land of his birth and the race from which he springs and keep their memory green.

When Henry Cabot Lodge, a Republican, spoke this thought, he could have wished for no finer representative of his ideal than MICKEY LELAND, a Democrat.

Throughout his travels, MICKEY LELAND brought honor and dignity to the United States, without qualification. MICKEY LELAND was an American in the truest and most noble sense.

And yes, MICKEY LELAND did honor and love his race, again without qualification—for his race was my race, and your race and our race. It was—and it is—the human race.

Mr. Speaker, MICKEY LELAND will be missed by all those who knew and loved him as well as those who merely knew of him. But he will be missed most of all by those who knew and loved him best.

I join my colleagues in extending our deepest condolences to MICKEY's wife Alison, to his son Jarrett, to his new unborn child, to his mother, Mrs. Alice Rains, and to his brother Gaston. We share their grief, and we wish them great comfort in the knowledge that MICKEY LELAND will live on in the work he did and in the example he set.

Mr. DELAY. Very well said.

Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. FOGLIETTA].

Mr. FOGLIETTA. I thank the gentleman for this opportunity to come before the House to talk about my friend, MICKEY LELAND.

In 1984 MICKEY walked up to me on this floor and asked me if I would like to take a trip to Ethiopia with him. This was before the newsreels were showing some of the famine in that part of the world.

I, along with other Members, took that trip. And what I saw, as I got out of Addis Ababa and into the refugee camps, what I saw there devastated me. If you could possibly imagine looking over fields as far as you can see covered with literally tens of thousands of human beings, men, women and children, starving to death. The saddest part of all was the children.

BILL EMERSON, who was there with me, can vouch for the fact that it was almost a miraculous setting to watch MICKEY LELAND walk out onto those fields of starvation among the literally tens of thousands of children—and I do not exaggerate, you could not see the ground, you could not see anything for the thousands of children who were out there—and they were hopeless before he walked out. But MICKEY walked out with that smile of his, reached out to those children and he danced with them, he sang with them, and in a few minutes he had literally thousands of young people laughing, smiling, singing along with him. He was the pied piper of hope for those people.

When we returned to the Capital he rounded up some of the colleagues, BILL EMERSON, MARGE ROUKEMA, myself, and we went over to the White House, walked over to the White House and asked to see the President.

Again, miraculously, the President saw us.

We sat around the table and each of us told about what we saw in Ethiopia. The President reached over and picked up the phone and released 350,000 metric tons of food for the poor in Ethiopia.

That probably was the greatest privilege that I have ever had in my life, to be associated with MICKEY LELAND in bringing food to the thousands of hungry people of Ethiopia.

Yes, he asked me, and I am sure he asked many of his colleagues this time to go over with him again. I was contemplating doing that on the Friday of the last week of our session, and he walked over to me right here and said, "Brother, are you coming with me?" And I said, "Mickey, I have to have some minor surgery. I do not think I am going to do it."

He said, "OK, you will make the next trip with me."

Whenever one of us, whenever any Member of this House, Republican or Democrat, does anything to help the poor find housing, to help the hungry get food, to help those who need medical care get medical care, whether it is in Ethiopia, whether it is in the Sudan or whether it is urban America, we will be taking that next trip with MICKEY LELAND.

ORDER OF BUSINESS

Mr. EMERSON. Mr. Speaker, I ask unanimous consent that if there are others who have reserved special orders, who are not present and claiming them, that my special order be moved to this point in time.

The SPEAKER pro tempore (Mr. MCDERMOTT). Is there objection to the request of the gentleman from Missouri?

There was no objection.

ADDITIONAL TRIBUTES TO THE LATE HONORABLE MICKEY LELAND

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Missouri [Mr. EMERSON] is recognized for 60 minutes.

Mr. EMERSON. I thank the Speaker, and I yield to the gentleman from Mississippi [Mr. ESPY].

Mr. ESPY. Mr. Speaker, I thank the gentleman from Missouri, the ranking member of the Select Committee on Hunger, for yielding to me.

I would also like to thank the gentleman from Texas [Mr. BROOKS], chairman of the Texas delegation, for taking the time to give us the chance to reflect on the great contributions of our colleague and our friend and for so many of us a mentor, MICKEY LELAND.

His death and the death of the 15 others on that plane, on that Ethiopian mountainside, will mean that the world has lost some of its generosity and some of its love.

MICKEY was one trying to feed and shelter millions. He was living out his faith. Even as he died, he was reaching out to thousands and thousands. It has been said, Mr. Speaker, that service to humanity is the rent that we pay for our space here on Earth.

We certainly know that MICKEY's rent was paid in full.

Mr. Speaker, the 18th Congressional District of Texas gave us this magnificent leader and allowed us to share his generosity and his spirit. He lived out the spirit of the Bible that "They shall hunger no more, neither thirst any more nor be without shelter or suffer sickness." It has also been said, Mr. Speaker, that although the dream might die, the dream surely shall endure.

With his death we should make it our business that those who would have benefited will still receive help and will still benefit. In this country alone an estimated 32.5 million people live in poverty. In his memory we should make them our business.

Of all those in our country, the most susceptible to poverty are our children and in his memory we should make that and them our business.

It has been estimated that nearly 50 percent of our children born in the United States, by the year 2000 will have spent part of their life in poverty. In his memory we should make them our business.

In homes without running water, in homes without window panes, and those without homes, in his memory we should make them our business.

Worldwide the number of people starving and hungry is hard to ascertain, Mr. Speaker, but literally millions are in the Sudan and in Ethiopia and in Somalia and in Mozambique and Angola; and in his memory we should make them our business.

□ 1950

These statistics moved MICKEY LELAND to dedicate his life to helping the poor, hungry and homeless. He reached out to all nationalities and all races. His kibbutz program, which allowed young black children to go to Israel, was developed with the spirit to end the prejudice between Jews and

blacks. I am aware of that program, Mr. Speaker, because under the auspices of the MICKEY LELAND Kibbutz Foundation I sent students to Israel, and I remember that day, the day of the briefing and the day of the orientation he showed up personally in Yazoo City, MS. I said, "MICKEY, you didn't have to come, you could have sent someone else. There are only 18,000 people in this town, and only 10 children going to Israel. Why did you come?" He said, "MIKE, simply because I wanted to. Simply because I had to." That was MICKEY LELAND.

His relentless service should only move Members to be as human and as caring as he. Mr. Speaker, I am going to miss him as a colleague, but mostly as a friend. I offer my prayers to Alison and to Jarrett, and to Mrs. Rains, and to his brother, Gaston. His life challenged all, and we just have to tell him because we know that he is looking down at Members today, that we are going to meet that challenge.

Mr. EMERSON. Mr. Speaker, I thank the gentleman for his beautiful statement. I yield such time as he may consume to the gentleman from New York [Mr. MRAZEK].

Mr. MRAZEK. Mr. Speaker, I remember coming home with my kids from a fishing trip in Long Island Sound when my wife told me that MICKEY was missing in Ethiopia. I immediately remembered speaking to him in the gym after we had played basketball, just a few days before he left. He was telling a couple of Members how his family was worried about him, and how he felt badly about it. Someone said to him, "Well, MICKEY, you are doing God's work." He shrugged and he said, "Well, I only know that I have got to go." Then he looked up at me with a wicked smile that he had and he said, "Do you want to go?" I immediately declined. Who would want to go? I have seen people starve to death before. Who wants to go to a place where a person smells the stench of death in those camps, where mothers come up to a person, holding babies that are ready to die, pleading for you to save their baby? The obscenity of it. Who would want to see it?

For that long, horrible week that he was missing, I thought of him somewhere in that desolate land of those God-forsaken people, and I remember spending that whole week on those long, marvelous summer afternoons on the north shore of Long Island, sailing and swimming with my kids, and then I would think of MICKEY LELAND, I would feel sort of guilty first about the fact that I was enjoying life so much this summer with my own children, and then I would say a prayer that was basically the same kind of prayer, saying, "Suck it up, MICKEY, hang in there, I know you are alive out there." He was one tough son of a gun.

However, he was not alive. When we heard that he had died, I rememberd the good times we had shared, the nights he had hosted some Members in Houston when we went to this country-and-western place and he spent a good half hour after we walked in talking to a guy who shined boots in that place, and who he had gone to school with, catching up on old times with someone he viewed just as good a friend as a lot of people he had known in his life, and I remember him trying to teach my wife the Texas two-step and failing, and I remember this remarkable force of energy about him that was a sort of a force field, and it was kind of magical, and boy, it could melt down the opposition of somebody, no matter how strongly opposed to his views they might have been. I remember his enjoyment of life. Lord, he enjoyed life. I remembered his refusal to accept the fact that the richest and most powerful Nation in the history of this world could not do more to help the millions of children who starved to death on this planet in their mothers' arms each year. Of course, we now know for tens of thousands of Sudanese and Ethiopian refugees, it was MICKEY LELAND that personified the best, that is what I think is when us as a nation, the great heart that we show when a terrible calamity can engulf other people on this planet, and Americans rise to their help, but it was MICKEY's extraordinary quality that when the headlines began to fade on the famine crisis, and a new calamity brushed Ethiopia off the headlines in the world stage, MICKEY was still there, still driven on a mission to see that the people that he had come to know and love and to ask so little from him, would know that he had not forgotten them, that he would keep coming back, until they no longer needed him.

Those Members who are still here, and to recognize what he sacrificed his life for, it is our responsibility to see that mission continues, and I know that together we shall. MICKEY will always live in the hearts of those Members who are privileged to know him.

Mr. EMERSON. Mr. Speaker, I yield to the gentleman from Connecticut [Mr. SHAYS].

Mr. SHAYS. Mr. Speaker, MICKEY LELAND is so deserving of this beautiful tribute here tonight. I am grateful for this opportunity to add my voice to those who have already spoken here.

As a new Member of this Chamber, I do not pretend to have been a close personal friend of MICKEY LELAND, but I looked forward to getting to know him better. He was just someone who stood out because of his genuine goodness. His life touched so many lives around the world, and in the brief contacts we had, he left a lasting impression on me. I saw a kind, strong, motivated legislator, a wonderful citizen of America who knew he was making a difference.

On behalf of my family and my staff and the people of the Fourth Congressional District in Connecticut, and particularly on behalf of the people of the three urban areas I represent, Bridgeport, Norwalk, and Stamford, I want you to know, MICKEY LELAND, that you are so loved and you are so missed.

Mr. EMERSON. Mr. Speaker, I thank the gentleman for his remarks. At this time I yield to the gentleman from Missouri [Mr. WHEAT].

Mr. WHEAT. Mr. Speaker, I would like to thank my friend and colleague from Missouri for yielding to me.

I especially appreciate the opportunity to talk about my friend and his, MICKEY LELAND, and I know this is a difficult moment for him as much as he accompanied MICKEY LELAND on so many of his trips to faraway Ethiopia, and that he worked hand in hand with MICKEY on the problem of hunger and starvation.

It is true that MICKEY was a great man who worked for monumental changes, but it is the real acts of friendship that will make me smile when I remember MICKEY.

I knew MICKEY LELAND before I came to Congress. In fact, he was one of the people who helped me get here. His willingness to be a friend and adviser at a time when I did not really know what running for Congress was all about was all important to me. In fact, MICKEY helped teach me how to campaign.

□ 2000

Mr. Speaker, when I first explained to MICKEY that I was having difficulty getting people to stop and listen to me, he devised my most successful campaign technique, an old MICKEY LELAND special. It involved getting on a crowded bus, and making speeches and shaking hands with people who were literally trapped and had no escape.

From the day I showed up in Washington when MICKEY let me sleep on his sofa he was always there for me. Whether he was successful or not, he tried to guide me through the perils and pitfalls that await every new Member of Congress.

However, more than helping me with the mundane details of everyday life in Congress, MICKEY was there to supply a broader vision when mine was too narrow.

When I admired the cultural exchange program that MICKEY had established to send Houston's inner-city youth to Israel, he insisted, he did not ask, he insisted, that I create a similar program for children in Kansas City, though I doubted my own ability to do so. And I did encounter difficulty, especially in coming up with the financ-

ing for the trip for Kansas City children. When I encountered that difficulty, I went back to MICKEY, and MICKEY raised the money. It was a year before I discovered that the funds that had been used were MICKEY's own.

His great compassion for others was matched only by his unbounded capacity for joy, and we all often saw MICKEY joyous. I do not think I ever saw any greater joy on any man than the day MICKEY first brought his son, Jarrett, to the floor of the House of Representatives. Of course we all recognized Jarrett because for several weeks before his appearance we had been shown photographs of his brand-new son. Here in Washington, DC I had the opportunity to see the love and the commitment that MICKEY had for his constituents, his friends, and his family.

However, Mr. Speaker, I saw the depth of his commitment and love for all mankind in faraway Ethiopia, and MICKEY's love for Ethiopia was not an unrequited love, for the people of Ethiopia loved him and needed him just as dearly as he cared for them. I was struck that everywhere I went in Ethiopia that I would be stopped by Ethiopian citizens who would ask me, "Are you here for MICKEY?" Each one would recount a tale of when they first met MICKEY or when they first heard of MICKEY's work in Ethiopia to help save their starving nation, and they all prayed that MICKEY and his crew would be found alive.

Mr. Speaker, it was not just the people of Ethiopia or of Africa that MICKEY loved. He loved people everywhere, and that is why he described himself as a citizen of the world, and the people that he loved best were the children, children all over the world.

Mr. Speaker, it was his dream that no child anywhere would starve ever again, and MICKEY, who so loved children, had the heart of a child. This does not mean that MICKEY could not see that the world's problems were complex problems and that they took complex solutions; he helped to devise those complex solutions, but it did mean that he never lost sight of simple truths such as if children are hungry, then they need to be fed. He understood this truth.

However, Mr. Speaker, he was frustrated by the fact that he could not get enough people to pay attention to the fact that children in the world were starving. I believe that he cared so much that, if he had been told that he could make the world stop and take notice of hungry children, but that in order to do so he would have to get on a plane destined for tragedy, that MICKEY would have smiled and gotten on that plane anyway.

It is our habit in Congress to honor fallen Members with a memorial of some kind. Sometimes it takes the form of a physical monument. Sometimes it is in the form of a policy or program. But no memorial to MICKEY LELAND will be sufficient except that we work to fulfill his dream, and when we do and whenever a child is saved anywhere, MICKEY LELAND will smile at us again.

Mr. EMERSON. Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. Mr. Speaker, I thank the gentleman from Missouri [Mr. EMERSON] for yielding and for helping to organize this very important and appropriate tribute to the late MICKEY LELAND, our friend and our colleague.

Mr. Speaker, MICKEY LELAND was a very special person, and I think that comes through in all of the comments that people have made about him. All of us who got to know MICKEY felt that way and felt that way immediately about him, and that feeling only grew over a period of time.

Mr. Speaker, MICKEY was generous, he was friendly, he was open hearted. He loved people of all races, black and white. He loved people of all faiths, Jewish and gentile. MICKEY was a fighter for those who were less fortunate than himself or than us, not only in our country, but everywhere.

Mr. Speaker, MICKEY knew poverty, MICKEY knew deprivation, MICKEY knew suffering, for he had lived in poor neighborhoods. He lived among poor people, and his commitment to help people who had less than he was truly awesome.

I traveled across Africa with MICKEY LELAND earlier in my career in Congress to a number of countries. We flew across the plains and mountains of Ethiopia, and those images of that incredibly rugged terrain came back to me forcefully when I heard MICKEY's plane was missing. All of us hoped that MICKEY and his crew and companions would survive. Knowing of his resourcefulness we felt optimistic. We felt optimistic, too, as we waited for the news.

Mr. Speaker, that was dangerous terrain, and I was well aware of the dangers and the risks that MICKEY LELAND assumed as he brought help and hope to those who were hungry and were suffering in that unfortunate wartorn, ravaged land. Those of us who traveled and worked with MICKEY on those trips saw firsthand his commitment to that cause.

Mr. Speaker, it was a privilege to know MICKEY LELAND, and it was a privilege to work with MICKEY LELAND. All of us must continue his work to help alleviate hunger, not only in America, but in Africa and other countries where people suffer.

To mourn MICKEY LELAND's death and to celebrate his life we are holding a special event in Milwaukee, WI, on September 24 at 2 p.m. in the afternoon at city hall. Congressman ALAN WHEAT, who we heard from a minute ago and who helped find MICKEY's plane, will be there, the mayor of Milwaukee will be there, and other leaders in our community will be paying tribute to MICKEY LELAND. We are asking people who come to that event to bring food or other forms of help to in fact alleviate hunger in our own community where there is hunger still. I can think of nothing more important and by way of tribute to MICKEY LELAND than to continue his work to help the hungry in our own community and beyond our own community, and that is what we will be doing on September 24 in Milwaukee.

Mr. Speaker, all of us in Congress who loved MICKEY LELAND join in expressing our sad condolences to his wife, Alison, to his mother, Mrs. Rains, and to other members of the family. I can think of no Member of this House that has left us who leaves a stronger legacy of commitment to helping others and who will be more missed than MICKEY LELAND, and I think that, no matter how long we serve in this body, we always will have before us the memory and the example of MICKEY LELAND as a proud, and brave, courageous, committed, friendly and warm-hearted generous person.

Mr. EMERSON. Mr. Speaker, I thank the gentleman from Wisconsin [Mr. MOODY], and I yield to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Speaker, I thank the gentleman from Missouri [Mr. EMERSON], and let me say that, at least when I came to this body, I came from a little corner in the world, Brooklyn, NY. I had not done much traveling around the country, and serving in Congress is an amazing experience for someone such as myself. It really makes you into a patriot because you see people from all different parts of the country, from all different walks of life, and you say to yourself, "What good people these are," and the second thing that becomes apparent is that the Founding Fathers set it up so that this body mirrors the American people.

□ 2010

That, too, makes you a patriot, because you say that if the people in this body are so good and they represent the American people, what a great people we really have.

Sometimes when I am back home and resting, relaxing, away from here, particularly on breaks, I think of some of the people I really admire in this body, people who come from one corner of America or another and are just outstanding individuals. One of the people I always thought of, and still think of, is MICKEY LELAND. MICKEY was a friend. He was part of our inner group. I still picture him at

the table, laughing, joking, being insouciant, no holds barred. MICKEY had no holds barred. He said what he thought and his thoughts were so sincere and decent and honest, and yet tough and incisive, that he did not have to fear always saying what he thought.

I think of MICKEY sitting at that table and I say to myself, what a loss. It is a personal loss for me. It is a loss for this body. It is a loss for America, but the thought of MICKEY, as is apparent tonight, will stay with us.

You come across many, many people in politics and you make their friendship and acquaintanceship. Unfortunately, one of the bad parts of this business is that you meet people who pass on, and because you meet so many people, sometimes you do not think of them very often. It is already clear to me, at least to this Member and I am sure it is true of just about every Member, every one of us is going to turn our thoughts to MICKEY over and over and over again, not only a week after he died, not only a month after he died, not only even a year after he died, but decades after he died. If every time we turn our thoughts to him and we picture that smiling, joking, challenging face and it gives us a little more strength to do our jobs, then MICKEY will not have died in vain.

To the Leland family, our condolences and wishes of strength and a good life, as best a life as can be had ahead.

To MICKEY, I will miss you. I do already.

Mr. EMERSON. Mr. Speaker, I yield to the distinguished gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Speaker, I thank the gentleman from Missouri for yielding to me and for conducting this special order.

We could do this special order in installments every night for the next week or month, put aside another hour or 2 hours and Members would keep coming down here to the floor to talk about MICKEY LELAND.

Now, the greatness of MICKEY, I think, is that almost all of us remember him in one way. Even as we were there standing in the church, looking at the crowd gathered for the funeral or thinking about the tragedy that befell him, there is one thing that always keeps coming back to us, and that is we can see MICKEY LELAND smiling at us and it continues to bring a smile to my face, because that in the end is my memory of MICKEY, a smile, a guy that in the middle of no matter how bitter or how absolutely confrontational the battle that we might have been in, whether in the Energy and Commerce Committee or some bill out here on the floor or someplace we were at the height of the battle, I would look over at MICKEY and MICKEY would wink at me and give me his little smile and then he would go back into battle again.

The beauty of MICKEY was that he had the same spirit, the same thing that lit up the fire in his heart, lit up the twinkle in his eye, and he had both burning full time all the time.

Why I love MICKEY so much is that it did not make any difference whether you were in battle or trying to have a good time, MICKEY was living life to its fullest.

For 11 years, I had the honor of sitting next to MICKEY LELAND in the Energy and Commerce Committee, on the Telecommunications Subcommittee, and we worked on so many issues over so many years that I cannot even begin to count them. If I had to stand hear and recite a litany of all the issues that were changed, all the affirmative action gains that were made, all of the public policy modifications that he affected during all those years that I sat next to him, we would be here for 2 days, because that is how good he was, and he did it almost effortlessly.

When MICKEY came over to visit you and to ask you for something, there was only one answer you gave, and it was, "Yes, I will do that for you, MICKEY."

He had a personal magnetism that transcended whatever significant legislative skill he had in understanding and explaining legislation. It was this gift of people. Everyone who knew him, everyone who met him, came to love him, even those who disagreed with him on the issues, because they knew that this was a special person.

Out on the floor of the Congress, all of us look up at the board to see how people are voting. We try to look around and check with different people who come from our home States or ideologically might agree with us or disagree with us to kind of get our bearing on how it is we ought to be voting on a particular vote. I used to look up at MICKEY's vote to see how he voted, for one very good reason. I always wanted to know what the right vote was. I always wanted to know what I would do if I was going to do the absolutely right thing, because that is what MICKEY did on every single vote. He tried to do the right thing, not the political thing, not the compromise thing. He tried to do the right thing, and everybody in this body knew it and they respected him for it.

Although we will all miss him and although we all loved him very much, I think that his memory lives on in all of us, because he served as a shining example of what a Congressman should be; but more than that, what a human being should be, because every day he gave us an example of how someone can help other people.

He never accepted the notion that there were things that people had to resort to if they were going to be successful and therefore compromise what it was that they stood for initially. He held to his principles and he brought others over. He convinced people there was a right way of doing it. It was not in a way that said you had to do it today or you had to do it tomorrow. It was that, "I'm going to keep working on you and move you to a point where you are going to start working in a way that I think makes sense for this planet and this country."

So I was thinking tonight that I would stand here and just tell my five funniest MICKEY LELAND stories, which would be pretty interesting stories, going from the time that we went to the America's Cup together, to the time that MICKEY and I began learning skiing, which was an interesting experience. It always kind of bothered me that the black guy from the fifth ward of Houston learned it much more quickly than I did, because we were taking on these constantly quintessential white sports, yachting and skiing, but that was MICKEY. No matter where he went, no matter what he did, he always did it better than anybody else, and everyone knew it immediately, and he always did it with a smile on his face.

So I thank you, MICKEY for that smile and I thank you for all of the times for as long as I long as I live that I will smile when I think of you, because in the end that is my memory of you. It is the smile. It is the happiness that you brought to me and to my life and to Alison and to Jarrett and to the rest of your family.

□ 2020

I know that MICKEY will burn brightly in your memories, and I have a sense that, like me, it will be his smile and his inimitable way of bringing a good time to anything that he touched that ultimately will be the lasting memory.

I hope that as MICKEY's children grow up that they can all come to know all of us and that we can tell them the little stories about MICKEY that make us smile, because in that way I think that we will be able to help them understand why it is that we all lost a great friend, and we all know that one of the great human beings that God ever created has passed from us, but that in many ways he will live forever in all of our hearts.

I miss him. He was one of my best friends.

To Alison and to his family, we love you all very dearly.

Mr. EMERSON. Mr. Speaker, I thank the gentleman from Massachusetts for his very articulate and

moving tribute to our dear friend and colleague, MICKEY LELAND.

Mr. Speaker, I have no further requests for time.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. JONES of Georgia (at the request of Mr. GEPHARDT) for today on account of official business.

Mr. NIELSON of Utah (at the request of Mr. MICHEL) from 4:45 p.m. today through the balance of the week.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special order heretofore entered, was granted to:

(The following Members (at the request of Mr. HEFLEY) to revise and extend their remarks and include extraneous material:)

Mr. EDWARDS of Oklahoma, for 60 minutes, each day on September 20 and 27 and October 4.

Mr. ROTH, for 60 minutes, each day on September 13, 19, and 20.

(The following Members (at the request of Mr. WOLPE) to revise and extend their remarks and include extraneous material:)

Mr. LIPINSKI, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. STARK, for 5 minutes, today.

Mr. SLATTERY, for 5 minutes, September 13.

Mr. LIPINSKI, for 60 minutes, each day on September 13, 20, and 27.

Mr. LIPINSKI, for 5 minutes, each day on September 19 and 26.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HEFLEY) and to include extraneous matter:)

Mr. MACHTLEY.
Mr. GEKAS.
Mr. BROOMFIELD.
Mr. MADIGAN.
Mr. BEREUTER.
Mr. MCDADE.
Mr. SOLOMON.
Mr. LOWERY of California.
Mr. DUNCAN.
Mr. ROGERS.
Mr. DANNEMEYER.
Mr. GOODLING.
Mr. MOORHEAD.
Mr. COURTER.
Mr. GALLEGLY.
Mr. SKEEN.
Mr. HANSEN.
Mr. GREEN.
Mr. EMERSON.
Mrs. BENTLEY.

(The following Members (at the request of Mr. WOLPE) and to include extraneous matter:)

Mr. LEHMAN of California.
Ms. PELOSI.
Mr. DORGAN of North Dakota.
Mr. LEHMAN of Florida.
Mr. TALLON.
Mr. BILBRAY.
Mr. STARK in three instances.
Mr. BUSTAMANTE.
Mr. WOLPE in two instances.
Mr. SMITH of Iowa.
Mr. MATSUI in three instances.
Mr. DINGELL.
Mr. BERMAN.
Mr. LEVINE of California.
Mr. SKELTON in two instances.
Mr. DWYER of New Jersey.
Mr. TRAFICANT in three instances.
Mr. KILDEE in three instances.
Mr. KOLTER.
Mr. LIPINSKI.
Mr. MILLER of California.
Mr. SCHUMER.
Mr. RICHARDSON.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 109, Joint resolution to designate the period commencing September 11, 1989, and ending on September 15, 1989, as "National Historically Black Colleges Week."

ADJOURNMENT

Mr. EMERSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 22 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, September 13, 1989, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1668. A letter from the Secretary of Defense transmitting a report of a violation of the Anti-Deficiency Act which occurred in the Department of the Army, pursuant to 31 U.S.C. 1351; to the Committee on Appropriations.

1669. A letter from the Acting Commissioner of Education Statistics, Department of Education, transmitting the first annual report on dropout and retention rates in the United States, pursuant to Public Law 100-297; to the Committee on Education and Labor.

1670. A letter from the Secretary of Health and Human Services transmitting the Agency for Toxic Substances and Disease Registry first biennial report concerning health assessments and pilot health effects studies; epidemiological studies; hazardous substances, toxicological profiles, and toxicological testing; and registries, pursuant to Public Law 99-499, section 110(10) (100 Stat. 1641); to the Committee on Energy and Commerce.

1671. A communication from the President of the United States transmitting a report on the activities of U.S.-U.S.S.R. Standing Consultative Commission during calendar year 1988, pursuant to 22 U.S.C. 2578; to the Committee on Foreign Affairs.

1672. A letter from the Secretary of State transmitting a report on U.S. policy on missile proliferation, pursuant to Public Law 100-45, section 407(b) (103 Stat. 130); to the Committee on Foreign Affairs.

1673. A letter from the Secretary of Health and Human Services transmitting a report on the fiscal year 1988 Low Income Home Energy Assistance Program, pursuant to 42 U.S.C. 8629(b); jointly, to the Committees on Education and Labor and Energy and Commerce.

1674. A letter from the Secretary of Health and Human Services transmitting a report on manufacturer's prices and pharmacists' charges for outpatient drugs covered by Medicare, pursuant to 42 U.S.C. 1395m; jointly, to the Committees on Energy and Commerce and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 3. A bill to authorize appropriations to expand Head Start programs and programs carried out under the Elementary and Secondary Education Act of 1965 to include child care services, and for other purposes; with amendments (Rept. 101-190 Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 3000. A bill to require that certain fasteners sold in commerce conform to the specifications to which they are represented to be manufactured, to provide for accreditation of laboratories engaged in fastener testing, to require inspection, testing, and certification, in accordance with standardized methods, of fasteners used in critical applications to increase fastener quality and reduce the danger of fastener failure, and for other purposes (Rept. 101-211, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAWKINS: Committee on Education and Labor. H.R. 2742. A bill to extend and amend the Library Services and Construction Act, and for other purposes; with an amendment (Rept. 101-237). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 2642. A bill granting the consent of the Congress to amendments to the Southeast Interstate Low-Level Radioactive Waste Management Compact (Rept. 101-238, Pt. 1). Ordered to be printed.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 2835. A bill to provide for the relocation of certain facilities at the Gateway National Recreation Area, Sandy Hook, New Jersey, and for other purposes; with an amendment (Rept. 101-239). Re-

ferred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 1396. A bill to amend the Federal securities laws in order to facilitate cooperation between the United States and foreign countries in securities law enforcement; with an amendment (Rept. 101-240). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AKAKA:

H.R. 3242. A bill to authorize the Secretary of the Navy to award a Purple Heart posthumously to Salvatore Esposito; to the Committee on Armed Services.

By Mr. ANDERSON (by request) (for himself, Mr. HAMMERSCHMIDT, Mr. MINETA, and Mr. SHUSTER):

H.R. 3243. A bill to amend title 49, United States Code, regarding the collection of overpayments or undercharges on shipments via motor common carriers of property and nonhousehold goods freight forwarders, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. BERMAN:

H.R. 3244. A bill to amend the Immigration and Nationality Act to establish a new nonimmigrant classification for certain alien exporters; to the Committee on the Judiciary.

H.R. 3245. A bill to amend section 204 of the Immigration Reform and Control Act of 1986 with respect to the use of State legalization impact assistance grant funds; to the Committee on the Judiciary.

By Mr. BROWN of Colorado:

H.R. 3246. A bill to require the Secretary of Energy to give States the authority to monitor environmental compliance at certain Department of Energy nuclear facilities; jointly, to the Committees on Armed Services and Energy and Commerce.

By Mr. CARDIN:

H.R. 3247. A bill to amend title 35, United States Code, to impose a 2-year moratorium on the granting of patents on genetically altered animals except for animals the commercialization of which is subject to a Federal regulatory review and approval process; to the Committee on the Judiciary.

By Mr. GOODLING (for himself and Mr. KOSTMAYER):

H.R. 3248. A bill to revise the boundary of Gettysburg National Military Park in the Commonwealth of Pennsylvania, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McDADE:

H.R. 3249. A bill to amend title I of the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to provide for the maintenance of participation and vesting rights of participants and beneficiaries under plans resulting from mergers and consolidations of pension plans, transfers of assets between such plans, and plan substitutions; jointly, to the Committees on Ways and Means and Education and Labor.

By Mr. MOORHEAD:

H.R. 3250. A bill to amend the Immigration and Nationality Act to authorize the Immigration and Naturalization Service to accept volunteer services; to the Committee on the Judiciary.

By Ms. OAKAR:

H.R. 3251. A bill to authorize an additional $25,000,000 for the National Cancer Institute to conduct certain research on breast cancer; to the Committee on Energy and Commerce.

By Mr. PARKER (for himself, Mr. LAUGHLIN, Mr. FAUNTROY, Mr. ESPY, Mr. LEWIS of Georgia, Mr. MONTGOMERY, Mr. TOWNS, Mrs. COLLINS, Ms. KAPTUR, Mr. OWENS of New York, Mr. RANGEL, Mr. DYMALLY, Mr. MURPHY, Mr. STOKES, Mr. FAZIO, Mr. JONES of Georgia, Mr. WYDEN, Mr. HAYES of Louisiana, Mr. MFUME, Mr. ROSE, Mr. JENKINS, Mr. TAUZIN, Mr. COOPER, Mr. HARRIS, Mr. WATKINS, Mr. LEATH of Texas, Mr. FLIPPO, Mr. SARPALIUS, Mr. BROWDER, Mr. ERDREICH, Mr. PAYNE of Virginia, Mr. STALLINGS, Mr. MCNULTY, Mr. MANTON, Mr. RAY, Mr. HUTTO, Mr. STENHOLM, Mr. VALENTINE, Mr. TANNER, Mr. HUCKABY, Mr. JOHNSTON of Florida, Mr. JONTZ, Mr. PAYNE of New Jersey, Mr. ENGEL, Mr. TALLON, Mr. ROWLAND of Georgia, Mr. DYSON, Mr. FORD of Tennessee, Mr. DELLUMS, Mr. SAVAGE, Mr. CLAY, Mr. SANGMEISTER, Mr. GRAY, Mr. HEFNER, Mr. LIVINGSTON, Mr. HORTON, Mrs. BYRON, Mr. THOMAS of Georgia, Mr. EVANS, Mr. FLAKE, Mr. NEAL of Massachusetts, Mr. KENNEDY, Mr. DIXON, Mr. HAWKINS, and Mr. FROST):

H.R. 3252. A bill to provide for the establishment of the Margaret Walker Alexander National African-American Research Center; to the Committee on Education and Labor.

By Mr. ROTH:

H.R. 3253. A bill to repeal titles I and II of the Medicare Catastrophic Coverage Act of 1988; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. ROWLAND of Connecticut:

H.R. 3254. A bill to provide additional funds for programs authorized in the Anti-Drug Abuse Act of 1988 by transferring the funds appropriated for fiscal year 1990 for procurement relating to the B-2 aircraft; to the Committee on Appropriations.

By Mrs. SCHROEDER:

H.R. 3255. A bill to amend the Department of Energy Organization Act to require certain Department of Energy contractors to provide protection to their employees against reprisal for disclosure to an appropriate Government official of information which the employee reasonably believes evidences misconduct in carrying out contracts relating to atomic energy defense activities; jointly, to the Committees on Energy and Commerce and Armed Services.

By Mr. SHAW:

H.R. 3256. A bill to amend the Higher Education Act of 1965 to provide reduced rates of interest under the Guaranteed Student Loan Program to individuals who enter the teaching profession; to the Committee on Education and Labor.

By Mr. SMITH of Vermont:

H.R. 3257. A bill to restrict certain uses of chlorofluorocarbons to protect the ozone layer in the stratosphere, and for other purposes; to the Committee on Energy and Commerce.

By Mr. SMITH of Vermont (for himself, Mr. COLEMAN of Missouri, and Mr. BEREUTER):

H.R. 3258. A bill to establish a critical languages and area studies program; to the Committee on Education and Labor.

By Mr. HENRY (for himself, Mr. ACKERMAN, Mr. APPLEGATE, Mr. BENNETT, Mr. BEVILL, Mr. BILBRAY, Mr. BORSKI, Mr. BOSCO, Mrs. BOXER, Mr. BROOMFIELD, Mr. BRUCE, Mr. BUSTAMANTE, Mr. CALLAHAN, Mr. CARDIN, Mrs. COLLINS, Mr. CONYERS, Mr. COSTELLO, Mr. DARDEN, Mr. DEFAZIO, Mr. DORGAN of North Dakota, Mr. DYMALLY, Mr. EMERSON, Mr. ERDREICH, Mr. EVANS, Mr. FALEOMAVAEGA, Mr. FAUNTROY, Mr. FAWELL, Mr. FLIPPO, Mr. FROST, Mr. FUSTER, Mr. GALLEGLY, Mr. GEJDENSON, Mr. GILMAN, Mr. GRANDY, Mr. HANCOCK, Mr. HAYES of Louisiana, Mr. HEFNER, Mr. HILER, Mr. HORTON, Mr. HUGHES, Mr. JAMES, Mr. JONTZ, Mr. KILDEE, Mr. KOLBE, Mr. LANCASTER, Mr. LANTOS, Mr. LEWIS of California, Ms. LONG, Mr. LOWERY of California, Mr. DONALD E. LUKENS, Mr. McDADE, Mr. McHUGH, Mr. McGRATH, Mr. McMILLEN of Maryland, Mr. MARTIN of New York, Mrs. MARTIN of Illinois, Mr. MAVROULES, Mr. MAZZOLI, Mrs. MEYERS of Kansas, Mr. MOODY, Mr. MOORHEAD, Mr. MURPHY, Ms. OAKAR, Mr. OWENS of New York, Mr. PALLONE, Mrs. PATTERSON, Mr. PAXON, Mr. PAYNE of New Jersey, Mr. PORTER, Mr. PURSELL, Mr. RAHALL, Mr. RAVENEL, Mr. ROYBAL, Mr. SCHAEFER, Mr. SCHUETTE, Mr. SISISKY, Mr. SKEEN, Mr. SKELTON, Mr. SOLOMON, Mr. STALLINGS, Mr. TALLON, Mr. TRAFICANT, Mr. WILSON, Mr. WOLF, Mr. WOLPE, Mr. ESPY, Mr. LAGOMARSINO, Mr. PEASE, and Mr. SAXTON):

H.J. Res. 400. Joint resolution designating October 27, 1989, as "National Hostage Awareness Day"; jointly, to the Committees on Post Office and Civil Service and Foreign Affairs.

By Mr. CLEMENT (for himself, Mr. GORDON, Mr. ALEXANDER, Mr. BATES, Mrs. BOXER, Mr. COOPER, Mr. COSTELLO, Mr. DUNCAN, Mr. EVANS, Mr. FALEOMAVAEGA, Mr. FAZIO, Mr. FLIPPO, Mr. FUSTER, Mr. HORTON, Mr. HUGHES, Mr. JONES of Georgia, Ms. KAPTUR, Mr. KASICH, Mr. LANTOS, Mrs. LLOYD, Mr. MONTGOMERY, Mr. PACKARD, Mr. QUILLEN, Mr. SARPALIUS, Mr. SKELTON, Mr. HUTTO, Mr. LAUGHLIN, Mr. STUDDS, Mr. CARPER, Mrs. LOWEY of New York, Mr. MANTON, Mr. PICKETT, Mr. TAUZIN, Mr. SUNDQUIST, Mr. THOMAS of Georgia, Mr. TOWNS, Mr. POSHARD, and Mr. TANNER):

H.J. Res. 401. Joint resolution to designate the month of October 1989 as "Country Music Month"; to the Committee on Post Office and Civil Service.

By Mr. HUNTER:

H.J. Res. 402. Joint resolution designating May, 1990 as "Air/Space America Month"; to the Committee on Post Office and Civil Service.

By Mr. STARK:

H.J. Res. 403. Joint resolution posthumously proclaiming Dr. Aristedis de Sousa Mendes to be an honorary citizen of the United States; to the Committee on the Judiciary.

By Mr. DORGAN of North Dakota:

H. Res. 237. Resolution expressing the sense of the House regarding the inclusion of certain air pollution control strategies in

amending the Clean Air Act; to the Committee on Energy and Commerce.

By Mr. SKEEN (for himself, Mr. COMBEST, Mr. MARLENEE, Mr. WEBER, Mr. MYERS of Indiana, Mrs. SMITH of Nebraska, Mr. DE LA GARZA, Mr. STENHOLM, Mr. COLEMAN of Texas, Mr. OLIN, Mr. GUNDERSON, Mr. TAUKE, Mr. SHUMWAY, Mr. STALLINGS, Mr. ROBERT F. SMITH, Mr. DORGAN of North Dakota, Mr. BUSTAMANTE, Mr. JOHNSON of South Dakota, and Mr. SMITH of Texas):

H. Res. 238. Resolution expressing the sense of the House that the Secretary of Agriculture and the U.S. Trade Representative should investigate recent actions by the Government of Mexico which prohibit free trade of livestock between the United States and the Republic of Mexico and work to eliminate these trade barriers; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 5: Mr. PALLONE and Mr. KANJORSKI.

H.R. 39: Mr. ENGEL and Mr. NEAL of North Carolina.

H.R. 60: Mr. MARTIN of New York, Mr. HUCKABY, Mr. HOUGHTON, Mr. CLINGER, Mr. IRELAND, Mr. DE LA GARZA, Mr. MOORHEAD, Mr. BOEHLERT, Mr. ROGERS, Mr. ROTH, Mr. BARTON of Texas, Mr. PRICE, and Mr. DEFAZIO.

H.R. 63: Mr. WILSON and Mr. PARRIS.

H.R. 102: Mr. FEIGHAN.

H.R. 186: Ms. SNOWE.

H.R. 500: Mr. TALLON, Mr. FROST, Mr. PORTER, Mr. COLEMAN of Texas, and Mr. DYSON.

H.R. 505: Mr. CAMPBELL of California, Mr. PENNY, and Mr. PERKINS.

H.R. 525: Mr. HUGHES, Mr. HORTON, Mr. FAUNTROY, Mr. RANGEL, Mr. GILLMOR, Mr. FROST, Mr. WALSH, Mr. FUSTER, and Mr. TOWNS.

H.R. 528: Mr. BROWN of California.

H.R. 557: Mr. MCEWEN.

H.R. 586: Mr. WHEAT.

H.R. 633: Mr. FRANK, Mr. LEATH of Texas, and Mr. WILSON.

H.R. 664: Mr. THOMAS of Wyoming and Mr. SCHIFF.

H.R. 672: Mr. PAYNE of New Jersey.

H.R. 675: Ms. LONG.

H.R. 720: Mr. FASCELL.

H.R. 731: Mr. MAZZOLI, Mrs. MORELLA, Mr. MARKEY, Mr. DONALD E. LUKENS, Mr. TRAXLER, Ms. OAKAR, Mr. HUGHES, Mr. BILBRAY, Mr. KLECZKA, Mr. ROSE, Mr. MILLER of Washington, Mr. WISE, Mr. MOORHEAD, Ms. SNOWE, Mr. WOLF, Mr. HYDE, Mr. RICHARDSON, Mr. CHAPMAN, Mr. DAVIS, Mr. UPTON, Mr. ANDREWS, and Mr. SISISKY.

H.R. 928: Mr. BATES.

H.R. 957: Ms. SLAUGHTER of New York.

H.R. 965: Mr. FEIGHAN.

H.R. 967: Mr. GONZALEZ, Mr. LEATH of Texas, Mr. PICKLE, Mr. COLEMAN of Texas, Mr. ORTIZ, Mr. DE LA GARZA, Mr. ANDREWS, Mr. FROST, Mr. BARTLETT, Mr. CHAPMAN, Mr. ARCHER, and Mr. BRYANT.

H.R. 995: Mr. BONIOR and Mr. RAHALL.

H.R. 1057: Mr. BUSTAMANTE, Mr. FAZIO, Mr. BOSCO, Mr. HAWKINS, Mr. ROYBAL, Mr. CLAY, Mr. DEFAZIO, Mrs. COLLINS, Mr. SMITH of Vermont, Mr. BROWN of California, and Mr. BERMAN.

H.R. 1137: Mr. TOWNS.

H.R. 1185: Mrs. BYRON, Mrs. UNSOELD, and Mr. RINALDO.

H.R. 1197: Mr. HANCOCK.

H.R. 1200: Mr. OBEY, Mr. PACKARD, Mr. WAXMAN, Mr. HAWKINS, and Mr. SHUMWAY.

H.R. 1205: Mr. JACOBS, Mr. DAVIS, Mr. JOHNSON of South Dakota, Mr. RICHARDSON, and Mr. SHUMWAY.

H.R. 1235: Mr. SIKORSKI.

H.R. 1243: Mr. MOODY.

H.R. 1249: Mr. MAVROULES.

H.R. 1356: Mr. FAWELL, Mr. LEVIN of Michigan, and Mr. HORTON.

H.R. 1364: Mr. SCHIFF and Mr. RICHARDSON.

H.R. 1383: Mr. PAYNE of New Jersey, Mr. EDWARDS of California, and Mr. MCNULTY.

H.R. 1497: Mr. STOKES and Mr. DEWINE.

H.R. 1515: Mr. LEWIS of Florida and Mr. SCHUETTE.

H.R. 1588: Mr. KOLBE and Mr. INHOFE.

H.R. 1624: Mr. KOLBE.

H.R. 1676: Mr. WYLIE, Mr. FLAKE, Mr. SIKORSKI, Mr. LANTOS, Mr. STARK, and Mr. PORTER.

H.R. 1840: Mr. HENRY and Ms. SCHNEIDER.

H.R. 2116: Mr. WILSON, Mr. WATKINS, Mr. BROWN of Colorado, Mr. SCHAEFER, and Mr. BUSTAMANTE.

H.R. 2174: Mr. MOODY.

H.R. 2285: Mr. BOUCHER, Mr. BATEMAN, Mr. SISISKY, Mr. GALLEGLY, Mr. SHUMWAY, Mr. CRAIG and Mr. PAYNE of Virginia.

H.R. 2335: Mr. QUILLEN.

H.R. 2348: Mr. SMITH of New Hampshire.

H.R. 2380: Mr. OBERSTAR.

H.R. 2437: Mr. JONTZ, Mr. LAFALCE, Mr. PALLONE, and Mr. DAVIS.

H.R. 2529: Mr. MACHTLEY, Mr. VALENTINE, Mr. DE LUGO, and Mr. SMITH of Vermont.

H.R. 2532: Mr. SIKORSKI, Mr. COSTELLO, Mr. HASTERT, Mr. BRUCE, Mr. TORRICELLI, Mr. FISH, and Ms. SLAUGHTER of New York.

H.R. 2580: Mr. PAYNE of New Jersey and Mr. TOWNS.

H.R. 2584: Mr. MILLER of California, Mr. GRANT, Mr. ROE, Mr. MAZZOLI, and Mr. BERMAN.

H.R. 2609: Mr. MCDERMOTT and Ms. SLAUGHTER of New York.

H.R. 2632: Mr. PEASE.

H.R. 2664: Mr. BERMAN, Mr. PALLONE, Mr. PENNY, Mr. MILLER of California, and Mr. POSHARD.

H.R. 2665: Mr. STOKES, Mr. DORGAN of North Dakota, Mr. SOLARZ, Mr. FALEOMAVEGA, Mr. TALLON, Mr. EVANS, Mr. CONYERS, and Mr. BRUCE.

H.R. 2666: Mr. LEHMAN of Florida, Mr. GRANT, Mr. FASCELL, Mr. NELSON of Florida, Mr. BENNETT, Mr. JOHNSTON of Florida, and Mr. RAHALL.

H.R. 2699: Mr. TALLON, Mr. DONNELLY, and Mr. NELSON of Florida.

H.R. 2700: Mrs. MEYERS of Kansas, Mr. SOLOMON, and Mr. GALLEGLY.

H.R. 2800: Mr. ARMEY, Mr. FAZIO, Mr. ROE, Mr. LAGOMARSINO, Mr. NIELSON of Utah, and Mr. LANTOS.

H.R. 2853: Mr. LEVINE of California, Mr. HARRIS, and Mr. FALEOMAVAEGA.

H.R. 2858: Mr. DE LUGO, Mr. SMITH of New Hampshire, and Mr. SMITH of Vermont.

H.R. 2884: Mr. COBLE, Mrs. BYRON, Mr. DICKINSON, Mr. STUMP, Mr. ARMEY, Mr. INHOFE, Mr. KOLBE, Mr. BLILEY, Mr. HERGER, Mr. HEFLEY, Mr. JAMES, Mr. BALLENGER, Mr. HAMMERSCHMIDT, Mr. SHUMWAY, and Mr. WILSON.

H.R. 2926: Mr. VALENTINE, Mr. MINETA, Mr. ATKINS, Mrs. JOHNSON of Connecticut, Mr. SHAYS, Mr. MARKEY, Mr. DE LUGO, Mr. GEJDENSON, Mrs. KENNELLY, Mr. FISH, and Mr. PALLONE.

H.R. 2929: Mrs. UNSOELD.

H.R. 2984: Mr. SMITH of Texas.

H.R. 3000: Mr. BILBRAY, Mr. HEFNER, and Mr. MOAKLEY.

H.R. 3005: Mr. BUSTAMANTE, Mr. PAXON, Mr. BILBRAY, Mr. MRAZEK, Mr. LEHMAN of Florida, Mr. FRANK, Mr. ECKART, Mr. FAZIO, Mr. BERMAN, Mr. SCHUETTE, Mr. COBLE, Mr. TORRICELLI, Mr. PALLONE, Mr. JONTZ, Mr. COURTER, Mr. MCNULTY, Mr. SCHAEFER, Mr. SCHUMER, and Mr. BALLENGER.

H.R. 3017: Mr. GALLO, Mr. PALLONE, Mr. ANDREWS, Mr. SKELTON, Mr. FALEOMAVAEGA, and Mr. ATKINS.

H.R. 3028: Mr. PEASE.

H.R. 3064: Mr. BARNARD.

H.R. 3067: Mr. RINALDO, Mr. BONIOR, Mr. UDALL, Mr. STUDDS, Mrs. KENNELLY, Mr. TORRICELLI, Mr. SYNAR, and Mr. DYSON.

H.R. 3079: Mr. HANCOCK and Mr. NIELSON of Utah.

H.R. 3087: Mr. PENNY.

H.R. 3088: Mr. PENNY.

H.R. 3089: Mr. PENNY.

H.R. 3090: Mr. PENNY.

H.R. 3093: Mr. DIXON, Mrs. BOXER, Mr. MILLER of California, Mr. ACKERMAN, Mr. FLIPPO, Mr. HEFNER, Mr. JONES of Georgia, and Mr. CONYERS.

H.R. 3099: Mr. GEJDENSON, Mr. RINALDO, and Mr. FUSTER.

H.R. 3113: Mr. DEWINE.

H.R. 3114: Mr. DEWINE.

H.R. 3115: Mr. DEWINE.

H.R. 3116: Mr. DEWINE.

H.R. 3117: Mr. DEWINE.

H.R. 3145: Mr. FROST, Mr. MCMILLEN of Maryland, Mr. PAYNE of New Jersey, Mr. BILBRAY, Mr. BUSTAMANTE, and Mr. FUSTER.

H.R. 3165: Mr. BAKER, Mr. HUGHES, Mr. HANSEN, Mr. GEKAS, Mr. NIELSON of Utah, Mr. GRANT, Mr. KANJORSKI, Mr. PALLONE, Mr. BORSKI, Mr. RHODES, Mr. OLIN, Mr. RICHARDSON, Mr. ENGLISH, and Mr. PAYNE of Virginia.

H.R. 3192: Mr. FAUNTROY, Mr. PAYNE of New Jersey, and Mr. RANGEL.

H.R. 3209: Mr. YATES and Mr. JONTZ.

H.J. Res. 81: Mr. SPENCE, Mr. HUTTO, Mr. DICKINSON, Mr. GINGRICH, and Mr. MCCRERY.

H.J. Res. 106: Mr. MORRISON of Washington, Mr. BLILEY, Mr. QUILLEN, and Mr. MYERS of Indiana.

H.J. Res. 177: Mr. GUARINI, Mr. HAWKINS, Mr. PICKETT, Mr. BATES, Mr. MAZZOLI, and Mr. JONTZ.

H.J. Res. 204: Mr. EVANS and Mr. PICKETT.

H.J. Res. 223: Mr. LAFALCE, Mr. EMERSON, Mr. YATRON, and Mr. KOLTER.

H.J. Res. 242: Mr. HORTON, Mr. HAYES of Louisiana, Mr. WELDON, Mr. DYMALLY, Mr. THOMAS A. LUKEN, Mr. PALLONE, Mr. FUSTER, Mr. MCDADE, Mr. CONYERS, Mr. MOAKLEY, Mr. FAZIO, Mrs. COLLINS, Mr. HAYES of Illinois, Mr. BERMAN, Mr. NCNULTY, Mr. FALEOMAVAEGA, Mr. CROCKETT, Mr. MURTHA, Mr. FOGLIETTA, Mr. KOSTMAYER, Mr. MURPHY, Mr. SMITH of Florida, Mr. GRAY, Mr. WALGREN, and Mr. LAGOMARSINO.

H.J. Res. 267: Mr. GILLMOR, Mr. CRAIG, Mr. BROOMFIELD, Mr. BOEHLERT, Mr. WALGREN, Mr. NIELSON of Utah, Mr. YATES, Mr. ROE, Mr. GUNDERSON, Mrs. SMITH of Nebraska, Mrs. VUCANOVICH, Mr. HYDE, Mr. PARRIS, Mr. DICKINSON, Mr. QUILLEN, Mr. SKEEN, Mr. HUGHES, Mr. GRAY, Mr. HAYES of Illinois, Mr. CLINGER, Mr. ROTH, Mr. PAXON, Mr. GALLO, Mr. SHAYS, Mr. KASICH, Mr. IRELAND, Mr. WOLF, Mr. PORTER, Mrs. SAIKI, Mr. PURSELL, Mr. LEVINE of California, Mrs. BOGGS, Mr. ENGLISH, Mr. DOWNEY, Mr. FORD of Michigan, Mr. WOLPE, Mr. GUARINI, and Mr. BROOKS.

H.J. Res. 315: Mr. DORNAN of California, Mr. HOLLOWAY, Mr. PAXON, Mr. WYLIE, Mr.

EMERSON, Mr. RHODES, and Mrs. VUCANOVICH.

H.J. Res. 320: Mr. ANDERSON, Mr. GEKAS, Mr. HOCHBRUECKNER, Mr. LENT, Mr. LIVINGSTON, Mrs. MEYERS of Kansas, Mr. MONTGOMERY, Mr. NEAL of Massachusetts, Mr. PARKER, Mr. PURSELL, Mr. ROBERTS, Mr. SMITH of Vermont, Mr. SPRATT, Mr. TOWNS, and Mr. VANDER JAGT.

H.J. Res. 338: Mr. WISE, Mr. CLARKE, Mr. CLEMENT, Mr. JONTZ, Mr. HAYES of Illinois, Mr. FRANK, Mrs. SAIKI, Mr. OBEY, Mr. BUECHNER, Mr. CARPER, Mr. MARTIN of New York, Mr. MARTINEZ, Mr. NOWAK, Ms. OAKAR, Mr. PACKARD, Mr. GALLO, Mr. LANCASTER, Mr. HAMMERSCHMIDT, Mr. BRUCE, Mr. FLIPPO, Mr. THOMAS of Georgia, Mr. CARR, Mr. FROST, Mr. SABO, and Mr. HEFNER.

H.J. Res. 350: Mr. THOMAS A. LUKEN, Mr. LIVINGSTON, Mrs. SAIKI, and Mr. PALLONE.

H.J. Res. 385: Mr. DYMALLY, Mr. ENGEL, Mr. FAZIO, Mr. GARCIA, Mr. GONZALEZ, Mr. HAMMERSCHMIDT, Mr. JONTZ, Mr. KILDEE, Mr. LAFALCE, Mr. LEWIS of Florida, Mrs. MEYERS of Kansas, Mr. REGULA, Mr. SAVAGE, Mr. TALLON, Mr. TRAXLER, Mr. SMITH of Florida, Mr. WATKINS, Mr. WEISS, Mrs. SAIKI, Mr. MORRISON of Washington, and Mr. WYDEN.

H.J. Res. 386: Mr. OWENS of New York, Mr. MCNULTY, and Mr. FROST.

H.J. Res. 399: Mr. TANNER, Mr. LEWIS of California, Mr. WEISS, Mr. HAWKINS, Mr. MILLER of Washington, Mr. WISE, Mr. PERKINS, Mr. HUNTER, Mr. COURTER, Mr. MARTINEZ, Mr. FALEOMAVAEGA, Mr. LENT, Mr. LEHMAN of California, Mr. DERRICK, Mr. GEKAS, Mr. CROCKETT, Mr. GILMAN, Mr. GARCIA, Mr. GREEN, Mr. KOSTMAYER, Mr. KOLTER, Mr. PAYNE of Virginia, Mr. FASCELL, Mr. HANCOCK, Mr. MCDERMOTT, Mr. LAUGHLIN, Mr. JONTZ, Mr. DONNELLY, Mr. BORSKI, Mr. BURTON of Indiana, Mr. DICKS, Mr. CALLAHAN, Mr. CHANDLER, Mr. BATES, Mr. DANNEMEYER, Mr. DAVIS, Mr. FAWELL, Mr. FRENZEL, Mr. GALLO, Mr. HOAGLAND, Mr. GILLMOR, Mr. GRANDY, Mr. GUNDERSON, Mr. HENRY, Mrs. JOHNSON of Connecticut, Mr. KASICH, Mr. KOLBE, Mr. LAGOMARSINO, Mr. LOWERY of California, Mr. MCDADE, Mr. MCGRATH, Mr. HERTEL, Mr. MADIGAN, Mr. MOLINARI, Mr. MORRISON of Washington, Mr. PACKARD, Mr. PARRIS, Mr. PORTER, Mr. SAXTON, Mr. SCHUETTE, Mr. HOCHBRUECKNER, Mr. SHAYS, Mr. SMITH of New Hampshire, Mr. TAUKE, Mr. VANDER JAGT, Mr. KENNEDY, Mrs. BENTLEY, Mr. GORDON, Mrs. ROS-LEHTINEN, Mr. FLAKE, Mr. BROOMFIELD, Mr. BROWN of Colorado, Mr. SISISKY, Mr. CHAPMAN, Mr. HILER, Mr. TRAXLER, Mr. LEVIN of Michigan, Mr. DEWINE, Mr. EDWARDS of Oklahoma, Mr. NEAL of North Carolina, Mr. NIELSON of Utah, Mr. GALLEGLY, Mr. BOEHLERT, Mr. CLEMENT, Mr. HAMMERSCHMIDT, Mr. ARCHER, Mr. BALLENGER, Mr. DOUGLAS, Mr. DUNCAN, Mr. INHOFE, Mr. MCCOLLUM, Mrs. MEYERS of Kansas, Mr. MOORHEAD, Mrs. MORELLA, Mr. PAXON, Mr. PETRI, Mr. REGULA, Mr. RINALDO, Mr. RITTER, Mrs. SAIKI, Mr. SCHIFF, Mr. SKEEN, Mr. SMITH of Vermont, Ms. SNOWE, Mr. SOLOMON, Mr. STANGELAND, Mr. STEARNS, Mr. YOUNG of Florida, Mr. EMERSON, Mr. GRADISON, Mr. HOUGHTON, Mr. LEACH of Iowa, Mr. PURSELL, Mr. UPTON, Mr. WELDON, Mr. POSHARD, Mr. ROSE, Mr. HARRIS, Mr. LIPINSKI, Mr. COUGHLIN, Mr. SLAUGHTER of Virginia, Mrs. PATTERSON, Mr. HANSEN, Mr. WHEAT, Mr. MILLER of California, Mr. CONTE, Mr. CLINGER, Mr. SUNDQUIST, Mr. WOLPE, Mr. PICKETT, Mr. SABO, Mr. WALSH, Mr. WAXMAN, Mr. OXLEY, Mr. MRAZEK, and Mr. BLAZ.

H. Con. Res. 23: Mr. NEAL of North Carolina.

H. Con. Res. 39: Mr. PAYNE of Virginia, Mr. WISE, Mr. SPRATT, and Mr. GALLO.

H. Con. Res. 108: Mr. SIKORSKI.

H. Con. Res. 128: Mr. CLEMENT.

H. Con. Res. 155: Mr. ECKART, Mr. MORRISON of Connecticut, and Mr. GUARINI.

H. Con. Res. 161: Mr. WILSON and Mr. SLATTERY.

H. Con. Res. 182: Mr. DEFAZIO, Mr. FAUNTROY, Mr. LENT, Mr. LEHMAN of Florida, Mr. PALLONE, Mr. PAYNE of New Jersey, Mr. SCHEUER, and Mr. SCHUETTE.

H. Res. 105: Mr. DOUGLAS.

H. Res. 128: Ms. SLAUGHTER of New York.

H. Res. 226: Mr. DEWINE.

H. Res. 227: Mr. DEWINE.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.J. Res. 338: Mr. DANNEMEYER.

EXTENSIONS OF REMARKS

LOOKING FOR LEADERS IN ALL THE RIGHT PLACES

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. SKELTON. Mr. Speaker, I would like to include the following remarks by Mr. Steven L. Zelinger in the RECORD. Mr. Zelinger, a 1979 Truman Scholar, was the keynote speaker at the 1989 Harry S. Truman Scholarship Award Ceremony. Since 1987, he has served as a trial attorney with the U.S. Department of Justice in Washington, DC. The award ceremony was held at the Truman Library in Independence, MO.

LOOKING FOR LEADERS IN ALL THE RIGHT PLACES

INTRODUCTION

Chairman Staats, Vice Chair Miller, honored guests, Truman Scholar honorees and your guests, ladies and gentlemen:

I am honored to address you today, following in the footsteps of such esteemed speakers as Congressmen Bolling and Skelton and Wheat, Mayor Cisneros of San Antonio, Senator Danforth, Governor John Carlin, and Truman Foundation Vice Chairperson Anita Miller. Undoubtedly, you are wondering why you have the—uh—"good fortune" of hearing from Steve Zelinger. However, the board of the Harry S. Truman Scholarship Foundation has seen fit that you should be the captive audience of one of your own, and, indeed, I am the first Truman Scholar to address this convocation. I couldn't be more pleased.

Let me take a moment to tell you about myself. I am a trial attorney in the Civil Division of the U.S. Department of Justice in a branch that defends the President, his cabinet members, members of Congress, and federal agencies. We also prosecute those who insist on violating ethics and election laws. There is no time better than the present, then, to note that my comments here should in no way be attributed to my employer or be deemed to represent the views of the Attorney General or the Department of Justice. The views I state here are mine and no one else's.

I came to the federal government after approximately two years in private legal practice in Washington, DC, with the aim of making a public service contribution and getting some marvelous hands-on experience. I believe I have satisfied and am continuing to satisfy both those aims. Although we often spell the word "government" with a capital "G", it is an institution that is spread quite thin, with immense responsibilities and insufficient money, bodies and talent to meet them. This is not a new problem and will not likely go away, nor is it one that is limited to the federal government. It is a problem, however, that provides a window of opportunity for bright, ambitious, dedicated people such as you to make a valuable contribution and garner superb experience that may not be available in the private sector to those so early in their careers.

By way of example, allow me to share with you just a few of my experiences during two years of federal service. I have represented the President in a suit brought by a hundred Congressmen challenging his actions in the Persian Gulf as a violation of *The War Powers Resolution.* The suit raised crucial and still unresolved questions of the limits of executive power and the extent of Congressional authority in the area of foreign affairs. I have prosecuted labor unions that did not ensure that their constituent members' votes were given the proper respect to which they were entitled. I have been involved in the litigation aspects of international debt restructuring and ensuring that the United States courts remain a viable legal forum for the enforcement of international debt. I have acted as lead counsel representing federal agencies in cases raising questions of national concern. I recount these experiences not for purposes of self-aggrandizement—because, frankly, any one of my colleagues in the Federal Programs Branch at Justice could reel off similar experiences for you—but rather, to give you an idea of what kinds of opportunity and responsibility await you in your chosen field of endeavor. This brings me to the purpose for which we are assembled.

We are here to congratulate you and applaud your accomplishments, and to inspire and encourage the full development of your untold potential, not only for your own sake, but for the public good. This is a time to recognize yourselves and those who have supported and assisted you, and to enjoy for a brief moment the benefits of hard work and dedication that have allowed you to accomplish so much. Okay, that's long enough! Because the Harry S. Truman Scholarship is as much a challenge to action as it is a reward for accomplishment and recognition of untapped potential, there could be no more fitting a memorial for the man who, as described by the great photographer, Yousuf Karsh, "made one of the most momentous decisions in the history of man—to drop the atomic bomb. He recalled MacArthur, the implacable general, hitherto seemingly unvulnerable to authority. He was short of temper, long on common sense, and his outward image of the haberdasher from Independence, Missouri, was belied by his political sophistication and acute human judgments." Harry Truman was, by any measure, a leader, who met the challenges that Providence placed before him—and who had the foresight to prepare for those that were foreseeable.

DISCUSSION

In the remarks that follow, I will discuss the kind of leadership that, I believe, our nation needs to face the challenges that confront us. That leadership, of course, is what we all hope you will provide. And, given the grave problems that lie at the heart of the challenge, leadership becomes essential. This discussion will, of course, require a description of problems with which you are all too familiar. I am aware that this is an uncomfortable subject to discuss on such a festive occasion. It is not meant to be an exercise in depression, however. Rather, it is meant to inspire; for without problems to solve, you and I would clearly be out of a job—underpaid as it may be—in the public sector. Besides, as Alice in Wonderland reminds us, before we decide where we are going, we first have to decide where we are right now.

As fellow American lip-readers, you too recognize—I am certain—that government—at least at the national level—seems to be run by sloganeering. There is a story that, I understand, is making the rounds in Moscow these days. A certain comrade made an appointment with the famous Dr. Orlov of the Moscow Eye Institute, only to insist when the moment of his appointment finally arrived that he could not describe his ailment without Dr. Sverdlovska, the eminent ear specialist, also being present. Dr. Orlov was perplexed, but nonplussed, and upon the arrival of Dr. Sverdlovska, the Russian patient stated: "Comrades, my problem is that I am not seeing what I am hearing."

This story—while it loses something in the translation, perhaps—could as easily be making the rounds in Washington. And, it highlights a problem that, unfortunately, transcends party affiliation. This is exemplified by the behavior of the national leadership of both major parties, who are skirting our fiscal obligations by cooking the nation's books in such a way that private corporations doing so would be indicted for fraud. Harry Truman, among others, would have been appalled. In a letter from his retirement [that never was sent] to the Treasurer of the United States written in 1961—when, economic history tells us, most of the nation's expenses were still written on-budget—the former chief executive complained:

"I have been reading the statement of December 13, 1961, . . . [and]

"I'd appreciate it if you could find a way to place debits and credits so an ordinary citizen like myself could understand what you are trying to show . . . .

"Why don't you set up yours so any citizen who understands debit from credit can know what you are doing. I don't think that the financial advisor of God himself would be able to understand what the financial position of the government of the United States is, by reading your statement."

If President Truman thought it was tough in 1961, today's financial statement would be enough to make him roll in his grave.

Our so-called national leaders seem unwilling to make the hard choices that need to be made, or even to address them directly in the forum of public opinion. I do not mean to be partisan in this assessment. This paucity of political courage—a willingness to put your money where your mouth is or, at least, encourage the public to do so in a responsible way—is rampant on both sides of the political aisle. Prima facie evidence of this lack of political courage—as we lawyers like to say—is the approximately 98 percent reelection rate in the House of Representatives. Frankly, the Politburo has seen more turnover in recent days.

We Americans have become too comfortable with dinner-tab economics, which is like

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

taking your meals with a fellow who never pays his fair share—someone else has to pick up the economic externalities. In our case, however, no one is picking up the slack, which means that you and I and, perhaps, our grandchildren will be paying the high price of dinners taken in a dining room replete with blue smoke and mirrors.

At the same time, a host of national problems calls out for solutions and redress. We could fill this afternoon with a full-blown discussion of the problems in infrastructure, where, for example, some 577,000 of the nation's bridges—one in four—have been determined to be dangerous. Or health care, where community health serves only 5 million of the 25 million poor who are eligible and where approximately 37 million Americans do not have health insurance. Or, we would focus on the bleak status of housing and homelessness. Depending on whose statistics you accept, there are upwards of 3 million homeless Americans, approximately 34 percent of whom are entire families. Characterizing public housing, particularly in high-rise configurations, as a concentration of pathologies, a return of the worst of the American frontier—Dodge City without a marshal, so thoughtful a conservative as George Will has exhorted:

"So, you modern-day Jeffersonians, you who think that government is best that governs least; welcome to your world. It is Hobbes' world, where life is always poor, nasty and brutish and often is short."

There are the continuing challenges of preserving, enhancing, and rehabilitating the environment and our natural resources, of ensuring the safety of our air transport, of closing insolvent savings and loans, repairing unsafe nuclear power plants, and providing the defense of the nation and upholding our global security commitments, to name a few.

I don't mean to harp on the problems we face in the United States. America is a great nation—and, one of the things that has made us great and will keep us great, is our dissatisfaction with imperfection. When we stop the continual process of self-criticism and self-examination—that is when our greatness comes to an end.

Much criticism has been directed lately at the nation's education system, and, that is where I would like to focus for a moment, for reasons that will soon become clear. There, the major federal program to help disadvantaged primary and secondary school children today reaches only 54 of 100 eligible poor children. Head Start, the successful program for disadvantaged preschoolers, now serves only one in five eligible children. Cuts in the federal School Lunch Program have kicked 3 million needy kids off the program's rolls. You are all intimately familiar with cuts in aid for college tuition, and I could bore you silly with a staggering array of statistics that show a decline in the national commitment to education.

The Chicago Tribune has documented its characterization of that city's school system as "institutionalized child neglect." This characterization is not unique to Chicago. The Tribune rightly stressed that much of the problem rests with fundamental social ills, viz., that two-thirds of Chicago's public school students live in poverty and come to school from environments of deprivation that would defeat the best intentions of even the best school system. And, indeed, in constant dollars, AFDC (Aid to Families with Dependent Children) benefits have been cut by 26 percent since 1977. In 1987, AFDC covered only 60 of every 100 children living in poverty.

The other evening, while reading the just-released quarterly government report on productivity—not something I do regularly, but in preparation for this speech—I was struck by the figure that, based on performance in the first quarter, we as a nation will produce $5 trillion in goods and services—more than any other nation. It was then that I recalled that the President in his Inaugural Address only four months ago said: "We have more will than wallet." And I asked myself: what country are we talking about, and what does it mean to say we cannot "afford" something?

The answer is, of course, that we prefer to do other things.

As Herbert Stein, Chairman of the Council of Economic Advisers during the Nixon Administration has written, we cannot do more for defense, or education, or assistance to the poor or fighting drugs and crime because we prefer to use the national income for other things—essentially, for private consumption.

In the United States about $3,500 billion (or $3.5 trillion) a year is spent for private consumption—that's an economic term of art for "personal spending." Mr. Stein estimates that $35 billion a year would amply pay for all the things that the President has said he wants to do, for defense, education and so on, but feels we "cannot afford." We cannot do these things because we prefer to spend the $35 billion on private consumption. Giving up $35 billion of private consumption would not require reducing real consumption per capita from its present level. It would mean giving up about one year's growth in real per capita consumption, which is already 20 percent higher than it was 10 years ago.

But the President and the Congress cannot give up the $35 billion of private consumption and transfer it to the purposes I have described. They are only here to do what the people want them to do, and the public appears not to want an increase of taxes or a cut of Social Security expenditures, the only quantitatively significant ways of restraining consumption and making resources available for the purposes that the President says he wants to promote but cannot afford.

Here, of course, is where the concept of leadership enters into the picture. Why are national politicians so convinced that they will be punished by short-sighted American voters for supporting higher taxes? To answer the question, we must turn our attention away from Washington and toward the statehouse, where state politicians raise taxes all the time—and many of them win elections on it. It is in the statehouses that we will find the leadership and innovation so obviously wanting at the national level today.

Mississippi Governor William Winter initiated a tax increase in 1982. He earmarked it for education, called a special legislative session to consider it and launched a statewide campaign for its passage. This campaign—which featured 80 speeches by the Governor, 532 by this staff and the development of an active citizens' lobby involving 30,000 people—melted legislative opposition and left Winter one of Mississippi's most popular politicians. His successful effort has since been repeated by Democrat and Republican Governors around the country!

What's going on here? How could the same voters who opposed higher national taxes have supported state tax hikes? Why were Governors rewarded for endorsing tax increases when national leaders feared doing so? What lessons do these experiences have for the present administration and the 101st Congress struggling to reduce the deficit, fulfill campaign spending promises and resolve the panoply of financial, social and environmental crises?

The answer to such questions is found in a survey of state tax initiatives in the 1980s by policy analysts Fred Branfman and Nancy Stefanik: While voters continue to oppose untargeted taxes for general goals, they support targeted tax increases—so long as political leaders are candid about why they need the money, sensible and fair in how they plan to spend it, and courageous enough to lead the fight themselves. Americans are neither selfish nor short-sighted on taxes—they just want assurance that their money will be spent wisely.

Consider the experience of South Carolina Governor Richard Riley, who launched one of the most extensive political campaigns for a substantive issue in recent American history. In June 1983, following legislative defeat of an education bill he supported, Riley established two blue-ribbon committees to develop a comprehensive education-reform bill. He then barnstormed the state and built a bipartisan, business-supported coalition and grass-roots lobbying apparatus to push for the bill's passage.

This campaign featured seven highly publicized forums attended by 13,000 people from around the state; a statewide TV address by the Governor proposing to pay for the education initiative with a 1-cent sales-tax increase totalling $217 million or 8 percent of the state budget; nearly 1,000 speeches arranged by a speakers' bureau organized out of the Governor's Office; a toll-free hotline to answer questions; and, a privately-funded radio and TV advertising campaign on behalf of the initiative.

When the dust cleared, the state had passed not only a large tax increase but an education initiative considered the finest in the nation. Since 1983, South Carolina's SAT scores have risen 40 points, 6.2 percent more students continue on to college and 120,000 more students met the state's basic skills standards. Far from being penalized for supporting the huge tax hike, Riley "retired with great popularity," according to the *1988 Edition of the Almanac of American Politics.*

Since then, Republican and Democratic Governors alike have demonstrated that the Mississippi and South Carolina experiences were not flukes.

Robert Orr in Indiana passed a $750 million increase in corporate and personal income taxes in 1987 on behalf of his "A+ Program for Education Excellence." Governor Orr's approval rating stood at 69 percent in the spring of 1988.

In 1984, Lamar Alexander in Tennessee passed a 1-cent sales tax totaling more than $1 billion over three years for his better schools program.

Arkansas' Bill Clinton waged a 1983 campaign for education reform financed by a $155 million sales tax increase. His effort featured a $500,000 media and direct-mail campaign funded by private sources, a 38-day special legislative session, a nasty fight over teacher-accountability provisions and final passage of a comprehensive education package comprising over 100 separate bills in November 1983. Clinton was reelected in 1984 and 1986 by 2-to-1 margins.

Nor is this trend limited to the field of education. For example, Gerald Baliles of Virginia passed a 12-year, $11.8 billion transportation initiative, funded by a combination of sales and fuel taxes and license-tag fees. Governor Baliles enjoyed a 70 percent approval rating following passage of the initiative.

CONCLUSION

The facts I have recounted for you are evidence, I believe, that what is required at the national level—at all levels—of government is effective leadership, which, in the words of Walter Lippman, often consists of giving the people not what they want but what they will learn to want.

We should be willing to experiment and explore possible strategies even in the face of uncertainty; undoubtedly, such willingness will become a more pronounced characteristic of a creative leader. It is not surprising that the lack of national leadership so evident today may be counterbalanced by the creative leadership effervescing in many of the nation's statehouses, its cities, and among local community and neighborhood organizations, where there is a not-so-quiet revolution going on. This state of affairs reflects what the framers—certainly, leaders who were not afraid to take chances—had in mind when they spoke of the states as the province for experiment, which, if proved successful, might serve as a model for the nation. It is also, I believe, the most enduring result of the "Reagan Revolution."

Of course, like much else in life, creative leadership is much more easily identified than defined. In the memorable words of Justice Potter Stewart, "I know it when I see it" It is even more difficult to prepare for. There are certain prerequisites—historical truisms, really—that we know, however.

It almost goes without saying that we must prepare ourselves through education and experience and, at that, each of you already has proved yourself. You represent a vast array of academic disciplines. From business administration to chemistry, from nursing and engineering to history, from political science to urban affairs and cartography, and uniformly represent excellence and a high level of achievement. You have indicated that your wish—at least at this juncture—is to pursue the public good through careers of federal, state and local legislators, attorneys and judges, members of the foreign service, environmental and public health specialists, and juvenile corrections officers. In those careers or with that training, some of you undoubtedly will become leaders, others, managers and implementors, and some of you, both of these. We need all the talented managers we can get, and it should be remembered that effective leaders are not very effective for long unless they can recruit managers to help them make things work over the long run. Nevertheless, as you progress and evolve, I commend to you this admonition from John W. Gardner, a prolific witer on the subject of leadership:

"All too often on the long road up, young leaders become 'servants of what is, rather than shapers of what might be.' In the long process of learning how the system works, they are rewarded for playing within the intricate structure of existing rules. By the time they reach the top, they are very likely to be trained prisoners of the structure. This is not all bad; every vital system reaffirms itself. But no system can stay vital for long unless some of its leaders remain sufficiently independent to help it to change and grow."

Thus, creativity is essential. Foster your creativity and, more importantly, that of others. Mark Twain said, "A man is viewed as a crackpot until his idea succeeds." We need to avoid killing the spark of individuality that allows creativity and dissent to flourish. We kill it with rules, red tape, procedures, standard operating restrictions and countless admonitions 'not to rock the boat.' Many of the great breakthroughs occur because of people well in advance of their time who are willing to agitate for change and suggest fresh new approaches that are, as yet, unacceptable to majority opinion.

Be courageous and persistent. Those of us who expect to reap the blessings of freedom and liberty—and justice—must undergo the fatigues of supporting it and provide the leadership to sustain it. Orestes Brownson, one of the more farsighted and overlooked of 19th Century social critics, said:

"Peace is a good thing, but justice is better. . . . Give us the noise and contention of life, rather than the peace and silence of the charnel-house [morgue]."

His words, too, recall the need not to recoil from conflict. Division and conflict are realities that true leaders must learn to accept; they produce opportunities for change and revitalization. I know of no one who said it better and pithier than, of course, President Truman, who remarked:

"A President who's any damn good at all makes enemies, makes a lot of enemies. I even made a few myself when I was in the White House, and I wouldn't be without them."

An effective leader must have integrity and principle. It is well to remember the old aphorism: 'Character and integrity are much easier kept than recovered.' It is also well to remember Dante's caution: "The hottest places in hell are reserved for those who, in a time of great moral crisis, maintain their neutrality."

In closing, I have no momentous quotation to recite that will stay with you the rest of your life or serve as a guiding beacon. Rather, I merely recount the poignant words of Merle Miller, the author of *Plain Speaking* and one of Harry Truman's biographers, which inspire as they relate the simplicity, dedication, and fortitude of the man from Independence whose public spirit will live through your deeds and acts. Mr. Miller wrote:

"On the way back to Kansas City [after meeting with Mr. Truman] that afternoon my associates were making fun of Mr. Truman's architectural taste—[Truman could not countenance what he called the "chicken-coop and hen-house architecture" of Frank Lloyd Wright]—and I went along with the crowd. But that night I walked over to the courthouse and stood there for quite a long while, looking at it and at the statue of Andrew Jackson. And I thought of [this] man [Truman] pushing 50 with no money except a salary of $6,000 a year getting into his car and at his own expense driving 25,000 to 30,000 miles so that he could build a courthouse and have a statue that were the best that in his mind they possible could be. And paying not a cent more than they were worth because he had some old-fashioned idea about his duty as a public servant. Duty. Obligations. And what was it Dean Acheson had said of him, that he was a man of rectitude?"

"And I thought, those things are more important than his opinions of Frank Lloyd Wright. I haven't changed my mind either."

Truman Scholars of 1989, congratulations! Give 'em hell.

KALAMAZOO'S GERMAN AMERICAN CLUB

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. WOLPE. Mr. Speaker, I rise to pay tribute to the German American Club of Kalamazoo on the occasion of the club's 35th anniversary.

The German American Club of Kalamazoo was founded in 1954 by Erich and Kaethe Doerfer, John and Wanda Mai, and Mr. and Mrs. John Gunther as the German Friendship Group. Beginning in 1963, immigrants from other countries, particularly from Holland, began joining the club. In 1974, the club sponsored its first Oktoberfest. The German American Club—recognized by the city of Kalamazoo as a public service organization—is now incorporated and enjoys a permanent home at Hackett High School.

The purpose of the German American Club of Kalamazoo, as spelled out in its constitution, is to "promote understanding between citizens of the United States and immigrants from other countries." In addition to the Oktoberfest festival, the club sponsors dances and in many other ways shares with the greater Kalamazoo area the celebration of historical dates and valued traditions important to a number of Kalamazoo's ethnic communities. Recently, the German American Club established a scholarship for Western Michigan University's German Language Department to be awarded annually to the best student of the German language.

Mr. Speaker, I am certain my colleagues will want to join me in recognizing the 390 current members of the German American Club of Kalamazoo for their dedication to fostering their cultural heritage and assisting European immigrants in their assimilation into American life. I am privileged to represent the members of the club and to work with constituents who use the celebration of their history as a means of committing themselves to the future not only of their own cultural communities, but to that of the broader American society.

TRIBUTE TO THE LATE KENNETH MILLER WELLS

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. MATSUI. Mr. Speaker, it is with great sadness that I rise today to advise you that an outstanding citizen of Sacramento, Kenneth Miller Wells recently passed away. He has made numerous contributions to my community and we will all miss his presence.

Ken's career of public service began early when he joined the Army Air Corps in 1943. He served in World War II as a navigator and a bombardier. Kenneth attended Sacramento Junior College, the University of California at Berkeley, and he received his law degree from Hastings Law School in San Francisco.

Ken was a man who gave of himself in many ways. He entered into county service in 1954 when he became a deputy district attorney. Kenneth was named acting chief public defender in 1963, and the following year became the permanent public defender. As well as being a practicing attorney, Ken was also an adjunct law professor at McGeorge School of Law for 10 years.

Being an active member of the Sacramento community was a very important priority to Ken. He dedicated his time and experience to the Union Lodge No. 58, and to the Sacramento Scottish Rite and Benali Temples. Ken also served as chairman of the State bar's standing committee on criminal law and procedure.

Ken is survived by his wife, Shirley Wells; his son, Robert Wells; his daughters Miriam Wells and Reeta Ball; and seven grandchildren. I feel very honored that Mr. Wells has had such a positive impact on my community. We will all mourn the loss of a man of such high caliber.

PROTECTING THE AMERICAN FLAG

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. COURTER. Mr. Speaker, I rise today in strong support of a constitutional amendment protecting the American flag from desecration.

I was shocked and outraged at the Supreme Court's decision in the Texas versus Johnson case, in which it ruled that desecration of the U.S. flag is protected under the first amendment to the Constitution. The American flag has long carried the message of freedom wherever she has been flown, and she has served as an inspiration to the millions of American men and women who have sacrificed their lives in defending the noble ideals upon which America stands.

I completely disagree with the Court that the States have no interest in protecting this important national symbol from desecration. I believe that Chief Justice Rehnquist was correct when he wrote in his dissenting opinion that "for more than 200 years, the American flag has occupied a unique position as the symbol of our Nation, a uniqueness that justifies a governmental prohibition against flag burning * * *."

Today the House is considering legislation, H.R. 2978, which attempts to protect the flag by amending Federal statutes. I do not believe that this bill goes far enough, and it will likely be struck down by the courts as unconstitutional. The only way to provide true protection to the American flag is through a constitutional amendment. Nevertheless, because the House does not have the opportunity to vote for a constitutional amendment at this time, and since I believe that no opportunity should be missed to offer protection to the American flag, I am reluctantly lending my support to H.R. 2978. I consider this legislation to be only a stopgap measure, however, until Congress has an opportunity to pass and the States have an opportunity to ratify a constitutional amendment.

I will continue to urge passage of legislation I have cosponsored to amend the Constitution to permit Congress and the States to prohibit the act of desecration of the U.S. flag and to set criminal penalties for that act. That is the only way that we will be able to ensure the American flag—which embodies the Nation's values and ideals—is truly protected from desecration.

IDAHO'S SAWTOOTHS

HON. RICHARD H. STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. STALLINGS. Mr. Speaker, during the August recess, I had the opportunity to spend some time in one of America's most spectacularly scenic areas, Idaho's Sawtooth Mountains, which happen to be located in my district. The wonder and grandeur of the Sawtooth region was confimed in a recent article published in the Washington Post, entitled "In the Heart of Idaho, the Sawtooths Soar—and Beckon." I commend it to my colleagues:

IN THE HEART OF IDAHO, THE SAWTOOTHS SOAR—AND BECKON

(By James T. Yenckel)

I don't know the exact moment when I came to realize that Idaho's remote Sawtooth Mountain country is one of America's most spectacular wilderness playgrounds. Maybe it was that chilly morning when I floated alone in the 102-degree water of a natural hot spring alongside the Salmon River and watched the rising sun cast the ragged Sawtooths in a brilliant spotlight. Or perhaps it was the hot afternoon at the end of a dusty hike when I stripped off my shorts and plunged into the refreshing coolness of a clear mountain lake, seemingly the only human for miles around.

Over the years, I had heard glowing reports about the Sawtooth region, mostly from friends who had gone skiing at Idaho's famous Sun Valley Resort just to the south. So given the chance last month, I headed out for a short sightseeing tour. The trip turned out to be something of an object lesson: No matter how well you think you know this country, there are still a lot of wonderful surprises waiting.

Only lightly visited, the Sawtooth region is an untamed land of snow-dappled peaks, sparkling lakes, sun-drenched meadows, burbling streams, vast expanses of pine forests and perhaps the purest air—by official test—in the continental United States. Here's where the Salmon—the legendary "River of No Return"—begins its wild-water rush to the sea; where cowboys still herd cattle on horseback and the wide-open spaces seem limitless. No matter where you pause and in what direction you are going, the views are gorgeous.

As early as 1911, the distinctive Sawtooth Mountains—they look like the long, sharp cutting blade of a heavy saw—were considered worthy of recognition and preservation as a national park. That estimable idea never triumphed over local opposition, but perhaps the next best alternative was achieved. In 1972, a 754,000-acre hunk of territory about the size of Rhode Island was officially designated the Sawtooth National Recreation Area, which is administered by the U.S. Forest Service.

Within its boundaries, dead center in the heart of Idaho, are: three mountain ranges—the Sawtooth, White Cloud and Boulder—with 40 peaks rising 10,000 feet or higher; the rolling grasslands of the Sawtooth Valley, surrounded by these ranges; more than 300 glacially carved lakes, some so clear you can see to astonishing depths; countless trout streams fed by summer snow-melt; and a half dozen or so crumbling ghost towns such as Custer and Bonanza that still hint of their days of former glory.

The eastern two-thirds of the recreation area is laced with miles of sightseeing roads, paved and unpaved, which makes the region an inviting destination for travelers who like to take in the scenery from the comfort of an auto. Good roads climb to four of the largest lakes—Stanley, Redfish, Pettit and Alturas—so you don't have to hike more than 50 feet from a parking lot to a sandy beach. Roadside campgrounds are so plentiful that finding a site by a lake or stream is rarely a problem.

The western third—encompassing the 216,000 acres of the Sawtooth Mountains—has been set aside as the Sawtooth Wilderness, which means it is open only to hikers, backpackers and riders on horseback. For them, there are more thn 750 miles of trails. Daytrippers can take scenic loop trails to isolated lakes; backpackers can trek into the higher mountain valleys over routes that may require several days to cover.

The word "recreation" in the name should be read literally. The Salmon, which flows in a looping course for 420 miles through Idaho, is one of the country's premier white-water rafting rivers. The area's many outfitters operate relatively gentle half-day and day-long float trips down the upper Salmon, or lead multi-night trips of the hold-on-for-all-you're-worth category down the river's rushing lower reaches or on the Middle Fork of the Salmon.

Almost any outdoor activity you can name is readily available, and mostly without the summer throngs that flock to America's most-popular national parks. Take your pick: mountain climbing, bicycling, mountain biking, kayaking, fishing, sailing, trail riding (guided day and overnight rides), hiking, swimming and waterskiing (Redfish Lake is five miles long, three miles wide and has a marina). I thought the lakes might be as cold as ice, since nights in the Sawtooth are chilly. But the hot sun of long summer days warms the water, at least around the lakes' shallower edges, so that a swim is surprisingly comfortable.

Hunting—for elk and deer—is also permitted seasonally in the Sawtooth, an activity that distinguishes it from national parks, where hunting generally is prohibited. Another difference is that limited cattle grazing, lumbering and mining are allowed. I saw evidence only of the cattle—hundreds of them—and their presence didn't bother me at all. In fact, the herds added to the Old West flavor. A few of the ranches, such as the delightful Idaho Rocky Mountain Ranch where I stayed, take in paying guests.

The biggest community in the Sawtooth—just inside its northern boundary—is Stanley, which according to its highway name sign has a population of 140. A onetime rowdy supply center for the nearby gold- and silver-mining communities, Stanley can still show a lot of life on weekends when the locals gather to do the "Stanley Stomp." It's dance hall dancing to a western band in any step that fits your fancy.

Though now a tourist center, Stanley has managed to keep its turn-of-the-century pioneering look. The basic architectural design is log cabin, a style that is carried out in the several motels and lodges that—along with rafting outfitters—are its principal commercial establishments. Adding appropriate character to the town are a couple of saloons opening on to the main street, which is wide, unpaved and dusty. Fully in character, also, it is named Ace of Diamonds Street.

Just outside Sawtooth's southern boundary is Ketchum, another former mining community that really struck it rich when the Sun Valley Resort opened in the 1930s on its doorstep. If any place in central Idaho can be said to bustle, it is this sophisticated town of luxury inns and gourmet restaurants. Ketchum's most famous resident was Ernest Hemingway, who is buried in the local cemetery.

Like many of us who grew up in the 1940s, my chief acquaintance with Sun Valley had come directly from the old 1941 movie "Sun Valley Serenade," which starred ice skating champion Sonja Heine and John Payne. On screen, the resort seemed glamorous, and in fact it is still a pretty ritzy place. For some reason that movie had stirred in me a desire to ice skate on the Sun Valley Resort's outdoor rink, an odd dream that has persisted for four decades. So I went in search of the rink, and I wasn't disappointed. Partially shaded from the sun, it is able to remain open during the summer months. Indeed, on weekends the resort puts on a big ice skating show—just like in the movie.

Even getting to the Sawtooth Mountains is a pleasure. The three-hour drive east from Boise, Idaho's capital, to Stanley takes you along the Ponderosa Pine Scenic Route (Route 21), a state scenic highway that snakes its way into the mountains just beyond the outskirts of the city. At the outset, you twist through arid hills blanketed with sagebrush. But very quickly the road gets serious about climbing, and soon you are among sweet-smelling pine forests. Along the way, the road tops a couple of 7,000-foot passes and goes into so many corkscrew spins you think you're already doing the Stanley Stomp on wheels.

As a newcomer to the Sawtooth National Recreation Area, I stopped first at the visitor center to pick up some hiking maps and find out a little about the place. There is a visitor center at Redfish Lake just south of Stanley and another one just north of Ketchum on Route 75. The highway, dubbed the Sawtooth Scenic Route, wiggles through the center of the recreation area linking Stanley and Ketchum.

Northern Shoshoni Indians roamed the Sawtooth Valley hunting mountain sheep when trapper Alexander Ross of the British-owned Hudson Bay Co. crossed over the mountains in 1824, presumably the first white man to see it. But because of its remoteness, few followed him until 1864, when prospector John Stanley—lured by gold finds elsewhere in Idaho—discovered placer near the town that bears his name. The next decades were years of boom and bust in the valley as more gold and silver deposits were found and then mined out. Those Shoshoni who had survived the inevitable conflicts were forced onto a reservation.

In the 1890s, the Sawtooth Valley became one of the major sheep-grazing regions of the West, but overgrazing rapidly became a big problem, as did overcutting of timber. Herders failed to realize the grass in the dry West did not replenish itself as quickly as it did in the East where rainfall is plentiful. The landscape was rescued in 1905 when President Theodore Roosevelt proclaimed the Sawtooth country the Sawtooth Forest Reserve. In 1972, it became a national recreation area. Grazing now is controlled to preserve the grasslands, and lumbering mostly is for dead or fallen trees to be used for posts, poles or firewood. The area's primary use is recreation.

Certainly the Sawtooth Mountains are the most dominant feature of Sawtooth country. They thrust skyward in a long north-to-south ridge line presenting fully as spectacular a view as the more famous Grand Tetons to the east in Wyoming. Even in mid-summer, the gray-pink granite peaks shade deep pockets of snow. A thick blanket of pines drapes across the lower slopes, hiding hundreds of snow-fed lakes.

Down in the valley, however, it's the Salmon River that predominates. It rises as a small stream in the south, grows into a fast-flowing river as it makes its way north and exits Sawtooth country to the east in a white-water roar through a narrow canyon. This stretch of Route 73, which parallels the river northeast from Stanley to the town of Salmon, is appropriately called the Salmon River Scenic Route. Almost on Idaho's eastern border, the river has a change of mind and makes a wide loop, reversing itself and heading west through the Frank Church/River of No Return Wilderness to the Snake River on Idaho's western border. The Snake empties into the Columbia River, which flows to the Pacific Ocean.

I mention the Salmon's geographical wanderings because a major exhibit at the visitor center describes the plucky salmon that each year make their way 800 miles up river from the Pacific to the Sawtooth Valley. Just east of Stanley on Route 75 is a stretch of the Salmon called Indian Riffles. In August, according to the Forest Service, you can watch female salmon clean the rocks by swishing the tails. This apparently is the way they prepare a nest for their eggs.

Light-colored areas on the river bottom are evidence of nest building in previous years. The eggs are hatched in mid-winter, and the youngsters remain in their home waters for a year before heading for the ocean. A year to three years later, the survivors return to spawn and the cycle is complete. Rafters follow the same course down river, but the are shuttled back in buses or vans.

At the Redfish Lake Visitor Center, a ranger recommended the half-day, five-mile hike along the western shore of the lake. It is a well-marked trail through the woods that climbs and dips only slightly. And best of all, you don't have to retrace your steps if you have tarried too long on the way. A ferry picks up hikers at the southern tip of the lake at several scheduled times daily.

Redfish is the most congested of the lakes, though the word is perhaps overstating the modest traffic that it gets. Still easily accessible by dirt road, but much more lightly visited is little Pettit Lake, which is scenically situated at the base of a steep granite cliff. I found my own trail there, wandering away from the campgrounds and around the lake. After I'd hiked for a while and seen no one else, I went for a cooling skinny-dip. Who wouldn't? It's more fun swimming without a bathing suit, even when you are alone.

One afternoon I took the bumpy 12-mile drive north from Indian Riffles along the Yankee Fork, a tributary of the Salmon, to the ghost town of Custer. Unpaved but fairly well maintained, the road initially is lined with heaps of rocks, the residue from a gold-dredging operation that dug up the river bed from 1940 to 1952. The dredge, a sort of huge scoop on a barge, is open for tours.

Custer, a bit farther up river, dates back to the earlier mining boom of the late 1870s. From 1881 to 1904, more than $12 million in gold and silver from the region were processed in the Custer mill. In 1886, the community's population peaked at 700, making it the largest town in the area. By 1911, it was deserted. Today, perhaps a half-dozen log buildings, maintained by the folksy Custer Museum, are still standing on what was once Custer's main street.

You can sit on the porch of the Empire Saloon, as I did, and contemplate the rowdy life that was so typical of Western boom towns. Nowadays, the only activity is the rustling of sagebrush or the swirl of a dust devil as a breeze sweeps up the Yankee Fork canyon. But Custer may have a modest resurgence yet. Idaho is celebrating its centennial as a state next year, and the ghost town of Custer is expected to receive restoration funds as an important centennial project.

On another day, I took a wonderfully scenic circle drive to explore the countryside outside the recreation area. My 250-mile route took me south on Route 75 over 8,701-foot-high Galena Summit to Ketchum and Sun Valley and then east on U.S. 20 to Craters of the Moon National Monument. South of Ketchum, the landscape flattens out, and there is not much to attract the eye. And yet the open emptiness has its own appeal. I drove for miles without passing another car in either direction. Apparently, I startled two pronghorn deer, who made a leaping dash across the road in front of me.

Craters of the Moon, a huge volcanic parkland, is one of the bleakest spots in America, but that is what makes it so fascinating. And there is much beauty in the incredible reddish-black rock formations formed by the lava flow that came from not just one volcano but numerous fissures. The name, of course, is descriptive; the huge, 75-square-mile area looks much as we once imagined the moon to be. A seven-mile loop road travels past cinder cones, lava tube caves and other volcanic features. Short interpretive trails lead up to volcano vents or down into the lava caves.

My route took me east again to Arco, which has the distinction of being, so it proclaims, "the first city in the world lighted by atomic power." North of Arco, U.S. Route 93 heads through the Lost River Valley, where hay growing is a major enterprise. The fields here are kept a lush green, watered by giant irrigation machines. In their profusion, they look like alien monsters on the march—presumably with a mind of their own since I never once saw a human master at the controls. Borah Peak, Idaho's highest mountain at 12,662 feet, rises in splendid view on the eastern side of the valley.

At Challis, I turned west again on Route 75 toward Stanley as it follows the Salmon up river through its canyon. For 55 miles, the river is seldom out of view, and I thought almost anywhere along the way might be a nice place to stop for a picnic and dabble your feet in the water. Once I watched an outdoorsman in an inflated kayak navigate his way through the rock-filled rapids.

Campers, I suspect, get to know the Sawtooth country best. But I was on a short

break from the office, and I stuck to more civilized lodgings, which are concentrated in the Sun Valley-Ketchum area to the south and Stanley to the north.

In Ketchum, I stayed at the River Street Inn, a very attractive and hospitable bed-and-breakfast inn a couple of blocks from the heart of town and within view of the Sun Valley ski slopes on Bald Mountain. The inn's distinctive feature is a Japanese-style soaking tub in each of its eight rooms—a wonderful treat at the end of a long drive. Across the street, I dined outdoors at the Evergreen Restaurant, which served what I thought was the best fresh trout I have ever eaten. It was grilled, stuffed with scallions and Parmesan cheese and served on a plate decorated with edible flowers.

But these were mostly urban pleasures, and I wanted a bit of the rustic ranch life. There may be other ranches as beautifully situated as the Idaho Rocky Mountain Ranch, a working cattle ranch, but I doubt it. It sits on the eastern slope of the valley looking over the distant Salmon River to the Sawtooth Mountains beyond. Guests stay in several modest but comfortable log cabins adjacent to the main lodge building.

In the evening, you can pull up a rocking chair on the lodge's front porch, sip a Sun Valley Lager—a local beer—and watch the sun settle behind the Sawtooth Mountains. It is an enchanting time in the valley. The heat of the day has passed, and a coolness in the air hints that you will need a jacket soon. The only sound is the breeze stirring the tops of the pine trees.

"The perfect way to end my stay in Sawtooth country," I thought, but my visit was not quite over. The next morning I awoke about 6:30, peered out of my cabin and took in an even more glorious view of the mountains. They were bathed in the light of the rising sun and gleamed almost white. Quickly I slipped on a pair of shorts and jogged down the ranch's dusty entrance road, the mountains directly in front of me.

About a mile down the road, along the edge of the Salmon River, the ranch has diverted the water from a natural hot springs into a concrete pool. Steam rose in spirals in the chilly air. I jumped in, and for the next half hour or so soaked contentedly while drinking in the views that surrounded me. The Sawtooth Mountain country had been working its spell on me for several days, and this was the clincher. I say it now, without reservation, it is one magnificent place.

THE CAPITOL HILL GROUP MINISTRY

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. FAUNTROY. Mr. Speaker, I want to bring to the attention of Members and staff the following example of leadership by the ministries of the city of Washington, DC, joining together with the members and organizations of our communities, to address the tragedies of violence and drug trafficking in our neighborhoods.

Joining the Reverend Dr. Seon were ministers from other Capitol Hill churches. Some of the most moving remarks were provided by young people who spoke to the issue of saving our youth from the temptations of drug use and drug trafficking.

WHY WE ARE HERE

(Remarks of the Reverend Dr. Yvonne K. Seon, Minister of the Sojourner Truth Congregation of Unitarian Universalists in Washington, D.C., and President of the Capitol Hill Group Ministry at the "Candlelight Vigil for the Victims of Violence in Our Neighborhood," Lincoln Park, Wednesday, August 9, 1989.)

I am the Reverend Yvonne Seon, President of the Capitol Hill Group Ministries. I am here because the religious leaders of this community committed to come together with our neighbors tonight to take a stand with you for peace and for justice. We grieve with you for those in our neighborhood who have been or may be among the one or two who are killed each day in our city. We grieve with you for those who have been victimized in other ways by the violence and chaos of our daily experience.

We are here to stand with you to say that the death and the destruction and demoralization and the self-destruction and the terror brought to our neighborhoods through the sale and use of drugs in our community must end.

We have witnessed to our victimization as women and men who have been robbed of family members and of friends; robbed of our freedom to be at peace as we come from and go to our homes; robbed of our peace of mind for our children when they are not at home; robbed of our hope for a future of promise, dignity, and worth for ourselves, our neighbors, our city, and even our world.

We have witnessed to our victimization, and we have said, "ENOUGH." Enough of victimization. Enough of tears. Enough of fear and enough of rage festering inside us.

Tonight, we are here to offer our prayers and to speak our commitment to a new vision of our community and for our world. Tonight, on behalf of all those who are victims of the violence of our neighborhood, we commit to create a new harmony, a new courage, a new joy, a new beauty, and a new possibility for Being, here, where we are, now and henceforward. AMEN.

TRIBUTE TO SAM GOLDMAN

HON. MEL LEVINE

OF CALIFORNIA

HON. HENRY A. WAXMAN

OF CALIFORNIA

HON. HOWARD L. BERMAN

OF CALIFORNIA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. LEVINE of California. Mr. Speaker, it is a rare privilege for us to rise today and recognize one of our community's foremost leaders. Sam Goldman is an activist and visionary philanthropist. He is being honored for his extraordinary contributions by the Pacific Southwest Anti-Defamation League as this year's recipient of their prestigious "Man of the Year" Award.

Sam's decades of service have touched and enhanced the lives of many—from high schoolers to senior citizens. He established a grant for teachers to study modern Jewish history at the Hebrew University in Israel and helped originate a course in the subject at Beverly Hills High School. He is an active supporter of the Jewish Homes for the Aged and as a board member of Vista Del Mar's Uncle's Club he contributes to the welfare of disadvantaged and homeless children.

Sam is a passionate supporter of the Arts. He is a founding member of both the Los Angeles Music Center and the Los Angeles County Museum of Art. He endowed the Same Goldman Amphitheater for the William O. Douglas Outdoor Classroom and is a member of the Yale Library Committee, the Israel Tennis Center and Variety Club International.

Sam's business background is one of entrepreneurial success and innovation. He is founding President of Executive Car Leasing He is a member of the American Automotive Leasing Association and a member of the Los Angeles, Hollywood, and Orange County Chambers of Commerce.

Mr. Speaker, Sam Goldman and his wife, Sooky, are a couple we are proud to call our friends. We urge our colleagues to join us in acclamation of Sam Goldman, a man of vision and compassion who, through his dedication and generosity, is creating a better and more caring world.

A TRIBUTE TO MALCOLM C. McCORMACK

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. SKELTON. Mr. Speaker, I am proud to pay tribute to Malcolm C. McCormack, who is retiring as executive secretary and chief executive officer of the Harry S. Truman Scholarship Foundation. As a board member of the Foundation, which is the official Federal memorial to the 33d President of the United States, I have witnessed Malcolm's dedication and contributions to the field of education.

Before Malcolm's appointment to the Truman Scholarship Foundation on September 1, 1978, he served for 11 years as Georgetown University's vice president for university relations. Born in Memphis, TN, Malcolm was educated in Washington public schools and is a graduate of Georgetown's School of Foreign Service. He did graduate work at the Fletcher School of Law and Diplomacy at Tufts University.

During the Korean war Malcolm served as an intelligence officer for the Central Intelligence Agency [CIA]. He left the CIA after the Korean war and served as retail advertising manager and general advertising manager of the Washington Star. He was awarded Georgetown University's John Carroll Medal in 1966 and an honorary doctor of humane letters in 1978.

During his tenure with the Truman Scholarship Foundation, Malcolm expended the outreach for applicants to include community and junior college students and more minorities. The Foundation, established by Congress,

awards scholarships to outstanding students who intend to pursue careers in public service.

Mr. Speaker, I am sure that you and my fellow colleagues will join me in saluting this fine American citizen. His contributions have been great and I wish him all the best in his retirement.

TRIBUTE TO SACRAMENTO'S SESQUICENTENNIAL

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. MATSUI. Mr. Speaker, 150 years ago on August 12, 1839, John Sutter first landed on the shores of the American River and established what is now my home, the great city of Sacramento. I rise today to pay tribute to Sacramento's Sesquicentennial, and to share with my colleagues the proud heritage of my community

Sacramento has long served as the gateway to opportunity and an enriched quality of life. In 1849, goldminers and prospectors from all over the country flooded to Sacramento in the hope of striking it rich. Poor immigrants were drawn here by claims of exaggerated wealth. What they found was even more precious: a community whose real wealth was reflected in its spirit, energy, and diversity. Sacramento became a real home to the adventurous newcomers, not merely a stopover for the mines. Now, 150 years later, Sacramento is a real home to nearly 1 million citizens and, is named 1 of the top 10 places in the Nation to live, is still recognized as the land of opportunity.

Established as California's capital city in 1854, Sacramento has been influenced through the years by mighty institutions; political, military, and financial. From the Gold Rush and Pony Express to the Central Pacific Railroad; from the big four of Crocker, Hopkins, Huntington and, Stanford, to the big four of agriculture, water, religion, and politics; from the early merchants of Weinstocks and Brueners to the McClatchy dynasty; from the agricultural strength of the fertile Sacramento Valley to the military might of our three installations; each segment has played an important role in developing our city in its infancy and guiding it to its fledging prosperity today.

Notwithstanding its rich political and economic history, Sacramento would not be Sacramento without the American and Sacramento Rivers. Bordered by these mighty waterways, Sacramento's history has been shaped by the prosperity of trade and the devastation of floods. Sacramentans have experienced the riches of panning its gold and the exhilaration of rafting its rapids. Our rivers remain constant and an ever present reminder of the birth of our great city.

Mr. Speaker, Sacramento is poised to move into the 21st century with a determination typical of its adventurous forefathers. Fraught with adversity through its formative years, Sacramento's residents resolve to make Sacramento a grand city has cemented the deep roots of civic commitment evident in our community today. A cosmopolitan city complete with a burgeoning downtown skyline, a professional basketball team, and the prospect 50 new jobs a day, Sacramento's future looks bright for the next 150 years and for generations to come.

THE NEW JERSEY FIREMAN'S MUTUAL BENEVOLENT ASSOCIATION

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. COURTER. Mr. Speaker, I would like to take this opportunity to recognize before the House of Representatives the New Jersey State Fireman's Mutual Benevolent Association, which is meeting this week in Atlantic City, NJ.

The New Jersey FMBA is the single largest organization of firefighters in New Jersey, with over 6,000 members and 87 locals from throughout the State.

The members of the FMBA risk their lives every day serving and protecting the people of the great State of New Jersey. Their service to the State of New Jersey is indispensable. The men and women of the FMBA represent the values which Americans revere most: courage, service, sacrifice, duty, and honor. They are our modern heroes.

It is with great pleasure that I salute the New Jersey Fireman's Mutual Benevolent Association, and it is with great pride that I ask that this statement honoring the FMBA be entered into the official CONGRESSIONAL RECORD for September 12, 1989.

HISPANICS IN THE AMERICAN LABOR MOVEMENT

HON. ALBERT G. BUSTAMANTE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. BUSTAMANTE. Mr. Speaker, this month America observes Hispanic Heritage Month, and it is a time for us to reflect on the contributions of Hispanics to our Nation and community. Throughout the country a schedule of events has been designed to educate the American people of the important influence of the Hispanic culture on our American society.

I wish to call my colleagues' attention to the September edition of Hispanic magazine, which features an article on Hispanic-Americans in the American labor movement entitled, "Entering the House of Labor". Highlighted in the article are the contributions of our very own colleague Esteban Torres. Esteban is a member of the United Auto Workers Union and the founder of The East Los Angeles Community Union [TELACU]. TELACU is more than a valuable community service organization within the East Los Angeles area; it plays an important part in representing the interests and aspirations of all Hispanic-Americans.

But the article devotes most of its attention to Hispanic union leaders associated with the Labor Council on Latin American Advancement [LCLAA]. LCLAA is a support group of the AFL–CIO, and it goals are to make the American labor movement more responsive to the concerns of Hispanic union members, to organize Hispanic-Americans into collective bargaining units, and to recognize the growing political influence Hispanics have on the American electoral system.

My dear friend Jack Otero serves as LCLAA's president. Jack is international vice president of Transportation/Communications Union. Along with Steelworkers Al Montoya, Paul Montemayor and Maclovio Barraza, he helped to found LCLAA. The union movement in general and LCLAA in particular have been vital forces in bringing Hispanics into mainstream America. Hispanic-Americans are gaining a foothold on the American economy, and we have organizations like LCLAA and dedicated individuals like Esteban Torres, Jack Otero, Al Montoya, Henry Santiesteban, and many others to thank. I commend my colleagues to read the article, which follows, so they may become familiar with the examples these individuals have set for other Hispanics to follow.

[From Hispanic magazine, September 1989]

ENTERING THE HOUSE OF LABOR

(By Thomas H. Sharpe)

Alfredo C. "Al" Montoya doesn't seem the type who spends a lot of time in fancy restaurants. He says he rarely goes out to lunch, so I figure that lunch is the best time to catch him. Sure enough, when I arrived at the AFL–CIO building, just across from the White House, he was alone, wearing a knit shirt and no tie, reading *The Washington Post*. The office was filled with boxes.

Montoya, 68, is part of American labor history. He first joined the International Union of Mine, Mill and Smelter Workers in Grant County, New Mexico, in 1950 as a business manager. It was also after the union was expelled from the old Congress of Industrial Organizations (CIO) for left-wing sympathies. He was with the Mine, Mill and Smelter Workers when they merged with the United Steel Workers, one of many unions that eventually formed the CIO. The CIO then merged with its more conservative rival, the American Federation of Labor, to become the AFL–CIO, the nation's largest labor federation. In 1973 he helped to found the Labor Council on Latin American Advancement (LCLAA), an organization of Hispanic unionists, working closely with such Hispanic labor leaders as César Chávez, the late Maclovio Barraza, and Paul Montemayor. He became LCLAA's executive director in 1977.

I wanted to know if Montoya thought a Hispanic would finally be named to the AFL–CIO's 33-member Executive Board during its semi-annual convention November 13–16 in Washington, D.C. "Don't hold your breath," he joked, then reeled off a list of possibles, a dozen up-and-coming Hispanic labor leaders, including LCLAA's president since 1986, Joaquín F. "Jack" Otero. A week later, I met with Otero and asked him the same question.

Otero, in his fifth-floor AFL–CIO office, looks out his window and ponders the question. A seat on the Executive Council? "Well, that's one of the things we're agitating for," he says. "It's going to happen sooner or later." As Otero points out, the numbers can't be ignored: 1.3 million Hispanic union members. At least 75 Hispanic

officers, vice presidents, directors, and plenty of high-caliber men and women in the rank and file.

Leading Council contenders? César Chávez, president of the United Farm Workers and the only Hispanic president in the AFL–CIO's 88-union federation, is the obvious choice. But if Chávez is running, he isn't saying.

Neither is Otero. With unionism declining in the United States, and Hispanic unionism declining even faster, becoming the first Hispanic on the AFL–CIO's Executive Council is a dubious honor.

Opening and closing his broad hands, Otero talks about the decline. As vice president of the Transportation Communications International Union and president of the Labor Council on Latin American Council (LCLAA), he tracks such matters. In 1988, for the first time since the U.S. Bureau of Labor Statistics has followed it, the Hispanic union participation rate dropped below that of the general population.

Otero explains, the reasons are much the same for all Americans: automation, overseas production, sophisticated management tactics, right-to-work laws, and greater worker mobility. "Employers know the psychology of human beings," says Otero. "They'll tell them, 'If you work for us, you could someday be president of the company.' It's the entrepreneurial system."

It is not because unions are not trying. Otero's union was called the Brotherhood of Railway and Airline Clerks until new members objected to the term brotherhood, linking it to the Mafia and sexism. The National Education Association woos young Hispanics to the teaching profession through sophisticated publicity campaigns, in English and Spanish, and has taken the lead in opposing English-only laws. Service industry unions that once fought Spanish translations of meetings are finding bilingualism an essential organizing tool. The AFL–CIO has hired actor Edward James Olmos for its *"Union, Sí"* campaign this fall. But it will take more than publicity to organize Hispanics without union representation.

When Otero first came to the United States, he was already a second-year medical student from Cuba and hoped to enter a U.S. medical school. During the summer, while taking courses in English, an uncle arranged a summer job for him at the railroad office as a billing clerk, he remembers getting paid $3.40 a day.

When summer came to an end and he was about to pursue his original plans, he was offered a full-time position with the railroad and within 60 days was a dues-paying member of their union.

"As was required, I attended the regular union meetings, but quickly found them very interesting. I became very interested in the process and the issues of workers' rights. These were new concepts for me since I had not worked in Cuba and this was my first real job," but his talents did not go unnoticed and by the time Otero was 23 he was elected general chairman, a business manager position which was also a salaried post. "I was the youngest man ever elected to a position of that importance in the history of the union," he says. In that post, he handled grievances, arbitrations, negotiating cases, etc.

Then once his bilingual skills were discovered, he was sent to Europe to the International Transportation Workers Federation in London.

What followed for Otero was a career traveling and working in Europe and South America. "One of my key responsibilities as I traveled from country to country was to let emerging transportation unions know how things were done in Europe and the United States, with regards to technology, collective bargaining trends, and human rights.

Otero, the father of three children and grandfather of four, is most proud of the fact that he was the first Hispanic elected at the local, regional and then international level of his union. "And that I have been able to help many workers get what was rightfully due them," he says.

Henry Santiesteban, 74, is a living repository of union lore. Looking back to the '50s when he was elected president of the Newspaper Guild's Los Angeles chapter, the first Hispanic so honored, he reflects on how communists dominated several American unions, including some in the entertainment industry. Their methods quickly alienated Santiesteban. "The most immediate thing, in my opinion, was their lack of democracy," he recalls. "They used political character assassination tactics. They would harangue speakers and try to physically take the microphone away and keep meetings going with all sorts of parliamentary devices until the other people got tired and left."

Santiesteban, a self-described liberal Democrat, credits former Screen Actors Guild President Ronald Reagan, among others, for purging the unions of Communists, but he thinks that as governor of California and president of the United States, Reagan went too far to the right. He compares the tactics of the '50s Communists to those of GOP Chairman Lee Atwater. "What the Republicans are using today, the Communists have used in the past," he says, referring to the character assassination and racism that underlined the Willie Horton television ads used in the last election.

Not ready to retire, Santiesteban and his wife Stina, run a public relations firm that works primarily with Hispanic and labor union clients.

"In El Salvador, we would just go in and take over the office," says Ramiro Salinas, looking over the giant papiermâché broom, colorful posters, and other media props in the Justice for Janitors office, a project of the Service Employees International Union (SEIU). "Here you have to do all these silly things."

Earlier this year, Salinas and 70 other janitors at Washington, D.C.'s newly remodeled Union Station joined SEIU to seek a raise from $5 to $6.50 an hour, medical benefits, and a guarantee of fulltime employment. Before negotiations began, their employer lost his contract, and the janitors, mostly Salvadoran, Mexican, and African Americans, found themselves without work. They passed out leaflets for weeks, urging train communters to write Union Station's authorities, the Secretary of Labor, and others to protest what they felt was anti-union corporate maneuvering. SEIU took their charges of unfair labor practices to the National Labor Relations Board, which rejected them. The janitors soon found new jobs and the effort was abandoned.

Salinas, now an SEIU organizer, says the Union Station story is typical, but not final. More liberal immigration laws, including amnesty, have made immigrants less fearful of deportation for union activity. Unions have helped them understand their new rights. Additionally, Salinas emphasizes, Hispanics in the service industry are tired of being denied promotions and benefits because of their national origins.

And the future? Most of the janitors involved with the Union Station action are now union activists. And Salinas, only 25, is organizing janitors at the World Bank.

Labor's support for civil rights has been one of its most valuable organizing tools, especially among blacks, the most unionized of any ethnic group. Labor unions paid for much of the March on Washington where Martin Luther King Jr. delivered his "I Have A Dream" speech. King was assassinated in Memphis during an American Federation of State, County and Municipal Employees' strike.

Jesse Rios, 44, President of the National Council of Field Labor Locals (AFGE), says there will be more civil rights battles as Hispanics swell unions' ranks and clamor for equal representation in top offices.

Government unions are a breed apart, hindered from striking or active political participation. "We bargain from a posture that has our feet anchored in cement," says Rios, who thinks his AFGE has improved working conditions, especially in the assignment of duties. His council represents Department of Labor employees who oversee safety conditions of other workers, "a grave responsibility," he says.

European labor traditions, where unions form political parties and run candidates for office, rarely work in America. Only one president, Reagan, has had a labor union background, and no unionists serve in the Senate and only four in the House of Representatives; three of them are Black, and one, Congressman Esteban Torres (D-California), is Hispanic.

Torres is the son of an Arizona copper miner. He began his own career with the United Auto Workers (UAW) in Los Angeles during the early 1960s where his bilingual abilities and international perspective caught the attention of UAW President Walter Reuther. Torres became Reuther's Director of the International American Bureau for Caribbean and Latin American Affairs in Washington, D.C. Torres was then handed an assignment that would take him outside the traditional union arena.

"Reuther thought there was a role for the UAW in urban areas, forming what we called 'community unions.' He thought these community groups could acquire political power by bringing together people from the shops to commingle with housewives, teachers, bankers, and other members of the community," says Torres, who began organizing in East Los Angeles.

In 1971, the UAW wrote its first check to The East Los Angeles Community Union (TELACU), today a multi-million-dollar enterprise, with shopping centers, an industrial park, financial institutions, retail and wholesale businesses.

Torres, who served as TELACU's first executive director before joining the Carter administration as a White House aide and then ambassador to UNESCO in Paris, thinks the community union concept might reverse trade unionism's decline.

"There's been a failure on the part of the labor movement to educate and form effective union organizing programs," he says. "Labor unions could be stronger in their public affairs and public relations aimed at young people and new immigrants."

Torres, 59, first elected to Congress in 1982, blames the Reagan administration for packing the National Labor Relations Board (NLRB) with "reactionaries"—although the Reagan era saw the first Hispanic NLRB commissioner, Patricia Díaz Dennis, now a Commissioner with the Federal Communi-

cations Commission. Torres predicts no pro-union legislation will emerge during the Bush administration. But he finds hope in recent developments: Hispanics and labor no longer oppose each other on issues like immigration, affirmative action, and language, he observes.

Whatever happens November 13-16 at the AFL-CIO convention in Washington, D.C., LCLAA will remain neutral. Black unionists successfully lobbied for another Executive Board member in 1981, but the member subsequently lost her national union position.

Greater long-term Hispanic participation in organized labor outweighs any one election, says LCLAA's Al Montoya, winding up for the afternoon, "We have given Hispanics a foothold in the house of labor," he says. "Now we want to extend the benefits of collective bargaining to the millions of Hispanic workers who do not currently enjoy them."

OUR FLAG, OUR FREEDOM, OUR RIGHT

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. BEREUTER. Mr. Speaker, for over 200 years the American flag has occupied a precious spot in the hearts of our Nation's citizens. It is a unique symbol of the principles and values which make this country great and which are generally shared by American citizens. Many have sacrificed, fought, and died under the flag for freedoms forged by the principles and values embodied in the Declaration of Independence and the Constitution.

This Member would call an essay by the editors of Reader's Digest to the attention of his colleagues. Appearing in the September 11, 1989 edition of the Washington Post under the title "The Banner Yet Waves," this essay presents an insightful and warm-hearted analysis of what the American flag means to the people of these United States. It is an essay that merits close examination.

Children have crayoned it on paper with too few stars and too many stripes as their first notion of nationhood.

Prisoners of war have secretly fashioned it from scraps and rags as the center of their hope and defiance.

Mothers and widows have kept it carefully folded as a reminder of honor and sacrifice.

With pomp of arms, Marines raise it over embassies and consulates from Argentina to Zimbabwe.

With no ceremony at all, janitors raise it over elementary schools and town halls from Maine to Oregon.

Blurred like a hummingbird wing, it flies from the aerial of a speeding pickup truck in western Texas.

Still as a painting, it hangs in the humid night air as the national anthem echoes over 40,000 fans at Baltimore's Memorial Stadium.

It is sewn on the uniform of the policeman in an Ohio town. It is printed on the T-shirt of a young woman roller-skating by a California beach.

It flutters beside a tombstone in a rural Pennsylvania graveyard because someone remembered. It hangs soaked in the rain on a Wisconsin porch because someone forgot.

Tacked to a broken two-by-four in a tornado-devastated Iowa trailer park, it says with feisty hope, "We're still here."

It flies over battleships . . . and over car dealerships.

It stands by pulpits . . . and hangs over bars.

It has been used, and abused, to tout waterbeds and soft ice cream, drugstores and amusement parks.

It has been worn threadbare by the rhetoric of politicians, but somehow the American flag, "Old Glory," has never become a cliché.

Ask the man on the street what's in the Constitution and you'll probably get embarrassing brevity, or silence. But Americans have an intuition about that document, and the focus of that intuition is the flag.

It triggers within them the deepest feelings about a place where breadlines, prison camps and tanks in the square are *not* the general order of things. The flag signals to them a phenomenon of history that protects them from indignities, permits them peace, draws refugees with priceless hope, offers help with boundless heart, and earnestly seeks to correct its own problems.

Americans are often nonchalant about their freedom. But yes, the postmistress in the little village may offer up a prayer about her country as she hauls down the flag in the evening. And yes, aging veterans do shed a tear when the flag goes by on Memorial Day. And yes, the baseball fan anxious for the game to start gets a lump in his throat when he turns toward the star-spangled banner to sing, "Oh, say, can you see. . . ." Cynics will never understand why their charges of "flag-waving" only bewilder, amuse or insult the average citizen.

While Americans know that behind this rectangle of cloth there is blood and great sacrifice, there is also behind it an idea that redefined once and forever the meaning of hope and freedom. Lawyers and justices may debate the act of flag-burning as freedom of expression. But a larger point is inarguable: when someone dishonors or desecrates the banner, it deeply offends, because the flag says all that needs to be said about things worth preserving, loving, defending, dying for.

ERNIE SAMUELS: SIMPLY THE BEST

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. LEHMAN of Florida. Mr. Speaker, other Members of the House of Representatives have outstanding constituents, strong community leaders and great achievers but, here in Florida's 17th Congressional District, we are the most fortunate of all because we have the one and only Ernie Samuels.

Ernie does the most good in his own quiet way—he is a dear and special friend—he enriches our community—the following story captures some of the Ernie Samuels magic.

[From the Miami Herald, Aug. 31, 1989]

AT POINT EAST CONDOS, HE REIGNS SUPREME

(By Gina Shaffer)

If condos were kingdoms, Ernest Samuels probably would be the longest reigning monarch in South Florida—and maybe the United States.

For 22 years, Samuels, 83, has ruled over Point East, a sprawling 64-acre empire nestled between Biscayne Boulevard and the Intracoastal Waterway.

"He's a man for all seasons," said Eli A. Howard, a member of the board of directors at Point East.

No organization keeps track of the longevity of condo board presidents, but most observers agree 22 years is a long time to run the show.

"I don't think I've ever heard of anybody being board president that long because it's such a tough job," said Judy Foster, of the Community Associations Institute, a national organization of condo and homeowners' groups. "If he claims that, he might be right. More power to him."

Patricia Rogers-Libert, president of the Northeast Dade Coalition, and David Samson, president of the Concerned Citizens of Northeast Dade, both organizations made up primarily of condo associations, also haven't heard of anyone surviving in such a hot seat for so long.

AMAZING LONGEVITY

"I find that absolutely incredible," Rogers-Libert said.

While most condos have trouble attracting candidates to serve on boards, Samuels, a retired furniture manufacturer, has taken the reins willingly, accepting the mantle of "Mr. Condominium."

He admits, however, that the board that keeps re-electing him has had to twist his arm the past few years.

"He's almost indispensable," Howard said. "He has a father image here. It'll be very difficult to replace him."

With some 2,000 residents living in 17 buildings, Point East, which has an auditorium, gymnasium, medical offices, bowling alley and five swimming pools, is about the size of a small town. It has as many residents as El Portal.

"He's like the mayor of this community," said Joyce Kroesen, who has worked as office manager at Point East for 15 years.

Samuels' only compensation for this volunteer job has been the smiles and handshakes of residents who have come to regard him with the kind of awe usually reserved for presidents and foreign dignitaries.

They named their auditorium after him.

His picture, with the words "A Great Leader" underneath, is taped on an office wall, next to the illustrated faces of George Washington, Abraham Lincoln and John F. Kennedy.

"People write letters here and address the envelopes to 'President Ernest Samuels' as if he was the president of the United States," Kroesen said. "I think they think he can do just about anything. They just know he's the one solid person in Point East they can turn to."

CONDO LEADER

When the Romanian-born Samuels moved to Point East in 1967 from New York, residents were looking for someone to represent them in front of the condo's developer who strongly objected to their demands and wouldn't let them meet in the auditorium.

"They decided I could put some order into things instead of chaos," Samuels said.

He wound up forming a coalition of 220 area condo associations and leading delegations of condo owners who testified before Congress and lobbied state legislators in Tallahassee.

He was considered one of the state's leading condo activists, along with Annie Acker-

man, the feisty condo commander who helped give Northeast Dade condos political clout. Ackerman, who lived at Point East, died in May.

The efforts of these condo activists led to the 1973 Condominium Act, which required disclosure of information on leases and protected the rights of condo dwellers.

"Ernie and others like him changed the entire face of community association living in Florida," said Alan Becker, a former Northeast Dade state representative who is now partner in a Fort Lauderdale law firm specializing in condo litigation. "I don't think you could overstate the impact these early pioneers had on the state of the industry."

Becker, who drafted much of the condo legislation while serving in the Legislature from 1972 to 1978, added: "Ernie's able to lead the community and make tough business decisions and still have the respect, admiration and trust of the people who live there."

MULTIFACETED JOB

From making sure leaking roofs are patched up to giving pep talks to weary senior citizens, Samuels has mastered the nuts and bolts of running a condo.

He supervises a staff of 38 employees, including mechanics, plumbers and pool cleaners. Much of his day is spent checking work orders and making sure repairs are done.

It takes the wisdom of Solomon and the patience of Job.

"Every little problem, they want to speak to him," Kroesen said. "If their toilet breaks, they have to speak to him personally. If they lock themselves out, they want him to come over and let them in."

The biggest maintenance job under way is replacement of the 23-year-old steel underground lines with copper plumbing in every building. Samuels estimated it will cost about $1 million, but because he has laid away enough reserves, condo owners aren't footing the bill.

"I told you I'm a manager, didn't I?" said Samuel, with a triumphant glint in his pale blue eyes.

When leading monthly meetings of his 17-member board, Samuels comes across as a take-charge, no-nonsense chairman.

"He commands everybody's respect," said Jeanette Blinder, a former board member, editor of the Pont East newsletter and a volunteer assistant to Samuels. "He has his finger on everything."

While the hours are long and the vagaries of condo life occasionally annoying, Samuels enjoys feeling needed.

"The satisfaction is knowing that I help people," he says, with a shrug.

EFFORTS REWARDED

His efforts haven't gone unheralded.

When he served on the statewide Land Sales and Condominium Advisory Commission, then-Gov. Bob Graham wrote him a letter commending his activism, saying, "You helped many of us in state government realize the problems and concerns of Florida's citizens and have been influential in helping us serve our constitutents. Through your efforts, much of the current condominium law has been developed."

Samuels has rows and rows of plaques and proclamations lining the walls of his condo and office. Among them are a key to the city of Miami, a plaque from Metro-Dade Mayor Steve Clark on his 80th birthday in 1986 and a clock from U.S. Rep. William Lehman presented Feb. 26.

He also has a key to a recreation center in Israel named after him. He helped raise money for it through the Greater Miami chapter of the Jewish National Fund. He is vice president of the chapter.

Samuels' eyes moisten as he reads aloud the word embossed on a plaque given to him in 1969 by the residents of Point East: "There is nothing more difficult to take in hand, more perilous to conduct or more uncertain in its success than to lead in the introduction of a new order of things."

A widower whose wife of 40 years, Rose, died 11 years ago of a heart attack, Samuels doesn't plan to remarry. Though single women have invited him to dinner, he always turns them down.

"I wouldn't find another woman like my wife," he said.

Instead, he had filled the void by making management of Point East the pinnacle of his life.

"The man is here from sunup to sundown," Kroesen said. "Then they're calling him at home. No one would do it, especially for free. He does it for Point East because he loves this place."

Adds Howard: "He's the No. 1 volunteer from his heart."

RELIGIOUS GROUPS SUPPORT LEGISLATION TO CONTROL ASSAULT WEAPONS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. STARK. Mr. Speaker, the list of courageous national organizations which support reasonable controls on the availability of semiautomatic assault weapons sales to the general public continues to grow.

In addition to earlier statements of support by various law enforcement groups—the National Association of Police Organizations, the National Sheriffs' Association, the International Association of Chiefs of Police, the Fraternal Order of Police, to name just a few—a large group of religious organizations have joined together, to issue the following statement in support of further congressional action to pass constructive semiautomatic assault weapons legislation this session.

I am pleased to enter the organizations' statement into the RECORD for my colleagues to consider:

CHURCH LEADERS' STATEMENT ON ASSAULT WEAPONRY

With other citizens of our nation we have looked with horror and dismay on the increasing incidence of assault weapon violence around our country. The murder of the school children in Stockton, CA is only the most visible example of the threat posed by these weapons. With hundreds of thousands of them already in the possession of the United States civilian population, the potential destructive force of assault weaponry is truly staggering. In our cities they serve as the preferred weapon of drug traffickers and other persons with criminal intent, posing a threat to the population in general and to law enforcement officials in particular. And, of course, there is always the imminent danger of an assault weapon being used in simple random destruction as in the January schoolyard killings.

In speaking of "assault weaponry" we mean to imply those automatic or semiautomatic, anti-personnel rifles, shotguns or handguns that are designed primarily for military or law enforcement use. Characteristics of these weapons include muzzle velocities often greater than standard long guns, high capacity ammunition magazines, light weight construction, folding stocks which allow for concealability, and the capacity of many types of them to be readily converted to fully automatic machine guns. Their design suggests one primary purpose—the rapid and efficient killing of human beings. As such, there can be no place for these weapons in civilian life.

As the church recognizes God as the author of life, so does the church understand human beings to be the stewards of the life granted us by God. Therefore we, the undersigned, speaking as the leaders of our denominational bodies, call on the President, the Congress, and other federal officials to act promptly and decisively to rid our nation of the threat posed to our national life by assault weapons. We call for an immediate ban on the possession, sale and importation of assault weaponry by civilians. Towards this end, we support legislation by the Congress to enforce such a ban on a national level, preferably making such legislation retroactive. We feel that only in this way can a means be found for controlling the wanton destruction of human life made possible by the civilian possession of those instruments of death.

CHURCH LEADERS' STATEMENT ON ASSAULT WEAPONS, JUNE 19, 1989

SIGNATORIES

Dr. Donald E. Miller, General Secretary, Church of the Brethren, Elgin, IL 60120.

Bishop J. Clinton Hoggard, African Methodist Episcopal Zion Church, Indianapolis, IN 46208.

Dr. Daniel E. Weiss, General Secretary, American Baptist Churches in the U.S.A., Valley Forge, PA 19482-0851.

Metropolitan Philip Saliba, Primate, Antiochian Orthodox Christian Archdiocese of North America, Englewood, NJ 07631.

Dr. R. Donald Shafer, General Secretary, Brethren in Christ Church General Conference, Upland, CA 91785.

Dr. John O. Humbert, General Minister and President, Christian Churches (Disciples of Christ) in the U.S., Indianapolis, IN 46206.

Edward L. Foggs, Executive Secretary/CEO, Executive Council of the Church of God, Anderson, IN 46018.

The Most Reverend Edmond L. Browning, Presiding Bishop, The Episcopal Church, New York, NY 10017.

Dr. Thomas A. McDill, President, Evangelical Free Church of America, Minneapolis, MN 55423.

Dr. Herbert W. Chilstrom, Bishop, Evangelical Lutheran Church in America, Chicago, IL 60631.

Meredith Walton, General Secretary, Friends General Conference, Philadelphia, PA 19107.

Vern Preheim, General Secretary, General Conference Mennonite Church, Newton, KS 67114-0347.

His Eminence Archbishop Iakovos, Greek Orthodox Archdiocese of North and South America, New York, NY 10021.

Rev. James M. Lapp, General Secretary, Mennonite Church General Board, Elkhart, IN 46516-3242.

Dr. Gordon L. Sommers, President, The Moravian Church, Northern Province, Bethlehem, PA 18016-1245.

Rev. Graham H. Rights, President, Provincial Elders' Conference, The Moravian Church, Southern Province, Winston-Salem, NC 27108.

The Most Rev. Metropolitan Theodosius, The Orthodox Church in America, Syosset, NY 11791.

Most Rev. John R. Swantek, Prime Bishop, Polish National Catholic Church, Scranton, PA 18505.

Dr. James E. Anderews, Stated Clerk, Presbyterian Church (U.S.A.), Louisville, KY 40202-1396.

Dr. Fred C. Lofton, President, Progressive National Baptist Convention, Inc., Memphis, TN 38126.

Dr. Edwin G. Mulder, General Secretary, Reformed Church in America, New York, NY 10115.

Samuel D. Caldwell, General Secretary, Religious Society of Friends, Philadelphia Yearly Meeting, Philadelphia, PA 19102.

Dr. Robert S. Wood, General Secretary/Stated Clerk, Second Cumberland Presbyterian Church, Huntsville, AL 35801.

Rev. Randall E. Laakko, President, General Convention of the Swedenborgian Church, Wilmington, DE 19805.

Rev. William Schulz, President, Unitarian Universalist Association, Boston, MA 02108.

Dr. Avery D. Post, President, United Church of Christ, New York, NY 10016.

Bishop Jack M. Tuell, President, The Council of Bishops, The United Methodist Church, Pasadena, CA 91102.

Bishop Joseph Sullivan, Chair, Domestic Social Policy Committee, United States Catholic Conference, Washington, DC 20005.

THE 140TH ANNIVERSARY OF ST. PAUL'S PARISH IN SACRAMENTO, CA

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. MATSUI. Mr. Speaker, I rise today to invite my colleagues to join me in celebrating the 140th anniversary of St. Paul's Parish in Sacramento, CA.

St. Paul's is Sacramento's oldest parish, and shares with the city of Sacramento a long and proud history. St. Paul's was organized in 1849, 1 year before the State of California was admitted to the Union. Originally organized under the name of Grace Episcopal Church, early members included Sacramento merchants Leland Stanford and Collis P. Huntington who later gained fame as the founders of the Central Pacific Railroad.

The original wooden structure located at Eighth and I Streets was torn asunder by gale force winds in 1901. Perhaps the winds were an act of God as this setback turned out to be a blessing in disguise. Designed by the famous architect D.H. Burnham, a new neogothic grey stone structure was built between 1903 and 1908 on the corner of 15th and J Streets. It is a structure of magnificence and inspiration.

The wealth of history contained in the parish, such as the many priceless stained glass windows, and the Johnson tracker organ built in 1875, exemplfies Sacramento's proud heritage, and serves as a fitting tribute to the city's forefathers. While St. Paul's development has paralleled that of the surrounding community, its commitment to tradition and strong sense of the past are ever present.

Since its founding in 1849, St. Paul's has been a source of support and guidance for the residents of Sacramento, and has played a significant role in the city's development. I wish the parish a long and successful future.

BOB MICHEL: LEADERSHIP IN THE HOUSE

HON. EDWARD R. MADIGAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. MADIGAN. Mr. Speaker, on Friday, September 1, Minority Leader BOB MICHEL spoke on the subject of "Leadership in the House of Representatives," at the Everett McKinley Dirksen Congressional Research Center in Pekin, IL. The Dirksen Center recently announced that it will be the official repository of papers, documents, and other memorabilia of MICHEL'S congressional tenure.

I am certain our colleagues will enjoy, as I did, BOB MICHEL'S warm, nostalgic, and incisive look at leadership in the House he has graced for so many years.

REMARKS OF CONGRESSMAN BOB MICHEL

This is a very special day for me and my family as we formally announce that the Dirksen Leadership Center will be the repository for the papers, documents, pictures and memorabilia we have accumulated over our more than 40 years of public service.

The fact that I'm beginning to clean out my Congressional attic doesn't mean I plan to move out of the House soon.

To the contrary: I hope to be creating even more documents, all to be housed at the Dirksen Center one day.

Going through the files of my early days in Washington brought back many memories of my first days on Capitol Hill as the Administrative Assistant to my predecessor in the Congress, Judge Harold Velde, who most of you know, lived right here in Pekin, Illinois.

He was the one who actually offered me the opportunity to prove my worth in the political arena, after Bradley University President, David B. Owen, recommended me for the position, just before my graduation.

Obviously for me, it was a stroke of good fortune for which I shall always be grateful.

I'll never forget meeting for the first time the man for whom this Congressional Leadership Center is named—one whom I've always considered as my political mentor. He was in the process of cleaning out his Cannon House Office Building Office after serving 16 years in the House.

He actually thought he was losing his eyesight, but with unique treatment at the time, warded off the affliction and then was importuned by all the States' party leaders to run for the U.S. Senate against the well-entrenched Majority Leader, Scott Lucas, who hailed from nearby Havana, Illinois.

Everett Dirksen won that bitterly-fought race in 1950 wearing out 2 automobiles crisscrossing the state over an 18-month period.

There are those who say he once wanted to be on the stage. I think he was a better actor than the late Sir Laurence Olivier.

Ev had flair, he had a sense of the dramatic, a feel for the shifting mood of an audience, an uncanny sense of timing.

He had a carefully constructed political image, before the word "image" became popular in politics. His hair, said to be combed each morning with an egg beater, was his trademark.

But along with this innate sense of the theatrical, there was a mastery of the legislative craft.

He loved to put words together in a bill and votes together on the floor. He loved the give-and-take of debate and the easy camraderie of the cloakroom. He was, in a true sense of the word, a leader.

And remembering his leadership makes me think of the giants of my early days in the House.

I recall watching in awe as Speaker Sam Rayburn strode forth from the Speaker's lobby to assume the Chair—alone, aloof, majestical. Although not tall in statute, he was every inch the Speaker of the House—and everyone knew it.

And then there was Joe Martin, my first Republican leader. Even in the Minority, he acted like a Speaker because he had once been the Speaker during the 80th and 83rd Congresses. Like Rayburn he was a bachelor, married to the House.

Speaker John McCormick dressed conservatively. But he was always pulling from his coat pockets wrinkled papers and folded documents. I can see him now, waving them like a trial lawyer at his opponents in debate.

And there's Minority Leader Charlie Halleck, a firebrand, aggressive, though, redfaced, mixing it up in debate on the floor with McCormick. He eventually lost his minority leadership to Gerry Ford in a rebellion on Young Turks against the old order.

It is hard to say that one was a better leader than the other. That is like saying that on the basis on a won-and-lost record alone, one baseball manager is better than another.

If you don't know the kind of team he had to manage, the injuries to key players, the ways in which specific games were won and lost, you can't judge a baseball manager's value. You have to know the climate in which he had to operate.

The same principle applies to judging House leadership. It does not lend itself to generalities and easy rules. You have to know the specific facts, the details—or, as an author once put it, "how the weather was".

Let me give you an example: Sam Rayburn is a legend. But would he have been a legend had he spent as much time in the minority as his Republican opposite number, Joe Martin?

I doubt it. That doesn't mean he would have been less of a leader. But the victories that are guaranteed by large majorities add a luster to a leader's image.

Incidentally, in my own case, each new day that I serve I am setting a new record for having served longer in consecutive years, as a member of the minority party, than any other man or woman in our history.

House leadership means selecting, under constraints of time and political pressure, not necessarily the very best in all fields, but an amalgam and/or combination of qualities of leadership the caucus of party members feel are appropriate for the times.

House leadership means learning to deal with the various divisions in the House—and the Democrat-Republican division isn't the most difficult one to handle.

More important at times are liberal-conservative differences, regional differences,

differences among states, factions within parties, fights between committees over "turf", and, of course, the 435 different personalities, ambitions, dreams and character flaws.

And don't forget differences between the House and the White House—whether your party controls the presidency or not. Tip O'Neill had almost as many problems with Jimmy Carter as he did with Ronald Reagan. But there are always problems between Congress and the White House.

I haven't even mentioned House relationships with the Senate, not always the best. A House leader is expected to be able to deal with all of these—simultaneously.

Each of these groups interacts with the others in a constantly shifting, volatile mixture of emotions and ambition and ideals. A personal grudge, a secret ambition, a hidden motive, an unspoken agreement, can all mean more, on a given issue, than partisan differences. A House leader has to know these things.

But he or she also has to be able to communicate what he or she knows. And in the House, that isn't as simple as it sounds. Allow me for a few moments to describe the problems of communication facing a House leader.

Too often, when political communication skills in Washington are discussed, we limit the discussion to the presidency. Ronald Reagan was the Great Communicator, Jimmy Carter had problems in speaking on television, and so on.

But we rarely hear about an entirely different—but very important—kind of political communication. I refer to the many ways a House leader must communicate.

If you limit the word "communicate" to prepared addresses, you don't understand the variety of means of communication a House leader must master—or at least understand.

When I ran for Republican leader in 1980, my opponent was my friend Guy VanderJagt, one of the most impressive orators ever to grace the House.

When Guy takes the podium, as he did as Keynote speaker at the 1980 Republican Convention, you know you are hearing one of the last of the great orators in the House. He memorizes every word.

If that race for the Republican leadership had been decided solely on the basis of oratorical skills, Guy would have won in a landslide—shucks, even I would have voted for him.

But our colleagues decided that what was needed was a work horse and I've been plowing that ground ever since. In doing so, I've discovered that oratory, in the grand tradition is only one way a House leader can communicate—and not always the most effective way.

A House leader must be prepared to debate on the floor, ad lib, no notes, on a moment's notice. We don't do as much of that sort of thing as we used to, but you still have to be ready.

Speaker John McCormick was a fierce debater on the floor, full of fire and ready to take on all comers. Speaker Carl Albert was a fiesty little son-of-a-gun, as tough a debater as you have ever seen.

Neither of them is remembered as a great orator. But they knew that in the House a few effective words in a floor debate are worth a thousand well-prepared words in a full-scale speech.

Jim Wright was a fine orator of the old school, with big gestures and rhetorical flourishes. Sometimes on television it became a bit hokey, a bit corny. But when he was "on", he was very good. In floor debate, he more than held his own.

But a good leader also has to know his limitations in communication. In many cases, a chairman or ranking member of a committee or committee members can better make the case for the party position in a floor debate.

A wise leader knows this and makes certain he gets his most informed and persuasive speakers down in the well of the House.

A classic example of this occurred during our debate on the nuclear freeze in 1983. A Democrat challenged my Illinois colleague, Henry Hyde, who had just criticized a prominent woman advocate of the freeze.

The Democrat said: "Yes, she is, as you say, the mother of the freeze. But President Reagan, through his lack of arms control progress, is the father of the freeze."

And, without missing a beat, Henry Hyde shot back:

"And that makes you a son of a freeze."

The debate went our way after that.

I believe one of the most important communicative skills a House leader can have is his ability to listen, in small groups, to persuade a few here and few there, off the floor.

President Ford, when he was Minority Leader, was very good at this. And, within the bounds of modesty, I might say that if I have any special gift for leadership, it comes in such small sessions. I am a good listener.

When we speak of communications skills we almost always think of speaking or writing—but listening is just as important in politics.

But how many scholarly studies or media reports do you see about the political art of listening? None that I know of. Maybe the Dirksen Center can create a Department of Listening Arts.

Sam Rayburn was a great listener in small groups. He is legendary for his "after hours clinic." He would call in a few Members to his office on the first floor of the Capitol Building and, over good bourbon and branch water, he'd just talk—and listen.

Let me quickly add that I was never invited to those legendary sessions. I was both a Republican and a junior member. Speaker Rayburn wasn't going to waste good bourbon on such lesser forms of life.

When Ev Dirksen was the Senate Minority Leader, I was his Congressman and very privileged from time to time to sit in on Ev's own "after hours clinic" where I learned so much just by listening.

Yes, in the age of C-Span House coverage you have to master—or at least adapt to—television. I am the despair of my staff because when I go on a TV interview show, I have the habit of directly answering the questions that the newsman asks me.

This sometimes results in candid, rather impolitic statements, that cause unexpected difficulties.

My staff tells me this is old-fashioned and that I would be better off to get my point of view across, no matter what the question is. But I grew up in a simple mid-west tradition that says when someone asks you a question, you either answer it directly or shut up—and on TV, it's hard to shup up.

I have limited myself to one aspect of ledership—communication. But there is so much more to say about the climate of House leadership. I could write a book about it—and maybe someday I will.

Only a book could deal with the extraordinary story of Democrat Phil Burton, an ultra-liberal activist who came within one vote of being elected majority Leader in 1976. It is a story that says much about the power of personality in the House.

Only a book could discuss what I call "leaders without the formal title." I refer to fine House members such as Mel Laird and Barber Conable, both Republicans, who, for different reasons, never became members of the top leadership, although each was superbly qualified.

Then, of course there is the leadership role played by committee chairmen, like our good friends Dan Rostenkowski and John Dingell—and by the multitude of subcommittee chairmen.

And it would take a book to discuss the impact of television in the age of C-Span coverage of committees and the House floor. I could devote an entire chapter of how some House Republicans took a dull, little-noticed House ritual—the Special Order—and, through C-Span coverage, turned it into an effective political weapon.

But I'll put that off to another day.

For today, let me conclude by saying that after more than 40 years in Washington, I am convinced House leadership is one of the least understood but most important facets of our federal system of government.

I say this because members of the House are closest to the people. We are elected every 2 years. We are sensitive—some would say hyper-sensitive—to the social and economic changes in our nation.

We don't have 4 years like a president or 6 years like a Senator to hide our mistakes. We serve as a kind of distant-early-warning system for democracy. We are ever aware of new problems and also aware of the clumsy legislative means at our disposal to deal with those problems.

Think of the nuclear freeze movement, the pro-choice and pro-life abortion activists; the innumerable special interests, the environmentalists, the unions, the industries—for each of them, the House is the place where immediate pressure can be brought to bear.

A House leader has to contend with all of this—and, like all his colleagues, he has to get re-elected every 2 years and then elected by his or her peers to be their leader.

If you ever think that a leadership position places you above the rest of your colleagues, you probably won't have that position very long. You have to keep in touch.

And if you think such a position allows you to neglect the folks back home, you are in for sudden, rude surprise.

The messy, often chaotic reality of the House, with 435 individuals, just doesn't lend itself to the theoretical abstraction of ideologues.

Ideological activists believe they know the truth and they don't want to negotiate or compromise or even talk about compromise. But in the House, the ability to strike a wise compromise is an essential part of leadership.

Ideological activists don't understand that in the House, as on the battlefield, maneuver can often leader to eventual success, where a frontal assault might fail.

In the House, as on the battlefield, troops will follow a leader into danger if they believe he is picking his fights shrewdly. But they will immediately withdraw their trust if they think for the sake of abstract theories you are sending them again and again into unwinnable battles.

It is my hope that the Dirksen Center continues to be the place where these complexities are studied, where serious scholars deal with the House in all its intricate glory.

In conclusion, let me say that exactly 50 years ago today, Hitler's troops crossed the Polish border and began World War Two.

I'll leave to historians the task of explaining what that war was all about.

But I'm certain of one thing: the fight against totalitarian tyranny, in World War Two and since then, has had at its heart the kind of legislative freedom the Dirksen Center was created to study.

The right of human beings to freely choose those who will govern them is worth fighting for and dying for. In Poland, in the Soviet Union, in China, in Central America, in South America, all over the world, men and women are struggling to achieve or retain the kind of legislative freedom we enjoy.

So I can think of no better place to commemorate this historic date in world history than at the Dirksen Center, which is committed to study the Congress of the United States, the very symbol of freedom to so many people all over the world.

I want to thank the officers and board members for inviting us to be a part of the Dirksen Center. The Michels arew fortunate to have such a fine institution as this to catalogue, house, and display our papers and memorabilia in a most professional manner.

DRUGS IN AMERICA—A WORLD VIEW

HON. NEAL SMITH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. SMITH of Iowa. Mr. Speaker, Phi Alpha Delta Legal Fraternity has long been recognized for its furtherance of high ethical and service standards in the legal profession. In recent years, PAD has made a significant contribution to the public good by supporting education which serves a valuable role in teaching good citizenship and respect for law. An important component of the fraternity's work in LRE is its Drug/Alcohol Education Program. In furtherance of this program, a law-related education training seminar was held in Washington during the period July 5–9, 1989. One of the principal speakers was Dr. Irving G. Tragen, executive secretary, Inter-American Drug Abuse Control Commission, Organization of American States, who presented a world view of the problem that is at the top of everyone's list of current priorities. I am inserting this speech into the CONGRESSIONAL RECORD entitled "Drugs in America—A World View" to the attention of my colleagues, so that others may have access to his ideas concerning this very important problem.

DRUGS IN AMERICA—A WORLD VIEW

(By Irving G. Tragen, Executive Secretary, Inter-American Drug Abuse Control Commission, Organization of American States)

The drug problem is omnipresent in our hemisphere today. No one who reads the hemisphere press can avoid its impact—murders on the streets of Washington, drug wars in the slums of Rio and on the streets of Los Angeles, the assassination of Justices and officials in Bogota, the accusations of drug-related corruption in the Caribbean and Miami, overdoses by addicts from Buenos Aires to Montreal, young people whose lives have been decimated by drugs, and national economies like Bolivia and Belize distorted by drug money and those who control that money.

The dimensions of the illicit drug trade are gigantic. The U.N. Division of Narcotic Drugs estimates its value world-wide at $250–$300 billion dollars annually. The Select Committee on Narcotics Abuse and Control of the U.S. House of Representatives estimates that over $135 billion of drugs was sold in 1986 in the U.S.; and its Chairman, Representative Charles Rangel has recently talked of evidence that U.S. sales are approaching $200 billion. A recent Rand Corporation study concluded that our efforts to stop the supply at the U.S. borders have failed and cannot succeed in the future—because 90 percent of the profits are made in the U.S. Let me give some examples of the dimensions of which we are speaking: a unit of coca leaf which is worth $1 in Bolivia, triples to $3 when converted into coca paste or bazuco in Latin America and $200–$300 when processed into cocaine and placed on the street in the U.S., Western Europe and the Far East. A kilo of cocaine which costs around $2,000 wholesale in Bogota, sells for $14,000 wholesale in Miami and $60,000–$120,000 retail to U.S. users. By the way, the oversupply has reduced wholesale prices from $60,000 to $14,000 in four to five years—without appreciably reducing the street price to the user. And, indeed the street price has risen with the advent of crack. From a kilo of cocaine, 14,000 doses of crack can be created; at $10 a dose that would generate $140,000 a kilo.

This is big business—one which is dominated by a few astute businessmen. The Medellin Cartel, really made up of 5 separate but often cooperating syndicates, is believed to control over 80 percent of all the cocaine sold world-wide. Linkages of the Cartel to the M–19 and the FARC in Colombia and the Sendero Luminoso in Peru have been documented and are of increasing concern to the OAS member states. The Cartel also is reported to finance right-wing goon squads that murder uncooperating judges and officials. INTERPOL reports that drug money from the FARC and M–19 is being used to finance subversion from Northern Ireland to the Italian Red Army to Lebanon to the Philippines. Coincidence of interests, not ideological ties, typify dealings of the Cartel—interests that primarily relate to expanding markets and maximizing profits. Prime Minister Robinson, of Trinidad and Tobago has equated the explosion of guns in his country to the illicit drug trade.

This is a cash business. Cash which is used to pay "campesinos" in advance for growing crops—at a time when the debt crisis has dried up liquidity all over the hemisphere and when commodity prices have been at post-World War II lows. Cash which is used to bribe officials to look the other way—and who once corrupted are recruited into the marketing network by making subsequent pay-offs in drugs, not money. Cash that is used to buy arms, planes and computers to facilitate the flow of drugs and protection for dealers at all the links in the chain. Cash that is buying legitimate business, banks and even governments in order to launder the profits.

Illicit drug trafficking is a crime of transnational dimensions and its remedies—in prevention and enforcement—must also be transnational. It is a single, inter-linked chain dominated by organized criminal syndicates which stimulates production in one country, control the manufacture of narcotic drugs in another, direct their transportation via other countries for their sale in markets within and beyond the American Continent, promote their use and reap their enormous profits.

There is no doubt that demand is the driving force behind this enterprise and the supply will not decrease until demand is reduced. However, we cannot efficiently attack only one link in the chain of production, manufacture, transportation, abuse and money laundering, without simultaneously confronting all the other links. And it is for this purpose that world-wide and regional cooperation must be mobilized to support governments and private organizations in controlling the multiple dimensions of the drug problem.

I

International cooperation in the struggle against drugs began at the turn of the century with the 1907 Hague Convention, and continued in the international arena under the League of Nations and then the United Nations. In 1948, through the United Nations Social and Economic Commission, the Commission on Narcotic Drugs was set up to orient and coordinate international efforts in this field.

The Commission has drawn up three Conventions on this problem. Two are already in force and the third, adopted in mid-December 1988, is in the process of being signed and ratified by United Nations member states.

The first is the 1961 Single Convention on Narcotic Drugs, amended by the 1972 Protocol, to which 148 countries are Parties, including all the Latin American and Caribbean States. This Convention establishes a world-wide system for determining the annual limits of production, manufacture, export, import, distribution, sale, abuse and possession of narcotic drugs, for medical and scientific purposes and the control of the poppy, coca and cannabis and all their derivatives. The International Narcotics Control Board (INCB) has been set up to determine such limits. States party to the Convention are required to comply with its terms, to adopt national legislation which effectively applies its provisions in their respective jurisdictions, to cooperate with other states in implementing its provisions and to limit the production, export, import, distribution, sale, use and possession of narcotic drugs to medical and scientific purposes.

The second is the 1971 Convention on Psychotropic Substances, to which some 100 countries are party, including all Latin American and Caribbean States. Under its provisions, it creates a world-wide system for analyzing, classifying and controlling psychotropic substances which jeopardize the health and well-being of people, and the INCB, with advice from the World Health Organization (WHO), is empowered to administer the Convention.

The third, perhaps the most innovative recent development in International Cruminal Law, is the new Convention against the Illicit Trafficking in Narcotic Drugs and Psychotropic Substances, presently under review by all the nations of the world, in connection with its signing and ratification. The Convention lays down broad norms for the definition of the crime, the jurisdiction of the States, the seizure and confiscation of property, extradition and legal cooperation, mutual legal assistance in investigation, trials and judicial actions related to the illicit trafficking of drugs, the transfer of proceedings, other forms of cooperation

and training, international cooperation and assistance for transit states, control over the distribution of precursors and chemical substances used in illicit manufacture, measures to eradicate the illicit cultivation of narcotic drugs and to eliminate illicit demand, controls over commercial transport and the suppression of illicit traffic by sea, in free ports and via postal services. INCB has responsibility for supervising the implementation of the Convention. This transcendental instrument establishes the basis for unprecedented international cooperation in the fight to overcome this transnational crime.

In our hemisphere there are two instruments which foster cooperation between our countries in the fight against drugs. The first is the South American Accord on Narcotic Drugs and Psychotropic Substances (ASEP), signed in 1973, and based in Buenos Aires, which is composed of ten South American states.

The other is the Inter-American Program of Action of Rio de Janeiro against the Illicit Use and Production of Narcotic Drugs and Psychotropic Substances and Trafficking Therein, approved by the 31 member states of the OAS; its headquarters are in Washington and which is administered by the Inter-American Drug Abuse Control Commission (CICAD).

For the English-speaking Caribbean countries, the Caribbean Community (CARICOM) has been given responsibility for carrying out a broad program against drugs, although it has not yet adopted a special instrument. The program includes education for prevention, public awareness, suppression of illicit trafficking, epidemiology and treatment and rehabilitation.

The deepening concern of the international community has been marked by the creation of world-wide and regional bodies to deal with the problem.

The United Nations system includes three specialized bodies: the Division of Narcotic Drugs (DND) which serves as secretariat to the Commission; the International Narcotics Control Board, (INCB), the specialized body which administers the conventions; and the U.N. Fund for Drug Abuse Control (UNFDAC) which, plays a singularly important role in the world-wide effort as the most important multilateral source of financing for national programs.

In addition, most of the specialized agencies of the U.N. system operate programs which deal with specific aspects of the program.

Regional organizations have also been established, such as the Pompidou Group for the European Community. In the Americas, we have ASEP, CARICOM and CICAD.

II

The CICAD is the entity most recently created by the Inter-American System, and it began its work in April, 1987. The Inter-American Program of Action of Rio had its genesis in the General Assembly of the Organization of American States (OAS) in Brasilia in November in 1984. In Resolution 699, the Assembly declared that drug trafficking is a crime which affects all of mankind and convened a Specialized Inter-American Conference on Drug Trafficking for the first quarter of 1986. This Conference was held in Rio de Janeiro in April of that year and it was there that the Inter-American Program of Action of Rio de Janeiro was unanimously adopted. In November 1986, the OAS General Assembly meeting in Guatemala not only approved the Program and created CICAD to carry it out, but also signed the "Inter-American Alliance for Combatting Illicit Drug Trafficking."

Since April 1987, CICAD met on five occasions, during which it drew up its policies, guidelines and priorities. Let me emphasis that the CICAD was not specifically designed to be a law enforcement body as the Program of Action of Rio clearly specifies—but it does embrace all the links in the drug trafficking chain. Budget restrictions have compelled CICAD to concentrate its efforts on four immediate lines of action: Juridical Development, Education for Prevention, Public Awareness through Support for Private and Community Action, and an Inter-American Information Network.

Legal development, because without effective legislation, enforcement, court action and penalties, there can be no reasonable deterrent—and only through legal cooperation among the member states can the transnational criminal syndicates be brought under control. In May 1988 in Costa Rica, the first hemisphere-wide strategy meeting on legal development was convened, under the co-sponsorship of ASEP. Senior officials from 16 countries identified the priority topics that warrant inter-American attention and possibly special multilateral instruments, including seizure and forfeiture of assets emanating from the drug trade, control of chemicals and precursors used in processing narcotic drugs, money laundering and bank secrecy provisions, and inter-governmental cooperation among ministries, judiciaries and law enforcement agencies. Within the guidelines of the world-wide conventions, especially that of December 1988, this line of action is designed to assist the American countries analyze the dispositions needed in their national legislation to be consistent with the new convention and with the norms and procedures of their neighbors.

Education for prevention because the Program of Rio attributes the top priority to demand reduction. This line of action is aimed at youth. Working with experts from around the Hemisphere, the education specialists of the OAS have designed a program to incorporate drug prevention into all of the schools of the American. In Montevideo in May 1988 this program was launched at a meeting of education, health and anti-drug specialists from the five Andean countries, Uruguay, Argentina and the U.S. A second inter-American meeting for the English-speaking Caribbean was held in Grenada on November 9-12, 1988. A third was held in Mexico in mid-May 1989 where some 15 countries—including those of Central America, as well as the Dominican Republic and Panama participated. The fourth for the countries of Southern Cone is scheduled for July 11-14. Hence the program based on inter-country cooperation to develop teaching materials, training instructors and community leaders and to share experiences among the member countries will be fully functioning this year.

Support for private and community organizations, because limited government resources need to be supplemented by private and community action and because these groups can awaken broad public awareness of the problem and its terrible consequences. A workshop in Santo Domingo in January 1989 initiated this line of action. The program action is designed to involve the U.S., Latin America and Caribbean private sector in funding private activities to broaden public understanding of the problem and to cover essential prevention, treatment and rehabilitation efforts which the public sector cannot provide. Meetings with owners and directors of the media, the private sector and community leaders—as well as an inter-American teleconference on public awareness—are scheduled for the second half of 1989.

An inter-American information system, because all of the member countries and private organizations working on the drug problem—its prevention, law enforcement and all related dimensions—need ready access to the latest documents, reports and experience of all the affected countries and institutions. The Inter-American Program of Action of Rio specifies that the CICAD establish an Inter-American Documentation Center and an Inter-American Data Bank. Both have been set up and are initiating operations. CICAD is now working with 12 regional and subregional multilateral bodies—including the Pan-American Health Association, ASEP, CARICOM, ILANUD, and the Inter-American Children's Institute—to design a network of regional and national information centers which will permit access through modern communications systems to the available body of information on illegal production, manufacture and trafficking in narcotic drugs and psychotropic substances as well as their improper use.

In synthesis, world-wide, regional, and subregional multilateral bodies have been set up with various instruments and mechanisms at their disposal for fostering and facilitating cooperation among governments and people in the struggle against illicit trafficking and drug abuse. It is clear that a framework exists for supporting the efforts of the countries, and for facilitating the search for new and more effective courses of action. Nevertheless, it should be pointed out that all the world-wide, regional and subregional instruments and mechanisms are to achieve their desired objectives.

CAL THOMAS COLUMN EXPOSES LEFTIST TILT OF THE AMERICAN PRESS

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. SOLOMON. Mr. Speaker, smug, self-righteous, and liberal. Those are the three terms that describe the major American news media today.

Those first two qualities prevent American journalists from conducting any self-examination of its own tilt to the left, despite the mounting evidence.

But as columnist Cal Thomas points out in a column that appeared recently in the Saratogian, a daily in my district, the press may yet be influenced by what we call in America "the bottom line."

Readership is declining. Newspapers are folding everywhere. The same public that votes for the more conservative Presidential candidate in election after election already knows that the major news organizations are far out of the mainstream.

When newspapers find their readership declining, the fact won't go unnoticed by advertisers, who really pay the bills. Newspapers are, after all, businesses, and very profitable

ones at that. Perhaps not for long, unless they drop their ideological blinders.

I place the Cal Thomas column in today's RECORD, and urge every Member to read it.

IDEOLOGY BALANCE IN THE NEWSROOM STILL LEANING HEAVILY TOWARD THE LEFT

The American Society of Newspaper Editors recently published the results of its survey on the racial, gender and age makeup of the contemporary newsroom. The survey found that on average newspapers employ mostly younger people (barely 10 percent of the journalists are older than 50), mostly white (95 percent) and mostly male (65 percent).

At the executive level of publishers and chief editors, only 15 percent are women and only 4 percent represent minorities.

What the survey did not ask was the ideological makeup of those in the newsroom. Many believe that where politics and a world view are concerned, the percent of journalists of the liberal persuasion closely approximates that of whites in the business—more than 90 percent.

In 1982, Dr. Robert Lichter, who heads the Center for Media and Public Affairs in Washington, conducted his own study of graduate students at Columbia University Journalism School, the nation's most prestigious. Seven years later, those students are now likely established in their profession.

Lichter found that the students were more liberal than those already working in the news business. Asked their preferences for the 1972 election, 91 percent preferred George McGovern to only 9 percent for Richard Nixon. In 1980, 59 percent supported Carter, 29 percent endorsed liberal Republican John Anderson, only 4 percent for Ronald Reagan.

Asked to rate most admired public figures, the Columbia journalism students put consumer advocate Ralph Nader at the top, followed by Gloria Steinem, Sen. Ted Kennedy, Atlanta Mayor Andrew Young, economist John Kenneth Galbraith and the Sandinistas. Below the Sandinistas came Margaret Thatcher, Jeane Kirkpatrick and Ronald Reagan. Fidel Castro scored higher than Kirkpatrick and Reagan.

Ninety-six percent of this group favored abortion, and 18 percent said homosexuality is wrong.

"We were checking the argument we had heard from liberals," says Lichter, "that their experience makes them sympathetic to the underdog. If that's true, people coming into the (news) business from school should not be as liberal as those already there. But that turned out not to be true."

The Lichter survey seemed to reveal that the ideological balance in the press is becoming even more tilted to the left. The reason, I think, is not only that the press serves as a magnet to many of the liberal persuasion, but also that students at the major universities are being taught that only liberal positions are worthy of the educated mind.

As University of Chicago professor Alan Bloom has written, "There is one thing a professor can be absolutely certain of: almost every student entering the university believes, or says he believes, that truth is relative . . . the danger they have been taught to fear from absolutism is not error but intolerance." This view is reinforced at the universities and what is produced from this intellectual kiln is what writer Ben Stein has called "a unified, idiosyncratic view of life."

It is such a view that leads to branding conservative positions as irrelevant.

The danger that comes from a newspaper's complete lack of ideological and political balance is that fewer people will read them. While other factors also have contributed to a decline in readership and the closing of many newspapers, my conversations with conservatives around the country have convinced me that the failure of newspapers to balance their liberal bent on news reporting has contributed to the disaffection of countless readers.

The newspaper industry is at least making an effort with respect to race and gender. No such effort is being made regarding philosophic balance—even though, according to a 1985 study commissioned by ASNE, three out of four adults doubt the credibility of their publications and said that if the publications do not act to improve their reputation, their privileges and the size of their readership are in danger.

That study and the one by Dr. Lichter ought to make newspaper management take notice of what their readers—and, in many cases, former readers—think.

CLEAN AIR LEGISLATION SHOULD INCLUDE FUNDING FOR MASS TRANSIT, DEVELOPMENT OF ALTERNATIVE FUELS, CLEAN COAL TECHNOLOGY, AND TECHNOLOGY APPLICATIONS AND CONVERSIONS

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. DORGAN of North Dakota. Mr. Speaker, the Governor of North Dakota, George Sinner, recently sent me a letter containing some suggestions about clean air legislation. I think that these are good ideas and I want to make them available to Members of Congress to keep in mind as we develop clean air legislation. I have put his suggestions in the form of a House resolution and I ask all Members to consider the suggestions in this resolution as a contribution to ideas that have already been proposed to address the national problem of cleaning up the air we breathe.

The major issues in the clean air debate will focus on two goals: First, strategies to bring nonattainment areas into compliance with at least current clean air standards and second, strategies to reduce acid rain and limit emissions of sulfur dioxide and nitrogen oxide from power generation and industrial plants. This resolution suggests that in addressing these two broad goals, Federal funding should be provided for certain programs that will assist cities and industries to meet clean air standards.

First, Governor Sinner suggests that in relation to the goal of assisting ozone nonattainment areas, a reasonable time frame ought to be allowed for reaching attainment. Also, funding should be provided for the development and utilization of mass transit and the development of alternative fuels such as methanol and ethanol.

The Environmental Protection Agency recently released data which indicates that over 100 cities in the United States are out of compliance with current air quality standards. This listing reflects an increase of 37 more areas that fail to comply with the Clean Air Act. Mass transit and the development of alternative fuels should be part of solution to bring these cities into compliance.

Some cities have already started to seize the opportunity to make use of alternative fuels in order to reduce air pollution. Since 1988, the Denver area has required the use of oxygenated fuels during the winter months. An oxygenated fuel is gasoline blended with ethanol or another additive that produces a cleaner burning fuel. The Denver Alternative Fuels Program is already showing dramatic results. The area hopes to be in compliance with clean air standards for carbon monoxide by 1995. The use of oxygenated fuels combined with mass transit improvements can make that a realistic goal.

Using alternative fuels such as ethanol has a second desired affect of reducing surpluses of farm commodities and strengthen farm prices. Ethanol is made from grains and our Nation has ample grain surpluses to supply an expansive effort to develop these fuels. Further, alternative fuels not only have substantially lower emission of carbon monoxide and other pollutants but their utilization will also reduce our reliance on imported oil.

In relation to the second goal, reducing acid rain by limiting emissions of sulfur dioxide and nitrogen oxide, Governor Sinner suggests that strategies to reduce these emissions should include funding for clean coal technology and technology applications, development, and conversion.

The assistance of Congress is both fair and necessary in funding clean coal technology and technology applications, development, and conversion.

Necessary because of the cost of retrofitting old powerplants, adding stack scrubbers or switching to low-sulfur fuel—the things necessary to bring the dirty old plants into the age of clean air—will cost $50 billion or more.

Necessary because, unassisted, industry is not going to be able to complete the research and powerplant retooling by itself to meet the goals now being drafted in our committees. The costs of retooling are not going to fall equitably across the United States. Rather, the costs will fall upon the 10 or 12 States that generate most of the electricity from coal will end up paying most of the costs in an effort to meet clean air standards.

While some have suggested using highway funds for mass transit and general funds for clean coal technology, this resolution suggests that funding for mass transit, development of alternative fuels, clean coal technology and technology applications, development, and conversions be supported by an oil import fee. Each dollar of import fee annually generates $2.5 billion. A $3 fee would produce $7.5 billion per year.

Governor Sinner points out that it is liquid fuels that add markedly to the ozone problem and it is liquid fuels that we are most in danger of running out of—both by overuse and by supply interruption. The importation of oil is therefore the most appropriate source of sorely needed funds to protect our environment.

Again I would emphasize that this resolution is intended to contribute to the clean air debate. I urge my colleagues, especially those who serve on the committees of jurisdiction, to consider these suggestions as part of the already wealthy pool of ideas being proposed to develop an effective strategy to address the serious problem of cleaning up our Nation's air.

The text of this resolution is as follows:

H. RES. —

Whereas many metropolitan areas are faced with serious carbon monoxide and ozone pollution problems that are threatening the health of citizens living in these cities and retarding general economic growth;

Whereas the Environmental Protection Agency has determined that 101 areas between the years 1986 and 1988, 37 areas more than the period 1985–1987, have failed to meet Federal Clean Air Act standards for ozone and carbon monoxide pollution levels and thus could be faced with the loss of highway, pollution control and water project funds from the Federal Government, and could face other substantial penalties imposed for failing to meet the air pollution standards;

Whereas cities in "nonattainment" status should be encouraged to take advantage of every available technical, mechanical, managerial, and practical solution to dealing with ozone and carbon monoxide pollution by the Federal Environmental Protection Agency;

Whereas the Environmental Protection Agency has determined that two-thirds of the nationwide carbon monoxide emissions are from transportation sources;

Whereas the Environmental Protection Agency has approved the use of oxygenated fuels, particularly fuel ethanol blends, for nearly 10 years and has determined that ethanol blended fuels significantly reduce automobile tailpipe emissions of hydrocarbons, dangerous aromatics, carbon monoxide, nitrogen oxide, and formation of ozone;

Whereas the use of clean burning oxygenated fuels can displace harmful amounts of aromatics such as benzene and toluene in gasoline which have been used in greater quantities as lead levels of gasoline have been phased down;

Whereas domestically produced fuel ethanol from surplus grain provides new markets for our grain production, increases farm income, lowers Federal farm program costs, enhances national energy security, provides new jobs and improves the economic climate in rural communities all over the country;

Whereas the expanded production and use of ethanol fuels from American grain provides new and expanded markets for "value added" agricultural production; saves taxpayers hundreds of millions of dollars and represents one of our Nation's best opportunities to substantially reduce imports of oil and gasoline;

Whereas oxygenated fuels such as ethanol can provide substantial environmental benefits and have already delivered over 500,000,000,000 miles of high octane performance for millions of American motorists since 1979;

Whereas domestic natural gas that can be recovered with existing technology represents a 62-year supply at current consumption levels;

Whereas the reduction in sulfur dioxide and nitrogen dioxide emissions from power generation and other industrial plants is necessary to alleviate the wholesale damage to the environment and human and animal health;

Whereas the United States power industry has already demonstrated the benefits of current pollution control technologies, evidenced by an 8 percent drop in sulfur dioxide emissions from coal-fired plants between 1980 and 1987 despite a 26 percent increase in volume of coal burned at power plants in the same period;

Whereas our Nation's dependence on imported oil has surged to half of domestic use and continues to increase; and

Whereas crude oil imports to the United States contributed approximately $35,000,000,000 to the United States merchandise trade deficit in 1988: Now, therefore, be it

Resolved, That (1) strategies to attain lower ozone levels should include—

(A) a reasonable time frame for reaching attainment;

(B) provide sufficient funding for mass transit projects; and

(C) provide for the development and use of alternative fuels such as ethanol, methanol, and natural gas,

(2) strategies to reduce acid rain, limits on sulfur dioxide emissions and nitrogen oxide emissions should be supported by—

(A) funding of clean coal technology, and

(B) funding for technology applications, development, and conversions both retrospectively as well as prospectively, and

(3) funding for mass transit projects, development of alternative fuels, funding of clean coal technology, and funding for technology applications would be supported by an oil import fee.

A NATIONAL INFRASTRUCTURE FUND

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. TALLON. Mr. Speaker, we have a great country, a wealthy country. The Commerce Department's estimate of the present national wealth, which includes the values of structures, equipment, inventories, and land, is $16.2 trillion. This is 36 times greater than what it was in 1940 and 41 times greater than in 1934. It is important that we continue those practices that have made our country great—to encourage productivity and to ensure that essential programs of benefit to the people of the country not be discontinued simply to reduce spending. The budget must be balanced, but we must also continue to protect our infrastructure for a strong economy.

In order to ensure our continuation as a great nation, we need a strong national defense that is backed by a strong country and public support—strength that can come only by protecting and developing our Nation's resources—our real wealth, our lands and waters. The development of our rivers and harbors and the construction of our schools, highways, airports, and so forth, along with an educated, healthy populace, with adequate food and nutrition flowing from a strong agricultural base, provides the foundation for our national growth.

It is a condition of human nature to take things for granted. Very few of us have given a second thought to the extraordinary infrastructure we have in this country to move people and goods. It is not something that we can afford to take for granted much longer.

Consider these facts about just one component of our transportation system, our highways:

There are almost 3.9 million miles of roadway in the United States. Eighty percent of this system is surfaced. In total, our road network has a replacement value of about $480 billion, making it one of our country's greatest assets.

Each year, the U.S. road network handles more than 1.8 trillion vehicle miles of travel. Eighty percent of this travel is done on the Federal-aid highway system, even though it comprises less than 22 percent, 843,000 of the Nation's road mileage.

In 1985, the Nation's highways transported 610 billion ton-miles, or 40 percent of total freight tonnage. This represents a 70-percent increase over 1965.

In 1985, real Federal, State, and local spending on the Nation's highways, streets, roads, and bridges was $45.1 billion. Capital spending by all levels of government, however, totals approximately $24 billion per year—about 6 percent of the gross national product. For every dollar the public sector spends to construct, operate, and maintain our roadways, the private sector spends $15 to move people and goods.

According to the Federal Highway Administration, for each mile of paved road, the Government spends an average of $24,910 for capital outlay and $7,280 for maintenance.

At the same time, consider these facts:

More than 62 percent of paved roads in the United States are deficient and in need of surface repairs.

The added cost of driving on bad roads last year was an estimated $16.2 billion, or $99.60 per driver.

The Nation wasted an estimated 1.25 billion vehicle hours and 1.38 billion gallons of gas in traffic congestion on limited access highways in 1984. By the year 2005, waste would soar to 6.9 billion hours and 7.32 billion gallons of gas.

Given the increasing population, regional shifts, and growing intersuburban travel patterns, the capacity of the Nation's highway and road network will have to expand further to avoid serious problems in the future.

Severely congested airports numbered 18 in 1986. FAA expects this number to increase to 32 in 1996 if no action is taken.

In a recent report, the Secretary of Transportation stated that over 220,000 of the Nation's 575,000 bridges were either structurally deficient or functionally obsolete. The costs associated with fixing all deficient bridges was estimated to be $51 million.

The greatest enemy of America's bridges is old age. Although the average life of a U.S. bridge is 50 years, some 30 percent of bridges over 20 feet long are at least that old. More than 25,000 bridges still in use are over 80 years old.

Continuing current levels of funding into the future, discounting any effect of inflation, will result in a $1,000 increase in vehicle operation costs per household.

Construction costs for deferred capital improvements on roads are up to 160 percent

higher than the costs of making those improvements when the need arises.

U.S. spending on public works declined from 19.1 percent of total government expenditures in 1950 to 6.8 percent in 1984.

Our infrastructure, our highways, bridges, airports, water systems, sewage-treatment plans, and other public works, are in serious trouble.

In a report issued last year, the National Council on Public Works Improvement recommended that public spending must double just to maintain the status quo. It's obvious the present budget crisis precludes the Federal Government from meeting this challenge. Towns and cities must fill this void, but they too have their own financial constraints.

To help stimulate local and State government spending, and to maintain the important Federal/State partnership, I'm cosponsoring legislation calling for the creation of a national infrastructure fund [NIF]. It would be a revolving loan fund requiring a one-time Federal capital infusion of $2.5 billion. The States—should they choose to participate—would be required to ante up a prorata share that would generate an additional $2.5 billion if all of the States participated. Together these moneys would be capable of leveraging up to $50 billion for financing vital public facilities around the country.

Once established, the NIF would loan funds to States only for those infrastructure projects that are supported by user fees, for example, toll roads, waste water treatment plants, thus assuring timely repayment. Because loans would be financed with bonds backed with full faith and credit of the Federal Government, local communities would realize a cost-saving benefit through the NIF by paying a smaller interest rate on the borrowings. As the States begin repayment of the loans, the reconstituted NIF can then be used to issue new project loans.

The NIF is a manageable program that makes funds available at less than market rates. It is simple, has very small administrative costs, and allows the States to determine where to put their investments.

The NIF will help us shore up what is increasingly a crumbling foundation for our entire economy. Let's make sure it's a restored national infrastucture that makes next year's headline not crumbling highways and collapsed bridges.

AMERICAN ACADEMY OF PEDIATRICS RELEASES STANDARD'S STUDY

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. KILDEE. Mr. Speaker, as the Congress continues to debate how best to address the critical issue of child care for American families, I would like to share with my colleagues the findings from a national survey conducted by the National Academy of Pediatrics. The Academy's survey reiterates the need for Congress to assist States and parents in improving the standards affecting the health and safety of their children in child care settings as well as the need for adequate enforcement of such standards.

NATIONAL SURVEY FINDS WIDE GAPS IN CHILD CARE HEALTH AND SAFETY STANDARDS

WASHINGTON, DC.—A national survey of health and safety standards in child care shows wide variations among states' requirements. Critical health and safety regulations in many states are inadequate, vague or nonexistent, according to a survey conducted by the American Academy of Pediatrics (AAP) and the American Public Health Association (APHA).

The collaborative study evaluated child care licensing requirements in every state and in eight major cities.[1] "Many of the standards we chose to survey, such as immunization and handwashing, provide minimal protections that states should certainly require," said George Sterne, M.D., co-chair of the AAP/APHA National Health and Safety Standards for Child Care Project, of which the state survey is one part. "Parents would be surprised and dismayed to learn that basic standards such as these are not required of child care facilities in many states."

The purpose of the survey was to determine the level of protection currently offered in child care centers (non-residential facilities where 13 or more children receive care from non-relatives); group day care (family residences where seven to 12 children are cared for by at least one provider and one assistant); and family day care (family residences where one to six children are cared for by a provider).

The survey showed that while all states have licensing requirements for child care centers, only 37 states license group day care and 47 states license family day care. One-quarter to one-half of states that license child care miss crucial health and safety standards needed to protect children such as: handwashing; pre-employment staff health evaluation; staff-infant ratio; and staff training.

While child care centers were shown to have better regulations for health, safety, sanitation and nutrition than group and family day care homes overall, more children are cared for in group or family day care settings. Approximately 1.4 million children are currently enrolled in licensed child care centers in comparison with an estimated 1.4 million in regulated group day care and 2.2 million in regulated family day care.

"This survey clearly illustrates one of the problems parents confront when searching for quality child care—regulations vary widely from state to state," said Susan Aronson, M.D., a member of the project's steering committee. "In addition, even in states with better regulations, lack of inspections and poor enforcement provide little assurance of quality in licensed child care programs."

The states that ranked consistently high for sufficient health and safety regulations in all the areas evaluated and in each type of child care program include Ohio, Nevada, Pennsylvania and Tennessee.

The states that ranked consistently low in all child care settings are Idaho, Mississippi, Maryland and Missouri. The survey experts also pinpointed the areas most in need of new and improved standards, including: Prevention and management of child abuse; nutrition; children with special needs; staff health; and health and safety organization and administration.

"Generally worded standards in states' regulations are usually too broad and vague to be helpful for the provider or the state," said Debra Hawks Peabody, APHA director of the Child Care Standards Project. "These standards could be improved by making them more specific and clearly stated, so that providers can implement them easily and states can monitor them routinely."

In May, the U.S. Senate passed a comprehensive child care bill, the Act for Better Child Care, which calls for states to create adequate standards for out-of-home care. The House will consider similar legislation in September. "Federal legislation is desperately needed to provide states with first, a blueprint of what quality child care is, and second, the fiscal support to ensure that attaining that quality is possible," said Dr. Sterne.

The survey was funded by a grant from the Bureau of Maternal and Child Health and Resource Development, Department of Health and Human Services, and was conducted from April to September 1988. Enforcement of child care standards was not examined.

The American Academy of Pediatrics is an organization of 37,000 pediatricians dedicated to the health, safety and well-being of infants, children, adolescents and young adults.

[1] The cities surveyed included Anchorage, Baltimore, Chicago, Cincinnati, Las Vegas, New York City, Oklahoma City and Washington, DC.

TRIBUTE TO CHESTER PARTYKA

HON. JAMES A TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Chester Partyka, the president of the Ohio Division of Polish American Congress, who is being honored by the Polonia Foundation of Ohio, Inc. The Polonia Foundation recognizes Mr. Partyka as a selfless community leader living in today's pluralistic American society.

Chester Partyka is an excellent example of true success. Mr. Partyka was born on December 2, 1925 in Poreba, Poland, a small town outside of Warsaw. When the Nazis invaded Poland on September 1, 1939, he was kidnapped by the Nazis and became a Polish prisoner of war. This was the beginning of the horrors of war that would affect the rest of Mr. Partyka's life. He was eventually freed by Americans and then joined the Allies to help liberate Europe.

Mr. Partyka's life would then take a dramatic turn for the better. Arriving in America in 1950 with only $17 of military scrip in his pocket, he advanced from owning his neighborhood beverage store to developing a successful real estate firm, Partyka Realty, Inc. In 1980, Mr. Partyka semiretired and began to devote most of his energy and time to Polish-American affairs. He has become deeply involved in various civic, cultural, and religious activities. Chester Partyka is well known not only in the Cleveland area, but also on the State and National level. He is a member and a very active participant in a wide variety of

organizations. His wide spectrum of activities includes the position of national vice president of the Polish American Congress, the organization which represents 12 million Polish Americans in 3,000 organizations nationwide and 500,000 Polish Americans in Ohio. He is also an active member of the National, State, and Cleveland Area Board of Realtors as well as the Ohio Lottery Commissioner, appointed by our Governor Richard Celeste, with a yearly budget of $1.4 billion.

Mr. Speaker, I would like to take this opportunity to congratulate Chester Partyka for his impeccable service to his community and country. The reason for Partyka's success stems from his knowledge, understanding, and compassion for other people's problems. He is known as a team player and we are deeply indebted to him for his dedication and the contributions he has made to our State and Nation's causes. I am honored to represent this outstanding individual.

ST. STEPHEN'S CHURCH, KEARNY, NJ, TO MARK 50TH YEAR

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. GUARINI. Mr. Speaker, a very fine religious institution, which has been serving the people of my district and the State of New Jersey for the last 50 years, is celebrating the golden anniversary of its building on September 17. The church I speak of is St. Stephen's Church.

This magnificent Gothic edifice is 205 feet long, 101 feet wide, and 78 feet from ground to roof, and has a seating capacity of 1,100.

According to Rev. William Hatcher, pastor, and as reported in the Jersey Journal by A. Elizabeth Foley:

St. Stephen's Church building, a landmark on Kearny Avenue, Kearney, since the midthirties, will celebrate its 50th anniversary of dedication September 17 with a noon mass concelebrated by Archbishop Theodore E. McCarrick, three auxiliary bishops and the Rev. William Hatcher, pastor. Later in the day, a dinner dance will follow at the Mayfair Farms, West Orange.

Prior to the construction of the building, the church was located in a two-story structure at the corner of Midland Avenue and Chestnut Street. The church used the first floor, and its grammar school occupied the second level. St. Stephen's, a parish since 1904, opened its school the same year.

Under the ministry of the Rev. George N. Murphy, who began his pastorate in 1926 and continued until his death in 1948, the parish grew steadily as did the Roman Catholic population of the town.

In 1933, Murphy purchased 23 lots on Kearny, Laurel and Washington Avenues. Plans for the new building were announced in May, 1935, with ground breaking taking place in June, 1936.

Designed by Robert J. Reilly of New York, it was built by E.M. Waldron Company, Newark, using Connecticut granite for exterior walls with Indiana Limestone for trim. Interior walls, faced with stone, are topped by a wodden ceiling framed in oak. On June 6, 1937, then Bishop Thomas Walsh blessed the sacristy and officiated at the cornerstone laying and foundation blessing.

The new church, a climax of prayer, faith, courage, sacrifices and parishioner's generosity, became a landmark on September 17, 1939, when the edifice was dedicated by Archbishop Thomas J. Walsh at a solemn high mass of thanksgiving. Father Murphy was celebrant and Bishop William A. Griffin, preacher. Archbishop Walsh consecrated the high altar and one of the transept alters, reserving the second transept altar for consecration together with the entire church. The reredos were blessed and dedicated in memory of Murphy. The present organ was installed in 1960 at a cost of $60,000 during the pastorate of the Rev. Adrian Maine.

In October, 1988, a campaign was begun to restore and refurbish the church and to make necessary liturgical changes. The stone was pointed and cleaned, the roof repaired, and the doors refinished. In addition, electrical wiring was modernized and lighting updated. A sign identifying the church has been erected and a ramp for the handicapped will soon be completed.

The former St. Joseph side altar has become the eucharistic chapel, adorned with hand-carved angels from Ortisei, Italy. Marble from the former altars to St. Mary and St. Joseph has been restored to create a new altar of sacrifice in the main sanctuary. A new baptism area has been provided, with the marble font made from sections of the former communion rail. Reconciliation rooms in accordance with the new Rite of Penance have replaced wooden confessionals.

In honor of the Sisters of Charity who have taught in the school for 85 years, a hand-carved stature of St. Elizabeth Ann Seton has been placed in the shirine area of the church.

Father Hatcher is assisted by Rev. Gary C. Ward, parochial vicar; Rev. Thomas F. Blind, parochial vicar; Deacon Incoronato Vitale; Rev. Warren R. Hall; Rev. Mark Dooley, pastor emeritus; Rev. Leonard Dembrow, weekend assistant; Rev. Edwin Sullivan, weekend assistant; Sister Eileen Griffin, S.C., school principal, of Sisters of Charity, Convent Station, New Jersey; Robert Maidhof, music minister and organist; William Giaccum, trustee; and John McLaughlin, trustee; and Michael Higgins, parish pastoral council president.

The people of Kearney, over the years, have been family oriented, patriotic and Godfearing and have made their lives' objectives to make our great United States greater.

I am certain that my colleagues here in the House of Representatives would like to join me in extending congratulations to St. Stephen's Church and its parishioners on this happy occasion.

WAR AND REMEMBRANCE—A CONGRESSIONAL TRIBUTE TO WORLD WAR I VETERANS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. ANDERSON. Mr. Speaker, I rise today to once again bring to my colleagues' attention, the plight of the World War I veterans.

At the beginning of this Congress, I introduced H.R. 1918. This bill will provide a pension of $150 per month to the surviving veterans of World War I. From the Revolutionary War to the Spanish-American War, Congress passed a service pension for veterans and widows. After World War II, an appropriate new philosophy towards compensating veterans produced educational benefits, and home and farm loans. The veterans of World War I have been left out in the transition between the two approaches.

I have over 70 cosponsors now and I thank you for your support. I am also going to include, as an extension of remarks, an August 11th article by Ted Johnson of the Los Angeles Times. It reflects on the memories of several World War I veterans. Please read, and understand what these brave men had to suffer through.

WAR AND REMEMBRANCE—ALL'S QUIET BUT NEVER FORGOTTEN

(By Ted Johnson)

Samuel Silberling, Fred Hummer and Cecil Kepler were in high school 75 years ago this month as Europe's powers plunged into the Great War.

They, like others, read the news on June 28, 1914, of Austrian Archduke Francis Ferdinand's assassination, which struck a nerve among Europe's most powerful nations.

By August, the intricate system of alliances and crosscurrents of nationalism and aggression helped pull Germany, Russia, Britain and France into the war.

The three students, who are among 830 veterans of the Great War who live in Orange County, had little idea that these guns of August would lead to mass U.S. involvement, starting in 1917. One of President Woodrow Wilson's 1916 reelection pledges was to keep the United States out.

Many of the veterans are now in their 90s, and they have survived most of their wartime buddies. At Seal Beach's Leisure World retirement community, the Veterans of World War I post disbanded five years ago. A Costa Mesa post dissolved last year.

For those who remain, the memories of active duty are still vivid. Silberling, Hummer and Kepler remember their anxiety when they volunteered. They easily recall both their awe of their new experience and their horror of battle.

"World War I was the worst war we had," Silberling said. "It was hand-to-hand fighting. It was a very person-to-person war, and we weren't prepared for it."

He recalled seeing soldiers lying in the trenches either wounded or dead, and the Germans and Allies going at each other with clubs and bayonets.

Silberling, 88, had been in a radio school in New York when the war broke out. He thought this would be a great way to put what he learned into practice. So at 17, he enlisted in the coastal artillery. Although he was not old enought to join, communications experts were in such demand that officials turned the other way when his age was questioned, he said.

"I lied about my age," said Silberling, who lives at Leisure World in Seal Beach. "When the war broke out, they didn't have enough radio and telephone operators. That's why these guys closed their eyes to my age."

When his mother, who had a boarding-house on Coney Island, found out that he had enlisted, she petitioned a state senator to get him out because he was too young

and had not gotten her permission. Hearing this, Silberling took quick action.

"I told the commander the situation," he said. "He told me that there was a ship that was to leave for France the next day. The next morning, I was sailing."

In France, he went right to the front lines, where, as acting communications officer, he witnessed three major engagements. He carried his equipment through the trenches, dug hollow spaces and operated the equipment from there.

"My whole object was to get near the trenches but in a corner where I would not be hit," he said. "They couldn't replace me that easily.

He said he considers himself lucky to have survived the war and made it this far. In France, he had several close calls.

One time, just after he walked away once, a bomb went off in his trench. "I said, 'Geez, if I was still there that minute, I would be gone.' "

"I had lucky breaks," he said. "It was weird how lucky I was."

In another close call, he and a friend got caught in mustard gas, a poison that had extremely irritating, blistering and disabling effects. They survived with their oxygen masks.

"I got the mask on just in time," he said. " My friend, Earl McKinney, got some of the gas. He suffered from that damn gas for a long time."

Silberling was in France's Argonne Forest for about 10 days during the Meuse-Argonne offensive. About 1.2 million Americans fought in the final battle, which took place over the last 47 days of the war.

One of every 10 was killed or wounded.

"The grounds were wet all the time. He said. "My feet swelled up like a balloon. They had to cut my shoes off, and my socks had disintegrated."

At Leisure World, Silberling still gets in rounds of golf. In the early 1970s, he had a bit part in "The Godfather."

For Fred Hummer, 89, of Fountain Valley, the war was fought on the home front. He became a bugler for the 22nd Infantry, playing and serving at the White House, the Capitol and the Statue of Liberty.

Hummer still plays the same 10-inch-long bugle that he used to wake up the members of his company each morning during the war.

"It was funny when I was discharged," Hummer said. "The sergeant says to me, 'Give me your side arm, but keep the bugle.' "

Twice a month, he plays bugle calls for the American Legion, which he joined in 1919 as a charter member. And, after he does his 10 push-ups, he still practices the horn every day.

One of his most vivid memories of wartime is guarding a German spy who had plotted to blow up the Brooklyn Bridge. He guarded the spy on the train from New York to Trenton as he was being taken to a prison.

"He want to the bathroom," he said. "After a while, the guard who was nearest to the door heard a crashing sound. . . . They kicked the door in, and he was just about out the window and off the train. The sergeant shot him."

Hummer rose each morning at 6 a.m. to blow the wake-up call—which did not make him too popular with the soldiers.

"They'd like to shoot me," he said. They wanted to throw everything at me. The buglers would have to find their own quarters to sleep. Otherwise they'd like to steal it.

"It reminds me of that song, 'Someday I'd Like to Murder the Bugler,' "

Cecil Kepler, 91, of Orange faced a similar situation. At the end of the war, he was a bugler on the front in Europe, waking soldiers at 5 a.m.

'They'd give me trouble," he said. "I got to the point where I'd just turn over their cots and take off."

Although he served in France during the final months of the war, it was during a lull in fighting, so he saw no action. For Kepler, some of his worst memories were of crossing the Atlantic. On his ship, one of his buddies caught influenza and died.

"I had to blow taps for him," he said. "They had to bury him at sea."

Later, as they were several days from Europe, a German U-boat surfaced. After a brief engagement, a gunner on their ship sank the submarine with a direct hit.

Kepler, who with his wife, Eula, 86, volunteers once each week at the Veterans Hospital in Long Beach, still recalls with precision the French towns his company traveled through, He remembers the end of the war especially well.

"At the distance we saw cars going by on the road with a little American flag on the fender," he said. "We knew something was going on, because that was not allowed. The next day they came and said, 'We've signed an armistice.' But we didn't know what an armistice was."

The war was over, He was discharged several months later. For many of his fellow servicemen, it came too late.

"We got mustered out some day in May, 1919," he said. "But Prohibition had started the night before."

TRIBUTE TO JAMES DOHERTY

HON. HOWARD L. BERMAN

OF CALIFORNIA

HON. MEL LEVINE

OF CALIFORNIA

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. BERMAN. Mr. Speaker, it is with distinct pleasure that we rise today to express our admiration, respect, and gratitude for a unique individual, a model citizen and a good friend. Mr. James Doherty is this year's recipient of the Labor Zionist Alliance's prestigious Tzedek Award. Jim is being recognized for his untiring efforts in promoting understanding among people for diverse social, religious, and ethnic backgrounds.

Jim has a broad and extensive commitment to fostering social justice and peace. Presently he is executive director of the western region of the Youth Institute for Peace in the Middle East and directs special projects for the Jewish Labor Committee. He is also director of the Jewish Federation Council's Commission on World Jewry, the Jewish Relations Committee and the Western Region Jewish Community Relations Committee.

Jim gives generously of his time to many worthy organizations in our city. In addition to his charitable commitment, Jim is also recognized as one of the most involved, persistent, and effective leaders in the flight to secure social justice, democracy, and world peace. His hard work has had a major impact on many successful interfaith and interethnic social action projects.

Among his many accomplishments, Jim has served as special adviser to the United States Holocaust Commission and is on the board of directors of several prestigious organizations. Additionally, Jim has dedicated his life to protecting the rights of working people through his involvement with the Teamsters, Operating Engineers, and AFSCME.

Mr. Speaker, we ask our colleagues to join us in honoring James Doherty, a man whose dedication and achievements are a credit to our community and our country.

LEGISLATION FOR THE USE OF VOLUNTEERS TO STRENGTHEN THE BORDER PATROL

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. MOORHEAD. Mr. Speaker, I am today re-introducing legislation that will shore up the strength of our Border Patrol force through the use of volunteers in noncritical areas by the U.S. Immigration & Naturalization Service. The Immigration Service Volunteer Assistance Act amends section 1342 of title 31 to allow trained volunteers to aid the INS in search and rescue missions, in chaplain programs, in providing language interpretation services, in observing and reporting activities in border areas and in other noncritical, nonoperational support functions of the INS as deemed appropriate by the Attorney General. Under the provisions of the act, volunteers are not authorized to arrest, detain, or interrogate individuals. Volunteers would not be considered Federal employees except in cases of duty related injuries or tort claim provisions. In effect, my legislation creates a pilot reserve border patrol using volunteers with highly specialized training for noncritical operations.

This same concept has worked very well for many local law enforcement agencies. Los Angeles County, for example, has used thousands of volunteers in virtually every segment of its operations. Volunteers have provided county government with a renewed strength and energy and enormous savings to taxpayers. I would like to see the Federal Government vigorously, but prudently, follow this same course.

One of the priorities of the President's national drug control strategy is to strengthen the presence of the Border Patrol along the Southwest border. All Americans must cooperate and become involved in our efforts to stop the flow of illegal drugs coming across our Nation's borders. While the volunteers would be used to provide support, their services would be designed to augment and assist but not to displace any Federal employee or agent. Their purpose is to assist regular professional Border Patrol staff in a nonoperational capacity.

The President recently proposed a Government-chartered foundation to encourage all citizens to serve their country in some capacity on a volunteer basis. My legislation pro-

motes this concept in a specialized way. I urge my colleagues to rise in support of this bill and other community service initiatives urging volunteerism by all Americans.

INTRODUCTION OF LEGISLATION ABOUT THE PATENTING OF ANIMAL LIFE

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. CARDIN. Mr. Speaker, today I am introducing a bill that would provide for a moratorium on the patenting of animal life until there is a proper regulatory review and approval process in place that takes into consideration environmental, health, safety, and biomedical ethical standards on the commercialization of an animal.

Mr. Speaker, the patenting of animals has received a great deal of attention by the Courts, Intellectual Property, and Administration of Justice Subcommittee of the Judiciary Committee. I believe we must explore further the implications of animal patenting on our health, safety and environment.

In 1980, the Supreme Court opened the door to the patenting of animals when the decision in Diamond versus Chakrabarty allowed the patenting of a genetically engineered microbe. In 1987, the Patent and Trademark Office [PTO], using a broad interpretation of the Chakrabarty case, announced it would consider applications for patents on genetically altered animals. One year later, in April 1988, the Patent and Trademark Office approved the first animal patent for a genetically altered mouse.

Over 75 patent applications on animals are pending at the Patent and Trademark Office. It is the Congress' duty, not PTO's, to determine whether living organisms, like plants and animals, are patentable. Congress saw the need for this type of active involvement in 1930 by enacting the Plant Patent Act and again in 1970 by enacting the Plant Variety Protection Act. With regard to the patenting of animals, however, it was the PTO, not Congress, that decided in 1987 that nonhuman animals constituted patentable subject matter. The PTO stepped in to fill the void. But it is time for Congress to become more involved in the debate. A moratorium would provide us with the necessary time to determine whether or not we need to make improvements in our patent law to deal directly with the patenting of animals.

The concept of a patent comes from the U.S. Constitution. A patent is a grant issued by the U.S. Government giving the patent owner a temporary right to exclude all others from making, using, or selling the invention during the term of the patent. Under our laws, inventors have been able to obtain a patent for any new, useful, nonobvious, and fully disclosed process, machine, manufacture, composition of matter, or improvement thereof.

Certainly, in this Nation's history, there were people who feared the impact modernization of technology would have on our society. Some wanted to put reigns on progress out of fear. While I do not subscribe to the notion of halting progress for the sake of fear, I do have serious concerns about the effect patenting of animal life could have on our society.

Although biotechnology is a new and constantly changing field, the basis on which one receives a patent is not. Perhaps our requirements for a patent should change to adapt to new technology. I believe we have reached the point at which we must examine whether our patent system is keeping up with technology. Namely, do the truths that have enabled millions of inventors to obtain patents still hold for the patenting of animals? This is a crucial question that needs further exploration.

Critics of my proposal will claim that the existing regulatory review and approval process for all patents adequately applies to genetically engineered animals. Of course there are standards which all inventions must meet to be patentable. However, I believe that the patenting of genetically engineered animals may warrant a higher degree of scrutiny than that for other potentially patentable material. The patenting of a machine is different than the patenting of an animal. An animal, unlike most other patentable material, has the capacity to reproduce. This provides us with unique health, safety, environmental, and ethical concerns.

Genetically engineered animals warrant a special regulatory review and approval process. Patents give special protection that may serve to encourage research, development, and innovation. I don't want to stop progress; I want to ensure that these tools of progress are used to move us safely and soundly into the 21st century.

COMMEMORATING MARJORIE BARRICK AS THE "SPIRIT OF LIFE" RECIPIENT

HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. BILBRAY. Mr. Speaker, I rise today to honor one of southern Nevada's most prominent philanthropists, Marjorie Barrick. On Saturday, September 23, 1989, the City of Hope National Medical Center and its Beckman Research Institute will present to this exceptional Las Vegan the "Spirit of Life." This prestigious honor recognizes individuals who have given generously of themselves to humanitarian and social endeavors. Mrs. Barrick is truly deserving of this honor.

Marjorie Barrick is a woman with broad vision. Acceptance of the "Spirit of Life," the most distinguished honor given to a lay person on behalf of the City of Hope provides a statement of her values and her belief that research has no geographic boundaries. The City of Hope has a 76-year history of having extended its programs of patient care and scientific research to Nevadans and the world at large.

The honors bestowed upon Mrs. Barrick are testimony to her commitment and dedication to bettering the human condition. She has received the "Woman of the Year" award from Nevada Dance Theatre '88 and the 1987 Governor's Arts Award for "Distinguished Service to the Arts." In July the University of Nevada Las Vegas Natural History Museum was renamed in her honor.

Marjorie Barrick has graciously served the community of southern Nevada in a variety of ways. In 1986 she was the first woman elected Chief Barker of Tent 29 of the Variety Club and she has served on its board of directors for 10 years. she is one of the founders of "Friends of Channel 10," a public broadcasting support group, and she has served on its board for 10 years.

She has also been a trustee of the University of Las Vegas Foundation since its inception and received an honorary doctor of humane letters degree from UNLV in 1985. In 1982 she was selected as a "Distinguished Nevadan" and received the Hadassah Vocational Guidance Institute Award in 1987. She served on the Allied Arts Council for 5 years and is now on its advisory board.

Mr. Speaker, it is fitting and appropriate that the 1989 "Spirit of Life" recipient is Marjorie Barrick, a distinguished Nevadan as well as a prominent Las Vegan. Her presence has truly been felt throughout southern Nevada. I urge my colleagues to join me today in commending Mrs. Barrick for her inspirational and unselfish commitment to improving both the quantity and quality of life.

CONGRESSMAN DALE E. KILDEE CONGRATULATES REV. ROBERT E. HENSON FOR 10 YEARS OF LOCAL MINISTRY

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. KILDEE. Mr. Speaker, I would like to bring to the attention of my colleagues and the Nation a recognition ceremony that will be held Sunday, September 17, 1989 honoring Rev. Robert E. Henson. Reverend Henson will be celebrating his 10th year of local ministry at South Flint Tabernacle in my hometown of Flint, MI.

Reverend Henson began his service career at the Texas Bible College in Houston, TX. It was there he began his ministerial training. He was ordained in 1969 and is presently licensed by the United Pentecostal Church International. His previous pastorates include congregations in El Campo, TX and Portage, IN. In October, 1979 he brought his ministry to South Flint Tabernacle in Flint.

Reverend Henson's service to his congregants goes far beyond speaking to them from the pulpit every Sunday. He has become an integral part of their lives because he is willing to meet people right where they are—to minister to their real needs and to counsel them from his experience, strength and hope. Under his direction, South Flint Tabernacle has grown from a congregation of 400 to 600. He has reinstituted a strong bus ministry, expanded an outreach program and developed several fellowship ministries for all age groups. In addition to conducting Christian School Ministry and other Christian education

programs, Reverend Henson instituted a church newspaper publication and served as a speaker for the Life and Liberty Radio Broadcast. In addition to his ministry in our local community, Reverend Henson has preached at numerous district camp meetings nationwide and he has been actively involved in world missions work, visiting over 50 countries around the world.

Mr. Speaker, South Flint Tabernacle continues to serve as a blessed place of worship and a wellspring of faith and inspiration for its parishioners under the leadership of Rev. Robert E. Henson. During his 10 years of local pastoral service, Reverend Henson has succeeded in far surpassing his expected duties as pastor. Our community has greatly benefited by the dedicated and unselfish services of Reverend Henson. His commitment to mankind has touched the lives of countless people and continues to serve as a message of bright hope to our entire community. I personally have been a beneficiary of his dedicated ministry and good counsel. It is indeed an honor and a privilege to ask my colleagues in the U.S. House of Representatives to join me in paying tribute to this highly regarded man on his 10th anniversary of local pastoral ministry.

TRIBUTE TO CAROVILLESE MUTUAL AID SOCIETY OF CAMPBELL

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to the Carovillese Mutual Aid Society of Campbell, from my 17th Congressional District of Ohio.

The Carovillese Mutual Aid Society was formed by an outstanding group of individuals who immigrated here from Italy early in the 20th century. At this time many men and women left the quaint mountainside village of Carovilli, Italy to seek employment and a better life in America. They settled predominatly in Akron, East Youngstown, and Youngstown, OH. There they worked together in the steel mills and began to settle into their new lives in the United States.

The people from Carovilli worked hard and began to feel at home in their new surroundings. They spoke little English, however, and experienced some loneliness in America. So they decided to form a union, a societal lodge, which they called "Carovillese Mutuo Soccorso de East Youngstown." In later years, the name was changed to English, the Carovillese Mutual Aid Society. The purpose of the society was to promote friendship, charity, and benevolence, and to assist each other in time of sickness or distress.

Within 6 months, the society applied and received their charter from the State of Ohio. The date was August 3, 1921, 68 years ago. Carl Rich is the only surviving charter member. All members are expected to have high moral standards, and must be the son of at least one Carovillese parent. The men must be between the ages of 18 and 49, and are required to marry the daughter of Carovillese parents in order to maintain membership. Once strictly an Italian lodge, the society now has members of many nationalities. As these members have some Carovillese tracing, they are warmly accepted as one of the family. Last year, they initiated into the brotherhood two fourth generation members, Jimmie and David Bobby.

Mr. Speaker, the Carovillese Mutual Aid Society of Campbell has given its members the gift of lifelong friendships. It has given its community the gifts of service, charity, and kindness. It has struggled throughout this century to give its people a sense of identity and togetherness. It is indeed an honor to represent this outstanding group of individuals.

FATHER KILIAN McGOWAN, C.P., HONORED ON HIS 50TH ANNIVERSARY

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. GUARINI. Mr. Speaker, a great and talented man of God, stationed in Union City, NJ, will observe the 50th anniversary of his profession as a Passionist Religious.

Father Kilian McGowan, C.P., will celebrate this milestone at a Golden Jubilee Mass to be held on Saturday, September 30, at St. Joseph-Michael Church, 1309 Central Avenue, Union City, NJ.

Father McGowan was born in Elizabeth, NJ, to John McGowan and Josephine Sauer McGowan and attended Sacred Heart Grammar School, Elizabeth; St. Rose's Grammar School, Belmar; St. Rose's High School, Belmar; Sacred Heart High School, Elizabeth; and Union College, Cranford, NJ.

He was professed a Passionist Religious September 29, 1939 at St. Paul's Monastery, Pittsburgh and ordained a priest on April 29, 1946 at St. Michael's Monastery, Union City, NJ.

Father McGowan has served as preacher, director of students, vice-rector and rector and retreat director during his 50 years and at present is director of Passionist Social Concerns Center, editor of Compassion, director of Union City Chapter of the Confraternity of the Passion, preacher of retreats, and author of books and articles.

An indivdual who is totally involved, he is an active member in Network, Common Cause, Church Coalition for Human Rights in the Philippines, Catholic Mission Association, Coalition for Responsible Investment, and Amnesty International.

The parishioners at St. Joseph-Michael Church will join with Father McGowan and his friends and associates in helping him to rejoice in the beauty of his religious life and the tremendous contributions he has made to the thousands of families and individuals he has aided and counseled.

May he continue to serve our community for many more years to come.

I am sure that my colleagues here in the House of Representatives will wish to join me in extending best wishes to Father Kilian McGowan, C.P. for good health and happiness in his service to God and man.

A CONGRESSIONAL TRIBUTE TO KIWANIS CLUB OF LONG BEACH

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. ANDERSON. Mr. Speaker, I rise to today to pay tribute to an organization which has provided services and community support to my district of Long Beach, CA. This distinguished organization is the Kiwanis Club of Long Beach and on September 16, they will be celebrating their 70th Anniversary.

This event is of unprecedented historical significance, since the Long Beach chapter is the first Kiwanis Club West of the Mississippi to celebrate 70 years of community service.

It all started on July 18, 1918, when 16 men at the Lord & Taylor's Confectionery Parlor to form the Kiwanis Club of Long Beach. The parent club had been established just 4 years earlier in Detroit, MI, adapting its name from an American Indian Term meaning to "make oneself known."

Chartered on September 16, 1919, with 95 members, the Long Beach club is part of a worldwide service organization which, today, has more than 300,000 members. Over the years, membership in the Long Beach club has included many of the city's most notable leaders, including its 1927 president, Frank F. Merriam, who later became Governor of California.

The Long Beach club has over 160 members. In 1987, the once all-male club admitted women, and over the past seven decades has contributed time and resources to help build a healthful, hopeful future for the area's underprivileged children. A major beneficiary is the children's clinic, supported in part by the club's annual Karing for Kids Charity Ball.

Other recipients of Kiwanis' generosity include the Long Beach Day Nursery, Boy Scouts, YMCA, Senior Citizens Center, Youth Baseball, the Girl Scouts' sea explorer ship Orion, and many more. The Long Beach club is also the originator of S.O.S. which stands for Save Old Spectacles. This program involves annual collection of old eye glasses, refurbishing them and then shipping them out to over 1600 hospitals in 55 countries, for needy recipients.

My wife, Lee, joins me in extending our congratulations to the Kiwanis of Long Beach. The Kiwanis of Long Beach have exemplified their principle that, as a group, Kiwanis men and women, in spirit and enduring fellowship, achieve what individuals alone cannot achieve.

THE DISADVANTAGED MINORITY HEALTH IMPROVEMENT ACT OF 1989

HON. JAIME B. FUSTER

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. FUSTER. Mr. Speaker, I rise today to commend a good friend of the Congressional

Hispanic Caucus, the distinguished Senator from Massachusetts, EDWARD M. KENNEDY, for his sponsorship of a bill which would be of great importance to improving the health care of all minorities in our Nation.

That bill is the Disadvantaged Minority Health Improvement Act of 1989, which we too, will be considering in the House at some time.

To that end I would like to share with my colleagues today some of the thoughts on this legislation I shared with Senator KENNEDY.

I would like to commend you for sponsoring the Disadvantaged Minority Health Improvement Act of 1989, an essential piece of legislation for the improvement of the health status of all minorities.

As Chairman of the Congressional Hispanic Caucus, I am extremely concerned about the health problems faced by the poor in this country, especially those of the disadvantaged patients within the Hispanic community. Unfortunately, the disadvantaged represent a large segment of the Hispanic community. Statistics show that almost one in four Hispanic families lives in poverty (24.7% for Hispanics compared to 9.9% for non-Hispanic families).

More alarming, however, is the fact that Hispanics, although facing serious health problems as the result of poverty, are the group with less access to our health system and are dramatically underrepresented in the health professions, two important aspects addressed by this legislation.

Hispanics are the group least likely to have regular sources of health care with 30.1% of Hispanics lacking regular sources of health care compared to 20.1% of blacks and 16.3% of whites. Perhaps this alarming situation could be explained by the fact that even though Hispanics represent 7.9% of the U.S. mainland population, Hispanics account for only about 4% of physicians and 2% of registered nurses.

The Disadvantaged Minority Health Improvement Act of 1989, if enacted, would provide new tools to address the health crisis facing our community. I am especially supportive of the bill's section which strengthens the mandate of the Minority Health Office of the Department of Health and Human Services to coordinate health prevention and service delivery programs within minority communities.

Moreover, this bill recognizes that an increase in financial aid programs for those interested in pursuing a health profession is essential if we want to increase the number of minorities in these fields. Thus, I am also extremely supportive of increasing the federal contribution to the Health Professions Student Loan Program in order to provide loans and scholarships to underrepresented members of minority groups.

I would like to point out that some Members of the Congressional Hispanic Caucus are actively working to address this crisis within our community. Representative BILL RICHARDSON has been working in coordination with the late Representative Mickey Leland and Representative LOUIS STOKES and Senator ARLEN SPECTER, in drafting the American Health Parity Act of 1989. This major piece of legislation addresses other issues of great concern to the minority community.

Examples of the issues we need to address are: reducing the infant mortality rate among minorities, increasing drug and alcohol addiction programs and extending pediatric AIDS services. I hope that all the members of the Congressional Hispanic Caucus will be called upon to provide support for this legislation.

Mr. Chairman, I would like to remind you that September 15th is the official commemoration of Hispanic Heritage Month, a celebration of the outstanding contributions of the 19 million Americans of Hispanic descent to the social, economic and political fabric of this Nation. It is also a month for reflection about who we are as a community and what we need to achieve and strive for in order to fulfill the American dream.

Thank you for your efforts to help Hispanics achieve these worthy goals.

CYPRUS: A SETBACK IN THE PEACE PROCESS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. BROOMFIELD. Mr. Speaker, I am concerned about recent reports that the U.N.'s Cyprus peace process has been dealt a serious blow. I hope that Mr. Denktash will reconsider his recent decision and rejoin the intercommunal talks. Long and hard negotiations held in a spirit of reconciliation under the U.N.'s direction is the only way that peace will come to that tragically divided island.

During the past year, I have carefully monitored the progress of the peace talks which are being held under U.N. supervision and have the full support of the United States. I was impressed by the determination of both sides to continue meeting and periodically reviewing the progress of the Cyprus talks with the U.N.'s Secretary General, Perez de Cuellar.

This July, the Secretary General presented a draft outline of an overall agreement to settling the Cyprus dispute to Mr. Denktash and to President Vassiliou. In general, the outline envisions political equity of the two communities as well as a bicommunal federation. The three freedoms are to be recognized in the federal constitution. The issue of security is considered along with plans to drastically reduce the presence of foreign troops and the achievement of a military balance between the two communities. Other important aspects for an overall settlement were also included. The draft outline is a fair and balanced assessment of how the two parties to the dispute can resolve their differences and bring peace to that long-divided island.

After criticizing the July 19, "Women's Walk Home" into the buffer zone in Nicosia, Mr. Denktash refused to participate in the next scheduled meeting in the intercommunal talks. He later clearly stated that he refused to participate in meetings in which the U.N.'s draft outline was scheduled to be tabled. On August 21, the Turkish Republic National Assembly released a 13-point decision which gives Mr. Denktash guidance when the talks resume. The resolution stated the following:

13. In the light of the issues stated above, only after confirmation that there is no document on the table which is the result of direct negotiations, can the talks continue by mutual dialogue of the two leaders with a view to preparing a draft document.

Mr. Denktash will rejoin the talks only if no U.N. draft outline is discussed. President Vassiliou will participate in the talks only if the U.N. document is to be reviewed. The Secretary General is concerned about the setback in the intercommunal dialog and will not restart them until the atmosphere clears. The talks may be delayed for months.

It is unfortunate that Mr. Denktash is rejecting a document that was painstakingly crafted by the Secretary General and was seen by both sides as a nonbinding draft outline of an overall agreement to the Cyprus dilemma. Mr. Denktash has been a key participant in the ongoing talks, and I honestly believe that there were no surprises in the draft outline for him.

There is understandable disappointment at Mr. Denktash's decision both at the United Nations, in the Republic of Cyprus, and in the United States. Starting from square one will take time and effort and the prospect for a peaceful settlement to the problems of Cyprus again seems far away. I am certain that my colleagues share my great disappointment and join me in strongly encouraging Mr. Denktash to study the merits of the draft outline, roll up his sleeves, and find a negotiated solution to the challenging problems of Cyprus.

SEPTEMBER 15—POW/MIA DAY

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. KOLTER. Mr. Speaker, I rise before the U.S. House of Representatives today to express the highest tribute possible to the 142,000 American service members held as prisoners in World War I, World War II, the Korean war and in Vietnam, and to those thousands of Americans who remain listed as Missing in Action.

September 15—POW/MIA Day—is the national recognition of these brave and unselfish men and women who have tremendously sacrificed for the freedom and security of the United States of America.

This year at the Bulter Veterans Administration Medical Center, a Prisoner of War/Missing in Action Commemorative Medal will be honorably presented to Mrs. Ethel Ritonto, sister of PFC John L. Straley of Wampum, who is missing in action in Southeast Asia.

Recently, I presented a second Commemorative medal to Heather Young of Saltsburg, daughter of Capt. Robert M. Young, who was killed during the Vietnam war where he had been listed as missing in action and as a prisoner of war.

These two 4th Congressional District presentations are in accordance with the Department of Defense Authorization Act of 1984, and is part of a national recognition ceremony for all ex-POW's and their families.

As of late last month, the U.S. Government has said there are 2,340 servicemen still listed as missing from the war in Indochina.

I am very honored to present these medals, and honored to stand before the U.S. House of Representatives today and salute the digni-

ty, faith, and valor of those who gave their lives or who were captured or imprisoned.

But in addition, efforts must be made to secure the release of personnel who may still be held against their will and to obtain the fullest possible accounting of those still missing.

To those who did not return from our wars—and to their families—I offer a very solemn salute with a touch of pride for the caliber of patriotism and dedication in the 4th Congressional District of Pennsylvania.

The loyalty, hope and courage of these families provide inspiration to all Americans, and that is why I honor them today.

THE PENSION RIGHTS PROTECTION ACT OF 1989

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. McDADE. Mr. Speaker, today I am introducing the Pension Rights Protection Act of 1989. This bill addresses a serious, increasingly common problem of severely reduced pension benefits resulting from corporate restructuring.

Employees of companies that have been taken over or sold find that the pensions promised them as part of an employee benefits package are frozen. If an employee has not yet met the eligibility requirements for retirement, this corporate action leaves that worker with only an accrued benefit. On average, workers lose 45 cents for every pension dollar they would have received had their pension plan not been terminated.

Realizing that the value of their pension has been reduced, workers understandably turn to the Federal Government since private pensions are federally guaranteed. Unfortunately, the Employees Retirement Income Security Act [ERISA], guarantees "terminated employees" only the benefits they had accrued before termination. This includes their own contributions plus benefits derived from employer contributions.

For many workers, even those who continue in the same job after a buyout, the change in management means that their pension benefits are frozen and will lose value over time. When an employee's pension is fixed, the accrued benefits promised under ERISA may quickly lose value. Inflation significantly reduces the value of a frozen pension benefit.

Further, employees frozen out of their retirement by a corporate takeover are denied any periodic inflation adjustment granted retirees.

The most significant threat to the value of an employee's pension is the loss of credit for years of service when changing from one defined benefit pension plan to another. Employees terminated from a plan under which they had many years of service are often covered by the new management under a similar pension plan. However, most of these plans allow no credit for the employee's service under the old management.

Portability of service credit between the original pension plan and the new plan would protect employees from being ravaged by corporate reorganizations. Under the Pension Rights Protection Act, pension plan participants would be protected against losing the value of the past service credit.

The pension plan established by the new management would be required to credit each participant immediately for service under the frozen or terminated plan. By augmented accrual under the successor plan, workers would not have to start again at ground zero with the new plan.

We must endeavor to protect workers, particularly those with many years of loyal service to a company, from losing the pension benefits associated with long tenure. Corporate mergers and takeovers often mean golden parachutes for displaced managers. Today, I invite your support of the Pension Rights Protection Act of 1989, to protect employees from the lead balloon of reduced pension benefits.

HON. DALE E. KILDEE CELEBRATES THE RIDLEY'S GOLDEN ANNIVERSARY

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. KILDEE. Mr. Speaker, in American history, the past 50 years have been marked by war and peace, prosperity and want, good times and bad. However, there have been institutions fundamental to the government and our society which have survived unchanged. Lillian and William Ridley's marriage, in its warmth, vivacity and devotion, has remained a constant for 50 years in a fast-paced, ever-changing world. On September 23, they will celebrate their golden anniversary amid loving relatives and friends at a special dinner in their honor.

The Ridleys have been gifted with a wonderful family, countless friends and an attitude which remains as youthful as when they exchanged vows in 1939. Among the many ways they keep young is through golfing and gardening. The Ridleys are also very active in the Church of Christ. They have been blessed with five children, nine grandchildren, and two great grandchildren. William is retired from General Motors Corp. and Lillian from Mr. Gibby's Restaurant.

I want to extend all of my best wishes and warmest regards to Lillian and William Ridley and wish them love and happiness in the years to come.

A TRIBUTE TO ENOLA MAXWELL

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Ms. PELOSI. Mr. Speaker, it is with great pleasure that I rise today to congratulate a woman who serves as a shining example to all of San Francisco, Mrs. Enola Dundy Maxwell, on the occasion of her 70th birthday. I was fortunate enough to attend her "Roaring 20's" benefit birthday bash on August 26, 1989, at the Potrero Hill Neighborhood House, an event suffused with much love and rejoicing at the accomplishments of this most remarkable woman. And remarkable, perhaps, is an understatement. Mrs. Maxwell's leadership has guided the Potrero Hill Neighborhood House—the "NABE" as it is affectionately known—to its position as a multipurpose social agency that provides services to a broad based and diverse community, including seniors, the disabled, and youth. She has created an institution that embodies the principles of compassion and dignity in delivering critical services to the underprivileged.

Mrs. Maxwell's entire life has been one of selfless devotion to others. She marched in Alabama with Dr. Martin Luther King, Jr., she is committed to the peace movement, and works with the Martin Luther King, Jr. Center for Nonviolent Social Change and the Women's International League for Peace and Freedom. She was an early supporter of gay and lesbian civil rights. She has devoted her seemingly endless reservoir of energy and commitment to people with AIDS, the plight of inner-city youth, the economic peril facing single parent families, and the epidemic proportions of teenage pregnancy.

Mrs. Maxwell has not only been a force for positive change, but positive unity as well. She continues to be a leader in bringing together diverse and competing elements of our San Francisco community, creating an effective coalition to fight for the needs of the people she serves as well as vesting in those people a sense of empowerment and political participation that is all too lacking in many segments of our society.

Mr. Speaker, this is not the first time the works and deeds of this remarkable woman have come to the attention of this body. In 1976, my predecessor, the late Philip Burton of California, paid a similar tribute to Enola Maxwell's service, compassion and leadership. In 1987, on the occasion of the 80th anniversary of the Potrero Hill Neighborhood House, I asked the House to recognize her many achievements. And in 1989, at 70 years young, we once again pay tribute and honor to the continued achievements of this most remarkable of Americans.

PORTAGE'S NEW CITY HALL

HON. HOWARD WOLPE

OF MICHIGAN

HON. FREDERICK S. UPTON

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. WOLPE. Mr. Speaker, we rise to pay special tribute to the city of Portage, MI. On September 16, 1989, Portage will dedicate its new city hall. Located in the city's centrally located triangle area bordered by Shaver Road, Westnedge Avenue, and Centre Street, the 26,000 square foot building will house 64 employees and cost $2.4 million to construct.

The dedication of Portage's new city hall is symbolic of the city's extraordinary growth and development. From its origins as a rural, agricultural area, Portage has grown to a city well in excess of 40,000. It is the home of the

Upjohn Co.—which, along with several other companies located in Portage, distribute products worldwide. The city is recognized as southwestern Michigan's commercial center, anchored by the 720,000 square foot Crossroads Mall. Its natural beauty, the city's vast selection of housing, and the friendliness of its people—all this makes Portage an excellent place to call home.

It is fitting that Portage has opened this new facility just 1 year after celebrating its 25th anniversary. The original office building housing city employees was built as a township hall and was expanded. However, these increases in space fell far short of today's needs. Consequently, for a number of years, the city has had to house many of its administrative staff in other buildings, while those working in the main facility experience space, structural, mechanical, and site deficiencies.

The support of Portage voters for the bond issue needed to finance the construction of the new city hall is testimony to the community's confidence in its elected officials, administrators, and employees. The new facility will now permit even more efficient delivery of public services.

Mr. Speaker, the people of Portage know they live in a special place. We are proud of the fact that we share the responsibility of representing their city and that we each represent a portion of its citizenry. We are honored to work with people who take such pride in their city and who use the celebration of their new city hall as a means of recommitting themselves to the future of their community.

TOM BOLACK—A MAN WHO LIVED FOUR LIFETIMES

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. RICHARDSON. Mr. Speaker, I would like to recognize a constituent of mine who is more than just another voter—he is an institution. Tom Bolack of Farmington is a rancher and a lifelong public servant. He has served as mayor, State legislator, lieutenant governor, and for a short time Governor of New Mexico.

Val Cooper, a freelance writer in New Mexico, is writing a book about Mr. Bolack. In the August 1989 edition of CrossCurrents, Val offers a most interesting preview of what she might include in her upcoming book about this most fascinating man, Tom Bolack. I am attaching for my colleagues' review Ms. Cooper's article titled, "Tom Bolack: A Man Who Has Lived Four Lifetimes."

TOM BOLACK: A MAN WHO HAS LIVED FOUR LIFETIMES

When Tom Bolack of Farmington shook the Kansas prairie dust from his sturdy boots and headed to the "Land of Enchantment" in the 1940s it was one of the best things that ever happened to the state of New Mexico.

For, in the process of becoming a self-made millionaire, the once-handsome, rugged Bolack also directed his energies and talents into community and state endeavors, the likes of which had not been witnessed before.

This man of vision, drive, charisma, who thrives on challenge, has lived about four lifetimes in his 70 years. He has survived brutal oil field beatings, being charged by man-eating animals, a near-fatal airplane crash, and a pickup truck accident that left him with five skull fractures and a disfigured face, now hidden by a silky, silvery beard.

After striking it rich in oil and gas ventures the white-thatched Bolack enjoyed a meteoric rise to state and national recognition. He was elected mayor of Farmington, a state legislator, and the first Republican lieutenant governor in 32 years, and he served a short but colorful stint as governor.

He attained acclaim as a big game hunter, baseball club owner, and one of 10 directors-at-large of the prestigious U.S. Chamber of Commerce.

Bolack is a philanthropist, entrepreneur and crusader for conservation. He's known far and wide for the practices he has initiated on his 12,500-acre B-Square Ranch, located just outside Farmington's eastern city limits.

"This is my cathedral," the non-church-going Bolack is fond of telling visitors whom he escorts about the pastoral peacefulness of two man-made lakes containing thousands of Canadian geese, ducks and fish. The network of ranch roads is alive with preening peacocks, deer, rabbits, quail, guineas, chickens, roosters and a variety of other wild animals, such as Barbary sheep, coons and coyotes.

Countless thousands of children and others have visited the ranch house museum, which holds trophies that are the result of wild game forays into Africa, India, South America and Mexico.

Bolack rescued the failing Albuquerque Dukes and owned that baseball club for 14 years before selling it to the Dodgers. He served on the prestigious State Board of Finance under two governors. He's a director of the First National Bank. He was vice president of Albuquerque's Sandia Tramway. He was a partner in developing Farmington's first shopping complex, the Mesa Shopping Center. Bolack has been credited with "selling" the San Juan Basin to the major oil developing companies despite the fact that in the early years there were many experts who failed to see the tremendous potential of the area.

He spearheaded a successful battle in Congress for one of the most beneficial water reclamation projects for the West—the Upper Colorado River Storage Project. The Navajo Indian Irrigation Project is one of the beneficiaries of that legislation, a fact which earned Bolack the title "The Great White Father" from his Navajo friends.

Thomas Felix Bolack made his debut into the world May 18, 1918, in a two-story farmhouse 14 miles east of Winfield, Kansas. He was named for both his grandfathers, Felix Bolack and Thomas Sheets.

When he was old enough to go to school, young Thomas saddled up his horse and rode 4½ miles due north. That was after he had arisen at 4 a.m. to milk the cows and clear his trap lines of skunks, possums and other animals whose skins provided the lad with spending money.

"When the teacher would see me coming," he laughed, "he'd get out the can of chloride lime. I never could quite get the smell of skunk off my hands by ordinary washing."

Bolack's younger sister, Marceil Johnson, who still lives on the family farm, recalled that her brother "really loved nature, was always exploring and hunting. He was always coming in the house with a snake in each hand, and a pocketful of Snake eggs, or lizard or toads."

The youth developed bravado early. Mrs. Jonson remembers their father telling about finding Tom one day when he was about four years old, holding onto the family's pet dog. "Shep," with one hand and fiercely-pounding on a beehive with stick in the other hand. "The bees were swarming all around the dog and biting him but didn't touch Tom," said his sister. "I guess the Lord takes care of fool kids."

When Tom was an over-muscled 16-year-old, a man named Elmer Ash drilled a wildcat well on the family farmland, and Bolack got his first job in the oil patch as a tool dresser, at a salary of $1 a day, man's wages in those times.

That year he also had difficulty getting along with his dad—as often happens between two strong-willed men—and Tom left home. To supplement his income when jobs were scarce, Tom's mother used to help him raid the wheat bin in the barn.

Bolack idolized his mother, Hazel, and after her death he had a chapel constructed in her memory adjacent to Farmington's United Methodist Church.

When work was slow in the oil fields, young Tom signed on with construction crews. After the day shift he learned to operate heavy machinery—bulldozers, draglines and power shovels—by talking the night watchmen in to letting him practice handling the controls by moonlight.

Bolack attributes the "exercise" he got in Kansas with being a big assist in developing a "wing spread" from fingertip to fingertip—a reach that was "two and a half inches longer" than the great heavyweight boxer Joe Louis. A lot of boxers found that out when Bolack participated in Golden Gloves bouts.

So did many an oil field crew back when it used to be the norm for a driller to furnish proof of his authority with his "dukes." His sharpest memories of those times: fist fights. His nose was broken half a dozen times, and his knuckles became so gnarled that they've "never been right since."

An offer from Petroleum Products Company of a job at $600 a month as superintendent of the firm's New Mexico oil fields brought Bolack to the state in 1942. During the two years he stayed at that job he kept scouting the wastes of the San Juan Basin and, with his mail-order knowledge of geology, became convinced that the territory was rich in oil and gas. The young man spent some pretty chilly nights in his sleeping bag under the stars, searching for energy across the mesas and arroyos of the Basin.

In mid 1946 Bolack began to buy oil leases from the federal government for 25 cents an acre. It is legendary how he bought his first 2,400 acres with a $600 loan from an Aztec bank by putting up his old Hudson jalopy on which he had put about 350,000 miles scouting for oil.

Five years later those leases were going for $5,000, and Tom had a piece of the action, always retaining an overriding royalty.

Once, when Bolack had renewal payments coming up on big blocks of leases, he was flat broke with a $4,000 note due. In desperation he went to a Winfield, Kansas, banker and asked to borrow $10,000.

"What have you got for security?" asked the banker.

Tom shoved out his big fist and opened his calloused hands "These," he said. He got the loan.

Less than a year after he acquired his first block of leases, Bolack sold most of them to Delhi-Taylor Oil Co. for about $20,000, retaining a 5 percent overriding royalty. With that he bought $14,000 worth of additional leases, paid off some debts and returned to Kansas to marry a Bushton telephone operator named Alice. They had two children, Tommy and Terry, now grown. Alice died in 1978 after only a a10-day bout with cancer.

At one point Bolack owned or controlled more than 100,000 leases. Today he has interests in rigs running in Colorado, New Mexico, Oklahoma, Louisiana, Wyoming and Utah—as well as in about 2,000 San Juan Basin oil and gas producers.

Of the 1940s Bolack says, "I don't know what kept me going, but I figure it was desire to show up geologists and oil men who ridiculed me rather than an urge to make money. I got real delight in drilling my biggest well in a spot where one geologist said he would drink every drop of oil discovered."

This writer was in the Bolack home with others the day that gusher came in. There were toasts all around, then Tom proposed one: "I would like to share my good fortune with someone where it will do some good." And a short time later he wrote a sizable check to Farmington's Sacred Heart Church.

When the check was delivered later that evening to a group of men comprising the church's building committee, they accepted it as a miracle. The money was for the exact amount that was needed to complete the church school—and the group had just finished petitioning for it in a special prayer service!

That gift also was the first of innumerable donations Bolack has made to charitable and other organziations, tallying in the millions.

In 1958 Bolack killed a world record polar bear on the ice packs off Siberia. He also killed a 17-foot, 6-inch man-eating crocodile in Africa, whose belly contained the remains of a woman, and bones and teeth believed to be those of a man.

Before Bolack won the fight with the crocodile, which occurred during the night, he and his guide both nearly lost their own lives. The hunters crept up on the mammoth reptile in a motor boat with its motor silenced. Tom took his first shot, and with only a torch for a light he hit the monster in the head. The thrashing animal's tail subsequently upended the boat, sending Tom and his guide into the murky water in complete darkness. The guide was able to retrieve a flashlight from the upended boat and, in the feeble light, Bolack again shot the croc—this time through the hindquarters to stop the deadly, gyrating tail.

After this the men were able to right the boat and make it to safety, leaving the dead croc in the water to be hauled out the next morning.

Months later, a lot of people thought they were hallucinating when they saw a crocodile dangling from a crane outside a third story window at a Denver taxidermist's building. It was the only way the enormous critter could be gotten out of the building.

"Three drunks took the cure," smiled Bolack, "they thought they were seeing flying crocodiles."

Bolack and former Governor Edwin L. Mechem will never forget their near-fatal airplane accident in 1960 in southwestern New Mexico during a campaign trip. Mechem was seeking re-election and Bolack was his lieutenant governor running mate. As the plane was coming in for a landing, it struck a high tension wire. The plane was miraculously landed safely after which Bolack was rushed some 180 miles to an Albuquerque hospital for treatment of some severe facial gashes suffered from flying plexiglass.

When battle lines for the Upper Colorado River Storage Project were drawn in Congress four decades ago Bolack, then in his thirties, organized a group known as the "Aqualantes" comprising financial contributors and workers throughout the Four Corners dedicated to backing the bill. The prematurely gray lobbyist made an imposing figure striding around the halls of Congress dressed in a white Stetson, shiny black cowboy boots and a black string tie. He set up an Aqualante office, mostly at his own expense. Twenty months of effort paid off with passage of the bill. Navajo Dam, located 37 miles east of Farmington, was the first dam to be completed under the legislation. It contains a lake that backs up 34 miles, as well as providing water for industrial developments and the gigantic Navajo Indian Irrigation Project, a 110,000-acre agricultural complex south of Farmington.

Bolack became governor—and held office only one month—when Gov. Mechem resigned to fill a U.S. Senate vacancy in 1962. Of that short stint one newsman recalled, "Bolack enjoyed every minute of it. He'd sit back in his chair, put his feet and a bottle on the big desk and invite us all to swap stories. He may have been the shortest-term governor in the history of the state, but he was certainly one of the most popular."

Bolack has been perhaps the largest single contributor of animals to the Rio Grande Zoo in Albuquerque. Ingrid Schmitt, the zoo's general curator, says, "I can't even begin to tell you how much he has donated in trees, plants and animals."

In 1974 Bolack was in a pickup truck that plunged over a 400-foot sandstone embankment on the ranch. He suffered five skull fractures. He spent weeks in an Albuquerque hospital, and attending physicians declared that they'd "never seen anyone live with this many ruptures in his skull."

A stroke in 1985 took even more of a toll on Bolack, but he remains amazingly alert despite the fact that physically he shuffles around, often with the aid of a cane. He continues to monitor ranch lands and direct the business, philanthropic and money-making endeavors of his enterprise, while son Tommy spearheads the manual operation of the B-square.

Bolack would like to be remembered "as a conservationist first—I'm sure I've put more back than I harvested from the land—and a hell of a hunter second."

Today, recreation abounds and industrial complexes flourish where once even sagebrush struggled to survive in a land which seemed destined to forever remain dry and sterile. The changes are largely through the efforts of a man of vision, a person of action, a tower of strength, a many-faceted individual known as Tom Bolack.

RUTGERS' PROFESSOR'S REPORT HIGHLIGHTS ROLE OF PHARMACEUTICAL INDUSTRY IN NEW JERSEY

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. DWYER of New Jersey. Mr. Speaker, I rise today to call to the attention of my colleagues an interesting and important report, written by Prof. Hal P. Eastman, DBA, of the Graduate School of Management at Rutgers, the State University of New Jersey.

Professor Eastman, in a report entitled "The Economic and Social Impact of New Jersey's Health Products Manufacturing Industry," lays out in great detail the significant effect which the health products industry has on the State of New Jersey and, more importantly, the remarkable extent to which the industry in New Jersey dominates nationwide.

For example, the report points out that 22 percent of the industry's nationwide shipments originate in New Jersey; 24 percent of the industry's research and development investment and 29 percent of the industry's nationwide employment are also based in New Jersey.

For our State, Professor Eastman notes, this level of economic activity translates into nearly 50,000 jobs, more than $8 billion in product shipments, and more than $1.3 billion in research and development activities.

Mr. Speaker, this report by Professor Eastman clearly illustrates the significance of the health products manufacturing industry to both New Jersey and the Nation. At a time when so much of our attention is focused on health issues, ranging from AIDS to aging, we are all relying on America's pharmaceutical industry to find the vaccinations, the treatments, and the cures to continue to reduce the threat of disease.

New Jersey is the proud home of the corporate headquarters, laboratories, and manufacturing plants of more than 100 of this Nation's premier health products companies. When combined with the State's outstanding workforce and our fine institutions of higher education, the result speaks for itself.

Mr. Speaker, I commend Professor Eastman on the fine job he has done on this report and believe that it will play a significant role in helping to focus future economic development activity in New Jersey.

ASHLEY ANTOLAK AN INSPIRATION

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. DUNCAN. Mr. Speaker, it is with great pleasure that I rise today to recognize a beautiful, bright and courageous little 5-year-old girl from my home district in Athens, TN. Her name is Ashley Antolak and and she is the 1989 National Poster Child for the Muscular

Dystrophy Association. She appeared in this capacity last weekend on the MDA telethon which is hosted every year by the national spokesperson, entertainer Jerry Lewis.

Ashley is beautiful, as can be attested to by her picture on the cover of the September 3, 1989, issue of Parade magazine. Also, she is a very brave little girl which has been shown through her hard work and determination to beat the odds of her nerve-muscle disorder, spinal muscular atrophy. The love and support of her parents, Bob and Donna, as well as the tremendous help of the MDA clinic, has given Ashley the will to learn to walk. She may not be fast, but she can walk, and this in itself is a valiant feat.

Mr. Speaker, I am proud of Ashley Antolak. The hope, courage, and inspiration she offers to all of us in invaluable.

IN RECOGNITION OF TAIWAN'S 78TH ANNIVERSARY

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. LEHMAN of California. Mr. Speaker, for the relatively small but immensely important island nation of Taiwan, Tuesday, October 10, 1989, will mark the country's 78th anniversary. I would like to commemorate this remarkable historical achievement by offering my congratulations to the people of the Republic of China, to President Lee Teng-hui, to Premier Lee Huan, and to the Republic's representative to the United States, former Foreign Minister Ding Mou-shih.

Mr. Speaker, the Republic of China's accomplishments are truly amazing. With a population of 19 million people, this island has become the world's 13th largest trading entity and the 5th largest trading partner of the United States; it has the world's second largest foreign exchange reserves and ranks as one of the world's best credit risks. For its commitment to democratic ideals; for its many successes in the international marketplace; for its high standard of living; for its continued economic growth; and for its outstanding relationship with the United States, I salute the Republic of China on Taiwan and wish it peace and prosperity in the years to come.

IN MEMORY OF JUDGE KARDASH

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mrs. BENTLEY. Mr. Speaker, today I am privileged to honor the memory of a man whose wisdom, jurisprudence, and kindness earned him a permanent place in the hearts of the citizens of Maryland.

The man of whom I speak is Judge James Kardash, who died in 1987 after having been appointed to two 10-year terms as a Maryland District Court Judge. Even though he has left us, the legacy of love he left behind still endures in the hearts of all who knew him.

That is why, for the past 3 years, his friends have organized a golf tournament and bull roast in his honor. In 1987 the event's organizers called upon Gov. William Donald Schaefer to issue a proclamation in this great man's honor. The following year Baltimore County Executive Dennis Rasmussen was asked to do the same.

Now, Mr. Speaker, the friends of Judge Kardash have called upon me to pay homage to this fine gentleman. And it is a task which I am more than pleased to undertake.

Judge Kardash was a man who accomplished many different things. He was a soldier—serving his country during the Korean war. He was a student—working his way through night school to achieve his goal of becoming a lawyer. He was a public servant—elected to the Maryland House of Delegates in 1966 and 1970 as well as serving as chairman of the advisory board of the State Department of Juvenile Services in addition to his service on the district court.

Most of all, however, he was a man who cared about people—a person who dedicated his life toward doing his best to serve others and to make a difference for the better. Indeed if the affection for his memory which still exists 2 years after his passing is any indication of his success, Judge Kardash's efforts were without failure.

To Judge Kardash's wife Edna and his five children I offer my salutations and best wishes. To Judge Kardash's memory I offer my most sincere thanks upon a job well done.

FLAG PROTECTION ACT

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. HANSEN. Mr. Speaker, today, along with many of my colleagues, I voted reluctantly to support the Flag Desecration Act. I did so because I feel it is an important step in protecting our flag, but a step only. It is not the final solution.

The Supreme Court has ruled that descrating the flag is a God-given right under our Constitution. No law this body passes can go against the Constitution, making the Flag Desecration Act a seemingly pointless piece of legislation. But the Flag Protection Act does give us an opportunity to experiment with the language we will need in the ultimate solution to the problem—a constitutional amendment. We have the opportunity to ensure the language of such an amendment is effective, not riddled with loopholes. Amending the Constitution is no trifling matter, therefore it is important we do it right. Unlike most other laws Congress passes, a constitutional amendment, if flawed, is not so easily remedied.

The passage of this law, even though it may be unenforceable, sends a statement to the American people that Congress is addressing the problems created by the Supreme Court's Texas versus Johnson decision and that we will not tolerate the wanton and willful desecration of our national symbol.

ATHEIST SOVIETS WOO IRAN WITH RELIGION

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. BENNETT. Mr. Speaker, I include here a thoughtful commentary by Gen. James D. Hittle, USMC retired, published last month in Navy Times:

ATHEIST SOVIETS WOOING IRAN WITH GOOD DOSE OF RELIGION

While the world's media were focusing on Tiananmen Square in Beijing and gushing over "Gorbyism" in Germany, Soviet President Mikhail Gorbachev was still being a typical Russian expansionist.

Give him, and the Russian long-range strategists, the credit due them. They have completely outmaneuvered the United States and our allies in Iran. There, far from the main beat of the media, Russia has achieved stunning, even historic, gains. Again it was a demonstration of how Russia, a land of chess players, had a farsighted policy, made its moves patiently and astutely, and finished the game with a board-clearing sweep.

This payoff for the USSR's long-range Iranian policy took place in Moscow in late June. The occasion was the official visit of the Speaker of the Iranian Parliament, Hashemi Rafsanjani.

While there, the Iranian official, according to press reports, signed fundamental agreements covering a range of subjects including economic cooperation through the end of the century, huge Russian military sales to Iran and cooperation in scientific, technological and nuclear matters. In addition, the bilateral agreement provided for building a new railroad line that would link Moscow and Teheran. This provision further underlines the motive of this diplomatic coup. Russian expansion in Central Asia has, in recent years, been largely paced and consolidated by extension of railroads.

In the long run, what could turn out to be the most important item of agreement related to, of all things for the USSR (an officially atheistic government), religion. The Russian-Iranian agreement calls for exchange visits of religious leaders. As if to emphasize the significance of this pledge, Rafsanjani said he would visit Baku, the Capital of Soviet Azerbaidzhan. Baku was a meaningful selection. It is one of the leading centers of Russia's 50 million Islamic citizens.

Clearly, this religious exchange agreement is a major achievement for Gorbachev. From the days of the Czars to Lenin, Stalin and the present communist regime, the huge Moslem population in Russia's "Islamic Crescent," from Eastern Europe through central Asia to the borders with China, has been a problem and a threat to the ruling government. The persistent nightmare of Russian rulers has been the dreaded possibility that religious zealots would spark the fires of an irresistable Pan-Islamic movement and uprising.

Benchmark events of history are seldom the products of happenstance. Neither is this Russia-Iranian reapproachment. It is the long sought goal of years of patient and shrewd planning by Soviet mid-Eastern experts and step-by-step progress along a torturous pathway.

Writing in the Wall Street Journal, Kenneth R. Timmerman, editor of "Mednews," a Paris newsletter concerning mid-East strategic subjects made a penetrating analysis of Soviet policy toward Iran. His observation that "The tale of Soviet-Iranian relations over the past decade is one worthy of more attention than it generally receives," is, in light of recent events, a masterpiece of understatement.

Whatever were his many failings, the late Kremlin boss, Leonid Brezhnev, kept his sights on long-range foreign objectives. It was his Tashkent speech that set the stage for closer relations with Red China, and it was his 1981 policy address to the 26th Congress of the Communist party that made the opening overtures to Khomeini's Iranian government for a reapproachment. Even then, the offer bore early fruit. As Timmerman pointed out, that same year the USSR and Iran agreed to a series of commercial and military treaties, including Soviet advisers to Iran.

Despite Iran's oulawing the Tudeh Party, which was supported by Russia, and widespread executions, Iran really didn't foreclose relations with the USSR. Russian advisers helped build Iranian heavy industry and Iran did not interfere with Russian intelligence agents watching Afghan and Pakistani border activities.

Russia's penetration of the Ayatollah's government went on. Various press accounts have related, for instance, that the former Soviet-paid announcer for the Revolutionary Iranian radio station in Baku wound up as a personal secretary to Ayatollah Khomeini. Also, the Ayatollah's chosen successor, Khamenei, reportedly was educated at the USSR's Patrice Lumumba University in Moscow. Timmerman says "Soviet sympathizers have simply donned turbans and grown beards . . . infiltrating government ministries and national bureaucracies," where they have risen to high ranks, even in the nationalistic Islamic Revolution Corps.

The explosive incident of the *Satanic Verses* provides another lesson in the USSR's duplicity and ability to exploit a situation to Russian advantage and U.S. detriment. When the ailing Khomeini denounced Salman Rushdie's book as blasphemous and publicly announced that he had, in effect, put an Islamic hit contract out on him, the United States, England and other countries reacted with righteous indignation, protesting such wanton international terrorism.

But not Russia, which reacted with obvious duplicity. The United States and Great Britain asked Soviet Foreign Minister Edward A. Shevardnadze, who was scheduled soon to visit Iran, to put the "kill order" on his agenda for meetings in Teheran. He agreed to do so. The USSR had called for "new foreign policy thinking" and said the USSR was interested "in cooperating with the West to solve regional tensions." Wishful thinkers saw this as Russia's intended good faith cooperation and further evidence that the Cold War was over.

When Shevardnadze met with the Ayatollah in late February he had the opportunity to cover U.S. and British views on the kill order with the person who ordered it. He didn't mention it. Because the Ayatollah was personally directing the hate campaign against Mr. Rushdie, that was an empty gesture. No Iranian subordinate of the fiery Ayatollah was about to question the edict of their leader.

Later, in Washington, D.C., the Soviet ambassador to the U.S., Yuri Dubinin, seemed extremely anxious to display sympathetic understanding of the Iranian reaction in the Rushdie affair. Responding to a reporter's question as to why the USSR didn't condemn the Iranian threat to kill Rushdie, Mr. Dubinin is quoted as saying the Rushdie matter "is something that reflects once more the importance of respect for all general human rights."

Boiled down to its essentials, Russia was not opposing the Iranian assassination order, and was ever sympathetic toward the policy. The Kremlin knew what it was dealing with in such matters. After all, the KGB is a world champion in the export of terror.

But, in reality all that the Russians were doing was what Russian rulers have done for more than a thousand years: pushing shrewdly and opportunistically ever outward along their historic thrust lines of expansion.

There's an ironic aspect of the reported agreement to reopen the high capacity gas pipeline from Iran to the USSR. The line, which feeds into the Soviet natural gas system was closed in 1980 when Russia couldn't swallow the Ayatollah's decision to triple the gas prices. With Iranian gas again flowing into the USSR's pipelines, and with Russia a major supplier of natural gas into Western Europe, Gorbachev and the Ayatollah's successors must be having a good laugh. Directly or indirectly the Western Europeans who have so opposed Russian and Iranian policies are helping foot the bills for both countries!

Finally, this Russian achievement in Iran has a lesson in reality for those who believe the Cold War is over. During WWII, Stalin moved large military forces into Iran's strategic Azerbaidzhan border area. In typical Russian fashion, when the war ended, Stalin didn't move out of the occupied territory. This became a sharp point of argument between Moscow and Washington. President Harry Truman, who had a remarkably clear sense of global strategy, well understood the pivotal strategy, importance of Iran throughout the Mid-East, Afghanistan and the approaches to the Indian subcontinent.

Truman had no intention of letting Stalin get away with grabbing a strategic foot-hold in Iran. Faced with Stalin's stubborn refusal to withdraw, the U.S. president let Stalin know that if Russian forces didn't withdraw, he would act. Well aware that Harry Truman had made the decision to drop the bomb on Nagasaki and Hiroshima, Stalin acted the realist and got out.

The U.S.-Russian confrontation in Iran was the beginning of the Cold War. Today, Russia, with patience, persistence and consummate skill, has emerged as a major foreign influence in Iran, With the strategic stakes so high, the United States, although badly outmaneuvered, can't afford to fold tents and walk away.

And so the Cold War goes on in Iran, where it started so many difficult years ago.

MARKING THE CENTENNIAL OF THE UNITED METHODIST CHURCH OF SIMI VALLEY, CA

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. GALLEGLY. Mr. Speaker, I rise today to mark the centennial of the United Methodist Church of Simi Valley, CA, the first congregation in my hometown.

The first members of the Simi Colony—as the city was known at its founding—began to arrive in mid-November 1888, and after the arrival of several more families in 1889, the Colony house was selected to house the church's first congregation.

Under the leadership of Rev. Sheridan Phillips, a church was later built next to the small Colony house, and was dedicated free and clear of debt in 1912.

Between 1924 and 1928, facilities were completed at the corner of Los Angeles Avenue and Church Street, which served the Simi Valley congregation until 1968.

In 1943, the Susana Knolls Methodist Church was begun under the leadership of Dr. Thomas Grice and Mrs. Gertrude Black. This served the east end of the Simi Valley. After occupying a couple of other church buildings, in 1960 the Susana Knolls congregation built new facilities on Katherine Road, under the leadership of Dr. Wayne C. Hollins, pastor. This building served them until 1968.

In December 1968, the Susana Knolls United Methodist Church and the Simi Valley Community United Methodist Church merged. As a result of a gift of five acres of land from Mrs. Wayne (Eleanor) Montgomery, new facilities were built at the corner of Erringer Road and Cochran Street. The Rev. Arthur E. Harrington and Jean Trouche were the pastors.

Dr. Frank M. Witman has served the congregation since 1969. Under his leadership, and the dedicated participation of members and friends of the church, successful completion in 1987 of new facilities has been achieved with the building of a new sanctuary, chapel and offices, at a cost of $1.8 million. The congregation provided about 20 percent of that cost through volunteer labor. The congregation is looking forward to a debt-free dedication in 1992. The Rev. J. Richard Uhls also shares in the pastoral leadership of the congregation.

Mr. Speaker, I know I speak for my colleagues in congratulating Dr. Witman and the members of the United Methodist Church upon the church's centennial, and in wishing them well in the years to come.

STUDENT AUTHOR WEEK

HON. BILL EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. EMERSON. Mr. Speaker, during the week of September 24 through 29 in the State of Missouri we will be observing Student Author Week. During this week Missouri schools will be encouraging parents, as well as students, to get involved with special writing activities that have been developed to challenge and excite young writers. A goal of 550 school districts has been set for this observance.

I would like to commend the Missouri Department of Education on this fine program that does encourage young minds to be creative in this writing and stresses the importance of authors. Writing is a vital form of

communication in our society; therefore, to survive in the world young people need to know how to communicate through words in stories, articles, novels, poems or journals. The observance of this week will help teachers and the school systems to honor student authors for their works. It will also encourage students to write and may spark an interest in becoming an aspiring author.

I again commend the Missouri Department of Education on this fine program and hope it will bring an awareness so that we may all appreciate the talents of those who study and practice writing.

UNMANNED SPACE MISSIONS SUCCESSFUL

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. GREEN. Mr. Speaker, we are often told that if we wish to maintain public support and international respect for the U.S. Space Program, we must emphasize manned space missions. The recent Neptune reconnaissance by Voyager 2 demonstrates the error of that view.

In that connection, I call my colleagues' attention to an editorial of August 26, 1989, in the London Times:

TRIUMPH IN SPACE

Voyager 2 speeds today from Neptune's cold blue clouds out into the cosmos, bearing its Mozart symphony and other messages from Earth towards Andromeda and Sirius. Its signals will continue to be received by the Jet Propulsion Laboratory in California for another 25 years, but its rendezvous with the moon Triton yesterday brought to a triumphant conclusion man's first reconnaissance of the solar system.

The precision of its final lap has been almost as thrilling as the photographs of Neptune and Triton, and the discovery of six previously undetected moons orbiting the planet. A craft weighing less than a ton, equipped with six computers which together boast only a thousandth of the memory of a household word processor, and a radio powered by the charge equivalent of a refrigerator lightbulb, reached a target 2.75 billion miles away, within seconds of its 12 years and five days time schedule, and only 20 miles off course.

Voyager 2's equipment reminds us that when it blasted off, the silicon chip was brand new and the video-recorder and laptop computer lay in the future. The greetings it bears are from President Carter and Dr. Kurt Waldheim, then UN Secretary-General. Its miracles of discovery have been achieved by what its navigators call "routine magic".

They have married the technology of 1977 with huge ground computers, used by scientific teams to analyse the data Voyager sends back and "spoon feed" it instructions at a rate it can absorb. They have, for its exploration of Neptune and Triton, succeeded in making the magic work despite a transmission time, in each direction, of over four hours.

The results, from Jupiter, Saturn, Uranus and now Neptune, the planets it has swung round on its 4.43 billion mile journey, will take years to analyse completely. For little more than the cost of a Stealth bomber.

Our understanding of the physics of the universe—of magnetics, cosmic rays, and even the potential, on Saturn's moon Titan, for extra-terrestrial life—has been enormously enhanced. Man's intelligence, in plotting the journey, tracking the two Voyager space probes and directing them to their rendezvous, years ahead, with planets racing round the sun at thousands of miles and hour, has yielded such spectacular discoveries that it is sobering to reflect how nearly this extraordinary endeavour came to being aborted.

The moment the space shuttle was approved in 1972, the National Aeronautics and Space Administration ordered its cancellation. A "Grand Tour" by a couple of spider-like machines was deemed far less exciting than man on the moon. A mission as far as Saturn was finally allowed. Voyager 1, which sent back the first pictures of that planet's storm systems, was deliberately programmed to turn out of the solar system. Voyager 2 was permitted, and ingeniously reprogrammed, to extend its journey to Neptune.

In October, Galileo sets off for Jupiter. Its journey will have been made possible by the technique, devised 24 years ago by Mr. Gary Flandro for the mission to Neptune, of exploiting the gravity of the planets around which the probes swung to pick up energy. But other lessons have been less readily learnt.

Unmanned space exploration remains the poor relation. Only last month, although carefully without setting a timetable, President Bush pledged to set course for colonizing the moon and landing on Mars, making the U.S. the "pre-eminent space-faring nation".

The Voyagers have proved, with their 115,000 extraordinary photographs, that unmanned exploration is fully as capable as are manned flights of inspiring the imagination. Their performance, in terms of scientific data, far surpasses what man in space can yet begin to achieve. Congratulations for the remarkable team in Pasadena should include firm assurances that what they have mournfully described as "the last picture show" represents only the first of a robustly-supported series of unmanned explorations of the mysteries of the solar system.

NEW MEXICAN REGULATIONS HURT OUR LIVESTOCK PRODUCERS

HON. JOE SKEEN

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. SKEEN. Mr. Speaker, today I am introducing a resolution, along with 18 of my colleagues, which addresses a serious problem that has emerged in the ability of American livestock producers to ship their stock to Mexico.

Regulations recently imposed by the Mexican Government have created barriers that eliminate free trade between our two nations and our livestock producers are the targets.

My resolution urges the Secretary of Agriculture and the United States Trade Representative to move quickly in working with their counterparts with the Government of the Republic of Mexico to once again establish free trade of livestock between the two nations.

The regulations have resulted in banning the importation of certain livestock into Mexico as well as requiring excessive health restrictions and certification for imported animals. The Mexican Government is using health concerns as the impetus for the regulations. But a close examination of the facts indicate these concerns do not warrant the action taken by Mexico.

While swine and cattle have been impacted, at this time it is the American sheep industry that is feeling the brunt of the new Mexican regulations These regulations are costing American sheep producers millions of dollars.

During the months of August, September, and October, American sheep producers send thousands of head of old ewes into Mexico for slaughter. The new regulations effectively allow only castrated male sheep to be shipped to Mexico. Consequently, our producers are being denied a very important export market for their old ewes. To date, more than $1 million in direct sales to Mexico have been lost as a result of the new Mexican import regulations. Of even greater concern is the sharp drop of domestic sheep prices that is a direct result of these regulations. The bottom line is that our sheep producers are being hit hard in the pocketbook by discriminatory and protectionist trade measures imposed by the Mexican Government.

Discussions have been held in the past few weeks between the United States and Mexico on this trade issue. However, there is no definite commitment from the Mexican Government that the current regulations will be amended or changed in any way.

Therefore, it is imperative that the Secretary of Agriculture and the U.S. trade representative use whatever resources are available to adequately resolve this issue.

Time clearly is working against our domestic livestock producers, especially our sheep producers. If a change in the Mexican import regulations is not made in the next few weeks, the American sheep industry will have been denied an important export market with a valued trading partner. This should not be allowed to happen.

The Republic of Mexico is a member of the General Agreement on Tariffs and Trade [GATT]. One of the principles of GATT is to eliminate unfair trade barriers. This resolution simply asks that the current unfair trade barriers imposed by Mexico on American livestock be lifted.

I hope my colleagues in the House will join me in support of this resolution.

IN MEMORY OF CHARLES FRANCIS GOEB

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. LOWERY of California. Mr. Speaker, I rise today to honor an outstanding citizen of the 41st District of California, Mr. Charles Francis Goeb. Born with cerebral palsy, Mr. Goeb nevertheless maintained a very active

status in the community. As a member of the Rancho Penasquitos Town Council he served as the representative to the district landscape committee and on the public relations board. Mr. Goeb also attended Palomar College and was a member of the "Undefeated Club."

In spite of his affliction, Mr. Goeb never limited himself; instead, he became a local advocate for disabled rights. His friends describe him as a man who was hard-working, devoted to his beliefs, and prouder than most to be an American.

Mr. Goeb attended his last town council meeting Wednesday, August 9, 1989. As he left the meeting he was tragically struck and killed by a drunk driver.

Mr. Speaker, I ask that you and my colleagues join me in expressing our deepest sympathy to his wife, Mrs. Linda Goeb and his family. Mr. Goeb will be deeply missed by all those who knew and worked with him.

CANTOR PERRYNE ANKER'S 10 YEARS AT BETH SHOLOM TEMPLE

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. LEVINE of California. Mr. Speaker, I would like to bring to the attention of my colleagues in the U.S. House of Representatives the outstanding contributions of Perryne Anker as she is commencing her 10th year as Cantor of Beth Sholom Temple in the City of Santa Monica, CA.

Cantor Anker has devoted almost 20 years of her life as a religious leader who immeasurably enhances the spiritual, cultural, and humanitarian character of the community, and who inspires youth through her loving guidance and enlightened teaching.

Cantor Perryne Anker is considered to be a pioneer in having opened the Cantorate to the participation of women.

Cantor Anker shows her extraordinary musical talents in a spirit of ecumenism with synagogues, churches, and other organizations throughout Santa Monica and Los Angeles, enriching society and promoting a sense of beauty, harmony and tranquility.

I am pleased to commend Cantor Perryne Anker for her significant accomplishments which improve the quality of life in the community.

A TRIBUTE TO PAUL GANN

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. DANNEMEYER. Mr. Speaker, my home State of California, indeed the entire Nation, will miss Paul Gann who died Monday, September 11. Paul Gann was a patriot and American of the first order. He was also my good friend.

Paul Gann was most well known for his tax crusade on behalf of proposition 13 that he coauthored. He was always the people's advocate and spent much of his life taking on several causes which he felf were in the best interests of Californians.

He was personable, even tempered, always cordial, good humored, and, above all else, courageous. This last quality became most evident in his waning years. At age 70, Paul Gann acquired the virus for AIDS after open-heart surgery. It wasn't until 1985 that the deadly virus began to break down Paul's immune system that he realized the death sentence he had been given.

Paul Gann's perspective of the AIDS epidemic represented that of the innocent victims of AIDS. The unknowing spouse, the newborn child, the hemophiliac, and like Paul, those receiving HIV-tainted blood.

Paul Gann's life is a testament to good living and public service. His death is a testiment to the tragedy of the AIDS epidemic and how public health, especially in California, has been intimidated into misjudgment and politicization by militant homesexuals and opportunist politicians from both parties.

Mr. Speaker, I think it is appropriate to close with these words from Paul Gann delivered here in Washington back in 1987. His friends will deeply miss him.

PAUL GANN STATEMENT ON AIDS

I'm here to start what may become the last campaign of my life. My doctor tells me that I have contracted AIDS, that I received it from a contaminated blood transfusion five years ago when I had open heart surgery. I don't know how much more time I have, but I want to spend it doing everything I can to protect others from falling under this deadly spell.

I'll be campaigning for more openness about AIDS. You know, it seems as though those who have AIDS, or might have AIDS, want to keep it all a secret so they can keep doing what they want and keep spreading the disease, but as a victim I would like this stopped.

Those of us infected with the virus for AIDS are still citizens of this great country, and we know better than anyone what a terrible thing this disease is. Instead of selfishly trying to protect oursleves by keeping secrets, we should be leading the fight to protect our friends and loved ones from falling into the same fate.

In other words, we should be the ones who are out there saying let's test more and tell more. We have to face it! There's no cure for AIDS. The only way to control it now is to find out who has it and let others know.

Personally, I'm for testing everyone and telling everything. Nell and I have been unable to have a sexual relationship since after my open heart surgery, otherwise Lord knows what harm I might have inflicted upon my wife, but as soon as we found out about my condition she took the test herself and, thank God, she's free of the disease.

I know some of us are going to hurt by all this testing and telling. Some people are going to be cruel to us, mostly I imagine out of fear. But, you know, I have faith in peoples' good will. If they don't think we're trying to keep it a secret, they'll do everything they can to help us.

But no matter how they react to us, they have a right to know. For instance, I had a dental appointment not long ago and I told my dentist that I have AIDS. I didn't know what he'd do, how he would treat me, or if he would just pull on those rubber gloves and drill and grind away like he's always done.

But I had to accept whatever he would decide, for I have no right to think only of myself, risking that man's life in order to make my remaining time a little easier.

And the same holds true for everyone else. As I said, I'm going to be campaigning for more openness about AIDS, and I'm going to continue campaigning to protect Proposition 4, the state spending limit we enacted back in 1979, And I intend to do these things as I've always done: By travelling around, speaking to groups, being on radio talk shows and TV.

If the invitations stop arriving, so be it. I'll still believe that we should do lots more testing and let the results be known.

Who knows, we might even help ourselves. Maybe if all these scientists get more information about who has AIDS and who doesn't they'll learn something new and we'll have a cure sooner.

One last word. When my doctor told me that I had AIDS, I felt more anger and frustration than ever before, that someones bad judgement sentenced me to death. You see, even though I'm 74 years old, and going on 75, I still treasure life as much as anyone, regardless of age.

But my doctor tells me that if it weren't for all the blood I received five years ago, I would have died right there on the operating table. So you can say that the blood—contaminated as it was—gave me at least another five years of life, maybe more, and that I am thankful for.

So I've apologized to God for my anger. And I pray for his help in this effort to protect others from this dreadful disease.

HONORING GRACE CHURCH FOR 150 YEARS OF SERVICE

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. SCHUMER. Mr. Speaker, when Rev. Kenneth Griepp presides over morning worship services at Grace Church on Sunday, September 24, 1989, it will mark a very special occasion. On that day the church will be celebrating its 150th anniversary. I rise today to pay tribute to this proud institution of Canarsie.

When the first building of the church was built in 1841 on land contributed by the famous Remsen family, the area was the town of Flatlands in the city of Brooklyn. According to congregation historian Steve Ruppert, it was then the Methodist Protestant Church of Canarsie. The church has seen four different names since, and Brooklyn has become part of New York City, but what hasn't changed is the strong community and spiritual commitment of its membership.

Reverend Griepp follows in a long and colorful history of Grace pastors over the last century and a half. He took over the leadership of the church after many years in the New York area. The last 10 years he served on Staten Island. As Reverend Griepp begins his tenure, he has an impressive legacy before him. Grace Church has seen 19 pastors including Rev. Clifford Kidd who served from 1913–52.

Grace Church has a proud history of leadership in the community. From its very early

days forming the first school in Canarsie to the tireless work of its members in preserving the values that have made our neighborhood so strong.

I invite my colleagues to join me in extending a heartfelt and well-deserved congratulations to the Grace Church on the occasion of its 150th anniversary. Best of luck to Reverend Griepp as he leads the way into the next century of service.

BILL PASSED TO PROTECT THE FLAG

HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. HOUGHTON. Mr. Speaker, today the House passed a bill to protect the flag. If approved, this legislation will be law—not an amendment to the Bill of Rights. I supported it.

This is a touchy subject. There are no safe or easy solutions. Also, the process here in the House frankly leaves a lot to be desired. For one thing, the bill was considered under a procedure which did no permit changes. So I had only one option—to vote for the specific language approved by the Judiciary Committee. I'm not particularly fond of doing business this way. It permits no room to make changes.

But, despite the drawbacks, I thought this approach was the best way to begin the process of protecting our flag. What H.R. 2978 does—the bill we considered today—is to say to anyone who knowingly mutilates, defaces, burns or tramples the flag that they will be fined or imprisoned for not more than one year, or both. That is clear.

Several distinguished constitutional scholars think such language can pass constitutional muster. I want to give it a chance. If the Supreme Court rules adversely on this approach, then there's plenty of time to go the constitutional amendment route.

WIC COVERAGE FOR PREGNANT PRISONERS AND THEIR CHILDREN

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. MILLER of California. On Thursday, the House and Senate staff will meet to resolve the differences between the Child Nutrition and WIC Amendments of 1989.

The House bill contains a small but critical provision that permits—not requires—States, at their option, to provide WIC coverage to pregnant women and their infants in State and local prisons and juvenile detention facilities. The Senate bill contains no such provision.

Women who are incarcerated, particularly for drug-related violations, have a multiplicity of serious problems which must be addressed while in prison. For those women who are also pregnant, adequate nutrition is a serious problem for themselves and for their babies, many of whom otherwise risk being born with severe medical complications resulting from malnutrition. For these women, proper nutrition through the WIC Program would be an essential component of their drug rehabilitation program. For their children, WIC would be a critical ingredient in their safe development.

Today, in an editorial which I would like to share with Members of the House, the Wasington Post strongly supported the House WIC provision and urged the Senate to adopt it.

The editorial, from the September 12, 1989 edition of the Washington Post, follows.

PREGNANT AND IN PRISON

House and Senate conferees will meet this week to reconcile differences between bills passed to reauthorize the federal program providing special food assistance for low-income pregnant women, infants and children (WIC). Because of budget restraints, only about half the individuals eligible for this assistance actually receive it. But one group specially in need—pregnant women in jails and prisons—are specifically excluded from the program by a regulation of the U.S. Department of Agriculture. The House-passed WIC bill would remove this barrier, and the Senate should accept that provision.

The prison population of this country is growing enormously, but the number of women incarcerated is increasing at a much faster rate than that of the male population. Of the 31,000 or so women now in prison, about 10 percent present special problems because they are pregnant. Many have been drug users and alcohol abusers whose babies are already at great risk. But the obstacles to a successful pregnancy are increased if special attention is not paid to their nutrition. A survey conducted in 38 states revealed that 58 percent of the institutions serve exactly the same diet to pregnant inmates as to others and in most cases that diet does not meet the minimum recommended allowances for pregnancy.

The House provision does not require that WIC money be used for prisoners. It simply makes that option available to the states. Nor does the proposal provide any additional federal funds for this purpose. Why then, should states divert any of the scarce money to offenders some would find unworthy of help? First, of course, because the real beneficiaries are babies for whom an extra egg, an extra carton of milk or a piece of cheese every day can made a life-saving difference. Second, if one chooses to be hardheaded about it, because improving prenatal nutrition costs society less in the long run. Prisoners' babies with health problems must be cared for with public funds; even the healthy ones almost all go into foster care soon after birth.

Finally, decent care must be given to these women because they are in the custody and care of the state, which has a special obligation for their welfare. Unlike pregnant women in the community, prisoners cannot expect help in the form of supplementary food from family, friends or charity. They are entirely dependent on the prison system for what they eat and for the medical care they receive. The House bill recognizes society's obligations not only to these unfortunate women but to their completely innocent children. The Senate should go along.

A FINAL BOUNDARY FOR GETTYSBURG NATIONAL MILITARY PARK

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. GOODLING. Mr. Speaker, today I am introducing legislation which provides for a new, and final, boundary for the Gettysburg National Military Park which lies within my congressional district. The new proposed boundary for the park comes as a result of an extensive study by the National Park Service in compliance with Public Law 100–132.

The new boundary will add approximately 1,900 acres to the park, increasing its size to 5,750 acres. The Park Service is to be commended for its efforts to produce a boundary study which provides for the long-term protection of the park while also taking into account local concerns and needs. The Park Service held an extensive series of public meetings and consulted with local elected officials at all levels.

Only 250 of the 1,900 new acres will be added to the park through outright purchase in fee, with the remaining acreage being protected through scenic easements and the purchase of development rights. For a rural farming community this is good news, because in many cases farmers will continue to do with the land what they have done for generations.

Prior to the enactment of Public Law 100–132 I had been concerned that the uncertain boundary and the relatively unplanned growth of the park was causing difficulties for local citizens and governments. This concern culminated 2 years ago with efforts to add the Taney Farm tract to the park, a property outside the current boundary of the park. Supporters of this effort and I were able to reach a compromise permitting addition of the Taney Farm while also requiring a comprehensive study to determine a final boundary for the park. The Secretary of the Interior was required by the law to "consult with the people of the community and their elected representatives at all levels as well as with other interested individuals and groups."

This final report was submitted to Congress by the Secretary of the Interior in August, 1989, and I am now introducing this bill to implement its recommendations.

My sincere hope is the House Interior Committee will be able to give this matter expeditious consideration so this final boundary will become law in the very near future.

AID FOR THE AMERICAN BREAST CANCER EPIDEMIC

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Ms. OAKAR. Mr. Speaker, today I am introducing legislation to provide funding to fight a killer. This killer will take the lives of 43,000 wives, daughters, mothers, and granddaugh-

ters this year. It will kill them slowly, painfully; it will rob them of their security, their dignity, their precious years of motherhood. This killer will physically mutilate them and it will take their money as well. In many cases it will steal their life savings and impoverish their loved ones. Many women will be well within the killer's death grip long before they are aware, while many others will know that killer by name and yet, will be helpless to stop it. That killer's name is breast cancer.

The scourge of breast cancer has reached epidemic proportions in our Nation. In 1989, breast cancer will strike 142,000 women in the United States and 43,000 will die of this disease. It is not enough to emphasize public education and early detection of the disease, although this has saved or prolonged many lives. What is needed is a cure. Most women detect their own symptoms, still nearly a fourth of those diagnosed will die. According to a recent study by the Federal Center for Disease Control, the death rate for victims has increased 24 percent between 1979 and 1986. One in every 10 women in the United States will be diagnosed as having breast cancer. This disease cuts across all social and economic boundaries. Our last four first ladies; Mrs. Nixon, Mrs. Ford, Mrs. Carter, and Mrs. Reagan have all undergone breast surgery.

Some minor progress has been achieved in the search for a cure but many new leads cannot currently be explored. Most of the $60.89 million budgeted in fiscal year 1989 for breast cancer at the National Cancer Institute is directed to treatment and clinical trials. While this funding is also essential, relatively little is left for basic research and etiology. To adequately follow up on leads to a possible cure, at least $25 million in additional funding, earmarked to basic research, is needed. Today I am introducing legislation which will provide the National Cancer Institute with this needed boost. Education and early detection are not enough. We must find a cure.

With the expected deaths of 43,000 American women this year, the incidence of breast cancer has most certainly reached crisis proportions similar to other diseases, such as AIDS. I applaud my colleagues' rush to fund the AIDS research program with the $1.6 billion so urgently needed this year. As an illustration, recent strides in AIDS research prove that we can accomplish in health care when we provide adequate funding. Similarly, an additional $25 million in funding for breast cancer research is a small price to pay for a chance to advance a cure.

Breast cancer is not solely an issue for women. Breast cancer uproots and bankrupts families, orphans children, and widows spouses. All of us know of, or know someone personally whose life has been disrupted by this killer.

Mr. Speaker I urge all of my colleagues to join me in support of this nonpartisan concern. I know many of my colleagues have loved ones who have suffered from breast cancer. A few present and former Members have battled it themselves. Let's join together today to put this killer away for good.

1988 RADIO PERSONALITY OF THE YEAR

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. TALLON. Mr. Speaker, Tom Kinard is a man who loves his job—and he's good at it—a rare combination these days. As the morning radio personality on WJMX in Florence, SC, Tom's outstanding broadcast career has recently earned him the distinction of 1988 Radio Personality of the Year awarded by the South Carolina Broadcasters Association.

Tom didn't win this award by just going to work every day to listen to himself talk. He takes pride in knowing what his listeners want to hear, and his unique dedication to the WJMX audience has brought countless hours of listening pleasure to South Carolinians from Columbia to Myrtle Beach.

Currently, Tom hosts the WJMX morning show, "Kinard N' Koffee" that offers a mix of adult music and interviews with local personalities ranging in topics from political issues to the arts. And Tom knows that since most people start their day with the radio, he has the power to get their day off on the right foot with upbeat and positive programming.

Through the years, Tom Kinard has epitomized the broadcaster who plays that pivotal role in the life of the community. He brings the news—good and bad. He shares vital information and consequently has a tremendous impact not only on the Florence community, but also, on the entire region as well.

Tom's outstanding dedication to community service extends beyond the radio waves, however. His lifetime membership in the Jaycees, service on the Florence Little Theater Board, and layspeaker at numerous churches, arts, and community events are visible indications that his sense of community goes far beyond his work hours.

With a broadcast career spanning almost 25 years in South Carolina, Tom has done everything from sports announcing to a daily music show to production director. He is trully a "jack of all trades" in this profession. His varied talents have won him numerous other broadcasting awards prior to the recent SC Broadcasters award, too.

While working at WBBQ in Augusta, SC, Tom received an award from the Associated Press for a series on Augusta's poor. In addition, he has received several awards for spot production from both the North and South Carolina Broadcasters Associations, as well as the National Clio Awards.

Tom Kinard has been a positive and entertaining fixture on the Pee Dee media scene for many years, and I know I join his legion of fans in hoping for many more.

TRIBUTE TO EAGLE SCOUT TOM GUST

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. MACHTLEY. Mr. Speaker, I rise today to pay tribute to Eagle Scout, Tom Gust. Tom earned the rank of Eagle Scout while he was a member of Troop 22 in Newport, RI.

The process of becoming an Eagle Scout is a hardship which tests the fiber of the young men who take the challenge. Tom's perseverance and accomplishment lift him above the ordinary. Tom has displayed the courage, discipline and leadership which forms the backbone of our Nation.

I wish to offer my congratulations to Tom and hope that he will continue to strive towards the goals he has established as a Boy Scout.

DONALD C. ROBINSON

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. ROGERS. Mr. Speaker, what finer homage can a man give to the American people than to dedicate his career entirely to Federal service?

Donald C. Robinson of Corbin, KY, is such a distinguished public servant and citizen. He began his career in defense of his country by serving in the U.S. Army for 3 years, then embarked on a life of community service in the Social Security Administration; on the ground level first as a field representative, then moving through to the rank of district manager where he has served since August 31, 1964—a total of almost 34 years meeting the needs of thousands of Americans who have relied upon one of our most revered social contracts, the Social Security System.

Mr. Robinson has also exemplified his high calling as a citizen through service in a multitude of community organizations: as a board member on the Kentucky State Health Coordination Council and the Cumberland River Comprehensive Care Center, treasurer of the Corbin Public Library for 17 years, holder of many offices in succession for the Rotary Club, president of the 64-unit baptist housing complex in Corbin, active member of First Baptist Church, and as preserver of our national pastime in the Little League.

On September 22, 1989, Mr. Robinson will bring his Federal service to a close. And as he continues his vigorous public service, I want it forever preserved in the RECORD of this august body that it is the tireless lifelong dedication of people like Mr. Donald D. Robinson that continues to make America the destination of all who truly seek freedom and liberty.

THE UNITED STATES MUST ACCOMMODATE EASTERN EUROPEAN REFUGEES

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. LIPINSKI. Mr. Speaker, it would seem that the mass exodus from East Germany through Hungary is yet another triumph for freedom and democracy, to be greeted with enthusiasm by the United States. Throughout the cold war and beyond, one of the highest priorities in American policy toward the Soviet bloc has been to secure freer emigration from the Soviet Union and Eastern Europe for those individuals who have faced religious and political persecution in their homeland.

Unfortunately for those East Germans, like Soviet Jews and Poles and other Eastern Europeans leaving their countries in droves, the liberalization of Soviet bloc emigration policy has come at a bad time. As refugees are fleeing Communist nations in unprecedented numbers, the United States has not fulfilled its role in this immigration aspect of glasnost.

For the most part, positive developments in Eastern Europe and the Soviet Union have been met by supportive American reactions, evidenced by successful nuclear arms reductions and easing of military tension in Europe. However, one aspect of glasnost, the liberalization of emigration policy, has gone conspicuously unanswered by an appropriate U.S. response. I believe the first step in the response is raising the refugee ceiling for fiscal year 1990.

Despite the undeniable progress toward democracy in the Soviet bloc, political and religious persecution and oppression is still alive behind the Iron Curtain. Finally given the chance, hundreds of thousands have sought freedom in the West. The fiscal year 1989 ceilings for refugees from Eastern Europe and the Soviet Union—6,500 and 25,000 respectively—have proven drastically insufficient. In the first 9 months of fiscal year 1989, 70,000 Soviet and 38,000 Eastern Europeans applied for refugee status to enter the United States. This number does not even consider the huge number of emigres who fled to a second nation in Western Europe, with the ultimate goal of reaching America. The West German Embassy informed me that West Germany, with one quarter of the United States' population, accepted 180,000 Soviet bloc refugees from January through July 1989. In comparison, the administration's yearly ceiling for refugees from the Soviet bloc was 43,500, after a midyear upward adjustment.

In short, the restrictive refugee ceilings lead to a rigorous application process in which the United States turns away a great number of refugees that our country once accepted with open arms. In days before budgetary restrictions began undermining America's ability to carry out our foreign policy, the United States authorized over 500,000 refugees from Southeast Asia from 1980 to 1984. But now that the Iron Curtain is down, a new barrier, caused by budget restraints, is preventing an adequate refugee policy.

Budgetary restaints may require new approaches to accommodating refugees, but they must not translate into closing the door to America to refugees from the Soviet bloc. I have written President Bush requesting the accommodation of 100,000 additional refugees from the Soviet Union and Eastern Europe—which I would also like to submit for the record. Considering the number seeking such status in the Soviet bloc and the likelihood of increased liberalization in Communist nations next year, this figure should be viewed as a bare minimum. It is estimated that over 200,000 will seek refugee status from the Soviet Union alone next year.

The United States, a nation which prides itself on freedom and openness as represented by the Statue of Liberty, should not be satisfied with a constricted refugee policy. As the State Department points to the $7,000 pricetag for each refugee admitted to the United States, we must remember the countless billions of military funds spent to promote democracy and freedom in Eastern Europe since World War II.

Rather than concede that we cannot accommodate deserving refugees, the United States must find creative methods which would grant refugee status while limiting costs. In my discussions with America's ethnic and religious associations, they have indicated a willingness to work toward an increased private share. I believe many in Congress would certainly be willing to explore a refugee status without full funding of transportation and relocation expenses.

Of course, refugee policy is only the first step in reacting to liberalized emigration from the Soviet bloc, but it is a necessary first step. Since glasnost has been underway in the Soviet bloc, immigration from Eastern Europe has actually decreased, rather than the more cooperative reaction one might expect. Immigration to the United States from Eastern Europe has decreased over 50 percent from 27,480 in 1982 to 12,838 in 1987. While Europe accounted for 72.3 percent of United States immigrants from 1950 to 1959, and 62.4 percent from 1960 to 1969, only 16 percent of United States immigrants came from Europe between 1981 and 1987. During the same time—1950 to 1987—total immigration increased from an average of 251,000 annually in the 1950's to 601,000 in 1987. These trends point to immigration policy as another area which needs to be reformed in the wake of glasnost. Increasing refugees will help, because as Eastern European refugees gain permanent resident status, they can become sponsors for family members in their homeland.

The accommodation of Soviet bloc refugees is not only a necessary response to the increase in numbers fleeing the Soviet Union, it is an important affirmation that America's arms are still open to those who face oppression at home. The policies which define the American ideal, such as championing human rights and accepting refugees, cannot be sacrificed, even at the powerful hands of a limited budget.

A TRIBUTE TO MARK W. FORSTER

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. GEKAS. Mr. Speaker, I would like to take this opportunity to congratulate Mark W. Forster who will be receiving his Eagle Scout Award on Sunday, September 24, 1989, at St. Paul's United Church of Christ, Selinsgrove, PA. It is truly an honor for a young man to receive this award recognizing him for his dedication to his community and his country. This event is always a special time for family and friends who can be so proud to know someone who receives this distinguished honor.

Mark is the son of James and Linda Forster. He has proven his leadership abilities in several ways. He joined Scout Troop 419 in June 1982, being active in the Scouting program as well as his church, school, and community activities. Mark has served as assistant patrol leader, patrol leader and leadership corps. He is a brotherhood in the Order of the Arrow. He completed junior leadership training and has earned the 50 miler Afoot and Afloat Award. He has hiked several trails in Pennsylvania, including the Loyalsock and Black Forest Trails. He was a member of the 1985 National jamboree contingent from the Susquehanna Council. A crew member of troop 419 to Philmont Scout Ranch in New Mexico in 1987, he canoed the Susquehanna River from Selinsgrove to Harrisburg and the Juniata River from Lewistown to Duncannon. He attended Camp Karoondinha for 5 years and has been active in other troop, district, and council outdoor programs.

Mark's Eagle project consisted of planning and landscaping the St. Paul's United Church of Christ Cemetery. He had to contact the church council, present his plans, receive approval and carry out his project by locating grave stones buried underground, raising and straightening other stones, mowing, planting flowers, erecting a sign and landscaping. He completed his project with the assistance of other Scouts and Scouters.

Mark is active on the Selinsgrove High School basketball and track teams. After graduation he plans to attend Williamsport Community College to study woodworking. He plans to continue in Scouting as an adult leader.

Mr. Speaker, I invite you and my colleagues to join me in congratulating Mark W. Forster for earning this distinguished award. He has shown community service and leadership capabilities in his work with the Scouts. He is excellent proof that America's future will be in great hands.

KERRVILLE, TEXAS OBSERVES 100TH ANNIVERSARY

HON. LAMAR S. SMITH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. SMITH of Texas. Mr. Speaker, the city of Kerrville, TX is observing the 100-year anniversary of its incorporation in September 1989. This proud occasion is a celebration of that remarkable pioneer spirit upon which our country was founded.

Kerrville is located on the banks of Texas' most scenic river, the Guadalupe, in the heart of the beautiful Texas hill country. Begun as a modest cypress shingle-making community along the riverbank, Kerrville has grown to a city of 19,000 people and is a center for tourism, small industry, retirement, medical services, and the arts. Kerrville is also well known as a center for the production and trading of mohair. With its marvelous scenery, ideal climate, and abundant economic opportunity, Kerrville has gained a reputation in Texas and beyond as a community with an exceptional quality of life.

In commemoration of its rich history and contributions to the state of Texas and the Nation, I would like to recognize the city of Kerrville, TX and extend to its citizens our congratulations and best wishes on the occasion of their centennial celebration.

A TRIBUTE TO THE GRAND REOPENING OF THE SURBECK MEMORIAL BUILDING

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. SCHUETTE. Mr. Speaker, I rise today to pay tribute to the grand reopening of the Devoist J. Surbeck Memorial Building in Corunna, MI. The ceremony for this historic occasion will take place on September 17, 1989.

The Surbeck Memorial Building orginally served as the First National Bank of Corunna. In 1903, however, the building was totally destroyed by a fire.

Hugh McCurdy, who is president of the First National Bank of Corunna, as well as probate judge for Shiawassee County, organized the renovation of the Surbeck Building. The talents of Richman & Sons, the original contractors of the Shiawassee Court House, and Clair Allen, the original architect of the Shiawassee Court House were also brought together again for the Surbeck Building's rehabilitation.

The rebuilt Surbeck Building housed the Old Corunna State Bank until the late 1960's. Shiawassee County then purchased the monumental building from the Old Corunna State Bank, and it served as the county health department headquarters, as well as the community library, for over 20 years.

In 1983, members of the Shiawassee County Board of Commissioners renovated and restored the Surbeck Building back to its original appearance. The renovated building was used as a county office building.

In 1988, the Surbck Building fell victim to fire once again. After being once again renovated and restored, the Surbeck Memorial Building presently serves as the Old Kent Bank.

Mr. Speaker, please join me in commemorating the grand reopening of the Devoist J. Surbeck Memorial Building. The Surbeck Memorial Building stands as a symbol of the history and tradition which the proud people of Corunna will continue to cherish and preserve for generations.

EXXON CLEANUP NOT FULFILLED

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1989

Mr. SIKORSKI. Mr. Speaker, there are a couple of principles that we all learned as children: cleanup after yourself and leave things how you found them. On September 15, less than 6 months after the Valdez oilspill, Exxon is leaving Prince William Sound very different from how it found it.

I have introduced a resolution, House Concurrent Resolution 175, expressing the sense of Congress that Exxon has not fulfilled its obligation to clean up the oil spilled in the Valdez accident. Exxon should take the necessary steps to ensure a thorough cleanup, including maintaining winter crews as appropriate, until the spill is completely cleaned up.

I thought you might be interested in the following piece published in the New York Times, Thursday, September 7, 1989.

EXXON SLIPS AWAY

[By Gerry Sikorski]

The not so funny story is that it takes 10 Exxon executives to change a light bulb: one to change it and nine to do the public relations.

Exxon's decision in July to unconditionally suspend the cleanup of the Valdez oil spill as of Sept. 15 served to restart both their public-relations machine and the public's anger.

Congress must insist that Exxon take appropriate steps to insure a thorough cleanup of Prince William Sound, including maintaining winter crews, as appropriate, until the spill is completely cleaned up.

Despite Exxon's claim that its work is almost completed, the Coast Guard has looked at the more than 1,800 miles of oil-fouled coastline and found that less than half the job Exxon promised to do had been done. Nevertheless, Exxon has cavalierly announced a suspension—leaving tides, waves and seagulls to do its job.

In May, Exxon chairman Lawrence Rawl pledged to resume the cleanup next spring and return the beaches to their natural state. But in July an Exxon spokesman refused to commit the company to doing so. He stated that Exxon planned to send back only 20 of the 10,000 cleanup and survey workers in the spring.

Many of our nation's top scientists predict that by spring the oil goo will harden, turning the once pristine wilderness into the world's largest asphalt lot. And, left to "cleanse" itself, much of the oil will settle to the ocean floor, releasing toxic petroleum hydrocarbons into fish and the food chain for decades to come.

Exxon's "don't worry, be happy" assumption that, no matter how badly we deface her, Mother Nature can take care of herself, is nothing new.

When the Alaska oil pipeline was built 15 years ago, Exxon dismissed the dangers of an oil spill in Prince William Sound with reassuring coos of good faith. This spill couldn't happen, the company told us and, if it did, Exxon had just the right contingency plans to deal with it.

But when the Valdez cracked open in March and dumped 72 million pounds of crude oil into one of the most biologically diverse and fragile ecosystems in this hemisphere, Exxon had no oil spill specialists onhand. It had fired every one as a profit-boosting measure. The company's vaunted emergency contingency cleanup plan consisted of one brokendown barge in dry dock.

Then Exxon procrastinated as cleanup deadlines came and went with April showers and May flowers. Finally, as outrage grew, it pledged in May that the cleanup would be completed by end of summer.

Meanwhile the spill—the largest in our nation's history and the costliest industrial accident ever (exceeding those at Three Mile Island and Bhopal, India)—has irreparably damaged much of the animal life and the crystalline waters of the sound. At least 50,000 birds, 10 percent of the area's population, have been killed.

Significantly, as the oil was spreading last spring, the environmental Protection Agency indicated that, despite industry claims, new drilling proposed by the Bush Administration cannot take place without damage to the delicate tundra environment.

It also said that the Alaska National Wildlife wilderness area—breeding ground for North America's largest remaining herd of migratory caribou and habitat of polar bears, musk oxen, wolves, foxes and a rich variety of waterfowl and fish—is under siege from 20 years of oil company mismanagement, failure and illegalities. Acres of tundra blackened by chemical spills, oil wastes, leaking chemical drums and other-flowing garbage dumps tell the story.

Interior Secretary Manuel Lujan has stated, rightly, that Exxon is fully liable and responsible for the accident and has an obligation to restore Prince William Sound to its original condition. Inexplicably, Secretary of Transportation Samuel Skinner meekly accepts Exxon's claim that it has lived up to its obligations and that the people of Alaska are "satisfied."

Alaska's Governor, Steve Cowper, says he expects Exxon to stay on the job until it is done. Alaska's Department of Environmental Conservation has expressly requested Exxon to leave some crews in place this winter to deal with oil that washes off beaches. Exxon plans to keep its crews in Anchorage, hours away.

Exxon's executives are hoping for a case of collective amnesia in the American public, so that a suspension of the cleanup will turn a winter into a millennium. It is time for Congress to say "enough"—enough missed deadlines, broken promises and good intentions. We can begin by passing a resolution expressing the sense of Congress that Exxon has failed in its obligation to cleanup the spill and must do so without suspension or delay.

It's probably true that the road to hell is paved with good intentions. It is undoubtedly true that the path from the Valdez is paved with Exxon crude—and Americans want it cleaned up.